True Nature Holding, Inc.
Form 10-K
April 17, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2017
OR
TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 000-53601

TRUE NATURE HOLDING, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware	87-0496850
(State or other jurisdiction of incorporation)	(I.R.S. Employer Identification Number)

1355 Peachtree Street, Suite 1150
Atlanta, Georgia 30309
(Address, including zip code, of principal executive offices)

(404) 913-1802
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act: Common Stock, $.01 Par Value

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES NO

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES NO

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer		Accelerated filer
Non-accelerated filer	(Do not check if smaller reporting company)	Smaller reporting company
		Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act. YES NO

The aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold as of the last business day of the registrant's most recently completed second fiscal quarter was $3,816,758. Solely for purposes of this calculation, the officers and directors and holders of five percent (5%) of any class of voting securities of the Company are considered affiliates.

As of April 2, 2018, the registrant had 20,835,997 shares of Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE: None

TRUE NATURE HOLDING, INC.

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SPECIAL NOTE REGARDING FORWARD-LOOKING INFORMATION

As used in this Annual Report, unless indicated or the context requires otherwise, the terms the “Company”, “True Nature” “we”, “us” and “our” refer to True Nature Holding, Inc.

In addition to historical information, this Annual Report on Form 10-K contains forward looking statements. The forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those reflected in such forward-looking statements. Factors that might cause such a difference include, but are not limited to; those discussed in the sections entitled “Business”, “Risk Factors”, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management’s opinions only as of the date hereof. We undertake no obligation to revise or publicly release the results of any revision of these forward-looking statements. Readers should carefully review the risk factors described in this Annual Report and in other documents that we file from time to time with the Securities and Exchange Commission.

You can identify forward-looking statements by terminology such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential,” “proposed,” “intended,” or “continue” or the negative of these terms or other comparable terminology. You should read statements that contain these words carefully, because they discuss our expectations about our future operating results or our future financial condition or state other “forward-looking” information. There may be events in the future that we are not able to accurately predict or control. You should be aware that the occurrence of any of the events described in these risk factors and elsewhere in this Annual Report could substantially harm our business, results of operations and financial condition, and that upon the occurrence of any of these events, the trading price of our securities could decline. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, growth rates, levels of activity, performance or achievements.

Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results. The following discussion should be read in conjunction with our financial statements and the related notes that appear elsewhere in this Annual Report on Form 10-K.

We cannot give any guarantee that these plans, intentions or expectations will be achieved. All forward-looking statements involve risks and uncertainties, and actual results may differ materially from those discussed in the forward-looking statements as a result of various factors, including those factors described in the “Risk Factors” section of this Annual Report. Moreover, new risks emerge from time to time and it is not possible for our management to predict all risks, nor can we assess the impact of all risks on our business or the extent to which any risk, or combination of risks, may cause actual results to differ from those contained in any forward-looking statements. All forward-looking statements included in this Report are based on information available to us on the date of this Report. Except to the extent required by applicable laws or rules, we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements contained throughout this Report.

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PART I

ITEM 1. BUSINESS

Company Overview

True Nature Holding, Inc. (the "Company," "we," "us," or "our"), previously known as Trunity Holdings, Inc., a Delaware corporation, became a publicly-traded company through a reverse triangular merger with Brain Tree International, Inc., a Utah corporation ("BTI"). Trunity Holdings, Inc. was the parent company of our educational business, named Trunity, Inc., which was formed on July 28, 2009 through the acquisition of certain intellectual property from its three founders. On December 9, 2015 the Company made a decision to restructure Trunity Holdings, Inc., having acquired Newco4pharmacy, LLC, a development stage business aimed at a roll-up of compounding pharmacy businesses. As a part of such restructuring, we competed a "spin out" transaction of our educational business line to our shareholders as of December 31, 2015.

True Nature Holding, Inc. intends to execute a business plan to acquire a series of businesses which specialize in health care services, initially with compounding pharmacy activities, largely direct to consumers, doctors and veterinary professionals. During 2016 and 2017, the Company negotiated several agreements for the acquisition of compounding pharmacy operations and subsequently consummated one such acquisition. P3 Compounding Pharmacy, dba Integrity Compound ("P3"), of Dunwoody Georgia completed the transfer of its pharmacy license, and was acquired by us on June 29, 2016. Our management quickly determined that the Company's financial needs and business plan was not in concert with the financial goals of the Company, and on September 30, 2016, the Company was deconsolidated.

During 2017 and continuing through early 2018, the Company refined its approach and expanded its intended reach to consumers though activities aimed at retail pharmacy businesses, as an increased distribution strategy for compounding. It has designed a prototype "healthy focused" retail pharmacy and is in the process of identifying potential sites in the State of Florida for this business. Further the Company began the development of its technology focus through consideration of kiosk-oriented distribution of products in the pharmacy area, software applications in the healthcare arena including "telemedicine" and consideration of a services offering using "blockchain" encryption technology for various aspects of the healthcare industry.

New Divisional Structure

During 2016, and following the deconsolidation of P3, we revised our approach to the business strategy, and added the concept of incorporating a retail, more traditional, pharmacy business with the compounding pharmacy we had originally focused on. We also decided to develop a library of intellectual properties (IP), including specialized formulations and compounds of pharmaceutical materials, as well as potential software and systems to provide "telemedicine" functionality, including kiosk-oriented distribution at the retail level, software applications including "telemedicine" and the potential of a "blockchain" service bureaus for encryption in various aspects of the health care industry. While we expect immediate financial results from the retail and compounding areas, we believe the IP and technology businesses will require substantial time to mature into a profitable business.

As a result of this revised approach, the Company intends to create three (3) wholly owned subsidiaries to hold its operations.

The first, "TN Retail, LLC" will hold its retail storefront operations. These storefront locations will provide both conventional pharmacy products, as well as unique compounding-based solutions. The store will focus on "healthy, holistic and natural solutions", along the lines of a "Whole Foods of Pharmacy" like marketing approach. This becomes

the “feeder system” for sales to our planned compounding production facilities.

There will be a separate subsidiary for its compounding pharmacy, back office production and central fill operations called “TN Compounding, LLC”. This will initially be focused on the acquisition of 503a license operations, though management has envisioned a network of these facilities located regionally. It may consider a 503b licensed operation to accommodate the ability to provide both sterile and non-sterile products, including products for stocking inventory at medical offices and hospitals.

Lastly, it expects to acquire unique related technologies, including a growing library of specialized formulations. Many of these formulations will be unique to its operations, and some it expects to either license to others for mass market distribution, or it may produce for stocking inventory at a 503b qualified facility. The entity “TN Technologies, LLC” will hold those intellectual property assets, as well as other novel innovative approaches it may engage in, directly, or under a license granted from the holders. This subsidiary will also own and hold all software and systems we acquire, or developed. We believe the “telemedicine” functionality could be a strong contributor to the development of new revenues for pharmacy owners, including any we may acquire. There may also be a market for “blockchain” encryption services within the healthcare area, which we may address with a service bureau offering.

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Description of Pharmaceutical Compounding

Today, the vast majority of medications are mass-produced by pharmaceutical drug companies. They aim to treat a specific medical condition for a large segment of people. Problems can arise when a patient has a medical condition that cannot be treated by one of these mass-produced products. Pharmaceutical compounding (done in compounding pharmacies) is the creation of a particular pharmaceutical product prescribed by doctors to fit the unique needs of a patient that can't be met by commercially available drugs. To do this, compounding pharmacists combine or process appropriate ingredients using various tools. This may be done for medically necessary reasons, such as to change the form of the medication from a solid pill to a liquid, to avoid a non-essential ingredient that the patient is allergic to, or to obtain the exact dose(s) needed or deemed best of particular active pharmaceutical ingredient(s). It may also be done for more optional reasons, such as adding flavors to a medication or otherwise altering taste or texture. Examples of compounded formulations include medications with alternative dosage strengths or unique dosage forms, such as topical creams or gels, suspensions, or solutions with more tolerable drug delivery vehicles. Compounding pharmacies (and pharmacists) adhere to standards and regulations set by the U.S. Pharmacopeia, National Association of Boards and State Boards of Pharmacy for quality assurance and accuracy. The compounding pharmacy business has the potential to provide high margins and allow the pharmacy to specialize is certain solutions for specific maladies, so it can target specific markets efficiently. Licensing of these businesses can be under a "503A" license where only a prescription for an individual can be filled, or a "503B" license, which allows the operator to prepare medications for both individuals, and for stocking inventory at doctor's offices and hospitals.

About Telehealth and Telemedicine Software and Systems

The following was extracted from a white paper developed by Deloitte Touche Tohmatsu Limited, which can be found at:
https://www2.deloitte.com/us/en/pages/public-sector/articles/empowering-patients-with-telehealth.html?id=us:2ps:3bi:lookaga

Empowering patients with telehealth - A call to action

Challenges facing care delivery in today's health care environment are considerable and will require strategies and solutions to address extending care access, improving care quality, and lowering the cost of care. Telehealth is an essential component of achieving this "triple aim" and paving the way for system-wide improvement and goal attainment.

Telehealth: A component of health care transformation

As the health care industry continues to evolve to meet patients' health care needs, providers should consider the implementation of a telehealth solution that enhances current capabilities and extends timely, convenient, affordable, and high quality care that patients and their beneficiaries deserve.

Patient stories: A wide variety of telehealth use cases

Today, Americans face a number of daunting obstacles to receiving the care they need. Not all health care systems have the capability of prioritizing the need, urgency, and modality of care for incoming appointments, leaving patients with serious medical issues in potentially life-threatening situations. Conversely, many simple ailments could be addressed with minimal time and health care resources.

Telehealth can enable immediate assessment and triage, extend and improve primary care, increase access to high-demand specialty care, facilitate behavioral health support, and advance chronic disease management and home care.

Successful implementation of a telehealth platform

The successful deployment of a telehealth solution, like any large-scale implementation, requires a well-coordinated design and execution effort. Such an implementation comprises several components: governance development, a broad needs assessment, technology assessment, information exchange, training strategy, workflow redesign, and user outreach strategy. These factors are critical to realizing the full benefits of telehealth.

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Telehealth powers of tomorrow

Telehealth can enable health care systems to extend high quality care to patients throughout their journey across the care spectrum, from initial triage and primary care, through to specialty medicine and home care. Telehealth is also a powerful tool to help health care systems optimize the use of their clinician talent and resources, regardless of where they physically reside—providers can perform telehealth visits with patients across state boundaries, bringing expert care to a patient bedside or into a patient home when needed. Lastly, telehealth offers a means for patients and providers to connect more frequently without the geographic and mobility barriers presented by in-person visits.

Momentum for modern telehealth adoption is accelerating. Health care systems now have the opportunity to implement the next phase of powerful health technology—flexible, real-time telehealth that brings care to patients anytime, anywhere.

Potential Application of Blockchain Technology

The company intends to explore the use of blockchain encryption technology as a service bureau offering. On a blockchain, transactions are recorded chronologically by forming an immutable chain, and can be anonymous depending on how the technology is implemented. The ledger is distributed across many participants in the network. Copies of data exist, and are simultaneously updated with, every fully participating node in the ecosystem. The Company intends to use this technology to provide services in connection with required government reporting for drug purchase and dispensing, preparing for future Government data compliance requirements; Drug Supply Chain Security Act (DSCA) compliance; enhanced HIPPA compliance; enhanced patient services & privacy; and provider payment ratios tracking.

All of these implementations are aimed at healthcare segments plus customize applications by contract. The Company has applied for the trademark “Blockchain RX” with the U.S. Patent and Trademark Office.

The Blockchain RX product trademark application includes the following descriptions:

- Pharmaceutical preparations over the counter (OTC) pharmacy, controlled substances, medical services, physician qualifications and license tracking, patient medical records;
- Electrical apparatus; software and systems for both internal and external use applying blockchain technology to medical services and products, including but not limited to pharmaceutical materials and to include technical and license qualifications for providers;
- Medical instrument; registration of medical technologies for product and service providers both internally and to external markets and providers;
- Computer and technological professional services; software and systems for the application of blockchain technologies in the medical services, medical products, pharmacy products and services, and patient and physicians records and qualifications;
- Medical, beauty and agricultural services; products and services related to medical applications, products, treatments including professional services and client and patient records as well as provider qualifications;
- Personal protection services, legal services and social services; protection and tracking of patient records, treatments, professional qualifications, patient records and sharing both internally and to external sources.

Acquisition Activities and Other Developments

The Company intends to target businesses who have a) strong regulatory compliance history, b) a record of profitable operations, c) a large cash payor component (vs. insurance reimbursement), or an ability to shift from insurance to cash for their revenue, d) operations that represent a geographical “hub” or “spoke” when considered in relation to other compounders, and e) where the combination of operations including embedded retail, and online, facilitates cross selling of a growing line of products.

During 2017, the Company entered into various agreements, or was in negotiation for, the acquisition of three (3) unique compounding pharmacy business operations. As of this filing, we have not closed on any of these transactions. The first, a compounder in the South Florida market, has a client base of roughly 50% veterinary and 50% human. We have had both formal and informal agreements in place with this operator since 2015, and we are involved with their owners and management on a weekly basis. Their principals have provided valuable insight into the shifting marketplace, and while we are not yet ready to execute an acquisition of their business, through the relationship we have both avoided numerous pitfalls, and found new focus on certain key, stable aspects of the healthcare industry.

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A second operation with whom we spent a great deal of time is a retail operation based in Miami. They have embedded retail pharmacy businesses inside of grocery chains. From them we have learned the value of a retail component as a distribution strategy for compounding. Further, we have learned how a technology approach can service the consumer area, both online and through the use of kiosks, located inside of the stores. We terminated our acquisition agreement with them in summer of 2017 when another party entered as a bidder. They remain independent today, and we have continuing discussions with one of their owners, through the likelihood of a restart of the transaction is low because of internal conflicts between their three (3) owners.

A third business with whom we have had significant interaction is located in the Southeast and had peak revenues over $20 million annually. While interesting as a potential back office, complementing the first target in South Florida, this group is a low probability target at this time. Our extensive due diligence unveiled certain regulatory issues, and other obstacles that would prevent a publicly held company from completing an acquisition.

In June 2017 we also began an effort to develop a services offering aimed at the underserved communities in rural America. We believe the implementation of “telemedicine” software may represent an excellent delivery approach for both pharmacy sales and clinical services, and we are actively evaluating alternatives.

Additionally, in the fourth quarter of 2017 we formalized plans for a retail pilot operation which would be aimed at higher end pricing and products, with emphasis on “healthy and holistic” offerings. We have identified a number of sites in Florida for the prototype pilot retail store. The model we intend to execute follows other similar and successful operators both in the US and in Europe. We have designs for fixtures and signing in process and have begun negotiating for the rental of space in the South Florida marketplace for the pilot store.

The Amazon Effect

We have seen increased opportunities for acquisition in the healthcare market, in retail, compounding, clinical services and industry specific technology offerings. We believe that the announcement that Amazon intends to enter the pharmacy area is driving pressure for smaller players to exit the market, as they will need more capital and management expertise to compete effectively against a player the size of Amazon. There are retailers who have found success by offering “healthy and holistic” products and services, in addition to baseline pharmacy products. We have invested in analyzing these operators and believe we can embrace a similar approach as a long-term strategy with both storefront, or embedded, retail and compounding, and other products, made in a “back office” environment. Like the existing market participants, we will need to move carefully and pick our niches if we are to be successful in a market with Amazon sized competitors. It is clear that we must embrace technology as a primary competitive advantage, and as such we are moving that effort to the forefront of our daily activities in 2018. We intend to roll-out a pilot retail presence in 2018, and are considering clinical services as well, and all activities will rely heavily on technology to accelerate distribution into the target markets.

Market Opportunity

According to an industry report published by IBIS World, dated January 2015 there are over 5,500 compounding pharmaceutical groups in the U.S. with revenue of over $5.6 billion annually and profits exceeding $1.5 billion. Many of them are small, undercapitalized and without an exit strategy as their principals seek to retire and face potential challenges with changes in the regulatory requirements. While we do not currently have any acquisitions under a definitive contract, we have identified a number of prospects and expect to be able to close one, or more, acquisitions within six months. We intend to use equity to finance our initial transactions, and we have identified a number of institutional investors who have expressed interest in our approach. We expect to be able to use a combination of conventional debt, and equity in the Company, to raise the funds necessary to execute on the business plan with our first of two acquisitions during the second quarter of 2018. If we qualify, we plan to list shares of our common stock on the NASDAQ stock exchange, and create a market for the shares so that we can complete additional funding, pay

off the debt we use to complete the initial acquisitions, and invest further in the businesses to achieve a greater size and scale.

Executive Summary - Our Strategy

Compounding pharmacies occupy a unique space in the pharmaceutic marketplace. They do not simply “fill” prescriptions, but rather has the capability to innovate, “invent” new applications of existing OTC medications, and even to reach down into the use of raw materials to compose new solutions. While most focus on medications unique to the needs in their local markets, some of those formulations could be applied regionally, and even nationally, with the right cost and distribution strategy.

We are a company focused on consolidation of the compounding pharmacy industry through opportunistic acquisitions, starting in the Southeast and then expanding across the US. We expect to rapidly scale the business through a combination of profitable acquisitions, organic growth and economies of scale. The concept is that a national organization can more effectively leverage a broader product line and operational efficiencies. We also intend to compliment the non-retail compounding distribution model, with retail units embedded inside existing grocery businesses and through an online “ecommerce” model.

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There will be three (3) operating divisions under the publicly traded holding company. The first, expected to be named "TN Retail, LLC" would hold its retail storefront operations which would provide conventional pharmacy products and unique compounding-based solutions. The store would focus on "healthy, holistic and natural solutions," along the lines of a "Whole Foods of Pharmacy" -style marketing approach which would become the "feeder system" for sale to the Company's expected compounding production facilities.

The second anticipated separate subsidiary would hold its compounding pharmacy, back office production and central fill operations and is expected to be named "TN Compounding, LLC." This would be a 503a licensed operation initially, although the Company's management envisions a network of these facilities located regionally. It may eventually consider a 503b licensed operation to accommodate the ability to provide both sterile and non-sterile products, including products for stocking inventory at medical offices and hospitals.

Lastly, the Company expects to acquire unique related technologies, including a growing library of specialized formulations. Many of these formulations are expected to be unique to its operations, and some may be licensed to others for mass market distribution, or may be produced for stocking inventory at a 503b qualified facility. The entity is expected to be named "TN Technologies, LLC" and will hold those intellectual property assets, as well as other novel new approaches it may engage in, directly, or under a license granted from the holders.

The Company intends to target compounders who have a) strong regulatory compliance history, b) a record of profitable operations, c) operations that represent a geographical "hub" or "spoke" when considered in relation to other compounders, and d) where the combination of operations including embedded retail, and online, facilitates cross selling of a growing line of products.

We believe the pharmacy industry, and especially compounding pharmacy, can easily be described as having multiple "flavors". We believe the markets for both people and pets are both underserved:

a. Some sell basic OTC medications and provide "delivery only", and most users rely on insurance reimbursement for payment;
b. Some are "value added resellers", using OTC recognized medications, then repackaging, or using combinations, to personalize the product for the client. While vet based is a cash business, the human side is largely insurance reliant;
c. Some are like "OEM manufacturers", like a generic drug maker, starting with basic, non-productized materials, and creating both standard and fully customized "novel" formulations for specific maladies and needs. These are more often cash clients, and this approach is well accepted in the pet area, and becoming more accepted for people as alternatives to OTC, and for cash buyers seeking lower cost;
d. We believe a mix of these can serve the need to drive costs down, and allow innovative approaches to improve patient results.

The pet business is an area of focus. A recent research document, Research from Federal Trade Commission: Pet Medications, May 2015, (which can be found on our web site at: http://truenaturepharma.com/links/) noted the following:

a. According to one estimate, in 2014 veterinarians accounted for 58 percent of sales of pet medications, with brick and mortar retailers accounting for 28 percent and Internet/mail order retailers accounting for 13 percent;
b. Approximately 65 percent of U.S. household's own pets, the most common being dogs and cats, which equates to 79.7 million homes;
c.

In 2014, Americans spent approximately $58 billion on their pets, including food, supplies, veterinary care, prescription and over the counter medication and other pet services and products. This figure represents tremendous growth since 2001, when comparable expenditures totaled $28.5 billion;

d. In 2013, retail sales of prescription and non-prescription medications for dogs and cats was estimated at $7.6 billion. U.S. retail sales of companion animal pet medications are expected to grow to $10.2 billion by 2018, reflecting a compound annual growth rate of circa 5 percent;

e. U.S. manufacturer sales of companion animal pet medications have been estimated at $3.7 billion to $4 billion annually.

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Industry Overview

The following information was taken from this report on the Compounding Industry: IBISWorld Industry Report OD5706 Compounding Pharmacies in the U.S., dated January 2015 by Sarah Turk. A copy of this report is available for download from our web site at: http://truenaturepharma.com/links.

Industry Definition

This industry includes stores that make and sell compounded medications that are not commercially available. Compounded medications are prescriptions that are prescribed and written by physicians and prepared by pharmacists for individual patients.

Executive Summary

Despite the Compounding Pharmacies industry experiencing negative media attention from contaminated compounded prescriptions, it has still proved to be a business with a loyal customer base. Compounded medications can assist patients' compliance with their medication due to offering medication tastes, routes of administration, and medication dosages that were not otherwise commercially available. Moreover, the burgeoning elderly population has stimulated demand for prescriptions, including compounded medications that were customized to address a patient's needs. From October to September 2012, the Food and Drug Administration (FDA) inspected approximately 150 compounding pharmacies, with 90.0% of facilities inspected having problems. As a result, some industry operators have exited the industry altogether or have contended with costs related to complying with FDA standards. The industry has benefited from pharmaceutical manufacturers having drug shortages, enabling the industry to access raw materials and supply medication orders to patients and hospitals. As group purchasing organizations (GPOs), which secure supplies for healthcare providers, control about 72.0% of purchases made by hospitals, according to the Healthcare Supply Chain Association, drug shortages have occurred. Due to GPOs using their market share as leverage to secure low-cost contracts with pharmaceutical manufacturers, some drug makers did not have the incentive to manufacture and stock essential drugs.

As a result, industry revenue is expected to grow at an annualized rate of 2.4% to $5.6 billion during the five years to 2015, including 7.3% growth in 2015. This growth has been driven by the number of active drug shortages increasing from 328 in 2010 to 361 in 2013, according to the latest data available from the United States Government Accountability Office. Profit is anticipated to rise from 25.7% of industry revenue in 2010 to 26.5% in 2015, due to the prescription shortage and lack of substitutes for industry products enabling the industry to garner higher prices. During the five years to 2020, industry revenue is forecast to grow at an annualized rate of 2.6% to $6.4 billion. As the number of physician visits is expected to rise, more individuals will likely be prescribed medications, which may stimulate demand for compounded pharmaceuticals. Overall, the size of this growth will be contingent on how many patients require medications with alternative dosages and strengths.

Key External Drivers

Number of pets (cats and dogs): In addition to developing drug compounds for humans, compounding pharmacies also create specialized drugs compounded for animals. As the number of pets increases, demand for compounding pharmacies rises, as many pet owners will purchase compounded medications to increase animal compliance with alternative routes of administration.

Regulation

The Food and Drug Administration (FDA) is encouraging large-scale operators to register with the FDA and is increasing federal regulations. As healthcare providers are increasingly purchasing compounded medications from

FDA-registered and regulated facilities, many operators will choose to comply with regulations to bolster revenue volumes. Regulation is expected to increase in 2015, which represents a potential threat to the industry.

Current Performance

During the past five years, the Compounding Pharmacies industry has exhibited growth, thanks to an increase in the number of dispensed prescriptions. As the burgeoning elderly population has dealt with a number of chronic illnesses that require medication, demand for compounded pharmaceuticals has risen. For example, patients have used compounded prescriptions to access medications in alternative dosages, routes of administration, ingredients (due to patient allergies) and flavorings than drugs that were commercially available. Moreover, the shortage or termination of prescriptions from drug manufacturers' product portfolio has stimulated demand for compounded prescriptions. In the five years to 2015, industry revenue is anticipated to increase at an annualized rate of 2.4% to $5.6 billion, including 7.3% growth in 2015, due to a rise in the number of prescription shortages. For example, according to data from the United States Government Accountability Office, the number of active drug shortages has increased from 328 in 2010 to 361 in 2013 (latest data available), which has benefited some compounding pharmacies because they were able to supply drugs to hospitals and patients that may have otherwise come from another source. Profit is expected to increase from 25.7% of industry revenue in 2010 to 26.5% in 2015, due to the prescription shortage enabling operators to markup industry product prices.

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Growing Opportunity

Nevertheless, the burgeoning elderly population has provided a driver for the industry. The number of adults aged 65 and older is expected to grow at an annualized rate of 3.4% during the five years to 2020. More elderly patients have visited their physician, which has stimulated demand for prescriptions. Because the burgeoning elderly population has required more prescriptions to address their numerous chronic illnesses, demand for compounded pharmaceuticals has grown. For example, as the number of stroke patients rose, so did the prevalence of dysphagia, or a patient's inability to swallow. Because of this trend, demand for compounded medications with alternative routes of administration increased. Additionally, the industry also provides compounded medications for pets. The number of pet owners is expected to grow at an annualized rate of 2.3% during the five years to 2020. Because of this growth, more pet owners will be required to obtain compounded drugs to increase their pet's compliance with medications. For example, pet owners may demand compounded drugs to cater to their pets' individualized needs, such as allergies and complications with the drug's route of administration.

Competition

The pharmaceutical industry is highly competitive. There are competitors in the United States that are currently selling FDA- approved products that our products would compete with if and when approved by the FDA.

In addition to product safety, development and efficacy, other competitive factors in the pharmaceutical market include product quality and price, reputation, service and access to scientific and technical information. It is possible that developments by our competitors will make our products or technologies uncompetitive or obsolete. In addition, the intensely competitive environment of the pain management products requires an ongoing, extensive search for medical and technological innovations and the ability to market products effectively, including the ability to communicate the effectiveness, safety and value of branded products for their intended uses to healthcare professionals in private practice, group practices and managed care organizations. Because we are smaller than our competitors, we may lack the financial and other resources needed to develop, produce, distribute, market and commercialize any of our drug candidates or compete for market share in the pain management sector.

Governmental Regulation

FDA Regulation and Approval

Our business is subject to federal, state and local laws, regulations, and administrative practices, including, among others: federal, state and local licensure and registration requirements concerning the operation of pharmacies and the practice of pharmacy; the Health Insurance Portability and Accountability Act (HIPAA); the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2012 (collectively, the Health Reform Law); statutes and regulations of the FDA, the U.S. Federal Trade Commission, the U.S. Drug Enforcement Administration and the U.S. Consumer Product Safety Commission, as well as regulations promulgated by comparable state agencies concerning the sale, advertisement and promotion of the products we sell. Below are descriptions of some of the various federal and state laws and regulations which may govern or impact our current and planned operations.

Our ongoing product development activities are subject to extensive and rigorous regulation at both the federal and state levels. Post development, the manufacture, testing, packaging, labeling, distribution, sales and marketing of our products is also subject to extensive regulation. The Federal Food, Drug and Cosmetic Act of 1983, as amended, and other federal and state statutes and regulations govern or influence the testing, manufacture, safety, packaging, labeling, storage, record keeping, approval, advertising, promotion, sale and distribution of pharmaceutical products. Noncompliance with applicable requirements can result in fines, recall or seizure of products, total or partial suspension of production and/or distribution, refusal of the government to approve New Drug Applications, or NDAs, civil sanctions and criminal prosecution.

FDA approval is typically required before each dosage form or strength of any new drug can be marketed. Applications for FDA approval must contain information relating to efficacy, safety, toxicity, pharmacokinetics, product formulation, raw material suppliers, stability, manufacturing processes, packaging, labeling, and quality control. The FDA also has the authority to revoke previously granted drug approvals. Product development and approval within this regulatory framework requires a number of years and involves the expenditure of substantial resources.

Current FDA standards for approving new pharmaceutical products are more stringent than those that were applied in the past. As a result, labeling revisions, formulation or manufacturing changes and/or product modifications may be necessary. We cannot determine what effect changes in regulations or legal interpretations, when and if promulgated, may have on our business in the future. Changes could, among other things, require expanded or different labeling, the recall or discontinuance of certain products, additional record keeping and expanded documentation of the properties of certain products and scientific substantiation. Such regulatory changes, or new legislation, could have a material adverse effect on our business, financial condition and results of operations. The evolving and complex nature of regulatory requirements, the broad authority and discretion of the FDA and the generally high level of regulatory oversight results in a continuing possibility that from time to time, we will be adversely affected by regulatory actions despite ongoing efforts and commitment to achieve and maintain full compliance with all regulatory requirements.

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Quality Assurance Requirements

The FDA enforces regulations to ensure that the methods used in, and facilities and controls used for, the manufacture, processing, packing and holding of drugs conform to current good manufacturing practices, or cGMP. The cGMP regulations the FDA enforces are comprehensive and cover all aspects of operations, from receipt of raw materials to finished product distribution, insofar as they bear upon whether drugs meet all the identity, strength, quality, purity and safety characteristics required of them. To assure compliance requires a continuous commitment of time, money and effort in all operational areas.

The FDA conducts pre-approval inspections of facilities engaged in the development, manufacture, processing, packing, testing and holding of the drugs subject to NDAs. If the FDA concludes that the facilities to be used do not meet cGMP, good laboratory practices or good clinical practices requirements, it will not approve the NDA. Corrective actions to remedy the deficiencies must be performed and verified in a subsequent inspection. In addition, manufacturers of both pharmaceutical products and active pharmaceutical ingredients used to formulate the drug also ordinarily undergo a pre-approval inspection, although the inspection can be waived when the manufacturer has had a passing cGMP inspection in the immediate past. Failure of any facility to pass a pre-approval inspection will result in delayed approval and would have a material adverse effect on our business, results of operations and financial condition.

The FDA also conducts periodic inspections of facilities to assess their cGMP status. If the FDA were to find serious cGMP non-compliance during such an inspection, it could take regulatory actions that could adversely affect our business, results of operations and financial condition. The FDA could initiate product seizures, request product recalls and seek to enjoin a product's manufacture and distribution. In certain circumstances, violations could lead to civil penalties and criminal prosecutions. In addition, if the FDA concludes that a company is not in compliance with cGMP requirements, sanctions may be imposed that include preventing us from receiving the necessary licenses to export its products and classifying the company as an "unacceptable supplier," thereby disqualifying us from selling products to federal agencies. Imported active pharmaceutical ingredients and other components needed to manufacture our products could be rejected by United States Customs.

Other FDA Matters

If there are any modifications to an approved drug, including changes in indication, manufacturing process or labeling or a change in a manufacturing facility, an applicant must notify the FDA, and in many cases, approval for such changes must be submitted to the FDA or other regulatory authority. Additionally, the FDA regulates post-approval promotional labeling and advertising activities to assure that such activities are being conducted in conformity with statutory and regulatory requirements. Failure to adhere to such requirements can result in regulatory actions that could have a material adverse effect on our business, results of operations and financial condition.

Pharmacy Regulation

Our planned target pharmacy acquisitions will be regulated by both individual states and the federal government. Every state has laws and regulations addressing pharmacy operations, including regulations relating specifically to compounding pharmacy operations. These regulations generally include licensing requirements for pharmacists and pharmacies, as well as regulations related to compounding processes, safety protocols, purity, sterility, storage, controlled substances, recordkeeping and regular inspections, among other things. State rules and regulations are updated periodically, generally under the jurisdiction of individual state boards of pharmacy. Failure to comply with the state pharmacy regulations of a particular state could result in a pharmacy being prohibited from operating in that state, financial penalties and/or becoming subject to additional oversight from that state's board of pharmacy. In addition, many states are considering imposing, or have already begun to impose, more stringent requirements on compounding pharmacies. If our pharmacy operations become subject to additional licensure requirements, are unable

to maintain their required licenses or if states place burdensome restrictions or limitations on pharmacies, our ability to operate in some states could be limited, which may have an adverse impact on our business.

Many of the states into which we plan to deliver pharmaceuticals have laws and regulations that require out-of-state pharmacies to register with, or be licensed by, the boards of pharmacy or similar regulatory bodies in those states. These states generally permit the dispensing pharmacy to follow the laws of the state within which the dispensing pharmacy is located. However, various state pharmacy boards have enacted laws and/or adopted rules or regulations directed at restricting or prohibiting the operation of out-of-state pharmacies by, among other things, requiring compliance with all laws of the states into which the out-of-state pharmacy dispenses medications, whether or not those laws conflict with the laws of the state in which the pharmacy is located, or requiring the pharmacist-in-charge to be licensed in that state.

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Furthermore, under federal law, Section 503A of the Federal Food Drug Cosmetic Act (FDCA) seeks to limit the amount of compounded products that a pharmacy can dispense interstate. The interpretation and enforcement of that provision is dependent on the FDA entering into a standard Memorandum of Understanding (MOU) with each state setting forth limits on interstate compounding. The FDA has stated in guidance issued in February 2015 that it will not enforce interstate restrictions until after it publishes a final standard MOU and has made it available to the states for signature for some designated period of time. The FDA has proposed a 180-day period for states to agree to the standard MOU after the final version is presented to states. Until a final MOU is issued and presented to the states to consider whether to sign, the extent of such interstate dispensing restrictions imposed by Section 503A is unknown. If the final standard MOU is not signed by a particular state, then interstate shipments of compounded preparations from a pharmacy located in that state would be limited to quantities not greater than 5% total prescription orders dispensed or distributed by such pharmacy. The current draft standard MOU presented by the FDA in February 2015 would limit interstate shipments of compounded drug units to 30% of all compounded and non-compounded units dispensed or distributed by the pharmacy per month. If the final standard MOU contains a 30% limit on interstate distribution, or if the FDA applies the 5% limit in Section 503A because a state refuses to sign the MOU, then those limitations could have an adverse effect our operations.

Certain provisions of the FDCA govern the preparation, handling, storage, marketing and distribution of pharmaceutical products. The Drug Quality and Security Act of 2013 (DQSA) clarifies and strengthens the federal regulatory framework governing compounding pharmacies. Title 1 of the DQSA, the Compounding Quality Act, modifies provisions of the Section 503A of the FDCA that were found to be unconstitutional by the U.S. Supreme Court in 2002. In general, Section 503A provides that pharmacies are exempt from the provisions of the FDCA requiring compliance with cGMP, labeling with adequate directions for use and FDA approval prior to marketing if the pharmacy complies with certain other requirements. Among other things, to comply with Section 503A, a compounded drug must be compounded by a licensed pharmacist for an identified individual patient based on a valid prescription. Pharmacies may only compound in limited quantities before receipt of a prescription for an individual patient, and Section 503A limits the distribution of compounded drug products outside of the state in which the pharmacy is located, as described in the previous paragraph. 503A also provides certain requirements for compounding from bulk substances and prohibits compounding of products that have been withdrawn from the market for reasons of safety or efficacy and products that are demonstrably difficult to compound.

Confidentiality, Privacy and HIPAA

Our pharmacy operations will involve the receipt, use and disclosure of confidential medical, pharmacy and other health-related information. The federal privacy regulations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) are designed to protect the medical information of a healthcare patient or health plan enrollee that could be used to identify the individual. Among other things, HIPAA limits certain uses and disclosures of protected health information and requires compliance with federal security regulations regarding the storage, utilization of, access to and transmission of electronic protected health information. In 2009, the Health Information for Economic and Clinical Health Act modified certain provisions of HIPAA to strengthen its privacy and security provisions. The requirements imposed by HIPAA are extensive. In addition, most states have enacted privacy and security laws that protect identifiable patient information that is not health-related. Further, several states have enacted more protective and comprehensive pharmacy-related privacy legislation that not only applies to patient records but also prohibits the transfer or use for commercial purposes of pharmacy data that identifies prescribers. These regulations impose substantial requirements on covered entities and their business associates regarding the storage, utilization of, access to and transmission of personal health and non-health information. Many of these laws apply to our planned business.

Medicare and Medicaid Reimbursement

Medicare is a federally funded program that provides health insurance coverage for qualified persons' age 65 or older and for some disabled persons with certain specific conditions. State-funded Medicaid programs provide medical benefits to groups of low-income and disabled individuals, some of whom may have inadequate or no medical insurance. Currently, most of our commercially available formulations are sold in cash transactions and our customers may choose to seek available reimbursement opportunities to the extent that they exist. We are currently in communications with third-party public and private payors regarding potential reimbursement options for certain of our proprietary formulations and we have begun hiring public and private payor billers in anticipation of the potential reimbursement opportunities for certain formulations. However, third-party payors, including Medicare, are increasingly attempting to contain health care costs by limiting coverage and the level of reimbursement for new drugs and by refusing, in some cases, to provide coverage for uses of approved products for disease indications for which the FDA has not granted labeling approval. Further, the Patient Protection and Affordable Care Act (PPACA) and the Health Care and Education Reconciliation Act of 2010, which amended PPACA (collectively, the Health Reform Law), will result in sweeping changes to the existing U.S. system for the delivery and financing of health care and may have a considerable impact on our business. Thus, we may be unable to satisfy the requirements of Medicare, Medicaid or other third-party payors and we may never be able to obtain reimbursement from such payors for any of our formulations. To the extent we obtain third-party reimbursement for our compounded formulations, we may become subject to Medicare, Medicaid and other publicly financed health benefit plan regulations prohibiting kickbacks, beneficiary inducement and the submission of false claims.

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Management

We believe that True Nature's management will remain small in the near term, and will consist of a four-person management team with experience in 1) public company accounting and finance, 2) multi-unit supply chain management including retail and wholesale operations, 3) brand marketing aimed at the consumer through online and traditional retail channels, and 4) public equities financing. We believe our current team address most of those areas, and we anticipate further additions as our size, and funding, will allow. Biographical and other information on our executive officers and directors is set forth in "Item 10. Directors, Executive Officers, and Corporate Governance" of this Annual Report on Form 10-K.

Impact of JOBS Act

On April 5, 2012, the Jumpstart Our Business Startup Act of 2012 (the "JOBS Act") was enacted into law. Under the JOBS Act, Congress established a new statutorily defined category of registrant referred to as an "emerging growth company" ("EGC") which, among other things, affords such registrants with relief from certain disclosure requirements under the Securities Exchange Act of 1934 (the "Exchange Act") for so long as they continue to qualify as an EGC.

A registrant qualifies as an EGC if it has total annual gross revenues of less than $1 billion as of the end of its most recent completed fiscal year and has not filed for its initial public offering of common equity securities under the Securities Act of 1933, as amended (the "Securities Act"), prior to December 9, 2011. Under this definition, we qualify as an EGC.

For so long as we qualify as an EGC:

We will not be required to comply with the auditor attestation over internal control requirements under §404(b) of the Sarbanes-Oxley Act of 2002 ("SOX").

We may elect to comply with the following scaled-back executive compensation disclosure requirements ("Reduced Executive Compensation Disclosures"): (a) EGCs are not required to comply with the annual "say on pay" and "say on golden parachute" advisory voting requirements and rules promulgated under the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act"), (b) EGCs are not required to include the disclosures that will be required under future rules to be promulgated under the Dodd-Frank Act as to the relationship between executive compensation and company performance, and the ratio of CEO pay to median employee pay, and (c) EGCs may elect to provide the same level of executive compensation disclosures as required by Smaller Reporting Companies (as defined under Rule 12b-2 promulgated under the Exchange Act and referred to herein as "SRCs"), which includes, among other things, the omission of Compensation Disclosure and Analysis discussion, inclusion of fewer tables, and disclosure of compensation for only the CEO and the two next highest paid officers.

We may elect on a one-time basis not to comply with new or revised accounting principles that apply to public companies, as long as we comply once the rules become applicable for private companies. We are required to make an irrevocable election which will continue for so long as we retain our status as an EGC status.

We will not be required to comply with any Public Company Accounting Oversight Board rules regarding mandatory audit firm rotation and auditor discussion and analysis should such rules be adopted.

As an EGC, we are not required to take advantage of all the benefits made available to us under the JOBS Act described above, but may instead opt-in to certain of those scaled-back disclosures and phased-in requirements as we so desire. However, as discussed above, we are not permitted to selectively opt-in with respect to compliance with new or revised accounting rules or pronouncements. Accordingly, we have irrevocably elected to opt out of compliance with any new or revised accounting principles until any such rules become applicable to private

companies.

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Under the JOBS Act, we will retain our status as an EGC until the earliest of: (1) the last day of the fiscal year during which we have total annual gross revenues of $1,000,000,000 (as may be adjusted under the JOBS Act) or more; (2) the last day of the fiscal year following the fifth anniversary of the date of the first sale of our common equity securities pursuant to an effective registration statement under the Securities Act; (3) the date on which we have, during the previous 3-year period, issued more than $1,000,000,000 in non-convertible debt; or (4) the date on which we are deemed to be a "large accelerated filer" under Rule 12b-2 promulgated under the Exchange Act. It should be noted that we also currently qualify as a Small Reporting Company ("SRC"). Thus, if we are no longer an EGC, we will continue to be exempt from the auditor attestation requirements of SOX and eligible to comply with the Reduced Executive Compensation Disclosures for so long as we qualify as a SRC. We also may elect to provide other scaled-back disclosures applicable to SRCs (not just those relating to Reduced Executive Compensation Disclosures).

Other Corporate Information

We file our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports with the Securities and Exchange Commission (the "SEC") and make such filings available, free of charge, on truenaturepharma.com, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. The information found on our web-site shall not be deemed incorporated by reference by any general statement incorporating by reference this report into any filing under the Securities Act of 1933, as amended, or under the Securities Exchange Act of 1934, as amended, except to the extent we specifically incorporate the information found on our web-site by reference, and shall not otherwise be deemed filed under such Acts.

Our filings are also available through the SEC web-site, www.sec.gov, and at the SEC Public Reference Room at 100 F Street, NE Washington DC 20549. For more information about the SEC Public Reference Room, you can call the SEC at 1-800-SEC-0330.

ITEM 1A. RISK FACTORS

Investing in our common stock involves a high degree of risk. Before investing in our common stock, you should carefully consider the following risks, together with the financial and other information contained in this Annual Report on Form 10-K. If any of the following risks actually occurs, our business, prospects, financial condition and results of operations could be adversely affected. In that case, the trading price of our common stock would likely decline and you may lose all or a part of your investment. Please read all our filings with the SEC and review information on our web site at truenaturepharma.com.

Risks Related to Our Business

Developmental Stage Business

The Company has only a limited history upon which an evaluation of its prospects and future performance can be made. The Company's proposed operations are subject to all business risks associated with new enterprises. The likelihood of the Company's success must be considered in light of the problems, expenses, difficulties, complications, and delays frequently encountered in connection with the expansion of a business, operation in a competitive industry, and the continued development of advertising, promotions and a corresponding customer base. There is a possibility that the Company could sustain losses in the future. There can be no assurances that the Company will ever operate profitably.

Inadequacy of Funds

We will need capital to acquire businesses, and to fund their operations and expansion. Management believes that such proceeds will be available to capitalize and sustain our business sufficiently to allow for the initial implementation of the Company's Business Plans, but we have no definitive agreements for such at this time. If only a fraction of the funding needed, or if certain assumptions contained in Management's business plans prove to be incorrect, the Company may have inadequate funds to fully develop its business and may need debt financing or other capital investment to fully implement the Company's business plans.

Risks of Borrowing

If the Company incurs indebtedness, a portion of its cash flow will have to be dedicated to the payment of principal and interest on such indebtedness. Typical loan agreements also might contain restrictive covenants, which may impair the Company's operating flexibility. Such loan agreements would also provide for default under certain circumstances, such as failure to meet certain financial covenants. A default under a loan agreement could result in the loan becoming immediately due and payable and, if unpaid, a judgment in favor of such lender which would be senior to the rights of unit holders of the Company. A judgment creditor would have the right to foreclose on any of the Company's assets resulting in a material adverse effect on the Company's business, operating results or financial condition.

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Dependence on Management

In the early stages of development, the Company's business will be significantly dependent on the Company's management team. The Company's success will be particularly dependent upon our senior management. The loss of any one of these individuals could have a materially adverse effect on the Company.

Risks Associated with Expansion

The Company plans on expanding its business through the introduction of a sophisticated marketing campaign, and the acquisition of an extensive library of compounding pharmaceutical formulations. Any expansion of operations the Company may undertake will entail risks. Such actions may involve specific operational activities, which may negatively impact the profitability of the Company. Consequently, there is a risk that (i) such expansion may ultimately involve expenditures of funds beyond the resources available to the Company at that time, and (ii) management of such expanded operations may divert our Management's attention and resources away from its existing operations, all of which factors may have a material adverse effect on the Company's present and prospective business activities.

Customer Base and Market Acceptance

The inability of the Company to further develop a customer base could have a material adverse effect on the Company. No assurance can be given that Company Name's products and e-commerce website will attain a degree of market acceptance on a sustained basis or that it will generate revenues sufficient for sustained profitable operations.

Competition

The pharmaceutical and pharmacy industries are highly competitive. We expect to compete against branded drug companies, generic drug companies, outsourcing facilities and other compounding pharmacies. The drug products available through branded and generic drug companies with which our formulations compete have been approved for marketing and sale by the FDA, are required to be manufactured in facilities compliant with GMP standards, and are permitted to be manufactured, produced and distributed in large bulk quantities. Our proprietary compounded formulations are not required to be, and have not been, approved for marketing and sale by the FDA at this time and, as a result, some physicians may be unwilling to prescribe, and some patients may be unwilling to use, our formulations. Additionally, formulations compounded in accordance with FDCA Section 503A must be prepared and dispensed in connection with a physician prescription for an individually identified patient and cannot be prepared in significant quantities without or in advance of such a prescription or manufactured and distributed by wholesalers in bulk quantities. These facets of our operations may subject our business to limitations our competitors with FDA-approved drugs may not face. In addition to product safety and efficacy considerations, other competitive factors in the pharmacy and pharmaceutical markets include product quality and price, reputation, service and access to scientific and technical information. The competitive environment requires an ongoing, extensive search for medical and technological innovations and the ability to develop those innovations into products and market these products effectively. Developments by our competitors could make our formulations or technologies uncompetitive or obsolete. In addition, because we are significantly smaller than our primary competitors, we may lack the financial and other resources and experience needed to identify and acquire rights to, develop, produce, distribute, market, and commercialize any of the formulations we seek to make available or compete for market share in these sectors.

Trend in Consumer Preferences and Spending

The Company's operating results may fluctuate significantly from period to period as a result of a variety of factors, including purchasing patterns of customers, competitive pricing, debt service and principal reduction payments, and general economic conditions. There is no assurance that the Company will be successful in marketing any of its

products, or that the revenues from the sale of such products will be significant. Consequently, the Company's revenues may vary by quarter, and the Company's operating results may experience fluctuations.

Unanticipated Obstacles to Execution of the Business Plan

The Company's business plans may change significantly. Many of the Company's potential business endeavors are capital intensive and may be subject to statutory or regulatory requirements. Management believes that the Company's chosen activities and strategies are achievable in light of current economic and legal conditions with the skills, background, and knowledge of the Company's principals and advisors. Management reserves the right to make significant modifications to the Company's stated strategies depending on future events.

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No Assurances of Protection for Proprietary Rights; Reliance on Trade Secrets

In certain cases, the Company may rely on trade secrets to protect intellectual property, proprietary technology and processes, which the Company has acquired, developed or may develop in the future. There can be no assurances that secrecy obligations will be honored or that others will not independently develop similar or superior products or technology. The protection of intellectual property and/or proprietary technology through claims of trade secret status has been the subject of increasing claims and litigation by various companies both in order to protect proprietary rights as well as for competitive reasons even where proprietary claims are unsubstantiated. The prosecution of proprietary claims or the defense of such claims is costly and uncertain given the uncertainty and rapid development of the principles of law pertaining to this area. The Company, in common with other firms, may also be subject to claims by other parties with regard to the use of intellectual property, technology information and data, all of which may be deemed proprietary to others.

Dilution

Purchasers of our stock may experience immediate and substantial dilution in net tangible book value per share if we engage in a substantial offering of our common stock to finance our business plans.

General Economic Conditions

The financial success of the Company may be sensitive to adverse changes in general economic conditions in the United States, such as recession, inflation, unemployment, and interest rates. Such changing conditions could reduce demand in the marketplace for the Company’s products. Management believes that the impending growth of the market, mainstream market acceptance and the targeted product line will insulate the Company from excessive reduced demand. Nevertheless, we have no control over these changes.

Company and Industry Related Risk Factors

We may not be successful in our efforts to establish a network of compounding pharmacies or integrate these businesses into our operations.

A key aspect of our business strategy is to establish a compounding pharmacy network, whether through acquisitions, establishing new pharmacies or entering into licensing arrangements with third-party pharmacies, through which we can market and sell our proprietary formulations and other non-proprietary products in all 50 states. We have no experience acquiring, building, or operating compounding pharmacies or other prescription dispensing facilities or commercializing our formulations through ownership of or licensing arrangements with these pharmacies. We expect to expand our operations and personnel in the pharmacy operations area in order to further develop this compounding pharmacy network, but we may experience difficulties implementing this strategy, including difficulties that arise as a result of our lack of experience, and we may be unsuccessful. For instance, we may not be successful in our efforts to integrate, manage or otherwise realize the benefits we expect from our acquisition of any additional pharmacy businesses or outsourcing facilities we seek to acquire or build in the future, we may not be able to satisfy applicable federal and state licensing and other requirements for any such pharmacy businesses in a timely manner or at all, changes to state and federal pharmacy regulations may restrict compounding operations or make them more costly, we may be unable to achieve a sufficient physician and patient customer base to sustain our pharmacy operations, and we may not be able to enter into licensing or other arrangements with third-party pharmacies or outsourcing facilities when desired, on acceptable terms, or at all. Moreover, all such efforts to expand out pharmacy operations and establish a pharmacy network may involve significant costs and other resources, which we may not be able to afford, disrupt our other operations and distract management and our other employees from other aspects of our operations. Our business could materially suffer if we are unable to further develop this pharmacy network and, even if we are successful, we may be unable to generate sufficient revenue to recover our costs.

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We may be dependent on market acceptance of compounding pharmacies and compounded formulations, and physicians may be unwilling to prescribe, and patients may be unwilling to use, our proprietary customizable compounded formulations.

We currently expect to distribute our proprietary formulations through compounding pharmacies. Formulations prepared and dispensed by compounding pharmacies contain FDA-approved ingredients, but are not themselves approved by the FDA. As a result, our formulations have not undergone the FDA approval process and only limited data, if any, may be available with respect to the safety and efficacy of our formulations for any particular indication. In addition, certain compounding pharmacies have been the subject of widespread negative media coverage in recent years, and the actions of these pharmacies have resulted in increased scrutiny of compounding pharmacy activities from the FDA and state governmental agencies. As a result, some physicians may be hesitant to prescribe, and some patients may be hesitant to purchase and use, these non-FDA approved compounded formulations, particularly when an FDA-approved alternative is available. Other reasons physicians may be unwilling to prescribe or patients may be unwilling to use our proprietary customizable compounded formulations could include the following, among others: we are limited in our ability to discuss the efficacy or safety of our formulations with potential purchasers of our formulations to the extent applicable data is available; our pharmacy operations are primarily operating on a cash-pay basis and reimbursement may or may not be available from third-party payors, including the government Medicare and Medicaid programs; and our formulations are not presently being prepared in a manufacturing facility governed by GMP requirements. Any failure by physicians, patients and/or third-party payors to accept and embrace compounded formulations could substantially limit our market and cause our operations to suffer.

We may not receive sufficient revenue from the compounding pharmacies we may acquire or develop, or with which we may partner, to fund our operations and recover our development costs.

Our business plan involves the preparation and sale of our proprietary formulations through a network of compounding pharmacies and outsourcing facilities. After completion of our initial acquisition, we expect to establish an internal sales force to pursue marketing and sales of our proprietary and other formulations in the states in which our acquisitions are authorized to operate under federal and state pharmacy laws. We also expect to pursue additional strategic transactions to broaden our geographic reach, including plans to open our own outsourcing facilities in other geographical areas. Our Company has no experience operating pharmacies and commercializing compounded formulations and we may be unable to successfully manage this business or generate sufficient revenue to recover our development costs and operational expenses.

We may have only limited success in marketing and selling our proprietary formulations through any network of compounding pharmacies we may develop. Because any of our formulations will be commercialized through a compounding pharmacy, our distribution model will not have obtained FDA approval, only limited data will be available, if any, with respect to the safety and efficacy of our formulations for any particular indication, and we will be subject to regulatory limitations with respect to the information we can provide regarding the safety and efficacy of our formulations even if such data is available. As a result, physicians may not be interested in prescribing our formulations to their patients, and we may not generate significant revenue from sales of our proprietary formulations and other products. In addition, we will be dependent on our initial acquisitions, and any other pharmacies or prescription dispensing facilities we acquire or develop and any pharmacy partners with which we may contract to compound and sell our formulations in sufficient volumes to accommodate the number of prescriptions they receive. We may be unable to acquire, build or enter into agreements with pharmacies or outsourcing facilities of sufficient size, reputation and quality to implement our business plan, and our pharmacy partners may be unable to compound our formulations successfully. If physicians and healthcare organizations were to request our formulations in quantities our pharmacies or pharmacy partners are unable to fill, our business would suffer.

Our business is significantly impacted by state and federal rules and regulations.

We expect that all of our proprietary formulations will be comprised of active pharmaceutical ingredients that are components of drugs that have received marketing approval from the FDA, although our proprietary compounded formulations have not themselves received FDA approval. FDA approval of a compounded formulation is not required in order to market and sell the compounded formulations, although in select instances we may choose to pursue FDA approval to market and sell certain potential product candidates. The marketing and sale of compounded formulations is subject to and must comply with extensive state and federal statutes and regulations governing compounding pharmacies. These statutes and regulations include, among other things, restrictions on compounding in advance of receiving a patient-specific prescription, prohibitions on compounding drugs that are essentially copies of FDA-approved drugs, prohibitions on compounding drug products for office use without a prescription for an individually identified patient, limitations on the volume of compounded formulations that may be sold across state lines, and prohibitions on wholesaling or reselling. These and other restrictions on the activities of compounding pharmacies may significantly limit the market available for compounded formulations, as compared to the market available for FDA-approved drugs.

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Our pharmacy business is impacted by federal and state laws and regulations governing, among other things: the purchase, distribution, management, compounding, dispensing, reimbursement, marketing and labeling of prescription drugs and related services; FDA and/or state regulation affecting the pharmacy and pharmaceutical industries, including state pharmacy licensure, registration or permit standards; rules and regulations issued pursuant to HIPAA and other state and federal laws related to the use, disclosure and transmission of health information; state and federal controlled substance laws; and statutes and regulations related to FDA approval for the sale and marketing of new drugs and medical devices. Our failure to comply with any of these laws and regulations could severely limit or curtail our pharmacy operations, which would materially harm our business and prospects. Further, our business could be affected by changes in these or any newly enacted laws and regulations, as well as federal and state agency interpretations of such statutes and regulations. Such statutory or regulatory changes could require that we make changes to our business model and operations and/or could require that we incur significantly increased costs in order to comply with such regulations.

If any pharmacy or outsourcing facility we acquire or build fails to comply with the Controlled Substances Act, FDCA, or state statutes and regulations, such a pharmacy could be required to cease operations or become subject to restrictions that could adversely affect our business.

State pharmacy laws require pharmacy locations in those states to be licensed as an in-state pharmacy to dispense pharmaceuticals. In addition, state controlled substance laws require registration and compliance with state pharmacy licensure, registration or permit standards promulgated by the state's pharmacy licensing authority. Pharmacy and controlled substance laws often address the qualification of an applicant's personnel, the adequacy of its prescription fulfillment and inventory control practices and the adequacy of its facilities, and subject pharmacies to oversight by state boards of pharmacy and other regulators that could impose burdensome requirements or restrictions on operations if a pharmacy is found not to comply with these laws. Any such noncompliance could also result in complaints or adverse actions by respective state boards of pharmacy, FDA inspection of the facility to determine compliance with the FDCA, loss of FDCA exemptions provided under Section 503A, warning letters, injunctions, prosecution, fines, loss of required government licenses, certifications and approvals, any of which could involve significant costs and could cause us to be unable to realize the expected benefits of these pharmacies' operations. Although we ultimately expect to distribute our proprietary formulations through a network of compounding pharmacies, we may not be successful in establishing such a network and the loss of an ability to compound sterile formulations would have an immediate adverse impact on our ability to successfully and timely implement our business plan.

Many of the states into which we may deliver pharmaceuticals have laws and regulations that require out-of-state pharmacies to register with, or be licensed by, the boards of pharmacy or similar regulatory bodies in those states. These states generally permit the dispensing pharmacy to follow the laws of the state within which the dispensing pharmacy is located. However, various state pharmacy boards have enacted laws and/or adopted rules or regulations directed at restricting the operation of out-of-state pharmacies by, among other things, requiring compliance with all laws of the states into which the out-of-state pharmacy dispenses medications, whether or not those laws conflict with the laws of the state in which the pharmacy is located, or requiring the pharmacist-in-charge to be licensed in that state. Further, under federal law Section 503A of the FDCA seeks to limit the amount of compounded products that a pharmacy can dispense interstate. The interpretation and enforcement of that provision is dependent on the FDA entering into a MOU with each state setting forth limits on interstate compounding. In February 2015, the FDA presented a draft MOU that, if adopted, and signed by states would limit the amount of interstate units dispensed from a compounding pharmacy to 30% of all compounded and non-compounded units dispensed or distributed by the pharmacy per month. This MOU, if adopted and signed by states, and any other state laws or requirements that may be enacted that prohibit or restrict the interstate operations of pharmacies could involve significant additional costs to us in order to sell compounded formulations in certain states and could have an adverse effect on our operations.

If a compounded drug formulation provided through our compounding services leads to patient injury or death or results in a product recall, we may be exposed to significant liabilities or reputational harm.

The success of our business, including our proprietary formulations and pharmacy operations, will be highly dependent upon medical and patient perceptions of us and the safety and quality of our products. We could be adversely affected if we or any other compounding pharmacies or our formulations and technologies are subject to negative publicity. We could also be adversely affected if any of our formulations or technologies, any similar products sold by other companies, or any products sold by other compounding pharmacies prove to be, or are asserted to be, harmful to patients. For instance, to the extent any of the components of approved drugs or other ingredients used by any of our acquisitions to produce our compounded formulations have quality or other problems that adversely affect the finished compounded preparations, our business could be adversely affected. Also, because of our dependence upon medical and patient perceptions, any adverse publicity associated with illness or other adverse effects resulting from the use or misuse of our products, any similar products sold by other companies or any products sold by compounding pharmacies could have a material adverse impact on our business.

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To assure compliance with USP guidelines, we intend to implement a policy whereby 100% of all sterile compound batches produced by our acquisitions are tested both in-house and externally by an independent, FDA registered laboratory that we understand based on the laboratory's representations operates in compliance with current good laboratory practices prior to their delivery to patients and physicians. However, we could still become subject to product recalls and termination or suspension of our state pharmacy licenses if we fail to fully implement this policy, if the laboratory testing does not identify all contaminated products, or if our products otherwise cause or appear to have caused injury or harm to patients. In addition, such laboratory testing may produce false positives, which could harm our business and impact our pharmacy operations and licensure even if the impacted formulations are ultimately found to be sterile and no patients were harmed by them. If adverse events or deaths or a product recall, either voluntarily or as required by the FDA or a state board of pharmacy, were associated with one of our proprietary formulations or any compounds prepared by Pharmacy Creations, Park, or any other acquired or developed pharmacy or pharmacy partner, our reputation may suffer, physicians may be unwilling to prescribe our proprietary formulations or order any prescriptions from such pharmacies, we may become subject to product and professional liability lawsuits, or our state pharmacy licenses could be terminated or restricted. If any of these events were to occur, we may be subject to significant litigation or other costs and loss of revenue, and we may be unable to continue our pharmacy operations and further develop and commercialize our proprietary formulations.

Although we intend to acquire secured product and professional liability insurance for our pharmacy operations and the marketing and sale of our formulations, our current or future insurance coverage may prove insufficient to cover any liability claims brought against us. Because of the increasing costs of insurance coverage, we may not be able to maintain insurance coverage at a reasonable cost or obtain insurance coverage that will be adequate to satisfy any liability that may arise.

Our ability to generate revenues will be diminished if we fail to obtain acceptable prices or an adequate level of reimbursement from third-party payors.

We expect that our initial acquisitions will operate on mostly a cash-pay basis and will not submit large amounts of claims for reimbursement through Medicare, Medicaid or other third-party payors, although our customers may choose to seek available reimbursement opportunities to the extent that they exist. We are currently in communications with third-party public and private payors regarding potential reimbursement options for certain of our proprietary formulations, but we may be unsuccessful in these efforts. Many third-party payors have imposed significant restrictions on reimbursement for compounded formulations in recent years. Additionally, even if we were to pursue and obtain FDA-approval for a particular product candidate, significant uncertainty exists as to the reimbursement status of newly approved health care products. Moreover, third-party payors, including Medicare, are increasingly attempting to contain health care costs by limiting coverage and the level of reimbursement for new drugs and by refusing, in some cases, to provide coverage for uses of approved products for disease indications for which the FDA has not granted labeling approval. As a result, reimbursement from insurance companies and other third-party payors may never be available for any of our products or, if available, it may not be sufficient to allow us to sell the products on a competitive basis. If government and other third-party payors do not provide adequate coverage and reimbursement levels for our formulations, the market acceptance for our formulations may be limited.

We may not be able to correctly estimate our future operating expenses, which could lead to cash shortfalls.

Our estimates of our future operating and capital expenditures are based upon our current business plan, the anticipated expenses associated with any of our acquired operations and our current expectations regarding the commercialization of our proprietary formulations. Our projections may vary significantly as a result of changes to our business model and strategy. We have no experience operating a pharmacy and commercializing compounded formulations, and we may not accurately estimate expenses and potential revenue associated with these activities. Additionally, our operating expenses may fluctuate significantly as a result of a variety of factors, including those discussed in this Item 1A, some of which are outside of our direct control. If we are unable to correctly estimate the

amount of cash necessary to fund our business, we could spend our available financial resources much faster than we currently expect. If we do not have sufficient funds to continue to operate and develop our business, we could be required to seek additional financing earlier than we expect, which may not be available when needed or at all, or be forced to delay, scale back or eliminate some or all of our proposed operations.

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We expect to rely on third party relationships to assist in our identification, research, assessment and acquisition of new formulations. If we do not successfully identify and acquire rights to potential formulations and successfully integrate them into our operations, our growth opportunities may be limited.

We expect our initial acquisitions to provide us with limited research and development support and access to additional novel compounded formulations. However, we expect to continue to rely, primarily upon third parties to provide us with additional opportunities. We may seek to enter into similar arrangements with other third parties and for other formulations in the future, but only if we are able to identify attractive formulations and negotiate agreements with their owners on terms acceptable to us, which we may not be able to do. If we are unable to utilize the formulations and the relationships with pharmacists, physicians and other inventors to provide us with additional development opportunities, our growth opportunities may be limited. Moreover, we have limited resources to acquire additional potential product development assets and integrate them into our business and acquisition opportunities may involve competition among several potential purchasers, which could include large multi-national pharmaceutical companies and other competitors that have access to greater financial resources than we do.

We expect that the pharmacist, physician and research consultants and advisors with whom our acquisitions have history will also provide us with significant assistance in our evaluation of product development opportunities. These third parties generally engage in other business activities and may not devote sufficient time and attention to our research and development activities. If these third parties were to terminate their relationships with us, we may be unable to find other, equally qualified consultants and advisors on commercially reasonable terms or at all, and we may have significant difficulty evaluating potential opportunities and developing and commercializing existing or any new product candidates. As a result, we face financial and operational risks and uncertainties in connection with any future product or technology acquisitions, and those we do complete may not be beneficial to us in the long term.

We may be unable to successfully develop and commercialize our proprietary formulations or any other assets we may acquire.

Our future results of operations will depend to a significant extent upon our ability to successfully develop and commercialize in a timely manner any of the assets we have acquired or to which we will acquire rights in the future. We expect to pursue development and commercialization opportunities with respect to certain of these formulations and we are in the process of assessing certain of our other assets in order to determine whether to pursue their development or commercialization. In addition, we expect to consider the acquisition of additional intellectual property rights or other assets in the future. There are numerous difficulties and risks inherent in acquiring, developing and commercializing new formulations and product candidates, including the risks identified in this offering.

Once we determine to pursue a potential product candidate, we develop a commercialization strategy for the product candidate. These commercialization strategies could include, among others, marketing and selling the formulation in compounded form through compounding pharmacies, or pursuing FDA approval of the product candidate. We may incorrectly assess the risks and benefits of our commercialization options with respect to one or more formulations or technologies, and we may not pursue a successful commercialization strategy. If we are unable to successfully commercialize one or more of our proprietary formulations, our operating results would be adversely affected. Even if we are able to successfully sell one or more proprietary formulations, we may never recoup our investment. Our failure to identify and expend our resources on formulations and technologies with commercial potential and execute an effective commercialization strategy for each of our formulations would negatively impact the long-term profitability of our business.

We may participate in strategic transactions that could impact our liquidity, increase our expenses and distract our management.

From time to time we may consider strategic transactions, such as out-licensing or in-licensing of compounds or technologies, acquisitions of companies, and asset purchases. Additional potential transactions we may consider include a variety of different business arrangements, including strategic partnerships, joint ventures, spin-offs, restructurings, divestitures, business combinations and investments. In addition, another entity may pursue us or certain of our assets or aspects of our operations as an acquisition target. Any such transactions may require us to incur charges specific to the transaction and not incident to our operations, may increase our near and long-term expenditures, may pose significant integration challenges, and may require us to hire or otherwise engage personnel with additional expertise, any of which could harm our operations and financial results. Such transactions may also entail numerous other operational and financial risks, including, among others, exposure to unknown liabilities, disruption of our business and diversion of our management's time and attention in order to develop acquired products, product candidates, technologies or businesses.

As part of our efforts to complete any significant transaction, we would need to expend significant resources to conduct business, legal and financial due diligence, with the goal of identifying and evaluating material risks involved in the transaction. Despite our efforts, we may be unsuccessful in ascertaining or evaluating all such risks and, as a result, we may not realize the expected benefits of any such transaction, whether due to unidentified risks, integration difficulties, regulatory setbacks or other events, and we may incur material liabilities for the past activities of acquired businesses. If any of these events were to occur, we could be subject to significant costs and damage to our reputation and our business, results of operations and financial condition could be adversely affected.

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We may need additional capital in order to continue operating our business, and such additional funds may not be available when needed, on acceptable terms, or at all.

We have not started generating cash from operations, and do not yet receive any revenues from any operations. Although we believe we have sufficient cash reserves to operate our business for at least the next 6 months, we will need significant additional capital to execute our business plan and fund our proposed business operations. Additionally, our plans for this period may change, our estimates of our operating expenses and working capital requirements could be inaccurate, we may pursue acquisitions of pharmacies or other strategic transactions that involve one-time expenditures or we may experience growth more quickly or on a larger scale than we expect, any of which may result in the depletion of capital resources more rapidly than anticipated and could require us to seek additional financing earlier than we expect to support our operations.

We may seek to obtain additional capital through additional equity or debt financings, funding from corporate partnerships or licensing arrangements, sales or assets or other financing transactions. If additional capital is not available when necessary and on acceptable terms, we may need to forego pursuit of potentially valuable development or acquisition opportunities, we may not be able to continue to operate our business pursuant to our business plan or we may be forced to discontinue our operations entirely. If we issue equity or convertible debt securities to raise additional funds, our existing stockholders may experience substantial dilution, and the newly issued equity or debt securities may have more favorable terms or rights, preferences and privileges senior to those of our existing stockholders. If we raise additional funds through collaboration and licensing arrangements or sales of assets, we may be required to relinquish potentially valuable rights to our product candidates or proprietary technologies, or grant licenses on terms that are not favorable to us. If we raise funds by incurring debt, we may be required to pay significant interest expenses and our leverage relative to our earnings or to our equity capitalization may increase. Obtaining commercial loans, assuming those loans would be available, would increase our liabilities and future cash commitments and may impose restrictions on our activities, such as financial or operational covenants with which we must comply. Further, we may incur substantial costs in pursuing future capital and/or financing transactions, including investment banking fees, legal fees, accounting fees, printing and distribution expenses and other costs. We may also be required to recognize non-cash expenses in connection with certain securities we may issue, such as options, convertible notes and warrants, which would adversely impact our financial results.

If we are unable to establish, train and maintain an effective sales and marketing infrastructure, we will not be able to commercialize our product candidates successfully.

We expect to build an internal sales and marketing infrastructure to implement our business plan with the development of internal sales teams and education campaigns to market our proprietary ophthalmology and urology formulations. We will need to expend significant resources to further establish and grow this internal infrastructure and properly train sales personnel with respect to regulatory compliance matters. We may also choose to engage third parties to provide sales and marketing services for us, either in place of or to supplement our internal commercialization infrastructure. We may not be able to secure sales personnel or relationships with third-party sales organizations that are adequate in number or expertise to successfully market and sell our proprietary formulations and pharmacy services. Further, any third-party organizations we may seek to engage may not be able to provide sales and marketing services in accordance with our expectations and standards, may be more expensive than we can afford or may not be available on otherwise acceptable terms or at all. If we are unable to establish and maintain compliant and adequate sales and marketing capabilities, through our own internal infrastructure or third-party services, we may be unable to sell our formulations or services or generate revenue.

We may be unable to demonstrate the safety and efficacy or obtain FDA regulatory approval to market and sell any product candidates for which we seek FDA approval.

Although our current business strategy is focused on developing and commercializing product opportunities as compounded formulations, we may choose to seek FDA regulatory approval to market and sell one or more of our assets as a FDA-approved drug. The process of obtaining FDA approval to market and sell pharmaceutical products is costly, time consuming, uncertain and subject to unanticipated delays. If we choose to pursue FDA approval for one or more product candidates, the FDA or other regulatory agencies may not approve the product candidate on a timely basis or at all. Before we could obtain FDA approval for the sale of any of our potential product candidates, we would be required to demonstrate through preclinical studies and clinical trials that the product candidate is safe and effective for each intended use. Preclinical and clinical studies may fail to demonstrate the safety and efficacy of our potential product candidates. Even promising results from preclinical and early clinical studies do not accurately predict positive results in later, large-scale trials. A failure to demonstrate safety and efficacy of a product candidate to the FDA’s satisfaction would result in our failure to obtain FDA approval. Moreover, even if the FDA were to grant regulatory approval of a product candidate, the approval may be limited to specific therapeutic areas or limited with respect to its distribution, which could limit revenues, and we would be subject to extensive and costly post-approval requirements and oversight with respect to our commercialization of the product candidate.

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Delays in the conduct or completion of, or the termination of, any clinical and non-clinical trials for any product candidates for which we seek FDA approval could adversely affect our business.

Clinical trials are very expensive, time consuming, unpredictable and difficult to design and implement. The results of clinical trials may be unfavorable, they may continue for several years and may take significantly longer to complete and involve significantly more costs than expected. Delays in the commencement or completion of clinical testing could significantly affect our product development costs and business plan with respect to any product candidate for which we seek FDA approval. The commencement and completion of clinical trials can be delayed and experience difficulties for a number of reasons, including delays and difficulties caused by circumstances over which we may have no control. For instance, approvals of the scope, design or trial site may not be obtained from the FDA and other required bodies in a timely manner or at all, agreements with acceptable terms may not be reached with clinical research organizations (CROs) to conduct the trials, a sufficient number of subjects may not be recruited and enrolled in the trials, and third-party manufacturers of the materials for use in the trials may encounter delays and problems in the manufacturing process, including failure to produce materials in sufficient quantities or of an acceptable quality to complete the trials. If we were to experience delays in the commencement or completion of, or if we were to terminate, any clinical or non-clinical trials we pursue in the future, the commercial prospects for the applicable product candidates may be limited or eliminated, which may prevent us from recouping our investment on research and development efforts for the product candidate and would have a material adverse effect on our business, results of operations, financial condition and prospects.

We will be dependent on third parties to conduct clinical trials and non-clinical studies of our formulations.

We do not expect to employ personnel or possess the facilities necessary to conduct many of the activities associated with our non-clinical research activities or any clinical programs we may pursue in the future. We have engaged, and expect to continue to engage consultants, advisors, CROs and others to design, conduct, analyze and interpret the results of studies in connection with the research and development of our products. In addition, we have in the past provided and expect to continue to provide grants to physicians and other healthcare organizations to support investigator-initiated studies of our proprietary formulations. We generally have only very limited contractual rights in connection with the conduct of any such studies. In addition, if we were to participate in clinical trials conducted under an approved investigator-sponsored NDA, correspondence and communication with the FDA pertaining to these trials would strictly be between the investigator and the FDA. The communication and information provided by the investigator may not be appropriate and accurate, which could result in reviews, audits, delays or clinical holds by the FDA that affect the timelines for these studies and potentially risk the completion of these trials. As a result, many important aspects of any studies of our proprietary formulations and clinical or non-clinical trials for any drug candidates we determine to pursue are not in our direct control.

If the third parties we engage to perform these activities fail to devote sufficient time and resources to our studies, or if their performance is substandard, it would delay the introduction of our proprietary formulations to the market or the approval of our applications to regulatory agencies. Failure of these third parties to meet their obligations could adversely affect development of our proprietary formations and product candidates and as a result could have a material adverse effect on our business, financial condition and results of operations.

Even if we successfully develop any product candidate into an FDA-approved drug, failure to comply with continuing federal and state regulations could result in the loss of approvals to market the drug.

Even if we successfully develop any product candidate into an FDA-approved drug, we would be subject to extensive continuing regulatory requirements and review, including review of adverse drug experiences and clinical results from any post-marketing tests or continued actions required as a condition of approval. The manufacturer and manufacturing facilities we would use to produce any such drug preparations would be subject to periodic review and inspection by the FDA, and we would be reliant on these third parties to maintain their manufacturing processes in

compliance with FDA and all other applicable regulatory requirements. Any changes to a product that may have achieved approval, including the way it is manufactured or promoted, would often require FDA approval before the product, as modified, could be marketed. In addition, we and our contract manufacturers would be subject to ongoing FDA requirements for submission of safety and other post-market information. If we or our contract manufacturers failed to comply with these or any other applicable regulatory requirements, a regulatory agency may, among other things, issue warning letters, impose civil or criminal penalties, suspend or withdraw regulatory approval, impose restrictions on our operations, close the facilities of our contract manufacturers, seize or detain products or require a product recall.

Regulatory review also covers a company’s activities in the promotion of its FDA-approved drugs, with significant potential penalties and restrictions for promotion of drugs for an unapproved use. Sales and marketing programs are under scrutiny for compliance with various mandated requirements, such as illegal promotions to health care professionals. We are also required to submit information on our open and completed clinical trials to public registries and databases. Failure to comply with these requirements could expose us to negative publicity, fines and penalties that could harm our business.

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We may face additional competition outside of the U.S. as a result of a lack of patent coverage in some territories and differences in patent prosecution and enforcement laws in foreign counties.

Filing, prosecuting, defending and enforcing patents on our proprietary formulations throughout the world is extremely expensive. While we have filed five international patent applications under the Patent Cooperation Treaty, we do not currently have patent protection outside of the U.S. that covers any of our proprietary formulations or other assets that we are currently pursuing. Competitors may use our technologies to develop their own products in jurisdictions where we have not obtained patent protection. These products may compete with ours and may not be covered by any of our patent claims or other intellectual property rights.

Even if we were to file international patent applications for any of our current or future proprietary formulations and patents were issued or approved, it is likely that the scope of protection provided by such patents would be different from, and possibly less than, the scope provided by corresponding U.S. patents. The success of our international market opportunity would be dependent upon the enforcement of patent rights in various other countries. Several countries in which we could file patent applications have a history of weak enforcement and/or compulsory licensing of intellectual property rights. Moreover, the legal systems of certain countries, particularly certain developing countries, do not favor the aggressive enforcement of patents and other intellectual property protection, particularly those relating to biotechnology and/or pharmaceuticals, which would make it difficult for us to stop a party from infringing any of our intellectual property rights. Even if we have patents issued in these jurisdictions, our patent rights may not be sufficient to prevent generic competition or unauthorized use. Moreover, attempting to enforce our patent rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business.

Our proprietary formulations and technologies could potentially conflict with the rights of others.

The preparation or sale of our proprietary formulations and use of our technologies may infringe on the patent rights of others. If our products infringe or conflict with the patent or other intellectual property rights of others, third parties could bring legal actions against us claiming damages and seeking to enjoin our manufacturing and marketing of affected products. Patent litigation is costly and time consuming and may divert management’s attention and our resources. We may not have sufficient resources to bring any such actions to a successful conclusion. If we are not successful in defending against these legal actions should they arise, we may be subject to monetary liability, be forced to alter our products or cease some or all of our operations relating to the affected products, or seek to obtain a license in order to continue manufacturing and marketing the affected products, which may not available on acceptable terms or at all.

We will be dependent on our management team for the growth and development of our Company.

We currently have two (2) executives in place, our Interim CEO and a COO. The recruitment of key personnel will be critical to our success. Our Interim CEO and COO, along with other senior managers will play a primary role in creating and developing our current business model, and securing much of our material intellectual property rights and related assets, as well as the means to make and distribute our current products. We will be highly dependent on this team for the implementation of our business plan and the future development of our assets and our business, and the loss of any key member of the senior team’s services to and leadership of our Company would likely materially adversely impact the Company. We presently do not expect to have key man insurance for our senior manager(s).

If we are unable to attract and retain key personnel and consultants, we may be unable to maintain or expand our business.

We have developed a new business model and have focused on building our management, pharmacy, research and development, sales and marketing and other personnel in order to pursue this business model. However, because of

our lack of history, we may have significant difficulty attracting and retaining necessary employees. In addition, because of the specialized nature of our business, our ability to develop products and to compete will remain highly dependent, in large part, upon our ability to attract and retain qualified pharmacy, scientific, technical and commercial employees and consultants. The loss of key employees or consultants or the failure to recruit or engage new employees and consultants could have a material adverse effect on our business. There is intense competition for qualified personnel in our industry, and we may be unable to continue to attract and retain the qualified personnel necessary for the development of our business.

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Changes in the healthcare industry that are beyond our control may have an adverse impact on our business.

The healthcare industry is changing rapidly as consumers, governments, medical professionals and the pharmaceutical industry examine ways to broaden medical coverage while controlling the increase in healthcare costs. Such changes could include changes to make the government's Medicare and Medicaid reimbursement programs more restrictive, which could limit or curtail the potential for our proprietary formulations to obtain eligibility for reimbursement from such payors, or changes to expand the reach of HIPAA or other health privacy laws, which could make compliance with these laws more costly and burdensome. Further, the Health Reform Law may have a considerable impact on the existing U.S. system for the delivery and financing of health care and conceivably could have a material effect on our business, although the details for implementation of many of the requirements under the Health Reform Law will depend on the promulgation of regulations by a number of federal government agencies. It is impossible to predict the final requirements of the Health Reform Law, any other changes to laws and regulations affecting the healthcare industry, or the net effect of these requirements or changes on our business, operations or financial performance.

Because of their significant ownership, some of our existing shareholders may be able to exert control over us and our significant corporate decisions.

Our executive officers and directors own or have the right to acquire approximately 20% of our shares that would be outstanding following such issuances. The sale of even a portion of these shares, or the perception that such sales may occur, would likely have a material adverse effect on our stock price. In addition, these persons, acting together, have the ability to exercise significant influence over or control the outcome of all matters submitted to our stockholders for approval, including the election and removal of directors and any significant transaction involving us, and to control our management and affairs. Additionally, since our Amended and Restated Certificate of Incorporation and Bylaws permit our stockholders to act by written consent, a limited number of stockholders may approve stockholder actions without holding a meeting of stockholders.

This concentration of ownership may harm the market price of our common stock by, among other things:

a) delaying, deferring, or preventing a change in control of our Company or changes to our Board of Directors,
b) impeding a merger, consolidation, takeover, or other business combination involving our Company,
c) causing us to enter into transactions or agreements that are not in the best interests of all stockholders,
d) discouraging a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company.

If we fail to maintain an effective system of internal controls, we may not be able to accurately report our financial results.

Effective internal controls are necessary for us to provide reliable financial reports. If we cannot provide reliable financial reports, our operating results could be misstated, our reputation may be harmed and the trading price of our stock could decline. Our controls over financial processes and reporting may not continue to be effective, or we may identify material weaknesses or significant deficiencies in our internal controls in the future. Any failure to remediate any future material weaknesses or implement required new or improved controls, or difficulties encountered in their implementation, could harm our operating results, cause us to fail to meet our reporting obligations or result in material misstatements in our financial statements or other public disclosures. Inferior internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our stock.

Risks Related to our Common Stock; Liquidity Risks

Volatility of Stock Price.

The market prices for securities of emerging and development stage companies such as the Company have historically been highly volatile. Difficulty in raising capital as well as future announcements concerning the Company or its competitors, including the results of testing, technological innovations or new commercial products, government regulations, developments concerning proprietary rights, litigation or public concern as to safety of potential products developed by the Company or others, may have a significant adverse impact on the market price of the Company's stock.

We Have No Intention to Pay Dividends on Our Common Stock.

For the near-term, we intend to retain any remaining future earnings, if any, to finance our operations and do not anticipate paying any cash dividends with respect to our Common Stock.

Our Common Stock is Quoted on the OTC Bulletin Board ("OTCBB") and the OTCQB, and there is Minimal Liquidity in the Trading Market for Our Common Stock.

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Our Common Stock is quoted on the OTCBB and the OTCQB under the symbol "TNTY". There has been only minimal trading of our common stock, and no assurance can be given as to when, if ever, an active trading market will develop or, if developed, that it will be sustained. As a result, investors may be unable to sell their shares of our Common Stock.

Possible Adverse Effects of Authorization and Issuance of Preferred Stock.

The Company's Board of Directors is authorized to issue up to 100,000,000 shares of preferred stock. The Board of Directors has the power to establish the dividend rates, liquidation preferences, voting rights, redemption and conversion terms and privileges with respect to any series of preferred stock. The issuance of any series of preferred stock having rights superior to those of the Common Stock may result in a decrease in the value or market price of the Common Stock and could further be used by the Board as a device to prevent a change in control favorable to the Company. Holders of preferred stock to be issued in the future may have the right to receive dividends and certain preferences in liquidation and conversion rights. The issuance of such preferred stock could make the possible takeover of the Company or the removal of management of the Company more difficult, and adversely affect the voting and other rights of the holder of the Common Stock, or depress the market price of the Common Stock.

Disclosures Relating to Low Priced Stocks; Restrictions on Resale of Low Price Stocks and on Broker-Dealer Sale; Possible Adverse Effect of "Penny Stock" Rules on Liquidity for the Company's Securities.

Since the Company has net tangible assets of less than $1,000,000, transactions in the Company's securities are subject to Rule 15g-9 under the Exchange Act which imposes additional sales practice requirements on broker-dealers who sell such securities to persons other than established customers and "accredited investors" (generally, individuals with a net worth in excess of $1,000,000 or annual incomes exceeding $200,000 or $300,000 together with their spouses). For transactions covered by this Rule, a broker-dealer must make a special suitability determination for the purchaser and shall receive the purchaser's written consent to the transaction prior to the sale. Consequently, this Rule may affect the ability of broker-dealers to sell the Company's securities, and may affect the ability of shareholders to sell any of the Company's securities in the secondary market.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 2. PROPERTIES

We have a small office that is owned by one of our shareholders, and who allows us to use it at no-charge. Eventually, we will have to rent office space, but for the near term this situation is satisfactory.

ITEM 3. LEGAL PROCEEDINGS

National Council for Science and the Environment, Inc. v. Trunity Holdings, Inc., Case No. 2015 CA 009726 B, Superior Court for the District of Columbia, Civil Division.

This action was filed on December 16, 2015 by the National Council for Science and the Environment, Inc. ("NCSE") in the state court in the District of Columbia against Trunity Holdings, Inc. ("Trunity") and alleges claims for breach of contract. Acknowledgement of indebtedness and settlement agreement and quantum meruit arising out of an agreement entered into between NCSE and Trunity in 2014. The complaint seeks damages in the amount of $177,270, inclusive of attorney's fees, costs and accrued interest, continuing interest in the amount of 12% per annum and attorney's fees and costs of collection relating to the case. The Company, in its answer dated January 27, 2016, denied the material allegations made by NCSE, asserted a number of affirmative defenses and filed a counterclaim alleging

claims for fraud, negligent misrepresentation, breach of fiduciary duty, breach of contract and unjust enrichment. In its counterclaim, the Company sought actual and compensatory damages against NCSE that it believes exceed the amount sought by NCSE on its claims, pre-judgment interest, punitive damages and all costs and expenses, including attorney's fees, incurred by the Company in bringing its claims against NCSE.

On September 23, 2016, the Company settled this obligation with an agreement to pay $48,500 to NCSE if paid by November 4, 2016, and $75,000 if paid later. The Company has not paid the amounts as of the date of this filing, and has recorded the obligation at $75,000.

On April 5, 2017, NCSE filed a petition to domesticate a foreign judgment in the Superior Court of Fulton County, Georgia, Civil Action File No. 2017CV288416. NCSE is now pursuing post-judgment discovery.

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Carlton Fields Jorden Burt, P.A. vs. True Nature Holding, Inc., f/k/a/ Trunity Holdings, Inc.

This action was filed in the Circuit Court of the Seventeenth Judicial Circuit of Florida, in and for Broward County, Florida, on May 18, 2017 by a law firm that represented the Company prior to the spin-out of the educational software business in 2016 with the intent of collection past due invoices in the aggregate amount of $241,828. A final judgement was entered on March 22, 2018, awarding Carlton Fields a judgment in the principal amount of $241,828 and pre-judgment interest in the amount of $24,421. The Company has recorded a liability in the amount of $266,429 on its balance sheet at December 31, 2017.

230 Commerce Way, LLC vs. Trunity, Inc.

A former landlord of the Company has filed an action in New Hampshire to collect on rent from a list that existed prior to 2013. In January 2018 this action was settled by the spin out, Trunity, Inc. for a cash payment of $65,000.

Day & Associates, LLC d/b/a Nick Day Law v. True Nature Holding, Inc.

This action was filed on December 28,2017, and alleges that Day & Associates LLC is owed $4,240 in legal services provided by it to True Nature. The case is currently pending.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

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PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our Common Stock is quoted on the Over-the-Counter Bulletin Board ("OTCBB") and the OTCQB under the symbol "TNTY" (which was not changed as a result of the Merger). The quoted stock prices below reflects a 1 for 101 reverse stock split that was effective January 20, 2016.

The following table shows the high and low closing prices for the periods indicated

Quarter ended	High	Low
31-Mar-17	$0.57	$0.10
30-Jun-17	$0.67	$0.19
30-Sep-17	$0.35	$0.06
31-Dec-17	$0.18	$0.08

Quarter ended	High	Low
31-Mar-16	$2.38	$0.83
30-Jun-16	$3.48	$0.51
30-Sep-16	$0.80	$0.16
31-Dec-16	$0.31	$0.11

The above information was obtained from Yahoo! Finance. Because these are over the counter market quotations, these quotations reflect inter-dealer prices, without retail mark-up, markdown or commissions and may not represent actual transactions.

On April 9, 2018, the price of our common stock as reported on the OTC Bulletin Board and OTCQB was $0.10.

Dividends

The Company has never declared or paid any cash dividends on its common stock. We have never paid cash dividends on our common stock. Under Delaware law, we may declare and pay dividends on our capital stock either out of our surplus, as defined in the relevant Delaware statutes, or if there is no such surplus, out of our net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. If, however, the capital of our Company, computed in accordance with the relevant Delaware statutes, has been diminished by depreciation in the value of our property, or by losses, or otherwise, to an amount less than the aggregate amount of the capital represented by the issued and outstanding stock of all classes having a preference upon the distribution of assets, we are prohibited from declaring and paying out of such net profits and dividends upon any shares of our capital stock until the deficiency in the amount of capital represented by the issued and outstanding stock of all classes having a preference upon the distribution of assets shall have been repaired. The Company does not intend to declare or pay any cash dividends on its common stock in the foreseeable future. The holders of the Company's common stock are entitled to receive only such dividends (cash or otherwise) as may be declared by the Company's Board of Directors.

Equity Compensation Plans

For information on the Company's equity compensation plans, see "Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters."

Recent Sales of Unregistered Securities

During the year ended December 31, 2017, the Company raised gross proceeds of $47,000 through the sale of 250,000 shares of common stock to a new member of the Board of Directors at a price of $0.188 per share.

During the year ended December 31, 2017, the Company issued the following shares of common stock: the Company issued 2,133,637 restricted shares of the Company's common stock valued at $261,534 in exchange for services conducted on behalf of the Company; 65,000 shares of common stock valued at $10,773 in connection with an extension on debt; and 1,215,571 shares of common stock valued at $108,986 in connection with the conversion of accounts payable. The value of these shares was based on the closing market price on the respective date of grant. The Company also has an additional 555,000 shares to be issued valued at $39,886 included in stock payable.

The securities issued in the transactions described above were issued in private placement transactions and were exempt from registration pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended, as sales of securities not involving a public offering.

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Issuances Subsequent to December 31, 2017

On January 29, 2018, the Company issued the following shares of common stock: 257,692 shares with a fair value of $26,800 to an ex-officer for accrued compensation; 192,307 shares with a fair value of $20,000 were issued to an ex-board member for accrued compensation; 320,509 shares with a fair value of $33,333 were issued to an ex-officer for accrued compensation; 576,923 shares with a fair value of $60,000 were issued to an officer for accrued compensation; and 557,692 shares with a fair value of $58,000 were issued to an investor for the payment of accounts payable.

The securities issued in the transaction described above were issued in a private placement transaction and were exempt from registration pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended, as sales of securities not involving a public offering.

Purchases by Issuer Affiliated Purchasers

None.

ITEM 6. SELECTED FINANCIAL DATA

This Item is not required for Smaller Reporting Companies.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with the financial statements and notes thereto appearing elsewhere herein.

True Nature Holding, Inc. is executing on a business plan to acquire a series of businesses which specialize in health care services, initially with compounding pharmacy activities, largely direct to consumers, doctors and veterinary professionals. During 2016 the Company negotiated several agreements for the acquisition of compounding pharmacy operations and consummated one (1). P3 Compounding Pharmacy, dba Integrity Compound, of Dunwoody Georgia completed the transfer of its pharmacy license, and was acquired on June 29, 2016. Management quickly determined that its financial needs and business plan was not in concert with the financial goals of the Company, and on September 30, 2016, the Company was deconsolidated.

During the fourth quarter of 2016 and continuing through 2017 and early 2018 the Company refined its approach and expanded its intended reach to consumers though activities aimed at retail pharmacy businesses, as an increased distribution strategy for compounding. We have identified several sites in Florida for our prototype "healthy and holistic" pharmacy store concept. Further it began the development of its technology focus through consideration of kiosk-oriented distribution of products in the pharmacy area, are evaluating various applications for "telemedicine" and consideration of the "block chain" encryption technology for various aspects of the healthcare industry.

New Divisional Structure

During 2016, and following the deconsolidation of P3, we revised our approach to the business strategy, and added the concept of incorporating a retail, more traditional, pharmacy business with the compounding pharmacy we had originally focused on. We also decided to develop a library of intellectual properties (IP), including specialized formulations and compounds of pharmaceutical materials, as well as potential software and systems to provide "telemedicine" functionality, including kiosk-oriented distribution at the retail level, and the potential of a "blockchain"

service bureaus for encryption in various aspects of the health care industry. While we expect immediate financial results from the retail and compounding areas, we believe the IP and technology businesses will require substantial time to mature into a profitable business.

As a result of this revised approach, the Company intends to create three (3) wholly owned subsidiaries to hold its operations.

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The first, “TN Retail, LLC” will hold its retail storefront operations. These storefront locations will provide both conventional pharmacy products, as well as unique compounding-based solutions. The store will focus on “healthy, holistic and natural solutions”, along the lines of a “Whole Foods of Pharmacy” like marketing approach. This becomes the “feeder system” for sales to our planned compounding production facilities.

There will be a separate subsidiary for its compounding pharmacy, back office production and central fill operations called “TN Compounding, LLC”. This will initially be focused on the acquisition of 503a license operations, though management has envisioned a network of these facilities located regionally. It may consider a 503b licensed operation to accommodate the ability to provide both sterile and non-sterile products, including products for stocking inventory at medical offices and hospitals.

Lastly, it expects to acquire unique related technologies, including a growing library of specialized formulations. Many of these formulations will be unique to its operations, and some it expects to either license to others for mass market distribution, or it may produce for stocking inventory at a 503b qualified facility. The entity “TN Technologies, LLC” will hold those intellectual property assets, as well as other novel innovative approaches it may engage in, directly, or under a license granted from the holders. This subsidiary will also own and hold all software and systems we acquire, or development. We believe the “telemedicine” functionality could be a strong contributor to the development of new revenues for pharmacy owners, including any we may acquire. There will also be a market for “block chain” encryption services within the healthcare area, which we may address with a service bureau offering.

Critical Accounting Policies

We believe that the accounting policies described below are critical to understanding our business, results of operations and financial condition because they involve the use of more significant judgments and estimates in the preparation of our consolidated financial statements. An accounting policy is deemed to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made, and any changes in the assumptions used in making the accounting estimates that are reasonably likely to occur could materially impact our consolidated financial statements.

Revenue Recognition

We recognize revenues when all of the following criteria have been met: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred; (3) the selling price is fixed and determinable; and (4) collectability is reasonably assured.

Stock-Based Compensation

We recognize compensation costs to employees under FASB ASC Topic 718, Compensation – Stock Compensation (“ASC 718”). Under FASB ASC 718, companies are required to measure the compensation costs of share-based compensation arrangements based on the grant-date fair value and recognize the costs in the financial statements over the period during which employees are required to provide services. Share-based compensation cost for stock options is estimated at the grant date based on each option’s fair-value as calculated by the Black-Scholes-Merton (“BSM”) option-pricing model. Share-based compensation arrangements may include stock options, restricted share plans, performance based awards, share appreciation rights and employee share purchase plans. Such compensation amounts, if any, are amortized over the respective vesting periods of the option grant.

Equity instruments issued to other than employees are recorded on the basis of the fair value of the instruments, as required by FASB ASC Topic 505, Equity Based Payments to Non-Employees. In general, the measurement date is when either a (a) performance commitment, as defined, is reached or (b) the earlier of (i) the non-employee performance is complete or (ii) the instruments are vested. The measured value related to the instruments is

recognized over a period based on the facts and circumstances of each particular grant as defined in the FASB ASC.

Common Stock Purchase Warrants

The Company accounts for common stock purchase warrants in accordance with FASB ASC Topic 815, Accounting for Derivative Instruments and Hedging Activities ("ASC 815"). As is consistent with its handling of stock compensation and embedded derivative instruments, the Company's cost for stock warrants is estimated at the grant date based on each warrant's fair-value as calculated by the Black-Scholes-Merton ("BSM") option-pricing model value method for valuing the impact of the expense associated with these warrants. All warrants for the Company have been canceled at this time.

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Income Taxes

As part of the process of preparing our consolidated financial statements, we must estimate our actual current tax liabilities and assess temporary differences resulting from differing treatment of items for tax and accounting purposes. These differences result in deferred tax assets and liabilities, which are included within the balance sheet. We must assess the likelihood that the deferred tax assets will be recovered from future taxable income and, to the extent we believe that recovery is not likely, a valuation allowance must be established. To the extent we establish a valuation allowance or increase or decrease this allowance in a period, the impact will be included in income tax expense in the statement of operations.

Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed would be separately presented in the consolidated balance sheet and reported at the lower of the carrying amount or fair value less costs to sell, and are no longer depreciated. The assets and liabilities of a disposal group classified as held-for-sale would be presented separately in the appropriate asset and liability sections of the consolidated balance sheet, if material.

Business Combinations

We account for business combinations by recognizing the assets acquired, liabilities assumed, contractual contingencies, and contingent consideration at their fair values on the acquisition date. The purchase price allocation process requires management to make significant estimates and assumptions, especially with respect to intangible assets, estimated contingent consideration payments and pre-acquisition contingencies. Examples of critical estimates in valuing certain of the intangible assets we have acquired or may acquire in the future include but are not limited to:

- future expected cash flows from product sales, support agreements, consulting contracts, other customer contracts, and acquired developed technologies and patents
- discount rates utilized in valuation estimates
- Unanticipated events and circumstances may occur that may affect the accuracy or validity of such assumptions, estimates or actual results.

Additionally, any change in the fair value of the acquisition-related contingent consideration subsequent to the acquisition date, including changes from events after the acquisition date, such as changes in our estimates of relevant revenue or other targets, will be recognized in earnings in the period of the estimated fair value change. A change in fair value of the acquisition-related contingent consideration or the occurrence of events that cause results to differ from our estimates or assumptions could have a material effect on the consolidated financial position, statements of operations or cash flows in the period of the change in the estimate.

Off-Balance Sheet Arrangements

Since our inception, except for standard operating leases, we have not engaged in any off-balance sheet arrangements, including the use of structured finance, special purpose entities or variable interest entities. We have no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to stockholders.

Results of Operations

The following period to period comparisons of our financial results are not necessarily indicative of results for the current period of any future periods. Further, as a result of our acquisitions of our businesses, and any additional pharmacy acquisitions or other such transactions we may pursue, we may experience large expenditures specific to the transactions that are not incident to our operations.

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Years ended December 31, 2017 and 2016

There are no continuing operating sales and related cost of sales for the years ended December 31, 2017 and 2016, as the Company is implementing its business plan to acquire and develop compounding pharmacies. We plan to report revenue during 2018 if, and when, we close certain acquisitions of our compounding pharmacies. As a result of pharmacy acquisitions or other such transactions we may pursue, we may experience large expenditures specific to these transactions.

Our total operating expenses for 2017 and 2016 pertaining to continuing operations were $699,957 and $4,405,163. Operating expenses were comprised of expenses including compensation expense for executives and Board of Directors, and professional fees for legal, management and accounting services.

Interest incurred on outstanding debt was $54,088 and $269,367 for the years ended December 31, 2017 and 2016, respectively.

There was a loss on debt extinguishment in the amount of $206,329 for the twelve months ended December 31, 2016.

Due to the above, there was a net loss from continuing operations of $754,045 for the twelve months ended December 31, 2017 compared to a net loss from continuing operations of $4,880,859 for the twelve months ended December 31, 2016.

Liquidity and Capital Resources

We have financed our operations through the sale of equity securities and short term borrowings. As of December 31, 2017, we had a working capital deficit of $1,387,251. Our working capital deficit is attributable to the fact that the Company began implementing its business plan of acquiring pharmaceutical compounding businesses at the end of fiscal 2015. No planned revenue activity will be reported until fiscal 2018.

Net cash used in operating activities was $47,000 for 2017. This is the result of our business development efforts pertaining to acquiring a series of businesses which specialize in compounding pharmacy activities, primarily direct to consumers, doctors and veterinary professionals.

Net cash provided by financing activities for 2017 was approximately $47,000 which represents the cash that was received from the sale of restricted common stock to accredited investors.

Specific details related to our financing activities are as follows:

During the year ended December 31, 2017, the Company raised gross proceeds of $47,000 through the sale of 300,000 shares of common stock to a new member of the Board of Directors and a third party investor at an average price of $0.157 per share.

On March 18, 2016, the Company issued a 12% Convertible Promissory Note (the “Convertible Note A”) in the principal amount of $60,000 to a lender. Upon issuance of the Convertible A Note, the lender was awarded 15,000 restricted common stock as an origination fee which includes piggy back registration rights. On September 19, 2016, the Company issued the lender an additional 15,000 restricted common stock at a price of $0.30 per share to extend the term of the loan agreement indefinitely. The cost to the Company was $4,050 in interest expense. On August 10, 2017, the Company issued 25,000 shares of common stock with a fair value of $3,750 for accrued interest through August 1, 2017 in the amount of $7,860. The Company recognized a gain in the amount of $4,110 on this transaction.

During the year ended December 31, 2016, the Company raised gross proceeds of $60,000 through the sale of 120,000 shares of common stock to accredited investors in private placement transactions at a price of $0.50 per share. The Company incurred $9,000 of securities issuance costs representing commissions paid to broker-dealers who assisted with these transactions.

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August 2014 Convertible Debentures (Series C)

As part of the restructuring all debentures issued by Trunity Holdings, Inc., to fund the former, educational business were eligible to participate in a debt conversion; however, one debenture holder that was issued a Series C Convertible Debenture (the "Series C Debenture") in August 2014 with an aggregate face value of $100,000 in exchange for the cancellation of Series B Convertible Debentures with a carrying value of $110,833 did not convert such debenture. The Series C Debenture accrues interest at an annual rate of 10%, matured November 2015, and is convertible into our common stock at a conversion rate of $20.20 per share. The holders of the Series C Debenture also received five year warrants to acquire up to 4,950 shares post-split of common stock for an exercise price of $20.20 per share,. The former educational business allocated the face value of the Series C Debenture to the warrants and the debentures based on its relative fair values, and allocated to the warrants, which was recorded as a discount against the Series C Debenture, with an offsetting entry to additional paid-in capital. The discount was fully expensed upon execution of the new debentures as debt extinguishment costs within discontinued operations. As of December 31, 2017 and 2016, the carrying value of this Series C Debenture was $110,833 and accrued interest expense of $35,504 and $24,420, respectively. The Series C Debenture is currently in default.

November 2014 Convertible Debentures (Series D)

As part of the restructuring all debentures issued by Trunity Holdings, Inc., to fund the former, educational business were eligible to participate in a debt conversion; however, one debenture holder that was issued a Series D Convertible Debenture (the "Series D Debenture") in November 2014 with an aggregate face value of $10,000 in exchange for the cancellation of Series B Convertible Debenture with a carrying value of $11,333 did not participate in the debt conversion restructuring. The Series D Debenture accrues interest at an annual rate of 12%, matured November 2015, and is convertible into our common stock at a conversion rate of $16.67 per share. The holders of the Series D Debenture also received five year warrants to acquire up to 495 shares of common stock for an exercise price of $20.20 per share on a post-split basis. The former educational business allocated the face value of the Series D Debenture to the warrants and the debentures based on their relative fair values, and allocated to the warrants, which was recorded as a discount against the Series D Debenture, with an offsetting entry to additional paid-in capital. The discount was fully expensed upon execution of the new debentures as debt extinguishment costs within discontinued operations. As of December 31, 2017 and 2016, the carrying value of the Series D Debenture was $11,333 and accrued interest expense of $4,301 and $2,941, respectively. The Series D Debenture is currently in default.

March 2016 Convertible Note

On March 18, 2016, the Company issued a 12% Convertible Promissory Note (the "Convertible Note A") in the principal amount of $60,000 and a due date of September 16, 2016 to a lender. Pursuant to the terms of Convertible Note A, the Company is obligated to pay monthly installments of not less than $1,000 the first of each month commencing the month following the execution of this note until its full maturity on September 16, 2016 at which time the Company is obligated to repay the full principal amount of the Convertible Note. Convertible Note A is convertible by the holder at any time into shares of the Company's common stock at an effective conversion price of $1.00 and throughout the duration of the Convertible Note A the holder has the right to participate in any and other financing the Company may engage in with the same terms and option as all other investors. The Company allocated the face value of Convertible Note A to the shares and the note based on relative fair values, and the amount allocated to the shares of $16,364 was recorded as a discount against the note, with an offsetting entry to additional paid-in capital. The discount was amortized to interest expense during the year ended December 31, 2016. During the year ended December 31, 2017, the Company issued an aggregate 65,000 shares of common stock with a value of $10,773 to the note holder for an extension of the term of the note. During the years ended December 31, 2017 and 2016, the Company accrued interest expense in the amount of $7,200 and $296, respectively, on the Convertible Note A.

Short term loan

As a result of the acquisition of P3 Compounding of Georgia, LLC (“P3”) the Company had a short-term convertible note with a loan agency in the principal amount of $52,000 for the purchase of future sales and credit card receivables of P3. Under the terms of the receivable purchase agreement, the Company purchased an advance of $50,000 plus $2,000 for origination costs with a 10.5% daily interest rate to be repaid over 160 days at a repayment amount of $451.75 per day. Upon maturity, the total repayment amount will be $72,280. As of December 31, 2017 and 2016 the carrying value of this short-term loan was $74,104 and 26,925, respectively. For year ending December 31, 2016, no interest expense related to this loan was recorded in the Company’s consolidated financial statements as the effective date of acquisition was the last day of the quarter. The origination fee and interest were recorded as debt discount on the date of issuance in the amount of $22,280 was amortized during the year ending December 31, 2016. No interest expense was charged on this loan during the twelve months ended December 31, 2017. During the years ended December 31, 2017 and 2016, principal payments in the amount of $67,676 and $0, respectively, were made on this loan. This loan is in default at December 31, 2017.

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July 2017 Note

On July 10, 2017, the Company negotiated the reclassification of $75,000 in accounts payable to a loan payable to a related party (the "July 2017 Note"). The July 2017 Note is due no later than 90 days after the receipt of a minimum of $1,000,000 of funding. The July 2017 Note bears no interest; however, if it is not paid by the due date, interest will accrue at the rate of 12% per year. During the year ended December 31, 2017, the Company imputed interest expense in the amount of $4,500 on the July 2017 Note with a related party.

Deconsolidation of Acquisition

On April 29, 2016, subject to approval by the Georgia Board of Pharmacy, the Company entered into definitive documents to acquire P3 Compounding of Georgia, LLC, ("P3"). P3 received Georgia Board of Pharmacy approval for the transaction at the end of June 2016 and the transaction closed effective June 30, 2016. We determined after 90 days of operation that its financial needs did not meet the Company's objectives, and it was unlikely to be able to contribute to the financial success of the Company in the near term. On September 30, 2016, we entered into an agreement with the former owners to deconsolidate the operations.

The fair value of the consideration paid pertaining to the deconsolidation of P3 was $1,618,200. 340,000 shares of common stock with a fair value of $1,183,200 based on the closing price of the True Nature's common stock on April 29, 2016. This note was cancelled as part of the transaction. In addition, Mr. Casey Gaetano, a former owner of P3, received an employment contract with True Nature for 3 years as VP of Corporate Development, at an annual salary of $125,000, plus normal benefits commensurate with other executives in the Company of equal stature. He also received on April 29, 2016, 125,000 shares of restricted at a value of $3.48 per share in exchange for becoming the Company's VP of Corporate Development. No cash consideration was paid under this agreement, and it was fully cancelled without further obligation as a part of the spin-out transaction. The shares were valued at $435,000 and will remain the property of Mr. Gaetano.

As the company never attained full control of P3, the business was deconsolidated from the company's financials as of September 30, 2016.

Plan of Operations

We are entering the Compounding Pharmacy Industry via a roll-up of existing compounding pharmacies consolidating fragmented market. The key elements of our strategy include:

- we intend to grow regionally, building regional distribution centers, expand sales and marketing with eventually with a national presence;
- we intend to acquire multiple libraries of compounding formulations in the process, recognizing that:
- some are tailored for local needs;
- some will have regional markets with expanded marketing;
- some can become nationally accepted, and further "productized" solutions;
- in all cases, we intend to drive the costs down when compared to alternatives from "big pharma".

There will be three (3) operating divisions under the publicly traded holding company. The first, expected to be named "TN Retail, LLC" would hold its retail storefront operations which would provide conventional pharmacy products and unique compounding based solutions. The store would focus on "healthy, holistic and natural solutions," along the lines of a "Whole Foods of Pharmacy" -style marketing approach which would become the "feeder system" for sale to the Company's expected compounding production facilities.

The second anticipated separate subsidiary would hold its compounding pharmacy, back office production and central fill operations and is expected to be named “TN Compounding, LLC.” This would be a 503a licensed operation initially, although the Company’s management envisions a network of these facilities located regionally. It may eventually consider a 503b licensed operation to accommodate the ability to provide both sterile and non-sterile products, including products for stocking inventory at medical offices and hospitals.

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Lastly, the Company expects to acquire unique related technologies, including a growing library of specialized formulations. Many of these formulations are expected to be unique to its operations, and some may be licensed to others for mass market distribution, or may be produced for stocking inventory at a 503b qualified facility. The entity is expected to be named “TN Technologies, LLC” and will hold those intellectual property assets, as well as other novel new approaches it may engage in, directly, or under a license granted from the holders. We also expect to acquire or develop software and systems to address the worldwide need for better healthcare, at lower costs.

Recent Developments

Appointment of Chief Executive Officer

As of April 1, 2018 the Company Appointed Mr. Jay Morton to the positions of President and Interim Chief Executive Officer (CEO), effective April 1, 2018. Mr. Morton, age 51, founded Local Pet RX in 2014, where he and four other shareholders have developed a “telemedicine” like application for use by pharmacies and veterinary clinics, aimed at processing orders from the veterinary clinics online, while allowing the end user pet owners to interface with both the veterinary clinic and the filling pharmacy business.

Acquisition of Businesses and Financing

The Company intends to target businesses who have a) strong regulatory compliance history, b) a record of profitable operations, c) operations that represent a geographical “hub” or “spoke” when considered in relation to other compounders, and d) where the combination of operations including embedded retail, and online, facilitates cross selling of a growing line of products.

During 2017 we had three (3) compounding operations under contract, but all were disqualified after through due diligence. We continue to have an agreement in place for the potential acquisition of Skip’s Pharmacy, in Boca Raton, Florida, and Mr. Phillip Giodano is active in his capacity as a member of our Advisory Board. We have not completed the due diligence required to close this transaction, nor have we finalized the financing that the transaction would require.

During 2017 we began design of a new “healthy and holistic” retail prototype concept store, and identified several sites in Florida to operate the units. We have a number of agreements under discussion for software and systems that would be applied in the health care industry including “telemedicine” and a potential services offering the design of applications in healthcare using “blockchain” encryption. It is likely that this aspect of our business plan will face the highest priority going into 2018.

In March 2018, we entered into a non-binding letter of intent to acquire Pet RX, its predecessors and affiliates. Due diligence is continuing at the time of this filing. Pet RX provides software to enable pharmacy operators to address the needs of the veterinary markets.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

This Item is not required for a Smaller Reporting Company.

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ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

TRUE NATURE HOLDING, INC.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of True Nature Holdings, Inc.

Opinion on the Financial Statements

We have audited the accompanying balance sheets of True Nature Holdings, Inc. (the Company) as of December 31, 2017 and 2016, and the related statements of operations, stockholders' equity (deficit), and cash flows for each of the years in the two-year period ended December 31, 2017, and the related notes and schedules (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2017 and 2016, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2017, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's 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 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 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 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 financial statements. We believe that our audits provide a reasonable basis for our opinion.

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 11 to the financial statements, the Company suffered losses from operations which raise substantial doubt about its ability to continue as a going concern. Managements plans regarding those matters are also described in Note 11. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ M&K CPAS, PLLC

We have served as the Company’s auditor since 2016.

Houston, TX
April 17, 2018

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TRUE NATURE HOLDING, INC.
Balance Sheets

	December 31, 2017	December 31, 2016
ASSETS		
Current assets		
Cash and cash equivalents	$-	$-
Prepaid expenses and other current assets	-	1,875
Total current assets	-	1,875
Total Assets	-	1,875
LIABILITIES AND (DEFICIENCY IN) STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	766,356	589,229
Accrued liabilities – related party	147,894	84,488
Due to related parties	91,066	106,866
Accrued interest	50,665	31,021
Convertible note payable	60,000	-
Convertible note payable, in default	196,270	256,270
Note payable - related party	75,000	-
Total current liabilities	1,387,251	1,067,874
Commitments and contingencies	-	-
Stockholders' equity (deficit)		
Preferred stock, $0.01 par value, 10,000,000 shares authorized, no shares issued or outstanding as of December 31, 2017 and 2016	-	-
Common stock, $0.01 par value, 500,000,000 shares authorized, 18,930,874 and 17,436,666 shares issued and outstanding as of December 31, 2017 and 2016	189,309	174,367
Additional paid-in capital	4,659,713	4,261,748
Stock payable	39,886	20,000
Accumulated deficit	(6,276,159)	(5,522,114)
Total (deficiency in) stockholders' equity	(1,387,251)	(1,065,999)
Total liabilities and stockholders' equity	$-	$1,875

The accompanying notes are an integral part of the Consolidated Financial Statements.

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TRUE NATURE HOLDING, INC.
Consolidated Statements of Operations

	For the Year Ended December 31, 2017	For the Year Ended December 31, 2016
Revenue	$-	$-
Operating expenses:		
General and administrative	699,957	4,405,163
Total operating expenses	699,957	4,405,163
Net Operating Loss	(699,957)	(4,405,163)
Other income (expense):		
Interest expense	(54,088)	(269,367)
Loss on debt extinguishment	-	(206,329)
Total other expense	(54,088)	(475,696)
Loss before provision for income taxes	(754,045)	(4,880,859)
Provision for income taxes	-	-
Net loss	$(754,045)	$(4,880,859)
Net loss per share - basic	$(0.04)	$(0.35)
Net loss per share - diluted	$(0.04)	$(0.35)
Weighted average shares outstanding - basic	17,766,522	13,760,888
Weighted average shares outstanding - diluted	17,766,522	13,760,888

The accompanying notes are an integral part of the Consolidated Financial Statements.

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TRUE NATURE HOLDING, INC.

Consolidated Statements of Changes in Stockholders' Deficit

	Common Stock			Stock	Accumulated	
	Shares	Amount	APIC	Payable	Defecit	Total
Balance at December 31, 2015	11,765,000	$117,650	$3,917	$-	$(641,255)	$(519,688)
Sale of common stock, net of issuance costs	120,000	1,100	49,800	-	-	51,000
Beneficial conversion features	--		67,062	-	-	67,062
Stock based compensation	4,070,000	40,700	3,337,035	-	-	3,377,735
Common stock and warrants issued and payable for debt discount	15,000	150	118,601	20,000	-	138,751
Common stock issued for conversion of accounts payable or accrued interest	1,066,666	10,667	569,333	-	-	580,000
Net loss for the year ended December 31, 2016	-	-	-	-	(4,880,859)	(4,880,859)
Balance at December 31, 2016	17,436,666	174,367	4,261,748	20,000	(5,522,114)	(1,065,999)
Stock issued for cash	250,000	2,500	44,500	-	-	47,000
Stock issued for services	2,113,637	21,136	222,462	17,936	-	261,534
Stock issued for extension of debt	65,000	650	8,173	1,950	-	10,773
Stock issued for conversion of accounts payable	1,215,571	12,156	96,830	-	-	108,986
Imputed interest	-	-	4,500	-	-	4,500
Stock returned for cancellation by prior officer	(2,150,000)	(21,500)	21,500	-	-	-
Net loss	-	-	-	-	(754,045)	(754,045)
Balance at December 31, 2017	18,930,874	$189,309	$4,659,713	$39,886	$(6,276,159)	$(1,387,251)

The accompanying notes are an integral part of the Consolidated Financial Statements.

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TRUE NATURE HOLDING, INC.
Consolidated Statements of Cash Flows

	For the Year Ended December 31, 2017	For the Year Ended December 31, 2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$(754,045)	$(4,880,859)
Adjustments to reconcile net loss to net cash used in operating activities:		
Imputed interest	4,500	-
Loss on extinguishment of debt	-	206,329
Debt discount amortization	-	249,592
Shares issued for extension of note payable	10,773	-
Stock based compensation	261,534	3,377,736
Changes in assets and liabilities:		
Prepaid expenses	1,875	15,125
Accounts payable	286,113	564,766
Accrued liabilities	63,406	74,028
Due to related parties	59,200	106,866
Accrued interest	19,644	16,909
Net cash used in operating activities	(47,000)	(269,508)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash provided by investing activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of convertible note payable	-	258,000
Sale of common stock, net of issuance costs	47,000	51,000
Repayment of promissory notes	-	(67,677)
Net cash provided by financing activities	47,000	241,323
Net increase (decrease) in cash and cash equivalents	-	(28,185)
Cash and cash equivalents at beginning of period	-	28,185
Cash and cash equivalents at end of period	$-	$-
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Interest paid	$-	$-
Income taxes paid	$-	$-
NON-CASH INVESTING AND FINANCING ACTIVITIES:		

Beneficial Conversion Feature	$-	$67,062
Conversion of debt to common stock	$-	$103,671
Conversion of accounts payable to common stock	$108,986	$390,000
Discount related to issuance of debentures, warrants and convertible notes	$-	$138,750
Par value of shares returned for cancellation	$21,500	$-
Note payable issued to related party for accounts payable to related party	$75,000	$-

The accompanying notes are an integral part of the Consolidated Financial Statements.

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Notes To Consolidated Financial Statements

December 31, 2017

Note 1 – Organization, Basis of Presentation and Nature of Operations

True Nature Holding, Inc. (the "Company"), previously known as Trunity Holdings, Inc., became a publicly-traded company through a reverse merger with Brain Tree International, Inc., a Utah corporation ("BTI"). BTI was incorporated on July 26, 1983 to specialize in the development of high technology products or applications including, but not limited to, electronics, computerized technology, new technological product fields, and precious metals. Trunity Holdings, Inc. was the parent company of the prior educational business, named Trunity, Inc., which was formed on July 28, 2009 through the acquisition of certain intellectual property by its three founders.

True Nature Holding, Inc. is a corporation organized under the laws of the state of Delaware with principal offices located in Atlanta, Georgia. On January 16, 2016, the Company changed the equity structure that included a reverse split of 1 for 101, such that all holders of 101 shares of common stock issued and outstanding prior to the effective date of the reverse split would own 1 share of common stock upon the effect date of the reverse split. In addition, the Company amended its Articles of Incorporation (i) to increase its authorized capital stock to 510,000,000 shares which consists of 500,000,000 shares of common stock, par value $0.01 per share, and 10,000,000 shares of preferred stock, par value $0.01 per share and (ii) to change its name from Trunity Holdings, Inc. to True Nature Holding, Inc. (there was no change in the stock symbol "TNTY").

The accompanying consolidated financial statements include the accounts of True Nature Holding, Inc. as December 31, 2017 and 2016.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting – The consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Use of Estimates - The preparation of these financial statements requires our management to make estimates and assumptions about future events that affect the amounts reported in the financial statements and related notes. Future events and their effects cannot be determined with absolute certainty. Therefore, the determination of estimates requires the exercise of judgment.

Comprehensive Loss – Comprehensive income (loss) as defined includes all changes in equity during a period from non-owner sources. Items included in the Company's comprehensive loss consist of unrealized gains (losses) on securities.

Cash -All highly liquid investments with a maturity date of three months or less at the date of purchase are considered to be cash equivalents.

Revenue Recognition – The restructured entity of True Nature Holding, Inc. which is focused on acquiring a series of businesses which specialize in compounding pharmacy activities, has recognized no revenues through December 31, 2017. In fiscal 2018, the Company will recognize revenues when all of the following criteria have been met: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred; (3) the selling price is fixed and determinable; and (4) collectability is reasonably assured.

Stock-Based Compensation – We recognize the compensation costs of share-based compensation arrangements based on the grant-date fair value and recognize the costs in the financial statements over the period during which employees are required to provide services. Share-based compensation cost for stock options is estimated at the grant date based on each option's fair-value as calculated by the Black-Scholes-Merton ("BSM") option-pricing model. Share-based compensation arrangements may include stock options, restricted share plans, performance based awards, share appreciation rights and employee share purchase plans. Such compensation amounts, if any, are amortized over the respective vesting periods of the option grant.

Equity instruments issued to other than employees are recorded on the basis of the fair value of the instruments. In general, the measurement date is when either a (a) performance commitment, as defined, is reached or (b) the earlier of (i) the non-employee performance is complete or (ii) the instruments are vested. The measured value related to the instruments is recognized over a period based on the facts and circumstances of each particular grant.

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Convertible Instruments – The Company reviews the terms of convertible debt and equity instruments to determine whether there are conversion features or embedded derivative instruments including embedded conversion options that are required to be bifurcated and accounted for separately as a derivative financial instrument. In circumstances where the convertible instrument contains more than one embedded derivative instrument, including conversion options that are required to be bifurcated, the bifurcated derivative instruments are accounted for as a single compound instrument. Also, in connection with the sale of convertible debt and equity instruments, the Company may issue free standing warrants that may, depending on their terms, be accounted for as derivative instrument liabilities, rather than as equity. When convertible debt or equity instruments contain embedded derivative instruments that are to be bifurcated and accounted for separately, the total proceeds allocated to the convertible host instruments are first allocated to the fair value of the bifurcated derivative instrument. The remaining proceeds, if any, are then allocated to the convertible instruments themselves, usually resulting in those instruments being recorded at a discount from their face amount. When the Company issues debt securities, which bear interest at rates that are lower than market rates, the Company recognizes a discount, which is offset against the carrying value of the debt. Such discount from the face value of the debt, together with the stated interest on the instrument, is amortized over the life of the instrument through periodic charges to income. In addition, certain conversion features are recognized as beneficial conversion features to the extent the conversion price as defined in the convertible note is less than the closing stock price on the issuance of the convertible notes.

Common Stock Purchase Warrants – The Company accounts for common stock purchase warrants in accordance with FASB ASC Topic 815, Accounting for Derivative Instruments and Hedging Activities (“ASC 815”). As is consistent with its handling of stock compensation and embedded derivative instruments, the Company’s cost for stock warrants is estimated at the grant date based on each warrant’s fair-value as calculated by the Black-Scholes-Merton (“BSM”) option-pricing model value method for valuing the impact of the expense associated with these warrants.

Stockholders’ Equity – Shares of common stock issued for other than cash have been assigned amounts equivalent to the fair value of the service or assets received in exchange. Common stock share and per share amounts in these financial statements have been adjusted for the effects of a 1 for 101 reverse stock split that occurred in January 2016.

Per Share Data – Basic loss per share is computed by dividing net loss by the weighted average number of common shares outstanding for the year. Diluted loss per share is computed by dividing net loss by the weighted average number of common shares outstanding plus common stock equivalents (if dilutive) related to warrants, options and convertible instruments.

The Company has excluded all common equivalent shares outstanding for warrants, options and convertible instruments to purchase common stock from the calculation of diluted net loss per share because all such securities are antidilutive for the periods presented. As of December 31, 2017 and 2016, the Company had no outstanding warrants or options.

Income Taxes – The Company accounts for income taxes under the asset and liability method which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the Company’s consolidated financial statements or tax returns. In estimating future tax consequences, the Company generally considers all expected future events other than possible enactments of changes in the tax laws or rates.

Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. The Company has determined that a valuation allowance is needed due to recent taxable net operating losses, the sale of profitable divisions and the limited taxable income in the carry back periods. The effect on deferred tax assets and liabilities of a change in tax rates is recognized as income or expense in the period that includes the enactment date. Deferred income taxes 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 and certain tax loss carryforwards, less any valuation allowance.

The Company accounts for uncertain tax positions as required in that a position taken or expected to be taken in a tax return is recognized in the consolidated financial statements when it is more likely than not (i.e., a likelihood of more than fifty percent) that the position would be sustained upon examination by tax authorities. A recognized tax position is then measured at the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement. The Company does not have any material unrecognized tax benefits. The Company recognizes accrued interest and penalties related to unrecognized tax benefits as components of interest expense and other expense, respectively, in arriving at pretax income or loss. The Company does not have any interest and penalties accrued. The Company is generally no longer subject to U.S. federal, state, and local income tax examinations for the years before 2012.

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Business Combinations – The Company accounts for business combinations by recognizing the assets acquired, liabilities assumed, contractual contingencies, and contingent consideration at their fair values on the acquisition date. The purchase price allocation process requires management to make significant estimates and assumptions, especially with respect to intangible assets, estimated contingent consideration payments and pre-acquisition contingencies. Examples of critical estimates in valuing certain of the intangible assets we have acquired or may acquire in the future include but are not limited to:

- future expected cash flows from product sales, support agreements, consulting contracts, other customer contracts, and acquired developed technologies and patents; and

- discount rates utilized in valuation estimates.

Unanticipated events and circumstances may occur that may affect the accuracy or validity of such assumptions, estimates or actual results. Additionally, any change in the fair value of the acquisition-related contingent consideration subsequent to the acquisition date, including changes from events after the acquisition date, such as changes in our estimates of relevant revenue or other targets, will be recognized in earnings in the period of the estimated fair value change. A change in fair value of the acquisition-related contingent consideration or the occurrence of events that cause results to differ from our estimates or assumptions could have a material effect on the consolidated financial position, statements of operations or cash flows in the period of the change in the estimate.

Impairment of Long – Lived Assets-Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed would be separately presented in the consolidated balance sheet and reported at the lower of the carrying amount or fair value less costs to sell, and are no longer depreciated. The assets and liabilities of a disposal group classified as held-for-sale would be presented separately in the appropriate asset and liability sections of the consolidated balance sheet, if material. No impairment losses have been realized for the periods presented.

Financial Instruments and Fair Values – The fair value of a financial instrument represents the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value estimates are made at a specific point in time, based upon relevant market information about the financial instrument. In determining fair value, we use various valuation methodologies and prioritize the use of observable inputs. We assess the inputs used to measure fair value using a three-tier hierarchy based on the extent to which inputs used in measuring fair value are observable in the market:

Level 1 – inputs include exchange quoted prices for identical instruments and are the most observable.

Level 2 – inputs include brokered and/or quoted prices for similar assets and observable inputs such as interest rates.

Level 3 – inputs include data not observable in the market and reflect management judgment about the assumptions market participants would use in pricing the asset or liability.

The use of observable and unobservable inputs and their significant in measuring fair value are reflected in our hierarchy assessment. The carrying amount of cash, prepaid assets, accounts payable and accrued liabilities approximates fair value due to the short-term maturities of these instruments. Because cash and cash equivalents are readily liquidated, management classifies these values as Level 1. The fair value of the debentures, approximate their book value as the instruments are short-term in nature and contain market rates of interest. Because there is no ready

market or observable transactions, management classifies the debentures as Level 3.

Recently Issued Accounting Standards

In May 2017, the FASB issued ASU No. 2017-09, Stock Compensation - Scope of Modification Accounting, which provides guidance on which changes to the terms or conditions of a share-based payment award require an entity to apply modification accounting. The ASU requires that an entity should account for the effects of a modification unless the fair value (or calculated value or intrinsic value, if used), vesting conditions and classification (as equity or liability) of the modified award are all the same as for the original award immediately before the modification. The ASU becomes effective for the Company on January 1, 2018, and should be applied prospectively to an award modified on or after the adoption date. Early adoption is permitted, including adoption in any interim period. The Company will apply this standard for any awards that are modified after January 1, 2018. We are evaluating what impact, if any, the adoption of this guidance will have on our financial condition, results of operations, cash flows or financial disclosures.

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In January 2017, the FASB issued ASU No. 2017-04, Simplifying the Test for Goodwill Impairment, which simplifies the subsequent measurement of goodwill by eliminating Step 2 from the goodwill impairment test. In computing the implied fair value of goodwill under Step 2, current U.S. GAAP requires the performance of procedures to determine the fair value at the impairment testing date of assets and liabilities (including unrecognized assets and liabilities) following the procedure that would be required in determining the fair value of assets acquired and liabilities assumed in a business combination. Instead, the amendments under this ASU require the goodwill impairment test to be performed by comparing the fair value of a reporting unit with its carrying amount. An impairment charge should be recognized for the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss recognized should not exceed the total amount of goodwill allocated to that reporting unit. The ASU becomes effective for the Company on January 1, 2020. The amendments in this ASU should be applied on a prospective basis. Early adoption is permitted for interim or annual goodwill impairment tests performed. We are evaluating what impact, if any, the adoption of this guidance will have on our financial condition, results of operations, cash flows or financial disclosures.

In August 2016, the FASB issued ASU No. 2016-15 which amends ASC Topic 230, "Classification of Certain Cash Receipts and Cash Payments." The amendments in this update address eight specific cash flow issues with the objective of reducing the existing diversity in practice. The update outlines the classification of specific transactions as either cash inflows or outflows from financing activities, operating activities, investing activities or non-cash activities. This guidance is effective for interim and annual reporting periods beginning after December 15, 2017. We are evaluating what impact, if any, the adoption of this guidance will have on our financial condition, results of operations, cash flows or financial disclosures.

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842), to increase transparency and comparability among organizations by recognizing a right-of-use asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either operating or financing, with such classification affecting the pattern of expense recognition in the income statement. ASU 2016-02 is effective for fiscal years and interim periods within those years beginning after December 15, 2018, and early adoption is permitted. We are currently evaluating the impact ASU 2016-02 will have on our consolidated financial statements and associated disclosures.

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606), to clarify the principles of recognizing revenue and create common revenue recognition guidance between U.S. GAAP and International Financial Reporting Standards. Under ASU 2014-09, revenue is recognized when a customer obtains control of promised goods or services and is recognized at an amount that reflects the consideration expected to be received in exchange for such goods or services. In addition, ASU 2014-09 requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The ASU is effective for fiscal years beginning after December 15, 2017. The new revenue standard is principle based and interpretation of those principles may vary from company to company based on their unique circumstances. It is possible that interpretation, industry practice, and guidance may evolve as companies and the accounting profession work to implement this new standard. The Company is still in the process of evaluating the effect of the new standard on the Company's historical financial statements and disclosures. While the Company has not completed its evaluation, the Company currently believes that the impact to revenue and expense recognized will not be material to any of the years presented.

Management does not believe that any other recently issued but not yet effective accounting standards, if currently adopted, would have a material effect on the accompanying condensed consolidated financial statements.

Note 3 –Deconsolidation of acquisition

On April 29, 2016, subject to approval by the Georgia Board of Pharmacy, the Company entered into definitive documents to acquire P3 Compounding of Georgia, LLC, ("P3"). P3 received Georgia Board of Pharmacy approval for the transaction at the end of June 2016 and the transaction closed effective June 30, 2016. However after the following 90 days of operation, as the Company did not gain effective control, we entered into an agreement with the former owners to deconsolidate the operations and returned the assets and liabilities to the former owners of P3.

The fair value of the consideration paid pertaining to the acquisition of P3 was $1,618,200. Consideration for the transaction was structured as follows:

The Company issued 340,000 shares of common stock with a fair value of $1,183,200 based on the closing price of the True Nature's common stock on April 29, 2016. In addition, Mr. Casey Gaetano, a former owner of P3, received an employment contract with True Nature for 3 years as VP of Corporate Development, at an annual salary of $125,000, plus normal benefits commensurate with other executives in the Company of equal stature. He also received on April 29, 2016, 125,000 shares of restricted at a value of $3.48 per share in exchange for becoming the Company's VP of Corporate Development. No cash consideration was paid under this agreement, and it was fully cancelled without further obligation as a part of the deconsolidation transaction. The shares were valued at $435,000 and will remain the property of Mr. Gaetano. As the company never attained full control of P3, the business was deconsolidated from the company's financials as of September 30, 2016.

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Loss on Deconsolidation

As the Company did not obtain effective control of the P3 business, the Company deconsolidated the business effective September 30, 2016 in accordance with ASC 810 and the disclosures herein were also made in accordance with ASC 810. As a result, the Company recorded a loss from deconsolidation of $1,618,200, based on the fair value of shares issued of $1,618,200; the loss from deconsolidation is included within selling, general and administrative expenses.

Note 4 – Related Party Transactions

For the Year Ended December 31, 2016

On January 25, 2016 two board members were each awarded 100,000 of shares of the Company's common stock in exchange for their services as board members. The shares were valued at $145,000 based on the closing market price on the date of grant.

On April 25, 2016 a board member was awarded 100,000 shares of the Company's common stock in exchange for his services on the board and non-qualified stock options to purchase up to 1,000,000 shares of the Company's common stock in consideration for his services as CEO. The stock options were subsequently cancelled in conjunction with his resignation as CEO on September 23, 2016, and 100,000 shares of restricted common stock valued at $47,680, based on the closing market price on the date of grant, in conjunction with the cancellation of all amounts owed as of the date of his resignation.

On May 25, 2016, a board member was awarded 100,000 shares of the Company's common stock, valued at $235,000 based on the closing market price on the date of grant, in exchange for his service as a member of the board.

On September 23, 2016, the Company appointed three new directors to the Board of Directors, and each received 100,000 shares of common stock, each valued at $27,990 based on the closing market price on the date of grant, in conjunction with their appointments.

On September 27, 2016, the Company accepted the resignations of its former Chairman and CFO and former CEO. The former CFO had a consulting agreement in the amount of $10,000 per month for professional fees. The Company's former CEO had an employment agreement effective June 7, 2016 pursuant to which he received a monthly salary in the amount of $12,500 per month for the remainder of the 2016 calendar year, $17,500 per month for the 2017 calendar year, $22,500 per month for the 2018 calendar year and $25,000 per month for the 2019 calendar year. No payments have been made to the former CEO. Both of these agreements were cancelled and the Company has no further obligation to either individuals going forward. Further, the former CFO has agreed to return for cancellation 2,000,000 shares of restricted common stock of the Company, and to use 100,000 shares of Company common stock to settle an obligation to a former employee. The former CEO had been awarded options for the purchase of 1,000,000 shares of restricted common stock, which were all cancelled in conjunction with his resignation.

In addition, the Company had a consulting agreement with a shareholder in the amount of $10,000 per month for professional fees. The shareholder and the Company have agreed to terminate the agreement as of September 30, 2016. In consideration of all amounts owed, the Company issued 966,666 shares of common stock, valued at $290,000 based on the closing market price on the date of grant, and the consultant cancelled $290,000 in amounts owed. The amounts owed consist of a) $80,000 in advances to the Company, or obligations paid to the Company, b) $120,000 in consulting fees owed and c) reimbursement of $90,000 of costs related to the formation of Newco4pharmacy, LLC, which was acquired by the Company in December 2015.

On December 30, 2016, the Board of Directors of the Company issued 100,000 shares of restricted common stock to a consultant, who subsequently became the CEO and CFO of the Company as compensation for his contribution during the prior 90 days. The charge to earnings for this issuance was $19,080.

On December 30, 2016, the Board voted to issue 100,000 shares of common stock to each of the Company's Board members as additional compensation for services during the prior 90 days. Each of the recipients abstained from the vote on their issuance so as not to be voting on their own issuance; however, each member of the Board voted for the issuance of shares to their fellow Board members. The charge to earnings for this issuance was $19,080, for each of the three directors, or a total of $57,240.

The Company had accounts payable from related party transactions of $106,866 as of December 31, 2016. The balance was made up of the following: a) two members of the Board of Directors were due $12,000 each for compensation expense that had not been paid; b) the former CEO and CFO of the Company were owed for reimbursable expenses that totaled $75,866; and c) a shareholder paid for expenses of the Company directly to several vendors in the aggregate amount of $7,000.

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For the Year Ended December 31, 2017

During the year ended December 31, 2017, the Company raised gross proceeds of $47,000 through the sale of 250,000 shares of common stock to a new member of the Board of Directors at a price of $0.157 per share.

During the year ended December 31, 2017, the Company issued 1,533,571 restricted shares of the Company's common stock valued at $179,024 in exchange for services conducted on behalf of the Company by related parties. The Company also has accrued liabilities to related parties in the amount of $147,894 representing accrued compensation, $91,066 due to related parties for services provided and a note payable to a related party in the amount of $75,000. Interest expense in the amount of $4,500 was imputed on this note payable during the year ended December 31, 2017 (see note 5).

Note 5 – Debt

On March 18, 2016, the Company issued a 12% Convertible Promissory Note (the "Convertible Note A") in the principal amount of $60,000 to a lender. Upon issuance of the Convertible A Note, the lender was awarded 15,000 restricted common stock as an origination fee which includes piggy back registration rights. On September 19, 2016, the Company issued the lender an additional 15,000 restricted common stock at a price of $0.30 per share to extend the term of the loan agreement indefinitely. The cost to the Company was $4,050 in interest expense. On August 10, 2017, the Company issued 25,000 shares of common stock with a fair value of $3,750 for an additional extension of the term of the loan. Accrued interest at December 31, 2017 and December 31, 2016, was $10,860 and $3,660, respectively.

Pursuant to the terms of the Convertible Note A, the Company is obligated to pay monthly installments of not less than $1,000 the first of each month commencing the month following the execution of the Convertible Note A until its maturity on September 16, 2016 at which time the Company is obligated to repay the full principal amount of the Convertible Note A. The Convertible Note A is convertible by the holder at any time into shares of the Company's common stock at price of $1.00 per share, and throughout the duration of the note, the holder has the right to participate in any financing the Company may engage in upon the same terms and conditions as all other investors. The Company allocated the face value of the Convertible Note A to the shares and the note based on relative fair values, and the amount allocated to the shares of $18,750 was recorded as a discount against the note.

The beneficial conversion feature of $9,375 was recorded as a debt discount with an offsetting entry to additional paid-in capital decreasing the note payable and increasing debt discount. The debt discount is being amortized to interest expense over the term of the debt. For the year ended December 31, 2016, debt discount amortization related to the Convertible Note A was $28,125. There was no amortization of the discount during the year ended December 31, 2017.

On May 19, 2016, the Company issued a 10% Convertible Promissory Note (the "Convertible Note B") in the principal amount of $100,000 to a lender. Upon issuance of the Convertible Note B, the lender was awarded 24-month warrants to purchase up to 66,666 shares of the Company's common stock at an exercise price of $2.50 per share. The warrants were valued at $103,086 with $100,000 as a debt discount; the additional $3,086 was expensed as additional interest expense. The debt discount was fully amortized during the year ended December 31, 2016. This obligation, including all warrants, penalties and interest due was cancelled as of September 30, 2016 in consideration of the issuance of 400,000 shares of restricted common stock valued at $120,000. At the time of conversion, the principal amount of the note was approximately $100,000 and total accrued interest thereon was $3,671. As a result of the conversion, a loss of $16,329 recognized in the year ended December 31, 2016.

August 2014 Convertible Debentures (Series C)

As part of the restructuring all debentures issued by Trunity Holdings, Inc., to fund the former, educational business were eligible to participate in a debt conversion; however, one debenture holder that was issued a Series C Convertible Debenture (the “Series C Debenture”) in August 2014 with an aggregate face value of $100,000 in exchange for the cancellation of Series B Convertible Debentures with a carrying value of $110,833 did not convert such debenture. The Series C Debenture accrues interest at an annual rate of 10%, matured November 2015, and is convertible into our common stock at a conversion rate of $20.20 per share. The holders of the Series C Debenture also received five year warrants to acquire up to 4,950 shares post-split of common stock for an exercise price of $20.20 per share,. The former educational business allocated the face value of the Series C Debenture to the warrants and the debentures based on its relative fair values, and allocated to the warrants, which was recorded as a discount against the Series C Debenture, with an offsetting entry to additional paid-in capital. The discount was fully expensed upon execution of the new debentures as debt extinguishment costs within discontinued operations. As of December 31, 2017 and 2016, the carrying value of this Series C Debenture was $110,833 and accrued interest expense of $35,504 and $24,420, respectively. The Series C Debenture is currently in default.

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November 2014 Convertible Debentures (Series D)

As part of the restructuring all debentures issued by Trunity Holdings, Inc., to fund the former, educational business were eligible to participate in a debt conversion; however, one debenture holder that was issued a Series D Convertible Debenture (the "Series D Debenture") in November 2014 with an aggregate face value of $10,000 in exchange for the cancellation of Series B Convertible Debenture with a carrying value of $11,333 did not participate in the debt conversion restructuring. The Series D Debenture accrues interest at an annual rate of 12%, matured November 2015, and is convertible into our common stock at a conversion rate of $16.67 per share. The holders of the Series D Debenture also received five year warrants to acquire up to 495 shares of common stock for an exercise price of $20.20 per share on a post-split basis. The former educational business allocated the face value of the Series D Debenture to the warrants and the debentures based on their relative fair values, and allocated to the warrants, which was recorded as a discount against the Series D Debenture, with an offsetting entry to additional paid-in capital. The discount was fully expensed upon execution of the new debentures as debt extinguishment costs within discontinued operations. As of December 31, 2017 and 2016, the carrying value of the Series D Debenture was $11,333 and accrued interest expense of $4,301 and $2,941, respectively. The Series D Debenture is currently in default.

March 2016 Convertible Note

On March 18, 2016, the Company issued a 12% Convertible Promissory Note (the "Convertible Note A") in the principal amount of $60,000 and a due date of September 16, 2016 to a lender. Pursuant to the terms of Convertible Note A, the Company is obligated to pay monthly installments of not less than $1,000 the first of each month commencing the month following the execution of this note until its full maturity on September 16, 2016 at which time the Company is obligated to repay the full principal amount of the Convertible Note. Convertible Note A is convertible by the holder at any time into shares of the Company's common stock at an effective conversion price of $1.00 and throughout the duration of the Convertible Note A the holder has the right to participate in any and other financing the Company may engage in with the same terms and option as all other investors. The Company allocated the face value of Convertible Note A to the shares and the note based on relative fair values, and the amount allocated to the shares of $16,364 was recorded as a discount against the note, with an offsetting entry to additional paid-in capital. The discount was amortized to interest expense during the year ended December 31, 2016. During the year ended December 31, 2017, the Company issued an aggregate 65,000 shares of common stock with a value of $10,773 to the note holder for an extension of the term of the note. During the years ended December 31, 2017 and 2016, the Company accrued interest expense in the amount of $7,200 and $296, respectively, on the Convertible Note A.

Short term loan

As a result of the acquisition of P3 Compounding of Georgia, LLC ("P3") the Company had a short-term convertible note with a loan agency in the principal amount of $52,000 for the purchase of future sales and credit card receivables of P3. Under the terms of the receivable purchase agreement, the Company purchased an advance of $50,000 plus $2,000 for origination costs with a 10.5% daily interest rate to be repaid over 160 days at a repayment amount of $451.75 per day. Upon maturity, the total repayment amount will be $72,280. As of December 31, 2017 and 2016 the carrying value of this short-term loan was $74,104 and 26,925, respectively. For year ending December 31, 2016, no interest expense related to this loan was recorded in the Company's consolidated financial statements as the effective date of acquisition was the last day of the quarter. The origination fee and interest were recorded as debt discount on the date of issuance in the amount of $22,280 was amortized during the year ending December 31, 2016. No interest expense was charged on this loan during the twelve months ended December 31, 2017. During the years ended December 31, 2017 and 2016, principal payments in the amount of $67,676 and $0, respectively, were made on this loan. This loan is currently in default.

July 2017 Note

On July 10, 2017, the Company negotiated the reclassification of $75,000 in accounts payable to a related party to a loan payable (the “July 2017 Note”). The July 2017 Note is due no later than 90 days after the receipt of a minimum of $1,000,000 of funding. The July 2017 Note bears no interest; however, if it is not paid by the due date, interest will accrue at the rate of 12% per year. During the year ended December 31, 2017, the Company recorded imputed interest expense to a related party in the amount of $4,500 on the July 2017 Note.

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Note 6 – Stockholders' Deficit

Sale of Common Stock – During the fiscal year of 2016, the Company raised gross proceeds of $60,000 through the sale of 120,000 shares of common stock to accredited investors in private placement transactions at a price of $0.50 per share, of which 50,000 shares were issued during the year ended December 31, 2017. The Company incurred $9,000 of securities issuance costs representing commissions paid to broker-dealers who assisted with these transactions.

During the year ended December 31, 2017, the Company raised gross proceeds of $47,000 through the sale of 250,000 shares of common stock to a new member of the Board of Directors and a third party investor at an average price of $0.188 per share.

Shares for Stock Based Compensation – During the fiscal year of 2016, the Company issued 4,070,000, restricted shares of the Company's common stock valued at $3,377,735 in exchange for services conducted on behalf of the Company. The value of these shares was based on the closing market price on the respective date of grant.

During the year ended December 31, 2017, the Company issued 2,113,637 restricted shares of the Company's common stock valued at $261,534 in exchange for services conducted on behalf of the Company. The value of these shares was based on the closing market price on the respective date of grant

Shares issued for convertible note payable issuance – During fiscal year of 2016, in connection with conversion of a six-month convertible promissory note, the Company issued 15,000 shares of the Company's common stock with a fair value of $18,750 that was valued based on the closing market price on the date of the grant. The shares were issued in consideration of the interest and fees due on the loan.

During the year ended December 31, 2017, The Company also issued 65,000 shares of common stock with a fair value of $10,773 for the extension of a note payable.

Shares issued for conversion of accounts payable- During the fiscal year of 2016, the Company converted several accounts payable amounts to stock. The company issued 1,066,666 shares of common stock valued at $580,000 to settle the outstanding accounts payable. As a result of the settlements, a loss of $190,000 was recorded due to the fair value of the shares exceeding the fair value of accounts payable settled.

During the year ended December 31, 2017, the Company issued 1,215,571 shares of common stock for the conversion of accounts payable in the amount of $108,986.
Shares issued for conversion of debt- On September 30, 2016, a member of the board of advisors elected to convert his loan to the Company in the amount of $100,000 and accrued interest thereon into 400,000 shares of the Company's common stock. At the time of conversion, the principal amount of the note was approximately $100,000 and total accrued interest thereon was $3,671. Therefore, as a result of the conversion, there was a loss of $16,329 recognized in the fiscal year ended December 31, 2016.

Debt beneficial conversion feature for convertible note payable – During the fiscal year ended December 31, 2016, the Company raised gross proceeds of $201,780 pursuant to a convertible notes payable that allocated the face value of the note to the shares and debt based on their relative fair values and, resulted in the recording of beneficial conversion features totaling $67,062 as a discount against the notes, with an offsetting entry to additional paid-in capital. The discount is being amortized into interest expense over the term of the note.

Stock payable for debt - Two notes issued in fiscal 2016 contained $10,000 of stock payable each which remained outstanding as of December 31, 2017.

Stock returned for cancellation – On August 10, 2017, the Company received for cancellation 2,150,000 shares held by its former Chief Executive Officer.

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Note 7 – Stock Options

The Company had two Employee, Director and Consultant Stock Option Plans that were not terminated as a result of the fiscal 2015 restructuring of the Company and spin-out and have continued as part of the operations as detailed below.

In fiscal 2015, the option pool pertaining to the 2009 Employee, Director and Consultant Stock Option Plan (the "2009 Plan") was adjusted for a 1 for 101 stock split due to the spin-out and restructuring plan, resulting in an authorized option pool of 18,152. Stock options typically vest over a three-year period and have a life of ten years from the date granted. As of December 31, 2017, there were 3,610 shares available for future awards under this plan.

In fiscal 2015, the option pool pertaining to the 2012 Employee, Director and Consultant Stock Option Plan (the "2012 Plan") was adjusted for a 1 for 101 stock split due to the spin-out and restructuring plan, resulting in an authorized options pool of 74,257. Stock options typically vest over a three-year period and have a life of ten years from the date granted. As of December 31, 2017, there were 45,673 shares available for future awards under this plan.

In addition, there are approximately 24,753 in options outstanding that were issued to a former CEO of spin-out Company in fiscal 2014. These options issued are outside of the 2009 and 2012 Plans.

On June 1, 2016 Jim Driscoll was granted for his position as Chief Executive Officer (CEO) of the Company options to purchase up to 1,000,000 shares of Common Stock outside of the Company's 2009 and 2012 stock option plans (the "Option Agreement"). These options covered 250,000 shares at an exercise price of $1.00 per share to be granted immediately and three additional tranches of 250,000 shares each at an exercise price of $1.50, $2.00 and $2.50 per share, respectively. The remaining three tranches will vest equally over the next three years with the first fully vesting on May 31, 2017 through May 31, 2019. The term of the options will be for a period of five years and may be exercised at any time as to the vested shares. These options were fully cancelled in conjunction with his resignation as of September 27, 2016.

During the fiscal year ended December 31, 2016, the Company recorded stock compensation expense related to the options granted to Mr. Driscoll of $314,680. The grant-date fair value of options was estimated using the Black-Scholes option pricing model. The per share weighted average fair value of stock options granted for Mr. Driscoll was a range of $1.35-$1.76 and was determined using the following assumptions: expected price volatility is 80.39%, risk-free interest rate of 1.39%, zero expected dividend yield, and 4.0 years expected life of options. The expected term of options granted is based on the simplified method in accordance with Securities and Exchange Commission Staff Accounting Bulletin 107, and represents the period of time that options granted are expected to be outstanding. The Company makes assumptions with respect to expected stock price volatility based on the average historical volatility of peers with similar attributes. In addition, the Company determines the risk free rate by selecting the U.S. Treasury with maturities similar to the expected terms of grants, quoted on an investment basis in effect at the time of grant for that business day. As a result of the cancellation of these warrants, the Company has recovered $314,680 as resulted of the elimination of this reserve.

As of December 31, 2017, unrecognized stock compensation expense related to unvested stock options under all Plans was $0. Total stock compensation expense recorded to selling, general and administrative expenses on the consolidated statements of operations and comprehensive for the fiscal year ended December 31, 2017 related to the all Plans and options that vested during the period was $0.

A summary of options issued, exercised and cancelled are as follows:

	Shares	Weighted-Average	Weighted-Average	Aggregate Intrinsic

		Exercise Price ($)	Remaining Contractual Term	Value ($)
Outstanding at December 31, 2016	67,879	$ 21.40	6.17	—
Granted	—	—	—	—
Cancelled	—	—	—	—
Outstanding at December 31, 2017	67,879	$ 21.40	5.17	—
Exercisable at December 31, 2017	67,879	$ 21.40	5.17	—

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Note 8– Stock Warrants

Subsequent to the restructuring of the Company and the spin-out, the Company had warrants to purchase common stock outstanding that were not terminated and have continued as part of the operations as detailed below. The warrants were adjusted for a 1 for 101 stock split due to the spin-out and restructuring plan as authorized. All warrants outstanding as of December 31, 2017 are scheduled to expire at various dates through 2019. A summary of warrants issued, exercised and expired are as follows:

	Shares	Weighted-Average Exercise Price ($)	Weighted-Average Remaining Contractual Term
Outstanding at December 31, 2016	142,653	$ 17.42	2.25
Granted	—	—	—
Expired	—	—	—
Outstanding at December 31, 2017	142,653	$ 17.42	1.25
Exercisable at December 31, 2017	142,653	$ 17.42	1.25

Note 9 – Income Taxes

The Company accounts for income taxes under standards issued by the FASB. Under those standards, deferred tax assets and liabilities are recognized for future tax benefits or consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. A valuation allowance is provided for significant deferred tax assets when it is more likely than not that such assets will not be realized through future operations.

No provision for federal income taxes has been recorded due to the available net operating loss carry forwards of approximately $1,803,912 will expire in various years through 2034. Future tax benefits which may arise as a result of these losses have not been recognized in these financial statements, as their realization is determined not likely to occur and accordingly, the Company has recorded a valuation allowance for the future tax loss carry forwards.

The actual income tax provisions differ from the expected amounts calculated by applying the statutory income tax rate to the Company’s loss before income taxes. The components of these differences are as follows at December 31, 2017 and December 31, 2016:

	2017	2016
Net tax loss carry-forwards	$1,832,083	$1,351,095
Statutory rate	21 %	34 %
Expected tax recovery	384,737	459,372
Change in valuation allowance	(384,737)	(459,372)
Income tax provision	$-	$-
Components of deferred tax asset:		
Non capital tax loss carry forwards	$384,737	$459,372
Less: valuation allowance	(384,737)	(459,372)

Net deferred tax asset	$-	$-

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Note 10 – Commitments and Contingencies

Legal

National Council for Science and the Environment, Inc. v. Trunity Holdings, Inc., Case No. 2015 CA 009726 B, Superior Court for the District of Columbia, Civil Division.

This action was filed on December 16, 2015 by the National Council for Science and the Environment, Inc. ("NCSE") in the state court in the District of Columbia against Trunity Holdings, Inc. ("Trunity") and alleges claims for breach of contract. Acknowledgement of indebtedness and settlement agreement and quantum meruit arising out of an agreement entered into between NCSE and Trunity in 2014. The complaint seeks damages in the amount of $177,270, inclusive of attorney's fees, costs and accrued interest, continuing interest in the amount of 12% per annum and attorney's fees and costs of collection relating to the case. The Company, in its answer dated January 27, 2016, denied the material allegations made by NCSE, asserted a number of affirmative defenses and filed a counterclaim alleging claims for fraud, negligent misrepresentation, breach of fiduciary duty, breach of contract and unjust enrichment. In its counterclaim, the Company sought actual and compensatory damages against NCSE that it believes exceed the amount sought by NCSE on its claims, pre-judgment interest, punitive damages and all costs and expenses, including attorney's fees, incurred by the Company in bringing its claims against NCSE.

On September 23, 2016, the Company settled this obligation with an agreement to pay $48,500 to NCSE if paid by November 4, 2016, and $75,000 if paid later. The Company has not paid the amounts as of the date of this filing, and has recorded the obligation at $75,000.

Carlton Fields Jorden Burt, P.A. vs. True Nature Holding, Inc., f/k/a/ Trunity Holdings, Inc.

This action was filed on May 18, 2017 by a law firm that represented the Company prior to the spin-out of the educational software business in 2016 with the intent of collection past due invoices in the aggregate amount of $241,828. The Company believes it has strong defenses against any such action and anticipates a settlement upon completion of certain funding activities. The Company has recorded a liability in the amount of $241,828 on its balance sheet at December 31, 2017.

230 Commerce Way, LLC vs. Trunity, Inc.

A former landlord of the Company has filed an action in New Hampshire to collect on rent from a list that existed prior to 2013. In January 2018 this action was settled by the spin out, Trunity, Inc. for a cash payment of $65,000.

Trunity, Inc.

The spin-out that now owns the former educational software business has been informed that they owe the Company from the obligations of the NCSE settlement, and the costs of the legal action. We intend to take all actions available to us to collect on these amounts.

Note 11 – Financial Condition and Going Concern

As of December 31, 2017, the Company had no cash and current liabilities of $1,387,251 and has incurred a loss from operations. True Nature Holding's principal operation is the acquisition of compounding pharmacy companies. The Company's activities are subject to significant risks and uncertainties, including failing to secure additional funding to execute its business plan.

As a result of these factors, there is substantial doubt about the ability of the Company to continue as a going concern. The Company's continuance is dependent on raising capital and generating revenues sufficient to sustain operations. The Company believes that the necessary capital will be raised and has entered into discussions to do so with certain individuals and companies. However, as of the date of these consolidated financial statements, no formal agreement exists.

The accompanying consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts classified as liabilities that might be necessary should the Company be forced to take any such actions.

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Note 12 – Subsequent Events

On January 29, 2018, the Company issued an aggregate 1,347,431 shares of common stock to four ex-officer or directors for the satisfaction of accrued compensation. Also on January 29, 2018, the Company issued 557,692 to an investor for the payment of accounts payable on behalf of the Company in the amount of $58,000,

On March 13, 2018, the Company executed a non-binding letter of intent for the purchase all of the outstanding shareholder interests of Local Pet RX, Inc., (Local Pet RX), based in Jacksonville, Florida, and its affiliates and predecessors. Local Pet RX is a provider of software and services aimed at allowing local pharmacy operators to effective enter the veterinary marketplaces.

As of April 1, 2018 the Company Appointed Mr. Jay Morton to the positions of President and Interim Chief Executive Officer (CEO), effective April 1, 2018. Mr. Morton, age 51, founded Local Pet RX in 2014, where he and four other shareholders have developed a “telemedicine” like application for use by pharmacies and veterinary clinics, aimed at processing orders from the veterinary clinics online, while allowing the end user pet owners to interface with both the veterinary clinic and the filling pharmacy business.

We evaluated subsequent events after the balance sheet date through the date the financial statements were issued. We did not identify any additional material events or transactions occurring during this subsequent event reporting period that required further recognition or disclosure in these financial statements.

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ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

On January 19, 2016, the Board of Directors of the Company approved the engagement of Hancock Askew & Co., LLP as the Company's independent registered public accounting firm for the purposes of auditing the Company's financial statements as of and for the year ending December 31, 2015. This selection resulted in the dismissal by the Board of Marcum LLP ("Marcum"), which had served in that role for an interim period, from May 18, 2015 until January 18, 2016. The change in accountants did not result from any dissatisfaction with the quality of professional services rendered by Marcum.

There were (i) no "disagreements" as that term is defined in item 304(a)(1)(iv) of Regulation S-K, between the Company and Marcum on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, any of which that, if not resolved to Marcum's satisfaction, would have caused Marcum to make reference to the subject matter of any such disagreement in connection with its reports for such years and interim period and (ii) no reportable events within the meaning of item 304(a)(1)(v) of Regulation S-K during this interim period. Marcum did not provide any reports on the Company's financial statements for this interim period.

On October 28, 2016, the Board of Directors approved the engagement of Salberg & Company, P.A. ("Salberg") as the Company's independent registered public accounting firm for the purposes of auditing the Company's financial statements, effective as of October 28, 2016. This selection resulted in the dismissal by the Board of Hancock Askew & Co LLP ("Hancock"), which had served in that role for an interim period, from January 19, 2016 until October 28, 2016. The change in accountants did not result from any dissatisfaction with the quality of professional services rendered by Hancock. This change was driven solely from a need to reduce the overhead and operating costs of the Company.

During the interim period from January 19, 2016 through October 28, 2016, there were (i) no "disagreements" as that term is defined in item 304(a)(1)(iv) of Regulation S-K, between the Company and Hancock on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, any of which that, if not resolved to Hancock's satisfaction, would have caused Hancock to make reference to the subject matter of any such disagreement in connection with its reports for such years and interim period and (ii) no reportable events within the meaning of item 304(a)(1)(v) of Regulation S-K during this interim period.

On December 1, 2016, the Board of Directors approved the engagement of M&K CPAS, PLLC as the Company's independent registered public accounting firm for the purposes of auditing the Company's financial statements, effective as of December 1, 2016. The selection replaces Salberg & Company, P.A. ("Salberg"), which had served in that role for an interim period of October 28, 2016 to November 28, 2016. Salberg resigned on November 28, 2016 as the independent registered public accounting firm. The change in accountants did not result from any dissatisfaction with the quality of professional services rendered by Salberg. This change was driven solely from a need to reduce the overhead and operating costs of the Company.

During the interim period from October 28, 2016 through December 1, 2016, there were (i) no "disagreements" as that term is defined in item 304(a)(1)(iv) of Regulation S-K, between the Company and Salberg on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, any of which that, if not resolved to Salberg's satisfaction, would have caused Salberg to make reference to the subject matter of any such disagreement in connection with its reports for such years and interim period and (ii) no reportable events within the meaning of item 304(a)(1)(v) of Regulation S-K during this interim period.

As noted above, on December 1, 2016, the Board approved the engagement of M&K CPAS, PLLC as the Company's independent registered public accounting firm for the purposes of auditing the Company's financial statements, effective as of December 1, 2016. During the two fiscal years ended December 31, 2015 and 2014 and from January 1,

2016 through December 1, 2016, neither the Company nor (to the Company's knowledge) anyone acting on behalf of the Company consulted with M&K CPAS, PLLC regarding either (i) the application of accounting principles to a specified transaction (either completed or proposed), (ii) the type of audit opinion that might be rendered on the Company's financial statements, or (iii) any matter that was either the subject matter of a "disagreement," as described in Item 304(a)(1) of Regulation S-K, or a "reportable event."

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ITEM 9A. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures.

We maintain “disclosure controls and procedures” as such term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934. In designing and evaluating our disclosure controls and procedures, our management recognized that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of disclosure controls and procedures are met. Additionally, in designing disclosure controls and procedures, our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. The design of any disclosure controls and procedures also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Based on their evaluation as of the end of the period covered by this Annual Report on Form 10-K, the Board has determined these were deemed to not effective and has undertaken to address the shortcomings by:

a.adding additional and more qualified staff
b.asking for specific direction from the company’s accountants and auditors
c.reviewing structure and procedures implemented by similarly situated publicly held companies
d.changes in process prior to any further acquisition or financing activity

Management’s Annual Report on Internal Control over Financial Reporting

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. In making this assessment, management used the criteria set forth by the committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control – Integrated Framework.The Company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with accounting principles generally accepted in the United States of America. Internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the interim or annual financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may deteriorate.

The Company’s management notes that the Company’s internal control over financial reporting was not effective as of December 31, 2017.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company’s annual or interim financial statements will not be prevented or detected on a timely basis.

The material weaknesses identified during our annual audit for 2017 were (i) lack of segregation of duties, (ii) lack of sufficient resources with SEC, generally accepted accounting principles (GAAP), especially with regards to equity based transactions and tax accounting expertise; (iii) inadequate security over information technology, and (iv) lack of formal Control procedures related to the approval of related party transactions. Accordingly, management has determined that these control deficiencies constitute material weaknesses.

Because of these material weaknesses, management concluded that the Company did not maintain effective internal control over financial reporting as of December 31, 2017. This report does not include an attestation report of our registered public accounting firm regarding our internal controls over financial reporting. The disclosure contained under this Item 9A was not subject to attestation by our registered public accounting firm pursuant to temporary rules of the SEC that permit us to provide only the disclosure under this Item 8A in this annual report.

We believe that the material weaknesses as reported will eventually be fully remediated, upon being properly capitalized to hire the proper personnel for segregation of duties and SEC and GAAP accounting knowledge.

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Management's Report on Disclosure Controls and Procedures

The Company's management has identified what it believes are material weaknesses in the Company's disclosure controls and procedures. The deficiencies in the Company's disclosure controls and procedures resulted in failures to timely file periodic reports within the time periods specified in the SEC's rules and forms.

The deficiencies in our disclosure controls and procedures included (i) lack of segregation of duties and (ii) lack of sufficient resources to ensure that information required to be disclosed by the Company in the reports that the Company files or submits to the SEC are recorded, processed, summarized, and reported, within the time periods specified in the SEC's rules and forms, and (iii) lack of formal Control procedures related to the approval of related party transactions..

The Company intends to take corrective action to ensure that information required to be disclosed by the Company pursuant to the reports that the Company files or submits to the SEC is accumulated and communicated to the Company's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

ITEM 9B. OTHER INFORMATION

None.

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PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The following table and biographical summaries set forth information, including principal occupation and business experience about our directors and executive officers as of April 12, 2018:

Name	Age	Board of Directors	Appointed	Resigned
Amy Lance	50	Chairman of the Board	9/26/2016	05/02/2017
Mack Leath	59	Director, Compensation Committee Member	9/26/2016	05/02/2017
Thomas Burnell	55	Director	10/02/2017	11/29/2017
Dr. Jordan Balencic	31	Director	9/26/2016	-
James Czirr	63	Director	02/7/2017	-

Name	Age	Executive Officers	Appointed	Resigned
Mack Leath	59	Secretary	09/26/2016	05/02/2017
Christopher Knauf	44	Interim Secretary	05/02/2017	06/26/2017
Christopher Knauf	44	Chief Executive Officer	01/25/2017	06/26/2017
Louis Deluca	58	Chief Operations Officer	02/14/2017	-
Dr. Jordan Balencic	31	Acting CEO and CFO	06/26/2017	-
Jay Morton	51	President and Interim Chief Executive Officer	04/01/2018	-

Board of Directors

Jordan Balencic- Director: joined the Board on September 26, 2016. He is physician of internal medicine, entrepreneur and founder of businesses in the social marketing, telemedicine and web services areas. He graduated from Lake Erie College of Osteopathic Medicine in 2013, and has a B.S. from Gannon University in Biology. He belongs to numerous professional organizations and is involved with the Veterans Administration as a primary care physician.

Jim Czirr-Director: joined the Board on February 7, 2017 Mr. Czirr, age 62, is most recently involved with Galectin Therapeutics, Inc. (NASDAQ:GALT), both personally and as an investment his funds. He served as Chairman of the Board for Galectin from February 2009, and Executive Chairman from February 2010 until January 2016. He now sits on the Board as the representative for their Series B Preferred holders. He is a co-founder of 10X Fund, L.P. and is a managing member of 10X Capital Management LLC, the general partner of 10X Fund, L.P. Mr. Czirr was a co-founder of Galectin Therapeutics in July 2000. Mr. Czirr was instrumental in the early stage development of Safe Science Inc., a developer of anti-cancer drugs; served from 2005 to 2008 as Chief Executive Officer of Minerva Biotechnologies Corporation, a developer of nano particle bio chips to determine the cause of solid tumors; and was a consultant to Metalline Mining Company Inc., now known as Silver Bull Resources, Inc., (AMEX: SVBL), a mineral exploration company seeking to become a low-cost producer of zinc. Mr. Czirr received a B.B.A. degree from the University of Michigan. During his tenure in 2017 he has earned 300,000 shares of restricted common stock.

Management Team

Jay Morton – President and Interim Chief Executive Officer: joined the Company on April 1, 2018. Mr. Morton founded Local Pet RX in 2014, where he and four other shareholders have developed a “telemedicine” like application for use by pharmacies and veterinary clinics, aimed at processing orders from the veterinary clinics online, while allowing the end user pet owners to interface with both the veterinary clinic and the filling pharmacy business.

Dr. Jordan Balencic – Acting Chief Executive Officer and Chief Financial Officer: Dr. Balencicjoined the Board on September 26, 2016. He is physician of internal medicine, entrepreneur and founder of businesses in the social marketing, telemedicine and web services areas. He graduated from Lake Erie College of Osteopathic Medicine in 2013, and has a B.S. from Gannon University in Biology. He belongs to numerous professional organizations and is involved with the Veterans Administration as a primary care physician.

Louis Deluca - Chief Operations Officer: On February 14, 2017, the Board of Director appointed Louis Deluca as the Chief Operating Officer of the Company. Mr. Deluca, age 58, served as VP of Operations for Mondetta US, Inc. an online apparel designer and retailer, from 2015 to 2016. From 2012-2015, he served as the COO of The Ivory Company, a multichannel home décor retailer based in Atlanta, GA. From 2007 to present, Mr. Deluca was the Founder and CEO of Marietta Sign Company, a manufacturer and designer of customer signage based in Atlanta, GA. From 1981 to 2007, he served as Director of Inventory Planning and Sourcing at The Home Depot. He received a Technical Drafting Certificate from Gwinnett Technical College in 1977 and studied Business Management at the University of Phoenix.

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Appointments and Departures during Fiscal Year Ended December 31, 2017

Ms. Amy Lance, age 50, joined the Board as Chairman of the Board and served as Interim CEO from September 26, 2016 until resigning effective May 2, 2017. Ms. Lance has extensive business experience as well as real estate related activities, in the Southeastern, US. Ms. Lance graduated from The University of Georgia with a BA in Business Management in 1988. There were no disputes or disagreements resulting in her resignation. During her tenure in 2017 she accrued $26,800 in compensation In January 2018 she subsequently converted her amounts owed of $26,800 into 257,692 shares of restricted common stock, at a price per share of $.104 reflecting the closing price on the date of the conversion.

Mr. Mack Leath, age 59, was appointed to the Board of Directors, and as Secretary of the Company as of September 26, 2016 and resigned effective May 2, 2017. Mr. Leath was the Interim President of the Corporation. He is an experienced business executive, with an emphasis on sales and marketing as well as start-up oriented financing transactions. Mr. Leath graduated from North Carolina State University with a B.S. in Business Administration,1986. Mr. Leath resigned from the Board, and as Secretary, as of May 2, 2017. There were no disputes or disagreements resulting in his resignation. During his tenure in 2017 he accrued $20,000 in compensation. In January 2018 He subsequently converted his amounts owed of $20,000 into 192,307shares of restricted common stock, at a price per share of $0.104, reflecting the closing price on the date of the conversion.

On October 2, 2017, the Board of Director appointed Thomas Burnell, age 55, as the Chief Executive Officer and he subsequently resigned effective November 29, 2017. Mr. Burnell served as the President of Boston Heart Diagnostics until Mar. 2017, and he served as Operating Partner of Ampersand Capital Partners (“Ampersand”), a private-equity company, until Dec. 2016, where he represented Ampersand’s investment in Elite One Source Nutrisciences, Inc, as its President and CEO, and as Executive Chairman of Accuratus Lab Services, Inc. Mr. Burnell served as a board member of Viracor-IBT Laboratories, Inc., and as its President and CEO through 2014, and from 2006 until 2011, he was the President and CEO of Nebraska Heart Hospital. From 2002 until 2006, Mr. Burnell was President and CEO of Eurofins Scientific, Inc., a publicly held company trading on the Euronex Exchange, and from 2000 until 2002 he was President and CEO of GenomicFX, Inc., a leader in livestock and aquaculture genomics. Mr. Burnell held various senior management positions at the ContiGroup Companies, Inc., a global agriculture, food, and nutrition company. He holds a Ph.D. in Nutrition from the University of Kentucky, awarded in 1988, and a B.S. and M.S. degree in Animal Sciences from the University of Nebraska-Lincoln. Mr. Burnell resigned as of November 29, 2017. There were no disputes or disagreements resulting in his resignation. As a part of his resignation he agreed he would not receive any pay for his short tenure, though he was allowed to keep 80,000 shares of restricted common stock issued to him when he joined the Company.

On January 25, 2017, the Board of Director appointed Christopher Knauf, age 44, as the Chief Executive Officer and Chief Financial Officer of the Company. He subsequently resigned, effective June 26, 2017. From 2014 till joining the company, Mr. Knauf served as a consultant for small to mid-size emerging growth companies, both public and private. From 2012 to 2014, he served as CEO and CFO of Built NY, Inc, a consumer products company based in New York, NY. Prior to that, from 2004 to 2012, Mr. Knauf was Head of Finance and Operations for the Consumer Products division of A+E Networks, Inc, a provider of television content worldwide. From 2002 to 2004, He was the CFO of Intermix, Inc, a New York, NY based apparel retailer. His education includes an MBA, Finance concentration, 1999, Fordham University, New York, NY. BS, Finance, 1995, Fairfield University, Fairfield, CT. Mr. Knauf resigned from the Company as of 6/26/2017. There were no disputes or disagreements resulting in his resignation. During his tenure in 2017 he accrued $33,333 in compensation and 100,000 shares of restricted common stock. In January 2018 He subsequently converted his amounts owed of $33,333 into 320,509 shares of restricted common stock, at a price per share of $.104, reflecting the closing price on the date of the conversion.

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Arrangements for Nomination as Directors and Changes in Procedures for Nomination; Election of Directors

No arrangement or understanding exists between any director or nominee and any other persons pursuant to which any individual was or is to be selected or serve as a director. No director has any family relationship with any other director or with any of the Company's executive officers. Holders of our Common Stock are entitled to one vote for each share held on all matters submitted to a vote of the stockholders, including the election of directors. Cumulative voting with respect to the election of directors is not permitted by our Certificate of Incorporation. Our Board of Directors shall be elected at the annual meeting of the shareholders or at a special meeting called for that purpose. Each director shall hold office until the next annual meeting of shareholders and until the director's successor is elected and qualified.

Involvement in Certain Legal Proceedings

During the last ten years, none of our Directors, persons nominated to become Directors, or executive officers were subject to any of the following events material to an evaluation of the ability or integrity of any such person:

A petition under the Federal bankruptcy laws or any state insolvency law was filed by or against, or a receiver, fiscal agent or similar officer was appointed by a court for the business or property of such person, or any partnership in which he was a general partner at or within two years before the time of such filing, or any corporation or business association of which he was an executive

officer at or within two years before the time of such filing;

Such person was convicted in a criminal proceeding or is a named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses);

Such person was the subject of any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining him from, or otherwise limiting, the following activities:

Acting as a futures commission merchant, introducing broker, commodity

trading advisor, commodity pool operator, floor broker, leverage transaction merchant, any other person regulated by the Commodity Futures Trading Commission, or an associated person of any of the foregoing, or as an investment adviser, underwriter, broker or dealer in securities, or as an affiliated person, director or employee of any investment company, bank, savings and loan association or insurance company, or engaging in or continuing any conduct or practice in connection with such activity;

Engaging in any type of

business practice; or

Engaging in any activity in connection with the purchase or sale of any security or commodity or in connection with any violation of Federal or State securities laws or Federal commodities laws;

Such person was the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any Federal or State authority barring, suspending or otherwise limiting for more than 60 days the right of such person to engage in any activity described in paragraph (f)(3)(i) Item 401 of Regulation S-K, or to be

associated with persons engaged in any such activity;

Such person was found by a court of competent jurisdiction in a civil action or by the Securities and Exchange Commission (the "Commission") to have violated any Federal or State securities law, and the judgment in such civil action or finding by the Commission has not been subsequently reversed, suspended, or vacated;

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Such person was found by a court of competent jurisdiction in a civil action or by the Commodity Futures Trading Commission to have violated any Federal commodities law, and the judgment in such civil action or finding by the Commodity Futures Trading Commission has not been subsequently reversed, suspended or vacated;

Such person was the subject of, or a party to, any Federal or State judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of:

Any Federal or State securities or commodities law or regulation; or

Any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order; or

Any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or

Such person was the subject of, or a party

to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act (15 U.S.C. 78c(a)(26))), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act (7 U.S.C. 1(a)(29))), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

Committees

Our full Board of Directors acts as our Audit Committee. Our Board of Directors has determined that only Mr. Czirr is "independent" as that term is defined under applicable SEC rules and under the current listing standards of the NASDAQ and NYSE MKT.

Our Audit Committee's responsibilities include: (i) reviewing the independence, qualifications, services, fees, and performance of the independent auditors, (ii) appointing, replacing and discharging the independent auditor, (iii) pre-approving the professional services provided by the independent auditor, (iv) reviewing the scope of the annual audit and reports and recommendations submitted by the independent auditor, and (v) reviewing our financial reporting and accounting policies, including any significant changes, with management and the independent auditor.

Our full Board of Directors acts as our Compensation/Stock Option Committee.

Our Compensation Committee has responsibility for assisting the Board of Directors with, among other things, evaluating and making recommendations regarding the compensation of our executive officers and directors, assuring that the executive officers are compensated effectively in a manner consistent with our stated compensation strategy, producing an annual report on executive compensation in accordance with the rules and regulations promulgated by the SEC, periodically evaluating the terms and administration of our incentive plans and benefit programs and monitoring of compliance with the legal prohibition on loans to our directors and executive officers.

Board Meetings; Committee Meetings; and Annual Meeting Attendance

The Board does not have a policy regarding director attendance at annual meetings. We did not have an in-person annual meeting of shareholders in 2016 or 2017.

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Shareholder Recommendations for Board Nominees

The Board does not have a Governance or Nominating Committee that is tasked with identifying individuals qualified to become Board members and recommending to the Board the director nominees for the next annual meeting of shareholders. Until such committee is formed, shareholder recommendations for Board nominees are directed to the entire Board, who considers the qualifications of the person recommended based on a variety of factors, including:

- the appropriate size and the diversity of our Board;
- our needs with respect to the particular talents and experience of our directors;
- the knowledge, skills and experience of nominees, including experience in technology, business, finance, administration or public service, in light of prevailing business conditions and the knowledge, skills and experience already possessed by other members of the Board;
- experience with accounting rules and practices;
- whether such person qualifies as an “audit committee financial expert” pursuant to the SEC Rules;
- appreciation of the relationship of our business to the changing needs of society; and
- the desire to balance the considerable benefit of continuity with the periodic injection of the fresh perspective provided by new members.

Compliance with Section 16(A) of the Exchange Act

Section 16(a) of the Exchange Act requires the Company’s directors, executive officers and persons who beneficially own 10% or more of a class of securities registered under Section 12 of the Exchange Act to file reports of beneficial ownership and changes in beneficial ownership with the SEC. Directors, executive officers and greater than 10% stockholders are required by the rules and regulations of the SEC to furnish the Company with copies of all reports filed by them in compliance with Section 16(a). During 2017, the Company’s officers and directors had the following late filings:

Directors and Executive Officers

James Czirr, a Director, was issued 300,000 shares of common stock on December 28, 2017 and has not filed a Form 4;

Jordan Balencic, a Director, was issued 300,000 shares of common stock on December 28, 2017 and has not filed a Form 4;

Thomas Burnell, who was Chief Executive officer from October 2, 2017 to November 29, 2017 was issued 80,000 shares of stock on December 28, 2017. Mr. Burnell filed a Form 4 on October 20, 2017 indicating he had received 1,000,000 shares of common stock which has not been updated.

Code of Ethics

We have adopted a Code of Business Conduct and Ethics, which applies to our Board of Directors, our executive officers and our employees, and outlines the broad principles of ethical business conduct we adopted, covering subject

areas such as:

·Compliance with applicable laws and regulations
·Handling of books and records
·Public disclosure reporting
·Insider trading
·Discrimination and harassment
·Health and safety
·Conflicts of interest
·Competition and fair dealings
·Protection of Company asset

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ITEM 11. EXECUTIVE COMPENSATION

Summary of Executive Compensation

The following table sets forth the compensation of the Company's current Chief Executive Officers and other executive officers serving as such whose annual compensation exceeded $40,000, for services in all capacities to the Company in 2017, except as otherwise indicated. The value attributable to any option awards is computed in accordance with FASB ASC Topic 718. The assumptions made in the valuations of the option awards are included in Note 8 of the Notes to Consolidated Financial Statements appearing earlier in this report.

Summary Compensation Table

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Options Awards ($)	Non-Equity Incentive Plan Compensation ($)	Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Dr. Jordan Balencic	2017 (a)	-	-	-	-	-	-	-	-
	2016	-	-	-	-	-	-	-	-
	2015								
Louis Deluca	2017 (b)	89,560	-	11,088	-	-	-	-	100,648
	2016	-	-	-	-	-	-	-	-
	2015								
Thomas Burnell	2017 (c)	-	-	8,000	-	-	-	-	8,000
	2016	-	-	-	-	-	-	-	-
	2015								
Peter Nicosia	2017 (d)	25,000		--		--			
	2016							-	25,000
	2015								
Stephen Keaveney	2017	-	-	-	-	-	-	-	-
	2016	-	-	-	-	-	-	-	-
	2015								
James Driscoll	2017	-	-	-	-	-	-	-	-
	2016 (f)	-	-	314,680	-	-	-	-	314,680
	2015								
Casey Gaetano	2017	-	-	-	-	-	-	-	-
	2016 (g)	-		435,000	-	-	-	-	435,000
	2015								
Gary Myers	2017	-	-	-	-	-	-	-	-

	2016 (h)	-	-	28,500	-	-	-	-	28,500
	2015								
Christopher Knaupf	2017 (e)	33,333	-	-	-	-	-	-	33,333
	2016	-	-	19,000	-	-	-	-	19,000
	2015								
Susanne Leahy	2017	-	-	-	-	-	-	-	-
	2016	-	-	-	-	-	-	-	-
	2015	-	-	-	-	-	-	-	-

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(a) Does not include Dr. Balencic's compensation as a Director.

(b) Includes $89,560 in accrued but unpaid salary; also includes 500,000 shares of common stock at a fair value of $11,088.

(c) Includes the fair value of 80,000 shares of common stock.

(d) Includes $25,000 in accrued but unpaid salary.

(e) Includes $33,333 in accrued but unpaid salary.

(f) Consists of 200,000 shares of common stock.

(g) Consists of 125,000 shares of common stock.

(h) Consists of 150,000 shares of common stock.

Executive Employment, Termination and Change of Control Arrangements

We do not have any employment agreements with our executive officers. All executive officers serve at the discretion of the Board of Directors.

Pension Benefits; Nonqualified Defined Contribution and Other Nonqualified Deferred Compensation Plans

We do not offer pension benefits, non-qualified contribution or other deferred compensation plans to our executive officers.

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Compensation of Directors

The following table sets forth, for the year ended December 31, 2017, information relating to the compensation of each director who served on our board of directors during the fiscal year and who was not a named executive officer. This compensation was for their role as Director of the Company within the fiscal year.

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)	Options Awards ($)	Non-Equity Incentive Plan Compensation ($)	Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Jordan Balencic	-	28,100	-	-	-	-	28,100
Mack Leath	-	12,000	-	-	-	-	12,000
James Czirr	-	58,600	-	-	-	-	58,600
Amy Lance (a)	-	-	-	-	-	-	-
Christopher Knauf (b)	-	-	-	-	-	-	-
Thomas Burnell (c)	-	-	-	-	-	-	-

(a) Resigned May 2, 2017.
(b) Resigned June 26, 2017.
(c) Resigned November 29, 2017.

Subsequent event

Narrative to Director Compensation Table

While we have not established standard compensation arrangements for our directors, we have, as a practice, made an award of restricted common stock to our directors a) in consideration for contributions to the operations of the Company, and, b) for certain contributions to the Company's operations. To date, we have used 100,000 shares of restricted common stock as our measured award. Compensation payable to each individual for his or her service on our Board of Directors is determined from time to time by our Board of Directors based upon the amount of time expended and other contributions by each of the Directors on our behalf.

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ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table sets forth certain information as of March 31, 2018, regarding the beneficial ownership of our common stock by (i) each person (including any "group" as such term is used in Section 13(d)(3) of the Exchange Act) known by us to be a beneficial owner of more than 5% of our common stock, (ii) each of our directors and "named executive officers;" and (iii) all of our directors and executive officers as a group. At March 31, 2018, we had 17,213,894 shares of common stock outstanding.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership of shared owned	Percentage of Class	
Dr. Jordan Balencic (Acting CEO and CFO, Director)	525,000	2.5	%
James Czirr (Director)	400,000	1.9	%
Louis Deluca (COO)	1,076,923	5.2	%
Officers and Directors as a group (3 Persons)	2,001,923	9.6	%

Equity Compensation Plan Information

We have not established formal equity compensation arrangements for our directors. Compensation payable to each individual for his or her service on our board of directors is determined from time to time by our board of directors based upon the amount of time expended and other contributions by each of the directors on our behalf.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Director Independence

We do not have securities listed on a national securities exchange or in an inter-dealer quotation system. As such, there is no requirement that a majority of the members of our Board of Directors be independent.

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ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following table presents fees billed for professional audit services rendered by M&K CPAS, PLLC, the Company's current principal accounting firm for the audit of the Company's annual financial statements for 2017, as well as any fees for previous independent audit firms associated with the Company for the reviews of the quarterly financial statements for 2017 and 2016.

	2017	2016
Audit fees	$33,000	$100,280
Audit-related fees	—	—
Tax fees	—	—
All other fees	—	—
Total	$33,000	$100,280

Audit Fees This category includes the audit of our annual financial statements, review of financial statements included in our Quarterly Reports on Form 10-Q and services such as regulatory filings that are normally provided by the independent registered public accounting firm in connection with engagements for those fiscal years. This category also includes advice on audit and accounting matters that arose during, or as a result of, the audit or the review of interim financial statements.

Audit-Related Fees This category consists of assurance and related services by the independent registered public accounting firm that are reasonably related to the performance of the audit or review of our financial statements and are not reported above under "Audit Fees." The services for the fees disclosed under this category include consultation regarding our correspondence with the Securities and Exchange Commission and other accounting consulting.

Tax Fees This category consists of professional services rendered by our independent registered public accounting firm for tax compliance and tax advice. The services for the fees disclosed under this category include tax return preparation and technical tax advice.

All Other Fees This category consists of fees for other miscellaneous items.

In accordance with existing requirements of the Sarbanes-Oxley Act, the Company's Board of Directors has adopted a procedure for pre-approval of all fees charged by our independent registered public accounting firm. Under the procedure, the Board of Directors approves the engagement letter with respect to audit, tax and review services. Other fees are subject to pre-approval by the Board of Directors, or, in the period between meetings, by a designated member of Board of Directors. Any such approval by the designated member is disclosed to the entire Board of Directors at the next Board meeting. The audit and tax fees paid to the auditors with respect to 2015 were pre-approved by the entire Board of Directors. This includes audit services, audit-related services, tax services and other services. All of the fees listed above have been approved by the Board of Directors.

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PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

Exhibit Number	Description
3.1	Certificate of Incorporation of Trunity Holdings, Inc. dated as of January 18, 2012 (incorporated herein by reference to Exhibit 10.1 filed as part of the Company's Form 8-K dated January 24, 2012 (Commission File No. 000-53601)).
3.2	Certificate of Ownership and Merger dated as of January 24, 2012, between Trunity Holdings, Inc. and Brain Tree International, Inc. (incorporated herein by reference to Exhibit 3.3 filed as part of the Company's Form 10-K for the year ended December 31, 2012 (Commission File No. 000-53601)).
3.3	Certificate of Designation of Series X Preferred Stock of Trunity Holdings, Inc., dated as of December 9, 2015 (incorporated by reference to Exhibit 3.1 as part of the Company's Form 8-K dated December 15, 2015 (Commission File No. 000-53601)
3.4	Certificate of Amendment to the Certificate of Incorporation of Trunity Holdings, Inc., dated as of December 24, 2015 (incorporated by reference to Exhibit 3.1(I) as part of the Company's Form 8-K dated January 6, 2016 (Commission File No. 000-53601)
3.5	Bylaws of Trunity Holdings, Inc. (incorporated herein by reference to Exhibit 10.2 filed as part of the Company's Form 8-K dated January 24, 2012 (Commission File No. 000-53601)).
10.1	Spin-off and Asset Transfer Agreement dated as of December 31, 2015, by and among Trunity Holdings, Inc., Trunity, Inc., a Delaware corporation, and Trunity, Inc., a Florida corporation.(incorporated by reference to Exhibit 10.1 as part of the Company's Form 8-K dated January 6, 2016 (Commission File No. 000-53601))
10.2	Securities Exchange Agreement dated as of December 9, 2015 by and among Trunity Holdings, Inc. and the Members of Newco4Pharmacy, LLC (incorporated by reference to Exhibit 10.1 as part of the Company's Form 8-K dated December 15, 2015 (Commission File No. 000-53601))
10.3	Consulting Agreement dated as of December 1, 2015 by and between Trunity Holdings, Inc. and Stephen Keaveney (incorporated by reference to Exhibit 10.2 as part of the Company's Form 8-K dated December 15, 2015 (Commission File No. 000-53601))
10.4	Securities Purchase Agreement dated as of November 5, 2014 by and between Trunity Holdings, Inc. and Peak One Opportunity Fund, L.P. (incorporated by reference to Exhibit 10.15 as part of the Company's Form 10-Q for the quarter ending September 30, 2014 (Commission File No. 000-53601))
10.5	Trunity Holdings, Inc. Non-Qualified Stock Option Agreement dated as of December 13, 2013 by and between Arol Buntzman and Trunity Holdings, Inc. (incorporated by reference to Exhibit 10.14 as part of the Company's Form 10-K for the year ending December 31, 2013 (Commission File No. 000-53601))
10.6	Memorandum of Understanding Regarding Trunity Holdings, Inc. and PIC Partners dated as of June 5, 2013 by and between Pan-African Investment Company and Trunity Holdings, Inc. (incorporated by reference to Exhibit 10.13 as part of the Company's Form 10-K for the year ending December 31, 2013 (Commission File No. 000-53601))

10.7	Indemnification Agreement dated May 30, 2013 between the Company and Pan African Investment Company (incorporated herein by reference to Exhibit 10.12 filed as part of the Company's Form 10-K for the year ended December 31, 2013 (Commission File No. 000-53601)).
10.8	Voting Agreement dated June 5, 2013 by and among Trunity Holdings, Inc., Terry Anderton, RRM Ventures, LLC, Aureus Investments, LLC and Pan-African Investment Company, LLC (incorporated by reference to Exhibit C as part of the Company's Schedule 13D dated July 25, 2013 (Commission File No. 000-53601))

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10.9	Voting Agreement dated May 30, 2013 by and among Trunity Holdings, Inc., Terry Anderton, RRM Ventures, LLC, Aureus Investments, LLC and Pan-African Investment Company, LLC (incorporated by reference to Exhibit 10.11 as part of the Company's Form 10-K for the year ending December 31, 2013 (Commission File No. 000-53601))
10.10	Investors Rights Agreement dated May 30, 2013 between the Company and Pan African Investment Company (incorporated herein by reference to Exhibit 10.10 filed as part of the Company's Form 10-K for the year ended December 31, 2013 (Commission File No. 000-53601)).
10.11	Investors Rights Agreement dated June 5, 2013 between the Company and Pan African Investment Company (incorporated herein by reference to Exhibit D filed as part of the Company's Schedule 13D dated July 25, 2013 (Commission File No. 000-53601)).
10.12	Subscription Agreement dated May 28, 2013 between the Company and Pan African Investment Company (incorporated herein by reference to Exhibit 10.9 filed as part of the Company's Form 10-K for the year ended December 31, 2013 (Commission File No. 000-53601)).
10.13	Form of Indemnification Agreement between Trunity and its Directors (incorporated herein by reference to Exhibit 10.8 filed as part of the Company's Form 10-K for the year ended December 31, 2012 (Commission File No. 000- 53601)).
10.14	License Agreement dated as of March 20, 2013, between Trunity and Educom Ltd. (incorporated herein by reference to Exhibit 10.7 filed as part of the Company's Form 10-K for the year ended December 31, 2012 (Commission File No. 000-53601)).
10.15	Share Purchase Agreement dated as of March 20, 2013, between Trunity and InnSoluTech LLP (incorporated herein by reference to Exhibit 10.6 filed as part of the Company's Form 10-K for the year ended December 31, 2012 (Commission File No. 000-53601)).
10.16	Investment Project Contract dated as of March 20, 2013, among Trunity, InnSoluTech LLP and Educom Ltd. (incorporated herein by reference to Exhibit 10.5 filed as part of the Company's Form 10-K for the year ended December 31, 2012 (Commission File No. 000-53601)).
10.17	Trunity Holdings, Inc. 2012 Employee, Director and Consultant Stock Option Plan (incorporated herein by reference to Exhibit 10.4 filed as part of the Company's Form 10-K for the year ended December 31, 2012 (Commission File No. 000-53601)).
10.18	Agreement and Plan of Merger, dated as of January 24, 2012 by and among Trunity Holdings, Inc., Trunity Acquisitions Corp. and Trunity, Inc. (incorporated herein by reference to Exhibit 10.5 filed as part of the Company's Form 8-K dated January 24, 2012 (Commission File No. 000-53601)).
10.19	Stock Purchase Agreement between dated as of January 24, 2012 by and among George Norman, Donna Norman, Lane Clissold, Trunity Holdings, Inc. and Trunity, Inc. (incorporated herein by reference to Exhibit 10.3 filed as part of the Company's Form 8-K dated January 24, 2012 (Commission File No. 000-53601)).
10.20	Agreement and Plan of Merger, dated as of January 24, 2012 by and among Brain Tree International, Inc. and Trunity Holdings, Inc. (incorporated herein by reference to Exhibit 10.4 filed as part of the Company's Form 8-K dated January 24, 2012 (Commission File No. 000-53601)).

14 Code of Ethics (incorporated herein by reference to Exhibit 14 filed as part of the Company's Form 10-K for the year ended December 31, 2012 (Commission File No. 000-53601)).

21 Subsidiaries of the Company

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31.1 *	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2 *	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1 *	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2 *	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS *	XBRL INSTANCE DOCUMENT
101.SCH *	XBRL TAXONOMY EXTENSION SCHEMA
101.CAL *	XBRL TAXONOMY EXTENSION CALCULATION LINKBASE
101.DEF *	XBRL TAXONOMY EXTENSION DEFINITION LINKBASE
101.LAB *	XBRL TAXONOMY EXTENSION LABEL LINKBASE
101.PRE *	XBRL TAXONOMY EXTENSION PRESENTATION LINKBASE

* Filed herewith

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SIGNATURE

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

TRUE NATURE HOLDING, INC.

Dated: April 17, 2018 By: /s/ Jay Morton
Jay Morton
President and Interim Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature and Title	Date
/s/ Jay Morton Jay Morton President and Interim Chief Executive Officer (Principal Executive Officer)	April 17, 2018
/s/ Jordan Balencic Jordan Balencic Chairman of the Board and acting Chief Finance Officer (Principal Financial and Accounting Officer)	April 17, 2018
/s/ James Czirr James Czirr Director	April 17, 2018