SCRYPT, INC.
CONSOLIDATED BALANCE SHEETS
September 30, 2015 (Unaudited) and December 31, 2014 (Audited)

ASSETS

	Unaudited 2015	Audited 2014
Current assets		
Cash and cash equivalents	$ 24,636	$ 152,389
Accounts receivable - trade, net of allowance for doubtful accounts of $1,861 and $3,812 , respectively	853,518	997,118
Receivable due from Axacore, Inc.	-	202,407
Inventory	80,915	93,053
Prepaid expenses	123,452	79,558
Accrued interest income	3,541	1,028
Total current assets	1,086,062	1,525,553
Noncurrent assets		
Related party notes receivable	-	208,556
Property and equipment, net of accumulated depreciation of $1,742,596 and $1,049,437, respectively	1,196,247	611,164
Goodwill	1,380,632	1,380,632
Intangible Assets, net of accumulated amortization of $189,571 and $0, respectively	1,996,643	2,281,000
Total noncurrent assets	4,573,522	$ 4,481,352
Total assets	$ 5,659,585	$ 6,006,906

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities		
Current portion of notes payable; including $105,000 and $122,500 to related parties, respectively	$ 291,200	$ 338,700
Payable due to Axacore, Inc.	-	634,927
Line of credit	237,600	-
Accounts payable - trade	213,122	410,012
Accrued payroll and payroll taxes	-	43,532
Deferred revenue	1,009,993	704,269
Accrued interest expense	16,087	9,756
Other accrued expenses	203,242	36,709
Total current liabilities	1,971,244	2,177,905
Noncurrent liabilities		
Long-term portion of notes payable; including $0 and $7,500 to a related party, respectively	-	65,600
Capital lease liability	111,790	-
Total noncurrent liabilities	111,790	65,600
Total liabilities	$ 2,083,034	$ 2,243,505
Commitments and contingencies	-	-
Shareholders' equity		
Preferred stock - $0.001 par value; 15,000,000 shares authorized:		
Series A convertible preferred stock - 925,000 shares issued and outstanding (liquidation preference of $925,000)	925	925
Series B convertible preferred stock - 454,547 shares issued and outstanding (liquidation preference of $500,002)	454	454
Common stock - $0.001 par value; 55,000,000 shares authorized, 46,049,614 shares issued and outstanding	46,050	46,050
Additional paid-in capital	49,931,040	49,781,019
Accumulated deficit	(46,093,362)	(46,065,048)
Total shareholders' equity	3,885,107	3,763,400
Total liabilities and shareholders' equity	$ 5,968,141	$ 6,006,906

SCRYPT, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
For the Nine Months Ended September 30, 2015 and 2014

	Unaudited 2015	Unaudited 2014
Revenues	$ 6,069,666	$ 2,507,972
Operating expenses		
Cost of revenues	1,777,382	1,163,739
Selling, general and administrative	4,281,965	2,389,515
Operating profit (loss)	10,319	(1,045,282)
Other income (expense)		
Interest expense, net	(24,422)	(5,967)
Other expense, net	-	(133,000)
Net loss before income taxes	$ (14,103)	$ (1,184,249)
Income tax expense	$ 14,211	$ 7,402
Net loss attributable to common shareholders	$ (28,314)	$ (1,191,651)
Net loss per common share - basic and diluted	$ (0.00)	$ (0.04)
Weighted average number of common shares outstanding - basic and diluted	46,049,640	29,530,092

SCRYPT, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
For the Three Months Ended September 30, 2015 and 2014

	Unaudited 2015	Unaudited 2014
Revenues	$ 2,149,486	$ 1,001,235
Operating expenses		
Cost of revenues	685,825	429,851
Selling, general and administrative	1,521,664	1,260,395
Operating profit (loss)	(58,003)	(689,011)
Other income (expense)		
Interest expense, net	(9,387)	(2,468)
Other expense, net	-	-
Net loss before income taxes	$ (67,390)	$ (691,480)
Income tax expense	$ 7,703	$ -
Net loss attributable to common shareholders	$ (75,093)	$ (691,480)
Net loss per common share - basic and diluted	$ 0.00	$ (0.02)
Weighted average number of common shares outstanding - basic and diluted	46,049,640	32,434,356

SCRYPT, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY
For the Nine Months Ended September 30, 2015 (Unaudited) and Year Ended December 31, 2014 (Audited)

	Series A Preferred Stock		Series B Preferred Stock		Common Stock		Additional Paid - in Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount	Shares	Amount			
Balance at December 31, 2013	925,000	$ 925	454,547	$ 454	28,053,866	$ 28,054	$ 44,593,475	$ (44,214,507)	$ 408,401
Issuance of common stock in connection with the sale of common stock shares	-	-	-	-	880,000	880	263,120	-	264,000
Issuance of common stock in connection with the Termination of the Technology License Agreement with SecureCare Technologies, Inc. UK Ltd.	-	-	-	-	700,000	700	132,300	-	133,000
Issuance of common stock	-	-	-	-	5,515,748	5,516	1,042,476	-	1,047,992
Compensation expense related to stock options	-	-	-	-	-	-	54,549	-	54,549
Issuance of common stock in connection with the acquisition of Axacore, Inc.	-	-	-	-	10,900,000	10,900.00	3,695,100	-	3,706,000
Net loss	-	-	-	-	-	-	-	(1,850,542)	(1,850,542)
Balance at December 31, 2014	925,000	$ 925	454,547	$ 454	46,049,614	$ 46,050	$ 49,781,019	$ (46,065,048)	$ 3,763,400
Compensation Expense Related to Stock Options	-	-	-	-	-	-	150,021	-	150,021
Net loss	-	-	-	-	-	-	-	(28,314)	(28,314)
Balance at September 30, 2015	925,000	$ 925	454,547	$ 454	46,049,614	$ 46,050	$ 49,931,040	$ (46,093,362)	$ 3,885,107

SCRYPT, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Nine Months Ended September 30, 2015 and 2014

	Unaudited 2015	Unaudited 2014
Cash flows from operating activities		
Net profit (loss)	$ (28,314)	$ (1,191,651)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	548,189	120,513
Compensation expense related to stock options	150,021	54,549
Stock issuance expense resulting from cancellation of an agreement	-	133,000
Compensation expense related to common stock issuance	-	401,768
Changes in operating assets and liabilities:		
Accounts receivable - trade	(446,978)	98,636
Prepaid expenses	(43,894)	(10,115)
Inventory	12,138	-
Interest Receivable	(6,945)	-
Deferred revenue	305,724	199,766
Accounts payable - trade	(54,101)	(35,348)
Other liabilities	124,914	(2,984)
Cash flows provided (used) by operating activities	560,754	(231,867)
Cash flows from investing activities		
Capital expenditures	(18,874)	(49,076)
Capitalized software development costs	(685,347)	(261,666)
Cash remitted in Axacore, Inc. merger	(87,430)	-
Issuance of related party note receivable	(100,000)	-
Cash flows used in investing activities	(891,651)	(310,741)
Cash flows from financing activities		
Proceeds from common stock sale	-	264,000
Proceeds from issuance of note payable	150,000	174,300
Proceeds from related party advances	120,000	-
Net borrowing under line of credit agreement	237,600	-
Payments on notes payable	(263,100)	(50,000)
Payment of related party advances	(20,000)	-
Payments on capital lease	(25,789)	-
Proceeds from interest receivable	4,432	-
Cash flows provided by financing activities	203,143	388,300
Net decrease in cash and cash equivalents	(127,754)	(154,308)
Cash and cash equivalents, beginning of period	152,389	290,424
Cash and cash equivalents, end of period	$ 24,636	$ 136,116
Supplemental disclosures for cash flow information:		
Cash received for interest	$ 4,432	$ -
Cash paid for interest	$ (18,805)	$ (6,896)
Cash paid for income taxes	$ (10,585)	$ (7,402)
Supplemental non-cash financing activity:		
Capital lease acquisition	$ 144,695	$ -