Consolidated
Interim Financial Statements of
IDENTA CORP
For the 3 months
Ended March 31, 2016

IDENTA CORP

Consolidated Interim Financial Statements

For the 3 months

ended March 31, 2016

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IDENTA CORP
Consolidated Balance Sheets

	Notes	As of March 31 2016	As of December 31 2015
		$	
ASSETS			
Curret Assets			
Cash and cash equivalents		65	132
Accounts receivable		58,735	149,974
Other receivables		71,050	25,327
Inventories	3	334,916	323,243
Total Current Assets		464,766	498,676
Property and Equipment, Net	4	46,934	49,082
TOTAL ASSETS		**511,700**	**547,758**

IDENTA CORP
Consolidated Balance Sheets

	Notes	As of March 31 2016	As of December 31 2015
		$	
LIABILITY AND STOCKHOLDERS' DEFICIT			
Current liabilities			
Short-term credit	5	85,223	86,681
Accounts payable	6	149,160	102,701
Other payables	7	315,015	307,878
Other payables - related parties	8,14	329,067	342,326
Total Current Liabilities		878,465	839,586
Non-current liabilities			
Bank loans	9	68,598	68,459
Employee benefit obligations	10	32,130	31,010
Total Liabilities		979,193	939,055
Stockholders' deficit			
Common stock, $0.001 par value; 16,000,000,000 share authorized; 13,517,625,000 shares issued and outstanding at March 31, 2016 and December 31, 2015.	11	13,517,625	13,517,625
Discount on capital		(10,408,288)	(10,408,288)
Other comprehensive income		157,283	175,311
Accumulated deficit		(3,734,113)	(3,675,945)
Total stockholders' deficit		(467,493)	(391,297)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT		**511,700**	**547,758**

Director

May 19, 2016

The accompanying notes are an integral part of that financial statements.

IDENTA CORP
Consolidated Statement of Operations

		Period of 3 months ended March 31	
		2016	2015
		$	
Revenues		83,921	221,075
Cost of sales		(30,115)	(48,741)
Gross profit		53,806	172,334
General and administrative costs		(103,207)	(124,205)
Profit (Loss) before finance costs		(49,401)	48,129
Finance costs, net	13	(8,767)	(2,227)
Net profit (loss)		**(58,168)**	**45,902**
Net loss per common share - basic and diluted			
Net loss per share attributable to common stockholders		(0.00)	(0.00)
Weighted-average number of common shares outstanding		13,517,625,000	13,287,625,000

The accompanying notes are an integral part of that financial statements.

IDENTA CORP
Consolidated Statements of Stockholders' Deficit

	Common Stock					
	Shares	Amount	Discount on capital	Other comprehensive income	Accumulated deficit	Total shareholders' deficit
				$		
Balance at January 1, 2015	13,287,625,000	13,287,625	(10,293,288)	98,024	(3,185,900)	(93,539)
Issuance of common stock at August 20th	200,000,000	200,000	(100,000)	-	-	100,000
Issuance of common stock at October 16th	30,000,000	30,000	(15,000)	-	-	15,000
Profit (Loss) for the year	-	-	-	77,287	(490,045)	(412,758)
Balance at December 31, 2015	13,517,625,000	**13,517,625**	**(10,408,288)**	**175,311**	**(3,675,945)**	**(391,297)**
Loss for the year	-	-	-	(18,028)	(58,168)	(76,196)
Balance at March 31, 2016	13,517,625,000	**13,517,625**	**(10,408,288)**	**157,283**	**(3,734,113)**	**(467,493)**

The accompanying notes are an integral part of that financial statements.

IDENTA CORP
Consolidated Statement of Cash Flows

	Period of 3 months ended March 31	
	2016	2015
	$	
Cash flows from operating activities		
Net profit (loss)	(58,168)	45,902
Ajustments for non-cash income and expenses		
Depreciation	2,148	1,945
Provision for severance pay	1,120	-
Changes in other comprehensive income	(18,028)	-
	(14,760)	1,945
Changes in operating assets and liabilities		
Decrease in accounts receivable	91,239	-
Increase in other receivables	(45,723)	(183,796)
Increase in inventory	(11,673)	-
Increase in accounts payable	46,459	51,457
Decrease in other payables	(4,472)	(1,038)
	75,830	(133,377)
Net cash earned (used) in operating activities	2,902	(85,530)
Cash flows from investing activities		
Acquisition of fixed assets	-	(5,151)
Net cash used in investing activities	-	(5,151)
Cash flows from financing activities		
Proceeds from issuance of common stock	-	99,590
Proceeds from short term loan from banks	4,810	-
Repayment of long terms loans	(6,129)	(13,091)
Proceeds from loan with shareholders	11,609	-
Repayment of loan with related parties	(13,259)	-
Net cash earned (used) in financing activities	(2,969)	86,499
Decrease in cash and cash equivalents	(67)	(4,182)
Cash and cash equivalents at the beginning of the year	132	4,512
Cash and cash equivalents at the end of the period	**65**	**330**

The accompanying notes are an integral part of that financial statements.

IDENTA CORP
Notes to the Consolidated Financial Statements

Note 1 - Nature of business af presentation

IDENTA CORP (the "Company") is a Florida Corporation incorporated on June 3, 1997 as Future products VI corp until July 2000 and was known also as Bouy Club, Inc. until January 2002. The Company is a sole shareholder of Identa Ltd, an Israeli limited company. The operation of the company is through its subsidiary, which develops products to test for the presence of illegal drugs for the law enforcements industry.

The company increase its client rage during the year ended December 31, 2015 and negotiate with other entities for significant contract. Due to the increase in clients the company presented an increase of sales of over 65% at the year ended December 31, 2015 compering to the year ended December 31, 2014.

The company perform a gross profit of over 25% for the year ended December 31, 2015, therefore an increase of sale will reduce the need of capital raising. During the year ended December 31, 2015 the company's capital raising reduce significantly.

Going concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the liquidation of liabilities in the normal course of business. As at March 31, 2016, the Company has an accumulated deficit of $3,734,113 from operations and has not earned sufficient revenues to cover its operating costs. The Company intends to fund future operations through equity financing arrangements, which may be insufficient to fund its capital expenditures, working capital and other cash requirements for the year ending December 31, 2016.

The ability of the Company to achieve its business plan is dependent upon, among other things, obtaining additional financing to continue operations. In response to these problems, management intends to raise additional funds through public or private placement offerings.

These factors, among others, raise substantial doubt about the Company's ability to continue as a going concern. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

The accumulated deficit during the past years was created as a necessity to invest in R&D and the development of many new products followed by the large investments in the marketing process.

Basis of Presentation

The Company maintains its accounting records on an accrual basis in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP").

These financial statements are presented in US dollars.

Fiscal Year End

The Corporation has adopted a fiscal year end of December 31.

Note 2 - Summary of significant accounting policies

The principal accounting policies are set out below, these policies have been consistently applied to the period presented, unless otherwise stated:

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts or revenues and expenses during the reporting period. Actual results could differ from those estimates.

Principles of Consolidation

The consolidated financial statements include the accounts of IDENTA CORP and its subsidiaries. Intercompany transactions and balances have been eliminated. Equity investments through which we are able to exercise significant influence over but do not control the investee and are not the primary beneficiary of the investee's activities are accounted for using the equity method. Investments through which we are not able to exercise significant influence over

Note 2 - Summary of significant accounting policies (Cont.)

the investee and which do not have readily determinable fair values are accounted for under the cost method.

Foreign Currencies
The consolidated financial statements are presented in U.S. Dollars, which is the Company's functional currency and presentation currency. The financial statements of entities that use a functional currency other than the U.S. Dollar are translated into U.S. Dollars. Assets and liabilities are translated using the exchange rate on the respective balance sheet dates. Items in the income statement and cash flow statement are translated into U.S. Dollars using the average rates of exchange for the periods involved. The resulting translation adjustments are recorded as a separate component of other comprehensive income ("OCI") within stockholders' equity.

The functional currency of foreign entities is generally the local currency unless the primary economic environment requires the use of another currency. Gains or losses arising from the translation or settlement of foreign-currency-denominated monetary assets and liabilities into the functional currency are recognized in the income in the period in which they arise.

New Israeli Shekel ("NIS") amounts as of March 31, 2016 have been translated into U.S. Dollars at the representative rate of exchange on March 31, 2016 (USD 1 = NIS 3.766).

Cash and cash equivalents
Cash and equivalents include investments with initial maturities of three months or less. The Company maintains its cash balances at credit-worthy financial institutions that are insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000.

Accounts Receivable
The Company maintains reserves for potential credit losses on accounts receivable. Management reviews the composition of accounts receivable and analyzes historical bad debts, customer concentrations, customer credit worthiness, current economic trends and changes in customer payment patterns to evaluate the adequacy of these reserves. Based on historical collection activity, the Company had no allowances for bad debts at March 31, 2016 and 2015.

Inventories
Inventories are stated at weighted average cost, subject to the lower of cost or net realizable value. Cost includes materials, labor, and manufacturing overhead related to the purchase and production of inventories. We regularly review inventory quantities on hand, future purchase commitments with our suppliers, and the estimated utility of our inventory. If our review indicates a reduction in utility below carrying value, we reduce our inventory to a new cost basis through a charge to cost of revenue. The determination of market value and the estimated volume of demand used in the lower of cost or market analysis require significant judgment.

Property and Equipment
Property and equipment are stated at cost, less accumulated depreciation. Major repairs and betterments that significantly extend original useful lives or improve productivity are capitalized and depreciated over the period benefited. Maintenance and repairs are expensed as incurred. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts, and any gain or loss is included in operations. Depreciation of property and equipment is provided using shorter of useful live of the property or the unit of depletion method. For shorter-lived assets the straight-line method over estimated lives ranging from 3 to 10 years is used as follows:

Furniture	6-7 years
Capital Improvements	10 years
Computers and Electronic Equipments	3-10 years

Note 2 - Summary of significant accounting policies (Cont.)

Impairment Long-Lived Assets
For purposes of recognition and measurement of an impairment loss, a long-lived asset or assets are grouped with other assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. The Company assesses the impairment of long-lived assets (including identifiable intangible assets) annually or whenever events or changes in circumstances indicate that the carrying value may not be recoverable.
When management determines that the carrying value of long-lived assets may not be recoverable based upon the existence of one or more of the above indicators of impairment, we test for any impairment based on a projected undiscounted cash flow method. Projected future operating results and cash flows of the asset or asset group are used to establish the fair value used in evaluating the carrying value of long-lived and intangible assets. The Company estimates the future cash flows of the long-lived assets using current and long-term financial forecasts. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. If this were the case, an impairment loss would be recognized. The impairment loss recognized is the amount by which the carrying amount exceeds the fair value.

Accounts Payable and Accrued Expenses
Accounts payable and accrued expenses are carried at amortized cost and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

Earnings per Share
The Company computes net loss per share in accordance with ASC 260, "Earnings Per Share" ASC 260 requires presentation of both basic and diluted earnings per share ("EPS") on the face of the income statement. Basic EPS is calculated by dividing the profit or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all potential dilutive common shares, which comprise options granted to employees. As March 31, 2016, the Company had no potentially dilutive shares.

Income Taxes
Income taxes are accounted for in accordance with ASC Topic 740, "Income Taxes." Under the asset and liability method, deferred tax assets and liabilities are recognized for the future consequences of differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases (temporary differences). Deferred tax assets and liabilities are measured using tax rates expected to apply to taxable income in the years in which those temporary differences are recovered or settled. Valuation allowances for deferred tax assets are established when it is more likely than not that some portion or all of the deferred tax assets will not be realized.

Revenue Recognition
The Company recognizes revenue when all of the following have occurred: persuasive evidence of an agreement with the customer exists, delivery has occurred or services have been rendered, the selling price is fixed or determinable and collectability of the selling price is reasonably assured.

Cost of Sales
Cost of sales includes all of the costs to manufacture the Company's products. For products manufactured in the Company's own facilities, such costs include raw materials and supplies, direct labour and factory overhead. For products manufactured for the Company by third-party contractors, such cost represents the amounts invoiced by the contractors.

Fair Value of Financial Instruments
The Company measures assets and liabilities at fair value based on an expected exit price as defined by the authoritative guidance on fair value measurements, which represents the amount that would be received on the sale of

Note 2 - Summary of significant accounting policies (Cont.)

an asset or paid to transfer a liability, as the case may be, in an orderly transaction between market participants. As such, fair value may be based on assumptions that market participants would use in pricing an asset or liability. The authoritative guidance on fair value measurements establishes a consistent framework for measuring fair value on either a recurring or nonrecurring basis whereby inputs, used in valuation techniques, are assigned a hierarchical level.

The following are the hierarchical levels of inputs to measure fair value:
- Level 1: Quoted prices in active markets for identical instruments;
- Level 2: Other significant observable inputs (including quoted prices in active markets for similar instruments);
- Level 3: Significant unobservable inputs (including assumptions in determining the fair value of certain investments).

Recently Issued Accounting Pronouncements
In July 2015, the Financial Accounting Standards Board ("FASB") issued ASU No. 2015-11 "Simplifying the Measurement of Inventory"; guidance which requires inventory within the scope of the standard to be measured at the lower of cost and net realizable value. Previous guidance required inventory to be measured at the lower of cost or market (where market was defined as replacement cost, with a ceiling of net realizable value and floor of net realizable value less a normal profit margin). The updated guidance is effective for interim and annual reporting periods beginning after December 15, 2016, with early adoption permitted. There were various other updates recently issued, none of which are expected to a have a material impact on the Company's financial position, results of operations or cash flows.
The Company has elected to early adopt these amendments and accordingly value its inventory at the lower of cost and net realizable value.

Note 3 - Inventories

	As of March 31 2016	As of December 31 2015
	$	
Finished goods	116,966	112,889
Work in process	217,950	210,354
	334,916	**323,243**

Note 4 - Property and Equipment, Net

	Computers and electronic equipment	Furniture	Capital Improvments	Total
			$	
Cost				
Balance as at January 1, 2016	40,709	51,325	20,525	112,559
Balance as at March 31, 2016	40,709	51,325	20,525	112,559
Accumulated Depreciation				
Balance as at January 1, 2016	33,049	23,951	6,477	63,477
Current period	794	868	486	2,148
Balance as at March 31, 2016	33,843	24,819	6,963	65,625
Property and Equipment, Net as at March 31, 2016	**6,866**	**26,506**	**13,562**	**46,934**
Property and Equipment, Net as at December 31, 2015	7,660	27,374	14,048	49,082

Note 5 - Short-term credit

	As of March 31 2016	As of December 31 2015
	$	
Short term credit	33,520	41,987
Short-term loans	13,277	-
Current maturities	38,426	44,694
	85,223	**86,681**

Note 6 - Accounts payable

	As of March 31 2016	As of December 31 2015
	$	
Trade creditors	66,336	76,640
Outstanding checks	82,824	26,061
	149,160	**102,701**

Note 7 - Other payables

	As of March 31 2016	As of December 31 2015
	$	
Institutions	191	554
Loans from shareholders	303,024	291,415
Accrued expenses	1,365	1,317
Employees	10,435	14,592
	315,015	**307,878**

Note 8 - Other payables - related parties

	As of March 31 2016	As of December 31 2015
	$	
Loan from related parties	**329,067**	**342,326**

The above loan is unsecured, bears no interest and has no set terms of repayment. This loan is repayable on demand

Note 9 - Bank loans

1. The loans are:

	interest rates	As of March 31 2016	As of December 31 2015
		$	
Linked to the Israeli consumer price index	4%-5%	9,466	11,323
Linked to the Israeli consumer price index	7%-9%	97,559	101,830
		107,025	**113,153**

2. The loans will be paid in the years to come, after the financial reports date:

First year- current maturities	38,426	44,694
Second year	38,768	38,768
Third year and on	29,831	29,691
	68,599	68,459
	107,025	**113,153**

Note 10 - Employee benefit obligations

Israeli law generally requires payment of severance pay upon dismissal of an employee or upon termination of employment in certain other circumstances. The following principal plans relate to the employees in Israel:

The Company's liability for severance pay for its Israeli employees is calculated pursuant to Israeli severance pay law based on the most recent salary of the employee multiplied by the number of years of employment, as of the balance sheet date. Employees are entitled to one month's salary for each year of employment, or a portion thereof. The Company's liability for all of its Israeli employees is partially provided for by monthly deposits in insurance policies and the remainder by an accrual in the financial statements. The value of these policies is recorded as an asset in the Company's balance sheet.

The deposited funds include profits/loss accumulated up to the balance sheet date. The value of the deposited funds is based on current redemption value of these policies. Withdrawals from the funds may be made only upon termination of employment.

Note 11 - Capital Stock

Common stock

On January 7, 2014, the Company issued 629,250,000 shares of common stock. 609,250,000 shares to investors at a price of $ 0.0002 per share for cash, for $140,000.
20,000,000 shares to officer of the company for work salary equivalent- the price evaluate is $4,596.

On July 27, 2014 the Company issued 2,086,500,000 shares of common stock. 1,893,750,000 shares to investors at a price of $ 0.0002 per share for cash, for $475,000.
193,000,000 shares to officer of the company for work salary equivalent- the price evaluate is $48,416.

On November 26, 2014 the Company issued 220,000,000 shares of common stock. 200,000,000 shares to investors at a price of $ 0.0005 per share for cash, for $100,000.
20,000,000 shares to officer of the company for work salary equivalent- the price evaluate is $10,000.

On August 20, 2015 the Company issued 200,000,000 shares of common stock. Shares were issued to lenders of the company for interest equivalent- the price evaluate is $100,000.

On October 16, 2015 the Company issued 30,000,000 shares of common stock. Shares were issued to lenders and vendors of the company for service equivalent- the price evaluate is $15,000.

Note 12 - Income taxes

The provision (benefit) for income taxes for the three months periods ended March 31, 2016 and 2015 was follows (assuming a 15% effective tax rate):

	March 31 2016	March 31 2015
	$	$
Current tax provision:		
Federal-	-	-
Taxable income	-	-
Total current tax provision	-	-

	March 31 2016	March 31 2015
	$	$
Deferred Tax Provision:		
Federal-		
Loss carry forwards	8,725	(6,885)
Change in valuation allowance	(8,725)	6,885
Total deferred tax provision	-	-

The Company had deferred income tax assets as of March 31, 2016 and December 31, 2015 as follows:

	March 31 2016	December 31 2015
	$	$
Loss carryforwards	560,117	551,392
Less - Valuation allowance	(560,117)	(551,392)
Total net deferred tax assets	-	-

The Company provided a valuation allowance equal to the deferred income tax assets for the period ended March 31, 2016 because it is not presently known whether future taxable income will be sufficient to utilize the loss carryforwards.
As of March 31, 2016, the Company had approximately $3,734,113 in tax loss carryforwards that can be utilized future periods to reduce taxable income, and expire by the year 2,036 .
The Company did not identify any material uncertain tax positions. The Company did not recognize any interest or penalties for unrecognized tax benefits.
The federal income tax returns of the Company are subject to examination by the IRS, generally for three years after they are filed.

Note 13 - Finance costs, net

	Period of 3 months ended March 31	
	2016	2015
	$	
Finance costs		
Bank institutions	1,385	3,492
Others	6,308	-
Exchange rate differences	1,074	-
	8,767	3,492
Finance income		
Exchange rate income	-	1,265
	(8,767)	(2,227)

Note 14 - Related party transactions

Details of transaction between the Company and related parties are disclosed below:

The following entities have been identified as related parties:

Yaakov Shoham	-Director and greater than 10% stockholder (held directly and/or by immediate family)
Baruch Glattstein	-Director and greater than 10% stockholder (held directly and/or by immediate family)
Amichai Glattstein	-Director and greater than 10% stockholder (held directly and/or by immediate family)

The following transactions were carried out with related parties:

	As of March 31	As of December 31
	2016	2015
	$	
Loan from related parties	329,067	342,326

From time to time, the directors and stockholder of the Company provides advances to the Company for its working capital purposes. These advances bear no interest and are due on demand.

Note 15 - Subsequent events

The company signed contracts with international entities, according to the management those achievements will rise the sales and will bring the company to profitability.

In accordance with ASC 855-10, Company management reviewed all material events through the date of this report and determined that there are no additional material subsequent events to report.

WEINSTEIN & CO.
CERTIFIED PUBLIC ACCOUNTANTS

NOTICE TO READER

On the basis of information provided by management, we have compiled the consolidated balance sheet of IDENTA Corp as at March 31, 2016 and the statements of income, cash flows and stockholders' equity for the period then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Jerusalem, Israel
May 19, 2016

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