

I, Vincenzo Ventola, CFO, certify that:

1. I have reviewed the period financial statement of Italian Food & Beverage Corp.
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement, and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: March 30, 2017

/s/ Vincenzo Ventola

Vincenzo Ventola
CFO

ITALIAN FOOD AND BEVERAGE CORP.

Consolidated Balance Sheets

(Unaudited)

	Year Ended December 31, 2016	Year Ended December 31, 2015
<u>ASSETS</u>		
Current Assets		
Cash	\$ 27,255	\$ 103,499
Prepaid Marketing	10,500	-
Inventory	38,831	328,353
Accounts Receivable	102,148	480,318
	<hr/>	<hr/>
Total Current Assets	178,734	912,170
Long-Term Assets		
Loans to Subsidiaries	125,851	100,994
Investment in Affiliate	305,172	
Office Equipment	23,858	66,256
Intangible Assets-net	177,788	554,104
Total Long-Term Assets	632,669	721,354
	<hr/>	<hr/>
Total Assets	<u>\$ 811,403</u>	<u>\$ 1,633,524</u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 272,091	\$ 220,556
Credit Line	1,800	37,500
Notes Payable	84,617	118,053
	<hr/>	<hr/>
Total Liabilities	358,508	376,109
Stockholders' Equity		
Preferred Stock, authorized 50,000,000 shares, par value \$0.0001, issued and outstanding on December 31, 2016 and December 31, 2015 is 5,911,450 and 5,426,600 shares respectively	591	542
Common Stock, authorized 2,950,000,000 shares, par value \$0.0001, issued and outstanding on December 31, 2016 and December 31, 2015 is 899,061,134 and 846,734,134 shares respectively	89,908	84,675
Additional Paid-in Capital	6,539,085	6,666,726
Retained Deficit	(6,176,689)	(5,494,528)
	<hr/>	<hr/>
Total Stockholders' Equity	452,895	1,257,415
	<hr/>	<hr/>
Total Liabilities and Stockholders' Equity	<u>\$ 811,403</u>	<u>\$ 1,633,524</u>

The accompanying notes are an integral part of these statements

ITALIAN FOOD AND BEVERAGE CORP.

Consolidated Statements of Operation (Unaudited)

	Year Ended December 31,	
	2016	2015
Income		
Revenues	\$ 1,440,359	\$ 864,616
Cost of Sales	930,586	301,679
	<hr/>	<hr/>
Gross Income/(Loss)	509,773	562,937
Operating Expenses		
General and Administrative	668,624	623,328
Organizational Expense	19,022	-
Amortization Expense	50,910	58,252
Professional Fees	202,083	220,377
	<hr/>	<hr/>
Total Operating Expenses	940,639	901,957
	<hr/>	<hr/>
Operating Income/(Loss)	(430,866)	(339,020)
Other Income/(Expenses)		
Extraordinary Income/(Loss)	17,148	(56,046)
Miscellaneous Income	100	-
Interest Expense	-	(10,341)
	<hr/>	<hr/>
Total Other Income/(Expenses)	17,248	(66,387)
	<hr/>	<hr/>
Income (Loss) before Taxes	(413,618)	(405,407)
Income Tax	(22,016)	(49,758)
Net Income/(Loss)	<u>\$ (435,634)</u>	<u>\$ (455,165)</u>
Basic and Diluted		
(Loss) per Share	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>
Weighted Average		
Number of Shares	874,610,399	745,644,627
Diluted Number of Shares	<u>1,461,810,399</u>	<u>1,069,628,572</u>

The accompanying notes are an integral part of these statements

ITALIAN FOOD AND BEVERAGE CORP.

Consolidated Statements of Stockholders' Deficit

(Unaudited)

From January 15, 2002 (Inception) to December 31, 2016

	Preferred Stock		Common Stock		Paid in	Retained	Total
	Shares	Amount	Shares	Amount	Capital	(Deficit)	Equity/ (Deficit)
Balance, December 31, 2014	-	\$ -	714,934,134	\$ 71,495	\$ 5,823,424	\$ (5,039,363)	\$ 855,556
Common Shares issued for service	-	-	21,000,000	2,100	73,500	-	75,600
Acquisition of Subsidiary	5,000,000	500	-	-	88,516	-	89,016
Preferred Shares issued for cash	302,900	30	-	-	114,084	-	114,114
Preferred Shares issued for service	123,700	12	-	-	49,468	-	49,480
Common Shares issued for cash	-	-	30,300,000	3,030	179,284	-	182,314
Common Shares issued for service	-	-	80,500,000	8,050	338,450	-	346,500
Net Profit/(Loss)						(455,165)	(455,165)
Balance, December 31, 2015	5,426,600	542	846,734,134	84,675	6,666,726	(5,494,528)	1,257,415
Reclassify common shares to preferred	198,900	20	(3,500,000)	(350)	330	-	-
Preferred Shares issued for cash	148,000	15	-	-	180,305	-	180,320
Preferred Shares issued for service	39,000	4	-	-	5,456	-	5,460
Common Shares issued for cash	-	-	1,365,000	137	20,826	-	20,963
Common Shares issued for service	-	-	37,862,000	3,786	123,414	-	127,200
Common Shares issued for service	-	-	2,000,000	200	7,800	-	8,000
Preferred Shares issued for cash	28,950	3	-	-	31,868	-	31,871
Restructure of Subsidiaries	-	-	-	-	(744,601)	(246,527)	(991,128)
Common & Preferred Shares issued for acquisition	70,000	7	7,000,000	700	215,949	-	216,656
Common Shares issued for service	-	-	4,000,000	400	59,600	-	60,000
Common Shares issued for cash, note and service	-	-	3,600,000	360	62,140	-	62,500
Dispose of Inventory	-	-	-	-	(90,728)	-	(90,728)
Net Profit/(Loss)						(435,634)	(435,634)
Balance, December 31, 2016	5,911,450	\$ 591	899,061,134	\$ 89,908	\$ 6,539,085	\$ (6,176,689)	\$ 452,895

The accompanying notes are an integral part of these statements

ITALIAN FOOD AND BEVERAGE CORP.

Consolidated Statements of Cash Flows

(Unaudited)

	Year Ended December 31,	
	2016	2015
Operating Activities		
Net Profit/(Loss)	\$ (435,634)	\$(455,165)
Adjustments to reconcile Net Profit/(Loss)		
Amortization/Disposal of Intangible Assets	90,039	58,250
Common Stock Issued for services	338,728	472,080
Acquisition of Subsidiary	(305,172)	88,516
Changes in Operating Assets and Liabilities		
(Increase)/Decrease in Inventory	83,455	1,358
(Increase)/Decrease in Prepaid Expenses	(10,500)	-
(Increase)/Decrease in Accounts Receivable	(90,582)	(249,713)
(Increase)/Decrease in Loans to Subsidiaries	(24,857)	(100,994)
Increase/(Decrease) in Accounts Payable and Accrued Expenses	82,255	(89,733)
Net Cash Provided by Operating Activities	(272,268)	(275,401)
Investment Activities		
Office Equipment	(18,354)	(16,341)
Acquisition of Intangible Assets	-	(79,618)
Net Cash (Used) by Investment Activities	(18,354)	(95,959)
Financing Activities		
Line of Credit	(35,700)	-
Notes Payable	(33,436)	53,242
Proceeds from Stock Sales	283,514	296,428
Notes Payable - Shareholder	-	-
Net Cash Provided by Financing Activities	214,378	349,670
Net Increase in Cash	(76,244)	(21,690)
Cash, Beginning of Period	103,499	125,189
Cash, End of Period	\$ 27,255	\$ 103,499
Cash Paid For:		
Interest Paid	\$ 3,879	\$ 10,341
Income Taxes Paid	\$ 19,883	\$ 49,758
Non-cash Activities:		
Stock issued for services	\$ 338,728	\$ 471,580
Contributed Capital	\$ -	-
Acquired Capital	\$ -	\$ 89,016

The accompanying notes are an integral part of these statements

ITALIAN FOOD & BEVERAGE CORP.

Notes to Consolidated Unaudited Financial Statements (December 31, 2016 and 2015)

NOTE 1 - ORGANIZATION AND DESCRIPTION OF BUSINESS

Blast Applications, Inc. (the "Company") was incorporated on January 15, 2002 under the laws of the State of Delaware as Medivisor, Inc. On July 10, 2009 the Company changed its name to Blast Applications, Inc. then on January 20, 2015 the Company changed its name to Italian Food & Beverage Corp.

The Company is in the business of development and marketing of iPhone®, Facebook®, Twitter® and Nokia applications but has recently changed its focus to the Food Industry.

On May 15, 2015 the Company completed the acquisition of Italian Food & Beverage Corp. a Nevada Corporation and Just Wine SRL and Italian Corporation. The Company has organized IFBC ITA in Italy, IFBC UK in England and IFBC SR in Singapore. The Company has also acquired interests in Brandout Srl; and Degustate, Srl; in Italy.

The Company currently maintains various social web-sites and with its acquisitions will focus on the manufacturing, exporting, importing, marketing and distribution of wine and various food products.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

In the opinion of management, the accompanying balance sheets and related interim statements of income, cash flows, and stockholders' equity include all adjustments, consisting only of normal recurring items, necessary for their fair presentation in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, and expenses. Actual results and outcomes may differ from management's estimates and assumptions.

ITALIAN FOOD & BEVERAGE CORP.

Notes to Unaudited Financial Statements

(December 31, 2016 and December 31, 2015)

Cont'd

Principal of Consolidation

The consolidated financial statements include the accounts of the Italian Food & Beverage Corp. (the Company) and its subsidiaries and interests in the Italian Food & Beverage Corp. a Nevada Corporation, Just Wine S.P.A., an Italian corporation, Brandout SRL and Degustate, SRL Italian corporations. Also consolidated is IFBC SG PTE, LTD a Singapore corporation, IFBC Italia and IFBC UK. All material inter-company accounts and transactions have been eliminated. Subsidiary activity has been converted to U.S. Dollars.

Allowance for Doubtful Accounts

The Company does not have significant collection history with its customers. However, where the Company is aware of circumstances that may impair a specific customer's ability to pay, the Company will reduce the receivable to net realizable value by recording an appropriate allowance. At December 31, 2016 and December 31, 2015 no allowance for doubtful accounts was required.

Revenue Recognition

Revenues are recognized as services are performed and deliveries are made in accordance with the terms of customer contracts. Costs directly related to the development and data collection services, which include but are not limited to subcontractors, domain acquisition, and other costs directly related, are included in the cost of goods sold. Retail sales are recognized when products are shipped.

Recent Accounting Guidance

The Company has evaluated the recent accounting pronouncements through ASU 2016-17 and believes that none of the pronouncements will have a material effect on the company's financial statements.

Cash and Cash Equivalents

The Company considers all highly liquid debt instruments with an original maturity of three months or less when purchased to be cash equivalents. There were no cash equivalents at December 31, 2016 and December 31, 2015.

Advertising Costs

Advertising and marketing costs are expensed as incurred. For the period ended December 31, 2016 and the year ended December 31, 2015 advertising expense were \$6,374 and \$28,611.

ITALIAN FOOD & BEVERAGE CORP.

Notes to Unaudited Financial Statements

(December 31, 2016 and December 31, 2015)

Cont'd

Income Taxes

The provision for income taxes is the total of the current taxes payable and the net of the change in the deferred income taxes. Provision is made for the deferred income taxes where differences exist between the period in which transactions affect current taxable income and the period in which they enter into the determination of net income in the financial statements.

Stock-Based Compensation

The Company accounts for its stock based compensation based upon provisions in ASC Topic 718 *Compensation-Stock Compensation*. The Company utilizes the fair value of the stock issued as the measure of the value of services obtained to record the stock issued for compensation.

Impairment of Long-Lived Assets

The Company regularly reviews long-lived assets for indicators of impairment. Management's judgments regarding the existence of impairment indicators are based on performance. Future events could cause management to conclude that impairment indicators exist and that the value of long-lived assets is impaired. When events or circumstances indicate that the carrying amount of an asset may not be recoverable, the fair value of the asset is compared to its carrying value. Impairment losses are measured as the amount by which the carrying value of an asset exceeds its estimated fair value.

Intangible Assets

The Company has capitalized the purchase/development cost of its revenue producing web-sites and application. The Company amortized these assets over their estimated useful lives beginning January 1, 2014. A summary of assets follows:

<u>Intangible Assets:</u>	December 31, 2016	Estimated Useful Life
Goodwill: Big Pants	85,000	20 Years
Website: CanDoBetter	23,250	5 Years
Website: Tweexchange	20,000	5 Years
Websites: Eight Others	40,000	5 Years
Applications: Forty-Eight	165,000	5 Years
Applications: Four	15,000	5 Years
Subtotal	348,250	
Less: Accumulated Amortization	(172,913)	
Intangible Assets-net	175,337	

ITALIAN FOOD & BEVERAGE CORP.

Notes to Unaudited Financial Statements

(December 31, 2016 and December 31, 2015)

Cont'd

Loss per Common Share

Basic loss per share is computed by dividing the net loss by the weighted average number of shares outstanding during the period. Basic loss per share also excludes any dilutive effect of warrants. Diluted net loss per share includes the issuance of Class B preferred shares that are each convertible to 100 common shares and does not include warrants, as they are anti-dilutive.

NOTE 3 - GOING CONCERN

The accompanying financial statements have been prepared assuming that the company will continue as a going concern. The Company commenced operations in the first quarter of 2003. Since inception, it has incurred losses and negative cash flows from operations. The Company has been dependent upon external financing, including private sales of securities and borrowings from its CEO to fund operations. The Company has reported operating loss of \$440,169 for the period ended December 31, 2016 and an operating loss of \$435,634 for the year ended December 31, 2015 from consolidated revenues of \$1,440,359 and \$864,616 from the same periods respectively. The Company has an inception to date accumulated deficit of \$6,176,689. Of the accumulated deficit, \$4,059,978 was for non-cash transaction wherein stock was issued for services or interest on settlement of debt and \$991,128 was the result of restructuring its subsidiaries. This raises doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from this uncertainty.

Management has substantially increased the Company's profitability and cash flow with the acquisition of the Italian Food & Beverage Corp (IFBC-NV) and interests in other subsidiaries.

Management continues to seek additional debt or equity funding. There is no assurance that its efforts will be successful, or that the Company will be able to obtain additional debt or equity financing on terms acceptable to the Company. Failure to raise needed funds on satisfactory terms could have a material adverse impact on the Company's business, operating results or financial condition.

NOTE 4 – RESTRUCTURE OF SUBSIDIARIES

During the quarter ended June 30, 2016 the Company began the process of negotiating the restructuring of its European subsidiaries because of difficulties in maintaining proper control of their activities. The Company expects the return of the 5,000,000 Class B Preferred shares of stock as part of the reorganization.

ITALIAN FOOD & BEVERAGE CORP.

Notes to Unaudited Financial Statements

(December 31, 2016 and December 31, 2015)

Cont'd

The reorganization is not yet completed but the Company has made adjustments in its financial statements as if the reorganization has been completed with the exception the return of the Preferred shares. Only 1,885,000 Class B Preferred shares have been returned at this date. It is expected that the restructure will be completed by the end of the first quarter of 2017 at which time the Company will report the results.

NOTE 5 – ACQUISITION AND CONSOLIDATION OF SUBSIDIARIES

On May 15, 2015 the Italian Food and Beverage Corp, (the Company or IFBC-DEL) completed the acquisition of Italian Food & Beverage Corp (IFBC-NV), a Nevada corporation organized April 21, 2014. IFBC-NV was acquired by the Company with the issuance of 5,000,000 Class B preferred shares that have a provision for the mandatory conversion of each preferred share to 100 of the Company's common shares for a total of 500,000,000 common shares.

IFBC-NV is operated as a wholly-owned subsidiary of the Company. IFBC-NV is the parent company of Wine & Food Trading LLC, a California corporation who is the parent of Just Wine S.P.A. an Italian corporation. Just Wine S.P.A owns a majority interest in Degustate, Srl and has dissolved its interest in Just Wine Far East Pte Ltd, a Singapore corporation, Just Wine GmbH, an Austrian corporation and Just Wine Kft, a Hungarian corporation. The Company has organized a new Singapore corporation called IFBC SG PTE, LTD which hasn't started activity yet. Accordingly, the investment and organization costs are consolidated with IFBC-DEL.

ITALIAN FOOD & BEVERAGE CORP.

Notes to Unaudited Financial Statements

(December 31, 2016 and December 31, 2015)

Cont'd

The Company has consolidated the financial statements for the period ended December 31, 2016 as follows:

Balance Sheet		Year Ended December 31, 2016					
		IFBC- DEL	IFBC- NV	Europe Subs	Singapore	Inter-Company Eliminations	Total
ASSETS							
Current Assets							
Cash		\$ 106	\$ 9,577	\$ 15,578	\$ 1,994		\$ 27,255
Prepaid Marketing			10,500	-	-		10,500
Inventory		-	-	37,097	1,734		38,831
Accounts Receivable		-	25,000	77,148	-		102,148
Total Current Assets		106	45,077	129,823	3,728	-	178,734
Long-Term Assets							
Investment In Affiliates		305,172	-	-	-		305,172
Transfer Out		-	118,520	-		(118,520)	-
Operational Loans-Affiliates		-	125,851				125,851
Furniture and Equipment		-	-	22,662	1,196		23,858
Intangible Assets-net		175,337	-	2,451	-		177,788
Total Long-Term Assets		480,509	244,371	25,113	1,196	(118,520)	632,669
Total Assets		\$ 480,615	\$ 289,448	\$ 154,936	\$ 4,924	\$ (118,520)	\$ 811,403
LIABILITIES AND STOCKHOLDERS' EQUITY							
Current Liabilities							
Accounts Payable and Accrued Expenses		\$ 171,684	\$ 11,186	\$ 89,221	\$ -		272,091
Credit Line		1,800	-	-	-		1,800
Transfers In		8,000	73,397		37,123	(118,520)	-
Notes Payable		84,617		-	-		84,617
Total Liabilities		266,101	84,583	89,221	37,123	(118,520)	358,508
Stockholders' Equity							
Preferred Stock		507	84	-	-		591
Common Stock		82,945	6,963	-	-		89,908
Additional Paid-in Capital		5,752,984	767,176	18,925			6,539,085
Retained Earnings/(Deficit)		(5,621,922)	(569,358)	46,790	(32,199)		(6,176,689)
Total Stockholders' Equity		214,514	204,865	65,715	(32,199)	-	452,895
Total Liabilities and Stockholders' Equity		\$ 480,615	\$ 289,448	\$ 154,936	\$ 4,924	\$ (118,520)	\$ 811,403

ITALIAN FOOD & BEVERAGE CORP.

Notes to Unaudited Financial Statements

(December 31, 2016 and December 31, 2015)

Cont'd

<u>Statement of Operations</u>		Year Ended December 31, 2016				
		IFBC- DEL	IFBC- NV	Europe Subs	Singapore	Total
Income						
	Revenues	\$ 18,240	\$ -	\$ 1,422,119	\$ -	\$ 1,440,359
	Cost of Sales	-	-	930,586	-	930,586
	Gross Income/(Loss)	18,240	-	491,533	-	509,773
Operating Expenses						
	General and Administrative	315	240,148	422,727	5,434	668,624
	Organizational Expense		-		19,022	19,022
	Amortization Expense	50,910		-	-	50,910
	Professional Fees	88,000	106,340	-	7,743	202,083
	Total Operating Expenses	139,225	346,488	422,727	32,199	940,639
	Operating Income/(Loss)	(120,985)	(346,488)	68,806	(32,199)	(430,866)
Other Income/(Expenses)						
	Gain on Settlements	17,148	-	-	-	17,148
	Miscellaneous Income	-	100	-	-	100
	Interest Expense	-	-	-	-	-
	Total Other Income/(Expenses)	17,148	100	-	-	17,248
	Income/(Loss) before Taxes	(103,837)	(346,388)	68,806	(32,199)	(413,618)
	Income Tax		-	(22,016)	-	(22,016)
	Net Income/(Loss)	<u>\$ (103,837)</u>	<u>\$ (346,388)</u>	<u>\$ 46,790</u>	<u>\$ (32,199)</u>	<u>\$ (435,634)</u>

NOTE 6 – DEBT INCLUDING CONVERTIBLE DEBT

Short-Term Debt

Accounts payable and accrued expenses are summarized below for the reporting periods:

	Balance 31-Dec-2016	Balance 31-Dec-2015
<u>Accounts Payable and Accruals</u>		
Accounts Payable	\$ 24,755	\$ 30,238
Accounts Payable Subsidiaries	100,407	45,319
Accrued Liabilities	146,929	144,999
Balance	<u>\$ 272,091</u>	<u>\$ 220,556</u>

ITALIAN FOOD & BEVERAGE CORP.

Notes to Unaudited Financial Statements

(December 31, 2016 and December 31, 2015)

Cont'd

Long-Term and Convertible Debt

On October 12, 2010 the Company issued an 8% convertible note in the principal amount of \$35,000 Euros or \$48,531 US dollars and a maturity date of October 15, 2011. The note can be redeemed prior to maturity for 125% of the principal plus accumulated interest and is immediately convertible at the holders demand at 45% of the preceding 5 day average stock price but not less than \$0.0001 or greater than \$0.05. The Company recorded interest expense of \$59,316 for the beneficial conversion feature and has made \$8,000 in payments during 2016. The Balance of the note at December 31, 2016 is \$56,811 which includes \$16,280 accrued interest.

Short term notes include operational loans by related parties totaling \$27,806.

NOTE 7 - PROVISION FOR INCOME TAXES

Deferred tax assets and liabilities are recorded based on the differences between the financial statement and tax bases of assets and liabilities and the tax rates in effect when these differences are expected to reverse.

In the Company's opinion, it is uncertain whether they will generate sufficient taxable income in the future to fully utilize the net deferred tax asset. Accordingly, a valuation allowance equal to the deferred tax asset has been recorded. The total deferred tax asset is \$1,304,636 which is calculated by multiplying a 22% estimated tax rate by the items making up the deferred tax account, the estimated NOL through December 31, 2016 of \$5,930,162. The total valuation allowance is a comparable \$1,304,636.

The provision for income taxes is comprised of the net changes in deferred taxes less the valuation account plus the current taxes payable as shown in the chart below for the period ended September 30, 2016 and the year ended December 31, 2015:

	December 31, 2016	December 31, 2015
Deferred Tax Asset	\$ 95,839	\$ 100,136
Valuation Allowance	(95,839)	(100,136)
Current Taxes Payable	-	-
Income Tax Expense	<u>\$ -</u>	<u>\$ -</u>

ITALIAN FOOD & BEVERAGE CORP.**Notes to Unaudited Financial Statements**

(December 31, 2016 and December 31, 2015)

Cont'd

Below is a chart showing the estimated federal net operating losses and the years in which they will expire.

<u>Year</u>	<u>Amount</u>	<u>Expiration</u>
2002	110,344	2022
2003	42,102	2023
2004	215,834	2024
2005	352,602	2025
2006	236,140	2026
2007	49,798	2027
2008	1,655,913	2028
2009	433,880	2029
2010	1,076,086	2030
2011	445,163	2031
2012	163,779	2032
2013	158,450	2033
2014	99,272	2034
2015	455,165	3035
2016	435,634	3035
Total	<u>\$ 5,930,162</u>	

NOTE 8 - STOCKHOLDERS' EQUITY**Preferred Stock**

The Company is authorized to issue of 50,000,000 shares of preferred stock, par value \$0.0001 per share. The Company has established 10,000,000 to be Class A preferred superior to its common stock but with all the rights of common shares except voting and is convertible to 100 shares of common stock. These Class A preferred shares are not issued.

On March 7, 2015 the Company authorized the creation of 10,000,000 Class B preferred shares with all the rights of common shares except voting and with a mandatory conversion of each share of Class B preferred to one hundred (100) shares of common stock. As of the date of these statements the conversion of these shares has not taken place.

Of the Class B preferred shares 5,000,000 were authorized to be issued on May 15, 2015 in exchange for 100% of the 5,000,000 total issued and outstanding shares of common stock of the Italian Food & Beverage Corp. (IFBC-NV), a Nevada corporation. With the issuance IFBC-NV has become a wholly-owned subsidiary of the Company.

ITALIAN FOOD & BEVERAGE CORP.

Notes to Unaudited Financial Statements

(December 31, 2016 and December 31, 2015)

Cont'd

During the year ended December 31, 2015 the Company recorded the purchase of 302,900 Class B preferred shares for \$114,114 cash of which 292,900 were issued on February 23, 2016 and 5,000 have not yet been issued. During the 2015 the Company also recorded the issue of 123,700 Class B preferred shares for \$49,468 in consulting services with the shares not issued until February 23, 2016.

During the Quarter ended June 30, 2016, the Company reclassified the issue of 3,500,000 common shares to 198,000 Class B Preferred shares and issued 148,000 Class B Preferred shares for \$180,320 cash and 39,000 shares for \$5,460 consulting services.

During the Quarter ended September 30, 2016, the Company issued 28,950 Class B Preferred shares for \$31,871 cash.

During the Quarter ended December 31, 2016, the Company issued 70,000 Class B Preferred shares as part of the purchase price of seventy percent (70%) of Italian Farmers LTD valued at \$216,656.

Common Stock

The Company is authorized to issue 2,950,000,000 shares of common stock with a par value of \$0.0001 per share.

As of December 31, 2014 the company has 714,934,134 common shares issued and outstanding.

During the year December 31, 2015 the Company issued 141,800,000 common shares in the following transactions:

- On January 1, 2015 the Company issued 1,000,000 common shares for \$3,600 in services.
- On February 24, 2015 the Company issued 20,000,000 common shares for \$72,000 in services.
- During the quarter ended December 31, 2015, the Company recorded the purchase of 30,300,000 common shares for \$182,314.
- During the quarter ended December 31, 2015, the Company recorded the issue of 80,500,000 common shares for \$50,500 consulting services and settlement of \$296,000 accrued salary.

During the year ended December 31, 2016 the Company reclassified the issue of 3,500,000 common shares to 198,900 Class B Preferred shares and made the following issues of Common Shares:

ITALIAN FOOD & BEVERAGE CORP.

Notes to Unaudited Financial Statements

(December 31, 2016 and December 31, 2015)

Cont'd

- On June 30, 2016 the Company recorded the issuance of 35,862,000 common shares valued at \$104,000 for services issued on March 22, 2016 and 2,000,000 common shares issued for \$23,300 services.
- On April 15, 2016 the Company issued 1,365,000 common shares for \$20,963 cash.
- On June 30, 2016, the Company issued 4,000,000 common shares for services valued at \$31,200.
- On November 1, 2016, the Company issued 7,000,000 common shares as part of the purchase price of seventy percent (70%) of Italian Farmers LTD valued at \$216,656.
- On November 16, 2016, the Company authorized the issue of 4,000,000 common shares for service valued at \$60,000.
- On November 16, 2016, the Company authorized the issue of 3,600,000 common shares for \$25,000 cash, \$25,000 receivable and \$12,500 in service for a total of \$62,500.

NOTE 9 – SUBSEQUENT EVENTS

On February 10, 2017, the Company issued 3,000,000 common shares to purchase the remaining thirty percent (30%) of the Italian Farmers LTD and assume a debt of 130,138 British pounds or \$162,252.

The Company has executed a Gentleman's agreement to with Labeataly USA, LLC to organize a new entity called F&B Operating Partners, LLC for the purpose of operating the existing Mio CAFÉ' in the Westshore Mall in Tampa, Florida and expanding the Mio CAFÉ' brand throughout the US.