

**PERMANENT TECHNOLOGIES, INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

**Permanent Technologies, Inc.**  
**Balance Sheet**  
**December 31, 2015**

**Assets**

	<u><b>2015</b></u>	<u><b>2014</b></u>
<b>Current Assets</b>		
Cash in Banks	\$ 27	\$ 13,720
Other Receivables	-	-
Inventory	-	-
	27	13,720
<b>Total Current Assets</b>	27	13,720
<b>Property and Equipment</b>		
Equipment	33,590	33,590
Accumulated Depreciation	33,590	33,590
Net Equipment	-	-
Patents	334,892	334,892
Accumulated Amortization	179,567	157,239
Net Patents	155,325	177,653
<b>Total Property and Equipment</b>	155,325	177,653
<b>Other Assets</b>	-	-
<b>Total Assets</b>	\$ 155,352	\$ 191,373

**Liabilities and Shareholders' Equity**

<b>Current Liabilities</b>		
Accounts Payable	\$ 10,000	\$ 10,000
Loan Payable	8,915	-
	18,915	10,000
<b>Total Current Liabilities</b>	18,915	10,000
<b>Long Term Liabilities</b>	-	-
<b>Total Liabilities</b>	18,915	10,000
<b>Shareholders' Equity</b>		
Capital Stock	1,567,677	1,567,677
Retained Earnings – Ending	(1,431,240)	(1,386,304)
	136,437	181,373
<b>Total Shareholders' Equity</b>	136,437	181,373
<b>Total Liability and Shareholders' Equity</b>	\$ 155,352	\$ 191,373

**Permanent Technologies, Inc.**  
**Statement of Income and Retained Earnings**  
**For the Year Ended December 31, 2015**

	<u>2015</u>	<u>2014</u>
Sales	\$ -	\$ -
<b>Cost of Sales</b>		
Beginning Inventory	-	-
Production Costs	-	-
Contract Labor	-	-
Ending Inventory	-	-
<b>Total Cost of Sales</b>	<u>-</u>	<u>-</u>
Gross Profit/(Loss)	-	-
Operating Expenses (Schedule One)	22,328	23,027
Selling Expenses (Schedule Two)	35	5,037
General & Admin Expenses (Schedule Three)	<u>22,573</u>	<u>152,916</u>
Total Expenses	<u>44,936</u>	<u>180,980</u>
Operating Income/(Loss)	(44,936)	(180,980)
<b>Other Income and Expense</b>		
Interest (Income)/Expense	<u>0</u>	<u>0</u>
<b>Income Before Taxes</b>	(44,936)	(180,980)
Provision for Income Taxes	<u>-</u>	<u>-</u>
<b>Net Income/(Loss)</b>	(44,936)	(180,980)
<b>Retained Earnings - Beginning</b>	<u>(1,386,304)</u>	<u>(1,205,324)</u>
<b>Retained Earnings - Ending</b>	<u><u>\$ (1,431,240)</u></u>	<u><u>\$ (1,386,304)</u></u>

**Permanent Technologies, Inc.**  
**Statement of Income and Retained Earnings**  
**December 31, 2015**

	2015	2014
<b>Operating Expenses</b>		
Schedule One:		
Supplies	\$ -	\$ -
Insurance	-	-
Depreciation	22,328	23,027
<b>Total Operating Expenses</b>	<b>\$ 22,328</b>	<b>\$ 23,027</b>
 <b>Selling Expenses</b>		
Schedule Two:		
Advertising	35	5,037
<b>Total Selling Expenses</b>	<b>\$ 35</b>	<b>\$ 5,037</b>
 <b>General &amp; Administrative Expenses</b>		
Schedule Three:		
Office Expense	\$ 135	\$ 9,241
Filing Fees	5,534	11,295
License & Permits	-	500
Dues & Subscriptions	-	500
Bank Charges	224	253
Professional Expenses	13,518	125,011
Interest Expense	3,000	-
Travel & Entertainment	162	6,116
<b>Total G &amp; A Expenses</b>	<b>\$ 22,573</b>	<b>\$ 152,916</b>

**Permanent Technologies, Inc.**  
**Statement of Cash Flows**  
**For The Year Ended December 31, 2015**

<b>Net Income/(Loss)</b>		\$ (44,936)
<b>Add:</b>		
Depreciation	22,328	
Change in Payables	-	
Write off of Loan Payable	-	
	<hr/>	
<b>Adjusted Cash Flow from Operating Activities</b>		(22,608)
<b>Cash Flows from Investing Activities</b>		
Capital Expenditures	-	
	<hr/>	
<b>Net Cash Used by Investing Activities</b>		-
<b>Cash Flows from Financing Activities</b>		
Proceeds From Officer Loan	-	
Proceeds From Loan	8,915	
Proceeds From Issuance of Shares	-	
	<hr/>	
<b>Net Cash Provided by Financing Activities</b>		<u>8,915</u>
<b>Net (Increase)/Decrease in Cash and Cash Equivalents</b>		(13,693)
Cash and Equivalents - Beginning of Period		<u>13,720</u>
<b>Cash and Equivalents - End of Period</b>		<u><u>\$ 27</u></u>

**Permanent Technologies, Inc.**  
**Statement of Shareholders Equity**  
**For the Year Ended December 31, 2015**

	<b>Shareholders Paid-In- Capital</b>	<b>Retained Earnings/ (Deficit)</b>	<b>Total Shareholders Equity</b>
Balance Beginning of Period	\$ 1,567,677	\$ (1,386,304)	\$ 181,373
Net Income		(44,936)	(44,936)
Issuance of Shares	-	-	-
Balance End of Period	<u>\$ 1,567,677</u>	<u>\$ (1,431,240)</u>	<u>\$ 136,437</u>

**PERMANENT TECHNOLOGIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015**

**NOTE 1: NATURE OF OPERATIONS**

Permanent Technologies, Inc. (the “Company”) is in the business of designing and manufacturing a patented multi-faceted, vibration-proof, self-locking nut and bolt system to be used in the fastener industry. The Company also manufactures and sells a patented removal tool. The patents include patents registered in USA, EU, and China.

**NOTE 2: BASIS OF ACCOUNTING AND GOING CONCERN ASSUMPTION**

The accompanying financial statements present financial results on an accrual basis of accounting.

The financial statements have been prepared on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future.

The Company has not realized profit from operations since its inception. As of December 31, 2015, the Company is in the development stage and will not generate significant revenues or profitable operations in the near future and there can be no assurance that it will either achieve or maintain profitability in the future. As a result, the Company may be unable to continue as a going concern.

The Company will also require additional capital to fund its continuing operations and development. The Company’s ability to continue as a going concern is dependent on its ability to raise additional capital, bring its products to market and achieve and maintain profitable operations. The outcome of these matters cannot be predicted at this time. These financial statements do not include any adjustments which might be necessary should the Company be unable to continue its operations.

**NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Cash Equivalents Policy**

All of the Company’s cash was placed in an escrow account with the Company’s counsel. At times the balance on deposit exceeds federally insured limits. To date, the Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on its cash and cash equivalents. For purposes of the cash flow statement, other receivables have been treated as a cash equivalent.

**Inventories**

The Company values its inventories at cost using the first in first out (FIFO) basis.

**PERMANENT TECHNOLOGIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015**

**NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Equipment and Patents**

Equipment and patents are stated at cost. Depreciation is computed using the straight-line method based on the following recovery periods:

	<u>Recovery Period (in years)</u>
Furniture and Technology Equipment	5
Testing Equipment	7
Patents	15

**NOTE 4: RELATED PARTY TRANSACTIONS**

None.

**NOTE 5: RECEIVABLES**

As of December 31, 2015, the Company does not have any receivables.

**NOTE 6: LONG TERM DEBT**

As of December 31, 2015, the Company does not have any long term debt.

**NOTE 7: LEASES**

As of December 31, 2015, the Company is currently not obligated under any leases.

**NOTE 8: INCOME TAXES**

The Company is organized as a corporation and is taxed according to the corporate laws for federal and state tax purposes. As of December 31, 2015, there are no federal or state taxes due.

**NOTE 9: CAPITAL STRUCTURE**

The Company is organized as a Nevada corporation and as of December 31, 2015 has contributed capital in the amount of \$1,567,677.