

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: November 15, 2016

/s/ Vincenzo Ventola

Vincenzo Ventola
CFO

ITALIAN FOOD AND BEVERAGE CORP.

Consolidated Balance Sheets

(Unaudited)

	Nine Months Ended September 30, 2016	Year Ended December 31, 2015
<u>ASSETS</u>		
Current Assets		
Cash	\$ 31,482	\$ 103,499
Prepaid Marketing	14,000	-
Accounts Receivable	21,520	480,318
Total Current Assets	67,002	583,817
Long-Term Assets		
Inventory	137,121	328,353
Loans to Subsidiaries	159,123	100,994
Office Equipment	3,843	66,256
Intangible Assets-net	182,557	554,104
Total Long-Term Assets	482,644	1,049,707
Total Assets	\$ 549,646	\$ 1,633,524
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 234,494	\$ 220,556
Credit Line	1,800	37,500
Notes Payable	98,473	118,053
Total Liabilities	334,767	376,109
Stockholders' Equity		
Preferred Stock, authorized 50,000,000 shares, par value \$0.0001, issued and outstanding on September 30, 2016 and December 31, 2015 is 5,841,450 and 5,426,600 shares respectively	584	542
Common Stock, authorized 2,950,000,000 shares, par value \$0.0001, issued and outstanding on September 30, 2016 and December 31, 2015 is 882,461,134 and 846,734,134 shares respectively	88,248	84,675
Additional Paid-in Capital	7,028,925	6,666,726
Retained Deficit	(6,902,878)	(5,494,528)
Total Stockholders' Equity	214,879	1,257,415
Total Liabilities and Stockholders' Equity	\$ 549,646	\$ 1,633,524

The accompanying notes are an integral part of these stater

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ITALIAN FOOD AND BEVERAGE CORP.

Consolidated Statements of Operation

(Unaudited)

	Nine Months Ended September 30,		Three Months Ended September 30,	
	2016	2015	2016	2015
Income				
Revenues	\$ 660,823	\$ 518,901	\$ 286,819	\$ 81,233
Cost of Sales	470,555	141,782	369,257	34,356
Gross Income/(Loss)	190,268	377,119	(82,438)	46,877
Operating Expenses				
General and Administrative	354,756	225,834	-	53,475
Organizational Expense	2,714	-	2,714	-
Amortization Expense	43,690	43,689	14,563	14,563
Professional Fees	104,428	155,183	52,505	27,650
Total Operating Expenses	505,588	424,706	69,782	95,688
Operating Income/(Loss)	(315,320)	(47,587)	(152,220)	(48,811)
Other Income/(Expenses)				
Extraordinary Income/(Loss)	(74,014)	66,232	(58,999)	-
Interest Expense	-	(4,247)	-	(1,512)
Total Other Income/(Expenses)	(74,014)	61,985	(58,999)	(1,512)
Income (Loss) before Taxes	(389,334)	14,398	(211,219)	(50,323)
Income Tax	(11,710)	(40,567)	1,973	(637)
Net Income/(Loss)	\$ (401,044)	\$ (26,169)	\$ (209,246)	\$ (50,960)
Basic and Diluted				
(Loss) per Share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted Average				
Number of Shares	869,864,897	731,703,365	882,461,134	731,703,365
Diluted Number of Shares	1,440,453,784	-	1,454,551,207	-

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 September 30, 2016

	Preferred Stock		Common Stock		Paid in Capital	Retained Retained (Deficit)	Total Equity/ (Deficit)
	Shares	Amount	Shares	Amount			
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
Preferred Shares issued for cash	28,950	3	-	-	31,868	-	31,871
Restructure of Subsidiaries	-	-	-	-	-	(1,007,306)	(1,007,306)
Net Profit/(Loss)						(401,044)	(401,044)
Balance, September 30, 2016	5,841,450	\$ 584	882,461,134	\$ 88,248	\$ 7,028,925	\$ (6,902,878)	\$ 214,879

The accompanying notes are an integral part of these statements

ITALIAN FOOD AND BEVERAGE CORP.

Consolidated Statements of Cash Flows

(Unaudited)

	Nine Months Ended September 30		Three Months Ended September 30	
	2016	2015	2016	2015
Operating Activities				
Net Profit/(Loss)	\$ (401,044)	\$ (26,169)	\$ (209,246)	\$ (50,960)
Adjustments to reconcile Net Profit/(Loss)				
Amortization/Disposal of Intangible Assets	70,926	43,689	46,928	14,563
Common Stock Issued for services	132,660	75,600	-	-
Acquisition of Subsidiary	-	89,016	-	-
Changes in Operating Assets and Liabilities				
(Increase)/Decrease in Inventory	(14,835)	(29,156)	(24,207)	29,698
(Increase)/Decrease in Prepaid Expenses	(14,000)	-	(14,000)	-
(Increase)/Decrease in Accounts Receivable	(11,788)	(90,828)	32,662	(21,055)
(Increase)/Decrease in Office Equipment	1,661	-	2,698	-
(Increase)/Decrease in Loans to Subsidiaries	(58,129)	(115,568)	(20,129)	(22,168)
Increase/(Decrease) in Accounts Payable and Accrued Expenses	44,658	(26,078)	32,996	(724)
Net Cash Provided by Operating Activities	<u>(249,891)</u>	<u>(79,494)</u>	<u>(152,298)</u>	<u>(50,646)</u>
Investment Activities				
Office Equipment	-	(4,504)	-	54
Acquisition of Intangible Assets	-	(21,047)	-	266
Net Cash (Used) by Investment Activities	<u>-</u>	<u>(25,551)</u>	<u>-</u>	<u>320</u>
Financing Activities				
Line of Credit	(35,700)	-	-	-
Notes Payable	(19,580)	24,754	1,130	29,968
Proceeds from Stock Sales	233,154	-	31,871	-
Notes Payable - Shareholder	-	-	-	-
Net Cash Provided by Financing Activities	<u>177,874</u>	<u>24,754</u>	<u>33,001</u>	<u>29,968</u>
Net Increase in Cash	(72,017)	(80,291)	(119,297)	(20,358)
Cash, Beginning of Period	<u>103,499</u>	<u>125,189</u>	<u>150,779</u>	<u>65,256</u>
Cash, End of Period	<u>\$ 31,482</u>	<u>\$ 44,898</u>	<u>\$ 31,482</u>	<u>\$ 44,898</u>
Cash Paid For:				
Interest Paid	<u>\$ 3,879</u>	<u>\$ 1,514</u>	<u>\$ 3,879</u>	<u>\$ 1,514</u>
Income Taxes Paid	<u>\$ 13,683</u>	<u>\$ 31,359</u>	<u>\$ 13,683</u>	<u>\$ 31,359</u>
Non-cash Activities:				
Stock issued for services	<u>\$ 132,660</u>	<u>\$ 75,600</u>	<u>\$ 132,660</u>	<u>\$ -</u>
Contributed Capital	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Acquired Capital	<u>\$ -</u>	<u>\$ 89,016</u>	<u>\$ 89,016</u>	<u>\$ -</u>

The accompanying notes are an integral part of these statements

ITALIAN FOOD & BEVERAGE CORP.

Notes to Consolidated Unaudited Financial Statements

(September 30, 2016 and December 31, 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. On May 15, 2015 the Company completed the acquisition of Italian Food & Beverage Corp. a Nevada Corporation who is the parent Just Wine S.P.A., an Italian corporation holding the majority interest in Degustate, Srl an Italian Corporation. The Company also organized a company in Singapore called IFBC SG PTE, LTD. The Company maintains various social web-sites and with its acquisition 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.

Principal of Consolidation

The consolidated financial statements include the accounts of the Italian Food & Beverage Corp. (the Company) and its subsidiaries the Italian Food & Beverage Corp. a Nevada Corporation and its subsidiaries the Just Wine S.P.A., an Italian corporation holding a 75% majority interest in Degustate, Srl an Italian corporation. Also consolidated is IFBC SG PTE, LTD a Singapore corporation. All material inter-company accounts and transactions have been eliminated. Subsidiary activity has been converted to U.S. Dollars.

ITALIAN FOOD & BEVERAGE CORP.

Notes to Unaudited Financial Statements

(September 30, 2016 and December 31, 2015)

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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 September 30-, 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 2016-13 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 September 30, 2016 and December 31, 2015.

Advertising Costs

Advertising and marketing costs are expensed as incurred. For the period ended September 30, 2016 and the year ended December 31, 2015 advertising expense were \$56 and \$28,611.

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.

ITALIAN FOOD & BEVERAGE CORP.

Notes to Unaudited Financial Statements

(September 30, 2016 and December 31, 2015)

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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:

On August 28, 2014, the company received \$25,000 for a 25% interest in the web-site CanDoBetter. The net depreciated value of the web-site was \$27,000 at the time of sale.

<u>Intangible Assets:</u>	September 30, 2016	Estimated Useful Life
Goodwill: Big Pants	85,000	20 Years
Website: CanDoBetter	30,000	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	355,000	
Less:		
Accumulated Amortization	(165,693)	
Sale of 25% interest in CanDo Better	(6,750)	
Intangible Assets-net	182,557	

ITALIAN FOOD & BEVERAGE CORP.

Notes to Unaudited Financial Statements

(September 30, 2016 and December 31, 2015)

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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 \$401,044 for the period ended September 30, 2016 and an operating loss of \$455,165 for the year ended December 31, 2015 from consolidated revenues of \$660,823 and \$864,616 from the same periods respectively. The Company has an inception to date accumulated deficit of \$6,902,044. 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 \$1,007,306 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 its 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.

ITALIAN FOOD & BEVERAGE CORP.

Notes to Unaudited Financial Statements

(September 30, 2016 and December 31, 2015)

Cont'd

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. 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 year end 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**

(September 30, 2016 and December 31, 2015)

Cont'd

The Company has consolidated the financial statements for the period ended September 30, 2016 as follows:

<u>Balance Sheet</u>	Period Ended September 30, 2016				Total
	Europe Subs	IFBC- NV	IFBC- DEL	Purchase Adj	
<u>ASSETS</u>					
Current Assets					
Cash	\$,903	\$ 3,426	\$ 1,153		\$ 31,482
Prepaid Marketing	-	14,000			14,000
Accounts Receivable	1,520	-	-		21,520
Total Current Assets	8,423	37,426	1,153	-	67,002
Long-Term Assets					
Inventory	6,393	-	90,728		137,121
Investment In Subsidiaries	-	-	-		-
Transfer to Subsidiaries	-	159,123	-		159,123
Operational Loan-Parent	-	-	-		-
Office Equipment	,843	-	-		3,843
Intangible Assets-net	-	-	182,557		182,557
Total Long-Term Assets	50,236	159,123	273,285	-	482,644
Total Assets	\$ 78,659	\$196,549	\$ 274,438	\$ -	\$ 549,646
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>					
Current Liabilities					
Accounts Payable and Accrued Expenses	\$ 3,777	\$ 10,533	\$ 170,184		\$ 234,494
Credit Line	-	-	1,800		1,800
Notes Payable	-	5,856	92,617		98,473
Total Liabilities	3,777	6,389	264,601	-	334,767
Stockholders' Equity					
Preferred Stock	-	84	-	500	584
Common Stock	-	,603	81,645		88,248
Additional Paid-in Capital	-	05,036	,472,347	851,542	7,028,925
Retained Earnings/(Deficit)	4,882	(531,563)	5,544,155)	852,042)	(6,902,878)
Total Stockholders' Equity	4,882	180,160	9,837	-	214,879
Total Liabilities and Stockholders' Equity	\$ 78,659	\$196,549	\$ 274,438	\$ -	\$ 549,646

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

(September 30, 2016 and December 31, 2015)

Cont'd

<u>Statement of Operations</u>	Period Ended September 30, 2016			
	Europe Subs	IFBC- NV	IFBC- DEL	Total
Income				
Revenues	\$ 643,611	\$ -	\$ 17,212	\$ 660,823
Cost of Sales	470,555	-	-	470,555
Gross Income/(Loss)	173,056	-	17,212	190,268
Operating Expenses				
General and Administrative	136,464	218,052	240	354,756
Organizational Expense	-	2,714	-	2,714
Amortization Expense	-	-	43,690	43,690
Professional Fees	-	87,928	16,500	104,428
Total Operating Expenses	136,464	308,694	60,430	505,588
Operating Income/(Loss)	36,592	(308,694)	(43,218)	(315,320)
Other Income/(Expenses)				
Gain on Settlements	-	-	(74,014)	(74,014)
Interest Expense	-	-	-	-
Total Other Income/(Expenses)	-	-	(74,014)	(74,014)
Income/(Loss) before Taxes	36,592	(308,694)	(117,232)	(389,334)
Income Tax	(11,710)	-	-	(11,710)
Net Income/(Loss)	\$ 24,882	\$(308,694)	\$(117,232)	\$(401,044)

NOTE 6 – DEBT INCLUDING CONVERTIBLE DEBT**Short-Term Debt**

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

<u>Accounts Payable and Accruals</u>	Balance 30-Sep-2016	Balance 31-Dec-2015
Accounts Payable	\$ 33,788	\$ 30,238
Accounts Payable Subsidiaries	53,777	45,319
Accrued Liabilities	146,929	144,999
Balance	\$ 234,494	\$ 220,556

ITALIAN FOOD & BEVERAGE CORP.

Notes to Unaudited Financial Statements

(September 30, 2016 and December 31, 2015)

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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 September 30, 2016 is \$64,811 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 \$1,297,026 which is calculated by multiplying a 22% estimated tax rate by the items making up the deferred tax account, the estimated NOL through September 30, 2016 of \$5,895,572. The total valuation allowance is a comparable \$1,297,026.

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:

	September 30, 2016	December 31, 2015
Deferred Tax Asset	\$ 88,230	\$ 100,136
Valuation Allowance	(88,230)	(100,136)
Current Taxes Payable	-	-
Income Tax Expense	\$ -	\$ -

ITALIAN FOOD & BEVERAGE CORP.

Notes to Unaudited Financial Statements

(September 30, 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	3034
2015	455,165	3035
YTD 2016	401,044	3036
Total	<u>\$ 5,895,572</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 shares of common stock to take place on March 31, 2016. 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

(September 30, 2016 and December 31, 2015)

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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.

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 period ended September 30, 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:

- 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.