COSTAS INC.
BALANCE SHEET
FOR QRT ENDING 06/30/2017

ASSETS	
Current assets	
Cash and cash equivalents	**783**
Accounts Receivable	**-**
Promissory note	**200,000**
Investments	**-**
Other assets	
Equipments	**-**
Intangible assets	**319,375**
Investments	**1,000,000**
Total Assets	**1,520,158**
EQUITY AND LIABILITIES	
Current liabilities	
Trade payables and accrued expenses	**147,848**
Short term loans	**1,376**
Notes Payable	**79,519**
Total Liabilities	**228,743**
Share capital and reserves	
Authorized Capital--Common Shares 500,000,000 Common Shares	
Issued 21,655,548 Common Shares, subscribed and paid-up capital ($0.001 par value)	**21,656**
Additional paid-up capital	**1,678,667**
Retained Earnings	**-408,908**
Total Equity	**1,291,415**
Total Equity And Liabilities	**1,520,158**

COSTAS INC.
PROFIT AND LOSS STATEMENT
FOR QRT ENDING 06/30/2017

Revenue	
Sales	-
Cost of goods sold	-
Gross Profit/(Loss)	-
Operating Expenses:	
General and Administrative	48,377
Legal Expenses	2,121
Dues and Subscriptions	8,307
Disposal of Fixed Asset	-
Depreciation	-
Total Expenses	58,805
Profit/(Loss) from Operations	-58,805
Other income/(expense):	-
Profit/(Loss) for the Period	-58,805
Basic and Diluted Earinigs/(Loss) per Share	-0.00272

COSTAS INC.
CASH FLOW STATEMENT
FOR QRT ENDING 06/30/2017

CASH FLOWS FROM OPERATING ACTIVITIES	
Profit/(Loss) from Operations	**-33,272**
Adjustments for:	
Depreciation	**-**
Operating cash flows before working capital changes	**-33,272**
Working capital changes:	
Cash and cash equivalents	
Promissory note	**33,955**
Trade payables and accrued expenses	
Net cash (used in)/generated from operations	**683**
Income tax refund/(paid)	**-**
Net cash (used in)/generated from operating activities	**683**
CASH FLOWS FROM INVESTING ACTIVITIES	
Disposal of equipments	
Long term investments acquired	**-**
Short term investments disposed off	**-**
Net cash generated from/(used in) investing activities	**-**
CASH FLOWS FROM FINANCING ACTIVITIES	
Capital raised	
Additional capital raised	**-**
Short term loan obtained	**-**
Net cash generated from/(used in) financing activities	**-**
Net increase/(decrease) in cash and cash equivalents	**683**
Adjustment	
Cash and cash equivalents at beginning of the period	**100**
Cash and cash equivalents at end of the period	**783**

Unaudited Report

The consolidated balance sheet of COSTAS, INC. as of 06/30/2017, and the related consolidated statements of operations, stockholders' equity, and cash flows for the year then ended have been prepared by the Company's management and they include all information and notes to the financial statements necessary for a complete presentation of the financial position and the results of the Company's operations.

NOTE 1: COMPANY HISTORY

The Company was originally organized as "COSTAS INC" on December 10, 1998 under the corporate laws of the State of Nevada.

On July 1, 2010, the Company purchased all of the technology assets of eJob Resource, Inc. The purchase included eJob Resources' online job search and posting site to provide a virtual bridge between the Indian and U.S. technology job markets; all job search technology, which aggregates job posting from many sites, and make them available via XML API. The Company also acquired U.S. and India based strategic alliances with online and offline media partners to deliver content to our users; all contracts with advertisers, electronic commerce merchants and third party content providers used to reach our users in order to generate revenue; all contracts regarding strategic investments, alliances and acquisitions to expand our customer base, increase utilization of our network and add new technologies to our service mix; and all acquisition candidates within web hosting, data center, web implementation and/or systems integration companies serving India, the United States or other markets.

In consideration for the assets purchased, the Company issued a total of 2,000,000 newly issued shares of its Common Stock. The Company has changed its business model to a digital media company which owns and develops web based consumer internet assets and communities in the United States and India.

As of December 31, 2013 the Company had 4,166,548 Common Shares outstanding and no preferred shares outstanding. During the year ended December 31, 2014, the Company revoked and canceled 1,011,000 shares of common stock that had previously been issued for services during 2010 and 2011. The estimated value of these shares was expensed during those periods as it was estimated that the services were provided during the respective periods. The Company estimated that 200,000 of these shares, retired in March 2014, were valued at $0.04 per share at the time of retirement, that 11,000 of these shares, retired in June 2014, were valued at $0.03 per share at the time of retirement, and that 800,000 of these shares, retired in November 2014, were valued at $0.04 per share at the time of retirement. These retirements were noncash transactions that did not impact the statement of operations or any part of the balance sheet other than equity for the nine months ended September 30, 2014. During December 2014, the Company issued 4,500,000 shares as compensation to the company's CEO, which were valued at $0.04 per share for total compensation of $180,000. Also during December 2014, the Company issued 10,000,000 shares in exchange for the conversion of $100,000 of the outstanding balance of convertible short term loans. These shares were valued at $0.04 per share for a total value of $400,000, resulting in a loss on debt extinguishment of $300,000. As of June 30, 2015 the Company has 17,655,548 Common Shares outstanding and no preferred shares outstanding.

On July 19, 2010, the Company amended its Articles of Incorporation by increasing the Company's authorized capital stock to 1,000,000,000 Common Shares.

On July 17, 2014, the Company amended its Articles of Incorporation by decreasing the Company's authorized capital stock to 500,000,000 Common Shares. On the same day the Company amended its Articles of Incorporation by approving a reverse split in the ratio of 25:1. All share and per share amounts presented in these financial statements have been retroactively restated to reflect the effects of this reverse split.

On July 30th 2015 the Company entered into an Agreement to acquire 48% of AuthentaTrade Ltd, a Seychelles based corporation, with operations in Cyprus that is building a digital currency exchange. The consideration is 4 Million restricted shares of the Company Stock. These shares were issued on February 25, 2016.

Note 2: ACCOUNTIN POLICIES

This summary of significant accounting policies of the Company is presented to assist in understanding the Company's financial statements.

Accounting Methods

These accounting policies conform to generally accepted accounting principles and have been applied in the preparation of the financial statements. The books and records of the Company are maintained on the accrual basis of accounting for financial statements and tax reporting purposes.

Dividend Policy

The Company has not yet adopted a policy regarding payment of dividends to stockholders.

Revenue Recognition

The Company recognizes revenue at the time the services are fully performed.

Use of Estimates

The Company prepares its financial statements in conformity with GAAP, which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods.

Cash and Cash Equivalents

The Company considers all highly liquid short-term investments, with maturity dates of three months or less when purchased, to be cash equivalents. The Company had no cash equivalents at 06/30/2017.

Financial Instruments and Fair Value of Financial Instruments

The Company applies the provisions of accounting guidance, FASB ASC 825, “Financial Instruments”, that requires all entities to disclose the fair value of financial instruments, both assets and liabilities recognized and not recognized on the balance sheet, for which it is practicable to estimate fair value, and defines fair value of a financial instrument as the amount at which the instrument could be exchanged in a current transaction between willing parties as of 06/30/2017, the fair value of cash, accounts receivable, investments, accounts payable, and loans payable approximated carrying value due to the short maturity of the instruments, quoted market prices or interest rates which fluctuate with market rates. The Company defines fair value as the price that would be received to sell an asset or be paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company applies the following fair value hierarchy, which prioritizes the inputs used to measure fair value into three levels and bases the categorization within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Level 1 — Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 — Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability,

Level 3 — Level 3 inputs are unobservable inputs for the asset or liability in which there is little, if any, market activity for the asset or liability at the measurement date.

The carrying value of financial assets and liabilities recorded at fair value is measured on a recurring or nonrecurring basis. Financial assets and liabilities measured on a non-recurring basis are those that are adjusted to fair value when a significant event occurs. The Company had no financial assets or liabilities carried and measured on a nonrecurring basis during the reporting periods. Financial assets and liabilities measured on a recurring basis are those that are adjusted to fair value each time a financial statement is prepared.

Long Lived Assets

The Company's long-lived assets consisted of property and equipment and intangible assets and are reviewed for impairment in accordance with the guidance of the FASB ASC 360, "Property, Plant, and Equipment", and FASB ASC 205, "Presentation of Financial Statements". The Company tests for impairment losses on long-lived assets used in operations whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. Recoverability of an asset to be held and used is measured by a comparison of the carrying amount of an asset to the future undiscounted cash flows expected to be generated by the asset. If such asset is considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds its fair value.

Impairment evaluations involve management's estimates on asset useful lives and future cash flows. Actual useful lives and cash flows could be different from those estimated by management, which could have a material effect on our reporting results and financial positions. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values and third-party independent appraisals, as considered necessary. Through 03/31/2017, the Company had not experienced impairment losses on its long-lived assets. However, there can be no assurances that demand for the Company's products or services will continue, which could result in an impairment of long-lived assets in the future.

Concentrations

The financial instruments that potentially expose the Company to a concentration of credit risk principally consist of cash and cash equivalents. The Company places its cash and cash equivalents with high credit quality institutions. From time to time, the Company maintains cash balances with a financial institution in excess of the Federal Deposit Insurance Corporation ("FDIC") limit of $250,000. At 06/30/2017, the Company had no funds in excess of the FDIC limit.

Variable Interest Entities

The Company follows the guidelines in FASB Codification of ASC 810 "Consolidation" which indicates "a legal entity that is deemed to be a business need not be evaluated by a reporting entity to determine if the legal entity is a Variable Interest Entity" unless any one of four conditions exist:

- The reporting entity, its related parties, or both participated significantly in the design or redesign of the legal entity;
- The legal entity is designed so that substantially all of its activities involve or are conducted on behalf of the reporting entity and its related parties;
- The reporting entity and its related parties provide more than half of the total of the equity, subordinated debt, and other forms of subordinated financial support to the legal entity; or
- The activities of the legal entity are primarily related to the securitizations or other forms of asset backed financings or single-lessee leasing arrangements.

A VIE is an entity that either (a) has insufficient equity to permit the entity to finance its activities without additional subordinated financial support or (b) has equity investors who lack the characteristics of a controlling financial interest. A VIE is consolidated by its primary beneficiary. The primary beneficiary has both the power to direct the activities that most significantly impact the entity’s economic performance and the obligation to absorb losses or the right to receive benefits from the entity that could potentially be significant to the VIE. If we determine that we have operating power and the obligation to absorb losses or receive benefits, we consolidate the VIE as the primary beneficiary, and if not, we do not consolidate. The Company has not identified any VIE's as of 06/30/2017.

Basic and Diluted Net Income (Loss) Per share

Basic net income (loss) per share amounts is computed based on the weighted average number of shares actually outstanding. Diluted net income (loss) per share amounts are computed using the weighted average number of common shares and common equivalent shares outstanding as if shares had been issued on the exercise of any common share rights unless the exercise becomes anti-dilutive and then only the basic per share amounts are shown in the report. This summary of significant accounting policies of the Company is presented to assist in understanding the Company’s financial statements.

NOTE 3: RELATED PARTY TRANSACTIONS

The Company has not entered into any transactions with related parties.

NOTE 4: SHORT TERM LOANS

In July 2015, the company entered into a $200,000 promissory note to Authentatrade Ltd. This note is to bear interest at 10% per annum and is set to mature in December 2015. The repayment of this note has been extended.

NOTE 5: LEASE COM/MITMENTS

The Company is leasing its office on month to month basis and therefore company has no lease commitments. The Company also leases its office, furniture, fixtures and office equipment on an "as needed" basis.

NOTE 6: INCOME TAX PROVISION

The Company accounts for income taxes under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740 "Income Taxes." Under the asset and liability method of FASB ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under FASB ASC 740, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period the enactment occurs. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that the Company will not realize tax assets through future operations. The Company expects to recognize the financial statement benefit of an uncertain tax position only after considering the probability that a tax authority would sustain the position in an examination. For tax positions meeting a "more-likely-than-not" threshold, the amount to be recognized in the financial statements will be the benefit expected to be realized upon settlement with the tax authority. For tax positions not meeting the threshold, no financial statement benefit is recognized. As of the current period, the Company had no uncertain tax positions. The Company recognizes interest and penalties, if any, related to uncertain tax positions as general and administrative expenses. The Company currently has no federal or state tax examinations nor has it had any federal or state examinations since its inception. To date, the Company has not incurred any interest or tax penalties.