

APPLIED INVENTIONS MANAGEMENT CORP.
(formerly Applied Inventions Management Inc.)

Unaudited Interim Consolidated Financial Statements

For the six-month period ended February 28, 2015
(Expressed in Canadian Dollars)

Applied Inventions Management Corp.

(formerly Applied Inventions Management Inc.)

February 28, 2015

Notice to Reader

Pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if the auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by the auditor.

The accompanying unaudited interim consolidated financial statements of the Company for the interim periods ended February 28, 2015 and February 28, 2014, have been prepared in accordance with International Financial Reporting Standards and are the responsibility of the Company's management.

The Company's independent auditors, Collins Barrow Toronto LLP, have not performed a review of the interim consolidated financial statements for the interim periods ended and as at February 28, 2015 and February 28, 2014 in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

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Applied Inventions Management Corp.

(formerly Applied Inventions Management Inc.)

Unaudited Interim Consolidated Balance Sheet

(Expressed in Canadian Dollars)

As at		February 28, 2015	August 31, 2014 (Audited)
	Notes		
ASSETS			
Current assets			
Cash and cash equivalents		\$ 2,797	\$ 852
Accounts receivable		-	5,650
		<u>\$ 2,797</u>	<u>\$ 6,502</u>
EQUITY AND LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		\$ 28,161	\$ 46,161
Due to shareholder – non interest bearing	3	343,154	343,154
Due to shareholder – interest bearing	4	231,622	194,465
Debenture	5	-	46,614
		<u>602,937</u>	<u>630,394</u>
Going Concern	1		
Shareholders' Equity			
Capital stock	6	2,192,923	2,142,923
Contributed surplus		731,040	731,040
Deficit		(3,524,103)	(3,497,855)
		<u>(600,140)</u>	<u>(623,892)</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		<u>\$ 2,797</u>	<u>\$ 6,502</u>

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

"Michael Stein"

Director (signed)

"Gabriel Nachman"

Director (signed)

Applied Inventions Management Corp

(formerly Applied Inventions Management Inc.)

Unaudited Interim Consolidated Statement of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

	Three months ended		Six months ended	
	February 28, 2015	February 28, 2014	February 28, 2015	February 28, 2014
Expenses				
Interest on debenture and shareholder advances	\$5,400	\$4,829	\$10,537	\$9,835
Professional fees	4,989	4,776	15,622	7,871
Bank charges	36	53	89	104
Net Loss and Comprehensive Loss	(\$10,425)	(\$9,658)	(\$26,248)	(\$17,810)
Loss per share				
Basic and fully diluted	(\$0.007)	(\$0.014)	(\$0.017)	(\$0.026)
Weighted average number of shares outstanding				
Basic and fully diluted	1,527,774	694,441	1,518,566	694,441

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

Applied Inventions Management Corp.
(Formerly Applied Inventions Management Inc.)
Unaudited Interim Consolidated Statement of Changes in Equity
(Expressed in Canadian Dollars)

As at

	February 28, 2015	February 28, 2014
Capital Stock		
Balance, beginning of year	\$ 2,142,923	\$ 2,142,923
Issuance of Class "B" shares for debt settlement	<u>\$ 50,000</u>	<u>-</u>
Balance, end of period	<u>\$ 2,192,923</u>	<u>\$ 2,142,923</u>
Capital Stock		
Balance, beginning of year	<u>\$ 731,040</u>	<u>\$ 731,040</u>
Balance, end of period	<u>\$ 731,040</u>	<u>\$ 731,040</u>
Deficit		
Balance, beginning of year	\$ (3,497,855)	\$ (3,436,038)
Net Loss and Comprehensive Loss for the period	<u>\$ (26,248)</u>	<u>\$ (17,810)</u>
Balance, end of period	<u>\$ (3,524,103)</u>	<u>\$ (3,413,817)</u>
Shareholders' Equity		
Balance, beginning of year	\$ (623,892)	\$ (562,075)
Issuance of Class "B" shares for debt settlement	\$ 50,000	-
Net Loss and Comprehensive Loss for the period	<u>\$ (26,248)</u>	<u>\$ (17,810)</u>
Balance, end of period	<u>\$ (600,140)</u>	<u>\$ (579,885)</u>

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

Applied Inventions Management Corp.
(formerly Applied Inventions Management Inc.)
Unaudited Interim Consolidated Statement of Cash Flows
(Expressed in Canadian Dollars)

for the six months ended

	February 28, 2015	February 28, 2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss and comprehensive loss	\$ (26,248)	\$ (17,810)
Interest accrued	10,537	9,835
	<u>(15,711)</u>	<u>(7,975)</u>
Working capital adjustment:		
Decrease in accounts receivable	5,650	-
(Decrease) increase in accounts payable and accrued liabilities	(18,000)	4,176
	<u>(28,061)</u>	<u>(3,799)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Advances from shareholder	30,006	7,446
	<u>26,620</u>	<u>7,446</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
	1,945	3,647
Cash and cash equivalents, beginning of the year	852	398
	<u>\$ 2,797</u>	<u>\$ 4,045</u>

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

Applied Inventions Management Corp.
(formerly Applied Inventions Management Inc.)
Notes to Unaudited Interim Consolidated Financial Statements
February 28, 2015
(Expressed in Canadian Dollars)

1. GOING CONCERN

On August 29, 2014, the Company filed articles of amendment changing its name from Applied Inventions Management Inc. to Applied Inventions Management Corp.

Applied Inventions Management Corp. (the "Company") is incorporated under the laws of the Province of Ontario.

These unaudited consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will realize its net assets and discharge its liabilities in the normal course of business. The Company has minimal assets. Without financial support from directors or shareholders, the Company will not be able to discharge its liabilities. The Company carries on the business of identification and evaluation of assets or businesses with a view to completing a potential acquisition.

The registered office of the Company is located at 1 Adelaide Street East, Suite 801, Toronto Ontario, M5C 2V9.

The board of directors of the Company approved these unaudited interim consolidated financial statements on April 23, 2015

2 SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURE

These unaudited consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are in compliance with IAS 34, Interim Financial Reporting.

These unaudited interim consolidated financial statements do not include all disclosures normally provided in annual financial statements for the year ended August 31, 2014. In management's opinion, the unaudited interim consolidated financial information includes all the adjustments necessary to present fairly such information. Interim results are not necessarily indicative of the results expected for the year. The unaudited interim consolidated financial statements should be read in conjunction with the Company's audited annual financial statements for the year ended August 31, 2014 in accordance with International Financial Reporting Standards.

These unaudited interim consolidated financial statements are presented in Canadian dollars, which is the Company's functional and reporting currency.

3. SHAREHOLDER ADVANCES - NON-INTEREST BEARING

Shareholder advances include unpaid management and consulting fees and advances made on behalf of the Company prior to September 1, 2009. They bear no interest, are secured by a general security agreement and have no specified terms of repayment.

4. SHAREHOLDER ADVANCES - INTEREST BEARING

Shareholder advances, principal plus accrued interest, include advances made by the shareholder on behalf of the Company since September 1, 2009. The advances bear interest at the rate of 10% per annum, are calculated on a monthly basis, are secured by a general security agreement and have no specified terms of repayment.

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5. DEBENTURE

The demand debenture, principal plus accrued interest, was payable to a shareholder of the Company. Interest accrued at 10% per annum, matured on November 5, 1998 and was secured by a general security agreement. The debenture was in default and the conversion features which previously existed lapsed. This debenture was settled as part of an overall debt settlement on September 2, 2014 by the issuance of 833,333 Class "B" Multiple Voting Shares (note 6(c)).

6. CAPITAL STOCK

a) Authorized

Unlimited Class "A" Subordinate Voting Shares, convertible into an equal number of Class "B" shares at the option of the holder upon an offer to purchase all or substantially all of the Class "B" shares of the Company;

Unlimited Class "B" Multiple Voting (20 votes per share) Shares, convertible into an equal number of Class "A" Shares at the option of the holder;

Unlimited Class "C" Preference Shares

b) Issued and outstanding:

	February 28, 2015		August 31, 2014	
	Number of Shares	Amount	Number of Shares	Amount
Class "A" Subordinate Voting Shares	388,435	\$1,106,187	388,435	\$1,106,187
Class "B" Multiple Voting Shares	1,139,339	1,086,736	306,006	1,036,736
	1,527,774	\$2,142,923	694,441	\$2,142,923

c) Share issuance

On September 2, 2014 a current shareholder, officer and director of the Company was issued 833,333 Class "B" multiple voting shares of the Company as a settlement of debt owed to him of \$50,000 which was outstanding as at the August 31, 2014 year end.