

Accend Capital Corporation
Condensed Interim Financial Statements
June 30, 2015

(Expressed in Canadian Dollars)

**NOTICE OF NO AUDITOR'S REVIEW OF
CONDENSED INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying Condensed Interim financial statements for Accend Capital Corporation (the "Company") have been prepared by management in accordance with International Financial Reporting Standards ("IFRS"). The accompanying unaudited financial statements of the Company have been prepared by and are the responsibility of the Company's management.

Accend Capital Corporation
Condensed Interim Statements of Financial Position

Unaudited
(expressed in Canadian Dollars)

	June 30, 2015	December 31, 2014
	\$	\$
Assets		
Current assets		
Cash	53,452	64,325
Prepaid expenses	341	341
	<u>53,793</u>	<u>64,666</u>
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued liabilities	10,990	9,081
Due to related parties (Note 4)	276	-
	<u>11,266</u>	<u>9,081</u>
Shareholders' equity		
Share capital (Note 5)	474,995	474,995
Reserves (Note 6)	59,610	59,610
Deficit	(492,078)	(479,020)
	<u>42,527</u>	<u>55,585</u>
	<u>53,793</u>	<u>64,666</u>

Basis of preparation (Note 2)

Approved by the Board of Directors:

"Andy Edelmeier"
Director

"Daniel Burns"
Director

Accend Capital Corporation**Condensed Interim Statements of Loss and Comprehensive Loss**

Unaudited

(expressed in Canadian Dollars)

	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
	\$	\$	\$	\$
Expenses				
Accounting and audit	768	1,803	1,503	2,538
Legal	-	4,743	-	4,743
Regulatory, exchange and trustee	2,102	2,208	7,547	6,568
Office and administration	220	266	604	472
Rent	682	683	1,706	2,533
Travel and promotion	201	768	2,324	1,647
	(3,973)	(10,471)	(13,684)	(18,501)
Other income (loss)				
Interest income	460	-	626	-
Net loss and comprehensive loss for the period	(3,513)	(10,471)	(13,058)	(18,501)
Loss per common share - basic and diluted	(0.00)	(0.01)	(0.01)	(0.02)
Weighted average number of common shares outstanding	1,450,000	1,000,000	1,450,000	1,000,000

The accompanying notes are an integral part of these financial statements

Accend Capital Corporation
Condensed Interim Statements of Cash Flows

Unaudited

(expressed in Canadian Dollars)

	Six Months Ended June 30, 2015 \$	Six Months Ended June 30, 2014 \$
Cash flows from operating activities		
Net loss for the period	(13,058)	(18,501)
Change in non-cash working capital items:		
Prepaid expenses	-	509
Accounts payable and accrued liabilities	1,909	(17,404)
Due to related parties	276	(285)
	<u>(10,873)</u>	<u>(35,681)</u>
Net change in cash during the period	(10,873)	(35,681)
Cash - beginning of period	<u>64,325</u>	<u>114,066</u>
Cash - end of period	<u>53,452</u>	<u>78,385</u>

There are no non-cash transactions for the periods ended June 30, 2015 and 2014.

Accend Capital Corporation
Condensed Interim Statements of Shareholders' Equity

Unaudited

(expressed in Canadian Dollars)

	Share Capital		Contributed surplus	Deficit	Total shareholders' equity
	Shares	Amount \$	\$	\$	\$
Balance, December 31, 2013	2,825,000	474,995	59,610	(443,313)	91,292
Net loss for the period	-	-	-	(18,501)	(18,501)
Balance, June 30, 2014	2,825,000	474,995	59,610	(461,814)	72,791
Balance, December 31, 2014	2,825,000	474,995	59,610	(479,020)	55,585
Net loss for the period	-	-	-	(13,058)	(13,058)
Balance, June 30, 2015	2,825,000	474,995	59,610	(492,078)	42,527

The accompanying notes are an integral part of these financial statements

ACCEND CAPITAL CORPORATION

Notes to Condensed Interim Financial Statements
Six months ended June 30, 2015
(Expressed in Canadian Dollars)
(Unaudited)

1. Nature of Business

Accend Capital Corporation (the "Company") is a company domiciled in Canada. The address of the Company's registered office is Suite 1700, Park Place, 666 Burrard Street, Vancouver, and B.C. V6C 2X8. The Company's head office is located at Suite 1507 - 1030 West Georgia St., Vancouver, B.C. V6E 2Y3.

The Company is currently a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange (TSX-V) Corporate Finance Manual. The principal business of the Company is to identify and evaluate companies, assets or businesses with a view to completing a Qualifying Transaction in accordance with Policy 2.4. The Company is currently seeking opportunities to undertake a Qualifying Transaction.

2. Basis of Preparation

Statement of compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These condensed interim financial statements prepared in conjunction of with the Company Annual audited financial statements for the year ended December 31, 2014. As such, these condensed interim financial statements are prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting*.

These condensed interim financial statements were authorized for issue by the board of directors on August 27, 2015.

The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition of, a participation in or an interest in properties, assets or businesses. Such an acquisition will be subject to regulatory approval and may be subject to shareholder approval. In order to continue as a going concern and meet its corporate objectives, the Company will require additional financing through debt or equity issuances or other available means. There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. However, management believes that the Company has sufficient working capital to meet its projected minimum financial obligations for the next fiscal year. The condensed interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

Basis of measurement

These condensed interim financial statements have been prepared on an historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Functional and presentation currency

These condensed interim financial statements are presented in Canadian dollars, which is the Company's functional currency.

Use of estimates and judgments

The preparation of condensed interim financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Certain estimates, such as the measurement of deferred taxes, depend on subjective or complex judgments about matters that may be uncertain. Changes in those estimates could materially impact these financial statements. Actual results could differ from those estimates. Management believes that the estimates are reasonable.

ACCEND CAPITAL CORPORATION

Notes to Condensed Interim Financial Statements
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3. Significant accounting policies

- Share capital

Common shares issued for non-monetary consideration are recorded at their fair value on the measurement date and classified as equity. The measurement date is defined as the earliest of the date at which the commitment for performance by the counterparty to earn the common shares is reached or the date at which the counterparty's performance is complete.

Transaction costs directly attributable to the issue of common shares and share purchase options are recognized as a deduction from equity, net of any tax effects.

- Stock-based compensation

The Company has stock-based compensation plans. The Company accounts for all equity-settled stock-based payments using a fair value based method incorporating the Black-Scholes model.

Under the fair value based method, compensation cost attributable to options granted is measured at fair value at the grant date and amortized on an accelerated basis (graded investing) over the vesting period. The amount recognized as an expense is adjusted to reflect any changes in the Company's estimate of the shares that will eventually vest and the effect of any non-market vesting conditions.

- Loss per share

Basic loss per share is computed by dividing the net loss available to common shareholders by the weighted average number of common shares outstanding during the period. The dilutive effect of outstanding options and warrants and their equivalents are reflected in diluted earnings per share. The computation of diluted earnings per share assumes conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on earnings per share.

Basic loss per share is calculated using the weighted-average number of shares outstanding during the period. Outstanding common shares totaling 1,375,000 (December 31, 2014 – 1,375,000), that are contingently cancelable have been excluded from the weighted average number of shares outstanding for the period ended June 30, 2015 and the year ended December 31, 2014.

- Income taxes

Income taxes are recognized for the estimated taxes payable for the current period, and deferred taxes are recognized for temporary differences between the tax and accounting bases of assets and liabilities, and for the benefit of losses available to be carried forward for tax purposes that are more likely than not to be realized. To the extent that the Company does not consider it more likely than not that a deferred tax asset will be recovered, it provides a valuation allowance against the excess. Deferred tax assets and liabilities are measured using enacted or substantially enacted tax rates expected to apply in the years in which the temporary differences are expected to be recovered or settled.

ACCEND CAPITAL CORPORATION

Notes to Condensed Interim Financial Statements
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3. Significant accounting policies (continued)

- Financial instruments – recognition and measurement

The Company classifies all financial instruments as held-to-maturity financial assets, fair value through profit or loss ("FVTPL"), available for sale or other financial liabilities.

- Held-to-maturity financial assets are initially recognized at their fair values and subsequently measured at amortized cost using the effective interest method. Impairment losses are charged to earnings in the period in which they arise.
- FVTPL financial instruments are carried at fair value with changes in fair value charged or credited to earnings in the period in which they arise.
- Available-for-sale financial instruments are carried at fair value with changes in the fair value charged or credited to other comprehensive income. Impairment losses are charged to net earnings in the period in which they arise.
- Other financial liabilities are initially measured at cost or amortized cost, net of transaction costs and any embedded derivatives that are not closely related to the financial liability, depending upon the nature of the instrument with any resulting premium or discount from the face value being amortized to earnings using the effective interest method.
- The following is a summary of the financial instruments outstanding and classifications as at June 30, 2015:

	<u>Category</u>
Cash	FVTPL
Accounts payable and accrued liabilities	Other financial liabilities
Due to related parties	Other financial liabilities

- Impairment of financial assets

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets described above.

When an available for sale financial asset is considered to be impaired, cumulative gains or losses previously recognized in comprehensive income or loss are reclassified to profit or loss in the period. For marketable securities classified as available for sale, a significant or prolonged decline in the fair value of the securities below their cost is considered to be objective evidence of impairment.

For all other financial assets objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty;
- default or delinquency in interest or principal payments; or,
- it becoming probable that the borrower will enter bankruptcy or financial re-organization.

For certain categories of financial assets, such as receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. The carrying amount of financial assets is reduced by the impairment loss directly for all financial assets with the exception of receivables, where the carrying amount is reduced through the use of an allowance account. When an amount receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

With the exception of available for sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized. In respect of available for sale equity securities, impairment losses previously recognized through profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognized directly in equity.

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3. Significant accounting policies (continued)

Recent accounting pronouncements

Certain new accounting standards, amendments to standards and interpretations have been issued, effective for annual periods beginning on or after January 1, 2014. These standards have been assessed to not have a significant impact on the Company's financial statements:

IFRS 9 – Financial Instruments

The IASB intends to replace IAS 39 – Financial Instruments: Recognition and Measurement ("IAS 39") in its entirety with IFRS 9, Financial Instruments ("IFRS 9") in three main phases. IFRS 9 will be the new standard for the financial reporting of financial instruments that is principles-based and less complex than IAS 39, and is effective for annual periods beginning on or after January 1, 2018, with earlier adoption permitted. In November 2009 and October 2010, phase 1 of IFRS 9 was issued and amended, respectively, which addressed the classification and measurement of financial assets and financial liabilities. IFRS 9 requires that all financial assets be classified and subsequently measured at amortized cost or at fair value based on the Company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. Financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities classified as at fair value through profit or loss, financial guarantees and certain other exceptions.

4. Due to Related Parties

The amounts due to directors of the Company and are non-interest bearing, with no fixed terms of repayment. There were no related party transactions for key management compensation for the periods ended June 30, 2015 and the year ended December 31, 2014.

5. Share capital

Authorized - The Company is authorized to issue an unlimited number of common shares.

Escrow Shares

Upon incorporation, the Company issued 2,450,000 common shares to directors and companies related to directors at a price of \$0.10 per share for total proceeds of \$245,000, and issued 150,000 common shares to three individuals at a price of \$0.15 per share for total proceeds of \$22,500. The 2,600,000 common shares will be held in escrow and released pro-rata to the shareholders as to 10% of the escrow shares upon issuance of a Final Exchange Bulletin following the closing approval of the Qualifying Transaction by the TSX-V and as to the remainder in six equal tranches of 15% every six months thereafter for a period of 36 months. These escrow shares may not be transferred, assigned or otherwise dealt with without the consent of the regulatory authorities. If a Final Exchange Bulletin is not issued the shares will not be released from escrow and if the Company is delisted, the shares will be cancelled. As of June 30, 2015, the Company has 1,375,000 in escrow. (2013 - 1,825,000)

During the year ended December 31, 2008, the Company completed a private placement of 450,000 shares which were also held in escrow.

On October 8, 2010, as a result of the Company not being able to complete its Qualifying Transaction in a timely manner, 1,225,000 escrowed common shares were cancelled and the Company was transferred to the NEX board of the TSX-V.

As of June 30, 2015 and December 31, 2014, no share transactions occurred.

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6. Options and warrants

The Company has a stock option plan that provides for the issuance of options to eligible persons. The option price under each option granted must be no less than the discount market price as defined by the TSX-V. The term of the options must be no longer than 5 years and the directors determine the vesting period. The maximum number of outstanding options must be no more than 10% of the issued and outstanding shares at any point in time. The maximum number of outstanding options issued for investor relations must be no more than 2% of the issued and outstanding shares and the options issued to investor relations must vest in stages over a 12 month period with no more than ¼ of the options vesting in any three month period. Any common shares acquired pursuant to the exercise of options prior to the completion of the Qualifying Transaction must be deposited in escrow and will be subject to escrow until the final exchange bulletin is issued.

All amounts in reserves related to option valuation.

There are no options and warrants outstanding as of June 30, 2015 and December 31, 2014.

7. Commitments

The Company has no commitments, contingencies, or long-term lease agreements.

8. Financial Instruments and Risk Management

As at June 30, 2015, the Company's financial instruments are comprised of cash, accounts payable and accrued liabilities, and due to related parties. The fair values of these instruments approximate their carrying values due to their short-term maturity. Fair values of financial instruments are classified in a fair value hierarchy based on the inputs used to determine fair values. The levels of the fair value hierarchy are as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

As at June 30, 2015, the fair value of cash held by the Company was based on level 1 inputs of the fair value hierarchy.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Company cannot meet its financial liabilities as they become due. As at June 30, 2015, the Company had a cash balance of \$53,452 to settle current liabilities of \$11,266 and as such, is not exposed to significant liquidity risk. All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's cash and cash equivalents is held in an account with a major Canadian financial institution. The funds may be withdrawn at any time without penalty.

(b) Foreign currency risk

The Company does not have assets or liabilities in a foreign currency and therefore is not exposed to foreign currency risk.

(c) Price risk

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potentially adverse impact on the Company's ability to obtain equity financing due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

ACCEND CAPITAL CORPORATION

Notes to Condensed Interim Financial Statements

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(Expressed in Canadian Dollars)

(Unaudited)

9. Capital Management

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. As at June 30, 2015, the Company's shareholders' equity was \$42,527 and it had current liabilities of \$11,266. The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels.

The capital for expansion was mostly from proceeds from the issuance of common shares. The net proceeds raised will only be sufficient to identify and evaluate a limited number of assets and businesses for the purpose of identifying and completing a Qualifying Transaction. Additional funds may be required to finance the Company's Qualifying Transaction.