APOLLO ENTERPRISE SOLUTIONS, LTD AND SUBSIDIARY
CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014

APOLLO ENTERPRISE SOLUTIONS, LTD AND SUBSIDIARY
CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014

INDEX

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
APOLLO ENTERPRISE SOLUTIONS, LTD AND SUBSIDIARY
Long Beach, California

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Apollo Enterprise Solutions, Ltd and Subsidiary, which comprise the balance sheet as of December 31, 2014, and the related statements of operations, stockholders' deficiency, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Apollo Enterprise Solutions, Ltd and Subsidiary as of December 31, 2014, and the results of their operations and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 13 to the financial statements, the Company has suffered recurring losses from operations and as of December 31, 2014 has a working capital deficiency and a stockholders' deficiency. These factors raise doubt about the Company's ability to continue as a going concern. Management's plans in regards to these matters are also described in Note 13. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

LORENZ & OPDAHL LLP

Lorenz & Opdahl LLP

Encino, California
March 2, 2015

APOLLO ENTERPRISE SOLUTIONS, LTD AND SUBSIDIARY
CONSOLIDATED BALANCE SHEET

DECEMBER 31, 2014

ASSETS

CURRENT ASSETS	
Cash (Note 2)	$ 50,263
Accounts receivable (Notes 2 and 9)	706,536
Prepaid insurance	52,468
Total Current Assets	809,267
PROPERTY AND EQUIPMENT, net (Notes 2 and 3)	868
OTHER ASSETS	
Patents, less accumulated amortization of $2,300,605 (Notes 2 and 4)	1,359,865
TOTAL ASSETS	$ 2,170,000

LIABILITIES AND STOCKHOLDERS' DEFICIENCY

CURRENT LIABILITIES	
Accounts payable	$ 1,753,281
Accrued expenses (Note 5)	288,916
Deferred rent	38,645
Dividends (Note 10)	2,550,967
Total Current Liabilities	4,631,809
LONG-TERM LIABILITIES (Note 6)	3,410,007
COMMITMENTS AND CONTINGENCIES (Notes 8 and 11)	
STOCKHOLDERS' DEFICIENCY:	
Class A preferred stock, authorized, 4,000,000 shares, issued and outstanding, 96 shares (Note 10)	2,400
Class A-2 preferred stock, authorized, 1,200,000 shares issued and outstanding 403 shares	10,030
Junior preferred stock, authorized, 3,500,000 shares, issued and outstanding, 117,762 shares (Note 10)	2,929,044
Common stock, authorized, 310,880,000 shares issued and outstanding, 42,779,793 shares (Note 8)	4,278
Additional paid-in capital	20,504,283
Retained deficit	(29,321,851)
Total Stockholders' Deficiency	(5,871,816)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIENCY	$ 2,170,000

The independent auditor's report and notes are an integral part of these financial statements

APOLLO ENTERPRISE SOLUTIONS, LTD AND SUBSIDIARY
CONSOLIDATED STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2014

NET REVENUES (Notes 1, 2, 6, and 9)	$ 2,839,042
COST OF GOODS SOLD	392,537
GROSS PROFIT	2,446,505
OPERATING EXPENSES:	
Selling and general administrative (Notes 3, 4, and 8)	4,784,040
Interest	216,162
Total Operating Expenses	5,000,202
LOSS BEFORE INCOME TAXES	(2,553,697)
PROVISION FOR INCOME TAXES (Notes 2 and 7)	(800)
NET LOSS	$ (2,554,497)

The independent auditor's report and notes are an integral part of these financial statements

APOLLO ENTERPRISE SOLUTIONS, LTD AND SUBSIDIARY

CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIENCY

Year Ended December 31, 2014

	Class A Preferred Stock		Class A-1 Preferred Stock		Class A-2 Preferred Stock		Junior Preferred Stock		Common Stock		Additional Paid-In Capital	Retained Deficit	Total Stockholders' Equity (Deficiency)
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Amount		
Balance January 1, 2014	324,733	$ 8,118,321	42,000	$ 1,050,000	15,022	$ 375,500	117,762	$ 2,929,044	9,572,193	$ 957	$ 10,052,419	$ (26,623,638)	$ (4,097,397)
Converted into common stock	(324,637)	$ (8,115,921)	(42,000)	(1,050,000)	(14,619)	(365,470)	-	-	32,492,050	3,249	9,528,142	-	-
Treasury stock sold	-	-	-	-	-	-	-	-	944,772	94	622,184	-	622,278
Reacquired treasury stock	-	-	-	-	-	-	-	-	(236,333)	(23)	(169,420)	-	(169,443)
Compensation reflected upon issuance of stock options	-	-	-	-	-	-	-	-	-	-	183,352	-	183,352
Warrants exercised	-	-	-	-	-	-	-	-	7,111	1	710	-	711
Dividends declared	-	-	-	-	-	-	-	-	-	-	-	(143,716)	(143,716)
Convertible debt issued - amount allocated to the conversion feature at $.55 per share	-	-	-	-	-	-	-	-	-	-	282,254	-	282,254
Convertible debt - accrued interest allocated to the conversion feature at $.55 per share	-	-	-	-	-	-	-	-	-	-	4,642	-	4,642
Net loss	-	-	-	-	-	-	-	-	-	-	-	(2,554,497)	(2,554,497)
Balance, December 31, 2014	96	$ 2,400	-	$ -	403	$ 10,030	117,762	$ 2,929,044	42,779,793	$ 4,278	$ 20,504,283	$ (29,321,851)	$ (5,871,816)

The independent auditors
report and notes are an integral part of these financial statements.

APOLLO ENTERPRISE SOLUTIONS, LTD AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2014

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net loss	$ (2,554,497)
Adjustments to reconcile net loss to net cash used by operating activities:	
Amortization	204,084
Depreciation	5,556
Stock option compensation	183,352
Treasury shares issued for services	64,800
Changes in operating assets and liabilities:	
Accounts receivable	(482,445)
Prepaid insurance	32,892
Accounts payable	736,064
Accrued expenses	329,653
Deferred rent	(18,384)
Net Cash Used by Operating Activities	(1,498,925)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of treasury shares	(169,443)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Loan proceeds received from stockholder	1,112,500
Proceeds from issuance of treasury shares	557,478
Proceeds from warrants exercised	711
Net Cash Provided by Financing Activities	1,670,689
NET INCREASE IN CASH	2,321
Cash, beginning	47,942
Cash, ending	$ 50,263

The independent auditor's report and notes are an integral part of these financial statements

APOLLO ENTERPRISE SOLUTIONS, LTD AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOWS –SUPPLEMENTAL INFORMATION

YEAR ENDED DECEMBER 31, 2014

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

Cash paid during the year for:	
Interest	$ 13,645
Income taxes	800

SUPPLEMENTAL DISCLOSURE OF NON-CASH FINANCING ACTIVITIES:

During the year ended December 31, 2014, the Company issued shares of common stock as follows:

	Shares	Total Increase In Common Stock and Additional Paid-In Capital
Treasury shares issued for cash	854,772	$ 557,478
Treasury shares issued in lieu of payment for services rendered	90,000	64,800
Total Shares Issued	944,772	$ 622,278

In addition, the Company's long-term liabilities increased by $202,417 representing accrued interest on the stockholders' debt.

Face value of unsecured convertible note due to stockholder	$ 1,252,500
Proceeds received in 2013	(140,000)
	$ 1,112,500

The unsecured convertible note due to stockholder is reflected as follows:

Unsecured convertible note due to stockholder	$ 970,246
Amount allocated to the conversion feature	282,254
Face value of unsecured convertible note due to stockholder	$ 1,252,500

The independent auditor's report and notes are an integral part of these financial statements

1. NATURE OF OPERATIONS

Apollo Enterprise Solutions, Ltd ("AES" or the "Company") was incorporated in Bermuda on September 27, 2012 for the purpose of effecting a reverse triangular merger with its wholly-owned subsidiary, Apollo Enterprise Solutions, Inc. ("Apollo Inc.") or "Subsidiary". Once the merger was completed in October 2012, the Company pursued listing its shares on the Bermuda Stock Exchange ("BSX") and this was approved by the BSX on November 8, 2012. AES' patented TruePay+™ System uses Agent Emulation® and Psychographic Persuasion™ technologies to advance the science of payment technologies for maximizing debt resolution. The TruePay+™ System assists creditors' agents and self-serve customers in resolving pre-delinquent and delinquent debt situations on an individualized basis according to customer profiles, using any device, at any time, from anywhere. Large banks, utilities and other large credit portfolio operators access the proprietary AES TruePay+™ System as outsourced Software-as-a-Service ("SaaS"), to fully automate the origination of new debt products, modifications of existing debt arrangements, and collection of delinquent debt while delivering a much enhanced customer experience. With minimal disruption of the clients' existing systems, the TruePay+™ System applies the banks' business rules to the bank's own data and utilizes outside information such as credit bureau reports to formulate highly targeted origination, modification, and debt settlement offers to customers. The TruePay+™ System enables banks, utilities and other large credit portfolio operators to achieve improved operational efficiencies, reductions in write-offs, increases in collections, and new Big Data insights, while enhancing the customer experience and brand loyalty. In addition, AES is amassing the largest repository of delinquent debt data to enable clients to improve their credit and collection processes. The TruePay+™ System increases collections, automates manual systems, replaces obsolete legacy computer systems, and reduces staffing to produce as much as $50 million in additional bottom line income per $10 billion worth of debt.

2. SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include Apollo Enterprise Solutions, Ltd and its 100% owned Subsidiary.

The Companies have certain transactions originally denominated in foreign currency. These transactions have been translated into United States dollars at the time of the transaction. The foreign currency gain/loss is insignificant. All intercompany balances and transactions have been eliminated in consolidation.

Fiscal Year

The Companies observe a calendar year as its fiscal year. The accompanying financial statements are presented as of December 31, 2014 and for the year then ended.

Credit Risk – Accounts Receivable

Credit is generally granted to customers without collateral.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Credit Risk-Cash

At times, the Companies maintain bank balances in excess of federally insured limits. No losses have been experienced on such balances.

Property and Equipment

Property and equipment are stated at cost. Depreciation is provided on the straight-line basis over the estimated useful lives of the related assets.

Software Patent Costs

The costs incurred internally to create the computer software debt collection decision engine are carried at actual internal development cost. There were no additions to patent costs during the year ended December 31, 2014. Patent costs are amortized on the straight-line basis over the product's estimated economic life (generally 15 years).

Revenue Recognition

Revenues from the monthly processing of transactions through the debt recoveries decision engine are billed to customers at the rate stipulated in each customer's contract. Revenue for special projects requested by customers is billed at the point the customer initiates and finally accepts the project. Revenue for maintenance fees are billed and recorded according to contract terms. These fees are not prorated as there is no provision for refund if a contract terminates early.

Accounts Receivable

The Subsidiary bills customers a month in arrears for transaction fees since the number of transactions must be known prior to billing. Monthly flat fees (minimums, maintenance fees, etc) are billed on the first of each month. All invoices are net 30 days. Trade accounts receivable are stated at the amount management expects to collect from outstanding balances. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the bad debt account when determined to be uncollectible.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as revenues and expenses reported for the period presented. The Companies regularly assess these estimates and, while actual results may differ, management believes that the estimates are reasonable.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Companies file separate income tax returns on the cash basis of accounting. This is considered in the determination of deferred income taxes. This requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred income taxes are determined based on the difference between the financial statement and the tax bases of assets and liabilities. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. The provision for income taxes represents income taxes payable for the period and the change during the period in any deferred tax assets and liabilities. Income tax related to the parent is insignificant.

Uncertain Tax Positions

The Companies income tax returns are subject to audit for the tax years 2011 through 2013 for federal tax purposes and for 2010 through 2013 for state tax purposes.

3. PROPERTY AND EQUIPMENT, Net

Property and equipment consists of the following:

Furniture and fixtures	$ 26,677
Machinery and equipment	15,682
	42,359
Less: Accumulated depreciation	41,491
	$ 868

Depreciation charged to operations for the year ended December 31, 2014 was $5,556.

4. PATENTS

The Companies have a wide-range of United States and Foreign patents consisting of 45 approved and/or pending patents. These cover virtually all the critical aspects of maximizing the collection of debts via new media channels, including the web, mobile, and IVR (Interactive Voice Response).

Nineteen (19) patents have been approved and issued, three (3) are approved and awaiting issuance, and twenty-three (23) are awaiting further action from the United States and various Foreign patent offices.

4. PATENTS (Continued)

The cost of the patents and related amortization is as follows:

Patents, at cost	$ 3,660,470
Accumulated amortization through December 31, 2014	2,300,605
	$ 1,359,865

5. ACCRUED EXPENSES

Accrued expenses consist of the following:

Settlement	$ 250,000
Vacation	38,916
	$ 288,916

6. LONG-TERM LIABILITIES

Long-term liabilities consist of the following:

Unsecured notes due to stockholders, principal and interest at 10% per annum, due on January 1, 2016	$ 860,000
Line of credit, stockholder is unsecured and provides for borrowing up to $3,200,000. Principal and interest at 10% per annum, due on January 2016	1,240,000
Unsecured convertible note due to stockholder, principal of $1,252,500 and interest at 10% per annum with an effective interest rate of 13% due on December 1, 2016. This note is convertible thus permits the option to convert at $.55 per share. Approximately $282,000 has been credited to additional paid-in capital to provide for the current benefit of conversion.	970,246
Accrued interest represents interest accrued on the above notes and the line of credit	339,761
	$ 3,410,007

7. INCOME TAXES

Deferred income taxes relate primarily to the future income tax benefit of the net operating loss carryforwards.

The Subsidiary's provision for income taxes for the year ended December 31, 2014 consists of currently payable state taxes.

Deferred income taxes consist of the following:	
Deferred income tax benefit	$ 7,870,000
Less valuation allowance	(7,870,000)
Net deferred tax benefit	$ 0

100% valuation allowance is considered necessary due to the uncertainty surrounding realization of any future benefit.

The Subsidiary has available net operating loss carryforwards approximating $20,000,000 that may be used to reduce future federal and state taxable income, if any, through 2034 for federal purposes and 2024 for state purposes.

8. COMMITMENTS AND CONTINGENCIES

Lease

The Subsidiary has a lease with an unrelated party for its office space located in Long Beach, California. The office space is leased through July 2015. The Subsidiary also subleases an excess of its office to a company owned by one of the stockholders at the same lease rates. Future minimum lease payments are as follows:

Year Ending December 31,	Lease Payments	Sublease Income	Net Payments
2015 (seven months)	$ 150,000	$ 52,000	$ 98,000

Rent expense approximates $119,000, net of sublease income of $85,000 for the year ended December 31, 2014.

The Companies reflect rent expense on a straight-line basis over the lease period. Any differences between rent expense and rent paid due to scheduled rent increases or rent abatements are included in deferred rent on the accompanying balance sheet.

8. COMMITMENTS AND CONTINGENCIES (Continued)

Consulting

The Company entered into several consulting agreements with certain management personnel and stockholders.

Remaining minimum payments under the consulting agreements are as follows:

Year Ending December 31,	
2015	$ 272,500

In addition, the Subsidiary receives consulting from various related and unrelated parties and there are no long-term agreements. Included in the related parties amount below is $381,500 related to the consulting agreement mentioned above.

A summary of consulting expenses (included in operating expenses) is as follows:

Related parties	$ 790,500
Unrelated parties	469,418
	$ 1,259,918

Stock Purchase Warrants

The Company has granted warrants to purchase up to 23,636,985 shares of the Company's common stock at prices ranging from $.10 to $25.00 per share with various expirations. Stock warrant activity during the year ended December 31, 2014 is as follows:

	Shares	Warrant Price
Outstanding as of January 1, 2014	4,608,618	$1.50 to 25.00
Granted	19,071,290	.55 to 1.08
Cancelled	(35,812)	.10 to 25.00
Exercised	(7,111)	.10
Outstanding as of December 31, 2014	23,636,985	

8. COMMITMENTS AND CONTINGENCIES (Continued)

Stock Option Plans

The Company has two stock option plans. The stock option plan prior to 2009 provides for the granting of up to 3,092,217 shares of common stock. The stock option plan commencing in 2009 provides for the granting of up to 10,000,000 shares of common stock with an annual refresh rate of 2%. The option price per share will be fixed on the date the option is granted and the maximum term of an option may not exceed ten years. The option price will be not less than the fair value of the stock at the date of the grant.

Stock option activity during the year ended December 31, 2014 is as follows:

	Shares	Option Price
Outstanding as of January 1, 2014	8,987,541	$ .30 to .50
Granted in 2014	1,160,000	.72
Cancelled	(527,000)	.30 to .72
Outstanding as of December 31, 2014	9,620,541	$ .30 to .72

The options have been granted to employees, former employees, stockholders, debtors, and directors. During the year ended December 31, 2014, approximately $183,000 of stock option expense has been included in compensation expense.

Common Stock

Included in common stock is 30,668,038 shares of stock that were reacquired by the Company for a nominal amount as part of the 2012 reorganization. The treasury shares issued during the year ended December 31, 2014 have been included in the issued and outstanding shares of common stock.

9. MAJOR CUSTOMERS

For the year ended December 31, 2014, all of the Companies' net sales were made to two customers located in the United States and the United Kingdom of which one of the customers accounted for 65% of the net sales.

10. PREFERRED STOCK

There are various classes of preferred stock. All of the classes of preferred stock are convertible into common stock. The holders of the outstanding preferred shares are entitled to certain liquidation preferences. Class A, A-1 and A-2 stockholders are entitled to a 6% annual dividend. The dividends are payable after the Company achieves 3 consecutive quarters of positive net income. Accordingly, dividends of $2,550,967 have been accrued as of December 31, 2014. No dividends are payable on common or junior preferred stock. Liquidation rights for Class A, A-1 and A-2 are superior to junior preferred and common stock.

During the year ended December 31, 2014, the Company converted a substantial amount of the preferred shares into common shares.

Such liquidation amounts will be determined based upon future events such as liquidation, merger or sale of the Company. Rights and preferences of unissued preferred shares will be designated at a future time by the Board of Directors.

11. LEGAL MATTER

The Company was involved in litigation as a defendant.

The Company has entered into a settlement agreement with the plaintiff. Accordingly, the remaining amount of the settlement of $250,000 has been accrued.

12. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 2, 2015, the date which financial statements were available for issue. There were no material events to disclose.

13. MANAGEMENT PLANS

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles, which contemplates continuation of the Companies as a going concern. Although the Companies have sustained substantial operating losses in the current and prior years, the Companies have improved their 2014 equity position by the sale of treasury shares on the Frankfurt Stock Exchange and the conversion of their significant stockholder "Advances" into a convertible note effective December 1, 2014. As of December 31, 2014, the Companies have a working capital deficiency of $3,822,542 and a stockholders' deficiency of $5,871,816. The operations of the Companies will continue to be supported by a line of credit from one of the Companies' stockholders and equity proceeds received from stockholders.

13. MANAGEMENT PLANS (Continued)

Management believes that 2015 will be a significant year for sales due to its strategic partnerships that were established in 2013 and 2014 with various new large financial service organizations, international consulting firms and other providers of origination and collection of consumer credit portfolios for United States and International banks. The Companies' general and administrative expenses in 2014 were less than expenses in 2013. While the Companies will continue to minimize operating expenses, the Companies expect to incur a small loss in 2015 and to become profitable in 2016. If the Companies are successful in raising sufficient capital on one or more additional exchanges, the Companies intend to accelerate sales efforts to exceed its existing 2015 revenue forecast.

APOLLO ENTERPRISE SOLUTIONS, LTD AND SUBSIDIARY
CONSOLIDATED BALANCE SHEET

	3 MONTHS ENDED 31-Dec-13	3 MONTHS ENDED 31-Dec-14	12 MONTHS ENDED 31-Dec-13	12 MONTHS ENDED 31-Dec-14
ASSETS				
CURRENT ASSETS				
Cash	47,942	50,263	47,942	50,263
Accounts receivable	224,091	706,536	224,091	706,536
Prepaid Insurance	85,360	52,468	85,360	52,468
Total Current Assets	357,393	809,267	357,393	809,267
PROPERTY AND EQUIPMENT, net	6,424	868	6,424	868
OTHER ASSETS				
Patents, less accumulated amortization	1,563,949	1,359,865	1,563,949	1,359,865
TOTAL ASSETS	1,927,766	2,170,000	1,927,766	2,170,000
LIABILITIES AND SHAREHOLDERS' DEFICIENCY				
CURRENT LIABILITIES				
Accounts payable	1,017,217	1,753,281	1,017,217	1,753,281
Accrued expenses	166,323	288,916	166,323	288,916
Deferred rent	57,029	38,645	57,029	38,645
Dividend payable	2,407,250	2,550,967	2,407,250	2,550,967
Due to Shareholder	140,000		140,000	
Total Current Liabilities	3,787,819	4,631,809	3,787,819	4,631,809
LONG-TERM LIABILITIES	2,237,344	3,410,007	2,237,344	3,410,007
COMMITMENTS				
SHAREHOLDERS' DEFICIEINCY:				
Class A preferred shares, authorized 4,000,000 shares, issued and outstanding, 96 shares	8,118,321	2,400	8,118,321	2,400
Class A-1 preferred shares, authorized 420,000 , issued and outstanding, 0 shares	1,050,000	-	1,050,000	-
Class A-2 preferred shares, authorized 1,200,000 shares, issued and outstanding 497 shares	375,500	10,030	375,500	10,030
Junior preferred shares, authorized 3,500,000 shares, issued and outstanding, 117,762 shares	2,929,044	2,929,044	2,929,044	2,929,044
Common shares, authorized 310,880,000 shares issued and outstanding, 42,469,731 shares	4,024	7,274	4,024	7,274
Treasury Shares	(3,068)	(2,996)	(3,068)	(2,996)
Additional paid-in capital	10,052,419	20,504,283	10,052,419	20,504,283
Retained deficit	(26,623,638)	(29,321,851)	(26,623,638)	(29,321,851)
Total Shareholders' Deficiency	(4,097,397)	(5,871,816)	(4,097,398)	(5,871,816)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIENCY	1,927,765	2,170,000	1,927,765	2,170,000
NUMBER OF SHARES IN ISSUE (FULLY DILUTED) - WANS	57,651,345	78,791,622	56,227,793	73,062,625
NET ASSET VALUE PER SHARE	(0.07)	(0.07)	(0.07)	(0.08)

APOLLO ENTERPRISE SOLUTIONS, LTD AND SUBSIDARY
CONSOLIDATED STATEMENT OF OPERATIONS

	3 MONTHS ENDED 31-Dec-13	3 MONTHS ENDED 31-Dec-14	12 MONTHS ENDED 31-Dec-13	12 MONTHS ENDED 31-Dec-14
NET REVENUES	514,812	770,945	1,727,318	2,839,042
COST OF GOODS SOLD	140,232	9,243	548,971	392,537
GROSS PROFIT	374,580	761,702	1,178,347	2,446,505
OPERATING EXPENSES:				
Selling and general administrative	1,218,063	933,086	5,315,454	4,784,040
Interest	42,331	68,158	126,351	216,162
Total Operating Expenses	1,260,394	1,001,245	5,441,805	5,000,202
GAIN/(LOSS) BEFORE INCOME TAXES	(885,814)	(239,542)	(4,263,458)	(2,553,697)
PROVISION FOR INCOME TAXES			(800)	(800)
NET GAIN/(LOSS)	(885,814)	(239,542)	(4,264,258)	(2,554,497)
BASIC SHARES OUTSTANDING (WANS for 2014)	44,055,186	44,770,628	43,034,682	44,505,531
FULLY DILUTED SHARES OUTSTANDING (WANS for 2014)	57,651,345	78,791,622	56,227,793	73,062,625
EARNINGS GAIN/(LOSS) PER SHARE BASIC	(0.02)	(0.005)	(0.10)	(0.06)
EARNINGS GAIN/(LOSS) PER SHARE FULLY DILUTED	(0.02)	(0.003)	(0.08)	(0.03)

APOLLO ENTERPRISE SOLUTIONS, LTD AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOWS

	3 MONTHS ENDED 31-Dec-13	3 MONTHS ENDED 31-Dec-14	12 MONTHS ENDED 31-Dec-13	12 MONTHS ENDED 31-Dec-14
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net Gain/(Loss)	(885,814)	(239,542)	(4,264,258)	(2,555,046)
Adjustments to reconcile Net Gain/(Loss) to net cash used by operating activities				
Amortization	76,748	51,021	319,296	204,084
Depreciation	(85)	1,389	7,400	5,556
Share Option Compensation	179,178		179,178	
Changes in Operating Assets and Liabilities				
Accounts Receivable	121,932	(117,698)	401,000	(482,445)
Prepaid Insurance	(85,360)	(37,268)	(85,360)	32,892
Due To/From Subsidiary	-	-	-	-
Accounts Payable	425,200	(72,972)	444,950	986,615
Accrued Expenses	(334,788)	35,024	236,440	(127,408)
Prepaid Commissions	-	-	-	-
Deferred Revenue	-	-	-	-
Customer Deposits	-	-	-	-
Deferred Rent	(28,960)	(15,926)	(31,442)	(18,384)
Adjustment	(792)	-	-	-
Accrued Interest	-	58,927	-	202,418
Net Cash Used by Operation Activities	(532,740)	(337,045)	(2,792,796)	(1,751,719)
CASH FLOWS FROM FINANCING ACTIVITIES:				
AP Advance	140,000	(1,168,000)	140,000	(140,000)
Line of Credit	-	-	980,000	
Purchasse of Treasury Shares	(80,762)	21	(172,477)	71
Proceeds from Share Warrants Exercised	-	-	-	-
Convertible Note	-	970,246	-	970,246
Proceeds from Sale of Treasury Shares	124,595	490,467	1,875,365	923,722
Proceeds from Sale of Preferred Shares				
Net Cash Provided by Financing Activities	183,833	292,735	2,822,888	1,754,040
Net Increase/Decrease in Cash	(348,907)	(44,310)	30,092	2,321
Cash, Beginning of Period	396,849	94,573	17,850	47,942
Cash, End of Period	47,942	50,263	47,942	50,263