# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**Washington, D.C. 20549**

# FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended **June 30, 2019**

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to ____

Commission File No. 000-55523

# APPLIED BIOSCIENCES CORP.
(Exact name of registrant as specified in its charter)

| | |
|---|---|
| **Nevada** | **81-1699502** |
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |

**9701 Wilshire Blvd., Suite 1000**
**Beverly Hills, California 90212**
(Address of principal executive offices) (Zip Code)

**(310) 356-7374**
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|

Indicate by check mark whether the issuer (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (check one):

| | | | |
|---|---|---|---|
| Large accelerated filer | ☐ | Accelerated filer | ☐ |
| Non-accelerated filer | ☒ | Smaller reporting company | ☒ |
| | | Emerging growth company | ☒ |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Exchange Act Rule 12b-2 of the Exchange Act): Yes☐ No ☒

**APPLICABLE ONLY TO CORPORATE ISSUERS**

As of August 7, 2019 there were 13,447,110 shares of common stock, $0.00001 par value per share, outstanding.

**APPLIED BIOSCIENCES CORP.**
**QUARTERLY REPORT ON FORM 10-Q**
**FOR THE PERIOD ENDED JUNE 30, 2019**

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**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This Quarterly Report on Form 10-Q of Applied Biosciences Corp., a Nevada corporation (the “Company”), contains “forward-looking statements,” as defined in the United States Private Securities Litigation Reform Act of 1995. In some cases, you can identify forward-looking statements by terminology such as “may”, “will”, “should”, “could”, “expects”, “plans”, “intends”, “anticipates”, “believes”, “estimates”, “predicts”, “potential” or “continue” or the negative of such terms and other comparable terminology. These forward-looking statements include, without limitation, statements about our market opportunity, our strategies, competition, expected activities and expenditures as we pursue our business plan, and the adequacy of our available cash resources. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Actual results may differ materially from the predictions discussed in these forward-looking statements. The economic environment within which we operate could materially affect our actual results. Additional factors that could materially affect these forward-looking statements and/or predictions include, among other things: the possibility that we will not receive sufficient customers to grow our business, the Company’s need for and ability to obtain additional financing, other factors over which we have little or no control; and other factors discussed in the Company’s filings with the Securities and Exchange Commission (“SEC”).

Our management has included projections and estimates in this Form 10-Q, which are based primarily on management’s experience in the industry, assessments of our results of operations, discussions and negotiations with third parties and a review of information filed by our competitors with the SEC or otherwise publicly available. We caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. We disclaim any obligation subsequently to revise any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.

**PART I—FINANCIAL INFORMATION**

**Item 1. Condensed Financial statements.**

**APPLIED BIOSCIENCES CORP.**
**CONDENSED CONSOLIDATED BALANCE SHEETS**

| | June 30, 2019 | March 31, 2019 |
|---|---|---|
| **ASSETS** | (unaudited) | |
| **Current Assets** | | |
| Cash | $ 37,940 | $ 47,044 |
| Accounts receivable, net | 70,010 | 163,405 |
| Inventory | 115,354 | 78,737 |
| Prepaids and other current assets | 16,269 | 65,273 |
| **Total Current Assets** | 239,573 | 354,459 |
| | | |
| Property and equipment, net | 412,299 | 452,048 |
| Equity investments | 898,292 | 898,292 |
| Goodwill | 1,941,149 | 1,941,149 |
| Other assets | 29,990 | 5,500 |
| **TOTAL ASSETS** | $ 3,521,303 | $ 3,651,448 |
| | | |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | |
| | | |
| **Current Liabilities** | | |
| Accounts payable | $ 245,386 | $ 278,546 |
| Note Payable | 25,000 | 25,000 |
| Convertible note payable, net of debt discount of $50,336 at June 30, 2019 | 199,603 | - |
| Convertible note payable to related party net of debt discount of $5,088 at June 30, 2019 | 134,912 | - |
| Accrued expenses | 69,767 | 70,720 |
| **Total Current Liabilities** | 674,668 | 374,266 |
| Commitments and Contingencies | | - |
| **Stockholders' Equity** | | |
| Preferred stock; $0.00001 par value; 5,000,000 shares authorized; none issued and outstanding at June 30, 2019 (unaudited) and March 31, 2019, respectively | - | - |
| Common stock; $0.00001 par value; 200,000,000 shares authorized: 13,447,110 issued and outstanding at June 30, 2019 (unaudited) and 13,397,110 at March 31, 2019, respectively | 136 | 135 |
| Additional paid in capital | 7,019,622 | 6,892,242 |
| Common stock to be issued, 358,805 and 408,805 shares at June 30, 2019 (unaudited) and March 31, 2019, respectively | 723,807 | 773,807 |
| Accumulated deficit | (5,955,157) | (5,531,260) |
| Total Applied BioSciences Corp. Stockholders' Equity | 1,788,408 | 2,134,924 |
| Non-controlling interest | 1,058,227 | 1,142,258 |
| **Total Stockholders' Equity** | 2,846,635 | 3,277,182 |
| **TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY** | $ 3,521,303 | $ 3,651,448 |

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

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**APPLIED BIOSCIENCES CORP.**
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

| | Three Months Ended June 30, 2019 | Three Months Ended June 30, 2018 |
|---|---|---|
| | (unaudited) | (unaudited) |
| **REVENUE, NET** | | |
| Products | $ 85,740 | $ 10,434 |
| Services | 125,717 | - |
| Total revenues, net | 211,457 | 10,434 |
| | | |
| **COST OF REVENUE** | | |
| Products | 78,892 | 17,758 |
| Services | 20,905 | - |
| Total costs of revenue | 99,797 | 17,758 |
| | | |
| **GROSS MARGIN (LOSS)** | 111,660 | (7,324) |
| | | |
| **EXPENSES** | | |
| Sales and marketing | 109,626 | 344,044 |
| General and administrative | 444,049 | 207,146 |
| Depreciation and amortization | 39,749 | 293 |
| **TOTAL OPERATING EXPENSES** | 593,424 | 551,483 |
| **OPERATING LOSS** | (481,764) | (558,807) |
| **Other Income (Expense)** | | |
| Change in fair value of equity investments | - | 158,929 |
| Interest Expense | (26,164) | (1,879) |
| **Total other (expense), net** | (26,164) | 157,050 |
| **NET LOSS** | (507,928) | (401,757) |
| Less: Net loss attributable to non- controlling interest | 84,031 | 6,256 |
| **NET LOSS ATTRIBUTABLE TO APPLIED BIOSCIENCES CORP.** | $ (423,897) | $ (395,501) |
| | | |
| **LOSS PER COMMON SHARE** | $ (0.03) | $ (0.04) |
| | | |
| **WEIGHTED AVERAGE SHARES OUTSTANDING** | | |
| Basic and diluted | 13,805,915 | 10,499,610 |

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

**APPLIED BIOSCIENCES CORP.**
**CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY**
**FOR THE THREE MONTHS ENDED JUNE 31, 2019 AND 2018 (UNAUDITED)**

| | Common Stock $0.00001 Par | | Common Stock to be Issued | Additional Paid In Capital | Non-Controlling Interest | Accumulated Deficit | Stockholders' Equity |
|---|---|---|---|---|---|---|---|
| | Number | Amount | | | | | |
| Balance, March 31, 2019 | 13,397,110 | $ 135 | $ 773,807 | $ 6,892,242 | $ 1,142,258 | $ (5,531,260) | $ 3,277,182 |
| Issuance of common stock previously committed but not issued | 50,000 | 1 | (50,000) | 49,999 | | | - |
| Beneficial conversion feature associated with issuance of convertible notes | | | | 77,381 | | | 77,381 |
| Net loss | | | | | (84,031) | (423,897) | (507,928) |
| Balance, June 30, 2019 (unaudited) | 13,447,110 | $ 136 | $ 723,807 | $ 7,019,622 | $ 1,058,227 | $ (5,955,157) | $ 2,846,635 |
| | | | | | | | |
| Balance, March 31, 2018 | 10,499,610 | $ 105 | $ 526,000 | $ 3,054,297 | $ (9,027) | $ (2,901,933) | $ 669,442 |
| Issuance of common stock previously committed but not issued | 50,000 | 1 | (100,000) | 99,999 | | | - |
| Issuance of common stock for cash | | | 75,000 | | | | 75,000 |
| Fair value of shares issued to consultant for services | 90,000 | 1 | 45,926 | 179,999 | | | 225,926 |
| Fair value of shares issued to advisory board member | 25,000 | - | | 51,000 | | | 51,000 |
| Beneficial conversion feature associated with a convertible note | | | | 28,705 | | | 28,705 |
| Net loss | | | | | (6,256) | (395,501) | (401,757) |
| Balance, June 30, 2018 (unaudited) | 10,664,610 | $ 107 | $ 546,926 | $ 3,414,000 | $ (15,283) | $ (3,297,434) | $ 648,316 |

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

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**APPLIED BIOSCIENCES CORP.**
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

| | Three Months Ended June 30, 2019 | Three Months Ended June 30, 2018 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Net loss | $ (507,928) | $ (401,757) |
| Adjustment to reconcile net loss to net cash used in operating activities: | | |
| Unrecognized gain on equity investments | - | (158,929) |
| Amortization of debt discount | 21,957 | 1,799 |
| Fair value of shares issued to consultants | - | 193,760 |
| Depreciation | 39,749 | 293 |
| Allowance for bad debt | 25,000 | - |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | 76,420 | (1,419) |
| Inventory | (36,617) | (25,319) |
| Prepaid and other current assets | 16,489 | 109,771 |
| Accounts payable and accrued expenses | (34,112) | 119,765 |
| Net cash used in operating activities | (399,043) | (162,036) |
| **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Proceeds from issuance of convertible notes | 389,939 | 29,500 |
| Proceeds from issuance of common stock | - | 75,000 |
| Net cash provided by financing activities | 389,939 | 104,500 |
| **NET CHANGE IN CASH** | (9,104) | (57,536) |
| **CASH, BEGINNING OF PERIOD** | 47,044 | 60,934 |
| **CASH, END OF PERIOD** | $ 37,940 | $ 3,398 |
| **NON-CASH INVESTING AND FINANCING ACTIVITIES** | | |
| Fair value of shares issued to consultants recorded as prepaid | $ - | $ 83,166 |
| Fair value of beneficial conversion feature related to issuance of convertible notes | $ 77,381 | $ 28,705 |

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

**NOTE 1 – NATURE OF OPERATIONS AND BASIS OF PRESENTATION**

**Description of the Company**

Applied BioSciences Corp. (formerly First Fixtures, Inc. and Stony Hill Corp. or the "Company") was incorporated in the State of Nevada on February 21, 2014 and established a fiscal year end of March 31. The Company is a vertically integrated company focused on the development of science-driven cannabinoid therapeutics / biopharmaceuticals, and delivering high-quality CBD products as well as state-of-the-art testing and analytics capabilities.

Effective October 24, 2016 the Company changed its name from First Fixtures Inc. to Stony Hill Corp. and on March 6, 2018, the Company changed its name from Stony Hill Corp. to Applied BioSciences Corp.

In January 2019, the Company closed on a purchase of 520,410 shares of common stock of Trace Analytics, Inc., a Washington corporation ("Trace Analytics"), for an aggregate purchase price of $1,250,000, of which $750,000 was paid in cash and $500,000 was paid in shares of common stock of the Company. Trace Analytics is a cannabis testing laboratory. Immediately following the purchase, the Company held 51% of the issued and outstanding shares of common stock of Trace Analytics and have included the financial results of Trace Analytics in the condensed consolidated financial statements from the date of acquisition, January 1, 2019.

On April 8, 2019, the Company formed Applied Biopharma LLC, a wholly-owned subsidiary, in the state of Nevada, with the intention of establishing and growing the biopharmaceutical business of the Company. Applied Biopharma LLC is focused on the development and commercialization of novel therapeutics to treat metabolic diseases, peripheral neuropathy, progressive lung disease and ischemic reperfusion injury. Its principal business objective is to develop science-driven synthetic cannabinoid therapeutics that satisfy unmet medical needs and continue to drive innovation in the endocannabinoid space.

**Basis of presentation – Unaudited Financial Statements**

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and the rules and regulations of the Securities and Exchange Commission. Accordingly, the unaudited condensed consolidated financial statements do not include all information and footnotes required by accounting principles generally accepted in the United States of America for complete annual financial statements. In the opinion of management, the accompanying unaudited condensed consolidated financial statements reflect all adjustments, consisting of only normal recurring adjustments, considered necessary for a fair presentation. Interim operating results are not necessarily indicative of results that may be expected for the fiscal year ending March 31, 2020, or for any other interim period. These unaudited condensed consolidated financial statements should be read in conjunction with the Company's audited financial statements as of and for the year ended March 31, 2019, which are included in the Company's Report on Form 10-K for such year filed on July 1, 2019.

**Going concern**

These condensed statements have been prepared on a going concern basis which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As reflected in the condensed consolidated financial statements, the Company incurred a net loss of $507,928 and used $399,043 of cash in operating activities during the three months ended June 30, 2019. Further, the Company's independent auditor in their audit report for fiscal year ended March 31, 2019 expressed substantial doubt about the Company's ability to continue as a going concern. These and other factors raise substantial doubt about the Company's ability to continue as a going concern within one year after the date the financial statements are issued. The financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern.

The Company's ability to continue as a going concern is dependent upon its ability to raise additional capital and to ultimately achieve sustainable revenues and income from operations. During the three months ended June 30, 2019, the Company issued convertible notes for total proceeds of $389,939 in private placements with accredited investors. However, the Company will need and is currently working on obtaining additional funds to operate its business through and beyond the date of this Form 10-Q filing. There is no assurance that such funds will be available or at terms acceptable to the Company. Even if the Company is able to obtain additional financing, it may contain undue restrictions and covenants on its operations, in the case of debt financing or cause substantial dilution for its stockholders in the case of convertible debt and equity financing.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Principles of Consolidation**

The condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Applied Products LLC, VitaCBD LLC, an 80% owned entity, Trace Analytics, Inc., a 51% owned entity, all Washington limited liability companies, and Applied Biopharma LLC and SHL Management LLC, both 100% owned Nevada limited liability companies. Intercompany transactions and balances have been eliminated in consolidation. Management evaluates its investments on an individual basis for purposes of determining whether or not consolidation is appropriate.

**Use of Estimates and Assumptions**

Preparation of the condensed consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Among other things, management estimates include the collectability of its accounts receivable, recoverability of inventory, assumptions made in determining impairment of investments and intangible assets, accruals for potential liabilities, and realization of deferred tax assets. These estimates generally involve complex issues and require judgments, involve analysis of historical information and the prediction of future trends, and are subject to change from period to period. Actual amounts could differ significantly from these estimates.

**Revenue Recognition**

The Company's revenue is principally derived from its subsidiaries, Applied Products LLC, and Trace Analytics.

- Applied Products LLC revenues are generated from sales of high-quality CBD products for consumer and pet health and wellness. Sales of these products are made to individual distributors and through online sales. Revenue from the sale of these products was $85,740 and $10,434 during the three months ended June 30, 2019 and 2018, respectively

- Trace Analytics generates revenue from services by offering state-of-the-art testing and analytics capabilities to CBD and hemp companies. Sales of these services are to marijuana producers and processors, dispensaries, and CBD and hemp companies. Revenue from the sale of these services was $125,717 during the three months ended June 30, 2019.

The Company recognizes revenue in accordance with Financial Accounting Standards Board's ("FASB") Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers* (Topic 606) ("ASC 606"). The underlying principle of ASC 606 is to recognize revenue to depict the transfer of goods or services to customers at the amount expected to be collected. ASC 606 creates a five-step model that requires entities to exercise judgment when considering the terms of contracts, which includes (1) identifying the contracts or agreements with a customer, (2) identifying the Company's performance obligations in the contract or agreement, (3) determining the transaction price, (4) allocating the transaction price to the separate performance obligations, and (5) recognizing revenue as each performance obligation is satisfied. The Company only applies the five-step model to contracts when it is probable that the Company will collect the consideration it is entitled to in exchange for the services it transfers to its clients.

**Advertising**

The Company expenses advertising costs as incurred. Advertising expense for the three-month periods ended June 30, 2019 and 2018 amounted to $38,476 and $27,358, respectively, and were included in “Sales and marketing expenses” in the Consolidated Statements of Operations.

**Earnings (Loss) per Share**

The basic earnings (loss) per share is calculated by dividing the Company’s net income (loss) available to common shareholders by the weighted average number of common shares during the period. Shares of common stock to be issued are included in weighted average shares calculation from the date of grant. The diluted earnings (loss) per share is calculated by dividing the Company’s net income (loss) available to common shareholders by the diluted weighted average number of shares outstanding during the period. The diluted weighted average number of shares outstanding is the basic weighted average number of shares adjusted for any potentially dilutive debt or equity. Diluted earnings (loss) per share are the same as basic earnings (loss) per share due to the lack of dilutive items.

**Investments**

The Company follows ASU 2016-01, Financial Instruments – Overall: Recognition and Measurement of Financial Assets and Financial Liabilities. ASU 2016-01 primarily affects equity investments, financial liabilities under the fair value option, and the presentation and disclosure requirements for financial instruments. Among other things, this guidance requires certain equity investments to be measured at fair value with changes in fair value recognized in net income. As such, the Company measures its equity investments at their fair value at end of each reporting period.

Investments accounted for under the equity method or cost method of accounting above are included in the caption “Equity investments” on the Condensed Consolidated Balance Sheets.

**Goodwill**

Goodwill represents the excess of the purchase consideration over the fair value of the net tangible and identifiable intangible assets acquired in a business combination. The Company evaluates goodwill for impairment on an annual basis or whenever events and changes in circumstances suggest that the carrying amount may not be recoverable. The Company conducts its annual impairment analysis in the fourth quarter of each fiscal year. Impairment of goodwill is tested at the reporting unit level by comparing the reporting unit’s carrying amount, including goodwill, to the fair value of the reporting unit. Estimations and assumptions regarding the number of reporting units, future performances, results of the Company’s operations and comparability of its market capitalization and net book value will be used. If the carrying amount of the reporting unit exceeds its fair value, goodwill is considered impaired and an impairment loss is measured by the resulting amount. Because the Company has one reporting unit, as part of the Company’s qualitative assessment an entity-wide approach to assess goodwill for impairment is utilized. There were no indicators of impairment as of June 30, 2019.

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**Stock Based Compensation**

The Company periodically issues stock options and warrants to employees and non-employees in non-capital raising transactions, for services and for financing costs. The Company accounts for share-based payments under the guidance as set forth in the Share-Based Payment Topic of the FASB Accounting Standards Codification ("ASC"), which requires the measurement and recognition of compensation expense for all share-based payment awards made to employees, officers, directors, and consultants, including employee stock options, based on estimated fair values. The Company estimates the fair value of share-based payment awards to employees and directors on the date of grant using a Black-Scholes-Merton option-pricing model, and the value of the portion of the award that is ultimately expected to vest is recognized as expense over the required service period in the Company's statements of operations. In prior periods up to March 31, 2019, the Company accounted for share-based compensation issued to nonemployees and consultants in accordance with the provisions of FASB ASC 505-50, *Equity - Based Payments to Non-Employees*. Measurement of share-based payment transactions with non-employees is based on the fair value of whichever is more reliably measurable: (a) the goods or services received; or (b) the equity instruments issued. The final fair value of the share-based payment transaction is determined at the performance completion date. For interim periods, the fair value is estimated, and the percentage of completion is applied to that estimate to determine the cumulative expense recorded.

In June 2018, the FASB issued ASU No. 2018-07, *Compensation - Stock Compensation (Topic 718):Improvements to Nonemployee Share-Based Payment Accounting*. The guidance was issued to simplify the accounting for share-based transactions by expanding the scope of Topic 718 from only being applicable to share-based payments to employees to also include share-based payment transactions for acquiring goods and services from nonemployees. As a result, nonemployee share-based transactions will be measured by estimating the fair value of the equity instruments at the grant date, taking into consideration the probability of satisfying performance conditions. The Company adopted ASU 2018-07 on April 1, 2019. The adoption of the standard did not have a material impact on our financial statements for the three months ended June 30, 2019 or the previously reported financial statements.

**Segments**

The Company operates in one segment for the distribution of products and services. In accordance with the "Segment Reporting" Topic of the ASC, the Company's chief operating decision maker has been identified as the Chief Executive Officer, who reviews operating results to make decisions about allocating resources and assessing performance for the entire Company. Existing guidance, which is based on a management approach to segment reporting, establishes requirements to report selected segment information quarterly and to report annually entity-wide disclosures about products and services, major customers, and the countries in which the entity holds material assets and reports revenue. All material operating units qualify for aggregation under "Segment Reporting" due to their similar customer base and similarities in: economic characteristics; nature of products and services; and procurement, manufacturing and distribution processes. Since the Company operates in one segment, all financial information required by "Segment Reporting" can be found in the accompanying condensed consolidated financial statements.

**Recent Accounting Pronouncements**

Recent accounting pronouncements issued by the FASB, including its Emerging Issues Task Force, the American Institute of Certified Public Accountants, and the Securities and Exchange Commission did not, or are not believed by management to have, a material impact on the Company's present or future consolidated financial statements.

**NOTE 3 – PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following:

| | June 30, 2019 | March 31, 2019 |
|---|---|---|
| Lab Equipment | $ 569,484 | $ 569,484 |
| Office Furniture and Equipment | 57,562 | 57,562 |
| Leasehold Improvements | 21,557 | 21,557 |
| | 648,603 | 648,603 |
| Less: Accumulated Depreciation | (236,304) | (196,555) |
| | $ 412,299 | $ 452,048 |

**NOTE 4 – EQUITY INVESTMENTS**

Equity investments relate to purchases of stock in certain entities with ownership percentages of less than 5% and consist of the following:

| | June 30, 2019 | March 31, 2019 |
|---|---|---|
| (A) GemmaCert | $ 93,529 | $ 93,529 |
| (B) Hightimes Holdings Corp. | 654,763 | 654,763 |
| (C) Precision Cultivation Systems, LLC | 50,000 | 50,000 |
| (D) Bailey Venture Partners XII LLC | 100,000 | 100,000 |
| | $ 898,292 | $ 898,292 |

(A) In November 2016, the Company purchased 29,571 shares of Preferred A stock of Cannabi-Tech Ltd. (“Cannabi”), at a price of $1.69086 per share for total investment of $50,000. Cannabi is a private company incorporated in the State of Israel that provides lab-grade medical cannabis quality control testing systems used to test the quality of medical marijuana flowers. Cannabi subsequently changed its name to GemmaCert. In October 2017, the Company purchased an additional 7,309 shares of Preferred A-1 stock of GemmaCert at a price of $2.536 per share for total investment of $18,537.

As a private company, GemmaCert does not have a readily determinable fair value. Additionally, there have been no observable price changes from transactions for similar investments in GemmaCert during the three months ended June 30, 2019. As such, the Company has measured the value of the investment $2.536 per share, reflecting the most recent purchase price, which is believed to approximate market value.

(B) In January 2017, the Company entered in to an agreement to purchase 59,524 shares of Class A common stock at a price of $4.20 per share for total investment of $250,000, which accounts for less than 5% investment in Hightimes Holdings Corp. (“Hightimes”). During the fiscal year ended March 31, 2019, the Company was able to obtain observable evidence that the investment had a market value of $11.00 per share, or an aggregate value of $654,763. Hightimes owns High Times Magazine and hosts festivals, events and competitions including the High Times Cannabis Cup and multiple e-commerce properties, including HighTimes.com, CannabisCup.com and 420.com. There have been no observable price changes from transactions for similar investments in Hightimes during the three months ended June 30, 2019.

(C) In June 2017, the Company entered in a Subscription Agreement to purchase 0.5% interest in Precision Cultivation Systems, LLC (“Precision”), a Delaware limited liability company, for a purchase price of $50,000. Precision is developing a growth system that capitalizes on a patent-pending cultivation method that utilizes proprietary irrigation and root zone conditioning. As part of the Subscription Agreement, $42,500 of the investment is subject to repayment on a pro-rata basis with other investors who have entered into similar Subscription Agreements. Amounts subject to repayment are solely at the discretion of Precision.

As a private company, Precision does not have a readily determinable fair value. Additionally, there have been no observable price changes from transactions for similar investments in Precision during the three months ended June 30, 2019. As such, the Company has measured the value of the investment at cost as of June 30, 2019, which management believes approximates market value.

(D) In January 2018, the Company paid $100,000 for the purchase of a Membership Interest in Bailey Venture Partners XII LLC ("Bailey") representing less than 5% interest in Bailey. Along with other funds received from third-party investors, Bailey plans to invest funds received in various strategic investments.

As a private company, Bailey does not have a readily determinable fair value. Additionally, there have been no observable price changes from transactions for similar investments in Bailey during the fiscal year ended March 31, 2019. As such, the Company has measured the value of the investment at cost as of June 30, 2019, which management believes approximates market value.

As the Company does not participate in the management of these companies nor has the ability to exercise significant influence over these companies, the Company recorded these investments at cost and adjusts the cost basis to market at the end of each reporting period. Dividends, if any, are recognized when received.

**NOTE 5 – ACQUISITION OF TRACE ANALYTICS, INC.**

On January 7, 2019, the Company closed on a purchase of 520,410 shares of common stock of Trace Analytics, Inc., a Washington corporation ("Trace Analytics"). Pursuant to a Common Stock Purchase Agreement, the Company purchased Trace Analytics at a purchase price of $2.40 per share, for an aggregate purchase price of $1,250,000, of which $750,000 was paid in cash and $500,000 was paid through the issuance of shares of the Company's common stock. Trace Analytics is a cannabis testing laboratory acquired to enable the Company to position itself as the leading provider of testing solutions for CBD products for both compliance requirements and consumer safety as these products continue to increase in popularity. Immediately following the purchase, the Company holds 51% of the issued and outstanding shares of common stock of Trace Analytics. The Common Stock Purchase Agreement included the option for Trace to repurchase 205,410 shares of Common Stock based on the occurrence of certain Repurchase Triggering Events. Based on a review of the Repurchase Triggering Events, it is considered unlikely that any of the events will occur. Additionally, the Company entered into a Voting Agreement with Trace concurrent with the Common Stock Purchase Agreement. The Voting Agreement provided for the designation of three out of five positions on the Trace Analytics Board of Directors by the Company. The Voting Agreement also detailed certain transactions that require two-thirds approval by the Board of Directors. The Voting Agreement is not considered to impact the ability of the Company to control the operations and assets of Trace Analytics.

The Company accounted for the transaction as a business combination in accordance with ASC 805 "Business Combinations". The Company is in the process of performing an allocation of the purchase price paid for the assets acquired and the liabilities assumed. The fair values of the assets acquired, as set forth below, are considered provisional and subject to adjustment as additional information is obtained through the purchase price measurement period (a period of up to one year from the closing date). The provisional allocation of the purchase price is based on management's preliminary estimates. Once management completes its analysis to finalize the purchase price allocation, it is reasonably possible that there could be changes to the preliminary values. The primary areas of the purchase price allocation that are not yet finalized relate to identifiable intangible assets and goodwill.

Based on management's analysis of the acquisition transaction pursuant to the provisions of ASC 805, the Company determined that any customer lists or business licenses held by Trace Analytics are immaterial in relation to the overall value of Trace; additionally, Trace Analytics does not hold any patents or proprietary technology, and does not have long-term contractual arrangements with customers. As such, there are no separately identifiable intangible assets meeting the criteria of ASC 805. Concurrently, the Company preliminarily allocated the $1,941,149 excess of the purchase price over the identifiable net assets of $509,831 to goodwill.

The following unaudited pro forma information presents the combined results of operations as if the business combination with Trace Analytics had been completed on April 1, 2017, the beginning of the comparable prior annual reporting period. These unaudited pro forma results are presented for informational purpose only and are not necessarily indicative of what the actual results of operations of the combined company would have been if the acquisition had occurred at the beginning of the period presented, nor are they indicative of future results of operations:

| | For the three months ended June 30, 2018 |
|---|---|
| | (unaudited) |
| Revenue | $ 230,954 |
| Operating loss | (588,994) |
| Net loss | (425,688) |
| Net loss per share | (0.04) |

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**NOTE 6 – CONVERTIBLE NOTES**

During the three months ended June 30, 2019, the Company issued separate Convertible Promissory Notes (“Notes”) having a total principal amount of $249,939 to an accredited holder at an interest rate of 1% per month. The note holder, at his sole discretion and election, is allowed to convert any part or all of the then outstanding principal and/or interest on these Notes into shares of common stock of the Company at a fixed price per share of $1.00. As of June 30, 2019, none of the Notes were converted, and as such, principal balance of was $249,939 as of the period then ended.

The Notes were issued when the market price of the Company’s common stock was in excess of the $1.00 per share conversion price creating a beneficial conversion feature associated with these Notes with an aggregate amount of $71,381 at issuance dates. As such, the Company recorded the $71,381 intrinsic value of the beneficial conversion feature at issuance dates of the Notes as additional paid-in capital, and recognized as a debt discount. The debt discount is being amortized as interest expense over the terms of the related notes. During the three-month period ended June 30, 2019, the

Company recorded amortization of the debt discount of $21,045 as interest expense. As such, unamortized debt discount as of June 30, 2019 related to these Notes was $50,336.

## NOTE 7 – RELATED PARTY TRANSACTIONS

Transaction with SBS Management LLC

During the period SBS Management LLC, a company controlled by Mr. Scott Stevens, who was appointed to the Company's board of directors on April 15, 2019 made advances to the Company to cover certain operating expenses. These advances are unsecured, non-interest bearing, with no formal terms of repayment. As of June 30, 2019, the amounts due SBS were $19,805 and are included in accounts payable on the accompanying balance sheet. During the three months ended June 30, 2019, the Company paid SBS Management LLC $37,500 for management services. In addition, the Company reimbursed SBS Management LLC $15,000 for rent expense which amount has been included in general and administrative expense for the period. There were no such amounts invoiced during the three months ended June 30, 2018.

Convertible Notes Payable - Related Parties

On May 15, 2019, the Company's Board of Directors approved the issuance of a convertible promissory note (the "Note") in the principal amount of $250,000 to Greys Peak Ventures LLC, an investment firm whose partners include Scott Stevens and Chris Bridges, both directors of the Company. The Note is due December 31, 2019, holds a 0% interest rate, and is convertible at any time, in the sole discretion of the holder of the Note, into shares of common stock of the Company at a purchase price of $1.00 per share. As of June 30, 2019, the Company had borrowed $140,000 against the Note.

A portion of the Notes were issued when the market price of the Company's common stock was in excess of the $1.00 per share conversion price creating a beneficial conversion feature associated with these Notes with an aggregate amount of $6,000 at issuance dates. As such, the Company recorded the $6,000 intrinsic value of the beneficial conversion feature at issuance dates of the Notes as additional paid-in capital, and recognized as a debt discount. The debt discount is being amortized as interest expense over the terms of the related notes. During the three-month period ended June 30, 2019, the Company recorded amortization of the debt discount of $912 as interest expense. As such, unamortized debt discount as of June 30, 2019 related to these Notes was $5,088.

## NOTE 8 – SUBSEQUENT EVENTS

*Convertible Debt*

From July 2019 to date of the filing of this Form 10-Q, the Company issued Convertible Promissory Notes ("Notes") having a total principal amount of $25,000 to an accredited holder, Greys Peak Ventures LLC, an investment firm whose partners include Scott Stevens and Chris Bridges, both directors of the Company. Interest is 0% per month and the note holder, at its sole discretion and election, is allowed to convert any part or all of the then outstanding principal and/or interest on these Notes into shares of common stock of the Company at a fixed price per share of $1.00.

**Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.**

This section of this Form 10-Q includes a number of forward-looking statements that reflect our current views with respect to future events and financial performance. Forward-looking statements are often identified by words like believe, expect, estimate, anticipate, intend, project and similar expressions, or words which, by their nature, refer to future events. You should not place undue certainty on these forward-looking statements. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our predictions.

**Acquisition of Trace Analytics, Inc.**

On January 7, 2019, we closed on a purchase of 520,410 shares of common stock of Trace Analytics, Inc., a Washington corporation ("Trace Analytics"). Pursuant to a Common Stock Purchase Agreement, the Company purchased Trace Analytics at a purchase price of $2.40 per share, for an aggregate purchase price of $1,250,000, of which 141,850 shares remain to be issued. Trace Analytics is a cannabis testing laboratory acquired to enable the Company to position itself as the leading provider of testing solutions for CBD products for both compliance requirements and consumer safety as these products continue to increase in popularity. Immediately following the purchase, we held 51% of the issued and outstanding shares of common stock of Trace Analytics and have included the financial results of Trace Analytics in our condensed consolidated financial statements from the date of acquisition, January 1, 2019.

The Common Stock Purchase Agreement included the option for Trace to repurchase 205,410 shares of Common Stock based on the occurrence of certain Repurchase Triggering Events. Based on a review of the Repurchase Triggering Events, we considered unlikely that any of the events will occur. Additionally, we entered into a Voting Agreement with Trace concurrent with the Common Stock Purchase Agreement. The Voting Agreement provided for the designation of three out of five positions on the Trace Analytics Board of Directors by the Company. The Voting Agreement also detailed certain transactions that require two-thirds approval by the Board of Directors. The Voting Agreement is not considered to impact the ability of the Company to control the operations and assets of Trace Analytics.

**Applied Biopharma LLC**

On April 8, 2019, the Company formed Applied Biopharma LLC, a wholly-owned subsidiary, in the state of Nevada, with the intention of establishing and growing the biopharmaceutical business of the Company. Applied Biopharma LLC is focused on the development and commercialization of novel therapeutics to treat metabolic diseases, peripheral neuropathy, progressive lung disease and ischemic reperfusion injury. Its principal business objective is to develop science-driven synthetic cannabinoid therapeutics that satisfy unmet medical needs and continue to drive innovation in the endocannabinoid space.

**Results of Operations**

Our revenue, operating expenses, and net loss from operations for our three months ended June 30, 2019 as compared to our three months ended June 30, 2018 were as follows:

***Three Months Ended June 30, 2019 Compared to Three Months Ended June 30, 2018***

| | Three Months Ended June 30, 2019 | Three Months Ended June 30, 2018 | $ Change Inc (Dec) | Percentage Change Inc (Dec) |
|---|---|---|---|---|
| **REVENUE, NET** | | | | |
| Products | $ 85,740 | $ 10,434 | $ 75,306 | 722% |
| Services | 125,717 | - | 125,717 | - |
| Total costs of revenue | 211,457 | 10,434 | 201,023 | 1927% |
| | | | | |
| **COST OF REVENUE** | | | | |
| Products | 78,892 | 17,758 | 61,134 | 344% |
| Services | 20,905 | - | 20,905 | - |
| Total costs of revenue | 99,797 | 17,758 | 82,039 | 462% |
| | | | | |
| **GROSS MARGIN (LOSS)** | 111,660 | (7,324) | 118,984 | - |
| | | | | |
| **EXPENSES** | | | | |
| Sales and marketing | 109,626 | 344,044 | (234,418) | (68)% |
| General and administrative | 444,049 | 207,146 | 236,903 | 114% |
| Depreciation and Amortization | 39,749 | 293 | 39,456 | 13466% |
| **TOTAL OPERATING EXPENSES** | 593,424 | 551,483 | 41,941 | 8% |
| **OPERATING LOSS** | (481,764) | (558,807) | (77,043) | (14)% |
| **Other Income (Expense)** | | | | |
| Change in fair value of equity investments | - | 158,929 | (158,929) | - |
| Interest Expense | (26,164) | (1,879) | (24,285) | 1,292% |
| **Total other income, net** | (26,164) | 157,050 | (183,214) | - |
| **NET LOSS** | (507,928) | (401,757) | 106,171 | 26% |
| Less: Net loss attributable to non controlling interest | 84,031 | 6,256 | 77,775 | 1,243% |
| **NET LOSS ATTRIBUTABLE TO APPLIED BIOSCIENCES CORP.** | $ (423,897) | $ (395,501) | $ 28,396 | 7% |

Revenues: Revenue relate to shipments of cannabidiol (“CBD”) brand products and lab testing services. During the three months ended June 30, 2019, revenue from our CBD product lines was $85,740 as compared to $10,434 for the three months ended June 30, 2018. The increase reflects higher sales across all of our CBD brand product lines, most notably in our topical products, combined with expansion into sales of bulk hemp seed and raw CBD. Service revenue resulting from our lab testing is attributed solely to the acquisition of Trace Analytics in January 2019, and totaled $125,717 for the three months ended June 30, 2019.

Cost of Revenue: Cost of goods sold is driven by product sales, and primarily consists of purchases of inventory for sale. We generally purchase products that are private labels and brand the products using our tradenames. During the three months ended June 30, 2019, we incurred $78,892 of costs to purchase product which represented 92% of our product revenues as compared to $17,758 or 170% of our product revenues for the three months ended June 30, 2018. Similar to revenues, product costs for the three months ended June 30, 2019 were driven by costs of bulk hemp seed and raw CBD. For the three months ended June 30, 2018, the Company incurred significant labeling costs associated with its product sales. Cost of services of $20,905 related to our lab testing services, and is attributed solely to the acquisition of Trace Analytics.

Gross Margin: For the three months ended June 30, 2019, gross margin from sale of our CBD products was $6,848 or 8% of products revenue as compared to a net margin loss of $7,324 for the three months ended June 30, 2018. The improved gross margin percentage is primarily due reduced labeling costs driven by higher volume sales of CBD products. Overall Gross Margin on product sales remains low due to lower margins on sales of bulk hemp seed and raw CBD. Gross margin from our lab testing services, which started January 1, 2019, totaled $104,812 or 83% of our lab testing revenues.

Sales and marketing: Sales and marketing expenses are mainly comprised of advertising, public relations, investor relations, events, and website marketing costs. Sales and marketing expenses decreased to $109,626 for the three months ended June 30, 2019 as compared to $344,044 for the three months ended June 30, 2018. The decrease is due to a significant reduction in spending for investor relations services as the Company moves to a more focused approach to build awareness and increase its profile with the investor community.

General and administrative: General and administrative expenses are mainly comprised of professional fees, travel expenses, meals and entertainment and other office support costs. General and administrative expenses increased $236,903 to $444,049 for the three months ended June 30, 2019 as compared to $207,146 for the three months ended June 30, 2018. Over 95% of the increase can be attributed to the acquisition of Trace Analytics, with general and administrative expenses for the remainder of the Company essentially flat compared to the three months ended June 30, 2018.

Depreciation and amortization: Depreciation expense was $39,749 for the three months ended June 30, 2019 as compared to $293 for the three months ended June 30, 2018. The increase is driven solely by depreciation on equipment acquired in connection with the acquisition of Trace Analytics in January 2019.

Change in fair value of Equity Investments: On April 1, 2018, we adopted ASU 2016-01, Financial Instruments – Overall: Recognition and Measurement of Financial Assets and Financial Liabilities. As such, during the three months ended June 30, 2018, we measured our equity investments at each reporting period at fair value with changes in fair value recognized in net income. During the three months ended June 30, 2018, we were able to obtain observable evidence that the fair value of certain equity investments had increased by $158,929. As such, we recorded an unrecognized gain from the change in market value of $158,929 during the three months ended June 30, 2018. There was no observable evidence in the change in fair market value for any of our equity investments during the three months ended June 30, 2019. As such no unrecognized gains or losses were recorded on our equity investments during this period.

Interest Expense: During the three months ended June 30, 2019 and 2018, we recorded $4,207 and $80, respectively, of interest costs related to convertible notes along with amortization of $21,957 and $1,799, respectively, of debt discount recorded in conjunction with the convertible notes. The increases were driven by increased funding from convertible notes for the three months ended June 30, 2019 as compared to the three months ended June 30, 2018.

**Liquidity and Capital Resources**

***Cash Flows***

A summary of our cash flows for the three months ended June 30, 2019 is as follows:

Net cash used in operating activities was $399,043 for the three months ended June 30, 2019 as compared to $162,036 for the three months ended June 30, 2018. The increase in cash used in operations was primarily driven by the acquisition of Trace Analytics and the general and administrative costs associated with Trace operations. Additional increases were due to sales and marketing costs related to growth in CBD products revenue.

Net cash used in investing activities during the three months ended June 30, 2019 and 2018 was nil.

Net cash provided by financing activities for the three months ended June 30, 2019 was $389,939 as compared to $104,500 for the three months ended June 30, 2018. The increase in cash provided by financing activities was driven by the issuance of convertible notes with proceeds used to support increased general and administrative and sales and marketing activities during the three months ended June 30, 2019 as noted above. We anticipate additional financing activities in the coming months to support continued growth in our products and services revenue along with acquisitions of assets to establish and grow our biopharmaceutical operations.

***Going Concern***

As reflected in the condensed consolidated financial statements contained elsewhere is this Form 10-Q, as of June 30, 2019 we had cash on hand and had an accumulated deficit of $37,940 and $5,955,157, respectively, and during the three months ended June 30, 2019, we utilized cash for operations and incurred a net loss of $399,043 and $507,928, respectively. Our uses of cash have been primarily for strategic investments along with support for operations and marketing efforts to promote and develop our CBD products and our company. Our principal sources of liquidity have been cash provided by financing, primarily through the sale of equity securities and issuance of convertible notes, along with revenues from our principal business activities. Further, we have used cash for various strategic investments for which we typically receive returns when such investments are sold and when or if dividends are declared.

As of the date of this Form 10-Q, our cash resources are insufficient to meet our current operating expense requirements and planned business objectives without additional financing. Our ability to continue as a going concern is dependent on our ability to raise additional capital and to ultimately achieve sustainable revenues and income from our operations. During the three months ended June 30, 2019, we raised $389,939 through the issuance of convertible notes to accredited investors. However, we anticipate that significant additional expenditures will be necessary to expand and bring to market our products and investments before sufficient and consistent positive operating cash flows will be achieved. Additionally, substantial cash will be needed to establish and advance our biopharmaceutical operations. As such, we will need additional funds to operate our business through and beyond the date of this Form 10-Q filing. There can be no assurance that such funds will be available or at terms acceptable to us. Even if we are able to obtain additional financing, it may contain undue restrictions and covenants on our operations, in the case of debt financing or cause substantial dilution for our stockholders in the case of convertible debt and equity financing.

These and other factors raise substantial doubt about our ability to continue as a going concern. Further, our independent auditors in their audit report for our fiscal year ended March 31, 2019 expressed substantial doubt about our ability to continue as a going concern. Our financial statements do not include any adjustments that might be necessary should we be unable to continue as a going concern.

**Summary of Significant Accounting Policies**

***Use of Estimates***

Preparation of the condensed consolidated financial statements in conformity with generally accepted accounting principles requires us to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Among other things, our estimates include the collectability of our accounts receivable, recoverability of inventory, assumptions made in determining impairment of investments and intangible assets, accruals for potential liabilities, and realization of deferred tax assets. These estimates generally involve complex issues and require judgments, involve analysis of historical information and the prediction of future trends, and are subject to change from period to period. Actual amounts could differ significantly from these estimates.

***Investments***

We used either the equity method or the cost method of accounting. We use the equity method for unconsolidated equity investments in which we are considered to have significant influence over the operations of the investee. We use the cost method for all other investments. Under the cost method, there is no change to the cost basis unless there is an other-than-temporary decline in value or dividends are received. If the decline is determined to be other-than-temporary, we write down the cost basis of the investment to a new cost basis that represents realizable value.

On April 1, 2018 we adopted ASU 2016-01, Financial Instruments – Overall: Recognition and Measurement of Financial Assets and Financial Liabilities. ASU 2016-01 primarily affects equity investments, financial liabilities under the fair value option, and the presentation and disclosure requirements for financial instruments. Among other things, this new guidance requires certain equity investments to be measured at fair value with changes in fair value recognized in net income. As such, we measure our equity investments at their fair value at end of each reporting period.

Investments accounted for under the equity method or cost method of accounting above are included in the caption “Equity investments” in our Condensed Consolidated Balance Sheets.

**Goodwill**

Goodwill will be tested for impairment at the reporting unit level (operating segment or one level below an operating segment) on an annual basis and between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value.

***Recent Accounting Pronouncements***

See our discussion of recent accounting policies in Footnote 2 to the condensed consolidated financial statements contained elsewhere in this Form 10-Q.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information required under this item.

**Item 4. Controls and Procedures.**

***Disclosure Controls and Procedures***

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported, within the time period specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed or submitted under the Securities Exchange Act of 1934 is accumulated and communicated to management including our principal executive officer and principal financial officer as appropriate, to allow timely decisions regarding required disclosure.

In connection with this quarterly report, as required by Rule 15d-15 under the Securities Exchange Act of 1934, we have carried out an evaluation of the effectiveness of the design and operation of our company's disclosure controls and procedures. This evaluation was carried out under the supervision and with the participation of our company's management, including our company's principal executive officer and principal financial officer. Based upon that evaluation, management concluded that as of June 30, 2019, our disclosure controls and procedures were not effective. The most significant issues identified were: 1) lack of segregation of duties due to very small staff and significant reliance on outside consultants, and 2) risks of executive override also due to lack of established policies, and small employee staff. As the company's operations increase, the company intends to take measures to mitigate the issues identified and implement a functional system of internal controls over financial reporting. Such measures will include, but not be limited to hiring of additional employees in its finance and accounting department; preparation of risk-control matrices to identify key risks and develop and document policies to mitigate those risks; and identification and documentation of standard operating procedures for key financial activities.

***Changes in Internal Control Over Financial Reporting***

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) or 15d-15(f)) during the three months ended June 30, 2019 that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

## PART II—OTHER INFORMATION

**Item 1. Legal Proceedings.**

Currently we are not subject to any pending litigation or legal proceeding.

**Item 1A. Risk Factors.**

As a smaller reporting company as defined by Rule 12b-2 of the Exchange Act we are not required to provide the information required under this item.

**Item 2. Unregistered Sales of Securities and Use of Proceeds.**

Not applicable

**Item 3. Defaults Upon Senior Securities.**

None.

**Item 4. Mine Safety Disclosures.**

None.

**Item 5. Other Information.**

On March 8, 2019, the Company's Board of Directors approved the offer and sale of a convertible promissory note (the "Note") in the principal amount of $250,000. The Note is due March 31, 2020, bears interest at 1% per month, and is convertible at any time, in the sole discretion of the holder of the Note, into shares of common stock of the Company at purchase price of $1.00 per share. The Company made the offering to an "accredited investor" in reliance on Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"), and Rule 506, promulgated thereunder.

On May 15, 2019, the Company's Board of Directors approved the offer and sale of a convertible promissory note (the "Note") in the principal amount of $250,000. The Note is due December 31, 2019, holds a 0% interest rate, and is convertible at any time, in the sole discretion of the holder of the Note, into shares of common stock of the Company at a purchase price of $1.00 per share. The Company made the offering to an "accredited investor" in reliance on Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"), and Rule 506, promulgated thereunder. Through the date of this filing, the amount outstanding under the Note is $165,000.

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**Item 6. Exhibits.**

(a) Exhibits required by Item 601 of Regulation SK.

| Number | Description |
|---|---|
| 2.1 | Share Exchange Agreement, dated November 4, 2016, by and among the Applied Biosciences Corp., Stony Hill Ventures Corp., a Nevada corporation, and the holders of common stock of Stony Hill Ventures Corp. (3) |
| 3.1.1 | Articles of Incorporation (1) |
| 3.1.2 | Certificate of Amendment (3) |
| 3.1.3 | Certificate of Change (3) |
| 3.1.4 | Certificate of Amendment (4) |
| 3.2 | Bylaws (2) |
| 4.1 | Convertible Promissory Note, dated March 8, 2019 |
| 4.2 | Convertible Promissory Note, dated May 15, 2019 |
| 31.1 | Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 31.2 | Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 32.1 | Certification of Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 32.2 | Certification of Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 101.INS * | XBRL Instance Document |
| 101.SCH * | XBRL Taxonomy Extension Schema Document |
| 101.CAL * | XBRL Taxonomy Extension Calculation Linkbase Document |
| 101.DEF * | XBRL Taxonomy Extension Definition Linkbase Document |
| 101.LAB * | XBRL Taxonomy Extension Label Linkbase Document |
| 101.PRE * | XBRL Taxonomy Extension Presentation Linkbase Document |

(1) Incorporated by reference to the Registrant's Registration Statement on Form S-1 (File No. 333-197443), filed with the Securities and Exchange Commission on July 16, 2014.

(2) Incorporated by reference to the Registrant's Registration Statement on Form S-1/A (File No. 333-197443), filed with the Securities and Exchange Commission on October 16, 2014.

(3) Incorporated by reference to the Registrant's Current Report on Form 8-K (File No. 000-52223), filed with the Securities and Exchange Commission on November 10, 2016.

(4) Incorporated by reference to the Registrant's Current Report on Form 8-K (File No. 000-52223) filed with the Securities Exchange Commission on March 5, 2018

* XBRL (Extensible Business Reporting Language) information is furnished and not filed or a part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise is not subject to liability under these sections.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**APPLIED BIOSCIENCES CORP.**

(Name of Registrant)

Date: August 14, 2019

By: */s/ Raymond W. Urbanski*

Name: Raymond W. Urbanski M.D, Ph.D.
Title: Chief Executive Officer
(principal executive officer,
principal accounting officer and principal financial officer)

**This Promissory Note has not been registered with the Securities and Exchange Commission or the securities commission of any state in reliance upon an exemption from registration under the Securities Act of 1933, as amended, and, accordingly, may not be offered or sold except pursuant to an effective registration statement under the securities act or pursuant to an available exemption from, or in a transaction not subject to, the registration requirements of the securities act and in accordance with applicable state securities laws.**

**CONVERTIBLE PROMISSORY NOTE**

$250,000 March 8, 2019

**APPLIED BIOSCIENCES CORP.**

Applied BioSciences Corp., a Nevada corporation (the “Company”), for value received, promises to pay to Bamboo (BVI) Holdings 3 Limited, or any registered assigns (“Holder”) the sum of Two Hundred Fifty Thousand and 00/100 Dollars ($250,000.00), together with interest thereon at the rate of one percent (1%) per month on the unpaid balance pursuant to this Convertible Promissory Note (“Note”). The Company shall make all payments to Holder at _______________________.

1. *Maturity Date; Interest Payments.* All outstanding principal together with interest on this Note shall be due March 31st, 2020, (“Maturity Date”).

2. *Conversion of Principal and Interest Owed.*

(a) Optional Conversion into Common Stock. The Holder, in its sole discretion and election, may convert any part or all of the outstanding principal and/or interest on this Note into shares of common stock of the Company obtained by dividing (i) any amount of part or all of the outstanding principal and/or interest on this Note, by (ii) $1.00. If the Holder of this Note elects to make a conversion hereunder, then the Holder shall effect a conversion by delivering to the Company a completed Notice of Conversion, the form of which is attached hereto as Annex A, not later than three days after the date of conversion on such notice. Holder shall make delivery of such notice by way of e-mail attachment e-mailed to the President of the Company, provided receipt of such e-mail is confirmed by return e-mail by the President of the Company, or by delivery of the notice to: 9701 Wilshire Blvd., Suite 1000, Beverly Hills, California 90212.

3. *Registered Owner*. The Company may treat the person or persons whose name or names appear on this Note as the absolute owner or owners hereof for the purpose of receiving payment of, or on account of, the principal and interest due on this Note and for all other purposes.

4. *Representations and Warranties of the Company.*

(a) *Due Incorporation, Qualification, etc*. The Company (i) is a corporation duly organized, validly existing and in good standing under the laws of its state of incorporation; and (ii) has the power and authority to own, lease and operate its properties and carry on its business as now conducted.

(b) *Authority*. The execution, delivery and performance by the Company of this Note and the performance of the obligations contemplated hereby and thereby (i) are within the power of the Company and (ii) have been duly authorized by all necessary actions on the part of the Company.

(c) *Enforceability*. This Note has been duly executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity.

(d) *Non-Contravention*. The execution and delivery by the Company of this Note and the performance of the obligations contemplated hereby does not and will not (i) violate any law, statute, rule or regulation applicable to the Company; (ii) violate any provision of, or result in the breach or the acceleration of, or entitle any other person to accelerate (whether after the giving of notice or lapse of time or both), the Certificate of Incorporation or Bylaws of the Company or any contract, agreement or instrument to which the Company is a party or by which any of its properties may be bound, or any order, decree or judgment binding upon the Company or any of its properties; or (iii) result in the creation or imposition of any lien or encumbrance upon any property or asset of the Company.

(e) *Approvals*. No consent, approval, order or authorization of, or registration, declaration, qualification or filing with, any governmental authority or other person is required in connection with the execution and delivery of the Note and the performance of the obligations contemplated hereby.

5. *Representations and Warranties of the Holder.*

(a) No Public Sale or Distribution. The Holder of this Note, by acceptance of this Note, agrees and acknowledges that such Holder is acquiring the Note for its own account and not with a view towards, or for resale in connection with, the public sale or distribution thereof, except pursuant to sales registered or exempted under federal and state securities laws. Such Holder is acquiring the Note hereunder in the ordinary course of its business. Such Holder presently does not have any agreement or understanding, directly or indirectly, with any person to distribute the Note.

6. *Waivers and Acceleration*. The Company hereby waives diligence, presentment, protest, demand of payment, notice of protest, dishonor and nonpayment, and waives the legal effect of Holder's failure to give all notices not expressly provided for herein. All sums due under this Note shall, at the election of Holder, be immediately due and payable upon the happening of any one or more of the following events of default: (a) the Company defaults in the performance of or compliance with any term of this Note; (b) the Company makes a general assignment for the benefit of creditors; (c) the Company applies for or consents to the appointment of a receiver of the whole or any substantial part of the Company's assets; (d) the Company files a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or to take advantage of any insolvency law or an answer admitting material allegations of a petition filed against the Company in any bankruptcy, reorganization or insolvency proceedings; or (e) an order, judgment, or decree is entered, without the application approval, or a consent of Company by any court of competent jurisdiction adjudging Company to be a bankrupt or approving a petition appointing a receiver, trustee, or liquidator of the whole or any substantial part of the assets of Company, and such order, judgment, or decree is not vacated or set aside or stayed within thirty (30) days from the date of its entry.

7. *Usury*. Notwithstanding any other provision of this Note to the contrary, all agreements between the Company and the Holder of this Note are expressly limited so that in no event or contingency shall the amount paid or agreed to be paid to the Holder of this Note for the use, forbearance or detention of the money to be advanced under this Note exceed the highest lawful rate permissible under applicable laws.

8. *Attorneys' Fees*. If any action at law or in equity is necessary to enforce or interpret the terms of this Note or the rights and duties of the parties in relation hereto, the prevailing party will be entitled, in addition to any other relief granted, to all costs and expenses incurred by any prevailing party, including, without limitation, all reasonable attorneys' fees. This note shall take effect as a sealed instrument and shall be construed, governed and enforced in accordance with the laws of the State of New York.

9. *Transfer of Note*. This Note may be transferred only upon surrender of the original Note for registration of transfer, duly endorsed, or accompanied by a duly executed written instrument of transfer in form satisfactory to the Company. Holder shall provide the Company with prompt notice of any transfer of this Note; provided, however, that failure to provide such notice shall not void the transfer. Thereupon, a new Note for like principal amount will be issued to, and registered in the name of, the transferee.

THE COMPANY:

**APPLIED BIOSCIENCES CORP.**

By: ______________________________
Name: Chris Bridges
Title: President

**ANNEX A**

**NOTICE OF CONVERSION**

The undersigned hereby elects to convert principal and/or interest under the Convertible Promissory Note due ________________, of Applied Biosciences Corp., a Nevada corporation (the "Company"), into shares of common stock (the "Common Stock"), of the Company according to the conditions hereof, as of the date written below. If shares of Common Stock are to be issued in the name of a person other than the undersigned, the undersigned will pay all transfer taxes payable with respect thereto and is delivering herewith such certificates and opinions as reasonably requested by the Company in accordance therewith. No fee will be charged to the holder for any conversion, except for such transfer taxes, if any.

The undersigned agrees to comply with the prospectus delivery requirements under the applicable securities laws in connection with any transfer of the aforesaid shares of Common Stock.

Conversion calculations:
Date to Effect Conversion:

Principal Amount of Note to be Converted:

Payment of Interest in Common Stock __ yes __ no

If yes, $_____ of Interest Accrued on Account of Conversion at Issue.

Number of shares of Common Stock to be issued:

Signature:

Name:

DWAC Instructions:

Broker No:
Account No:

**EXHIBIT 4.2**

**This Promissory Note has not been registered with the Securities and Exchange Commission or the securities commission of any state in reliance upon an exemption from registration under the Securities Act of 1933, as amended, and, accordingly, may not be offered or sold except pursuant to an effective registration statement under the securities act or pursuant to an available exemption from, or in a transaction not subject to, the registration requirements of the securities act and in accordance with applicable state securities laws.**

**CONVERTIBLE PROMISSORY NOTE**

$250,000 May 15, 2019

**APPLIED BIOSCIENCES CORP.**

Applied BioSciences Corp., a Nevada corporation (the "Company"), for value received, promises to pay to Grays Peak Ventures LLC, or any registered assigns ("Holder") the sum of Two Hundred Fifty Thousand and 00/100 Dollars ($250,000.00), together with interest thereon at the rate of zero percent (0%) per month on the unpaid balance pursuant to this Convertible Promissory Note ("Note"). The Company shall make all payments to Holder at ________________________.

1. *Maturity Date; Interest Payments.* All outstanding principal together with interest on this Note shall be due December 31st, 2019, ("Maturity Date").

2. *Conversion of Principal and Interest Owed.*

(a) Optional Conversion into Common Stock. The Holder, in its sole discretion and election, may convert any part or all of the outstanding principal and/or interest on this Note into shares of common stock of the Company obtained by dividing (i) any amount of part or all of the outstanding principal and/or interest on this Note, by (ii) $1.00. If the Holder of this Note elects to make a conversion hereunder, then the Holder shall effect a conversion by delivering to the Company a completed Notice of Conversion, the form of which is attached hereto as Annex A, not later than three days after the date of conversion on such notice. Holder shall make delivery of such notice by way of e-mail attachment e-mailed to the President of the Company, provided receipt of such e-mail is confirmed by return e-mail by the President of the Company, or by delivery of the notice to: 9701 Wilshire Blvd., Suite 1000, Beverly Hills, California 90212.

3. *Registered Owner*. The Company may treat the person or persons whose name or names appear on this Note as the absolute owner or owners hereof for the purpose of receiving payment of, or on account of, the principal and interest due on this Note and for all other purposes.

4. *Representations and Warranties of the Company.*

(a) *Due Incorporation, Qualification, etc*. The Company (i) is a corporation duly organized, validly existing and in good standing under the laws of its state of incorporation; and (ii) has the power and authority to own, lease and operate its properties and carry on its business as now conducted.

(b) *Authority*. The execution, delivery and performance by the Company of this Note and the performance of the obligations contemplated hereby and thereby (i) are within the power of the Company and (ii) have been duly authorized by all necessary actions on the part of the Company.

(c) *Enforceability*. This Note has been duly executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity.

(d) *Non-Contravention*. The execution and delivery by the Company of this Note and the performance of the obligations contemplated hereby does not and will not (i) violate any law, statute, rule or regulation applicable to the Company; (ii) violate any provision of, or result in the breach or the acceleration of, or entitle any other person to accelerate (whether after the giving of notice or lapse of time or both), the Certificate of Incorporation or Bylaws of the Company or any contract, agreement or instrument to which the Company is a party or by which any of its properties may be bound, or any order, decree or judgment binding upon the Company or any of its properties; or (iii) result in the creation or imposition of any lien or encumbrance upon any property or asset of the Company.

(e) *Approvals*. No consent, approval, order or authorization of, or registration, declaration, qualification or filing with, any governmental authority or other person is required in connection with the execution and delivery of the Note and the performance of the obligations contemplated hereby.

5. *Representations and Warranties of the Holder.*

(a) *No Public Sale or Distribution.* The Holder of this Note, by acceptance of this Note, agrees and acknowledges that such Holder is acquiring the Note for its own account and not with a view towards, or for resale in connection with, the public sale or distribution thereof, except pursuant to sales registered or exempted under federal and state securities laws. Such Holder is acquiring the Note hereunder in the ordinary course of its business. Such Holder presently does not have any agreement or understanding, directly or indirectly, with any person to distribute the Note.

6. *Waivers and Acceleration.* The Company hereby waives diligence, presentment, protest, demand of payment, notice of protest, dishonor and nonpayment, and waives the legal effect of Holder's failure to give all notices not expressly provided for herein. All sums due under this Note shall, at the election of Holder, be immediately due and payable upon the happening of any one or more of the following events of default: (a) the Company defaults in the performance of or compliance with any term of this Note; (b) the Company makes a general assignment for the benefit of creditors; (c) the Company applies for or consents to the appointment of a receiver of the whole or any substantial part of the Company's assets; (d) the Company files a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or to take advantage of any insolvency law or an answer admitting material allegations of a petition filed against the Company in any bankruptcy, reorganization or insolvency proceedings; or (e) an order, judgment, or decree is entered, without the application approval, or a consent of Company by any court of competent jurisdiction adjudging Company to be a bankrupt or approving a petition appointing a receiver, trustee, or liquidator of the whole or any substantial part of the assets of Company, and such order, judgment, or decree is not vacated or set aside or stayed within thirty (30) days from the date of its entry.

7. *Usury*. Notwithstanding any other provision of this Note to the contrary, all agreements between the Company and the Holder of this Note are expressly limited so that in no event or contingency shall the amount paid or agreed to be paid to the Holder of this Note for the use, forbearance or detention of the money to be advanced under this Note exceed the highest lawful rate permissible under applicable laws.

8. *Attorneys' Fees*. If any action at law or in equity is necessary to enforce or interpret the terms of this Note or the rights and duties of the parties in relation hereto, the prevailing party will be entitled, in addition to any other relief granted, to all costs and expenses incurred by any prevailing party, including, without limitation, all reasonable attorneys' fees. This note shall take effect as a sealed instrument and shall be construed, governed and enforced in accordance with the laws of the State of New York.

9. *Transfer of Note*. This Note may be transferred only upon surrender of the original Note for registration of transfer, duly endorsed, or accompanied by a duly executed written instrument of transfer in form satisfactory to the Company. Holder shall provide the Company with prompt notice of any transfer of this Note; provided, however, that failure to provide such notice shall not void the transfer. Thereupon, a new Note for like principal amount will be issued to, and registered in the name of, the transferee.

THE COMPANY:

**APPLIED BIOSCIENCES CORP.**

By: ______________________________
Name: Chris Bridges
Title: President

**ANNEX A**

**NOTICE OF CONVERSION**

The undersigned hereby elects to convert principal and/or interest under the Convertible Promissory Note due ________________, of Applied Biosciences Corp., a Nevada corporation (the "Company"), into shares of common stock (the "Common Stock"), of the Company according to the conditions hereof, as of the date written below. If shares of Common Stock are to be issued in the name of a person other than the undersigned, the undersigned will pay all transfer taxes payable with respect thereto and is delivering herewith such certificates and opinions as reasonably requested by the Company in accordance therewith. No fee will be charged to the holder for any conversion, except for such transfer taxes, if any.

The undersigned agrees to comply with the prospectus delivery requirements under the applicable securities laws in connection with any transfer of the aforesaid shares of Common Stock.

Conversion calculations:
Date to Effect Conversion:

Principal Amount of Note to be Converted:

Payment of Interest in Common Stock __ yes __ no

If yes, $_____ of Interest Accrued on Account of Conversion at Issue.

Number of shares of Common Stock to be issued:

Signature:

Name:

DWAC Instructions:

Broker No:
Account No:

**EXHIBIT 31.1**

**SECTION 302 CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER OF APPLIED BIOSCIENCES CORP.**

I, Raymond W. Urbanski, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Applied Biosciences Corp.;

2. Based on my knowledge, this quarterly report 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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 14, 2019

By: */s/ Raymond W. Urbanski*
Raymond W. Urbanski M.D, Ph.D.
Chief Executive Officer
(principal executive officer,
principal accounting officer and principal financial officer)

**EXHIBIT 31.2**

**SECTION 302 CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER OF APPLIED BIOSCIENCES CORP.**

I, Raymond W. Urbanski, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Applied Biosciences Corp.;

2. Based on my knowledge, this quarterly report 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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 14, 2019

By: */s/ Raymond W. Urbanski*
Raymond W. Urbanski M.D, Ph.D.
Chief Executive Officer
(principal executive officer,
principal accounting officer and principal financial officer)

**EXHIBIT 32.1**

**SECTION 906 CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER OF APPLIED BIOSCIENCES CORP.**

In connection with the accompanying Quarterly Report on Form 10-Q of Applied Biosciences Corp. for the three months ended June 30, 2019, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Raymond W. Urbanski, Chief Executive Officer of Applied Biosciences Corp., does hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Applied Biosciences Corp.

Date: August 14, 2019

By: */s/ Raymond W. Urbanski*
Raymond W. Urbanski M.D, Ph.D.
Chief Executive Officer
(principal executive officer,
principal accounting officer and principal financial officer)

**EXHIBIT 32.2**

**SECTION 906 CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER OF APPLIED BIOSCIENCES CORP.**

In connection with the accompanying Quarterly Report on Form 10-Q of Applied Biosciences Corp. for the three months ended June 30, 2019, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Raymond W. Urbanski, Chief Executive Officer of Applied Biosciences Corp., does hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Applied Biosciences Corp.

Date: August 14, 2019

By: */s/ Raymond W. Urbanski*
Raymond W. Urbanski M.D, Ph.D.
Chief Executive Officer
(principal executive officer,
principal accounting officer and principal financial officer)