# First Global Data Limited

## Condensed Consolidated Interim Financial Statements (Unaudited)

**September 30, 2017**

(Expressed in US Dollars)

Notice of No Auditor Review of Condensed Consolidated Interim Financial Statements Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor.

The management of First Global Data Limited is responsible for the preparation of the accompanying unaudited condensed consolidated interim financial statements. The unaudited condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards and are considered by management to present fairly the consolidated financial position, operating results and cash flows of the Company.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor. These unaudited condensed consolidated interim financial statements include all adjustments, consisting of normal and recurring items, that management considers necessary for a fair presentation of the interim consolidated financial position, results of operations and cash flows.

*"Andre Itwaru"*
………………………………………
Andre Itwaru
Chief Executive Officer & Chairman

Toronto, Ontario
November 29, 2017

*"Nayeem Alli"*
………………………………………
Nayeem Alli
Chief Financial Officer

Toronto, Ontario
November 29, 2017

# First Global Data Limited

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**First Global Data Limited**
**Condensed Consolidated Interim Statements of Financial Position**
**As at September 30, 2017 and December 31, 2016**
(Unaudited, Expressed in US Dollars, unless otherwise stated)

| | Note | September 30 2017 | December 31 2016 |
|---|---|---|---|
| **ASSETS** | | | |
| **Current assets** | | | |
| Cash | | $ 3,743,739 | $ 2,143,057 |
| Trade and agent receivables | 4 | 12,204,738 | 2,329,502 |
| Prepaid and other assets | 5 | 2,475,308 | 1,896,082 |
| | | 18,423,785 | 6,368,641 |
| **Non-current assets** | | | |
| Property and equipment, net | 6 | 212,347 | 121,339 |
| Intangibles | 7 | 257,291 | 395,533 |
| | | 469,638 | 516,872 |
| **TOTAL ASSETS** | | $ 18,893,423 | $ 6,885,513 |
| | | | |
| **LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)** | | | |
| **Current liabilities** | | | |
| Accounts payable and accrued liabilities | 8 | $ 4,976,277 | $ 3,234,946 |
| Taxes payable | | 67,339 | 67,339 |
| Borrowings - Current | 9 | 5,523,359 | 7,585,834 |
| | | 10,566,975 | 10,888,119 |
| **Non-current liabilities** | | | |
| Borrowings | 9 | 1,440,709 | 2,105,256 |
| | | 12,007,684 | 12,993,375 |
| **Shareholders' Equity (Deficit)** | | | |
| Issued share capital | 10 | 37,350,720 | 29,815,525 |
| Share warrants, options and conversion rights | | 16,928,834 | 11,579,048 |
| Accumulated other comprehensive income | | 2,146,852 | 2,189,190 |
| Accumulated deficit | | (49,540,667) | (49,691,625) |
| | | 6,885,739 | (6,107,862) |
| **TOTAL LIABILITIES AND DEFICIT** | | $ 18,893,423 | $ 6,885,513 |

Going concern (see Note 3)
The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.

These Condensed Consolidated Interim Financial Statements are authorized for issue by the Board of Directors on November 29, 2017.

"Andre Itwaru"
Director

'Naresh Singh"
Director

## First Global Data Limited
**Condensed Consolidated Interim Statements of Comprehensive Income (loss)**
**For Nine months ended September 30, 2017 and 2016**
(Unaudited, Expressed in US Dollars, unless otherwise stated)

| | | Three months ending | | Nine months ending | |
|---|---|---|---|---|---|
| | | **September 30** | September 30 | **September 30** | September 30 |
| | **Note** | **2017** | 2016 | **2017** | 2016 |
| **Revenue** | 11 | **4,504,979** | 1,112,116 | **11,240,247** | 3,410,621 |
| **Expenses** | | | | | |
| Selling, general and administrative | | **1,830,996** | 421,980 | **5,576,727** | 1,163,997 |
| Salaries and related costs | | **2,176,929** | 416,548 | **4,467,428** | 1,247,999 |
| Depreciation of property and equipment | 6 | **15,070** | 9,764 | **39,131** | 32,422 |
| Amortization of intangibles | 7 | **56,988** | 70,524 | **163,989** | 164,481 |
| **Total Expenses** | | **4,079,982** | 918,816 | **10,247,275** | 2,608,899 |
| **Income / (loss) from operations** | | **424,997** | 193,300 | **992,972** | 801,722 |
| **Other Income (Expenses)** | | | | | |
| Interest expense and other finance cost | | **(306,231)** | (197,558) | **(757,720)** | (588,543) |
| Foreign exchange gain (loss ) | | **(153,819)** | (106) | **(84,294)** | 124 |
| **Net Income / (loss)** | | **(35,053)** | (4,363) | **150,958** | 213,303 |
| **Other comprehensive income (loss)** | | | | | |
| Items which will be reclassified to profit and loss: | | | | | |
| Exchange difference on translation | | **128,298** | 94,655 | **(42,339)** | 631,591 |
| **Total comprehensive income (loss)** | | **93,245** | 90,292 | **108,620** | 844,894 |
| **Income attributable to:** | | | | | |
| Equity holders of the parent | | **(35,053)** | (4,333) | **150,958** | 213,692 |
| Non-controlling interests | | **-** | (30) | **-** | (389) |
| | | **(35,053)** | (4,363) | **150,958** | 213,303 |
| **Total comprehensive income** | | | | | |
| Equity holders of the parent | | **93,245** | 90,322 | **108,620** | 845,283 |
| Non-controlling interests | | **-** | (30) | **-** | (389) |
| | | **93,245** | 90,292 | **108,620** | 844,894 |
| **Earning per Share** | | | | | |
| Basic | 12 | **$ (0.0002)** | $ (0.0000) | **$ 0.0007** | $ 0.0014 |
| Diluted | 12 | **$ (0.0002)** | $ (0.0000) | **$ 0.0007** | $ 0.0014 |

Going concern (see Note 3)
The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.

**First Global Data Limited**
**Condensed Consolidated Interim Statements of Cash Flows**
**For Nine months ended September 30, 2017 and 2016**
(Unaudited, Expressed in US Dollars, unless otherwise stated)

| | Nine months ending | |
|---|---|---|
| | **September 30 2017** | September 30 2016 |
| **OPERATING** | | |
| Net income (loss) | **150,958** | 213,303 |
| **Items not affecting cash** | | |
| Depreciation of property and equipment | **39,131** | 32,422 |
| Unrealized foreign exchange gain / (loss) | **(60,566)** | (97,588) |
| Financing costs - interest expense | **757,720** | 191,111 |
| Share based compensation | **1,442,416** | 7,767 |
| Amortization of intangibles | **163,989** | 164,481 |
| | **2,493,647** | 511,496 |
| **Changes in working capital items** | | |
| Trade and agents receivables | **(9,875,236)** | (1,324,824) |
| Prepaid expenses and deposits | **(579,226)** | 356,759 |
| Accounts payable and accrued liabilities | **1,741,331** | 1,044,543 |
| | **(6,219,484)** | 587,974 |
| **INVESTING** | | |
| Purchase of property, equipment and intangibles | **(134,186)** | (4,965) |
| | **(137,658)** | (4,965) |
| **FINANCING** | | |
| Proceeds from share capital and warrants issued | **10,382,022** | - |
| Proceeds from (repayment of) borrowings | **(2,424,198)** | 133,877 |
| Payment of finance lease | **-** | (6,869) |
| | **7,957,824** | 127,008 |
| **NET CASH FLOW / (OUTFLOW)** | **1,600,682** | 710,017 |
| **CASH, BEGINNING OF PERIOD** | **2,143,057** | 318,843 |
| **CASH, END OF PERIOD** | **3,743,739** | 1,028,860 |
| **Comprising:** | | |
| Cash and bank balances | **3,743,739** | 1,028,860 |

Going concern (see Note 3)
The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.

# First Global Data Limited
## Condensed Consolidated Interim Statements of Changes in Equity
## For Nine months ended September 30, 2017 and September 30, 2016
(Unaudited, Expressed in US Dollars, unless otherwise stated)

| Particulars | Note | Issued share capital | | Share warrants and conversion options | Cumulative foreign currency translation reserve | Non-Controlling Interest | Accumulated deficit | Total equity / (deficiency) |
|---|---|---|---|---|---|---|---|---|
| | | No. of shares | Amount | | | | | |
| **Balance, January 1, 2017** | | **178,131,442** | **$ 29,815,525** | **$ 11,579,048** | **$ 2,189,190** | **$ -** | **$ (49,691,625)** | **$ (6,107,862)** |
| **Issuance of units on private placement** | **10.1(a)** | **14,290,359** | **1,605,085** | **5,940,190** | | | | **7,545,275** |
| **Share based compensation** | | | | **1,442,416** | | | | **1,442,416** |
| **Shares issued on conversion of debentures** | **10.1(b)** | **4,166,666** | **435,692** | **(57,742)** | | | | **377,950** |
| **Shares issued on exercise of Warrants** | | **12,430,242** | **2,652,903** | **(511,290)** | | | | **2,141,613** |
| **Units issued on debt conversion** | **10.1(c)** | **14,642,500** | **257,178** | **853,413** | | | | **1,110,591** |
| **Shares issued on exercise of Options** | | **1,160,000** | **320,379** | **(53,242)** | | | | **267,137** |
| **Units issued on debt settlement** | **10.1(d)** | **22,330,000** | **2,263,958** | **(2,263,958)** | | | | **-** |
| **Other comprehensive loss** | | | | | **(42,339)** | | | **(42,339)** |
| **Non- controlling interest** | | | | | | | | **-** |
| **Net income (loss)** | | | | | | | **150,958** | **150,958** |
| **Balance, September 30, 2017** | | **247,151,209** | **$ 37,350,720** | **$ 16,928,834** | **$ 2,146,852** | **$ -** | **$ (49,540,667)** | **$ 6,885,739** |
| | | | | | | | | |
| **Balance, January 1, 2016** | | **152,342,372** | **$ 29,545,098** | **$ 9,149,885** | **$ 2,012,060** | **$ 1,921** | **$ (49,036,791)** | **$ (8,327,827)** |
| Issuance of options as compensation | | | | 7,767 | | | | 7,767 |
| Convertible debentures reversal (note ) | 10.2 | | | (402,263) | | | | (402,263) |
| Other comprehensive loss | | | | | 631,591 | | | 631,591 |
| Non- controlling interest | | | | | | (389) | | (389) |
| Net income | | | | | | | 213,303 | 213,303 |
| **Balance, September 30, 2016** | | 152,342,372 | $ 29,545,098 | $ 8,755,389 | $ 2,643,651 | $ 1,532 | $ (48,823,488) | $ (7,877,818) |

Going concern (see Note 3)

The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.

**(Unaudited, Expressed in US Dollars, unless otherwise stated)**

## 1. CORPORATE INFORMATION

First Global Data Limited ("the Company" or "FGDL") is a Canadian public corporation incorporated in Canada in 2010 under the legislation of the Province of Ontario. The condensed consolidated interim financial statements of the Company as at and for the period ended September 30, 2017 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities"). The principal activity of the Group is financial technology and remittance of services from Canada and the USA under the brands "FirstGlobalMoney".

The head office, principal address and registered office of the Company is located at 555 Richmond Street West, Suite 604, Toronto, Ontario, M5V 3B1.

## 2. BASIS OF PREPARATION

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at December 31, 2016.

## 3 STATEMENT OF GOING CONCERN

These condensed consolidated interim financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business. The company has incurred significant losses recurring over the years and has negative operating cash flows for the nine months ended September 30, 2017, primarily because of increase in accounts receivable. While this raises significant doubt about the Company's ability to continue as a going concern, the company has working capital surplus of $ 7,856,810 as of September 30, 2017 compared with working capital deficiency of $4,519,478 as of December 31, 2016 and the company has reported comprehensive income in four of the past six quarters. The ability of the Company to continue as a going concern is dependent upon raising additional financing through share issuance, borrowing, sales contracts, agent agreements and correspondent agreements. The Company intends to generate additional liquidity through equity or debt financing. The company also expects to generate substantial revenue in future periods from money transfer and mobile payments. The Company also intend to negotiate conversion of debt into equity, renegotiating the principal of debt owed and extending the term of the loans. There are no assurances that the Company will be successful in achieving these goals. If the going concern assumption was not appropriate for these financial statements, then adjustments would be necessary to the carrying values of assets and liabilities, the reported net income (loss), and the classifications used in the statement of financial position. The condensed consolidated interim financial statements do not reflect adjustments that would be necessary if the going concern assumption was not appropriate.

## 4. TRADE AND AGENT RECEIVABLES

| | **September 30 2017** | December 31 2016 |
|---|---|---|
| Trade and agent receivables | **$12,319,099** | $2,409,957 |
| Provision for doubtful debts | **(114,361)** | (80,455) |
| | **$12,204,738** | $2,329,502 |

The company recognizes revenue on all fees associated with the transactions that it facilitates. The company collects from its agents the entire value of the remittance and is responsible for delivering those funds directly to the beneficiary or ensuring that they are paid to the correspondent in the country of the recipient.

(Unaudited, Expressed in US Dollars, unless otherwise stated)

## 5. PREPAID AND OTHER ASSETS

| | September 30 2017 | December 31 2016 |
|---|---|---|
| Prepaid expenses | 436,716 | $164,694 |
| Other receivables | 2,038,592 | 1,731,388 |
| | 2,475,308 | $1,896,082 |

## 6. PROPERTY AND EQUIPMENT

| September 30, 2017 | Computer Hardware | Production Hardware | Furniture and Equipment | Total |
|---|---|---|---|---|
| **Cost** | | | | |
| Balance as at January 1 | 132,857 | 44,861 | 345,029 | 522,747 |
| Additions during the period | 41,056 | 37,167 | 52,491 | 130,714 |
| Effect of foreign exchange translation | 3,757 | 3,402 | 1,132 | 8,291 |
| Balance as at September 30 | 177,670 | 85,430 | 398,652 | 661,752 |
| **Accumulated depreciation** | | | | |
| Balance as at January 1 | 111,911 | 41,207 | 248,290 | 401,408 |
| Depreciation expense | 8,518 | 4,222 | 26,391 | 39,131 |
| Effect of foreign exchange translation | 2,594 | 3,125 | 3,147 | 8,866 |
| Balance as at September 30 | 123,023 | 48,554 | 277,828 | 449,405 |
| **Net book value:** | | | | |
| Balance as at September 30 | 54,647 | 36,876 | 120,824 | 212,347 |

**(Unaudited, Expressed in US Dollars, unless otherwise stated)**

## 6. PROPERTY AND EQUIPMENT (Continued)

| December 31, 2016 | Computer Hardware | Production Hardware | Furniture and Equipment | Total |
|---|---|---|---|---|
| Cost | | | | |
| Balance as at January 1 | 111,936 | 43,518 | 346,338 | 501,792 |
| Additions during the year | 20,306 | - | 466 | 20,772 |
| Effect of foreign exchange translation | 615 | 1,343 | (1,774) | 184 |
| Balance as at December 31 | 132,857 | 44,861 | 345,029 | 522,747 |
| | | | | |
| Accumulated depreciation | | | | |
| Balance as at January 1 | 103,502 | 37,074 | 214,123 | 354,698 |
| Depreciation expense | 7,817 | 2,900 | 34,756 | 45,473 |
| Effect of foreign exchange translation | 592 | 1,233 | (589) | 1,236 |
| Balance as at December 31 | 111,911 | 41,207 | 248,290 | 401,408 |
| | | | | |
| Net book value: | | | | |
| Balance as at December 31 | 20,947 | 3,654 | 96,738 | 121,339 |

## 7. INTANGIBLES

| **September 30, 2017** | **Core Software** | **Computer software** | **Customer List** | **Software RemitX** | **F1 Soft Software** | **Total** |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| **Balance as at January 1** | **77,733** | **38,385** | **100,628** | **529,298** | **531,425** | **1,277,469** |
| **Additions** | **-** | **3,472** | **-** | **-** | **-** | **3,472** |
| **Effect of foreign exchange** | **-** | **2,911** | **7,631** | **40,140** | **40,300** | **90,982** |
| **Balance as at September 30** | **77,733** | **44,768** | **108,259** | **569,438** | **571,725** | **1,371,923** |
| | | | | | | |
| **Accumulated amortization** | | | | | | |
| **Balance as at January 1** | **77,733** | **38,292** | **23,192** | **317,580** | **425,141** | **881,938** |
| **Amortization for the period** | **-** | **93** | **-** | **87,182** | **76,714** | **163,989** |
| **Effect of foreign exchange** | **-** | **3,346** | **1,759** | **22,316** | **41,285** | **68,705** |
| **Balance as at September 30** | **77,733** | **41,731** | **24,951** | **427,078** | **543,139** | **1,114,632** |
| | | | | | | |
| **Net book value** | | | | | | |
| **Balance as at September 30** | **-** | **3,037** | **83,308** | **142,360** | **28,586** | **257,291** |

**(Unaudited, Expressed in US Dollars, unless otherwise stated)**

## 7. INTANGIBLES (Continued)

| December 31, 2016 | Core Software | Computer software | Customer List | Software RemitX | F1 Soft Software | Total |
|---|---|---|---|---|---|---|
| Cost | | | | | | |
| Balance as at January 1 | 77,733 | 37,236 | 97,615 | 513,451 | 515,515 | 1,241,550 |
| Additions | - | - | - | - | - | - |
| Effect of foreign exchange | - | 1,149 | 3,013 | 15,847 | 15,910 | 35,919 |
| Balance as at December 31 | 77,733 | 38,385 | 100,628 | 529,298 | 531,425 | 1,277,469 |
| Accumulated amortization / impairment | | | | | | |
| Balance as at January 1 | 77,733 | 36,458 | 22,498 | 205,381 | 309,309 | 651,378 |
| Amortization for the year | - | 719 | - | 107,281 | 107,712 | 215,712 |
| Effect of foreign exchange | - | 1,115 | 694 | 4,918 | 8,120 | 14,847 |
| Balance as at December 31 | 77,733 | 38,292 | 23,192 | 317,580 | 425,141 | 881,937 |
| Net book value | | | | | | |
| Balance as at December 31 | - | 93 | 77,436 | 211,719 | 106,285 | 395,533 |

## 8. ACCOUNTS PAYABLE AND OTHER LIABILITIES

| | **September 30 2017** | December 31 2016 |
|---|---|---|
| Accounts payable | **$ 2,001,739** | $ 2,133,824 |
| Accrued liabilities | **2,203,924** | 1,032,591 |
| Due to government agencies | **770,614** | 68,531 |
| | **$ 4,976,277** | $ 3,234,946 |

## 9. BORROWINGS

| | **Notes** | **September 30 2017** | December 31 2016 |
|---|---|---|---|
| **Current** | | | |
| Due to Fundeco (Caribank) | 9.1 | **774,598** | $ 711,157 |
| Due to 715 Manitoba | 9.2 | **-** | 1,564,080 |
| Series ‘G’ debentures | 9.3 & 18 | **919,224** | - |
| Due to Finsec Services Inc | 9.6 | **2,121,369** | 2,280,271 |
| Other convertible debentures | 9.7 | **506,217** | 829,415 |
| Short term loan | 9.4 | **-** | 354,323 |
| Short term payable | 9.5 | **828,601** | 1,518,613 |
| Note Payable – Due to Shareholder | 9.8 | **373,351** | 327,975 |
| | | **5,523,359** | 7,585,834 |
| **Non-current** | | | |
| Series ‘G’ debentures and other | 9.3 & 18 | **1,440,709** | 2,105,256 |
| | | **$ 6,964,068** | $ 9,691,090 |

## 9. BORROWINGS (continued)

### 9.1 Current

**Due to Fundeco (Caribank)**

On September 17, 2014, the Company entered into an agreement with Caribank (Subsidiary of Fundeco Inc.) to provide the Company with a credit facility of US $ 1,000,000. The Company drew down on this credit facility to the amount of US $600,000 in September of 2014. The amount owing as at June 30, 2017 includes interest and principal.

The main terms of the credit facility include interest at the rate of 12% per annum. In addition the Group is to pay $0.55 per every money remittance transaction that the Company makes over a base amount as prescribed in the agreement. The Company did not surpass the base amount of transactions and therefore did not incur the additional cost. The Credit Facility is also secured on the common shares of the Jameson Investment Corporation and any direct investment in Class A common shares of Jameson International Foreign Exchange, and a general security agreement over all present and future property of the Company upon usual commercial terms; specifically the Company's bank account in which the borrowed funds reside, technology including patents, customer base and all trademarks of the Company's products and services. This general security agreement has not been perfected by the lender. The lender also has first charge over any third party physical cash collection from the Company and its respective agent locations up to the amount of the loan. Also the above referred agreement provides that the lender is entitled for subscription to additional common shares in the capital of the Company, which shares shall be issued on the basis of lesser of $0.10 cents per share or the last share price utilized. These shares have not been issued and exchange approval will be sought should Fundeco decide to subscribe.

The Company received a default judgment dated December 21, 2015 ("Judgment") for US $650,667 made against the company for monies owing to Fundeco Inc. ("Fundeco"). The litigation alleged that the Company breached the loan agreement dated September 17, 2014 among the Company, Fundeco and Caribank Investment Bank Inc. The Company did not dispute the allegations. As of the date of these financial statements, counsels for both parties are in the process of negotiating a full and final release on terms that are yet to be finalized.

### .9.2 Due to 7159618 Manitoba

In 2015, the Company negotiated the settlement of the Dynamic series A and B debentures and short term loan from GC Global Capital (collectively "Old Loans"). These Old Loans were acquired by 7159618 Manitoba Ltd ("715 Manitoba") and restructured as the New Loan.

The Old Loans were discharged and the difference between the fair value of the equity component of the New Loan plus the financial liability was been taken to the income statement as gain on debt restructuring. The gain was CAD $2.23 million and the reduction in interest expense that was forgiven by 715 Manitoba as part of the New Loan was $517,000.

The New Loan agreement was for a 3 year term. Under the terms of the agreement, interest was accrued at a rate of 10% per annum and was payable only on an event of default. The cash amount payable was CAD $2,100,000 repayable at any time in the 3 year term.

The pre-existing General Security Agreements ('GSA') dated 7, 2013, July 30, 2013 and May 13, 2015 from the old loans was purchased by 715 Manitoba, then an arm's length party, as part of the transaction wherein 715 Manitoba purchased the Old Loans on October 2, 2015 and October 15, 2015, and entered into a loan agreement with the Company on November 15, 2015.

Under the terms of the agreement, the Company was required to issue common shares against CAD $2.23 million for each year the debt is unpaid. The first 44,666,660 common shares, representing the first year debt repayment of CAD $2.23 million, were required to be issued at a deemed price of CAD $0.05 per share. The Company was also required to issue, pending approval from the Toronto Stock Exchange an additional 44,666,660 common shares, at a deemed price of CAD $0.05 per share, for the payment of approximately CAD $2.23 million, representing the second year debt payment.

## 9. BORROWINGS (continued)

### 9.2 Due to 7159618 Manitoba (continued)

In the event that the Company paid cash amount before the first anniversary date of the settlement agreement, the second year shares were to be returned to the Company for cancelation. Had the repayment of the cash amount occurred after the first anniversary date of the settlement agreement but before the second anniversary of the settlement agreement, the equivalent amount of second year shares, calculated on a pro rata basis, were to be returned to the Company for cancelation.

The Company entered into an amending agreement with 7159618 Manitoba on November 21, 2016 to make a substantial change in the debt conversion agreement. This transaction was approved by the TSX Venture Exchange. As disclosed in note 10.1 (d), the conversion resulted in the Company issuing 22,330,000 units at the conversion price of $ 0.10 per unit. Each debt unit consist of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one common share of the Company at an exercise price of CAD $0.20 per share for a period of 2 years from the date of issuance. In addition, the Company paid to 715 Manitoba an aggregate amount of CAD $2.1 million on May 4, 2017 to settle the outstanding debt.

### 9.3 Series ‘G’ debentures and Other loans payable

On December 22, 2015 the Company issued Series G, 14% debentures (the “Debentures”) in the aggregate principal amount of CAD $ 3,430,349 on a non-brokered private placement basis. The Company secured the funds through the interested investors of the Latin American based entity.

The Company reassigned the debt secured through the debenture offering (CAD $3,430,349), including monies loaned to the Latin American company, to a publicly listed company (the "Pubco") and the Pubco continues to service debt payments on the debentures. The Pubco has agreed to lend FGDL CAD $1,440,486. Terms and conditions of this loan are have not been formally documented.

Following is the summary of events surrounding the Series ‘G’ Debentures:

From August 18, 2015 to December 18, 2015, the Company issued Series ‘G’, 14% Debentures in the aggregate principal amount of CAD $3,430,349 on a non-brokered private placement basis.

On August 21, 2015 the Company entered into an agreement with Global Bioenergy SAS (“GBSAS”), an arm’s length party based in Columbia, to implement the Company’s mobile payment solution in Columbia and in other countries in Latin America.

This agreement included the understanding that as the Company secured capital through the Series G debenture offering it would loan a portion of the Series G proceeds to GBSAS for the implementation of the Company's services. GBSAS agreed to pledge its assets in Colombia as collateral for the Series G debenture offering. The agreement provided the Company with a 90 day review period during which it would have the ability to terminate the agreement for non-performance with a break fee of CAD $ 500,000. The agreement also provided the Company with the ability to assign the monies loaned to GBSAS, along with the funds raised through the Series G debenture offering to an alternate company.

On December 1, 2015 the Company received written authorization from the President and CEO of Threegold Resources agreeing to accept assignment of the above noted Series G debenture funds for CAD $3,430,348. Pursuant to the terms of the Series G debentures, the debenture holders consented to the Company assigning the debentures to a third party at any time without first obtaining the consent of the debenture holders.

Up to December 11, 2015 the Company loaned GBSAS a total of CAD $1,989,862 through multiple 3 year promissory notes at an interest rate of 16% per annum.

## 9. BORROWINGS (continued)

### 9.3 Series ‘G’ debentures and Other loans payable

On December 22, 2015, the Company entered into a debt assignment agreement with Threegold Resources ("Threegold"). This agreement included (1) the assignment of debt in the amount of CAD $3,430,349, (2) the Company receivable from GBSAS from promissory notes of CAD $1,989,882 loaned to GBSAS, and (3) an understanding that Threegold would loan CAD $1,440,487 to the Company at a rate of 14% interest for a 3 year term.

From December 21 to December 22, 2015, the Company continued to receive proceeds from the Series G Debentures in the amount of CAD $1,030,956. On December 23, 2015 an amount of CAD $956,969 was provided to GBSAS by way of a 3 year, 16% per annum interest loan from the Company These amounts were not assigned to Threegold.

On December 29, 2015 the Company formally terminated the agreement with GBSAS. The Company maintains two separate borrowings. The first an amount of CAD $1,030,956 in Series G debentures. The Company and Threegold had agreed that these amounts would be assigned to Threegold thorough a second assignment agreement which is yet to be concluded. The second is an amount of CAD $1,440,487 which is a loan from Threegold. The Company also maintains a receivable in the amount of CAD $956,969 from GBSAS in a promissory note. The assignment of debt to Threegold was contractual between Threegold and the Company and not implied. In addition, pursuant to the terms of the Series G debentures, the debenture holders consented to the Company assigning the debentures to a third party at any time without first obtaining the consent of the debenture holders.

As described in note 18, the company received a legal notice from counsel of a group of Series “G” investors, subsequent to the period end.

### 9.4 Short term loan

During the year 2016, the Company reclassified CAD $400,000 note, previously included in convertible debentures, into short term loan, which was a non-brokered private placement basis to an arm’s length party. The loan was subject to interest at 20% per annum. The loan matured in March 2017 and the company settled the liability including unpaid interest in cash, as further disclosed in note 9.7 (a).

### 9.5 Short term payables

a) The Company had obtained loans for a CAD $400,000 and CAD $333,508 from Tamarack Builders and Canaraf Management Inc. respectively, both arm’s length parties. As disclosed in note 10.1 (c), the company and lenders had agreed to convert the loans into units of the company. On May 12, 2017, the conversion to units was completed upon approval from TSX Venture Exchange. The company issued 4,000,000 and 3,335,080 units the lenders respectively. Each Unit is comprised of one (1) common share in the capital of the Company and one (1) Common Share purchase warrant. Each Warrant entitles the holder to purchase one (1) Common Share at an exercise price of CAD $0.20 per share for a period of three (3) years from the date of issuance.

b) In addition to the above-mentioned loans, the company has various short-term loans and advances from various lenders. These loans are payable on demand. Principal amount and accrued interest of these loans is included in short term payables.

### 9.6 Due to Finsec Services Inc.

On February 25, 2011, the Company entered into an agreement to borrow $1,000,000 from Finsec Services Inc. (“Finsec”), a private lender and a related party. As part of this agreement, the Company issued 600,000 warrants which allow the lender to purchase common shares of the Company at a price of$0.25 expiring five years from the date of issue. The maturity date of the debt was first extended to January 13, 2014 and then to December 31, 2015. The Lender further advanced additional loans of CAD $350,000 and CA $150,000, both of which bear interest at 12% per annum.

On November 30, 2015, Finsec agreed to capitalize all outstanding interest payable which will bring the new debt to $1,700,000 and CAD $500,000. The debts were extended by two years expiring on August 31, 2017 at interest rate of 12% per annum payable monthly. The Company is negotiating with the lender the possibility of re-classifying the debt to

## 9. BORROWINGS (continued)

### 9.6 Due to Finsec Services Inc. (continued)

convertible debenture under the terms and conditions mutually acceptable to both parties. The issuance of any convertible debenture is subject to the approval of TSX Venture Exchange.

Finsec is a non-arm's length party, given that the principal of Finsec is a director of the Company. The Company has capitalized the outstanding interest in and that the new capital amount continues to earn interest for the lender, and all terms related to the conversion of such debt to equity remain un-finalized. To date, no documentation for this loan has been formalized or executed. The Company is in discussions with the lender who is a Director of the Company, to finalize the terms and conditions of the extension of this loan, and the members of the Board of Directors of the Company must review and approve the final form of this agreement. If issuance of additional securities beyond the original loan terms are required then appropriate approval of the Exchange will be obtained.

During the period ended September 30, 2017, the company paid outstanding interest aggregating to $391,233 and CAD $115,069 to Finsec in respect of $1,700,000 and CAD $500,000 loans respectively.

Finsec Services Inc. subsequent to the period end, did not remain a related party as described in note 13.2.

On October 24, 2017, the company received a letter from Finsec Services Inc., which stated, among other things that Finsec has no interest in further extending the maturity of the loans and required the company to bring arrears interest payments to date and to present an acceptable payment plan for principal amounts of the loans.

### 9.7 Other convertible debentures

(a) On October 21, 2014, the Company issued Series "D" 10% convertible debentures (the "Debentures") in the aggregate principal amount of CAD $500,000 on a non-brokered private placement basis. The Debenture was subject to bear interest at 10% per annum, such interest to be accrued until maturity. The Debenture was convertible, at the option of the holder, at a price of CAD $0.12 per share at any time. A finder's fee of CAD $50,000 was paid to an arm's length party. The debenture matured on October 21, 2016 and remains unpaid.

The Company remains in negotiation with this the lender. Upon finalization, the Company will seek approval of the Exchange as required. Although the loan continues to accrue interest, the investor has provided the Company with a payment holiday during which the Company is not required to make any interest payments. The balance of debentures/ loan includes interest accrued to date. There are no restrictions on the use of funds.

The Company received CAD $400,000 from the same party on February 9, 2015. This CAD $400,000 advance (the "Advance") was not formally documented since the investor became undecided as to his preferred structure/form of investment. No Debentures was issued against this advance. As disclosed in note 9.4, advance was classified as short-term loan in 2016. The principal amount of the advance along with accrued interest was repaid in cash in March 2017.

(b) On June 24, 2014, the Company entered into an agreement to borrow CAD $ 500,000 from three investors (CAD $200,000, CAD $75,000 and CAD $225,000) at the rate of 10% interest per annum. The maturity date of these borrowings was December 27, 2014. A finder's fee of CAD $50,000 was paid to an arm's length party. On March 25, 2015 the Company completed the conversion of these promissory notes, which matured on December 27, 2014, in aggregate amount of CAD $500,000 into three Series F convertible debentures (the "Debt Debentures"). The Debt Debentures were subject to interest at a rate of 10% per annum, payable on a quarterly basis. The term of the Debt Debentures was 24 months from the date of issuance and are convertible, at the option of the holder, at a price of CAD $0.12 per share at any time on or before maturity date. As discussed in note 10.1 (b), the debenture holders converted the debentures into an aggregate of 4,166,666 common shares on March 24, 2017.

## 9. BORROWINGS (continued)

### 9.8 Due to Shareholders

a) The Company had issued an unsecured promissory note amounting to CAD $250,000 from a shareholder at 12%. The amount of principle and interest due as of September 30, 2017 is CAD $342,562.

b) The company issued a promissory on October 15, 2008 of CAD $40,000 bearing interest at 10% per annum to a shareholder. The note is unsecured and due on demand. The company also has a short-term loan of CAD $50,000 from the same lender at 10% interest and due on demand. The principal and accrued and unpaid interest due as of September 30, 2017 is CAD $118,362.

## 10. ISSUED SHARE CAPITAL

### 10.1 Share Capital transactions in 2017

(a) On March 22, 2017, the Company completed a non-brokered private placement of 14,290,359 units of the Company at a price of CAD $0.70 per unit for aggregate gross proceeds of up to CAD $10,003,251. Each Unit is comprised of one (1) common share in the capital of the Company and one (1) Common Share purchase warrant. Each Warrant entitles the holder to purchase one (1) Common Share at an exercise price of CAD $0.90 per share for a period of three (3) years from the Closing Date.

In the event that, during the period following 12 months from the Closing Date, the volume-weighted average trading price of the Common Shares on the TSX Venture Exchange exceeds CAD $1.80 per Common Share for any period of 20 consecutive trading days, the Company may, at its option, within five business days following such 20-day period, accelerate the Warrant Expiry Date by delivery of Acceleration Notice to the registered holders and issuing a press release and in such case, the Warrant Expiry Date shall be deemed to be on the 30th day following the later of (i) the date on which the Acceleration Notice is sent to Warrant holders, and (ii) the date of issuance of the Warrant Acceleration Press Release.

(b) On March 24, 2017, three holders of convertible debentures converted their debentures into common shares of the company at exercise price of CAD $0.12 per share. The company issued an aggregate of 4,166,666 common shares of the Company upon conversion of these debentures.

(c) On November 21, 2016, the Company had agreed to convert debt amounting to CAD $ 1,464,500 with various parties into equity. On May 12, 2017, the conversion to equity was completed upon approval from TSX Venture Exchange. The company issued an aggregate of 14,464,500 units to six parties. Each Unit is comprised of one (1) common share in the capital of the Company and one (1) Common Share purchase warrant. Each Warrant entitles the holder to purchase one (1) Common Share at an exercise price of CAD $0.20 per share for a period of three (3) years from the date of issuance.

(d) On 25 April 2017, the company issued an aggregate number of 4,000,000 stock options to two directors of the company. The options have an exercise price of CDN$0.78 per common share and expire on April 24, 2022. Options aggregating 2,000,000 vested immediately. The remaining options will vest over a period of two years.

(e) On May 30, 2017, the Company settled its outstanding obligation with 7159618 Manitoba Ltd. ("715Manitoba"). The company issued an aggregate of 22,330,000 units (the "Debt Units") to 715 Manitoba. Each Debt Unit comprised of one (1) common share and one (1) purchase warrant. Each purchase warrant entitles the holders to acquire one common share of the Company at an exercise price of CAD $0.20 at any time until close of business on May 29, 2019. Pursuant to the policies of the TSX Venture Exchange, the common shares and common share purchase warrants comprising the Debt Units are subject to resale restrictions. The securities will be released in tranches of 5,582,500 common shares and common share purchase warrants each on September 30, 2017, November 29, 2017, February 28, 2018 and May 29, 2018.

## 10. ISSUED SHARE CAPITAL (Continued)

### 10.2 Share capital transactions in 2016

(a) On December 5, 2016, the Company completed a private placement of units of stock with investors for CAD $3,000,000 at an issue price of CAD $0.10 per Unit. Under the terms of the placement each Unit comprise one (1) common share and one (1) share purchase warrant. Each whole warrant entitles the holder to acquire one common share in the capital of the Company at an exercise price of CAD $0.20 per share for a period of thirty six (36) months from the date of issuance. The net proceeds of the offering will be used for general working capital and float. Proceeds from the Offering will be used to fund the Company's continued expansion of its mobile payment service in target markets around the world, and for general working capital.

In connection with the private placement, the Company paid commission and other expenses of CAD $262,859 to an arm's length third parties. In addition to the commission, the Company issued an aggregate of 2,01,000 broker warrants to the arm's length third party. Each Broker Warrant entitles the holder thereof to acquire one (1) common share in the capital of the Company at an exercise price of CAD $0.25 per share for a period of twenty four (24) months from the date of issuance.

(b) On 19 December 2015, the company agreed to issue a convertible debenture of CAD $992,384 (the debenture) to an arm’s length third party. The amount represented the principal amount of a previously issued convertible debenture (original debenture), a note payable and unpaid interest owed to the third party. The proposed new debenture was never issued and the conversion feature was derecognized from the financial statements as of December 31, 2016. As disclose in notes 9.4 and 9.7, the company repaid the note in March 2017, along with unpaid interest. The original debenture of CAD $500,000 expired on 21 October 2016 and, along with unpaid interest, remains unpaid as of the date of these financial statements.

(c) On 7 December 2016, the company approved an aggregate number of 9,000,000 stock options. The stock options were granted to three directors and officers of the company. The options have an exercise price ranging from CDN$0.45 per common share to CDN$0.55 per common share and expire on December 06, 2021. Options aggregating 4,250,000 vested immediately. The remaining options will vest over a period of two years.

(d) The company had agreed to issue 4,377,505 common shares and 1,250,000 common share purchase warrants to various arms length third parties in 2015 against an aggregate amount of CAD $312,113. The amount was classified as a liability in the consolidated financial statements for the year ended December 31, 2016, since the company did not seek approval from TSX Venture exchange for issuance of shares and warrants. In May 2017, the company issue 1,500,000 units of the company to one of the parties against the outstanding amount of CAD $150,000. Details of this the transaction are disclosed in note 10.1 (b).

(e) On July 21, 2014, the Company’s US subsidiary First Global Money Inc. (FGMI) entered into an agreement (“the Agreement”) with Blue Money Inc. The term of the Agreement was for an initial term of three (3) years with the option to renew for an additional two (2) one (1) year extensions. The company agreed that it would issue to Blue Money an aggregate of 5 million compensation warrants (the "Warrants"). Each Warrant would have entitled Blue Money to acquire one (1) common share in the capital of First Global at an exercise price of CAD $0.50 per common share for a period of three (3) years from date of issuance. The Warrants would have been placed into escrow and released from escrow on a quarterly basis based on one (1) Warrant for every two (2) active clients (as such term is defined in the Agreement) that utilize the services provided by the Company pursuant to the Agreement. There were no active clients and since no business had been conducted under this Agreement both parties mutually agreed to terminate the Agreement on June 20, 2016. There were no warrants ever issued in connection with this Agreement and the Company has not issued, nor is it obligated to issue, any securities or other compensation to Blue Money Inc.

**(Unaudited, Expressed in US Dollars, unless otherwise stated)**

## 11 REVENUE

| | Three months ending | | Nine months ending | |
|---|---|---|---|---|
| | **September 30 2017** | September 30 2016 | **September 30 2017** | September 30 2016 |
| Wire transfer fee and mobile payment | $ 330,105 | $ 102,161 | **$ 1,031,942** | $ 135,108 |
| Technology licenses | 4,133,801 | 960,533 | **10,092,533** | 3,100,456 |
| Other revenue | 41,073 | 49,422 | **115,772** | 175,057 |
| | **$ 4,504,979** | $ 1,112,116 | **$ 11,240,247** | $ 3,410,621 |

## 12 EARNINGS PER SHARE

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows.

| | **September 30 2017** | September 30 2016 |
|---|---|---|
| **Basic** | | |
| Income for the period attributable to owners of the Group | **$150,958** | $213,692 |
| Earnings used in the calculation of basic earnings per share | **$150,958** | $213,692 |
| Weighted average number of ordinary shares for the purposes of basic earnings per share | **213,327,072** | 152,342,372 |
| **Earnings per share - Basic** | **$0.0007** | $0.0014 |
| **Diluted** | | |
| Earnings used in the calculation of diluted earnings per share | **$362,180** | $213,692 |
| Weighted average number of ordinary shares for the purposes of diluted earnings per share | **272,221,333** | 152,342,372 |
| **Earnings per share - Diluted** | **$0.0007** | $0.0014 |

**(Unaudited, Expressed in US Dollars, unless otherwise stated)**

## 13. RELATED PARTY TRANSACTIONS

The Company has the following transactions with related parties:

All transactions with related parties are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

| | **September 30 2017** | September 30 2016 |
|---|---|---|
| Fees included in selling, general and administrative expenses: | | |
| Management service fees to companies owned by directors and officers | **$ 201,928** | $ 72,581 |
| Management services provided by a director | **186,502** | 58,065 |
| Compensation and non-cash options | **2,224,030** | 7,845 |

At the year end, amounts outstanding with related parties are as follows:

| | Note | **September 30 2017** | December 31 2016 |
|---|---|---|---|
| Due to companies owned by directors | 13.1 | **539,246** | 631,281 |
| Due to directors | | **194,607** | 376,965 |
| Due to Finsec | 9.5 & 13.2 | **2,100,650** | 2,280,271 |
| Due to shareholders | 9.7 | **373,351** | 327,975 |
| Due from company controlled by directors | | **146,236** | 135,925 |

13.1 These balances are payable on demand. The balances have arisen from services rendered and loans provided to the Group by the shareholders of the Group.

13.2 Subsequent to the period end, the related party relationship ended on October 26, 2017, when the director was not re-elected in the annual general meeting.

Key management compensation comprised of salaries, for the period was $ 388,430 (2016 - $130,646).

## 14. FINANCIAL INSTRUMENTS

### 14.1 Fair values

The estimated fair value of cash and cash equivalents, trade and agent receivable, other receivables, borrowings and finance leases approximates their carrying values due to the relatively short-term nature of the instruments. The fair value of accounts payables and accrued liabilities approximates their fair values due to the requirement to extinguish the liabilities on demand.

### 14.2 Financial risk management objectives and policies

The financial risk arising from the Group's operations are currency risk, credit risk and liquidity risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Group's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below.

Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. The Group's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

**(Unaudited, Expressed in US Dollars, unless otherwise stated)**

## 14. FINANCIAL INSTRUMENTS (Continued)

### 14.3 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's functional currency) and the Group's net investments in foreign subsidiaries. The Group operates internationally and is exposed to foreign exchange risk as certain expenditures are denominated in non-US dollar currencies. The exposure is predominantly to the US Dollar. US Dollars denominated balances generate foreign exchange gains and losses that are reported on the income statement. A strengthening of $0.01 in the Canadian Dollar against the US Dollars would have decreased the net loss for the period by approximately $25,178 (2016 - $9,133) for the period.

A $0.01 weakening of the Canadian against the US Dollars would have an equal, but opposite, effect. At September 30, 2017 and September 30, 2016, one Canadian Dollar was equal to 0.8013 US Dollar and 0.7448 US Dollar, respectively.

Balances in non-Canadian dollar currencies are as follows:

| | |
|---|---|
| Cash and trade and agents receivable | $ 3,443,942 |
| Accounts payable and other liabilities | (926,127) |
| | $2,517,815 |

### 14.4 Credit risk

Credit risk is managed on Group basis, except for credit risk relating to accounts receivable balances. Each local entity is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Credit risk arises from credit exposures to agents, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. If agents are independently rated, these ratings are used. If there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilization of credit limits is regularly monitored.

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by these counterparties.

### 14.5 Liquidity risk

The Group manages its liquidity risk by preparing and monitoring forecasts of cash expenditures to ensure that it will have sufficient liquidity to meet liabilities when due. The Group's accounts payable and accrued liabilities generally have maturities of less than 90 days. At September 30, 2017, the Company had cash of $3,743,739 to settle current liabilities of $ 10,566,975. The Company has embarked on raising capital to meet its working capital requirements, these include the new private placements and going to the capital markets for further investments into the Company.

Undiscounted cash flows of financial liabilities based on maturity date are as follows:

| | 1 year | 2 to 5 years | >5 years | Total |
|---|---|---|---|---|
| Accounts payable and accrued liabilities | 4,976,277 | - | - | 4,976,277 |
| Taxes payable | 67,339 | - | - | 67,339 |
| Borrowings | 5,523,359 | 1,440,709 | - | 6,964,068 |
| | **10,566,975** | **1,440,709** | - | **12,007,684** |

**(Unaudited, Expressed in US Dollars, unless otherwise stated)**

## 14. FINANCIAL INSTRUMENTS (Continued)

### 14.6 Fair value hierarchy

The following summarizes the methods and assumptions used in estimating the fair value of the Group's financial instruments where measurement is required. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgment. The methods and assumptions used to develop fair value measurements, for those financial instruments where fair value is recognized in the balance sheet, have been prioritized into three levels as per the fair value hierarchy included in IFRS.

- Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level two includes inputs that are observable other than quoted prices included in level one.
- Level three includes inputs that are not based on observable market data.

All of the Group's cash is level one as per the fair value hierarchy included in IFRS.

## 15. CAPITAL MANAGEMENT

The Group's primary objectives when managing capital are to continue the development of the business and support new growth initiatives. The Board of Directors does not establish quantitative capital criteria for management, but rather relies on the expertise of the Group's management to sustain future development of the business, and continued growth. First Global Money Inc. (FGMI) is required to meet state regulatory minimum capital requirements to continue operating with the various states. During the period, the Company contributed additional capital to meet the minimum requirements. Management reviews its capital management approach on an ongoing basis. The Parent is committed to providing the necessary liquidity for continued operations, as required. The impact of the Company not meeting its capital contribution may put the money remittance license in the USA in jeopardy.

The Group includes equity, comprised of issued capital stock, warrants, options and conversion rights; and deficit, in the definition of capital. The Group is dependent on external financing to fund its activities. In order to carry out planned business activities and pay for administrative costs, the Group will spend its existing working capital and raise additional amounts as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Group, is reasonable.

## 16. SEGMENTED INFORMATION

The Company has the following operating segments based on geographical presence:

| **September 30, 2017** | **Total** | **USA** | **Canada** | **Others** |
|---|---|---|---|---|
| Revenues | **11,240,247** | **644,261** | **10,340,036** | **255,951** |
| Assets | | | | |
| Non-current assets | **469,638** | **53,659** | **328,623** | **87,356** |
| **September 30, 2016** | | | | |
| Revenues | 3,410,621 | $ 175,685 | $ 3,219,241 | $ 15,695 |
| Assets | | | | |
| Non-current assets | 575,393 | - | 482,003 | 93,390 |

**(Unaudited, Expressed in US Dollars, unless otherwise stated)**

## 17. CONTINGENCIES

On December 22, 2015, the Company assigned 3,430,348 of Series G debentures to a public company ("Pubco"), and as announced in its press releases of January 21, 2016 and November 1, 2016. The Pubco had the authority to accept the Assignment. The Company is of the position that the Assignment was valid and that the Pubco is responsible for the repayment of the associated debentures. In the event that the Assignment is not serviced by Pubco, there is a possibility that the Company may choose to re-assume the Debentures. If the Company re-assumes the Debentures, the Company is of the opinion that the Debentures will not have a material impact on the operations of the Company.

The Company issued a Press Release on March 10, 2017 explaining this matter in further detail.

## 18. SUBSEQUENT EVENTS

On November 24, 2017 the company received a legal notice from the counsel representing a group of Series "G" debentures holders', alleging the company of breach of its obligations under the debenture agreement. The company has initiated process to review the matter.

## 19. SUBSIDIARIES

| Name of subsidiary | Principal activity | Place of Business and operation | Proportion of ownership interest and voting rights held | |
|---|---|---|---|---|
| | | | 2017 | 2016 |
| First Global Data Corp. | Technology & Remittance | Canada | 100% | 100% |
| First Global Technologies Inc. | Technology Service Provider | Canada | 100% | 100% |
| First Global Data Corp. | Holding Company | USA | 100% | 100% |
| First Global Data (UK) Limited | Inactive | United Kingdom | 100% | 100% |
| First Global Money Inc. | Money Remitter | USA | 100% | 100% |
| First Global Money Guyana Inc. | Money Transmitter | Guyana | 100% | 100% |
| F1 Soft International PTE. LTD. | Technology Vendor | Singapore | 70% | 70% |
| MAG Services USA LLC | Retail Money Remitter | USA | 90% | 90% |
| Msewa Software Solution (P) Ltd. | Mobile Wallet | India | 90% | 100% |
| Connect First Inc. | Inactive | Guyana | 100% | 100% |
| Samsos Express Money Transfer S. de R.L de C.V | Inactive | Mexico | 100% | 100% |