LOGiQ Asset Management

Consolidated Financial Statements

for the years ended September 30, 2017 and 2016

MANAGEMENT'S REPORT TO SHAREHOLDERS

Management of LOGiQ Asset Management Inc. ("LOGiQ") is responsible for the integrity and objectivity of the financial statements and all other information contained in this document. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are based on management's best information and judgment.

LOGiQ's accounting procedures and related systems of internal controls are designed to provide reasonable assurance that its assets are safeguarded, that transactions are executed in accordance with appropriate authorization, and that accounting records may be relied upon to appropriately reflect LOGiQ's business transactions.

The Audit Committee of the Board of Directors is composed of outside directors who meet periodically and independently with management and the external auditors to discuss LOGiQ's financial reporting and internal control. The Audit Committee reviews the financial information prepared by management and the results of the audit by the external auditors prior to recommending the financial statements to the Board of Directors for approval. The external auditors have unrestricted access to the Audit Committee.

Management acknowledges its responsibility to conduct LOGiQ's affairs in the best interests of its shareholders.

"Signed"	*"Signed"*
Joseph C. Canavan President & Chief Executive Officer	Mary Anne Palangio Chief Financial Officer

December 31, 2017

Independent Auditor's Report

To the Shareholders of
LOGiQ Asset Management Inc.

We have audited the accompanying consolidated financial statements of LOGiQ Asset Management Inc. and its subsidiaries, which comprise the consolidated statement of financial position as at September 30, 2017 and consolidated statements of net and comprehensive loss, changes in equity and cash flows for the year then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

PricewaterhouseCoopers LLP
PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario, Canada M5J 0B2
T:+ 1 416 863 1133, F: +1 416 365 8215

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of LOGiQ Asset Management Inc. and its subsidiaries as at September 30, 2017 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Other matter

The financial statements of LOGiQ Asset Management Inc. for the year ended September 30, 2016, were audited by another auditor who expressed an unmodified opinion on those statements on December 22, 2016.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

LOGiQ Asset Management Inc.

Consolidated Statements of Financial Position

As at September 30, 2017 and 2016 (stated in thousands of Canadian dollars)

	Notes		2017		2016
Assets					
Current assets					
Cash and cash equivalents		**$**	**1,278**	$	1,652
Funds held in trust			**7,167**		-
Due from carrying broker			**30,583**		-
Trade and other receivables			**3,597**		3,684
Investments at fair value through profit or loss			**12**		-
Prepaid expenses			**674**		73
			43,311		5,409
Assets held for sale	6, 7, 29		**29,448**		746
		$	**72,759**	$	6,155
Property and equipment	8		**120**		-
Prepaid deposits and expenses			**76**		-
Notes receivable			**-**		605
Intangible assets and goodwill	9		**9,519**		-
Deferred sales commissions	10		**117**		987
Total assets		**$**	**82,591**	$	7,747
Liabilities					
Current liabilities					
Due to clients		**$**	**30,583**	$	-
Due to carrying broker			**7,167**		-
Trade and other payables			**5,165**		4,441
Provisions	11		**2,463**		-
Promissory note	5(B), 13		**6,376**		-
Due to related parties			**-**		125
Liabilities related to assets held for sale	6		**-**		296
		$	**51,754**	$	4,862
Convertible debentures	14, 29		**15,300**		-
Subordinated loan			**11**		-
Provisions	11		**1,270**		-
Deferred tax liabilities	24		**726**		-
Non-controlling interest					
Non-controlling interest			**97**		-
Shareholders' equity					
Share capital	15	**$**	**29,671**	$	-
Treasury stock			**(3)**		-
Convertible debentures equity component	14		**1,476**		-
Contributed surplus			**2,348**		-
Accumulated deficit			**(20,059)**		2,885
		$	**13,433**	$	2,885
Total liabilities & shareholders' equity	2 (C)	**$**	**82,591**	$	7,747

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

Approved on behalf of the Board of Directors

"Signed"
Director - Joe Canavan

"Signed"
Director - Colleen McMorrow

LOGiQ Asset Management Inc.

Consolidated Statements of Net and Comprehensive Loss

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars, except share and per share amounts)

	Notes		2017		2016
Revenue					
Management fees and other fees		$	4,272	$	-
		$	4,272	$	-
Expenses					
Salaries and wages			4,498		-
General and administrative	28		3,804		-
Share based compensation	18		1,704		-
Amortization of intangible assets - finite life	9		1,287		-
Depreciation of property and equipment	8		76		-
Net finance expense	20		2,360		-
Total expenses		$	13,729	$	-
Impairment charge	5(A), 9		5,320		-
Net gains on financial assets and liabilities at fair value through profit or loss	19		(2,731)		-
Net loss before taxes		$	(12,046)	$	-
Income tax recovery	24		(1,019)		-
Net loss from continuing operations		$	(11,027)	$	-
Discontinued operations					
Net loss, net of taxes	7		(8,537)		(75)
Net loss for the year		$	(19,564)	$	(75)
Net loss attributale to:					
Equity owners of the Company					
Continuing operations		$	(11,027)	$	-
Discontinued operations			(8,541)		(75)
			(19,568)		(75)
Non-Controlling Interest					
Continuing operations			-		-
Discontinued operations			4		-
			4		-
		$	(19,564)		(75)
Net loss per share					
Basic and diluted - Continuing operations	21	$	(0.039)	$	-
Basic and diluted - Discontinued operations	21	$	(0.030)	$	(0.001)
		$	(0.069)	$	(0.001)

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

LOGiQ Asset Management Inc.

Consolidated Statements of Changes in Equity

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars, except per share amounts)

	Notes		2017		2016
Number of common shares outstanding (in thousands)					
Outstanding at the beginning of the year	15		**107,563**		107,563
Shares issued - pursuant to business combinations:					-
Shares issued to former shareholders of Aston Hill	15		**104,190**		-
Shares issued to debentureholders of Aston Hill	15		**48,711**		-
Shares issued to owners of TCI	15		**26,890**		-
Shares issued - pursuant to private placement	15		**34,437**		-
Shares issued - other	15		**3,333**		-
Restricted shares vested and treasury stock granted	15, 18		**2,168**		-
Shares repurchased and held in treasury	18		**(191)**		-
Outstanding at end of year			**327,101**		107,563
Share capital					
Balance at the beginning of the year		**$**	**-**	$	-
Shares issued - pursuant to business combinations	5, 15		**24,125**		-
Shares issued - pursuant to private placement	15		**5,165**		-
Shares issued - other	15		**780**		-
Share issue costs, net of deferred tax	15		**(399)**		-
Balance at end of year		**$**	**29,671**	$	-
Treasury stock					
Balance at the beginning of the year		**$**	**-**	$	-
Treasury stock granted	18		**24**		-
Shares repurchased and held in treasury	18		**(27)**		-
Balance at end of year		**$**	**(3)**	$	-
Convertible debentures equity component					
Balance at beginning of year		**$**	**-**	$	-
Acquisition of Aston Hill	14		**1,476**		-
Balance at end of year		**$**	**1,476**	$	-
Contributed surplus					
Balance at beginning of year		**$**	**-**	$	-
Warrants issued	15		**171**		-
Share-based compensation expensed	18		**1,704**		-
Share-based compensation exercised			**(29)**		-
Vested component of stock based compensation	5(A)		**502**		
Balance at end of year		**$**	**2,348**	$	-
Retained earnings (Accumulated deficit)					
Balance at beginning of year		**$**	**2,885**	$	6,503
Shares issued under Aston Hill's RSU Plan	18		**(280)**		-
Distributions to parent company related to liabilities transferred to the Group	5(A)		**(1,226)**		-
Net loss and comprehensive for the year			**(19,568)**		(75)
Net distributions/redemptions to the former partners of Front Street Capital	17		**(1,870)**		(3,543)
Balance at end of year		**$**	**(20,059)**	$	2,885
Total shareholders' equity		**$**	**13,433**	$	2,885

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

LOGiQ Asset Management Inc.

Consolidated Statements of Cash Flows

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars)

	Notes		2017		2016
Cash flows from operating activities					
Net loss from continuing operations		$	**(11,027)**	$	-
Adjustments for non-cash items:					
Net finance expense	20		**2,360**		-
Share based compensation	18		**1,704**		-
Depreciation of property and equipment	8		**76**		-
Loan repayment from fund			**155**		-
Amortization of finite life intangible assets	9		**1,287**		-
Impairment charge	5(A), 9		**5,320**		-
Net gains on financial assets and liabilities at fair value through profit or loss	19		**(2,731)**		-
Income tax recovery	24		**(1,019)**		-
		$	**(3,875)**	$	-
Change in non-cash working capital	22		**(3,208)**		-
		$	**(7,083)**	$	-
Income taxes recovered			**1,377**		-
Net cash used in continuing operating activities			**(5,706)**		
Net cash provided by discontinued operations - operating activities	7		**2,602**		1,982
Net cash (used in) provided by operating activities		$	**(3,104)**	$	1,982
Investing Activities					
Acquisition of global advisory business	5(B)	$	**(3,154)**	$	-
Proceeds on sale of investments in mutual funds			**109**		-
Property and equipment expenditures			**(124)**		-
Deferred sales commission paid	10		**(280)**		-
Net cash used in continuing investing activities		$	**(3,449)**	$	-
Net cash used in discontinued operations - investing activities	7	$	**-**	$	(209)
Net cash used in investing activities		$	**(3,449)**	$	(209)
Financing Activities					
Proceeds from issuance of shares	15	$	**5,665**	$	-
Cash acquired in reverse takeover transaction	5(A)		**3,273**		-
Share issue costs	15		**(310)**		-
Settlement of promissory note on sale of Jemekk	6		**(296)**		-
Net drawings by the former partners of Front Street Capital			**(519)**		-
Settlement of subordinated loans	5(A)		**(200)**		-
Payment on promissory note liability to Integra Capital Ltd.	13		**(462)**		-
Cash received from notes receivable - Brant Notes	5(A)		**160**		-
Interest paid	13, 14		**(1,105)**		-
Shares repurchased and held in treasury	18		**(27)**		-
Net cash provided by continuing financing activities		$	**6,179**	$	-
Net cash used in discontinued operations - financing activities	7	$	**-**	$	(4,781)
Net cash provided by (used in) from financing activities		$	**6,179**	$	(4,781)
Change in cash and cash equivalents		$	**(374)**	$	(3,008)
Cash and cash equivalents, beginning of year			**1,652**		4,660
Cash and cash equivalents, end of year		$	**1,278**	$	1,652

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

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars, except share and per share amounts, unless otherwise stated)

1. REPORTING ENTITY AND NATURE OF BUSINESS

LOGiQ Asset Management Inc. ("LOGiQ Inc.", or "the Company") is a company incorporated under the laws of the Province of Alberta, Canada, and is domiciled in Canada. LOGiQ Capital 2016 (the "Partnership") is a general partnership that was formed under the laws of the Province of Ontario on September 23, 2004. The Partnership was formerly known as Front Street Capital 2004. The Partnership is registered with the Ontario Securities Commission as an investment fund manager and, as a result, is required to maintain specified levels of working capital.

On December 8, 2016, the businesses formerly named Aston Hill Financial Inc. ("Aston Hill"), Front Street Capital 2004 ("Front Street Capital"), and Tuscarora Capital Inc. ("TCI") were combined to form the LOGiQ Asset Management group of companies. Aston Hill acquired all of the partnership interests in Front Street Capital and all of the issued and outstanding voting shares and non-voting shares of the capital of TCI. Front Street Capital and TCI were under common control. In connection with the transaction, the names of the businesses were changed to better reflect the combined company. The transaction was accounted for as a reverse acquisition under the acquisition method of accounting for business combinations with Front Street Capital being the accounting acquirer.

Current business name	Former business name	Legal and accounting status
LOGiQ Asset Management Inc.	Aston Hill Financial Inc.	Legal parent / accounting acquiree
LOGiQ Capital 2016	Front Street Capital 2004	Legal subsidiary / accounting acquirer

The principal business of the Company includes (1) the management, marketing, distribution and administration of mutual funds, closed end funds, private equity funds, hedge funds, segregated institutional funds, and other fee-based investment products for Canadian investors; and (2) institutional sales-related fee earning arrangements. As described in notes 7 and 29, certain of the Company's assets are held for sale as at September 30, 2017 and substantially all of the Company's remaining assets became held for sale subsequent to September 30, 2017. LOGiQ Inc. was formerly Aston Hill Financial Inc. LOGiQ Inc. is a publicly traded corporation on the Toronto Stock Exchange ("TSX"), with its head office and principal address being 180 John Street, Toronto, Ontario, M5T 1X5. The registered and records office of the Company is Suite 500, 31 – 6th Avenue SW, Calgary, Alberta, T2P 3H3.

LOGiQ Inc. was a diversified asset management company focused on the integration of business acquisitions, achievement of synergies, pursuit of merger, acquisition, partnership and divestiture opportunities, growing its suite of product offerings and enhanced delivery with its goal to achieve the benefits of greater scale for its stakeholders.

For accounting purposes, the Partnership, LOGiQ Capital 2016, is the acquirer of LOGiQ Inc., and as such, these consolidated financial statements ("financial statements") are a continuation of the financial statements of the Partnership with one adjustment, which is to adjust retroactively LOGiQ Capital 2016's legal capital to reflect the legal capital of LOGiQ Inc.

The transactions and balances of LOGiQ Inc., the legal parent, and its other subsidiaries, are included in these consolidated financial statements from the effective date of the acquisition, being December 8, 2016, accordingly, the comparative figures include only the results of LOGiQ Capital 2016 (formerly Front Street Capital 2004).

Legal name	Legal status	Ownership interest
LOGiQ Asset Management Ltd.	Subsidiary of LOGiQ Inc.	100%
LOGiQ Capital 2016	Subsidiary of LOGiQ Inc.	100%
LOGiQ Capital Partners Inc.	Subsidiary of LOGiQ Inc.	51%
Tuscarora Capital Inc.	Subsidiary of LOGiQ Inc.	100%

These consolidated financial statements were approved and authorized for issuance by the Board of Directors on December 29, 2017.

2. BASIS OF PREPARATION

a) Statement of compliance

These consolidated financial statements ("financial statements") have been prepared on a going concern basis in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The accounting policies applied in these financial statements are based on IFRS effective for the year ended September 30, 2017.

b) Basis of measurement

The financial statements are presented in thousands of Canadian dollars and have been prepared applying the historical cost method, except for certain financial assets and liabilities including derivative financial instruments which are stated at fair value. Historical cost reflects the fair value of consideration exchanged for the asset at the date it is acquired.

c) Use of estimates, assumptions and judgments

The preparation of financial statements in accordance with IFRS requires management to make estimates and exercise judgment that affect reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates and judgments are made based on information available as at the date of issuance of the consolidated financial statements that are believed to be reasonable. Accordingly, actual results may differ from these estimates. Accounting policies that require management's estimates and judgments are discussed below.

Liquidity and use of going concern assumption

At each reporting period, management assesses the basis of preparation of the financial statements. These financial statements have been prepared using accounting principles applicable to a going concern. The going concern basis of presentation assumes that the Company will continue its operations for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of the business.

For the year ended September 30, 2017, the Company had a total comprehensive loss of $19,564, and as at that date, current assets (including assets held for sale) exceed current liabilities by $21,005. However, as described in Note 7, on September 11, 2017 the Company announced the agreement to sell substantially all of the retail asset management agreements owned by the Company, representing over 80% of the revenues for the year ended September 30, 2017. Also, as described in Note 29, as a result of the approval of the sale, certain amendments were made to the indenture governing the Company's 7.0% senior unsecured convertible debentures due June 30, 2021 which became effective December 15, 2017. These amendments provide for a retraction right of up to 75% of the outstanding principal to be paid out in January 2018, with the potential to have the remaining 25% outstanding principal to now mature on September 30, 2018. The Company has sufficient cash to meet these obligations, and together with the additional facilities discussed below, the Company has sufficient cash for ongoing operations.

In recognition of these circumstances, subsequent to year end, the Company commenced a strategic review of its remaining businesses and commenced to actively seek a merger partner, which may include a concurrent or subsequent sale of some or all of its remaining assets. A merger and/or a sale is probable and expected to occur within the next year. The Company has also significantly reduced operating expenses for the continuing operations, including moving to lower cost and smaller space, reducing headcount and exiting contracts where appropriate. Management is of the view that the successful sale of the remaining businesses along with two separate credit facilities with related parties for a total amount of $1 million which were put in place subsequent to year end (see note 29) will result in the Company being able to meet its obligations as they come due over the next 12 months. Management also acknowledges that there can be no assurance that such a merger and or a sale will be successful.

Business Combinations

In a business combination, substantially all identifiable assets, liabilities and contingent liabilities acquired are recorded at the date of acquisition at their respective fair values. One of the most significant areas of judgement and estimation relates to the determination of the fair value of these assets and liabilities, including the fair value of contingent consideration, if applicable. If any intangible assets are identified, depending on the type of intangible asset and the complexity of determining its fair value, the Company determines the fair value, using appropriate valuation techniques, which are generally based on a forecast of the total expected future net cash flows. These valuations are linked closely to the assumptions made by management regarding the future performance of the assets concerned and any changes in the discount rate applied.

Useful life of property and equipment and finite life intangible assets

The Company employs significant estimates to determine the estimated useful lives of property and equipment and intangible assets with finite useful lives, considering industry trends, contractual rights, past experience, expected use and review of asset useful lives. The Company reviews amortization methods, useful lives and residual values annually or when circumstances change and adjusts its amortization methods and assumptions prospectively.

Impairment of Goodwill and Intangible Assets

Goodwill, definite life intangibles and indefinite life intangibles are assessed by the Company for impairment annually at September 30, and whenever there is an indication that the asset may be impaired. The Company determines the fair value of its cash-generating units using discounted cash flow models corroborated by other valuation techniques. The determination of the recoverable amount of a CGU involves the use of estimates and assumptions of a long-term nature regarding discount rates, projected revenues, and profitability, as applicable, derived from past experience, actual operating results and budgets. These estimates and assumptions may change in the future due to uncertain competitive and economic market conditions or changes in business strategies. The determination of the assets' recoverable amount involves the use of estimates by management and can have a material impact on the respective values and ultimately the amount of any impairment.

Income Taxes

The Company computes an income tax provision in each of the tax jurisdictions in which it operates. Actual amounts of income tax expense only become final upon filing and acceptance of the tax return by the relevant tax authorities, which occurs subsequent to the issuance of the consolidated financial statements. Additionally, estimation of income taxes includes evaluating the recoverability of deferred tax assets against future taxable income based on an assessment of the ability to use the underlying future tax deductions before they expire. To the extent that estimates of future taxable income differ from the tax return, earnings would be affected in a subsequent period.

Share Based Compensation

The Company uses estimates and judgment when determining the share based compensation expense during a reporting period. The determination of the share based compensation expense resulting from the Company's granting of employee share options and other deferred share based awards depends on the use of option pricing and probability-weighted models, which by their nature are subject to measurement uncertainty. These models require the use of subjective assumptions, including expected stock price volatility and the use of historical data that may not be reflective of future performance.

Provisions

The Company may become involved in legal proceedings, including regulatory investigations, in the ordinary course of business. Contingent litigation loss provisions are recorded by the Company when it is probable that the Company will incur a loss and the amount of the loss can be reasonably estimated. Management and the Company's external experts are involved in assessing likelihood and in estimating any amounts involved. Provisions related to restructuring costs are also recorded when the recognition criteria for provisions are met.

Fair Value of Financial Assets and Liabilities

Trading assets, securities designated at fair value through income or loss and available-for-sale (AFS) investments involve the use of judgment to estimate fair values when quoted market prices are not available. These valuation techniques involve a degree of estimation, the extent of which depends on the instrument's complexity and the availability of market-based data.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of consolidation

These financial statements include the accounts of the Company and subsidiaries controlled by the Company. The Company is deemed to control a subsidiary when it is exposed to, or has the right to, variable returns from its involvement with the subsidiary and it has the ability to direct the activities of the subsidiary that significantly affects the investee's returns through its power over the subsidiary. Where the Company's interest in a subsidiary is less than one hundred percent, the Company recognizes a non-controlling interest in the investee. The results of subsidiaries acquired during the year are consolidated from the date of acquisition. All intercompany transactions, balances, revenues and expenses are eliminated on consolidation.

Subsequent to acquisition, the carrying amount of non-controlling interests is the amount recognized initially, plus the non-controlling interests' share of changes in the capital of the company in addition to changes in ownership interests. Total comprehensive income or loss is attributed to non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The financial statements of controlled entities are included in these financial statements from the date control is effective until control ceases to exist.

The Company’s operating subsidiaries include the following:

- LOGiQ Asset Management Ltd.
- LOGiQ Capital 2016
- LOGiQ Capital Partners Inc.
- Tuscarora Capital Inc.

As discussed in notes 7 and 29, retail management contracts held by LOGiQ Asset Management Inc. are classified as held for sale as at September 30, 2017 and the retail asset management business has been identified as discontinued operations during the year ended September 30, 2017.

b) Business combinations

Business combinations are accounted for using the acquisition method. The consideration for an acquisition is measured at the fair values of the assets transferred, the liabilities assumed and the equity interests issued at the acquisition date. The excess of the consideration over the fair value of the identifiable net assets acquired is recorded as goodwill. Transaction costs that are incurred in connection with a business combination, other than costs associated with the issuance of debt or equity securities, are expensed as incurred. On an acquisition-by-acquisition basis, any non-controlling interest is measured either at fair value of the non-controlling interest or at the fair value of the proportionate share of the net assets acquired.

Contingent consideration is measured at fair value on acquisition date and is included as part of the consideration transferred. The fair value of the contingent consideration liability is re-measured at each reporting date with the corresponding gain or loss being recognized in the statement of net and comprehensive loss.

c) Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, term deposits held with banks, and other short-term liquid investments with original maturities of three months or less.

d) Funds held in trust

Funds held in trust represent the registered retirement savings plans and for fee savings accounts on behalf of clients.

e) Foreign currency translation

The Canadian dollar is the functional and presentation currency of the Company.

Foreign currency denominated monetary assets and liabilities of the Company are translated using the rate of exchange prevailing at the reporting date and non-monetary assets and liabilities measured at fair value are translated at the rate of exchange prevailing at the date when the fair value was determined. Transactions in foreign currencies are translated to Canadian dollars at the exchange rate at the dates of the transactions. Gains or losses on translation of these items are recognized in net income as a component of finance expense. Foreign currency denominated non-monetary assets and liabilities, measured at historic cost, are translated at the rate of exchange at the transaction date.

f) Financial instruments

Financial assets and financial liabilities are initially measured at fair value and are subsequently re-measured based on their classification as described below. Transaction costs that are directly attributable to the acquisition or issuance of a financial asset or liability, other than financial assets and liabilities classified as at fair value through profit or loss, are added or deducted from the fair value of the respective financial asset or financial liability on initial recognition. Transaction costs that are directly attributable to the acquisition or issuance of a financial asset or financial liability classified as at fair value through profit or loss are recognized immediately in statement of net and comprehensive loss.

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(i) Financial assets

Financial assets are classified into the following categories: at fair value through profit or loss ("FVTPL"), loans and receivables, and available-for-sale. The classification depends on the nature and purpose of the financial asset and is determined at the time of initial recognition.

- Financial assets at fair value through profit or loss

  Financial assets are classified as at fair value through profit or loss when held for trading or if designated into this category. Financial assets classified as financial assets at fair value through profit or loss include derivative financial instruments that are not included in a qualifying hedging relationship. Financial assets classified as financial assets as at fair value through profit or loss are measured at fair value with any gains or losses arising on re-measurement recognized in statement of net and comprehensive loss.

- Loans and receivables

  Loans and receivables include cash and cash equivalents, funds held in trust, due from carrying broker, trade and other receivables and notes receivable. Loans and receivables are initially measured at fair value and are subsequently re-measured at amortized cost using the effective interest method, less any impairment losses.

- Available-for-sale financial assets

  Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or not classified into any of the other categories and include short-term and long-term investments. Available-for-sale financial assets are measured at fair value with any gains or losses on re-measurement recognized in other comprehensive income until the financial asset is derecognized or is determined to be permanently impaired, at which time the gain or loss accumulated in equity is transferred to earnings.

Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred, either outright or through a qualifying pass-through arrangement, and the Company has transferred substantially all of the risk and rewards of ownership of the asset. When the Company retains substantially all of the risks and rewards of transferred assets, the transferred assets are not derecognized and remain on the consolidated statement of financial position. When the Company neither retains nor transfers substantially all risks and rewards of ownership of the assets, the Company derecognizes the assets if control over the assets is relinquished. If the Company retains control over transferred assets, the Company continues to recognize the transferred assets to the extent of its continuing involvement in the assets. Management assesses these criteria using the balance of facts and circumstances of each individual arrangement and applies considerable judgment when making these assessments, particularly when determining whether substantially all the risks and rewards of ownership of the financial assets have been transferred. Any changes to the conclusions of these assessments could have a material impact on the consolidated financial statements.

(ii) Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or as other financial liabilities.

- Financial liabilities at fair value through profit or loss

  Financial liabilities are classified at fair value through profit or loss when held for trading or if designated into this category. Financial liabilities classified as financial liabilities at fair value through profit or loss include derivative financial instruments that are not included in a qualifying hedging relationship and are measured at fair value with any gains or losses arising on re-measurement recognized in statement of net and comprehensive loss.

- Other financial liabilities

  Other financial liabilities include due to clients, due to carrying broker, trade and other payables, promissory note, due to related parties, convertible debentures and subordinated loan and are initially measured at fair value and are subsequently measured at amortized cost using the effective interest method.

(iii) Fair value

Fair value represents the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company classifies its fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making such measurements. IFRS establishes a fair value hierarchy based on the level of independent, objective evidence applied to measure fair value. A financial instrument's categorization within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. An entity is required to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The following three levels of inputs are applied to measure fair value:

- Level 1 – quoted prices in active markets for identical assets or liabilities
- Level 2 – observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted market prices in markets that are not active, or model derived valuations or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3 – unobservable inputs that are supported by little or no market activity

g) Impairment of financial assets

A financial asset, other than those classified as FVTPL, is assessed at each reporting date for indicators of impairment. A financial asset is deemed to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risks and all impairment losses are recognized immediately in the consolidated statement of net and comprehensive loss.

Impairments of financial assets recognized in a prior period are re-assessed at the end of each reporting period to determine if the indicators of impairment have reversed or no longer exist. An impairment loss is reversed if the estimated recoverable amount exceeds the asset or asset groups carrying amount. The reversal of an impairment loss may not exceed the carrying amount of the asset or asset group had no impairment loss been recognized. Reversals of impairment losses are recognized immediately in the consolidated statement of net and comprehensive loss.

h) Property and equipment

(i) *Recognition and measurement:*

Items of property and equipment are measured at cost less accumulated amortization and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment. Gains and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of property and equipment, and are recognized, net, within other income in net income.

(ii) *Depreciation:*

For property and equipment, depreciation is recognized in net income on a declining balance basis over the estimated useful lives of each part of an item of property and equipment.

The estimated useful lives for property and equipment for the current year is as follows:

Computer software	100% declining balance
Computer hardware	30% declining balance
Equipment	20% declining balance
Furniture and fixtures	20% declining balance
Leasehold Improvements	straight line over the term of the lease

Depreciation methods, useful lives and residual values are reviewed annually.

i) Operating Leases

All of the Company's leases are operating leases, which are not recognized on the Company's statement of financial position. Payments made under operating leases are recognized in net income on a straight-line basis over the term of the lease. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

j) Intangible assets and goodwill

(i) Intangible assets

Intangible assets represent identifiable non-monetary assets and are acquired either separately or through a business combination. Intangible assets acquired through a business combination are recognized separately from goodwill when they are separable or arise from contractual or other legal rights, and their fair value can be measured reliably. The cost of a separately acquired intangible asset includes its purchase price and directly attributable costs of preparing the asset for its intended use. Intangible assets with finite and indefinite lives consist of acquired fund management contracts; institutional accounts; registration with the Investment Industry Regulatory Organization of Canada ("IIROC") and the associated infrastructure; and institutional management contracts. Intangible assets with finite lives are amortized on a straight-line basis over their estimated useful lives and are measured at cost less accumulated amortization and accumulated impairment losses. Intangible assets with indefinite useful lives are not amortized. Each period, the useful lives of such assets are reviewed to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset. Costs for intangible assets acquired in a business combination represents the fair value of the asset at the time of the acquisition.

Intangible assets with finite lives are currently amortized over the following periods:

Closed-end fund management contracts (1)	10 years
Institutional accounts	5 years
Institutional management contracts	8 years

(1) These contracts are held for sale as at September 30, 2017.

(ii) Goodwill

Goodwill represents the excess of consideration over the fair value of the net identifiable assets acquired in a business combination. Goodwill is recorded at cost less accumulated impairment losses, if any. Goodwill is not amortized. For the purpose of impairment testing, goodwill is allocated to each of the Company's cash-generating units ("CGU or "CGUs") that benefit from the acquisition, irrespective of whether other assets or liabilities acquired are assigned to those units.

Goodwill is tested annually for impairment, or more frequently when there is an indication that goodwill may be impaired. If the recoverable amount, representing the higher of its fair value less cost to sell and its value in use, of the CGU is less than its carrying amount, any resulting impairment loss is first allocated to goodwill and subsequently to other assets on a pro rata basis for the CGU. Any goodwill impairment loss is recorded to the consolidated statement of net and comprehensive loss in the period of impairment. Previously recognized impairment losses for goodwill are not reversed in subsequent periods.

On disposal of a CGU or group of CGUs, the portion of goodwill attributable to the CGU is included in the determination of profit or loss recorded on the consolidated statement of net and comprehensive loss.

The Company completes its annual impairment test as at September 30.

k) Impairment of non-financial assets

The carrying value of property and equipment and intangibles are reviewed at each reporting period to determine if indicators of impairment are present. If any such indication exists, the asset's recoverable amount is estimated.

For the purpose of impairment testing, the recoverable amount is determined for an individual asset or are grouped together into CGUs, representing the smallest group of assets that generates independent cash inflows. If the carrying amount of the asset or CGU exceeds its recoverable amount, an impairment loss is recognized in the consolidated statement of net and comprehensive loss as a reduction in the carrying amount of the asset to its recoverable amount. The recoverable amount of an asset or CGU is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGUs.

Impairments of non-financial assets recognized in a prior period are re-assessed at the end of each reporting period to determine if the indicators of impairment have reversed or no longer exist. An impairment loss is reversed if the estimated recoverable amount exceeds the asset or CGU's carrying amount. The reversal of an impairment loss may not exceed the carrying amount, net of amortization, of the asset or CGU had no impairment loss been recognized.

l) Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a risk-free rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are not recognized for future operating losses.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on associated assets.

A provision for restructuring costs is recognized when the Company has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are excluded from the provision.

m) Convertible Debentures

The Company's convertible debentures are derivative financial instruments consisting of a liability with an embedded conversion feature. The fair value of the 7.0% convertible unsecured subordinated debentures due June 30, 2021 (the "amended debentures") recognized in December 2016 was calculated by multiplying the number of debentures outstanding by the opening trading price on December 14, 2016, being the day the debentures commenced trading as these debentures are considered to be traded in an active market. The fair value was allocated to the liability component of the amended debentures using discounted future cash flows at an estimated discount rate of 16.6%, and the residual amount, representing the fair value of the conversion feature, was recognized and included in shareholders' equity, net of deferred income tax effects.

n) Capital stock

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

o) Revenue

Revenue is comprised of management fees earned from asset management activities, performance fees and other income. Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. In addition to these general principles, the Company applies the following specific revenue recognition policy:

Management fees are based on the net asset value of the funds managed and are recognized on an accrual basis as the service is being performed. Regular way purchases and sales of financial assets are accounted for on a trade-date basis.

p) Share based compensation

The Company grants equity-settled stock options under its share based compensation plan. The fair value of stock options at the grant date is estimated using the Black-Scholes option pricing model, subject to the satisfaction of certain vesting conditions. Uncertain vesting conditions do not result in compensation expense being recognized until they are satisfied or deemed to be probable of satisfaction. Compensation expense is recorded to the statement of net and comprehensive loss over the vesting period based on the estimated number of options expected to vest with a corresponding increase in shareholder's equity. Management's estimate of the number of awards expected to vest occurs at the time of grant and at each reporting date up to the vesting date. The estimated forfeiture rate is adjusted for actual forfeitures in the period.

q) Deferred sales commissions

Commissions paid to registered investment dealers on the sale of units or shares of mutual funds and closed end funds managed by the Company are recorded as deferred on the trade date of the sale. Deferred sales commissions are amortized over the expected investment period of 36 months (2016 – 36 months) on a straight line basis from the date recorded.

When redemptions of units or shares occur and the actual investment period is shorter than expected, the unamortized deferred sales commission related to the original investment in the mutual fund is charged to net loss.

r) Net income or loss per share

Basic net income or loss per common share is computed by dividing net income or loss by the weighted average number of common shares outstanding during the period.

Diluted net income or loss per common share is calculated using the treasury stock method and reflects the potential dilution of securities by including convertible debentures, stock options and other deferred share based awards in the weighted average number of common shares outstanding for a period, if dilutive.

s) Income taxes

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized into earnings except to the extent that it relates to a business combination, or items recognized directly in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable earnings, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax assets are recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

t) Discontinued operations

Discontinued operations are reported when a component of the Company, representing a separate major line of business or area of operations with clearly distinguishable cash flows, has been disposed of or is held for sale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. Discontinued operations are reported as a separate element of net income or loss on the consolidated statement of net and comprehensive loss for both the current and comparative periods. When a disposal group is classified as held for sale, assets and liabilities are aggregated and presented as separate line items, respectively, on the consolidated statement of financial position. Comparative periods are not restated on the consolidated statement of financial position. Assets held for sale are not depreciated and are measured at the lower of carrying value and fair value less costs to sell.

4. NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET ADOPTED BY THE COMPANY

The Company has not applied the following new and revised IFRS that have been issued but are not yet effective:

a) IFRS 9 - Financial Instruments ["IFRS 9"]

In July 2014, the IASB issued the final version of IFRS 9, which reflects all phases of the financial instruments project and replaces IAS 39 - Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. Retrospective application is required, but restatement of comparative information is not compulsory. The Company is in the process of evaluating the impact of the final version of IFRS 9 on the Company's financial statements.

b) IFRS 15 - Revenue from Contracts with Customers ["IFRS 15"]

In May 2014, the IASB issued IFRS 15, which covers principles for reporting about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The core principle of the new standard is that an entity recognizes revenue to represent the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard also provides a model for the recognition and measurement of gains or losses of non-financial assets. IFRS 15 is effective for annual periods beginning on or after January 1, 2018. The standard permits the use of either full or modified retrospective application. This new accounting guidance will also result in enhanced disclosures about revenue. The Company is in the process of evaluating the impact of IFRS 15 on the Company's financial statements.

c) IFRS 16 - Leases ["IFRS 16"]

In January 2016, the IASB issued IFRS 16, which specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. IFRS 16 is effective for annual reporting periods beginning on or after January 1, 2019, and a lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognize the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. Early adoption is permitted if IFRS 15 has also been adopted. The Company is in the process of evaluating the impact of IFRS 16 on the Company's financial statements.

d) IAS 7 – Statement of Cash Flows ["IAS 7"]

IAS 7 has been revised to incorporate amendments issued by the IASB in January 2016. The amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments are effective for annual periods beginning on or after January 1, 2017. Earlier application is permitted. The Company is in the process of evaluating the impact of the amendments to IAS 7 on the Company's financial statements.

e) IAS 12 – Income Taxes ["IAS 12"]

IAS 12 has been revised to incorporate amendments issued by the IASB in January 2016. The amendments clarify how to account for deferred tax assets related to debt instruments measured at fair value. The amendments are effective for annual periods beginning on or after January 1, 2017. Earlier application is permitted. The Company does not expect the adoption of this standard to have a significant impact on the Company as it does not have any debt instruments that are measured at fair value.

f) IFRIC 23 – Uncertainty over Income Tax Treatment ["IFRIC 23"]

In June 2017, the IASB issued IFRIC 23, which clarifies the accounting for uncertainties in income taxes. IFRIC 23 is effective for annual period beginning on or after January 1, 2019. The requirements are applied by recognizing the cumulative effect of initially applying them in retained earnings, or in other appropriate components of equity, at the start of the reporting period in which the Company first applies them, without adjusting comparative information. Full retrospective application is permitted, if the Company can do so without using hindsight. The Company is in the process of evaluating the impact of IFRIC 23 on the Company's financial statements.

5. BUSINESS ACQUISITIONS

A) Reverse Acquisition of Aston Hill and Acquisition of TCI

On September 9, 2016, Aston Hill entered into an acquisition agreement with the partners of Front Street Capital and the owners of TCI, pursuant to which Aston Hill agreed to acquire all of the partnership interests in Front Street Capital and all of the issued and outstanding voting shares and non-voting shares of the capital of TCI ("the transaction"). Front Street Capital and TCI were under common control. Pursuant to the terms of the acquisition agreement, the owners of Front Street Capital and TCI collectively received 134,453,333 Aston Hill common shares and $1,800 in cash consideration. The transaction was completed on December 8, 2016.

On the completion of the transaction, the pre-transaction owners of Front Street Capital and TCI held approximately 45.9% and the historic Aston Hill shareholders held approximately 36.4% of the combined company (34.6% and 27.5%, respectively, on a fully diluted basis) after giving effect to the debenture amendments. In determining the acquirer for accounting purposes, management also looked to the composition of the Board of Directors, the composition of key management personnel and the proportionate ownership of each control block. While the board and key management composition did not clearly indicate which party to the transaction would have control of the combined company, the control block held by the former owners of Front Street Capital is the largest and as such, Front Street Capital is deemed to have control and is considered to be the acquirer of Aston Hill for accounting purposes. The transaction is accounted for as a reverse acquisition under the acquisition method of accounting for business combinations.

Purchase Price Allocation – Aston Hill

The acquisition of Aston Hill was accounted for using the acquisition method of accounting. Accordingly, the results of the acquisition have been included in the financial statements of the Company from the date of closing.

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars, except share and per share amounts, unless otherwise stated)

The details of the consideration transferred and the fair value allocation to the acquired identifiable assets and liabilities assumed is as follows:

Consideration transferred		
104,190,221 shares outstanding at $0.15 per share (i)	$	15,629
48,710,950 shares issued to debentureholders at $0.15 cents per share (ii)		7,307
Fair value of debt assumed to acquire Aston Hill (iii)		16,181
Fair value of vested component of stock based compensation (vii)		502
	$	39,619
Fair value of assets and liabilities acquired		
Cash and cash equivalents	$	2,115
Trade and other receivables		1,590
Current income tax receivable		1,484
Investments at fair value through profit or loss		155
Prepaid expenses		281
Prepaid deposits and expenses		303
Notes receivable (v)		1,176
Property and equipment		645
Intangible assets and goodwill (iv)		44,487
Deferred sales commissions		230
Trade and other payables		(4,925)
Subordinated loan		(11)
Provisions		(2,864)
Deferred tax liabilities		(4,954)
Net identifiable assets acquired	$	39,712
Less: Non-controlling interest (vi)		(93)
Net identifiable assets acquired	$	39,619

(i) *LOGiQ Inc. shares outstanding*

As at December 8, 2016, after the effect of 205,765 common shares that were released pursuant to vesting under the deferred equity plan, there were 2,253,539 common shares held in treasury and 104,190,221 shares of LOGiQ Inc. outstanding. The $0.15 share price used to calculate the value of shares issued for consideration was the closing price of Aston Hill's shares on December 7, 2016.

(ii) *Shares issued to debenture holders*

On November 22, 2016, the holders of LOGiQ Inc.'s 6.50% extendible convertible unsecured debentures approved the debenture amendments as described more fully in note 14. In accordance with the amended agreement, the debenture holders received, for each $1 principal amount of existing debentures, 1,445 shares of LOGiQ Inc. Immediately prior to the closing of the reverse takeover transaction, there was $33,710 in principal amount of debentures outstanding. Accordingly, 48,710,950 shares were issued to debenture holders concurrent with the closing of the transaction.

(iii) *Fair value of debt assumed to acquire Aston Hill*

The fair value of debt assumed to acquire Aston Hill was calculated based on the opening trading price of the amended debentures, when they commenced trading on December 14, 2016. Refer to note 14 for further details.

(iv) *Intangible assets and goodwill*

The Company acquired Aston Hill's fund management contracts and institutional accounts. These contracts grant the Company the ability (and legal rights) to market, sell and manage those accounts. These contracts represent an expected future economic benefit that will flow to the Company as a result of this acquisition. The acquired management contracts comprised three distinct types – open end mutual funds, closed end funds, and institutional management contracts.

To calculate the fair value of acquired management contracts, management obtained enterprise value over assets under management ("EV/AUM") multiples data for comparable transactions in Canada's asset management sector over the last ten years. For each type of management contract (open end, closed end, and institutional), management obtained the range of EV/AUM multiples and used professional judgment to select a multiple within the range for the valuation of the acquired assets.

Finite life intangible assets:

- A multiple of 1.6% was applied to the acquired closed-end fund AUM of $703,000, for an acquired fair value of finite life intangible assets relating to closed-end management contracts, of $11,248. The multiple applied was at the lower end of the range of multiples from comparable transactions due to the current market conditions preventing this type of asset from being a growth vehicle for the Company at the time of the reverse acquisition.
- A multiple of 0.7% was applied to the acquired institutional AUM of $317,000 for an acquired fair value of finite life intangible assets relating to institutional accounts, of $2,219. The multiple applied was at the lower end of the range of multiples from comparable transactions, reflecting the lower fee structures typical of these types of assets.
- Management has determined the expected lives of the closed end management contracts by reference to their termination date, or in respect of those closed-end funds with no fixed termination date, the useful life was determined to be ten years. The useful lives of acquired closed-end fund management contracts range from 15 months to 12 years. The expected life of the acquired institutional management contracts is eight years. Finite life management contracts are amortized on a straight line basis over their expected life. The institutional finite life management contracts comprise customer relationships and any unamortized amount is de-recognized when the relationship is terminated.

Indefinite life intangible assets:

- A multiple of 4.61% was applied to the acquired open-end fund AUM of $612,500 for an acquired fair value of open-end fund management contracts, of $28,245. The multiple selected was mid-range for comparable transactions as the Company viewed these assets as the platform for future growth.
- As the acquired open-end mutual funds have no fixed termination date and because management expected to utilize them for the foreseeable future, open-end mutual fund management contracts were classified as indefinite life intangible assets.

As detailed in note 7, the closed-end fund contracts and the open end fund management contracts which comprise of the Company's retail management contracts are held for sale as at September 30, 2017.

Goodwill

- Goodwill of $2,775 arising on acquisition of Aston Hill reflected the benefits of synergies, revenue growth, future market development and the estimated fair value of an assembled workforce. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

(v) *Notes receivable*

The Company acquired the following notes receivable on acquisition date:

- Note receivable with a principal amount of $1,600 and a maturity date of March 31, 2026.
- Note receivable with a principal amount of $840 and a maturity date of March 31, 2021.

The total fair value of $1,176 note receivable was calculated by discounting the cash flows of the notes receivable over their respective terms at an appropriate risk-adjusted discount rate.

During the year, the Company collected $160 and the remaining balance of $1,046 after accretion of $30, was written down during the year as it was considered impaired. The write off was included in impairment charge in the consolidated statement of net and comprehensive loss.

(vi) *Accounting policy choice for non-controlling interests*

The Company recognizes non-controlling interests in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis. For the non-controlling interests in Aston Hill, the Company elected to recognize the non-controlling interests at fair value.

(vii) *Fair value of vested component of stock based compensation*

Represents the vested portion of stock based compensation granted to Aston Hill employees prior to December 8, 2016.

Liabilities assumed by the Company on the acquisition of Aston Hill

On the completion of the reverse takeover transaction, the Company assumed the following liabilities from the former partners of Front Street Capital:

- Up to $3,100 of performance fees earned (after certain tax adjustments) on certain funds managed by Front Street Capital between the completion of the transaction and April 1, 2019 are to be paid to certain former partners of Front Street. The fair value of the liability as at December 8, 2016, amounted to $730 and reflected actual performance fees earned to December 31, 2016 and management's estimate of future performance fees that may be earned in the period to April 1, 2019. This liability was recorded within trade and other payables. As at September 30, 2017 management's estimate of the portion of the liability related to future performance fees is $nil. This estimate is based on the current net asset value ("NAV") of the relevant funds, and an expected growth rate in NAV of 5%. The liability recorded as at December 31, 2016 was in respect of actual performance fees earned, was recorded within trade and other payables in the consolidated statement of financial position. At each period end, the fair market value of this liability will be reassessed. Performance fees earned are a significant estimate and subject to management judgement. For the year ended September 30, 2017, management used the best information available at the time the estimates were made to determine the amount of performance fees to include in the year.

- Certain former partners of Front Street Capital may be paid an amount of up to $3,750 determined by achieving certain average assets under management targets by February 23, 2018, with an option to extend this date by an additional year if certain conditions are met. As of December 8, 2016, the fair market value of this liability was estimated to be $800 and was included within provisions liability. At each period end the fair market value of this liability will be reassessed. As at the end of September 30, 2017, this liability has been reassessed as $nil, and the earn-out liability provision has been adjusted accordingly (see note 11).

- A pre-existing agreement to release excess working capital in the amount of $496 to the former partners of Front Street Capital was assumed by the Company. As at September 30, 2017, the amount has been settled.

The assumption of these liabilities represents a distribution to the former partners of Front Street Capital. On recognition of the each of the above liabilities, the offsetting charge was recorded directly in retained earnings (accumulated deficit).

Purchase Price Allocation – TCI

Prior to the transaction, TCI was controlled by FS Group Holdings Ltd., and as a result was considered to be under the common control of the former partners of Front Street Capital. In accounting for the acquisition of TCI, the Company has made the accounting policy choice to account for the acquisition of TCI at fair value using the acquisition method of accounting. In legal form, the consideration paid for TCI is represented by the number of shares of LOGiQ Inc. that were issued to the owners of TCI pursuant to the transaction, being 26,890,667, or 20% of the total 134,453,333 shares to the owners of Front Street Capital and TCI. For accounting purposes, the consideration paid for TCI has been determined based on TCI's fair value.

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars, except share and per share amounts, unless otherwise stated)

Consideration transferred	**$**	**1,189**
Fair value of assets and liabilities acquired		
Cash and cash equivalents	$	1,158
Funds held in trust (ii)		321
Due from carrying broker (iii)		18,493
Trade and other receivables		44
Intangible assets and goodwill (i)		335
Due to clients (iv)		(18,814)
Trade and other payables		(78)
Subordinated loan		(200)
Deferred tax liabilities (i)		(70)
Net identifiable assets acquired	$	1,189

(i) *Intangible assets and goodwill*

Intangible assets acquired of $265 represent TCI's registration with IIROC, and its investment dealer infrastructure. These intangible assets allow TCI to operate as an investment dealer. The IIROC registration and an investment dealer infrastructure therefore represented an expected future economic benefit that would flow to the Company as a result of this acquisition. The value of this intangible asset has been determined with reference to a comparable historical transaction by the Company and the expected cost of setting up an IIROC registrant. This intangible was classified as indefinite life intangible.

Goodwill of $70 reflected the benefits of synergies, revenue growth, future market development and the estimated fair value of an assembled workforce. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

(ii) *Funds held in trust*

Funds held in trust represent the funds held in trust for registered retirement savings plans or tax free savings accounts on behalf of clients.

(iii) *Due from carrying broker*

The due from carrying broker balance represents assets held by the carrying broker on behalf of the Company's clients.

(iv) *Due to clients*

The due to clients balance represents Company's client assets held by the carrying broker on behalf of clients.

B) Acquisition of Global Advisory Agreements

On December 22, 2016, the Company completed the acquisition of certain Global Advisory agreements from Integra Capital Limited ("the Vendor") to form the foundation for its new Institutional Advisory business. Several employees key to the success and growth of the acquired business were recruited to the Company from the Vendor concurrent with the closing of the acquisition.

The details of the consideration transferred and the fair value allocation to the acquired identifiable assets and liabilities assumed is as follows:

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars, except share and per share amounts, unless otherwise stated)

Consideration transferred		
Cash paid	$	3,154
Promissory note [(i)]		6,699
Contingent consideration [(ii)]		2,731
	$	12,584
Fair value of assets and liabilities acquired		
Prepaid expenses	$	30
Intangible assets - management contracts [(iii)]		9,823
Goodwill [(iv)]		2,731
Net identifiable assets acquired	$	12,584

(i) *Promissory note*

The promissory note is a senior secured promissory note of LOGiQ Inc., bearing interest at the rate of 6% per annum due December 31, 2017. The maturity date may be deferred at the discretion of LOGiQ Inc. for up to two successive 6 month periods upon additional payment to the Vendor of $250 in cash for each 6 month period. The Company has the right to repay any amount of the promissory note prior to maturity. The purchase agreement requires LOGiQ Inc. to pay 55% of revenue received in respect of the purchased management contracts toward the promissory note, with such payment applied firstly to accrued and unpaid interest and secondly to the reduction of the principal amount of the promissory note. Should the Company issue equity prior to the promissory note being repaid the proceeds, or such applicable portion thereof, must be used to reduce the principal balance of the promissory note.

The principal amount of the promissory note is $6,889, and the note bears interest at the rate of 6.0% per annum, accrued daily. The acquisition date fair value of the promissory note, of $6,699 was calculated using a discount rate of 9.0%. The Company has elected to treat the term extension option as a loan commitment. The Company has calculated the fair value of the loan commitment to be $nil, on the basis that the additional payment of $500 to extend the note for one year approximates the difference between the market interest rate and the rate at which the promissory note bears interest.

The promissory note is secured by a continuing, specific and fixed mortgage, charge and security interest in all of LOGiQ Inc.'s property, assets, and undertaking, both present and future, of whatever nature and kind, tangible and intangible, real and personal, moveable and immovable, legal and equitable, wherever situate and all proceeds thereof which LOGiQ Inc. may be possessed of or entitled to or which may hereafter be held or acquired.

(ii) *Contingent consideration*

The determination of contingent consideration payable is subject to significant assumptions and management judgment and may be adjusted in respect of the following events occurring subsequent to the acquisition date:

- If defined key service contracts are not fully assigned or economic benefits not transferred to the Company within a specified period, the principal amount of the promissory note would be reduced by the annualized revenue of the key service contracts not assigned or for which economic benefits have not been transferred. As of September 30, 2017, the economic benefits for all key service contracts were assigned to the Company.

- If the Company enters into defined prospect contracts in the period up to and including December 31, 2017, the Company must pay to the Vendor in cash, or in LOGiQ Inc. shares, an amount equal to 3 times the annualized revenue of the prospect contracts entered into, reduced by an amount equal to 5 times the annualized revenue of any management contracts that have been cancelled or terminated by a client between December 22, 2016 and December 31, 2017. The fair value of the liability will be assessed at each period end with changes in the fair value of the liability being reflected in the consolidated statement of net and comprehensive loss as "net gain on assets and liabilities at fair value through profit or loss". The Company has estimated the fair value of the liability at the date of acquisition to be $2,731, based on the following estimates and assumptions:

    - Probability estimates based on historical experience, for the success rates of the pipeline contracts moving through each stage from the first stage (search uncovered) to the fifth stage (contract entered into).

- Estimates based on historical experience, of the length of time for the defined pipeline contracts to move through each stage, on average.
- The expected revenue rates on the potential Global Advisory agreements.
- The Company does not expect any management contracts to be cancelled or terminated by a client.

- If the Company enters into defined prospect contracts in the period between January 1, 2018 and March 31, 2018, LOGiQ Inc. must pay to the Vendor in cash, or in LOGiQ Inc. shares, an amount equal to 1.5 times the annualized revenue of the prospect contracts entered into, reduced by an amount equal to 5 times the annualized revenue of any management contracts that have been cancelled or terminated by a counterparty between December 22, 2016 and December 31, 2017. Using the same estimates and assumptions as described above, the Company has estimated the fair value at the date of acquisition to be $nil.

Contingent consideration payable, if any, is due on April 30, 2018, or before this date at the option of the Company, and may be satisfied in cash or a variable number of common shares of LOGiQ Inc. If the Company were to elect settlement in shares, the number of shares to be issued is determined by dividing the final contingent consideration payable, if any, by the value weighted average price of LOGiQ Inc.'s shares for the 30 trading days ending on the trading day that is two days before the issuance of such shares. As the shares to be issued, if any, would be of a variable amount, the contingent consideration payable is classified as a financial liability. As at September 30, 2017, the fair value of the contingent consideration payable was estimated to be $nil (note 19).

(iii) *Intangible assets*

The identifiable assets acquired comprised institutional management contracts. Based on the historical average holding periods, the useful life of the management contracts is determined to be eight years, with the management contracts to be amortized on a straight-line basis.

(iv) *Goodwill*

Goodwill of $2,731 reflects the benefits of synergies, revenue growth, future market development and the estimated fair value of an assembled workforce. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

C) Effect of acquisitions on results of the combined Company

Since the acquisition of Aston Hill closed, Aston Hill has contributed revenues of $10,078 to the discontinued operations and $1,192 to the continued operations of the Company for 2017. It is impracticable to determine net loss contributed as the net earnings of Aston Hill as a standalone entity are not determinable due to the financing structure of the Company and share options issued pursuant to the transaction.

Since the acquisition of TCI closed, TCI has contributed revenues of $898 to continued operations and $nil to discontinued operations and net income before tax of $479 to continued operations and $nil to discontinued operations of the Company for 2017.

Since the acquisition of Global Advisory agreements closed, Global advisory agreements have contributed revenues of $2,092 to continued operations and $nil to discontinued operations and net income before tax of $312 to continued operations and $nil to discontinued operations of the Company for 2017.

If all business combinations that occurred during the year ended September 30, 2017 had been closed as at the beginning of the year, the consolidated revenue of the Company would have been $32,839 from continued and discontinued operations combined**.** It is impracticable to disclose the consolidated net loss of the Company as if the business combination had occurred at the beginning of the year on October 1, 2016, due to the extent of changes in the financing structure of the Company and share options issued pursuant to the transactions.

6. SALE OF JEMEKK CAPITAL MANAGEMENT INC.

On November 15, 2016, the sale of Jemekk Capital Management Inc. ("JCM") to J2 Capital Management Inc. was completed. The assets and liabilities associated with the sale were presented as held for sale in the financial statements as at September 30, 2016.

The Company received cash proceeds of $746 in consideration for the sale of the management contracts, which was equal to their carrying value as at September 30, 2016 and November 15, 2016. A promissory note payable of $296 related to Jemekk was presented as liabilities held for sale as at September 30, 2016, and was settled on the completion of the sale of JCM. The sale transaction and settlement of the liability had no impact on the Company's Consolidated Statement of net and comprehensive loss for the year ended September 30, 2017.

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars, except share and per share amounts, unless otherwise stated)

7. DISPOSAL OF RETAIL ASSETS

On September 11, 2017 the Company announced that they had entered into a purchase and sale agreement (the "Purchase and Sale Agreement") providing for the sale of substantially all of the retail asset management agreements owned by the Company (the "Transaction"). The retail asset management contracts comprise the Company's closed-end management contracts and the vast majority of its open-end fund management contracts. Under the terms of the Purchase and Sale Agreement, the purchase price for the retail asset management contracts to be sold was $32.9 million, subject to adjustment based on the assets under management of the funds related to the acquired contracts at closing. This involves selling the retail asset management contracts, which are held as intangible assets. Finalization of the transaction was subject to a number of conditions precedent including the approval by the holders of the Company's common shares and the 7.00% senior unsecured convertible debentures due June 30, 2021, all required securities regulatory and stock exchange approvals and satisfaction of any other customary closing conditions. These conditions being met, the transaction closed on December 15, 2017 for cash proceeds of approximately $32 million. Proceeds of disposition, net of transaction costs and certain assumed liabilities amounted to $29.4 million.

In accordance with IFRS 5, the assets and liabilities held for sale, which consists of Intangible Assets in the form of management contracts, were assessed for impairment based on the fair value less costs to sell. The fair value was measured using the price at which the Company negotiated the sale of the disposal group less estimates for the costs of disposal and assumed liabilities.

Net earnings from discontinued operations is comprised of the following:

	Notes		**2017**		2016
Revenue					
Management fees		**$**	**21,778**	$	14,365
Performance fees			**1,812**		388
Other income			**425**		139
		$	**24,015**	$	14,892
Expenses					
Salaries and wages			**4,927**		4,621
General and administrative	28		**5,294**		4,492
Restructuring costs	11		**3,765**		-
Trailer fees			**4,783**		4,280
Sub-advisory expense			**2,644**		448
Amortization of deferred sales commissions	10		**1,380**		827
Amortization of intangible assets - finite life	9		**2,002**		300
Depreciation of property and equipment	8		**155**		-
Total operating expenses		**$**	**24,950**	$	14,968
Impairment charge	8, 9		**11,285**		-
Total expenses		**$**	**36,235**	$	14,968
Net gains on financial assets and liabilities at fair value through profit or loss	19		**(23)**		(1)
Net loss before taxes		**$**	**(12,197)**	$	(75)
Income tax recovery	24		**(3,660)**		-
Net loss for the year		**$**	**(8,537)**	$	(75)
Net income to non-controlling interest			**4**		-
Net loss and comprehensive loss to controlling interest		**$**	**(8,541)**	$	(75)

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars, except share and per share amounts, unless otherwise stated)

Assets held for sale is comprised of:

	2017	2016
Management contracts - finite life	**$ 7,395**	$ 746
Management contracts - indefinite life	**22,053**	-
Total assets held for sale	**$ 29,448**	$ 746

Cash flows from the discontinued operations is comprised of the following:

	Notes	2017	2016
Cash flows from operating activities			
Net loss from discontinued operations		**$ (8,537)**	$ (75)
Adjustments for non-cash items:			
Depreciation of property and equipment	8	**155**	-
Amortization of finite life intangible assets	9	**2,002**	300
Amortization of deferred sales commissions	10	**1,380**	827
Impairment charge	8, 9	**11,285**	-
Income tax recovery	24	**(3,660)**	-
Net gains on financial assets and liabilities at fair value through profit or loss	19	**(23)**	349
Change in non-cash working capital	22	**-**	581
Net cash provided by operating activities		**$ 2,602**	$ 1,982
Investing Activities			
Proceeds on sale of investments in mutual funds		**-**	301
Deferred sales commission paid		**-**	(510)
Net cash used in investing activities		**$ -**	$ (209)
Financing Activities			
Net drawings by the former partners of Front Street Capital		**-**	(4,281)
Settlement of subordinated loans		**-**	(500)
Net cash used in financing activities		**$ -**	$ (4,781)

8. PROPERTY AND EQUIPMENT

	Computer equipment	Leasehold improvements	Furniture & fixtures	Total
Balance at September 30, 2016	$ -	$ -	$ -	$ -
Additions, business combinations	124	220	322	666
Additions	73	46	6	124
Disposals	-	-	-	-
Balance at September 30, 2017	$ 197	$ 266	$ 328	$ 790
Depreciation and impairment:				
Balance at September 30, 2016	$ -	$ -	$ -	$ -
Depreciation - Continuing operations	76	-	-	76
Depreciation - Discontinued operations		84	71	155
Impairment - Discontinued operations	-	182	257	439
Balance at September 30, 2017	$ 76	$ 266	$ 328	$ 670
Carrying amounts:				
Balance at September 30, 2016	$ -	$ -	$ -	$ -
Balance at September 30, 2017	**$ 120**	**$ -**	**$ -**	**$ 120**

As discussed in note 7 and 9, the retail asset management contracts were classified as held for sale and immediately prior to held for sale classification, the Company performed an impairment test and as a result of the impairment tests performed, the Company recognized an impairment loss of $439K.

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars, except share and per share amounts, unless otherwise stated)

9. INTANGIBLE ASSETS AND GOODWILL

Intangible assets and goodwill carrying values

	Management contracts - finite life	Management contracts - indefinite life	IIROC Registration - indefinite life	Goodwill	Total
Balance at September 30, 2015	$ 1,600	$ -	$ -	$ -	$ 1,600
Amortization	(300)	-	-	-	(300)
Fair value adjustment on classification to held for sale	(554)	-	-	-	(554)
Transfer to assets held for sale	(746)	-	-	-	(746)
Balance at September 30, 2016	$ -	$ -	$ -	$ -	$ -
Acquisitions through business combinations:					
Aston Hill	13,467	28,245	-	2,775	44,487
TCI	-	-	265	70	335
Global Advisory	9,823	-	-	2,731	12,554
Transfer to assets held for sale	(7,395)	(22,053)	-	-	(29,448)
Amortization - Continuing operations	(1,287)	-	-	-	(1,287)
Amortization - Discontinued operations	(2,002)	-	-	-	(2,002)
Impairment charge - Continuing operations	(1,208)	-	(265)	(2,801)	(4,274)
Impairment charge - Discontinued operations	(1,879)	(6,192)	-	(2,775)	(10,846)
Balance at September 30, 2017	**$ 9,519**	**$ -**	**$ -**	**$ -**	**$ 9,519**

The Company performs goodwill and indefinite life intangible impairment test annually on September 30 and whenever there is an indication of impairment. As at September 30, 2017, the Company has assessed four CGUs: i) retail asset management CGU; ii) institutional asset management CGU; iii) institutional sales-related fee earning arrangements CGU and iv) brokerage CGU.

The recoverable amount of a CGU is the higher of its value in use ("VIU") and its fair value less costs to sell ("FVLCS"). Value in use is the present value of the expected future cash flows from a CGU. Fair value less costs to sell is the amount obtainable from the sale of a CGU in an arm's length transaction between knowledgeable, willing parties, less costs of disposal. Significant judgment is required by management in evaluating the appropriate external evidence to value the recoverable amount of the asset management CGU using the FVLCS method. External evidence is used to measure fair value, such as research reports published by third parties and independent market offers.

The carrying amount of the CGU includes the carrying amount of assets, liabilities and goodwill allocated to the CGU.

Intangible assets and goodwill from Aston Hill acquisition
As discussed in note 7, the retail assets were classified as held for sale and immediately prior to held for sale classification, the Company performed an impairment test and as a result of the impairment tests performed, the Company recognized an impairment loss of $10,846 for the year ended September 30, 2017. The impairment charge of $10,846 was allocated as $2,775 to goodwill, $1,879 to the management contracts - finite life and $6,192 to the management contracts – indefinite life. The estimated recoverable amount was based on the FVLCS, which has been estimated to be higher than its VIU. Fair value has been determined based on Level 2 of the fair value hierarchy and was based on the Transaction described in note 7.

During the year ended September 30, 2017, the Company recorded an impairment charge of $1,208 related to institutional asset management CGU. The estimated recoverable amount was based on the FVLCS, which has been estimated to be higher than its VIU. Fair value has been determined based on Level 2 of the fair value hierarchy and was determined using a market capitalization approach of net revenues multiple which is consistent with the valuation of other recent comparable market transactions. Costs of disposal were estimated based on recent comparable transactions of the Company which reflects management's best estimate of the potential costs associated with divesting of this CGU.

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars, except share and per share amounts, unless otherwise stated)

Intangible assets and goodwill from TCI

During the year ended September 30, 2017, the Company recorded an impairment charge of $335 which was the balance of the intangible asset of $265 and $70 in goodwill related to TCI, due to the loss of a key individual responsible for the financial success of TCI resulting in the recoverable amount based on VIU being lower than the book value.

The key assumptions used in performing the impairment tests are as follows:

- *Recoverable amount:*

  Management's past experience and future expectations of the business performance are used to make a best estimate of the expected cash flows for a five year period.

- *Discount rate*

  The discount rate applied was nil as the carrying value exceeded the undiscounted cash flows resulting in full impairment of the assets. Applying a discount rate would not have changed the impairment charge.

- *Perpetual growth rate:*

  The perpetual growth rate applied was 2.5% and is management's current assessment of the long-term growth prospect of the Company in the jurisdictions in which it operates.

Intangible assets and goodwill from Global Advisory agreements

As a result of the impairment test performed, the Company recognized goodwill impairment loss of $2,731. The recoverable amount was determined based on FVLCS. Fair value has been determined based on Level 2 of the fair value hierarchy and was determined using a market capitalization approach of net revenues with a multiple of five which is consistent with the valuation done on date of acquisition and other recent comparable market transactions. Costs of disposal were estimated based on recent comparable transactions of the Company which reflects management's best estimate of the potential costs associated with divesting of this CGU.

Material finite life intangible assets

The Company's material finite life intangible assets as at September 30, 2017, consist of:

	Carrying value	Remaining amortization period (years)
Global Advisory management contracts	$ 8,856	7.19
Institutional account management	$ 663	4.19

10. DEFERRED SALES COMMISSIONS

	2017	2016
Gross balance, beginning of year	**$ 3,425**	$ 2,915
Acquired in business acquisition	**230**	-
Deferred sales commissions paid	**280**	510
Gross balance, end of year	**$ 3,935**	$ 3,425
Accumulated amortization, beginning of year	**2,438**	1,611
Amortization of deferred sales commissions	**1,380**	827
Accumulated amortization, end of year	**$ 3,818**	$ 2,438
Carrying amount	**$ 117**	$ 987

Amortization of deferred sales commissions were accelerated during the year due to the sale Transaction described in note 7.

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars, except share and per share amounts, unless otherwise stated)

11. PROVISIONS

	Short term incentives	Onerous contracts	Termination benefits	Earn-out liability	Total
Balance at October 1, 2015	$ -	$ -	$ -	$ -	$ -
Provisions recorded during the year	-	-	-	-	-
Provisions utilized during the year	-	-	-	-	-
Balance at September 30, 2016	$ -	$ -	$ -	$ -	**$ -**
Acquired in business acquisition	520	1,892	452	-	**2,864**
Provisions recorded during the year	800	-	3,765	-	**4,565**
Provisions charged directly to retained earnings	-	-	-	800	**800**
Change in fair value of provisions	-	-	-	(800)	**(800)**
Provisions utilized during the year	(520)	(325)	(2,851)	-	**(3,696)**
Balance at September 30, 2017	**$ 800**	**$ 1,567**	**$ 1,366**	**$ -**	**3,733**
Current	800	297	1,366	-	**2,463**
Non-current	-	1,270	-	-	**1,270**

Short term incentives

Relates to the Company's annual obligation to award short term incentive payments to employees of the Company. Management estimates and provides for the obligation to award short term incentive payments to employees of the Company on a quarterly basis.

Onerous contracts

The acquired onerous contract provision relates to contractual obligations for the lease of office space in Calgary that does not provide future economic benefits to the Company. The lease will be terminated on March 31, 2022. The fair value of the onerous lease contract has been calculated using the remaining lease payments, net of estimated sublet recoveries, discounted over the remaining 5 year lease term. The key unobservable input used in the calculation of the present value of the obligation, net of sublease recoveries, is management's estimate of the period over which the premises can be sublet, and the extent of the recovery. The current sublease arrangement terminates on November 30, 2018, after which management expects to recover to the extent of operating costs only for the remaining term to expiry. If, at the end of the current sublease, the Company was only able to recover 50% of operating costs, the present value of the liability would be $352 higher. Conversely, if, at the end of the current sublease, the Company was able to recover 100% of operating costs and 50% of rent, the present value of the liability would be $546 lower.

Termination benefits

The acquired provision for termination benefits relates to the Company's estimate of benefits payable arising from the termination of Aston Hill employees. These termination benefits were initially recognized by Aston Hill as restructuring costs in June 2015.

The Company recognized restructuring expense of $3,765 in respect of the Company's estimate of termination benefits payable arising from the termination of employees of the Company as a result of the disposal of the Company's retail asset management business (see note 7 and 29).

Earn-out liability

If, on February 23, 2018, the average AUM of the funds that were previously managed by Front Street Capital for the 24 month period prior to that date, are equal to or greater than $830,000, the Company must pay to the former partners and former owners of Front Street Capital and Tuscarora Capital Inc., respectively, an aggregate amount of $3,750. If, on February 23, 2018, the average AUM are greater than $730,000 but less than $830,000, the payment is reduced by a percentage calculated as the difference between $830,000 and the actual average AUM for the 24 month period, divided by 100,000 and multiplied by 100.

The Company initially estimated the fair value of the earn-out liability as at December 31, 2016 with reference to actual end of month AUM's and by forecasting monthly AUM to February 2018, using an assumed combined market and organic growth rate of 5%. The fair value of the liability as at December 8, 2016, was $800. This liability is due to the parent company of Front Street Capital and was transferred to the Company upon completion of the reverse takeover transaction described in note 5(A). Accordingly, on initial recognition, the offset to this amount was recorded as a distribution to the former owners of Front Street Capital in retained earnings (accumulated deficit).

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars, except share and per share amounts, unless otherwise stated)

At September 30, 2017, the Company updated the estimate of the fair value of the earn-out liability to incorporate actual end of month AUM's to September 30, 2017. The estimate of the earn-out liability as at September 30, 2017 of $nil reflects a decrease of $800 compared to the estimate as at December 8, 2016 and was recorded within retained earnings (accumulated deficit). A 1% increase or decrease in the growth rate would also result in an estimated fair value of the earn-out liability of $nil.

12. INTEREST IN REGULATED ENTITIES

Certain of the Company's subsidiaries are subject to regulatory capital requirements designed to provide notice to the regulatory authorities of possible liquidity concerns. TCI is a registered investment dealer subject to regulation primarily by IIROC. Sources of financial statement capital for IIROC regulatory capital purposes include unitholders' equity of TCI in addition to subordinated loans, when drawn.

Regulatory capital requirements fluctuate daily based on margin requirements in respect of outstanding trades, underwriting deal requirements and/or working capital requirements. Compliance with these requirements may require the Company to keep sufficient cash and other liquid assets on hand to maintain regulatory capital requirements rather than using these liquid assets in connection with its business. As at and during the years ended September 30, 2017 and 2016, the Company's subsidiaries were in compliance with their respective capital requirements.

13. PROMISSORY NOTE

The balance of the promissory note outstanding and changes during the year ended September 30, 2017 are as follows:

Balance at September 30, 2016	$	-
Issued on acquisition of Global Advisory Agreements (note 5 (B))		6,699
Interest expense		307
Interest paid		(307)
Accretion expense		139
Principal paid		(462)
Balance at September 30, 2017	**$**	**6,376**

On December 29, 2017 and subsequent to the disposal of the Company's retail management contracts (see note 7 and 29), the Company fully repaid the promissory notes. This resulted in a payment of $6,151 which represents the full value of the promissory notes.

14. CONVERTIBLE DEBENTURES

In connection with the closing of the reverse takeover transaction as described in note 5(A), the holders of Aston Hill's 6.5% extendible convertible unsecured debentures maturing January 31, 2019 ("the old debentures"), approved amendments ("the debenture amendments") to the terms of the old debentures that resulted in the debenture holders receiving for each $1 principal amount of old debentures:

i) 1,445 shares of LOGiQ Inc.
ii) An amended debenture having a principal amount of $600 which pays interest at the rate of 7.00% per annum; maturing on June 30, 2021; and which will be convertible at a conversion price of $0.30 per share (the "new debentures").

On the reverse acquisition of Aston Hill, the Company determined the fair value of the new debentures. The total fair value of the new debentures of $16,181 was calculated by multiplying the number of debentures outstanding after giving effect to the debenture amendments, by the opening trading price of the new debentures on December 14, 2016, being the day that the new debentures commenced trading. The fair value was then allocated to the liability component in the amount of $14,173 using discounted future cash flows at an estimated discount rate of 16.6% and the residual amount, representing the fair value of the conversion feature, was allocated to equity. To estimate the discount rate, management obtained an indicative yield to maturity from an index of comparable debt instruments that did not have a conversion feature. This yield was adjusted upward to reflect the inherent risk of LOGiQ Inc.'s new debentures relative to the index constituents, with respect to size, liquidity, and risk of execution of business plan and synergies, as well as the capitalization structure of the company.

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars, except share and per share amounts, unless otherwise stated)

The residual amount allocated to the conversion feature in equity, net of deferred tax of $532, was $1,476.

The interest expense on the liability component of the convertible debentures is calculated using the effective interest rate method. The difference between the total fair value of the liability component of $14,173 and the total fair value of the new debentures of $16,181 relates to the pre-tax residual value of the equity component, of $2,008, and is recognized as accretion expense on a straight-line basis to maturity.

Liability component		
Balance at September 30, 2016	$	-
Debt assumed in business acquisition		14,173
Accretion of discount		357
Interest paid		(798)
Interest expense		1,568
Balance at September 30, 2017	**$**	**15,300**

Equity component		
Balance at September 30, 2016	$	-
Equity component of convertible debt assumed in business combination		2,008
Deferred tax on equity component of convertible debt assumed in business combination		(532)
Balance at September 30, 2017	**$**	**1,476**

As described in note 29, the terms of the new debentures were amended subsequent to year end.

15. SHARE CAPITAL AND WARRANTS

The authorized capital of LOGiQ Inc. consists of an unlimited number of LOGiQ Inc. common shares. All common shares issued are outstanding and fully paid and have no par value. The holders of common shares are entitled to receive dividends as declared by Logic Inc. and are entitled to one vote per share.

The opening number of shares outstanding, of 107,562,666, represents the shares issued on December 8, 2016, to the accounting acquirer, Front Street Capital, which combined with the 26,890,667 shares issued for accounting purposes in respect of the acquisition of the outstanding share capital of TCI, comprise the 134,453,333 shares issued on a legal entity basis pursuant to the purchase offering.

For accounting purposes, 104,190,221 shares are considered issued in respect of the reverse acquisition of Aston Hill; such shares are net of 2,253,539 shares held in treasury. The shares held in treasury are held in two separate trust accounts in respect of LOGiQ Inc. restricted unit plan and deferred share plan for outside directors, respectively. On December 9, 2016, 2,000,000 of the shares held in treasury were released pursuant to a restricted share unit agreement. As a result, as at September 30, 2017, 253,539 shares remain held in treasury in respect of LOGiQ Inc.'s deferred share unit plan for outside directors.

On December 8, 2016, as a result of the reverse takeover transaction described more fully in note 5(A), 134,453,333 shares were issued to the former partners of Front Street Capital and the former owners of TCI and 48,710,950 shares were issued to the debenture holders of Aston Hill.

On December 8, 2016 3,333,333 shares were issued to a member of key management personnel at $0.15 per share for cash proceeds of $500.

On December 9, 2016, 2,000,000 shares were issued pursuant to Aston Hill's deferred equity plan. The issue date fair value of the shares issued was $280.

On December 20, 2016, the company completed a non-brokered private placement consisting of the issuance of 34,436,666 common shares at a price of $0.15 per share for gross proceeds of $5,165. Share issue costs of $310 were paid to the agents in respect of commissions on the private placement. In addition to the commissions, the agents were issued 2,066,200 broker warrants. Each warrant entitles the holder to acquire one common share of LOGiQ Inc. at an exercise price of $0.15 per share, with a term to expiry of 24 months. The fair value of the warrants issued, of $171 was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars, except share and per share amounts, unless otherwise stated)

Risk-free interest rate	0.69%
Expected life of warrants	24 months
Expected volatility	112.82%

As at September 30, 2017, 2,066,200 warrants are outstanding and exercisable at the exercise price of $0.15 per warrant.

16. CREDIT FACILITY

On August 11, 2017 the Company entered into a two year secured working capital term loan facility (the "facility") in the amount of up to $6,000 and bearing interest on drawn amounts between 16% and 19% per annum. A structuring fee in the amount of $180 was paid to the Lender upon closing and reasonable costs and expenses of the Lender were paid. The terms of the facility require repayment of the outstanding principal amount, together with all accrued and unpaid interest and fees 24 months following the closing. The facility may be used for any cash shortfall in the operations of the Company. The agreement contains covenants which the Company expects to fully comply with over the 24 month term. The covenants include monthly revenue targets and minimum AUM thresholds. As at September 30, 2017 the Company has not drawn any funds against the facility. The Company drew $2,000 including fees against the facility on November 22, 2017, and on December 15, 2017 the outstanding balance and interest was repaid and the outstanding balance is $nil. Subsequently, this credit facility was terminated.

17. DISTRIBUTIONS

The net distributions for the year ended September 30, 2017, represents drawings (net of contributions), by the former partners of Front Street Capital prior to the reverse acquisition transaction completion date of December 8, 2016. The net cash distributions/redemptions during the year ended September 30, 2017 were $519. In addition, proceeds from sale of JCM (note 6) of $746 were offset with redemptions during the year. Prior to December 8, 2016, the note receivable of $605 was assigned to the former partners of Front Street Capital, with the corresponding amount offset in equity.

18. SHARE BASED COMPENSATION AND TREASURY STOCK

The share option plan, deferred equity plan, and deferred share unit plan for outside directors, of Aston Hill were assumed by the Company as a result of the reverse takeover transaction described more fully in Note 5(A).

Share Option Plans

The share option plan extends to employees, directors, officers and consultants. Stock options can be issued up to a maximum number of common shares equal to 10% of the issued and outstanding common shares of LOGiQ Inc. The exercise price is not less than the market price of the common shares traded on the day prior to the date of granting and grants are determined by the Board of Directors. Options granted may have a term of up to five years.

During the year ended September 30, 2017, the Company granted 8,500,000 options with a weighted average fair value of $0.05 per share. The fair value of the options granted during the period were estimated at grant date using an option pricing model with the following weighted average assumptions:

Risk-free interest rate	0.92%
Expected life of the options	3
Expected share price volatility	95.05%
Expected forfeiture rate	0.00%
Expected dividend rate	0.00%

The tables below presents a summary of the status of the Company's share option plan as at September 30, 2017 and the changes since December 8, 2016.

	Number of options ('000s)	**Weighted average** exercise price
Assumed on December 8, 2016 pursuant to business combination	28,414	0.16
Granted	8,500	0.05
Forfeited	(2,587)	0.48
Outstanding, September 30, 2017	**34,327**	**$ 0.11**
Exercisable, September 30, 2017	**13,323**	**$ 0.16**

For the year ended September 30, 2017, total stock based compensation was $1,704 (September 30, 2016: $nil).

Deferred Equity Plan

Under the deferred equity plan, each participant is entitled to receive, and shall be granted, their full common share entitlement if the participant remains an officer or employee of the Company for a period of three years from the date of the grant. Any termination of employment with the Company results in the forfeiture of the participant's entitlement in the deferred equity plan.

The table below presents a summary of the status of the Company's deferred equity plan as at September 30, 2017 and the changes since December 8, 2016.

	Restricted Share units ('000s)
Assumed on December 8, 2016 pursuant to business combination	**1,733**
Vested and exercised	**(143)**
Forfeited / cancelled	**(655)**
Outstanding, September 30, 2017	**935**

A forfeiture rate of 15.02% was used when recording the deferred equity plan portion of stock based compensation. This estimate is adjusted to the actual forfeiture rate. The ending units under the deferred equity plan have a remaining expected life of 0.80 years.

Employee Benefit Trust (Treasury Stock)

On December 8, 2016, 2,000,000 shares were issued pursuant to Aston Hill's deferred equity plan through the Company's Employee Benefit Plan Trust ("EBP Trust"). During the year ended September 30, 2017, the Company purchased 190,688 shares for consideration of $27 through the Company's EBP Trust. In addition, the Company released 168,216 shares from the EBP Trust for $24 as exercised compensation. As at September 30, 2017, 22,472 shares are held in the Company's EBP Trust.

Deferred Share Unit Plan for Outside Directors

In 2012, Aston Hill implemented a Deferred Share Unit Plan ("DSUP") for specified eligible directors. Under the DSUP, eligible directors may convert their annual director's fees to units in the DSUP at a price equal to their annual director's fees divided by the current market price of common shares in the Company upon the grant date, being the date shares are purchased by the Company for this plan. These shares vest upon grant and are redeemable upon the effective termination date of the participant's term of service.

The amount paid by the Company for units under this plan are expensed as incurred. Deferred shares are held in treasury until redeemed by the plan's participant. For the year ended September 30, 2017, the deferred equity plan made up $nil (September 30, 2016: $nil) of total share based compensation. As at September 30, 2017, 253,539 deferred shares are outstanding.

19. NET GAINS ON FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

		2017		2016
Change in fair value of financial assets through profit or loss	$	12	$	-
Loss on sale of financial assets through profit or loss		(46)		-
Change in fair value of contingent consideration payable		2,731		-
Interest income		57		1
Net gains on financial assets and liabilities at fair value through profit or loss	$	2,754	$	1
Allocated to:				
Continuing oprations	$	2,731	$	-
Discontinued operations	$	23	$	1

Change in fair value of contingent consideration payable is related to the contingent consideration liability the Company assumed as part of the Global Advisory Agreements acquisition discussed in note 5(B). As at September 30, 2017, the Company has estimated the liability to be $nil resulting in a gain on change in fair value of $2,731.

20. FINANCE EXPENSE

		2017		2016
Interest on convertible debentures	$	1,568	$	-
Interest on promissory note		307		-
Other interest expense		67		-
Total interest expense	$	1,942	$	-
Accretion of convertible debenture discount		357		-
Accretion of notes receivable discount		(72)		-
Accretion of promissory note		139		-
Foreign exchange gain		(6)		-
Net finance expense	$	2,360	$	-

21. NET LOSS PER SHARE

The following table shows the computation of the Company's basic and diluted loss per share. The number of shares is shown in thousands.

		2017		2016
Net loss from continuing operations	$	(11,027)	$	-
Net loss from discontinued operations	$	(8,541)	$	(75)
Issued common shares at the beginning of the year (i) (in 000s)		107,563		107,563
Effect of share issuance - to Aston Hill and TCI		106,301		-
Effect of share issuance - to debentureholders pursuant to business combination		39,503		-
Effect of share issuance - pursuant to private placement		26,795		-
Effect of share issuance - other		4,325		-
Effect of treasury stock transactions		(40)		-
Weighted average number of common shares - basic (in 000s)		284,447		107,563
Basic and diluted loss per share				
Continuing operations	$	(0.039)	$	-
Discontinued operations	$	(0.030)	$	(0.001)

(i) The 107,563 common shares issued to the former owners of Front Street Capital and TCI pursuant to the reverse acquisition described in note 5(A) have been assumed to be outstanding throughout the current and comparative years.

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars, except share and per share amounts, unless otherwise stated)

For the year ended September 30, 2017, the effect of 190,094,000 and 167,878,000 shares issuable resulting from LOGiQ Inc.'s convertible debenture is excluded from diluted earnings per share as the effect is anti-dilutive. The average market value of LOGiQ Inc.'s shares for the purpose of calculating the dilutive effect of share options was based on quoted market prices for the period that the options were outstanding.

22. SUPPLEMENTAL CASH FLOW INFORMATION

Net change in non-cash working capital:

		2017		2016
Source (use) of cash				
Trade and other receivables	**$**	**1,855**	$	(1,548)
Prepaid expenses and deposits		**(63)**		(16)
Notes receivable		**605**		-
Trade and other payables		**(6,349)**		2,145
Provisions		**869**		-
Due to related parties		**(125)**		-
Net change in non-cash working capital	**$**	**(3,208)**	$	581

23. COMMITMENTS AND CONTINGENCIES

As at September 30, 2017, the Company is committed under operating leases, primarily relating to office space for the following minimum annual rentals:

		September 30, 2017
Less than one year	$	1,197
Between one and five years		2,830
More than five years		21
Total commitments	$	4,048

As discussed in note 11, the Company has sublease recoveries for the lease of office space in Calgary. The recoveries from the sub lease have not been included in the commitments above.

LOGiQ Capital 2016, as a co-defendant has had litigation commenced against it by Performance Diversified Fund seeking damages of $5 million from Front Street Investment Management Inc. and LOGiQ Capital 2016 (collectively, "the co-defendants"). In the claim, Performance Diversified Fund alleges that the co-defendants, in co-managing the assets of Flatiron LP with Sprott Inc. and Sprott Asset Management LP, breached their duty of care and fiduciary duty to Performance Diversified Fund. The Partnership along with the other co-defendants has commenced a third party claim with respect to certain service providers to Performance Diversified Fund. The Company will continue to defend against the claim. The amount of the losses, if any, cannot be reasonably determined at this time.

The Partnership has been named in two statements of claim with respect to distributions received from a portfolio investment held by one of the funds managed by LOGiQ Capital 2016 and one other fund that has since been dissolved. In the opinion of the Company's management, the claim is without merit and LOGiQ Capital 2016 will continue to defend against the claim vigorously.

Under a share purchase agreement dated March 11, 2016 (the "SPA") between LOGiQ Inc. and Brant Securities Limited ("Brant"), LOGiQ Inc. sold its wholly owned subsidiary, Aston Hill Securities Inc. ("AHS"), to Brant. Under the SPA, LOGIQ agreed to indemnify Brant in respect of certain claims, limited to a maximum amount of $300. LOGiQ Inc. has received a notice of claim in respect of this indemnity arising from a third-party claim against Brant by a former AHS client and, accordingly, an amount of $300 has been fully provided for in respect of this claim.

The Company is a party to various other legal proceedings and claims that arise in the ordinary course of business either a plaintiff or defendant. The Company analyzes all legal proceedings and the allegations therein. The outcome of any of these proceedings, either individually or in the aggregate, is not expected to have a material adverse effect on the Company's financial position, statement of loss and comprehensive loss or liquidity.

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars, except share and per share amounts, unless otherwise stated)

24. INCOME TAXES

Income tax recovery is comprised of the following:

	Continuing operations	Discontinued operations	
	2017	**2017**	2016
	$	**$**	$
Current tax expense	-	-	-
Deferred tax recovery	**(1,019)**	**(3,660)**	-
Income tax recovery	**(1,019)**	**(3,660)**	-

A reconciliation of income taxes at statutory rates to actual income taxes is as follows:

	Continuing operations	Discontinued operations	
	2017	**2017**	2016
	$	**$**	$
Net loss before income taxes	**(12,046)**	**(12,197)**	(75)
Combined federal and provincial income tax rate	**26.50%**	**26.50%**	0.00%
	(3,192)	**(3,232)**	-
Increase in tax expense resulting from:			
Permanent differences	**578**	-	-
Deferred tax asset not recognized (recognized)	**879**	**(428)**	-
Other	**716**	-	-
Income tax recovery	**(1,019)**	**(3,660)**	-

The components of the Company's deferred tax liability are a result of the origination and reversal of temporary differences and comprise the following:

		2017		**2016**
Deferred tax assets:				
Provisions	**$**	**778**	$	-
Share issue costs		**10**		-
Notes receivable		**325**		-
Marketable Securities		**28**		-
Capital loss carryforwards		**489**		-
Borrowing and transaction costs		**52**		-
Non-capital loss carryforwards		**1,183**		-
	$	**2,865**	$	-
Deferred tax liabilities:				
Intangible assets	**$**	**2,313**	$	-
Convertible debenture - liability component		**934**		-
Convertible debenture - equity component		**315**		-
Deferred Gains		**15**		-
Property, plant and equipment		**14**		-
	$	**3,591**		-
Net deferred tax liabilities	**$**	**726**	**$**	**-**

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars, except share and per share amounts, unless otherwise stated)

25. RELATED PARTY TRANSACTIONS

In addition to those disclosed elsewhere in the financial statements, the Company had the following related party transactions:

a) The funds under management are considered to be related parties to the Company entities who manage them. As such, the managers of the funds receive management fees and pay for expenses incurred by its various funds under management in accordance with the terms outlined in the applicable prospectus. These expenses are then charged back to the funds and are recovered under non-interest bearing, normal credit terms in accordance with the prospectus of the funds.

   Trade and other receivables as at September 30, 2017 include $2,356 (September 30, 2016: $3,160) in management fees, and other amounts due from funds under management. Trade and other payables as at September 30, 2017 includes $288 (September 30, 2016: $nil) in amounts due to funds under management.

   For the year ended September 30, 2017, $25,071 (September 30, 2016: $14,365) of revenue from management and other fees was from funds under management by entities within the Company. For the year ended September 30, 2017, the Company earned revenue from performance fees of $1,812 (September 30, 2016: $388) from funds under management by the entities within the Company.

   In addition, for the year ended September 30, 2017, the Company absorbed $185 (September 30, 2016: $705) of expenses incurred by funds under management.

b) RJT Capital Inc. ("RJT") is a company which owns 49% of the outstanding shares of LOGiQ Capital Partners. RJT is paid a consulting fee for management services performed for LOGiQ Capital Partners.

   In addition, payments of expenses are centralized and paid out of LOGiQ Inc., and as such RJT reimburses LOGiQ Inc. for any expenses paid on behalf of LOGiQ Capital Partners which were paid by LOGiQ Inc. As at September 30, 2017 $92 (September 30, 2016: $nil) of trade and other payables related to the consulting fee payable to RJT. Total consulting fees to RJT incurred for the year ended September 30, 2017 were $664 (September 30, 2016: $nil).

c) As at September 30, 2017, the investments at fair value through profit or loss balance of $12 (September 30, 2016: $nil) related to seed capital investments by the Company. As these funds are managed by subsidiaries in the Company, they are considered to be related parties. For the year ended September 30, 2017, a net gain of $12 (September 30, 2016: $nil) related to funds under management was recorded within gain on financial assets and liabilities at fair value through profit or loss.

d) Prior to the acquisition of TCI as described in note 5(A), TCI was controlled by FS Company Holdings Ltd., and as a result was considered to be under the common control of the former partners of Front Street Capital. For the year ended September 30, 2017, management fees and other includes $17 in respect of servicing fees earned from TCI prior to the business combination date and $77 after amalgamation (September 30, 2016: $88).

   TCI earns all of its commission's revenue and trailer fee from trading on of assets managed by LOGiQ Capital 2016. The commissions' revenue s are at negotiated rates. The trailer fees are in accordance with the offering documents of the respective funds.

e) Key management compensation: Key management of the Company includes the Company's directors and officers. Compensation of key management includes salaries, short-term employee benefits, and share based payments.

		2017		2016
Wages, salaries and partner drawings	**$**	**8,016**	$	4,864
Benefits and other personnel costs		**68**		38
Share based compensation		**1,668**		-
Total remuneration	**$**	**9,752**	$	4,902

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

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars, except share and per share amounts, unless otherwise stated)

26. DETERMINATION OF FAIR VALUES

The following tables provide fair value measurement information for financial assets and liabilities in accordance with the fair value hierarchy, as of September 30, 2017, and September 30, 2016. In addition, the financial assets and liabilities are classified as: fair value through profit or loss; other financial assets; and financial liabilities.

September 30, 2017	Carrying amount	Fair value	Fair value measurements using Level 1	Level 2	Level 3
Financial assets:					
Fair value through profit or loss					
Investments at fair value through profit or loss	$ 12	$ 12	$ 12	$ -	$ -
Other financial assets					
Cash and cash equivalents	1,278	1,278	1,278	-	-
Funds held in trust	7,167	7,167	7,167	-	-
Due from carrying broker	30,583	30,583	30,583	-	-
Trade and other receivables	3,597	3,597	-	3,597	-
Total financial assets	$ 85,948	$ 85,948	$ 39,040	$ 3,597	$ 43,311
Financial liabilities:					
Due to clients	$ 30,583	$ 30,583	$ 30,583	$ -	$ -
Due to carrying broker	7,167	7,167	7,167	-	-
Trade and other payables	5,165	5,165	-	5,165	-
Provisions	3,733	3,733	-	2,166	1,567
Promissory note payable	6,376	6,376	-	6,376	-
Convertible debentures (i)	15,300	13,754	13,754	-	-
Total financial liabilities	$ 68,324	$ 66,778	$ 51,504	$ 13,707	$ 1,567

September 30, 2016	Carrying amount	Fair value	Fair value measurements using Level 1	Level 2	Level 3
Financial assets:					
Other financial assets					
Cash and cash equivalents	$ 1,652	$ 1,652	$ 1,652	$ -	$ -
Trade and other receivables	3,684	3,684	3,684	-	-
Notes receivable	605	605	-	605	-
Total financial assets	$ 5,941	$ 5,941	$ 5,336	$ 605	$ -
Financial liabilities:					
Trade and other payables	$ 4,441	$ 4,441	$ 4,441	$ -	$ -
Due to related parties	125	125	125	-	-
Liabilities related to assets held for sale	296	296	296	-	-
Total financial liabilities	$ 4,862	$ 4,862	$ 4,862	$ -	$ -

(i) The fair value shown in respect of the convertible debentures is based on the closing trading price of the convertible debentures as at September 30, 2017 and includes value attributable to the equity component of the convertible debentures.

27. FINANCIAL RISK MANAGEMENT

The Company’s activities expose it to a variety of financial risks that arise as a result of its operating, investing, and financing activities such as:

- Credit risk;
- Liquidity risk;
- Market risk;

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars, except share and per share amounts, unless otherwise stated)

- Price risk; and
- Interest rate risk

This note presents information about the Company's exposure to the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors of LOGiQ Inc. oversees management's establishment and execution of the Company's risk management framework. Management has implemented and monitors compliance with risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities.

a) Credit risk:

Credit risk is the potential for financial loss to the Company if a counterparty in a transaction fails to meet its obligations.

The maximum exposure to credit risk at the year-end is as follows:

	September 30, 2017	September 30, 2016
	$	$
Cash and cash equivalents	**1,278**	1,652
Funds held in trust	**7,167**	-
Due from carrying broker	**30,583**	-
Trade and other receivables	**3,597**	3,684
Total credit risk exposure	**42,625**	5,336

The Company's cash and cash equivalents, funds held in trust, due from carrying broker, trade and other receivables, and notes receivable are exposed to credit risk. The Company monitors its credit risk management policies continuously to evaluate their effectiveness and feels that the creditworthiness of its counterparties is satisfactory at this time. Cash and cash equivalents and funds held in trust primarily consist of highly liquid temporary deposits with Canadian chartered banks. Amounts due from carrying broker are due on demand and are collateralized against securities due to clients and the company maintains an IIROC license in good standing. All of the Company's operations are conducted in Canada. Receivables are normally collected on the 15th day of the month following the month or quarter in which the management fee was earned. Receivables are due from entities under common control or related parties and as such are all current and no provision for doubtful accounts has not been recorded at September 30, 2017 and September 30, 2016.

The Company mitigates credit risk on these financial instruments by adhering to its Investment Policy that outlines credit risk parameters and concentration limits.

b) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 90 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted. To achieve this objective, the Company prepares annual operational expenditure budgets which are regularly monitored and updated as considered necessary. The Company also attempts to match its payment cycle with collection of its revenue on the 15th of each month.

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars, except share and per share amounts, unless otherwise stated)

The following are the contractual maturities of financial liabilities including estimated interest payments:

	Carrying amount	Contractual cash flows	Less than one year	One - two years	Two - five years	More than five years
	$	$	$	$	$	$
Due to clients	30,583	30,583	30,583	-	-	-
Due to carrying broker	7,167	7,167	7,167	-	-	-
Trade and other payables	5,165	5,165	5,165	-	-	-
Provisions - Short-term incentives	800	800	800	-	-	-
Provisions - Termination benefits	1,266	1,266	1,266	-	-	-
Promissory note	6,376	6,519	6,519	-	-	-
Convertible debentures(1)	15,300	25,536	1,416	1,416	22,704	-
Subordinated loan	11	11	11	-	-	-
	66,668	**77,047**	**52,927**	**1,416**	**22,704**	-

(1) Subsequent to year end, as a result of the approval of the Transaction at a special meeting of the debenture holders on December 8, 2017, and the subsequent closing of the Transaction, certain amendments to the indenture governing the Company's 7.000% senior unsecured convertible debentures due June 30, 2021 became effective December 15, 2017 (note 29).

c) Market risk

Market risk is the potential for loss to the Company from changes in the values of its financial instruments due to changes in interest rates, foreign exchange rates or equity prices. The Company's financial instruments are generally denominated in Canadian dollars and do not have significant exposure to changes in foreign exchange rates.

The Company's securities holdings are classified at fair value through profit or loss, therefore changes in fair market value on securities are recorded in net income.
Further risks related to market risks that are present in the Company are as follows:

i. Price risk

The Company is exposed to equity securities price risk because of investments at fair value through profit or loss held by the Company.

As at September 30, 2017, had the fair values of the investments at fair value through profit or loss increased or decreased by 5%, with all other variables held constant would not have a material impact on the Company's Consolidated Statements of net and comprehensive loss (2016 - $nil).

ii. Interest rate risk

The Company is not subject to specific interest rate risk as the capital structure employed is at fixed rates. Therefore, a change in interest rate of 5% would not have a material impact to the Company.

The Company has established a control environment that ensures market risks are reviewed regularly and that risk controls throughout the Company are operating in accordance with regulatory requirements. Exposure to interest rate risk, price risk, and other market risks are monitored and when a particular market risk is identified, portfolio managers of the funds are directed to mitigate the risk by reducing their exposure.

d) Capital management

The Company's capital management objective is to maximize shareholder returns while ensuring that the Company is capitalized in a manner which appropriately supports regulatory requirements, financial obligations, debt covenants, working capital needs and business expansion. The Company's capital management practices are focused on preserving the quality of its financial position by maintaining a solid capital base.

For the years ended September 30, 2017 and 2016 (stated in thousands of Canadian dollars, except share and per share amounts, unless otherwise stated)

Capital of the Company is comprised of shareholder's equity, convertible debentures, promissory note and term credit facility. The Company's capital is primarily utilized in its ongoing business operations to support working capital requirements and long-term investments made by the Company, business expansion and other strategic objectives. There were no changes in the Company's approach to capital management during the year.

The Company is subject to externally imposed capital requirements as it is registered with the Ontario Securities Commission as an investment fund manager. In the event of non-compliance, the Company is required to file additional financial information and to review its policies and procedures for compliance with securities law and to file a compliance report.

At September 30, 2017, the Company is in compliance with all externally imposed restrictions on capital.

28. GENERAL AND ADMINISTRATIVE

The components of general and administrative expense are as follows:

		2017		2016
Rent and office	**$**	**3,294**	$	886
Clearing costs		**362**		-
Consulting		**1,748**		-
Fund manager expenses		**452**		705
IT related fees		**383**		622
Legal and accounting		**1,861**		1,322
Marketing		**464**		383
Other		**534**		574
	$	**9,098**	$	4,492
Allocated to:				
Continuing operations	**$**	**3,804**	$	-
Discontinued operations	**$**	**5,294**	$	4,492

29. SUBSEQUENT EVENTS

Disposal group held for sale – Retail asset management contracts

On December 15, 2017, the Company completed the sale of the asset management agreements which were presented as assets held for sale (note 7) for the year ended September 30, 2017 for total proceeds of approximately $32 million and net proceeds of $29.4 million. The sale of the disposal group did not result in any gain/loss on the assets held for sale.

Debenture amendments

As a result of the approval of the Transaction at a special meeting of the debenture holders on December 8, 2017, and the subsequent closing of the Transaction, certain amendments to the indenture governing the Company's 7.000% senior unsecured convertible debentures due June 30, 2021 became effective December 15, 2017.

The amendments relate primarily to the retraction right the holders of the debentures will have. The retraction right provides that the debentures may be tendered for retraction on the date which is the 30th day following the closing date of the Transaction, by providing the Company with a notice during the notice period which ends on January 11, 2018. The retraction date is January 15, 2018.

The retraction price will be $1.01 for each $1 principal amount of debentures tendered for retraction, and the maximum principal amount of debentures that the Company must redeem will be capped at $15,170 of the total value of the debentures of $20,226, representing a maximum retraction price of $15,321. In the event more than the maximum amount of debentures are tendered, the Company will redeem the debentures tendered on a pro rata basis up to the maximum, and the maturity date will become September 30, 2018 and the interest rate payable on the debentures for the period from and including June 30, 2018 to September 30, 2018 will be increased from 7% per annum to 12% per annum. Debenture holders who hold to maturity will be entitled to $1.05 for each $1 of principal amount of debentures held, plus accrued and unpaid interest to the maturity date.

Disposal group held for sale – Global advisory agreements and institutional accounts

Subsequent to year end, the Company commenced a strategic review of its remaining businesses and commenced to actively seek a merger partner, which may include a concurrent or subsequent sale of some or all of its remaining assets. A merger and/or a sale is probable and expected to occur within the next year, and therefore subsequent to September 30, 2017 the assets became classified as held for sale.

Revolving loan agreement

On December 26, 2017, the Company entered into revolving loan agreements with two related parties in the total amount of up to $1 million and bearing interest on drawn amounts of 12% per annum. A structuring fee of $15 is payable to each related party providing the loan. The terms of the facilities are that LOGiQ Inc. may request a drawdown on or after June 30, 2018, and the agreements terminate January 1, 2019 with all advances and accrued and unpaid interest to be repaid by the termination date. The facilities may be used for any cash shortfall in the operations of the Company. The agreements contain conditions precedent to any advances, which the Company expects to fully comply with over the term of the agreements.