First Global Data Limited

Condensed Consolidated Interim Financial Statements
(Unaudited)

June 30, 2018
(Expressed in US Dollars)

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

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

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

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

Toronto, Ontario
August 29, 2018

"Ray Wieler"
………………………………………
Ray Wieler
Director

Toronto, Ontario
August 29, 2018

First Global Data Limited

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First Global Data Limited
Condensed Consolidated Interim Statements of Financial Position
As at June 30, 2018 and December 31, 2017
(Unaudited, Expressed in US Dollars, unless otherwise stated)

	Note		June 30 2018		December 31 2017
ASSETS					
Current assets					
Cash		**$**	**861,621**	$	2,180,789
Trade and agent receivables	**4**		**569,887**		835,813
Prepaid and other assets	**5**		**995,822**		619,794
			2,427,330		3,636,396
Non-current assets					
Property and equipment	**6**		**199,022**		212,139
Intangibles	**7**		**56,024**		116,031
			255,046		328,170
TOTAL ASSETS		**$**	**2,682,376**	$	3,964,566
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)					
Current liabilities					
Accounts payable and accrued liabilities	**8**	**$**	**2,744,269**	$	3,188,576
Taxes payable			**67,339**		67,339
Borrowings - Current	**9**		**14,654,066**		13,511,257
			17,465,674		16,767,172
Shareholders' Equity (Deficit)					
Issued share capital	**10**		**39,629,262**		38,468,806
Share warrants, options and conversion rights			**17,592,361**		17,147,714
Accumulated other comprehensive income			**2,135,783**		1,470,054
Accumulated deficit			**(74,140,704)**		(69,889,180)
			(14,783,298)		(12,802,606)
TOTAL LIABILITIES AND DEFICIT		**$**	**2,682,376**	$	3,964,566

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

These Condensed Consolidated Interim Financial Statements are authorized for issue by the Board of Directors on August 29, 2018.

"Andre Itwaru"
Director

'Ray Wieler"
Director

First Global Data Limited
Condensed Consolidated Interim Statements of Comprehensive Income (loss)
For Six Months ended June 30, 2018 and 2017
(Unaudited, Expressed in US Dollars, unless otherwise stated)

	Note	Three months ending June 30 2018	Three months ending Restated June 30 2017	Six months ending June 30 2018	Six months ending Restated June 30 2017
Revenue		**302,929**	382,357	**803,482**	776,536
Expenses					
Cost of services		**228,150**	213,522	**628,049**	371,417
Selling, general and administrative		**836,367**	913,738	**1,552,948**	1,714,177
Salaries and related costs		**876,584**	1,533,561	**1,855,682**	2,290,500
Depreciation of property and equipment	6	**14,152**	14,084	**31,795**	24,061
Amortization of intangibles	7	**27,641**	53,043	**55,281**	107,001
Total Expenses		**1,982,894**	2,727,948	**4,123,755**	4,507,155
Income / (loss) from operations		**(1,679,965)**	(2,345,591)	**(3,320,273)**	(3,730,619)
Other Income (Expenses)					
Interest expense and other finance cost		**(493,620)**	(612,359)	**(946,272)**	(1,059,391)
Foreign exchange gain (loss)		**15,751**	52,913	**15,022**	69,525
Net loss		**(2,157,834)**	(2,905,037)	**(4,251,523)**	(4,720,485)
Other comprehensive income (loss)					
Items which will be reclassified to profit and loss:					
Exchange difference on translation		**257,901**	(286,265)	**665,729**	(209,214)
Total comprehensive income (loss)		**(1,899,933)**	(3,191,302)	**(3,585,794)**	(4,929,699)
Loss attributable to:					
Equity holders of the parent		**(2,157,834)**	(2,906,958)	**(4,251,523)**	(4,720,485)
Non-controlling interests		**-**	-	**-**	-
		(2,157,834)	(2,906,958)	**(4,251,523)**	(4,720,485)
Total comprehensive loss attributable to:					
Equity holders of the parent		**(1,899,933)**	(3,193,223)	**(3,585,794)**	(4,929,699)
Non-controlling interests		**-**	-	**-**	-
		(1,899,933)	(3,193,223)	**(3,585,794)**	(4,929,699)
Earning per Share					
Basic and diluted	12	**$ (0.0091)**	$ (0.0147)	**$ (0.0179)**	$ (0.0238)

Going concern (see Note 3)
Restatements (see Note 11)
The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.

First Global Data Limited
Condensed Consolidated Interim Statements of Cash Flows
For Six Months ended June 30, 2018 and 2017
(Unaudited, Expressed in US Dollars, unless otherwise stated)

	June 30 2018	Restated June 30 2017
OPERATING		
Income (loss) before tax	**(4,251,523)**	(4,720,485)
Items not affecting cash		
Depreciation of property and equipment	**31,795**	24,061
Unrealized foreign exchange gain / (loss)	**665,728**	(224,881)
Financing costs - interest expense	**946,272**	1,059,391
Share based compensation	**202,256**	355,155
Amortization of intangibles	**55,281**	107,001
	(2,350,191)	(3,399,759)
Changes in working capital items		
Trade and agents receivables	**265,926**	(854,240)
Prepaid expenses and deposits	**(376,028)**	(563,565)
Accounts payable and accrued liabilities	**(444,307)**	(1,238,629)
	(2,904,600)	(6,056,192)
INVESTING		
Purchase of property, equipment and intangibles	**(13,952)**	(50,199)
	(13,952)	(50,199)
FINANCING		
Proceeds from share capital and warrants issued	**1,402,847**	10,044,986
Proceeds from (repayment of) borrowings	**37,064**	(3,967,519)
Proceeds from borrowings - ISPL	**159,474**	3,031,871
	1,599,385	9,109,338
NET CASH FLOW / (OUTFLOW)	**(1,319,168)**	3,002,946
CASH, BEGINNING OF PERIOD	**2,180,789**	2,143,057
CASH, END OF PERIOD	**861,621**	5,146,004
Comprising:		
Cash and bank balances	**861,621**	5,146,004

Going concern (see Note 3)
Restatements (see Note 11)
The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.

First Global Data Limited
Condensed Consolidated Interim Statements of Changes in Equity
For Six Months ended June 30, 2018 and June 30, 2017
(Unaudited, Expressed in US Dollars, unless otherwise stated)

Restated

Particulars	Note	Issued share capital		Share warrants and conversion options	Cumulative foreign currency translation reserve	Non-Controlling Interest	Accumulated deficit	Total equity / (deficiency)
		No. of shares	Amount					
Balance, January 1, 2017		178,131,442	$ 29,815,525	$ 11,579,048	$ 2,089,111	$ -	$(52,541,721)	$ (9,058,037)
Issuance of units on private placement	10.2(a)	14,290,359	1,605,085	5,940,190				7,545,275
Share based compensation				355,155				355,155
Shares issued on conversion of debentures	10.2(b)	4,166,666	435,692	(57,742)				377,950
Shares issued on exercise of Warrants		8,494,568	1,781,625	(425,481)				1,356,145
Units issued on debt conversion	10.2(c)	14,642,500	257,178	853,413				1,110,591
Shares issued on exercise of Options		460,000	104,536	(19,022)				85,515
Units issued on debt settlement	10.2(e)	22,330,000	3,313,568	(2,263,958)				1,049,610
Other comprehensive loss					(209,214)			(209,214)
Non- controlling interest								-
Net income (loss)							(4,720,485)	(4,720,485)
Balance, June 30, 2017		242,515,535	$ 37,313,210	$ 15,961,602	$ 1,879,897	$ -	$(57,262,206)	$ (2,107,496)
Balance, January 1, 2018		**247,476,209**	**$ 38,468,806**	**$ 17,147,714**	**$ 1,470,054**	**$ -**	**$(69,889,180)**	**$(12,802,606)**
Issuance of units on private placement	**10.1 (a)**	**7,272,000**	**1,117,993**	**257,978**				**1,375,971**
Share based compensation		**-**	**-**	**202,256**				**202,256**
Issuance of shares on exercise of warrants		**232,667**	**42,463**	**(15,588)**				**26,875**
Other comprehensive income / (loss)					**665,729**			**665,729**
Net loss							**(4,251,523)**	**-4251523.105**
Balance, June 30, 2018		**254,980,876**	**$ 39,629,262**	**$ 17,592,361**	**$ 2,135,783**	**$ -**	**$(74,140,704)**	**$(14,783,298)**

Going concern (see Note 3)

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

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

1. CORPORATE INFORMATION

First Global Data Limited ("the Company" or "FGDL") is a Canadian public corporation incorporated in Canada in 2010 under the legislation of the Province of Ontario. The condensed consolidated interim financial statements of the Company as at and for the period ended June 30, 2018 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities"). The principal activity of the Group is financial technology and remittance of services from Canada and the USA under the brands "FirstGlobalMoney".

The head office, principal address and registered office of the Company is located at 555 Richmond Street West, Suite 918, Toronto, Ontario, M5V 3B1.

2. BASIS OF PREPARATION

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as at December 31, 2017.

3 STATEMENT OF GOING CONCERN

These Consolidated Financial Statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business. During the six months period, the Company incurred a net loss of $4,251,523 (2017: $4,720,485). The Company had a net outflow of cash from operations of $2,904,600 (2017: $6,056,192). The Company has a working capital deficiency of $15,038,344 (Dec. 31 2017: $13,130,776) and has incurred significant recurring losses over the years. The working capital deficiency limits the Company's ability to fund capital expenditures and operations. This raises significant doubt the Company's ability as a going concern.

The ability of the Company to continue as a going concern is dependent upon the Company's ability to raising sufficient working capital to maintain its operations, reducing operating expenditures, and generating continuous and consistent revenue from its proprietary money transfer platform. In May 2018 and June 2018, a subsidiary of the company raised debt of CAD $1,500,000 and CAD $400,000 respectively by issuing promissory notes (Note 9.8 c). The management is pursuing further financing alternatives such as private placement of equity and raising new debt to fund its operations to continue as going concern. The management continues to review and implement cost cutting measures including but not limited to a reduction of staff and salaries, streamlining operations, and reduction in capital expenditure.

The Company will also be negotiating conversion of debt into equity and/or renegotiating the term of the existing debt. There is no assurance that the Company will be successful in achieving these goals in the near future. Without adequate financing the Company may be forced to cease operations. These condensed consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the going concern assumption not be appropriate. These adjustments could be material.

4. TRADE AND AGENT RECEIVABLES

	June 30 2018	December 31 2017
Trade and agent receivables	**$736,876**	$1,034,133
Provision for doubtful debts	**(166,989)**	(198,320)
	$569,887	$835,813

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

4. TRADE AND AGENT RECEIVABLES (continued)

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

5. PREPAID AND OTHER ASSETS

	June 30 2018	December 31 2017
Prepaid expenses	**$248,307**	$144,481
Other receivables	**747,515**	475,313
	995,822	$619,794

6. PROPERTY AND EQUIPMENT

June 30, 2018	**Computer Hardware**	**Production Hardware**	**Furniture and Equipment**	**Total**
Cost				
Balance as at January 1	**194,141**	**84,984**	**406,328**	**685,454**
Additions during the period	**1,809**	**-**	**14,047**	**15,856**
Effect of foreign exchange translation	**(22,433)**	**(4,018)**	**19,880**	**(6,570)**
Balance as at June 30	**173,518**	**80,967**	**440,255**	**694,740**
Accumulated depreciation				
Balance as at January 1	**131,603**	**52,900**	**288,811**	**473,314**
Depreciation expense	**7,035**	**5,775**	**18,984**	**31,795**
Effect of foreign exchange translation	**(3,995)**	**(1,399)**	**(3,998)**	**(9,391)**
Balance as at June 30	**134,644**	**57,277**	**303,797**	**495,718**
Net book value:				
Balance as at June 30	**38,874**	**23,690**	**136,458**	**199,022**

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

6. PROPERTY AND EQUIPMENT (Continued)

December 31, 2017	Computer Hardware	Production Hardware	Furniture and Equipment	Total
Cost				
Balance as at January 1	132,857	44,861	345,029	522,747
Additions during the period	68,214	36,973	59,574	164,762
Effect of foreign exchange translation	(6,930)	3,150	1,725	(2,055)
Balance as at December 31	194,141	84,984	406,328	685,454
Accumulated depreciation				
Balance as at January 1	111,911	41,207	248,290	401,408
Depreciation expense	17,094	8,799	37,642	63,536
Effect of foreign exchange translation	2,598	2,894	2,879	8,371
Balance as at December 31	131,603	52,900	288,811	473,315
Net book value:				
Balance as at December 31	62,539	32,084	117,517	212,139

7. INTANGIBLES

June 30, 2018	**Core Software**	**Computer software**	**Customer List**	**Software RemitX**	**F1 Soft Software**	**Total**
Cost						
Balance as at January 1	**77,733**	**44,535**	**100,628**	**566,466**	**568,742**	**1,358,103**
Additions		**-**	**-**	**-**	**-**	**-**
Effect of foreign exchange	**-**	**(2,106)**	**-**	**(26,780)**	**(26,888)**	**(55,774)**
Balance as at June 30	**77,733**	**42,429**	**100,628**	**539,686**	**541,854**	**1,302,330**
Accumulated amortization / impairment						
Balance as at January 1	**77,733**	**41,801**	**100,628**	**453,168**	**568,742**	**1,242,073**
Amortization / impairment		**1,429**	**-**	**53,851**	**-**	**55,281**
Effect of foreign exchange	**-**	**(2,857)**	**-**	**(21,302)**	**(26,888)**	**(51,048)**
Balance as at June 30	**77,733**	**40,373**	**100,628**	**485,717**	**541,854**	**1,246,306**
Net book value						
Balance as at June 30	**-**	**2,056**	**-**	**53,968**	**-**	**56,024**

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

7. INTANGIBLES (Continued)

December 31, 2017	Core Software	Computer software	Customer List	Software RemitX	F1 Soft Software	Total
Cost						
Balance as at January 1	77,733	38,385	100,628	529,298	531,425	1,277,469
Additions		3,454	-	-	-	3,454
Effect of foreign exchange	-	2,696	-	37,168	37,316	77,180
Balance as at December 31	77,733	44,535	100,628	566,466	568,742	1,358,103
Accumulated amortization / impairment						
Balance as at January 1	77,733	38,292	23,192	317,580	425,141	881,938
Amortization / impairment		820	75,807	113,293	113,748	303,669
Effect of foreign exchange	-	2,689	1,629	22,295	29,853	56,466
Balance as at December 31	77,733	41,801	100,628	453,168	568,742	1,242,072
Net book value						
Balance as at December 31	-	2,734	-	113,298	-	116,031

8. ACCOUNTS PAYABLE AND OTHER LIABILITIES

	June 30 2018	December 31 2017
Accounts payable	$ **1,363,642**	$ 1,929,338
Accrued liabilities	**1,332,519**	1,250,563
Due to government agencies	**48,108**	8,675
	$ **2,744,269**	$ 3,188,576

9. BORROWINGS

	Notes	June 30 2018	December 31 2017
Current			
Due to Fundeco (Caribank)	9.1	**416,008**	$ 786,411
Due to 715 Manitoba	9.2	**331,131**	-
Series 'G' debentures	9.3	**3,873,613**	4,079,920
Due to Finsec Services Inc	9.6	**2,163,125**	2,119,953
Other convertible debentures	9.7	**519,940**	525,888
Short term loan	9.4	**-**	-
Short term payable	9.5	**636,054**	877,313
Note Payable	9.8	**1,833,041**	382,433
Borrowings - technology licenses	9.9	**4,881,155**	4,739,338
		14,654,066	13,511,257
Non-current			
Series 'G' debentures and other	9.3	**-**	-
		$ 14,654,066	$ 13,511,257

9. BORROWINGS (continued)

9.1 Due to Fundeco (Caribank)

In September 17, 2014, the Company entered into an agreement with Caribank (Subsidiary of Fundeco Inc.) to provide the Company with a credit facility of US $ 1,000,000. The Company drew down on this credit facility to the amount of US $600,000 in September of 2014. The amount owing as at June 30, 2018 includes interest and principal.

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

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

In February 2018, the Company through it legal counsel made payment of CAD $541,067.50 (USD $416,008) to Fundeco Inc. as a partial payment which included partial payment of principal and unpaid interest.

.9.2 Due to 7159618 Manitoba

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

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

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

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

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

9. BORROWINGS (continued)

9.2 Due to 7159618 Manitoba (continued)

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

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

In February 2018, the Company signed a Loan Agreement with 7159618 Manitoba Ltd. for an amount of CAD $400,000. Interest is payable on the unpaid amount at 24 percent per annum, calculated monthly.

9.3 Series ‘G’ debentures and Other loans payable

Between August and December, 2015 the Company issued Series G, 14% debentures (the “Debentures”) in the aggregate principal amount of CAD $ 4,461,305 on a non-brokered private placement basis. The Company secured the funds through the interested investors of the Global Bio Energy SAS (GBSAS).

The Company assigned the debt secured through the debenture offering (CAD $3,430,349), including monies loaned to the Latin American company, to a publicly listed company Threegold Resources Limited (the "Threegold") and the Company believes that Threegold continued to service debt payments on the debentures. Threegold agreed to lend FGDL CAD $1,440,486. Terms and conditions of this loan are were not formally documented.

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

This agreement included the understanding that as the Company secured capital through the Series G debenture offering it would loan a portion of the Series G proceeds to GBSAS for the implementation of the Company's services. GBSAS agreed to pledge its assets in Colombia as collateral for the Series G debenture offering. The agreement provided the Company with a 90 day review period during which it would have the ability to terminate the agreement for non-performance with a break fee of CAD $ 500,000. The agreement also provided the Company with the ability to assign the monies loaned to GBSAS, along with the funds raised through the Series G debenture offering to an alternate company in the event that the Company felt that there was not adequate progress on the deployment of its services.

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

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

9. BORROWINGS (continued)

9.3 Series 'G' debentures and Other loans payable

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

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

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

Upon review of the assignment to Threegold, and prior to the re-assignment, the Company discovered that some of the subscription agreements signed by the Series G Debenture holders did not include the clause for assignment. On December 28, 2017 the Company agreed to accept the re-assignment of all of the Series G Debentures from Threegold to the Company of CAD $3,430,349 Debentures along with outstanding interest, which were originally assigned to Threegold in December 2015. The loan of CAD $1,440,486 made by Threegold to the Company was eliminated in the transaction along with outstanding interest on that loan. At the current time there is no security against the assets pledged for the Series G debenture holders and the corresponding receivable was written off (see note 5). The Company is pursuing with the related parties who pledged this security.

Ontario Securities Commission (OSC) is currently investigating Series "G" Debentures and associated transactions. The investigation has not been concluded as of the date of issuance of these financial statements.

9.4 Short term loan

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

9.5 Short term payables

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

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

9. BORROWINGS (continued)

9.6 Due to Finsec Services Inc.

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

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

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

During the year ended December 31, 2017, the Company paid outstanding interest aggregating to $442,093 and CAD $130,027 to Finsec in respect of $1,700,000 and CAD $500,000 loans respectively.

Finsec Services Inc. ceased to be a related party during the period as described in note 13.2.

On October 24, 2017, the Company received a letter from Finsec Services Inc., which stated, among other things that Finsec has no interest in further extending the maturity of the loans and required the Company to bring arrears interest payments up to date and to present an acceptable payment plan for the principal amounts of the loans. The Company continues to make required interest payments and is working with the lender towards a mutually acceptable resolution.

9.7 Other convertible debentures

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

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

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

9. BORROWINGS (continued)

9.7 Other convertible debentures (continued)

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

9.8 Note payable

a) The Company had issued an unsecured promissory note amounting to CAD $250,000 from a shareholder at 12%. The amount of principle and interest due as of June 30, 2018 is CAD $355,123.

b) The company issued a promissory on October 15, 2008 of CAD $40,000 bearing interest at 10% per annum to a shareholder. The note is unsecured and due on demand. The company also has a short-term loan of CAD $50,000 from the same lender at 10% interest and due on demand. The principal and accrued and unpaid interest due as of June 30, 2018 is CAD $129,638.

c) On May 23rd, 2018, a subsidiary of the Company (the "Promissor") signed a Promissory Note to 10368075 Canada Inc. (the "Promissee") for the principal sum of CAD $1,500,000 (the "Principal Amount") and interest from May 18th, 2018 on the balance of principal from time to time unpaid, at a rate of twelve percent (12%) per annum. The Promissory Note to the Promissee is due November 19th, 2018.

   On June 18th, 2018, a subsidiary of the Company (the "Promissor") signed a Promissory Note to 10368075 Canada Inc. (the "Promissee") for the principal sum of CAD $400,000 (the "Principal Amount") and interest from June 18th, 2018 on the balance of principal from time to time unpaid, at a rate of twelve percent (12%) per annum. The Promissory Note to the Promissee is due December 19th, 2018.

9.9 Borrowings - Technology Licenses

Borrowings - Technology Licenses of $ 4,786,227 represents the amounts received under ISPL/licencing program which were previously reported as revenue in 2016 financial statements and interim quarterly financial statements of 2017. Upon review with its financial auditors during preparation of the year end 2017 audited financial statements, and based on their recommendations, Management has established that these amounts do not meet the revenue recognition criteria and hence have been classified as liabilities. The amounts are unsecured and bear minimum annual interest 12%.

Ontario Securities Commission is currently investigating the transaction under this program. The outcome of the investigation is not concluded as of the date of the issuance of these financial statements.

10. ISSUED SHARE CAPITAL

10.1 Share Capital transactions in 2018

(a) On February 8th, 2018, the Company announced its intent to raise gross proceeds of up to $5,000,000 CAD through a non-brokered private placement of up to 20,000,000 units (the "Units") of the Corporation at a price of $0.25 per Unit. Each Unit consisted of one (1) common share and one (1) share purchase warrant (the "Warrant"). Each Warrant will entitle the holder to purchase one (1) common share for a period of two (2) years from the date of the issuance at an exercise price of $0.40 per Warrant (February 26th, 2020).

On February 26th, 2018, the Company closed Gross Proceeds of $1,818,000 CAD from the non-brokered Private Placement announced on February 8th, 2018.

10.2 Share Capital transactions in 2017

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

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

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

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

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

(e) On May 30, 2017, the Company settled its outstanding obligation with 7159618 Manitoba Ltd. ("715Manitoba"). The company issued an aggregate of 22,330,000 units (the "Debt Units") to 715 Manitoba. Each Debt Unit comprised of one (1) common share and one (1) purchase warrant. Each purchase warrant entitles the holder to acquire one common share of the Company at an exercise price of CAD $0.20 at any time until close of business on May 29, 2019. Pursuant to the policies of the TSX Venture Exchange, the common shares and common share purchase warrants comprising the Debt Units are subject to resale restrictions. The securities will be released in tranches of 5,582,500 common shares and common share purchase warrants each on September 30, 2017, November 29, 2017, February 28, 2018 and May 29, 2018. The settlement resulted in a loss of CAD $1,411,515, representing the difference between the fair value of instruments issued and the carrying amount of the obligation previously recorded in the books.

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

11 RESTATEMENTS

During the year 2017 upon review with its financial auditors during preparation of the year end 2017 audited financial statements, and based on their recommendations, the Company's management determined that ISPL transactions for the years ended December 31, 2017 and 2016 were incorrectly classified as revenue. Accordingly, rectification of this error has been retrospectively recorded in these financial statements. Comparative information has been restated to reflect the effect of the rectification. The restatement of the Company's condensed consolidated financial statements includes adjustments to the consolidated statement of financial position, the consolidated statement of operations and comprehensive income and consolidated statement of cash flow as set out below.

Effects of restatement on financial statements for the period ended June 30, 2017

Financial statement line item	As previously reported	Restated	Increase / (decrease)
	$	$	$
Consolidated statement of operations and comprehensive loss			
Revenue	6,735,269	776,536	(5,958,733)
Interest expense	451,489	1,059,391	607,902
Net income (loss)	186,011	(4,720,485)	(4,906,496)
Earning (Loss) per share			
Basic	0.00090	(0.02385)	(0.02475)
Diluted	0.00030	(0.02385)	(0.02415)
Consolidated statement of financial position			
Borrowing - current	4,576,275	8,811,075	4,234,800
Trade and accounts receivables	7,017,664	2,019,976	(4,997,688)
Accounts payable and accrued liabilities	3,465,982	2,128,742	(1,337,240)
Accumulated deficit	49,505,614	57,262,205	7,756,591
Changes to consolidated statement of cash flow			
Cash flow before working capital changes	937,414	(3,399,759)	(4,337,173)
Trade and agents receivables	(4,688,162)	(854,240)	4,997,688
Accounts payable and accrued liabilities	231,036	(1,238,629)	(1,337,240)
Proceeds from borrowings - ISPL	-	3,031,871	3,031,871

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

12 Earnings per share

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

	June 30 2018	Restated June 30 2017
Income for the period attributable to owners of the Group	**($4,251,523)**	($4,720,485)
Earnings used in the calculation of basic earnings per share	**($4,251,523)**	($4,720,485)
Weighted average number of ordinary shares for the purposes of basic earnings per share	**237,081,881**	197,926,455
Loss per share - Basic and Diluted	**($0.0179)**	($0.0238)

13. RELATED PARTY TRANSACTIONS

The Company has the following transactions with related parties:

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

	June 30 2018	June 30 2017
Fees included in selling, general and administrative expenses:		
Management service fees to companies owned by directors and	**$ 98,722**	$ 140,196
Management services provided by a director	**-**	132,324
Compensation and non-cash options	**196,364**	355,134

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

	Note	June 30 2018	December 31 2017
Due to companies controlled by directors	13.1	**692,761**	631,281
Due to directors and former officer		**245,000**	376,965
Due to Finsec	13.2 & 9.6	**2,163,125**	2,119,953
Due to shareholders	9.2, 9.7	**603,729**	382,433
Due from company controlled by directors		**138,589**	135,925

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

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

13.3 Key management compensation comprised of salaries, for the period was $100,711 (2017 - $ 270,335).

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

14. FINANCIAL INSTRUMENTS

14.1 Fair values

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

14.2 Financial risk management objectives and policies

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

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

14.3 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's functional currency) and the Group's net investments in foreign subsidiaries. The Group operates internationally and is exposed to foreign exchange risk as certain expenditures are denominated in non-US dollar currencies. The exposure is predominantly to the US Dollar. US Dollars denominated balances generate foreign exchange gains and losses that are reported on the income statement.

A strengthening of $0.01 in the Canadian Dollar against the US Dollars would have increased the net loss for the period by approximately $30,226 (2017 - $37,256) for the period. A $0.01 weakening of the Canadian against the US Dollars would have an equal, but opposite, effect. At June 30, 2018 and June 30, 2017, one Canadian Dollar was equal to 0.7594 US Dollar and 0.7706 US Dollar, respectively.

Balances in non-Canadian dollar currencies are as follows:

Cash and trade and agents receivable	$ 1,077,936
Accounts payable and other liabilities	(236,308)
	$841,627

14.4 Credit risk

Credit risk is managed on Group basis, except for credit risk relating to accounts receivable balances. Each local entity is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Credit risk arises from credit exposures to agents, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. If agents are independently rated, these ratings are used. If there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilization of credit limits is regularly monitored. No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by these counterparties.

The company is also exposed to the risk associated with collections from customers using the Company's online and mobile services. The company has experienced some chargebacks associated with these services which is normal in the industry.

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

14.5 Liquidity risk

The Group manages its liquidity risk by preparing and monitoring forecasts of cash expenditures to ensure that it will have sufficient liquidity to meet liabilities when due. The Group's accounts payable and accrued liabilities generally have maturities of less than 90 days. At June 30, 2018, the Company had cash of $861,621 to settle current liabilities of $17,465,674. The Company has embarked on raising capital to meet its working capital requirements, these include the new private placements and going to the capital markets for further investments into the Company.

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

	1 year	2 to 5 years	>5 years	Total
Accounts payable and accrued liabilities	2,744,269	-	-	2,744,269
Taxes payable	67,339	-	-	67,339
Borrowings	14,654,066	-	-	14,654,066
	17,465,674	**-**	**-**	**17,465,674**

14.6 Fair value hierarchy

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

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

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

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

15. CAPITAL MANAGEMENT

The Group's primary objectives when managing capital are to continue the development of the business and support new growth initiatives. The Board of Directors do not establish quantitative capital criteria for management, but rather rely on the expertise of the Group's management to sustain future development of the business, and continued growth. The parent is committed to providing the necessary liquidity for continued operations, as required. The impact of the Company not meeting its capital contribution may put the money remittance license in the USA in jeopardy.

The Company's US subsidiary, First Global Money Inc. ("FGMI") is required to meet State regulatory minimum capital requirements as applicable to continue operating in the various States. During 2016, FGMI was not in compliance with some of the States' regulatory requirements therefore the Company contributed additional capital in order to satisfy these requirements. Due to inadequate capital, FGMI was unable to satisfy the financial condition to retain its license in the state of California and FGMI voluntarily surrendered the license in January 2016 with the intention of reactivating the license once the conditions of approval have been met. The company did meet its regulatory thresholds in 2017 and as a result, gained 14 new State licenses in first quarter and 5 others in second quarter of 2018.

The Group maintains segregated bank accounts for customer funds and operational capital. Various controls are in place to monitor and manage capital. Management reviews its capital management approach on an ongoing basis.

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

Capital management has implication on the going concern assumption, as disclosed in note 3.

16. SEGMENTED INFORMATION

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

June 30, 2018	**Total**		**USA**		**Canada**		**Others**
Revenues	**803,482**		**607,937**		**135,700**		**59,845**
Assets							
Non-current assets	**255,047**		**48,253**		**130,395**		**76,398**
June 30, 2017 (Restated)							
Revenues	776,536	$	400,491	$	143,802	$	232,244
December 31, 2017							
Assets							
Non-current assets	328,170		48,253		130,394		149,522

17. SUBSEQUENT EVENTS

17.1 On May 23rd, 2018, a subsidiary of the Company (the "Promissor") signed a Promissory Note to 10368075 Canada Inc. (the "Promissee") for the principal sum of CAD $1,500,000 (the "Principal Amount") and interest from May 18th, 2018 on the balance of principal from time to time unpaid, at a rate of twelve percent (12%) per annum. The Promissory Note to the Promissee is due November 19th, 2018.

17.2 On June 18th, 2018, a subsidiary of the Company (the "Promissor") signed a Promissory Note to 10368075 Canada Inc. (the "Promissee") for the principal sum of CAD $400,000 (the "Principal Amount") and interest from June 18th, 2018 on the balance of principal from time to time unpaid, at a rate of twelve percent (12%) per annum. The Promissory Note to the Promissee is due December 19th, 2018.

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

17. SUBSIDIARIES

Name of subsidiary	Principal activity	Place of Business and operation	Proportion of ownership interest and voting rights held	
			2018	2017
First Global Data Corp.	Technology & Remittance	Canada	100%	100%
First Global Technologies Inc.	Technology Service Provider	Canada	100%	100%
First Global Data Corp.	Holding Company	USA	100%	100%
First Global Data (UK) Limited	Inactive	United Kingdom	100%	100%
First Global Money Inc.	Money Remitter	USA	100%	100%
First Global Money Guyana Inc.	Money Transmitter	Guyana	100%	100%
F1 Soft International PTE. LTD.	Technology Vendor	Singapore	70%	70%
MAG Services USA LLC	Retail Money Remitter	USA	90%	90%
Msewa Software Solution (P) Ltd.	Mobile Wallet	India	90%	100%
PT First Global Data Indonesia	Mobile Wallet	Indonesia	90%	90%
Connect First Inc.	Inactive	Guyana	100%	100%
Samsos Express Money Transfer S. de R.L de C.V	Inactive	Mexico	100%	100%