

NOTICE TO READER

The unaudited interim financial statements and related management discussion and analysis were prepared by management and approved by the board of directors. They have not been reviewed by Glenbriar's external auditors.

2018 Q2 FINANCIAL STATEMENTS

GLENBRIAR TECHNOLOGIES INC.

Interim Statements of Financial Position

(Expressed in Canadian Dollars)

| | <i>(unaudited)</i> | <i>(audited)</i> |
|---------------------------------------------|--------------------|------------------|
| | March 31 | September 30 |
| | 2018 | 2017 |
| | \$ | \$ |
| ASSETS | | |
| Current | | |
| Cash and cash equivalents | - | 50,000 |
| GST receivables | 174 | - |
| Promissory note (note 4) | - | - |
| Assets held for sale | - | 373,762 |
| Total current assets | 174 | 423,762 |
| Total assets | 174 | 423,762 |
| LIABILITIES | | |
| Current | | |
| Accounts payable and accrued liabilities | 3,669 | - |
| Loans payable | - | 71,069 |
| Liabilities related to assets held for sale | - | 661,026 |
| Total current liabilities | 3,669 | 732,095 |
| Total liabilities | 3,669 | 732,095 |
| SHAREHOLDERS' EQUITY/(DEFICIENCY) | | |
| Share capital (note 5) | 5,009,555 | 5,009,555 |
| Deficit | (5,013,050) | (5,317,888) |
| Total shareholders' equity (deficiency) | (3,495) | (308,333) |
| Total liabilities and shareholders' equity | 174 | 423,762 |

The accompanying notes are an integral part of these financial statements



GLENBRIAR TECHNOLOGIES INC.
Interim Statements of Income and Comprehensive Income
(Expressed in Canadian Dollars) (unaudited)

| | 6 months ended March 31 | | 3 months ended March 31 | |
|------------------------------------------------------------------|-------------------------|------------------|-------------------------|-----------------|
| | 2018 | 2017 | 2018 | 2017 |
| | \$ | \$ | \$ | \$ |
| Expenses | | | | |
| General and Administration | 3,495 | - | 3,495 | - |
| Total Expense | 3,495 | - | 3,495 | - |
| EBITDA (Earnings before interest, taxes and depreciation) | (3,495) | - | (3,495) | - |
| Loss from operations | (3,495) | - | (3,495) | - |
| Gain on sale of operating business and assets | 2,081,427 | - | (59,398) | - |
| Loss from discontinued operations (note 8) | - | (133,112) | - | (24,489) |
| Net income (loss) and comprehensive income (loss) | 2,077,932 | (133,112) | (62,893) | (24,489) |
| Dividend paid | 1,773,094 | - | 1,773,094 | - |
| Net income (Loss) after distribution | 304,838 | (133,112) | (1,835,987) | (24,489) |
| Net income per share | | | | |
| Basic and diluted | 0.01 | 0.00 | -0.02 | 0.00 |

The accompanying notes are an integral part of these financial statements



GLENBRIAR TECHNOLOGIES INC.

Interim Statements of Changes in Equity
(Expressed in Canadian Dollars) *(unaudited)*

| | 6 months ended March 31 | |
|--------------------------------------------------|-------------------------|-------------|
| | 2018 | 2017 |
| | \$ | \$ |
| Common Shares | | |
| Balance, beginning and end of period | 5,009,555 | 4,279,555 |
| Deficit | | |
| Balance, beginning of period | (5,317,888) | (4,676,070) |
| Income from continued operations for the period | 2,077,932 | - |
| Loss from discontinued operations for the period | - | (133,112) |
| Dividend | (1,173,094) | - |
| Balance, end of period | (5,013,050) | (4,809,182) |

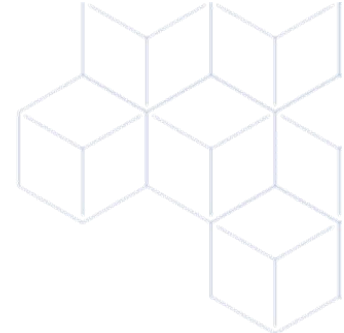
Interim Statements of Cash Flows

(Expressed in Canadian Dollars) *(unaudited)*

| | 6 months ended March 31 | |
|--------------------------------------------------------------|-------------------------|-----------|
| | 2018 | 2017 |
| | \$ | \$ |
| Cash flows related to the following activities | | |
| Operating | | |
| Income from continuing operations | 2,077,932 | - |
| Net operating cash flows (used in) discontinued operations | - | (133,112) |
| Less Adjustments for non-cash items | | 71,349 |
| Change in non-cash working capital (note 6) | 3,495 | 50,875 |
| Net cash provided by (used in) operating activities | 2,081,427 | (10,843) |
| Financing | | |
| Repayments of bank indebtedness, net | - | (111,176) |
| Repayments of financial loan | - | (12,118) |
| Repayment of finance lease | - | (40,374) |
| Dividend paid | (1,773,094) | |
| Decrease in liabilities related to asset held for sale (net) | (287,264) | - |
| Loan payable advance | (71,069) | 241,800 |
| Net cash provided by (used in) financing activities | (2,131,427) | 78,132 |
| Increase (decrease) in cash | (50,000) | 67,289 |
| Cash and cash equivalents, beginning of period | 50,000 | 59,859 |
| Cash and cash equivalents, end of period | - | 127,148 |

Supplementary cash flow information (note 6)

The accompanying notes are an integral part of these financial statements



Notes to Interim Financial Statements

1. BASIS OF PRESENTATION

These interim financial statements for Glenbriar Technologies Inc. (“Corporation”) have been prepared in accordance with IAS 34, Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2017 Annual Report.

2. SIGNIFICANT ACCOUNTING POLICIES

The preparation of interim financial statements in compliance with IAS 34 requires the use of certain critical accounting estimates. It also requires the Corporation’s management to exercise judgment in applying the Corporation’s accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 3. The Corporation applies the same accounting policies and methods of computation in its interim financial statements as in its 2017 annual financial statements.

These financial statements have been prepared on the basis that the Corporation will continue as a going concern. As at March 31, 2018, the Corporation has a negative working capital of \$3,495 and has a net income of \$304,838 after the dividend payment of \$1,773,094.

3. USE OF ESTIMATES AND JUDGMENTS

There have been no material revisions to the nature and amount of changes in estimates of amounts reported in these interim financial statements.

4. PROMISSORY NOTE

During the 6 month period ended March 31, 2018, a demand, non-interest bearing promissory note in the principal amount of \$1,728,492 was issued from a related party in related to the sales of the Company’s operating business and related net assets, the promissory note was repaid fully during the period.

5. SHARE CAPITAL

a) Common shares issued and outstanding

| | Number of shares | Amount \$ |
|------------------------------------------------|---------------------|--------------|
| Balance, March 31, 2018 and September 30, 2017 | 130,421,510 | 5,009,555 |

b) Weighted average shares outstanding

| | As at March 31 | |
|-------------------|-----------------------|------------|
| | 2018 | 2017 |
| Basic and diluted | 93,051,647 | 48,421,510 |



6. SUPPLEMENTARY CASH FLOW INFORMATION

Cash and cash equivalents at December 31 and September 30, 2017 were entirely comprised of cash on deposit.

Changes in non-cash working capital:

| | 6 months ended March 31 | |
|------------------------------------------|--------------------------------|-------------|
| | 2018 | 2017 |
| | \$ | \$ |
| Accounts receivable | 174 | 19,193 |
| Prepaid expenses | - | (25,503) |
| Accounts payable and accrued liabilities | (3,669) | 53,725 |
| Deferred revenue | - | 3,460 |
| Total | (3,495) | 50,875 |

7. SUBSEQUENT EVENT

There are no subsequent events.



8. Discontinued operation loss for the period

| | 6 months ended March 31 | | 3 months ended March 31 | |
|-----------------------------------------------------------|-------------------------|------------------|-------------------------|---------------|
| | 2018 | 2017 | 2018 | 2017 |
| | \$ | \$ | \$ | \$ |
| Revenue | | | | |
| Managed information services | - | 1,290,260 | - | 669,428 |
| Equipment and software sales | - | 570,665 | - | 402,578 |
| Other income | - | 4,009 | - | 2,081 |
| Gross revenue | - | 1,864,934 | - | 1,074,087 |
| Cost of revenue | - | 767,034 | - | 376,951 |
| Cost of goods sold | - | 479,692 | - | 337,795 |
| Gross profit | - | 618,208 | - | 359,341 |
| Other (income) expenses | | | | |
| General and administrative | - | 570,593 | - | 253,453 |
| Sales and marketing | - | 61,377 | - | 27,906 |
| Foreign exchange loss | - | 4,057 | - | (458) |
| Total expenses | - | 636,027 | - | 280,901 |
| EBITDA (Earnings before interest, taxes and depreciation) | - | (17,819) | - | 78,440 |
| Depreciation of property and equipment | - | 74,379 | - | 37,189 |
| Loss from operations | - | (92,198) | - | 41,251 |
| Finance expense | - | 40,914 | - | 16,762 |
| Loss from discontinued operations | - | (133,112) | - | 24,489 |