

GLANCE TECHNOLOGIES INC.
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED AUGUST 31, 2019
Unaudited
(Stated in Canadian dollars)

**NOTICE OF AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS**

The accompanying unaudited condensed interim consolidated financial statements for the three and nine months ended August 31, 2019 have been prepared by management in accordance with International Financial Reporting Standards and approved by the Board of Directors of Glance Technologies Inc. (the “**Company**”). These condensed interim consolidated financial statements have been reviewed by the Company’s independent auditors.

Glance Technologies Inc.
Condensed Interim Consolidated Statements of Financial Position
Unaudited
(Stated in Canadian dollars)

ASSETS	Note	August 31, 2019	(Audited) November 30, 2018
		\$	\$
Current assets			
Cash		2,555,723	5,626,789
Marketable securities	5	1,582,995	-
Accounts and other receivables	3	84,269	245,864
Prepaid expenses and deposits	4	159,163	1,690,042
Total current assets		4,382,150	7,562,695
Non-current assets			
Property and equipment	8	81,360	316,251
Intangible assets	9	124,316	162,089
Marketable securities	5	2,026,000	-
Investments	6	595,000	4,715,000
Total non-current assets		2,826,676	5,193,340
Total assets		7,208,826	12,756,035
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	10	227,010	456,561
Deferred revenue	11	144,404	144,404
Total current liabilities		371,414	600,965
Non-current liabilities			
Deferred revenue	11	96,269	204,572
Total liabilities		467,683	805,537
SHAREHOLDERS' EQUITY			
Share capital	13	32,899,790	32,899,790
Shares to be issued	15	15,866	15,866
Reserves	14	4,954,374	4,509,832
Deficit		(31,128,887)	(25,474,990)
Total shareholders' equity		6,741,143	11,950,498
Total liabilities and shareholders' equity		7,208,826	12,756,035

Nature of Operations and Going Concern (Note 1)

Commitments (Note 19)

Subsequent Events (Note 21)

“Jonathan Hoyles”, Director

“Kirk Herrington”, Director

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

Glance Technologies Inc.

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss

Unaudited

(Stated in Canadian dollars)

	Note	For the three months ended August 31, 2019 \$	For the three months ended August 31, 2018 \$	For the nine months ended August 31, 2019 \$	For the nine months ended August 31, 2018 \$
Revenue	12	45,461	216,195	132,838	1,618,974
Expenses					
Corporate communications and investor media	16	(51,341)	(239,106)	(171,754)	(2,894,602)
Depreciation and amortization	8,9	(28,062)	(118,834)	(283,762)	(301,647)
Finance costs	16	(27,167)	(34,291)	(75,863)	(109,579)
General and administrative costs	15,16	(299,469)	(603,860)	(1,207,180)	(1,728,876)
Management fees	16	(66,368)	(82,185)	(230,368)	(102,377)
Professional fees	16	(17,831)	(47,628)	(203,158)	(525,315)
Sales and marketing expense	15,16	(329,952)	(686,930)	(1,150,688)	(3,215,379)
Software development and information technology	15,16	(208,671)	(910,094)	(2,515,835)	(2,014,293)
Stock-options based compensation	14,15	(96,439)	(351,235)	(444,542)	(1,257,042)
Total expenses		(1,125,300)	(3,074,163)	(6,283,150)	(12,149,110)
Loss from operations		(1,079,839)	(2,857,968)	(6,150,312)	(10,530,136)
Other income (expense) items					
Foreign exchange gain (loss)		(3,220)	3,584	(825)	2,163
Gain on disposal of equipment		-	-	1,354	-
Interest income		9,129	31,667	41,490	103,859
Other income		150	-	2,877	2,743
Proportionate loss on investment in associate		-	-	-	(616,130)
Proxy cost expenses	16	-	(231,340)	-	(1,451,712)
Realized gain (loss) on marketable securities	5	(359,001)	-	100,936	-
Unrealized gain (loss) on marketable securities	5	(2,210,457)	-	350,583	-
Total other income (expense) items		(2,563,399)	(196,089)	496,415	(1,959,077)
Net and comprehensive loss for the period		(3,643,238)	(3,054,057)	(5,653,897)	(12,489,213)
Net loss per share					
Basic and diluted		(0.03)	(0.02)	(0.04)	(0.09)
Weighted average number of shares outstanding – basic and diluted		136,737,783	136,457,071	136,737,783	134,337,647

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

Glance Technologies Inc.
Condensed Interim Consolidated Statements of Changes in Equity
Unaudited
(Stated in Canadian dollars)

	Number of shares	Share capital \$	Shares to be issued \$	Reserves \$	Deficit \$	Total \$
Balance, November 30, 2017	127,358,895	20,373,414	74,249	3,717,135	(12,444,745)	11,620,053
Shares issued under prospectus offering	3,684,000	11,052,000	-	-	-	11,052,000
Share issuance costs	-	(1,553,577)	-	-	-	(1,553,577)
Commission	257,880	773,640	-	-	-	773,640
Shares issued from warrant exercise	3,653,436	1,157,855	(49,483)	(1,557)	-	1,106,815
Shares issued from options exercise	1,893,572	1,099,960	(8,900)	(625,016)	-	466,044
Stock-options based compensation	-	-	-	1,257,042	-	1,257,042
Shares to be cancelled	(360,000)	(403,502)	-	-	-	(403,502)
Warrants issued in over-allotment	-	-	-	47,100	-	47,100
Held in escrow	250,000	500,000	-	-	-	500,000
Net loss for the period	-	-	-	-	(12,489,213)	(12,489,213)
Balance, August 31, 2018	136,737,783	32,899,790	15,866	4,394,704	(24,933,958)	12,376,402

	Number of shares	Share capital \$	Shares to be issued \$	Reserves \$	Deficit \$	Total \$
Balance, November 30, 2018	136,737,783	32,899,790	15,866	4,509,832	(25,474,990)	11,950,498
Stock-options based compensation	-	-	-	444,542	-	444,542
Net loss for the period	-	-	-	-	(5,653,897)	(5,653,897)
Balance, August 31, 2019	136,737,783	32,899,790	15,866	4,954,374	(31,128,887)	6,741,143

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

Glance Technologies Inc.
Condensed Interim Consolidated Statements of Cash Flow
Unaudited
(Stated in Canadian dollars)

	Note	For the nine months ended August 31, 2019 \$	For the nine months ended August 31, 2018 \$
Cash flows provided by (used in)			
Operating activities			
Net loss		(5,653,897)	(12,489,213)
Items not affecting cash			
Depreciation and amortization	8,9	283,762	301,647
Gain on the sale of marketable securities	5	(100,936)	-
Gain on disposal of equipment		(1,354)	-
Proportionate losses on investments in associates		-	616,130
Shares received for services		-	(1,000,000)
Stock options-based compensation	14	444,542	1,257,042
Unrealized gain on marketable securities	5	(350,583)	-
Changes in non-cash working capital			
Accounts and other receivables		161,595	(461,714)
Prepaid expenses and deposits		1,530,879	(524,335)
Accounts payable and accrued liabilities		(229,552)	(49,211)
Deferred revenue		(108,303)	(428,110)
		(4,023,846)	(12,777,764)
Investing activities			
Proceeds from the sale of marketable securities		962,524	-
Proceeds from sale of equipment		7,149	-
Purchase of equipment and furniture		(5,733)	(152,593)
Purchase of intangible assets		(11,160)	(1,434,155)
Tenancy improvements		-	(176,822)
		952,780	(1,763,570)
Financing activities			
Financing cost paid		-	(779,937)
Payment for share repurchase		-	(403,501)
Proceeds from prospectus offering		-	11,052,000
Proceeds from warrants exercised		-	1,108,609
Proceeds from options exercised		-	464,248
Proceeds from warrants purchased in over-allotment		-	47,100
		-	11,488,519
Net change in cash		(3,071,066)	(3,052,815)
Cash - beginning of period		5,626,789	10,294,213
Cash - end of period		2,555,723	7,241,398
Supplemental Cash Flow Information (Note 17)			

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

Glance Technologies Inc.
Notes to the Condensed Interim Consolidated Financial Statements
For the Nine Months Ended August 31, 2019
Unaudited
(Stated in Canadian dollars)

1. Nature of Operations and Going Concern

Glance Technologies Inc. (“Glance Technologies” or the “Company”) was incorporated under the laws of the province of British Columbia, Canada, on October 24, 2014. The Company’s registered office is located at Suite 1755, 555 Burrard Street, Vancouver, British Columbia, V7X 1M9.

The Company’s common stock is quoted on the Canadian Securities Exchange under the symbol ‘GET’ and began trading on September 7, 2016, on the OTCQB under the symbol ‘GLNNF’ and the Frankfurt Exchange under the symbol ‘GJT’.

On August 28, 2015, the Company completed a share exchange agreement (the “Transaction”) with Glance Pay Inc. (formerly Clover Acquisitions Inc. and Glance Mobile Inc.) (“Glance Pay”). Glance Pay was incorporated on November 12, 2014 under the laws of the province of British Columbia, Canada. Glance Pay is a Canadian financial technology company involved in the business of developing and operating mobile payment processing software and smart-phone applications.

Under the terms of the Transaction, the shareholders of Glance Pay each received one common share of Glance Technologies (“Glance Technologies Shares”) in exchange for one common share of Glance Pay (“Glance Pay Shares”). As a result, the shareholders of Glance Pay acquired 75.4% of Glance Technologies. Glance Technologies’ board of directors and senior management were reconstituted and consist of directors and senior management of Glance Pay. The Transaction was accounted as a reverse acquisition.

The Company aims to enhance the payment process for both consumers and merchants online, and brick-and-mortar environments, using proprietary technology that combines mobile technologies and traditional payment processing. The Company launched its applications during August 2016.

On December 27, 2017, Glance Coin Inc. (formerly “Glance Blockchain Token Inc.”) was incorporated as a wholly-owned subsidiary of the Company. Glance Coin Inc. will be responsible for developing and managing the Glance token, which will be a cryptocurrency with a series of smart contracts to allow merchants to grant the Glance token as a reward for consumer loyalty and engagement. The Company has written and published its white paper for its cryptocurrency.

These condensed interim consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to realize its assets and satisfy its liabilities in the normal course of business for the foreseeable future. Management is aware, in making its going concern assessment, of material uncertainties related to events and conditions that may cast significant doubt upon the Company’s ability to continue as a going concern. As at August 31, 2019, the Company has an accumulated deficit of \$31,128,887. During the nine months ended August 31, 2019, the Company incurred a net loss of \$5,653,897 and used \$4,023,846 of cash for operating activities. The Company is continuing to enhance its mobile payment applications. The continued operations of the Company are dependent on future profitable operations, management’s ability to manage costs, and the future availability of equity or debt financing. Whether and when the Company can generate sufficient operating cash flows to pay for its expenditures and settle its obligations as they fall due subsequent to August 31, 2019 is uncertain. These condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption inappropriate and the impact of those adjustments could be material.

Glance Technologies Inc.
Notes to the Condensed Interim Consolidated Financial Statements
For the Nine Months Ended August 31, 2019
Unaudited
(Stated in Canadian dollars)

2. Significant Accounting Policies

a) Statement of Compliance

These condensed interim consolidated financial statements of the Company have been prepared for the three and nine months ended August 31, 2019, in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting, and based on the principles of International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These condensed interim consolidated financial statements should be read in conjunction with the Company’s annual consolidated financial statements for the year ended November 30, 2018, which include the Company’s significant accounting policies, and have been prepared in accordance with the same methods of application, with the exception of recently adopted accounting policies.

The Board of Directors approved the condensed interim consolidated financial statements for issuance on October 28, 2019.

b) Basis of Measurement

These condensed interim consolidated financial statements have been prepared under the historical cost convention, except for the revaluation of certain financial assets to fair value. This implies that the Company will continue realizing assets in the normal course of business for the foreseeable future. The accounts are presented in Canadian dollars, which is the functional currency of the Company. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for the cash flow information.

c) Basis of Consolidation

These condensed interim consolidated financial statements incorporate the financial statements of the Company and wholly-owned entities controlled by the Company—Glance Pay Inc., Glance Pay USA, Inc. and Glance Coin Inc. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All intercompany transactions and balances are eliminated upon consolidation.

d) Reclassifications

Certain of the prior period figures have been reclassified to conform to the current year’s presentation.

e) Marketable Securities

Marketable securities are comprised of common shares and warrants of publicly-traded companies. The fair value of common shares and warrants have been determined by reference to public price quotations in an active market. The investments in marketable securities are classified as fair value through profit or loss and are measured at fair value with unrealized gains and losses recorded in the consolidated statement of operations.

Glance Technologies Inc.
Notes to the Condensed Interim Consolidated Financial Statements
For the Nine Months Ended August 31, 2019
Unaudited
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2. Significant Accounting Policies (continued)

f) Significant Accounting Estimates and Judgments

The preparation of these condensed interim consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Significant areas requiring the use of estimates include the collectability of accounts and other receivables, the useful lives and carrying values of property and equipment and intangible assets, the carrying value of investments and marketable securities including the variables used in calculating the fair value of warrants, the measurement of stock option-based payments, unrecognized deferred income tax assets, and the allocation between current and non-current deferred revenue.

In preparing these condensed interim consolidated financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended November 30, 2018.

g) New Accounting Standards and Interpretations

Certain pronouncements have been issued by the IASB, or the IFRS Interpretations Committee that are mandatory for accounting years beginning on or after December 1, 2018 or later years. All other significant accounting policies have been applied on a basis consistent with those applied in the most recent audited annual consolidated financial statements. The policies applied in these consolidated financial statements are based on IFRS issued and outstanding as at the date the Board of Directors approved and authorized to issue the condensed interim consolidated financial statements.

New standard IFRS 16, "Leases"

IFRS 16 replaces IAS 17, "Leases" and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is not substantially changed. The standard is effective for periods beginning on or after January 1, 2019, with early adoption permitted for entities that have adopted IFRS 15, "Revenue from Contracts". The Company is currently assessing the impact of the implementation of IFRS 16 on its consolidated financial statements and plans to apply IFRS 16 on a simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

h) Recently adopted accounting policies

Newly adopted standard IFRS 15, "Revenue from Contracts with Customers"

The Company has adopted IFRS 15, Revenue from Contracts with Customers ("IFRS 15") effective December 1, 2018. The objective of this new standard is to provide a single, comprehensive revenue recognition framework for all contracts with customers to improve comparability of financial statements of companies globally. This new standard contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services.

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2. Significant Accounting Policies (continued)

h) Recently adopted accounting policies (continued)

Newly adopted standard IFRS 15, “Revenue from Contracts with Customers” (continued)

As a result of the application of this new standard, where a right of return exists, the Company records an asset and a refund liability when revenue is recorded. Under IFRS 15, there is a requirement to apply a five-step model to determine when and what amount of revenue to recognize. Revenue will either be recognized over time or at a point in time, when control transfers to the customer. The implementation of IFRS 15 did not have a significant impact on the Company’s consolidated financial statements.

Newly adopted standard IFRS 9, “Financial Instruments”

IFRS 9 is effective for annual reporting periods beginning on or after January 1, 2018. Under IFRS 9, the IAS 39 guidance will be replaced relating to the classification and measurement of financial instruments. and this new standard has been implemented as at December 1, 2018.

The Company has adopted IFRS 9 Financial Instruments (“IFRS 9”) effective December 1, 2018. The implementation of IFRS 9 did not have a significant impact on the Company’s consolidated financial statements. IFRS 9 includes a revised model for classifying financial assets, which results in classification according to a financial instrument’s contractual cash flow characteristics and the business models under which they are held. At initial recognition, financial assets are measured at fair value. The adoption of IFRS 9 did not result in a material change in the carrying values of any of the Company’s financial assets or liabilities on the transition date.

The following table presents the classification impacts on the financial assets and liabilities upon the adoption of IFRS 9. There was no significant impact with regards to the measurement of the financial assets and liabilities.

	Classification under IAS 39	Classification under IFRS 9
Cash	Fair value through profit or loss	Fair value through profit or loss
Trade receivables	Loans and receivables	Amortized cost
Other receivables	Loans and receivables	Amortized cost
Marketable securities	Available for sale	Fair value through profit or loss
Accounts payable and accrued liabilities	Other liabilities	Amortized cost

Financial liabilities are recognized initially at fair value, and in the case of financial liabilities, not subsequently measured at fair value, net of directly attributable transaction costs. Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled, or expired. For financial liabilities, IFRS 9 retains most of the IAS 39 requirements. Accounts payable and accrued liabilities are classified as financial liabilities to be subsequently measured at amortized cost. The adoption of IFRS 9 did not result in a change in the carrying values of any of the Company’s financial liabilities on the transition date.

IFRS 9 requires a forward-looking expected credit loss impairment (“ECL”) model as opposed to an incurred credit loss model under IAS 39. The Company’s financial assets include trade receivables and other receivables, and the Company will opt to use the general approach for measuring the loss allowance at an amount equal to lifetime ECL. Under the general approach, at each reporting date, an entity recognizes a loss allowance based on either 12-month ECLs or lifetime ECLs, depending on whether there has been a significant increase in credit risk on the financial instrument since initial recognition. The changes in the loss allowance balance are recognized in the consolidated statement of operations as an impairment gain or loss.

Glance Technologies Inc.
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2. Significant Accounting Policies (continued)

h) Recently adopted accounting policies (continued)

Newly adopted standard IFRS 9, “Financial Instruments” (continued)

The adoption of the ECL model does not have an impact on the Company’s consolidated financial statements and did not result in a transitional adjustment.

The Company’s financial instruments include cash, accounts and other receivables, marketable securities, and accounts payable and accrued liabilities. All financial instruments are recorded at fair value at recognition. Subsequent to initial recognition, financial instruments classified as accounts payable and accrued liabilities are measured at amortized cost using the effective interest method. Other financial assets and liabilities are recorded at fair value subsequent to initial recognition.

Transaction costs that are directly attributable to the acquisition or issuance of financial assets or financial liabilities, other than financial assets and financial liabilities measured at fair value through profit and loss (“FVTPL”), are accounted for as part of the carrying amount of the respective asset or liability at inception. Transaction costs related to financial instruments measured at amortized cost are amortized using the effective interest rate over the anticipated life of the related instrument. Transaction costs on financial assets and financial liabilities measured at FVTPL are expensed in the period incurred. Financial assets are derecognized when the contractual rights to the cash flows from financial assets expire or have been transferred. All derivative instruments, including embedded derivatives, are recorded in the consolidated financial statements at fair value.

3. Accounts and Other Receivables

Accounts and other receivables balance consist of the following:

	August 31,	November 30
	2019	2018
	\$	\$
Accounts and other receivables – Customers	3,728	65,116
Accounts and other receivables – Merchant	22,046	19,425
GST receivable	16,488	64,643
Other receivables	42,007	96,680
	84,269	245,864

4. Prepaid Expenses and Deposits

The prepaid expenses and deposits balance consist of the following:

	August 31,	November 30
	2019	2018
	\$	\$
Fobisuite agreement	-	1,500,000
Security deposits	129,460	107,491
Other prepayments	29,703	82,551
	159,163	1,690,042

During the period ended August 31, 2019 the Company amended its agreement and transaction with Fobisuite Technologies Inc. and expensed \$1,500,000 (2018 - \$Nil) to software development and information technology (see Note 16).

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5. Marketable Securities

The breakdown of marketable securities as at August 31, 2019 is as follows:

	August 31, 2019	November 30, 2018
	\$	\$
Current		
The Yield Growth Corp.	1,341,075	-
Loop Insights Inc.	241,920	-
	1,582,995	
Non-current		
The Yield Growth Corp.	2,026,000	-
	3,608,995	-

The Yield Growth Corp.

On May 29, 2017 (and as amended and restated on May 31, 2017), the Company's subsidiary Glance Pay ("Glance Pay") entered into a licensing agreement with The Yield Growth Corp. ("Yield"), a company incorporated in the province of British Columbia. Pursuant to the licensing agreement, Glance Pay granted Yield a worldwide, non-exclusive license to use its intellectual property in the marijuana financial technology industry.

The license had an initial term of one year and automatic renewals for up to 50 additional one year terms upon Yield's payment of the annual renewal fee of \$10,000. As consideration for the license, Yield agreed to pay Glance Pay a fee of \$912,500 for the initial term of one year, which was paid as follows:

- \$100,000 on May 31, 2017;
- \$200,000 on June 20, 2017; and
- \$612,500 from the issuance of 2,450,000 common shares of Yield on November 28, 2017.

Pursuant to the terms of the licensing agreement, on May 31, 2017 and June 20, 2017, the Company acquired an additional 8,000,000 common shares of Yield for proceeds of \$400,000. This was in addition to 2,450,000 shares at a fair value of \$0.25 per share for services. On June 4, 2018, Yield split their common shares on the basis of two for one, increasing the Company's holdings in Yield to 20,900,000 common shares.

As part of an agreement modification in November 2018, Glance returned 11,900,000 Yield common shares in exchange for the issuance of 6,000,000 warrants to purchase Yield shares with a five-year term at a price of \$0.50 per share. The Yield common shares are subject to a Restricted Share Sale Agreement. As a result of the modification, the Company amended its accounting of its investment in Yield from the equity method to FVTPL as the Company no longer had significant influence of Yield as its common share holdings were less than 20% and had no participation in the operations of Yield. As part of the modified agreement, the Company agreed not to sell more than 20,000 of its Yield shares in a single day when Yield became listed on a Canadian stock exchange, which occurred on December 14, 2018.

During the nine months ended August 31, 2019, the Company exercised 540,000 warrants and sold 1,920,000 shares of Yield for gross proceeds of \$897,782. As at August 31, 2019, the fair value of the 7,080,000 Yield common shares was \$2,159,400 (November 30, 2018 - \$2,430,000). As at August 31, 2019, the fair value of the 5,460,000 Yield warrants was \$1,207,675 (November 30, 2018 - \$1,440,000) calculated using the Black-Scholes option pricing model assuming no forfeitures or expected dividends, expected life of five years, volatility of 150%, and a risk-free rate of 2.43%. During the nine months ended August 31, 2019, the Company recorded an unrealized gain of \$324,663 on the shares and warrants.

Glance Technologies Inc.
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5. Marketable Securities (continued)

The Yield Growth Corp. (continued)

	November 30, 2018 fair value \$	Proceeds from sale \$	Realized gain on sale \$	Unrealized gain/ gain/ (loss) \$	August 31, 2019 fair value \$
The Yield Growth Corp – Shares	2,430,000	(897,782)	70,194	556,988	2,159,400
The Yield Growth Corp – Warrants	1,440,000	-	-	(232,325)	1,207,675
	3,870,000	(897,782)	70,194	324,663	3,367,075

Loop Insights Inc.

On January 4, 2018, Yield, a private company that is partially owned but not controlled by the Company, signed a definitive agreement for licensing and product pre-sales with Loop Insights Inc. (“Loop”). Under the terms of the agreement, Yield sublicensed the Glance Pay mobile payment platform technology to Loop for \$2,000,000 for a one year license, payable in stock at a fair value of \$0.25 per share for 8,000,000 common shares, of which 4,000,000 common shares were paid to Glance as a sublicense royalty, and the sublicense was renewable for \$10,000 per year. On February 6, 2018, the 4,000,000 Loop common shares were transferred by Yield to Glance Pay. Loop is a publicly listed company on the TSX Venture Exchange.

During the year ended November 30, 2018, the Company recognised revenue of \$1,000,000 to Loop in connection with a royalty fee for sublicensing the mobile payment platform from Yield. In November 2018, a modified agreement was put in place to cancel the Yield sublicense and the Company entered into a more limited scope license agreement to work directly with Loop and leverage each other’s technology. There has been no impact to revenue as the licensed patents were already provided under the original agreement. There are no remaining obligations under the contract prior to modification and there are no new performance obligations under the modified contract. Glance received 1,000,000 common shares at a fair value of \$0.25 per share of Loop in connection with the license agreement in place of the 4,000,000 common shares it previously owned. At August 31, 2019 and November 30, 2018, Glance Pay owned less than 20% of the issued and outstanding common shares of Loop.

During the nine months ended August 31, 2019, the Company sold 136,000 shares of Loop for gross proceeds of \$64,742. During the nine months ended August 31, 2019, the Company recorded an unrealized gain of 25,920 on the shares.

	November 30, 2018 fair value \$	Proceeds from sale \$	Realized gain on sale \$	Unrealized gain/ gain/ (loss) \$	August 31, 2019 fair value \$
	250,000	(64,742)	30,742	25,920	241,920

Glance Technologies Inc.
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6. Investments

Below is a summary of the investments held by the Company:

	August 31, 2019	November 30, 2018
	\$	\$
Euro Asia Pay Holdings Inc.	595,000	595,000
Loop Insights Inc. (<i>see Note 5</i>)	-	250,000
The Yield Growth Corp. (<i>see Note 5</i>)	-	3,870,000
	595,000	4,715,000

Euro Asia Pay Holdings Inc. (“EAP”)

In October 2017, Glance Pay received \$250,000, as due upon signing an agreement with EAP. In November 2017, EAP issued 8,500,000 common shares at fair market value of \$595,000, pursuant to its obligation to pay for an element of licensing, the design of the application and marketing. As at November 30, 2018, the Company still held 8,500,000 shares of EAP with a fair value of \$595,000. Euro Asia Pay is a private company incorporated under the laws of the province of British Columbia, Canada, on October 16, 2017. EAP combines traditional financial service with innovative technology to provide enhanced digital financial services to operate business in the tourism and education industry. At August 31, 2019 and November 30, 2018, Glance Pay owned less than 20% of the issued and outstanding common shares of Euro Asia Pay.

7. Joint Venture Agreement – Converge MobiSolutions Inc.

Glance previously announced an agreement with Fobisuite which included the grant of a license from Glance and Fobisuite to a newly-created company Fobi Pay Technologies Inc. (“Fobi Pay”). The terms of that agreement were amended to substitute a new entity, Converge MobiSolutions Inc. (“Converge”), for Fobi Pay. As part of the amended agreement, Glance has entered into a license and distribution agreement with Converge pursuant to which Converge has the right to sell Glance’s technology. Converge has also entered into a separate license and distribution agreement pursuant to which it has the right to sell certain other technology that has been licensed to Kinect Technology Inc. (“Kinect”). Converge will be focused on marketing and selling technology to certain types of merchants such as casinos, hotels, restaurants and nightclubs and will target certain geographies including Las Vegas. Glance owns 49% of the common shares of Converge and Kinect owns the remaining 51% of Converge.

Glance owns 20,000,000 shares in Converge and Kinect owns 20,500,000 shares. There was no cash or share consideration for entering into this joint venture. It is noted by the Company that no transactions took place during the nine months ended August 31, 2019.

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8. Property and Equipment

A continuity of the Company's property and equipment is as follows:

	Tenancy Improvements \$	Computer Equipment \$	Office Furniture \$	Total \$
Cost				
Balance, November 30, 2018	220,474	367,819	26,075	614,368
Additions	-	4,315	1,418	5,733
Disposals	-	(15,307)	-	(15,307)
Balance, August 31, 2019	220,474	356,827	27,493	604,794
Accumulated Depreciation				
Balance, November 30, 2018	75,877	213,628	8,612	298,117
Additions	130,137	96,004	8,688	234,829
Disposals	-	(9,512)	-	(9,512)
Balance, August 31, 2019	206,014	300,120	17,300	523,434
Carrying Amounts				
Balance, November 30, 2018	144,597	154,192	17,463	316,251
Balance, August 31, 2019	14,460	56,707	10,193	81,360

9. Intangible Assets

A continuity of the Company's intangible assets is as follows:

	Computer Software \$	Payment Processing Applications \$	Patent and Domain Name \$	Total \$
Cost				
Balance, November 30, 2018	493,244	26,667	32,111	552,022
Additions	-	-	11,160	11,160
Balance, August 31, 2019	493,244	26,667	43,271	563,182
Accumulated Amortization				
Balance, November 30, 2018	369,933	20,000	-	389,933
Additions	48,192	741	-	48,933
Balance, August 31, 2019	418,125	20,741	-	438,866

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9. Intangible Assets (continued)

Carrying Amounts

Balance, November 30, 2018	123,311	6,667	32,111	162,089
Balance, August 31, 2019	75,119	5,926	43,271	124,316

On March 31, 2016, the Company filed a provisional application in the United States to patent its wireless electronic transaction system. In August 2016, the Company launched its payment processing application and began amortizing its acquired computer software and payment processing application. The Company amortizes its intangible assets on a straight-line basis over the estimated useful life of three years.

10. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities consists of the following:

	August 31, 2019	November 30, 2018
	\$	\$
Accounts payable	83,127	172,234
Accrued liabilities	45,956	139,988
Amounts due to related parties (<i>see Note 15</i>)	50,677	62,041
Payroll liabilities	47,250	82,298
	227,010	456,561

11. Deferred Revenue

The breakdown of deferred revenue as at August 31, 2019 is as follows:

	August 31, 2019	November 30, 2018
	\$	\$
Euro Asia Pay Holdings Inc. – Current	144,404	144,404
Euro Asia Pay Holdings Inc. – Non-current	96,269	204,572
	240,673	348,976

12. Revenue

The breakdown of revenue for the three and nine months ended August 31, 2019 and 2018, is as follows:

	Three months ended August 31, 2019	Three Months ended August 31, 2018	Nine months ended August 31, 2019	Nine months ended August 31, 2018
	\$	\$	\$	\$
Application, development and service fees	11,821	28,660	31,918	311,864
License fee	33,640	157,535	100,920	208,110
Marketing and branding services	-	30,000	-	99,000
Royalty fee	-	-	-	1,000,000
	45,461	216,195	132,838	1,618,974

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12. Revenue (continued)

During the three and nine months ended August 31, 2019, the Company's revenue recognition pertains to fees charged to merchants for payment processing through the Company's Glance Pay application. There was also revenue recognised for licensing fees from one customer.

13. Share Capital

Escrow Shares

As at August 31, 2019, the Company had 17,438,102 (November 30, 2018 – 24,282,440) common shares held in escrow.

Warrants

	Number of warrants	Weighted Average exercise price \$
Balance, November 30, 2018	6,281,687	2.81
Expired	(5,216,582)	3.33
Outstanding, August 31, 2019	1,065,105	0.30

Additional information regarding warrants outstanding as at August 31, 2019 is as follows:

Number of warrants outstanding	Exercise price \$	Expiry Date
125,000	0.30	September 6, 2019
1,500	0.30	September 7, 2019
27,000	0.30	September 13, 2019
100,000	0.30	September 14, 2019
171,388	0.30	September 22, 2019
380,527	0.30	September 25, 2019
113,027	0.30	September 28, 2019
139,166	0.30	September 29, 2019
7,497	0.33	December 30, 2019
1,065,105		

14. Stock Options

Pursuant to the Company's Stock Option Plan (the "Stock Option Plan"), directors may, from time to time, authorize the issuance of options to directors, officers, employees, and consultants of the Company. The terms of the granted stock options as well as the vesting conditions are at the sole discretion of the directors. During the nine months ended August 31, 2019, the Company granted 8,681,500 options to employees, directors and consultants of the Company, with exercise prices ranging from \$0.11 to \$0.18 per common share. These options vest over a two-year period with a term of five years. In accordance with the Company's Stock Option Plan, options will terminate 90 days after an employee or consultant ceases to work for the Company. During the nine months ended August 31, 2019, a total of 7,992,750 stock options were cancelled or forfeited.

During the nine months ended August 31, 2019, there were 3,946,500 options modified for employees, officers and directors. They were all re-issued after 30 days in accordance with CSE policy at the market price of \$0.155. All re-issued options had the same vesting periods as before.

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14. Stock Options (continued)

A continuity schedule of the incentive stock options is as follows:	Number of options	Weighted average exercise price \$
Outstanding, November 30, 2018	8,540,250	0.85
Granted	8,681,500	0.15
Cancelled or forfeited	(7,992,750)	0.78
Outstanding, August 31, 2019	9,229,000	0.26

Additional information regarding stock options outstanding as at August 31, 2019 is as follows:

Range of exercise prices \$	Number of options outstanding	Number of options vested	Weighted average remaining contractual life (years)	Weighted average exercise price \$
0.11	800,000	-	4.81	0.11
0.14	200,000	25,000	4.69	0.14
0.15	1,725,000	900,000	3.33	0.15
0.155	5,474,000	2,986,500	4.65	0.155
0.18	100,000	25,000	4.30	0.18
0.295	30,000	30,000	3.04	0.295
0.39	75,000	75,000	4.01	0.39
0.50	75,000	25,000	3.83	0.50
1.36	100,000	100,000	3.44	1.36
1.46	650,000	650,000	3.40	1.46
	9,229,000	4,816,500	3.95	0.26

The fair value of options granted during the period was estimated on the date of grant using the Black-Scholes option pricing model assuming no expected dividends and the following assumptions:

	2019	2018
Expected stock price volatility	133%	141%
Risk-free interest rate	0.76%	0.76%
Expected life of options (years)	2.00	2.00
Expected forfeiture rate	5%	5%

The weighted average fair value of options granted was \$0.15 (August 31, 2018- \$0.83) per option. During the nine months ended August 31, 2019, the Company recognized stock options-based compensation expense of \$444,542 (August 31, 2018 - \$1,257,042) for options granted to directors, officers, employees and consultants.

15. Related Party Transactions

Related party transactions not disclosed elsewhere in these statements are as follows:

During the nine months ended August 31, 2019 and 2018, compensation of key management personnel and related parties were as follows:

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15. Related Party Transactions (continued)

	August 31, 2019	August 31, 2018
	\$	\$
Remuneration and fees	818,211	402,453
Stock options-based compensation	227,819	350,576
	1,046,030	753,029

The remuneration and fees were allocated to sales and marketing, general and administrative, and research and development expenses. Amounts owing to related parties as at August 31, 2019 and November 30, 2018 are recorded in accounts payable and accrued liabilities.

- (a) During the nine months ended August 31, 2019, the Company incurred sales and marketing expenses of \$27,000 (August 31, 2018 - \$Nil), general and administrative expenses of \$54,000 (August 31, 2018 - \$31,308), and management fees of \$54,000 (August 31, 2018 - \$Nil) to the interim Chief Executive Officer (“interim CEO”) who was formerly the Chief Commercial Officer of the Company. At August 31, 2019, the Company owed \$15,155 (November 30, 2018 - \$10,445) to the interim CEO. The amounts due are unsecured, non-interest bearing and due on demand.
- (b) During the nine months ended August 31, 2019, the Company incurred software development and information technology expense of \$31,725 (August 31, 2018 - \$Nil) to the Chief Technical Officer (“CTO”) of the Company. As at August 31, 2019, the Company owed \$10,369 (November 30, 2018 - Nil) to the CTO. The amounts due are unsecured, non-interest bearing and due on demand.
- (c) During the nine months ended August 31, 2019, the Company incurred general and administrative expenses of \$93,750 (August 31, 2018 - \$31,000) to the Chief People and Culture Officer (“CPCO”) of the Company. As at August 31, 2019, the Company owed \$16,029 (November 30, 2018 - \$169) to the CPCO. The amounts due are unsecured, non-interest bearing and due on demand.
- (d) During the nine months ended August 31, 2019, the Company incurred sales and marketing expenses of \$102,467 (August 31, 2018 - \$92,917) to the Vice President of Business and Client Development of the Company. As at August 31, 2019, the Company owed \$9,124 (November 30, 2018 - \$14,286) to the Vice President of Business and Client Development. The amounts due are unsecured, non-interest bearing and due on demand.
- (e) During the nine months ended August 31, 2019, the Company incurred software, research, and development costs of \$25,846 (August 31, 2018 - \$45,000), sales and marketing expenses of \$12,923 (August 31, 2018 - \$12,808) and management fees of \$25,846 (August 31, 2018 - \$32,192) to the former Chief Executive Officer (“former CEO”) of the Company. As at August 31, 2019, the Company owed \$Nil (November 30, 2018 - \$4,791) to the former CEO. The amounts due were unsecured, non-interest bearing and due on demand.
- (f) During the nine months ended August 31, 2019, the Company incurred software development and information technology expense of \$68,877 (August 31, 2018 - \$90,000) to the former Chief Technical Officer (“former CTO”) of the Company. As at August 31, 2019, the Company owed \$Nil (November 30, 2018 - \$24,790) to the former CTO. The amounts due were unsecured, non-interest bearing and due on demand.
- (g) During the nine months ended August 31, 2019, the Company incurred general and administrative expenses of \$20,833 (August 31, 2018 - \$Nil) to the former Chief Financial Officer of the Company.
- (h) During the nine months ended August 31, 2019, the Company incurred general and administrative expenses of \$70,195 (August 31, 2018 - \$86,795) to a former Chief Financial Officer (“former CFO”) of the Company. As at August 31, 2019, the Company owed \$Nil (November 30, 2018 - \$6,846) to the former

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CFO. The amounts due were unsecured, non-interest bearing and due on demand.

15. Related Party Transactions (continued)

- (i) During the nine months ended August 31, 2019, the Company incurred general and administrative expenses of \$47,000 (August 31, 2018 - \$23,350) to the former Chief Operating Officer of the Company.
- (j) During the nine months ended August 31, 2019, the Company incurred director fees of \$183,750 (August 31, 2018 - \$70,000). As at August 31, 2019, the Company owed \$nil (November 30, 2018 - \$15,000) in director fees.
- (k) During the nine months ended August 31, 2019, the Company incurred stock options-based compensation of \$227,819 (August 31, 2018 - \$350,576) to officers and directors of the Company.

16. Operating Expenses

Corporate communications and investor media expenses consist of the following:

	Three months ended August 31, 2019 \$	Three months ended August 31, 2018 \$	Nine months ended August 31, 2019 \$	Nine months ended August 31, 2018 \$
Awareness programs	-	123,555	2,667	2,235,621
Media tools	32,059	34,074	93,270	494,423
Publicists	-	62,655	56,085	145,736
Salaries	19,282	18,822	19,282	18,822
	51,341	239,106	171,754	2,894,602

Finance costs consist of the following:

	Three months ended August 31, 2019 \$	Three months ended August 31, 2018 \$	Nine months ended August 31, 2019 \$	Nine months ended August 31, 2018 \$
Financing costs	(4,496)	-	-	2,005
Interest and bank charges	13,898	15,163	37,315	46,191
Transfer agent fees	17,765	19,128	38,548	61,383
	27,167	34,291	75,863	109,579

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16. Operating Expenses (continued)

General and administrative costs consist of the following:

	Three months ended August 31, 2019	Three months ended August 31, 2018	Nine months ended August 31, 2019	Nine months ended August 31, 2018
	\$	\$	\$	\$
Consulting	25,000	117,000	173,750	342,000
Office	52,929	117,688	207,624	392,455
Rent	128,705	167,993	394,736	373,492
Salaries	91,220	193,403	420,841	579,722
Travel	1,615	7,776	10,229	41,207
	299,469	603,860	1,207,180	1,728,876

Professional fees consist of the following:

	Three months ended August 31, 2019	Three months ended August 31, 2018	Nine months ended August 31, 2019	Nine months ended August 31, 2018
	\$	\$	\$	\$
Accounting and auditing	8,014	13,029	79,945	73,428
Insurance	2,737	2,750	8,323	8,250
Legal fees	1,601	27,011	76,710	424,849
Listing expenses	5,479	4,838	38,180	18,788
	17,831	47,628	203,158	525,315

Sales and marketing expenses consist of the following:

	Three months ended August 31, 2019	Three months ended August 31, 2018	Nine months ended August 31, 2019	Nine months ended August 31, 2018
	\$	\$	\$	\$
Conference and events	-	26,332	-	462,242
Consulting	-	205,529	-	1,053,800
Salaries and management fee	157,459	220,649	691,059	683,049
Sales and marketing	167,843	214,530	425,015	914,231
Travel	4,650	19,890	34,614	102,057
	329,952	686,930	1,150,688	3,215,379

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16. Operating Expenses (continued)

Software development and information technology expenses consist of the following:

	Three months ended August 31, 2019	Three months ended August 31, 2018	Nine months ended August 31, 2019	Nine months ended August 31, 2018
	\$	\$	\$	\$
Computer expenses	56,441	81,353	180,867	207,853
Salaries and management fee	152,230	610,641	828,178	1,406,145
Software development consultancy	-	218,100	1,506,790	400,295
	208,671	910,094	2,515,835	2,014,293

Proxy contest expenses consist of the following:

	Three months ended August 31, 2019	Three months ended August 31, 2018	Nine Months ended August 31, 2019	Nine months ended August 31, 2018
	\$	\$	\$	\$
Legal fees	-	27,360	-	303,688
Printing and mailing	-	122,134	-	145,728
Shareholder communications	-	81,846	-	1,002,296
	-	231,340	-	1,451,712

17. Supplemental Cash Flow Information

	Nine months ended August 31, 2019	Nine months ended August 31, 2018
	\$	\$
Non-cash investing and financing activities		
Investments received as payment for deferred revenue	-	800,000
Common shares issued as commission	-	773,640

18. Segmented Information

The Company's business consists of one operating segment and the Company's assets are located geographically in Canada and the USA. The USA operating segment does not exceed 10% of reported revenue or 10% of the combined assets of the Company. Thus, the geographic segments are aggregated into a single operating segment based on this, as well as having similar economic characteristics.

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19. Commitments

On November 28, 2017, the Company entered into an agreement to sublease their premises located on the 4th Floor at 200 Granville Street, Vancouver, British Columbia, V6C 1S4. The term of the lease commenced on March 1, 2018 and expired on September 29, 2019. The sub-landlord was compensated with a monthly fee of \$52,079 (plus applicable taxes) during the term of the agreement.

On July 15, 2019, the Company entered into an agreement to sublease their premises located on the 17th floor at 555 Burrard Street, Vancouver, British Columbia, V7X 1M9. The term of the lease commenced on September 1, 2019 and expires on May 30, 2020. The sub-landlord is to be compensated with a monthly fee of \$12,633 (plus applicable taxes).

Year	\$
2019	89,978
2020	75,798
	165,776

20. Financial Instruments

a) Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's statement of financial position as at August 31, 2019, as follows:

	Fair Value Measurements Using			Balance, August 31, 2019 \$
	Quoted prices in active markets for identical instruments (Level 1) \$	Significant other observable inputs (Level 2) \$	Significant unobservable inputs (Level 3) \$	
Cash	2,555,723	–	–	2,555,723
Marketable securities	2,401,320	1,207,675	–	3,608,995
Investments	–	595,000	–	595,000
	4,957,043	1,802,675	–	6,759,718

The fair values of other financial instruments, which include accounts and other receivable, and accounts payable and accrued liabilities, approximate their carrying values due to the relatively short-term maturity of these instruments.

The fair values of the unquoted investments are measured at fair market value based on the share issuance prices paid by third party investors to these companies. The Company will continue to monitor the share issuance activity of these entities to ensure that there is no impairment to the investments.

b) Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counter-party default on its obligation. The Company minimizes its credit risk associated with its cash balance by dealing with major financial institutions in Canada. Accounts and other receivables are comprised of trade receivables from restaurants and merchants, GST receivable due from the Government of Canada, and monies owed from arm's length third parties. The Company performs ongoing credit evaluations, does not require collateral and establishes an allowance for doubtful accounts based on the age of the receivable and the specific identification of receivables the Company considers at risk. The carrying amount of financial assets represents the maximum credit exposure.

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20. Financial Instruments (continued)

c) Foreign Exchange Rate and Interest Rate Risk

The Company is not exposed to any significant foreign exchange rate or interest rate risk.

d) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company manages liquidity risk by maintaining sufficient cash balances and adjusting its operating budget and expenditures. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short-term and other specific obligations. As at August 31, 2019, the Company's cash balance was \$2,555,723 (November 30, 2018 - \$5,626,789) to settle current liabilities of \$371,414 (November 30, 2018 - \$600,965).

21. Subsequent Events

Subsequent to August 31, 2019, 1,057,608 warrants expired with an exercise price of \$0.30.

Subsequent to August 31, 2019, 1,185,500 stock options were cancelled with at an average price of \$0.14 and 250,000 stock options with vesting provisions were granted at \$0.10.