GLOBEX DATA LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2019 AND 2018
(Expressed in Canadian Dollars)

(Unaudited)

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF 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 interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

GLOBEX DATA LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited)
(Expressed in Canadian Dollars)

	As at	
	March 31, 2019	December 31, 2018
ASSETS		
Current		
Cash	**$ 288,341**	$ 327,182
Receivables	**7,945**	6,341
Prepaid expenses	**17,307**	8,368
Deferred financing costs (Note 9)	**91,053**	87,644
	404,646	429,535
Non-current		
Intangible asset (Note 3)	**2,552,573**	2,552,573
Total Assets	**$ 2,957,219**	$ 2,982,108
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	**$ 23,218**	$ 86,789
Due to related party (Note 6)	**-**	29,006
Royalty payable (Note 4)	**35,879**	35,697
	59,097	151,492
Shareholders' equity		
Share capital (Note 5)	**4,534,400**	4,166,500
Shares subscribed (Note 5)	**-**	87,280
Reserves (Note 5)	**206,818**	206,818
Deficit	**(1,843,096)**	(1,629,982)
	2,898,122	2,830,616
Total Liabilities and Shareholders' Equity	**$ 2,957,219**	$ 2,982,108

Nature of operations and going concern (Note 1)
Subsequent events (Note 9)

Approved on behalf of the Board of Directors:

"Alain Ghiai"	*"Henry Sjöman"*
Director	Director

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

GLOBEX DATA LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited)
(Expressed in Canadian Dollars)

	Three months ended March 31, 2019	Three months ended March 31, 2018
REVENUE	**$ 9,542**	$ -
EXPENSES		
Consulting fees (Note 6)	**14,267**	43,570
Legal	**389**	2,333
Office and administration	**8,741**	639
Professional fees	**-**	300
Rent	**7,994**	6,680
Royalty (Note 4)	**955**	-
Software maintenance (Note 6)	**170,409**	185,000
Transfer agent and filing fees	**9,740**	71
Travel and promotion	**11,375**	10,298
	(223,870)	(248,891)
OTHER ITEMS		
Interest income	**1,347**	751
Loss on foreign exchange	**(133)**	(186)
	1,214	565
Net loss and comprehensive loss for the period	**$ (213,114)**	$ (248,326)
Basic and diluted loss per share	**$ (0.00)**	$ (0.02)
Weighted average number of common shares outstanding	**45,420,193**	12,366,486

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

GLOBEX DATA LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
For the three months ended March 31, 2019 and 2018
(Unaudited)
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Shares Subscribed	Reserves	Deficit	Shareholders' Equity
Balance, December 31, 2017	11,400,975	$ 703,329	$ -	$ -	$ (343,490)	$ 359,839
Shares issued for cash	6,711,007	671,101	-	-	-	671,101
Share issue costs	-	(1,297)	-	-	-	(1,297)
Shares issued for purchase agreement	25,000,000	2,500,000	-	-	-	2,500,000
Shares issued for settlement of debt	309,700	30,970	-	-	-	30,970
Shares subscribed	-	-	123,750	-	-	123,750
Net loss for the period	-	-	-	-	(248,326)	(248,326)
Balance, March 31, 2018	43,421,682	$ 3,904,103	$ 123,750	$ -	$ (591,816)	$ 3,436,037

	Number of Shares	Share Capital	Shares Subscribed	Reserves	Deficit	Shareholders' Equity
Balance, December 31, 2018	45,256,682	$ 4,166,500	$ 87,280	$ 206,818	$ (1,629,982)	$ 2,830,616
Shares issued for cash	1,471,600	367,900	(87,280)	-	-	280,620
Net loss for the period	-	-	-	-	(213,114)	(213,114)
Balance, March 31, 2019	**46,728,282**	**$ 4,534,400**	**$ -**	**$ 206,818**	**$ (1,843,096)**	**$ 2,898,122**

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

GLOBEX DATA LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
For the three months ended March 31, 2019 and 2018
(Unaudited)
(Expressed in Canadian Dollars)

	2019	2018
CASH FLOWS USED IN OPERATING ACTIVITIES		
Net loss for the period	**$ (213,114)**	$ (248,326)
Changes in non-cash working capital items:		
Receivables	**(1,604)**	5,043
Prepaid expenses	**(8,939)**	(6,722)
Accounts payable and accrued liabilities	**(63,571)**	21,465
Due to related party	**(29,006)**	3,885
Royalty payable	**182**	-
Cash used in operating activities	**(316,052)**	(224,655)
CASH FLOWS FROM INVESTING ACTIVITY		
Cash acquired upon acquisition of GlobeX Data, Inc.	**-**	2,623
Cash provided by investing activity	**-**	2,623
CASH FLOWS FROM FINANCING ACTIVITIES		
Shares issued for cash	**280,620**	671,101
Share issue costs	**-**	(1,297)
Shares subscribed	**-**	123,750
Deferred financing costs	**(3,409)**	(315)
Cash provided by financing activities	**277,211**	793,239
Change in cash during the period	**(38,841)**	571,207
Cash, beginning of period	**327,182**	354,643
Cash, end of period	**$ 288,341**	$ 925,850
Cash paid during the period for interest	**$ -**	$ -
Cash paid during the period for income taxes	**$ -**	$ -
Supplemental cash flow information:		
Shares issued for purchase agreement	**$ -**	$ 2,500,000
Shares issued for settlement of debt	**$ -**	$ 30,970

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

1. NATURE OF OPERATIONS AND GOING CONCERN

a) Nature of operations

GlobeX Data Ltd. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on March 1, 2017. The Company has been engaged in the business of a marketing and distributor of a full suite of cloud-based storage, document management, and secure communication tools. The Company acquired GlobeX Data, Inc. and is in the process of completing an initial public offering ("IPO") (Note 9).

The Company's head office and principal address is located at Suite 900, 1021 West Hastings Street, Vancouver, BC and the registered and records office is located at Suite 704, 595 Howe Street, Vancouver, British Columbia, Canada, V6C 2T5.

b) Going concern

The Company incurred a net loss of $213,114 (2018 - $248,326) during the period ended March 31, 2019. As at March 31, 2019 the Company had a working capital surplus of $345,549 (December 31, 2018 - $278,043) and an accumulated deficit of $1,843,096 (December 31, 2018 - $1,629,982). The operating and cash flow results raise uncertainty about the ability of the Company to continue as a going concern.

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. The above facts indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. These condensed interim consolidated financial statements have been prepared on the basis the Company will operate as a going concern, which contemplates the realization of assets and settlement of liabilities and commitments in the normal course of business. These condensed interim consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

These condensed interim consolidated financial statements were authorized for issue by the Board of Directors on May 16, 2019.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance to International Financial Reporting Standards

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting.

Basis of presentation

These condensed interim consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The condensed interim consolidated financial statements are presented in Canadian dollars unless otherwise noted.

These condensed interim consolidated financial statements do not include all of the information required for full annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements of the Company for the year ended December 31, 2018.

The Company uses the same accounting policies and methods of computation as in the annual audited consolidated financial statements for the year ended December 31, 2018.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Basis of Consolidation

These condensed interim consolidated financial statements incorporate the financial statements of the Company and its controlled subsidiary. Control is defined as the exposure, or rights, to variable returns from involvement with an investee and the ability to affect those returns through power over the investee. Power over an investee exists when an investor has existing rights that give it the ability to direct the activities that significantly affect the investee's returns. This control is generally evidenced through owning more than 50% of the voting rights or currently exercisable potential voting rights of a Company's share capital. All significant intercompany transactions and balances have been eliminated.

The condensed interim consolidated financial statements include the financial statements of the Company and its significant subsidiary listed in the following table:

Name of Subsidiary	Country of Incorporation	Ownership Interest	Principal Activity
GlobeX Data, Inc.	USA	100%	Secure Data Management and Communications

New Accounting Standards Adopted during the period

The Company has adopted IFRS 16 Leases ("IFRS 16") which is effective for annual periods beginning on or after January 1, 2019.

IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. The adoption of IFRS 16 did not have an impact on the Company's condensed interim consolidated financial statements.

(Expressed in Canadian Dollars)

3. BUSINESS COMBINATION

On March 30, 2018, the Company acquired all of the issued and outstanding shares of GlobeX Data, Inc. ("GDI"). GDI is the exclusive distributor for all of Swiss based GlobeX Data S.A.'s cloud services in the United States of America and Canada.

The acquisition of GDI has been accounted for as a business combination. The acquisition method has been used to account for this transaction, whereby the assets acquired and liabilities assumed are recorded at fair value. The fair value of the assets acquired and liabilities assumed as at the date of acquisition were as follows:

Consideration	
Value of 25,000,000 common shares issued	$ 2,500,000
Total consideration value:	**$ 2,500,000**

Assets acquired and liabilities assumed	
Cash	$ 2,623
Intangible asset – License (Note 4)	2,552,573
Accounts payable and accrued liabilities	(23,871)
Royalty payable (Note 4)	(31,325)
Net assets acquired:	$ **2,500,000**

Acquisition related costs have been excluded from the consideration transferred and have been recognized as an expense in the year ended December 31, 2018.

The transaction was considered to be non-arm's length by virtue of the fact that a director of the Company is also a director of GDI.

4. ROYALTY PAYABLE

The intangible asset is represented by a license agreement that GlobeX Data, Inc. holds with GlobeX Data S.A., a company with a common director, whereby a royalty of 10% of all contractual sales arising in the licensed territories from its secure cloud document management and secure communication services would be payable. The agreement is in perpetuity.

During the period ended March 31, 2019, the Company accrued royalty expenses amounting to $955 (2018 - $Nil).

As at March 31, 2019, $35,879 (December 31, 2018 - $35,697) were payable to GlobeX Data S.A. pursuant to the agreement.

(Expressed in Canadian Dollars)

5. SHARE CAPITAL

The Company has authorized an unlimited number of common shares and preferred shares. No preferred shares have been issued.

During the period ended March 31, 2019, the Company:

a) Issued 1,471,600 common shares in a private placement at a price of $0.25 per share for proceeds of $367,900 (of which $87,280 was received during the year ended December 31, 2018). 120,000 common shares were issued to an officer of the Company.

During the year ended December 31, 2018, the Company:

a) Issued 6,711,007 common shares in a private placement at a price of $0.10 per share for proceeds of $671,101. 100,000 common shares were issued to an officer of the Company.

b) Issued 1,835,000 common shares in a private placement at a price of $0.15 per share for proceeds of $275,250. The Company paid share issue costs of $14,150 related to the share issuance.

c) Issued 309,700 common shares for settlement of debt. The fair value of the common shares was $30,970. 240,000 common shares were issued to a company controlled by a director to settle consulting fees of $24,000.

d) Issued 25,000,000 common shares to a director to acquire all the issued and outstanding common shares of GlobeX Data, Inc. at a deemed price of $0.10 per share for a fair value of $2,500,000.

e) Received $87,280 of share subscriptions towards a future share issuance.

Stock Options

The Company adopted a stock option plan on April 30, 2018. The stock option plan provides that, subject to the requirements of the Canadian Securities Exchange ("CSE"), the aggregate number of securities reserved for issuance will be 10% of the number of the Company's common shares issued and outstanding at the time such options are granted. The exercise price of option grants will be determined by the Board of Directors, but after listing on the CSE, will not be less than the closing market price of the common shares on the CSE less allowable discounts at the time of grant. All options granted under the stock option plan will expire not later than the date that is ten years from the date that such options are granted.

	Number of Options		Weighted Average Exercise Price
Outstanding at inception and December 31, 2017	-	$	-
Granted	1,600,000		0.25
Outstanding and exercisable, December 31, 2018 and March 31, 2019	**1,600,000**	**$**	**0.25**

The weighted average remaining contractual life of the options at March 31, 2019 is 4.08 years (2018 – Nil).

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (cont'd…)

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

Exercise price	Number of shares	Expiry Date
$ 0.25	1,600,000	April 30, 2023
	1,600,000	

During the year ended December 31, 2018, the Company granted 1,600,000 stock options with a fair market value of $206,818 or $0.13 per option which was charged to operations. The following weighted average assumptions were used for the Black-Scholes valuation of the stock options assuming no expected dividends or forfeitures:

	Period ended March 31, 2019	Year ended December 31, 2018
Stock price	-	$ 0.15
Risk-free interest rate	-	2.11%
Expected life (in years)	-	5
Expected volatility	-	142%

Expected volatility was calculated using historical volatility of comparable companies as an expectation of the Company's future volatility.

6. RELATED PARTY TRANSACTIONS

Related party transactions were in the normal course of operations and measured at the exchange amount, which is the amount established and agreed to by the related parties. Key management personnel are the persons responsible for planning, directing and controlling the activities of the Company, and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

During the period ended March 31, 2019, the Company incurred $3,000 (2018 - $27,000) in consulting fees to a company controlled by a common director.

During the period ended March 31, 2019, the Company incurred $Nil (2018 - $Nil) in accounting fees to an accounting firm in which an officer of the Company is a partner. As at March 31, 2019, there was $Nil (December 31, 2018 - $29,006) owing to this firm. This balance is unsecured, non-interest bearing and has no fixed terms of repayment.

During the year ended December 31, 2018, the Company granted 1,500,000 stock options with a fair value of $193,890 to officers and directors of the Company.

On May 7, 2017, the Company entered into a license agreement with GlobeX Data S.A., which has a common director, in which the Company obtained the right to market Secure Cloud Storage and Secure Communications Solutions to companies and individuals. During the period ended March 31, 2019, the Company paid software maintenance of $56,299 (2018 - $185,000) to GlobeX Data S.A.

On March 30, 2018, the Company acquired all of the issued and outstanding shares of GlobeX Data, Inc. which has a common director (Note 3).

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's receivables, accounts payable and accrued liabilities, royalty payable and due to related parties approximate their carrying value. The Company's other financial instrument, being cash, is measured at fair value using Level 1 inputs.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) *Credit risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The Company has deposited the cash with its bank from which management believes the risk of loss is remote.

(b) *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when due. Accounts payable and accrued liabilities are due within the current operating period. The Company has a sufficient cash balance to settle current liabilities.

(c) *Market ri*sk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(d) *Currency risk*

A portion of the Company's financial assets and liabilities are denominated in US dollars. The Company monitors this exposure, but has no hedge positions.

The Company is exposed to currency risk on fluctuations related to cash, accounts payable and accrued liabilities and royalty payable that are denominated in US dollars. At March 31, 2019, a 10% change in the value to the US dollar as compared to the Canadian dollar would not have a significant effect on net loss.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd…)

(e) *Interest rate risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk, from time to time, on its cash balances. Surplus cash, if any, is placed on call with financial institutions and management actively negotiates favorable market related interest rates.

8. CAPITAL DISCLOSURE AND MANAGEMENT

The Company defines its capital as all components of shareholders' equity. The Company's objectives when managing capital are to safeguard its ability to continue as a going concern.

In order to maintain its capital structure, the Company is dependent on equity funding and when necessary, raises capital through the issuance of equity instruments, primarily comprised of common shares. The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will make changes to its capital structure as deemed appropriate under the specific circumstances.

The Company is not subject to any externally imposed capital requirements or debt covenants, and does not presently utilize any quantitative measures to monitor its capital. There were no changes to the Company's approach to managing capital during the period.

9. SUBSEQUENT EVENTS

Subsequent to March 31, 2019, the Company entered into an agreement with an agent to complete the IPO for the issue of up to 10,000,000 units ("Offering") at a price of $0.25 per unit ("Unit") for gross proceeds of a maximum of $2,500,000. Each Unit is comprised of one common share and one tradeable warrant ("Warrant"). Each tradeable Warrant entitles the holder to purchase one additional common share at an exercise price of $0.75 for three years from the date of closing of the IPO ("Closing"). The Company will grant the agent an option exercisable at any time up to and including the Closing of the Offering to increase the size of the Offering by up to 15% in Units. The Company will pay the agent a cash commission of 8% of gross proceeds raised in the Offering and will issue warrants to purchase 8% of the number of Units sold in the Offering. Each agent's warrant will be exercisable into one Unit at $0.25 for three years from Closing. The Company will pay the agent a corporate finance fee of $35,000 plus GST ($18,375 paid) and has incurred $91,053 of deferred financing costs as at March 31, 2019 in relation to the IPO (December 31, 2018 - $87,644).