

MIDPOINT HOLDINGS LTD.

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017**

(Unaudited)

(Expressed in Canadian Dollars)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim condensed consolidated financial statements of Midpoint Holdings Ltd. were prepared by management in accordance with International Financial Reporting Standards. The most significant of these standards are set out in the note 2 of these financial statements. Any applicable changes in accounting policies have also been disclosed in these unaudited interim condensed consolidated financial statements. Management acknowledges responsibility for the preparation and presentation of the unaudited interim consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances. The Board of Directors is responsible for ensuring management fulfills its financial reporting responsibilities and for reviewing and approving the unaudited interim financial statements together with other financial information. The Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the internal controls over the financial reporting process and the period end unaudited interim consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited interim consolidated financial statements together with other financial information of the Company for issuance to the shareholders. Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

NOTICE TO READER

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

These financial statements are being re-filed to correct the presentation of the comparative information on the Statement of Shareholders' Equity on page 7 to include the missing prior period comparative figures. No other changes have been made to the statements.

**MIDPOINT HOLDINGS LTD.
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SEPTEMBER 30, 2018**

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MIDPOINT HOLDINGS LTD.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2018 AND JUNE 30, 2018
(Amounts in Canadian dollars)
(Unaudited)

	September 30, 2018	June 30, 2018
ASSETS		
CURRENT ASSETS		
Cash (note 3)	\$ 1,135,471	\$ 1,268,957
Accounts receivable and prepaid expenses	10,228	18,103
Total current assets	1,145,699	1,287,060
EQUIPMENT	40,499	44,591
INTANGIBLES (note 4)	468,576	448,392
TOTAL ASSETS	\$ 1,654,774	\$ 1,780,043
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 172,373	\$ 172,496
Current portion of settlement provision	84,746	84,746
Total current liabilities	257,119	257,242
SETTLEMENT PROVISION (note 5)	88,652	88,652
Total liabilities	345,771	345,894
SHAREHOLDERS' EQUITY		
Share capital (note 6)	12,995,864	12,995,864
Warrants and options reserve	154,699	154,699
Contributed surplus (note 6)	1,376,328	1,376,328
Accumulated other comprehensive loss	(493,421)	(475,446)
Accumulated deficit	(12,724,467)	(12,617,296)
Total shareholders' equity	1,309,003	1,434,149
	\$ 1,654,774	\$ 1,780,043

Nature of operations (note 1)

Subsequent events (note 7)

The accompanying notes are an integral part of the consolidated financial statements

On behalf of the Board:

Signed: "Corbin Comishin"
Director

Signed: "David Wong"
Director

MIDPOINT HOLDINGS LTD.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017
(Amounts in Canadian dollars)
(Unaudited)

For the three months ended
September 30, September 30,
2018 2017

REVENUE	\$ 110,887	\$ 110,191
TRANSACTION COSTS	35,737	37,790
GROSS MARGIN	75,150	72,401
FOREIGN EXCHANGE LOSS	-	-
	75,150	72,401
EXPENSES		
Amortization and depreciation (note 4)	47,933	27,746
Filing fees and transfer fees	4,676	11,196
General and administrative expenses	18,960	21,482
Marketing	2,313	7,790
Professional & consulting fees	45,194	103,241
Wages	51,753	27,344
Website operating costs	11,492	-
Total expenses	182,321	198,799
NET LOSS FOR THE PERIOD	(107,171)	(126,398)
FOREIGN CURRENCY TRANSLATION	(17,975)	(432)
NET LOSS AND COMPREHENSIVE LOSS	\$(125,146)	\$(126,830)
Basic and diluted weighted average shares outstanding	103,906,642	86,649,859
Basic and diluted net loss per share	\$ (0.001)	\$ (0.001)

The accompanying notes are an integral part of the consolidated financial statements

MIDPOINT HOLDINGS LTD.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017
(Amounts in Canadian dollars)
(Unaudited)

	September 30, 2018	September 30, 2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	\$(107,171)	\$(126,398)
Item not affecting cash		
Amortization	47,933	27,746
	(59,238)	(98,652)
Net changes in non-cash working capital items relating to operating activities		
Accounts receivable and prepaid expenses	7,875	(3,689)
Accounts payable and accrued liabilities	(123)	86,632
Net cash (used in) operating activities	(51,486)	(15,709)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from from issuance of shares	-	48,000
Repayment of settlement provision	-	(20,000)
Net cash provided by financing activities	-	28,000
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of intangible and tangible assets	(64,025)	(40,637)
Cash Used For Investing Activities	(64,025)	(40,637)
NET (DECREASE) INCREASE IN CASH	(115,511)	(28,346)
CASH, BEGINNING OF PERIOD	1,268,957	814,999
EFFECT OF CHANGES IN FOREIGN EXCHANGE RATES	(17,975)	(432)
CASH, END OF PERIOD	\$ 1,135,471	\$ 786,221

The accompanying notes are an integral part of the consolidated financial statements

MIDPOINT HOLDINGS LTD.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (DEFICIENCY)
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2018
(Amounts in Canadian dollars)
(Unaudited)

	Number of Shares issued	Amount	Contributed Surplus	Warrants Options Reserves	Accumulated Deficit	Accumulative Other Comprehensive Income	Total Shareholder's Deficit
Balance, June 30, 2017	85,689,859	\$ 11,742,697	\$ 852,974	\$ 553,900	\$(11,911,303)	\$(497,752)	\$ 740,516
Private placement	960,000	48,000	-	-	-	-	48,000
Net loss and comprehensive loss for the period	-	-	-	-	(126,398)	(432)	(126,830)
Balance as at September 30, 2017	86,649,859	\$ 11,790,697	\$ 852,974	\$ 553,900	\$(12,037,701)	\$(498,184)	\$ 661,686
Balance, June 30, 2018	103,906,642	\$ 12,995,864	\$ 1,376,328	\$ 154,699	\$(12,617,296)	\$(475,446)	\$ 1,434,149
Private placement	-	-	-	-	-	-	-
Net loss and comprehensive loss for the period	-	-	-	-	(107,171)	(17,975)	(125,146)
Balance as at September 30, 2018	103,906,642	\$ 12,995,864	\$ 1,376,328	\$ 154,699	\$(12,724,467)	\$(493,421)	\$ 1,309,003

The accompanying notes are an integral part of the consolidated financial statements

**MIDPOINT HOLDINGS LTD.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT SEPTEMBER 30, 2018**

1. NATURE OF OPERATIONS

Midpoint Holdings Ltd. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on April 15, 2010 and was classified as a Capital Pool Company as defined in the TSX Venture Exchange ("TSXV") Policy 2.4. The principal business of the Company was to negotiate an acquisition or participation in a business subject to acceptance by regulatory authorities and, in certain cases, shareholder approval (the "Qualifying Transaction") which it completed on April 11, 2012.

The Company now operates through its wholly owned subsidiary in the United Kingdom, Midpoint & Transfer Ltd. ("MPNT"). Its business is a web based enterprise that matches buyers and sellers of foreign currency and transfers the funds to their desired location through an intermediary third-party payment provider. The Company receives fees from all parties for matching the currency exchanges and transferring the funds.

The Company's head office is 505 Kootenay Street, Nelson British Columbia, V1L 1K9.

2. SIGNIFICANT ACCOUNTING POLICIES

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC. They are presented in Canadian dollars.

The policies applied in these interim condensed consolidated financial statements are based on IFRS issued and outstanding as of November 27, 2018, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these interim condensed consolidated financial statements as compared with the most recent annual financial statements as at and for the period ended June 30, 2018. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for period ending June 30, 2018 could result in restatement of these condensed interim financial statements.

New standards not yet adopted and interpretations issued but not yet effective.

There are no relevant changes in accounting standards applicable to future periods other than as disclosed in the most recent annual consolidated statements as at and for the period ended June 30, 2018.

**MIDPOINT HOLDINGS LTD.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
AS AT SEPTEMBER 30, 2018**

3. CASH

At September 30, 2018 and June 30, 2017 the Company had cash of \$1,135,471 and \$1,268,957 respectively. The Company maintains cash in various banks including a bank in Canada and several in the United Kingdom.

4. INTANGIBLES

Patents & software

	September 30, 2018	June 30, 2018
Cost		
Balance, at beginning of period	\$ 1,098,897	\$ 926,002
Additions	62,337	172,895
Balance, at end of period	1,161,234	1,098,897
Accumulated Depreciation		
Balance, at beginning of period	650,504	539,519
Depreciation for period	42,154	110,985
Balance, at end of period	692,658	650,504
Net Book Value	\$ 468,576	\$ 448,393

It is the companies policy to capitalize expenses related to software as software assets. In the three months ended September 30, 2018, there were \$62,337 of additions added as software assets.

5. SETTLEMENT PROVISION

On November 23, 2015 the CEO resigned from his duties with the Company. The Company has entered into an agreement to pay GBP \$18,500 on signing (paid) and an additional CAD 500,000 to the former CEO. The timing of the remaining settlement payments are based on the Company's future capital or debt raises; a minimum of 10% of all amounts to be raised in capital or debt are designated to pay the requirements of the severance until the amount is extinguished. After a financing is completed, interest of 8% per annum will accrue on the payable portion.

The Company has applied a discount factor of 18% to the \$500,000 payable as at November 23, 2015 and has assumed a repayment of \$100,000 per year (implying an assumption of \$1,000,000 per year in financing). An initial discount of \$187,500 was recognized based on these assumptions and will be accreted through the statement of operations until the liability is ultimately extinguished. The Company recognized \$35,960 for the year ended June 30, 2018 (2017 - \$61,623) in accretion costs during the year in relation to this item. In total \$133,173 of accretion expenses have been reported as expenses of the Company related to the initial \$187,500 discount resulting in \$54,327 to be reported still in the future as an expense of the Company.

6. SHARE CAPITAL AND CONTRIBUTED SURPLUS

Authorized

As at September 30, 2018, the Company had authorized unlimited common shares.

Issued and outstanding

A summary of share transactions and shares issued and outstanding is as follows:

	Number of Shares	Share Capital	Contributed Surplus	Total
Balance, September 30, 2018	103,906,642	\$ 12,995,864	\$ 1,376,328	\$ 14,372,192

7. SUBSEQUENT EVENTS

On October 25, 2019, a total of 3,125,000 stock options expired unvested upon termination of employment of the option holder. Accordingly, an expense recovery of \$122,154 will be recognized in the subsequent quarter for the fiscal 2019.

8. COMMITMENTS AND CONTINGENT LIABILITIES

On October 20, 2017, the Company was served with a notice of civil claim from John Booth, a former CEO and director of the Company. At the Company's annual general meeting held on September 15, 2017, Mr. Booth was not elected a director of the Company. In the civil claim, Mr. Booth alleges that he was improperly removed as a director at the AGM. Mr. Booth has made a claim for damages and has asked for an order of specific performance of the terms of a severance agreement, dated November 24, 2015, Mr. Booth signed with the Company; the effect of which would be to order that Mr. Booth be deemed one of the management nominees elected to the Board of Directors. The company believes is without merit and which the Company plans to aggressively defend the claim. No reliable estimate can be made for any potential liability that might result in this case.