Management's Discussion and Analysis

The following Management’s Discussion and Analysis (“MD&A”) provides additional analysis, from the perspective of management, of the operations and financial position of Aylen Capital Inc. (“Aylen” or the “Company”) for the first quarter of 2012. It is supplementary information and should be read in conjunction with the financial statements and accompanying notes for the three month period ended March 31, 2012 and the year ended December 31, 2011.

Aylen was incorporated on October 28, 2010 as a wholly-owned subsidiary of Centiva Capital Inc. (“Centiva”). On September 30, 2011, a plan of arrangement (the “Arrangement”) was completed pursuant to Section 192 of the Canada Business Corporations Act, whereby Centiva and Aylen entered into an agreement to distribute the existing assets of Centiva to shareholders by way of the Arrangement. Under the terms of the Arrangement, all of the existing assets and liabilities of Centiva were transferred to Aylen in exchange for shares of Aylen and a $842,832 promissory note. The Arrangement was approved by Centiva shareholders at a special meeting held on September 23, 2011 and by the Superior Court of Justice on September 27, 2011. The effective date of the transfer was October 31, 2011. On the same date Centiva changed its name to Spackman Equities Group Inc. (“SEGI”).

Centiva transferred all of its then existing assets and liabilities, other than those relating to the new equity and tax losses, to Aylen in exchange for common shares of Aylen. The assets which were transferred to Aylen from Centiva consist of an equity interest in a technology-based company, VFM Leonardo Inc., a technology-based business, Grapevine Solutions, and a portfolio of marketable securities. Grapevine Solutions (”Grapevine”), an unincorporated division of Aylen, operates a web-based survey and data collection business.

Aylen took over Grapevine’s operations effective November 1, 2011. The financial statements of the Company for the year ended December 31, 2011 include the Grapevine operations from November 1, 2011 to December 31, 2011.

FORWARD-LOOKING STATEMENTS

Included in this Management Discussion and Analysis are matters that constitute "forward-looking" information within the meaning of Canadian securities law. Such forward-looking statements may be identified by words such as "plans", "proposes", "estimates", "intends", "expects", "believes", "may" or words of a similar nature. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from such statements. Factors that could cause actual results to differ materially include among others, regulatory risks, risk inherent in foreign operations, commodity prices and competition. Most of these factors are outside the control of the Company. All subsequent forward-looking statements attributable to the Company or its agents are expressly qualified in their entirety by these cautionary comments. Except as otherwise required by applicable securities statutes or regulation, the Company expressly disclaims any intent or obligation to update publicly forward-looking information, whether as a result of new information, future events or otherwise.

HOLDINGS AND OVERALL PERFORMANCE

Aylen has investments in marketable securities, an investment in VFM Leonardo Inc. and the Grapevine business.

The performance of the Grapevine business in the first quarter of 2012 was in line with the performance of the business in 2011, which was a record year for invoiced sales. In the first 10 months of 2011 the business was operated by Centiva and from November 1 to December 31, 2011 the business was operated by the Company. For the first quarter of 2012, Aylen recorded an unrealized gain in its portfolio of marketable securities of $17,000 for the quarter.

At March 31, 2012, the Company had cash of $75,000 (December 31, 2011: $71,000), investments in marketable securities of $431,000 (December 31, 2011: $453,000) and venture investments totalling $1,844,000 (December 31, 2011:$1,844,000).

THE GRAPEVINE BUSINESS

The Grapevine assets which were acquired consisted of software, customer lists, trademarks, and office equipment.

At March 31, 2012, the Grapevine business is recorded under property and equipment consisting of software of $ 521,000 and computer equipment of $15,000 (Note 6).

Grapevine's business is based in Markham, Ontario and it consists of providing web-based survey and data collection services to third parties, most of whom are based in North America and a majority of whom are in the US. Its software is used to perform customizable employee evaluations, employee surveys, customer surveys, training surveys, surveys of boards of directors, web polls and data collection surveys.

The business has two full-time employees and engages consultants to provide software programming and upgrade and design services.

The primary business objectives for Aylen over the next 12 months are to continue to grow the revenues of the Grapevine business and to firmly establish Grapevine as a dominant human resources online survey firm in North America. This will require an upgrade of Grapevine's operating software to improve its product offerings which will cost approximately $20,000 to $30,000 and will take up to three months to complete. An additional sales and/or administrative person will be added mid-year to increase the sales and marketing strength of the Company. The estimated cost of this new hire is from $30,000 to $45,000 per year. Working capital at the Company at March 31, 2012, not including the promissory note, was $258,000 which could be used to fund these costs along with the cash flow from the Grapevine business.

For the three months ended March 31, 2012, Grapevine's revenues were $211,000. Invoiced sales for the quarter were $121,000. Invoiced sales for the year are expected to equal or exceed the level of $644,000 for the business in 2011 as the slow but steady improvement in the North American economy continues and as a result of increased and more effective marketing efforts.

INVESTMENTS

VFM Leonardo Inc.

At March 31, 2012 Aylen owned an 8.2% equity interest in VFM Leonardo Inc. ("VFM") representing approximately 13.9% on a fully-diluted basis, should all warrants and options be exercised.

Aylen owns 3,075,359 common shares, 2,436,658 Series 1 convertible preference shares and 12,000,000 warrants to purchase common shares in the capital of VFM. The warrants have an expiry date of March 1, 2014 and an exercise price of $0.001 per warrant. The Series 1 and Series 2 preference shares have a priority over the common shares on liquidation, winding-up and sale of the company. The Series 1 preference shares which are owned by Aylen represent approximately 3.6% of all outstanding Series 1 and Series 2 preference shares.

VFM, which is headquartered in Toronto, Ontario, has developed an online video and rich media advertising platform and distribution network that allow advertisers to distribute informational rich media marketing content to highly targeted consumers across thousands of relevant sites and electronic channels. Currently, VFM provides off-platform technology-driven rich-media solutions, connectivity and interactivity for the hotel, lodging and the online travel distribution industries. VFM's end-to-end media management and distribution solution is a content "hub" that aggregates hotel and travel-related digital rich media content such as videos, 360° virtual tour images, Flash productions and still images, and automates its distribution to travel websites and any other points of contact where rich media can be viewed by consumers researching and booking travel accommodations.

VFM is the world's largest provider and distributor of online visual content for the hotel and travel industry. VFM's content library includes more than one million digital photographs, videos and 360° virtual tours for over 80,000 hotels and resorts worldwide. Through VScape®, VFM distributes this content to its online media network of all four Global Distribution Systems, Pegasus and 30,000 plus travel-related channels including online travel agencies, travel research and supplier web sites, search portals and major travel intermediaries. VFM's online media network includes industry leaders such as Sabre, Galileo, Travelocity, Orbitz, Priceline, Tripadvisor, Yahoo! Travel, Kayak, Google and more. For more information, visit VFM's website at www.vfmleonardo.com.

PORTFOLIO INVESTMENTS

Aylen's portfolio investments consist of a broadly diversified selection of Canadian and U.S. dividend producing instruments, securities and equities. At March 31, 2012, the market value of the portfolio investments was $431,000, and is managed by a group of five independent managers. The portfolio is invested approximately as follows:

	March 31, 2012	December 31, 2011
	(%)	(%)
Canadian Equities		
Canadian Diversified Income	24.5	22.4
Canadian Large Cap Equity	23.5	30.8
International Equities		
US Large Cap Equity	29.0	25.6
International Equities	23.0	21.2
	100.0	**100.0**

The portfolio realized a 4.75% gain in the first quarter of 2012.

RESULTS OF OPERATIONS

Grapevine had revenue of $211,000 for the quarter ended March 31, 2012, after adjusting for unearned revenue, with selling expenses of $105,000 for the current period. Sales revenue for the first quarter of 2011 when Grapevine was owned by Centiva was $155,000 with selling expenses of $96,000 Invoiced sales in the first quarter of 2012 were $121,000. The Company's other primary source of revenue arises from interest and other income from its cash and marketable securities, which for the first quarter of 2012 period was $3,000.

Under the provisions of IAS 39 Financial Instruments – Recognition and Measurement and IAS 32 Financial Instruments –Presentation and IFRS 7 Financial instruments - Disclosure, unrealized mark-to-market gains and losses on the Company's portfolio of marketable securities held for trading are recognized in computing net income. Such amounts totalled unrealized gain of $17,000 in the first quarter of 2012. A gain of $6,000 was realized for the first quarter of 2012 on the sale of marketable securities.

General and administrative expenses totalled $103,000 for the first quarter of 2012.

As a result of the foregoing, the Company recorded a net loss of $38,000 ($0.002 per share) for the first quarter of 2012.

Under the provisions of IAS1 - Presentation of financial statements, IFRS 7 Financial Instruments – Disclosure, IAS 32 – Financial Instruments – presentation, IAS 39 Financial Instruments-recognition and measurement, unrealized gains and losses on the Company's publicly-traded investments available for sale are recognized in other comprehensive income, net of taxes. There is no other comprehensive income in the current period and for the year.

As a result of the foregoing, the Company reported a net loss and comprehensive loss of $38,000 for the first quarter of 2012.

SUMMARY OF SELECTED QUARTERLY INFORMATION

	Quarter to March 31 2012	Period November 1, 2011 to December 31 2011
Revenue		
Sales	$210,516	$107,057
Interest and investment income	2,896	1,445
Gain (loss), realized and unrealized,	26,246	(15,069)
Net Income (Loss)		
Total	(38,119)	(272,326)
Per share	(0.002)	(0.10)
Per share (diluted)	(0.002)	(0.10)
Other Comprehensive Income (Loss), being increase (decrease) in fair value of publicly-traded investments available for sale	-	-
Comprehensive (Loss) income	(38,119)	-

LIQUIDITY AND FINANCIAL POSITION AND CAPITAL RESOURCES

Working capital at March 31, 2012 was $258,000 (December 31, 2011:$232,000). After deducting the promissory note (see Note 9 as to the terms of the note) working capital was $(364,000) (December 31, 2011 ($351,000)). The promissory note is payable only from the net proceeds of the sale of assets.

Current liabilities were $370,000 at March 31, 2012, and this amount includes $285,000 of deferred revenue which represents the unearned portion of subscription fees collected from customers amortized on a straight –line basis over the remaining life of the contract, and a provision for $40,000 representing the Company's portion of legal fees for the Arrangement which have not yet been paid. At December 31, 2011 current liabilities were $511,000. Accounts payable and accrued liabilities were $45,000 at March 31, 2012 (December 31, 2011: $97,000).

The portfolio of marketable securities included in working capital together with cash and cash equivalents was $506,000 at March 31, 2012 (December 31, 2011: $523,000). Accounts receivable included in working capital were $76,000 at March 31, 2012 (December 31, 2011: $184,000). Aylen has sufficient cash and cash equivalents and marketable securities to provide liquidity to the Company for the next 12 months.

These capital resources, along with the income and gains, if any, from the marketable securities, and the income, if any, from the operations of Grapevine, are used to fund Aylen's financial requirements. Aylen's general and administrative expenses, substantially all of which are committed and non-discretionary in nature, were $103,000 for the quarter ended March 31, 2012. Aylen's general and administrative expenses were $162,000 in 2011 (which was the period from November 1 to December 31, 2011).

ANALYSIS OF FINANCIAL CONDITION AND FINANCIAL PERFORMANCE

The financial condition of the Company is directly dependant on the performance of Grapevine and the performance of the portfolio of marketable securities. Grapevine's invoiced sales for the full 12 months of 2011 were $644,000, a 40% increase over the previous year. In the first quarter of 2012, invoiced sales were $121,000 which is consistent with the pace of invoiced sales in 2011. The balance of the portfolio of marketable securities decreased to $430,000 at March 31, 2012, a decrease of $23,000 from December 31, 2011.

Grapevine's revenues were stagnant during the three year period from December 31, 2008 to December 31, 2010 (when it was operated by Centiva), largely as a result of the difficult economic conditions in North America which is where the majority of Grapevine's customer base resides. The products offered by Grapevine are heavily focused on the human resources sector of businesses and include products such as employee surveys and evaluations. These products represent discretionary, non-critical expenses for most businesses. In difficult economic times, businesses in general often try to reduce discretionary spending as a first measure to survive during the period of reduced demand for their goods and services. In fiscal 2008, Grapevine's revenues were $470,000, in fiscal 2009 they were $481,000 and in fiscal 2010 they were $470,000.The modest economic recovery which began in late 2009 or early 2010 had a beneficial effect on Grapevine which saw its invoiced sales increase to $644,000 in fiscal 2011.

CRITICAL ACCOUNTING ESTIMATES

The Company's accounting policies are described in Note 2 to the 2011 financial statements. The preparation of the Company's financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current quarter. Changes in estimates of useful lives of assets are accounted for prospectively from the date of change. Actual results could differ from these estimates.

The assets and liabilities that require management to make significant estimates and thus are deemed critical accounting policies are the carrying value of its privately-held venture investments and the fair value of option grants.

Investments

Investments in shares of investee companies in which the Company's ownership is greater than 20% but not more than 50%, and over which the Company has the ability to exercise significant influence, are accounted for using the equity method. At March 31, 2012 and December 31, 2011, the Company had no such investments.

For other investments, in accordance with IFRS 7, IAS32 and IAS39, the Company carries the investments consistent with the following:

- The portfolio of marketable securities is classified as held for trading and is measured at fair value;
- Publicly-traded investments, if any held, over which the Company does not have the ability to exercise significant influence are classified as available for sale and are carried at fair value based on quoted closing prices at the balance sheet date or the closing price on the last day the security traded if there were no trades at the balance sheet date; and
- Privately-held investments are classified as available-for-sale and are valued at cost except where there is pervasive evidence supporting an increase or decrease in carrying value.

These fair values of the Company's investments are subject to risks and uncertainties.

Included in Aylen's results for the current period are unrealized mark-to-market gain on the portfolio of marketable securities held for trading totalling $17,000, which are included in the reported net losses together with a realized gain totalling $6,000.

RISK FACTORS AND RISK MANAGEMENT

Aylen shareholders and potential investors in Aylen should carefully consider the following risk factors and all the other information contained in this prospectus when evaluating Aylen and its common shares.

An investment in Aylen's shares involves a number of risks, many of which are beyond its control. The risks and uncertainties set out below are all of the known risks which are deemed to be material to the Company's business or the results of its operations. When reviewing forward-looking statements and other information contained in this prospectus, investors and others should carefully consider these factors, as well as other uncertainties, potential events and industry-specific factors that may adversely affect the Company's future results. If any of these risks should actually occur, the Company's business, financial condition, results of operations, cash flows and prospects could be harmed. Such risks and uncertainties are not the only ones the Company faces. Additional risks and uncertainties of which the Company is currently unaware or that are deemed immaterial may also adversely affect the Company's business, financial condition, results of operations, cash flows and prospects.

Limited Cash and Working Capital and Negative Cash Flows

Historically, the Company and Centiva have had negative cash flow from operating activities and have had to fund their operations with cash on hand and the sale of marketable securities. The Company's cash on hand and marketable securities at quoted market value less liabilities (other than the promissory note which is payable only out of the proceeds of sale of assets) at March 31, 2012 was $420,000. This amount may prove to be inadequate to continue to fund the Company's operations beyond the next 12 months in which case the Company would have to sell assets such as the Grapevine business, or raise funds through the sale of additional equity or a combination of those two things, failing which it would have to discontinue its operations. There may not be a ready market for the sale of its assets and it may not be possible to issue additional shares or other securities, or the issue of additional shares or other securities if it were to be possible may result in significant dilution to the interests of existing shareholders.

The Company's negative cash flow and limited cash and working capital also means that the Company is not able to invest any significant amount of additional funds in Grapevine or VFM in the event they should need additional funding and this may result in a discontinuance of operations of that particular business or a significant dilution of the Company's investment.

Limited Diversification of Investments

Due to the small size of the Company and the fact that it has only a limited number of investments, the Company is subject to a greater risk of a downturn in one or more of its investments. A concentration of the Company's invested funds in its portfolio of marketable securities, its Grapevine business and its investment in VFM means that in the event that any such business or industry or investment is unsuccessful or experiences a downturn, this will likely have a material adverse effect on the Company's business, results from operations, and financial condition. It also means that the Company is more exposed to business cycles than it would be if it owned a larger number of investments which were diversified over various industries with differing business cycles in different geographic areas.

Dependency on Private Company Operations

The Company owns a 8.2% equity interest in VFM which is a private company. Due to the small size of its equity investment the Company does not have any significant influence over VFM or its operations nor does the Company have the ability to exercise control over VFM.

Operating Liquidity

Both the Grapevine business and VFM's business are not fully developed and may continue to require additional funding to continue operations or to develop their business plans until they become self funding. The Company has limited cash resources and is unable to provide any significant amount of additional funding to Grapevine or VFM if it should be required. In such an event, if no other source of funding is available, the operations would have to terminate and it would not be possible for the Company to recover its investment. If an additional source of funding is found, it may result in significant dilution of the Company's investment.

Industry Risks

Each of the Company's investee companies is subject to the risks inherent in the industry in which it operates. In the case of Grapevine, the business is very dependant on the continued demand for on-line surveys and polls by businesses, particularly those surveys and polls relating to employees, and particularly in North America. In the case of VFM, its business is very dependant on the strength of the hotel segment of the travel industry and the continued use by travellers of on-line services in planning travel and booking hotels. Each investee company would be adversely affected by a significant downturn in its particular industry segment or a change in the demand by consumers for its products and services.

Competition

Both Grapevine and VFM face intense competition, including competition from other companies with greater financial and other resources, and more advanced technological development. There can be no assurance that they will be able to successfully compete against their respective competitors or that such competition will not have a material adverse effect on their businesses, financial condition, results of operations and cash flows.

Effect of General Economic Conditions

Centiva's results of operations in the period 2008 to October 31, 2011 were adversely affected by the global economic downturn and there is a significant risk that global economic conditions or economic conditions in North America will deteriorate again which will have a material adverse effect on the Company's business, financial condition, results of operations and cash flows. In the case of both VFM and Grapevine, its products and services represent discretionary expenses to the customers they serve and would be among the most likely expenses to be eliminated if economic conditions deteriorate.

Currency Fluctuations

The majority of the Company's costs are incurred in Canadian dollars and more than half of its revenues are received in U.S. dollars. A deterioration in the value of the U.S. dollar against the Canadian dollar will have a significant negative effect on the Company's revenues, financial condition, results of operations and cash flows. The Company does not use currency derivatives to hedge against adverse currency fluctuations.

Legal Claims and Other Contingencies

Aylen, Grapevine and VFM may become parties to law suits, claims and litigation arising in the ordinary course of business. In 2009 VFM was sued by a competitor in the US claiming breach of US anti-trust laws and claiming damages of $35 million. While this law suit was settled on a basis favourable to VFM, a similar law suit could threaten the company's ability to continue its operations and the Company's investment in VFM would not be recovered. Similarly a law suit against Grapevine or the Company could result in significant costs and the outcome of such law suits could have a material negative impact on the Company's financial position, operating results, or the Company's ability to continue to carry on its business activities.

Lack of Market for Aylen's Shares

The Company filed a preliminary prospectus in Ontario and certain other Canadian provinces on March 6, 2012 in order to obtain "reporting issuer" status. The Company intends to apply to the CNSX to list its shares if it attains "reporting issuer" status in Ontario but there can be no assurance that the Company will attain "reporting issuer" status or if it does that will be able to fulfill all of the listing requirements of the CNSX and that its shares will be listed on the CDNX or indeed on any stock exchange. Even if the Company is successful in obtaining a listing on the CNSX, there may not be a liquid market for the shares and any market price for the shares may not reflect the underlying value of the Company's business and assets.

INTERNAL CONTROLS

Disclosure controls and procedures

Management of the Company is responsible for establishing and maintaining disclosure controls and procedures for the Company as defined under National Instrument 52-109 issued by the Canadian Securities Administrators. The Company as a venture issuer is not required to certify the design and evaluation of the issuer's disclosure controls and procedures.

Internal controls over financial reporting

Management of the Company is responsible for designing internal controls over financial reporting for the Company as defined under Multilateral Instrument 52-109 issued by the Canadian Securities Administrators. The Company as a venture issuer is not required to certify the design and evaluation of the issuer's internal controls over financial reporting.

ACCOUNTING PRONOUNCEMENTS

Note 2 of the December 31, 2011 audited financial statements of the Company provides an overview of the accounting standard changes that the Company will be required to adopt in future years.

INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Company's interim financial statements for the three months ended March 31, 2012 have been prepared in accordance with IFRS applicable to the presentation of financial statements.

FUTURE DIRECTION

The Company intends to continue to grow the revenues of its Grapevine business, and to increase the value of its investment in VFM and its portfolio of marketable securities. The Company does not have the necessary capital to make any additional investments in Grapevine or VFM and it is unable to make any new investments without raising new equity or selling some of its assets and there are no plans at the present time to attempt to raise new capital or sell assets.

OUTSTANDING SHARE DATA

The Company has authorized an unlimited number of common shares, an unlimited number of Class A common shares and an unlimited number of preferred shares issuable in series. As at December 31, 2011, and at the date of this MD&A, there were 16,856,632 common shares issued and outstanding and 1,685,663 common shares reserved for issuance under the Company's stock option plan.

OTHER INFORMATION

Additional information related to the Company may be found on SEDAR at www.sedar.com.

Toronto, Ontario
May 24, 2012