

Financial Statements of



September 30, 2014

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 the International Financial Reporting Standards established by the International Accounting Standards Board for a review of interim financial statements by an entity's auditor.

John D. Pennal
President

Jenifer Cho
Director of Finance

November 20, 2014

AYLEN CAPITAL INC.

Interim Statements of Financial Position - Unaudited

(In Canadian Dollars)

	As at September 30, 2014	As At December 31, 2013
ASSETS		
CURRENT		
Cash and cash equivalents (Note 4)	\$ 21,314	\$ 100,172
Marketable securities (Note 5)	184,119	226,219
Accounts receivable (Note 6)	24,509	31,769
HST recoverable	18,259	7,202
Prepaid expense and sundry assets (Note 7)	8,500	10,218
	256,701	375,580
INVESTMENTS (Note 8)	1,855,890	1,843,890
PROPERTY AND EQUIPMENT (Note 9)	1,752	1,622
	\$ 2,114,343	\$ 2,221,092
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 10)	\$ 78,683	\$ 133,053
Deferred revenue	66,870	234,211
	145,553	367,264
LONG-TERM		
Note payable (Note 11)	713,839	713,839
	859,392	1,081,103
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 12)	1,350,570	1,350,570
CONTRIBUTED SURPLUS (Note 12)	286,514	286,514
DEFICIT	(382,133)	(497,095)
	1,254,951	1,139,989
	\$ 2,114,343	\$ 2,221,092

The accompanying notes form an integral part of these financial statements

AYLEN CAPITAL INC.

Interim Statements of Income and Comprehensive Income - Unaudited
For the three months and nine months ended September 30, 2014 and 2013
(In Canadian Dollars)

	Three months ended		Nine months ended	
	September 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013
Revenues				
Sales revenue	\$ 239,948	\$ 153,770	\$ 689,428	\$ 459,765
Interest and other income	1,199	2,317	3,867	7,509
Gain on sale of marketable securities	274	16,604	4,634	20,954
Unrealized gain on fair value of marketable securities held for trading	540	1,646	10,437	24,279
	241,961	174,337	708,366	512,507
Expenses				
General and administrative	107,049	100,345	274,982	307,308
Selling expenses	124,774	98,782	317,096	285,990
Amortization	483	361	1,326	1,834
	232,306	199,488	593,404	595,132
Net income (loss) and comprehensive income (loss) for the period	\$ 9,655	\$ (25,151)	\$ 114,962	\$ (82,625)
Net income (loss) per share - basic and fully diluted	\$ 0.001	\$ (0.002)	\$ 0.007	\$ (0.005)
Weighted average number of shares	16,856,632	16,856,632	16,856,632	16,856,632

The accompanying notes form an integral part of these financial statements

AYLEN CAPITAL INC.

Interim Statements of Changes in Equity - Unaudited
For the nine months ended September 30, 2014 and 2013
(In Canadian Dollars)

	Number of fully paid common shares	Capital stock	Contributed Surplus	Deficit	Total shareholders' equity
Balance at December 31, 2013	16,856,632	\$ 1,350,570	\$ 286,514	\$ (497,095)	\$ 1,139,989
Net income for the period	-	-	-	114,962	114,962
Balance at September 30, 2014	16,856,632	\$ 1,350,570	\$ 286,514	\$ (382,133)	\$ 1,254,951
Balance at December 31, 2012	16,856,632	\$ 1,350,570	\$ 286,514	\$ (294,025)	\$ 1,343,059
Net loss for the period	-	-	-	(82,625)	(82,625)
Balance at September 30, 2013	16,856,632	\$ 1,350,570	\$ 286,514	\$ (376,650)	\$ 1,260,434

The accompanying notes form an integral part of these financial statements

AYLEN CAPITAL INC.

Interim Statements of Cash Flows - Unaudited

For the three months and nine months ended September 30, 2014 and 2013

(In Canadian Dollars)

	Three months ended		Nine months ended	
	September 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013
Net Inflow (Outflow) of Cash Related to the Following Activities:				
Operating				
Net income (loss) for the period	\$ 9,655	\$ (25,151)	\$ 114,962	\$ (82,625)
Items not affecting cash:				
Unrealized gain on fair value of marketable securities held for trading	(540)	(1,646)	(10,437)	(24,279)
Amortization	483	361	1,326	1,834
Gain on sale of marketable securities	(274)	(16,604)	(4,634)	(20,954)
	9,324	(43,040)	101,217	(126,024)
Net changes in non-cash working capital balances:				
Accounts receivable	(2,658)	(6,261)	7,261	(6,711)
Prepaid expenses and sundry assets	451	(8,500)	1,718	1,008
Accounts payable and accrued liabilities	16,588	(5,058)	(54,371)	(4,693)
Deferred revenue	(61,936)	(42,143)	(167,341)	(66,831)
HST receivable	4,099	2,130	(11,057)	(214)
	(34,132)	(102,872)	(122,573)	(203,465)
Investing				
Purchase of office equipment	-	-	(1,455)	-
Proceeds from sale of marketable securities	(354)	77,311	57,170	119,026
Purchase of investment	-	-	(12,000)	-
	(354)	77,311	43,715	119,026
Decrease in cash position during the period	(34,486)	(25,561)	(78,858)	(84,439)
Cash and cash equivalents, beginning of period	55,800	51,046	100,172	109,924
Cash and cash equivalents, end of period	\$ 21,314	\$ 25,485	\$ 21,314	\$ 25,485

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Cash paid for:				
Interest	\$ -	\$ -	\$ -	\$ -
Income taxes	\$ -	\$ -	\$ -	\$ -
Cash and cash equivalents	\$ 21,314	\$ 25,485	\$ 21,314	\$ 25,485

The accompanying notes form an integral part of these financial statements

AYLEN CAPITAL INC.

Notes to the Interim financial statements - Unaudited

September 30, 2014 and 2013

(In Canadian Dollars)

These interim financial statements should be read in conjunction with the 2013 annual financial statements of Aylen Capital Inc.

1. NATURE OF BUSINESS

Aylen Capital Inc. ("Aylen" or the "Company") was incorporated on October 28, 2010. The Company's registered head office is located at Royal Bank Plaza, South Tower, Suite 3800, 200 Bay Street, Toronto, Ontario, M5J 2Z4, Canada.

Aylen carries on a web-based survey and data-collection business, Grapevine Solutions, as an unincorporated division of Aylen, and it owns an equity interest in a privately held technology-based company, Leonardo Worldwide Corporation and a portfolio of marketable securities.

2. BASIS OF PREPARATION

Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB"). The interim financial statements do not include all of the notes required in annual financial statements. These financial statements were authorized for issuance by the Board of Directors of the Company on November 20, 2014.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out in Note 3 in our financial statements for the year ended December 31, 2013 have been applied consistently to all periods presented in these financial statements. The policies applied in these financial statements are based upon IFRS issued and outstanding as of December 31, 2013.

4. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents consist of the following:

	September 30, 2014	December 31, 2013
Cash in banks	\$ 14,514	\$ 61,552
Cash held with broker	6,800	38,620
	<u>\$ 21,314</u>	<u>\$ 100,172</u>

AYLEN CAPITAL INC.

Notes to the Interim financial statements - Unaudited
September 30, 2014 and 2013
(In Canadian Dollars)

5. MARKETABLE SECURITIES

The Company has the following marketable securities:

	September 30, 2014		December 31, 2013	
	Cost	Fair value	Cost	Fair value
Investment in equities	\$ 172,598	\$ 184,119	\$ 225,135	\$ 226,219

Investment in equities is publicly-traded investments on a recognized securities exchange and for which no sales restrictions apply. The fair value of these securities is based on quoted closing prices at the period end date or the closing price on the last day the security traded if there were no trades at the period end date. If the closing price is outside of the bid-ask spread, management determines appropriate price for the security within the bid-ask spread. The fair value of mutual funds is determined using the net asset value per unit of each fund. The decline in the value of marketable securities was recognized in the comprehensive statement of loss.

6. ACCOUNTS RECEIVABLE

Details of the Company's trade and other receivables are as follows:

	September 30, 2014	December 31, 2013
Canadian and U.S. customers	\$ 24,509	\$ 31,769

Accounts receivable are amounts due from subscriptions that remain uncollected at year end. These amounts are classified as current because collection is expected in one year or less. Accounts receivable are recognized initially at the amount expected to be received less any discount to reduce the recoverable amount to fair value. Subsequently, accounts receivable are measured at amortized cost using the effective interest method less a provision for impairment.

7. PREPAID EXPENSE AND SUNDRY ASSETS

The following table shows the details of prepaid expense and sundry assets:

	September 30, 2014	December 31, 2013
Hosting services	\$ 8,500	\$ 9,768
Lawyer's trust	-	450
	\$ 8,500	\$ 10,218

AYLEN CAPITAL INC.

Notes to the Interim financial statements - Unaudited
September 30, 2014 and 2013
(In Canadian Dollars)

8. INVESTMENTS

	September 30, 2014		December 31, 2013	
	Number of shares	Amount	Number of shares	Amount
Privately held investments:				
Leonardo Worldwide Corporation				
Common shares	15,075,359	\$ 1,168,000	3,075,359	\$ 1,156,000
Class A preferred shares	2,436,685	687,890	2,436,685	687,890
		\$ 1,855,890		\$ 1,843,890

As at September 30, 2014, the Company owns an equity interest of 12.6% in Leonardo Worldwide Corporation ("Leonardo") (formerly known as VFM Leonardo Inc.) representing approximately 11.6% on a fully-diluted basis, should all options and warrants be exercised.

The Company exercised 12,000,000 warrants on March 1, 2014 at an exercise price of \$0.001 per share.

9. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	Net book value	
			September 30, 2014	December 31, 2013
Office equipment	\$ 5,790	\$ 4,038	\$ 1,752	\$ 1,622
Equipment	7,581	7,581	-	-
	\$ 13,371	\$ 11,619	\$ 1,752	\$ 1,622

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's contractual maturities are broken down as follows:

	September 30, 2014	December 31, 2013
Trade payables	\$ 4,171	\$ 43,643
Accrued expenses	57,096	85,402
Credit cards	17,416	4,008
	\$ 78,683	\$ 133,053

Accounts payable and accrued liabilities are current financial instruments expected to be settled in the normal course of operations.

AYLEN CAPITAL INC.

Notes to the Interim financial statements - Unaudited

September 30, 2014 and 2013

(In Canadian Dollars)

11. NOTE PAYABLE

The Company issued a demand promissory note in the amount of \$842,832 to Spackman Equities Group Inc. (formerly Centiva Capital Inc) on October 31, 2011 pursuant to the plan of arrangement. The note is secured by a Security Agreement over the Grapevine operating assets. The note is non-interest bearing and is only repayable if certain assets of the Company are sold, namely the available for sale investments (Leonardo Worldwide Corporation) and operating assets of Grapevine. The amount repayable is limited to the lesser of the face value of the note or the proceeds on sale.

The note has been accounted for initially as contingent consideration due to the uncertainty of the liquidity event occurring. Using IFRS 3 (Business Combinations) as a precedent, the contingent consideration has been fair valued using a probability adjusted discounted cash flow analysis based approach using likelihoods of liquidity events occurring for the key assets in question. These probabilities are adjusted each year and any changes in fair value are recorded in income. During 2011 and 2012, such fair value changes were not considered material. In 2013, a fair value adjustment of \$23,839 was recognized.

After the date of transfer, certain marketable securities were sold for proceeds of \$584,968. As such, this amount is eligible for repayment on demand. The holder has waived the right to demand repayment until January 1, 2016. Accordingly, the amount has not been presented as a current liability.

12. SHARE CAPITAL

a) Authorized

An unlimited number of common shares, an unlimited number of Class A common shares and unlimited number of preferred shares issuable in series.

(b) Issued and outstanding

	Number of common shares	Amount
Balance at September 30, 2014 and December 31, 2013	16,856,632	\$ 1,350,570

(a) Stock options

The Company has an incentive stock option plan for the officers and directors enabling them to purchase common shares. Each option granted under the plan is for a maximum term of 10 years. The exercise price is determined by the Company's board of directors at the time the option is granted, subject to regulatory approval, and may not be less than the most recent closing price of the common shares at the date of grant. Vesting provisions are also determined at the time of grant by the Company's board of directors.

No stock options were granted during the third quarter of 2014.

AYLEN CAPITAL INC.

Notes to the Interim financial statements - Unaudited

September 30, 2014 and 2013

(In Canadian Dollars)

The Company used a zero forfeiture rate in valuing the stock options as all stock options were vested immediately on the date of the grant.

The following table shows the stock options held by officers and directors as at September 30, 2014:

Number of options outstanding	Exercise Price \$	Expiry Date	Number of options exercisable
50,000	0.10	November 25, 2014	50,000
50,000	0.10	November 19, 2015	50,000
50,000	0.05	December 5, 2016	50,000
50,000	0.05	November 26, 2017	50,000
150,000	0.05	November 28, 2018	150,000
835,663	0.05	December 5, 2021	835,663
1,185,663	0.05		1,185,663

The following summarizes information on the stock options outstanding as at September 30, 2014:

Weighted average exercise price	\$ 0.050
Options outstanding as at September 30, 2014	1,185,663
Weighted average remaining contractual life	5.8 years
Options exercisable as at September 30, 2014	1,185,663