AYLEN CAPITAL INC.

CONDENSED INTERIM UNAUDITED FINANCIAL STATEMENTS
(PREPARED BY MANAGEMENT)
FOR THE THREE MONTH PERIODS ENDED MARCH 31, 2020 AND 2019

(In Canadian Dollars)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying condensed interim unaudited financial statements of Aylen Capital Inc. were prepared by management in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board. The most significant of these accounting principles have been disclosed in the notes to the condensed interim unaudited financial statements. Management acknowledges responsibility for the preparation and presentation of the condensed interim unaudited 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.

Management has established processes, which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the condensed interim unaudited financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the condensed interim unaudited financial statements and (ii) the condensed interim unaudited financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the condensed interim unaudited financial statements.

The Board of Directors is responsible for reviewing and approving the financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the condensed interim unaudited 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 condensed interim unaudited financial statements together with other financial information of the Company for issuance to the shareholders. These condensed interim unaudited financial statements were authorized for issuance by the Board on May 29, 2020.

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

"John D. Pennal"
President

"Alex Falconer"
Chief Financial Officer

May 29, 2020

AYLEN CAPITAL INC.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
AS AT

	Notes		March 31, 2020		December 31, 2019
ASSETS					
Cash and cash equivalents	5	$	**616,638**	$	564,068
Accounts receivable	7		**16,181**		10,520
HST recoverable			**8,471**		20,178
Current portion of consideration receivable	8		**64,417**		64,417
			705,707		659,183
Property and equipment	9		**1,907**		
		$	**707,614**	$	659,183
LIABILITIES					
Accounts payable and accrued liabilities	10	$	**132,350**	$	113,318
Contract liabilities	11		**226,469**		216,334
			358,819		329,652
SHAREHOLDERS' EQUITY					
Share capital	13		**1,350,570**		1,350,570
Contributed surplus			**320,765**		320,765
Deficit			**(1,322,540)**		(1,341,804)
			348,795		329,531
		$	**707,614**	$	659,183

COMMITMENT (Note 17)
SUBSEQUENT EVENT (Note 19)

Approved on Behalf of the Board

'John Pennal' Director

'William Hale' Director

See accompanying notes to the condensed interim financial statements.

AYLEN CAPITAL INC.

CONDENSED INTERIM UNAUDITED STATEMENTS OF NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)

(Expressed in Canadian Dollars)

FOR THE THREE MONTH PERIODS ENDED

	Notes		Three Months March 31, 2020		2019
Revenues					
Sales revenue		**$**	**150,369**	$	187,023
			150,369		187,023
Expenses					
General and administrative		**$**	**89,701**	$	86,073
Selling expenses			**43,222**		120,590
Bad debt expense	16(b)		**-**		7,486
Interest on short term debt	12		**-**		120
Amortization	9		**174**		119
Total expenses			**133,097**		214,388
Other income					
Accretion on consideration receivable	8		**-**		3,009
Interest income			1,992		1,445
Net income (loss) and comprehensive income (loss) for the period		**$**	**19,264**	$	(22,911)
Net loss per share					
Basic net income (loss) per share		$	0.001	$	(0.001)
Diluted net income (loss) per share		**$**	**0.001**	$	(0.001)
Weighted average number of shares outstanding - Basic			**16,856,632**		16,856,632
Weighted average number of shares outstanding - Diluted			**16,856,632**		16,856,632

See accompanying notes to the condensed interim financial statements.

AYLEN CAPITAL INC.

CONDENSED INTERIM UNAUDITED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in Canadian Dollars)

FOR THE THREE MONTH PERIODS ENDED MARCH 31, 2020 AND 2019

	Share capital				
	Common shares	Amount	Contributed surplus	Deficit	Total
Balance January 1, 2019	16,856,632	$1,350,570	$ 320,765	$ (1,127,581)	$ 543,754
Net loss for the period	-	-	-	(22,911)	(22,911)
Balance, March 31, 2019	16,856,632	$1,350,570	$ 320,765	$ (1,150,492)	$ 520,843
Balance January 1, 2020	16,856,632	$1,350,570	$ 320,765	$ (1,341,804)	$ 329,531
Net income for the period	-	-	-	19,264	19,264
Balance, March 31, 2020	16,856,632	$1,350,570	$ 320,765	$ (1,322,540)	$ 348,795

See accompanying notes to the condensed interim financial statements.

AYLEN CAPITAL INC.
CONDENSED INTERIM UNAUDITED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
FOR THE THREE MONTH PERIODS ENDED

	Three Months March 31, 2020	2019
OPERATING ACTIVITIES		
Net income (loss) for the period	**$ 19,264**	$ (22,911)
Adjustments not affecting cash:		
Amortization (Note 9)	**174**	119
Accretion expense(Note 8)	**-**	(3,009)
	19,438	(25,801)
Changes in non-cash working capital		
Accounts receivable	**(5,662)**	(3,676)
HST recoverable	**11,708**	10,852
Contract liabilities	**10,135**	(59,788)
Accounts payable and accrued liabilities	**19,032**	(40,759)
Cash used in operating activities	**54,651**	(119,172)
INVESTING ACTIVITIES		
Property and equipment	**(2,081)**	-
Cash used in investing activities	**(2,081)**	-
Net increase (decrease) in cash	**52,570**	(119,172)
Cash and cash equivalents, beginning of period	**564,068**	724,808
Cash and cash equivalents, end of period	**$ 616,638**	$ 605,636

See accompanying notes to the condensed interim financial statements.

1. INCORPORATION AND NATURE OF OPERATIONS

Aylen Capital Inc. ("Aylen" or the "Company") was incorporated on October 28, 2010 under the Canada Business Corporations Act. The Company's registered head office is located at Scotia Plaza, 40 King Street West, Suite 2502, Toronto, Ontario M5H 3Y2, Canada.

Grapevine Solutions ("Grapevine"), an unincorporated division of Aylen, operates a web-based survey and data-collection business.

2. BASIS OF PRESENTATION

Statement of compliance

The condensed interim unaudited financial statements have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34"), as issued by the International Accounting Standards Board ("IASB") and therefore, do not contain all disclosures required by International Financial Report Standards ("IFRS") for annual financial statements. Accordingly, these condensed interim unaudited financial statements should be read in conjunction with the Company's most recently prepared audited annual financial statements for the fiscal year ended December 31, 2019.

The policies applied in these condensed interim unaudited financial statements are consistent with the policies disclosed in Notes 2 and 3 of the audited annual financial statements for the year ended December 31, 2019.

The condensed interim unaudited financial statements were authorized for issue by the Board of Directors on May 29, 2020.

Basis of measurement and functional currency

The condensed interim unaudited financial statements are presented in Canadian dollars and have been prepared on the historical cost basis except for financial instruments measured at fair value through profit or loss. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The Company's functional currency is the Canadian dollar.

3. CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

IFRS 16 - Leases - In January 2016, the International Accounting Standards Board (IASB) issued a new International Financial Reporting Standard (IFRS) on lease accounting which was incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in June 2016. IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining Whether an Arrangement Contains a Lease, SIC-15 Operating Leases - Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 introduces a single lessee accounting model that requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Lease assets and liabilities are initially recognized on a present value basis and subsequently, similarly to other non-financial assets and financial liabilities, respectively. The lessor accounting requirements are substantially unchanged and, accordingly, continue to require classification and measurement as either operating or finance leases. The new standard also introduces detailed disclosure requirements for both the lessee and lessor. The new standard is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted for entities that also apply IFRS 15 Revenue from Contracts with Customers.

The Company's adoption of IFRS 16 did not have a material financial impact on the consolidated financial statements.

(Expressed in Canadian Dollars)

4. RECENT ACCOUNTING PRONOUNCEMENTS

Accounting standards and amendments issued but not yet applied

The International Accounting Standards Board ("IASB") has issued the following accounting standards which have not yet been adopted by the Company:

Amendment to IFRS 3 – Business Combinations

On October 22, 2018, the IASB issued Definition of a Business (Amendments to IFRS 3: Business Combinations). The amendments to IFRS 3 are applicable for acquisitions occurring on or after January 1, 2020 and are adopted prospectively. These amendments to the implementation guidance of IFRS 3 clarify the definition of a business to assist entities to determine whether a transaction should be accounted for as a business combination or an asset acquisition. The amendments to IFRS 3 – Business Combinations may affect whether future acquisitions are accounted for as business combinations or asset acquisitions, along with the resulting allocation of the purchase price between the net identifiable assets acquired and goodwill. The Company does not expect any impact to the condensed interim unaudited financial statements as a result of its adoption of the amendments to IFRS 3.

5. CASH AND CASH EQUIVALENTS

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

	March 31, 2020	December 31, 2019
Cash held in banks	**$ 616,638**	$ 109,488
GIC	**-**	454,580
	$ 616,638	$ 564,068

There were no restrictions on the cash held by broker.

6. MARKETABLE SECURITIES

Investment in equities are 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. During the December 31, 2018 fiscal year, all marketable securities were sold resulting in a realized loss of $906 in the statement of net income (loss) and comprehensive income (loss).

7. ACCOUNTS RECEIVABLE

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

	March 31, 2020	December 31, 2019
Canadian and U.S. customers	**$ 16,181**	$ 10,520

Accounts receivable are amounts due from subscriptions that remain uncollected at the financial statements date. 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 with no allowance taken on accounts receivable.

(Expressed in Canadian Dollars)

8. INVESTMENTS

On November 16, 2018, the Company sold all its shares of Leonardo Worldwide Corporation to an unrelated third party. The proceeds received by the Company on closing were $847,887. The Company recognized a total gain on sale of the Leonardo shares of $1,022,622, calculated as the excess of total consideration comprised of $847,887 on closing, $121,165 in connection with the first holdback receivable and $53,572 in connection with the second holdback receivable over the $2 carrying value of the Leonardo shares recognized in other income on the statement of income (loss) and comprehensive income (loss).

The first holdback was received during fiscal 2019. The second holdback of US$57,182 ($64,417 as at December 31, 2019) is payable on November 16, 2020, and therefore is held as a current asset. Due to the long-term nature of the second holdback receivable on initial recognition, the future payment of US$57,182 has been present valued using an effective interest rate of 22.8%, valued at $64,417 as of December 31, 2019. Accretion income of $6,051 was recognized on this receivable for the year ended December 31, 2019 (2018 - $1,504).

The holdbacks may be reduced by the portion attributable to the Company any claims for indemnification made by the purchaser.

9. PROPERTY AND EQUIPMENT

	Equipment	Office equipment	Total
<u>**Cost**</u>			
Balance at December 31, 2018, 2019	$ 7,581	$ 9,796	$ 17,377
Additions	-	2,081	2,081
Balance at March 31, 2020	**$ 7,581**	**$ 11,877**	**$ 19,458**
<u>**Accumulated Amortization**</u>			
Balance at December 31, 2018	$ 7,581	$ 9,321	$ 16,902
Amortization for the period	-	475	475
Balance at December 31, 2019	$ 7,581	$ 9,796	$ 17,377
Amortization for the period	-	174	-
Balance at March 31, 2020	**$ 7,581**	**$ 9,970**	**$ 17,377**

	Office equipment	Total
<u>**Net Book Values**</u>		
As at December 31, 2018	$ 475	$ 475
As at December 31, 2019	$ -	$ -
As at March 31, 2020	**$ 1,907**	**$ 1,907**

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2020	December 31, 2019
Trade payables	**$ 82,840**	$ 74,296
Accrued expenses	**38,721**	28,471
Credit cards	**10,789**	10,551
	$ 132,350	$ 113,318

(Expressed in Canadian Dollars)

11. CONTRACT LIABILITIES

The following table presents changes in the contract liability balances for the years ended March 31, 2019 and December 31, 2019:

	March 31, 2020	December 31, 2019
Balance, beginning of the period	**$ 216,334**	$ 293,651
Amounts invoiced and collected during the period	**177,529**	554,458
Amounts earned during the period	**(167,394)**	(631,775)
Contract liabilities, end of the period	**$ 226,469**	$ 216,334

12. LOAN PAYABLE

During the year ended December 31, 2018, the Company received proceeds of $70,000 from the President and CEO of the Company relating to the issuance of a secured line of credit for up to $100,000. The line of credit carries interest at a rate of 5% and is convertible into common shares at a rate of $0.02 per share at the option of the holder and matured December 31, 2019. The proceeds were received in three drawdowns of this line of credit between April 26, 2018 and July 11, 2018 which were valued at a cumulative $54,893 prior to the recognition of accretion of $4,870 between the date of issuance and date of repayment. The effective interest rates used to value these three payments ranged 23.3%-23.8%.

The convertible debt issuances in the previous year were determined to be compound instruments, comprising of liability and conversion features. As the drawdowns of the line of credit are convertible into common shares, the liability and equity components are presented separately. The initial carrying amount of the financial liability was determined by discounting the stream of future payments of interest and principal at a market interest rate of 20%. Using the residual method, the carrying amount of the conversion feature was the difference between the principal amount and the initial carrying value of the financial liability. The equity component was recorded in reserves on the statement of financial position. The liability component was accreted using the effective interest rate method over the term of the debt such that the carrying amount of the financial liability would equal the principal balance at maturity, had the debt not been repaid prior to maturity.

The Company repaid the full $70,000 drawn down from this line of credit on November 22, 2018. During the year ended December 31, 2018, the Company also repaid an additional $9,373, of which $2,004 has been recognized as interest and the residual $7,369 has been recognized as loss on debt in connection with an overpayment of interest. $100,000 remains undrawn on the line of credit as of the years ended December 31, 2019 and December 31, 2018.

Convertible debentures consist of the following:

	Proceeds (repayments)	Debt Component	Interest expense	Equity Component	Loss on settlement of debt
Issuance of convertible debt	$ 70,000	$ 54,893	$ -	$ 15,107	$ -
Accretion	-	4,870	-	-	-
Settlement of debt (principal)	(79,373)	(59,763)	-	-	10,237
Settlement of debt (interest)	9,373	-	2,004	-	7,369
Balance, December 31, 2018	$ -	$ -	$ 2,004	$ 15,107	$ 17,606
Balance, December 31, 2019 and March 31, 2020	$ -	$ -	$ -	$ 15,107	$ -

(Expressed in Canadian Dollars)

13. SHARE CAPITAL

(a) 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.

(b) Total outstanding shares:
Issued:
16,856,632 Common shares as at March 31, 2020, December 31, 2019

(c) 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.

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 stock options activity is as follows:

	March 31, 2020		December 31, 2019	
	Number of Options	**Weighted Average Exercise Price**	Number of Options	Weighted Average Exercise Price
Outstanding, beginning of the period	**1,785,663**	**$ 0.01**	1,785,663	$ 0.01
Outstanding, end of the period	**1,785,663**	**$ 0.01**	1,785,663	$ 0.01

During the period ended March 31, 2020, no options were granted (December 31, 2019 - mil).

The following table summarizes the stock options outstanding as at March 31, 2020:

Number of options outstanding	**Exercise price**	**Expiry date**	**Number of options exercisable**
100,000	$ 0.02	November 25, 2021	100,000
1,185,663	$ 0.01	January 16, 2022	1,185,663
500,000	$ 0.02	September 12, 2023	500,000
1,785,663			1,785,663

(Expressed in Canadian Dollars)

14. RELATED PARTY TRANSACTIONS

The following related party transactions occurred and were reflected in the financial statements during the periods ended March 31, 2020 and 2019 as follows:

REMUNERATION OF KEY PERSONNEL

	Three Months March 31,	
	2020	2019
Salaries	$ 55,000	$ 55,000
Directors' fees	3,750	3,750
Consulting fees	12,000	12,000
Total	$ 70,750	$ 70,750

Key management personnel are those individuals having authority and responsibility for planning, directing and controlling the activities of the Company and its subsidiary including the Company's Board of Directors. The Company considers key management to be the members of the Board of Directors, the Chief Executive Officer and the Chief Financial Officer.

Included in accounts payable and accrued liabilities are management fees of $31,075 (December 31, 2019 - $31,075).

15. MANAGEMENT OF CAPITAL

The Company's objective is to develop a strong capital base to sustain future development and growth of the business. The Company manages its capital by maintaining a flexible capital structure which optimizes the cost of capital at an acceptable level of risk and makes adjustments on it in the light of changes in economic conditions and the risk characteristics of its underlying assets. The Company's capital base is currently represented by shareholders' equity. The Board of Directors reviews the Company's business plans as part of its strategic initiatives in conjunction with its financial forecast. The Board of Directors does not establish a quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company regularly monitors and reviews the amount of capital in proportion to risk and future development. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company is not subject to any external imposed capital requirements.

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's significant financial instruments are comprised of cash and cash equivalents, accounts receivables, consideration receivable and accounts payable and accrued liabilities.

Measurement and Fair Value

The fair value of the Company's accounts receivable, consideration receivable and accounts payable and accrued liabilities approximate their respective carrying value as at the statement of financial position date because of the short term maturity of these instruments.

(Expressed in Canadian Dollars)

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Cont'd)

Financial instruments recorded at fair value on the balance sheet date are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1- valuation based on quoted prices (unadjusted) observed in active markets for identical assets or liabilities.

Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly.

Level 3 - valuation techniques based on inputs for the asset or liability that are not based on observable market data.

The fair value of cash and cash equivalents is measured based on Level 1 inputs referred to in the three levels of the hierarchy noted above.

Risk management

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company has exposure to the following risks from its use of financial instruments:

(a) Fair value of financial instruments:

The fair value of financial assets and liabilities, together with their carrying amounts are as follows:

	March 31, 2020		December 31, 2019	
Financial assets	**Carrying value**	**Fair value**	Carrying value	Fair value
Financial assets at amortized cost:				
Cash and cash equivalents	**$ 616,638**	**$ 616,638**	$ 564,608	$ 564,608
Accounts receivable	**16,181**	**16,181**	10,520	10,520
Consideration receivable	**64,417**	**64,417**	64,417	64,417
	$ 697,236	**$ 697,236**	$ 639,545	$ 639,545

	March 31, 2020		December 31, 2019	
Financial liabilities	**Carrying value**	**Fair value**	Carrying value	Fair value
Other financial liabilities, measured at amortized cost:				
Trade payables and accrued liabilities	**$ 132,350**	**$ 132,350**	$ 113,318	$ 113,318
	$ 132,350	**$ 132,350**	$ 113,318	$ 113,318

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Cont'd)

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash and cash equivalents, accounts receivable and consideration receivable. The carrying amount of financial assets represents the maximum credit exposure to the Company.

The Company has established credit approval and monitoring practices to mitigate this risk, including reviewing the creditworthiness of new customers to establish credit limits, monitoring customers' payments and, where considered appropriate, reviewing the financial condition of the existing customers.

The following table outlines the details of aging of the Company's receivables:

	March 31, 2020	December 31, 2019
Current	$ 6,276	$ 3,257
Past due:		
31-60 days	1,192	3,368
Greater than 60 days	8,713	3,895
Total receivable, net	$ 16,181	$ 10,520

The Corporation is exposed to normal credit risk from customers. Accounts receivable are generally unsecured, subject to the Corporation's ability to file security interest under certain conditions. Accounts receivable are normally collected 30 days after invoicing. Default rates on unsecured credit have traditionally been below 1% of annual revenue. Licenses for proprietary software cease to function if payments are not kept current. The Corporation minimizes concentrations of credit risk by maintaining a wide customer base spread across differing industries. Additional sales and services may be withheld if a customer fails to pay its obligations in a timely manner. The Corporation considers accounts over 90 days old overdue. As at March 31, 2020, accounts receivable over 30 days old were $9,905 (December 31, 2019 - $7,258). The Company recorded $nil bad debts during the period ended Mar 31, 2020 (December 31, 2019 - $2,911). The Company has determined that its expected credit losses are minimal as at March 31, 2020.

(c) Liquidity risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they become due. The Company's activities are financed through a combination of the cash flows from operations and proceeds from the disposition of its short-term investments. The Company manages liquidity risks by monitoring the actual and forecasted cash flows taking into account the current and planned operations. All of the Company's accounts payable are due within the next year.

(e) Foreign exchange risk

Foreign currency exchange risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate as a result of changes in foreign exchange rates. The Company's operations are exposed to foreign exchange fluctuations in that the majority of sales by the Grapevine division are denominated in US currency, while the majority of costs are denominated in Canadian currency. The Company believes it is not significantly exposed to foreign exchange rate risk; the risk is considered to be acceptable as a normal risk of that class of business.

17. COMMITMENTS

The Company has contracted with 2232021 Ontario Inc. to provide operations and sales management services to the Grapevine division for an annual base fee of $103,600, plus applicable taxes, and additional sales based incentives.

18. SEGMENTED INFORMATION

For management purposes, the Company is organized into one business segment as web-based survey and data collection, which primarily operates in one geographical location, North America. Management assesses performance and makes decisions based on the results of operations of this business segment.

19. SUBSEQUENT EVENT

Subsequent to the period ended, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the U.S., Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by U.S., Canada and other countries to fight the virus.

While the extent of the impact is unknown, the Company anticipates that he COVID-19 outbreak will cause reduced customer demand, supply chain disruptions, staff shortages, and increased government regulations, all of which will negatively impact the Company's business.