



**YNVISIBLE INTERACTIVE INC.**

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**Three and Nine Months Ended September 30, 2020 and 2019**

**(Unaudited - Expressed in Canadian Dollars)**

**Notice of No Auditor Review of Condensed Interim Consolidated Financial Statements**

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed interim consolidated financial statements they must be accompanied by a notice indicating that the condensed interim consolidated financial statements have not been reviewed by an auditor.

The accompanying condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's external auditors have not performed a review of these condensed interim consolidated financial statements.



**YNVISIBLE INTERACTIVE INC.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
(Unaudited - Expressed in Canadian Dollars)

	As at	
	September 30, 2020	December 31, 2019
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 1,139,746	\$ 2,126,725
Amounts receivable	1,068,702	601,172
Prepaid expenses	154,299	174,304
<b>Total current assets</b>	<b>2,362,747</b>	<b>2,902,201</b>
<b>Non-current assets</b>		
Deposits	16,836	24,791
Right-of-use assets (Note 6)	790,624	1,044,866
Fixed assets (Note 7)	2,149,363	2,308,251
Intangible assets (Note 8)	408,204	269,483
<b>Total non-current assets</b>	<b>3,365,027</b>	<b>3,647,391</b>
<b>Total assets</b>	<b>\$ 5,727,774</b>	<b>\$ 6,549,592</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (Note 9)	\$ 1,101,144	\$ 621,949
Current portion of lease liabilities (Note 6)	365,978	337,407
Deferred project grants	907,510	864,860
<b>Total current liabilities</b>	<b>2,374,632</b>	<b>1,824,216</b>
<b>Non-current liabilities</b>		
Lease liabilities (Note 6)	474,507	705,484
Long-term liabilities	-	5,694
<b>Total non-current liabilities</b>	<b>474,507</b>	<b>711,178</b>
<b>Total liabilities</b>	<b>2,849,139</b>	<b>2,535,394</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (Note 10)	16,572,214	14,993,969
Reserve (Note 10)	1,750,161	1,668,405
Obligation to issue shares (Note 10)	50,224	160,072
Deficit	(15,557,925)	(12,982,391)
Accumulated other comprehensive income	63,961	174,143
<b>Total shareholders' equity</b>	<b>2,878,635</b>	<b>4,014,198</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 5,727,774</b>	<b>\$ 6,549,592</b>

Note 1 – Corporate Information and Going Concern

Note 14 – Subsequent event

Approved and authorized for issue on behalf of the Board of Directors on November 30, 2020:

“Alexander Helmel”  
\_\_\_\_\_  
Director

“Duarte Mineiro”  
\_\_\_\_\_  
Director

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



**YNVISIBLE INTERACTIVE INC.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**  
(Unaudited - Expressed in Canadian Dollars)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
<b>Revenue</b>				
Sales	\$ 108,442	\$ 26,386	\$ 245,538	\$ 26,386
Cost of sales	(90,750)	(8,710)	(187,350)	(8,710)
<b>Gross profit</b>	<b>17,692</b>	<b>17,676</b>	<b>58,188</b>	<b>17,676</b>
<b>Expenses</b>				
Compensation and consulting (Note 9)	689,819	486,085	1,799,011	1,252,122
Depreciation (Notes 6, 7, and 8)	168,451	77,226	492,218	162,159
Development and production	16,657	46,015	72,185	252,974
Interest and bank charges	6,567	4,965	21,261	13,313
Marketing and promotion	8,764	64,647	284,055	108,033
Office facilities and services	97,775	71,707	285,150	163,019
Professional fees	45,307	63,711	256,412	247,895
Share-based compensation (Notes 9 and 10)	62,777	201,218	228,358	457,228
Transfer and listing fees	12,754	15,593	51,872	35,980
Travel and project investigation	16,248	54,511	56,421	171,489
<b>Total operating expenses</b>	<b>1,125,119</b>	<b>1,085,678</b>	<b>3,546,943</b>	<b>2,864,212</b>
<b>Loss from operations</b>	<b>(1,107,427)</b>	<b>(1,068,002)</b>	<b>(3,488,755)</b>	<b>(2,846,536)</b>
<b>Other items</b>				
Income and gains	83,816	5,918	273,317	9,150
Expenses and losses	(14,329)	(5,681)	(20,334)	(19,872)
EU co-funded projects grants	114,447	100,850	376,029	345,128
RTO transaction costs	-	(178,862)	-	(178,862)
Gain on forgiveness of debt	-	-	-	7,954
Prototype project revenue	88,754	50,684	138,293	101,394
<b>Total other items</b>	<b>272,688</b>	<b>(27,091)</b>	<b>767,305</b>	<b>264,892</b>
<b>Loss before income taxes</b>	<b>(834,739)</b>	<b>(1,095,093)</b>	<b>(2,721,450)</b>	<b>(2,581,644)</b>
<b>Income tax expense</b>	<b>(8)</b>	<b>(1,312)</b>	<b>(686)</b>	<b>(1,312)</b>
<b>Net loss for the period</b>	<b>(834,747)</b>	<b>(1,096,405)</b>	<b>(2,722,136)</b>	<b>(2,582,956)</b>
<b>Other comprehensive gain (loss)</b>				
Foreign currency translation adjustment	(12,985)	29,131	(110,182)	59,742
<b>Comprehensive loss for the period</b>	<b>\$ (847,732)</b>	<b>\$ (1,067,274)</b>	<b>\$ (2,832,318)</b>	<b>\$ (2,523,214)</b>
<b>Basic and diluted loss per common share</b>	<b>\$ (0.01)</b>	<b>\$ (0.02)</b>	<b>\$ (0.04)</b>	<b>\$ (0.04)</b>
<b>Weighted average number of common shares outstanding</b>	<b>81,399,675</b>	<b>71,355,642</b>	<b>77,566,289</b>	<b>62,747,446</b>

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



## YNVISIBLE INTERACTIVE INC.

### CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY) (Unaudited - Expressed in Canadian Dollars)

	Common Shares		Reserve	Obligation to issue shares	Deficit	Accumulated Other Comprehensive Income	Total Shareholders' Equity
	Class A Number	Class A Amount					
	#	\$	\$	\$	\$	\$	\$
<b>Balance, December 31, 2018</b>	<b>53,141,679</b>	<b>8,905,438</b>	<b>1,088,000</b>	<b>-</b>	<b>(9,836,801)</b>	<b>158,563</b>	<b>315,200</b>
Shares issued by private placement	15,910,629	5,268,192	133,568	-	-	-	5,401,760
Shares issued in exchange for Ynvisible SA shares	14,000	6,580	-	-	-	-	6,580
Shares issued in exchange for Ynvisible Production AB shares	3,564,474	1,407,967	-	-	-	-	1,407,967
Obligation to issue shares	-	-	-	172,282	-	-	172,282
Finders' units issued for private placement	587,226	190,540	6,662	-	-	-	197,202
Warrants issued for finder's fees for private placement	-	(157,629)	157,629	-	-	-	-
Share issue costs	-	(375,646)	-	-	-	-	(375,646)
Stock options exercised	75,000	43,500	(21,000)	-	-	-	22,500
Stock options expired	-	-	(221,000)	-	221,000	-	-
Stock options cancelled	-	-	(100,498)	-	100,498	-	-
Share-based compensation	-	-	457,228	-	-	-	457,228
Net loss for the period	-	-	-	-	(2,582,956)	-	(2,582,956)
Other comprehensive income	-	-	-	-	-	59,742	59,742
<b>Balance, September 30, 2019</b>	<b>73,293,008</b>	<b>15,288,942</b>	<b>1,500,589</b>	<b>172,282</b>	<b>(12,098,259)</b>	<b>218,305</b>	<b>5,081,859</b>
Shares issued in exchange for Ynvisible SA shares	35,392	12,210	-	(12,210)	-	-	-
Share issue costs	-	(109,981)	-	-	-	-	(109,981)
Share issue costs by shares issuance	-	(197,202)	-	-	-	-	(197,202)
Share-based compensation	-	-	167,816	-	-	-	167,816
Net loss for the period	-	-	-	-	(884,132)	-	(884,132)
Other comprehensive loss	-	-	-	-	-	(44,162)	(44,162)
<b>Balance, December 31, 2019</b>	<b>73,328,400</b>	<b>14,993,969</b>	<b>1,668,405</b>	<b>160,072</b>	<b>(12,982,391)</b>	<b>174,143</b>	<b>4,014,198</b>
Shares issued by private placement	7,500,000	1,500,000	-	-	-	-	1,500,000
Finders' shares issued for private placement	252,875	50,575	-	-	-	-	50,575
Shares issued in exchange for Ynvisible SA shares	318,400	109,848	-	(109,848)	-	-	-
Share issue costs	-	(31,603)	-	-	-	-	(31,603)
Share issue costs by shares issuance	-	(50,575)	-	-	-	-	(50,575)
Stock options cancelled	-	-	(146,602)	-	146,602	-	-
Share-based compensation	-	-	228,358	-	-	-	228,358
Net loss for the period	-	-	-	-	(2,722,136)	-	(2,722,136)
Other comprehensive loss	-	-	-	-	-	(110,182)	(110,182)
<b>Balance, September 30, 2020</b>	<b>81,399,675</b>	<b>16,572,214</b>	<b>1,750,161</b>	<b>50,224</b>	<b>(15,557,925)</b>	<b>63,961</b>	<b>2,878,635</b>

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



**YNVISIBLE INTERACTIVE INC.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited - Expressed in Canadian Dollars)

	Nine Months Ended September 30,	
	2020	2019
<b>Operating activities</b>		
Net loss for the period	\$ (2,722,136)	\$ (2,582,956)
<i>Items not involving the use of cash:</i>		
Depreciation	492,218	162,159
Gain on forgiveness of debt	-	(7,954)
Share-based compensation	228,358	457,228
Unrealized foreign exchange loss (gain)	54,350	(44,297)
Interest expense on lease liabilities	12,737	-
RTO transaction fees	-	178,862
Income tax expense	-	1,312
<i>Changes in working capital items:</i>		
Amounts receivable	(467,530)	127,217
Prepaid expenses	20,005	(54,613)
Deposits	7,955	(207)
Accounts payable and accrued liabilities	479,195	(390,988)
Deferred project grants	42,650	(504,269)
<b>Cash used in operating activities</b>	<b>(1,852,198)</b>	<b>(2,658,506)</b>
<b>Investing activities</b>		
Purchase of fixed assets	(46,209)	(596,709)
Purchase of intangible assets	(171,600)	(9,921)
<b>Cash used in investing activities</b>	<b>(217,809)</b>	<b>(606,630)</b>
<b>Financing activities</b>		
Proceeds on issuance of shares	1,500,000	5,401,760
Share issue costs	(31,603)	(178,444)
Cash indebtedness acquired from Ynvisible Production	-	(15,355)
Stock options exercised	-	22,500
Long term debt repaid	(5,694)	(117,366)
Repayment of lease liabilities	(269,493)	(74,753)
<b>Cash provided by financing activities</b>	<b>1,193,210</b>	<b>5,038,342</b>
<b>Effect of foreign exchange</b>	<b>(110,182)</b>	<b>59,742</b>
<b>Net change in cash</b>	<b>(986,979)</b>	<b>1,832,948</b>
<b>Cash, beginning of period</b>	<b>2,126,725</b>	<b>957,078</b>
<b>Cash, end of period</b>	<b>\$ 1,139,746</b>	<b>\$ 2,790,026</b>
<b>Non-cash transactions</b>		
Capitalization of right-of-use assets and lease liabilities	\$ -	\$ 314,186
Shares issued for the acquisition of Ynvisible Production	\$ -	\$ 1,407,967
Reclassification of stock options exercised	\$ -	\$ 21,000
Reclassification of stock options expired	\$ -	\$ 221,000
Reclassification of stock options cancelled	\$ 146,602	\$ 100,498
Value of warrants issued in private placement	\$ -	\$ 133,568
Finders' shares issued for private placement	\$ 50,575	\$ -
Finder's unit issued for private placement	\$ -	\$ 197,202
Value of finders' warrants issued in private placement	\$ -	\$ 157,629

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

**YNVISIBLE INTERACTIVE INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
For the three and nine months ended September 30, 2020 and 2019  
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

---

**1. CORPORATE INFORMATION AND GOING CONCERN**

Ynvisible Interactive Inc. (the “Company”) was incorporated on September 2, 1983 under the laws of British Columbia, Canada. The address of the Company’s head office and principal place of business is 830 – 1100 Melville Street, Vancouver, British Columbia, Canada, V6E 4A6, and the registered and records office is located at 1500 – 1055 West Georgia Street, Vancouver, British Columbia, Canada, V6E 4N7.

The Company’s principal business activity is the development and sale of electrochromic (“EC”) displays. The Company’s shares traded on the TSX Venture Exchange (“TSXV”) under the symbol “YNV”.

These condensed interim consolidated financial statements have been prepared by management on a going concern basis, which presume the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. During the nine months ended September 30, 2020, the Company incurred a net loss of \$2,722,136 (September 30, 2019 - \$2,582,956) and as at September 30, 2020, had an accumulated deficit of \$15,557,925 (December 31, 2019 - \$12,982,391).

The Company’s ability to continue as a going concern, to fund work commitments and to ensure adequate working capital is dependent upon achieving profitable operations or upon obtaining sufficient additional financing. These factors may cast significant doubt on the Company’s ability to continue as a going concern. These condensed interim consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business. Management believes that the Company has sufficient working capital to meet the Company’s obligations over the next twelve months.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, customers, economies, and financial markets globally, potentially leading to an economic downturn. It has also disrupted the normal operations of many businesses, including ours. This outbreak could decrease spending, adversely affect demand for our product and harm our business and results of operations. It is not possible for us to predict the duration or magnitude of the adverse results of the outbreak and its effects on our business or results of operations at this time.

**2. BASIS OF PRESENTATION**

***Statement of compliance***

These condensed interim consolidated financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including International Accounting Standard (“IAS”), Interim Financial Reporting (“IAS 34”).

This financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the years ended December 31, 2019 and 2018.

**YNVISIBLE INTERACTIVE INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
For the three and nine months ended September 30, 2020 and 2019  
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

---

**2. BASIS OF PRESENTATION (continued)**

***Basis of Consolidation***

These condensed interim consolidated financial statements include the accounts of the Company, its 100% owned subsidiary YD Ynvisible, S.A., Portugal ("Ynvisible SA"), Ynvisible GmbH, Germany, which is 100% owned by Ynvisible SA, and Ynvisible Production AB ("Ynvisible Production"), Sweden, which is 100 % owned by the Company. All intercompany transactions and balances have been eliminated on consolidation.

***Basis of Measurement and Presentation***

The Company's condensed interim consolidated financial statements have been prepared on a historical cost basis except for the revaluation of certain financial assets and financial liabilities to fair value. The comparative figures presented in these condensed interim consolidated financial statements are in accordance with IFRS and may have been reclassified to conform to the current period's presentation.

The preparation of condensed interim consolidated financial statements requires the use of certain critical accounting estimates and the exercise of management's judgment in applying the Company's accounting policies. Areas involving a high degree of judgment or complexity and areas where assumptions and estimates are significant to the Company's condensed interim consolidated financial statements are discussed in Note 4.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The condensed interim consolidated financial statements have been prepared on a historical cost basis using the accrual basis of accounting, except for cash flow information and as otherwise specified, as set out in the accounting policies below.

***Foreign Currency Translation***

The functional currency of the Company is the Canadian dollar. The Company's functional currency is also the presentation currency. The functional currency of Ynvisible SA and Ynvisible GmbH is the European Euro. The functional currency of Ynvisible Production is the Swedish krona.

Transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing at the dates of the transactions. The Company translates monetary assets and liabilities denominated in foreign currencies at period-end rates. Non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at average rates in effect during the period except for depreciation which is translated at historical rates. The resulting gains or losses are reflected in profit or loss in the period of translation.

At the entity level, monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate in effect at the financial position date and non-monetary assets and liabilities are translated at the exchange rates in effect at the date of the transaction. Income and expenses are translated at rates approximating the exchange rates in effect at the time of the transactions. All exchange gains and losses are credited or charged to profit or loss in the period in which they arise.

**YNVISIBLE INTERACTIVE INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
For the three and nine months ended September 30, 2020 and 2019  
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

---

**4. CRITICAL JUDGMENTS AND ACCOUNTING ESTIMATES**

When preparing the financial statements in conformity with IFRS, management undertakes a number of judgments, estimates and assumptions about the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

Significant areas of estimation uncertainty considered by management in preparing the financial statements are as follows:

- a. The amounts disclosed related to fair values of stock options and warrants issued and the resulting effects on profit or loss are based on estimates of future volatility of the Company's share price, expected lives of the options and expected dividends.
- b. The valuation of deferred income tax assets is based on estimates of the probability of the Company utilizing certain tax pools and assets and on the impact of future changes in legislation, tax rates and interpretations by taxation authorities.
- c. The application of IFRS 16 requires the Company to make judgments that affect the valuation of the right-of-use assets and the valuation of lease liabilities. These include: determining agreements in scope of IFRS 16, determining the contract term and determining the interest rate used for discounting of future cash flows. The lease term determined by the Company is comprised of the non-cancellable period of lease agreements, periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. The present value of the lease payment is determined using a discount rate representing the rate of a commercial mortgage rate, observed in the period when the lease agreement commences or is modified.

**5. ACQUISITION OF YNVISIBLE PRODUCTION AB**

On August 21, 2019, the Company completed the acquisition of Ynvisible Production pursuant to which the Company acquired 100% of the issued and outstanding shares of Ynvisible Production. Ynvisible Production is a printed electronics contract manufacturing company based in Linköping, Sweden.

Pursuant to the terms of the transaction, the Company issued an aggregate of 3,564,474 common shares of the Company (the "Payment Shares") with a fair value of \$1,119,193.

The acquisition has been accounted for using the acquisition method pursuant to IFRS 3, *Business Combinations*. Under the acquisition method, assets and liabilities are recorded at their fair values on the date of acquisition. The excess consideration given over the fair value of the net assets acquired is recorded as goodwill.

**YNVISIBLE INTERACTIVE INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
For the three and nine months ended September 30, 2020 and 2019  
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

**5. ACQUISITION OF YNVISIBLE PRODUCTION AB (continued)**

	<b>Total</b>
<b>Consideration:</b>	
Common shares	\$ 1,119,193
<b>Total consideration</b>	<b>\$ 1,119,193</b>
<b>Allocated as follows:</b>	
Bank indebtedness	\$ (15,374)
Amounts receivable	37,024
Prepaid expenses	3,089
Deposits	9,486
Right-of-use assets	852,701
Option agreement value for manufacturing equipment*	1,326,000
Intangible assets	119,000
Accounts payable and accrued liabilities	(136,565)
Current portion of lease liabilities	(241,110)
Loans payable	(294,720)
Lease liabilities	(611,591)
Goodwill	71,253
	<b>\$ 1,119,193</b>

\*Subsequent to the acquisition, the Company exercised the option agreement and the value of the manufacturing equipment was transferred to fixed assets (Note 7).

**6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES**

Right-of-Use Assets

	<b>Leases</b>
<b>Cost:</b>	
At December 31, 2018	\$ -
Adjustment on initial adoption	368,734
Additions	852,701
At December 31, 2019 and September 30, 2020	<b>\$ 1,221,435</b>
<b>Depreciation:</b>	
At December 31, 2018	\$ -
Charge for the year	176,569
At December 31, 2019	\$ 176,569
Charge for the period	254,242
At September 30, 2020	<b>\$ 430,811</b>
<b>Net book value:</b>	
At December 31, 2019	\$ 1,044,866
<b>At September 30, 2020</b>	<b>\$ 790,624</b>

Depreciation of right-of-use assets is calculated using the straight-line method over the remaining lease term.

**YNVISIBLE INTERACTIVE INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
For the three and nine months ended September 30, 2020 and 2019  
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

---

**6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES**

Lease Liabilities

Lease liabilities recognized as of January 1, 2019	\$	368,734
Additions		852,701
Lease payments made		(185,652)
Interest expense on lease liabilities		15,956
Foreign exchange adjustment		(8,848)
At December 31, 2019		1,042,891
Lease payments made		(269,493)
Interest expense on lease liabilities		12,737
Foreign exchange adjustment		54,350
		840,485
Less: current portion		(365,978)
<b>At September 30, 2020</b>	<b>\$</b>	<b>474,507</b>

The remaining minimum future lease payments, excluding estimated operating costs, for the term of the lease including assumed renewal periods are as follows:

Fiscal 2020	\$	95,556
Fiscal 2021	\$	346,839
Fiscal 2022	\$	321,648
Fiscal 2023	\$	88,309
Fiscal 2024	\$	10,082
Total	\$	862,434

**YNVISIBLE INTERACTIVE INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
For the three and nine months ended September 30, 2020 and 2019  
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

**7. FIXED ASSETS**

	Equipment	Manufacturing Equipment*	Leasehold Building Improvements	Office	Laboratory**	Other	Total
<b>Costs</b>							
Balance, December 31, 2018	\$ 466,897	\$ -	\$ 33,949	\$ 28,732	\$ -	\$ 55,614	\$ 585,192
Additions	34,721	1,834,126	7,964	62,800	13,149	16,018	1,968,778
Balance, December 31, 2019	501,618	1,834,126	41,913	91,532	13,149	71,632	2,553,970
Additions	19,493	18,912	-	3,350	-	4,258	46,209
Adjustments	-	-	-	6,694	(4,091)	(2,603)	-
<b>Balance, September 30, 2020</b>	<b>\$ 521,111</b>	<b>\$ 1,853,038</b>	<b>\$ 41,913</b>	<b>\$ 101,576</b>	<b>\$ 9,058</b>	<b>\$ 73,287</b>	<b>\$ 2,600,179</b>
<b>Accumulated Depreciation</b>							
Balance, December 31, 2018	\$ 74,100	\$ -	\$ 1,414	\$ 4,320	\$ -	\$ 17,527	\$ 97,361
Charge for the year	52,596	62,310	5,655	11,308	-	16,489	148,358
Balance, December 31, 2019	126,696	62,310	7,069	15,628	-	34,016	245,719
Charge for the period	43,280	137,469	4,755	12,634	-	6,959	205,097
<b>Balance, September 30, 2020</b>	<b>\$ 169,976</b>	<b>\$ 199,779</b>	<b>\$ 11,824</b>	<b>\$ 28,262</b>	<b>\$ -</b>	<b>\$ 40,975</b>	<b>\$ 450,816</b>
<b>Carrying Value</b>							
Balance, December 31, 2019	\$ 374,922	\$ 1,771,816	\$ 34,844	\$ 75,904	\$ 13,149	\$ 37,616	\$ 2,308,251
<b>Balance, September 30, 2020</b>	<b>\$ 351,331</b>	<b>\$ 1,653,259</b>	<b>\$ 30,089</b>	<b>\$ 73,314</b>	<b>\$ 9,058</b>	<b>\$ 32,312</b>	<b>\$ 2,149,363</b>

\* The manufacturing equipment included the option agreement value of \$1,326,000 upon acquisition of Ynvisible Production (Note 5).

\*\*The laboratory is currently being equipped and the equipment is not yet being depreciated.

**YNVISIBLE INTERACTIVE INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
For the three and nine months ended September 30, 2020 and 2019  
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

**8. INTANGIBLE ASSETS**

<b>Costs</b>	<b>Patents and Software</b>	<b>Customer List*</b>	<b>IP Rights*</b>	<b>License</b>	<b>Goodwill**</b>	<b>Total</b>
Balance, December 31, 2018	\$ 99,183	\$ -	\$ -	\$ -	\$ -	\$ 99,183
Additions	9,921	-	-	119,476	71,253	200,650
Balance, December 31, 2019	\$ 109,104	\$ -	\$ -	\$ 119,476	\$ 71,253	\$ 299,833
Additions	-	128,700	42,900	-	-	171,600
<b>Balance, September 30, 2020</b>	<b>\$ 109,104</b>	<b>\$ 128,700</b>	<b>\$ 42,900</b>	<b>\$ 119,476</b>	<b>\$ 71,253</b>	<b>\$ 471,433</b>

**Accumulated Depreciation**

Balance, December 31, 2018	\$ 14,711	\$ -	\$ -	\$ -	\$ -	\$ 14,711
Charge for the year	9,298	-	-	6,341	-	15,639
Balance, December 31, 2019	\$ 24,009	\$ -	\$ -	\$ 6,341	\$ -	\$ 30,350
Charge for the period	8,208	10,541	3,514	10,616	-	32,879
<b>Balance, September 30, 2020</b>	<b>\$ 32,217</b>	<b>\$ 10,541</b>	<b>\$ 3,514</b>	<b>\$ 16,957</b>	<b>\$ -</b>	<b>\$ 63,229</b>

**Carrying Value**

Balance, December 31, 2019	\$ 85,095	\$ -	\$ -	\$ 113,135	\$ 71,253	\$ 269,483
<b>Balance, September 30, 2020</b>	<b>\$ 76,887</b>	<b>\$ 118,159</b>	<b>\$ 39,386</b>	<b>\$ 102,519</b>	<b>\$ 71,253</b>	<b>\$ 408,204</b>

\* In May 2020, the Company entered into a business transfer agreement with rdot AB ("rdot") to acquire customer lists and IP rights in the amount of \$171,600 (Swedish krona 1,200,000) ("Fixed Purchase Price") to be paid in 4 equal instalments on May 18, 2020 ("Closing Date") (paid), August 1, 2020, November 1, 2020 and February 1, 2021. In addition, rdot is entitled to a contingent consideration ("Success Fees") based on the Company's revenue generated from rdot customers during the period May 18, 2020 – May 17, 2023, in the following:

<b>Time period from closing date</b>	<b>Percentage on invoiced sales for rdot customer</b>	<b>Percentage on invoiced sales for Shared customer</b>
Month 1-12	15%	7.5%
Month 13-24	12%	6%
Month 25-36	5%	2.5%

If sales related to rdot/Shared customer were ordered or booked in one of the time periods, but invoiced at a later time period, the Success Fees percentage is calculated using the formula: (year booked percentage + year invoiced percentage)/2. Each instalment of the Success Fees shall be paid within 30 days after the closing of each fiscal quarter.

\*\*The goodwill is related to the acquisition of Ynvisible Production (Note 5).

**YNVISIBLE INTERACTIVE INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
For the three and nine months ended September 30, 2020 and 2019  
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

**9. RELATED PARTY TRANSACTIONS**

Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Key Management Compensation

	<b>Nine Months Ended September 30,</b>	
	<b>2020</b>	<b>2019</b>
Compensation and consulting	\$ 404,362	\$ 321,181
Share-based compensation	69,527	151,609
	<b>\$ 473,889</b>	<b>\$ 472,790</b>

As at September 30, 2020, accounts payable and accrued liabilities include \$48,438 (December 31, 2019 - \$43,453) due to officers and directors. Accounts payable and accrued liabilities due to related parties are unsecured, and have no specified terms of repayment. During the nine months ended September 30, 2020, the Company received \$59,571 (September 30, 2019 - \$59,571) in rent payments from a company controlled by a director of the Company.

**10. SHARE CAPITAL AND RESERVE**

***Authorized***

Unlimited number of Class A common shares without par value.

Unlimited number of Class B non-voting convertible common shares without par value, convertible to Class A common shares on a one-for-one basis.

***Issued***

*For the nine months ended September 30, 2020:*

On February 6, 2020, the Company issued 318,400 common shares with a value of \$109,848 to the Squeeze-Out Minority Shareholders (defined below) in exchange for 318,400 common shares of Ynvisible SA.

On May 14, 2020, the Company closed a non-brokered private placement of 7,500,000 common shares of the Company at \$0.20 per common share for gross proceeds of \$1,500,000 (the "May 2020 Offering"). The Company paid finders cash commissions in the aggregate amount of \$23,100 and incurred other expenses of \$8,503 related to the May 2020 Offering. In addition, 252,875 common shares valued at \$50,575 were issued to finders.

*For the year ended December 31, 2019:*

On January 10, 2019, the Company closed a non-brokered private placement of 3,339,200 units of the Company at \$0.30 per unit for gross proceeds of \$1,001,760 (the "January 2019 Offering"). Each unit consists of one common share in the capital of the Company and one-half of a share purchase warrant. Each whole warrant will entitle the holder to purchase one additional common share in the capital of the Company at a price of \$0.60 per warrant for a period of three years from the closing of the January 2019 Offering. A value of \$133,568 was allocated to the warrants.

**YNVISIBLE INTERACTIVE INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
For the three and nine months ended September 30, 2020 and 2019  
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

---

**10. SHARE CAPITAL AND RESERVE (continued)**

***Issued (continued)***

*For the year ended December 31, 2019: (continued)*

If at any time commencing 4 months from the date the warrants are issued, if for the preceding 7 consecutive trading days, the daily volume weighted average trading price of the Company's shares is greater than \$0.75, the Company may accelerate the expiry date of the warrants by giving notice to the holders thereof and in such case the warrants will expire on the 30th calendar day after the date of such notice ("Accelerated Expiry").

The Company paid finders a cash commission in the aggregate amount of \$12,444 and incurred other expenses of \$8,133 on the January 2019 Offering. In addition, 166,553 units valued at \$49,966 were issued to finders. Each finder's unit consists of one share and one-half of a warrant. Each warrant will entitle the holder to purchase one additional common share at a price of \$0.60 per warrant for a period of three years from the closing of the January 2019 Offering, subject to the Accelerated Expiry. A value of \$6,662 was allocated to the warrants, using the residual value pricing model.

On June 5, 2019, the Company closed a non-brokered private placement of 12,571,429 units of the Company at \$0.35 per unit for gross proceeds of \$4,400,000 (the "June 2019 Offering"). Each unit consists of one common share in the capital of the Company and one-half of a share purchase warrant. Each whole warrant will entitle the holder to purchase one additional common share in the capital of the Company at a price of \$0.60 per warrant for a period of three years from the closing of the June 2019 Offering. The warrants are subject to the Accelerated Expiry.

The Company paid finders a cash commission in the aggregate amount of \$126,133 and incurred other expenses of \$22,736 on the June 2019 Offering. In addition, 420,673 units valued at \$147,236 were issued to finders and 729,553 non-transferable finder's warrants were issued to finders to purchase an aggregate of 729,553 shares of the Company. Each finder's unit consists of one share and one-half of a warrant. Each warrant will entitle the holder to purchase one additional common share at a price of \$0.60 per warrant for a period of three years from the closing of the June 2019 Offering, subject to the Accelerated Expiry. The finder's warrants were valued at \$157,629 using the Black-Scholes pricing model with the following assumptions: estimated life of three years, risk-free rate of 1.42%, volatility of 90%, and nil forecasted dividend yield.

On July 2, 2019, the Company issued 14,000 common shares with a value of \$6,580 to the SEA Minority Shareholders (defined below) in exchange for 14,000 common shares of Ynvisible SA.

On August 20, 2019, the Company issued an aggregate of 3,564,474 common shares with a fair value of \$1,119,193 for the acquisition of Ynvisible Production (Note 5).

On December 4, 2019, the Company issued 35,392 common shares with a value of \$12,210 to the SEA Minority Shareholders (defined below) in exchange for 35,392 common shares of Ynvisible SA.

***Escrow Shares***

As at September 30, 2020, there are 2,238,850 (December 31, 2019 - 6,716,452) Class A common shares held in escrow.

**YNVISIBLE INTERACTIVE INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
For the three and nine months ended September 30, 2020 and 2019  
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

---

**10. SHARE CAPITAL AND RESERVE (continued)**

***Obligation to Issue Shares***

On November 9, 2018, the board of directors of the Company approved the issuance of up to 1,032,496 common shares of the Company (the "SEA Shares") to certain Ynvisible SA minority shareholders (the "SEA Minority Shareholders") pursuant to the terms of share exchange agreements (the "Post-RTO Share Exchange Agreements") between the Company and the SEA Minority Shareholders. The board of directors corrected the number of SEA Shares being issued to the SEA Minority Shareholders to 1,022,496 on September 4, 2019.

On September 4, 2019, the Company implemented a squeeze-out transaction, as per the applicable Portuguese law, pursuant to the RTO transaction, whereby the Company acquired the remaining 499,369 shares of Ynvisible SA, on a one-for-one basis for the Class A common shares of the Company, held by certain minority shareholders of Ynvisible SA. (the "Squeeze-Out Minority Shareholders"). Accordingly, the Company recorded an obligation to issue 499,639 Class A common shares with a fair value of \$172,282, which has been reported as RTO transaction costs. As a result of the squeeze-out transaction, the Company now owns 100% of Ynvisible SA.

During the year ended December 31, 2019, the Company issued 35,392 common shares with a value of \$12,210 related to squeeze-out transaction. During the nine months ended September 30, 2020, the Company issued 318,400 common shares with a value of \$109,848 related to the squeeze-out transaction, and as at September 30, 2020, the Company recorded a balance of \$50,224 (December 31, 2019 – \$160,072) for obligation to issue shares

***Stock Options***

The Company has a fixed stock option plan, which follows the policies of the TSXV regarding stock option awards granted to employees, directors and consultants. According to the plan, the Company may grant incentive stock options up to a total of 10% of the Company's issued and outstanding common shares issued.

In May 2019, the Company granted 1,675,000 stock options to various directors, officers, and consultants of the Company at an exercise price of \$0.37 per share for a period of five years, vesting as follows: 1/3rd on four months from the date of grant, 1/3rd on eight months from the date of grant and 1/3rd on twelve months from the date of grant. The options were valued at \$526,673, of which \$466,838 was recognized during the year ended December 31, 2019 and \$54,983 was recognized during the nine months ended September 30, 2020, using the Black-Scholes pricing model.

In October 2019, the Company granted 535,000 stock options to various employees and consultants of the Company at an exercise price of \$0.30 per share for a period of five years, vesting as follows: 1/3rd on four months from the date of grant, 1/3rd on eight months from the date of grant and 1/3rd on twelve months from the date of grant. The options were valued at \$129,594, of which \$58,164 was recognized during the year ended December 31, 2019 and \$71,193 was recognized during the nine months ended September 30, 2020, using the Black-Scholes pricing model.

In December 2019, the Company granted 300,000 stock options to a director and an officer of the Company at an exercise price of \$0.20 per share for a period of five years, vesting as follows: 1/3rd on four months from the date of grant, 1/3rd on eight months from the date of grant and 1/3rd on twelve months from the date of grant. The options were valued at \$46,723, of which \$3,043 was recognized during the year ended December 31, 2019 and \$40,319 was recognized during the nine months ended September 30, 2020, using the Black-Scholes pricing model.

**YNVISIBLE INTERACTIVE INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
For the three and nine months ended September 30, 2020 and 2019  
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

**10. SHARE CAPITAL AND RESERVE (continued)**

***Stock Options (continued)***

In May 2020, the Company granted 325,000 stock options to various employees and a consultant of the Company at an exercise price of \$0.33 per share for a period of five years, vesting as follows: 1/3rd on four months from the date of grant, 1/3rd on eight months from the date of grant and 1/3rd on twelve months from the date of grant. The options were valued at \$83,133, of which \$52,852 was recognized during the nine months ended September 30, 2020, using the Black-Scholes pricing model.

In September 2020, the Company granted 300,000 stock options to various officers of the Company at an exercise price of \$0.24 per share for a period of five years, vesting as follows: 1/3rd on four months from the date of grant, 1/3rd on eight months from the date of grant and 1/3rd on twelve months from the date of grant. The options were valued at \$57,038, of which \$6,016 was recognized during the nine months ended September 30, 2020, using the Black-Scholes pricing model.

In September 2020, the Company also granted 215,000 stock options to a consultant of the Company at an exercise price of \$0.25 per share for a period of five years, vesting as follows: 1/3rd on four months from the date of grant, 1/3rd on eight months from the date of grant and 1/3rd on twelve months from the date of grant. The options were valued at \$42,599, of which \$2,996 was recognized during the nine months ended September 30, 2020, using the Black-Scholes pricing model.

Share-based compensation recognized during the nine months ended September 30, 2020 was \$228,358 (September 30, 2019 - \$457,228) from vesting of options. The Company's valuation of share purchase options granted during the period was estimated using the Black-Scholes option pricing model with the following assumptions:

	<b>For the nine months ended September 30,</b>	
	<b>2020</b>	<b>2019</b>
Risk-free interest rate	<b>0.36% - 1.64%</b>	1.49%
Expected dividend yield and forfeiture	<b>0%</b>	0%
Expected stock price volatility	<b>107% - 119%</b>	119%
Expected option life in years	<b>5</b>	5

During the nine months ended September 30, 2020, 465,000 stock options were cancelled, and the fair value of \$146,602 attributable to these stock options was transferred from reserves to deficit.

During the year ended December 31, 2019, the Company issued 75,000 common shares in relation to the exercise of 75,000 stock options for total proceeds of \$22,500 and the fair value of \$21,000 attributable to these stock options was transferred from reserves to share capital. Additionally, 1,250,000 stock options expired unexercised and 310,000 stock options were cancelled, and the fair value of \$321,498 attributable to these stock options was transferred from reserves to deficit.

**YNVISIBLE INTERACTIVE INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
For the three and nine months ended September 30, 2020 and 2019  
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

**10. SHARE CAPITAL AND RESERVE (continued)**

**Stock Options (continued)**

Stock option transactions and the number of stock options outstanding are summarized as follows:

	Nine Months Ended September 30, 2020		Year Ended December 31, 2019	
	Number of Options #	Weighted Average Exercise Price \$	Number of Options #	Weighted Average Exercise Price \$
Outstanding, beginning	5,125,000	0.33	4,250,000	0.34
Granted	840,000	0.28	2,510,000	0.33
Exercised	-	-	(75,000)	0.30
Cancelled	(465,000)	0.35	(310,000)	0.33
Expired	-	-	(1,250,000)	0.40
<b>Outstanding, end</b>	<b>5,500,000</b>	<b>0.31</b>	<b>5,125,000</b>	<b>0.33</b>

As at September 30, 2020, the following options were granted and vested:

Expiry Date	Weighted Exercise Price	Number of Options Outstanding	Number of Options Vested and Exercisable	Weighted Remaining Contractual Life
January 19, 2023	\$0.30	1,825,000	1,825,000	2.30 years
February 21, 2023	\$0.40	200,000	200,000	2.39 years
May 25, 2023	\$0.30	300,000	300,000	2.65 years
September 25, 2023	\$0.31	50,000	50,000	2.99 years
May 1, 2024	\$0.37	1,450,000	1,450,000	3.59 years
October 2, 2024	\$0.30	535,000	344,166	4.01 years
December 18, 2024	\$0.20	300,000	200,000	4.22 years
May 20, 2025	\$0.33	325,000	108,333	4.64 years
September 9, 2025	\$0.24	300,000	-	4.95 years
September 16, 2025	\$0.25	215,000	-	4.96 years
	<b>\$0.31</b>	<b>5,500,000</b>	<b>4,477,499</b>	<b>3.33 years</b>

**Warrants**

Warrant transactions and the number of warrants outstanding are summarized as follows:

	Nine Months Ended September 30, 2020		Year Ended December 31, 2019	
	Number of Warrants #	Weighted Average Exercise Price \$	Number of Warrants #	Weighted Average Exercise Price \$
Outstanding, beginning	8,978,478	0.60	-	-
Issued	-	-	8,978,478	0.60
<b>Outstanding, end</b>	<b>8,978,478</b>	<b>0.60</b>	<b>8,978,478</b>	<b>0.60</b>

As at September 30, 2020, the following warrants were outstanding:

Expiry Date	Weighted Exercise Price	Number of Warrants Outstanding	Weighted Remaining Contractual Life
January 9, 2022	\$0.60	1,752,876	1.28 years
June 5, 2022	\$0.60	7,225,602	1.68 years
	<b>\$0.60</b>	<b>8,978,478</b>	<b>1.60 years</b>

**YNVISIBLE INTERACTIVE INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
For the three and nine months ended September 30, 2020 and 2019  
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

---

## **11. FAIR VALUES AND RISK MANAGEMENT**

The Company's financial instruments consist of cash, amounts receivable, deposits, accounts payable and accrued liabilities, lease liabilities, and long-term liabilities. Cash is measured at fair value based on Level 1 input of the fair value hierarchy. The fair value of amounts receivable, deposits, accounts payable and accrued liabilities, lease liabilities, and long-term liabilities approximate their carrying values.

The Company is exposed to financial risks arising from its financial assets and liabilities. The Company manages its exposure to financial risks by operating in a manner that minimizes its exposure to the extent practical. The main financial risks affecting the Company are:

### ***Credit Risk***

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is exposed to minimal credit risk. The credit risk on cash is low because the counterparties are highly rated banks.

### ***Interest Rate Risk***

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is exposed to minimal interest rate risk as the Company invests cash at floating rates of interest in highly liquid instruments, when applicable.

### ***Liquidity Risk***

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company ensures that it has sufficient capital to meet short term financial obligations after taking into account its cash on hand.

### ***Foreign Currency Risk***

The Company's functional currency is the Canadian dollar. The Company funds the operations of Ynvisible SA in Portugal, Ynvisible GmbH in Germany, and Ynvisible Production in Sweden by using Euros and Swedish krona, respectively, converted from its Canadian dollar bank accounts. Based on the Company's Euro and Swedish krona denominated financial instruments at September 30, 2020, a 10% change in exchange rates between the Canadian dollar and the Euro and Swedish krona, respectively, would result in an approximately \$51,300 and \$63,000, respectively, change in foreign exchange gain or loss.

## **12. CAPITAL MANAGEMENT**

Management determines the Company's capital structure and makes adjustments to it based on funds available to the Company, in order to support its business operations. The Board of Directors has not established quantitative return on capital criteria for capital management but rather relies upon the expertise of the management team to sustain the future development of the business. As the Company does not generate significant revenue, the Company is dependent upon external financing to fund technology and business development as well as its administrative costs. The Company will spend existing working capital and raise additional amounts as needed. The Company will continue to assess new business verticals for its technology and know-how, and may seek to acquire an interest in supporting business opportunities, if management feels there is sufficient economic potential, provided it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that its approach, given the relative size of the Company, is reasonable. There have been no changes in the Company's approach to capital management during the nine months ended September 30, 2020. The Company is not subject to externally imposed capital requirements.

**YNVISIBLE INTERACTIVE INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
For the three and nine months ended September 30, 2020 and 2019  
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

**13. SEGMENTED DISCLOSURE**

The Company has one operating segment, being the development and sale of EC displays in Europe. At September 30, 2020, the Company's assets, liabilities and comprehensive loss are geographically located as follows:

	Europe	Canada	Total
<b>ASSETS</b>			
<b>Current assets</b>			
Cash	\$ 404,081	\$ 735,665	\$ 1,139,746
Amounts receivable	1,054,037	14,665	1,068,702
Prepaid expenses	62,093	92,206	154,299
<b>Total current assets</b>	<b>1,520,211</b>	<b>842,536</b>	<b>2,362,747</b>
<b>Non-current assets</b>			
Deposits	2,741	14,095	16,836
Right-of-use assets	758,150	32,474	790,624
Fixed assets	2,149,363	-	2,149,363
Intangible assets	336,951	71,253	408,204
<b>Total non-current assets</b>	<b>3,247,205</b>	<b>117,822</b>	<b>3,365,027</b>
<b>Total assets</b>	<b>\$ 4,767,416</b>	<b>\$ 960,358</b>	<b>\$ 5,727,774</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	\$ 964,405	\$ 136,739	\$ 1,101,144
Current portion of lease liabilities	327,567	38,411	365,978
Deferred project grants	907,510	-	907,510
<b>Total current liabilities</b>	<b>2,199,482</b>	<b>175,150</b>	<b>2,374,632</b>
<b>Non-current liabilities</b>			
Lease liabilities	474,507	-	474,507
<b>Total liabilities</b>	<b>\$ 2,673,989</b>	<b>\$ 175,150</b>	<b>\$ 2,849,139</b>
<b>Comprehensive loss for the nine months ended September 30, 2020</b>	<b>\$ 2,011,382</b>	<b>\$ 820,936</b>	<b>\$ 2,832,318</b>

**YNVISIBLE INTERACTIVE INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
For the three and nine months ended September 30, 2020 and 2019  
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

**13. SEGMENTED DISCLOSURE (continued)**

At December 31, 2019, the Company's assets, liabilities and comprehensive loss were geographically located as follows:

	Europe	Canada	Total
<b>ASSETS</b>			
<b>Current assets</b>			
Cash	\$ 481,939	\$ 1,644,786	\$ 2,126,725
Amounts receivable	572,843	28,329	601,172
Prepaid expenses	122,915	51,389	174,304
<b>Total current assets</b>	<b>1,177,697</b>	<b>1,724,504</b>	<b>2,902,201</b>
<b>Non-current assets</b>			
Deposits	10,696	14,095	24,791
Right-of-use assets	979,918	64,948	1,044,866
Fixed assets	2,308,251	-	2,308,251
Intangible assets	198,230	71,253	269,483
<b>Total non-current assets</b>	<b>3,497,095</b>	<b>150,296</b>	<b>3,647,391</b>
<b>Total assets</b>	<b>\$ 4,674,792</b>	<b>\$ 1,874,800</b>	<b>\$ 6,549,592</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	\$ 480,318	\$ 141,631	\$ 621,949
Current portion of lease liabilities	292,935	44,472	337,407
Deferred project grants	864,860	-	864,860
<b>Total current liabilities</b>	<b>1,638,113</b>	<b>186,103</b>	<b>1,824,216</b>
<b>Non-current liabilities</b>			
Lease liabilities	681,176	24,308	705,484
Long-term liabilities	5,694	-	5,694
<b>Total non-current liabilities</b>	<b>686,870</b>	<b>24,308</b>	<b>711,178</b>
<b>Total liabilities</b>	<b>\$ 2,324,983</b>	<b>\$ 210,411</b>	<b>\$ 2,535,394</b>
<b>Comprehensive loss for the year ended December 31, 2019</b>	<b>\$ 1,908,029</b>	<b>\$ 1,543,479</b>	<b>\$ 3,451,508</b>

**14. SUBSEQUENT EVENT**

In November 2020, the Company granted 600,000 stock options to various consultants of the Company at an exercise price of \$0.285 per share for a period of five years, vesting as follows: 1/3rd on four months from the date of grant, 1/3rd on eight months from the date of grant, and 1/3rd on twelve months from the date of grant. In addition, the Company also granted 25,000 stock options to a consultant of the Company at an exercise price of \$0.285 per share for a period of five years, vesting as follows: 1/4th on three months from the date of grant, 1/4th on six months from the date of grant, 1/4th on nine months from the date of grant, and 1/4th on twelve months from the date of grant. Moreover, the Company also granted 75,000 stock options to an employee of the Company at an exercise price of \$0.30 per share for a period of five years, vesting as follows: 1/3rd on four months from the date of grant, 1/3rd on eight months from the date of grant, and 1/3rd on twelve months from the date of grant.