# Richco Investors Inc.

## Condensed Interim Financial Statements
## (Expressed in Canadian Dollars)

## Period Ended September 30, 2018
## (Unaudited)

# Management's Responsibility for Financial Reporting

The accompanying unaudited condensed interim financial statements of Richco Investors Inc. were prepared by management in accordance with IAS 34 *Interim Financial Reporting* using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances. Management acknowledges responsibility for the preparation and presentation of the unaudited condensed interim 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 unaudited condensed interim 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 unaudited condensed interim financial statements and (ii) the unaudited condensed interim 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 unaudited interim condensed financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim 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 unaudited condensed interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

## Notice to Reader

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed 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 condensed 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 unaudited condensed interim financial statements.

**RICHCO INVESTORS INC.**
**Statements of Financial Position**
**September 30, 2018 and December 31, 2017**

| Expressed in Canadian dollars | Note | | September 30, 2018 | | December 31, 2017 |
|---|---|---|---|---|---|
| | | | (Unaudited) | | (Audited) |
| **ASSETS** | | | | | |
| Cash | | $ | 4,178 | $ | 5,522 |
| GST receivable | | | 1,370 | | 712 |
| Prepaid expenses | | | 1,580 | | 278 |
| **Total current assets** | | | 7,128 | | 6,512 |
| Equipment | | | 461 | | 547 |
| **Total non-current assets** | | | 461 | | 547 |
| **Total assets** | | $ | 7,589 | $ | 7,059 |
| **LIABILITIES** | | | | | |
| Trade and other payables | 8 | $ | 40,198 | $ | 41,973 |
| **Total current liabilities** | | | 40,198 | | 41,973 |
| **Due to related parties** | 8,11 | | 219,622 | | 198,259 |
| **Total liabilities** | | | 259,820 | | 240,232 |
| **Shareholders' Deficiency** | | | | | |
| Share capital | 9 | | 9,414,245 | | 9,414,245 |
| Deficit | | | (9,666,476) | | (9,647,418) |
| **Total shareholders' deficiency** | | | (252,231) | | (233,173) |
| **Total liabilities and shareholders' deficiency** | | $ | 7,589 | $ | 7,059 |
| **Nature of Operations and Going concern** | 1 | | | | |

**Approved on behalf of the Board of Directors:**

| | |
|---|---|
| *"Robert Smiley"* | *"Christopher Tsakok"* |
| **Director** | **Director** |

(The accompanying notes are an integral part of these financial statements)

**RICHCO INVESTORS INC.**
**Statements of Comprehensive Loss**
**For the three months and nine months ended September 30, 2018 and 2017**
**(Unaudited)**

| **Expressed in Canadian dollars** | **Note** | **Three months ended September 30, 2018** | **Three months ended September 30, 2017** | **Nine months ended September 30, 2018** | **Nine months ended September 30, 2017** |
|---|---|---|---|---|---|
| **Expenses** | | | | | |
| Depreciation - equipment | | $ (29) | $ (36) | $ (86) | $ (109) |
| Legal and accounting | | (3,381) | (3,695) | (10,837) | (11,572) |
| Office and miscellaneous | | (109) | (109) | (414) | (330) |
| Transfer agent and filing fees | | (1,959) | (1,968) | (6,389) | (6,131) |
| | | (5,478) | (5,808) | (17,726) | (18,142) |
| **Results from operating activities** | | (5,478) | (5,808) | (17,726) | (18,142) |
| Finance income | 6 | 357 | 613 | 387 | 1,301 |
| Finance costs | 6 | (378) | (312) | (1,719) | (1,205) |
| **Net finance income (costs)** | | (21) | 301 | (1,332) | 96 |
| **Net and comprehensive loss for the period** | | **$ (5,499)** | **$ (5,507)** | **$ (19,058)** | **$ (18,046)** |
| **Loss per share** | | | | | |
| Basic loss per share | | $ (0.00) | $ (0.00) | $ (0.00) | $ (0.00) |
| **Weighted average number of shares outstanding** | | 14,220,383 | 14,220,383 | 14,220,383 | 14,220,383 |

(The accompanying notes are an integral part of these financial statements)

**RICHCO INVESTORS INC.**
**Statements of Changes in Equity**
**For the nine months ended September 30, 2018 and the year ended December 31, 2017**
**(Unaudited)**

| **Expressed in Canadian dollars** | **Number of Shares** | | **Share Capital** | | **Deficit** | | **Total** |
|---|---|---|---|---|---|---|---|
| Balance, January 1, 2017 | 14,220,383 | $ | 9,414,245 | $ | (9,621,315) | $ | (207,070) |
| Net loss for the nine months ended September 30, 2017 | - | | - | | (18,046) | | (18,046) |
| Balance, September 30, 2017 | 14,220,383 | | 9,414,245 | | (9,639,361) | | (225,116) |
| Net loss for the three months ended December 31, 2017 | - | | - | | (8,057) | | (8,057) |
| Balance, December 31, 2017 | 14,220,383 | | 9,414,245 | | (9,647,418) | | (233,173) |
| Net loss for the nine months ended September 30, 2018 | - | | - | | (19,058) | | (19,058) |
| Balance, September 30, 2018 | 14,220,383 | $ | 9,414,245 | $ | (9,666,476) | $ | (252,231) |

(The accompanying notes are an integral part of these financial statements)

**RICHCO INVESTORS INC.**
**Statements of Cash Flows**
**For the three months and nine months ended September 30, 2018 and 2017**
**(Unaudited)**

| | Three months ended September 30, | | Nine months ended September 30, | |
|---|---|---|---|---|
| **Expressed in Canadian dollars** | **2018** | **2017** | **2018** | **2017** |
| **Cash flows from operating activities** | | | | |
| Net loss for the period | $ (5,499) | $ (5,507) | $ (19,058) | $ (18,046) |
| Adjustments for: | | | | |
| Depreciation - equipment | 29 | 36 | 86 | 109 |
| Accrued interest, net | 42 | 6 | 118 | 26 |
| Loss (gain) on foreign exchange | (227) | (483) | 395 | (914) |
| Changes in GST receivable | (172) | (189) | (658) | (990) |
| Changes in prepaid expenses | - | 53 | (1,302) | - |
| Changes in trade and other payables | (152) | 1,739 | (2,288) | (4,701) |
| **Net cash used in operating activities** | (5,979) | (4,345) | (22,707) | (24,516) |
| **Cash flows from financing activities** | | | | |
| Due to related parties | 5,955 | 4,329 | 21,363 | 24,295 |
| **Net cash provided by financing activities** | 5,955 | 4,329 | 21,363 | 24,295 |
| **Net decrease in cash** | (24) | (16) | (1,344) | (221) |
| Cash, beginning of the period | 4,202 | 3,594 | 5,522 | 3,799 |
| **Cash, end of the period** | $ 4,178 | $ 3,578 | $ 4,178 | $ 3,578 |
| **Supplemental Cash Flow Information** | | | | |
| Interest paid | $ 309 | $ - | $ 309 | $ - |
| Income taxes paid | $ - | $ - | $ - | $ - |

(The accompanying notes are an integral part of these financial statements)

## 1. Nature of Operations and Going Concern

Richco Investors Inc. (“the Company”) is a company domiciled in Canada. The Company’s principal business is to provide financial, management and other administrative services to early development stage business. The principal objective of the Company is long-term wealth creation through creating or helping businesses to fulfill their potential through strategic planning, capital infusion and corporate restructuring.

The Company may invest extensively in emerging growth companies which are in the development stage or in companies which primarily hold investments in such companies. Certain investments are in companies which have not yet established commercial viability for their business activities and have not yet earned significant revenue; therefore, the quoted market values of their shares are not necessarily indicative of the fair value of these investments and the recoverability of invested amounts is dependent upon the eventual commercial success of these entities.

The Company is accordingly at risk for any large fluctuation in stock prices and performance of these public companies. The Company keeps close contacts with the management of these companies to assess their performance.

The address of the Company’s registered office is 40 King Street West, Toronto, Ontario, M5H 3Y4. The principal place of business is 3882 Lawrence Place, North Vancouver, British Columbia, V7K 2X2.

These financial statements are prepared on a going concern basis, which presumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at September 30, 2018, the Company had an accumulated deficit of $9,666,476. The ability of the Company to continue its operations is dependent upon the continued financial support of its shareholders, other investors and lenders, and the successful development of the investees in which it holds interests. The outcome of these matters cannot be predicted at this time.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as going concern as described in the above paragraph. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements.

## 2. Basis of Preparation

### (a) Statement of compliance

These condensed interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. It does not include all of the information required for full annual financial statements and should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2017.

The policies applied in these condensed interim financial statements are based on IFRS issued as of September 30, 2018. These condensed interim financial statements were authorized to issue by the audit committee and Board of Directors of the Company on November 26, 2018. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending December 31, 2018 could result in restatement of these condensed interim financial statements.

### (b) Basis of measurement

The financial statements have been prepared on the historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

### (c) Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Company's reporting currency and functional currency.

### (d) Use of estimates and judgements

The preparation of the financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments. The Company made the following critical accounting judgments:

- The determination of using going concern assumptions for the preparation of the financial statement.

There is no critical accounting estimates made that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year.

## 3. Significant Accounting Policies

Other than the adoption of new accounting policies as described below, the same accounting policies have been used in the preparation of these condensed interim financial statements as those used in the most recent audited annual financial statements as at December 31, 2017 and reflect all the adjustments necessary for the fair presentation in accordance with IFRS of the result of the interim periods presented. The accompanying unaudited condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2017.

## 4. New Standards and Interpretations Adopted During the Period

*IFRS 15 Revenue from Contracts with Customers*

On January 1, 2018, the Company adopted IFRS 15, *Revenue from Contracts with Customers*, which provides a single principle-based framework to be applied to all contracts with customers. IFRS 15 replaces the previous revenue standard IAS 18, Revenue, and the related Interpretations on revenue recognition. The standard scopes out contracts that are considered to be lease contracts, insurance contracts and financial instruments. The new standard is a control-based model as compared to the existing revenue standard which is primarily focused on risks and rewards. Under the new standard, revenue is recognized when a customer obtains control of a good or service. Transfer of control occurs when the customer has the ability to direct the use of and obtain the benefits of the good or service. Adoption of the standard did not have any material impact on the financial statements of the Company.

*IFRS 9 Financial Instruments*

On January 1, 2018, the Company adopted IFRS 9, *Financial Instruments*, which introduces new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortized cost or fair value. To be classified and measured at amortized cost, assets must satisfy the business model test for managing the financial assets and have certain contractual cash flow characteristics. All other financial instrument assets are to be classified and measured at fair value. This standard allows an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income, with dividends as a return on these investments being recognized in profit or loss. In addition, those equity instruments measured at fair value through other comprehensive income would no longer have to apply any impairment requirements nor would there be any 'recycling' of gains or losses through profit or loss on disposal. The accounting for financial liabilities continues to be classified and measured in accordance with IAS 39, with one exception, being that the portion of a change of fair value relating to the entity's own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch. The application of IFRS 9 did not impact the Company's classification and measurement of financial assets and liabilities, and there was also no impact to the carrying value of any of the Company's financial assets or liabilities on the date of transition.

**(Expressed in Canadian Dollars)**

## 5. New Standards and Interpretations Not Yet Adopted

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective and determined that the following may have an impact on the Company:

*IFRS 16 Leases*

In January 2016, the IASB issued IFRS 16, replacing IAS17, *Leases*. IFRS 16 provides a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases on its balance sheet providing the reader with greater transparency of an entity's lease obligations. IFRS 16 is effective for annual periods beginning on or after January 1, 2019 with early adoption provided The Company has not yet assessed the impact of this standard or determined whether it will adopt the standard early.

## 6. Finance Income and Finance Costs

| | Three months ended September 30, | | Nine months ended September 30, | |
|---|---|---|---|---|
| | **2018** | **2017** | **2018** | **2017** |
| **Recognized in profit and loss** | | | | |
| Interest income | $ 130 | $ 130 | $ 387 | $ 387 |
| Net foreign exchange gain | 227 | 483 | - | 914 |
| **Finance income** | $ 357 | $ 613 | $ 387 | $ 1,301 |
| Bank charges | $ 24 | $ 16 | $ 230 | $ 222 |
| Interest expenses | 354 | 296 | 1,094 | 983 |
| Net foreign exchange loss | - | - | 395 | - |
| **Finance costs** | $ 378 | $ 312 | $ 1,719 | $ 1,205 |
| **Net finance income (costs) recognized in profit or loss** | $ (21) | $ 301 | $ (1,332) | $ 96 |

## 7. Investments

| | Drucker Inc. | | Unirex Corporation | | IQ Webquest Inc. | | |
|---|---|---|---|---|---|---|---|
| | **No. of Shares** | **Amount** | **No. of Shares** | **Amount** | **No. of Shares** | **Amount** | **Total** |
| Balance, September 30, 2018 and December 31, 2017 | 9,225,000 | $ - | 536,382 | $ - | 11,380 | $ - | $ - |

**(Expressed in Canadian Dollars)**

## 8. Trade and Other Payables

| | Note | September 30, 2018 | December 31, 2017 |
|---|---|---|---|
| Trade payables | | $ 15,946 | $ 17,442 |
| Due to related parties - current | 11 | 14,991 | 14,504 |
| Non-trade payables and accrued expenses | | 9,261 | 10,027 |
| | | 40,198 | 41,973 |
| Due to related parties - long term | 11 | 219,622 | 198,259 |
| | | $ 259,820 | $ 240,232 |

The Company's exposure to currency and liquidity risk related to trade and other payables is disclosed in Note 10.

## 9. Share Capital

### (a) Share Capital

| | Multiple voting shares | Subordinate voting shares | Total |
|---|---|---|---|
| Balance, September 30, 2018 and December 31, 2017 | 5,310,191 | 8,910,192 | 14,220,383 |

**Issuance of common shares**

The Company did not issue any multiple voting or subordinate voting common shares during the period ended September 30, 2018 and year ended December 31, 2017.

**Common shares and preferred shares**

At September 30, 2018, the authorized share capital comprised of:

(a) An unlimited number of shares of a class designated as multiple voting shares;
(b) An unlimited number of shares of a class designated as subordinate voting shares;
(c) An unlimited number of shares of a class designated as preference shares in one or more series.

## 9. Share Capital - Continued

### (a) Share Capital - Continued

### Common shares and preferred shares - Continued

Each multiple voting share has 100 votes for each 1 vote of a subordinate voting share at meetings of the Company. The multiple voting shares and subordinate voting shares are entitled to receive dividends as declared from time to time. The preferred shares rank equally on winding up. The directors shall by resolution determine the rights and restrictions attaching to the preferred shares prior to their issuance. These shares have no par value.

## 10. Financial instruments and risk management

### Fair values

The carrying and fair value amounts of the Company's financial instruments related to cash, and trade and other payables are the same due to their short terms to maturity. It is not practical to determine the fair value of the amounts due from related parties and due to related parties with sufficient reliability due to the nature of the financial instruments.

### Fair value hierarchy

Financial instruments recorded at fair value on the statements of financial position 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: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

### Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management activities include the preservation of its capital by minimizing risk related to its cash. The Company does not have a risk management committee or written risk management policies. The Company's financial instruments are exposed to the risks described below:

## 10. Financial instruments and risk management - Continued

### Risk management framework - Continued

### Credit risk

Credit risk is the risk of an unexpected loss if a party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash. The Company has no significant concentration of credit risk arising from operations. Management believes that the maximum credit exposure at September 30, 2018 is cash in the bank of $4,178 (December 31, 2017 - $5,522) and the credit risk concentration with respect to cash is remote.

### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company has in place a planning and budgeting process to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company tries to ensure that there is sufficient working capital to fund its ongoing operating expenditures. At September 30, 2018, the Company had a working capital deficiency of $33,070 (December 31, 2017: $35,461). The Company will require having equity or debt financing to meet its financial obligations.

### Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, equity prices, and exposure of long term investments.

(i) 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 is exposed to short term interest rates through the interest earned on cash balances. The Company has cash balances which is non-interest bearing. The Company's current policy is to invest excess cash in short-term deposits with its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

## 10. Financial instruments and risk management - Continued

### Risk management framework - Continued

### Market risk - Continued

At the reporting date the interest rate profile of the Company's interest bearing financial instruments was:

| | Carrying amount | |
|---|---|---|
| | **September 30, 2018** | **December 31, 2017** |
| **Variable rate instruments** | | |
| Loan to Drucker Inc. | $ 11,500 | $ 11,500 |
| Loan from Drucker Inc. | (12,550) | (11,676) |
| | $ (1,050) | $ (176) |

A change of 1% in interest rates at the reporting date would have immaterial impact on the Company's financial statements. The Company is not subject to significant interest rate risk.

(ii) Foreign currency exchange rate risk

Foreign currency exchange rate risk is the risk that the fair value of financial instruments or future cash flows will fluctuate as a result of changes in foreign exchange rates.

The Company's functional currency is the Canadian dollar and major transactions are transacted in Canadian dollars. Management believes the foreign exchange risk derived from currency conversions is minimal and therefore does not hedge its foreign exchange risk.

(iii) Price risk

The Company is exposed to risk of changing equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company keeps close contact with the management of these companies to assess their performance and also monitors the movements of their stock prices to determine the appropriate course of action to be taken by the Company.

### Capital management

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern.

In the management of capital, the Company monitors its adjusted capital which comprises all components of equity (i.e. share capital, accumulated other comprehensive income (loss) and deficit).

**(Expressed in Canadian Dollars)**

## 10. Financial instruments and risk management - Continued

### Capital management - Continued

The Company manages its capital structure and makes adjustment to it, based on the funds available to the Company, in order to meet its daily operating expenses. The Company may sell some of its investments for additional cash required. The Board of Directors does not establish 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.

There were no changes in the Company's approach to capital management during the period ended September 30, 2018. The Company is not subject to externally imposed capital requirements.

## 11. Related Parties

All related party transactions were recorded at the exchange amounts as agreed upon by the related parties.

### Key management personnel and director transactions

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities.

The outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

During the nine months period ended September 30, 2018, Chris Tsakok, CEO of the Company, lent $21,363 to the Company, unsecured, non-interest bearing, repayable on March 27, 2020.

During the year ended December 31, 2017, Chris Tsakok, CEO of the Company, lent $29,635 to the Company, unsecured, non-interest bearing, repayable on March 27, 2020.

| | September 30, 2018 | December 31, 2017 |
|---|---|---|
| Due to CEO of the Company, non-interest bearing, unsecured, repayable on March 27, 2020 | $ 171,592 | $ 150,229 |
| Due to a director of the Company, non-interest bearing, unsecured, repayable on March 27, 2020 | 48,030 | 48,030 |
| Due to related parties - long-term portion | $ 219,622 | $ 198,259 |

**(Expressed in Canadian Dollars)**

## 11. Related Parties - Continued

### Other Related Party Transactions

At September 30, 2018, the Company has made and received advances from several companies in which it has an ownership interest or directors in common, the balances and terms were:

| | September 30, 2018 | December 31, 2017 |
|---|---|---|
| Due to a company with common director and officer, repayable on demand, non-interest bearning, unsecured. | $ 3,823 | $ 3,823 |
| Unsecured loan from Drucker, Inc. US $9,695 including accrued interest due on 30 days formal notice, interest payable at US prime + 1%. Interest accrued for the period ended September 30, 2018 was US $388. Current account with Drucker, Inc. was $23,336, which is non-interest bearing and payable on demand. | | |
| Less: loan to Drucker, Inc. $11,500, including accrued interest, payable on demand, interest payable at CIBC prime on date of loan, April 15, 2009, at 2% over prime rate. Interest accrued for the period ended September 30, 2018 was $387. Accounts receivable from Drucker, Inc. was $8,154, which is non-interest bearing and due on demand. | 11,168 | 10,681 |
| Due to related parties - current portion grouped under trade and other payable | $ 14,991 | $ 14,504 |

Some amounts due to and from related parties do not bear interest, are unsecured, and have no fixed payment term; accordingly, the fair value cannot be readily determined. In regards to Drucker Inc., any loans made by one party to the other can be offset against loans made by the other party on a reciprocal basis.