

Unaudited Condensed Interim  
Consolidated Financial  
Statements of

**CERVUS EQUIPMENT  
CORPORATION**

For the three month periods ended March 31, 2020 and 2019

## CERVUS EQUIPMENT CORPORATION

Unaudited Condensed Interim Consolidated Statements of Financial Position  
As at March 31, 2020 and December 31, 2019

(\$ thousands)	Note	March 31, 2020	December 31, 2019
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		\$ 24,473	\$ 7,946
Accounts receivable and other assets		84,456	74,942
Inventories	5	370,101	319,619
<b>Total current assets</b>		<b>479,030</b>	<b>402,507</b>
<b>Non-current assets</b>			
Other long-term assets		12,123	13,599
Property and equipment		139,202	138,705
Intangible assets		37,017	38,015
Goodwill		22,766	22,897
<b>Total non-current assets</b>		<b>211,108</b>	<b>213,216</b>
<b>Total assets</b>		<b>\$ 690,138</b>	<b>\$ 615,723</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other liabilities		\$ 77,814	\$ 63,183
Floor plan payables	6	238,198	182,379
Current portion of term debt	6	10,199	9,795
Current portion of lease obligation		8,571	8,799
<b>Total current liabilities</b>		<b>334,782</b>	<b>264,156</b>
<b>Non-current liabilities</b>			
Term debt	6	44,544	33,370
Lease obligation		84,982	84,084
Deferred income tax liability	7	5,694	6,975
<b>Total non-current liabilities</b>		<b>135,220</b>	<b>124,429</b>
<b>Total liabilities</b>		<b>470,002</b>	<b>388,585</b>
<b>Equity</b>			
Shareholders' capital	8	87,115	83,740
Deferred share plan		6,268	10,271
Other reserves		5,202	5,195
Accumulated other comprehensive loss		(2,100)	(136)
Retained earnings		123,651	128,068
<b>Total equity</b>		<b>220,136</b>	<b>227,138</b>
<b>Total liabilities and equity</b>		<b>\$ 690,138</b>	<b>\$ 615,723</b>

Approved by the Board:

"Peter Lacey" Director

"Wendy Henkelman" Director

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

## CERVUS EQUIPMENT CORPORATION

Unaudited Condensed Interim Consolidated Statements of Comprehensive Loss  
For the three month periods ended March 31, 2020 and 2019

(\$ thousands)	Note	Three month periods ended March 31	
		2020	2019
<b>Revenue</b>			
Equipment sales		\$ 182,497	\$ 161,241
Parts		49,914	48,865
Service		20,606	20,197
Rentals and other		3,860	4,495
Total revenue		256,877	234,798
Cost of sales		(213,343)	(192,076)
<b>Gross profit</b>		43,534	42,722
Other (loss) income	9	(3,286)	1,105
Selling, general and administrative expense		(40,512)	(43,121)
<b>(Loss) income from operating activities</b>		(264)	706
Finance income		158	187
Finance costs		(3,449)	(3,037)
Net finance costs	10	(3,291)	(2,850)
<b>Loss before income tax expense</b>		(3,555)	(2,144)
Income tax recovery (expense)	7	852	(570)
<b>Loss for the period</b>		(2,703)	(2,714)
<b>Other comprehensive loss</b>			
Foreign currency translation differences for foreign operations, net of tax		(1,964)	(40)
<b>Total comprehensive loss for the period</b>		(4,667)	(2,754)
<b>Net loss per share:</b>			
Basic	11	\$ (0.17)	\$ (0.17)
Diluted	11	\$ (0.17)	\$ (0.17)

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

## CERVUS EQUIPMENT CORPORATION

### Unaudited Condensed Interim Consolidated Statements of Changes in Equity

For the three month periods ended March 31, 2020 and 2019

#### Attributable to Equity Holders of the Company

(\$ thousands)	Note	Share capital	Deferred share plan	Other reserves	Cumulative translation account	Retained earnings	Total
<b>Balance December 31, 2018</b>		\$ 86,540	\$ 8,693	\$ 5,195	\$ 506	\$ 142,765	\$ 243,699
Balance at January 1, 2019, as previously reported		86,540	8,693	5,195	506	142,765	243,699
Impact of change in accounting policy		-	-	-	-	690	690
<b>Adjusted balances at January 1, 2019</b>		<b>\$ 86,540</b>	<b>\$ 8,693</b>	<b>\$ 5,195</b>	<b>\$ 506</b>	<b>\$ 143,455</b>	<b>\$ 244,389</b>
<b>Loss for the period</b>		-	-	-	-	(2,714)	(2,714)
Foreign currency translation adjustments, net of tax		-	-	-	(40)	-	(40)
Total comprehensive loss for the year		-	-	-	(40)	(2,714)	(2,754)
<b>Transactions with owners, recorded directly in equity</b>							
Dividends to equity holders		-	-	-	-	(1,710)	(1,710)
Shares issued through DRIP		221	-	-	-	-	221
Shares issued through deferred share plan		175	(175)	-	-	-	-
Share-based payment transactions		-	1,289	-	-	-	1,289
Common shares repurchased		(689)	-	-	-	-	(689)
Transactions with owners		(293)	1,114	-	-	(1,710)	(889)
<b>Balance March 31, 2019</b>		<b>\$ 86,247</b>	<b>\$ 9,807</b>	<b>\$ 5,195</b>	<b>\$ 466</b>	<b>\$ 139,031</b>	<b>\$ 240,746</b>
<b>Balance December 31, 2019</b>		<b>\$ 83,740</b>	<b>\$ 10,271</b>	<b>\$ 5,195</b>	<b>\$ (136)</b>	<b>\$ 128,068</b>	<b>\$ 227,138</b>
<b>Loss for the period</b>		-	-	-	-	(2,703)	(2,703)
Foreign currency translation adjustments, net of tax		-	-	-	(1,964)	-	(1,964)
<b>Total comprehensive loss for the period</b>		-	-	-	(1,964)	(2,703)	(4,667)
<b>Transactions with owners, recorded directly in equity</b>							
Dividends to equity holders	8	-	-	-	-	(1,714)	(1,714)
Shares issued through DRIP	8	236	-	-	-	-	236
Shares issued through deferred share plan	8	3,139	(3,139)	-	-	-	-
Shares issued through option plan		-	-	7	-	-	7
Share-based payment transactions		-	(864)	-	-	-	(864)
Transactions with owners		3,375	(4,003)	7	-	(1,714)	(2,335)
<b>Balance March 31, 2020</b>		<b>\$ 87,115</b>	<b>\$ 6,268</b>	<b>\$ 5,202</b>	<b>\$ (2,100)</b>	<b>\$ 123,651</b>	<b>\$ 220,136</b>

**CERVUS EQUIPMENT CORPORATION**

Unaudited Condensed Interim Consolidated Statement of Cash Flows  
 For the three month periods ended March 31, 2020 and 2019

(\$ thousands)	Note	Three month periods ended March 31	
		2020	2019
<b>Loss for the period</b>		\$ (2,703)	\$ (2,714)
Adjustments for:			
Income tax (recovery) expense	7	(852)	570
Depreciation		4,383	4,492
Amortization of intangibles		887	1,251
Equity-settled share-based payment transactions		(856)	1,289
Net finance costs	10	3,394	3,107
Unrealized foreign exchange loss (gain)	9	4,077	(598)
Non-cash impairment of inventories	5	375	273
(Gain) on sale of property and equipment	9	(136)	(163)
Change in non-cash working capital	12	1,804	(17,859)
Cash provided from (used in) operating activities		10,373	(10,352)
Cash taxes paid		(178)	(4,505)
Interest paid		(3,552)	(3,293)
<b>Net cash provided from (used in) operating activities</b>		<b>6,643</b>	<b>(18,150)</b>
<b>Cash flows from investing activities</b>			
Interest received		158	187
Purchase of property and equipment		(1,635)	(3,641)
Payments for intangible assets		(92)	(84)
Proceeds from disposal of property and equipment		375	327
<b>Net cash (used in) investing activities</b>		<b>(1,194)</b>	<b>(3,211)</b>
<b>Cash flows from financing activities</b>			
Net proceeds from term debt		11,983	20,513
Dividends paid		(1,453)	(1,334)
Payment of lease obligation		(1,945)	(1,379)
Receipt of deposits with manufacturers		114	455
Purchase of common shares	8	-	(689)
<b>Net cash provided from financing activities</b>		<b>8,699</b>	<b>17,566</b>
Increase (decrease) in cash and cash equivalents		14,148	(3,795)
Effect of foreign currency translation on cash		2,379	251
Cash and cash equivalents, beginning of period		7,946	6,106
<b>Cash and cash equivalents, end of period</b>		<b>\$ 24,473</b>	<b>\$ 2,562</b>

## **CERVUS EQUIPMENT CORPORATION**

Notes to Unaudited Condensed Interim Consolidated Financial Statements  
For the three month periods ended March 31, 2020 and 2019

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### **1. Reporting Entity**

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Cervus Equipment Corporation ("Cervus" or the "Company") is incorporated under the Canada Business Corporations Act and is domiciled in Canada. The registered office of the Company is situated at 5201 – 333, 96<sup>th</sup> Avenue N.E., Calgary, Alberta, Canada, T3K 0S3. The unaudited condensed interim consolidated financial statements of the Company as at and for the period ended March 31, 2020, comprise the Company and its subsidiaries.

Cervus provides equipment solutions to customers in agriculture, transportation, and industrial markets across Canada, Australia, and New Zealand. Throughout its territories and across its diverse markets, Cervus dealerships are united in delivering sales and support of the market-leading equipment our customers depend on to earn a living. The Company operates 63 Cervus dealerships and is the authorized representative of leading Original Equipment Manufacturers ("OEMs") including: John Deere agricultural equipment; Peterbilt transportation equipment; and Clark, Sellick, Doosan, JLG and Baumann material handling equipment. The common shares of Cervus are listed on the Toronto Stock Exchange and trade under the symbol "CERV".

### **2. Basis of Preparation**

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#### **(a) Statement of Compliance**

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IAS 34, "Interim Financial Reporting". The unaudited condensed interim financial information should be read in conjunction with the audited annual consolidated financial statements prepared for the year ended December 31, 2019.

The Board of Directors authorized the issue of these unaudited condensed interim consolidated financial statements on May 13, 2020.

#### **(b) Use of Judgements and Estimates**

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these unaudited condensed interim consolidated financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited annual consolidated financial statements as at and for the year ended December 31, 2019. The uncertainty of estimates and judgments increases in periods of high market volatility and rapid unprecedented change, which is currently occurring due to impacts of COVID-19 (see Note 15).

### **3. Significant Accounting Policies**

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The accounting policies applied are consistent with those of the annual financial statements prepared for the year ended December 31, 2019.

## CERVUS EQUIPMENT CORPORATION

Notes to Unaudited Condensed Interim Consolidated Financial Statements

For the three month periods ended March 31, 2020 and 2019

### 4. Seasonality

The Canadian, New Zealand and Australian retailing of agriculture, transportation, and industrial equipment is influenced by seasonality. Sales activity for the Agriculture segment is normally highest between April and September during growing seasons in Canada and July through December in New Zealand and Australia. Sales in the Transportation and Industrial segments are not as heavily impacted by seasonality but do see slower sales activity in the winter months. As a result, profit or losses may not accrue uniformly from quarter to quarter.

### 5. Inventories

(\$ thousands)	March 31, 2020	December 31, 2019
New equipment	\$ 183,541	\$ 149,025
Used equipment	131,148	118,754
Parts and accessories	54,144	50,607
Work-in-progress	1,268	1,233
<b>Total inventories</b>	<b>\$ 370,101</b>	<b>\$ 319,619</b>

Included in costs of sales are amounts related to inventory impairments of \$0.4 million and \$0.3 million expense for the three month periods ended March 31, 2020 and 2019, respectively.

## CERVUS EQUIPMENT CORPORATION

Notes to Unaudited Condensed Interim Consolidated Financial Statements  
For the three month periods ended March 31, 2020 and 2019

### 6. Loans and Borrowings

#### *Pre-Approved Credit Limits and Available Credit Facilities*

The Company has various facilities, the amount available under which are limited to the lesser of pre-approved credit limits or the available unencumbered assets. A summary of the Company's maximum pre-approved credit limits on available credit facilities as at March 31, 2020, are as follows:

(\$ thousands)	March 31, 2020				December 31, 2019			
	Total Limits	Borrowings	Letters of Credit	Amount Available	Total Limits	Borrowings	Letters of Credit	Amount Available
Operating and other bank credit facilities	122,095	37,095	9,600	75,400	122,735	25,788	9,600	87,347
Capital facilities	(a)	9,248				9,367		
Floor plan facilities and rental equipment term loan financing	(b)	246,855				190,670		
<b>Total borrowing</b>		<b>293,198</b>				<b>225,825</b>		
Total current portion long term debt		(10,199)				(9,795)		
Total inventory floor plan facilities		(238,198)				(182,379)		
Deferred debt issuance costs		(257)				(281)		
<b>Total long term debt</b>		<b>44,544</b>				<b>33,370</b>		

- (a) For capital facilities, the additional amount available under the facilities is limited to the pre-approved credit limit of \$9.3 million (December 31, 2019 - \$9.4 million). The Company has unencumbered assets available for financing which are estimated at \$7 million as at March 31, 2020 (December 31, 2019 - \$7 million).
- (b) For floorplan facilities, the additional amount available under the facilities is limited to the lesser of the pre-approved credit limit of \$458 million (December 31, 2019 - \$449 million) or the available unencumbered assets which are estimated at \$18 million as at March 31, 2020 (December 31, 2019 - \$17 million).

As at March 31, 2020, the Company is in compliance with all its covenants.

### 7. Income Taxes

#### *Tax (Recovery) Expense*

(\$ thousands)	Three month periods ended March 31	
	2020	2019
Current income tax expense	\$ 429	\$ 721
Deferred income tax (recovery)	(1,281)	(151)
<b>Income tax (recovery) expense</b>	<b>\$ (852)</b>	<b>\$ 570</b>



## CERVUS EQUIPMENT CORPORATION

Notes to Unaudited Condensed Interim Consolidated Financial Statements

For the three month periods ended March 31, 2020 and 2019

### 8. Capital and Other Components of Equity

The Company has unlimited authorized share capital without par value for all common shares. All issued common shares have been fully paid.

#### *Share Capital*

(thousands)	Number of common shares	Total carrying amount
<b>Balance at January 1, 2019</b>	15,559	\$ 86,540
Issued under the DRIP plan	19	221
Issued under the deferred share plan	14	175
Repurchased under the NCIB	(53)	(689)
<b>Balance at March 31, 2019</b>	15,539	86,247
Issued under the DRIP plan	49	549
Issued under the deferred share plan	17	195
Repurchased under the NCIB	(256)	(3,251)
<b>Balance at December 31, 2019</b>	15,349	83,740
Issued under the DRIP plan	<b>30</b>	<b>236</b>
Issued under the deferred share plan	<b>195</b>	<b>3,139</b>
Repurchased under the NCIB	-	-
<b>Balance at March 31, 2020</b>	<b>15,574</b>	<b>\$ 87,115</b>

## CERVUS EQUIPMENT CORPORATION

Notes to Unaudited Condensed Interim Consolidated Financial Statements  
For the three month periods ended March 31, 2020 and 2019

### 9. Other Income

Other (loss) income for the three month periods ended March 31, 2020 and 2019 is comprised of the following:

(\$ thousands)	Three month periods ended March 31	
	2020	2019
Net gain on sale of property and equipment	\$ 136	\$ 163
Unrealized foreign exchange (loss) gain <sup>(a)</sup>	(4,077)	598
Other income	655	344
<b>Total other (loss) income</b>	<b>\$ (3,286)</b>	<b>\$ 1,105</b>

(a) Unrealized foreign exchange (loss) gain is due to changes in fair value of our foreign exchange derivatives and from period close translation of accounts payable and floorplan payables denominated in U.S. dollars.

### 10. Finance Income and Finance Costs

(\$ thousands)	Three month periods ended March 31	
	2020	2019
<b>Finance income</b>	<b>\$ 158</b>	<b>\$ 187</b>
Interest expense on mortgage and term debt obligations	(436)	(476)
Interest expense on financial liabilities	(3,116)	(2,818)
<b>Finance costs</b>	<b>\$ (3,552)</b>	<b>\$ (3,294)</b>
Net finance costs recognized separately	(3,291)	(2,850)
Net finance costs recognized in cost of sales	(103)	(257)
<b>Total net finance costs</b>	<b>\$ (3,394)</b>	<b>\$ (3,107)</b>

## CERVUS EQUIPMENT CORPORATION

Notes to Unaudited Condensed Interim Consolidated Financial Statements  
For the three month periods ended March 31, 2020 and 2019

### 11. Earnings per Share

#### *Per Share Amounts*

Both basic and diluted earnings per share have been calculated using the net earnings attributable to the shareholders of the Company as the numerator. No adjustments to net earnings were necessary for the three month periods ended March 31, 2020 and 2019.

#### **Weighted Average Number of Common Shares**

The weighted average number of shares for the purposes of diluted loss per share is as follows:

(\$ thousands)	Three month periods ended March 31	
	2020	2019
Issued common shares opening	15,349	15,559
Effect of shares issued under the DRIP plan	25	16
Effect of shares issued under the deferred share plan	104	1
Effect of shares repurchased from NCIB	-	(30)
<b>Weighted average number of common shares</b>	<b>15,478</b>	15,546

#### **Weighted Average Number of Diluted Shares**

The calculation of diluted loss per share at March 31, 2020 and 2019 was based on the loss attributable to common shareholders and the weighted average number of common shares outstanding. All deferred share units of 0.6 million for the period ended March 31, 2020 (2019 – 1.0 million) have been excluded, as they are considered anti-dilutive.

### 12. Supplemental Cash Flow Information

(\$ thousands)	Three month periods ended March 31	
	2020	2019
<b>Changes in non-cash working capital:</b>		
Inventory	(54,287)	(50,676)
Floorplan	49,360	28,515
Trade and other receivables	(10,159)	5,128
Trade and other liabilities	16,890	(826)
<b>Total change in non-cash working capital</b>	<b>1,804</b>	(17,859)

## CERVUS EQUIPMENT CORPORATION

Notes to Unaudited Condensed Interim Consolidated Financial Statements  
For the three month periods ended March 31, 2020 and 2019

### 13. Segment Information

For management purposes, the Company is organized into divisions based on the nature of the services and products provided. Management monitors the operating results of each division separately for the purpose of making decisions about resource allocation and performance assessment. The Company has four reportable segments: Agriculture, Transportation, Industrial, and Corporate.

Corporate expenses consist of certain overheads and shared services provided to the divisions, along with public company costs, salaries, share-based compensation, office and administrative costs relating to corporate employees and officers, and interest cost on general corporate borrowings.

Financial information for each reportable segment is presented in the table below, which includes the disaggregation of revenues by type of service or good.

(\$ thousands)	Agriculture	Transportation	Industrial	Corporate	Total
<b>Segmented income figures</b>					
<b>Three months ended March 31, 2020</b>					
Revenue					
Equipment sales	\$ 134,129	\$ 43,717	\$ 4,651	\$ -	\$ 182,497
Parts	22,228	25,063	2,623	-	49,914
Service	10,390	7,842	2,374	-	20,606
Rentals and other	1,020	758	2,082	-	3,860
Total revenue	\$ 167,767	\$ 77,380	\$ 11,730	\$ -	\$ 256,877
Total other income (loss)	234	(3,609)	89	-	(3,286)
Depreciation and amortization	3,124	1,348	674	124	5,270
Finance income	36	-	-	122	158
Finance expense including amounts in costs of sales	(1,984)	(1,136)	(80)	(352)	(3,552)
Income (loss) for the period before income tax	1,579	(2,953)	62	(2,243)	(3,555)
Capital additions	689	257	11	678	1,635
<b>Segmented assets and liabilities as at March 31, 2020</b>					
Reportable segment assets	\$ 385,253	\$ 215,091	\$ 25,359	\$ 64,435	\$ 690,138
Intangible assets	23,236	9,943	3,838	-	37,017
Goodwill	19,553	2,546	667	-	22,766
Reportable segment liabilities	248,040	164,166	14,693	43,103	470,002

## CERVUS EQUIPMENT CORPORATION

Notes to Unaudited Condensed Interim Consolidated Financial Statements  
For the three month periods ended March 31, 2020 and 2019

### 13. Segment Information (continued)

(\$ thousands)	Agriculture	Transportation	Industrial	Corporate	Total
<b>Segmented income figures</b>					
<b>Three months ended March 31, 2019</b>					
Revenue					
Equipment sales	\$ 123,154	\$ 31,584	\$ 6,503	\$ -	\$ 161,241
Parts	20,584	25,466	2,815	-	48,865
Service	10,103	7,894	2,200	-	20,197
Rentals and other	1,359	952	2,184	-	4,495
Total revenue	\$ 155,200	\$ 65,896	\$ 13,702	\$ -	\$ 234,798
Total other income	14	680	208	203	1,105
Depreciation and amortization	3,201	1,620	808	114	5,743
Finance income	53	-	1	133	187
Finance expense including amounts in costs of sales	(1,894)	(919)	(92)	(389)	(3,294)
(Loss) income for the period before income tax	(1,002)	763	322	(2,227)	(2,144)
Capital additions	1,311	216	73	2,041	3,641
<b>Segmented assets and liabilities as at March 31, 2019</b>					
Reportable segment assets	\$ 408,440	\$ 167,950	\$ 29,374	\$ 56,000	\$ 661,764
Intangible assets	26,610	10,761	4,038	-	41,409
Goodwill	18,623	2,546	667	-	21,836
Reportable segment liabilities	247,869	115,461	15,777	41,910	421,017

The Company primarily operates in Canada, but includes subsidiaries in Australia (Cervus Australia Pty Ltd.) and in New Zealand (Cervus NZ Equipment Ltd.), which together operate 15 agriculture equipment dealerships. Gross revenues for the three month periods ended March 31, 2020, for the New Zealand and Australian territories were \$43 million (2019 – \$44 million). Non-current assets for New Zealand and Australia as at March 31, 2020, were \$29 million (2019 – \$31 million). The Australia and New Zealand operations are included in the Agriculture Segment.

## **CERVUS EQUIPMENT CORPORATION**

Notes to Unaudited Condensed Interim Consolidated Financial Statements  
For the three month periods ended March 31, 2020 and 2019

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### **14. Commitments and Contingencies**

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The Company is a defendant and plaintiff in various legal actions that arise in the normal course of business. The Company believes that any liabilities that might arise pertaining to such matters would not have a material effect on its consolidated financial position.

#### **Financing Arrangements**

John Deere Credit Inc. ("Deere Credit") and other financing companies provide financing to certain of the Company's customers. A portion of this financing is with recourse to the Company if the amounts are uncollectible. At March 31, 2020, payments in arrears by such customers aggregated \$1.3 million (2019 - \$0.9 million).

In addition, the Company is responsible for assuming all lease obligations held by its customers with Deere Credit and other financing companies through recourse arrangements for the net residual value of the lease outstanding at the maturity of the contract. At March 31, 2020, the net residual value of such leases aggregated \$307 million (2019 - \$318 million). Management believes that the potential liability in relation to the amounts outstanding is negligible and consequently, no accrual has been made in these financial statements in relation to any potential loss on assumed lease obligations.

### **15. COVID-19 Impact**

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In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. Governments worldwide, including those in Canada, Australia and New Zealand, the countries where the Company operates, have enacted emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. In addition, global oil prices have declined significantly due to a collapse in demand due to COVID-19. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions; however, the success of these interventions is not currently determinable. The factors may impact customer demand, cause disruptions to our operations and supply chains, result in increased government regulation, all of which many negatively impact the business, financial results and conditions of the Company.

The majority of the Company's operations are concentrated in the agricultural and distribution sectors of the economy, both of which are critical and essential components of the supply chain. Management has implemented business continuity plans and are committed to supporting our customers through these trying times, while conducting business responsibly and in regulatory compliance to keep both our employees and customers safe.

The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the Company is unknown at this time. Estimates and judgements made by management in the preparation of these financial statements are increasingly difficult and subject to a higher degree of measurement uncertainty during this volatile period. Estimates at March 31, 2020 could change materially as the impact of the COVID-19 pandemic and its impact on the economy and the clients the Company serves continues to evolve.