

The background features a network diagram with nodes and connecting lines, overlaid with various autumn leaves in shades of orange, yellow, and grey. The number '20' is prominently displayed in the center.

20

Condensed Interim Consolidated Financial Statements

As at and for the the three months ending
March 31, 2020 and 2019 | Unaudited



PARK LAWN
CORPORATION

PARK LAWN CORPORATION
NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL
STATEMENTS
AS AT AND FOR THE THREE MONTHS ENDING MARCH 31, 2020 AND 2019

25. SEGMENTED INFORMATION – continued

Geographic information – continued

For the Company’s geographically segmented revenue, the Company has allocated revenue based on the location of the customer, as follows:

| | Three Months Ended March 31, | |
|--|------------------------------|----------------------|
| | 2020 | 2019 |
| Revenue: | | |
| Sales: | | |
| Canada | \$ 8,698,913 | \$ 8,716,683 |
| United States | 60,809,836 | 37,220,812 |
| Total sales | <u>69,508,749</u> | <u>45,937,495</u> |
| Income from care and maintenance funds: | | |
| Canada | 1,025,000 | 1,376,212 |
| United States | 1,726,720 | 1,406,865 |
| Total income from care and maintenance funds | <u>2,751,720</u> | <u>2,783,077</u> |
| Interest and other income: | | |
| Canada | 470,025 | 208,302 |
| United States | 1,258,480 | 1,224,111 |
| Total interest and other income | <u>1,728,505</u> | <u>1,432,413</u> |
| Total revenue: | | |
| Canada | 10,193,938 | 10,301,197 |
| United States | 63,795,036 | 39,851,788 |
| Total Revenue | <u>\$ 73,988,974</u> | <u>\$ 50,152,985</u> |

26. SUBSEQUENT EVENTS

In March 2020, as part of the COVID-19 contingency planning process, the Company requested that its lending syndicate increase its leverage ratio from 3.5 times to 4.0 times on a temporary basis from May 8, 2020 through June 29, 2021. The leverage ratio would reduce to 3.75 times for June 30, 2021 and then revert to 3.5 time for September 30, 2021, and not more than 3.5 to 1.00 from September 30 and thereafter. In addition, the Company requested a temporary increase of \$25 million in credit availability to provide additional liquidity for a period of one year commencing May 8, 2020. The lending syndicate approved both requests effective May 8, 2020.