

TERAGO INC.
Interim Condensed Consolidated Financial Statements
Three months ended March 31, 2020 and 2019

Contents

Interim Condensed Consolidated Financial Statements

Statements of Financial Position	2
Statements of Comprehensive Loss	3
Statements of Cash Flows	4
Statements of Changes in Equity	5
Notes to Financial Statements	6-14

TERAGO INC.**Interim Condensed Consolidated Statements of Financial Position**
(In thousands of Canadian dollars)

	<i>Note</i>	March 31 2020	December 31 2019
Assets			
Cash and cash equivalents	4	\$ 7,466	\$ 8,686
Accounts receivable	4	3,411	2,889
Prepaid expenses and other assets		765	727
Current portion of contract costs	3	362	394
Current portion of other long-term assets	9	17	17
Total current assets		12,021	12,713
Network assets, property and equipment	5	58,997	59,562
Intangible assets	6	18,202	18,605
Goodwill	6	19,419	19,419
Contract costs	3	368	362
Other long-term assets	9	11	16
Total non-current assets		96,997	97,964
Total Assets		\$ 109,018	\$ 110,677
Liabilities			
Accounts payable and accrued liabilities		\$ 4,692	\$ 4,599
Current portion of contract liabilities	3	152	155
Current portion of long-term debt	7	4,080	4,000
Current portion of lease liabilities	8	6,969	7,014
Current portion of other long-term liabilities	9	-	-
Total current liabilities		15,893	15,768
Decommissioning and restoration obligations		282	276
Contract liabilities	3	72	79
Long-term debt	7	24,883	24,470
Lease liabilities	8	21,272	21,744
Other long-term liabilities	9	608	235
Total non-current liabilities		47,117	46,804
Total Liabilities		63,010	62,572
Shareholders' Equity			
Share capital		102,166	101,846
Contributed surplus		27,334	27,548
Deficit		(83,492)	(81,289)
Total Shareholders' Equity		\$ 46,008	\$ 48,105
Total Liabilities and Shareholders' Equity		\$ 109,018	\$ 110,677

On behalf of the Board:

(signed) "Matthew Gerber"

Director

(signed) "Gary Sherlock"

Director

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

TERAGO INC.**Interim Condensed Consolidated Statements of Comprehensive Loss****(In thousands of Canadian dollars, except per share amounts)**

		Three months ended March 31	Three months ended March 31
	<i>Note</i>	2020	2019
Revenue	3	\$ 11,617	12,397
Expenses			
Cost of services		2,259	2,261
Salaries and related costs		4,275	4,266
Other operating expenses		1,912	1,697
Depreciation of network assets, property, and equipment	5	3,389	3,525
Amortization of intangible assets	6	403	452
		<u>12,238</u>	<u>12,201</u>
Income (Loss) from operations		(621)	196
Foreign exchange gain (loss)		(121)	6
Finance costs		(1,516)	(1,415)
Finance income		55	25
Loss before income taxes		<u>\$ (2,203)</u>	<u>(1,188)</u>
Income taxes			
Income tax expense		-	-
Net loss and comprehensive loss		<u>\$ (2,203)</u>	<u>(1,188)</u>
Deficit, beginning of period		<u>\$ (81,289)</u>	<u>(74,295)</u>
Deficit, end of period		<u>\$ (83,492)</u>	<u>(75,483)</u>
Basic & Diluted loss per share	11	\$ (0.13)	(0.08)
Basic & Diluted weighted average number of shares outstanding		16,635	15,775

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

TERAGO INC.
Interim Condensed Consolidated Statements of Cash Flows
(In thousands of Canadian dollars)

	<i>Note</i>	Three months ended March 31 2020	Three months ended March 31 2019
Operating Activities			
Net loss for the period		(2,203)	(1,188)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Severance, acquisition, and other costs		(9)	(30)
Depreciation of network assets, property and equipment	5	3,389	3,525
Amortization of intangible assets	6	403	452
Stock-based compensation expense	10	347	342
Finance costs		1,516	1,415
Finance income		(55)	-
Loss on adjustments and disposal of network assets and intangible assets	5	45	23
Impairment of assets and related charges	5	68	82
Severance, acquisition, and other costs paid		(207)	(187)
Stock-based compensation paid		-	(128)
Changes in non-cash working capital items:			
Accounts receivable		(462)	563
Prepaid expenses		(43)	(60)
Accounts payable and accrued liabilities		(252)	(686)
Contract liabilities		-	2
Contract costs		26	(21)
Cash from Operating Activities		<u>2,563</u>	<u>4,104</u>
Investing Activities			
Purchase of network assets, property, and equipment	5	(2,209)	(2,061)
Purchase of intangible assets	6	-	(6)
Change in non-cash working capital related to network assets, property and equipment and intangible assets		222	398
Cash used in Investing Activities		<u>(1,987)</u>	<u>(1,669)</u>
Financing Activities			
Proceeds from debt borrowings		1,400	-
Interest paid, net of received		(285)	(377)
Repayment of long-term debt	7	(1,000)	(1,000)
Payments of lease liabilities	8	(1,911)	(1,870)
Cash from (used in) Financing Activities		<u>(1,796)</u>	<u>(3,247)</u>
Net change in cash and cash equivalents, during the period		(1,220)	(812)
Cash and cash equivalents, beginning of period		8,686	3,918
Cash and cash equivalents, end of period		<u>7,466</u>	<u>3,106</u>

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

TERAGO INC.
Interim Condensed Consolidated Statements of Changes in Equity
(In thousands of Canadian dollars)

	Share Capital		Contributed Surplus	Deficit	Total
	Number (in 000's)	Amount			
Balance, January 1, 2020	16,628	\$ 101,846	\$ 27,548	\$ (81,289)	\$ 48,105
Stock-based compensation	-	-	309	-	309
Issuance of common shares from vesting of RSUs/PSUs	61	282	(282)	-	-
Shares deducted for payment of withholding tax	(33)	-	(241)	-	(241)
Issuance of shares for directors' fees	7	38	-	-	38
Net loss and comprehensive loss	-	-	-	(2,203)	(2,203)
Balance, March 31, 2020	16,663	\$ 102,166	\$ 27,334	\$ (83,492)	\$ 46,008

	Share Capital		Contributed Surplus	Deficit	Total
	Number (in 000's)	Amount			
Balance, January 1, 2019	15,768	\$ 93,262	\$ 25,676	\$ (74,295)	\$ 44,643
Issuance of shares upon exercise of options	7	49	(16)	-	33
Stock-based compensation	-	-	10	-	10
Issuance of shares for directors' fees	14	153	-	-	153
Net loss and comprehensive loss	-	-	-	(1,188)	(1,188)
Balance, March 31, 2019	15,789	\$ 93,464	\$ 25,670	\$ (75,483)	\$ 43,651

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

TERAGO INC.
Notes to the Interim Condensed Consolidated Financial Statements
(In thousands of Canadian dollars, except for per share amounts)

1. Reporting Entity

TeraGo Inc. (the "Company") provides businesses across Canada with connectivity services, colocation services and enterprise infrastructure cloud services. The Company's head office is located in Canada at Suite 800 – 55 Commerce Valley Drive West, Thornhill, Ontario. The Company was incorporated under the Canada Business Corporations Act on December 21, 2000 and owns and operates a carrier-grade, fixed wireless, fibre-based, IP communications network, as well as cloud and colocation facilities in Canada targeting enterprise customers that require cloud, colocation, and connectivity services. The Company's common shares are listed on the Toronto Stock Exchange (TSX) under the symbol TGO.

2. Basis of Preparation and Presentation

These unaudited interim condensed consolidated financial statements ("interim financial statements") were prepared using the same accounting policies and methods as those used in the Company's consolidated financial statements for the year ended December 31, 2019 (the "2019 Consolidated Financial Statements"). These interim financial statements are in compliance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), have been omitted or condensed.

The preparation of financial statements in accordance with IAS 34 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements have been set out in Note 2 of the Company's 2019 Consolidated Financial Statements. The notes presented in these interim financial statements include only significant changes and transactions that have occurred since the last fiscal year. Accordingly, these interim financial statements should be read in conjunction with the Company's 2019 Consolidated Financial Statements.

The Company's operating results are subject to seasonal fluctuations that may be materially impacted quarter to quarter and, thus, one quarter's operating results are not necessarily indicative of a subsequent quarter's operating results.

The policies applied in these interim financial statements are based on IFRS issued and outstanding as at March 31, 2020. The Board of Directors authorized the interim financial statements for issue on May 5, 2020.

These interim financial statements include the accounts of TeraGo Inc. and its wholly owned subsidiary TeraGo Networks Inc.

During the preparation of these interim condensed consolidated financial statements, The Company determined that certain changes in investing cash flows were incorrectly presented as operating cash flows in the comparative period. The impact of the immaterial correction was an \$1,559 increase in investing cash flows and a corresponding decrease in operating cash flow.

(a) Functional and Presentation Currency

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

3. Revenue

The Company's operations, main sources of revenue, and methods for recognition are those described in Note 3 of the 2019 Consolidated Financial Statements. The Company's revenue is primarily derived from contracts with

TERAGO INC.
Notes to the Interim Condensed Consolidated Financial Statements
(In thousands of Canadian dollars, except for per share amounts)

customers.

a) Disaggregation of revenue

In the following table, the Company's disaggregates revenue into two primary categories that depict the nature of its revenue streams.

	Three months ended	
	March 31	
	2020	2019
Cloud and Colocation Revenue	\$ 4,299	4,494
Connectivity Revenue	7,318	7,903
	<u>\$ 11,617</u>	<u>12,397</u>

b) Contract Costs

The following table summarizes the changes in contract costs during the period:

		2020
Balance, January 1, 2020	\$	<u>756</u>
Incremental commissions capitalized		112
Impairment charges from contract terminations		-
Amortization		(138)
Balance, March 31, 2020		<u>730</u>
Less: current	\$	<u>(362)</u>
		<u>368</u>

c) Contract Liabilities

The following is a table that summarizes the change in contract liabilities during the period:

		2020
Balance, January 1, 2020	\$	<u>234</u>
Additions from provisioning		72
Revenue recognized for services provided		(82)
Impairment charges from contract terminations		-
Balance, March 31, 2020		<u>224</u>
Less: current	\$	<u>(152)</u>
		<u>72</u>

d) Unsatisfied Performance Obligations

The aggregate amount of revenue allocated to performance obligations that are unsatisfied as of March 31, 2020 was \$47,913. This represents contractual service obligations that the Company has yet to fulfill under its contracts with customers. The Company expects to recognize this revenue over the next 3 years which represents the average remaining contractual terms prior to renewals. This amount excludes obligations owing for month-to-month contracts

TERAGO INC.
Notes to the Interim Condensed Consolidated Financial Statements
(In thousands of Canadian dollars, except for per share amounts)

as the unsatisfied term is calculated monthly.

4. Current Assets

Details of selected current asset balances are as follows:

a) Cash and cash equivalents

The Company's cash and cash equivalents are comprised of bank balances at major Canadian financial institutions.

b) Accounts receivable

The Company's accounts receivable is comprised of the following:

	March 31	December 31
	2020	2019
Trade receivables	\$ 3,354	\$ 2,814
Loss allowances (Note 12)	(50)	(40)
Other	107	115
	\$ 3,411	\$ 2,889

5. Network Assets, Property and Equipment

Cost	Network Assets	Cloud & Datacentre Infrastructure	Computer Equipment	Office Furniture and Equipment	Leasehold Improvements	Vehicles	Right-of-use Assets	Total
Balance, January 1, 2020	\$ 123,639	\$ 12,104	\$ 4,971	\$ 2,362	\$ 3,077	\$ 49	\$ 32,016	\$ 178,218
Additions	2,105	85	8	11	-	-	14	2,223
Disposals	(156)	-	-	-	-	-	(27)	(183)
Reclassifications / Adjustments	(1)	1	-	-	-	-	732	732
Impairment	(111)	-	-	-	-	-	(13)	(124)
Balance, March 31, 2020	\$ 125,476	\$ 12,190	\$ 4,979	\$ 2,373	\$ 3,077	\$ 49	\$ 32,722	\$ 180,866
Accumulated Depreciation								
Balance, January 1, 2020	\$ 99,884	\$ 4,081	\$ 4,928	\$ 2,307	\$ 2,138	\$ 49	\$ 5,269	\$ 118,656
Depreciation for the period	1,707	224	13	8	82	-	1,355	3,389
Disposals	(112)	-	-	-	-	-	(8)	(120)
Reclassifications / Adjustments	(1)	1	-	-	-	-	-	-
Impairment	(49)	-	-	-	-	-	(7)	(56)
Balance, March 31, 2020	\$ 101,429	\$ 4,306	\$ 4,941	\$ 2,315	\$ 2,220	\$ 49	\$ 6,609	\$ 121,869
Net Book Value, March 31, 2020	\$ 24,047	\$ 7,884	\$ 38	\$ 58	\$ 857	\$ -	\$ 26,113	\$ 58,997

During the three months ended March 31, 2020, the Company wrote off assets with net book value of \$63 (Cost of \$183 less accumulated depreciation of \$120, \$19 of which was recognized against lease liabilities) which primarily represents replaced assets and obsolete assets disposed of for negligible value. The corresponding loss on disposal is included in other operating expenses (2019 - \$23).

Impairment of Property, Plant, and Equipment

As result of the loss of certain customers and customer locations in primarily connectivity offerings during the three months March 31, 2020, the Company determined that certain network assets were not recoverable. As a result, the assets were written down to their recoverable amount and an impairment charge of \$68 (Cost of \$124 less accumulated depreciation of \$56) was recorded in other operating expenses on the statement of comprehensive loss (2019 - \$79) in the period.

TERAGO INC.
Notes to the Interim Condensed Consolidated Financial Statements
(In thousands of Canadian dollars, except for per share amounts)

6. Intangible Assets and Goodwill

Cost	Radio spectrum licenses	Computer Software	Customer relationships	Other	Total Intangibles	Goodwill	Total Intangibles and Goodwill
Balance, January 1, 2020	\$ 12,649	\$ 9,868	\$ 18,021	\$ 4,831	\$ 45,369	\$ 19,419	\$ 64,788
Additions	-	-	-	-	-	-	-
Disposals / Adjustments	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
Balance, March 31, 2020	\$ 12,649	\$ 9,868	\$ 18,021	\$ 4,831	\$ 45,369	\$ 19,419	\$ 64,788
Accumulated Depreciation							
Balance, January 1, 2020	\$ 2,371	\$ 9,661	\$ 11,780	\$ 2,952	\$ 26,764	\$ -	\$ 26,764
Amortization for the period	-	58	313	32	403	-	403
Impairment	-	-	-	-	-	-	-
Balance, March 31, 2020	\$ 2,371	\$ 9,719	\$ 12,093	\$ 2,984	\$ 27,167	\$ -	\$ 27,167
Net Book Value, March 31, 2020	\$ 10,278	\$ 149	\$ 5,928	\$ 1,847	\$ 18,202	\$ 19,419	\$ 37,621

7. Long-term Debt

	March 31 2020	December 31 2019
Term debt facility	\$ 29,114	\$ 28,652
less: financing fees	(151)	(182)
	28,963	28,470
less: current portion	(4,080)	(4,000)
	\$ 24,883	\$ 24,470

Term Debt Facility

In June 2014, the Company entered into an agreement with a syndicate led by the National Bank of Canada ("NBC") to provide a \$50,000 credit facility that is principally secured by a general security agreement over the Company's assets.

In March 2015, the Company entered into an amended agreement with the syndicate led by NBC that increased the credit facility by \$35,000 (\$30,000 increase to the term debt facility and \$5,000 increase to the revolving facility) and extended the term from June 6, 2017 to June 30, 2018. Other terms were substantially consistent with the existing credit facilities.

In June 2017, the Company entered into a second amended agreement with the syndicate led by NBC that reduced the term debt facility from \$50,000 to \$40,000 (as a result of principal previously repaid), reduced the quarterly principal installment from \$1,250 to \$1,000 and extended the term from June 30, 2018 to June 14, 2021. Other terms were substantially consistent with the existing credit facilities.

In March 2019, the Company entered into a third amended agreement with the syndicate led by NBC which had the effect of excluding the impact of IFRS 16 on certain covenant calculations, and thereby maintaining accounting definitions in effect when the credit agreement was first entered into in June 2014.

The total \$75,000 facility that matures June 14, 2021 is made up of the following:

- \$10,000 revolving facility which bears interest at prime plus a margin percent. As of March 31, 2020, \$600 was drawn and outstanding on the revolving facility (2019 - \$nil). Letters of credit issued under the facility totaled \$655 as of March 31, 2020 (December 31, 2019 - \$655).
- \$40,000 term facility which bears interest at prime or Banker's Acceptance (at the Company's option) plus a margin percent and is repayable in quarterly principal installments of \$1,000. This facility was fully drawn upon signing the

TERAGO INC.**Notes to the Interim Condensed Consolidated Financial Statements**
(In thousands of Canadian dollars, except for per share amounts)

second amended agreement.

On March 31, 2020, \$27,800 of the term facility principal balance outstanding was in a Banker's Acceptance and the remaining \$200 was at a floating rate. During 2018, the Company entered into two amended interest rate swap contracts that mature June 29, 2021. The interest rate swap contracts have not been designated as a hedge and will be marked-to-market each quarter. The fair value of the interest rate swap contracts at March 31, 2020 was a liability of \$608 (December 31, 2019 – \$235) and is recorded in other long-term assets/liabilities (Note 9), with a corresponding charge (recovery) for the change in fair value recorded in finance costs. The effective interest rate on the Company's long-term debt at December 31, 2019 was 5.34% which represents the Company's interest on its Banker's Acceptance net of its interest swap contracts.

As at March 31, 2020, the Company prepaid interest in the amount of \$286 which represents the net settlement of the Banker's Acceptance and is recorded as a reduction in the carrying value of the debt.

- \$25,000 available for funding acquisitions and will bear interest at prime plus a margin percent and is repayable in quarterly principal installments of 2.5% of the aggregate amount outstanding. As of March 31, 2020, \$800 was drawn and outstanding on the acquisition facility (2019 - \$nil). The drawn principal balance was in a Banker's Acceptance.

Financing fees incurred as part of the Company's debt origination and modifications have been recorded as a reduction in the carrying amount of the debt and deferred and amortized using the effective interest method over the remaining term of the facility.

The NBC facility is subject to certain financial and non-financial covenants which the Company is in compliance with at March 31, 2020. Under this facility, the Company is subject to a cash flow sweep that could accelerate a certain amount of principal repayment based on a calculation outlined by the credit agreement not later than 120 days after the end of each fiscal year.

8. Leases

The Company has many leases of which it is a lessee. The major categories of leases are building leases for the Company's fixed wireless services, data centre leases for colocation and cloud service offerings, network equipment, corporate offices, and warehouses. Lease terms vary by category and range from 1 to 15 years.

a) Right-of-use Asset

Changes in the right-of-use asset are summarized in Note 5 of these Interim Condensed Consolidated Financial Statements.

b) Lease Liability

The following table is a summary of the changes in the lease liability during the period:

		2020
Lease liabilities, January 1, 2020	\$	28,758
Additions		14
Terminations		(18)
Interest on lease liabilities		666
Modifications		732
Lease payments		(1,911)
Lease liabilities – March 31, 2020		28,241
less: current portion		(6,969)
	\$	<u>21,272</u>

TERAGO INC.
Notes to the Interim Condensed Consolidated Financial Statements
(In thousands of Canadian dollars, except for per share amounts)

9. Other Long-Term Assets/Liabilities

(a) Other long-term assets

	March 31	December 31
	2020	2019
Contract Asset	\$ 28	33
	28	33
less: current portion	(17)	(17)
	\$ 11	\$ 16

(b) Other long-term liabilities

	March 31	December 31
	2020	2019
Interest rate swap contract (Note 7)	608	235
	608	235

10. Stock-Based Compensation

(a) Stock Options

For the three months ended March 31, 2020 and March 31, 2019, the Company granted 135 and 21 stock options, respectively, to certain key executives.

For the three months ended March 31, 2020 and March 31, 2019, the Company recorded stock-based compensation related to stock options of \$121 and \$10, respectively.

A summary of the change in the Company's stock option plan as at March 31, 2020 is presented below.

	2020	
	Number of	Weighted
	Options	Average
		Exercise Price
Outstanding - January 1	217	\$8.72
Granted	135	\$6.23
Exercised	-	-
Forfeited / Expired	-	-
Outstanding – March 31	352	\$7.77
Exercisable	17	\$6.56

(b) Restricted Share Units (RSUs)

For the three months ended March 31, 2020 and March 31, 2019, the Company granted 46 and 36 RSUs, respectively, to certain key executives.

For the three months ended March 31, 2020 and March 31, 2019, the Company recorded compensation expense of \$188 and \$172, respectively, related to the RSUs granted. The Company issued net 28 common shares to the holders of RSUs that vested in the period after deduction of 33 common shares in lieu of payment of required taxes (2019 – paid \$128 in cash).

The following table is a summary of the number of outstanding RSUs as at:

TERAGO INC.**Notes to the Interim Condensed Consolidated Financial Statements**
(In thousands of Canadian dollars, except for per share amounts)

	March 31
	2020
Opening Balance, January 1, 2020	255
Granted	46
Forfeited	-
Vested	(61)
Ending Balance, March 31, 2020	240

(c) Performance Based Share Units (PSUs)

For the three months ended March 31, 2020 and March 31, 2019, the Company granted 46 and 36 PSUs, respectively, to certain key executives.

For the three months ended March 31, 2020 and March 31, 2019, the Company recorded compensation expense of \$nil and \$7, respectively, related to the PSUs granted and paid \$nil and \$nil, respectively, to the holders of PSUs that vested in the period.

The following table is a summary of the number of outstanding PSUs as at:

	March 31
	2020
Opening Balance, January 1, 2020	32
Granted	46
Vested and paid	-
Forfeited / Expired	(32)
Ending Balance, December 31, 2020	46

(d) Stock-Based Compensation Summary

The following table is a summary of the stock-based compensation expense:

	Three months ended	Three months ended
	March 31	March 31
	2020	2019
Restricted share units	\$ 188	\$ 172
Performance-based share units	-	7
Stock options	121	10
Directors' fees paid in shares	38	153
	\$ 347	\$ 342

TERAGO INC.
Notes to the Interim Condensed Consolidated Financial Statements
(In thousands of Canadian dollars, except for per share amounts)

11. Loss Per Share

The following table sets forth the calculation of basic and diluted loss per share.

	Three months ended March 31 2020	Three months ended March 31 2019
Numerator for basic and diluted loss per share:		
Net loss for the period	\$ (2,203)	(1,188)
Denominator for basic and diluted loss per share:		
Basic weighted average number of shares outstanding	16,635	15,775
Effect of stock options, RSUs and PSUs	-	-
Diluted weighted average number of shares outstanding	16,635	15,775
Loss per share:		
Basic	\$ (0.13)	(0.08)
Diluted	\$ (0.13)	(0.08)

Due to the loss for the three months ended March 31, 2020, the impact of all the options, RSUs, and PSUs totaling 516 (2019 – 340), were excluded in the calculation of diluted loss per share because they were antidilutive.

12. Fair value of financial instruments

The following table outlines the carrying amounts and fair value of its financial assets and financial liabilities including their level in the fair value hierarchy. Cash and cash equivalents, accounts receivable, accounts payable, and accrued liabilities are not shown below as the carrying value of these financial instruments approximates their fair value due to their short-term maturities.

a) Classification and fair values

	Carrying Amount		Fair Value (Level 2)	
	March 31 2020	December 31 2019	March 31 2020	December 31 2019
Financial Liabilities				
Interest rate swap contract	\$ 608	\$ 235	\$ 608	\$ 235
Long-term debt	28,963	28,470	28,963	28,470

TERAGO INC.**Notes to the Interim Condensed Consolidated Financial Statements**
(In thousands of Canadian dollars, except for per share amounts)

b) Credit risk

As a result of the recent major changes in market conditions as a result of COVID-19, the Company re-evaluated its credit risk and concluded that no major changes to existing strategies were necessary in addition to those already disclosed in the 2019 Consolidated Financial Statements. The Company will continue to monitor and re-evaluate this risk as the COVID-19 pandemic and its associated impacts continue to unfold. During the three months ended March 31, 2020, the movement in the credit loss allowance in respect of trade receivables was as follows:

	March 31
	2020
Opening Balance, January 1, 2020	40
Amounts written off	(30)
Remeasurement of loss allowance	40
Ending Balance, March 31, 2020	50

c) Liquidity Risk

As a result of the recent major changes in market conditions as a result of COVID-19, the Company re-evaluated its liquidity risk and concluded that no major changes to existing strategies were necessary in addition to those already disclosed in the 2019 Consolidated Financial Statements. The Company will continue to monitor and re-evaluate this risk as the COVID-19 pandemic and its associated impacts continue to unfold. As of March 31, 2020, the Company had cash and cash equivalents of \$7,466. The Company also has access to \$32,945 undrawn portion of its \$75,000 credit facilities after consideration of outstanding letters of credit and current drawings.