Trading Symbols
(TSX-V: LM; OTC: LMDCF; FSE: LIMA)

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Lingo Media Corporation

Form 51 – 102 F1

Management Discussion & Analysis

First Quarter Ended March 31, 2022

May 27, 2022

Notice to Reader

The following Management Discussion & Analysis ("MD&A") of Lingo Media Corporation's (the "Lingo Media" or the "Company") financial condition and results of operations, prepared as of May 27, 2022, should be read in conjunction with the Company's Condensed Consolidated Interim Financial Statements and accompanying Notes for the periods ended March 31, 2022 and 2021, which have been prepared in accordance with International Financial Reporting Standards are incorporated by reference herein and form an integral part of this MD&A. All dollar amounts are in Canadian Dollars unless stated otherwise. These documents can be found on the SEDAR website www.sedar.com.

Our MD&A is intended to enable readers to gain an understanding of Lingo Media's current results and financial position. To do so, we provide information and analysis comparing the results of operations and financial position for the current period to those of the preceding comparable three-month period. We also provide analysis and commentary that we believe is required to assess the Company's prospects. Accordingly, certain sections of this report contain forward-looking statements that are based on current plans and expectations. These forward-looking statements are affected by risks and uncertainties that are discussed in this document and that could have a material impact on prospects. Readers are cautioned that actual results could vary.

Cautions Regarding Forward-Looking Statements

This MD&A contains certain forward-looking statements, which reflect management's expectations regarding the Company's results of operations, performance, growth, and business prospects and opportunities.

Statements about the Company's future and intentions, results, levels of activity, performance, goals or achievements or other future events constitute forward-looking statements. Wherever possible, words such as "may," "will," "should," "could," "expect," "plan," "intend," "anticipate," "believe," "estimate," "predict," or "potential" or the negative or other variations of these words, or similar words or phrases, have been used to identify these forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to management as at the date hereof.

Forward-looking statements involve significant risk, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully, and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this MD&A are based upon what management believes to be reasonable assumptions, the Company cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this MD&A, and the Company assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including: general economic and market segment conditions, competitor activity, product capability and acceptance, international risk and currency exchange rates and technology changes. More detailed assessment of the risks that could cause actual results to materially differ than current expectations is contained in the "Quantitative and Qualitative Disclosures of Market Risk" section of this MD&A.

Summary Description of Lingo Media

Lingo Media ("Lingo Media," the "Company," "we" or" us") is a global EdTech company that is '*Building a Multilingual World*' through innovative online technology and solutions. By integrating education and technology, the Company empowers language educators to easily transition from traditional teaching methods to digital learning. The Company provides both online and print-based solutions through two distinct business units: ELL Technologies Ltd.(d/b/a **Everybody Loves Languages**) and Lingo Learning. Everybody Loves Languages provides online training and assessment for language learning, while Lingo Learning is a print-based publisher of English language learning programs in China. Through its two distinct business units, Lingo Media develops, markets, and supports a suite of language learning solutions consisting of web-based software licensing subscriptions, online and professional services, audio practice tools and multi-platform applications. The Company continues to operate its textbook publishing business from which it collects recurring royalty revenues.

Lingo Media's two distinct business units include Everybody Loves Languages ("**ELL Technologies**") and Lingo Learning. ELL Technologies is an online educational technology ("**EdTech**") language learning training and assessment company that creates innovative software-as-a-service el-earning solutions. ELL Technologies market consists of educational institutions (such as schools, high schools, vocation schools, universities, etc.) and corporations. ELL Technologies sells and markets its online language learning solutions in Latin America, Asia, Europe, and the U.S. Lingo Learning is a print-based publisher of English language learning textbook programs in China. The Company has formed successful relationships with key government and industry organizations, establishing a strong presence in China's education market.

The Company continues to invest in its underlying technology, including features and scalability, as well as language content and leverages its industry expertise to expand into more scalable education technology. Recent product initiatives have allowed us to expand the breadth of our language learning product offerings. The Company's web-based EdTech learning segment continues to present a significant opportunity for long-term growth.

Lingo Media's strategy is to focus on sales channels and relationships while continuously developing its content and technology offerings.

Operational & Corporate Highlights

Corporate Highlight

- ✓ In February, the Company engaged the services of Generation IACP to provide services as a market maker in compliance with the policies and guidelines of the TSX Venture Exchange and other applicable legislation.

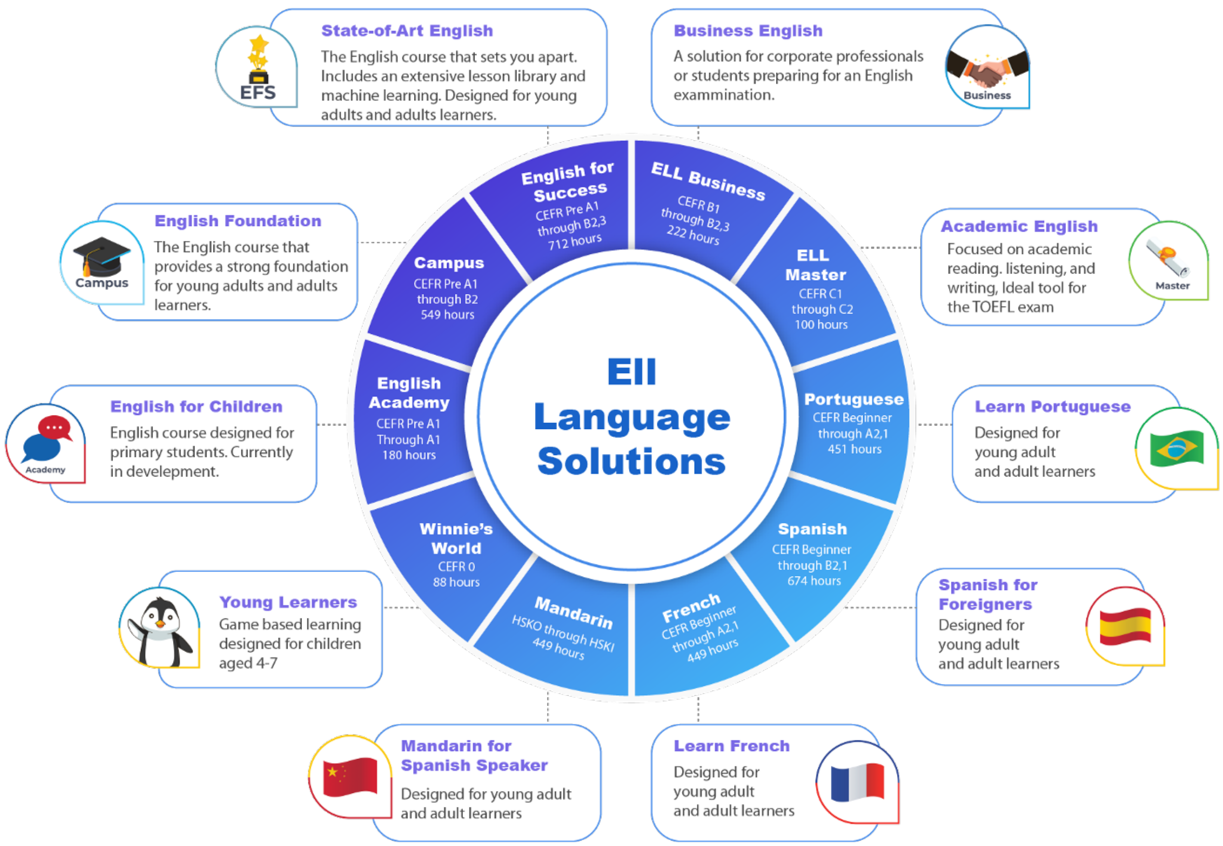
Operational Highlights

- Online English Language Learning:
  - ✓ Continued development of Levels 2 & 3 of its new primary school solution
  - ✓ Initiated the design and development of gamification for its primary school solution
  - ✓ Developed Learning Tools Interoperability (LTI) - which is an education technology specification developed by the IMS Global Learning Consortium. It specifies a method for a learning management system to communicate with external system, including ELL's LMS.
  - ✓ Presented at BETT 2022 EdTech conference in London
  - ✓ Added sales and customer success personnel for Latin America and Asia.
  - ✓ Released new reports analytics to its clients

- Print-Based English Language Learning:
  - ✓ Initiated the development of content and material for its Grade 3 & 4 textbooks.

Online English Language Learning

ELL Technologies has developed and is marketing one of the largest libraries of online language learning resources in the world. The library has more than 3,000 hours of interactive learning through a number of product offerings that include *Winnie's World, English Academy, Campus*, *English for Success*, *Master Business, English Teacher Prep,* in addition to courses to learn French, Mandarin, Spanish, and Portuguese languages. ELL Technologies is primarily marketed in LATAM and APAC through a network of distributors and generates revenue from online and offline licensing fees from its suite of web-based language learning products and applications.



ELL Technologies' high-tech, easy to implement eLearning Software-as-a-Service solutions have positioned the Company to provide learners of all ages and levels of English proficiency with a platform to further their language learning development.

All products have been designed utilizing proprietary tools and IP ELL Technologies to continue advancing and enhancing features and tools to market and sell to academic institutions and governments. Educators who license the platform are able to easily assign and arrange lessons and courses as they see fit, allowing for the personalization of the learning.

Formative assessments and data gathering functionality allows to adapt and continuously improve content. Based on that data, we are able to program iterations to address specific problem areas and to make learning more accessible, efficient and measurable. Built for learners, by learners, we empower educators and allow them to easily transition from pure classroom paper-based teaching to the online world.

Print-Based English Language Learning

The Company has been operating a textbook publishing business through Lingo Learning, a print-based publisher of English language learning programs in China since 2001. Lingo Learning has an established presence in China's education market of over 300 million students. To date, it has co-published more than 795 million units from its library of program titles.

Overall Performance

During the period ended March 31, 2022, Lingo Media recorded revenues of $159,146 as compared to $149,080 in 2021. Net loss was $334,176 as compared to the net loss of $419,677 in 2021 resulting in a $0.01 loss per share as compared to $0.01 loss per share in 2021. Total comprehensive loss was $326,838 as compared to total comprehensive loss of $268,257 in 2021. The Company recorded selling general and administrative costs of $291,144 compared to $268,323 in 2021. Share-based payments of $32,049 was recorded in 2022 as compared to $1,780 in 2021. In addition, cash used in operations was $306,422 as compared to $460,709 cash generated from operations in 2021.

Lingo Learning earns royalty revenues from its key customer, People's Education Press and People's Education & Audio Visual Press (collectively "PEP"), who are China's State Ministry of Education's publishing arm, on the following basis:

Lingo Learning earns significantly higher royalties from Licensing Sales compared to Finished Product Sales. People's Education Press provides Lingo Learning with sales reconciliations on a semi-annual basis. People's Education & Audio Visual Press provides Lingo Learning with sales reconciliations on a quarterly. Revenue from royalty and licensing sales is recognized based on confirmation of finished products produced by the Company's co-publishing partners and when collectability is reasonably assured. Royalty revenue from audiovisual products is recognized based on the confirmation of sales by its co-publishing partners, and when collectability is reasonably assured. Royalty revenues are not subject to right of return or product warranties. This revenue recognition policy causes an impact of higher revenues in the second and the fourth quarter of the year and lower revenues in the first and the third quarter.

Online English Language Learning

ELL Technologies earned revenue from its portfolio of products of $101,499 for the period, compared to $122,250 in 2021.

Print-Based English Language Learning

Lingo Learning earned royalty revenue of $57,647 in 2022 compared to $26,830 in 2021 from People's Education Press and People's Education & Audio Visual Press.

Market Trends and Business Uncertainties

Lingo Media believes that the global market trends in English language learning remain strong and will continue to grow. COVID-19 forced many schools in our target markets to close. For the majority of 2021,schools and universities delayed decisions on the purchase of online solutions due to lower admission rate, in additional to financial and technological challenges. Towards the end of 2021, we have noticed a growing trend towards purchasing and increased demand for our solutions which we anticipate to continue in 2022 and beyond.

The British Council estimates that there are 1.6 billion people learning English globally. English language learning products and services are currently a US$8.9 Billion global market notes Orbit Research.

GlobalEnglish forecasts the global eLearning market to grow to 17% year over year. Markets and Markets forecasts the global EdTech market to grow from US$43.27 Billion in 2015 to US$93.76 Billion to **2021,** or at a CAGR or 16.72%.

Latin American Region

The Inter-American Dialogue recently noted that while English language training programs exist in various forms throughout Latin American region, there are three key factors that these programs must address to be successful: ensuring continuity; developing a strong monitoring and evaluation framework; and addressing the lack of sufficient qualified teachers. Students attending English language training ("**ELT**") classes in Latin America accounted for approximately 14 per cent of worldwide revenues, or US$321-million **in 2017.** Growth has been very rapid in the Latin American region and represents a particularly strong opportunity moving forward relative to other geographic regions.

Asia-Pacific Region

Technavio forecasts the English language training ("ELT") market in China to be worth US$75 Billion in 2022, growing at a CAGR of 22%. The growth of the ELT market in China is driven by more people desiring to learn English, the adaptation of smartphones, increasing levels of disposable income, and the inherent advantages of online education. Technavio also notes that 49% of the growth in the global digital English language learning market will come from the Asia-Pacific region.

Lingo Media is positioned to take advantage of the market opportunity for English language training in Latin America and Asia, with its scalable digital language learning technology and solutions. Although the market outlook remains positive, there can be no assurance that this trend will continue or that the Company will benefit from this trend.

General Financial Condition

As at March 31, 2022 Lingo Media had working capital of $2,423,470 compared to working capital of $1,651,603 as at March 31, 2021. Net loss for the period ended March 31, 2022 was $334,176 compared to net loss of $419,677 for the period ended March 31, 2021. Share-based payments of $32,049 was recorded in 2022 as compared to $1,780 in 2021. In addition, cash used in operations was $306,422 as compared to $460,709 cash generated from operations in 2021. The Company received $1,122,478 of its trade accounts receivable subsequent to the end of the period.

Financial Highlights

For the Period Ended March 31	2022	2021
Revenue		
Print-Based English Language Learning	$ 57,647	$ 26,830
Online English Language Learning	101,499	122,250
	159,146	149,080
Net Loss for the Period	(334,176)	(419,677)
Loss per Share		
Basic	$(0.01)	$(0.01)
Fully Diluted	$(0.01)	$(0.01)
Total Assets	2,927,907	2,181,959
Working Capital	2,423,470	1,651,604
Cash Provided (used) – Operations	(306,422)	460,709

The Company had cash on hand as at March 31, 2022 of $1,579,208 (2021 - $1,672,465) and accounts and grants receivable of $1,227,831 (2021 - $385,956) to settle its current liabilities of $488,362 (2021 - $511,407) leaving a working capital balance of $2,423,470 (2021 - $1,651,604).

Results of Operations

Revenues

During the period, Lingo Media earned $101,499 in online licensing sales revenue as compared to $122,250 in 2021. Revenues from Print-Based English language learning for the period were $57,647 compared to $26,830 in 2021. Direct costs associated with publishing revenue are relatively modest and have been consistent throughout the years. The Company continues to maintain its relationship with PEP and is investing in the development of its existing and new programs and marketing activities to maintain and increase its royalty revenues.

During the period, Lingo Media recorded total revenues of $159,146 as compared to $149,080 in 2021. Net loss was $334,176 as compared to net loss of $419,677 in 2021 resulting in a $0.01 loss per share as compared to $0.01 loss per share in 2021.

Selling, General and Administrative

Selling, general and administrative expense were $291,144 compared to the $265,073 in 2021. Selling, general and administrative expenses for the three segments are segregated below.

(i) Print-Based English Language Learning

Selling, general and administrative cost for print-based publishing increased from $93,101 in 2021 to $105,074 in 2022. The following is a breakdown of selling, general and administrative costs directly related to print-based English language learning:

For the Period Ended March 31	**2022**	2021
Sales, marketing & administration	**$ 74,066**	$ 40,678
General admin expense recovery	**-**	(4,337)
Consulting fees & salaries	**72,797**	97,377
Travel	**10,513**	561
Premises	**4,975**	13,633
Professional fees	**2,599**	3,610
Less: Grants	**(59,876)**	(58,421)
	$ 105,074	$ 93,101

(ii) Online English Language Learning

Selling, general and administrative costs related to online English language learning was $16,583 for the period compared to $50,986 in 2021.

For the Period Ended March 31	2022	2021
Sales, marketing & administration	**$ 19,680**	$ 28,453
Consulting fees & salaries	**3,627**	12,767
Travel	**176**	-
Premises	**600**	8,000
Professional fees	**-**	1,767
Less: Grants	**(7,500)**	-
	$ 16,583	$ 50,986

(iii) Head Office

Selling, general and administrative costs related to head office was $169 487 for the period compared to $124,236 in 2021.

For the Period Ended March 31	2022	2021
Sales, marketing & administration	**$ 26,410**	$ 25,103
Consulting fees & salaries	**84,000**	73,500
Travel	**100**	-
Shareholder services	**40,802**	10,632
Professional fees	**18,175**	15,000
	$ 169,487	$ 124,236
Total Selling and Administrative Expenses	**$ 291,144**	$ 268,323

Net Income

Total comprehensive loss for the Company was $326,838 for the period ended March 31, 2022 as compared to total comprehensive loss of $268,257 in 2021. Total comprehensive loss can be attributed to the two operating segments and head office as a reporting segement as shown below:

Online ELL	2022	2021
Revenue	**$ 101,499**	$ 122,250
Expenses:		
Direct costs	**26,129**	29,882
General & administrative	**16,583**	50,986
Development costs	**54,619**	52,000
Amortization of property & equipment	**306**	218
	97,637	133,086
Segmented Income (Loss) - Online ELL	**$ 3,862**	$ (10,836)

Print-Based ELL		2022		2021
Revenue	$	**57,647**	$	26,830
Expenses:				
Direct costs		**38,621**		42,400
General & administrative		**105,074**		93,101
Development costs		**886**		-
Amortization of right-of-use asset		**-**		16,788
Amortization of property & equipment		**669**		2,188
Income taxes and other taxes		**5,766**		2,876
		151,016		157,354
Segmented Loss – Print-Based ELL	**$**	**(93,369)**	$	(130,524)
Head Office				
Expenses:				
General & administrative	**$**	**169,487**	$	124,236
Amortization of property & equipment		**73**		100
		169,560		124,336
Total Segmented Income (Loss)	**$**	**(259,067)**	$	(265,697)
Other				
Foreign exchange	**$**	**(39,170)**	$	(149,933)
Interest and other financial expenses		**(3,890)**		(2,270)
Share-based payment		**(32,049)**		(1,780)
Other comprehensive income		**7,338**		151,420
		(67,771)		(2,563)
Total Comprehensive Loss	**$**	**(326,838)**	$	(268,257)

Foreign Exchange

The Company recorded a foreign exchange loss of $39,170 in the first quarter as compared to $149,933 in Q1 2021, relating to the Company's currency risk through its activities denominated in foreign currencies as the Company is exposed to foreign exchange risk as a significant portion of its revenue and expenses are denominated in Chinese Renminbi and US Dollars.

Share-Based Payments

The Company amortizes share-based payments with a corresponding increase to the contributed surplus account. During the period, the Company recorded an expense of $32,049 compared to $1,780 in 2021.

Net Loss for the Period

The Company reported a net loss of $334,176 for the period as compared to a net loss of $419,677 in 2021.

Total Comprehensive Loss

The total comprehensive loss is calculated after the application of exchange differences on translating foreign operations gain/(loss). The Company reported a total comprehensive loss of $326,838 for the period ended March 31, 2022, as compared to comprehensive loss of $268,257 in 2021.

Summary of Quarterly Results

	Q2-21	Q3-21	Q4 – 21	Q1 –22
Revenue	$1,030,518	$ 163,493	$1,296,759	$ 159,146
Income / (Loss) Before Taxes and Other Comprehensive Income	801,677	(295,239)	$878,359	(328,410)
Total Comprehensive Income / (Loss)	451,588	(226,580)	$769,822	(326,838)
Income / (Loss) per Share (Basic)	$0.02	$(0.01)	$0.02	$(0.01)
	Q2-20	Q3-20	Q4 – 20	Q1 –21
Revenue	$ 977,389	$ 68,775	$ 958,766	$ 149,080
Income / (Loss) Before Taxes and Other Comprehensive Income	727,949	(356,241)	695,059	(416,801)
Total Comprehensive Income / (Loss)	567,802	(400,723)	511,450	(268,257)
Income / (Loss) per Share (Basic)	$0.02	$(0.01)	$0.01	$(0.01)

Lingo Learning earns royalty revenues from its key customer, People's Education Press and People's Education & Audio Visual Press (collectively "PEP"), who are China's State Ministry of Education's publishing arm, on the following basis:

Lingo Learning earns significantly higher royalties from Licensing Sales compared to Finished Product Sales. People's Education Press provides Lingo Learning with sales reconciliations on a semi-annual basis. People's Education & Audio Visual Press provides Lingo Learning with sales reconciliations on a quarterly. Revenue from royalty and licensing sales is recognized based on confirmation of finished products produced by the Company's co-publishing partners and when collectability is reasonably assured. Royalty revenue from audiovisual products is recognized based on the confirmation of sales by its co-publishing partners, and when collectability is reasonably assured. Royalty revenues are not subject to right of return or product warranties. This revenue recognition policy causes an impact of higher revenues in the second and the fourth quarter of the year and lower revenues in the first and the third quarter.

Liquidity and Capital Resources

As at March 31, 2022, the Company had cash of $1,579,208 compared to $1,672,465 in 2021. Accounts and grants receivable of $1,227,831 were outstanding at the end of the period compared to $385,956 in 2021. With 97% of the receivables from PEP and the balance due from ELL Technologies' customers, the Company does not anticipate an effect on its liquidity. Total current assets amounted to $2,911,832 (2021 - $2,163,011) with current liabilities of $488,362 (2021- $511,407) resulting in working capital of $2,423,470 (2021 - $1,651,604).

Lingo Learning receives government grants based on certain eligibility criteria for publishing industry development in Canada and for international marketing support. These government grants are recorded as a reduction of general and administrative expenses to offset direct expenditure funded by the grant. The Company receives these grants throughout the year. The grant is applied based on Lingo Learning meeting certain eligibility requirements. The Company has relied on obtaining these grants for its operations and has been successful at securing them in the past, but it cannot be assured of obtaining these grants in the future.

Lingo Media has access to working capital through equity financings or debt financings, if and as required to finance its growth plans. The Company has been successful in raising sufficient working capital in the past.

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet finance arrangements.

Transactions with Related Parties

The Company's key management includes Gali Bar-Ziv, President & CEO and Khurram Qureshi, CFO in addition to its Board of Directors.

The Company had the following transactions with related parties, made in the normal course of operations, and accounted for at an amount of consideration established and agreed to by the Company and related parties.

a. The Company charged $Nil (2021 - $3,700) to corporations with directors in common for rent, administration, office charges and telecommunications.

b. During the period, the company occurred $9,000 director fees to independent directors. They are unpaid and are included in accrued liabilities.

c. Key management compensation was $61,500 (2021 – $73,500) and is reflected as consulting fees paid to corporations owned by directors and officers of the Company.

<u>Additional Disclosure</u>

PROPERTY AND EQUIPMENT

	Computer and Office Equipment	Leasehold Improvements	Total
Cost, January 1, 2021	$ 86,952	$ 33,180	$ 120,132
Additions	1,022	-	1,022
Disposal	(33,384)	-	(33,384)
Effect of foreign exchange	(173)	-	(173)
Cost, March 31, 2021	$ 54,417	$ 33,180	$ 87,597
Additions	1,226	-	1,226
Effect of foreign exchange	1	-	1
Cost, December 31, 2021	$ 55,644	$ 33,180	$ 88,824
Effect of foreign exchange	(73)	-	(73)
Cost, March 31, 2022	**$ 55,571**	**$ 33,180**	**$ 88,751**
Accumulated depreciation January 1, 2021	$ 64,689	$ 31,758	$ 96,447
Charge for the period	1,083	1,422	2,505
Disposal	(30,134)	-	(30,524)
Effect of foreign exchange	(169)	-	(169)
Accumulated depreciation, March 31, 2021	$ 35,469	$ 33,180	$ 68,649
Charge for the period	3,051	-	3,051
Effect of foreign exchange	1	-	1
Accumulated depreciation December 31, 2021	$ 38,521	$ 33,180	$ 71,701
Charge for the period	1,048	-	1,048
Effect of foreign exchange	(74)	-	(74)
Accumulated depreciation, March 31, 2022	**$ 39,495**	**$ 33,180**	**$ 72,675**

	Computer and Office Equipment	Leasehold Improvements	Total
Net book value, Janurary 01, 2021	$ 22,263	$ 1,422	$ 23,685
Net book value, March 31, 2021	$ 18,948	$ -	$ 18,949
Net book value, December 31, 2021	$ 17,123	$ -	$ 17,123
Net book value, March 31, 2022	**$ 16,076**	**$ -**	**$ 16,076**

COVID-19

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19," has resulted in governments worldwide enacting 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. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions.

The extent to which COVID-19 and any other pandemic or public health crisis impacts the Company's business, affairs, operations, financial condition, liquidity, availability of credit and results of operations will depend on future developments that are highly uncertain and cannot be predicted with any meaningful precision, including new information which may emerge concerning the severity of the COVID-19 virus and the actions required to contain the COVID-19 virus or remedy its impact, among others. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operating subsidiaries in future periods.

Lingo Media has taken measures to protect its management, employees and contractors and has advised them to work from home and maintain a safe environment to ensure they are healthy and have minimal exposure to the risk of infection. In addition, the company is eligible and has applied for certain government subsidies, additional grants and interest-free loans, which are already reflected in these financial statements. The Company has contacted all the parties it is working with to ensure they are all working in a safe environment. A number of such parties have had an impact on their operations and ability to collaborate, while, a large number have identified multiple new business opportunities due to COVID-19 and the stay at home order of students in many countries. Lingo Media is offering e-learning solutions which meets the challenges schools and universities are facing by providing online language learning solutions. In addition, the Company has designed a number of programs to ensure its clients can easily deploy its suite of products that are well suited for a quarantined environment.

Risk Factors

Business Risk and Uncertainties

We are subject to a number of risks and uncertainties that can significantly affect our business, financial condition and future financial performance, as described below. In particular, there remain significant uncertainties in capital markets impacting the availability of equity financing. While these uncertainties in capital markets do not have a direct impact on our ability to carry out our business, the Company may be impacted should it become more difficult to gain access to capital when and if needed. These risks and uncertainties are not necessarily the only risks the Company faces. Additional risks and uncertainties that are presently unknown to the Company may adversely affect our business.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's monetary assets and liabilities denominated in currencies other than the Canadian Dollar and the Company's net investments in foreign subsidiaries.

The Company operates internationally and is exposed to foreign exchange risk as certain expenditures are denominated in non-Canadian Dollar currencies.

The Company has been exposed to this fluctuation and has not implemented a program against these foreign exchange fluctuations.

A 10% strengthening of the US Dollar against the Canadian Dollar would have increased the net equity approximately by $163,476 (2021 - $115,087) due to reduction in the value of net liability balance. A 10% of weakening of the US Dollar against the Canadian Dollar at March 31, 2022 would have had the equal but opposite effect. The significant financial instruments of the Company, their carrying values and the exposure to other denominated monetary assets and liabilities, as of March 31, 2022 are as follows:

	March 31, 2022	**March 31, 2021**
	USD	**USD**
Cash	1,155,195	1,162,097
Accounts receivable	920,747	245,206
Accounts payable	21,393	28,442

Liquidity Risk

The Company manages its liquidity risk by preparing and monitoring forecasts of cash expenditures to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's accounts payable and accrued liabilities generally have maturities of less than 90 days. At March 31, 2022, the Company had cash of $1,579,208 accounts and grants receivable of $1,227,831 and prepaid and other receivables of $104,793 to settle current liabilities of $488,362.

Credit risk

Credit risk refers to the risk that one party to a financial instrument will cause a financial loss for the counterparty by failing to discharge an obligation. The Company is primarily exposed to credit risk through accounts receivable. The maximum credit risk exposure is limited to the reported amounts of these financial assets. Credit risk is managed by ongoing review of the amount and aging of accounts receivable balances. As at March 31, 2022, the Company has outstanding receivables of $1,172,831 (2021 - $330,956). New impairment requirements use an 'expected credit loss' ('ECL') model to recognize an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available. The Company deposits its cash with high credit quality financial institutions, with the majority deposited within Canadian Tier 1 Banks.

Disclosure of Outstanding Share Data

As of May 27, 2022 the followings are outstanding:

Common Shares – 35,609,192
Warrants – Nil
Stock Options – 2,960,000

Approval

The Directors of Lingo Media have approved the disclosure contained in this MD&A.

Additional Information

Additional information relating to the Company can be found on SEDAR at www.sedar.com.