

Management's Discussion and Analysis of



Decisive Dividend

— Corporation —

For the three and nine months ended September 30, 2018

(Expressed in Canadian Dollars)

Management Discussion and Analysis of the Financial Condition and Results of Operations for the nine months ended September 30, 2018

This Management Discussion and Analysis (“MD&A”) should be read in conjunction with the unaudited interim condensed consolidated financial statements for the nine months ended September 30, 2018 and the audited financial statements for the year ended December 31, 2017 and the notes contained therein, of Decisive Dividend Corporation (“the Company”). This MD&A covers the nine months ended September 30, 2018 and the subsequent period up to the date of filing. In this MD&A, the Company and its subsidiaries, collectively, are referred to as the “Group”.

Non-IFRS Measures

In this MD&A, reference is made to the measures “EBITDA” and “Adjusted EBITDA”, which is believed to be meaningful in the assessment of the Company’s performance.

- “**EBITDA**” is defined as earnings before interest, income taxes, depreciation and amortization.
- “**Adjusted EBITDA**” is defined as earnings before interest, income taxes, depreciation, amortization, other non-cash items such as gains or losses recognized on the fair value of contingent consideration items, asset impairment and restructuring costs, and any unusual non-operating one-time items such as acquisition costs.

Set forth below are descriptions of the financial items that have been excluded from net income or loss to calculate “EBITDA” and “Adjusted EBITDA” and the material limitations associated with using this non-IFRS financial measure as compared to profit or loss:

Exclusions re: EBITDA and Adjusted EBITDA

- Finance costs (income) includes interest expense and unrealized foreign exchange gains and losses. The amount of interest expense we incur or interest income we generate may be useful for investors to consider and may result in current cash inflows or outflows. However, we do not consider the amount of interest expense or interest income to be a representative component of the day-to-day operating performance of the Company. Additionally, we also do not consider unrealized foreign exchange gains and losses to be representative component of the day-to-day operating performance of the Company.
- Depreciation and amortization expense may be useful for investors to consider because it generally represents the wear and tear on our property and equipment used in our operations. However, we do not believe these charges necessarily reflect the current and ongoing cash charges related to our operating costs.

Exclusions re: Adjusted EBITDA

- The Company does not consider one-time or non-recurring costs incurred to be a representative component of the day-to-day operating performance of the Company. Acquisition costs are non-operating items that have affected costs in each quarter, with respect to planned and completed acquisitions. While a necessary expense as part of acquisitions, the magnitude and timing of these items may vary significantly depending upon the acquisition. As such, we do not consider acquisition costs incurred to be a representative component of the day-to-day operating performance of the Company.
- Cost of manufacturing includes non-cash charges to expense the fair value increment of acquired inventories sold in the period that were originally valued as part of the initial purchase in a business acquisition.
- Share-based compensation may be useful for investors to consider because it is an estimate of the non-cash component of compensation received by the Company’s directors, officers and employees. Share-based compensation has been excluded from the Company’s operating expenses because the decisions that gave rise to these expenses were not made to increase revenue in a particular period, but were made for the Company’s long-term benefit over multiple periods. Strategic decisions, such

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as the issuance of share-based awards to further the Company's long-term strategic objectives, impact the Company's earnings under IFRS, and may likely affect multiple periods' results.

While EBITDA and Adjusted EBITDA are used by management of the Company to assess the historical financial performance of the performance of the Company and its businesses, as applicable, readers are cautioned that:

- Non-IFRS financial measures, such as EBITDA and Adjusted EBITDA, are not recognized financial measures under IFRS;
- The Company's method of calculating Non-IFRS financial measures, such as EBITDA and Adjusted EBITDA, may differ from that of other corporations or entities and therefore may not be directly comparable to measures utilized by other corporations or entities;
- In the future, the Company may disclose different non-IFRS financial measures in order to help our investors more meaningfully evaluate and compare our future results of operations to our previously reported results of operations.
- Non-IFRS financial measures, such as EBITDA and Adjusted EBITDA, should not be viewed as an alternative to measures that are recognized under IFRS such as net income or cash from operating activities; and
- A reader should not place undue reliance on any Non-IFRS financial measures.

For a reconciliation of a Non-IFRS financial measure to its most relevant IFRS measure, see "Overall Performance – Financial Highlights" in this MD&A.

Forward Looking Statements

Certain statements in this report constitute forward-looking information and forward-looking statements. All statements other than statements of historical fact contained in this report are forward-looking statements, including, without limitation, statements regarding the future financial position, operations, business strategy, future acquisitions, and the potential impact of completed acquisitions on the operations, financial condition, capital resources and business of the Company and its subsidiaries, the Company's policy with respect to the amount and/or frequency of dividends, budgets, litigation, projected costs and plans and objectives of or involving the Company and/or its subsidiaries. Readers can identify many of these forward-looking statements by looking for words such as "believes", "expects", "will", "may", "intends", "projects", "anticipates", "plans", "estimates", "continues" and similar words or the negative and grammatical variations thereof.

Forward-looking statements are necessarily based upon a number of expectations or assumptions that, while considered reasonable by management at the time the statements are made, are inherently subject to significant business, economic and competitive risks, uncertainties and contingencies, many of which are beyond the Company's control and many of which are subject to change. Readers are cautioned to not place undue reliance on forward-looking statements which only speak as to the date they are made. Although management believes that the expectations and assumptions underlying such forward-looking statements are reasonable, there can be no assurance that such expectations or assumptions will prove to be correct. A number of factors could cause actual future results, performance, achievements and developments of the Company to differ materially from anticipated results, performance, achievements and developments expressed or implied by such forward-looking statements. Such factors include, but are not limited to risks relating to: general economic conditions; government regulation; environmental regulation; operational performance and growth; acquisition risk; dependence on distributors and strategic relationships; ability to develop new products; weather and climate; supply and cost of raw materials and purchased parts; foreign exchange exposure; implementation of growth strategy; competition; reliance on management and key personnel; financing risk; litigation; product liability and warranty claims; credit facilities; income tax matters; dividends; reliance on technology; market trends and innovation; employee and labour relations; conflicts of interest; trading volatility of the Company's shares; information technology; potential failure to achieve synergies and customer concentration risk.

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Assumptions about the performance of the businesses of the Company are considered in setting the business plan and financial targets for the Company and its businesses. Key assumptions include assumptions relating to the demand for products and services of the businesses of the Company and relating to the Canadian and other markets in which the businesses are active. **Should one or more of the risks materialize or the assumptions prove incorrect, actual results, performance or achievements of the Corporation and its Subsidiaries may vary materially from those described in forward-looking statements.**

All forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. Except as required by law, the Company disclaims any obligation to update any forward-looking information or forward-looking statements to reflect future events or results or otherwise.

The audited financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). All amounts are expressed in Canadian dollars unless otherwise noted. Readers are encouraged to read the Company's public information filings on SEDAR at www.sedar.com.

The accompanying interim financial statements include the accounts of the Company and its wholly owned subsidiaries. All inter-company balances and transactions have been eliminated on consolidation.

This MD&A was prepared effective November 13, 2018.

Corporate Overview

Decisive Dividend Corporation (the "Company") was incorporated under the *Business Corporations Act* (British Columbia) on October 2, 2012 and is listed on the TSX Venture Exchange (the "Exchange"), trading under the symbol "DE". The Company is an acquisition-oriented corporation focused on opportunities in manufacturing. The business plan of the Company is to acquire profitable, well-established manufacturing companies with strong cash flows. To date, the Company has completed the acquisition of four manufacturing companies, as described below.

As at September 30, 2018, the principal wholly-owned operating subsidiaries of the Company are Valley Comfort Systems Inc. ("VCSI"), Blaze King Industries ("Blaze King USA"), Unicast Inc. ("Unicast"), Slimline Manufacturing Ltd. ("Slimline"), acquired May 30, 2018, and Hawk Machine Works Ltd. ("Hawk"), acquired June 28, 2018. VCSI and Blaze King USA are referred to herein collectively as "Blaze King".

The objectives of the Company are:

- (i) To provide shareholders with stable and growing dividends;
- (ii) To maximize share value through on-going active monitoring of its operating subsidiaries; and
- (iii) To continue to acquire additional companies or businesses, in order to expand and diversify the Company's investments.

The address of the Company's Head Office is #201, 1674 Bertram Street, Kelowna, B.C. V1Y 9G4.

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for the nine months ended September 30, 2018**

Overall Performance

Financial Highlights

The financial results of the Group for the periods indicated below are, as follows:

FINANCIAL PERFORMANCE

	2018	per share		2017	per share	
		basic	dilute		basic	diluted
For the three months ended September 30:						
Total revenue	\$ 13,615,855			\$ 5,946,142		
Gross margin	4,885,398			2,540,806		
Adjusted EBITDA ¹	2,561,140			814,499		
Profit (loss) before tax	1,130,442	0.11	0.10	358,256	0.06	0.06
Profit (loss)	671,942	0.06	0.06	207,137	0.04	0.03
Dividends declared	987,126			552,491		
For the nine months ended September 30:						
Total revenue	\$ 24,379,272			\$ 15,906,853		
Gross margin	9,442,715			6,812,989		
Adjusted EBITDA ¹	3,364,158			2,000,275		
Profit (loss) before tax	1,066,056	0.14	0.13	145,972	0.03	0.02
Profit (loss)	682,956	0.09	0.08	(42,113)	(0.01)	n/a
Dividends declared	2,239,799			1,593,017		

¹ – see IFRS measurement to non-IFRS measurement reconciliation table below.

FINANCIAL POSITION	September 30, 2018		December 31, 2017	
Working capital	\$	10,870,626	\$	5,014,033
Capital assets		5,414,409		1,626,785
Total assets		47,554,779		21,319,538
Loans and borrowings		13,727,292		8,400,853
Equity		24,060,294		7,361,455
Share Information	September 30, 2018		December 31, 2017	
Common shares issued		10,978,732		6,174,376
Common shares issued and outstanding		10,832,066		5,954,377

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	For the three months ended						For the nine months ended					
	September 30, 2018	per share basic	per share diluted	September 30, 2017	per share basic	per share diluted	September 30, 2018	per share basic	per share diluted	September 30, 2017	per share basic	per share diluted
Profit (loss) for the period	\$ 671,942	0.06	0.06	\$ 207,137	0.04	0.03	\$ 682,956	0.09	0.08	\$ (42,113)	(0.01)	n/a
Add (deduct):												
Financing costs (income)	315,339			(73,647)			3,200			364,860		
Income tax expense (recovery)	458,500			151,119			383,100			188,085		
Amortization and depreciation	514,492			266,081			1,033,534			796,212		
EBITDA	1,960,273	0.18	0.17	550,690	0.09	0.08	2,102,790	0.27	0.25	1,307,044	0.22	0.20
Add (deduct):												
Acquisition costs	19,724			-			470,866			-		
Fair value adjustment of inventory on acquisition of businesses	275,333			170,504			336,000			357,142		
Share-based compensation expense	308,419			89,669			458,810			343,890		
Interest (income) expense	(2,609)			3,636			(4,308)			(5,660)		
Gain on sale of equipment	-			-			-			(2,141)		
Adjusted EBITDA	2,561,140	0.24	0.22	814,499	0.14	0.12	3,364,158	0.44	0.40	2,000,275	0.34	0.30

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Discussion of Overall Performance

Q3 Consolidated Financial Highlights

Q3 2018 revenue was \$13.6 million, a 129% increase over Q3 2017. The vast majority of the revenue increase was driven by the Slimline and Hawk acquisitions, although both Blaze King and Unicast also realized revenue increases in the quarter compared to Q3 2017. Similarly, the \$2.4 million, or 92%, increase in gross margin was also primarily driven by the addition of the Slimline and Hawk results. Gross margin percentage overall decreased to 35.9% in Q3 2018, from 42.7% in Q3 2017, due primarily to the change in overall product mix in the relative periods with the acquisitions of Slimline and Hawk.

On a same-business basis, gross margin increased in Q3 2018 relative to Q3 2017 by \$0.2 million. Gross margin percentages for Blaze King increased to 41.7% in Q3 2018 compared to 39.0% in Q3 2017 based on price increases, while Unicast gross margin percentages decreased from 50.5% to 43.8% over the same periods based primarily on the effect of steel tariffs on its products entering the U.S.

Operating expenses increased from \$2.3 million in Q3 2017 to \$3.4 million in Q3 2018. The primary drivers of the increase are increased salaries, wages and benefits and increased occupancy costs, based on increased scale with the acquisitions of Slimline and Hawk.

Financing costs comprise interest expense and foreign exchange gains and losses. The Q3 2018 expense is primarily a result of a partial reversal in unrealized foreign exchange gains from the first half of the year, but also includes a \$0.1 million increase in interest expense relative to Q3 2017, based on higher overall debt levels. In Q3 2017, unrealized foreign exchange gains drove the overall financing income for the quarter.

Adjusted EBITDA for Q3 2018 was \$2.6 million, a \$1.8 million, or 225%, increase relative to Q3 2017. The increase in adjusted EBITDA was driven primarily by the acquisitions of Slimline and Hawk in Q2 2018, and the \$2.2 million of additional gross margin that these businesses generated on a combined basis in Q3 2018.

Nine-Month Consolidated Financial Highlights

Revenue for the nine months ended September 30, 2018 for the Company was \$24.4 million, an increase of 53% over the same period in the prior year. The primary driver of the increase for the nine-month period ended September 30, 2018 was the addition of the operating results from both Slimline and Hawk from their acquisition dates, May 30, 2018 and June 28, 2018 respectively. Over the same period, gross margin increased by 39% to \$9.4 million, while gross margin percentage has decreased to 38.7% from 42.8%.

In terms of the businesses in place in the current and comparative periods, revenues at Blaze King increased 7.9% whereas revenues at Unicast decreased 1.1% year-over-year. Gross margin percentage at Blaze King increased by 1% to 39.8%, while gross margin percentage at Unicast decreased by half a percent to 48.6%.

The decline in gross margin percentage for the Group overall has been driven primarily by the change in overall product mix in the period, with the acquisitions of Slimline and Hawk. Additionally, the Group's interim results are impacted by seasonality factors primarily driven by weather patterns in North America, including the impact on heating and planting and harvesting seasons, as well as the timing of ground freeze and thaw in Western Canada and the effect thereof on the oil and gas industry. Blaze King's business historically experiences lower demand in the first and second quarters of the calendar year, Slimline's business historically experiences lower demand in the third quarter and Hawk's business historically experiences lower demand in the second quarter. Seasonality does not have a significant impact on Unicast's business. In each subsidiary, there are substantial fixed costs that do not

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meaningfully fluctuate with product demand in the short-term. Based on the offsetting periods of low demand, compared to the businesses in place to start the fiscal year, the two acquisitions completed in 2018 have, and will continue to, partially mitigate the effect of seasonality on the Group's interim results.

Operating expenses increased from \$6.3 million for the nine-month period ended September 30, 2017 to \$8.4m for the nine-month period ended September 30, 2018, an increase of 33%. The primary drivers of the increase were: increased professional fees of \$0.6 million, which includes acquisition costs of \$0.5 million; and increased salaries, wages and benefits of \$1.4 million, based on increased scale with two newly acquired businesses.

As described above, financing costs comprise interest expense and foreign exchange gains and losses. Overall, year-over-year financing costs decreased as increases in interest expense, based on an increase in debt between the periods, were more than offset by foreign exchange gains in the nine months ended September 30, 2018.

Adjusted EBITDA for the nine-month period ended September 30, 2018 was \$3.4 million, a \$1.4 million, or 68%, increase from the same period in 2017. Adjusted EBITDA increased due primarily to the acquisitions of Slimline and Hawk in Q2 2018.

Business Overview

The Company currently has five segments comprised of head office and four operating divisions: Blaze King; Unicast, Slimline and Hawk. It is the intention of the Company to acquire additional businesses in the manufacturing sector as opportunities present themselves. An overview of the businesses of the four operating divisions of the Company is set forth below.

Blaze King

On February 27, 2015, the Company acquired PGR Ventures Inc. which carries on business through its wholly-owned subsidiary, Valley Comfort Systems Inc. and its wholly-owned subsidiary, Blaze King Industries Inc. This transaction served as the Company's "qualifying transaction" for the purposes of the Exchange. PGR Ventures Inc., Valley Comfort Systems Inc. and Blaze King Industries Inc. are herein collectively referred to as "Blaze King".

The business of Blaze King is producing and selling high-quality, high-efficiency wood burning stoves, all manufactured in its premises in Penticton, British Columbia and Walla Walla, Washington. Blaze King has been operating since 1977, and its hearth products are sold worldwide. Blaze King's stoves are recognized as some of the longest-burning, most high efficiency stoves in the hearth market. Blaze King management believes that Blaze King's stoves have developed a strong reputation for quality. These factors have helped build the Blaze King brand and reputation, which drives sales through dealer and customer loyalty. Blaze King has a growing distribution base that includes distributors across Canada and the United States.

Unicast

On June 23, 2016, the Company completed its second business acquisition when it acquired Unicast Inc. ("Unicast"). The purchase consideration included 293,332 shares that are only issuable contingent upon the continued employment of two shareholders for a period of three years through June 2019 (the "Employment Period"). As at nine months ended 2018, 183,332 of these shares remain in escrow.

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The business of Unicast is producing and distributing wear parts and valves for the mining, aggregate and cement industries. Wear parts are consumable parts for machinery that wear out when crushing rock, which is done extensively in the mining, aggregate and cement industries. Unicast has been in operation since 1994.

Unicast is focused on providing wear parts that are more durable and last much longer than the products of its competitors. Unicast's products are also designed to have fewer issues regarding installation and maintenance. Unicast management believes that these are Unicast's primary competitive advantages over its competitors.

Unicast offers its customers volume discount options, as well as a corporate discount program. Unicast offers a "Make and Hold Finance Program" wherein a customer only pays for product as it is used. The program guarantees on-site part supply, bulk shipping and a volume discount. Additionally, Unicast has a growing dealer distribution base that includes distributors across Canada and the United States, with planned growth in Latin America and Asia.

Slimline

On May 30, 2018, the Company completed its third business acquisition when it acquired Slimline Manufacturing Ltd. and its wholly-owned subsidiary, Slimline Manufacturing (2016) Ltd. (collectively, "Slimline"). The purchase consideration included a combination of cash and common shares, and additionally, includes a contingent consideration component should certain financial targets be met for the twelve-month period ended July 31, 2018. As of the date of this MD&A, the contingent consideration has not yet been finalized.

Slimline and predecessor companies have been manufacturing and selling air blast sprayers since 1948. The air blast sprayers are used primarily in the agricultural industry to apply treatments to crops. Slimline also manufactures and sells wastewater evaporators primarily used in the mining and oil industries. In addition to its two main product lines, Slimline manufactures custom products and sells various sprayer and evaporator parts. Slimline's sprayers and evaporators utilize common technology including pumps and turbines.

Slimline sells these sprayers under the name "Turbo Mist" which includes a heavy-duty series, a standard series, a cherry blower, a multi-row air blast sprayer and a rotomister sprayer used to combat insect plagues. Slimline's sprayers are sold through its dealer network comprised of 10 dealers situated in Canada and 34 dealers situated in the United States.

Slimline's evaporator division has been in operation since 1996. It produces a patented, portable, industrial product lineup which has been developed to meet specific customer needs in the wastewater treatment marketplace. Key industries which use evaporators to handle wastewater treatment include conventional oil production, oil sands production, shale oil production, food processing, and mining. Slimline's evaporators are sold into markets throughout the world.

Hawk

On June 28, 2018, the Company completed its fourth business acquisition when it acquired Hawk Machine Works Ltd. ("Hawk"). The purchase consideration included a combination of cash and common shares.

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Hawk was founded in 1998 and is positioned in the computer numerical control (CNC) machining/fabrication market as a complete turnkey solution for customized machining products. Hawk is a supplier for value-add CNC machining specializing in down-hole fracking tools. Hawk routinely executes purchase orders requiring mass production capability, assembly, and testing of machined products.

Over the last five years, customers of Hawk have primarily been market participants in the down hole tool sector of the oil and gas industry, power utility generation, appliance, and other original equipment manufacturers. Products and services include: general machining; fracking tools; ground and subsurface tools; rods and couplings; reconditioning services; and resale parts.

Hawk's primary focus is on servicing producers of multi-stage fracking sleeves for the oil and gas industry. Hawk is currently the only turnkey supplier for its main customer: Hawk's historical failure rate is less than 0.005%. Hawk routinely delivers product direct to end-users rather than customers' facilities for inspection.

In this MD&A, the Company and its subsidiaries, collectively, are referred to as the "Group".

Industry Trends

North American Hearth Industry

Design trends for the hearth industry continue to evolve, and consumer tastes vary from region to region in regional markets: rural markets continue to favor traditional designs while urban areas tend to favor modern designs. Eastern North American markets place more emphasis on cast iron surfaces while western North American markets prefer steel finishes. Regional variances can also be seen in fuel choices: gas remains the most desirable fuel in urban areas as a plentiful supply is available, whereas wood remains the fuel choice in rural areas.

Blaze King offers a wide variety of designs. Whether it is cast iron or steel including painted or enamel color finishes, modern or a traditional design, gas or wood, freestanding or insert, Blaze King has a model that will meet most regional variances.

Mining, Aggregate, and Cement Wear Parts Industry

Industry trends in the mining, aggregate and cement plant wear-parts industry (in which Unicast operates) include a shift towards different alloys and metals and away from traditional manganese and steel fabrication. Demand for titanium carbide wear parts and ceramic imbedded wear parts is continuing to grow due to the increases in wear life attributed to these new innovations. Unicast has developed titanium carbide and ceramic imbedded wear parts over the last several years and is in a position to improve its market share in both of these areas by continuing to add more titanium carbide products to its current product line and continue introducing new ceramic embedded products as they are designed and tested.

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North American Agricultural Industry

Technological developments in agriculture have been influential in driving changes in the farm sector. Innovations in animal and crop genetics, chemicals, equipment, and farm organization have enabled continuing output growth without adding much to inputs. As a result, even as the amount of land and labor used in farming declined, total farm output more than doubled between 1948 and 2015. As the Agriculture industry continues to focus on efficiency and productivity, producers will continue to embrace revolutionary strategies for producing food, increasing productivity, and making sustainability a priority. The major advancement in spray application technology over the next few years will be in the area of matching the sprayer characteristics to the target canopy. This will be accomplished by using a system of sensors that detect the height, shape, and density of the tree and adjust the sprayer, air jet(s), spray droplet size, and spray application rate to match the target tree. Slimline is working to adapt to these changing conditions in the industry.

North American Oil and Gas Industry

Hawk's products are primarily sold to one customer in the North American exploration and production ("E&P") industry. Hawk's ability to generate revenues from its products depends upon oil and natural gas drilling and production activity in North America, which in turn is directly related to oil and natural gas prices.

Over the past several years, North American E&P companies have been able to reduce their cost structures in response to lower oil and natural gas prices and have also utilized technologies to increase efficiency and improve well performance. Sustained declines in commodity prices, combined with potential increases in the cost of drilling and completing wells resulting from high utilization in certain oilfield services categories could lead North American E&P companies to reduce drilling and completion activity, which could negatively impact Hawk's business.

In recent years, E&P companies have drilled longer horizontal wells and completed more hydraulic fracturing stages per well to maximize the volume of hydrocarbon recoveries per well. This trend towards more complex wells has resulted in selling more sleeves per well on average, which increases the revenue opportunity per well completion. Additionally, E&P companies have become increasingly focused on well productivity through optimization of completion designs and we believe this trend may further the adoption of pinpoint stimulation, and in turn, increase the opportunity for machining of products if operators observe benefits and long-term production results from the application of pinpoint stimulation.

Risks and Uncertainties

There were no changes to the principal risks and uncertainties from those reported in the Group's MD&A for the year ended December 31, 2017, except as outlined in "Risk Factors" later in this MD&A.

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Summary of Quarterly Results

For the three months ended	September 30, 2018	June 30, 2018	March 31, 2018	December 31, 2017
	(\$)	(\$)	(\$)	(\$)
Revenue	13,615,855	5,301,725	5,461,692	7,543,971
Profit (loss) before taxes	1,130,442	(321,995)	257,609	427,865
Income tax expense (recovery)	458,500	(60,400)	(15,000)	(123,085)
Profit (loss)	671,942	(261,595)	272,609	550,950
Total comprehensive income (loss)	847,090	(430,278)	402,579	121,390
Total assets	47,554,779	43,142,413	20,866,566	21,319,538
Common shares issued and outstanding	10,832,066	10,268,708	5,996,871	5,954,377
Weighted average shares outstanding				
- basic	10,707,979	6,092,748	5,976,910	5,934,652
Weighted average shares outstanding				
- diluted	11,705,876	6,707,894	6,371,028	6,714,514
Profit (loss) per share - basic	0.06	(0.04)	0.05	0.09
Profit (loss) per share - diluted	0.06	n/a	0.04	0.08
For the three months ended	September 30, 2017	June 30, 2017	March 31, 2017	December 31, 2016
	(\$)	(\$)	(\$)	(\$)
Revenue	5,946,142	4,903,048	5,057,663	7,546,559
Profit (loss) before taxes	358,256	(56,034)	(156,250)	1,177,144
Income tax expense (recovery)	151,119	8,536	28,430	169,895
Profit (loss)	207,137	(64,570)	(184,680)	1,007,249
Total comprehensive income (loss)	55,536	(149,678)	(58,252)	1,140,963
Total assets	21,585,102	21,854,861	22,351,227	22,214,218
Common shares issued and outstanding	5,922,166	5,916,060	5,842,727	5,763,163
Weighted average shares outstanding				
- basic	5,853,832	5,821,260	5,793,850	5,755,396
Weighted average shares outstanding				
- diluted	6,665,905	6,635,350	5,997,591	6,701,804
Profit (loss) per share - basic	0.04	(0.01)	(0.03)	0.18
Profit (loss) per share - diluted	0.03	n/a	n/a	0.15

For a discussion of the factors that have caused variations in results over the three most recently completed financial quarters of the Company, see "Discussion of Operations" below.

Discussion of Operations

Blaze King

Three Months Ended September 30, 2018

During the three-month period ended September 30, 2018, Blaze King recorded revenues of \$4.2 million compared to \$4.0 million in Q3 2017. The 5.7% increase in sales over the same period in the prior year was primarily a result of increased pricing as well as sales into new markets.

During the three-month period ended September 30, 2018, Blaze King realized gross margins of \$1.8 million or 41.7% compared to \$1.6 million or 39.0% in Q3 2017. The increase in gross margin over the prior period is as a result of higher selling prices implemented in 2018 to offset raw material price increases. Additionally, gross margin percentages can fluctuate between the quarters as a result of Blaze King's early-buy program, which is normally in place in the first half of the year, wherein dealers and distributors can choose between receiving a sales discount, or extended payment terms.

Nine Months Ended September 30, 2018

During the nine-month period ended September 30, 2018, Blaze King achieved revenues of \$10.4 million compared to \$9.7 million in the same period in 2017. The 7.9% increase in sales over the same period in the prior year was a result of a year-over-year increase in units sold as well as pricing increases, which took effect in Q3 2018. The increase in units sold was a result of the success of Blaze King's early buy program, as dealers and distributors took advantage of sales and shipping incentives in the first half of 2018, as well as sales into new markets.

During the nine-month period ended September 30, 2018, Blaze King realized gross margins of \$4.2 million or 39.8%, compared to \$3.7 million or 38.8%, in the same period in 2017. Gross margin is slightly higher relative to the prior period as the Company has more than offset price increases in raw materials with increased sales prices.

As noted above, Blaze King's business is highly seasonal, with the first and second quarters being the slowest of the year. Traditionally, Blaze King has experienced between 35% – 40% of its sales in the first two quarters of the year, and 60% – 65% of its sales in the last two quarters of the year. Blaze King has substantial fixed costs that do not meaningfully fluctuate with product demand in the short-term. This pattern is expected to continue through the remainder 2018 and 2019.

Unicast

Three Months Ended September 30, 2018

In the three-month period ended September 30, 2018, Unicast recorded \$2.2 million of sales revenue and gross margin of \$1.0 million, or 43.8%. In Q3 2017, Unicast's gross margin was \$1.0 million, or 50.5%, on revenue of \$1.9 million. The decrease in gross margin percentage over the comparative period is primarily a result of steel tariffs on its products entering the U.S. as well as a change in sales-product mix.

Nine Months Ended September 30, 2018

In the nine-month period ended September 30, 2018, Unicast realized \$6.2 million of sales revenue and gross margin of \$3.0 million, or 48.6%. In the same period in 2017, Unicast's gross margin was \$3.1 million, or 49.1%, on revenue of \$6.2 million. Gross margins for Unicast have remained relatively flat year-over-year as increased tariffs on steel products sold into the U.S. in Q3 2018 have partially offset the 2017 fair value charges on Unicast inventory initially acquired as part of the business acquisition.

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Slimline

Three and Nine Months Ended September 30, 2018

As noted above, the Slimline transaction was completed on May 30, 2018, and accordingly, only four months of results have been included in the nine-month period ended September 30, 2018. Slimline realized revenues of \$1.6 million and gross margin of \$0.3 million, or 15.4%, since being acquired. In Q3 2018, Slimline's gross margin was \$0.2 million, or 13.2%, on \$1.1 million of revenue.

Slimline's business is highly seasonal, with the first and fourth quarters being the strongest of the year, and the third quarter being the slowest. Slimline has substantial fixed costs that do not meaningfully fluctuate with product demand in the short-term. This pattern is expected to continue through the remainder of 2018 and 2019. Additionally, included in the year-to-date gross margins above are \$0.2 million in non-cash charges to expense the fair value increment of acquired inventories sold in the period that were originally valued as part of the initial purchase in a business acquisition and \$0.1 million of intangible asset amortization. The effect of these non-cash charges, on what is historically the slowest quarter for Slimline, was meaningful. Absent these charges, Slimline's gross margin would have been of \$0.6 million, or 33.4%, for the four months since being acquired, and \$0.4 million, or 32.2%, for Q3 2018.

Hawk

Three and Nine Months Ended September 30, 2018

The Hawk acquisition was closed effective June 28, 2018 and accordingly, Hawk's Q3 results are also the results for the year-to-date. Hawk realized revenues of \$6.1 million and gross margin of \$2.0 million, or 33%, since being acquired.

Decisive Dividend Corporation ("Head Office")

Three Months Ended September 30, 2018

During the three-month period ended September 30, 2018, Head Office expended \$0.7 million on corporate activities (\$0.3 million in 2017), an increase of \$0.3 million, or 113.3%. The increase was driven by primarily by a \$0.2 million increase in share-based compensation expense on options granted to directors, officers and employees in Q3 2018, and by an increase in financing costs as a result of the additional debt issued in 2018 in connection with the acquisitions completed in the second quarter.

Nine Months Ended September 30, 2018

During the nine-month period ended September 30, 2018, Head Office expended \$1.9 million on corporate activities (\$1.0 million in 2017), an increase of \$0.9 million, or 89.1%. The most significant expenses during this period were: financing costs of \$0.4 million (\$0.2 million in 2017); professional fees of \$0.6 million (\$0.1 million in 2017); and share-based compensation expense of \$0.5 million relating to the Employee Share Purchase Plan, option grants and Contingent Shares issued to Unicast vendors (\$0.3 million in 2017). The increase in financing costs is as a result of the new debt arrangements entered into in 2017, as interest on debt relating to the Unicast acquisition was previously recognized in Unicast, as well as the additional debt issued in 2018 in connection with the acquisitions completed during the year. The increase in professional fees of \$0.5 million is due primarily to acquisition costs incurred to date in 2018.

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Liquidity and Capital Resources

As at September 30, 2018, the Company had a net cash deficit position of \$0.1 million (December 31, 2017 - net cash of \$1.2 million) and net working capital of \$10.5 million (December 31, 2017 - \$5.0 million).

	September 30, 2018	December 31, 2017	Change
Cash and cash equivalents	\$ (55,591)	\$ 1,183,610	\$ (1,239,201)
Accounts receivable	10,699,589	4,134,775	6,564,814
Inventory	8,461,422	4,514,302	3,947,120
Prepaid expenses	656,615	307,576	349,039
Accounts payable	(6,361,543)	(3,610,375)	(2,751,168)
Dividends payable	(329,361)	(185,230)	(144,131)
Warranty provision	(364,852)	(339,466)	(25,386)
Prepaid deposits	(168,735)	(63,159)	(105,576)
Current portion of long-term debt	(1,666,918)	(928,000)	(738,918)
Net working capital	\$ 10,870,626	\$ 5,014,033	\$ 5,856,593

Dividends Declared and Paid

The Company's dividend policy is to pay cash dividends on or about the 15th of each month to shareholders of record on the last business day of the previous month. The Company's Board of Directors regularly examines the dividends paid to shareholders.

Cumulative dividends for the nine months ended September 30, 2018 and 2017 are as follows:

	September 30, 2018	September 30, 2017
Cumulative dividends, beginning of period	\$ 4,347,698	\$ 2,200,522
Dividends during the period	2,239,799	1,593,017
Cumulative dividends, end of period	\$ 6,587,497	\$ 3,793,539

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The amounts and record dates of the dividends for the nine months ended September 30, 2018 and 2017 are as follows:

Month	2018		2017	
	Per share (\$)	Dividend Amount (\$)	Per share (\$)	Dividend Amount (\$)
January	\$ 0.03	185,951	\$ 0.025	\$ 151,668
February	0.03	185,951	0.025	152,531
March	0.03	186,506	0.030	184,082
April	0.03	186,530	0.030	184,082
May	0.03	195,274	0.030	184,082
June	0.03	312,461	0.030	184,082
July	0.03	328,642	0.030	184,113
August	0.03	329,122	0.030	184,113
September	0.03	329,362	0.030	184,265
October	-	-	0.030	184,265
November	-	-	0.030	184,663
December	-	-	0.030	185,230
Total	\$ 0.27	\$ 2,239,799	\$ 0.350	\$ 2,147,176

Subsequent to September 30, 2018 and before the filing of this MD&A, the Company undertook the following dividend actions:

- a dividend of \$0.03 per share was declared on October 15, 2018 for shareholders of record on September 30, 2018 and will be paid on November 15, 2018.

Short-Term Debt

The Group has an operating loan facility authorized up to \$5.0 million, bearing interest at the lender's prime rate plus 0.75%. As at September 30, 2018, \$0.1 million was owing on the facility (September 30, 2017 – authorized facility of \$4.0 million which was unused).

The operating loan facility and long-term debt, as described below, are secured by a general security agreement, assignment of insurance, and guarantees. In addition, the Company and its subsidiaries have agreed to maintain the following ratios as a group:

- Maximum total funded debt to EBITDA of 3.5:1
- Minimum Fixed Charge Coverage ratio of 1:1:1

As at September 30, 2018, the Group was in compliance with these ratios.

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Long-Term Debt

	September 30, 2018	December 31, 2017
Bank of Nova Scotia demand loan repaid during the period	\$ -	\$ 8,145,833
Bank of Nova Scotia demand loan paid through monthly instalments of \$124,887 monthly plus interest at the bank's prime rate plus 1.25% interest. The loan matures in May 2021, at which point the residual \$9,224,901 is repayable in full net of financing costs	13,221,284	-
Bank of Nova Scotia term equipment finance loan repayable at US\$815 monthly including interest at 5.78% maturing in January 2021	21,712	-
Bank of Nova Scotia term equipment finance loan repayable at \$18,813 quarterly including interest at 5.11% maturing in August 2021	208,000	-
Trumpf Finance term loan paid through monthly instalments of US\$662 monthly including interest at 2.15% interest. The loan matures in April 2021 and is secured by property and equipment	25,685	-
Trumpf Finance term loan paid through monthly instalments of US\$5,865 monthly including interest at 4.15% interest. The loan matures in July 2021 and is secured by property and equipment	242,297	292,454
	13,718,978	8,438,287
Less: current portion	(1,666,918)	(928,000)
Long-term portion	12,052,060	7,510,287
Less: debt issuance costs	(47,277)	(37,434)
Total long-term debt	\$ 12,004,783	\$ 7,472,853

Principal payments required over the next four years are estimated as follows:

2018 (remainder)	\$ 415,842
2019	1,668,101
2020	1,675,941
2021	9,959,094
	13,718,978
Less: current portion	(1,666,918)
Long-term portion	\$ 12,052,060

Off-Balance Sheet Arrangements

The Group has no off-balance sheet arrangements.

Related Party Transactions

The Group's related parties consist of directors, officers and key management or companies associated with them.

Key management, including directors and officers of the Group, are those personnel having the authority and responsibility for planning, directing, and controlling the Group.

Salaries and benefits, bonuses and share-based payments are included in compensation expenses. Key management compensation for the nine-month period ended September 30, 2018 included \$0.16 million of salary and benefits and \$0.21 million in share-based compensation expense (September 30, 2017 - \$0.13 million of salary and benefits). Currently, the Chief Executive Officer position is unpaid. The Chief Operating Officer position became a paid position in September 2018.

Since the inception of the Company, no cash compensation has been distributed to directors in their capacity as directors.

During the nine-month period ended September 30, 2018, the Group incurred legal fees of \$23,861 (2017 - \$12,318) with a law firm in which a director of the Group was a partner.

Changes in Accounting Policies

The significant accounting policies and methods of computation used in the preparation of these interim condensed consolidated financial statements are the same as those disclosed in Note 3 to the Group's 2017 audited financial statements, except as described below under IFRS 9 and IFRS 15.

(i) IFRS 9: *Financial Instruments*

Effective January 1, 2018, the Group adopted IFRS 9: Financial Instruments. IFRS 9 superseded IAS 39: Financial Instruments: Recognition and Measurement. The standard includes requirements for recognition, measurement, impairment and derecognition of financial assets and liabilities, as well as general hedge accounting. The Group adopted IFRS 9 on a retrospective basis without restatement of comparative financial information. The adoption of IFRS 9 has had no impact on the Group's interim financial statements or opening retained earnings.

Under IFRS 9 the Group measures financial assets at amortized cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows;
- and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Under IFRS 9 the Group measures financial liabilities initially at fair value and subsequently at amortized cost.

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. Under IFRS 9, credit losses are recognized earlier than under IAS 39. The Group has elected to measure loss allowances for trade receivables at an amount equal to lifetime ELCs, which are the ELCs expected to result from all possible default events over the life of a financial instrument. There was no material effect on the carrying value of the Group's financial assets under IFRS 9 related to this new requirement.

(ii) IFRS 15: *Revenue from Contracts with Customers*

Effective January 1, 2018, the Group adopted IFRS 15: *Revenue from Contracts with Customers*. IFRS 15 superseded IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations. Under IFRS 15, revenue is recognized when a customer obtains control of the goods or services. Determining the timing of the transfer of control – at a point in time or over time – requires judgement. The standard establishes a framework based on transfer of control for determining how much and when revenue is recognized and includes expanded disclosure requirements for annual financial statements. Adoption of IFRS 15 has had no impact on the Group’s interim financial statements or on opening retained earnings and did not result in a restatement of comparative figures. The Group did not use practical expedients in its adoption of IFRS 15.

Internal Controls Over Financial Reporting

The Chief Executive Officer and Chief Financial Officer of the Company, in accordance with National Instrument 52-109 (“NI 52-109”), have both certified that they have reviewed the most recent interim financial report and this MD&A (the “Interim Filings”) of the Company and that, based on their knowledge having exercised reasonable diligence: (a) the Interim Filings do not contain any untrue statement of a 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 was made with respect to the period covered by the Interim Filings; and (b) the interim financial report together with the other financial information included in the Interim Filings fairly present in all material respects the financial condition, financial performance and cash flows of the Company as of the date of and for the periods presented in the Interim Filings.

Investors should be aware that there are inherent limitations on the ability of the certifying officers to cost effectively design and implement Disclosure Controls and Procedures and Internal Controls over Financial Reporting (as those terms are used in NI 52-109). This may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Risk Factors

The Company and its subsidiaries (“Subsidiary” or “Subsidiaries”) are subject to a number of risks. These risks relate to the organizational structure of the Company and to the operations of the Subsidiary entities. There were no changes, other than those noted below, to the principal risks and uncertainties from those reported in the Group’s MD&A for the year ended December 31, 2017.

Risk Relating to Acquisitions

With respect to Slimline and Hawk, there can be no assurance that the operating performance and financial results of those companies after they have been acquired by the Corporation will reflect the past operating performance or financial results of such companies.

In addition, while the Corporation seeks to identify and exploit potential synergies among its various Operating Subsidiaries, there can be no assurance that the Corporation will successfully identify potential synergies or exploit such synergies for the benefit of the Corporation.

The Hawk Business is subject to customer concentration risk in that the financial performance of Hawk during recent financial periods was substantially the result of business conducted with a primary customer. Based upon the Corporation’s due diligence, management of the Corporation believes that the primary customer will continue to conduct business with Hawk following the completion of the Hawk acquisition in a similar amount and on similar terms to the business conducted with Hawk prior to the completion of the Hawk Acquisition. However, there can be no assurance that this will be the case. In the event that Hawk’s primary customer reduces the amount of business that it conducts with Hawk, or does

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not conduct business with Hawk on similar terms, there would be a material adverse effect on the financial performance of the Hawk. Although Hawk has the objective of diversifying its customer base and the industries that it serves, there can be no assurance that Hawk will achieve such objective.

Proposed Transactions

The Company does not have any asset or business acquisitions or dispositions that management believes are probable to proceed at this time.

Financial Instruments and Other Instruments

Fair Value Measurement of Financial Assets and Liabilities and Disclosure

The Group has established a fair value hierarchy that reflects the significance of inputs of valuation techniques used in making fair value measurements as follows:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Group's financial assets and financial liabilities including long-term debt are measured at fair value by level within the fair value hierarchy described above. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The Group's policy is to recognize transfers in and out of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfer. There were no such transfers during the current period.

Fair Value Disclosures

At September 30, 2018 and September 30, 2017, long-term debt is measured and recognized in the consolidated statement of financial position at fair value as a level 2 financial instrument. Management determined that the fair value of the debt due to its interest rate at approximately market lending rates, approximates the fair value.

The carrying values of cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities, approximate their fair value due to their short-term nature.

Financial Risk Management

The Group's primary business activities consist of the acquisition of corporations in the manufacturing sector. The business plan of the Company is to acquire profitable, well-established companies with strong cash flows to create a portfolio of diversified and strong returns. The Company examines the various financial risks to which it is exposed and assesses the impact and likelihood of occurrence. These risks may include liquidity risk, credit risk, currency risk, and interest rate risk. The Company's risk management program strives to evaluate the unpredictability of financial and commodity markets and its objective is to minimize the potential adverse effects of such risks on the Group's financial performance, where financially feasible to do so. When deemed material, these risks may be monitored by the Group's

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corporate finance group and they are regularly discussed with the Company's board of directors or one of its committees.

The contractual maturities of financial instruments are as follows:

2018	Carrying value	Total contractual cash flows	Less than 1 year	1 - 5 years	More than 5 years
Accounts payable	\$ 6,361,543	\$ 6,361,543	\$ 6,361,543	\$ -	\$ -
Dividends payable	329,361	329,361	329,361	-	-
Long-term debt	13,671,701	15,222,447	2,281,163	12,941,284	-
Leases	2,182,485	2,182,485	591,502	1,270,983	320,000
	\$ 22,545,090	\$ 24,095,836	\$ 9,563,569	\$ 14,212,267	\$ 320,000

2017	Carrying value	Total contractual cash flows	Less than 1 year	1 - 5 years	More than 5 years
Accounts payable	\$ 3,610,375	\$ 3,610,375	\$ 3,610,375	\$ -	\$ -
Dividends payable	185,230	185,230	185,230	-	-
Long-term debt	8,400,853	9,280,743	1,286,344	7,994,399	-
Leases	767,606	767,606	270,700	496,906	-
	\$ 12,964,064	\$ 13,843,954	\$ 5,352,649	\$ 8,491,305	\$ -

The Group's credit risk is predominantly limited to cash and cash equivalent balances held in financial institutions, and the recovery of the Group's accounts receivable. The maximum exposure to the credit risk is equal to the carrying value of such financial assets. At September 30, 2018, the Company expects to recover the full amount of such assets, less any allowance for doubtful accounts in accounts receivable.

The following details the aging of the Group's trade accounts receivable:

	September 30, 2018		December 31, 2017		
Current	\$	5,230,329	61.2%	\$ 3,143,563	68.2%
31-60 days		803,806	9.4%	647,554	14.1%
61-90 days		1,187,588	13.9%	232,651	5.1%
>90 days		1,317,659	15.4%	582,748	12.7%
	\$	8,539,382	100.0%	\$ 4,606,516	100.0%

The increase in amounts due for over 60 days, relative to December 31, 2017, is a result of Blaze King's early buy program wherein certain sales under the program are not payable until the fourth quarter. Similarly, Slimline also offers extended terms to customers to drive sales during its slower third quarter wherein certain cases the sales are not payable until Q1 2019.

The Group's functional currency for Blaze King USA and Unicast is the US dollar ("USD"), while all other entities in the group have a Canadian dollar functional currency ("CAD"), and the reporting currency is the Canadian dollar, therefore the Group's earnings and total comprehensive income are in part impacted by fluctuations in the value of USD in relation to CAD.

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The table below summarizes the quantitative data about the Group's exposure to currency risk:

2018	Entities with a CAD functional currency		Entities with a USD functional currency		Total
	CAD	USD	CAD	USD	
Cash	\$ (659,256)	\$ 685,618	\$ (365,622)	\$ 283,669	\$ (55,591)
Accounts receivable	6,507,446	1,511,334	463,910	2,216,899	10,699,589
Accounts payable	(6,760,727)	(1,291,771)	644,595	1,046,360	(6,361,543)
Dividend payable	(329,361)	-	-	-	(329,361)
Long-term debt	(13,382,007)	(289,694)	-	-	(13,671,701)
Net exposure	(14,623,905)	615,487	742,883	3,546,928	(9,718,607)

5% strengthening USD vs. CAD:

Impact on profit (loss)	\$ 30,774	\$ (37,144)	\$ (6,370)
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2017	Entities with a CAD functional currency		Entities with a USD functional currency		Total
	CAD	USD	CAD	USD	
Cash	\$ 614,994	\$ 296,177	\$ 83,603	\$ 188,836	\$ 1,183,610
Accounts receivable	860,639	875,538	486,251	1,912,347	4,134,775
Accounts payable	(1,453,788)	(352,758)	(456,537)	(1,347,292)	(3,610,375)
Dividend payable	(185,230)	-	-	-	(185,230)
Long-term debt	(8,108,399)	(292,454)	-	-	(8,400,853)
Net exposure	(8,271,784)	526,503	113,317	753,891	(6,878,073)

5% strengthening USD vs. CAD:

Impact on profit (loss)	\$ 26,325	\$ (5,666)	\$ 20,659
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The calculations above are based on the Group's statement of financial position exposure at September 30, 2018 and December 31, 2017 respectively.

The Group is exposed to interest rate risk on its operating loan and demand loan credit facilities, as described under the headings "Short-term Debt" and "Long-term Debt" earlier in this MD&A, due to the interest rate on these facilities being variable. Of the Group's interest-bearing debt at September 30, 2018, 96% was variable rate (December 31, 2017 - 97%). The Group does not enter into derivative contracts to manage this risk.

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The table below summarizes the quantitative data about the Group's exposure to interest rate risk:

Interest rate risk	September 30, 2018	December 31, 2017
Floating instruments	\$ 13,221,284	\$ 8,145,833
Average balance	10,683,558	8,190,692
Impact on profit (loss) of a change in interest rates:		
-1%	106,800	81,900
+1%	\$ (106,800)	\$ (81,900)

Disclosure of Outstanding Share Data

The following table sets forth the Company's share capital data as at November 13, 2018, September 30, 2018 and December 31, 2017. Each stock option and each agents' warrant entitle the holder thereof to purchase one common share of the Company.

	November 13, 2018	September 30, 2018	December 31, 2017
Common shares, basic	10,852,966	10,832,066	5,954,377
Contingent common shares	146,666	146,666	219,999
Common shares issued	10,999,632	10,978,732	6,174,376
Stock options outstanding	803,500	824,000	506,000
Agents' warrants outstanding	241,951	242,351	53,863
Common shares, fully diluted	12,045,083	12,045,083	6,734,239

Please refer to the financial statements of the Group for a detailed listing of all share issuances for the three and nine-month period ended September 30, 2018.

Escrowed Shares

As at September 30, 2018, there were 1,119,457 shares in escrow (December 31, 2017 – 274,998) relating to the Company's acquisitions, as follows:

- Unicast – 183,332 to be released on June 23, 2019
- Slimline – 257,733 to be released at one-third per year until May 30, 2021
- Hawk – 678,392 to be released at one-third per year until June 28, 2021

Subsequent Event

See "Dividends Declared and Paid" above.

Outlook

Acquisition Strategy

The Company has continued to execute on its acquisition strategy in 2018. During the nine-months ended September 30, 2018, the Company completed two acquisitions: Slimline and Hawk – see note 4 in the financial statements for details of the acquisitions. These transactions serve to further diversify the Company, significantly expand its manufacturing customer base, and strategically strengthen its and product offerings.

As disclosed in note 4 to the financial statements, as a result of the completion of the Slimline and Hawk acquisitions, had the business combination been effective from January 1, 2018, the Company would have recognized additional profits of approximately \$2.5 million to September 30, 2018. We anticipate the financial results of the acquisitions for the remainder of 2018 and 2019 to be consistent with expectations.

Market Conditions – Blaze King

Blaze King saw continued demand in the first nine months of 2018 and recognized approximately 7.9% more in revenue year-over-year.

Blaze King finalized the certification process for its BX24 Boxer freestanding woodstove in Q3 of 2017. This modern looking stove, featuring a large ‘wide screen’ glass door and wood storage, is now in production and began shipping to customers in February of 2018. The second offering in the Blaze King gas line up, the Clarity 2118 Gas fireplace, passed the testing and approval process and shipments began at the end of Q2 2018.

Blaze King has a number of projects currently being developed in its R&D facilities in both Walla Walla, Washington and Penticton, British Columbia. At the Hearth Products Association show in March of 2018, Blaze King displayed prototypes of the new Clarity 31 gas insert and the new Clarity 4416 linear gas fireplace. These new products will further deepen the gas offering from Blaze King. These new products are part of an overall growth strategy to go beyond the core wood business. Blaze King also displayed a new Sirocco 13 wood fireplace insert prototype. This firebox will help fill a previously untapped market niche for Blaze King.

Management of Blaze King believes that the Blaze King brand has significant opportunities for growth in both the wood and gas sectors of the hearth industry. Blaze King’s distribution network in eastern Canada and the northeastern United States is now established and it is anticipated by management that this will lead to Blaze King increasing its market share in these areas.

There are also market opportunities for Blaze King’s wood products in Europe, New Zealand and Australia. Consumers in these markets have inquired in the past as to the availability of Blaze King’s products in their respective markets. A major driver of these inquiries is Blaze King’s long and efficient burn times with low emission levels. The exceptional performance of Blaze King’s wood products is created by its unique controlled combustion technology. In Q4 2017, after two years of rigorous in-house testing, the Sirocco 30 unit passed the ULEB (Ultra-Low Emission Burners) test in Christchurch, New Zealand. Standards were set at a maximum of 0.5 grams of emissions per kilogram of wood burned, and the Sirocco came in at 0.36 grams of emissions per kilogram. Final approvals were received and the first orders shipped in December 2017. This marks a significant step forward for potential sales increases in a previously untapped market. In Q2 of 2018 Blaze King passed the ULEB certification for its Chinook 30 model and the first sales of this product into New Zealand occurred in Q3 2018. Further product launches are anticipated in 2019.

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Market Conditions – Unicast

The market for Unicast's wear parts continues to be buoyant as the economy continues to grow in the United States, Canada, and other markets that Unicast serves. Increased infrastructure spending has caused continued upward demand on the cement industry. Additionally, commodity prices have strengthened and new mines are opening across North America and Central and South America. Unicast has continued to introduce new products to grow its product line in response to customer demands.

Unicast is currently bidding on a new opportunities in Latin America, which represents a significant new market for Unicast and an area for potential growth moving into 2019.

Suppliers in China have been impacted by the pollution controls and inspections implemented by the Chinese government. Consistent with many companies that utilize factories in China, emissions inspections and shutdowns have resulted in late deliveries to customers. We continue to manage supplier risk through the use of secondary vendors to meet demand with sufficient time to prevent any major delays. Unicast management also continues to balance the proportion of its supply from any one foundry (or group of foundries) to manage the downside risk of late deliveries and poor quality. Steel tariffs introduced in Q3 2018, on Chinese steel products entering the U.S., negatively impacted gross margins for Unicast in the third quarter. Unicast is looking at options to source its products from foundries in other countries, however, until it is able to secure adequate suppliers outside of China, the above noted steel tariffs will continue to negatively impact gross margin.

Unicast is currently developing and testing two new metallurgical products that could be incorporated into various product lines. The products are currently undergoing field testing with select customers, with results expected by late 2018 or early 2019.

Market Conditions – Slimline

Effective May 31, 2018, the financial results of Slimline have been consolidated into DDC's financial statements. Upon the closing of the transaction, a new President, John McMillan took over the day-to-day operations of Slimline to transition key relationships and knowledge from founder Kim Blagborne.

Slimline has two primary product lines: agricultural sprayers and industrial evaporators; as well as a parts department to service both of these lines. The agriculture equipment market is in its maturity and the dealership groups are consolidating into larger corporate groups across its customer base. This consolidation provides an opportunity to direct sales to a larger dealership group and offer incentives on that basis, rather than standalones. Additionally, the focus of old Slimline was selling sprayers in the Pacific Northwest; new management will be looking to serve the existing base in the Pacific Northwest but is also focused on aggressive expansion through a number of markets in North America and a focus on large grower operations. There are great opportunities in tree nut farms, wineries, stone fruits and citrus fruits. Slimline will need to continue to develop its current new technology to maximize its opportunities in several of these markets, such as multi row sprayers for the specific fruit varieties.

The industrial evaporator market is currently in its infancy, and Slimline is looking to partner with other service providers to deliver comprehensive remediation solutions to the oil and gas and mining industries. Management is developing a new go-to-market strategy and building on previous success and sales into the Oil & Gas, Mining, Solid and Waste Water, Food and Beverage, Power Generation and Chemical processing industries. The initial focus will be North American centric, but Slimline anticipates adding resources to meet the needs of the global application and customer base for the product. In this regard, a full-time evaporator sales person was added to the team in late Q3 2018.

Market Conditions – Hawk

Effective June 29, 2018, the financial results of Hawk have been consolidated into DDC's financial statements. As noted above, North American E&P companies have been able to reduce their cost structures in response to lower oil and natural gas prices and have also utilized technologies to increase

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efficiency and improve well performance. In recent years, E&P companies have drilled longer horizontal wells and completed more hydraulic fracturing stages per well to maximize the volume of hydrocarbon recoveries per well. This trend towards more complex wells has resulted in selling more sleeves per well on average, which increases the revenue opportunity per well completion.

Hawk management will be focusing on meeting the needs and exceeding the expectations of the current customer base, including their one main customer, as well as diversifying the Company's overall risk profile.

Conclusion

In completing the acquisitions of Slimline and Hawk in late Q2 2018, the number of subsidiaries under the Group's leadership doubled in a very short time. The benefit of these acquisitions was demonstrated in Q3 2018, with significant increases in revenue, gross margins and adjusted EBITDA. Given the increased scale of the overall organization, and the objective of continuing growth through further acquisitions, the Company recently bolstered its management team. A full-time chief operating officer and a new chief financial officer were added in recent months, which allowed the former chief financial officer to transition into a chief corporate development officer role within the Company. Management believes that the Group is well positioned for future growth, and is continually looking for further acquisitions to bolster diversity, which adds strength and resilience to operations. Management also believes that continuing to follow a balanced and disciplined acquisition approach is the best path to generating shareholder value.

Management remains confident in its strategic and operational plans and in its seasoned leadership. Decisive is committed to enhancing customer service in its subsidiaries and growing the sales teams to accommodate a plan of steady growth. The Company continues to develop and expand its network of referral sources that regularly present it with potential acquisitions. Company management also independently assesses certain markets and regions to identify potential targets. While the pipeline of potential acquisitions brought to the Company is considered strong, Decisive is disciplined in the investment choices it makes as acquisitions must adhere to Decisive's investment parameters. Therefore, there can be no assurance target companies meeting management's standards will be identified.

Further Information

Additional information about the Company is available at the Canadian disclosure website www.sedar.com, or on the Company's website at www.decisivedividend.com.