Management's Discussion and Analysis of

Decisive Dividend Corporation

For the three months ended March 31, 2021

Corporate Overview

Decisive Dividend Corporation ("Decisive" or the "Company") was established to acquire a growing stable of successful manufacturing companies for the long term that provide steady and growing dividend payments to its shareholders. To date, the Company has completed the acquisition of five manufacturing companies.

The objectives of the Company are:

(i) To provide long-term, sustainable and growing dividends to Shareholders by acquiring profitable, well-established, high quality manufacturing companies (with a sustainable competitive advantage and a focus on non-discretionary products) and providing oversight to ensure sound business operations and appropriate expansion strategies are executed;

(ii) To maximize share value through on-going active monitoring and active organic growth 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 Company was incorporated under the *Business Corporations Act* (British Columbia) on October 2, 2012 and is listed on the TSX Venture Exchange, trading under the symbol "DE". The head office of the Company is located in Kelowna, British Columbia. The principal wholly-owned operating subsidiaries of the Company are as follows:

- Valley Comfort Systems Inc. and its wholly-owned subsidiary Blaze King Industries Inc.; collectively referred to herein as "Blaze King"; acquired in February 2015.
- Unicast Inc. ("Unicast"); acquired in June 2016.
- Slimline Manufacturing Ltd. ("Slimline"); acquired in May 2018.
- Hawk Machine Works Ltd. ("Hawk"); acquired in June 2018.
- Northside Industries Inc. ("Northside"); acquired in August 2019.

Preface

This Management's Discussion and Analysis ("MD&A") focuses on key items from the unaudited interim condensed consolidated financial statements of Decisive for the three months ended March 31, 2021 and 2020. The condensed consolidated financial statements of the Company have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. All amounts are expressed in Canadian dollars unless otherwise noted. This discussion should not be considered all-inclusive as it excludes changes that may occur in general economic, political and environmental conditions. Additionally, other matters may occur which could affect the Company in the future.

This MD&A should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements and the related notes for the period ended March 31, 2021, the annual audited consolidated financial statements and the related notes for the year ended December 31, 2020, the annual MD&A for the year ended December 31, 2020, the unaudited interim condensed consolidated financial statements for the period ended March 31, 2020, as well as the Cautionary Statement Regarding Forward-Looking Information and Statements in this MD&A. This MD&A covers the three months ended March 31, 2021 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".

Additional information regarding the Company, including the Company's Annual Information Form, is available on SEDAR at www.sedar.com, or on the Company's website at www.decisivedividend.com.

This MD&A was prepared effective May 11, 2021.

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 finance costs, income taxes, depreciation and amortization.
- "**Adjusted EBITDA**" is defined as earnings before finance costs, income taxes, depreciation, amortization, foreign exchange gains or losses, 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 profit or loss to calculate "EBITDA" and "Adjusted EBITDA" and the material limitations associated with using these non-IFRS financial measures as compared to profit or loss:

Exclusions re: EBITDA and Adjusted EBITDA

- The amount of interest expense incurred, or interest income generated, may be useful for investors to consider and may result in current cash inflows or outflows. However, management does 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.
- Depreciation and amortization expense may be useful for investors to consider because it generally represents the wear and tear on the property and equipment used in the Company's operations. However, management does not believe these charges necessarily reflect the current and ongoing cash charges related to the Company's operating costs as they also include expenses related to the amortization of the fair value of intangible assets acquired in business combinations.

Exclusions re: Adjusted EBITDA

- Acquisition costs are non-operating expenses that can affect costs with respect to planned and completed acquisitions. While a necessary expense as part of an acquisition, the magnitude and timing of these items may vary significantly depending upon the acquisition. As such, management does not consider acquisition costs incurred to be a representative component of the day-to-day operating performance of the Company.
- Additionally, management does not consider foreign exchange gains or losses to be a representative component of the day-to-day operating performance of the Company.
- Manufacturing costs include 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, inventory write downs, and allowances for inventory obsolescence. Management does not consider these non-cash charges to be a representative component of the day-to-day operating performance of the Company.
- Similarly, goodwill impairment losses and gains or losses recognized on fair value adjustments of contingent consideration liabilities are non-cash items that management does not consider to be a representative component of the day-to-day operating performance of the Company.
- 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. Management does not consider these non-cash charges to be a representative component of the day-to-day operating performance of the Company as 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.

While EBITDA and Adjusted EBITDA are used by management of the Company to assess the historical financial 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 its investors more meaningfully evaluate and compare future results of operations to 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, if any, budgets, forecasts, 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; pandemic; competition; government regulation; environmental regulation; access to capital; market trends and innovation; climate risk; general uninsured losses; risk related to acquisitions; dependence on customers, distributors and strategic relationships; supply and cost of raw materials and purchased parts; operational performance and growth; implementation of the growth strategy; product liability and warranty claims; litigation; reliance on technology and intellectual property risks; availability of future financing; interest rates and debt financing; income tax matters; foreign exchange; dividends; trading volatility of common shares; dilution risk; reliance on management and key personnel; employee and labour relations; conflicts of interest; information technology; potential failure to achieve synergies and customer concentration risk.

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 Group 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.

Overall Performance

Financial Highlights

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

FINANCIAL PERFORMANCE
(Stated in thousands of dollars, except per share amounts)

For the three months ended March 31,	**2021**	2020
Sales	**$ 13,945**	$ 12,945
Gross profit	**5,157**	4,680
Gross profit %	**37%**	36%
Adjusted EBITDA [1]	**2,165**	1,653
Per share basic	**0.18**	0.14
Profit (loss) before tax	**485**	(921)
Profit (loss)	**278**	(1,088)
Per share basic	**0.02**	(0.09)
Per share diluted	**0.02**	n/a
Dividends declared	**-**	1,037
Per share basic	**-**	0.09

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

FINANCIAL POSITION
(Stated in thousands of dollars)

	March 31, 2021	December 31, 2020
Working capital	**$ 10,795**	$ 9,879
Property and equipment	**7,845**	7,535
Total assets	**58,105**	56,385
Long-term debt, excluding debt issuance costs	**21,107**	21,109
Equity	**22,045**	21,268
Share Information (000s)		
Common shares issued and outstanding	**11,853**	11,633

The non-IFRS measures referenced in the table above reconcile to the IFRS measures reported in the Company's consolidated financial statements as follows:

(Stated in thousands of dollars)		
For the three months ended March 31,	**2021**	2020
Profit (loss) for the period	**$ 278**	$ (1,088)
Add:		
Financing costs	**521**	576
Income tax expense	**207**	167
Amortization and depreciation	**884**	971
EBITDA	**1,890**	626
Add (deduct):		
Goodwill impairment losses	**-**	1,368
Share-based compensation expense	**154**	140
Foreign exchange expense (income)	**134**	(466)
Interest and other expense (income)	**1**	(8)
Gain on sale of equipment	**(14)**	(7)
Adjusted EBITDA	**2,165**	1,653

Discussion of Overall Performance

Q1 Consolidated Financial Highlights

Sales for the first quarter increased to $13.9 million from $12.9 million in Q1 2020. The overall increase was driven by Blaze King and reflects their increased market share after new EPA regulations took effect in May 2020. Q1 sales for Blaze King increased 83% compared to last year, which more than offset the 34% decrease in Hawk sales relative to Q1 2020. Sales for the other subsidiaries in the quarter were more consistent compared to Q1 2020.

Overall gross profit was $5.2 million in Q1 2021, an increase of $0.5 million, or 10%, relative to Q1 2020, driven by the increase in overall sales.

During the quarter, certain businesses in the Group were eligible to receive amounts under the Canada Emergency Wage Subsidy ("CEWS") and Canada Emergency Rent Subsidy ("CERS") programs. In Q1 2021, the Group received an aggregate of $0.4 million from the CEWS and CERS programs, which partially mitigated the impact COVID-19 had on certain businesses in the Group. Of the CEWS and CERS amounts received, 63% was included as a reduction in manufacturing costs and 37% was included as a reduction in operating expenses. The overall amount of subsidies received in Q1 2021 reduced compared to the preceding three quarters as sales levels have increased in each of the businesses.

Adjusted EBITDA for the first quarter of 2021 was $2.2 million, a $0.5 million increase compared to Q1 2020. The overall increase in Adjusted EBITDA was primarily driven by the increase in sales and gross profit noted above.

Other items affecting profit (loss) between the first quarters of 2021 and 2020 included a $1.4 million non-cash impairment loss recorded against Hawk's goodwill in Q1 2020. The Q1 2020 goodwill impairment loss was triggered by the onset of the worldwide COVID-19 pandemic and significant decline in global oil prices, and the effect of these events on expected oil and gas activity in Western Canada at that time. Foreign exchange gains and losses also impacted overall profit differences between Q1 2021 and Q1 2020. In Q1 2021, the Group recorded $0.1 million in foreign exchange losses for the quarter based on a

$0.02 decrease in the value of the United States dollar, relative to the Canadian dollar in the quarter. The Q1 2020 foreign exchange gains of $0.5 million were a result of the $0.12 decrease in the value of the United States dollar, relative to the Canadian dollar, in the first three months of 2020.

Consolidated net profit in the quarter was $0.3 million, or $0.02 per share, an increase of $1.4 million, or $0.11 per share, compared to Q1 2020.

Outlook

A key aspect of Decisive's business model is diversification. The operations of the Company's operating subsidiaries are diversified in terms of the industries, customers, and geographies they serve. The value of this diversification was again exhibited in the first quarter, as robust demand for both Blaze King and Slimline products has afforded Hawk, Northside, and Unicast time for demand to return to more normalized levels as the effects of COVID-19 on their underlying businesses begins to moderate. The positive momentum from the last three quarters has continued and each of the businesses in the Group have a stronger outlook than they did a year ago. Further commentary surrounding the outlook for each of the businesses in the Group is provided in the MD&A under the headings "Finished Product Segment Industry Trends and Outlook" and "Component Manufacturing Segment Industry Trends and Outlook".

Decisive continues to be vigilant with respect to COVID-19 safety protocols and each of its operating subsidiaries continue to follow the recommendations of health authorities in order to safeguard their businesses, their workforces, and their customers. Decisive expects that certain of its subsidiaries will continue to experience some level of negative effect on their supply chains, customer demand, or both, in the near-term. Given the continuing uncertainty surrounding the overall economy, the timing of recoveries in certain sectors, the efficacy of COVID-19 vaccines, and the potential impact or severity of COVID-19 variants, Decisive intends to continue to manage itself with an abundance of caution as the world emerges from one of the most challenging business environments in history.

Since the onset of the worldwide COVID-19 pandemic, Decisive has focused on preserving liquidity and financial strength to manage through the unpredictable global downturn and deal with unforeseen issues that could arise. Over the last year, Decisive has strengthened its balance sheet, reducing overall debt and increasing liquidity. As of the reporting date, Decisive had $4.5 million in cash on hand and no amounts drawn on its operating line. To the extent that the current economic uncertainty continues to subside, any financial strength gained over the last year could be put toward paying down debt further, toward a future acquisition, toward capital expenditures in our existing businesses, toward share purchases under the normal course issuer bid, or a combination thereof.

Management remains confident in its long-term strategic and operational plans. The Company's senior leadership is encouraged about the long-term business prospects of each of its subsidiaries and believes that the Group is well positioned for future growth. As one of Decisive's objectives is to pay a regular dividend to its shareholders over the long term, Decisive has reinstated a $0.02 per share monthly dividend effective May 2021. Decisive intends to continue to manage itself cautiously, however, should the recent positive momentum in its operations continue and not be hindered by the pandemic or unforeseen economic headwinds, the Company expects it will be in a position to consider returning the dividend to pre-pandemic levels at some point in the second half of the year.

Management is also confident that its disciplined acquisition approach is the best path to generating shareholder value in the long term. Decisive continues to identify and evaluate potential acquisitions which, if completed, will bolster its diversity and add strength and resilience to operations. However, there can be no assurance that target companies identified from time to time will meet Decisive's acquisition criteria or that Decisive will successfully acquire identified target companies that meet such criteria. In addition, given the significant impact that COVID-19 has had on financial markets and the global economy, capital availability may be constrained in the near-term. Management believes that preserving financial strength and flexibility during this last year has the Company well positioned to take advantage of potential opportunities as they arise.

Summary of Quarterly Results

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 and fourth quarters and Hawk's business historically experiences lower demand in the second quarter. Seasonality does not have a significant impact on the Unicast or Northside businesses. In each subsidiary, there are substantial fixed costs that do not meaningfully fluctuate with product demand in the short-term.

QUARTERLY PERFORMANCE

(Stated in thousands of dollars, except per share amounts)

	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Sales	$ **13,945**	$ 14,815	$ 11,823	$ 8,874
Gross profit	**5,157**	4,365	5,098	4,279
Gross profit %	**37%**	29%	43%	48%
Adjusted EBITDA [1]	**2,165**	1,985	2,452	1,972
Per share basic	**0.18**	0.17	0.21	0.17
Profit (loss) before tax	**485**	(11)	636	135
Profit (loss)	**278**	(26)	375	3
Per share basic	**0.02**	-	0.03	-
Per share diluted	**0.02**	n/a	0.03	-

	Q1 2020	Q4 2019	Q3 2019	Q2 2019
Sales	12,945	14,265	12,122	11,137
Gross profit	4,680	4,889	4,770	4,163
Gross profit %	36%	34%	39%	37%
Adjusted EBITDA [1]	1,653	2,199	1,909	1,559
Per share basic	0.14	0.19	0.17	0.14
Profit (loss) before tax	(921)	329	447	519
Profit (loss)	(1,088)	456	268	279
Per share basic	(0.09)	0.04	0.02	0.03
Per share diluted	n/a	0.04	0.02	0.02

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

The non-IFRS measures referenced in the table above reconcile to the IFRS measures reported in the Company's consolidated financial statements as follows:

(Stated in thousands of dollars)

	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Profit (loss) for the period	$ **278**	$ (26)	$ 375	$ 3
Add:				
Financing costs	**521**	549	536	528
Income tax expense	**207**	16	261	131
Amortization and depreciation	**884**	990	953	991
EBITDA	**1,890**	1,529	2,125	1,653
Add (deduct):				
Inventory fair value adjustments and write downs	**-**	586	-	-
Share-based compensation expense	**154**	56	185	62
Foreign exchange expense	**134**	421	208	260
Interest and other expense (income)	**1**	(607)	(2)	(3)
Gain on sale of equipment	**(14)**	-	(64)	-
Adjusted EBITDA	**2,165**	1,985	2,452	1,972

	Q1 2020	Q4 2019	Q3 2019	Q2 2019
Profit (loss) for the period	$ (1,088)	$ 456	$ 268	$ 279
Add:				
Financing costs	576	570	461	211
Income tax expense	167	(127)	179	240
Amortization and depreciation	971	919	725	664
EBITDA	626	1,818	1,633	1,394
Add (deduct):				
Acquisition costs	-	-	284	12
Goodwill impairment losses	1,368	-	-	-
Inventory fair value adjustments and write downs	-	191	-	-
Share-based compensation expense	140	47	64	53
Foreign exchange expense (income)	(466)	117	(47)	106
Interest and other expense (income)	(8)	26	(2)	(6)
Gain on sale of equipment	(7)	-	(23)	-
Adjusted EBITDA	1,653	2,199	1,909	1,559

Discussion of Quarterly Performance

In addition to the effects of seasonality as described above, the variation in the Group's results on a quarterly basis are as follows:

Q1 2021 Consolidated Financial Highlights
For the discussion of Q1 results see "Overall Performance" earlier in this MD&A.

Q4 2020 Consolidated Financial Highlights
Sales for the fourth quarter increased to $14.8 million from $14.3 million in Q4 2019. The overall increase was driven by Blaze King and reflects their increased market share after new EPA regulations took effect in May 2020. Q4 sales for Blaze King increased 37% compared to last year, which more than offset the 40% decrease in Hawk sales relative to Q4 2019, as persisting low oil prices reduced demand for Hawk's products. Sales for the other subsidiaries in the quarter were more consistent compared to Q4 2019.

Overall gross profit was $4.4 million in Q4 2020, a decrease of $0.5 million, or 10%, relative to Q4 2019. The aggregate $1.2 million in inventory obsolescence and fair value provisions, bad debt, and other provisions incurred in Q4 2020 in the component manufacturing segment, negatively impacted overall gross profit and Adjusted EBITDA in the quarter.

In Q4 2020, the Group received $0.7 million from the CEWS program, which partially mitigated the impact COVID-19 had on the Group. Of the CEWS amounts received, 65% was included as a reduction in manufacturing wages and 35% was included as a reduction in administrative wages. The overall amount of CEWS received in Q4 2020 reduced compared to the previous two quarters as sales levels increased in each of the businesses.

Adjusted EBITDA for the fourth quarter was $2.0 million, a $0.2 million decrease compared to Q4 2019. The overall decrease in Adjusted EBITDA was primarily driven by the decrease in gross profit and the above noted provisions incurred in the fourth quarter that impacted Adjusted EBITDA.

The above noted provisions incurred in Q4 2020 also contributed to the $0.5 million decrease in overall profit relative to Q4 2019.

Other items affecting profit (loss) between the fourth quarters of 2020 and 2019 included a $0.6 million gain on the adjustment to the estimated fair value of the contingent consideration originally recorded in connection with the acquisition of Northside in 2019. The purchase price for Northside included consideration contingent on Northside meeting certain earnings targets over the first three years post-acquisition, which was reduced effective December 31, 2020. The reduction was included in interest and other income in Q4 2020. Foreign exchange gains and losses also impacted overall profit differences between Q4 2020 and Q4 2019. In Q4 2020, the Group recorded $0.4 million in foreign exchange losses for the quarter based on a $0.06 decrease in the value of the United States dollar, relative to the Canadian dollar in the quarter. The Q4 2019 foreign exchange losses of $0.1 million were a result of the $0.02 decrease in the value of the United States dollar, relative to the Canadian dollar, in the last three months of 2019.

Q3 2020 Consolidated Financial Highlights

Both businesses in the finished product segment, Blaze King and Slimline, realized significant increases in sales in the quarter relative to Q3 2019, as demand for their products has remained robust amid the COVID-19 economic backdrop. Conversely, the collapse in oil prices has resulted in limited spending by exploration and production companies and led to decreased demand for Hawk's products relative to Q3 2019. The decreased demand for Hawk reduced overall sales in the third quarter to $11.8 million from $12.1 million in Q3 2019. Despite the ongoing effects of COVID-19, sales for the other two businesses in the component manufacturing segment, Unicast and Northside, remained relatively consistent compared to Q3 2019.

In Q3 2020, the Group received $1.4 million from the CEWS program, which partially mitigated the impact COVID-19 had on the Group. Of the CEWS amounts received, approximately 50% was included as a reduction in manufacturing wages and 50% was included as a reduction in administrative wages.

Overall gross profit increased by $0.3 million, or 7%, and gross profit percentages increased to 43% from 39% in Q3 2020 relative to Q3 2019 despite the decrease in sales over the same periods. The increase was primarily a result of pricing increases and a stronger sales mix in the finished product segment, the impact of CEWS, and cost containment initiatives.

Overall operating expenses decreased from $4.4 million in Q3 2019 to $4.3 million in Q3 2020. The year-over-year quarterly decrease resulted from a $0.3 million decrease in acquisition costs associated with the acquisition of Northside in Q3 2019 and the amounts received from the CEWS program. These decreases more than offset increases in amortization and depreciation expense, financing costs, and salaries, wages and benefits, which included short-term incentive accruals in the finished product segment based on the strong operating performance of Blaze King and Slimline.

Adjusted EBITDA for the third quarter was $2.5 million, a $0.6 million, or 29%, increase compared to Q3 2019. The overall increase in Adjusted EBITDA was primarily driven by the strong operating performance in the finished product segment in the quarter.

Foreign exchange losses also impacted overall profit differences between Q3 2020 and Q3 2019. In Q3 2020, the Group recorded $0.2 million in foreign exchange losses for the quarter based on a $0.03 decrease in the value of the United States dollar, relative to the Canadian dollar in the quarter. Foreign exchange did not have a significant effect on overall profit in Q3 2019.

Consolidated net profit in the quarter was $0.4 million, or $0.03 per share, an increase of $0.1 million, or $0.01 per share, compared to Q3 2019.

Q2 2020 Consolidated Financial Highlights
Sales for the second quarter decreased to $8.9 million from $11.1 million in Q2 2019. The onset of the COVID-19 pandemic as well as the significant decline in oil prices in the same time frame, led to decreases in sales levels at Blaze King, Unicast and Hawk which drove overall sales levels down relative to Q2 2019.

In Q2 2020, the Group received $1.3 million from the CEWS program, which partially offset the decrease in sales. Of the CEWS amounts received, approximately 50% was included as a reduction in manufacturing wages and 50% was included as a reduction in administrative wages.

Overall gross profit increased by $0.1 million, or 3%, in Q2 2020 relative to Q2 2019 despite the decrease in sales over the same periods. The increase was primarily a result of pricing increases and a stronger sales mix in the finished product segment, the impact of CEWS, cost containment initiatives, and the gross profit generated by Northside, which was acquired in Q3 2019.

Overall operating expenses increased from $3.5 million in Q2 2019 to $3.9 million in Q2 2020. Of the year-over-year quarterly increase, $0.3 million was a result of an increase in financing costs driven by the long-term debt incurred in connection with the acquisition of Northside. The remainder of the increase was primarily a result of operating expenses associated with the operation of Northside, including a $0.3 million increase in amortization and depreciation expense. Partially offsetting these increases were the amounts received from the CEWS program.

Adjusted EBITDA for the second quarter was $2.0 million, a $0.4 million increase compared to Q2 2019. The overall increase in Adjusted EBITDA was primarily driven by the impact of the CEWS.

Foreign exchange losses also impacted overall profit differences between Q2 2020 and Q2 2019. In Q2 2020, the Group recorded $0.3 million in foreign exchange losses for the quarter based on a $0.06 decrease in the value of the United States dollar, relative to the Canadian dollar in the quarter. The Q2 2019 foreign exchange losses of $0.1 million were a result of the $0.03 decrease in the value of the United States dollar, relative to the Canadian dollar through Q2 2019.

The increases in financing costs, amortization and depreciation expense, and foreign exchange losses more than offset the increase in gross profit in the quarter and led to a $0.3 million, or $0.03 per share, decrease in profit in Q2 2020, compared to Q2 2019.

Segment Overview and Performance

Decisive's overall business is conducted through three operating segments comprised of finished product; component manufacturing; and head office. An overview of these segments and the businesses within each segment is set forth below.

Finished Product Segment Overview

The finished product segment manufactures and sells products that are purchased and used by end customers as designed. Within the finished product segment, there are two separate businesses: Blaze King and Slimline.

Blaze King

The Company acquired Blaze King in February 2015. The business of Blaze King is producing and selling high-quality, high-efficiency wood burning stoves, wood burning fireplace inserts, gas stoves, and gas fireplace inserts. All of its products are 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 wood burning stoves and inserts are recognized as some of the longest-burning and most efficient in the hearth market. Blaze King management believes that its products 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 a large network of retailers and distributors across Canada, the United States and New Zealand.

Slimline

The Company acquired Slimline in May 2018. 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 such as apples, cherries, grapes, almonds, walnuts, oranges and peaches. Slimline also designs, manufactures and sells EcoMister evaporator systems primarily used in the mining, oil and gas, and waste management industries. In addition to its two main product lines, Slimline manufactures custom products and sells various sprayer, evaporator, and other industrial parts. Slimline's sprayers and evaporators utilize common technology including pumps and turbines. Slimline sells its 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 primarily sold through its dealer network throughout Canada and the United States. Slimline's EcoMister evaporator division has been in operation since 1996. It produces an environmental and economical, patented, state of the art solution that meets specific customer needs in the elimination of wastewater. Slimline's evaporators are sold into markets throughout the world.

Finished Product Segment Performance

(Stated in thousands of dollars)

For the three months ended March 31,	**2021**	2020
Sales	$ **7,175**	$ 5,281
Gross profit	**3,302**	2,411
Gross profit %	**46%**	46%
Profit	**1,324**	544
Add:		
Financing costs	**39**	35
Income tax expense	**217**	129
Amortization and depreciation	**291**	337
EBITDA	**1,871**	1,045
Add (deduct):		
Foreign exchange expense (income)	**7**	(56)
Interest and other income	**(1)**	(2)
Gain on sale of equipment	**(14)**	(7)
Adjusted EBITDA	**1,863**	980

IFRS measurement to non-IFRS measurement reconciliation presented in the table above.

Three Months Ended March 31, 2021

Overall sales for the segment in Q1 2021, increased by $1.9 million, or 36%, relative to Q1 2020. The increase was primarily a result of Blaze King selling 83% more units in Q1 2021 than it did in Q1 2020, based on strong demand in the quarter which reflects Blaze King's increased market share after new EPA regulations took effect in May 2020.

During the quarter, the segment generated a $0.9 million, or 37%, increase in gross profit for the three-month period ended March 31, 2021 compared to the same period in 2020. This was a result of the increase in Blaze King sales.

This increase in gross profit was the primary driver for the $0.9 million, or 90%, increase in segment Adjusted EBITDA to $1.8 million in Q1 2021. Included in Q1 segment Adjusted EBITDA was an aggregate of $0.1 million in CEWS and CERS.

Finished Product Segment Industry Trends and Outlook

Blaze King

Design trends for the hearth industry continue to evolve, and consumer tastes vary from region to region. Rural markets continue to favor traditional designs while urban areas tend to favor more 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 preferences.

New EPA regulations that took effect in May 2020, pushed the wood burning stove industry to meet new stringent emissions levels of under 2.0 grams of particulate emissions per hour. As of the date of this MD&A, all of Blaze King's products meet the requirements of the EPA 2020 Regulations, and 10 of 12 (83%) product lines offered by Blaze King are more than 50% lower than the new maximum 2.0 grams of particulate emissions per hour limit. Of note, Blaze King's top selling King and Princess model woodstoves are listed first and second in North America in terms of efficiency by the EPA. This represents a significant achievement for Blaze King after investing over $2 million in research and development over the last four years. Blaze King is now well positioned to take advantage of an expected increase in market share. According to information published by the EPA, as of the date hereof compared to October 2019, the total number of wood stove manufacturers has declined by 45% and the total number of certified wood stove models has declined by 66%.

There are also market opportunities for Blaze King's wood products outside of North America and Blaze King has expanded into the New Zealand market. The New Zealand wood stove market is subject to the Ultra-Low Emission Burners ("ULEB") test which stipulate a maximum of 0.5 grams of emissions per kilogram of wood burned. Blaze King currently has four models that have passed all testing requirements of the New Zealand ULEB emission standards.

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 continues its product development in gas fireplaces and inserts and anticipates new models to be ready for market in 2021. Blaze King's distribution network in Eastern Canada, the Northeastern United States, and New Zealand is now established, and it is anticipated that this will lead to Blaze King increasing its market share in these areas.

The business is in a solid position to capitalize on the new 2020 EPA emissions standards in the United States and the new ULEB emission standards in New Zealand, as well as continue to grow its gas offering for the North American market. To date, the market share increases witnessed in the second half of 2020 have continued into 2021. In addition, the United States government has recently expanded a tax credit program to encourage consumers to replace older non-efficient wood stoves and fireplaces. The program is available for a period of three years and allows the consumer to apply for a tax credit of up to 26% of the cost of a new wood stove if it has an average efficiency of 75% or greater. This program could further increase demand for Blaze King products sold in the United States as all are eligible for this tax credit. Of the 140 fireboxes currently approved for sale by the EPA, only 50 qualify for the tax credit. Blaze King owns 6, or 12%, of the 50 fireboxes eligible for this tax credit.

Slimline

Technological developments as well as a general market consolidation 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 crop diversification, 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.

Slimline has two primary product lines: agricultural sprayers and industrial evaporators; as well as a parts department to service both 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. The focus of Slimline previously was selling sprayers in the Pacific Northwest: current management has focused on serving the existing base in the Pacific Northwest while also focusing on aggressive expansion through a number of markets in North America, such as California, Florida, Georgia, South Carolina and New York, and targeting large grower operations. Slimline is also exploring South America and New Zealand as potential international expansion opportunities, which would help mitigate the effects of seasonality on its North American sprayer business. Slimline will continue to develop its current new technology to maximize its opportunities in several of these markets, such as multi-row sprayers specific to grape crops.

For sprayer sales, following the 2020 negative demand impact of the economic uncertainty stemming from the effects of COVID-19, early indications in 2021 are that dealers and farmers are doing their best to continue in a business-as-usual fashion and overall sprayer sales are expected to increase relative to 2020.

The industrial evaporator market is still in the relatively early stages of development, and Slimline is looking to partner with other service providers to deliver comprehensive remediation solutions to the waste management, oil and gas and mining industries. Management developed a new go-to-market strategy, building on previous success in the oil and gas, mining, solid and wastewater, food and beverage, power generation and chemical processing industries. Slimline management believes there are considerable opportunities for its wastewater evaporators and expects evaporator sales to continue to increase in the next few years.

Component Manufacturing Segment Overview

The component manufacturing segment manufactures and sells products based on specifications determined by its customers for use in its customers' processes. Within the component manufacturing segment, there are three separate businesses: Unicast, Hawk and Northside.

Unicast

The Company acquired Unicast in June 2016. 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 quality wear parts that are more durable and last 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 has a growing dealer distribution base that includes distributors across Canada and the United States, with planned growth in Latin America, Mexico, and the Middle East.

Hawk

The Company acquired Hawk in June 2018. 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. 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; hydraulic fracturing tools; ground and subsurface tools; rods and couplings; reconditioning services; and resale parts. Hawk's primary focus is on servicing producers of hydraulic fracturing sleeves for the oil and gas industry. Hawk is currently the only turnkey supplier for its main customer. Hawk routinely delivers product direct to end-users rather than customers' facilities for inspection as its historical failure rate is less than 0.005%.

Northside

The Company acquired Northside in August 2019. Northside was founded in 1967 and is a full-service provider of welding and fabrication solutions for a diverse number of industries. The primary focus of Northside is in the commercial vehicle and forestry sectors; however, Northside also has exposure to the agriculture, environmental, mining and oil and gas sectors, among others. Northside has produced an expansive range of products for its customers over the years including: truck and automotive components, fuel-hydraulic fluid tanks, j-brackets and straps, bumpers, truck chassis components, cab panels, tanks, architectural components, tool and battery boxes, steel under-decking and much more.

Component Manufacturing Segment Performance

(Stated in thousands of dollars)

For the three months ended March 31,	**2021**	2020
Sales	$ **6,770**	$ 7,664
Gross profit	**1,855**	2,269
Gross profit %	**27%**	30%
Profit (loss)	**55**	(505)
Add (deduct):		
Financing costs	**35**	41
Income tax expense (recovery)	**(52)**	13
Amortization and depreciation	**588**	629
EBITDA	**626**	178
Add (deduct):		
Goodwill impairment losses	**-**	1,368
Foreign exchange expense (income)	**127**	(410)
Interest and other expense (income)	**2**	(6)
Adjusted EBITDA	**755**	1,130

IFRS measurement to non-IFRS measurement reconciliation presented in the table above.

Three Months Ended March 31, 2021
For the three-month period ended March 31, 2021, the 12% decrease in segment sales over the same period in 2020, was primarily a result of a decrease in Hawk sales. Hawk sales decreased 34% relative to Q1 2020, which was partially offset by sales increases in both Unicast and Northside. Although Hawk sales were lower compared to Q1 2020, Q1 2021 sales were higher relative to any other quarter in 2020 based on improving oil prices. Activity in Q1 2020 was relatively strong for Hawk, before the onset of COVID-19 and a significant decline in oil prices resulted in limited spending by exploration and production companies in Western Canada which in turn reduced demand for Hawk's products in the last three quarters of 2020.

The $0.3 million received from the CEWS and CERS programs in the quarter partially offset the decrease in segment sales. Of the CEWS and CERS amounts received, 75% was included as a reduction in manufacturing costs and 25% was included as a reduction in operating expenses.

Overall segment gross profit, gross profit percentages, and Adjusted EBITDA decreased relative to Q1 2020. The decreases were primarily a result of the decrease in Hawk sales relative to Q1 2020.

Component Manufacturing Segment Industry Trends and Outlook

Unicast
Industry trends in the mining, aggregate and cement plant wear-parts industry 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.

The market for Unicast's wear parts is expected to remain relatively strong over the long-term. Increased infrastructure spending in recent years has caused continued upward demand on the cement industry. Additionally, certain commodity prices have remained relatively strong keeping mines active across North, Central and South America. Unicast has continued to introduce new products to grow its product line in response to customer demands. Unicast also continues to pursue new opportunities in Latin America, Mexico, Africa, and the Middle East.

Due to the effects of COVID-19, delivery times from many Chinese ports continue to be delayed which could result in revenue timing disruptions in the coming quarters. Unicast management continues 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 mitigate the risk of late deliveries and quality issues. Since being introduced in Q3 2018, tariffs on Chinese steel products entering the United States have negatively impacted gross margins for Unicast. Unicast has started to source some products from foundries in other countries and it has been driving more sales outside of the United States, both of which should help mitigate the negative effect of the above noted steel tariffs on gross margin in 2021.

There is also uncertainty over how demand will be impacted in 2021 with the risk that cement plants and mines in Canada, the United States and South America could continue to operate on a reduced basis due to COVID-19 related measures. Additionally, the ability to conduct normal in person sales meetings or service calls continues to be limited due to COVID-19, which could negatively impact sales in 2021. Unicast management will work to contain costs to mitigate the impact of lower sales should demand levels dictate; however, early indications are that demand should improve in 2021 relative to 2020.

Hawk

Hawk's products are primarily sold to one customer, who in turn sells to numerous companies in the North American exploration and production ("E&P") industry. Hawk's ability to generate revenues from its products primarily 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. Management of Hawk has expanded its sales efforts in recent months and is taking steps toward further customer and industry diversification, including investing in new equipment to support these efforts.

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.

The oil price rebound in 2021 positively impacted demand for Hawk in Q1. If current oil price levels are sustained post Q2 spring breakup, oil and natural gas activity in the second half of the year should exceed activity levels from the second half of 2020 which would be positive with respect to demand for Hawk's products. Hawk's management has taken a proactive approach with a view to ensuring that its production team is sized for the expected activity levels and is progressing with its customer and industry diversification efforts.

Northside

Currently, Northside's primary focus is in the commercial vehicle and forestry sectors and Northside has two main customers in these areas.

Due to recent North American lumber price increases and the resultant increase in activity in the British Columbia forestry industry, Northside has received indications that demand for forestry equipment is starting to improve from the cyclically lower levels experienced by this sector in 2020. As a result, demand for Northside's forestry equipment related products is expected to increase in 2021 relative to 2020.

Northside entered into a significant new contract with its main commercial vehicle customer in mid-2020. The five-year contract builds on the work already being done for this customer and includes products that it requires for a new line of commercial vehicles. Based on current production forecasts, the provision of these products is expected to significantly increase sales levels with this customer each year during the term of the contract. However, depending on the impact that COVID-19 continues to have on this customer and the overall economy, production under this contract could be constrained in the near-term. Northside management will continue to contain costs in-line with expected activity levels. Management believes that the commercial vehicle sector will be critical as North America recovers from the economic effects of COVID-19.

Northside is also actively working to further diversify its business in terms of both the customers it serves and the products it manufactures. Opportunities to supply products it currently produces, like fuel tanks, to different industries are starting to yield positive results. Additionally, Northside is working toward a longer-term goal of manufacturing and supplying its own line of after-market products for the commercial truck market.

Head Office Segment Overview

The Canadian public company parent, Decisive Dividend Corporation, is considered a third and separate segment, as its function is as an investment holding and management company.

(Stated in thousands of dollars) For the three months ended March 31,		2021		2020
Loss	$	**(1,101)**	$	(1,127)
Add:				
Financing costs		**447**		500
Income tax expense		**42**		25
Amortization and depreciation		**5**		5
EBITDA		**(607)**		(597)
Add (deduct):				
Share-based compensation expense		**154**		140
Adjusted EBITDA		**(453)**		(457)

IFRS measurement to non-IFRS measurement reconciliation presented in the table above.

Three Months Ended March 31, 2021

During the three-month period ended March 31, 2021, Head Office expended $1.1 million, before income taxes, on corporate activities, which was consistent with Q1 2020.

Liquidity and Capital Resources

The Company's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders.

The capital structure of the Group currently consists of equity and debt. The Company manages the capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares, purchase shares for cancellation pursuant to normal course issuer bids, adjust the amount of dividends paid to align the dividend policy with shareholder expectations, place new debt, refinance existing debt, or sell assets. Management reviews its capital management approach on a regular basis.

In light of the economic uncertainty stemming from the worldwide COVID-19 pandemic, Decisive has actively managed its liquidity over the last year. The directors and management of Decisive believe that the capital preservation measures taken since the onset of the COVID-19 pandemic provided greater financial strength through this period of uncertainty. The Group is continuing to manage its financial position in accordance with its capital management objectives and in light of its current operating environment.

The industry trends outlined in the "Finished Product Segment Industry Trends and Outlook" and "Component Manufacturing Segment Industry Trends and Outlook", as well as the market risks described under "Risk Factors" in the Company's Annual Information Form and its Annual MD&A can significantly affect the financial condition and liquidity of the Company.

Cash and Working Capital

As of the date of this MD&A, the Company had cash of $4.5 million, compared to cash of $4.9 million at March 31, 2021, and cash of $3.0 million at December 31, 2020.

As at March 31, 2021, the Company had net working capital of $10.8 million (December 31, 2020 - $9.9 million) as follows:

(Stated in thousands of dollars)	**March 31, 2021**	December 31, 2020	Change
Cash, net of bank indebtedness	$ **4,906**	$ 2,999	$ 1,907
Accounts receivable	**6,623**	7,338	(715)
Inventory	**7,943**	7,358	585
Prepaid expenses	**917**	871	46
Accounts payable	**(6,052)**	(6,721)	669
Warranty provision	**(356)**	(341)	(15)
Prepaid deposits	**(2,097)**	(604)	(1,493)
Current portion of lease obligations	**(1,059)**	(966)	(93)
Current portion of long-term debt	**(30)**	(55)	25
Net working capital	$ **10,795**	$ 9,879	$ 916

Dividends

The Company's Board of Directors regularly examines the dividends paid to shareholders.

In 2020, the Board of Directors made the difficult but prudent business decision to suspend monthly dividend payments in response to the considerable economic uncertainty surrounding the worldwide COVID-19 pandemic and the significant decline in global oil prices at that time. The dividend was suspended after payment of the April 15, 2020 dividend, which marked the 58th consecutive monthly dividend payment with $12.7 million in aggregate dividends paid out during that time.

On April 8, 2021, the Company announced that it had determined to reinstate its monthly dividend effective May 2021 based on management's assessment of Decisive's improving prospects. The Board of Directors decided it would remain cautious and reinstated a $0.02 per common share monthly dividend. The $0.02 per share dividend declared on April 8, 2021, is payable on May 14, 2021 for shareholders of record on April 30, 2021.

Long-Term Debt

(Stated in thousands of dollars)	Authorized	**May 11, 2021 Outstanding**	**March 31, 2021 Outstanding**	December 31, 2020 Outstanding
Bank of Nova Scotia revolving term loan (i)	8,000	$ **-**	$ **-**	$ -
Roynat Capital non-amortizing term loan (ii)	20,945	**20,945**	**20,945**	20,945
Paycheck protection program forgivable loan	-	**-**	**162**	164
Trumpf Finance equipment loans	21	**21**	**30**	55
	28,966	**20,966**	**21,137**	21,164
Less: current portion		**(21)**	**(30)**	(55)
Long-term portion		**20,945**	**21,107**	21,109

The Company has a credit agreement in place with its senior lenders, the Bank of Nova Scotia ("BNS") and Roynat Capital Inc., a subsidiary of BNS, which provides for the credit facilities described in (i) and (ii) below:

(i) The revolving term loan with BNS is for a committed three-year term and all drawn amounts are due in August 2022. The Company's ability to access the revolving term loan is dependent on a borrowing base which is determined quarterly and measured against the Group's accounts receivable and inventory. The revolving term loan bears interest at the lender's prime rate plus 1% or bankers' acceptances plus 2.5%. Standby fees of 0.25% per annum are paid quarterly on the unused portion of the revolving term loan.

(ii) The non-amortizing term loan with Roynat Capital Inc. is for a committed three-year term and all drawn amounts are due in August 2022. The term loan bears interest at a fixed rate of 8% with no required principal payments for the three-year term of the loan.

The credit facilities with the Company's senior lenders are collectively 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 on a trailing twelve-month basis:

- Maximum total funded debt to EBITDA of 3.0:1
- Minimum fixed charge coverage ratio of 1.1:1

As at March 31, 2021, the Group was in compliance with these ratios.

In 2020, Blaze King Industries Inc. received a $0.2 million paycheck protection program forgivable loan through the United States federal government's financial aid program. The loan was forgiven subsequent to the end of the quarter.

As at March 31, 2021, principal payments required over the next two years were estimated as follows:

(Stated in thousands of dollars)

For the twelve month periods ending March 31,		
2022	$	30
2023		20,945
		20,975
Forgivable loan (forgiven subsequent to the end of the quarter)		162
	$	21,137

Off-Balance Sheet Arrangements

The Group's does not have any off-balance sheet arrangements.

Disclosure of Outstanding Share Data

The following table sets forth the Company's share capital data as at May 11, 2021, March 31, 2021 and December 31, 2020. Each deferred and restricted share unit entitled the holder thereof to one common share of the Company pending the satisfaction of certain vesting, settlement and/or redemption criteria. Each stock option entitled the holder thereof to purchase one common share of the Company.

	May 11, 2021	**March 31, 2021**	December 31, 2020
Common shares, basic	**11,863,050**	**11,853,050**	11,633,496
Deferred and restricted share units outstanding	**-**	**-**	107,740
Stock options outstanding	**978,000**	**988,000**	1,118,000
Common shares, fully diluted	**12,841,050**	**12,841,050**	12,859,236

In 2020, the Company's equity incentive plan was re-approved by a majority of all shareholders but not by a majority of disinterested shareholders, which means that the 10% rolling stock option component of the plan remains in effect, but no further deferred share units ("DSUs") or restricted share units ("RSUs") may be issued. As a result, all outstanding DSUs and RSUs were redeemed for common shares in January 2021, which resulted in $0.1 million in share-based compensation expense in Q1. For the foreseeable future the Company intends to use stock options as the sole form of share-based compensation.

In addition, an aggregate of 121,814 common shares were issued during the three months ended March 31, 2021, through Decisive's employee share purchase plan and the exercise of stock options. These share issuances generated cash proceeds of $0.2 million.

As at March 31, 2021, there were 531,543 shares in escrow (December 31, 2020 – 531,543) relating to the Company's completed acquisitions, as follows:

- Slimline – 94,386 to be released in June 2021.
- Hawk – 226,131 to be released in July 2021.
- Northside – 211,026 to be released at one-half per year in August 2021 and 2022 respectively.

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.

Key management compensation for the three months ended March 31, 2021 included $0.19 million of salaries, benefits and director fees (2020 - $0.20 million) and $0.12 million of share-based compensation (2020 - $0.12 million). Currently, the Chief Executive Officer position does not receive cash compensation.

During the three months ended March 31, 2021, the Company incurred nominal legal fees (2020 - $0.01 million) with a law firm in which a director of the Company was a partner.

During the three months ended March 31, 2021, the Company made lease obligation payments of $0.05 million (2020 - $0.05 million) towards property beneficially owned by a president of one of the Company's wholly owned subsidiaries.

Accounting Policies

The Company's significant accounting policies are disclosed in Note 3 of Decisive's audited consolidated financial statements for the year ended December 31, 2020. During 2021, there have not been any changes in the accounting policies or methods of computation used.

Critical Accounting Estimates

This MD&A is based on the Company's consolidated financial statements. The preparation of the consolidated financial statements requires that certain estimates and judgements be made with respect to the reported amounts of revenues and expenses and the carrying amounts of assets and liabilities. These estimates are based on historical experience and management's judgement. Anticipating future events involves uncertainty and consequently the estimates used by management in the preparation of the consolidated financial statements may change as future events unfold, additional experience is acquired or the Company's operating environment changes. The estimates and judgements considered to be the most significant in the preparation of the consolidated financial statements were described in the

Company's 2020 Annual MD&A under the heading "Critical Accounting Estimates". There were no significant changes to the methodologies employed in applying these estimates and judgements in the first three months of 2021.

Financial Instruments and Financial Risk Management

Fair Value Measurement and Disclosures

The basis for fair value measurements and/or disclosures were described in the Company's 2020 Annual MD&A under the heading "Financial Instruments". There were no changes in the classification or in the fair value measurement basis of the Group's financial instruments since December 31, 2020.

At March 31, 2021 and December 31, 2020, the carrying amounts of cash, accounts receivable, and accounts payable and accrued liabilities, approximate their fair value due to their short-term nature.

Management determined that the fair value of the Company's long-term debt was not materially different than their carrying amounts as they are based on market interest rates.

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 corporate finance group and they are regularly discussed with the Company's board of directors or one of its committees. There were no changes in the Company's assessment of risks from the use of financial instruments or in the financial risk management policies of the Company since December 31, 2020.

Liquidity risk is the risk that the Group will not be able to meet its financial obligations when they become due. To mitigate this risk, the Group has a planning and budgeting process in place to determine the funds required to support its ongoing operations and capital expenditures. The Group's cash is held in business accounts which are available on demand for the Group's programs. The contractual maturities of financial instruments are as follows:

(Stated in thousands of dollars)

March 31, 2021	**Carrying value**	**Total contractual cash flows**	**Within one year**	**Two to five years**	**More than five years**
Accounts payable	**$ 6,052**	**$ 6,052**	**$ 5,652**	**$ 400**	**$ -**
Long-term debt	**20,996**	**23,279**	**1,706**	**21,573**	**-**
Lease obligations	**3,434**	**3,732**	**1,197**	**2,535**	**-**
	$ 30,482	**$ 33,063**	**$ 8,555**	**$ 24,508**	**$ -**

December 31, 2020	Carrying value	Total contractual cash flows	Within one year	Two to five years	More than five years
Accounts payable	$ 6,721	$ 6,721	$ 6,321	$ 400	$ -
Long-term debt	20,997	23,723	1,731	21,992	-
Lease obligations	3,204	3,477	1,094	2,383	-
	$ 30,922	$ 33,921	$ 9,146	$ 24,775	$ -

As discussed in this MD&A, the Group has and expects to continue to experience some negative impacts from the worldwide COVID-19 pandemic. These events have created uncertainty in forecasted results for 2021 which, depending on the extent and duration of these impacts, could impair the Company's ability to meet certain debt covenants. The Company was in compliance with its debt covenants at March 31, 2021.

The Group has actively managed liquidity and is continuing to manage its financial position in accordance with its capital management objectives and in light of its current operating environment. Management is satisfied that the steps taken since the onset of the COVID-19 pandemic are currently adequate to enable the Group to continue operating for the foreseeable future. However, given the significant uncertainty regarding the ultimate impact that the COVID-19 pandemic will have on the overall economy and the Group's operations, further actions may be necessary.

Counterparty credit risk is the risk that the financial benefits of contracts with a specific counterparty will be lost if a counterparty defaults on its obligations under the contract. This includes any cash amounts owed to the Group by those counterparties, less any amounts owed to the counterparty by the Group where a legal right of set-off exists and also includes the fair values of contracts with individual counterparties which are recorded in the consolidated financial statements.

The Group's credit risk is predominantly limited to cash 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 March 31, 2021, the Company expects to recover the full amount of such assets, less any expected credit losses.

The following details the aging of the Group's trade accounts receivable and expected credit losses:

(Stated in thousands of dollars)

	March 31, 2021		December 31, 2020	
Current	**$ 3,351**	**50%**	$ 4,322	59%
31-60 days	**1,982**	**29%**	1,582	22%
61-90 days	**317**	**5%**	439	6%
>90 days	**1,089**	**16%**	976	13%
Trade accounts receivable	**6,739**	**100%**	7,319	100%
Less: expected credit losses	**(269)**		(247)	
Net trade accounts receivable	**$ 6,470**		$ 7,072	

The objective of managing counterparty credit risk is to minimize potential losses in financial assets. The Group assesses the quality of its counterparties, taking into account their creditworthiness and reputation, past performance and other factors. In certain cases, the Group obtains insurance to assist in managing its credit risk. Included in amounts outstanding for more than 90 days since being invoiced at March 31, 2021 are receivables where extended terms were offered to customers by Slimline to drive sales during its slower third and fourth quarters wherein certain cases the sales are not payable until Q2 2021.

Cash and cash equivalents are only deposited with or held by major financial institutions where the Group conducts its business. In order to manage credit and liquidity risk, the Group invests only in highly rated investment grade instruments that have maturities of three months or less. Limits are also established based on the type of investment, the counterparty and the credit rating.

The Group's functional currency for Blaze King Industries Inc. 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 the USD in relation to the CAD.

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

(Stated in thousands of dollars)

	Entities with a CAD functional currency		Entities with a USD functional currency		
As at March 31, 2021	**CAD**	**USD**	**CAD**	**USD**	**Total**
Cash	$ 790	$ 3,122	$ 378	$ 616	**$ 4,906**
Accounts receivable	3,052	1,984	38	1,549	**6,623**
Accounts payable	(4,440)	(603)	(51)	(958)	**(6,052)**
Inter-company amounts	3,926	-	(7,550)	3,624	**-**
Long-term debt	(20,966)	(30)	-	-	**(20,996)**
Net exposure	(17,638)	4,473	(7,185)	4,831	**(15,519)**
Effect of 5% strengthening of USD versus CAD:					
Profit (loss)	-	224	359	-	**583**
OCI	$ -	$ -	$ -	$ (242)	**$ (242)**

(Stated in thousands of dollars)

	Entities with a CAD functional currency		Entities with a USD functional currency		
As at December 31, 2020	CAD	USD	CAD	USD	Total
Cash	$ 1,203	$ 1,341	$ (63)	$ 518	$ 2,999
Accounts receivable	2,984	2,191	400	1,763	7,338
Accounts payable	(5,261)	(395)	(790)	(275)	(6,721)
Dividend payable	-	-	-	-	-
Inter-company amounts	5,605	-	(7,362)	1,756	(1)
Long-term debt	(20,942)	(55)	-	-	(20,997)
Net exposure	(16,411)	3,082	(7,815)	3,762	(17,382)
Effect of 5% strengthening of USD versus CAD:					
Profit (loss)	-	154	391	-	545
OCI	$ -	$ -	$ -	$ (188)	$ (188)

The Group is at times exposed to interest rate risk on its long-term debt, as described under the heading "Long-term Debt" earlier in this MD&A, due to the interest rate on certain of its credit facilities being variable. None of the Group's interest-bearing debt outstanding at March 31, 2021, was variable rate. The Group does not enter into derivative contracts to manage this risk.

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

(Stated in thousands of dollars)

Interest rate risk	**March 31, 2021**	December 31, 2020
Floating instruments	**$ -**	$ -
Average balance	**-**	1,913
Impact on profit (loss) of a change in interest rates:		
-1%	**-**	19
+1%	**$ -**	$ (19)

Risk Factors

The Company and its subsidiaries are subject to a number of risk factors. These risk factors relate to the organizational structure of the Company and to the operations of its subsidiaries. There were no changes to the principal risk factors from those reported in the Company's Annual MD&A for the year ended December 31, 2020.

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.