THE ATTACHED AUDITED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FORM AN INTEGRAL PART OF THIS MANAGEMENT DISCUSSION AND ANALYSIS AND ARE HEREBY INCLUDED BY REFERENCE

Management Discussion and Analysis of the Financial Condition and Results of Operations for the year ended December 31, 2015

Certain statements in this report may constitute forward-looking statements that are subject to risks and uncertainties. A number of important factors could cause actual outcomes and results to differ materially from those expressed in these forward-looking statements. Consequently, readers should not place any undue reliance on such forward- looking statements. In addition, these forward-looking statements relate to the date on which they were made. See notes to the financial statements regarding going concern, commitments, contingencies, legal matters, and other matters, which could materially affect the Company's future business, results of operations, financial position and liquidity.

This Management Discussion and Analysis ("MD&A") should be read in conjunction with the audited financial statements for the year ended December 31, 2015 and the notes contained therein, of Decisive Dividend Corporation (the "Company").

The audited year-end 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 April 12, 2016.

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Business overview

The Company was incorporated under the British Columbia Business Corporations Act on October 2, 2012 and was classified as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange Inc. ("the Exchange"). The address of the Company's registered office is #104, 1420 St. Paul Street, Kelowna, B.C. V1Y 2E6.

On September 19, 2013, the Company completed its IPO for the issuance of 1,500,000 common shares at a price of $1.00 per common share for gross proceeds of $1,500,000. The agents to the offering received a commission of 8% of total proceeds resulting in a total commission of $120,000. In addition, the agents were paid a corporate finance fee of $12,500 and were reimbursed for their disbursements in the amount of $3,468. Legal costs associated with the financing incurred were $35,328. As a result, the total cash costs related to the offering were $171,296. In addition, the agents were granted 120,000 agents' options, at a price of $1.00 per common share. All of these agents' options were exercised by the end of the second quarter ended June 30, 2015.

The principal business of the Company at this time was to identify and evaluate assets or businesses with a view to potentially acquiring them or an interest therein by completing a purchase transaction, by exercising of an option or by any associated transaction.

Business Combination/Qualifying Transaction

On February 27, 2015, the Company announced that it had acquired all of the issued and outstanding shares of PGR Ventures Inc. ("PGR") (the "PGR Shares"). PGR owns all of the issued and outstanding shares of Valley Comfort Systems Inc. ("Valley Comfort"), which owns all of the issued and outstanding shares of Blaze King Industries, Inc. ("Blaze King USA") and Blaze King Industries Canada Ltd. ("Blaze King Canada"). PGR, Valley Comfort, Blaze King USA and Blaze King Canada are referred to herein collectively as "Blaze King". The Share Purchase Agreement contains standard representations, warranties and covenants for a transaction of this nature.

The aggregate purchase price paid for the PGR Shares by the Company was $6,915,105, of which $6,339,015 was paid in cash, and the remaining $576,090 was the fair value amount of the common shares issued as part of the transaction ("Common Shares"). A holdback of $660,000 was applied to secure the post-Closing obligations of the Vendors. This hold-back will stay in place until the second anniversary of the transaction.

On February 25, 2015, the Company completed a brokered private placement offering (the "Private Placement") of subscription receipts ("Subscription Receipts"). The 1,004,250 subscription receipts of the Company that were issued at a price of $2.00 per Subscription Receipt were each exchanged, for no additional consideration, for one Common Share pursuant to the subscription receipt agreement entered into on February 25, 2015 among the Company, Industrial Alliance Securities Inc. and Computershare Trust Company of Canada ("Computershare"). In addition, the $2,008,500 in gross proceeds raised pursuant to this offering was released from escrow, less the fees of Computershare.

This transaction constituted a "Qualifying Transaction" ("QT") for purposes of the Exchange and on March 13th, 2015 the shares were approved for trading under the symbol "DE".

The allocation of the purchase price of the net identifiable assets based on their estimated fair values at the date of acquisition is as follows:

ASSETS		
Cash	$	195,006
Accounts receivable and prepaids		1,243,290
Inventory		1,973,759
Property, plant and equipment		927,284
Refundable deposits		5,900
Manufacturing technology		1,189,113
Customer relationships		423,136
Brand		972,566
	$	6,930,054
LIABILITIES		
Bank indebtedness		101,025
Accounts payable and accrued liabilities		664,675
Warranty provision		105,258
Deferred income tax liability on acquisition		735,000
		1,605,958
Total identifiable net assets	$	5,324,096
Goodwill on acquisition		1,591,009
Purchase consideration	**$**	**6,915,105**

The accounts receivable and prepaids fair value was equal to its contractual value, and all amounts were expected to be collected, as applicable.
The Company acquired the following in property, plant and equipment:

Automotive equipment	$	10,128
Manufacturing equipment		820,571
Office equipment		13,693
Computer equipment		36,718
Portable buildings		9,196
Leasehold improvements		36,978
	$	**927,284**

The results of operations of PGR have been consolidated into the consolidated accounts of the Company since the acquisition was completed on February 27th, 2015. As a consequence, the Company's results for the year end December 31, 2015 include 10 months of operations of PGR.

On-going acquisitions

The Company is an acquisition-oriented corporation, focused on investing in profitable, well-established companies with strong cash flows. 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 subsidiary; and
(iii) to continue to acquire additional companies or businesses or interests therein in order to expand and diversify the Company's investments.

Products and Services
The Blaze King name is a recognized leader in the fabrication of high quality and high efficiency wood stoves. Blaze King designs and builds very efficient, eco-friendly hearth products.

Wood stove efficiency generally means that the stove generates minimal pollutants and conforms to the United States Environmental Protection Agency ("EPA") standards. Blaze King wood stoves far exceed current EPA requirements. For a wood stove to be truly efficient, it must also burn less fuel and provide heat for longer. Blaze King wood stoves provide extremely long burn times and excellent heat production. Overall, Blaze King's wood stoves burn as much as one third less wood than competitors' stoves.

Blaze King's classic wood stove models feature a bimetal coil thermostat. This simple thermostat evens out the nature of how wood burns. Nearly all other wood stoves have a damper to regulate air-flow and require frequent adjusting. Blaze King's Princess and King stove models have six and nine inches of depth below the door respectively. This means less frequent cleaning of ashes, the ability to load up to ninety pounds of wood per load and most importantly, they are safer to load since hot coals and embers are kept well below the door opening.

Set forth below is a list of the top eight most efficient wood stove brands of Blaze King and how they are rated by the EPA.

Model	Model #	Higher Heating Value (HHV) Tested Efficiency
King	KE 1107	82%
Princess	PE 1006	81%
Princess Insert	PI 1010A	80%
Ashford 30.1	SC 30	80%
Chinook 30.1	SC 30	80%
Sirocco 30.1	CK 30	80%
Ashford 20.1	SC 20	77%
Chinook 20.1	SC 20	77%
Sirocco 20.1	SC 20	77%
Sirocco Insert	SC 25	77%
Ashford Insert	AF 25	77%

Markets and Trends

Regulatory Trends

On March 15th 2015, EPA published its new emission standards, which came into effect on May 15th, 2015. The rule has two phases of implementation. The first phase will lower emissions to the current Washington state standard of 4.5 grams per hour and will cover a 5 year period to the year 2020. The majority of stoves on the market today already meet that standard. The new rule will have one standard for the entire market and will include products such as pellet stoves that were previously exempt. The second phase, which will start in 2020, will further lower emissions to 2.0 grams per hour.

100% of Valley Comfort/Blaze King products already meet phase 1 requirements. Almost all of the other product lines manufactured by Valley Comfort/Blaze King meet or exceed phase 2 requirements for 2020. The King, Chinook 20, Sirocco 20, Ashford 20, Chinook 30, Sirocco 30, and Ashford 30 all meet the phase 2 requirements. The Princess free-stand model and fireplace insert meet phase 1 but not phase 2 standards. Replacements for these stoves have been designed and are currently being beta tested and will exceed phase 2 requirements for 2020.

The EPA ruling included wood furnaces for the first time. The EPA has chosen to use the CSA standard B.4-15.1 and the Blaze King Apex furnace meets this requirement. This makes Valley Comfort/Blaze King one of a select few manufacturers with an EPA certified wood furnace. This is only relevant to the USA and provinces that require EPA certification (Quebec, New Brunswick, Yukon and British Columbia). Provinces that previously did not recognize EPA requirements have remained the same. Other products in this category, VC 120, MP 80, VC 95, can still be sold in provinces that have not adopted this CSA/EPA standard, such as Alberta, Ontario and Manitoba.

All new models being developed by Blaze King will meet the 2020 requirements. The Sirocco 25 fireplace insert was tested towards the end of 2015 and passed both safety and emissions requirements. On April 6th, 2016, management received the final certification letter from the EPA. Testing has showed that the new Sirocco model achieved an emissions level of 0.9 grams per hour, well below the 2020 requirements. The fireplace insert will now be marketed with first delivery of product to dealers commencing in June, 2016.

The US Department of Energy ("DOE") is attempting to regulate the gas stove industry by imposing a ban on standing pilots in gas products sold in the hearth industry. This has been resisted by the industry as many of the units produced today are considered a decorative appliance versus a heating appliance. The outcome of the US DOE's efforts is still unknown as of the date hereof.
All units require independent laboratory testing for safety and emissions in order to achieve certification. The certifying agencies must carry out periodic site visits to verify compliance.

Industry Trends

The current major trend in the North American hearth industry is that the consumer is now considering the wood or gas stove as a piece of furniture with styles that match the current European designs. This demand extends not only to wood stoves but to fireplace inserts as well. Blaze King has launched a number of new products over the last five years to address the styling issue in wood stoves. These new products include the Chinook, Ashford and Sirocco models which are offered in both cast iron and traditional steel options.

Blaze King will begin production of its new fireplace insert line up in 2016. Market share in the wood fireplace insert section is expected to grow with the introduction of the Sirocco 25 in the second quarter of 2016 and the cast iron fireplace insert, the Ashford 25, towards the end of the year. These two units represent a significant increase in product offering and a significant step forward for Blaze King in terms of customer desirability and design.

Strategy

Blaze King is focused on producing very efficient, well-built, eco-friendly hearth products. Management of Blaze King believes that its stoves are recognized as being some of the longest-burning, highest efficiency stoves in the hearth market and that its stoves have a reputation for quality. These traits have

helped build the Blaze King brand and reputation, which drives sales through dealer and customer loyalty.

There are two main channels of distribution in the hearth industry, new construction and the independent retailer channel. The new construction channel is now dominated by the two largest entities in the North American hearth market and is the most price competitive segment.. In the retailer channel, price is not the biggest consideration. Blaze King competes in the retailer channel.

In the retailer channel, management of Blaze King believes that the most important factors to customers are the features of each model, company reputation and product quality. Blaze King's stoves have a unique advantage because the catalytic market occupies a market niche in comparison to the majority of other manufacturers.

Delivery is important to retailers as most no longer carry a large amount of back room stock, and also expect manufacturers to have adequate inventory on hand. Management of Blaze King believes that competitors who focus on lower price point products also attempt to market product to big box retailers and do not achieve the same degree of loyalty as Blaze King's stoves do from the independent retailer.

Management of Blaze King believes that the hearth business is very much dependent on personal relationships. In order to build these relationships, Blaze King has created and maintains an effective outside sales force that has had a positive effect on building personal relationships with dealers and distributors in all markets. Blaze King's brand reputation for efficiency, quality and customer service has also been important in building customer relationships.

Blaze King is on a Lean manufacturing journey to eliminate waste, increase productivity and efficiency, and produce cost-efficient products. In Q1, Blaze King hired a new Operations Manager for the Penticton facility, who has a Lean background, and will be implementing even more new Lean policies to improve efficiency and innovation.

Blaze King started a program at the end of 2015 to design and manufacture new gas heating products by the end of 2016.

Non-IFRS Measures

In this MD&A, reference is made to the measure "Adjusted EBITDA", which is believed to be meaningful in the assessment of the Company's performance. This metric is a non-standard measure under IFRS, and may not be identical to similarly titled measures reported by other companies. Also, in the future, we 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. Readers are cautioned that the disclosure of these items is meant to add to, and not replace, the discussion of financial results as determined in accordance with IFRS. The primary purpose of these non-IFRS measures is to provide supplemental information that may prove useful to investors who wish to consider the impact of certain non-cash or uncontrollable items on the Company's operating performance and who wish to separate sales and related costs associated with patient acquisition that may not be ongoing.

Adjusted EBITDA

In calculating Adjusted EBITDA, certain items are excluded from net income or loss including interest, taxes, amortization and non-cash stock-based compensation. Set forth below are descriptions of the financial items that have been excluded from net income or loss to calculate Adjusted EBITDA and the material limitations associated with using this non-IFRS financial measure as compared to net income or loss:

- Amortization expense may be useful for investors to consider because they generally represent 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.
- 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 our business.
- Income tax expense may be useful for investors to consider because it generally represents the taxes which may be payable for the period and the change in deferred income taxes and may reduce the amount of funds otherwise available for use. However, we do not consider the amount of income tax expense to be a representative component of the day-to-day operating performance of our business.
- Acquisition costs are a non-recurring item that affected our costs in Q1, Q2 and the beginning of Q3. While a necessary expense as part of closing our acquisition of Blaze King, these items will not be occurring in every quarter, and as such, we do not consider the amount of acquisition costs incurred to be a representative component of the day-to-day operating performance of the business.
- Stock-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, employees and consultants. However, stock-based compensation is being excluded from the Company's operating expenses because the decisions which 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 strategic decisions, such as those to issue stock-based awards are made to further the Company's long-term strategic objectives and do impact the Company's earnings under IFRS, these items affect multiple periods and management is not able to change or affect these items within any particular period.

Financial overview/summary

The financial metrics for the Company for the periods indicated below are as follows:

FINANCIAL PERFORMANCE	2015	per share basic and fully diluted	2014	per share basic and fully diluted
For the three months ended December 31				
Total revenue	**$ 4,353,006**		$ -	
Gross margin	**1,755,188**		-	
Operating expenditures [2]	**(924,083)**		(67,202)	
Adjusted EBITDA [3]	**831,105**		(67,202)	
Amortization	**29,811**		-	
Interest expense	**(71,610)**		-	
Acquisition costs	**-**		(150,728)	
Stock compensation expense	**-**		-	
Net income (loss) before other items	**789,306**	**0.21**	(217,930)	(0.10)
Interest income	**-**		4,884	
Gain on sale of equipment	**21,848**		-	
Net income (loss) before taxes	**811,154**		(213,046)	
Income taxes	**(448,987)**			
Net income (loss) after tax	**362,167**	**0.10**	(213,046)	(0.10)
Foreign currency translation adjustment	**197,936**		-	
Total comprehensive income (loss)	**560,103**	**0.15**	(213,046)	(0.10)
Dividends declared	**281,176**	**0.065**	-	
For the year ended December 31 [1]				
Total revenue	**$ 13,301,335**		$ -	
Gross margin	**5,571,375**		-	
Operating expenditures [2]	**(3,730,072)**		(320,558)	
Adjusted EBITDA [3]	**1,841,303**		(320,558)	
Amortization	**(245,723)**		-	
Interest expense	**(197,592)**		-	
Acquisition costs	**(176,527)**		-	
Stock compensation expense	**(265,694)**		-	
Net income (loss) before other items	**955,767**	**0.27**	(320,558)	(0.14)
Interest income	**-**		17,946	
Gain on sale of equipment	**21,848**		-	
Net income (loss) before taxes	**977,615**		(302,612)	
Income taxes	**(589,000)**		-	
Net income (loss) after tax	**388,615**	**0.11**	(302,612)	(0.14)
Foreign currency translation adjustment	**426,840**		-	
Total comprehensive income (loss)	**815,455**	**0.23**	(320,558)	(0.14)
Dividends declared	**673,454**	**0.180**	-	

FINANCIAL POSITION	December 31, 2015	December 31, 2014
Working capital	$ 2,939,451	$ 1,241,199
Capital assets	963,387	-
Total assets	9,842,087	1,368,194
Bank debt	3,335,433	-
Equity	4,326,379	1,241,199
SHARE INFORMATION	**December 31, 2015**	December 31, 2014
Common shares issued	3,750,570	2,090,000

(1) Operating results for the year ended December 31, 2015 include Blaze King operations for the ten months since its acquisition on February 27, 2015..

(2) Operating expenditures include all expenses other than amortization, interest and acquisition costs.

(3) "Adjusted EBITDA" is used as a profitability measure in this document. Please refer to the "Non-IFRS Measures" section of this MD&A for further discussion on these measures.

As the purchase of Blaze King closed at the end of February 2015, the consolidated results for the fourth quarter and year-ended December 31, 2015 include three and ten months of operations of Blaze King respectively. The revenue for the ten months for Blaze King was $13,301,335, and gross margin was $5,571,375 or 41.5%. Blaze King experienced higher revenues and a higher margin in the ten months March to December 2015 comparable to the same period in 2014, owing in part to an increased distribution network in the US and Canada, stronger sales demand in the US market and a higher US dollar.

G&A expenses included acquisition costs of $176,527. By the end of the year, all costs of the acquisition of Blaze King have been incurred and expensed.

For the year ended December 31, 2015, the Company incurred $549,000 of current tax expense (2014 - $nil). The increase in current tax expense in fiscal 2015 primarily relates to the taxable net income arising from the operations of Valley Comfort and Blaze King USA with taxable operations in Canada and the United State, respectively.

For the year ended December 31, 2015, the Company recognized $40,000 of deferred tax expense (2014 - $nil). The deferred tax expense in fiscal 2015 relates to the temporary differences arising from differences in the accounting and tax basis of Valley Comfort and Blaze King USA assets and liabilities.

Rate reconciliation

Income tax expense differs from the amount that would result by applying the combined Canadian federal and provincial income tax rate of 26% to earnings before income taxes. The Company's taxable income for the year ended December 31, 2015 is generated in the United States, which is subject to approximately a 34% tax rate, and Canada, which is subject to a 26% tax rate.

The impact of being subject to certain higher tax rates, as well as other differences, is included in the following reconciliation:

		Years ended December 31,		
		2015		2014
Earnings (loss) before income taxes	**$**	**977,615**	$	(302,612)
Combined Canadian federal and provincial income tax rates		**26.0%**		26.0%
Expected income tax expense (recovery)		**254,000**		(79,000)
Items that cause an increase (decrease):				
Effect of different tax rates in foreign jurisdiction		**54,000**		
Non-deductible amounts		**204,000**		(33,000)
Share issuance costs		**(64,000)**		-
Adjustment to prior years provision and other		**60,000**		-
Change in unrecognized temporary differences		**81,000**		112,000
Income tax expense	**$**	**589,000**	$	-

		Years ended December 31,		
		2015		2014
Current income tax expense	**$**	**549,000**	$	-
Deferred income tax expense		**40,000**		-
Income tax expense	**$**	**589,000**	$	-

2016 Outlook

Market Conditions

The late winter and low oil prices will continue to put downward pressure on the wood stove sales for the early part of 2016. The effect of low oil prices continues to dog the Canadian economy and we are entering an election year in the US, which traditionally has an adverse effect on sales. To counteract these conditions there are several factors, both internal and external that will contribute to reset Blaze King sales for the balance of 2016.

New Products

Wood products

Blaze King will begin production of its new fireplace insert line up in 2016. Market share in the wood fireplace insert section is expected to grow with the introduction of the Sirocco 25 in the second quarter of 2016 and the cast iron fireplace insert the Ashford 25 towards the end of the year. Blaze King feels that these two units represent a significant increase in product offering and a significant step forward for Blaze King in terms of customer desirability, and also that these modern flush designs will capitalize on both the trend towards modern European styling seen in west coast markets and the traditional cast iron design favoured by east coast markets.

Gas Products

Blaze King started a program at the end of 2015 to design and manufacture new gas heating products by the end of 2016. This will represent a significant step forward and the beginning of a process where Blaze King will offer a full gas product line in the years to come.

Wood Stove change-out programs

As previously stated, the EPA introduced new regulations for wood stoves in 2015. The new emission level is now 4.5 grams of particulate matter per hour. In 2020, this level will reduce to 2 grams per hour. Since the introduction of the new rule, the EPA and State Regulators have been focusing their attention on wood stove change-out programs. Any incentives offered in these programs will concentrate on stoves that meet the 2020 levels. All of Blaze King's products meet the current levels and all but one stove meets and exceeds the 2020 levels. Blaze King is well placed to take advantage of these incentives.

Continued increase in dealer network

Blaze King's ever improving product offering, professional representation and good customer service is continuing to grow our dealer network and improve the quality of the network. Blaze King's management expects this trend to continue in 2016.

Selected Financial Information

	For the three months ended December 31, 2015 ($)	For the three months ended September 30, 2015 ($)	For the three months ended June 30, 2015 ($)	For the three months ended March 31, 2015 (1) ($)
Revenue	4,353,005	4,839,969	2,864,418	1,243,943
Net income (loss) before taxes	811,154	553,724	(287,999)	(99,264)
Income taxes	(448,987)	(186,056)	(39,811)	(26,167)
Net income (loss)	362,167	479,688	(327,809)	(125,431)
Total comprehensive income (loss)	560,103	609,093	(276,497)	(77,244)
Total assets	9,842,087	8,982,069	8,348,281	8,344,057
Common shares issued	3,750,570	3,747,648	3,743,350	3,450,282
Weighted average shares outstanding	3,479,965	3,744,305	3,090,380	2,566,135
Net income (loss) per share - basic and diluted	0.104	0.128	(0.088)	(0.036)

	For the three months ended December 31, 2014 ($)	For the three months ended September 30, 2014 ($)	For the three months ended June 30, 2014 ($)	For the three months ended March 31, 2014 ($)
Revenue	-	-	-	-
Interest revenue	4,884	4,408	4,351	4,303
Net loss	(213,045)	(30,329)	(32,036)	(27,202)
Total assets	1,368,194	1,470,372	1,516,823	1,532,004
Common shares issued	2,090,000	2,090,000	2,090,000	2,090,000
Weighted average shares outstanding	2,090,000	2,090,000	2,090,000	2,090,000
Net loss per share - basic and diluted	(0.10)	(0.01)	(0.02)	(0.01)

(1) Results for the three months ended March 31, 2015 include Blaze King operations for the one months from its acquisition on February 27, 2015.
(2) Results for the 1st, 2nd and 3rd quarters have been recast to conform to year end presentation.

Fluctuations in Results

Three months ended December 31, 2015

Blaze King

The consolidated financials for the fourth quarter include three months of Blaze King's operations, in which revenue of $4,353,005 was recorded. Blaze King's business is seasonal in nature and, as it expected, the third and fourth quarters were Blaze King's two strongest operating quarters of the year.

Blaze King entered the 4th quarter of 2015 in an excellent position. The sales team and improved dealer network had prepared extremely well for the upcoming winter heating season. Two factors then combined to dampen market conditions for wood heating appliances. Winter did not arrive in the Western or Eastern US or Canada until the second or third week of December this year, which resulted in slower than expected sales. Due to the late start to winter, many consumers postponed their wood stove purchase until 2016. A second factor was the price of other heating alternatives. The price of oil reached dramatically decreased levels in 2015 and this in turn reduced the price of liquid propane gas (LP). LP is a direct competitor to wood as a chosen fuel source in the heating market and the low price of LP contributed to heating product sales migrating over to LP stoves. Low oil prices also helped to dampen the Canadian economy. The higher US dollar continued to positively affect margins as sales to the US markets remained strong year over year for the 4th quarter.

The first of Blaze King's new Wood Fireplace Insert line, the Sirocco 25, went through EPA and safety testing in the fourth quarter and final certification approval was received on April 6th, 2016.

Decisive Dividend Corporation

Three months ended December 31, 2015

During the three month period ended December 31, 2015, the Company expended $170,045 on corporate activities. The majority of expenditures were related to legal fees, accounting fees, public listing costs, interest expense and management salaries. The most significant expenses during this period were accounting fees, both incurred and accrued, of $48,934, legal fees of $26,969, interest on long-term debt of $34,505, and salaries of $26,077.

Three months ended December 31, 2014

During the three month period ended December 31, 2014, the Company expended $217,930 on corporate activities. The majority of expenditures were related to costs incurred in the acquisition of Blaze King. The most significant expenses during this period were legal fees of $83,000, accounting fees of $49,728, transaction advisory fees of $45,000, and transfer agent and exchange fees of $12,439.

Year ended December 31, 2015

Blaze King

The consolidated financials for the year ended December 31, 2015 include ten months of Blaze King's operations, in which $13,301,335 of revenue was recorded. As expected, the third quarter and fourth quarters experienced much higher sales than the first two quarters, as seasonal demand is traditionally stronger in the third and fourth quarter of the year.

Overall, 2015 proved to be a record sales year for Blaze King. The Company saw increased sales, in both unit sales and dollars over 2014, which resulted in two record sales years in a row. The combined United States and Canadian total market for wood stoves declined by 4% in 2015, while Blaze King's wood stove market share increased from 4.6% to 5%. This growth can be attributed to the continued promotion of the Blaze King's core strategies, which include:

- Continuously improving the breadth and quality of the Blaze King dealer network
- Providing great customer service
- Providing inventory to our dealers on time and on demand
- Manufacturing reliable, high efficiency and clean burning products
- Offering unique, functional and attractive wood stove designs

Stove production for 2015 continued to outpace 2014 production and in 2015, Blaze King met the seasonal demand with current production levels and inventory.

Increased inventories year over year assisted with quick turnaround from receipt of order to shipment of product. A strengthened sales force helped to grow Blaze King's presence in the existing dealer network.

Decisive Dividend Corporation

Year ended December 31, 2015

During the year ended December 31, 2015, the Company expended $936,144 on corporate activities. The majority of expenditures were related to stock option compensation expense, costs incurred in legal and accounting fees related to the qualifying transaction, interest on long-term debt, and for public listing costs. The most significant expenses during the period were stock option compensation expenses of $265,694, accounting and audit fees of $148,833, interest on long-term debt of $110,238 salaries of $106,014, transfer agent and exchange fees of $40,041, transaction advisory fees of $30,812, and legal fees of $16,055.

Year ended December 31, 2014

During the year ended December 31, 2014 the Company expended $320,558 on corporate activities. The majority of expenditures were related to legal, advisory, due diligence and TSX Venture Exchange costs related to the closing of the qualifying transaction announced on December 1, 2014.
The most significant expenses during the 2014 year were legal fees of $91,729, transaction advisory service fees of $80,976, accounting, taxation advisory and audit fees of $53,913, TSX filing fees of $15,700, rent of $15,105, transfer agent fees of $11,254, travel of $10,508 and directors' and officers' insurance fees of $9,388.

Liquidity and Capital Resources

As at December 31, 2015, the Company had cash of $291,068 (December 31, 2014 positive cash position of $1,354,579) and net working capital of $2,879,451 (December 31, 2014 net working capital of $1,241,199). The Company did not need its operating loan facility in the fourth quarter as sales seasonally increase, and continue through January.

	December 31 2015	December 31 2014	Change
Cash and cash equivalents	$ 291,068	$ 1,354,579	$ (1,063,511)
Accounts receivable	1,360,131	5,438	1,354,693
Inventory	2,700,359	-	2,700,359
Prepaid expenses	365,768	8,177	357,591
Accounts payable	(1,287,579)	(126,995)	(1,160,584)
Warranty provision	(117,696)	-	(117,696)
Current portion of long-term debt	(372,600)	-	(372,600)
Net working capital	$ 2,939,451	$ 1,241,199	$ 1,698,252

Dividends declared and paid

The Company's dividend policy is to declare dividends on the last business day of the month, and pay it in cash on or about the 15th of the following month. The Company's Board of Directors regularly examines the dividends paid to shareholders.

A chart of the cumulative dividends paid to date is as follows:

Month	Record Date	Per Share	2015 Dividends Amount
May	May 29, 2015	$ 0.02	$ 73,913
June	June 30, 2015	0.02	74,867
July	July 31, 2015	0.02	74,867
August	August 31, 2015	0.02	74,867
September	September 30, 2015	0.025	93,647
October	October 30, 2015	0.025	93,764
November	November 30, 2015	0.025	93,764
December	December 31, 2015	0.025	93,764
Total		**$ 0.180**	**$ 673,453**

Subsequent to December 31, 2015 and before these consolidated financial statements were authorized, the Company declared a dividend of $0.025 per share to shareholders of record on January 31st, February 29th, and March 31st, 2016.

Equity

On February 25, 2015, the Company completed a brokered private placement offering (the "Private Placement") of subscription receipts ("Subscription Receipts"). The 1,004,250 subscription receipts of the Company that were issued at a price of $2.00 per Subscription Receipt were each exchanged, for no additional consideration, for one Common Share pursuant to the subscription receipt agreement entered into on February 25, 2015 among the Company, Industrial Alliance Securities Inc. and Computershare Trust Company of Canada ("Computershare"). In addition, the $2,008,500 in gross proceeds raised pursuant to this offering was released from escrow, less the fees of Computershare.

Short-term debt facilities

On February 27, 2015, the Company entered into an operating loan facility, with an authorization up to $2,000,000, bearing interest at prime plus 0.75%. As at December 31, 2015, the amounts drawn on this facility during the year had been repaid. As at April 12, 2016, $360,000 of this facility was drawn.

The Company's operating loan facility and long-term debt are secured by 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:

- Debt service coverage of not less than 120%, based on a rolling four quarter test

- Maintain a funded debt to earnings before interest, tax and depreciation and amortization (EBITDA) ratio not exceeding 3.0x at date of funding and stepping down to 2.75x in 2016, 2.50x in 2017, and 2.25x in 2018, to be tested on a rolling four quarter average.

As at December 31, 2015, and throughout the year, the Company was in compliance with these ratios.

Long-term debt

On February 27, 2015, the Company entered into a term loan agreement with the Toronto Dominion bank in the amount of $3.5 million, repayable in monthly instalments of $29,167 per month at an interest rate of prime plus 1.5%. The loan matures in five years, at which point the remaining $1,750,000 is repayable in full.

On April 28, 2015, a subsidiary of the Company entered into a term loan agreement with the Toronto Dominion bank in the amount of $113,000, repayable in monthly instalments of $1,883 per month at an interest rate of prime plus 1.5%. The loan matures in five years.

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

2016	372,600
2017	372,600
2018	372,600
2019	372,600
2020	1,845,033

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements.

Related Party Transactions

The Company's related parties consist of directors and officers or companies associated with them.

As disclosed in note 16, on April 1, 2015, the Company granted stock options to directors and officers of the Company to purchase 149,000 common shares at $2.00 per share. Compensation expense of $265,694 was recorded in the income statement regarding this transaction.

The Company incurred legal fees of $48,856 (2014 - $nil) with a law firm in which two directors of the Company were either a partner or employee. The amount outstanding at year-end was $1,321 (2014 - $14,711). The Company incurred rent and office expense of $nil (2014 - $2,250) to a company controlled by a director of the Company.

These transactions were incurred in the normal course of operations and measured at the exchange amount, which is the amount of the consideration established and agreed to by the related parties.

Key management, including directors and officers of the Company, are those personnel having the authority and responsibility for planning, directing, and controlling the Company. Salaries and benefits, bonuses and share-based payments are included in compensation expenses.

Key management compensation includes:

		Years ended December 31,		
		2015		2014
Salaries and benefits	**$**	**110,093**	$	-
Share-based payments		**265,694**		-
	$	**375,787**	$	-

Recent and future accounting pronouncements

a) Accounting standards issued and effective January 1, 2016

The IASB issued amendments to IAS 16 *Property, Plant and Equipment*, and IAS 38 *Intangible Assets* to address depreciation and amortization methods which are based on revenue. The amendment to IAS 16

prohibits the use of a revenue-based depreciation method as this reflects a pattern other than the consumption of economic benefits consumed through the use of the asset. The amendment to IAS 18 introduced a rebuttable presumption that a revenue based amortization method for intangible assets is inappropriate. This presumption can be overcome only if the intangible asset is expressed as a measure of revenue or it can be demonstrated that revenue and consumption of the economic benefits of the intangible asset are highly correlated. Early application of this standard is permitted. The Company has reviewed the impact of this amendment on its 2016 operations to date and concluded that it has had no significant impact on its financial statements.

b) Accounting standards issued and effective January 1, 2018

IFRS 9 *Financial Instruments* will replace IAS 39 *Financial Instruments: Recognition and Measurement*. The new standard replaces the current multiple classification and measurement models for financial assets and liabilities with a single model that has only two classification categories: amortized cost and fair value. IFRS 9 has also been amended not to require the restatement of comparative period financial statements for the initial application of the classification and measuring requirements of IFRS 9, but instead requires modified disclosures on transition to IFRS 9. Early application of this standard is permitted. The Company is currently evaluating the impact of the adoption of this standard on its consolidated financial statements.

IFRS 15 *Revenue from Contracts with Customers* will replace IAS 18 *Revenue* and IAS 11 *Construction Contracts*. The new standard provides guidance on whether revenue is to be recognized over time or at a point in time, and expands and improves disclosures about revenue. The standard does not apply to certain contracts such as lease, insurance, financing arrangements, and guarantees other than product warranties. Early application of this standard is permitted. The Company is currently evaluating the impact of the adoption of this standard on its consolidated financial statements.

IFRS 16 *Leases* will replace IAS 17 – Leases. The new standard specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value. The standard is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted if IFRS 15, has also been applied. The Company is currently evaluating the impact of the adoption of this standard on its consolidated financial statements.

Internal Controls over Financial Reporting

The Chief Executive Officer and Chief Financial Officer, in accordance with National Instrument 52-109 (“NI 52-109”), have both certified that they have reviewed the annual financial report and this MD&A (the “Annual Filings”) and that, based on their knowledge having exercised reasonable diligence, that (a) the Annual 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 Annual Filings; and (b) the annual financial report together with the other financial information included in the Annual Filings fairly present in all material respects the financial condition, financial performance and cash flows of the Company of the date of and for the periods presented in the Annual Filings.

Investors should be aware that there are inherent limitations on the ability of certifying officers of a Venture issuer to cost effectively design and implement Disclosure Controls and Procedures and Internal

Controls over Financial Reporting as defined in NI 52-109. This may result in additional risks to the quality, reliability, transparency and timeliness of annual filings and other reports provided under securities legislation.

Critical Accounting Estimates
The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates on the resulting effects of the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

All of the Company's significant accounting policies and estimates are included in Note 2 and 3 of its financial statements for the year ended December 31, 2015.

a) Judgments

The preparation of financial statements requires management to make judgments that affect the application of accounting policies and reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

In making judgments, management relies on external information and observable conditions where possible, supplemented by internal analysis as required. There are no known trends, commitments, events or uncertainties that management believes will materially affect the methodology or assumptions utilized in making those estimates and judgments in these financial statements.

The critical judgments that the Company's management has made in the application of the accounting policies include functional currency and income tax, which are described in note 3 of the December 31, 2015 financial statements.

b) Accounting estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make estimates based on assumptions about future events that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised.

Areas that require significant estimates and assumptions as the basis for determining the stated amounts include, but are not limited to, the following:

i. Business Combinations

Management uses valuation techniques when determining the fair values of certain assets and liabilities acquired in a business combination. In particular, the fair value of contingent consideration is dependent on the outcome of many variables including the acquirees' future profitability.

The Company's acquisition of PGR has been accounted for using the acquisition method of accounting. Under the acquisition method, the acquiring company adds to its statement of financial position the estimated fair values of the acquired company's assets and assumed liabilities. There are various assumptions made when determining the fair values of the acquired company's assets and assumed liabilities. The most significant assumptions and those requiring the most judgment involve the estimated fair values of intangible assets.
The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred by the former owners of the acquiree and the equity interests issued by the Company.

The initial recognition of intangible assets acquired that require critical accounting estimates are manufacturing technology, customer relationships, and brand name. To determine the fair value of the manufacturing technology intangible asset, the Company adopted the multi-period excess earning method. This valuation technique values the intangible assets based on the discounting of the excess earnings. The prospective earnings of the manufacturing technology were isolated by identifying and subtracting earnings attributable to the contributory assets, thereby estimating the 'excess earnings' of the manufacturing technology. Significant assumptions include, among others, the determination of projected revenues, cash flows, obsolescence rates, discount rates and anticipated average income tax rates.

To determine the fair value of the customer relationships intangible asset, the Company adopted the distributor method. This valuation technique values the intangible assets based on the discounting of the customer relationships' specific cash flows. Under a distributor method approach, the cash flows considered were those a distributor would earn from the existing customers, net of the contributory assets, necessary to support the customer relationships. Significant assumptions include, among others, the determination of projected revenues, cash flows, attrition rates, discount rates and anticipated average income tax rates. To determine the fair value of the brand name intangible asset, the Company adopted the relief from royalty method. This valuation technique values the intangible assets based on the present value of the expected after-tax royalty cash flow stream using a hypothetical licensing arrangement. Significant assumptions include, among others, the determination of projected revenues, royalty rate, discount rates and anticipated average income tax rates.

i. Depreciation and Amortization of Long-lived Assets

The Company makes estimates about the expected useful lives of long-lived assets and the expected residual values of the assets based on the estimated current fair value of the assets. Changes to these estimates, which can be significant, could be caused by changes in the utilization of major manufacturing equipment and buildings and uncertainties relating to technological obsolescence.

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Generally, these adjustments are accounted for on a prospective basis, through depreciation and amortization expense.

ii. Impairment of non-financial assets and goodwill

In assessing impairment, management estimates the recoverable amount of each assets or cash-generating unit ("CGU") based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

iii. Inventories

Management estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

Risk Factors

General Economic Conditions

Demand for the Company's products will be affected by general economic conditions influencing the level of consumer confidence and the level of housing starts. Reduced new home construction activity, as a result of high interest rates or other economic factors, could lead to a reduction in sales by the Company. In addition, reduced consumer spending on home improvement items, as a result of interest rate factors or other economic developments, could lead to a reduction in sales by the Company.

Government Regulation

The wood burning stove market is affected by government regulation and standards and these regulations are constantly changing. There can be no assurance that the Company's prospects would not be adversely affected in the event of additional regulation in the wood burning stove market.

Environmental Regulation

The past and present operation and ownership by Blaze King of manufacturing facilities and real property are subject to extensive and changing federal, provincial, state and local environmental laws and regulations, including those relating to discharges in air, water and land, the handling and disposal of solid and hazardous waste and the remediation of contamination associated with releases of hazardous substances. Compliance with environmental regulations has not had a material effect on the capital expenditures, earnings or competitive position of Blaze King to date; however, compliance with current laws or more stringent laws or regulations which may be imposed on the Company in the future, stricter interpretation of existing laws or discoveries of contamination at the real property sites of the Company which occurred prior to the advent of environmental regulation may require the Company to incur additional expenditures in the future, some of which may be material.

Dependence on Distributors and Strategic Relationships

The future revenue growth of the Company will depend in large part upon its ability to successfully establish and maintain a network of suppliers and distributors as well as its ability to enter into strategic alliances. The Company may not be able to successfully manage such relationships. If the Company is

unable to attract such distributors and strategic partners, it may not be able to generate sufficient revenues to maintain profitability.

Demographics

Management of Blaze King believes that demographic trends, such as the tendency of aging, affluent baby-boomers to spend more leisure time in larger, better-appointed homes will contribute to the Company's growth. Management of the Blaze King believe that these consumers may be drawn to the wood burning stove products manufactured and distributed by Blaze King.

Ability to Develop New Products

The Company's market position is dependent on its ability to effectively anticipate consumer habits and expectations and develop new or modified products in a timely fashion to satisfy these expectations. New product introductions have historically represented a significant portion of wood burning stove sales in any given year and management believes that new product introductions will be necessary to sustain the Company's market share and revenue growth in these parts of its business.

Weather and Related Customer Buying Patterns and Manufacturing Issues

In the wood burning stove market, moderate fall or winter temperatures may result in reduced demand for the Company's products, just as extremely cold temperatures in fall and winter may result in increased demand. Weather may also extend or delay consumer purchases of certain products.

Supply and Cost of Raw Materials and Purchased Parts

The Company will rely on a stable and consistent supply of materials and finished goods in carrying out its operations. Blaze King secures its supplies of raw materials and finished goods from various suppliers on an ongoing basis at negotiated prices. An interruption in the availability of these raw materials or finished goods, whether it be due to geopolitical factors in certain parts of the world, other factors not within the control of the Company or otherwise, or significant increases in the prices paid by the Company for them, could have a material effect on the Company's business.

The pricing of certain commodities used to produce Blaze King's products, such as steel, are still largely driven by overall market conditions and increases in the cost of these components could increase the Company's manufacturing costs.

Foreign Exchange Exposure

The Company's products are sold to the USA while most of its operating expenses and capital expenditures are denominated in Canadian dollars. As a result, the Company will be exposed to fluctuations in the foreign exchange rates between the Canadian dollar and the currency in which a particular sale is transacted, which may result in foreign exchange losses that could affect earnings.

Implementation of the Growth Strategy

As part of its business strategy, the Company will expand its operations and may complete new acquisitions. The Company may not effectively select acquisition candidates or successfully negotiate or finance such acquisitions. There can be no assurance the acquisitions will be completed on acceptable terms or that the newly acquired companies will be successfully integrated into the Company's operations. The Company may be subject to increased production costs or problems, difficulty in obtaining financing, increased cost of borrowing and the local and global economy.

Competition

The wood burning stove industry is competitive and the Company will compete with a substantial number of companies which have greater technical and financial resources. There can be no assurance that such competitors will not substantially increase the resources devoted to the development and marketing of products and services that compete with those of the Company or that new or existing competitors will not enter the various markets in which the Company is active. In certain aspects of its business, the Company also competes with a number of small and medium-sized companies, which, like the Company, have certain competitive advantages such as low overhead costs and specialized regional strengths.

There can be no assurance that competitors will not develop new and unknown technologies with which the Company may have difficulty competing. As well, without remaining cost competitive there is also a risk that the Company may lose business to its competitors.

Reliance on Management and Key Personnel

The Company's success and future operations will be dependent upon the abilities, expertise, experience, judgment and efforts of senior management and key personnel of the Company. Any loss of the services of these personnel could have a materially adverse impact on the Company's business, technical capabilities, operating results or financial condition or could result in delays to or abandonment of the Company's projects and ultimately the shareholders' investments could be negatively affected.

Financial Risk

In order to execute its business plan, the Company may require a combination of additional debt and equity financing to support ongoing operations, to undertake capital expenditures or to undertake acquisitions or other business combination transactions. There can be no assurance that additional financing will be available to the Company when needed or on terms acceptable to the Company. The Company's inability to raise financing to support ongoing operations or to fund capital expenditures or acquisitions could limit the Company's growth and may have a material adverse effect upon the Company.

Litigation

Although there are currently no material legal proceedings outstanding or threatened against the Company, the Company may become party to litigation from time to time in the ordinary course of business, which could adversely affect its business.

Product Liability and Warranty Claims

The Company will be subject to potential product liabilities connected with its operations, including liabilities and expenses associated with product defects. The Company's operations will be covered by liability and other insurance coverage that management of the Company believes is generally in accordance with the market practice in its industry, but there can be no assurance that the Company will always be adequately insured against all such potential liabilities.

A malfunction or the inadequate design of the Company's products could result in product liability or other tort claims. Accidents involving the Company's products could lead to personal injury or physical damage. Any liability for damages resulting from malfunctions could be substantial and could materially adversely affect the Company's business and results of operations. In addition, a well-publicized actual or perceived problem could adversely affect the market's perception of the Company's products. This

could result in a decline in demand for the Company's products, which would materially adversely affect the Company's financial condition and results of operations.

The sale and use of products developed by the Company may entail potential liability and possible warranty claims. The Company may be subject to personal injury claims for injuries resulting from use of its products. Although the Company will maintain product liability insurance, there can be no assurance that such insurance will continue to be available on commercially reasonable terms and that it will be sufficient to cover all claims.

Reliance on Technology

The Company will depend upon improvements in technology to meet customer demands in respect of performance and cost, and to explore additional business opportunities. There can be no assurance that the Company will be successful in its efforts in this regard or that it will have the resources available to meet this demand. The commercial advantage of the Company will depend to an extent on the intellectual property and proprietary technology of the Company. Blaze King currently relies on intellectual property rights and other contractual or proprietary rights, including (without limitation) copyright, trade secrets, confidential procedures, contractual provisions, licenses and patents, to protect its proprietary technology. The Company may have to engage in litigation in order to protect its patents or other intellectual property rights, or to determine the validity or scope of the proprietary rights of others. This type of litigation can be expensive and time consuming, regardless of whether or not the Company is successful. The Company may seek patents or other similar protections in respect of particular technology; however, there can be no assurance that any future patent applications will actually result in issued patents, or that, even if patents are issued, they will be of sufficient scope or strength to provide meaningful protection or any commercial advantage to the Company. Moreover, the process of seeking patent protection can itself be long and expensive. In the meantime, competitors may develop technologies that are similar or superior to the technology of the Company or design around the patents owned by the Company, thereby adversely affecting the Company's competitive advantage in one or more of its businesses.

Trading Volatility of Common Shares

Management of the Company cannot predict at what price the Common Shares will trade and there can be no assurance that an active trading market for the Common Shares will be sustained. The market prices of the Common Shares could be subject to significant fluctuations in response to variations in financial results, general trends in the industry and other factors, including extreme price and volume fluctuations which have been experienced by the securities markets from time to time.

Financial Instruments and Risk Management

a) Fair value measurement of financial assets and liabilities and disclosure

The Company 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 Company’s cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities are measured at amortized cost and approximate their fair value due to their short term nature.

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

Fair value disclosures

At December 31, 2015 and 2014, 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 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.

b) Financial risk management

The Company’s primary business activities consist of the acquisition of corporations in the manufacturing sector. The business plan of the Company is to invest in 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 Company’s financial performance, where financially feasible to do so. When deemed material, these risks may be monitored by the Company’s corporate finance group and they are regularly discussed with the Board of Directors or one of its committees.

i. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. To mitigate this risk, the Company has a planning and budgeting process in place to determine the funds required to support its ongoing operations and capital expenditures. The Company’s cash and cash equivalents are held in business accounts which are available on demand for the Company’s programs. The accounts payable are due within 12 months of the dates on the statements of financial position. The debt matures in 2020 (note 15).

	Total	**Within One Year**	**Two to Five Years**
Long-term debt	$ 3,335,433	$ 372,600	$ 2,962,833

ii. Credit risk

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 Company by those counterparties, less any amounts owed to the counterparty by the Company where a legal right of set-off exists and also includes the fair values contracts with individual counterparties which are recorded in the consolidated financial statements.

The Company's credit risk is predominantly limited to cash and cash equivalent balances held in financial institutions, and the recovery of the Company's accounts receivable. The maximum exposure to the credit risk is equal to the carrying value of such financial assets. At December 31, 2015, the Company expects to recover the full amount of such assets, less any allowance for doubtful accounts in accounts receivable (note 7).

As at December 31, 2015, the Company had the following accounts receivable ageing:

	Total	**Current**	**31 - 60 days**	**61 - 90 days**	**90 days plus**
Accounts Receivable	$ 1,360,131	$ 900,038	$ 332,199	$ 130,635	$ (2,741)

The objective of managing counterparty credit risk is to minimize potential losses in financial assets. The Company assesses the quality of its counterparties, taking into account their credit worthiness and reputation, past performance and other factors.

Cash and cash equivalents are only deposited with or held by major financial institutions where the Company conducts its business. In order to manage credit and liquidity risk, the Company 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.

Sales are made to customers the Company believes them to be of sound credit worthiness.

Currency risk

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

The table below summarizes the net monetary assets and liabilities held in foreign currencies:

	December 31, 2015	December 31, 2014
Net monetary assets	**$ 1,982,430**	$ -
Net monetary liabilities	**(223,751)**	-
	$ 1,758,679	$ **-**

The effect on net income before income tax at December 31, 2015 of a 10.0% change in the foreign currencies against the US dollar on the above mentioned net monetary assets and liabilities of the Company is estimated to be an increase/decrease of $175,868 (December 31, 2014 - $nil) assuming that all other variables remained constant.

The calculations above are based on the Company's statement of financial position exposure at December 31, 2015.

Interest rate risk

The Company is exposed to interest rate risk on the credit facility and long term debt. The Company's exposure to interest rate risk is due to the credit facility and long term debt's interest rate being variable. The Company does not enter into derivative contracts to manage this risk.

As the Company's interest rate exposure is variable with the prime rate, the carrying value of the credit facility and long term debt approximates their fair values. At December 31, 2015, a 1.0% increase of the prime rate on the long term debt would increase interest expense by $153,000 (December 31, 2014 - $nil). Additionally, a 1.0% decrease of the prime rate on the long term debt would increase interest expense by $153,000 (December 31, 2014 - $nil).

The Company has elected not to enter into interest rate swaps or other instruments to actively manage such risks.

Commitments and Contingencies

A summary of the undiscounted liabilities and future operating commitments at December 31, 2015 are as follows:

	Total	Within One Year	Two to Five Years
Operating leases	670,500	173,095	497,405

Contractual commitments are defined as agreements that are enforceable and legally binding. Certain of the contractual commitments may contain cancellation clauses; the Company discloses the contractual operating commitments based on management's intent to fulfill the contracts.

Various tax and legal matters are outstanding from time to time. In the event that managements' estimate of the future resolution of these matters changes, the Company will recognize the effects of these changes in the consolidated financial statements on the date such changes occur.

Share Capital Data

The following table sets forth the Company's share capital data as at December 31, 2014, 2015, and April 12, 2016:

	Expiry Date	Exercise Price	As at December 31, 2015 Options exercised	As at April 12, 2016 Options exercised	December 31, 2015 Common Shares on Exercise	April 12, 2016 Common Shares on Exercise
Common Shares outstanding					3,750,570	3,773,400
Stock options	April 1, 2020	$2.00	6,000	18,000	143,000	131,000
Agents' warrants	February 25, 2017	$2.00	7,220	7,220	63,078	63,078

	Expiry Date	Exercise Price				December 31, 2014 Common Shares on Exercise
Common Shares outstanding						2,090,000
Stock Options	December 18, 2017	$1.00	-	41,300		41,300
	April 25, 2018	$1.00	-	11,800		11,800
	September 24, 2018	$1.00	-	130,000		130,000
	November 13, 2018	$1.00	-	10,000		10,000
Agents' warrants	September 19, 2015	$1.00	-	120,000		120,000

During the year ended December 31, 2015, the Company issued 70,298 agent warrants at a price of $2.00, to agents that participated in the financing that closed on February 25, 2015. This event resulted in issuance costs of $62,169 being recorded for the estimated fair value of the agents' warrants granted. During the year, 7,220 of these options were exercised, for proceeds of $14,440.

During the year ended December 31, 2015, 149,000 stock options were granted to directors, employees and consultants of the Company. This issuance resulted in $265,694 being recorded as stock compensation expense for the estimated fair value of the stock options granted. As at year end December 31, 2015, 6,000 options were exercised for proceeds of $12,000. Subsequent to year end, 12,000 of these stock options have been exercised for proceeds of $24,000.

During the year ended December 31, 2015, 120,000 agents' options that were granted at a price of $1.00 in 2013 were exercised for proceeds of $120,000. Also during the year, 193,100 stock options granted at a price $1.00 in 2013 were exercised by directors of the Company, for proceeds of $193,100. Also during the year, 6,000 options issued on April 1, 2015 at $2.00 per share were exercised for proceeds of $12,000.

Subsequent to year end, 10,830 shares were issued to employees for the inaugural issuance of shares for the Company's Employee Share Purchase Plan.

Escrow Shares

According to TSX Venture Exchange ("TSXV") policies, all shares issued at a price lower than the price of the IPO shares and all securities acquired by non-arm's length parties to the Company, and all securities acquired by a founding shareholder prior to the QT will be held in escrow and will be released over a

period of three years from acceptance of the Company's Qualifying Transaction. Additionally, all common shares acquired on exercise of stock options, granted to directors and officers prior to the completion of a Qualifying Transaction, must also be deposited in escrow until the final exchange bulletin is issued.

As a result of the completion of receipt of the Final Exchange Bulletin from the TSXV for the Qualifying Transaction, 10% or 94,750 shares of escrowed stock was released on March 19, 2015, 15% or 142,125 shares of escrowed stock was released on September 19, 2015, and a further 15% or 142,145 shares of escrowed stock was released on March 19, 2016.

As at December 31, 2015, there were 710,625 shares in escrow and as at April 12, 2016, there are 568,500 of these shares still in escrow (December 31, 2014 – 947,500). The release dates are as follows:

- 142,125 to be released on September 19, 2016
- 142,125 to be released on March 19, 2017
- 142,125 to be released on September 19, 2017
- 142,125 to be released on March 19, 2018

Outlook

The purchase of Blaze King has now been fully integrated. The Company has now gone through an entire year with our Blaze King acquisition. Management continues to believe that the strength of the Company's balance sheet and the continued positive outlook for Blaze King's current hearth products, and orders coming in for their newly designed fireplace insert model, will allow the Company to effectively follow through with its mandate to continue to pay a monthly dividend return to investors. Management remains confident in its strategic and operational plans and has a seasoned leadership team to guide the Company.

The Company continues to develop and expand its network of referral sources that regularly present it with potential acquisitions. The Company also independently assesses certain markets and regions to identify potential targets and believes that its disciplined approach to acquisitions is largely responsible for the success that has been experienced to date. While the deal flow brought to the Company is considered strong, there can be no assurance target companies meeting its 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.