

**MATERIAL CHANGE REPORT  
PURSUANT TO SECTION 7.1 OF NATIONAL INSTRUMENT 51-102**

1. **Name and Address of Corporation:**

Decisive Dividend Corporation (the “Corporation” or “Decisive”)  
#210 – 1674 Bertram Street  
Kelowna, B.C. V1Y 9G4

2. **Date of Material Change:**

September 23, 2021

3. **News Release:**

The Corporation issued a press release regarding the material change on September 23, 2021, a copy of which is available under the Corporation’s profile on the System for Electronic Document Analysis and Retrieval (SEDAR).

4. **Summary of Material Change:**

The Corporation announced that has entered into an agreement with CWB Maximum Financial Inc., a wholly owned division of Canadian Western Bank, to refinance the Corporation’s existing debt facilities and provide an additional \$7 million in available financing. The Corporation’s existing debt facilities will be replaced with the following:

- \$15.0 million in committed revolving term loans for both operating requirements and acquisition financing. The operating component will bear interest at prime rate plus 1.00% and will be subject to a borrowing base measured against accounts receivable and inventory. The acquisition line component will bear interest at prime rate plus 3.00%.
- a \$21.0 million interest-only term loan, bearing interest at a fixed rate of 6.25%.

The Corporation anticipates closing this refinancing in the next six to eight weeks.

5. **Full Description of Material Change:**

See press release attached as Schedule “A”.

6. **Reliance on subsection 7.1(2) or (3) of National Instrument 51-102:**

Not Applicable.

7. **Omitted Information:**

Not Applicable.

8. **Executive Officer:**

Rick Torriero, Chief Financial Officer, Telephone: (250) 870-9146

DATED at Kelowna, British Columbia this 23<sup>rd</sup> day of September 2021.

**DECISIVE DIVIDEND CORPORATION**

Per: \_\_\_\_\_ “Rick Torriero” (Signed)

Rick Torriero, Chief Financial Officer

## SCHEDULE "A"

### Decisive Dividend Corporation Announces Debt Refinancing Agreement

**September 23, 2021 – Kelowna, British Columbia:** Decisive Dividend Corporation (TSX-V: DE) (“**Decisive**” or the “**Corporation**”) is pleased to announce that it has entered into an agreement with CWB Maxium Financial Inc. (“CWB”), a wholly-owned division of Canadian Western Bank, to refinance the Corporation’s existing debt facilities and provide an additional \$7.0 million in available financing.

The Corporation’s existing debt facilities, which mature in August 2022, are currently comprised of the following:

- an \$8.0 million revolving term loan bearing interest at prime rate plus 1.00%, the availability of which is subject to a borrowing base measured against accounts receivable and inventory.
- a \$20.9 million interest-only term loan, bearing interest at a fixed rate of 8.00%.

Given the time to maturity on the existing debt facilities, Decisive management determined it was prudent to seek debt financing alternatives to mitigate any refinancing risk that could occur in the next year and also obtain improved terms. The agreement entered into with CWB achieves both objectives and will replace the Corporation’s existing debt facilities with the following:

- \$15.0 million in committed revolving term loans for both operating requirements and acquisition financing. The operating component will bear interest at prime rate plus 1.00% and will be subject to a borrowing base measured against accounts receivable and inventory. The acquisition financing component will bear interest at prime rate plus 3.00%.
- a \$21.0 million interest-only term loan, bearing interest at a fixed rate of 6.25%.

The meaningful interest rate reduction on the \$21.0 million term loan and other improved terms are expected to result in cash savings of \$0.8 million to \$1.0 million over the initial 3-year term of the new agreement with CWB.

Consistent with the current debt facilities, the new agreement will not require any principal payments during the term of these loans. The new agreement will be for a 3-year term and will also provide for annual extension provisions and less restrictive financial covenants.

Jeff Schellenberg, Chief Executive Officer of Decisive, noted:

*“We are very pleased to announce this refinancing with CWB that aligns so well with our overall objectives and reflects the strong fundamentals of our business and balance sheet. Not only does it result in significant cash savings over the term of the loan, it also affords us considerable flexibility in how we finance future acquisitions. Our buy, build and hold business model is attractive to exiting legacy-minded business owners. Having \$15 million in committed revolving financing facilities available to us to, amongst other things, complete acquisitions, further enhances our competitiveness as we work towards completing our next acquisition from our healthy, and growing, pipeline of potential targets. We look forward to providing further updates to our shareholders as we progress on this front.”*

Daryl MacLellan, President and CEO of Maxium Financial Inc., noted:

*“We’re pleased to be able to provide Decisive Dividend Corporation a financing package that supports their existing business needs and enables them to continue to acquire quality companies to their growing portfolio.”*

The Corporation anticipates closing this refinancing in the next six to eight weeks.

## **About Decisive Dividend Corporation**

Decisive Dividend Corporation is an acquisition-oriented company, focused on opportunities in manufacturing. The Corporation's purpose is to be the sought-out choice for exiting legacy-minded business owners, while supporting the long-term success of the businesses acquired, and through that, creating sustainable and growing shareholder returns. The Corporation uses a disciplined acquisition strategy to identify already profitable, well-established, high quality manufacturing companies that have a sustainable competitive advantage, a focus on non-discretionary products, steady cash flows, growth potential and established, strong leadership.

FOR FURTHER INFORMATION PLEASE CONTACT:

Rick Torriero, Chief Financial Officer  
#201, 1674 Bertram Street  
Kelowna, BC V1Y 9G4  
Telephone: (250) 870-9146

## **Cautionary Statements**

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of the contents of this News Release.*

*This press release contains forward-looking statements. These statements relate to the proposed debt refinancing and the expectation of cash savings to be realized through the term of such proposed refinancing. Forward-looking statements are necessarily based upon a number of expectations and 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. The forward-looking statements contained in this press release are made as of the date hereof and the Corporation is not obligated to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information.*

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