

Management's Discussion and Analysis of



# Decisive Dividend

— Corporation —

For the nine months ended September 30, 2025

## Corporate Overview

Decisive Dividend Corporation ("Decisive" or the "Company") is an acquisition-oriented company focused on opportunities in manufacturing.

Decisive's purpose statement is:

- To be the sought-out choice for exiting legacy-minded business owners, who will be provided the opportunity to stay involved in Decisive;
- To support the long-term success of the businesses acquired, including through sharing resources with other Decisive companies; and
- To create sustainable and growing shareholder returns.

The Company intends to meet these objectives by:

- acquiring 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;
- continuing the business legacies of the vendors of companies acquired by Decisive and remaining committed to the communities our businesses are located in;
- providing resources, support and oversight to ensure sound business operations through on-going active collaboration and monitoring while recognizing that the people running the business know it best; and
- implementing appropriate expansion strategies to pursue active organic growth of its operating subsidiaries.

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.

Decisive's overall business is conducted through three operating segments comprised of finished product; component manufacturing; and head office. The principal wholly-owned operating subsidiaries of the Company are managed through two reportable segments and were acquired as follows:

### Finished Product Segment

- Valley Comfort Systems Inc. and its wholly-owned subsidiary Blaze King Industries Inc.; collectively referred to herein as "Blaze King"; acquired in February 2015.
- Slimline Manufacturing Ltd. ("Slimline"); acquired in May 2018.
- Marketing Impact Limited ("Marketing Impact"); acquired in April 2022, and its wholly-owned subsidiary Venger Group USA Inc. ("Venger"); acquired in August 2025.
- ACR Heat Products Limited ("ACR"); acquired in October 2022.
- Capital I Industries Inc. ("Capital I"); acquired in April 2023.
- Innovative Heating Technologies Inc. ("IHT"); acquired in July 2023.

### Component Manufacturing Segment

- Unicast Inc. ("Unicast"); acquired in June 2016.
- Hawk Machine Works Ltd. ("Hawk"); acquired in June 2018.
- Northside Industries Inc. ("Northside"); acquired in August 2019.
- Procore International Radiators Ltd. ("Procore") and Micon Industries Ltd. ("Micon"); both acquired in April 2023 and amalgamated as Procore in December 2024.
- Techbelt Limited; acquired in April 2024, and its wholly-owned subsidiary Blackburn Conveyor Services Limited; acquired in July 2025, collectively referred to herein as "Techbelt".

## 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 and nine months ended September 30, 2025 and 2024. The unaudited interim condensed consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board applicable to the preparation of interim financial statements, under 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 periods ended September 30, 2025 and 2024, the annual audited consolidated financial statements and the related notes for the year ended December 31, 2024, and the annual MD&A for the year ended December 31, 2024. This MD&A covers the nine months ended September 30, 2025 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".

This MD&A was prepared effective November 4, 2025.

Certain statements in this MD&A constitute forward-looking information and forward-looking statements, as such this MD&A should be read in conjunction with the Cautionary Statement Regarding Forward-Looking Information and Statements included later in this MD&A.

In this MD&A, reference is made to "Adjusted EBITDA", "Free Cash Flow", "Growth Capital Expenditures", "Maintenance Capital Expenditures", "Dividend Payout Ratio" and "Return on Invested Capital", which are financial measures that are not recognized financial measures under International Financial Reporting Standards issued by the International Accounting Standards Board ("IFRS Accounting Standards") but are believed to be meaningful in the assessment of the Group's performance. The Company's method of calculating Non-IFRS financial measures may differ from that of other corporations or entities and therefore may not be directly comparable to measures utilized by other corporations or entities. A reader should not place undue reliance on any Non-IFRS financial measures. Detailed descriptions of these financial measures are included later in this MD&A under the heading "Non-IFRS Financial Measures" and reconciliations to their most comparable IFRS Accounting Standards measure are included throughout the MD&A where applicable.

Additional information regarding the Company, including the Company's Annual Information Form, is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca), or on the Company's website at [www.decisivedividend.com](http://www.decisivedividend.com).

## Overall Performance

The following is selected financial information of the Group for the periods indicated below:

September 30,	For the three months ended		For the nine months ended	
	2025	2024	2025	2024
Sales	\$ 33,972	\$ 32,240	\$ 109,416	\$ 90,289
Gross profit	13,366	11,999	41,692	33,235
Gross profit %	39%	37%	38%	37%
Adjusted EBITDA <sup>1</sup>	5,812	5,627	18,125	13,007
Per share basic	0.29	0.29	0.91	0.67
Profit before tax	1,413	1,173	5,749	464
Profit	780	948	3,800	139
Per share basic	0.04	0.05	0.19	0.01
Per share diluted	0.04	0.05	0.18	0.01
Free cash flow <sup>1</sup>	2,967	3,380	9,989	6,669
Per share basic	0.15	0.17	0.50	0.35
Free cash flow less maintenance capital <sup>1</sup>	2,831	3,227	9,225	6,019
Per share basic	0.14	0.17	0.47	0.31
Dividends declared	2,698	2,642	8,040	7,745
Per share basic	0.14	0.14	0.41	0.40
For the trailing twelve month period ended September 30,			2025	2024
Dividend payout ratio <sup>1</sup>			76%	95%

<sup>1</sup> – As defined under the heading “Non-IFRS Financial Measures” later in this MD&A.

The non-IFRS measures referenced in the table above reconcile to the IFRS Accounting Standards measures reported in the Company's consolidated financial statements as follows, except for dividend payout ratio which is analyzed on a trailing twelve-month basis to reduce the impact of seasonality on the analysis, the reconciliation of which is included later in this MD&A under the heading “Dividends and Dividend Payout Ratios”:

### Adjusted EBITDA

September 30,	For the three months ended		For the nine months ended	
	2025	2024	2025	2024
<b>Profit for the period</b>	\$ 780	\$ 948	\$ 3,800	\$ 139
Add (deduct):				
Financing costs	1,317	1,529	3,973	4,200
Income tax expense	633	225	1,949	325
Amortization and depreciation	2,857	2,544	8,239	7,120
Acquisition and restructuring costs	280	186	433	880
Inventory fair value adjustments and write downs	11	4	14	7
Share-based compensation expense	288	230	1,740	781
Foreign exchange gains	(363)	(31)	(336)	(374)
Other (income) expense	9	(5)	(3)	(34)
Gain on disposal of property and equipment	-	(3)	(1,684)	(37)
<b>Adjusted EBITDA</b>	<b>5,812</b>	<b>5,627</b>	<b>18,125</b>	<b>13,007</b>

Free Cash Flow and Free Cash Flow Less Maintenance Capital

(Stated in thousands of dollars)

September 30,	For the three months ended		For the nine months ended	
	2025	2024	2025	2024
Cash provided by operating activities	\$ 6,998	\$ 8,003	\$ 15,712	\$ 7,789
Add (deduct):				
Changes in non-cash working capital	(1,389)	(2,557)	380	2,184
Income taxes paid (refunded)	(86)	-	1,603	2,188
Current income tax expense	(912)	(141)	(2,438)	(608)
Acquisition and restructuring costs	280	186	433	880
Interest paid	(1,246)	(1,451)	(3,734)	(4,032)
Lease payments	(619)	(598)	(1,787)	(1,556)
Required principal repayments on debt	(59)	(62)	(180)	(176)
<b>Free cash flow</b>	<b>\$ 2,967</b>	<b>\$ 3,380</b>	<b>9,989</b>	<b>6,669</b>
Maintenance capital expenditures	(136)	(153)	(764)	(650)
<b>Free cash flow less maintenance capital</b>	<b>2,831</b>	<b>3,227</b>	<b>9,225</b>	<b>6,019</b>

The financial position of the Group for the periods indicated below is summarized as follows:

**FINANCIAL POSITION**

(Stated in thousands of dollars)

	September 30,	December 31,
	2025	2024
Working capital	\$ 30,254	\$ 31,057
Property and equipment	29,308	30,398
Total assets	165,043	165,228
Long-term debt, excluding debt issuance costs	63,829	60,979
Equity	56,081	56,884
<b>Share Information (000s)</b>		
Common shares issued and outstanding	20,022	19,696

**Discussion of Overall Performance**Q3 2025 Consolidated Financial Highlights

Sales for the third quarter increased 5% to \$34.0 million from \$32.2 million in Q3 2024. The Finished Product segment posted sales increases of 20% which more than offset the 8% sales decrease in the Component Manufacturing segment in the quarter relative to Q3 2024. The overall sales increase in Q3 2025 compared to Q3 2024 was primarily driven by strong sales of the Company's agricultural products and wear parts products. Increased IHT sales on stronger order conversion to date in 2025, was the key contributor to more than doubling agricultural product sales relative to Q3 2024. Unicast and Techbelt each experienced strong demand for their products which drove a 14% increase in wear part sales in Q3 2025 compared to Q3 2024. The acquisition of Venger in August 2025, drove increases in merchandising sales in the quarter compared to Q3 2024. Hearth division sales in the quarter were consistent relative to Q3 2024. The component manufacturing segment and industrial product sales declines were driven primarily by Northside, where decreased demand from one of its commercial vehicle customers, based on the current economic environment in the United States, resulted in decreased sales in the quarter compared to Q3 2024.

The increase in overall sales resulted in a \$1.4 million, or 11%, increase in consolidated gross profit in Q3 2025, compared to Q3 2024. In addition, gross profit percentages increased by 2 percentage points to 39% in Q3 2025 compared to 37% in Q3 2024, due primarily to a change in product mix.

Overall operating expenses increased from \$10.9 million in Q3 2024 to \$12.3 million in Q3 2025. The increase was primarily a result of the overall increase in sales and the associated variable costs in Q3 2025, compared to Q3 2024, including commissions, short-term incentive accruals in certain subsidiaries, acquisition costs, insurance costs and recruitment costs.

Adjusted EBITDA for the third quarter of 2025 was \$5.8 million, an increase of \$0.2 million, or 3% relative to Q3 2024, driven primarily by the increase in sales and gross profit described above.

The increase in sales and gross profit described above were the key drivers for the increase in profit before taxes in the quarter, relative to Q3 2024, while higher current income tax expenses resulted in a decrease in net profit in the respective periods. Consolidated net profit in the quarter was \$0.8 million, or \$0.04 per share, a decrease of \$0.2 million, or \$0.01 on a per share basis, compared to Q3 2024.

#### Year-to-Date Consolidated Financial Highlights

Sales in the first nine months of 2025 increased by 21% to \$109.4 million from \$90.3 million in the first nine months of 2024. The overall sales increase in the first nine months of 2025 was driven by strong sales activity throughout the portfolio, with the Finished Product segment and the Component Manufacturing segment posting sales increases in the first nine months of the year of 24% and 19%, respectively, compared to the same period in 2024. In the Component Manufacturing segment, Unicast and Hawk achieved over 30% and 20% sales increases respectively relative to the first nine months of 2024 with Techbelt, which was acquired in April 2024, also contributing significantly to the increase, generating sales levels well ahead of pre-acquisition averages. In the Finished Product segment, the sales increase in the first nine months of 2025 was driven primarily by more than a 100% increase in IHT sales and an over 30% increase in Capital I sales relative to the same period in 2024. Sales in the hearth division, merchandising division, and Slimline also each increased in the first nine months of the year compared to the same period in 2024.

The increase in overall sales resulted in an \$8.5 million, or 25%, increase in consolidated gross profit compared to the first nine months of 2024. A change in product mix and the impact of foreign exchange rates contributed to an increase in gross profit percentages, which increased by 1 percentage point to 38% compared to 37% in the first nine months of 2024.

Overall operating expenses increased from \$33.2 million in the first nine months of 2024 to \$38.0 million in the same period in 2025. The increase was primarily a result of the overall increase in scale due to the five acquisitions completed in 2024 and 2025 as well as the overall increase in sales and the associated variable costs in the first nine months of 2025, compared to the first nine months of 2024, including commissions, short-term incentive accruals in certain subsidiaries, acquisition costs, insurance costs and recruitment costs. The overall increase was also impacted by a \$1.0 million increase in non-cash share-based compensation in the first nine months of 2025, compared to the same period in 2024, related to the fair value of share awards granted and expensed in each respective period.

Adjusted EBITDA for the first nine months of 2025 was \$18.1 million, a \$5.1 million, or 39%, increase compared to the first nine months of 2024, driven primarily by the increase in sales and gross profit described above.

The increase in sales and gross profit described above were the key drivers for the increase in net profit in the first nine months of 2025, compared to the same period in 2024. In addition, the above noted increases in operating costs and non-cash share-based compensation, as well as the \$1.7 million gain on the insurance settlement to replace assets lost in a 2024 fire at Northside, also affected profit and profit per share in the respective periods. Consolidated net profit in the first nine months of 2025 was \$3.8 million, or \$0.19 per share, an increase of \$3.7 million, \$0.18 higher on a per share basis, compared to the first nine months of 2024.

## 2025 Acquisitions

On August 7, 2025, the Company acquired, through Marketing Impact, 100% ownership of Venger. Venger is a provider of specialized overnight cosmetic refurbishment and full reskinning of refrigerated display cases for grocery retailers across the United States. The acquisition of Venger extends the capability of Marketing Impact from a strictly aisle focused merchandising system and display business to the provision of in-store, overnight asset refurbishment services to Venger's United States based customers with cross-selling, operational and cost synergy opportunities.

The Company also acquired, through Techbelt, all of the shares of Blackburn Conveyor Systems on July 22, 2025, as well as the assets of NK Technics' United Kingdom based conveyor belt business on June 17, 2025 (collectively referred to herein as the "Techbelt Acquisitions"). These acquisitions allowed Techbelt to diversify and expand its belting product suite, while also adding conveyor fabrication and servicing capabilities to its business offering. In addition, the acquisitions provide additional space, equipment and people to meet demand from Techbelt's growing customer base.

These acquisitions are anticipated to have a positive financial impact on Decisive as they are expected to result in an increase in sales, gross profit, profit, and Adjusted EBITDA. The table below sets forth the pro forma combined financial information of Decisive and the average pre-acquisition periods on which the 2025 Acquisitions valuations were premised:

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

For the trailing twelve month period ended September 30, 2025	Decisive <sup>1</sup>	Add pre-acquisition periods for acquired businesses <sup>**</sup>	Pro forma
Sales	\$ 146,981	\$ 5,489	\$ 152,470
Gross profit	56,327	1,724	58,051
Gross profit %	38%	31%	38%
Profit	5,670	764	6,434
Per share basic	0.29		0.32
Adjusted EBITDA <sup>1</sup>	25,423	1,021	26,444
Per share basic	1.28		1.33

<sup>1</sup> – see IFRS measurement to non-IFRS measurement reconciliation table below.

\* – based on Decisive's unaudited financial information reported for the trailing twelve-month period ended September 30, 2025.

\*\* – based on the unaudited financial information of the 2025 Acquisitions for the average twelve-month pre-acquisition periods on which the 2025 Acquisitions valuations were premised, pro-rated for the time since acquisition. The pre-acquisition historical financial information relating to the 2025 Acquisitions has not been audited and is based upon information provided to Decisive by the acquired business, and their respective management and previous shareholders.

(Stated in thousands of dollars)

For the trailing twelve month period ended September 30, 2025	Decisive*	Add pre-acquisition periods for acquired businesses**	Pro forma
<b>Profit</b>	\$ 5,670	\$ 764	\$ 6,434
Add (deduct):			
Financing costs	5,412	1	5,413
Income tax expense	2,871	240	3,111
Amortization and depreciation	10,813	6	10,819
Acquisition and restructuring costs	588	-	588
Impairment losses	4,456	-	4,456
Inventory fair value adjustments and write downs	377	-	377
Share-based compensation expense	2,248	-	2,248
Foreign exchange gains	(817)	16	(801)
Other (income) expense	(4,504)	(5)	(4,509)
Gain on disposal of property and equipment	(1,691)	-	(1,691)
<b>Adjusted EBITDA</b>	<b>25,423</b>	<b>1,021</b>	<b>26,444</b>

The components of the consideration paid to acquire these businesses are as follows:

(stated in thousands of dollars)

	Techbelt Acquisitions	Venger	Total
Cash (net of cash acquired)	\$ 726	\$ 3,264	\$ 3,990
Common shares	-	427	427
Contingent consideration	92	286	378
	<b>\$ 818</b>	<b>\$ 3,977</b>	<b>\$ 4,795</b>

The cash portion of the consideration in each of these acquisitions was funded using the Company's syndicated credit facility. The share portion of the consideration was funded through the issuance of 55,161 common shares of Decisive to the vendors of Venger.

Additionally, the vendors of Venger can be paid up to an additional \$0.6 million contingent on Venger meeting certain earnings targets over the three years following the acquisition date. The vendors of Blackburn Conveyor Systems can be paid up to an additional £0.05 million contingent on meeting certain conditions over the two years following the acquisition date.

Upon completion of these acquisitions, Decisive's cumulative acquisition funding mix for the 16 acquisitions it has completed to date is 52% debt and 48% equity.

The preliminary allocation of the purchase price to the acquisition date fair value of the assets acquired, and liabilities assumed on these acquisitions is as follows:

(stated in thousands of dollars)

	Techbelt Acquisitions	Venger	Total
Working capital, excluding cash	\$ 229	\$ 275	\$ 504
Property and equipment	243	16	259
Intangible assets	424	1,701	2,125
Goodwill	54	2,414	2,468
Deferred income taxes	(132)	(429)	(561)
	<b>\$ 818</b>	<b>\$ 3,977</b>	<b>\$ 4,795</b>

## Outlook

The first nine months of 2025 have seen record levels of revenue and Adjusted EBITDA for Decisive and its diversified portfolio of manufacturing businesses. Additionally, to the date of this report, 2025 consolidated order levels, on a pro forma basis, have outpaced the same periods in both 2024 and 2023, and current consolidated backlogs are 10% higher than this time in 2024, and 15% higher than the pro forma level reached at this time in 2023. Current overall order backlogs, the seasonally strong periods we are in, new products recently launched as well as improved performance in certain businesses are expected to support results over the next two quarters.

While Decisive's year-to-date results in 2025 were not significantly affected by United States trade policy or tariffs, the impact that United States trade policy uncertainty has had on the overall economic environment in that country resulted in a decline in demand for certain commercial vehicle and oil and gas customers within the Group for the second half of 2025. These demand declines impacted Q3 2025 results and are also expected to impact Q4 2025 results. While some of this demand decline appears to be temporary, certain oil and gas customers have signaled a more permanent decline in demand. While this will have an impact on certain of the Group's subsidiaries, higher current overall order backlogs, expected strong demand levels for the Group's hearth, agricultural, wear part, merchandising and other industrial products are expected to mitigate these impacts, illustrating the benefits of diversification in the Group's portfolio of businesses. Across the Group, subsidiary leadership along with support from Decisive head office, led by Chris Goodchild, Decisive's Chief Operating Officer, are undertaking significant efforts to strengthen teams, improve operational efficiency and add profitable new customers in both the United States and other non-tariff impacted regions to help support the growth objectives established for Decisive subsidiaries while also working to mitigate the impact of reduced demand stemming from trade policy or United States economic conditions. Additional commentary surrounding these initiatives and 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".

The improvement in operational performance in the first nine months of 2025 drove the trailing twelve-month dividend payout ratio down to 76% from 96% at December 31, 2024, and demonstrates the strength in Decisive's free cash flow generation capabilities and its ability to sustain the current dividend level. The increase in year-to-date 2025 Adjusted EBITDA also improved Decisive's debt to EBITDA ratio from 3.1 times at December 31, 2024, to 2.5 times at September 30, 2025. This improvement, coupled with the increase in the maximum debt to EBITDA ratio to 3.5 times and credit agreement extension to June 2028, provides for additional capacity and flexibility under the Company's credit facilities and reduces the cost of borrowing under those facilities.

To date in 2025, Decisive has completed three acquisitions aligned with the Company's focus on investing in its existing business verticals. Venger was acquired by Marketing Impact as a complementary business in the United States with cross-selling, operational and cost synergy opportunities, and Techbelt completed two strategic tuck-in acquisitions that diversified and expanded its product offering while adding a servicing component. New opportunities are consistently being added to the Company's acquisition prospect pipeline. This reflects the fact that the western world is in the middle of the largest period of inter-generational transfer of wealth in history, where many business owners are assessing alternatives as to how the business can be carried forward into the future, including seeking out new owners. This trend is and will continue to provide opportunities for Decisive, with its legacy-maintaining business model and access to capital being key differentiators in a competitive acquisition marketplace. Management expects to complete additional acquisitions in the near term with the increased available capacity under the Company's credit facility, as well as cost of capital improvement, both of which were driven by the improved operational performance to date in 2025.

As a result of all these factors, management remains confident in the long-term fundamentals of Decisive's business model.

## Summary of Quarterly Results

The Group's interim results are impacted by seasonality factors primarily driven by weather patterns, including the impact thereof on heating, 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, including the cost of energy. Blaze King and ACR's businesses historically experience 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 businesses of Decisive's other subsidiaries. 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)

	Q3 2025	Q2 2025	Q1 2025	Q4 2024
Sales	\$ 33,972	\$ 36,260	\$ 39,185	\$ 37,564
Gross profit	13,366	13,256	15,071	14,634
Gross profit %	39%	37%	38%	39%
Adjusted EBITDA <sup>1</sup>	5,812	5,318	6,995	7,298
Per share basic	0.29	0.27	0.35	0.37
Profit before tax	1,413	2,636	1,701	2,791
Profit	780	2,049	971	1,870
Per share basic	0.04	0.10	0.05	0.10
Per share diluted	0.04	0.10	0.05	0.09
	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Sales	32,240	28,699	29,350	35,668
Gross profit	11,999	10,001	11,235	13,796
Gross profit %	37%	35%	38%	39%
Adjusted EBITDA <sup>1</sup>	5,627	3,416	3,965	7,181
Per share basic	0.29	0.18	0.21	0.38
Profit (loss) before tax	1,173	(1,053)	346	3,160
Profit (loss)	948	(994)	187	2,424
Per share basic	0.05	(0.05)	0.01	0.13
Per share diluted	0.05	n/a	0.01	0.12

<sup>1</sup> – see IFRS measurement to non-IFRS measurement reconciliation table below.

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

(Stated in thousands of dollars)

	Q3 2025	Q2 2025	Q1 2025	Q4 2024
<b>Profit for the period</b>	\$ 780	\$ 2,049	\$ 971	\$ 1,870
Add (deduct):				
Financing costs	1,317	1,277	1,378	1,440
Income tax expense	633	587	730	921
Amortization and depreciation	2,857	2,741	2,641	2,574
Acquisition and restructuring costs	280	147	7	154
Impairment losses	-	-	-	4,456
Inventory fair value adjustments and write downs	11	3	-	363
Share-based compensation expense	288	300	1,152	508
Foreign exchange losses (gains)	(363)	(99)	125	(480)
Other (income) expense	9	(6)	(6)	(4,501)
Gain on disposal of property and equipment	-	(1,681)	(3)	(7)
<b>Adjusted EBITDA</b>	<b>5,812</b>	<b>5,318</b>	<b>6,995</b>	<b>7,298</b>

(Stated in thousands of dollars)

	Q3 2024	Q2 2024	Q1 2024	Q4 2023
<b>Profit (loss) for the period</b>	\$ 948	\$ (994)	\$ 187	\$ 2,424
Add (deduct):				
Financing costs	1,529	1,454	1,217	1,083
Income tax expense (recovery)	225	(59)	159	736
Amortization and depreciation	2,544	2,419	2,157	2,574
Acquisition and restructuring costs	186	508	187	1
Inventory fair value adjustments and write downs	4	3	-	28
Share-based compensation expense	230	241	310	108
Foreign exchange losses (gains)	(31)	(112)	(232)	220
Other income	(5)	(13)	(17)	(5)
Gain on disposal of property and equipment	(3)	(31)	(3)	12
<b>Adjusted EBITDA</b>	<b>5,627</b>	<b>3,416</b>	<b>3,965</b>	<b>7,181</b>

### ***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:

#### ***Q3 2025 Consolidated Financial Highlights***

For the discussion of Q3 results see "Overall Performance" earlier in this MD&A.

#### ***Q2 2025 Consolidated Financial Highlights***

Sales for the second quarter increased 26% to \$36.3 million from \$28.7 million in Q2 2024. The Finished Product segment and the Component Manufacturing segment posted sales increases of 20% and 35%, respectively, in the quarter relative to Q2 2024. The overall sales increase in Q2 2025 compared to Q2 2024 was primarily driven by strong sales of the Company's agricultural products, wear parts products, and industrial products. Increased IHT sales on stronger order conversion to date in 2025, drove a 97% increase in agricultural product sales relative to Q2 2024. Unicast, Procure and Techbelt each experienced strong demand for their products resulting in a 61% increase in wear part sales in Q2 2025 compared to Q2 2024. Increased demand for Capital I, Hawk and Northside's industrial products led to each of those businesses achieving over 20% sales increases in the quarter relative to Q2 2024.

The increase in overall sales resulted in a \$3.3 million, or 33%, increase in consolidated gross profit in Q2 2025, compared to Q2 2024. In addition, gross profit percentages increased by 2 percentage points to 37% in Q2 2025 compared to 35% in Q2 2024, due primarily to a change in product mix.

Overall operating expenses increased from \$11.2 million in Q2 2024 to \$12.4 million in Q2 2025. The increase was primarily a result of the overall increase in sales and the associated variable costs in Q2 2025, compared to Q2 2024, including commissions, Group short-term incentive accruals, insurance costs and recruitment costs.

Adjusted EBITDA for the second quarter of 2025 was \$5.3 million, an increase of \$1.9 million, or 56% relative to Q2 2024, driven by the increase in sales and gross profit described above.

The increase in sales and gross profit described above were the key drivers for the increase in net profit in the quarter, relative to Q2 2024. In addition, in Q2 2025, Northside finalized the insurance settlement to replace assets it lost in a 2024 fire. The \$1.8 million in insurance proceeds, to be utilized in replacing the assets lost, resulted in a \$1.7 million gain on disposal of equipment that positively impacted profit and profit per share in the quarter relative to Q2 2024. Consolidated net profit in the quarter was \$2.0 million, or \$0.10 per share, an increase of \$3.0 million, or \$0.15 on a per share basis, compared to Q2 2024.

Q1 2025 Consolidated Financial Highlights

Sales for the first quarter increased 34% to \$39.2 million from \$29.4 million in Q1 2024. The overall sales increase in Q1 2025 compared to Q1 2024 was driven by strong sales activity throughout the portfolio, with both the Finished Product segment and the Component Manufacturing segment posting sales increases in the quarter relative to Q1 2024. In the Component Manufacturing segment, each of Unicast, Hawk and Northside achieved over 20% sales increases in the quarter relative to Q1 2024 with Techbelt, which was acquired in April 2024, also contributed to the increase, generating quarterly sales levels well ahead of pre-acquisition averages. In terms of the Finished Product segment, the increase in Q1 2025 sales was driven by a 60% increase in IHT sales relative to Q1 2024, over 35% sales increases in each of Slimline, Marketing Impact and Capital I, and a 17% increase in hearth division sales, which includes Blaze King and ACR.

The increase in overall sales resulted in a \$3.8 million, or 34%, increase in consolidated gross profit in Q1 2025, compared to Q1 2024, with consistent gross profit percentages.

Overall operating expenses increased from \$11.1 million in Q1 2024 to \$13.3 million in Q1 2025. The increase was primarily a result of the overall increase in scale due to the two acquisitions completed in 2024 as well as increased financing costs related to the debt funded portion of the 2024 acquisitions and the debt incurred to fund growth capital expenditures over the last year. The overall increase was also impacted by a \$0.8 million increase in non-cash share-based compensation in Q1 2025, compared to Q1 2024, related to the fair value of share awards granted and expensed in each respective quarter.

Adjusted EBITDA for the first quarter of 2025 was \$7.0 million, an increase of \$3.0 million, or 76% relative to Q1 2024 driven by the increase in sales and gross profit described above. Consolidated net profit in the quarter was \$1.0 million, or \$0.05 per share, an increase of \$0.8 million, or \$0.04 on a per share basis, compared to Q1 2024.

Q4 2024 Consolidated Financial Highlights

Sales for the fourth quarter increased 5% to \$37.6 million from \$35.7 million in Q4 2023. The overall sales increase in Q4 2024 compared to Q4 2023 was driven by increases in Component Manufacturing segment sales which more than offset decreases in Finished Product segment sales. Each of the Component Manufacturing segment businesses experienced sales increases, however the most significant contributions were from the ongoing strong performance at Northside and results from Techbelt, which was acquired in April 2024. In terms of the Finished Product segment, the decrease in Q4 2024 sales was a result of lower sales at Blaze King and ACR compared to Q4 2023 sales, which finalized a record year in 2023 for the hearth businesses. However, the strength of Q4 2024 sales and order activity as well as the effects of improved pricing and foreign exchange rates limited hearth sales declines to 27% in Q4 2024 compared to Q4 2023, despite the hearth businesses entering the fourth quarter with 89% less in order backlog in Q4 2024 compared to Q4 2023, though the higher order backlogs in Q4 2023 were exposed to order cancellation risk due to last year's extended delivery times. Also, within the Finished Product Segment, Marketing Impact and IHT sales both continued to improve in Q4 2024 relative to the first half of 2024 and were each consistent with Q4 2023. Additionally, both Slimline and Capital I sales increased in the quarter relative to Q4 2023, with both Slimline's agricultural sprayer sales and wastewater evaporator sales ahead of last year and Capital I sales improving on sales to an oil and gas customer as part of a joint award with Hawk and Unicast.

The increase in overall sales resulted in a \$0.8 million, or 6%, increase in consolidated gross profit in Q4 2024, compared to Q4 2023 with consistent gross profit percentages.

Overall operating expenses increased from \$10.4 million in Q4 2023 to \$12.3 million in Q4 2024. The increase was primarily a result of the overall increase in scale due to the acquisitions completed in 2024 as well as increased financing costs related to the debt funded portion of the 2024 acquisitions and the debt incurred to fund capital expenditures during the year. The overall increase was also impacted by increases in share-based compensation in Q4 2024 compared to Q4 2023, related to the fair value of share awards granted in early 2024.

Adjusted EBITDA for the fourth quarter of 2024 was \$7.3 million, an increase of \$0.1 million, or 2% relative to Q4 2023, driven by the increase in sales and gross profit described above. However, the above noted increases in financing costs and non-cash share-based compensation negatively impacted profit and profit per share in the quarter relative to Q4 2023, which declined \$0.6 million, or \$0.03 per share, compared to Q4 2023.

## 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. The following businesses are included in the finished product segment:

#### Blaze King

Blaze King produces and sells high-quality, high-efficiency wood burning stoves and wood burning fireplace inserts. Blaze King has been operating since 1977, and its hearth products are sold worldwide. Blaze King's wood burning stoves are recognized as the most efficient in the hearth market. Blaze King management believes that its products have developed a strong reputation for quality, ease of use, and efficiency. These factors have helped build the Blaze King brand and reputation, which drives sales through dealer and customer loyalty. Blaze King has a scaled distribution base that includes a large network of retailers and distributors across Canada, the United States and New Zealand.

#### ACR

ACR produces and sells woodburning, multifuel, gas and electric stoves and fireplaces, and sells them primarily in the United Kingdom. ACR was founded in 2004, has a well-established brand in the United Kingdom marketplace and is known for its high-quality and attractively designed products. ACR utilizes third party partners to manufacture its products making ACR scalable and versatile. It then distributes these products at accessible price points that drive a strong value proposition for its customers. Further, with its Eco-design Ready models, ACR is compliant with the highest emissions standards in place in the United Kingdom and across Europe.

#### Slimline

Slimline and predecessor companies have been manufacturing and selling air blast sprayers since 1948. Slimline's "Turbo Mist" branded 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 and are primarily sold through its dealer network throughout Canada and the United States. Slimline also designs, manufactures, and sells EcoMister evaporator systems primarily used in the mining, oil and gas, and waste management industries. Slimline's EcoMister evaporator division has been in operation since 1996. It produces an environmental and economical solution that meets specific customer needs in the elimination of wastewater. Slimline's evaporators are sold into markets throughout the world.

#### Marketing Impact

Marketing Impact designs, manufactures, and distributes a comprehensive range of merchandising products, systems and solutions for retail customers including grocery stores, convenience stores, and pharmacies. Its product catalogue includes product pusher systems, loss prevention solutions, merchandising bins and accessories, shelf management systems, and sign holder systems. Through its acquisition of Venger, Marketing Impact also offers in-store, overnight asset refurbishment services to its United States based retail customers. Marketing Impact also designs and manufactures displays for consumer-packaged goods customers. Since commencing operations in 1986, Marketing Impact has had a strong reputation for customer service, responsiveness, and innovation amongst its robust list of blue-chip, well-diversified retail customers across North America.

Capital I

Capital I has been designing, manufacturing and distributing high-quality road maintenance and construction equipment since 1993. Capital I's innovative products include dozer blades, snow blades and wings, gravel reclaimers, road groomers, quick attach lifts, road mulchers and mowers, that are used in the construction and maintenance of gravel roads. Capital I's products are tailored to fit numerous makes and models of heavy equipment used in road maintenance which allows them to service a diverse customer base ranging from OEMs, dealers and municipalities. In addition, Capital I fabricates and/or distributes mining equipment, oil and gas parts, agricultural parts and hydraulic cylinders.

IHT

IHT is a well-established manufacturer and developer of high efficiency heating mats and lighting solutions for hog production. IHT was founded in 1995 and offers a diverse range of reliable and energy-efficient equipment, with a strong emphasis on research and development of new innovative technologies. The current focus of the business is centered on heat mats, lighting products and related equipment for hog producers. Management believes that the key competitive advantages for these products are durability, anti-microbial characteristics, energy efficiency, optimal heat distribution, and safety and hazard prevention, all of which promote animal welfare and cost savings for their customers. IHT's products are sold around the world both directly and through strategic distributors.

**Finished Product Segment Performance**

(Stated in thousands of dollars)

September 30,	For the three months ended		For the nine months ended	
	2025	2024	2025	2024
Sales	\$ 19,997	\$ 16,738	\$ 60,466	\$ 48,679
Gross profit	8,707	6,887	25,016	19,197
Gross profit %	44%	41%	41%	39%
Profit	2,597	1,517	5,487	2,979
Add (deduct):				
Financing costs	147	141	464	494
Income tax expense (recovery)	439	(114)	695	(410)
Amortization and depreciation	1,477	1,380	4,234	4,056
Acquisition and restructuring costs	27	115	171	115
Inventory fair value adjustments and write downs	11	4	14	7
Foreign exchange expense (income)	(731)	43	274	(67)
Other expense (income)	5	-	1	(28)
Gain on disposal of property and equipment	(5)	13	1	(21)
Adjusted EBITDA	3,967	3,099	11,341	7,125

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

Three Months Ended September 30, 2025

Overall sales for the segment in Q3 2025, increased by \$3.3 million, or 20%, relative to Q3 2024, driven primarily by strong sales activity at IHT, as that business capitalized on improved profitability of its customers over the last year, which has led to stronger order and sales activity to date in 2025. The increase in IHT sales drove the majority of the 111% increase in agricultural product sales relative to Q3 2024. Q3 2025 sales in the hearth division, which includes Blaze King and ACR, were consistent with Q3 2024. Merchandising sales increased in Q3 2025, compared to Q3 2024, based on contributions from Venger which was acquired in August 2025. Additionally, sales declines for Slimline's wastewater evaporators were more than offset by increased Capital I sales.

The increase in overall sales resulted in a \$1.8 million, or 26%, increase in gross profit in Q3 2025 compared to Q3 2024. In addition, segment gross profit percentage increased by 3 percentage points to 44% in Q3 2025 compared to 41% in Q3 2024 due to the change in product mix.

Overall segment Adjusted EBITDA was \$4.0 million in Q3 2025; an increase of \$0.9 million, or 29%, compared to Q3 2024, driven primarily by the increase in sales and gross profit described above.

Nine Months Ended September 30, 2025

Overall sales for the segment in the first nine months of 2025 increased by \$11.8 million, or 24%, relative to 2024, driven by strong sales activity in each of the segment businesses. IHT was the largest contributor to the overall increase as their sales more than doubled compared to the first nine months of 2024, based on strong customer demand driving higher order and sales activity in the first nine months of 2025. Capital I was also a large contributor to the segment increase as sales of its core grader attachments and oil and gas products resulted in a 31% sales increase compared to the first nine months of 2024. Sales in the hearth division, merchandising division, and Slimline also each increased in the first nine months of the year relative to the same period in 2024 driven by stronger year-over-year order activity.

Overall gross profit increased by \$5.8 million, or 30%, in the first nine months of 2025 relative to the same period in 2024, driven by the overall increase in sales. Segment gross profit percentage increased to 41% in the first nine months of 2025 compared to 39% in the first nine months of 2024, based primarily on product mix and the impact of foreign exchange rates.

Overall segment Adjusted EBITDA was \$11.3 million in the first nine months of 2025; an increase of \$4.2 million, or 59%, compared to the same period in 2024. The increase was driven by the increases in overall sales and gross profit described above.

***Finished Product Segment Industry Trends and Outlook***

Blaze King and ACR

- All Blaze King products meet stringent United States Environmental Protection Agency (“EPA”) regulations in effect for wood heating appliances in North America. Blaze King recertified all of its product lines in Q4 2024. This should provide Blaze King customers with five years of security and consistency with respect to an ever changing regulatory environment. After completing the recent recertification tests, Blaze King occupies the top three positions for the most efficient wood stoves in North America as listed by the EPA. This positions Blaze King to capitalize on consumer demand, with products that lead the industry in efficiency, and which are certified to Q4 2029.
- Investments made with respect to EPA readiness have positioned Blaze King to increase its market share. Blaze King management believes that its market share should continue to improve over the coming years as competitor EPA certifications expire, which could lead to near-term competitive pressures as competitors incentivize retailers to sell products that may not be recertifiable under the new testing methodologies. Blaze King and ACR are continuing their efforts to position themselves as regulatory compliance leaders in current and prospective markets, as evidenced by the EPA retesting completed in 2024.
- Although the United States government’s tax credit program will expire after December 31, 2025, consumers can continue to apply for a tax credit of up to \$2,000 to replace older non-efficient wood stoves and fireplaces until that time. Blaze King products make up 9% of eligible wood stoves, which should support demand for Blaze King products leading to the end of this period.
- Both Blaze King and ACR are pursuing new product designs to broaden the range of products they offer. ACR received regulatory approval for its new product design that utilizes Blaze King’s long-burn, low emission combustion technology styled and sized for sale into the United Kingdom and European markets, supported by its extensive dealer network. This new product, which is the first of its kind in the United Kingdom, launched in the United Kingdom market in Q4 2025, in time to capture ACR’s seasonal strong period. ACR also launched a new range of electric products and a cosmetic upgrade of certain wood burning products for the United Kingdom market earlier in 2025. In North America, Blaze King has developed a smaller, lower priced model to pursue different market participants, which has cleared final testing for launch in Canada in early 2026

and, in the United States in time for the 2026 heating season. In addition, Blaze King is developing a new fireplace product aimed more at the new construction market and is targeting a 2026 launch date for this product.

- Winter weather conditions, the costs of heating alternatives such as natural gas, timelines for receiving regulatory approval for new product line launches, consumer demand, including the impact of prolonged higher interest rates, and geopolitical uncertainty have an impact on demand for wood stoves and fireplaces in North America, the United Kingdom and Europe. Both Blaze King and ACR are actively pursuing market share increases through their respective distribution channels, including through pursuing profitable new retailers, and the introduction of new product designs to address these potential impacts.

### Slimline

- Slimline's agriculture sprayers have strong brand equity and market penetration in British Columbia, the Pacific Northwest, Michigan, Pennsylvania and New York. The fuel, chemical and labour efficiency improvements Slimline's customers experience in utilizing its sprayer products position Slimline to capitalize on the wider industry movement toward precision agriculture. Further, Slimline is continuing to develop products that further enhance these efficiencies.
- Leadership has focused on communicating its efficiency relative to competing products through wide ranging product demonstrations, including by completing demonstrations to potential new customers who farm over 500,000 acres of orchards and vineyards in North America over the last two years. These demonstrations illustrated the fuel, chemical and labour efficiency of its sprayer product relative to competitor products. Slimline is also working to enhance its service quality to the existing customer base through enhancing its dealer relationships which will support the expansion of its market share in the Pacific Northwest and other large agricultural markets on the west coast of North America, such as California, and along the Maine to Florida corridor on the east coast of North America.
- Slimline's large-scale wastewater evaporator product was brought to market in Q3 2023, is the largest available on the market today, and has a primary use case in wastewater management in larger scale tailings ponds. The competitive advantage Slimline's product offers has positioned it for increased activity in this product line, but with the large project-based nature of the sales cycle for this product resulting in a more fluctuating revenue stream as Slimline's opportunity pipeline around this relatively new product builds.

### Marketing Impact

- Marketing Impact services a wide range of top-tier retail and consumer packaged goods customers that are in non-cyclical industries selling non-discretionary products. Grocery stores, convenience stores, and pharmacies, as well as the consumer-packaged goods that are shelved by these outlets, have all experienced strong demand trends over the last few years and that is expected to continue in the long-term.
- Marketing Impact is uniquely positioned as a North American manufacturer and supplier of merchandising products, systems, solutions and displays for these customer groups. Its product pusher and anti-theft systems can demonstrate a strong return on investment to its customer base as they support labour savings and reduced shrinkage for its customers.
- The acquisition of Venger extends the capability of Marketing Impact from a strictly aisle focused merchandising system and display business to the provision of in-store, overnight asset refurbishment services to Venger's United States based customers with cross-selling, operational and cost synergy opportunities.
- Marketing Impact is well established with its customer base in Eastern Canada. Given its market position and the quality of its products, management is actively pursuing opportunities for growth in Western Canada, Quebec and the United States, both with new customers and through

expansion of its relationships with its existing customers who operate across a broader geography than Marketing Impact has historically serviced. The acquisition of Venger provides a United States hub to pursue market expansion in that country for both Venger's existing service lines and cross-selling opportunities.

Capital I

- Capital I produces innovative products designed for optimizing maintenance of gravel roads that can demonstrate a strong return on investment for its customers through reduced use of consumables, improved visibility and safety of drivers given the proprietary method of product attachment to grader units, while improving performance as a result of the unique design attributes of its products relative to its competitors.
- Significant opportunities for growth in adjacent markets exist in British Columbia, Alberta, Ontario and the United States, which Capital I's sales team is actively pursuing.
- Capital I produces equipment that can be used for road maintenance in both winter and summer, however, weather conditions can have an impact on the level of demand for the product in any given season.
- Capital I underwent a leadership transition at the start of 2025. Cory Magnuson joined the business in Q2 2025, continuing the progress Tim Stewart, President of Hawk, made while acting as Interim President of Capital I during Q1 2025.
- A considerable amount of project work for an oil and gas customer on a joint award with Unicast and Hawk has positively impacted results in the first half of 2025. The Company received notice that based on current inventory levels, and as a result of the current economic environment in the United States, orders from this customer would be muted in the second half of 2025, which was the case in Q3 2025, with a potential return in order activity later in 2026.

IHT

- The energy efficiency of IHT's products results in a significant reduction in energy usage and cost savings relative to other technologies used in the industry, supporting profitability for pork producers.
- Similarly, its products optimize heating conditions, and improve safety and hazard prevention, all of which enhance animal welfare and support additional cost savings for its customers.
- Feed costs and market pricing challenged the profitability of North American pork farmers through 2022 and 2023 which negatively impacted order conversion for IHT in 2024. As both feed costs and pork pricing improved later in 2024, order levels at IHT began improving, which has continued in 2025, with significant growth in orders and sales throughout the year. The strength in orders and market growth to date in 2025 is expected to carry through the remainder of the year and continue to positively impact results into 2026.
- IHT has expanded its product offering to include cooling mats which impact animal welfare by reducing heat stress for the animals and is currently trialing this product with customers.
- IHT's capability with respect to fiberglass reinforced plastics, the capacity of its manufacturing facility, and the efficiency of the equipment IHT has invested in will allow it to both meet its expected demand levels for its heating mat products over the coming years while expanding its product offering to support cooling mat production as the technology gains traction with customers.
- Opportunities for growth in other pork producing countries in South and Central America, Europe and Asia also exist for IHT, which it is pursuing through the development of manufacturing and distributor relationships in these markets.

### ***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. The following businesses are included in the component manufacturing segment:

#### ***Unicast***

Unicast, founded in 1994, produces and distributes wear parts and valves for the mining, aggregate and cement industries. Wear parts produced by Unicast are consumable parts for machinery that wear out when crushing rock, which is done extensively in the mining, aggregate and cement industries. Unicast is focused on providing quality wear parts that are more durable and last longer than the products of its competitors by using novel alloys, precision engineering, three-dimensional scanning technology, robust quality control processes, and comprehensive collaboration agreements involving academia and industry partners. Unicast sells its wear parts across Canada, the United States, Latin America, the Middle East, Asia, and Europe.

#### ***Hawk***

Hawk, founded in 1998, is positioned in the computer numerical control (CNC) machining/fabrication market as a complete turnkey solution for customized machining products. Over the last several years, customers of Hawk have primarily been market participants in 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 routinely delivers product direct to end-users rather than customers' facilities for inspection as a result of its reputation for quality.

#### ***Northside***

Northside, founded in 1967, is a full-service provider of welding and fabrication solutions for a diverse number of industries. The primary focus of Northside is supplying products for the commercial vehicle sector; however, Northside also has exposure to the forestry, agriculture, environmental, mining, and oil and gas sectors. 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, tool and battery boxes, steel under-decking and much more.

#### ***Procore***

Procore, founded in 2006, designs, manufactures and distributes high-performance radiators as well as Micon branded high-quality radiator seals and grommets, all for use in heavy duty equipment. Procore radiators are designed for the cooling systems found in the heavy-duty equipment used in the mining, oil and gas and road construction industries. Procore manufactures a full line of folded core radiators as well as a growing list of AMOCS Radiators to fit into Caterpillar™ type equipment. The innovative designs of its radiators, seals and grommets reduce expensive downtime for its customers associated with cooling system failures of the equipment used in the demanding mining and road construction industries. Procore utilizes strategic distribution hubs and distribution partners to reduce time to fulfill orders to its worldwide base of customers.

#### ***Techbelt***

Techbelt, founded in 2002, is a manufacturer of polytetrafluoroethylene ("PTFE"), polyurethane ("PU") and polyvinyl chloride ("PVC") belting products for conveyor systems used in a wide range of end markets including food and beverage, packaging, textiles, agriculture, and fast-moving consumer goods. Techbelt also offers conveyor fabrication and servicing capabilities through Blackburn Conveyor Systems, which it acquired in July 2025. Techbelt management believes that its key competitive advantages are its ability to provide technical solutions for customers and its rapid turnaround for delivery of a broad range of products at high specification for markets with compliance and regulatory requirements.

**Component Manufacturing Segment Performance***(Stated in thousands of dollars)*

September 30,	For the three months ended		For the nine months ended	
	2025	2024	2025	2024
Sales	\$ 14,375	\$ 15,574	\$ 50,607	\$ 42,546
Gross profit	4,659	5,112	16,676	14,038
Gross profit %	32%	33%	33%	33%
Profit	993	1,576	6,039	4,664
Add (deduct):				
Financing costs	66	69	213	160
Income tax expense	168	333	1,190	679
Amortization and depreciation	1,359	1,143	3,942	3,000
Acquisition and restructuring costs	52	73	52	214
Foreign exchange expense (income)	(225)	48	185	(159)
Other expense (income)	4	(5)	(4)	(6)
Gain on disposal of property and equipment	5	(16)	(1,685)	(16)
Adjusted EBITDA	2,422	3,221	9,932	8,536

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

**Three Months Ended September 30, 2025**

Overall segment sales in Q3 2025 decreased by \$1.2 million, or 8%, relative to Q3 2024. The decrease was driven primarily by Northside where demand declines from one of its commercial vehicle customers, based on the current economic environment in the United States, resulted in decreased sales in the quarter. Unicast and Techbelt each experienced strong demand for their products, which more than offset a decrease in Procure sales, and resulted in a 14% increase in overall wear part sales in Q3 2025, compared to Q3 2024. Hawk sales in Q3 2025 were consistent with Q3 2024.

Segment gross profit decreased by \$0.5 million, or 10%, for the three-month period ended September 30, 2025, compared to the same period in 2024. Segment gross profit percentages decreased by 1 percentage point to 32% in Q3 2025 compared to 33% in Q3 2024. These decreases were primarily driven by the above noted decrease in sales.

Segment Adjusted EBITDA was \$2.4 million in Q3 2025; a decrease of \$0.8 million, or 25%, compared to Q3 2024. The decrease in segment Adjusted EBITDA was driven by the decreased sales and gross profit generated in the quarter.

**Nine Months Ended September 30, 2025**

Overall segment sales in the first nine months of 2025 increased by \$8.1 million, or 19%, relative to the same period in 2024, driven by the sales generated in Techbelt, which was acquired in April 2024, an over 30% sales increase at Unicast, and an over 20% sales increase at Hawk compared to the first nine months of 2024. Northside sales increased 2% in the first nine months of 2025 as the delivery of products under a new contract with a new commercial vehicle customer more than offset Q3 sales declines with another of its commercial vehicle customers. The increase in Hawk and Unicast sales was due to stronger overall order activity, including an increase in sales to a joint customer with Capital I. Techbelt sales were well ahead of pre-acquisition averages in the first nine months of 2025.

Segment gross profit increased by \$2.6 million, or 19%, in the first nine months of 2025, compared to the same period in 2024. The increase was primarily driven by the above noted increase in sales, as segment gross profit percentages in 2025, were consistent with the first nine months of 2024.

Segment Adjusted EBITDA was \$9.9 million in the first nine months of 2025; an increase of \$1.4 million, or 16%, compared to the same period in 2024. The increase in segment Adjusted EBITDA was driven primarily by the increased sales and gross profit generated in the first nine months of 2025 compared to the first nine months of 2024.

In 2025, Northside finalized the insurance settlement to replace assets it lost in a 2024 fire. The \$1.8 million in insurance proceeds, to be utilized in replacing the assets lost, resulted in the \$1.7 million gain on disposal of equipment included in segment profit for the nine months ended September 30, 2025 in the table above.

### ***Component Manufacturing Segment Industry Trends and Outlook***

#### *Unicast and Procore*

- Long-term demand expectations for cement, aggregate and mining industries continue to be positive, and quoting, order and sales activity at Unicast to date in 2025 is well ahead of the same period in 2024. Uncertainty surrounding tariffs and their ultimate impact on the economy have caused some customers to defer their purchasing decisions, especially for Procore, which management is expecting will be temporary given the strength in the mining sector. As a result of strong activity levels in the cement, aggregate and mining sectors and with longer lead times on orders providing strong visibility to near-term future results, management expects Unicast's strong order trajectory and current backlog to continue to drive strong results in the coming quarters.
- Unicast has undertaken significant effort to diversify its supply chain and can produce over 90% of its wear parts from suppliers outside of China, which greatly mitigates geopolitical and supply chain risk for its business. Over 35% of the products delivered in 2025 came from suppliers outside of China. However, given the broad-based approach to recent United States trade policy, products sourced from other countries are being impacted by tariffs as well.
- Unicast has a number of proprietary technologies it deploys to extend the wear life of certain of its products. Further, Unicast has worked with a well-known university to develop technology aimed at further extending wear life which should give Unicast a competitive advantage with respect to wear products using this technology. Unicast has significantly grown the revenue generated by its valve products with a focus on differentiated, high margin diverter valve products. Unicast is developing further valve products with similar superior wear life properties to complement its existing valve offering that will be brought to market in 2026.
- Unicast's move into an expanded facility in 2024 has allowed it to improve operational efficiency and allow it to carry more inventory of key products to reduce lead-time and stimulate real-time orders from its customers, which has been especially successful with respect to its high-margin, proprietary valve products.
- Procore is also expanding its product offering to pursue new customers. Procore has focused on adding new distributors for its products in the United States and South America to expand the reach of its high-quality, longer-life, lower cost products.
- Procore has increased production capacity through efficiency improvements including through investment in new equipment and is continuing to work on opportunities to further enhance efficiency and production levels.

#### *Techbelt*

- Has a long-standing reputation for technical problem solving, customer service, and innovation and expects to leverage its core competencies to achieve organic growth.
- Completed two tuck-in acquisitions to expand its conveyor system fabrication and servicing capabilities through the acquisition of Blackburn Conveyor Systems in July 2025, and its PU and PVC belting fabrication capabilities through the acquisition of the assets of NK Technics' United Kingdom based conveyor belt business in June 2025.
- Techbelt has expanded its sales team to target additional customers and markets and provide additional products and services to its customers.

- Based primarily on the onboarding of some additional large customers, year-to-date 2025 order levels are well ahead of those in same period in 2024, and export sales outside of the United Kingdom have also increased significantly in 2025.

Hawk

- Considerable customer base diversification has occurred over the last two years, which has lessened the reliance on Hawk's historically more concentrated customer base. However, as a result of current United States trade policy and economic uncertainty, one of its legacy customers gave notice that it will be moving the manufacturing of one of its major product lines to a lower cost jurisdiction. The loss of this work negatively impacted sales and gross profit for Hawk in Q3 2025 and may continue to negatively impact sales and gross profit for the remainder of 2025.
- In addition, project work for an oil and gas customer on a joint award with Unicast and Capital I is also expected to be muted in the second half of 2025, with a potential return in order activity later in 2026.
- Hawk management is actively managing its cost structure, pursuing orders of other product lines for these customers, pursuing additional work with its other customers, and working with Decisive to determine how best to position Hawk moving forward.

Northside

- Northside has long-term contracts in place with two major commercial vehicle customers. Northside began delivering products to one of these customers in mid-February 2025 which diversified Northside's customer base and included shared investment in property and equipment with this new customer. Sales to this customer have had a positive impact on Northside sales and gross profit to date in 2025.
- Northside received notice that, as a result of the current economic environment in the United States, orders from one of its commercial vehicle customers will decrease in the second half of 2025. While this negatively affected Northside sales and gross profit in Q3 2025 and may continue to negatively affect sales and gross profit in Q4 2025, the impact is somewhat mitigated by the fact that a large amount of the work being completed for this commercial vehicle customer is manufactured through a strategic partnership in a lower cost jurisdiction. This customer has indicated that the demand decrease could be temporary and, as such, Northside management is actively managing its cost structure based on the recent change in demand and pursuing additional OEM and after-market manufacturing opportunities to further diversify and grow its sales.

**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)

September 30,	For the three months ended		For the nine months ended	
	2025	2024	2025	2024
Loss	\$ (2,810)	\$ (2,145)	\$ (7,726)	\$ (7,504)
Add (deduct):				
Financing costs	1,104	1,319	3,296	3,546
Income tax expense	26	6	64	56
Amortization and depreciation	21	21	63	64
Acquisition and restructuring costs	201	(2)	210	551
Share-based compensation expense	288	230	1,740	781
Foreign exchange expense (income)	593	(122)	(795)	(148)
<b>Adjusted EBITDA</b>	<b>(577)</b>	<b>(693)</b>	<b>(3,148)</b>	<b>(2,654)</b>

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

**Three Months Ended September 30, 2025**

During the three-month period ended September 30, 2025, Head Office expended \$0.6 million in Adjusted EBITDA on corporate activities, a decrease of \$0.1 million relative to the \$0.7 million in Adjusted EBITDA expended in Q3 2024.

**Nine Months Ended September 30, 2025**

For the nine months ended September 30, 2025, Head Office expended \$3.1 million in Adjusted EBITDA on corporate activities, an increase of \$0.5 million in Adjusted EBITDA relative to the first nine months of 2024. The increase in Adjusted EBITDA was primarily a result of increases in tax compliance and audit costs, insurance costs, and recruitment costs in the first nine months of 2025 compared to the same period in 2024. In addition, share-based compensation increased by \$1.0 million in the first nine months of 2025 compared to the same period in 2024 due to the fair value of share awards granted and expensed in each respective period. Financing costs decreased by \$0.3 million in the first nine months of 2025 compared to the same period in 2024, as a result of a decrease in borrowing costs in the respective periods.

**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. To maintain or adjust the capital structure, the Company may issue new shares, purchase shares for cancellation pursuant to a normal course issuer bid ("NCIB"), 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.

The Company is continuing to manage its financial position in accordance with its capital management objectives and considering 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 \$3.0 million, compared to cash of \$3.0 million at September 30, 2025, and cash of \$3.3 million at December 31, 2024.

As at September 30, 2025, the Company had net working capital of \$30.3 million (December 31, 2024 - \$31.1 million) as follows:

<i>(Stated in thousands of dollars)</i>	<b>September 30, 2025</b>	December 31, 2024
Cash	\$ 2,956	\$ 3,257
Accounts receivable	21,928	26,702
Inventory	28,266	24,889
Prepaid expenses and deposits	2,453	2,566
Accounts payable and accrued liabilities	(20,811)	(22,177)
Dividends payable	(901)	(886)
Warranty provision	(448)	(480)
Customer deposits	(719)	(227)
Current portion of lease obligations	(2,450)	(2,385)
Current portion of long-term debt	(20)	(202)
Net working capital	\$ 30,254	\$ 31,057

**Capital Expenditures**

*(Stated in thousands of dollars)*

September 30,	For the three months ended		For the nine months ended	
	<b>2025</b>	2024	<b>2025</b>	2024
Purchase of property and equipment	\$ 285	\$ 2,186	\$ 4,125	\$ 4,237
Proceeds on disposal of property and equipment	(20)	(19)	(1,834)	(70)
	<b>265</b>	2,167	<b>2,291</b>	4,167
Growth capital expenditures	<b>129</b>	2,014	<b>1,527</b>	3,517
Maintenance capital expenditures	<b>136</b>	153	<b>764</b>	650
	\$ <b>265</b>	\$ 2,167	\$ <b>2,291</b>	\$ 4,167

Growth capital expenditures in 2025 were primarily directed toward the following: a new mill at Hawk to improve margin on the work being done for a joint customer with Capital I and Unicast, final carry-over of new facilities costs, as well as product and market development expenditures at Blaze King, ACR, and IHT.

In Q2 2025, Northside finalized the insurance settlement on the assets lost in a 2024 fire. The purchase of property and equipment above includes \$1.8 million in capital asset expenditures made or committed to, with the corresponding \$1.8 million in insurance proceeds included in proceeds from the sale property and equipment above. The receipt of insurance proceeds resulted in a gain on disposal of equipment of \$1.7 million, which is included in component manufacturing segment profit for the nine months ended September 30, 2025.

**Free Cash Flow**

(Stated in thousands of dollars)

September 30,	For the three months ended		For the nine months ended	
	2025	2024	2025	2024
Cash provided by operating activities	\$ 6,998	\$ 8,003	\$ 15,712	\$ 7,789
Add (deduct):				
Changes in non-cash working capital	(1,389)	(2,557)	380	2,184
Income taxes paid (refunded)	(86)	-	1,603	2,188
Current income tax expense	(912)	(141)	(2,438)	(608)
Acquisition and restructuring costs	280	186	433	880
Interest paid	(1,246)	(1,451)	(3,734)	(4,032)
Lease payments	(619)	(598)	(1,787)	(1,556)
Required principal repayments on debt	(59)	(62)	(180)	(176)
<b>Free cash flow</b>	<b>\$ 2,967</b>	<b>\$ 3,380</b>	<b>9,989</b>	<b>6,669</b>

Free Cash Flow generated in the first nine months of 2025 increased relative to the first nine months of 2024, primarily due to the increase in Adjusted EBITDA net of the increase in current income tax expense and the increase in lease payments for operating premises relative to Q3 2024.

The decrease in Free Cash Flow generated in Q3 2025 compared to Q3 2024, was a primarily result of the increase in current income tax expense relative to Q3 2024.

**Dividends and Dividend Payout Ratios**

The Company's Board of Directors regularly examines the dividends paid to shareholders. The following dividends were declared during the nine months ended September 30, 2025, and throughout 2024:

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

Month	2025		2024	
	Per share (\$)	Dividend Amount (\$)	Per share (\$)	Dividend Amount (\$)
January	\$ 0.045	\$ 887	\$ 0.040	\$ 758
February	0.045	889	0.045	860
March	0.045	890	0.045	865
April	0.045	891	0.045	875
May	0.045	892	0.045	873
June	0.045	893	0.045	873
July	0.045	896	0.045	877
August	0.045	901	0.045	881
September	0.045	901	0.045	884
October	-	-	0.045	884
November	-	-	0.045	885
December	-	-	0.045	886
<b>Total</b>	<b>\$ 0.405</b>	<b>\$ 8,040</b>	<b>\$ 0.535</b>	<b>\$ 10,401</b>

The above dividends were paid on or about the 15th of the month following their declaration. Of the dividends paid in 2025, \$6.9 million were settled in cash and \$1.1 million were reinvested in additional common shares of the Company, pursuant to the dividend reinvestment and cash purchase plan "the DRIP".

The Company utilizes Free Cash Flow Less Maintenance Capital to analyze the percentage of cash generated from operations returned to shareholders as dividends. This is analyzed on a trailing twelve-month basis in order to reduce the impact of seasonality on the analysis. Cash outflows associated with acquisitions, including acquisition costs, and growth capital expenditures are not included in this payout ratio as they are expected to generate incremental cash inflows in the future. The Company's dividend payout ratio decreased in the trailing twelve-month period ended September 30, 2025, compared to the same period in 2024. The decrease was primarily impacted by the increase in Adjusted EBITDA, partially offset by increases in current income tax expense, lease payments for operating premises, and dividends declared in the respective periods.

(Stated in thousands of dollars)

For the trailing twelve month period ended September 30,	2025	2024
<b>Cash provided by operating activities</b>	\$ 20,699	\$ 15,649
Add (deduct):		
Changes in non-cash working capital	2,654	132
Income taxes paid	1,522	3,564
Current income tax expense	(2,666)	(1,473)
Acquisition and restructuring costs	590	881
Interest paid	(5,093)	(5,090)
Lease payments	(2,358)	(1,988)
Required principal repayments on debt	(235)	(236)
<b>Free cash flow</b>	<b>15,113</b>	11,439
Maintenance capital expenditures	(1,041)	(932)
<b>Free cash flow less maintenance capital</b>	<b>14,072</b>	10,507
Dividends declared	10,696	10,011
<b>Dividend payout ratio</b>	<b>76%</b>	95%

Cumulative dividends, paid since Decisive's inception, for the nine months ended September 30, 2025, are as follows:

(Stated in thousands of dollars)	September 30, 2025
Cumulative dividends, beginning of period	\$ 37,819
Dividends declared during the period	8,040
Cumulative dividends, end of period	\$ 45,859

Subsequent to September 30, 2025, to the date of this MD&A, the Company undertook the following dividend actions:

- A dividend of \$0.045 per share was declared on October 15, 2025, for shareholders of record on October 31, 2025, which is payable on November 14, 2025.

**Long-Term Debt**

<i>(Stated in thousands of dollars)</i>	Authorized and Available	Effective Interest Rate	<b>November 4, 2025</b> Outstanding	<b>September 30, 2025</b> Outstanding	December 31, 2024 Outstanding
Syndicated credit facility	\$ 100,000	5.6%	\$ 64,878	\$ 63,829	\$ 60,979
Equipment loans	7	3.1%	7	20	202
Total debt	\$ 100,007		\$ 64,885	\$ 63,849	\$ 61,181
Less: cash			(2,999)	(2,956)	(3,257)
Total debt, net of cash			\$ 61,886	\$ 60,893	\$ 57,924

The Company has a syndicated credit facility providing for a committed \$100 million senior secured revolving term loan and a \$75 million accordion, which the Company can request as an increase, in whole or in part, to the total amount available under the syndicated credit facility. The syndicate lenders include National Bank of Canada, Royal Bank of Canada and Fédération des caisses Desjardins du Québec, with National Bank of Canada acting as administrative agent on behalf of the syndicate.

The syndicated credit facility provides Decisive with considerable liquidity to fund growth in its existing operations as well as through acquisition opportunities.

There are no required principal payments for the committed three-year term of the syndicated credit facility, which also provides for annual extension provisions. In June 2025, the Company extended the term of the loan, and all drawn amounts now mature in June 2028.

Borrowings under the syndicated credit facility may be made by way of Canadian prime rate, U.S. base rate, Canadian overnight repo rate average ("CORRA") or U.S. Federal reserve secured overnight financing rate ("SOFR") advances. The syndicated credit facility bears interest at the Canadian prime rate or U.S. base rate plus 0.75% to 2.25%, or at CORRA or SOFR plus 2.00% to 3.50%. These interest rate ranges are dependent on certain financial ratios of the Company. In addition, standby fees ranging from 0.40% to 0.70% per annum are paid quarterly on the unused portion of the syndicated credit facility depending on certain financial ratios of the Company. There are no fees paid on the accordion until amounts are made available. The effective interest rate on the facility has decreased throughout 2025, including between September 30, 2025 to the date of this report, as certain financial ratios of the Company have improved and as central banks have lowered benchmark interest rates.

The syndicated credit facility is secured by a general security agreement, assignment of insurance, and unlimited corporate cross guarantees. In addition, the Company and its subsidiaries have agreed to maintain the following ratios (as defined in the credit agreement) as a group on a trailing twelve-month basis. In June 2025, the maximum total debt to adjusted EBITDA ratio was amended to 3.5 times from 3.25 times previously. As at September 30, 2025, the Group was in compliance with these ratios as follows:

	Threshold	<b>September 30, 2025</b>	December 31, 2024
Maximum total debt to adjusted EBITDA	3.5	2.5	3.1
Minimum interest coverage ratio	1.5	2.1	1.7

**Off-Balance Sheet Arrangements**

The Group 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 November 4, 2025, September 30, 2025, and December 31, 2024. Each deferred share unit, restricted share unit and performance share unit entitled the holder thereof to one common share of the Company pending the satisfaction of certain vesting, performance, settlement and/or redemption criteria. Each warrant and stock option entitled the holder thereof to purchase one common share of the Company pending the satisfaction of certain vesting criteria.

	November 4, 2025	September 30, 2025	December 31, 2024
Common shares, basic	20,039,101	20,020,976	19,694,710
Warrants outstanding	-	-	783,525
Deferred share units outstanding	255,794	255,794	102,182
Restricted share units outstanding	188,462	188,462	132,059
Performance share units outstanding	124,338	124,338	-
Stock options outstanding	205,662	205,662	207,997
Common shares, fully diluted	20,813,357	20,795,232	20,920,473

An aggregate of 234,202 common shares were issued during the nine months ended September 30, 2025, through Decisive's DRIP and the exercise of stock options and restricted share units. These share issuances reduced the amount of cash dividends paid by \$1.1 million. Also in 2025, Decisive purchased and cancelled 12,700 common shares at a weighted average price of \$6.01 per common share under its NCIB.

In April 2025 all of the outstanding warrants expired unexercised.

As part of the consideration paid for the acquisitions described earlier in this MD&A under the heading "2025 Acquisitions", the Company issued 55,161 common shares to the vendors of Venger at a price of \$7.75 per share. In addition, in July 2025, the Company issued 49,603 common shares to the vendors of Capital I at a price of \$7.56 per share on the settlement of contingent consideration according to the terms of the acquisition of Capital I.

As at November 4, 2025, there were 288,144 shares in escrow relating to the Company's completed acquisitions, as follows:

- Capital I – 41,321 to be released in April 2026.
- Micon – 18,478 to be released in April 2026.
- Procore – 29,727 to be released in April 2026.
- IHT – 104,871 to be released in July 2026.
- Techbelt – 38,586 to be released half per year in April 2026 and 2027 respectively.
- Venger – 55,161 to be released one-third per year in August 2026, 2027, and 2028 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 nine months ended September 30, 2025, included \$1.2 million of salaries, benefits and director fees (2024 - \$1.2 million) and \$1.4 million of share-based compensation (2024 - \$0.4 million).

## Accounting Policies

The Company's material accounting policies are disclosed in Note 3 of Decisive's audited consolidated financial statements for the year ended December 31, 2024. During 2025, 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 2024 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 nine months of 2025.

## 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 2024 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, 2024.

At September 30, 2025, the carrying amounts of cash, accounts receivable, accounts payable and accrued liabilities, and dividends payable, 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 Company's primary business activities consist of the acquisition of businesses in the manufacturing sector. The Company examines the various financial risks to which the Group 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 have been 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, 2024.

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 undiscounted cash flows arising from the contractual maturities of financial instruments are as follows:

*(Stated in thousands of dollars)*

<b>September 30, 2025</b>	<b>Carrying value</b>	<b>Total contractual cash flows</b>	<b>Within one year</b>	<b>Two to five years</b>	<b>More than five years</b>
<b>Accounts payable</b>	<b>\$ 20,810</b>	<b>\$ 20,810</b>	<b>\$ 19,946</b>	<b>\$ 864</b>	<b>\$ -</b>
<b>Dividends payable</b>	<b>901</b>	<b>901</b>	<b>901</b>	<b>-</b>	<b>-</b>
<b>Long-term debt</b>	<b>63,070</b>	<b>74,852</b>	<b>3,688</b>	<b>71,164</b>	<b>-</b>
<b>Lease obligations</b>	<b>11,726</b>	<b>13,497</b>	<b>2,947</b>	<b>7,606</b>	<b>2,944</b>
	<b>\$ 96,507</b>	<b>\$ 110,060</b>	<b>\$ 27,482</b>	<b>\$ 79,634</b>	<b>\$ 2,944</b>

Liquidity risk management involves maintaining sufficient cash or cash equivalents and availability of funding through an adequate amount of committed credit facilities. The Group's cash is held in business accounts which are available on demand for the Group's programs. The Company also attempts to maintain flexibility in funding by securing committed and available credit facilities. The Company has a credit facility in place with its senior lenders that provides the Group access to a revolving term loan and an available accordion facility, as described under the heading "Long-term Debt" earlier in this MD&A. The Group continues to manage its financial position in accordance with its capital management objectives and in light of its current operating environment.

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 September 30, 2025, the Company expected to recover the full amount of such assets, less any expected credit losses.

Cash and cash equivalents are only deposited with or held by major financial institutions where the Group conducts its business.

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

*(Stated in thousands of dollars)*

	<b>September 30, 2025</b>	
Not yet due	<b>\$ 16,665</b>	<b>78%</b>
31-60 days overdue	<b>2,365</b>	<b>11%</b>
61-90 days overdue	<b>989</b>	<b>5%</b>
>90 days overdue	<b>1,341</b>	<b>6%</b>
Trade accounts receivable	<b>21,360</b>	<b>100%</b>
Less: expected credit losses	<b>(236)</b>	
Net trade accounts receivable	<b>\$ 21,124</b>	

The Company expects to recover the full amount of its trade receivables, less any expected credit losses. Subsequent to September 30, 2025, to the date of this MD&A, the Group collected 32% of the amounts over 90 days overdue.

The objective of managing counterparty credit risk is to minimize potential losses in financial assets. The Group assesses the quality of its counterparties, considering their creditworthiness and reputation, past performance and other factors. In certain cases, the Group obtains insurance to assist in managing its credit risk.

The functional currency for Blaze King Industries Inc. and Venger is the United States dollar ("USD"), the functional currency for ACR and Techbelt is the British pound sterling ("GBP"), while all other entities in the group have a Canadian dollar ("CAD") functional currency. Previously, Unicast also had a USD functional currency, however management determined that effective January 1, 2025, the functional currency for Unicast was the CAD. The Company's reporting currency is the CAD. As a result, the Group's profit or loss and total comprehensive income are in part impacted by fluctuations in the value of each foreign currency ("FC") in which it transacts 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)*

As at September 30, 2025	Entities with a CAD functional currency		Entities with a USD functional currency		Entities with a GBP functional currency		Total
	CAD	USD	CAD	USD	CAD	GBP	
Cash	\$ (815)	\$ 1,248	\$ -	\$ 1,014	\$ -	\$ 1,509	\$ 2,956
Accounts receivable	6,891	10,593	-	2,440	-	2,004	21,928
Accounts payable	(16,245)	(1,614)	-	193	-	(3,144)	(20,810)
Dividend payable	(901)	-	-	-	-	-	(901)
Inter-company amounts	(35)	-	-	3,783	(3,748)	-	-
Long-term debt	(59,581)	(3,489)	-	-	-	-	(63,070)
Net exposure	(70,686)	6,738	-	7,430	(3,748)	369	(59,897)
Effect of 5% strengthening of FC versus CAD:							
Profit (loss)	-	337	-	-	-	-	337
OCI	\$ -	\$ -	\$ -	\$ (372)	\$ 187	\$ (18)	\$ (203)

The Company 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. Of the Company's interest-bearing debt outstanding at September 30, 2025, 100% was variable rate. The Company does not enter into derivative contracts to manage this risk.

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

*(Stated in thousands of dollars)*

Interest rate risk	September 30, 2025
Floating instruments	\$ 63,829
Average balance	62,719
Impact on profit (loss) of a change in interest rates:	
-1%	627
+1%	\$ (627)

## 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, 2024.

## Non-IFRS Financial Measures

"Adjusted EBITDA", "Free Cash Flow", "Growth Capital Expenditures", "Maintenance Capital Expenditures", "Dividend Payout Ratio" and "Return on Invested Capital" are not recognized financial measures under IFRS Accounting Standards but are believed to be meaningful in the assessment of the Group's performance as defined below.

"**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, share-based compensation, and restructuring costs, and other non-operating items such as acquisition costs.

Adjusted EBITDA is a financial performance measure that management believes is useful for investors to analyze the results of the Group's operating activities prior to consideration of how those activities are financed and the impact of non-operating charges related to planned or completed acquisitions, foreign exchange, taxation, depreciation, amortization, and impairment charges.

The most directly comparable financial measure is profit or loss. Set forth below are descriptions of the financial items that have been excluded from profit or loss to calculate Adjusted EBITDA and the material limitations associated with using these Non-IFRS financial measures as compared to profit or loss:

- 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 Group.
- 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 Group's operations. However, management does not believe these charges necessarily reflect the current and ongoing cash charges related to the Group's operating costs as they also include expenses related to the amortization of the fair value of intangible assets acquired in business combinations.
- 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 Group.
- Additionally, management does not consider foreign exchange gains or losses to be a representative component of the day-to-day operating performance of the Group.
- 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 Group.
- 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 Group.

- 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 Group'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 Group as the decisions that gave rise to these expenses were not made to increase revenue in a particular period, but were made for the Group's long-term benefit over multiple periods.

Adjusted EBITDA per share is also presented, which is calculated by dividing Adjusted EBITDA, as defined above, by the weighted average number of shares outstanding during the period.

**"Free Cash Flow"** is defined as cash provided by operating activities, as defined by IFRS Accounting Standards, adjusted for changes in non-cash working capital, timing considerations between current income tax expense and income taxes paid, interest payments, required principal payments on long-term debt and right of use lease liabilities, and any unusual non-operating one-time items such as acquisition and restructuring costs (as described above).

Free Cash Flow is a financial performance measure used by management to analyze the cash generated from operations before the impact of changes in working capital items or other unusual items and after giving effect to expected income taxes thereon, as well as required interest and principal payments on long-term debt and right of use lease liabilities.

The most directly comparable financial measure is cash provided by operating activities. Adjustments made to cash provided by operating activities in the calculation of Free Cash Flow include other IFRS Accounting Standards measures, including changes in non-cash working capital, current income tax expense, income taxes paid, interest paid, and principal payments on long-term debt and right of use lease liabilities.

Free Cash Flow per share is also presented, which is calculated by dividing Free Cash Flow, as defined above, by the weighted average number of shares outstanding during the period.

**"Free Cash Flow Less Maintenance Capital"** is defined as Free Cash Flow, as defined above, less Maintenance Capital Expenditures, as defined below. Free Cash Flow Less Maintenance Capital is a financial performance measure used by management to analyze the cash generated from operations before the impact of changes in working capital items or other unusual items and after giving effect to expected income taxes thereon, as well as required interest and principal payments on long-term debt and right of use lease liabilities, and capital expenditures required to sustain the current operations of the Company.

The Company presents Free Cash Flow Less Maintenance Capital Expenditures per share, which is calculated by dividing Free Cash Flow Less Maintenance Capital, as defined above, by the weighted average number of shares outstanding during the period.

**"Growth and Maintenance Capital Expenditures"** maintenance capital expenditures are defined as capital expenditures required to maintain the operations of the Group at the current level and are net of proceeds from the sale of property and equipment. Growth capital expenditures are defined as capital expenditures that are expected to generate incremental cash inflows and are not considered by management in determining the cash flows required to sustain the current operations of the Company. While there are no comparable IFRS Accounting Standards measures for Maintenance Capital Expenditures or Growth Capital Expenditures, the total of Maintenance Capital Expenditures and Growth Capital Expenditures is equivalent to the total purchases of property and equipment, net of proceeds from the sale of property and equipment, on the Company's statement of cash flows.

**"Dividend Payout Ratio"** the Company presents a dividend payout ratio, which is calculated by dividing dividends declared by the Company by Free Cash Flow Less Maintenance Capital, as defined above. The Dividend Payout Ratio is a financial ratio used by management to analyze the percentage of cash generated from operations, before the impact of changes in working capital items or other unusual items

and after giving effect to expected income taxes thereon, as well as required interest and principal payments on long-term debt and right of use lease liabilities, and capital expenditures required to sustain the current operations of the Company, returned to shareholders as dividends.

**"Return on Invested Capital"** the Company references a return on invested capital ratio, which is calculated by dividing Free Cash Flow Less Maintenance Capital, as defined above, by the associated capital cost of the applicable investment. Specifically, the Return on Invested Capital for the aggregate investments completed by the Company to the end of a given period would be measured as follows: cumulative Free Cash Flow Less Maintenance Capital (as defined above) divided by the sum of: 1) the aggregate consideration paid for completed acquisitions (net of cash acquired); 2) aggregate acquisition costs (as described above); and 3) aggregate Growth Capital Expenditures (as defined above). The Return on Invested Capital Ratio is a financial ratio used by management to analyze the returns of competing investment opportunities.

While the above Non-IFRS financial measures are used by management of the Company to assess the historical financial performance of the Group, as applicable, readers are cautioned that:

- Non-IFRS financial measures, such as Adjusted EBITDA, Free Cash Flow, Growth Capital Expenditures, Maintenance Capital Expenditures and Dividend Payout Ratio, are not recognized financial measures under IFRS Accounting Standards;
- The Company's method of calculating Non-IFRS financial measures 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 should not be viewed as an alternative to measures that are recognized under IFRS Accounting Standards such as profit or loss or cash provided by operating activities; and
- A reader should not place undue reliance on any Non-IFRS financial measures.

Reconciliations of Non-IFRS financial measures to their most relevant IFRS Accounting Standards measures, are included in this MD&A under "Overall Performance – Financial Highlights", "Summary of Quarterly Results", and "Segment Overview and Performance".

## Cautionary Statement Regarding Forward Looking Information and Statements

Certain statements in this MD&A constitute forward-looking information and forward-looking statements. All statements other than statements of historical fact contained in this report are forward-looking statements. Forward-looking information includes, 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, as well as information relating to the future prospects of the Company and its operating subsidiaries, future demand levels, demand from customers, the timing of product sales and/or deliveries under existing customer contracts or significant orders received from customers, potential future acquisitions, and ongoing or planned initiatives to enhance margins and increase market share. Readers can identify many of these forward-looking statements by looking for words such as "believes", "expects", "could", "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 risk 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 risk factors include, but are not limited to: (i) operational risks, including risks 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, intellectual property, and information systems; (ii) financial risks, including risks relating to the availability of future financing; interest rates and debt financing; income tax matters; foreign exchange; dividends; trading volatility of common shares; dilution risk; (iii) external risks, including risks relating to general economic conditions; government regulation (including trade restrictions and tariffs); pandemics; competition; environmental regulation; access to capital; market trends and innovation; climate risk; general uninsured losses; and (iv) human capital risks, including reliance on management and key personnel; employee and labour relations; and conflicts of interest.

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.

## 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.