

Western Investment Company Reports Net Income for 3rd Quarter up 20% over 2019 at \$349,000, with Rapidly Accelerating Insurance Sales and Improving Profitability from Other Portfolio Investments

High River, Alberta--(Newsfile Corp. - November 24, 2020) - The Western Investment Company of Canada Limited (TSXV: WI) ("WICC" or "Western") announces that it has filed its Q3 Financial Statements and MD&A on SEDAR.

In a message to shareholders, WICC CEO Scott Tannas provided the following commentary:

"During the summer months, we began to see the results of our work over the past year. While the economic headwinds continue to blow, we are meeting with some substantial success, led by our insurance and automotive investments. Our other businesses continue to steer through these difficult times. In Q3 we were able to improve net income by 20% while seeing top line growth - and / or increased market share at all our companies.

In Q3, Fortress Insurance, GlassMasters, Foothills Creamery and Golden Healthcare each delivered net income to Western.

Portfolio Report

- The pace of growth at **Fortress Insurance** accelerated sharply in Q3, the result of earlier hard work developing and launching new programs with strong western Canadian broker partners. Shafeen Mawani and his team are writing new policies at a faster rate every month, and they continue to be presented with new opportunities within the insurance marketplace. At September 30, 2020, Fortress had more than doubled its written insurance premiums from where they stood at June 30, 2020. We believe there is plenty of runway for Fortress to continue this pace of growth. As they say in the west - "you better make hay when the sun shines". Fortress is doing just that.

- As we know, the summer months of Q3 are critical for **GlassMasters**. Roger Tulk and his team performed well, growing same store sales, managing margins and optimizing inventory. They nearly doubled net income in Q3 compared to last year. This business is stronger than when we bought it, thanks to a great leadership team and a sharp focus on the important ingredients of success. GlassMasters is ready to scale up through further expansion in Saskatchewan and Alberta in 2021.

- As we described in previous updates, **Ocean Sales** continues to endure a significant reduction in revenue. While their retail channels partially opened up in Q3, the exhibition and tradeshow venues remain shuttered and not likely to reopen until Q2/21. Nonetheless, Ocean continues to find ways to get their unique household products in front of consumers, including through innovative online sales campaigns, and an expanding presentation schedule in the locations of their big box retail partner.

- Sales continue to rise at **Foothills Creamery** - up more than 10% over Q3/19. However the mix of business is heavily skewed to retail butter sales, which together with other temporary factors has resulted in a 50% drop in our margins. We are working with the team at Foothills to make sure that we properly rebalance the business mix and get margins up as the business normalizes in 2021. The Foothills team saw the recovery of ice cream sales in Q3, with a strong summer season for shops in tourist towns where our ice cream is sold by the scoop.

- **Golden Health Care** remains successful in protecting their residents from COVID-19, while continuing

to provide a steady return on investment in Q3. As the pandemic drags on, Golden Health Care has been a beacon of compassionate, competent care for Saskatchewan seniors. We are proud of our association with this company.

Outlook

We expect this unstable economy will continue to require all our skills and attention. With another quarter of financial and operating success behind us, we are working hard to finish this unforgettable year. We remain confident in our resources and abilities to meet whatever challenges await us.

It is often said that challenge breeds opportunity. As the coming year unfolds, we at Western expect to encounter growth opportunities to scale up our company."

About The Western Investment Company of Canada Limited

Western is a unique publicly traded, private equity company founded by a group of successful Western Canadian business people, and dedicated to building and maintaining ownership in successful Western Canadian companies, and helping them to grow. Western's shares are traded on the TSX Venture Exchange under the symbol WI.

For more information on Western, please visit its website at www.winv.ca

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Advisory

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