

UNISYNC CORP.

**Management Discussion and Analysis
For the year ended September 30, 2020**

Prepared as at December 29, 2020

UNISYNC CORP.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS For the year ended September 30, 2020

BACKGROUND

The following discussion and analysis, prepared as of December 29, 2020, should be read together with the audited consolidated financial statements and the accompanying notes for the years ended September 30, 2020 and September 30, 2019 prepared in accordance with International Financial Reporting Standards. All amounts are stated in Canadian dollars unless otherwise indicated.

Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, and actual results could vary considerably from these statements (see section headed "Forward-Looking Information"). Readers are cautioned not to put undue reliance on forward-looking statements.

Additional information related to Unisync Corp. is available for view on SEDAR at www.sedar.com.

DESCRIPTION OF BUSINESS

Unisync Corp. is a British Columbia corporation and reporting issuer in British Columbia, Alberta, Manitoba and Ontario. Unisync's voting Common Shares are listed and posted for trading on the TSX Exchange under the symbol "UNI". Unisync Corp. and its subsidiaries are hereinafter referred to collectively as "Unisync" or the "Company".

Unisync operates through two business segments: Peerless Garments LP ("Peerless") of Winnipeg, Manitoba and Unisync Group Limited ("UGL") of Mississauga, Ontario. Peerless specializes in the production and distribution of highly technical protective garments, military operational clothing and accessories for a broad spectrum of Federal, Provincial and Municipal government departments and agencies. UGL is a leading customer-focused provider of corporate apparel, serving a list of leading iconic brands such as Air Canada, Alaska Airlines, Purolator, Shoppers Drug Mart, Sobeys, Tim Hortons and WestJet.

In October 2018, Unisync acquired Utility Garments Inc. ("Utility") of Saint-Laurent, Quebec and in January 2019, the hospitality division assets of Red the Uniform Tailor ("RTUT") of Lakewood, New Jersey (since re-located to Farmingdale, New Jersey). Utility is a designer, manufacturer and distributor of uniforms and career apparel to customers in Quebec and to national accounts across Canada. RTUT is a designer, manufacturer and distributor of uniforms and related apparel to hospitality industry customers in the United States. In early 2019 UGL opened a new 45,000 square foot distribution and service facility in Henderson, Nevada, which is in the final process of distributing new uniforms to the approximately 19,000 employees of Alaska Airlines.

Unisync recently announced the launch of its new eCommerce venture, Tactical Gear Experts ("TGE"), targeting the Outdoor, Tactical and Lifestyle product markets across Canada and the USA. This B2C and B2B eCommerce platform represents a major growth opportunity for Unisync that will provide consumers with a broad selection of the very best Tactical and Outdoor equipment shipped across Canada and the USA drawing on our decades of experience as a major Canadian military and public safety supplier.

Unisync is now a vertically integrated North American enterprise with exceptional capabilities in garment design, domestic manufacturing and offshore outsourcing, combined with state-of-the-art web based B2B and B2C ordering, distribution and program management systems.

Business Strategy

Unisync is one of the largest broadly based Canadian uniform providers. The business strategy is to market the combined manufacturing and distribution capabilities of Unisync to secure additional accounts in the Canadian and North American government and corporate sectors.

In addition, the Company will continue to pursue complimentary revenue producing business acquisition opportunities as they present themselves.

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RESULTS OF OPERATIONS

The following table sets out selected consolidated financial information for the previous three fiscal years.

Fiscal years ended	September 30, 2020	September 30, 2019	September 30, 2018
Consolidated statement of net income (loss) data:			
Revenue	93,103,296	77,992,964	76,835,677
Direct expenses	72,247,767	63,817,276	58,214,844
General and administrative expenses	16,372,961	15,813,328	8,721,352
Depreciation and amortization	3,256,373	1,722,679	949,595
Interest expense	2,570,970	1,510,950	993,682
Share-based payment	79,232	437,134	341,275
Net income (loss) before income taxes	(1,424,007)	(5,308,403)	7,614,929
Income tax expense (recovery)	(419,200)	(1,303,515)	377,335
Net income (loss)	(1,004,807)	(4,004,888)	7,237,594
Attributable to Unisync Corp. shareholders	(1,264,116)	(4,080,141)	7,073,490
Attributable to minority partner	259,309	75,253	164,104
Net income (loss) per share attributable to Unisync Corp. shareholders:			
Basic	(0.07)	(0.23)	0.53
Diluted	(0.07)	(0.23)	0.52
Supplemental data:			
Gross profit (1)	17,599,156	12,453,009	17,671,238
Gross profit as a % of revenue	18.9%	16.0%	23.0%
Adjusted EBITDA (2)	4,482,568	(251,343)	9,899,481
Adjusted EBITDA as a % of revenue	4.8%	-0.3%	12.9%
Consolidated statement of financial position data:			
Working capital, excluding restricted cash, shareholder advances, minority interest and current portion of long-term liabilities	17,955,382	14,292,805	11,145,009
Total assets	87,161,314	84,991,792	50,432,602
Other liabilities:			
Term loans	5,824,798	6,670,398	1,567,294
Long-term lease liabilities	8,867,429	-	-
Shareholder advances	4,488,981	1,836,800	-
Due to minority partner	1,500,000	1,500,000	1,500,000
Shareholder's equity - attributable to Unisync Corp.	31,202,022	29,986,685	29,128,167
Shareholder's equity - attributable to minority partner	(30,137)	(53,728)	(41,427)
<p>(1) Gross profit is calculated by the Company as revenue less direct expenses, less depreciation and amortization. (2) Adjusted EBITDA (earnings before interest expense, income taxes, depreciation and amortization, share-based payment impairment losses and acquisition costs) is a non-GAAP financial measure. Securities regulations require that companies caution readers that earnings and other measures adjusted to a basis other than IFRS do not have standardized meanings and are unlikely to be comparable to similar measures used by other companies. Accordingly, they should not be considered in isolation. We have presented the nonGAAP measure of EBITDA because we believe that it is a widely accepted financial indicator of an entity's ability to incur and service debt and it is used by the investing community to value businesses.</p>			

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Results for the years ended September 30, 2020 and September 30, 2019

Revenue for the year ended September 30, 2020 of \$93.1 million increased by \$15.1 million or 19% from the prior year on a \$7.4 million rise in revenue in the UGL segment to \$73.6 million and a \$8.9 million revenue increase to \$20.7 million in the Peerless segment. Revenue rose in the UGL segment due to a \$15 million increase in revenue from the segment's second largest airline account on a new uniform rollout that was completed in the first half of the year prior to the onset of the COVID-19 pandemic travel restrictions. Sales volumes during new uniform rollouts are typically three times that of normal steady state replenishment levels of uniform sales. Partially offsetting this new uniform rollout revenue with the segment's second largest airline account was the \$6 million decline in revenue experienced with the segment's largest airline account due to COVID-19 pandemic travel restrictions in the second half of the year. The Peerless segment's revenue rose over the prior year with the release of new contracts and the exercise of outstanding options on existing contracts by the Department of National Defence ("DND"), the segment's largest customer.

Gross profit of \$17.6 million increased by \$5.1 million or 41% year over year and improved to 19% of revenue from 16% of revenue in the prior year with the greater absorption of fixed costs on the increase in revenue leading to improved profitability. Gross profit in the prior year was impacted by a fair value adjustment of \$1.1 million to direct expenses for inventory acquired in the Utility purchase. Excluding that adjustment, consolidated gross profit in fiscal 2019 would have been \$13.6 million or 17% of revenue. The UGL segment recorded a \$2.0 million increase in gross profit to \$13.9 million while the segment's gross profit margin improved to 19% of revenue from 18% of revenue due to greater economies of scale with the increase in sales. Stimulus subsidies in an amount of \$1.0 million received from the Federal Governments of Canada under the Canada Emergency Wage Subsidy ("CEWS") and from the United States under Paycheck Protection Program ("PPP") to help offset the negative impact of the COVID-19 pandemic reduced direct payroll costs in the UGL segment and minimized layoffs for employees that would have been otherwise affected. The Peerless segment experienced a \$2.0 million increase in gross profit to \$4.1 million and the segment's gross profit margin rose from 18% of revenue to 20% of revenue also on account of higher sales leverage on fixed costs.

Depreciation and amortization expense rose by \$1.5 million from fiscal 2019 to \$3.3 million in the current year primarily on account of the impact of the Company's adoption of IFRS16 lease accounting as of October 1, 2019. Depreciation on right of use assets in the UGL segment was \$1.4 million in 2020 fiscal year.

General and administrative expenses increased by \$0.6 million or by 4% to \$16.4 million for the year ended September 30, 2020 from the previous year but as a percentage of revenue fell from 20% to 18% on the higher volume of sales. General and administrative expenses rose by \$0.8 million in the UGL segment due to a full year of operations at the segment's New Jersey and Nevada locations while Corporate expenses were down \$0.2 million and the Peerless segment's expenses were flat. CEWS and PPP amounts of \$0.8 million received by the UGL segment reduced administrative payroll costs and maintained employment and wages for employees that would have been otherwise affected by layoffs and wage reductions.

Total interest expense of \$2.6 million for the year ended September 30, 2020 increased by \$1.1 million from the prior year on account of a \$0.6 million increase in carrying costs associated with the shareholder loan advances of \$1.75 million received in July 2019 and \$2.0 million received in November 2019 and due to \$0.5 million of discounted interest expense on long-term lease obligations with the application of IFRS 16 lease accounting in the current year.

The Company reported a net loss of \$1.0 million for the year ended September 30, 2020 compared to a loss of \$4.0 million in the year before. Cash flow from operations, before non-cash working capital items and distributions to minority partner, was a positive \$4.5 million compared to a loss of \$1.7 million for the year ended September 30, 2019. Distributions to the 10% minority partner of the Peerless segment increased to \$0.2 million in the current year, against \$0.1 million last year.

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Summary of Quarterly Results

(Canadian \$'s) (000's), except per share data

	12/31/2018	03/31/2019	06/30/2019	09/30/2019	12/31/2019	03/31/2020	06/30/2020	09/30/2020
Revenue	16,946	19,073	21,587	20,387	27,076	27,740	17,165	21,122
Direct expenses	13,885	16,054	18,176	15,702	20,714	20,834	14,078	16,622
Depreciation & amortization	443	505	494	281	826	904	952	575
General & administrative	3,445	3,873	4,569	3,926	4,602	4,748	3,301	3,722
Interest expense	328	370	324	489	667	735	591	577
Share based payment	56	48	133	200	79	-	-	-
Net income (loss) before income taxes	(1,211)	(1,777)	(2,109)	(211)	188	519	(1,757)	(374)
Income tax expense (recovery)	(300)	(453)	(541)	(9)	99	156	(640)	(34)
Net income (loss)	(911)	(1,324)	(1,568)	(202)	89	363	(1,117)	(340)
Net income (loss) attributable to Unisync shareholders	(892)	(1,338)	(1,629)	(221)	67	309	(1,187)	(454)
Income (loss) attributable to minority partner	(19)	14	61	19	22	54	70	114
Basic income (loss) per share	(0.05)	(0.08)	(0.09)	(0.01)	0.00	0.02	(0.06)	(0.03)
Diluted income (loss) per share	(0.05)	(0.08)	(0.09)	(0.01)	0.00	0.02	(0.06)	(0.03)
Supplemental data:								
Gross profit (1)	2,618	2,514	2,917	4,404	5,536	6,002	2,136	3,925
Gross profit %	15.4%	13.2%	13.5%	21.6%	20.4%	21.6%	12.4%	18.6%
Adjusted EBITDA (2)	323	(405)	(927)	755	1,714	2,534	(441)	778
Adjusted EBITDA %	1.9%	(2.1%)	(4.3%)	3.7%	6.3%	9.1%	(2.6%)	3.7%

(1) Gross profit is calculated by the Company as revenue less direct expenses, depreciation and amortization.

(2) Adjusted EBITDA (earnings before interest expense, income taxes, depreciation and amortization, share-based payment, impairment losses and acquisition costs) is a non-GAAP financial measure. Securities regulations require that companies caution readers that earnings and other measures adjusted to a basis other than IFRS do not have standardized meanings and are unlikely to be comparable to similar measures used by other companies. Accordingly, they should not be considered in isolation. We have presented the nonGAAP measure of EBITDA because we believe that it is a widely accepted financial indicator of an entity's ability to incur and service debt and it is used by the investing community to value businesses.

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Results for the quarter ended September 30, 2020 versus the quarter ended September 30, 2019

Revenue for the three months ended September 30, 2020 of \$21.1 million increased by \$0.7 million or 4% over the three months ended September 30, 2019 as a \$1.2 million revenue decrease in the UGL segment, before intersegment sales of \$1.2 million of personal protective equipment (“PPE”), was more than offset by a \$3.1 million revenue improvement in the Peerless segment. Fourth quarter 2020 UGL segment revenue of \$16.0 million decreased by 7% over the same period in the prior year with the negative impact of the COVID-19 pandemic on uniform sales to customers in the travel and hospitality sectors being partially offset set by \$5.4 million of PPE sales, principally reusable face masks and nitrile gloves, to a mix of existing uniform customers and new customers. The UGL segment began distributing PPE products for the first time during the third quarter of the current fiscal year with sales of \$3.6 million in that quarter. The increase in the Peerless segment in the current quarter was largely due to the inclusion of \$1.9 million in PPE product sales of masks and manufactured gowns, products not previously sold in the prior year. This volume of PPE sales increased from \$0.3 million sold in the third quarter of fiscal 2020.

Despite the overall increase in sales, gross profit for the three months ended September 30, 2020 of \$3.9 million or 19% of revenue was down by \$0.5 million and fell from 22% of revenue in the same period last year as the margin on third party sourced PPE sales is generally lower than on manufactured uniform sales given that PPE products require less design, program management and handling than kitted uniform products. The UGL segment recorded gross profit of \$2.4 million or 15% of segment revenue compared to \$4.0 million or 24% of segment revenue in the same quarter of the prior fiscal year. The Peerless segment recorded gross profit of \$1.5 million or 24% of segment revenue in the fourth quarter of fiscal 2020 against \$0.4 million or 14% of segment revenue in the same quarter of the prior fiscal year.

At \$3.7 million, total general and administrative expenses for the three months ended September 30, 2020 were down \$0.2 million or 5% from the three months ended September 30, 2019 from the same period in 2019 as a result of staff reductions and lower travel expenses in the UGL segment.

Interest expense of \$0.6 million for the current quarter was up \$0.1 million from the same period as lower interest rates and utilization on the Company’s operating loan facilities were more than offset by carrying costs associated with the shareholder loan advances and interest expense on long-term lease obligations with the application of IFRS 16 lease accounting in the current quarter.

The Company’s reported a net loss of \$0.3 million in the quarter ended September 30, 2020 compared to a net loss of \$0.2 million in the same quarter last year for the reasons cited above. Cash flow from operations, before non-cash working capital items and distributions to minority partner, was \$0.4 million for the three months ended September 30, 2020 versus \$0.9 million for the three-month period ended September 30, 2019. Distributions to minority partner of the Peerless segment increased to \$0.2 million in the current quarter from \$0.04 million in the same period last year.

Business Trends

With COVID-19 vaccines beginning to be distributed worldwide in December 2020 and continuing into 2021, the Company believes that it will see a gradual improvement in the business conditions of its general customer base as a result. In particular, the Company’s North American airline accounts have been running at 20% to 30% of previous capacity levels during the pandemic, so it is expected that the Company will experience a strong rebound in sales with these major accounts as travel restrictions are lifted. The Company also expects to continue to take advantage of significant opportunities in the PPE space with bids ongoing for large volume contracts at all levels of government in Canada and the United States as these governments seek to be better prepared for future outbreaks.

With \$18 million in firm contracts and options on hand as at September 30, 2020, the Peerless business segment is positioned to maintain its current level of revenues and profitability into fiscal 2021.

An RFP document was released by the Canadian Federal Government in 2019 soliciting bidders for a 20-year \$1 billion contract. The OCFC2 contract involves the DND’s plans to outsource the procurement, warehousing and distribution of operational clothing, footwear, and personal equipment under one contract.

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The contract is expected to include provisions for the development of a direct delivery system between the contractor and the individual military member for select items; and include a services component for the improvement and development of related items. UGL's Canadian distribution capabilities combined with Peerless' domestic manufacturing experience with the DND provide strong candidacy for the Company's bid. Responses to the OCFC2 RFP bid are now due in April 2021.

LIQUIDITY

At September 30, 2020, Unisync has established two operating loan facilities totalling \$25,500,000 with a Canadian chartered bank and an operating loan facility of USD5,000,000 with the United States affiliate of the Canadian chartered bank to finance its working capital requirements. The maximum amount available under the facilities is based on certain margin requirements and covenants as stipulated in the loan facility agreements.

On October 1, 2018, the Company established two new term loan facilities, a \$5 million First Capital Loan Facility and a \$2.86 million Second Capital Loan Facility with a Canadian chartered bank and repaid its existing term loan. The First Capital term loan is repayable by way of quarterly principal payments of \$0.25 million over a notional five year amortization period but shall be paid in full by January 1, 2022 unless extended and the Second Capital term loan is repayable by way of quarterly principal payments of \$0.036 million over a notional twenty year amortization period but shall be paid in full by January 1, 2022 unless extended. The Company has resumed payment of the quarterly principal payments on the First Capital Loan Facility and the Second Capital Loan Facility for the quarter ended June 30, 2020 following the bank's deferral of those principal payments for the quarter ended March 31, 2020 in response to the COVID-19 pandemic.

The Company received bank postponed shareholder advances of \$1.75 million in July 2019 and \$2.0 million in November 2019. Interest, processing and extension fees on the advances are accrued and are to be repaid on January 15, 2021. Principal repayment is subject to bank approval.

Excluding the current portion of the term loan and long-term lease facilities, the shareholder financing and minority interest, Unisync had working capital of \$18.0 million and \$14.3 million at September 30, 2020 and September 30, 2019, respectively. As at September 30, 2020, the Company had outstanding foreign exchange contracts of \$nil (September 30, 2019 - \$nil) and letters of credit of \$0.9 million (September 30, 2019 - \$0.4 million) along with operating loans outstanding of \$23.1 million (September 30, 2019 - \$24.5 million) under its three operating loan facilities. As the Company grows its US customer base, its US dollar revenues are expected to increase, creating a natural hedge against its US dollar offshore purchases and thereby reducing the Company's exposure to changes in the Canadian/US dollar exchange rate.

The \$1.4 million decrease in the operating loan balance was funded by \$4.5 million in operating cashflow and a financing surplus of \$1.0 million from the net proceeds of a \$2.8 million private placement of shares in excess of bank debt obligations, less a \$2.0 million increase in working capital and capital expenditures of \$1.0 million on tangible assets and \$0.7 million on intangible assets

Capital expenditures on property, plant and equipment for the year ended September 30, 2020 of \$1.0 million were up \$0.1 million from the prior year and were largely spent on leasehold improvements at the UGL segment's new Vancouver and Mississauga office locations. Capital expenditures for the Peerless segment were minimal in fiscal 2020 and 2019. The Company began to implement a new Enterprise Resource Planning computer system in fiscal 2018 with expenditures of \$1.0 million being recorded as a long-term prepaid expense in that year. In fiscal 2019 a further \$1.1 million was expended on the project and the full \$2.1 million amount was recorded as an intangible asset as the software was put in partial use in September 2019. The Company incurred a further amount of \$0.6 million on the ERP system during its September 30, 2020 fiscal year. Other expenditures on intangible assets in fiscal 2020 of \$0.1 million (2019 - \$0.5 million) were made on the Company's web based B2B ordering system to service the launch of new accounts and to enhance the service offering for existing accounts.

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SHARE CAPITAL

The following table sets out the share capitalization of the Company as at September 30, 2020 and the date of this MD&A.

Description	Authorized	Outstanding as at September 30, 2020	Outstanding as at the date of this MD&A
Common Shares	Unlimited	18,687,228	18,937,228
Stock Options – Common Shares	1,868,723	1,045,000	1,865,000
Class A Preferred Shares	Unlimited in series	Nil	Nil

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements other than letters of credit granted in the ordinary course as set out in the Section headed “Liquidity”.

CRITICAL ACCOUNTING ESTIMATES

Measurement Uncertainty

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions about future events that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Key areas of estimates and judgments are listed in Note 5 to the consolidated financial statements and include but are not limited to the inventory recognition of deferred income taxes, costing allocations of labour and overhead for inventories, the estimated useful lives of property, plant and equipment, recording of accrued liabilities and contingencies, due to minority partner, valuation of investments, valuation of receivables and inventory obsolescence, valuation of goodwill and share based payments and the allocation of purchase consideration on the acquisition of businesses. Actual results could differ from these estimates.

CHANGE IN ACCOUNTING POLICIES

Accounting standards issued but not yet applied

The reader is referred to Note 4 to the consolidated financial statements for a summary of new standards which will be effective for future years. The Company is in the process of assessing the impact of these new standards.

FORWARD-LOOKING INFORMATION

This Management Discussion and Analysis contains forward-looking information. Specific forward-looking statements included or incorporated by reference in this document include, but are not limited to, statements with respect to:

- that the UGL segment will pursue new accounts in the United States marketplace with the expectation of growing its US dollar revenues and thereby minimizing its exposure to exchange fluctuations between the Canadian and US dollar as outlined in the Business Trends and Liquidity sections;

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- that UGL expects to capitalize on very substantial PPE opportunities to offset, and potentially significantly exceed, the reduced volume of uniform sales expected from customers in the transportation, hospitality and service industries as the result of the COVID-19 pandemic as outlined in the Business Trends section;

Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “estimates”, “intends”, “believes”, “anticipates” or “does not anticipate”, or variations of such words and phrases or states that certain actions, events, or results “may”, “could”, “would”, “might”, “will be taken”, “occur”, or “be achieved”. Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Unisync to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Although Unisync has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended.

Known and unknown factors could cause actual results or events to differ materially from those projected in the forward-looking statements. Such material factors include, but are not limited to competition, operational risk, litigation, a change in the timing or bidding conditions of future government contracts, customer concentration/economic dependence, working capital, potential conflicts of interest, volatility of stock price, disruptions in production, government budgetary restraint, reliance on key personnel, reliance on few suppliers, reliance on subcontractors, technological milestones, operating cost fluctuations, increases in interest rates, decreases in the value of the Canadian dollar against the U.S. dollar and other foreign currencies, access to credit, and potential unknown liabilities. Accordingly, readers should not place undue reliance on forward-looking information. Unisync does not undertake any obligation to update forward-looking information except as otherwise required by law.

RELATED PARTY TRANSACTIONS

During the year ended September 30, 2020, interest and processing fees of \$584,228 were accrued on \$3,650,000 of shareholder advances that were provided by Bruce Aunger, Darryl Eddy, Douglas Good Michael O'Brian and by a fund of which Christian Turgeon is a Managing Director (2019 - interest and processing and extension fees of \$40,657 were accrued on \$1,650,000 of shareholder advances that were provided by Bruce Aunger, Darryl Eddy, Douglas Good and Michael O'Brian), members of the Company's board of directors.

Darryl Eddy and Joel Mclean, members of the Company's board of directors, are also board members of a company to which the Company paid rent of \$29,268 (2019 - \$29,268) for its head office location.

The Company paid \$nil (2019 - \$210,000) in consulting fees to a company controlled by Douglas Good, the Company's Executive Chairman and former Chief Executive Officer.

The Company expensed \$nil (2019 - \$71,958) in share based payment to Bruce Aunger, Darryl Eddy Joe Gantz, Joel McLean and Michael O'Brian, non-salaried members of the Company's board of directors.

Albert El Tassi, the Company's minority partner in the Peerless segment received an income allocation of \$75,253 (2018 - \$164,104) and the Company paid rent of \$nil (2018 - \$48,000) for the Company's facility in Carleton Place, Ontario to a corporation which was owned by Terry Perkins, a former Vice President of UGL.

Related party transactions are recorded at the exchange amounts, which are the amounts agreed upon by the related parties.

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SUBSEQUENT EVENTS

none

INVESTOR RELATIONS

Investor relations inquiries are handled by the Company's Executive Chairman.

Venture Liquidity Providers Inc. provides market-making services and maintains an orderly trading market for the shares of the Company.