THE WESTERN INVESTMENT COMPANY OF CANADA LIMITED

Interim Management's Discussion and Analysis

Quarterly Highlights

For the period ended September 30, 2023

Dated: November 29, 2023

Introduction

The Western Investment Company of Canada Limited ("we", "**Western,**" or the "**Corporation**") is a publicly-traded private equity company based in Western Canada. Our common shares trade on the TSX-V under the trading symbol WI. **Our purpose is to create long-term wealth for shareholders by building and maintaining a diversified portfolio of strong, stable, and profitable western-based companies while helping them to grow and prosper.** Our strategy is to use our expertise and capital to cultivate already great western Canadian businesses, ultimately contributing to their success and legacy over the long run.

Western's targeted industry verticals align with the industry expertise of the Board of Directors and include: (i) financial services and insurance; (ii) retail and distribution; (iii) human services; (iv) agriculture and related services; and (v) special situations. Western's ideal acquisition enterprise value is between $10 million and $100 million, with ownership interest between 25% and 100%. Western will prospect acquisitions from: (i) director and executive networks; (ii) mid-market accounting and merger and acquisition advisors; and (iii) private equity and corporate divestitures.

This Interim Management Discussion and Analysis ("MD&A") provides an update on the Corporation's business activities, financial condition, financial performance, and cash flows since December 31, 2022. The Corporation reports its financial position, financial performance, and cash flows in accordance with International Financial Reporting Standards ("IFRS") in Canadian dollars. The MD&A should be read in conjunction with the audited financial statements of the Corporation, and the annual MD&A, for the year ended December 31, 2022. The MD&A was prepared by management of Western and was approved by the Board of Directors on November 29, 2023. Additional information relating to the Corporation, including its Annual Information Form, is available on SEDAR+ at www.sedarplus.ca .

The following table outlines our current equity investments as of November 29, 2023;

Investments	**Acquisition Date**	**Ownership (%)**
GlassMasters ARG Autoglass Two Inc.	December 16, 2016	55.3%
Golden Health Care	September 1, 2017	25.0 - 30.0%
Foothills Creamery Ltd.	February 28, 2018	49.5%
Fortress Insurance Company	May 6, 2019	28.3%

Key Highlights for the period ended September 30, 2023

For the nine months ended September 30, 2023, Western generated $1.8 million in equity income, which exceeds every comparative period since inception. $1.1 million in net income was achieved for the year-to-date, which matches results from 2018 and far exceeds every other comparative period. Western has achieved positive results through each quarter of 2023, thanks to operational improvements implemented at our associates, many of whom have shown large jumps in gross margins and sales.

After having a record year in 2022, GlassMasters ARG Autoglass Two Inc. ("**GlassMasters**") continues this growth. Sales for this nine month period exceeded the prior year by 20%, and EBITDA is up 37%. Sales, gross profit, and normalized net income have exceeded every comparative period since the company was acquired in 2016. Growth is occurring at current retail and warehouse locations, and three new locations have come online in 2023. With this success, GlassMasters serves as Western's primary cash flow source, with regular interest payments occurring on the restructured shareholder notes.

Business at Fortress Insurance Company ("**Fortress**") continues its rapid growth, with a 44% increase in gross written premiums from the comparative period of 2022. A $5.2 million equity offering, completed in late 2022, provided cash and value-added business partners to contribute to Fortress's continuing growth and development. With the recovery of the investment market, Fortress is realizing gains on its investment portfolio, boosting its profitable underwriting business. Fortress is focused on diversification, expanding its product offerings into liability insurance and the Ontario market.

Foothills Creamery Ltd. ("**Foothills**") has worked hard to turn the business into the profitable company we know it can be. Results to date in 2023 are a testament to this, as gross margins improved from 15% in 2022 to 22% in the current year-to-date. This translates into a $2.1 million increase in income from operations. An improved pricing strategy should continue this trend and address any ongoing inflation and rebate fluctuations. Demand for frozen products was high this summer, putting the company in a good position heading into its slower months.

Golden Health Care ("**Golden**") has seen a small bump in revenue levels, with a 7% increase this past quarter thanks to improved occupancy. Inflation has impacted the cost of care, and attracting staff has been challenging. Management is focused on improving occupancy and is working to access government funding for senior care.

The $1.6 million improvement in net income for the nine months ended September 30, 2023 is an indication of the hard work that has gone on to improve earnings from each of our associates. We believe we have solid management and strategic plans in place and are working closely with each company to further improve profitability. Looking to the end of 2023, we expect revenue growth and improved margins to lead Western into a record-breaking year.

A top priority for Western in the fourth quarter has been addressing the $4 million in convertible debentures (the "**Debentures**") coming due in early 2024. To address this, on October 10, 2023, Western made an offering to raise up to $5 million through the issuance of a new convertible debenture, with an offer to existing 7.5% Debenture holders to exchange their notes for the new 9.6% Debentures. The new Debentures have a maturity date of December 31, 2025.

Review of Western's Operations and Financial Results

The financial highlights of the Corporation are:

	Three months ended September 30,		Nine months ended September 30,	
Financial results ($	**2023**	**2022**	**2023**	**2022**
Income	881,338	588,694	2,357,824	588,563
Professional fees	72,095	52,516	235,117	210,153
Regulatory fees	7,886	7,002	52,309	41,370
Management salaries	97,996	93,388	337,816	283,597
Share based compensation	-	-	56,513	51,964
Interest	198,710	169,596	573,287	488,269
Other expenses	16,061	10,364	32,747	23,443
Total expenses	392,748	332,866	1,287,789	1,098,796
Net income (loss)	**488,590**	**255,828**	**1,070,035**	**(510,233)**
Net income (loss) per share	0.016	0.008	0.035	(0.017)

	September 30, 2023	December 31, 2022
Financial position ($)		
Working capital	(3,822,350)	261,774
Total assets	19,913,265	18,615,425
Operating loan	1,490,851	1,200,316
Loans and convertible debentures	4,928,285	4,883,173
Shareholders' equity	13,323,207	12,377,424

	September 30, 2023	December 31, 2022
Western Share Count Information		
Common shares issued and outstanding	30,207,756	30,287,756

Equity income for the nine months ended September 30, 2023, was $1.8 million, a significant improvement from our equity loss in the comparative period 2022. Income was also boosted in 2023 with the restructuring undertaken at GlassMasters, which now provides Western with regular interest income and cash flow. Much of this jump in revenue can attributed to the success experienced at GlassMasters and Foothills.

Expenses have increased this year, with higher professional fees for the year-end audit. Management salaries are also higher with increased time spent on the year-end audit. The increase in interest expense can be attributed to rising interest rates.

With the maturity of the convertible debentures approaching, they are now recorded as a current liability, affecting our working capital. This maturity is being addressed by the issuance of new debentures that will mature on December 31, 2025.

Looking into the future, we are optimistic that equity income will continue to increase as the economy stabilizes. We expect steady growth in the insurance business and ongoing expansion at GlassMasters. We will continue to focus on maintaining profitability at Foothills.

Net Asset Value

To provide shareholders with an idea of the actual value of their investment, we completed a market value assessment of each associate company as at December 31, 2022. For accounting purposes, each investment is recorded based on the equity method of accounting, whereby the investment is initially recognized at cost and adjusted thereafter for our share of the investee's profit or loss. The methods used to determine the market value estimate of each associate are outlined in our December 31, 2022 MD&A. We believe providing this estimate gives our investors better insight into the true underlying value of their investment in Western.

The market value assessment shows the value of our equity investments is significantly above the current carrying value. If we adjust our net book value as at December 31, 2022, to account for the inherent market value of our investments, the value per share is $0.67 (2021 - $0.82). This is well above the current market price of our shares, demonstrating the true value our shareholders hold. The decline in market value from the prior year is consistent with what many other private equity companies are seeing with the difficult economic conditions and increased interest rates businesses are currently facing. We expect that net asset value will remain a dynamic number with improving results and increased stability.

Below is a comparison of the carrying value of our associates with the estimated market value as at December 31, 2022:

$	Original purchase price	Carrying Value	Estimated Market Value	Unrealized Gain
Golden Health Care	4,738,192	4,781,768	6,750,000	1,968,232
Fortress Insurance Company	1,690,000	2,575,686	5,170,000	2,594,314
Foothills Creamery Ltd.	3,251,000	2,450,120	3,100,000	649,880
GlassMasters ARG Autoglass Two Inc.	4,010,000	7,529,849	10,170,000	2,640,151
Total value of investment in associates	**13,689,192**	**17,337,423**	**25,190,000**	**7,852,577**

Using the estimated market value of our associates as outlined above, the net asset value of Western as at December 31, 2022, is:

$	Estimated Market Value
Current assets	416,286
Due from related parties	861,716
Investment in associates	25,190,000
Current liabilities	(154,512)
Operating loan	(1,200,316)
Loan from related party	(1,200,000)
Convertible debentures	(3,683,172)
Net asset value	20,230,002
Common shares outstanding	30,287,756
Value per share	**$ 0.67**

Summary of Equity Investments

Below is a summary of the results of each of Western's associates for the period ended September 30, 2023. The performance of our associates is assessed based on revenues, net income from operations, and EBITDA. EBITDA is a supplemental measure of operating income in which tax, depreciation and amortization, and interest are added back to the associate's net income (refer to the "Description of Non-IFRS Measures" section below for more information).

Fortress Insurance Company

Fortress is a western Canadian licensed insurance company focusing on specialty and surplus lines of business within the western Canadian insurance marketplace. The principal business for Fortress involves property insurance but the company also offers insurance in niche products, including accident & sickness, liability, boiler & machinery, marine, fidelity, legal expense, and surety. Fortress is licensed in five provinces from BC to Ontario and all three territories.

Management has been actively working on developing relationships with its broker network and on negotiating reinsurance contracts to mitigate the risk taken by Fortress. With reinsurance, Fortress essentially shares the risk of each contract with other insurance companies. Expanding the broker network allows Fortress to penetrate deeper into the market and offer greater capacity to brokers.

For the nine months ended September 30, 2023, Western recognized equity income of $103,496 from Fortress (September 30, 2022 - $155,352 loss).

Financial highlights for Fortress (at 100%) are presented below:

	Three months ended September 30,		Nine months ended September 30,	
Financial results ($)	**2023**	**2022**	**2023**	**2022**
Gross written premiums	4,326,060	4,155,025	15,307,900	11,452,996
Insurance revenue	5,341,356	3,078,507	15,024,227	6,907,678
Insurance service result	600,699	602,680	1,700,079	1,154,350
Investment income (loss)	(72,147)	(63,691)	283,048	(811,770)
Net income (loss)	45,692	209,180	544,845	(273,841)

Fortress continues on its trajectory of rapid growth, with increases in gross written premiums each year, including a 34% increase from the comparative 2022 nine month period. Fortress increased its capacity on all its products in the first quarter and added a new liability insurance product to its lineup. The company's underwriting business is now consistently profitable, and insurance revenue has more than doubled from the comparative year-to-date. Fortress expects to see continued growth in written premiums throughout the coming years. As the company continues this growth, they are focused on ensuring they have a strong management team in place for success.

While the prior year's performance was hampered by losses in their investment portfolio, markets are recovering in 2023, as evidenced by the positive investment income earned. As investment markets recover, Fortress's net income will receive a boost from gains in their investment portfolio.

The $5.2 million equity offering in late 2022 and strategic agreement with a U.S. based specialty insurance company have set the company up for continuing growth and development, providing it with capital, capacity and growth opportunities for years to come. This equity financing included a plan to provide Fortress with the resources and expertise to offer specialty surety products in Canadian commercial insurance markets through a comprehensive underwriting and reinsurance agreement. With additional capacity and capital, Fortress will diversify its offerings with new products and expansion into the Ontario market.

Gross written premiums include all premiums written during the year, including both earned and unearned, auto insurance premiums, and fronting fees earned. Fortress continues to expand its fronting programs. Fronting is the process where a registered insurer transfers the risk to an unlicensed third party. The fronting insurer is used to ensure the policy is issued by a locally licensed insurer.

The trailing 12-month loss ratio as at September 30, 2023 (incurred losses over earned premium) is 41% (September 30, 2022 – 35%), an impressive result and testament to their lean cost structure and focused execution. There is now significantly more business on the books than in the comparative year. We believe the ratio is indicative of the quality business Fortress has developed.

Western now has 28% ownership of Fortress after the dilution with the equity raise in 2022. It appoints two of eight directors to the Board. This gives Western significant influence over the investment. As such, the Corporation is accounting for this investment under the equity method.

Foothills Creamery Ltd.

Western holds a 50% interest in Foothills, a producer and distributor of high-quality butter and ice cream products with over 50 years of operations in Western Canada. Headquartered in Calgary, Alberta, it serves customers through a large grocery retail and food service network across western Canada, supported by distribution facilities in Edmonton, Alberta, and Kelowna, BC. Foothills butter products are specially churned, using only the freshest cream to produce a smooth textured product with exceptional taste. Target markets for its butter products include grocery retailers and the food service industry, including commercial kitchens and bakeries. Ice cream sales are seasonal, with the busiest quarters occurring in the spring and summer months. Based on this seasonality, readers are cautioned not to weigh quarterly financial data equally for all quarters.

On July 14, 2023, 10,500 shares of Foothills were issued from treasury to a member of management, diluting the Corporation's ownership of Foothills from 49.6% to 49.5%.

In the nine months ended September 30, 2023, Western recorded equity income of $877,561 from Foothills (September 30, 2022 – equity loss of $390,027). Western earns annual management fees of $75,000 from Foothills. Management fees from Foothills are currently being added to the shareholder loan balance, which is due to mature in 2024. $31,999 in interest was earned on this shareholder loan during the period (September 30, 2022 – $nil).

Financial highlights for Foothills (at 100%) are presented below:

	Three months ended September 30,		Nine months ended September 30,	
Financial results ($)	**2023**	**2022**	**2023**	**2022**
Revenue	11,418,811	11,290,923	29,727,673	27,759,841
Gross profit	2,704,588	1,979,777	6,648,295	4,134,102
Net (loss) income	632,534	65,622	1,771,369	(773,863)
Interest	315,758	210,940	866,529	563,509
Amortization and depreciation	401,871	307,498	1,133,889	889,135
Tax	(39,418)	(22,889)	(27,615)	(273,643)
EBITDA	1,310,745	561,171	3,744,172	405,138

After a challenging year in 2022, Foothills entered 2023 determined to improve gross margins and return the company to profitability. 2023 results to date show a remarkable turnaround. Revenue is slightly ahead of the prior year, but gross margins have jumped from 15% to 22%, providing a 61% increase in gross profit. Foothills achieved this with an improved pricing strategy that accounts for the rise in input costs, savings in logistics, and improvements in the dairy rebates received. The focus on high-margin frozen products is also starting to pay off. The management team at Foothills has worked tirelessly, and there isn't an area of the business that has not seen operational improvements. This vast improvement in profitability comes despite harsh economic conditions, including a constant increase in input cost and rising interest rates. The summer ice cream season can be called a success despite being cut short in the interior of British Columbia by an extreme fire event.

Looking forward, inflation and rebates appear to be stabilizing. Cost increases are now more readily passed on to customers with a pricing strategy that will better manage inflation and the volatility of government rebates. The company manufactured high levels of inventory to ensure it could meet a strong demand for frozen products through the summer months. Innovation continues with 12 new products recently added. The sales team is adding new accounts, leading to growth in the frozen mix and specialty butter categories.

Foothills sold its storage facility in Kelowna during the period, providing it with capital to complete upgrades to the processing plant and pay down debt. EBITDA and net income include a $1.1 million gain on sale. With this one-time gain removed, EBITDA to date is still $2.3 million ahead of the prior comparative period, and net income is $1.5 million ahead.

Cash flow continues to be a main priority moving forward, and earlier in 2023, Foothills negotiated a revised financing arrangement with its lender. This refinancing will decrease debt service requirements and allow the company to make necessary upgrades to the plant.

In October 2022, the Corporation advanced $250,000 to Foothills Creamery in the form of a shareholder loan bearing interest at 13% per annum. Unpaid interest shall be added to the principal sum owing. The loan has a one-year maturity date, with the option to extend for two consecutive six-month periods. At the maturity date, Western has the option to convert the outstanding principal sum, together with all accrued and unpaid interest, into shares of Foothills at a conversion price of $1.00 per share. If the conversion option is exercised, Western will receive share purchase warrants of Foothills in the amount of one-third of one share purchase warrant for every share issued upon loan conversion. Each warrant shall entitle Western to purchase one share of Foothills. As of September 30, 2023, the loan balance owing to Western was $386,787 (December 31, 2022 - $295,726). On October 27, 2023, Western exercised the option to extend the maturity date for six months.

Western has 50% ownership of Foothills however, it appoints two of seven directors to the Board and does not have the voting authority to pass decisions without majority board approval. This gives Western significant influence but not control over the company. As such, the Corporation is accounting for this investment under the equity method.

Golden Health Care

Western holds a 30% equity interest in three Saskatchewan senior care homes and a 25% interest in Golden Health Care Management Inc. The three homes are: Hill View Manor Ltd. in Estevan, The Good Shepherd Villas Inc. in Prince Albert, and William Albert House Ltd. in the Regina suburb of Emerald Park (together referred to as "**Golden**"). Western is pleased to be part of the skilled and experienced management team at Golden Health Care Management Inc., which provides management services to a portfolio of seven retirement communities and approximately 457 retirement suites, all under the Golden Health Care banner.

Golden Health Care is the largest full-service retirement operator in Saskatchewan. They have a unique model of "aging in place" where Golden's care homes adapt to the needs of individual residents from assisted living up to long-term care in each facility, maintaining a family environment rather than an institutional one regardless of the level of care required.

In the nine months ended September 30, 2023, Western recognized equity income from Golden of $41,511 (September 30, 2022 - $62,739 income). During this period, Western earned $105,000 in dividends from Golden, which was used to pay down the shareholder loan payable to Golden (September 30, 2022 - $138,000, paid in cash).

Financial highlights for Golden (at 100%) are presented below:

	Three months ended September 30,		Nine months ended September 30,	
Financial results ($)	**2023**	**2022**	**2023**	**2022**
Revenue	2,291,210	2,134,869	6,675,793	6,516,406
Net income	188,011	6,705	137,525	206,510
Interest	92,578	99,496	273,383	333,078
Amortization and depreciation	141,202	148,738	427,002	445,407
Tax	(32,004)	86,901	61,518	211,047
EBITDA	389,787	341,840	899,428	1,196,042

Revenue has remained stable at Golden, but the current inflationary environment has affected EBITDA and net income. Staff expenses have increased 10% and total expenses by 9% over the comparative period. The pandemic has made it increasingly hard to retain and attract qualified staff to long-term care, increasing wage expenses. Care homes have a difficult time passing increased costs onto residents who are already stretched on their ability to afford it. Rent increases have occurred; however, this can affect occupancy.

Occupancy has become an increased issue in the last few quarters. Occupancy at the Good Shepard has been stable and near full, and we have seen improvements at Hill View Manor and William Albert House this past quarter. Obstacles to improving occupancy numbers include the general reputation of private long-term care homes, the inability to do tours because of health restrictions, and the overall cost of long-term care beds. Private homes, in particular, must compete with government-run homes subsidized by tax dollars. Golden homes do not receive government subsidization to assist in meeting the health care needs of its residents. Management is working with the government to change this, where the government may use some of Golden's beds for their funded patients.

Western appoints two of five members of the Board of Directors of Golden Health Care Management Inc., the company that oversees the operating companies. Through our shared ownership and appointments to the Board of Directors, the Corporation can exercise significant influence over the investment. Accordingly, the Corporation is using the equity method to account for it.

GlassMasters

Western holds a 55% investment in GlassMasters, an automotive glass service company with retail locations providing repair and replacement of auto glass and automotive glass warehouses that import a full line of quality aftermarket glass parts and materials at competitive prices. Principal markets are in Alberta and Saskatchewan, with expansion this year into British Columbia.

On February 1, 2022, Western announced a transaction resulting in a new ownership partner at GlassMasters. Our new partner purchased all the shares from ATB Private Equity, plus an additional 3% from Western. This reduced our ownership from 61% to 58%. The transaction was priced at $2.18 per share, representing a valuation of GlassMasters that has more than doubled since the acquisition in 2016. In line with the transaction, Western recognized a gain of $166,411. In 2022, there was also a small dilution of Western's ownership interest in GlassMasters from 58% to 55% due to shares issued to management.

On April 1, 2022, the shareholders of GlassMasters passed a special resolution to distribute $8 million in capital to shareholders by way of reducing the stated capital on the Class "A" common shares. The distribution was treated as a return of paid-up capital for tax purposes and was paid by the issuance of a 5-year term promissory note, bearing interest at a rate equal to the prime rate of the Bank of Montreal plus 10%. Western's share of the return of capital and related promissory note was $4,658,559. On March 24, 2023, GlassMasters amended the promissory note to shareholders, replacing the note issued in 2022. The new terms added in the automatic renewal for five years upon each maturity date and set the interest rate to be as determined by the Board of Directors of GlassMasters from time to time. The Board has set the interest rate at 10% for 2023.

The interest earned on the note payable provides cash flow with an additional revenue source for the Corporation and creates tax efficiencies at the operating company. The intention is for the note to be renewed indefinitely, and it is considered part of Western's total investment in GlassMasters.

GlassMasters contributed equity income of $757,235 and finance income of $398,597 to Western's results in the nine months ended September 30, 2023 (September 30, 2022 -

$337,584 equity income and $381,078 finance income). Western earns $75,000 annually in management fee revenue.

Financial highlights for GlassMasters (at 100%) are presented below:

	Three months ended September 30,		Nine months ended September 30,	
Financial results ($)	**2023**	**2022**	**2023**	**2022**
Revenue	10,111,475	8,758,398	27,335,372	22,715,744
Gross profit	2,995,025	2,694,079	8,289,689	6,722,964
Net income	539,543	381,426	1,368,828	585,122
Note payable interest paid to shareholders (net of tax)	162,116	230,232	486,347	436,077
Adjusted Net income[1]	701,659	611,658	1,855,175	1,021,199
Net income	539,543	381,426	1,368,828	585,122
Interest	352,164	439,971	1,088,033	963,642
Amortization and depreciation	384,622	394,056	1,147,790	1,197,409
Tax	160,581	112,617	408,289	174,777
EBITDA	1,436,910	1,328,070	4,012,940	2,920,950

1 Non-GAAP measure - Interest on shareholder notes payable was added back to net income to provide normalized operating income (loss) and comparative net income (loss) to the prior year.

GlassMasters is having a record-breaking year with revenue, EBITDA, and adjusted net income for the year-to-date, exceeding every comparative period since acquisition. For the nine months ended September 30, 2023, revenue was up 20%, and EBITDA is up 37%. Normalized net income, which removes the shareholder interest, is 82% above 2022. GlassMasters has expanded its radio advertising and call center, translating into an ongoing growth in sales at both the wholesale and the retail level. The company started the year well stocked up on inventory, preparing it to meet high demand and improve margins. We credit the strong management team at GlassMasters for successfully maintaining their margins and the growth in sales despite a challenging economic environment.

GlassMasters has many exciting developments to report in 2023 with the addition of 3 new locations. They recently opened a satellite location in Okotoks, Alberta, and purchased a 50% interest in K&K Glass, a small windshield replacement shop in North Battleford. Later this year, the company will be expanding into BC, with a location in Kelowna, which will include a warehouse and a small retail shop. Management continues to assess additional expansion opportunities.

GlassMasters earns the majority of its income in the spring and summer driving months. Based on the seasonality of operations, readers are cautioned not to weigh quarterly financial data equally for all quarters.

Western has significant influence over GlassMasters, given Western appoints two of six directors; however, this does not give Western control. As such, the Corporation has accounted for this investment under the equity method.

Summarized financial information about Western's associates and investments in these associates is disclosed further in the notes to the financial statements.

Ocean Sales Group Ltd.

Western acquired a 75% equity interest in Ocean Sales Group Ltd. ("**Ocean Sales**"), a specialty retailer that imports and sells a line of specialty retail products through unique marketing channels across North America. In 2019, Ocean Sales was hit hard by the pandemic's effects, and a revenue decline led to a significant impairment. This resulted in this investment being written off on Western's books. While the company has worked hard to recover, given the challenging economic environment and high-interest rates, we do not see this investment returning to Western's books in the near future.

Summary of Western's Quarterly Financial Information

Selected unaudited financial data for our operations during the last eight quarters are as follows:

C$000s except for per share amounts	Sept 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sept 30, 2022	Jun 30, 2022	Mar 31, 2022	Dec 31, 2021
Income/(loss)	881.3	932.3	544.2	620.7	588.7	263.4	(249.9)	(223.6)
Operating expenses	392.7	539.1	355.9	339.5	332.9	400.5	365.4	299.9
Net income (loss)	488.6	393.2	188.3	281.2	255.8	(137.1)	(615.3)	(523.5)
Earnings (loss) per share								
- Basic and diluted	0.016	0.013	0.006	0.010	0.008	(0.005)	(0.020)	(0.017)
Total assets	19,913.3	19,690.7	18,658.3	18,615.4	18,064.0	17,543.1	17,571.7	18,490.0
Total long-term liabilities	2,585.9	2,696.3	2,241.4	6,083.5	4,737.1	4,746.4	4,605.7	4,620.0

Quarterly Trends and Seasonality

Certain associates of the Corporation experience seasonal fluctuations in activity and financial performance. The spring and summer months are generally the busiest for our seasonal associates. Income in the summer and fall quarters of 2023 was over double that of the prior year, thanks to booming sales at GlassMasters and a hot summer to support high-margin ice cream sales at Foothills.

The first quarter of the year is particularly weak for most of our associates. For some, it was the usual seasonal slow quarter. Fortress was hit by unrealized investment losses in 2022 as the bond market hit record lows. The markets rebounded in 2023. 2022 fell short of expectations due to lower than anticipated equity income. The first quarter of 2023 has exceeded all past first quarters, and these results have continued through the rest of the year.

Expenses are relatively stable from quarter to quarter, with some increases expected with inflation and rising interest rates. The current quarter's cost increases are related to additional expenses incurred on the audit and increased interest expense. Variances in expenses occur based on activity and will be higher when a transaction is underway.

Liquidity and Capital Resources

The following table is a summary of our statement of cash flow:

$	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Cash used in operating activities	(268,382)	(393,609)
Cash provided by investing activities	248,020	744,171
Cash provided by (used in) financing activities	645	(348,163)
(Decrease) increase in cash	(19,717)	2,399
Cash, beginning of Year	25,715	23,318
Cash, end of Year	**5,998**	**25,717**

The net cash used in operating activities for the period ended September 30, 2023, relates to management fees and interest income, less cash flow required to fund operations, including general and administrative costs, professional fees, salaries, and working capital needs. It also includes interest paid on the debentures and other loans.

Cash used in investing in the period ended September 30, 2023, relates to cash repayments made by associates and dividends received from Golden. Cash provided by investment activities for the comparative period 2022 relates primarily to proceeds received on the sale of GlassMasters shares and dividends from Golden.

Cash provided by financing activities for the period ended September 30, 2023, relates to advances taken on the operating loan less a repayment on our related party loan and dividends paid to shareholders. In the comparative period, repayments on the operating loan were made, and dividends were paid to shareholders.

Our capital structure is composed of shareholders' equity and borrowings, less cash. The following table summarizes our capital structure:

$	September 30, 2023	December 31, 2022
Demand revolving operating loan facility	1,490,851	1,200,316
Loan from related party	1,095,000	1,200,000
Convertible debentures	3,833,285	3,683,173
Less: cash	(5,998)	(25,715)
Net loans	6,413,138	6,057,774
Shareholders' equity	13,323,207	12,377,424

The Corporation has a committed revolving operating loan facility available to the maximum amount of $2,000,000. The facility has a three-year revolving period with a maturity date of October 6, 2025. Interest is paid monthly at the bank's prime rate plus 2% per annum and carries a standby fee of 0.5% per annum on the unused portion. Security includes a share pledge agreement with respect to the Corporation's interest in some of its associates.

Western holds a $1.095 million loan from Golden Health Care. The loan bears an annual interest rate of 4.09% with interest-only payable monthly and matures on January 31 each year, with automatic annual renewal. The Corporation may prepay amounts owing at any time. Total annual interest payments on this loan are $44,786 per year. During the period ending September 30, 2023, Western made payments of $105,000 on the loan. With the perpetual nature of the loan, Western has no plans to repay further amounts on the outstanding principal balance.

Convertible debentures were issued in 2019 to assist with the acquisition of Fortress and to fund daily operations. The debentures bear interest at 7.5%, resulting in $300,000 in annual interest payments paid semi-annually. If not converted, the debentures will mature with $4,150,000 payable on March 31, 2024. See note 7 to the September 30, 2023, interim financial statements for further information on the debentures. Western is currently working with debenture holders to exchange their existing notes for Western's new offering, which will mature on December 31, 2025 (see subsequent events). With the maturity of this obligation being less than twelve months away, there is a material uncertainty about Western's ability to meet the obligation. Western does have contingency plans in place should it be unable to meet this obligation.

The Corporation generates operating cash from finance income, management fees, and dividends from its portfolio investments. Disposing of an investment, or a portion thereof, is also a potential source of cash for the Corporation. The Corporation's regular income does not cover current working capital requirements. Additional capital has been obtained by financing arrangements and by the disposal of a portion of an investment. Western is dependent on the performance of its associates to provide sufficient cash flow to the Corporation to cover operating expenditures and relies on the operating line to cover any shortfall. Western projects the operating line balance to fluctuate as expenses are incurred and cash is generated from associates. Management uses forecasts to monitor and manage the cash position and ensure sufficient room is available to meet operating requirements. Through the use of forecasts, management believes it has sufficient room on its operating facilities to meet all obligations over the next 12 months and beyond, assuming the successful re-issuance of the debentures. Western works closely with its associates to monitor their performance and forecasts. Should Western find itself at risk of being unable to meet its obligations, management believes a market would be available to liquidate an investment in associate. The Corporation's ability to continue as a going concern through 2024 depends on its ability to renew the current debentures or to replace this capital with the disposal of an investment.

Outstanding Share Data

No shares were issued in the periods ended September 30, 2023, and 2022. During the period ended September 30, 2023, 80,000 shares were repurchased by the Corporation in conjunction with its normal course issuer bid at a cost of $29,726 (September 30, 2022 – 36,000 shares repurchased at a cost of $13,658). This brings the total common shares outstanding at September 30, 2023, to 30,207,756 (December 31, 2022 – 30,287,756). No additional shares have been repurchased subsequent to September 30, 2023, and up to the date of this MD&A. Currently, the total common shares outstanding is 30,207,756. The Corporation has regulatory approval for a normal course issuer bid whereby Western may purchase up to 1,500,000 common shares in the capital of the Corporation, representing approximately 4.9% of the total issued shares.

In the period ended September 30, 2023, 275,000 stock options were issued (September 30, 2022 – 220,000 options). On September 30, 2023, total stock options outstanding was 2,939,000 (December 31, 2022 – 2,664,000), with exercise prices ranging from $0.27 to $0.65.

Off-Balance Sheet Arrangements

As at September 30, 2023, and up to the date of this MD&A, the Corporation had no off-balance sheet arrangements.

Related Party Information

The Corporation has related party transactions with management and the Corporation's associates. A detailed description of these transactions is presented in the notes to the financial statements for the period ended September 30, 2023, to be read in conjunction with this MD&A. Related party transactions are in the normal course of operations and are recorded at the exchange amount.

Risks and Uncertainties

The Corporation and its associates are subject to a number of risks as they relate to the organizational structure and the operations of each company. When reviewing forward-looking statements and information contained within this report, investors and others should carefully consider these factors, as well as other uncertainties, potential events, and industry and company-specific factors that may adversely affect the future results of each company. The Corporation and its associates' environment is highly competitive, and it is not possible for management to predict all risk factors or the impact these risks may have on the businesses. The December 31, 2022 annual MD&A sets out a brief discussion of the factors which may have a material impact on the Corporation's future business or financial performance. No significant changes to those factors have occurred to date of this report.

Subsequent Events

On October 10, 2023, the Corporation announced its plans to raise up to $5 million through the issuance of a new convertible debenture. The debenture targets new cash investors and invites existing holders to exchange their current notes. The offering is a non-brokered private placement of convertible unsecured subordinated debentures (the "Debentures") in the aggregate principal amount of up to $5 million for consideration of cash or exchangeable pursuant to an issue bid for existing Western convertible debentures due March 31, 2024. Each debenture will be convertible into common shares of Western at a conversion price of $0.48 per share. The Debentures will mature on December 31, 2025, and bear interest at 9.6% per annum, payable semi-annually in arrears at the end of March and September. If commencing on and from the closing date, and prior to the maturity date, the closing price of the Common Shares on the TSX Venture Exchange is $0.65 or greater for the preceding 20 trading days, Western may, at its option, force the conversion of the Debentures into Common Shares.

The issuer bid for the exchange of existing debentures expired on November 28, 2023. The Corporation is currently in the process of processing the bids.

Proposed transaction

As at September 30, 2023, and up to the date of this MD&A, there were no proposed transactions of the Corporation other than as disclosed herein.

Critical Accounting Estimates and Accounting Policies

This MD&A is based on the financial statements, which are prepared in accordance with IFRS. The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the carrying amounts of assets, liabilities, revenues, expenses, and disclosures of contingent assets and liabilities. Actual results may differ from these estimates, and the differences could be material. Estimates, judgments, and assumptions are reviewed on a continuous basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in future years. The critical accounting estimates and judgments are described in detail in note 5 of Western's annual audited financial statements for the year ended December 31, 2022.

Financial Instruments and Risk Management

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument to another entity. Upon initial recognition, all financial instruments are recognized on the statement of financial position at fair value. Subsequently, Western's financial instruments, including cash, accounts receivable, certain amounts due from related parties, accounts payable and accrued liabilities, and loans and borrowings, are measured at amortized cost. Financial instruments classified at fair value through profit or loss are carried in the statements of financial position at fair value with net changes in fair value recognized in the statement of profit or loss and include certain amounts due from related parties.

The Corporation, as part of its operations, is exposed in varying degrees to a variety of risks from the use of financial instruments. Risk management strategies are established to identify and analyze risks faced and to ensure risks and related exposures are consistent with the Corporation's business objectives and risk tolerance levels. As a result of the use of the above-mentioned financial instruments, the Corporation is exposed to risks that arise from their use, including market risk, credit risk, and liquidity risk. A detailed assessment of each of these risks is presented in the notes to the financial statements for the year ended December 31, 2022, to be read in conjunction with this MD&A.

Cautionary Note Regarding Forward-Looking Information

Certain statements contained in this document constitute "forward-looking information". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", used by any of the Corporation's management, are intended to identify forward-looking information. Such statements reflect the Corporation's forecasts, estimates, and expectations, as they relate to the Corporation's current views based on their experience and expertise with respect to future events and are subject to certain risks, uncertainties, and assumptions. Many factors could cause the Corporation's actual results, performance, or achievements to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements.

Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Corporation does not intend and does not assume any obligation to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events, or developments unless required by law.

Description of Non-IFRS Measures

The Corporation uses accounting principles accepted in Canada under the International Financial Reporting Standards ("IFRS"). Certain supplementary measures in this document do not have any standardized meaning as prescribed by IFRS, including the non-IFRS measures "earnings before interest, taxes, and depreciation and amortization" ("EBITDA") used in relation to our analysis of the results of the Corporations associates. At times adjusted net income may be presented, to removed non-operating income or expenses or one-time transactions. This is believed to provide a better picture of true results from operations and/or be comparable to prior year results.

The Corporation's method of calculating non-IFRS measures may differ from other issuers, and therefore may not be comparable to similar measures presented by other reporting issuers. These non-IFRS financial measures are included because management uses this information to analyze operating performance. Readers are cautioned that these non-IFRS financial measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.