THE WESTERN INVESTMENT COMPANY OF CANADA LIMITED

Management's Discussion and Analysis

For the year ended December 31, 2023

Dated: April 29, 2024

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 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, for the year ended December 31, 2023. The MD&A was prepared by management of Western and was approved by the Board of Directors on April 29, 2024. 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 April 29, 2024;

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	28.5%

2023 Key Highlights

For the year ended December 31, 2023, Western generated $1.2 million in equity income and $1.8 million in total revenue, our best result in the last four years. $201,967 in net income was achieved for the year, which, compared to the losses earned in the past three years, is a good indication of recovery and growth at our associates. Western credits the results seen in 2023, 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. 2023 sales exceeded the prior year by $6 million or 21%, and EBITDA is up 17%. Sales, gross profit, and normalized net income have exceeded every comparative year 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 26% increase in gross written premiums from 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 return the business to profitability. 2023 results are a testament to this, as gross margins improved from 13% in 2022 to 21% in 2023. This translates into a $3.3 million increase in gross profit. An improved pricing strategy should continue this trend and address any ongoing inflation and rebate fluctuations. Demand for frozen products was high this summer. The company is currently well stocked with inventory leaving it well positioned to meet demand in 2024.

Golden Health Care ("**Golden**") has seen a small bump in revenue levels, with a 4% increase this past year thanks to improved occupancy. Inflation has impacted the cost of care, and attracting staff has been challenging. Management is focused on continuing to improve occupancy and is working to access government funding for senior care which would allow more seniors in need to access their beds.

The $417,343 improvement in net income for the year ended December 31, 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 into 2024, we expect revenue growth and improved margins to lead Western into a record-breaking year.

A top priority for Western in the fourth quarter was addressing the $4 million in convertible debentures (the "2024 **Debentures**") coming due in early 2024. In December, Western successfully closed a private placement, raising $5 million of new 9.6% Debentures ("2025 Debentures), that have a maturity date of December 31, 2025. After this placement, which included the exchange of $2.875 million of the original 2024 Debentures, $1.125 million remained outstanding of the 7.5% 2024 Debenture's, which matured and were repaid on March 31, 2024.

Review of Western's Operations and Financial Results

The financial highlights of the Corporation are:

	Three months ended December 31,		Year ended December 31,	
Financial results ($	**2023**	**2022**	**2023**	**2022**
Income	(549,914)	620,702	1,807,910	1,222,904
Professional fees	72,700	53,608	307,818	263,761
Regulatory fees	3,530	2,874	55,839	44,244
Management salaries	109,776	94,557	447,592	378,154
Share based compensation	-	-	56,513	51,964
Interest	219,229	178,844	792,516	667,113
Other expenses	9,057	9,600	41,803	33,044
Total expenses	414,292	339,483	1,702,081	1,438,280
Deferred tax recovery	96,138	-	96,138	-
Net income (loss)	**(868,068)**	**281,219**	**201,967**	**(215,376)**
Net income (loss) per share	(0.028)	0.009	0.007	(0.007)

	December 31, 2023	**December 31, 2022**
Financial position ($)		
Working capital	(824,968)	261,774
Total assets	19,864,478	18,615,425
Operating loan	-	1,200,316
Loans and convertible debentures	6,725,981	4,883,173
Shareholders' equity	12,780,056	12,377,424

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

Equity income for the year ended December 31, 2023, was $1.2 million, a significant improvement from our $613,687 equity loss in the comparative year 2022. Our top performing associates include both GlassMasters and Foothills. Income was also boosted in 2023 with the restructuring undertaken at GlassMasters, which now provides Western with regular interest income and cash flow. Combining equity income and interest, GlassMasters alone contributed, $1.2 million to our income this year.

For the fourth quarter, equity income was a negative $544,562, which is slightly below the prior year. This quarter is the slowest of a year, for both GlassMasters and Foothills, who typically experience a loss. 2022 income was boosted by a gain on dilution, the most significant being related to the capital raise at Fortress in the fourth quarter. 2023 income was hindered by a $205,594 loss incurred on the exchange of the 2024 Debentures, recognized in the fourth quarter.

Expenses have increased 18% this year. Western has seen a significant jump in professional fees primarily related to financial reporting. Management salaries are also higher with increased time spent on financial reporting. The increase in interest expense can be attributed to rising interest rates and higher drawings on the line of credit through most of the year.

With the proceeds from the 2025 debentures issued in December, Western had cash on hand as at December 31, 2023. The 2024 Debentures, that mature on March 31, 2024, are recorded as a current liability, and Western used the operating loan to meet this liability.

Looking into the future, we expect to see continued improvements in equity income as our associates grow. 2024 should bring growth in the insurance business and ongoing expansion at GlassMasters. We will continue to focus on maintaining and improving 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, 2023. 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 below. 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, 2023, to account for the inherent market value of our investments, the value per share is $0.69 (2022 - $0.67). This is well above the current market price of our shares, demonstrating the true value our shareholders hold. 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, 2023:

$	Original purchase price	Carrying Value	Estimated Market Value	Unrealized Gain
Golden Health Care	4,738,192	4,711,339	5,800,000	1,088,661
Fortress Insurance Company	1,690,000	2,726,191	5,200,000	2,473,809
Foothills Creamery Ltd.	3,251,000	2,842,164	4,680,000	1,837,836
GlassMasters ARG Autoglass Two Inc.	4,010,000	8,188,455	10,750,000	2,561,545
Total value of investment in associates	**13,689,192**	**18,468,149**	**26,430,000**	**7,961,851**

Using the estimated market value of our associates as outlined above, the net asset value of Western as at December 31, 2023, is:

$		Estimated Market Value
Current assets		656,124
Due from related parties		740,205
Investment in associates		26,430,000
Current liabilities		(358,441)
Loan from related party		(1,095,000)
Convertible debentures		(5,630,981)
Net asset value		20,741,907
Common shares outstanding		30,207,756
Value per share	**$**	**0.69**

The approach we used to value each company depended on their unique characteristics and the available information and market support. Below is a summary of the methods used to develop our market estimate.

The market value of each Golden Health Care company was calculated by taking a multiple of adjusted net operating income ("NOI") per their 2023 budget, reduced by the net long-term debt held by the company. Directors and management fees were removed to determine adjusted NOI. In determining the multiple, we used the rates from the purchase price calculation at acquisition in 2017, which took into account market-based transactions for similar homes. The acquisition in 2017 was an arms-length transaction, and we believe the rate used in the negotiations continues to represent a market rate.

Fortress was valued based on the recent arms-length transaction that Western signed in March 2024. The share purchase agreement, values Fortress at $2.60 per share.

Foothills was valued using the income approach, specifically a discounted cash flow method based on the Company's forecasts. Under the discounted cash flow method, business enterprise value was determined by discounting the Company's forecasted discretionary cash flows with an appropriate discount rate, approximated by the Company's weighted average cost of capital ("WACC"). Discretionary cash flows were based on management's financial projections for the fiscal years ending December 31, 2024, to 2028. Forecasted EBITDA was tax effected based on the expected federal and Alberta corporate tax rate of 23%. The WACC used in the calculation was 17-19%. It was calculated by weighting the required returns on interest-bearing debt and equity capital in proportion to their estimated percentages. To the business enterprise value, we added the estimated fair market value of the net redundant assets (real estate owned), net of taxes and selling costs, and subtracted the Company's net debt.

Like Foothills, Western used the discounted cash flow method based on the Company's forecasts to value GlassMasters. Discretionary cash flows were based on management's financial projections for the fiscal years ending December 31, 2024, to 2028. The WACC used in the calculation was 14-18%. It was calculated by weighting the required returns on interest-bearing debt and equity capital in proportion to their estimated percentages. To the business enterprise value, the Company's net debt was subtracted.

Summary of Equity Investments

Below is a summary of the results of each of Western's associates for the year ended December 31, 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 year ended December 31, 2023, Western recognized equity income of $150,505 from Fortress (2022 - $57,771 loss).

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

	Three months ended December 31,		Year ended December 31,	
Financial results ($)	**2023**	**2022**	**2023**	**2022[2]**
Gross written premiums[1]	7,098,596	6,266,458	22,406,496	17,719,454
Insurance revenue	5,511,545	4,591,502	20,535,772	11,499,180
Investment income (loss)	630,261	106,989	913,309	(704,781)
Net income (loss)	174,691	(108,861)	719,536	(382,702)

1 Non-GAAP measure – total gross insurance premiums written during the year

2 Prior year numbers have been restated to conform with the new standard, IFRS 17, Insurance Contracts, which was adopted by Fortress on January 1, 2023, with retrospective application.

Fortress continues its trajectory of rapid growth, with increases in gross written premiums each year, including a 26% increase from 2022. In 2023 Fortress increased its capacity on all its products and added liability and transportation insurance products to its lineup. The company's underwriting business is now consistently profitable, and net income is nearly $1 million above the comparative year. Fortress expects to see continued growth in written premiums throughout the coming year with a focus on diversification of both product lines, and geography. 2022 business was heavily weighted in B.C. In 2023, Fortress had strong growth in Alberta, and built momentum in Ontario, Manitoba, and Saskatchewan.

While the prior year's performance was hampered by unrealized losses in their investment portfolio, markets recovered in 2023, with major gains earned in the fourth quarter. 2023 investment income exceeds the prior year by $1.6 million. Fortress works closely with its investment advisors to manage this market volatility and to maximize returns.

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. Fortress is using this additional capacity and capital to 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, though slower then anticipated, gross fronting revenue increased nearly $1 million in 2023. 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 December 31, 2023 (incurred losses over earned premium) is 47% (2022 – 41%), an impressive result and testament to their lean cost structure and focused execution. We believe the ratio is indicative of the quality business Fortress has developed.

As we head into 2024, we see a softening of the insurance market. Capacity is increasing and rates are coming down. While this may impact Fortress's growth and retention, management is actively monitoring the market and working to find niche areas of products to stay relevant with the brokers.

Western currently holds 28% ownership of Fortress and 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 year ended December 31, 2023, Western recorded equity income of $391,559 from Foothills (2022 – equity loss of $917,770). Western earns annual management fees of $75,000 from Foothills. Management fees from Foothills have been added to the shareholder loan balance. $44,812 in interest was earned on this shareholder loan during the year (2022 – $6,351).

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

	Three months ended December 31,		Year ended December 31,	
Financial results ($)	**2023**	**2022**	**2023**	**2022**
Revenue	8,435,105	7,466,345	38,162,778	35,226,186
Gross profit	1,259,979	462,488	7,908,274	4,596,590
Net (loss) income	(982,021)	(1,055,467)	789,348	(1,829,330)
Interest	307,685	246,038	1,174,214	809,547
Amortization and depreciation	327,865	306,653	1,461,754	1,195,788
Tax	(70,126)	(289,582)	(97,741)	(563,225)
EBITDA	(416,597)	(792,358)	3,327,575	(387,220)

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 8% ahead of the prior year, but gross margins have jumped from 13% to 21%, providing a 72% 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 improvement in profitability comes despite harsh economic conditions, including a constant increase in input costs and rising interest rates. The summer ice cream was a success despite being cut short in the interior of British Columbia by an extreme fire event.

Looking forward, both 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 has manufactured high levels of inventory to ensure it can meet a strong demand for frozen products in 2024. 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 year, providing it with capital to complete upgrades to the processing plant and pay down debt. EBITDA and net income include a $859,084 gain on this sale. With this one-time gain removed, EBITDA to date is still $2.9 million ahead of the prior comparative year, and net income is $1.8 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 has decreased debt service requirements and allowed 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 December 31, 2023, the loan balance owing to Western was $419,288 (December 31, 2022 - $295,726). On October 27, 2023, Western exercised the option to extend the maturity date for six months, and it is expected Western will exercise its option on April 27, 2024 for the remaining six months.

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

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 year ended December 31, 2023, Western recognized equity income from Golden of $34,571 (2022 - $3,065 income). During this year, Western received $22,500 in directors' fees (2021 - $45,000) and $105,000 in dividends (2022 - $138,000). The dividends were used to pay down the shareholder loan payable to Golden.

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

	Three months ended December 31,		Year ended December 31,	
Financial results ($)	**2023**	**2022**	**2023**	**2022**
Revenue	2,329,654	2,175,667	9,005,447	8,692,073
Net income	(22,575)	(219,289)	114,950	(12,779)
Interest	91,235	109,089	364,618	442,167
Amortization and depreciation	135,110	142,769	562,112	588,176
Tax	55,319	77,477	116,837	288,524
EBITDA	259,089	110,046	1,158,517	1,306,088

Revenue has risen thanks to bumps in room rates, and improved occupancy. This has helped offset the current inflationary environment affecting costs such as staff expenses which have increased 9% over the comparative year. 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 that counter the increase in costs to provide services 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 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. We are optimistic that some form of government funding will occur at our homes in the near future.

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 $658,606 and finance income of $524,613 to Western's results in the year ended December 31, 2023 (2022 - $364,919 equity income and $585,559 finance income). Western earns $75,000 annually in management fee revenue.

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

	Three months ended December 31,		Year ended December 31,	
Financial results ($)	**2023**	**2022**	**2023**	**2022**
Revenue	7,937,983	6,378,661	35,273,355	29,098,831
Gross profit	1,981,089	1,866,392	10,270,778	8,589,356
Net income	(126,151)	49,413	1,242,677	634,535
Note payable interest paid to shareholders (net of tax)	162,116	339,319	648,463	905,653
Adjusted Net income[1]	35,965	388,732	1,891,140	1,540,188
Net income	(126,151)	49,413	1,242,677	634,535
Interest	342,432	486,050	1,430,465	1,449,692
Amortization and depreciation	401,527	389,925	1,549,317	1,587,334
Tax	(147,048)	(22,473)	261,241	152,304
EBITDA	470,760	902,915	4,483,700	3,823,865

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 had a record-breaking year with revenue, EBITDA, and adjusted net income for the year, exceeding every comparative year since acquisition. For the year ended December 31, 2023, revenue was up 21%, and EBITDA is up 17%. Adjusted net income, which removes the shareholder interest, is 42% 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 in the year, the company expanded into BC, with a location in Kelowna, which includes a warehouse and a small retail shop. Management continues to assess additional expansion opportunities, with plans in place to open further locations in the next year or two.

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	Dec 31, 2023	Sept 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sept 30, 2022	Jun 30, 2022	Mar 31, 2022
Income/(loss)	(549.9)	881.3	932.3	544.2	620.7	588.7	263.4	(249.9)
Operating expenses	414.3	392.7	539.1	355.9	339.5	332.9	400.5	365.4
Income tax recovery	114.0	-	-	-	-	-	-	-
Net income (loss)	(849.9)	488.6	393.2	188.3	281.2	255.8	(137.1)	(615.3)
Earnings (loss) per share								
- Basic and diluted	(0.028)	0.016	0.013	0.006	0.009	0.008	(0.005)	(0.020)
Total assets	19,864.5	19,913.3	19,690.7	18,658.3	18,615.4	18,064.0	17,543.1	17,585.3
Total long-term liabilities	5,603.3	2,585.9	2,696.3	2,241.4	6,083.5	4,737.1	4,746.4	4,605.7

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 for the first three quarters of 2023 was over triple that of the prior year, thanks to booming sales at GlassMasters and a hot summer to support high-margin ice cream sales at Foothills. Income for the first quarter of 2023, was higher than usual thanks to the gain on sale of a building at Foothills. The fourth quarter results for 2023, are typically low given the seasonality of our associates. The positive income seen in the fourth quarter of 2022, was the result of gains on dilution recognized at various associates. The fourth quarter of 2023, was lower than expected, due to a loss realized on the exchange of the 2024 Debentures. This exchange incurred significant transaction costs to implement.

Expenses are relatively stable from quarter to quarter, with increases expected with inflation and rising interest rates. The 2023 second quarter's cost increase is largely related to additional expenses incurred on the annual audit. Variances in expenses occur based on activity and will be higher when a transaction is underway.

The increase in long-term liabilities as at December 31, 2023, is due to the 2025 Debentures issued in the fourth quarter.

Liquidity and Capital Resources

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

$	Year ended December 31, 2023	Year ended December 31, 2022
Cash used in operating activities	(15,807)	(588,584)
Cash provided by investing activities	226,512	576,891
Cash provided by (used in) financing activities	382,253	14,090
(Decrease) increase in cash	592,958	2,397
Cash, beginning of Year	25,715	23,318
Cash, end of Year	**618,673**	**25,715**

The net cash used in operating activities for the year ended December 31, 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. The change from 2022, relates primarily to changes in working capital, which includes collections from related parties.

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

Cash provided by financing activities for 2023, relates to proceeds received from the issuance of convertible debentures less repayments on the operating loan. Western also made a repayment on our related party loan and paid dividends to shareholders. In the comparative year, advances were taken on the operating loan, netted by dividends paid to shareholders.

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

$	December 31, 2023	December 31, 2022
Demand revolving operating loan facility	-	1,200,316
Loan from related party	1,095,000	1,200,000
Convertible debentures	5,630,981	3,683,173
Less: cash	(618,673)	(25,715)
Net loans	6,107,308	6,057,774
Shareholders' equity	12,780,056	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. Proceeds received on the issuance of convertible debentures in the fourth quarter, allowed the corporation to repay all amounts outstanding on this operating facility. The corporation used this facility to facilitate the repayment of $1.125 million in debentures that mature on March 31, 2024.

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 year ending December 31, 2023, Western made payments of $105,000 on the loan, and in the first quarter of 2024 $90,000 was paid on the loan. With the perpetual nature of the loan, Western has no set plans to repay amounts on the outstanding principal balance and expects to make payments from time to time as cash is available.

On December 1, 2023, the corporation closed a private placement of a new convertible debentures (2025 Debentures) and an issuer bid for the exchange of its existing convertible debentures (2024 Debentures). In line with this closing, $2.875 million in 2024 debentures that were due to mature on March 31, 2024, were exchanged for the new issuance of 2025 Debentures that mature on December 31, 2025. $1.125 million in 2024 Debentures were held to maturity. In addition to the exchange, $2.125 million in additional 2025 Debentures were issued, bringing the total face value of 2025 Debentures issued to $5 million. The exchange was treated as an extinguishment of debt as the contractual terms of the replacement debenture are substantially different. In line with this extinguishment, Western incurred a $205,594 loss on the settlement of these Debentures.

As at December 31, 2023 the Corporation had issued $1.125 million of 2024 Debentures with a principal value of $1,000 each. Each Debenture is convertible into common shares of Western at a conversion price of $0.55 per share at the holder's discretion. The Debentures matured on March 31, 2024, and bore interest at the rate of 7.5% per annum, payable semi-annually at the end of March and September. These debentures, and all accrued interest were repaid on March 31, 2024.

As at December 31, 2023 the Corporation had issued $5.0 million of unsecured convertible 2025 Debentures with a principal value of $1,000 each. Each Debenture is convertible into common shares of Western at a conversion price of $0.48 per share at the holder's discretion. The Debentures mature on December 31, 2025, and bear interest at the rate of 9.6% per annum, payable semi-annually at the end of March and September. If the closing price of Western's shares on the TSX Venture Exchange is $0.65 or greater for 20 consecutive trading days, Western may, at its option, force the conversion of the Debentures into common shares.

The Debentures are a compound financial instrument containing both a liability and equity component. The liability component represents the present value of interest and principal payments over the life of the financial instrument discounted at a rate of 15% for the 2025 Debentures, and 13.9% for the 2024 Debentures. This was the approximate rate available to the Corporation for similar debt without the conversion feature at the date the Debentures were issued. The residual value of $497,046 (net of pro-rated issuance costs) for the 2025 Debentures, was allocated to the equity component. The liability component is accreted to the principal value using the effective rate of 16% for the 2025 Debentures, and 16.5% for the 2024 Debentures.

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. 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.

Outstanding Share Data

No shares were issued in the years ended December 31, 2023, and 2022. During the year ended December 31, 2023, 80,000 shares were repurchased by the Corporation in conjunction with its normal course issuer bid at a cost of $29,726 (2022 – 51,000 shares repurchased at a cost of $19,045). This brings the total common shares outstanding at December 31, 2023, to 30,207,756 (December 31, 2022 – 30,287,756). No additional shares have been repurchased subsequent to December 31, 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 5.0% of the total issued shares.

In the year ended December 31, 2023, 275,000 stock options were issued (2022 – 220,000 options). On December 31, 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 December 31, 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 year ended December 31, 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 following is a brief discussion of the factors which may have a material impact on our future business or financial performance.

Public Health Crises

The Corporation's financial and operating performance, and that of its associates, could be materially adversely affected by the outbreak of public health crises, epidemics, pandemics, or outbreaks of new infectious diseases or viruses, such as the recent global outbreak of a novel coronavirus COVID-19. Such public health crises can result in volatility and disruption to global supply chains, trade and market sentiment, mobility of people, and global financial markets, which could affect interest rates, credit ratings, credit risk, inflation, business, financial conditions, and results of operations, and other factors relevant to Western. The risks to Western of such public health crises, including the ongoing pandemic, also include risks to employee health and safety, a slowdown or temporary suspension of operations in locations impacted by an outbreak, and could negatively impact Western's business, financial condition, and results of operations.

Cyber-attacks or other breaches of information technology

Cyber-attacks or other breaches of network or IT systems security may cause disruptions to our operations or those of our associates. A major security breach could result in the loss of critical data, theft of intellectual property, disclosure of confidential information, customer claims and litigation, reduced revenues due to business interruption, costs associated with remediation of infrastructure and systems, class action, and derivative action lawsuits and damage to our reputation. Furthermore, the prevalence and sophistication of these types of threats are increasing and our security measures may not be sufficient to prevent the damage that such threats can inflict on our assets and information. Our insurance may not be adequate to fully reimburse us for these costs and losses.

Investment in associates

The Corporation's investments in associates are operated by independent management teams. The business success of these investments is to some extent dependent on the expertise and ability of the investment's management team to successfully operate the underlying businesses. While we rely on the judgment and operating expertise of the management of the investments, we mitigate this risk by exercising prudent management oversight through our Board representation and relying on an operator that has a proven track record of operating the business.

Short operating history

We have only a short record of operating as an investment issuer and as such, we are subject to all the business risks and uncertainties associated with any new business enterprise, including the risk that we will not achieve our financial objectives as estimated by management. Furthermore, past successes of management or the board do not guarantee future success.

Legal proceedings

Western and its associates may, from time to time, be subject to legal proceedings (including claims and litigation) and any losses flowing therefrom may not be covered by liability insurance. Such proceedings could result in significant losses and have a material adverse effect on Western's business, financial condition, results of operations, or cash flows.

Available opportunities and competition for investments

Our business plan depends upon, among other things: (i) the availability of appropriate investment opportunities: (ii) our ability to identify, select and acquire successful investments; and (iii) our ability to generate or obtain funds for future investments. We expect to encounter competition from other entities having similar investment objectives, including institutional investors and strategic investors. These groups may compete for the same investments as us, will likely have a longer operating history, maybe better capitalized, have more personnel, and have different return objectives. As a result, we may not be able to compete successfully for investments. In addition, competition for investments may lead to the price of such investments increasing, which may further limit our ability to secure investments on acceptable terms or to generate desired returns.

There can be no assurance that we will have access to a sufficient number of suitable investment opportunities or that such investments can be made within a reasonable period of time. There can also be no assurance that we will be able to complete investments at acceptable prices or terms. Identifying attractive opportunities is difficult, highly competitive, and involves a high degree of uncertainty. Potential returns will be diminished to the extent that we are unable to find and make a sufficient number of investments.

Concentration of investments

Other than as described herein, there are no restrictions or limits on the amount or proportion of our funds that may be allocated to any particular investment. We may participate in a limited number of investments and, as a consequence, our financial results may be substantially adversely affected by the unfavorable performance of a single investment. Completion of one or more investments may result in a highly-concentrated investment in a particular company, geographic area, or industry resulting in the performance of Western depending significantly on the performance of such company, geographic area, or industry. Currently, Western has five equity investments across four industry verticals and is planning to further diversify as we grow to reduce this risk.

Cash flow from associates

Western is entirely dependent on the operations of its associates to generate income and support its ability to make interest payments on the convertible debentures, other loans outstanding, and to pay corporate operating expenses. Western's ability to generate income is affected by the profitability, fluctuations in working capital, margin sustainability, and capital expenditures of its associates. Although Western's associates intend to distribute some amount of their cash available for distribution if any, there can be no assurance regarding the amounts of income and cash flow to be generated by them and the amounts to be paid to Western. The failure of any associate to make anticipated distributions could adversely impact Western's financial condition and cash flows and, consequently, payments to holders of convertible debentures, as well as the ability to declare and pay dividends in respect of the Common Shares.

Ability to secure adequate financing

We will have ongoing requirements for capital to support our growth and operations and may seek to obtain additional funds for these purposes through public and private equity or through the incurrence of indebtedness. There are no assurances that we will be able to secure additional funding at all, on acceptable terms or at an acceptable level. Western is exposed to the risk that it may not be able to meet its financial obligations when they come due. Our liquidity and operating results, and our ability to make additional investments, may be adversely affected if our access to capital markets or other sources of financing is hindered, whether as a result of a downturn in market conditions generally or to matters specific to us.

Dependence on management and directors

We will be dependent upon the efforts, skills, and business contacts of key members of management and the board for, among other things, the information and investment opportunities they can generate. Accordingly, our success may depend upon the continued service of these individuals to our business. The loss of the services of any of these individuals could have a material adverse effect on our revenues, net income, and cash flows and could harm our ability to secure investments, maintain or grow our assets and raise funds.

Investment evaluation

The due diligence process undertaken by Western in connection with investments may not reveal all facts that may be relevant in connection with an investment. Before making investments, we will conduct due diligence that we deem reasonable and appropriate based on the facts and circumstances applicable to each investment and will be required to rely upon the accuracy and completeness of information supplied by potential investees. When conducting due diligence, we may be required to evaluate important and complex business, financial, tax, accounting, environmental, and legal issues. Outside consultants, legal advisors, accountants, and investment banks may be involved in the due diligence process in varying degrees depending on the type of investment, and we will be required to rely in part on such advisors' assessment of potential liabilities and risks associated with each investment. The due diligence investigation that is carried out by Western and our advisors with respect to any investment opportunity may not reveal or highlight all relevant risks or liabilities associated with the investment. Unforeseen risks or liabilities may have a material and adverse impact on our liabilities, profitability, results of operations, and financial condition.

Trading volatility of common shares

Management of the Corporation cannot predict at what price its common shares will trade, and there can be no assurance that an active trading market for the common shares will be sustained. The market price of the common shares could be subject to significant fluctuations in response to variations in financial results, general trends in the industry, and other factors, including extreme price and volume fluctuations that have been experienced by the securities markets from time to time. The illiquidity and fluctuation in market price may adversely affect our ability to raise additional funds through the issuance of common shares, which could have a material and adverse impact on our profitability, results of operations, and financial condition.

Additional issuances and dilution

Western may issue and sell additional securities of Western, including Common Shares and other securities to finance its operations or future acquisitions. Western cannot predict the size of future issuances or the effect, if any, it will have on the market price of any securities of Western issued and outstanding from time to time. Sales or issuance of a substantial number of securities or the perception that such sales could occur may adversely affect prevailing market prices for securities of Western. With any additional sale or issuance of securities, holders may suffer dilution with respect to voting power and may experience dilution in Western's earnings per share.

Risks relating to our investments

Given the nature of our investment activities, the results of operations and our financial condition are dependent upon the financial condition and performance of the businesses comprising our investments. The performance of our associates can be affected by a variety of general economic conditions or by specific factors, such as weather, that may individually impact each business. Western's ability to generate income is affected by the profitability, fluctuations in working capital, and cash flow of its associates. There can be no assurance regarding the amounts of income and cash flow to be generated by them and the amounts to be paid to Western.

Convertible Debentures

The convertible debentures will mature on March 31, 2024, and December 31, 2025. Western may not be able to refinance the principal amount of the Debentures in order to repay the principal outstanding or may not have generated enough cash from operations to meet these obligations. There is no guarantee that Western will be able to repay the outstanding principal amount upon maturity.

Western may, at its option, force the conversion of the Debentures into common, if the market price of the Common Shares is $0.65 or greater for 20 consecutive trading days. This will affect the overall number of common shares outstanding and could dilute earnings per share.

Subsequent Events

On March 14, 2024, Golden declared a dividend to its shareholders of which Western's share was $90,000. This dividend was paid on April 11, 2024 and applied as a principal repayment on the Golden shareholder loan.

On March 22, 2024, Western announced it had signed a definitive agreement in which Tevir Capital Corp. ("TCC"), will invest at least $20 million into the Corporation through the purchase of 50 million multiple voting shares from treasury. The multiple voting shares will provide for ten votes per share. The intention is to transform Western into a property and casualty insurance and investment holding company. Completion of this this transaction is subject to the approval of the TSX Venture Exchange, shareholder approval and various other conditions, including the acquisition of at least 51% of Fortress. The terms of this transaction also provide for a potential additional $3 million in equity investment (for a total of $23 million), the plan to undertake a rights offering to existing eligible Western shareholders, and for a number of other corporate transactions such the implementation of management contracts with TCC.

On March 26, 2024, Western announced it had entered into a share purchase agreement to acquire 1 million shares of Fortress Insurance Company for $2.6 million, payable in either cash, or common shares of Western using a fixed value of $0.40 per share. The agreement is dependent on a number of conditions Including the closing of the TCC transaction discussed above. After the acquisition of these shares, Western will own 43% of Fortress. Western is exploring ways to obtain additional ownership of Fortress. Should it succeed in obtaining greater then 50%, which is a condition of the TCC transaction, Western will acquire control of the company and Fortress will cease to be an associate. Fortress' results will thereafter be consolidated in the Corporations financial statements.

On March 28, 2024, the board of directors at GlassMasters set the rate on the GlassMasters promissory note receivable at 14% for the 2024 fiscal year.

On March 31, 2024, debentures with a face value of $1,125,000 matured and were repaid.

On April 1, 2024, in line with the mortgage renewal that occurred at Golden, the interest rate on the Golden shareholder loan increased to 6.09%.

Proposed transaction

As at December 31, 2023, and up to the date of this MD&A, there were no proposed transactions of the Corporation other than as disclosed above.

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, 2023.

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, 2023, 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.