Year in Review 2020

EQUICAPITA

EQUICAPITA

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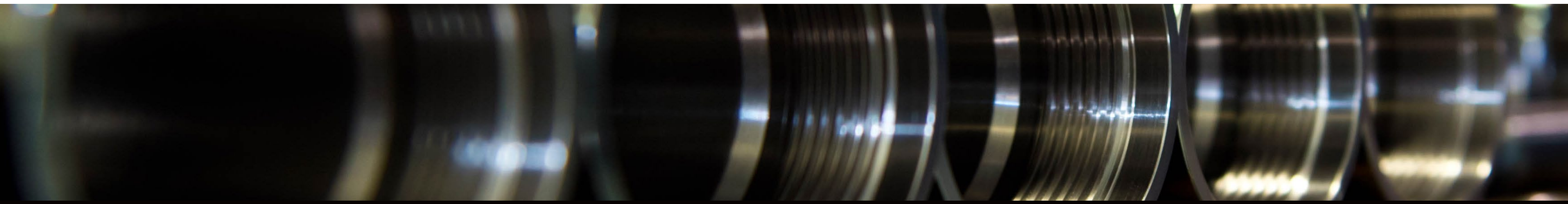


MESSAGE TO OUR INVESTORS

2020 was unprecedented to say the least. What started out as a year with a positive outlook, quickly turned into a time of major uncertainty. On March 16, 2020, our management teams went into crisis management mode and many tough, but critical decisions were made to ensure the sustainability of the portfolio. Cost reduction programs were put in place across the group with a focus on increasing liquidity. As expected, given our tight integration and oversight of portfolio companies, our operations team was able to quickly sort and implement a wide range of initiatives to make our companies as resilient and responsive as possible in the face of highly uncertain economic and regulatory conditions.

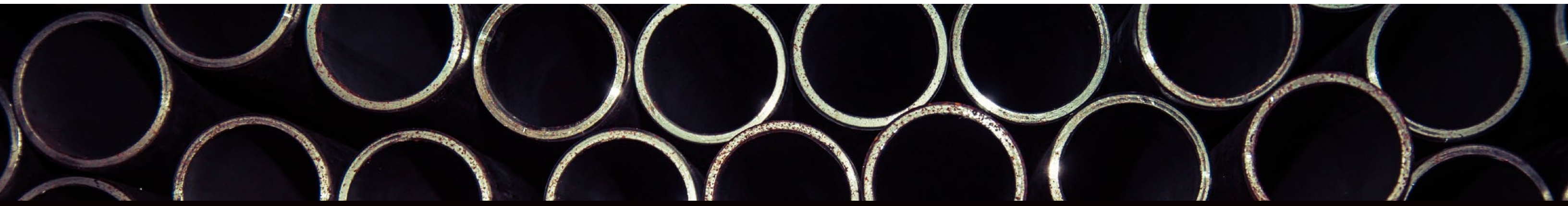
As the end of the summer neared, it was evident that regulatory lock-downs and the economic dislocation were going to continue, but our management teams had been prepared and knew exactly what needed to be done.

Despite the uncertainties, restrictions, and lockdowns, Equicapita persevered through one of the most rapid and deep global economic contractions in several generations. The fund generated ninety-nine percent of its pre-COVID EBITDA guidance – a result that we believe is a strong validation of its unique real-time integration and oversight systems and of its exceptional management of operations across the portfolio. We are very proud of the hard work and dedication of our teams during 2020. The outlook for 2021 is positive and our investment strategy remains unchanged – acquiring inexpensive SME cash-flow and through tight integration and oversight, improving its aggregate value.

During the period since the last Year in Review, Matt Barr acquired Greg Tooth's management stake. We would like to formally welcome Matt Barr as a Managing Partner and thank Greg Tooth for his past contributions to Equicapita.

In closing, we would also like to take this opportunity to thank you, our investors, for your continued support.

Stephen Johnston	Michael Cook	Matt Barr
Managing Partner	Managing Partner	Managing Partner



EQUICAPITA AND ITS PORTFOLIO

Equicapita is a private SME buyout fund founded in 2013 to acquire a diversified pool of cash streams to provide investors with a combined yield and growth return. The fund acquires inexpensive but more variable SME cash flows and improves its quality and reduces its operational complexity through diversification and intergration with the goal of increasing its aggregate value. At the end of fiscal 2020, Equicapita had a majority ownership in twelve operating companies.

KEY PERFORMANCE MEASURES AS AT AND FOR THE YEAR ENDED DECEMBER 31, 2020

Assets Under Management ($M)	298.5
Net Asset Value ($/unit)	0.9516
Management Expense Ratio (%)	1.9
Acquisitions (inception to date)	13
Divestitures (inception to date)	1
Distributions (inception to date) ($M)	60
Gross Revenue ($M)	215
Net Portfolio Company EBITDA ($M)	29.5

CAPITAL RAISED

Despite the challenging conditions during 2020, Equicapita continued to attract capital, focusing on institutional investments. The fund has added $15.6M to its LP capital base since the beginning of 2020.

DISTRIBUTIONS

At the end of the first quarter of 2020, like many other businesses with a material yield element to the capital on their balance sheets, Equicapita made the difficult, but prudent decision to suspend distributions while working with its portfolio companies to prepare for the unknown economic impact of COVID-19.

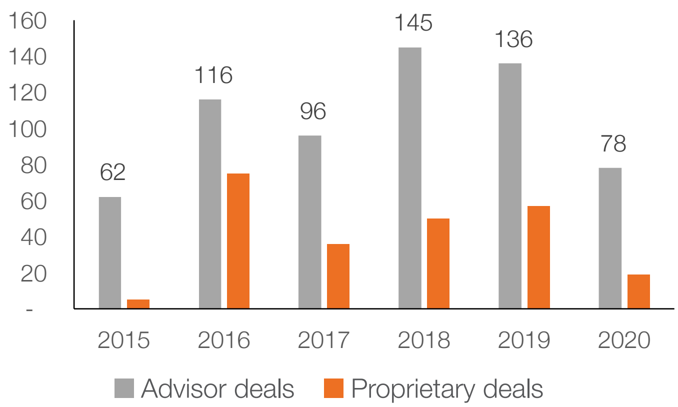
Equicapita is constantly monitoring conditions with a view to potentially reinstating distributions in some form. There is no expectation currently that this would take place sooner than Q3-Q4 2021 as the dislocation from COVID-19, while improving, is still not fully abated. Equicapita believes that balance sheet resilience should continue to be prioritized for the foreseeable future, and at a minimum until the 24 month prospects for the economy are discernible.

It is important to note that suspended distributions become hurdle obligations upon the wind-up of the fund and return of capital to investors.

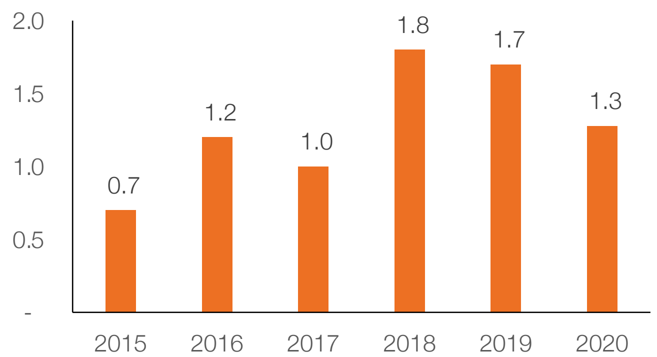
DEAL GENERATION

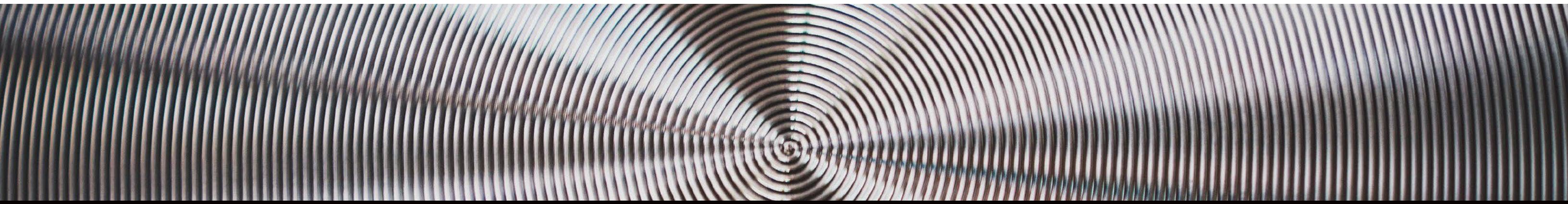
The deal pipeline continues to be robust with advisor and proprietary deal flow. The market in which we invest is competitive, but the investment opportunity continues to be significant. We believe the window for our investment thesis will continue to be relevant over the long-term, as long as there are good businesses in the market where an ownership transition needs to occur.

Deals Reviewed



Notional EV of Deals Reviewed ($B)

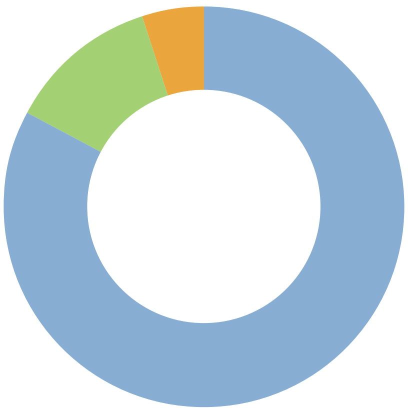




DIVERSIFIED PORTFOLIO DRIVERS

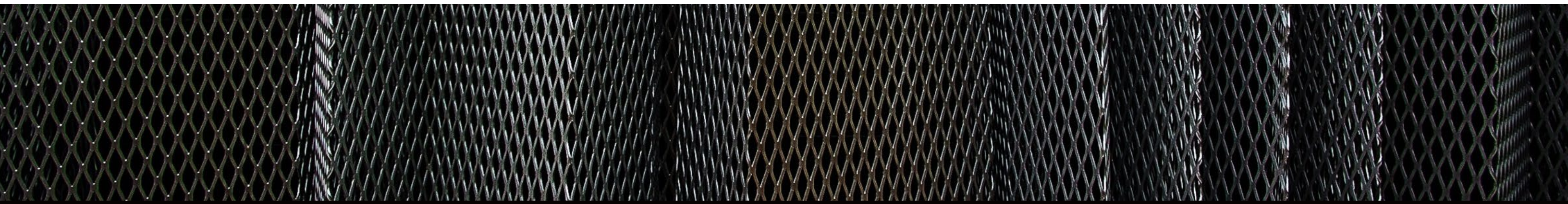
Equicapita has constructed a diversified portfolio with multiple earnings drivers and continues to seek to add unique return profiles. The following is a sample of three of our diversification profiles:

Industry	
Industrial	30.6%
Distribution	24.7%
Royalty/Franchise	19.5%
Regulatory	16.7%
Healthcare	8.5%



Revenue Geography	
Canada	83%
United States	12%
International	5%

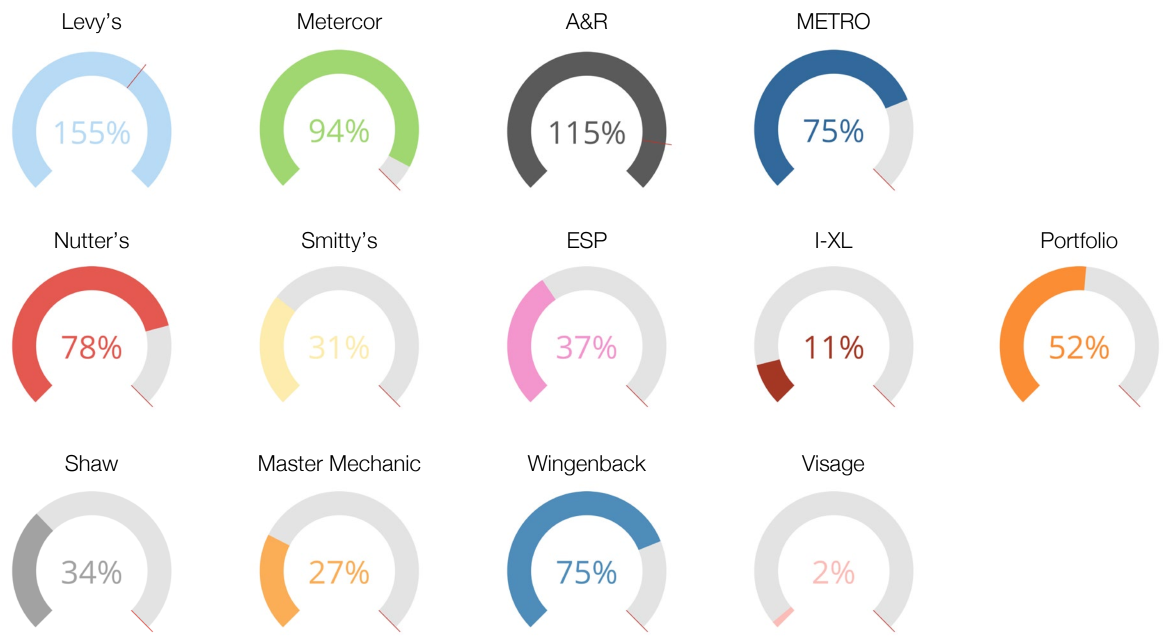
Customer Type	
Retailers	24.7%
Franchisees/Consumers	19.5%
Regulatory bodies	16.7%
Fortune 500 customers	9.7%
Financial institution	20.9%
Healthcare providers	8.5%



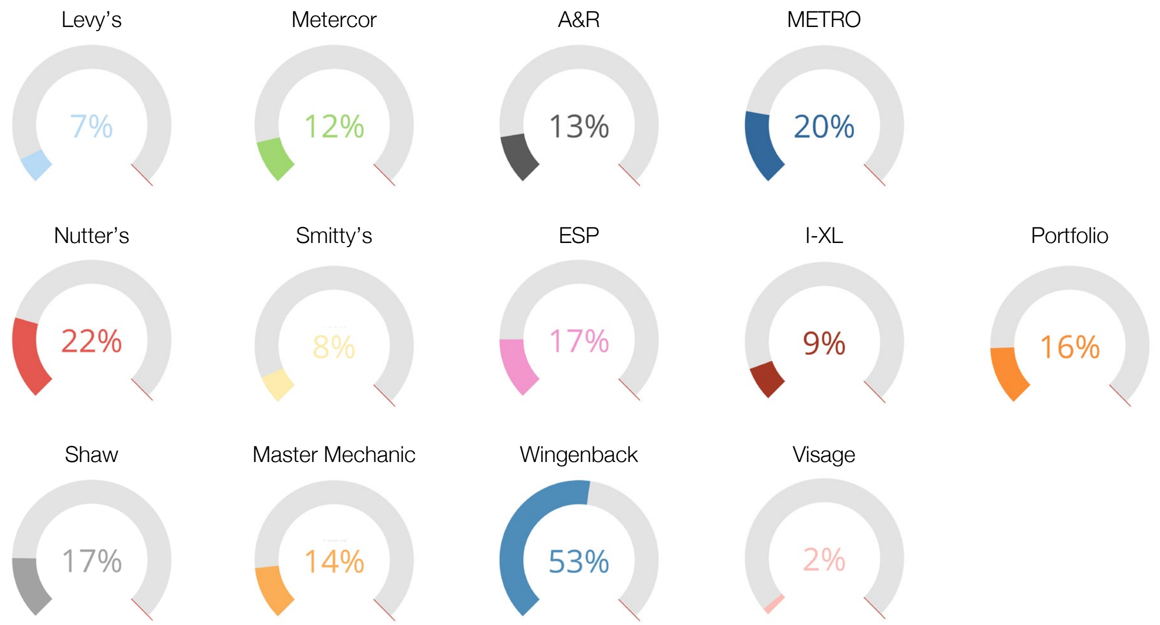
EQUICAPITA

RETURN ON INVESTMENTS

Management utilizes normalized EBITDA as a percentage of capital deployed to measure return on investment in two ways. The first is by calculating the inception to date cumulative EBITDA as a percentage of capital deployed as shown by the visuals that follow:



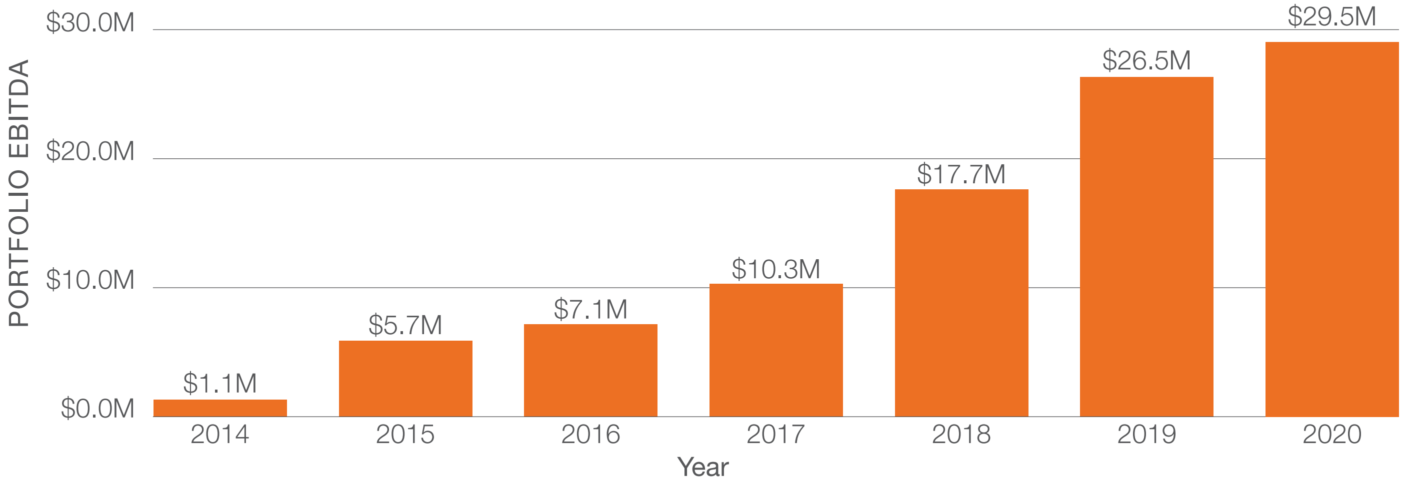
The second is by calculating TTM EBITDA as a percentage of capital deployed as shown by the visuals below:



PORTFOLIO EBITDA

Equicapita's portfolio EBITDA continues to increase with acquisitions and organic investee company growth:

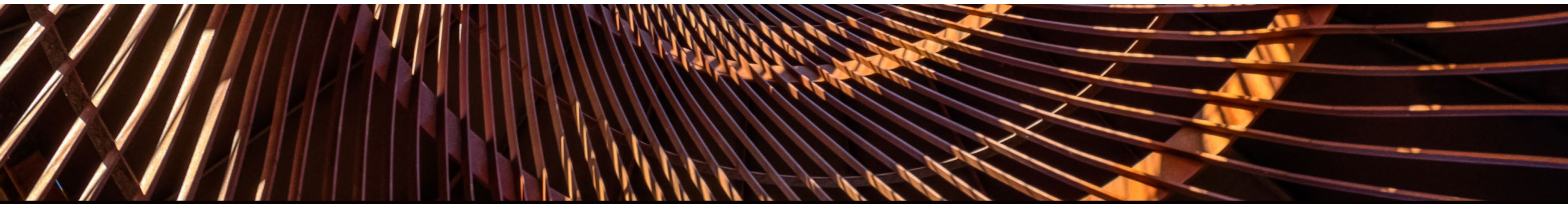
HISTORICAL EBITDA



The following table reconciles operating income on the audited financial statements to Net Normalized Portfolio Company EBITDA.

Operating Income Summarized ($M)	2020	2019
Operating Income - Gross	30.5	23.0
Discontinued Operations (excluding non-cash items)	(0.2)	0.1
Interest Income	0.1	0.3
Less: Lease Payments	(5.6)	(5.3)
Add back:		
Fund Expenses	4.9	5.7
Portfolio Company Normalizations*	4.2	5.3
Non-Cash Provisions included in Operating Income	1.9	1.1
Gross Portfolio Company EBITDA	35.8	30.2
Less: Non-Controlling Interests	(6.3)	(3.7)
Net Normalized Portfolio Company EBITDA	29.5	26.5

Note:
**Normalizations include legal, accounting and other transaction-related expenses, non-recurring costs, severance and recruitment costs.*



EQUIONE

EquiONE is a proprietary operational framework that uses business intelligence software to provide a platform for good companies to become great companies. The focus is on continuously improving our business processes. It is not a project, it is the fabric and new normal of how the businesses function. In conjunction with our software driven oversight and KPI systems, EquiONE allows us to quickly and cost effectively integrate new acquisitions into the portfolio and improve operational effectiveness. We believe this is a core competitive advantage and an additional source of returns in our portfolio.

KAIZEN SPOTLIGHT

Kaizen: Product Damage Loss Reduction

Before: Many instances of product damage due to inadequate procedures or failure to follow procedures in place

After: Appropriate product handling procedures were developed and employees were trained to eliminate the losses

Annual Savings: ~$123,553

Kaizen: Welding Material Cost Reduction

Before: Robot welding operation used individual cylinders for mixed gases

After: Mixed gases used in robot welding operation moved from individual cylinders to secure bulk-packs resulting in health & safety risk reduction and material cost reduction

Annual Savings: ~$43,535

Kaizen: Reorganize Thread Gauges

Before: Thread gauges were stored at random locations causing lost work time due to searching and gauge tooling damage

After: All thread gauges now located in sectional storage, serialized and catalogued

Annual Savings: ~$23,000

Kaizen: Scientific Ordering System

Before: Purchase order process inefficient and requires upwards of 30 hours per month

After: Process refined to increase efficiency resulting in reduced headcount. Ordering time reduced to less than 10 hours per month

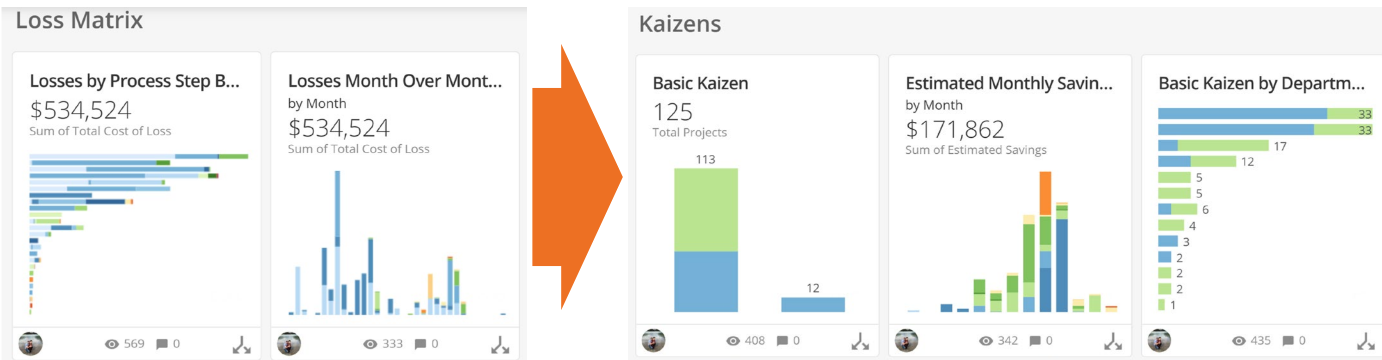
Annual Savings: ~$70,000

In 2020, 206 improvement projects were initiated and 134 projects completed. These completed projects have resulted in an estimated annual cost savings/avoidance of $1.34M. Total cost of implementation was close to $100K. As is illustrated in the above examples, the "Kaizen" methodology can convert seemingly small business/process changes into large savings that are highly accretive to the fund. The goal is for investee companies to have a pervasive ethos of continuous improvement such that there will be ongoing operational efficiencies contributing to the bottom line.

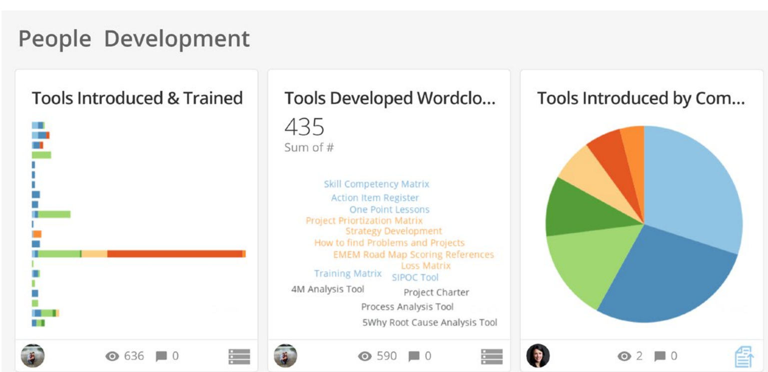
EQUIONE (CONTINUED)

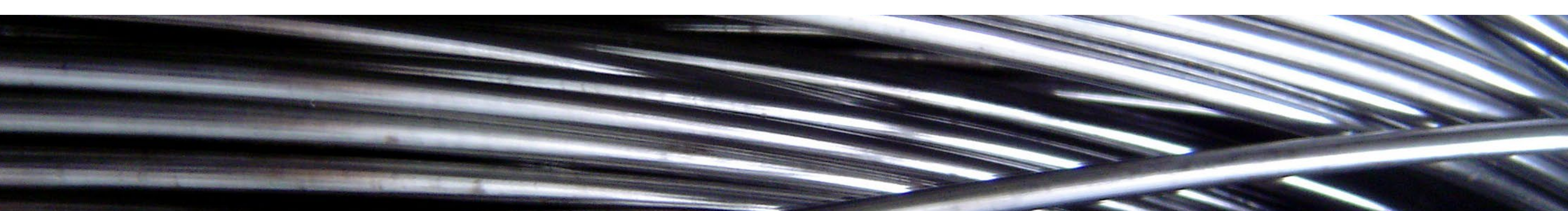
To identify where waste and losses are located, a data first mindset is used. Visualizing the performance in our business intelligence platform creates a predictive, rather than reactive, decision-making culture which allows for swift attention to presented opportunities and challenges. The EquiONE intelligence business platform has a centralized data repository of over 1.6B records, of which 660M are currently live. This tool enables data-driven decision making across the portfolio, departments and all levels of management.

PORTFOLIO COMPANY EXAMPLE



The success of EquiONE system lies within the continuous skill development of employees through training on various lean six sigma tools. During 2020, more than 100 employees across the portfolio group were trained in various problem solving tools. The EquiONE lean six sigma training library is available to support the skill development of our portfolio teams.





EQUICAPITA AND COVID-19

Equicapita's porfolio companies can be classified into one of three categories as it relates to the impact that COVID-19 had on the businesses during 2020: Businesses which had 1) low to positive impact; 2) moderate impact; and 3) high impact.

LOW TO POSITIVE IMPACT	MODERATE IMPACT	HIGH IMPACT
Nutters Everyday Naturals, Metercor The Utility Meter People, Master Mechanic Professional Auto Service, IXL, Wingenback Inc.	Metro Testing • Engineering, ESP Salon Sales, A&R, Shaw Lab Group	Levy's Machine Works Ltd., Caryl Baker Visage the face experts, Smitty's

Equicapita's strategy to managing the risks of the pandemic allowed all porfolio companies, regardless of level of impact, to achieve the best possible outcome under the circumstances by safeguarding the business assets for future growth and opportunity. Equicapita's strategy entailed the following measures as restrictions were rolled out across the country.

ACTION	PERCENT DECREASE IN COST/INCREASE IN INCOME
Wage reduction and temporary and permanent furloughs	15%
General and administrative reduction in non-essential spending	12%
Growth capital spending freeze	100%
Government subsidies as a percent of total revenue	6%

The porfolio group began the year with a net EBITDA guidance of $29.9M (pre-COVID budget) and revised this guidance at the end of Q1 to $22M (COVID budget). Thanks to Equicapita's integrated real-time operating system, EquiONE, management teams across the group were able to quickly react to the ever changing enviroment and execute on difficult, but very necessary decisions in a time efficient manner to manage the risks of the pandemic. This response, along with support from the government subsidy programs, not only allowed Equicapita to meet its COVID budget, but the group came within 1% of the pre-COVID budget.

TEAM UPDATES

Matt Barr, head of operations, has become a full partner replacing founder Greg Tooth. Greg was instrumental to the inception and growth of Equicapita to date, but has stepped down. The team at Equicapita thanks him for all his contributions and is excited that Matt is on-board for the long-term success of the fund.

Equicapita is pleased to announce that Roger Aubé has joined our team as Director of Franchise Development. Roger brings with him a breadth of experience from the franchise world and is diligently working with each of our franchise businesses to secure growth opportunities in the form of new franchise and corporate stores.

EQUICAPITA

LEVY'S MACHINE WORKS LTD.

LEVY'S MACHINE WORKS LTD.
REPORT ON OPERATIONS

INVESTMENT DATE:	May 7, 2014	COMPANY WEBSITE:	www.levysmachineworks.com
EMPLOYEES:	26	OWNERSHIP:	100%
FISCAL YEAR END:	Dec 31	INDUSTRY SECTOR:	Industrial

BUSINESS DESCRIPTION
Levy's Machine Works Ltd. ("Levy's") specializes in producing precision machined components and offers services in CNC & conventional machining, welding and fabrication, equipment repairs and manufacturing, and construction of prototypes.

KEY PERFORMANCE INDICATORS

	$	% Variance YOY	% Variance to COVID Budget
Revenue	4,140,150	(58%)	(21%)
EBITDA	458,676	(82%)	(61%)

COVID CLASSIFICATION
- Essential Service
- High Impact

COVID RESPONSE
- Wage and headcount reduction put in place resulting in administrative salaries and wage reduction from pre-COVID budget of 24%
- Temporary furlough of 10 employees and workshare program implemented for remaining employees
- G&A reduction from pre-COVID budget of 31%

KEY POINTS OF INTEREST
- Oil price collapse early in the year impacted demand through to Q4
- Onboarded business development manager to expedite recovery and drive long-term sales diversification

RECENT DEVELOPMENTS
- Substantial increase in quoting activity began at the tail end of 2020 translating into increased sales in Q1 2021
- Sales pipeline continues to trend upward

OUTLOOK
- Positive as oil industry stabilizes

METERCOR INC.
REPORT ON OPERATIONS

INVESTMENT DATE:	May 26, 2014	COMPANY WEBSITE:	www.metercor.com
EMPLOYEES:	17	OWNERSHIP:	100%
FISCAL YEAR END:	Dec 31	INDUSTRY SECTOR:	Regulatory

BUSINESS DESCRIPTION

Metercor Inc. (“Metercor”) offers utility metering and management services. The company works closely with utility service providers to execute new meter installation and replacement programs, and to provide industry leading leak detection.

KEY PERFORMANCE INDICATORS

	$	% Variance YOY	% Variance to COVID Budget
Revenue	6,914,976	23%	20%
EBITDA	877,486	20%	137%

COVID CLASSIFICATION

- Essential Service
- Low Impact

COVID RESPONSE

- Wage reduction put in place resulting in administrative salaries and wage reduction from pre-COVID budget of 14%
- Temporary furlough of 5 employees
- G&A reduction from pre-COVID budget of 26%

KEY POINTS OF INTEREST

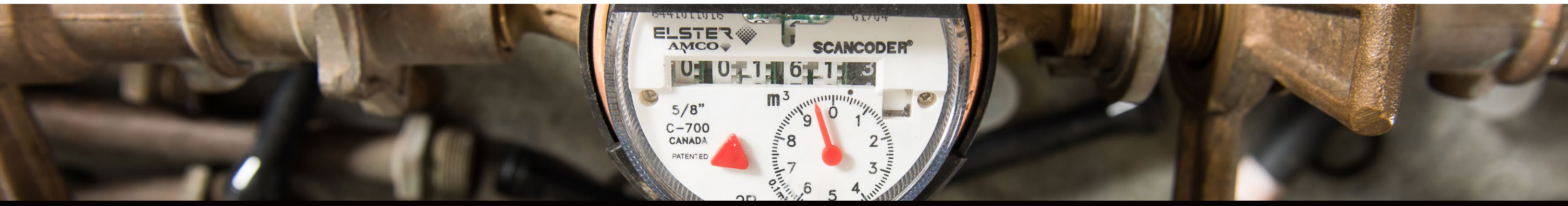
- Onboarded new President
- Expanded distributorship agreement with key supplier and outperformed 2020 budgeted product sales which offset lost revenue from service work unable to be performed due to COVID-19 restrictions
- Secured new Western Canada direct accounts through new business development role
- Developed 120-day plan for EquiONE road map

RECENT DEVELOPMENTS

- Sales pipeline robust due to increased RFP submissions
- Expansion of geographical presence

OUTLOOK

- Stable and positioned well for continued growth



A&R METAL INDUSTRIES LTD.
REPORT ON OPERATIONS

INVESTMENT DATE:	December 31, 2015	COMPANY WEBSITE:	www.armetal.net
EMPLOYEES:	71	OWNERSHIP:	100%
FISCAL YEAR END:	Dec 31	INDUSTRY SECTOR:	Industrial

BUSINESS DESCRIPTION

A&R Metal Industries Ltd. ("A&R") is a metal processing and steel fabricating company that is dedicated to excellence in speciality metal manufacturing of OEM truck trims, accessories and other specialty parts including automotive, commercial finishings & architecture, exhaust & filtration, construction & agriculture and safety products.

KEY PERFORMANCE INDICATORS

	$	% Variance YOY	% Variance to COVID Budget
Revenue	16,925,193	(30%)	17%
EBITDA	1,330,742	(54%)	(32%)

COVID CLASSIFICATION

- Essential Service
- Moderate Impact

COVID RESPONSE

- Wage and headcount reduction put in place resulting in administrative salaries and wage reduction from pre-COVID budget of 6%
- Temporary furlough of 59 employees
- G&A reduction from pre-COVID budget of 3%

KEY POINTS OF INTEREST

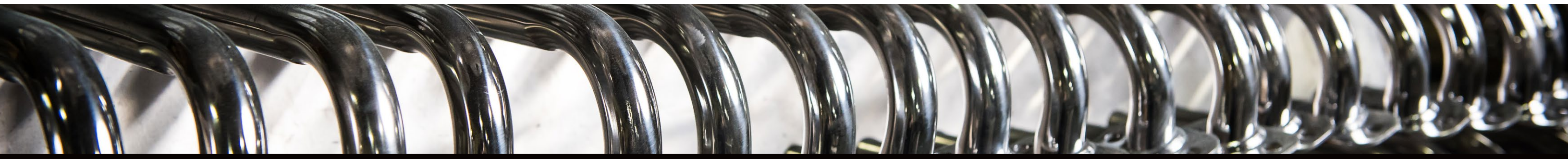
- Global supply chain disruptions as a result of COVID-19 impacted raw material cost and delivery times
- Truck build rates saw a decline early in the year which continued through to Q4 2020
- Successful go-live of SAP Enterprise Resource Planning software mid year
- Onboarded new President and Director of Finance to strengthen the team
- Shop floor staff right-sized to reduce cost by improving efficiency
- Implementation of EquiONE road map to bronze

RECENT DEVELOPMENTS

- Rise in truck build rates for 2021 resulting in improved sales projection

OUTLOOK

- Positive as customer demands increase



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METRO TESTING + ENGINEERING

METRO TESTING + ENGINEERING LTD.
REPORT ON OPERATIONS

INVESTMENT DATE:	March 21, 2016	COMPANY WEBSITE:	www.metrotesting.ca
EMPLOYEES:	247	OWNERSHIP:	70%
FISCAL YEAR END:	Dec 31	INDUSTRY SECTOR:	Regulatory

BUSINESS DESCRIPTION

Metro Testing + Engineering Ltd. ("METRO") is a leading provider of materials testing, materials engineering, geotechnical engineering, concrete restoration, environmental engineering and total quality management. Core revenue segments are: concrete testing, soils testing, asphalt testing, geotechnical testing, construction testing and environmental consulting. METRO has 27 years of operating history, fifteen locations in British Columbia and one in Alberta. METRO provides exposure to long-term government and private sector infrastructure investments.

KEY PERFORMANCE INDICATORS

	$	% Variance YOY	% Variance to COVID Budget
Revenue	30,820,001	(5%)	(3%)
EBITDA	7,797,389	33%	39%

COVID CLASSIFICATION

- Essential Service
- Moderate Impact

COVID RESPONSE

- Wage reduction put in place resulting in administrative salaries and wage reduction from pre-COVID budget of 23%
- Temporary furlough of 37 employees
- G&A reduction from pre-COVID budget of 10%

KEY POINTS OF INTEREST

- Retirement of CFO and onboarding of successor
- Consolidation of Burnaby locations to create a more efficient testing facility with expanded service offering
- Services impacted due to physical distancing and restrictions

RECENT DEVELOPMENTS

- All regions in BC are poised for a rebound year as demand for delayed development projects improves

OUTLOOK

- Stable and positioned well for continued growth

NUTTERS BULK AND NATURAL FOODS INC.
REPORT ON OPERATIONS

INVESTMENT DATE:	November 22, 2016	COMPANY WEBSITE:	www.nutters.com
EMPLOYEES:	173	OWNERSHIP:	80%
FISCAL YEAR END:	Dec 31	INDUSTRY SECTOR:	Royalty/Franchise

BUSINESS DESCRIPTION

The Nutters Bulk and Natural Foods Inc. ("Nutters") investment represented an opportunity to partner with a strong management team/owner and provided geographic as well as industry diversification. Nutters is a strong player in its niche – offering natural foods and health products across western Canada in 24 retail outlets located in smaller metropolitan areas. Natural foods are a growing sector and the management group has consistently demonstrated that they are among the leading retailers in western Canada in this space.

KEY PERFORMANCE INDICATORS

	$	% Variance YOY	% Variance to COVID Budget
Revenue	28,316,897	8%	(9%)
EBITDA	3,312,359	58%	11%

COVID CLASSIFICATION

- Essential Service
- Positive Impact

COVID RESPONSE

- Temporary wage increase put in place for front-line workers
- Reduction of headcount due to efficiencies gained through EquiONE resulting in reduction in wages from pre-COVID budget of 4%
- G&A reduction from pre-COVID budget of 2%

KEY POINTS OF INTEREST

- Strong overall performance due to increase in grocery store purchasing as a result of COVID-19 concerns
- Reduction in holiday gift tray sales due to COVID-19 restrictions
- Improved inventory management to ensure margin sustainability and reduction of slow-moving inventory

RECENT DEVELOPMENTS

- Continuing to build out franchise development with a focus on franchise growth opportunities

OUTLOOK

- Stable and well positioned for growth

SMITTY'S CANADA INC.
REPORT ON OPERATIONS

INVESTMENT DATE:	April 9, 2018	COMPANY WEBSITE:	www.smittys.ca
EMPLOYEES:	12	OWNERSHIP:	100%
FISCAL YEAR END:	Dec 31	INDUSTRY SECTOR:	Royalty/Franchise

BUSINESS DESCRIPTION

Smitty's Canada Inc. ("Smitty's") is one of Canada's largest family restaurant chains with 85 locations across Canada (83 franchise locations and 2 corporate locations). Smitty's has developed a long-term sustainable business model that attracts loyal customers, entrepreneurial franchisees, and has a strong supplier and franchise support system.

KEY PERFORMANCE INDICATORS

	$	% Variance YOY	% Variance to COVID Budget
Revenue	6,000,912	(31%)	(5%)
EBITDA	2,587,220	(50%)	(26%)

COVID CLASSIFICATION

- Non-essential Service
- High Impact

COVID RESPONSE

- Wage and headcount reduction put in place resulting in administrative salaries and wage reduction from pre-COVID budget of 30%
- Temporary furlough of 8 employees
- G&A reduction from pre-COVID budget of 11%

KEY POINTS OF INTEREST

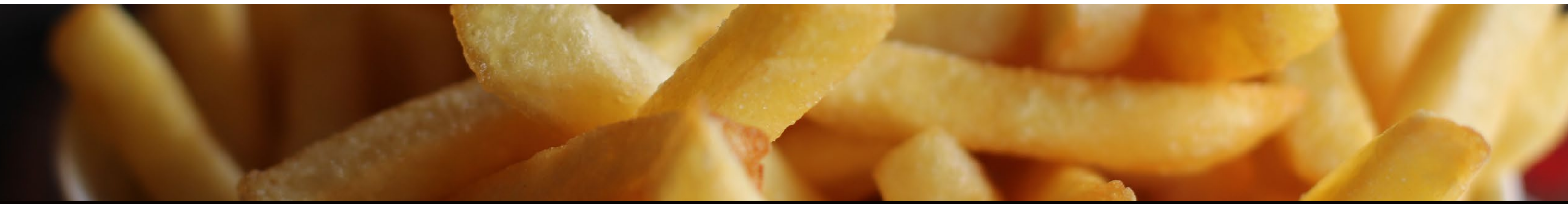
- 60th Year Anniversary of the franchise
- Three new stores opened during the year
- Retiring President successor onboarded

RECENT DEVELOPMENTS

- Ten new franchise leads in various stages
- New features menu rollout across the country

OUTLOOK

- Stable and recovering from second wave
- Expecting comparable recovery in Q2 2021



EQUICAPITA

ESP SALON SALES

ESP SALON SALES INC.
REPORT ON OPERATIONS

INVESTMENT DATE:	July 1, 2018	COMPANY WEBSITE:	www.espsalonsales.com
EMPLOYEES:	71	OWNERSHIP:	100%
FISCAL YEAR END:	Dec 31	INDUSTRY SECTOR:	Distribution

BUSINESS DESCRIPTION

ESP Salon Sales Inc. (“ESP”) was founded in 1990 and is headquartered in Saskatoon, Saskatchewan, with seven additional locations across Canada. ESP is a leading wholesale distributor of hair and beauty products to professional stylists and salons across five provinces. ESP has developed a long-term sustainable business model with over four thousand active customers and best in class suppliers.

KEY PERFORMANCE INDICATORS

	$	% Variance YOY	% Variance to COVID Budget
Revenue	21,813,910	(7%)	14%
EBITDA	2,518,085	26%	49%

COVID CLASSIFICATION

- Non-essential Service
- Moderate Impact

COVID RESPONSE

- Wage and headcount reduction put in place resulting in administrative salaries and wage reduction from pre-COVID budget of 13%
- Temporary furlough of 82 employees and sales staff
- G&A reduction from pre-COVID budget of 14%

KEY POINTS OF INTEREST

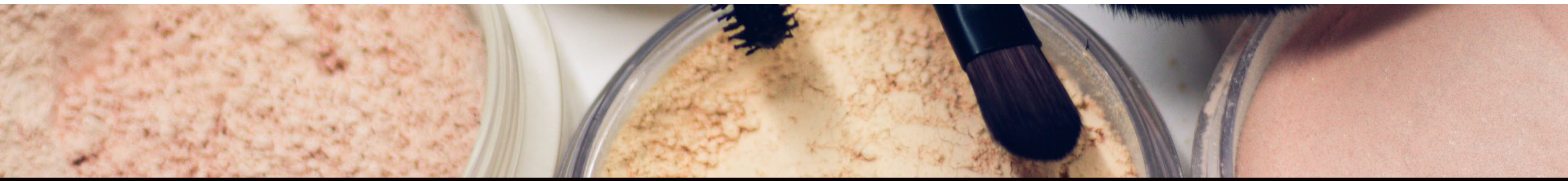
- Recovery of first wave saw increased sales due to pent up demand of salons
- E-commerce platform performance increased by 26% during the year
- Four new product lines were introduced and received well during the year
- Supply-chain disruption resulting in increased customer backorders

RECENT DEVELOPMENTS

- Focusing on improvement of e-commerce platform and digital brand marketing
- Retiring President’s successor onboarded

OUTLOOK

- Positive and positioned well for continued growth



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I·XL

I-XL BUILDING PRODUCTS INC.
REPORT ON OPERATIONS

INVESTMENT DATE:	Dec 14, 2018	COMPANY WEBSITE:	www.ixlbuild.com
EMPLOYEES:	54	OWNERSHIP:	100%
FISCAL YEAR END:	Dec 31	INDUSTRY SECTOR:	Distribution

BUSINESS DESCRIPTION

I-XL Building Products Inc. ("I-XL") is one of the largest importers and distributors of brick, stone and building products in Canada with roots dating back to 1912. With a focus on premier products from around the world, I-XL offers customers one of the most comprehensive selections of building envelope products available.

KEY PERFORMANCE INDICATORS

	$	% Variance YOY	% Variance to COVID Budget
Revenue	29,226,376	1%	(3%)
EBITDA	2,002,095	241%	79%

COVID CLASSIFICATION

- Essential Service
- Low Impact

COVID RESPONSE

- Wage and headcount reduction put in place resulting in administrative salaries and wage reduction from pre-COVID budget of 18%
- Temporary furlough of 9 employees
- G&A reduction from pre-COVID budget of 19%

KEY POINTS OF INTEREST

- Gross margin improved 1% year over year and EBITDA margin improved 2% year over year due to improved cost management
- Design Center in Ontario location opened
- New product lines launched

RECENT DEVELOPMENTS

- Sales in Ontario location increased 100% year over year in Q1
- Further margin improvements

OUTLOOK

- Stable and positioned well for continued growth

SHAW DENTAL LABORATORY INC.
REPORT ON OPERATIONS

INVESTMENT DATE:	Dec 20, 2018	COMPANY WEBSITE:	www.shawlabgroup.com
EMPLOYEES:	158	OWNERSHIP:	93%
FISCAL YEAR END:	Dec 31	INDUSTRY SECTOR:	Healthcare

BUSINESS DESCRIPTION

Shaw Dental Laboratory Inc. ("Shaw") is one of the leading networks of dental laboratories in Ontario, with locations in Toronto, London, Ottawa, Kingston and Brampton. Shaw Group, whose diverse customer base includes over 1,500 dentists, has an established reputation for technical leadership and outstanding customer service.

KEY PERFORMANCE INDICATORS

	$	% Variance YOY	% Variance to COVID Budget
Revenue	19,992,112	(16%)	(3%)
EBITDA	3,236,189	9%	22%

COVID CLASSIFICATION

- Non-essential Service
- Moderate Impact

COVID RESPONSE

- Wage and headcount reduction put in place resulting in administrative salaries and wage reduction from pre-COVID budget of 38%
- Temporary furlough of 156 employees
- G&A reduction from pre-COVID budget of 31%

KEY POINTS OF INTEREST

- Successful branch consolidation and move of labs to new state-of-the-art manufacturing facility
- Consolidation of two US subsidiaries
- Gross Profit Margin improvement of 1% due to strategic supplier negotiations
- Increased presence on social media platforms promoting brand awareness

RECENT DEVELOPMENTS

- Focusing on engagement and retention of top talent

OUTLOOK

- Stable and positioned well for continued growth

EQUICAPITA

THE MASTER MECHANIC INC.
REPORT ON OPERATIONS

INVESTMENT DATE: April 4, 2019
EMPLOYEES: 3
FISCAL YEAR END: Dec 31

COMPANY WEBSITE: www.mastermechanic.ca
OWNERSHIP: 90%
INDUSTRY SECTOR: Royalty/Franchise

BUSINESS DESCRIPTION

Founded in 1982, The Master Mechanic Inc. ("TMMI") is one of the leading franchisors of aftermarket automotive maintenance and repair service centers in Ontario and has 39 locations throughout Ontario. Master Mechanic has a diverse and growing base of recurring royalty revenue and has a strong reputation for high quality auto repair and regular vehicle maintenance.

KEY PERFORMANCE INDICATORS

	$	% Variance YOY	% Variance to COVID Budget
Revenue	2,862,930	37%	52%
EBITDA	1,496,981	12%	26%

**Year over year growth is not based on full year 2019 as acquisition occurred April 4, 2019.*

COVID CLASSIFICATION

- Essential Service
- Low Impact

COVID RESPONSE

- G&A reduction from pre-COVID budget of 6%

KEY POINTS OF INTEREST

- Repurchased and resold one franchise locations to an existing franchisee
- New VP of Operations onboarded
- Revamped franchise disclosure documents and franchise agreements

RECENT DEVELOPMENTS

- Two new franchise leads in various stages

OUTLOOK

- Stable and positioned well for continued growth

EQUICAPITA

WINGENBACK INC.

WINGENBACK INC.
REPORT ON OPERATIONS

INVESTMENT DATE:	Aug 1, 2019	COMPANY WEBSITE:	www.wingenback.com
EMPLOYEES:	105	OWNERSHIP:	70%
FISCAL YEAR END:	Dec 31	INDUSTRY SECTOR:	Industrial

BUSINESS DESCRIPTION

Wingenback Inc. ("Wingenback") specializes in industrial and commercial moving and manufacturing of surrounds and kiosks for ATMs and related products. Founded in 1975, Wingenback has provided efficient and reliable service and has attributed much of its success to its "yes we can" approach. Wingenback has moving and storage divisions across Canada and its head office is located in Calgary, Alberta.

KEY PERFORMANCE INDICATORS

	$	% Variance YOY*	% Variance to COVID Budget
Revenue	44,076,903	76%	51%
EBITDA	9,985,011	138%	316%

**Year over year growth is not based on full year 2019 as acquisition occurred August 1, 2019.*

COVID CLASSIFICATION

- Essential Service
- Positive Impact

COVID RESPONSE

- Wage and headcount reduction put in place resulting in administrative salaries and wage reduction from pre-COVID budget of 12%
- Temporary furlough of 34 employees
- G&A reduction from pre-COVID budget of 11%

KEY POINTS OF INTEREST

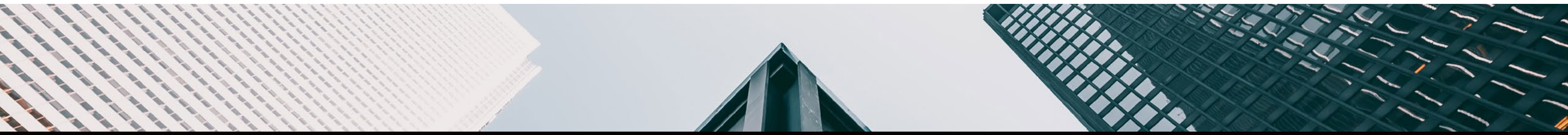
- Strong product and installation sales of plexi-glass shields due to physical distancing requirements
- Merger and consolidation project revenue deferred to 2021
- New President onboarded to transition out retiring president and founder
- Moving division slowed in Q2 and exceeded pre-COVID levels in second half of year

RECENT DEVELOPMENTS

- Continuing business development focus on industrial customers

OUTLOOK

- Stable and positioned well for continued growth



VISAGE COSMETICS LIMITED
REPORT ON OPERATIONS

INVESTMENT DATE:	Dec 31, 2019	COMPANY WEBSITE:	www.carylbakervisage.com
EMPLOYEES:	17	OWNERSHIP:	100%
FISCAL YEAR END:	Dec 31	INDUSTRY SECTOR:	Royalty/Franchise

BUSINESS DESCRIPTION

Founded in 1969, Visage Cosmetics Limited ("VCL") is the leading franchisor of retail beauty and cosmetics services and products in Ontario. With 30 locations in Ontario and one in Alberta, Visage Cosmetics has established enduring franchisee relationships and a reputation for outstanding guest service.

KEY PERFORMANCE INDICATORS

	$	% Variance YOY*	% Variance to COVID Budget
Revenue	4,396,434	NA	(27%)
EBITDA	174,312	NA	(88%)

**first year post-acquisition, acquired December 31, 2019*

COVID CLASSIFICATION

- Non-essential Service
- High Impact

COVID RESPONSE

- Wage and headcount reduction put in place resulting in administrative salaries and wage reduction from pre-COVID budget of 22%
- Temporary furlough of 18 employees
- G&A reduction from pre-COVID budget of 6%

KEY POINTS OF INTEREST

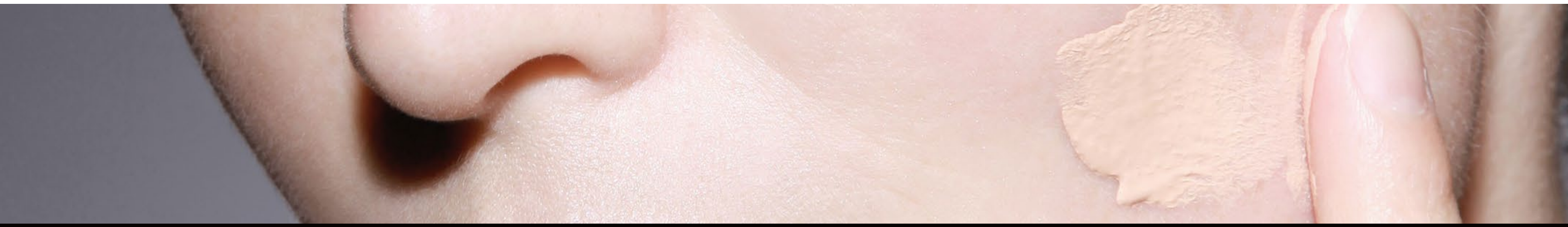
- New President onboarded
- Review of full product line & services to streamline customer value offering across franchise network

RECENT DEVELOPMENTS

- Continued focus on internal operations and online sales platform

OUTLOOK

- Stable but continuously monitoring economic uncertainty as restrictions remain in place



EQUICAPITA

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DISCLAIMER

Key Terms:

“SME” is small and medium sized enterprises

“EBITDA” is defined as income from continuing operations before (i) finance expense, (ii) income taxes, (iii) depreciation and amortization and (iv) other non-cash expenses, including but not limited to gains and losses on foreign currency and disposition of property - net of minority interests. References to EBITDA in 2020 include funding provided by government subsidies.

“MER” is Management Expense Ratio calculated by dividing normalized fund G&A by the Assets Under Management.

“Normalized TTM EBITDA” is EBITDA without fund level G&A, non-recurring items and assuming full calendar year hold for investment to provide a reasonable comparison to full cycle EBITDA for the entire portfolio.

“Normalized EBITDA” is EBITDA without fund level G&A, non-recurring items but with acquisition company economic contributions only from date of purchase.

“AUM” is Assets Under Management.