

MANAGEMENT'S DISCUSSION AND ANALYSIS **YEAR ENDED OCTOBER 31, 2020**

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management's Discussion and Analysis ("MD&A") for Manitex Capital Inc. (the "Corporation") is the responsibility of management and has been reviewed and approved by its Board of Directors. The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the MD&A. The Board of Directors carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by the Board of Directors and is comprised entirely of independent and financially literate directors.

This MD&A was reviewed by the Corporation's Audit Committee on February 25, 2021 and approved by the Board of Directors on the same date and should be read in conjunction with the audited consolidated financial statements for the year ended October 31, 2020. Unless otherwise noted, all amounts are presented in Canadian dollars.

Additional information relating to Manitex Capital Inc. can be found on SEDAR at www.sedar.com. The Corporation has 12,561,276 common shares that are issued and fully paid as of February 25, 2021. Manitex Capital Inc. is incorporated under the Canada Business Corporations Act. The Corporation is listed on the TSX Venture Exchange under the symbol MNX and the head office, principal address and registered office is located at 16667 Hymus Blvd., Kirkland, Quebec, Canada.

The information contained in this MD&A may contain some forward-looking statements. Forward-looking information is dependent on a number of factors, many of which are beyond the control of management and may cause the Corporation's results to differ from expectations. Any forward-looking statement speaks only as of the date hereof.

Description of the Business

The Corporation specializes in acquiring interests in emerging and established companies in diversified sectors including life sciences, cleantech and sustainable products/technologies. The Corporation also holds an extensive portfolio of marketable securities in the same fields.

The Corporation's subsidiary, Hywood Pharmachem Inc. ("Hywood"), is currently inactive.

The Corporation's subsidiary, ANRis Pharmaceuticals Inc. ("ANRis") was reported as a discontinued operation in the 2018 fiscal year as the company effectively abandoned operations, however, the company has not yet been legally dissolved. The Corporation's wholly-owned subsidiary VPI Pharma International Inc. ("VPI International") is currently not active. The Corporation's wholly-owned subsidiary MedbrAln Inc. (formerly "Manitex Enterprises Three Inc." or "Manitex 3") holds some marketable securities.

Effective July 25, 2019, the Valeo Pharma Inc. ("Valeo") subsidiary was deconsolidated from the accounts of the Corporation. The consolidated statement of profit or loss for the fiscal year ended October 31, 2019 includes the accounts of Valeo from November 1, 2018 to July 25, 2019 as a discontinued operation.

COVID-19 outbreak

During the year, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which included the implementation of travel bans, self-imposed quarantine periods, social distancing and the closure of certain businesses have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and full impact of the COVID-19 outbreak is still unknown at this time, as is the efficacy of the government and central bank interventions. The outbreak did not have a material impact on the Corporation for the year ended October 31, 2020 as the Corporation's activities were unaffected by the pandemic and related government measures.

OVERVIEW

This MD&A provides an overview of the Corporation's operations, performance and financial condition for the year ended October 31, 2020, and compares the results to those of 2019.

Following the July 25, 2019 deconsolidation of Valeo, the Corporation is only operating its investment business. This business presents the investment in Valeo as an associate, accounted for using the equity method. The Corporation was also presenting its investment in Ortho Regenerative Technologies Inc. ("Ortho") as an associate on an equity basis, however, effective August 20, 2020, the Corporation ceased accounting for Ortho on an equity basis and presents its holdings in financial assets held for trading. The Corporation also holds interests in companies in the life science, cleantech and sustainable products/technologies and also invests in marketable securities. When the opportunity presents itself, the segment engages in consulting work with private companies that require strategic advice.

USE OF ESTIMATES AND JUDGEMENTS

Reference should be made to the annual consolidated financial statements, Note 3, for an extended description of the information concerning the Corporation's significant judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses.

RECENTLY ADOPTED ACCOUNTING POLICIES

In January 2016, the IASB issued a new standard on lease accounting, IFRS 16 Leases ("IFRS 16"), which replaces IAS 17 Leases, and related interpretations. IFRS 16 introduces a single lessee accounting model that requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. The new standard became effective for annual periods beginning on or after January 1, 2019 and was adopted by the Corporation on November 1, 2019.

The Corporation assessed the adoption of IFRS 16 to not have a material impact on the consolidated financial statements. No right of use asset or lease liabilities have been recognized in the year and the Corporation continues to recognize a lease expense which is presented within general and administrative expenses in the consolidated statement of profit or loss.

CHANGE IN STATUS OF ORTHO

On August 20, 2020, Ortho closed a non-brokered private placement offering of units of Ortho and the Corporation participated in this offering by purchasing 70,000 units at a purchase price of \$0.32 per unit, for a total cost of \$22,400. Each unit is comprised of 1 Class A share and 1 share purchase warrant. The warrant is exercisable into 1 share at a price of \$0.50 per share until August 20, 2023. If, at any time prior to the expiry date of the warrants, the volume weighted average trading price of the Ortho shares on the Canadian Securities Exchange ("CSE") equals or exceeds \$1.00 for 20 consecutive trading days, Ortho may deliver notice to the holders of warrants accelerating the expiry date of the warrants to the date that is 30 days following the date of such notice. At the time of issuance of the units, the fair value of the warrant was determined to be \$0.12, for a total value of \$8,400.

With the closing of this private placement, the Corporation's ownership position in Ortho decreased to 15%. Management determined that due to the decreased position in Ortho and the loss of power through ownership and voting power at meetings of the Board of Directors, the Corporation no longer has significant influence over Ortho and therefore will cease equity accounting for Ortho as of August 20, 2020.

MANITEX CAPITAL INC.

CHANGE IN STATUS OF ORTHO (continued)

The Corporation has calculated the gain on the fair value of the investment on the date that the equity method was discontinued, as follows:

	2020 \$
Carrying value as at October 31, 2019	-
Purchase price attributed to share value relating to the 70,000 units purchased on August 20, 2020	(14,000)
Fair value of 4,828,858 shares at \$0.395 closing price on August 20, 2020	1,907,397
Gain on the fair value of the Ortho shares	1,893,397

SELECTED ANNUAL FINANCIAL DATA

The following table presents financial information relating to the Corporation for the years indicated and should be read in conjunction with the audited consolidated financial statements. The operations of Valeo (pharma segment) are presented as discontinued for the 2019 year. For comparative purposes, the 2018 year also present the segment as discontinued. The operations of ANRiS (the biotech segment) are being shown as discontinued in the 2020, 2019 and 2018 results.

	2020 \$	2019 \$	2018 \$
General and administrative	659,218	398,441	551,830
Financial (income) expenses	(3,198,957)	523,860	432,694
Share of losses from investments in associates	223,318	572,767	270,398
Gain on change in status of Ortho	(1,893,397)	-	-
Other income	(160,900)	(163,017)	(126,056)
Income (loss) before tax from continuing operations	4,370,718	(1,332,051)	(1,128,866)
(Provision) recovery of deferred tax	(632,639)	202,384	-
Income (loss) from continuing operations	3,738,079	(1,129,667)	(1,128,866)
Income from discontinued operation of biotech segment (net of taxes)	149,183	-	23,536
Gain (loss) from discontinued pharma segment (net of taxes)	-	8,858,901	(2,329,079)
Net income (loss) for the year	3,887,262	7,729,234	(3,434,409)
Earnings (loss) per share			
Basic and fully diluted			
From continuing operations	0.298	(0.090)	(0.090)
From discontinued operations	0.012	0.705	(0.183)
Net income (loss)	0.309	0.615	(0.273)

The basic and diluted number of shares outstanding used in the calculation of earnings (loss) per share for 2020, 2019 and 2018 is 12,561,276.

MANITEX CAPITAL INC.

SELECTED ANNUAL FINANCIAL DATA (continued)

Balance Sheet Highlights	2020 \$	2019 \$	2018 (i) \$
Cash and cash equivalents	331,859	523,876	271,978
Current assets	10,042,209	3,817,175	6,666,183
Total assets	21,207,938	17,236,882	12,607,929
Current liabilities	367,151	899,732	3,595,243
Non-current liabilities	1,166,519	541,726	948,680
Share Capital	5,654,351	5,654,351	5,654,351
Contributed Surplus	678,873	646,550	646,550
Retained earnings	13,697,819	9,810,557	1,176,292
Accumulated other comprehensive loss	(61,387)	(20,646)	(152,917)
Equity to non-controlling interest	(295,388)	(295,388)	739,730

(i) Includes the accounts of Valeo

2020 FINANCIAL OVERVIEW

OPERATING EXPENSES

General and administrative expenses were \$659,218 for the current year, compared to \$398,441 in the prior year.

The change of \$260,777 is mainly attributed to an increase in management bonuses, consulting fees, audit fees and the recording of a share-based compensation expense.

FINANCIAL INCOME OR EXPENSES

In the current fiscal year, financial income and expenses netted out to an income of \$3,198,957 compared to an expense of \$523,860 in 2019.

Included in the \$3,198,957, is a \$3,087,259 change in fair value of financial assets held for trading which is calculated taking into account the fair value of the securities at October 31, 2019, the cost of new purchases, the fair value of securities that are sold and the fair valuing of the total portfolio at the closing market price of the securities as at the last trading date of the fiscal year. Also included is a \$1,381,132 increase in the fair value of the Ortho debentures, along with a \$1,053,195 decrease in the fair value of private company investments.

INTEREST AND OTHER INCOME

During the current fiscal year, interest income of \$160,900 was recognized with the majority relating to recorded interest on short-term investments, debentures and loan receivables.

SHARE OF LOSSES FROM INVESTMENTS IN ASSOCIATED COMPANIES

During the current fiscal year, the Corporation recorded a loss of \$223,318 as its share of operating losses, other comprehensive loss and dilution gains relating to its position in Valeo Pharma Inc.

PROVISION FOR INCOME TAXES

The Corporation also has \$2,599,872 of accumulated non-capital losses, the majority of which stem from the biotech segment, that it can carry-forward to apply against future taxable income. These carry-forward losses expire in the years 2034 to 2040. The Corporation did not recognize the tax benefit in respect of \$1,718,687 of these losses and will recognize them when future profits are probable. The Corporation also has \$726,397 of capital losses that it can carry-forward to apply against taxable capital gains.

MANITEX CAPITAL INC.

CASH FLOWS, LIQUIDITY AND CAPITAL RESOURCES

CASH FLOWS:

Sources and Uses of Cash	2020 \$	2019 \$
Net income (loss) from continuing operations	3,738,079	(1,129,667)
Items not affecting cash	(4,348,791)	797,325
Changes in non-cash working capital	246,563	45,359
Cash used in continuing operations	(364,149)	(286,983)
Cash provided by discontinued pharma operation	-	1,003,461
Investing activities of the continuing operations:		
Cash provided by investing activities	643,583	281,160
Cash used in discontinued pharma operation	-	(1,830,357)
Financing activities of the continuing operations:		
Cash (used in) provided by financing activities	(447,951)	266,798
Cash provided by discontinued pharma operation	-	2,342,362
Foreign exchange (gain) loss on cash and cash equivalents in continuing operations	(23,500)	2,392
Foreign exchange loss on cash, discontinued pharma operation	-	6,754
(Decrease) increase in cash and cash equivalents from continuing operations	(192,017)	263,367
Increase in cash and cash equivalents from discontinued pharma operation	-	1,522,220
Cash balance derecognized relating to discontinued pharma operation	-	(1,533,689)
Cash and cash equivalents, beginning of year	523,876	271,978
Cash and cash equivalents, end of year	331,859	523,876

(a) Operating activities

Cash used in operations represents the cash flows from operations, excluding income and expenses that did not affect cash from operations. Major items included: (i) \$3,206,422 of investment gain compared to \$460,786 of investment loss in 2019; (ii) \$223,318 relating to the recognition of the Corporation's share of losses, other comprehensive loss and dilution gains from its investment in Valeo compared to recognition of losses of \$409,792 in 2019, along with recognition of losses of \$162,975 relating to Ortho; (iii) \$1,893,397 of gain on the change in status of Ortho from equity accounting to being fair valued as a financial asset held for trading; and (iv) \$632,639 of deferred tax provision compared to \$202,384 of deferred tax recovery in 2019. Changes in working capital components provided \$246,563 in 2020 compared to providing \$45,359 in 2019. In 2020 the major portion of the \$246,563 was attributed to a \$243,527 increase in accounts payable and accrued liabilities compared to a \$50,833 increase in 2019.

(b) Investing activities

Cash provided by investing activities in 2020 was \$643,583 as compared to cash provided of \$281,160 in 2019. In the current year, the major items contributing cash were \$3,590,681 of proceeds from the sale of financial assets held for trading. During the current year, the Corporation invested \$2,164,319 (2019 - \$314,045) in the purchase of financial assets held for trading and increased its other receivables by \$750,723, mainly through additional funds advanced to related parties.

MANITEX CAPITAL INC.

CASH FLOWS, LIQUIDITY AND CAPITAL RESOURCES (continued)

(c) Financing activities

During 2020 financing activities used cash of \$447,951 compared to providing cash of \$266,798 in 2019. These amounts were relating to the Corporation's overdraft position.

LIQUIDITY AND CAPITAL RESOURCES:

	2020 \$	2019 \$
Cash and cash equivalents	331,859	523,876
Financial assets held for trading	6,089,937	2,414,390
Working capital, current assets less current liabilities	9,675,058	2,917,443
Total assets	21,207,938	17,236,882

TRANSACTIONS WITH RELATED PARTIES

The accounts of the Corporation include the following related party transactions:

	2020 \$	2019 \$
Key management salary and benefits	301,084	201,890
Directors fees	1,000	750
Receivables from Directors (i)	949,073	317,350
Receivable from a Director of the Corporation, officers and employees of Valeo (ii)	496,034	240,450
Receivable from an associated company(iii)	17,458	-
Receivable from an officer of Valeo(iv)	425,447	413,446
Receivable from officers and employees of Valeo	-	313,323

(i) This amount is due from a Director, bears interest at 3%, is due by October 31, 2021, and is unsecured.

(ii) The Corporation has issued unsecured loans of \$70,722 (including interest of \$9,150) to a Director of the Corporation to purchase shares in Valeo and Ortho; such loans bear interest at 3%, with principal and accrued interest due on October 31, 2021. The Corporation has also issued unsecured loans of \$128,637 (including interest of \$15,637) to officers of Valeo to purchase shares in Valeo; such loans bear interest at 3%, with principal and accrued interest due on October 31, 2021.

The Corporation has also issued secured loans of \$296,675 (including interest of \$19,437) to officers and employees of Valeo to purchase shares in Valeo; such loans bear interest at 3%, with principal and accrued interest due on July 1, 2021.

(iii) This receivable is due from Valeo Pharma Inc., in which the Corporation has an investment (refer to Note 8) and in which a Director of the Corporation is also a director. The loan bears interest at 12%, with principal and accrued interest due on July 10, 2022.

(iv) The Corporation has issued a loan of \$148,907 (including interest of \$8,906) to an officer of Valeo to purchase shares in Ortho. This loan bears interest at 3% with principal and interest due on September 18, 2023. This is a non-recourse loan secured by the Ortho shares.

The Corporation has also issued loans of \$276,540 (including interest of \$16,540) to an officer of Valeo to purchase shares in Valeo; such loan bearing interest at 3%, with principal and accrued interest due on September 17, 2023. This is a non-recourse loan secured by the Valeo shares.

MANITEX CAPITAL INC.

SUMMARY OF QUARTERLY RESULTS FROM CONTINUING OPERATION

The following quarterly information is presented for the continuing operations and should be read in conjunction with the audited consolidated financial statements and the accompanying notes.

	2020				2019			
	Q4\$	Q3\$	Q2\$	Q1\$	Q4 \$	Q3\$	Q2\$	Q1\$
Net income (loss) from continuing operations	3,616,262	302,439	(463,165)	282,543	(1,052,709)	29,062	(159,661)	53,641
Earnings (loss) per share from continuing operations	0.288	0.024	(0.037)	0.022	(0.084)	0.002	(0.012)	0.004

FOURTH QUARTER ANALYSIS

During the 4th quarter 2020, the Corporation recorded a net income from continuing operations of \$3,616,262 as compared to a net loss of \$1,052,709 in the 4th quarter 2019.

OPERATING EXPENSES

The operating expenses were \$273,281 in the 4th quarter of 2020, compared to \$104,179 in 2019. The increase quarter over quarter was primarily based on an increase in management bonuses, consulting fees and stock-based compensation.

FINANCIAL EXPENSES AND INCOME

In the 4th quarter 2020, the financial expenses and income netted out to income of \$1,563,697 as compared to a loss of \$666,944 in the same quarter of 2019. The 4th quarter 2020 reflected a gain of \$2,086,508 relating to the change in fair value of marketable securities, an unrealized loss on fair valuing the investments in private companies of \$774,190 and an unrealized gain on the fair valuing of the Ortho debentures of \$820,720. The 4th quarter 2019 reflected a loss of \$346,725 relating to the change in fair value on marketable securities, an unrealized loss on fair valuing of investments in private companies of \$286,400 and a gain on the conversion of the Ortho debenture of \$182,600.

SHARE OF LOSS FROM INVESTMENTS IN ASSOCIATED COMPANIES

During the 4th quarter 2020, the Corporation recorded its share of Valeo losses, other comprehensive loss and dilution gains for a total income pick-up of \$1,117,572. The dilution gain for the quarter was calculated based on a substantial private placement that was closed during the quarter.

CASH FLOWS

The Corporation had an increase in cash and cash equivalents for the 4th quarter 2020 of \$26,452. Cash inflows from investing activities were \$242,737, with proceeds on the disposal of financial assets held for trading of \$532,213, a decrease in other receivables of \$67,932 and purchase of financial assets held for trading of \$429,447. Financing activities used \$88,062 of cash to decrease the Corporation's bank overdraft position.

RISK MANAGEMENT

The Corporation's activities expose it to a variety of financial risks: market risk (including currency risk and cash flow and fair value interest rate risk); credit risk and liquidity risk. The Corporation's overall risk management program focuses on the unpredictability of the financial market and seeks to minimize potential adverse effects on the Corporation's financial performance. The Corporation does not use derivative financial instruments to hedge these risks.

(a) Market risk

(i) Currency risk

The Corporation is exposed to financial risks that arise from fluctuations in foreign exchange rates and the degree of volatility of these rates.

The Corporation has cash and cash equivalents in U.S. currency.

The Corporation does not hold financial derivatives to manage the fluctuation of these risks.

(ii) Cash flow and fair value interest rate risk

Cash flow and interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In seeking to minimize the risks from interest rate fluctuations, the Corporation manages exposure through entering into contracts with fixed rates, such as its convertible debenture and other receivable financial assets. As a result, the Corporation is not exposed to significant cash flow and interest rate risk as at October 31, 2020.

(b) Credit Risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. The Corporation reduces its risk on cash and cash equivalents by dealing with creditworthy financial institutions. The Corporation has a concentration credit risk on the financial assets held for trading of 88% which represents the fair value of three trading securities.

Credit risk also results from the possibility that a loss may occur from the failure of another party to adhere to payment terms. To lower this risk, the Corporation's extension of credit is based on an evaluation of each person's financial condition. A fair value decrease on a convertible debenture and provisions on Other Receivables and interest receivable for a total of \$308,783 have been charged to earnings in the current year.

(c) Liquidity Risk

Liquidity available via the Corporation's operating activities and credit facilities will provide the Corporation with a large portion of the funds needed to meet its short-term financial obligations that are due as of October 31, 2020.

(d) Specific Risks

The Corporation has insurance policies in place regarding Directors Liability. The Corporation reviews its insurance coverage on a regular basis as part of its risk management program and adjusts the coverage as appropriate.

MANAGEMENT OF CAPITAL

The Corporation considers capital to be composed of shareholders' equity.

The Corporation manages the capital structure and makes adjustment to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Corporation's capital structure is managed in conjunction with the capital structure and financial needs of the day-to-day operations.

Management does not establish quantitative return on capital criteria, however, management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Corporation, is appropriate. At October 31, 2020, the Corporation is not subject to any externally imposed capital requirements.