ATI AIRTEST TECHNOLOGIES INC.

Management Discussion and Analysis

For the quarter ended September 30, 2020

This Management Discussion and Analysis of ATI AirTest Technologies Inc. (the "Company") provides analysis of the Company's financial results for the quarter ended September 30, 2020. The following information should be read in conjunction with the accompanying unaudited financial statements and the notes to the unaudited financial statements for the quarter ended September 30, 2020.

1.1 Date of the Report

November 27, 2020

1.2 Overall Performance

For the quarter ended September 30, 2020 the Company had a 22.8% decrease in sales from the same period in 2019. The Company reported a net loss before Other Comprehensive Income, of $283,213 for the quarter ended September 30, 2019 which was 186.6% higher than the $98,816 operating loss for the quarter ended September 30, 2019.

The Company's working capital deficiency increased from $4,313,621 as at December 31, 2019 to $4,438,858 as at September 30, 2020. This working capital deficiency includes $2,013,000 of loans and advances from Omni Marketing Global Inc. that have been offset by a Sales Royalty Agreement that will eliminate the full amount of that debt once the Sales Royalties total reaches $2,013,000.

Company management have concluded a $500,000 placement as the first stage of our long term financing which has enabled us to maintain our existing business and at the same time continue the promotion of our new wireless sensor technology to the market. With the anticipated increase in working capital and further promotion of our new wireless products, management is confident that some strong sales growth will result in early 2021.

One risk that could have a negative impact on the Company relates to the three strong product lines being imported from Scotland, Sweden and Austria respectively. The ability for the Company to be price competitive in the North American market and still enjoy healthy gross margins for these three product lines is dependent on the US dollar holding or improving on its current exchange level with the Euro. A downward shift of 10% or less will have little effect on the Company's performance.

1.3 Selected Annual Information

Fiscal Year	2019	2018	2017
Net Sales	$3,480,868	$2,703,073	$3,572,071
Net and Comprehensive Gain/(Loss)	$ 217,574	$ 958,848	$ 619,085
Basic and diluted loss/share	$ 0.02	$ 0.03	$ 0.02
Total Assets	$ 629,801	$ 487,748	$ 481,182
Total Long Term Liabilities	$1,393,444	$1,351,632	$1,130,489
Cash dividends per common share	N/A	N/A	N/A

1.4 Results of Operations

Revenue

Sales for the third quarter of 2020 totaled $561,504, a decrease of $165,681 or 22.8% below sales for the third quarter of 2019 totaling $727,185.

Gross Profit

Gross Profit on sales amounted to $222,425 in the third quarter of 2020 compared to $286,966 in the third quarter of 2019, a decrease of $64,541 or 22.5%. Gross margin as a percentage of sales increased by 0.1% over the same period in 2019.

Expenses

Total expenses for the third quarter of 2020 were $505,638 compared to $385,782 for the third quarter of 2019, an increase of $119,856 or 31.1% for the same period in 2019. This increase was due to an increase in general and admin expenses of which $98,000 was for fees related to stock promotion and financing.

Profit & Loss

The Company recorded a net loss of $283,213 for the quarter ended September 30, 2020 as compared to a net loss of $98,816 for the same period in 2019.

The Company's new wireless sensors, RTUiLink package, chiller monitoring package, and dehumidifier monitoring package are just moving into the market and will stimulate abnormal growth in 2021 and going forward, now that the necessary working capital is being put in place to allow the Company to aggressively pursue its marketing plan. The new low power CO2 sensor line will also meet some niche market applications and will complement the Company's existing CO2 sensor offering. The key to executing the Company's plan for growth will be its ability to finance that growth.

1.5 Summary of Quarterly Results

	2020			2019				2018
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Net Sales	$ 561,504	$709,601	$897,644	$673,570	$ 727,185	$1,026 ,410	$862,142	$673,570
Loss	$ 283,213	$134,274	$206,453	$478,196	$ 98,816	$ 16,885	$ 66,308	$478,196
Basic and diluted loss per share	$ 0.01	$ 0,00	$ 0.00	$ 0.01	$ 0.00	$ 0,00	$ 0.00	$ 0.01

1.6 Liquidity

The Company has completed a private placement in September,2020 to raise $500,000 working capital and is in the process of completing another $500,000 placement which will enable the Company to aggressively pursue its business plan and take advantage of its immediate growth opportunity. Management is also in communication with various long-term capital providers to develop sufficient working capital for the Company to aggressively pursue its marketing plan for the next few years, and also to finance some important product development projects that will have a positive impact on future revenues.

1.7 Capital Resources

The Company has no commitments for capital expenditures as of the end of the third quarter of 2020. Capital will be required for growth, and for completion of several in-house product development projects.

1.8 Off-Balance Sheet Arrangements

As of September 30, 2020, the Company had no material off-balance sheet arrangements.

1.9 Transactions with Related Parties

(a) During the third quarter of 2020, the Company paid or accrued no salaries to directors and officers (2019 - $nil).

(b) At September 30, 2020, $428,752 is payable to directors and officers for accrued services and advances.

Amounts becoming due to related parties in the normal course of operations, except where specifically stated, are non-interest bearing, unsecured, and without terms of repayment.

1.10 Proposed Transactions

There are currently no proposed transactions by the Company.

1.11 Changes in Accounting Policies including Initial Adoption

January 1, 2010 was the date of transition to IFRS (Transition Date). Previously, the Company prepared its financial statements in accordance with Canadian Generally Accepted Accounting Principles ("Canadian GAAP")

1.12 Financial Instruments and Other Instruments

The Company's financial instruments consist of cash, accounts receivable, an asset-based loan, shareholder loans, advances from related parties, accounts payable and accrued liabilities.

The asset-based loan from Pivot Financial Inc. in Toronto is secured by the Company's accounts receivable. Other significant debt holders have signed postponement agreements which remove ongoing interest charges and set back the repayment requirements until the Company achieves a level of profitability that will enable repayment of these debts from a strong continuing cash flow position.

Because a high percentage of the Company's sales are made in United States, and also because the Company has three important suppliers based in Europe, there is an element of risk related to any large fluctuation in the relationship between the Euro, the Canadian dollar and the US dollar.

1.13 Share Data

The number of common shares issued and outstanding as of the date of this filing is 75,705,581.

1.14 Evaluation and Effectiveness of Disclosure Controls and Procedures

Under National Instrument 52-109 management is now required to certify that they have caused the company to design suitable controls over external disclosure and financial reporting. Management must also undertake reviews of the effectiveness of such controls and discuss areas of significant weakness and the associated risks as well as their plans to address them.

The company has not had sufficient financial resources to maintain dedicated internal financial reporting and qualified professional accounting personnel. Accordingly, financial reporting controls and internal transaction controls are designed and provided primarily by management with limited involvement from external consultants and professionals. This approach has been determined by management to be the most cost effective to date.

Management and the audit committee have discussed and identified areas that need to be improved as the company expands its scope of operations and strives to meet current market and regulatory expectations relating to the effectiveness of controls.

When control weaknesses are identified there is increased risk of release of inappropriate disclosures. There is also increased risk of misstatement in financial reporting through errors, omissions or fraudulent activity that could occur and go undetected. The Company intends to direct additional resources to improving identified deficiencies and improve the overall control environment and governance processes within the company where deemed required.

The Company recognizes that its existing control measures do not comply with a recognized internal control framework such as COSO. The Company believes such a framework is not viable at this time due to the limited number of personnel, volume of transactions, and lack of financial resources.

1.15 Risks and Uncertainties

The Company operates in a competitive market. The Company needs to deliver high quality, cost effective, components to market and meet the timelines required by customers. The Company must develop next generation components to satisfy the future needs of their customers. Should the Company be unable to continue to improve and update their product offering, this would have a negative impact on future growth.

The Company currently has limited working capital and incurs significant expenses on an on-going basis in its operations, which represents a significant risk factor. The Company will require additional financing to carry on its business, which financing may not be available when needed.

The Company does not have significant environmental risk.