

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

Happy Supplements Inc.
800-1199 West Hastings Street
Vancouver, BC V6E 3T5

Item 2 Date of Material Change

September 3, 2021

Item 3 News Release

A news release was disseminated on September 3, 2021, through the facilities of Stockwatch and Baystreet and subsequently filed on SEDAR.

Item 4 Summary of Material Change

The Company has completed a non-brokered private placement (the "Financing") of 4,127,500 units (the "Units") at a price of \$0.80 per Unit for gross proceeds of \$3,302,000.00. Each Unit consists of one (1) share (each, a "Share") and one (1) transferable Share purchase warrant (each, a "Warrant"). Each Warrant entitles the holder thereof to purchase one (1) additional Share of the Company for a period of two years from closing at a price of \$2.50 per Share.

Item 5 Full Description of Material Change

See attached news release for full description of material change.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

This Report is not being filed on a confidential basis in reliance on subsection 7.1(2) or (3) of National Instrument 51-102.

Item 7 Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8 Executive Officer

Geoff Balderson, CFO is knowledgeable about the material change and the Report and may be contacted at 236-521-0626.

Item 9 Date of Report

September 3, 2020.

Happy Supplements Inc.
Suite 800-1199 West Hastings Street
Vancouver, British Columbia, V6E 3T5

NEWS RELEASE

**HAPPY SUPPLEMENTS ANNOUNCES CLOSING OF NON-BROKERED PRIVATE
PLACEMENT**

Vancouver, British Columbia – September 3, 2021 – Happy Supplements Inc. (CSE: FITT) (FRANKFURT: 0I5) (the “Company”) is pleased to announce that it has completed a non-brokered private placement (the “Financing”) of 4,127,500 units (the “Units”) at a price of \$0.80 per Unit for gross proceeds of \$3,302,000.00. Each Unit consists of one (1) share (each, a “Share”) and one (1) transferable Share purchase warrant (each, a “Warrant”). Each Warrant entitles the holder thereof to purchase one (1) additional Share of the Company for a period of two years from closing at a price of \$2.50 per Share.

The net proceeds from the Financing will be used for working capital and general corporate purposes of the Company. Pursuant to applicable securities laws, all securities issued under the Financing are subject to a statutory hold period of four months and a day expiring on January 4, 2022.

In connection with completion of the Financing, the Company issued 33,020 Shares of the Company to Winchester Advisory Ltd., an arm’s-length third-party, for administrative services rendered in connection with the Financing.

About Happy Supplements

Happy Supplements Inc. is an innovative beverage cannabis company focused on delivering high quality CBD beverages both online and through local market retailers. Happy Supplements utilizes social media to deliver educational experiences with their customer base while demonstrating their innovative beverage technology.

ON BEHALF OF THE BOARD of DIRECTORS

Steve Pear

Chief Executive Officer and Director

For further information please contact:

investors@happytea.com
Happy Supplements Inc.
Company URL: www.happytea.com
Phone: 1-236-521-0626

The CSE does not accept responsibility for the adequacy or accuracy of this release.

Cautionary Statement

This news release contains certain forward-looking information and forward-looking statements within the meaning of applicable securities legislation (collectively “forward-looking statements”). The use of any of the word “will” and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Such forward-looking statements should not be unduly relied upon.. Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors. The Company believes the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct. The Company does not undertake to update these forward-looking statements, except as required by law.