

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

RYAH Group Inc. (the "**Company**")
One First Canadian Place
100 King Street West, Suite 3400
Toronto, Ontario, M5X 1A4

Item 2 Date of Material Change

September 27, 2021

Item 3 News Release

A news release with respect to the material change referred to in this report was issued by the Company through Canada Newswire on September 28, 2021 and a copy was subsequently filed under the Company's profile on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Item 4 Summary of Material Change

On September 27, 2021, the Company announced that it has completed an initial shipment of its proprietary RYAH Smart Dry Herb Inhalers for use in a pilot study to be conducted by Four 20 Pharma GmbH, a leading manufacturer, wholesaler and importer of medical cannabis and medical devices in the German market.

Additionally, the Company announced that (i) it intends to issue an aggregate of 303,933 Class A subordinated voting shares in the capital of the Company, on a private placement basis, to an existing investor at a price of C\$0.09 per share for aggregate gross proceeds of C\$27,354, and (ii) the Company has also entered into advisory service agreements with five arms-length third parties, and in consideration for the services provided, intends to issue the advisors an aggregate of 5,000,000 share purchase warrants of the Corporation ("**Warrants**"). Each Warrant will entitle the holder thereof to acquire, at any time during the period beginning four months and one day following the date of issuance and ending on the 12 month anniversary of the issue date, one fully paid and non-assessable Class A subordinated voting share in the capital of the Company, at an exercise price of C\$0.155 per share.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

For a full description of the material change, please see the news release attached hereto as Schedule "A", which news release (together with the forward-looking information disclaimers therein) form an integral part of this material change report.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on Subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

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

Item 8 Executive Officer

The following executive officer of the Company is knowledgeable about the material change and this report and may be contacted as follows:

Gregory Wagner, Chief Executive Officer
Phone: 917-210-0543 | E-mail: gwagner@ryah.com

Item 9 Date of Report

October 7, 2021

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**Schedule "A"
News Release**

**RYAH GROUP SHIPS RYAH SMART DRY HERB INHALERS FOR USE IN
PILOT PROGRAM WITH FOUR 20 PHARMA IN GERMANY**

Toronto, ON - September 28, 2021 – RYAH Group, Inc. (CSE:RYAH) ("**RYAH**" or the "**Company**") is pleased to announce that it has completed an initial shipment of its proprietary RYAH Smart Dry Herb Inhalers for use in a pilot study to be conducted by Four 20 Pharma GmbH ("**Four 20**"), a leading manufacturer, wholesaler and importer of medical cannabis and medical devices, in preparation for a wider distribution strategy for the RYAH Smart Dry-Herb Inhaler and data analytics platform in the German market. Four 20 is expected to sponsor a launch of an observational study using the RYAH Dry-Herb Inhalers in order to collect accurate patient feedback on consumption of cannabis strains for eldercare patients and other patient demographics.

"Germany represents one of the most important and influential plant-based medicine markets in Europe, and we are thrilled to be initiating a pilot program with Four 20 Pharma GmbH in the region. Four 20 has a strong network of doctors and patient care facilities, making it an excellent partner to pilot RYAH's smart inhaler and proprietary data analytics as the industry moves towards perfecting prescribing practices and patient regimens," said [Gregory Wagner](#), Chief Executive Officer of the Company.

Prohibition Partners, a research group that publishes reports on the latest developments in the cannabis industry, has [estimated](#) that over 128,000 patients receive medical cannabis in Germany annually, with insurance companies having reimbursed around 60% of medical cannabis prescriptions in 2019.

According to Prohibition Partners, Germany is anticipated to continue leading the European cannabis market in terms of growth, with over one million German patients expected to have access to medical cannabis by 2024. The German medical market, individually, is expected to be [worth](#) €7.7 billion by 2028.

The Federal Institute for Drugs and Medical Devices (BfArM), the German version of the Food and Drug Administration, estimated that Germany [imported](#) a record 9,249 kilograms in 2020.

Proposed Issuance of Securities of the Company

Separately, the Company is pleased to announce that, due to increased interest from an existing investor and longtime supporter of the Company (the "**Existing Investor**"), the Company intends to issue to the Existing Investor, on a private placement basis, an aggregate of 303,933 Class A subordinated voting shares in the capital of the Company (the "**Subordinate Voting Shares**") at a price of C\$0.09 per share for aggregate gross proceeds of C\$27,354.

In addition, the Company is pleased to announce that it has entered into separate advisory services agreements with five arm's length third parties (collectively, the "**Advisors**"), pursuant to which the Advisors have agreed to provide the Company with business strategy and advisory services designed to achieve the Company's business and financial objectives, as established by the Chief Executive Officer of the Company. In consideration for the services to be provided by the Advisors, and in accordance with the terms of the advisory services agreements, the Company intends to issue to the Advisors an aggregate of 5,000,000 share purchase warrants of the Company (the "**Warrants**"). Each Warrant shall entitle the holder thereof to acquire, at any time during the period beginning four months and one day following the date of issuance and ending on the 12 month anniversary of the issue date, one fully paid and non-assessable Subordinate Voting Share at an exercise price of C\$0.155 per share.

The issuance of the Subordinate Voting Shares and the Warrants will be completed on September 30, 2021. The issuance price of the Subordinate Shares and the exercise price of the Warrants were each priced in the context of the market, based on price reservation submissions made by the Company with the Canadian Securities Exchange ("CSE") on August 26, 2021 and September 2, 2021, respectively. The private placement is subject to the approval of the CSE. The Subordinate Voting Shares issued to the Existing Investor will be subject to a four-month hold period under Canadian securities laws, and the Company intends to use the net proceeds thereof for working capital purposes.

About RYAH Group, Inc.

RYAH is a connected device and big data and technology company focused on valuable predictive analysis in the global medical plant and nutraceutical intake industry. Its robust artificial intelligence platform aggregates and correlates *Health Insurance Portability and Accountability Act* (HIPAA)-compliant patient data, which is intended to help doctors and patients personalize plant-based treatments to better predict treatment outcomes. The data collection is relevant for clinics, doctors, dispensaries and pharmaceutical companies and licensed processors (LPs) to monitor and manage formulation effects on patient and demographics. With a strong intellectual property portfolio, RYAH gathers deep and insightful data on the complete patient session and formulation lifecycle. For more information, visit www.ryahgroup.com.

About Four 20 Pharma GmbH

As a manufacturer, wholesaler and importer of medical cannabis and medical devices, Four 20 Pharma GmbH is GDP and GMP certified. The company, based in Paderborn, was founded in 2018 and has a narcotics license according to § 3 BtMG and a pharmaceutical wholesale license according to § 52a AMG for all of Europe. In addition, the medical cannabis specialist has the necessary import licenses for the import of medical cannabis into Germany, a manufacturing license and the necessary product-specific license in accordance with § 7 AMG and § 1 AMRadV for the sale of medicinal products. Four 20 Pharma GmbH is a gold sponsor of the Working Group for Cannabis as Medicine (ACM) as well as a platinum sponsor of the International Association for Cannabinoid Medicines (IACM). Doctors, pharmacies, medical institutions and patients are supported by the company as a reliable partner in all matters relating to medicinal cannabis. You can find more information on our website www.420pharma.de

Forward-Looking Statements

This press release contains certain forward-looking information and forward-looking statements within the meaning of applicable securities legislation (collectively "forward-looking statements"). All statements contained in this press release that are not statements of historical fact should be considered forward-looking statements. Forward looking statements are often identified by terms such as "may", "should", "anticipate", "expect", "potential", "believe", "intend" or the negative of these terms and similar expressions. Specifically, forward-looking statements in this press release include but are not limited to, statements related to (i) the pilot study to be conducted by Four 20 Pharma GmbH (including the scope and timing thereof), (ii) the projected rate of Germany's growth within the European cannabis market (including, the estimated worth of the German medical market), (iii) Four 20 Pharma GmbH, including in respect of its network of doctors and patient care facilities, and (iv) the proposed issuance of the Warrants and the Subordinate Voting Share (including the timing thereof). Forward-looking statements reflect the Company's current views and intentions with respect to future events based on current information available to the Company, and are necessarily subject to certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such forward-looking statements. Such risks and uncertainties include, without limitation, risks and uncertainties associated with or inherent in the general business, technological, and economic conditions which may affect the scheduled "Next Super Stock" livestream conference, and such other applicable factors set out in the Company's public disclosure documents available under the Company's profile on SEDAR at www.sedar.com. Readers are further cautioned that the assumptions used in the preparation of such forward-looking statements (including, but not limited to, the assumption that (i) the Company and Four 20 Pharma GmbH will each be able to execute on their respective business plans and obtain and maintain all necessary permits and authorizations to execute on such business plans, (ii) neither the Company nor Four 20 Pharma GmbH's financial condition or development plans will change as a



result of unforeseen events, (iii) there will continue to be a demand, and market opportunity, for the Company's product offerings, (iv) Four 20 Pharma GmbH will be successful in conducting the pilot study, and (v) current and future economic conditions will neither affect the pilot study and the business and operations of the Company nor the Company's ability to capitalize on anticipated business opportunities, whether in Germany or otherwise), although considered reasonable by management of the Company at the time of preparation, may prove to be imprecise and result in actual results differing materially from those anticipated, and as such, undue reliance should not be placed on forward-looking statements. Should any such risk factor affect the Company in an unexpected manner, or should assumptions underlying the forward-looking information prove incorrect, the actual results or events may differ materially from the results or events predicted. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur.

The forward-looking statements included in this press release are made as of the date of this press release and the Company does not undertake an obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless required by applicable securities laws. All forward-looking statements contained in this press release are expressly qualified by this cautionary statement.

This press release includes market and industry data that has been obtained from third party sources, including industry publications. The Company believes that the industry data is accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness of this data. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, the Company has not independently verified any of the data from third party sources referred to in this press release or ascertained the underlying economic assumptions relied upon by such sources.

Neither the CSE nor its Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

For additional information, please contact:

Sofiya Kleshchuk ***Client***

Relations

+1 917 210 0543

Invest@ryahgroup.com

Gregory Wagner

Chief Executive Officer

+1 917 210 0543

Info@ryah.com **PRESS INQUIRIES**

Joshua Greenwald

KCSA Strategic Communications

+1 646 379 7971

jgreenwald@kcsa.com