EAT WELL INVESTMENT GROUP INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022

Basis of Presentation

This discussion and analysis of financial position and results of operation is prepared as of July 2, 2024 and should be read in conjunction with the audited consolidated financial statements and the accompanying notes for the years ended December 31, 2022 and 2021, of Eat Well Investment Group Inc. (*formerly Rockshield Capital Corp.*) ("Eat Well", "EWG" or the "Company"). The following disclosure and associated financial statements are presented in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following management's discussion and analysis ("MD&A") are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR+ at www.sedarplus.ca.

Forward Looking Statements

This report includes certain statements that may be deemed "forward looking statements" within the meaning of applicable securities legislation. All statements, other than statements of historical facts that address such matters as future events or developments that the Company expects, are forward looking statements and, as such, are subject to risks, uncertainties and other factors which are beyond the reasonable control of the Company. Such statements are not guarantees of future performance and actual results or developments may differ materially from those expressed in, or implied by, this forward-looking information. With respect to forward looking statements and information contained herein, we have made numerous assumptions including among other things, assumptions about economics and competition surrounding the services provided by the Company, anticipated costs and expenditures and the Company's ability to achieve its goals. Although management believes that the assumptions made and the expectations represented by such statements or information are reasonable, there can be no assurance that a forward-looking statement or information herein will prove to be accurate. Forward looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements or information. Factors that could cause actual results to differ materially from those in forward-looking statements include such matters as continued availability of capital and financing and general economic, market or business conditions. Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking statements or information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking statements or information. Any forward-looking statements are expressly qualified in their entirety by this cautionary statement. The information contained herein is stated as of the current date and subject to change after that date, and the Company does not undertake any obligation to update publicly or to revise any of the forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

Our Business

The Company was incorporated under the provisions of the *Business Corporations Act* (British Columbia) on October 23, 2007. On August 30, 2021, the Company changed its name from Rockshield Capital Corp. to Eat Well Investment Group Inc. to more appropriately reflect the amendment of the Company's investment policy to focus on the agri-business, food tech and plant-based food industries. The Company subsequently determined that, as of August 1, 2022, the Company should be reclassified as an operating entity rather than an investment entity, and consolidated its financials to report as an operating entity. The Company's common shares trade on the Canadian Securities Exchange ("CSE") under the trading symbol "EWG". The Company's principal office is located at #1305 - 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7. The Company is a reporting issuer in British Columbia, Alberta and Ontario.

Corporate Matters

At the Company's annual general meeting ("AGM") held July 8, 2022, the shareholders of the Company re-elected Marc Aneed, Daniel Brody, Nick Grafton, Desmond Balakrishnan and Matthew Fish as directors of the Company. On July 31, 2022, Nick Demare resigned as CFO and board of director member and the board appointed Patrick Dunn as the CFO.

Our Ability to Continue as a Going Concern

The consolidated financial statements have been prepared on a going concern basis, under the historical cost, with the exception of financial instruments which are measured at fair value, as explained in the accounting policies set out below. These consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiaries as this is the currency of the primary economic environment in which the Company operates.

The assessment of the Company's ability to execute its strategy by funding future working capital requirements involves judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. These consolidated financial statements have been prepared on the basis of the accounting principles applicable to a going concern, which assumes the Company's ability to continue in the normal course of operations for the foreseeable future and to realize its assets and discharge its liabilities in the normal course of operations.

Basis of Preparation

Statement of Compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards,("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC").

Basis of Measurement and Presentation

The Company's consolidated financial statements have been prepared on historical cost basis except for certain financial instruments which are measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. The consolidated financial statements are presented in Canadian dollars unless otherwise stated. The Company has determined itself to be an investment entity in accordance withIFRS 10 - *Consolidated Financial Statements* ("IFRS 10"). On August 1, 2022, the Company ceased to meet the definition of an investment entity in accordance with IFRS 10 (see Note 4 to the financial statements). The Company has applied IFRS 3 – *Business Combinations* ("IFRS 3"), to all subsidiaries that were previously measured at fair value through profit or loss on this date. The assets and liabilities of the Company's subsidiaries are measured at fair value and the difference between the fair value of the assets and liabilities is recorded as goodwill. The consolidated financial statements for the year ended December 31, 2022 include the consolidated accounts of the Company and its subsidiaries from August 1, 2022 onwards.

Details of the Group

In addition to the Company, the consolidated financial statements include all subsidiaries of the Company. Subsidiaries are all corporations over which the Company is able, directly or indirectly, to control financial and operating policies, which is the authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. Inter-company transactions and balances are eliminated upon consolidation. They are de-consolidated from the date that control by the Company ceases.

The subsidiaries of the Company are as follows:

Company	Location of Incorporation	Ownership Interest
Rockshield Plywood Corp. (Inactive)*	Canada	100%
Rockshield Capital Management Corp. (“RCM”)	USA	100%
Sapientia Technology LLC (“Sapientia”)	USA	100%
Belle Pulses Ltd. (“Belle Pulses”)	Canada	100%
Belle Pulses USA LLC (“Belle Pulses USA”)	USA	51%

*Subsidiary Rockshield Plywood Corp. was sold as of October 31, 2022.

Acquisitions

Consideration of Current Facts and Circumstances

In August 2022, the Company executed an Amended and Restated Credit Agreement (the “ARCA”) with Cortland Credit Lending Corporation (“Cortland”), which was collateralized by all of the present and after-acquired undertaking, property and assets of each obligor, and all other property and proceeds therefrom. The Borrowing Base Amount is calculated based on the face value of all Eligible Receivables. The only significant receivables of the Company at any point in time are the receivables of Belle Pulses. In addition, the ARCA was collateralized by the assets of Belle Pulses and its 51%-owned subsidiary, Belle Pulses USA, and specified the bank accounts of Belle Pulses as the collection account and deposit account. The debt is collateralized solely by Belle Pulses’ assets. The Company, Sapientia and Amara (see Note 13(a)) have historically incurred net losses and the Company had an accumulated deficit of $93,335,804 (CAD) as of December 31, 2021. Upon executing the ARCA, the Company began drawing funds on the line of credit to support the operations of EWG and Sapientia and support obligations under the Amara Promissory Note (see Note 16(a)). As discussed above, the Company collateralized an investee’s assets to secure debt to fund the operations of unprofitable entities.

Re-assessment of Investment Entities Under IFRS 3 - Business Combinations

The Company considered the facts and circumstances related to the ARCA that was effective August 1, 2022, and determined that the Company no longer met the definition of an investment entity as of the effective date of the ARCA. As a result, the Company assessed all of its investments under the guidance of IFRS 3 and determined that the investments in Belle Pulses and Sapientia should be treated as acquisitions as of August 1, 2022. The Company’s financial statements are presented in accordance with investment entity guidance for the period prior to August 1, 2022. Beginning August 1, 2022, the Company’s financial statements are reported with the effects of the operations of Belle Pulses and Sapientia being consolidated.

A switch from an Investment Issuer to an Operating Entity under International Financial Reporting Standards (IFRS) involves significant changes in accounting policies and practices.

Investment Issuers primarily hold investments for capital appreciation, investment income, or both. These investments are often measured at fair value through profit or loss (FVPL). When an entity transitions to an Operating Entity, it indicates a fundamental shift in its primary business activities towards providing goods or services rather than primarily holding investments. Consequently, this transition necessitates a revaluation of the entity's accounting framework, shifting focus from fair value measurements to recognizing revenues and expenses in alignment with the delivery of goods and services.

The transition impacts several key areas of financial reporting. First, the recognition and measurement of assets and liabilities must conform to standards applicable to operating entities. For example, under IFRS 9, financial instruments held by the entity may need to be reclassified out of FVPL, and tangible and intangible assets need to be recognized and measured under IAS 16 (Property, Plant and Equipment) and IAS 38 (Intangible Assets), respectively.

Additionally, revenue recognition will now follow IFRS 15, which requires revenue to be recognized as the entity satisfies performance obligations in contracts with customers. This represents a substantial change from an Investment Issuer's reliance on fair value accounting for investment income.

Furthermore, the transition necessitates comprehensive disclosures to inform stakeholders of the change and its implications. This includes restating comparative figures to reflect the new accounting policies consistently.

Business Combination – Belle Pulses

On July 30, 2021, the Company entered into a Stock Purchase Agreement (the "Belle Pulses SPA") with Belle Pulses in which 100% of Belle Pulses' outstanding shares were acquired by EWG for $30,000,000. For the period from the date of the Belle Pulses SPA through August 1, 2022, this acquisition of Belle Pulses was recorded in accordance with IFRS 10 with EWG reporting as an investment entity and accounting for the Belle Pulses SPA under the equity method on the Company's balance sheet. The Company obtained a valuation of the fair market value of the equity of Belle Pulses as of August 1, 2022. The valuation was performed by an independent third party that assessed a fair market value of $57,300,000. On August 1, 2022, in conjunction with the reclassification of the Company from an investment entity to an operating entity, the Company recorded Belle Pulses as a business combination.

The following table presents the allocation of equity to assets acquired and liabilities assumed for Belle Pulses as of August 1, 2022, following the reclassification:

	As of August 1, 2022
Cash & Cash Equivalents	7,399,844
Accounts Receivable	7,911,506
Inventory	6,187,202
Prepaid Expenses and Other Current Assets	563,129
Property, Plant & Equipment	12,317,797
Intangible Assets	22,919,600
Goodwill	13,875,298
Liabilities Assumed	(13,874,376)
Total Equity	**57,300,000**

Business Combination – Sapientia

On July 30, 2021, the Company entered into a Stock Purchase Agreement (the "Sapientia SPA") with Sapientia in which 100% of Sapientia's equity ownership interests were acquired by EWG for $10,374,680. For the period from the date of the Sapientia SPA through August 1, 2022, this acquisition of Sapientia was recorded in accordance with IFRS 10 with EWG reporting as an investment entity and accounting for the Sapientia SPA under the equity method on the Company's balance sheet. The Company obtained a valuation as of August 1, 2022, of the fair market value of the equity of Sapientia by an independent third party that assessed a fair market value of $5,670,000 USD ($7,256,892 CAD). On August 1, 2022, in conjunction with the reclassification of the Company from an investment entity to an operating entity, the Company recorded Sapientia as a business combination.

The following table presents the allocation of equity to assets acquired and liabilities assumed for Sapientia as of August 1, 2022:

	As of August 1, 2022
Cash & Cash Equivalents	45,643
Accounts Receivable	25,135
Other Current Assets	182,664
Intangible Assets	6,844,644
Goodwill	2,439,513
Liabilities Assumed	(2,280,707)
Total Equity	**7,256,892**

As of December 31, 2022 and 2021, the Company had $13,875,298 and $nil in goodwill due to the re-classification of Eat Well from an investment entity to an operating entity and related acquisition of Belle Pulses. As of December 31, 2022, goodwill resulting from the acquisition of Sapientia is included in long-term assets of discontinued operations on the company's consolidated statements of financial position.

SELECTED FINANCIAL INFORMATION

For the Year Ended December			For the Year Ended November 30
	Dec. 31, 2022	**Dec. 31, 2021**	**2020**
(expressed in thousands of Canadian dollars)			
Total revenue	32,211	-	-
Net Income for the period	12,445	-	-
Net Income Per Share -Fully Diluted Basis	.07	0.00	0.00
Total current assets	23,504	4,189	5,043
Total non-current assets	60,541	46,165	-
Total current liabilities	9,908	9,665	8,300
Total non-current liabilities	48,421	33,215	-
Total equity	25,717	7,474	5,035
Distributions or cash dividends declared per share	-	-	-

	Fiscal 2022			Fiscal 2021				Fiscal 2020
Three Months Ended	**Aug. 31, 2022 $**	**May 31, 2022 $**	**Feb. 28, 2022 $**	**Nov. 30, 2021 $**	**Aug. 31, 2021 $**	**May 31, 2021 $**	**Feb. 28, 2021 $**	**Nov. 30, 2020 $**
Operations:								
Net investment gain (loss)	4,693,880	119,954	(74,780)	(356,019)	183,969	(238,278)	1,308,265	34,507
Expenses (income)	3,646,939	(3,333,398)	(5,341,133)	(47,078,774)	(15,561,648)	(1,937,871)	(791,095)	(7,926)
Net (loss) income	1,046,941	(3,213,444)	(5,415,913)	(47,434,793)	(15,377,679)	(2,176,149)	517,170	26,581
(Loss) income per share - basic and diluted	(0.01)	(0.02)	(0.04)	(0.52)	(0.16)	(0.02)	0.01	0.00
Dividend per share	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Balance Sheet:								
Total assets	63,907,968	59,407,542	64,769,938	59,627,414	45,653,780	9,074,937	9,333,070	5,043,430
Total long-term liabilities	(3,789,700)	(6,365,713)	(8,741,067)	(8,055,724)	Nil	Nil	Nil	Nil

Selected Financial Information: Additions Disclosures

- The financial data for the year ended December 31, 2022, shows significant changes compared to the previous years. Notably, the total revenue for 2022 is $32,211,000, vs Nil for 2021. This revenue represents the company's consolidation of operations from August 1, 2022, to December 31, 2022, after consolidating its financials. It is important to highlight that this amount does not include revenue from January 1 to July 31, 2022, as the company was an investment issuer during that period.
- The increase in net income for 2022, reported at $12,445,000, is primarily due to a $25,102,000 one-time gain on investment related to Belle Pulses, recorded on August 1, 2022.
- A 45.78% increase in total non-current liabilities from $33,215,000 in 2021 to $48,421,000 in 2022 is observed. This rise is attributed to the acquisition of Amara for USD $11,600,000, which is recorded as a non-current liability.
- Total current assets rose to $23,504,000 in 2022 from $4,189,000 in 2021, this is due to the acquisitions that were completed on July 31st, 2021.
- The total non-current assets also saw a substantial increase to $60,541,000 in 2022 from $46,165,000 in the previous year, this is due to the revaluation of the company's investments held on August 1st, 2022.
- Total equity rose to $25,717,000 in 2022 from $7,474,000 in 2021, this is due to the acquisitions that were completed on July 31st, 2021.

Change in the Company's Year-End

In November of 2022, the Company changed its year-end from November 30 to December 31.

CASH FLOWS

For the Year Ended December 31		
	2022	**2021**
(expressed in thousands of Canadian)		
Cash used in operating activities	(5,777)	(108,548)
Cash provided by investing activities	7,249	-
Cash used in financing activities	2,599	107,694
Exchange rate difference on balance of cash and cash equivalent	(200)	-
Cash at the Beginning of the Year	2,665	3,518

Net decrease in cash and cash equivalents	**6,536**	**2,665**

Credit Facility

In connection with the acquisitions of Belle Pulses and Sapientia, the Company obtained a revolving line of credit (the "Credit Facility") with Cortland to borrow a maximum principal amount not to exceed $33,500,000. Outstanding principal amounts borrowed under the Credit Facility bear interest at a rate per annum equal to the greater of 7.55% above prime or 10% and shall be paid monthly. The Company will also pay a utilization fee equal to 2.4% of the unutilized portion of the Credit Facility. As of December 31, 2021, the Company had received $33,500,000 under the Credit Facility. The Credit Facility was originally scheduled to mature on January 31, 2022, but was extended to July 31, 2022. Effective August 1, 2022, the Company entered into the ARCA, which increased the maximum principal amount of the Credit Facility to $40,000,000 and extended the maturity date to October 31, 2022. Outstanding principal amounts borrowed under the ARCA bears interest at a rate per annum equal to the greater of 7.55% above prime or 10% and shall be paid monthly. The Company will also pay a utilization fee equal to 2.4% of the unutilized portion of the Credit Facility. The Credit Facility has been further amended and restated, which extended the maturity date to August 31, 2023. During the year ended December 31, 2022, the Company received an additional $6,500,000 under the ARCA. As of December 31, 2022, the Company owed $40,000,000 under the ARCA.

As of December 31, 2021, the Company owed $33,215,000 under the Credit Facility. During the years ended December 31, 2022 and 2021, the Company incurred interest of $4,474,392 and $1,099,797, respectively, of which $458,232 and $nil were outstanding as of December 31, 2022 and 2021, respectively. During the years ended December 31, 2022 and 2021, the Company did not pay any utilization fees. As of the date of this filing, the Company is in default on the credit facility with Cortland.

During the years ended December 31, 2022 and 2021, pursuant to the Credit Facility, the Company paid Cortland a financing fee of $0 and $83,750, respectively, and a commitment fee of $48,750 and $251,250, respectively. In addition, during the year ended December 31, 2021, the Company issued 500,000 common shares, at a fair value of $320,000, and 1,000,000 share purchase warrants to purchase 1,000,000 common shares on or before July 30, 2026, at an exercise price of $0.58 per share. As of December 31, 2022 and 2021, the value of the warrants was $505,000 and $92,000 based on the Black-Scholes option pricing model using the following assumptions:
During the years ended December 31, 2022 and 2021, the Company also reimbursed $nil and $100,000, respectively, to Cortland for due diligence costs incurred.

During the years ended December 31, 2022 and 2021, the Company also incurred financing facilitation fees of $73,500 and $450,000, respectively, associated with the Credit Facility from arms-length third parties.

In total, the Company has incurred financing transaction costs totaling $1,419,250. During the year ended December 31, 2022 and 2021, the Company expensed $(5,750) and $1,425,000, respectively. As of December 31, 2022 and 2021, $nil and $285,000, respectively, remained unamortized.

CORTLAND DEBT

	For the Year Ended December	
	2022	**2021**
(expressed in thousands of Canadian)		
Principal Payable	40,000	33,215
Interest Payable	458	-
Total Contractual Obligations	**40,458**	**33,215**

Results of Operations

The Year Ended December 31, 2022 Compared to The Year Ended December 31, 2021

- In 2021, Eat Well did not report any cost of sales due to the operations not being on a consolidated basis. The prior investment company structure meant that individual segments operated independently, and their costs were not combined into a single financial statement. Consequently, there was no aggregated data to represent the overall cost of sales for the company during that period.
- Starting August 1st, 2022, the company shifted to a consolidated entity reporting model. This change enabled Eat Well to report the cost of sales on a consolidated basis, giving a more accurate and holistic picture of the company's financial performance. The consolidation has also allowed Eat Well to present gross margins that reflect the combined operations, providing a clearer understanding of the overall profitability. Similarly, Gross Profit figures are now reported on a consolidated basis, offering a more accurate representation of the company's financial health post-consolidation.

During the year ended December 31, 2022, the Company reported a net gain of $12,445,283 compared to net loss of $69,179,489 for the year ended December 31, 2021, an increase of revenue of $56,734,206. The increase in revenue is primarily due to:

Increase in Revenue:

Revenue increased from a loss of $69,179,489 in 2021 to income of $12,445,283 due to several factors. In 2021 the Company was an investment issuer which accounts for revenue differently than an operating Company. The Company acquired three subsidiaries during 2021 which resulted in one-time costs of $55,334,374 that caused a majority of the difference along with additional management salaries, financing charges, share based compensation and professional fees that occurred during the year. For 2022 the Company transitioned from an investment issuer to an operating company where the income is consolidated between the subsidiaries and the parent. The transition occurred on August 1, 2022, and resulted in an unrealized gain of $25,102,403 caused by the consolidation.

The Company generated gross revenue of $32,210,704 from operations with a gross margin of $6,693,316 for the period of August 1 through December 31, 2022, which represents the consolidated income for 2022. From January 1, 2022 through July 31, 2022, the Company was still an investment issuer so there was no consolidated income represented. In 2021 there is no gross income represented on a consolidated basis. Since the Company was an investment issuer the only net investment loss was a realized loss of $4,512,536 and an unrealized gain of $478,892 for a gross margin of $(4,033,644).

Increase in Costs:
The significant increase in the Cost of Sales from $0 to $25,517,000 is attributed to the company's shift from an investment company to an operating company. This transition has necessitated the consolidation of financials, resulting in the inclusion of operational costs that were previously not accounted for. As an investment company, costs associated with sales were minimal or non-existent. However, as an operating company, the organization now incurs substantial costs related to production, distribution, and other operational activities that directly contribute to revenue generation. This reclassification reflects the company's broader engagement in its core business operations, leading to a comprehensive representation of its financial health and performance.

Increase in Gross Profit
The significant increase in Gross Profit from $0 to $6,693,316 is attributed to the company's shift from an investment company to an operating company. This transition has necessitated the consolidation of financials, resulting in the inclusion of operational revenues and Gross Profit's that were previously not accounted for. As an investment company, revenue from operations was minimal or non-existent. However, as an operating company, the organization now generates income from its core business activities, such as production and sales. This reclassification reflects the company's broader engagement in its core business operations, leading to a comprehensive representation of its financial health and performance, evidenced by the increase in gross profit.

Operating Expenses

- Operating expenses of $13,301,564 (2021 - $63,922,178) decreased in most of the expense items as a result of the management strategy of cost reduction while increasing efficiency. The Company incurred one-time costs of $55,014,524 in 2021 related to financing activities which was not a recurring expense in 2022.
- Employee benefits expense of $264,851 (2021 - $48,594) increased as a result of increasing the number of employees.
- Share-based compensation of $1,359,333 (2021 - $5,324,112) consists of the stock options and warrants vested during the 2022 fiscal year. The decrease is due to a reduction in the granted options during 2022 and the termination of employees whose Options became forfeited. In 2021 the Company incurred greater stock-based compensation related to various acquisitions. See the heading "*Outstanding Share Data*" for further details.
- Professional fees of $3,982,836 (2021 - $1,748,782) consist of expenses relating to the fees paid to the accountants and lawyers in Canada, and the United States for ongoing regulatory advice. The increase in fees from 2021 to 2022 was related to the servicing of the 2021 acquisitions, restructuring of Company to prepare for potential business combinations and the transition of the Company from an investment issuer to an operating entity.
- Sales & Marketing expenses of $833,926 (2021 - $378,862) consist of expenses relating to the marketing, branding, and promotion activities of the Company and its acquisitions.
- Depreciation and amortization of $1,603,595 (2021 - $0) refer to the amortization of intangibles and depreciation of the Company's property, plant, and equipment. Remain at the same level of expenses.

RESULTS OF OPERATIONS

	For the Year Ended December	
	2022	**2021**
(expressed in thousands of Canadian)		
Revenue	32,211	-
Cost of sales (purchased products)	25,517	-
Gross profit	**6,693**	**-**
Gross profit percentage	20.78%	-
Net Investment Gain/(Loss)		
Realized Loss on Investment	(1.24)	(4,512.54)
Unrealized Gain on Investment	25,102	479
Net Investment Gain/(Loss)	**25,101**	**(4,034)**
Gross Margin	**31,794**	**(4,034)**
Operating Expenses		
General and Administrative	391	414
Wages & Salaries	3,810	741
Employee Benefits	265	49
Utilities	141	-
Professional Fees	3,983	1,749
Sales & Marketing Expense	834	379
Dues & Subscriptions	2	-
Corporate Insurance	300	23
Corporate Development	411	203
Shareholder Costs	62	27
Rent & Lease	21	-
Travel	119	-
Stock Based Compensation	1,359	5,324
Depreciation Expense	163	-
Amortization Expense	1,441	-
Financing and Transaction Costs	(5)	55,015
Postage & Delivery	5	-
Total operating expenses	**13,302**	**63,922**
Income before other expenses	**18,493**	**(67,956)**
Gain/(Loss) on foreign exchange	22	(404)
Interest Income	219	85
Discount on Loan Payable	-	498
Other Income	11	-
Interest Expense	(4,994)	(1,401)
Provision for Income Tax	(121)	(1)
Income/(Loss) from Discontinued Operations	(1,185)	-
Net Gain/Loss	**12,445**	**(69,180)**
Foreign currency translation income		
Comprehensive Income (loss) for the year	**12,445**	**(69,180)**

Financing Activities

During fiscal 2021, the Company obtained $33,500,000 under the credit facility. In August of 2022, the Company increased its credit facility to $40,000,000. See also “Credit Facility”. Outstanding principal amounts borrowed under the Credit Facility bear interest at a rate per annum equal to the greater of 7.55% above prime or 10% and shall be paid monthly.

On February 15, 2022, Eat Well Group Inc. announced the closure of a $5,018,000 private placement from Nurture Healthy Food LLP, issuing 6,690,666 units at $0.75 per unit. Each unit includes one common share and a warrant exercisable at $1.00 per share for 36 months. The deal includes an economic interest in Amara Organic Foods, entitling NHF to 8% of net proceeds and dividends from Amara. Proceeds will be used for M&A support, including payments to Amara to increase Eat Well’s ownership, debt service, and working capital. This strategic investment aims to enhance Eat Well Group's growth and international expansion.

The financing of $5,018,000 was allocated as outlined, ensuring effective utilization across the specified areas. A significant portion was directed towards M&A) support, facilitating strategic expansions and integrations, payments to Amara, debt service, and working capital.

On December 23, 2021, Eat Well Investment Group Inc. completed a $5,100,000 private placement. The company issued 9,272,727 of special warrants at $0.55 each, with Research Capital Corporation as the lead agent. Each warrant can convert into one common share and a half warrant, exercisable at $0.75 for 36 months. Proceeds will be used for M&A, debt service, and general working capital.

On June 30, 2023, the Company announced that they had closed its refinancing initiative led by the Business Development Corporation of Canada (BDC) for $24.5M CAD. This refinancing effort significantly reduces the company's interest rates from 14.25% to a blended rate of 9.55%, saving over $2.1 million in annual interest charges. The new financial arrangement includes a $22.5 million loan at 5.65%, with a 20-year amortization, and a $2 million loan at 8.8%, with a 7-year amortization, from BDC, along with restructured terms for existing credit facilities. The refinancing aims to strengthen Eat Well Group's financial position and support its growth strategy in the plant-based food sector. By securing more favorable interest rates and restructured terms, the company can focus on its expansion and operational improvements, positioning itself better in the market. Additionally, this refinancing allowed Eat Well Group to repay existing debt to Cortland Credit, further improving its financial stability and enabling more strategic financial planning.

Financial Condition / Capital Resources

During fiscal 2022, the Company recorded a net income of $12,445,283 and, as of December 31, 2022, had a working capital increase of $8,120,497. The Company will need to secure additional funding to meet ongoing levels of corporate overheads, retire amounts due on the Company’s investments in agri-business, food tech and plant-based food companies and amounts loaned under the credit facility and repay indebtedness as they come due. The Company intends to secure long-term financing and/or raise additional capital from the sale of additional common shares or other equity instruments. Whether the Company can raise sufficient capital is uncertain. These uncertainties cast significant doubt upon the Company’s ability to continue as a going concern.

On June 30, 2023, Eat Well Investment Group Inc. announced the successful closing of a $24.5 million debt refinancing. This refinancing, led by the Business Development Bank of Canada (BDC) and a private lender, is expected to significantly reduce the company's annual interest expenses by over $2.1 million. The refinancing lowers the interest rates from 14.25% to a blended rate of 9.55% and reduces monthly payments by approximately $185,000, representing a 38% savings for the first year. The transaction includes a $22.5 million secured loan from BDC at a fixed rate of 5.65% per annum, and a $2 million secured loan at 8.8% per annum, which were both used to repay existing credit facilities.

This strategic move extends the maturity of Eat Well's credit facilities by up to 20 years and fosters a long-term relationship with a supportive lender. The reduction in interest charges and the favorable terms are expected to help Eat Well achieve positive net income, enabling the company to reinvest in innovation, expansion, and marketing.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Subsequent Events:

Discontinued Operations

In June of 2023, the Company's board of directors decided to sell Sapientia. The Company's decision to sell Sapientia met the "held for sale" under IFRS 5.6-8, *Discontinued Operations,* and represented a strategic shift that had a significant impact on the Company's overall operations and financial results.

The major classes of assets and liabilities of our discontinued operations as reported on the Consolidated Statements of Financial Position as of December 31, 2022 and 2021 are as follows:

	As of December 31,	
	2022	**2021**
Carrying amounts of assets associated with Sapientia reported as discontinued operations:		
Cash and cash equivalents	$ 12,807	$ -
Prepaid expenses and other current assets	4,492	-
Current assets of discontinued operations	**$ 17,299**	**$ -**
Intangible assets, net	6,488,154	-
Goodwill	2,439,513	-
Long-term assets of discontinued operations	**$ 8,927,667**	**$ -**
Carrying amounts of liabilities associated with Sapientia reported as discontinued operations:		
Accounts payable	$ 131,804	$ -
Accrued expenses	64,808	-
Notes payable to affiliates	986,498	-
Current liabilities of discontinued operations	**$ 1,183,110**	**$ -**
Deferred tax liability	1,269,304	-
Long-term liabilities of discontinued operations	**$ 1,269,304**	**$ -**

Financial Instruments and Risk Management

Securities in privately held companies (other than options and warrants) are initially recorded at cost, being the fair value at the time of acquisition. At the end of each financial reporting period, the Company's management estimates the fair value of investments based on the criteria below and reflects such valuations in the financial statements. These are included in Level 3 as disclosed in Note 20 to the financial statements.

With respect to valuation, the financial information of private companies in which the Company has investments may not always be available, or such information may be limited and/or unreliable. Use of the valuation approach described below may involve uncertainties and determinations based on the Company's judgment and any value estimated from these may not be realized or realizable. In addition to the events described below, which may affect a specific investment, the Company will take into account general market conditions when valuing the privately held investments in its portfolio. In the absence of occurrence of any of these events or any significant change in general market conditions indicates generally that the fair value of the investment has not materially changed.

An upward adjustment is considered appropriate and supported by pervasive and objective evidence such as a significant subsequent equity financing by an unrelated investor at a transaction price higher than the Company's carrying value; or if there have been significant corporate, political or operating events affecting the investee company that, in management's opinion, have a positive impact on the investee company's prospects and therefore its fair value. In these circumstances, the adjustment to the fair value of the investment will be basedon management's judgment and any value estimated may not be realized or realizable.

Downward adjustments to carrying values are made when there is evidence of a decline in value as indicated by the assessment of the financial condition of the investment based on third party financing, operational results, forecasts, and other developments since acquisition, or if there have been significant corporate, political or operating events affecting the investee company that, in management's opinion, have a negative impact on the investee company's prospects and therefore its fair value. The amount of the change to the fair value of the investment is based on management's judgment and any value estimated may not be realized or realizable.

The resulting values may differ from values that would be realized had a ready market existed. The amounts at which the Company's privately held investments could be disposed of may differ from the carrying value assigned. Such differences could be material.

Investments in Associates

Investments in associates are those entities over which the Company has or is deemed to have significant influence, but not control over, the financial and operating policies. Investments in associates are held as part of the Company's investment portfolio and carried in the statement of financial position at fair value even though the Company may have significant influence over the companies. This treatment is permitted by IAS 28 - *Investments in Associates and Joint Ventures* ("IAS 28"), which allows investments held by venture capital or similar organizations to be excluded from its scope where those investments are measured at fair value through profit or loss in accordance with IFRS 9, with changesin fair value recognized in the profit (loss) within unrealized gains or losses on investments.

Investments in Subsidiaries

As an investment entity, the Company did not consolidate its investments in subsidiaries, except for those subsidiaries providing services that relate to the Company's investment activities. Instead, the investment in a subsidiary was measured at fair value through profit or loss. This treatment is permitted by IFRS 10, *Consolidated Financial Statements* ("IFRS 10"), which allows investments held by venture capital or similar organizations to be excluded from its scope where those investments are measured at fair value through profit or loss in accordance with IFRS 9, with changes in fair value recognized in profit (loss) within unrealized gains or losses on investments. On August 1, 2022, the Company ceased to meet the definition of an investment entity in accordance with IFRS 10 (see Note 4 to the financial statements). The Company has applied IFRS 3 – *Business Combinations,* to all subsidiaries that were previously measured at fair value through profit or loss on this date. The Company's investments in subsidiaries are consolidated as of August 1, 2022, which is deemed the acquisition date.

<u>Amara Stock Repurchase</u>

On November 22, 2023, the Company and PataFoods, Inc. ("Amara") entered into the Preferred Stock Repurchase Agreement, which gave Amara the option to purchase 953,134 shares of Series A-1 Preferred Stock from the Company. Amara's option was effective until December 15, 2023. On December 14, Amara exercised the option and

purchased 953,134 shares from the Company for $7.3442 a share for total proceeds to the Company of $7,000,006.73. The Company retained 158,855 of Series A-1 Preferred Stock.

Sale of Sapientia

On June 23, 2023, the Company sold 100% of Sapientia for US $10,000,0000 via a Membership Interest Purchase Agreement with Superlatus. Superlatus was subsequently acquired by Trxade, Inc. (Nasdaq: MEDS), which resulted in the Company holding 5,177 shares of MEDS' Series B Preferred stock.

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and advances receivable. Management believes that the credit risk concentration with respect to financial instruments included in cash and advances receivable is remote. The Company mitigates its credit risk in loans payable by providing loans to companies where it has detailed knowledge of the Company's operations and business strategy.

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. A majority of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The Company anticipates that it will need to secure additional funding to retire its indebtedness as they come due, or in the alternative, renegotiate terms of payment. There are no assurances that we will be able to secure additional funding at all, on acceptable terms or at an acceptable level. The Company is exposed to the risk that it may not be able to meet its financial obligations when they come due. Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The Company anticipates that it will need to secure additional funding to retire its indebtedness as they come due, or in the alternative, renegotiate terms of payment. The following table is based on the contractual maturity dates of financial assets and the earliest date on which the Company can be required to settle financial liabilities.

As of December 31, 2022, the Company does not have the ability to generate sufficient amounts of cash and cash equivalents, in both the short term and the long term, to maintain its current capacity, support the company's planned growth, or fund development activities. As such, the Company and its management team have focused efforts on refinancing its debt with Cortland Credit. As of December 23, 2022, the Company has signed a Term Sheet with the Business Development Bank of Canada (BDC) and Cortland Credit to refinance the Company's existing revolving credit facilities of up to $40,000,000. The Refinancing Transaction will significantly reduce the Company's interest payments while amortizing repayment over up to 20 years. The Company expects to close this refinancing transaction in the first half of 2023.

The trends or expected fluctuations in Eat Well's liquidity, considering demands, commitments, events, or uncertainties, rely on this refinancing. The Company believes that with the successful closing of the BDC refinancing initiative, it will be able to meet all of its demands and remain liquid with sufficient working capital. The only liquidity risk associated with the business, post-refinancing initiative, relies on a potential downturn in the pulse processing industry and global pea demand.

Upon closing the $24,500,000 refinancing initiative, the Company will still have approximately $15,500,000 of outstanding debt that will need to be refinanced. Until this debt is refinanced, the Company anticipates a working capital deficiency and may need to sell additional assets to meet its liquidity requirements and remedy the deficiency.

As of December 31, 2022, Eat Well is not in default or at significant risk of default or arrears on its debt obligations. As of today's date, Eat Well Investment Group, Inc. is in default of its credit obligations under the Credit Facility.

PAYMENTS DUE BY PERIOD

Contractual Obligations	For the Year Ended December	
	2022	2021
(expressed in thousands of Canadian)		
Loans Payable	40,000	6
Accrued Expenses	3,635	1
Total Contractual Obligations	**43,635**	**7**

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and commodity and equity prices. These fluctuations may be significant.

(a) Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash and demand deposits bear floating rates of interest. The interest rate risk on cash, loans receivable and loans payable are not considered significant.

(b) Market Risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate because of changes in market prices. The Company is exposed to market risk in trading its investments and unfavorable market conditions could result in dispositions of investments at less than favorable prices.

Given the nature of the Company's investment activities, the results of operations and the Company's financial condition are dependent upon the financial condition and performance of the businesses comprising our investments. The performance of our associates can be affected by a variety of general economic conditions or by specific factors, such as weather, that may individually impact each business. As of November 30, 2021, $54,755,080 of the Company's investments in and advance to three plant-based food companies represents approximately 92% of the Company's total assets and poor performance in these investments could adversely affect the Company's results.

(c) Foreign Currency Risk

The Company's functional currency is the Canadian Dollar. The Company maintains a US Dollar bank accountto support the cash needs of its US operations. Management does not hedge its foreign exchange risk. As of December 31, 2022, 1 Canadian Dollar was equal to 0.74 US Dollar.

Balances are as follows:

FOREIGN CURRENCY	For the Year Ended December
	2022

(expressed in thousands of Canadian)	
Cash	1,832

Based on the net exposures as of December 31, 2022, and, assuming that all other variables remain constant, a10% fluctuation on the Canadian Dollar against the US Dollar would result in the Company's net loss being approximately $1,244,000 higher (or lower).

Changes in Accounting Policies

As of Aug 1, 2022, the Company has made changes to the accounting policies in order to report as a consolidated entity, rather than an investment issuer. See "Re-assessment of Investment Entities Under IFRS 3 - Business Combinations"

Related Party Disclosures

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and executive officers.

The following amounts were incurred with respect to these positions:

	For the Year Ended December 31	
	2022	**2021**
(expressed in thousands of Canadian)		
Salaries	130	56
Benefits	7	-
Professional Fees	1,968	951
Share Based Compensation on Share Options	253	651
Share Based Compensation on DSU's	-	43
Share Based Compensation on RSU's	188	967
Share Based Compensation on Transferring DSU's to RSU's	-	337
Total Share Based Compensation	**2,547**	**3,005**

(a) Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and executive officers.

(b) During fiscal 2022 and 2021 the following compensation and health benefit amounts were incurred, paid or payable:

Management	For the Year Ended December	
	2022	2021
Dave Doherty[(1)]	-	57
Nick Demare[(7)]	15	30
Marc Aneed[(2)(3)]	304	146
Daniel Brody	163	63
Nick Grafton	195	87
Mark Coles[(3)]	366	177
Patrick Dunn[(3)(4)]	130	63
Barry Didato	213	102
Daniel Sorger, former Director[(5)]	-	-
Eugenio Bortone	269	-
Total	**1,656**	**725**

SHARE BASED COMPENSATION	For the Year Ended December	
	2022	2021
(expressed in thousands of Canadian)		
Mr. Doherty	**-**	187
Mr. Demare	**-**	32
Mr. Sorger	**-**	-
Mr. Cernovitch[(6)]	**-**	25
Mr. Brody	480	1,293
Mr. Grafton	61	275
Mr. Coles	31	79

(1) Mr. Doherty did not seek re-election as a director of the Company at the Company's AGM held on October 20, 2021, and retired as CEO of the Company on December 22, 2021.
(2) Mr. Aneed was appointed as CEO of the Company on December 22, 2021.
(3) Compensation for Officers Aneed, Coles, Dunn and Didato commenced August 1, 2021
(4) Patrick Dunn was nominated as CFO effective July 1,2022
(5) Mr. Sorger was not nominated for re-election as a director of the Company at the Company's AGM held September 29, 2020.
(6) Mr. Cernovitch did not seek re-election as a director of the Company at the Company's AGM held on October 20, 2021
(7) Nick Demare resigned as CFO and director effective July 31, 2022.

As of December 31, 2022 and 2021, $1,198,877 and $5,000, respectively remained unpaid and has been included in accountspayable and accrued liabilities.

Related Party Disclosures *(continued)*

During the years ended December 31, 2022 and 2021 the Company incurred a total of $104,500 and $211,295, respectively from Chase Management Ltd. ("Chase"), a private corporation owned by the Chief Financial Officer ("CFO"), for accounting and administration services provided by Chase personnel, excluding the CFO. As of December 31, 2022 and 2021, $12,887 and $5,000, respectively, remained unpaid and has been included in accounts payable and accrued liabilities.

During the years ended December 31, 2022 and 2021 the Company recorded $nil and $137,495, respectively, share-based compensation for share options, DSUs and RSUs granted to Chase, excluding the CFO.

During the years ended December 31, 2022 and 2021, the Company incurred a total of $853,125 and $293,372, respectively, by Dunn, Pariser & Peyrot ("Dunn"), a private corporation owned by the Vice-President of Finance, for accounting and administration services provided by Dunn. As of December 31, 2022 and 2021, $164,032 and $nil, respectively, remained unpaid to Dunn and has been included in accounts payable and accrued liabilities.

During the year ended December 31, 2022 and 2021, the Company incurred a total of $782,231 and $436,728, respectively, by McMillan LLP ("McMillan"), a lawfirm, of which a Director of the Company is a partner of McMillan, for legal services. As of December 31, 2022 and 2021, $995,386 and $nil remained unpaid to McMillan and has been included in accounts payable and accrued liabilities.

The Company has made ongoing advances to Rockshield Opportunities Corp. ("Rockshield Opportunities") a company which was initially incorporated as a wholly owned subsidiary of the Company and of which its common shares were subsequently distributed to the Company shareholders. The advances are non-interest bearing and repayable on demand. As of December 31, 2022 and 2021, there was $nil outstanding. Certain of the Company's directors remain as directors of Rockshield Opportunities.

Comparative Analysis

The following selected financial information is derived from the unaudited condensed consolidated interim financial statements of the Company.

	Fiscal 2022			**Fiscal 2021**				**Fiscal 2020**
Three Months Ended	**Aug. 31, 2022 $**	**May 31, 2022 $**	**Feb. 28, 2022 $**	**Nov. 30, 2021 $**	**Aug. 31, 2021 $**	**May 31, 2021 $**	**Feb. 28, 2021 $**	**Nov. 30, 2020 $**
Operations:								
Net investment gain (loss)	4,693,880	119,954	(74,780)	(356,019)	183,969	(238,278)	1,308,265	34,507
Expenses (income)	3,646,939	(3,333,398)	(5,341,133)	(47,078,774)	(15,561,648)	(1,937,871)	(791,095)	(7,926)
Net (loss) income	1,046,941	(3,213,444)	(5,415,913)	(47,434,793)	(15,377,679)	(2,176,149)	517,170	26,581
(Loss) income per share - basic and diluted	(0.01)	(0.02)	(0.04)	(0.52)	(0.16)	(0.02)	0.01	0.00
Dividend per share	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Balance Sheet:								
Total assets	63,907,968	59,407,542	64,769,938	59,627,414	45,653,780	9,074,937	9,333,070	5,043,430
Total long-term liabilities	(3,789,700)	(6,365,713)	(8,741,067)	(8,055,724)	Nil	Nil	Nil	Nil

The Company transitioned from an investment issuer to an operating entity as of August 1, 2022. This method of reporting financial data changed significantly and does not adequately reflect the company's financial data on a

comparative basis when comparing the past eight calendar quarters. In addition, the company reported financial data on the fiscal year end of November 30th prior to converting to a calendar year end in November of 2022. From August 1, 2022 going forward the Company will be reporting on an operating entity basis with consolidated financial data of its parent company and its subsidiaries. These changes result in quarterly information which does not align with the 2021 & 2022 audited financial statements because of the change in year end and the change in accounting method, as previously described. Therefore, the table above reflects the six quarters pursuant to an investment issuer and the two final quarters for 2022 are not included as they don't reflect those quarters on a comparative basis. The Company is in the process of completing the 2023 audit as well as all quarterly filings to get the Company current. Upon the filing of the 2023 audit, the Company will have eight quarters of comparative data on an operating company basis which will properly reflect net revenue appropriately.

*Please note that the August 2022 interim financial statements have not been restated. The Company anticipates completing the restatement of the August 2022 financial statements shortly after filing the 2022 MD&A and audited financial statements.

Share Capital

Authorized Share Capital

The Company's authorized share capital consisted of an unlimited number of common shares without par value. All issued common shares are fully paid.

Reconciliation of Changes in Share Capital

On January 15, 2021, the Company completed a non-brokered private placement of 40,000,000 unitsat $0.075 per unit for total proceeds of $3,000,000. Each unit comprised one common share and one share purchase warrant entitling the holder to purchase an additional common share at a price of $0.15 per share on or before January 15, 2023. Certain directors and officers of the Company acquired a totalof 4,133,334 units of the private placement.

The Company also issued 3,550,333 finders' units having the same terms as the private placement units. The units were recorded at a fair value of $266,275.

***Share Capital** (continued)*

The Company incurred a total of $25,686 for filing fees and legal costs.

The Company issued 60,000 common shares for an ascribed value of $33,000 in settlement of outstanding accounts payable.

On December 23, 2021, the Company completed a brokered private placement of 9,272,727 special warrants of the Company at a price of $0.55 per special warrant for $5,100,000 gross proceeds (the "2021 Private Placement"). On April 25, 2022, the special warrants were exercised, for no additional consideration, into an aggregate of 10,403,995 units, consisting of 10,403,995 common shares of the Company and 5,201,997 common share purchase warrants. Each warrant entitles the holder to purchase one additional common share of the Company at a price of $0.75 per share until December 23, 2024. The agents of the 2021 Private Placement (the "Agents") received an aggregate cash fee of $241,921. In addition, the Company granted the Agents 508,043 non-transferable compensation warrants (the "Compensation Warrants"). Each Compensation Warrant entitles the holder to purchase one unit (a "Compensation Warrant Unit") at an exercise price per Compensation Warrant Unit of $0.55 until December 23, 2024. In April 2022, the Compensation Warrants converted into shares and warrants. Due to the delay in converting, the holders of the Compensation Warrants were given a 10% bonus. As a result, 558,847 Compensation Warrant Units were issued for $279,424.

On February 14, 2022, the Company completed a non-brokered private placement of 6,690,666 units at $0.75 per unit for total proceeds of $5,018,000. Each unit comprised one common share and one-half share purchase warrant, each whole warrant entitling the holder to purchase an additional common share at a price of $1.00 per share on or before February 14, 2025.

Normal Course Issuer Bid

On April 30, 2021, the Company filed a normal course issuer bid (the "2021 NCIB") which authorized the Company to repurchase for cancellation up to 4,473,534 common shares. The 2021 NCIB expired on April 30, 2022. On June 21, 2022, the Company announced its intention to proceed with a NCIB (the "2022 NCIB") to repurchase for cancellation up to 7,686,777 common shares. The 2022 NCIB commenced June 27, 2022 and expired June 26, 2023. During the years ended December 31, 2022 and 2021 the Company repurchased a total of 322,500 common shares for $240,667 cash consideration under the NCIB. Common shares repurchased and cash consideration paid under the 2022 NCIB and the 2021 NCIB during the years ended December 31, 2022 and 2021 are as follows:

	2022 NCIB		**2021 NCIB**	
During the year ended	Common Shares Repurchased	Cash Consideration	Common Shares Repurchased	Cash Consideration
December 31, 2021	322,500	240,667	-	-
December 31, 2022	420,500	73,236	262,500	103,596

No shares were repurchased under the 2022 NCIB subsequent to December 31, 2022.

Warrants

A summary of the number of common shares reserved pursuant to the Company's outstanding warrants as of December 30, 2022 and 2021 and the changes for the years ended on those dates is as follows:

WARRANTS

	For the Year Ended December 31	
	2022	**2021**
Share warrants outstanding at beginning of the period	26,993,666	-
Share warrants issued during the period	8,547,328	44,550,333
Share warrants expired during the period	-	-
Share warrants exercised during the period	(10,834,231)	(17,556,667)
Share warrants outstanding at end of the period	24,706,763	26,993,666
Share warrants exercisable at end of the period	24,706,763	26,993,666

Share Option Plan

On February 26, 2021 the Company's Board of Directors approved a rolling share option plan (the "Rolling Share Option Plan") as a replacement to the Company's Fixed Share Option Plan. Under the Rolling Share Option Plan the maximum number of common shares which can be reserved for issuance is 10% of the issued and outstanding shares of the Company. The minimum exercise price of the options shall not be less than the price determined in accordance with CSE policies while the Company's shares are listed on the CSE. Options granted may be subject

to vesting provisions as determined by the Board of Directors and have a maximum term of ten years.

During the year ended December 31, 2022, the Company granted shares options to purchase 200,000 common shares and recorded share-based compensation expense of $69,041 on the vesting of the share options granted. The fair value of the share options granted was estimated using the Black-Scholes Option Pricing Model using the following assumptions: risk-free interest rate of 1.07%; estimated volatility of 115%; expected life of 2 years; expected dividend yield of 0%; and an estimated forfeiture rate of 0%.

During the year ended December 31, 2021 the Company granted share options to purchase 8,200,000 common shares and recorded share-based compensation expense of $2,583,113 on the vesting of share options granted. The fair value of the share options granted was estimated using the Black-Scholes Option Pricing Model using the following assumptions: risk-free interest rate of 0.28% to 0.90%; estimated volatility of 112% to 127%; expected life of 1 year to 5 years; expected dividend yield of 0%; and an estimated forfeiture rate of 0%.
The weighted average measurement date fair value of all share options granted and vested during the years ended December 31, 2022, and 2021, using the Black-Scholes Option Pricing Model, was $0.36, and $1.13 per option, respectively.

Option-pricing models require the use of estimates and assumptions including the expected volatility. Changes in the underlying assumptions can materially affect the fair value estimates and, therefore, existing models do not necessarily provide reliable measure of the fair value of the Company's share options.
A summary of the Company's share options as of December 31, 2022 and 2021 and the changes for the years ended on those dates is as follows:

Share Options	Number	Weighted Average
Balance at December 31, 2020	**-**	**-**
Granted	8,200,000	1
Exercised	-	
Expired	(3,600,000)	
Balance at December 31, 2021	**4,600,000**	**1**
Granted	200,000	1
Exercised	-	-
Expired	(500,000)	1
Balance at December 31, 2022	**4,300,000**	**1**

The following table summarizes information about the share options outstanding and exercisable as of December 31, 2022:

Number Outstanding	Number Exercisable	Exercise Price	Expiry Date
4,100,000	3,137,500	1	February 26, 2026
200,000		1	January 5, 2024
4,300,000	**3,137,500**		

The following table summarizes information about the share options outstanding and exercisable as of December 31, 2021:

Number Outstanding	Number Exercisable	Exercise Price	Expiry Date

4,100,000	1,212,500	1	February 26, 2026
500,000	250,000	1	August 30, 2022
4,600,000	**1,462,500**		

Deferred Share Unit ("DSU") Plan and Restricted Share Unit ("RSU") Plan

On October 24, 2016 a deferred share unit ("DSU") plan was approved by the Company's Board of Directors and subsequently ratified by the Company's shareholders. Under the DSU Plan an eligible participant could elect to receive DSUs up to 100% of his or her annual base compensation. In addition, the Board could award additional DSUs to the participant. The maximum number of DSUs that could be awarded pursuant to the DSU Plan was 4,552,785 DSUs. On January 5, 2018 the Company awarded a total of 1,500,000 DSUs.

On December 14, 2020 the Company awarded a total of 500,000 DSUs which vested immediately. During the years ended December 31, 2022 and 2021 the Company recorded share-based compensation expense of $nil and $61,930, respectively, for the DSUs awarded on December 14, 2020 and the final vesting of DSUs which had been awarded during the year ended December 31, 2018.

On January 27, 2021 the Company issued 125,000 common shares of the Company on the partial redemption of DSUs by a former director of the Company, with the remaining 75,000 DSUs cancelled.

On February 26, 2021 the Company's Board of Directors approved a rolling restricted share unit plan (the "RSU Plan") as a replacement for the Company's DSU plan. Under the RSU Plan the maximum number of restricted shares units ("RSUs") which can be awarded is 10% of the issued and outstanding common shares of the Company. RSUs awarded may be subject to vesting provisions as determined by the Board of Directors.

The remaining 1,550,000 DSUs outstanding were transferred to the RSU Plan, with equivalent and no additional vesting, subject to the terms and provisions of the RSU Plan. Under IFRS 2, *Share-based Payment*, the transferring of the DSUs into RSUs are considered to be a modification and the Company has recognized additional share-based compensation expense of $337,250 during the year ended December 31, 2021.

During the year ended December 31, 2022, the Company issued 1,200,000 common shares upon redemption of RSUs. During the years ended December 31, 2022 and 2021, the Company recorded share-based compensation expense of $3,351,912 and $1,143,240, respectively, for the vesting of RSUs.

A summary of the Company's DSUs is as follows:

DSU'S	Number of DSU's
Balance at December 31, 2020	**1,750,000**
Awarded	-
Redeemed	(125,000)
Cancelled	(75,000)
Transferred to RSU Plan	(1,550,000)
Balance at December 31, 2021	-
Balance at December 31, 2022	-

A summary of the Company's RSUs is as follows:

RSU'S	Number of RSU's
Balance at December 31, 2020	**-**
Awarded	9,470,000
Redeemed	(1,000,000)
Cancelled	(3,475,000)
Transferred from DSU Plan	1,550,000
Balance at December 31, 2021	**6,545,000**
Awarded	400,000
Redeemed	(1,200,000)
Cancelled	
Transferred from DSU Plan	-
Balance at December 31, 2022	**5,475,000**

The following table summarizes information about the RSUs outstanding and exercisable as of December 31, 2022:

Number Outstanding	Number Exercisable
4,425,000	3,531,250
1,120,000	870,000
200,000	200,000
5,745,000	**4,601,250**

SIGNIFICANT ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

The Financial Statements are impacted by the significant accounting policies used, and the estimates and assumptions made by management during their preparation. The Company's accounting policies are described in note 2 of the Financial Statements.

CHANGES IN ACCOUNTING POLICIES

The Company made changes to the Company's accounting policies to reflect the transition from an investment issuer to an operating entity as of August 1, 2022, as described in the notes above.
See "Re-assessment of Investment Entities Under IFRS 3 - Business Combinations"

FORWARD-LOOKING STATEMENTS

This MD&A, including any information incorporated by reference, contains statements that, to the extent that they are not historical fact, may constitute "forward-looking statements" within the meaning of applicable securities legislation. Forward-looking statements may include, but are not limited to, statements with respect to:

- Financial and other projections, future plans, objectives, performance, revenues, growth, profits or operating expenses;

- The use of available funds and/or net proceeds from the offerings described herein;
- The performance of the Company's business and operations, including expectations regarding its anticipated future gross revenues, profit margins and expenses to be incurred in its operations;
- Plans to research, develop, implement, adopt, market and sell new technology or products, including continued research, development and commercialization regarding the Company's products and proposed products;
- Estimates and projections regarding the industry in which the Company operates or will operate, including the global pulse and ingredient market and expectations relating to trends and the adoption of new products;
- Requirements for additional capital and future financing options;
- Plans to launch new products, obtain new customers or expand the customer base, and enter into new markets;
- Expansion and acceptance of the Company's products in markets across different jurisdictions;
- Manufacturing and distribution partnerships and agreements;
- Plans related to marketing, distribution and production capacity;
- The timing and possible outcome of regulatory and legislative matters, including, without limitation, the Food and Drug Administration ("FDA"), European Medicines Agency ("EMA") and other regulatory approval processes;
- The Company's business objectives, milestones and the anticipated timing of execution; and
- Other expectations of the Company.

Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "project", "estimates", "forecasts", "budget", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Such forward-looking statements, made as of the date hereof, reflect the Company's current views with respect to future events and are based on information currently available to the Company and are subject to and involve certain known and unknown risks, uncertainties, assumptions and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed in or implied by such forward-looking statements, including but not limited to those described below and referred to under the heading "Risk Factors" and those discussed under the "Risk Factors" section of our most recent annual information form.

In making the forward-looking statements included in this MD&A, the Company has made various material assumptions, including, but not limited to:

- The general business, economic, financial market, regulatory and political conditions in which the Company operates will remain positive;
- The Company will continue to be in compliance with regulatory requirements;
- The tax treatment of the Company and its subsidiaries will remain constant and the Company will not become subject to any material legal proceedings;

- The Company will have sufficient working capital and be able to secure additional funding necessary for the continued operation and development of the Company; and

- Key personnel will continue their employment with the Company and the Company will be able to obtain and retain additional qualified personnel, as needed, in a timely and cost-efficient manner.

These risks, uncertainties, assumptions, and other factors should be considered carefully, and prospective investors and readers should not place undue reliance on the forward-looking statements. In addition, the Company has attempted to identify important risks and other factors that could cause actual actions or results to differ materially from those described in this forward-looking information, although there may be other risks or factors that cause actions or results not be as anticipated, estimated or intended.

These risks, uncertainties and other factors include, but are not limited to: the risks and factors set out below under the heading "Risk Factors"; risks posed by the economic and political environments in which the Company operates and intends to operate; changes in the laws and regulatory requirements with respect to the Company's product lines; contamination or adulteration of the Company's products; market instability due to the COVID-19 pandemic; the potential for losses arising from the expansion of operations into new markets; increased competition; assumptions regarding market trends and the expected demand and desires for the Company's products and proposed products; reliance on industry manufacturers, suppliers and others; the failure to adequately protect intellectual property; a failure to adequately manage future growth and product development; adverse market conditions; expansion of business into emerging markets; the Company's ability to access and purchase raw materials; and failure to satisfy ongoing regulatory requirements.

Investors are cautioned that the above list of cautionary statements is not exhaustive. Any forward-looking statement speaks only as of the date on which such statement is made, and the Company undertakes no obligation to update any forward-looking statement or information or statements to reflect information, events, results, circumstances or otherwise after the date on which such statement is made or to reflect the occurrence of unanticipated events, except as required by law including securities laws.

Risk Factors

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investments. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position, including risks described in this MD&A. See "Credit Risk" and Liquidity Risk".

<u>Competition</u>

The Company competes with other companies for financing and business opportunities in the prepared food industry. Most of the Company's competitors are, and many of its potential competitors may be, larger, and may have greater brand recognition, greater presence in both the retail and online marketplace and access to greater financial, marketing and other resources. Therefore, these competitors may be able to devote greater resources to the marketing and sale of their products, generate greater brand recognition or adopt more aggressive pricing policies and distribution methods than the Company. As a result, the Company may lose market share, which could reduce revenue and adversely affect the results of operations. Such competition may also result in the Company being unable to enter into desirable strategic agreements or similar transactions, to recruit or retain qualified employees or to acquire the capital necessary to fund its operations. Existing or future competition in the prepared foods industry, including, without limitation, the entry of large multinational entities into the industry, could materially adversely affect the Company's prospects.

<u>Risks Relating to Limited or Disrupted Supply of Key Ingredients</u>

A number of the ingredients in products offered by the Company or its subsidiaries are vulnerable to adverse weather conditions and natural disasters, such as floods, droughts, frosts, earthquakes, hurricanes and pestilence. Adverse weather conditions and natural disasters can lower crop yields and reduce crop size and quality, which in turn could reduce the available supply of, or increase the price of quality ingredients. The Company also competes with other

food producers in the procurement of ingredients, and as consumer demand for plant-based protein products increases, this competition may increase. If supplies of quality ingredients are reduced or there is greater demand for such ingredients, the Company may not be able to obtain sufficient supply on favourable terms, or at all, which could impact the ability to supply products to distributors and retailers and may adversely affect the Company's business, results of operations and financial condition.

Regulatory Risks

Changes in existing laws or regulations, or the adoption of new laws or regulations may increase the Company's costs and otherwise adversely affect the Company or its subsidiaries' business, results of operations and financial condition. The manufacture and marketing of food products is highly regulated. The Company and its suppliers and manufacturers are subject to a variety of laws and regulations. These laws and regulations apply to many aspects of the Company's business, including the manufacture, packaging, labeling, distribution, advertising, sale, quality and safety of its products, as well as the health and safety of its employees and the protection of the environment.

The regulatory environment in which the Company operates could change significantly and adversely in the future. Any change in manufacturing, labeling or packaging requirements for the Company's products may lead to an increase in cost or interruptions in production, either of which could adversely affect its operations and financial condition. New or revised government laws and regulations could result in additional compliance costs and, in the event of non-compliance, civil remedies, including fines, injunctions, withdrawals, recalls or seizures and confiscations, as well as potential criminal sanctions, any of which may adversely affect the Company's business, results of operations and financial condition.

Product Innovation and Development

Failure to introduce new products or successfully improve existing products may adversely affect the Company's ability to continue to grow. A key element of the Company's growth strategy depends on the development and marketing of new products that meet standards for quality and appeal to consumer preferences. The success of the Company's innovation and product development efforts is affected by its ability to anticipate changes in consumer preferences, the technical capability of innovation staff in developing and testing product recipes, including complying with applicable governmental regulations, and the success of management and sales and marketing teams in introducing and marketing new products. Failure to develop and market new products that appeal to consumers may lead to a decrease in growth sales and profitability.

Additionally, the development and introduction of new products requires substantial research, development and marketing expenditures, which the Company may be unable to recoup if the new products do not gain widespread market acceptance. If the Company is unsuccessful in meeting its objectives with respect to new or improved products, business could be harmed.

Damages to the Company's Reputation

The Company's brand and reputation may be diminished due to real or perceived quality or health issues with its products, which could have an adverse effect on the business, reputation, operating results and financial condition. Real or perceived quality or food safety concerns or failures to comply with applicable food regulations and requirements, whether or not ultimately based on fact and whether or not involving the Company (such as incidents involving competitors), could cause negative publicity and reduced confidence in the Company, brand or products, which could in turn harm the Company's reputation and sales, and could materially adversely affect its business, financial condition and operating results. Although the Company believes that it has a rigorous quality control process, there can be no assurance that products will always comply with the standards set for the Company's products. There is no assurance that health risks will always be preempted by the Company's quality control processes.

The Company has no control over products once purchased by consumers. Accordingly, consumers may prepare the Company's products in a manner that is inconsistent with the directions or store products for long periods of time, which may adversely affect the quality and safety of the Company's products. If consumers do not perceive the

Company's products to be safe or of high quality, then the value of the Company's brand would be diminished, and its business, results of operations and financial condition would be adversely affected.

Any loss of confidence on the part of consumers in the ingredients used in the Company's products or in the safety and quality of its products would be difficult and costly to overcome. Issues regarding the safety of any of the Company's products, regardless of the cause, may have a substantial and adverse effect on its brand, reputation and operating results.

The growing use of social and digital media by the Company, its consumers and third parties increase the speed and extent that information or misinformation and opinions can be shared. Negative publicity about the Company, its brands or its products on social or digital media could seriously damage the Company's brands and reputation. If the Company does not maintain the favorable perception of its brands, sales and profits could be negatively impacted.

Risks Associated with Future Acquisitions or Investments

During the financial year ended December 31, 2021, the Company completed the acquisitions of Belle Pulses and Sapienta. As the Company moves to integrate these businesses, it may experience difficulties, the anticipated benefits of the acquisitions may not be fully realized in a timely manner, or at all. The Company also intends to pursue further acquisitions and investments in the future that it believes will help achieve its strategic objectives. However, the Company may not be able to find suitable acquisition candidates, and even if it does, the Company may not be able to complete acquisitions on favourable terms, if at all. If the Company does complete acquisitions, it may not ultimately achieve the Company's goals or realize the anticipated benefits as acquisitions inherently involve a number of risks. Specifically, the pursuit of acquisitions and any integration process will require significant time and resources and could divert management time and focus and the Company may not be able to manage the process successfully. An acquisition, investment or business relationship may result in unforeseen operating difficulties and expenditures, including disrupting ongoing operations and subjecting the Company to additional liabilities, increasing expenses, and adversely impacting its business, financial condition and operating results. To pay for any such acquisitions, the Company would have to use cash, incur debt, or issue debt or equity securities, each of which may affect its financial condition or the value of the common shares and could result in dilution to our shareholders.

Operational Risks

The Company may be affected by a number of operational risks and may not be adequately insured for certain risks, including: labour disputes; catastrophic accidents; fires; blockades or other acts of social activism; changes in the regulatory environment; impact of non-compliance with laws and regulations; natural phenomena, such as inclement weather conditions, floods, earthquakes and ground movements. There is no assurance that the foregoing risks and hazards will not result in damage to, or destruction of, the Company's facilities, personal injury or death, environmental damage, adverse impacts on the Company's operations, costs, monetary losses, potential legal liability and adverse governmental action, any of which could have an adverse impact on the Company's future cash flows, earnings and financial condition on the Company. Also, the Company may be subject to or affected by liability or sustain loss for certain risks and hazards against which it may elect not to insure because of the cost. This lack of insurance coverage could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Risks Relating to Climate Change

Physical risks resulting from climate change can be event-driven (acute) or long-term (chronic) shifts in climate patterns that may have negative impacts on the Company's business, including direct damage to assets and indirect impact to the supply chain. As climate change accelerates, its impacts are becoming more widespread and unpredictable. The incidence and impact of severe weather-related events, long term changes in weather patterns that lead to extreme weather and natural disasters including flooding and drought, may have a negative effect on agricultural productivity, which may result in decreased availability or less favourable pricing for some or many of the ingredients in the Company's products. Furthermore, evolving regulatory and legal frameworks to tackle climate change today and in the future may lead to adverse impacts to the Company's business. These may include, but are not limited to, costs related to compliance, resources, and transportation.

Internal Controls Over Financial Reporting ("ICFR")

The management of the Company is responsible for establishing and maintaining adequate internal controls over financial reporting. Internal controls over financial reporting are a process to provide reasonable assurance regarding the reliability of the Company's financial reporting for external purposes in accordance with IFRS. Internal controls over financial reporting includes maintaining records that in reasonable detail accurately and fairly reflect the Company's transactions and dispositions of the assets of the Company; providing reasonable assurance that transactions are recorded as necessary for preparation of the Company's consolidated financial statements in accordance with IFRS; providing reasonable assurance that receipts and expenditures are made in accordance with authorizations of management and the directors of the Company; and providing reasonable assurance that unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the Company's consolidated financial statements would be prevented or detected on a timely basis.

Our management and the board of directors do not expect that our disclosure controls and procedures or internal controls over financial reporting will prevent all errors or all instances of fraud. A control system, no matter how well designed and operated, can provide only reasonable (not absolute) assurance that the control system's objectives will be met. Further, the design, maintenance and testing of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs.

Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control gaps and instances of fraud have been detected. These inherent limitations include the reality that judgment in decision-making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design, maintenance and testing of any system of controls is based in part upon certain assumptions about the likelihood of future events, and any control system may not succeed in achieving its stated goals under all potential future conditions.

Changes in Internal Control Over Financials Reporting

Other than disclosed above, there have been no changes in the Company's internal control over financial reporting during the Company's fiscal year ended December 31, 2022, that have materially affected or are reasonably likely to materially affect its internal control over financial reporting.

Investor Relations

The Company appreciates your continued support in our vision to create a leading global agribusiness.

To find out more about the Company, please visit our website at www.eatwellgroup.com.

Outstanding Share Data (as of July 2, 2024)

Outstanding Share Data	Fair Value
Outstanding	169,661,148
Treasury	-
Issued	169,661,148
Net Profits Interest (1)	65,031,826
Warrants	9,547,328
Options	4,300,000
RSU	5,475,000

Notes:

(1) The maximum number of common shares of the Company that may issued upon the redemption of the profits interest shares is not more than 65,031,826. As indicated in the Company's press release dated December 16, 2022, net profits interests were issued through 1325243 B.C. Unlimited Liability Company (the "ULC"), a wholly owned subsidiary of the Company, and represent a vehicle whose objective is to provide interests to be paid to the holders upon the Company exceeding certain valuation thresholds. Subject to certain escrow terms, holders of the profits interest shares may request, by written notice, that the ULC redeem all of part of their profits interest shares and the ULC shall affect such redemption within 30 days of such notice. The value of any such redemption is subject to the "Distribution Threshold" (as defined in the ULC Articles) established by the ULC and the Company. On December 5, 2022, the Distribution Threshold was set by the ULC and the Company at CAD$40,018,564.20. The redemption price (the "Redemption Price") per profits interest share is calculated by: (i) assessing the fair market value of all of the assets of the ULC as if they were sold at fair market value (which is to include the assets of all subsidiaries and portfolio investments of the Company); (ii) allocating all profits and losses (as defined in, and in the manner set out by, the ULC Articles; and (iii) liquidating residual amounts first to creditors and then to shareholders in the manner set out in the ULC Articles, with the Redemption Price being equal to the amount the holder of such profit interest share would be entitled to receive upon such liquidation. Please refer to the press release for further details on the net profits interests.

Additional Information

For more information, please contact the investor relations team at the following:

Investor Relations. Email: IR@eatwellgroup.com