WPD Pharmaceuticals Inc.

Management's Discussion & Analysis

For the Years Ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

This Management's Discussion and Analysis ("**MD&A**") provides relevant information on the operations and financial results of WPD Pharmaceuticals Inc. ("**WPD**" or the "**Company**") for the years ended December 31, 2023 and 2022.

Except for historical information, this MD&A includes forward-looking statements which are subject to risks and uncertainties. See – "*Cautionary Note Regarding Forward-Looking Information*". Actual results may differ materially from those in such forward-looking statements. The Company assumes no obligation to update its forward-looking statements to reflect results, changes in assumptions or changes in other factors affecting such statements.

The following discussion is Management's assessment and analysis of the results of operations and financial conditions of the Company and should be read in conjunction with the Company's audited financial statements and related notes thereto for the years ended December 31, 2023 and December 31, 2022, which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board and can be found on SEDAR+ at www.sedarplus.ca.

This MD&A is based on information available up to May 6, 2024, the date on which it was prepared and approved by the Audit Committee and the Board of Directors. All dollar figures stated herein are expressed in Canadian dollars except unless otherwise specified.

Forward Looking Statements

The information provided in this MD&A, including information incorporated by reference, may contain "forward-looking statements" or "forward-looking information" ("**forward looking statements**") about the Company. Without limitation, the words "may", "could", "would", "believe", "plan", "anticipate", "estimate", "expect", "intend", and words and similar expressions are intended to identify forward-looking statements. All statements, other than statements of historical fact, made by the Company that contemplate activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, the Company's proposed business objectives and plans.

These forward-looking statements speak only as of the date they are made and are based on information currently available and on the current expectations of the Company and assumptions concerning future events, We caution readers not to place undue reliance on forward-looking statements as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations and intentions expressed in such forward-looking statements. Forward-looking statements are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from that which was expressed or implied by such forward-looking statements. See – "*Risk Factors*".

The Company does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by the Company or on our behalf, except as required by law.

Narrative Description of the Business

Prior to November 25, 2022, the Company had active business operations that were carried out primarily through WPD Pharmaceuticals Sp. z o.o. ("**WPD Poland**"), which was the operating branch of the Company and a wholly owned subsidiary. Effective on November 25, 2022, the district court for Warsaw, Poland registered an increase in the share capital at WPD Poland, which related to the issuance of 34,000 shares of WPD Poland at PLN 50 per share to Houston Pharmaceuticals Inc. ("**HPI**") for cash proceeds of PLN 1,700,000 ($503,370). Following the share issuance, HPI owned 80.95% and the Company owned 19.05% of WPD Poland's share capital. As a consequence of the purchase of WPD Poland shares by HPI, the Company was determined to have lost control of the previously consolidated subsidiary WPD Poland and was deconsolidated in the Company's financial statements effective November 25, 2022 (the "**Date of**

Deconsolidation"). The Company has not carried on any active business since the Date of Deconsolidation of WPD Poland and has been evaluating opportunities to acquire an interest in an operating business.

WPD Poland is a biotechnology research and development company with a focus on oncology, namely research and development of medicinal products involving biological compounds and small molecules. The expenses and cash flows of WPD Poland for periods prior to the Date of Deconsolidation, as set out in the Statements of Loss and Comprehensive Loss, and Statements of Cash Flows of the audited financial statements for the financial year ended December 31, 2022 were included and presented on a consolidated basis. The statements essentially represented a consolidated entity for the year ended December 31, 2022 (consisting of the Company for the full year in 2022 and of WPD Poland for the period January 1, 2022 until the Date of Deconsolidation) and only the Company for the year ended December 31, 2023.

Operational Update

<u>2022 – Up to the Date of Deconsolidation (includes updates of the Company and of WPD Poland)</u>

The Company appointed Mr. Romuald Harwas as a director effective February 2, 2022. The appointment of Mr. Harwas filled the vacancy created by the prior resignation of Walter Klemp on October 14, 2021. Mr. Harwas brings several years of experience and expertise in finance to WPD Poland's Board of Directors. Mr. Harwas is a specialist in management, accounting and economic analysis.

In February 2022, the Company's board of directors (the "**Board**") approved a plan to restructure (the "**Restructuring**") the outstanding capitalization of its previously wholly owned Polish subsidiary WPD Poland. Due to the occurrence of negative shareholders' equity in WPD Poland, under Polish corporate law, WPD Poland was obligated to convene an extraordinary general meeting of its shareholders to vote on the implementation of a recovery plan or file a bankruptcy proceeding. As the Company was the sole shareholder of WPD Poland, its Board approved a recovery plan of WPD Poland, being the Restructuring. Under the Restructuring, the first step was that the outstanding share capital of WPD Poland be reduced through a voluntary redemption of 53,384 shares of WPD Poland by the Company for no cash consideration, which was completed on June 13, 2022 and increased the supplementary and reserve capitals of WPD Poland. Under the second step, the share capital of WPD Poland was increased on November 25, 2022.

In March 2022, WPD Poland received the final version of the signed Consortium Agreement related to the EuroNanoMed Project. The consortium **is** researching the potential of AGuIX® nanoparticles in maximizing radiotherapy efficiency and exploring two compounds specifically to restore glioblastoma cells' sensitivity to radiotherapy. Along with WPD Poland's Dr. Beata Pajak, the consortium includes Oslo University Hospital (Norway), NH TherAguix (France), and Jagiellonian University in Krakow (Poland). Over a three-year project timeline, the consortium aims to plan and adapt the X-ray doses given to the patient to maximize radiotherapy efficiency on these high-grade tumors while preserving the adjacent healthy tissue. On March 20, 2023 WPD Poland signed a sublicence termination agreement with Moleculin Biotech, Inc. ("**Moleculin**") to terminate the sublicence and transfer its rights to the compounds related to the EuroNanoMed Project back to Moleculin. Under the termination agreement Moleculin was required to pay WPD Poland US$700,000 and issue to WPD Poland such number of shares of Moleculin's common stock equal to US$800,000 divided by the five day average closing price per share of Moleculin prior to the date of the termination agreement. These final settlement considerations upon termination were not paid to WPD Poland, and instead were paid directly to LPC Enterprises, LLC in full and final settlement of their loan to WPD Poland.

On May 3, 2022, the Company received approval from the British Columbia Securities Commission (the "**BCSC**") for a temporary management cease trade order ("**MCTO**") under National Policy 12-203 – Management Cease Trade Orders, which prohibits trading in securities of the Company by certain insiders of the Company, whether direct or indirect. The Company required the MCTO as it was unable to file its annual filings for the year ended December 31, 2021 within the deadline as required under National Instrument 51-102 – Continuous Disclosure Obligations ("**NI 51-102**").

On May 16, 2022 WPD Poland signed Annex No. 2 into its license agreement dated November 28, 2017 (the "**License Agreement**") with Wake Forest University Health Sciences ("**WFUHS**"). The licensed know-how scope of Annex No.2 is larger than the previous agreement, and concerns information received from WFUHS related to, directly or indirectly, patent rights for the development, use or manufacture of the licensed products under the License Agreement.

On July 22, 2022, the Company received cease trade orders (the "**CTOs**") from the BCSC and the Ontario Securities Commission (the "**OSC**"), which prohibit trading in securities of the Company, whether direct or indirect. the CTO were issued due to the Company's failure to file audited and interim financial statements, management's discussion and analysis on the financial statements, and related certifications for the year ended December 31, 2022 within the deadline as required under NI 51-102.

On September 20, 2022, WPD Poland registered the subscription by HPI for 34,000 shares of WPD Poland at PLN 50 per share for gross proceeds of PLN 1,700,000 ($503,370). The issuance of the new shares became effective on November 25, 2022, the date of the registration of the increase in share capital in the national court registry in Warsaw, Poland. Upon completion, HPI owned 80.95% and the Company owned 19.05% of WPD Poland's issued shares. As the next step of the Restructuring, management of WPD Poland began to search for domestic Polish and eligible foreign investors also from European Union and USA, who are interested in participation in financing the next stages of the development of WPD Poland.

On November 25, 2022, the first patient was enrolled to receive the first dose of Annamycin in the Phase 1B/2 clinical trial of Annamycin in the treatment of soft tissue sarcoma (STS) lung metastases. The start of the clinical trial was possible with a project grant equivalent to US$1.5 million awarded by The Medical Research Agency, which is a Polish state agency responsible for development of scientific research in the field of medical and health sciences. WPD Poland was responsible for providing support in the preparation and conduct of this clinical trial. On March 20, 2023, WPD transferred its license rights to use the Annamycin compound back to Moleculin and the sublicence agreement with Moleculin was terminated. More information related to the termination agreement and the consideration paid to WPD Poland is provided on the previous page.

Liam Corcoran resigned from the Board and all officer positions, effective December 1, 2022. Following the resignation, the Board consisted of three members: Teresa Rzepczyk, Romuald Harwas and Peter Novak.

<u>2022: after the Date of Deconsolidation and 2023 (includes only updates of the Company)</u>

On May 1, 2023, the BCSC issued an order partially revoking the CTO in British Columbia, which permitted the Company to complete a convertible debenture offering. On June 2, 2023, the Company closed the convertible debenture offering through a private placement of unsecured convertible debentures (the "**Debentures**") that raised an aggregate principal amount of $300,000. Each Debenture is convertible into units of the Company at a conversion price of $0.05 per unit. Each unit will consist of one common share and one share purchase warrant exercisable to purchase one additional common share at a price of $0.05 for three years from the date of issuance of the unit. The Debentures bear interest at the rate of 18% per annum compounded monthly until maturity and after default. The Debentures will mature on June 2, 2026. The proceeds of this offering have been used to complete and file the outstanding Continuous Disclosure Documents, to pay legal fees, filing fees and certain accounts payable, and for general working capital.

On May 23, 2023, the Company appointed Constantine Carmichel and Nick Luksha as directors to the Board.

Following the Date of Deconsolidation, the Company retained a minority equity interest in WPD Poland as an investment asset only. Information in this MD&A related to WPD Poland after the Date of Deconsolidation is considered material and significant to WPD's equity interest in WPD Poland. On August 31, 2023, WPD Poland signed an Investment Agreement with ACRX Investments Limited ("**ACRX**") of Nicosia, Cyprus, for an investment by ACRX of PLN 11,940,000 (approx. CAD$3,918,000) in consideration of the issuance of new shares by WPD Poland to ACRX. The funds are being advanced to WPD Poland in scheduled tranches to be used for the joint development of drug projects currently and in the future carried out by WPD Poland. During the financial year ended December 31, 2023, ACRX advanced to WPD Poland total funds of PLN 5,126,961.58 (approx. CAD$1,682,365) in consideration of the issuance to ACRX of a total 61,526 shares at a par value of PLN 50 each. As a result of the issuance of the shares to ACRX and a few other issuances during the year ended December 31, 2023, the percentage equity ownership of WPD Poland shares by the Company decreased from 19.05% to 6.91%.

On May 26, 2023, Michael Malana resigned as the Company's Chief Financial Officer. On December 22, 2023, Michael Malana filed a Notice of Claim against the Company (the "**Claim**") in the Supreme Court of British Columbia alleging that the Company owed him approximately $200,000 in unpaid compensation. The Company intends to vigorously defend against the Claim. On January 24, 2024, the Company filed a Response to the Claim denying the Claim and also filed a Counterclaim against Mr. Malana for breach of his fiduciary duties and breach of contract.

On January 26, 2024, the Company filed its audited consolidated financial statements for the years ended December 31, 2022 and 2021.

On February 5, 2024, WPD Poland received the third tranche of funds from ACRX and issued to ACRX 14,400 shares at a par value of PLN 50 each for total consideration paid to WPD Poland of PLN 1,199,952 ($402,129), As a result of the issuance of the shares to ACRX, the percentage equity ownership of WPD Poland shares by the Company decreased from 6.91% to 6.15%.

Audit Committee Disclosure

Under National Instrument 52-110 Audit Committees ("**NI 52-110**"), a reporting issuer is required to provide disclosure annually with respect to its audit committee, including the text of its audit committee charter, information regarding the composition of the audit committee, and information regarding fees paid to its external auditor. The Company provides the following disclosure with respect to its audit committee (the "**Audit Committee**"):

The Audit Committee Charter

The full text of the Company's audit committee charter (the "**Audit Committee Charter**") is attached as **Schedule "A"** to this MD&A.

Composition of the Audit Committee

The Company's Audit Committee is comprised of three directors consisting of Teresa Rzepczyk, Constantine Carmichel and Nick Luksha. As defined in NI 52-110, all of the members of the Audit Committee are "independent". All of the Audit Committee members are "financially literate", as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting.

The Audit Committee is responsible for review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right, at all times, to inspect all the books and financial records of the Company and any subsidiaries and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The Audit Committee members meet periodically with management and annually with the external auditors.

Relevant Education and Experience

The following sets out the education and experience of each Audit Committee member that is relevant to the performance of his or her responsibilities as an Audit Committee member and that provides each member with: (i) an understanding of the accounting principles used by the Company to prepare its financial statements; (ii) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions, (iii) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; and (iv) an understanding of internal controls and procedures for financial reporting:

Teresa Rzepczyk

Ms. Rzepczyk has over 15 years of experience working with junior resources companies, with a particular focus on accounting and finance. She has an extensive background in organizing and managing public companies, including the going public process. Ms. Rzepczyk has experience as Controller of First Merit Group and is the former Chief Financial Officer and a former director of Cannex Capital Holdings Inc. (formerly, Arco Resources Corp.)

Constantine Carmichel

Mr. Constantine Carmichel is a businessman with over twenty-five years' experience in corporate finance, including consulting to private and public companies, spearheading multiple initial public offerings, and helping facilitate mergers and acquisitions.

For the past 20 plus years he has operated Caelum Finance Ltd. as a merchant bank and business development consulting company, helping clients achieve their goals. Connecting capital, offering fast access to sales channels, product consulting and rollout, data procurement and management, Business Process Outsourcing ("BPO"), and corporate restructuring are some of the services offered by Mr. Carmichel's company. Mr. Carmichel received his Bachelor's degree in Political Science from the University of British Columbia, Canada.

Nick Luksha

Nick Luksha is the managing partner of Tesoro Capital Partners and has over 18 years' business experience as an owner, senior management, and in capital markets as a director, President, and Executive Vice President of private and publicly traded companies. Throughout his career, Mr. Luksha has been a leader in numerous sectors including real estate development, investment, asset management, technology, franchising, and building management teams to help small to medium sized businesses achieve controlled growth. He has considerable experience providing access to capital for high-growth businesses worldwide. Mr. Luksha obtained his Bachelor of Arts degree from Concordia University in Montreal, Quebec, and also attended Harvard University for continuing studies.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions in Sections 2.4, 6.1.1(4), 6.1.1(5), or 6.1.1(6) or Part 8 of NI 52-110. Section 2.4 (De Minimis Non-Audit Services) which provide an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the financial year in which the non-audit services were provided. Sections 6.1.1(4) (Circumstance Affecting the Business or Operations of the Venture Issuer), 6.1.1(5) (Events Outside Control of Member) and 6.1.1(6) (Death, Incapacity or Resignation) provide exemptions from the requirement that a majority of the members of the Company's Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company. Part 8 (Exemptions) permits a company to apply to a securities regulatory authority or regulator for an exemption from the requirements of NI 52-110 in whole or in part.

Pre-Approval Policies and Procedures

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board and the Audit Committee, on a case-by-case basis, as applicable.

External Auditor Service Fees

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Company's external auditor by category in the last two financial years ended December 31, 2023 and 2022 are as follows:

Year Ended	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
December 31, 2023	$42,512	-	-	$30,000
December 31, 2022	$10,000	-	-	-

Exemption

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a 'venture issuer', is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

Selected Annual Information

Below is selected financial information for the three most recently completed financial years. The annual results presented in the table below were prepared in accordance with IFRS.

	December 31, 2023	December 31, 2022	December 31, 2021
	$	$	$
Total revenues	Nil	Nil	Nil
Comprehensive income (loss)	(80,082)	3,535,474	(5,325,161)
Total non-current liabilities	303,898	Nil	Nil
Total assets	346,407	75,850	1,863,535

Summary Of Quarterly Results

Below is selected financial information for the most recent eight quarters. The quarterly results presented in the table below were prepared in accordance with IFRS.

Quarter ended	Comprehensive income (loss)	Income (loss) per share
	$	$
December 31, 2023	122,387	0.00
September 30, 2023	(85,850)	(0.00)
June 30, 2023	(78,650)	(0.00)
March 31, 2023	(37,969)	(0.00)
December 31, 2022	5,547,603	0.05
September 30, 2022	(778,584)	(0.01)
June 30, 2022	(650,136)	(0.01)
March 31, 2022	(583,409)	(0.01)

The first three quarters in the year ended December 31, 2022, and the period up to Nov 25, 2022 in the quarter ending December 31, 2022 include the results of the Company as well as its wholly owned subsidiary WPD Poland up to the Date of Deconsolidation. The losses during that period represents mainly the cost of various research projects carried out by WPD Poland. However, deconsolidation of WPD Poland coupled with recognition of certain grant income in WPD Poland received prior to deconsolidation resulted in a comprehensive income of $5,547,603 in the quarter ended December 31, 2022. Subsequently, the comprehensive losses in the quarters of 2023 represent the costs incurred by the Company to keep it running, primarily consisting of professional fees, consultant fees and interest on convertible debt issued on June 2, 2023. For the quarter ended December 31, 2023, the loss is offset by a gain on value of investment in WPD Poland of $224,473 based on the change in fair value of that investment.

Results Of Operations

Total expenses incurred in the three months ended and years ended December 31, 2023 and 2022 respectively consisted of the following expenses:

	Three months ended December 31,		Year ended December 31,	
	2023	2022	2023	2022
Expenses				
Amortization and depreciation and impairment of tangible assets	$ 2,805	$ 18,068	$ 6,314	$ 54,538
Consultants	46,731	111,747	100,395	1,131,160
Interest expense	10,518	30,154	33,335	167,520
Professional fees	12,705	13,339	122,016	93,652
Salaries	-	108,759	-	798,862
Others	(5,867)	(167,074)	7,301	292,620
Total expenses	(66,892)	(114,993)	(269,361)	(2,538,352)

Effective the Date of Deconsolidation (November 25, 2022), the Company deconsolidated WPD Poland in the financial year ended December 31, 2022 due to WPD Poland raising capital directly from HPI resulting in the Company's share of ownership in WPD Poland being reduced from 100% to 19.05% as set out in Note 7 of the Company's audited consolidated financial statements for the years ended December 31, 2022 and 2021. Due to the deconsolidation of WPD Poland, the results of the Company's operations for the year ended December 31, 2023 reflect no active business as compared to the year ended December 31, 2022.

Three months ended December 31, 2023 and 2022

For the three months ended December 31, 2023, the Company reported a comprehensive income of $122,387 compared to a comprehensive income of $5,547,603 for the same period in 2022, a decrease in income of $5,425,216 which was primarily attributable to the following items:

(i) In the previous year's quarter, gain from loss of control in subsidiary of $4,522,434 was a one-off item that resulted from the deconsolidation of WPD Poland;
(ii) Other income of $1,757,763 in the three months ended December 31, 2022 related to government grants received in WPD Poland from NCRD prior to Date of Deconsolidation. There was no such income in the corresponding quarter of 2023 earned by the Company;
(iii) $224,473 gain relating to change in fair value of investment in WPD Poland in the current year quarter compared to $ Nil in the corresponding quarter in 2022;
(iv) $620,874 gain on account of foreign exchange translation adjustment, $108,759 decrease in salaries and decrease in consultants expenses of $65,016 were all on account of deconsolidation of WPD Poland without a corresponding similar amount in 2023;
(v) $5,867 credit in others in the current period is primarily as a result of foreign exchange gain and reversal of accruals relating to regulatory, transfer agent and shareholder info expenses in the Company, compared to $167,074 credit in the corresponding period of prior year, which related mostly to WPD Poland, primarily relating to foreign exchange gain.

Years ended December 31, 2023 and 2022

For the years ended December 31, 2023, the Company reported a comprehensive loss of $80,082 compared to a comprehensive income of $3,535,474 for the same period in 2022, a decrease of $3,615,556 which was primarily attributable to the net impact of the following items:

(i) In 2022, gain from loss of control in subsidiary of $4,522,434 was a one-off item that resulted from the deconsolidation of WPD Poland;
(ii) Other income of $1,873,367 in 2022 related to government grants received in WPD Poland from NCRD prior to Date of Deconsolidation. There was no such income in 2023 earned by the Company;
(iii) $224,473 gain relating to change in fair value of investment in WPD Poland in 2023 compared to $ Nil corresponding amount in 2022;
(iv) $321,795 gain on account of foreign exchange translation adjustment, $798,862 decrease in salaries and decrease in consultants expenses of $1,030,765 were all on account of deconsolidation of WPD Poland without a corresponding similar amount in 2023;
(v) Decrease in interest expense of $134,185 is a net result of interest expenses incurred in 2023 of $33,335 due to the convertible debentures issued in June 2023 and $167,520 incurred in 2022 on account of loans obtained by WPD Poland that were not incurred in 2023 due to deconsolidation of WPD Poland.

Liquidity And Capital Resources

The Company has financed its operations to date through the issuance of common shares and debt securities. The Company continues to seek capital through various means including the issuance of equity and/or debt securities.

As at December 31, 2023, the Company had a working capital deficit of $476,533 (December 31, 2022 – $478,792) inclusive of cash of $85,861 (December 31, 2022 – cash of $23,794).

Although the Company has previously been successful in raising the funds required for its operations, there can be no assurance that the Company will have sufficient financing to meet its future capital requirements or that additional financing will be available on terms acceptable to the Company in the future. See – "*Risk Factors*".

On June 2, 2023, the Company closed the private placement of Debentures to raise an aggregate principal amount of $300,000. Each Debenture is convertible into units of the Company at a conversion price of $0.05 per unit. Each unit will consist of one common share and one share purchase warrant exercisable to purchase one additional common share at a price of $0.05 for three years from the date of issuance of the unit. The Debentures bear interest at the rate of 18% per annum compounded monthly until maturity and after default. The Debentures will mature on June 2, 2026.

Summary of Outstanding Share Data

The Company's authorized capital is unlimited common shares without par value. As at December 31, 2023 and the date of this MD&A, the Company had 113,438,244 common shares, 2,515,000 stock options, ten Debentures, and nil warrants issued and outstanding as described below.

Expiry date	Number of options outstanding	Number of options exercisable	Weighted average exercise price ($)	Remaining life of options (Years)
January 13, 2025	2,015,000	2,015,000	0.86	1.04
November 4, 2025	500,000	500,000	0.86	1.85
	2,515,000	**2,515,000**	**0.86**	**1.20**

The Debentures are convertible into up to 6,000,000 units at a conversion price of $0.05 per unit. See – "*Narrative Description of the Business"* for more information regarding the terms of the Debentures.

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet arrangements.

Related Party Transactions

Related parties 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 the related parties of the Company consist of members of the Board and key management personnel, including the Company's Chief Executive Officer and Chief Financial Officer.

As at December 31, 2023, at total of $214,432 (December 31, 2022 – $214,432) is payable to the Company's former and current key management personnel and directors and other related parties that are controlled by a person who has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity) is included in accounts payable and accrued liabilities. As at December 31, 2023, the Company has $16,177 (December 31, 2022 - $16,177) owing to WPD Poland, a former subsidiary. These amounts due to related parties are unsecured, non-interest-bearing and are without fixed terms of repayment.

During the year ended December 31, 2023 and 2022, the Company also had the following transactions with related parties:

		Year Ended December 31, 2023		Year Ended December 31, 2022
Consultants	$	-	$	45,630
Salaries		-		31,991
Management and consulting fees		-		51,500
Director fees		-		7,500
	$	**-**	**$**	**136,621**

Proposed Transactions

As of December 31, 2023, the Company did not have any proposed transactions.

Critical Accounting Estimates and Judgments

The preparation of this MD&A is based on critical accounting estimates and judgments consistent with those used in the preparation of the audited annual consolidated financial statements for the years ended December 31, 2023 and 2022. For further information, see Note 2 of the Company's audited consolidated financial statements for the years ended December 31, 2023 and 2022.

Accounting Policies

In February 2021, the International Accounting Standards Board ("IASB") issued amendments to IAS 1 *Presentation of Financial Statements* and the IFRS PS 2 *Making Materiality Judgements*, to provide guidance on the application of materiality judgments to accounting policy disclosures. The amendments to IAS 1 replace the requirement to disclose "significant" accounting policies with a requirement to disclose "material" accounting policies. The standard was adopted by the Company on January 1, 2023.

Except the above-mentioned change to IAS 1, the preparation of this MD&A is based on accounting principles and practices consistent with those used in the preparation of the audited annual consolidated financial statements for the years ended December 31, 2023 and 2022. For further information, see Note 3 of the Company's audited annual consolidated financial statements for the years ended December 31, 2023 and 2022.

Financial Instruments and Other Instruments

Fair Value of Financial Instruments

The Company's financial instruments consist of cash, receivables, investments, accounts payables, due to related parties and convertible debentures. The carrying value of receivables, accounts payable and accrued liabilities approximates fair value due to the short-term nature of the financial instruments. Convertible debentures approximate their fair value because they are discounted using a market discount rate. Cash is valued at a Level 1 fair value measurement and is classified as fair value through profit or loss. Receivables and convertible debentures are classified as amortized cost. Investments are measured at fair value using Level 2 inputs. These estimates are subjective and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Financial instruments measured at fair value are classified into one of the three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of hierarchy are:

Level 1: Quoted prices in active markets for identical assets or liabilities.
Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

During the year ended December 31, 2023, WPD Poland had closed a significant investment agreement with certain entities and individuals, including the Company, which provided a relevant and reliable reference point to determine the fair value in 2023. Accordingly, the fair value measurement of investment in WPD Poland is categorized within Level 2 of the fair value hierarchy based on this recent financing price.

Financial Instruments Risk
The Company is exposed in varying degrees to a variety of financial instrument-related risks. The Board approves and monitors the risk management processes:

(i) Credit Risk
Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash and receivables. The Company's receivables are primarily due to other receivables and value added taxes. The Company limits its exposure to credit loss by placing its cash with major financial institutions. Credit risk with respect to value added taxes is minimal as the amounts are due from government agencies. The Company's maximum exposure to credit risk comprises of the carrying value of cash and receivables.

(ii) Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash on hand to meet its financial obligations.

(iii) Interest Rate Risk
Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. As at December 31, 2023, the Company has cash balances which are interest bearing. Interest income is not significant to the Company's projected operational budget and related interest rate fluctuations are not significant to the Company's risk assessment. The Company's convertible debentures are interest-bearing debt at a fixed rate and therefore not subject to interest rate risk.

(iv) Tax Risk
The Company is subject to various taxes including, but not limited to the following: income tax and goods and services tax. The Company's tax filings will be subject to audit by various taxation authorities. While the Company intends to base its tax filings and compliance on the advice of its tax advisors, there can be no assurance that its tax filing positions will never be challenged by a relevant taxation authority resulting in a greater than anticipated tax liability.

(v) Foreign Exchange Risk
The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company's exposure to foreign currency risk is minimal.

Capital Management

The Company's capital structure consists of cash and share capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company. The Board does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. In order to carry out the planned activities and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management since inception. The Company is subject to externally imposed capital requirements.

Corporate Governance Disclosure

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices*, the Company is required to disclose its corporate governance practices as follows:

Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through regular meetings of the Board. Teresa Liliana Rzepczyk, Peter Novak, Romuald Harwas, Constantine Carmichel and Nick Luksha are "independent" directors in that each are independent and free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act with the best interests of the Company, other than the interests and relationships arising from being shareholders. Mariusz Olejniczak is the Company's CEO. The Company is currently seeking candidates to fill the vacancy in the CFO position resulting from the resignation of Michael Malana as CFO on May 26, 2023.

Directorships

Certain directors of the Company are currently also directors of other reporting issuers, as described in the table below:

Name	Name of Reporting Issuer	Trading Market
Constantine Carmichel	Right Season Investments Corp. Glorious Creation Limited	TSX Venture Exchang Canadian Securities Exchange
Teresa Rzepczyk	Glorious Creation Limited	Canadian Securities Exchange
Nick Luksha	Glorious Creation Limited	Canadian Securities Exchange
Romuald Harwas	Pure Biologics S.A.	Warsaw Stock Exchange

Orientation and Continuing Education

The Board briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Board does not provide any continuing education.

Ethical Business Conduct

The Board has not adopted a written ethical business code of conduct for directors, officers and employees. However, the Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Company does not have a stand-alone nomination committee. The full Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the industry are consulted for possible candidates.

Compensation

The Company does not intend to provide compensation to any member of the Board in the near term other than through awards of stock options pursuant to the Company's Stock Option Plan.

Other Board Committees

The Company has no other committees other than the Audit Committee.

Assessments

The Board regularly monitors the adequacy of information given to directors, communications between the Board and management and the strategic direction and processes of the Board and its committees.

Risk Factors

Limited Operating History

The Company is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

Liquidity and Future Financing Risk

The Company has not carried on any active business since the Date of Deconsolidation. The Company will seek to raise additional funds to provide working capital for the next three (3) to six (6) months. Subject to raising additional capital, the Company intends to identify and evaluate opportunities for investment in or acquisition of companies dedicated to fostering growth and innovation in the business landscape of Poland and other jurisdictions, strategically investing across various sectors, from biopharmaceuticals and healthcare to technology and finance. The Company's ability to secure any required financing to carry out its acquisition plans will depend in part upon prevailing capital market conditions. There can be no assurance that the Company will secure additional funding or complete an acquisition of any other business, assets or investments.

Moreover, future activities may require the Company to alter its capitalization significantly and, if additional financing is raised by issuance of additional shares of the Company from treasury, control may change and shareholders will suffer dilution. The inability of the Company to access sufficient capital for its operations could have a material adverse effect on the Company's financial condition and results of operations.

Internal Controls

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Company under Canadian securities law, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations.

If the Company or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's condensed interim financial statements and materially adversely affect the trading price of the Company's common shares. Management of the Company will review and monitor the accounting cycle, payroll administration, operational activities, and financial reporting controls to assess internal control risks and to ensure proper internal control is in place. One of the deficiencies in internal control is the lack of segregation of accounting duties due to the limited size of WPD. However, the threat of this deficiency is considered immaterial as management has taken effective measures to mitigate this weakness.

The potential risk that flows from the identified deficiencies and weaknesses is the risk of potential fraud. However, the risk of fraud is considered low as management has taken measures as stated above to mitigate the potential risk of fraud. Management anticipates taking the following measures to mitigate this weakness: (i) all purchase and payment, including payroll, must be authorized by management; (ii) all capital expenditures must be preapproved by the Board; (iii) and almost all of the Company's cash will be deposited with a Canadian bank in Vancouver, Canada. Bank statements of WPD will be reviewed by the CFO of the Company regularly.

Management will continue to monitor the operations of WPD, evaluate the internal controls, and develop measures in the future to mitigate any potential risks and weaknesses.

Conflicts of Interest

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including other pharmaceutical or biotechnological companies) and, as a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest. The British Columbia *Business Corporations Act* (the "**BCBCA**") provides that in the event that a director or senior officer has a material interest in a contract or proposed contract or agreement that is material to an issuer, the director or senior officer must disclose his or her interest in such contract or agreement and interested director must refrain from voting on any matter related to such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA.

Additional Information

Additional information relating to WPD Pharmaceuticals Inc. can be accessed under the Company's public filings on SEDAR+ found at www.sedarplus.ca.

SCHEDULE "A"

The following is the text of the current Audit Committee Charter of the Audit Committee as adopted by the Board on January 1, 2008. The Board of Directors may amend the Audit Committee Charter in the future in light of evolving corporate governance standards.

Audit Committee Charter

Overall Purpose / Objectives

The Audit Committee will assist the board of directors (the "Board") in fulfilling its responsibilities. The Audit Committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the Company's process for monitoring compliance with laws and regulations and its own code of business conduct. In performing its duties, the committee will maintain effective working relationships with the Board of Directors, management, and the external auditors and monitor the independence of those auditors. To perform his or her role effectively, each committee member will obtain an understanding of the responsibilities of committee membership as well as the Company's business, operations and risks.

Authority

The Board authorizes the audit committee, within the scope of its responsibilities, to seek any information it requires from any employee and from external parties, to obtain outside legal or professional advice and to ensure the attendance of Company officers at meetings as appropriate.

Organization

(a) Membership

The Audit Committee will be comprised of at least three members, who are directors, a majority of which are not officers or employees of the Company.

The chairman of the Audit Committee will be nominated by the committee from time to time. A quorum for any meeting will be two members.

The secretary of the Audit Committee will be the Company Secretary, or such person nominated by the Chairman.

(b) Attendance at Meetings

The Audit Committee may invite such other persons (e.g. the President or Chief Financial Officer) to its meetings, as it deems appropriate.

Meetings shall be held not less than four times a year. Special meetings shall be convened as required. External auditors may convene a meeting of the Audit Committee if they consider that it is necessary.

The proceedings of all meetings will be minuted.

Roles and Responsibilities

The Audit Committee will:

- Gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

- Gain an understanding of the current areas of greatest financial risk and whether management is managing these effectively.

- Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.

- Review any legal matters which could significantly impact the financial statements as reported on by the general counsel and meet with outside independent counsel whenever deemed appropriate.

- Review the annual and quarterly financial statements, including Management's Discussion and Analysis and all annual and interim earnings press releases, prior to public dissemination, including any certification, report, opinion or review rendered by the external auditors and determine whether they are complete and consistent with the information known to committee members; determine that the auditors are satisfied that the financial statements have been prepared in accordance with generally accepted accounting principles.

- Pay particular attention to complex and/or unusual transactions such as those involving derivative instruments and consider the adequacy of disclosure thereof.

- Focus on judgmental areas, for example those involving valuation of assets and liabilities and other commitments and contingencies.

- Review audit issues related to the Company's material associated and affiliated companies that may have a significant impact on the Company's equity investment.

- Meet with management and the external auditors to review the annual financial statements and the results of the audit.

- Evaluate the fairness of the interim financial statements and disclosures and obtain explanations from management on whether:

  (a) actual financial results for the interim period varied significantly from budgeted or projected results;

  (b) generally accepted accounting principles have been consistently applied;

  (c) there are any actual or proposed changes in accounting or financial reporting practices; and

  (d) there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure.

- Review the external auditors' proposed audit scope and approach and ensure no unjustifiable restriction or limitations have been placed on the scope.

- Review the performance of the external auditors and approve in advance provision of services other than auditing. Consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the company. The Board authorizes the Chairman of the Audit Committee to approve any non-audit or additional audit work which the Chairman deems as necessary and to notify the other members of the Audit Committee of such non-audit or additional work.

- Make recommendations to the Board regarding the reappointment of the external auditors and the compensation to be paid to the external auditor.

- Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.

- Review and approve the Company's hiring policies regarding partners, employers and former partners and employees of the present and former external auditors of the Company.

- Establish a procedure for:

  (a) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
  (b) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters.

- Meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.

- Endeavour to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.
- Ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.

- Perform other functions as requested by the full Board.

- If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist, and set the compensation to be paid to such special counsel or other experts.

- Review and recommend updates to the charter; receive approval of changes from the Board.