PlantX

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PLANTX LIFE INC.

MANAGEMENT DISCUSSION AND ANALYSIS

For the three months ended June 30, 2022 and 2021

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This management discussion and analysis (**“MD&A”**) is to accompany the unaudited condensed interim consolidated financial statements of PlantX Life Inc. (**“PlantX”** or the **“Company”**) for the three months ended June 30, 2022, and 2021.

This MD&A is dated December 28, 2022.

The following MD&A should be read in conjunction with the unaudited condensed interim consolidated financial statements of the Company for the three months ended June 2022 and 2021 and with the audited consolidated financial statements and the notes thereto for the year ended March 31, 2022, which were prepared in accordance with International Financial Reporting Standards (**“IFRS”**). Unless otherwise noted, all currency amounts are in Canadian Dollars.

Management is responsible for the information contained in the MD&A and its consistency with the information presented, reviewed, and approved by the audit committee of the Company (the **“Audit Committee”**) and the board of directors of the Company (the **“Board”**).

FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A constitute forward-looking statements. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “designed”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. These statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements. Based on current available information, the Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that those expectations will prove to be correct. The forward-looking statements in this MD&A are expressly qualified by this statement, and readers are advised not to place undue reliance on the forward-looking statements.

DESCRIPTION OF THE BUSINESS

Overview

The Company is incorporated under the laws of the province of British Columbia. PlantX was formerly an exploration stage company engaged in the acquisition and exploration of mineral resource properties in Canada.

On August 5, 2020, the Company completed the acquisition of privately-held PlantX Living Inc. (formerly PlantX Life Inc.) (**“PlantX Living”**). The acquisition constituted a reverse takeover of the Company and the Company would carry on the business of PlantX Living (the **“RTO Transaction”**). Pursuant to the RTO Transaction, the Company changed its name from “Winston Resources Inc.” to “Vegaste Technologies Corp.”

On September 28, 2020, the Company changed its name to “PlantX Life Inc.” PlantX is a reporting issuer in the jurisdictions of British Columbia, Alberta and Ontario and lists its common shares (**“Common Shares”**) for trading on the Canadian Securities Exchange (“CSE”) under the symbol “VEGA”, on the

OTCQB® Venture Market under the symbol "PLTXF" and on the Frankfurt Stock Exchange under the symbol "WNT1".

The head office of the Company is located at 504-100 Park Royal South, West Vancouver, BC, V7T 1A2, Canada.

Strategy

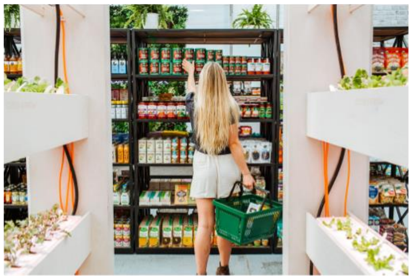
The Company is primarily an e-commerce company that offers multiple plant-based brands at its "one-stop shop for everything plant-based". The Company's e-commerce platform is an online source for high-quality plant-based products including groceries, ingredients, food and beverages, cosmetics, pet-foods and plants. The Company makes more than 5,000 plant-based products available to consumers throughout North America on its e-commerce websites.

The Company currently operates its business under a direct shipping model, whereby the Company facilitates the delivery of the goods from its warehouses directly to the end-point consumer who places the order. Additionally, the Company, under its wholly-owned subsidiary Bloomboxclub Limited (**"Bloombox Club"**), also operates its business relevant to Bloombox Club using a supply-chain management system known as "dropshipping" whereby Bloombox Club facilitates the delivery of the goods from a third-party manufacturer to a third party distributor and then to the end-point consumer who places the associated order. Dropshipping typically does not require Bloombox Club to own inventory. Strategically, dropshipping enables the Company's business to operate with limited overhead and inventory, thus maximizing margins and, ultimately, net profit.

During the three-month period ended June 30, 2022 the Company's management focused on building certain verticals, including, but not limited to, Bloombox Club, XMarket Chicago and Little West. The focus was on rebranding the brick and mortar locations to XMarket and equipping each location with the ability to fulfill orders under the direct shipping models. PlantX also seeks to create brand-awareness and customer engagement through its brick-and-mortar strategy. As of the date of this MD&A, PlantX has announced or opened brick-and-mortar locations in, Squamish, British Columbia, Venice Beach, California, Toronto, Ontario, Ottawa, Ontario, Plainfield, Illinois, Chicago, Illinois and Tel Aviv, Israel. The purpose of the PlantX branded locations is to provide a customer-friendly experience where consumers can engage and become educated about the benefits of a plant-based lifestyle, sample and purchase featured plant-based products and engage in the PlantX community.

Additionally, PlantX has acquired majority equity interests in each of Eh Coffee Corp. ("Eh Coffee") and Portfolio Coffee Inc to expand its verticals. With this acquisition, PlantX plans to sell the Companies' products on its online platform and its physical locations. PlantX will also exclusively use these curated beans to make the coffee beverages in its state-of-the-art cafe's located in XMarket Squamish, XMarket Venice Beach, XMarket Tel Aviv, and the two XMarkets located in Hudson's Bay stores (Yorkdale & Rideau). By featuring the Portfolio brand at the XMarket Cafés, PlantX can offer same day delivery throughout Vancouver, Los Angeles, Venice Beach, Tel Aviv, Toronto and Ottawa.

Furthermore, PlantX, through its wholly owned subsidiary, PlantX Midwest, the Company has acquired substantially all of the assets and assumed certain of the liabilities of Peter Rubi, LLC. PlantX intends to relaunch both Peter Rubi retail locations under the Company's "XMarket" brand. In line with the XMarket e-commerce enhancing strategy, the Company will leverage Peter Rubi's warehousing facilities, operational potential, extensive customer base, and plant-based merchandising expertise to boost its e-commerce growth in the US. The stores will serve as new storage and fulfillment centers that will increase and diversify the Company's distribution capabilities. This will enable the Company to serve e-commerce customers more efficiently across the Midwestern US, while driving online sales. Additionally, the stores will be capitalizing on the XMarket interactive shopping model to help expand PlantX brand awareness and foster online customer engagement.


XMarket Squamish


XMarket Rideau


XMarket Venice


XMarket Israel


XMarket Yorkdale

The PlantX platform also features a collaborative forum and blog to help like-minded consumers to engage through social media and via partnerships with top nutritionists, chefs and brands. By combining this online strategy with the opportunities to engage at brick-and-mortar locations, the Company seeks to cultivate a PlantX community that translates into increased sales through its e-commerce platform. Establishing a core consumer base that makes recurring purchases from the Company's e-commerce platform is critical to the execution of the Company's business model.

OPERATIONAL HIGHLIGHTS

On April 25, 2021, the Company's wholly owned subsidiary, Portfolio Coffee Inc. ("Portfolio Coffee"), launched a new Canadian e-commerce platform aiming to reflect the Company's ongoing rebranding efforts in line with its expansion strategy.

On April 26, 2021, the Company's wholly-owned subsidiary, Bloomboxclub Limited ("Bloombox Club") launched a new e-commerce platform in France.

On April 28, 2022, the Company announced the expansion of its multi-brand pop-up retail initiative at its brick-and-mortar location in Venice Beach, California.

On May 17, 2022, the Company announced a new partnership with Instacart, a leading retail enablement company in North America.

On June 2, 2022, the Company received authorization to sell and distribute alcoholic beverages in its U.S. retail stores in Chicago, Illinois, and Venice Beach, California.

FINANCIAL STATEMENTS GOING CONCERN ASSUMPTION

The condensed interim consolidated financial statements of the Company have been prepared on the basis of accounting principles applicable to a going concern under IFRS. The use of these principles under IFRS assumes that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge its liabilities in the normal course of operations. The Company incurs operating losses, which casts significant doubt about the Company's ability to continue as a going concern.

Management's current strategy is careful cost control while pursuing opportunities within various market sectors. Management recognizes the Company's need to increase its cash reserves in the coming year if it intends to adhere to its plans and has evaluated its potential sources of funds. Although management intends to assess and act on these options throughout the course of the year, there can be no assurance that the steps management takes will be successful.

In the event that cash flow from operations, together with the proceeds from any future financings are insufficient to cover planned expenditures, management will allocate available resources in such manner as deemed to be in the Company's best interest. This may result in a significant reduction in the scope of existing and planned operations.

During the three months ended June 30, 2022, the Company generated revenue of $5,015,724 (June 30, 2021 - $1,880,469) and as of June 30, 2022, had a deficit of $88,038,331 (March 31, 2022 - $82,873,822). The revenue growth of $3,135,255 compared to the same period of the prior year was driven by increasing sales on the e-commerce sites along with the strategic acquisitions that were able to service customer needs by providing food and plant deliveries to homes and other businesses.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of uncertainties related to events or conditions that may cast significant doubt upon its ability to continue as a going concern that these uncertainties are material and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business.

Accordingly, the condensed interim consolidated financial statements do not give effect to adjustments that would be necessary, should the Company be unable to continue as a going concern and therefore to realize its assets and discharge its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying condensed interim consolidated financial statements. These adjustments could be material.

SUMMARY OF FINANCIAL RESULTS

	30-Jun 2022	31-Mar 2022	31-Dec 2021	30-Sep 2021	30-Jun 2021
Revenue	5,015,724	4,537,130	2,740,419	2,826,790	1,880,469
Cost of sales	(3,218,440)	(3,839,481)	(1,743,907)	(1,533,827)	(964,280)
Net Loss	(5,210,417)	(29,390,638)	(7,385,845)	(7,617,163)	(10,283,084)
Basic and diluted loss per share	(0.54)	(4.49)	(1.4)	(1.4)	(1.8)
Total Assets	11,656,717	12,195,192	33,537,037	35,054,634	38,362,103
Total Liabilities	17,438,676	13,195,797	5,727,100	4,777,468	3,823,949

RESULTS OF OPERATIONS

Period from April 1, 2022, to June 30, 2022

During the three months ended June 30, 2022, the Company reported a net loss of $ 5,210,417 of which $324,645 was the result of share-based compensation and a loss per share of $0.54. The Company incurred $32,917 in accounting and audit fees in the normal course of operations, $1,014,013 in advertising and promotion, $279,774 in amortization, $1,576,233 in consulting and management fees, $1,955,762 in general and administrative expenses, $73,229 in insurance expense, $162,242 in legal fees, $1,608,714 in salaries expense, $34,794 in transfer agent and filing fees, $138,559 in travel expense, $110,744 in interest expense and earned $54,648 in foreign exchange gain and $4,572 in other income.

During the three months ended June 30, 2021, the Company reported a net loss of $ 10,283,084 of which $ 5,937,614 was the result of share-based compensation and a loss per share of $1.8. The Company incurred $88,997 in accounting and audit fees in the normal course of operations, $2,006,802 in advertising and promotion, $119,644 in amortization, $1,410,998 in consulting and management fees, $438,051 in general and administrative expenses, $33,223 in insurance expenses, 375,803 in legal expense, $745,912 in salaries expense, $34,752 in transfer agent and filing fees, $184,023 in travel expense, $69,711 in foreign exchange loss, and earned $8,737 in interest income and $237,520 in other income.

Operating expenses decreased significantly compared to the same period of the prior year as the Company implemented cost-cutting and rationalization measures during the three months ended June 30, 2022.

SELECTED FINANCIAL INFORMATION

	30-Jun 2022	31-Mar 2022	31-Dec 2021	30-Sep 2021	30-Jun 2021
Revenue	5,015,724	4,537,130	2,740,419	2,826,790	1,880,469
Gross Profit	1,797,284	697,650	996,512	1,292,963	916,189
Gross Profit (%)	36%	15%	36%	46%	49%
Operating Expenses	6,956,177	7,974,367	8,503,738	9,065,532	11,375,819

The revenue of the Company increased by $478,594 when comparing the three-month period ended June 30, 2022 to the three months period ended March 31, 2022, and the gross profit of the Company increased by $ 1,099,634 compared to March 31, 2022. Operating expenses decreased by $1,018,190 compared to March 31, 2022, as a result of operational efficiencies and cost-cutting measures.

LIQUIDITY AND CAPITAL RESOURCES

As of June 30, 2022, the Company had a working capital of $(5,780,934), inclusive of cash of $184,033, as compared to a working capital of $(2,927,221) inclusive of cash of $1,290,382 as of March 31, 2022.

The Company invests heavily in operational activities to achieve its strategic growth plan. This growth strategy focuses primarily on marketing, product & service diversity, supply chain expansion, geographic expansion, acquisitions and dedicated resources. Since launching the Company's e-commerce platform, www.PlantX.com, on March 31, 2020, the Company has increased these operational activities, both by heavily expanding its capital investment as well as focusing the Company's attention and other resources, to grow and expand the e-commerce platform.

Management has determined that in order to facilitate the growth and accommodate the demand for products being delivered within one to two business days, the Company plans to open storage facilities across North America. The opening of the warehouses began in September 2021. The expansion of additional brick-and-mortar PlantX locations will further augment the consumer experience.

To date, this path to market has been "capital expenditure light" and the physical brick-and-mortar locations have been a source of brand awareness for e-commerce. In addition to the existing flagship stores in Squamish, British Columbia, Venice Beach, California, and Hudson's Bay locations in Toronto and Ottawa.

As a recently established company, lead generation of new consumers that are linked to the e-commerce platform is expected to serve as a correlated driver of sales and revenue. To increase brand awareness and promote 'lead generation' to the Company's e-commerce platform, the Company has made and continues to make, key partnerships with plant-based online influencers, athletes, and celebrities. This strategy is not only to generate leads to the website but also to educate potential customers about the benefit of a plant-based diet. One way the company aims to achieve this strategy is through key partnerships and expanded product categories to create a differentiated one-stop shop. Media and publicity have also served as important tools through unique content creation, such as the Company's YouTube channel with programming led by Adam Kruger.

In addition to organic growth, the Company completed strategic acquisitions of highly synergistic plant-based companies. These companies operate in high-growth segments, exhibit strong business fundamentals, provide valuable know-how, integrate an existing customer base and supply chains, and are complementary to the existing e-commerce platform. These acquired companies have generated revenue, expanded the customer base, and geographic reach and enhanced the Company platform.

Depending on future events, the rate of expenditures and general and administrative costs could increase or decrease.

Liquidity and Solvency

The following table summarizes the Company's cash on hand, working capital and cash flow:

	30-Jun 2022	31-Mar 2022	31-Dec 2021	30-Sep 2021	30-Jun 2021
Cash	184,033	1,290,382	1,979,429	9,582,510	13,573,427
Working capital	(5,780,934)	(2,927,221)	958,886	8,895,699	13,648,200
Cash used in operating activities	(2,666,704)	(5,257,528)	(13,309,472)	(8,562,727)	(5,257,528)
Cash used in investing activities	(36,624)	(1,779,226)	(4,749,741)	(2,069,154)	(1,779,226)
Cash provided by Financing activities	1,773,496	246,457	(253,959)	(94,385)	246,457
Net Change in Cash	(1,106,349)	(6,791,468)	(18,385,466)	(10,782,385)	(6,791,468)

Cash used in operating activities was $ 2,666,704 for the three months ended June 30, 2022, which primarily consisted of inventory purchases and settlement of accounts payable and other liabilities. Cash used in investing activities was $36,624 for the three months ended June 30, 2022, which was mainly attributable to the purchase of equipment. Cash generated in financing activities was $1,773,496 for the three months ended June 30, 2022, which consisted of proceeds from loans, and payment of lease liabilities, net of repayment.

Cash used in operating activities was $5,257,528 for the three months ended June 30, 2021. Cash used in investing activities was $1,779,226 for the three months ended June 30, 2021. Cash generated by financing activities was $246,457 for the three months ended June 30, 2021.

The Company may have to raise additional funds in the future to continue its operations. There can be no assurance, however, that the Company will be successful in its efforts. If such funds are not available or other sources of financing cannot be obtained, then the Company may be forced to curtail its business activities.

Capital Resources

The Company's primary assets as of June 30, 2022, are cash and receivables.

The Company has no commitments for capital expenditures.

SHARE CAPITAL

Common Shares

The Company's authorized share structure consists of an unlimited number of Common Shares without par value. As of the date of this MD&A, there are, 10,039,196 Common Shares issued and outstanding. Holders of Common Shares are entitled to vote at all meetings of shareholders declared by the directors, and subject to the rights of holders of any shares ranking in priority to or on a parity with the Common

Shares, to participate ratably in any distribution of property or assets upon the liquidation, winding up or dissolution of the Company.

During the three months ended June 30, 2022, the Company issued an aggregate of 36,250 Common Shares in settlement of vested performance share units ("PSUs") and restricted share units **("RSUs")** to certain directors, officers, employees and consultants of the Company. The fair value of Common Shares issued was $ 1,926,000.

Warrants

During the three months ended June 30, 2022, 188,571 warrants were exercised.

Options

As of the date of this MD&A, there are 596,027 Options issued and outstanding under the Company's Option plan (the **"Stock Option Plan"**). Each Option entitles the holder to exercise the Option for one (1) Common Share in accordance with the terms of the Stock Option Plan.

Restricted Share Units

RSUs are granted by the Board to eligible persons pursuant to the Company's RSU plan (the **"RSU Plan"**). During the three months ended June 30, 2022, the Company has not granted any RSUs.

During the three months ended June 30, 2022, the Company issued 36,250 Common Shares for vested PSU and RSU's to certain directors, officers, employees, and consultants of the Company pursuant to the terms and conditions of the Company's PSU and RSU Plan.

As of the date of this MD&A, there are 82,916 RSUs issued and outstanding under the RSU Plan. Each RSU entitles the holder to a cash payment or one (1) Common Share at the discretion of the Company in accordance with the terms of the RSU Plan. The RSUs have a term of one year of which one quarter of the RSUs will vest every three months from the date of the grant.

Performance Share Units

PSUs are granted by the Board to eligible persons pursuant to the Company's PSU plan (the **"PSU Plan"**). During the three months ended June 30, 2022, no Common Shares were issued in settlement of vested PSUs. The Company did not issue any PSUs during the period ended June 30, 2021.

During the three months ended June 30, 2022, the Company has not granted any PSU.

OUTLOOK AND CAPITAL REQUIREMENTS

There are no immediate plans to raise additional capital as management believes the existing credit facility to be sufficient for operations and growth.

TRANSACTIONS WITH RELATED PARTIES

Related parties include key management personnel and the entities controlled or directed by key management personnel. Key management personnel includes the Board and key executives of the Company together with certain individuals responsible for outsourced services who in the opinion of the Company have satisfied relevant criteria to be considered, key management personnel under applicable accounting standards based on the information available as of the date of issuance of these condensed interim consolidated financial statements .

OFF-BALANCE SHEET ARRANGEMENTS

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

SUBSEQUENT EVENTS

On July 25, 2022, the Company obtained debt financing whereby it may borrow a principal amount of up to $10,000,000 from an arm's length creditor pursuant to the terms and subject to the conditions of a secured convertible promissory note issued to the Holder (the "Convertible Note"). The Convertible Note bear’s interest at a rate of 5.0% per annum, payable monthly and matures on May 1, 2024. The holder has the right to convert at its discretion, in whole or in part the outstanding eligible conversion amount into Common Shares at the closing trading price of the Common Shares on the last trading day immediately prior to the delivery of the conversion notice. The conversion price shall not be less than $0.05 per Common Shares.

On October 14, 2022, the Company completed the acquisition of the online domain www.veganessentials.com for an aggregate purchase price of $893,000. The purchase price was satisfied by: (i) $143,000 cash; and (ii) an aggregate of 1,071,428 Common Shares at a deemed issue price of $0.70 per share.

Effective September 26, 2022, the Board of Directors of the Company have approved to consolidated the Common Shares of the Company on the 20 for (1) one basis., accordingly share capital, options and warrants have been adjusted thereto.

PROPOSED TRANSACTIONS

There are no proposed transactions that will materially affect the performance of the Company other than those disclosed in this MD&A.

CONTINGENCIES AND COMMITMENTS

The Company is one of three parties that has been listed in a claim by the landlord of the San Diego store for breach of a lease in an amount no less than $750,000 for back rent and other charges due, future rent, and other charges due, together with accrued and accruing pre-judgment interest. The

Company is defending this claim and has filed a cross-complaint for $4,000,000 as a result of not being able to operate in the location**.**

SIGNIFICANT ACCOUNTING POLICIES

The Company's accounting policies are described in Note 4 of the unaudited condensed interim consolidated financial statements for the three months ended June 30, 2022 and audited consolidated financial statements for the year ended March 31, 2022.

Future accounting pronouncements

There are no other IFRS or International Financial Reporting Interpretations Committee interpretations that are not yet effective that are expected to have a material impact on the Company's condensed interim consolidated financial statements .

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Significant estimates and assumptions

The preparation of the financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting period include:

Deferred taxes

The determination of income tax expense and deferred tax involves judgment and estimates as to the future taxable earnings, expected timing of reversals of deferred tax assets and liabilities, and interpretations of tax laws. The Company is subject to assessments by tax authorities who may interpret the tax law differently. Changes in these estimates may materially affect the final amount of deferred taxes or the timing of tax payments.

Estimated useful lives and depreciation of intangible assets

Depreciation of finite-life intangible assets is dependent upon estimates of useful lives, which are determined through the exercise of judgment. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The Company's financial statements and the other financial information included in this management report are the responsibility of the Company's management, and have been examined and approved by the Board. The financial statements were prepared by management in accordance with generally accepted Canadian accounting principles and include certain amounts based on management's best estimates using careful judgment. The selection of accounting principles and methods is management's responsibility.

Management recognizes its responsibility for conducting the Company's affairs in a manner to comply with the requirements of applicable laws and established financial standards and principles, and for maintaining proper standards of conduct in its activities.

The Board supervises the financial statements and other financial information through the Audit Committee, which is composed of a majority of non-management directors.

The Audit Committee's role is to examine the financial statements and recommend if the Board approve the financial statements, to examine the internal control and information protection systems and all other matters relating to the Company's accounting and finances. To do so, the Audit Committee meets annually with the external auditors, with or without the Company's management, to review their respective audit plans and discuss the results of their examination. This Audit Committee is responsible for recommending the appointment of the external auditors or the renewal of their engagement.

RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

IFRS 13 establishes a fair value hierarchy that reflects the significance of inputs used in making fair value measurements as follows:

Level 1 quoted prices in active markets for identical assets or liabilities;

Level 2 inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., from derived prices); and

Level 3 inputs for the asset or liability that are not based upon observable market data.

As of June 30, 2022, the carrying value of the Company's financial instruments approximates their fair value due to their short terms to maturity.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's primary exposure to credit risk is in its cash accounts and accounts receivable. The Company manages credit risk, in respect of cash, by placing cash at major Canadian financial institutions. Accounts receivable mainly consists of receivables from its customers. The Company considers that no bad debt provision for the trade receivable is necessary based on the current business situation of its debtors at the reporting date.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due. At June 30, 2022, the Company had a cash balance of $184,033 and current liabilities of $9,149,778. All of the Company's financial liabilities have contractual maturities of less than 90 days.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on capital. As at June 30, 2022, the Company is not exposed to significant market risk.

BUSINESS RISK AND UNCERTAINTIES

The following are major risk factors management has identified which relate to the Company's business activities. Though the following are major risk factors identified by management, they do not comprise a definitive list of all risk factors related to the Company's business and operations. Other specific risk factors are discussed elsewhere in this MD&A.

History of Operating Losses

The Company was incorporated on October 11, 2019 and has not generated profit from its activities. The Company has an accumulated deficit since its incorporation through June 30 2022 amounted to $88,038,331.

Competitive Risk

There is competition within the innovative plant-based food, meal delivery, and beverages market. The Company will compete with other companies, many of which have been on the market longer, have greater financial, technical, and other resources than the Company, for, among other things, the recruitment and retention of qualified employees and other personnel.

Industry Risk

The Company is operating in comparison with other industries in a relatively young market. Typically, emerging industries grow faster but face greater uncertainty than mature industries. The plant-based industry is not fully developed yet, which means there is the growth potential for companies in this sector. On the other hand, the overall acceptance and education about the plant-based industry is still relatively low, which makes companies in that industry face a higher risk than in more mature industries.

Intellectual Property Risk

The Company has developed online platforms offering plant-based products available for fast home delivery. The Company may be unable to prevent competitors from independently developing e-commerce and online platforms similar to or duplicate of the Company, and there can be no assurance that the resources invested by the Company to protect the intellectual property will be sufficient. The Company may be unable to secure or retain ownership or rights.

Reliance on Management, Dependence on Key Personnel, and Conflict of Interest

The success of the Company will be largely dependent upon the performance of the directors and officers and the ability to attract and retain key personnel. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company can maintain the service of its directors and officers, or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Certain directors and officers of the Company may also serve as directors and officers of other companies involved in similar offering of plant-based products and its development and consequently the possibility of conflict exists. Any decisions made by such directors or officers involving the Company will be made in accordance with the duties and obligations of directors and officers to deal fairly and in good faith with the Company and such other companies. In addition, such directors declare their interest and refrain from voting on any matters in which such directors may have a conflict of interest.

For additional risk factors, please see section titled "*Risk Factors*" in the Company's most recently filed Annual Information Form available on SEDAR at www.sedar.com.

PERSONNEL

Current Directors and Officers

Lorne Rapkin, CEO, Director
Julia Frank, COO
Alex Hoffman, CMO, Director
Shariq Khan, CFO
Ralph Moxness, Director
Peter Simeon, Director
Quinn Field-Dyte, Director
Sean Dollinger, Founder and Promoter

OTHER

Additional information relating to the Company's operations and activities can be found by visiting the Company's website at http://www.PlantX.com and its profile on SEDAR at www.sedar.com.