

**EAT BEYOND GLOBAL HOLDINGS INC.**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

# Eat Beyond Global Holdings Inc.

## Management Discussion & Analysis

For the year ended December 31, 2020

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### 1.1 Date

This Management's Discussion & Analysis ("MD&A") of the financial condition and results of operations of Eat Beyond Global Holdings Inc. (formerly 1222554 B.C. Ltd.) (the "Company") should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2020, and the accompanying notes therein. This MD&A is dated April 29, 2021, which is the date that the Board of Directors of the Company (the "Board") approved the disclosure contained in this MD&A.

The results for the periods presented are not necessarily indicative of the results that may be expected for any future period. Except as otherwise indicated, all financial data in this MD&A have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

This MD&A contains forward-looking information which reflects management's expectations regarding the Company's growth, results of operation, performance and business prospects and opportunities. The use of words such as "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe", "outlook", "forecast" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements in this MD&A include, but not limited to, the Company's expectation of future activities and results, of its working capital needs and its ability to identify, evaluate and pursue suitable business opportunity. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results of events to differ materially from those anticipated in these forward-looking statements. Readers should not put undue reliance on forward-looking information.

All amounts in this MD&A are presented in Canadian dollars ("CAD").

Historical results of operations and trends that may be inferred from the following discussion and analysis may not necessarily indicate future results from operations.

### 1.2 Overall Performance

The Company was incorporated on September 9, 2019 under the laws of the Province of British Columbia, Canada by a Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (British Columbia) and changed its name from 1222554 B.C. Ltd. to Eat Beyond Global Holdings Inc. on September 17, 2019. The Company's head office and principal address is Suite 1570 – 505 Burrard Street, Vancouver BC, V6E 3P3. The registered and records office is 1500-1055 West Georgia Street, Vancouver, BC, V6E 4N7. The Company's common shares commenced trading on the Canadian Securities Exchange ("CSE") on November 17, 2020 under the symbol "EATS".

The Company is an investment company primarily focusing on investments in the plant-based protein and meat alternative food industry. The Company's investments may include the acquisition of equity, debt or other securities of publicly traded or private companies or other entities, financing in exchange for pre-determined royalties or distributions and the acquisition of all or part of one or more businesses, portfolios or other assets, in each case that the Company believes will enhance value for the shareholders of the Company in the long term.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time. This indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs through the issuance of common shares. If the Company is unable to continue as a going

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concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

### 1.3 Selected Annual Information

	For the year ended December 31, 2020	For the period from September 9, 2019 to December 31, 2019
Loss for the period	\$ (1,959,590)	\$ (44,512)
Loss per share	\$ (0.14)	\$ (0.01)
Current assets	\$ 3,221,273	\$ 132,513
Total assets	\$ 3,221,273	\$ 132,513
Total non-current liabilities	\$ Nil	\$ Nil

As at December 31, 2020, current assets consist of cash in the amount of \$1,092,156, for working capital purposes, prepaid expenses of \$71,229 and marketable securities of \$1,654,335 and convertible note receivable of \$403,553.

### 1.4 Results of Operations

During the year ended December 31, 2020, the Company reported a net loss of \$1,959,590 as compared to a net loss of \$44,512 for 2019. The net loss in the current year was reduced by the realized gain on disposition of marketable securities of \$562,970 and the recording of a gain on fair value of marketable securities of \$896,153. Total expenses for December 31, 2020 were \$3,427,301 as compared to \$44,512 for 2019. The increase in expenses can be attributed an increase in marketing and promotion of \$573,928 that comprised of public relations, branding and website development, increase in consulting fees of \$763,983 that comprised of capital markets advisory and management fees and increase in professional fees of \$264,528 that includes audit and legal services. The Company also recorded a share-based payments of \$1,765,760 which represents the fair value of the stock options and restricted share units granted during the year.

### 1.5 Summary of Quarterly Results

A summary of results for the six quarter since incorporation follows:

	Dec 31, 2020 Qtr 4	Sep.30, 2020 Qtr 3	Jun 30, 2020 Qtr 2	Mar 31, 2020 Qtr 1	Dec 31, 2019 Qtr 4	Sep 30, 2019 Qtr 3
Investment income (loss)	\$ 1,304,448	\$ (89,045)	\$ 406,154	\$ (153,846)	\$ -	\$ -
Net (loss) income	\$ (1,770,790)	\$ (214,277)	\$ 328,967	\$ (303,490)	\$ (29,812)	\$ (14,700)
Comprehensive (loss) income	\$ (1,770,790)	\$ (214,277)	\$ 328,967	\$ (303,490)	\$ (29,812)	\$ (14,700)
Income (loss) per share <sup>(1)</sup>	\$ (0.11)	\$ (0.01)	\$ 0.02	\$ (0.04)	\$ (29,812)	\$ (14,700)

Note: (1) Based on the weighted average number of common shares outstanding during the period. The weighted average number of common shares outstanding during the period from September 9, 2019 to December 31, 2019, being one (1).

The Company was incorporated on September 9, 2019 and September 30, 2019 was the first quarter end. During the quarter ended March 31, 2020, the Company recorded a net loss of \$303,490 which included a loss of \$153,846 in its fair value of its marketable securities. During the quarter ended June 30, 2020 the Company recorded a net income of \$328,967 as compared to a net loss of \$303,490 for the previous quarter. The increase in net income is due to the recording of the fair value of \$406,154 on its marketable securities for the quarter. During the quarter ended September 30, 2020, the Company recorded a net loss of \$214,277 as compared to the net income of \$328,967 for the previous quarter. The increase in the net loss is due to an increase in expenses and a loss of fair value on its

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investment of \$89,045. During the quarter ended December 31, 2020, the Company recorded a net loss of \$1,770,790 as compared to the net loss of \$214,277 and increase of approximately \$1,556,513. The main increase in the net loss is due to the recording of the share-based payment of \$1,765,760.

### 1.6 Liquidity and Capital Resources

As at December 31, 2020, the Company had working capital of \$3,115,459. As at December 31, 2020, the Company had cash on hand of \$1,092,156 available to settle accounts payable and accrued liabilities of \$105,814.

The Company's budget is its working capital and believes that the current capital resources is sufficient to cover overhead expenses and potential investments for the next twelve months and continues to raise additional funding to fund its future marketing and general working capital and towards potential investments, if such opportunities arise. The Company will continue to monitor the current economic and financial market conditions and evaluate their impact on the Company's liquidity and future prospects.

#### *Financing activities*

On February 5, 2020, the Company issued 5,000,000 units at \$0.005 per unit for gross proceeds of \$25,000, of which 500,000 units were sold to a Company controlled by a former director. Each unit is comprised of one common share and one common share purchase warrant. Each warrant will entitle the holder to purchase one common share of the Company at \$0.05 per share for a period of 24 months from the date of issuance. \$10,000 of the gross proceeds was included in share subscription received in December 31, 2019.

On February 13, 2020, the Company issued 7,325,000 units at \$0.02 per share for gross proceeds of \$146,500, of which 475,000 units were issued to a company controlled by a director. Each unit is comprised of one common share and one common share purchase warrant. Each warrant will entitle the holder to purchase one common share of the Company at \$0.05 per share for a period of 24 months from the date of issuance. \$67,025 of the gross proceeds was included in share subscription received in December 31, 2019.

On March 17, 2020, the Company issued 252,200 Special Warrants at \$0.05 per Special Warrant for total gross proceeds of \$12,610. Each Special Warrant will entitle the holder to receive one common share of the Company at no additional consideration on the exercise or deemed exercise of each Special Warrant.

On March 18, 2020, the Company issued 2,693,510 common shares ("Shares") at \$0.50 per share for gross proceeds of \$1,346,755. The Company incurred \$87,273 of cash finders' fees and issued 174,545 finders' warrants with a fair value of \$45,700. Each finders' warrant entitles the holders to acquire one common share at an exercise price of \$0.50 for two years from the grant date. \$100,000 of the gross proceeds was included in share subscription received in December 31, 2019.

On April 23, 2020, the Company issued 500,000 common shares ("Shares") at \$0.50 per share for gross proceeds of \$250,000. The Company incurred \$17,500 of cash finders' fees and issued 35,000 finders' warrants with a fair value of \$9,100. Each finders' warrant entitles the holders to acquire one common share at an exercise price of \$0.50 for two years from the grant date.

On July 18, 2020, the Company issued 252,200 common shares on conversion of the Special Warrants.

On August 12, 2020, the Company issued 3,362,640 Special Warrants at \$0.50 per Special Warrant for gross proceeds of \$1,681,320. The Company incurred \$45,732 of cash finders' fees and issued 108,614 finders' warrants with a fair value of \$28,300. Each finders' warrant entitles the holders to acquire one common share at an exercise price of \$0.50 for two years from the grant date. Each Special Warrant will entitle the holder to receive one common share of the Company at no additional consideration on the exercise or deemed exercise of each Special Warrant. On November 17, 2020, the Company issued 3,362,640 common shares on conversion of the Special Warrants. The Company also incurred \$34,000 in legal fees as share issue cost.

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During the year ended December 31, 2020, 646,567 share purchase warrants were exercised for total proceeds of \$76,121. The Company transferred \$25,441 from reserves as 97,317 share purchase warrants were agent's warrants.

#### *Investing activities*

On March 6, 2020, the Company subscribed \$400,000 to a non-brokered placement in Greenspace Brands Inc. for 6,153,846 common shares at a price of \$0.065 per share.

On June 8, 2020, the Company subscribed \$50,000 to an initial public offering in The Very Good Food Company Inc. for 200,000 common shares at a price of \$0.25 per share.

On August 31, 2020, the Company subscribed \$100,000 to a non-brokered placement in Good Natured Products Inc. for 714,284 common shares at a price of \$0.14 per share.

On September 30, 2020, the Company loaned \$250,000 through a convertible note to Nabati Foods Inc. ("Nabati") earning interest at 10% per annum, payable annually, with a five-year maturity. At any time prior to maturity, the Company has the right to convert all or any portion of the Note into fully paid and non-assessable Class A voting shares of Nabati.

On October 2020, the Company subscribed for 8,000 share purchase warrants of Eat Just, Inc. for total proceeds of \$86,058 (US\$64,720) and subsequently in October 2020, the Company exercised the share purchase warrants for 7,998 common shares of Eat Just, Inc. for \$113,869 (US\$86,252).

On October 2020, the Company subscribed for \$200,205 (US\$150,000) in TurtleTree Labs Pte Ltd. in a Simple Agreement for Future Equity ("SAFE").

On September 18, 2020, the Company loaned \$144,989 (US\$113,878) through a convertible note in SingCell TX Pte Ltd. ("SingCell"). The Note earns interest at 5% per annum with a maturity date of September 16, 2023. Interest is payable on the maturity date. The Note will automatically convert into fully paid senior shares at the conversion price based on certain events.

The Company may continue to have capital requirements in excess of its currently available resources. In the event the Company's plans change, its assumptions change or prove inaccurate, or its capital resources in addition to projected cash flow, if any, prove to be insufficient to fund operations, the Company may be required to seek additional financing. 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.

#### **1.7 Off-Balance Sheet Arrangements**

The Company does not utilize off-balance sheet arrangements.

#### **1.8 Risk and Uncertainties**

The Company's financial performance is likely to be subject to the following risks:

- The Company has not generated any significant revenue and has incurred significant losses since inception.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

##### *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

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### *Credit risk*

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash, which is held with a high-credit financial institution. As such, the Company's credit exposure is minimal.

### *Liquidity risk*

Liquidity risk arises from the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. The Company addresses its liquidity through equity financing obtained through the sale of common shares. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future.

### *Currency risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange. The Company has minimal exposure to foreign currency transactions during the year ended December 31, 2020 and accordingly the risk is considered low.

### *Price risk*

Equity price risk is the risk of potential loss to the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. As at December 31, 2020, the Company's marketable securities of \$1,654,335 are subject to fair value fluctuations. If the fair value of the Company's marketable securities had decreased/increased by 10% with all other variables held constant, loss and comprehensive loss for the period ending December 31, 2020 would have been approximately \$165,000 higher/lower.

## **1.9 Transactions with Related Parties**

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 corporate officers. The Company entered into the following transactions with related parties during the year ended December 31, 2020.

	December 31, 2020	December 31, 2019
	\$	\$
Consulting fees paid to a company controlled by CEO	37,275	-
Consulting fees paid to a company controlled by a former Director	-	15,000
Consulting fees paid to a company controlled by CFO	4,200	-
	41,475	15,000
Share-based payments to officers and directors of the Company	961,000	-
	1,002,475	15,000

Consulting fees are recognized in the statement of loss and comprehensive loss. As at December 31, 2020, there were no amounts payable to related parties.

## **1.10 Fourth Quarter**

During the fourth quarter ended December 31, 2020, the Company recorded a net loss of \$1,770,790 as compared to \$29,812 for the comparable quarter ended December 31, 2019. The net loss in 2020 included \$1,765,760 in share-based payments as the stock options and restricted share units were granted in the fourth quarter. The Company was also approved for listing on the Canadian Securities Exchange on November 16, 2020 and commenced trading on

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November 17, 2020. The Company also incurred \$652,602 in consulting fees to capital markets advisory and management fees, \$492,872 in marketing and promotion that comprised of public relations, branding and website development. The increase in expenses were offset by the \$567,332 in gain on fair value of its marketable securities and \$562,970 in realized gain on the disposal of its marketable securities.

### 1.11 Proposed Transaction

None.

### 1.12 Critical Accounting Estimates

Not applicable to venture issuers.

### 1.13 Changes in Accounting Policies including Initial Adoption

The financial information presented in this MD&A has been prepared in accordance with International Financial Reporting Standards. Our significant accounting policies are set out in Note 2 of the financial statements of the Company, as at and for the year ended December 31, 2020.

### 1.14 Financial Instruments and Other Instruments

The Company's classifies and measures its financial instruments as follows:

Asset/Liability	Measurement Category	Subsequent measurement
Cash	Amortized cost	Amortized cost
Marketable securities	FVTPL	Fair value
Convertible note receivable	FVTPL	Fair value
Accounts payable and accrued liabilities	Amortized cost	Amortized cost

### 1.15 Other Requirements

*Summary of Outstanding Share Data as of date of this MD&A:*

Authorized: Unlimited number of common shares without par value.

Issued and outstanding: 32,984,477 common shares.

Warrants: 1,662,572

Options: 1,172,000

*Subsequent to December 31, 2020:*

On April 9, 2021, the Company closed a private placement of 541,270 units at a price of \$2.09 per unit for total proceeds of \$1,131,255. Each unit consists of one common share of the Company and one transferable share purchase warrant. Each warrant will entitle the holder to purchase one additional share at a price of \$2.50 per share expiring on April 9, 2023.

On January 6, 2021, the Company granted 150,000 stock options to a consultant exercisable at \$2.60 per share.

10,875,290 Share purchase warrants were exercised for total proceeds of \$588,558.

1,788,000 Stock options were exercised for total proceeds of \$894,000.

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On behalf of the Board of Directors, thank you for your continued support.

As per:

*“Ravinder Kang”*

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**Ravinder Kang**

Director