A copy of this preliminary prospectus has been filed with the securities regulatory authorities in each of the provinces of British Columbia and Ontario but has not yet become final. Information contained in this preliminary prospectus may not be complete and may have to be amended.

No securities regulatory authority has expressed an opinion about any information contained herein and it is an offence to claim otherwise. This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities.

*These securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States (as such term is defined in Regulation S under the U.S. Securities Act) and may not be offered, sold or delivered, directly or indirectly, in the United States, except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This prospectus does not constitute an offer to sell or solicitation of an offer to buy any of these securities in the United States. See "Plan of Distribution".*

PRELIMINARY PROSPECTUS

NON-OFFERING PROSPECTUS **March 31, 2021**

ZOGLO'S INCREDIBLE FOOD CORP.

No securities are being offered pursuant to this Prospectus.

This non-offering long form prospectus (the "**Prospectus**") is being filed with the Ontario Securities Commission, as principal regulator, and with the securities authorities in the Province Ontario, to enable Zoglo's Incredible Food Corp. (the "**Company**") to become a "reporting issuer" in the Provinces of British Columbia and Ontario pursuant to applicable securities legislation and to develop an organized market for the common shares of the Company (the "**Common Shares**"). Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised, and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Company from its general corporate funds.

There is no market through which the securities of the Company may be sold. This may affect the pricing of the Company's securities in the secondary markets; the transparency and availability of trading prices; the liquidity of the Company's securities and the extent of issuer regulations. See "*Risk Factors*".

The Company has applied to list its Common Shares on the Canadian Securities Exchange (the "**CSE**"). In order to obtain a listing, the Company must fulfill all of the listing requirements of the CSE, including obtaining a receipt for this Prospectus from the Ontario Securities Commission distributing its Common Shares to a minimum number of public shareholders and meeting certain financial and other requirements.

No underwriter or selling agents have been involved in the preparation of this Prospectus or performed any review or independent due diligence of the contents of this Prospectus.

An investment in securities of the Company is speculative and involves a high degree of risk. In reviewing this Prospectus, you should carefully consider the matters described under the heading "*Risk Factors*".

As of the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States.

Prospective investors are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding, or disposing of Common Shares, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian corporation that acquires Common Shares.

Prospective investors should rely only on the information contained in this Prospectus. Readers should assume that the information appearing in this Prospectus is accurate only as of its date, regardless of its time of delivery. The Company's business, financial condition, results of operations and prospects may have changed since that date.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities.

Unless otherwise noted all currency amounts in this Prospectus are stated in Canadian dollars.

Zoglo's Incredible Food Corp.
Suite 2050 – 1055 West Georgia Street
Vancouver, B.C. V6E 3P3

Phone: 416-768-4554

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GLOSSARY OF TERMS

The following is a glossary of certain defined terms used throughout this Prospectus. This is not an exhaustive list of defined terms used in this Prospectus and additional terms are defined throughout. Terms and abbreviations used in the financial statements and management's discussion and analysis included in, or appended to this Prospectus are defined separately. Words importing the singular, where the context requires, include the plural and vice versa, and words importing any gender include all genders.

"**Audit Committee**"	means the audit committee of the Company.
"BCBCA"	means the *Business Corporations Act* (British Columbia).
"**Board**" or "**Board of Directors**"	means- the board of directors of the Company.
"**Carve-Out Financial Statements**"	means the audited carve-out financial statements of Zoglos Foreign Business of Naknik Nahariya Kasher Soglowek Ltd. for the years ended December 31, 2020 and 2019, together with the notes thereto and the auditors' report thereon, attached as Schedule "";
"**CEO**"	means Chief Executive Officer.
"**CFO**"	means Chief Financial Officer.
"Closing"	means the closing date of the Transaction.
"**Common Shares**"	means the common shares in the capital of the Company.
"**company**"	means, unless specifically indicated otherwise, a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.
"**Company**" or "**Zoglos**"	means Zoglo's Incredible Food Corp. (formerly 1258481 B.C. Ltd.), a company incorporated under the BCBCA on July 23, 2020.
"**Company Financial Statements**"	means, collectively, the audited financial statements of the Company for the period from July 23, 2020 (date of incorporation) to December 31, 2020, together with the notes thereto and the auditors' reports thereon, collectively attached hereto at Schedule "E".
"**Company MD&A**"	means the management's discussion and analysis of the Company for the period from July 23, 2020 (date of incorporation) to December 31, 2020, attached hereto at Schedule "B".
"**Control Person**"	means any person or company that holds or is one of a combination of persons or companies that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.
"**COO**"	means Chief Operating Officer.
"**CSE**"	means the Canadian Securities Exchange.

"**CSE Listing**"	means the listing of the Common Shares on the CSE.
"**Dividend Restricted Stock Units**"	means the Restricted Stock Units credited to a Participant's account issued in connection with the declaration and payment of dividends on Common Shares, pursuant to the Restricted Stock Plan.
"**Eligible Persons**"	means all directors, officers, employees and affiliates of the Company, who are eligible to participate in the Restricted Stock Plan.
"**Exchange Act**"	means the *United States Securities Exchange Act of 1934*, as amended from time to time.
"**Insider**"	means: (a) a director or senior officer of the Company; (b) a director or senior officer of the Company that is an Insider or subsidiary of the Company; (c) a Person that beneficially owns or controls, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Company; or (d) the Company itself if it holds any of its own securities.
"**Named Executive Officers**" or "**NEOs**"	means each of the following individuals: (a) the CEO; (b) the CFO; (c) each of the three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than CAD$150,000, for that year; and (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.
"**NI 41-101**"	means National Instrument 41-101 – *General Prospectus Requirements*, of the Canadian Securities Administrators.
"**NI 52-110**"	means National Investment 52-110 – *Audit Committees*, of the Canadian Securities Administrators.
"NNKS"	means Naknik Nahariya Kasher Soglowek Ltd, a corporation registered in Israel
"OBCA"	means the *Business Corporations Act* (Ontario).
"**Options**"	means stock options to acquire Common Shares.
"OSC"	means the Ontario Securities Commission.
"**Participants**"	means Eligible Persons to whom Restricted Stock Units have been granted and are outstanding.
"**Person**"	means a company or individual.

"**Promoter**"	means (a) a person or company who, acting alone or in conjunction with one or more other persons, companies or a combination thereof, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of an issuer, or (b) a person or company who, in connection with the founding, organizing or substantial reorganizing of the business of an issuer, directly or indirectly, receives in consideration of services or property, or both services and property, 10% or more of any class of securities of the issuer or 10% or more of the proceeds from the sale of any class of securities of a particular issue, but a person or company who receives such securities or proceeds either solely as underwriting commissions or solely in consideration of property shall not be deemed a promoter within the meaning of this definition if such person or company does not otherwise take part in founding, organizing, or substantially reorganizing the business.
"**Regulation S**"	means Regulation S promulgated under the U.S. Securities Act.
"**Restricted Stock Plan**"	means the restricted stock plan of the Company.
"**Restricted Stock Units**" or "**RSUs**"	means restricted stock units of the Company issued under the Restricted Stock Plan.
"**SEDAR**"	means the System for Electronic Document Analysis and Retrieval maintained by the Canadian Securities Administrators.
"**Share Exchange Agreement**"	means the share exchange agreement dated February 12, 2021 among Zoglo, Zoglo Sub, Zoglo Sub Shareholders, Zoglo Sub Warrantholders and Zoglo Sub Optionholders, pursuant to which the Company acquired Zoglo Sub in exchange for the issuance of Common Shares to the Zoglo Sub Securityholders.
"**Shareholders**"	means holders from time to time of Common Shares.
"**Stock Option Plan**"	means the incentive stock option plan of the Company.
"Transaction"	means the acquisition by the Company of all the issued and outstanding share capital of Zoglo Sub in exchange for Common Shares on the terms and conditions set forth in the Share Exchange Agreement which occurred on March 23, 2021.
"**US Securities Act**"	means the *U.S. Securities Act of 1933*, as amended.
"**USA**", "**United States**", or "**U.S.**"	means the United States of America, its territories and possessions, and any state of the United States, and the District of Columbia.
"**Warrants**"	means share purchase warrants exercisable to acquire Common Shares.
"Zoglo Sub"	means Zoglo's Incredible Food Inc. (formerly, Zoglo's Incredible Food Corp.), a company incorporated under the OBCA on July 13, 2020.
"Zoglo Sub Financial Statements"	means the audited financial statements of Zoglo Sub for the period from July 13, 2020 (date of incorporation) to December 31, 2020, together with the notes thereto and the auditors' reports thereon, collectively attached hereto at Schedule "C".

"Zoglo Sub MD&A"	means the management's discussion and analysis of Zoglo Sub for the period from July 13, 2020 (date of incorporation) to December 31, 2020, attached hereto at Schedule "D".
"Zoglo Sub Shareholders"	means shareholders of Zoglo Sub prior to the Closing.
"Zoglo Sub Optionholders"	means optionholders of Zoglo Sub prior to Closing.
"Zoglo Sub Securityholders"	means the Zoglo Sub Shareholders, Zoglo Sub Warrantholders and Zoglo Sub Optionholders.
"Zoglo Sub Warrantholders"	means warrantholders of Zoglo Sub prior to Closing.

GENERAL MATTERS

Unless otherwise noted or the context indicates otherwise "we", "us", "our" or the "Company" refer to Zoglo's Incredible Food Corp. and its subsidiaries.

The Company is not offering to sell securities under this Prospectus. Readers should rely only on the information contained in this Prospectus. The Company has not authorized any other person to provide you with additional or different information. If anyone provides you with additional or different or inconsistent information, including information or statements in media articles about the Company, you should not rely on it. You should assume that the information appearing in this Prospectus is accurate only as at its date. The Company's business, financial conditions, results of operations and prospects may have changed since that date.

CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION

In this Prospectus, unless otherwise indicated, all references to "$" or "dollars" refer to Canadian Dollars, all references to "USD$" refer to United States Dollars.

FINANCIAL STATEMENT PRESENTATION IN THIS PROSPECTUS

The following financial statements of the Company and its subsidiaries have been prepared in accordance with the International Financial Reporting Standard ("**IFRS**") and are included in this Prospectus (see *"Financial Statements"*):

- Audited financial statements of the Company for the period from July 23, 2020 (date of incorporation) to December 31, 2020, together with the notes thereto and the auditors' report thereon, attached as Schedule "A";

- Audited consolidated financial statements of Zoglo Sub for the period from July 13, 2020 (date of incorporation) to December 31, 2020, together with the notes thereto and the auditors' report thereon, attached as Schedule "C";

- Audited carve-out financial statements of Zoglos Foreign Business of Naknik Nahariya Kasher Soglowek Ltd. for the years ended December 31, 2020 and 2019, together with the notes thereto and the auditors' report thereon, attached as Schedule "E"; and

- Pro forma financials statements of the Company as of December 31, 2020, attached as Schedule "F".

FORWARD LOOKING STATEMENTS

This Prospectus contains forward-looking statements and forward-looking information within the meaning of applicable securities legislation about the Company and the development of its business. Forward-looking statements give the Company's current expectations of forecasts of future events. All statements other than statements of current or historical fact contained in this Prospectus, including statements regarding the Company's future financial position, business strategy, new products, budgets, liquidity, cash flows, projected costs, regulatory approvals or the impact of any laws or regulations applicable to us, and plans and objectives of management for future operations, are forward-looking statements. The words any of the words "anticipate," "believe," "continue," "should," "estimate," "expect," "intend," "may," "plan," "project," "will," or the negatives of these terms or other similar expressions, as they relate to us, are intended to identify forward-looking statements or information.

These statements are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. The Company does not intend, and disclaims any obligation, to update any forward-looking statements after it files this Prospectus, whether as a result of new information, future events or otherwise, except as required by the securities laws. These forward looking statements are made as of the date of this Prospectus.

The Company has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes might affect its financial condition, results of operations, business strategy and financial needs. These forward-looking statements include, among other things, statements relating to:

- the intention to complete the listing of the Common Shares on the CSE and all transactions related thereto;
- the Company's expectation with respect to the timing of the acquisition of the Zoglos Products;
- the performance of the Company's products and product candidates;
- the supply and demand of the Company's products;
- the Company's expectations regarding its revenue, expenses and operations;
- the Company's expected business objectives for the next twelve months;
- the Company's competitive position and the regulatory environment in which the Company operates;
- the Company's intention to grow the business and its operations;
- the Company's expectation that revenues derived from its operations will be sufficient to cover its expenses over the next twelve months;
- the Company's expectations with respect to future production costs and capacity;
- the Company's anticipated cash needs and its needs for additional financing; and
- the Company's ability to obtain additional funds through the sale of equity or debt commitments.

These forward-looking statements are based on the Company's current expectations about future events. While the Company believes these expectations are reasonable, such forward-looking statements are inherently subject to risks and uncertainties, many of which are beyond the Company's control. The Company's actual future results may differ materially from those discussed or implied in the Company's forward-looking statements for various reasons. Factors that could contribute to such differences include, but are not limited to:

- the Company's expectations and assumptions relating to the ongoing ability of the Company to develop, manufacture and market its products;
- the availability of capital to undertake planned expenditures;
- the acceptance by the CSE of the listing of the Company's Common Shares;
- natural phenomena (including the current COVID-19 pandemic);

- the ability of the Company to attract wholesale, foodservice and retail customers;
- the ability of the Company to obtain regulatory approval for its products;
- the Company's ability to sustain, manage or forecast its growth;
- international, national and local general economic and market conditions;
- the availability and cost of labour and services;
- actions by government authorities, including changes in government regulation;
- future decision by management in response to changing conditions;
- the Company's ability to execute prospective business plans;
- misjudgments in the course of preparing forward-looking statements;
- the Company's ability to raise sufficient funds to carry out its proposed business plan;
- dependency on certain key personnel and any inability to retain and attract qualified personnel; and
- other factors discussed in this Prospectus under the heading "*Risk Factors*".

These factors should not be considered exhaustive. If any of these risks or uncertainties materialize, or if assumptions underlying the forward-looking statements prove incorrect, actual results might vary materially from those anticipated in those forward-looking statements.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Forward-looking statements might not prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company advises you that these cautionary remarks expressly qualify, in their entirety, all forward-looking statements attributable to the Company or persons acting on the Company's behalf. The Company does not undertake to update any forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting such statements, except as, and to the extent required by, applicable securities laws. You should carefully review the cautionary statements and risk factors contained in this Prospectus.

All of the forward-looking statements and forward-looking information contained in this Prospectus are expressly qualified by the foregoing cautionary statements. Investors should read this entire Prospectus and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of their investment.

MARKET AND INDUSTRY DATA

Unless otherwise indicated, information contained in this Prospectus concerning the Company's industry and the markets in which it operates, including general expectations and market position, market opportunities and market share, is based on information from independent industry organizations, other third-party sources (including industry publications, surveys and forecasts) and management studies and estimates.

Unless otherwise indicated, the Company's estimates are derived from publicly available information released by independent industry analysts and third-party sources as well as data from the Company's internal research and include assumptions made by the Company which management believes to be reasonable based on their knowledge of the Company's industry and markets. The Company's internal research and assumptions have not been verified by any independent source, and it has not independently verified any third-party information. While the Company believes the market position, market opportunity and market share information included in this Prospectus is generally reliable, such information is inherently imprecise. In addition, projections, assumptions and estimates of the Company's future performance and the future performance of the industry and markets in which it operates are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described under the heading "*Forward Looking Statements*" and "*Risk Factors*".

PROSPECTUS SUMMARY

The following is a summary of the principal features of this Prospectus and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus. Certain capitalized terms and phrases used in this Prospectus are defined in the "Glossary of Terms".

Business of the Company

<u>The Company</u>

The Company was incorporated under the BCBCA on July 23, 2020 under the name "1258481 B.C. Ltd.". On March 29, 2021, the Company changed its name to "Zoglo's Incredible Food Corp." in connection with the closing of the Transaction. The Company's registered and records office is located at Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia V6E 3P3.

Prior to closing of the Transaction, the Company had no active business and was incorporated for the purpose of undergoing a transaction to become a reporting issuer and to list on a Canadian stock exchange. See "*Description of the Business*".

<u>Zoglo's Incredible Food Inc.</u>

Zoglo Sub was incorporated on July 13, 2020 under the OBCA. Zoglo's head office and registered office is located a 23 Jenkins Drive, Richmond Hill, Ontario L4C 8C5.

Zoglo Sub changed its name to "Zoglo's Incredible Food Inc" on March 30, 2021.

Zoglo Sub is a plant-based foods company that is in the business of designing, developing, producing, distributing and selling plant-based meat alternative products. Its mission is to inspire sustainable practices, making the world a better place, one plant-based meal at a time.

<u>The Transaction</u>

On February 12, 2021, the Company entered into the Share Exchange Agreement dated February 12, 2021 with Zoglo Sub and Zoglo Sub Securityholders, whereby the Company acquired all of the issued and outstanding common shares in the capital of Zoglo Sub in exchange for the issuance of 64,000,000 Common Shares to Zoglo Sub Shareholders on a pro rata basis. The Company completed the Transaction on March 23, 2021.

In connection with the Transaction, the Company assumed all obligations of Zoglo Sub pursuant to the Soglowek Agreements and issued 3,000,000 Restricted Stock Units to David Sugarman.

Zoglo Sub became a wholly-owned subsidiary of the Company following the closing of the Transaction.

No Proceeds Raised

No securities are being offered pursuant to this Prospectus. This Prospectus is being filed with the OSC for the purpose of allowing the Company to become a reporting issuer in such jurisdiction and to enable the Company to develop an organized market for its Common Shares. Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Company.

The Listing

The Company has applied to list its Common Shares on the CSE. Listing will be subject to the Company fulfilling all of the listing requirements of the CSE, including, without limitation, the distribution of the

Common Shares to a minimum number of public shareholders and the Company meeting the minimum listing requirements.

Risk Factors

An investment in the securities of the Company is speculative and involves a significant degree of risk. There are certain factors and risks which should be considered when evaluating an investment in the Company, including but not limited to: the Company's dependence on key personnel; the additional regulatory burden resulting from the public listing on the CSE; the Company's dependence on intellectual property; conflicts of interest arising amongst the Company's directors and management; the Company's ability to compete with both direct and indirect competition; disruption at its facilities; the impact of the COVID-19 pandemic; changes to governmental regulation; risks relating to labelling of products; increases in prices of raw materials; changes to consumer trends; the Company's ability to meet customer demands; disruption related to key ingredients; climate change; changes to food safety and consumer health regulations and standards; the Company's ability to increase brand value; the Company's ability to maintain its reputation; risks associated with leasing commercial space and equipment; the Company's ability to create new products; the Company's ability to maintain current customers or recruit new customers; litigation risks; the Company's ability to continue operations; the Company's ability to manage growth; the Company may require additional funding; potential intellectual property infringement claims; management and directors exercise control significant control over the Company; no existing market for the Common Shares; no cash dividends in the foreseeable future; and illiquidity and price volatility of the Common Shares. These categories of risk are not comprehensive and additional risks are disclosed elsewhere in this Prospectus. Prospective purchasers should carefully consider the information set out under "*Risk Factors*" and the other information in this Prospectus before purchasing securities of the Company.

Summary Financial Information

The summary unaudited pro forma financial information as at December 31, 2020 has been prepared by the Company and is presented as if the Transaction had occurred on December 31, 2020. The information has been derived from the Company Pro forma Financial Statements attached as Schedule "F" hereto. This summary pro forma financial information should be read in conjunction with the Company Financial Statements, Zoglo Sub Financial Statements and the Company Pro forma Financial Statements attached as Schedules "A", "C" and "F" hereto, respectively. The financial statements were prepared and presented in accordance with IFRS and are expressed in Canadian Dollars.

	Zoglo Sub for the period from July 13, 2020 (date of incorporation) to December 31, 2020 (audited) ($)	**Company for the period from July 23, 2020 (date of incorporation) to December 31, 2020 (audited) ($)**	**Company as at December 31, 2020 on a pro forma basis after giving effect to the Transaction ($)**
Revenue	Nil	Nil	-
Total Operating Expenses	10,149	16,842	-
Net Income (Loss)	(10,149)	(16,842)	-
Current Assets	936,305	132,486	6,106,791
Total Assets	936,305	132,486	11,106,791
Total Liabilities	96,390	24,768	3,121,158

	Zoglo Sub for the period from July 13, 2020 (date of incorporation) to December 31, 2020 (audited) ($)	Company for the period from July 23, 2020 (date of incorporation) to December 31, 2020 (audited) ($)	Company as at December 31, 2020 on a pro forma basis after giving effect to the Transaction ($)
Shareholders' Equity (Deficiency)	839,915	107,718	7,985,633

The following table sets forth historical carve-out financial statements relating to NNKS's sales of Zoglos Products outside of Israel as conducted by NNKS before the Zoglos Acquisition. The information has been derived from the Carve-Out Financial Statements attached as Schedule "E" hereto. The extent of the sales activity and profitability in future years by the Company following the completion of the Zoglos Acquisition cannot be predicted, and historical financial information may not be indicative of future revenue, future sales activity and future profitability. This summary should be read in conjunction with the Carve-Out Financial Statements, including the notes thereto. The financial statements were prepared and presented in accordance with IFRS and are expressed in Canadian Dollars.

	Zoglo Carve-Out for the Year Ended December 31, 2019 (audited) ($)	Zoglo Carve-Out for the Year Ended December 31, 2020 (audited) ($)
Revenue	1,360,000	1,261,000
Total Operating Expenses	1,242,000	1,236,000
Net Income (Loss)	69,000	16,000

See *"Selected Financial Information ".*

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated under the BCBCA on July 23, 2020 under the name "1258481 B.C. Ltd." and is headquartered in Vancouver, British Columbia, Canada. On March 23, 2021, the Company completed the Transaction pursuant which the Company acquired Zoglo Sub, the operating subsidiary of the Company, which is based in Richmond Hill, Ontario, Canada. Zoglo Sub operates in the plant-based foods industry.

The Company's head office and registered office is located at Suite 2050 – 1055 West Georgia Street, Vancouver, BC V6E 3P3 and Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia V6E 3P3, respectively.

Zoglo Sub's head office and registered office is located a 23 Jenkins Drive, Richmond Hill, Ontario L4C 8C5.

Intercorporate Relationships

The Issuer has the following wholly-owned subsidiary:

Name of Subsidiary	Jurisdiction of Incorporation	Shareholders and Interest held
Zoglo's Incredible Food Inc.	Ontario	Zoglo's Incredible Food Corp. (100%)

GENERAL DESCRIPTION OF THE BUSINESS

Prior to the acquisition of Zoglo Sub, the Company had no active business. Accordingly, the business discussion set forth below relates to the business of Zoglo Sub which upon closing of the Transaction, became the business of the Company.

Three Year History

Zoglo's Incredible Food Corp.

<u>Financings</u>

On November 6, 2020, the Company issued 4,500,000 Common Shares at a price of $0.005 per Common Share as part of a seed round financing (the "**First Seed Financing**") for aggregate gross proceeds of $22,500.

On November 10, 2020, the Company issued 3,000,000 Common Shares at a price of $0.02 per share as part of the second round of a seed financing (the "**Second Seed Financing**") for aggregate gross proceeds of $60,000.

On December 11, 2020, the Company issued 1,000,000 special warrants ("**Special Warrants**") at a price of $0.05 per Special Warrant as part of the third and final round of Seed Financing for aggregate gross proceeds of $50,000. Each Special Warrant will automatically convert without payment of any consideration into one Common Share at 1:00 p.m. (Vancouver time) on the earlier of the date that is (i) the third business day after a receipt for a final prospectus qualifying the distribution of Common Shares; and (ii) April 12, 2021.

On March 22, 2021, the Company closed a non-brokered private placement financing (the "**Subscription Receipt Financing**") under which the Company issued an aggregate of 27,000,000 subscription receipt of the Company (each, a "**Subscription Receipt**") at a price of $0.25 per Subscription Receipt for gross proceeds of approximately $6,750,000. Each Subscription Receipt entitles the holder to receive, without payment of additional consideration or taking of further action, one Common Share upon receiving the conditional approval of the CSE for the CSE Listing and the release of the Escrowed Proceeds to the Company. The Company issued to eligible finders 848,400 finder's warrants as part payment of finder's fee. Each finder's warrant entitles the holder thereof to acquire one Common Share for a period of 12 months from the date of issuance. Upon the release of the escrowed funds to the Company, the Company will pay $212,000 in cash to eligible finders.

The gross proceeds from the Subscription Receipt Financing were deposited with the Company in escrow (the "**Escrowed Proceeds**"). If the Subscription Receipts are not converted into Common Shares on or before 5:00 p.m. (Vancouver time) on October 31, 2021 (the "**Release Deadline**"), the Subscription Receipts will immediately become null, void and of no further force or effect and, as soon as reasonably possible, and in any event within ten (10) business days following the Release Deadline, the Company will return the Escrowed Proceeds to the holders of Subscription Receipts in an amount per Subscription Receipt equal to: (i) the Subscriber's aggregate purchase price paid for the Subscription Receipts; and (ii) a pro rata share of interest, if any, actually earned on the Escrowed Proceeds to the date of the Release Deadline (less any applicable withholding taxes).

The Transaction

On February 12, 2021, the Company entered into the Share Exchange Agreement with Zoglo Sub and Zoglo Sub Securityholders, whereby the Company acquired all of the issued and outstanding common shares of Zoglo Sub from the Zoglo Sub Shareholders on March 23, 2021. Pursuant to the Transaction, the Company issued 64,000,000 Common Shares at a price of $0.25 per Common Share (the "**Payment Shares**") in exchange for all the issued and outstanding common shares in the capital of Zoglo Sub and 3,000,000 Restricted Stock Units at a price of $0.05 per Restricted Stock Unit to David Sugarman.

At Closing, each Zoglo Sub Optionholder disposed of his or her respective right to acquire common shares in the capital of Zoglo Sub in exchange for replacement securities of the Company (the "**Replacement Options**"). Each Replacement Option bestows the right of each Zoglo Sub Optionholder to acquire one Common Share at the price of $0.05.

At Closing, each Zoglo Sub Warrantholder disposed of his or her respective right to acquire common shares in the capital of Zoglo Sub in exchange for replacement securities of the Company (the "**Replacement Warrants**"). Each Replacement Warrant bestows the right of each Zoglo Sub Warrantholder to acquire one Common Share at the price of $0.10.

Certain of the Payment Shares are subject to escrow pursuant to the Escrow Agreement (defined herein). See "*Escrowed Securities and Securities Subject to Contractual Restrictions on Transfer*".

Closing of the Transaction was subject to, among other things: (i) receipt of all required governmental, regulatory, shareholder and third party approvals necessary to complete the Transaction; (ii) all representations and warranties of each party under the Share Exchange Agreement being true and correct as of Closing; (iii) all terms, covenants and conditions of the of each party under the Share Exchange Agreement being complied with as of Closing; (iv) the Company entering into an administrative services agreement with Varshney Capital Corp.; (v) the issuance of 3,000,000 Restricted Stock Units to David Sugarman; and (vi) the restructuring of the Company's board of directors and management and the approval of the respective boards of directors and shareholders, as applicable.

As a result of the Transaction, Zoglo Sub became a wholly-owned subsidiary of the Company and the business of Zoglo Sub became the business of the Company. Zoglo Sub Shareholders owned approximately 64.3% of the issued and outstanding Common Shares upon completion of the Transaction. See "*Consolidated Capitalization – Fully Diluted Share Capital*".

Pursuant to the Share Exchange Agreement, the Company entered into an administrative services contract (the "**Administrative Services Agreement**") with Varshney Capital Corp. ("**Varshney Capital**"). Under the Agreement, Varshney Capital is responsible for providing professional administrative services in relation to the Company's administrative affairs. The Administrative Services Agreement provides that Varshney Capital will provide general administrative services in connection with the operations and business of the Company in exchange for $10,000 plus applicable taxes, each month, for a term of one year from the date of the CSE Listing and will automatically renew annually unless terminated.

Zoglo's Incredible Food Inc.

For 25 years, NNKS developed, produced, and distributed a market leading line of heat and serve kosher plant-based food products for consumers in Israel (the "**Zoglos Products**").

Zoglo Sub was formed on July 13, 2020 under the OBCA in response to the increasing demand for vegan alternatives throughout the world.

On October 19, 2020, Zoglo Sub entered into an agreement, as amended on February 19, 2021 to acquire all of the intellectual property of the Zoglos Products from NNKS (the "**Zoglos Acquisition**"). See *Material Contracts*.

The Zoglos Acquisition will close on or about fourteen (14) days after the date that the Escrowed Proceeds are released to the Company, and in any event, prior to the date of the CSE Listing (the "**Zoglos Closing Date**"). The Zoglos Acquisition provides for a portion of the purchase price to be paid by promissory note (the "**Zoglos Acquisition Note**"), which bears no interest and can be prepaid at any time. The Company shall not be permitted to sell the Zoglos Products in Israel.

NNKS focused on marketing kosher plant-based products to consumers primarily in Israel. However, Zoglo Sub is engaged in ongoing research and development, to improve its line of meat alternative protein products while expanding its market to customers in North America, Europe and Australia.

On October 19, 2020, Zoglo Sub entered into a co-packing agreement, as amended on February 19, 2021, with NNKS to manufacture the Zoglos Products on a discounted cost-plus basis (the "**Co-packing Agreement**"). The Co-packing Agreement will come into effect on the Zoglos Closing Date. See *Material Contracts.*

Industry and Principal Markets

The Company offers plant-based protein products. The plant-based protein market is one of the rapidly growing categories in the grocery industry. Consumers' interest in this industry continues to be strong amongst younger generations, but it is now gaining popularity from older age groups as they look to introduce healthy alternatives into their diet. Companies such as Beyond Meat, Impossible and the Very Good Butcher have marketed this category extensively and the benefits of it to consumers in terms of:

Health

There have been a number of publications showing the strong correlation between eating red meat and colorectal cancer. In addition, studies show that processed meats can also cause cancer, as well as heart disease. The Company believes that as people look to improve their health through diet, plant-based foods will continue to be a leading growth category in grocery stores and food service venues.

Global and Environmental Issues

As more focus is being put on reducing emissions globally, meat production continues to be exposed for its methane and nitrous oxide gas emissions. In addition, animal-based food consumption is one of the greatest areas of water consumption globally.

Animal Well-Being

As plant-based foods continue to offer alternative protein options to meat-based foods that are appealing to consumers, people will continue to highlight issues related to the welfare and treatment of animals caused by mass livestock production. Plant-based foods are offering the consumer food options that they feel better about consuming.

Products

Over the last 25 years, the Zoglos Products have been found primarily in ethnic and kosher sections with distribution in over 700 retail stores across Canada. In addition, it has representation in the United States as well as Europe.

Following the Zoglos Acquisition, the Company will operate the following lines of business: (i) Zoglos's Incredible (Green Box), and (ii) the Zoglo's Incredible line (Black bag transitioning to box) currently with five offerings and will become eight offerings in July 2021. The Company's products fall into three main categories: (i) plant-based meats; (ii) appetizers; and (iii) veggies.

The Company current has the following products:

- Zoglo's Incredible (Green Box)
- Zoglo's Golden Meatless Nuggets
- Zoglo's Meatless Slider Burger
- Zoglo's Meatless Savoury Kebabs
- Zoglo's Meatless Burgers
- Zoglo's Meatless Weiners
- Zoglo's Meatless Chicken Patt
- Zoglo's Mixed Vegetable Patties
- Zoglo's Broccoli Cutlets
- Zoglo's Grain and Veggie Patty
- Zoglo's Viennese Schnitzel Meatless Cutlet
- Zoglo's Meatless Crispy Cutlets
- Zoglo's Corn Cutlets
- Zoglo's Spinach & Vegetable Cutlets
- Zoglo's Crispy Corn Sticks
- Zoglo's Incredible (Black Bag)
- Zoglo's Incredible Meatless Franks
- Zoglo's Incredible Grains & Vegetables Vegburger
- Zoglo's Incredible Meatless Chicken Burger
- Zoglo's Incredible Meatless Crispy Cutlet Escalope
- Zoglo's Incredible Meatless Royal Burger

The Company's Growth Strategy

The Company's growth strategy is a multi-pronged approach and includes, but is not limited to, the following:

- **Location Growth – Springboard to Mainstream.** Heavily invest in expansions to exponentially grow the Company's presence in the market throughout the first three (3) years.

- **New and Innovative Product Offerings.** Introduce a minimum of six (6) additional innovative offerings in 2021 and five (5) additional truly innovative products to bring to the market in 2022.

- **Strategic Acquisitions.** The Company intends to aggressively seek out other products lines to add to its existing portfolio of products.

<u>Sales and Marketing</u>

Anthony Morello and Jim Delsnyder have extensive relationships throughout the food industry in Canada, namely in grocery, food service and the convenience and gas channel. Discussions with retailers in each of these channels have opened doors for the Company and the Company expects strong distribution of its product offerings when the Company begins shipping. With the many years of retail experience from the management team, the Company also sees an opportunity to take a leadership role with retailers in terms of being category captains. As this category continues to experience explosive growth, retailers are looking for guidance on where in the store to display the products, the selection they should be offering consumers, price strategy and innovation offerings, and the Company sees it taking on such role.

Strong marketing investments will be made to enhance brand recognition through social media platforms, trade marketing as well as traditional consumer marketing avenues. The Company will also work with its retail partners to ensure strong store presence for the Company's brands in product offerings of the retail partners. Towards the end of 2021, the Company will also be developing a direct-to-consumer business to further expand its market presence and revenues.

The Company also sees food service providers as a big opportunity for the Company. Currently, this industry offers limited plant-based products to customers (usually burgers) and from limited suppliers. The innovation and affordability of the Company's product offerings is opening up the possibility of a strong food service business with products such as shwarma, fajitas, tacos, meatballs, stir fry, kebabs, and of course burgers.

Sales Expansion

The Company's branded product will be the focus of the Company's sales efforts initially, but as the Company explores future domestic production locations, the Company will also explore private label opportunities. This will not only increase its revenues significantly, but will also strengthen its relationship with retailers.

In 2022, the Company will begin to explore additional international expansion opportunities, including but not limited to the United States and European markets. Members of the Board have strong relationships and an understanding of the United States marketplace and the Company will begin to build its United States sales team in late 2021 for a 2022 introduction into the market. The Company is currently exploring European partnerships and see itself expanding its European sales and presence for its brands by the end of year 2021.

Research & Development

The Company is committed to utilizing its International relationships to bring best practises and leading technology to the market in order to become and remain the market leader in terms of innovation, nutrition and environmental aspects of the category. Innovation leadership in this category is coming from Europe and Israel, and the Company has partnerships and access to technology from each of these markets. The Company believes that this will enable it to continue to bring innovation to the North American market ahead of its competitors, in addition to actively participating in other well developed plant-based markets globally.

Production

All of the Company's current product offerings are produced by NNKS on the terms outlined under the Co-Packing Agreement. The Company also has developed relationships with other potential manufacturers for its products, as the need arises. As market demand for the Company's products increases, the Company will explore developing its own manufacturing capacity, through acquisition of an existing manufacturer, or building out its own facility.

The Co-Packing Agreement provides for monthly and annual limitations on production, which limits the Company does not anticipate exceeding for at least the year of 2021. Further, the Co-Packing Agreement provides for pricing that will decrease as the Company makes its payments on the Zoglos Acquisition Note. The Company may choose to prepay the Zoglos Acquisition Note prior to the scheduled deadlines for payment in order to access this decreased pricing.

Competition and Competitor Analysis

The Company faces, and expects to continue to face, competition from other companies in the plant-based foods industry, some of which have longer operating histories, more financial resources and more experience than the Company. Increased competition by larger and well-financed competitors and/or competitors that have longer operating histories and more manufacturing and marketing experience than the Company could have a material adverse effect on the Company's business, financial condition and results of operations. As the Company and its subsidiaries operate in an early-stage industry, the Company expects to face additional competition from new entrants. To remain competitive, the Company will require research and development, marketing, sales and other support.

The Company believes it is in an advantageous position compared to many of its competitors or potential competitors because of its acquisition of the global intellectual property and branding rights from a leader in the plant-based food offerings in Israel with over 25 years experience in mastering the development of heat and serve products. Therefore, the Company believes that these competitive advantages will enable the company to quickly develop both a retail and food service division and capture significant share of the rapidly increasing growth in the plant-based offerings in North America and worldwide.

The Company believes its executive team, whose expertise in the highly competitive and zero sum world of retail shelf space, and relationships with key decision makers throughout the retail grocery sector throughout North America, provides a key competitive advantage.

Company competitors in its principal market (plant-based foods) and geographic area are listed in the table below wherein all companies offer alternative protein comparables.

IMPOSSIBLE	BEYOND MEAT	VERY GOOD BUTCHERS
• Impossible Foods announced in March of 2020 that it raised $500M with multiple reports suggesting the valuation was $48M.	• TTM Revenue of $403M • Market Cap of $11B as of February 12, 2021 • 19x P/S – TTM	• 2021E Revenue of $12M • Market Cap of $560M as of February 12, 2021 • 51xP/S – 2021E

Because the Company is acquiring the global technology and branding rights from a leader in plant-based food offerings, the Company believes it is in an advantageous position as compared to its competition. The Company looks to take advantage of the position that it has been afforded.

See "*Risk Factors*".

Employees, Specialized Skill and Knowledge

As of the date of this Prospectus, the Company had two (2) full time employees: the CEO and the COO. The Company enjoys good relations with both employees. All other functions of the business are managed at this time through independent contractors, until the needs of the business change.

The nature of the Company's business requires knowledge of the industry and the category. The Company believes that its management team provides a strategic and marked advantage over the Company's competitors. Both employees have built businesses in their past roles in the industry and know when and how to build the infrastructure in an efficient and cost effective manner.

Intellectual Property

The Company's success is dependent, in part, upon its proprietary rights to its products. The Company has no registered patents, as is common in the food industry. In accordance with market standards, the Company's intellectual property is primarily made up of trademarks relating to its brands, and trade secrets relating to manufacturing that may have protection under copyright law. The Company considers proprietary information related to recipes, formulas and production methods to be trade secrets. Employees with access to such information are subject to confidentiality provisions contained in their employment offers which prohibit them from disclosing information, including information relating to the Company's recipes and production methods, acquired by them during, as a consequence of or in connection with their employment. The Company will continue to develop and implement strict controls to ensure the safe and secure keeping of any trade secrets and trademarks.

The Company has filed the following trademarks:

CANADA

Trademark	**Application No.**	**Goods/Services**	**Status**	**Renewal Date**
ZOGLO'S	Application No. 0710527 Registration No. TMA435575	Fish; preserved, dried and cooked fruits and vegetables; eggs; edible oils and fats; preserves; soya; meat substitute, namely, a mixture made from soya and vegetable protein; prepared meals and snacks; vegetarian burgers and schnitzels.	Registered	November 18, 2024
INCREDIBLE SLIDER	1967671	Meat substitutes; vegan and vegetarian meat products; plant-based meat substitutes.	Pending (formalized stage)	
INCREDIBLE CHICKEN BURGER	1967673	Meat substitutes; vegan and vegetarian meat products; plant- based meat substitutes.	Pending (formalized stage)	
INCREDIBLE HOT DOG	1967677	Meat substitutes; vegan and vegetarian meat products; plant-based meat substitutes.	Pending (formalized stage)	
INCREDIBLE BURGER	1967666	Meat substitutes; vegan and vegetarian meat products; plant- based meat substitutes.	Pending (formalized stage)	

Trademark	Application No.	Goods/Services	Status	Renewal Date
INCREDIBLE CHICKEN CUTLET	1967674	Meat substitutes; vegan and vegetarian meat products; plant- based meat substitutes.	Pending (formalized stage)	
INCREDIBLE MEATLESS	1967679	Meat substitutes; vegan and vegetarian meat products; plant-based meat substitutes.	Pending (formalized stage)	
ZOGLOS SELECT	1967683	Meat substitutes; vegan and vegetarian meat products; plant-based meat substitutes.	Pending (formalized stage)	

U.S.

Trademark	Serial No./Registration No.	Goods/Services	Status	Renewal Date
ZOGLO'S	Registration No. 1882370	preserved, dried and cooked vegetables; eggs; edible oils and fats; processed soya; meat substitutes; prepared entrees, meals and snacks consisting primarily of soya and vegetables and dried mixes for making vegetarian meals	Registered	March 7, 2025
INCREDIBLE SLIDER	Serial No. 88718615	Meat substitutes; vegan and vegetarian meat products; plant-based meat substitutes	Pending	
INCREDIBLE CHICKEN BURGER	Serial No.88718622		Pending	
INCREDIBLE HOT DOG	Serial No.88718627	Meat substitutes; vegan and vegetarian meat products; plant- based meat substitutes.	Pending	

Trademark	Serial No./Registration No.	Goods/Services	Status	Renewal Date
INCREDIBLE BURGER	Serial No. 88718606	Meat substitutes; vegan and vegetarian meat products; plant- based meat substitutes.	Pending	
INCREDIBLE CHICKEN CUTLET	Serial No. 88718599	Meat substitutes; vegan and vegetarian meat products; plant- based meat substitutes.	Pending	
INCREDIBLE MEATLESS	Serial No. 88718611	Meat substitutes; vegan and vegetarian meat products; plant- based meat substitutes.	Pending	

Foreign Operations

In March 2021, the Company began selling certain Zoglos Products (owned by NNKS in Israel until the Zoglos Acquisition) in Canada and the United States through a broker and master distributor network. Following the Zoglos Acquisition, the Company's products will be manufactured in Israel by NNKS. The Zoglos Products are currently sold in Canada, the US, and Europe.

Bankruptcy and Similar Procedures

The Company has not been involved in any bankruptcy, receivership or similar proceedings or any voluntary bankruptcy, receivership or similar proceedings since incorporation or completed during or proposed for the current financial year.

Industry and Regulatory Overview

The Company operates in an evolving regulatory environment characterized by a heightened regulatory focus on all aspects of the food industry. New or changing laws and regulations, including how such laws and regulations are interpreted and implemented, as well as increased penalties and enforcement actions related to non-compliance, could have a material adverse impact on the Company's business, results of operations, and financial condition. Therefore, as the Company grows it will need to develop the capacity to monitor these areas closely to ensure continued compliance of the Company.

Government regulation impacts key aspects of the Company's business. For example, the Company is subject to regulations that affect the food industry in the markets in which the Company operates.

Various regulatory agencies continue to examine a wide variety of issues, including account management guidelines, privacy, disclosure rules, health and safety and marketing that may impact the Company's business.

Compliance with Environmental Laws

Compliance with foreign, federal, state and local laws that have been enacted or adopted regulating the discharge of materials into the environment, or otherwise relating to the protection of the environment, have not had a material effect on the Company's capital expenditures, earnings or competitive position.

Response to COVID-19

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.

NON-OFFERING PROSPECTUS

This Prospectus is being filed with the securities regulatory authority in the Provinces of British Columbia and Ontario to enable the Company to become a "reporting issuer" in the Provinces of British Columbia and Ontario pursuant to applicable securities legislation and to develop an organized market for the Common Shares. Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised. All expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Company.

USE OF AVAILABLE FUNDS

Since no securities are being sold pursuant to this Prospectus, no proceeds will be raised. The sole purpose of this Prospectus is to permit the Company to apply to list the Common Shares on the CSE.

Estimated Funds Available

This is a non-offering Prospectus. The Company is not raising any funds in conjunction with this Prospectus and, accordingly, there are no proceeds to be raised by the Company pursuant to this Prospectus. There is no assurance that additional capital or other types of financing will be available if needed or that these financings will be on terms at least as favorable to the Company as those previously obtained, or at all. See "*Risk Factors*".

As at February 28, 2021, the Company has cash on hand of approximately $672,923 and a working capital balance of $681,145.

Management believes that the Company will have sufficient working capital to continue operations for at least the next 12 months. Based upon Management's current intentions, the estimated expenditures for which the total available funds will be used in the 12 months after the date hereof are as follows:

Item	$
Estimated Funds Available	
Working capital as at February 28, 2021	$672,923
Net proceeds from the Subscription Receipt Offering	$6,537,900
Total Available Funds	**$7,210,823**

Principal Purposes for the Available Funds

Payment to NNKS under Asset Purchase Agreement	$2,000,000
Listing Fees for New Products	$1,000,000
New Product/Packaging Launch	$1,000,000
Brand Marketing Campaign	$1,000,000
General and administrative costs for 12 months after completion of the Transaction (1)	$1,169,404
Unallocated working capital to fund ongoing operations	$1,041,419
Total	**$7,210,823**

Note:

(1) General and administrative costs are broken down as follows: management salaries ($543,000); consultants ($200,004); overhead costs ($60,000); rent ($60,000); travel, vehicle and other reimbursement ($134,400); professional fees ($100,000); and office and supplies ($72,000).

The Company had a negative cash flow from operations for the period from July 23, 2020 (the date of incorporation) to December 31, 2020. In addition to private investor funding, the Company anticipates that its further expansion of its sales to the mainstream market, foodservice sales, innovative new product lines, will contribute incrementally to the Company's gross margins and will put the Company in a positive operating cash flow position. Although the Company anticipates it will have positive cash flow from operating activities in future periods and will have access to sufficient financial resources to fund its operations, the Company cannot guarantee it will have a cash flow positive status in the future or have access to sufficient financial resources to fund its operations.

The Company intends to spend the funds available to it as stated in this Prospectus. There may be circumstances however, where, for sound business reasons, a reallocation of funds may be necessary. Accordingly, while it is currently intended by Management that the available funds will be expended as set forth above, actual expenditures may in fact differ from these amounts and allocations.

Business Objectives and Milestones

The primary business objectives for the Company over the next 12 months are:

Business Objectives	Milestones	Timing	Estimated Cost
New Product/Packaging Launch	Brand presence in 80% of the major grocery chains in Canada	3rd Quarter of 2021	$1,000,000
Brand Marketing Campaign	Website development	3rd Quarter of 2021	$700,000
	Consumer and Social media marketing	3rd Quarter of 2021	$300,000

DIVIDENDS OR DISTRIBUTIONS

The Company has not declared dividends on any of their shares since incorporation and does not intend to pay any in the foreseeable future. Any future determination to pay dividends will be at the discretion of the Board of Directors and will depend on the financial condition, business environment, operating results, capital requirements, and any contractual restrictions on the payment of dividends and any other factors that the Board of Directors deems relevant.

SELECTED FINANCIAL INFORMATION

The summary unaudited pro forma financial information as at December 31, 2020 has been prepared by the Company and is presented as if the Transaction had occurred on December 31, 2020. The information has been derived from the Company Pro forma Financial Statements attached as Schedule "F" hereto. This summary pro forma financial information should be read in conjunction with the Company Financial Statements, Zoglo Sub Financial Statements and the Company Pro forma Financial Statements attached as Schedules "A", "C" and "F" hereto, respectively. The financial statements were prepared and presented in accordance with IFRS and are expressed in Canadian Dollars.

	Zoglo Sub for the period from July 13, 2020 (date of incorporation) to December 31, 2020 (audited) ($)	Company for the period from July 23, 2020 (date of incorporation) to December 31, 2020 (audited) ($)	Company as at December 31, 2020 on a pro forma basis after giving effect to the Transaction ($)
Revenue	Nil	Nil	-
Total Operating Expenses	10,149	16,842	-
Net Income (Loss)	(10,149)	(16,842)	-
Current Assets	936,305	132,486	6,106,791
Total Assets	936,305	132,486	11,106,791
Total Liabilities	96,390	24,768	3,121,158
Shareholders' Equity (Deficiency)	839,915	107,718	7,985,633

The following table sets forth historical carve-out financial statements relating to NNKS's sales of Zoglos Products outside of Israel as conducted by NNKS before the Zoglos Acquisition. The information has been derived from the Carve-Out Financial Statements attached as Schedule "E" hereto. The extent of the sales activity and profitability in future years by the Company following the completion of the Zoglos Acquisition cannot be predicted, and historical financial information may not be indicative of future revenue, future sales activity and future profitability. This summary should be read in conjunction with the Carve-Out Financial Statements, including the notes thereto. The financial statements were prepared and presented in accordance with IFRS and are expressed in Canadian Dollars.

	Zoglo Carve-Out for the Year Ended December 31, 2019 (audited) ($)	Zoglo Carve-Out for the Year Ended December 31, 2020 (audited) ($)
Revenue	1,360,000	1,261,000

	Zoglo Carve-Out for the Year Ended December 31, 2019 (audited) ($)	Zoglo Carve-Out for the Year Ended December 31, 2020 (audited) ($)
Total Operating Expenses	1,242,000	1,236,000
Net Income (Loss)	69,000	16,000

MANAGEMENT'S DISCUSSION AND ANALYSIS

Attached to this Prospectus at Schedules "B" and "D" are the Company MD&A and Zoglo Sub MD&A. The Company MD&A, prepared as of December 31, 2020, is a review of operations, current financial position and outlook for the Company and should be read in conjunction with the Company Financial Statement. The Zoglo Sub MD&A, prepared as of December 31, 2020, is a review of operations, current financial position and outlook for Zoglo Sub and should be read in conjunction with Zoglo Sub Financial Statement.

Certain information included in the Company MD&A and Zoglo Sub MD&A is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "*Forward Looking Statements*" for further details.

DESCRIPTION OF THE SECURITIES

The Company is authorized to issue up to an unlimited number of Common Shares.

As of the date of this Prospectus, there were 99,500,000 Common Shares issued and outstanding as fully paid and non-assessable shares.

Common Shares

The holders of Common Shares are entitled to receive notice of and to attend and vote at all meetings of the Company Shareholders and each Common Share confers the right to one vote in person or by proxy, for each Common Share. The holders of the Common Shares are entitled to receive such dividends in any financial year as the Board may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, holders of Common Shares are entitled to share rateably, in such assets of the Company as are available for distribution.

CONSOLIDATED CAPITALIZATION

The following chart sets out the capitalization of the Company as at December 31, 2020 and the date of this Prospectus:

	Amount Authorized	Amount Outstanding as of December 31, 2020	Amount Outstanding as of the date of this Prospectus
Common Shares	Unlimited	59,000,000	99,500,000
Options	Up to 10% of the issued and outstanding Common Shares	Nil	6,800,000
Warrants	N/A	N/A	848,400
Special Warrants	N/A	1,000,000	1,000,000

	Amount Authorized	Amount Outstanding as of December 31, 2020	Amount Outstanding as of the date of this Prospectus
Subscription Receipts	N/A	Nil	27,000,000

OPTION TO PURCHASE COMMON SHARES

Stock Option Plan

On February 12, 2021, the Board of Directors adopted the Stock Option Plan. The Stock Option Plan provides for the grant of stock options. Stock issued pursuant to awards granted under the Stock Option Plan will consist of authorized but unissued Common Shares. Incentive stock options may be granted to directors, officers, employees and consultants of the Company or a subsidiary of the Company.

The principal purpose of the Stock Option Plan is to provide the Company with a share-related mechanism to attract retain and motivate qualified executives, employees, and consultants of the Company to contribute toward the long term goals of the Company, and to encourage such individuals to acquire Common Shares of the Company as long term investments.

Share Reserve

The Company has reserved a number of Common Shares equal to 10% of issued and outstanding Common Shares for issuance pursuant to options under the Stock Option Plan, which, as of the date of adoption of the Stock Option Plan, was 3,550,000 Common Shares. As of March 31, 2021, this figure has increased to 9,950,000 Common Shares. The number of Common Shares available for issuance pursuant to options granted under the Stock Option Plan will increase as the number of issued and outstanding Common Shares increases. In general, Common Shares subject to options granted under the Stock Option Plan that are exercised, terminated or cancelled, or returned to the Company for any reason, shall be available for issuance pursuant to subsequent options granted pursuant to the Stock Option Plan.

Administration

An executive or employee of the Company (the "**Administrator**") as designated as Administrator by the committee of the Board of Directors responsible for approving the grant of stock options (the "**Incentive Committee**"), shall administer the Stock Option Plan with oversight from the Incentive Committee. Subject to the terms of the Stock Option Plan, the Incentive Committee has the power to determine when and how options will be granted, which employees, directors or consultants will receive options, the terms of the options granted, including the number of Common Shares subject to each option and the vesting schedule of the options, if any, and to interpret the terms of the Stock Option Plan and the option agreements, among other things. The Incentive Committee also has the authority to accelerate the vesting schedule of any option previously granted, to approve forms of option agreements to be used under the Stock Option Plan and amend the any existing option or plan or the terms and conditions of any option thereafter to be granted and amend the terms of any option agreement and to amend, suspend or terminate the Stock Option Plan at any time.

Exercise Price

The exercise price at which an option holder may purchase a Common Share upon the exercise of an option shall be determined by the Committee and shall be set out in the option certificate issued in respect of the option. The exercise price shall not be less than the market value of the Common Shares, as of the grant date and pursuant to the terms of the Stock Option Plan.

Maximum Term of Options

The term of any option granted under the Stock Option Plan shall be determined by the Committee, as applicable, at the time the option is granted but, subject to earlier termination (if specified) in the event of termination, or in the event of death or disability of the option holder. In the event of death or disability, the option shall expire on the earlier of the date which is one year following the date of disability or death and the applicable expiry date of the stock option. Options granted under the Stock Option Plan are not to be transferable or assignable except as provided for under the Stock Option Plan.

Termination

Subject to such other terms or conditions that may be attached to options granted under the Stock Option Plan, an option holder may exercise an option in whole or in part at any time and from time to time during the Exercise Period. Any option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of the Expiry Time on the Expiry Date. The Expiry Date of an option shall be the earlier of the date so fixed by the Incentive Committee at the time the option is granted as set out in the Option Certificate and the date established, if applicable, within the Stock Option Plan or in the event of death or disability or in the event of certain triggering events occurring, as provided for under the Stock Option Plan.

The foregoing description of the Stock Option Plan does not purport to be complete and is qualified in its entirety by reference to the full text of the Stock Option Plan.

The following table summarizes the allocation of the options granted by the Company up to the date of this Prospectus:

Optionee	Number of Options	Exercise Price	Expiry Date
Executive officers as a group (1)	1,050,000	0.05	March 23, 2026
Directors as a group (2)	600,000	0.05	March 23, 2026
Employees as a group	750,000	0.05	March 23, 2026
Consultants as a group	5,300,000	0.05	March 23, 2026
Total:	**6,800,000**		

Notes:

(1) This information applies to three executive officers of the Company, none of which are also directors of the Company.
(2) This information applies to two directors of the Company. Directors who are also executive officers are excluded from this figure.

Restricted Stock Plan

The Company adopted a rolling restricted share unit plan (the "**Restricted Stock Plan**") on February 12, 2021. The aggregate number of Common Shares that may be issued pursuant to the Restricted Stock Plan, when combined with the Common Shares reserved for issuance pursuant to other share compensation arrangements (including the Stock Option Plan), may not exceed 25% of the Common Shares issued and outstanding at the time of the grant.

The purpose of the Restricted Stock Plan is to promote and advance the interests of the Company by providing directors, officers and employees of the Company or its affiliates ("**Eligible Persons**"), who are designated by the Board as eligible to participate in the plan (as "**Participants**"), with additional incentive through the opportunity to receive bonuses in the form of Common Shares of the Company, encouraging stock ownership by such Eligible Persons, increasing proprietary interest of Eligible Persons in the success of the Company, and increasing the ability to attract, retain and motivate Eligible Persons.

The table below summarizes information about the Restricted Stock Units issued prior to the CSE Listing:

	RSUs	**Expiry Date**
Director (Chairperson)	3,000,000	March 23, 2026

The full text of the Restricted Stock Plan is available upon written request made directly to the Company at its registered office located at Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia V6E 3P3.

Administration

The Restricted Stock Plan shall be administered by the Board, which shall have the full and final authority to provide for the granting, vesting, settlement and method of settlement of Restricted Stock Units granted thereunder. The Board has the right to delegate the administration and operation of the Restricted Stock Plan to a committee and/or any member of the Board.

Number of Common Shares Reserved

Subject to adjustment as provided for in the Restricted Stock Plan, the aggregate number of Common Shares that shall be available for issuance under the Restricted Stock Plan, when combined with the Common Shares reserved for issuance pursuant to other share compensation arrangements (including the Stock Option Plan), shall not exceed 25% of the number of issued and outstanding Common Shares on the particular date of grant. If any Restricted Stock Units expire or otherwise terminate for any reason without having been exercised in full, the number of Common Shares in respect of such expired or terminated Restricted Stock Unit shall automatically become available for issuance pursuant to the Restricted Stock Units granted under the Restricted Stock Plan.

Credit for Dividends

Participants shall be credited with additional Restricted Stock Units (the "**Dividend Restricted Stock Units**") as of each dividend payment date in respect of which cash dividends are paid on Common Shares. The number of Dividend Restricted Stock Units credited to Participants' accounts in connection with the payment of dividends on the Common Shares shall be based on the actual amount of cash dividends that would have been paid to such Participants had the Participants been holding such number of Common Shares equal to the number of Restricted Stock Units credited to the Participants' accounts on the date on which cash dividends are paid on the Common Shares and the market price of the Common Shares on the payment date.

Granting, Settlement and Expiry of Restricted Stock Units

Under the Restricted Stock Plan, Eligible Persons may (at the discretion of the Board) be allocated a number of Restricted Stock Units as the Board deems appropriate, with vesting provisions also to be determined by the Board. Upon vesting, subject to the provisions of the Restricted Stock Plan, the Restricted Stock Unit holder may settle its Restricted Stock Units during the settlement period applicable to such Restricted Stock Units by delivery to the Company of a notice in a prescribed form. Where, prior to the expiry date, a Restricted Stock Unit holder fails to elect to settle a Restricted Stock Unit, the holder shall be deemed to have elected to settle such Restricted Stock Units on the day immediately preceding the expiry date. A Restricted Stock Unit holder shall be entitled to receive one Common Share for each vested Restricted Stock Unit or, at the Company's election, an amount in cash, net of applicable taxes and contributions to government sponsored plans, equal to the market price at the settlement date of one Common Share for each Restricted Stock Unit then being settled.

Termination

Generally, if a Participant's employment or service is terminated, or if the Participant resigns from employment with the Company, then all Restricted Stock Units held by the Participant (whether vested or unvested) shall terminate automatically upon the termination of the Participant's service or employment.

In the event a Participant is terminated by reason of (i) termination by the Company or any subsidiary of the Company other than for cause or (ii) the Participant's death or Disability (as defined in the Restricted Stock Plan), the Participant's unvested Restricted Stock Units shall vest automatically as of such date. In the event the termination of the Participant's services is by reason of voluntary resignation, only the Participant's unvested Restricted Stock Units shall terminate automatically as of such date.

Change of Control

In the event of a change of control, the Board may, in its discretion, without the necessity or requirement for the agreement or consent of any Participants: (i) accelerate, conditionally or otherwise, on such terms as it sees fit, the vesting date of any Restricted Stock Unit; (ii) permit the conditional settlement of any Restricted Stock Unit, on such terms as it sees fit; (iii) otherwise amend or modify the terms of the Restricted Stock Unit, including for greater certainty permitting Participants to settle any Restricted Stock Unit, to assist the Participants to tender the underlying Common Shares to, or participate in, the actual or potential Change of Control Event (as defined in the Restricted Stock Plan) or to obtain the advantage of holding the underlying Common Shares during such Change of Control Event; and (iv) terminate, following the successful completion of such Change of Control Event, on such terms as it sees fit, the Restricted Stock Units not settled prior to the successful completion of such Change of Control Event, including, without limitation, for no payment or other compensation. The determination of the Board in respect of any such Change of Control Event shall for the purposes of this Restricted Stock Plan be final, conclusive and binding.

PRIOR SALES

In the twelve (12) months prior to the date of this Prospectus, the Company issued the following Common Shares and securities convertible or exchangeable for Common Shares:

Date of Issuance	Security Type	Number of Securities	Issue/Exercise Price
July 23, 2020	Common Shares	1(1)	$0.01
November 6, 2020	Common Shares	4,500,000(2)	$0.005
November 10, 2020	Common Shares	3,000,000(3)	$0.02
December 11, 2020	Special Warrants	1,000,000	$0.05
March 22, 2021	Subscription Receipts	27,000,000(4)	$0.25
March 23, 2021	Common Shares	64,000,000(5)	$0.25
March 23, 2021	Warrants	1,000,000(5)	$0.10
March 23, 2021	Options	6,800,000(5)	$0.05
March 23, 2021	Restricted Stock Units	3,000,000(5)	$0.05

Notes:

(1) The Common Share was returned to treasury.
(2) Issued pursuant to the First Seed Financing.
(3) Issued pursuant to Second Seed Financing.

(4) Issued pursuant to the Subscription Receipt Financing
(5) Issued pursuant to the Transaction.

PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and senior officers of the Company as of the date hereof, the following are the only persons that beneficially own, directly or indirectly, or exercise control or direction over voting securities carrying more than 10% of the voting rights attached to any class of voting securities of the Company:

Name	Number of Common Shares Owned, Controlled or Directed	% of Outstanding Common Shares(1)
Henry Ender	46,000,000	46.2%

Note:

(1) Percentage is based on 99,500,000 Common Shares issued and outstanding as of the date hereof.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTIONS ON TRANSFER

As at the date of this prospectus, the securities expected to be subject to escrow upon completion of the listing of the Common Shares on the CSE are shown in the following table:

Designation of class	Total number of securities held in escrow	Percentage of class at the date of Prospectus(1)
Common Shares	46,000,000	46.2%

Note:

(1) Percentage is based on 99,500,000 Common Shares issued and outstanding as of the date hereof.

Escrow Agreement

A director of the Company (the "**Escrow Shareholder**") will enter into the Escrow Agreement with the Company pursuant to which the Escrow Shareholder has agreed to deposit the securities of the Company which he holds with Olympia Trust Company until they are released in accordance with terms of their respective Escrow Agreement, CSE Policy and applicable securities law as follows:

Release Dates	Number of Common Shares
On the date the Company's securities are listed on a Canadian Exchange	10% of the escrow securities
6 months after the listing date	15% of escrow securities
12 months after the listing date	15% of escrow securities
18 months after the listing date	15% of escrow securities
24 months after the listing date	15% of escrow securities
30 months after the listing date	15% of escrow securities
36 months after the listing date	15% of escrow securities

Contractual Restrictions on Transfer

In addition, 46,400,000 Common Shares are subject to a voluntary 12-month escrow, whereby 30% will be released on the date that is four months from the date of the CSE Listing and 30% will be released every four months thereafter.

DIRECTORS AND EXECUTIVE OFFICERS

The names, municipalities of residence, number of voting securities beneficially owned, directly or indirectly, or over which each exercises control or direction, and the offices held by each in the Company and the principal occupation of the directors and senior officers of the Company during the past five years are as follows:

			Number of Common Shares of the Company Held Directly or Indirectly as of the date of this Prospectus (% of class)[(1)]	
Name and Municipality of Residence	**Position Held[(2)]**	**Principal Occupation for Last Five Years[(3)]**	**Common Shares**	**(% of class)**
Salvatore Anthony Morello[(2)] *Unionville, Ontario*	CEO, since March 23, 2021	CEO of Aurora Importing and Distributing	Nil	0%
Spence Walker *Markham, Ontario*	CFO, since March 29, 2021	Chartered Accountant, managing partner of Kreston GTA LLP, CFO for other companies	Nil	0%
Jim Delsnyder[(3)] *Scarborough, Ontario*	COO, since March 23, 2021	CEO of Eska Water	Nil	0%
David Sugarman[(4)(7)] *Newark, New Jersey*	Chairman, since March 23, 2021	CEO of Manischewitz, CEO of Gel Spice Company	Nil	3.01%
Henry Ender[(7)] *Richmond Hill, Ontario*	Director, since March 23, 2021	CEO of Foodfest International	46,000,000	46.2%
Yael Soglowek-Ender[(5)(7)] *Richmond Hill, Ontario*	Director, since March 23, 2021	Director of NNKS	Nil	0%
Paul Del Duca[(6)] *Mississauga, Ontario*	Director, since March 23, 2021	CEO of Wilsons Truck Lines, Executive VP of fresh merchandising for Walmart Canada	Nil	0%

Notes:

(1) Percentage is based on 99,500,000 Common Shares issued and outstanding as of the date hereof.
(2) Mr. Morello owns 600,000 Replacement Options.
(3) Mr. Delsnyder owns 300,000 Replacement Options.
(4) Mr. Sugarman owns 3,000,000 RSUs, subject to vesting conditions beginning on the date of the CSE Listing.
(5) Ms. Soglowek-Ender owns 450,000 Replacement Options.
(6) Mr. Del Duca owns 150,000 Replacement Options.
(7) Audit Committee member.

As of the date hereof, the Company's directors and officers as a group, beneficially own, directly and indirectly, or exercise control or direction over, 46,000,000 Common Shares, representing 46.2% of the issued and outstanding Common Shares as of the date of this Prospectus.

Biographies of Directors and Officers

The following are brief profiles of the Company's executive officers and directors, including a description of each individual's principal occupation within the past five years.

Salvatore Anthony Morello (Age 60) – CEO

A distinguished food retail executive with over four decades of experience in the sector, specializing in distribution to a variety of entities. Prior to his current role, Mr. Morello was President of Aurora Importing and Distributing and has prior roles with Perennial design, Sobeys Ontario and Metro/A&P/Dominion. Under his leadership, Aurora was named top importer in the GTA in 2019. Mr. Morello excels in scaling direct to consumer brands and leverages his vast distribution network to get brands the exposure they need.

Mr. Morello is not a party to any employment, non-competition or confidentiality agreement with the Company. Mr. Morello devotes approximately 100% of his time to the Company.

Spence Walker (Age 45) – CFO

Spence is an experienced Chartered Professional Accountant with a career serving companies across Canada and the United States for over 18 years. Spence has routinely serviced entities from startup through their growth phase, and further through to mergers and acquisitions, advising at every stage of business from funding growth, to establishing corporate structure, to maximizing the use of research and development grants, tax credits and incentives. Spence began his accounting career with a midsize accounting firm, where he gained experience with U.S. and Canadian public company clients, a niche he continues to do a significant amount of work in.

Mr. Walker earned his BComm in 2001 from Ryerson University, his Canadian CPA, CA designation in 2003 and his United States of America CPA designation in 2004.

Mr Walker is not a party to any employment, non-competition or confidentiality agreement with the Company. Mr. Walker devotes approximately 10% of his time to the Company.

Jim Delsnyder (Age 61) – COO

Mr. Delsnyder has 20 years of experience at a senior management level in the beverage business. He spent the last ten (10) years as Chief Executive Officer of Canada's second largest bottled water company, ESKA Inc. During the last 20 years, he has gained significant knowledge in change management, productions and operations, logistics and warehousing. He has extensive knowledge of the Canadian and North American food and retail market in all channels. During his career, Mr. Delsnyder has taken two brands, Nestle Pure Life and ESKA, from infancy to market leadership.

Mr. Delsnyder is not a party to any employment, non-competition or confidentiality agreement with the Company. Mr. Delsnyder devotes approximately 100% of his time to the Company.

David Sugarman (Age 52) – Chairman

Mr. Sugarman brings decades of senior leadership experience in the food industry and is currently the Chief Executive Officer of Gel Spice Company. Prior to his current role, Mr. Sugarman was President & Chief Executive Officer of the Manischewitz Company and Allan Candy Company. In all these senior positions, Mr. Sugarman has led the strategy and overseen all aspects of large growth leading many companies into leadership positions in their respective categories and markets.

Mr. Sugarman is not a party to any employment, non-competition or confidentiality agreement with the Company. Mr. Sugarman devotes approximately 5% of his time to the Company.

Henry Ender (Age 68) – Director

Mr. Ender has a long and distinguished career in the food industry beginning in 1977 in partnership with Wycliffe homes. He was instrumental in the development of Central Smoked Fish Company at both the operational level and senior strategy level. Mr. Ender's experience includes leading multiple acquisitions in the food space. Mr. Ender was also the founder of Canadian Fish and Food, a food distribution company that became Foodfest International. Canada's largest kosher food distribution Company operating in Canada and the USA supplying the retail and food service industry.

Mr. Ender is not a party to any employment, non-competition or confidentiality agreement with the Company. Mr. Ender devotes approximately 80% of his time to the Company.

Yael Soglowek-Ender (Age 74) – Director

Ms. Soglowek-Ender brings with her decades of experience, a vast network and deep understanding of marketing and branding direct to consumer food brands. Ms. Soglowek-Ender joined the Soglowek Food group, now a leading food company in Israel, to head the marketing department. Ms. Soglowek-Ender became a director and a board member of Soglowek Food Group and established the North American arm of the Soglowek group responsible for exporting the Zoglo's Vegetarian Line of Products.

Ms. Soglowek-Ender is not a party to any employment, non-competition or confidentiality agreement with the Company. Mr. Soglowek-Ender devotes approximately 40% of her time to the Company.

Paul Del Duca (Age 62) – Director

Mr. Del Duca joined Wilson Truck Lines as Co-Chief Executive Officer in 2019 following a robust career in the food industry. Prior to this most recent appointment he spent the previous five years as SVP Fresh Foods for Walmart Canada. He sits on the board of directors of Paygos (a financial technology start-up) and has served as a member of the board of directors of Electronic Commerce Council for Canada (ECCNET), United Grocers Inc. and the Canadian Council of Grocery Distributors (CCGD) to name a few.

Mr. Del Duca is not a party to any employment, non-competition or confidentiality agreement with the Company. Mr. Del Duca devotes approximately 5% of his time to the Company.

Corporate Cease Trade Orders and Bankruptcies

To the Company's knowledge, no existing or proposed director, officer or promoter of the Company or a securityholder anticipated to hold a sufficient number of securities of the Company to affect materially the control of the Company, within ten (10) years of the date of this Prospectus, has been a director, officer or promoter of any person or company that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under applicable securities law, for a period of more than 30 consecutive days; or

(b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

Other than as disclosed below, to the Company's knowledge, no existing or proposed director, officer or promoter of the Company, or a securityholder anticipated to hold sufficient securities of the Company to affect materially the control of the Company, has, within the last ten (10) years before the date of this Prospectus:

(a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body that would be likely to be considered important to a reasonable securityholder making a decision in regards to the Company.

In 2014, the U.S. Securities and Exchange Commission (the "**SEC**") denied Mr. Walker and another partner the privilege of appearing and practicing before the SEC as accountants for one year due to a failure by Mr. Walker to act with professional due care in the performance of audits relating to an issuer who was fraudulent in its reporting of revenue and other information.

Personal Bankruptcies

To the knowledge of the Company, no director, officer or promoter of the Company or a securityholder anticipated to hold sufficient securities of the Company to affect materially the control of the Company, or a personal holding company of such persons has, within the ten (10) years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such individual.

Conflicts of Interest

The Company's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. The directors of the Company are required to act honestly, in good faith and in the best interests of the Company.

The directors and officers of the Company are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosures by the directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors and officers. All such conflicts will be disclosed by such directors or officers in accordance with applicable laws and shall govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law. The directors and officers of the Company are not aware of any such conflicts of interest.

EXECUTIVE COMPENSATION

Named Executive Officers

The following discussion describes the significant elements of the Company's executive compensation program, with emphasis on the process for determining compensation payable to the Company's CEO and COO and, other than the CEO and the COO, the Company's three most highly-compensated executive officers earning over $150,000, or the three most highly compensated individuals acting in a similar capacity, as further described in National Instrument 51-102 – *Continuous Disclosure Obligations* (collectively, the "**Named Executive Officers**" or "**NEOs**").

During the fiscal period ended December 31, 2020, the following individual was a NEO of the Company:

- Hari Varshney – former CEO, former CFO, former Corporate Secretary and former President

The Company expects the following individuals to be NEOs of the Company for current fiscal year:

- Salvatore Anthony Morello – CEO
- Spence Walker – CFO
- Jim Delsnyder – COO

Compensation Discussion and Analysis

The purpose of this Compensation Discussion and Analysis is to provide information about the Company's executive compensation arrangements, the Company's executive compensation philosophy and the application of this philosophy to the Company's executive compensation arrangements relating to its Named Executive Officers listed in the Summary Compensation Table set out below. It also provides an analysis of the compensation design, and the decisions that the Compensation Committee (as defined below) have made with respect to its Named Executive Officers. In accordance with applicable securities legislation, the Company had one Named Executive Officer, being Hari Varshney, former CEO, former CFO, former Corporate Secretary and former President of the Company during the year ended December 31, 2020.

Compensation Objectives and Principles

When determining the compensation arrangements for the Named Executive Officers, the Compensation Committees consider both the current and anticipated, mid and long-term, financial situation of the Company. In determining the Named Executive Officers' compensation, the Compensation Committee also considers the objectives of:

(a) retaining an executive critical to the success of the Company and the enhancement of shareholder value;

(b) providing fair and competitive compensation;

(c) balancing the interests of management and Company shareholders; and

(d) rewarding performance, both on an individual basis and with respect to the business in general.

Benchmarking

In determining compensation, the Compensation Committee considers industry standards and the Company's financial situation, but the Company does not have any formal objectives or criteria. The performance of each Named Executive Officer is informally monitored by the Compensation Committee, having in mind the business strengths of the individual and the purpose of originally appointing the individual as a Named Executive Officer.

Elements of Compensation

The compensation paid to Named Executive Officers during the more recent financial year consisted only of a base salary. However, the Compensation Committee also consider bonus incentive compensation and equity participation as a means of compensating Named Executive Officers.

Base Salary

Base salary recognizes the value of an individual to the Company based on his or her role, skill, performance, contributions, leadership and potential. It is critical in attracting and retaining executive talent in the markets in which the Company competes for talent. Base salaries for the Named Executive Officers are intended to be reviewed annually. Any change in base salary of a Named Executive Officer is generally determined by an assessment of their performance, a consideration of competitive compensation levels in companies similar to the Company and a review of the performance of the Company as a whole and the role the Named Executive Officer played in such performance.

Bonus Incentive Compensation

The Compensation Committee will consider bonus compensation based on the Company meeting its strategic objectives and milestones and the cash resources available to the Company at the relevant time.

Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Options may be granted to Named Executive Officers taking into account a number of factors, including the amount and term of options previously granted, base salary, bonuses and competitive factors. The amounts and terms of options granted are determined by the Compensation Committee.

Risks Associated with Compensation Policies and Practices

One of the responsibilities of the Compensation Committee, in its role in setting Named Executive Officer's compensation and overseeing the Company's various compensation programs, is to ensure that such compensation programs are structured so as to discourage inappropriate risk-taking. The Company believes its existing compensation practices and policies for all Named Executive Officers mitigate against this risk by, among other things, providing a meaningful portion of total compensation in the form of equity incentives. These equity incentives have historically been in the form of stock grants to promote long-term rather than short-term financial performance and to encourage Named Executive Officers to focus on sustained stock price appreciation. The Board as a whole is responsible for monitoring the Company's existing compensation practices and policies and investigating applicable enhancements to align the Company's existing practices and policies with avoidance or elimination of risk and the enhancement of long-term shareholder value.

Compensation Governance

The Board has appointed a sub-committee of the Board (the "Compensation Committee") composed of directors that are not Named Executive Officers.

(i) reviewing and approving corporate goals and objectives relevant to the compensation of the CEO, evaluating the CEO's performance in light of those corporate goals and objective, and determining (or making recommendations to the Board with respect to) the CEO's compensation level based on this evaluation; and

(ii) making recommendations to the Board with respect to officer and director (other than the CEO) compensation, incentive-compensation plans, and equity-based plans.

The Compensation Committee expects to define a formal compensation policy in the near future.

Summary Compensation Table

The following table sets out information concerning: (i) the compensation to be paid to each of the Company's NEOs and Directors for the financial period ending December 31, 2020; and (ii) the expected compensation to be paid to each of the Company's NEOs and directors for the financial year ending December 31, 2021.

Name and Principal Position	Year	Salary ($)	Share-based awards ($)	Option-based awards (shares)	Annual-incentive plans ($)	Long-term incentive plans ($)	Pension value ($)	All other compen-sation ($)	Total compen-sation ($)
Salvatore Anthony Morello[(1)] *CEO*	2021	120,000	Nil	600,000	Nil	Nil	Nil	Nil	120,000
Hari Varshney[(2)]	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
former CEO, former CFO, former President, former Corporate Secretary	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Jim Delsnyder[(1)] *COO*	2021	98,000	Nil	300,000	Nil	Nil	Nil	Nil	98,000
Spence Walker[(1)]	2021	22,500	Nil	150,000	Nil	Nil	Nil	Nil	22,500
David Sugarman[(1)] *Chairman*	2021	Nil	3,000,000	Nil	Nil	Nil	Nil	Nil	Nil
Henry Ender[(1)] *Director*	2021	100,000	Nil	Nil	Nil	Nil	Nil	Nil	100,000
Yael Soglowek-Ender[(1)] *Director*	2021	50,000	Nil	450,000	Nil	Nil	Nil	Nil	50,000

Name and Principal Position	Year	Salary ($)	Share-based awards ($)	Option-based awards (shares)	Annual-incentive plans ($)	Long-term incentive plans ($)	Pension value ($)	All other compen-sation ($)	Total compen-sation ($)
Paul Del Luca(1) *Director*	2021	Nil	Nil	300,000	Nil	Nil	Nil	Nil	Nil
Satnam Brar(3) Former Director	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Praveen Varshney(3) Former Director	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) Appointed to the Board on March 23, 2021.

(2) Mr. Varshney resigned from the Board and from his positions as CEO, CFO, President and Corporate Secretary on March 23, 2021.

(3) Resigned from the Board on March 23, 2021.

Incentive Plan Awards

As of December 31, 2020, no Named Executive Officer held any vested or unvested unexercised options to purchase Common Shares, shares of unvested restricted stock or other awards under any Company equity incentive plan. There was no incentive plan in place as of December 31, 2020.

Pension Plan Benefits

The Company does not have pension plans that provide for payments or benefits at, following or in connection with retirement. The Company does not have any deferred compensation plans.

Termination and Change of Control Benefits

The Company does not have any contracts, agreements, plans or arrangements that provide for payments to Named Executive Officers following or in connection with any termination, resignation, retirement, change of control or change in a Named Executive Officer's responsibilities, other than standard employment agreements providing for market standard notice for termination without cause.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Prospectus, none of the directors and executive officers of the Company or associates of such persons is indebted to the Company or another entity where the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

AUDIT COMMITTEE

Audit Committee Charter

The full text of the charter of the Audit Committee is attached as Schedule "G" to this Prospectus.

Composition of the Audit Committee

Pursuant to applicable laws, the Company is required to have an Audit Committee comprised of at least three directors, all of whom must not be officers or employees of the Company or an affiliate of the Company.

The following table provides details with respect to the independence and financial literacy of each member of the Audit Committee:

Member	Independence	Financially Literacy
David Sugarman	Independent(1)	Financially Literate
Yael Soglowek-Ender	Independent(1)	Financially Literate
Henry Ender	Not independent	Financially Literate

Note:

(1) Within the meaning of NI 52-110.

Relevant Education and Experience

In addition to each member's general business experience, the education and experience of each member of the Audit Committee is set out in "Directors and Officers" above.

Mandate and Responsibilities of the Audit Committee

The Audit Committee's mandate and responsibilities include: (i) reviewing and recommending for approval to the Board the financial statements, accounting policies that affect the statements, annual MD&A and associated press releases; (ii) being satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements and periodically assessing those procedures; (iii) establishing and maintaining compliant procedures regarding accounting, internal accounting controls, or auditing matters and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; (iv) overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing such other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting; (v) pre-approving all non-audit services to be provided to the Company or its subsidiary entities by the external auditor; (vi) reviewing and monitoring the processes in place to identify and manage the principal risks that could impact the financial reporting of the Company; and (vii) reviewing and approving the Company's hiring policies regarding partners, employees, and former partners and employees of the present and former external auditor of the Company.

The Board meets at least quarterly to review financial statements and MD&A and to meet with the Company's external auditors at least once a year.

Reliance on Certain Exemptions

The Company is a "venture issuer" pursuant to relevant Canadian securities legislation, the Company is relying on the exemption in section 6.1 of NI 52-110 from the reporting requirements of Part 5 of NI 52-110.

Reliance on the Exemption in Subsection 3.3(2) or Section 3.6 of NI 52-110

At no time since February 29, 2020, has the Company relied on the exemption in section 3.3(2) of NI 52-110 (*Controlled Companies*) or section 3.6 of NI 52-110 (*Temporary Exemption for Limited and Exceptional Circumstances*).

Reliance on Section 3.8 of NI 52-110

At no time since December 31, 2020, has the Company relied on section 3.8 of NI 52-110 (*Acquisition of Financial Literacy*).

Audit Committee Oversight

At no time since December 31, 2020, was any recommendation by Audit Committee to nominate an external auditor not adopted by the Board.

Pre-Approval Policies and Procedures

The Audit Committee is required to approve the engagement of the Company's external auditors in respect of non-audit services.

External Auditor Service Fees (By Category)

The following table sets out the aggregate fees billed to the Company by its external auditors, during the last two financial years for each category of fees described:

Financial Period	Audit Fees(1)	Audit Related Fees(2)	Tax Fees(3)	All Other Fees(4)
July 23, 2020 to December 31, 2020	$8,000	Nil	$1,000	Nil

Notes:

(1) "Audit Fees" are the aggregate fees billed for professional services rendered by the Company's independent auditors for the audit of the Company's annual financial statements, the review of the financial statements included in each of the Company's quarterly reports and services provided in connection with statutory and regulatory filings or engagements.

(2) "Audit-Related Fees" are the aggregate fees billed by the Company's independent auditors for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not described in the preceding category.

(3) "Tax Fees" are billed by the Company's independent auditors for tax compliance, tax advice and tax planning.

(4) "All Other Fees" include fees billed by the Company's independent auditors for products or services other than as described in the immediately preceding three categories.

CORPORATE GOVERNANCE

On June 30, 2005, the Canadian Securities Administrators enacted National Policy 58-201 – *Corporate Governance Guidelines* (the "**Governance Policy**") and National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**"). The Governance Policy provides guidelines on corporate governance practices while NI 58-101 requires Canadian reporting companies to disclose their corporate governance practices in accordance with the disclosure items set out in Form 58-101F1.

The Company has reviewed its own corporate governance practices in light of the guidelines contained in the Governance Policy. The Company's practices comply generally with the guidelines, however, the current directors of the Company consider that some of the guidelines are not suitable for the Company at its current state of development and therefore the Company's governance practices do not reflect these particular guidelines. Given that the Company is a relatively small Company in terms of both activities and market capitalization, the directors of the Company believe that the current governance structure is cost-effective and appropriate for the needs of the Shareholders.

Set out below is a description of the Company's corporate governance practices as required to be disclosed by NI 58-101.

Board of Directors

NI 52-110 sets out the standard for director independence. Under NI 52-110, a director is "independent" if he has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of a director's independent judgment. NI 52-110 also sets out certain situations where a director will automatically be considered to have a material relationship to the Company.

Applying the definition set out in section 1.4 of NI 52-110, at the date of filing of this Prospectus, the Board consists of four directors, three of which are independent.

Directors are expected to attend Board meetings and meetings of committees on which they serve and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities.

Board Mandate

The Board facilitates independent supervision of management through meetings of the Board and through frequent informal discussions among independent members of the Board and management. In addition, the Board has access to the Company's external auditors, legal counsel and to any of the Company's officers.

The Board has a stewardship responsibility to supervise the management of and oversee the conduct of the business of the Company, provide leadership and direction to management, evaluate management, set policies appropriate for the business of the Company and approve corporate strategies and goals.

The day-to-day management of the business and affairs of the Company is delegated by the Board to the officers of the Company. The Board will give direction and guidance through the CEO to management and will keep management informed of its evaluation of the senior officers in achieving and complying with goals and policies established by the Board.

The Board recommends nominees to the shareholders for election as directors, and immediately following each annual general meeting appoints an Audit Committee.

The Board exercises its independent supervision over management by its policies that (a) periodic meetings of the Board be held to obtain an update on significant corporate activities and plans; and (b) all material transactions of the Company are subject to prior approval of the Board. To facilitate open and candid discussion among its independent directors, such directors are encouraged to communicate with each other directly to discuss ongoing issues pertaining to the Company.

Position Description

Because the Board is a small, working board, it has not developed written position descriptions and does not have a process for assessing the performance of the directors or the chair of the Board committees.

The CEO of the Company is responsible for the general management of the day-to-day affairs of the Company within the guidelines established by the Board, consistent with decisions requiring prior approval of the Board.

Other Reporting Issuer Experience

The following table sets out the directors, officers and promoters of the Company that are, or have been within the last five years, directors, officers or promoters of other issuers that are or were reporting issuers in any Canadian jurisdiction:

Name of Director, Officer or Promoter	Name of Reporting Issuer	Exchange	Position	Term
Hari Varshney	PKS Capital Corp.	TSXV	Director CEO & CFO	January 2019 to present
	Blissco Cannabis Corp. (formerly Trigen Resources Inc.)	CSE	Director and President	January 2017 to February 2018
	Minaean SP Construction Corp.	TSXV	Director CFO	April 2003 to present August 2015 to present
	Open Gold Corp. (currently BetterU Education Corp.)	TSXV	Director CEO, President	August 2009 to March 2017 July 2013 to March 2017
	Voti Detection Inc. (formerly Steamsand Capital Corp.)	TSXV	Director CEO, CFO, Secretary	May 2017 to November 2018 May 2017 to November 2018
	WestbayVentures Inc. (formerly Afrasia Mineral Fields Inc. and Cryptanite Blockchain Technologies Corp. and currently Intellabridge Technology Corp.)	CSE	Director	January 2017 to March 2018
Paul Del Duca	Walmart Canada	parent company Walmart is traded on NYSE	Director	May 2014 – May 2019

Orientation and Continuing Education

While the Company does not have formal orientation and training programs, orientation of new members of the Board is conducted by informal meetings with members of the Board, briefings by management, and the provision of copies of or access to the Company's documents.

The Company has not adopted formal policies respecting continuing education for Board members. Board members are encouraged to communicate with management, legal counsel, auditors and consultants, to keep themselves current with industry trends and developments and changes in legislation with management's assistance, and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

Ethical Business Conduct

The Board has not adopted formal guidelines to encourage and promote a culture of ethical business conduct but does promote ethical business conduct by nominating board members it considers ethical, by avoiding or minimizing conflicts of interest and by having a sufficient number of its board members independent of corporate matters. It is not anticipated that the Board will adopt formal guidelines in the 12 months following completion of the Transaction.

The Board has found that the fiduciary duties placed on individual directors by governing corporate legislation and the common law, and the restrictions placed by the BCBCA on an individual director's participation in decisions of the Board in which the director has an interest, have helped to ensure that the Board operates independently of management and in the best interests of the Company.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of a company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, if a director of a company also serves as a director or officer of another company engaged in similar business activities to the first company, that director must comply with the conflict of interest provisions of the BCBCA, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors that evoke such a conflict.

Nomination of Directors

The Board of Directors does not have a nominations committee or a formal procedure with respect to the nomination of directors. In addition, the Corporation does not have any defined policy or procedure requirements of shareholders to submit recommendations or nominations for directors, and it has not established any specific or minimum criteria for nominating directors or specific process for evaluating any such nominees. The directors of the Corporation expect to identify future potential director candidates from recommendations made by its directors, management and shareholders, as appropriate.

The Board of Directors do not, at present, have a formal process in place for assessing the effectiveness of the Board of Directors as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Corporation's size and its stage of development, the Board of Directors considers a formal assessment process to be unnecessary at the present time.

Compensation

The Board and the Compensation Committee conducts reviews with regard to directors' and officers' compensation at least once a year. For information regarding the steps taken to determine compensation for the directors and the executive officers, see *"The Company's* directors and officers may serve as directors or officers of other companies or have significant shareholdings in other companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. The directors of the Company are required to act honestly, in good faith and in the best interests of the Company.

The directors and officers of the Company are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosures by the directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors and officers. All such conflicts will be disclosed by such directors or officers in accordance with applicable laws and shall govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law. The directors and officers of the Company are not aware of any such conflicts of interest.

Other Board Committees

As at the date of this Prospectus, the Board of Directors has no committees other than the Audit Committee.

The Board of Directors does not have a separate Compensation Committee, and such functions are addressed by the entire Board.

The Board of Directors does not have a separate Governance Committee, and such functions are addressed by the entire Board.

The Board does not believe that it is necessary to have other committees because it believes that the functions of such committees can be adequately performed by the members of the Board.

In compliance with applicable corporate law, all proceedings of the Board are conducted either by way of a formal meeting or through resolutions consented to in writing by all of the directors of the Corporation.

Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees. On an ongoing annual basis, the Board assesses the performance of the Board as a whole, each of the individual directors and each committee of the Board in order to satisfy itself that each is functioning effectively.

PLAN OF DISTRIBUTION

This is a non-offering Prospectus. No securities are offered pursuant to this Prospectus.

The Company has applied to list its Common Shares on the CSE. In order to obtain a listing, the Company must fulfill all of the listing requirements of the CSE, including obtaining a receipt for this Prospectus from the British Columbia Securities Commission, distributing its Common Shares to a minimum number of public shareholders and meeting certain financial and other requirements.

As at the date of the prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside of Canada and the United States of America.

RISK FACTORS

The following are certain factors relating to the business of the Company, which factors investors should carefully consider before purchasing securities of the Company. In addition, the information set forth elsewhere in this Prospectus should be given special consideration when evaluating an investment in any of the Common Shares or other securities of the Company. These risks, described below, as well as additional risks and uncertainties not presently known to the Company, or that are currently considered immaterial, may impact the Company, operating results, liquidity and financial condition and could have material adverse affects. If any or all of these risks become increasingly significant and threaten the Company as a going concern, investors could lose a portion or all of their investment.

An investment in the Company is speculative. An investment in the Company will be subject to certain material risks and investors should not invest in securities of the Company unless they can afford to lose their entire investment. The following is a description of certain risks and uncertainties that may affect the business of the Company.

Risks Related to the Company

The Company depends on key and highly skilled personnel, and if the Company fails to attract, retain, motivate or integrate its personnel, the Company's business, financial condition and results of operations could be adversely affected.

The Company's success depends in part on the continued service of its founders, senior management team, key technical employees and other highly skilled personnel and on the Company's ability to identify, hire, develop, motivate, retain and integrate highly qualified personnel for all areas of its organization. The Company may not be successful in attracting and retaining qualified personnel to fulfill its current or future needs. The Company's competitors may be successful in recruiting and hiring members of the Company's management team or other key employees, and it may be difficult for the Company to find suitable replacements on a timely basis, on competitive terms or at all. If the Company is unable to attract and retain the necessary personnel, particularly in critical areas of its business, the Company may not achieve its strategic goals.

Additional regulatory burden resulting from any public listing on the CSE.

The Company intends to seek a listing on the CSE, although to date and has not been subject to the continuous and timely disclosure requirements of Canadian securities laws or other rules, regulations and policies of the CSE. The Company is working with legal, accounting and financial advisors to identify those areas in which changes should be made to its financial management control systems to manage obligations as a public company listed on the CSE. These areas include corporate governance, corporate controls, disclosure controls and procedures and financial reporting and accounting systems. The Company has made, and will continue to make, changes in these and other areas, including its internal controls over financial reporting. However, it cannot assure holders of its shares that these and other measures that it might take will be sufficient to allow it to satisfy obligations as a public company listed on the CSE on a timely basis. In addition, compliance with reporting and other requirements applicable to public companies listed on the CSE will create additional costs for the Company and will require the time and attention of management. The Company cannot predict the amount of the additional costs that it may incur, the timing of such costs or the impact that management's attention to these matters will have on its business and operations.

The Company is dependent on intellectual property rights and/or trade secrets and is susceptible to challenges to those rights as well as claims of infringement of third parties' rights, which could have a material adverse effect on the value of the Company.

The Company, having its business in the development and operation of plant-based protein and meat alternatives, among others, is dependent on intellectual property rights, recipes, know how and branding; the loss or impairment of which could harm the Company's business, results of operations, and its financial condition. The Company's existing, potential or future patents and other intellectual property may not prevent competitors from independently developing products and services similar to or duplicative of the Company's, nor can there be any assurance that the resources invested by the Company to protect its intellectual property, recipes or know how will be sufficient, or that the Company's intellectual property portfolio will adequately deter misappropriation or improper use of the company's technology.

There can be no assurance that the Company's products will not violate proprietary rights of third parties and the Company may be the target of aggressive and opportunistic enforcement of patents and trademark rights by third parties, including non-practicing entities. The Company's ability to protect its intellectual property could also be affected by changes to existing laws, legal principles, and regulations governing intellectual property, including the ownership and protection of patents.

The Company has not registered its trademarks in many worldwide jurisdictions that it intends to sell its products, and there are risks that some of its trademarks may be found to be confusing with pre-existing trademarks in the plant-based protein space.

If any of the foregoing risks were to materialize for the Company, the claims and disputes could result in liability for substantial damages, which in turn could harm the underlying business, results of operations and financial condition of the Company and materially and adversely affect the value of the Company.

Conflicts of interest may arise between the Company and its directors and management.

The directors and officers of the Company may not devote all of their time to the affairs of the Company. The directors and officers of the Company are or may become directors and officers of other companies, some of which may be in the same business as the Company. The directors and officers of the Company are required by law to act in the best interests of the Company. They have the same obligations to the other companies in respect of which they act as directors and officers. Discharge by the directors and officers of their obligations to the Company may result in a breach of their obligations to the other companies, and in certain circumstances, this could expose the Company to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligations to act in the best interests of the Company. Such conflicting legal obligations may expose the Company to liability to others and impair its ability to achieve its business objectives.

Yael Soglowek, a director in the Company and consultant to the Company, is a director and owner of a significant number of shares in NNKS. Given the Company's reliance in the short and medium term on NNKS's manufacturing of certain products, conflicts of interest could arise. Yael Soglowek is also the spouse of Henry Ender, a founding shareholder of Zoglos Sub, and a Control Person of the Company.

The Company faces competition from other companies where it will conduct business that may have higher capitalization, more experienced management or may be more mature as a business.

An increase in the companies competing in the food industry, and more specifically, the plant-based protein and meat alternative industry, could limit the ability of the Company to expand its operations. Current and new competitors may have better capitalization, a longer operating history, more expertise and are therefore able to develop higher quality equipment or products, at the same or a lower cost. The Company cannot provide assurances that it will be able to compete successfully against current and future competitors. Competitive pressures faced by the Company could have a material adverse effect on its business, operating results and financial condition.

Disruption at the Facilities

Following the Zoglos Acquisition, Company will obtain all its products from manufacturing facilities in Israel. Natural disaster, fires, power interruptions, work stoppages or other calamity at this or any future facility at which the Company engages in production may significantly disrupt the Company's ability to meet demands and operate its business. If any material amount of machinery or inventory is damaged, the Company may be unable to meet contractual obligations and cannot predict whether the replacement or repair of such machinery would materially adversely affect the business, financial condition or results of operations. Similarly, the result of fires, earthquakes or other natural disasters, civil disruption or a health crisis such as the current COVID-19 outbreak may have significant disruptions and expenses to the business and operations, thereby having an adverse effect on the business.

The impact of the novel coronavirus (COVID-19) pandemic on the global economy, the Company's operations and consumer demand for consumer goods and services remains uncertain, which could have a material adverse impact on the Company's business, results of operations and financial condition and on the market price of the Common Shares.

In December 2019, a strain of novel coronavirus (now commonly known as COVID-19) was reported to have surfaced in Wuhan, China. COVID-19 has since spread rapidly throughout many countries, and, on March 11, 2020, the World Health Organization declared COVID-19 to be a pandemic. In an effort to contain and mitigate the spread of COVID-19, many countries, including the United States, Canada and China, have imposed unprecedented restrictions on travel, and there have been business closures and a substantial reduction in economic activity in countries that have had significant outbreaks of COVID-19. Although the Company's operating subsidiaries and contractually controlled entity report that its operations have not been materially affected at this point, significant uncertainty remains as to the potential impact of the COVID-19 pandemic on the Company's operations and on the global economy as a whole. It is currently not possible to predict how long the pandemic will last or the time that it will take for economic activity to return to prior levels. The COVID-19 pandemic has resulted in significant financial market volatility and uncertainty in recent weeks. A continuation or worsening of the levels of market disruption and volatility seen in the recent past could have an adverse effect on the Company's ability to access capital, on the Company's business, results of operations and financial condition, on the market price of the Company's common shares, and on consumer demand for consumer services, including those offered by the Company.

Government Regulation

Various aspects of the Company are subject to laws of the jurisdictions in which it operates including, among others, Health Canada and the CFIA. These agencies regulate the processing, packaging, storage, distribution, advertising and labeling of products, including food safety standards. The Company is required to maintain all applicable permits and licenses relating to its operations and its current facility and future facilities and all products are subject to inspection by federal, provincial and local authorities. While the company strives to maintain compliance with applicable laws and regulations, there can be no assurance that the Company will be able to comply with such applicable laws and regulators or obtain such necessary permits and licenses in the future. Failure to comply with applicable laws and regulations and permits and licensing requirements may subject the Company to civil remedies including fines, injunctions, recalls or seizures, in addition to potential criminal sanction, all of which may have a material adverse effect on the financial condition and operations of the Company. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner, which could limit or curtail the Company's business model.

Labeling

In recent years a number of plant-based meat and dairy alternative companies have been the subject of CFIA investigations relating to the use of words such as dairy and meat in connection with plant-based products or other 'alternative' food products. In certain instances the matter was resolved through the use of a hyphenated modifier such as "plant-based" or "dairy-free" but in others, revisions to the labeling of products was required in order to distinguish the products at issue from the conventional understanding of meat, cheese products and dairy products. While the Company believes it employs the use of clear modifying language to distinguish its products from the conventional understanding of traditional food products (including meat and dairy products), it may also market certain products under names commonly associated with animal-based meat and dairy products and may commonly employ the words "meat", "patty" "cheese" or other similar language as a general descriptor in relation to its product portfolio. The Company will be solely reliant on management to monitor such activities, with the assistance of outside counsel as needed. Although the Company has no reason to expect the product labels and marketing materials to be misleading or deceptive, there is a risk that the CFIA will take up enforcement action against the Company, which could ultimately have a material adverse effect on the value of Company.

Price of Raw Materials

Costs of the ingredients and packaging for food products are volatile and can fluctuate due to conditions that are difficult to predict, including global competition for resources, weather conditions, consumer demand, changes in governmental trade and agricultural programs, epidemics/pandemics and other public health crises, such as COVID-19. Volatility in the prices of raw materials and other supplies food companies purchase could increase the Company's cost of sales and reduce its profitability. Moreover, the Company may not be able to implement product price increases to cover any increased costs, or any price increases implemented may result in lower sales volumes. If the Company is not successful in managing its ingredient and packaging costs, and unable to increase its prices to cover increased costs or if such price increases reduce sales volumes, then such increases in costs will adversely affect its business, results of operations and financial condition and materially and adversely affect the value of the Company.

Consumer Trends

The Company will be focused on the development, manufacture, marketing and distribution of branded plant-based products as alternatives to meat and dairy-based protein products. Consumer demand could change based on a number of possible factors, including dietary habits and nutritional values, concerns regarding the health effects of ingredients and shifts in preference for various product attributes. If consumer demand for the Company's products decreases, its business and financial condition would suffer, thereby adversely affecting the value of the Company. In addition, sales of plant-based protein or meat-alternative products are subject to evolving consumer preferences that the Company may not be able to accurately predict or respond to. Consumer trends could change based on a number of possible factors, including economic factors and social trends. A significant shift in consumer demand away from the products of the Company could reduce its sales, which would harm its business and financial condition and could materially and adversely affect the value of the Company.

Supply Chain Management

Insufficient or delayed supply of products threatens the Company's ability to meet customer demands while over capacity threatens its ability to generate profit. Specifically, the impact of COVID-19 may adversely impact the Company's access to products. Some of these products may be available from only a single supplier or a limited group of suppliers. Accordingly, any failure by the Company to properly manage its supply chain could have a material adverse effect on its business, financial condition and results of its operations.

Limited or Disrupted Supply of Key Ingredients

A number of the ingredients in the Company's products are vulnerable to adverse weather conditions and natural disasters, such as floods, droughts, frosts, earthquakes, hurricanes and pestilence. Adverse weather conditions and natural disasters can lower crop yields and reduce crop size and quality, which in turn could reduce the available supply of, or increase the price of quality ingredients. Moreover, the Company may use organic ingredients, which are more limited in supply than conventional product ingredients. The Company also competes with other food producers in the procurement of ingredients, and as consumer demand for plant-based protein products increases, this competition may increase. If supplies of quality ingredients are reduced or there is greater demand for such ingredients, the Company may not be able to obtain sufficient supply on favorable terms, or at all, which could impact its ability to supply products to distributors and retailers and may adversely affect its business, results of operations and financial condition.

Climate Change

There is concern that carbon dioxide and other greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather patterns and the frequency and severity of extreme weather and natural disasters. If such climate change has a negative effect on agricultural productivity, the Company may be subject to decreased availability or less favorable pricing for certain commodities that are necessary for the Company's products, such as legumes.

Food Safety and Consumer Health

The Company is subject to risks that affect the food industry in general, including risks posed by food spoilage, accidental contamination, product tampering, consumer product liability, and the potential costs and disruptions of a product recall. The Company will make commercially reasonable efforts to manage these risks by maintaining strict and rigorous controls and processes in their manufacturing processes and distribution systems. However, there is no assurance that such systems will eliminate the risks related to food safety. The Company could be required to recall certain or a large portion of their products in the event of contamination or adverse test results or as a precautionary measure. There is also a risk that not all of the product subject to the recall will be properly identified, or that the recall will not be successful or not be enacted in a timely manner. A product recall could result in significant losses due to its costs, destruction of product inventory and lost sales due to the unavailability of the product or potential loss of current or new customers as a result of an adverse impact on the Company's reputation. In addition, once purchased by consumers, the Company has no further control over its products and consumers may prepare its products in a manner that is inconsistent with its directions, which may adversely affect the quality and safety of its products. Any product contamination could subject the Company to product liability claims, adverse publicity and government scrutiny, investigation or intervention, resulting in increased costs and decreased sales. Any of these events could have a material adverse impact on the Company's value.

Brand Value

The success of the Company in the food industry depends on its ability to maintain and grow the value of its brand. Maintaining, promoting and positioning its brand and reputation will depend on, among other factors, the success of a company's product offerings, food safety, quality assurance, marketing and merchandising efforts and its ability to provide a consistent, high-quality customer experience. Brand value is based on perceptions of subjective qualities, and any incident that erodes the loyalty of customers or suppliers, including adverse publicity or a governmental investigation or litigation, could significantly reduce the value of the Company's brand and adversely affect its business, results of operations and financial condition, which would have a material adverse effect on the Company's value.

In certain circumstances, the Company's reputation could be damaged.

Real or perceived quality or food safety concerns or failures to comply with applicable food regulations and requirements, whether or not ultimately based on fact and whether or not involving us or incidents involving competitors, could cause negative publicity and reduced confidence in the Company and its products, which could cause harm to its brand, reputation and sales, and could materially adversely affect its business, financial conditions and results of its operations. The growing use of social and digital media increases the speed and extent that information or misinformation and opinions can be shared. Negative publicity about the Company, its brand or products on social or digital media could seriously damage its reputation. Without a favorable perception of the Company's brand and products, its sales and profits could be negatively impacted, which would have a material adverse effect on the Company's value.

Effect of Product Innovation

The Company's growth in part depends on its ability to develop and market new products and improvements to its existing products that appeal to consumer preferences. The success of the Company's innovation and product development efforts is affected by its ability to anticipate changes in consumer preferences, the technical capability of its research and development team in developing and testing product prototypes, including complying with applicable governmental regulations, the success of its management and sales and marketing team in introducing and marketing new products and positive acceptance by consumers. Failure to develop, successfully market and sell new products may inhibit the Company's growth, sales and profitability.

Failure to retain current customers and/or recruit new customers

The success of the Company, and its ability to increase revenue and operate profitably, depends in part on its ability to acquire new customers and retain existing customers, so that they continue to purchase the Company's products. The Company may fail to acquire or retain customers across its distribution channels due to negative value and quality perceptions, a lack of new and relevant products or failure to deliver customers' orders in a timely manner.

Litigation

The Company may become party to litigation, mediation and/or arbitration from time to time in the ordinary course of business which could adversely affect its business. Monitoring and defending against legal actions, whether or not meritorious, can be time-consuming, divert management's attention and resources and cause the Company to incur significant expenses. In addition, legal fees and costs incurred in connection with such activities may be significant and the Company could, in the future, be subject to judgments or enter into settlements of claims for significant monetary damages. Substantial litigation costs or an adverse result in any litigation may adversely impact the Company's business, operating results or financial condition.

Uncertainty about the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent upon its ability in the future to grow its revenue and achieve profitable operations and, in the meantime, to obtain the necessary financing to meet its obligations and repay its liabilities when they become due. External financing, predominantly by the issuance of equity and debt, will be sought to finance the operations of the Company; however, there can be no certainty that such funds will be available at terms acceptable to the Company. These conditions indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

If the Company fails to effectively manage its growth, its business, financial condition and results of operations could be adversely affected.

Given the strength of the management team, initial market interest for the current Zoglo Products as well as new innovative products expected to be released in 2021, the Company expects to experience significant and rapid growth in its business. This expansion increases the complexity of business and has placed, and will continue to place, strain on the Company's management, personnel, operations, systems, technical performance, financial resources and internal financial control and reporting functions. The Company's ability to manage its growth effectively and to integrate new employees, technologies and acquisitions into its existing business will require the Company to continue to expand its operational and financial infrastructure and to continue to retain, attract, train, motivate and manage employees. Continued growth could strain the Company's ability to develop and improve its operational, financial and management controls, enhance its reporting systems and procedures and maintain user satisfaction. Additionally, if the

Company does not effectively manage its growth, the quality of its offerings could suffer, negatively affecting its reputation and brand, business, financial condition and results of operations. Systems failures and resulting interruptions in the availability of the Company's platform or offerings could adversely affect the Company's business, financial condition and results of operations.

The Company may require additional funding.

The Company requires additional capital for the development of its business operations and commercialization of planned products and product candidates. It may also encounter unforeseen expenses, difficulties, complications, delays and other unknown factors that may increase capital needs or drive spending and depletion of cash resources faster than expected. Accordingly, the Company will need to obtain substantial additional funding in order to continue and maintain its operations. The uncertainties around the Company's ability to fund operations raise substantial doubt about its ability to continue as a growing concern.

If the Company raises additional funds through the issuance of equity, equity-linked or debt securities, those securities may have rights, preferences or privileges senior to those of the Company's common stock, and the Company's existing stockholders may experience dilution. Any debt financing secured by the Company in the future could involve restrictive covenants relating to the Company's capital-raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities. The Company cannot be certain that additional funding will be available to it on favorable terms, or at all. If the Company is unable to obtain adequate funding or funding on satisfactory terms when necessary, the Company's ability to continue to support its business growth and to respond to business challenges could be significantly limited, and the Company's business, financial condition and results of operations could be adversely affected.

Claims by others that the Company infringed their intellectual property rights could harm the Company.

As the Company gains a public profile and the number of competitors in the Company's market increases, the possibility of intellectual property rights claims against the Company grows. From time to time, third parties may assert claims of infringement of intellectual property rights against the Company. Many potential litigants, including some of the Company's competitors and patent-holding companies, have the ability to dedicate substantial resources to assert their intellectual property rights. Any claim of infringement by a third party, even those without merit, could cause the Company to incur substantial costs defending against the claim, could distract the Company's management and could require the Company to cease use of such intellectual property. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, the Company risks compromising its confidential information during this type of litigation. The Company may be required to pay substantial damages, royalties or other fees in connection with a claimant securing a judgment against it and may be subject to an injunction or other restrictions that prevent the Company from using or distributing its intellectual property, or the Company may agree to a settlement that prevents it from distributing its offerings or a portion thereof, which could adversely affect the Company's business, financial condition and results of operations.

With respect to any intellectual property rights claim, the Company may have to seek out a license to continue operations found to be in violation of such rights, which may not be available on favorable or commercially reasonable terms and may significantly increase the Company's operating expenses. Some licenses may be non-exclusive, and therefore the Company's competitors may have access to the same technology licensed to it. If a third party does not offer the Company a license to its intellectual property on reasonable terms, or at all, the Company may be required to develop alternative, non-infringing technology, which could require significant time (during which the Company would be unable to continue to offer its affected offerings), effort and expense and may ultimately not be successful. Any of these events could adversely affect the Company's business, financial condition and results of operations.

The Company may be unable to adequately protect its proprietary and intellectual property rights.

The Company's ability to compete may depend on the superiority, uniqueness and value of any intellectual property that it may develop or acquire. To the extent the Company is able to do so, to protect any proprietary rights of the Company, the Company intends to rely on a combination of patent, trademark, copyright and trade secret laws, confidentiality agreements with its employees and third parties, and protective contractual provisions. Despite these efforts, any of the following occurrences may reduce the value of any of the Company's intellectual property:

- the market for the Company's products and services may depend to a significant extent upon the goodwill associated with its trademarks and trade names;
- trademarks and registered copyrights may not provide the Company with competitive advantages; the Company's efforts to protect its intellectual property rights may not be effective in preventing misappropriation of any its products or intellectual property;
- the Company's efforts may not prevent the development and design by others of products or marketing strategies similar to or competitive with, or superior to those the Company develops;
- another party may assert a blocking patent and the Company would need to either obtain a license or design around the patent in order to continue to offer the contested feature or service in its products; or
- the expiration of patent or other intellectual property protections for any assets owned by the Company could result in significant competition, potentially at any time and without notice, resulting in a significant reduction in sales. The effect of the loss of these protections on the Company and its financial results will depend, among other things, upon the nature of the market and the position of the Company's products in the market from time to time, the growth of the market, the complexities and economics of manufacturing a competitive product and regulatory approval requirements but the impact could be material and adverse.

The Company could be liable for fraudulent or illegal activity by its employees, contractors and consultants resulting in significant financial losses to claims against the Company.

The Company is exposed to the risk that its employees, independent contractors and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to the Company that violate government regulations. It is not always possible for the Company to identify and deter misconduct by its employees and other third parties, and the precautions taken by the Company to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting the Company from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against the Company, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on the Company's business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of the Company's operations, any of which could have a material adverse effect on the Company's business, financial condition and results of operations.

No guarantee on the use of available funds by the Company.

The Company cannot specify with certainty the particular uses of available funds. Management has broad discretion in the application of its proceeds. Accordingly, a holder of Common Shares will have to rely upon the judgment of management with respect to the use of available funds, with only limited information concerning management's specific intentions. The Company's management may spend a portion or all of the available funds in ways that the Company's shareholders might not desire, that might not yield a favourable return and that might not increase the value of a purchaser's investment. The failure by management to apply these funds effectively could harm the Company's business. Pending use of such funds, the Company might invest the available funds in a manner that does not produce income or that loses value.

Risks Related to the Company's Securities

The Company's Chairman exercises significant control over the Company, which will limit your ability to influence corporate matters and could delay or prevent a change in corporate control.

The Company's Chairman has beneficial ownership of approximately 46.2% of outstanding Common Shares. As a result, the Chairman may be able to influence the Company's management and affairs and control the outcome of matters submitted to its shareholders for approval, including the election of directors and any sale, merger, consolidation, or sale of all or substantially all assets. The Chairman may have interests, with respect to his Common Shares, that are different from those of other investors in Company, and the concentration of voting power may have an adverse effect on the price of Common Shares. In addition, this concentration of ownership might adversely affect the market price of Common Shares by:

- delaying, deferring or preventing a change of control of the Company;
- impeding a merger, consolidation, takeover or other business combination involving the Company; or
- discouraging a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company.

There is no existing market for Common Shares, and you cannot be certain that an active trading market or a specific share price will be established.

There has been no public market for the Company's Common Shares. The Company cannot predict the extent to which investor interest in the Company will lead to the development of a trading market or how liquid that market might become. Additionally, the market price for Common Shares may decline below an investor's acquisition price, and the stock price is likely to be volatile.

The Company will use its best efforts to list the Common Shares for trading on a securities exchange; however, it is uncertain when the Common Shares will be listed on an exchange for trading, if ever.

There is currently no public market for the Common Shares and there can be no assurance that one will ever develop. The Company's Board of Directors, in its sole discretion, may choose to take actions necessary to list the Common Shares on a national securities exchange, but is not obligated to do so. As a result, the Common Shares may not be listed on a securities exchange for an extended period of time, if at all. If he Common Shares are not listed on an exchange, it may be difficult to sell or trade the Common Shares.

The Company cannot assure you that a market will continue to develop or exist for the Common Shares or what the market price of the Common Shares will be.

The Company cannot assure that a market will continue to develop or be sustained once the Company's shares are listed on the CSE. If a market does not continue to develop or is not sustained, it may be difficult for investors to sell the Common Shares at an attractive price or at all. The Company cannot predict the prices at which the Common Shares will trade.

The market price for the Company's shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's control.

The market price for the Company's shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's control, including the following:

- actual or anticipated fluctuations in the Company's quarterly results of operations;
- recommendations by securities research analysts;
- changes in the economic performance or market valuations of companies in the industry in which the Company operates;
- addition or departure of the Company's executive officers and other key personnel;
- release or expiration of lock-up or other transfer restrictions on outstanding Common Shares;
- sales or perceived sales of additional Common Shares;
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors;
- operating and share price performance of other companies that investors deem comparable to us; fluctuations to the costs of vital production materials and services;
- changes in global financial markets and global economies and general market conditions, such as interest rates and product price volatility;
- operating and share price performance of other companies that investors deem comparable to the Company or from a lack of market comparable companies;
- news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Company's industry or target markets; and
- regulatory changes in the industry.

Financial markets have recently experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Common Shares may decline even if the Company's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which might result in impairment losses. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, the Company's operations could be adversely affected and the trading price of the Common Shares might be materially adversely affected.

The Company has a large number of authorized but unissued Common Shares.

The Company has a large number of authorized but unissued Common Shares, which the Company's management may issue without further stockholder approval, thereby causing dilution of your holdings of the Company's Common Shares. Company management will continue to have broad discretion to issue Common Shares in a range of transactions, including capital-raising transactions, mergers, acquisitions and other transactions, without obtaining stockholder approval, unless stockholder approval is required. If the Company's management determines to issue Common Shares from the large pool of authorized but unissued shares for any purpose in the future, your ownership position would be diluted without your further ability to vote on that transaction.

Future sales of Common Shares by existing shareholders could reduce the market price of the Common Shares.

Sales of a substantial number of Common Shares in the public market could occur at any time. These sales, or the market perception that the holders of a large number of Common Shares intend to sell Common Shares, could reduce the market price of the Common Shares. Additional Common Shares may be available for sale into the public market, subject to applicable securities laws, which could reduce the market price for Common Shares.

The Company does not intend to pay dividends for the foreseeable future.

The Company has never declared nor paid cash dividends on its capital stock. The Company currently intends to retain any future earnings to finance the operation and expansion of its business, and does not expect to declare or pay any dividends in the foreseeable future. As a result, stockholders must rely on sales of their common stock after price appreciation as the only way to realize any future gains on their investment.

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about the Company, the market price and trading volume of the Company's common stock could decline.

The trading market for the Company's common stock may depend in part on the research and reports that securities or industry analysts publish about the Company, its business, its market or its competition. The analysts' estimates are based upon their own opinions and are often different from the Company's estimates or expectations. If one or more of the analysts who cover the Company downgrade its common stock, provide a more favorable recommendation about the Company's competitors or publish inaccurate or unfavorable research about the Company, the price of the Company's securities would likely decline. If few securities analysts commence coverage of the Company, or if one or more of these analysts cease coverage of the Company or fail to publish reports on the Company regularly, demand for the Company's securities could decrease, which might cause the price and trading volume of the Company's common stock to decline.

CERTAIN FEDERAL INCOME TAX CONSIDERATIONS

The Company encourages each security holder to consult with its own tax or professional advisor to under the tax considerations generally applicable with purchasing or owning Common Shares.

PROMOTERS

Other than as disclosed below, no person who was a promoter of the Company within the last two years:

- received anything of value directly or indirectly from the Company or a subsidiary;
- sold or otherwise transferred any asset to the Company or a subsidiary within the last two years;
- has been a director, CEO or CFO of any company that during the past 10 years was the subject of a cease trade order or similar order or an order that denied the company access to any exemptions under securities legislation for a period of more than 30 consecutive days or became bankrupt,

made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets;

- has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority;
- has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision; or
- has within the past 10 years become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets.

Hari Varshney took the initiative in founding the Company and accordingly, may be considered a promoter of the Company within the meaning of applicable securities legislation in British Columbia. Mr. Varshney beneficially owns or controls, directly or indirectly, an aggregate of 770,000 Common Shares and 166,000 Subscription Receipts. See "*Executive Compensation*" for disclosure regarding the compensation paid by the Company to Mr. Varshney when he acted as CEO, CFO, President and Secretary of the Company.

LEGAL PROCEEDINGS

There are no legal proceedings material to the Company to which the Company is a party or of which any of its property is the subject matter, and there are no such proceedings known to the Company to be contemplated.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed herein, no director, officer, Insider or Promoter of the Company has had any material interest, direct or indirect, in any transaction since incorporation to the date hereof that has materially affected or is reasonably expected to materially affect the Company.

AUDITORS

The auditor for the Company is Dale Matheson Carr-Hilton Labonte LLP, located at 1140 W. Pender Street, Suite 1500, Vancouver, British Columbia.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Company's securities is Olympia Trust Company, at its principal offices located at 1900-925 West Georgia Street, Vancouver, BC V6C 3L2.

MATERIAL CONTRACTS

Other than contracts entered into in the ordinary course of business, the following are the only material contracts entered into by the Company or its Subsidiaries within two years prior to the date of this Prospectus which are currently in effect and considered to be currently material:

Contract	Nature of Contract and Consideration
Varshney Capital Corp. Administrative Services Agreement between Zoglo's Incredible Food Corp. and Varshney Capital Corp. dated March 23, 2021	Consulting services agreement pursuant to which Varshney Capital Corp. administrative services in connection with the operations and business of the Company. See "*General Description of the Business – Three Year History*".
Asset Purchase Agreement between Zoglo's Incredible Food Inc. and Naknik Nahariya Kasher Soglowek Ltd. dated October 19, 2020, as amended February 9, 2021	Asset purchase agreement pursuant to which the Company acquired the assets, patents, intellectual property, licensing rights and manufacturing rights of Naknik Nahariya Kasher Soglowek Ltd. See "*General Description of the Business – Three Year History*".
Contract Manufacturing Agreement between Zoglo's Incredible Food Inc. and Naknik Nahariya Kasher Soglowek Ltd. dated October 19, 2020, as amended February 9, 2021	Contract manufacturing agreement to which Naknik Nahariya Kasher Soglowek Ltd agreed to manufacture the Zoglos Products for the Company for a period of up to three (3) years. See "*General Description of the Business – Three Year History*".

Copies of the above material contracts can be inspected at the Company's head office during regular business hours for a period of 30 days after a final receipt is issued for this Prospectus and are also available electronically on the Company's issuer profile on SEDAR at www.sedar.com.

LEGAL MATTERS

Certain Canadian legal matters in connection with this Prospectus will be passed upon by McMillan LLP, on behalf of the Company. As at the date hereof, the partners and associates of McMillan LLP, as a group, beneficially own, directly or indirectly, less than one percent of the outstanding Common Shares of the Company.

INTERESTS OF EXPERTS

The following are persons or companies whose profession or business gives authority to a statement made in this Prospectus as having prepared or certified a part of that document or report described in the Prospectus:

- McMillan LLP is the Company's counsel with respect to Canadian legal matters herein;
- Dale Matheson Carr-Hilton Labonte LLP, Certified Public Accountants is the external auditor of the Company and reported on the Company's audited financial statements for the period from July 23, 2020 (date of incorporation) to December 31, 2020, together with the notes thereto and the auditors' report thereon, attached hereto as Schedule "A";
- Baker Tilly, Certified Public Accountants prepared the Zoglo Sub audited financial statements for the year ended December 31, 2019 and 2020, together with the notes thereto and the auditors' report thereon, attached hereto as Schedule "C"; and
- Somekh Chaikin, a member firm of KPMG International, Certified Public Accountants reported on the carve-out financial statements of Zoglos Foreign Business of Naknik Nahariya Kasher

Soglowek Ltd. for the years ended December 31, 2020 and 2019, together with the notes thereto and the auditors' report thereon, attached as Schedule "E".

To the knowledge of management, as of the date hereof, no expert, nor any associate or affiliate of such person has any beneficial interest, direct or indirect, in the securities or property of the Company or of an associate or affiliate of any of them, and no such person is or is expected to be elected, appointed or employed as a director, officer or employee of the Company or of an associate or affiliate thereof.

OTHER MATERIAL FACTS

To the knowledge of management, there are no other material facts relating to the Company that are not otherwise disclosed in this Prospectus or are necessary for this Prospectus to contain full, true and plain disclosure of all material facts relating to the Company.

FINANCIAL STATEMENTS

Attached hereto as Schedules "A", "C", "E", "F" and forming a part of this Prospectus are the following financial statements, prepared in accordance with IFRS: (i) audited financial statements of the Company for the period from July 23, 2020 (date of incorporation) to December 31, 2020, together with the notes thereto and the auditors' report thereon, attached as Schedule "A"; (ii) audited consolidated financial statements of Zoglo Sub for the period from July 13, 2020 (date of incorporation) to December 31, 2020, together with the notes thereto and the auditors' report thereon, attached as Schedule "C"; (iii) audited carve-out financial statements of Zoglos Foreign Business of Naknik Nahariya Kasher Soglowek Ltd. for the years ended December 31, 2020 and 2019, together with the notes thereto and the auditors' report thereon, attached as Schedule "E"; and (iv) pro forma financials statements of the Company as of December 31, 2020, attached as Schedule "F".

Schedule "A"
Company Financial Statements

1258481 B.C. LTD.

Financial Statements

For the period from July 23, 2020 (date of incorporation) to December 31, 2020

Expressed in Canadian Dollars

1258481 B.C. LTD.

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DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Directors of 1258481 BC Ltd.

Opinion

We have audited the financial statements of 1258481 BC Ltd. (the "Company"), which comprise the statement of financial position as at December 31, 2020, and statements of changes in equity, loss and comprehensive loss and cash flows for the period from July 23, 2020 (date of incorporation) to December 31, 2020 and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020, and its financial performance and its cash flows for the period from July 23, 2020 (date of incorporation) to December 31, 2020 in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which describes events or conditions that indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

February 25, 2021

MOORE

An independent firm
associated with Moore
Global Network Limited

1258481 B.C. LTD.

Statement of Financial Position
(Expressed in Canadian Dollars)

	Notes		December 31, 2020
Assets			
Current assets:			
Cash		$	**132,486**
		$	**132,486**
Liabilities and Shareholders' Equity			
Current liabilities:			
Trades payables		$	**20,568**
Due to related parties	5		**4,200**
			24,768
Shareholders' equity:			
Capital stock	4		**74,560**
Special warrants	4		**50,000**
Deficit			**(16,842)**
			107,718
		$	**132,486**

Nature and continuance of business (Note 1)
Proposed business transaction (Note 9)

Approved on behalf of the board of directors:

"Hari Varshney"	*"Satnam Brar"*
Hari Varshney, Director	**Satnam Brar, Director**

The accompanying notes form an integral part of these financial statements.

1258481 B.C. LTD.

Statement of Changes in Equity
(Expressed in Canadian Dollars)

		Share capital				
	Notes	Shares	Amount	Special Warrants	Deficit	Total Equity
Balance, July 23, 2020 (date of incorporation)	4	**1**	**$ –**	**$ –**	**$ –**	**$ –**
Repurchase and cancellation of incorporation share	4	(1)	–	–	–	–
Common shares issued for cash	4	7,500,000	82,500	–	–	82,500
Share issuance cost	4		(7,940)	–	–	(7,940)
Special warrants issued for cash	4	–	–	50,000	–	50,000
Net loss for the period		–	–	–	(16,842)	(16,842)
Balance, December 31, 2020		**7,500,000**	**$ 74,560**	**$ 50,000**	**$ (16,842)**	**$ 107,718**

The accompanying notes form an integral part of these financial statements

1258481 B.C. LTD.

Statement of Loss and Comprehensive Loss
For the period from July 23, 2020 (date of incorporation) to December 31, 2020
(Expressed in Canadian Dollars)

	Notes		**2020**
Expenses:			
Office and administration		**$**	**14**
Professional fees			**12,628**
Rent	5		**4,200**
Net and comprehensive loss		**$**	**(16,842)**
Loss per common share – basic and diluted		**$**	**(0.01)**
Weighted average number of common shares outstanding – basic and diluted			**2,518,519**

The accompanying notes form an integral part of these financial statements.

1258481 B.C. LTD.

Statement of Cash Flows
For the period from July 23, 2020 (date of incorporation) to December 31, 2020
(Expressed in Canadian Dollars)

		2020
Cash provided by:		
Operating activities		
Net loss for the period	$	**(16,842)**
Changes in non-cash working capital:		
Trades payables and accrued liabilities		**20,568**
Due to related parties		**4,200**
		7,926
Financing activities		
Proceeds from share issuances		**74,560**
Proceeds from special warrants issuances		**50,000**
		124,560
Change in cash, being cash at the end of the period	$	**132,486**

The accompanying notes form an integral part of these financial statements.

1. NATURE AND CONTINUANCE OF BUSINESS

1258481 B.C. Ltd. (the "Company") was incorporated under the laws of the Province of British Columbia on July 23, 2020.

The Company's head office and principal address is Suite 2050-1055 West Georgia Street, Vancouver BC, V6E 3P3. The registered and records office is suite 1500-1055 West Georgia Street, Vancouver, BC, V6E 4N7.

On February 12, 2021, the Company entered into a share exchange agreement ("SEA") with Zoglo's Incredible Food Corp. ("Zoglo"), whereby the Company will acquire 100% of Zoglo by way of a business combination. Zoglo is a food production and distribution company incorporated under the laws of the Province of Ontario. See Note 9 for details of the transaction.

These financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company's continuation as a going concern is dependent upon the successful identification of viable business projects, its ability to raise equity capital, to obtain loans from related parties, and to attain profitable operations to generate funds and meet current and future obligations. These conditions cast significant doubt on the Company's ability to continue as a going concern. During the period ended December 31, 2020, the Company reported a net loss of $16,842. As at December 31, 2020, the Company had working capital of $107,718.

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. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on business operations cannot be reasonably estimated at this time. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about by the pandemic's impact on its business, results of operations, financial position and cash flows in the future.

2. BASIS OF PRESENTATION

These financial statements were authorized for issue on February 25, 2021 by the directors of the Company.

Statement of compliance

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

2. BASIS OF PRESENTATION (cont'd)

Basis of presentation

The financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. These financial statements are presented in Canadian dollars unless otherwise noted.

Significant estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates 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 periods include the fair value measurements for financial instruments and the recoverability and measurement of deferred tax assets.

Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's financial statements include the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

3. SIGNIFICANT ACCOUNTING POLICIES

Share capital

Common shares issued for non-monetary consideration are recorded at their fair value on the measurement date and classified as equity. The measurement date is defined as the earliest of the date at which the commitment for performance by the counterparty to earn the common shares is reached or the date at which the counterparty's performance is complete.

Transaction costs directly attributable to the issue of common shares and share purchase options are recognized as a deduction from equity, net of any tax effects.

Income taxes

Income tax expense is comprised of current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Income taxes *(cont'd)*

Deferred tax is recorded using the asset and liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting or taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it provides a valuation allowance against that excess.

Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. If these computations prove to be anti-dilutive, diluted loss per share is the same as basic loss per share.

Financial instruments – recognition and measurement

The following is the Company's accounting policy for financial instruments under IFRS 9:

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL.

For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial instruments – recognition and measurement *(cont'd)*

(ii) Measurement

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of loss and comprehensive loss in the period in which they arise.

Debt investments at FVOCI
These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in Other Comprehensive Income ("OCI"). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss

Equity investments at FVOCI
These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial instruments – recognition and measurement *(cont'd)*

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

The Company classifies cash as FVTPL, and trade payable and due to related parties at amortized cost.

Recent accounting pronouncements

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

4. SHARE CAPITAL

a. Authorized

Unlimited number of common shares without par value.

b. Issued and outstanding

During the period ended December 31, 2020, the Company completed the following transactions:

i) 1 common share for $0.01 upon incorporation. The Company subsequently repurchased this share for the same amount and cancelled the common share;
ii) 4,500,000 common shares issued on November 6, 2020 at a price of $0.005 per share for aggregate gross proceeds of $22,500;
iii) On November 10, 2020, 3,000,000 common shares issued on November 10, 2020 at a price of $0.02 per share for aggregate gross proceeds of $60,000; and
iv) The Company paid $7,940 in legal fees in connection to the issuance of common shares.

c. Subscription receipts

During the period ended December 31, 2020, The Company received subscription receipts for 1,000,000 special warrants ("Special Warrant") at a price of $0.05 per Special Warrant for total gross proceeds of $50,000. Each Special Warrant will entitle the holder to receive one common share of the Company (each a "Share") on the date ("Conversion date") that is earlier of (i) the third business day after a receipt for a final prospectus (the "Prospectus") qualifying the distribution of the Shares issuable upon the conversion of the Special warrants, and (ii) 4 months and one day after the issue date of the Special Warrants. No Special Warrant may be exercised prior to the Conversion Date,

(Expressed in Canadian Dollars)

4. SHARE CAPITAL (cont'd)

c. Subscription receipts (cont'd)

and the Special Warrants will automatically convert on Conversion Date. The Special Warrants are subject to a hold period of the later of:
(a) four months and a day following the date of issuance of the Special Warrants; and
(b) the date the Company becomes a reporting issuer in a jurisdiction of Canada.

5. RELATED PARTY TRANSACTIONS

Key management personnel are persons responsible for planning, directing and controlling activities of an entity, and include executive and non-executive directors and officers.

On November 1, 2020, the Company entered into a sublease agreement with Vandana Ventures Inc. ("Vandana"), a company controlled by a spouse of a director of the Company, for a portion of its corporate office located in Vancouver, B.C. for a period of one year, expiring October 31, 2021, in exchange for $2,000 per month plus applicable taxes.

During the period ended December 31, 2020, the Company accrued $4,200 for rent to Vandana.

During the period ended December 31, 2020, the directors of the Company subscribed to an aggregate total of 2,545,000 common shares for total gross proceeds of $36,200, and an aggregate total of 15,000 special warrants for total gross proceeds of $750.

6. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

		2020
Loss for the period	$	(16,842)
Statutory rate		27%
Expected income tax recovery at statutory rate		(4,547)
Change in valuation allowance		6,691
Expenses not deductible for tax purposes and other		(2,144)
Income tax recovery	$	–

The Company has accumulated non-capital losses of approximately $18,430 which may be deducted in the calculation of taxable income in future years. The losses expire in 2040.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at December 31, 2020, the fair value of cash held by the Company was based on level 1 inputs of the fair value hierarchy.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd)

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

Credit risk
Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall 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 and seeking equity financing when needed.

As at December 31, 2020, the Company had cash on hand of $132,486, which is sufficient to settle its current liabilities of $24,768. The Company will require additional funding to complete its proposed business transaction (Note 9).

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(a) Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's cash is held in an account with a major Canadian financial institution. The funds may be withdrawn at any time without penalty.

(b) Foreign currency risk
The Company does not have assets or liabilities in a foreign currency and therefore is not exposed to foreign currency risk.

(c) Price risk
The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potentially adverse impact on the Company's ability to obtain equity financing due to movements in individual equity prices. The Company closely monitors individual equity movements to determine the appropriate course of action to be taken by the Company.

8. CAPITAL MANAGEMENT

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. As at December 31, 2020, the Company's shareholders' equity was $107,718 and it had current liabilities of $24,768. The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its future liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels. The Company currently is not subject to externally imposed capital requirements.

9. PROPOSED BUSINESS TRANSACTION

Pursuant to the SEA with Zoglo (Note 1), upon completion of the Transaction, the Company will acquire 100% of the issued and outstanding common shares of Zoglo (the "Transaction") resulting in Zoglo becoming a wholly owned subsidiary of the Company and the Company will continue on the business of Zoglo. Upon completion of the Transaction, the security holders of Zoglo will become shareholders of the combined entity (the "Resulting Issuer").

The Company will apply for a listing (the "Listing") on the Canadian Securities Exchange ("CSE")

The Transaction

In consideration of the Transaction, the Company shall, upon completion of the Transaction, issue 64 million of its shares (the "Payment Shares") to the then existing shareholders of Zoglo at an agreed price of $0.25 per Payment Share.

In further consideration of the Transaction, the Company would assume all obligations from Zoglo to acquire the assets, patents, IP and licensing rights and manufacturing rights (the "Zoglo IP") (the "Acquisition") from Naknik Nahariya Kasher Soglowek Ltd ("Naknik"), a corporation incorporated under the laws of Israel. The Company will pay an aggregate of $5,000,000 in accordance to the agreement.

In addition, the Company will issue 3,000,000 restricted stock units ("RSU") to the chairman of Zoglo prior to the completion of the Transaction at a subscription price of $0.05 per RSU.

Concurrent Financing

In conjunction with, and prior to the closing of the Transaction, Zoglo will complete a private placement consisting of 5,000,000 Zoglo shares at a price of $0.10 per share for aggregated gross proceeds of $500,000.

In conjunction with, and prior to the closing of the Transaction, the Company will complete a concurrent private placement of 27,000,000 of the Company's shares at a price of $0.25 per share for aggregated gross proceeds of $6,750,000 (the "Shell Private Placement Proceeds"). The Shell Private Placement Proceeds will not be available to Zoglo until the closing of the Transaction.

Closing Conditions

- Board approval and shareholders' approval of the Transaction to be obtained by the Company and Zoglo;
- Completion of due diligence to the satisfaction of the Parties;
- All necessary regulatory approvals with respect to the Transaction, including but not limited to approval of the Exchange and other applicable securities regulatory authorities;
- Completion of all matters, and the satisfaction of all conditions under the Definitive Agreement required to be completed or satisfied on or before the Closing.

Name Change

In conjunction with the closing, the Company will change its name as determined by both parties and acceptable to the Exchange and registrar of companies for British Columbia.

9. PROPOSED BUSINESS TRANSACTION (cont'd)

Board of Directors

Upon closing of the Transaction, the Company's existing board of directors will resign and be replaced by nominees of Zoglo. The Resulting Issuer's board of directors will consist of up to 5 directors.

Schedule "B"
Company MD&A

1258481 B.C. LTD.

MANAGEMENT DISCUSSION AND ANALYSIS
December 31, 2020

1.1 Date

This Management Discussion and Analysis ("MD&A") of 1258481 B.C. Ltd. (or the "Company") has been prepared by management as of February 25, 2021 and should be read in conjunction with the audited financial statements and related notes thereto of the Company for the period from incorporation date (July 23, 2020) to December 31, 2020, which was prepared in accordance with International Accounting Standards using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and 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.

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

1.2 Over-all Performance

1258481 B.C. Ltd. (the "Company") was incorporated under the laws of the Province of British Columbia on July 23, 2020.

On February 12, 2021, the Company entered into a share exchange agreement ("SEA") with Zoglo's Incredible Food Corp. ("Zoglo"), whereby the Company will acquire 100% of Zoglo by way of business combination. Zoglo is a food production and distribution company incorporated under the laws of the Province of Ontario. See *1.11 Proposed Transaction* for details of the transaction.

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. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on business operations cannot be reasonably estimated at this time. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about by the pandemic's impact on its business, results of operations, financial position and cash flows in the future.

1.3 Selected Annual Information

	Date of Incorporation (July 23, 2020) to December 31, 2020
Net Loss	$ (16,842)
Loss per share	$ (0.01)
Total assets	$ 132,486
Total long-term liabilities	Nil
Cash dividends declared per share for each class of share	Nil

1.4 Results of Operations

From Date of Incorporation (July 23, 2020) to December 31, 2020

During the period from July 23, 2020 (date of incorporation) to December 31, 2020, the Company reported a net loss of $16,842 or $0.01 per share which consisted of office and administration of $14, professional fees of $12,628, and rent of $4,200.

Professional fees included an accrual for the Company's fiscal end audit, and legal services for the Company's incorporation and handling of its private placement financings.

Rent was expensed in connection to a sublease agreement which pays $2,000 per month plus applicable taxes for its corporate office. The Company entered into the sublease agreement on November 1, 2020. *See 1.9 Transactions with Related Parties.*

Three months ended December 31, 2020

During the three months ended December 31, 2020, the Company reported a net loss of $16,842 or $0.01 per share which consisted of office and administration of $14, legal and professional fees of $12,628, and rent of $4,200.

Professional fees included an accrual for the Company's fiscal end audit, and legal services for the Company's incorporation and handling of its private placement financings.

Rent was expensed in connection to a sublease agreement which pays $2,000 per month plus applicable taxes for its corporate office. The Company entered into the sublease agreement on November 1, 2020. *See 1.9 Transactions with Related Parties.*

There are no comparative period results to report as the Company was incorporated on July 23, 2020.

1.5 Summary of Quarterly Results

Quarterly financials for interim periods preceding the date of this MD&A have been omitted as the Company was incorporated on July 23, 2020.

1.6 Liquidity and Capital Resources

The Company reported a working capital of $107,718 at December 31, 2020. As at December 31, 2020, the Company had cash on hand of $132,486, trade payables of $20,568, and due to related party of $4,200.

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:

- Although management of the Company is working diligently to complete the business transaction, there is no assurance that a definitive agreement will be entered into nor completed.
- 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:

Credit risk
Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall 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 and seeking equity financing when needed.

As at December 31, 2020, the Company had cash on hand of $132,486, which is sufficient to settle its current liabilities of $24,786.

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(a) Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's cash is held in an account with a major Canadian financial institution. The funds may be withdrawn at any time without penalty.

(b) Foreign currency risk
The Company does not have assets or liabilities in a foreign currency and therefore is not exposed to foreign currency risk.

(c) Price risk
The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potentially adverse impact on the Company's ability to obtain equity financing due to movements in individual equity prices. The Company closely monitors individual equity movements to determine the appropriate course of action to be taken by the Company.

1.9 Transactions with Related Parties

Key management personnel are persons responsible for planning, directing and controlling activities of an entity, and include executive and non-executive directors and officers.

On November 1, 2020, the Company entered into a sublease agreement with Vandana Ventures Inc. (" Vandana"), a company controlled by a spouse of a director of the Company, for a portion of its corporate office located in Vancouver, B.C. for a period of one year, expiring October 31, 2021, in exchange for $2,000 per month plus applicable taxes.

During the period ended December 31, 2020, the Company accrued $4,200 for rent to Vandana.

During the period ended December 31, 2020, the directors of the Company subscribed to an aggregate total of 2,545,000 common shares for total gross proceeds of $36,200, and an aggregate total of 15,000 special warrants for total gross proceeds of $750.

1.10 Fourth Quarter

The Company completed its first fiscal year on December 31, 2020. Please refer to *1.4 Results of Operations* and *1.11 Proposed Transactions*.

The Company accrued audit fees of $8,000 for the annual audit of the Company's financial statements, and legal fees of $4,628 in connection to services provided for incorporation and seed financing.

1.11 Proposed Transactions

Pursuant to the SEA with Zoglo, upon completion of the Transaction, the Company will acquire 100% of the issued and outstanding common shares of Zoglo (the "Transaction") resulting in Zoglo becoming a wholly owned subsidiary of the Company and the Company will continue on the business of Zoglo. Upon completion of the Transaction, the security holders of Zoglo will become shareholders of the combined entity (the "Resulting Issuer").

The Company will apply for a listing (the "Listing") on the Canadian Securities Exchange ("CSE")

<u>The Transaction</u>

In consideration of the Transaction, the Company shall, upon completion of the Transaction, issue 64 million of its shares (the "Payment Shares") to the then existing shareholders of Zoglo at a deemed price of $0.25 per Payment Share.

In further consideration of the Transaction, the Company would assume all obligations from Zoglo to acquire the assets, patents, IP and licensing rights and manufacturing rights (the "Zoglo IP") (the "Acquisition") from Naknik Nahariya Kasher Soglowek Ltd ("Naknik"), a corporation incorporated under the laws of Israel. The Company will pay an aggregate of $5,000,000 in accordance to the agreement.

In addition, the Company will issue 3,000,000 restricted stock units ("RSU") to the chairman of Zoglo prior to the completion of the Transaction at a subscription price of $0.05 per RSU.

Concurrent Financing

In conjunction with, and prior to the closing of the Transaction, Zoglo will complete a private placement consisting of 5,000,000 Zoglo shares at a price of $0.10 per share for aggregated gross proceeds of $500,000.

In conjunction with, and prior to the closing of the Transaction, the Company will complete a concurrent private placement of 27,000,000 of the Company's shares at a price of $0.25 per share for aggregated gross proceeds of $6,750,000 (the "Shell Private Placement Proceeds"). The Shell Private Placement Proceeds will not be available to Zoglo until the closing of the Transaction.

Closing Conditions

- Board approval and shareholders approval of the Transaction to be obtained by the Company and Zoglo;
- Completion of due diligence to the satisfaction of the Parties;
- All necessary regulatory approvals with respect to the Transaction, including but not limited to approval of the Exchange and other applicable securities regulatory authorities;
- Completion of all matters, and the satisfaction of all conditions under the Definitive Agreement required to be completed or satisfied on or before the Closing.

Name Change

In conjunction with the closing, the Company will change its name as determined by both parties and acceptable to the Exchange and registrar of companies for British Columbia.

Board of Directors

Upon closing of the Transaction, the Company's existing board of directors will resign and be replaced by nominees of Zoglo. The Resulting Issuer's board of directors will consist of up to 5 directors.

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 3 of the financial statements of the Company, as at and for the period ended December 31, 2020.

1.14 Financial Instruments and Other Instruments

The Company's financial instruments at December 31, 2020 are as follows:

	Fair Value through Profit or Loss	*Amortized Cost*
Financial assets		
Cash	$ 132,486	$ –
Trades payable	–	20,568
Due to related party	–	4,200
	$ 132,486	$ 24,768

1.15 Other Requirements

Summary of Outstanding Share Data as of February 25, 2021:

Authorized: Unlimited number of common shares without par value.
Issued and outstanding: 7,500,000
Special warrants: 1,000,000

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

"Hari Varshney"

Hari Varshney
Director

Schedule "C"
Zoglo Sub Financial Statements

ZOGLO'S INCREDIBLE FOOD INC.
(formerly Zoglo's Incredible Food Corp.)

ANNUAL FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION ON JULY 13, 2020 TO DECEMBER 31, 2020

(Expressed in Canadian Dollars)

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INDEPENDENT AUDITOR'S REPORT

To the Directors of Zoglo's Incredible Food Corp.:

Opinion

We have audited the financial statements of Zoglo's Incredible Food Corp. (the "Company"), which comprise the statement of financial position as at December 31, 2020 and the statement of loss and comprehensive loss, statement of shareholders' equity and statement of cash flows for the period from incorporation on July 13, 2020 to December 31, 2020, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020, and its financial performance and its cash flows for the period from incorporation on July 13, 2020 to December 31, 2020 in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants

Toronto, Ontario
March 31, 2021

ZOGLO'S INCREDIBLE FOOD INC.

(formerly Zoglo's Incredible Food Corp.)
Statement of Financial Position
December 31, 2020
(Expressed in Canadian Dollars)

		2020
Assets		
Current assets		
Cash	$	839,657
HST receivable		10,407
Inventories (note 2)		86,241
	$	**936,305**
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 3)	$	96,390
Shareholders' Equity		
Share capital (note 4)		800,064
Shares to be issued (note 4)		50,000
Deficit		(10,149)
		839,915
	$	**936,305**

Nature of operations (note 1)
Commitments (note 9)
Subsequent events (note 10)

Approved and authorized on behalf of the Board of Directors

______________________________ Director

______________________________ Director

The accompanying notes are an integral part of these financial statements.

ZOGLO'S INCREDIBLE FOOD INC.

(formerly Zoglo's Incredible Food Corp.)

Statement of Loss and Comprehensive Loss

For the period from incorporation on July 13, 2020 to December 31, 2020

(Expressed in Canadian Dollars)

		2020
Revenues		
Sales	$	-
General and administrative expenses		
Interest and bank charges		30
Office and general		119
Professional fees		10,000
		10,149
Net loss and comprehensive loss for the period	**$**	**(10,149)**
Net loss per share - Basic and diluted	**$**	**(0.00017)**
Weighted average number of shares outstanding	**$**	**59,000,000**

The accompanying notes are an integral part of these financial statements.

ZOGLO'S INCREDIBLE FOOD INC.

(formerly Zoglo's Incredible Food Corp.)

Statement of Changes in Shareholders' Equity

For the period from incorporation on July 13, 2020 to December 31, 2020

(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Shares to be issued	Deficit	Total
Common shares issued for cash	59,000,000	$ 880,000	$ -	$ -	$ 880,000
Share issuance costs	-	(79,936)	-	-	(79,936)
Shares to be issued	-	-	50,000	-	50,000
Net loss and comprehensive loss for the period	-	-	-	(10,149)	(10,149)
Balance, December 31, 2020	**59,000,000**	**$ 800,064**	**$ 50,000**	**$ (10,149)**	**$ 839,915**

The accompanying notes are an integral part of these financial statements.

ZOGLO'S INCREDIBLE FOOD INC.

(formerly Zoglo's Incredible Food Corp.)

Statement of Cash Flows

For the period from incorporation on July 13, 2020 to December 31, 2020

(Expressed in Canadian Dollars)

		2020
Cash provided by (used for):		
Operating activities		
Net loss for the period	$	(10,149)
Changes in non-cash working capital items:		
HST receivable		(10,407)
Inventories		(86,241)
Accounts payable and accrued liabilities		96,390
		(10,407)
Financing activities		
Issuance of common shares, net of issue costs of $79,936		800,064
Cash received for shares to be issued		50,000
Increase in cash during the period		839,657
Cash, beginning of period		-
Cash, end of period	**$**	**839,657**

The accompanying notes are an integral part of these financial statements.

1. Nature of operations

Zoglo's Incredible Food Inc. (the "Company") was incorporated under the laws of the Province of Ontario on July 13, 2020, and its principal business activities are food production and distribution. With effect from March 29, 2021, the name of the Company was changed from Zoglo's Incredible Food Corp. to Zoglo's Incredible Food Inc.

On February 12, 2021, the Company entered into a share exchange agreement ("SEA") with 1258481 B.C. Ltd., whereby 1258481 B.C. Ltd. would acquire 100% of the Company (the "Transaction"). See Note 8 for details of the Transaction.

2. Significant accounting policies

a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and related IFRS Interpretations Committee (“IFRIC”) interpretations as issued by the International Accounting Standards Board (“IASB”). These financial statements were approved by the board of directors for issue on March 31, 2021.

b) Basis of presentation

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value. In addition, these financial statements are prepared using the accrual basis of accounting, aside from cash flow information.

c) Foreign currencies

These financial statements are presented in Canadian dollars, which is also the functional currency of the Company. Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. All gains and losses on translation of these foreign currency transactions are charged to profit or loss.

d) Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS requires management to make estimates, assumptions and judgements that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

In March 2020, the World Health Organization characterized the outbreak of a strain of the novel coronavirus (“COVID-19”) as a pandemic which resulted in a series of public health and emergency measures being put in place to combat the spread of the virus. These measures have caused material disruption to businesses in Canada and globally resulting in an economic slowdown. The duration and impact of COVID-19 continues to be unknown and it is not possible to reliably estimate the impact that the length and severity of these developments will have on the financial results and condition of the Company in future periods. To date, the Company has not experienced material changes in operations, however, there is no certainty this will continue going forward.

2. Significant accounting policies (continued)

d) Use of estimates and judgements (continued)

Accordingly, there is inherently more uncertainty associated with the estimates, judgments and assumptions made by management in the preparation of the financial statements. It is not possible to forecast with certainty the extent to which the economic impact of COVID-19 will affect the Company's operations and financial results in the near term and long-term. Areas of the Company's business that could potentially be adversely impacted include, but are not limited to, revenues and inventories.

e) Financial instruments

Recognition and classification

The Company recognizes a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument.

The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of financial asset and debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

Measurement

<u>Financial assets and liabilities at FVTPL</u>

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

<u>Financial assets at FVTOCI</u>

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

<u>Financial assets and liabilities at amortized cost</u>

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

2. Significant accounting policies (continued)

e) Financial instruments (continued)

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition
Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets, is recognized in profit or loss.

f) Inventories

Inventories consist of finished goods which were all sold subsequent to year end. They are stated at the lower of cost and net realizable value. Cost comprises direct materials, and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling, and distribution.

g) Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. The Company's common shares are classified as equity instruments.

Costs directly identifiable with the raising of share capital financing are charged against share capital. Share issuance costs incurred in advance of share subscriptions are recorded as deferred assets. Share issuance costs related to uncompleted share subscriptions are recognized in profit or loss.

2. Significant accounting policies (continued)

g) Share capital (continued)

Equity financing transactions may involve the issuance of units. Units comprise common shares and share purchase warrants. The Company accounts for unit offering proceeds between common shares and share purchase warrants using the residual value method, wherein the fair value of the common shares is based on the fair value ascribed to the shares issued and the balance, if any, is allocated to the attached warrants.

h) Loss per share

Basic loss per share represents the loss for the period, divided by the weighted average number of common shares outstanding during the period. Diluted loss per share represents the loss for the period, divided by the weighted average number of common shares outstanding during the period plus the weighted average number of dilutive shares resulting from the exercise of stock options, warrants and other similar instruments where the inclusion of these would not be anti-dilutive.

i) Income taxes

Income tax on profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; nor differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

j) New and revised standards and interpretations

The Company has adopted the following standards, interpretations and amendments effective for reporting periods beginning on or after January 1, 2020. The adoption of these standards did not have a material impact on the Company’s financial statements:

2. Significant accounting policies (continued)

j) New and revised standards and interpretations (continued)

IAS 1 – Presentation of Financial Statements ("IAS 1") and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") were amended in October 2018 to refine the definition of materiality and clarify its characteristics. The revised definition focuses on the idea that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information, or both. An entity will need to assess whether the information, either individually or in combination with other information, is material in the context of the financial statements.

Amendments to IFRS 3 – Definition of Business was issued in October 2018 by the IASB to improve the definition of a business. It is effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. The amendments clarify the definition of a business, with the objective of assisting entities to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. The amendments:

- confirmed that a business must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs;
- narrowed the definitions of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs; and
- added an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

k) Recently issued but not yet effective standards

There are new accounting standards, amendments to accounting standards, and interpretations that are effective for annual periods beginning on or after January 1, 2021, that have not been applied in preparing the financial statements for the year ended December 31, 2020. These standards and interpretations are not expected to have a material impact on the Company's financial statements.

3. Related party transactions

As at December 31, 2020, the Company has $86,241 in related party liabilities owing to Naknik Nahariya Kasher Soglowek Ltd. ("Naknik"), for inventory purchased. Naknik is a corporation controlled by the spouse of a controlling shareholder of the Company. The amounts are non-interest bearing and must be repaid within 90 days following receipt of the product.

(Expressed in Canadian Dollars)

4. Share capital

		2020
Authorized:		
Unlimited number of common shares		
Issued:		
59,000,000 common shares	$	880,000
less: share issuance costs		79,936
Share capital	**$**	**800,064**

On December 23, 2020, the Company issued 20,000,000 common shares at $0.005 each as Founders shares and another 39,000,000 common shares at $0.02 each, for total consideration of $880,000.

The Company incurred professional fees of $79,936 related to share issuance and has charged this amount against share capital.

Shares to be issued consists of cash received in the amount of $50,000 in advance of the common shares being issued. Subsequent to year end, the Company raised an additional $500,000 in share capital financing through the issuance of 5 million common shares, which includes the $50,000 of shares to be issued.

5. Management of capital

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of shareholders' equity of $839,915 at December 31, 2020.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust its capital structure, the Company may issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash. The Company is currently dependent on raising additional capital through the public market as its primary source of operating capital. The Company is not subject to any externally imposed capital requirements.

6. Financial instruments

For financial instruments held or issued by the Company, management classifies accounts payable and accrued liabilities as amortized cost.

a) Fair value of financial instruments

Financial instruments measured at fair value are classified into one of 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 the fair value hierarchy are:

6. Financial instruments (continued)

a) Fair value of financial instruments (continued)

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

As at December 31, 2020, the Company believes that the carrying amount of accounts payable and accrued liabilities approximate its fair value because of the relatively short maturity dates or durations.

Financial instruments	Category	December 31, 2020
Accounts payable and accrued liabilities	Amortized cost	$ 96,390

b) Management of risks arising from financial instruments

Discussions of risks associated with financial assets and liabilities are detailed below:

Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize such a loss is limited because the Company has no interest-bearing financial instruments.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. As at December 31, 2020, the Company has no significant liquidity risk.

7. Income taxes

Income tax expense differs from the amount that would result from applying the Canadian federal and provincial income tax rates to loss before income taxes. These differences result from the following items for the period ended December 31:

(Expressed in Canadian Dollars)

7. Income taxes (continued)

		December 31, 2020
Loss for the period	$	(10,149)
Canadian federal and provincial income tax rates		27%
Expected income tax recovery at statutory rate		(2,740)
Increase (decrease) due to:		-
Losses for which no tax benefit is recognized		2,740
Income tax recovery	**$**	**-**

The components of unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset has been recognized are as follows:

		December 31, 2020
Non-capital losses	$	10,149
Unrecognized temporary differences and non-capital losses	$	10,149

In assessing the ability to realize deferred tax assets, management considers whether it is probable that some portion or all of the deferred tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those deferred tax assets are deductible.

The Company has a December 31 year end for tax purposes. As at December 31, 2020, the Company had non-capital losses of approximately $10,149 that expire in 2040.

8. Proposed business transaction

Pursuant to the Share Exchange Agreement ("SEA") with 1258481 B.C. Ltd. ("1258481") (Note 1), upon completion of the Transaction, 1258481 would acquire 100% of the issued and outstanding common shares of the Company (the “Transaction"), resulting in the Company becoming a wholly owned subsidiary of 1258481, and 1258481 would continue on the business of the Company. Upon completion of the Transaction, the security holders of the Company would become shareholders of the combined entity (the “Resulting Issuer").

1258481 would apply for a listing (the “Listing”) on the Canadian Securities Exchange (“CSE”).

The Transaction

In consideration of the Transaction, 1258481 shall, upon completion of the Transaction, issue 64 million of its shares (the “Payment Shares”) to the then existing shareholders of the Company at an agreed price of $0.25 per Payment Share.

8. Proposed business transaction (continued)

In further consideration of the Transaction, 1258481 would assume all obligations from the Company to acquire the assets, patents, IP and licensing rights and manufacturing rights (the "Acquisition") from Naknik Nahariya Kasher Soglowek Ltd ("Naknik"), a corporation incorporated under the laws of Israel. 1258481 would pay an aggregate of $5,000,000 in accordance to the agreement.

In addition, 1258481 would issue 3,000,000 restricted stock units ("RSU") to the chairman of the Company prior to the completion of the Transaction at a subscription price of $0.05 per RSU.

Concurrent Financing
In conjunction with, and prior to the closing of the Transaction, the Company is planning to undertake a private placement consisting of 5,000,000 shares of the Company at a price of $0.10 per share for aggregated gross proceeds of $500,000.

In conjunction with, and prior to the closing of the Transaction, 1258481 plans to undertake a concurrent private placement of 27,000,000 of 1258481's shares at a price of $0.25 per share for aggregated gross proceeds of $6,750,000 (the "Shell Private Placement Proceeds"). The Shell Private Placement Proceeds would not be available to the Company until the closing of the Transaction.

Closing Conditions
- Board approval and shareholders' approval of the Transaction to be obtained by the Company and 1258481;
- Completion of due diligence to the satisfaction of the Company and 1258481;
- All necessary regulatory approvals with respect to the Transaction, including but not limited to approval of the CSE and other applicable securities regulatory authorities;
- Completion of all matters, and the satisfaction of all conditions under the Definitive Agreement required to be completed or satisfied on or before the Closing.

Name Change
In conjunction with the closing, 1258481 would change its name as determined by both parties and acceptable to the Exchange and registrar of companies for British Columbia.

Board of Directors
Upon closing of the Transaction, the existing board of directors of 1258481 would resign and be replaced by nominees of the Company. The Resulting Issuer's board of directors would consist of up to 5 directors.

9. Commitments

On October 19, 2020, the Company entered into an agreement with Naknik, for the exclusive option to acquire the right, title and interest in, as well as to acquire certain assets used, in connection with Naknik's business of packaging, marketing and selling meat substitute food products marketed under the brand "Zoglos" in return for an aggregate purchase price of $5,000,000. The option can be exercised at any time up to its expiry date of October 19, 2021. On February 9, 2021, the option was amended such that $3,000,000 of the $5,000,000 purchase price could be paid by way of a promissory note with remainder paid in cash. The note shall be non-interest bearing and be repaid by the Company in equal instalments of $500,000 every six months until the note is repaid in full.

10. Subsequent events

On January 31, 2020, the Company raised an additional $500,000 in share capital financing through the issuance of 5 million common shares. The $50,000 of shares to be issued at December 31, 2020 was included as part of this share issuance.

Effective March 29, 2021, the name of the Company was changed from Zoglo's Incredible Food Corp. to Zoglo's Incredible Food Inc.

Schedule "D"
Zoglo Sub MD&A

Zoglo's Incredible Food Inc.

MANAGEMENT DISCUSSION AND ANALYSIS
December 31, 2020

1.1 Date

This Management Discussion and Analysis ("MD&A") of Zoglo's Incredible Food Inc.(or the "Company") has been prepared by management as of April 1, 2021 and should be read in conjunction with the audited financial statements and related notes thereto of the Company for the period from incorporation date (July 13, 2020) to December 31, 2020, which was prepared in accordance with International Accounting Standards using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and 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.

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

1.2 Over-all Performance

Zoglo's Incredible Food Inc. (the "Company") was incorporated under the laws of the Province of Ontario on July 13, 2020.

On February 12, 2021, the Company entered into a share exchange agreement ("SEA") with 1258481 B.C. Ltd., whereby 1258481 B.C. Ltd. would acquire 100% of the Company (the "Transaction"). See *1.11 Proposed Transaction* for details of the transaction.

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. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on business operations cannot be reasonably estimated at this time. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about by the pandemic's impact on its business, results of operations, financial position and cash flows in the future.

1.3 Selected Annual Information

	Date of Incorporation (July 13, 2020) to December 31, 2020
Net Loss	$ (10,149)
Loss per share	$ (0.0017)
Total assets	$ 936,305
Total long-term liabilities	Nil
Cash dividends declared per share for each class of share	Nil

1.4 Results of Operations

From Date of Incorporation (July 13, 2020) to December 31, 2020

During the period from July 13, 2020 (date of incorporation) to December 31, 2020, the Company reported a net loss of $10,149 or $0.0017 per share which consisted of office and administration of $119, professional fees of $10,000, and interest of $30.

Professional fees included an accrual for the Company's fiscal end audit.

Three months ended December 31, 2020

During the three months ended December 31, 2020, the Company reported a net loss of $10,149 or $0.0017 per share which consisted of office and administration of $119, professional fees of $10,000, and interest of $30.

Professional fees included an accrual for the Company's fiscal end audit.

There are no comparative period results to report as the Company was incorporated on July 13, 2020.

1.5 Summary of Quarterly Results

Quarterly financials for interim periods preceding the date of this MD&A have been omitted as the Company was incorporated on July 13, 2020.

1.6 Liquidity and Capital Resources

The Company reported a working capital of $839,915 at December 31, 2020. As at December 31, 2020, the Company had cash on hand of $839,657, trade payables of $96,390.

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:

- Although management of the Company is working diligently to complete the business transaction, there is no assurance that a definitive agreement will be entered into nor completed.
- 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:

Credit risk
Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall 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 and seeking equity financing when needed.

As at December 31, 2020, the Company had cash on hand of $839,657, which is sufficient to settle its current liabilities of $96,390.

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(a) Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's cash is held in an account with a major Canadian financial institution. The funds may be withdrawn at any time without penalty.

(b) Foreign currency risk
The Company does not have assets or liabilities in a foreign currency and therefore is not exposed to foreign currency risk.

(c) Price risk
The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potentially adverse impact on the Company's ability to obtain equity financing due to movements in individual equity prices. The Company closely monitors individual equity movements to determine the appropriate course of action to be taken by the Company.

1.9 Transactions with Related Parties

Key management personnel are persons responsible for planning, directing and controlling activities of an entity, and include executive and non-executive directors and officers.

As at December 31, 2020, the Company has $86,241 in related party liabilities owing to Naknik Nahariya Kasher Soglowek Ltd. ("Naknik"), for inventory purchased. Naknik is a corporation controlled by the spouse of a controlling shareholder of the Company. The amounts are non-interest bearing and must be repaid within 90 days following receipt of the product.

1.10 Fourth Quarter

The Company completed its first fiscal year on December 31, 2020. Please refer to *1.4 Results of Operations* and *1.11 Proposed Transactions*.

The Company accrued audit fees of $10,000 for the annual audit of the Company's financial statements.

1.11 Proposed Transactions

Pursuant to the SEA with 1258481 B.C. Ltd., upon completion of the Transaction, 1258481 B.C. Ltd. will acquire 100% of the issued and outstanding common shares of the Company (the "Transaction") resulting in the Company becoming a wholly owned subsidiary of 1258481 B.C. Ltd. and 1258481 B.C. Ltd. will continue on the business of the Company. Upon completion of the Transaction, the security holders of the Company will become shareholders of the combined entity (the "Resulting Issuer").

The Company will apply for a listing (the "Listing") on the Canadian Securities Exchange ("CSE")

<u>The Transaction</u>

In consideration of the Transaction, 1258481 B.C. Ltd. shall, upon completion of the Transaction, issue 64 million of its shares (the "Payment Shares") to the then existing shareholders of the Company at a deemed price of $0.25 per Payment Share.

In further consideration of the Transaction, 1258481 B.C. Ltd. would assume all obligations from the Company to acquire the assets, patents, IP and licensing rights and manufacturing rights (the "Zoglo IP") (the "Acquisition") from Naknik Nahariya Kasher Soglowek Ltd ("Naknik"), a corporation incorporated under the laws of Israel. 1258481 B.C. Ltd. will pay an aggregate of $5,000,000 in accordance to the agreement.

In addition, the Company will issue 3,000,000 restricted stock units ("RSU") to the chairman of the Company prior to the completion of the Transaction at a subscription price of $0.05 per RSU.

<u>Concurrent Financing</u>

In conjunction with, and prior to the closing of the Transaction, Zoglo will complete a private placement consisting of 5,000,000 Zoglo shares at a price of $0.10 per share for aggregated gross proceeds of $500,000.

In conjunction with, and prior to the closing of the Transaction, 1258481 B.C. Ltd. will complete a concurrent private placement of 27,000,000 of the Company's shares at a price of $0.25 per share for aggregated gross proceeds of $6,750,000 (the "Shell Private Placement Proceeds"). The Shell Private Placement Proceeds will not be available to Zoglo until the closing of the Transaction.

Closing Conditions

- Board approval and shareholders approval of the Transaction to be obtained by the Company and 1258481 B.C. Ltd.;
- Completion of due diligence to the satisfaction of the Parties;
- All necessary regulatory approvals with respect to the Transaction, including but not limited to approval of the Exchange and other applicable securities regulatory authorities;
- Completion of all matters, and the satisfaction of all conditions under the Definitive Agreement required to be completed or satisfied on or before the Closing.

Name Change

In conjunction with the closing, the Company will change its name as determined by both parties and acceptable to the Exchange and registrar of companies for Ontario.

Board of Directors

Upon closing of the Transaction, the Company's existing board of directors will resign and be replaced by nominees of 1258481 B.C. Ltd.. The Resulting Issuer's board of directors will consist of up to 5 directors.

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 period ended December 31, 2020.

1.14 Financial Instruments and Other Instruments

The Company's financial instruments at December 31, 2020 are as follows:

	Fair Value through Profit or Loss	*Amortized Cost*
Financial assets		
Cash	$ 839,657	$ –
HST receivable	–	10,407
Trade payables	–	96,390
	$ 132,486	$ 24,768

1.15 Other Requirements

Summary of Outstanding Share Data as of April 1, 2021:

Authorized: Unlimited number of common shares without par value.
Issued and outstanding: 59,000,000

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

____

Director

Schedule "E"
Carve-Out Financial Statements

Zoglos Foreign Business
Carve-Out

Carve-Out Statements of Operations
For the years ended
December 31, 2020 and 2019

Contents

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Independent Auditors' Report on the
Carve-out Statements of Operations of Zoglos Foreign Business

To the Board of Directors of Naknik Nahariya Kasher Soglowek Ltd.

Opinion

We have audited the carve-out financial information of the Zoglos Foreign Business of Naknik Nahariya Kasher Soglowek Ltd. (the "Reporting Entity"), which comprise the carve-out statements of operations for the years ended December 31, 2020 and 2019, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying carve-out statements of operations of the Reporting Entity for the years ended December 31, 2020 and 2019 are prepared, in all material respects, in accordance with the basis of preparation described in Note 2.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Carve-Out Statements of Operations section of our report. We are independent of the Reporting Entity in accordance with the ethical requirements that are relevant to our audit of the carve-out statements of Operations in Israel, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Preparation

We draw attention to Note 2 to the carve-out statements of operations, which describes their basis of preparation, including the approach to and the purpose for preparing them, and that the preparation involves complex allocations of revenues and expenses. Consequently, the Reporting Entity's carve-out statements of operations may not necessarily be indicative of the financial performance that would have been achieved if the Zoglos Foreign Business had operated as an independent entity, nor may they be indicative of the results of operations of the Zoglos Foreign Business for any future period.

Responsibilities of Management and Those Charged with Governance for the Carve-out Statements of Operations

Management is responsible for the preparation of these carve-out statements of operations in accordance with the basis of preparation set out in Note 2. These carve-out statements of operations contain an aggregation of financial information relating to the Zoglos foreign business of the Reporting Entity and have been prepared from the books and records maintained by the Reporting Entity. Management's responsibility includes determining the acceptability of the basis of preparation in the circumstances, and for such internal control as management determines is necessary to enable the preparation of carve-out statements of operations that are free from material misstatement, whether due to fraud or error.

In preparing the carve-out statements of operations, management is responsible for assessing the Reporting Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Reporting Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Reporting Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Carve-out Statements of Operations

Our objectives are to obtain reasonable assurance about whether the carve-out statements of operations as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these carve-out statements of operations.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the carve-out statements of operations, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Reporting Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditors' report to the related disclosures in the carve-out statements of operations or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Reporting Entity to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Somekh Chaikin
Certified Public Accountants (Isr.)
A Member of KPMG International

March 1, 2021

Carve-out Statements of Operations

	Note	For the year ended December 31, 2020 $ thousands	2019 $ thousands
		(expressed in Canadian dollars)	
Revenues		**1,261**	1,360
Cost of sales	4	**(1,020)**	(994)
Gross profit		**241**	366
Selling, general and administrative expenses	5	**(216)**	(248)
Operating profit		**25**	118
Financial expenses, net		**(5)**	(28)
Profit before income taxes		**20**	90
Income taxes		**(4)**	(21)
Net profit for the year		**16**	69

The accompanying notes are an integral part of these carve-out statements of operations.

Note 1- Background and nature of carve-out

These carve-out statements of operations for the years ended December 31, 2020 and 2019 reflect the historical results from operations of the foreign business relating to meat substitutes products sold under the Zoglos brand name (the “Zoglos Foreign Business”) of Naknik Nahariya Kasher Soglowek Ltd. (“the Company”), a privately-owned company.

The Company’s corporate office and principal place of business is 8 Hagaaton Blvd, 2210024 Nahariya, Israel.

The Zoglos Foreign Business did not operate as a separate legal entity or a separate division. In addition, these carve-out statements of operations also include allocations and estimates of expenses as further described in Note 2 below relating the basis of preparation.
As such, these carve-out statements of operations provide historical financial information of the Zoglos Foreign Business as managed as a part of the Company’s operations and may not be indicative of the Zoglos Foreign Business’ financial performance would have been had carve-out operated as an independent entity during the periods presented, and do not necessarily reflect the future Business’ financial performance of this activity.

Note 2- Basis of Preparation

A. Basis of measurement

These carve-out statements of operations have been prepared on the basis of International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and are prepared on a historical cost basis unless otherwise stated.

The carve-out statements of operations were authorized by the Board of Directors of the Company on March 1, 2021.

B. Functional and presentation currency

The functional currency of the Company’s activities is the New Israeli Shekel (NIS). These carve-out statements of operations are presented in Canadian dollars. The results of operations in NIS have been translated into Canadian dollars using the relative annual average exchange rate in the years ended December 31, 2020 and 2019.

C. Carve-out allocations, estimates and judgment

As mentioned in Note 1 above, the Zoglos Foreign Business did not operate as a separate legal entity or a separate division. Accordingly, if specific revenues and expenses could not be specifically identified as relating to the Zoglos Foreign Business, Management used judgment and estimates in determining the appropriate methods of allocating revenues and expenses to the carve-out business. These allocations and estimates were based on methodologies that reflect management’s best estimate of how this activity was conducted historically.

Note 2- Basis of preparation (cont'd)

C. Carve-out allocations, estimates and judgment (cont'd)

Described below the basis for the allocation of revenues and expenses to the carve-out business:

a) Revenues

Revenues in the carve-out statements of operations reflect the complete historical sales activities of the Zoglos products outside Israel.

b) Cost of goods sold

Cost of goods sold consists of different costs as follow:

1) Direct costs –include direct manufacturing costs as raw materials, packaging, direct labor, direct energy, storage and transportation allocated in accordance with the Company's costing system.
2) Indirect costs relating to the Company's meat substitutes activities – these costs has been allocated to the carve-out business based on the Zoglos Foreign Business' share of overall revenue from the meat substitutes activities.
3) Indirect costs relating to the overall Company's manufacturing activities – these costs have been allocated to the carve-out business based on the Zoglos Foreign Business' share of overall Company's manufacturing revenues.

c) Selling, general and administrative expenses

1) Direct selling expenses –include direct labor and other selling expenses.
2) General and administrative expenses - these expenses have been allocated to the carve-out business based on the Zoglos Foreign Business' share of overall Company's manufacturing revenues.

d) Finance expenses, net

Finance expenses, net consist of exchange gain or losses of exchange rate revaluation on the customers' balances of the carve-out business.
Finance expenses allocated in the carve-out Statements of operations does not include any allocation of interest incurred by the Company since no financial liabilities have been allocated to the carve-out business.

e) Income taxes

Income taxes have been calculated as if the business had been a separate legal entity and had filed a separate tax return for the years presented and calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Corporate tax rates for 2019 and 2020 was 23%.

Note 2- Basis of preparation (cont'd)

D. Other Significant Accounting Policies

1. Revenue recognition

Revenues from product sales are recognized at a point in time as stated in IFRS 15 upon the time of delivery to the customer, as in that point of time the customer obtains control of the promised assets.

2. Depreciation

Depreciation is a systematic allocation of the depreciable amount of an asset over its useful life. The depreciable amount is the cost of the asset, or other amount substituted for cost, less its residual value. Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of the fixed asset item, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.
The depreciation rates for the current and comparative periods range between 5% and 33%.

Note 3- Effects of the spreading of the Corona Virus

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as COVID-19, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel restrictions, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global stock exchange have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions.

From the beginning of the year 2020 and until today, the Company has been carefully managing the risks and its operations. The Company's facilities was able to keep their production running in shifts adapted to comply with strict local rules. Adapting the Company's manufaturing's shifts while keeping the local restrictions increased the Company's operating costs, primarily salaries and transportation costs. On the other hand, the Company has received certain benefits regarding municipal tax payments. The overall impact of the coronavirus on the Zoglos Foreign Business results of 2020 was not significant.
As of the date of signing these carve-out statements of operations ,assuming that no material change occurs, management estimates that the Company will be able to continue its regular course of business without significant impact. However, the duration and future impact of the COVID-19 outbreak is still unknown at this time and is not possible to reliably estimate the length and severity of the future developments and the impact on future Company's operations.

Note 4 - Cost of Sales

	For the year ended December 31,	
	2020	2019
	$ thousands	$ thousands
	(expressed in Canadian dollars)	
Material consumed	**432**	394
Wages and related benefits	**364**	382
Other expenses	**224**	218
	1,020	994

Note 5 - Selling, General and Administrative Expenses

	For the year ended December 31,	
	2020	**2019**
	$ thousands	**$ thousands**
	(expressed in Canadian dollars)	
Wages and related benefits	**124**	122
Freight costs	**54**	61
Other expenses	**38**	65
	216	248

Schedule "F"
Pro Forma Financial Statements of the Company

Zoglo’s Incredible Food Corp.

(formerly 1258481 B.C. Ltd.)

Pro Forma Consolidated Statement of Financial Position

As at December 31, 2020

(stated in Canadian Dollars)

(unaudited – prepared by management)

Zoglo's Incredible Food Corp.

(formerly 1258481 B.C. Ltd.)

Pro Forma Consolidated Statement of Financial Position

December 31, 2020

(Unaudited)

	Zoglo's Incredible Food Corp. (formerly 1258481 B.C. Ltd.) December 31, 2020	Zoglo's Incredible Food Inc. (formerly Zoglo's Incredible Food Corp.) December 31, 2020	Note 4	Pro Forma Adjustments	Pro Forma Combined December 31, 2020
ASSETS					
Current assets					
Cash	$ 132,486	$ 839,657	f	$ 500,000	
			g	6,750,000	
			h	(212,000)	
			i	$ (2,000,000)	$ 6,010,143
Receivables	-	10,407		-	10,407
Inventories	-	86,241		-	86,241
Total current assets	132,486	936,305		5,038,000	6,106,791
Intangible assets	-	-	i	5,000,000	5,000,000
TOTAL ASSETS	$ 132,486	$ 936,305		$ 10,038,000	$ 11,106,791
LIABILITIES AND EQUITY					
Current liabilities					
Accounts payable and accrued liabilities	$ 20,568	$ 96,390		$ -	$ 116,958
Current portion of note payable	-	-	i	1,000,000	1,000,000
Due to related parties	4,200	-		-	4,200
Total current liabilities	24,768	96,390		1,000,000	1,121,158
Note payable	-	-	i	2,000,000	2,000,000
Total liabilities	24,768	96,390		3,000,000	3,121,158
Equity					
Share capital	74,560	800,064	b	1,875,000	
			b	250,000	
			c	(74,560)	
			f	500,000	
			g	6,750,000	
			h	(317,000)	9,858,064
Shares to be issued	-	50,000		-	50,000
Reserve	50,000	-	c	(50,000)	
			e	750,000	
			h	105,000	855,000
Deficit	(16,842)	(10,149)	b	(2,017,282)	
			c	16,842	
			e	(750,000)	(2,777,431)
Total equity	107,718	839,915		7,038,000	7,985,633
TOTAL LIABILITIES AND EQUITY	$ 132,486	$ 936,305		$ 10,038,000	$ 11,106,791

The accompanying notes are an integral part of this unaudited pro forma consolidated statement of financial position.

1. Basis of Presentation

The unaudited pro forma consolidated statement of financial position of Zoglo's Incredible Corp., formerly 1258481 B.C. Ltd., (the "Company"), as at December 31, 2020, has been prepared by management of the Company for illustrative purposes only, to show the effect of the Share Exchange Agreement ("SEA"), the result of which is referred to as the Transaction (notes 3 and 4).

The unaudited pro forma consolidated statement of financial position has been prepared for inclusion in the Filing Statement of the Company in relation to its acquisition of 100% of the issued and outstanding common shares of Zoglo's Incredible Food Inc., formerly Zoglo's Incredible Food Corp., (the "Target"). Completion of the Arrangement is subject to customary closing conditions, including all necessary approvals and consents and all applicable Canadian Securities Exchange ("CSE") approvals. In the opinion of the Company's management, the unaudited pro forma consolidated statement of financial position includes all adjustments necessary for fair presentation of the transactions contemplated in the Arrangement. The Company is not required to present a pro forma consolidated statement of operations in accordance with the rules of the CSE.

2. Pro Forma Assumptions

The unaudited pro forma consolidated statement of financial position as at December 31, 2020 has been prepared as if the transactions described in notes 3 and 4 had occurred on December 31, 2020.

The Arrangement is subject to the satisfaction of all closing conditions and receipt of regulatory and, where necessary, shareholder approvals.

The unaudited pro forma consolidated statement of financial position should be read in conjunction with the historical financial statements, including the notes thereto, of the Company and the Target, as referred to below and included in the Company's Filing Statement filed with the CSE in connection with the Arrangement (the "Filing Statement").

The unaudited pro forma consolidated statement of financial position has been compiled from and includes:

a) the audited statement of financial position of the Company as at December 31, 2020; and
b) the audited statement of financial position of Target as at December 31, 2020.

The unaudited pro forma consolidated statement of financial position is not intended to reflect the financial position of the Company which would have actually resulted had the transactions been effected on the dates indicated. Actual amounts recorded upon consummation of the Arrangement will likely differ from those recorded in the unaudited pro forma consolidated statement of financial position.

It is management's opinion that these unaudited pro forma consolidated financial statements present, in all material respects, the Transaction, assumptions and adjustments described in accordance with IFRS.

3. Arrangement with Zoglo's Incredible Food Inc., formerly Zoglo's Incredible Food Corp. (the "Transaction")

On February 12, 2021, the Company entered into the SEA with Target whereby the Company will acquire 100% of Target. In accordance with the SEA, the Company will issue a total of 64,000,000 common shares to the shareholders of Target. Each shareholder of Target will receive one common share of the Company in exchange for each Target share.

The Transaction will result in the shareholders of Target acquiring control of the Company. Therefore, the transaction, has been accounted for as an acquisition of the Company by Target. The transaction has been accounted for as a reverse take-over ("RTO"). As the Company does not meet the definition of a business as defined by International Financial Reporting Standards ("IFRS") 3, it has been accounted for as a share-based payment transaction in accordance with IFRS 2.

4. Pro Forma Adjustments

The unaudited pro forma consolidated statement of financial position reflects the following adjustments as if the transactions had occurred on December 31, 2020:

a) Target is deemed to be the acquirer and the Company is deemed to be acquired for accounting purposes;

b) The purchase price is the cost to acquire the Company's share capital and outstanding special warrants at their fair value at the time of the transaction. The fair value is calculated as $2,125,000, being the cost of acquiring the 7,500,000 common shares of the Company at a price of $0.25, being the fair value of Company's most recent financing, and the fair value of the special warrants at the date of the time of the transaction. As each special warrant will automatically convert without payment of any further consideration into one common share of the Company, the special warrants have been valued at $250,000 or $0.25 each, representing the underlying value of the common shares.

   The assets and liabilities of the Company are included in the unaudited pro forma consolidated statement of financial position and are presented at their fair value, which is equal to their carrying value. The fair value of the common shares to be acquired by the shareholders of Target exceed the fair value of the net assets of the Company. Because the Company cannot specifically identify any goods or services that relate to this excess, IFRS 2 requires that the difference is recognized in the determination of net loss.

(Stated in Canadian Dollars)

4. Pro Forma Adjustments (continued)

The excess of the amount paid over the fair value of the net assets acquired, estimated at $2,017,282 is charged to profit or loss as a listing expense. The excess was calculated as follows:

Fair Value of consideration		
7,500,000 common shares at $0.25 per share	$	1,875,000
1,000,000 special warrants at $0.25 per warrant		250,000
Total consideration	$	2,125,000
Net assets acquired		
Cash	$	132,486
Trade and other payables		(20,568)
Due to related parties		(4,200)
Net assets	$	107,718
Excess of consideration over net assets acquired	$	2,017,282

Upon completion of the Transaction the special warrants are automatically transferred to share capital.

c) The pre-acquisition equity of the Company will be eliminated on consolidation. This includes its share capital of $74,560, reserve of $50,00 and deficit of $16,842.

e) Concurrent with the completion of the Transaction, the Company issues 3,000,000 Restricted Stocks Units (RSUs) to the Company's Chairman. The fair value of these RSUs at the date of the Transaction is considered the underlying value of the shares, being $750,000 or $0.25 per RSU.

f) Concurrent with the completion of the Transaction, Target will complete a private placement and issue 5,000,000 shares at $0.10 for cash proceeds of $500,000.

g) Concurrent with the completion of the Transaction, the Company will complete a private placement and issue 27,000,000 shares at $0.25 for cash proceeds of $6,750,000.

(Stated in Canadian Dollars)

4. Pro Forma Adjustments

h) Upon completion of the private placement described in g) above, the Company will pay the following finder's fees:

a. 848,400 finder warrants. Each finder's warrant entitles the holder to acquire one common share for a period of one year from the date of the Transaction.

The fair value of the finder warrants was $105,000, based on the following fair value pricing model inputs:

	Finder Warrants
Spot price	$0.25
Exercise price	$0.25
Risk-free interest rate	0.15%
Expected life (years)	1.00
Volatility	80%
Dividend rate	0%

b. cash of $212,000

i) To reflect the exercise of the Company's exclusive option to acquire the right, title and interest in the intellectual property of Naknik Naharya Kasher Soglowek Ltd. in exchange for $2,000,000 cash and a note payable of $3,000,000. The note payable is non-interest bearing and to be repaid by the Company in equal instalments of $500,000 every six months until the note is repaid in full.

5. Pro Forma Share Capital

A continuity of the Company's common shares after giving effect to the pro forma transactions described in notes 3 and 4 above is as follows:

	Number of Shares	Amount
Company shares at December 31, 2020	7,500,000	$ 74,560
Adjustment as a result of the Transaction	64,000,000	3,100,504
Automatic conversion of special warrants	1,000,000	250,000
Concurrent financing, net of finders fees	27,000,000	6,433,000
Pro forma common shares outstanding	99,500,000	$ 9,858,064

(Stated in Canadian Dollars)

6. Pro Forma Options, Warrants and Restricted Stock Units

	Number	Exercise Price		Expiry Date
Pro forma finders warrants outstanding	848,400	$	0.25	12 months from closing
Pro forma warrants outstanding	1,000,000	$	0.10	60 months from closing
Pro forma options outstanding	6,800,000	$	0.05	60 months from closing
Pro forma restricted stock units outstanding	3,000,000		n/a	n/a

7. Income Tax

The effective consolidated pro forma tax rate is expected to approximate 26.5%.

Schedule "G"
Audit Committee Charter

AUDIT COMMITTEE CHARTER

I. PURPOSE

This charter sets out the Audit Committee's purpose, composition, member qualification, member appointment and removal, responsibilities, operations, manner of reporting to the Board of Directors (the "**Board**") of Zoglo's Incredible Food Corp. (the "**Company**"), annual evaluation and compliance with this charter. The primary responsibility of the Audit Committee is that of oversight of the financial reporting process on behalf of the Board. This includes oversight responsibility for financial reporting and continuous disclosure, oversight of external audit activities, oversight of financial risk and financial management control, and oversight responsibility for compliance with tax and securities laws and regulations as well as whistle blowing procedures. The Audit Committee is also responsible for the other matters as set out in this charter and/or such other matters as may be directed by the Board from time to time. The Audit Committee should exercise continuous oversight of developments in these areas.

II. COMPOSITION

A. A majority of the members of the Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company, as defined in National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"), provided that should the Company become listed on a more senior exchange, each member of the Audit Committee will also satisfy the independence requirements of such exchange and of NI 52-110.

B. The Audit Committee will consist of at least three members, all of whom must be directors of the Company. Upon graduating to a more senior stock exchange, if required under the rules or policies of such exchange, each member of the Audit Committee will also satisfy the financial literacy requirements of such exchange and of NI 52-110.

C. The Chair of the Audit Committee will be appointed by the Board.

III. AUTHORITY

A. In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:

1. engage, set and pay the compensation for independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities, and any such consultants or professional advisors so retained by the Audit Committee will report directly to the Audit Committee;

2. communicate directly with management and any internal auditor, and with the external auditor without management involvement; and

3. incur ordinary administrative expenses that are necessary or appropriate in carrying out its duties, which expenses will be paid for by the Company.

IV. DUTIES AND RESPONSIBILITIES

A. The duties and responsibilities of the Audit Committee include:

1. recommending to the Board the external auditor to be nominated by the Board;

2. recommending to the Board the compensation of the external auditor to be paid by the Company in connection with (i) preparing and issuing the audit report on the Company's financial statements, and (ii) performing other audit, review or attestation services;

3. reviewing the external auditor's annual audit plan, fee schedule and any related services proposals (including meeting with the external auditor to discuss any deviations from or changes to the original audit plan, as well as to ensure that no management restrictions have been placed on the scope and extent of the audit examinations by the external auditor or the reporting of their findings to the Audit Committee);

4. overseeing the work of the external auditor;

5. ensuring that the external auditor is independent by receiving a report annually from the external auditors with respect to their independence, such report to include disclosure of all engagements (and fees related thereto) for non-audit services provided to Company;

6. ensuring that the external auditor is in good standing with the Canadian Public Accountability Board by receiving, at least annually, a report by the external auditor on the audit firm's internal quality control processes and procedures, such report to include any material issues raised by the most recent internal quality control review, or peer review, of the firm, or any governmental or professional authorities of the firm within the preceding five years, and any steps taken to deal with such issues;

7. ensuring that the external auditor meets the rotation requirements for partners and staff assigned to the Company's annual audit by receiving a report annually from the external auditors setting out the status of each professional with respect to the appropriate regulatory rotation requirements and plans to transition new partners and staff onto the audit engagement as various audit team members' rotation periods expire;

8. reviewing and discussing with management and the external auditor the annual audited and quarterly unaudited financial statements and related Management Discussion and Analysis ("**MD&A**"), including the appropriateness of the Company's accounting policies, disclosures (including material transactions with related parties), reserves, key estimates and judgements (including changes or variations thereto) and obtaining reasonable assurance that the financial statements are presented fairly in accordance with IFRS and the MD&A is in compliance with appropriate regulatory requirements;

9. reviewing and discussing with management and the external auditor major issues regarding accounting principles and financial statement presentation including any significant changes in the selection or application of accounting principles to be observed in the preparation of the financial statements of the Company and its subsidiaries;

10. reviewing and discussing with management and the external auditor the external auditor's written communications to the Audit Committee in accordance with generally accepted auditing standards and other applicable regulatory requirements arising from the annual audit and quarterly review engagements;

11. reviewing and discussing with management and the external auditor all earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies prior to such information being disclosed;

12. reviewing the external auditor's report to the shareholders on the Company's annual financial statements;

13. reporting on and recommending to the Board the approval of the annual financial statements and the external auditor's report on those financial statements, the quarterly unaudited financial statements, and the related MD&A and press releases for such financial statements, prior to the dissemination of these documents to shareholders, regulators, analysts and the public;

14. satisfying itself on a regular basis through reports from management and related reports, if any, from the external auditors, that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements that such information is fairly presented;

15. overseeing the adequacy of the Company's system of internal accounting controls and obtaining from management and the external auditor summaries and recommendations for improvement of such internal controls and processes, together with reviewing management's remediation of identified weaknesses;

16. reviewing with management and the external auditors the integrity of disclosure controls and internal controls over financial reporting;

17. reviewing and monitoring the processes in place to identify and manage the principal risks that could impact the financial reporting of the Company and assessing, as part of its internal controls responsibility, the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board;

18. satisfying itself that management has developed and implemented a system to ensure that the Company meets its continuous disclosure obligations through the receipt of regular reports from management and the Company's legal advisors on the functioning of the disclosure compliance system, (including any significant instances of non-compliance with such system) in order to satisfy itself that such system may be reasonably relied upon;

19. resolving disputes between management and the external auditor regarding financial reporting;

20. establishing procedures for:

    a) the receipt, retention and treatment of complaints received by the Company from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practises relating thereto, and

    b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;

21. reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;

22. pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor;

23. overseeing compliance with regulatory authority requirements for disclosure of external auditor services and Audit Committee activities;

24. establishing procedures for:

a) reviewing the adequacy of the Company's insurance coverage, including the Directors' and Officers' insurance coverage;

b) reviewing activities, organizational structure, and qualifications of the Chief Financial Officer ("**CFO**") and the staff in the financial reporting area and ensuring that matters related to succession planning within the Company are raised for consideration at the Board;

c) obtaining reasonable assurance as to the integrity of the Chief Executive Officer ("**CEO**") and other senior management and that the CEO and other senior management strive to create a culture of integrity throughout the Company;

d) reviewing fraud prevention policies and programs, and monitoring their implementation;

e) reviewing regular reports from management and others (e.g., external auditors, legal counsel) with respect to the Company's compliance with laws and regulations having a material impact on the financial statements including:

i. tax and financial reporting laws and regulations;

ii. legal withholding requirements;

iii. environmental protection laws and regulations;

iv. other laws and regulations which expose directors to liability; and

B. A regular part of Audit Committee meetings involves the appropriate orientation of new members as well as the continuous education of all members. Items to be discussed include specific business issues as well as new accounting and securities legislation that may impact the organization. The Chair of the Audit Committee will regularly canvass the Audit Committee members for continuous education needs and in conjunction with the Board education program, arrange for such education to be provided to the Audit Committee on a timely basis.

C. On an annual basis the Audit Committee shall review and assess the adequacy of this charter taking into account all applicable legislative and regulatory requirements as well as any best practice guidelines recommended by regulators or stock exchanges with whom the Company has a reporting relationship and, if appropriate, recommend changes to the Audit Committee charter to the Board for its approval.

D. On an annual basis, the Audit Committee shall require the Company's Chief Executive Officer and Chief Financial Officer to evaluate, or cause to be evaluated under their supervision, the effectiveness of the Company's disclosure controls and procedures and internal control over financial reporting as at the Company's financial year end date and to report the results of their evaluation to the Audit Committee prior to the Audit Committee approving the Company's annual financial statements.

V. TERM

The members of the Audit Committee shall be appointed by designation of the Board and shall continue to be a member thereof until the earlier of (i) the Board, at its discretion, decides to remove the member from the Committee, or (ii) the expiration of his or her term of office as a Director. Vacancies at any time occurring shall be filled by designation of the Board.

VI. MEETINGS

The Committee shall meet at least once per year or more frequently as circumstances dictate. A majority of the members appearing at a duly convened meeting shall constitute a quorum and the Committee shall maintain minutes or other records of its meetings and activities. The Chair shall be responsible for leadership of the Committee, including scheduling and presiding over meetings, preparing agendas, overseeing the preparation of briefing documents to circulate during the meetings as well as pre-meeting materials, and making regular reports to the Board. These documents will be shared with the Board as needed to discharge the Committee's delegated responsibilities and stored in a centralized electronic archive administered by the Corporate Secretary. In case of absence of the Chair, the participating Audit Committee members will designate an interim Chair. The Committee may invite members of Management or others to attend their meetings and they will be asked to step-out during sensitive conversations. As part of its responsibility to foster open communication, the Committee should meet at least annually with each of the CEO and Chief Financial Officer in separate executive sessions to discuss any matters that the Committee or the executive officers believe should be discussed privately with the Committee.

VII. REPORTS

A. The Audit Committee will report, at least annually, to the Board regarding the Audit Committee's examinations and recommendations.

B. The Audit Committee will report its activities to the Board to be incorporated as a part of the minutes of the Board meeting at which those activities are reported.

VIII. MINUTES

A. The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

IX. ANNUAL PERFORMANCE EVALUATION

A. The Board will conduct an annual performance evaluation of the Audit Committee, taking into account the charter, to determine the effectiveness of the Committee.

This charter was adopted by the Board effective [●], 2021.

CERTIFICATE OF THE COMPANY

Dated: March 31, 2021

This non-offering prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the Company as required by the securities legislation of British Columbia and Ontario.

"Anthony Morello"	*"Spence Walker"*
Anthony Morello	Spence Walker
Chief Executive Officer	Chief Financial Officer

On Behalf of the Board of Directors

"David Sugarman"	*"Henry Ender"*
David Sugarman	Henry Ender
Director	Director

CERTIFICATE OF THE PROMOTER

Dated: March 31, 2021

This non-offering prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the Company as required by the securities legislation of British Columbia and Ontario.

PROMOTER

"Hari Varshney"

Hari Varshney