



PODA LIFESTYLE AND WELLNESS LTD.
(previously, Gamora Capital Corp.)

CSE FORM 2A
Listing Statement

**IN CONNECTION WITH THE LISTING OF THE SHARES OF PODA LIFESTYLE AND
WELLNESS LTD. THE ENTITY FORMED FOLLOWING THE BUSINESS
COMBINATION TRANSACTION WITH PODA LIFESTYLE AND WELLNESS LTD.
AND PODA TECHNOLOGIES LTD.**

APRIL 28, 2021

The Company (as defined herein) is a Heat-not-burn alternative smoking product company. Please see the Description of the Business included in this Listing Statement for more information.

TABLE OF CONTENTS

1.	INTRODUCTION	4
1.1	Glossary of Terms	4
1.2	Information Concerning Forward-Looking Statements.....	7
1.3	Market and Industry Data.....	8
1.4	Currency	8
2.	CORPORATE STRUCTURE.....	8
2.1	Corporate Name, Address of Head and Registered Office	8
2.2	Jurisdiction of Incorporation	8
2.3	Intercorporate Relationships	9
2.4	Fundamental Change	9
2.5	Non-corporate Issuers and Issuers incorporated outside of Canada	9
3.	GENERAL DEVELOPMENT OF THE BUSINESS	9
3.1	General Development of the Company's Business.....	9
3.3	Trends, Commitments, Events or Uncertainties.....	12
4.	NARRATIVE DESCRIPTION OF THE BUSINESS	13
4.1	General.....	13
4.2	Asset-backed Securities	18
4.3	Companies with Mineral Projects.....	18
4.4	Companies with Oil and Gas Operations.....	18
5.	SELECTED CONSOLIDATED FINANCIAL INFORMATION.....	18
5.1	Annual Information.....	18
5.2	Quarterly Information	20
5.3	Dividends.....	20
5.4	Financial Reporting Standards.....	20
6.	MANAGEMENT'S DISCUSSION AND ANALYSIS	20
7.	MARKET FOR SECURITIES.....	21
8.	CONSOLIDATED CAPITALIZATION	21
9.	OPTIONS TO PURCHASE SECURITIES	21
10.	DESCRIPTION OF THE SECURITIES	22
10.1	General.....	22
10.7	Prior Sales	26
10.8	Stock Exchange Price.....	27
11.	ESCROWED SECURITIES.....	27
12.	PRINCIPAL SHAREHOLDERS.....	28
12.2	Principal Shareholders.....	28
12.3	Voting Trusts.....	28
12.4	Associates and Affiliates	28
13.	DIRECTORS AND OFFICERS.....	28
13.2	Directors and Executive Officers and Voting Securities Held by Directors and Executive Officers.....	28
13.3	Cease Trade Orders or Bankruptcies	31
13.4	Penalties and Sanctions	32
13.5	Personal Bankruptcies.....	32
13.6	Conflicts of Interest	32
13.7	Management.....	32

14.	CAPITALIZATION	33
14.1	Issued Capital	33
14.2	Convertible or Exchangeable Securities	34
14.3	Other Listed Securities Reserved for Issuance	35
15.	EXECUTIVE COMPENSATION	35
16.	INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS	42
16.1	Aggregate Indebtedness	42
17.	RISK FACTORS	42
17.1	Risk Factors Relating to the Company	42
18.	PROMOTERS	51
18.1	Promoters	51
19.	LEGAL PROCEEDINGS	51
19.1	Legal Proceedings	51
19.2	Regulatory Actions	52
20.	INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	52
21.	AUDITORS, TRANSFER AGENTS AND REGISTRARS	52
22.	MATERIAL CONTRACTS	52
23.	INTEREST OF EXPERTS	53
24.	OTHER MATERIAL FACTS	53
25.	FINANCIAL STATEMENTS	53

SCHEDULES

Schedule A	Financial Statements of PODA Lifestyle and Wellness Ltd. (previously, Gamora Capital Corp.)
Schedule B	MD&A of PODA Lifestyle and Wellness Ltd. (previously, Gamora Capital Corp.)
Schedule C	Financial Statements of PODA Technologies Ltd.
Schedule D	MD&A of PODA Technologies Ltd.
Schedule E	Pro Forma Financial Statements
Schedule F	Audit Committee Charter

1. INTRODUCTION

1.1 Glossary of Terms

The following is a glossary of certain terms used in this Listing Statement. Words below importing the singular, where the context requires, include the plural and vice versa, and words importing any gender include all genders.

"**Affiliate**" has the meaning set forth in the Securities Act;

"**Arrangement**" has the meaning ascribed to that term under Section 3.1 - *General Development of the Business – The Arrangement*.

"**Arrangement Agreement**" means the arrangement agreement dated February 8, 2021 between the Company and PODA, as may be amended from time to time and including all schedules and all amendments or restatements as permitted;

"**Associate**" when used to indicate a relationship with a Person, means:

- (a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer;
- (b) any partner of the Person;
- (c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which a Person serves as trustee or in a similar capacity;
- (d) in the case of a Person who is an individual;
- (e) that Person's spouse or child, or
- (f) any relative of the Person or of his spouse who has the same residence as that Person;

"**BCBCA**" means the *Business Corporations Act* (British Columbia), as amended, including the regulations promulgated thereunder;

"**Board**" means the board of directors of the Company, as applicable;

"**CDC**" means California Distribution Company Ltd. a corporation 100% owned by PODA, incorporated on June 5, 2018 under the BCBCA with the name 1167061 BC Ltd. and subsequently changed to California Distribution Company Ltd. on October 10, 2018. CDC corporate records and headquarters address is the same as PODA;

"**Common Shares**" means the common shares in the capital of the Company prior to the Reclassification;

"**Company**" means PODA Lifestyle and Wellness Ltd. a corporation incorporated under the BCBCA on July 6, 2018;

"**Competition Act**" means the *Competition Act*, RSC 1985, c C-34, as amended, including the regulations promulgated thereunder;

"**Convertible Debenture**" has the meaning ascribed thereto in Section 3.1 hereof;

"**Court**" means the Supreme Court of British Columbia;

"**CSE**" means the Canadian Securities Exchange;

"**Final Order**" means the final order of the Court which approved the Arrangement;

"**Interim Order**" means the interim order of the Court dated February 10, 2021;

"**Invictus**" means Invictus Strategies MD Corp., a corporation incorporated under the BCBCA on February 11, 2014;

"**Listing Statement**" means this CSE Form 2A Listing Statement of the Company, together with all Schedules hereto;

"**Meeting**" means the special meeting of PODA Shareholders held on March 19, 2021 which approved and adopted the Arrangement in accordance with the Interim Order ;

"**Multiple Voting Shares**" has the meaning ascribed thereto in Section 10 - *Description of the Securities*;

"**NEO**" or "**Named Executive Officer**" means, with respect to the Company each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) each of the three most highly compensated executive officers, 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 \$150,000, as determined in accordance with subsection 1.3(6) of NI 51-102, for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year;

"**NI 51-102**" means National Instrument 51-102 - *Continuous Disclosure Obligations*;

"**NI 52-110**" means National Instrument 52-110 - *Audit Committees*;

"**NI 58-101**" means National Instrument 58-101 - *Corporate Governance Practices*;

"**Options**" means the options to acquired Subordinate Voting Shares under the Share Compensation Plan;

"**Person**" includes any individual, a sole proprietorship, firm, partnership, joint venture, venture capital fund, limited liability company, unlimited liability company, association, trust, trustee, executor, administrator, legal personal representative, estate, group, body corporate, corporation, unincorporated association or organization, union, Governmental Authority, syndicate or other entity, whether or not having legal status;

"**PODA**" means PODA Technologies Ltd a corporation incorporated under the BCBCA on January 26, 2015;

"**PODA Shareholders**" means the holders of PODA Shares;

"**PODA Shares**" means the shares of common shares in the capital of PODA;

"**Preferred Shares**" means the preferred shares in the capital of the Company prior to the Reclassification;

"Reclassification" has the meaning ascribed thereto in Section 3.1 - *General Development of the Business – Reclassification*,

"Related Person" means an "Insider", which has the meaning set forth in the Securities Act being:

- (a) a director or senior officer of the company that is an insider or subsidiary of the issuer;
- (b) a director or senior officer of the issuer;
- (c) a person that beneficially owns or controls, directly or indirectly, voting share carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or
- (d) the issuer itself if it holds any of its own securities;

"RSUs" means restricted stock units of the Company issued under the Share Compensation Plan;

"SEDAR" means the System for Electronic Document Analysis and Retrieval;

"Securities Act" means the *Securities Act* (British Columbia) and the rules, regulations and policies made thereunder, as now in effect and as they may be amended from time to time;

"Share Compensation Plan" has the meaning ascribed thereto in Section 9 hereof; and

"Warrants" has the meaning ascribed thereto in Section 3.1 hereof.

1.2 Information Concerning Forward-Looking Statements

Except for statements of historical fact contained herein, the information presented in this Listing Statement may constitute forward-looking statements or information (collectively "**forward-looking statements**") within the meaning of Canadian securities legislation.

Forward-looking statements include, but are not limited to, statements with respect to activities, events or developments that Company or PODA expects or anticipates will or may occur in the future, including management's assessment of future plans and operations and statements with respect to the business plan of the Company or PODA. In certain cases, forward-looking statements can be identified by terminology such as "may", "will", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "forecast", "outlook", "potential", "continue", "should", "likely", or the negative of these terms or other comparable terminology. Forward-looking statements include, among others, statements with respect to: the industry in which the Company intends to participate; anticipated growth of the industry in which the Company intends to participate; anticipated growth of the operations of the Company; pro forma financial information about the Company; Company and shareholder approval of the Share Compensation Plan; future grants of security-based compensation; and the business strategy and objectives of the Company.

Although management believes that the anticipated future results, performance or achievements expressed or implied by the forward-looking statements are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements and information because they involve assumptions, known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company or PODA to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements. These risks, uncertainties and factors include, without limitation, risks relating to: possible termination of the arrangement agreement; dilutive effect of the Arrangement; impacts of COVID-19 on the Company; brand development and effectiveness of marketing; technology risks; technical operations infrastructure; third party service providers; information technology systems and data security breaches; periodic changes to search engine algorithms; use of personal information; content quality; competition and pricing; inability to protect intellectual property; intellectual property claims; successful management and growth; changing consumer and user preferences and retention; product recalls; product returns; inability to implement growth strategy; key officer and employees; acquisitions and partnerships; breach of confidentiality; conflicts of interest; emerging industry; difficulty to forecast; litigation; management of growth; additional financings; entry into international markets; third party business relationships; natural disasters, unusually adverse weather, pandemic outbreaks, boycotts and geopolitical events; global economic uncertainty; changes in applicable regulation; regulatory approvals and permits; environmental, health and safety laws; further issuance of securities and dilution; no prior market for Subordinate Voting Shares; value assigned to PODA; potential for price volatility; changes in law; the ability to implement business strategies and pursue business opportunities; the state of the capital markets; the availability of funds and resources to pursue operations; a novel business model; dependence on key partners; competition; difficulty integrating newly acquired businesses; the time, outcome and cost of any inquiries, audits or litigation with insurance providers, or federal, state or local regulators; low profit market segments; fluctuations in exchange rates; general economic, market and business conditions, other risks factors including those found in this Listing Statement under Section 17 "*Risk Factors*" as well as those risk factors discussed or referred to in the PODA's disclosure documents filed with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com. Should any factor affect the Company or PODA in an unexpected manner, or should assumptions underlying the forward looking information prove incorrect, the actual results or events may differ materially from the results or events predicted. Any such forward-looking information is expressly qualified in its entirety by this cautionary statement. Moreover, the Company does not assume responsibility for the accuracy or completeness of such forward-looking information.

Forward-looking statements are made based on management's beliefs, estimates and opinions on the date the forward-looking statements are made and neither the Company nor PODA undertakes an obligation to update any forward-looking statement if these beliefs, estimates and opinions or other circumstances should change, except as may be required by applicable law.

1.3 Market and Industry Data

This Listing Statement includes market and industry data relevant to the business of the Company that has been obtained from third party sources, including industry publications. The Company believes that the industry data is accurate and that its estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of this data. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, the Company has not independently verified any of the data from third party sources referred to in this Listing Statement or ascertained the underlying economic assumptions relied upon by such sources.

1.4 Currency

In this Listing Statement, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and references to \$ are to Canadian dollars.

2. CORPORATE STRUCTURE

2.1 Corporate Name, Address of Head and Registered Office

The Company

The full corporate name of the Company is "PODA Lifestyle and Wellness Ltd.". The Company's registered office is located at 666 Burrard St, Vancouver, BC V6C 2Z7. The Company was incorporated under the BCBCA on July 6, 2018. The Company changed its name to PODA Lifestyle and Wellness Ltd. on March 11, 2021.

PODA

The full corporate name of PODA is "PODA Technologies Ltd.". PODA's head office is located at Unit 101, 334 East Kent Ave South, Vancouver, BC, V5X 4N6, and the registered and records office is located at 10th floor, 595 Howe Street, Vancouver, British Columbia, Canada, V6C 2T5.

2.2 Jurisdiction of Incorporation

The Company

The Company was incorporated under the BCBCA on July 6, 2018 and changed its name to PODA Lifestyle and Wellness Ltd. on March 11, 2021. Effective as of the date of the Arrangement, the Company became a non-trading reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland.

PODA

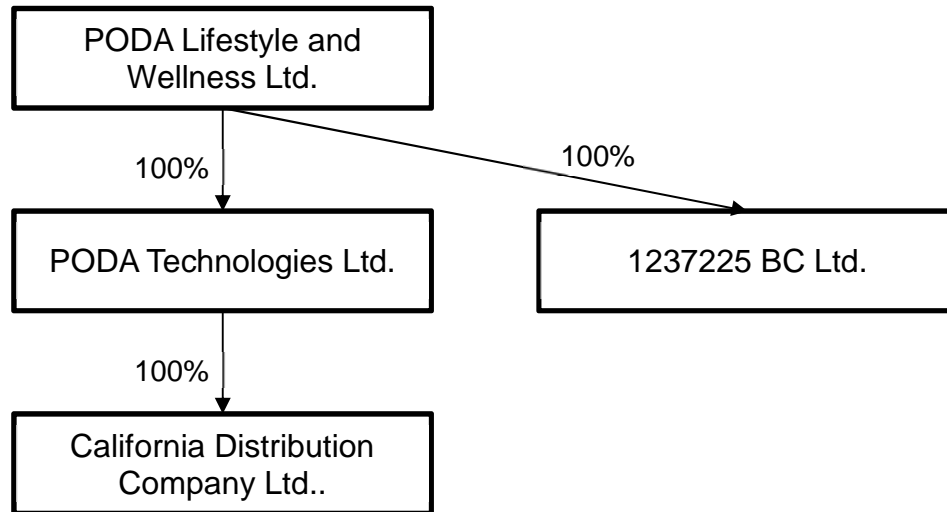
PODA was incorporated under the BCBCA on January 26, 2015 under the name Edison Vape Co. Ltd. which was later changed to PODA Technologies Ltd. on May 17, 2016. PODA became a non-trading reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland on November 8, 2018 pursuant to a spinout of Invictus MD Strategies Corp. ("Invictus") by way of plan of arrangement. PODA will take steps to ceasing being a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland.

2.3 Intercorporate Relationships

Company

Prior to the Arrangement, the Company had one wholly owned non-active subsidiary, 1237225 BC Ltd.

The Company's corporate structure following the closing of the Arrangement is as follows.



2.4 Fundamental Change

See Section 3.1 – *General Development of the Business – The Arrangement*.

2.5 Non-corporate Issuers and Issuers incorporated outside of Canada

This section is not applicable.

3. GENERAL DEVELOPMENT OF THE BUSINESS

3.1 General Development of the Company's Business

PODA

PODA was incorporated under the BCBCA on January 26, 2015. PODA's principal business activity is the design, development and production of a new and improved heat-not-burn ("HNB") technology for the consumption of tobacco and other materials.

On January 21, 2015, Invictus entered into an initial agreement with the former owners of PODA to acquire 40% of the common shares of PODA.

On January 27, 2015, Invictus subscribed for 40% of the common shares of PODA, by way of subscribing for 40,000 shares at a price of \$0.001 per common share for a cash consideration of \$40 and, simultaneously, providing a shareholder's loan of \$40,000 (the "Invictus Transaction"). Pursuant to the Invictus Transaction, during a six-month development period, Invictus had the option to purchase the remaining 60% of the common shares of PODA.

On October 31, 2015, Invictus entered into a share purchase agreement with the former owners of PODA to purchase the remaining 60% of PODA and increase its total interest to 100%. As a result, it was determined that this constituted an asset acquisition and that the assets were measured at the fair value of the consideration given up.

On August 21, 2018, Invictus announced the proposed spinout of its wholly owned subsidiary, PODA, by way of plan of arrangement (the "Invictus Arrangement"), in a bid to create a stand-alone entity to conduct business in the U.S. and internationally, outside of the TSX Venture Exchange.

On September 10, 2018, Invictus and PODA entered into an arrangement agreement in respect of the Invictus Arrangement. The Invictus Arrangement was voted on and approved by the Invictus shareholders at its 2018 Annual General and Special Meeting of Shareholders, held on October 18, 2018

The Invictus Arrangement was completed with an effective date of November 8, 2018 and shareholders of Invictus became entitled to receive for each pre-Arrangement common share of Invictus (an "Old Invictus Share") held:

(a) one post-Invictus Arrangement common share of Invictus (a "New Invictus Share"); and

(b) one Class A common share of PODA for a total of 111,977,640 Class A common shares

Holders of outstanding Invictus warrants immediately prior to the effective date received, upon exercise of each such Invictus warrant at the same original exercise price, one New Invictus Share in lieu of the one Old Invictus Share that were issuable upon exercise of such Warrant immediately prior to the effective date.

As at October 31, 2019, PODA completed a working prototype and selected manufacturers for the industrial design and manufacture of both the heating device and with disposable pods ("PODA Pods").

On March 5, 2019, PODA completed the acquisition of CDC through the issuance of 17,900,000 common shares at a deemed price of \$0.035 per share which provided PODA with approximately \$638,000 of short-term funding and access to an existing California distribution network that is expected to be utilized for future sales of PODA products. Immediately prior to the completion of the acquisition PODA re-organized its share capital through a 4.5:1 consolidation whereby the PODA Shares were reduced from 111,977,640 total PODA Shares outstanding to 24,883,920 total PODA Shares outstanding.

On April 12, 2019, PODA acquired the rights to additional heat-not-burn-related intellectual property from the original founders of PODA (the "Inventors") on the terms and conditions set forth in an amended and restated royalties agreement (the "Amended Agreement"). The Inventors and PODA previously entered into a royalties agreement dated April 19, 2015, pursuant to which PODA agreed to pay royalties to the Inventors in the amount of 3% of PODA's gross revenues in relation to the commercialization of certain inventions (the "Original Inventions"). Since that time, the Inventors have developed certain additional heat-not-burn-related inventions (the "New Inventions") and in accordance with the terms and conditions of the Amended Agreement dated April 12, 2019, PODA was granted a royalty-bearing exclusive license to commercialize, use, and sublicense the Original Inventions and the New Inventions. In exchange for the additional rights granted to PODA under the Amended Agreement, PODA has assigned the ownership of certain patents back to the Inventors and the royalty payable by PODA has been increased from 3% to 4.5%.

On October 23, 2019, PODA issued convertible debenture for gross proceeds of up to \$550,000 to a maximum of 11,000,000 PODA Shares. The debenture bears interest at 12% and is secured against the personal property of PODA. In the event that PODA earns a profit during any fiscal quarter, the debenture holders shall have the option to require PODA to prepay a portion of the principal amount and accrued interest amount and in an amount equal to up to 20% of the amount of profit for such quarter. At any time prior to the maturity date of the convertible debenture, the debenture holders have the option to convert any portion of the outstanding principal amount and accrued interest amount at the lower conversion rate of: i) 1 common share of PODA for \$0.05 of

the principal amount plus accrued interest amount remaining due or ii) 20% discount to the price per share for the most recent financing. On the maturity date, the balance of the principal amount shall automatically be converted into shares of PODA at the lower conversion rate of i) 1 common share of PODA for \$0.05 of the principal amount remaining due or ii) 20% discount to the most recent financing prior to the maturity date. The debenture matures thirty-six (36) months from the date of closing of the financing on October 23, 2019 and is payable on demand after maturity.

On January 7, 2020, PODA was granted a Canadian utility patent number 3,039,570 by Innovation, Science and Economic Development Canada, Canadian Intellectual Property Office, for its primary technologies, and corresponding national phase applications were filed in over 60 countries. Additionally, PODA has multiple provisional and international Patent Cooperation Treaty (“PCT”) patents pending for additional technologies related to its vaporization device and technological methods. Typically, a design patent lasts 14 years and a utility patent last 20 years. As the majority of the patent applications are still in process, no expected life has been designated to the PODA device and technology.

PODA is currently manufacturing both the PODA heating device and the PODA Pods, and sales commenced in October 2020. The investment in PODA is intended to provide a revenue-generating business upon successful commercialization of the product, expected for fiscal 2021. To date, working prototypes have been completed by our manufacturing partner Shanghai Red Star Capsule Co., Ltd., located in Shenzhen, China.

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. The impact on the Company is not currently determinable but management continues to monitor the situation.

Financing Activities

On December 9, 2020, the Company closed a private placement and issued 19,500,000 Common Shares at \$0.025 per share for total proceeds of \$487,500 including one (1) share purchase warrant with an exercise price of \$0.10 for every Common Share issued expiring three (3) years from date of issuance.

On December 9, 2020, the Company closed a convertible debenture placement (the “Convertible Debenture”) for proceeds of \$187,500. The Convertible Debenture is unsecured, is convertible to Common Shares at \$0.025 per share for a total of 7,500,000 Common Shares, bears interest at 1.0% per annum and is repayable three (3) years from date of issuance. The holders were issued an aggregate of 7,500,000 Common Share purchase warrants with an exercise price of \$0.10 for every Common Share issued expiring three years from date of issuance.

On December 14, 2020 the Company closed a private placement and issued 7,000,000 Common Shares at \$0.05 per share for total proceeds of \$350,000.

On March 10, 2021, the Company closed a private placement and issued 150,000 Special Warrants at \$0.05 per share for total proceeds of \$7,500.

March 30, 2021, the Company closed a private placement and issued 3,375,000 Common Shares at \$0.10 per share for total proceeds of \$337,500.

On March 30, 2021, certain insiders of the Company converted their debt of \$359,528 into 3,595,285 Common Shares.

On March 30, 2021, a vendor of PODA converted its debt totaling \$2,086,193 into 20,862 Preferred Shares of the Company.

The Arrangement

The Company and PODA entered into the Arrangement Agreement on February 8, 2021, pursuant to which the Company, by way of a court approved plan of arrangement under the provisions of Division 5 of Part 9 of the BCBCA acquired all of the issued and outstanding PODA Shares in exchange for Preferred Shares to be issued as consideration pursuant a plan of arrangement (the "Arrangement"). Pursuant to the Arrangement, PODA Shareholders received Preferred Shares at a ratio of 1 Preferred Share for every 1,000 PODA Shares held. Fractional Preferred Shares will be issued to shareholders owning less than 1,000 PODA Shares. Preferred Shares entitle each holder to a restricted right to convert one (1) preferred share into 1,000 Common Shares upon certain events or automatically on the following terms: (i) 10% after twelve (12) months from approval of the Arrangement and (ii) 15% every three (3) months thereafter.

The Arrangement was approved at the Meeting and PODA obtained the Final Order on March 24, 2021.

The share capital of the Company consists of: (i) 33,620,286 Subordinate Voting Shares; and (ii) 63,646 Preferred Shares. The former holders of PODA Shares will hold 44% of the Subordinate Voting Shares (assuming conversion of all outstanding Multiple Voting Shares into Subordinate Voting Shares).

The directors of the Company following the Arrangement were Ryan Selby, Ryan Karkairan, Aaron Bowden and Patrick Gray. See Section 13 - *Directors and Officers*.

Reclassification

On April 27, 2021, the Company completed a reclassification whereby the Company altered its articles a to re-identify the Company's Common Shares as Subordinate Voting Shares and its Preferred Shares as Multiple Voting Shares (the "**Reclassification**").

3.2 Acquisitions and Dispositions

Other than the Arrangement, the Company has not completed any significant acquisitions or significant dispositions and currently has no plans for any probable significant acquisitions or probable significant dispositions.

3.3 Trends, Commitments, Events or Uncertainties

Reduced Risk Products ("RRPs") is the term the Company uses to refer to products that present, are likely to present, or have the potential to present less risk of harm to smokers who switch to these products versus continuing smoking. The Company has a range of RRP's in various stages of development, scientific assessment and commercialization. RRP's are smoke-free products that produce an aerosol that contains far lower quantities of harmful and potentially harmful constituents than found in cigarette smoke. Unless otherwise stated, all references to PODA Pods are to the Company's HNB products.

The global HNB market size was valued at USD 7.3 billion in 2019 and is projected to grow at a compound annual growth rate ("CAGR") of 32.8% from 2020 to 2027¹. The market is driven by the continuous decline in traditional cigarette sales with rising demand for possibly RRP's. HNB devices do not burn tobacco, instead, they implement the use of convective and radiant heat. Thus, the devices have a low presence of nicotine and chemicals. Further, the rising prohibition and taxes on cigarettes across different countries and the growing awareness of the dangerous side-effects of tobacco consumption are driving the growth of this HNB device market. The health risks related with chewing tobacco and cigarettes are estimated to drive the adoption of HNB devices, particularly among young population.¹

¹ <https://www.grandviewresearch.com/industry-analysis/heat-not-burn-market>

The low risks and high demand are expected to urge global manufacturers to invest in the market for HNB devices. Moreover, HNB devices are getting approval from regulatory authorities for sale in big markets such as the United States, China, and Europe, which is anticipated to bode well for market growth. For instance, in 2018, Philip Morris International Inc. received U.S. Food and Drug Administration (“FDA”) approval for the sale of HNB devices in the United States.²

HNB devices produce a vapor containing nicotine and these can be used multiple times, which is making it popular among consumers as they do not have to spend much for multiple purchases. As such, the devices can also be used for longer periods of time. Further, the technological improvements have led to the development of HNB devices that produce large amounts of vapor, which is seeing increased preference among enthusiasts. HNB devices have helped many smokers quit smoking thus, making them an effective substitute for smoking.³ Such factors are expected to accelerate the adoption of HNB devices among individuals. The rising online sales and marketing promotions by the manufacturers are expected to drive the heat not burn devices market in the forthcoming years. For instance, the campaigning of HNB devices by Philip Morris International Inc. in South Africa was done through TV programs. The companies promote HNB devices as a brand and the most popular devices that are available in the market include BAT’s Glo, IQOS, Ploom TECH, and iFuse. Furthermore, the high promotion, advertising, and research and development activities by the companies are also boosting the market growth.³

Following the Arrangement, the Company’s operations will be subject to a variety of laws, regulations and guidelines relating to the tobacco industry and may also be subject to other laws, regulations and guidelines, including, without limitation, the Natural Health Products Regulations, Competition Act, and consumer product and protection legislation (e.g., the Canada Consumer Product Safety Act). Notably, since there are differences between the regulatory schemes applicable to the sale of certain products in Canada and the US, it is unclear whether all retail products currently being sold in the US could be sold in Canada, as well as whether changes to existing sales practices will be required to be compliant with Canadian laws. Any changes to the laws, regulations and guidelines applicable to the Company’s operations are matters beyond the control of the Company that may cause adverse effects to the operations and financial conditions of its prospective returns. In addition, there are significant risks associated with the Company’s business. Please see Section 17 – *Risk Factors*.

4. NARRATIVE DESCRIPTION OF THE BUSINESS

4.1 General

On May 15, 2018, Invictus announced PODA’s zero-cleaning system (“PODA Device”) with PODA Pods to compete in the HNB space. This new technology provides consumers with consistent HNB performance and uses patented zero-cleaning technology. The PODA system can be paired with almost any aerosol-generating substance, including tobacco, e-liquids, herbs, concentrates, coffee and more. Other pod-based HNB systems currently on the market require cleaning and produce significant waste. A part of PODA’s product offering includes PODA Pods that are biodegradable.

The Company’s will launch a number of device models across a variety of price points. Some devices will have the ability to connect to users’ smartphones via Bluetooth, providing granular control of temperature and other parameters. The Company’s smart devices can allow consumers to design their own temperature profiles and customize a wide range of other operational parameters. PODA Devices with smartphone-enabled technology are set to be released after the initial PODA Devices (without smartphone connectivity) enter the market.

The PODA zero-cleaning technology has been granted a Canadian patent, and in addition to other filings, PCT national phase patent entries have been filed in over 60 additional countries, giving PODA the ability to protect its valuable intellectual property on a global scale.

² <https://www.grandviewresearch.com/industry-analysis/heat-not-burn-market>

³ <https://www.grandviewresearch.com/industry-analysis/heat-not-burn-market>

The Company's management team, with deep industry connections and years of HNB experience affords it unique access to manufacturing and distribution globally in the HNB space.

Since incorporation, PODA has made expenditures related to all facets of its business, including research and development, patent and trademark protection and advertising and marketing of its PODA Devices and PODA Pods (the "Expenditures"). The details of the Expenditures have been reported on SEDAR in the PODA's quarterly and annual financial statements.

Business Objectives of the Company

Following completion of the Arrangement, the principal business to be carried on by the Company is to continue to execute on PODA's established business plan of becoming a leading HNB product. This business plan involves the continued operation of PODA's existing business and, importantly, the execution of PODA's strategy for growth. The business objectives of the Company during the 12 months following completion of the Arrangement, are as follows:

- 1) Expand the reach of each of PODA's distribution: The Company intends to increase the reach of each of PODA's distribution through its existing customers in the United Kingdom and other European countries. Currently, PODA has sold an immaterial number of devices and PODA Pods to a company based in Denver, Colorado and does not anticipate additional sales in this State in 2021. The primary focus in 2021 will be distribution in Europe starting in Luxembourg where PODA has sent a sample of PODS and a filling device to a distributor who is testing the product and plans to launch in Italy in mid to late 2021. The Company will also focus on maintaining its relationship with existing customers in the United Kingdom in order to increase distribution and sales. Increased sales to these customers do not require extensive investment as the relationships have already been established and the customers have already started purchasing PODA Devices and PODA Pods on a small scale.
- 2) Increasing geographic scope: The Company believes it needs to increase its scope geographically based on cash flow generated from operations from existing customers. To do so, the Company will increase spending on sales and marketing to target other geographic regions. PODA plans on entering the Asian market in late 2021.

Significant Events or Milestones

In order to successfully reach the Company's business objectives as set forth above, the Company has identified the following significant events or milestones that must be occur.

Significant Event or Milestone	Target Date	Estimated Cost
Public Listing	April 2021	\$100,000
European distribution expansion	June 2021	\$50,000
Asian distribution expansion	December 2021	\$50,000
General and administrative expenses ⁽¹⁾	Ongoing	\$336,800
Total:		\$536,800

Note:

- (1) To be comprised of general expenses relating to operations, including administrative expenses, professional fees, office expenses and rent. General and administrative expenses includes wages related to the executive team that not only perform the executive functions for the Company but also fill the roles for sales distribution. No amount has been allocated to sales and marketing from the general and administrative category.

Other than as described in this Listing Statement, to the knowledge of the Company, there are no other significant events or milestones that must occur for the Company's initial business objectives to be accomplished. However, and in particular given the uncertainty of the immediate and eventual impact of COVID-19 on the Company's proposed business plans and the operations of its industry partners, there can be no

guarantee that the Company will meet its business objectives, significant events or milestones described above within the specific time periods, within the estimated costs or at all.

Total Funds Available

As at March 31, 2021, the Company and PODA had a working capital surplus of \$624,000 comprised of the following:

Sources and Uses of Working Capital	March 31, 2021 Amount (\$)
Working Capital of PODA	20,000
Working Capital of the Company	604,000
Total Working Capital	624,000
Less: Estimated Expenses of Arrangement	(100,000)
Total Available Working Capital	524,000

It is anticipated that the available funds will be sufficient to satisfy the Company's objectives for the forthcoming 12-month period. The amounts shown in the table below are estimates only and are based on the information available to the Company as of the date of this Listing Statement.

Use of Available Funds	Amount (\$)
Public listing costs	100,000
Interest on convertible debenture	72,000
Sales and marketing	100,000
General and administrative expenses ⁽¹⁾	336,800

Note:

(1) To be comprised of general and administrative expenses as follows:

General and Administrative Expenses	Amount (\$)
Contractor Fees ⁽¹⁾	234,000
Office expenses	20,000
Professional fees	60,000
Rent	22,800
TOTAL	336,800

(1) Contractor fees include the fees paid to the CEO, COO, CEO and accounting team.

Notwithstanding the proposed uses of available funds discussed above, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. It is difficult, at this time, to definitively project the total funds necessary to effect the planned activities of the Company. For these reasons, management of the Company considers it to be in the best interests of the Company and its shareholders to afford management a reasonable degree of flexibility as to how the funds are employed among the uses identified above, or for other purposes, as the need arises. If, as a result of changes in the Company's business, assets, operations or circumstances, the Board and management of the Company should determine that the available funds should be employed other than as set forth above, the funds shall be allocated on such other business activities and assets as the Board and management reasonably determine. Further, the above uses of available funds should be considered estimates. See Section 1.2 - *Forward-Looking Information and Section 17 - Risk Factors*.

Production, Sales and Principal Markets

PODA products are primarily sold to distributors to fill the PODA Pods with tobacco and other substrate. PODA launched its products in Q3 of 2020 after five years of research and developing and filing patents to protect the fully enclosed pod design. Currently the PODA Devices and PODA Pods are manufactured in Shenzhen, China

by Shanghai Red Star Capsule Co., Ltd., located in Shenzhen, China. To date PODA has sold products into the North America, the United Kingdom and Luxembourg.

Material Leases and Mortgages

PODA does not currently have any material leases or mortgages.

Specialized Skill and Knowledge

The operation and growth of PODA's business requires knowledge about the HNB space. PODA's founders and management team have significant experience in the HNB space after spending over 5 years developing the PODA Device and PODA Pods. The team has spent most of their careers in research and development and commercialization roles for consumer packaged goods. Additionally, PODA is perpetually recruiting and looking for talented individuals to join the PODA team. PODA utilizes a variety of recruiting techniques, including online resources as well as recruiting professionals to assist with filling specialized roles.

Intellectual Property

The Company relies on a combination of trademarks, trade secrets and patents for ongoing protections of the products and manufacturing methods PODA has developed in the HNB space. PODA has spent over five years developing and filing numerous patents in the HNB space.

PODA has filed numerous patents under PCT as follows:

- PCT WO 2018/165769 A1 – Closed Bottom Vaporizer Pod – Filed September 20, 2018. Status – patent received in Canada.
- PCT WO 2020/181358 A1 – Improved Smoking Article – Filed March 11, 2020. Status – patent pending.
- PCT WO 2019/178698 A1 – Vaporizer capsules and methods of manufacture – Filed September 26, 2020. Status – patent pending.

PODA expects to file its PCT National Phase filing prior to the September 2021 deadline. PODA awaiting confirmation of pending patents.

PODA has a Canadian trademark with the name and brand PODA since August 30, 2016 and filed a registration statement on March 21, 2017 with a full trademark registration received on April 14, 2020.

The Company may take steps to further strengthen the protection of its intellectual property moving forward although no assurances can be given that it will be successful in such endeavors. The Company will seek to limit disclosure of its intellectual property by requiring future employees, consultants, and partners with access to its proprietary platform and information to execute confidentiality agreements and non-competition agreements and by restricting access to the company's proprietary information.

To manage intellectual property considerations, the Company has retained counsel in Canada to attend to its growing patent holdings.

Cycles/Year-Round Business

The Company's manufacturing and sales are year-round and neither cyclical or seasonal.

Employees

The Company operates with between 3 full-time contractors and 2-3 part-time contractors as well as a number of third party service providers.

Economic Dependence and Changes to Contracts

The Company is not economically dependent on any contracts.

Competitive Conditions and Positions

The market for HNB is fast growing, fragmented and dynamic. Increased capital, education and research is bringing more awareness to the sector. Most of the capital that is going into the sector is primarily being directed towards education. As a result, the Company finds itself uniquely positioned in the space.

Prominent players in the market engage in business strategies such as product innovations, endorsements, capacity expansions, marketing campaigns, and acquisitions. Industry players are observed making heavy investments in research and development activities with the objective of increasing their market share and ensuring the organic growth of their companies. Furthermore, these players are actively engaging in new product development initiatives in order to improve and expand their existing products and components portfolios, thus offering these companies an opportunity to acquire new customers. Some of the prominent players in the HNB device market include:

- Altria Group, Inc.
- Japan Tobacco Inc.
- Philip Morris International
- Imperial Brands
- KT&G Corp.
- British American Tobacco
- Shenzhen Yukan Technology Co., Ltd.
- PAX Labs, Inc.
- Vapor Tobacco Manufacturing LLC
- Firefly Vapor

The Company believes that its primary competitive advantage stems from the experience of its management many of who have worked on the research and development of HNB products for over five years. The Company believes that as a result the considerable experience of its management, it has better access to potential partners in big tobacco, distribution channels and continuous product development in the HNB tobacco space.

On April 30, 2019, the FDA announced that the marketing of a version of Philip Morris International (“PMI”) HNB product IQOS, together with its heated tobacco units (the term PMI uses to refer to heated tobacco consumables), is appropriate for the protection of public health and authorized it for sale in the U.S. The FDA’s decision follows its comprehensive assessment of PMI’s premarket tobacco product applications (PMTAs) submitted to the Agency in 2017. In the third quarter of 2019, PMI brought a version of its IQOS Platform 1 device and three variants of its heated tobacco units to the U.S. through its license with Altria Group, Inc., whose subsidiary, Philip Morris USA Inc., is responsible for marketing the product and complying with the provisions set forth in the FDA’s marketing order. On March 30, 2020, PMI submitted a supplemental PMTA for the IQOS 3 tobacco heating device with the FDA.

The Company believes that the following factors provide it with advantages over its competitors:

- There are no true fully enclosed zero cleaning HNB product: On January 7, 2020, PODA was granted a Canadian utility patent number 3,039,570 by Innovation, Science and Economic Development

Canada, Canadian Intellectual Property Office that protects it from having a zero-clean fully enclosed cigarette. Other products in the HNB space require ongoing cleaning and maintenance of the heating device while the PODA Device maintains no ash and no cleaning required within the device based on its patented enclosed cigarette.

- The PODA Pods are bio-degradable and environmentally friendly: Other competition have HNB products that require certain plastics and filters to dissipate the heat for the user experience. PODA Pods are made from environmentally friendly materials that bio-degrade much faster than its competitors.

Lending and Investment Policies and Restrictions

This section is not applicable.

Bankruptcy and Receivership

None of the entities including the Company, BC Subco, PODA or CDC have been the subject of any bankruptcy or any receivership or similar proceedings or any voluntary bankruptcy, receivership or similar proceedings, within any of the three most recently completed financial years (as applicable) or the current financial year.

Material Restructuring

Except for the Arrangement, there are currently no material restructuring transactions planned for the Company for the current financial year. See Section 2.4 – *Fundamental Change* for a description of the Arrangement.

Fundamental Social and Environmental Policies

None of the entities including the Company, BC Subco, PODA or CDC have implemented social or environmental policies that are material to the Company's operations.

4.2 Asset-backed Securities

None of the entities including the Company, BC Subco, PODA or CDC have any asset-backed securities outstanding and the Company will not have any asset-backed securities outstanding.

4.3 Companies with Mineral Projects

None of the entities including the Company, BC Subco, PODA or CDC have any mineral projects and the Company will not have any mineral projects.

4.4 Companies with Oil and Gas Operations

None of the entities including the Company, BC Subco, PODA or CDC have any oil and gas operations and the Company will not have any oil and gas operations.

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION

5.1 Annual Information

Company

The following table sets forth selected annual financial information for the Company for the years ended February 28, 2021 and February 29, 2020, and the period from incorporation to February 28, 2019. Such

information is derived from the financial statements of the Company and should be read in conjunction with such financial statements.

	Company as at and for the year ended February 28, 2021 (\$)	Company as at and for the year ended February 29, 2020 (\$)	Company as at and for the year ended February 28, 2019 (\$)
Operating Data			
Total Revenues	-	-	-
Net Income (Loss)	(285,576)	(608)	(2,124)
Basic and Diluted Income (Loss) per Share	(0.00)	(608.00)	(2,124.00)
Dividends	-	-	-
Balance Sheet Data			
Total Assets	863,626	-	-
Total Current Liabilities	31,379	2,732	-
Total Liabilities	162,741	2,732	-

See Schedule A – *Financial Statements of the Company*

PODA

The following table sets forth selected financial information for PODA for the years ended January 31, 2018, 2019 and 2020 and for the period ending October 31, 2020. Such information is derived from the financial statements of PODA and should be read in conjunction with such financial statements.

	PODA as at and for the period ended October 31, 2020 (\$)	PODA as at and for the year ended January 31, 2020 (\$)	PODA as at and for the year ended January 31, 2019 (\$)	PODA as at and for the year ended January 31, 2018 (\$)
Operating Data				
Total Revenues	7,765	-	-	-
Net Income (Loss)	(247,176)	(895,631)	(273,000)	(30,112)
Basic and Diluted Income (Loss) per Share	(0.017)	(0.02)	(0.05)	(1.36)
Dividends	-	-	-	-
Balance Sheet Data				
Total Assets	3,499,115	3,266,445	2,676,607	1,562,194
Total Current Liabilities	2,603,725	2,323,620	2,266,124	973,179
Total Liabilities	3,194,687	2,692,940	2,266,124	973,179

See Schedule C – *Financial Statements of PODA Technologies Ltd.*

The Company after giving effect the Arrangement

The following table sets forth selected pro forma financial data of the Company as at February 28, 2021, giving effect to the Arrangement as if it had been completed as of February 28, 2021. For more detailed information, refer to the pro forma financial statements of the Company for the period ended February 28, 2021, appended to this Listing Statement as Schedule E.

Balance Sheet Data	Company as at February 28, 2021 (\$)
Total Assets	4,707,741
Total Current Liabilities	189,470
Total Liabilities	911,794

See Schedule E – *Pro Forma Financial Statements.*

5.2 Quarterly Information

Company

Below is a summary of the quarterly results of the Company for the periods noted below.

	(\$)			
	February 2021	November 2020	August 2020	May 2020
Operating Data				
Total Revenues	-	-	-	-
Net Income (Loss)	(24,555)	-	-	-
Basic and Diluted Income (Loss) per Share	(0.00)	-	-	-

	(\$)			
	February 2020	November 2019	August 2019	May 2019
Operating Data				
Total Revenues	-	-	-	-
Net Income (Loss)	(608)	-	-	-
Basic and Diluted Income (Loss) per Share	(608.00)	-	-	-

PODA

Below is a summary of the quarterly results of PODA for the periods noted below.

	(\$)			
	October 2020	July 2020	April 2020	January 2020
Operating Data				
Total Revenues	-	-	-	-
Net Income (Loss)	(89,989)	(103,291)	(92,296)	(183,848)
Basic and Diluted Income (Loss) per Share	(0.00)	(0.00)	(0.00)	(0.02)

	(\$)			
	October 2019	July 2019	April 2019	January 2019
Operating Data				
Total Revenues	-	-	-	-
Net Income (Loss)	(90,292)	(168,088)	(511,669)	(192,905)
Basic and Diluted Income (Loss) per Share	(0.01)	(0.00)	(0.03)	(0.06)

5.3 Dividends

The Company does not currently intend to declare any dividends payable to the holders of the Subordinate Voting Shares. The Company has no restrictions on paying dividends, but if the Company generates earnings in the foreseeable future, it expects that such earnings will be retained to finance growth, if any. The directors of the Company will determine if and when dividends should be declared and paid in the future based upon the Company's financial position at the relevant time.

5.4 Financial Reporting Standards

The financial statements included in this Listing Statement have been, and the future financial statements of the Company shall be, prepared in accordance with International Financial Reporting Standards.

6. MANAGEMENT'S DISCUSSION AND ANALYSIS

PODA's MD&A for the year ended January 31, 2020 and the interim period ended October 31, 2020 are attached to this Listing Statement as Schedule D – MD&A of PODA and are available on SEDAR under the PODA's profile at www.sedar.com.

The Company's MD&A for the year ended February 28, 2021 and February 29, 2021 is attached to this Listing Statement as Schedule B – *MD&A of the Company*.

7. MARKET FOR SECURITIES

The Company is a reporting issuer in the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland. PODA Shares are not listed and posted for trading or quoted on any stock exchange or quotation and trade reporting system.

Subject to CSE approval, it is anticipated that the Subordinate Voting Shares will be listed and trade on the CSE under the symbol "PODA".

8. CONSOLIDATED CAPITALIZATION

The following table sets forth the share and loan capital of the Company as at the date of this Listing Statement. The table should be read in conjunction with the financial statements of the Company, PODA and the pro forma financial statements of the Company and the notes thereto, attached to this Listing Statement.

Designation	Number authorized to be issued	As at the date of this Listing Statement
Subordinate Voting Shares	Unlimited	33,620,286
Multiple Voting Shares	Unlimited	63,646
Options	15% of issued and outstanding Subordinate Voting Shares	5,025,044
Warrants	27,000,000	27,000,000

9. OPTIONS TO PURCHASE SECURITIES

PODA Options

There were 4,525,044 options to purchase PODA Shares outstanding immediately prior to the closing of the Arrangement. Each option is exercisable to purchase one PODA Share (and following completion of the Arrangement, will be exercisable to purchase one Subordinate Voting Share).

Optionee	PODA Shares Issuable	Exercise Price	Expiry Date
Executive officers of the Issuer (and past executive officers)	3,475,044	\$0.10-\$0.16	January 2, 2022 (765,306) March 15, 2024 (2,559,738) January 15, 2026 (150,000)
Directors of the Issuer (and past directors) that are not executive officers	500,000	\$0.10-\$0.16	January 2, 2022 (66,548) March 15, 2024 (233,452) January 15, 2026 (200,000)

Executive officers of subsidiaries of the Issuer (and past executive officers)	Nil	Nil	Nil
Directors of subsidiaries of the Issuer (and past directors) that are not executive officers	Nil	Nil	Nil
Employees of the Issuer	Nil	Nil	Nil
Employees of subsidiaries of the Issuer	Nil	Nil	Nil
Consultants of the Issuer	1,050,000	\$0.10-\$0.16	March 15, 2024 (150,000) January 15, 2026 (400,000) March 30, 2026 (500,000)
Other persons	Nil	Nil	Nil

Company

There were no options to purchase Common Shares outstanding immediately prior to the closing of the Arrangement.

Compensation Securities

The Board plans to adopt a share compensation plan (the "**Share Compensation Plan**") concurrent with or prior to its listing on the CSE. The principal terms of the Share Compensation Plan are described under Section 15 - *Executive Compensation - Elements of Compensation - Share Compensation Plan*.

The Share Compensation Plan is a 15% "rolling" plan pursuant to which the total number of Subordinate Voting Shares reserved and available for grant and issuance pursuant to the exercise of Options and settlement of RSUs, each under the Share Compensation Plan, shall not exceed 15% (in the aggregate) of the issued and outstanding Subordinate Voting Shares from time to time (assuming conversion of all Multiple Voting Shares into Subordinate Voting Shares). Further, the aggregate sales price (meaning the sum of all cash, property, notes, cancellation of debt, or other consideration received or to be received by the Company for the sale of the securities) or amount of Subordinate Voting Shares issued under the Share Compensation Plan during any consecutive 12-month period will not exceed the greatest of the following: (i) U.S.\$1,000,000; (ii) 15% of the total assets of the Company, measured at the Company's most recent balance sheet date; or (iii) 15% of the outstanding amount of the Subordinate Voting Shares, measured at the Company's most recent balance sheet date.

The issuance of RSUs and Options granted under the Share Compensation Plan must at all times be compliant with applicable securities laws and the policies of the CSE in all respects.

Under the Share Compensation Plan, options and restricted share units may be granted to directors, officers, consultants, and employees of the Company or its subsidiaries.

10. DESCRIPTION OF THE SECURITIES

10.1 General

The authorized capital of the Company will consist of an unlimited number of subordinate voting shares without par value and an unlimited number of multiple voting shares without par value. As at the date of this Listing Statement there are 33,620,286 Subordinate Voting Shares issued and outstanding as fully paid and non-assessable shares and 63,645.85 Multiple Voting Shares issued and outstanding as fully paid and non-assessable shares. The Company intends to list the Subordinate Voting Shares on the CSE.

Take-Over Bid Protection

In the event that an offer is made to purchase Multiple Voting Shares, and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange, if any, on which the Multiple Voting Shares (or the Subordinate Voting Shares which may be obtained upon conversion of the Multiple Voting Shares) are then listed, to be made to all or substantially all the holders of Multiple Voting Shares in a province or territory of Canada to which the requirement applies, each Subordinate Voting Share shall become convertible at the option of the holder into Multiple Voting Shares at the inverse of the conversion ratio (as defined in the Articles) then in effect, at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation or stock exchange rules for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right may only be exercised in respect of Subordinate Voting Shares for the purpose of depositing the resulting Multiple Voting Shares under the offer, and for no other reason. In such event, the transfer agent for the Subordinated Voting Shares shall deposit under the offer the resulting Multiple Voting Shares, on behalf of the holder.

If Multiple Voting Shares resulting from the conversion and deposited pursuant to the an offer are withdrawn by the holder, or are not taken up by the offeror, or the offer is abandoned, withdrawn or terminated by the offeror or the offer otherwise expires without such Multiple Voting Shares being taken up and paid for, the Multiple Voting Shares resulting from the conversion will be re-converted into Subordinate Voting Shares at the then conversion ratio (as defined in the Articles) and a share certificate or other evidence representing the Subordinate Voting Shares will be sent to the holder by the transfer agent. In the event that the offeror takes up and pays for the Multiple Voting Shares resulting from conversion, the transfer agent shall deliver to the holders thereof the consideration paid for such shares by the offeror.

In addition, in the event that an offer is made to purchase Subordinate Voting Shares, and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange, if applicable, to be made to all or substantially all the holders of Subordinate Voting Shares in a province or territory of Canada to which the requirement applies, each Multiple Voting Share shall become convertible at the option of the holder into Subordinate Voting Shares at the conversion ratio (as defined in the Articles) then in effect, at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. This conversion right may only be exercised in respect of Multiple Voting Shares for the purpose of depositing the resulting Subordinate Voting Shares under the offer, and for no other reason. In such event, the transfer agent for the Subordinate Voting Shares shall deposit under the offer the resulting Subordinate Voting Shares, on behalf of the holder.

If Subordinate Voting Shares, resulting from the conversion and deposited pursuant to the offer, are withdrawn by the holder or are not taken up by the offeror, or the offer is abandoned, withdrawn or terminated by the offeror or the offer otherwise expires without such Subordinate Voting Shares being taken up and paid for, the Subordinate Voting Shares resulting from the conversion will be reconverted into Multiple Voting Shares at the inverse of conversion ratio (as defined in the Articles) then in effect and a share certificate or other evidence representing the Multiple Voting Shares will be sent to the holder by the transfer agent. In the event that the offeror takes up and pays for the Subordinate Voting Shares resulting from conversion, the transfer agent shall deliver to the holders thereof the consideration paid for such shares by the offeror.

Rights of Subordinate Voting Shares

Right to Notice and
Vote:

Holders of Subordinate Voting Shares will be entitled to notice of and to attend at any meeting of the shareholders of the Company, except a meeting of which only holders of another particular class or series of shares of the Company will have the right to vote. At each such meeting, holders of Subordinate Voting Shares will be entitled to one vote in respect of each Subordinate Voting Share held.

- Class Rights:** As long as any Subordinate Voting Shares remain outstanding, the Company will not, without the consent of the holders of the Subordinate Voting Shares by separate special resolution, prejudice or interfere with any right attached to the Subordinate Voting Shares. Holders of Subordinate Voting Shares will not be entitled to a right of first refusal to subscribe for, purchase or receive any part of any issue of Subordinate Voting Shares, or bonds, debentures or other securities of the Company.
- Dividends:** Holders of Subordinate Voting Shares will be entitled to receive as and when declared by the directors of the Company, dividends in cash or property of the Company. No dividend will be declared or paid on the Subordinate Voting Shares unless the Company simultaneously declares or pays, as applicable, equivalent dividends (on an as-converted to Subordinate Voting Share basis) on the Multiple Voting Shares.
- Participation:** In the event of the liquidation, dissolution or winding-up of the Resulting Issuer, whether voluntary or involuntary, or in the event of any other distribution of assets of the Company among its shareholders for the purpose of winding up its affairs, the holders of Subordinate Voting Shares will, subject to the prior rights of the holders of any shares of the Resulting Issuer ranking in priority to the Subordinate Voting Shares, be entitled to participate rateably along with all other holders of Subordinate Voting Shares and Multiple Voting Shares (on an as-converted to Subordinate Voting Share basis).
- Changes:** No subdivision or consolidation of the Subordinate Voting Shares or Multiple Voting Shares shall occur unless, simultaneously, the Subordinate Voting Shares and Multiple Voting Shares are subdivided or consolidated in the same manner, so as to maintain and preserve the relative rights of the holders of the shares of each of the said classes.
- Conversion:** In the event that an offer is made to purchase Multiple Voting Shares and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange on which the Multiple Voting Shares are then listed, to be made to all or substantially all the holders of Multiple Voting Shares in a given province or territory of Canada to which these requirements apply, each Subordinate Voting Share shall become convertible at the option of the holder into Multiple Voting Shares at the inverse of the Conversion Ratio then in effect at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right may only be exercised in respect of Subordinate Voting Shares for the purpose of depositing the resulting Multiple Voting Shares pursuant to the offer, and for no other reason. In such event, the Company's transfer agent shall deposit the resulting Multiple Voting Shares on behalf of the holder. Should the Multiple Voting Shares issued upon conversion and tendered in response to the offer be withdrawn by shareholders or not taken up by the offeror, or should the offer be abandoned or withdrawn, the Multiple Voting Shares resulting from the conversion shall be automatically reconverted, without further intervention on the part of the Company or on the part of the holder, into Subordinate Voting Shares at the Conversion Ratio then in effect.

Redemption Right: The Company will be entitled to redeem the Subordinate Voting Shares of an "Unsuitable Person" in certain circumstances. See "Redemption Right" below.

Rights of Multiple Voting Shares

Right to Vote: Holders of Multiple Voting Shares will be entitled to notice of and to attend at any meeting of the shareholders of the Company, except a meeting of which only holders of another particular class or series of shares of the Company will have the right to vote. At each such meeting, holders of Multiple Voting Shares will be entitled to one vote in respect of each Subordinate Voting Share into which such Multiple Voting Share could then be converted (currently 1000 votes per Multiple Voting Share held).

Class Rights: As long as any Multiple Voting Shares remain outstanding, the Company will not, without the consent of the holders of the Multiple Voting Shares by separate special resolution, prejudice or interfere with any right attached to the Multiple Voting Shares. Holders of Multiple Voting Shares will not be entitled to a right of first refusal to subscribe for, purchase or receive any part of any issue of Subordinate Voting Shares, or bonds, debentures or other securities of the Company.

Dividends: The holders of the Multiple Voting Shares are entitled to receive such dividends as may be declared and paid to holders of the Subordinate Voting Shares in any financial year as the Board may by resolution determine, on an as-converted to Subordinate Voting Share basis. No dividend will be declared or paid on the Multiple Voting Shares unless the Company simultaneously declares or pays, as applicable, equivalent dividends (on an as-converted Subordinate Voting Share basis) on the Subordinate Voting Shares.

Participation: In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or in the event of any other distribution of assets of the Company among its shareholders for the purpose of winding up its affairs, the holders of Multiple Voting Shares will, subject to the prior rights of the holders of any shares of the Company ranking in priority to the Multiple Voting Shares, be entitled to participate rateably along with all other holders of Multiple Voting Shares (on an as-converted to Subordinate Voting Share basis) and Subordinate Voting Shares.

Changes: No subdivision or consolidation of the Subordinate Voting Shares or Multiple Voting Shares shall occur unless, simultaneously, the Subordinate Voting Shares and Multiple Voting Shares are subdivided or consolidated in the same manner, so as to maintain and preserve the relative rights of the holders of the shares of each of the said classes.

Conversion: The Multiple Voting Shares each have a restricted right to convert into 1000 Subordinate Voting Shares (the "**Conversion Ratio**"), subject to adjustments for certain customary corporate changes.

In the event that an offer is made to purchase Subordinate Voting Shares and the offer is one which is required, pursuant to applicable securities

legislation or the rules of a stock exchange on which the Subordinate Voting Shares are then listed, to be made to all or substantially all the holders of Subordinate Voting Shares in a given province or territory of Canada to which these requirements apply, each Multiple Voting Share shall become convertible at the option of the holder into Subordinate Voting Shares at the Conversion Ratio at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right may be exercised in respect of Multiple Voting Shares for the purpose of depositing the resulting Multiple Voting Shares pursuant to the offer. Should the Subordinate Voting Shares issued upon conversion and tendered in response to the offer be withdrawn by shareholders or not taken up by the offeror, or should the offer be abandoned or withdrawn, the Subordinate Voting Shares resulting from the conversion shall be automatically reconverted, without further intervention on the part of the Company or on the part of the holder, into Multiple Voting Shares at the inverse of the Conversion Ratio then in effect.

The Multiple Voting Shares will convert automatically into Subordinate Voting Shares as follows:

- (a) 42,784 - 10% after 12 months from the Listing Date; and 15% every 3 months thereafter; and
- (b) 20,862 – 25% after 6 months from the Listing Date; and 25% every 6 months thereafter.

Redemption Right

The Company may, by resolution of the directors and in compliance with the BCBCA, purchase or otherwise acquire any of its shares at the price and upon the terms specified in such resolution, or redeem any of its shares which have a right of redemption attached to them, subject to the special rights and restrictions attached to any class or series of Subordinate Voting Shares or Multiple Voting Shares. Any shares purchased or redeemed by the Company may cancel or sell the shares, or if cancelled but still in Company's authorized share structure may be reissued. Shares cancelled but held by the Company shall not exercise any vote or receive any dividend. The Company may, via special resolution, alter its shares or authorized share structure as provided by the BCBCA. The Company may also, by special resolution, add or delete any special rights or restrictions attached to any shares of any class.

10.2 – 10.6 Miscellaneous Securities Provisions

The matters set out in Sections 10.2 to 10.6 of CSE Form 2A are not applicable.

10.7 Prior Sales

PODA

PODA had not issued any securities within the last 12 months prior to the date of this Listing Statement.

Company

The following tables set forth the issuances of the Company securities within the last 12 months prior to the date of this Listing Statement.

Date Issued	Number and Type	Issue Price Per	Aggregate Issue	Nature of Consideration
December 9, 2020	19,500,000 Common Shares ⁽¹⁾	\$0.025	\$487,500	Cash
December 9, 2020	\$187,500 convertible note ⁽²⁾	\$0.025	\$187,500	Cash
December 14, 2020	7,000,000 Common Shares	\$0.05	\$350,000	Cash
March 10, 2021	150,000 Special Warrants	\$0.05	\$7,500	Cash
March 30, 2021	3,595,285 Common Shares	\$0.10	\$359,528	Debt Conversion
March 30, 2021	20,862 Multiple Voting Shares ⁽³⁾	\$0.10	\$2,086,193	Debt Conversion
March 30, 2021	3,375,000 Common Shares	\$0.10	\$337,500	Cash

Notes:

- (1) 19,500,000 Warrants were granted for three years at an exercise price of \$0.10.
- (2) Convertible into 7,500,000 Subordinate Voting Shares. 7,500,000 Warrants were granted for three years at an exercise price of \$0.10.
- (3) Based on post Reclassification.

10.8 Stock Exchange Price

Neither the Subordinate Voting Shares nor the PODA Shares are listed and posted for trading or quoted on any stock exchange or quotation and trade reporting system.

11. ESCROWED SECURITIES

The Company is classified as an "emerging issuer" under National Policy 46-201 - *Escrow for Initial Public Offerings* ("**NP 46-201**"). An "emerging issuer" is an issuer that after its initial public offering is not an "exempt issuer" or an "established issuer" (as such terms are defined in NP 46-201). Based on the Company being an "emerging issuer" (as defined in NP 46-201), all securities held by Related Persons (as defined in the policies of the CSE) are held in escrow. All such escrowed securities will be subject to a 36 month escrow period pursuant to an escrow agreement (the "**Escrow Agreement**"). Ten percent of each Related Person's escrowed securities were exempt from escrow effective on the receipt of notice confirming the listing of Subordinate Voting Shares on the CSE. Thereafter, the balance of the escrowed securities will be released over 36 months in six month intervals in equal tranches of 15% from the date of the listing of Subordinate Voting Shares on the CSE (the "**Listing Date**").

An aggregate of 3,595,285 Subordinate Voting Shares are subject to escrow in accordance with NP 46-201 (the "**Escrowed Securities**"), being approximately 10.69% of the Company's capitalization on a non-diluted basis. As at the date of this Listing Statement, the following are shares that are remaining in escrow:

Name	Number of Escrowed Subordinate Voting Shares
Ryan Selby	2,411,591
Ryan Karkairan	1,171,500
Paul Ciullo	12,194
TOTAL	3,595,285

On the Listing Date, 1/10 of the Escrowed Securities will be released, and the remainder of the Escrowed Securities will be released on the following schedule:

6 months after the Listing Date	1/6 of the remaining escrow securities
12 months after the Listing Date	1/5 of the remaining escrow securities
18 months after the Listing Date	1/4 of the remaining escrow securities
24 months after the Listing Date	1/3 of the remaining escrow securities
30 months after the Listing Date	1/2 of the remaining escrow securities
36 months after the Listing Date	the remaining escrow securities

12. PRINCIPAL SHAREHOLDERS

12.2 Principal Shareholders

To the knowledge of the directors and senior officers of the Company, upon completion of the Arrangement, no person or company will beneficially own, directly or indirectly, or exercise control or direction over, shares of the Company carrying more than 10% of the voting rights attached to all outstanding Subordinate Voting Shares of the Company.

12.3 Voting Trusts

To the knowledge of the Company, no voting trust exists within the Company such that more than 10% of any class of voting securities of the Company are held, or are to be held, subject to any voting trust or similar agreement.

12.4 Associates and Affiliates

To the knowledge of the Company, none of the principal shareholders is an Associate or Affiliate of any other principal Shareholder.

13. DIRECTORS AND OFFICERS

13.2 Directors and Executive Officers and Voting Securities Held by Directors and Executive Officers

The following table lists the names, municipalities of residence of the proposed directors and officers of the Company, their positions and offices to be held with the Company, their principal occupations during the past five years, the date on which they first became officers or directors of PODA, the number of Subordinate Voting Shares that will be beneficially owned, directly or indirectly, or over which control or direction will be exercised by each after completion of the Arrangement.

Name, province and country and current position(s) held in the Company ⁽¹⁾	Period of Service	Number and percentage of Subordinate Voting Shares beneficially owned or controlled or directed, directly or indirectly ⁽²⁾	Number and percentage of Multiple Voting Shares beneficially owned or controlled or directed, directly or indirectly ⁽²⁾	Number and percentage of stock options held exercisable for Subordinate Voting Shares	Principal Occupation within the Preceding Five Years ⁽¹⁾
Ryan Selby, B.C., Canada President, CEO and Director ⁽³⁾	September 10, 2018 to present	2,411,591 (7.17%)	62.321 (0.10%)	2,136,696 (42.52%)	<ul style="list-style-type: none"> • President and CEO of PODA Technologies Ltd. since September 10, 2018; • Research and Development Contractor, Invictus MD Strategies Corp. August 1, 2015 to November 8, 2018; • Owner and president of Emerald Innovations Ltd. November 1, 2006 to present; • President and Director of Camerico Giftwares Inc. – November 1, 2011 to October 31, 2017.
Ryan Karkairan, B.C., Canada VP Design and Director	September 10, 2018 to present	1,171,500 (3.48%)	34.317 (0.05%)	1,068,348 (21.26%)	<ul style="list-style-type: none"> • VP Design of PODA Technologies Ltd. since March 3, 2019; • Chief Research Officer of PODA Technologies Ltd. from September 3, 2018 to March 3, 2019; • Research and Development Contractor, Invictus MD Strategies Corp. August 1, 2015 to November 8, 2018.
Paul Ciullo, New York, USA CFO	March 1, 2019 to present	12,194 (0.04%)	Nil	270,000 (5.37%)	<ul style="list-style-type: none"> • CFO of PODA Technologies Ltd. since March 1, 2019 • CFO MYND Life Sciences from December 2020 to present; • CFO of CannAmerica Brands Corp from February 2019 to present; • CFO of Hashchain Technology Inc. from February 2018 to February 2020;
Aaron Bowden, Calgary, Canada Director ⁽³⁾	December 9, 2020 to present	Nil	Nil	200,000 (3.98%)	<ul style="list-style-type: none"> • Tax Director at West Jet Airlines Ltd. since July 2011 • Tax Manager at Deloitte & Touche LLP September 2004 to June 2011 • Director of Invictus MD Strategies Corp. July 2016 to June 2019 • Director of Hashchain Technology Inc. February 2018 to January 2019
Patrick Gray, New York, USA Director ⁽³⁾	November 21, 2018 to present	Nil	Nil	300,000 (5.97%)	<ul style="list-style-type: none"> • Director of PODA Technologies Ltd. Nov 2018 – present; • President & Founder of SCube Inc. July 15th, 2013 to present; • CEO of High Standard Health Care Ltd. March 1, 2020 to present; • CEO & Founder of HashChain Technology July 2017 to February 14, 2020; • Chairman of Mega Blockchain Nov 2017 to present; • Director of CannAmerica Brands Inc. January 21, 2019 to February 28, 2020.

Notes:

(1) The information as to the province and country of residence and principal occupation, not being within the knowledge of the Company, has been furnished by the respective Directors.

- (2) The information as to the number of shares beneficially owned or controlled or directed, directly or indirectly, not being within the knowledge of the Company, has been furnished by the respective Directors individually.
- (3) Member of the Audit Committee.

The directors and officers of the Company beneficially own, directly or indirectly, as a group 3,691,923 Subordinate Voting Shares (assuming conversion of all outstanding Multiple Voting Shares into Subordinate Voting Shares) representing approximately 4.83% of all outstanding voting securities of the Company (assuming conversion of all outstanding Multiple Voting Shares into Subordinate Voting Shares).

Certain of the Company's directors and officers reside outside of Canada. Each of the following persons has appointed DLA Piper (Canada) LLP, 2800 Park Place, 666 Burrard St, Vancouver, BC V6C 2Z7, Canada as agents for service of process: Pat Gray and Paul Ciullo.

Board Committees

It is anticipated that the Board will establish a compensation committee and such other committees of Board that the Board determines to be appropriate. A description of the audit committee and proposed compensation committee are set out below.

Audit Committee

The audit committee assists the Board in fulfilling its responsibilities for oversight of financial and accounting matters. The audit committee reviews the financial reports and other financial information provided by the Company to regulatory authorities and its shareholder and reviews the Company's system of internal controls regarding finance and accounting including auditing, accounting and financial reporting processes. The Company is a venture issuer as defined in NI 52-110 and is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its Audit Committee and in respect of its reporting obligations under NI 52-110.

The audit committee include the directors set out in the table below. Also indicated in the table below is whether each proposed member of the audit committee is "independent" and/or "financially literate" within the meaning of NI 52-110.

The Company's Audit Committee consists of the following members:

Name of Member	Independent ⁽¹⁾	Financially Literate ⁽²⁾
Aaron Bowden (Chair)	Independent	Financially Literate
Ryan Selby	Non-Independent	Financially Literate
Pat Gray	Independent	Financially Literate

Notes:

- (1) A member of the audit committee is independent if he or she has no direct or indirect 'material relationship' with the Company. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. An executive officer of the Company, such as the President or Secretary, is deemed to have a material relationship with the Company.
- (2) A member of the audit committee is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

The Board has adopted a written charter setting forth the responsibilities, powers and operations of the Audit Committee consistent with NI 52-110 and attached hereto as Schedule F- *Audit Committee Charter*. The principal duties and responsibilities of the Company's Audit Committee will be to assist the Board in discharging the oversight of:

- the integrity of the Company's consolidated financial statements and accounting and financial processes and the audits of our consolidated financial statements;
- the Company's compliance with legal and regulatory requirements;
- the Company's external auditors' qualifications and independence;
- the work and performance of the Company's financial management and its external auditors; and the Company's system of disclosure controls and procedures and system of internal controls regarding finance, accounting, legal compliance, and risk management established by management and the Board.

The Audit Committee will have access to all books, records, facilities, and personnel and may request any information about the Company as it may deem appropriate. It will also have the authority to retain and compensate special legal, accounting, financial and other consultants, or advisors to advise the Audit Committee. The Audit Committee is also expected to review and approve all related-party transactions and prepare reports for the Board on such related-party transactions as well as be responsible for the pre-approval of all non-audit services to be provided by our auditors.

Compensation Committee

It is anticipated that a compensation committee of the Board will be established to assist the Board in fulfilling its responsibilities for compensation philosophy and guidelines, and fixing compensation levels for the Company's executive officers and directors, as applicable. In addition, the compensation committee will be charged with reviewing the Share Compensation Plan and proposing changes thereto, approving any awards of options under the Share Compensation Plan and recommending any other employee benefit plans, incentive awards and perquisites with respect to the Company's executive officers. The compensation committee will also be responsible for reviewing, approving and reporting to the Board annually (or more frequently as required) on the Company's succession plans for its executive officers.

13.3 Cease Trade Orders or Bankruptcies

To the knowledge of Company, BC Subco, PODA and CDC, no proposed director nor executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, is, or within 10 years before the date of the Listing Statement has been, a director or officer of any other Company that, while that person was acting in that capacity:

- was the subject of a cease trade or similar order, or an order that denied the other Company access to any exemptions under securities law, for a period of more than 30 consecutive days;
- was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- 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; or
- within a year of that person ceasing to act in that capacity, 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.

13.4 Penalties and Sanctions

To the knowledge of Company and PODA no proposed director nor officer the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, is, or within 10 years before the date of this Listing Statement, has been, a director or officer of any other issuer that, while that person was acting in that capacity, has:

- (a) 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; or
- (b) 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.

13.5 Personal Bankruptcies

No director nor officer of the Company, nor a shareholder holding sufficient securities of the Company to affect materially the control of the Company, or a personal holding company of any such persons, has, within the 10 years before the date of this Listing Statement, 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, receiver manager or trustee appointed to hold the assets of the director or officer.

13.6 Conflicts of Interest

Conflicts of interest may arise as a result of the directors, officers and promoters of the Company also holding positions as directors or officers of other companies. None of the proposed directors, officers or promoters of the Company are known to have any conflict of interest with the Company. Conflicts, if any, will be subject to the procedures and remedies provided under BCBCA.

13.7 Management

Brief descriptions of the biographies of the directors and officers of the Company are set out below. At this time, other than as disclosed below, no directors or officers have entered into non-competition or non-disclosure agreements with the Company.

Ryan Selby - President, Chief Executive Officer and Director (Age 37)

Mr Selby is the Co-founder of PODA and devotes 100% of his time to the Company. Mr. Selby has owned and operated his own private company, Emerald Innovations, since November 2006. Further, he was the President and Director of Camerico Giftwares Inc. from Nov. 2011 to October 2017. Ryan received a Bachelor of Commerce, International Business from the University of Victoria in 2006. A multi-patented inventor, Mr. Selby brings expertise gained from over 12 years of industry experience designing, developing, patenting, commercializing, and distributing innovative products and accessories for the smoking industry. A passionate believer in the massive potential for reduced-risk smoking products, Mr. Selby is committed to growing the Company on a global scale. Mr. Selby is a full-time employee of the Company.

Ryan Karkairan - Chief Operating Officer and Director (Age 37)

Mr. Karkairan co-developed the initial PODA concept and is actively leading the ongoing R&D efforts as the Company continues to develop innovative reduced-risk smoking products and accessories. Mr. Karkairan devotes 100% of his time to the Company. Mr. Karkairan has been involved in the smoking industry for over 8 years and has held senior management positions in both sales and R&D. Mr. Karkairan brings extensive knowledge of the reduced-risk industry, helping to guide the development activities of the Company now and

into the future. Mr. Karkairan received a bachelor's degree in Anthropology and Environmental Studies from the University of Victoria in 2009. Mr. Karkairan is a full-time employee of the Company.

Paul Ciullo - Chief Financial Officer (Age 40)

Mr. Ciullo, 40, is an independent contractor for PODA devoting approximately 35% of his time to the ongoing operations of PODA. Mr. Ciullo has a diverse professional background and specialized in financial reporting and project management during his time spent working in senior corporate finance and accounting positions for various Fortune 500 companies. His most recent roles include serving as the CFO for a number of publicly traded start-up companies, including a cryptocurrency mining business, a brand licensing group, and an IT services organization. Mr. Ciullo is accustomed to delivering results in highly demanding environments and has consistently been able to drive measurable improvements and operating efficiencies in the businesses that he has been involved in. Mr. Ciullo obtained his CPA on December 29, 2005, graduated with a Bachelor's of Science in Accounting from State University of New York at Geneseo, Jones School of Business in May of 2002 and a Masters of Business Administration from Pennsylvania State University in December of 2010. As a condition of his contract with the Company, Mr. Ciullo has entered into a non-competition and non-disclosure agreement with the Company.

Patrick Gray, Director (Age 39)

Mr. Gray has acquired significant experience and exposure to accounting and financial management through his business career. He was the former CEO of Hashchain Technology Inc. which was subject to public reporting and disclosure requirements. Furthermore, Mr. Gray is the current President of SCube Inc., a private company, where he is closely involved in monitoring the daily financial affairs of the company. Throughout his career he has served as a director of several companies where he was involved in reviewing financial statements. Mr. Gray completed a bachelor's degree in Computer Science with a minor in Business from Siena College in 2004.

Aaron Bowden, Director and Chair of Audit Committee (Age 42)

Mr. Bowden specializes in taxation and currently manages all areas of domestic and international tax for a large Canadian company with over 10,000 employees and \$4 billion in sales. Prior to this Mr. Bowden worked at Deloitte advising clients on assurance and tax matters with a focus on the technology industry. In addition to receiving his Chartered Accountant designation in 2007 from the Canadian Institute of Chartered Accountants in 2007, Aaron holds a Bachelor of Technology in Information Technology from Kwantlen Polytechnic University in Richmond B.C. and has previously served as a director for TSX Venture Exchange listed emerging industry companies. Mr. Bowden has not entered into a non-competition or non-disclosure agreement with the Company.

14. CAPITALIZATION

14.1 Issued Capital

To the best knowledge of the Company, the following table sets out the number of Subordinate Voting Shares available in the Company's Public Float and Freely-Tradeable Float on a diluted and non-diluted basis:

	Number of Securities (non-diluted) ⁽¹⁾	Number of Securities (fully-diluted) ⁽¹⁾	% of Issued (non-diluted)	% of Issued (fully-diluted)
Public Float				
Total outstanding (A)	33,620,286	38,645,330	100%	100%
Held by Related Persons or employees of the Company or Related Person of the Company, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Company (or who would beneficially	26,795,285	30,770,329	79.7%	79.6%

own or control, directly or indirectly, more than a 5% voting position in the Company upon exercise or conversion of other securities held) (B)

Total Public Float (A-B)	6,825,001	7,875,001	20.3%	20.4%
Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	4,595,285	8,670,329	13.7%	22.4%
Total Tradeable Float (A-C)	29,025,001	29,975,001	86.3%	77.6%

Note:

(1) There will be 63,646 Multiple Voting Shares issued and outstanding immediately following the completion of the Arrangement. Each Multiple Voting Share is convertible into 1000 Subordinate Voting Shares. 42,784 Multiple Voting Shares are subject to an escrow release of 10% 12 months from Listing Date and 15% every 3 months thereafter and 20,862 are subject to an escrow release of 25% 6 months from listing and 25% every 6 months thereafter. The tables above and below do not reflect conversion of the Multiple Voting Shares into Subordinate Voting Shares.

Public Securityholders (Registered and Beneficial)

Subordinate Voting Shares		
Size of Holding	Number of holders	Total number of securities
1 – 99 securities	0	0
100 – 499 securities	0	0
500 – 999 securities	150	150,000
1,000 – 1,999 securities	0	0
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	0	0
5,000 or more securities	20	33,470,286
Total	170	33,620,286

Non-Public Securityholders (Registered)

Subordinate Voting Shares		
Size of Holding	Number of holders	Total number of securities⁽¹⁾
1 – 99 securities	0	0
100 – 499 securities	0	0
500 – 999 securities	0	0
1,000 – 1,999 securities	0	0
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	0	0
5,000 or more securities	0	0
Total	0	0

14.2 Convertible or Exchangeable Securities

The following table sets forth details of all securities convertible or exchangeable into Subordinate Voting Shares:

Description of Security	Number of Convertible / Exchangeable Securities Outstanding	Number of Subordinate Voting Shares Issuable Upon Conversion/Exercise
Multiple Voting Shares	63,646	63,645,850
Options	5,025,044	5,025,044

Warrants	27,000,000	27,000,000
Convertible Debentures	18,500,000	18,500,000

14.3 Other Listed Securities Reserved for Issuance

The Company does not have any other listed securities reserved for issuance that are not included in Section 14.1 above.

15. EXECUTIVE COMPENSATION

The following table sets forth the anticipated compensation to be paid or awarded to the directors and the following officers of the Company: (i) the Chief Executive Officer; (ii) the Chief Financial Officer; (iii) the three most highly compensated individuals whose total compensation was more than C\$150,000; and (iv) directors:

Table of Compensation Excluding Compensation Securities							
Name and position	Year	Salary, consulting fee, retainer or commission (USD\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Ryan Selby, CEO, Director	2021	72,000	-	-	-	-	72,000
Paul Ciullo, CFO	2021	12,000	-	-	-	-	12,000
Ryan Karkairan, COO, Director	2021	60,000	-	-	-	-	60,000
Aaron Bowden	2021	-	-	-	-	-	-
Pat Gray	2021	-	-	-	-	-	-

Compensation of Executives

When determining executive compensation, the Company's practices will be designed to retain, motivate and reward the executive officers of the Company for their performance and contribution to the Company's long-term success. The Board will seek to compensate the Company's executive officers by combining short and long-term cash and equity incentives. It will also seek to reward the achievement of corporate and individual performance objectives, and to align executive officers' incentives with shareholder value creation. The Board will seek to tie individual goals to the area of the executive officer's primary responsibility. These goals may include the achievement of specific financial or business development goals.

Elements of Compensation

The compensation of the executive officers of the Company will include three major elements: (a) base salary, (b) an annual, discretionary cash bonus, and (c) long-term equity incentives, consisting of stock options under the Share Compensation Plan. These three principal elements of compensation are described below.

Base Salary

Base salaries are intended to provide an appropriate level of fixed compensation that will assist in employee retention and recruitment. Base salaries will be based on an assessment of factors such as the executive's 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 such executive played in such corporate performance.

Annual Cash Bonus

The Company, in its discretion, may award cash bonuses in order to motivate executives to achieve short-term corporate goals. The compensation committee will make recommendations to the Board who will approve cash bonuses. The success of executive officers in achieving their individual objectives and their contribution to the Company in reaching its overall goals are factors in the determination of cash bonuses. In determining cash bonuses, the Board will assess each executive's performance on the basis of his or her respective contribution to the achievement of the predetermined corporate objectives, as well as to needs of the Company that arise on a day to day basis.

Share Compensation Plan

The Company will likely grant future option based and share based awards by granting stock options or restricted share units to its directors, officers, employees, consultants pursuant to the Share Compensation Plan. The timing, amounts, exercise price of these future option based and share based awards are not yet determined. The Board plans to adopt the Share Compensation Plan concurrent with or prior to its listing on the CSE. See "*Forward Looking Statements*".

Share Compensation Plan

The Share Compensation Plan is a 15% "rolling" plan pursuant to which the total number of Subordinate Voting Shares reserved and available for grant and issuance pursuant to the exercise of Options and settlement of RSUs, each under the Share Compensation Plan, shall not exceed 15% (in the aggregate) of the issued and outstanding Subordinate Voting Shares from time to time.

The Share Compensation Plan provides participants (each, a "**Participant**"), who may include participants who are citizens or residents of the United States (each, a "**US Participant**"), with the opportunity, through RSUs and Options, to acquire an ownership interest in the Company. The RSUs will rise and fall in value based on the value of the Subordinate Voting Shares. Unlike the Options, the RSUs will not require the payment of any monetary consideration to the Company. Instead, each RSU represents a right to receive one Subordinate Voting Share following the attainment of vesting criteria determined at the time of the award. See "*Restricted Share Units – Vesting Provisions*" below. The Options, on the other hand, are rights to acquire Subordinate Voting Shares upon payment of monetary consideration (i.e., the exercise price), subject also to vesting criteria determined at the time of the grant. See "*Options – Vesting Provisions*" below.

(a) *Purpose of the Share Compensation Plan*

The stated purpose of the Share Compensation Plan is to advance the interests of the Company and its subsidiaries, and its shareholders by: (a) ensuring that the interests of Participants are aligned with the success of the Company and its subsidiaries; (b) encouraging stock ownership by such persons; and (c) providing compensation opportunities to attract, retain and motivate such persons.

The following people are eligible to participate in the Share Compensation Plan: any officer or employee of the Company or any officer or employee of any subsidiary of the Company and, solely for purposes of the grant of Options, any director of the Company or any director of any subsidiary of the Company, and any Consultant (defined under the Share Compensation Plan as an individual (other than an employee or a director of the Company) or a corporation that is not a U.S. Person that: (A) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to an affiliate of the Company, other than services provided in relation to an offer or sale of securities of the Company in a capital raising transaction, or services that promote or maintain a market for the Company securities; (B) provides the services under a written contract between the Company or the affiliate and the individual or the Company, as the case may be; (C) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or an affiliate of the Company; and (D) has a relationship

with the Company or an affiliate of the Company that enables the individual to be knowledgeable about the business and affairs of the Company.

(b) *Administration of the Share Compensation Plan*

The Share Compensation Plan is administered by the Board or such other persons as may be designated by the Board (the “**Administrators**”) based on the recommendation of the Board or the compensation committee of the Board, if applicable. The Administrators determine the eligibility of persons to participate in the Share Compensation Plan, when RSUs and Options will be awarded or granted, the number of RSUs and Options to be awarded or granted, the vesting criteria for each award of RSUs and grant of Options and all other terms and conditions of each award and grant, in each case in accordance with applicable securities laws and the requirements of the CSE.

(c) *Restrictions on the Award of RSUs and Grant of Options*

The awards of RSUs and grants of Options under the Share Compensation Plan is subject to a number of restrictions:

- (i) the total number of Subordinate Voting Shares reserved and available for grant and issuance pursuant to the exercise of Options and settlement of RSUs, each under the Share Compensation Plan, shall not exceed 15% (in the aggregate) of the issued and outstanding Subordinate Voting Shares from time to time; and
- (ii) the aggregate sales price (meaning the sum of all cash, property, notes, cancellation of debt, or other consideration received or to be received by the Company for the sale of the securities) or amount of Subordinate Voting Shares issued under the Share Compensation Plan during any consecutive 12-month period will not exceed the greatest of the following: (i) U.S.\$1,000,000; (ii) 15% of the total assets of the Company, measured at the Company’s most recent balance sheet date; or (iii) 15% of the outstanding amount of the Subordinate Voting Shares of the Company, measured at the Company’s most recent balance sheet date..

In the event of any declaration by the Company of any stock dividend payable in securities (other than a dividend which may be paid in cash or in securities at the option of the holder of Subordinate Voting Shares), or any subdivision or consolidation of the Subordinate Voting Shares, reclassification or conversion of the Subordinate Voting Shares, or any combination or exchange of securities, merger, consolidation, recapitalization, amalgamation, plan of arrangement, reorganization, spin off involving the Company, distribution (other than normal course cash dividends) of the Company assets to holders of Subordinate Voting Shares, or any other corporate transaction or event involving the Company or the Subordinate Voting Shares, the Administrators may in their sole discretion make such changes or adjustments, if any, as the Administrators consider fair or equitable to reflect such change or event including, without limitation, adjusting the number of Options and RSUs outstanding under the Share Compensation Plan, the type and number of securities or other property to be received upon exercise or redemption thereof, and the exercise price of Options outstanding under the Share Compensation Plan, provided that the value of any Option or RSU immediately after such an adjustment shall not exceed the value of such Option or RSU prior thereto.

Mechanics for RSUs

RSUs awarded to Participants under the Share Compensation Plan are credited to an account that is established on their behalf and maintained in accordance with the Share Compensation Plan. After the relevant date of vesting of any RSUs awarded under the Share Compensation Plan, a Participant shall be entitled to receive and the Company shall issue or pay (at its discretion): (i) a lump sum payment in cash equal to the number of vested RSUs recorded in the Participant’s account multiplied by the volume weighted average price of the Subordinate Voting Shares traded on the CSE for the five consecutive trading days prior to the payout date; (ii) the number of Subordinate Voting Shares required to be issued

to a Participant upon the vesting of such Participant's RSUs in the Participant's account will be, duly issued as fully paid and non-assessable shares and such Participant shall be registered on the books of the Company as the holder of the appropriate number of Subordinate Voting Shares; or (iii) any combination of thereof.

Vesting Provisions for RSUs

The Share Compensation Plan provides that: (i) at the time of the award of RSUs, the Administrators will determine the vesting criteria applicable to the awarded RSUs; (ii) vesting of RSUs may include criteria such as performance vesting; (iii) each RSU shall be subject to vesting in accordance with the terms set out in an agreement evidencing the award of the RSU attached as Exhibit A to the Share Compensation Plan (or in such form as the Administrators may approve from time to time) (each an "**RSU Agreement**"); and (iv) all vesting and issuances or payments in respect of a RSU shall be completed no later than December 15 of the third calendar year commencing after the award date for such RSU.

It is the current intention that RSUs may be awarded with both time based vesting provisions as a component of the Company's annual incentive compensation program, and performance based vesting provisions as a component of the Company's long term incentive compensation program.

Under the Share Compensation Plan, should the date of vesting of an RSU fall within a blackout period or within nine business days following the expiration of a blackout period, the date of vesting will be automatically extended to the tenth business day after the end of the blackout period.

Termination, Retirement and Other Cessation of Employment in connection with RSUs

A person participating in the Share Compensation Plan will cease to be eligible to participate in the following circumstances: (i) receipt of any notice of termination of employment or service (whether voluntary or involuntary and whether with or without cause); (ii) retirement; and (iii) any cessation of employment or service for any reason whatsoever, including disability and death (an "**Event of Termination**"). In such circumstances, any vested RSUs will be issued (and with respect to each RSU of a US Participant, such RSU will be settled and shares issued as soon as practicable following the date of vesting of such RSU as set forth in the applicable RSU Agreement, but in all cases within 60 days following such date of vesting; and unless otherwise determined by the Administrators in their discretion, any unvested RSUs will be automatically forfeited and cancelled (and with respect to any RSU of a US Participant, if the Administrators determine, in their discretion, to waive vesting conditions applicable to an RSU that is unvested at the time of an Event of Termination, such RSU shall not be forfeited or cancelled, but instead will be deemed to be vested and settled and shares delivered following the date of vesting date of such RSU as set forth in the applicable RSU Agreement). Notwithstanding the above, if a person retires in accordance with the Company's retirement policy at such time, the pro rata portion of any unvested performance based RSUs will not be forfeited or cancelled and instead shall be eligible to become vested in accordance with the vesting conditions set forth in the applicable RSU Agreement after such retirement (as if retirement had not occurred), but only if the performance vesting criteria, if any, have been met on the applicable date. For greater certainty, if a person is terminated for just cause, all unvested RSUs will be forfeited and cancelled.

Mechanics for Options

Each Option granted pursuant to the Share Compensation Plan will entitle the holder thereof to the issuance of one Subordinate Voting Share upon achievement of the vesting criteria and payment of the applicable exercise price. Options granted under the Share Compensation Plan will be exercisable for Subordinate Voting Shares issued from treasury once the vesting criteria established by the Administrators at the time of the grant have been satisfied. However, the Company will continue to retain the flexibility through the amendment provisions in the Share Compensation Plan to satisfy its obligation to issue Subordinate Voting Shares by making a lump sum cash payment of equivalent value

(i.e., pursuant to a cashless exercise), provided there is a full deduction of the number of underlying Subordinate Voting Shares from the Share Compensation Plan's reserve.

Vesting Provisions for Options

The Share Compensation Plan provides that the Administrators may determine when any Option will become exercisable and may determine that Options shall be exercisable in instalments or pursuant to a vesting schedule. The option agreement will disclose any vesting conditions prescribed by the Administrators.

Termination, Retirement and Other Cessation of Employment in connection with Options

A person participating in the Share Compensation Plan will cease to be eligible to participate where there is an Event of Termination. In such circumstances, unless otherwise determined by the Administrators in their discretion, any unvested Options will be automatically cancelled, terminated and not available for exercise and any vested Options may be exercised only before the earlier of: (i) the termination of the Option; and (ii) two months after the date of the Event of Termination. If a person is terminated for just cause, all Options will be (whether or not then exercisable) automatically cancelled.

Other Terms

The Administrators will determine the exercise price and term/expiration date of each Option, provided that the exercise price in respect of that Option shall not be less than the Market Price on the date of grant. "**Market Price**" is defined in the Share Compensation Plan, as of any date, the price of the Subordinate Voting Shares determined as follows: (A) if the Subordinate Voting Shares are listed on any exchange, the Market Price will be the closing price of the Subordinate Voting Shares on such exchange for the last market trading day prior to the date of grant of the Option. Notwithstanding the foregoing, in the event that the Subordinate Voting Shares are listed on the CSE, for the purposes of establishing the exercise price of any Options, the Market Price shall not be lower than the greater of the closing market price of the Subordinate Voting Shares on the CSE on (i) the trading day prior to the date of grant of the Options, and (ii) the date of grant of the Options; or (B) in the absence of an established market for the Subordinate Voting Shares, the Market Price shall be determined in good faith by the Administrators.

No Option shall be exercisable after ten years from the date the Option is granted. Under the Share Compensation Plan, should the term of an Option expire on a date that falls within a blackout period or within nine business days following the expiration of a blackout period, such expiration date will be automatically extended to the tenth business day after the end of the blackout period.

Unless otherwise determined by the Board, in the event of a change of control, any surviving or acquiring corporation shall assume any Option outstanding under the Share Compensation Plan on substantially the same economic terms and conditions or substitute or replace similar options for those Options outstanding under the Share Compensation Plan on substantially the same economic terms and conditions.

(d) *Transferability*

RSUs awarded and Options granted under the Share Compensation Plan or any rights of a Participant cannot be transferred, assigned, charged, pledged or hypothecated, or otherwise alienated, whether by operation of law or otherwise.

(e) *Reorganization and Change of Control Adjustments*

In the event of any declaration by the Company of any stock dividend payable in securities (other than a dividend which may be paid in cash or in securities at the option of the holder of Subordinate Voting Shares), or any

subdivision or consolidation of Subordinate Voting Shares, reclassification or conversion of the Subordinate Voting Shares, or any combination or exchange of securities, merger, consolidation, recapitalization, amalgamation, plan of arrangement, reorganization, spin off involving the Company, distribution (other than normal course cash dividends) of the Company assets to holders of Subordinate Voting Shares, or any other corporate transaction or event involving the Company or the Subordinate Voting Shares, the Administrators may make such changes or adjustments, if any, as they consider fair or equitable, to reflect such change or event including adjusting the number of Options and RSUs outstanding under the Share Compensation Plan, the type and number of securities or other property to be received upon exercise or redemption thereof, and the exercise price of Options outstanding under the Share Compensation Plan, provided that the value of any Option or RSU immediately after such an adjustment shall not exceed the value of such Option or RSU prior thereto.

(f) *Amendment Provisions in the Share Compensation Plan*

The Board may amend the Share Compensation Plan or any RSU or Option at any time without the consent of any Participant provided that such amendment shall:

- (i) not adversely alter or impair any RSU previously awarded or any Option previously granted, except as permitted by the adjustment provisions of the Share Compensation Plan and with respect to RSUs and Options of US Participants;
- (ii) be subject to any regulatory approvals including, where required, the approval of the CSE; and
- (iii) be subject to shareholder approval, where required, by the requirements of the CSE, provided that shareholder approval shall not be required for the following amendments:
 - a. amendments of a “housekeeping nature”, including any amendment to the Share Compensation Plan or a RSU or Option that is necessary to comply with applicable laws, tax or accounting provisions or the requirements of any regulatory authority, stock exchange or quotation system and any amendment to the Share Compensation Plan or a RSU or Option to correct or rectify any ambiguity, defective provision, error or omission therein, including any amendment to any definitions therein;
 - b. amendments that are necessary or desirable for RSUs or Options to qualify for favourable treatment under any applicable tax law;
 - c. amendments to the vesting provisions of any RSU or any Option (including any alteration, extension or acceleration thereof), providing such amendments do not adversely alter or impair such RSU or Option;
 - d. amendments to the termination provisions of any Option (e.g., relating to termination of employment, resignation, retirement or death) that does not entail an extension beyond the original expiration date (as such date may be extended by virtue of a blackout period) providing such amendments do not adversely alter or impair such Option;
 - e. amendments to the Share Compensation Plan that would permit the Company to retain a broker and make payments for the benefit of Participants to such broker who would purchase Subordinate Voting Shares for such persons, instead of issuing Subordinate Voting Shares from treasury upon the vesting of the RSUs;

- f. amendments to the Share Compensation Plan that would permit the Company to make lump sum cash payments to Participants, instead of issuing Subordinate Voting Shares from treasury upon the vesting of the RSUs; and
- g. the amendment of the cashless exercise feature set out in the Share Compensation Plan.

For greater certainty, shareholder approval will be required in circumstances where an amendment to the Share Compensation Plan would:

- (i) increase the fixed maximum percentage of issued and outstanding Subordinate Voting Shares issuable under the Share Compensation Plan, other than by virtue of the adjustment provisions in the Share Compensation Plan, or change from a fixed maximum percentage of issued and outstanding Subordinate Voting Shares to a fixed maximum number of Subordinate Voting Shares;
- (ii) increase the limits referred to above under “Restrictions on the Award of RSUs and Grant of Options”;
- (iii) reduce the exercise price of any Option (including any cancellation of an option for the purpose of reissuance of a new option at a lower exercise price to the same person);
- (iv) extend the term of any Option beyond the original term (except if such period is being extended by virtue of a blackout period); or
- (v) amend the amendment provisions of the Share Compensation Plan.

Pension Plan Benefits

The Company does not intend to implement any deferred compensation plan or pension plan that provides for payments or benefits at, following or in connection with retirement.

Employment, Termination and Change of Control Benefits

The Company will not be a party to any compensation plan or arrangement with any of the executive officers or directors of the Company resulting from the resignation, retirement or the termination of employment of such person.

Director Compensation

The Board believes that directors should be provided with incentives to focus on long-term shareholder value. The Board believes that including equity options as part of director compensation helps align the interest of directors with those of the Company's shareholders. The Company seeks to attract exceptional talent to its Board. Therefore, the Company's policy will be to compensate directors competitively relative to comparable companies. The Company's compensation committee will, from time to time, present a report to the Board comparing the Company's director compensation with that of comparable companies. It is anticipated that the Company will pay compensation to its directors in the form of annual fees for attending meetings of the Board. Directors may receive additional compensation for acting as chairs of committees of the Board. Directors will also be entitled to receive stock options in accordance with the terms of the Share Compensation Plan and the CSE requirements and will be reimbursed for any out-of-pocket travel expenses incurred in order to attend meetings of the Board, committees of the Board or meetings of the shareholders of the Company. It is also anticipated that the Company will obtain customary insurance for the benefit of its directors and enter into indemnification agreements with its directors pursuant to which the Company will agree to indemnify its directors to the extent permitted by applicable law.

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

16.1 Aggregate Indebtedness

None of the directors or officers of the Company, nor any of their Associates, are indebted to the Company, and no indebtedness of any of these individuals or Associates to another entity will be the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

17. RISK FACTORS

17.1 Risk Factors Relating to the Company

Risk Factors Related to PODA and the Company's Business and Industry

The risks and uncertainties described below are not exhaustive. Additional risks not presently known or currently deemed immaterial may also impair the Company's business operation. If any of the events described in the following business risks actually occur, overall business, operating results and the financial condition of the Company could be materially adversely affected.

Impacts of COVID-19 on the Company's Business

The impacts of the global emergence of the novel strain of coronavirus, identified as COVID-19, on the Company's business are currently unknown. The Company will monitor the situation and may take actions that alter its business operations as may be required by federal, state, provincial or local authorities or that the Company determines are in the best interests of its employees, users, customers, partners, suppliers, equity holders and stakeholders. Any such actions could impact or cause substantial interruption to the Company's business, which could have a material adverse effect on the Company's business and operations or financial results. In response to, or as a result of, the current COVID-19 pandemic, the Company may experience, among other things, temporary or long-term labor shortages; temporary or long-term adverse impacts on the Company's supply chain; the potential of increased network vulnerability and risk of data loss resulting from increased use of remote access and removal of data from the Company's online platforms; difficulty in complying with covenants under current or future debt agreements; required reallocation or adjustment of resources, which may impact the Company's business plans and product and service offerings. In addition, the direct or indirect impacts of COVID-19 may extend to disrupt the Company's suppliers, partners, customers, users, and other stakeholders, which in turn could materially adversely affect the Company's business, results of operations or financial condition. Any change or disruption in operations could impact and have a material adverse effect on the Company's operations and/or results from operations.

In addition, voluntary or mandated efforts to slow the spread of COVID-19 could impact the Company's operations. To date, a number of governments worldwide have enacted measures to combat the spread of the virus, including in the U.S. and Canada. These measures have included the implementation of travel restriction, self-isolation measures, physical distancing and in some instances, the suspension of non-essential business. If portions or all of the Company's, or its partners', operations are disrupted or suspended as a result of these or other measures, it could have a material adverse impact on the Company's profitability, results of operations and financial condition.

Further, there are potentially significant economic and social impacts of the COVID-19 pandemic, including a surge in unemployment which may lead to a deterioration in consumer balance sheets, reduction in the availability of consumer credit, and have an impact on consumer behavior, any of which may have a material adverse impact on the Company's profitability, results of operations and financial condition.

The Company will continue to monitor the situation and work with its stakeholders (including customers, users, employees, partners, and suppliers) in order to assess further possible implications to its business, supply chain,

customers, users and, where practicable, take actions with a goal to mitigating adverse consequences and responsibly addressing this global pandemic.

The Company's actual financial position and results of operations may differ materially from the expectations of the Company's management

The Company's actual financial position and results of operations may differ materially from management's expectations. The Company's revenue, net income and cash flow may differ materially from the Company's projected revenue, net income and cash flow. The process for estimating the Company's revenue, net income and cash flow requires the use of judgment in determining the appropriate assumptions and estimates. These estimates and assumptions may be revised as additional information becomes available and as additional analyses are performed. In addition, the assumptions used in planning may not prove to be accurate, and other factors may affect the Company's financial condition or results of operations.

The Company expects to incur significant ongoing costs and obligations related to its investment in infrastructure, growth, regulatory compliance and operations

The Company expects to incur significant ongoing costs and obligations related to its investment in infrastructure and growth and for regulatory compliance, which could have a material adverse impact on the Company's results of operations, financial condition and cash flows. In addition, future changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Company's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Company. Our efforts to grow our business may be costlier than we expect, and we may not be able to increase our revenue enough to offset our higher operating expenses. We may incur significant losses in the future for a number of reasons, including the other risks described in this MD&A, and unforeseen expenses, difficulties, complications and delays, and other unknown events.

The HNB industry and market are relatively new, and this industry and market may not continue to exist or grow as anticipated or the Company may be ultimately unable to succeed in this new industry and market

In addition to being subject to general business risks, the Company must continue to build brand awareness in this industry and market through significant investments in its strategy, its production capacity, quality assurance and compliance with regulations. In addition, there is no assurance that the industry and market will continue to exist and grow as currently estimated or anticipated or function and evolve in the manner consistent with management's expectations and assumptions. Any event or circumstance that adversely affects the HNB industry and market could have a material adverse effect on the Company's business, financial conditions and results of operations.

The Company may not be able to manage its growth

The Company may be subject to growth related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

The Company relies on third parties to manufacture its products and its products could be subject to manufacturing or supply difficulties.

The Company does not have the internal capability to manufacture its products and relies on third parties to manufacture its products. The Company cannot be certain that manufacturing sources will continue to be available or that it can continue to out-source the manufacturing of its products on reasonable or acceptable terms or at all. Any loss of a manufacturer or any difficulties that could arise in the manufacturing process could significantly affect inventories and supply of products available for sale. If the Company is unable to supply sufficient amounts of its products to customers on a timely basis, its market share and/or revenues could decrease.

In addition, the manufacture of the Company's products is conducted by a contract manufacturing company in China. This manufacturer supplies substantially all of the raw materials and provides all facilities and labour required to manufacture our products. If this manufacturer were to terminate its arrangements with the Company or fail to provide the required capacity and quality on a timely basis, either due to actions of the manufacturer; earthquakes, typhoons, tsunamis, fires, floods, or other natural disasters; or the actions of the Chinese government, the Company would be unable to manufacture its products until replacement contract manufacturing services could be obtained. To qualify a new contract manufacturer, familiarize it with the Company's products, quality standards and other requirements, and commence volume production is a costly and time-consuming process. The Company cannot guarantee that it would be able to establish alternative manufacturing relationships on acceptable terms or in a timely manner that would not cause disruptions in the Company's supply. Any interruption in the manufacture of the Company's products would be likely to result in delays in shipment, lost sales and revenue and damage to the Company's reputation in the market, all of which could have a material adverse effect on the Company's business, financial condition and results of operations.

If the Company changes the source or location of supply or modifies the manufacturing process, regulatory authorities may require the Company to demonstrate that the product produced by the new source or from the modified process is equivalent to the product used in any clinical trials that were conducted. If the Company is unable to demonstrate this equivalence, the Company will be unable to have its products manufactured by such new source or from such location of supply, or use the modified process, and the Company may have incurred substantial expenses in seeking to ensure equivalence, which could have a material adverse effect on the Company's business, financial condition and results of operations. The Company has and may in the future pursue strategic partnerships, including product supply arrangements with certain manufacturers and/or distributors which could be affected by any of the foregoing matters. To the extent that such arrangements are material to the Company, the aforementioned risks could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company is exposed to significant political risk resulting from operations in China

Some of the operations of the Company are conducted in China. The Company may be affected by possible economic instability and changes in China. These changes may also result in political change and associated unrest. Risks associated with operations in foreign countries include risks such as nationalization or expropriation of assets, import and export controls, political instability, repatriation of profits, limitations on foreign investment, restrictions on the ability to convert currency and the additional expenses and risks inherent in conducting operations in geographically distant locations with customers speaking different languages and having different cultural approaches to the conduct of business. There can be no assurance that the political climate in China or in other countries in which the Company carries or in the future, will carry on business will remain stable. Uncertainty regarding the stability of other political systems may adversely affect the operations of the Company in such countries, the availability and cost of capital and the ability of the Company to repatriate funds from such countries, all of which could be materially adverse to the Company and its future results of operations.

The Company is subject to changes in laws, regulations and guidelines which could adversely affect the Company's future business, financial condition and results of operations

The Company's operations will be subject to various laws, regulations and guidelines relating to the manufacture, management, packaging/labelling, advertising, sale, transportation, storage and disposal of tobacco and other substance, but also including laws and regulations relating to drugs, controlled substances, health and safety, the conduct of operations and the protection of the environment. Changes to such laws, regulations and guidelines due to matters beyond the control of the Company may cause adverse effects to its operations. The Company endeavors to comply with all relevant laws, regulations and guidelines. To the best of the Company's knowledge, the Company is in compliance or in the process of being assessed for compliance with all such laws, regulations and guidelines as described elsewhere in this MD&A.

The Company may not be able to develop its products, which could prevent it from ever becoming profitable

If the Company cannot successfully develop, manufacture and distribute its products, or if the Company experiences difficulties in the development process, such as capacity constraints, quality control problems or other disruptions, the Company may not be able to develop market-ready commercial products at acceptable costs, which would adversely affect the Company's ability to effectively enter the market. A failure by the Company to achieve a low-cost structure through economies of scale or improvements in manufacturing processes would have a material adverse effect on the Company's commercialization plans and the Company's business, prospects, results of operations and financial condition.

There is no assurance that the Company will turn a profit or generate immediate revenues

There is no assurance as to whether the Company will be profitable, earn revenues, or pay dividends. The Company has incurred and anticipates that it will continue to incur substantial expenses relating to the development and initial operations of its business. The payment and amount of any future dividends will depend upon, among other things, the Company's results of operations, cash flow, financial condition, and operating and capital requirements. There is no assurance that future dividends will be paid, and, if dividends are paid, there is no assurance with respect to the amount of any such dividends.

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 HNB industry could limit the ability of the Company to expand its operations. Current and new competitors may be better capitalized, have a longer operating history, have more expertise and be 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.

If the Company is unable to develop and market new products, it may not be able to keep pace with market developments

The HNB industry is in its early stages and it is likely that the Company and its competitors will seek to introduce new products in the future. In attempting to keep pace with any new market developments, the Company will need to expend significant amounts of capital in order to successfully develop and generate revenues from new products. The Company may not be successful in developing effective and safe new products, bringing such products to market in time to be effectively commercialized, or obtaining any required regulatory approvals, which together with capital expenditures made in the court of such product development and regulatory approval processes, may have a material adverse effect on the Company's business, financial condition and results of operations.

If the Company is unable to attract and retain key personnel, it may not be able to compete effectively in the HNB market

The Company's success has depended and continues to depend upon its ability to attract and retain key management, including the Company's CEO, technical experts, management team and sales personnel. The Company will attempt to enhance its management and technical expertise by continuing to recruit qualified individuals who possess desired skills and experience in certain targeted areas. The Company's inability to retain employees and attract and retain sufficient additional employees or engineering and technical support resources could have a material adverse effect on the Company's business, results of operations, sales, cash flow or financial condition. Shortages in qualified personnel or the loss of key personnel could adversely affect the financial condition of the Company, results of operations of the business and could limit the Company's ability to develop and market its products. The loss of any of the Company's senior management or key employees could materially adversely affect the Company's ability to execute its business plan and strategy, and the Company may not be able to find adequate replacements on a timely basis, or at all. The Company does not maintain key person life insurance policies on any of its employees.

The size of the Company's target market is difficult to quantify, and investors will be reliant on their own estimates on the accuracy of market data

Because the HNB industry is in a nascent stage with uncertain boundaries, there is a lack of information about comparable companies available for potential investors to review in deciding about whether to invest in the Company and, few, if any, established companies whose business model the Company can follow or upon whose success the Company can build. Accordingly, investors will have to rely on their own estimates in deciding about whether to invest in the Company. There can be no assurance that the Company's estimates are accurate or that the market size is sufficiently large for its business to grow as projected, which may negatively impact its financial results. The Company regularly purchases and follows market research.

The Company's industry is experiencing rapid growth and consolidation that may cause the Company to lose key relationships and intensify competition

The HNB industry is undergoing rapid growth and substantial change, which has resulted in an increase in competitors, consolidation and formation of strategic relationships. Acquisitions or other consolidating transactions could harm the Company in a number of ways, including the loss of strategic partners if they are acquired by or enter into relationships with a competitor, losing customers, revenue and market share, or forcing the Company to expend greater resources to meet new or additional competitive threats, all of which could harm the Company's operating results. As competitors enter the market and become increasingly sophisticated, competition in the Company's industry may intensify and place downward pressure on retail prices for its products and services, which could negatively impact its profitability.

As the Company operates within the HNB industry, there are additional difficulties and complexities associated with insurance coverage

As the Company is engaged in and operates within the HNB industry, there are exclusions and additional difficulties and complexities associated with such insurance coverage that could cause the Company to suffer uninsured losses, which could adversely affect the Company's business, results of operations, and profitability. There is no assurance that the Company will be able to fully utilize such insurance coverage, if necessary.

The Company may be subject to product recalls for product defects self-imposed or imposed by regulators

Manufacturers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labeling disclosure. If any of the Company's products are recalled due to an alleged product defect or for any other reason, the Company could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. The Company may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention. Although the Company has detailed procedures in place for testing its products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if one of the Company's significant brands were subject to recall, the image of that brand and the Company could be harmed. A recall for any of the foregoing reasons could lead to decreased demand for the Company's products and could have a material adverse effect on the results of operations and financial condition of the Company. Additionally, product recalls may lead to increased scrutiny of the Company's operations by Health Canada or other regulatory agencies, requiring further management attention and potential legal fees and other expenses.

The Company is dependent on access to skilled labor, equipment and parts

The ability of the Company to compete and grow will be dependent on having access, at a reasonable cost and in a timely manner, to skilled labor, equipment, parts and components. No assurances can be given that the Company will be successful in maintaining the required supply of skilled labor, equipment, parts and components. It is also possible that the expansion plans contemplated by the Company may cost more than anticipated, in which circumstance the Company may curtail, or extend timeframes for completing the expansion plans. This could have a material adverse effect on the financial results and operations of the Company.

The expansion of the HNB industry may require new clinical research into HNB technologies, when such research may be restricted in the U.S. and is new to Canada

Research in Canada and internationally regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of HNB technology remains in early stages. There have been relatively few clinical trials on the benefits of HNB technologies compared to ordinary smoking. Although the Company believes that the articles, reports and studies support its beliefs regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of HNB technologies, future research and clinical trials may prove such statements to be incorrect, or could raise concerns regarding, and perceptions relating to HNB technologies. Given these risks, uncertainties and assumptions, investors should not place undue reliance on such articles and reports. Future research studies and clinical trials may draw opposing conclusions to those stated in this MD&A or reach negative conclusions regarding the medical benefits, viability, safety, efficacy, dosing, social acceptance or other facts and perceptions related to HNB technologies, which could have a material adverse effect on the demand for the Company's products with the potential to lead to a material adverse effect on the Company's business, financial condition and results of operations.

The Company could be liable for fraudulent or illegal activity by its employees, contractors and consultants resulting in significant financial losses or 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 violates: (i) government regulations; (ii) manufacturing standards; (iii) federal and provincial healthcare fraud and abuse laws and regulations; or (iv) laws that require the true, complete and accurate reporting of financial information or data. 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.

The Company will be reliant on information technology systems and may be subject to damaging cyber-attacks

The Company has entered into agreements with third parties for hardware, software, telecommunications and other information technology ("IT") services in connection with its operations. The Company's operations depend, in part, on how well it and its suppliers protect networks, equipment, IT systems and software against damage from a number of threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, intentional damage and destruction, fire, power loss, hacking, computer viruses, vandalism and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays and/or increase in capital expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations.

The Company has not experienced any material losses to date relating to cyber-attacks or other information security breaches, but there can be no assurance that the Company will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access is a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

The Company's officers and directors may be engaged in a range of business activities resulting in conflicts of interest

The Company may be subject to various potential conflicts of interest because some of its officers and directors may be engaged in a range of business activities. In addition, the Company's executive officers and directors may devote time to their outside business interests, so long as such activities do not materially or adversely interfere with their duties to the Company. In some cases, the Company's executive officers and directors may have fiduciary obligations associated with these business interests that interfere with their ability to devote time to the Company's business and affairs and that could adversely affect the Company's operations. These business interests could require significant time and attention of the Company's executive officers and directors.

In addition, the Company may also become involved in other transactions which conflict with the interests of its directors and the officers who may from time to time deal with persons, firms, institutions or Companies with which the Company may be dealing, or which may be seeking investments similar to those desired by it. The interests of these persons could conflict with those of the Company. In addition, from time to time, these persons may be competing with the Company for available investment opportunities. Conflicts of interest, if any, will be subject to the procedures and remedies provided under applicable laws. In particular, if 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. In accordance with applicable laws, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company.

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

Damage to the Company's reputation can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity, whether true or not. The increased usage of social media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users has made it increasingly easier for individuals and groups to communicate and share opinions and views regarding the Company and its activities, whether true or not. Although the Company believes that it operates in a manner that is respectful to all stakeholders and that it takes care in protecting its image and reputation, the Company does not ultimately have direct control over how it is perceived by others. Reputation loss may result in decreased investor confidence, increased challenges in developing and maintaining community relations and an impediment to the Company's overall ability to advance its projects, thereby having a material adverse impact on financial performance, financial condition, cash flows and growth prospects.

Negative operating cash flow

Our overall business has incurred losses since its inception. Although we expect to become profitable, there is no guarantee that will happen, and we may never become profitable. We currently have a negative operating cash flow and may continue to have that for the foreseeable future. To date, a large portion of our expenses are fixed, including expenses related to equipment, contractual commitments and personnel. As a result, we expect our net losses from operations to improve. Our ability to generate additional revenues and potential to become profitable will depend largely on our ability, to manufacture and market our products. There can be no assurance that any such events will occur or that we will ever become profitable. Even if we do achieve profitability, we cannot predict the level of such profitability. If we sustain losses over an extended period of time, we may be unable to continue our business.

Product liability

As a manufacturer and distributor of products designed to be ingested by humans, the Company faces an inherent risk of exposure to product liability claims, regulatory action and litigation if its products are alleged to have caused significant loss or injury. In addition, the manufacture and sale of the Company's products involve the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. Previously unknown adverse reactions resulting from human consumption of the Company's products alone or in combination with others, that the Company's products caused injury or illness, include inadequate instructions for use or include inadequate warnings concerning possible side effects or interactions with other substances. A product liability claim or regulatory action against the Company could result in increased costs, could adversely affect the Company's reputation with its clients and consumers generally, and could have a material adverse effect on our results of operations and financial condition of the Company.

There can be no assurances that the Company will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all. The inability to obtain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could prevent or inhibit the commercialization of the Company's potential products.

Publicity or consumer perception

The Company believes the HNB industry is highly dependent upon consumer perception regarding the safety, efficacy and quality of the HNB consumables produced. Consumer perception of the Company's products can be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of HNB products.

There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favorable to the HNB market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favorable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for the Company's products and the business, results of operations, financial condition and the Company's cash flows. The Company's dependence upon consumer perceptions means that adverse scientific research reports, findings, regulatory proceedings, litigation, media attention or other publicity, whether or not accurate or with merit, could have a material adverse effect on the Company, the demand for the Company's products, and the business, results of operations, financial condition and cash flows of the Company. Further, adverse publicity reports or other media attention regarding the safety, efficacy and quality of HNB products in general, or the Company's products specifically, or associating the consumption of HNB products with illness or other negative effects or events, could have such a material adverse effect. Such adverse publicity reports or other media attention could arise even if the adverse effects associated with such products resulted from consumers' failure to consume such products appropriately or as directed.

Difficulties with forecasts

The Company must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the HNB industry in Canada and the United States. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company.

Risks of foreign operations

The Company's strategy includes exporting its expertise and technologies to foreign countries. Working outside of Canada gives rise to the risk of dealing with business and political systems that are different than what the Company is accustomed to in Canada. The potential risks include expropriation or nationalization; civil insurrection; labor unrest; strikes and other political risks; fluctuations in foreign currency and exchange controls; increases in duties and taxes; and changes in laws and policies governing operations of foreign based companies. Restrictions on repatriation of capital or distributions of earnings could adversely affect the Company in the future.

Anti-bribery and anti-corruption laws

The Company is subject to anti-bribery and anti-corruption laws, including the Corruption of Foreign Public Officials Act (Canada) and the U.S. Foreign Corrupt Practices Act. Failure to comply with these laws could subject the Company to, among other things, reputational damage, civil or criminal penalties, other remedial measures and legal expenses which could adversely affect the Company's business, results of operations and financial condition. It may not be possible for the Company to ensure compliance with anti-bribery and anti-corruption laws in every jurisdiction in which its employees, agents, sub-contractors or joint venture partners are located or may be located in the future.

Market risks for securities

The market price of subordinate voting shares, should the Company become listed on a securities exchange, may be subject to wide fluctuations in response to many factors, including variations in the operating results of the Company, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects for the Company, general economic conditions, legislative changes, and other events and factors outside of the Company's control.

Dividends

The Company has not paid any dividends on its issued and outstanding Subordinate Voting Shares to date and may not pay dividends in the foreseeable future. Any decision to declare and pay dividends in the future will be made at the discretion of Board and will depend on, among other things, financial results, cash requirements, contractual restrictions and other factors that the Board may deem relevant. As a result, investors may not receive any return on an investment in the Subordinate Voting Shares unless they sell their Subordinate Voting Shares of the Company for a price greater than that which such investors paid for them.

Financing risk

The Company will be dependent upon the capital markets to raise additional financing in the future. As such, the Company is subject to liquidity risks in meeting its development and future operating cost requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. An economic downturn of global capital markets has been shown to make the raising of capital by equity or debt financing more difficult. These and other factors may impact the Company's ability to raise equity or obtain loans and other credit facilities in the future and on terms favorable to the Company and its management. The Company may not be able to raise capital on favorable terms or at all, which could have an adverse impact on the Company's operations and the trading price of the Subordinate Voting Shares, should the Company become listed on a securities exchange. Additionally, future financing may substantially dilute the interests of the Company's shareholders.

18. PROMOTERS

18.1 Promoters

No person or company has, within the two years immediately preceding the date of this Listing Statement, been a promoter of the Company, 1237225 BC Ltd., PODA or CDC, other than Ryan Selby and Ryan Karkairan.

Upon completion of the Arrangement, Ryan Selby will hold 2,551,125 Subordinate Voting Shares and 62 Multiple Voting Shares (approximately 4.6% of the issued and outstanding Subordinate Voting Shares, assuming conversion of all outstanding Multiple Voting Shares into Subordinate Voting Shares). Ryan Selby is expected to enter into an employment agreement with the Company, pursuant to which she will be entitled to annual compensation for her role as Chief Executive Officer of the Company. Upon completion of the Arrangement, Ryan Karkairan will hold 1,014,000 Subordinate Voting Shares and 34 Multiple Voting Shares (approximately 1.9% of the issued and outstanding Subordinate Voting Shares, assuming conversion of all outstanding Multiple Voting Shares into Subordinate Voting Shares). Ryan Karkairan is expected to enter into an employment agreement with the Company, pursuant to which she will be entitled to annual compensation for her role as Chief Operating Officer of the Company. See Section 15 - *Executive Compensation*.

19. LEGAL PROCEEDINGS

19.1 Legal Proceedings

There are no actual or contemplated legal proceedings material to the Company to which the Company, 1237225 BC Ltd., CDC or PODA is a party, or has been a party to, or of which any of the respective property thereof is or was the subject matter of, and no such proceedings or actions are known to be contemplated.

From time to time, however, the Company may be subject to various claims and legal actions arising in the ordinary course of business.

19.2 Regulatory Actions

Except as otherwise set forth in this Listing Statement, there have been no (i) penalties or sanctions imposed against the Company, 1237225 BC Ltd., CDC or PODA by a court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years immediately preceding the date of this Listing Statement; (ii) other penalties or sanctions imposed by a court or regulatory body against the Company, 1237225 BC Ltd., CDC or PODA necessary to contain full, true and plain disclosure of all material facts relating to the securities being listed; and (iii) settlement agreements the Company, 1237225 BC Ltd., CDC or PODA entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date of this Listing Statement.

20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed herein, no director or executive officer of the Company or person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than 10% of any class or series of the outstanding voting securities of the Company, or any associate or affiliate of any of the foregoing has or had any material interest, direct or indirect, in any transaction within the three years before the date of this Listing Statement, or in any proposed transaction, which has materially affected or will materially affect the Company.

21. AUDITORS, TRANSFER AGENTS AND REGISTRARS

Auditors

The auditor of the Company is Manning Elliott LLP ("Manning") of 1030 West Georgia St., Vancouver, British Columbia. Manning is independent of the Company within the meaning of the Code of Professional Conduct of Chartered Professional Accountants of British Columbia. Manning was first appointed as auditor of PODA on September 6, 2018.

Transfer Agent

The transfer agent and registrar of the Subordinate Voting Shares will be National Securities Administrators Ltd. located at 777 Hornby St, Suite 702, Vancouver, British Columbia, Canada.

22. MATERIAL CONTRACTS

Other than contracts made in the ordinary course of business, the following are the only material contracts entered into by the Company since its incorporation:

1. Amended and Restated Royalties Agreement dated April 12, 2019;
2. Arrangement Agreement
3. Escrow Agreement

Copies of the material contracts will be available under the Company's profile at www.sedar.com. Particulars regarding the material contracts are disclosed elsewhere in this Listing Statement (see "Escrowed Securities").

23. INTEREST OF EXPERTS

No person or corporation whose profession or business gives authority to a statement made by the person or corporation and who is named as having prepared or certified a part of this Listing Statement or as having prepared or certified a report or valuation described or included in this Listing Statement holds any beneficial interest, direct or indirect, in any securities or property of the Company or of an Associate or Affiliate of the Company and no such person is expected to be elected, appointed or employed as a director, senior officer or employee of the Company or of an Associate or Affiliate of the Company and no such person is a promoter of the Company or an Associate or Affiliate of the Company.

Manning Elliot LLP, auditor of the Company, is independent of the Company in accordance with the rules of professional conduct of the Institute of Chartered Professional Accountants of British Columbia.

Manning Elliott LLP, auditor of PODA, prepared the auditor's report for the audited financial statements of PODA for the 12 months ended January 31, 2020. Manning Elliott LLP is independent of PODA under applicable standards/in accordance with the rules of professional conduct of the Institute of Chartered Professional Accountants of British Columbia.

24. OTHER MATERIAL FACTS

Other than as set out elsewhere in this Listing Statement, there are no other material facts about the Company and its securities which are necessary in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to the Company and its securities.

25. FINANCIAL STATEMENTS

Company

Financial statements for the years ended February 28, 2021, February 29, 2020 and from the period of incorporation to February 28, 2019 (audited) are appended to this Listing Statement as Schedule A.

A pro forma balance sheet of the Company, assuming the completion of the Arrangement and the subsequent financings as at February 28, 2021, is appended to this Listing Statement as Schedule E.

PODA

Financial statements for the period ended October 31, 2020 (unaudited) and years ended January 31, 2020, 2019 and 2018 (audited) for PODA are appended to this Listing Statement as Schedule C.

CERTIFICATE OF THE COMPANY

Pursuant to a resolution duly passed by its board of directors, the Company, hereby applies for the listing of the above mentioned securities on the CSE. The foregoing contains full, true and plain disclosure of all material information relating to the Company. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia this 28th day of April, 2021.

(s) "Ryan Selby"

Ryan Selby

Chief Executive Officer and
Director

(s) "Paul Ciullo"

Paul Ciullo

Chief Financial Officer

(s) "Patrick Gray"

Patrick Gray

Director

(s) "Ryan Karkairan"

Ryan Karkairan

Chief Operating Officer and
Director

(s) "Aaron Bowden"

Aaron Bowden

Director

CERTIFICATE OF THE PROMOTER

The foregoing contains full, true and plain disclosure of all material information relating to the Company. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia this 28th day of April, 2021.

(s) "Ryan Selby"

Ryan Selby
Promoter

(s) "Ryan Karkairan"

Ryan Karkairan
Promoter

Schedule A
Financial Statements of the Company
(see attached)

PODA LIFESTYLE & WELLNESS LTD.

FINANCIAL STATEMENTS

FEBRUARY 28, 2021 AND FEBRUARY 29, 2020

(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of PODA Lifestyle & Wellness Ltd.

Opinion on the financial statements

We have audited the accompanying financial statements of PODA Lifestyle & Wellness Ltd. which comprise the statements of financial position as at February 28, 2021 and February 29, 2020, and the statements of comprehensive loss, changes in shareholders' equity and cash flows for the years ended February 28, 2021 and February 29, 2020 and the period from incorporation on July 6, 2018 to February 28, 2019, and the related notes, including a summary of significant accounting policies and other explanatory information (collectively referred to as the "financial statements").

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at as at February 28, 2021 and February 29, 2020, and its financial performance and its cash flows for the years ended February 28, 2021 and February 29, 2020 and the period from incorporation on July 6, 2018 to February 28, 2019 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' 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 of the accompanying financial statements, which indicates 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, which comprises the information included in the Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions.

Our opinion on the financial statements does not cover the other information and do not and will not express any form of assurance conclusion thereon. In connection with our audits 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 and remain alert for indicators that the other information appears to be materially misstated.

If, based on the work we have performed on this other information, 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 these financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, 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.

Auditors' 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 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 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 auditors' 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 auditors' 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia

March 29, 2021

PODA Lifestyle & Wellness Ltd.
 Statements of Financial Position
 (Expressed in Canadian Dollars)

	February 28, 2021	February 29, 2020
	\$	\$
ASSETS		
CURRENT ASSETS:		
Cash held in trust	863,626	-
TOTAL ASSETS	<u>863,626</u>	<u>-</u>
LIABILITIES AND SHAREHOLDERS DEFICIENCY		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	31,379	2,732
LONG TERM LIABILITIES:		
Convertible debenture (Note 6)	122,204	-
Deferred income tax liability (Note 9)	9,158	-
TOTAL LIABILITIES	<u>162,741</u>	<u>2,732</u>
SHAREHOLDERS EQUITY (DEFICIENCY)		
Share capital (Note 4)	837,500	-
Subscriptions receivable	(160,000)	-
Contributed surplus	50,672	-
Deficit	(27,287)	(2,732)
TOTAL SHAREHOLDERS DEFICIENCY	<u>700,885</u>	<u>(2,732)</u>
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	<u>863,626</u>	<u>-</u>

Nature of business and going concern (Note 1)
 Subsequent events (Note 10)

These financial statements were approved by the Board of Directors on March 29, 2021:

"Jordan Crockett"
 Jordan Crockett, Director

PODA Lifestyle & Wellness Ltd.
Statements of Comprehensive Loss
(Expressed in Canadian Dollars)

	Year ended February 28, 2021	Year ended February 29, 2020	Period ended February 28, 2019
	\$	\$	\$
EXPENSES			
Foreign exchange	1,374	-	-
General and administrative	498	608	2,124
Interest and accretion	4,534	-	-
Professional fees	27,733	-	-
NET LOSS BEFORE INCOME TAXES	(34,139)	(608)	(2,124)
Deferred income tax recovery	9,584	-	-
NET AND COMPREHENSIVE LOSS	(24,555)	(608)	(2,124)
Net loss per share: basic and diluted	(0.00)	(608.00)	(2,124.00)
Weighted average number of shares outstanding: basic and diluted	5,784,933	1	1

The accompanying notes are an integral part of these financial statements

PODA Lifestyle & Wellness Ltd.

Statements of Changes in Shareholders' Equity

Expressed in Canadian Dollars)

	Share capital		Subscriptions receivable	Contributed surplus	Deficit	Total
	#	\$	\$	\$	\$	\$
Balance July 6, 2018 (date of incorporation)	-	-	-	-	-	-
Shares issued upon incorporation	1	-	-	-	-	-
Net loss for the period	-	-	-	-	(2,124)	(2,124)
Balance at February 28, 2019	1	-	-	-	(2,124)	(2,124)
Net loss for the year					(608)	(608)
Balance at February 29, 2020	1	-	-	-	(2,732)	(2,732)
Shares issued for cash	26,500,000	837,500	(160,000)	-	-	677,500
Equity portion of convertible debenture	-	-	-	50,672	-	50,672
Net loss for the year	-	-	-	-	(24,555)	(24,555)
Balance at February 28, 2021	26,500,001	837,500	(160,000)	50,672	(27,287)	700,885

The accompanying notes are an integral part of these financial statements

PODA Lifestyle & Wellness Ltd.
Statement of Cash Flows
(Expressed in Canadian Dollars)

	Year Ended February 28, 2021	Year Ended February 29, 2020	Period Ended February 28, 2019
	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	(24,555)	(608)	(2,124)
Non cash item:			
Accretion	4,118	-	-
Deferred income tax recovery	(9,584)		
Changes in operating assets and liabilities:			
Accounts payable and accrued liabilities	28,647	608	2,124
Net cash used in operating activities	<u>(1,374)</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Cash received from shares issued	677,500	-	-
Cash received from convertible debentures issued	187,500	-	-
Net cash provided by financing activities	<u>863,626</u>	<u>-</u>	<u>-</u>
Increase in cash and cash equivalents	863,626	-	-
Cash held in trust, beginning of year	-	-	-
Cash held in trust, end of year	<u>863,626</u>	<u>-</u>	<u>-</u>
	-		
Supplemental cash flow information			
Interest paid	-	-	-
Income taxes paid	<u>-</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

PODA Lifestyle & Wellness Ltd.

Notes to the financial statements

For the years ended February 28, 2021 and 2020 and the period from incorporation on July 6, 2018 to February 28, 2019

(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

PODA Lifestyle & Wellness Ltd. (the “Company”) was incorporated in the Province of British Columbia on July 6, 2018, under the Business Corporations Act of British Columbia under the name Gamora Capital Corp. On March 11, 2021, the Company changed its name to PODA Lifestyle & Wellness Ltd. The Company’s head office is located at 666 Burrard St, Vancouver, BC V6C 2Z7.

The Company was formed for the primary purpose of completing a Public Listing (“Listing”) on the Canadian Securities Exchange (the “Exchange”). The Company’s primary business is to identify, evaluate and acquire assets, properties or businesses for the Listing.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which presumes that the Company will realize its assets and discharge its liabilities in the normal course of business for at least the next twelve months. The Company does not have any working capital and has not earned income from inception. These factors indicate the existence of a material uncertainty that casts significant doubt about the Company’s ability to continue as a going concern.

The Company’s ability to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities, when due, is dependent upon the Company’s ability to execute its business plan which may require additional financing. The timing and availability of additional financing will be determined largely by the performance of the Company and market conditions and there is no certainty that the Company will be able to raise funds as they are required in the future.

These financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these financial statements, then adjustments would be necessary to reflect these financial statements on a liquidation basis which could differ from accounting principles applicable to a going concern.

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. The Company’s operations have not been drastically impacted by the pandemic. Management continues to monitor the situation and take the necessary precautions as deemed appropriate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”). They are prepared on a historical cost basis.

The financial statements have been prepared on an accrual basis. The financial statements are presented in Canadian dollars, which is the Company’s functional currency.

The financial statements were authorized for issue by the Board of Directors on March 29, 2021.

Significant accounting judgments and estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

PODA Lifestyle & Wellness Ltd.

Notes to the financial statements

For the years ended February 28, 2021 and 2020 and the period from incorporation on July 6, 2018 to February 28, 2019

(Expressed in Canadian Dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Judgements are choices in accounting policies and disclosures which management believes are supported by facts and circumstances existing at the date of the financial statements.

They are as follows:

- The determination of the Company's ability to continue as a going concern.
- Discount rate applied for the purpose of calculating the present value of the liability component of convertible debentures.

Income (loss) per share

Basic income (loss) per share is computed by dividing the net income (loss) for the period by the weighted average number of common shares outstanding during the period. To compute diluted income (loss) per share, adjustments are made to common shares outstanding, if applicable. The weighted average number of common shares outstanding is adjusted to include the number of additional common shares that would be outstanding if, at the beginning of the period or at the time of issuance, all options and warrants were exercised. The proceeds from exercise are assumed to be used to purchase the Company's common shares at their average market price during the period. If this computation is anti-dilutive, diluted income (loss) per share is the same as basic income (loss) per share. For the periods presented, this calculation proved to be anti-dilutive.

Income taxes

Income tax on the 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 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 nor taxable loss; and differences relating to investments in subsidiaries to the extent that they are unlikely to 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 the underlying 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. To the extent that the Company does not consider it more likely than not that a deferred tax asset will be recovered, it does not recognize the asset.

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.

PODA Lifestyle & Wellness Ltd.

Notes to the financial statements

For the years ended February 28, 2021 and 2020 and the period from incorporation on July 6, 2018 to February 28, 2019

(Expressed in Canadian Dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets – Classification

The Company classifies its financial assets in the following categories:

- Those to be measured subsequently at fair value (either through Other Comprehensive Income (“OCI”), or through profit or loss), and
- Those to be measured at amortized cost.

The classification depends on the Company’s business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses are either recorded in profit or loss or OCI.

Fair value hierarchy

The following table summarizes the fair value hierarchy under which the Company's financial instruments are valued.

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

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and

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

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial assets - Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (“FVTPL”), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

PODA Lifestyle & Wellness Ltd.

Notes to the financial statements

For the years ended February 28, 2021 and 2020 and the period from incorporation on July 6, 2018 to February 28, 2019

(Expressed in Canadian Dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Subsequent measurement of financial assets depends on their classification. There are three measurement categories under which the Company classifies its debt instruments:

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest method.

Fair value through OCI (“FVOCI”): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the Statement of Loss and Comprehensive Loss in the period in which it arises.

The Company has designated its cash held in trust as FVTPL.

Financial liabilities

The Company classifies its financial liabilities into the following categories:

- Financial liabilities at FVTPL; and
- Amortized cost.

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows:

- the amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and
- the remaining amount of the change in the fair value is presented in profit or loss.

The Company has not designated any financial liabilities at FVTPL. The Company has designated its accounts payable and convertible debenture as amortized cost.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

3. ACCOUNTING STANDARDS ISSUED BUT NOT YET IMPLEMENTED

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements. Other 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.

PODA Lifestyle & Wellness Ltd.

Notes to the financial statements

For the years ended February 28, 2021 and 2020 and the period from incorporation on July 6, 2018 to February 28, 2019

(Expressed in Canadian Dollars)

4. SHARE CAPITAL

Common shares

The Company's authorized capital consists of an unlimited number of common shares without par value. As at February 28, 2021 there were 26,500,000 issued and outstanding common shares (2020-1).

On December 9, 2020, the Company issued 19,500,000 common shares for proceeds of \$487,500. Pursuant to the private placement, the Company has received \$477,500 and the remaining proceeds were outstanding. The holders were issued an aggregate of 19,500,000 common share purchase warrants with an exercise price of \$0.10 for every common share issued expiring three years from date of issuance.

On December 14, 2020, the Company issued 7,000,000 common shares for proceeds of \$350,000. Pursuant to the private placement, the Company has received \$200,000 and the remaining proceeds were outstanding.

There were no share capital transactions during the year ended February 29, 2020 and the period ended February 28, 2019.

Warrants

During the year ended February 28, 2021, the Company issued an aggregate of 27,000,000 warrants pursuant to a unit private placement and convertible debenture issued on December 9, 2020. Each warrant is exercisable into one common share of the Company at \$0.10 per common share for a period of three years from the date of issuance.

There were no warrant transactions during the year ended February 29, 2020 and the period ended February 28, 2019.

As at February 28, 2021, 27,000,000 warrants are outstanding with a weighted average exercise price of \$0.10 and a weighted average remaining contractual life of 2.78 years.

5. RELATED PARTY TRANSACTIONS AND BALANCES

Key Management personnel compensation

Key management personnel consist of officers and directors of the Company. No remuneration was paid during the years ended February 28, 2021 and February 29, 2020 and the period ended February 28, 2019 to any key management personnel.

6. CONVERTIBLE DEBENTURE

On December 9, 2020, the Company issued an unsecured convertible debenture for gross proceeds of \$187,500. The convertible debenture bears interest at 1%, matures in 36 months, and is payable on demand after maturity. At any time prior to the maturity date of the convertible debenture, the holder has the option to convert any portion of the outstanding principal amount and accrued interest amount at a conversion rate of one common share of the Company for \$0.025 of the principal amount plus accrued interest amount remaining due. The holders were issued an aggregate of 7,500,000 common share purchase warrants with an exercise price of \$0.10 for every common share issued expiring three years from date of issuance.

Using a risk adjusted discount rate of 18%, the present value of the liability component was determined to be \$118,086 and the remaining \$69,414 and was recognized as the equity portion of convertible debenture on the Statement of Financial Position. Upon recognition of the equity portion of convertible debenture, a deferred income tax liability of \$18,742 was recorded against equity, representing the difference between the tax and carrying values of the convertible debenture, thereby reducing the equity portion of the convertible debenture to \$50,673. During the year ended February 28, 2021, the Company recorded accretion expense and interest expense of \$4,118 and \$416, respectively, in the Statement of Comprehensive Loss.

PODA Lifestyle & Wellness Ltd.

Notes to the financial statements

For the years ended February 28, 2021 and 2020 and the period from incorporation on July 6, 2018 to February 28, 2019

(Expressed in Canadian Dollars)

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash held in trust, accounts payable and convertible debenture. The carrying value of these financial instruments approximates their fair values due to their immediate or short-term maturity.

The Company classifies the fair value of these financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Cash and cash equivalents is classified under Level 1.

Level 2 – Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices). The Company does not have any financial instruments classified under Level 2.

Level 3 – Valuations in the level are those with inputs for the asset or liability that are not based on observable market data. The Company does not have any financial instruments classified under Level 3.

The Company measures its cash held in trust at fair value.

The Company's financial instruments are exposed to the following risks:

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 manages liquidity risk through its capital management and ensuring that sufficient financial resources to meet liabilities as they come due. As at February 28, 2021, the Company has a working capital of \$832,247. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Market Risk

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

Interest Rate Risk

The Company does not have any financial assets exposed to interest rate risk.

Price Risk

Price risk is the risk associated with equity prices. The Company closely monitors equity prices to determine the appropriate course of action to be taken by the Company.

Foreign exchange risk

The Company's functional and reporting currency is the Canadian dollar. The Company's transactions are predominantly in Canadian dollars. As a result, the Company's exposure to foreign currency risk is minimal.

PODA Lifestyle & Wellness Ltd.

Notes to the financial statements

For the years ended February 28, 2021 and 2020 and the period from incorporation on July 6, 2018 to February 28, 2019

(Expressed in Canadian Dollars)

8. CAPITAL MANAGEMENT

The Company's capital structure consists of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity financing. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future. There were no changes to the Company's approach to capital management during the year ended February 28, 2021. The Company is not subject to externally imposed capital requirements. The Company may raise additional debt or equity financing in the near future to meet its obligations.

9. INCOME TAX

In assessing deferred income tax assets, management considers whether it is probable that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment and concluding the deferred tax assets were not realized.

	2021	2020	2019
Canadian statutory income tax rate	27%	27%	27%
	\$	\$	\$
Income tax payable at statutory rate	(9,218)	(164)	(574)
Effect on income taxes of:			
Permanent differences and other	372	-	-
Change in unrecognized deferred income tax assets	(738)	164	574
Deferred income tax recovery	(9,584)	-	-

The nature and effect of the Company's deferred tax assets is as follows:

	2021	2020	2019
	\$	\$	\$
Non capital losses carried forward	8,472	738	574
Convertible debentures	(17,630)		
Deferred income tax assets not recognized	-	(738)	(574)
Net deferred income tax asset (liability)	(9,158)	-	-

As at February 28, 2021, the Company had approximately \$31,000 in non-capital loss carry forward available to reduce taxable income for future year. The non-capital losses begin to expire in 2039.

PODA Lifestyle & Wellness Ltd.

Notes to the financial statements

For the years ended February 28, 2021 and 2020 and the period from incorporation on July 6, 2018 to February 28, 2019

(Expressed in Canadian Dollars)

10. SUBSEQUENT EVENTS

Private Placement

On March 10, 2021, the Company issued 150,000 special warrants for total gross proceeds of \$7,500.

Plan of Arrangement

On February 8, 2021, the Company and Poda Technologies Ltd. (“Poda”) entered into a Plan of Arrangement Agreement (the “Arrangement” or the Arrangement Agreement”). Completion of the Arrangement as set forth in the Arrangement Agreement was approved by the shareholders of Poda on March 19, 2021, and a final order granted by the Supreme Court of British Columbia on March 24, 2021 in accordance with Part 9 of the Business Corporations Act (British Columbia). As a result of the Arrangement, the Company issued 42,784 preferred shares to the former Poda Shareholders and Poda became a wholly owned subsidiary of the Company.

Schedule B
MD&A of the Company
(see attached)

PODA LIFESTYLE AND WELLNESS LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR YEAR ENDED FEBRUARY 28, 2021.

(All amounts expressed in CAD dollars, unless otherwise stated)

BACKGROUND

The following management discussion and analysis ("MD&A") of the results of operations and financial condition should be read in conjunction with the audited financial statements of PODA Lifestyle and Wellness Ltd. (the "Company" or "the Company") for the year ended February 28, 2021, and accompanying notes thereto ("the Financial Statements"). The Financial Statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and all amounts are presented in Canadian dollars unless noted otherwise. The MD&A was prepared on March 29, 2021.

CAUTIONARY NOTE REGARDING FORWARDING LOOKING STATEMENTS

This MD&A contains certain statements that may constitute "forward-looking statements". Forward-looking statements include but are not limited to, statements regarding future expansion, business goals, anticipated business developments and the timing thereof, regulatory compliance, sufficiency of working capital, business and financing plans, and other forward-looking statements including but not limited to information concerning intentions, plans and future actions of the Company.

In connection with the forward-looking information contained in this Management Discussion and Analysis, the Company has made assumptions about the Company's ability to acquire assets or businesses; and operate in the future without any regulation or law imposed which would prevent the Company from operating its business.

The forward-looking information in this MD&A reflects the current expectations, assumptions and/or beliefs of the Company based on information currently available to the Company. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions that any forward-looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward-looking statements as a result of various factors, including, but not limited to, the Company's ability to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies.

DESCRIPTION OF BUSINESS

PODA Lifestyle and Wellness Ltd. (the "Company" or "The Company") was incorporated in the Province of British Columbia on July 6, 2018, under the Business Corporations Act of British Columbia under the name Gamora Capital Corp. On March 11, 2021, the Company changed its name to PODA lifestyle and Wellness Ltd. The Company's head office is located at 666 Burrard St, Vancouver, BC V6C 2Z7.

The Company was formed for the primary purpose of completing a Public Listing ("Listing") on the Canadian Securities Exchange (the "Exchange"). The Company's primary business would be to identify, evaluate and acquire assets, properties or businesses for the Listing.

PODA LIFESTYLE AND WELLNESS LTD.**MANAGEMENT'S DISCUSSION AND ANALYSIS FOR YEAR ENDED FEBRUARY 28, 2021.**

(All amounts expressed in Canadian dollars, unless otherwise stated)

SELECTED QUARTERLY INFORMATION FOR MOST RECENT COMPLETED QUARTERS

	February 28, 2021	February 29, 2020	November 30, 2020	November 30, 2019
	\$	\$	\$	\$
Total revenue	-	-	-	-
Net loss	(24,555)	(608)	-	-
Basic and diluted loss per share	(0.00)	(608.00)	-	-

	August 31, 2020	August 31, 2019	May 31, 2020	May 31, 2019
	\$	\$	\$	\$
Total revenue	-	-	-	-
Net loss	-	-	-	-
Basic and diluted loss per share	-	-	-	-

LIQUIDITY AND CAPITAL RESOURCES

The Company has not commenced earning revenue and has limited history. The Company is reliant on external financing to take advantage of growth opportunities and its ability to continue as a going concern is dependent on the Company's ability to identify and acquire profitable assets, properties and businesses.

At February 28, 2021, the Company had working capital of \$700,885, compared to a deficit of \$2,732 as at February 29, 2020.

The Company used cash of \$1,374 in operating activities and generated \$863,626 from financing activities during the year ended February 28, 2021. The Company did not generate any cash through operating, investing or financing activities during the year ended February 29, 2020.

Convertible Debenture

On December 9, 2020, the Company issued an unsecured convertible debenture for gross proceeds of \$187,500. The convertible debenture bears interest at 1%, matures in 36 months, and is payable on demand after maturity. At any time prior to the maturity date of the convertible debenture, the holder has the option to convert any portion of the outstanding principal amount and accrued interest amount at a conversion rate of one common share of the Company for \$0.025 of the principal amount plus accrued interest amount remaining due. The holders were issued an aggregate of 7,500,000 common share purchase warrants with an exercise price of \$0.10 for every common share issued expiring three years from date of issuance.

Using a risk adjusted discount rate of 18%, the present value of the liability component was determined to be \$118,086 and the remaining \$69,414 and was recognized as the equity portion of convertible debenture on the Statement of Financial Position. Upon recognition of the equity portion of convertible debenture, a deferred income tax liability of \$18,742 was recorded against equity, representing the difference between the tax and carrying values of the convertible debenture, thereby reducing the equity portion of the convertible debenture to \$50,672. During the year ended February

PODA LIFESTYLE AND WELLNESS LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR YEAR ENDED FEBRUARY 28, 2021.

(All amounts expressed in Canadian dollars, unless otherwise stated)

28, 2021, the Company recorded accretion expense and interest expense of \$4,118 and \$416, respectively, in the Statement of Comprehensive Loss.

OUTSTANDING SHARE DATA

Common shares

The Company's authorized capital consists of an unlimited number of common shares without par value. As at February 28, 2021 there were 26,500,000 issued and outstanding common shares (2020-1).

On December 9, 2020, the Company issued 19,500,000 common shares for proceeds of \$487,500. Pursuant to the private placement, the Company has received \$477,500 and the remaining proceeds were outstanding. The holders were issued an aggregate of 19,500,000 common share purchase warrants with an exercise price of \$0.10 for every common share issued expiring three years from date of issuance.

On December 14, 2020, the Company issued 7,000,000 common shares for proceeds of \$350,000. Pursuant to the private placement, the Company has received \$200,000 and the remaining proceeds were outstanding. There were no share capital transactions during the year ended February 29, 2020 and the period ended February 28, 2019.

Warrants

During the year ended February 28, 2021, the Company issued an aggregate of 27,000,000 warrants pursuant to a unit private placement and convertible debenture issued on December 9, 2020. Each warrant is exercisable into one common share of the Company at \$0.10 per common share for a period of three years from the date of issuance.

There were no warrant transactions during the year ended February 29, 2020 and the period ended February 28, 2019. As at February 28, 2021, 27,000,000 warrants are outstanding with a weighted average exercise price of \$0.10 and a weighted average remaining contractual life of 2.78 years.

RESULTS OF OPERATIONS

Operating revenues for the year ended February 28, 2021, totaled \$nil.

Operating expenses for the year ended February 28, 2021, totaled \$24,555 and consisted of general and administrative expenses net of a deferred income tax recovery.

The Company's operations are in their infancy and no comparative or trend discussion is relevant.

PODA LIFESTYLE AND WELLNESS LTD.**MANAGEMENT'S DISCUSSION AND ANALYSIS FOR YEAR ENDED FEBRUARY 28, 2021.**

(All amounts expressed in Canadian dollars, unless otherwise stated)

SELECTED ANNUAL INFORMATION FOR MOST RECENT COMPLETED YEARS

	February 28, 2021	February 29, 2020
	\$	\$
Total revenue	\$nil	\$nil
Net loss	(\$24,555)	(\$608)
Basic and diluted loss per share	(\$0.00)	(\$608.00)

Total assets of the company totaled \$863,626 as at February 28, 2021 and \$nil as at February 29, 2020.

RELATED PARTY TRANSACTIONS

There were no related party transactions noted.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Company has prepared the accompanying audited annual financial statements using accounting policies consistent with IFRS. Significant accounting policies are described in Note 2 of the Company's annual financial statements.

FINANCIAL INSTRUMENTS

Financial instruments are described in Note 7 of the Financial Statements.

OFF-BALANCE SHEET TRANSACTIONS

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

SUBSEQUENT EVENTS*Private Placement*

On March 10, 2021, the Company issued 150,000 special warrants for total gross proceeds of \$7,500.

Plan of Arrangement

On February 8, 2021, the Company and Poda Technologies Ltd. ("Poda") entered into a Plan of Arrangement Agreement (the "Arrangement" or the "Arrangement Agreement"). Completion of the Arrangement as set forth in the Arrangement Agreement was approved by the shareholders of Poda on March 19, 2021, and a final order granted by the Supreme Court of British Columbia on March 24, 2021 in accordance with Part 9 of the Business Corporations Act (British Columbia). As a result of the Arrangement, the Company issued 42,784 preferred shares to the former Poda Shareholders and Poda became a wholly owned subsidiary of the Company.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The information provided in this report is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management

PODA LIFESTYLE AND WELLNESS LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR YEAR ENDED FEBRUARY 28, 2021.

(All amounts expressed in Canadian dollars, unless otherwise stated)

believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements.

Schedule C
Financial Statements of PODA
(see attached)

PODA TECHNOLOGIES LTD.

Interim Consolidated Financial Statements

For the nine months ended October 31, 2020 and 2019

(Expressed in Canadian Dollars)

(Unaudited)

PODA TECHNOLOGIES LTD.**CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION****(Expressed in Canadian Dollars)**

	October 31, 2020 (unaudited)	January 31, 2020 (audited)
	\$	\$
ASSETS		
Current		
Cash	18,052	32,800
GST and taxes recoverable	8,476	11,091
Prepaid expenses and deposits	-	7,878
	26,528	51,769
Deposit (Note 6)	94,500	94,500
Intangible assets (Note 5)	3,378,087	3,120,176
	3,499,115	3,266,445
LIABILITIES		
Current		
Accounts payable (Note 7)	425,644	229,749
Customer advances	91,975	-
Deferred revenue	-	7,765
Amounts payable (Note 7)	2,086,106	2,086,106
	2,603,725	2,323,620
Non-current		
Convertible note (Note 11)	550,962	369,320
Loan payable	40,000	-
	3,194,687	2,692,940
EQUITY		
Share capital (Note 9)	630,160	630,160
Contributed surplus	1,186,748	1,175,348
Equity portion of convertible note (Note 11)	40,484	35,385
Deficit	(1,552,964)	(1,267,388)
	304,428	573,505
	3,499,115	3,266,445

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)
COMMITMENT (Note 13)

Approved and authorized for issuance on behalf of the Board on December 28, 2020:

/s/ Ryan Selby Director

/s/ Patrick Gray Director

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

PODA TECHNOLOGIES LTD.**CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS****(Expressed in Canadian Dollars)**

	Three Months Ended October 31, 2020	Three Months Ended October 31, 2019	Nine Months Ended October 31, 2020	Nine Months Ended October 31, 2019
	\$	\$	\$	\$
REVENUE	-	-	-	-
EXPENSES				
Advertising and promotion	-	-	-	21,705
Management fees (Note 7)	37,800	30,485	113,400	199,655
Office and miscellaneous	8,203	9,549	29,880	31,453
Professional fees	18,513	38,188	78,922	147,637
Interest expense	16,636	-	50,324	-
Share-based compensation (Note 9)	8,837	-	11,400	350,049
Travel and entertainment	-	12,070	1,650	19,550
Net and comprehensive loss for the period	(89,989)	(90,292)	(285,576)	(770,049)
Loss per share (basic and diluted)	(0.00)	(0.00)	(0.01)	(0.02)
Weighted average number of common shares outstanding	42,783,920	42,783,920	42,783,920	40,620,184

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

PODA TECHNOLOGIES LTD.**CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY****(Expressed in Canadian Dollars)**

	<u>Common Shares</u>		Contributed Surplus	Equity Portion of Convertible Note	Deficit	Total
	Number	Amount				
		\$	\$	\$	\$	\$
Balance as at January 31, 2019	24,883,920	160	782,080	-	(371,757)	410,483
Acquisition of California Distribution Co (Note 8)	17,900,000	630,000	-	-	-	630,000
Share-based compensation	-	-	350,049	-	-	350,049
Comprehensive loss	-	-	-	-	(770,049)	(770,049)
Balance as at October 31, 2019	42,783,920	630,160	1,132,129	-	(1,141,806)	620,483
Balance as at January 31, 2020	42,783,920	630,160	1,175,348	35,385	(1,267,388)	573,505
Share-based compensation	-	-	11,400	-	-	11,400
Convertible note (Note 11)	-	-	-	5,099	-	5,099
Comprehensive loss	-	-	-	-	(285,576)	(285,576)
Balance as at October 31, 2020	42,783,920	630,160	1,186,748	40,484	(1,552,964)	304,428

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

PODA TECHNOLOGIES LTD.**CONSOLIDATED INTERIM STATEMENTS OF CASH FLOW****(Expressed in Canadian Dollars)**

	Nine Months Ended Oct. 31, 2020	Nine Months Ended Oct. 31, 2019
	\$	\$
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net loss for the period	(285,576)	(770,049)
Items not affecting cash		
Accretion	28,741	-
Share-based compensation	11,400	350,049
Changes in non-cash working capital balances:		
GST and taxes recoverable	2,615	6,444
Prepaid expenses and deposits	7,878	52,364
Deferred revenue	(7,765)	7,833
Customer advances	91,975	-
Accounts payable	195,895	48,156
Cash provided (used) in operating activities	45,163	(305,203)
INVESTING ACTIVITIES		
Intangible assets	(257,911)	(527,696)
Cash used in investing activities	(257,911)	(527,696)
FINANCING ACTIVITY		
Cash acquired on asset acquisition (Note 8)	-	630,000
Proceeds from convertible note	198,000	401,184
Cash provided by financing activities	198,000	1,031,184
CHANGE IN CASH DURING THE PERIOD	(14,748)	198,285
CASH, BEGINNING OF PERIOD	32,800	183,001
CASH, END OF PERIOD	18,052	381,286
SUPPLEMENTAL CASH DISCLOSURES		
Interest paid	\$ 21,777	\$ -
Income taxes paid	\$ -	\$ -

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

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED OCTOBER 31, 2020 and 2019

(Expressed in Canadian Dollars)

1. NATURE OPERATIONS AND GOING CONCERN

Poda Technologies Ltd. (formerly Edison Vape Co. Ltd.) (the “Company”) was incorporated under the Business Corporations Act of British Columbia on January 26, 2015. The Company’s principal business activity is the design, development and production of a new and improved heat-not-burn technology for the consumption of tobacco and other materials.

The head office is located at Unit 101, 334 East Kent Ave South, Vancouver, BC, V5X 4N6, and the registered and records office is located at 10th floor, 595 Howe Street, Vancouver, British Columbia, Canada, V6C 2T5.

These consolidated interim financial statements have been prepared on a going concern basis, which assumes that the Company will continue its operations for a reasonable period of time. The Company has incurred losses since its inception and had an accumulated deficit of \$1,552,964 as at October 31, 2020 which has been funded primarily by advances from related parties. There is a material uncertainty related to these conditions that casts significant doubt about the Company’s ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company’s ability to continue as a going concern depends upon its ability to raise adequate financing and to generate profitable operations in the future. The Company has been successful in the past in raising funds for operations by receiving advances from related parties. The Company anticipates commencing production of its heat-not-burn devices and pods using the funds on hand and available from financing in fiscal 2020.

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. At this point, the impact on the Company has been minimal. The Company continues to monitor the situation and is taking all necessary precautions in order to follow rules and best practices as set out by the federal and provincial governments.

2. BASIS OF PREPARATION

a) Statement of compliance

These consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. In preparation of these consolidated interim financial statements, the Company has consistently applied the same accounting policies disclosed in the Company’s audited annual financial statements for the year ended January 31, 2020, with the exception of the new accounting standards adopted in the current year, as described below. These consolidated interim financial statements were authorized for issue by the Board of Directors on December 28, 2020.

b) Basis of measurement

These consolidated interim financial statements have been prepared on a historical cost basis except for certain non-current assets and financial instruments, which are measured at fair value, as disclosed in Note 3. The functional and presentation currency of the Company is the Canadian dollar.

The preparation of these consolidated interim financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company’s accounting policies. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED OCTOBER 31, 2020 and 2019

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES

a) Significant accounting estimates and judgements

The preparation of these financial consolidated interim statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated interim financial statement and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated interim financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting estimates

- i. the measurement of deferred income tax assets and liabilities; and
- ii. inputs used in impairment calculations;

Significant accounting judgment

- i. the evaluation of the Company's ability to continue as a going concern;
- ii. the evaluation on whether or not an acquisition of a business is considered a business combination or an asset acquisition;
- iii. assessment of indications of impairment; and
- iv. the determination of categories of financial assets and financial liabilities

b) Income taxes

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**FOR THE NINE MONTHS ENDED OCTOBER 31, 2020 and 2019****(Expressed in Canadian Dollars)**

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Financial instruments

The classification and measurement of financial assets is based on the Company's business models for managing its financial assets and whether the contractual cash flows represent solely payments of principal and interest ("SPPI"). Financial assets are initially measured at fair value plus, in the case of financial assets not at fair value through profit and loss ("FVTPL") transaction costs.

Financial assets are subsequently measured at either:

- i. amortized cost;
- ii. fair value through other comprehensive income ("FVTOCI"); or
- iii. at fair value through profit or loss ("FVTPL").

Financial liabilities are generally classified and measured at fair value at initial recognition and subsequently measured at amortized cost.

The following table summarizes the classification of the Company's financial instruments under IFRS 9:

	IFRS 9 Classification
Financial assets	
Cash	FVTPL
Financial liabilities	
Accounts payable	Amortized cost
Deferred revenue	Amortized cost
Amounts payable	Amortized cost
Convertible note	Amortized cost
Loans payable	Amortized cost
Customer advances	Amortized cost

IFRS 9 uses an expected credit loss impairment model. The impairment model is applicable to financial assets measured at amortized cost where any expected future credit losses are provided for, irrespective of whether a loss event has occurred as at the reporting date.

d) Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and common share warrants are recognized as a deduction from equity. Common shares issued for non-monetary consideration are measured based on their market value at the date the common shares are issued.

The Company has adopted the relative fair value method with respect to the measurement of common shares and warrants issued as equity units. The relative fair value method requires an allocation of the net proceeds received based on the pro rata relative fair value of the components. If and when the warrants are ultimately exercised, the applicable amounts are transferred from reserve for warrants to share capital.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED OCTOBER 31, 2020 and 2019

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Earnings (loss) per share

The Company presents basic and diluted earnings (loss) per share data for its common shares, calculated by dividing the earnings (loss) attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings per share is determined by adjusting the earnings attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive. Basic and diluted loss per share is the same for the periods presented.

f) Impairment of long-lived assets

Long-lived assets, including intangible assets are reviewed for impairment at each statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds its recoverable amount. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash-generating unit, or "CGU"). The recoverable amount of an asset or a CGU is the higher of its fair value, less costs to sell, and its value in use. If the carrying amount of an asset exceeds its recoverable amount, an impairment charge is recognized immediately in profit or loss by the amount by which the carrying amount of the asset exceeds the recoverable amount. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the lesser of the revised estimate of recoverable amount, and the carrying amount that would have been recorded had no impairment loss been recognized previously.

g) Intangible assets

Intangible assets consist mainly of trademarks, pending patents and prototype development costs, including certain intellectual property. Acquired trademarks, patents and development costs are carried at cost less accumulated amortization and impairment. Intangible assets with indefinite lives are not amortized but are tested annually for impairment. Any impairment of intangible assets is recognized in the statement of operation and comprehensive loss but increases in intangible asset values are not recognized.

Estimated useful lives of intangible assets are shorter of the economic life and the period the right is legally enforceable. The assets' useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

h) Research and development

Research costs are expensed as incurred. Development expenditures are capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development to use or sell the asset. Other development expenditures are recognized in profit or loss as incurred.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED OCTOBER 31, 2020 and 2019

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Share-based payments

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payments reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payments reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve.

Share-based compensation expense relating to deferred share units is accrued over the vesting period of the units based on the quoted market price. As these awards can be settled in cash, the expense and liability are adjusted each reporting period for changes in the underlying share price.

j) Business acquisitions

The Company assesses whether an acquisition should be accounted for as an asset acquisition or a business combination under IFRS 3 Business Combinations. This assessment requires management to make judgments on whether the assets acquired and liabilities assumed constitute a business as defined in IFRS 3 and if the integrated set of activities, including inputs and processes acquired, is capable of being conducted and managed as a business and the Company obtains control of the business inputs and processes.

k) Convertible debt

Convertible debentures, where applicable, are separated into their liability and equity components using the effective interest method. The fair value of the liability component at the time of the issue is determined based on an estimated interest rate of the debentures without the conversion feature. The fair value of the equity component is determined as the difference between the face value and the fair value of the liability component.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**FOR THE NINE MONTHS ENDED OCTOBER 31, 2020 and 2019****(Expressed in Canadian Dollars)**

4. ADOPTION OF NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS

The Company adopted the following new standards effective February 1, 2019:

IFRS 16 – Leases

IFRS 16 replaces IAS 17, “Leases” and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is not substantially changed. The standard is effective for periods beginning on or after January 1, 2019, with early adoption permitted for entities that have adopted IFRS 15, “Revenue from Contracts with Customers”. The adoption of IFRS 16 did not have a material impact on the Company’s consolidated interim financial statements.

IFRIC 23 – Uncertainty over Income Tax Treatments

IFRIC 23 provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation is applicable for annual periods beginning on or after January 1, 2019. Earlier application is permitted. The Interpretation requires: (a) an entity to contemplate whether uncertain tax treatments should be considered separately, or together as a group, based on which approach provides better predictions of the resolution; (b) an entity to determine if it is probable that the tax authorities will accept the uncertain tax treatment; and (c) if it is not probable that the uncertain tax treatment will be accepted, measure the tax uncertainty based on the most likely amount or expected value, depending on whichever method better predicts the resolution of the uncertainty. The adoption of IFRIC 23 did not have a material effect on the Company’s consolidated interim financial statements.

The Company has performed an assessment of new standards issued by the IASB that are not yet effective. The Company has assessed that the impact of adopting these accounting standards on its financial statements would not be significant.

5. INTANGIBLE ASSETS

	Development Costs	Patent and Trademarks	License	Total
	\$	\$	\$	\$
Balance, January 31, 2019	2,337,407	86,891	-	2,424,298
Additions	554,053	59,692	228,716	842,461
Assets exchanged	-	(146,583)	-	(146,583)
Balance, January 31, 2020	2,891,460	-	228,716	3,120,176
Additions	171,303	-	86,608	257,911
Balance, October 31, 2020	3,062,763	-	315,324	3,378,087

As at October 31, 2020, the intangible assets relate to the Company’s vaporizer prototype and a license agreement for the vaporizer technology, which were both not available for use. Accordingly, no amortization has been recorded.

PODA TECHNOLOGIES LTD.**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS****FOR THE NINE MONTHS ENDED OCTOBER 31, 2020 and 2019****(Expressed in Canadian Dollars)**

6. DEPOSIT

The balance as of October 31, 2020 consists of an amount paid per the terms of a non-binding letter of intent to form a Joint Venture for the purpose of developing, constructing, operating, maintaining, and managing a facility which will manufacture and distribute PODA's patented heat-not-burn pods exclusively for the Company.

7. RELATED PARTY BALANCES AND TRANSACTIONS

All related party transactions have occurred in the normal course of operations. Related party transactions occur and are recorded at the amounts agreed between the parties.

As at October 31, 2020, the Company has amounts payable to Invictus MD Strategies Corp. ("Invictus") of \$2,086,106 (2019 - \$2,086,106). On November 8, 2018, Invictus and the Company completed a plan of arrangement to give effect to the spinout transaction (the "Arrangement"). Refer to Note 9. The amounts payable are unsecured, non-interest bearing, and have no fixed terms of repayment.

On April 12, 2019, the Company acquired the rights to additional vaporizer-related intellectual property from the original founders of the Company (the "Inventors") on the terms and conditions set forth in an amended and restated royalties' agreement (the "Amended Agreement"). The Inventors and Poda previously entered into a royalties agreement dated April 19, 2015 (the "Original Agreement"), pursuant to which Poda agreed to pay royalties to the Inventors in the amount of 3% of the Company's gross revenues in relation to the commercialization of certain inventions (the "Original Inventions"). Since that time, the Inventors have developed certain additional vaporizer-related inventions (the "New Inventions") and in accordance with the terms and conditions of the Amended Agreement, the Company is granted a royalty-bearing exclusive license to commercialize, use, and sublicense the Original Inventions and the New Inventions as described in Note 5. In exchange for the additional rights granted to the Company under the Amended Agreement, the Company has assigned the ownership of certain patents back to the Inventors and the royalty payable by the Company has been increased from 3% to 4.5%. The fair value of the patents assigned back to the Inventors was \$146,583.

Key management compensation

Key management is comprised of the Company's directors and executive officers. The Company incurred the following key management compensation during the periods ended October 31, 2020 and 2019:

	2020	2019
	\$	\$
Consulting fees (capitalized to intangible assets)	138,600	147,600
Consulting and management fees	68,400	87,155
Share-based compensation	11,400	350,049
	218,400	584,804

During the period ended October 31, 2020, accounts payable includes \$285,776 (2019 - \$108,400) due to the directors of the Company.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED OCTOBER 31, 2020 and 2019

(Expressed in Canadian Dollars)

8. ACQUISITIONS

On March 5, 2019, the Company completed the acquisition of 100% of the outstanding shares of California Distribution Company Ltd. ("CDC"), a British Columbia incorporated company, by issuing 17,900,000 common shares of the Company. The acquisition of CDC provided the Company with working capital and access to an existing California distribution network that is expected to be utilized for future sales of the Company's products. The Company has determined that this transaction is an asset acquisition as the assets acquired did not constitute a business. In exchange for the common shares issued, the Company received \$630,000 in cash.

9. SHARE CAPITAL

Authorized Share Capital

The Company has an unlimited number of common shares without par value authorized for issuance.

Share Transactions

As described in Note 8, the Company issued 17,900,000 common shares valued at \$630,000 for the assets of California Distribution Company Ltd.

On November 8, 2018, Invictus MD Strategies Corp. ("Invictus") and the Company completed a plan of arrangement to give effect to a spinout transaction (the "Arrangement"). The arrangement agreement between Invictus and the Company dated September 10, 2018, sets out the terms of the Arrangement. Each Invictus shareholder received one post-Arrangement Invictus common share ("Invictus Share") and one Poda Class A common share ("Poda Share"). In addition, stock options outstanding will be exchanged for new Invictus Stock Options and Poda Stock Options with similar terms. The holders of outstanding Invictus warrants ("Warrants"), upon exercise of each such Warrant, will receive one Invictus common share and one Poda Share. The Warrants exercise price will be allocated as follows:

1% to the Poda Shares; and
99% to the Invictus Shares.

The Company has recorded the transaction based on a continuity of interest and adjusted the intangible asset balance as of January 31, 2017 to reflect Invictus's carrying value. The corresponding adjustment was made to contributed surplus.

On January 31, 2019, the Company completed a consolidation of its issued and outstanding common shares on the basis of one new common share for every 4.508 old common shares. All references to the number of shares and per share amounts have been retroactively restated to reflect the share consolidation.

Stock option plan

The Company has adopted a rolling incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the applicable stock exchange's requirements, grant to Directors, officers, employees or consultants to the Company, non-transferable options to purchase common shares. Pursuant to the Option Plan, the number of common shares reserved for issuance will not exceed 15% of the issued and outstanding common shares of the Company. Options granted under the Option Plan can have a maximum exercise term of 10 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

For the period ended October 31, 2020, there were no share capital transactions.

PODA TECHNOLOGIES LTD.**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS****FOR THE NINE MONTHS ENDED OCTOBER 31, 2020 and 2019****(Expressed in Canadian Dollars)**

9. SHARE CAPITAL (continued)

On March 15, 2019, the Company granted a total of 2,943,190 incentive stock options to certain officers, directors and other eligible persons of the Company. The options are exercisable, subject to vesting provisions, over a period of five years at a price of \$0.16 per share.

On October 31, 2020, the Company granted a total of 150,000 incentive stock options to certain officers, and other eligible persons of the Company. The options are exercisable, vesting on November 1, 2020, over a period of five years at a price of \$0.16 per share.

For the period ended October 31, 2020, the Company recognized share-based compensation of \$11,400 (2019: \$350,049).

The Company uses the Black-Scholes option pricing model to estimate the fair value for all share-based compensation. The weighted average assumptions used in this pricing model, and the resulting weighted average fair values per option, for the options granted during the periods ended October 31, 2020 and 2019, respectively, are as follows:

	2020	2019
(i) Risk-free interest rate	1.60%	1.60%
(ii) Expected life	5 years	5 years
(iii) Expected volatility	125%	125%
(iv) Expected dividend yield	0%	0%
(iv) Expected forfeiture rate	0%	0%
(vi) Fair value per option	\$0.12	\$0.13

Movements in the number of stock options outstanding and their related weighted average exercise prices are as follows:

	Number of options	Weighted average exercise price \$
Outstanding, January 31, 2019	3,258,762	0.10
Granted	2,943,190	0.12
Expired	(1,373,225)	(0.03)
Outstanding, January 31, 2020	4,828,727	0.14
Granted	150,000	0.16
Expired	(66,548)	(0.0)
Outstanding, October 31, 2020	4,912,178	0.14

PODA TECHNOLOGIES LTD.**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS****FOR THE NINE MONTHS ENDED OCTOBER 31, 2020 and 2019****(Expressed in Canadian Dollars)**

9. SHARE CAPITAL (continued)

The following summarizes information about the stock options outstanding and exercisable as at October 31, 2020:

Number of options	Outstanding		Number of options	Exercisable	
	Weighted average remaining contractual life (years)	Weighted average exercise price \$		Weighted average remaining contractual life (years)	Weighted average exercise price \$
33,274	1.0	0.05	33,274	1.0	0.05
88,731	1.1	0.05	88,731	1.1	0.05
110,914	1.3	0.09	110,914	1.3	0.09
112,023	1.3	0.09	112,023	1.3	0.09
221,828	1.3	0.09	221,828	1.3	0.09
88,731	1.6	0.05	88,731	1.6	0.05
133,097	2.0	0.05	133,097	2.0	0.05
93,168	2.2	0.09	93,168	2.2	0.09
105,368	2.6	0.09	105,368	2.6	0.09
831,854	1.2	0.16	831,854	1.2	0.16
2,943,190	3.4	0.16	2,943,190	3.4	0.16
150,000	5.0	0.16	-	5.0	0.16
4,912,178		1.10	4,762,178		0.95

PODA TECHNOLOGIES LTD.**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS****FOR THE NINE MONTHS ENDED OCTOBER 31, 2020 and 2019****(Expressed in Canadian Dollars)**

9. SHARE CAPITAL (continued)**Warrants**

Movements in the number of warrants outstanding and their related weighted average exercise prices are as follows:

	Number of warrants	Weighted average exercise price \$
Outstanding, January 31, 2020	1,275,510	0.11
Exercised	-	-
Expired	(1,275,510)	(0.11)
Outstanding, October 31, 2020	-	-

The Warrants noted above are as a result of the Arrangement described above and are those of Invictus but will result in the Company issuing common shares upon exercise. These warrants expired on October 19, 2020.

10. FINANCIAL INSTRUMENTS AND RISKS**Fair values**

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's statement of financial position as at October 31, 2020, as follows:

	Carrying value	October 31, 2020		
		Level 1	Level 2	Level 3
	\$	\$	\$	\$
Cash	18,052	18,052	-	-

	Carrying value	January 31, 2020		
		Level 1	Level 2	Level 3
	\$	\$	\$	\$
Cash	32,800	32,800	-	-

The fair values of other financial instruments, which include accounts payable, deferred revenue and amounts payable, approximate their carrying values due to the relatively short-term maturity of these instruments.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED OCTOBER 31, 2020 and 2019

(Expressed in Canadian Dollars)

10. FINANCIAL INSTRUMENTS AND RISKS (continued)

Credit risk

Credit risk arises from cash held with banks and financial institutions, as well as credit exposure on any outstanding accounts receivable. The carrying amount of financial assets represents the maximum credit exposure.

Currency risk

Currency risk is the risk that changes in foreign exchange rates will affect the Company's income or the value of its holdings of financial instruments. The Company has minimal financial assets and liabilities held in foreign currencies.

Interest rate risk

Interest rate risk consists of two components:

- (i) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.
- (ii) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

Current financial assets and financial liabilities are generally not exposed to interest rate risk because of their short-term nature and maturity. The Company's amounts due to related parties are non-interest bearing.

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 currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

11. CONVERTIBLE NOTE

On October 23, 2019, the Company issued convertible debenture for gross proceeds of up to \$550,000. The debenture bears interest at 12% and is secured against the personal property of the Company. In the event that the Company earns a profit during any fiscal quarter, the debenture holders shall have the option to require the Company to prepay a portion of the principal amount and accrued interest amount and in an amount equal to up to 20% of the amount of profit for such quarter. At any time prior to the maturity date of the convertible debenture, the debenture holders have the option to convert any portion of the outstanding principal amount and accrued interest amount at the lower conversion rate of: i) 1 common share of the Company for \$0.05 of the principal amount plus accrued interest amount remaining due or ii) 20% discount to the price per share for the most recent financing. On the maturity date, the balance of the principal amount shall automatically be converted into shares of the Company at the lower conversion rate of i) 1 common share of the Company for \$0.05 of the principal amount remaining due or ii) 20% discount to the most recent financing prior to the maturity date. The debenture matures thirty-six (36) months from the date of closing of the financing on October 23, 2019 and is payable on demand after maturity. Using a risk adjusted discount rate of 18%, the equity portion was determined to be \$40,484 and was recognized as the equity portion of convertible debenture on the Consolidated Interim Statements of Financial Position. Accretion expense of \$28,741 was expensed to the Consolidated Interim Statements of Comprehensive Loss during the period ended October 31, 2020. As at October 31, 2020, the Company had received \$550,000.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED OCTOBER 31, 2020 and 2019

(Expressed in Canadian Dollars)

12. CAPITAL MANAGEMENT

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of all components of shareholders' equity.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issuances or by undertaking other activities, as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended January 31, 2020.

13. COMMITMENT

On December 16, 2019, the Company entered into a non-binding letter of intent ("LOI") to form a joint venture company in China for the purpose of developing, constructing, operating, maintaining, and managing a facility which will manufacture and distribute capsules exclusively for the Company. Pursuant to the LOI, the Company has committed to certain contributions to form the joint venture. As at October 31, 2020, the Company has advanced \$94,500 as described in Note 6.

Schedule D
MD&A of PODA
(see attached)

PODA TECHNOLOGIES LTD.

For the period ended October 31, 2020

Management's Discussion and Analysis

INTRODUCTION

The following is management's discussion and analysis ("MD&A") of the results of operations and financial condition of Poda Technologies Ltd. (formerly Edison Vape Co. Ltd.) ("Poda" or the "Company") and should be read in conjunction with the accompanying condensed interim financial statements for the nine months ended October 31, 2020 and the audited financial statements for the year ended January 31, 2020, and related notes therein.

All financial information in this MD&A for the nine months ended October 31, 2020 has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting.

The effective date of this MD&A is December 28, 2020.

MANAGEMENT'S RESPONSIBILITY

The Company's certifying officers, based on their knowledge, having exercised reasonable diligence, are responsible to ensure that this MD&A and related filings do not contain any untrue statements of material fact, or omit to state a material fact required to be stated, or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by this MD&A and related filings. The Board of Directors' approved the MD&A, together with the condensed interim financial statements for the nine months ended October 31, 2020 and ensure that management has discharged its financial responsibilities.

FORWARD-LOOKING INFORMATION AND CAUTIONARY RISKS NOTICE

Certain statements contained in the following MD&A constitute forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements are frequently, but not always, identified by words such as "plans", "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. The forward-looking statements may include statements regarding work programs, capital expenditures, timelines, strategic plans, market price of commodities or other statements that are not statement of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors.

For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from the Company's expectations include: uncertainties involved in disputes and litigation; fluctuations in commodity prices and currency exchange rates; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and economic return; the need for cooperation of government agencies; the need to obtain additional financing and uncertainty as to the availability and terms of future financing; uncertainty related to the completion of a transaction or amalgamation.

It is the Company's policy that all forward-looking statements are based on the Company's beliefs and assumptions which are based on information available at the time these assumptions are made. The forward-looking statements contained herein are as of December 28, 2020, and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws.

Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate. Forward-looking information or statements in this MD&A include, but are not limited to, information or statements concerning our expectations regarding the ability to raise additional funds and complete a transaction or amalgamation.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous

PODA TECHNOLOGIES LTD.

For the period ended October 31, 2020

Management's Discussion and Analysis

risks, uncertainties and factors including: the possibility that opportunities will arise that require more cash than the Company has or can reasonably obtain; dependence on key personnel; dependence on corporate collaborations; potential delays; uncertainties related to early stage of technology and product development; uncertainties as to fluctuation of the stock market; uncertainties as to future expense levels and the possibility of unanticipated costs or expenses or cost overruns; and other risks and uncertainties which may not be described herein. The Company has no policy for updating forward-looking information beyond the procedures required under applicable securities laws.

COMPANY OVERVIEW

The Company was incorporated under the Business Corporations Act of British Columbia on January 26, 2015. The Company's principal business activity is the design, development and production of a new and improved heat-not-burn technology for the consumption of tobacco and other materials.

The head office is located at Unit 101, 334 East Kent Ave South, Vancouver, BC, V5X 4N6, and the registered and records office is located at 10th floor, 595 Howe Street, Vancouver, British Columbia, Canada, V6C 2T5.

Poda is a heat-not-burn system designed to provide consumers with a convenient and effective method for the consumption of tobacco and other substances. The Poda design involves two main components: the heating device and the consumable stick (or Pod). The heating device is designed to heat the contents of the Pods to the desired temperature in order to aerosolize substances contained within the Pod contents. The Pods are designed with an innovative and novel airflow path, which completely isolates the substance to be heated inside each Pod (and any aerosols produced) from the heating device. The Pods are designed to be low-cost and disposable (compostable options are available) and are primarily intended to be sold pre-filled. The intended use case for consumers is that they purchase a pack of Poda Pods (much like a pack of cigarettes) and then insert one of the Pods into the heating device, which then heats the substance in the Pod to the desired temperature and maintains that temperature for 5 minutes or until the aerosol-generating substance has been consumed by the user. The Pod can then be removed from the heating device and be disposed of. Due to the isolated airflow inside the Pod, the heating process can be repeated again and again without any deterioration of the heating device due to contamination from the substances and / or aerosols.

BUSINESS DEVELOPMENTS

On January 21, 2015, Invictus MD Strategies Corp. ("Invictus") entered into an Initial Agreement with the former owners of Poda to acquire 40% of the common shares of Poda.

On January 27, 2015, Invictus subscribed for 40% of the common shares of Poda, by way of subscribing for 40,000 shares at a price of \$0.001 per common share for a cash consideration of \$40 and, simultaneously, providing a shareholder's loan of \$40,000 (the "Transaction"). Pursuant to the Transaction, during a six-month Development Period, Invictus had the option to purchase the remaining 60% of the common shares of Poda (the "Remaining Poda Shares").

On October 31, 2015, Invictus entered into a Share Purchase Agreement with the former owners of Poda to purchase the remaining 60% of Poda and increase its total interest to 100%. As a result, it was determined that this constituted an asset acquisition and that the assets were measured at the fair value of the consideration given up.

On May 15, 2018, Invictus announced Poda's zero-cleaning system with disposable Pods. This new technology provides consumers with consistent performance and uses patented zero-cleaning technology. The Poda system can be paired with almost any aerosol-generating substance, including tobacco, e-liquids, herbs, concentrates, coffee and more. Other pod-based heat-not-burn systems currently on the market require cleaning and produce significant waste. Poda also offers biodegradable Pods.

Poda will launch a number of device models across a variety of price points. Some devices will have the ability to connect to users' smartphones via Bluetooth, providing granular control of temperature and other parameters. Poda smart devices can allow consumers to design their own temperature profiles and customize a wide range of other

PODA TECHNOLOGIES LTD.

For the period ended October 31, 2020

Management's Discussion and Analysis

operational parameters. Poda devices with smartphone-enabled technology are set to be released after the initial Poda devices (without smartphone connectivity) enter the market.

The Poda zero-cleaning technology has been granted a Canadian patent, and in addition to other filings, Patent Cooperation Treaty (PCT) national phase patent entries have been filed in over 60 additional countries, giving Poda the ability to protect its valuable IP on a global scale.

On August 21, 2018, Invictus announced the proposed spinout of its wholly owned subsidiary, Poda, by way of plan of arrangement (the "Arrangement"), in a bid to create a stand-alone entity to conduct business in the U.S. and internationally, outside of the TSXV.

On September 10, 2018, Invictus and Poda entered into an arrangement agreement (the "Arrangement Agreement") in respect of the Arrangement. The Arrangement was voted on and approved by the Invictus shareholders at its 2018 Annual General and Special Meeting of Shareholders, held on October 18, 2018

The Arrangement was completed with an effective date of November 8, 2018 (the "Effective Date"). On the Effective Date, shareholders of Invictus became entitled to receive for each pre-Arrangement common share of Invictus (an "Old Invictus Share") held:

- (a) one post-Arrangement common share of Invictus (a "New Invictus Share"); and
- (b) one Class A common share of Poda (a "Poda Share").

Holders of outstanding Invictus warrants ("Warrants") immediately prior to the Effective Date will receive, upon exercise of each such Warrant at the same original exercise price, one New Invictus Share in lieu of the one Old Invictus Share that was issuable upon exercise of such Warrant immediately prior to the Effective Date. These warrants expired on October 19, 2020.

As at October 31, 2019, Poda has completed a working prototype and has selected manufacturers for the industrial design and manufacture of both the heating device and Poda Pods. Financing opportunities and distribution partners are currently being sought.

On March 5, 2019, Poda completed the acquisition of California Distribution Company ("CDC") through the issuance of 17,900,000 common shares which provided the Company with approximately \$630,000 of short-term funding and access to an existing California distribution network that is expected to be utilized for future sales of Poda products.

On April 12, 2019, the Company acquired the rights to additional heat-not-burn-related intellectual property from the original founders of the Company (the "Inventors") on the terms and conditions set forth in an amended and restated royalties agreement (the "Amended Agreement"). The Inventors and Poda previously entered into a royalties agreement dated April 19, 2015 (the "Original Agreement"), pursuant to which Poda agreed to pay royalties to the Inventors in the amount of 3% of the Company's gross revenues in relation to the commercialization of certain inventions (the "Original Inventions"). Since that time, the Inventors have developed certain additional heat-not-burn-related inventions (the "New Inventions") and in accordance with the terms and conditions of the Amended Agreement, the Company is granted a royalty-bearing exclusive license to commercialize, use, and sublicense the Original Inventions and the New Inventions. In exchange for the additional rights granted to the Company under the Amended Agreement, the Company has assigned the ownership of certain patents back to the Inventors and the royalty payable by the Company has been increased from 3% to 4.5%.

As of January 31, 2020, Poda has been granted a Canadian utility patent for its primary technologies, and corresponding national phase applications have been filed in over 60 countries. Additionally, Poda has multiple provisional and international PCT patents pending for additional technologies related to its vaporization device and technological methods. Typically, a design patent lasts 14 years and a utility patent last 20 years. As the majority of the patent applications are still in process, no expected life has been designated to the Poda device and technology.

Poda is currently manufacturing both the Poda heating device and the Poda pods, and sales commenced in August 2020. The investment in Poda is intended to provide a revenue-generating business upon successful commercialization of the product, expected for fiscal 2021. To date, working prototypes have been completed,

PODA TECHNOLOGIES LTD.

For the period ended October 31, 2020

Management's Discussion and Analysis

manufacturers have been selected and manufacturing has commenced, a distribution partner has been secured in California, and additional financing opportunities and distribution partners are being sought.

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. The impact on the Company is not currently determinable but management continues to monitor the situation.

CASH PROVIDED (USED) IN OPERATING ACTIVITIES

For the nine months ended October 31, 2020, cash flows provided by operating activities amounted to \$45,163. Cash flows resulted from a net loss of \$285,576, changes in non-cash items of \$40,141 and changes in working capital balances of \$290,598. In the comparative period, cash flows used in operating activities amounted to \$305,203 mainly to pay for activities related to the development of the Company's technology and included a non-cash share-based compensation charge of \$350,049.

CASH USED IN INVESTING ACTIVITIES

For the nine months ended October 31, 2020, cash flows used in investing activities amounted to \$257,911. Cash in investing activities was used to pay for costs related to the development of the Company's technology. In the comparative period, the Company used \$527,696 for costs related to the Company's technology.

CASH PROVIDED BY FINANCING ACTIVITIES

For the nine months ended October 31, 2020, cash flows provided by financing activities amounted to \$198,000. Cash received included the proceeds from a convertible debenture and a loan from the Canadian government. In the prior year, the Company was provided \$630,000 of funding from the acquisition of California Distribution Company and \$401,184 from the proceeds from a convertible debenture.

THIRD QUARTER RESULTS OF OPERATIONS

During the third quarter ended October 31, 2020, the Company recorded a net loss of \$89,989 as compared to a loss of \$90,292 in the third quarter ended October 31, 2019. The variance between the comparative periods is due to advertising, professional fees, and share-based compensation expense.

General and Administrative Expenses:

Management fees of \$113,400 were in relation to management expenses for services performed, including corporate development and strategic consulting services.

Professional fees of \$78,922 in relation to legal and sourcing fees indirectly related to the Company's current and future growth plans.

PODA TECHNOLOGIES LTD.

For the period ended October 31, 2020
Management's Discussion and Analysis

SELECTED QUARTERLY INFORMATION FOR MOST RECENT COMPLETED QUARTERS

	October 31, 2020	July 31, 2020	April 30, 2020	January 31, 2020
	\$	\$	\$	\$
Total revenue	-	-	-	-
Net loss	(89,989)	(103,291)	(92,296)	(183,848)
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)	(0.02)

	October 31, 2019	July 31, 2019	April 30, 2019	January 31, 2019
	\$	\$	\$	\$
Total revenue	-	-	-	-
Net loss	(90,292)	(168,088)	(511,669)	(192,905)
Basic and diluted loss per share	(0.01)	(0.00)	(0.03)	(0.06)

RELATED PARTY TRANSACTIONS

All related party transactions have occurred in the normal course of operations. Related party transactions occur and are recorded at the amounts agreed between the parties.

As at October 31, 2020, the Company has amounts payable to Invictus MD Strategies Corp. ("Invictus") of \$2,086,106 (2019 - \$2,086,106). On November 8, 2018, Invictus and the Company completed a plan of arrangement to give effect to the spinout transaction (the "Arrangement"). The amounts payable are unsecured, non-interest bearing, and have no fixed terms of repayment.

On April 12, 2019, the Company acquired the rights to additional vaporizer-related intellectual property from the original founders of the Company (the "Inventors") on the terms and conditions set forth in an amended and restated royalties' agreement (the "Amended Agreement"). The Inventors and Poda previously entered into a royalties agreement dated April 19, 2015 (the "Original Agreement"), pursuant to which Poda agreed to pay royalties to the Inventors in the amount of 3% of the Company's gross revenues in relation to the commercialization of certain inventions (the "Original Inventions"). Since that time, the Inventors have developed certain additional vaporizer-related inventions (the "New Inventions") and in accordance with the terms and conditions of the Amended Agreement, the Company is granted a royalty-bearing exclusive license to commercialize, use, and sublicense the Original Inventions and the New Inventions as described in Note 5. In exchange for the additional rights granted to the Company under the Amended Agreement, the Company has assigned the ownership of certain patents back to the Inventors and the royalty payable by the Company has been increased from 3% to 4.5%. The fair value of the patents assigned back to the Inventors is \$146,583.

Key management compensation

Key management is comprised of the Company's directors and executive officers. The Company incurred the following key management compensation during the periods ended October 31, 2020 and 2019:

	2020	2019
	\$	\$
Consulting fees (capitalized to intangible assets)	138,600	147,600
Consulting and management fees	68,400	87,155
Share-based compensation	11,400	350,049
	218,400	584,804

During the period ended October 31, 2020, accounts payable includes \$285,759 (2019 - \$108,400) due to the directors of the Company.

PODA TECHNOLOGIES LTD.

For the period ended October 31, 2020
Management's Discussion and Analysis

OUTSTANDING SHARE DATA

The Company has an unlimited number of common shares without par value authorized for issuance.

As described above, the Company issued 17,900,000 common shares valued at \$630,000 for the assets of California Distribution Company Ltd.

On November 8, 2018, Invictus MD Strategies Corp. ("Invictus") and the Company completed a plan of arrangement to give effect to a spinout transaction (the "Arrangement"). The arrangement agreement between Invictus and the Company dated September 10, 2018, sets out the terms of the Arrangement. Each Invictus shareholder received one post-Arrangement Invictus common share ("Invictus Share") and one Poda Class A common share ("Poda Share"). In addition, stock options outstanding will be exchanged for new Invictus Stock Options and Poda Stock Options with similar terms. The holders of outstanding Invictus warrants ("Warrants"), upon exercise of each such Warrant, will receive one Invictus common share and one Poda Share. The Warrants exercise price will be allocated as follows:

1% to the Poda Shares; and
99% to the Invictus Shares.

The Company has recorded the transaction based on a continuity of interest and adjusted the intangible asset balance as of January 31, 2017 to reflect Invictus's carrying value. The corresponding adjustment was made to contributed surplus.

On January 31, 2019, the Company completed a consolidation of its issued and outstanding common shares on the basis of one new common share for every 4.508 old common shares. All references to the number of shares and per share amounts have been retroactively restated to reflect the share consolidation.

For the period ended October 31, 2020, the Company recognized share-based compensation of \$11,400 (2019: \$350,049).

As at December 28, 2020, the Company has 42,783,920 common shares issued and outstanding.

As at December 28, 2020, the Company has a total of 4,912,178 stock options and 0 warrants issued and outstanding.

FINANCIAL INSTRUMENTS AND RISKS

Fair values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's statement of financial position as at October 31, 2020, as follows:

	Carrying value \$	October 31, 2020		
		Level 1 \$	Level 2 \$	Level 3 \$
Cash	18,052	18,052	-	-

	Carrying value \$	January 31, 2020		
		Level 1 \$	Level 2 \$	Level 3 \$
Cash	32,800	32,800	-	-

PODA TECHNOLOGIES LTD.

For the period ended October 31, 2020

Management's Discussion and Analysis

The fair values of other financial instruments, which include accounts payable and due to related parties, approximate their carrying values due to the relatively short-term maturity of these instruments.

Credit risk

Credit risk arises from cash held with banks and financial institutions, as well as credit exposure on outstanding GST and taxes recoverable. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. GST and taxes recoverable consist of GST refunds due from the Government of Canada. The carrying amount of financial assets represents the maximum credit exposure.

Currency risk

Currency risk is the risk that changes in foreign exchange rates will affect the Company's income or the value of its holdings of financial instruments. The Company has minimal financial assets and liabilities held in foreign currencies.

Interest rate risk

Interest rate risk consists of two components:

- (i) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.
- (ii) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

Current financial assets and financial liabilities are generally not exposed to interest rate risk because of their short-term nature and maturity. The Company's amounts due to related parties are non-interest bearing.

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 currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

Capital management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of all components of shareholders equity.

The Company manages its capital structure and adjusts it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the period ended January 31, 2020.

OFF-BALANCE SHEET ARRANGEMENTS AND PROPOSED TRANSACTIONS

The Company has no off-balance sheet arrangements or proposed transactions.

PODA TECHNOLOGIES LTD.

For the period ended October 31, 2020
Management's Discussion and Analysis

SIGNIFICANT ACCOUNTING POLICIES

The Company follows the accounting policies described in Note 3 of the Company's audited financial statements for the year ended January 31, 2020, with the exception of the new accounting standards adopted in the current year, as described below.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the financial statements in accordance with IFRS requires the use of certain critical accounting estimates and judgments. It also requires management to exercise judgment in applying the Company's accounting policies. These judgments and estimates are based on management's best knowledge of the relevant facts and circumstances taking into account previous experience, but actual results may differ from amounts included in the financial statements. The critical accounting estimates and judgments used by the Company are described in Note 3 of the Company's audited financial statements for the year ended January 31, 2020.

New accounting standards adopted effective February 1, 2019

IFRS 16 – Leases

IFRS 16 replaces IAS 17, "Leases" and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is not substantially changed. The standard is effective for periods beginning on or after January 1, 2019, with early adoption permitted for entities that have adopted IFRS 15, "Revenue from Contracts with Customers".

The adoption of IFRS 16 did not have a material impact on the Company's consolidated financial statements.

IFRIC 23 – Uncertainty over Income Tax Treatments

IFRIC 23 provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation is applicable for annual periods beginning on or after January 1, 2019. Earlier application is permitted. The Interpretation requires: (a) an entity to contemplate whether uncertain tax treatments should be considered separately, or together as a group, based on which approach provides better predictions of the resolution; (b) an entity to determine if it is probable that the tax authorities will accept the uncertain tax treatment; and (c) if it is not probable that the uncertain tax treatment will be accepted, measure the tax uncertainty based on the most likely amount or expected value, depending on whichever method better predicts the resolution of the uncertainty.

The adoption of IFRIC 23 did not have a material effect on the Company's consolidated financial statements.

Other 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.

RISK FACTORS

This section discusses factors relating to the business of the Company that should be considered by both existing and potential investors. The information in this section is intended to serve as an overview and should not be considered comprehensive and the Company may face risks and uncertainties not discussed in this section, or not currently known to us, or that we deem to be immaterial. All risks to the Company's business have the potential to influence its operations in a materially adverse manner.

PODA TECHNOLOGIES LTD.

For the period ended October 31, 2020

Management's Discussion and Analysis

The Company's actual financial position and results of operations may differ materially from the expectations of the Company's management

The Company's actual financial position and results of operations may differ materially from management's expectations. The Company's revenue, net income and cash flow may differ materially from the Company's projected revenue, net income and cash flow. The process for estimating the Company's revenue, net income and cash flow requires the use of judgment in determining the appropriate assumptions and estimates. These estimates and assumptions may be revised as additional information becomes available and as additional analyses are performed. In addition, the assumptions used in planning may not prove to be accurate, and other factors may affect the Company's financial condition or results of operations.

The Company expects to incur significant ongoing costs and obligations related to its investment in infrastructure, growth, regulatory compliance and operations

The Company expects to incur significant ongoing costs and obligations related to its investment in infrastructure and growth and for regulatory compliance, which could have a material adverse impact on the Company's results of operations, financial condition and cash flows. In addition, future changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Company's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Company. Our efforts to grow our business may be costlier than we expect, and we may not be able to increase our revenue enough to offset our higher operating expenses. We may incur significant losses in the future for a number of reasons, including the other risks described in this MD&A, and unforeseen expenses, difficulties, complications and delays, and other unknown events.

The heat-not-burn industry and market are relatively new, and this industry and market may not continue to exist or grow as anticipated or the Company may be ultimately unable to succeed in this new industry and market

In addition to being subject to general business risks, the Company must continue to build brand awareness in this industry and market through significant investments in its strategy, its production capacity, quality assurance and compliance with regulations. In addition, there is no assurance that the industry and market will continue to exist and grow as currently estimated or anticipated or function and evolve in the manner consistent with management's expectations and assumptions. Any event or circumstance that adversely affects the heat-not-burn industry and market could have a material adverse effect on the Company's business, financial conditions and results of operations.

The Company may not be able to manage its growth

The Company may be subject to growth related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

The Company is subject to changes in laws, regulations and guidelines which could adversely affect the Company's future business, financial condition and results of operations

The Company's operations will be subject to various laws, regulations and guidelines relating to the manufacture, management, packaging/labelling, advertising, sale, transportation, storage and disposal of tobacco and other substance, but also including laws and regulations relating to drugs, controlled substances, health and safety, the conduct of operations and the protection of the environment. Changes to such laws, regulations and guidelines due to matters beyond the control of the Company may cause adverse effects to its operations. The Company endeavors to comply with all relevant laws, regulations and guidelines. To the best of the Company's knowledge, the Company

PODA TECHNOLOGIES LTD.

For the period ended October 31, 2020

Management's Discussion and Analysis

is in compliance or in the process of being assessed for compliance with all such laws, regulations and guidelines as described elsewhere in this MD&A.

The Company may not be able to develop its products, which could prevent it from ever becoming profitable

If the Company cannot successfully develop, manufacture and distribute its products, or if the Company experiences difficulties in the development process, such as capacity constraints, quality control problems or other disruptions, the Company may not be able to develop market-ready commercial products at acceptable costs, which would adversely affect the Company's ability to effectively enter the market. A failure by the Company to achieve a low-cost structure through economies of scale or improvements in manufacturing processes would have a material adverse effect on the Company's commercialization plans and the Company's business, prospects, results of operations and financial condition.

There is no assurance that the Company will turn a profit or generate immediate revenues

There is no assurance as to whether the Company will be profitable, earn revenues, or pay dividends. The Company has incurred and anticipates that it will continue to incur substantial expenses relating to the development and initial operations of its business. The payment and amount of any future dividends will depend upon, among other things, the Company's results of operations, cash flow, financial condition, and operating and capital requirements. There is no assurance that future dividends will be paid, and, if dividends are paid, there is no assurance with respect to the amount of any such dividends.

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 heat-not-burn industry could limit the ability of the Company to expand its operations. Current and new competitors may be better capitalized, have a longer operating history, have more expertise and be 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.

If the Company is unable to develop and market new products, it may not be able to keep pace with market developments

The heat-not-burn industry is in its early stages and it is likely that the Company and its competitors will seek to introduce new products in the future. In attempting to keep pace with any new market developments, the Company will need to expend significant amounts of capital in order to successfully develop and generate revenues from new products. The Company may not be successful in developing effective and safe new products, bringing such products to market in time to be effectively commercialized, or obtaining any required regulatory approvals, which together with capital expenditures made in the court of such product development and regulatory approval processes, may have a material adverse effect on the Company's business, financial condition and results of operations.

If the Company is unable to attract and retain key personnel, it may not be able to compete effectively in the heat-not-burn market

The Company's success has depended and continues to depend upon its ability to attract and retain key management, including the Company's CEO, technical experts, management team and sales personnel. The Company will attempt to enhance its management and technical expertise by continuing to recruit qualified individuals who possess desired skills and experience in certain targeted areas. The Company's inability to retain employees and attract and retain sufficient additional employees or engineering and technical support resources could have a material adverse effect on the Company's business, results of operations, sales, cash flow or financial condition. Shortages in qualified personnel or the loss of key personnel could adversely affect the financial condition of the Company, results of operations of the business and could limit the Company's ability to develop and market its products. The loss of any of the Company's senior management or key employees could materially adversely affect

PODA TECHNOLOGIES LTD.

For the period ended October 31, 2020

Management's Discussion and Analysis

the Company's ability to execute its business plan and strategy, and the Company may not be able to find adequate replacements on a timely basis, or at all. The Company does not maintain key person life insurance policies on any of its employees.

The size of the Company's target market is difficult to quantify, and investors will be reliant on their own estimates on the accuracy of market data

Because the heat-not-burn industry is in a nascent stage with uncertain boundaries, there is a lack of information about comparable companies available for potential investors to review in deciding about whether to invest in the Company and, few, if any, established companies whose business model the Company can follow or upon whose success the Company can build. Accordingly, investors will have to rely on their own estimates in deciding about whether to invest in the Company. There can be no assurance that the Company's estimates are accurate or that the market size is sufficiently large for its business to grow as projected, which may negatively impact its financial results. The Company regularly purchases and follows market research.

The Company's industry is experiencing rapid growth and consolidation that may cause the Company to lose key relationships and intensify competition

The heat-not-burn industry is undergoing rapid growth and substantial change, which has resulted in an increase in competitors, consolidation and formation of strategic relationships. Acquisitions or other consolidating transactions could harm the Company in a number of ways, including the loss of strategic partners if they are acquired by or enter into relationships with a competitor, losing customers, revenue and market share, or forcing the Company to expend greater resources to meet new or additional competitive threats, all of which could harm the Company's operating results. As competitors enter the market and become increasingly sophisticated, competition in the Company's industry may intensify and place downward pressure on retail prices for its products and services, which could negatively impact its profitability.

As the Company operates within the heat-not-burn industry, there are additional difficulties and complexities associated with insurance coverage

As the Company is engaged in and operates within the heat-not-burn industry, there are exclusions and additional difficulties and complexities associated with such insurance coverage that could cause the Company to suffer uninsured losses, which could adversely affect the Company's business, results of operations, and profitability. There is no assurance that the Company will be able to fully utilize such insurance coverage, if necessary.

The Company may be subject to product recalls for product defects self-imposed or imposed by regulators

Manufacturers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labeling disclosure. If any of the Company's products are recalled due to an alleged product defect or for any other reason, the Company could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. The Company may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention. Although the Company has detailed procedures in place for testing its products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if one of the Company's significant brands were subject to recall, the image of that brand and the Company could be harmed. A recall for any of the foregoing reasons could lead to decreased demand for the Company's products and could have a material adverse effect on the results of operations and financial condition of the Company. Additionally, product recalls may lead to increased scrutiny of the Company's operations by Health Canada or other regulatory agencies, requiring further management attention and potential legal fees and other expenses.

PODA TECHNOLOGIES LTD.

For the period ended October 31, 2020

Management's Discussion and Analysis

The Company is dependent on access to skilled labor, equipment and parts

The ability of the Company to compete and grow will be dependent on having access, at a reasonable cost and in a timely manner, to skilled labor, equipment, parts and components. No assurances can be given that the Company will be successful in maintaining the required supply of skilled labor, equipment, parts and components. It is also possible that the expansion plans contemplated by the Company may cost more than anticipated, in which circumstance the Company may curtail, or extend timeframes for completing the expansion plans. This could have a material adverse effect on the financial results and operations of the Company.

The expansion of the heat-not-burn industry may require new clinical research into heat-not-burn technologies, when such research may be restricted in the U.S. and is new to Canada

Research in Canada and internationally regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of heat-not-burn technology remains in early stages. There have been relatively few clinical trials on the benefits of heat-not-burn technologies compared to ordinary smoking. Although the Company believes that the articles, reports and studies support its beliefs regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of heat-not-burn technologies, future research and clinical trials may prove such statements to be incorrect, or could raise concerns regarding, and perceptions relating to heat-not-burn technologies. Given these risks, uncertainties and assumptions, investors should not place undue reliance on such articles and reports. Future research studies and clinical trials may draw opposing conclusions to those stated in this MD&A or reach negative conclusions regarding the medical benefits, viability, safety, efficacy, dosing, social acceptance or other facts and perceptions related to heat-not-burn technologies, which could have a material adverse effect on the demand for the Company's products with the potential to lead to a material adverse effect on the Company's business, financial condition and results of operations.

The Company could be liable for fraudulent or illegal activity by its employees, contractors and consultants resulting in significant financial losses or 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 violates: (i) government regulations; (ii) manufacturing standards; (iii) federal and provincial healthcare fraud and abuse laws and regulations; or (iv) laws that require the true, complete and accurate reporting of financial information or data. 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.

The Company will be reliant on information technology systems and may be subject to damaging cyber-attacks

The Company has entered into agreements with third parties for hardware, software, telecommunications and other information technology ("IT") services in connection with its operations. The Company's operations depend, in part, on how well it and its suppliers protect networks, equipment, IT systems and software against damage from a number of threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, intentional damage and destruction, fire, power loss, hacking, computer viruses, vandalism and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays and/or increase in capital expenses. The failure of information systems or a component of

PODA TECHNOLOGIES LTD.

For the period ended October 31, 2020

Management's Discussion and Analysis

information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations.

The Company has not experienced any material losses to date relating to cyber-attacks or other information security breaches, but there can be no assurance that the Company will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access is a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

The Company's officers and directors may be engaged in a range of business activities resulting in conflicts of interest

The Company may be subject to various potential conflicts of interest because some of its officers and directors may be engaged in a range of business activities. In addition, the Company's executive officers and directors may devote time to their outside business interests, so long as such activities do not materially or adversely interfere with their duties to the Company. In some cases, the Company's executive officers and directors may have fiduciary obligations associated with these business interests that interfere with their ability to devote time to the Company's business and affairs and that could adversely affect the Company's operations. These business interests could require significant time and attention of the Company's executive officers and directors.

In addition, the Company may also become involved in other transactions which conflict with the interests of its directors and the officers who may from time to time deal with persons, firms, institutions or Companies with which the Company may be dealing, or which may be seeking investments similar to those desired by it. The interests of these persons could conflict with those of the Company. In addition, from time to time, these persons may be competing with the Company for available investment opportunities. Conflicts of interest, if any, will be subject to the procedures and remedies provided under applicable laws. In particular, if 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. In accordance with applicable laws, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company.

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

Damage to the Company's reputation can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity, whether true or not. The increased usage of social media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users has made it increasingly easier for individuals and groups to communicate and share opinions and views regarding the Company and its activities, whether true or not. Although the Company believes that it operates in a manner that is respectful to all stakeholders and that it takes care in protecting its image and reputation, the Company does not ultimately have direct control over how it is perceived by others. Reputation loss may result in decreased investor confidence, increased challenges in developing and maintaining community relations and an impediment to the Company's overall ability to advance its projects, thereby having a material adverse impact on financial performance, financial condition, cash flows and growth prospects.

Negative operating cash flow

Our overall business has incurred losses since its inception. Although we expect to become profitable, there is no guarantee that will happen, and we may never become profitable. We currently have a negative operating cash flow and may continue to have that for the foreseeable future. To date, a large portion of our expenses are fixed, including expenses related to equipment, contractual commitments and personnel. As a result, we expect our net losses from operations to improve. Our ability to generate additional revenues and potential to become profitable will depend largely on our ability, to manufacture and market our products. There can be no assurance that any such events will

PODA TECHNOLOGIES LTD.

For the period ended October 31, 2020

Management's Discussion and Analysis

occur or that we will ever become profitable. Even if we do achieve profitability, we cannot predict the level of such profitability. If we sustain losses over an extended period of time, we may be unable to continue our business.

Product liability

As a manufacturer and distributor of products designed to be ingested by humans, the Company faces an inherent risk of exposure to product liability claims, regulatory action and litigation if its products are alleged to have caused significant loss or injury. In addition, the manufacture and sale of the Company's products involve the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. Previously unknown adverse reactions resulting from human consumption of the Company's products alone or in combination with others, that the Company's products caused injury or illness, include inadequate instructions for use or include inadequate warnings concerning possible side effects or interactions with other substances. A product liability claim or regulatory action against the Company could result in increased costs, could adversely affect the Company's reputation with its clients and consumers generally, and could have a material adverse effect on our results of operations and financial condition of the Company.

There can be no assurances that the Company will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all. The inability to obtain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could prevent or inhibit the commercialization of the Company's potential products.

Publicity or consumer perception

The Company believes the heat-not-burn industry is highly dependent upon consumer perception regarding the safety, efficacy and quality of the heat-not-burn consumables produced. Consumer perception of the Company's products can be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of heat-not-burn products.

There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favorable to the heat-not-burn market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favorable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for the Company's products and the business, results of operations, financial condition and the Company's cash flows. The Company's dependence upon consumer perceptions means that adverse scientific research reports, findings, regulatory proceedings, litigation, media attention or other publicity, whether or not accurate or with merit, could have a material adverse effect on the Company, the demand for the Company's products, and the business, results of operations, financial condition and cash flows of the Company. Further, adverse publicity reports or other media attention regarding the safety, efficacy and quality of heat-not-burn products in general, or the Company's products specifically, or associating the consumption of heat-not-burn products with illness or other negative effects or events, could have such a material adverse effect. Such adverse publicity reports or other media attention could arise even if the adverse effects associated with such products resulted from consumers' failure to consume such products appropriately or as directed.

Difficulties with forecasts

The Company must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the heat-not-burn industry in Canada and the United States. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company.

PODA TECHNOLOGIES LTD.

For the period ended October 31, 2020

Management's Discussion and Analysis

Risks of foreign operations

The Company's strategy includes exporting its expertise and technologies to foreign countries. Working outside of Canada gives rise to the risk of dealing with business and political systems that are different than what the Company is accustomed to in Canada. The potential risks include expropriation or nationalization; civil insurrection; labor unrest; strikes and other political risks; fluctuations in foreign currency and exchange controls; increases in duties and taxes; and changes in laws and policies governing operations of foreign based companies. Restrictions on repatriation of capital or distributions of earnings could adversely affect the Company in the future.

Anti-bribery and anti-corruption laws

The Company is subject to anti-bribery and anti-corruption laws, including the Corruption of Foreign Public Officials Act (Canada) and the U.S. Foreign Corrupt Practices Act. Failure to comply with these laws could subject the Company to, among other things, reputational damage, civil or criminal penalties, other remedial measures and legal expenses which could adversely affect the Company's business, results of operations and financial condition. It may not be possible for the Company to ensure compliance with anti-bribery and anti-corruption laws in every jurisdiction in which its employees, agents, sub-contractors or joint venture partners are located or may be located in the future.

Market risks for securities

The market price of common shares, should the Company become listed on a securities exchange, may be subject to wide fluctuations in response to many factors, including variations in the operating results of the Company, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects for the Company, general economic conditions, legislative changes, and other events and factors outside of the Company's control.

Dividends

The Company has not paid any dividends on its issued and outstanding common shares to date and may not pay dividends in the foreseeable future. Any decision to declare and pay dividends in the future will be made at the discretion of the board of directors of the Company (the "Board") and will depend on, among other things, financial results, cash requirements, contractual restrictions and other factors that the Board may deem relevant. As a result, investors may not receive any return on an investment in the Common Shares unless they sell their common shares of the Company for a price greater than that which such investors paid for them.

Financing risk

The Company will be dependent upon the capital markets to raise additional financing in the future. As such, the Company is subject to liquidity risks in meeting its development and future operating cost requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. An economic downturn of global capital markets has been shown to make the raising of capital by equity or debt financing more difficult. These and other factors may impact the Company's ability to raise equity or obtain loans and other credit facilities in the future and on terms favorable to the Company and its management. The Company may not be able to raise capital on favorable terms or at all, which could have an adverse impact on the Company's operations and the trading price of the common shares, should the Company become listed on a securities exchange. Additionally, future financing may substantially dilute the interests of the Company's shareholders.

Schedule E
Pro Forma Financial Statements
(see attached)

Pro Forma Consolidated Statement of Financial Position of:

Poda Lifestyle and Wellness Ltd.

February 28, 2021

(Expressed in Canadian dollars)

(Unaudited)

Poda Lifestyle and Wellness Ltd.
Pro Forma Consolidated Statements of Financial Position
As at February 28, 2021
(Expressed in Canadian Dollars)
(Unaudited)

	Poda Lifestyle and Wellness Ltd. \$	Poda Technologies Ltd \$	Notes	Pro Forma Adjustments \$	Pro Forma Consolidated \$
ASSETS					
CURRENT ASSETS:					
Cash	863,626	18,052	2a	7,500	1,226,678
	-	-	2b	337,500	-
	-	-		-	-
GST and taxes recoverable	-	8,476		-	8,476
	<u>863,626</u>	<u>26,528</u>		<u>345,000</u>	<u>1,235,154</u>
LONG TERM ASSETS:					
Deposit	-	94,500		-	94,500
Intangible assets	-	3,378,087		-	3,378,087
	<u>863,626</u>	<u>3,499,115</u>		<u>345,000</u>	<u>4,707,741</u>
LIABILITIES AND SHAREHOLDERS EQUITY					
CURRENT LIABILITIES:					
Accounts payable	31,379	425,644	2c	(359,528)	97,495
Customer advances	-	91,975		-	91,975
Deferred revenue	-	-		-	-
	<u>31,379</u>	<u>517,619</u>		<u>(359,528)</u>	<u>189,470</u>
LONG TERM LIABILITIES:					
Convertible note	122,204	550,962		-	673,166
Loan payable	-	40,000		-	40,000
Deferred income tax liability	9,158	-		-	9,158
Amounts payable	-	2,086,106	2d	(2,086,106)	-
	<u>162,741</u>	<u>3,194,687</u>		<u>(2,445,634)</u>	<u>911,794</u>
EQUITY					
Common shares	837,500	630,160	2a	7,500	989,688
	-	-	2b	337,500	-
	-	-	2c	359,528	-
	-	-	2e	(1,182,500)	-
Preferred shares	-	-	2d	2,086,106	3,418,606
	-	-	2f	1,332,500	-
Contributed surplus	-	1,186,748		-	1,186,748
Equity portion of convertible note	50,672	40,484	2e	(50,672)	40,484
Subscriptions receivable	(160,000)	-	2e	160,000	-
Deficit	(27,287)	(1,552,964)	2e	27,287	(1,839,579)
	-	-	2f	(286,615)	-
	<u>700,885</u>	<u>304,428</u>		<u>2,790,634</u>	<u>3,795,947</u>
	<u>863,626</u>	<u>3,499,115</u>		<u>345,000</u>	<u>4,707,741</u>

Poda Lifestyle and Wellness Ltd.

Notes to Pro Forma Consolidated Statement of Financial Position

As at February 28,
2021 (Unaudited)

1. Background and basis of presentation Background

The accompanying unaudited pro forma consolidated statement of financial position (the "Pro Forma Financial Statements") has been compiled for purposes of inclusion in the listing statement (the "Statement") of Poda Lifestyle and Wellness Ltd. (Formerly Gamora Capital Corp.) (the "Company" or "Poda Lifestyle"), dated April 28, 2021, relating to its acquisition of Poda Technologies Ltd. ("Poda") (the "Acquisition").

The Company and Poda entered into an Arrangement Agreement ("Arrangement Agreement") on February 8, 2021, pursuant to which the Company, by way of a court approved plan of arrangement under the provisions of Division 5 of Part 9 of the BCBCA acquired all of the issued and outstanding PODA Shares in exchange for Preferred Shares to be issued as consideration pursuant to the Plan of Arrangement (the "Arrangement"). Pursuant to the Arrangement, PODA Shareholders received Preferred Shares at a ratio of 1 Preferred Share for every 1,000 PODA Shares held. Fractional Preferred Shares will be issued to shareholders owning less than 1,000 PODA Shares. Preferred Shares entitle each holder to a restricted right to convert one (1) preferred share into 1,000 Common Shares upon certain events or automatically on the following terms: (i) 10% after twelve (12) months from approval of the Arrangement and (ii) 15% every three (3) months thereafter. The Arrangement was approved at the Meeting and PODA obtained the Final Order on March 24, 2021. Following completion of the Arrangement, the share capital of the Company consisted of: (i) 26,650,000 Common Shares; and (ii) 42,784 Preferred Shares.

The Arrangement resulted in the shareholders of Poda acquiring control of the Company. Therefore, the transaction, has been accounted for as an acquisition of the Company by Poda. 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.

Although the consolidated statement of financial position and share capital are those of the Company as a legal entity, the assets, liabilities and dollar amounts allocated to share capital are those of PODA.

Basis of preparation

This unaudited pro forma consolidated statement of financial position has been compiled from and include the statements of financial position and shareholders' equity as at February 28, 2021 for the Company and the statement of financial position and shareholders' equity as at October 31, 2020 for Poda. The Pro Forma Financial Statement gives effect to the accounting continuation of Poda as described in the Listing Application, as if it had occurred as at February 28, 2021, for the purposes of the pro-forma consolidated statement of financial position.

The unaudited pro forma consolidated statement of financial position has been compiled using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The accounting policies have been consistent amongst the Company and PODA.

The unaudited pro forma consolidated statements should be read in conjunction with the February 28, 2021 audited financial statements and notes thereto of Poda Lifestyle and Wellness Ltd. and the October 31, 2020 unaudited consolidated interim statements and notes thereto of PODA. The unaudited pro forma consolidated statements are not intended to reflect the financial position of the continuing entity, the Company, which would have actually resulted had the Arrangement been effected on the dates indicated. Further, the unaudited pro forma consolidated statements are not necessarily indicative of the financial position that may be obtained upon completion of the Transactions. The pro forma adjustments for the Arrangement is based in part on estimates of the fair value of the assets acquired and liabilities assumed. The final purchase price allocation will be completed after asset and liability valuations are finalized. The final valuation will be based on the actual assets and liabilities that exist as of the date of completion of the Arrangement.

Notes to Pro Forma Consolidated Statement of Financial Position

As at February 28,
2021 (Unaudited)

2. Pro Forma Adjustments and Assumptions

The unaudited pro forma financial statement incorporates the following pro forma assumptions

- a) On March 10, 2021, the Company issued 150,000 special warrants for gross proceeds of \$7,500.
- b) On March 30, 2021, the Company issued 3,375,000 common shares for gross proceeds of \$337,500.
- c) On March 30, 2021, the Company 3,595,285 common shares to extinguish liabilities totaling \$359,528.
- d) On March 30, 2021, the Company 20,862 preferred shares to extinguish liabilities totaling \$2,086,106.
- e) The Acquisition of Poda and the Company constitutes a reverse asset acquisition as the Company does not meet the definition of a business, as defined in IFRS 3, Business Combinations. Accordingly, as a result of the transaction, the pro forma financial position has been adjusted for the elimination of the Company's share capital of \$1,022,500, equity portion of convertible debenture of \$50,672 and accumulated deficit of \$27,287 within shareholders' equity.
- f) As a result of this reverse asset acquisition, a listing expense of \$286,615 has been recorded to reflect the difference between the estimated fair value of Poda shares to the Company shareholders less the net fair value of the assets of the Company acquired.

In accordance with reverse acquisition accounting:

- i) The assets and liabilities of Poda are included in the pro forma statement of financial position at their carrying values;
- ii) The net assets of the Company are included at their fair value of \$1,045,885 (equal to the carrying value of these net assets given the current nature of the net assets);
- iii) The net assets have been allocated as follows:

	\$
Cash	1,208,626
Accounts payable and accrued liabilities	(40,537)
Convertible debentures	(122,204)
Net Assets	1,045,885

- iv) The listing expense of \$286,615 was determined as follows:
 - Number of outstanding shares of Poda prior to the Poda RTO was 42,783,920 or approximately 62% of the combined entity.
 - Number of outstanding shares of the Company prior to the Poda RTO is determined to be 26,650,000 or approximately 38% of the combined entity.
 - The fair value of the shares considered issued to acquire the Company under reverse takeover accounting is \$1,332,500 calculated as 26,650,000 shares at \$0.05 per share.
 - The difference between the fair value of \$1,332,500 attributed to the Company and the estimated fair value of the net assets of the Company of \$1,045,885 amounts to a listing expense of \$286,615.

Poda Lifestyle and Wellness Ltd.

Notes to Pro Forma Consolidated Statement of Financial Position

As at February 28,
2021 (Unaudited)

2. Share Capital Continuity

	Common Shares		Preferred Shares	
	#	\$	#	\$
Poda Lifestyle - Shareholders' equity balance on incorporation	1	-	-	-
Poda - Shareholders' equity balance as at January 31, 2020	42,783,920	630,160	-	-
Poda shares issued upon conversion of debt	3,595,285	359,528	20,862	2,086,106
Poda Lifestyle share issuance	26,500,000	677,500	-	-
Poda Lifestyle share issuance	3,525,000	345,000	-	-
Elimination of Poda Lifestyle equity	-	(1,022,500)	-	-
Poda recapitalization	(42,783,920)	-	42,784	1,332,500
Balance at February 28, 2021	<u>33,620,286</u>	<u>989,688</u>	<u>63,646</u>	<u>3,418,606</u>

3. Taxes

The Resulting Issuer's effective tax rate on a pro forma basis is nil given the history of losses.

Schedule F
Audit Committee Charter
(see attached)

The Audit Committee's Charter

Mandate

The primary function of the audit committee (the "**Audit Committee**") is to assist the Board in fulfilling its financial oversight responsibilities with respect to: the financial reporting process and the quality, transparency and integrity of the financial statements and other related public disclosures; the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Audit Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Company adopted a Charter of the Audit Committee. The Audit Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements;
- Review and appraise the performance of the Company's external auditors; and
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board.

Composition

The Audit Committee shall be comprised of three directors as determined by the Board, the majority of whom shall be free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Audit Committee.

At least one member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Audit Committee shall be elected by the Board at its first meeting following the annual Shareholders' meeting. Unless a Chair is elected by the full Board, the members of the Audit Committee may designate a Chair by a majority vote of the full Audit Committee membership.

Meetings

The Audit Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Audit Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Audit Committee shall:

Documents/Reports Review

- (a) Review and update this Charter annually.
- (b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board and the Audit Committee as representatives of the Shareholders.
- (b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Board take, appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board the selection and, where applicable, the replacement of the external auditors nominated annually for Shareholder approval.
- (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
 - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
 - iii. such services are promptly brought to the attention of the Audit Committee by the Company and approved prior to the completion of the audit by the Audit Committee or

by one or more members of the Audit Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Audit Committee.

Provided the pre-approval of the non-audit services is presented to the Audit Committee's first scheduled meeting following such approval such authority may be delegated by the Audit Committee to one or more independent members of the Audit Committee.

Financial Reporting Processes

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Other

Review any related-party transactions.