LIFEIST WELLNESS INC.

MANAGEMENT DISCUSSION AND ANALYSIS

For the Fiscal Years ended November 30, 2024 and 2023

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MANAGEMENT DISCUSSION AND ANALYSIS

This Management Discussion and Analysis ("MD&A") for Lifeist Wellness Inc. (the "Company" or "Lifeist"), covers the Company's financial performance during and subsequent to the fiscal year ended November 30, 2024 and up to the date of this report, March 31, 2025. This MD&A should be read in conjunction with Lifeist's Audited Consolidated Financial Statements for the year ended November 30, 2024.

All dollar amounts are in Canadian dollars unless otherwise indicated. Lifeist documents and securities filings can be accessed at the Company's profile on SEDAR (www.sedar.com) and additional information on the Company can be obtained at lifeist.com.

Forward Looking Statement Disclaimer

Certain statements in this MD&A may constitute "forward-looking" statements that involve known and unknown risks, uncertainties, and other factors. The actual results, performance or achievements of Lifeist or the industry, may be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. These statements include, but are not limited to, comments concerning the Company's objectives, strategies to achieve those objectives, as well as Management's beliefs, plans, estimates, and intentions; and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. When used in this MD&A, such statements use words such as "may", "will", "expect", "believe", "plan" or similar terminology.

These statements reflect Management's current expectations regarding future events and operating performance and speak only as of the date of this MD&A, and, except in compliance with applicable law, Lifeist assumes no obligations to update or revise them to reflect new events or circumstances. Additionally, the Company undertakes no obligation to comment on analysis, expectations or statements made by third parties in respect of its financial/operating results or securities.

Non-IFRS Financial Measures

Lifeist's Financial Statements are prepared using International Financial Reporting Standards ("IFRS"); whereas this MD&A refers to certain non-IFRS measures, such as Adjusted EBITDA and EBITDA (defined under the "Non-IFRS Financial Measures Definitions" section of this report). Non-IFRS measures are used externally to provide a supplemental measure of the Company's operating performance, facilitate comparisons, and enable analysis of the Company's ability to meet future capital and working capital requirements. Management uses them internally to prepare operating budgets and assess performance. These measures do not have standardized meanings prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Accordingly, they should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS.

COMPANY OVERVIEW

Lifeist Wellness Inc. (formerly Namaste Technologies Inc.) ("Lifeist" or the "Company") is a publicly traded company incorporated under the British Columbia Business Corporations Act and is a reporting issuer in British Columbia, Saskatchewan, Manitoba, Ontario, Alberta, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador. Lifeist's common shares are listed on the TSXV under the symbol "LFST", on the OTCQB® Venture Market under the symbol "NXTTF" and traded as open stock on the Frankfurt Stock Exchange under the symbol "M5BQ". The Company's mailing address is 55 Northfield Dr. Suite 131, Waterloo ON, N2K 3T6 in Canada.

Lifeist is building a portfolio of wellness companies, intentionally aligning with high growth sectors and emerging brands that champion prevention, recovery, and holistic wellbeing.

Lifeist's portfolio of operating businesses and brands includes: **Mikra, Cellular Sciences Inc.("Mikra")**, Lifeist's flagship brand, a biosciences and consumer wellness company developing innovative therapies for cellular health and recovery. Mikra's CELLF is available for purchase at WeAreMikra.com and on Amazon.com.

Mikra, Cellular Sciences Inc.

Mikra, Lifeist's biosciences and consumer wellness subsidiary, is dedicated to unlocking cellular potential and maximizing human health. Incorporated in Florida in September 2021 and launched publicly that November, Mikra has since expanded its reach into the fast-growing U.S. nutraceutical market.

Mikra currently offers four consumer wellness products—CELLF (cellular support), SERENITY (stress and anxiety relief), PROTECT (immune support), and FOCUS (cognitive health). These products are sold exclusively online through WeAreMikra.com and Amazon, reaching customers around the world, with a strong and growing customer base in the United States.

In July 2024, Mikra submitted a Natural Health Product License Application to Health Canada, seeking a Natural Product Number (NPN) for its best-selling CELLF 2.0. The license was granted in March 2025. While we are not actively targeting the Canadian market at this time, securing the NPN positions us to explore future opportunities as consumer interest in dietary supplements continues to grow.

Mikra is currently undergoing a comprehensive rebuild of its marketing and sales strategy to better align with current market demands, focusing on data-driven marketing and expanding digital sales channels. Mikra successfully participated in Amazon Prime Day in July 2024, offering exclusive deals and significant discounts on their premium wellness products. This boosted visibility, engaged a broader audience, and reinforced Mikra's digital sales strategy.

In May 2024, Lifeist announced that Mikra has completed the formulation of FOCUS, its first joint product with six-time MLB All-Star Jose Bautista. Developed through a collaborative and research-intensive process, FOCUS features a stimulant-free blend of citicoline, tyrosine, and lion's mane mushroom designed to enhance cognitive clarity and memory. The product launched in September alongside the updated website.

Mikra has recently prioritized operational improvements, product launches, and growth initiatives. The company enhanced KPI tracking with TripleWhale and finalized preparations for the FOCUS launch. A revamped website went live in September 2024, followed by a brand refresh announcement in November, set to launch in spring 2025.

Additional operational enhancements included switching to VOX as its 3PL provider, resolving quality issues with CELLF, establishing a new 3PL in Utah to streamline shipping—demonstrating Mikra's commitment to innovation, efficiency, and long-term growth.

RECENT DEVELOPMENTS

Ongoing Cost Discipline and Organizational Restructuring

As part of its commitment to building a sustainable and growth-oriented wellness company, Lifeist has taken steps to streamline operations and ensure long-term financial health. Following the sale of CannMart, the Company has undertaken a comprehensive corporate restructure aimed at minimizing overhead, consolidating functions, and operating as a lean, efficient organization.

Leadership has implemented cost-cutting measures across the business, including a careful evaluation of third-party contracts and internal resources. As part of these downsizing efforts, Lifeist has also adopted fractional outsourcing to ensure access to top-tier talent at an affordable cost. This strategic move not only enhances execution capabilities but also provides greater flexibility for future business initiatives.

These actions underscore Lifeist's commitment to fiscal responsibility while continuing to invest in high-potential wellness ventures like Mikra. The Company is focused on scaling smart—prioritizing innovation and growth while maintaining operational efficiency.

Court-Approved Sale and Derecognition of CannMart Labs Assets Under CCAA

On August 1, 2024, the Company completed the sale of the assets of CannMart Labs for a total consideration of $200,000. The proceeds were allocated toward restructuring costs as part of the broader Companies' Creditors Arrangement Act ("CCAA") proceedings. CannMart Labs was subject to a formal insolvency process under CCAA, which included court supervision and oversight by a court-appointed Monitor. As part of this process, the proposed sale of Labs' assets was reviewed and approved by the court, thereby legally discharging the Company from its obligations related to those assets. Accordingly, upon completion of the transaction and the legal discharge of related liabilities, the Company derecognized the assets and liabilities of CannMart Labs from its consolidated financial statements.

CannMart Sale Completed

On September 12, 2024, Lifeist Wellness Inc. completed the sale of its subsidiary CannMart Inc. ("CannMart") to Simply Solventless Concentrates Ltd. ("SSC") (TSXV: HASH), an arm's length party. This transaction follows the previously announced share purchase agreement dated June 25, 2024.

CannMart is a B2B wholesale distributor of recreational cannabis to Canadian provincial government control boards. The purchaser, SSC, is a Canadian cannabis company with six consecutive quarters of positive EBITDA and reported positive net income in Q1 2024.

The sale enables Lifeist to streamline operations and focus on growing its core wellness business, particularly Mikra, while maintaining indirect exposure to the cannabis sector through the sale of CannMart to SSC.

Lifeist Appoints Andrea Judge as Chief Executive Officer and Joins the Board of Directors

On November 21, 2024, the Company appointed Andrea Judge as Chief Executive Officer and a member of the Board of Directors. Andrea has served as CEO of Lifeist's subsidiary, Mikra, since July 2024.

Andrea brings strong leadership experience, with a background in sales, marketing, and executive management. Her previous roles include senior positions in the medical aesthetics industry and marketing at Red Bull. Her appointment supports Lifeist's strategic focus on growth in the health and wellness sector.

Mikra Partners with Harley Oliver to Enhance Efficiency and Sales

On November 29, 2024, the Company announced that its subsidiary Mikra has entered into a strategic partnership with Harley Oliver, a Toronto-based digital design firm. The collaboration aims to improve operational efficiency and drive sales growth through fractional outsourcing and enhanced digital strategies.

Harley Oliver, founded in 2007, specializes in e-commerce, branding, and digital content creation. The partnership has already yielded early positive results, including improved efficiency and increased sales during Mikra's pre-Black Friday Cyber Monday promotion.

This initiative supports Mikra's strategy to partner with leading service providers to optimize operations, strengthen its digital presence, and accelerate growth in the wellness market.

Board Reorganization

On December 13, 2024, the Company announced changes to its Board of Directors to enhance corporate governance. Meni Morim, former CEO and current director, has been appointed Chairman of the Board. Branden Spikes, who served as Chairman since 2019, has transitioned to Lead Independent Director.

Mr. Morim will provide strategic oversight in his new role as Chairman, while Mr. Spikes will continue to support governance and board effectiveness as Lead Independent Director.

Additionally, the Board's Compensation Committee has initiated a review of director compensation to align with Lifeist's evolving structure and strategic priorities. These changes reflect the Company's continued focus on strong governance and long-term growth in the health and wellness sector.

STRATEGY AND OUTLOOK

Lifeist is a wellness company focused on helping people improve their health, manage stress, and maintain balance through innovative, science-backed products. With a mission to support personal wellness journeys, Lifeist is active across the wellness spectrum, including nutraceuticals and other emerging categories.

In Q4 2021, Lifeist launched its nutraceutical division, Mikra, to expand beyond cannabis and meet growing demand for high-performance wellness solutions. Mikra develops targeted formulations for cellular health and stress management, using advanced delivery systems for maximum bioavailability.

Mikra operates as the engine behind Lifeist Wellness, enabling rapid market deployment of new brands across the wellness portfolio.

Streamlining and Operational Focus

Throughout 2024 and into 2025, Lifeist has prioritized reducing costs, streamlining operations, and enhancing business efficiency across its portfolio. This includes refining supply chains, improving digital infrastructure, and optimizing product distribution—ensuring the business is well-positioned for long-term, sustainable growth.

Fiscal 2025 Strategic Priorities

The Lifeist board of directors has outlined the following strategic priorities:

1. Launch a new digital strategy and website, planned for April 2025, which is expected to serve as a catalyst for revenue growth by driving deeper customer engagement and improving e-commerce performance.
2. Establish strategic partnerships to accelerate growth and innovation to be achieved by identifying and collaborating with like-minded organizations that share the Company's vision for advancing wellness through science and technology.
3. Improve operating efficiencies to achieve meaningful cost savings.
4. Strengthen the Company's financial position through prudent capitalization efforts and short-term growth objectives to ensure financial stability and support our strategic initiatives.
5. Expand and enhance the existing brand portfolio, primarily through Mikra, a cornerstone component of our growth strategy.

FINANCIAL DISCUSSION

Selected Annual Information

		Year ended 30-Nov-24 (Audited)		Year ended 30-Nov-23 (Audited)		Year ended 30-Nov-22 (Audited)
Total revenue from continuing operations	$	588,802	$	1,364,978	$	978,528
Gain (loss) from continuing operations		(4,053,657)		(6,017,173)		(8,982,009)
Net loss per share (basic and diluted) from continuing operations		(0.128)		(0.247)		(0.431)
Total assets		5,133,467		13,399,135		20,669,400
Total non-current liabilities		-		868,657		183,546

For the fiscal year ended November 30, 2024, the Company reported total revenue from continuing operations of $588,802, representing a significant decline of 56.9% compared to $1,364,978 in the prior year. The decline in sales during the period was primarily driven by a strategic reduction in marketing expenditures. This initiative was implemented to enhance overall profitability by increasing return on advertising spend ("ROAS"). Management believes this approach establishes a more sustainable foundation for future growth by focusing on authentic, organic customer acquisition and improving customer retention over the long term.

The loss from continuing operations for fiscal 2024 was $4,053,657, an improvement from the $6,017,173 loss recorded in fiscal 2023 and a further improvement compared to the $8,982,009 loss in fiscal 2022. The narrowing of losses reflects ongoing cost management initiatives and a leaner operational structure, despite the drop in revenue.

Net loss per share (basic and diluted) improved to $(0.128) in fiscal 2024 from $(0.247) in fiscal 2023 and $(0.431) in fiscal 2022, reflecting better cost containment and operational efficiencies.

Total assets declined significantly to $5,133,467 as of November 30, 2024, from $13,399,135 the previous year and $20,669,400 in fiscal 2022. This reduction is largely due to derecognition of assets due to sale.

Importantly, the Company reported no non-current liabilities as of November 30, 2024, compared to $868,657 in fiscal 2023 and $183,546 in fiscal 2022. This indicates a stronger balance sheet position with improved financial flexibility heading into the next fiscal year.

Looking ahead, the Company remains focused on stabilizing revenue streams, executing operational efficiencies, and exploring strategic partnerships to support long-term growth and shareholder value.

Operational Results

Selected financial information from the Consolidated Statements of Net Income (Loss) and Comprehensive Income (Loss) for the three and twelve months ended November 30, 2024 and 2023 are presented below:

	Three months ended		**Twelve months ended**	
	30-Nov-24	**30-Nov-23**	**30-Nov-24**	**30-Nov-23**
Revenue	**$ 96,895**	**$ 219,480**	**$ 588,802**	**$ 1,364,978**
Cost of goods sold	30,595	(106,492)	168,493	599,361
Gross profit before inventory adjustment	**66,300**	**325,972**	**420,309**	**765,617**
Gross profit (before inventory adjustment) as a % of net revenue	*68%*	*149%*	*71%*	*56%*
Inventory adjustment	141,198	(129,048)	215,559	2,253
Operating costs	1,089,688	1,124,616	3,607,899	4,882,793
Professional fees	(108,444)	398,965	581,124	1,126,657
Adjusted EBITDA	**(1,056,142)**	**(1,068,561)**	**(3,984,273)**	**(5,246,086)**
Other (income) expense	(429,409)	21,729	(409,823)	(162,742)
Foreign exchange (gain) loss	2,009	(11,815)	29,577	9,608
Share-based compensation	(385,848)	129,201	423,452	884,798
Restructuring and other costs	-	-	-	8,333
EBITDA	**(242,894)**	**(1,207,676)**	**(4,027,479)**	**(5,986,083)**
Income tax recovery	-	(6,879)	-	(25,452)
Depreciation and amortization	4,375	11,985	26,179	56,542
Net income (loss) from Continued Operations	**(247,269)**	**(1,212,782)**	**(4,053,657)**	**(6,017,173)**
Gain (loss) from Discontinued Operations	(126,470)	(5,049,899)	2,608,099	(8,108,497)
Net income (loss)	**(373,739)**	**(6,262,681)**	**(1,445,558)**	**(14,125,670)**

Gross and Net revenue

Gross revenue is solely comprised of nutraceuticals sales. Net revenue for Q4 2024 was $97 thousand (Q4 2023 - $219 thousand) a decrease of $123 thousand or 56% from the same quarter last year. The decline in sales during the period was primarily driven by a strategic reduction in marketing expenditures. This initiative was implemented to enhance overall profitability by increasing return on advertising spend ("ROAS"). Management believes this approach establishes a more sustainable foundation for future growth by focusing on authentic, organic customer acquisition and improving customer retention over the long term.

The following table presents the Company's Net Revenue based on the location of customers for each of the three and twelve months ended November 30, 2024 and 2023:

	Three months ended		Twelve months ended	
	30-Nov-24	**30-Nov-23**	**30-Nov-24**	**30-Nov-23**
North America	96,895	219,480	588,802	1,364,978
Total	$ 96,895	$ 219,480	$ 588,802	$ 1,364,978

Gross profit (before inventory adjustment) ("GP")

Gross Profit for Q4 2024 was $66 thousand or 68% of Net Revenue (Q4 2023 - $326 thousand or 149%), and for fiscal 2024 was $420 thousand or 71% (fiscal 2023 – $766 thousand or 56%) representing an 81% decrease and 15% increase respectively over the same periods last year.

Inventory adjustment

Inventory adjustments include write-downs related to impairment of inventory, as a result of carrying value exceeding net realizable value, and provisions for slow moving inventory; offset by any product cost supplier discounts obtained during the period.

Inventory adjustments for Q4 2024 were $141 thousand write-down (Q4 2023 - $129 thousand write-up), and for fiscal 2024 were $216 thousand write-down (fiscal 2023 - $2 thousand write-down). The Company continues its forward-looking inventory management strategy, designed to: 1) reduce the amount of slow-moving inventory; 2) improve inventory turnover; and 3) leverage existing technology to further reduce the inventory risk.

Operating costs

The following table presents the Company's operating costs by type of expense for the three and twelve months ended November 30, 2024 and 2023. The Company continues to implement operational efficiencies that result in significant cost savings:

		Three months ended				Twelve months ended		
		30-Nov-24		30-Nov-23		30-Nov-24		30-Nov-23
Office and general	$	265,641	$	286,291	$	1,434,873	$	1,383,309
Salaries and other compensation costs		662,098		537,910		1,693,908		2,368,374
Selling and marketing expense		161,949		300,415		479,118		1,131,110
Total operating costs	$	1,089,688	$	1,124,616	$	3,607,899	$	4,882,793

Office and general

Office and general expenses include insurance, travel, business development, operating licence fees and telecommunication. Insurance costs comprise on average 30% of all office and general expenses.

Office and general expenses decreased in Q4 2024 by $21 thousand or 7%, compared to the same quarter prior year and increased in fiscal 2024 by $52 thousand or 4%, compared to prior year. The decrease reflects the Company's efforts to control costs while working towards improving profitability.

Salaries and other compensation costs

Salaries and other compensation costs include remuneration and benefits paid to employees and consultants.

Lifeist believes that its people are critical to the organization's success and is committed to investing in employees and building on the corporate culture of excellence. To ensure a path to success, the Company has evaluated the corporate and divisional structure and associated headcount and has moved to support those business units that show successful growth by hiring subject-matter experts with clear, focused goals tied to financial results – both long and short term. The Company also conducted extensive market analysis, supported by 3rd party reports, to make sure the Company's compensation is aligned with the market.

Salaries and other compensation costs increased in Q4 2024 by $124 thousand or 23% (in fiscal 2024 decreased by $674 thousand or 28%). Share based compensation decreased by $515 thousand or 399% (in fiscal 2024 decreased by $461 thousand or 52%) as compared to the same periods last year, as noted in the chart below:

		Three months ended				Twelve months ended		
		30-Nov-24		30-Nov-23		30-Nov-24		30-Nov-23
Salaries and other compensation costs	$	662,098	$	537,910	$	1,693,908	$	2,368,374
Share based compensation		(385,848)		129,201		423,452		884,798
Total compensation	$	276,250	$	667,111	$	2,117,360	$	3,253,172

For the twelve months ended November 30, 2024, the Company recognized share-based compensation expense related to vested stock options of $4,914 (2023: $133,445) and related to restricted shares of $523,187 (3,967,751 units) of which, $99,735 relates to RSUs earned in 2023. In addition, the Company issued 2,553,067 common shares and 1,650,286 warrants, valued at $300,000 and $166,208 respectively, in exchange for consultancy services valued at $466,208. The valuation of this transaction was allocated using the residual method, wherein the warrants were valued using the Black-Scholes pricing model, and the remaining value was attributed to the common shares. The Company further issued 2,500,000 common shares at $0.185 per share for the settlement of outstanding debt of $450,000.

Selling and marketing expense

Selling and marketing expenses are comprised of freight charges, advertising and promotion costs, and online promotional and social media tools. Spend in this area is heavily monitored against key performance indicators to ensure appropriate rates of return.

In Q4 2024, selling and marketing costs decreased by $138 thousand or 46% (in fiscal 2024 decreased by $652 thousand or 58%), as compared to the same periods last year.

Professional fees

The following table presents the Company's Professional fees, including legal, audit, accounting, tax services and directors' fees for the three and twelve months ended November 30, 2024 and 2023:

	Three months ended		Twelve months ended	
	30-Nov-24	**30-Nov-23**	**30-Nov-24**	**30-Nov-23**
Legal	$ (155,611)	$ 141,979	$ 245,809	$ 226,899
Audit, accounting and tax services	19,900	67,714	229,900	485,655
Directors' fees	24,000	188,272	96,000	407,625
Other	3,267	1,000	9,415	6,478
Total professional fees	$ (108,444)	$ 398,965	$ 581,124	$ 1,126,657

Legal costs incurred in Q4 2024 and fiscal 2024 represent legal matters incurred in the regular course of business along with costs relating to corporate restructuring and planning. Legal fees decreased by $298 thousand or 210% in Q4 2024 (in fiscal 2024 increased by $19 thousand or 8%), as compared to the same periods in the prior year.

Audit, accounting, and tax are costs incurred in the regular course of business. The decrease is due to the reduced size of operations and complexity of the company.

Directors' fees decreased by $164 thousand or 87% in Q4 2024 (in fiscal 2024 decreased by $312 thousand or 76%), as compared to the same periods in the prior year. The decrease is due to cost reduction strategies.

Adjusted EBITDA

Adjusted EBITDA is a non-financial measure which Management believes provides the user with an understanding of profit/loss before non-cash and non-recurring expenses. The definition and reconciliation from the reported IFRS operating results in the financial statements can be found in the "Non-IFRS Financial Measures" section of this MD&A.

In Q4 2024, Adjusted EBITDA loss decreased by $12 thousand or 1% (in fiscal 2024 loss decreased by $1.26 million or 24%), as compared to the same periods last year. Management continues to monitor and work towards a number of Objectives and Key Results (OKRs), with supporting procedures and metrics to focus decision making on the growth of profitable segments, governance/controls, and expenditures including allocated headcount, in order to lead to an improvement in Adjusted EBITDA and profitable growth.

Other expense and income

Other non-operating expenses and income is primarily composed of interest earned on the Company's cash reserves, unrealized loss/gain on equity investments at FVTPL and reversals of restructuring and other costs.

In Q4 2024, other income was a gain of $429 thousand (Q4 2023 – a loss of $21 thousand) and in fiscal 2024 a gain of $410 thousand (fiscal 2023 – a gain of $163 thousand).

Share based compensation

Share based compensation is the non-cash value of stock options issued to Directors, Officers, employees, and consultants. Fiscal 2024 share-based compensation is mainly related to available stock options and RSU's the Company granted in Fiscal 2024 and prior years to consultants, officers, directors and employees, exercisable into common shares at a weighted average price ranging from $0.05 to $5.00 per common share, offset by any related reversals of forfeited options. The majority of options will expire in 2025 and in 2028.

Foreign exchange

The Company's subsidiaries operate in multiple currencies, and the foreign exchange impact on converting transactions, assets and liabilities into Canadian currency is calculated each period. The unrealized foreign exchange loss in Q4 2024 was $2 thousand (Q4 2023 - a gain of $12 thousand),

and in fiscal 2024 was a loss of $30 thousand (fiscal 2023 – a loss of $10 thousand), primarily due to the fluctuation of foreign exchange rates of US dollars.

Net gain from discontinued operations

As a result of the sales or dissolutions of Lifeist Vapes, Australian Vaporizers, CannMart Labs, CannMart Inc., CannMartMD Inc., and Lifeist Worldwide Inc. in 2024, the Company recorded a gain from discontinued operations of $2.6 million. These strategic divestitures represent a significant realignment of the Company's business model, allowing it to streamline operations, reduce overhead costs, and sharpen its focus on core growth areas.

The discontinuation of these subsidiaries is expected to have a positive long-term impact on the Company's ongoing operations by improving operational efficiency and enabling the reallocation of resources toward higher-margin and higher-potential business segments. This restructuring marks a deliberate shift in strategic priorities, aimed at fostering sustainable growth and long-term shareholder value.

Summary of comparative quarterly operational results from Continued Operations

Quarter ending	November 2024	August 2024	May 2024	February 2024	November 2023	August 2023	May 2023	February 2023
Gross revenue	$ 96,895	$ 130,051	$ 164,714	$ 197,142	$ 219,480	$ 233,516	$ 361,049	$ 550,933
Net loss from Continued Operations	(247,269)	$ (1,538,860)	$ (1,196,582)	$(1,070,946)	(1,212,782)	$(1,135,452)	$(1,630,702)	$(2,038,241)
Net loss per share (basic and diluted)	(0.008)	(0.051)	(0.041)	(0.038)	(0.050)	(0.048)	(0.072)	(0.092)

During the quarters presented, the Company experienced a notable decline in gross revenue, reflecting both external market pressures and internal operational adjustments. For the quarter ended November 30, 2024, gross revenue decreased to $96,895, compared to $219,480 in the same quarter of the prior year, representing a year-over-year decline of approximately 56%. The decline in sales during the period was primarily driven by a strategic reduction in marketing expenditures. This initiative was implemented to enhance overall profitability by increasing return on advertising spend (“ROAS”). Management believes this approach establishes a more sustainable foundation for future growth by focusing on authentic, organic customer acquisition and improving customer retention over the long term.

Net loss from continued operations for the quarter ended November 30, 2024, was $247,269, a significant improvement from the net loss of $1,212,782 recorded for the same quarter in 2023. The improvement in net loss is largely attributed to cost containment measures and reduced operating expenses, though revenues also decreased substantially. The net loss per share for the quarter was $(0.008), compared to $(0.050) in the same period last year.

For the nine-month period ending November 2024, the Company incurred a cumulative net loss of approximately $2.98 million, compared to $4.80 million in the same period of 2023. The reduction in losses reflects management's continued focus on operational efficiencies and expense control, despite a consistent downward trend in revenue from $550,933 in February 2023 to $96,895 in November 2024.

Looking forward, the Company remains focused on executing its strategic initiatives and ongoing efforts to enhance operational performance. Management is actively evaluating new business opportunities and partnerships to support a return to revenue growth in the upcoming fiscal year.

Balance sheet

The following table provides selected financial information derived from the consolidated statements of financial position as at the following dates:

	$ 30-Nov-24	$ 30-Nov-23	$ $ Change
Total current assets	3,625,264	8,781,152	(5,155,888)
Total non-current assets	1,508,203	4,617,983	(3,109,780)
	5,133,467	13,399,135	(8,265,668)
Total current liabilities	1,060,979	9,072,022	(8,011,042)
Total non-current liabilities	-	868,657	(868,657)
	1,060,979	9,940,679	(8,879,699)
Working Capital	2,564,285	(290,869)	2,855,154

Total current assets

Total current assets decreased by $5.2 million from 2023, primarily due to a increase in cash of $0.9 million, a decrease in inventory of $4.4 million, a decrease in prepaid expenses of $0.4 million and a decease in trade and other receivables of $1.2 million. The change in cash is explained in more detail under the Liquidity section of MD&A.

Total non-current assets

Total non-current assets decreased by $3.1 million from 2023, mainly due to the derecognition as it relates to the sales of CannMart Inc. and CannMart Labs Inc.

Total current liabilities

Total current liabilities decreased by $8.0 million from 2023, as a result of a decrease in accounts payable and accrued liabilities of $7.4 million, a decrease in short term lease liabilities of $0.4 million, and a decrease in deferred revenue of $0.2 million. Decrease in accounts payable is mainly attributable to discontinued operations.

Total non-current liabilities

Total non-current financial liabilities decreased by $869 thousand from 2023 mainly due a decrease in the long-term portion of lease liabilities, as a result of sale of Australian Vaporizers, CannMart Labs Inc., and CannMart Inc.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

Management monitors the Company's capital resources to ensure adequate liquidity to fund operations and planned expansions. Management's objectives with respect to liquidity and capital structure are to generate cash to fund the Company's existing operations and growth strategy.

As of November 30, 2024, Lifeist had a cash and cash equivalent balance of $2.3 million, a decrease of $1.5 million from 2023.

The table below sets out the use of cash and cash equivalents for the year ended November 30, 2024 and 2023:

	Year ended	
	30-Nov-24	**30-Nov-23**
Cash (used in) operating activities	$ (877,198)	$ (2,433,913)
Cash provided by investing activities	1,917,257	977
Cash provided by (used in) financing activities	(169,185)	83,816
	$ 870,874	$ (2,349,120)

Operating activities

Operating activities from Continuing Operations impact both cash and non-cash working capital, as indicated in the table below:

		Year ended	
		30-Nov-24	30-Nov-23
Cash used in ontinuing operations before changes in non-cash working capital	$	(3,520,929)	$ (5,136,803)
Cash provided by discontinued operations		2,933,637	820,139
Changes in non-cash working capital of Continuing operations		(289,906)	1,882,751
	$	(877,198)	$ (2,433,913)

During fiscal 2024, $3.5 million cash was used in Continuing operations before changes in non-cash working capital (fiscal 2023 - $5.1 million). The total cash used in fiscal 2024 by operating activities was $877 thousand and in fiscal 2023 was $2.4 million was used.

Investing activities

In fiscal 2024 cash provided by investing activities was $1.9 million (fiscal 2023 – cash provided of $977).

Financing activities

In fiscal 2024 cash used in financing activities was $169 thousand (fiscal 2023 – cash provided by financing activities was $84 thousand).

CAPITAL RESOURCES

The Company is authorized to issue an unlimited number of common shares with no par value. As at November 30, 2024 the Company had 37,885,636 (November 30, 2023 – 27,884,818) common shares issued and outstanding.

For the twelve months ended November 30, 2024, the Company issued 1,000,000 shares with a value of $110,000 for the purchase of a Liquid Vape Patent. The Company recognized share-based compensation expense related to vested stock options of $4,914 and related to restricted shares of $523,187 (3,967,751 units). Also included in share-based compensation are 5,033,067 shares and 1,650,286 warrants, of which $750,000 related to shares and $166,208 related to warrants, issued as part of the share-based compensation agreements with consultants.

CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the development of its planned business activities. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. In order to carry out the planned business activities and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company considers its capital to be shareholders' equity (deficiency), which consists of assets, net of all liabilities. The Company's objective when managing capital is to obtain adequate levels of funding to support its business activities, to obtain corporate and administrative functions necessary to support organizational functioning and obtain sufficient funding to further the development of its business. The Company raises capital, as necessary, to meet its needs and take advantage of perceived opportunities and, therefore, does not have a numeric target for its capital structure. Funds are primarily secured through equity capital raised by way of private placements and issuance of convertible debentures. There can be no assurance that the Company will be able to continue raising equity capital in this manner.

RELATED PARTY TRANSACTIONS

Payments to related parties

The following table summarizes transactions with related parties for the three and twelve months ended November 30, 2024 and 2023:

	Three months ended		Twelve months ended	
	30-Nov-24	**30-Nov-23**	**30-Nov-24**	**30-Nov-23**
Related Party Transactions				
Key management personnel compensation (i)	$ 448,611	$ 425,526	$ 882,189	$ 1,098,164
Directors fees	60,750	179,943	243,000	407,625
Share based compensation (ii)	-	-	-	205,296
	$ 509,361	$ 605,469	$ 1,125,189	$ 1,711,085

i. The key management personnel compensation includes salaries and bonuses, benefits and incentives.
ii. Stock options granted to the Officers and Directors of the Company.

The aggregate value of transactions with key management personnel and directors and entities over which they have control or significant influence during the year ended November 30, 2024 and 2022 were as follows:

	2024	2023
14802772 Canada Limited (Meni Morim), Director	$ 684,520	$ 659,153
Slava Klems, Former CFO	-	204,488
Barbara Boyd, Former Director	-	244,417
Faraaz Jamal, Former COO	-	146,604
Branden Spikes, Director	88,000	198,575
Laurens Feenstra, Director	76,000	181,575
Kitchen Sinc Consulting Limited (John Sinclair), Director	150,201	74,250
Josh Hone, CFO	118,333	-
Andrea Judge, CEO and Director	6,111	-
	$ 1,125,189	$ 1,711,085

As at November 30, 2024 and 2023, the Company had an outstanding accounts payable balance with related parties as follows:

	2024	2023
14802772 Canada Limited (Meni Morim), Director	$ 454,056	$ 362,693
Slava Klems, Former CFO	-	18,336
Branden Spikes, Director	96,014	127,870
Laurens Feenstra, Director	62,281	99,507
Kitchen Sinc Consulting Limited (John Sinclair), Director	12,250	49,250
Josh Hone, CFO	726	-
	$ 627,351	$ 659,679

SEGMENT INFORMATION

For the year-end November 30, 2024, the Company deconsolidated Australian Vaporizers, CannMart Labs, Lifeist Labs, CannMart, CannMartMD, and Lifeist Worldwide Inc. and classified its results as discontinued operations. As a result, the Company now reports its financial results for corporate and its cash generating unit (CGU), Mikra.

Operational results

The following tables present the Company's operational results by CGU and the Corporate Unit for the three and twelve months ended November 30, 2024 and 2023:

Q4 2024	Mikra	Corporate & Other	Total
	$	$	$
Net revenue	96,895	-	96,895
Adjusted EBITDA	(263,179)	(792,963)	(1,056,142)
EBITDA	(261,284)	18,390	(242,894)

Q4 2023	Mikra	Corporate & Other	Total
	$	$	$
Net revenue	219,480	-	219,480
Adjusted EBITDA	16,769	(1,085,330)	(1,068,561)
EBITDA	15,979	(1,223,655)	(1,207,676)

Q4 YTD 2024	Mikra	Corporate & Other	Total
	$	$	$
Net revenue	588,802	-	588,802
Adjusted EBITDA	(266,455)	(3,717,819)	(3,984,273)
EBITDA	(307,072)	(3,720,406)	(4,027,479)

Q4 YTD 2023	Mikra	Corporate & Other	Total
	$	$	$
Net revenue	1,364,978	-	1,364,978
Adjusted EBITDA	(533,894)	(4,712,193)	(5,246,087)
EBITDA	(510,077)	(5,476,006)	(5,986,083)

**Shared services costs are allocated from the corporate office to the individual CGUs, resulting in reduced Adjusted EBITDA and EBITDA in the operating units and higher Adjusted EBITDA and EBITDA in Corporate & Other units.*

Divisional EBITDA and Adjusted EBITDA in Fiscal 2024 and 2023 includes corporate cost allocations, previously recorded in the Corporate segment. The change, implemented in 2021, was a result of the revised Corporate Cost allocation policy, in order to reflect a more accurate allocation of the divisional spend.

Mikra

In Q4 2024 Mikra revenue decreased by $123 thousand or 56% to $97 thousand, as compared to the same period last year (fiscal 2024 – decreased by $776 thousand or 57% to $589 thousand).

EBITDA improved by 80% to a $243 thousand loss (fiscal 2024 – improved by 48% to a $4.0 million loss), demonstrating an improvement in operational margins and operational efficiency.

Corporate

Adjusted EBITDA and EBITDA in Q4 2024 were $793 thousand loss and $18 thousand gain respectively (Q4 2023 – $1.1 million loss and $1.2 million loss). In fiscal 2024, Adjusted EBITDA and EBITDA losses were $3.7 million and $3.7 million (fiscal 2023 - $5.2 million and $6.0 million respectively).

OUSTANDING SHARE DATA

The Company's authorized share capital consists of an unlimited number of voting common shares without par value. The Company had the following securities outstanding as at November 30, 2024 and the date of this MD&A:

	November 30, 2024	**Date of this MD&A**
	#	**#**
Common shares	37,885,635	**37,885,635**
Stock options	2,551,895	**2,551,895**
Share purchase warrants	2,476,320	**2,476,320**
Fully diluted securities	42,913,850	**42,913,850**

OFF-BALANCE SHEET ARRANGEMENTS

As at November 30, 2024 and at the date of this MD&A, the Company has no off-balance sheet arrangements.

PROPOSED TRANSACTIONS

As at November 30, 2024 and at the date of this MD&A, the Company has no proposed transactions.

FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

(a) Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

The Company measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1 includes quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 includes inputs that are observable other than quoted prices included in Level 1; and
- Level 3 includes inputs that are not based on observable market data.

(b) Risk management

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

(i) Market risk

Market risk is the risk that the fair value of the financial instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment or its issuers or factors affecting all instruments traded in the market. Future changes in market conditions such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

a. <u>Currency risk</u>

Currency risk is the risk that changes in foreign exchange rates may have an effect on future cash flows associated with financial instruments. The Company is party to financial instruments or enters into transactions that are denominated in currencies other than its functional currency. Consequently, the Company is exposed to translation risk in which other foreign currencies change in a manner that has an adverse effect on the value of the Company's assets or liabilities. This risk is mitigated by timely payment of creditors and monitoring of foreign exchange fluctuations by management. The Company does not hedge against movements in foreign currency exchange rates.

b. <u>Interest rate risk</u>

Interest rate risk is the risk that the cash flows of a financial instrument will fluctuate due to changes in market interest rates. Interest rate risk refers to the risk of loss due to adverse movements in interest rates. Interest rate risk consists of a) 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, and b) to the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities. The company has minimal interest rate risk.

c. *Other price risk*

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices, other than those arising from interest rate risk or currency risk. The Company's exposure to other price risks relates to fair value of its equity investments.

If the fair value of financial assets at FVTPL were to increase or decrease by 5%, net loss would have increased or decreased by $69,324 (2023: $139).

If the fair value of financial assets at FVOCI were to increase or decrease by 5%, OCI would have changed by $737 (2023: $1,649).

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from cash and cash equivalents, trade and other receivables, loans receivable, deposits and other assets.

The Company is moderately exposed to credit risk from its cash and cash equivalents, trade receivables, and other assets. The carrying amount of these financial assets represents the maximum credit exposure.

Cash and cash equivalents and other assets

Cash and cash equivalents and other assets are held with reputable financial institutions and business partners which are closely monitored by management. Bank accounts are covered by deposit insurance.

Trade and other receivables

Trade receivables generated from online sales are held in reputable merchant accounts and are received within a short period of time. Credit risk is generally limited for trade receivables from government bodies, which have low default risk.

Credit risk for non-government customers is assessed on a case-by-case basis. When estimating Expected Credit Loss ("ECL") the Company analyzes both quantitative and qualitative data. Typically, ECL increases with the age of the receivable. A receivable is considered in default when the debtor is unlikely to pay its credit obligations in full and the Company has limited recourse.

As of November 30, 2024, the Company recognized a $Nil (2023: $117,960) provision for expected credit losses. This amount includes provisions for other receivables.

The issuance of a vendor take-back (VTB) promissory note exposes the Company to credit risk arising from the counterparty's ability to meet its repayment obligations.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have the sufficient liquidity to meet its liabilities when they are due, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the remaining contractual maturities of financial liabilities as at November 30, 2024:

	<1 year	1-2 years	Total
Accounts payable	$ 183,076	$ -	$ 183,076
Accrued liabilities	$ 568,739	$ -	$ 568,739
Other short term liabilities	$ 309,164	$ -	$ 309,164
	$ 1,060,979	$ -	$ 1,060,979

RISKS AND RISK MANAGEMENT

This section discusses factors relating to the business of Lifeist which 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 Lifeist may face additional risks and uncertainties not discussed in this section, or not currently known. All risks to Lifeist's business have the potential to influence its operations in a materially adverse manner.

Regulatory Environment

With respect to Mikra, the US Food & Drug Administration ("FDA") regulates the formulation, manufacturing, preparation, packaging, labeling, holding, and distribution of foods, drugs, and dietary supplements under the Federal Food, Drug and Cosmetic Act ("FFDCA") and the Dietary Supplement Health and Education Act of 1994 ("DSHEA"). "Dietary supplements" are defined as vitamins, minerals, herbs, other botanicals, amino acids, and other dietary substances for human use to supplement the diet, as well as concentrates, metabolites, constituents, extracts, or combinations of such nutritional/dietary ingredients. Generally, under DSHEA, dietary ingredients on the market before October 15, 1994, may be used in dietary supplements without notifying the FDA. New dietary ingredients (i.e., not marketed in the U.S. prior to October 15, 1994) must be the subject of a new dietary ingredient notification submitted to the FDA unless the ingredient has been "present in the food supply as an article used for food" without being "chemically altered." A new dietary ingredient notification must provide the FDA with evidence of a "history of use or other evidence of safety" establishing that use of the dietary ingredient, when used under the conditions recommended or suggested in the labeling of the dietary supplement, "will reasonably be expected to be safe.", unless the substance is Generally Recognized As Safe (GRAS) under the conditions of its intended use, or is otherwise excluded from the definition of a food additive. GRAS status may be achieved through a self-determination by qualified experts, with subsequent voluntary notification to the U.S. FDA.

Under the DSHEA, dietary supplement labeling must include the statement of identity (name of the dietary supplement), the net quantity of contents statement (amount of the dietary supplement), the nutrition labeling, the ingredient list, and the name and place of business of the manufacturer, packer, or distributor. The DSHEA also states that dietary supplements may display "statements of nutritional support" provided certain requirements are met. Such statements must be accompanied by a label disclosure that "This statement has not been evaluated by the Food and Drug Administration. This product is not intended to diagnose, treat, cure, or prevent any disease." Such statements may describe how a particular dietary ingredient affects the structure, function or general well-being of the body, or the mechanism of action by which a dietary ingredient may affect body structure, function or well-being, but may not expressly or implicitly represent that a dietary supplement will diagnose, cure, mitigate, treat, or prevent a disease. Any statement of nutritional support we make in labeling must possess scientific evidence substantiating that the statement is truthful and not misleading. Among other obligations, the FDA also requires relevant parties to meet relevant current good manufacturing practice regulations ("cGMP") that govern the manufacturing, packing and holding of dietary ingredients and dietary supplements. cGMP regulations require dietary supplements to be prepared, packaged and held in compliance with strict rules, and require quality control provisions similar to those in the cGMP regulations for drugs. Failure to comply with statutory and regulatory requirements may subject a manufacturer to legal or regulatory action, such as warning letters, suspension of manufacturing, product seizures, injunctions, civil penalties or criminal prosecution. As is common practice in the industry, the Company relies on our third-party contract manufacturers to ensure that the products they manufacture and sell to us comply with all applicable regulatory requirements.

The Company cannot be sure that the FDA or comparable agencies, will not question its advertising, product claims, promotional materials or other operations in the future. If the Company fails to comply with applicable laws, regulations, guidelines, and enforceable policies, the Company may be the subject of enforcement action, which could include incurring additional costs or penalties, or the Company's ability to operate may be restricted, suspended, or revoked.

Lack of Control Over Operations of Supply Partners

The Company's business relies on its supply partners to execute on its business plans and produce nutraceuticals products. The operators of its partners have significant influence over the results of operations of the partners. Further, the interests of the Company's and the operators of the partners may not always be aligned. As a result, there is a risk to the Company that at any time those third parties may: (a) have business interests or targets that are inconsistent with those of the Company; (b) take action contrary to the Company's policies or objectives; (c) be unable or unwilling to fulfill their obligations under their agreements with the Company; or (d) experience financial, operational or other difficulties, including insolvency, which could limit or suspend a third party's ability to perform its obligations. The Company must also rely, in part, on the accuracy and timeliness of the information it receives from the supply partners, and uses such information in its analyses, forecasts and assessments relating to its own business. If the information provided by its partners to the Company contains material inaccuracies or omissions, the Company's ability to accurately forecast or achieve its stated objectives, or satisfy its reporting obligations, may be materially impaired.

Development of New Products

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 may need to deploy significant amounts of capital in order to successfully develop and generate revenues from new products introduced by the Company. As well, the Company may be required to obtain and maintain additional regulatory approvals from Health Canada, the FDA in the US with respect to nutraceuticals products, and any other applicable regulatory authority, which may take significant amounts of time. The Company may not be successful in developing effective and safe new products, bringing such products to market in time to be effectively commercialized, gaining market acceptance for such products or obtaining any required regulatory approvals, which, together with any capital expenditures made in the course 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.

New Well-capitalized Entrants

Currently, the nutraceuticals industry is comprised of small and medium-sized entities but also established large conglomerates. These potential competitors may have longer operating histories, significantly greater financial, technological, engineering, manufacturing, marketing, and distribution resources, and be better capitalized.

Product Liability

As a processor 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 consumer packaged good 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 nutraceutical products alone or in combination with other medications or substances could occur. As a processor, distributor and retailer of nutraceutical products, or in its role as an investor in or service provider to an entity that is a manufacturer, distributor and/or retailer of such products, the Company may be subject to various product liability claims, including, among others, that a product caused injury or illness, includes inadequate instructions for use or includes 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 the business, results of operations, financial condition or prospects of the Company. There can be no assurances that the Company will be able to 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 maintain 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 or otherwise have a material adverse effect on the business, results of operations, financial condition or prospects of the Company.

Product Recalls

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. Such recalls cause unexpected expenses of the recall and any legal proceedings that might arise in connection with the recall. This can cause loss of a significant amount of sales. 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 products were subject to recall, the image of that product and the Company could be harmed. Additionally, product recalls can lead to increased scrutiny of operations by applicable regulatory agencies, requiring further management attention and potential legal fees and other expenses.

The Company has a limited operating history

The Company has a limited operating history, and, accordingly, potential investors will have a limited basis on which to evaluate the Company’s ability to achieve its business objectives. The future success of the Company is dependent on management’s ability to implement its strategy. Although management is optimistic about the Company’s prospects, there is no certainty that anticipated outcomes and sustainable revenue streams will be achieved and there is no certainty that the Company will be able to successfully establish a market for its products. The Company faces risks frequently encountered by early-stage companies. In particular, its future growth and prospects will depend on its ability to expand its operations and gain additional revenue streams whilst at the same time maintaining effective cost controls. Any failure to expand is likely to have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

The Company may not be able to achieve or maintain sufficient working capital to meet future obligations

The Company's ability to satisfy its working capital requirements will depend on a number of factors, some of which are beyond its control. Factors that will influence the Company's ability to achieve or maintain sufficient working capital to meet its future obligations will include general global economic conditions, credit and capital market conditions, and results of operations. There is no guarantee that the Company will continue to have positive working capital in the future, or that the working capital generated from operations will be sufficient to cover its expansion plans or the cost of future operations.

The Company has negative cash flow from operations and may need additional financing in the future

To date, the Company has had negative cash flow from operating activities. To fund its operations in the future and anticipated growth, additional funds may be required. The Company cannot guarantee it will achieve cash flow positive status in the future or have access to sufficient financial resources to fund its operations. Continued negative cash flow may restrict the Company's ability to pursue its business objectives which could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

The building and operation of the Company's facilities and business are capital intensive. In order to execute the anticipated growth strategy, the Company may require additional equity and/or debt financing to support on-going operations, to undertake capital expenditures and to undertake additional acquisitions or other business combination transactions. There can be no assurance that additional financing will be available to the Company when needed, or on terms which are acceptable to the Company. The Company's inability to raise financing to support on-going operations or to fund capital expenditures or acquisitions could limit the Company's growth and may have a material adverse effect upon future profitability.

The Company may not be able to achieve or maintain profitability

The Company has incurred losses since inception. The Company may not be able to achieve or maintain profitability and may continue to incur significant losses in the future. In addition, the Company expects to continue to increase operating expenses as it implements initiatives to continue to grow its business. If the Company's revenues do not increase to offset these expected increases in costs and operating expenses, the Company will not be profitable.

Reputational risk and negative public opinion

Damage to the Company's reputation can result from the actual or perceived occurrence of any number of events, including any negative publicity, whether true or not. With respect to nutraceuticals, 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 negative opinions and views in regard to the Company's activities and the industry in general, whether true or not. The Company does not ultimately have direct control over how the Company is perceived by others. Reputational issues may result in decreased investor confidence, increased challenges in developing and maintaining community relations and present an impediment to the Company's overall ability to advance its business strategy and realize on its growth prospects, which could have a material adverse effect on the Company's business, financial condition or results of operations.

Protection of intellectual property

The Company's success depends in part on its ability to protect its ideas and technology. Even if it moves to protect its technology with trademarks, patents, copyrights or by other means, it is not assured that competitors will not develop similar technology, business methods or that the Company will be able to exercise its legal rights. Other countries may not protect intellectual property rights to the same standards as does Canada. Actions taken to protect or preserve intellectual property rights may require significant financial and other resources such that said actions have a meaningful impact on its ability to successfully grow its business.

Inability to offer brands that attract or retain customers

The Company's success is dependent upon, among other things, continually offering desirable and effective nutraceutical products. Campaigns designed to enhance the brands offered by the Company and attract consumers, subject to restrictions imposed by law, can be expensive and may not result in increased sales. If the Company is unable to attract new consumers, it may not be able to increase its sales.

Reliance on Information Technology and Cybersecurity

The Company is reliant on the continuous and uninterrupted operation of its IT systems. User access and security of all IT systems can be critical elements to the operations of the Company. Protection against cybersecurity incidents, cloud security and security of all of the Company's IT systems are critical to the operations of the Company. Any IT failure pertaining to availability, access or system security could result in disruption of online sales and could adversely affect the reputation, operations or financial performance of the Company.

The Company's IT systems could be compromised by unauthorized parties attempting to extract business sensitive, confidential or personal information, corrupting information or disrupting business processes or by inadvertent or intentional actions by the Company's employees or vendors. A cybersecurity incident resulting in a security breach or failure to identify a security threat could disrupt business and could result in the loss of business sensitive, confidential or personal information or other assets, as well as litigation, regulatory enforcement, violation of privacy or securities laws and regulations, and remediation costs.

While the Company has established business continuity plans and risk management systems seeking to address system breaches or failures including, but not limited to, intrusion prevention and firewall hardware systems; MAC ID and IP blacklists; comprehensive anti-virus software libraries; network real-time monitoring; cloud-based virtual data distribution in fractional segments using RSA encryption keys; grandfather, father, son data backup strategies; and antivirus and malware protection software, there are inherent limitations in such plans and systems and there is no guarantee that such efforts will succeed. Any such unauthorized entry or breach into the Company's IT systems could have an adverse impact on the Company's financial condition and operations.

The Company may become a party to litigation

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company such a decision could adversely affect the Company's ability to continue operating and the market price for the Common Shares and could use significant resources and demand significant time and attention by management. Even if the Company is involved in litigation and wins, litigation can redirect significant resources. See "Legal Proceedings and Regulatory Actions" below.

The Company may become involved in regulatory or agency proceedings, investigations and audits

Health Canada inspectors routinely assess the Company for compliance with applicable regulatory requirements. The Company's facilities in Canada will be inspected by Health Canada and will be subject to certain ongoing inspections and audits. Furthermore, the import of the Company's products into other jurisdictions is subject to the regulatory requirements of the respective jurisdiction. Any failure by the Company to comply with the applicable regulatory requirements could require extensive changes to the Company's operations; result in regulatory or agency proceedings or investigations, increased compliance costs, damage awards, civil or criminal fines or penalties or restrictions on the Company's operations; harm the Company's reputation or give rise to material liabilities or a revocation of the Company's licences and other permits. There can be no assurance that any pending or future regulatory or agency proceedings, investigations or audits will not result in substantial costs, a diversion of management's attention and resources or other adverse consequences to the Company and its business.

In addition to the above, the Company is also subject to other risk factors as described in greater detail under the heading "Risks Factors" in the Company's Annual Information Form for the Fiscal year ended November 30, 2020, and available under the Company's profile at www.sedar.com.

NON-IFRS FINANCIAL MEASURES

The following table reconciles net loss to Adjusted EBITDA for the three and twelve months ended November 30, 2024 and 2023:

	Three months ended		Twelve months ended	
	30-Nov-24	30-Nov-23	30-Nov-24	30-Nov-23
Revenue	**$ 96,895**	**$ 219,480**	**$ 588,802**	**$ 1,364,978**
Cost of goods sold	30,595	(106,492)	168,493	599,361
Gross profit before inventory adjustment	**66,300**	**325,972**	**420,309**	**765,617**
Gross profit (before inventory adjustment) as a % of net revenue	*68%*	*149%*	*71%*	*56%*
Inventory adjustment	141,198	(129,048)	215,559	2,253
Operating costs	1,089,688	1,124,616	3,607,899	4,882,793
Professional fees	(108,444)	398,965	581,124	1,126,657
Adjusted EBITDA	**(1,056,142)**	**(1,068,561)**	**(3,984,273)**	**(5,246,086)**
Other (income) expense	(429,409)	21,729	(409,823)	(162,742)
Foreign exchange (gain) loss	2,009	(11,815)	29,577	9,608
Share-based compensation	(385,848)	129,201	423,452	884,798
Restructuring and other costs	-	-	-	8,333
EBITDA	**(242,894)**	**(1,207,676)**	**(4,027,479)**	**(5,986,083)**
Income tax recovery	-	(6,879)	-	(25,452)
Depreciation and amortization	4,375	11,985	26,179	56,542
Net income (loss) from Continued Operations	**(247,269)**	**(1,212,782)**	**(4,053,657)**	**(6,017,173)**
Gain (loss) from Discontinued Operations	(126,470)	(5,049,899)	2,608,099	(8,108,497)
Net income (loss)	**(373,739)**	**(6,262,681)**	**(1,445,558)**	**(14,125,670)**

- Other expense (income) consists of interest income, unrealized gain on equity investments at fair value through profit and loss ("FVTPL") and other miscellaneous nonrecurring expenses excluded from Adjusted EBITDA calculation.
- Current and deferred income taxes, depreciation and amortization, foreign exchange on revaluation and share based compensation were excluded from the Adjusted EBITDA calculation as they do not represent cash expenditures.