

FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS
MODERN PLANT BASED FOODS INC.
FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2024

The following discussion and analysis, prepared as of May 31, 2024, should be read together with the unaudited condensed interim consolidated financial statements and note thereto for the nine months ended May 31, 2024 and audited consolidated financial statements for the year ended August 31, 2023 and related notes attached thereto, for Modern Plant Based Foods Inc. (the “Company”). All amounts are stated in Canadian dollars unless otherwise indicated.

Management is responsible for the preparation and integrity of the consolidated financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the consolidated financial statements and MD&A, is complete and reliable. The Company’s Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Board’s audit committee meets with management quarterly to review the consolidated financial statements including the MD&A and to discuss other financial, operating and internal control matters.

Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements.

Additional information related to the Company is available for view on SEDAR at www.sedarplus.ca.

FORWARD-LOOKING STATEMENTS

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

DESCRIPTION OF BUSINESS AND OVERVIEW

The Company is a publicly listed company and was previously trading under the symbol “SUV” on the Canadian Securities Exchange (the “CSE”). The Company was a mineral exploration company engaged in locating, acquiring, and exploring mineral resources properties; and currently holds varying interests in oil and gas, metals and diamond properties located in Saskatchewan, Canada. In December 2015, the Company changed its name from Star Minerals Group Ltd. to Navis Resources Corp. which reflected a change in direction of the Company from a mineral-focused exploration company to a more diversified portfolio including the acquisition and development of oil and natural gas and helium assets.

On June 26, 2020, the Company completed an acquisition transaction whereby the Company acquired shares of Modern Meat Holdings Inc. (“Modern Meat”), representing approximately 99.14% of the

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issued and outstanding shares of Modern Meat and consequently operates the business of Modern Meat. Upon completion of the acquisition, the Company changed its name to Modern Meat Inc. and its trading symbol to "MEAT". The transaction was accounted for as a Reverse Take Over Acquisition.

On February 25, 2021, the Company changed its name to Modern Plant Based Foods Inc. and began trading under the new name on March 1, 2021.

In August 2020, the Company acquired its new manufacturing facility in Vancouver. During the year ended August 31, 2022, the Company halted its production and changed the facility into a rentable commercial kitchen, now known as Modern Commissary. The Modern Commissary specializes in offering kitchen space and resources to meal prep and ghost kitchen businesses. During the year ended August 31, 2023, the Company closed its Modern Commissary kitchen.

RECENT EVENTS

On May 27, 2024, the Company signed a non-binding letter of intent to acquire significant assets from 1256988 B.C. Ltd., doing business as AnimalKind.

Under the terms of the proposed acquisition, the Company will acquire 100% of the issued and outstanding equity interests of AnimalKind. The acquisition will include all intellectual property, associated standard operating procedures, contracts, designs and packaging processes held by AnimalKind. This includes its innovative formulations for blueberries, apple chunks and mango slice dog treats, further diversifying Modern Plant's product portfolio and strengthening its position in the market. As at the date of this report, the acquisition is not yet completed.

On May 8, 2024, the Company consolidated its issued and outstanding share capital on a basis of one post consolidated share for each 10 pre-consolidated shares.

On January 15, 2024, the Company launched its new Vegan Kaviar line, now available in salmon, wasabi and beluga flavours.

The Company completed its initial product launch, offering its affordable high-end vegan Kaviar, targeting sushi and seafood restaurants. Crafted with purely plant-based ingredients, each flavour in the Vegan Kaviar line is meticulously designed to replicate the texture and nuanced flavours of conventional caviar. The three variants are available in a 50-gram and 125-gram tin catering to a diverse range of palates:

- **Vegan wasabi caviar:** Combining the sophistication of caviar with a wasabi twist, this flavour offers a unique culinary experience at a fraction of the cost of similar gourmet products.
- **Vegan original caviar:** This variant emulates the luxurious and highly sought-after beluga caviar, providing an ethical and cost-effective option for gourmet dining.
- **Vegan salmon caviar:** A sustainable and affordable alternative to traditional salmon roe, it is perfect for classic caviar enthusiasts.

MANAGEMENT CHANGES

On December 31, 2021, the Company appointed Avtar Dhaliwal as chief executive officer of the Company, replacing interim CEO Joni Berg.

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On February 14, 2023, the Company appointed Aryan Beytoei to the Company's board of directors. Mr. Beytoei has replaced Cassidy McCord, who has stepped down as a director of the Company.

ACQUISITIONS

1257189 BC Ltd.

On October 30, 2020, the Company completed its acquisition of 1257189 BC Ltd., which owns two Victoria's Health & Organic Bar retail locations in Vancouver, B.C., now branded as Modern Health and Wellness Bar.

In December 2022, the Company closed its retail store located at West Broadway while Hornby location remained operational as at year end, however management ceased store operations at the beginning of the fiscal 2023. Currently, the Company rented out its Hornby store location to a third party.

JDW Distributors LLC

On November 17, 2020, the Company closed its acquisition of brands from JDW. As a result, the Company owns the trademarks and distribution rights to the "Snacks from the Sun" and "Sunsations" brands.

During the year ended August 31, 2022, the Company has terminated its US sales of its plant-based snacks projects due to inflation, rising costs, lack of industry logistics relationships, competitive markets, etc. As a result, the Company has put a hold on engaging further sales for brands Snacks from the Sun and Sunsations. The Company assessed that the brands were fully impaired as at August 31, 2022. An impairment loss of \$421,716 was recorded in the consolidated statements of loss and comprehensive loss during the year ended August 31, 2022. The Company has also put on hold of expanding these products in the Canadian market due to increased costs from co-packers and manufacturers. The Company is currently re-evaluating manufacturing options and new costing and market demand for these two brands.

As at May 31, 2024, the Company has net payable of \$36,389 (August 31, 2023 - \$36,106) to JDW in relation to its operations.

Kitskitchen Health Foods Inc.

On February 10, 2021, the Company completed its acquisition of Kitskitchen, a plant-based soup company with a portfolio of gourmet products that are currently available in many on-line and grocery retailers across British Columbia and Alberta.

In connection with the transaction, the Company obtained the distribution rights to the Kitskitchen brands. On closing, the Company issued 30,000 common shares to the vendor with a fair value of \$1,086,000. The Company also issued 900 common shares with a fair value of \$32,580 as a finder's fee for this transaction. The transaction costs incurred were expensed during the year ended August 31, 2021.

The goodwill recognized was primarily attributed to the expected synergies arising from the acquisition and the expertise and reputation of the assembled management and workforce.

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The Company assessed the goodwill was fully impaired as at August 31, 2023. An impairment loss of \$101,002 (2022 - \$500,000) was recorded in the consolidated statement of loss and comprehensive loss during the year ended August 31, 2023.

Vegables Food Inc.

On March 24, 2022, the Company completed its acquisition of Vegables, a plant-based company based in Vancouver, British Columbia, a portfolio of six proprietary products made from natural ingredients. These include taco bowl kit, slider kit, falafel bowl kit, orange chicken kit, mac and cheese kit, and the meatloaf muffin.

On closing, the Company issued 1,076,923 common shares with a fair value of \$5,707,691 for the acquisition of Vegables. The Company also issued 86,154 common shares with a fair value of \$456,615 as finder's fee and incurred \$23,274 of costs related to the transaction, which was expensed in the consolidated statements of loss and comprehensive loss.

The Company has accounted the acquisition of Vegables as a share-based payment as it did not meet the definition of a business under IFRS 3, "Business Combinations" and the assets acquired had not been consumer tested and accepted. The following table summarizes the total consideration, the fair value of the identifiable assets acquired and liabilities assumed as of the date of the acquisition:

Fair value of shares issued (1,076,923 shares*)	\$	5,707,691
Transaction costs		479,889
Total consideration paid		6,187,580
Allocated as follows:		
Identified fair value of net assets:		
Cash	\$	25,265
Net assets acquired		25,265
Transaction costs - acquisitions	\$	6,162,315

* The fair value of 1,076,923 common shares issued was estimated to be \$5.30 per share using the market price at acquisition date.

Sausage-less Food Company Inc.

Pursuant to a Share Exchange Agreement dated September 23, 2022, on September 30, 2022, the Company closed its acquisition of Sausage-less, a plant-based company based in Vancouver, British Columbia. The products acquired include the Sausage-less Roll, the Sausage-less Links and the Sausage-less Longanisa. Sausage-less products will be offered in both retail and food service outlets. The acquisition is expected to complement the Company's strategy to introduce higher-margin products in a broader reach of global cuisine.

The Company has accounted the acquisition of Sausage-less as a share-based payment as it did not meet the definition of a business under IFRS 3, "Business Combinations" and the assets acquired had not been consumer tested and accepted. The following table summarizes the total consideration, the fair value of the identifiable assets acquired and liabilities assumed as of the date of the acquisition:

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Fair value of shares issued (857,143 shares*)	\$	2,100,000
Fair value of share purchase warrants issued (857,143 warrants**)		227,994
Transaction costs		42,666
Total consideration paid		2,370,660
Allocated as follows:		
Identified fair value of net assets:		
Cash	\$	140,000
Accounts payable		(140,000)
Net assets acquired		-
Transaction costs - acquisitions	\$	2,370,660

* The fair value of 857,143 common shares issued was estimated to be \$2.45 per share using the market price at acquisition date.

** The fair value of 857,143 share purchase warrants issued was estimated using the Black Scholes Option Pricing Model with the following assumptions: expected life – 0.76 year; annualized volatility – 131.97%; risk-free interest rate – 3.76% per annum; dividend rate – 0%.

1407152 BC Ltd. doing business as Northern Pacific Kaviar

Pursuant to a Share Exchange Agreement dated June 29, 2023, on July 17, 2023, the Company completed its acquisition of Northern Pacific Kaviar, a private company based in Richmond, British Columbia, that owned and developed vegan caviar product lines. Northern Pacific Kaviar has developed an innovative vegan caviar using a blend of seaweed, flavourings and chia seeds to recreate the texture of real caviar for the vegan consumer. Its vegan caviar is made from a blend of natural ingredients and is free of any animal products.

On closing, the Company acquired 100% of the issued and outstanding securities of Northern Pacific Kaviar in exchange for an aggregate of 1,666,666 common shares with a fair value of \$2,916,666 and 1,666,666 replacement warrants exercisable at \$1.20 per common share until April 24, 2026.

The Company has accounted the acquisition of Northern Pacific Kaviar as a share-based payment as it did not meet the definition of a business under IFRS 3, "Business Combinations" and the assets acquired had not been consumer tested and accepted. The following table summarizes the total consideration, the fair value of the identifiable assets acquired and liabilities assumed as of the date of the acquisition:

Fair value of shares issued (1,666,666 shares*)	\$	2,916,666
Fair value of replacement warrants issued (1,666,666 warrants**)		1,457,488
Transaction costs		30,730
Total consideration paid		4,404,884
Allocated as follows:		
Identified fair value of net assets:		
Cash	\$	199,996
Intangible asset***		4,000
Shareholder loan		(200,005)
Net liabilities acquired		3,991
Transaction costs - acquisitions	\$	4,400,893

* The fair value of 1,666,666 common shares issued was estimated to be \$1.75 per share using the market price at acquisition date.

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** The fair value of 1,666,666 replacements warrants issued was estimated using the Black Scholes Option Pricing Model with the following assumptions: expected life – 2.77 years; annualized volatility – 127.28%; risk-free interest rate – 4.63% per annum; dividend rate – 0%.

*** During the year ended August 31, 2023, the intangible assets of \$4,000 was written-off and considered to be part of the transaction costs - acquisitions.

SELECTED FINANCIAL RESULTS

	Year ended August 31, 2023	Year ended August 31, 2022	Year ended August 31, 2021
Revenue	\$ 751,348	\$ 1,649,727	\$ 2,266,826
Gross profit	\$ 103,717	\$ 23,146	\$ 386,901
Net loss	\$ (8,287,954)	\$ (11,582,317)	\$ (6,188,175)
Basic & diluted loss per share	\$ (0.13)	\$ (0.28)	\$ (0.21)
Total assets	\$ 702,528	\$ 1,235,813	\$ 3,483,233
Long-term debt	\$ 11,137	\$ 85,378	\$ 269,172
Dividends	\$ -	\$ -	\$ -

RESULTS OF OPERATIONS

The Company reported revenue of \$751,348 for the year ended August 31, 2023 as compared to \$1,649,727 for the year ended August 31, 2022. The decrease was attributable to the decrease in production of its plant-based products as compared to prior year and the cessation of operation of its remaining store located at Hornby. The Company is currently focusing on acquiring and developing new products.

During the year ended August 31, 2023, the Company reported a net loss of \$8,287,954 (2022 - \$11,582,317). The majority of the expenses for the current year listed below decreased from those expenses of the previous year. The Company's expenses included the following:

- Accretion and interest expense of \$33,397 (2022 - \$47,243);
- Bad debts expense of \$3,578 (2022 - \$9,705);
- Contract labor and salaries of \$40,876 (2022 - \$313,518) consist of salaries paid to subcontractors, employees and chefs for production and operation;
- Consulting fees of \$268,814 (2022 - \$995,415) consist of expenses relating to consulting fees paid to consultants and other advisors of the Company;
- Depreciation of \$104,166 (2022 - \$235,047);
- General and administrative expenses of \$120,836 (2022 - \$254,565) consist of expenses relating to business activities;
- Investor communications of \$9,679 (2022 - \$12,926);
- Management and directors' fees of \$226,117 (2022 - \$510,956) were paid to directors of the Company;
- Professional fees of \$243,938 (2022 - \$422,025) consist of expenses relating to legal, audit and accounting fees;
- Rent of \$64,956 (2022 - \$107,278) mainly consists of the rental of kitchen facilities used to produce and package the Company's products;
- Research and development of \$4,179 (2022 - \$84,616) consists of the expenses relating to the research and development of recipes for plant-based products;

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- Sales and marketing of \$483,001 (2022 - \$1,503,172) consists of expenses relating to the marketing and promotional activities of the Company's products;
- Share-based compensation of \$15,960 (2022 - \$797,246) for issuance and vesting of stock options to directors and employees of the Company;
- Transaction costs - acquisition of \$6,775,553 (2022 - \$6,162,315) relating to the acquisition of Sausage-less and Northern Pacific Kaviar. The transaction costs incurred in 2022 was relating to the acquisition of Vegables;
- Transfer agent and regulatory fees of \$42,688 (2022 - \$67,609) consist of expenses in connection with regulatory and filing fees of the Company;
- Travel of \$647 (2022 - \$5,464);
- Other income of \$143,218 (2022 - \$1,002,103) consists mainly of income from renting out its store located at Hornby after the store had ceased operation. The income received in 2022 was relating to the proceeds from the sale of rights and recipes for Modern breakfast sausage;
- Foreign exchange loss of \$26,299 (2022 - \$14,285);
- Loss on sale of assets of \$185 (2022 - gain of \$2,452);
- Gain on debt settlement of \$1,225 (2022 - loss of \$28,282);
- Loss on transfer of lease assets of \$Nil (2022 - \$1,670);
- Royalty expense of \$Nil (2022 - \$49);
- Transaction costs of \$Nil (2022 - \$2,899) for costs incurred relating to the acquisition of Sausage-less;
- Write-off of accounts payable of \$8,866 (2022 - \$Nil); and
- Impairment loss of \$104,868 (2022 - \$1,055,707) relating to the impairment of kitchen and computer equipment and the remaining goodwill of Kitskitchen. The loss in 2022 was relating to the impairment of kitchen equipment and facility, store equipment and leaseholds, goodwill and brands acquired.

NON-CONTROLLING INTEREST ("NCI")

As at May 31, 2024, the carrying value of NCI was \$6,589 (August 31, 2023 - \$6,589) which was determined as follows:

Balance, August 31, 2022	\$	(6,589)
Net income allocated to NCI		-
Balance, August 31, 2023 and May 31, 2024	\$	(6,589)

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SUMMARY OF FINANCIAL RESULTS

	For the three months ended May 31, 2024	For the three months ended February 29, 2024	For the three months ended November 30, 2023	For the three months ended August 31, 2023
	\$	\$	\$	\$
Revenue	136,986	206,205	178,319	103,927
Gross profit (loss)	18,126	50,808	38,045	(25,745)
Net loss	(308,145)	(89,988)	(140,288)	(4,770,162)
Basic and diluted loss per share	(0.04)	(0.01)	(0.02)	(0.63)
Total assets	583,984	812,962	765,498	702,528
Long-term debt	640,786	540,786	11,137	11,137
Dividend	-	-	-	-

	For the three months ended May 31, 2023	For the three months ended February 28, 2023	For the three months ended November 30, 2022	For the three months ended August 31, 2022
	\$	\$	\$	\$
Revenue	144,941	221,199	281,281	141,309
Gross profit (loss)	46,934	34,803	47,725	(252,849)
Net loss	(170,378)	(511,408)	(2,836,006)	(8,218,976)
Basic and diluted loss per share	(0.03)	(0.08)	(0.51)	(1.68)
Total assets	898,151	1,006,629	1,143,672	1,235,813
Long-term debt	35,894	35,894	61,005	85,378
Dividend	-	-	-	-

Three months ended May 31, 2024

During the three months ended May 31, 2024, the Company reported revenue of \$136,986 and cost of sales of \$118,860.

During the three months ended May 31, 2024, the Company reported a net loss of \$308,145 as compared to \$170,378 for the three months ended May 31, 2023. Several expenses for the current period listed below decreased from those expenses of the same period of the previous year mainly due to the decrease in the Company's activity in relation to business acquisitions, production, and marketing of the Company's products. The Company's expenses included the following:

- Accretion and interest expense of \$34,694 (2023 - \$9,395);
- Bad debts expense of \$3,193 (2023 - \$Nil);
- Contract labor and salaries of \$Nil (2023 - \$10,499) consist of salaries paid to subcontractors, employees and chefs for production and operation;
- Consulting fees of \$140,350 (2023 - \$71,479) consist of expenses relating to consulting fees paid to consultants and other advisors of the Company;
- Depreciation of \$5,725 (2023 - \$26,117);

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- General and administrative expenses of \$17,348 (2023 - \$26,573) consist of expenses relating to business activities;
- Management and directors' fees of \$85,989 (2023 - \$59,864) were paid to directors of the Company;
- Professional fees of \$7,838 (2023 - \$29,047) consist of fees relating to legal, audit and accounting fees;
- Rent recovery of \$908 (2023 - expense of \$14,267) mainly consists of the rental of kitchen facilities used to produce and package the Company's products;
- Research and development of \$780 (2023 - \$436) consists of the expenses relating to the research and development of recipes for plant-based products;
- Sales and marketing of \$22,031 (2023 - \$7,992) consists of expenses relating to the marketing and promotional activities of the Company's products;
- Share-based compensation - acquisition of \$Nil (2023 - \$1,798) relating to acquisition of Sausage-less;
- Transfer agent and regulatory fees of \$12,239 (2023 - \$5,907) consist of expenses in connection with regulatory and filing fees of the Company;
- Travel of \$112 (2023 - \$440);
- Foreign exchange gain of \$3,120 (2023 - loss of \$1,954);
- Gain on sale of assets of \$Nil (2023 - \$176);
- Other income of \$Nil (2023 - \$39,414) consists mainly of income from renting out its store located at Hornby after the store had ceased operation; and
- Written-off of accounts payable of \$Nil (2023 - \$8,866).

Nine months ended May 31, 2024

During the nine months ended May 31, 2024, the Company reported revenue of \$521,510 and cost of sales of \$414,531.

During the nine months ended May 31, 2024, the Company reported a net loss of \$538,421 as compared to \$3,517,792 for the nine months ended May 31, 2023. Several expenses for the current period listed below decreased from those expenses of the same period of the previous year mainly due to the decrease in the Company's activity in relation to the production and marketing of the Company's products. The Company's expenses included the following:

- Accretion and interest expense of \$62,760 (2023 - \$23,951);
- Bad debts expense of \$3,193 (2023 - \$Nil);
- Contract labor and salaries of \$4,147 (2023 - \$28,012) consist of salaries paid to subcontractors, employees and chefs for production and operation;
- Consulting fees of \$162,030 (2023 - \$257,479) consist of expenses relating to consulting fees paid to consultants and other advisors of the Company;
- Depreciation of \$53,840 (2023 - \$78,061);
- General and administrative expenses of \$54,076 (2023 - \$92,979) consist of expenses relating to business activities;
- Investor communications of \$Nil (2023 - \$9,679);
- Management and directors' fees of \$179,961 (2023 - \$172,969) were paid to directors of the Company;
- Professional fees of \$46,035 (2023 - \$111,654) consist of expenses relating to legal, audit and accounting fees;

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- Rent of \$27,239 (2023 - \$48,332) mainly consists of the rental of kitchen facilities used to produce and package the Company's products;
- Research and development of \$780 (2023 - \$4,179) consists of the expenses relating to the research and development of recipes for plant-based products;
- Sales and marketing of \$91,493 (2023 - \$482,158) consists of expenses relating to the marketing and promotional activities of the Company's products;
- Share-based compensation of \$Nil (2023 - \$15,960) for the vesting of stock options to directors and employees;
- Share-based compensation - acquisition of \$Nil (2023 - \$2,370,660) relating to acquisition of Sausage-less;
- Transfer agent and regulatory fees of \$33,941 (2023 - \$36,335) consist of expenses in connection with regulatory and filing fees of the Company;
- Travel of \$7,599 (2023 - \$601);
- Gain on sale of assets of \$Nil (2023 - \$176);
- Other income of \$79,344 (2023 - \$103,779);
- Foreign exchange gain of \$2,350 (2023 - loss of \$27,066); and
- Write-off of accounts payable of \$Nil (2023 - \$8,866).

LIQUIDITY AND CAPITAL RESOURCES

	Nine months ended		Year ended	
	May 31, 2024		August 31, 2023	
Working Capital Deficit	\$	(1,130,445)	\$	(1,273,129)
Deficit	\$	(32,011,338)	\$	(31,472,917)

As at May 31, 2024, the Company had working capital deficit of \$1,130,445, inclusive of cash of \$78,403, as compared to working capital deficit of \$1,273,129, inclusive of cash of \$57,710 as at August 31, 2023.

Cash used in operating activities was \$194,295 for the three months ended May 31, 2024, which was attributable to a net loss of \$308,145, depreciation of \$5,725, write-off of accounts receivable of \$3,193, accretion and interest expense of \$34,694, and changes in working capital relating to decrease in amounts receivable, decrease in inventories, decrease in prepaid expenses and decrease in accounts payable and accrued liabilities.

There were no cash provided by investing activities for the three months ended May 31, 2024.

Cash provided by financing activities was \$100,000 for the three months ended May 31, 2024, which was attributable to proceeds from loans of \$704,946 offset by payments on loans of \$604,946.

Cash used in operating activities was \$339,580 for the nine months ended May 31, 2024, which was attributable to a net loss of \$538,421, depreciation of \$53,840, write-off of accounts receivable of \$3,193, accretion and interest expense of \$62,760, write-off of inventories of \$3,384, and changes in working capital relating to increase in amounts receivable, decrease in inventories, increase in prepaid expenses and increase in accounts payable and accrued liabilities.

There were no cash provided by investing activities for the nine months ended May 31, 2024.

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Cash provided by financing activities was \$362,657 for the nine months ended May 31, 2024, which was attributable to proceeds from loans of \$1,018,833 offset by payments on loans of \$604,946 and payments on lease of \$51,230.

The Company had cash of \$78,403 at May 31, 2024, but management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive or raise additional debt and/or equity capital. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors, renewing and obtaining new customers, achieving a profitable level of operations, and or private placement of common shares. Management is continuing to address the need to increase revenue, control costs, and maintain working capital. There can be no assurance that the Company will be able to complete such activities or obtain financing to continue; therefore, a material uncertainty exists that casts significant doubt over the Company's ability to continue as a going concern.

CAPITAL STOCK

The authorized capital stock of the Company is an unlimited number of common shares and unlimited number of preferred shares issuable in series.

As at May 31, 2024, the Company had 8,347,675 (August 31, 2023 - 8,347,675) common shares outstanding.

On May 8, 2024, the Company consolidated its issued and outstanding share capital on a basis of one post consolidated share for each 10 pre-consolidated shares.

There were no shares issued during the nine months ended May 31, 2024.

Year ended August 31, 2023

On September 30, 2022, the Company issued 857,143 common shares with a fair value of \$2,100,000 for the acquisition of Sausage-less.

On January 31, 2023, the Company issued 349,400 shares for gross proceeds of \$209,640 on the exercise of share purchase warrants at \$0.60 per share.

On February 2, 2023, the Company issued 506,274 shares for gross proceeds of \$303,764 on the exercise of share purchase warrants at \$0.60 per share.

On July 14, 2023, the Company issued 1,666,666 common shares with a fair value of \$2,916,666 for the acquisition of Northern Pacific Kaviar.

Securities Held in Escrow

Following the completion of the reverse takeover, 394,000 common shares and 137,500 options were held in escrow. As per the escrow agreement, 10% of the escrowed securities were released on June 26, 2020 and 15% will be released every six months thereafter over a 36-month period.

During the year ended August 31, 2022, 159,450 common shares in escrow were released and 159,450 common shares in escrow were released during the year ended August 31, 2023 pursuant to the escrow agreement. Nil common shares remaining in escrow as at May 31, 2024 and as at July 30, 2024.

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Stock Options

The Company has established a stock option plan pursuant to which options to purchase common shares may be granted to certain officers, directors, and contractors of the Company as well as persons providing ongoing services to the Company. The aggregate number of shares issuable under the plan shall not exceed 10% of the issued and outstanding common shares of the Company. Unless otherwise determined by the board of directors of the Company (the "Board"), the exercise price of options equals at least the closing price of the common shares on the day prior to the date of the grant. Stock options vest in accordance with the determination of the Board at the time of the grant and may be granted for up to a ten-year term.

During the year ended August 31, 2023, the Company recognized stock-based compensation expense of \$15,960 (2022 - \$797,246) relating to the stock options that vested during the year.

During the nine months ended May 31, 2024, 48,000 stock options with an exercise price of \$28.50 have expired without being exercised.

A summary of the Company's outstanding stock options as at May 31, 2024 and as at July 30, 2024 is as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding, August 31, 2022, and 2023	48,000	\$ 28.50
Expired	(48,000)	28.50
Outstanding, May 31, 2024 and July 30, 2024	-	\$ -

There are no stock options outstanding and exercisable as at July 30, 2024.

Warrants

A summary of the Company's outstanding warrants as at May 31, 2024 and as at July 30, 2024 is as follows:

	Number of Warrants	Weighted Average Exercise Price
Outstanding, August 31, 2022	336,518	\$ 11.10
Expired	(41,469)	29.00
Issued	1,666,666	1.20
Replacement warrants*	857,143	0.60
Exercised	(855,673)	0.60
Outstanding, August 31, 2023	1,963,185	2.30
Expired	(92,437)	14.80
Outstanding, May 31, 2024	1,870,748	\$ 1.70
Expired	(204,082)	5.8
Outstanding, July 30, 2024	1,666,666	\$ 1.20

*The Company issued 1,666,666 share purchase warrants in exchange for Northern Pacific Kaviar warrants.

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Subsequent to the nine months ended May 31, 2024, 204,082 share purchase warrants with an exercise price of \$5.80 have expired without being exercised.

The following summarizes information about warrants outstanding and exercisable at July 30, 2024:

Number of Warrants	Exercisable	Exercise Price	Remaining Life (Years)	Expiry Date
1,666,666	1,666,666	\$ 1.20	1.73	April 24, 2026
1,666,666	1,666,666	\$ 1.20	1.73	

RELATED PARTY TRANSACTIONS

Related parties and related party transactions are summarized below and include transactions with the following individuals or entities:

Key Management Personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers and companies owned by these individuals.

Remuneration attributed to key management personnel is summarized as follows:

For the nine months ended May 31,	2024	2023
Management and directors' fees	\$ 102,750	\$ 115,000
Sales and marketing fees	-	6,000
Share-based compensation	-	4,986
	\$ 102,750	\$ 125,986

- Paid or accrued management fees of \$30,000 (2023 - \$45,000) to Avtar Dhaliwal, current CEO and director of the Company. As at May 31, 2024, an amount of \$3,291 (August 31, 2023 - \$3,291) was owing to Avtar Dhaliwal.
- Paid or accrued director fees of \$4,500 (2023 - \$4,500) to Mohsen Rahimi, current director of the Company. As at May 31, 2024, an amount of \$1,000 (August 31, 2023 - \$2,000) was owing to Mohsen Rahimi.
- Paid or accrued director fees of \$4,500 (2023 - \$1,750) to Aryan Beytoei current director of the Company. As at May 31, 2024, an amount of \$1,000 (August 31, 2023 - \$1,500) was owing Aryan Beytoei.
- Paid or accrued sales and marketing fees of \$Nil (2023 - \$6,000) to 1188849 BC Ltd., company controlled by a former director of the Company. As at May 31, 2024, an amount of \$3,620 (August 31, 2023 - \$3,412) was owing to 1188849 BC Ltd.
- Paid or accrued management fees and accounting services of \$63,750 (2023 - \$63,750) to Canmore Financial Services, a company controlled by current CFO and director of the Company. As at May 31, 2024, an amount of \$446 (August 31, 2023 - \$Nil) was owing to the current CFO.

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- f) As at May 31, 2024, the Company has receivable of \$568 (August 31, 2023 - \$568) from Cassidy McCord, former director of the Company, which are included in amounts receivable. As at May 31, 2024, an amount of \$3,782 (August 31, 2023 - \$Nil) was owing to Cassidy McCord.
- g) During the year ended August 31, 2023, the Company received a loan of \$20,000 from a former director of the Company. The loan is unsecured, bears interest at 7% per annum and is payable within one year.
- h) A total of \$Nil (2023 - \$4,986) share-based compensation incurred in relation to vested options granted to former and current officers and directors of the Company.

The amounts due to related parties which are included in accounts payable and accrued liabilities except for the loans are non-interest bearing, unsecured and had no fixed terms of repayment.

OFF-BALANCE SHEET ARRANGEMENTS

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

CHANGES IN ACCOUNTING POLICIES

The Company's accounting policies are described in Note 4 of the condensed interim consolidated financial statements for the nine months ended May 31, 2024.

Future Accounting Pronouncements

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

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim consolidated financial 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 financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Critical Judgments

Going concern

The preparation of these condensed interim consolidated financial statements requires management to make judgments regarding the ability of the Company to continue as a going concern.

Business combinations

Judgement is required to determine if the Company's acquisitions represent a business combination or an asset acquisition. For acquisitions accounted as business combination, goodwill was recognized on the transactions and acquisition costs were expensed. The cost of the business combination is measured as the aggregate of the fair values (at the date of exchange) of assets acquired and liabilities incurred or assumed. For acquisitions representing asset acquisition, no goodwill was recognized on the transactions and acquisition costs were capitalized to the assets purchased. An allocation of the

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purchase price to the individual identifiable assets acquired, including intangible assets, and liabilities assumed based on their fair values at the date of purchase was required. The fair values of the net assets acquired was calculated using significant estimates and judgments. If estimates or judgments differed, this could result in a materially different allocation of net assets on the consolidated statement of financial position.

Key Sources of Estimation Uncertainty

Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the consolidated financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates and such differences could be significant.

Significant estimates made by management affecting the consolidated financial statements include:

Fair value of stock options and warrants

Determining the fair value of stock options and warrants requires judgments related to the choice of a pricing model, the estimation of stock price volatility, the expected forfeiture rate and the expected term of the underlying instruments. Any changes in the estimates or inputs utilized to determine fair value could result in a significant impact on the Company's future operating results or on other components of shareholders' equity.

When warrants are issued as part of unit placement, proceeds from unit placement are allocated between shares and warrants issued using the relative fair value method. Proceeds are charged in proportion to the fair value of shares based on the stock prices at the time of issue and the fair value of the warrants determined using the Black-Scholes model. The fair value attributed to the warrant is recorded as contributed surplus. If the warrant is exercised, the value attributed to the warrant is transferred to share capital. If the warrant expires unexercised, the value remains in contributed surplus within equity.

Useful lives of property, plant and equipment and intangible assets

The Company makes estimates and utilizes assumptions in determining the useful lives of property and equipment and intangible assets, and the related depreciation and amortization. Uncertainties in these estimates relate to technical obsolescence that may change the utilization of certain assets.

Valuation and economic recoverability of intangible assets

The Company has determined that intangible asset costs incurred which were capitalized may have future economic benefits and may be economically recoverable. The Company uses several criteria in its assessments of economic recoverability and probability of future economic benefits including anticipated cash flows and estimated economic life. Indefinite lived intangible assets are tested annually for impairment. The assessment of the recoverable amount used in the intangible asset impairment analysis requires the Company to make estimates and assumptions about expected sales volumes and prices, for which the Company considers historical prices and current market trends, as well as considering the Company's current projects, their expected output, costs and timing. These estimates and assumptions are subject to risk and uncertainty; hence there is a possibility that a change in circumstances will alter these projections, which may impact the recoverable amount of the indefinite life assets.

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Incremental borrowing rate for leased assets

The discount rate used in the present value calculation for lease payments is the incremental borrowing rate for each leased asset or portfolio of leased assets with similar characteristics by reference to the Company's creditworthiness, the original term of the lease, the quality of the underlying leased asset, and the economic environment where the leased asset is located. The fair value of the lease obligations was determined using current borrowing rates for similar debt instruments.

FINANCIAL AND CAPITAL RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company manages credit risk, in respect of cash, by placing cash at major Canadian financial institutions. The Company has minimal credit risk from cash.

At May 31, 2024, 142% of the Company's trade accounts receivable balance is over 90 days past due (August 31, 2023 - 77%). The carrying amount of trade and other receivables as at May 31, 2024 was \$202,847 (August 31, 2023 - \$261,201). The Company performs ongoing credit review on its customers before concluding sales transactions. Credit risk from accounts receivable is assessed as high.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due. The Company has cash of \$78,403 at May 31, 2024, in order to meet short-term business requirements. At May 31, 2024, the Company has current payables of \$1,442,911. The majority of the Company's financial liabilities have contractual maturities of less than 90 days and the loan payables are due within 12 to 24 months from the date of agreement from the date of agreement. Liquidity risk is assessed as high.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

The following is an analysis of the contractual maturities of the Company's non-derivative financial liabilities as at May 31, 2024:

	Within one year	Between one and five years	More than five years
Trade payables	\$ 878,349	\$ -	\$ -
Credit card and other payables	7,958	-	-
	\$ 886,307	\$ -	\$ -

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at May 31, 2024, the Company is not exposed to interest

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rate risk.

Foreign currency risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company's functional currency is the Canadian dollar. The Company is exposed to currency exchange rate risk to the extent of its activities in the United States.

Management believes the foreign currency risk derived from currency conversions from the United States operations is not significant and assessed as low.

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of working and share capital. There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements.

Classification of financial instruments

The following table summarizes information regarding the carrying values and classification of the Company's financial instruments as at May 31, 2024 and August 31, 2023:

		May 31, 2024	August 31, 2023
Cash – FVTPL	\$	78,403	\$ 57,710
Amounts receivable – Amortized cost		202,847	261,201
Accounts payable – Amortized cost		(986,311)	(989,467)
Loans payable – Amortized cost	\$	(1,083,337)	\$ (608,436)

Fair value

The fair value of the Company's financial assets and liabilities approximates their carrying amount. Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 - Inputs that are not based on observable market data.

The following is an analysis of the Company's financial assets measured at fair value as at May 31, 2024 and August 31, 2023:

		As at May 31, 2024		
		Level 1	Level 2	Level 3
Cash	\$	78,403	\$ -	\$ -

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	As at August 31, 2023		
	Level 1	Level 2	Level 3
Cash	\$ 57,710	\$ -	\$ -

BUSINESS RISK AND UNCERTAINTIES

Relevant Risk Factors

The occurrence of any of the following risks could harm the Company's business, results of operations, financial condition and/or growth prospects or cause the Company's actual results to differ materially from those contained in forward-looking statements it has made in this report. The risks and uncertainties described in this report are not the only ones the Company may face. Additional risks and uncertainties that the Company is unaware of, or that the Company currently deems not to be material, may also become important factors that affect the Company. If any such risks actually occur, the Company's business, financial condition or results of operations could be materially adversely affected.

Speculative Nature of Investment

An investment in the Company's common shares carries a high degree of risk, should be considered as a speculative investment by purchasers, and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for liquidity in their investment. An investment in the securities offered hereunder should not constitute a major portion of an individual's investments and should only be made by persons who can afford a total loss of their investment. Prospective purchasers should carefully evaluate the risk factors set out in this section associated with an investment in the Company's securities prior to purchasing any of the Shares.

Limited or No Operating History

The Company has limited or no history of earnings or sales, limited cash reserves, a limited operating history, have not paid dividends, and are unlikely to pay dividends in the immediate or near future. The Company is in the development and planning phases of its business and has only very recently offered some of its planned products for sale. Operations are not yet sufficiently established such that the Company can mitigate the risks associated with planned activities.

The Company also has limited or no history of operations in the food industry. The Company is therefore subject to many of the risks common to entering a new area of operation, including under-capitalization, limitations with respect to personnel, financial, and other resources lack of revenues, and uncertainty with respect to its ability to attract and retain paying clients. There is no assurance that the Company will be successful in operating its business, generate revenue, successfully implement its plans or achieving a return on its investment and the likelihood of success must be considered in light of the Company's lack of experience in the food industry and the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business.

Going Concern Risk

The financial statements have been prepared on a going concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. The Company's future operations are dependent upon the identification and successful completion of equity or debt or other financing and the achievement of profitable operations. There can be no assurances that the Company will be successful in achieving profitability.

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The financial statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern.

History of Losses

The Company has a history of losses, and it may be unable to achieve or sustain profitability. It has experienced net losses in almost every period since incorporation. The Company anticipates that its operating expenses and capital expenditures will increase substantially in the foreseeable future as it continues to invest to research and develop its products, increase its customer base, supplier network and co-manufacturing partners, expand its marketing channels, invest in its distribution and manufacturing facilities, hire additional employees and enhance its technology and production capabilities. The Company's expansion efforts may prove more expensive than it anticipates, and it may not succeed in increasing the Company's revenues and margins sufficiently to offset the anticipated higher expenses. The Company incurs significant expenses in developing its innovative products, leasing or otherwise obtaining manufacturing facilities, obtaining and storing ingredients and other products and marketing the products it offers. In addition, many of the Company's expenses, including the costs associated with its existing and any future manufacturing facilities, are fixed. Accordingly, the Company may not be able to achieve or sustain profitability, and it may incur significant losses for the foreseeable future.

Negative Operating Cash Flow

The Company has negative operating cash flow. The failure of the Company to achieve profitability and positive operating cash flows could have material adverse effect on the Company's financial conditions and results of operations. To the extent that the Company has a negative cash flow in future periods, the Company may need to deploy a portion of its cash reserves to fund such negative cash flow. The Company expects to continue to sustain operating losses in the future until it generates revenue from the commercial production of its products. There is no guarantee that the Company will ever be profitable.

Litigation

The Company may become subject to various legal proceedings and claims that arise from time to time in the ordinary course of the Company's business. Such litigation may arise as a consequence of contractual or other disputes or as a consequence of the Company's listing and reporting issuer status and could adversely affect its business and operations. Litigation or legal proceedings could expose the Company to significant liabilities and have a negative impact on the Company's reputation or business. Should any litigation in which the Company becomes involved be determined against it such a decision could adversely affect its ability to continue operating and the market price for the Shares and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant Company resources. Litigation may also create a negative perception of the Company's brand.

The Company evaluates these claims and litigation proceedings to assess the likelihood of unfavorable outcomes and to estimate, if possible, the amount of potential losses. Based on these assessments and estimates, the Company may establish reserves, as appropriate. These assessments and estimates are based on the information available to management at the time and involve a significant amount of management judgment. Actual outcomes or losses may differ materially from the Company's assessments and estimates.

Legal Claims, Government Investigations and Regulatory Enforcement

The Company operates in a highly regulated environment with constantly evolving legal and regulatory frameworks. Consequently, the Company is subject to heightened risk of legal claims, government investigations or other regulatory enforcement actions. Although the Company has implemented policies and procedures designed to ensure compliance with existing laws and regulations, there can be no assurance that its employees, temporary workers, contractors or agents will not violate its policies and procedures. Moreover, a failure to maintain effective control processes could lead to violations, unintentional or otherwise, of laws and regulations.

Legal claims, government investigations or regulatory enforcement actions arising out of the Company's failure or alleged failure to comply with applicable laws and regulations could subject it to civil and criminal penalties that could materially and adversely affect the Company's product sales, reputation, financial condition and operating results. In addition, the costs and other effects of defending potential and pending litigation and administrative actions against the Company may be difficult to determine and could adversely affect the Company's financial condition and operating results.

Regulatory Risks

The Company seeks to comply with applicable regulations through a combination of employing internal experience and expert personnel to ensure quality-assurance compliance (i.e., assuring that the Company's products are not adulterated or misbranded) and contracting with third-party laboratories that conduct analyses of products to ensure compliance with nutrition labeling requirements and to identify any potential contaminants before distribution. Failure by the Company or its co-manufacturers to comply with applicable laws and regulations or maintain permits, licenses or registrations relating to the Company's or its co-manufacturers' operations could subject the Company to civil remedies or penalties, including fines, injunctions, recalls or seizures, warning letters, restrictions on the marketing or manufacturing of products, or refusals to permit the import or export of products, as well as potential criminal sanctions, which could result in increased operating costs resulting in a material effect on the Company's operating results and business.

Changes in existing laws or regulations, or the adoption of new laws or regulations may increase the Company's costs and otherwise adversely affect the Company's business, results of operations and financial condition.

The manufacture and marketing of food products is highly regulated. The Company and its suppliers and co-manufacturers are subject to a variety of laws and regulations. These laws and regulations apply to many aspects of the Company's business, including the manufacture, packaging, labeling, distribution, advertising, sale, quality and safety of its products, as well as the health and safety of its employees and the protection of the environment.

The regulatory environment in which the Company operates could change significantly and adversely in the future. Any change in manufacturing, labeling or packaging requirements for the Company's products may lead to an increase in costs or interruptions in production, either of which could adversely affect its operations and financial condition. New or revised government laws and regulations could result in additional compliance costs and, in the event of non-compliance, civil remedies, including fines, injunctions, withdrawals, recalls or seizures and confiscations, as well as potential criminal sanctions, any of which may adversely affect the Company's business, results of operations and financial condition. In particular, recent federal, state and foreign attention to the naming of plant-based meat products could result in standards or requirements that mandate changes to the Company's current labeling.

Permits and Governmental Regulations

The future operations of the Company may require permits from various federal, provincial, and local governmental authorities and will be governed by laws and regulations governing food safety, taxes, labour standards, occupational health and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required to for commercial production of its products and operation of its facilities.

Supply and Demand Risk

If the Company fails to effectively launch or develop its products, expand its manufacturing and production capacity, its business and operating results and its brand reputation could be harmed. If the Company does not have sufficient capacity to meet customers' demands and to satisfy increased demand, it will need to expand operations, supply and manufacturing capabilities. However, there is risk in the Company's ability to effectively scale production processes and effectively manage supply chain requirements. The Company must accurately forecast demand for products in order to ensure it has adequate available manufacturing capacity. The Company's forecasts are based on multiple assumptions which may cause estimates to be inaccurate and affect its ability to obtain adequate manufacturing capacity (whether the Company's own manufacturing capacity or co-manufacturing capacity) in order to meet the demand for products, which could prevent it from meeting increased customer demand and harm the Company's brand and its business and in some cases may result in fines the Company must pay customers or distributors if it is unable to fulfill orders placed by them in a timely manner or at all.

However, if the Company overestimates its demand and overbuilds capacity, it may have significantly underutilized assets and may experience reduced margins. If the Company does not accurately align its manufacturing capabilities with demand, if it experience disruptions or delays in its supply chain, or if it cannot obtain raw materials of sufficient quantity and quality at reasonable prices and in a timely manner, its business, financial condition and results of operations may be materially adversely affected.

Reliance on Third-Party Suppliers

Because the Company relies on a limited number of third-party suppliers, it may not be able to obtain raw materials on a timely basis or in sufficient quantities to produce its products or meet the demand for its products. The Company's financial performance depends in large part on its ability to arrange for the purchase of raw materials in sufficient quantities at competitive prices. The Company is not assured of continued supply or pricing of raw materials. Any of the Company's suppliers could discontinue or seek to alter their relationship with the Company.

Any disruption in the supply of pea protein from these suppliers would have a material adverse effect on the Company's business if it cannot replace these suppliers in a timely manner or at all.

Events that adversely affect the Company's suppliers of pea protein and other raw materials could impair its ability to obtain raw material inventory in the quantities that it desires. Such events include problems with the Company's suppliers' businesses, finances, labor relations, ability to import raw materials, costs, production, insurance and reputation, as well as natural disasters, fires or other catastrophic occurrences. The Company continuously seeks alternative sources of protein to use in its products, but it may not be successful in diversifying the raw materials it uses in its products.

If the Company needs to replace an existing supplier, there can be no assurance that supplies of raw materials will be available when required on acceptable terms, or at all, or that a new supplier would allocate sufficient capacity to the Company in order to meet its requirements, fill its orders in a timely

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manner or meet its strict quality standards. If the Company is unable to manage its supply chain effectively and ensure that its products are available to meet consumer demand, its operating costs could increase and its profit margins could decrease. This could also have a significant impact on the Company's capacity to complete certain of its current or projected research and development projects and, accordingly, would negatively affect its projected commercial and financial growth. Any significant increase in the price of raw materials that cannot be passed on to the customers could have a material adverse effect on the Company's results of operations or financial condition.

The Company's future business, results of operations and financial condition may be adversely affected by reduced or limited availability of pea protein that meets the Company's standards.

Third-Party Supplier Compliance

Failure by the Company's suppliers of raw materials or co-manufacturers to comply with food safety, environmental or other laws and regulations, or with the specifications and requirements of its products, may disrupt its supply of products and adversely affect its business.

If suppliers or partners fail to comply with food safety, environmental or other laws and regulations, or face allegations of non-compliance, their operations may be disrupted. In the event of actual or alleged non-compliance, the Company might be forced to find alternative suppliers or partners and it may be subject to lawsuits related to such non-compliance. As a result, the Company's supply of raw materials or finished inventory could be disrupted or its costs could increase, which would adversely affect its business, results of operations and financial condition. Additionally, actions the Company may take to mitigate the impact of any disruption or potential disruption in its supply of raw materials or finished inventory, including increasing inventory in anticipation of a potential supply or production interruption, may adversely affect its business, results of operations and financial condition.

Limited Number of Distributors

The Company uses a limited number of distributors for the substantial majority of its sales, and if it experiences the loss of one or more distributors and cannot replace them in a timely manner, results of operations may be adversely affected.

The Company expects that most of its sales will be made through a core number of distributors for the foreseeable future. Since these distributors act as intermediaries between the Company and the retail grocers or restaurants and foodservice providers, the Company does not have short-term or long-term commitments or minimum purchase volumes in its contracts with them that ensure future sales of its products. If the Company loses one or more of its significant distributors and cannot replace the distributor in a timely manner or at all, its business, results of operation and financial condition may be materially adversely affected.

Transportation Providers

Failure by the Company's transportation providers to deliver products on time, or at all, could result in lost sales. The Company currently relies upon third-party transportation providers for a significant portion of product shipments. Utilization of delivery services for shipments is subject to risks, including increases in fuel prices, which would increase its shipping costs, and employee strikes and inclement weather, which may impact the ability of providers to provide delivery services that adequately meet shipping needs. The Company periodically changes shipping companies, and could face logistical difficulties that could adversely affect deliveries. In addition, the Company could incur costs and expend resources in connection with such change. Moreover, the Company may not be able to obtain

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terms as favorable as those it receives from the third-party transportation providers that it currently uses, which in turn would increase costs and thereby adversely affect operating results.

Competition

The Company may not be able to compete successfully in its highly competitive market. Numerous brands and products compete for limited retailer shelf space, foodservice and restaurant customers and consumers. In the Company's market, competition is based on, among other things, product quality and taste, brand recognition and loyalty, product variety, interesting or unique product names, product packaging and package design, shelf space, reputation, price, advertising, promotion and nutritional claims.

The Company competes with conventional animal-protein companies, who may have substantially greater financial and other resources than it and whose animal-based products are well-accepted in the marketplace today. They may also have lower operational costs, and as a result may be able to offer conventional animal meat to customers at lower costs than plant-based meat. This could cause the Company to lower its prices, resulting in lower profitability or, in the alternative, cause it to lose market share if it fails to lower prices.

The Company also competes with other food brands that develop and sell plant-based protein products, including, but not limited to, Boca Foods, Field Roast Grain Meat Co., Gardein, Impossible Foods, Lightlife, Morningstar Farms and Tofurky, and with companies which may be more innovative, have more resources and be able to bring new products to market faster and to more quickly exploit and serve niche markets such as lab-grown or "clean meat." The Company competes with these competitors for foodservice and restaurant customers, retailer shelf space and consumers.

Generally, the food industry is dominated by multinational corporations with substantially greater resources and operations than the Company. The Company cannot be certain that it will successfully compete with larger competitors that have greater financial, sales and technical resources. Conventional food companies may acquire the Company's competitors or launch their own plant-based protein products, and they may be able to use their resources and scale to respond to competitive pressures and changes in consumer preferences by introducing new products, reducing prices or increasing promotional activities, among other things. Retailers also market competitive products under their own private labels, which are generally sold at lower prices and compete with some of the Company's products. Similarly, retailers could change the merchandising of the Company's products and it may be unable to retain the placement of its products in meat cases to effectively compete with animal-protein products. Competitive pressures or other factors could cause the Company to lose market share, which may require it to lower prices, increase marketing and advertising expenditures, or increase the use of discounting or promotional campaigns, each of which would adversely affect margins and could result in a decrease in operating results and profitability.

Damage to the Company's Reputation

The Company's brand and reputation may be diminished due to real or perceived quality or health issues with its products, which could have an adverse effect on the business, reputation, operating results and financial condition.

Real or perceived quality or food safety concerns or failures to comply with applicable food regulations and requirements, whether or not ultimately based on fact and whether or not involving the Company (such as incidents involving competitors), could cause negative publicity and reduced confidence in the Company, brand or products, which could in turn harm the Company's reputation and sales, and could

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materially adversely affect its business, financial condition and operating results. Although the Company believes that it has a rigorous quality control process, there can be no assurance that products will always comply with the standards set for the Company's products. For example, although the Company strives to keep its products free of pathogenic organisms, they may not be easily detected and cross-contamination can occur. There is no assurance that health risks will always be preempted by the Company's quality control processes.

The Company has no control over products once purchased by consumers. Accordingly, consumers may prepare the Company's products in a manner that is inconsistent with the directions or store products for long periods of time, which may adversely affect the quality and safety of the Company's products. If consumers do not perceive the Company's products to be safe or of high quality, then the value of the Company's brand would be diminished, and its business, results of operations and financial condition would be adversely affected.

Any loss of confidence on the part of consumers in the ingredients used in the Company's products or in the safety and quality of its products would be difficult and costly to overcome. Any such adverse effect could be exacerbated by the Company's position in the market as a purveyor of high-quality plant-based protein products and may significantly reduce its brand value. Issues regarding the safety of any of the Company's products, regardless of the cause, may have a substantial and adverse effect on its brand, reputation and operating results.

The growing use of social and digital media by the Company, its consumers and third parties increases the speed and extent that information or misinformation and opinions can be shared. Negative publicity about the Company, its brands or its products on social or digital media could seriously damage the Company's brands and reputation. If the Company does not maintain the favorable perception of its brands, sales and profits could be negatively impacted.

Maintaining the Brand

If the Company fails to develop and maintain its brand, business could suffer. Maintaining, promoting and positioning the Company's brand and reputation will depend on, among other factors, the success of its plant-based product offerings, food safety, quality assurance, marketing and merchandising efforts and its ability to provide a consistent, high-quality customer experience, which the Company may not do successfully. The Company may introduce new products or services that customers do not like, which may negatively affect its brand and reputation. Any negative publicity, regardless of its accuracy, could materially adversely affect the business. Brand value is based on perceptions of subjective qualities, and any incident that erodes the loyalty of customers, suppliers or co-manufacturers, including adverse publicity or a governmental investigation or litigation, could significantly reduce the value of the Company's brand and significantly damage its business.

Food Safety and Illness Incidents

Food safety and food-borne illness incidents or advertising or product mislabeling may materially adversely affect the Company's business by exposing it to lawsuits, product recalls or regulatory enforcement actions, increasing its operating costs and reducing demand for its product offerings.

Selling food for human consumption involves inherent legal and other risks, and there is increasing governmental scrutiny of and public awareness regarding food safety. Unexpected side effects, illness, injury or death related to allergens, food-borne illnesses or other food safety incidents caused by products the Company sells, or involving its suppliers, could result in the discontinuance of sales of these products or relationships with such suppliers, or otherwise result in increased operating costs,

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regulatory enforcement actions or harm to the Company's reputation. Shipment of adulterated or misbranded products, even if inadvertent, can result in criminal or civil liability. Such incidents could also expose the Company to product liability, negligence or other lawsuits, including consumer class action lawsuits. Any claims brought against the Company may exceed or be outside the scope of its existing or future insurance policy coverage or limits. Any judgment against the Company that is more than its policy limits or not covered by its policies or not subject to insurance would have to be paid from cash reserves, which would reduce the Company's capital resources.

The occurrence of food-borne illnesses or other food safety incidents could also adversely affect the price and availability of affected ingredients, resulting in higher costs, disruptions in supply and a reduction in sales. Furthermore, any instances of food contamination or regulatory noncompliance, whether or not caused by the Company's actions, could compel it, suppliers, distributors or customers, depending on the circumstances, to conduct a recall. Food recalls could result in significant losses due to their costs, the destruction of product inventory, lost sales due to the unavailability of the product for a period of time and potential loss of existing distributors or customers and a potential negative impact on the Company's ability to attract new customers due to negative consumer experiences or because of an adverse impact on its brand and reputation. The costs of a recall could exceed or be outside the scope of its existing or future insurance policy coverage or limits.

During the year ended August 31, 2023, the Company no longer manufacture its own products and relies on co-packers and manufacturers for the sales & distribution of its products, and any damage or disruption at these co-packing facilities may harm the business.

Product Innovation and Development

Failure to introduce new products or successfully improve existing products may adversely affect the Company's ability to continue to grow. A key element of the Company's growth strategy depends on development and marketing of new products that meet standards for quality and appeal to consumer preferences. The success of the Company's innovation and product development efforts is affected by its ability to anticipate changes in consumer preferences, the technical capability of innovation staff in developing and testing product recipes, including complying with applicable governmental regulations, and the success of management and sales and marketing teams in introducing and marketing new products. Failure to develop and market new products that appeal to consumers may lead to a decrease in growth, sales and profitability.

Additionally, the development and introduction of new products requires substantial research, development and marketing expenditures, which the Company may be unable to recoup if the new products do not gain widespread market acceptance. If the Company is unsuccessful in meeting its objectives with respect to new or improved products, business could be harmed.

Acquiring and Retaining Customers

The Company's success, and its ability to increase revenue and operate profitably, depends in part on its ability to cost-effectively acquire new customers, to retain existing customers, and to keep existing customers engaged so that they continue to purchase products. If the Company is unable to cost-effectively acquire new customers, retain existing customers or keep existing customers engaged, the business, financial condition and operating results would be materially adversely affected. Further, if customers do not perceive the Company's product offerings to be of sufficient value and quality, or if it fails to offer new and relevant product offerings, the Company may not be able to attract or retain customers or engage existing customers so that they continue to purchase products. The Company may lose loyal customers to competitors if it is unable to meet customers' orders in a timely manner. If the

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Company fails to manage its future growth effectively, the business could be materially adversely affected.

Changing Consumer Preferences

Consumer preferences for the Company's products are difficult to predict and may change, and, if the Company is unable to respond quickly to new trends, its business may be adversely affected.

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

Ingredient Risk

The Company's profitability is dependent on, among other things, its ability to anticipate and react to raw material and food costs. Currently, the main ingredient in the Company's products is pea protein, which it sources from Ontario, Canada. The prices of pea protein and other ingredients the Company uses are subject to many factors beyond its control, such as the number and size of farms that grow peas, the vagaries of these farming businesses, including poor harvests due to adverse weather conditions, natural disasters and pestilence, and changes in national and world economic conditions. In addition, the Company may purchase some ingredients and other materials outside Canada, and the price and availability of such ingredients and materials may be affected by political events or other conditions in these countries or tariffs or trade wars. The Company is working to diversify its sources of supply and intends to enter into long-term contracts to better ensure stability of prices of its raw materials.

Ingredient and Packaging Costs

Ingredient and packaging costs are volatile and may rise significantly, which may negatively impact the profitability of the business. The Company purchases large quantities of raw materials, including ingredients derived from Canadian and European yellow peas, mung beans, sunflower seeds, rice, canola oil and coconut oil. In addition, the Company purchases and uses significant quantities of cardboard, film and plastic to package its products. Costs of ingredients and packaging are volatile and can fluctuate due to conditions that are difficult to predict, including global competition for resources, weather conditions, consumer demand and changes in governmental trade and agricultural programs. Volatility in the prices of raw materials and other supplies the Company purchases could increase its cost of sales and reduce its profitability. Moreover, the Company may not be able to implement price increases for its products to cover any increased costs, and any price increases it does implement may result in lower sales volumes. If the Company is not successful in managing its ingredient and packaging costs, if it is unable to increase its prices to cover increased costs or if such price increases reduce sales volumes, then such increases in costs will adversely affect its business, results of operations and financial condition.

Staffing and Management

Failure to retain management may adversely affect the Company's operations. Its success is substantially dependent on the continued service of certain senior management, including Ms. Haddad, the founder and former CEO. These executives have been primarily responsible for determining the strategic direction of the business and for executing the growth strategy and are integral to the brand, culture and the reputation the Company enjoys with suppliers, distributors, customers and consumers. The loss of the services of any of these executives could have a material adverse effect on the business and prospects, as the Company may not be able to find suitable individuals to replace them on a timely basis, if at all. In addition, any such departure could be viewed in a negative light by investors and analysts, which may cause the price of the Company's common stock to decline.

If the Company is unable to attract, train and retain employees, it may not be able to grow or successfully operate its business. The Company's success depends in part upon its ability to attract, train and retain a sufficient number of employees who understand and appreciate its culture and can represent its brand effectively and establish credibility with its business partners and consumers. If the Company is unable to hire and retain employees capable of meeting its business needs and expectations, its business and brand image may be impaired. Any failure to meet the Company's staffing needs or any material increase in turnover rates of employees may adversely affect the business, results of operations and financial condition.

Conflicts of Interest

The Company may be subject to various potential conflicts of interest because of the fact that some of its directors and executive officers may be engaged in a range of business activities. In addition, the Company's directors and executive officers 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 and subject to any contractual restrictions restricting such activities. In some cases, the Company's executive officers and directors may have fiduciary obligations associated with business interests that interfere with their ability to devote time to the Company's business and affairs, which could adversely affect the Company's operations. These business interests could require significant time and attention of the Company's executive officers and directors.

Conflicts of interest, if any, will be subject to the procedures and remedies provided under applicable laws and policies of the Company. For example, a director who has a material interest in a matter before the Board or any committee on which he or she serves is required to disclose such interest as soon as the director becomes aware of it and absent himself or herself from the meeting while discussions and voting with respect to the matter are taking place. In accordance with applicable laws, the directors of the Company are required to act honestly and in good faith with a view to the best interests of the Company.

Information Technology

The Company relies on information technology systems and any inadequacy, failure, interruption or security breaches of those systems may harm its ability to effectively operate the business. The Company is dependent on various information technology systems, including, but not limited to, networks, applications and outsourced services in connection with the operation of the business. A failure of the Company's information technology systems to perform as it anticipates could disrupt the business and result in transaction errors, processing inefficiencies and loss of sales, causing the business to suffer. In addition, the Company's information technology systems may be vulnerable to damage or interruption from circumstances beyond its control, including fire, natural disasters, systems failures,

viruses and security breaches. Any such damage or interruption could have a material adverse effect on the business.

Cybersecurity Incidents and Technological Disruptions

A cybersecurity incident or other technology disruptions could negatively impact the business and relationships with customers. The Company uses computers in substantially all aspects of business operations. It also uses mobile devices, social networking and other online activities to connect with employees, suppliers, co-manufacturers, distributors, customers and consumers. Such uses give rise to cybersecurity risks, including security breaches, espionage, system disruption, theft and inadvertent release of information.

The Company's business involves the storage and transmission of numerous classes of sensitive and/or confidential information and intellectual property, including customers' and suppliers' information, private information about employees and financial and strategic information about it and its business partners. The theft, destruction, loss, misappropriation, or release of sensitive and/or confidential information or intellectual property, or interference with the Company's information technology systems or the technology systems of third parties on which it relies, could result in business disruption, negative publicity, brand damage, violation of privacy laws, loss of customers, potential liability and competitive disadvantage all of which could have a material adverse effect on the business, financial condition or results of operations.

Climate Change

Climate change may negatively affect the Company's business and operations. There is concern that carbon dioxide and other greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather patterns and the frequency and severity of extreme weather and natural disasters. If such climate change has a negative effect on agricultural productivity, the Company may be subject to decreased availability or less favorable pricing for certain commodities that are necessary for the Company's products, such as Canadian and European yellow peas, mung beans, sunflowers, rice, canola oil and coconut oil. Due to climate change, the Company may also be subjected to decreased availability of water, deteriorated quality of water or less favorable pricing for water, which could adversely impact its manufacturing and distribution operations.

Global Pandemic

The Company's ability to produce and supply products and its sales revenue, results of operations, cashflow and liquidity may be adversely impacted by the ongoing COVID-19 (coronavirus) outbreak. As a result of the global outbreak of COVID-19 and its declaration by the World Health Organization to be a "pandemic", certain actions are being taken by governments and businesses in the United States, Canada, the UK, China and around the world to control the outbreak, including restrictions on public activities, travel and commercial operations. The Company has been managing certain supply delays. However, as the outbreak and the global response to it continue, the Company's operations may be materially adversely affected by reduced demand, additional supply delays, shortages of labour and components, and/or partial or complete closure of its facility (including to protect the health and safety of the Company's support staff), all which may continue for an extended time. Any inability to produce and deliver products to customers could result in a range of potential adverse consequences, including loss of business and reputational damage. The outbreak may also impact the financial viability of suppliers, and could cause them to exit certain business lines, or change the terms on which they are willing to provide products.

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While the Company continues to be proactive and mitigate the adverse effects, impacts of the outbreak may significantly reduce the Company's cashflow, liquidity and its ability to maintain compliance with any of its creditors. In addition, the outbreak could adversely affect the Canadian economy in general, resulting in an economic downturn that could adversely affect demand for the Company's products. Given the ongoing and dynamic nature of the coronavirus outbreak, it is very difficult to predict the severity of the impact on the Company's business. The extent of such impact will depend on future developments, which are highly uncertain, including new information which may emerge concerning the spread and severity of the coronavirus and actions taken to address its impact, among others. The repercussions of this health crisis could have a material adverse effect on the Company's business, financial condition, liquidity and operating results.

Intellectual Property Protection

The Company may not be able to protect its intellectual property adequately, which may harm the value of its brand. The Company believes that its intellectual property has substantial value and has contributed significantly to the success of the business. The Company's trademarks are valuable assets that reinforce its brand and consumers' favorable perception of its products. The Company also relies on unpatented proprietary expertise, recipes and formulations and other trade secrets and copyright protection to develop and maintain its competitive position. The Company's continued success depends, to a significant degree, upon its ability to protect and preserve its intellectual property, including its trademarks, trade secrets and copyrights. The Company relies on confidentiality agreements and trademark, trade secret and copyright law to protect its intellectual property rights.

The Company's confidentiality agreements with its employees and certain of its consultants, contract employees, suppliers and independent contractors who use its formulations to manufacture its products, generally require that all information made known to them be kept strictly confidential. Nevertheless, trade secrets are difficult to protect. Although the Company attempts to protect its trade secrets, its confidentiality agreements may not effectively prevent disclosure of proprietary information and may not provide an adequate remedy in the event of unauthorized disclosure of such information.

The Company cannot assure you that the steps taken to protect its intellectual property rights are adequate, that its intellectual property rights can be successfully defended and asserted in the future or that third parties will not infringe upon or misappropriate any such rights. In addition, the Company's trademark rights and related registrations may be challenged in the future and could be canceled or narrowed. Failure to protect trademark rights could prevent the Company in the future from challenging third parties who use names and logos similar to its trademarks, which may in turn cause consumer confusion or negatively affect consumers' perception of the brand and products. In addition, if the Company does not keep its trade secrets confidential, others may produce products with the Company's recipes or formulations. Moreover, intellectual property disputes and proceedings and infringement claims may result in a significant distraction for management and significant expense, which may not be recoverable regardless of whether it is successful. Such proceedings may be protracted with no certainty of success, and an adverse outcome could subject the Company to liabilities, force it to cease use of certain trademarks or other intellectual property or force it to enter into licenses with others. Any one of these occurrences may have a material adverse effect on the business, results of operations and financial condition.

Risks Related to Being a Public Company

If the Company fails to maintain proper and effective internal controls, its ability to produce accurate financial statements on a timely basis could be impaired, investors may lose confidence in its financial reporting and the trading price of its common stock may decline.

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Ensuring that the Company has adequate internal financial and accounting controls and procedures in place to produce accurate financial statements on a timely basis is a costly and time-consuming effort that needs to be re-evaluated frequently. Any failure to maintain internal control over financial reporting could severely inhibit the Company's ability to accurately report the financial condition, results of operations or cash flows. If it is unable to conclude that the Company's internal control over financial reporting is effective, or if its independent accounting firm determines that it has a material weakness or significant deficiency in its internal control over financial reporting investors may lose confidence in the accuracy and completeness of the Company's financial reports, the market price of its common stock could decline, and it could be subject to sanctions or investigations regulatory authorities.

Increased Costs of Being a Public Company

The requirements of being a public company will require the Company to incur increased costs and may strain its resources, divert management's attention and affect its ability to attract and retain qualified board members.

As a public company, the Company has incurred and will continue to incur significant legal, accounting and other expenses that it did not incur as a private company. The Company is subject to the reporting requirements which require, among other things, that it file quarterly and current reports with respect to its business and financial condition. The Company expects the rules and regulations applicable to public companies to continue to increase its legal and financial compliance costs and to make some activities more time-consuming and costly. If these requirements divert the attention of management and personnel from other business concerns, they could have a material adverse effect on the business, financial condition and results of operations. The Company cannot predict or estimate the amount or timing of additional costs it may incur to respond to these requirements.

Evaluation of Disclosure Controls and Procedures

The Company's senior management has evaluated the effectiveness of its disclosure controls and procedures. Based on that evaluation, senior management concluded that its disclosure controls and procedures were effective to provide reasonable assurance that information it is required to disclose in reports that are filed or submitted pursuant to securities legislation is recorded, processed, summarized, and reported within the time periods specified and that such information is accumulated and communicated to senior management, as appropriate, to allow timely decisions regarding required disclosure.

Limitations on Effectiveness of Controls and Procedures

Management does not expect that the disclosure controls and procedures or internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected.

Future Financing

Following the completion of the Acquisition, the Company may require additional financing to achieve its goals, and a failure to obtain this necessary capital when needed on acceptable terms, or at all, may force it to delay, limit, reduce or terminate its product manufacturing and development, and other operations.

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Since the Acquisition, substantially all of the Company's resources have been dedicated to the development of its product platforms including expenditures to support the development and production of the Modern Burger, the lease of its manufacturing facility, and manufacturing facility improvements and purchases of manufacturing equipment. The Company believes that it will continue to expend substantial resources for the foreseeable future as it expands its product lines and pursues additional markets. These expenditures are expected to include costs associated with research and development, manufacturing and supply, as well as marketing and selling existing and new products. In addition, other unanticipated costs may arise.

During the years ended August 31, 2021 and 2022, the Company started its revenue producing operations and may, from time to time, report a working capital deficit. To maintain its activities, the Company may need to seek additional funds through public or private equity or debt financings or other sources, such as strategic collaborations. Such financing may result in dilution to shareholders, imposition of debt covenants and repayment obligations, or other restrictions that may adversely affect the Company's business. In addition, the Company may seek additional capital due to favorable market conditions or strategic considerations even if it believes it has sufficient funds for its current or future operating plans.

There can be no assurance that financing will be available to the Company or, if it is, that it will be available on terms acceptable to the Company and will be sufficient to fund cash needs until the Company achieves positive cash flow. If the Company is unable to obtain the financing necessary to support its operations, it may be unable to continue as a going concern. Failure to obtain additional financing could also result in delay or indefinite postponement of further research and product development.

Risks Related to Ownership of Common Shares

The Company's share price has been and may continue to be highly volatile, and you could lose all or part of your investment.

The market price of the Shares is likely to continue to be highly volatile and could be subject to wide fluctuations in response to many factors discussed in this "Business Risk and Uncertainties" section, including:

- actual or anticipated fluctuations in financial condition and operating results, including fluctuations in quarterly and annual results;
- announcements of innovations by the Company or competitors;
- overall conditions in the industry and the markets in which the Company operates;
- market conditions or trends in the packaged food sales industry or in the economy as a whole;
- addition or loss of significant customers or other developments with respect to significant customers;
- adverse developments concerning manufacturers or suppliers;
- changes in laws or regulations applicable to the Company's products;
- ability to effectively manage growth;
- ability to effectively research, develop and launch products;
- actual or anticipated changes in growth rate relative to competitors;
- announcements by the Company or competitors of significant acquisitions, strategic partnerships, joint ventures or capital commitments;
- additions or departures of key personnel;

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- competition from existing products or new products that may emerge;
- issuance of new or updated research or reports about the Company or the industry, or positive or negative recommendations or withdrawal of research coverage by securities analysts;
- news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Company's industry;
- failure to meet the estimates and projections of the investment community or that the Company may otherwise provide to the public;
- fluctuations in the valuation of companies perceived by investors to be comparable to the Company;
- disputes or other developments related to proprietary rights, including patents, and the Company's ability to obtain intellectual property protection for its products;
- litigation or regulatory matters;
- announcement or expectation of additional financing efforts;
- cash position;
- sales of Shares by the Company or its shareholders;
- share price and volume fluctuations attributable to inconsistent trading volume levels of the Shares;
- changes in accounting practices;
- ineffectiveness of internal controls;
- general economic, market and political conditions; and
- other events or factors, many of which are beyond the Company's control.

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

Active Trading Market

An active trading market may not be sustained. You may not be able to sell your Shares quickly or at a recently reported market price if trading in the Shares does not remain active. The lack of an active market may also reduce the fair market value the Shares and the liquidity of a shareholder's investment may be limited. An inactive market may also impair the Company's ability to raise capital to continue to fund operations by selling Shares.

Public Market Sales

Future sales of the Shares in the public market could cause the Share price to fall. Sales of a substantial number of Shares in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of Shares intend to sell Shares, could reduce the market price of the Shares.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance,

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underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings. The value of the Shares will be affected by such volatility.

Dividends

The Company has never paid dividends on its Shares and does not intend to pay dividends for the foreseeable future. The Company anticipates that it will retain all future earnings for use in the operation of the business and for general corporate purposes. Accordingly, investors should rely on sales of their Shares after price appreciation, which may never occur, as the only way to realize any future gains on their investments. Consequently, any gains from an investment in the Shares will likely depend on whether the price of the Shares increases.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

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

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

The Board of Directors reviews the consolidated financial statements and other financial information through its audit committee, which is comprised of a majority of non-management directors.

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

OUTLOOK

As of May 31, 2024, the Company's focus is business expansion. To increase sales and distribution of its products, the Company entered into several agreements and acquisitions for retail locations, including an expansion for a retail distributor in the United States, Asia, and Australia. To increase its portfolio of plant-based products, the Company acquired several companies that owned new and cutting-edge vegan recipes. The Company is still actively seeking acquisition of luxury brands in the vegan food space.

CONTINGENCIES

The Company has a dispute with a former contractor who is claiming they are owed compensation for services performed. The Company is vigorously defending the claim and the outcome of this claim is uncertain.

An employee is claiming wrongful dismissal by the Company. The Company is vigorously defending the claim and the outcome of this matter is uncertain.

No amounts have been accrued in the financial statements with respect to these claims.

SUBSEQUENT EVENTS

On July 5, 2024, 204,082 share purchase warrants with an exercise price of \$5.80 have expired without being exercised.

Subsequent to May 31, 2024, the Company received a total of \$115,000 share subscription in relation to private placement not yet closed as at the date of this report.

ADDITIONAL INFORMATION

Additional information related to the Company is available for view on SEDAR at www.sedarplus.ca or by contacting the Company's head office at 2500-700 West Georgia Street Vancouver, BC Canada V7Y 1B3, tel. +(604) 657 9010.