



MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2024



General

This Management Discussion and Analysis ("MD&A") is dated August 18, 2025 and is in respect of year ended December 31, 2024. The following discussion of the financial condition and results of operations of Maple Leaf Green World Inc. ("Maple Leaf" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended December 31, 2024.

The Company's securities were subject to a cease trade order issued by the Alberta Securities Commission on May 8, 2024 (the 'Cease Trade Order') due to failure to file certain required filings under applicable securities laws. The Company applied for and received revocation of the Cease Trade Order on August 19, 2024, upon completion of the outstanding filings.

The discussion should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2024, including the notes thereto. The Company's audited consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Unless otherwise stated, all amounts discussed herein are denominated in Canadian dollars which is the Company's functional and reporting currency.

Additional information relating to the Company is available on the SEDAR website at www.sedar.com.

Going Concern

These audited consolidated financial statements for the year ended December 31, 2024, have been prepared in accordance with International Financial Reporting Standards ("IFRS") using the going concern basis of presentation.

The Company has not generated any revenue since inception and has historically financed its operations primarily through funds raised from investors, as well as loans from management and/or shareholders. The Company's continued existence is dependent upon its ability to obtain additional financing to fund ongoing operations and to ultimately achieve profitable operations.

Details of deficit and working capital (current assets less current liabilities) of the Company are as follows:

	December 31, 2024	December 31, 2023
	\$	\$
Deficit	(45,109,319)	(47,164,403)
Working Capital Deficiency	(8,221,956)	(10,079,657)

\$2,401,169 (the 'Settlement Amount') was settled with certain creditors (the "Settlement Creditors") pursuant to debt settlement agreements (each a 'Settlement Agreement') whereby the Settlement Creditors agreed to accept \$240,116 (the "Settlement Amount") being an amount equal to 10% of the Settlement Amount, as full and final satisfaction of all claims against the Company according to the Settlement Agreement. Similarly, one creditor, Woodmere Nursery Ltd., having an outstanding amount of \$513,720 was settled for \$1.

Management forecasts that expected expenditures and contractual commitments will exceed the Company's net cash inflows and available working capital during fiscal 2025 unless additional financing is obtained. The Company's future operations are dependent on securing further funding and, ultimately, generating revenues from product sales. While the Company is pursuing financing opportunities and evaluating other strategic initiatives, there is no assurance that such efforts will be successful or that financing will be available on acceptable terms. Historically, the Company has relied on the issuance of shares and warrants, as well as debt financing, to fund its activities. If additional financing is not obtained, management may be required to implement further cost reductions, delay product launches, license or divest assets, or pursue a merger, sale, or liquidation of the Company.

The Company has a note payable ('GSGW Note'), secured by a Deed of Trust on the Company's California land parcel, representing the Company's December 31, 2024, property and equipment balance (see Note 6) with a first lump sum payment initially due on August 1, 2021 (Note 7). The Company did not make this payment and has been in default since, which resulted in interest payments increasing to 20%. The Company is reviewing all available options and actively seeking financial solutions, including but not limited to, bridge financing, asset sales, or strategic partnerships, to cover the outstanding amount. Being able to enter into a forbearance agreement with the lender and otherwise avoiding a claim on the security represents another material uncertainty that casts significant doubt about the Company's ability to continue as a going concern.

These circumstances indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The consolidated financial statements do not include adjustments to the carrying amounts of assets and liabilities, or the classification of assets and liabilities on the statement of financial position, that could result if the Company were unable to continue as a going concern. Such adjustments could be material.



Company Overview

Maple Leaf Green World Inc. ("Maple Leaf" or the "Company") is incorporated in Alberta, Canada, with common shares listed on the Canadian Securities Exchange (the "CSE") under the ticker symbol MGW and on the OTC Pink under symbol: **MGWFF**. The corporate office is located at Suite 210, 4503 Brisebois Drive NW, Calgary, Alberta, T2L 2G3.

The Company's securities are currently subject to a cease trade order issued by the Alberta Securities Commission on May 6, 2025 (the "Cease Trade Order") due to failure to file certain required filings under applicable securities laws. The Company intends to apply for revocation of the Cease Trade Order upon completion of the outstanding filings.

Maple Leaf is undergoing a comprehensive transformation, shifting its focus from a single-sector entity to a diversified revenue-generating company. The Company's strategy revolves around acquiring and developing profitable opportunities in renewable energy, agriculture, food processing, and manufacturing through strategic partnerships and innovative land development.

Management Strategy and Outlook

The Company is undergoing a comprehensive transformation, evolving from a single-sector entity into a diversified, revenue-generating company. The core strategy centers on identifying and developing profitable opportunities in residential affordable housing, renewable energy, and green houses, achieved through strategic partnerships and innovative land development initiatives.

A flagship project is the Coronation Industrial Park and Community Development Project, undertaken in collaboration with the Town of Coronation. This initiative involves developing 25 acres of land to accommodate state-of-the-art facilities, including greenhouses, a food processing plant, and a ready-to-move manufacturing facility. The project will incorporate an integrated solar power system to achieve energy self-sufficiency and zero emissions. This diversified strategy is designed to generate multiple revenue streams, foster community development, and mitigate reliance on imported goods amid potential trade disruptions. For further details on the Land Use Agreement with the Town of Coronation, executed on January 30, 2025, please refer to Note 19 of the audited consolidated financial statements.

Interest from select overseas investors and business immigrant applicants has emerged in connection with the Rural Renewal Stream program. Additionally, Maple Leaf has executed a Letter of Intent to develop a solar power farm on its existing 20-acre land holding, underscoring the Company's ongoing commitment to renewable energy.

The Company's financial strategy emphasizes capital raising to retire outstanding debts and fund its expanded project portfolio. Management is confident that this integrated business model, combined with a phased development approach, will deliver substantial annual revenue, drive regional economic growth through job creation, and enable Maple Leaf to capitalize on increasing demand for domestically produced food and sustainable energy solutions.

Financial and Operational Performance

Financial Condition

The following tables set forth selected operational results in accordance with IFRS:

	For the three months ended		For the years ended	
	December 31, 2024 \$	December 31, 2023 \$	December 31, 2024 \$	December 31, 2023 \$
Total Revenue	-	-	-	-
Net income/(loss) for the period	2,210,033	(343,920)	2,055,086	(1,091,527)
Net income/(loss) per share	0.05	(0)	0.05	(0)
Total comprehensive income/(loss)	2,004,667	(343,920)	1,849,720	(1,080,590)
Capital expenditures	-	-	-	-
Total assets	-	-	224,534	168,273
Total financial liabilities	-	-	8,287,490	10,080,948
Working capital (deficit)	-	-	(8,221,956)	(10,079,657)



Summary of Quarterly Results

Quarter ended	Dec-31, 2024 \$	Sep 30, 2024 \$	Jun-30, 2024 \$	Mar-31, 2024 \$	Dec-31, 2023 \$	Sep-30, 2023 \$	Jun-30, 2023 \$	Mar-31, 2023 \$
Revenue	-	-	-	-	-	-	-	-
Operating Expenses	2,210,032	(103,999)	(12,797)	(38,150)	(182,995)	(325,614)	(143,521)	(87,693)
Other items	-	-	-	-	(160,925)	(64,986)	(65,009)	(60,786)
Net loss	2,004,666	(103,999)	(12,797)	(38,150)	(343,920)	(390,600)	(208,530)	(148,479)
Loss per share	0.516	(0)	(0)	(0)	(0.010)	(0.010)	(0.005)	(0.004)

In management's view, the expenses incurred by the Company are typical of a development company that has not yet established its principal operation or reached operating capabilities. The Company's expenditures fluctuate from quarter to quarter mainly due to its activities related to establishing and developing its operations during the respective quarter.

Results of Operations

Net Income/(Loss)- For the three months and year ended December 31, 2024 the company reported net profit of \$ 2,210,032 (2023-Loss-\$343,920) and \$2,055,086 (2023-Loss-\$1,091,527), respectively. The increase in profits in 2024 is mostly due to Gain on Settlement of Accounts Payable in 2024.

Revenue- For the three months and year ended December 31, 2024, the Company reported no revenues which is same for 2023.

Expenses - During the three months and year ended December 31, 2024, the Company incurred \$ 464,721 (2023-\$182,995) and \$ 619,668 (2023-\$1,091,527) respectively in operating, general and administrative ("G&A") and depreciation and amortization expenses. The operating cost decreased year to date in 2024 as compared to 2023 is mostly due to decreased operating costs in 2024.

Liquidity And Capital Resources

Working Capital. As at December 31, 2024, the Company had a working capital deficiency of \$ 8,221,956 (2023-\$10,079,657). As at December 31, 2024, cash increased from \$ 1,291 to \$1,971, at the beginning of the year.

Cash flow.

Operating activities - In the year ended December 31, 2024, the Company had cash used in operations of \$ 362,956 (Outflow) (2023-\$126,850) mostly due to decrease in accounts payable.

Financing activities – In the year ended December 31, 2024, the Company had financing cash inflows of \$363,636 (2023-\$117,979) mostly as a result of loans from related parties.

Transactions with Related Parties Related party transactions are in the normal course of operations and are measured at the fair value of consideration paid. The Company has identified its Directors and executive staff as key management personnel. Compensation to key management, including fees paid to companies controlled by Directors and Officers for their services provided, is follows:

	Year Ended December 31, 2022 (\$)	Year Ended December 31, 2023 (\$)
Management remuneration	10,000	138,000
Interest paid to related party loans	48,607	21,542
Total	58,607	159,542

As at December 31, 2024, included in accounts payable and accrued liabilities is \$241,255 (2023 - \$236,038). These include \$58,743 (2023 - \$38,539) due to CFO, Nil (2023 - \$14,978) due to CEO, \$24,000 due to spouse of CEO(2023 - \$24,000) , \$147,512 (2023 - \$147,512) due to Lamb & Company which is a company controlled by CFO and \$11,000 (2023 - \$11,000) due to Nice Accounting Services, which is a company controlled by CEO.

Related party loans are unsecured, non-interest bearing and due on demand. As at December 31, 2024, included in related party payables is \$711,457 (2023 - \$470,001) due to a director of the Company, \$80,000 (2023 - \$80,000) due to a daughter of a director of the Company, \$68500 (2023-Nil) to director Herman Luo.



As at December 31, 2024, the company has a loan owed by the CFO for the amount of \$6,213 (2023 – (\$5,078)) and included in related party payable.

Critical Accounting Policies and Estimates and New Accounting Standards. The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements. These critical accounting estimates represent management's best estimates that are uncertain due to their nature, and any changes in these estimates could materially impact the Company's consolidated financial statements. Management continuously reviews its estimates and assumptions using the most current information available. The Company's critical accounting policies and estimates are described in Note 4 of the audited consolidated financial statements as at and for the year ended December 31, 2024.

Financial Risk Management. The Company manages its exposure to key financial risks in accordance with the Company's financial risk management framework. The objective of the framework is to protect the Company's future financial security and cash flows. The main risks that could adversely affect the Company's financial assets, liabilities, or future cash flows are liquidity risk, credit risk, and market risk, which comprise foreign exchange rate risk, interest rate risk, and other price risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and reviews the Company's policies on an ongoing basis. The Company does not have any hedge arrangements as at December 31, 2024.

Fair Value Measurements and Financial Instruments. The Company's financial instruments are measured at either fair value or amortized cost, depending on their classification under IFRS 9. Fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which inputs to the fair value measurements are observable:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities
- Level 2 inputs are inputs other than quoted prices that are observable for the asset or liability
- Level 3 inputs are unobservable inputs for the asset or liability

Management assessed that the fair values of cash and cash equivalents, other receivables, accounts payable and accrued liabilities, and related party payables approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of notes payable approximates their carrying value, as the interest rates are market rates for similar instruments offered to the Company.

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instruments. These estimates are subjective in nature and involve uncertainties and matters of significant judgment, and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The following table provides the quantitative disclosures of fair value measurement hierarchy of the Company's financial assets and liabilities. There was no transfer between fair value levels during the year ended December 31, 2024.

December 31, 2024				December 31, 2023		
Assets and liabilities measured at fair value	Quoted prices in active markets (Level 1) (\$)	Significant observable inputs (Level 2) (\$)	Significant unobservable inputs (Level 3) (\$)	Quoted prices in active markets (Level 1) (\$)	Significant observable inputs (Level 2) (\$)	Significant unobservable inputs (level 3) (\$)
Cash	1,971	-	-	10,162	-	-
Notes Payable	-	2,970,225	-	-	2,409,211	-

Financial Instruments and Related Risks. The Company manages its exposure to key financial risks in accordance with the Company's financial risk management framework. The objective of the framework is to protect the Company's future financial security and cash flows. The main risks that could adversely affect the Company's financial assets, liabilities, or future cash flows are liquidity risk, credit risk, and market risk, which comprise foreign exchange rate risk, interest rate risk, and other price risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and reviews the Company's policies on an ongoing basis. The Company does not have any hedge arrangements as at December 31, 2024.

Credit Risk. Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk primarily associated with accounts receivable and cash and cash equivalents. The carrying value of the financial assets represents the maximum credit exposure. The Company undertakes credit evaluations on counterparties as necessary and has monitoring processes intended to mitigate credit risks. There were no accounts receivable as at December 31, 2024.

Liquidity Risk. Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquid funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.



Based on the contractual obligations of the Company as at December 31, 2024, cash outflows of those obligations are estimated and summarized as follows:

Payment Due by Year	2025 (\$)	2026 (\$)	2026 and beyond (\$)	Total (\$)
Accounts payable and accrued liabilities	4,329,667	-	-	4,329,667
Notes payable	2,970,225	-	-	2,970,225
Canada Emergency Business Account	62,852	-	-	62,852
Related Party Payables	853,746	-	-	853,746
Convertible Debenture	71,000	-	-	71,000
	\$ 8,287,490	-	-	\$ 8,287,490

Market Risk. The significant market risks to which the Company is exposed are interest rate risk and currency risk.

(i) Interest Rate Risk. Interest rate risk consists of two components:

- A. Cash Flow Risk: To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.
- B. Price Risk: To the extent that changes in prevailing market rates differ from the interest rates in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

As the Company's long-term notes payable bear fixed interest rates of 10-20% per annum, the Company's exposure to interest rate risk is limited at period-end, as changes in market interest rates do not affect the cash flows or fair value of these fixed-rate instruments.

(ii) Currency Risk. The Company is exposed to foreign currency risk when it undertakes transactions and holds assets or liabilities denominated in foreign currencies other than its functional currency. The Company currently does not manage currency risk through hedging or other currency management tools. As at December 31, 2024, the Company's exposure to currency risk is summarized as follows:

Expressed in Canadian Dollar Equivalents	December 31, 2024 (\$)	December 31, 2023 (\$)
Accounts payable	(5,018)	29,133
Notes payable	1,378,776	2,173,299
Net exposure	1,373,758	2,202,432

As at December 31, 2024, with other variables unchanged, a 10% change in the USD against the CAD would have increased (decreased) comprehensive loss by \$137,376 (2023 - \$220,243).

(iii) Other Price Risk. Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or currency risk. The Company is not exposed to significant other price risk.

(iv) Legal claim contingency. The Company is party to legal proceedings and other claims in the ordinary course of its operations. Litigation and other claims are subject to many uncertainties and the outcome of individual matters is not predictable. Where management can estimate that there is a loss probable, a provision has been recorded in its financial statements, where proceedings are at a premature stage or the ultimate outcome is not determinable, then no provision is recorded. It is possible that the final resolution of these matters requires the Company to make expenditures over an extended period of time and in a range of amounts that cannot be reasonably estimated in particular for interest charged on overdue accounts payable balances and may differ significantly from any amounts recorded in these consolidated financial statements. Should the Company be unsuccessful in its defense or settlement of one or more of these legal actions, there could be a materially adverse effect on the Company's financial position, future expectations, and cash flows. In the normal course of its operations, the Company is subject to litigation and claims, including the following:

During the year ended December 31, 2024, the Company entered into settlement agreements with certain creditors (the "Settlement Creditors") to resolve outstanding claims. Under the terms of these agreements, the Company agreed to pay an amount equal to 10% of the outstanding judgments, or \$240,116 in aggregate, in full and final satisfaction of all claims, with payment due by March 31, 2025. The Company did not meet this payment deadline, and as a result, the Settlement Creditors retain the right to pursue recovery of the full outstanding amounts, plus interest and legal costs, in accordance with the settlement terms.



Capital Stock

Authorized. The Authorized capital of Company consist of unlimited common shares without par value and unlimited preferred shares. As at December 31, 2024, the Company had 38,792,403 common shares issued and outstanding (2023 – 38,792,403). No common shares were issued during the year ended December 31, 2024. There were no preferred shares issued and outstanding as at December 31, 2024.

	Number of Common Shares	Dollar Amounts \$
At December 31, 2023	38,792,403	24,510,228
At December 31, 2024	38,792,403	24,510,228

Convertible Debenture: During the year ended December 31, 2024, the Company did not issue any new convertible debentures. The remaining balance of the previously issued debentures as at December 31, 2024, was \$71,000 (2023 – \$65,962), representing the amortized cost of the debt component. These debentures were originally issued in 2021 and are classified as a financial liability. The equity component of \$11,860, which was initially recognized in 2023, was reclassified to contributed Surplus during the year ended December 31, 2024, as a result of the expiry of the related debenture terms.

Convertible debenture bifurcated into equity and debt components:

	Maturity	December 31, 2024 \$	December 31, 2023 \$
Debt component	September 30, 2024	71,000	56,959
Equity component	September 30, 2024	-	11,860

The movement in the convertible debenture liability is summarized as follows:

Balance, beginning of the period	-
Initial proceeds from debt	\$ 523,000
Debt issue costs	(7,000)
Transfer of conversion component to equity	\$(87,366)
Amortization of deferred financing costs	1,962
Accretion on convertible debentures	17,972
Conversion to shares	\$ (391,609)
Balance as at December 31, 2022	\$ 56,959
Accretion on convertible debenture	9,003
Balance at December 31, 2023	\$ 65,962
Accretion on convertible debenture	5,038
Balance as at December 31, 2024	\$ 71,000

Stock Options: The Company has a stock option plan (the “Plan”) available to employees, directors, officers and consultants with grants under the Plan approved from time to time by the Board of Directors. Under the Plan, the Company is authorized to issue options to purchase an aggregate of up to 10% of the Company's issued and outstanding common shares. Each option can be exercised to acquire one common share of the Company. The exercise price for an option granted under the Plan may not be less than the market price at the date of grant less a specified discount dependent on the market price.

As of December 31, 2024, there were no stock options outstanding.

Warrants. The following is a summary of Warrant:

Number of Warrants Outstanding as at December 31, 2023	Issued	Exercised	Expired	Number Of Warrants Outstanding as at December 31, 2024	Exercise Price Per Warrant	Expiry Date
3,587,500	-	-	-	3,587,500	\$0.10	November 15, 2025



Internal Controls Over Financial Reporting

Disclosure Controls and Procedures. Disclosure controls and procedures are designed to provide reasonable assurance that material information required to be publicly disclosed by a public company is gathered and reported to senior management, including the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), on a timely basis so that appropriate decisions can be made regarding public disclosure. An evaluation of the effectiveness of the Company's disclosure controls and procedures was conducted as of December 31, 2024, under the supervision of the Company's management, including the CEO and the CFO. Based on this evaluation, the CEO and the CFO concluded that the Company's disclosure controls and procedures (as defined in National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings of the Canadian Securities Administrators) were effective in providing reasonable assurance that material information relating to the Company is made known to them and information required to be disclosed by the Company is recorded, processed, summarized and reported within the time periods specified in such legislation.

Internal Controls Over Financial Reporting. Under the supervision of the CEO and CFO, the Company designed internal controls over financial reporting (as defined in National Instrument 52-109) to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's management team used the Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") to design the Company's internal controls over financial reporting.

Inherent Limitations. It is important to understand that internal controls and disclosure controls and procedures, no matter how well designed and operated, can only provide reasonable assurance regarding achievement of their objectives. A system of controls has inherent limitations, including the possibility of human error and the circumvention or overriding of controls or procedures. As a result, there is no certainty that disclosure controls and procedures or internal controls over financial reporting will prevent all errors or fraud.

Changes During the Period. There have been no changes in the Company's internal controls over financial reporting during the period ended December 31, 2024, that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

RISK FACTORS

There are a number of risk factors that could cause future results to differ materially from those described herein. The risks and uncertainties described herein are not the only ones the Company faces. Additional risks and uncertainties, including those that the Company does not know about now or that it currently considers immaterial, may also adversely affect the Company's business. If any of the following risks actually occur, the Company's business may be harmed, and its financial condition and results of operations may suffer significantly. Given the Company's current financial condition and lack of operating revenue, investors face substantial risk of total loss of their investment.

Pre-Revenue Company Risks

Pre-Revenue/Startup Stage Risks. The Company currently generates no operating revenue and has no established revenue-generating operations after 20 years of existence. The Company is effectively in a startup stage, despite its age, and must overcome all the fundamental challenges associated with establishing a viable business from the ground up. Pre-revenue companies face inherent risks including unproven business models, uncertain market demand, lack of customer validation, and absence of operating cash flow to fund ongoing operations. The Company must identify, develop, and execute a completely new business strategy while operating under severe financial constraints. The Company lacks the typical advantages of a true startup including access to startup funding sources, entrepreneurial management team with fresh perspectives, and the ability to pivot quickly without legacy obligations. The combination of startup-stage business risks with the burdens of an established corporate structure and accumulated obligations creates unique challenges for achieving business success.

Ability to Identify and Execute a Business Plan. The Company's 20-year history without successful revenue generation demonstrates significant challenges in identifying viable business opportunities and executing effective business plans. The Company may lack the strategic vision, market understanding, competitive analysis capabilities, or execution skills necessary to develop and implement a successful business strategy.

Previous business plans and strategies have failed to generate meaningful revenue, indicating fundamental problems with the Company's approach to business development. The Company must now identify new business opportunities while operating under severe financial pressure that may force acceptance of suboptimal strategies or partners. The Company's distressed financial condition limits its ability to conduct proper due diligence, market research, or business planning activities that would normally be essential for developing viable business plans. The Company may be forced to pursue business opportunities based on immediate cash generation potential rather than long-term strategic value, potentially leading to short-term decisions that compromise long-term success. Management attention and resources are consumed by financial crisis management rather than focused business development activities.



Capital Requirements to Commence Operations. The Company will require substantial capital to commence any meaningful business operations, including working capital for operations, capital expenditures for facilities and equipment, technology infrastructure, inventory, marketing and business development, and working capital reserves. The Company's current financial distress means it lacks the capital necessary to fund business development activities or operational infrastructure.

Estimates of capital requirements may prove insufficient due to unforeseen costs, longer development timelines than anticipated, or changing market conditions. The Company may be unable to access sufficient capital on reasonable terms, forcing it to undercapitalize its business operations and increasing the risk of operational failure. Even if initial capital is obtained, the Company will likely require additional financing rounds to achieve profitability and sustainable operations.

The Company's weak financial position and lack of operating history will make future financing rounds challenging and may result in increasingly dilutive terms for existing shareholders. The Company faces the risk that capital requirements will exceed available funding sources, forcing it to abandon business development efforts before achieving revenue generation or profitability.

Management's Ability to Build a Business from Scratch. The Company's management team has overseen 20 years of operations without achieving commercial success, raising significant questions about their ability to build a successful business from scratch. The management team may lack the specific skills, experience, industry knowledge, or strategic vision necessary to transform the Company into a revenue-generating enterprise.

Building a business from scratch requires expertise in market analysis, product development, operations management, sales and marketing, financial management, and strategic planning. The Company's management may not possess all these capabilities or may lack experience in the specific industry or markets the Company intends to pursue.

The Company may be unable to attract qualified management talent due to its financial condition, inability to offer competitive compensation, and uncertain prospects. Key management positions may remain unfilled or filled by individuals who lack the necessary qualifications for their roles. Management attention is currently divided between crisis management activities and business development efforts, potentially compromising the quality of both functions. The stress and uncertainty of the Company's financial situation may impair management decision-making and long-term strategic thinking.

Market Opportunity Risks. The Company must identify and successfully enter markets where it can compete effectively and generate sufficient revenue to justify its capital requirements and achieve profitability. Market opportunities may be limited, highly competitive, or require capabilities and resources that the Company lacks or cannot afford to develop.

The Company's 20-year history without successful market entry suggests challenges in identifying viable market opportunities or executing market entry strategies. Markets that appear attractive may prove to be more competitive, capital-intensive, or technically challenging than initially assessed. The Company's financial distress and lack of operating history may limit its credibility with potential customers, making market entry more difficult regardless of the underlying market opportunity. Customers may be reluctant to rely on or partner with a company that appears financially unstable.

Market conditions may change during the time required for the Company to develop its business capabilities, potentially eliminating or reducing market opportunities that initially appeared viable. The Company may lack the financial resources and operational flexibility to adapt to changing market conditions or pursue alternative opportunities if initial market entry efforts fail. Competitive responses from established market participants may make it difficult for the Company to gain market share or achieve sustainable competitive advantages.

Regulatory Approval Risks. The Company may require various regulatory approvals, licenses, permits, or certifications to commence its intended business operations. The regulatory approval process may be lengthy, expensive, uncertain, and require capabilities or resources that the Company currently lacks. The Company's financial condition may complicate regulatory approval processes if regulators question the Company's ability to maintain compliance with ongoing requirements or fulfill its obligations to customers or other stakeholders. Regulatory bodies may require financial guarantees, insurance coverage, or other assurances that the Company cannot provide. Changes in regulatory requirements during the approval process may require additional time, expense, or capabilities that delay or prevent the Company from commencing operations. The Company may lack the financial resources to achieve and maintain regulatory compliance even if initial approvals are obtained.

Failure to obtain necessary regulatory approvals would prevent the Company from implementing its business plan and generating revenue. Regulatory sanctions or enforcement actions could result in additional financial obligations, operational restrictions, or reputational damage that further impairs the Company's prospects. The Company may lack the regulatory expertise, legal resources, or industry relationships necessary to navigate complex regulatory requirements efficiently and cost-effectively.



Financial Distress Risks

Substantial Accumulated Losses and Going Concern. The Company has operated for approximately 20 years without generating meaningful operating revenue and has accumulated substantial losses over this extended period. The Company continues to incur operating expenses without corresponding revenue generation, creating an unsustainable financial trajectory.

There is substantial doubt about the Company's ability to continue as a going concern. The Company's independent auditors may issue a going concern qualification in their audit opinion, which could further impair the Company's ability to obtain financing or conduct business relationships. The Company may be required to seek protection under insolvency legislation, liquidate its assets, or cease operations entirely if it cannot obtain additional financing or successfully implement a revenue-generating business plan. Investors face the risk of total loss of their investment if the Company cannot overcome its financial difficulties.

Significant Debt Burden and Creditor Pressures. The Company has accumulated substantial debts over its operating history without generating sufficient revenue to service these obligations. The Company struggles to meet day-to-day operating expenses and may be in default or near default on various debt obligations including trade payables, loans, leases, and other commitments. Creditors may initiate collection proceedings, demand immediate payment, accelerate debt obligations, or force the Company into bankruptcy or receivership. The Company's debt burden may include secured obligations that could result in seizure of assets, personal guarantees by directors or officers, and obligations that accrue interest and penalties during non-payment periods.

The Company may be forced to negotiate debt restructuring arrangements that involve significant concessions including asset sales, equity conversion, extended payment terms, or personal guarantees by management. Unsuccessful debt restructuring efforts could lead to formal insolvency proceedings where creditor claims take priority over shareholder interests.

Liquidity Crisis and Working Capital Deficiency. The Company faces an ongoing liquidity crisis and working capital deficiency that threatens its ability to continue operations. The Company struggles to meet basic operating expenses including payroll, rent, utilities, professional fees, insurance, and regulatory compliance costs. This liquidity crisis creates a cycle where the Company cannot invest in business development activities that might generate revenue because all available resources are consumed by survival expenses. The Company may be forced to defer or eliminate essential business activities, compromise service quality, or accept unfavorable business terms due to its desperate cash position.

Emergency financing, if available, may come with onerous terms including high interest rates, security over all assets, personal guarantees, restrictive covenants, or conversion features that significantly dilute existing equity holders. The Company may be forced to accept financing terms that are not in the long-term interests of shareholders but are necessary for immediate survival.

Inability to Raise Additional Capital. The Company's poor financial condition and lack of revenue generation make it extremely difficult to raise additional capital through traditional financing methods. Potential investors and lenders view the Company as a high-risk investment with limited prospects for recovery and return on investment.

Equity financing, if available, will likely require the Company to issue shares at significant discounts to previous valuations, resulting in severe dilution to existing shareholders. New investors may demand control provisions, liquidation preferences, anti-dilution protection, or board representation that effectively transfers control from existing shareholders. Debt financing may be available only at extremely high interest rates, with extensive security requirements, personal guarantees, or conversion features that could result in significant equity dilution. The Company may be forced to accept financing arrangements that consume most of its future cash flow through debt service obligations.

Alternative financing methods such as asset-based lending, factoring, or merchant cash advances may provide temporary relief but typically involve high costs and may create additional operational complications.

Extreme Dilution and Loss of Control. Any successful financing will likely result in severe dilution to existing shareholders given the Company's distressed valuation and desperate need for capital. New investors will likely demand terms that reflect the high risk and poor prospects of the investment. The Company may be forced to issue equity at nominal values or accept financing structures that effectively transfer ownership and control to new investors or creditors. Existing shareholders may find their ownership interest reduced to minimal percentages or completely eliminated in bankruptcy, restructuring, or recapitalization proceedings.

Debt restructuring arrangements may involve conversion of debt to equity at highly favorable terms for creditors, further diluting existing shareholders. The Company's articles may permit unlimited share issuances without pre-emptive rights for existing shareholders, allowing management to issue shares on whatever terms are necessary to obtain financing.



Investment and Market Risks

Total Loss of Investment Risk. Investors face a substantial and immediate risk of total loss of their investment in the Company. Given the Company's 20-year history without revenue generation, substantial debt burden, and ongoing liquidity crisis, the probability of shareholders receiving any return on their investment is extremely low.

In bankruptcy or liquidation proceedings, shareholders are paid only after all creditor claims are satisfied in full. Given the Company's debt burden and limited assets, it is highly unlikely that any value would remain for distribution to shareholders in such scenarios. Even if the Company avoids formal bankruptcy proceedings, debt restructuring or recapitalization efforts will likely eliminate or severely reduce existing shareholder value in favor of creditors and new investors who provide rescue financing.

Extreme Share Price Volatility. The Company's shares are subject to extreme price volatility due to its financial distress, lack of operating results, uncertain prospects, and limited trading liquidity. Share prices may fluctuate dramatically based on news about potential financing, business developments, creditor actions, or general market sentiment toward distressed companies. The low absolute share price increases volatility since small price movements represent large percentage changes. Limited institutional and professional investor interest means that trading may be dominated by retail investors who may be more susceptible to emotional decision-making and herd behavior. Trading volumes may be sporadic with periods of high activity followed by extended periods with minimal trading interest. This creates challenges for shareholders who need to liquidate their positions and may result in significant discounts to recent trading prices.

Limited Trading Liquidity and Market Access. Trading liquidity in the Company's shares is limited due to investor uncertainty about the Company's prospects, small market capitalization, and potential delisting risks if the Company cannot meet exchange listing requirements. The Company may face delisting from securities exchanges if it cannot maintain minimum share price levels, market capitalization requirements, or compliance with listing standards. Delisting would further reduce liquidity and make it more difficult for shareholders to trade their shares. Limited liquidity makes it difficult for shareholders to exit their positions at reasonable prices and may result in significant bid-ask spreads that increase transaction costs. Large share sales may have disproportionate impacts on share price due to limited buyer interest.

Operational and Strategic Risks

Absence of Business Infrastructure. The Company likely lacks the operational infrastructure, systems, processes, and capabilities necessary to support a revenue-generating business. After 20 years without successful operations, the Company may have minimal facilities, equipment, technology systems, intellectual property, or human resources.

Building necessary operational capabilities requires significant capital investment that the Company cannot afford in its current financial condition. The Company may be forced to operate with inadequate infrastructure, increasing the risk of operational failures, quality problems, customer dissatisfaction, or regulatory compliance issues. The Company may lack industry-specific knowledge, technical expertise, or operational experience necessary to compete effectively in its chosen markets. Key operational positions may remain unfilled due to the Company's inability to offer competitive compensation or because qualified candidates are unwilling to join a financially distressed organization.

Damaged Business Relationships. The Company's financial distress and payment difficulties have likely damaged relationships with essential vendors, suppliers, service providers, and potential business partners. Vendors may demand cash payments in advance, require personal guarantees, impose credit limits, or refuse to provide goods and services to the Company. Professional service providers including lawyers, accountants, consultants, and other specialists may require retainer payments or refuse to work with the Company due to concerns about payment. This limits the Company's access to professional expertise that may be essential for business development, regulatory compliance, or crisis management.

Potential business partners, customers, joint venture partners, or strategic allies may be reluctant to enter into relationships with the Company due to concerns about its financial stability and ability to fulfill long-term commitments. This limits the Company's ability to access partnerships, distribution channels, customer relationships, or strategic opportunities that might be necessary for business success.

Securities Regulatory Compliance and Cease Trade Order. The Company's Common Shares have been subject to a cease trade order imposed by the Alberta Securities Commission for failure to file financial statements on time for two consecutive years. This cease trade order prevents any trading in the Company's securities until the filing deficiencies are remedied and the order is revoked. The filing delays were primarily caused by auditor delays, which may indicate challenges in retaining qualified auditors, auditor concerns about the Company's going concern status, or complications in completing audit procedures due to the Company's financial condition and limited resources. The Company's inability to file financial statements on schedule demonstrates serious deficiencies in its financial reporting capabilities and corporate governance processes.

The cease trade order creates significant additional risks including complete illiquidity in the Company's shares on Canadian exchanges, potential delisting from securities exchanges, increased regulatory scrutiny, and reputational damage that may impair future business relationships and financing opportunities. While the Company's shares may continue to trade on the OTC markets in the United States, such trading may be limited and subject to additional restrictions. Investors holding shares through Canadian brokers cannot trade their shares while the cease trade order



remains in effect, effectively trapping their investment regardless of changing circumstances or investment needs.

The Company faces ongoing regulatory compliance challenges due to its financial condition, inability to pay required fees, and failure to meet reporting requirements. The Company may be unable to afford necessary regulatory compliance activities including audit fees, legal costs for regulatory filings, and professional services required to remedy compliance deficiencies. Regulatory sanctions beyond the cease trade order could include additional fines, director and officer sanctions, or more severe restrictions that would further impair the Company's ability to operate or raise capital. The Company may be required to provide additional assurances to securities regulators regarding its financial reporting capabilities and corporate governance before the cease trade order can be lifted.

Legal and Governance Risks

Litigation and Collection Risks. The Company faces significant risk of litigation from creditors seeking to collect outstanding debts through lawsuits, garnishment proceedings, asset seizure attempts, and other collection actions. Legal proceedings consume management attention and financial resources that the Company can ill afford to divert from business development activities. The Company may face litigation from former employees, vendors, landlords, lenders, or other parties related to unpaid obligations, contract breaches, or other disputes arising from its financial difficulties. Class action lawsuits from shareholders alleging mismanagement or inadequate disclosure may also arise.

Legal costs are substantial, and the Company may be unable to afford adequate legal representation, potentially resulting in default judgments or unfavorable settlement terms. Adverse judgments could result in additional financial obligations, asset seizures, or forced liquidation of the Company's remaining assets.

Director and Officer Liability. Directors and officers of the Company face potential personal liability related to the Company's financial distress, particularly if they continue to operate the Company while insolvent or fail to properly consider creditor interests in their decision-making. The Company may be unable to maintain adequate directors and officers insurance coverage due to its financial condition, leaving management personally exposed to legal claims from creditors, shareholders, employees, or regulatory authorities. This personal liability exposure may make it difficult to retain qualified directors and officers or attract new leadership talent. Key personnel may resign to avoid personal liability risks, further compromising the Company's ability to address its challenges.

Directors may face conflicts between their fiduciary duties to shareholders and the practical need to prioritize creditor interests as the Company approaches potential insolvency. These conflicts may impair decision-making and corporate governance processes.

Corporate Governance Under Financial Distress. The Company's financial distress may compromise its corporate governance processes and decision-making effectiveness. Board meetings and strategic planning may be dominated by crisis management rather than long-term business development considerations.

The Company may be forced to make decisions based on immediate cash needs rather than sound business principles or long-term shareholder interests. This could include accepting unfavorable financing terms, disposing of assets at below-market prices, or pursuing business opportunities that provide immediate cash but compromise long-term prospects.

Independent oversight and audit functions may be compromised due to inability to afford qualified professional services or maintain adequate internal controls and reporting systems. This reduces transparency for stakeholders and increases the risk of financial reporting problems or regulatory violations.

United States Operations and Cross-Border Risks

United States Subsidiary and Real Estate Holdings. The Company owns land in California and operates through a subsidiary in the United States, which subjects the Company to additional regulatory, legal, and operational complexities. The Company must comply with federal, state, and local regulations in both Canada and the United States, creating potential conflicts between jurisdictions and increased compliance costs.

The Company's U.S. subsidiary and California real estate holdings may be subject to different regulatory requirements, tax obligations, environmental regulations, and reporting standards than the Company's Canadian operations. The Company may lack the expertise, resources, or local relationships necessary to effectively manage U.S. operations or comply with U.S. regulatory requirements.

Changes in U.S. immigration, tax, environmental, or business regulations could adversely affect the Company's ability to operate its U.S. subsidiary or maintain its California real estate holdings. The Company may be required to engage local legal, accounting, and regulatory professionals in the United States, increasing operating costs and complexity.

OTC Markets Trading and U.S. Securities Regulations. The Company's shares are listed on the OTC markets in the United States, which subjects the Company to U.S. securities regulations and disclosure requirements in addition to Canadian requirements. OTC market trading typically involves less liquidity, wider bid-ask spreads, and less institutional investor participation than major exchange trading.



The Company must comply with U.S. securities laws including anti-fraud provisions, disclosure requirements, and reporting obligations that may differ from Canadian requirements. The Company may face enforcement actions from U.S. securities regulators if it fails to comply with applicable U.S. securities laws or disclosure requirements. OTC market makers and electronic trading systems may have limited interest in the Company's shares due to its financial distress and regulatory issues in Canada, potentially reducing liquidity and trading volume in the U.S. markets. The Company's cease trade order in Canada may negatively impact U.S. trading activity and investor confidence.

Cross-Border Tax and Financial Reporting Complications. The Company's operations in both Canada and the United States create complex tax obligations including potential double taxation, transfer pricing requirements, and currency translation issues. The Company may be subject to withholding taxes, branch taxes, or other cross-border tax obligations that increase its overall tax burden.

The Company must maintain financial reporting and accounting systems that comply with both Canadian and U.S. requirements, potentially including different accounting standards, disclosure requirements, and audit procedures. These dual reporting requirements increase costs and complexity while the Company is already struggling with basic financial reporting obligations. Currency exchange rate fluctuations between the Canadian dollar and U.S. dollar may affect the reported value of the Company's U.S. assets and operations, creating additional volatility in financial results and potential translation gains or losses.

Asset Exposure and Creditor Rights. The Company's California real estate and U.S. subsidiary assets may be subject to seizure by creditors through U.S. legal proceedings, potentially outside the protections that might be available under Canadian law. U.S. creditors may pursue collection actions against the Company's U.S. assets independently of any Canadian proceedings.

The Company's U.S. assets may be subject to different bankruptcy, insolvency, or creditor protection laws than its Canadian assets, creating complexity in any potential restructuring or liquidation scenarios. Cross-border asset transfers may be restricted by court orders, regulatory requirements, or creditor objections.

Environmental liabilities related to the California real estate could result in cleanup obligations, regulatory sanctions, or third-party claims that might not be covered by the Company's insurance or protected by Canadian legal proceedings.

Anti-Money Laundering and Financial Crime Compliance. The Company's cross-border operations subject it to anti-money laundering (AML) and financial crime prevention regulations in both Canada and the United States. These include the Bank Secrecy Act, USA PATRIOT Act, Proceeds of Crime (Money Laundering) and Terrorist Financing Act, and related requirements.

The Company must implement comprehensive compliance programs including customer due diligence, suspicious transaction reporting, recordkeeping, and ongoing monitoring across both jurisdictions. AML compliance failures could result in significant penalties, criminal liability, banking restrictions, and operational sanctions in either country.

The Company's financial distress and irregular business activities may trigger enhanced scrutiny from financial intelligence units, banking regulators, or law enforcement agencies concerned about potential money laundering or financial crime risks.

Sanctions and Export Control Compliance. The Company must ensure compliance with economic sanctions and export control regulations imposed by both Canadian and U.S. authorities. These requirements may restrict the Company's ability to conduct business with certain individuals, entities, or countries, and may require screening of business partners and transactions.

Sanctions violations can result in severe penalties including criminal charges, asset freezing, and prohibition from conducting business in the affected jurisdiction. The Company may lack the compliance infrastructure necessary to effectively monitor and prevent sanctions violations across its cross-border operations.

Changes in international sanctions regimes or diplomatic relations could require the Company to modify or terminate business relationships, dispose of assets, or cease certain activities with minimal notice.



**MAPLE LEAF GREEN WORLD INC.
CORPORATE DATA**

LISTING:
Canadian Stock Exchange.
Symbol: **MGW**

and additional trading:
OTCIQ Pink
Symbol: **MGWFF**

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