

ULTRA BRANDS LTD.

(formerly Feel Foods Ltd.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

**FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2022**

Accompanying the
Unaudited Condensed Interim Consolidated Financial Statements September 30, 2022

**ULTRA BRANDS LTD.
(formerly Feel Foods Ltd.)
400-837 W HASTINGS STREET
VANCOUVER, BC V6C 3N6**

This Management's Discussion & Analysis ("MD&A"), prepared as of November 29, 2022, is intended to be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for the period ended September 30, 2022, and related notes thereto, which have been reported in Canadian dollars, and prepared in accordance with International Financial Reporting Standards ("IFRS").

This MD&A is intended to assist in the understanding of the trends and significant changes in the financial condition and results of operations of Ultra Brands Ltd. (formerly Feel Foods Ltd.) ("**Ultra**", the "**Company**", "**we**", or "**our**") for the nine months ended September 30, 2022 and should be read in conjunction with the unaudited condensed interim consolidated financial statements for the nine months ended September 30, 2022 (the "**Financial Statements**").

For additional information please visit the Company's profile on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com.

FORWARD LOOKING STATEMENTS

This MD&A contains certain forward-looking statements and information relating to the Company that are based on the beliefs of management as well as assumptions made by and information currently available to the Company. When used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company or management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued development of our real estate holdings, among others, including those identified in the Risk Factors section. Such statements reflect the current views of management with respect to future events and are subject to certain risks, uncertainties and assumptions. The Company does not undertake any obligation to update such forward-looking information, whether because of new information, future events or otherwise, except as expressly required by applicable securities law.

Readers are cautioned that these forward looking statements are neither promises nor guarantees, and are subject to risks and uncertainties that may cause future results to differ materially from those expected including, but not limited to completion of site preparation, ability to secure financing on commercially acceptable terms, availability of contractors, suppliers and materials to complete the planned commissary kitchen construction, and planned improvements at the Langley site and the completion of these on schedule and on budget, planned occupancy by tenant-growers, commencement of operations, the risks inherent in an agricultural business, the variability of the weather and conditions needed to raise successful crops, the ability to mitigate the risk of loss through appropriate insurance policies, and the current uncertainty regarding local, provincial and federal legislation respecting legalized marijuana.

These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements.

ULTRA OPERATIONS AND OVERVIEW

Ultra was incorporated under the *Business Corporations Act* (British Columbia) under incorporation number BC0627073 on May 4, 2001 and changed its name to “NHS Industries Ltd.” on September 17, 2010, then to Feel Foods Ltd. on July 28, 2021, and finally to Ultra Brands Ltd. on May 17, 2022. NHS amalgamated with 0998955 B.C. Ltd. on August 13, 2014 to become “NHS Industries Ltd.,” then a wholly owned subsidiary of New Age Farm Inc. and now its former parent (“**New Age Farm**”). The Company’s head office is located at 400-837 West Hastings Street, Vancouver, BC, V6C 3N6. Ultra and New Age Farm have completed a plan of arrangement as approved by the sole shareholder of NHS and by the New Age Farm shareholders at New Age Farm’s 2016 shareholder meeting (the “**Arrangement**”) and Ultra has been separated and spun out from New Age since then.

The Company completed its listing requirement and commenced trading of its common shares on the CSE on April 5, 2018 under the symbol “NHS”, subsequently as “FEEL” on July 28, 2021 and currently trades as “ULTA”. On October 20, 2021, the Company received DTC full-service eligibility and commenced trading in the US under the new symbol “FLLLF”. On October 21, 2021, the Company commenced trading on the Frankfurt Stock Exchange under the symbol “IZF”.

Trends

Other than as disclosed in this MD&A, the Company is not aware of any trends, uncertainties, demands, commitments, or events which are reasonably likely to have a material effect upon its revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause reported financial information not necessarily to be indicative of future operating results or financial condition.

General Development and Ultra’s Business

Ultra is an agri-food holdings company focused on innovative products and technologies in the food services industry including its wholly owned Black Sheep Vegan Cheeze Company, offering a variety of 10 unique vegan dairy substitute products and currently available in over 30 retail locations, its 100-per-cent-owned Be Good Plant-based Foods line of plant-based chicken, pork and beef products, as well as is currently investing in the research and development of keto-friendly plant-based candy products.

Ultra also used to own an agricultural property in Langley, BC (the “**Langley Site**”) where Ultra intended to grow its agricultural land bank and to operate farming campuses in Canada that provide turnkey farming operations for its tenant-growers engaged in the production, processing and sale of luxury crops and value-added food products. Ultra’s turnkey operations were designed to provide tenant-growers with the entire infrastructure they require to operate a successful agribusiness for the crops of their choice. Additional processing facilities were available for the tenant-growers and outside growers to use to process crops into finished products. This was for consistency in methodology; making the most efficient and expedient use of the greenhouse facilities; that the greenhouse environment is optimally controlled for all tenant-growers crops’ needs; to provide optimal chance of success to the tenant-grower and for Ultra so that all members reap maximum benefits from the crop.

The Langley Site



The Langley Site was a five and a half acre agricultural property located in Langley, BC with a 48,000 square foot greenhouse facility on site, capable of growing 2.4 million 4” potted plants per year; in place peat soil available for sale; and a residential property that is currently leased. The site was fully Agricultural Land Reserve-approved for an agribusiness.

During the year ended December 31, 2020, the Company tried converting the Langley property into non-farm use and other potential projects or opportunities.

The Company has acquired all of the issued and outstanding shares of Plenty-Full Food Services Ltd. (“**Plenty-Full**”) in February 2020, a privately held meal preparation start-up company based in Richmond, BC. The acquisition will accelerate the Company’s strategic plans to expand into the food services industry and to build a potential food facility from its Langley farm property. The Company will provide public announcements on when Plenty-full will commence to provide it’s ready to eat food products to the general public.

On March 11, 2021, the Company consolidated all of its issued and outstanding common shares on the basis of one (1) post-consolidated share for every four (4) pre-consolidated shares (the “**Consolidation**”). The Consolidation resulted in the number of issued and outstanding Company shares being reduced from 9,616,360 Company shares to 2,404,089 Company shares. The Company has outstanding warrants to purchase 800,000 Shares reserved for issuance, equal to 200,000 shares on a post Consolidation basis and also has outstanding incentive stock options to purchase 385,000 shares reserved for issuance, equal to 96,250 shares on a post Consolidation basis. The Consolidation was also reflected on consolidated financial statements as at December 31, 2020.

On March 31, 2021, the Company acquired 100% ownership of a food production company, Be Good Plant based Foods Ltd. (“**Be Good**”), from arms-length parties in exchange of 2,205,000 common shares of the Company at total fair value of \$7,166,250. 100,000 common shares were also issued as finder’s fee with respect to this acquisition at total fair value of \$325,000. Be Good currently is launching its plant based chicken, pork and beef products as well as is investing in the research and development of keto-friendly plant based candy products. The company is launching its e-commerce platform with eight initial plant-based meat SKU’s including: chicken tenders, chicken nuggets, pork cutlets, beef burgers and more.

Following the acquisition of Be Good, the Company has become an agri-food holdings company focused on innovative products and technologies in the food services industry including its wholly owned Be Good line up of plant-based chicken, pork and beef products as well as is currently investing in the research and development of keto-friendly plant-based candy products.

More information about Be Good can be found at www.begoodfoods.net and at www.instagram.com/begoodfoodco.

On June 28, 2021, the Company closed a non-brokered private placement for gross proceeds of \$3,252,375 through the issuance of 1,626,187 units at a price of \$2.00 per Unit (a “Unit”). Each Unit

is comprised of one common share and one transferable common share purchase warrant (a “Warrant”). Each Warrant will entitle the holder to purchase one additional common share of the Company for a period of two years, subject to accelerated expiry, at a price of \$3.00 per share in the first year and \$4.50 per share in the second year. Under the private placement, the Company paid aggregate cash finder’s fees of \$151,543 and issued an aggregate of 75,771 finder’s warrants with a fair value of \$618,229, each exercisable for one common share for two years at a price of \$3.00 per share in the first year and \$4.50 per share in the second year and subject to accelerated expiry.

On August 19, 2021, the Company entered into an asset purchase agreement (the “Agreement”) with Canpac Investments Corp. (“Canpac”) for the sale of the Langley Site, a five and a half acre agricultural property located in Langley, BC. Canpac is an investment company focused on health sciences, technology, and infrastructure. Pursuant to the Agreement, Canpac purchased the property in consideration of \$1,500,000 payable in the form of the issuance of 1,500,000 common shares at a deemed price of \$1.00 per share.

Furthermore, along with the acquisition, Canpac agreed to assume \$912,517 in the Company’s debt and long-term liabilities. The Company has assembled debt assignment agreements, signed by the creditors, assigning the liabilities to Canpac. Ultra elected to distribute the shares in the form of a dividend to its stakeholders on a pro rata basis to shareholders of record on September 15, 2021.

On October 8, 2021, the Company completed an arm’s length acquisition of Black Sheep Vegan Cheeze company (“**Black Sheep**”), a British Columbia-based vegan cheese company, pursuant to the terms of a share exchange agreement dated September 8, 2021 among the Company, Black Sheep and the shareholders of Black Sheep.

Pursuant to the terms of the Agreement, the Company acquired all of the issued and outstanding common shares of Black Sheep (collectively, the “Black Sheep Shares”) in consideration for (together, the “Purchase Price”) the issuance 340,000 common shares (each, a “Share”) of “the Company” at a fair price of \$2.50 per Share for a total of \$850,000 and a cash payment of \$750,000 for a total consideration of \$1,600,000. Each Share issued in connection with the Purchase Price is subject to a contractual lock-up whereby the shareholder shall not offer, issue, pledge, sell such Share except in accordance with the following release schedule: 10% on the date of closing (the “Closing Date”); 30% on the date that is 6 months after the Closing Date; 30% on the date that is 12 months after the Closing Date; and 30% on the date that is 18 months after the Closing Date.

In addition, the Company has agreed to pay the shareholders of Black Sheep up to an aggregate of \$500,000 upon the achievement, by Black Sheep, of an aggregate of \$500,000 or greater in net sales during the 12 month period starting on the date that is 7 months from the Closing Date and ending on the date that is 18 months from the Closing Date (the “Performance Milestone Deadline”), payable by way of (together, the “Performance Milestones”):

- (i) issuance of \$125,000 worth of Shares and \$125,000 in cash upon the achievement by Black Sheep of \$250,000 or greater in net sales on or before the Performance Milestone Deadline; and
- (ii) issuance of \$125,000 worth of Shares and \$125,000 in cash upon the achievement by Black Sheep of an aggregate of \$500,000 or greater in net sales on or before the Performance Milestone Deadline.

All Shares issuable to the shareholders of Black Sheep in connection with the Performance Milestones will be issued pro rata at a deemed price equal to the lowest price per Share permitted by the policies of the Canadian Securities Exchange (“CSE”). Concurrent to and as a condition to Closing, each of the co-founders of Black Sheep (together, the “Founder Consulting Agreements”), and a third party entered into consulting agreements with Ultra Brands pursuant to which they agreed to provide certain consulting services to the Company. Mr. Johnson is also eligible to receive a one-time bonus of \$25,000 for each new product approved for the sale by the Company or Black Sheep or both (each, a “Product”) in accordance with the approval procedure outlined in his Founder Consulting Agreements and which Product receives aggregate net sales of \$25,000 or greater, payable in Shares at a deemed price equal to the lowest price per Share permitted by the policies of the CSE.

On November 23, 2021, the Company completed its newest formulations for its “Ultra Sweets” gummy candy line which will offer keto-friendly, plant-based candies across North America as the vegan confection market grows rapidly.

On December 7, 2021, the Company has been granted a "Safe Food for Canadians" licence from the Canadian Food Inspection Agency (CFIA), allowing Ultra to sell its plant-based food products throughout Canada and export to other countries, including the United States.

Highlights, Significant Events and Recent Activities

On January 6, 2022, the Company launched a limited-edition collection of non-Fungible tokens, or NFTs, a unique and non-interchangeable unit of data stored on a blockchain, a form of digital ledger. NFTs can be associated with reproducible digital files such as art, music, photos, videos, and audio. They are bought and sold online, frequently with cryptocurrency, and they are generally encoded with the same underlying software as many crypto currencies.

On January 31, 2022, the Company announced the availability of Be Good plant-based chicken products in the Tri-Cities area of BC on SkipTheDishes, a North America’s fastest growing food delivery network and a leading on-line food delivery service.

On March 1, 2022, the Company extended the shelf life of its wholly owned Black Sheep products using state-of-the-art high-pressure pasteurization (HPP) technology to naturally increase shelf life without the addition of any chemicals or preservatives.

On March 23, 2022, the Company’s Black Sheep products expand its retail presence with the addition of all 10 retail locations of Choices Markets carrying Ultra's product lineup of vegan cheezes. Choices Markets has been a leader in offering local, organic and specialty food items in a warm, welcoming environment. Furthermore, the Company is now delivering cheese products to Alberta via its e-commerce business.

On March 29, 2022, the Company announced its Shopify e-commerce platform is accepting variety of leading crypto currencies such as Bitcoin and Ethereum as payment for its plant-based products.

On May 13, 2022, the Company consolidated its issued and outstanding shares on the basis of one (1) post-consolidated share for every ten (10) pre-consolidated shares. All shares have been retroactively adjusted to reflect share consolidation.

On May 17, 2022, the Company, in conjunction with the consolidation, changed its name to “Ultra Brands Ltd.”. The Company also changed its trading symbol on the Canadian Securities Exchange to “ULTA”.

MANAGEMENT CHANGES

On January 31, 2022, the Company appointed Bryce Clark as director and Chief Financial Officer, replacing current director and Chief Financial Officer Natasha Sever, effective immediately.

On March 15, 2022, Anthony Chan tendered his resignation as a director of the Company.

On July 8, 2022, the Company appointed Yuying Liang as CFO of the Company following the resignation of Bryce Clark.

On July 28, 2022, the Company appointed Yuying Liang and David Bentil as directors of the Company, following the resignation of Krystal Pineo as director of the Company.

RESULT OF OPERATIONS

Nine Months of Operations to September 30, 2022

The Company reported revenue of \$38,833 for the nine months ended September 30, 2022 as compared to \$67,238 for the nine months ended September 30, 2021. The significant decrease was due to no rental income earned during the current period compared to the same period in the prior year. As of September 30, 2022, the Company derives its revenue from the sale of its vegan cheese and other plant-based products.

During the nine months ended September 30, 2022, the Company reported a net loss of \$1,099,084 (2021 - \$9,544,285). The significant decrease is attributable to the consideration issued and incurred in relation to the acquisition of Black Sheep in same period in the prior year which did not occur in current period. The Company’s expenses included the following:

- Accretion expense of \$6,004 (2021 - \$2,171).
- Advertising and market awareness of \$143,885 (2021 - \$355,238) consists of expenses relating to the Company’s work in expanding its investor base in Canada and the US by paying investor awareness fees. The decrease in fees during the current period were due to lower corporate activity compared to the same period in the prior year.
- Amortization expense of \$57,134 (2021 - \$29,764).
- Bank charges of \$1,844 (2021 - \$1,907).
- Consulting fees of \$701,607 (2021 - \$555,508) were attributable to consulting fees paid and accrued to consultants and other advisors of the Company. \$480,250 of the consulting fees were incurred in relation the RSU’s redeemed during the current period.
- Director fees of \$45,500 (2021 - \$43,000) were attributable to fees paid and accrued to the newly appointed and existing directors and officers of the Company.
- Interest expense of \$23,762 (2021 - \$26,027) consist of interest from the Company’s existing short-term and long term loans. The decrease in fees was also due to the decrease in interest on long term debt due to assumption of mortgage on Langley property by Canpac during August 2021.

- Professional fees of \$60,471 (2021 - \$46,857) consist of expenses relating to legal, audit and accounting fees. The increase in fees was due to higher fees incurred during the current period compared to the same period in the prior year.
- Transfer agent & filing fees of \$15,785 (2021 - \$60,803) consist of expenses in connection with the regulatory periodic filing fees and other related fees for the issuance of shares. The decrease was due to lower corporate activity during the current period as compared to the same period in the prior year;
- Rent expense of \$14,556 (2021 - \$Nil). The increase was due to the Company's new head office rented in downtown Vancouver.
- Office and miscellaneous expenses of \$47,407 (2021 - \$87,610) consist of expenses incurred by the Company for its day-to-day activities. The decrease was due to the decrease in corporate activity of the Company during the current period.
- Consideration paid in excess of net assets acquired from acquisition of Black Sheep of \$Nil (2021 - \$7,439,059).
- Fair value adjustment to investment of \$Nil (2021 - \$547,577), from the Company's previously owned investment in a Limited Partnership that was assumed by Canpac during August 2021;
- Canpac shares issued to shareholders of \$Nil (2021 - \$1,500,000) resulting from the sale of Langley site to Canpac.
- The Company earned interest income of \$Nil (2021 - \$18,667) on loan receivable that was assumed by Canpac during August 2021.
- Write-off of GST recoverable of \$Nil (2021 - \$11,156).
- Write-off of subscription receivable of \$10,000 (2021 - \$Nil).

SELECTED ANNUAL INFORMATION

The following financial data, which has been prepared in accordance with IFRS, is derived from the Company's consolidated financial statements. These sums are being reported in Canadian dollars and did not change as a result of the adoption of policies concerning Financial Instruments.

	Year ended		
	December 31, 2021	December 31, 2020	December 31, 2019
	\$	\$	\$
Total revenue	82,150	104,896	98,528
Interest income	18,668	32,009	1,385
Expenses	4,111,175	391,812	877,056
Net loss	(12,451,411)	(395,288)	(778,528)
Total assets	847,928	1,904,908	1,780,168
Total long-term liabilities	206,701	562,595	555,428
Net loss per share (basic and diluted)	(2.00)	(0.18)	(0.93)

SELECTED QUARTERLY INFORMATION

The following table summarizes the results of operations for the eight recent quarters.

	September 30, 2022	Three months ended June 30, 2022	March 31, 2022	December 31, 2021
	\$	\$	\$	\$
Total revenue	-	20,818	18,015	17,579
Interest income	-	-	-	-
Expenses	(58,106)	(210,331)	(849,518)	(4,655,309)
Net loss	(68,106)	(192,861)	(838,117)	(2,904,126)
Net loss per share and diluted loss per share	(0.01)	(0.02)	(0.12)	(0.20)

	September 30, 2021	Three months ended June 30, 2021	March 31, 2021	December 31, 2020
	\$	\$	\$	\$
Total revenue	-	32,285	32,286	31,957
Interest income	2,667	8,000	8,000	8,000
Expenses	1,177,423	296,697	7,292,364	(83,349)
Net loss	(2,022,796)	(264,411)	(7,260,078)	(537,704)
Net loss per share and diluted loss per share	(0.32)	(0.06)	(3.02)	(0.20)

LIQUIDITY

The Company is a startup agricultural-based company and has a small regular source of income and may have incidental interest income it may earn on funds invested in short-term deposits. As a result, its ability to conduct operations is based on its current cash and its ability to raise funds, primarily from equity sources, and there can be no assurance that the Company will be able to do so. The Company's continued existence is dependent upon its ability to raise additional capital, the continuing support of its creditors, and ultimately, the attainment of profitable operations and positive cash flows. The Company is in good standing as of the date of this MD&A.

In June 2021, the Company closed a private placement financing for gross proceeds of \$3,252,375 through the issuance of 1,626,187 units at a price of \$2.00 per Unit (a "Unit"). Each Unit is comprised of one common share and one transferable common share purchase warrant (a "Warrant"). Each Warrant will entitle the holder to purchase one additional common share of the Company for a period of two years, subject to accelerated expiry, at a price of \$3.00 per share in the first year and \$4.50 per share in the second year. Under the private placement, the Company paid aggregate cash finder's fees of \$151,543 and issued an aggregate of 75,771 finder's warrants with a fair value of \$618,229, with the same terms as the warrants issued as part of the private placement.

In August 2021, the Company entered into an asset purchase agreement (the “Agreement”) with Canpac Investments Corp. (“Canapac”) for the sale of the Langley Site, a five and a half acre agricultural property located in Langley, BC. Canpac is an investment company focused on health sciences, technology and infrastructure. Pursuant to the Agreement, Canpac purchased the property in consideration of \$1,500,000 payable in the form of the issuance of 1,500,000 common shares at a deemed price of \$1.00 per share. Furthermore, along with the acquisition, Canpac agreed to assume \$912,517 in the Company’s debt and long-term liabilities. The Company has assembled debt assignment agreements, signed by the creditors, assigning the liabilities to Canpac. Ultra elected to distribute the shares in the form of a dividend to its stakeholders on a pro rata basis to shareholders of record on September 15, 2021.

As part of its financial planning, management intends to pursue further equity financing to meet its working capital requirements and is reasonably confident that it will be able to continue to fund the Company in this manner. The Company intends to work with a financial advisor to assist with raising funds to meet short term and long-term goals as well as to develop an ongoing long term plan to keep the company in operation until revenues are sufficient to support the operations. However, should the Company be unsuccessful in raising capital through equity financing, it may need to consider borrowing funds from one or more directors or shareholders. At this time, the Company has no plans to borrow money and there have been no promises or arrangements made to fund the Company in this manner.

As of the date of this discussion, the Company currently has three subsidiaries, Plenty-full Food Services Corporation, Be Good Plant Based Food Inc., and Black Sheep Vegan Cheese Company Corp.

CAPITAL RESOURCES

There are no known trends or expected fluctuations in the Company's capital resources, including expected changes in the mix and relative cost of such resources.

The Company completed the consolidation of its common shares in March 2021 with outstanding common shares of 2,404,109.

In March 2021, the Company completed its acquisition of 100% of Be Good by issuing 2,205,000 common shares to the holders of 100% of Be Good shares, on a pro rata basis, in exchange for their 2,205,000 Be Good common shares. The Company also issued 100,000 common shares as finder’s fee with respect to the Be Good acquisition.

On June 28, 2021, the Company closed a private placement financing for gross proceeds of \$3,252,375 through the issuance of 1,626,187 units at a price of \$2.00 per Unit (a “Unit”). Each Unit is comprised of one common share and one transferable common share purchase warrant (a “Warrant”). Each Warrant will entitle the holder to purchase one additional common share of the Company for a period of two years, subject to accelerated expiry, at a price of \$3.00 per share in the first year and \$4.50 per share in the second year. Under the private placement, the Company paid aggregate cash finder’s fees of \$151,543 and issued an aggregate of 75,771 finder’s warrants with a fair value of \$618,229, with the same terms as the warrants issued as part of the private placement.

On October 1, 2021, the Company issued 320,000 stock options exercisable at \$2.40 per common share expiring on October 1, 2022 to consultants.

On October 1, 2021, the Company granted 115,000 RSUs to consultants of the Company.

On October 8, 2021, the Company completed its acquisition of Black Sheep by issuing 340,000 common shares at a deemed price of \$2.29 per Share and a cash payment of \$750,000. Each Share issued is subject to a contractual lock-up whereby the shareholder shall not offer, issue, pledge, sell such Share except in accordance with the following release schedule: 10% on the date of closing (the “Closing Date”); 30% on the date that is 6 months after the Closing Date; 30% on the date that is 12 months after the Closing Date; and 30% on the date that is 18 months after the Closing Date.

On October 27, 2021, the Company issued 50,000 stock options exercisable at \$2.30 per common share expiring on October 27, 2022 to a consultant.

On November 1, 2021, the Company granted 60,000 RSUs to consultants of the Company.

On November 9, 2021, the Company granted 200,000 RSUs to a consultant of the Company.

During year ended December 31, 2021, the Company issued 260,000 common shares pursuant to the vesting of RSUs.

During year ended December 31, 2021, the Company issued 220,000 common shares pursuant to the exercise of stock options.

On March 7, 2022, the Company issued 15,000 common shares for a fair value of \$33,000 on the October 1, 2021 RSU’s grant of 115,000.

On March 18, 2022, the Company granted 490,000 RSU’s to consultants of the Company.

On March 22, 2022, the Company issued 37,500 common shares for a fair value of \$82,500 on the October 1, 2021 RSU’s grant of 115,000.

On March 23, 2022, the Company issued 450,000 common shares for a fair value of \$135,000 on the March 18, 2022 RSU’s grant of 490,000.

On March 28, 2022, the Company granted 510,000 RSU’s to consultants of the Company.

On March 28, 2022, the Company issued 5,000 common shares for a fair value of \$11,000 on the October 1, 2021 RSU’s grant of 115,000.

On March 29, 2022, the Company issued 210,000 common shares for a fair value of \$63,000 on the March 28, 2022 RSU’s grant of 510,000.

On March 30, 2022, the Company issued 300,000 common shares for a fair value of \$90,000 on the March 28, 2022 RSU’s grant of 510,000.

On May 13, 2022, the Company consolidated its issued and outstanding shares on the basis of one (1) post-consolidated share for every ten (10) pre-consolidated shares. All shares have been retroactively adjusted to reflect share consolidation.

On April 19, 2022, the Company granted 250,000 RSU's to a consultant of the Company.

On April 21, 2022, the Company issued 250,000 common shares for a fair value of \$50,000 on the April 19, 2022 RSU's grant of 250,000.

On June 13, 2022, the Company issued 37,500 common shares for a fair value of \$11,250 on the October 1, 2021 RSU's grant of 115,000.

On September 6, 2022, the Company issued 15,000 common shares for a fair value of \$4,500 on the October 1, 2021 RSU's grant of 115,000.

OFF BALANCE SHEET ARRANGEMENTS

As at September 30, 2022, the Company had no off-balance sheet arrangements.

PROPOSED TRANSACTIONS

The Company plans to focus on innovative products and technologies in the food services industry including its wholly owned Be Good plant-based foods line up of plant-based chicken, pork and beef products, its wholly owned Black Sheep Vegan Cheeze Company plant based dairy products as well as currently investing in the research and development of keto-friendly plant-based candy products. The Company will also continue to develop its Plenty-full business in synergy with Be Good.

TRANSACTIONS WITH RELATED PARTIES

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.

Related parties and related party transactions are summarized below and include transactions with the following individuals for the period ended September 30, 2022 and 2021:

September 30, 2022	Consulting Fees	Director Fees	Professional Fees	Total
	\$	\$	\$	\$
David Greenway, CEO & Director ⁽⁷⁾	20,000	13,500	-	33,500
Bryce Park, Former CFO & Director ⁽⁸⁾	-	-	28,000	28,000
Krystal Pineo, Former Director ⁽⁶⁾	-	4,000	-	4,000
Kelly Pladson, Former Corporate Secretary	18,548	-	-	18,548
	38,548	17,500	28,000	84,048

September 30, 2021	Consulting Fees	Director Fees	Professional Fees	Total
	\$	\$	\$	\$
Anthony Chan, Former CFO & Director ⁽²⁾	3,500	14,000	-	17,500
Natasha Sever, Former CFO & Director ⁽⁵⁾	65,000	-	-	65,000
Krystal Pineo, Former Director ⁽⁶⁾	30,000	-	-	30,000
Kelly Pladson, Former Corporate Secretary	20,000	-	-	20,000
Robert Nygren, Former CEO & Director ⁽³⁾	3,500	14,000	-	17,500
Ming Chiang, Former CSO & Director ⁽⁴⁾	3,000	12,000	-	15,000
Carman Parente, Former Director ⁽¹⁾	-	3,000	-	3,000
	125,000	43,000	-	168,000

During the period ended September 30, 2022, total consulting fees of \$38,548 (2021 - \$125,000), director fees of \$17,500 (2021 - \$43,000) and professional fees of \$28,000 (2021 - \$Nil) have been accrued and recognized.

As at September 30, 2022, the amounts owing to related parties are as below:

	Accounts Payable	Accrued Liabilities	Due from Related Party	Due to Related Party	Directors' Loans
	\$	\$	\$	\$	\$
Due to former CFO	455	-	-	-	-
Due to a company controlled by the CEO	4,208	-	-	-	-
Due to a company controlled by the former CFO	10,500	-	-	-	-
Due to a company controlled by the former corporate secretary	3,726	-	-	-	-
Due to former directors	2,000	2,000	-	-	22,366
Due to related party	-	-	-	500	-
Due from related party	-	-	13,970	-	-
	20,889	2,000	13,970	500	22,366

All related party transactions are in the normal course of operations and have been measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

During the year ended December 31, 2018, the Company advanced a loan in the amount of \$400,000 to a limited partnership managed by a company controlled by the former CFO of the Company as a general partner with no beneficial interest. This loan was non-interest bearing, non-secured with no fixed terms of repayment. On December 31, 2019, a company controlled by the former CFO assumed this loan from the limited partnership and converted the loan into a secured promissory note payable to the Company maturing on December 31, 2022, with interest payable at an annual rate of 8% and personal guaranteed by the former CFO. On August 19, 2021, the Company entered into a share purchase agreement (the "Agreement") more fully described in Note 15. The principal loan and accrued interest of \$18,667 were divested. Also divested per the Agreement was the loan payable of \$168,687 due to a former Director of the Company, including accrued interest of \$11,477.

During the year ended December 31, 2020, the Company also invested in a limited partnership with the general partner being related by common officers in the amount of \$250,000 by issuing 125,000 common shares of the Company at a deemed price of \$2.00 per share. The investment was fair valued adjusted to \$393,750 as at August 19, 2021 and divested to Canpac as a result of the Agreement.

Notes

1. Carman Parente ceased to be a director of the Company on February 15, 2021.
2. Anthony Chan was appointed CFO and became a director on November 30, 2016. Mr. Chan ceased to be CFO in July 2021 and director in March 2022.
3. Robert Nygren became a director in December 2019 and appointed as CEO in February 2020. Mr. Nygren ceased to be a director and CEO in August 2021.

4. Ming Chiang became a director in February 2020 and ceased to be a director in June 2021.
5. Natasha Sever became a director in May 2021, and was appointed CFO in July 2021. Ms. Sever ceased to be a director and CFO in January 2022.
6. Krystal Pineo became a director in June 2021 and ceased to be a director in July 2022.
7. David Greenway was appointed CEO and became a director in August 2021.
8. Bryce Clark was appointed CFO and became a director in January 2022. Mr Clark ceased to be a CFO and director in July 2022.
9. Yuying Liang was appointed CFO and became a director in July 2022.
10. David Benti became a director in July 2022.

OUTSTANDING SHARE DATA

Authorized share capital:

Unlimited common shares without par value

Issued and Outstanding:

As of the date of this MD&A, the Company has 18,487,896 common shares outstanding.

As of September 30, 2022, the Company has 8,487,896 common shares outstanding.

Stock Options:

As of the date of this MD&A, the Company has 53,750 stock options issued and outstanding.

As of September 30, 2022, the Company has 153,750 stock options issued and outstanding.

Warrants:

As of the date of this MD&A, the Company has 11,751,959 warrants issued and outstanding in connection with the closing of the recent private placements.

As of September 30, 2022, the Company has 1,751,959 warrants issued and outstanding.

Restricted share units (RSUs):

As of the date of this MD&A, the Company has 40,000 RSUs issued and outstanding.

As of September 30, 2022, the Company has 45,000 RSUs issued and outstanding.

CONTINGENCIES

Except for the commitments mentioned in Liquidity subsection (a), there is no other contingency outstanding as of date of this discussion.

SUBSEQUENT EVENT

On October 27, 2022, the Company closed a non-brokered private placement for 10,000,000 units at a price of \$0.05 per unit for gross proceeds of \$500,000. Each unit comprises one common share and one common share purchase warrant of the Company. Each warrant will be exercisable into a common share of the Company for a period of 12 months at an exercise price of \$0.05 for the 12 months.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

These Consolidated Financial Statements are prepared in accordance and compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee.

The Consolidated Financial Statements are presented in Canadian dollars, which is the Company's functional and reporting currency. The Consolidated Financial Statements are prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss, which are stated at their fair value.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

Please see the Company's condensed interim consolidated financial statements for the periods ended September 30, 2022 and 2021 for a summary of significant accounting policies and estimates.

RISKS AND UNCERTAINTIES

Plant Growing, Warehousing and Processing Industry

The warehousing and food processing industry involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the development of such facilities may result in substantial rewards, marketing will also play a significant role in developing the Company and its level of success. Major expenses may be required to establish the facilities to be accepted in the marketplace. It is impossible to ensure that the current facilities and market strategy planned by the Company will result in profitable commercial sales. Whether the Company will be commercially viable depends on a number of factors, some of which are the particular attributes of the industry the facilities is geared toward and the existing infrastructure, as well as competitors' strategies and market factors. Some of these factors are cyclical and government regulated, including regulations relating to agriculture and food processing procedures and protocols.

The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. Agriculture and food processing operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the public health sectors inherited in the agriculture and food processing industry. Although adequate precautions to minimize risk will be taken, operations are subject to hazards that are unforeseeable or beyond the company's control and their consequent liability.

Some of these risks include the following:

The Company is largely dependent on the success of constructing and marketing its warehousing and processing facilities and cannot be certain that its facilities will be successfully commercialized. The successful addition of food warehousing / processing facilities will provide additional There is no guarantee that it will ever have marketable facilities. There are risks in design, development and manufacture of agriculture and food warehousing / processing facilities which may have adverse effect on public's health.

If a significant portion of these development efforts are not successfully completed, required regulatory approvals are not obtained, or any approved facilities are not commercially successful, the company's business, financial condition, and results of operations may be materially harmed.

The Company's facilities may never achieve market acceptance even if the company obtains regulatory approvals.

The Company's activities are directed towards the warehousing and processing of food. There is no certainty that any expenditure to be made by the Company as described herein will result in market acceptance of the Company's facilities offerings. There is aggressive competition within the agriculture and food warehousing / processing marketplace. The Company will compete with other interests, many of which have greater financial resources than it will have for marketing towards target customers. Significant capital investment is required to achieve commercialization from the current start-up and development stage of the Company.

Uncertainty Regarding Penetration of the Target Market

The commercial success of the business of Ultra, as compared with its competitors, depends on the acceptance by their potential clients or customers in the respective industries or sectors. Market acceptance will largely depend on the reputation, marketing strategy, and services and performance of Ultra. The success of Ultra will depend on the ability to commercialize its products and services and to expand their network clients or market share. Ultra will need to expand its marketing and sales operations and establish business relations with other professional services providers and clients in a timely manner.

In order to meet their business objectives, Ultra will have to ensure that its services are professional, reliable and cost-effective, and bring the expected return. There can be no assurance that the business and services of Ultra will be accepted and recommended.

Competition

The agriculture and food warehousing / processing industries are competitive. Others in the field may have significantly more financial, technical, distribution and marketing resources. Technological progress and product development may cause the Company's services and facilities offerings to become obsolete or may reduce their market acceptance.

Licenses, Patents and Proprietary Rights

The Company's success could depend on its ability to protect its intellectual property, including trade secrets, and continue its operations without infringing the proprietary rights of third parties and without having its own rights infringed.

Growth Management

In executing the business plan of Ultra for the future, there will be significant pressure on management, operations, and technical resources. Ultra anticipates that its operating and personnel costs will increase in the future. In order to manage their growth, Ultra will have to increase the number of its technical and operational employees and efficiently manage its employees, while at the same time efficiently maintaining a large number of relationships with third parties.

Reliance on Key Personnel and Advisors

Ultra will rely heavily on its officers. The loss of their services may have a material adverse effect on the business of Ultra. There can be no assurance that one or all of the employees of, and contractors engaged by, Ultra will continue in the employ of, or in a consulting capacity to, Ultra or that they will not set up competing businesses or accept positions with competitors. There is no guarantee that certain employees of, and contractors to, Ultra who have access to confidential information will not disclose the confidential information.

Reliance on Joint Ventures, License Assignors and Other Parties

The nature of the operations of Ultra requires them to enter into various agreements with partners, joint venture partners, other businesses partners, equipment suppliers in the business world, government agencies, licensors, licensees, and other parties for the successful operation of their businesses and the successful marketing of their services.

There is no guarantee that those with whom Ultra need to deal will not adopt other services providers or that they will not develop alternative business strategies, acting either alone or in conjunction with other parties, including the competitors of Ultra in preference to those of Ultra.

Government Regulation

Although the activities of Ultra are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail development, marketing, or commercialization.

In addition to various trade organizations that the Company will be subject to, the consumer agriculture and food warehousing / processing industry is subject to various federal, and provincial laws and regulations on, standards, claims, safety, efficacy and other matters from regulatory bodies such as Canadian Food Inspection Agency (CFIA), BC FoodSafe Program and the department of Health Protection in Fraser Health. Regulatory approvals by government agencies on the Company's facilities may be withheld or not granted at all and if granted may be subject to recalls which would materially affect the Company.

Although the Company's activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail development, production, manufacture, product claims, marketing or commercialization. Amendments to current laws and regulations governing operations and activities of the consumer health industry or more stringent implementation thereof could have a substantial adverse impact on the Company.

Uninsured Risks

Ultra may carry insurance to protect against certain risks in such amounts as they consider adequate. Risks not insured against include key person insurance, as Ultra will heavily rely on its officers.

Conflicts of Interest

Certain directors of Ultra also serve as directors and/or officers of other companies involved in other business ventures. Consequently, there exists the possibility for such directors to be in a

position of conflict. Any decision made by such directors involving Ultra will be made in accordance with their duties and obligations to deal fairly and in good faith with Ultra and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

Negative Operating Cash Flows

As Ultra is at the early stage startup stage, it may continue to have negative operating cash flows. Without the injection of further capital and the development of revenue streams from their businesses, Ultra may continue to have negative operating cash flows until it can be sufficiently developed to commercialize.

Operating History and Expected Losses

Ultra expects to make investments in order to develop their services, increase marketing efforts, and improve their operations. As a result, startup operating losses are expected and such losses may be greater than anticipated, which could have a significant effect on the long-term viability of Ultra.

Risks Related as a Going Concern

The ability of Ultra to each continue as a going concern is uncertain and dependent upon their ability to achieve profitable operations, obtain additional capital, and receive continued support from their shareholders. Management of Ultra will have to raise capital through private placements or debt financing and proposes to continue to do so through future private placements and offerings. The outcome of these matters cannot be predicted at this time.

Potential Liability

Ultra is subject to the risk of potential liability claims with respect to their businesses. Should such claims be successful, plaintiffs could be awarded significant amounts of damages, which could exceed the limits of any liability insurance policies that may be held by Ultra. There is no guarantee that Ultra will be able to obtain, maintain in effect or increase any such insurance coverage on acceptable terms or at reasonable costs, or that such insurance will provide Ultra with adequate protection against potential liability.

Coronavirus Global Pandemic Risk

In March 2020, the World Health Organization declared a global pandemic related to the virus known as COVID-19. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It has also disrupted the normal operations of many businesses, including the Company's. This outbreak could decrease spending, adversely affect demand for the Company's product and harm the Company's business and results of operations. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time.

With employees, partners and customers across multiple geographies, the Company's management continues to closely monitor developments surrounding the COVID-19 pandemic. The Company's focus is on the safety and well-being of its employees, customers, and partners, and is taking precautions to minimize the spread of COVID-19 in alignment with local government policies and national and international agency recommendations. In consideration of this, interim

arrangements have been made to ensure the maintenance of the Company's core operations despite the temporary reassignment of certain sales and contracting personnel.

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

During the period ended September 30, 2022, there has been no significant change in the Company's internal control over financial reporting since last reporting period.

The Chief Executive Officer and Chief Financial Officer of the Company are responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. They are also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's unaudited condensed interim consolidated financial statements for the period ended September 30, 2022.

The Chief Executive Officer and Chief Financial Officer of the Company have filed the Venture Issuer Basic Certificate with the Interim Filings on SEDAR at www.sedar.com.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

CURRENT OFFICERS AND DIRECTORS

David Greenway	CEO & Director
Yuying Liang	CFO & Director
David Bentil	Director