RED LIGHT HOLLAND CORP.

Management's Discussion & Analysis

For the Three and Nine Months ended December 31, 2025

This management's discussion and analysis (this "**MD&A**") was prepared as of March 1, 2026, and is provided to assist readers in understanding the financial performance of Red Light Holland Corp. (the "**Company**") for the three and nine months ended December 31, 2025. It should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for the three and nine months ended December 31, 2025 and 2024 (the "**Interim Financial Statements**"), and its audited consolidated financial statements for the years ended March 31, 2025 and 2024, together with the notes thereto (the "**Annual Financial Statements**"). This MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – *Continuous Disclosure Obligations*. The results reported herein have been derived from the Interim Financial Statements, prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board and IFRIC® Interpretations of the IFRS Interpretations Committee, and unless otherwise indicated, all figures are presented in Canadian dollars ("**$**" or "**CAD**"). Unless the context otherwise requires, use in this MD&A of the "Company", "Red Light Holland", "RLHC", "we", "us", or "our" means Red Light Holland Corp. and its subsidiaries.

For the purposes of preparing this MD&A, management, in conjunction with the board of directors of the Company (the "**Board**"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares (the "**Common Shares**"); (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity. The Board approves the Interim Financial Statements and this MD&A and ensures that the Company's officers have discharged their financial responsibilities. The Board's review is accomplished principally through the audit committee of the Company, which reviews and recommends all financial reports to the Board for approval prior to filing.

This MD&A contains forward-looking information and statements (collectively, "**FLS**"). See the section "*Caution Regarding Forward-Looking Information and Statements*" for a discussion of the risks, uncertainties and assumptions relating to those statements.

GLOSSARY OF TERMS

In this MD&A, unless otherwise indicated, or if the context otherwise requires, "**Adjusted EBITDA**" is the net income (loss) for the period, before income tax (recovery) expense, accretion and interest expense, depreciation and amortization, and adjusted for foreign exchange (gain) losses, transaction and acquisition costs, (gain) loss on revaluation of put option liability, (gain) loss on extinguishment of debenture, impairment loss, share-based payments, (gain) loss on revaluation of marketable securities and (gain) loss on extinguishment of financial liability and other (gain) loss; "**AEM Farm**" means AEM's gourmet mushroom production facility in New Brunswick, Canada; "**AEM Ontario**" means the two mushroom production facilities with an aggregate footprint of 65,000 square feet that the Company is building on the Peterborough Farm; "**AEM**" means Acadian Exotic Mushrooms Ltd., which is a 51% owned subsidiary; "**Business**" means the business carried on by the Company as at the date of this MD&A, and where the context so requires, includes the business carried on by the Company prior to the date of this MD&A; "**CCrest Laboratories**" means CCrest Laboratories Inc.; "**EBITDA**" means earnings before interest, taxes, depreciation and amortization; "**E.U.**" means European Union; "**Happy Caps**" means 4316747 Nova Scotia Limited, d/b/a Happy Caps Farm, incorporated under the *Companies Act* (Nova Scotia) on April 16, 2021; "**Horst Facility**" means the approximately 3,000 square feet indoor growing, production, and distribution facility in Horst, the Netherlands; "**Irvine Labs**" means Irvine Labs Inc.; "**MiniChamp**" means MiniChamp B.V., a mushroom farm located in Horst, the Netherlands, specializing in the field of home cultivation packages for mushrooms, which was acquired by RLH Netherlands and became the Company's wholly-owned subsidiary on October 4, 2022; "**MISTERCAP'S**" means the mushroom wellness brand founded in 2022 to create innovative functional mushroom wellness products, and is affiliated with multi-platinum-selling, GRAMMY® and Golden Globe® Award-nominated recording artist Wiz Khalifa, who provides marketing advisory services to the Company through Mistercap; "**Mistercap**" means Mistercap, LLC, a limited liability company; "**Mushroom Home Grow Kits**" means the mushroom home grow kits sold by Happy Caps; "**Peterborough Farm**" means the 100 acres of farmland located in the Township of Cavan-Monaghan in Peterborough, Ontario; "**Psilocybin**" means 3–[2–(dimethylamino)ethyl]–4–phosphoryloxyindole and any salt thereof, as defined in the CDSA; "**R&D**" means research and development; "**Radix Motion**" means Radix Motion Inc., a technology and innovation company focused on empowering the psychedelic ecosystem with embodied technology, including augmented reality, virtual reality, and interactive holograms. Radix Motion was incorporated under the laws of Delaware on October 18, 2018; "**RLH Farms**" means RLH Farms B.V., a wholly owned subsidiary incorporated under the laws of the Netherlands on February 26,

2021; "**RLH Netherlands**" means RLH Netherlands B.V., a wholly-owned subsidiary of the Company incorporated under the laws of the Netherlands on August 5, 2020; "**SmartShops**" means the brick-and-mortar retail stores authorized under Applicable Laws (where required) and located and operated within the Netherlands. SmartShops are retail establishments focused on the sale of psychoactive substances, generally including psychedelics and truffles, as well as related literature and paraphernalia; "**SR Wholesale**" means SR Wholesale B.V., a limited liability company incorporated under the laws of the Netherlands and acquired by the Company on March 19, 2021; "**truffles**" or "**magic truffles**" means Psilocybin truffles, which are the sclerotia (the compact mass of hardened, vegetative part of a fungus or fungus-like bacterial colony which contain food reserves) of Psilocybin mushrooms; "**U.S.**" or "**United States**" means United States of America; "**Wellness World Utrecht**" means Wellness World Utrecht B.V., a wholly-owned subsidiary incorporated under the laws of the Netherlands on July 26, 2022; and "**Wisdom Truffle**" is a figurine centered around the Company's brand, capable of integrating with the Company's future augmented reality application(s).

COMPANY OVERVIEW

The Company is an Ontario-based organization advancing a focused strategy within the legal psychedelic sector, centered on consensual data collection and research and development initiatives designed to expand naturally occurring drug development, understanding of psilocybin use and consumer experiences. In parallel, the Company operates commercial activities across Europe and North America, including psilocybin truffle sales in the Netherlands' legal market and mushroom home grow kits offered through business-to-business ("**B2B**") and direct-to-consumer ("**DTC**") channels, in compliance with applicable laws.

The Company is governed by the *Business Corporations Act* (Ontario). The address of the Company's registered office is 1 Adelaide Street East, Suite 801, Toronto, Ontario, M5C 2V9, Canada. The Company's Common Shares are listed on the Canadian Securities Exchange (the "**CSE**") under the symbol "TRIP", on the Frankfurt Stock Exchange (the "**FSE**") under the symbol "4YX", and on the OTCQB Venture Market (the "**OTCQB**") under the symbol "TRUFF". Additional information relating to the Company is available on our profile page on SEDAR+ at www.sedarplus.ca.

HIGHLIGHTS OF KEY EVENTS FROM APRIL 1, 2025, TO THE DATE OF THE MD&A

April 7, 2025: The Company announced that Happy Caps has secured a purchase order with Albertsons Companies, Inc. ("**Albertsons**"), marking the beginning of a partnership to distribute our Happy Caps Mushroom Home Grow Kits.

April 22, 2025: Happy Caps officially launched its Mushroom Home Grow Kits with Albertsons, which marked the first U.S. retail rollout for Happy Caps, and introduced its most popular varieties: Shiitake, Lion's Mane, and Oyster mushrooms, to 66 Safeway locations across Oregon.

May 13, 2025: Happy Caps officially re-stocked its Mushroom Home Grow Kits which are now available in the majority of select Costco Canada locations from coast to coast. It followed Costco Canada's recent Informal Projection Letter ("**IPL**"), outlining an order of 20,160 units of the Happy Caps "Mega Block" 2kg Mushroom Home Grow Kits.

May 21, 2025: The Company announced that Irvine Labs received its United States Controlled Substances ("**USCS**") import permit issued by the Drug Enforcement Administration ("**DEA**") for Psilocybin raw materials (truffles) from the Horst Facility, following the Psilocybin DEA quotas announced in April 2025.

June 19, 2025: The Company announced a partnership with Arizona State University (the "**ASU**") to support Dr. Candace Lewis, PhD's research study titled *"Psychedelic Genome Project – Genomic regulators of Psilocybin response."* This research aims to advance understanding of the effects of Psilocybin on genetic expression and improve nutrition-driven health outcomes.

July 2, 2025: The Company announced that Dr. Robin Carhart-Harris, a leading authority in psychedelic research, has joined the Company as an independent Scientific Advisor. The advisory role will also include regular science-focused discussions to help advance our research initiatives and educational outreach efforts with the aim of increasing safety and responsible access, if and when regulations permit.

July 15, 2025: The Company announced its Bitcoin Balance Sheet Strategy (the "**Bitcoin Strategy**"), led by cryptocurrency titan Scott Melker.

August 18, 2025: The Company announced that it has received initial testing results from Irvine Labs, confirming the Psilocybin quantity and process compatibility from our naturally occurring Psilocybin products for potential medical grade manufacturing applications.

September 30, 2025: The Company announced that it has received an official Certificate of Analysis ("**COA**") through Irvine Labs, confirming Psilocybin potency and process validation for potential medical grade manufacturing applications.

October 14, 2025: The Company announced that Irvine Labs has received a second USCS import permit issued by the DEA, which authorizes the import equivalent to five kg of Psilocybin truffles from our Netherlands facility.

November 11, 2025: The Company announced that Happy Caps has expanded its partnership with Albertsons, increasing distribution by 86% to 123 Safeway locations across Oregon and Washington State.

November 19, 2025: The Company announced that Irvine Labs received a second, larger shipment consisting of five kg of natural Psilocybin products.

NETHERLANDS

Retail Store

In October 2025, the Company sold its remaining Utrecht retail store for consideration of €25,000. The divestiture was undertaken as part of a broader cost optimization initiative in light of limited scalability of the retail model and slower tourism trends in the region. Following this transaction, the Company has fully exited its retail operations in the Netherlands.

Psilocybin Truffles

The Company's truffle farm located in Horst, which supplies SR Wholesale, continues to see steady growth and generates cash from its operations. Our iMicrodose and Maka magic truffles line, including the Hollandia, Makanaut, Muskoka, Mexicana, Atlantis, Double Vision, Old Dutch and Utopia varieties, are designated as a "Responsible Use" Psychedelic. Both lines of truffles are being distributed through SR Wholesale and sold by a number of SmartShops across the Netherlands. The iMicrodose truffle line, including Minfuli, Triniti, Uniti, and Original, continues to be supported by the iMicroapp tele-counseling platform, with over 1,200 registered users who agreed to share their anonymous data for research and receive access to the Company's licensed therapist.

SR Wholesale

SR Wholesale, the Company's wholly-owned subsidiary, continues to perform well and contributes consistent sales revenue. SR Wholesale focuses on the sale of our farm-grown psilocybin truffles, including the Maka and iMicrodose brands, as well as white-label products for third-party brands. SR Wholesale sells its products to more than 125 retail stores. The subsidiary has maintained strong operational efficiency supported by an expanded product portfolio and well-established distribution channels. This business segment continues to perform steadily despite broader market headwinds, including a slowdown in tourism in the Netherlands

MiniChamp

Sales at MiniChamp rebounded this quarter, despite the business having experienced operational personnel issues and a slowdown in consumers' spending habits. MiniChamp continues to produce and package orders with a German distributor for its co-package and white label agreement of mushroom home grow kits into 2026. MiniChamp's focus is on maintaining its current clientele while aiming to increase B2B sales throughout Europe, while carefully monitoring the long-term vision of the segment.

CANADA

AEM Ontario (located at the Peterborough Farm)

In January 2024, the Company received the building permit from the Township of Cavan-Monaghan for its 80,000 square foot mushroom facility, AEM Ontario. To date, the Company has completed significant road work and land clearing, setting up the next stages for excavation, footings and foundation work. However, in January 2025, AEM Ontario was

debanked by the Royal Bank of Canada due to reputation risk while applying for a construction loan. This is a reflection of the bank's compliance risk tolerance rather than any financial or legal concerns on our part, as our financial health remains strong. Without access to banking and lending support, advancing the farm building may prove challenging, potentially delaying or altering our timeline. We are diligently exploring solutions and expect to provide clarity on our next steps in the near future.

Due to the debanking situation and the inability to receive a construction loan, the Company is exploring optionality and may plan, inclusive of all work and permits, to potentially move on from the farm building in order to redeploy capital to the Company's treasury. The Company remains in advanced discussions with a group that has formally confirmed its interest to purchase 100 percent of the rights to the farmland, plans, and permits, for an estimated price of $2.5m to $2.6m. A due diligence phase is expected in the near future.

The AEM Farm (located in New Brunswick)

Shiitake mushroom sales at the AEM Farm have not improved, as there had been market challenges facing the overall mushroom industry in recent months. In December 2025, the Company and its farming minority partners decided to suspend the Shiitake mushroom production and sales at the AEM Farm. The Company and its minority partners have now agreed to start selling off assets, including trollies, a tractor, and a mixer, to generate cash to help pay off creditor debt. The AEM Board has also initiated the process to find a realtor with the aim of listing the commercial property for sale in New Brunswick in the near future.

The Happy Caps Farm

Happy Caps products are available seasonally in over 350 retail stores across North America. It has partnered with Van Noorts, a prominent distributor in the industry, to secure placement of its products in its major retail chains and boutique health and garden stores across Canada. Van Noorts sells to just over 100 retailers, which contribute to the overall 350 seasonal retail partners across North America.

The Happy Caps "Mega Block" 2kg Home Grow Kit launched in May 2024, with Costco Canada having secured an initial order of over 20,000 units. In August 2024, Happy Caps received a substantial reorder of over 26,000 units from Costco Canada. In September 2024, the Company announced an expansion of its partnership with Costco Canada, as the Happy Caps "Mega Block" 2kg Mushroom Home Grow Kits became available in 82 Costco locations across the country. While Costco Canada subsequently placed an additional order of 6,720 units to support its warehouses in British Columbia, these kits were subsequently returned by Costco. In May 2025, Happy Caps re-stocked its Mushroom Home Grow Kits in Costco Canada stores nationwide for over 20,000 units of Happy Caps "Mega Block" 2kg Mushroom Home Grow Kits. Costco Canada has since not placed any new purchase orders of the Mushroom Home Grow Kit, but the Company will continue to maintain our sales relationships with Costco Canada and seek future opportunities for mass retail distribution.

In April 2025, Happy Caps secured a purchase order with Albertsons to distribute its newly branded Happy Caps Mushroom Home Grow Kits. This strategic partnership with its well-known Safeway banner represents a significant step forward for Happy Caps as it enters the U.S. retail market.

In November 2025, the Company announced an expansion milestone with Albertsons. Following its initial mushroom home grow kits launch in 66 Safeway stores, Happy Caps has now secured an additional program by increasing its store count by 86% to 123 locations across Oregon and Washington. The expanded program rolled out during the week of November 17, 2025, with a replenishment order currently scheduled for early December to support the upcoming holiday season, which will significantly broaden Happy Caps' footprint in the U.S. This agreement will feature Happy Caps' popular home grow kit varieties, Shiitake, Lion's Mane, and Oyster mushrooms, with enhanced U.S.-specific packaging highlighting "Made in Oregon" and "Certified Organic" certifications.

Key details of the expanded Safeway partnership include:

- 123 Safeway stores across Oregon and Washington, representing an 86% increase in store count from the initial 66-store launch.
- 4,428 total units, up from 2,376 units in the spring program.
- Continued collaboration with Trailbridge Mushroom Farms ("**Trailbridge Farms**") in Oregon to ensure freshness, local production, and improved margin.

This U.S. expansion underscores the increasing consumer appetite for fresh, functional mushroom products in the health and wellness market. The Company continues to explore additional retail opportunities across North America, aiming to bring its premium mushroom products to a broader audience.

Back in September 2024, the Company entered into a strategic partnership with Trailbridge Farms, which specializes in cultivating delicious gourmet mushrooms and supplying the Pacific Northwest and beyond. This collaboration aims to significantly enhance the production and distribution of Happy Caps' mushroom home grow kits, in all three varieties, including shiitake, oyster, and lion's mane throughout the West Coast of the U.S. Preparation work is already underway with Trailbridge Farms in Oregon, with more details to be announced.

Happy Caps continues to explore opportunities with major retailers across North America, further expanding its distribution network and bringing its premium mushroom products to a wider audience. The Company is also focused on expanding Happy Caps Mushroom Home Grow Kits into both Europe and the U.S.

Happy Caps Functional Gummies Launch

In May 2025, the Company launched the presales of the Health Canada approved **Fun**ctional Mushroom Gummies on its official store website, www.HappyCaps.ca. Each product now prominently features Natural Product Number, NPN #80137179 issued by Health Canada, ensuring consumers can trust its safety and efficacy. The **Fun**ctional Daily mushroom gummies offer several health benefits officially recognized by Health Canada, including:

- Source of fungal polysaccharides with immunomodulating properties
- Source of antioxidants
- Provides antioxidants

The **Fun**ctional mushroom gummies have also successfully passed six months of accelerated and regular stability lab tests conducted and accredited by CCrest Laboratories.

The **Fun**ctional mushroom gummies reinforce our continued commitment to innovation in the functional mushroom space, providing consumers with science-backed wellness products which they can trust. The Company is excited to launch this expansion to our product offering to consumers who are looking to incorporate the benefits of functional mushrooms into their daily wellness routines. Happy Caps is actively exploring both DTC and B2B sales channels to maximize market reach, offering consumers easy online access while also engaging with retailers and wellness-focused partners for broader distribution across North America. The **Fun**ctional mushroom gummies are available for sale on Amazon but were removed during the period. Management is actively working toward having the product relisted and continues to explore alternative online sales channels.

The Company has also launched a pilot program in London's Real Canadian Superstore ("**RCSS**") for the **Fun**ctional mushroom gummies. However, RCSS did not expand the product into additional store locations during the period. The Company continues to pursue additional retail partnerships to support distribution, alongside our DTC channel.

Psilocybin Research, Development and Distribution

Irvine Labs

In November 2024, the Company entered into a strategic partnership with Irvine Labs. Under this partnership, Irvine Labs utilizes its FDA-compliant and DEA-registered infrastructure and licenses for Schedule 1-5 controlled substances to manufacture the Company's microdosing capsules, which would each contain 0.5 mg of Psilocybin, packaged in child-proof, pharmaceutical-grade bottles. The go-forward plan with Irvine Labs is as follows: (i) testing of new proprietary dehydration and packaging techniques aimed at extending product shelf life will commence after Irvine Labs obtains the necessary quota and receives raw materials from our Netherlands farm; and (ii) increasing product shelf life, along with Irvine Labs' ability to export, will increase the potential of commercialization and sales to emerging legal markets, government funded pilot programs and clinical trials worldwide.

In May 2025, Irvine Labs received its USCS import permit for Psilocybin raw materials (truffles) from the Horst Facility, following the 2025 Psilocybin DEA quotas. The USCS import permit allows us to ship our Psilocybin raw materials to Irvine Labs' California Lab to begin development of extended shelf-life microdosing capsules. In July 2025, Irvine Labs received the full shipment of our natural Psilocybin products, which marked a milestone in the partnership between the

two companies. Potency testing and implementation of advanced shelf life extension protocols are currently underway. The preservation of Psilocybin from naturally derived compounds presents unique challenges in product development and manufacturing. The Company aims to overcome these challenges by developing precise dehydration, manufacturing and storage protocols that maintain the integrity of natural compounds while significantly extending product shelf life.

In August 2025, Irvine Labs completed the initial potency testing. The results confirm that our naturally derived Psilocybin truffles are compatible with the manufacturing processes being developed for potential medical grade applications. Irvine Labs is now advancing the development of proprietary dehydration and packaging processes designed to significantly extend shelf life while maintaining product integrity.

In September 2025, Irvine Labs received an official COA, confirming Psilocybin potency and process validation for potential medical grade manufacturing applications. The results confirm that the materials are compatible with manufacturing processes being developed for potential medical grade applications.

In October 2025, Irvine Labs received a second USCS import permit, which authorizes the import equivalent to 5kg of Psilocybin truffles from our Netherlands facility.

In November 2025, Irvine Labs received a second larger shipment of 5kg of natural Psilocybin products, which marks a major milestone following the initial shipment in July. This shipment was processed under Irvine Labs' existing 2025 DEA quota allocation and will support expanded R&D activities, including further validation of proprietary dehydration and packaging processes designed to significantly extend shelf life while maintaining product integrity. Shipment and customs delays, together with possible packaging-related factors, impacted product condition upon arrival, resulting in test results below internal quality benchmarks.

Red Light Holland and Irvine Labs continue to have discussions towards developing processes for the commercial manufacture of microdosing capsules derived from naturally occurring psilocybin truffles, aimed at emerging therapeutic markets, government-funded pilot programs, and clinical trials.

Other R&D Initiatives

In June 2025, the Company entered into a partnership with the ASU to support Dr. Lewis' research study titled *"Psychedelic Genome Project – Genomic regulators of Psilocybin response."*. The study is particularly significant given the growing legalization landscape for psychedelics globally and the potential for developing future novel screening methods that could revolutionize personalized psychedelic medicine. The Company will provide comprehensive support for the study through multiple strategic initiatives:

- **Recruitment Support:** The Company will distribute approved research materials to customers through its subsidiaries in the Netherlands, feature the study prominently on its website and client portal, include study information in monthly newsletters and e-communications, and share promotional content across all social media channels. Additionally, the Company's licensed therapists who offer free consultations to clients will actively refer eligible participants to the screening process.
- **Sample Collection Kit Management:** The Company will coordinate the delivery of saliva collection kits directly to participants who complete eligibility screening and provide informed consent, will track all kit distributions and returns with detailed record-keeping and provide weekly progress updates on participant enrollment and kit distribution status.
- **Ongoing Collaboration:** The partnership includes staff training sessions to ensure proper study protocols, customization of materials to align with customer communication standards, regular check-ins to monitor study progress, and support for robust enrollment through established client relationships and trust networks.

The Company is enthusiastic about partnering with the ASU to support this research, as understanding on how psilocybin affects epigenetic regulation of gene expression is an important piece in our understanding of psychedelics that could bring about many breakthroughs.

In July 2025, Dr. Carhart-Harris joined the Company for an initial term of six months, as an independent Scientific Advisor and will provide strategic guidance on Psilocybin research developments and assist with potential academic and regulatory collaborations.

The appointment of Dr. Carhart-Harris represented another significant step in our expanding scientific and market entry strategy, which included:

- Partnership with Professor David Nutt, a globally recognized expert in psychedelic neuropsychopharmacology, and Drug Science, the United Kingdom's leading independent scientific body on drugs, analyzing consensual data from our microdosing app in the Netherlands.
- Development of accurately dosed natural microdosing capsules with CCrest Laboratories via separate Health Canada approved Psilocybin import permits of our naturally occurring Psilocybin.
- Collaboration with Irvine Labs to work toward increasing the shelf life of the microdosing capsules.
- Distribution agreement with Allu Therapeutics, a specialized entity spun out from NUBU Pharmaceuticals in June 2024, focused solely on distribution and sales of psychedelic products in Australia and New Zealand. Notably, New Zealand has recently allowed for a first prescriber of Psilocybin outside of a research setting.
- An upcoming collaboration with the ASU to support psychedelic genome project research study.

Future R&D Projects

The Company is reviewing its portfolio and evaluating the potential sale or suspension of certain operations in order to reallocate capital toward R&D initiatives in psilocybin distribution, drug development, and drug discovery.

The Company is also engaged in advanced discussions with an industry participant in the R&D sector regarding potential future collaboration. There can be no assurance that these discussions will result in any transaction or definitive agreement. Further updates will be provided as appropriate.

Veteran Support & Psilocybin Access

The Company moved on from a potential partnership with a healing retreat to collaborate with respected veterans to help facilitate legal access to the Company's naturally occurring Psilocybin from the Netherlands, via CCrest Laboratories, for PTSD treatment. The Company will continue to look for new partners in the veteran community, who strongly believe in the therapeutic potential of Psilocybin. We remain committed to working with veterans' organizations and advocacy groups to advance responsible access and research efforts.

Bitcoin Strategy

In July 2025, the Company announced its Bitcoin Strategy. Having navigated challenges with traditional banking, including being debanked by a Tier 1 bank, the Company has embraced Bitcoin as a store of value, complementing its current robust banking through modern online accounts. The Strategy integrates Bitcoin into our financial strategy, and to date, the Company has purchased more than $880,000 worth of the iShares Bitcoin ETF (IBIT.NE). The Company is currently working with a leading cryptocurrency exchange to continue our approach to integrate blockchain and cryptocurrency into our operations, while we pursue our mission of innovation and accessibility in the functional mushroom and psychedelics markets. The Company's cryptocurrency exposure remains limited to ETF holdings. Management continues to monitor market conditions and may adjust allocations as appropriate.

In November 2025, Todd Shapiro, the Company's Chief Executive Officer ("**CEO**") participated in the Blockchain Futurist Conference in Miami, Florida. Mr. Shapiro hosted a panel discussion, highlighting the intersection of blockchain technology, cryptocurrency, and emerging industries like psychedelics. Other topics of discussion ranged from exploring synergies between decentralization and deregulation, emphasizing how blockchain's principles can support psychedelic deregulation efforts to enhance personal sovereignty, allowing individuals greater autonomy in health, wellness, and financial decisions, etc. Mr. Shapiro has been invited back (and marketed) to a Blockchain Futurist Conference in Toronto, Canada scheduled for July 21-22, 2026 to be a part of the event on a panel or two.

UNITED STATES

Wisdom Truffle

The Wisdom project, led by Radix Motion, was intended to develop smart home figurines designed by Karim Rashid. Development of additional models has been paused, with current efforts focused on evaluating sales channels for the existing Wisdom Moon model. An initial production run of 180 units was completed and delivered to Canada and the Netherlands. 320 units previously held with a Chinese manufacturer were delivered to Canada during the period. Radix Motion has since been dissolved, and related intellectual property has been transferred to Red Light Holland.

MISTERCAP'S

In April 2024, the Company and MISTERCAP'S amended the intellectual property licensing agreement entered on June 29, 2022, pursuant to which the parties have agreed to pivot the direction for its line of MISTERCAP's mushroom grow kits towards retail and distribution channels. While the Company remains focused on growing Happy Caps across North America, we will continue to present MISTERCAP'S to retailers for potential new brand growth in Mushroom Home Grow Kits.

Operational Streamlining and Strategic Priorities

Throughout the period, management continues to take steps to streamline operations and reinforce cost discipline across the Company's portfolio. These steps included divesting certain non-core assets, suspending select underperforming activities, and evaluating additional opportunities to simplify the Company's operating footprint. These actions are designed to enhance financial flexibility and ensure that resources are deployed responsibly. With this improved flexibility, the Company has begun to broadly assess several potential areas of future focus, which may include expanded consideration of early-stage research and development initiatives related to Psilocybin. These reviews are at a preliminary stage, and no decisions have been made. Management remains committed to maintaining optionality and advancing opportunities that support the Company's long-term objectives.

LOOKING AHEAD

Management continues to evaluate strategic opportunities within a disciplined capital allocation framework. The Company's cash and asset position provides flexibility as it considers these options. From time to time, the Company receives inquiries from third parties regarding potential growth capital or operational support arrangements.

OVERALL PERFORMANCE

Selected Quarterly Financial Results

$ thousands, except per share amounts	**Q3 2026** **$**	Q2 2026 $	Q1 2026 $	Q4 2025 $
Revenue	**1,265**	754	1,301	849
Gross profit	**358**	327	447	322
Gross margin %	***28.3%***	*43.4%*	*34.3%*	*37.9%*
Total operating expenses	**(1,568)**	(1,339)	(1,610)	(1,327)
Loss before other items and taxes	**(1,440)**	(1,232)	(1,066)	(1,005)
Net loss	**(1,411)**	(1,190)	(1,045)	(1,369)
Basic and diluted loss per share	**$ (0.003)**	$ (0.003)	$ (0.001)	$ (0.003)

$ thousands, except per share amounts	Q3 2025 $	Q2 2025 $	Q1 2025 $	Q4 2024 $
Revenue	1,168	1,368	1,559	1,276
Gross profit	415	552	624	506
Gross margin %	*35.5%*	*40.4%*	*40.1%*	*40.0%*
Total operating expenses	(1,445)	(1,495)	(2,103)	(2,299)
Loss before other items and taxes	(920)	(602)	(1,245)	(1,793)
Net loss	(899)	(590)	(1,253)	(3,509)
Basic and diluted loss per share	$ (0.002)	$ (0.001)	$ (0.004)	$ (0.009)

RESULTS OF OPERATIONS

Revenue and Gross Profit

	Three Months ended December 31,		Nine Months ended December 31,	
(Unaudited)	**2025**	2024	**2025**	2024
	$	$	**$**	$
Revenue	**1,264,798**	1,168,453	**3,320,047**	4,094,971
Cost of Sales	**906,878**	753,674	**2,187,622**	2,503,588
Gross profit	**357,920**	414,779	**1,132,425**	1,591,383
Gross profit as a % of sales	***28.3%***	*35.5%*	***34.1%***	*38.9%*

Overall revenue for the three months ended December 31, 2025 ("**Q3 2026**") totaled $1,264,798 (2024 – $1,168,453), resulting in an increase of 8.2% over the comparative period, for the following breakdowns:

- Wholesale product sales totaled $756,746 (2024 – $668,962), for an increase of $87,784, or 13.1%,
- Wholesale mushroom sales totaled $99,216 (2024 – 120,420), for a decrease of $21,204, or 17.6%,
- Mushroom grow kit sales totaled $408,423 (2024 – $318,161), for an increase of $90,262, or 28.4%; and
- Retail sales totaled $413 (2024 – $60,910), for a decrease of $60,497, or 99.3%.

For the nine months ended December 31, 2025, overall sales decreased by about 18.9% as compared to the comparative period, to $3,320,047 (2024 – $4,094,971), as follows:

- Wholesale product sales totaled $1,995,176 (2024 – $2,112,382), for a decrease of $117,206, or 5.5%,
- Wholesale mushroom sales totaled $398,136 (2024 – $426,168), for a decrease of $28,032, or 6.6%,
- Mushroom grow kit sales totaled $851,095 (2024 – $1,355,546), for a decrease of $504,451, or 37.2%; and
- Retail sales totaled $75,640 (2024 – $200,875), for a decrease of $125,235, or 62.3%.

Gross profit for the three and nine months ended December 31, 2025 totaled $357,920 (or 28.3%) and $1,132,425 (or 34.1%), respectively, (2024 – $414,779 (35.5%) and $1,591,383 (38.9%), respectively), for a corresponding decrease of 13.7% and 28.8% over the comparative periods.

Revenue by Business Segments

	Three Months ended December 31,		Nine Months ended December 31,	
(Unaudited)	**2025**	2024	**2025**	2024
	$	$	**$**	$
Wholesale product sales	**756,746**	668,962	**1,995,176**	2,112,382
Wholesale mushroom sales	**99,216**	120,420	**398,136**	426,168
Mushroom grow kit sales	**408,423**	318,161	**851,095**	1,355,546
Retail sales	**413**	60,910	**75,640**	200,875
	1,264,798	1,168,453	**3,320,047**	4,094,971

During the three and nine months ended December 31, 2025, our wholesale product sales had rebounded in the current quarter, while the year-to-date sales were hampered by the continued slowdown in tourism in the Netherlands. Due to an economic slowdown, the Company has witnessed a change in the population's general spending habits which has slowly cut into our wholesale product and grow kit sales, respectively, through SR Wholesale and MiniChamp. Meanwhile, wholesale mushroom sales remained sluggish during the three and nine months ended December 31, 2025, as production issues continued to hamper sales. Overall, the wholesale mushroom industry has been experiencing significant market constraints since the start of 2025.

As for our mushroom grow kit segments, sales from MiniChamp in the Netherlands and the Happy Caps Mushroom Home Grow Kits sold in North America likely benefitted from the holiday season and rebounded during the quarter. In Q3 2026, with the expanded program in place with Albertsons, the Company was also able to increase grow kit sales.

Revenue by Geographical Segments

	Three Months ended December 31,		Nine Months ended December 31,	
(Unaudited)	**2025**	2024	**2025**	2024
	$	$	**$**	$
Netherlands	**1,075,979**	980,367	**2,496,991**	2,811,666
Canada	**188,783**	187,095	**822,939**	1,282,149
United States	**36**	991	**117**	1,156
	1,264,798	1,168,453	**3,320,047**	4,094,971

To date, the Company's wholesale business through SR Wholesale drives our overall sales despite the continued slowdown in tourism in the Netherlands. In the Netherlands, there are also revenues derived from our farms' production and sale of psilocybin truffles, and the sale of kits from the MiniChamp mushroom home grow kit production facility.

Revenues from the Canadian operations comprised of Happy Caps' production and distribution of home mushroom kits and functional gummies for the North American market, as well as sales generated through the AEM farm which produces and sells functional mushrooms within the North American wholesale market. As noted above, AEM Farm in New Brunswick will be officially closing, and assets will be sold off including the commercial structure and property.

General and Administrative Expenses

	Three Months ended December 31,		Nine Months ended December 31,	
(Unaudited)	**2025**	2024	**2025**	2024
	$	$	**$**	$
Advertising and promotions	**23,177**	72,225	**101,277**	184,394
Amortization and depreciation	**85,133**	228,143	**278,551**	667,350
Consulting and management fees	**137,404**	173,447	**417,547**	561,837
Insurance	**37,071**	47,486	**134,713**	150,574
Investor and public relations	**1,600**	-	**9,650**	12,475
Legal, audit and other professional fees	**189,524**	208,258	**713,546**	855,302
Office and general	**165,074**	154,264	**491,431**	445,633
Payroll	**484,927**	378,402	**1,345,812**	1,152,353
Regulatory	**13,316**	34,228	**39,311**	84,923
Selling	**61,365**	126,991	**154,825**	263,389
	1,198,591	1,423,444	**3,686,663**	4,378,230

During the three months ended December 31, 2025, general and administrative ("**G&A**") expenses totaled $1,198,591 (Q3 2025 – $1,423,444), for a decrease of $224,853, or 15.8%, over the comparative period. The decreases in G&A expenses were primarily due to reductions in amortization and depreciation, consulting and management fees, professional fees, and other selling expenses, as management has continued to adopt a cautious approach in cash management. The same pattern applies for the overall decrease in G&A expenses of $691,567 to $3,686,663 for the nine months ended December 31, 2025 (2024 – $4,378,230).

Other Items

	Three Months ended December 31,		Nine Months ended December 31,	
(Unaudited)	**2025**	2024	**2025**	2024
	$	$	**$**	$
Reversal of provision of sales taxes	**-**	-	**-**	163,249
Unrealized loss in fair value of marketable securities	**(172,739)**	-	**(454,370)**	-
Realized (loss) gain on sale of property, plant and equipment	**(2,082)**	4,167	**(2,901)**	4,167

Gain on decommission of leases	**-**	4,284	**-**	4,284
Gain on modification of convertible debentures	**-**	-	**-**	113,615
Contract termination cost	**-**	-	**-**	(9,959)
Loss on shares-for-debt settlement	**(84,602)**	-	**(84,602)**	-
Loss on disposal of subsidiary	**(21,760)**	-	**(21,760)**	-
Foreign exchange (loss) gain	**(809)**	2,104	**(3,169)**	(6,900)
Interest income	**52,317**	99,875	**212,922**	416,278
	(229,675)	110,430	**(353,880)**	684,734

As at December 31, 2025, the Company held certain investment in Elevate Farms Inc. ("**Elevate Farms**" or the "**Investee**"), a privately-owned vertical farm that grows farm fresh foods. The fair value of the investment in Elevate Farms was estimated at $666,267 (March 31, 2025 – $778,833) based on the value of the most recent financing closed by the Investee. The valuation resulted in an unrealized loss in the fair value of these investments of $4,329 and $312,566, respectively, for the three and nine months ended December 31, 2025.

Privately held investments (including warrants) are initially recorded at the transaction price, being the fair value at the time of acquisition. At the end of each reporting period, the fair value of an investment, depending upon the circumstances, may be adjusted using one or more of the valuation indicators, which may involve uncertainties and determinations based on management's judgment and any value estimated from these techniques may not be realized or realizable. The determination of fair value of privately held investments at other than initial cost is subject to certain limitations. Financial information for private companies may not be available and, even if available, that information may be limited and/or unreliable. Adjustments to the fair value of a privately held investment will be based upon management's judgment and any value estimated may not be realized or realizable. The resulting values for a privately held investment may differ from values that would be realized if a ready market existed.

During the three and nine months ended December 31, 2025, the Company had purchased certain Bitcoin-related exchange-traded fund ("**ETFs**") for $313,361 and $786,121, respectively, as part of the Bitcoin Strategy. As at December 31, 2025, these ETFs were valued at $644,317, which resulted in an unrealized gain in the fair value of marketable investments of $115,198 and $141,804, respectively, for the three and nine months ended December 31, 2025.

In April 2024, the Company and MISTERCAP'S entered into the Amended MISTERCAP IP Agreement, pursuant to which the parties agreed to pivot the direction for its line of MISTERCAP'S mushroom grow kits towards retail and distribution channels. As a result, a net contract termination cost of $9,959 was recognized in the comparative period.

During the three and nine months ended December 31 2025, interest income of $52,317 and $212,922, respectively, reflects the interest earned on surplus funds (2024 – $99,875 and $416,278, respectively). As part of its cash management approach, the Company has invested excess cash in short term redeemable guaranteed investment certificates with Canadian banks and is earning interest income in line with current market yields.

Net Loss

	Three Months ended December 31,		**Nine Months ended December 31,**	
	2025	2024	**2025**	2024
	$	$	**$**	$
Net Loss attributable to:				
Shareholders of Red Light Holland Corp.	**(1,378,899)**	(852,470)	**(3,573,999)**	(2,644,622)
Non-controlling interest	**(32,329)**	(46,377)	**(72,820)**	(97,740)
Net Loss	**(1,411,228)**	(898,847)	**(3,646,819)**	(2,742,362)

Following the trends of the past few quarters, the net loss for the three and nine months ended December 31, 2025 increased primarily due to the aforementioned slowdown in revenue, which were partially offset by continued decreases in G&A expenses, as well as the impact of certain non-recurring and non-operational results listed in "Other Items". Net loss attributable to non-controlling interests is the results of operations, after tax, from AEM that are attributable to our minority partners.

RECONCILIATION OF NET LOSS TO ADJUSTED EBITDA

The following table is a reconciliation of net loss calculated in accordance with IFRS® Accounting Standards to EBITDA and Adjusted EBITDA. It should be noted that these performance measures are not defined under IFRS® Accounting Standards and may not be comparable to similar measures used by other entities. The Company believes that these measures are useful financial metrics as they assist in determining the ability to generate cash from operations. Investors should be cautioned that EBITDA and Adjusted EBITDA should not be construed as an alternative to net earnings or cash flows as determined under IFRS® Accounting Standards.

	Three Months ended December 31,		**Nine Months ended December 31,**	
	2025	2024	**2025**	2024
	$	$	**$**	$
Net Loss for the period	**(1,411,228)**	(898,847)	**(3,646,819)**	(2,742,362)
Income taxes recovery	**(28,605)**	(20,690)	**(91,291)**	(24,670)
Amortization and depreciation	**85,133**	228,143	**278,551**	667,350
Interest and accretion	**12,701**	42,985	**46,972**	125,103
EBITDA [(i)]	***(1,341,999)***	*(648,409)*	***(3,412,587)***	*(1,974,579)*
Adjusted for non-operating or unusual items:				
Share-based payments	**348,620**	(21,560)	**771,987**	515,027
Reversal of provision for sales taxes	**-**	-	**-**	(163,249)
Change in fair value of marketable securities	**172,739**	-	**454,370**	-
Realized loss (gain) on sale of PP&E	**2,082**	(4,167)	**2,901**	(4,167)
Gain on modification of convertible debentures	**-**	(4,284)	**-**	(113,615)
Contract termination fee	**-**	-	**-**	9,959
Loss on shares-for-debt settlement	**84,602**	-	**84,602**	-
Loss on disposal of subsidiary	**21,760**	-	**21,760**	-
Foreign exchange loss (gain)	**809**	(2,104)	**3,169**	6,900
Adjusted EBITDA [(ii)]	***(711,387)***	*(680,524)*	***(2,073,798)***	*(1,723,724)*

(i) EBITDA - is a non-IFRS financial measure
(ii) Adjusted EBITDA - is a non-IFRS financial measure

LIQUIDITY

Management assesses liquidity in terms of our ability to generate sufficient cash flow, along with other sources of liquidity including cash and the ability to borrow through leases to fund our operations and growth in operations. Below is a summary of the Company's cash flow for the nine months ended December 31, 2025 and 2024:

	2025	2024
	$	$
Cash Flows from Operating Activities		
Net loss for the period	**(3,646,819)**	(2,742,362)
Non-cash items and changes in working capital	**(1,686,229)**	(1,808,678)
Cash flows used in Operating Activities	**(1,960,590)**	(933,684)
Cash flows used in Investing Activities	**(1,124,004)**	(486,139)
Cash flows provided by (used in) Financing Activities	**(563,746)**	372,098
Change in foreign currency rates on cash	**47,801**	(33,943)
Change in cash and cash equivalents and restricted cash	**(3,600,539)**	(1,081,668)
Cash and cash equivalents and restricted cash, beginning of period	**12,838,165**	14,372,324
Cash and cash equivalents and restricted cash, end of period	**9,237,626**	13,290,656

Cash used in operating activities during the nine months ended December 31, 2025 increased by $1,026,906 to $1,960,590 (2024 – $933,684) as management continued to focus on improving operational results by cutting discretionary expenditures.

Cash used in investing activities during the nine months ended December 31, 2025 was $1,124,004, as compared to cash used of $486,139 in the comparative period. The main use of cash was comprised of capital expenditures of $137,883 for additions of equipment (2024 – $491,958), and the purchases of the ETFs for $786,121.

Cash used in financing activities during the nine months ended December 31, 2025 was $563,746 (2024 – cash provided of $372,098) and was comprised primarily of the proceeds of $653,134 used to repay certain convertible debentures. There were also lease payments of $92,062 (2024 – $186,728). In the comparative period, the Company also received a loan of $200,000 and proceeds from a convertible debenture conversion of $358,826.

We believe there will be sufficient capital to meet short-term business obligations, after taking into account cash flow requirements from operations and the Company's cash and cash equivalents position as at December 31, 2025.

CAPITAL RESOURCES

The capital managed by the Company includes the components of shareholders' equity as described in the Interim Financial Statements. The Company is not subject to externally imposed capital requirements. The Company's objectives of capital management are to create long-term value and economic returns for its shareholders. It does this by seeking to maximize its resources to fund the growth and development of its business, and to support the working capital required to maintain its ability to continue as a going concern. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its assets by seeking to limit shareholder dilution and optimize its cost of capital while maintaining an acceptable level of risk. In order to maintain or adjust its capital structure, the Company considers all sources of financing reasonably available to it, including but not limited to the issuance of new capital and the issuance of new debt.

The Company's ability to access both public and private capital is dependent upon, among other things, general market conditions, and the capital markets generally, market perceptions about the Company and its business operations, and the trading prices of the Company's securities from time to time. When additional capital is required, the Company intends to raise funds through the issuance of equity or debt securities. Other possible sources include the exercise of Options and warrants of the Company. There can be no assurance that additional funds can be raised upon terms acceptable to the Company, or at all, as funding for early-stage companies remains challenging generally.

Given the nature of the Company's business as of the date of this MD&A, and in particular, the fact that a significant portion of its operations are undertaken exclusively within a foreign jurisdiction, the Company may face difficulty in accessing traditional sources of financing, notwithstanding that its business operations are conducted in a regulatory environment within which the Company's activities are neither illegal nor subject to conflicting laws.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed to various risks as it relates to financial instruments. Management, in conjunction with the Board, mitigates these risks by assessing, monitoring, and approving the Company's risk management process. There have not been any changes in the nature of these risks or the process of managing these risks from the previous reporting periods. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest rates, currency or credit risks arising from its financial instruments.

Price Risk

The Company is exposed to price risk through its investments in publicly-traded and private marketable securities. A 10% change in the fair value of these marketable securities would impact the Company's net loss for the nine months ended December 31, 2025 by approximately $131,000 (2024 – approximately $102,300).

Cryptocurrency risk

The Company is exposed to risk with respect to cryptocurrency prices and valuations which are largely based on the supply and demand of cryptocurrencies and their acceptance in the financial market. A downturn in the cryptocurrency sector could result in a decrease in the fair value of the Company's investments of Bitcoin ETFs. The Company manages this risk by regularly reviewing its investment portfolio and rebalances its holdings when needed.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. The Company's convertible debentures have fixed interest rates and are carried at amortized costs. As at December 31, 2025, the Company had no hedging agreements in place with respect to floating interest rates. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

Foreign Exchange Risk

Foreign exchange risk is the risk that the market value of financial instruments and the associated revenues will fluctuate due to changes in exchange rates. The Company does not use derivatives to modify the foreign exchange risk. The Company holds minimal financial instruments in foreign currencies.

The Company's functional and reporting currency is the CAD. Foreign exchange risk arises from transactions denominated in currencies other than the CAD. The Company's primary foreign exchange exposure is the Euro, being the local currency in the Netherlands where the Company's subsidiaries RLH Netherlands, RLH Farms, SR Wholesale, MiniChamp and Wellness World Utrecht operate.

The Company is exposed to currency risk through the assets and liabilities denominated in currencies other than the Canadian dollar. As at December 31, 2025, the Company had net assets and liabilities of $1,180,273 (March 31, 2025 – $2,065,436) which are denominated in currencies other than CAD. A 10% change in the value of net assets and liabilities that are denominated in currencies other than CAD as a result of changes in foreign exchange rates would change the Company's net loss by approximately $118,000 (2024 – approximately $197,000).

Liquidity Risk

Liquidity risk is the risk that results from the Company's potential inability to meet its financial obligations as they come due. The Company manages liquidity risk by reviewing the amount of cash available to ensure that it meets its current obligations.

The following table summarizes the Company's liabilities and potential due dates related to liquidity risk as at December 31, 2025:

	Total Contractual Payments	**Payments Due by Period**		
		< 1 Year	**1-3 Years**	**4-5 Years**
	$	**$**	**$**	**$**
Accounts payable and accrued liabilities	1,765,205	1,765,205	-	-
Loans and advances	1,309,334	1,309,334	-	-
Lease liabilities	413,120	101,161	178,890	133,069
	3,487,659	**3,175,700**	**178,890**	**133,069**

The following table summarizes the Company's accounts payable and accrued liabilities as at December 31, 2025:

	December 31, 2025	March 31, 2025
	$	$
Accounts payable	**895,911**	626,045
Sales tax payable	**645**	-
Professional fee accruals	**426,905**	301,372
Consulting and payroll accruals	**112,137**	145,502
Other accruals	**329,607**	293,748
	1,765,205	1,366,667

Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. Financial instruments which potentially subject the Company to concentrations of credit risk consist of cash and cash equivalents, marketable securities, and accounts receivable.

The Company has trade accounts receivable from customers. The Company's credit risk arises from the possibility that a counterpart which owes the Company money is unable or unwilling to meet its obligations in accordance with the terms and conditions in the contracts with the Company, which would result in a financial loss to the Company. These specific customers may be affected by economic factors and government and legal factors which may impact accounts receivable. Credit risk for accounts receivable is assessed on a case-by-case basis and a provision is recorded where required. As of December 31, 2025, the Company estimated expected credit losses to be $26,199 (March 31, 2025 – $25,303).

The Company's credit risk is primarily attributable to accounts receivable. The Company has no significant concentration of credit risk arising from operations. Cash and cash equivalents, and marketable securities are held with reputable financial institutions and additional cash is held in trust with the Company's legal counsel, from which management believes the risk of loss to be remote.

Fair Value of Financial Assets and Financial Liabilities

The fair values of the Company's financial assets and financial liabilities approximate their carrying amounts due to their imminent or short-term maturity.

Fair Value Hierarchy

The fair value measurements use a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The level in the hierarchy within which the fair value measurement is categorized is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

For financial instruments that are recognized at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Of the Company's investments reported on the consolidated statements of financial position as at December 31, 2025, Level 1 financial instruments are measured at fair value based on quoted prices from an active market, and Level 3 financial instruments are measured at fair value utilizing non-observable market inputs based on specific company information and general market conditions. Net changes in unrealized gains (loss) are recognized in profit and loss. Investments which are in Level 3 and become public issuers during the period are transferred to Level 1 or 2.

Significant unobservable inputs used in the fair value measurement of Level 3 investments as at December 31, 2025 were:

Description	Fair value	Valuation-technique / unobservable input	Sensitivity to changes in significant unobservable inputs
Equity	$584,909	Transaction price, indexing per industry benchmark / recent purchase price	Additional recent financing activity
Warrants	$81,358	Black-Scholes valuation model / market prices, peer company volatility, risk-free interest rate	52% volatility

For Level 3 investments valued based on recent financing activity, general market conditions and specific company information, the inputs used can be highly judgmental. A +/- 25% change on the fair value of this investment will result in an approximate change of $166,600 change in the total fair value of the investments as of December 31, 2025 (March 31, 2025 – change of approximately $194,700). While this illustrates the overall effect of changing the values of the unobservable inputs by a set percentage, the significance of the impact and the range of reasonably possible alternative assumptions may differ significantly between investments, given their different terms and circumstances.

The sensitivity analysis is intended to reflect the uncertainty inherent in the valuation of these investments under current market conditions, and its results cannot be extrapolated due to non-linear effects that changes in valuation assumptions may have on the fair value of this investment. Furthermore, the analysis does not indicate the probability of such changes occurring and it does not necessarily represent the Company's view of expected future changes in the fair value of this investment. Any management actions that may be taken to mitigate the inherent risks are not reflected in this analysis.

RELATED PARTY TRANSACTIONS

In accordance with IAS 24 – Related Party Disclosures, key management personnel, including companies controlled by them, are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. The remuneration of directors and key executives is determined by the compensation committee of the Board.

During the three and nine months ended December 31, 2025 and 2024, compensation, paid or payable, to persons and corporations in charge of the planning, direction, and control of the Company, including executive and non-executive directors, is as follows:

	Three Months ended December 31,		**Nine Months ended December 31,**	
	2025	2024	**2025**	2024
	$	$	**$**	$
Salary	**128,885**	132,392	**378,885**	446,898
Consulting fees	**70,000**	126,499	**234,520**	394,822
Car allowances	**4,800**	4,800	**14,400**	14,400
Other	**-**	-	**-**	6,000
	203,685	263,691	**627,805**	862,120

During the three and nine months ended December 31, 2025, compensation of $128,885 and $378,885, respectively, (2024 – $132,392 and $446,898, respectively) comprised of salaries for certain officers and directors of the Company, is as follows:

- Chief Executive Officer: $82,500 and $247,500, respectively (2024 – $82,500 and $247,500, respectively);
- Former Chief Financial Officer ("CFO"): (2024 – $nil and $55,916, respectively) [1];
- VP of Sales: $46,385 and $121,385, respectively, (2024 – $44,892 and $119,892, respectively);
- Former VP of Sales: $nil and $nil (2024 – $nil and $8,590, respectively); and
- Non-executive director: $nil and $10,000, respectively, (2024 – $5,000 and $15,000, respectively).

During the three and nine months ended December 31, 2025, compensation of $70,000 and $234,520, respectively, (2024 – $126,499 and $394,822, respectively) comprised of consulting fees for certain officers and directors, for services provided to the Company, is as follows:

- Current CFO: $15,000 and $45,000, respectively, (2024 – $nil and $nil); and
- Other officers and directors: $55,000 and $189,520, respectively, (2024 – $126,499 and $394,822, respectively).

As at December 31, 2025, $145,207 (March 31, 2025 – $122,616) was due to related parties and included in accounts payable and accrued liabilities.

[1] The Company's former CFO resigned on June 21, 2024.

CRITICAL ACCOUNTING ESTIMATES AND CHANGES TO ACCOUNTING POLICIES

The preparation of the Company's consolidated financial statements in accordance with IFRS® Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenue, and expenses. These are consistent with those disclosed in Note 3(a) of the Annual Financial Statements, unless otherwise noted in the Interim Financial Statements.

MATERIAL ACCOUNTING POLICIES

The material accounting policies applied by the Company on its consolidated financial statements are consistent with those disclosed in Notes 3(b) to (v) of the Annual Financial Statements, unless otherwise noted in the Interim Financial Statements.

COMMITMENTS, PROVISIONS AND CONTINGENCIES

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 may require the Company to make expenditures over an extended period of time and in a range of amounts that cannot be reasonably estimated and may differ significantly from any amounts recorded in the Company's 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.

OFF-BALANCE SHEET TRANSACTIONS

The Company does not have any financial arrangements that are excluded from the Interim Financial Statements, nor are any such arrangements outstanding as of the date of this MD&A.

SUBSEQUENT EVENTS

Issuance of Common Shares

On January 26, 2026, the Company issued 3,179,534 common shares upon exercise of previously granted RSUs.

Expiry of Stock Options

On January 27, 2026, 600,000 options exercisable at $0.055 per option and 100,000 options exercisable at $0.05 per option, respectively, expired unexercised.

Purchase of Bitcoin ETFs

Subsequent to December 31, 2025, the Company purchased additional ETFs for $99,924.

OUTSTANDING COMMON SHARE DATA AS OF DATE OF MD&A

Information with respect to the Company's outstanding Common Share capital information as of the date of the MD&A is as follows:

	#
Common Shares issued and outstanding	**425,710,721**
Options outstanding	**25,085,000**
Common Share purchase warrants outstanding	**14,875,000**
RSUs outstanding	**6,820,466**
Fully diluted Common Shares outstanding	**472,491,187**

NON-IFRS FINANCIAL MEASURES

Throughout this MD&A, references are made to non-IFRS® Accounting Standards financial measures, including operating expenses, EBITDA and Adjusted EBITDA. These measures do not have a standardized meaning prescribed by IFRS® Accounting Standards and are therefore unlikely to be comparable to similar measures presented by other issuers. Non-IFRS® Accounting Standards measures provide investors with a supplemental measure of the Company's operating performance and therefore highlight trends in Company's core Business that may not otherwise be apparent when relying solely on IFRS® Accounting Standards measures. Management uses non- IFRS® Accounting Standards measures in measuring the financial performance of the Company.

RISK FACTORS

Due to the nature of the Company's business, its limited operating history, and its stage of development, an investment in the securities of the Company is highly speculative and involves significant risks and uncertainties. As the Company continues to develop its business, the Company will face numerous challenges, and additional risks and uncertainties not presently known to the Company, or which the Company believes to be immaterial. In the event that such risks and uncertainties materialize, the Company's business, financial condition, and results of operations could be materially adversely affected, and shareholders of the Company could lose all or part of their investment in the Company. Such risks and uncertainties could also cause actual events to differ materially from those described in the FLS relating to the Company described in this MD&A and in certain documents incorporated by reference into this MD&A.

The following section summarizes certain of the risks and uncertainties relating to the business of the Company as of the date of this MD&A. The summary of such risks and uncertainties is not intended to be exhaustive, and such risks are in addition to the usual risks associated with investment in a business. Investors should carefully consider these risks and uncertainties prior to investing.

Introduction of, or Changes in, Laws, Regulations and Guidelines

Although the cultivation, production and distribution of fresh, unprocessed truffles within the Netherlands is not, as of the date of this MD&A, subject to regulation as, for example, the cannabis industries in Canada and the U.S., the Company's operations in the Netherlands remain subject to compliance with the Opium Act (the Netherlands), as well as other laws, regulations, and guidelines in effect from time to time enacted by applicable governmental authorities and financial institutions. Although the Company is, to its knowledge, in compliance with all applicable laws and regulations (and intends to continue to comply), there can be no guarantee that new laws, regulations, and guidelines will not be enacted, or that existing or future laws and regulations will not be changed. Any introduction of new (or changes to existing) laws, regulations, and guidelines, or other unanticipated events could require extensive changes to the Company's operations, increase compliance costs, and give rise to material liabilities, which could have a material adverse effect on the business, financial condition, and operating results of the Company.

No Assurance of Commercial Success or Profitability

The successful commercialization of the Company's product offering including grow at home mushroom kits, functional mushrooms and its brand of truffles sold in the Netherlands will depend on many factors, including: (i) the Company's ability to establish and maintain new and existing working partnerships with industry partners in order to source, distribute, and market its product offerings, (ii) the Company's ability to supply a sufficient amount of its product offerings to meet market demand, and (iii) the number of competitors from time to time competing with the Company. As the Company continues to grow and expand its operations, there is a risk that the markets in which it operates may become increasingly competitive in all its phases, and in particular as a result of the possibility that new entrants could attempt to mirror the Company's business model and establish operations. There can be no assurance that the Company or its industry partners will be successful in their respective efforts to develop and implement, or assist the Company in developing and implementing, a commercialization strategy for the Company's product offerings. Further, there can be no assurance that consumer demand for the Company's product offerings will be as anticipated, or that the Company will become profitable.

Limited Operating History in Truffles Industry

The Company began operations in the Netherlands in fiscal 2020 and has a limited operating history within the truffles industry. As such, the Company will be subject to all of the business risks and uncertainties associated with any early staged enterprise, including the risks that it will be unable to: (i) successfully cultivate, produce, distribute truffles, (ii)

establish a market for its products, (iii) achieve its growth objectives and targets, and/or (iv) successfully assess and meet consumer demand and become profitable. The Company's future growth will depend substantially on its ability to address these, and the other risks described in this section of this MD&A, and any failure to successfully address such risks could have a material adverse effect on the business, financial condition, and operating results of the Company.

Difficulty to Forecast

The Company must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the truffles industry in the Netherlands. A failure in the demand for the Company's brand of truffles and future product offerings to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, financial condition, and operating results of the Company.

Unfavorable Publicity or Consumer Perception

The Company's success within the truffles industry may be significantly influenced by consumer perception of truffles generally, or the Company's brand of truffles and future products, any of which can be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention, and other publicity regarding the consumption of truffles and products produced or manufactured using truffles. There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favorable to the truffles industry or any particular product offering of the Company, or consistent with earlier publicity. Any adverse scientific research reports, findings, regulatory proceedings, litigation, media attention, or other publicity, whether or not accurate or with merit, could have a material adverse effect on the business, financial condition, ability to finance and the operating results of the Company.

Reliance on Key Personnel

The Company's success has depended, and will continue to depend, on the efforts and talents of its executives and employees, including its CEO, and its ability to attract, develop, motivate, and retain highly qualified and skilled employees, staff, and consultants. Qualified individuals are in high demand, and the Company may incur significant costs to attract and retain them. In addition, the loss of any of the Company's senior management or key employees could materially adversely affect its ability to execute its business plan and strategy, and it may not be able to find adequate replacements on a timely basis, or at all. The loss of any such key persons or the inability to find and retain new key persons could have a material adverse effect on the business, financial condition, and operating results of the Company.

Liability, Enforcement Complaints, etc.

As a company engaged in the truffles industry within the Netherlands, the Company and/or its subsidiaries may from time to time become subject to litigation, formal or informal complaints, enforcement actions, and inquiries, including by one or more federal or local governmental authorities in the Netherlands. Any such litigation, complaints, and/or enforcement actions involving the Company and/or its subsidiaries could consume a considerable amount of financial and other corporate resources and the time of the Company's management and could have a material adverse effect on the business, financial condition, and operating results of the Company.

Reliance on Operations in Foreign Jurisdictions

As of the date of this MD&A, the Company's Psilocybin truffle operations are conducted primarily within the Netherlands. As such, the Company's Psilocybin truffle operations at various times may be exposed to political, economic, and other risks and uncertainties associated with operating in a foreign jurisdiction. These risks and uncertainties include but are not limited to: (i) renegotiation, nullification, termination or rescission of concessions, licenses, permits and contracts, from time-to-time, held by the Company or to which the Company a party, (ii) changing political conditions, (iii) currency exchange rate fluctuations, (iv) taxation policies, and (v) changing government policies and legislation. The Company's operations within the Netherlands may also be affected in varying degrees by changes to laws, regulations, access to banking and financial institutions, and guidelines applicable to foreign entities with respect to, but not limited to, the production of truffles, price controls, currency remittance, income taxes (including VAT), foreign investment, environmental legislation, and use of real property. Any change in such or similar laws, regulations, and guidelines, or shifts in political attitude, could have an adverse effect on the Company's future cash flows, earnings, results of operations and financial condition. The Company cannot accurately predict the full impact of any such occurrence on the Company's operations and profitability. Finally, the Company may be subject to the exclusive

jurisdiction of courts of the Netherlands in the event of any dispute arising from the Company's operations in the Netherlands.

Product Liability

As a cultivator, producer and distributor of products intended to be ingested by humans, the Company faces an inherent risk of exposure to product liability claims, regulatory actions, and litigation if the Company's product offerings are alleged to have caused loss or injury. In addition, the sale of the Company's product offerings involves the risk of injury or loss to consumers due to tampering by unauthorized third parties, product contamination, and unauthorized use by consumers or other third parties. Previously unknown adverse reactions resulting from human consumption of the Company's truffles alone or in combination with other medications or substances could occur. The Company may be subject to various product liability claims, including that the Company's product offerings caused death, injury, illness, or other loss. A product liability claim or regulatory action against the Company could result in increased costs, adversely affect the Company's reputation with consumers, and could have a material adverse effect on the business, financial condition, and operating results of the Company.

Product Viability of Truffles

In general, truffles have minimal long-term data with respect to efficacy, unknown side effects and/or interaction with individual human biochemistry or other supplements or medications. As a result, the Company's brand of truffles could have certain side effects if not used as directed or if taken by an end user that has certain known or unknown medical conditions. If the Company's brand of truffles and future product offerings are not perceived to have the effects intended by the end user, the Company's business and its reputation may suffer, any of which could have a material adverse effect on the business, financial condition, and operating results of the Company.

Product Recalls

The Company's brand of truffles, functional mushrooms, grow at home mushroom kits and future product offerings may be subject to the recall or return for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labeling disclosure. If any of the Company's product offerings are recalled due to an alleged product defect or for any other reason, the Company could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. The Company may lose a significant number of sales transactions and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention and otherwise distract from day-to-day operations. As such, any product recall could have a material adverse effect on the business, financial condition, and operating results of the Company.

Competitive Conditions

The Netherlands is an ideal location to establish and operate a vertically integrated truffles company, primarily due to its favorable regulatory regime, and access to a strong and established consumer base for the sale of truffles. The truffles industry within the Netherlands is an established industry that is highly competitive. The market for access to truffles in the Netherlands has created a competitive environment for truffles producers as well as for SmartShop operators. The Company faces direct competition to attract and retain end-users and competes with other industry participants that may have greater financial resources and longer operating histories. The chief competitors of the Company's product offerings are expected to be existing producers as well as SmartShop operators. Although reliable data is limited, the Company believes that, as of the date of this MD&A, there are at least two major producers of truffles within the Netherlands, and more than 100 SmartShop operators that offer truffles for sale. To remain competitive, the Company will require a continued high level of investment in acquisitions and investments, research and development, and marketing. The Company may not have sufficient resources to maintain such activities on a competitive basis, which could have a material adverse effect on the business, financial condition, and operating results of the Company.

Liquidity and Future Financing

Despite having operational farms in New Brunswick, Canada and Horst, The Netherlands, the Company has several product lines in their respective early stages of development and has not yet generated positive cashflow and will likely operate at a loss until such time as its business becomes established. Although the Company has, as of the date of this MD&A, sufficient capital to fund its ongoing business development and future growth and expansion plans for the foreseeable future, the Company may in the future require additional financing in order to fund such purposes.

Furthermore, financial institutions may limit or avoid relationships, financing, and the ability to transact to send or receive funds from entities that produce and/or sell Psilocybin and psychedelic products due to their classification as narcotic substances. This may affect the Company's ability to transact business in the future. The Company's ability to secure any such required financing will depend, in part, upon investor perception of the Company's ability to build and maintain a successful business, as well as other factors beyond the Company's control. There can be no assurance that the Company will be able to successfully obtain additional financing, or that future financing will occur on terms satisfactory to the Company and/or its shareholders. If adequate funds are not available to the Company, or are not available on acceptable terms, the Company may be required to scale back its business plan or cease operating. Future financing conducted by issuing securities of the Company may result in shareholders suffering additional dilution.

Dependence on Third Parties

The Company has established relationships with various industry partners in the truffles industry in order to begin operations, develop its brand and product recognition, and generate revenue within the Netherlands. As of the date of this MD&A, the Company produces its brand of truffles and operates SR Wholesale as the primary sales channel of Psilocybin product distribution. Furthermore, it has established working relationships with industry partners in the truffles industry within the Netherlands, and to date, the Company's relationships have been a significant contributor to its ability to introduce its brand of truffles within the Netherlands. In particular, as of the date of this MD&A, the Company's brand of truffles is sold within retail establishments operated by industry partners which may be considered competitors of the Company within the truffles industry in the Netherlands, with certain of such industry partners having both their own dedicated "SmartShops" and cultivation and production facilities. In the event that one or more of the Company's industry partners were to cease distributing the Company's brand of truffles through their own dedicated "SmartShops", any such occurrence could have an adverse effect on the business, financial condition, and operating results of the Company.

There can be no assurance that the Company will be able sustain its existing relationships with industry partners or establish and maintain new relationships with industry partners necessary to meet its ongoing business needs. Further, there can be no assurance that industry partners with which the Company has established relationships will continue to meet the Company's business needs from time to time, on a timely basis, or at all.

From time to time, the Company may enter into strategic alliances with third parties that the Company believes will complement or augment its business or will have a beneficial impact on the Company. Strategic alliances with third parties could present unforeseen integration obstacles or costs, may not enhance the Company's business, and may involve risks that could adversely affect the Company, including the risk that significant amounts of management's time may be diverted from operations in order to pursue and complete such transactions or maintain such strategic alliances. Future strategic alliances could result in the Company incurring additional debt, costs and contingent liabilities, and there can be no assurance that future strategic alliances will achieve, or that the Company's existing strategic alliances will continue to achieve, the expected benefits to its business or that the Company will be able to consummate future strategic alliances on satisfactory terms, or at all. Any of the foregoing could have a material adverse effect on the business, financial condition, and operating results of the Company.

Reliance on Informal Arrangements in the Truffle Market

As of the date of this MD&A, the Company has not entered into any binding written agreements with any of its existing industry partners. Instead, the Company's present business relationships with its current industry partners are based on informal arrangements of a nature customarily entered into by participants in the truffles industry within the Netherlands. As a result, in contrast to companies operating in other industries which may have written agreements with their respective industry partners, the Company is subject to the increased and unique risk that its existing arrangements with its industry partners may be terminated. Any such termination could have an adverse effect on the business, financial condition, and operating results of the Company.

Cash Flow from Operations

To the extent that the Company has negative cash flow in any future period, certain of the net proceeds from future offerings may be used to fund such negative cash flow from operating activities. If the Company experiences future negative cash flow, the Company may also be required to raise additional funds through the issuance of equity or debt securities. There can be no assurance that the Company will be able to generate positive cash flow from its operations, that additional capital or other types of financing will be available when needed, or that these financings will be on terms

favorable to the Company. In addition, the Company expects to achieve positive cash flow from operating activities in future periods. However, this is based on certain assumptions and subject to significant risks.

Regulatory Compliance Risks

Achievement of the Company's business objectives is subject to compliance with regulatory requirements enacted and enforced by governmental entities and obtaining and maintaining all required regulatory approvals. The Company may incur costs and obligations related to regulatory compliance. Failure to comply with applicable laws, regulations and permitting, license or approval requirements may result in enforcement actions hereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. The Company may be required to compensate those suffering loss or damage by reason of its operations and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

The Company cannot predict the timeline required to secure all appropriate regulatory approvals or licenses for its businesses or the extent of testing and documentation that may be required by governmental entities. Any delays in obtaining, or failing to obtain, required regulatory approvals or licenses may significantly delay or impact the R&D activities and could have a material adverse effect on the business, financial condition, and operating results of the Company. In addition, changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Company's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, financial condition, and operating results of the Company.

The impact of the various legislative regimes on the Company's business plans and operations is uncertain. There is no guarantee that the applicable legislation regulating its business activities will create or allow for the growth opportunities the Company currently anticipates.

Due to the nature of the Company's operations, various legal and tax matters may be outstanding from time to time. If the Company is unable to resolve any of these matters favorably, it could have a material adverse effect on the business, financial condition, and operating results of the Company.

Public Company Consequences

The Company's status as a reporting issuer may increase price volatility due to various factors, including the ability to buy or sell its Common Shares, different market conditions in different capital markets and different trading volumes. In addition, low trading volume may increase the price volatility of the Common Shares. The increased price volatility could have a material adverse effect on the business, financial condition, and operating results of the Company.

Fraudulent or Illegal Activity

The Company is exposed to the risk that its employees, independent contractors, consultants, service providers, and licensors may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional undertakings of unauthorized activities, or reckless or negligent undertakings of authorized activities, in each case on the Company's behalf or in their services that violate (a) various applicable laws, including healthcare laws, (b) applicable laws that require the true, complete and accurate reporting of financial information or data, or (c) the terms of the Company's agreements with third parties. Such misconduct could expose the Company to, among other things, class actions and other litigation, increased regulatory inspections and related sanctions, and lost sales and revenue or reputational damage.

The Company cannot always identify and prevent misconduct by its employees and other third parties, including third party service providers, and the precautions taken by the Company to detect and prevent this activity may not be effective in controlling unknown, unanticipated, or unmanaged risks or losses or protecting it from governmental investigations or other actions or lawsuits stemming from such misconduct. If any such actions are instituted against the Company, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on its business, including the imposition of civil, criminal, or administrative penalties, damages, monetary fines and contractual damages, reputational harm, diminished profits and future earnings or curtailment of its operations.

General Economic Risks

The operations of the Company could be affected by the economic context should interest rates, inflation or the unemployment level reach levels that influence consumer trends and spending and, consequently, impact the sales and profitability of the Company. Investors should further consider, among other factors, the prospects for success of the Company, in light of the risks and uncertainties encountered by companies that, like the Company, are in their early stages. The Company may not be able to effectively or successfully address such risks and uncertainties or successfully implement operating strategies to mitigate the impact of such risks and uncertainties. In the event that the Company fails to do so, such failure could have a material adverse effect on the business, financial condition, and operating results of the Company.

Loss of Entire Investment

An investment in the Common Shares is speculative and may result in the loss of an investor's entire investment. Only potential investors who are experienced in high-risk investments and who can afford to lose their entire investment should consider an investment in the Company. There can be no assurance regarding the amount of income that can be generated by the Company. Common Shares are equity securities of the Company and are not fixed income securities. Unlike fixed income securities, there is no obligation of the Company to distribute to shareholders a fixed amount or any amount at all, or to return the initial purchase price of the Common Shares on any date in the future. The market value of the Common Shares may deteriorate if the Company is unable to generate sufficient positive returns, and that deterioration may be significant.

Management of Growth

The Company may experience a period of significant growth that will place a strain upon its management systems and resources. Its future will depend in part on the ability of its officers and other key employees to implement and improve financial and management controls, reporting systems and procedures on a timely basis and to expand, train, motivate and manage the workforce. The Company's current and planned personnel, systems, procedures, and controls may be inadequate to support its future operations.

Conflicts of Interest

Certain of the Company's directors and officers may be involved in other business ventures through their direct and indirect participation in corporations, partnerships, joint ventures, etc. that may become potential competitors of the technologies, products, and services the Company intends to provide. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors' and officers' conflict with or diverge from the Company's interests. In accordance with applicable corporate law, directors who have a material interest in or who is a party to a material contract or a proposed material contract with the Company are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and officers are required to act honestly and in good faith with a view to the Company's best interests. However, in conflict-of-interest situations, the Company's directors and officers may owe the same duty to another company and will need to balance their competing interests with their duties to the Company. Circumstances (including with respect to future corporate opportunities) may arise that may be resolved in a manner that is unfavorable to the Company.

DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation and include controls and procedures designed to ensure that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to the Company's management, including its CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

Management, including the CEO and the CFO, has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures. As of December 31, 2025, the CEO and the CFO have each concluded that the Company's disclosure controls and procedures, as defined in NI 52-109 – *Certification of Disclosure in Issuer's Annual and Interim Filings*, are effective to achieve the purpose for which they have been designed.

Internal Controls over Financial Reporting

Internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS® Accounting Standards. Management is also responsible for the design of the Company's internal control over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS® Accounting Standards.

The Company's internal controls over financial reporting include policies and procedures that: pertain to the maintenance of records that, in reasonable detail accurately and fairly reflect the transactions and disposition of assets; provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with IFRS® Accounting Standards and that receipts and expenditures are being made only in accordance with authorization of management and directors of the Company; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the financial statements.

Management has evaluated the effectiveness of the design and operation of the Company's internal controls over financial reporting. As of December 31, 2025, the CEO and the CFO have each concluded that the Company's internal controls over financial reporting, as defined in NI 52-109 – *Certification of Disclosure in Issuer's Annual and Interim Filings*, are effective to achieve the purpose for which they have been designed.

Because of their inherent limitations, internal controls over financial reporting can provide only reasonable assurance and may not prevent or detect misstatement. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

CAUTION REGARDING FORWARD LOOKING STATEMENTS

This MD&A contains FLS within the meaning of applicable securities legislation which involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company or industry results, to be materially different from any future results, events, expectations, performance, or achievements expressed or implied by such FLS. All statements, other than statements of historical fact, included herein may be FLS. FLS typically contains words or phrases such as "may", "outlook", "objective", "intend", "estimate", "anticipate", "should", "could", "would", "will", "expect", "believe", "plan", "predict" and other similar terminology suggesting future outcomes or events. FLS involves numerous assumptions and should not be read as guarantees of future performance or results. Such statements will not necessarily be accurate indications of whether or not such future performance or results will be achieved. Readers of this MD&A should not unduly rely on FLS as a number of factors, many of which are beyond the control of the Company, could cause actual performance or results to differ materially from the performance or results discussed in the FLS.

FLS included throughout this MD&A include, but are not limited to, statements pertaining to the following:

- the Company's overall performance, business objectives, strategies, milestones and the anticipated timing, costs and effects of executing or achieving them;
- the Company's growth prospects and its intention to pursue business opportunities and/or expand operations in Canada, the United States and/or the European Union;
- the Company's ability to retain, supplement and/or engage directors, management, consultants and advisors with relevant industry experience;
- the Company's ability to execute its business plans, including obtaining, maintaining, renewing and/or extending required regulatory approvals, licenses, permits and authorizations, and the timing and impact thereof;
- the development of the Company's business, brands, products and future activities following the date of this MD&A, including new product launches and the Company's ability to provide future updates regarding the foregoing;
- expectations regarding market size, anticipated growth, and economic, business, regulatory and competitive conditions in the markets in which the Company operates or may operate;
- the Company's strategic investments, capital expenditures and capital allocation decisions (including any

anticipated benefits thereof) and the Company's ability to generate cash flow from operations and/or financing activities;

- the Company's operating plans relating to production, harvesting, packaging, manufacturing, distribution, marketing and sales of its current and proposed product offerings, including expectations surrounding sales growth/revenue targets for mushroom products, home grow kits and functional mushroom gummies, distribution channels and retail initiatives (including the Company's retail presence and product availability through third-party channels), and the anticipated timing thereof;
- the Company's research and development initiatives (including partnerships with academic, clinical and other third parties), including psilocybin-related product testing, dehydration/packaging and shelf-life extension initiatives, development and potential commercialization of microdosing capsules for therapeutic markets, pilot programs and clinical trials, and related timelines and expected benefits;
- the Company's plans relating to intellectual property development and protection, scientific studies, and the collection and use of scientific data (including data related to microdosing and the intended benefits to the Company and its customers);
- the evaluation, pursuit and potential completion of acquisitions, dispositions, M&A transactions, strategic collaborations and other corporate transactions (including the timing, expected benefits and integration of any acquired businesses), and any related operational streamlining, cost discipline measures or divestiture of non-core assets;
- the Company's evaluation of "optionality" with respect to AEM Ontario / the Peterborough Farm, including any potential disposition of rights, plans and permits and related timing and diligence process;
- the anticipated suspension/cessation of shiitake operations at the AEM Farm and the planned sale of assets and potential listing of related New Brunswick commercial property;
- expectations regarding ongoing performance of SR Wholesale and MiniChamp and efforts to expand B2B and other distribution channels;
- the Company's treasury strategy, including its Bitcoin balance sheet strategy, cryptocurrency-linked investment exposure (including ETF holdings) and any future adjustments, and the anticipated financial impact thereof;
- the continued listing of the Common Shares on the CSE, FSE and OTCQB; and
- the Company's ability to achieve profitability and positive cash flow in future periods and its ability to improve operating performance and progress towards profitability.

FLS included throughout this MD&A are based on a number of factors and assumptions which have been used to develop such statements and information, but which may prove to be incorrect, including, but not limited to, assumptions about:

- the Company's continuing ability to conduct its activities in the jurisdictions in which it operates in compliance with applicable laws and regulatory requirements, and to obtain, maintain, renew and/or extend required permits, licenses, approvals and authorizations (including those relevant to R&D activities and any regulated import/export processes);
- the Company's ability to retain and/or engage directors, management, employees, consultants and advisors with relevant expertise and to maintain adequate operational capacity to execute strategic, operational and R&D initiatives;
- the Company's ability to maintain sufficient liquidity and access financial services to fund operations and to manage costs and capital allocation decisions (including any strategic investments);
- general business, market and macroeconomic conditions remaining within expected parameters (including consumer demand, competitive dynamics, inflationary pressures and tourism trends in relevant markets);
- the performance of, and continued relationships with, third-party partners, distributors, service providers and research collaborators, including their ability to perform in accordance with expectations;
- the Company's ability to maintain product quality and execute operations efficiently, including the ability to manage logistics, supply chain processes, shipping and customs processes without material disruption;
- the successful advancement of the Company's R&D initiatives (including testing, validation, dehydration/packaging and shelf-life extension initiatives) and the Company's ability, together with its partners, to develop and potentially commercialize products and/or processes within anticipated timelines;
- the Company's ability to identify, negotiate and complete strategic initiatives, including acquisitions, dispositions, collaborations or other corporate transactions, on acceptable terms and within anticipated timelines (including completion of diligence, negotiation of definitive documentation and satisfaction of customary closing conditions);
- with respect to AEM Ontario / the Peterborough Farm, the availability of suitable counterparties and the ability

to progress any strategic alternative (including any potential disposition of rights, plans and permits) through diligence and negotiation on a timeline and on terms acceptable to the Company;
- with respect to the AEM Farm, the ability to implement the planned operational changes, monetize assets and/or list and sell the related commercial property on timelines and on terms acceptable to the Company and its minority partners;
- with respect to treasury strategy, market conditions and volatility applicable to the Company's investment holdings (including cryptocurrency-linked exchange-traded products) remaining within ranges that management considers acceptable, and the Company's ability to manage and rebalance such holdings as needed; and
- foreign exchange and cross-border operating conditions not materially adversely affecting the Company's business, financial condition or results of operations.

Further, readers are cautioned that FLS involve known and unknown risks, uncertainties and other factors (many of which are beyond the Company's ability to predict or control) that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. In particular, the Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this MD&A, which should not be considered exhaustive:

- regulatory or enforcement developments, changes in laws or regulations, or delays/failures in obtaining, maintaining or renewing required approvals, licenses, permits or authorizations in any jurisdiction in which the Company operates or may operate;
- banking, liquidity and financing risks, including the risk that access to traditional banking, lending support or financial services is limited or unavailable, and the risk that the Company's liquidity position is adversely impacted by operating losses, working capital needs or market conditions;
- market and macroeconomic risks (including inflation, consumer demand shifts, competitive conditions and tourism trends in relevant markets) that could adversely affect sales, margins, cash flows or operating results;
- supply chain disruption and operational execution risks, including shipping and customs delays and logistics issues, and risks impacting product quality, packaging integrity, manufacturing processes or distribution;
- risks that R&D initiatives, testing, validation processes, dehydration/packaging initiatives, shelf-life extension initiatives or product development do not progress as anticipated, do not yield the expected outcomes, or cannot be commercialized on anticipated timelines (or at all);
- counterparty and partner performance risk, including the risk that third-party collaborators, distributors, service providers or research partners do not perform as anticipated or that key relationships terminate or deteriorate;
- risks that discussions regarding acquisitions, dispositions, strategic collaborations, M&A or other corporate transactions do not result in definitive agreements or completed transactions, or that any completed transaction does not deliver anticipated benefits (including integration/synergy execution risk);
- with respect to AEM Ontario / the Peterborough Farm, the risk that strategic alternatives are delayed, amended, completed on different terms, or not completed at all (including due to diligence findings, negotiation outcomes, or failure to satisfy closing conditions);
- with respect to the AEM Farm, the risk that planned operational changes, asset monetization and/or any property listing/sale are delayed, completed on different terms, or not completed at all, and that creditor obligations or other liabilities are greater than expected;
- personnel risks, including inability to attract and retain key management, employees or advisors required to execute the Company's strategy and operations;
- foreign exchange and cross-border operational risks;
- volatility and market risks associated with the Company's treasury strategy and investment holdings, including cryptocurrency-linked exchange-traded products;
- product liability, product quality and recall risks and other litigation or proceeding risks; and
- the risk of delisting of the Common Shares from the CSE, FSE and/or OTCQB.

Readers are cautioned that the foregoing lists of factors are not exhaustive. These FLS speak only as of the date of this MD&A or as of the date specified in the documents incorporated by reference into this MD&A and the Company does not assume any obligation to publicly update or revise them to reflect new events or circumstances, except as may be required pursuant to applicable securities laws.

The FLS contained in this MD&A and the documents incorporated by reference herein are expressly qualified by this cautionary statement. The actual results could differ materially from those anticipated in these FLS as a result of the risk

factors set forth below and elsewhere in this MD&A. As such, FLS included in this MD&A and in the documents incorporated by reference into this MD&A should not be unduly relied upon.