



Lifeist Wellness Inc.
Condensed Consolidated Interim Financial Statements
(Unaudited)

For the three and nine months ended August 31, 2024 and August 31, 2023

(In Canadian dollars)

**LIFEIST WELLNESS INC. MANAGEMENT'S COMMENTS ON UNAUDITED INTERIM
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if any auditor has not performed a review of the Condensed Consolidated Interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The accompanying unaudited Condensed Consolidated Interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada (CPA Canada) for a review of Condensed Consolidated Interim financial statements by an entity's auditor.



	Page
Condensed Consolidated Interim Financial Statements.....	3-7
Condensed Consolidated Interim Statements of Financial Position.....	3
Condensed Consolidated Interim Statements of Operations.....	4
Condensed Consolidated Interim Statements of Comprehensive Income (Loss).....	5
Condensed Consolidated Interim Statements of Changes in Shareholders' Equity.....	6
Condensed Consolidated Interim Statements of Cash Flow.....	7
Notes to the Condensed Consolidated Interim Financial Statements.....	8-26

LIFEIST WELLNESS INC.**LIFEIST_**

Condensed Consolidated Interim Statements of Financial Position

As at August 31, 2024 and November 30, 2023

(Unaudited - Expressed in Canadian dollars)

	Notes	August 31, 2024	November 30, 2023
ASSETS			
<i>Current assets</i>			
Cash and cash equivalents		\$ 1,021,170	\$ 1,454,145
Trade and other receivables	6	997,840	2,331,840
Inventories	7	1,409,119	4,511,162
Prepaid expenses and other assets		267,602	484,005
Total current assets		3,695,731	8,781,152
<i>Non-current assets</i>			
Deferred tax assets		-	132,992
Portfolio investments	8	731,506	35,776
Property and equipment	9	341,715	2,500,375
Intangible assets	10	1,282,287	1,503,600
Goodwill	11	-	417,091
Other assets		20,798	28,149
Total non-current assets		2,376,306	4,617,983
Total assets		\$ 6,072,037	\$ 13,399,135
LIABILITIES AND SHAREHOLDERS' EQUITY			
<i>Current liabilities</i>			
Accounts payable and accrued liabilities		\$ 2,449,145	\$ 8,453,252
Short-term portion of lease liabilities	13	105,392	397,359
Deferred revenue	12	11,254	221,411
Total current liabilities		2,565,791	9,072,022
<i>Non-current liabilities</i>			
Long-term portion of lease liabilities	13	228,957	868,657
Total non-current liabilities		228,957	868,657
Total liabilities		2,794,748	9,940,679
<i>Shareholders' equity</i>			
Share capital	14	161,228,848	159,994,357
Contributed reserve		53,055,713	47,558,980
Options reserve		1,015,963	2,311,295
Warrants reserve		673,359	4,785,301
Other reserve		192,196	(4,106,586)
Accumulated deficit		(212,159,704)	(206,192,203)
Accumulated other comprehensive (loss)		(729,086)	(892,688)
Total shareholders' equity		3,277,289	3,458,456
Total liabilities and shareholders' equity		\$ 6,072,037	\$ 13,399,135

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

Going Concern - Note 1.

Subsequent events - Note 20.

Approved on behalf of the Board on October 28th, 2024 by:

"Meni Morim"

Director

"John C. Sinclair"

Director

LIFEIST WELLNESS INC.



Condensed Consolidated Interim Statements of Operations

For the three and nine months ended August 31, 2024 and August 31, 2023

(Unaudited - Expressed in Canadian dollars)

	Notes	Three months ended		Nine months ended	
		August 31, 2024	August 31, 2023	August 31, 2024	August 31, 2023
Gross revenue		\$ 2,899,541	\$ 4,769,386	\$ 11,836,387	\$ 16,406,267
Excise taxes		(842,497)	-	(1,619,849)	-
Net revenue	5,15	2,057,044	4,769,386	10,216,538	16,406,267
Cost of goods sold	7	1,170,468	1,688,088	4,925,320	7,376,899
Gross profit before inventory adjustment		886,576	3,081,298	5,291,218	9,029,368
Inventory write-down (write-up)		240,401	446,906	76,517	523,353
Gross profit		646,175	2,634,392	5,214,701	8,506,015
Salaries and other compensation costs		390,844	1,295,186	2,554,478	4,184,272
Office and general expenses		579,419	553,097	1,841,949	2,169,213
Technological development		-	-	-	18,745
Professional fees		39,367	184,623	438,516	736,785
Selling and marketing expense		264,997	939,579	1,906,304	3,090,553
Depreciation and amortization	9	8,769	17,884	101,472	60,115
Share-based compensation	14 (d)(e)	550,909	204,858	809,300	755,596
Total expenses		1,834,305	3,195,227	7,652,019	11,015,279
Restructuring and other costs		50,000	-	290,000	83,333
Loss before following:		(1,238,130)	(560,835)	(2,727,318)	(2,592,597)
Other (income) expense	16	(14,145)	(153)	22,120	(137,062)
Foreign exchange (gain) loss		34,737	9,770	27,946	22,255
Loss before income tax		(1,258,722)	(570,452)	(2,777,384)	(2,477,790)
Gain on sales of discontinued operations	4	4,273,117	-	4,273,117	-
Income tax (expense)		-	(1,376)	-	18,574
Net income (loss) from continuing operations, net of tax		3,014,395	(571,828)	1,495,733	(2,459,216)
Loss from discontinued operations	4	(131,548)	(1,797,574)	(2,898,865)	(5,403,772)
Net income (loss)		\$ 2,882,847	\$ (2,369,402)	\$ (1,403,133)	\$ (7,862,988)
Net gain (loss) per share (basic and diluted) from continuing operations		\$ 0.099	\$ (0.024)	\$ 0.052	\$ (0.106)
Net loss per share (basic and diluted) from discontinued operations		\$ (0.004)	\$ (0.076)	\$ (0.100)	\$ (0.232)
Weighted average number of outstanding common shares (basic and diluted)		30,435,250	23,708,603	28,935,419	23,275,475

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

LIFEIST WELLNESS INC.

Condensed Consolidated Interim Statements of Comprehensive Income (Loss)

For the three and nine months ended August 31, 2024 and August 31, 2023

(Unaudited - Expressed in Canadian dollars)

	Three months ended		Nine months ended	
	August 31, 2024	August 31, 2023	August 31, 2024	August 31, 2023
Net Income (loss)	\$ 2,882,847	\$ (2,369,402)	\$ (1,403,133)	\$ (7,862,988)
Other comprehensive loss:				
<i>Items that are or may be reclassified to profit or loss</i>				
Cumulative translation adjustment	(33,722)	4,449	218,556	(98,416)
<i>Items that will not be reclassified to profit or loss</i>				
Changes in the fair value of equity investments designated at FVOCI	(25,204)	(20,470)	(54,955)	139,654
	(58,926)	(16,021)	163,601	41,238
Total comprehensive income (loss)	2,823,921	(2,385,423)	(1,239,532)	(7,821,750)

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

LIFEIST WELLNESS INC.



Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

For the nine months ended August 31, 2024 and August 31, 2023

(Unaudited - Expressed in Canadian dollars)

Attributable to Shareholders of the Company

	Share Capital		Warrants Reserve		Options Reserve		Contributed Reserve	Other Reserve	Accumulated OCI	Accumulated Deficit	Total Shareholders' Equity
	#	\$	#	\$	#	\$	\$	\$	\$	\$	\$
Balance at November 30, 2023	27,884,818	159,994,357	4,225,748	4,785,301	536,117	2,311,295	47,558,980	(4,106,586)	(892,688)	(206,192,203)	3,458,456
Net loss	-	-	-	-	-	-	-	-	-	(1,403,133)	(1,403,133)
Change in Accumulated Deficit	-	-	-	-	-	-	-	4,298,782	-	(4,564,368)	(265,586)
Other comprehensive loss	-	-	-	-	-	-	-	-	163,601	-	163,601
	27,884,818	159,994,357	4,225,748	4,785,301	536,117	2,311,295	47,558,980	192,196	(729,087)	(212,159,704)	1,953,338
Transactions directly recorded in equity:											
Zest purchase	1,000,000	110,000	-	-	-	-	-	-	-	-	110,000
Shares issued - Non-Cash (Note 14)	1,785,761	224,803	902,981	75,197	-	-	-	-	-	-	300,000
Forfeiture of options and warrants	-	-	(3,289,000)	(4,187,139)	(283,431)	(1,309,594)	5,496,732	-	-	-	-
Share-based compensation (Note 14)	5,242,752	899,688	-	-	-	14,262	-	-	-	-	913,950
Balance at August 31, 2024	35,913,331	161,228,848	1,839,729	673,359	252,686	1,015,963	53,055,712	192,196	(729,087)	(212,159,704)	3,277,288

	Share Capital		Warrants Reserve		Options Reserve		Contributed Surplus	Other Reserves	Accumulated OCI	Accumulated Deficit	Total Shareholders' Equity
	# - Note 14 (a)	\$	# -Note 14 (a)	\$	# - Note 14 (a)	\$	\$	\$	\$	\$	\$
Balance at November 30, 2022	21,852,076	156,347,824	4,418,179	24,398,720	902,623	5,835,017	23,928,800	(3,769,219.00)	(1,310,096)	(192,066,533)	13,364,513
Net loss	-	-	-	-	-	-	-	-	-	(7,862,989)	(7,862,989)
Other comprehensive loss	-	-	-	-	-	-	-	-	41,238	-	41,238
	21,852,076	156,347,824	4,418,179	24,398,720	902,623	5,835,017	23,928,800	(3,769,219)	(1,268,858)	(199,929,522)	5,542,762
Transactions directly recorded in equity:											
Canmart Labs purchase	524,582	618,908	-	-	-	-	-	-	-	-	618,908
Shares issued - Cash	836,098	443,184	251,409	137,151	-	-	-	-	-	-	580,335
Shares issued - Convertible Debenture	76,923	100,000	-	-	-	-	-	-	-	-	100,000
Zest Brand purchase	3,411,708	2,047,025	-	-	-	-	-	-	-	-	2,047,025
Share issuance costs	-	(151,492)	-	-	-	-	-	-	-	-	(151,492)
Forfeiture of options and warrants	-	-	-	-	(252,780)	(2,969,281)	2,969,281	-	-	-	-
Share-based compensation	715,947	398,843	392,125	207,596	-	149,157	-	-	-	-	755,596
Balance at August 31, 2023	27,417,334	159,804,292	5,061,713	24,743,467	649,843	3,014,893	26,898,081	(3,769,219)	(1,268,858)	(199,929,522)	9,493,133

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

LIFEIST WELLNESS INC.

LIFEIST_

Condensed Consolidated Interim Statements of Cash Flow

For the three and nine months ended August 31, 2024 and August 31, 2023

(Unaudited - Expressed in Canadian dollars)

	Notes	Nine months ended	
		August 31, 2024	August 31, 2023
Cash flows from operating activities:			
Net loss for the period		\$ (1,403,133)	\$ (7,862,988)
Adjustments for:			
Depreciation	9	205,687	60,115
Gain on discontinued operations	4	(4,273,117)	-
Realized (gain) loss on equity instruments		-	30,754
Share-based compensation	14 (e)	913,950	755,596
Unrealized (gain) on equity instruments		102,448	(2,322)
Other non-cash (income) expense		291,426	1,516,835
Impairment loss on assets		1,895,028	-
Deferred tax (recovery) expense		-	(14,843)
Foreign exchange (gain) loss		(27,946)	22,255
Cash used in operations before changes in non-cash working capital		(2,295,657)	(5,494,598)
Cash used in discontinued operations		(4,444,942)	(4,581,789)
Changes in non-cash working capital	17	6,449,895	7,031,137
Net cash used in operating activities		(290,704)	(3,045,250)
Cash flows from investing activities:			
Purchase of property and equipment	9	-	(262,443)
Proceeds from disposal of equity investments	8	29,902	211,680
Net cash provided by (used in) investing activities		29,902	(50,763)
Cash flows from financing activities:			
Proceeds from issuance of share capital		-	727,713
Proceeds from issuance of warrants		-	344,746
Share issuance costs		-	(151,492)
Lease liability principal and interest payment	13	(172,174)	(229,796)
Net cash provided by (used in) financing activities		(172,174)	691,171
Net increase (decrease) in cash and cash equivalents		(432,975)	(2,404,842)
Effect of movement in exchange rates on cash held in foreign currencies		-	(22,255)
Cash and cash equivalents, beginning of the year		1,454,145	3,801,688
Cash and cash equivalents, end of the period		\$ 1,021,170	\$ 1,374,591

See Note 17 for additional cash flow information.

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

1. General information

Lifeist Wellness Inc. (“Lifeist” or the “Company”) is a publicly traded company incorporated under the British Columbia Business Corporations Act and is a reporting issuer in British Columbia, Saskatchewan, Manitoba, Ontario, Alberta, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador. Lifeist’s common shares are listed on the TSXV under the symbol “LFST”, on the OTCQB® Venture Market under the symbol “LFSWF” (formerly “NXTTF”) and traded as open stock on the Frankfurt Stock Exchange under the symbol “M5BQ”. The Company’s registered office is 2300 - 550 Burrard Street, Vancouver, British Columbia, Canada.

Lifeist is a wellness company leveraging advancements in science and technology to enable consumers to find their individual path to wellness.

The condensed consolidated interim financial statements were approved and authorized by the Board of Directors of the Company on October 28, 2024.

Going Concern

The condensed consolidated interim financial statements were prepared on a going concern basis, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Company has incurred significant net losses and negative cash flows from operating activities in recent years and has an accumulated deficit. Whether and when the Company can attain profitability and positive cash flows is uncertain. Additional sources of funding will be required to carry on operations and/or to realize on investment or divestiture opportunities. The Company's future operations are dependent upon its ability to secure additional funds and to become cash flow positive.

2. Summary of significant accounting policies

(a) Basis of presentation

These condensed consolidated interim financial statements of the Company have been prepared in accordance with International Accounting Standard (“IAS”) 34, Interim Financial Reporting, and should be read in conjunction with the Company’s audited consolidated financial statements for the fiscal year ended November 30, 2023 (“Last Annual Financial Statements”), and were prepared in accordance with International Financial Reporting Standards (“IFRS”).

(b) Basis of measurement

These condensed consolidated interim financial statements are presented in Canadian dollars, which is the Company’s functional currency and are prepared on a historical cost basis, except for certain financial instruments which are measured either through fair value through profit or loss (“FVTPL”) or fair value through other comprehensive income (“FVOCI”).

(c) Basis of consolidation

These condensed consolidated interim financial statements incorporate the financial statements of the Company, including its subsidiaries. The accounts of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. All intercompany balances and transactions, and any unrealized income and expenses arising from intercompany transactions, are eliminated in full on consolidation. The table below lists the Company’s subsidiaries and the ownership interests in each:

Entity	% Ownership	Jurisdiction	Functional currency	Accounting method
CannMart Inc.	100%	Canada	Canadian dollar	Consolidation
CannMart Marketplace Inc.	100%	Canada	Canadian dollar	Consolidation
CannMartMD Inc. (formerly NamastedMD Inc.)	100%	Canada	Canadian dollar	Consolidation
Mikra Cellular Sciences Inc.	100%	Canada	U.S. dollar	Consolidation
1000501971 Ontario Inc.	100%	Canada	Canadian dollar	Consolidation
Lifeist Worldwide Inc. (formerly Namaste Technologies Holdings Inc.)	100%	Canada	U.S. dollar	Consolidation

(d) Use of management estimates, judgments, and measurement uncertainty

The preparation of these condensed consolidated interim financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the condensed consolidated interim financial

statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of the condensed consolidated interim financial statements. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenues, and expenses.

The critical judgments and significant estimates in applying accounting policies that have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements are outlined in Note 2 of the Last Annual Financial Statements. There have been no significant changes in the Company's judgments and estimates applied during the three and nine months ended August 31, 2024.

3. Recently issued but not yet effective standards

The Company has performed an assessment of new and revised standards issued by the IASB that are not yet effective. The Company has assessed that the impact of adopting these accounting standards on its financial statements would not be material.

4. Discontinued operations

During the nine-month period ended August 31, 2024, the Company discontinued the operations of its subsidiaries Australian Vaporizers Pty Ltd., CannMart Labs Inc., ("CannMart Labs") and Lifeist Bahamas Inc. ("Lifeist Labs"), to align the Company's overall operations to its strategic plan and objectives.

On June 4, 2024, the Company completed the sale of Australian Vaporizers Pty Ltd to Flora Growth Corporation ("Flora"), for a total consideration of CAD \$872,848 representing the value of 550,000 shares of Flora with a market value of \$1.59 per share. The Company paid 31,075 shares of Flora for agent fees related to the transaction, resulting in a final holding of Flora Growth Corporation of 518,925 shares.

On August 1, 2024, the Company completed the sale of CannMart Labs assets for a total consideration of \$200,000 under the supervision of CCAA, the liabilities are being managed by Monitor.

Lifeist Bahamas was dissolved during the period and, accordingly, its assets have been written off and liabilities have been reversed resulting in a net gain of \$2,161,482 which has been included in the results of the discontinued operations.

LIFEIST WELLNESS INC.



Notes to the Condensed Consolidated Interim Financial Statements
For the three and nine months ended August 31, 2024 and August 31, 2023
(Expressed in Canadian dollars, unless otherwise noted)

The following table summarizes the assets and liabilities of Australian Vaporizers and CannMart Labs and consideration received:

	CannMart Labs	Australian Vaporizers	Total
Sale consideration on disposition of net assets:	\$	\$	\$
Share consideration	-	872,848	872,848
Cost to sell	(112,347)	(106,102)	(218,449)
Cash consideration received	(112,347)	766,746	654,399
Carrying value of net assets sold:			
Cash and cash equivalents	33,510	380,731	414,241
Trade receivable and others	568,447	136,060	704,507
Inventory	310,733	557,072	867,805
Intangible assets	-	331,313	331,313
Prepaid and deposit	49,123	4,019	53,142
Fixed assets	180,686	280,707	461,393
Accounts payable and accrued liabilities	(5,827,338)	(1,040,871)	(6,868,209)
	(4,684,840)	649,031	(4,035,809)
Goodwill write-off	-	417,091	417,091
	-	417,091	417,091
Gain (loss) on sale of discontinued operations	4,572,493	(299,376)	4,273,117

Net loss from discontinued operations is summarized as follows:

	Three months ended		Nine months ended	
	August 31, 2024	August 31, 2023	August 31, 2024	August 31, 2023
Net revenue	\$ 37,085	\$ 24,095	\$ 242,048	\$ 528,279
Cost of goods sold	29,145	1,697,387	1,814,096	4,969,489
Gross profit before inventory adjustment	7,940	(1,673,292)	(1,572,049)	(4,441,210)
Inventory (write-up) write-down	(628)	(413,908)	217,070	(462,691)
Gross profit (loss)	8,568	(1,259,384)	(1,789,119)	(3,978,519)
Salaries and other compensation costs	6,162	246,796	259,575	790,249
Office and general	30,911	231,505	400,335	719,928
Impairment loss on assets	-	-	980,243	-
Write-down of inventory	-	-	914,785	-
Professional fees	1,337	4,591	77,755	17,101
Selling and marketing expense	29,650	20,462	430,713	33,888
Depreciation and amortization	68,053	27,065	125,201	82,689
Loss before the following:	(127,545)	(1,789,803)	(4,977,726)	(5,622,373)
Other (income) expense	6,367	6,652	(2,104,660)	(308,690)
Foreign exchange loss (gain)	(2,364)	(7,546)	11,950	(36,127)
	(131,548)	(1,788,909)	(2,885,016)	(5,277,556)
Income tax (expense) recovery	-	(8,665)	(13,849)	(126,216)
Net income (loss) from discontinued operations	(131,548)	(1,797,574)	(2,898,865)	(5,403,772)

Revenues, expenses and gains or losses relating to the discontinuation of Australian Vaporizers, CannMart Labs and Lifeist Bahamas have been eliminated from the profit and loss of the continuing operations and are shown as a single line item in the Condensed Consolidated Interim Statements of Operations. As a result, the Company's prior period results have been restated to present the three entities as discontinued operations.

5. Operating segments

Segmented information

In addition to the Corporate segment, the operating segments of the Company are known as CannMart, CannMart Marketplace, CannMart MD and 1000501971 Ontario Inc (Zest) (together referred to as "CannMart"), and Mikra Cellular Sciences. In determining the operating segments, management considered the product mix as well as the geographical segments that the business units sell under. Disclosure by segment pertaining to income statement transactions are for the three months ended August 31, 2024 and August 31, 2023, while asset and liability balances are as at August 31, 2024 and November 30, 2023, as follows:

Three months ended	CannMart	Mikra Cellular Sciences	Corporate & Other	Total
Q3 2024:				
Revenue	\$	\$	\$	\$
Net segment revenue	1,926,993	130,051	-	2,057,044
External revenue	1,926,993	130,051	-	2,057,044
Gross profit	599,057	47,118	-	646,175
Salaries and other compensation costs	78,474	128,495	183,875	390,844
Office and general	70,361	18,652	490,406	579,419
Professional fees	18,217	10,839	10,311	39,367
Selling and marketing expense	153,454	110,902	641	264,997
Depreciation and amortization	3,885	90	4,794	8,769
Share-based compensation	-	-	550,909	550,909
Other (income) expense	(5,526)	-	(8,619)	(14,145)
Foreign exchange loss (gain)	48	12,152	22,537	34,737
Net income (loss)	280,141	(234,013)	2,968,267	3,014,395
Total assets	3,505,656	475,271	2,091,110	6,072,037
Total liabilities	2,254,253	85,535	454,960	2,794,748

LIFEIST WELLNESS INC.


Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended August 31, 2024 and August 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

Three months ended	CannMart	Mikra Cellular Sciences	Corporate & Other	Total
Q3 2023:				
Revenue	\$	\$	\$	\$
Net segment revenue	4,535,870	233,516	-	4,769,386
External revenue	4,535,870	233,516	-	4,769,386
Gross profit	2,534,926	99,466	-	2,634,392
Salaries and other compensation costs	828,718	81,227	385,241	1,295,186
Office and general	330,827	30,465	191,805	553,097
Professional fees	5,130	1,120	178,373	184,623
Selling and marketing expense	659,400	280,179	-	939,579
Depreciation and amortization	3,877	270	13,737	17,884
Share-based compensation	-	-	-	204,858
Other (income) expense	500	-	(653)	(153)
Foreign exchange loss (gain)	(269)	(7,223)	17,263	9,771
Income tax (expense) recovery	-	-	(1,376)	(1,376)
Net income (loss)	563,622	(143,449)	(991,999)	(571,828)
Total assets	11,155,451	610,331	1,713,969	13,479,751
Total liabilities	3,164,018	264,918	1,388,749	4,817,685

Disclosure by segment pertaining to income statement transactions are for the nine months ended August 31, 2024 and August 31, 2023, while asset and liability balances are as at August 31, 2024 and November 30, 2023 were as follows:

Nine months ended	CannMart	Mikra Cellular Sciences	Corporate & Other	Total
Q3 2024:				
Revenue	\$	\$	\$	\$
Net segment revenue	9,724,630	491,908	-	10,216,538
External revenue	9,724,630	491,908	-	10,216,538
Gross profit	4,935,057	279,645	-	5,214,701
Salaries and other compensation costs	1,522,669	249,367	782,442	2,554,478
Office and general	672,719	75,028	1,094,202	1,841,949
Professional fees	38,948	28,986	370,582	438,516
Selling and marketing expense	1,589,135	313,595	3,574	1,906,304
Depreciation and amortization	79,669	631	21,172	101,472
Share-based compensation	-	-	809,300	809,300
Other (income) expense	6,729	26,987	(11,596)	22,120
Foreign exchange loss (gain)	378	15,526	12,042	27,946
Net income (loss)	1,024,810	(430,476)	901,399	1,495,733
Total assets	3,505,656	475,271	2,091,110	6,072,037
Total liabilities	2,254,253	85,535	454,960	2,794,748

LIFEIST WELLNESS INC.

Notes to the Condensed Consolidated Interim Financial Statements
For the three and nine months ended August 31, 2024 and August 31, 2023
(Expressed in Canadian dollars, unless otherwise noted)

Nine months ended	CannMart	Mikra Cellular Sciences	Corporate & Other	Total
Q3 2023:				
Revenue	\$	\$	\$	\$
Net segment revenue	15,260,769	1,145,498	-	16,406,267
External revenue	15,260,769	1,145,498	-	16,406,267
Gross profit	7,967,933	538,082	-	8,506,015
Salaries and other compensation costs	2,353,808	392,932	1,437,533	4,184,273
Office and general	1,018,183	309,527	841,504	2,169,214
Technological Development	18,745	-	-	18,745
Professional fees	9,093	18,285	709,407	736,785
Selling and marketing expense	2,029,384	1,061,168	-	3,090,553
Depreciation and amortization	16,287	81	43,747	60,115
Share-based compensation	-	-	755,596	755,596
Other (income) expense	47,409	2,161	(186,632)	(137,062)
Foreign exchange loss (gain)	831	(26,768)	48,192	22,255
Income tax (expense) recovery	-	-	18,574	18,574
Net income (loss)	2,345,171	(1,165,283)	(3,639,105)	(2,459,216)
Total assets	11,155,451	610,331	1,713,969	13,479,751
Total liabilities	3,164,018	264,918	1,388,749	4,817,685

Included in net revenue arising from the CannMart operating segment for the three months ended August 31, 2024 are net revenues of \$1,303,908 (Q3 2023: \$3,405,207) which arose from sales to the Company's major wholesale customers. Included in net revenue arising from the CannMart operating segment for the nine months ended August 31, 2024 are net revenue of \$7,834,695 (nine months ended August 31, 2023: \$11,329,127) which arose from sales to the Company's major wholesale customers.

Furthermore, \$10,109 of corporate costs, mainly consisting of head office expenditures, have been allocated from the corporate and other segment to the other operating segments (Q3 2023: \$110,365), and for nine months ended August 31, 2024 were \$214,800 (nine months ended August 31, 2023: \$331,296).

6. Trade and other receivables

Trade and other receivables as at August 31, 2024 and November 30, 2023 were as follows:

LIFEIST WELLNESS INC.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended August 31, 2024 and August 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

	August 31, 2024		November 30, 2023	
Trade receivables	\$	1,091,996	\$	2,114,687
Sales tax receivable (payable)		(117,567)		75,420
Other receivables		23,411		97,691
Income tax receivable		-		44,042
	\$	997,840	\$	2,331,840

99% of the Company's trade receivables are less than 60 days old as of August 31, 2024 (November 30, 2023: 92%).

7. Inventories

Inventories as at August 31, 2024 and November 30, 2023 were as follows:

	August 31, 2024		November 30, 2023	
Hardware	\$	-	\$	557,593
Cannabis		871,580		2,885,194
Nutraceuticals		291,767		349,624
Packaging		245,772		718,751
Total inventories	\$	1,409,119	\$	4,511,162

The cost of inventories recognized as an expense and included in cost of goods sold for the three and nine months ended August 31, 2024, was \$931,513 and \$4,053,252 (Q3 2023: \$1,641,019 and \$4,871,397) respectively.

8. Portfolio investments

Portfolio investments at August 31, 2024 and November 30, 2023 were as follows:

	August 31, 2024		November 30, 2023	
Equity investments – at FVOCI	\$	7,635	\$	32,990
Equity investment – at FVTPL		723,871		2,786
	\$	731,506	\$	35,776

Equity investments designated at FVOCI comprise of investments in equity shares of listed and non-listed companies. These investments were irrevocably designated at fair value through OCI as the Company considers these investments to be strategic in nature. Equity investment designated at FVTPL comprise of investments in equity shares of listed companies.

During the period, 8,243 of Lovelab shares were disposed of for cash proceeds of \$29,902. The Company acquired 518,925 of Flora Growth Corp for total value of \$823,532 as consideration

LIFEIST WELLNESS INC.



Notes to the Condensed Consolidated Interim Financial Statements
For the three and nine months ended August 31, 2024 and August 31, 2023
(Expressed in Canadian dollars, unless otherwise noted)

for the sale of Australian Vaporizers one of its subsidiaries.

Details of equity investments as at August 31, 2024 and November 30, 2023 were as follows:

	Number of shares acquired	Cost	Fair Value	Unrealized (gain)/loss
August 31, 2024:				
<i>Equity Instruments - FVOCI</i>				
Atlas Global Brands Inc.	168,022	\$ 169,291	\$ -	\$ 169,291
Kief Cannabis Company Ltd.	46,729	250,000	857	249,143
YPB Group Ltd.	3,800,000	130,000	6,778	123,222
<i>Equity Instrument - FVTPL</i>				
PeakBirch Commerce Inc.	92,879	100,000	2,786	97,214
Flora Growth Corp	518,925	823,532	721,085	102,447
		1,472,823	731,506	741,317

	Number of shares acquired	Cost	Fair Value	Unrealized (gain)/loss
November 30, 2023				
<i>Equity Instruments - FVOCI</i>				
Atlas Global Brands Inc.	168,022	\$ 169,291	\$ 25,204	\$ 144,087
Kief Cannabis Company Ltd.	46,729	250,000	857	249,143
Lovelabs.com Inc.	8,243	32,220	151	32,069
YPB Group Ltd.	3,800,000	130,000	6,778	123,222
<i>Equity Instrument - FVTPL</i>				
PeakBirch Commerce Inc.	92,879	100,000	2,786	97,214
		681,511	35,776	645,735

	Equity investments - FVOCI	Equity investments - FVTPL	Total
Balance as at November 30, 2022	\$ 71,607	\$ 4,643	\$ 76,250
Additions	13,955	151,971	165,926
Unrealized gain (loss)	132,218	(1,858)	130,360
Realized gain (loss)	25,754	(30,754)	(5,000)
Disposition	(210,544)	(121,216)	(331,760)
Balance at November 30, 2023	\$ 32,990	\$ 2,786	\$ 35,776
Additions	-	823,532	823,532
Unrealized (loss)	(25,355)	(102,447)	(127,802)
Balance at August 31, 2024	\$ 7,635	\$ 723,871	\$ 731,506

LIFEIST WELLNESS INC.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended August 31, 2024 and August 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

9. Property and equipment

	Right of use Assets	Leasehold improvements	Computer equipment	Furniture & equipment	Total
Cost:	\$	\$	\$	\$	\$
Balance at November 30, 2022	402,018	4,169,964	671,226	1,588,530	6,831,738
Additions	1,301,687	151,011	19,301	145,813	1,617,812
Impairment		(676,179)	-	(222,844)	(899,023)
Translation adjustment	-	-	-	(1,818)	(1,818)
Balance at November 30, 2023	1,703,705	3,644,796	690,527	1,509,681	7,548,709
Impairment	(253,868)	(621,425)	(11,005)	(93,944)	(980,242)
Discontinued operations	(914,463)	(1,921,373)	(47,087)	(815,170)	(3,698,093)
Balance at August 31, 2024	535,374	1,101,998	632,435	600,567	2,870,374
Accumulated depreciation:	\$	\$	\$	\$	\$
Balance at November 30, 2022	339,245	1,953,661	607,584	835,090	3,735,580
Depreciation	268,254	694,663	58,431	292,408	1,313,756
Translation adjustment	-	-	-	(1,002)	(1,002)
Balance at November 30, 2023	607,499	2,648,324	666,015	1,126,496	5,048,334
Depreciation	104,956	26,923	15,116	58,692	205,687
Discontinued operations-depreciation	(408,789)	(1,599,391)	(57,150)	(660,032)	(2,725,362)
Balance at August 31, 2024	303,666	1,075,856	623,981	525,156	2,528,659
Net book value:	\$	\$	\$	\$	\$
Balance at November 30, 2023	1,096,206	996,472	24,512	383,185	2,500,375
Balance at August 31, 2024	231,708	26,142	8,454	75,411	341,715

Depreciation included in cost of goods sold for the three and nine months ended August 31, 2024, was \$46,850 and \$94,576 (Q3 2023: \$136,549 and \$147,311) respectively.

LIFEIST WELLNESS INC.

Notes to the Condensed Consolidated Interim Financial Statements
 For the three and nine months ended August 31, 2024 and August 31, 2023
 (Expressed in Canadian dollars, unless otherwise noted)

10. Intangible assets

	Licenses	Customer lists	Brand names	Computer software & domains	Total
Cost:	\$	\$	\$	\$	\$
Balance at November 30, 2022	1,108,592	3,054,133	331,313	2,426,166	6,920,204
Additions	-	-	886,672	-	886,672
Impairment	(441,064)	-	(359,913)	-	(800,977)
Translation adjustment	-	-	-	(4,205)	(4,205)
Balance at November 30, 2023	667,528	3,054,133	858,072	2,421,961	7,001,694
Discontinued operations	-	-	(331,313)	-	(331,313)
Additions	-	-	110,000	-	110,000
Balance at August 31, 2024	667,528	3,054,133	636,759	2,421,961	6,780,381
Accumulated amortization:	\$	\$	\$	\$	\$
Balance at November 30, 2022	22,000	3,054,133	-	2,426,166	5,502,299
Translation adjustment	-	-	-	(4,205)	(4,205)
Balance at November 30, 2023	22,000	3,054,133	-	2,421,961	5,498,094
Balance at August 31, 2024	22,000	3,054,133	-	2,421,961	5,498,094
Carrying value:	\$	\$	\$	\$	\$
Balance at November 30, 2023	645,528	-	858,072	-	1,503,600
Balance at August 31, 2024	645,528	-	636,759	-	1,282,287

(a) Finite life intangible assets

Customer lists and computer software and domains are considered finite life intangible assets and are amortized over their useful lives. Amortization expense on finite life intangible assets in the nine months period ended August 31, 2024 recognized in the consolidated statement of operations in the amount of \$Nil (Q3 2023: \$Nil).

The Company reviews the carrying value of its intangible assets at each reporting period for indicators of impairment. During the nine months ended August 31, 2024 management noted there were no indicators of impairment at the asset specific level, as a result no impairment loss was recognized.

(b) Indefinite life intangible assets

Licenses and brand names are considered to have indefinite lives. Brand names are considered part of the Australian Vaporizers CGU and tested annually for impairment. Licenses and Zest Brand are considered part of the CannMart CGU and tested annually for impairment.

LIFEIST WELLNESS INC.

Notes to the Condensed Consolidated Interim Financial Statements
 For the three and nine months ended August 31, 2024 and August 31, 2023
 (Expressed in Canadian dollars, unless otherwise noted)

11. Goodwill

The Company's goodwill as at August 31, 2024 is \$Nil (November 30, 2023: \$417,091).

Goodwill relates to Australian Vaporizer cash generating unit ("CGU"), which was disposed of on June 4, 2024.

12. Deferred Revenue

Deferred revenue as at August 31, 2024 and November 30, 2023 was as follows:

	Hardware	Cannabis Nutraceuticals	Total
Balance at November 30, 2022	\$ 187,700	\$ 29,832	\$ 243,514
Additions	1,410,098	1,490,144	2,941,610
Revenue recognized during the year	(1,410,213)	(1,519,976)	(2,963,713)
Balance at November 30, 2023	187,585	-	221,411
Additions	472,258	-	568,215
Discontinued operation	(114,940)	-	(114,940)
Revenue recognized during the period	(544,903)	-	(663,432)
Balance at August 31, 2024	\$ -	\$ -	\$ 11,254

13. Lease liabilities

The following is the continuity of lease liabilities as at August 31, 2024:

Balance at November 30, 2023	\$ 1,266,016
Discontinued operations	(786,943)
Total lease payments (principal and interest)	(172,174)
Interest expense on lease liabilities	27,450
Balance at August 31, 2024	\$ 334,349
Short-term portion of lease liabilities	\$ 105,392
Long-term portion of lease liabilities	228,957
Total lease liabilities	\$ 334,349

14. Share capital

(a) Authorized share capital

On May 21, 2024, TSX Venture Exchange approved the consolidation of Lifeist Wellness Inc. issued and outstanding common shares on the basis of one (1) post-consolidation common shares for every twenty (20) pre-consolidation common shares. All share and value per share amounts in the financial statements have been updated to reflect the consolidation.

The Company is authorized to issue an unlimited number of common shares with no par value. As at August 31, 2024 the Company had 35,913,331 (November 30, 2023: 27,884,818) common shares issued and outstanding.

(b) Issuance of shares

For the nine months ended August 31, 2024, the Company recognized share-based compensation expense related to vested stock options of \$14,262 and related to restricted shares of \$899,688. 1,000,000 shares with a value of \$110,000 was issued for the purchase of Zest Brand.

In addition, the Company issued 1,785,761 common shares and 902,981 warrants, with a value of \$224,803 and \$75,197 respectively in exchange for consultancy services with a value of \$300,000. The residual method was used to allocate the value of the services between the common shares and warrants. In this method, the warrants were valued using the Black-Scholes pricing model and the residual was allocated to the common shares.

(c) Share purchase warrants

The following is a summary of the changes in the Company's share purchase warrants for the nine months ended August 31, 2024 and August 31, 2023:

	August 31, 2024		August 31, 2023	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Outstanding, beginning of period	4,225,748	\$ 17.40	4,418,179	\$ 15.40
Private placement issuance	902,981	1.00	643,534	0.60
Forfeited	(3,289,000)	-	-	-
Outstanding, end of period	1,839,729	\$ 16.60	5,061,713	\$ 16.60

LIFEIST WELLNESS INC.

Notes to the Condensed Consolidated Interim Financial Statements
 For the three and nine months ended August 31, 2024 and August 31, 2023
 (Expressed in Canadian dollars, unless otherwise noted)

For the nine months ended August 31, 2024, 902,981 warrants were issued with a value of \$75,197 for services to allow the holders to acquire common shares at a value of \$0.05 per unit, which will expire on August 10, 2029. In addition, 3,289,000 units of warrants expired.

The assumptions used for the calculation of the fair value of the warrants issued were as follows:

Risk free rate	1.64%
Expected life	5 years
Expected volatility	454%
Expected dividend per share	Nil

At the time of the grant, volatility was estimated using a rate of volatility expected over the life of warrants. The expected life in years represents the time that the warrants granted are expected to be outstanding. The risk-free rate is based on zero coupon Canada government bonds with a remaining term equal to the expected life of the warrants.

(d) Stock options

The Company has established a stock option plan (the “Plan”) for officers and employees. Under the Plan, the exercise price of each option is determined by the Board. The aggregate number of common shares issuable pursuant to options granted under the Plan is limited to 10% of the Company's issued common shares. The shareholders approve the plan, and the Board approves the granting of options and their vesting and cancellation provisions.

The following is a summary of the movement in the Plan for the nine months ended August 31, 2024 and August 31, 2023.

	August 31, 2024		August 31, 2023	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding, beginning of period	536,117	\$ 3.00	902,623	\$ 0.51
Forfeited	(283,431)	5.79	(252,780)	0.49
Outstanding, end of period	252,686	2.40	649,843	0.52
Vested and exercisable, end of period	200,265	\$ 3.15	561,086	\$ 1.13

For the nine months ended August 31, 2024, the Company recognized share-based compensation expense related to vested stock options of \$14,262 (Q3 2023: \$149,157).

The following table summarizes information regarding stock options outstanding by exercise price for the period ended August 31, 2024:

Exercise price ranges	Number of options outstanding	Weighted average remaining contractual life in years	Weighted average exercise price
\$0.01 – \$0.25	202,767	0.40	\$ 1.20
\$0.26 – \$0.50	21,850	0.34	5.84
\$0.50 – \$1.00	28,069	1.16	1.35
Total options outstanding	252,686	0.47	3.26

e) RSUs and DSUs

The Company has established a restricted share unit and a deferred share unit award plan (the “RSU/DSU Plan”) for officers and employees. Under the RSU/ DSU Plan, calculation of the value of restricted share units (the “RSUs”) and deferred share units (the “DSUs”) awarded is based on the closing price of common shares of the Company on the trading day immediately preceding the date of the award. The shareholders approved the RSU/DSU Plan, and the Board approved the execution of granting of RSUs and DSUs, their vesting and cancellation provisions.

For the nine months ended August 31, 2024, the Company recognized share-based compensation expense related to vested RSUs of \$795,038 (Q3 2023: \$398,843).

15. Disaggregation of revenue

In the following table, net revenue is presented for the three months ended August 31, 2024 and August 31, 2023, and disaggregated by major products, service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Company’s reportable operating segments.

LIFEIST WELLNESS INC.


Notes to the Condensed Consolidated Interim Financial Statements
 For the three and nine months ended August 31, 2024 and August 31, 2023
 (Expressed in Canadian dollars, unless otherwise noted)

Three months ended	Notes	CannMart	Mikra	Total
August 31, 2024				
<u>Major goods/service lines</u>				
Cannabis, net of excise taxes	(i)	\$ 1,926,993	\$ -	\$ 1,926,993
Nutraceuticals	(i)	-	130,051	130,051
		\$ 1,926,993	\$ 130,051	\$ 2,057,044

Three months ended	Notes	CannMart	Mikra	Total
August 31, 2023				
<u>Major goods/service lines</u>				
Cannabis, net of excise taxes	(i)	\$ 4,535,870	\$ -	\$ 4,535,870
Nutraceuticals	(i)	-	233,516	233,516
		\$ 4,535,870	\$ 233,516	\$ 4,769,386

Timing of revenue recognition:

(i) Goods transferred at a point in time

In the following table, net revenue is presented for the nine months ended August 31, 2024 and August 31, 2023, and the disaggregated by major products, service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Company's reportable operating segments.

Nine months ended	Notes	CannMart	Mikra	Total
August 31, 2024				
<u>Major goods/service lines</u>				
Cannabis, net of excise taxes	(i)	\$ 9,724,630	\$ -	\$ 9,724,630
Nutraceuticals	(i)	-	491,908	491,908
		\$ 9,724,630	\$ 491,908	\$ 10,216,538

Nine months ended	Notes	CannMart	Mikra	Total
August 31, 2023				
<u>Major goods/service lines</u>				
Cannabis, net of excise taxes	(i)	\$ 15,260,769	\$ -	\$ 15,260,769
Nutraceuticals	(i)	-	1,145,498	1,145,498
		\$ 15,260,769	\$ 1,145,498	\$ 16,406,267

Timing of revenue recognition:

(i) Goods transferred at a point in time

LIFEIST WELLNESS INC.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended August 31, 2024 and August 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

16. Other expense (income)

Other expense (income) for the three and nine months ended August 31, 2024 and August 31, 2023 was as follows:

	Three months ended		Nine months ended	
	August 31, 2024	August 31, 2023	August 31, 2024	August 31, 2023
Unrealized loss on equity investments at FVTPL	\$ 102,448	\$ (2,322)	\$ 102,448	\$ 1,858
Realized (Gain) Loss on Equity Investments	-	-	(29,751)	-
Interest expense	3,066	2,169	49,760	23,138
Interest income	(12,413)	-	(17,585)	-
Miscellaneous expense (income)	(107,246)	-	(82,752)	(40,841)
Gain on disposal of investment	-	-	-	(121,217)
	\$ (14,145)	\$ (153)	\$ 22,120	\$ (137,062)

17. Additional disclosures for statement of cashflow

Changes in non-cash working capital for the nine months ended August 31, 2024 and August 31, 2023 were as follows:

	Nine months ended	
	August 31, 2024	August 31, 2023
Decrease in trade and other receivables	\$ 1,712,403	\$ 3,004,656
Decrease/(increase) in inventories	5,219,005	3,525,465
Decrease/(increase) in prepaid expenses and other assets	181,981	66,053
(Decrease) in accounts payable and accrued liabilities	(336,636)	500,809
(Decrease) in deferred revenue	(326,858)	(65,846)
	\$ 6,449,895	\$ 7,031,137

18. Related party balances and transactions

Related parties include key management personnel, and the entities controlled or directed by key management personnel. Key management personnel include Board of Directors and key executives of the Company together with certain individuals responsible for outsourced services who in the opinion of the Company have satisfied relevant criteria to be considered key management personnel under applicable accounting standards based on the information available as of the date of issuance of these condensed consolidated interim financial statements.

Related party transactions for three and nine months ended August 31, 2024 and August 31, 2023 are as follows:

LIFEIST WELLNESS INC.

Notes to the Condensed Consolidated Interim Financial Statements
 For the three and nine months ended August 31, 2024 and August 31, 2023
 (Expressed in Canadian dollars, unless otherwise noted)

	Three months ended		Nine months ended	
	August 31, 2024	August 31, 2023	August 31, 2024	August 31, 2023
Related Party Transactions				
Key management personnel compensation	\$ 133,000	\$ 172,208	\$ 425,353	\$ 672,638
Directors fees	60,750	75,000	182,250	227,682
Share-based compensation	36,750	158,213	110,250	205,296

- (i) The key management personnel compensation includes salaries and bonuses, benefits and incentives.
- (ii) The key management personnel compensation includes the following stock options:

Grant date	Number of options	Exercise price	Fair Value	Vesting period	Expiry date
		\$	\$		
December 7, 2019	200,000	0.33	0.19	Immediate	December 7, 2024
May 6, 2021	190,000	0.25	0.16	3 years	May 5, 2025
June 14, 2021	230,000	0.25	0.15	3 years	June 13, 2025
December 24, 2021	229,220	0.08	0.04	3 years	December 23, 2025
September 15, 2022	666,667	0.10	0.04	Immediate	September 15, 2024
September 15, 2022	333,333	0.10	0.04	1 years	September 15, 2024

- (iii) The key management personnel and directors' compensation includes restricted share units (RSUs) and deferred share units (DSUs) (Note 14(e)).

19. Comparative Figures

Certain amount reported in the prior period financial statements have been reclassified to conform with the current year presentation. The reclassifications had no impact on previously reported comprehensive loss or accumulated deficit.

20. Subsequent Events

On September 5, 2024, the shareholders approved the sale of CannMart Inc. effective September 12, 2024, under the following conditions:

1. Cash payment of \$500,000
2. 2,000,000 units of SSC shares at \$0.25 per share, each unit comprised of one common share in the capital of SSC and one-half of one common share purchase warrant. Each warrant entitles Lifeist to purchase SSC one common share at an exercise price of \$0.40 per common share for a period of 24 months

3. A promissory note from SSC (the VTB Loan) secured against the asset of CannMart in the amount of \$1,700,000 bearing interest at 3% per annum beginning on the date of closing.

Other terms and conditions based signed a services agreement dated June 25, 2024, with Simply Solventless Concentrates Ltd. (SSC) where:

1. SSC will provide support services to CannMart Inc. and will be responsible for all operating expenses of CannMart Inc.
2. In exchange, Lifeist will pay to SSC a monthly services fee which is the lesser of: (i) 90% of CannMart's net revenue; and (ii) CannMart's net revenue less \$100,000.

Simultaneously with the execution of the services agreement, the Company signed a share purchase agreement with SSC for the sale of all issued and outstanding shares of CannMart Inc. subject to the underlisted terms:

1. \$500,000 payable upon the closing date
2. \$1,500,000 plus applicable interest in a VTB loan, subject to adjustments as set forth in the share purchase agreement.
3. \$500,000 satisfied by the issuance of units, comprised of one common shares and one-half purchase warrant to purchase one common shares of SSC.
4. SSC shall pay Lifeist 100% of the net revenue generated by the sale of 50% of approximately \$1,000,000 of inventory.
5. An earnout bonus of 20% of revenue above \$3,000,000 per quarter over the first 12 months.