



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

For the nine months ended August 31, 2025 and 2024

(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 Interim Condensed Consolidated financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The accompanying unaudited Interim Condensed Consolidated 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 Interim Condensed Consolidated financial statements by an entity's auditor.

LIFEIST WELLNESS INC.**LIFEIST_****Condensed Consolidated Interim Statements of Financial Position**

As at August 31, 2025 and November 30, 2024

(Unaudited - Expressed in Canadian dollars)

	Notes	August 31, 2025	November 30, 2024
ASSETS			
<i>Current assets</i>			
Cash and cash equivalents		\$ 553,657	\$ 2,342,020
Trade and other receivables	6	609,316	1,155,085
Inventories	7	276,751	80,438
Prepaid expenses and other assets	11	68,659	47,721
Total current assets		1,508,383	3,625,264
<i>Non-current assets</i>			
Portfolio investments	8	378,235	1,390,794
Property and equipment	9	414	7,409
Intangible asset	10	110,000	110,000
Total non-current assets		488,649	1,508,203
Total assets		\$ 1,997,032	\$ 5,133,467
LIABILITIES AND SHAREHOLDERS' EQUITY			
<i>Current liabilities</i>			
Accounts payable and accrued liabilities	12	\$ 705,698	\$ 1,048,330
Deferred revenue		2,838	12,649
Total current liabilities		708,536	1,060,979
Total liabilities		708,536	1,060,979
<i>Shareholders' equity</i>			
Share capital	13	161,377,544	161,377,544
Reserves		55,059,421	55,018,894
Accumulated deficit		(214,772,778)	(211,948,259)
Accumulated other comprehensive loss		(375,691)	(375,691)
Total shareholders' equity		1,288,496	4,072,488
Total liabilities and shareholders' equity		\$ 1,997,032	\$ 5,133,467

*The accompanying notes are an integral part of the condensed consolidated interim financial statements.
Nature of operations and going concern (Note 1)*

Approved on behalf of the Board on October 29, 2025 by:

“Andrea Judge” (signed)
Director

“Meni Morim” (signed)
Director

LIFEIST WELLNESS INC.

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Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

For the nine months ended August 31, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

	Notes	Three months ended August 31,		Nine months ended August 31,	
		2025	2024	2025	2024
Revenue	5	\$ 32,755	\$ 130,051	\$ 171,077	\$ 491,911
Cost of goods sold	7	(9,879)	(35,199)	(80,062)	(212,258)
Gross profit		22,876	94,852	91,015	279,653
Salaries and other compensation costs	15	131,370	312,370	672,296	1,031,810
Office and general expenses		107,768	826,987	548,817	1,491,036
Professional fees		71,839	112,150	222,833	399,568
Selling and marketing expense		145,296	60,308	458,375	317,170
Depreciation and amortization	9	1,879	12,610	6,995	21,803
Share-based compensation	13, 15	2,328	550,909	40,527	809,300
Total expenses		460,480	1,875,334	1,949,843	4,070,687
Loss before other income (expense)		437,604	1,780,482	1,858,828	3,791,034
Unrealized loss on equity investments		(104,414)	(102,448)	(891,079)	(102,448)
Interest income		3,533	17,585	26,544	17,585
Interest expense		-	(6,511)	(4,203)	(34,407)
Miscellaneous expense (income)		(53,901)	99,997	(53,901)	74,128
Loss (gain) on disposal of investment		-	-	(48,128)	29,751
Foreign exchange (gain) loss		977	(34,689)	5,076	(27,568)
Net loss from continuing operations		600,429	1,806,548	2,824,519	3,833,993
Loss (gain) from discontinued operations	4	-	(4,689,396)	-	(2,430,860)
Net (income) loss		\$ 600,429	\$ (2,882,848)	\$ 2,824,519	\$ 1,403,133
Other comprehensive loss:					
<i>Items that are or may be reclassified to profit or loss</i>					
Cumulative translation adjustment		-	191,136	-	218,556
<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)	-	(54,955)
Total comprehensive (income) loss		\$ 600,429	\$ (3,048,780)	\$ 2,824,519	\$ 1,239,532
Net loss per share from continuing operations		(0.016)	(0.059)	(0.075)	(0.132)
Net income per share from discontinued operations		-	0.154	-	0.084
Weighted average number of outstanding shares		37,885,636	30,435,250	37,885,636	28,935,419

LIFEIST WELLNESS INC.

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Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

For the nine months ended August 31, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

	Share Capital		Reserves	Accumulated OCI	Accumulated Deficit	Total Shareholders' Equity
	#	\$	\$	\$	\$	\$
Balance at November 30, 2023	27,884,818	159,994,357	50,548,990	(892,688)	(206,192,203)	3,458,456
Shares issued - non-cash	1,785,761	224,803	75,197	-	-	300,000
Share-based compensation	5,242,752	899,688	14,262	-	-	913,950
Zest purchase	1,000,000	110,000	-	-	-	110,000
Net loss	-	-	-	-	(1,403,133)	(1,403,133)
Reclassification to other reserves	-	-	4,298,782	-	(4,564,368)	(265,586)
Other comprehensive loss	-	-	-	163,601	-	163,601
Balance at August 31, 2024	35,913,331	161,228,848	54,937,231	(729,087)	(212,159,704)	3,277,288

	Share Capital		Reserves	Accumulated OCI	Accumulated Deficit	Total Shareholders' Equity
	#	\$	\$	\$	\$	\$
Balance at November 30, 2024	37,885,636	161,377,544	55,018,894	(375,691)	(211,948,259)	4,072,488
Share-based compensation	-	-	40,527	-	-	40,527
Net loss	-	-	-	-	(2,824,519)	(2,824,519)
Balance at August 31, 2025	37,885,636	161,377,544	55,059,421	(375,691)	(214,772,778)	1,288,496

LIFEIST WELLNESS INC.

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Condensed Consolidated Interim Statements of Cash Flows

For the nine months ended August 31, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

	Nine months ended August 31, 2025	Nine months ended August 31, 2024
Cash flows from operating activities:		
Net loss from continuing operations	\$ (2,824,519)	\$ (1,403,133)
Items not involving cash:		
Depreciation	6,995	21,803
Share-based compensation	40,527	809,300
Unrealized loss on equity instruments	891,079	102,448
Foreign exchange (gain) loss	(5,076)	27,568
Cash used in operations before changes in non-cash working capital	(1,890,994)	(442,014)
Cash used by discontinued operations	-	(5,717,177)
Change in working capital:		
Trade and other receivables	(4,231)	1,712,403
Inventories	(196,313)	5,219,005
Prepaid expenses and other assets	(20,938)	181,981
Accounts payable and accrued liabilities	(342,632)	(336,636)
Deferred revenue	(9,811)	(326,858)
Net cash (used in) provided by operating activities	(2,464,919)	(290,704)
Cash flows from investing activities:		
Payments received on VTB note	550,000	-
Proceeds from disposal of equity investments	121,480	29,902
Cash provided by continuing investing activities	671,480	29,902
Cash used in discontinued investing activities	-	(2,769)
Net cash provided by investing activities	671,480	27,133
Cash flows from financing activities:		
Cash used in discontinued financing activities	-	(172,174)
Net cash used in financing activities	-	(172,174)
Net change in cash and cash equivalents	(1,793,439)	(432,975)
Effect of movement in exchange rates on cash held in foreign currencies	5,076	-
Cash and cash equivalents, beginning of the period	2,342,020	1,454,145
Cash and cash equivalents, end of the period	553,657	1,021,170

LIFEIST WELLNESS INC.



Notes to the Condensed Consolidated Interim Financial Statements
For the nine months ended August 31, 2025 and 2024
(Unaudited - Expressed in Canadian dollars, unless otherwise noted)

1. Nature of operations and going concern

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. The Company’s common shares are listed on the TSXV under the symbol “LFST”, on the OTCQB® Venture Market under the symbol “LFSWF” and traded as open stock on the Frankfurt Stock Exchange under the symbol “M5B0”. The Company’s registered address is 666 Burrard St, #2500, Vancouver, BC V6C 2X8.

Lifeist is a health-tech wellness company that is building a portfolio of brands, including Mikra. Lifeist is creating a new standard in mental and physical optimization.

The condensed consolidated interim financial statements were approved and authorized by the Board of Directors of the Company on October 29, 2025.

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 reported a comprehensive loss of \$2,824,519 for the nine months ended August 31, 2025 (2024 – \$1,239,532) and had an accumulated deficit of \$214,772,778 as at August 31, 2025 (November 30, 2024 – \$211,948,259) and working capital of \$799,847 at August 31, 2025 (November 30, 2024 – \$2,564,285). The Company’s ability to continue as a going concern is dependent upon its ability to achieve profitable operations and obtaining appropriate financing to support its ongoing activities. These material uncertainties may cast significant doubt on the Company’s ability to continue as a going concern.

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 as at and for the fiscal year ended November 30, 2024, which 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”).

LIFEIST WELLNESS INC.

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Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended August 31, 2025 and 2024

(Unaudited - Expressed in Canadian dollars, unless otherwise noted)

(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:

August 31, 2025

Entity	% Ownership	Jurisdiction	Functional currency	Accounting method
CannMart Marketplace Inc.	100%	Canada	Canadian dollar	Consolidation
Mikra Cellular Sciences Inc. ("Mikra")	100%	Canada	U.S. dollar	Consolidation
1000594871 Ontario Inc.	100%	Canada	Canadian 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 nine months ended August 31, 2025.

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 fiscal year ended November 30, 2024, the Company discontinued the operations of its subsidiaries Australian Vaporizers Pty Ltd., ("Australian Vaporizers"), CannMart Labs Inc., ("CannMart Labs"), Lifeist Bahamas Inc. ("Lifeist Labs"), CannMart Inc., CannMartMD Inc. and Lifeist Worldwide Inc. to align the Company's overall operations to its strategic plan and objectives.

Revenues, expenses and gains or losses relating to the discontinuation of Australian Vaporizers, CannMart Labs, Lifeist Labs, CannMart Inc, CannMartMD, and Lifeist Worldwide Inc. 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 six entities as discontinued operations.

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Notes to the Condensed Consolidated Interim Financial Statements
For the nine months ended August 31, 2025 and 2024
(Unaudited - Expressed in Canadian dollars, unless otherwise noted)

Net loss from discontinued operations is summarized as follows:

	Nine months ended August 31, 2024
Net revenue	\$ 9,966,678
Cost of goods sold	(6,820,743)
Gross profit	3,145,934
Operating expenses	(3,003,433)
Income (loss) from operations	142,501
Other expense	(63,553)
Foreign exchange loss	(12,327)
Impairment of assets	(1,895,029)
Net loss from discontinued operations	(1,828,408)
Income tax loss	(13,849)
Gain on the loss of control	4,273,117
Net income from discontinued operations	\$ 2,430,860

5. Operating segments

Reportable segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources, and in assessing performance.

The Company's chief operating decision makers are the CEO and CFO. They review the operating performance of the Company by one segment comprised of Mikra. The operations include the sale and distribution of Mikra related products. All other segments of the Company were disposed during the year ended November 30, 2024 and, accordingly, segmented figures are not presented (Note 4).

6. Trade and other receivables

Trade and other receivables as at August 31, 2025 and November 30, 2024 were as follows:

	August 31, 2025	November 30, 2024
Trade receivables	\$ 13,100	\$ 91,856
Sales tax receivable	72,030	3
VTB loan receivable	520,937	1,059,977
Other receivables	3,249	3,249
	\$ 609,316	\$ 1,155,085

As part of the sale of CannMart Inc., the Company provided financing to the purchaser in the form of a vendor take-back ("VTB") loan. The key terms of the VTB loan as defined in the General Security Agreement are as follows:

1. Principal Amount: \$2,199,194
2. Interest Rate: fixed rate of 3%
3. Term: 12 months, maturing on September 11, 2025
4. Payment Terms: Principal payments of \$100,000 per month until paid in full

As at August 31, 2025 the outstanding balance of the VTB loan was \$520,937.

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Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended August 31, 2025 and 2024

(Unaudited - Expressed in Canadian dollars, unless otherwise noted)

7. Inventories

Inventories as at August 31, 2025 and November 30, 2024 were as follows:

	August 31, 2025	November 30, 2024
Nutraceuticals	\$ 250,825	\$ 68,710
Packaging	25,926	11,728
Total inventories	\$ 276,751	\$ 80,438

The cost of inventories recognized as an expense and included in cost of goods sold for the nine months ended August 31, 2025, was \$73,660 (2024 - \$196,148).

8. Portfolio investments

Portfolio investments at August 31, 2025 and November 30, 2024 were as follows:

	August 31, 2025	November 30, 2024
Equity investments – at FVOCI	\$ 4,310	\$ 4,310
Equity investment – at FVTPL	373,925	1,386,484
	\$ 378,235	\$ 1,390,794

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 investments designated at FVTPL comprise of investments in equity shares of a listed company.

Details of equity investments as at August 31, 2025 were as follows:

	Number of shares acquired	Cost	Fair Value	Unrealized gain/(loss)
August 31, 2025:				
<i>Equity Instruments - FVOCI</i>				
Kief Cannabis Company Ltd.	46,729	\$ 250,000	\$ 857	\$ (249,143)
YPB Group Ltd.	3,800,000	130,000	3,453	(126,547)
<i>Equity Instrument - FVTPL</i>				
Flora Growth Corp ⁽¹⁾	13,306	823,532	373,925	(449,607)
		\$ 1,203,532	\$ 378,235	\$ (825,297)

⁽¹⁾ Subsequent to August 31, 2025, the Company sold 13,306 shares in Flora Growth Corp at an average price of \$53.6 (US\$39) per share for total gross proceeds of \$716,247.

	Equity investments - FVOCI	Equity investments - FVTPL	Total
Balance at November 30, 2024	\$ 4,310	\$ 1,386,484	\$ 1,390,794
Unrealized gain (loss)	-	(891,079)	(891,079)
Realized gain (loss)	-	(48,128)	(48,128)
Disposition	-	(73,352)	(73,352)
Balance at August 31, 2025	\$ 4,310	\$ 373,925	\$ 378,235

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Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended August 31, 2025 and 2024

(Unaudited - Expressed in Canadian dollars, unless otherwise noted)

9. Property and equipment

	Leasehold improvements	Computer equipment	Furniture & equipment	Total
Cost:				
Balance at November 30, 2024	\$ 42,243	\$ 428,016	\$ 59,409	\$ 529,668
Disposed	(42,243)	(404,912)	(59,409)	(506,564)
Balance at August 31, 2025	-	23,104	-	23,104
Accumulated depreciation:				
Balance at November 30, 2024	42,243	420,607	59,409	522,259
Depreciation	-	6,995	-	6,995
Disposed	(42,243)	(404,912)	(59,409)	(506,564)
Balance at August 31, 2025	\$ -	\$ 22,690	\$ -	\$ 22,690
Net book value:				
Balance at November 30, 2024	\$ -	\$ 7,409	\$ -	\$ 7,409
Balance at August 31, 2025	\$ -	\$ 414	\$ -	\$ 414

10. Intangible asset

On August 16, 2024, the Company acquired 100% of the issued and outstanding shares of 1000594871 Ontario Inc., a private entity whose sole asset was a provisional (pending) patent application ("Liquid Vape Patent"). The consideration for the acquisition consisted of the issuance of 1,000,000 common shares valued at \$110,000.

At the time of acquisition, 1000594871 Ontario Inc. held no operations and did not meet the definition of a business as defined under IFRS 3 – Business Combinations. As such, the transaction was accounted for as an asset acquisition. The acquisition cost was allocated to the provisional patent, and no goodwill was recognized.

As part of the terms of the acquisition, the Company assumed a royalty obligation whereby 50% of net revenue generated from the patent up to a maximum amount of \$1,000,000 be payable to the former shareholders of 1000594871 Ontario Inc.

11. Prepaid expenses and other assets

Prepaid expenses and other assets listed in the current assets section of the condensed consolidated interim statements of financial position as at August 31, 2025 and November 30, 2024 were as follows:

	August 31, 2025	November 30, 2024
Prepaid expenses	\$ 23,247	\$ 23,400
Deposits	45,412	24,321
	\$ 68,659	\$ 47,721

Prepaid expenses and deposits consist mainly of payments made for inventory purchases, software subscriptions, and professional fees.

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Notes to the Condensed Consolidated Interim Financial Statements
For the nine months ended August 31, 2025 and 2024
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12. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities as at August 31, 2025 and November 30, 2024 were as follows:

	August 31, 2025	November 30, 2024
Accounts payable	\$ 143,216	\$ 178,874
Accrued liabilities	562,483	869,456
	<u>\$ 705,698</u>	<u>\$ 1,048,330</u>

13. 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 1 post-consolidation common shares for every 20 pre-consolidation common shares. The number of outstanding common shares and value per share in the condensed consolidated interim financial statements have been updated retrospectively to reflect the share consolidation.

The Company is authorized to issue an unlimited number of common shares with no par value. As at August 31, 2025, the Company had 37,885,636 (November 30, 2024 - 37,885,636) common shares issued and outstanding.

(b) Issuance of shares

For the nine months ended August 31, 2025, the Company recognized share-based compensation expense related to vested stock options of \$40,527 (2024 - \$6,615) and related to restricted shares of \$nil (2024 - \$251,776).

(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, 2025 and the year ended November 30, 2024:

	Number of Warrants	Weighted Average Exercise Price
Balance – November 30, 2023	4,225,748	6.80
For services issuance	1,650,286	0.13
Forfeited	(3,399,714)	0.07
Balance at November 30, 2024 and August 31, 2025	<u>2,476,320</u>	<u>2.39</u>

(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 execution of granting of options and their vesting and cancellation provisions.

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For the nine months ended August 31, 2025 and 2024

(Unaudited - Expressed in Canadian dollars, unless otherwise noted)

The following is a summary of the movement in the Plan for the nine months ended August 31, 2025 and the year ended November 30, 2024:

	Number of Options	Weighted Average Exercise Price
Balance – November 30, 2023	536,117	4.40
Granted	2,372,222	0.05
Forfeited	(356,444)	0.09
Balance – November 30, 2024	2,551,895	0.15
Expired and forfeited	(175,369)	1.20
Balance at August 31, 2025	2,376,526	0.05

Stock options outstanding:

Expiry Date	Number of Options Exercisable	Number of Options Outstanding	Weighted Average Exercise Price
December 23, 2025	4,304	4,304	1.60
November 24, 2028	370,370	2,222,222	0.05
July 8, 2032	25,000	150,000	0.09
Balance at August 31, 2025	424,674	2,376,526	0.05

For the nine months ended August 31, 2025, the Company recognized share-based compensation expense related to vested stock options of \$40,527 (2024 - \$14,262).

e) RSUs and DSUs

The Company has established a restricted share unit (“RSU”) and a deferred share unit (“DSU”) award plan (the “RSU/DSU Plan”) for officers and employees. Under the RSU/DSU Plan, calculation of the value of restricted share units and deferred share units 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 approves the granting of RSUs and DSUs, their vesting and their cancellation provisions.

For the nine months ended August 31, 2025, the Company recognized share-based compensation expense related to vested RSUs of \$nil (2024 - \$795,038).

14. Financial instruments and associated risks

(a) Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

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Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended August 31, 2025 and 2024

(Unaudited - Expressed in Canadian dollars, unless otherwise noted)

The Company measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1 includes quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 includes inputs that are observable other than quoted prices included in Level 1; and
- Level 3 includes inputs that are not based on observable market data.

The following summary of financial assets and liabilities measured at fair value as at August 31, 2025 is based on the following fair value hierarchy:

	Level 1	Level 2	Level 3	Total
August 31, 2025				
<i>Financial assets:</i>				
Equity investments	\$ 373,925	\$ -	\$ 4,310	\$ 378,235
	\$ 373,925	\$ -	\$ 4,310	\$ 378,235

Following is the summary of other financial instruments, not measured at fair value, as at August 31, 2025 and November 30, 2024, for which fair value is disclosed:

	Financial assets at amortized cost	Financial liabilities at amortized cost	Total
August 31, 2025			
<i>Financial assets:</i>			
Cash and cash equivalents	\$ 553,657	\$ -	\$ 553,657
Trade and other receivables	609,316	-	609,316
Deposits	45,412	-	45,412
Balance at August 31, 2025	\$ 1,208,385	\$ -	\$ 1,208,385
<i>Financial liabilities:</i>			
Accounts payable and accrued liabilities	\$ -	\$ 666,699	\$ 666,699
Balance at August 31, 2025	\$ -	\$ 666,699	\$ 666,699

	Financial assets at amortized cost	Financial liabilities at amortized cost	Total
November 30, 2024			
<i>Financial assets:</i>			
Cash and cash equivalents	\$ 2,342,020	\$ -	\$ 2,342,020
Trade and other receivables	1,155,085	-	1,155,085
Deposits	24,321	-	24,321
Balance at November 30, 2024	\$ 3,521,426	\$ -	\$ 3,521,426
<i>Financial liabilities:</i>			
Accounts payable and accrued liabilities	\$ -	\$ 1,048,330	\$ 1,048,330
Balance at November 30, 2024	\$ -	\$ 1,048,330	\$ 1,048,330

The carrying values of all the Company's financial instruments approximate their fair values as at August 31, 2025 and November 30, 2024 due to their short-term nature.

(b) Risk management

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

(a) Market risk

Market risk is the risk that future changes in market conditions such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

i. Currency risk

The Company is party to financial instruments or enters into transactions that are denominated in currencies other than its functional currency. Consequently, the Company is exposed to translation risk in which other foreign currencies change in a manner that has an adverse effect on the value of the Company's assets or liabilities denominated in its operational currency. This risk is mitigated by timely payment of creditors and monitoring of foreign exchange fluctuations by management. The Company does not hedge against movements in foreign currency exchange rates.

At August 31, 2025, the Company holds USD\$5,828 in cash. A 5% change in the foreign currencies against functional currencies, assuming that all other variables are constant, would either increase or decrease the net loss by \$400 as a result of the revaluation on foreign currency denominated financial assets and liabilities.

ii. Interest rate risk

Interest rate risk is the risk that the cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company has notes receivable. Interest rate risk refers to the risk of loss due to adverse movements in interest rates. Interest rate risk consists of a) the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, and b) to the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities.

iii. Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices, other than those arising from interest rate risk or currency risk. The Company's exposure to other price risks relates to fair value of its equity investments and derivatives.

If the fair value of financial assets at FVTPL were to increase or decrease by 5%, net loss would have increased or decreased by \$18,696.

If the fair value of financial assets at FVOCI were to increase or decrease by 5%, OCI would have changed by \$215.

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from cash and cash equivalents, trade and other receivables, loans receivable, deposits and other assets.

The Company is moderately exposed to credit risk from its cash and cash equivalents, and trade receivables. The carrying amount of these financial assets represents the maximum credit exposure.

Cash and cash equivalents, deposits and other assets

Cash and cash equivalents and deposits are held with reputable financial institutions and business partners which are closely monitored by management.

LIFEIST WELLNESS INC.

LIFEIST_

Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended August 31, 2025 and 2024

(Unaudited - Expressed in Canadian dollars, unless otherwise noted)

Trade and other receivables

Trade receivables generated from online sales are held in reputable merchant accounts and are received within a short period of time. Credit risk is generally limited for trade receivables from government bodies, which have low default risk.

Credit risk for non-government wholesale customers is assessed on a case-by-case basis. When estimating Expected Credit Loss ("ECL") the Company analyzes both quantitative and qualitative data. Typically, ECL increases with the age of the receivable. A receivable is considered in default when the debtor is unlikely to pay its credit obligations in full and the Company has limited recourse.

As of August 31, 2025, the Company recognized a \$nil (2024 - \$Nil) provision for expected credit losses. This amount includes provisions for other receivables.

The issuance of a VTB promissory note (Note 6) exposes the Company to credit risk arising from the counterparty's ability to meet its repayment obligations.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have the sufficient liquidity to meet its liabilities when they are due, without incurring unacceptable losses or risking damage to the Company's reputation.

15. 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 the nine months ended August 31, 2025 and 2024 are as follows:

	Three months ended August 31,		Nine months ended August 31,	
	2025	2024	2025	2024
<i>Related Party Transactions</i>				
Key management personnel compensation	\$ 113,592	\$ 133,000	\$ 432,669	\$ 425,353
Directors fees	39,000	60,750	71,000	182,250
Share-based compensation	2,328	36,750	40,527	110,250

- (i) The key management personnel compensation includes salaries and bonuses, benefits and incentives.
- (ii) Share-based compensation relates to vesting stock options. No stock options were granted to key management personnel during the nine months ended August 31, 2025.
- (iii) The key management personnel and directors' compensation includes RSUs and DSUs (Note 13).

At August 31, 2025, the Company owed \$236,311 in accounts payable and accrued liabilities in the normal course of business. All amounts are due on demand and are non-interest bearing.

16. Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the development of its planned business activities. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. In order to carry out the planned business activities and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company considers its capital to be shareholders' equity, which consists of assets, net of all liabilities. The Company's objective when managing capital is to obtain adequate levels of funding to support its business activities, to obtain corporate and administrative functions necessary to support organizational functioning and obtain sufficient funding to further the development of its business. The Company raises capital, as necessary, to meet its needs and take advantage of perceived opportunities and, therefore, does not have a numeric target for its capital structure. Funds are primarily secured through equity capital raised by way of private placements and issuance of convertible debentures. There can be no assurance that the Company will be able to continue raising equity capital in this manner.