Just Kitchen Holdings Corp.

Management Discussion and Analysis

For the Six Months Ended March 31, 2021

The following management discussion and analysis (the "**MD&A**"), prepared as of May 31, 2021 should be read together with the unaudited condensed consolidated interim financial statements for the six months ended March 31, 2021 and related notes attached thereto (the "**Financial Statements**"), which are prepared in accordance with International Accounting Standards 34, Interim Financial Reporting ("**IAS 34**").

All amounts are stated in Canadian dollars unless otherwise indicated.

Forward Looking Statements

Certain information included in this discussion may constitute forward-looking statements. Readers are cautioned not to put undue reliance on forward-looking statements. These statements relate to future events or the Company's future performance, business prospects or opportunities. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. The Company has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes might affect its financial condition, results of operations, business strategy and financial needs. These forward-looking statements include, among other things, statements relating to:

- business objectives and milestones; and
- adequacy of financial resources.

Such forward-looking statements are based on a number of material factors and assumptions, including, but not limited in any manner to, those disclosed elsewhere herein and any other of the Company's public filings, and include the availability and final receipt of required approvals, licenses and permits, sufficient working capital to develop the business, access to adequate services and supplies, economic conditions, foreign currency exchange rates, interest rates, access to equity and debt markets and associated costs of funds, availability of a qualified work force, that the Company is able to procure equipment and supplies in sufficient quantities and on a timely basis, and that the Company maintains its ongoing relations with its business partners in compliance with applicable government rules and regulations. While the Company considers these material factors and assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons.

Investors should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur. The Company cautions that the foregoing list of important factors is not exhaustive. Investors and others who base themselves on the Company's forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risk they entail. The forward-looking statements contained in this report are expressly qualified by this cautionary statement.

Description of Business

Just Kitchen Holdings Corp. (the **"Company**" or "**Just Kitchen**") is primarily an operator of ghost kitchens specializing in the development and marketing of proprietary and franchised delivery-only food brands for customers. The Company currently operates in Taiwan. JustKitchen utilizes a hub-and-spoke operating model, which features advanced food preparation taking place at larger hub kitchens and final meal preparation taking place at smaller spoke kitchens located in areas with higher population densities. The Company combines this operating model with online and mobile application-based food ordering fulfilled by third-party delivery companies, to minimize capital investments and operating expenses and reach more customers in underserved markets. The Company's other business, JustMarket, is an e-commerce grocery delivery platform that allows customers to purchase groceries for delivery or add select grocery items to meals ordered through JustKitchen.

The Company's head office address is at Suite 1430 - 800 West Pender Street, Vancouver, British Columbia, V6C 2V6. The registered and records office address is at Suite 1500 - 1055 West Georgia Street, P.O. Box 11117, Vancouver, British Columbia, V6E 4N7. On April 7, 2021, the Company received final receipt from the British Columbia Securities Commission for its long-form non-offering prospectus. On April 15, 2021, the Company began trading on the TSX Venture Exchange (the "**TSX-V**") under the trading symbol JK.

As of March 31, 2021, the Company was holding 100% equity interest in the following wholly owned subsidiaries:

- JustKitchen Co. Ltd. ("**JK Taiwan**"), a company incorporated on June 6, 2019 under the laws of Taiwan;
- JustKitchen Hong Kong Corp. Limited (**"JKHK"**) from the date of incorporation on November 24, 2020;
- StarKitchen Co. Ltd ("**StarKitchen**") from the date of incorporation on January 17, 2021; and
- Just Kitchen (USA) Inc. ("**JK USA**") from the date of incorporation on February 18, 2021.

Corporate Reorganizations

Acquisition of Control on November 27, 2019

JK Taiwan was founded on June 6, 2019. On June 6, 2019, JK Taiwan arranged a lease agreement and acquired certain kitchen equipment and other assets for its first kitchen hub. On November 27, 2019, the Company's founder and initial sole shareholder acquired 100% equity interest in JK Taiwan by purchasing the remaining 83.33% of common shares of JK Taiwan from other third-party shareholders. On November 27, 2019, the Company's founder and initial sole shareholder effectively controlled 100% of JK Taiwan. In this MD&A included are results of operations, cash flows, and financial position of the Company commencing on November 27, 2019 as though Just Kitchen and JK Taiwan had been combined on November 27, 2019. Operations of JK Taiwan from date of incorporation on June 6, 2019 to November 26, 2019 are excluded from consolidated results of operations of the Company as those transactions were incurred before the acquisition of control of JK Taiwan.

Acquisition of JK Taiwan on February 28, 2020

On February 28, 2020, the Company acquired 100% of the issued and outstanding shares of JK Taiwan from the Company's founder. Given both entities were under common control, the acquisition of JK Taiwan has been accounted for using the continuity of interest method from November 27, 2019. Under this method, assets and liabilities of JK Taiwan are presented based on carrying value at the date of the acquisition. Accordingly, these consolidated financial statements reflect the results of operations, cash flows, and financial position of Just Kitchen and JK Taiwan as though the companies had been combined on November 27, 2019. Operations of JK Taiwan from date of incorporation on June 6, 2019 to November 26, 2019 are excluded from consolidated results of operations of the Company as they preceded the acquisition of control of JK Taiwan.

Overview of Cloud Kitchens

A cloud kitchen, or virtual kitchen, is a kitchen that is used to provide meals for online delivery only and acts as the production center for meals ordered through delivery apps. Just Kitchen's business model is designed to increase the efficiency of the typical cloud kitchen infrastructure by having a main "**hub**" kitchen where the meals are pre-prepared, blast chilled and then sent to the "**spoke**" kitchens, which finish the meals for delivery. The smaller spokes complement the main hub and are located in high traffic areas extending the geographical reach of the Company's customer base, reducing preparation and delivery times, and thereby improving the quality and consistency of customer orders.

Cloud kitchens can be considered food manufacturing factories, where food and meals are manufactured and then shipped to the final consumer. Considering cloud kitchens as factories as opposed to restaurants shifts the paradigm to one in which the manufacturer is focused on providing quality consistent output at the lowest possible cost without worrying about how or where the product is consumed by the consumer, and thus removing the key constraint posed by their physical location.

Cloud kitchens offer the following advantages over traditional restaurants:

- **Low operational cost.** One of the expenses to consider for traditional restaurants is real estate, which generally accounts for approximately 10% of restaurant expenses. This cost can be decreased by cloud kitchens, as they can operate from locations with less expensive real estate, occupy less space as there is no restaurant associated with the kitchen, and save on front of house staff and marketing costs among other items. Cloud kitchens also manufacture standardized items, which further reduces cost and food spoilage.

- **Low set up and introduction cost.** Cloud kitchens can be established, introduce new products and alter their menus at a considerably lower cost and can thus experiment with new ideas and menu items in a quick and cost-effective manner.
- **Automation.** With a focus on limited menus and limited items, product manufacturing can be standardized in cloud kitchens as it would be in manufacturing.
- **Increased efficiency.** Using custom built spaces and optimizing processes specifically for delivery allow cloud kitchens to run efficiently. Ingredients can be batch prepared for several different menu items and brands concurrently, and kitchens can be designed to prioritize the speed of preparation and the process of handing over meals to delivery drivers.
- **Digital brand awareness without high marketing spend.** Cloud kitchen brands can gain quick exposure through delivery apps without incurring the high cost of marketing that typical restaurants incur.
- **Access to user data and real-time adaptability.** Cloud kitchens are designed with a technological focus, which means that they are well-suited to optimize processes, ordering and staff scheduling based on consumer behavior. The menu can be changed, altered and adapted easily to suit demand and increase margins all based on the data collected from consumers.

The driving factors for the cloud kitchen market are the growing acceptance of online food distribution services, reducing the need for physical infrastructure and equipment, rising living and urbanization standards, and introductory low cost.

Business Highlights

- On June 6, 2019 JK Taiwan acquired kitchen equipment and other assets that were used to create Hub 1 kitchen in Taipei, Taiwan.
- On November 27, 2019, the Company's founder acquired 100% equity interest in JK Taiwan.
- On January 1, 2020, the Company entered into an agreement with Uber Eats (the "**Uber Eats Agreement**") which governs Just Kitchen's participation on the proprietary mobile application made available by Uber Eats or its affiliates. The Uber Eats Agreement sets out the terms on which Uber Eats makes the food and beverages made by the Company available on the Uber Eats platform. In Q2 2021, the Company also started to deliver meals to its customers using Food Panda online ordering platform and delivery services.
- Since January 2020, the Company has developed (17) of its own signature brands. Just Kitchen's in-house brands are a mix of various Asian cuisines being: "Hot Ones" Wings, "BIT" Beef Noodle, "Body Fit" and "Body Fit Breakfast" (healthy bento boxes), Taiwanese "LuWei Lab" (spicy hotpot), "Thai High" (southeast Asian meal boxes), "Just Chicken" fried chicken, "Go Lean" (nutritionist designed meal boxes), "Craftman's Soul Made" (Japanese Curry and Unadon) and "Craftman's Soul Made" Ramen, "Boba Mania" Taiwanese bubble tea, "Old Brew Soup Noodles" noodle shop, "Liuchuanfeng" Sichuan Beef Noodle, "Burgers & Dogs" American Beef Burger Slider & Hot Dogs, Kbao (Taiwanese Gwa Bao), Blue Avocado (healthy lunch boxes) and Just Market (the Company's groceries for delivery brand).
- On June 23, 2020, the Company entered into a licensing agreement with international restaurant chain TGI Friday's to develop and sell made-for-delivery TGI Friday's branded and inspired menu items through the Company.
- On August 14, 2020, the Company launched "Just Market", an online sale and delivery of basic grocery items leveraging existing SKUs, spokes and brand recognition. To date, it is available in 5 satellite kitchens.
- On August 20, 2020, the Company entered into licensing agreements with one Michelin star Taiwanese restaurants "Three Coins" (established in 1970) and "Orchid" to develop and sell "Three Coins" and "Orchid" branded and inspired made-for-delivery menu items through the Company.
- On December 31, 2020, the Company entered into a Memorandum of Understanding ("**Hub 2 MOU**") with Chi Mei Frozen Foods Co., Ltd. ("**Chi Mei**"). Under the terms of the Hub 2 MOU, (i) Chi Mei will

build out a 15,000 sf kitchen space dedicated for the use of Just Kitchen Taiwan ("**Hub 2**") and give Just Kitchen Taiwan priority in the processing and production of all its outsourced food items in order to meet Just Kitchen Taiwan's minimum order quantity; (ii) production equipment for Hub 2 considered "regular course" will be purchased by Chi Mei Foods and "dedicated" equipment for Just Kitchen Taiwan will be paid for by Just Kitchen Taiwan; (iii) Chi Mei will hold a right of first refusal for all out-sourced production by Just Kitchen Taiwan; and (iv) the Company and Chi Mei to jointly develop new menus and recipes.

- On April 15, 2021, the Company announced the opening of its 14th satellite spoke kitchen (the "14th Spoke"), which is located in the Wenshen District of Taipei. Further, the Company announced the commencement of operations for Hub 2.
- On April 20, 2021, the Company announced that it had acquired the virtual branding rights to "Formosa Chang". Formosa Chang is an iconic household name in Taiwan, being a family-owned Taiwanese food brand that is cherished by locals and ex-patriots the world over. JustKitchen holds the for-delivery-only rights to offer Formosa Chang branded food items from the area southward of municipal Taichung City across Taiwan over an initial period of one year.
- On April 26, 2021, the Company announced that it had recently launched its proprietary consumer-facing mobile application (the "JustKitchen App"), through which customers can order food items from the Company's ghost kitchens, among other features.
- On May 3, 2021, the Company announced that it had recently acquired the virtual branding rights to the Life Kitchen ("Life Kitchen") and Kai Guo Ji, which translates as Hot Pot Festival ("Hot Pot Festival"), as third-party Taiwanese food brands.
- On May 10, 2021, the Company announced that it had entered into an agreement to open its first ghost kitchen location in Hong Kong.
- On May 18, 2021, the Company announced that it had recently opened a new ghost kitchen in the world-famous Taipei 101 skyscraper as its 15th location in Taiwan.
- On May 25, 2021, the Company announced its international expansion plan (the "Expansion Plan") for the next two years. The Expansion Plan foresees JustKitchen targeting the potential launch of ghost kitchen locations in United States, Philippines and Singapore in calendar year 2021. In calendar year 2022, JustKitchen is targeting the potential launch of ghost kitchen locations in Canada and other areas of the Asia-Pacific region, including Japan, Malaysia, South Korea and Vietnam. The Expansion Plan contemplates growth through organic means, via joint ventures with third parties, as well as other potential arrangements.
- On May 27, 2021, the Company announced that it had recently appointed Mr. Warren Tseng and Mr. Gene Chuang as the founding members of its strategic advisory board. Mr. Tseng has been awarded the title of APAC Expansion Advisor and Mr. Chuang has been granted the title of Technology Advisor. The appointments of Mr. Tseng and Mr. Chuang emphasize JustKitchen's focus on technology and innovation as a cornerstone of its recently announced international expansion plan for 2021-2022.
- On May 27, 2021, the Company obtained a final receipt for, a base shelf prospectus allowing the Company to offer up to $50,000,000 of common shares, warrants, subscription receipts or units or any combination thereof, from time to time during the 25-month period that the Shelf Prospectus is effective.
- Approximate sales volumes grew to 128,400 customer food orders in the fiscal quarter ending March 31, 2021 from 117,800 customer food orders in the fiscal quarter ending December 31, 2020, which is an increase of approximately 9%, for a total of 246,200 food orders for the six-month period ended March 31, 2021 compared to an immaterial amount of sales volumes recorded in the comparative period for 126 days ended March 31, 2020.
- As of the date of this MD&A, the Company operates 15 ghost kitchen locations in Taiwan.

Overall Performance

- The Company's revenue for the six months ended March 31, 2021 ("**current period**") was $4,135,451.
- Net loss for the six months ended March 31, 2021 was $4,959,959, or $0.12 per common share.

- As at March 31, 2021, the Company had total assets of $12,215,757 consisting of $8,767,118 of current assets and $3,448,639 of non-current assets.
- As at March 31, 2021, the Company had total liabilities of $12,672,707 consisting of $10,735,129 of current liabilities and $1,937,578 of non-current liabilities.

Key Performance Indicators

Key performance indicators that the Company uses to manage its business and evaluate its financial results and operating performance include: revenue, revenue per kitchen location, expenses and net income (loss). The Company evaluates its performance on these metrics by comparing its actual results to management budgets and forecasts.

Summary of Quarterly Results

The table below summarizes selected unaudited financial data for the Company's last two quarters

	Quarter Ended Mar 31, 2021	Quarter Ended Dec 31, 2020
Revenue from retail customers	$1,975,110	$1,667,633
Revenue from business	$249,171	$243,537
Total Revenue	$2,224,281	$1,911,170
Number of retail deliveries	128,400	117,800
Average retail delivery size	$15.38	$14.16
Net loss	$(2,530,157)	$(2,429,802)
Comprehensive loss	$(2,387,038)	$(2,402,328)
Basic loss per share	$(0.06)	$(0.06)
Diluted loss per share	$(0.06)	$(0.06)

Non-IFRS Measures

Adjusted EBITDA is a financial measure that does not have a standardized meaning under IFRS. Adjusted EBITDA is defined as earnings before interest expense, depreciation and stock-based compensation. As there is no standardized method of calculating Adjusted EBITDA, it may not be directly comparable with similarly titled measures used by other companies. The Company considers Adjusted EBITDA to be a relevant indicator for measuring trends in performance and its ability to generate funds to service its debt and to meet its future working capital and capital expenditure requirements. Adjusted EBITDA is not a generally accepted earnings measure and should not be considered in isolation or as an alternative to net income (loss), cash flows or other measures of performance prepared in accordance with IFRS.

The following is a reconciliation of Adjusted EBITDA to net loss:

	Quarter Ended March 31, 2021	Quarter Ended March 31, 2020	Six Months Ended March 31, 2021	126 Days Ended March 31, 2020
Loss for the period	(2,530,157)	(319,117)	(4,959,959)	(502,846)
Interest expense	26,581	22,384	50,254	29,149
Depreciation expense	223,735	85,743	392,913	112,470
EBITDA	**(2,279,841)**	**(210,990)**	**(4,516,792)**	**(361,227)**
Stock-based compensation	533,166	-	1,394,862	-
Adjusted EBITDA	**(1,746,675)**	**(210,990)**	**(3,121,930)**	**(361,227)**

Results of Operations

Quarter ended March 31, 2021 (“Q2 2021”) compared with the quarter ended March 31, 2020 (“Q2 2020”)

Net loss for Q2 2021 was $2,530,157 or $0.06 loss per share compared to $319,117 or $0.02 loss per share in Q2 2020. The main reasons for the increase in net loss from Q2 2020 to Q2 2021 are (i) Q2 2021 overall increase in business activities and general and administrative costs increased from $229,270 in Q2 2020 to $1,591,910 in Q2 2021, mainly due to stock-based compensation increasing from $Nil to $533,166.

Significant differences between Q2 2021 and Q2 2020 results of operations are as follows:

Revenue

Revenue for Q2 2021 was $2,224,281 compared with $127,716 in Q2 2020. The increase in revenue is partially due to (i) revenues continue to grow as the Company opens new kitchen locations. As of March 31, 2021, the Company was selling meals from 14 locations in Taipei (2 hub kitchens and 12 satellite kitchens) compared to 1 location during Q2 2020.

Operating Expenses

Operating expenses for Q2 2021 were $2,721,744 compared with $167,388 in Q2 2020.The Company anticipates operating costs will remain elevated in relation to revenues in the short term to support rapid expansion both in Taiwan and internationally. The Company has hired staff ahead of additional ghost kitchen openings and aggressively spent on sales and marketing. Operating costs consist of the following:

	Three months ended March 31, 2021	Three months ended March 31, 2020
Delivery and processing costs	$ 469,326	$ 6,196
Food and beverage costs	1,056,334	55,469
Rent and utilities	108,134	5,775
Repairs and maintenance	45,263	7,848
Salaries and benefits	699,524	79,413
Selling costs	343,163	12,687
	$ 2,721,744	$ 167,388

- Delivery and processing costs were $469,326 in Q2 2021 compared with $6,196 in Q2 2020. The increase is due to the Company commencing to use 3rd party ordering and delivery platform and services in January 2020 as well as overall increase in revenue.
- Food and beverage costs increased from $55,469 in Q2 2020 to $1,056,334 in Q2 2021 because of increased revenue and because in Q2 2020, the Company was mainly delivering to other restaurants with lower costs and higher profit margin. In Q2 2021, the Company’s sales are mainly to retail customers;
- Rent and utilities costs increased from $5,775 in Q2 2020 to $108,134 in Q2 2021 because of increase in number of kitchen locations from 1 in Q2 2020 to 14 in Q2 2021.
- Repairs and maintenance costs increased from $7,848 in Q2 2020 to $45,263 in Q2 2021 because of increased number of operating kitchen spokes.
- Salaries and benefits increased from $79,413 in Q2 2020 to $699,524 in Q2 2021 because of a significant ramp up in operations and associated staffing requirements.
- Selling costs increased from $12,687 in Q2 2020 to $343,163 in Q2 2021 because of increased revenues.

General and Administrative Expenses

General and administrative expenses for Q2 2021 were $1,591,910 (Q2 2020 - $229,270) and consisted of the following costs:

		Three months ended March 31, 2021		Three months ended March 31, 2020
Advertising and marketing	$	215,342	$	23,200
Consulting		181,902		13,125
Listing and filing		5,462		2,625
Office and administration		102,322		27,491
Professional fees		4,390		93,583
Rent and utilities		20,444		5,464
Repairs and maintenance		40,206		2,844
Salaries and benefits		402,702		34,969
Selling costs		77,420		7,562
Stock-based compensation		533,166		-
Travel		8,554		18,407
	$	1,591,910	$	229,270

- Advertising and marketing increased from $23,200 in Q2 2020 to $215,342 in Q2 2021 because of increased efforts to promote larger number of operating kitchen spokes and an increase in overall business activities;
- Consulting increased from $13,125 in Q2 2020 to $181,902 in Q2 2021, due to consulting services provided for the process of completing the listing of the Company's common shares on the TSX-V following receipt of the long-form non-offering prospectus (the "**Listing**"), and increased operations in Taiwan;
- Listing and filing expenses increased from $2,625 in Q2 2020 to $5,462 in Q2 2021, because of Listing process;
- Office and administration increased from $27,491 in Q2 2020 to $102,322 in Q2 2021 due to an increase in overall business activities;
- Professional fees decreased from $93,583 in Q2 2020 to $4,390 in Q2 2021 because of deferral of legal fees (included in prepaid expense) related to share issuance costs;
- Salaries and benefits increased from $34,969 in Q2 2020 to $402,702 in Q2 2021 because of an increase in overall business activities;
- Selling costs increased from $7,562 in Q2 2020 to $77,420 in Q2 2021 because of increased revenue; and
- Stock based compensation increased from $Nil in Q2 2020 to $533,166 in Q2 2021, because prior to May 2020 no such costs were incurred. The stock-based compensation relates to fair value of performance warrants granted in May 2020 as well as stock options and restricted share units ("RSUs") granted in Q1 2021.

Research & Development ("R&D") Expenses

R&D expenses for Q2 2021 were $61,592 (Q2 2020 - $Nil) and consisted of the following costs:

		Three months ended March 31, 2021		Three months ended March 31, 2020
Salaries and benefits	$	40,812	$	-
Office and administration		20,780		-
	$	61,592	$	-

R&D expenses relate to development of new menu items and consist of salaries and benefits, food costs, materials, supplies and office and administration. There were no R&D costs incurred in the comparative period.

Depreciation Expenses

Depreciation expenses for Q2 2021 were $223,735 (Q2 2020 - $85,743) and consisted of the following costs:

	Three months ended March 31, 2021	Three months ended March 31, 2020
Depreciation of property and equipment	$ 56,628	$ 6,739
Depreciation of right-of-use assets	167,107	79,004
	$ 223,735	$ 85,743

- Depreciation of property and equipment increased from $6,739 in Q2 2020 to $56,628 in Q2 2021, because of additional kitchen equipment purchased in 2020 and Q2 2021; and
- Depreciation of right-of-use assets increased from $79,004 in Q2 2020 to $167,107 in Q2 2021, because of additional capitalized kitchen leases.

Other Income and Expenses

Other income and expenses consisted of the following:

	Three months ended March 31, 2021	Three months ended March 31, 2020
Interest revenue	$ 185	$ 325
Interest expense	(26,581)	(22,384)
Foreign exchange gain (loss)	(129,061)	57,627
	$ (155,457)	$ 35,568

- Interest expense increased from $22,384 in Q2 2020 to $26,581 in Q2 2021 which consists of $7,453 (Q2 2020 - $10,426) of interest expense accrued on promissory notes payable and $19,125 (Q2 2020 - $11,958) of interest expense recorded on leases; and
- Foreign exchange gain decreased from $57,627 in Q2 2020 to $129,061 loss in Q2 2021 due to increased transactions in foreign currencies.

Six months ended March 31, 2021 ("2021") compared with the 126 days ended March 31, 2020 ("2020")

Net loss for 2021 was $4,959,959 or $0.12 loss per share compared to $502,846 or $0.05 loss per share in 2020. The main reasons for the increase in net loss from 2020 to 2021 are (i) 2021 overall increase in business activities and general and administrative costs increased from $378,897 in 2020 to $3,460,778 in 2021, mainly due to stock-based compensation increasing from $Nil to $1,394,862 and salaries increasing from $67,609 in 2020 to $725,741 in 2021.

Significant differences between 2021 and 2020 results of operations are as follows:

Revenue

Revenue for 2021 was $4,135,451 compared with $233,137 in 2020. The increase in revenue is partially due to (i) revenues continue to grow as the Company opens new kitchen locations. As of March 31, 2021, the Company was selling meals from 14 locations in Taipei (2 hub kitchens and 12 satellite kitchens) compared to 1 location during Q2, 2020.

Operating Expenses

Operating expenses for 2021 were $4,987,828 compared with $273,391 in 2020. The Company anticipates operating costs will remain elevated in relation to revenues in the short term to support rapid expansion both in Taiwan and internationally. The Company has hired staff ahead of additional ghost kitchen openings and aggressively spent on sales and marketing. Operating costs consist of the following:

		Six months ended March 31, 2021		126 days ended March 31, 2020
Delivery and processing costs	$	890,746	$	6,196
Food and beverage costs		1,997,799		77,174
Rent and utilities		170,964		15,155
Repairs and maintenance		124,639		14,507
Salaries and benefits		1,186,171		143,689
Selling costs		617,509		16,670
	$	4,987,828	$	273,391

- Delivery and processing costs were $890,746 in 2021 compared with $6,196 in 2020. The increase is due to the Company commencing to use 3rd party ordering and delivery platform and services in January 2020 as well as overall increase in revenue.
- Food and beverage costs increased from $77,174 in 2020 to $1,997,799 in 2021 because of increased revenue and because in 2020, the Company was mainly delivering to other restaurants with lower costs and higher profit margin. In 2021, the Company's sales are mainly to retail customers.
- Rent and utilities costs increased from $15,155 in 2020 to $170,964 in 2021 because of increase in number of kitchen locations from 1 in 2020 to 15 in 2021.
- Repairs and maintenance costs increased from $14,507 in 2020 to $124,639 in 2021 because of increased number of operating kitchen spokes.
- Salaries and benefits increased from $143,689 in 2020 to $1,186,171 in 2021 because of a significant ramp up in operations and associated staffing requirements.
- Selling costs increased from $16,670 in 2020 to $617,509 in 2021 because of increased revenues.

General and Administrative Expenses

General and administrative expenses for 2021 were $3,460,778 (2020 - $378,897) and consisted of the following costs:

		Six months ended March 31, 2021		126 days ended March 31, 2020
Advertising and marketing	$	336,649	$	34,127
Consulting		345,801		13,125
Listing and filing		29,877		2,625
Office and administration		169,523		29,268
Professional fees		201,219		181,359
Rent and utilities		34,371		9,237
Repairs and maintenance		55,912		5,229
Salaries and benefits		725,741		67,609
Selling costs		156,094		17,911
Stock-based compensation		1,394,862		-
Travel		10,729		18,407
	$	3,460,778	$	378,897

- Advertising and marketing increased from $34,127 in 2020 to $336,649 in 2021 because of increased efforts to promote larger number of operating kitchen spokes and an increase in overall business activities.

- Consulting increased from $13,125 in 2020 to $345,801 in 2021, due to consulting services provided for the Listing process, and increased operations in Taiwan.
- Listing and filing expenses increased from $2,625 in 2020 to $29,877 in 2021, because of IPO process.
- Office and administration increased from $29,268 in 2020 to $169,523 in 2021 due to an increase in overall business activities.
- Professional fees increased from $181,359 in 2020 to $201,219 in 2021 because of increased audit and legal fees associated with the Listing.
- Salaries and benefits increased from $67,609 in 2020 to $725,741 in 2021 because of an increase in overall business activities.
- Selling costs increased from $17,911 in 2020 to $156,094 in 2021 because of increased revenue.
- Stock based compensation increased from $Nil in 2020 to $1,394,862 in 2021, because prior to May 2020 no such costs were incurred. The stock-based compensation relates to fair value of performance warrants granted in May 2020 as well as stock options and restricted share units ("RSUs") granted during the six months ended March 31, 2021.

Research & Development ("R&D") Expenses

R&D expenses for 2021 were $61,592 (2020-$Nil) and consisted of the following costs:

	Six months ended March 31, 2021	126 days ended March 31, 2020
Salaries and benefits	$ 40,812	$ -
Office and administration	20,780	-
	$ 61,592	$ -

R&D expenses relate to development of new menu items and consist of salaries and benefits, food costs, materials, supplies and office and administration. There were no R&D costs incurred in the comparative period.

Depreciation Expenses

Depreciation expenses for 2021 were $392,913 (2020 - $112,470) and consisted of the following costs:

	Six months ended March 31, 2021	126 days ended March 31, 2020
Depreciation of property and equipment	$ 92,457	$ 7,175
Depreciation of right-of-use assets	300,456	105,295
	$ 392,913	$ 112,470

- Depreciation of property and equipment increased from $7,175 in 2020 to $92,457 in 2021, because of additional kitchen equipment purchased in 2020 and 2021.
- Depreciation of right-of-use assets increased from $105,295 in 2020 to $300,456 in 2021, because of additional capitalized kitchen leases.

Other Income and Expenses

Other income and expenses consisted of the following:

	Six months ended March 31, 2021	126 days ended March 31, 2020
Interest revenue	$ 272	$ 335
Interest expense	(50,254)	(29,149)
Foreign exchange gain (loss)	(142,317)	57,589
	$ (192,299)	$ 28,775

- Interest expense increased from $29,149 in 2020 to $50,254 in 2021 which consists of $15,073 (2020 - $13,202) of interest expense accrued on promissory notes payable and $35,181 (2020 - $15,947) of interest expense recorded on leases.
- Foreign exchange decreased from a $57,589 gain in 2020 to $142,317 loss in 2021 due to increased transactions in foreign currencies.

Liquidity and Capital Resources

To date, the Company has financed its operations through private placements and internally generated cash flows from revenue.

Recent Financings

- On November 10, 2020, the Company closed a private placement of 2,960,000 common shares at $0.25 per share for gross proceeds of $740,000.
- On December 14, 2020, the Company closed a private placement of 2,700,000 common shares at $0.50 per share for gross proceeds of $1,350,000.
- In December 2020, the Company completed two tranches of a private placement of subscription receipts at a price of $0.50 per subscription receipt for aggregate gross proceeds of $7,491,897 as follows:

  (i) On December 10, 2020, the Company completed the first tranche for aggregate gross proceeds of $6,478,897 and issued 12,957,795 subscription receipts. The Company shall issue 346,709 common shares and pay $75,180 as finders' fees upon exercise of the first tranche of the subscription receipts; and

  (ii) On December 21, 2020, the Company completed the second tranche for aggregate gross proceeds of $1,013,000 and issued 2,026,000 subscription receipts. The Company shall issue 3,000 common shares as finders' fees upon exercise of the second tranche of the subscription receipts.
- On March 16, 2021, the Company completed the third tranche of subscription receipts for aggregate gross proceeds of $407,500 and issued 815,000 subscription receipts.
- On March 16, 2021, the Company closed a private placement of 1,652,480 common shares at $0.50 per share for gross proceeds of $826,240.
- Subsequent to March 31, 2021, on April 7, 2021, upon the Company receiving final receipt from the British Columbia Securities Commission for its long-form non-offering prospectus and TSX-V approval for the listing of its common shares, 15,798,795 subscription receipts at $0.50 per subscription receipt for aggregate gross proceeds of $7,899,397 were converted into common shares of the Company without payment of any further consideration.

In March 2021, certain investors in subscription receipts authorized the Company to use their subscription proceeds before closing of the private placement. As of March 31, 2021, the following is a reconciliation of intended use of proceeds and actual cash expenditures related to release from escrow on April 7, 2021 of the gross proceeds of the subscription receipt private placement of $7,899,397.

Use of Funds	**Amount Intended**	**Actual Amount Spent**	**Difference**	**Explanation**
Financing cash commissions	75,180	-	75,180	Not all funds were spent yet
Remaining financing and IPO listing expenses	90,000	17,762	72,238	Not all funds were spent yet
Expansion to twenty-two (22) spoke kitchens during calendar year 2021	1,080,000	22,919	1,057,081	Not all funds were spent yet
Create and launch additional in-house brands	100,000	-	100,000	Not all funds were spent yet
Development of proprietary online order and delivery applications with embedded loyalty rewards program	600,000	-	600,000	Not all funds were spent yet
Expansion of Just Kitchen into the Hong Kong market	500,000	-	500,000	Not all funds were spent yet
Repayment of notes payable	471,000	-	471,000	Not all funds were spent yet
Sales and marketing	750,000	94,559	655,441	Not all funds were spent yet
General and administrative expenses	1,300,000	361,635	938,365	Not all funds were spent yet
Unallocated general working capital	2,933,217	-	2,933,217	Not all funds were spent yet
TOTAL	**7,899,397**	**496,875**	**7,402,522**	

Cash

As of March 31, 2021, the Company had cash of $553,461 compared with $530,022 of cash as of September 30, 2020. As of March 31, 2021, the Company also had $6,849,061 of cash held in escrow which relates to remaining proceeds from subscriptions receipts private placement. The gross proceeds of the subscription receipts private placement were released from escrow on April 7, 2021 upon the Company receiving final receipt from the British Columbia Securities Commission for its long-form non-offering prospectus and TSX-V approval for the listing of its common shares. The subscription receipts were converted to common shares of the Company at this date.

Cash Used in/ Generated from Operating Activities

Cash used in operating activities during the six months ended March 31, 2021 was $2,996,422 compared with $591,129 of cash generated from operating activities during the 126 days ended March 31, 2020, which consisted of (i) $3,121,933 (126 days ended March 31, 2020 - $361,227) of decrease in cash from expenses net of revenue, (ii) $35,181 (126 days ended March 31, 2020 - $15,947) of interest expense paid on leases and (iii) $160,692 (126 days ended March 31, 2020 - $(213,955)) increase (decrease) in cash position due to decrease in non-cash current working capital.

Cash Used in Investing Activities

Cash used in investing activities during the six months ended March 31, 2021 was $878,118 (126 days ended March 31, 2020 - $136,714) and it relates to the purchase of equipment. Increase in cash spent to purchase equipment is due to kitchen equipment purchased for new kitchen spokes.

Cash Generated from Financing Activities

Cash generated from financing activities during the six months ended March 31, 2021 was $10,553,073 compared with $902,138 during the 126 days ended March 31,2020, and consisted of: (i) $Nil (126 days ended March 31, 2020 - $850,000) proceeds from issuance of promissory notes payable, (ii) repayment of promissory notes payable $Nil (126 days ended March 31, 2020 - $73,789), (iii) payment of lease liabilities of $262,564 (126 days ended March 31, 2020 - $93,604), (iv) $Nil (126 days ended March 31, 2020 - $58,751) cash paid on corporate reorganization on February 28, 2020,(v) $2,916,240 (126 days ended March 31, 2020 - $278,282) of cash raised from issuance of common shares, and (vi) $7,899,397 (126 days ended March 31, 2020 - $Nil) raised from proceeds of the subscription receipts private placement.

Working Capital

As at March 31, 2021, the Company had a working capital deficiency of $1,968,011 compared with $464,553 as of September 30, 2020, due to an increase in accounts payable. Subsequent to March 31,2021 $7,899,397 was fully released from escrow upon conversion of the subscription receipts to common shares.

Liquidity Outlook

The Company's cash position varies based on the amount of capital raised via private placements, the amount capital invested and reinvested into the growth of the business by financing kitchen leasehold improvements and kitchen equipment for new service kitchen locations. The Company continues to open new kitchen locations in Taipei, Taiwan and it is also planning expanding operations into other countries. These new capital investments are expected to positively impact the Company's revenue and operating cash flow in future periods.

The Company's objective when managing capital is to maximize returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. The Company is not subject to externally imposed capital requirements. In managing the Company's capital structure, The Company's management reviews monthly and quarterly financial information and provides regular reports to the board of directors.

Going Concern

The Company's consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its commitments, realize its assets and discharge its liabilities in the normal course of business. As at March 31, 2021, the Company is still in the development stage and is in the process of building its business, opening new virtual kitchens, and building its brand and customer base. The Company's continuation as a going concern is dependent upon its ability to achieve profitable operations and raise additional financing through issuing equity or debt to meet current and future obligations. In assessing whether the going concern assumption is appropriate and whether there are material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern, management considers all available information about the future which is at least, but not limited to, twelve months from the end of the reporting period.

As at March 31, 2021, the Company had a working capital deficiency of $1,968,011, an accumulated deficit of $7,480,639 and for the six months ended March 31, 2021, the Company incurred a net loss of $4,959,959 and net cash outflows from operations of $2,996,422. Proceeds from the private placement of subscription receipts totaling $7,899,397 were fully released from escrow on April 7, 2021, after receiving final approval from the TSX.V. The Company has also obtained final receipt for, a base shelf prospectus (the "**Shelf Prospectus**") allowing the Company to offer up to $50,000,000 of common shares, warrants, subscription receipts or units or any combination thereof, from time to time during the 25-month period that the Shelf Prospectus is effective. Although the Company has previously been successful in obtaining financing in the past, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These conditions indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its consolidated statement of financial position.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Related Party Transactions

As of March 31, 2021, the Company's related parties and key management personnel consists of the Company's directors and executive officers.

Name/Personal Corporation	Relationship	Nature of Transaction
Jason Chen	CEO/Director	Management salaries, RSUs, Stock based compensation. Sales to, and purchases from, companies with a Director in common
ArkOrion Enterprises Inc. (Adam Kniec)	CFO and Corporate Secretary (effective November 25, 2020)	Consulting fees, RSUs and stock-based compensation
The Wuster Inc. (Kent Wu)	COO effective October 5, 2020	Consulting fees, RSUs and stock-based compensation
Yang Liu	Chief Strategy Officer (effective November 24, 2020)	Management salaries, RSUs and stock-based compensation
Mark Lin	Chief Technology Officer (effective November 24, 2020)	Management salaries, RSUs and stock-based compensation
John Yu	Chief Marketing Officer (effective November 24, 2020)	RSUs and stock-based compensation
E-Planet Communications (Danica Topolewski)	Corp Secretary (ceased November 24, 2020)	Consulting fees
True Skill Limited (Anthony De Graaf)	COO (ceased Oct 5, 2020)	Consulting fees and stock-based compensation
Chelmer Consulting Corp (Darren Devine)	Director since Nov 24, 2020	Consulting fees and stock-based compensation
JR Management Corp. (Darryl Cardey)	Director since Nov 24, 2020	Consulting fees and stock-based compensation
Kai Huang	Director since Nov 24, 2020	RSUs and stock-based compensation
Freddie Liu	Director since Nov 24, 2020	RSUs and stock-based compensation

As of March 31, 2021, the Company's related parties and key management personnel consists of the Company's director, executive officers and companies with which they are involved as directors and officers. Key management personnel are those persons that have authority and responsibility for planning, directing and controlling the activities of the Company, directly and indirectly. As of March 31, 2021, the Company's key management personnel consisted of the Company's directors and senior management (Chief Executive Officer, Chief Financial Officer, Chief Strategy Officer, Chief Technology officer, Chief Marketing Officer and Corporate Secretary). The Company incurred fees and expenses in the normal course of operations in connection with the key management and directors.

Details are as follows:

Nature of Transactions		March 31, 2021		March 31, 2020
Consulting fees	$	234,427	$	13,125
Salaries and benefits		161,561		-
Stock based compensation – performance warrants		811,298		-
Stock based compensation – stock options		233,919		-
Stock based compensation – RSUs		237,076		-
	$	1,678,281	$	13,125

(a) During the six months ended March 31, 2021, the Company recorded $234,427 (March 31, 2020 - $13,125) of consulting fees to the Company's Directors, CFO, COO and Corporate Secretary.

(b) During the six months ended March 31, 2021, the Company recorded $161,561 (March 31, 2020 - $Nil) of salaries to the Company's Director and CEO, CSO and CTO.

(c) During the six months ended March 31, 2021, the Company recorded $Nil (March 31, 2020 - $59,997) of revenue from companies with a Director in common, being the Company's CEO.

(d) During the six months ended March 31, 2021, the Company recorded $781 (March 31, 2020 - $Nil) of royalty expense on certain brand foods to a company with a Director in common, being the Company's CEO.

(e) During the six months ended March 31, 2021, the Company purchased $2,158 (March 31, 2020 - $Nil) of food products from a company with a Director in common, being the Company's CEO.

(f) Commitments

(i) As of March 31, 2021, the Company has an employment agreement with the Company's CEO for an indefinite term with basic annual compensation of $180,000. As part of the compensation, the Company also granted to the employee 6,100,000 Performance Warrants. In case of termination of the employment agreement by the Company without cause, or by the employee for cause, the employee is entitled to receive a severance payment equal to twelve (12) months of basic salaries and immediate vesting of Performance Warrants. In case of change of control, the employee is entitled to receive a severance payment equal to twenty-four (24) months of basic salaries and immediate vesting of Performance Warrants. Effective May 1, 2021, the Company's CEO agreement was amended by increasing basic annual compensation from $180,000 to $216,000 and declaring a performance cash bonus of $21,000; and

(ii) As of March 31, 2021, the Company has a consulting agreement with a company controlled by the Company's COO. The contract calls for monthly fees of $18,000 and expires on October 5, 2023. In case of termination of the consulting agreement by the Company for reasons other than for an event of default, the consultant is entitled to receive early termination fees equal to six (6) months of fees. In case of change of control, a compensation equal to twelve (12) months of fees is payable upon termination.

(iii) As of March 31, 2021, the Company has a consulting agreement with a company controlled by the Company's CFO. The contract calls for monthly fees of $10,000 and expires on April 30, 2023. In case of termination of the consulting agreement by the Company for reasons other than for an event of default, the consultant is entitled to receive early termination fees equal to six (6) months of fees. In case of change of control, a compensation equal to twelve (12) months of fees is payable upon termination.

(iv) As of March 31, 2021, the Company has 2 consulting agreements with 2 companies controlled by the Company's 2 directors. Each contract calls for monthly fees of $5,000 and expire on May 1, 2022. Unless terminated in writing, these contracts automatically renew for additional 12-month periods. In case of termination of the consulting agreement by the Company for reasons other than for an event of default, the consultant is entitled to receive early termination fees equal to six (6) months of fees. In case of change of control, a compensation equal to twelve (12) months of fees is payable upon termination.

The above transactions occurred in the normal course of operations and are measured at the amount of consideration established and agreed to by the related parties.

Critical Accounting Estimates and Use of Judgment

The preparation of financial statements requires management to make estimates, assumptions and judgments that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues, and expenses. These estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the review affects both current and future periods.

Significant estimates and judgments made by management that have a significant effect on the amounts recognized in these condensed consolidated interim financial statements are as follows:

Going concern

The assessment of whether the going concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but is not limited to, 12 months from the end of the reporting period.

Impairment of non-financial assets

Management is required to use judgment in determining the grouping of assets to identify their cash generating units ("**CGUs**") for the purposes of testing fixed assets for impairment. In addition, judgment is used to determine whether a triggering event has occurred requiring an impairment test to be completed for fixed asset and definite life intangible assets.

The recoverable amounts of CGUs and individual assets have been determined based on the higher of fair value less costs to sell or value-in-use calculations. The key assumptions the Company uses in estimating future cash flows for recoverable amounts are anticipated residual value of equipment, expected financing revenue from leasing of the equipment and future operating and financing costs. Changes to these assumptions will affect the recoverable amounts of CGUs and individual assets and may then require a material adjustment to their related carrying value.

Depreciation

The Company's property and equipment and right-of-use assets are depreciated on a straight-line basis. Management uses judgment in determining the estimated useful lives of the assets and residual values. Changes to these estimates may affect the carrying value of these assets, net earnings, and comprehensive income in future periods.

Leases

The Company has to make certain assumptions in estimating the present value of future lease payments and the estimated useful lives of the related assets. These assumptions include the allocation of value between the lease components, and discount rates.

In determining the carrying amount of the right-of-use asset and corresponding lease liabilities, assumptions include the non-cancellable term of the lease plus periods covered by an option to renew the leases and incremental borrowing rate. Renewal options are only included in the lease term if management is reasonably certain to renew. Management considers factors such as investments in major leasehold improvements, kitchen location performance and available renewal options. The Company is also required to estimate the incremental borrowing rate specific to each portfolio of leased assets with similar characteristics if the interest rate in the lease is not readily determined. Management determines the incremental borrowing rate using comparable interest rates that would be obtained if a financing was obtained from an independent financial institution to finance acquisition of a similar type of assets.

Performance warrants, stock options and restricted share units

The accounting for performance warrants, stock options and restricted share units requires management to make an estimate of the fair value of the warrants when granted based on the share price of the Company at the time of the grant as well as estimate around volatility, risk-free interest rates, and the probability of achieving certain vesting conditions.

Recent Accounting Pronouncements

Recently Adopted Accounting Pronouncements

Definition of a Business (Amendments to IFRS 3)

In October 2018, the IASB issued *Definition of a Business (Amendments to IFRS 3).* The amendments clarify the definition of a business with the objective of assisting entities to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. The amendment provides an assessment framework to determine when a series of integrated activities is not a business. The amendments are effective for business combinations occurring on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. The Company's adoption of this amendment on October 1, 2020 had no impact on the Company's condensed consolidated interim financial statements.

New Accounting Pronouncements Not Yet Effective

A number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended March 31, 2021, and have not been applied in preparing these financial statements. Pronouncements that are irrelevant or not expected to have a significant impact have as been excluded.

Amendments to IAS 1

This amendment clarifies the requirements relating to determining if a liability should be presented as current or non-current in the statement of financial position. Under the new requirement, the assessment of whether a liability is presented as current or non-current is based on the contractual arrangements in place as at the reporting date and does not impact the amount of timing of recognition. The amendment applies retrospectively for annual reporting periods beginning on or after January 1, 2022. The Company is currently evaluating the potential impact of these amendments on the Company's condensed consolidated interim financial statements.

Financial Instruments and Other Instruments

As of March 31, 2021, the Company's financial instruments consist of cash, cash held in escrow, accounts receivable, refundable deposits, accounts payable and promissory notes payable. The fair value of cash, cash held in escrow, accounts receivable, refundable deposits, accounts payable and accrued liabilities approximate their respective carrying values due to their short-term maturities. The fair value of promissory notes payable is equal to the carrying value because the underlying market rate did not change.

The Company's risk exposures and the impact on its financial instruments are summarized below:

Credit Risk – Credit risk is the risk that one party to a financial instrument will fail to fulfill an obligation and cause the other party to incur a financial loss. The Company's credit risk consists primarily of cash and accounts receivable. The credit risk is minimized by placing cash with large Canadian and Taiwanese financial institutions. Credit risk is managed through dealing with financially strong counterparties and regular cash collections. The Company's maximum exposure to credit risk is limited to the accounts receivable recognized on the consolidated statement of financial position.

As of March 31, 2021, the Company had receivables of $290,921 from two customers representing 70% of total trade receivables.

Currency Risk – The operating results and financial position of the Company are reported in Canadian dollars. As the Company's main operations are conducted in Taiwan through JK Taiwan using its functional currency, the New Taiwanese dollar (“**NTD**”), the Company is exposed to foreign currency transaction and translation risks. Assets and liabilities are translated based on the Company’s foreign currency translation policy.

As at March 31, 2021 and for the period then ended, a 10% decrease in the value of the Taiwanese dollar in relation to the Canadian dollar would have decreased net assets by approximately $71,926 and would have decreased net loss of the Company by approximately $265,553. The Company has not entered into any hedging agreements to mitigate currency risks with respect to foreign exchange rates.

Liquidity Risk – Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due if additional capital is not available to the Company when required. To mitigate this risk, the Company has a planning and budgeting process in place to determine the funds required to support its ongoing operations, lease and promissory notes payable, and capital expenditures. The Company ensures that sufficient funds are raised from debt or equity financings to meet its operating requirements, after taking into account its existing working capital and expected future revenues. The Company’s cash is held with major financial institutions. The Company’s cash is not invested in any asset backed deposits or investments.

The following table summarizes amounts and maturity dates of the Company’s contractual obligations as of March 31, 2021:

	2021 $	2022 $	2023 $	2024 $	2025 $	Total $
Accounts payable and accrued liabilities	2,264,022	-	-	-	-	2,264,022
Lease liability	633,174	607,387	532,671	254,383	162,884	2,190,499
Low-value leases	21,005	7,033	6,681	5,810	2,275	42,804
Promissory notes payable	-	456,329	-	-	-	456,329
	2,918,201	1,070,749	539,352	260,193	165,159	4,953,654

As at March 31, 2021, the Company had no kitchen renovation contracts in progress.

Outstanding Share Data

The following table summarizes the maximum number of common shares potentially outstanding as at March 31, 2021 and as of the date of this MD&A if all share purchase options, restricted share units and performance warrants were converted to common shares:

	As of March 31, 2021	**As of the date of this MD&A**
Common shares	43,013,784	59,162,288
Performance warrants	10,000,000	10,000,000
Share purchase options	4,265,000	4,265,000
Restricted share units	2,450,000	2,450,000
Fully diluted	58,076,304	75,877,288

As of March 31, 2021, we have excluded from the outstanding common shares 16,148,504 common shares related to the subscription receipts issued in December 2020 and March 2021 consisting of 15,798,795 shares associated with subscription receipts and 349,709 associated with the related finders’ fees.

Risks and Uncertainties

Details of the risks and uncertainties related to the Company’s business are set out in the Company’s Prospectus dated March 26, 2021 and the Company’s Shelf Prospectus dated May 21, 2021 under the heading “Risk Factors” which is available under the Company’s profile at www.SEDAR.com.