



WILDPACK BEVERAGE INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

THIRD QUARTER FISCAL 2023

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023, AND SEPTEMBER 30, 2022

(Expressed in thousands of United States Dollars)

Management's Discussion and Analysis

This Management's Discussion and Analysis ("MD&A") of Wildpack Beverage Inc. ("Wildpack", the "Company", "We", "Our" or "Us") provides information that Management believes is relevant to an assessment and understanding of the consolidated financial condition and results of operations of the Company. This MD&A should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2022, and December 31, 2021, and the condensed consolidated interim financial statements (unaudited) for the three and nine-months ended September 30, 2023, and September 30, 2022, and related notes therein, as publicly filed in Canada on the System for Electronic Document Analysis and Retrieval ("SEDAR") website.

We have prepared the condensed consolidated interim financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS") applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*.

The Company's functional and presentation currency is the United States dollar, except for Wildpack Beverage Inc., the Canadian entity, which has a functional currency of Canadian dollars. References to "\$" or "USD" are to United States dollars, while references to "C\$" are Canadian dollars. All dollar amounts in this MD&A are expressed in thousands of USD, with the exception of share and price, unless otherwise noted or the context otherwise provides.

This MD&A is prepared as of November 29, 2023. This MD&A includes certain statements that may be deemed "forward-looking information", "forward-looking statements", "future-oriented financial information" and "financial outlook". We direct readers to the section "Statement Regarding Forward-Looking Information" included within this MD&A.

The Company became a Reporting Issuer on May 17, 2021, when Ponderous Panda Capital Corporation completed the acquisition of all issued and outstanding equity of Wildpack Beverage Alberta Inc. ("Wildpack Alberta"). Ponderous Panda Capital Corporation subsequently changed its name to Wildpack Beverage Inc. The transaction was considered akin to a reverse acquisition as Wildpack Alberta's shareholders have the majority of the shareholding interest in Wildpack after the transaction, the continuing business is that of Wildpack and key management primarily consist of Wildpack Alberta's former key management.

Business Overview

The Company was incorporated on March 22, 2017, under the laws of British Columbia and is listed on the Toronto Stock Exchange Venture (CANS.TSXV). The Company's primary business activities include filling, decorating and brokering aluminum cans, along with brokering packaging materials, and printing labels and sleeves for the United States beverage market.

We operate five facilities, located in Baltimore, Maryland (the "Baltimore Facility"), Las Vegas, Nevada (the "Las Vegas Facility"), Sacramento, California (the "Sacramento Facility"), Marietta, Georgia (the "Georgia Facility"), and Grand Rapids, Michigan (the "Grand Rapids Facility").

We are currently focused on achieving profitable operations. Following that, we intend to expand our network of beverage manufacturing facilities across the United States through a combination of company acquisitions and facility construction. Our strategy is to leverage the fragmentation of the contract beverage packaging industry, the shift toward sustainable beverage packaging formats, and the expanding ready-to-drink beverage market into a sustaining business. We principally complete all production using the aluminum can format and primarily sell our contract packaging services to middle market beverage brands looking to expand their distribution nationally, while consolidating their supply chain into fewer vendors. Our customer base is diverse and includes regional and national brands.

Service Lines

Wildpack operates four major service lines. Filling services involve receiving from our customers or purchasing on their behalf specified raw ingredients, then mixing, and packaging them in accordance with their formula and pack-out specifications. The Company charges a tolling fee on a per can basis for this service.

Decorating services include the application of a customer designed label to a blank aluminum can. Beverage cans have a large printable surface, which is customarily utilized by beverage brands to advertise product specific designs and information. The Company charges an application fee on a per can basis.

Brokering services include procurement of aluminum cans and can related items including can ends, carriers, cartons, and trays. Ancillary to our brokering services, Wildpack also offers graphic design, warehousing, packaging engineering support, logistics, and material selection consultation. The Company charges a percentage mark-up on packaging goods for brokerage and consultation on a per unit basis.

Printing (labels and sleeves) services include receiving a customer’s art, procuring ink and label materials, consulting on label type, size and design and printing the labels to customer specifications. Wildpack is often commissioned to print for customers utilizing other service lines; in these cases, we coordinate with the rest of their production needs. The Company charges a printing fee on a per label basis.

Service Line by Facility				
Facility	Service Line			
	Filling	Decorating	Brokering	Printing
Baltimore	✓	✓	✓	
Las Vegas	✓	✓	✓	✓
Sacramento		✓	✓	
Marietta		✓	✓	
Grand Rapids			✓	

Operating Results

The ready-to-drink beverage segment, representing packaged beverages sold in a format immediately available for consumption upon purchase, continues to grow with new entrants and the movement towards sustainable formats. Wildpack focuses on the entry and middle segments of this market which are growing at the fastest relative rate and benefit most from vertically integrated services. We are principally focused on the aluminum can as a format in the near term with future expansion opportunities into other environmentally sustainable containers.

Production Volume by Service

Production volume is manufactured units, in thousands of 12oz standard equivalent cans, except printed volume which is in thousands of labels. Total volume is production volume combined with brokered volume, which is expressed in thousands of 12oz standard equivalent cans delivered. The following table summarizes production volume.

Service	Three months ended		Nine months ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Filled ¹	6,874	2,295	24,951	8,896
Decorated	14,984	8,639	42,254	28,201
Printed ³	12,997	6,812	40,187	17,689
Production Volume	34,855	17,746	107,392	54,786
Brokered ²	73,733	25,979	197,476	84,584
Total Volume	108,588	43,725	304,868	139,370

¹ Filled volume was converted from U.S. Gallons (128oz) into 12oz standard equivalent cans. 1 U.S. Gallon represents 10.67 12oz standard equivalent cans.

² Brokered cans include brokered units and tertiary packaging sales converted into 12oz standard equivalent cans. \$1 of tertiary packaging = 6.25 12oz standard equivalent cans.

³ Printing volume is measured in thousands of labels. One label is used to produce one decorated can.

Production volume in filling decreased Quarter 2 (“Q2”) 2023 to Quarter 3 (“Q3”) 2023 due to a planned installation of a new automated line in July 2023. This installation was completed on schedule but the subsequent scaled ramp in production did not go according to plan and a shortfall of planned production occurred. This had a negative impact on decorating, printing and brokering throughput due to the correlation with filling throughput resulting in an approximate flat quarter-over-quarter growth in those segments.

Plant Utilization by Service

Plant Utilization ("UTIL") is calculated as production volume divided by Plant Production Capacity ("CAP") and expressed as a percentage. Plant production capacity is determined based on available production time (using 24 hours multiplied by six working days per week), operational equipment rated throughput (theoretical max units per minute), and an expectation for equipment productive up-time (using our targeted 70.0%). Production capacity is in thousands of 12oz standard equivalent cans, except printed volume which is in thousands of labels. Brokerage is not constrained by production capacity. The following table summarizes plant production capacity and utilization by service.

	<u>Three months ended</u>		<u>Nine months ended</u>	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Filled	37.3%	16.5%	45.0%	17.4%
Decorated	34.6%	22.6%	32.5%	21.7%
Printed	54.2%	28.8%	55.8%	25.8%
Production Volume	40.7%	24.2%	41.7%	18.8%

UTIL continued to improve quarter over quarter and year over year due to production process improvement and static capacity. Management did not reduce capacity during the installation in Baltimore nor did we increase capacity following its installation. We intend to adjust the production capacity calculation following the successful ramp up of the Baltimore filling line, which has yet to occur. Similarly, additional production capacity was added to the Printing segment but is not yet reflected in the capacity and utilization calculations as the printing press engine is not yet in commercial production.

As discussed previously, operating leverage (measured as plant utilization) remains the most important driver of profitability due to the weight of fixed costs in our direct costs. Management expects the impact of operating leverage on gross profit to decrease as we continue to increase utilization. We saw negative pressure on gross margin during the quarter ended September 30, 2023, because of lower UTIL in the filling segment of the business, further supporting our views on operating leverage.

Confirmed Customer Orders

Confirmed Customer Orders are customer commitments for future orders in thousands of dollars. The following table summarizes confirmed customer orders by quarter.

	<u>Quarter ended</u>				
	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Confirmed Customer Orders¹	\$14,576	\$22,874	\$20,517	\$15,029	\$10,601

¹This data is consolidated confirmed sales orders data from the Company's enterprise resource software. Confirmed customer orders do not reflect recognized revenue and are subject to adjustment/reconciliation and may or may not be realized or realized in a particular period. Reporting began in July 2022

During the third quarter of 2023, we saw a significant decrease in Confirmed Customer Orders primarily resulting from being oversold in our filling division. Being oversold is due to our filling production being negatively impacted by the Baltimore filling line installation and general difficulty in increasing UTIL across the platform. To protect customer experience, Management began slowing filling sales which reduced total Confirmed Customer Orders due to the correlation between filling sales and the other segments. Our sales funnel remains healthy, which indicates that following improved production we can revert to increasing Confirmed Customer Orders at a similar pace to what was experienced in the previous three quarters.

Filling

During the three and nine-months ended September 30, 2023, plant production capacity, plant utilization, and filled production volume were 18.5 million cans, 37.3% and 6.9 million cans; and 55.5 million cans, 45.0%, 25.0 million cans respectively.

The decrease in Q2 to Q3, 2023 UTIL was driven by:

- Baltimore equipment installation;
- Baltimore post-installation ramp; and
- General difficulty increasing UTIL across the platform.

Demand for our filling segment remains the strongest of our segments. As such, we remain heavily focused on increasing throughput via engineering and process improvements. During the quarter we made the following changes to achieve this:

- Upgrade the Baltimore filling line to an automated solution that requires far fewer staff members;
- Increase the size of our production campaigns (grouping of the same size of can together) to reduce changeovers;
- Improved our scheduling to predict production time more accurately; and
- Deployed a machine operator training program aimed at reducing equipment related down time.

These improvements did not yield any benefits in the quarter due to the slower than expected ramp of the Baltimore line following installation. The miss in ramp is largely due to our operators lack experience in operating an automated line. Management is currently assessing options to accelerate the production throughput of that line.

During the quarter, Las Vegas continued to operate consistent shifts 24-hours/day, via a three-shift cycle, 5-days per week. Management remains hesitant to add additional shifts in Las Vegas (despite excess demand) due to the vulnerability of the processes encompassing operations to handle additional production volume. In Baltimore, we reduced production shifts to one for most of the quarter as we emerged from the installation. As of the date of this MD&A, we have increased the Baltimore filling production to two shifts and will continue to assess adding a third following adequate UTIL being achieved.

Filling continues to be the largest driver of demand for our decorating and printing segments. We continue to see customers seeking a provider who can manage their entire cost of ownership of a saleable final finished good. During the period we continued to focus on moving more customers into this 'all in' model of manufacturing, which provides for revenue in both the decorating and brokering, via ingredient and packaging procurement.

One of the negative impacts we have realized through this strategy is an increased demand on our working capital. This is largely because the bulk of our customers are on terms that are longer than those that we receive from our supplier vendors. Management is actively considering strategies to mitigate this working capital issue without creating downward pressure on demand, which provides benefits to our operational efficiency.

Decorating

During the three and nine-months ended September 30, 2023, plant production capacity, plant utilization, and decorated production volume were 43.3 million cans, 34.6% and 15.0 million cans; and 129.8 million cans, 32.5% and 42.2 million cans respectively.

The decorating division throughput was approximately flat Q2 to Q3 2023, largely due to the filling production lagging expectation.

Management believes that we should expect a continued decline in brewery-based demand for decorating services and an increasing correlation between filling and decorating customer demand. On a quarter over quarter basis, we saw the variance between decorating and filling volumes continue to narrow, which supports our thesis on their sustained increasing correlation.

Each facility operated on a single shift basis five days per week for most of the quarter. The teams were set up to have the ability to flex into two shifts when timelines or demand required. As filling continues to increase throughput, we expect decorating production volume to follow, which should result in two shifts being required in Baltimore and Las Vegas facilities, with the potential for additional shifts in Marietta and Sacramento facilities in Q1 2024.

We are currently able to print sleeves in less than three weeks. We have begun marketing this to customers who only utilize our decorating service. With lead time being the most important buying decision for decoration customers, we anticipate that this will have a positive impact on demand.

Decorating margins have marginally improved on a year-over-year basis largely driven by operating leverage resulting from increased throughput and a decrease in substrate (label material) costs due to larger buying power. Operating leverage remains the largest cost lever for this division and the primary focus of Management.

Wildpack owns one complete decorating line which is currently held in storage, waiting to be deployed into a new or existing plant. Management has decided to deploy this line at such a time that we have geographic specific customer sales orders sufficient to cover the ramp-up period as well as sustained demand.

Printing (Sleeve and Label)

During the three and nine-months ended September 30, 2023, plant production capacity, plant utilization, and printed production volume were 24.0 million sleeves, 54.2%, and 13.0 million sleeves; and 72.0 million sleeves, 55.8%, and 40.2 million sleeves respectively.

Printing production volume was approximately flat Q2 to Q3 2023, as we continued to focus on quality control, process optimization and the installation of our new printing press engine. The new press has the capacity to double our monthly printing production capabilities when it becomes fully operational as well as increasing the available offering to include pressure sensitive labels (PSLs), print stock, and certain wrappers.

Our PSL tests have continued to support an optimistic view that printing can develop into a strong stand-alone revenue source. PSLs are a label that is primarily applied at the production location (ex. on-site at a brewery) and has historically been an intermediary step before sleeved cans in a brands arch towards printed cans. Many breweries have reverted to using PSLs, or continued to use them long after most would have made the switch to a sleeved or printed can. Management believes that we can leverage our book of brokerage customers for blank aluminum cans into a captive customer base for PSLs.

We believe printing PSLs is a competitive advantage for us because we can manage more of the supply chain, shorten timelines, reduce complexity for the customer, and improve margins due to our expanding buying power. We have extended the trials through the end of the year but have initiated hiring a sales force for printing with the view of commencing the full program in Q1 2024.

With additional capacity from the new press and continued operating improvements driven by capital investment into the finishing portion of our printing operation, Management believes that before the end of 2023 we will be able to print sleeves confidently and consistently in under 7 days, which provides the opportunity to decorate and deliver within the critical 3-week timeframe. This should result in additional sleeve / PSL only demand for the Company driving increased revenue from a new PSL segment and increased decorating throughput. Following the quarter end, we have been able to successfully achieve this 7-day turn time for two consecutive weeks.

Brokering

During the three and nine-months ended September 30, 2023, we brokered 73.7 and 197.5 million can equivalents, respectively.

Brokering continues to improve as more of the backlog of Confirmed Sales Orders have artwork approved at our major vendor making their demand drawable. The bulk of the demand continues to transition to non-brewery customers, which synergizes strongly with our filling segment. This has balanced the drag on demand coming from a slow ramp in filling production, much of which includes a large amount of brokering revenue.

The lead time from confirmed sale to delivery for new customer printed cans remains at 12 weeks. Confirmed Sales Orders in this segment remain strong. As such, a backlog of approximately \$8.2 million continues to exist even though substantial deliveries have continued. This is also due to the bulk of these customers' orders being recurring in nature.

As our Filling segment's throughput increases and more customers opt for 'all in' services our Brokerage segment realizes increased demand primarily due to ingredient, carton, end, and tray sales. During the quarter, we saw a proportional stunting of brokering sales, which strengthens Management's conviction on how important a vertically integrated manufacturing partner is for middle market beverage brands. Filling is quickly becoming the major attraction from which our other segments, including brokering, can extract additional margin.

Our can and end supply agreements include rebates when certain volume thresholds are achieved. During the period, we met certain of these rebate levels, and we began to accrue these rebates to reduce costs related to sale of these products.

During the period we continued to strengthen the relationships with our supply partners to optimize national pricing for printed trays and cartons. We continue to grow this portion of the segment and expect to see it flourish on a similarly correlated trend with filling production.

During the period we also executed a four-year supply agreement with Ball Corporation ("Ball"). This agreement further entrenches our relationship and provides a strong purchasing power advantage when compared to most of our competitors. The agreement provides for several rebates at increasing volume thresholds. Management continues to hold its view that Ball has the best quality cans in the North American market, and having access to them is a major benefit to the long-term success of Wildpack.

Financial Results

	Note	Three months ended September 30,		Nine months ended September 30,	
		2023	2022 (Restated, note 21)	2023	2022 (Restated, note 21)
Sales	13	\$14,776	\$8,171	\$42,570	\$25,611
Cost of sales					
Production costs	14	12,894	7,662	36,397	23,358
Depreciation and amortization	6, 7, 8	633	1,004	1,796	2,313
Cost of sales		13,527	8,666	38,193	25,671
Gross profit		1,249	(495)	4,377	(60)
Operating expenses					
Selling		857	673	2,752	1,979
Salaries, wages, and benefits		1,136	1,587	4,561	5,254
Depreciation and amortization	6, 7, 8	1,007	968	2,840	2,858
Office and administrative		613	552	1,796	1,472
Share-based compensation	12	494	116	1,026	297
Professional fees		52	294	939	1,216
Bad debt		350	529	730	655
Other operating		136	199	428	11
Operating expenses		4,645	4,918	15,072	13,742
Other expenses					
Bank and finance charges	10	1	4	157	25
Interest on long-term debt	10	2,627	1,233	5,754	3,753
Interest on lease obligations	9	156	177	415	570
Loss on derivative asset	11	–	(2)	–	151
Foreign exchange loss		2	–	11	–
Other expenses		2,786	1,412	6,337	4,499
Net loss		\$(6,182)	\$(6,825)	\$(17,032)	\$(18,301)

Three and nine-months ended September 30, 2023, compared to the three and nine-months ended September 30, 2022

During the year ended December 31, 2022, the Company identified an inaccuracy in the accounting treatment of the convertible debentures, which resulted in an unsuitable classification and measurement of the embedded derivative instruments between host debt, derivative assets, derivative liabilities, and equity, for the year ended December 31, 2021. As a result of the change in accounting treatment, the consolidated statements of financial position, loss and comprehensive loss, changes in shareholders' equity, and cash flows are restated for the three and nine-month period ended September 30, 2022.

Net loss

The Company had a net loss of \$6.18 million and \$17.03 million in the three and nine-month period ended September 30, 2023, respectively, and \$6.83 million and \$18.30 million for the three and nine-month period ended September 30, 2022. The decrease in net loss period over period is the result of elevated gross profit from additional sales.

Revenue

Revenues amounted to \$14.78 million and \$42.57 million in the three and nine-month period ended September 30, 2023, respectively, and \$8.17 million and \$25.61 million for the three and nine-month period ended September 30, 2022. Revenue increased 66% in the nine-month period ended September 30, 2023 over the comparable period in the prior year, through increased facility utilization and total volume.

Cost of sales

Cost of sales amounted to \$13.53 million and \$38.19 million in the three and nine-month period ended September 30, 2023, respectively, and \$8.67 million and \$25.67 million for the three and nine-month period ended September 30, 2022. Cost of sales increased 49% in the nine-month period ended September 30, 2023 over the comparable period in the prior year, due to increased throughput and is in line with the overall increase in revenue.

Selling expenses

Selling expenses were \$0.86 million and \$2.75 million for the three and nine-month ended September 30, 2023, respectively, and \$0.67 million and \$1.98 million for the three and nine-month period ended September 30, 2022. Selling expenses include wages, salaries, benefits, and commissions paid to the Company's sales team. Commissions are earned based on confirmed sales orders. Average monthly confirmed sales orders significantly increased from comparable periods, in line with an increase in the size and efficiency of the sales team.

Salaries, wages, and benefits

Salaries, wages, and benefits were \$1.14 million and \$4.56 million for the three and nine-month period ended September 30, 2023, and \$1.59 million and \$5.25 million for the period ended September 30, 2022. The decrease in salaries, wages, and benefits is the result of a reduction in growth related employees who were released as part of the workforce reduction action taken in quarters ended March 31, 2022 and June 30, 2022. As utilization grows, Management expects modest growth in this category to support operations.

Depreciation and amortization

Depreciation and amortization expenses were \$1.01 million and \$2.84 million for the three and nine-month period ended September 30, 2023, respectively, and \$0.97 million and \$2.86 million for period ended September 30, 2022. Depreciation and amortization expenses decreased slightly due to the impairment of intangible assets recognized at the end of December 31, 2022, impacting the nine-month period ended September 30, 2023.

Office and administration

Office and administrative expenses were \$0.61 million and \$1.80 million for the three and nine-month period ended September 30, 2023, respectively, and \$0.55 million and \$1.47 million for the three and nine-month period ended September 30, 2022. Office and administrative expenses increased marginally because of increased operations activity.

Share-based compensation

Share-based compensation was \$0.49 million and \$1.03 million for the three and nine-month period ended September 30, 2023, respectively, and \$0.12 million and \$0.30 million for the period ended September 30, 2022. Share-based compensation includes non-cash consideration provided to management, directors, and employees in the form of stock options and restricted share units. Share-based compensation increased due to the timing of grants and vesting.

Professional fees

Professional fees were \$0.05 million and \$0.94 million for the three and nine-month period ended September 30, 2023, respectively, and \$0.29 million and \$1.22 million for the period ended September 30, 2022. Professional fees include legal, accounting, human resource hiring fees, and other services required for regulatory compliance. The decrease in professional fees is explained by the settlement of various lawsuits.

Bad debt

Bad debt expenses were \$0.35 million and \$0.73 million for the three and nine-month period ended September 30, 2023, respectively, and \$0.53 million and \$0.66 million for the three and nine-month period ended September 30, 2022. Bad debt expense originates from an allowance for doubtful accounts. The decrease in bad debt expense in the current and comparable three-month period ending September 30, is due to a change in the relative aging of accounts receivable. Accounts receivable has increased due to an increase in sales revenue.

Interest on long-term debt

Interest on long-term debt was \$2.63 million and \$5.75 million for the three and nine-month period ended September 30, 2023, respectively, and \$1.23 million and \$3.75 million for the three and nine-month period ended September 30, 2022. Interest on long-term debt increased due to interest paid on the debentures and the credit facility obtained from TAB bank and Sandton Capital Partners, which was not present in the comparative period.

Summary of Quarterly Financial Results

The following table contains selected quarterly information derived from the Company's unaudited quarterly condensed consolidated interim financial statements, which are reported under IFRS applicable to interim financial reporting.

During the year ended December 31, 2022, the Company identified an inaccuracy in the accounting treatment of the convertible debentures, which resulted in an unsuitable classification and measurement of the embedded derivative instruments between host debt, derivative assets, derivative liabilities, and equity, for the year ended December 31, 2021. As a result of the change in accounting treatment, the consolidated statements of financial position, loss and comprehensive loss, changes in shareholders' equity, and cash flows are restated for the year ended December 31, 2021, in order to be consistent with the 2022 treatment. The following analysis is prepared excluding the impacts of the restatement on the comparative period balances. Please reference note 28 in the consolidated annual financial statements.

<i>(in thousands of dollars, except earnings per share)</i>	2023 Q3	2023 Q2	2023 Q1	2022 Q4	2022 Q3	2022 Q2	2022 Q1	2021 Q4
Revenue	\$14,776	\$15,181	\$12,613	\$9,763	\$8,171	\$8,911	\$8,529	\$6,644
Net loss	(6,182)	(5,326)	(5,524)	(18,344)	(6,825)	(5,933)	(5,543)	(12,967)
EPS (LPS) – Basic	(0.05)	(0.05)	(0.05)	(0.18)	(0.07)	(0.06)	(0.05)	(0.21)
EPS (LPS) – Diluted	(0.05)	(0.05)	(0.05)	(0.18)	(0.07)	(0.06)	(0.05)	(0.21)

Our financial results are primarily driven by production, acquisition, and construction activities. Significant changes in these factors directly impact our revenue, net income (loss), and comprehensive income (loss).

- Our financial results for the third quarter ended September 30, 2023, were impacted by the installation of the Baltimore facility filling line, which negatively impacted filling production volume, revenue and gross profit. Revenue and gross profit outperformed expectations, after adjusting for the installation and subsequent slower production ramp up. Operating expenses were contained, slightly decreasing from the comparable period in 2022, and significantly decreasing Q2 to Q3 due to a reduction in salaries, wages, and benefits. Net loss was impacted by increased interest expense from the additional Sandton Capital Partners debt.
- Our financial results for the second quarter ended June 30, 2023, were impacted by increasing total unit volume, leading to increased revenue and cost of sales, with an overall improvement in gross profit correlating with elevated levels of plant utilization. Operating expenses were elevated due to selling expenses as confirmed sales orders continue to increase. Net loss was impacted by increased interest expenses from the additional Sandton Capital Partners debt.
- Our financial results for the first quarter ended March 31, 2023, were impacted by continued strong total unit volume, leading to increased revenue and cost of sales, with an overall improvement in gross profit. Operating expenses were elevated due to professional fees and bad debts. Net loss was further impacted by increased interest expenses from the new TAB credit facility.
- Our financial results for the fourth quarter ended December 31, 2022, were impacted by strong total unit volume, leading to increased revenue and cost of sales. Cost of sales was negatively impacted by a net realizable value adjustment in inventory. Net loss was impacted by intangible asset and goodwill impairment.

Acquisitions and Reverse Acquisitions

The Company became a Reporting Issuer on May 17, 2021, when Ponderous Panda Capital Corporation completed the acquisition of all issued and outstanding equity of Wildpack Beverage Alberta Inc (“Wildpack Alberta”). Ponderous Panda Capital Corporation subsequently changed its name to Wildpack Beverage Inc. The transaction was considered akin to a reverse acquisition as Wildpack Alberta’s shareholders have the majority of the shareholding interest in Wildpack after the transaction, the continuing business is that of Wildpack and key management primarily consist of Wildpack Alberta’s former key management.

The Company did not make any acquisitions during the three-month period ended September 30, 2023.

2023 Outlook

Management believes that our filling division must achieve 6.0 million units per month to achieve cash flow positive operations. Baltimore’s filling line production startup has occurred at a slower rate than projected, which makes achievement of the cash flow positive operations in 2023 challenged. The key assumptions that Management is relying upon to maintain this outlook include:

- Continued sales increases;
- Continued increases in plant utilization;
- Market trends; and
- Improvements in production yields.

The key risk factors relating to these assumptions include:

- Sales do not continue to increase;
- The Company does not achieve utilization of the capacity of its facilities as anticipated;
- Market trends change; and
- Production yields do not continue to improve.

Our strategy remains more narrowly focused on becoming cash flow positive, which will result in moderating the top line growth to some degree. Areas of focus to achieve this goal include:

- Automating the Baltimore and Las Vegas’ filling lines to increase throughput and decrease headcount;
- Completing requests for proposal for all key raw materials inputs in an effort to reduce costs;
- Add additional capacity in our existing facility footprint to amortize fixed costs across more throughput;
- Maintain cost containment as a core philosophy within all departments to reduce spending; and
- Increase total cans brokered to benefit from a rebate-based reduction in product unit cost across all operating segments (other than printing).

Management believes that remaining narrowly focused on positive cashflow will achieve the greatest value for stakeholders.

Liquidity and Capital Resources

As at September 30, 2023, the Company had a working capital deficit of \$3,318, an accumulated deficit of \$77,054, and cash of \$1,075. During the nine-month period ended September 30, 2023, the Company incurred a net loss of \$17,032 and used cash of \$17,265 in its operating activities. The Company's history of losses and cash outflows from operations represent a material uncertainty that may cast significant doubt on the Company's ability to meet its obligations as they come due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

The Company's strategy is to develop into profitable operations and where merited to grow through acquisition and development. Such acquisitions and development may be funded by cash, debt, and share issuances. The Company's continuation as a going concern is dependent upon its ability to attain profitable operations and generate cash or raise equity capital or borrowings sufficient to meet current and future obligations. Further acquisitions will likely require additional financing and there can be no assurance that such financing will be available to the Company on acceptable terms. If necessary, the Company may explore opportunities to revise the due dates of its liabilities, and/or settle its liabilities through the issuance of common shares and other equity instruments.

The capital resources currently available to and being considered by the Company are as follows:

- 1) Debt
- 2) Equity
- 3) Convertible Debentures

Debt

On April 18, 2023, the Company entered into a promissory note (the “Bridge Loan”) with Sandton Credit Solutions Master Fund V, LP, an affiliate of Sandton Capital Partners, L.P (the “Lender”) totaling \$12,500. The Bridge Loan bears an interest rate of 13% per annum with interest accruing during the 12-month term of the loan. The Company paid \$75 in transaction costs related to the closing of the Bridge Loan which were expensed during the nine-month period ended September 30, 2023.

On May 23, 2023 the Company and the Lender entered into an amended and restated loan agreement (the “Loan”) which extinguished the Bridge Loan and established a non-revolving term credit facility in the principal amount of \$25,000 between the Lender and the Company’s wholly-owned US subsidiaries.

The Loan is comprised of a 48-month secured term loan bearing an interest rate of 13% per annum. For any period during which an event of default has occurred and gone uncured or waived, the applicable interest rate shall be increased to an annual rate of 18% per annum. The Loan is secured by a first priority lien on all assets of the Company and its Subsidiaries and is guaranteed by the Company and its Subsidiaries. The Company's shares have also been pledged as security in connection with the Loan. The Company paid \$80 in transaction costs which are being amortized over the 48-month term.

In connection with the transaction, the Company has granted to the Lender an option to convert the loan into approximately 49% of the equity of Thirsty Cat, LLC, a wholly owned subsidiary of the Company, which holds interests in all of the Company's U.S. operations representing substantially all of the principal business assets of the Company.

On October 12, 2023, the Company closed an amendment to its term loan with Sandton. Pursuant to an amended and restated loan agreement, an additional loan tranche in the amount of \$5,000 was made available to the Company. The additional tranche bears interest at a rate of 15% per annum and matures on October 10, 2026. All interest accruing on the additional tranche, up to and including November 1, 2024, will be added to the principal balance and will thereafter accrue interest. Following November 1, 2024, monthly interest payments will be made.

Convertible Debentures

On March 31, 2022, the Company closed a public offering of 5,007 convertible debenture units for gross proceeds of \$4,007 ("Series 3" debentures). Each debenture unit consists of (i) one 8% senior unsecured convertible debenture having a face value of C\$1,000, which is convertible into common shares of the Company at a conversion price of C\$1.00 per common share and matures four years from the closing date; and (ii) 500 common share purchase warrants ("Warrants S3") of the Company. Interest is paid quarterly.

Each Warrant S3 entitles the holder thereof to purchase one common share at C\$1.50 per share for a period of two years, expiring March 31, 2024. In connection with the March 2022 offering, the underwriters received a cash commission equal to \$150 and the Company also issued compensation warrants to the underwriters entitling them to purchase an aggregate of 50,420 common shares at a price of C\$1.00 per share until March 31, 2024.

On November 23, 2021, the Company issued 20,000 convertible debenture units, for consideration of \$14,795 ("Series 2" debentures). Each debenture unit consists of (i) one 8% senior unsecured convertible debenture having a face value of C\$1,000 which is convertible into common shares of the Company at a conversion price of C\$1.51 per common share and matures on November 23, 2025; and (ii) 332 common share purchase warrants ("Warrants S2") of the Company. Each Warrant S2 entitles the holder thereof to purchase one common share at C\$1.81 per share for a period of two years, expiring November 23, 2023.

On June 30, 2021, the Company issued 20,000 convertible debenture units for consideration of \$15,017 ("Series 1" debentures). Each debenture unit consists of (i) one 8% senior unsecured convertible debenture having a face value of C\$1,000, which is convertible into common shares of the Company at a conversion price of C\$1.51 per common share and matures on June 30, 2025; and (ii) 332 common share purchase warrants ("Warrants S1") of the Company. Each Warrant S1 entitles the holder thereof to purchase one common share at C\$1.81 per share for a period of two years, expiring June 30, 2023.

At any time following the expiry of 36 months after issuance for Series 1 and 2 (24 months after issuance Series 3), the Company may, at its option, redeem pro rata all or part of the convertible debentures, upon not less than 30 nor more than 60 days' prior written notice, at a redemption price which is equal to 110% of the principal amount thereof, plus any accrued and unpaid interest that would otherwise be payable to the holder from the time of the optional redemption until maturity.

The Company may force the conversion of all but not less than all of the principal amount of the then outstanding convertible debentures at the conversion price if the volume weighted average trading price of the Company's common shares on the TSX Venture Exchange is greater C\$1.50 (Series 3 issuance) for the preceding 10 consecutive trading days and C\$2.19 (Series 1 and Series 2 issuances) for the preceding 20 consecutive trading days. Holders having their convertible debentures converted, at a redemption price equal to 110% of the principal amount, will receive accrued and unpaid interest thereon in cash.

The Company determined that the convertible debenture is a compound instrument consisting of (i) a debt component, which has been presented within debt (note 10); (ii) a derivative asset, which has been presented separately, and (iii) equity and equity warrants components which have been presented within equity reserve. The Company exercised judgement in determining the fair value of the derivative asset. The valuation is considered to be level 3 in the fair value hierarchy.

Commitments and Contingencies

Commitments

The following table provides our contractual obligations as of September 30, 2023:

	Carrying amount	Contractual undiscounted cash flows	Within 1 year	1 to 5 years	Over 5 years
Accounts payable and accrued liabilities	\$15,168	\$15,168	\$15,168	\$–	\$–
Long term debt	51,880	73,360	7,514	65,846	–
Lease obligation	8,903	10,787	3,053	7,734	–
Total	\$75,951	\$99,315	\$25,735	\$73,580	\$–

Contingencies

The Company is, from time to time, involved in various claims, legal proceedings, tax assessments and complaints arising in the ordinary course of business from third parties. The Company cannot reasonably predict the likelihood or outcome of these actions. The Company does not believe that adverse decisions in any other pending or threatened proceedings related to any matter, or any amount which may be required to be paid by reason thereof, will have a material effect on the financial condition or future results of operations. Accordingly, no provision or further disclosure has been made as the likelihood of a material outflow of economic benefits in respect of such claims is considered remote. In forming this assessment, management has considered the professional advice received and tax laws in place in the various jurisdictions, and the facts and circumstances of each individual claim. In the opinion of management, all such claims and suits are adequately covered by insurance, or are provided in the financial statements or, if not so covered or provided for, the results are not expected to materially affect the Company's financial position or results of operations.

Lawsuits

The Company routinely enters contracts for service with its customers. Due to the nature of beverage manufacturing, unfavorable customer outcomes are possible, outside of the Company's control. Customers may pursue litigation to attempt to recover costs.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements requiring disclosure under this section.

Related Party Transactions

Key management compensation

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company. The Company has determined that key management personnel consist of members of the Board and the Company's Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), and Chief Growth Officer ("CGO"). Compensation provided to key management personnel for the nine-month periods ended September 30, 2023, and September 30, 2022, were as follows:

	September 30, 2023	September 30, 2022
Short-term employee benefits, including salaries	\$1,322	\$1,208
Share-based compensation	1,037	257
Total	\$2,359	\$1,465

Related party transactions

The Company has entered into employment agreements with each of the officers, including CEO, CFO, and CGO. Under the employment agreements, the officers receive a base salary, extended benefits and are eligible for an annual performance-based bonus and long-term incentive awards determined at the discretion of the Board of Directors.

Promissory Notes

During the period ended September 30, 2023, the Company did not enter into any additional promissory notes with related parties. Of the existing promissory notes, the Company repaid \$nil during the period.

During the year ended December 31, 2022, the Company received \$893 in promissory notes from related parties of which \$619 were repaid during the year.

Grand Rapids – Building Rent

On December 1, 2021, the Company entered into an 8-year term lease agreement at prevailing market rates for its Land and Sea operations in Grand Rapids, Michigan, with Q4 Development LLC, an entity owned by a former employee of the Company. The total lease liability as at September 30, 2023 is \$1,281 (September 30, 2022 – \$1,432) of which \$166 is current and \$1,115 is non-current.

Significant Accounting Estimates, Assumptions, and Judgements

The preparation of the condensed consolidated interim financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue, and expenses. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue, and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. Adjustments are made to income as appropriate in the period changes in estimates become known. There have been no changes in the nature of the significant judgements and estimates in these condensed consolidated interim financial statements as compared to the audited consolidated financial statements for the years ended December 31, 2022 and December 31, 2021.

Significant accounting policies

The significant accounting policies applied in the preparation of these condensed consolidated interim financial statements are consistent with the accounting policies disclosed in note 3 of the audited consolidated financial statements for the years ended December 31, 2022 and December 31, 2021.

Financial Instruments

The main risks arising from the Company's financial instruments are fair value risk, credit risk, liquidity risk and market risk (specifically interest rate risk and currency risk). These risks are from exposures that occur in the normal course of business and are managed by the Company's officers. The Company's officers manage these risks in line with the Company's strategy.

The main purpose of these financial instruments is to finance the Company's growth and ongoing operations. The following financial instruments arise from the Company's operations:

Cash	\$1,075
Cash held in trust	658
Accounts receivable	11,823
Sales taxes recoverable	237
Accounts payable and accrued liabilities	15,168
Debt	51,880
Lease obligation	8,903

Financial assets and financial liabilities, including derivatives, are recognized on the statements of financial position when the Company becomes a party to the financial instrument or derivative contract.

Classification

The Company classifies its financial instruments in the following measurement categories: (a) fair value through profit and loss (“FVTPL”), (b) fair value through other comprehensive income (“FVTOCI”), and (c) amortized cost. The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as amortized cost unless they are irrevocably designated at initial recognition as those to be measured at FVTPL or requiring classification as FVTPL. For assets and liabilities measured at FVTPL, gains and losses are recorded in the statement of income (loss). For liabilities designated at FVTPL, changes due to the Company’s own credit are recorded in other comprehensive income. The Company’s derivative liabilities are designated at FVTPL in the period presented.

The Company reclassifies financial assets when its business model for managing those assets changes. Financial liabilities are not reclassified. Derivatives are recognized at their fair value.

Expected credit loss (“ECL”) impairment model

The Company uses the expected credit loss impairment model, which is based on changes in credit quality since initial application. This model is applied to assets measured at amortized cost.

- A maximum 12-month allowance for ECL is recognized from initial recognition reflecting the portion of lifetime cash shortfalls that would result if a default occurred in the 12 months after the reporting date, weighted by the risk of a default occurring.
- A lifetime ECL allowance is recognized if a significant increase in credit risk is detected subsequent to the instrument’s initial recognition reflecting lifetime cash shortfalls that would result over the expected life of a financial instrument.
- A lifetime ECL allowance is recognized for credit impaired financial instruments.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 60 days past due. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full or when the financial asset is more than 180 days past due. For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The carrying amount of a financial asset is partially or fully written off when there is no realistic prospect of recovery. This typically occurs when the Company determines that the debtor does not have sufficient assets or cash flows to repay the amounts.

Measurement

All financial instruments are measured at fair value on initial recognition, plus, in the case of a financial asset or financial liability not at FVTPL, transaction costs that are directly attributable to the acquisition or issuance of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost in subsequent accounting periods. All other financial assets including equity investments are measured at their estimated fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income (loss).

The Company's classification of financial assets and liabilities is summarized below:

Cash and cash equivalents	Amortized cost
Cash held in trust	Amortized cost
Accounts receivable	Amortized cost
Due from/to related parties	Amortized cost
Derivative assets	FVTPL
Accounts payable and accrued liabilities	Amortized cost
Line of credit	Amortized cost
Debt	Amortized cost and FVTPL
Debenture derivatives	FVTPL

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of income (loss).

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid or payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statements of loss and comprehensive loss.

Fair value hierarchy

The determination of fair value requires judgment and is based on market information, where available and appropriate. The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

Derivatives

Derivative instruments, including embedded derivatives in financial liabilities or non-financial contracts, such as the forced conversion of convertible debentures, and non-hedge derivatives, such as foreign exchange contracts, are recorded at FVTPL and, accordingly, are recorded on the statement of financial position at fair value. Fair values for derivative instruments are determined using valuation techniques, with assumptions based on market conditions existing at the statement of financial position date. Changes in fair value at each reporting date are included in the statement of loss and comprehensive loss on financial instruments at fair value.

Outstanding Share Data

As of the date of this MD&A, the Company had the following number of securities outstanding:

	Number of securities	Exercise price (\$)	Exercise price currency	Weighted average remaining life (years)
Common shares	100,183,769	n/a		
Stock options	4,063,686	\$0.45 - \$1.20	CAD	1.44
Compensation warrants	50,420	\$1.00	CAD	0.35
Restricted share units ³	13,200,500	n/a	CAD	0.57
Share purchase warrants	13,843,706	\$1.26 - \$1.81	CAD	0.87
Total	131,342,081			
Convertible Debentures ^{1,2}	45,007	\$1.00 - \$1.51	CAD	1.96

¹40,000 Convertible debentures are convertible into common shares at a ratio of 1 debenture, holding a face value of C\$1,000 per debenture, convertible into 667 common shares.

²5,007 Convertible debentures are convertible into common shares at a ratio of 1 debenture, holding a face value of C\$1,000 per debenture, convertible into 1,000 common shares.

³The Company may settle RSUs in cash or common shares of the Company, on a basis of one common share for each RSU.

Risks and Uncertainties

Consumer product manufacturing and wholesale involves several risks and uncertainties, many of which are beyond our control. These risks and uncertainties include, without limitation, the risks discussed elsewhere in this MD&A, those identified in our Annual Information Form for the year ended December 31, 2022, and our other disclosure documents as filed in Canada on SEDAR at www.sedar.com. You should carefully consider such risks and uncertainties prior to deciding to invest in our securities.

Supply Chain

Any interruption or delay in the Company's supply chain, or the inability to obtain such products from alternate sources at acceptable prices and within a reasonable amount of time, would harm the Company's ability to supply such products to our customers on a commercially reasonable basis. This could harm the Company's relationship with its customers, prevent it from attracting new customers, and materially and adversely affect its business. Further, the Company's suppliers, service providers and distributors may elect, at any time, to breach or otherwise cease to participate in supply, service or distribution agreements, or other relationships, on which its operations rely. Ball Corporation is identified as a key supplier.

Loss of suppliers, service providers or distributors would have a material adverse effect on the Company's business and operational results. Such disruption of operations could adversely affect inventory supplies and the Company's ability to meet product delivery deadlines. The Company partially relies on certain can manufacturers that operate facilities outside of North America. Geopolitical events such as the Russia-Ukraine or Israel-Palestine conflict could disrupt shipping channels utilized for packaging supply. The Company's diversified supply chain and inventory strategy may prove to be inadequate to mitigate these shipping issues.

The Company is exposed to commodity price volatility in respect of aluminum. The Company's pricing strategy and relative customer demand in-elasticity to price changes may prove to be ineffective, resulting in negative gross margin variances. The Company's supply chain has not been materially impacted by the current wars between Ukraine and Russia nor Israel and Palestine.

Public Health Crises, Including COVID-19

Emerging infectious diseases or the threat of outbreaks of viruses or other contagions or epidemic diseases or pandemics, including the COVID-19 outbreak, could have a material adverse effect on the Company by causing operational and supply chain delays and disruptions (including as a result of government regulation and prevention measures), labour shortages and shutdowns, social unrest, breach of material contracts and customer agreements, government or regulatory actions or inactions, changes in tax laws, payment deferrals, increased insurance premiums, decreased demand, delays in permitting or approvals, governmental disruptions, capital markets volatility, or other unknown but potentially significant impacts. Throughout the COVID-19 pandemic, the Company has operated continuously under the stringent directives provided by federal, state and county authorities. While an outbreak of COVID-19 at a Company facility could result in significant disruption to operations, including a suspension of production, the Company has established COVID-19 management plans and implemented enhanced protocols and preventative measures to manage and mitigate the spread of COVID-19. Our exposure to such public health crises also includes risks to employee health and safety. Should an employee or visitor become infected with a serious illness that has the potential to spread rapidly, this could place our workforce at risk. The COVID-19 outbreak has, to-date, caused extreme volatility in financial markets and commodity prices, a slowdown in economic activity, and has raised the prospect of a global recession.

In addition, a significant outbreak of contagious diseases in the human population, such as COVID-19, could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries,

resulting in an economic downturn that could result in a material adverse effect on demand for packaged beverage products, investor confidence, and general financial market liquidity, all of which may adversely affect the Company's business and the market price of the Common Shares. Accordingly, any outbreak or threat of an outbreak of an epidemic disease or similar public health emergency, including the COVID-19 outbreak, could have a material adverse effect on the Company's business, financial condition, and results of operations. It is unknown whether and how the Company may be affected if a pandemic, such as the COVID-19 outbreak, persists for an extended period.

Information Technology and Cybersecurity

The Company's information systems, and those of its third-party service providers, creditors, and vendors, are vulnerable to an increasing threat of continually evolving cybersecurity risks. These risks may take the form of malware, computer viruses, cyber threats, extortion, employee error, malfeasance, system errors or other types of risks, and may occur from inside or outside of the organization. Cybersecurity risk is increasingly difficult to identify and quantify and cannot be fully mitigated because of the rapidly evolving nature of the threats, targets, and consequences. Additionally, unauthorized parties may attempt to gain access to these systems or the Company's information through fraud or other means of deceiving the Company's third-party service providers, employees, creditors, or vendors.

The Company's operations depend, in part, on how well it and its suppliers protect networks, equipment, information technology systems and software against damage from a number of threats. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems, and software, as well as pre-emptive expenses to mitigate the risks of failures. The Company's operating results may be adversely affected by a breakdown of its information technology systems or a failure to develop those systems. The Company depends on key information systems to conduct its business, to provide information to management and to prepare financial reports.

Labour Supply and Unionization

The labour market in the United States is currently constrained. The Company's ability to flexibly adjust labour hours and maintain capacity depends on sufficient and economical labour. We manage this consideration through competitive compensation packages and consistent hiring practices. Currently, there are no indications of unionization of the Company's employees. Should unionization occur, it would negatively impact the Company's operating costs and decrease its profit margins.

International Conflict

International conflict and other geopolitical tensions and events, including war, military action, terrorism, trade disputes, and international responses thereto have historically led to, and may in the future lead to, uncertainty or volatility in the global supply chain and financial markets. Russia's invasion of Ukraine has led to sanctions being levied against Russia by the international community and may result in additional sanctions or other international action, any of which may have a destabilizing effect on commodity prices, supply chain and global economies more broadly. Supply chain disruptions may adversely affect our business, financial condition, and results of operations.

The extent and duration of the current Russian-Ukrainian conflict and related international action cannot be accurately predicted at this time and the effects of such conflict may magnify the impact of the other risks identified, including those relating to commodity price volatility, global financial conditions and supply chain disruptions. The situation is rapidly changing and unforeseeable impacts, including on our shareholders and counterparties on which we rely and transact with, may materialize, and may have an adverse effect on our business, results of operation and financial condition.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this MD&A and certain information incorporated herein by reference constitute forward-looking statements. Forward-looking statements include, but are not limited to, statements with respect to the Company's plans or future financial or operating performance, the estimation of sales volumes and production throughput, anticipated growth in co-packing, decorating or brokering business, the estimation of revenue, operating efficiencies and costs, successful acquisition and integration of new facilities, future capital expenditures, requirements for and timing of additional financing, and future outcome of legal and tax matters. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "will continue" or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". The material factors or assumptions used to develop material forward-looking statements are disclosed throughout this document. Forward-looking statements, while based on management's best estimates and assumptions, are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to failure of plant, equipment or processes to operate as anticipated, failure to realize operational efficiencies or margin growth, failure to have sufficient cash flow to cover forecasted expenses or achieve profitability, operations, general economic conditions, financing and credit availability, increase in price of aluminum, increase in prices of raw ingredients for beverages, changes in consumer beverage preferences, supply chain issues including, supply of aluminum cans, fluctuations in US dollar currency exchange rates; failure to grow or increase its market share in co-packing, decorating and brokering services, food and safety issues, quality control failures, accidents, labour disputes, claims and limitations on insurance coverage; delays in obtaining financing, changes in alcohol regulations, tax rules and regulations, and actual resolutions of legal and tax matters, as well as those factors discussed in the section entitled "Risk Factors" in the Company's most recent Annual Information Form available on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Forward-looking statements are qualified in their entirety by the inherent risks and uncertainties related to the Company's business, including that the Company's assumptions in making forward-looking statements may prove to be incorrect; delays in filing of financial information; adverse market conditions; risks inherent in the beverage manufacturing and packaging sector in general; that future results may vary from historical results; and competition in the markets where the Company operates. Except as required by securities law, Wildpack does not assume any obligation to update or revise any forward-looking statements, whether as a result of new information, events or otherwise.

Investor & Contact Information

Stock Exchange and Listed Securities

Toronto Stock Exchange Venture

Common Shares (CANS)

Debentures (CANS.DB)

Warrants (CANS.WT and CANS.WT.A)

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Corporate Counsel

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4350 40th Street SE, Grand Rapids, MI, 49512

Board of Directors

Jeffrey Mason, Chair

Izhar Basha

Joseph Bubel

Matthew Dwyer

Mitchell Barnard

Rael Nurick

Sara Coyle

Sean Clark

Stephen Fader

Officers

Mitchell Barnard, Chief Executive Officer

Ryan Mason, Chief Financial Officer

Thomas Walker, Chief Growth Officer