



Interim Unaudited Financial Statements of

TURKEY HILL SUGARBUSH LIMITED

Three months ended February 29, 2024 and February 28, 2023

Notice to reader

The accompanying unaudited interim financial statements of Turkey Hill Sugarbush Ltd. (the "Company") have been prepared by and are the responsibility of management. The unaudited interim financial statements have not been reviewed by the Company's auditors.

TURKEY HILL SUGARBUSH LIMITED

Unaudited Interim Financial Statements

Three months ended February 29, 2024 and February 28, 2023

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Turkey Hill Sugarbush Limited
Unaudited Interim Statements of Financial position
(In Canadian dollars)
As at

	February 29, 2024	November 30, 2023	February 28, 2023
	\$	\$	\$
ASSETS			
Current			
Cash	7,638	76,901	35,541
Trade and other receivables (Note 4)	729,169	1,007,610	1,092,195
Inventories (Note 5)	4,439,802	3,852,718	2,345,537
Prepaid expenses	51,435	89,109	33,028
	5,228,044	5,026,338	3,506,301
Non-current			
Restricted cash	-	-	120,000
Property and equipment	680,361	709,021	820,331
Intangible assets	46,383	47,496	55,883
Right-of-use assets	987,271	1,028,986	1,154,134
	6,942,059	6,811,841	5,656,649
LIABILITIES			
Current			
Bank overdraft (Note 6)	1,736,343	1,634,860	976,034
Bank demand loans (Note 7)	982,610	946,704	940,907
Promissory note and loans from related parties (Note 7)	4,425,000	4,175,000	1,100,000
Trade and other payables (Note 8)	2,234,058	2,132,410	624,680
Deferred revenues	318,205	246,292	324,033
Current portion of lease liabilities	142,955	132,301	116,397
	9,839,171	9,267,567	4,082,051
Non-current			
Promissory notes due to a shareholder	-	-	2,700,000
Lease liabilities	978,819	1,020,039	1,135,002
Loan from ultimate shareholder	250,000	-	-
	11,067,990	10,287,606	7,917,053
SHAREHOLDER'S EQUITY			
Share capital (Note 9)	1,811,230	1,811,230	561,750
Deficit	(5,937,161)	(5,286,995)	(2,822,154)
	(4,125,931)	(3,475,765)	(2,260,404)
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES	6,942,059	6,811,841	5,656,649

The accompanying notes and schedules to the unaudited interim financial statements are an integral part of these financial statements.

Turkey Hill Sugarbush Limited
Unaudited Interim Statements of Comprehensive Loss
(In Canadian dollars except shares amounts)
Three months ended

	February 29, 2024	February 28, 2023
	\$	\$
Sales	1,809,618	1,815,901
Cost of sales	1,558,433	1,428,070
Gross profit	251,185	387,831
Operating Expenses		
Selling expenses	234,622	208,063
Administrative expenses	449,842	304,823
	684,464	512,886
Operating loss	(433,279)	(125,055)
Finance costs (Note 10)	221,146	208,884
Other Income	(4,259)	(15,809)
	216,887	193,075
Loss before income taxes	(650,166)	(318,130)
Income tax expense (recovery)	-	(66,417)
Net loss and comprehensive loss for the year	(650,166)	(251,713)
Net loss per share (Note 14)		
Basic and diluted	(0.039)	(0.025)

The accompanying notes and schedules to the unaudited interim financial statements are an integral part of these financial statements.

Turkey Hill Sugarbush Limited
Unaudited Interim Statements of Changes in Equity
(In Canadian dollars)

	Share capital	Deficit	Total equity
	\$	\$	\$
Balance at November 30, 2023	1,811,230	(5,286,995)	(3,475,765)
Net loss	-	(650,166)	(650,166)
Balance at February 29, 2024	1,811,230	(5,937,161)	(4,125,931)

	Share capital	Deficit	Total equity
	\$	\$	\$
Balance at November 30, 2022	561,750	(2,570,441)	(2,008,691)
Net loss	-	(251,713)	(251,713)
Balance at February 28, 2023	561,750	(2,822,154)	(2,260,404)

The accompanying notes and schedules to the unaudited interim financial statements are an integral part of these financial statements.

Turkey Hill Sugarbush Limited
Statements of Cash Flows
(In Canadian dollars)
Three months ended

	February 29, 2024	February 28, 2023
	\$	\$
OPERATING ACTIVITIES		
Net loss	(650,166)	(251,713)
Non-cash items		
Depreciation of property and equipment	30,659	26,053
Depreciation of intangible assets	1,112	1,362
Depreciation of Right-of-use assets	41,715	40,821
Changes in non-cash working capital items		
Trade and other receivables	278,441	(206,933)
Inventories	(587,084)	182,175
Prepaid expenses	37,676	46,677
Trade and other payables	101,648	(387,814)
Deferred revenues	71,913	-
	(97,406)	(365,895)
Cash flows used in operating activities	(674,086)	(549,372)
INVESTING ACTIVITIES		
Purchase of property and equipment, net of proceeds on disposal	(1,999)	(57,750)
Purchase of intangible assets, net of proceeds on disposal	-	(865)
Cash flows from (used in) investing activities	(1,999)	(58,615)
FINANCING ACTIVITIES		
Net change in bank overdraft	101,483	(491,187)
Bank demand loan additions	35,906	-
Bank demand loan repayments	-	(13,588)
Repayment of lease obligations	(30,566)	13,817
Loans from related parties	500,000	1,100,000
Cash flows from financing activities	606,823	609,042
Net increase (decrease) in cash	(69,262)	1,055
Cash, beginning of period	76,900	34,486
Cash, end of period	7,638	35,541

The accompanying notes and schedules to the unaudited interim financial statements are an integral part of these financial statements.

Turkey Hill Sugarbush Limited

Notes to the Unaudited Interim Financial Statements

Three Months ended February 29, 2024 and February 28, 2023

1 – NATURE OF BUSINESS

Turkey Hill Sugarbush Limited (the “Company” or “THS”) was incorporated on February 3, 1976 under the Canada Business Corporations Act. The Company supplies bottles, packages and markets high quality maple syrup and maple syrup products. The Company’s principal place of business is in Granby, Quebec, Canada.

In March 2020, the decree of a COVID-19 state of pandemic and the numerous measures put in place by the federal, provincial and municipal governments to protect the public had impacts on the Company’s operations. These measures resulted in complete or partial closure of tourism driven locations, such as airports, duty-free shops, shopping centers and other tourist attractions, which are the Company’s major sources of income.

Although the Company’s activities were considered an essential service, the decrease in demand resulted in a significant decrease in sales.

At the date of completion of the financial statements, management believes that its commercial activities are now back to pre-COVID-19 levels.

Business Combination

On April 26, 2024, THS Maple Holdings Ltd. (formerly known as Toronto Cleantech Capital Inc., a capital pool company) (“TCC”) completed a Business Combination Agreement dated September 8, 2023 (the “Agreement”) with THS LP (the Company’s “Former Shareholder”), THS Genpar Inc. (THS GP), the limited partners of THS LP (the “Ultimate Shareholders”) and the Unitholders of THS GP (the “GP Unitholders”) which resulted in the reverse take-over of TCC by the Company. This transaction constitutes a “Qualifying Transaction” under the policies of the TSX Venture Exchange (the “Exchange”), as such term is defined in Exchange Policy 2.4 – Capital Pool Companies (“Policy 2.4”).

TCC has therefore acquired the business of the Company and becomes the business of the entity resulting from the Agreement (the “Resulting Issuer”).

2 – BASIS OF PREPARATION AND GOING CONCERN

Statement of Compliance

These unaudited Interim Financial Statements have been prepared in accordance with International Accounting Standards (“IAS”) 34 “Interim Financial reporting” as issued by the International Accounting Standards Board (“IASB”) and accordingly do not include all the information required for full annual financial statements by International Financial Reporting Standards (“IFRS”).

Turkey Hill Sugarbush Limited

Notes to the Unaudited Interim Financial Statements

Three Months ended February 29, 2024 and February 28, 2023

2 – BASIS OF PREPARATION AND GOING CONCERN (Continued)

They have been prepared using the same accounting policies that were described in Note 3 to the Company's Annual Audited Financial Statements ("2023 Audited Financial Statements") for the year ended November 30, 2023 which were prepared in accordance with IFRS as issued by the IASB.

The issuance of these unaudited interim financial statements was approved by the Board of Directors as of July 8, 2024.

Going concern

The accompanying unaudited interim financial statements have been prepared using IFRS (as issued by the IASB) applicable to a going concern.

Net loss and comprehensive loss for the three months ended February 29, 2024 was \$650,166 (2023 - \$251,713). Additionally, the Company reported negative cash flow used in operations (before changes in non-cash working capital) of \$576,680 for the three months ended February 29, 2024 (2023 - \$183,477). As at February 29, 2024, the Company had an accumulated deficit of \$5,937,161 (November 30, 2023 - \$5,286,995 and February 28, 2023 - \$2,822,154) and a working capital deficiency of \$4,611,127 (November 30, 2023 - \$4,241,229 and February 28, 2023 - \$575,750).

The operations and net loss for the year ended November 30, 2023 resulted in the Company being in breach of its bank covenants under the terms of its current credit line agreement (see Note 6). On May 13, 2024, the Company's bank issued in writing a tolerance letter about its credit facilities' covenant breach and renewed the Company's credit facilities. The next annual review is scheduled for March 31, 2025 (Note 6). As of February 29, 2024, the Company was still in breach of its bank covenants.

In response to the recurring operating losses and negative cash flows from operating activities, the Company is taking a number of actions to enhance its financial flexibility, to meet its obligations and to fund its ongoing business operations, as evidenced by the contemplated Business Combination transaction agreement (see Note 1) where the Company will significantly reduce the debt on its statement of financial position and thereby conserve cash on debt service. Additionally, the Company is taking active measures to increase future cash flow by monitoring actual results to budgeted projections more closely and initiating cost reduction efforts where feasible.

The Company's ability to meet the covenant measurements under the terms of its credit agreement with its lender is still dependent upon continued improvement in profitable commercial operations, continued funding support from its lender and shareholders, and new equity and debt placements. However, there can be no assurance that management will be successful in this regard.

Turkey Hill Sugarbush Limited

Notes to the Unaudited Interim Financial Statements

Three Months ended February 29, 2024 and February 28, 2023

2 – BASIS OF PREPARATION AND GOING CONCERN (Continued)

These interim financial statements do not include any adjustments to the carrying value of assets or liabilities, to the recoverable amounts or the reported expenses and statement of financial position classifications that would be necessary if the going concern assumption were inappropriate, and these adjustments could be material.

3— NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET ADOPTED BY THE COMPANY

IAS 1- Presentation of financial statements (“IAS 1”)

In January 2020, the IASB issued Classification of Liabilities as Current or Non-current (Amendments to IAS 1). The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statements of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity.

The amendments are effective for annual reporting periods beginning on or after January 1, 2022, with earlier application permitted. In June 2021, the effective date was deferred to January 1, 2024. The Company is still assessing the impact of adopting these amendments on its financial statements.

IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors (“IAS 8”)

In February 2021, the IASB issued Definition of Accounting Estimates, which amends IAS 8. The amendment replaces the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. The amendment provides clarification to help entities to distinguish between accounting policies and accounting estimates. The amendments are effective for annual periods beginning on or after January 1, 2023. The Company is still assessing the impact of adopting these amendments on its financial statements.

IAS 12, Income Taxes (“IAS 12”)

In May 2021, the IASB issued Deferred Tax related to Assets and Liabilities arising from a single transaction (Amendments to IAS 12). The amendment narrows the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offset temporary differences.

Turkey Hill Sugarbush Limited

Notes to the Unaudited Interim Financial Statements

Three Months ended February 29, 2024 and February 28, 2023

3-- NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET ADOPTED BY THE COMPANY (Continued)

As a result, companies will need to recognize a deferred tax asset and deferred tax liability for temporary differences arising on initial recognition of transactions such as leases and decommissioning obligations.

The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and are to be applied retrospectively. The Company is still assessing the impact of adopting these amendments on its financial statements.

4-- TRADE AND OTHER RECEIVABLES

	February 29, 2024	November 30, 2023	February 28, 2023
	\$	\$	\$
Trade accounts receivable	679,479	913,596	1,050,793
Indirect taxes receivable	56,090	100,414	47,802
	735,569	1,014,010	1,098,595
Expected credit loss ("ECL")	6,400	6,400	6,400
	729,169	1,007,610	1,092,195

The Company grants credit to its customers in the ordinary course of business.

Management believes that the Company's exposure to credit risk and impairment losses related to trade and other receivables is limited.

5 – INVENTORIES

	February 29, 2024	November 30, 2023	February 28, 2023
	\$	\$	\$
Raw materials	3,061,711	2,631,574	1,333,939
Finished goods	1,378,091	1,221,144	1,011,598
	4,439,802	3,852,718	2,345,537

For the three months ended February 29, 2024, inventory in the amount of \$1,177,029 (2023: \$1,017,233) was expensed through cost of goods sold.

For the three months ended February 29, 2024, inventories have been reduced by \$10,647 (2023: \$nil) as a result of write-downs to net realizable value. The write-downs are included in the amount expensed through cost of goods sold.

Turkey Hill Sugarbush Limited

Notes to the Unaudited Interim Financial Statements

Three Months ended February 29, 2024 and February 28, 2023

6 – BANK OVERDRAFT

The bank overdraft, for a maximum authorized amount of \$2,300,000, bears interest at the prime rate and has been renewed until March 31, 2025.

The bank overdraft is secured by a \$4,750,000 movable hypothec on the universality of inventories, and movable hypothecs totaling \$519,140 on plant equipment and automotive equipment with a net carrying amount of \$642,575 and \$13,672 respectively (\$665,790 and \$16,369 respectively as at November 30, 2023).

Under the provisions of the bank overdraft, the Company is required to respect certain covenants. As at February 29, 2024, the Company is not in compliance with these covenants. The bank issued a tolerance letter on May 13, 2024 and has renewed the Company's credit facilities; the next annual review is scheduled for March 31, 2025.

Turkey Hill Sugarbush Limited

Notes to the Unaudited Interim Financial Statements

Three Months ended February 29, 2024 and February 28, 2023

7-- BANK DEMAND LOANS, PROMISSORY NOTE AND LOANS FROM SHAREHOLDERS

	February 29, 2024	<i>November 30, 2023</i>	<i>February 28, 2023</i>
Bank overdraft facility for an authorized amount of \$750,000, annual prime rate plus 1%, out of which an amount of \$600,000 is guaranteed by the EDC maturing in October 2024	754,790	704,074	653,846
Bank demand loan, 4% annual, guaranteed by EDC, payable in monthly capital instalments of \$2,315, maturing in June 2031	203,704	210,648	231,482
Bank demand loan, annual prime rate, payable in monthly capital instalments of \$2,158 maturing in May 2024	6,473	12,946	32,365
Bank demand loan, annual prime rate, payable in monthly capital instalments of \$464, maturing in April 2027	17,643	19,036	23,214
	982,610	946,704	940,907
	February 29, 2024	<i>November 30, 2023</i>	<i>February 28, 2023</i>
Subordinated secured promissory note from the shareholder, 12% interest, repayable at the earlier of January 21, 2024 or the completion of a business combination (Note 1)	3,725,000	3,725,000	-
Loan from ultimate shareholders 10% interest per year, without repayment terms, payable on demand	450,000	450,000	1,100,000
Loan from TCC, 10% interest per year, with an initial term of six months	250,000	-	-
	4,425,000	4,175,000	1,100,000

Turkey Hill Sugarbush Limited**Notes to the Unaudited Interim Financial Statements**

Three Months ended February 29, 2024 and February 28, 2023

**7-- BANK DEMAND LOANS, PROMISSORY NOTES AND LOANS FROM SHAREHOLDERS
(Continued)**

On January 16, 2024, the Company entered into a Loan Agreement with TCC for an amount of \$250,000 for the general corporate working capital purposes. The Loan has an initial term of six months, bears interest at 10% and is renewable for additional three-month extensions upon mutual agreement by both parties. The Company entered into a General Security Agreement with TCC in all current and future assets of the Company.

	Promissory note and loans from related parties	Bank demand loans	Promissory notes	Total
	\$	\$	\$	\$
November 30, 2023	4,175,000	946,704	-	5,121,704
Net proceeds	250,000	50,716	-	300,716
Repayments	-	(14,810)	-	(14,810)
February 29, 2024	<u>4,425,000</u>	<u>982,610</u>	-	<u>5,407,610</u>

Turkey Hill Sugarbush Limited**Notes to the Unaudited Interim Financial Statements**

Three Months ended February 29, 2024 and February 28, 2023

8-- TRADE AND OTHER PAYABLES

	February 29, 2024	November 30, 2023	February 28, 2023
	\$	\$	\$
Trade accounts payable and accrued liabilities	2,222,459	2,120,984	624,680
Customer deposits	11,599	11,426	-
	2,234,058	2,132,410	624,680

9-- SHARE CAPITAL

The issued shares are detailed as follows:

Unlimited number of class A common shares, voting and participating

	February 29, 2024	November 30, 2023	February, 28 2023
	\$	\$	\$
16,854,491 class A common shares (16,854,491 as at November 30, 2023 and 9,948,611 as at February 28, 2023)	1,811,230	1,811,230	561,750

10-- FINANCE COSTS

	February 29, 2024	February 28, 2023
	\$	\$
Interest on related parties' borrowings	138,217	136,783
Interest on bank credit facility	42,620	31,010
Accretion Interest on lease obligations	38,044	41,079
Other interest	2,265	12
	221,146	208,884

Turkey Hill Sugarbush Limited

Notes to the Financial Statements

Three Months ended February 29, 2024 and February 29, 2023

11-- FINANCIAL INSTRUMENTS

Credit risk

Credit risk is the risk that the Company will incur a financial loss if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. It arises primarily from the Company's accounts receivables.

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

The Company's management considers that all the financial assets that are not impaired or past due for each of the reporting dates presented are of good credit quality. The Company had never experienced any significant credit losses. Consequently, credit risk is not considered material.

Liquidity risk

The Company's liquidity risk represents the risk that the Company could encounter difficulty in meeting obligations associated with its financial liabilities. The Company is, therefore, exposed to liquidity risk with respect to all of the financial liabilities recognized on the balance sheet.

The Company manages liquidity risk by monitoring forecasted and actual cash flows, minimizing reliance on any single source of credit, and maintaining committed credit facilities.

Turkey Hill Sugarbush Limited**Notes to the Financial Statements**

Three Months ended February 29, 2024 and February 28, 2023

11-- FINANCIAL INSTRUMENTS (Continued)**February 29, 2024**

	Due within 1 year	Due between 1 to 3 years	Due between 3 to 5 years	Due after 5 years	Total
Financial Liabilities					
Trade and other payables	2,234,058	-	-	-	2,234,058
Bank demand loans	794,613	66,698	56,485	64,814	982,610
Bank overdraft	1,736,343	-	-	-	1,736,343
Promissory note and loans from related parties	4,425,000	-	-	-	4,425,000
	9,190,014	66,698	56,485	64,814	9,378,011

November 30, 2023

	Due within 1 year	Due between 1 to 3 years	Due between 3 to 5 years	Due after 5 years	Total
Financial Liabilities					
Trade and other payables	2,132,410	-	-	-	2,132,410
Bank demand loans	750,381	66,698	57,879	71,746	946,704
Bank overdraft	1,634,860	-	-	-	1,634,860
Promissory note and loans from related parties	4,175,000	-	-	-	4,175,000
	8,692,651	66,698	57,879	71,746	8,888,974

Turkey Hill Sugarbush Limited

Notes to the Financial Statements

Three Months ended February 29, 2024 and February 28, 2023

11-- FINANCIAL INSTRUMENTS (Continued)

Market risks

Foreign currency risk

The majority of the Company's transactions are in Canadian dollars. Currency risk results from the Company's sales and purchases denominated in foreign currency which are primarily in U.S. dollars. As at February 29, 2024, the Company is exposed to currency risk due to cash, trade accounts receivable denominated in U.S. dollars totaling CAD \$175,376 (CAD \$187,420 as at November 30, 2023).

Interest rate risk

The Company is exposed to interest rate risk with respect to financial liabilities bearing fixed and variable interest rates.

The bank demand loans and the note payable to the shareholder bear interest at a fixed rate and the Company is, therefore, exposed to the risk of changes in fair value resulting from interest rate fluctuations.

The bank overdraft and bank demand loans bear interest at a variable rate and the Company is, therefore, exposed to the cash flow risk resulting from interest rate fluctuations.

Other Price Risk

The Company is exposed to increases in the prices of commodities in operating its distribution networks, as well as to the indirect effect of changing commodity prices on the price of its products. Rising commodity prices could adversely affect the financial performance of the Company.

Fair value measurement

Financial assets and financial liabilities measured at fair value in the consolidated statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.

None of the assets or liabilities are measured based on Level 2 or 3. The carrying values are considered to be a reasonable approximation of their fair value because of their short-term maturity and / or contractual terms of these instruments.

The Company has no non-financial assets measured at fair value.

Turkey Hill Sugarbush Limited

Notes to the Financial Statements

Three Months ended February 29, 2024 and February 28, 2023

12-- CAPITAL MANAGEMENT

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern, and
- to provide an adequate return to shareholders by pricing products and services in a way that reflects the level of risk involved in providing those goods and services.

The Company monitors capital on the basis of the carrying amount of equity plus its bank demand loans and long-term debt, less cash as presented in the statement of financial position.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The amounts managed as capital by the Company for the reporting periods under review are summarized as follows:

	February 29, 2024	November 30, 2023	February 28, 2023
	\$	\$	\$
Share capital	1,811,230	1,811,230	561,750
Promissory notes due to a shareholder	–	-	2,700,000
Bank demand loans	982,610	946,704	940,907
Loan from ultimate shareholder	250,000	-	-
Bank overdraft	1,736,343	1,634,860	976,034
Promissory note and loans from related parties	4,425,000	4,175,000	1,100,000
	9,205,183	8,567,794	6,278,691

Turkey Hill Sugarbush Limited**Notes to the Financial Statements**

Three Months ended February 29, 2024 and February 28, 2023

13-- COMMITMENTS

The maturity of contractual undiscounted lease obligation payments from ROU assets and operational leases are as follows:

	\$
Due within 1 year	282,669
Due from year 1 to year 2	282,669
Due from year 2 to year 3	282,669
Due from year 3 to year 4	282,669
Due from year 4 to year 5	282,669
Due thereafter	320,174
Total undiscounted lease obligation payments	<u><u>1,682,981</u></u>

14-- NET LOSS PER SHARE

	Three months ended February 29, 2024	Three months ended February 28, 2023
Net loss	\$ (650,166)	\$ (251,713)
Basic and diluted weighted average number of common shares outstanding	<u>16,854,491</u>	<u>9,948,611</u>
Basic and diluted loss per share	<u><u>(0.039)</u></u>	<u><u>(0.025)</u></u>

Turkey Hill Sugarbush Limited

Notes to the Financial Statements

Three Months ended February 29, 2024 and February 28, 2023

15. SUBSEQUENT EVENTS

On April 21, 2024, the maturity date of the Promissory Note of \$3,725,000 from a shareholder has been mutually agreed to be extended to the earlier of July 21, 2024 or the completion of a Business Combination (Note 1). All other terms and conditions remain unchanged.

Beginning on February 23, 2024, an ultimate shareholder (Debric Holdings Inc.) extended long-term loans to the Company, in tranches, for a total of \$950,000. These loans mature on November 30, 2025 and bear interest of 10% annually.

On April 12, 2024 and April 19, 2024, an ultimate shareholder (Debric Holdings Inc.) extended short-term loans to the Company of \$260,000 and \$160,000 respectively. These loans mature on November 30, 2024 and bear interest of 10% annually.

On April 26, 2024, THS Maple Holdings Ltd. (formerly known as Toronto Cleantech Capital Inc., a capital pool company) ("TCC") completed a Business Combination Agreement dated September 8, 2023 (the "Agreement") with THS LP (the Company's "Former Shareholder"), THS Genpar Inc. (THS GP), the limited partners of THS LP (the "Ultimate Shareholders") and the Unitholders of THS GP (the "GP Unitholders") which resulted in the reverse take-over of TTC by the Company. This transaction constitutes a "Qualifying Transaction" under the policies of the TSX Venture Exchange (the "Exchange"), as such term is defined in Exchange Policy 2.4 – Capital Pool Companies ("Policy 2.4"). This transaction enabled the Company to repay on April 29, 2024 its Subordinated secured promissory note from the shareholder (Note 7) of \$3,725,000.

On May 13, 2024, the Company's bank issued in writing a tolerance letter about its credit facilities' covenant breach and has renewed the Company's credit facilities. The next annual review is scheduled for March 31, 2025 (Note 6).

On June 26, 2024, the Company entered into a Products Payment Settlement Limit (PPSL) with the bank for a maximum authorized amount of \$250,000.