



General Assembly Holdings Limited

Management's Discussion and Analysis

For the three and nine months ended September 30, 2022 and 2021

Date: November 29, 2022

General Assembly Holdings Limited
331-333 Adelaide Street West,
Toronto, Ontario, M5V 2G5.



GENERAL ASSEMBLY HOLDINGS LIMITED
Management's Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis (this "MD&A") provides a review of the results of operations, financial condition and cash flows for General Assembly Holdings Limited (the "Company" or "GA" or "GA Pizza"), for the three and nine months ended September 30, 2022 and 2021.

This document should be read in conjunction with the information contained in the Company's unaudited condensed interim consolidated financial statements and related notes for the three and nine months ended September 30, 2022 (the "Q3 2022 Financial Statements"), which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Unless otherwise indicated, all dollar ("\$") and "CAD" amounts and references in this MD&A are in Canadian dollars.

Unless otherwise stated, in preparing this MD&A the Company has taken into account information available to it up to the date of this MD&A, November 29, 2022, being the date the Company's board of directors (the "Board" or "Board of Directors") approved this MD&A and the Q3 2022 Financial Statements. All quarterly information contained herein is unaudited. Additional information about the Company can be found in the Company's filings with securities regulatory authorities, which are available under the Company's profile on SEDAR at www.sedar.com.

CAUTIONARY NOTE REGARDING FORWARD LOOKING INFORMATION

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to our objectives and the strategies to achieve these objectives, as well as information with respect to our beliefs, plans, expectations, anticipations, estimates and intentions. Generally, forward-looking information 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", or "believes", or variations of such words and phrases or statements that infer actions, events or results with terminology such as "may", "could", "would", "might", "will be taken", "occur" or "be achieved".

Forward-looking information is provided for the purposes of assisting the reader in understanding the Company and its business, operations, prospects and risks at a point in time in the context of historical and possible future developments and, therefore, the reader is cautioned that such information may not be appropriate for other purposes.

Forward-looking information is based upon numerous assumptions and is subject to a number of known and unknown risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, the risk factors that are discussed in greater detail under "Risk Factors and Uncertainties".

Although the forward-looking information contained herein is based upon what we believe are reasonable assumptions, readers are cautioned against placing undue reliance on this information since actual results may vary from the forward-looking information. Certain assumptions were made in preparing the forward-looking information concerning availability of capital resources, business performance, market conditions, and customer demand. Consequently, all of the forward-looking information contained herein is qualified by the foregoing cautionary statements, and there can be no guarantee that the results or developments that we anticipate will be realized or, even if substantially realized, that they will have the expected consequences or effects on our business, financial condition or results of operation. Unless otherwise noted or the context otherwise indicates, the forward-looking information contained herein is provided as of the date hereof, and we do not undertake to update or amend such forward-looking information whether as a result of new information, future events or otherwise, except as may be required by applicable law.

CORPORATE OVERVIEW

General Assembly Holdings Limited (the "Company" or "GA" or "GA Pizza"), is a company that delivers premium pizza experiences across multiple distribution and retail channels. The Company is anchored by a flagship fast casual Restaurant with dine-in and off-premises operations, and a consumer-packaged goods ("CPG") line of naturally leavened frozen pizzas, available at specialty grocery stores across Canada and through a direct-to-consumer ("DTC") eCommerce platform.

GENERAL ASSEMBLY HOLDINGS LIMITED
Management's Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

The Company is a corporation incorporated on June 30, 2017 in the province of Ontario. The Company has two operating subsidiaries, 2499754 Ontario Limited and GA CPG Limited. 2499754 Ontario Limited, operating as General Assembly, operates the "General Assembly Pizza Subscription Service" and the Company's restaurant located at 331 Adelaide Street West, Toronto, Ontario, and GA CPG Limited operates the Company's retail of frozen pizza through grocery and other retail stores. GA Subscriptions Limited is a non-operating subsidiary of the Company.

The Company's registered and records office are located at 331-333 Adelaide Street West, Toronto, Ontario, M5V 2G5.

The Company's shares commenced trading on the TSX Venture Exchange (the "TSX-V") under the symbol "GA" on June 3, 2021.

SIGNIFICANT OPERATING HIGHLIGHTS AND DEVELOPMENTS FOR NINE MONTHS ENDED SEPTEMBER 30, 2022, AND TO THE DATE OF THIS MD&A

Company files preliminary base shelf prospectus

On November 3, 2021, the Company announced that it had filed and obtained a receipt for a preliminary short form base shelf prospectus (the "Shelf Prospectus") with the securities commissions in each of the provinces of Canada other than the province of Québec. On January 31, 2022, the Company filed an amended and restated Shelf Prospectus. The Company subsequently withdrew the Shelf Prospectus on April 8, 2022.

Company Secures C\$2.0 million in debt financing

On November 5, 2021, the Company issued secured promissory notes to existing shareholders (the "Lenders") in the aggregate principal amount of \$2,000,000 (the "Initial Loans"), bearing interest of 12% per annum accrued and payable monthly. The promissory notes are secured by all assets of the Company. The principal and accrued interest of the promissory notes shall be repaid in nineteen (19) equal monthly installments on a calendar quarter basis beginning on November 5, 2023.

The Company will pay to the Lenders 1.2% of the principal amount of the Initial Loans per annum as a monitoring fee. On January 24, 2022, the Company also issued to the Lenders, as loan bonuses, an aggregate of 1,851,849 common share purchase warrants (collectively, the "Initial Promissory Note Warrants") entitling the applicable Lender to acquire one Class A common share in the capital of the Company ("Common share") for each Initial Promissory Note Warrant held during the forty-two month period following issuance of such Lender's promissory note at an exercise price of \$1.35. If any Initial Loan is repaid prior to the one-year anniversary date of such Initial Loan, it is expected that a pro rata number of Initial Promissory Note Warrants issued in respect of such Initial Loan shall have their term reduced to the later of one year from the issuance thereof and 30 days from said repayment.

The Company will be entitled to prepay the Initial Loans, in whole or in part, at any time prior to the maturity date, without any notice being given to the Lender and without any bonus or penalty being paid to the Lender.

Certain Lenders are "related parties" (as defined in Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101")) of the Company and, therefore, the Loans from such Lenders, in an aggregate of \$500,000, are Related Party Transactions (as defined in MI 61-101) (the "Related Party Loans"). The Company is exempt from the formal valuation requirement and the minority approval requirement under MI 61-101 in respect of the Related Party Loans since, at the time of such loans, the fair market value of the consideration for the Related Party Loans does not exceed 25% of the Company's market capitalization. During the three-month period ended March 31, 2022, a holder of promissory notes with a principal balance of \$250,000 ceased to act as key management.

On August 26, 2022, in connection with additional debt sourced in the amount of \$2.0 million ("Loans"), the maturity date associated with \$1,000,000 of the Initial Loans was amended to August 26, 2023. All principal and interest accrued through to August 26, 2023 will be due and payable at such time. In addition, 925,925 of the Initial Promissory Note Warrants were cancelled and reissued with an exercise price of \$0.23 and expiry date of August 26, 2023.

GENERAL ASSEMBLY HOLDINGS LIMITED
Management's Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

Company Secures C\$1.0 million in debt financing

On December 30, 2021, the Company issued a secured promissory note to an existing shareholder in the aggregate principal amount of \$1,000,000 (the "Subsequent Loan"), bearing interest of 12% per annum accrued and payable monthly. The promissory note is secured by all assets of the Company. The principal and accrued interest of the promissory note shall be repaid in nineteen (19) equal monthly installments on a calendar quarter basis beginning on November 5, 2023.

The Company will pay to the Lender 1.2% of the principal amount of the Subsequent Loan per annum as a monitoring fee. On January 24, 2022, the Company also issued to the Lender, as loan bonuses, an aggregate of 1,652,228 common share purchase warrants (collectively, "Subsequent Promissory Note Warrants") entitling the Lender to acquire one Common Share for each Subsequent Promissory Note Warrant held during the forty-two month period following issuance of such Lender's promissory note at an exercise price of \$0.76. If the Subsequent Loan is repaid prior to the one-year anniversary date of such Subsequent Loan, it is expected that a pro rata number of Subsequent Promissory Note Warrants issued in respect of such Subsequent Loan shall have their term reduced to the later of one year from the issuance thereof and 30 days from said repayment.

The Company will be entitled to prepay the Subsequent Loan, in whole or in part, at any time prior to the maturity date, without any notice being given to the Lender and without any bonus or penalty being paid to the Lender.

On August 26, 2022, in connection with Loans sourced in the amount of \$2.0 million, the maturity date associated with the Subsequent Loan was amended to August 26, 2023. All principal and interest accrued through August 26, 2023 will be due and payable at such time. In addition, the 1,652,228 Subsequent Promissory Notes were cancelled and reissued with an exercise price of \$0.23 and expiry date of August 26, 2023.

Equipment Financing

On January 21, 2022, the Company entered into two sale leaseback arrangements in respect of certain equipment with an original cost of \$766,944 previously purchased by the Company. The Company received a refund from the original vendors in respect of the leased equipment, of \$560,215, after deduction for the initial payments and deposit under the lease agreements. The term of the lease agreements are 48 months and 60 months, respectively, with aggregate payments over the course of the terms of \$918,803. The Company has the option to purchase the applicable leased equipment for nominal consideration at the end of the applicable term.

Company secures C\$1.75 million in debt financing

On March 17, 2022, the Company closed \$1,750,000 (the "Principal") in debt financing pursuant to the terms and conditions of a promissory note (the "2022 Promissory Note").

Under the terms of the 2022 Promissory Note, the Company shall make repayment of the Principal in 16 quarterly installments (each, a "Repayment Amount") commencing on September 6, 2022 and each three month period thereafter (each, a "Repayment Date"), with the final payment date being June 6, 2026 (the "Final Repayment Date"). Each Repayment Amount will be calculated based on \$0.40 for every pizza unit sold by the Company during the fiscal quarter preceding the Repayment Date.

If the Principal has been repaid in full prior to the Final Repayment Date, the Company will, as additional consideration, continue to make payments to the lender of each Repayment Amount (the "Loan Fee") until the Final Repayment Date. If the full Principal, plus additional consideration in the amount of \$1,800,000 has not been paid (collectively, the "Base Loan Obligations") by the Company to the lender on or prior to the Final Repayment Date, the Company will make payment to the lender of an amount equal to Base Loan Obligations, less the aggregate Repayment Amounts already paid to the lender up to and including the Final Repayment Date. The Company may prepay the full Principal at any time prior to the Final Repayment Date, provided that in connection with such prepayment the Company will also pay to the lender an additional payment of \$2,000,000 as a prepayment penalty. There is no additional interest rate payable in addition to the Loan Fee, nor is there a minimum payment required on any Repayment Date, other than the shortfall, if any, owing in respect of the Base Loan Obligations, payable on the Final Repayment Date.

Short Form Prospectus Offering

GENERAL ASSEMBLY HOLDINGS LIMITED
Management's Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

On April 11, 2022, the Company filed a preliminary short form prospectus in connection with an offering, after which an amendment was filed on July 8, 2022. The short form prospectus was formally withdrawn on October 5, 2022.

Sublease of Office Space

On April 29, 2021, the Company leased 3,737 square feet of office space located at 331-333 Adelaide Street West, Toronto, Ontario (the "Office Space") for an original term of six (6) years and five (5) months, commencing on May 1, 2022 and ending on September 30, 2027. On March 22, 2022, pursuant to the terms of a sublease agreement, the Company subleased the Office Space to a subtenant for a one (1) year term, commencing on April 15, 2022 and ending on April 30, 2023.

Company secures C\$2.0 million in debt financing

On August 26, 2022, the Company issued secured promissory notes to existing shareholders (the "Lenders") in the aggregate principal amount of \$2,000,000 ("Loans"). The Loans shall mature and be repayable, together with accrued and unpaid interest thereon, on August 26, 2023 (the "Maturity Date"). The Loans are secured by a fixed and floating charge on the Company's assets, pursuant to the terms of a general security agreement, and bear interest at the simple rate of 18% per annum. Security ranks in priority to the 2021 \$3.0 million debt financing. The Company shall be entitled to prepay any portion of the Loans or any accrued and unpaid interest thereon, in whole or in part, at its discretion at any time prior to the Maturity Date without any bonus or penalty. No monitoring fee will be payable in connection with the Loans.

In connection with the Loans, the Company has also issued to the lenders, as loan bonuses on September 27, 2022, 1,739,130 common shares of the Company ("Bonus Shares") at a deemed price of \$0.23 per Bonus Share.

Company secures Good Manufacturing Practices audit ready facility

On August 29, 2022, the Company terminated its existing master production facility lease ("Marycroft") and entered into a new 5-year lease in respect of a 12,610 square foot Good Manufacturing Practices ("GMP") audit ready facility ("Pacific Circle") in Mississauga, Ontario. Tenancy at Pacific Circle began on September 1, 2022, with pizza production resuming on September 19, 2022.

Company secures listing agreement with Metro Ontario

On August 30th, 2022, the Company and Metro Supermarket announced their retail partnership. The Company's premium naturally leavened frozen pizzas are available at one hundred and thirteen locations across Ontario. The pizzas will be merchandised alongside other better-for-you products in Metro's natural and wellness section. The listing includes the Company's newest innovation, the New York Sicilian premium frozen pizza, a collaboration between the Company and Impossible Foods.

Company secures listing agreement with Loblaws Supermarket

On September 30th, 2022, the Company and Loblaws Supermarket announced a 130 store partnership, the most significant Retail partnership to date for the Company. The Company's premium naturally leavened frozen pizzas are available at one hundred and thirty locations across Ontario, including Loblaws Zehrs banner locations. The listing marks a significant retail milestone for the Company. The partnership will be reviewed by Loblaws in the first quarter of 2023 and may lead to further retail expansion across the Loblaw network of supermarkets.

Company Management and Board Changes

On September 14, 2022, the Company announced the appointment of Glen Keleher to the Board. Mr. Keleher brings over 20 years of operational experience in multiple manufacturing industries and has extensive experience reducing production costs while providing better quality products. Mr. Keleher replaces Nicholas Reichenbach, who has resigned from the Board to pursue other interests.

On September 15, 2022, the Company announced founder Ali Khan Lalani transitioned from CEO into the role of President of the Company, effective immediately. Eric Balshin was announced as the interim CEO subject to TSX Venture Exchange approval. The Company entered into an executive services agreement with Sophic Capital Inc., a capital markets advisory firm for public and private growth companies, pursuant to which it has retained Sophic Capital to provide the services of Mr.

GENERAL ASSEMBLY HOLDINGS LIMITED**Management's Discussion and Analysis****For the three and nine months ended September 30, 2022 and 2021**

Balshin as interim CEO of the Company. Mr. Balshin has extensive capital markets and consumer product goods start-up experience, and brings a financial, bottom-line focus to the business. He also serves as the Vice President of Capital Markets Advisory at Sophic Capital.

Further, the Company announced that Chief Operating Officer, Hormis Tharakan would be leaving the Company, effective September 16, 2022 to pursue other opportunities.

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022 and 2021

The Company uses certain operational and financial metrics to measure our performance. The key metrics are highlighted below:

Operational Metrics

	Three months ended			Nine months ended	
	Sept 30, 2022	June 30, 2022	Sept 30, 2021	Sept 30, 2022	Sept 30, 2021
<i>For the period ended:</i>					
Production volume shipped by channel (units)					
Direct to Consumer ("DTC")	15,164	25,367	93,155	91,000	268,583
Retail	45,732	58,116	41,893	155,998	92,906
Total	60,896	83,483	135,048	246,998	361,489
<i>As at period end:</i>					
Production capacity per month (units)	100,000	100,000	100,000	100,000	100,000
Number of product SKUs manufactured	8	8	9	8	9
Number of retail partners	475	350	158	475	158

GENERAL ASSEMBLY HOLDINGS LIMITED
Management's Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

Financial Highlights

	Three months ended		Nine months ended		
	Sept 30, 2022	June 30, 2022	Sept 30, 2021	Sept 30, 2022	Sept 30, 2021
Revenue by channel					
Direct to Consumer ("DTC")	\$178,515	\$279,322	\$827,956	\$964,502	\$2,443,330
Retail	265,619	283,650	313,624	853,659	718,052
Restaurant and other	535,023	449,201	150,380	1,269,948	476,787
Total revenue	\$979,157	\$1,012,173	\$1,291,960	\$3,088,109	\$3,638,169
Frozen pizza revenue	\$444,134	\$562,972	\$1,141,580	\$1,818,161	\$3,161,382
Gross Profit	\$330,670	\$203,579	\$443,129	\$855,093	\$1,554,276
Gross Profit %	34%	20%	34%	28%	43%
Net income (loss)	(3,196,643)	(1,160,579)	(4,410,159)	(7,300,733)	(9,368,157)
Adjusted EBITDA	\$(1,555,983)	\$(1,417,698)	\$(2,376,809)	\$(4,985,950)	\$(5,908,196)

Income (loss) and comprehensive income (loss) per share

Basic	\$(0.12)	\$(0.05)	\$(0.20)	\$(0.28)	\$(0.44)
Diluted	\$(0.12)	\$(0.05)	\$(0.20)	\$(0.28)	\$(0.44)

Weighted average number of shares outstanding

Basic	25,837,874	24,098,744	23,498,744	25,837,874	21,318,716
Diluted	25,837,874	24,098,744	23,498,744	25,837,874	21,318,716

OUR BUSINESS

GA Pizza is an innovative pizza brand dedicated to making delicious pizza available to everyone, everywhere. The Company delivers premium pizza experiences across multiple distribution and retail channels, anchored by a flagship fast-casual Restaurant with dine-in and off-premises operations, and a consumer-packaged goods ("CPG") line of naturally leavened frozen pizzas, available at specialty grocery stores across Canada and through a direct-to-consumer ("DTC") eCommerce platform.

In a world where pizza means so much to so many, we believe that delicious pizzas should be available to everyone, everywhere, and without compromise. That means making better easy and making easy delicious.

OUR OMNICHANNEL BUSINESS MODEL

As of September 30, 2022, GA Pizza's frozen CPG product line consisted of 8 SKUs, all produced in the Company's new master production facility located in Mississauga, Ontario ("Pacific Circle"). We distribute our premium pizza experiences and products through an omnichannel brand model that includes Retail, DTC and Restaurant & experience operations.

Q3 PRODUCTION HIGHLIGHTS

In Q3 of 2022 we continued to focus on improving our dough process to ensure we are consistently delivering world class dough with every pizza. Further, we have continued to find labour cost savings by changing the job loading of our production line to not only increase the quality of pizzas produced but also the number of pizzas produced per hour. This includes a redesign of our production line at the Pacific Circle facility, as well as a change in production process with the new blast freezing capabilities within Pacific Circle. Blast freezing has decreased the time to freeze of our freshly made pizzas from hours to minutes, helping to dramatically improve the quality and consistency of our frozen pizzas.

Q3 RETAIL HIGHLIGHTS

The Company's Retail business saw some significant developments in Q3.

GENERAL ASSEMBLY HOLDINGS LIMITED
Management's Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

As of September 30, 2022, the Company had over 475 Retail doors across Ontario and Western Canada. Our partners are primarily premium or specialty independent grocers. The Retail channel represents a large opportunity for the business that was under fulfilled prior to the opening of Marycroft facility in September 2021.

Since the start of 2022, the number of retail doors carrying the Company's frozen pizzas has more than doubled to over 475. During Q3, the Company entered into 113 Metro Ontario stores in the Health & Wellness section, giving access to a less price sensitive customer base. The Company launched in 26 Healthy Planet stores across Ontario, increasing the Company's presence in non-GTA markets. In addition, the Company launched with Horizon Distributing in Western Canada, giving access to a customer base that wouldn't otherwise have been available through the Company's existing distribution network with United Natural Foods Inc ("UNFI"). The Company has also signed big banner grocery listings, with launch dates expected in Q4 2022.

Q3 DTC HIGHLIGHTS

The DTC experience is the digital equivalent of the Company's landmark Restaurant experience. The DTC channel provides the Company with valuable consumer behaviour data and insights. It is also the most cost-effective way to launch products as it allows us to quickly collect feedback and optimize products prior to launching at Retail.

In 2022, the Company launched its most successful email marketing campaign with the celebration of National Pizza Day, resulting in the largest revenue and unit volume in a single day since the Company launched its DTC business in September, 2020.

The Company has made a purposeful shift away from DTC customer acquisition in the second quarter of 2022, decreasing targeted online advertising spend and focusing on driving down fulfillment and last mile delivery costs. With a focus on decreasing costs per frozen pizza, the Company is in the process of building a more profitable DTC business model, taking into consideration changing customer preferences in the absence of COVID-19 restrictions. Further, with its ever-increasing grocery expansion in Ontario as well as expansion into Western Canada on the Retail side, the Company is anticipating taking advantage of this growing brand awareness to facilitate growth within the DTC stream.

Q3 RESTAURANT HIGHLIGHTS

GA Pizza's flagship Restaurant is the Company's landmark pizza experience and serves as a marketing asset for the Company while generating revenue through dine-in and off-premises operations.

For the majority of Q4 2021, the Restaurant operations were reduced to take-out services, in order to facilitate a renovation of the Restaurant space. The renovated Restaurant reopened at the beginning of December 2021 and offers a fresh dining experience and an all-new shopping experience. The Restaurant also features an updated take-out space designed specifically for pick up and app-based delivery services. GA Pizza's experience channel, which is comprised off-premises catering and temporary pop-up locations, continues to play a key marketing role for the Company.

In Q3 2022, the Company's Restaurant continued to see month over month gains, returning to pre-COVID-19 levels with no in-dining restrictions associated with COVID-19.

OUR STRATEGIC PRIORITIES

Three pillars are the foundation of our Company strategy: Better, Easy, and Delicious. Our strategic priorities for Q3 2022 onwards are aligned to those pillars, detailed as follows:

1. Scale production and distribution of CPG line
2. Drive demand
3. National footprint
4. Omnichannel innovation

GENERAL ASSEMBLY HOLDINGS LIMITED
Management's Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

1. SCALE PRODUCTION AND DISTRIBUTION OF CPG LINE

The Company's plan to scale our frozen pizza output at Pacific Circle is based on maximizing job loading, minimizing labour costs on a per unit basis, while still maintaining the quality of every pizza produced. The move to the new Pacific Circle facility is further helping the Company achieve this goal, with a complete production line overhaul and the addition of blast freezing capabilities.

Our intent is to leverage production gains to drive greater scale and market share in the premium frozen pizza space, which will enable us to increase our retail presence and unlock national distribution opportunities.

2. DRIVE DEMAND

Our efforts to engage more interest from consumers, distribution partners and retailers will involve increased efforts on several demand-driving initiatives:

- **Sampling:** GA Pizza plans to continue to build out sampling programs to drive brand loyalty and build brand community, as well as overall greater brand awareness. We will continue to build community-focused programs to support organizations and connect with new audiences in a way that generates word-of-mouth brand awareness and encourages product trials.
- **Partnerships:** Our goal is to continue to create partnerships that build loyalty, brand awareness and credibility, including cross-branded products in Q3 2022.

3. NATIONAL FOOTPRINT

As we work to expand across Canada, our strategic priorities are as follows:

- **Awareness:** We are working to drive Retail awareness through an integrated omnichannel marketing strategy, including, retail marketing, brand partnerships, earned media, sampling programs and leveraging trade spend with retail accounts.
- **Partnerships:** Launched at all 23 Fortinos locations, with 59 full-service Sobeys stores in Ontario, 113 Metro Canada locations, 113 Metro Ontario locations, 130 Loblaws stores in Ontario and our retail broker arrangement with Propel will equip us with the momentum and connections to achieve distribution from coast to coast.
- **Distribution:** In addition to the launch of a distribution partnership with UNFI in Q4 2021, the Company has launched with Horizon Distributing in Western Canada in Q3 2022. This partnership will further allow the Company to expand to a customer base that was previously unavailable through the UNFI distribution network.

4. OMNICHANNEL INNOVATION

As a brand based on perpetual innovation, we have multiple goals to deepen our omnichannel reach:

- **Product:** We will push the boundaries of the traditional frozen pizza space, with new best-in-class plant-based and non-meat options that leverage the Company's strong R&D capabilities. We will continue to create delicious product offerings rooted in better-for-you, high-quality ingredients, with a goal of driving strong sales velocities across Retail and DTC channels.
- **Branding:** Our company-wide rebrand in Q3 2021 allowed us to optimize our brand experience across all channels, resulting in stronger awareness among consumers, retailers and Retail partners. We have continued to update frozen pizza packaging and have begun merchandising with retail ready packs for retailers in Q3 2022, which has contributed to better shelf placement and clear in-store branding.
- **Restaurant reopening:** We re-opened the Restaurant with a refreshed and expanded food experience in Q4 2021, offering an updated landmark brand experience that will support all facets of the business. With a focus on margin contribution, we have been working on building economies of scale across our omnichannel business to take advantage of price breaks on food and packaging costs, as well as focusing on driving down labour costs where possible.

GENERAL ASSEMBLY HOLDINGS LIMITED
Management's Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

OUR STRATEGIC MILESTONES

New Facility

- In Q3 2022, the Company terminated its existing production facility lease with Marycroft and entered into a new 5-year lease with a smaller, GMP audit ready facility, Pacific Circle. Pacific Circle allows the Company to achieve its production capacity requirements at a lower cost, while also introducing blast freezing capabilities.
- Reengineering the production line has also allowed for immediate cost savings given the efficiencies achieved, while maintaining the quality of our frozen pizzas.
- Moving to a GMP audit ready facility has resulted in a reduction in capital requirements in 2022 related to the business objective of operating a GMP audited facility, representing a potential savings of up to \$1,900,000.

Production Goals

- With a focus on decreasing per unit costs of frozen pizzas, the Company is evaluating investment opportunities in equipment to streamline the production process, decrease bottlenecks and maximize job loading.

Retail Partnerships Across Canada

- Secured more than 475 retail doors as of September 30, 2022
- Secured several Retail partnerships with Loblaw-owned Fortinos Supermarket and Sobeys
- Entered the Quebec retail market in Q2 with notable natural retailers such as La Boite à Grains and Marchés TAU
- Developed sales partnerships with SkipTheDishes and DoorDash that will allow the Company to benefit from the fast emerging grocery delivery channel
- Entered into 113 Metro Ontario stores in Q3 2022 in the Health & Wellness section, giving access to a less price sensitive customer base
- Launched at 26 Healthy Planet stores across Ontario. This launch increases the brand's presence in non-GTA markets, supplementing the distribution gains the Company is achieving with major retailers like Metro and Sobeys
- Launched with Horizon Distributing in Western Canada, a partnership that gives the Company access to a customer base that was previously unavailable through its existing UNFI distribution partnership

OUTLOOK

- We believe we are well positioned to execute upon our strategic initiatives, and we expect to continue to grow our revenues as we develop new partnerships and new Retail distribution relationships. See "Forward-Looking Information".
- Having more than doubled the number of retail doors carrying the Company's frozen pizzas since the start of 2022, the Company has surpassed its goal to reach 400 grocery stores by the end of 2022.

FINANCIAL PERFORMANCE REVIEW FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2022 and 2021

Selected Financial Information

GENERAL ASSEMBLY HOLDINGS LIMITED
Management's Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

	Three months ended		Nine months ended		
	Sept 30, 2022	June 30, 2022	Sept 30, 2021	Sept 30, 2022	Sept 30, 2021
Revenue	\$979,157	\$1,012,173	\$1,291,960	\$3,088,109	\$3,638,169
Procurement expense	648,487	808,594	848,831	2,233,016	2,083,893
Gross Profit	\$330,670	\$203,579	\$443,129	\$855,093	\$1,554,276
Gross Profit %	34%	20%	34%	28%	43%
Fulfillment expense	343,348	317,875	499,778	1,101,248	1,374,579
General and administrative expense	1,901,351	1,826,722	2,285,739	5,851,694	5,414,597
Sales and marketing expense	52,908	85,536	475,524	472,694	1,545,415
Operating loss	(1,966,937)	(2,026,544)	(2,817,912)	(6,570,543)	(6,780,315)
Finance expense	315,903	238,906	69,004	812,997	130,578
Remeasurement of derivative warrant liability	(138,945)	(1,105,271)	1,519,894	(1,153,505)	2,450,250
Loss on asset write down	1,160,378	—	—	1,160,378	—
Loss on sale of assets	31,046	—	—	31,046	—
Other income	—	—	3,349	—	—
Gain on lease concession	(139,702)	—	—	(125,553)	—
Foreign Exchange	1,026	390	—	4,827	7,014
Total other expenses (income)	1,229,706	(865,975)	1,592,247	730,190	2,587,842
Net income (loss)	\$(3,196,643)	\$(1,160,579)	\$(4,410,159)	\$(7,300,733)	\$(9,368,157)
Adjusted EBITDA	(1,555,983)	(1,417,698)	(2,376,809)	(4,985,950)	(5,908,196)

Revenue by channel

	Three months ended		Nine months ended		
	Sept 30, 2022	June 30, 2022	Sept 30, 2021	Sept 30, 2022	Sept 30, 2021
Direct to Consumer (DTC)	\$178,515	\$279,322	\$827,956	\$964,502	\$2,443,330
Retail	265,619	283,650	313,624	853,659	718,052
Restaurant and other	535,023	449,201	150,380	1,269,948	476,787
Total Revenue	\$979,157	\$1,012,173	\$1,291,960	\$3,088,109	\$3,638,169
Frozen pizza revenue	\$444,134	\$562,972	\$1,141,580	\$1,818,161	\$3,161,382
Total Units shipped	60,896	83,483	135,048	246,998	361,489

REVENUE

Three months ended September 30, 2022 compared to three months ended June 30, 2022

The Company generates revenues from sale of its frozen pizza products direct to consumers (“DTC”), via Retail partners (“Retail”), and from hot pizza sold through its Restaurant operations.

The Company shipped 60,896 frozen pizzas in the third quarter of 2022, a decrease of 22,587 from the 83,483 units shipped in the second quarter of 2022. The decrease in units shipped reflects the purposeful shift away from DTC customer acquisition that began in the second quarter, while the Company focused on building its Retail business.

Total revenue decreased by 33,016 (3%) to \$979,157 in the third quarter of 2022, compared to \$1,012,173 in the second quarter of 2022. The decrease in revenue reflects the impact of the shift away from DTC customer acquisition. This was offset by an increase in Restaurant revenues; revenue in the third quarter of 2022 were \$535,023, compared to \$449,201 in the second quarter of 2022, an increase of 19%. This increase reflects the continued return to pre-COVID-19 levels at the Restaurant.

Three months ended September 30, 2022 compared to three months ended September 30, 2021

GENERAL ASSEMBLY HOLDINGS LIMITED
Management's Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

Total revenue decreased by \$312,803 ((24%)) to \$979,157 in the third quarter of 2022, compared to \$1,291,960 in the third quarter of 2021. The decrease in revenue reflects the purposeful shift away from DTC customer acquisition that began in the second quarter of 2022. Total frozen pizza revenues, which comprises revenues generated by the Retail and DTC channels decreased by \$697,446 ((61%)) to \$444,134 in the third quarter of 2022, compared to \$1,141,580 in the third quarter of 2021. This was offset by an increase in Restaurant revenues; revenues in the third quarter of 2022 from the Restaurant were \$535,023, compared to \$150,380 in the third quarter of 2021, an increase of \$384,643 (256%). This increase is largely a reflection of the lifting of all in-dining restrictions due to COVID-19.

The Company shipped 60,896 frozen pizzas in the third quarter of 2022, a decrease of 74,152 ((55%)) from the 135,048 units shipped in the third quarter of 2021. The decrease in units shipped reflects the impact of the shift away from DTC customer acquisition that began in the second quarter of 2022.

Nine months ended September 30, 2022 compared to nine months ended September 30, 2021

Total revenue decreased by \$550,060 ((15%)) to \$3,088,109 for the nine months ended September 30, 2022, compared to \$3,638,169 for the same period in 2021. The decrease in revenue reflects the significant impact of a shift away from DTC customer acquisition that began in the second quarter of 2022.

This was marginally offset by increases in both Retail and Restaurant revenues. Retail revenues increased by 19%, to \$853,659 in the nine months ended September 30, 2022, compared to \$718,052 for the same period in 2021. This increase is related to an increase in the Company's retail partners, as the Company focuses on growing its Retail business in 2022. Restaurant revenues increased by 166%, to \$1,269,948 in the nine months ended September 30, 2022, compared to \$476,787 for the same period in 2021. This is largely a reflection of the lifting of all in-dining restrictions at the Restaurant due to COVID-19.

PROCUREMENT EXPENSES

Procurement expense consists of the cost of raw materials, employee wages and benefits, overhead directly related to the manufacturing of the Company's frozen and hot pizza products. Also included in procurement cost are supplies, inventory packaging, the cost of inbound shipping/freight and operating costs associated with the Restaurant including food costs, direct labour and overhead directly attributable.

Three months ended September 30, 2022 compared to three months ended June 30, 2022

Procurement expense decreased by \$160,107 ((20%)) to \$648,487 in the third quarter of 2022, compared to \$808,594 in the second quarter of 2022. The decrease in procurement costs for the three months ended September 30, 2022, compared to the three months ended June 30, 2022, is related to a concerted effort to drive down labour costs at both the Restaurant and the production facility. The move to Pacific Circle in September of 2022 further enabled a decrease in production labour costs, with the reengineering of the production line and further job loading efficiencies.

Three months ended September 30, 2022 compared to three months ended September 30, 2021

Procurement expense decreased by \$200,344 ((24%)) to \$648,487 in the third quarter of 2022, compared to \$848,831 for the same period in 2021. The decrease in procurement costs for the three months ended September 30, 2022, compared to the same period in the prior year, is largely related to a decrease in labour costs at the production facility. The Company has been focusing on job loading, as well as the reengineering of the production line with the move to Pacific Circle in September 2022 to reduce labour cost per pizza. This was slightly offset by an increase in Restaurant labour costs, given the Restaurant has been fully open to in-dining operations for all of the third quarter of 2022, while such was under renovation in the third quarter of 2021 and closed to in-dining operations.

Nine months ended September 30, 2022 compared to nine months ended September 30, 2021

Procurement expense increased by \$149,123 (7%) to \$2,233,016 for the nine months ended September 30, 2022, compared to 2,083,893 for the same period in 2021. The increase in procurement costs for the nine months ended September 30, 2022, compared to the same period in the prior year, is largely related to an increase in direct production depreciation costs. The Marycroft facility only began operations in the third quarter of 2021 and as such would only have begun depreciating production

GENERAL ASSEMBLY HOLDINGS LIMITED
Management's Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

equipment at this time. In comparison, the nine months ended September 30, 2022 would have included nine months of production equipment depreciation, accounting for the increase. Such was offset by decreases in both labour and cost of inventory as compared to the nine months ended September 30, 2021. This is due to continued focus on decreasing labour cost per pizza at the production facility in 2022.

FULFILLMENT EXPENSE

Fulfillment expenses include costs for picking, packaging of frozen pizza inventory into orders for shipment and last mile delivery to consumers and/or Retail locations. The Company includes third party picking and packaging costs, packaging materials, labour directly related to picking and packaging of orders, third party freight and shipping charges for the delivery of customer orders.

Three months ended September 30, 2022 compared to three months ended June 30, 2022

Fulfillment costs increased by \$25,473 (8%) to \$343,348 in the third quarter of 2022, compared to \$317,875 for the second quarter of 2022. The increase in fulfillment costs is largely driven by an increase in packaging costs with the introduction of the retail ready packaging in the third quarter of 2022 for Retail distribution.

Three months ended September 30, 2022 compared to three months ended September 30, 2021

Fulfillment costs decreased by \$156,430 ((31%)) to \$343,348 in the third quarter of 2022, compared to \$499,778 for the same period in 2021. The decrease in fulfillment costs for the three months ended September 30, 2022, compared to the same period in the prior year, is related to a decrease in DTC revenues driven by the shift away from DTC customer acquisition in the quarter. Delivery and processing fees decreased by \$127,550 ((49%)), while packaging supplies decreased by \$92,804 ((39%)), directly related to a decrease in DTC revenues over the same period.

Nine months ended September 30, 2022 compared to nine months ended September 30, 2021

Fulfillment costs decreased by \$273,331 ((20%)) to \$1,101,248 for the nine months ended September 30, 2022, compared to \$1,374,579 for the same period in 2021. The decrease in fulfillment costs for the nine months ended September 30, 2022, compared to the same period in the prior year, is related to a decrease in DTC revenues driven by the shift away from DTC customer acquisition that began in the second quarter of 2022. Such was marginally offset by an increase in fulfillment costs at the Restaurant in the second quarter of 2022, with the lifting of all in-dining restrictions associated with COVID-19.

GENERAL AND ADMINISTRATIVE EXPENSE

General and administrative expense include employee wages and benefits, office and occupancy costs, technology, communications, and Restaurant supplies, as well as the cost of consultants, board retainers and accounting, legal, tax, and advisory fees. General and administrative expense in 2021 also include public company costs related to the Company's June 3, 2021 listing and on-going costs associated with maintaining its listing on the TSX-V.

Three months ended September 30, 2022 compared to three months ended June 30, 2022

General and administrative costs increased by \$74,629 (4%) to \$1,901,351 for the three months ended September 30, 2022, compared to \$1,826,722 for the second quarter of 2022. The increase in general and administrative costs for the three months ended September 30, 2022 relates entirely to exit costs associated with the early termination of the Marycroft lease in September of 2022. Such costs include an early termination fee, building restoration costs, as well as moving costs for a total of \$411,000 one time in nature expenses. Such was offset largely by decreases in compensation costs, as well as smaller decreases in many other general and administrative expenses.

Three months ended September 30, 2022 compared to three months ended September 30, 2021

General and administrative costs decreased by \$384,388 ((17%)) to \$1,901,351 for the three months ended September 30, 2022, compared to \$2,285,739 for the same period in 2021. The decrease in general and administrative costs for the three months

GENERAL ASSEMBLY HOLDINGS LIMITED
Management's Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

ended September 30, 2022, compared to the same period in the prior year was primarily the result of a decrease in headcount and associated wages and benefits, as well as a decrease in consulting fees, office and administrative and supplies. This was moderately offset by an increase in both occupancy costs and depreciation costs related to the Marycroft facility.

Nine months ended September 30, 2022 compared to nine months ended September 30, 2021

General and administrative costs increased by \$437,097 (8%) to \$5,851,694 for the nine months ended September 30, 2022, compared to \$5,414,597 for the same period in 2021. The increase in general and administrative costs for the nine months ended September 30, 2022, compared to the same period in the prior year was primarily the result of an increase in headcount and associated wages and benefits, occupancy costs associated with the Marycroft lease, which commenced in July of 2021, as well as one-time in nature expenses related to the early termination of the Marycroft lease and related depreciation costs. Such was offset by decreases in professional fees related to the go public transaction in 2021 as well as a significant decrease in consulting costs in 2022.

SALES AND MARKETING EXPENSE

Sales and marketing expense includes the cost of marketing initiatives to build brand awareness, online advertising spend, customer acquisition costs for new subscribers and retail marketing programs and collateral.

Three months ended September 30, 2022 compared to three months ended June 30, 2022

Sales and marketing costs decreased by \$32,628 ((38%)) to \$52,908 in the third quarter of 2022, compared to \$85,536 in the second quarter of 2022. The decrease in sales and marketing costs is driven by the Company's shift away from DTC customer acquisition via targeted online advertising in the second quarter. With a focus on growing the Retail revenue stream in 2022, the Company is redeploying resources to support Retail partners, while continuing to build brand awareness.

Three months ended September 30, 2022 compared to three months ended September 30, 2021

Sales and marketing costs decreased by \$422,616 ((89%)) to \$52,908 for the three months ended September 30, 2022, compared to \$475,524 for the same period in 2021. The decrease in sales and marketing costs for the three months ended September 30, 2022, compared to the same period in the prior year reflects the Company's shift away from DTC customer acquisition efforts via targeted online advertising. With a focus on growing the Retail revenue stream in 2022, the Company is redeploying resources to support Retail partners, while continuing to build brand awareness.

Nine months ended September 30, 2022 compared to nine months ended September 30, 2021

Sales and marketing costs decreased by \$1,072,721 ((69%)) to \$472,694 for the nine months ended September 30, 2022, compared to \$1,545,415 for the same period in 2021. The decrease in sales and marketing costs for the nine months ended September 30, 2022, compared to the same period in the prior year reflects the Company's shift away from DTC customer acquisition efforts via targeted online advertising. With a focus on growing the Retail revenue stream in 2022, the Company is redeploying resources to support Retail partners, while continuing to build brand awareness.

FINANCE EXPENSE

For the three months ended September 30, 2022, the Company incurred interest expense related to several outstanding loans as well as interest related to the Company's lease liabilities. See note 12 to the Company's Q3 2022 Financial Statements for further information related to loans outstanding and interest charges.

Finance expense in the three months ended September 30, 2022 was \$315,903, compared to \$69,004 in the same period in the prior year. Finance expense for the nine months ended September 30, 2022 was \$812,997 as compared to \$130,578 for the nine months ending September 30, 2021.

GAIN/ LOSS ON DERIVATIVE WARRANT LIABILITY

GENERAL ASSEMBLY HOLDINGS LIMITED
Management's Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

The Company's derivative warrant liability relates to the Series 2 and 3 warrants issued in connection with the Company's non-brokered private placement of units on November 17, 2020. The holders of the warrants may elect in lieu of exercising the warrants for cash, a cashless exercise option to receive common shares equal to the fair value of the warrants. The fair value is determined by multiplying the number of warrants to be exercised by the weighted average market price less the exercise price with the difference divided by the weighted average market price.

In the three months ended September 30, 2022, the Company recorded a gain on remeasurement of derivative warrant liability of \$(138,945) due to the change in share price used to remeasure the liability on September 30, 2022. During the three-month period ended September 30, 2021, the Company recorded a loss of \$1,519,894 as a result of the remeasurement of the warrant liability, using the Black-Scholes option pricing model.

At September 30, 2022, the weighted average share price was \$0.10 as compared to \$0.25 as at June 30, 2022, resulting in a net gain on remeasurement being recorded in the third quarter of 2022. The Company will continue to revalue the derivative warrant liability on a quarterly basis and as a result, investors should expect the value of the derivative warrant liability to fluctuate as the Company's share price changes.

NON-GAAP FINANCIAL MEASURES

The Company measures the success of the Company's strategies and performance based on adjusted earnings before interest, taxes, depreciation and amortization ("EBITDA"), which is outlined and reconciled with net income (loss). The Company defines adjusted EBITDA as net income (loss) from operations before: (a) depreciation of property and equipment and amortization of intangible assets; (b) share-based payments; (c) finance income and costs; (d) gain or loss from the remeasurement of derivative warrant liabilities; (e) depreciation of right-to-use-assets; and (h) employee severance expenses. Management uses adjusted EBITDA as a measure of the Company's operating performance because it provides information related to the Company's ability to generate operating cash flows for working capital requirements, capital expenditures, and potential acquisitions. The Company also believes that analysts and investors use adjusted EBITDA as a supplemental measure to evaluate the overall operating performance of companies in its industry.

Adjusted EBITDA

	Three months ended			Nine months ended	
	Sept 30, 2022	June 30, 2022	Sept 30, 2021	Sept 30, 2022	Sept 30, 2021
Net income (loss) as reported	\$(3,196,643)	\$(1,160,579)	\$(4,410,159)	\$(7,300,733)	\$(9,368,157)
Adjustments:					
Stock-based compensation	78,450	123,668	239,402	385,866	476,350
Depreciation	174,128	485,188	201,701	538,741	395,769
Finance expense	315,903	238,906	69,004	812,998	130,578
Remeasurement of derivative warrant liability	(138,945)	(1,105,271)	1,519,894	(1,153,505)	2,450,250
Other expense (income)	(1,051,722)	—	3,349	1,065,871	7,014
Foreign Exchange	1,026	390	—	4,827	—
Adjusted EBITDA	\$(1,555,983)	\$(1,417,698)	\$(2,376,809)	\$(4,985,950)	\$(5,908,196)

This non-IFRS financial measure is used in addition to and in conjunction with results presented in the Company's consolidated financial statements prepared in accordance with IFRS and should not be relied upon to the exclusion of IFRS financial measures. Management strongly encourages investors to review the Company's consolidated financial statements in their entirety and to not rely on any single financial measure. Because non-IFRS financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-IFRS financial measures having the same or similar names. In addition, the Company expects to continue to incur expenses similar to the non-IFRS adjustments described above, and exclusion of these items from the Company's non-IFRS measures should not be construed as an inference that these costs are unusual, infrequent, or non-recurring.

GENERAL ASSEMBLY HOLDINGS LIMITED
Management's Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

ADJUSTED EBITDA

Adjusted EBITDA for the three months ended September 30, 2022 was a loss of \$1,555,983, compared to a loss of \$2,376,809 for the three months ended September 30, 2021. The decrease in the adjusted EBITDA loss for the three months ended September 30, 2022, compared to the same period in the prior year, was a result of a decrease in Sales and Marketing costs, professional fees and a decrease in headcount costs in the third quarter of 2022.

SUMMARY OF QUARTERLY RESULTS

The following financial data for each of the eight most recently completed quarters has been prepared in accordance with IFRS.

	For the three months ended (unaudited)			
	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021
Revenue	\$979,157	\$1,012,173	\$1,096,779	\$999,168
Net income (loss) and comprehensive income (loss)	(3,196,643)	(1,160,579)	(2,937,953)	(1,231,069)
Total assets	6,773,014	9,679,513	11,435,127	11,564,411
Total liabilities	13,397,497	13,270,246	14,086,449	11,461,528
Income (loss) and comprehensive income (loss) per share				
Basic	\$(0.12)	\$(0.05)	\$(0.13)	\$(0.06)
Diluted	(0.12)	(0.05)	(0.13)	(0.06)

	For the three months ended (unaudited)			
	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020
Revenue	\$1,291,960	\$1,273,870	\$1,072,339	\$719,544
Net loss	(4,410,159)	532,214	(5,490,212)	(971,303)
Total assets	11,713,140	11,048,374	11,547,620	3,096,842
Total liabilities	10,963,865	6,128,342	7,853,957	4,053,476
Income (loss) and comprehensive income (loss) per share				
Basic	\$(0.20)	\$0.02	\$(0.28)	\$(0.75)
Loss per share (basic and diluted)	(0.20)	(0.09)	(0.28)	(0.75)

During the holiday and summer seasons, the Company typically anticipates revenues to be lower as a higher proportion of individuals choose to forgo eating at restaurants or ordering online. While this is typically the case, the COVID-19 pandemic has had, and may continue to have, an impact on this trend.

For the year ended December 31, 2020, the Company was impacted both negatively and positively by the COVID-19 pandemic. Revenues and costs decreased as a result of a decrease in Restaurant revenue as a result of the COVID-19 pandemic which prohibited indoor dining in Toronto for the majority of the year.

The increase in revenue in 2021 as compared to 2020, was the result of the successful launch of the Company's subscription and CPG frozen pizza offering in September 2020 gaining traction in the market along with increased marketing spend to generate awareness. During periods with warmer weather, the Company anticipates packaging costs to be higher due to the additional packaging required to maintain food freshness and quality. The Company also anticipates food cost to be positively affected due to improved availability during periods with warmer weather. The increase in net loss in 2021 compared to 2020 relates to increased marketing in connection with marketing the new revenue channels coupled with the increase in legal and professional fees in connection with the Company's go public listing and increased head count in the form of full-time staff and part-time consultants.

GENERAL ASSEMBLY HOLDINGS LIMITED
Management's Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

Moderate decrease in revenue in 2022 is a result of the Company's pivot away from DTC customer acquisition and the move to support the Company's Retail revenue stream in 2022. A return to in-dining at the Restaurant has helped to offset the pivot away from DTC customer acquisition during the second and third quarters of 2022.

LIQUIDITY AND CAPITAL RESOURCES

Selected financial information from the statements of financial position as at September 30, 2022 and December 31, 2021, are as follows:

Liquidity and Capital Resources

	Three months ended	
	September 30, 2022	December 31, 2021
Cash and Cash Equivalents	\$1,340,127	\$1,259,395
Working Capital (1)	(6,477,350)	(1,707,763)
Total assets	6,773,014	11,564,411
Current liabilities	8,705,594	4,351,956
Other non-current liabilities	4,691,902	7,109,572
Shareholders' equity (deficiency)	(6,624,483)	102,883

¹Working capital is defined as current assets less current liabilities. Included in the calculation of working capital is a derivative warrant liability of \$1,756 at September 30, 2022. This derivative warrant liability will be settled by way of share issuance by the Company when the warrants are exercised by the holders or on expiry. As of September 30, 2022, the Company's working capital, excluding the derivative warrant liability was negative \$6,475,594.

The table below outlines a summary of cash inflows and outflows by activity for the three months ended September 30, 2022 and 2021.

Cash Flow

	Nine months ended	
	September 30, 2022	September 30, 2021
Operating activities	\$(3,755,409)	\$(6,550,913)
Investing activities	132,418	(1,460,999)
Financing activities	3,703,723	9,430,762
Net change in cash and cash equivalents	\$80,732	\$1,418,850

Net Cash Used in Operating Activities

Cash flows used in operations totaled \$3,755,409 for the nine months ended September 30, 2022, compared to cash used in operations of \$6,550,913 for the same period in 2021. The decrease in cash used in operations compared to the prior year is largely a result of the decreased investment in headcount, marketing initiatives related to DTC customer acquisition, as well as professional fees. For the nine months ended September 30, 2022, changes in non-cash working capital for the period decreased the cash used by operations by a total of \$1,203,537 as the Company's accounts payable and accrued liability balance increased by \$924,317, which was offset by increases in inventory and accounts receivable at September 30, 2022.

Cash used in Investing Activities

Cash flow used in investing activities was \$132,418 for the nine months ended September 30, 2022, compared to \$1,460,999 for the same period in 2021. During the nine months ended September 30, 2022, the Company did not acquire additional pizza manufacturing equipment.

GENERAL ASSEMBLY HOLDINGS LIMITED
Management's Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

Cash provided by Financing Activities

Cash provided by Financing Activities for the nine months ended September 30, 2022 was \$3,703,723, compared to cash provided of \$9,430,762 for the same period in 2021. During the nine months ended September 30, 2022, the Company received proceeds related to the closing of a \$1,750,000 debt financing, proceeds related to the sale and leaseback arrangement in the amount of \$560,215, proceeds related to warrant exercises of \$97,500, and proceeds related to the closing of a \$2,000,000 debt financing, partially offset by lease and interest repayments. See "*Significant Operating Highlights and Developments for Nine Months Ended September 30, 2022, and to the Date of this MD&A*" for details related to the \$1,750,000 debt financing, the sale and leaseback arrangement and the \$2,000,000 debt financing.

Between December 29, 2020 and January 28, 2021, the Company completed a Series A Financing resulting in the issuance of an aggregate of 5,020,999 units (the "Series A Units") at a price of \$0.48 per Series A Unit for total gross proceeds of \$2,410,080 (the "Series A Financing"), and on February 2, 2021, the Company completed a brokered private placement resulting in the issuance of an aggregate of 5,511,985 units at a price of \$1.73 per unit for total gross proceeds of \$9,535,734 (the "Going Public Financing").

During the 3 months ended March 31, 2021, the Company received net proceeds from issuance of units in connection with the Series A Financing and Going Public Financings of \$851,569 and \$8,487,313 respectively. These proceeds were partially offset by (i) repayment of the Company's BDC loan, and (ii) payment of lease liabilities.

The Company utilized the funding from its Series A Financing and Going Public Financing to fund its increase in sales and marketing expenses, fund its operating losses, which increased as the Company added new headcount to support its DTC operations, and also utilized a portion of the funding to acquire and build out the Marycroft Facility and fund equipment purchases to allow the Company to increase its production capacity and enable it to manufacture frozen pizzas more efficiently.

The Company is reliant on external financing to take advantage of growth opportunities, and its ability to continue as a going concern is dependent upon the Company's ability to profitably manufacture and distribute its frozen pizza products direct to consumers and to retailers as well as generate revenues and contribution from our Restaurant. As at September 30, 2022, the Company had a working capital deficit of \$6,477,350 after adjusting for the derivative warrant liability which is a non-cash item. As at September 30, 2022, the Company had an accumulated deficit of \$21,109,507 since its inception. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing to commence profitable operations in the future and to repay its liabilities arising from normal business operations as they become due. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Management is also actively involved in the review and approval of planned expenditures. The Company's principal cash requirements are for capital expenditures, working capital needs and principal and interest payments on its debt. The Company uses its operating cash flows, loans and borrowings and cash balances to maintain liquidity. In the event future cash flows from operations are lower than expected, the Company may need to seek additional financing, either by issuing additional equity or by undertaking additional borrowings. There is no certainty that additional financing will be available or that it will be available on attractive terms. Additional information can be found in the Company's Q3 2022 Financial Statements which is available on SEDAR at www.sedar.com.

Capital Management

The Company manages its capital structure and adjusts it based on the funds available to the Company, in order to support the general operations of the Company and facilitate its liquidity needs. The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence, safeguard the Company's ability to support the expansion of sales and production of product and the development of new production sustain future development of the business. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines "capital" to include its working capital position, derivative warrant liability, share issuance liability, share capital, and accumulated deficit. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the three months ended September 30, 2022. The Company is not subject to externally imposed capital requirements.

GENERAL ASSEMBLY HOLDINGS LIMITED
Management’s Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of special shares without nominal or par value and an unlimited number of common shares. The table below lists the securities outstanding:

	As at		
	November 29, 2022	September 30, 2022	December 31, 2021
Common shares	25,837,874	25,837,874	22,348,744
Stock options	1,622,027	1,733,562	2,215,250
Warrants			
Advisory warrants ⁽¹⁾	697,476	697,476	697,476
Share purchase warrants	15,623,856	15,623,856	13,869,779
Broker warrant units ⁽²⁾	566,478	566,478	566,478
Total Common Shares on a fully diluted basis	44,347,711	44,459,246	39,697,727

Note 1 - Advisory Warrants: There are 464,984 Warrants issued to advisors of the Company (the “Advisory Warrants”), of which 401,678 Advisory Warrants were issued in connection with the Series A Financing and 63,306 Advisory Warrants were issued in connection with the Going Public Financing. The Advisory Warrants are each exercisable for the purchase of one unit of the Company (the “Advisory Unit”) at a price of \$0.48 per Advisory Warrant for the Advisory Warrants issued in connection with the Series A Financing and at a price of \$1.73 per Advisory Warrant for the Advisory Warrants issued in connection with the Going Public Financing. Each Advisory Warrant is exercisable until the date that is 24 months from the date of a Liquidity Event. Each Advisory Unit is comprised of one Common Share and one-half of one Warrant (an “Underlying Advisory Warrant”). Each Underlying Advisory Warrant is exercisable for the purchase of one Common Share at an exercise price of \$0.72 per share for the Advisory Warrants issued in connection with the Series A Financing and at an exercise price of \$2.60 per Underlying Advisory Warrant for the Advisory Warrants issued in connection with the Going Public Financing. The Underlying Advisory Warrant issued in connection with the Series A Financing are exercisable until the earlier of: (i) the date that is two years following a Liquidity Event, and (ii) twenty-five years following issuance. The Underlying Advisory Warrant issued in connection with the Going Public Financing are exercisable until two years from the date of a Liquidity Event.

Note 2 – Broker Warrants Units: There are 377,652 Warrants issued to brokers of the Company (the “Broker Warrants”). Each Broker Warrant is exercisable for the purchase of one unit of the Company (a “Broker Unit”) at an exercise price of \$1.73 per unit. Each Broker Warrant is exercisable until the date that is 24 months from the date of a Liquidity Event. Each Broker Unit is comprised of one Common Share and one and one-half of one Warrant (an “Underlying Broker Warrant”). Each Underlying Broker Warrant is exercisable for the purchase of one Common Share for a period of two years from the date of a Liquidity Event at an exercise price of \$2.60 per share.

Fixed Equity Incentive Plan

The Company has a fixed equity incentive plan (the “FEI Plan”) that was approved on June 2, 2022, under which the Board of Directors may grant to directors, officers, employees, advisors and technical consultants to the Company non-transferable Restricted Stock Units (“RSU’s”), Performance Share Units (“PSU’s”), and Deferred Share Units (“DSU’s”). The FEI Plan provides for a maximum number of units reserved for issuance equal to 2,234,874 units, 10% of the issued and outstanding shares at the time of approval. Under the FEI Plan, units generally vest over a period of one year.

The following table summarizes the continuity of the units under the FEI plan during the nine months ended September 30, 2022:

	Number of units	Vested Units \$
Balance at December 31, 2021	0	\$ 0.00
RSU’s Granted	1,150,000	0
Forfeited and cancelled	(0)	0
Balance at September 30, 2022	1,150,000	\$ 0

For the three and nine months ended September 30, 2022, the Company recorded compensation expense related to the FEI plan

GENERAL ASSEMBLY HOLDINGS LIMITED
Management's Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

of \$0 and \$0 (September 30, 2021 - \$0 and \$0).

CONTRACTUAL OBLIGATIONS

The following is a summary of the Company's contractual obligations at September 30, 2022:

	Total	Payments due by period		
		Less than 1 year	1-5 Years	More than 5 years
Lease obligations	2,991,624	576,186	2,415,438	—
Loan payable	6,856,949	5,021,995	1,834,954	—
Promissory note	3,550,000	134,725	3,415,275	—
Total⁽¹⁾	\$13,398,573	\$5,732,906	\$7,665,667	\$

¹Includes principal and interest.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's cash and cash equivalents, amounts receivable, due from related parties, accounts payable and accrued liabilities, and loans approximate their carrying values due to their short-term nature. The Company's derivative warrant liability and share issuance liability are measured at fair value using Level 3 inputs. During the three months ended March 31, 2022, derivative warrant liability was transferred to a Level 2.

OFF BALANCE SHEET ARRANGEMENTS

As at September 30, 2022, the Company had no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks in the normal course of operations including credit risk, liquidity risk, foreign currency risk, interest rate risk, commodity price risk and equity risk. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure, to the extent possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages its liquidity risk by continually monitoring forecasted and actual revenue, as well as expenditures and cash flows from operations. Management is also actively involved in the review and approval of planned investments. The Company's principal cash requirements are for capital expenditures and working capital needs. The Company uses its operating cash flows and cash balances to maintain liquidity.

The following is an analysis of the contractual maturities of the Company's financial liabilities:

GENERAL ASSEMBLY HOLDINGS LIMITED
Management's Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

	As at September 30, 2022		
	Within one year	Between one and five years	More than five years
Accounts payable and accrued liabilities	3,485,898	—	—
Lease liability	576,186	2,415,438	—
Loan payable	5,021,995	1,834,954	—
Promissory note	134,725	3,415,275	—
Total	\$9,218,804	\$7,665,667	\$ —

	As at December 31, 2021		
	Within one year	Between one and five years	More than five years
Accounts payable and accrued liabilities	2,580,242	—	—
Lease liability	1,001,753	4,332,467	1,457,346
Loans payable	60,000	3,000,000	—
Total	\$3,641,995	\$7,332,467	\$1,457,346

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is in its cash and amount receivables. Cash and cash equivalents are managed through the use of a major bank which is a high credit quality financial institution as determined by rating agencies and amounts receivable are managed by management. The carrying amount of financial assets represents the maximum credit exposure.

Since its incorporation, the Company has not incurred any significant credit loss in respect of its amounts receivable and amounts due from related parties. Based on consideration of all possible default events over the assets' contractual lifetime, the expected credit loss in respect of the Company's amounts receivable and amounts due from related parties were insignificant at September 30, 2022 and 2021.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has floating rate debt on one of its loans, however the Company's exposure to fluctuations in its interest rate is not material.

Commodity price risk

The Company is exposed to increases in the prices of agricultural commodities in operating its business. To manage this exposure, the Company uses purchase arrangements for a portion of its needs for raw materials and supplies.

Equity price risk

In recent years, securities markets have experienced extremes in price and volume volatility. The market price of securities of many early-stage companies, among others, have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any market for the Company's shares will be subject to market trends generally and the value of the Company's shares on a stock exchange may be affected by such volatility.

RELATED PARTY TRANSACTIONS

The key management personnel of the Company are certain members of the Company's executive management team and the Board of Directors. The following table presents the compensation of the key management personnel recognized in net income (loss):

GENERAL ASSEMBLY HOLDINGS LIMITED
Management’s Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

	Three months ended	
	Sept 30, 2022	Sept 30, 2021
Salaries and director remuneration	\$248,382	\$277,560
Stock-based compensation expense - directors and officers	97,950	176,368
Total	\$346,332	\$453,928

	Nine months ended	
	Sept 30, 2022	Sept 30, 2021
Salaries and director remuneration	\$801,377	\$824,087
Stock-based compensation expense - directors and officers	359,574	373,242
Total	\$1,160,951	\$1,197,329

As at September 30, 2022, included in accounts payable was \$49,614 (December 31, 2021 - \$49,614) and included in accrued liabilities was \$164,000 (December 31, 2021 - \$164,000) of payments owed to key management personnel. For the nine months ended September 30, 2022, the Company forgave a short term loan to the Company’s founder in the amount of \$54,561 (December 31, 2021 - \$54,561 included in due to/from related parties). Compensation paid to the founder is included in general and administration in the combined consolidated statements of loss and comprehensive loss.

As at December 31, 2021, the Company held promissory notes comprised of a principal balance of \$3,000,000, of which \$500,000 was entered into with certain shareholders and key management personnel of the Company. During the three-month period ended March 31, 2022, a holder of promissory notes with a principal balance of \$250,000 ceased to act as key management.

See the section titled “**SIGNIFICANT OPERATING HIGHLIGHTS AND DEVELOPMENTS FOR YEAR ENDED DECEMBER 31 2021, AND TO THE DATE OF THIS MD&A**” for details related to related parties’ participation in the debt financing in November 2021.

SIGNIFICANT JUDGMENTS AND ESTIMATES

The preparation of the Company’s combined consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses, and the disclosure of contingent assets and contingent liabilities at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next fiscal year are described below. The Company based its assumptions and estimates on parameters available when the combined consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The following are the estimates and assumptions that have been made in applying the Company’s accounting policies that have the most significant effect on the amounts in the combined consolidated financial statements.

Common control

In preparation of the combined consolidated financial statements, significant judgement was required to determine whether the Company and 249 were controlled by the same party before September 1, 2020. Given such control existed prior to September 1, 2020, the Company and 249 were considered under common control.

Provision and contingencies

The amount recognized as a provision, including legal, contractual, constructive and other exposures, obligations or contingent consideration are the best estimate of the consideration required to settle the related liability, including any related interest

GENERAL ASSEMBLY HOLDINGS LIMITED
Management's Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

charges, considering the risks and uncertainties surrounding the obligation. In addition, contingencies will only be resolved when one or more future events occur or fail to occur. Therefore, assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires assumptions be made for the inputs to the valuation model, which include the expected life of the equity instrument, share price, volatility, dividend yield and forfeiture rate.

Useful lives of property and equipment

Management is depreciating the furniture and fixtures, equipment and leasehold improvements on a straight-line basis, with the following useful lives:

Computer Equipment	3 years
Furniture and fixtures	5 years
Manufacturing Equipment	5 - 7 years
Leasehold improvements	Shorter of lease term and 10 years

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

Determination of incremental borrowing rate

When the Company enters into leases as a lessee and where the interest rate implicit in a lease cannot be readily determined, the Company determines its incremental borrowing rate in order to measure its lease liability. The incremental borrowing rate is the rate of interest that a lessee would have to pay to borrow over a similar term, and with similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. In estimating its incremental borrowing rate, the Company considers the term of the lease, the nature of the leased asset, and its level of indebtedness with reference to market risk-free interest rates.

Determination of the lease term

When the Company enters into leases as a lessee, it determines the lease term as the non-cancellable period of the lease together with periods covered by an option to extend the lease if it reasonably expects to exercise such option. In assessing whether it is reasonably certain to exercise an option to extend a lease, the Company considers: the contractual terms and conditions for the optional periods compared with market rates; whether any significant leasehold improvements have been undertaken; the costs of terminating the lease; the importance of the underlying asset to the Company's operations; and any conditionality associated with exercising the option.

Income taxes

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Derivative warrant liability

Warrants issued pursuant to a private placement that are exercisable in cash, or on a cashless basis resulting in a variable number of shares being issued, are considered a derivative liability and therefore measured at fair value.

GENERAL ASSEMBLY HOLDINGS LIMITED
Management's Discussion and Analysis
For the three and nine months ended September 30, 2022 and 2021

The Company uses the Black-Scholes option pricing model to estimate fair value at each reporting date. The key assumptions used in the model are the expected future volatility in the price of the Company's shares, the expected life of the warrants and the fair value of the Company's shares. The impact of changes in key assumptions is described in note 14.

Government grants

In the context of certain government programs where a benefit is received by both the Company and another party, management has applied significant judgment in determining whether the Company is the recipient of a government grant, or whether it is receiving an indirect benefit from a third party.

RISK FACTORS AND UNCERTAINTIES

The Company is subject to various financial, operational, and political risks that could have a significant impact on its business, profitability, and levels of operating cash flows. Although the Company assesses and seeks to mitigate these risks by careful management of its activities, resources and employing qualified personnel, these risks cannot be eliminated. Such risks include, but are not limited to, business and country risks discussed below.

Business Risk Factors

Future Funding

As the Company has limited financial resources, the Company's continuing operations are dependent on its ability to secure equity and/or debt financing. There can be no assurance that future funding will be available to the Company for further development of the Company's current business activities or to identify, evaluate and pursue, if appropriate, new lines of business. The ability of the Company to arrange additional financing in the future will depend, in part, on prevailing capital market conditions generally, as well as the business performance of the Company.

Country Risk Factors

Political and Economic Conditions

Regardless of the economic viability of the Company's pursuit of new lines of business, it may be materially adversely affected by risk factors associated with conducting business activities including political instability and violence, war and civil disturbance, acts of terrorism, expropriation or nationalization, inequitable treatment of non-domiciled companies, changing fiscal regimes, fluctuations in currency exchange rates, high rates of inflation, underdeveloped industrial and economic infrastructure that could affect the Company's ability to raise additional capital.

For a discussion of these and additional risk factors, please refer to the Company's final long form prospectus under "Risk Factors and Uncertainties" therein. The prospectus, filed on May 13, 2021, is available under the Company's profile on SEDAR at www.sedar.com.

CONTROLS CERTIFICATION

In connection with National Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer, will file a Venture Issuer Basic Certificate with respect to the financial information contained in condensed interim consolidated financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issuer Basic Certification does not include representations relating to establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.