MANAGEMENT DISCUSSION AND ANALYSIS

As at January 31, 2025 and for the three and six months ended January 31, 2025
(Expressed in Canadian Dollars)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS & RESULTS OF OPERATIONS

The following Management's Discussion and Analysis ("MD&A") dated March 13 is intended to assist readers in understanding the business environment, performance and risk factors of Cizzle Brands Corporation ("**Cizzle Brands**" or the "**Company**"). The following **MD&A** should be read in conjunction with the condensed consolidated interim financial statements of the Company and the notes to those statements for the three and six months ended January 31, 2025. The accompanying condensed consolidated interim financial statements have been prepared and are the responsibility of the Company's management. The condensed consolidated interim financial statements, including comparatives, have been prepared per International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board. Unless otherwise noted herein, all references to "$" are to the currency of the Canadian dollars.

In addition to reviewing this MD&A, readers are encouraged to read the Corporation's public information filings available on the Corporation's profile on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedarplus.com.

As the Company was incorporated on January 10, 2024, there is no prior year comparable financial information.

COMPANY OVERVIEW

Cizzle Brands Corporation ("Cizzle Brands" or the "Company"), formed through a reverse take-over in 2024, is committed to health and wellness through innovative beverage and nutrition products. In May 2024, the Company launched CWENCH Hydration, a sports drink designed with natural ingredients and aimed at enhancing athletic performance. CWENCH Hydration contains no sugar, less than 10 calories per serving, and features a mix of 6+ electrolytes, promoting effective hydration. CWENCH Hydration is currently available in five flavors, including Blue Raspberry, Cherry Lime, Rainbow Swirl, Berry Crush, and Tropical Flow. In January 2025, the Company launched SPOKEN Nutrition, a premium brand of athlete-grade nutraceuticals that carry the prestigious NSF Certified for Sport® qualification, making SPOKEN products eligible for use by athletes in several major-league and minor-league organizations, as well as the NCAA.

Cizzle Brands partners with high-profile athletes such as Nathan MacKinnon, Andrew Wiggins, Cole Caufield and Adriana Leon, as well as established and respected doctors, trainers and dieticians such as Andy O'Brien, Dr. Jordan Shallow, Dr. Matt Frakes, Dr. Sachin Patel, Brianne Brown, Ben Prentiss and David Lawrence to develop its products and enhance brand visibility and foster authentic connections with performance-driven consumers. This strategic collaboration positions the brand as a trusted choice for athletes and health-conscious individuals seeking clean, effective hydration options.

Cizzle Brands aims to become a leader in the health, wellness and hydration markets, leveraging its athlete endorsements and product formulations to differentiate itself from competitors.

OUTLOOK & STRATEGY

Cizzle Brands' mission is to elevate the game in health & wellness by positioning itself at the forefront of an emerging secular shift happening in consumer markets.

Consumers are becoming increasingly aware of how unhealthy foods continue to have a significant negative impact on health and quality of life. Globally, obesity rates have tripled since 1975 and increased nearly 33% since 2018. In the US 42.4% of adults and 19.7% of children are classified as obese. As a result, the number of people with Type 2 diabetes has increased 5x since 1980, with 34.2 million Americans now having Type 2 diabetes1 and rates climbing more steeply in children and young adults. [2]

The Company views the primary driver of the changes noted above to be diet, with ultra-processed foods often being rich in added sugars, unhealthy fats, and artificial ingredients. Sugar has become the new "bad word" in the world of health & wellness.

While some consumers attempt to eat healthier, their choices are often unappetizing, uninspired or expensive. This has created an opportunity for companies with strong brands, high quality ingredients and premium products to thrive.

[1] IFS Diabetes Atlas

These combined trends are why the Company has positioned itself to provide consumers with high-performing alternatives that are healthy, taste great, and meet their needs.

The Company's first product to market is CWENCH Hydration, which is a premium hydration product positioned for the $97 billion dollar functional drinks industry, in which demand for premium and zero sugar products are the fastest growing categories (51% and 46%, respectively). Containing no sugar, only 10 calories and 6+ performing electrolytes, CWENCH Hydration is a next generation sports hydration drink developed by strength coach, Andy O'Brien, and the team at Cizzle Brands.

The Company’s second product line to market is SPOKEN Nutrition, a premium brand of athlete-grade nutraceuticals that carry the prestigious NSF Certified for Sport® qualification, making SPOKEN products eligible for use by athletes in several major-league and minor-league organizations, as well as the NCAA. Jordan Shallow and Dr. Andrew Weil.

The Company also has a robust portfolio of innovative products and brands that it expects to launch over the next 12-24 months, which includes but is not limited to the products listed below, and will continue to evaluate market conditions to determine when and if to launch any of the following products.

- **CWENCHIE**: a formulation and format of CWENCH Hydration designed specifically for children.
- **SnakStars**: a brand of snack products fortified with 8g - 12g of protein designed for the youth snack market.
- **HappiEats**: a brand dedicated to crafting delicious, nutrient-rich foods that support a healthy lifestyle, starting with a high protein, low-glycemic index pasta.

Our Growth Strategy

Our growth strategy uses a fly-wheel approach whereby we create aspirational products, used by aspirational people who inspire key adopters to use the products, which then drives mainstream awareness and purchasing decisions.

The initial focus was to generate endorsements from athletes with strong awareness in some of our key demographics. As CWENCH Hydration was formulated by Andy O’Brien to meet the needs of his clients, it has been endorsed by professional athletes, including 2024 National Hockey League (“NHL”) MVP and Colorado Avalanche forward, Nathan MacKinnon, Montreal Canadien forward, Cole Caufield, National Basketball Association (“NBA”) All-Star and Golden State Warrior, Andrew Wiggins, Canadian Olympic soccer player, Adriana Leon, and up-and-coming professional hockey players Gavin McKenna, Chloe Primerano and Jade Iginla.

Strategically, the launch of SPOKEN Nutrition was designed to fill a void in the nutritional supplements industry with products designed for elite athletes’ needs. Formulated by professional strength and conditioning coaches Andy O’Brien, Dr. Jordan Shallow, Dr. Matt Frakes, Dave Lawrence, Brianne Brown and Ben Prentiss, SPOKEN’s line of supplements are NSF for Sport certified thereby ensuring professional athletes can take them without risk of violating any banned substances rules or regulations. By developing a line of superior nutritional supplements, the Company is able to bring a broad range of athletes into its ecosystem, further its strategy of aspirational products for aspirational people.

To date, the Company's products have been ordered by more than 18 NHL Teams, 17 Major League Baseball teams, 2 NFL Teams and 2 NBA teams.

At the same time that Cizzle Brands has been developing entrenched relationships with professional athletes and trainers, it has been focused on building awareness in key foundational accounts, with a specific emphasis on youth hockey. To date, the Company has sponsored over 500 youth hockey teams across the country, as well as key tournaments and the naming rights to The CWENCH Centre, a Canlan Community, a key sports facility in Toronto, Ontario.

The combined effect of this positioning creates strong brand awareness among key demographics for the Company. To support this, the Company is building a comprehensive sales channel mix, with initial focus on "points of sweat" (e.g. gyms, arenas, training facilities) and speciality sports retailers (including SportChek, Source for Sports, Canadian Tire), along with selected grocery retailers, to ensure its products are available at locations where our key demographics shop. This helps ensure high velocity of sales while preserving margins.

CWENCH Hydration is currently available in over 1,800 points of distribution across North America, including Sport Chek, Canadian Tire, Pro Hockey Life, LifeTime Fitness, Source for Sports, Metro, Fortinos, London Drugs, and many other leading retailers. CWENCH Hydration is also being distributed by a number of major distributors, including Van Houtte Coffee Services Inc., a subisidary of Keurig Dr. Pepper.

As brand presence for CWENCH Hydration grows, the Company's channel mix will increasingly include additional grocery stores as well as convenience stores and gas stations, grocery stores, pharmacies, wholesale clubs, food service companies and online sales platforms in both Canada and the US. This strategic approach ensures that its products are readily available to consumers across a wide range of locations, meeting the demands of diverse markets while preserving margins.

2025 Q2 FINANCIAL HIGHLIGHTS

- On December 30, 2024 the Company completed the reverse take over of Cizzle Brands Corporation and commenced trading of its common shares on the Cboe Canada Stock Exchange ("CBOE") under the symbol "CZZL".
- Revenues of $2,856,072 for the three months, which brings total 6 months revenue to $5,647,006.
- Gross margins of $1,639,383 (57%) for the three months, and $3,389,664 (60%) for the six months ending January 31, 2025.
- Adjusted EBITDA of $(1,775,495) for the three months, an improvement of $453,470 (20.3%) over the previous 3 months.

SELECTED ANNUAL FINANCIAL INFORMATION

		For the three months ended January 31, 2025		For the six months ended January 31, 2025
Net Revenue	$	2,856,072	$	5,647,006
Gross Margin		1,639,383		3,389,664
Total Assets as at January 31, 2025		-		16,061,844
Total Current Liabilities as at January 31, 2025		-		4,379,624

RESULTS FROM OPERATIONS

1. Revenue

Net revenue for the three and six months ended January 31, 2025, amounted to $2,856,072 and $5,647,006 respectively, following the recent launch of the CWENCH Hydration product line in May 2024. The ready-to-drink and powder formats of the CWENCH Beverage linerealized sales growth for the three months ending January 31, 2025, with revenue increasing by 7.9% compared to the previous period. Additionally, U.S. B2B channels experienced a growth rate of 40%.

Revenues were derived from both wholesale and direct-to-consumer channels, underscoring the Company's dual-market strategy. The Company is continuing to pursue growth opportunities across Canadian, U.S., and international markets, leveraging initial traction to drive market penetration and expand its global presence. The performance during this period indicates the potential of the CWENCH Hydration brand to establish itself well within the hydration segment.

		For the three months ended January 31, 2025		For the six months ended January 31, 2025
Net Revenue	$	2,856,072	$	5,647,006
Total Revenue	$	2,856,072	$	5,647,006

2. Cost of Sales

Cost of Sales for the Company represent the cost of the raw materials, packing and production costs used in producing the products. The Company incurred cost of sales of $1,216,689, or 43% of sales for the three months ending January 31, 2025 and $2,257,342, or 40% of net sales for the 6 months ending January 31, 2025. Cost of sales remained in line with expectations.

		For the three months ended January 31, 2025		For the six months ended January 31, 2025
Cost of Sales	$	1,216,689	$	2,257,342
Total Cost of Sales	$	1,216,689	$	2,257,342
As a % of Revenue		43%		40%
Total Revenue		43%		40%

3. **Marketing Expenses**

During the three and six months ended January 31, 2025, the Company incurred marketing costs of $976,395 and $2,342,443 respectively. The marketing spend was used to help develop the CWENCH Hydration brand, through advertising and promotion, trade shows and partnerships with athletes and social media personalities. Marketing spend decreased vs. the prior 3 months, reflecting the completion of key brand launch initiatives and initial production investments. Cizzle Brands current spend remains aligned with its strategic growth plans.

4. **Selling, General and Administrative Expenses**

Selling, general and administrative costs include all other costs incurred in operating the Company, this includes Salaries and Benefits, Share Based Payments, Processional Fees, R&D and Quality control, Transportation and Distribution, deprecation and other administrative costs. During the three and six months ended January 31, 2025, the Company incurred SG&A of $2,887,742 and $5,572,544 respectively. The increase in SG&A expenses over the prior 3 months is primarily due to one-time legal costs associated with the RTO.

5. **EBITDA and Adjusted EBITDA**

EBITDA and Adjusted EBITDA are both non-IFRS measures that Cizzle uses to monitor and assess its operating performance and to better compare results from operations on a relative basis from period to period.

The following table provides the reconciliation of Net Income to EBITDA and EBITDA to Adjusted EBITDA. Adjusted EBITDA improved 20.3% over the prior 3 months, from $(2,228,965) to $(1,775,495), resulting from lower Marketing Spend and use of existing assets.

	For the three months ended January 31, 2025	**For the six months ended January 31, 2025**	**For the three months ended October 31, 2024**
Net Loss	$ (3,266,805)	$ (6,130,054)	$ (2,863,250)
Interest Expense	68,340	139,943	71,603
Depreciation and Amortization	195,060	393,245	198,185
EBITDA	**$ (3,003,405)**	**$ (5,596,866)**	**$ (2,593,462)**
Share Based Compensation	$ 455,462	$ 825,850	$ 370,388
RTO & Listing Expense	880,920	880,920	-
Non-Business Income	(108,472)	(114,364)	(5,891)
Adjusted EBITDA	**$ (1,775,495)**	**$ (4,004,460)**	**$ (2,228,965)**

6. Segment Information

The Company has two reportable business segments, retail/wholesale and direct-to-consumer. The retail/wholesale segment reflects the results from the distribution of product to retail stores, grocery chains, gyms and athletic facilities and professional sports organization, which are subsequently sold to end consumers. The direct-to-consumer segment includes sales of products directly to consumers through online sales on the Company's website and Amazon. The Company sells domestically in Canada, along with the United States and other international locations.

The majority of the Company's sales for the three and six months ended January 31, 2025 were to retail/wholesale in Canada representing 64% and 66% of total sales. Total retail/wholesale sales were 90% and 93% and direct-to-consumer sales were 10% and 7% of total sales during the three and six months ended January 31, 2025. Total sales in Canada were 69% and 70% of total sales, including retail/wholesale and director to consumer, whereas sales to the United States and other countries represented 31% and 30% of total sales.

For the three months ended January 31, 2025

	Retail/Wholesale	Consumer	Total
Canada	$ 1,816,928	$ 157,200	$ 1,974,128
United States	524,771	133,402	658,173
Other	223,771	-	223,771
Total Segmented Revenues	**$ 2,565,470**	**$ 290,602**	**$ 2,856,072**

For the six months ended January 31, 2025

	Retail/Wholesale	Consumer	Total
Canada	$ 3,745,280	$ 233,006	$ 3,978,286
United States	900,466	173,336	1,073,802
Other	594,918	-	594,918
Total Segmented Revenues	**$ 5,240,664**	**$ 406,342**	**$ 5,647,006**

LIQUIDITIY AND CAPITAL RESOURSES

1. Net Working Capital

Net working capital is a capital management measure and is defined as current assets less accounts payable, and accrued liabilities. The Company had a net working capital of $5,967,717 as of January 31, 2025. The net working capital is made up of $2,626,915 in cash, $2,389,078 in trade receivables, and $5,331,348 in inventory, deposits, and prepaids. This is offset by accounts payable and accrued liabilities of $4,193,844, other liabilities of $18,566, and the current portion of lease liabilities of $167,214.

2. Capital Expenditure

During the three and six months ended January 31, 2025, the Company spent $20,296 on computer equipment and $117,050 on office furniture and equipment, which includes vending and refrigerators used in several retail locations. The Company also spent $890,729 on Right of Use assets in relation to the naming rights for the CWENCH Centre by Canlan Sports in Toronto, ON. The agreement with Canlan Sports, provided the Company with naming rights to the arena, and also sponsorship, marketing and hydration exclusivity within Canlan Arenas. The sponsorship agreement was accounted for as a prepaid and will be expensed on a straight-line method over the term of the contract.

3. Intangible Assets

During the three and six months ended January 31, 2025, the Company capitalized the expenditures for the development of its e-commerce website at an amount of $24,750.

4. Lease Liabilities

As at the period ended January 31, 2025, the company has a lease liability of $974,247 for the rental of the corporate offices and naming rights to the CWENCH Centre by Canlan Sports).

5. Share Capital

Prior to July 31, 2024, the Company raised $14,487,622 net of issuance costs and commissions through the issuance of 73,473,270 units at a price of $0.20/unit (the "Private Placement"). Each unit consisted of 1 common share and one-half warrant, with an exercise price of $0.40 and an expiry of 4 years from the date of issue. In connection with the Private Placement, the Company issued 966,000 units as commission for services rendered in relation to the funds raised. The commission units were issued on the same terms as those offered in the Private Placement.

In August 2024, the Company issued 3,750,000 units at a price of $0.20/unit. Each unit consisted of 1 common share and one-half warrant, with an exercise price of $0.40 and an expiry of 4 years from the date of issue. The total value of the private placement includes warrants valued at $84,246.

In October and November 2024, the Company issued 10,518,388 common shares its at a price of $0.30/share .

In conjunction with the go public offering, in November 2024, the Company issued 3,458,940 subscription receipts for common shares at a price of $0.30. Broker warrants valued at $44,500 were issued in conjunction to the subscription receipt.

The Company issued 1,666,666.66 common shares at a value of $0.30 to the shareholders of Cizzle Brands Corporation as part of the reverse takeover transaction (Note 3).

In the quarter ending January 31, 2025, the Company issued an additional 455,645 common shares in exchange for services at a price of $0.31, and 140,000 common shares at a price of $0.30.

The company incurred issuance costs of $214,766 in relation to these issuances.

During the three months ended October 31, 2024, the Company issued 1,875,000 warrants associated with the with issuance of the equity units. The warrants have an estimated fair value of $84,246 ($0.04 per warrant) in connection with the private placement of Units (Note 11). Each warrant entitles the holder thereof to acquire one half common share of the Company for a price of $0.20 for a period of two years from the date of issuance.

In November 2024, the Company issued 239,781 broker warrants associated with the with issuance of the common shares. The warrants have an estimated fair value of $45,500 ($0.186 per warrant) in connection with the private placement of common shares (Note 11). Each warrant entitles the holder thereof to acquire one common share of the Company for a price of $0.30 for a period of two years from the date of issuance.

The stock option plan is applicable to employees and directors of the Company. The options are granted at the Company's current fair market value of the common shares under terms and conditions determined by the Board. Under the terms of the plan, the options generally vest proportionately over a three-year period and expire ten years from the date of the grant. There were 6,665,000 options issued, and 152,375 forfeited during the three months and 6,950,000 options granted, and $157,375 forfeited during the six months ended January 31, 2025. The Company may issue up to 15% of common shares outstanding as options under its stock- option plan. The fair value of the compensation expense related to the options issued to employees and contractors for the three- and six-months ending January 31, 2025 is $455,462 and $825,850 respectively.

	Number Outstanding
Common Shares	196,932,409
Warrants	39,486,166
Stock Options	25,912,625
Fully Diluted	**262,331,200**

MATERIAL ACCOUNTING POLICIES

There are no material changes in accounting policies during the three and six months period ended January 31, 2025. For accounting policies, see the annual audited consolidated financial statements of the Cizzle Brands Limited for the period from January 10, 2024 (date of incorporation) to July 31, 2024.

CRITICAL JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The Company's management makes judgments in its process of applying the Company's accounting policies in the preparation of its condensed consolidated interim financial statements. In addition, the preparation of financial data requires that the Company's management make assumptions and estimates of the effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed continuously based on historical experience and other relevant factors. Revisions to estimates and the effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

Note 5 of the Condensed Consolidated Interim Financial Statements for the three and six months ended January 31, 2025, reflects the critical judgments, estimates, and assumptions used to prepare the Company's condensed consolidated interim financial statements.

RISK FACTORS AND UNCERTAINTIES

The Company is exposed to business risks that are inherent to the consumer-packaged goods industry along with being a newly formed company. The Company is focused on growing its business with new and existing customers and scaling to achieve continued growth and profitability. The details of these risks are set out in the listing document, which is available on SEDAR+.

1. **Going Concern**

   The condensed consolidated interim financial statements (the "financial statements") have been prepared on a going concern basis in accordance with International Financial Reporting Standards ("IFRS") as issued by International Accounting Standards Board (IASB). The going concern basis of presentation assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. During the three and six months ended January 31, 2025, the Company incurred a comprehensive loss of $3,266,804 and $6,130,054 respectively. The company also incurred negative cash flows from operations of $3,538,434 during the 6 months ended January 31, 2025. The Company has an accumulated deficit of $10,687,545.

   As disclosed in Note 2a, the condensed consolidated interim financial statements do not include adjustments to the recoverability and classification of recorded assets and liabilities and related expenses that might be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business at amounts different from those in the accompanying condensed consolidated interim financial statements. Such adjustments could be material.

   Despite strong initial financial performance and spending aligned with budget, the Company's ability to continue as a going concern is will depend on the Company's ability to obtain the ongoing support of its creditors, lenders and investors, obtain profitable operations, generate significant sales and/or raise additional capital.

2. Limited Operating History

Cizzle Brands faces inherent risks associated with being a new company, having only been in operation for ten months. As a newly established company, it lacks an extensive track record, which can limit its ability to predict future performance reliably and may pose challenges in securing sustained market traction. Additionally, the Company's ability to achieve growth targets, optimize its operations, and establish brand loyalty is still evolving. The limited operating history also increases exposure to unforeseen operational challenges, market fluctuations, and the competitive dynamics of the health beverage industry.

3. Future Capital Needs

The Company may require additional financing to support working capital needs in the future. The amount of additional capital required, the timing of capital needs and the availability of financing to fund those needs will depend on a number of factors, including the Company's strategic initiatives and operating plans, the performance of its business and the market conditions for debt or equity financing. Additionally, the amount of capital required will depend on the Company's ability to meet its sales goals and otherwise successfully execute its operating plan. The Company believes it is imperative that it meet these sales objectives in order to lessen its reliance on external financing in the future. The Company intends to continually monitor and adjust its operating plan as necessary to respond to developments in its business, its markets and the broader economy. Although the Company believes various debt and equity financing alternatives will be available to it to support its working capital needs, financing arrangements on acceptable terms may not be available to the Company when needed. Moreover, these alternatives may require significant cash payments for interest and other costs or could be highly dilutive to the Company's existing shareholders. Any such financing alternatives may not provide the Company with sufficient funds to meet its long-term capital requirements. If necessary, the Company may explore strategic transactions that it considers to be in the best interest of the company and its shareholders, which may include, without limitation, public or private offerings of debt or equity securities, a rights offering, and other strategic alternatives; however, these options may not ultimately be available or feasible when needed.

4. Changes in Consumer Preferences

Consumer demand and appetite for premium hydration products and beverages in general, as well as industry trends, may change and evolve over time. The Company's future success will depend, in part, upon the Company's continued ability to maintain customer loyalty to the Company's existing product offering and develop and introduce new and innovative products over time. The Company's ability to compete, grow and differentiate itself requires it to be competitive in the areas of taste, quality, innovation and wellness. There can be no assurance of the Company's ability to do so. In addition, product lifecycles for some premium hydration brands and/or products and/or packages may be limited before consumers' preferences change. While the Company's main product profile has resonated positively in the market, and many of the Company's consumers are becoming loyal to the Company's brands and their taste profiles, there can be no assurance that such preferences will continue into the future. The Company may be unable to achieve volume growth through product and packaging differentiation in the markets in which the Company competes.

FINANCIAL INSTRUMENTS, RISKS AND CAPITAL MANAGEMENT

The Company has exposure to counterparty credit risk, liquidity risk, and market risk associated with its financial assets and liabilities. The Company’s risk management program seeks to minimize potential adverse effects on the Company’s financial performance and ultimately shareholder value. The Company manages its risks and risk exposures through a combination of insurance, a system of internal controls, and sound business practices.

The Company’s financial instruments and the nature of the risks to which they may be subject to are set out in the following table.

Risks

			Market	
	Credit	Liquidity	Foreign Exchange	Interest Rate
Cash	Yes	-	Yes	-
Trade receivables	Yes	-	Yes	-
Accounts payable and accrued liabilities	-	Yes	-	-

The carrying values of cash, trade receivables, accounts payable and accrued liabilities, approximate their fair values due to their relatively short periods to maturity.

Credit risk

Credit risk arises from cash held with banks and trade receivables and these financial assets are subject to the expected credit loss model. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses on financial assets. The Company minimizes the credit risk of cash by depositing with only reputable financial institutions and minimizes the credit risk of trade receivables by monitoring the counterparty’s creditworthiness and setting exposure limits.

To optimize cash flow and reduce the balance of prepaid expenses, the Company is actively negotiating improved credit terms with its suppliers. By securing longer payment periods and more favorable terms, the Company aims to reduce the need for large upfront payments, thereby enhancing liquidity and working capital management. These efforts are expected to strengthen the Company's financial position and support its long-term growth and sustainability.

Trade receivables with specific customers, each with 10% or more of total Company trade receivables are summarized as follows:

	As at January 31, 2025	As at July 31, 2024
Customer 1	$ 487,892	$ 203,183
Customer 2	-	130,754
Total Major Trade Receivables	**$ 487,892**	**$ 333,937**

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by continuously monitoring forecasts and actual cash flows and taking the necessary actions to maintain enough liquidity for operations and for growth objectives.

	Carrying amount	Maturing in less than 1 year
As at January, 31, 2025		
Accounts payable and accrued liabilities	$ 4,193,844	$ 4,193,844
Total	**$ 4,193,844**	**$ 4,193,844**

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates will affect the fair value of a financial instrument or its future cash flows.

The Company operates internationally with a sales coming from United States and other countries. The Company is, therefore, subject to foreign currency risk. The Company reports its financial results in Canadian dollars. The Company incurs expenses in both Canadian and U.S. dollars. To date, the Company has not used foreign currency forward contracts or other hedging strategies to manage its foreign currency exposure.

Capital management

The Company’s objective in managing capital is to ensure a sufficient liquidity position to safeguard the Company’s ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Company defines capital as equity and debt, comprised of issued common shares, warrants, contributed surplus, and accumulated deficit. The Company seeks to ensure that it has sufficient cash resources to maintain its ongoing operations and finance its research and development activities, corporate and administration expenses, working capital, and overall capital expenditures.

KEY MANAGEMENT COMPENSATION

Compensation for key management personnel, including the Company's CEO and directors, was as follows for the three and six months ended January 31, 2025:

	For the three months ended January 31, 2025	For the six months ended January 31, 2025
Salaries and other short-term benefits	$ 266,373	$ 451,481
Share-based payments	$ 9,796	$ 9,796
Total	**$ 276,169**	**$ 461,277**

MANAGEMENT'S STATEMENT OF RESPONSIBILITY

The accompanying condensed consolidated interim financial statements of Cizzle Brands Ltd. and all information contained herein are the responsibility of management and have been approved by the Board of Directors. The condensed consolidated interim financial statements include some amounts based on management's best estimates that have been made using careful judgment. Management has prepared the condensed consolidated interim financial statements in accordance with International Financial Reporting Standards. Financial and operating data elsewhere in the report are consistent with the information contained in the condensed consolidated interim financial statements. Although no cost-effective system of internal controls will prevent or detect all errors and irregularities, these systems are designed to provide reasonable assurance that assets are safeguarded from loss or unauthorized use, transactions are correctly recorded, and the financial records are reliable for preparing condensed consolidated interim financial statements.

CAUTIONARY STATEMENT ON FORWARD-LOOKING STATEMENTS

This MD&A includes "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities laws. All information, other than statements of historical facts, included in this MD&A that addresses activities, events or developments that the Company expects or anticipates will or may occur in the future is forward-looking information. Forward-looking information is often identified by the words "may", "would", "could", "should", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" or similar expressions and includes, among others, information regarding:

- future products and services;
- expansion to product distribution;
- the Company's growth;
- marketing and business plans and short-term objectives;
- the intention to grow the business, operations and potential activities of the Company;
- revenue;
- use of available funds;

- business milestones and objectives;
- the protection of intellectual property;
- exploration of new products and opportunities;
- future risks to operations;
- the Company's business objectives;
- the Company's expectations regarding its business, financial condition and results of operations
- future market share;
- the outcome of legal proceedings which involve the Company;
- strategic plans; and
- strategic relationships with third parties.

These statements reflect the Company's current views with respect to future events and are based on assumptions and subject to a number of risks and uncertainties, some of which are unknown at this time. Certain assumptions made in preparing the forward-looking statements contained in this MD&A include:

- the Company's ability to meet its obligations as they become due;
- the Company's ability to implement its growth strategies;
- the Company's competitive advantages;
- the development of new products and product formats for the Company's products;
- the Company's ability to manage any indebtedness as required;
- the Company's ability to obtain and maintain financing or to re-finance existing indebtedness on acceptable terms, as necessary;
- the impact of competition;
- changes and trends in the beverage industry and markets;
- changes in laws, rules and regulations;
- the Company's ability to maintain and renew required licences;
- the Company's ability to maintain good business relationships with its customers, distributors and other strategic partners;
- the Company's ability to keep pace with changing consumer preferences;
- the Company's ability to protect intellectual property;
- the Company's ability to retain key personnel;
- The absence of material adverse changes in the industry and in Canadian, US or global economies
- The Company's future business performance;
- The demand for the Company's products; and
- The conditions of the markets that the Company's serves.

Although the Company believes that the assumptions underlying its statements are reasonable, they may prove to be incorrect. Given these risks, uncertainties and assumptions, investors should not place undue reliance on the forward-looking information.

The purpose of forward-looking information is to provide the reader with a description of management's expectations, and such forward-looking information may not be appropriate for any other purpose. In particular, but without limiting the foregoing, disclosure in this MD&A under "Description of the Business" as well as statements regarding the Company's objectives, plans and goals, including future operating results and economic performance may make reference to or involve forward-looking information.

Although the Company believes that the expectations reflected in such forward-looking information are reasonable, it can give no assurance that such expectations will prove to have been correct.

While the Company believes its plans, intentions and expectations reflected in the forward-looking information are reasonable, it cannot assure you that these plans, intentions or expectations will be achieved. The Company's actual results, performance or achievements could differ materially from those contemplated, expressed or implied by the forward-looking information relating to the Company contained in this MD&A as a result of various factors, including the risks, uncertainties and assumptions previously discussed, which include, but are not limited to, the following:

- Ability to achieve and manage growth;
- Failure to effectively expand sales capabilities could harm the Company's ability to increase distribution and achieve broader market acceptance of its products;
- The Company may need additional financing in the future, which may not be available when needed or may be costly and dilutive;
- Changes in consumer preferences may reduce demand for some of the Company's products;
- The Company's brand and image are keys to its business and any inability to maintain a positive brand image could have a material adverse effect on its results of operations;
- The Company may be adversely impacted by the effects of high or prolonged inflation;
- Competition from traditional and large, well-financed non-alcoholic beverage manufacturers may adversely affect the Company's distribution relationships and may hinder development of its existing markets, as well as prevent the Company from expanding its markets;
- The Company competes in an industry characterized by rapid changes in consumer preferences and public perception, so its ability to continue developing new products to satisfy the changing preferences of consumers will determine its long-term success;
- The Company's reliance on distributors, retailers and brokers could affect its ability to efficiently and profitably distribute and market its products, maintain its existing markets and expand its business into other geographic markets;
- The Company incurs significant time and expense in attracting and maintaining key distributors;
- If the Company loses any of its key distributors or national retail accounts, its financial condition and results of operations could be adversely affected;
- It is difficult to predict the timing and number of sales because most distributors and retailers are not required to place minimum orders with the Company;
- If the Company does not adequately manage its inventory levels, its operating results could be adversely affected;
- If the Company fails to maintain relationships with its independent contract manufacturers, its business could be harmed;
- The Company's dependence on independent contract manufacturers could make management of its manufacturing and distribution efforts inefficient or unprofitable;
- The Company relies upon our ongoing relationships with its key flavor suppliers. If the Company is unable to source its flavors on acceptable terms from its key suppliers, the Company could suffer disruptions in its business;
- Criticism of the packaged beverage market generally could adversely affect the Company's operating results;
- If the Company is unable to maintain brand image or product quality, its business could suffer;
- Increased competition could hurt the Company's business;

- Consolidation of retailers, wholesalers and distributors and the dominant position of a limited number of key players in the industry may result in downward pressure on sales prices;
- The Company's failure to accurately estimate demand for its products could adversely affect its business and financial results;
- If the Company fails to obtain and retain high-visibility sponsorship or endorsement arrangements with celebrities, or if the reputation of any of the celebrities that the Company partners with is impaired, the business of the Company may suffer;
- The Company's distributors and vendors are material to the Company's success. If the Company is unable to maintain good relationships with its existing distributors and vendors, its business could suffer;
- Changing retail landscape could hurt the Company's business;
- Incorrect product design or development could hurt the Company's business;
- Product information misrepresentations could happen and may adversely affect the Company's business;
- The Company relies on third party distributors and other logistics providers;
- The Company relies on key inputs;
- The Company's success relies on its quality control systems;
- The Company is subject to risks and uncertainty regarding future product development;
- Risks related to the Company's human capital;
- Revenues derived entirely from packaged beverages;
- Increases in costs and/or shortages of raw materials and/or ingredients and/or fuel could harm the Company's business;
- Fluctuation of quarterly operating results;
- No assurance of profitability;
- Fluctuations in foreign currency exchange rates may adversely affect the Company's operating results;
- Significant changes in government regulation may hinder sales;
- Contamination or recalls of the Company's ingredients or end products could adversely affect its business;
- The Company's intellectual property rights are critical to the Company's success, and the loss of such rights could materially adversely affect its business;
- Litigation or legal proceedings could expose the Company to significant liabilities and thus negatively affect its financial results;
- Future effective tax rates could be subject to volatility or adversely affected by a number of factors;
- Catastrophic events could impact the Company's operations and affect the Company's ability to grow its business;
- Climate change may negatively affect the Company's business;
- The Company's business is seasonal and adverse weather conditions could negatively affect its business;
- The Company depends on key information systems and third-party service providers;
- If the Company is unable to securely maintain its customers' confidential or credit card information, or other private data relating to the Company or its employees, the Company could be subject to negative publicity, costly government enforcement actions or private litigation, which could damage its business reputation and negatively affect its results of operations;
- The Company must continually maintain and/or upgrade its information technology systems;
- Conflicts of interest;

- Limited operating history as a public company;
- Potential volatility of share price;
- No assurance of active market for shares;
- Dividends;
- A return on the Company's securities is not guaranteed;
- Global financial conditions;
- Future sales of common shares by existing shareholders;
- Additional issuances and dilution;
- Publication of inaccurate or unfavourable research and reports; and
- As a public company, there are costs associated with maintaining a public listing.

These risks, uncertainties, assumptions and other factors could cause the Company's actual results, performance, achievements and experience to differ materially from its expectations, future results, performances or achievements expressed or implied by the forward-looking information.

The forward-looking information made in this MD&A relates only to events or information as of the date on which the statements are made in this MD&A. In addition, even if results and developments are consistent with the forward-looking information contained in this MD&A, those results and developments may not be indicative of results or developments in subsequent periods. The Company undertakes no obligation to update or revise publicly any forward-looking information, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events unless required under applicable securities laws. The Company's forward-looking information is expressly qualified in their entirety by this cautionary statement.

An investor should read this MD&A with the understanding that the Company's actual future results may be materially different from what is expected.