FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: <u>Happy Supplements Inc.</u> (the "Issuer").

Trading Symbol: HAPY

Number of Outstanding Listed Securities: 46,006,168 common shares

Date: September 7, 2021

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

The Issuer continues to look to grow its brands, which include Happy Tea, through the online, direct-to-consumer model as well as in the retail space. The Issuer also continues to review accretive acquisition opportunities.

On August 11, 2021, the Issuer announced the change of its symbol change from FITT to HAPY. The common shares of the Issuer began trading under the new symbol "HAPY" on the Canadian Securities Exchange at the market open on August 16, 2021. The CUSIP (411395106) and ISIN (CA4113951061) remained the same

2. Provide a general overview and discussion of the activities of management.

See 1 above.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

None.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

None.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

None.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

None.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

None.

8. Describe the acquisition of new customers or loss of customers.

None.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trademarks.

None.

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

None.

11. Report on any labour disputes and resolutions of those disputes if applicable.

None.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

None.

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

None.

14. Provide details of any securities issued and options or warrants granted.

None.

15. Provide details of any loans to or by Related Persons.

None.

16. Provide details of any changes in directors, officers or committee members.

As of the date hereof, the following persons are confirmed as directors and officers of the Company:

Directors:

- Stephen Horgan
- Patrick Morris
- Steve Pear
- Joel Shacker
- Geoffrey Balderson

Officers:

- Steve Pear CEO
- Geoffrey Balderson CFO and Corporate Secretary
- Christopher Delgado COO

As of the date hereof, the following are members of the Issuer's audit committee:

- Geoffrey Balderson
- Patrick Morris
- <u>Stephen Horgan</u>

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

The trends and risks which are likely to impact the Issuer are set out in section 17, Risk Factors, in the Issuer's Listing Statement dated November 5, 2020, and filed under the Issuer's profile on SEDAR (www.sedar.com).

COVID-19

With the outbreak of the corona virus pandemic, the Issuer may face disruption to operations, supply chain delays, travel and trade restrictions and impacted economic activity in affected countries or regions. This can be difficult to quantify. There can be no assurance that the Issuer's personnel will not be impacted by the pandemic and ultimately, the Issuer may see its workforce productivity reduced or incur increased medical costs/insurance premiums as a result of these health risks. In addition, the COVID-19 pandemic has created a dramatic slowdown in the global economy. The duration of the COVID-19 outbreak and the resultant travel restrictions, social distancing, government response actions, business closures and business disruptions, may all have an impact on the Issuer's operations and access to capital.

Certificate Of Compliance

The undersigned hereby certifies that:

- 1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
- 2. As of the date hereof, there is no material information concerning the Issuer which has not been publicly disclosed.
- 3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
- 4. All of the information in this Form 7 Monthly Progress Report is true.

Dated September 7 2021.

Geoff Balderson
Name of Director or Senior
Officer
"Geoff Balderson"
Signature
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CFO & Corporate Secretary
Official Capacity

Issuer Details Name of Issuer Happy Supplements Inc.	For Month End August 2021	Date of Report YY/MM/DD 21/09/07
Issuer Address Suite 800-1199 West Hastings Street		
City/Province/Postal Code Vancouver, BC V6E 3T5	Issuer Fax No. N/A	Issuer Telephone No. 236-521-0626
Contact Name Geoff Balderson	Contact Position CFO & Corporate Secretary	Contact Telephone No. 236-521-0626
Contact Email Address gb@winchesteradvisory.com	Web Site Address www.happytea.com	