SOL Global Investments Corp.

FINANCIAL STATEMENTS

For the years ended November 30, 2023, and 2022

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of SOL Global Investments Corp.

Opinion

We have audited the financial statements of SOL Global Investments Corp. (the "Company"), which comprise the statement of financial position as at November 30, 2023, and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at November 30, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the* Financial *Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements which indicates that the Company incurred a net loss of $34,134,104 for the year ended November 30, 2023, and as of that date, had an accumulated deficit of $115,516,086. The Company's cash flows from operations for the year were negative by $3,256,693. As stated in Note 1, these events and conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those that, in our professional judgment, were of most significance in our audit of the financial statements. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter Description	How the Key Audit Matter was Addressed in the Audit
Fair value measurement of private investments based on unobservable inputs - Refer to Notes 3 and 4 to the Financial Statements As disclosed in Note 4 of the financial statements, as of November 30, 2023, the total fair value of the Company's Level 3 investments including securities of private issuers, promissory notes, and warrants, was $40,837,849. Management uses various valuation methodologies with unobservable market inputs in its determination of the fair value of private investments. The valuation methodologies used in estimating the fair value of these private investments vary based on the specific characteristics of the private investments. The valuation of private investments is inherently subjective and involves the use of significant management judgment and unobservable market inputs. As a result, the procedures related to the valuation methodologies and unobservable market inputs required a high degree of auditor judgment and increased audit effort, including the involvement of our fair valuation experts.	Among others, our audit procedures related to the valuation methodologies and unobservable market inputs used by management to estimate the fair value of the private investments included the following, together with the use of our fair valuation experts having specialized skill and knowledge: • We evaluated the appropriateness of the methodologies used in the valuation of private investments and the reasonableness of significant changes in valuation methodologies or significant unobservable market inputs, if any. • We reviewed relevant internal and external information, including industry data, to assess the reasonability of unobservable market inputs in instances where these inputs were more subjective. For certain investments, we developed independent fair value estimates by using financial information related to private investments and comparing it to the agreements or underlying source documents, and available market information from third party sources such as market spreads, market multiples, and leverages. • We scrutinized significant judgments and estimates to gain insights into their nature and impact. This involved identifying significant issues, actions taken to address them, and conclusions reached based on our assessment. • We evaluated management's fair value estimates by comparing them to subsequent transactions, taking into account changes in market or investment specific conditions. • We verified the fair value adjustments recorded by the management in these financial statements. • We also evaluated the appropriateness and adequacy of disclosures and presentation in the financial statements.

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Other Matter

The financial statements of the Company for the year ended November 30, 2022, were audited by another auditor who expressed an unmodified opinion on those statements on May 1, 2023.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis ("MD&A") but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be misstated.

We obtained the MD&A prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are, therefore the key audit matters. We described these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Ahmad Aslam.

Zeifmans LLP

Toronto, Ontario
March 28, 2024

Chartered Professional Accountants
Licensed Public Accountants

SOL Global Investments Corp.
Statements of Financial Position
(Expressed in Canadian Dollars)

As at	Notes	November 30, 2023 $	November 30, 2022 $
ASSETS			
Current assets			
Cash		**113,841**	71,924
Other receivables	5	**1,933,982**	318,335
Deferred tax asset	9	**1,513,422**	-
Investments	4	**102,451,786**	145,023,703
Convertible debentures	4	**-**	2,260,370
Promissory notes receivable	4	**20,000**	2,519,842
Prepaid expenses		**37,179**	32,732
Total current assets		**106,070,210**	150,226,906
Non-current assets			
Other assets		**-**	342,278
Right of use asset	15	**303,862**	1,361,178
Leasehold improvements	16	**22,221**	593,525
Total non-current assets		**326,083**	2,897,887
Total assets		**106,396,293**	153,124,793
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities	10	**17,429,211**	17,573,512
Severance payable	11	**4,911,533**	4,893,573
Promissory notes payable	12	**1,029,961**	1,312,107
Lease liability	15	**326,352**	904,616
Income tax payable	9	**25,515,583**	39,835,361
Term loan	13	**10,202,340**	9,081,370
Debenture	13	**20,610,880**	11,826,333
Total current liabilities		**80,025,860**	85,426,872
Non-current liabilities			
Severance Payable	11	**18,658,284**	24,155,553
Lease liability	15	**-**	1,711,553
Total non-current liabilities		**18,658,284**	25,867,106
Total liabilities		**98,684,144**	111,293,978
SHAREHOLDERS’ EQUITY			
Share capital	6	**128,889,904**	128,889,904
Contributed surplus (deficit)		**(5,983,559)**	(6,255,159)
DSU/PSU reserve	8	**321,890**	578,052
Accumulated deficit		**(115,516,086)**	(81,381,982)
Total shareholders’ equity		**7,712,149**	41,830,815
Total liabilities and shareholders’ equity		**106,396,293**	153,124,793

The accompanying notes are an integral part of these financial statements.

Nature of operations and going concern (note 1), Basis of presentation (note 2), Commitments and contingencies (note 14) Subsequent events (note 20)

On behalf of the Board of Directors, on March 28, 2024:

/s/ Jason Batista	/s/ Mehdi Azodi
Director	Directo

SOL Global Investments Corp.

Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

	Note	Year ended Nov 30, 2023 $	Year ended Nov 30, 2022 $
Revenue (Loss)			
Net change in fair value of investments	4	**(38,884,508)**	(237,400,825)
Interest and other income	4	**7,372,490**	1,861,441
Foreign exchange (loss) gain		**(20,637)**	605,018
Total revenue (loss)		**(31,532,655)**	(234,934,366)
Expenses			
Salaries and consulting		**2,365,454**	9,323,024
Severance expense	11	**-**	21,464,801
Share-based compensation	8	**15,438**	37,444
General and administrative		**441,612**	5,993,427
Interest expense		**9,439,108**	3,190,999
Financing expense		**4,373,189**	3,905,045
Professional fees and transaction costs		**1,461,310**	3,530,256
Settlement		**338,538**	675,360
Total expenses		**18,434,649**	48,120,356
Loss before income taxes		**(49,967,304)**	(283,054,722)
Deferred income tax (recovery) expense	9	**(1,513,422)**	13,965,329
Current income taxes(recovery) expense	9	**(14,319,778)**	-
Net loss and comprehensive loss		**(34,134,104)**	(297,020,051)
Net loss per share, basic	7	**(0.63)**	(5.46)
Net income loss per share, diluted	7	**(0.63)**	(5.46)
Weighted average number of shares o/s - basic	7	**54,441,981**	54,441,981
Weighted average number of shares o/s - diluted	7	**54,441,981**	54,441,981

The accompanying notes are an integral part of these financial statements.

SOL Global Investments Corp.

Statements of Shareholders' Equity

(Expressed in Canadian Dollars)

	Note	Number of common shares	Share capital	Contributed surplus (deficit)	DSU/PSU reserve	Accumulated deficit	Total
Balance, December 1, 2021		52,018,533	134,948,223	6,982,615	9,424,751	215,638,069	366,993,658
New DSUs issued		-	-	-	23,222	-	23,222
DSU/PSU exercised		5,042,000	8,869,921	-	(8,869,921)	-	-
Share-based compensation	8	-	-	14,222	-	-	14,222
Shares issued for indebtedness		4,788,852	1,819,764	-	-	-	1,819,764
Stock options cancelled/expired	6	-	40,358	(40,358)	-	-	-
Common shares repurchased		(7,407,404)	(16,788,362)	(13,211,638)	-	-	(30,000,000)
Net loss		-	-	-		(297,020,051)	(297,020,051)
Balance, November 30, 2022		54,441,981	128,889,904	(6,255,159)	578,052	(81,381,982)	41,830,815
Share-based compensation	8	-	-	-	15,438	-	15,438
PSUs cancelled		-	-	271,600	(271,600)	-	-
Net loss		-	-	-	-	(34,134,104)	(34,134,104)
Balance, November 30, 2023		**54,441,981**	**128,889,904**	**(5,983,559)**	**321,890**	**(115,516,086)**	**7,712,149**

The accompanying notes are an integral part of these financial statements.

SOL Global Investments Corp.

Statements of Cash Flows

(Expressed in Canadian Dollars)

For the year ended	November 30, 2023 $	November 30, 2022 $
OPERATING ACTIVITIES		
Net loss	**(34,134,104)**	(297,020,051)
Items not affecting cash:		
Unrealized loss on investments	**28,451,069**	204,256,815
Realized loss on investments	**10,145,787**	35,061,780
Depreciation expense	**697,165**	1,429,595
Accrued interest income	**(607,466)**	(521,712)
Accretion expenses	**95,805**	544,742
Share-based compensation	**15,438**	37,441
Net change in deferred tax asset & liabilities	**-**	13,965,329
Severance payable	**287,653**	29,049,126
Changes in non-cash working capital:		
Prepaid expenses	**(4,447)**	168,675
Other receivables	**(1,615,647)**	92,402
Interest payable	**1,921,885**	2,598,403
Accounts payable and accrued liabilities	**(348,130)**	(6,234,207)
Net lease obligations	**-**	1,959,808
Miami office lease termination	**(1,350,047)**	-
Income tax payable (recovery)	**(15,833,200)**	(11,034)
Purchase of investments, promissory notes & convertible debentures	**(9,549,392)**	(41,628,157)
Proceeds of disposition of investments & convertible debentures	**18,570,938**	99,086,207
Net cash (used in)/from operating activities	**(3,256,693)**	42,835,162
INVESTING ACTIVITIES		
Leasehold airplane improvements	**-**	(248,325)
Net cash used in investing activities	**-**	(248,325)
FINANCING ACTIVITIES		
Common shares repurchased	**-**	(30,000,000)
Lease payments	**-**	(678,897)
Principal repayment on debentures	**(2,884,895)**	(41,981,677)
Financing fees on debenture/term loan	**1,927,976**	3,895,045
Shares issued reduced to indebtedness	**-**	1,819,764
Severance repayment	**(6,171,798)**	-
Additional debt on debenture	**9,849,827**	-
Principal repayment on Term loan	**-**	(1,000,000)
Term loan interest transferred to Principal	**577,500**	10,000,000
Net cash from/(used in) financing activities	**3,298,610**	(57,945,765)
Net change in cash during the year	**41,917**	(15,358,928)
Cash, beginning of year	**71,924**	15,430,852
Cash, end of year	**113,841**	71,924

The accompanying notes are an integral part of these financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

SOL Global Investments Corp. (the "Company" or "SOL Global") was incorporated under the laws of the Province of Ontario, Canada on January 28, 2005. The common shares of the Company ("Common Shares") are listed on the Canadian Securities Exchange ("CSE") under the symbol "SOL", the OTCPK in the United States of America under the symbol "SOLCF", and on the Frankfurt Exchange under the symbol "9SB". The Company is a diversified international investment and private equity holding Company engaged in investing in small and mid-cap sectors. The Company's investments range from minority positions to large strategic holdings with active advisory mandates with an objective of providing shareholders with a long-term return through capital appreciation, dividends, and interest from its investments. The Company's six primary business segments include Retail (QSR & Hospitality), Agriculture (including Cannabis), Technology (with a focus on Clean-Tech and Electric Vehicles), Esports and New Age Wellness.

The Company's registered office and principal place of business is 5600-100 King Street West, Toronto, ON, Canada, M5X 1C9.

These financial statements were approved by the Board of Directors of the Company (the "Board") and authorized for issuance on March 28, 2024. The Board has the power to amend the financial statements after issue.

GOING CONCERN

These financial statements have been prepared on a going concern basis which presumes that the Company will continue in operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. These financial statements do not reflect any adjustments that would be necessary if the going concern assumption were not appropriate. Should the Company be unable to generate sufficient cash flows from the financing and operating activities and in case such events impair the Company's ability to continue as a going concern, adjustments may be necessary to the carrying values of the Company's assets and liabilities to state them at the realizable and settlement values. Such adjustments could be to material to these financial statements.

For the year ended November 30, 2023, the Company incurred a net loss of $34,134,104 (2022 - $297,020,051) and as at November 30, 2023, the Company has an accumulated deficit of $115,516,086 (2022: $81,381,982). In addition, the Company incurred negative operating cashflow for the year ended November 30, 2023, amounting to $3,256,693 (2022: positive operating cashflow of $42,835,162). These events and conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The Company anticipates that it has sufficient funds and investments to service its liabilities and fund its operating costs for the immediate future. The Company's ability to continue as a going concern is dependent upon obtaining sufficient additional funding from its stakeholders and to generate sufficient revenues and positive cash flows from its operating activities to meet its obligations and fund its planned investments and operations.

2. BASIS OF PRESENTATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") using the significant accounting policies outlined in Note 3.

These Financial Statements have been prepared on a going concern basis are presented in Canadian dollars, which is the Company's functional and reporting currency. These financial statements have been prepared using the accrual basis of accounting, except for cash flow information. In addition, these financial statements are prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss ("FVTPL"), which are stated at their fair value.

Investment Company Status

In accordance with IFRS 10 *Consolidated Financial Statements* ("IFRS 10"), an investment entity is an entity that: "obtains funds from one or more investors for the purpose of providing them with investment management services, commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both, and measures and evaluates the performance of substantially all of its investments on a fair value basis." In addition, IFRS 10 clarifies that an investment entity may earn fee income from the provision of investment-related services to external parties. As at August 1, 2018 and up to the date of these financial statements, the Company determined that it met the definition of an investment entity based on the above-noted criteria. Accordingly, all investments are classified at FVTPL.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant Accounting Judgements and Estimates

The preparation of financial statements requires management to make judgements and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes could differ from these estimates. Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to:

Classification of the Company as an investment entity under IFRS 10 – Judgment is required when making the determination that the Company meet's the definition of an investment entity under IFRS. The assessment is described in note 2 above.

Going concern risk assessment - The assessment of the Company's ability to continue as a going concern and whether it is able to meet its liabilities for the ensuing year, involves significant judgment based on expectation of future events that are believed to be reasonable under the circumstances. In making its determination that the Company is able to continue as a going concern, the Company has taken into consideration its cash position, the fact that some of its publicly traded and certain private investments can be liquidated in a short time period and its current liabilities, which consist amounts owed to key/former management, income taxes payable, term loan and the debenture liability.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value of financial assets including equity investments and convertible debentures held - The Company reviews its investments and records their fair value at each financial statement reporting date. For investments in public companies, fair value is determined based on the quoted market price. The company invests in Limited partnerships, “LPs” through cash investments or asset transfers in return the company receives LP units. A limited partnership (LP) is a business entity that requires at least one general partner and one or more limited partners. The limited partnership business structure is often used as a vehicle for individuals who pool their money to invest in real estate or other assets. For investments in private companies and Limited partnerships (“LPs”), certain subjective measures, including recent share transactions, prices for comparable entities, review of cash flow projections and the investee’s prospects, financial ratios and discounted cash flows are techniques used to determine fair value. Where possible the Company uses inputs obtained from observable market data for its valuation models. However, if observable market data is not available the Company uses judgement to determine fair value of such investments.

Income Taxes - Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Management exercises judgment in estimating the provision for taxes. The Company is subject to tax laws in various jurisdictions where it operates. Various tax laws are potentially subject to different interpretations by the taxpayer and the relevant tax authority. To the extent that the Company’s interpretations differ from
those of tax authorities, or the timing of realization is not as expected, the provision for taxes may increase or decrease in future periods to reflect actual experience.

Share-based Compensation - The Company measures the cost of equity-settled transactions 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 in certain instances requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option or deferred share unit, volatility and dividend yield and making assumptions about them.

Cash and Cash Equivalents
Cash and cash equivalents include cash at banks, cash held in trust accounts with lawyers, cash on hand, and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value.

Other Receivables
Other receivables are measured at fair value.

Leasehold Improvements
Leasehold improvements are recorded at cost less accumulated amortization. Leasehold improvements are amortized on a straight-line basis over the term of the lease.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes
Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting period, and any adjustment to tax payable in respect of previous years. Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when the related asset is realized or liability is settled, based on the laws that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at the end of the reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Provisions
Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made.

Earnings (Loss) Per Share
Basic earnings (loss) per share is computed by dividing the net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average number of shares outstanding are increased to include additional shares for the assumed exercise of stock options, warrants, deferred share units and performance share units, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common shares at the average market price during the reporting periods. In a loss reporting period, potentially dilutive equity instruments are excluded from the loss per share calculation as the effect would be anti-dilutive.

Share Capital
Common shares are classified as equity. Costs directly attributable to the raising of share capital are charged against share capital. The Company follows the relative fair value method with respect to the measurement of Common Shares and warrants issued as units and bifurcate the value of warrants and shares in units. The proceeds from the issuance of units are allocated between share capital and warrants. The warrant component is recorded in equity reserve.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign Currency Translation

The functional currency is the currency of the primary economic environment in which the entity operates. The functional currency for the Company is the Canadian dollar. The functional currency determination was conducted through an analysis of the consideration factors identified in IAS 21, the Effects of Changes in Foreign Exchange Rates. Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the date of the transaction. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in a foreign currency are translated at the rate of exchange prevailing at the statement of financial position date, while non-monetary assets and liabilities are translated at the exchange rate prevailing on the transaction date. Revenues and expenses are translated at the exchange rate in effect on the date of the transaction. Exchange gains and losses arising on translation of amounts denominated foreign currencies to the Company's functional currency are included in profit or loss.

Share-based compensation

The Company has an Incentive Plan in which it may grant stock options, deferred share units (DSUs), and performance share units (PSUs) to directors, employees, and consultants. The Company measures share-based compensation at fair value for all share-based awards granted.

Equity settled service award

Stock options are measured at fair value of the instrument on grant date and recognized over the vesting period on a straight-line basis. The fair value of the options is determined using the Black Scholes Option Pricing Model which incorporates all market vesting conditions. Service vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest.

DSUs are granted as a long-term incentive component of compensation. The DSU are measured on grant date and recognized in the statement comprehensive loss over the vesting period on a straight-line basis. The grant date fair value of DSU is based on the Company's closing stock price on the date of the grant.

Equity settled performance award

The Company's PSU plan provides for share unit grants to officers, employees, directors, and consultants as an incentive component of their compensation. Whether units are earned at the end of the performance period will be determined based on the achievement of certain performance objectives over the performance period. The performance objective includes achieving a Net Asset Value (NAV) per shares greater than $4.00 at the end of the performance period. Depending on the results achieved during the performance period, the actual number of shares that a grant recipient receives at the end of the period range from 0% to 100% of the PSU granted. The PSU can either be paid in cash or shares at the discretion of the Company, the Company intends to settle the PSU through issuance of shares. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Financial Instruments

When a financial instrument is initially recognized, its fair value is generally the value of consideration paid or received, any transaction costs are not included as part of the cost of the financial instrument. Purchases and sales of investments are recognized on the trade date. Transactions pending settlement are reflected on the statement of financial position as accounts receivable or in accounts payable and accrued liabilities. Gains and losses arising from the sale of investments are recognized in the Statements of Comprehensive Income. When units are purchased that consist of shares and warrants, the warrants received are also recognized at fair value, but any resulting gain or loss is deferred to the extent that the warrant fair value is determined using unobservable input.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Valuation of Financial Instruments

The fair value of equity investments traded in the active market are based on quoted market prices on the principal exchange on which the equity instrument is traded. For equity investments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions, and other risks affecting the specific investment. Investments that are restricted as to sale or transfer are recorded at a value which takes into account the restrictions. In determining the fair value for such investments, the Company considers the nature and length of the restriction, business risk of the investee Company, its stage of development, market potential, relative trading volume and price volatility and any other factors that may be relevant to the ongoing and realizable value of the investments. The amounts at which the publicly traded investments could be disposed of may differ from this fair value and the differences could be material. Differences could also arise as the value at which significant ownership positions are sold is often different from the quoted market price due to a variety of factors such as premiums paid for large blocks or discounts due to illiquidity. These estimated costs of disposition are not included in the fair value determination.

Fair value of equity instruments not quoted are measured using a combination of market and income approach. These approaches include the use of recent arm's length transactions, comparable Company transactions, earnings multiples, net assets, discounted cash flows, industry valuation benchmarks, and available market prices. The most appropriate valuation methodology is chosen that makes maximum use of inputs observed from the markets, on an investment-by-investment basis, after considering the history and nature of the business, operating results and financial conditions, industry and market conditions, capital market and transaction market conditions, contractual rights relating to the investment, public market comparables, private Company transaction multiples and, where applicable, other pertinent considerations. The process of valuing investments for which no published market exists is based on inherent uncertainties and the resulting values may differ from values that would have been used had a ready market existed for the investment. The amounts at which the privately held investments could be disposed of may differ from the fair value assigned and the differences could be material.

The Company uses widely recognized valuation models for determining the fair value of other financial instruments such as convertible debt and warrants of public and private investments. Some or all of the significant inputs into these models may not be observable in the market and may be derived from market prices or rates or estimates based on assumptions. Valuation models that apply significant unobservable inputs require a higher degree of management judgment and estimation in the determination of fair value.

Classification of Financial Instruments

In accordance with IFRS 9 *Financial Instruments* ("IFRS 9"), all Investments and convertible debt are classified upon initial recognition at fair value through profit or loss ("FVTPL") on the basis that they are a part of a group of financial assets that are managed and have their performance evaluated on a fair value basis in accordance with risk management and investment strategy of the Company. Changes in fair value at each reporting date is recorded in the Statements of Comprehensive Income. Financial instruments classified as FVTPL include cash and cash equivalents, equity investments, and convertible debentures. Other receivables and accounts payables and accrued liabilities are recognized at amortized cost in accordance with IFRS 9. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the effective rate of interest, net of allowance of expected credit losses.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Company has classified its financial instruments as follows:

Financial Instruments (continued)

Financial Instrument	IFRS 9 Classification
Cash	FVTPL
Promissory notes receivable	FVTPL
Investments	FVTPL
Convertible debentures	FVTPL
Other receivables	Amortized cost
Accounts payable	Amortized cost
Lease payable	Amortized cost
Debenture	Amortized cost
Promissory note payable	Amortized cost

Financial Instruments Hierarchy

The following describes the three-level hierarchy for fair value measurements based on transparency of inputs to the valuation of an asset or liability as at the measurement dates. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable market inputs (Level 3). The Company's financial instruments measured at fair value on the statements of financial position are measured using one of the three levels of the fair value hierarchy are as follows:

Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2: Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3: Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

If different levels of inputs are used to measure a financial instrument's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement.

Transaction costs

Transaction costs for financial instruments classified as FVTPL are recognized as an expense in the year they are incurred.

Comprehensive Income (Loss)

Comprehensive income (loss) is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in profit or loss. Comprehensive income measures net earnings for the period plus other comprehensive income. Amounts reported as other comprehensive income are accumulated in a separate component of shareholders' equity as accumulated other comprehensive income. The Company has not had other comprehensive income since inception.

Revenue recognition

Realized gains or losses on disposition of investments and change in unrealized gains or losses in the value of investments are calculated based on weighted average cost and are included in net investment gain (loss) in the statements of comprehensive loss. Realized gains and losses on disposal of investments and unrealized gains and losses, determined based on the change in the fair value of the investments, are reflected in the Statements of loss and comprehensive loss. Upon disposal of an investment, previously recognized unrealized gains or losses are reversed to recognize the full realized gain or loss in the period of disposition. All transaction costs associated with the acquisition and disposition of investments are expensed in the Statements of loss and comprehensive loss as incurred. The coupon interest on convertible

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)
bonds are recognized on an accrual basis. Dividend income is recorded on the ex-dividend date and when the right to receive the dividend has been established.

Leases
IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to finance lease accounting, with limited exceptions for short-term leases or leases of low value assets.

As at the commencement date of a lease, the Company recognizes a lease liability and an asset representing the right to use the underlying asset during the lease term (i.e. the “right-of-use” asset) unless the underlying asset has a low value or the lease term is twelve months or less, which are expensed in the period incurred. At this date, the right-of-use asset is measured at cost, which includes the initial amount of the lease liability, adjusted for any lease payments made at or before the commencement date, any initial direct costs incurred and also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset. The right-of-use asset is then depreciated using the straight-line method from the lease commencement date to the earlier of the end of the lease term or the end of the useful life of the asset. The right-of-use asset may also be reduced for any impairment losses, if any.

At the lease commencement date, the lease liability is measured at the present value of the future lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or, if that rate cannot be readily determined, then the Company uses its incremental borrowing rate as the discount rate, which is the rate the Company would pay for similar assets at similar locations over a similar term. The lease liability is measured at amortized cost using the effective interest method.

The lease liability is re-measured when there is a change in future lease payments due to a change in an index or rate, a change in the Company’s estimate of an amount payable under residual value guarantee, or if there is a change in the assessment of whether the Company will exercise a purchase, termination or extension option. When the lease liability is re-measured, a corresponding adjustment is made to the right-of-use asset or recognized in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Related party transactions
Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Expected Credit Losses (“ECL”)
The Company has two types of financial assets that are subject to the expected credit loss model: (a) other receivables from government agency and third parties; and (b) promissory notes. While cash and cash equivalents are subject to the impairment requirements of IFRS 9, the identified credit risk and impairment loss is immaterial, as these funds are held with reputable financial institutions. The Company applies the simplified approach to providing for ECL prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all promissory notes and other receivables while ECL calculation based on stage assessment has been performed for promissory notes.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant Accounting policies

The following amendments to accounting standards became effective for annual periods beginning on or after January 1, 2023. The adoption of these revised standards by the Company did not have a material impact on its financial statements.

• IFRS 1 First – time adoption of IFRS was amended to require companies to recognize deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. The consequential amendment to IFRS 1 is to add an exception to retrospective application.

• IAS 1 Presentation of Financial Statements contains changes to accounting policy disclosures in changes in estimates vs accounting policies also IAS 1 replaced the requirement to disclose 'significant' accounting policies with a requirement to disclose 'material' accounting policies.

• IAS 8 Accounting policies, changes in accounting estimates and errors contains a narrow scope of amendments to improve accounting policy disclosures and to distinguish changes in accounting estimates from changes in accounting policies.

• IAS 12 Income taxes was amended by IASB to require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any new standards and management has determined that there are no standards that are expected to have a significant impact on the financial statements of the Company.

(Expressed in Canadian Dollars)

4. INVESTMENTS

Investments are measured and carried at fair value at each reporting period. Fair value measurements are based on a three-level fair value hierarchy, based on inputs used in determining the fair value of financial assets and liabilities. The hierarchy of inputs is summarized as follows:

Investments consisted of the following at November 30, 2023:

Financial assets measured at fair value	Cost $	Level 1 $	Level 2 $	Level 3 $	Total Fair Value $
Common shares	269,955,997	3,834,599	38,036,717	39,778,668	81,649,984
Commercial Asset	15,170,102	-	18,498,695	-	18,498,695
Warrants	4,350,485	-	1,263,926	1,039,181	2,303,107
Investments Subtotal	289,476,584	3,834,599	57,799,338	40,817,849	102,451,786
Promissory notes receivable	1,085,849	-	-	20,000	20,000
Total	**290,562,433**	**3,834,599**	**57,799,338**	**40,837,849**	**102,471,786**

Investments consisted of the following at November 30, 2022:

Financial assets measured at fair value	Cost $	Level 1 $	Level 2 $	Level 3 $	Total Fair Value $
Common shares	231,257,039	20,938,806	29,745,985	70,783,430	121,468,221
Commercial Asset	14,645,038	-	21,818,721	-	21,818,721
Warrants	4,350,485	235,013	509,022	992,726	1,736,761
Investments Subtotal	250,252,562	21,713,819	52,073,728	71,776,156	145,023,703
Promissory notes receivable	9,577,888	-	-	2,519,842	2,519,842
Convertible debentures	6,376,502	-	-	2,260,370	2,260,370
Total	**266,206,952**	**21,713,819**	**52,073,728**	**76,556,368**	**149,803,915**

(Expressed in Canadian Dollars)

4. INVESTMENTS (Continued)

Change in Level 3 investments

The following table presents the changes in assets classified in Level 3 of the fair value hierarchy for the year-ended November 30, 2023, and the year-ended November 30, 2022.

	Private Equities $	Convertible debentures $	Promissory notes $	Warrants $	Total Fair Value $
Balance December 1, 2021	**105,215,792**	**20,349,413**	**7,103,411**	**4,029,907**	**136,698,523**
Purchases	4,218,788	-	2,361,520	-	6,580,308
Unrealized gains (losses)	(101,484,626)	(10,517,061)	(6,092,652)	(3,037,181)	(121,131,520)
Disposal[(1)]	(15,485,784)	(7,571,982)	(1,374,150)	-	(24,431,916)
Transfer to Level 2[(2)]	(21,672,756)	-	-	-	(21,672,756)
Transfer from Level 2 to Level 3[(3)]	99,992,016	-	-	-	99,992,016
Interest income	-	-	521,713	-	521,713
Balance, November 30, 2022	**70,783,430**	**2,260,370**	**2,519,842**	**992,726**	**76,556,368**
Purchases	8,883,085	-	-	-	8,883,085
Unrealized gains (losses)	(29,145,847)	1,488,018	(797,354)	46,455	(28,408,728)
Disposal	(9,418,219)	(3,748,388)	(1,702,488)	-	(14,869,095)
Transfer from Level 3 to Level 2[(4)]	(1,323,781)	-	-	-	(1,323,781)
Balance, November 30, 2023	**39,778,668**	**-**	**20,000**	**1,039,181**	**40,837,849**

1. USD$2M in Jones Soda convertible debt converted to 4,025,035 Jones Soda free trading shares in Q3 2022 and USD$1.3M of Engine Media Holdings, Inc. ("Engine Media") convertible debt transferred to private company in exchange for 3,322,500 common shares of Heavenly.
2. Core Scientific, via a special purpose acquisition company merger on January 29, 2022, started trading on NASDAQ. Fair value of Core Scientific was presented in Level 3 for the period ending November 30, 2021 and is shown as part of Level 2 for the period ending November 30, 2022.
3. Private Company was previously included as part of Level 2, and for the period ending November 30, 2022, they were reclass to Level 3.
4. Private Company LP was previously included part of level 3 for period ending November 30, 2022 and they were reclass to Level 2 for period ending November 30, 2023.

(Expressed in Canadian Dollars)

4. INVESTMENTS (Continued)

Significant unobservable inputs

The key assumptions the Company used in the valuation of Level 3 investments include, but are not limited to, the value of recently completed financings by the investee, entity-specific information, and publicly available information of comparable entities.

	Fair value as at November 30, 2023 $	Fair value as at November 30, 2022 $	Range of Input	Valuation technique	Unobservable inputs
Private company common shares	**39,778,668**	**70,783,430**	Lack of Marketability Discount: 20%, Discount Rates: 8.7% Other Investment Specific Discounts: 10%-100%	Recent transaction and financings, Discounted cash flow methodology, trends in comparable companies and/or transactions	Period-end transaction prices, discount rates, growth and margin estimates, investment specific adjustments
Convertible debentures	**-**	**2,260,370**	N/A	N/A	N/A
Promissory notes	**20,000**	**2,519,842**	Discount rate 2% - 100%	Discounted cash flow methodology	Discount rate
Warrants	**1,039,181**	**992,726**	Volatility: 87%-111% Illiquidity discount for Private Warrants: 20%	Black-Scholes option pricing	Expected volatility, investment specific adjustments
Total	**40,837,849**	**76,556,368**			

For the Level 3 investments, the inputs used are judgmental using managements best estimates. A small increase or decrease in the key assumptions would result in a corresponding significant change to the total fair value of Level 3 investments. The overall effect of changing the values of the unobservable inputs by a set percentage, the significance of the impact and the range of reasonably possible alternative assumptions may differ significantly between investments, given their different terms and circumstances. The results cannot be extrapolated due to non-linear effects that changes in valuation assumptions may have on the fair value of these investments. Furthermore, the analysis does not indicate a probability of such changes occurring and it does not necessarily represent the Company's view of expected future changes in the fair value of these investments.

The Company used a combination of valuation techniques as determined by the nature of each investment and security type. All valuation techniques rely on assumptions that may differ, to a reasonable degree, between informed professionals. This may include, but is not limited to, comparable multiples, discount rates, growth rates, increases or decreases in margins, the likelihood of certain events to take place in the future, the intensity of competition in a market, future volatility of market prices, credit worthiness of borrowers, and adjustments for investee specific factors.

(Expressed in Canadian Dollars)

4. INVESTMENTS (Continued)

	November 30, 2023	November 30, 2022
	$	$
Investments		
Common shares, in public and private companies	**81,649,984**	121,468,221
Commercial assets	**18,498,695**	21,818,721
Common share purchase warrants, in public & private companies	**2,303,107**	1,736,761
Total Investments	**102,451,786**	145,023,703
Convertible debentures, in public & private companies	**-**	2,260,370
Promissory notes, in public & private companies	**20,000**	2,519,842

As at November 30, 2023, the fair value of the Company's investments in cannabis and related investments in the United States of America totaled $6,689,137 (2022: $20,477,067). The fair value of non-United States of America cannabis, cannabis related investments and non-cannabis investments totaled $95,762,649 (2022: $124,546,636).

Investments

The Company's investments totalling $102,451,786 (2022: $145,023,703) include common shares in public and private companies, commercial assets, and common share purchase warrants of public companies. The Company values its common shares of public companies at price quotations in active markets. The Company values its common shares in private companies based on various factors including, but not limited to, present market conditions, values of comparable companies, internal or external valuations, the per share price of recent financings or transactions undertaken by the private Company, and the like. Internal valuations of private companies generally rely on a combination of approaches including market multiples of comparable companies, valuations and multiples of comparable transactions and intrinsic estimates of value such as discounted or capitalized cash flow methodologies.

Comparable market multiples rely on assumptions about the comparability of publicly traded companies. Multiples are adjusted for factors that are specific to private companies or the investment. For example, an illiquidity discount of 20% was applied to value companies that are not publicly traded based on the trading multiples of publicly traded comparable companies. Additional adjustments for size, market share, superior or inferior margins, among other considerations were applied where appropriate. The application and size of each adjustment is subject to professional judgement. A 10% change in a revenue or earnings multiple may significantly change the estimated value of an investment.

Often, private companies raise capital in multiple rounds. Occasionally, the Company invests in a round that was subsequently followed by another capital raise at a different valuation and a different price per share where unrelated third-party investors subscribed. The Company generally considers these arm's-length equity financing to be strong evidence of the fair market value of the investment at, or near, the time of the raise.

Intrinsic methods for valuing private companies are highly subject to professional judgement and are recorded as the midpoint of a range following a sensitivity analysis. Factors specific to each investment, such as forward-looking projections of sales and costs often rely on material non-public information provided by investees to investors. Small changes in discount rates, meant to reflect the risk of future cash flows, can have material effects on valuations. Many of the Company's investments are of a "high risk, high reward" nature due to the relatively early-stage of investee Company operations and industry and market volatility and accordingly discount rates ranging from 25% - 40% are used in income-approach valuations.

(Expressed in Canadian Dollars)

4. INVESTMENTS (Continued)

With the exception of warrants which are publicly traded, common share purchase warrants are valued using the Black-Scholes option pricing model. The following are the assumptions used in valuing the common share purchase warrants using the Black-Scholes option pricing model:

	November 30, 2023	November 30, 2022
Expected volatility	87%-111%	54.25%-116.87%
Risk-free interest rate	4.22%-5.41%	3.89%
Expected life (in years)	0.21-1.94	0.34-1.21
Expected dividend yield	0.0%	0.0%
Underlying share price	$0.21-$14.73	$0.04-$10.20

Convertible Debentures

The fair value of convertible debentures in public and private companies totalled $Nil (2022: $2,260,370).
As of November 30, 2023, accrued interest totalled $Nil (2022: $Nil). The fair value of the conversion feature was estimated using a Black-Scholes option pricing model with the following assumptions:

	November 30, 2023	November 30, 2022
Expected volatility	N/A	24%-129%
Risk-free interest rate	N/A	3.25%-3.89%
Expected life (in years)	N/A	0.21
Expected dividend yield	N/A	0.0%
Underlying share price	N/A	$0.005-$2.36

Promissory Notes

As of November 30, 2023, a total of $20,000 with a cost of $1,085,849 (2022: $2,519,842 with a cost of $9,577,888) was held in promissory notes that were due from private companies. Interest accrued for the promissory notes as of November 30, 2023, was $Nil (2022 - $521,713).

Commercial Asset

On March 23, 2021, one of the Company's subsidiaries invested in a Tampa real estate property valued at $860,370 CDN ($672,096 USD). As of November 30, 2023, Tampa real estate was disposed for $858,332 CDN ($636,944 USD) resulted in a realized loss of $47,370 CDN ($35,152 USD) (Nov 30, 2022 - $854,940 CDN). On July 23, 2021, one of the Company's subsidiaries entered into a joint venture agreement on a real estate development project, in which SOL currently owns 24.74% of the joint venture. The Company has advanced $15,170,102 CDN ($11,628,569 USD) to the joint venture. As of November 30, 2023, the Miami commercial asset was valued at $18,498,695 (2022 - $20,963,781).

(Expressed in Canadian Dollars)

5. OTHER RECEIVABLES

As of November 30, 2023, the Company had receivables of $1,933,982 (2022: $318,335).

	November 30, 2023	November 30, 2022
Beginning Balance	318,335	11,136,813
Additions	-	2,080,517
Payments	(217,938)	(1,504,448)
Impairment	-	(10,278,076)
Total	100,397	1,434,806
HST due from the Government of Canada[1]	-	(1,434,806)
Additions – Simply Better Brands Corp[2]	-	318,335
Additions – House of Lithium [3]	858,473	-
Additions – Third Parties [4]	975,112	-
Total receivables	**1,933,982**	**318,335**

1. Canada Revenue Agency ("CRA") re-assessed Company's HST refund filings from prior periods as a result, the company owes funds to CRA. Please refer to Note 11 HST Payable for more details.
2. Simply Better Brands Corp advanced $217,938 CDN against the receivable outstanding. Receivable balance as of Nov 30, 2023 - $105,397
3. SOL Global affiliate Company Blue Sky LP wired $905,703 CDN to House of Lithium lawyers.
4. In 2019, SOL Global invested in a convertible note with a private Company and the note matured in 2023. Private Company has agreed to pay the note in full valued at $1.3M CDN. As of November 30, 2023, the Company has received payments of $338,500.

6. SHARE CAPITAL

On September 23, 2021, the Company announced the launch and terms of its substantial issuer bid, pursuant to which the Company offered to purchase for cancellation up to $30,000,000 of its outstanding Common Shares by way of a "Dutch auction" at a price of not less than $4.05 and not more than $4.25 per Common Share in increments of $0.05 per Common Share (the "Substantial Issuer Bid"). The Company closed the Substantial Issuer Bid on December 8, 2021, with the cancellation of 7,407,404 Common Shares for an aggregate purchase price of $30 million. The authorized share capital of the Company consists of an unlimited number of Common Shares without par value. Changes in the share capital of the Company during the period ended November 30, 2023, were as follows:

	November 30, 2023		November 30, 2022	
	Quantity	**Amount**	**Quantity**	**Amount**
Balance, beginning of period	54,441,981	$128,889,904	52,018,533	$134,948,223
Share buy back from market			(7,407,404)	($16,788,362)
Issued for exercise of PSU/DSU shares			5,042,000	8,869,921
Shares issued to reduce indebtedness			4,788,852	1,819,764
Stock options cancelled			-	40,358
Total shares outstanding at November 30, 2023	**54,441,981**	**$128,889,904**	**54,441,981**	**$128,889,904**

Changes in the share capital of the Company during the year-ended November 30, 2023, were as follows:

- Nil

Changes in the share capital of the Company during the year-ended November 30, 2022, were as follows:

- The Company closed substantial issuer bid on December 8, 2021, with the cancellation of 7,407,404 of the Common Shares for amount of $30,000,000.
- 3,112,000 DSUs and 1,930,000 PSUs were exercised for total value of $1,381,521 and $7,488,400 respectively.
- 4,788,852 common shares valued at $1,819,764 issued to reduce share indebtedness to former CEO.

(Expressed in Canadian Dollars)

7. EARNINGS PER SHARE

Earnings per share is based on the weighted average number of common shares outstanding during the period. The following table summarizes the calculation of the weighted average number of basic and diluted Common Shares:

	November 30, 2023	**November 30, 2022**
Issued common shares, beginning of period	54,441,981	52,018,533
Effects of share issued from:		
Deferred share units exercised	-	3,112,000
Performance share units exercised	-	1,930,000
Shares issued	-	4,788,852
Share buy back	-	(7,407,404)
Weighted average number of basic common shares	**54,441,981**	**54,441,981**
Weighted average number of dilutive common shares	**54,441,981**	**54,441,981**

8. SHARE-BASED COMPENSATION

The maximum aggregate number of Common shares that may be issued under the incentive plan shall not exceed, including the Company's Option Plan, the Company's DSU Plan, and the Company's PSU Plan, 15% of the issued and outstanding common shares at the grant date.

<u>Stock options</u>
The following table summarizes the Option Plan activity for the year-ended November 30, 2023, and year-ended November 30, 2022:

	Number of Options		**Weighted Average Exercise Price**
Balance, November 30, 2022	**124,000**	$	**3.18**
Expired	(45,000)		4.25
Balance, November 30, 2023	**79,000**	$	**2.58**

As of November 30, 2023, the Company's outstanding Options were as follows:

Grant date	**Exercise price**	**Number of options outstanding**	**Number of vested options**	**Expiry Date**
June 21, 2019	2.11	54,000	54,000	June 21, 2024
June 7, 2021	3.58	25,000	25,000	June 7, 2024
		79,000	**79,000**	

During the year ended November 30, 2023, the Company recorded $Nil (2022: $14,222) in connection with the vesting of the Options.

(Expressed in Canadian Dollars)

8. SHARE-BASED COMPENSATION (Continued)

Share units

The following table summarises DSUs and PSUs activity for the year ended November 30, 2023, and the year ended November 30, 2022.

	Number of Performance Share Units	Number of Deferred Share Units		Reserve
Balance, December 1, 2021	**2,000,000**	**3,700,000**	$	**9,424,751**
Granted	-	50,000		23,222
Exercised	(1,930,000)	(3,112,000)		(8,869,921)
Balance, November 30, 2022	**70,000**	**638,000**	$	**578,052**
Cancelled	**(70,000)**	**-**		**(271,600)**
Granted	**-**	**650,000**		**15,438**
Balance, November 30, 2023	**-**	**1,288,000**	$	**321,890**

DSUs:
Each DSU entitles the holder to receive one common share in the future, based on continued service during the applicable period. During the year ended November 30, 2023, the Company granted 650,000 to directors (2022 – 50,000 to officer). The weighted-average grant date fair value of the DSUs granted on November 30, 2023, was $0.095 per share (2022 – $0.46). The weighted average vesting period for the outstanding DSUs is 3 years. The Company recorded share-based compensation of $15,438 (2022 - $23,222) related to the DSUs. All DSUs settled during the year ended November 30, 2023, have been through the issuance of Common Shares.

PSUs:
Each PSU entitles the holder to receive one Common Share, based on the achievement of established performance criteria and continued service during the applicable performance period. During the year ended November 30, 2023, the Company granted Nil to directors and officers, Nil to employees, and Nil to consultants (2022, Nil to directors and officers, Nil to employees, and Nil to consultants). As at November 30, 2021 the performance objective was achieved and the shares were deemed to be fully vested, the shares were issued on April 1, 2022. The grant date fair value of the PSUs granted in 2023 was $Nil per share (2022 – $Nil per share). The Company recorded share-based compensation of $Nil (2022 - $Nil) related to the PSUs. On April 1, 2022, 1,930,000 PSUs were exercised for $0.77 for total value of $7,488,400. On September 1, 2023, the Company cancelled 70,000 PSUs that were not issued due to personnel departures and the Company recorded $271,600 to Contributed Surplus.

(Expressed in Canadian Dollars)

9. INCOME TAXES

The Company's provision for income taxes differs from the amount computed by applying the combined Canadian federal and provincial income tax rates to income (loss) before income taxes as a result of the following: A reconciliation of the combined Canadian federal and provincial statutory income tax rate of 26.5% (year ended November 30, 2022: 26.5%) to the effective tax rate is as follows:

	November 30, 2023	**November 30, 2022**
	$	$
Loss before recovery of income taxes	**(49,967,304)**	(283,054,722)
Expected income tax (recovery) expense	**(13,241,336)**	(75,009,501)
Prior year adjustment	**12,518,308**	1,592,090
Realized loss (gain) on investments	**1,065,495**	6,221,726
Unrealized fair value loss (gain) adjustment on securities	**3,057,970**	19,067,268
Other adjustments	**(5,225)**	86,386
Other permanent differences	**879,933**	1,440,738
Change in tax benefits not recognized	**(21,308,345)**	60,566,622
Interest & Penalties	**1,200,000**	-
Income tax (recovery) expense	**(15,833,200)**	13,965,329

The Company's income tax (recovery) expense is allocated as follows:

Current tax (recovery)	**(14,319,778)**	-
Deferred tax (recovery) expense	**(1,513,422)**	13,965,329
Income tax (recovery) expense	**(15,833,200)**	13,965,329

Subsequent to the issuance of 2022 audited financial statements, the Company conducted a transfer pricing study and accordingly, an intercompany adjustment was booked. As a result of this adjustment, the estimate of income tax liability was reduced by $16,177,901.

The following table summarizes the components of deferred tax:

As at	**November 30, 2023**	**November 30, 2022**
	$	$
Recognized in profit/loss	-	(13,965,329)
Deferred tax assets	**-**	(13,965,329)
Recognized in profit/loss	1,513,422	
Deferred tax liability	**1,513,422**	**-**
Net deferred tax asset (liability)	**1,513,422**	**-**

(Expressed in Canadian Dollars)

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	November 30, 2023	November 30, 2022
Accounts payable(1)	**7,350,726**	2,290,308
Accrued liabilities(2)	**7,634,311**	11,517,277
Due to House of Lithium	**1,948,081**	1,806,119
HST payable(3)	**496,093**	1,959,808
Total	**17,429,211**	17,573,512

1. $7.4M related to legal, tax and other external consultants (November 30, 2022 -$2.3M)
2. $7.6M in accruals related to bonus payables to employees, accruals for audit, consulting etc. (November 30, 2022 - $11.5M)
3. Canada Revenue Agency ("CRA") re-assessed Company's prior periods HST filings and as a result the Company owes $496,093 CDN (November 30, 2022 - $1,959,808) to CRA. As of November 30, 2023, $1,807,085 CDN in payments were paid to CRA.

11. SEVERANCE PAYABLE

On April 25, 2022, the Company announced the appointment of Kevin Taylor as Chief Executive Officer and Chairman, replacing Andrew DeFrancesco. Mr. DeFrancesco is owed severance payable of $24,000,000 over 6 years at $1,000,000 per quarter, pursuant to an agreement dated April 24, 2022, between Mr. DeFrancesco and the Company (the "Severance Agreement"). In accordance with IAS 19, the Company discounted and recorded fair value of the liability. As of November 30, 2023, the fair value of severance payable was $18,677,399 (2022 - $22,404,584). As of November 30, 2023, $4,000,000 in bonus payments were paid out as per the severance agreement (2022 - $Nil) and severance payable outstanding was $20,000,000 (2022 - $24,000,000). Mr. DeFrancesco served as consultant for the Company for a period of six months without additional compensation and assisted with the continuation of the Company's business activities and supported Mr. Taylor with the transition into the office of Chief Executive Officer. Under the original terms, in the event SOL Global defaults under the Severance Agreement, all of the payments to Mr. DeFrancesco are accelerated and become immediately payable, and the obligations of SOL Global shall become immediately secured by all of the assets of Blue Sky Holdings USA Inc., a wholly-owned Florida subsidiary of SOL Global which indirectly holds an approximate 27% interest in SOL Global' s real property investment in North Miami. Currently, Mr. Defrancesco has a subordinate position of collateral on the Company. The Company has also agreed: (i) not to incur any new debt except in respect of trade payables in the ordinary course and any indebtedness (up to a maximum of $10 million); and (ii) to provide Mr. DeFrancesco participation rights in future offerings of the Company in order to maintain his respective proportionate ownership in the Company.

The Company had accrued $11,400,000 as bonus payable to former CEO Andrew DeFrancesco for the period ending November 30, 2021. As of November 30, 2023, $2,146,797 in bonus payments were paid out as per the severance agreement (2022 - $3,815,675) and bonus payable outstanding was $5,437,578 (2022 - $7,584,325). In accordance with IAS 19 *Employee Benefits*, the Company discounted and recorded fair value of the liability. As of November 30, 2023, the fair value of bonus payable was $4,892,418 (2022 - $6,644,542).

12. PROMISSORY NOTES PAYABLE

The Company has the following promissory note payable:

- On August 20, 2019, the Company secured a promissory note totaling $1,150,000 from a shareholder of the Company. This Promissory note bears interest at 12.0% per annum and matures on December 31, 2023. As of November 30, 2023, the Company had repaid $100,000 and therefore the remaining balance is $1,050,000 plus accrued interest of $314,086 for total owing of $1,364,086. The company had receivables from the same shareholder for a similar amount as above and SOL management offset the receivables against the payables, clearing the liability from the Company's books.

- On August 22, 2022, and November 24, 2022, the Company secured a promissory note of $600,000 and $80,000 from a private company for total of $680,000 CDN. For the year-ended November 30, 2022, this liability was part of AP & Accrued liabilities. As of November 30, 2023, the Company incurred $46,596 in accrued interest for total owing of $726,596.

- On October 31, 2023, the Company terminated the Miami Beach office lease agreement, both landlord and the company entered into a promissory note payable agreement for the rent owing and other expenses incurred by the landlord in the amount of $303,365 CDN ($207,355 USD). Note matures October 31, 2024, and the landlord has agreed to waive the interest for the duration of the note.

13. DEBENTURE

Non-revolving loan term facility

On September 3, 2021, the Company entered into a secured loan from an arm's length private lender (the "Lender") in the principal amount of $50,000,000 (the "Loan"). The Loan had a term of 12 months, bared interest at the rate of 9% per annum and was secured by a general security agreement. The Loan was entered into for the sole purpose of facilitating its subsidiary's acquisition of all of 1235 Fund LP's rights under the Debenture. To secure the Loan, the Company pledged shares in SOL Verano Blocker 1 LLC, Blue Sky Holdings USA Inc. and other wholly-owned subsidiaries and units in limited partnerships of the Company. Pursuant to the Loan, the Lender charged the Company a standby fee of 1.2% per annum until the drawdown date, 2% facility fee and 9% interest per annum calculated on an actual/360 basis. Due to the Company defaulting on the payments the rate of interest increased by five percent (5%) per annum to fourteen percent (14%). Interest continued to accrue at default rate (14%) until all outstanding obligations, including unpaid interest are fully paid.

The Loan matured and was payable in full one year from the date of the advance of the Loan (the "Maturity Date"). The company amended the payment terms several times which resulted in increased financing ("facility expense") expense. On September 3, 2021, the Company drew down the entire loan in the amount of $50 million to fund the settlement payment in connection with the settlement of litigation with 1235 Fund LP relating to the Debenture. The Company paid a facility fee of $1 million to the Lender and $0.1 million in legal fees. Pursuant to the Loan, commencing sixty days from the advance date and continuing until the earlier of the demand and the Maturity Date, 10% of the outstanding balance of the amount of the Loan should be paid on the 7th day of each month along with interest. As of November 30, 2023, the Company had made principal payments totaling $46.5 million and $0.9M in interest payment towards the Loan (2022 – Principal - $44.5 million). The Company accrued $0.1M in legal fee (2022 - $Nil) and $4.4M in facility fee ($2.0M was previously recorded as financing expense and was added to principal balance in FY 2023) (2022 - $3.9M) and $1.3 million in interest expense (2022 - $3.9 million in facility fees, Accrued Interest - $2.4 million in financing expense related to facility fees which were incurred due to amending original payment terms several times. The Company drew down additional loans of $8.9M to offset partial amount owing to former director and for Company's working capital.

(Expressed in Canadian Dollars)

13. DEBENTURE (Continued)

TERM LOAN

On June 3, 2022, the Company entered into a loan agreement with a private lender for a secured loan in the principal amount of $10 million (the "June 2022 Loan"). The June 2022 Loan had a term of 12 months and bared interest at the rate of 9% per annum. The June 2022 Loan was guaranteed by SOL Verano Blocker 1 LLC, a wholly owned subsidiary of SOL Global, and Blue-Sky Holdings USA Inc. ("Blue Sky"), an indirect subsidiary of SOL Global; and was secured with a general security agreement of Blue Sky, which consists primarily of an indirect interest in real estate located in Miami, Florida. The use of proceeds of the June 2022 Loan (net of fees and expenses of the lender) was to reduce the principal amount of an existing secured loan in the principal amount of $50,000,000 received from the Company from a separate arm's length private lender on September 3, 2021. Both parties agreed to extend the term loan which matured June 2, 2023, to April 2, 2024. As part of the extension, the Company agreed to the following terms: transfer interest owing $577,500 CDN to the principal balance, increase interest on the loan from 11% to 12.5% and additional financing fee of $50,000.

	Debenture	Term Loan	Total
As at December 1, 2021	47,500,000	-	47,500,000
Additions	-	10,000,000	10,000,000
Accrued Interest	2,412,965	81,370	2,494,335
Accrued facility fees	3,895,045	-	3,895,045
Repayments during the year	(41,981,677)	(1,000,000)	(42,981,677)
As at November 30, 2022	11,826,333	9,081,370	20,907,703
Additions	8,866,513	-	8,866,513
Interest transfer to principal	-	496,130	496,130
Financing fee transfer to principal	(1,992,862)	-	(1,992,862)
Accrued Interest	1,304,788	599,840	1,904,628
Accrued facility fees	4,379,460	50,000	4,429,460
Accrued legal fees	111,623	-	111,623
Financing fee repayment	(1,000,000)	(25,000)	(1,025,000)
Principal Repayments	(2,000,000)	-	(2,000,000)
Interest repayments	(884,975)	-	(884,975)
As at November 30, 2023	**20,610,880**	**10,202,340**	**30,813,220**

14. COMMITMENTS AND CONTINGENCIES

Litigation

The Company will record a provision for losses when claims become probable, and the amounts can be reasonably estimated. The Company is subject to various claims, lawsuits and other complaints arising in its ordinary course of business.

On August 8, 2022, Reby and Restanca LLC (Reby's largest shareholder and the party appointed to represent the remaining selling shareholders) brought a claim against House of Lithium in the Delaware Court of Chancery alleging a breach of a stock purchase agreement between Reby and House of Lithium (the "Reby Agreement"). House of Lithium's position is that no such breach under the agreement occurred. The final Debrief took place March 30, 2023, and on June 30, 2023, the court ruled in favour of House of Lithium. Reby is currently appealing the decision. SOL Global is not a party to the action and SOL Global has not been named in any action relating to the Reby Agreement. As at November 30, 2023, the company owned approximately 65.09% of the common shares of House of Lithium on a partially diluted basis.

On July 14, 2022, an external party filed a lawsuit against SOL former management pertaining to sale of the external party's equity shares in a publicly traded company. On June 8, 2023, both parties settled on the lawsuit. Total settlement amount was $250,000 USD. The Company wired $33,148 CDN ($25,000 USD) as outlined in the agreement and the remaining $225,000 USD shall be settled on December 1, 2023, in the form of equity shares. For year-ended November 30, 2023, the Company accrued $305,390 CDN ($225,000 USD) as part of accounts payable and accrued liabilities.

The Company is party to certain management contracts. These contracts require that additional payments of up to approximately in accrued bonuses of $1,825,000. Minimum commitments were approximately $10,150,283 all due within one year which includes accrued salary receivables to management of $1,124,997.

15. RIGHT OF USE ASSET AND LEASE LIABILITY

On May 30, 2020, the Company commenced a new office lease for office space in Miami, Florida, which expires on May 30, 2025, and recorded a lease liability and a corresponding right of use asset in the amounting to $1,276,775. The lease liability was measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate which was determined to be 9% per annum for similar assets. The right of use asset was initially recorded at the present value of the lease obligation and the Company recorded depreciation of $117,038 for the year ended November 30, 2023 (2022: $127,678). On October 31, 2023, the Company terminated the Miami office space lease and accordingly wrote of the right of use asset and lease liability amounting to $1,035,575 and $1,147,416 respectively and resulted in a gain of $111,841.

On August 1, 2021, the Company commenced a new office lease for office space in Toronto, Ontario which expires on September 30, 2024, and recorded a lease liability of $1,367,377 and a corresponding right of use asset adjusted for prepaid rent in the amount of $1,559,485. The lease liability was measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate which was determined to be 4.99% per annum for prepaid rent and the Company recorded depreciation of $466,474 for the year ended November 30, 2023 (2022: $434,093). This lease expires September 2024.

On March 1, 2021, the Company entered into a dry lease agreement with a third party whereby the Company will use the third party's commercial airplane for M&A and business activities. During the year ended November 30, 2022, the Company was no longer using the airplane and accordingly wrote of the right of use asset amounting to $372,682 and recorded depreciation of $828,688. As of November 30, 2023 - $Nil (2022, the Company written back the liability and recorded termination of the lease for $636,172).

(Expressed in Canadian Dollars)

15. RIGHT OF USE ASSET AND LEASE LIABILITY (Continued)

Set out below are the carrying amounts of right of use assets and lease liabilities recognized and the movements during the year:

	Right-of-use asset $	Lease Liabilities $
As at November 30, 2021	**3,686,089**	**3,802,419**
Depreciation	(1,390,459)	-
Termination of lease	(372,682)	(636,172)
Finance Cost	-	122,749
Payments	-	(672,827)
As at November 30, 2022	**1,922,948**	**2,616,169**
Depreciation	(583,512)	-
Rentals repaid adjustments	-	(1,238,206)
Miami Lease Termination	(1,035,574)	(1,147,416)
Finance Cost	-	95,805
As at November 30, 2023	**303,862**	**326,352**

16. LEASEHOLD IMPROVEMENTS

As of November 30, 2023, the Company leasehold improvements balance related to Toronto office was $22,221 (2022: $532,661 for Miami office and $100,000 for Toronto office). The Company recorded depreciation expense of $113,653 for November 30, 2023 (2022 - $39,135).

Miami office lease termination
On October 31, 2023, the Company terminated the Miami office space lease and accordingly wrote off $496,787 CDN incurred on Miami office lease renovation costs.

Airplane Improvements
On March 1, 2021, the Company entered into an agreement with a third party whereby the Company will use the third party's commercial airplane for M&A and business activities. The Company will be making monthly payments to third party and the Company chose to upgrade the airplane at the Company's own expense. The Company does not have exclusive right to the asset it is shared with other companies. As of November 30, 2023 - $Nil (2022, the Company had terminated the agreement with third party spent and incurred a realized loss of $2,733,632)

(Expressed in Canadian Dollars)

17. RELATED PARTY TRANSACTIONS AND BALANCES

Key management compensation
During the year ended November 30, 2023, the Company incurred payroll related costs of $827,514 CDN (2022 - $4,866,551) to directors and senior officers as key management. As of November 30, 2023, $2,949,997 (2022: $2,122,483) was included in account payable and accrued liabilities related to amounts due to directors and senior officers as key management that had not been paid. As of November 30, 2023, the Company recorded share-based compensation of $15,438 to directors (2022 - $23,222 to an officer).

During the year ended November 30, 2023, the Company incurred the following payroll related costs:

	November 30, 2023	November 30, 2022
Salaries & Consulting fees	**827,514**	4,866,551
Share-based compensation	**15,438**	23,222
Total	**842,952**	4,889,773

(b) Transactions with related parties

Transactions with House of Lithium
On November 9, 2021, the Company announced it had completed the disposition of its electric vehicle and clean technology investment portfolio ("the assets", or collectively "the portfolio") to House of Lithium, an electric mobility platform and climate tech focused spinoff company, preparing for an upcoming public listing. 38,758,776 Class B and 2,000,000 Class B common shares valued at $2 per share were issued. 5,000,000 warrants exercisable at $2 for two years, and 2,777,777 warrants exercisable for $3.60 for two years were issued.

	Cost	**FMV**
Total assets transferred to HOL – November 30, 2021	66,058,969	26,318,200
Purchase of equity units and warrants – November 30, 2021	4,000,000	2,397,232
Shares transferred from LP's – November 30, 2023	5,894,204	4,405,776
Total	75,953,173	33,121,208

As at November 30, 2023, the Company owned approximately 65.09% of the common shares of House of Lithium on a partially diluted basis. The fair market value of the Company's position in House of Lithium as at November 30, 2023, was $33,121,208 (2022 - $49,723,665). As of November 30, 2023, the Company accrued management fee of $114,081 CDN (2022 - $300,000) and the Company owed $1,089,609 CDN (2022 - $1,619,917)

17. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

Transactions with Current Shareholder

During the year-ended November 30, 2023 - $Nil (2022, the Company sold 9,598,333 Black Swan shares valued at $1,805,000 CDN and 1,215,000 Lithium Ionic shares to a current shareholder). During the year-ended November 30, 2023 - $Nil (2022 - The Company recorded realized gain of $946,198 and $701,223 CDN in Black Swan Graphene and Lithium Ionic transaction).

Transactions with Limited Partner ("LPs")

One of the Company's Limited Partner (LP) was dissolved as of year-ended November 30, 2022. As part of the dissolution, for the year-ended November 30, 2022, LP transferred promissory note receivable valued at $2,293,627 CDN receivable from the Company's current shareholder and was distributed to the Company. Loan receivable had been outstanding for more than two years and the Company reduced the receivables by 50% or $1,146,814 CDN. The Company has a promissory note payable to the same shareholder. During the year-ended November 30, 2023, the Company offset the promissory note payable against receivables with the same shareholder. As part of the dissolution, for year-ended November 30,2022 LP transferred promissory note receivable from third party valued at $6,709,178 CDN to the Company as required by IFRS 9 the Company subsequently measured the loan receivable which was valued at $330,000 CDN for year-ending November 30, 2022. For the year-ending November 30, 2023, the Company impaired the $330,000 CDN. For the year-ended November 30, 2023 -$Nil (2022., the Company wrote off $6,379,178 CDN).

18. FINANCIAL RISK MANAGEMENT

The Company is exposed to certain financial risks. The impact on these financial statements are summarized below:

Market Risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of the financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity and commodity prices. The Company is exposed to market risk in trading its investments and unfavorable market conditions could result in dispositions of investments at less than favourable prices. The market risks to which the Company is exposed are equity price risk and interest rate risk.

- Equity price risk - Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market or the cannabis sub-market. The Company's investments are subject to fluctuations in fair value arising from changes in the equity market. As at November 30, 2023, a 30% change in closing trade price of the Company's equity investment portfolio would impact net loss by $30,735,536 (2022: $43,507,111).
- Interest rate risk - Interest rate risk is the risk that the fair value of future cash flows from a financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to interest rate risk relates to its ability to earn interest income on cash and cash equivalents, promissory notes and convertible debts held. The change in fair value of the Company's cash and cash equivalents, promissory notes and convertible debts held, due to changes of interest rates, is considered low.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company does not hedge its currency risk. The Company holds financial instruments that are denominated in a currency other than the Canadian dollar. A significant portion of the Company's cash outflows are in United States Dollars. In addition, numerous of the Company's investments are denominated in foreign currencies. During the year-ended November 30, 2023, a 10% change in foreign currencies held would have resulted in a change in loss by $6,429 (2022: $5,880). During the year-ended November 30, 2023, the Company recognized a foreign currency exchange loss of $20,637 (2022: gain of $605,018).

(Expressed in Canadian Dollars)

18. FINANCIAL RISK MANAGEMENT (Continued)

Liquidity Risk

Liquidity risk refers to the risk that the Company will not be able to meet its obligations as they become due. A Company's ability to continue as a going concern is dependent on receiving continued financial support from its stakeholders and, ultimately, on the ability to generate continued and sustainable profitable operations. The Company generates cash flow from the disposal of investments, financing activities, fees and dividend and interest income. The Company primarily invests in equity and debt instruments of various public and private companies. Due to a lack of an active market, the return on the disposal of investments in non-publicly traded companies may differ significantly from the carrying value of these investments. As of November 30, 2023, the Company's contractual cash flows, which were payable under financial liabilities consists of accounts payables and accrued liabilities as well as income tax payable with payments due in less than one year. The Company's financial assets are classified as being convertible into cash in less than one year. Management is of the opinion that sufficient working capital is available from its financings, its operations and its divestitures to meet the Company's liabilities and commitments as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Given the relatively small size of the Company's staff, senior management and the Board are actively involved in the review, planning and approval of significant expenditures and commitments. The Company's financial liabilities are due within the next 12 months. A payment schedule of the Company's lease obligations is disclosed in note 15.

Concentration risk

Concentration risk is the risk that any single investment or group of investments will have the potential to materially affect the Company's operating results. As at November 30, 2023, the Company has invested in common shares, convertible debentures, and warrants of public and private companies in the cannabis and non-cannabis sectors. The allocation between public and private companies is as follows:

	Cost	Fair value	Fair Value Percentage
	$	$	%
Public company common shares	35,619,426	3,834,599	4%
Private company common shares	234,336,571	77,815,385	76%
Warrants held in public and private companies	4,350,485	2,303,107	2%
Commercial Asset	15,170,102	18,498,695	18%
	289,476,584	**102,451,786**	**100%**

As at November 30, 2023, 65% (2022: 55%) of the total fair value of the Company's investments were United States based companies while 34% (2022: 43%) and 1% (2022: 2%) of the total fair value of the Company's investments were in Canada and UK, respectively.

The primary goals of the Company's risk management programs are to ensure that the outcomes of activities involving elements of risk are consistent with the Company's objectives and risk tolerance. The Company's investment strategy requires a level of risk in exchange for an above average return on investment. The Company plans to maintain an appropriate risk and reward balance while protecting the Company's financial operations from events that have the potential to materially impair its financial strength. Balancing risk and reward is achieved through aligning risk tolerance with the Company's business strategy, diversifying risk, pricing appropriately for risk, mitigating risk through preventative controls and transferring risk to third parties. The Company considers its shareholders' equity as its capital. The Company has no externally imposed capital requirements.

(Expressed in Canadian Dollars)

18. FINANCIAL RISK MANAGEMENT (Continued)

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company has two types of financial assets that are subject to the expected credit loss model: (a) other receivables from government agency and third parties; and (b) promissory notes. While cash and cash equivalents are subject to the impairment requirements of IFRS 9, the identified credit risk and impairment loss is immaterial, as these funds are held with reputable financial institutions. The Company applies the simplified approach to providing for ECL prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all promissory notes and other receivables while ECL calculation based on stage assessment has been performed for promissory notes. Below is a summary of credit ratings of debt instruments including convertible debentures and promissory notes held by the Company as part of its investment portfolio.

Credit Ratings	Percentage of Total Convertible Debentures and Promissory Notes (%)	Percentage of Total Investments (%)
Unrated (Private Convertible Debt/Promissory Notes)	100.0%	0.02%
	100.0%	0.02%

19. CAPITAL MANAGEMENT

The Company's objectives when managing capital are: (a) to allow the Company to respond to changes in economic and/or marketplace conditions by maintaining the Company's ability to purchase new investments; (b) to give shareholders sustained growth in shareholder value by increasing shareholders' equity. It is the intention of the Company in the long term to pay out a portion of its future annual earnings to shareholders in the form of dividends; and (c) to maintain a flexible capital structure which optimizes the cost of capital at acceptable levels of risk. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk of its underlying assets. The Company has the ability to maintain or adjust its capital level to enable it to meet its objectives by: (a) realizing proceeds from the disposition of its investments; (b) utilizing leverage in the form of margin (due to brokers) and long-term debt from financial lenders; and (c) raising capital through equity financings.

20. SUBSEQUENT EVENTS

On January 9, 2024, the Company nominated Mr. John Zorbas, an experienced entrepreneur in metals exploration and development, for a position on the board. Mr. Zorbas currently serves as the President and CEO of Captor Capital Corp. The Company granted 250,000 DSUs to John Zorbas in connection with his nomination to the Board. These DSUs are subject to the company's DSU plan, may be settled in cash or common shares.

SOL Global entered into an intercreditor agreement with Braebeacon Holdings Inc. and certain creditors, defining their rights, obligations, and security. The agreement dated December 11, 2023, established that the Junior Lien Lenders' rights and security rank subordinate to those of the First Lien Lender. The Company received an additional $400,000 from the First Lien Lender as part of an amended accommodation agreement to the Loan Agreement dated August 6, 2023. The advance was used to reduce accounts payables and current liabilities.