

## FORM 7

### MONTHLY PROGRESS REPORT

Name of Listed Issuer:  Eat Well Investment Group Inc. (the "Issuer" or the "Company")

Trading Symbol:  EWG

Number of Outstanding Listed Securities:  167,161,148

Date:  June 2, 2023

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced, and non-promotional.

#### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered, nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

#### **Report on Business**

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

*The Company's key plant-based investments are Belle Pulses ("**Belle**"), Sapientia Technology LLC ("**Sapientia**") and Amara Organic Foods ("**Amara**").*

***Belle** is 100% owned and the purchase price for this acquisition has been paid in full.*

*On May 23<sup>rd</sup>, 2023, Eat Well Reported that Belle Pulses, a leading supplier of premium pulses to the human and pet food industries worldwide, has reported impressive growth and record performance*

*for the fiscal year ended July 31, 2022. Under the leadership of Tony and Francis Gaudet, the management team has made significant upgrades to its Canadian operations, enhancing safety, quality, and performance, and establishing a reliable supply chain and logistics network with disciplined pricing strategies. Belle's strong business model has positioned the company as a preferred supplier to leading food distributors across North America, generating strategic customer opportunities, and driving margin enhancement for food manufacturers utilizing cutting-edge processing IP.*

*Belle is well-positioned to capitalize on market tailwinds with its diversified product mix that includes emerging pulses, while spearheading the development of next-generation plant-based food products that deliver optimized taste and texture. The company's focus on production and facility expansion is prioritizing utilization to meet long-term demand while evaluating new opportunities to optimize its footprint across Canada.*

*In the most recent fiscal year spanning from July 2021 to July 2022, Belle Pulses delivered exceptional financial performance, generating an impressive \$64,572,157 in revenue, and \$7,015,435 in EBITDA. This represents a notable 10.01% year-over-year increase in revenue compared to \$58,661,758 in Fiscal 2021, as well as an impressive 61% increase in EBITDA.*

*Belle is continuing to advance its portfolio through broadening product and customer mix. It has completed several aspects of operational upgrades and is developing additional opportunities into various regions outside Canada.*

**Sapientia** is 100% owned and the purchase price for this acquisition has been paid in full.

*Sapientia, an innovative product developed by Eat Well, has consistently ranked among the top new products in Federated Co-Op stores across Canada. While Amara has experienced remarkable success and has become the focus of Eat Well's resources, Sapientia's potential and market demand have not gone unnoticed. As a result, Eat Well is now committed to providing additional resources to further develop and promote Sapientia in the second half of 2023. With the management team's successful track record in founding, scaling, and exiting consumer packaged goods brands, the company is confident in Sapientia's potential for success.*

**Amara** is owned 51% by Eat Well Group, and the Company has further payments of US \$5,300,000 to complete its 51% ownership of Amara. The payments are due every three months and the March 31<sup>st</sup> payment of \$1,325,000 which was due March 31, 2023, remains outstanding and management is working to obtain necessary funding to make the payment. Management is in discussion with Amara regarding this unpaid amount.

*Amara ended Q1, 2023 with 584% year over year sales growth. Amara's growth trajectory is continuing with selective scaling across omnichannel platforms. The brand has seen significant product assortment additions in Walmart Canada and has gained traction in the Club channel via the largest club retailer (the "LCR").*

*The success of Amara's initial launch in the Los Angeles region has led to several geographic expansions, with over 100 LCR locations now stocking the brand's toddler melts. Amara's strong sell-through performance against benchmarks has created interest across North American retail*

and consumer channels. The expansion of business is underpinned by category-leading gross margins due to a selective channel strategy, strong ingredient and cost of good controls, and a lean operating strategy.

In addition to expanding its retail presence, Amara has grown its production capacity by 4x through manufacturing partners, allowing the team to evaluate several new innovations that will launch later this year. Amara's eCommerce program has also seen success, with double-digit month-over-month growth in velocities and sustained margins. The team continues to refine its social media and ad targeting efforts, leveraging new capabilities brought on board over the last quarter.

The brand's success has not gone unnoticed, with Amara recently awarded "Top 10 Product" at Expo West, the leading food and beverage show in Anaheim, California in March 2023. Overall, Amara continues to win with consumers and industry leaders alike, positioning the brand for continued growth and success in the coming years.

The Company continues to monitor its plant-based investments and has staff with the expertise needed to oversee its plant-based holdings. To date management is pleased with the acquisitions and sees significant upside in the opportunities. The Company continues to source other plant-based acquisition opportunities.

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

Senior management of the Company remains in talks with a fund, as previously disclosed, for a significant capital injection that has the potential to transform the dynamics of the Company. While the discussions have taken longer than anticipated, the Company is pleased having signed an initial agreement including binding conditions. Discussions are ongoing in a positive manner, exploring strategic long-term and near-term opportunities. Updates will be provided to the market upon the execution of any definitive agreements. It is important to note that there can be no assurances of a successful closing at this stage.

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

*Not applicable.*

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

*Not applicable.*

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and

licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

*Not applicable.*

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

*Not applicable.*

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

*Not applicable.*

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

*Not applicable.*

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

*Not applicable.*

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

*Not applicable.*

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

*None.*

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

*Not applicable.*

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

*In regard to the ongoing debt restructuring and as previously reported the Company signed non-binding term sheets with the Business Development Bank of Canada (“BDC”) and a private lender (the “Private Lender”) to refinance the Company’s existing revolving credit facilities of up to \$40,000,000 with its senior lender (the “Exiting Credit Facilities”) (collectively, the “Refinancing Transaction”).*

*Closing of the Refinancing Transaction has yet to occur, and the Company continues to work through the conditions precedent and once completed closing can occur. As of the date of writing, the Company believes it has agreed to all final terms with both the Private Lender and BDC. The Company looks forward to announcing closing as soon as possible, but there is no guarantee that closing will occur.*

*The Company continues to extend the maturity date of its Existing Credit Facilities on a month-to-month basis, and eagerly awaits closing of the Refinancing Transaction in which it expects to save upwards of \$2,000,000 annually. While Eat Well has made recent payments totaling \$1,867,565 to its lender consisting of both interest and borrowing base payments, ongoing discussions are being held to establish deferred payments for outstanding interest that consider seasonality, particularly during Belle's slower season from February to June. Upon closing of the refinancing, BDC will provide a 3-month payment holiday on the \$22.5 million senior secured loan and a 12-month payment holiday on the \$2 million senior secured loan, helping to improve overall indebtedness.*

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

<b>Security</b>	<b>Number Issued</b>	<b>Details of Issuance</b>	<b>Use of Proceeds</b>
Common Shares	Nil	N/A	N/A
Warrants	Nil	N/A	N/A
Restricted Share Units (“RSUs”)	Nil	N/A	N/A
Stock Options	Nil	N/A	N/A

Normal Course Issuer Bid (“NCIB”)

*The Company has initiated a new NCIB to be conducted through the facilities of the Canadian Securities Exchange. Under this NCIB, the Company can acquire up to 7,686,777 common shares (the “Shares”) in the capital of the Company. This NCIB commenced on June 27, 2022 and ends no later than June 26, 2023. The Company may terminate the NCIB earlier if deemed appropriate to do so. During the month of May 2023, the Company purchased a total of nil Shares under the NCIB for a total of 188,000 shares since commencement of NCIB. On March 8, 2023, a total of 188,000 shares were returned to treasury.*

## Profits Interest Shares

*There is no change in the status of the profits interest shares that are outstanding.*

*The Company's wholly owned subsidiary 1325243 B.C. Unlimited Liability Company (the "ULC") has outstanding 65,031,826 profits interest shares of the ULC (the "profits interest shares") issued as consideration for rights to acquire Belle Pulses and Sapientia. The following is a summary of the material terms of the profits interest shares as set forth in the ULC Articles.*

*Subject to the Escrow Terms described below, holders of the profits interest shares may request, by written notice, that the ULC redeem all or part of their profits interest shares and the ULC shall effect such redemption within 30 days of such notice. As further described below, the value of any such redemption is subject to the "Distribution Threshold" (as defined in the ULC Articles) established by the ULC and the Company. On December 5, 2022, the Distribution Threshold was set by the ULC and the Company at CAD\$40,018,564.20. The redemption price (the "Redemption Price") per profits interest share is calculated by: (i) assessing the fair market value of all of the assets of the ULC as if they were sold at fair market value (which is to include the assets of all subsidiaries and portfolio investments of the Company); (ii) allocating all profits and losses (as defined in, and in the manner set out by, the ULC Articles; and (iii) liquidating residual amounts first to creditors and then to shareholders in the manner set out in the ULC Articles, with the Redemption Price being equal to the amount the holder of such profit interest share would be entitled to receive upon such liquidation.*

*The Redemption Price may only be paid in Company Shares, at a price per Company Share equivalent to the 20-day volume weighted average price of the Company Shares, provided that a maximum of one (1) Company Share may be issued for each profits interest share redeemed. No Company Shares shall be issued unless the aggregate amount that would be received by all shareholders of the ULC upon liquidation as set out in (iii) above, exceeds the Distribution Threshold. The maximum number of Company Shares that may issued upon the redemption of the profits interest shares is not more than 65,031,826. The profits interest shares are subject to escrow terms (the "Escrow Terms") set out in the Assignment Agreement, which are summarized as follows: (i) 20% of the profits interest shares are released from escrow and may be redeemed on each of the 6, 12 and 18 month anniversary of closing of the Company's acquisition of Belle Pulses and Sapientia (the "Closing Date"), being July 30, 2021; and (ii) the remaining profits interest shares are released from escrow and may be redeemed on the 24 month anniversary of the Closing Date; provided, however, that in the event the Company achieves trailing twelve month revenue of CDN\$100,000,000 or acquires portfolio companies that demonstrate such revenue, all profits interest shares shall be immediately released from escrow.*

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

*Daniel Brody, a Director of the Company, has loaned the Company \$268,000 for the purposes of accelerating the audit timelines. It is expected that this will be converted to equity or a convertible debenture.*

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

*Not applicable*

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

*No specific comments on this matter for this month.*

## Certificate of Compliance

The undersigned hereby certifies that:

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

Dated: June 2, 2023.

Nick DeMare  
Name of Director or Senior Officer

"Nick DeMare"  
Signature

Corporate Secretary  
Official Capacity

<b>Issuer Details</b> Name of Issuer <b>Eat Well Investment Group Inc.</b>	For Month End <b>May 31, 2023</b>	Date of Report YY/MM/DD <b>23/06/02</b>
Issuer Address <b>#1305 - 1090 West Georgia Street</b>		
City/Province/Postal Code <b>Vancouver, B.C. V6E 3V7</b>	Issuer Fax No. <b>604-683-1585</b>	Issuer Telephone No. <b>604-685-9316</b>
Contact Name <b>Nick DeMare</b>	Contact Position <b>Corporate Secretary</b>	Contact Telephone No. <b>604-685-9316</b>
Contact Email Address <b>ndemare@chasemgt.com</b>	Web Site Address <a href="http://www.eatwellgroup.com">www.eatwellgroup.com</a>	