NAMASTE TECHNOLOGIES INC.

MANAGEMENT DISCUSSION AND ANALYSIS

For the Three and six months ended May 31, 2020 and 2019

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MANAGEMENT DISCUSSION AND ANALYSIS

This Management Discussion and Analysis ("MD&A") for Namaste Technologies Inc. (the "Company" or "Namaste") covers the Company's financial performance during and subsequent to the Second Quarter ended May 31, 2020 up to the date of this report July 23, 2020. This MD&A should be read in conjunction with Namaste's Condensed Unaudited Condensed Consolidated Interim Financial Statements ("FS") for the three months and six months ended May 31, 2020 and Audited Consolidated Financial Statements for the year ended November 30, 2019.

The Company is a reporting issuer in British Columbia, Saskatchewan, Manitoba, Ontario, Alberta, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland, and Labrador. Namaste is listed on the TSX-V under the symbol "N", on the OTCQB® Venture Market under the symbol "NXTTF" and traded as open stock on the Frankfurt Stock Exchange under the symbol "M5BQ".

All dollar amounts are in Canadian dollars unless otherwise indicated. Namaste documents and securities filings can be viewed on the SEDAR website (www.sedar.com) and additional information on the Company can be obtained at www.namastetechnologies.com.

Forward Looking Statement Disclaimer

Certain statements in this MD&A may constitute "forward-looking" statements that involve known and unknown risks, uncertainties, and other factors. The actual results, performance or achievements of Namaste or the industry, may be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. These statements include, but are not limited to, comments concerning the Company's objectives, strategies to achieve those objectives, as well as Management's beliefs, plans, estimates, and intentions; and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. When used in this MD&A, such statements use words such as "may", "will", "expect", "believe", "plan" or similar terminology.

These statements reflect Management's current expectations regarding future events and operating performance and speak only as of the date of this MD&A, and, except in compliance with applicable law, Namaste assumes no obligations to update or revise them to reflect new events or circumstances. Additionally, the Company undertakes no obligation to comment on analysis, expectations or statements made by third parties in respect of its financial/operating results or securities.

Non-IFRS Financial Measures

Namaste's FS are prepared using International Financial Reporting Standards ("IFRS"); whereas this MD&A refers to certain non-IFRS measures such as Adjusted EBITDA and EBITDA (defined under the "Non-IFRS Financial Measures Definitions" section of this report). Non-IFRS measures are used externally to provide a supplemental measure of the Company's operating performance, facilitate comparisons, and enable analysis of the Company's ability to meet future capital and working capital requirements. Management uses them internally to prepare operating budgets and assess performance. These measures do not have standardized meanings prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Accordingly, they should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS.

COMPANY OVERVIEW

Namaste Technologies is a Canadian consumer packaged goods company focused on the manufacturing and distribution of medical cannabis, cannabis-derived products and accessories. Currently, the Company has a strong focus on perfecting the mechanism of delivering branded cannabis products safely, reliably, and consistently into different market streams while simultaneously engaging in e-commerce activities across Australia, Europe & Canada. With nine e-commerce stores under various brands, the Company's products and services are distributed across the globe.

In Fiscal 2019, Namaste's Board of Directors announced a strategic realignment resulting in major organizational leadership changes. Management believed these changes, along with a proactive financial transformation strategy which is being rolled out in Fiscal 2020, will facilitate the Company's continuity, and transition it from its entrepreneurial roots to an established organization well positioned to capitalize on global growth. The new leadership team is committed to implementing strong corporate governance practices throughout the organization and re-engineering the foundational operations in a way that greatly enhance the Company's ability to maximize recovery, minimize spend, and capitalize on longer-term Canadian and global cannabis market opportunities.

During the First Quarter of Fiscal 2020, the COVID-19 pandemic impacted global economies, individual businesses, and people. Due to the Company's investment in technology, it was well positioned to transition to a remote workforce (where able) with minimal interruptions, and as on-line retailers, and a supplier of medical cannabis, Namaste and its subsidiaries were viewed as essential services resulting in positive revenue growth. Unfortunately, Namaste was not fully immune from the virus's impact. The Company incurred increased costs as a result of the declining Canadian dollar, asset valuations decreased due to the downturn in the economy, and delays in the Company's annual and quarterly filings were experienced due to COVID-19. At CannMart the implementation of new protocols aimed at protecting the workforce resulted in reduced shifts, and further manufacturing delays were experienced due to the virus's impact on vendors which caused logistic issues with products, supplies and equipment. In addition, building contractors hired to work on the construction of the Company's Lab facility were forced to reduce activity to protect their health and safety.

STRATEGIC VISION

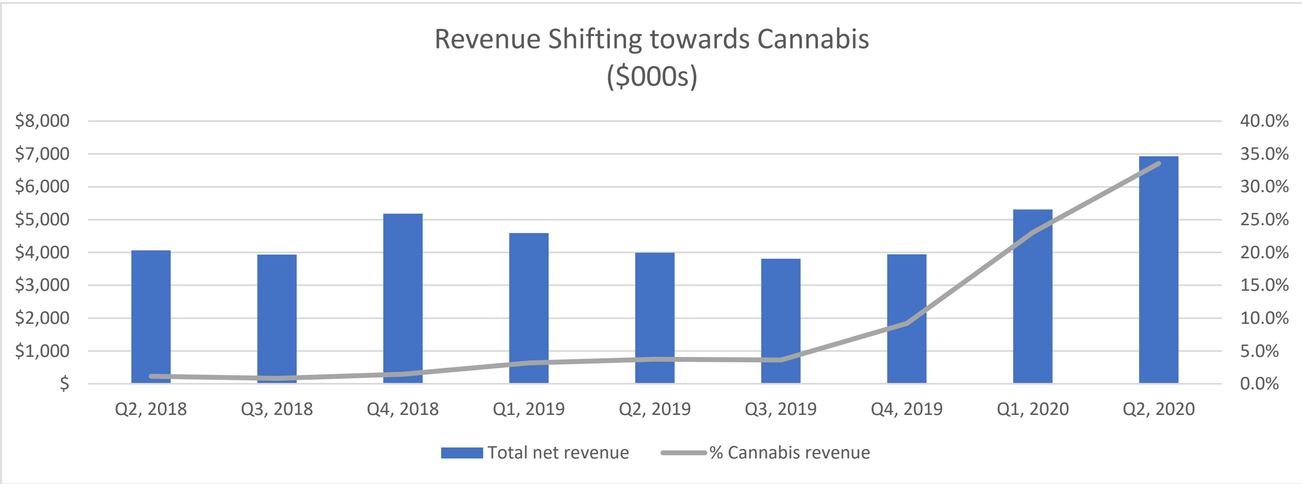
Namaste has spent the last four years learning and adapting through the procurement and distribution of Cannabis and hardware within the global marketplace. It has uniquely positioned itself in the Canadian value chain to become the mechanism to move cannabis safely and reliably from licensed producers to the end-consumer. The Company's management team feels confident it can deliver on its vision to expand product lines across the cannabis category and deliver a truly unique, and safe branded experience to be enjoyed both by Cannabis enthusiasts and newcomers to the category.

Milestones toward Achieving the Strategic Vision

The following is a timeline of some accomplished milestones:

- March 2018 – CannMart Inc. received its Access to Cannabis for Medical Purposes Regulations License
- May 2018 – Namaste Technologies Inc. acquired Findify AB ("Findify"), a leading A.I. and machine learning company, to increase conversion rates, average order value, retention and referrals. The Company also acquired 51% of CannMart Labs Inc. (formerly 2624078 Ontario Inc. operating as Infinity Labz)
- Sept 2018 – CannMart Inc. received its Access to Cannabis for Medical Purposes Regulations ("ACMPR") medical cannabis "sales-only" license with no cultivation, which is the first of its kind to be issued by Health Canada and launched its revolutionary medical cannabis online marketplace
- March 2019 – Namaste finalized a share purchase agreement to acquire 49% of the issued and outstanding shares of Alberta-based craft chocolate manufacturer Choklat Inc. ("Choklat") and completed the acquisition of 49% of the common shares of Toronto-based Pineapple Express Delivery Ltd. ("Pineapple")
- September 2019 – CannMart Inc. secured its first Business to Business (B2B) order with the receipt of a purchase order from the BC Liquor Distribution Branch, the sole wholesale distributer of non-medical cannabis in British Columbia
- October 2019 – CannMart Inc. received approval from Health Canada for an amendment to its license allowing it to offer cannabis oil concentrates on its online marketplace CannMart.com
- November 2019 – CannMart Labs Inc. signed a licensing deal securing exclusive rights to the Phyto Extractions brand. In the same month, CannMart Inc. doubled the number of active buyers on CannMart.com

The above progress towards achieving the Company vision is reflected in the chart below. The percentage of revenue derived from cannabis and cannabis products has moved from 1.1% in Q2, 2018 to 33.6% in Q2, 2020:



OUTLOOK

In Fiscal 2020, the Company is focused on building a scalable infrastructure which will create a solid foundation for growth opportunities in the future. Management has identified key sectors of complexity, high risk, and low financial return and is systematically working to eliminate these areas and implement new foundational strategies in both operations and finance. These new strategies are targeted at improving gross profit, reduced non-strategic spending, and improved resource utilization. They have allowed Management to focus on Namaste's strategic vision of continuing to introduce product lines to the current cannabis consumer, as well as, the more substantial untapped market.

FINANCIAL DISCUSSION

Operational Results

Selected financial information from the Condensed Consolidated Interim Statements of Operations for the three and six months ended May 31, 2020 and May 31, 2019 are presented below:

	Three months ended		Six months ended	
	31-May-20	**31-May-19**	**31-May-20**	**31-May-19**
Net revenue	**$ 6,926,311**	**$ 3,994,232**	**$ 12,233,467**	**$ 8,587,689**
Cost of goods sold	(6,332,869)	(3,258,153)	(10,870,689)	(7,068,457)
Gross profit before inventory adjustment	**593,442**	**736,079**	**1,362,778**	**1,519,232**
Gross profit (before inventory adjustment) as a % of net revenue	*9%*	*18%*	*11%*	*18%*
Inventory adjustment	49,907	-	244,908	-
Operating costs	4,907,984	4,393,258	11,066,185	10,070,644
Professional fees	337,583	248,809	751,284	500,944
Adjusted EBITDA	**(4,702,032)**	**(3,905,988)**	**(10,699,599)**	**(9,052,356)**
Other income	(118,052)	(331,458)	(278,125)	(755,745)
Share-based compensation	142,870	1,178,673	178,681	2,582,209
Restructuring and other costs	(1,300,000)	3,346,603	(1,300,000)	6,926,103
Impairment loss on loans receivable	322,887	-	322,887	-
Impairment of investment in associate	437,860	-	1,016,127	-
Share of associate's loss, net of tax	140,408	97,102	329,652	97,102
EBITDA	(4,328,005)	(8,196,908)	(10,968,821)	(17,902,025)

Net revenue

Net revenue is comprised of: (1) cannabis and cannabis derivatives sales less excise tax; (2) hardware sales; (3) SAAS fees and (4) commission.

Net revenue for Q2 2020 was $6.9 million compared to $4.0 million in Q2 2019. The improvement was primarily attributable to the sale of cannabis products which increased $2.2mm over Q2 2019. The sale of hardware also improved from prior year's second quarter by $657 thousand.

The following table presents the Company's net revenue based on the location of customers for each of the three and six months ended May 31, 2020 and 2019:

	Three months ended		Six months ended	
	May 31, 2020	May 31, 2019	May 31, 2020	May 31, 2019
Australia	$ 1,440,286	$ 1,169,892	$ 2,452,033	$ 2,257,399
Brazil	-	9,894	-	638,401
Canada	3,328,089	760,560	5,467,586	1,486,955
Denmark	17,414	16,852	30,928	34,586
France	91,434	99,812	210,967	242,823
Germany	224,262	221,994	451,245	464,018
Ireland	29,202	91,996	89,534	233,794
Israel	3,745	13,550	22,540	16,450
New Zealand	2,667	28,888	3,433	148,512
United Kingdom	1,283,482	1,125,797	2,458,080	2,199,528
United States of America	320,498	150,034	628,168	291,843
Other	185,232	304,963	418,954	573,380
Total	$ 6,926,311	$ 3,994,232	$ 12,233,467	$ 8,587,689

The Company's focus on cannabis within the domestic market resulted in 48% of the second quarter net revenues being derived from Canadian clients compared to 19% in Q2 1019 (45% vs 17% YTD). In October 2019, edible and ingestible cannabis products (Cannabis 2.0) became legal in Canada. The Company intends to execute on its plan to drive growth through its portfolio of cannabis 2.0 lifestyle products including those produced through CannMart Labs Inc. throughout Fiscal 2020.

Revenue generated from international clients increased by $365 thousand in the second quarter primarily due to increased sales of accessories to clients in the United Kingdom and United States. Revenues generated from these two countries was 23% of the total net revenue. For the six months ended, international revenue decreased by $335 thousand due to the closure of the Brazilian operations which had generated $638 thousand in the previous year.

Cost of goods sold ("COGS")

COGS include expenditures directly related to generating revenue e.g. raw material costs, production labour, product licensing fees, merchant fees, shipping fees, import duties, and commission.

The increase in COGS over Q2 2019 of $3.1mm in the second quarter ($3.8mm YTD) was due to increased revenues and a change in product mix and quantities.

Gross profit (before inventory adjustment) ("GP")

Compared to prior year GP decreased by $143 thousand in the three months ended May 31, 2020 and $156 thousand for six months then ended. The GP of Namaste Bahamas declined $251 thousand and $570 thousand due to the closure of the Brazilian marketplace in Q2, 2019 which was partially offset by increases in Australian Vapes' and Findify's GPs. The growth of cannabis and cannabis derivatives within the Canadian marketplace remains the focus of the Company due to higher gross profit anticipated on these products.

Inventory adjustment

During the first quarter, the Company made the strategic decision to destroy certain regulated product and wrote off an estimated amount of $195 thousand. A full cost assessment was completed in the second quarter pertaining to this inventory, which resulted in an additional $50 thousand write-down. The Company remains committed to ensuring customers experience is safe and reliable.

Operating costs

The following table presents the Company's operating costs by type of expense for each quarter:

	Three months ended		Six months ended	
	31-May-20	**31-May-19**	**31-May-20**	**31-May-19**
Office and general	$ 1,387,189	$ 701,711	$ 4,009,492	$ 2,750,424
Salaries and other compensation costs	2,786,937	2,695,139	5,317,200	5,276,041
Selling and marketing expense	262,871	458,643	757,237	995,327
Technological development	470,987	537,765	982,256	1,048,852
Total operating costs	$ 4,907,984	$ 4,393,258	$ 11,066,185	$ 10,070,644

Office and general

Office and general expenses include service costs, travel, business development, insurance, operating license fees and telecommunication, expected credit losses ("ECLs") and historically included operating leases on the Company's facilities which due to the adoption of IFRS 16 are now amortized.

Office and general expenses increased in the quarter by $515 thousand compared to prior year ($996 thousand YTD). These increases reflect increased insurance premiums (Q2-$336K; YTD-$840K), provisions for ECLs (Q2-$480K and YTD-$1.4mm), offset by cost cutting measures rolled out by Management.

The Company has implemented new strategies targeted at reducing corporate overhead and building the infrastructure to support the corporate vision. The execution of these transformational strategies is partially reflected in the results. Full annualized savings are anticipated to be realized in 2021.

Salaries and other compensation costs

Salaries and other compensation costs include remuneration and benefits paid to employees and consultants.

Namaste believes that its people are critical to the organization's success and has committed to investing in employees and building on the corporate culture of excellence. To reduce operating costs and provide a quicker path to success, the Company has evaluated the corporate structure and associated headcount and has moved to reduce complexity within the business units by hiring subject-matter experts with clear, focused goals tied to financial results – both long and short term. Initial results of this strategy are clearly seen by $944 thousand in decrease in total compensation in the quarter ($2.4mm YTD) as noted in the chart below:

	Three months ended		Six months ended	
	31-May-20	**31-May-19**	**31-May-20**	**31-May-19**
Salaries and other compensation costs	$ 2,786,937	$ 2,695,139	$ 5,317,200	$ 5,276,041
Share based compensation	142,870	1,178,673	178,681	2,582,209
Total compensation	$ 2,929,807	$ 3,873,812	$ 5,495,881	$ 7,858,250

Subsequent to the quarter, the Company announced the granting of options to officers, directors and employees (details under Share Based Compensation) and the approval of the CEO's request to a 17% pay cut in favour of long term incentives to conserve cash.

Selling and marketing expense

Selling and marketing expenses are comprised of advertising and promotion costs including online search services, and online promotional and social media tools. Focus is on consumer engagement through digital content for the Business to Consumer ("B2C") platform and retail partnerships that have an identifiable impact on sell-through for Business to Business ("B2B"). Spend in this area is heavily monitored against key performance indicators to ensure appropriate rates of return.

Selling and marketing cost savings initiatives began in Fiscal 2019 with the termination of the Company's outsourced marketing firm. As a result, costs savings were realized in Fiscal 2019 and continue to be realized through Fiscal 2020. In the second quarter, realized cost reductions were $196 thousand ($238 thousand YTD).

Technological development

Technological development costs represent Namaste's significant investment into various areas such as machine-learning, search engine optimization, platform development and its ongoing customer acquisition.

Substantial investment has already been made in existing platforms which have enabled the Company to experiment and learn about target demographic, as well as, the economics of supply and demand. Development costs are projected to decrease as projects are delivered. Maintenance costs associated with the platforms (recorded in salaries and other compensation costs) are anticipated to remain the same. Future technology spend will be focused on delivering on the Company's goal to provide the consumer with a smooth streamlined user experience.

Professional fees

Professional fees include legal, audit, accounting, tax services and Directors' fees. The three and six month comparatives over prior year are disclosed below:

	Three months ended		Six months ended	
	31-May-20	**31-May-19**	**31-May-20**	**31-May-19**
Legal	$ 9,648	$ 30,373	$ 102,349	$ 329,984
Audit, accounting and tax services	121,851	205,004	245,806	148,430
Directors' fees	206,084	-	394,010	-
Other	-	13,432	9,119	22,530
Total professional fees	$ 337,583	$ 248,809	$ 751,284	$ 500,944

Significant effort has been made by Management to resolve historic legal issues and focus spend on current priorities. The majority of these legacy issues have been resolved, and legal costs have been dramatically reduced as a result.

Audit, accounting and tax services reflect a proportionate accrual for the Fiscal year end audit, which is anticipated to be lower than the prior year's actual spend. The comparable numbers reflect a reversal of an over accrual from Fiscal 2018.

Directors' fees were higher than the comparable quarter by $206 thousand ($364 thousand YTD), as no fees were paid in the first six months of the prior year.

Adjusted EBITDA
Adjusted EBITDA is a non-financial measure which Management believes provides the user with an understanding of profit/loss before non-cash and non-recurring expenses. The definition and reconciliation from the reported IFRS operating results in the financial statements can be found in the "Non-IFRS Financial Measures" section of this MD&A.

Beginning in the latter half of 2019, Management has put in place a number of Objectives and Key Results (OKRs) with supporting procedures and metrics to focus decision making on governance/controls, and expenditures including allocated headcount, in order to lead to an improvement in Adjusted EBITDA and profitable growth.

Other income
Other non-operating income is primarily composed of interest earned on the Company's cash reserves.

It is anticipated that the cash reserves will decline in Fiscal 2020 due to business development opportunities and capital intense initiatives. As a result, interest income is expected to decrease.

Share based compensation
Share based compensation is the non-cash value of stock options issued to Directors, Officers, employees, and consultants. Subsequent to the quarter, Namaste announced the Company's Board had approved the granting of 7,626,751 stock options to officers, directors and employees of the Company which are exercisable into common shares at a price of $0.33 per common share. The options will expire on July 2, 2024. This reflects short and long term incentives, and the payment of options in lieu of cash remuneration.

Restructuring and other costs
This expense category includes the costs associated with the class action lawsuits (including Special Committee costs), non-standard legal costs, employee restructuring and other non-recurring items. The table below summarizes these expenses:

	Three months ended		Six months ended	
	31-May-20	**31-May-19**	**31-May-20**	**31-May-19**
Class action related costs	$ (300,000)	$ 1,797,088	$ (300,000)	$ 4,994,255
Legacy resolutions and other costs	(1,000,000)	1,549,515	(1,000,000)	1,931,848
	$ (1,300,000)	$ 3,346,603	$ (1,300,000)	$ 6,926,103

<u>Class action related costs</u>
During October 2018, the Board formed a Special Committee to investigate certain allegations made by Citron Research Inc. pertaining to the sale of the Company's wholly owned subsidiary, Dollinger Enterprises US Inc. The Special Committee was comprised of independent Directors, legal counsel, and representatives

of a top tiered accounting firm. As a result of these allegations two class action lawsuits were launched, one in the USA, the second in Canada. In July 2019, agreements of $4.9 million to settle the claims in principle were reached. In Q2, 2020, the courts approved the settlement amounts, and the Company reduced the associated provision.

Legacy resolutions and other costs

On February 4, 2019, following the investigation, the Board made its first changes to the Senior Officers including the appointment of an Interim CEO. Settlement costs associated with former executive and management, and legal fees pertaining to restructuring agreements entered into by former employees are recorded in this line item. In the quarter, the Company settled a claim for less than the amount originally provided, a portion of the original provision pertaining to this claim was reversed.

Impairment of investment in associate

Due to operational concerns, the Company has fully impaired the carrying value of Choklat Inc.

Share of associates' losses, net of tax

In Q2, 2020 Namaste's portion of Choklat's loss was $140 thousand ($330 thousand YTD). In Q2, 2019, the Company recorded $97 thousand as its share of losses in Choklat and Pineapple. As both investments have now been fully impaired, no further losses will be recorded.

Summary of quarterly operational results

Quarter ending	May 2020	February 2020	November 2019	August 2019	May 2019	February 2019	November 2018	August 2018
Net revenue	$ 6,934,078	$ 5,307,155	$ 3,947,018	$ 3,805,613	$ 3,994,232	$ 4,593,457	$ 5,234,082	$ 3,934,150
Gross profit before inventory adjustment	$ 593,442	$ 769,336	$ 418,435	$ 786,583	$ 736,079	$ 783,153	$ 949,088	$ 930,886
Gross profit %	9%	14%	11%	21%	18%	17%	18%	24%
Net loss	$ (4,842,373)	$ (7,391,665)	$ (29,667,429)	$ (14,652,118)	$ (9,058,147)	$ (10,278,036)	$ (18,384,292)	$ (8,689,720)
Net loss per share (basic and diluted)	$ (0.01)	$ (0.02)	$ (0.09)	$ (0.05)	$ (0.03)	$ (0.03)	$ (0.06)	$ (0.03)
Total assets	$ 52,365,403	$ 59,265,263	$ 67,719,244	$ 94,062,462	$ 104,831,382	$ 110,680,055	$ 116,989,959	$ 71,075,238

The Company's has shown consecutive growth in net revenue over the last three quarters. Namaste's strategic focus on the Canadian cannabis market has contributed to these improvements. Net cannabis revenue has grown from $46 thousand in Q2 2018, to $2.3mm in Q2 2020. It is anticipated the cannabis revenue will continue to increase as additional 2.0 products are introduced to the market.

Net loss and net loss per share have also shown consecutive improvements over the last two quarters as the legacy issues have been resolved. The Company is committed to its shareholders, and the Management team is focused on maintaining these positive trends.

Balance sheet

The following table provides selected financial information derived from the consolidated statements of financial position as at the following dates:

		31-May-20		30-Nov-19
Total current assets	$	37,530,065	$	51,078,555
Total non-current assets		14,835,338		16,640,689
	$	52,365,403	$	67,719,244
Total current liabilities	$	9,234,054	$	11,664,773
Total non-current liabilities		776,626		276,534
	$	10,010,680	$	11,941,307
Working Capital	$	28,296,011	$	39,413,782

Total current assets
Total current assets decreased by $13.5 million from November 30, 2019 primarily due to a reduction in cash of $17.4 million offset by increases in inventory of $1.9 million and receivables of $2.2 million. The reduction of cash is more fully explained under Liquidity and Capital Resource section of this MD&A.

Total non-current assets
Total non-current assets decreased by $1.8 million from November 30, 2019 primarily due to declines in investments values. The impairments on investments in associates accounted for $1.3 million of the decline. Amortization/depreciation on equipment and intangible assets, offset the increases in property and equipment resulting from the change in lease accounting and the Company's capital investments during the first half of 2020.

Total current liabilities
Total current liabilities decreased by $2.4 million from November 30, 2019, as a result of legacy and class action provision reductions of $2.7 million, offset by increases in accounts payable of $407 thousand.

Total non-current liabilities
Total non-current financial liabilities increased by $500 thousand from November 30, 2018 primarily due to changes in the lease accounting.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

Management monitors the Company's capital resources to ensure adequate liquidity to fund operations and planned expansions. Management's objectives with respect to liquidity and capital structure are to generate cash to fund the Company's existing operations and growth strategy. As of the date of this report, the Company has sufficient capital resources to satisfy its near term and long-term financial obligations, as well as certain initiatives related to realizing its strategic vision.

As of May 31, 2020, Namaste had a cash and cash equivalent balance of $20.4 million, a reduction of $6.6 million in the quarter. The table below sets out the use of cash and cash equivalents for the three and six months then ended:

	Three months ended 31-May-20	Three months ended 31-May-19	Six months ended 31-May-20	Six months ended 31-May-19
Cash used in operating activities	$ (5,086,068)	$ (10,753,810)	$ (15,244,146)	$ (21,349,913)
Cash used in investing activities	(1,424,538)	(2,700,586)	(2,051,738)	(4,183,284)
Cash provided by financing activities	(71,483)	69,426	(145,893)	3,202,640
	$ (6,582,089)	$ (13,384,970)	$ (17,441,777)	$ (22,330,557)

Operating activities

Operating activities impact both cash and non-cash working capital, as indicated in the table below:

	Three months ended 31-May-20	Three months ended 31-May-19	Six months ended 31-May-20	Six months ended 31-May-19
Cash used in operations before changes in non-cash working capital	$ (5,009,898)	$ (7,496,430)	$ (10,722,582)	$ (15,696,189)
Changes in non-cash working capital	(76,170)	(3,257,380)	(4,521,564)	(5,653,724)
	$ (5,086,068)	$ (10,753,810)	$ (15,244,146)	$ (21,349,913)

During the second quarter, $5.7 million less was used in operating activities than the comparable quarter prior year ($6.1 million less YTD). Improvements in the Company's net loss resulted in a reduction of $2.5 million of cash spend during the second quarter ($5.0 million YTD), while $3.1 million reduced spend in the quarter can be attributed to changes in non-cash working capital ($1.1 million reduced spend YTD).

Investing activities

In Q2 2020, cash used in investing activities was $1.4 million compared to $2.7 million in Q2 2019 ($2.1 million compared to $4.2 million for the six months then ended). In 2019, these funds were used to acquire both portfolio and equity investments, while 2020's investment focused on CannMart Labs facility and acquisition of equipment.

Financing activities

Changes to lease accounting accounted for 98% of the financing activities in 2020. In 2019, $3.7 million was generated from warrant and stock conversions, of which $511 thousand was utilized for the buy back of shares.

Capital resources

The Company is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares. The Company had 323,954,483 common shares that are issued and fully paid as of May 31, 2020 (321,742,453 as of May 31, 2019). In the first half of 2020, the Company issued 5,000 shares due to option conversions. In the first half of 2019, 2,587,466 shares were issued for the purchase of Pineapple, 10,634,375 shares were issued as a result of warrant and option conversions and 460,900 shares were repurchased.

SEGMENT INFORMATION

The Company consolidates results from six Cash Generating Units ("CGUs" or "Operating Segments"). These include: Namaste Vapes, Australian Vaporizers, CannMart, NamasteMD, Findify and 'Corporate and Other'.

Operational results

The following tables presents the Company's operational results by CGU for the three months ended May 31:

31-May-20	Namaste Vapes	Australian Vaporizers	CannMart	NamasteMD	Findify	Corporate	Total
Net Revenue	$ 2,749,319	$ 1,402,547	$ 2,364,570	$ 56,768	$ 353,107	$ -	$ 6,926,311
Adjusted EBITDA	$ (909,465)	$ (196,785)	$ (3,753,230)	$ (208,278)	$ (392,737)	$ 758,463	$ (4,702,032)
EBITDA	$ (907,609)	$ (172,246)	$ (3,753,230)	$ (208,278)	$ (378,855)	$ 1,092,213	$ (4,328,005)

31-May-19	Namaste Vapes	Australian Vaporizers	CannMart	NamasteMD	Findify	Corporate	Total
Net Revenue	$ 2,397,762	$ 1,097,296	$ 148,613	$ 82,808	$ 267,753		$ 3,994,232
Adjusted EBITDA	$ (2,007,227)	$ 20,469	$ (679,696)	$ (469,568)	$ (108,705)	$ (661,261)	$ (3,905,988)
EBITDA	$ (2,007,227)	$ 20,469	$ (679,696)	$ (469,568)	$ (108,705)	$ (4,952,181)	$ (8,196,908)

The following table presents the Company's operational results by CGU for the six months ended May 31:

31-May-20	Namaste Vapes	Australian Vaporizers	CannMart	NamasteMD	Findify	Corporate	Total
Net Revenue	$ 5,394,548	$ 2,380,141	$ 3,666,861	$ 102,364	$ 689,553	$ -	$ 12,233,467
Adjusted EBITDA	$ (1,885,396)	$ (480,615)	$ (7,681,620)	$ (396,660)	$ (651,711)	$ 396,403	$ (10,699,599)
EBITDA	$ (1,883,540)	$ (456,076)	$ (7,681,294)	$ (396,660)	$ (637,829)	$ 86,578	$ (10,968,821)

31-May-19	Namaste Vapes	Australian Vaporizers	CannMart	NamasteMD	Findify	Corporate	Total
Net Revenue	$ 5,437,487	$ 2,155,097	$ 293,665	$ 167,951	$ 533,489	$ -	$ 8,587,689
Adjusted EBITDA	$ (2,829,881)	$ 259,209	$ (1,681,585)	$ (806,305)	$ (113,177)	$ (3,880,617)	$ (9,052,356)
EBITDA	$ (2,829,881)	$ 259,209	$ (1,681,585)	$ (806,305)	$ (113,177)	$ (12,730,286)	$ (17,902,025)

**Share service cost allocations from the corporate office to the individual CGUs began in Q1 2020 resulting in reduced Adjusted EBITDA and EBITDA in the operating units.*

Namaste Vapes

Namaste Vapes is comprised of Namaste Bahamas Inc. (a wholly owned subsidiary of Namaste Technologies Inc.). Namaste Bahamas is an online retailer of portable and desktop vaporizers, vaporizer parts and accessories. The company manages six global e-commerce sites hosted on Shopify including everyondoesit.com. Sales are also generated through partner websites including Green Vapes, Herbalize and Amazon, and a small portion is derived from B2B customers.

In the second quarter, Namaste Vapes' revenue improved by $352 thousand over the prior year ($43 thousand decline for the six month period). Prior year's results included $638 thousand of revenue generated from the Brazilian operations which closed in the second quarter of 2019.

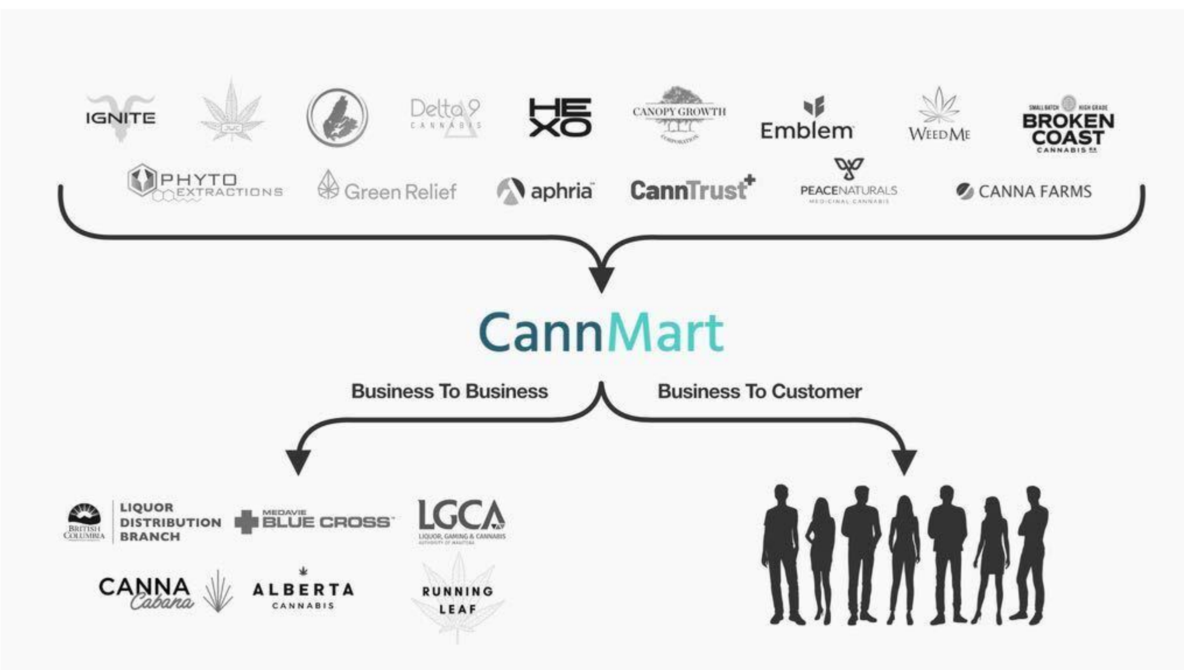
Australian Vaporizers

Australian Vaporizers is the largest online supplier of hardware, including vaporizers, glassware, and related accessories in Australia. The company is known for its commitment to selection, price, and customer service.

Revenue increased by $305 thousand from the comparable quarter prior year ($225 thousand YTD).

CannMart

The CannMart CGU is comprised of CannMart Inc. and CannMart Labs Inc. CannMart Inc. is a wholly owned subsidiary of Namaste Technologies Inc. A Licensed Producer (LP) under Health Canada's ACMPR, it received the first Canadian medical sales-only licence and operates an on-line platform geared toward the Canadian medical cannabis marketplace. CannMart.com, known as 'your everything cannabis store', offers clients a large variety of medical cannabis strains to fill their prescription needs. Incorporated into this platform is Findify's unique artificial intelligence engine, as well as, 'Uppy' an inhouse application which assists customers by identifying the right product and pairing it to address specific medical cannabis requirements. During most of 2019, CannMart Inc. focused on the Business to Consumer (B2C) sales channel. In Q4, 2019 it expanded its offerings to both the provinces and stand-alone business [Business to Business (B2B)]. Currently the company has distribution and licensing deals with several suppliers as noted in the chart below:



In the first half of 2020, CannMart operations were impacted by COVID-19. The company was forced to limit shifts both as it rolled out new policies to protect the workforce, and as a result of vendor delays in receiving materials purchased from abroad.

CannMart Labs Inc. ("Labs") has submitted its application to Health Canada to receive a processing license. Due to COVID-19's impact on contractors, the Company experienced delays in building its dedicated facility designed specifically to enable Namaste's strategic vision of introducing a larger portfolio of cannabis products to market. Labs is set to be capable of producing oil, extract, and other products such as gel-caps, tinctures, pre-filled cartridges, and edibles This will allow the Company to drive profitable growth via its unique distribution strategy. This purpose-built facility incorporates leading extraction technology and is anticipated to be complete in Q3, 2020. An evidence package was submitted to Health Canada ("HC") in July 2020. Pending HC's schedule, an operating license is anticipated in either the third or fourth quarter of the current fiscal year.

Following completion of construction and licensing, the facility will produce products at a low cost for sale to registered patients of CannMart Inc. resulting in increased margins. Labs will also enable a path to a larger market of consumers by offering a vast portfolio of cannabis products and brands to be sold to both the medical and recreational markets. Management plans to produce and sell oils/extracts directly to other LPs and participate in the recreational market by selling its products to licensed provincial distributors. CannMart has established a strong brand through its existing retail channels and intends on building on that unique brand in the cannabis oil/extract sector through Labs.

NamasteMD Inc.

NamasteMD.com is a Health Canada compliant telemedicine application, providing an integrated patient portal with remote access to healthcare practitioners for the purpose of acquiring prescriptions for medical cannabis. The platform connects medical clients with health care practitioners to issue and renew cannabis prescriptions online more readily. The company also has a clinical referral program with bricks and mortar clinics.

Findify

Findify is a leading e-commerce Artificial Intelligence ("AI") and machine learning company, which provides its customers with AI algorithms to optimize and personalise a consumer's on-site buying experience. Its primary product is a holistic AI-powered solution providing real-time personalized search, smart collection, and recommendation to increase conversion. Findify is an official Shopify Plus Technology Partner, recognized as a "Best-In-Class Solution" for modern, rapidly growing e-commerce businesses. The company has over 1200 customers in more than 60 countries around the world.

Findify revenue was up by 31.9% from the comparable quarter in 2019 (29.3% YTD) due to a customer acquisition strategy targeted outside of Europe.

Corporate and other

The Corporate and other operating segment includes the corporate office, shared services, and the Company's investment in both Choklat Inc. and Pineapple Delivery Express Inc. In Fiscal 2020, the Corporate division began allocating shared service expenses to the other CGUs.

Choklat Inc.

In Q2, 2019, the Company acquired 49% of Choklat, an Albertan food manufacturer known for its artisanal chocolates. Choklat's intention is to produce a line of cannabis-related products – some of which will be made available in the retail market, and some of which will be made available in bulk to cannabis companies who want to make edibles without involving a lot of food science.

In October 2019, the Company extended a secured convertible loan to the Company to aid with the build out of facilities geared toward the manufacturing of edibles. The Company subsequently placed a $900 thousand deposit with Choklat to secure a purchase order. Due to operational concerns, Namaste impaired 50% of the carrying value of its investment and recorded an ECL provision of 50% on a purchase order deposit in the first quarter. In the second quarter, the Company fully impaired the investment and recorded a further 50% ECL provision on the deposit.

Pineapple Express Delivery Ltd.

Pineapple delivers legal, dependable, quality medicinal and recreational cannabis at a competitive price. The company focuses on security and delivery protocols to facilitate same-day delivery seven days/week in Canada. Pineapple adheres to the highest standards of health, quality, patients' rights, and discreetly services both adult-use and medicinal patients.

Namaste agreed to make its first investment in Pineapple in Q2, 2018 when it signed a subscription agreement to acquire a 15% equity interest. In Q2, 2019, the Company increased its interest to 49%. During Fiscal 2019, Namaste also provided working capital in separate tranches by granting secured promissory notes to the Company. At November 30, 2019, the balance of $1,512,575, was impaired to the value of security. In Q1, 2020, the Company agreed to loan an additional amount of $125,000 for working capital purposes for the consideration of amendments to certain debt clause.

In Q2, 2020, a controlling interest of Pineapple was acquired by World Class Extractions Inc. ("WCE"). As part of the transaction, Namaste will be able to convert its outstanding debt into shares of WCE in 11 months. In addition, Namaste granted WCE the option to acquire Namaste's equity interest in Pineapple during a 60 day period beginning two years following the close of the transaction. This transaction allowed Namaste's Management to increase their focus on the core business, while adding a new conversion feature to Pineapple's debt thus providing a path to liquidity in the future.

RELATED PARTY TRANSACTIONS

Related party balances

The following table summarizes related party balances as at May 31, 2020 and November 30, 2019:

	Note		31-May-20		30-Nov-19
Related party balances					
Accounts payable and accrued liabilities	(i)	$	-	$	(2,608)
Loans receivable from associates		$	201,215	$	465,149

(i) accounts payable balances are non-interest bearing and due on demand

Payments to related parties

The following table summarizes transactions with related parties for the three and six month period ended May 31, 2020 and 2019:

	Note	Three months ended May 31, 2020	Three months ended May 31, 2019	Six months ended May 31, 2020	Six months ended May 31, 2019
Related party transactions					
Salaries and other compensation costs	(i)	$ 284,339	$ 1,333,521	$ 648,074	$ 1,691,643
Directors fees		$ 206,084	$ -	$ 394,010	$ -
Service fees	(ii)	$ -	$ 847,368	$ -	$ 2,950,643
Share based compensation	(iii)	$ -	$ -	$ 37,648	$ -
Shipping and delivery services	(iv)	$ 99,850	$ -	$ 110,568	$ -

(i) Key management personnel compensation includes salaries, incentives, and benefits.
(ii) In 2019, service charges were incurred from companies associated with key personnel. The Company has discontinued use of these services.
(iii) In Q1 2020, the CFO was granted 200,000 stock options which vest in equal quarterly installments over a 3-year period.
(iv) The company received delivery services from one of is associates.

RISKS AND RISK MANAGEMENT

This section discusses factors relating to the business of Namaste which should be considered by both existing and potential investors. The information in this section is intended to serve as an overview and should not be considered comprehensive and Namaste may face additional risks and uncertainties not discussed in this section, or not currently known. All risks to Namaste's business have the potential to influence its operations in a materially adverse manner.

Impact of Coronavirus ("COVID-19")

The rapid spread of COVID-19 has effected both people and global operations and may continue to do so for the foreseeable future. The extent of the financial and operational impact of COVID-19 has yet to be fully determined. The impact on the Company has/ may include curtailment of operations if deemed non-essential, logistic issues related to supply and delivery of products, stock market volatility resulting in both valuation changes to Namaste's portfolio investments and limiting access to market capital, revaluation of other financial assets, foreign translation risk as a result of the declining Canadian dollar, and delays in financial reporting. Canadian securities regulators have recognized the latter and provided blanket relief for filers with up to 45 day filing extensions. The Company has leveraged this for both the annual filings and first quarter reporting.

To minimize the spread of the virus and its impact on the operations, the Company has instituted measures including creating a Committee focused on consistent and open communications with the staff, implementing best in-class hygiene practices, facilitating remote work locations where possible, imposing travel restrictions and minimizing social exposure by conducting meetings remotely.

Changes in the Company’s Strategy

The Company’s proposed business plan is subject to all business risks associated with new business enterprises, including the absence of any significant operating history upon which to evaluate an investment. The likelihood of the Company’s success must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the formation of a new business, the development of new strategy and the competitive environment in which the Company operates. It is possible that the Company will incur losses in the future. There is no guarantee that the Company will be profitable.

Regulatory Environment

The Company operates in a new and highly regulated industry and is dependent on receiving and maintaining licences in good standing with Health Canada (“HC”). The Company believes that it currently holds or has applied for all necessary licences/permits to carry on the activities which it is currently conducting under applicable laws and regulations. The Company may incur ongoing costs and obligations related to changing regulatory laws. Failure to comply with regulations may result in additional costs for corrective measures, penalties, or restrictions on the Company’s operations.

HC routinely inspects license holders to ensure compliance with existing regulations. The Company is continuously reviewing and improving its standard operating procedures, associated operational plans, and employee training, both proactively and in response to these routine inspections. The Company responds to all inspections in a timely manner, including in relation to any noted areas of concern. If the Company fails to comply with applicable laws, regulations, guidelines, and enforceable policies, the Company may be the subject of enforcement action, which could include incurring additional costs or penalties, or the Company’s licence may be restricted, suspended, or revoked.

New well-capitalized entrants may develop large-scale operations

Currently, the cannabis industry generally is comprised of individuals and small to medium-sized entities, however, the risk exists that large conglomerates and companies who also recognize the potential for financial success through investment in this industry could strategically purchase or assume control of larger or a larger number of production facilities, which trend is now being observed by the Company. These potential competitors may have longer operating histories, significantly greater financial, technological, engineering, manufacturing, marketing, and distribution resources, and be better capitalized. Larger competitors could establish price setting and cost controls which would effectively “price out” many of the individuals and small to medium-sized entities who currently make up the bulk of the participants in the varied businesses operating within and in support of the medical and adult-use cannabis industry. While the approach in most laws and regulations seemingly deters this type of takeover, this industry remains nascent and as indicated above this trend is being observed, so what the landscape will be in the future remains largely unknown.

Impact of the Illicit Supply of Cannabis

In addition to competition from licenced producers and those able to produce cannabis legally without a licence, we also face competition from unlicensed and unregulated market participants, including illegal dispensaries and black-market suppliers selling cannabis and cannabis-based products in Canada.

Despite the legalization of medical and adult-use cannabis in Canada, black market operations remain and are a substantial competitor to our business. In addition, illegal dispensaries and black market participants may be able to (i) offer products with higher concentrations of active ingredients that are either expressly prohibited or impracticable to produce under current Canadian regulations, and (ii) use delivery methods, including edibles, concentrates and extract vaporizers, that we are currently prohibited from offering to individuals in Canada, (iii) use marketing and branding strategies that are restricted under the Cannabis Act and Cannabis Regulations, and (iv) make claims not permissible under the Cannabis Act and other regulatory regimes. As these illicit market participants do not comply with the regulations governing the medical and adult-use cannabis industry in Canada, their operations may also have significantly lower costs.

As a result of the competition presented by the black market for cannabis, any unwillingness by consumers currently utilizing these unlicensed distribution channels to begin purchasing from licenced producers for any reason or any inability or unwillingness of law enforcement authorities to enforce laws prohibiting the unlicensed cultivation and sale of cannabis and cannabis-based products could (i) result in the perpetuation of the black market for cannabis, (ii) adversely affect our market share and (iii) adversely impact the public perception of cannabis use and licenced cannabis producers and dealers, all of which would have a materially adverse effect on our business, operations and financial condition.

Results of Future Clinical Research

Research in Canada, the U.S. and internationally regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis or isolated cannabinoids (such as CBD and THC) remains in early stages. There have been relatively few clinical trials on the benefits of cannabis or isolated cannabinoids and future research and clinical trials may discredit the medical benefits, viability, safety, efficacy, and social acceptance of cannabis or could raise concerns regarding, and perceptions relating to, cannabis. Given these risks, uncertainties and assumptions, prospective purchasers of the Company's securities should not place undue reliance on such articles and reports. Future research studies may reach negative conclusions regarding the medical benefits, viability, safety, efficacy, dosing, social acceptance or other facts and perceptions related to cannabis, which could have a material adverse effect on the demand for the Company's products with the potential to lead to a material adverse effect on the Company's business, financial condition, results of operations or prospects

Product Liability

As a processor and distributor of products designed to be ingested by humans, the Company faces an inherent risk of exposure to product liability claims, regulatory action, and litigation if its products are alleged to have caused significant loss or injury. In addition, the manufacture and sale of cannabis involve the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. Previously unknown adverse reactions resulting from human consumption of cannabis alone or in combination with other medications or substances could occur. As a processor, distributor and retailer of medical cannabis, or in its role as an investor in or service provider to an entity that is a manufacturer, distributor and/or retailer of adult-use or medical cannabis, the Company may be subject to various product liability claims, including, among others, that the cannabis product caused injury or illness, include inadequate instructions for use or include inadequate warnings concerning possible side effects or interactions with other substances. A product liability claim or regulatory action against the Company could result in increased costs, could adversely affect the Company's reputation with its clients and consumers generally, and could have a material adverse effect on the business, results of operations, financial condition or prospects of the Company. There can be no assurances that the Company will be able to maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all. The inability to maintain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could prevent or inhibit the commercialization of the Company's potential products or otherwise have a material adverse effect on the business, results of operations, financial condition or prospects of the Company.

Product Recalls

Manufacturers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labeling disclosure. Such recalls cause unexpected expenses of the recall and any legal proceedings that might arise in connection with the recall. This can cause loss of a significant amount of sales. In addition, a product recall may require significant management attention. Although the Company has detailed procedures in place for testing its products, there can be no assurance that any quality, potency, or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action, or lawsuits. Additionally, if one of the Company's products were subject to recall, the image of that product and the Company could be harmed. Additionally, product recalls can lead to increased scrutiny of operations by applicable regulatory agencies, requiring further management attention and potential legal fees and other expenses.

Risks related to vaping and vaping products

On October 4, 2019, the U.S. Food and Drug Administration issued a warning to the public to stop using vaping liquids containing cannabis derivatives and ingredients, such as CBD and THC, in light of a potential but unconfirmed link to lung injuries such as severe pulmonary illness. Such warnings appear to be particularly focused on the use of vaping liquids purchased from unlicensed or unregulated retailers. Lung injuries associated with the use of cannabis derivative containing vaping liquid have equally been reported in Canada but to a lesser extent. In response, Health Canada has issued an information update advising Canadians who use cannabis derivative containing vaping liquids to monitor themselves for symptoms of pulmonary illness. There may be further governmental and private sector actions aimed at reducing the sale of cannabis containing vaping liquids and/or seeking to hold manufacturers of cannabis containing vaping liquids responsible for the adverse health effects associated with the use of these vaping products. These actions, combined with potential deterioration in the public’s perception of cannabis containing vaping liquids, may result in a reduced market for vaporizer products. Federal, provincial and local regulations or actions that prohibit or restrict the sale of vaporizer products including cannabis derivative vaping liquids, or that decrease consumer demand for the Company’s products by prohibiting their use, raising the minimum age for their purchase, raising the purchase prices to unattractive levels via taxation, or banning their sale, could adversely impact the financial condition and results of operations of the Company.

Increased tax on products could adversely affect the business

Supply to our customers is sensitive to increased sales taxes and economic conditions affecting their disposable income. Discretionary consumer purchases, such as cannabis, vaporization products and consumption accessories, may decline during recessionary periods or at other times when disposable income is lower, and taxes may be higher. Presently, the sale of products is, in certain jurisdictions, subject to federal, state, provincial and local excise taxes like the sale of conventional cigarettes or other tobacco products, all of which generally have high tax rates and have faced significant increases in the amount of taxes collected on their sales. Other jurisdictions are contemplating similar legislation and other restrictions on electronic cigarettes and certain other vaporizer products. Should federal, state, provincial and local governments and/or other taxing authorities begin or continue to impose excise taxes similar to those levied against conventional cigarettes and tobacco products on cannabis, vaporization products or consumption accessories, it may have a material adverse effect on the demand for those products, as consumers may be unwilling to pay the increased costs, which in turn could have a material adverse effect on our business, results of operations and financial condition. We may become involved in regulatory or agency proceedings, investigations, and audits. Our business, and the business of the suppliers from which we acquire the products we sell, requires compliance with many laws and regulations. Failure to comply with these laws and regulations could subject us or such suppliers to regulatory or agency proceedings or investigations and could also lead to damage awards, fines, and penalties. We or such suppliers may become involved in a number of government or agency proceedings, investigations, and audits. The outcome of any regulatory or agency proceedings, investigations, audits, and other contingencies could harm our reputation or the reputations of the brands that we sell, require us to take, or refrain from taking, actions that could harm our operations or require us to pay substantial amounts of money, harming our financial condition. There can be no assurance that any pending or future regulatory or agency proceedings, investigations and audits will not result in substantial costs or a diversion of management's attention and resources or have a material adverse impact on our business, financial condition, and results of operations.

In addition to the above, the Company is also subject other risk factors as described in greater detail under the heading "Risks and Uncertainties" in the Company's FS, for the second quarter ended May 31, 2020 and the Fiscal year ended November 30, 2019, available under the Company's profile at www.sedar.com.

NON-IFRS FINANCIAL MEASURES

The following table reconciles net loss to Adjusted EBITDA for the three and six months ended May 31:

	Three months ended		Six months ended	
	31-May-20	**31-May-19**	**31-May-20**	**31-May-19**
Net loss	**$ (4,842,373)**	**$ (8,632,771)**	**$ (12,234,038)**	**$ (18,910,807)**
Income tax	8,180	(72,479)	32,748	(165,772)
Depreciation and amortization	506,188	508,342	1,232,469	1,174,554
EBITDA	**(4,328,005)**	**(8,196,908)**	**(10,968,821)**	**(17,902,025)**
Other income	118,052	331,458	278,125	755,745
Restructuring and other costs	1,300,000	(3,346,603)	1,300,000	(6,926,103)
Impairment loss on loans receivable	(322,887)	-	(322,887)	-
Impairment of investment in associate	(437,860)	-	(1,016,127)	-
Share of associates' loss, net of tax	(140,408)	(97,102)	(329,652)	(97,102)
Share-based compensation	(142,870)	(1,178,673)	(178,681)	(2,582,209)
Adjusted EBITDA	**$ (4,702,032)**	**$ (3,905,988)**	**$ (10,699,599)**	**$ (9,052,356)**

(i) Current and deferred income taxes, depreciation and amortization, and share-based compensation were excluded from the Adjusted EBITDA calculation as they do not represent cash expenditures.

(ii) Other income consisting of interest income, unrealized gain on derivatives and other miscellaneous non-recurring income was excluded from Adjusted EBITDA calculation.

(iii) Non-recurring costs related to impairment, restructuring and legacy issues were excluded from Adjusted EBITDA calculation.

(iv) Share of associates' loss, net of tax, is excluded due to lack of control.