Management's Discussion and Analysis

For the three-month and nine-month periods
ended July 31, 2020 and 2019

BASIS OF PRESENTATION

The following has been prepared for the purposes of providing management's discussion and analysis ("**MD&A**") of the financial position of 6384269 Canada Inc. (doing business as GURU Beverage Co and GURU Beverage Inc.) ("**GURU**" or the "**Company**") as at July 31, 2020 and October 31, 2019, and the operating results of the Company for the three-month and nine-month periods ended July 31, 2020.

This MD&A is dated October 5, 2020, and was prepared with information available at that date. In this MD&A, references are to the three-month and nine-month periods ended July 31, 2020 and 2019. This document should be read in conjunction with the audited annual consolidated financial statements and notes thereto for the three-year period ended October 31, 2019, and the interim condensed consolidated financial statements for the three-month and nine-month periods ended July 31, 2020 and 2019. Discrepancies in recalculated amounts or percentages may occur due to rounding. All amounts in this MD&A are expressed in Canadian dollars unless otherwise indicated. All financial information presented in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

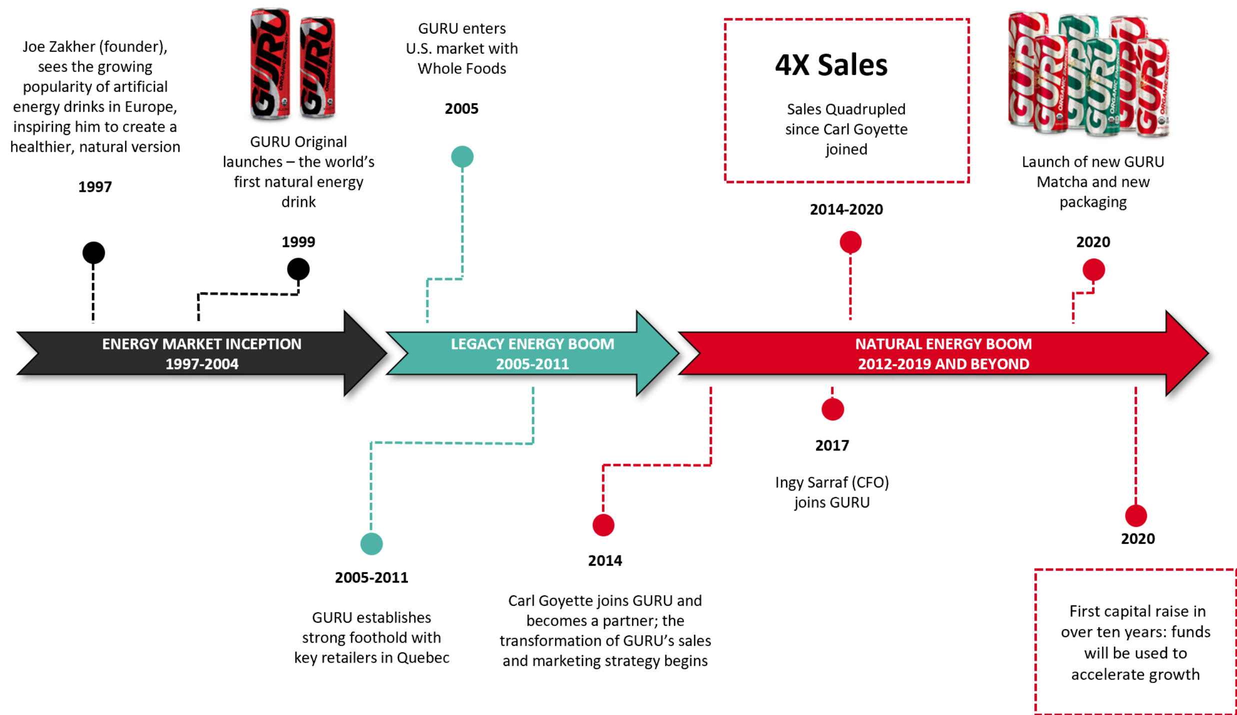
FORWARD-LOOKING STATEMENTS

This MD&A contains "forward-looking statements" within the meaning of applicable Canadian securities legislation. Such forward-looking statements include, but are not limited to, information with respect to our objectives and the strategies for achieving those objectives, as well as information with respect to our beliefs, plans, expectations, anticipations, estimates and intentions. Forward-looking statements are typically identified by the use of words such as "may", "would", "should", "could", "expect", "intend", "estimate", "anticipate", "plan", "foresee", "believe", or "continue", although not all forward-looking statements contain these words. Forward-looking statements are provided for the purposes of assisting the reader in understanding the Company and its business, operations, prospects and risks at a point in time in the context of historical and possible future developments, and the reader is therefore cautioned that such information may not be appropriate for other purposes. Forward-looking statements are based on assumptions and are subject to a number of risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking statements. Those risks and uncertainties include the following, which are discussed in greater detail under "Risk Factors" in the Company's listing statement for the year ended October 31, 2019, available on SEDAR at www.sedar.com: completion of the transactions and exchange approval; continued uncertainty in the financial markets; an economic downturn; adverse changes in general economic or political conditions; the COVID-19 pandemic; fluctuations in foreign currency exchange rates; increased competition; reliance on energy drinks as our sole source of revenues; changes in consumer preferences; the changing retail landscape; significant changes in government regulation; criticism of energy drink products and/or the energy drink market; reliance on co-packers to manufacture our products; our ability to maintain good relations with our existing customers; increases in costs and/or shortages of raw materials, ingredients, fuel and/or co-packing; failure to accurately estimate demand for our products; loss of intellectual property rights; our ability to retain senior management or to maintain brand image or product quality; climate change; our ability to achieve and manage growth; conflicts of interest; litigation; and catastrophic events. Certain assumptions were made in preparing the forward-looking statements concerning availability of capital resources, business performance, market conditions and consumer demand. Consequently, all of the forward-looking statements contained herein are qualified by the foregoing cautionary statements, and there can be no guarantee that the results or developments that we anticipate will be realized or, even if substantially realized, that they will have the expected consequences or effects on our business, financial condition or results of operation. Unless otherwise noted or the context otherwise indicates, the forward-looking statements contained herein are provided as of the date hereof, and we do not undertake to update or amend such forward-looking statements whether as a result of new information, future events or otherwise, except as may be required by applicable law.

BUSINESS OVERVIEW

Our Story

Initiated by the smart drink movement in the Montreal Club scene, our founders drew their inspiration from the trend of mixing energy-releasing plants and exotic combinations. They wanted to provide their patrons with a source of energy that wasn't artificial – natural, plant-based organic energy. GURU, the world's first natural energy drink, was launched in 1999, and none of us have looked back since.



Our Business

GURU's activities consist of developing, marketing, selling and distributing natural, organic, plant-based (100% Crap Free™) energy drinks under the GURU brand name. Manufacturing is outsourced to a network of established third-party co-packers. We do, however, provide our production partners with our recipes, flavours, ingredient blends, cans and other raw materials for our beverages, purchased by us from various suppliers across the globe. Our corporate headquarters are located in Montreal, Quebec.

As at October 5, 2020, GURU had over 15,000 points of sale in Canada (primarily Quebec) and across the United States, and was the only organic plant-based energy drink in Canada.

Our Market[1]

The U.S. energy drink industry is currently estimated at US $15 billion in annual sales, with energy drinks being the fastest growing category of non-alcoholic beverages, steadily gaining market share from soft drinks and juices. Over the last year, the energy drink category has seen 7.9% sales growth compared to 2.8% for total beverages.[2] The U.S. energy drink industry is estimated to reach US $19.4 billion in sales by 2024 at an 8.1% compound annual growth rate ("CAGR").

[1] Mintel, May 2020. Does not include the energy shots segment.

[2] Nielsen AMC W/E 12/07/2019 – 01/09/2020.

The Market Opportunity

Millennials and Gen Z account for 70% of consumption in the energy drink market. These two generations love energy drinks, but the ingredients list scares them. The North American market is ready for disruption. It is currently dominated by two legacy brands that share about 75% of the market. However, upcoming brands like GURU have started to grind that market share lead with new products aimed at solving the industry's biggest problem: its ingredients list.

The main differentiators for GURU's products are its clean list of organic plant-based ingredients and its brand name, GURU, one that is full of meaning (a mentor / teacher who helps you move forward and is a source of inspiration and good energy).

We offer consumers healthy energy drinks that feel and taste like energy drinks without detriment to their health (no energy crashes or jitters, no artificial sweeteners, no synthetic caffeine yet similar caffeine content). We understand that getting closer to nature is the best way to connect to your own true nature.

Our Strategy

GURU's current sales channel mix consists mainly of convenience and gas outlets, grocery and drug stores and online sales. Online sales have experienced strong growth in the past year, especially with COVID-19, and we expect this trend to continue.

GURU'S methodical sales and marketing approach aims to maximize return on investment through appropriate top-of-funnel and bottom-of-funnel spend, depending on product distribution in each geographical region. We have invested significant marketing efforts in building brand awareness and trial through a proven 20-year strategy that has allowed us to build a loyal following (GURU Nation), become the #3 brand in our legacy market, Quebec, and experience 70% year-over-year retail sales growth in our largest channel, convenience and gas.[3]

Financial Outlook

GURU's current proposed financing is paramount to achieving our mission of cleaning the energy drink industry and our goal of growing our business in Canada and the United States (see the Subsequent Events section at the end of this MD&A). Our legacy Quebec market has been a true success story in terms of sales and profitability, and our aim is to replicate our model and adapt it to the rest of North America. We believe that GURU is poised to gain significant market share across North America as it addresses the industry's biggest issue: consumer concern about the safety of ingredients.

To achieve our growth objectives, we will heavily invest in sales and marketing for the next few years, which could temporarily weigh on our short-term profitability. However, over the longer-term our goal is to create sustained long-term shareholder value, which will allow us to improve our cost structure and achieve our long-term margin and profitability goals.

In 2020, we continued gaining market share in Quebec, rapidly growing our online channel, and launching GURU in major U.S. conventional grocery and retail stores, such as Walmart, Albertsons/Safeway, Target and H-E-B, and we have commitments for other targeted launches in 2021.

COVID-19

The COVID-19 pandemic is causing significant financial market and social dislocation, with cities and countries around the world responding in various ways to address the outbreak. While the Company has experienced the impact of the COVID-19 outbreak on its operations, it continued to operate steadily during the current pandemic, as it is considered an essential service in Canada. As a result, the Company only suffered a negative impact on its overall business and operations at the peak of the pandemic. During the nine-month period ended July 31, 2020, the Company recognized payroll subsidies totalling $145,307 principally under the Canada Emergency Wage Subsidy program. These subsidies were recorded as a reduction in the associated personnel costs which the Company incurred, and were recognized in selling, general and administrative net expenses, as appropriate. However, the Company recovered quickly and resumed its accelerated growth in response to the trend in demand. The Company will continue to monitor the pandemic situation and continuously assess any potential further impact on its operations to avoid disruptions in customer supply. The Company has put in place multiple contingency plans to

[3] Nielsen L52 WE 7/18/20: Quebec C&G.

ensure its supply chain and general operations can be maintained with minimal disruption throughout the crisis. It is not clear what the impact of a prolonged pandemic would be on the Company's business.

NON-IFRS FINANCIAL MEASURES

Adjusted EBITDA and adjusted EBITDA Margin[4]

Adjusted EBITDA and adjusted EBITDA margin are both non-IFRS financial measures. Adjusted EBITDA is defined as net income or loss before net finance costs, depreciation and amortization, stock-based compensation and income taxes, while adjusted EBITDA margin is defined as the percentage of adjusted EBITDA to revenues. We believe that adjusted EBITDA and adjusted EBITDA margin are useful measures of financial performance because they provide an indication of the Company's ability to seize growth opportunities in a cost-effective manner, finance its ongoing operations and service its long-term debt.

Net debt[4]

Net debt is defined as bank overdraft, credit facilities, long-term debt and lease liabilities, including current portions less cash. We believe that net debt is an important measure when analyzing the significance of debt on the Company's statement of financial position.

Each of these non-IFRS financial measures is not an earnings or cash flow measure recognized by International Financial Reporting Standards (IFRS) and does not have a standardized meaning prescribed by IFRS. Our method of calculating such financial measures may differ from the methods used by other issuers and, accordingly, our definition of these non-IFRS financial measures may not be comparable to similar measures presented by other issuers. Investors are cautioned that non-IFRS financial measures should not be construed as an alternative to net income determined in accordance with IFRS as indicators of our performance or to cash flows from operating activities as measures of liquidity and cash flows.

YTD Q3 2020 MAIN NUMBERS

Revenues up 19% to $16 million	**Pre-Covid Q1 2020 Sales up 59% YoY**	**July sales up 55% YoY**
#3 brand in Quebec	**57% YoY market share growth**	**13% market share in Quebec**

OUR GOAL: REPLICATE OUR QUEBEC SUCCESS STORY ACROSS CANADA AND THE U.S.

[4] Refer to reconciliation of net income (loss) to adjusted EBITDA and net debt sections of the MD&A.

Q3 2020 HIGHLIGHTS

- Revenue increased by 13.5% or $0.8 million to $6.6 million, compared to $5.8 million in Q3 2019.
- Gross profit totalled $4.4 million, an increase of 10.1% or $0.4 million compared to $4.0 million in Q3 2019. Gross margin was 66.0% of revenue, compared to 68.1% of revenue in Q3 2019.
- Net income of $1.2 million, compared to $1.1 million in Q3 2019.
- Adjusted EBITDA[45] of $1.8 million in Q3 2020, compared to $1.6 million a year ago.
- Adjusted EBITDA margin[5] of 26.9%, compared to 26.7% in Q3 2019.
- 57% year-over-year market share growth in Quebec from 9.2% to 13.1%.

YEAR-TO-DATE HIGHLIGHTS

- Revenue increased by 18.9% or $2.6 million to $16.0 million, compared to $13.4 million for the nine-month period ended July 31, 2019 mainly due to Q1 2020 sales which grew by 59% compared to Q1 2019. This growth trend was impacted by COVID-19, but has since recovered in the last month as sales increased by 55% in July 2020 year-over-year.
- Gross profit totalled $10.3 million, an increase of 16.0% or $1.4 million compared to $8.9 million for the nine-month period ended July 31, 2019.
- Gross margin was 64.6% of revenue, compared to 66.2% of revenue for the nine-month period ended July 31, 2019.
- Net income of $1.0 million, compared to $1.4 million for the nine-month period ended July 31, 2019.
- Adjusted EBITDA[5] of $1.8 million, compared to $2.2 million a year ago.
- Adjusted EBITDA margin[5] of 11.6%, compared to 16.5% for the nine-month period ended July 31,2019.

[5] Refer to reconciliation of net income (loss) to adjusted EBITDA and net debt sections of the MD&A

SELECTED FINANCIAL INFORMATION[6]

The selected financial information below was derived from the Company's financial statements, prepared in accordance with IFRS, for the three-month and nine-month periods ended July 31, 2020 and 2019.

	Three-month periods ended				Nine-month periods ended			
	July 31, 2020		July 31, 2019		July 31, 2020		July 31, 2019	
(In thousands of Canadian dollars, except per share data)	$	% of revenue	$	% of revenue	$	% of revenue	$	% of revenue
Revenue	6,595	100.0%	5,808	100.0%	15,985	100.0%	13,450	100.0%
Cost of goods sold	2,244	34.0%	1,855	31.9%	5,652	35.4%	4,542	33.8%
Gross profit	4,351	66.0%	3,953	68.1%	10,333	64.6%	8,907	66.2%
Selling, general and administrative	2,675	40.6%	2,476	42.6%	8,796	55.0%	6,909	51.4%
Net financial expenses	75	1.1%	84	1.4%	255	1.6%	170	1.3%
Income before income taxes	1,600	24.3%	1,393	24.0%	1,282	8.0%	1,828	13.6%
Income taxes	364	5.5%	328	5.6%	293	1.8%	471	3.5%
Net income	1,236	18.7%	1,065	18.3%	989	6.2%	1,358	10.1%
Basic earnings per share	50.44		43.47		40.35		55.40	
Diluted earnings per share	50.43		43.47		40.34		55.40	
Adjusted EBITDA[6]	1,777	26.9%	1,552	26.7%	1,847	11.6%	2,218	16.5%
Cash flow from operating activities					(595)	-3.7%	926	6.9%
Revenues by geography								
Canada	5,308	80.5%	4,433	76.3%	12,852	80.4%	9,944	73.9%
United States	1,287	19.5%	1,376	23.7%	3,133	19.6%	3,506	26.1%
Total assets	10,558		7,421		10,558		7,421	
Net debt[6]	2,868		2,238		2,868		2,238	

RECONCILIATION OF NET INCOME TO ADJUSTED EBITDA[7]

	Three-month periods ended				Nine-month periods ended			
	July 31, 2020		July 31, 2019		July 31, 2020		July 31, 2019	
(In thousands of Canadian dollars)	$	% of revenue	$	% of revenue	$	% of revenue	$	% of revenue
Net income	1,236		1,065		989		1,358	
Net financial expenses	75		84		255		170	
Depreciation and amortization	80		74		245		220	
Income taxes	364		328		293		471	
Stock-based compensation	22		-		65		-	
Adjusted EBITDA	1,777	26.9%	1,552	26.7%	1,847	11.6%	2,218	16.5%

6 Discrepancies in recalculated amounts or percentages may occur due to rounding.

7 Refer to reconciliation of net income (loss) to adjusted EBITDA and net debt sections of the MD&A

RECONCILIATION OF NET DEBT

	July 31, 2020	July 31, 2019
(In thousands of Canadian dollars)	$	$
Bank overdraft	-	-
Credit facilities	3,027	1,458
Long-term debt	358	688
Lease liabilities	223	339
Cash	(740)	(246)
Net debt	2,868	2,238

RESULTS OF OPERATIONS

Revenue

Revenue increased by 13.5% or $0.8 million in Q3 2020, reaching $6.6 million, compared to $5.8 million in Q3 2019. It was a record quarter for GURU overall, with market share growth in Canada (predominantly in Quebec), Sales in the U.S. were slightly lower versus the same period last year due to the impact of the COVID-19 pandemic.

For the nine-month period, revenue increased by 18.9% or $2.6 million to $16.0 million, up from $13.4 million for the same period in 2019 mainly due to Q1 2020 sales which grew by 59% compared to Q1 2019. This growth trend was impacted by COVID-19, but has since recovered in the last month as sales increased by 55% in July 2020 year-over-year. The increase was mainly due to the market share growth in Canada (predominantly in Quebec), driven by both convenience and gas outlets and grocery stores, partially offset by lower sales in the U.S. due to the impact of the COVID-19 pandemic at its peak. U.S. sales have since recovered.

Gross profit and margin

Gross profit totalled $4.4 million in Q3 2020, up 10.1% or $0.4 million from $4.0 million in Q3 2019, while gross margin was 66.0%, compared to 68.1% a year ago. The increase in gross profit was due to increased sales, whereas the decrease in gross margin resulted from a higher cost of goods sold, mostly attributable to a new co-packer network mix.

For the nine-month period, gross profit totalled $10.3 million, 16.0% or $1.4 million higher than gross profit of $8.9 million a year ago. Gross margin for the period was 64.6%, compared to 66.2% last year. The decrease in gross margin was due to increased promotional activities during the COVID-19 pandemic peak in the spring of 2020.

Selling, general and administrative expenses

Selling, general and administrative expenses ("SG&A") include operational, sales, marketing and administration costs. These expenses were $2.7 million (40.6% of revenue) in Q3 2020, an increase of 8.1% or $0.2 million compared to SG&A of $2.5 million (42.6% of revenue) for the same period a year ago. The improvement in SG&A as a percentage of revenue was achieved through more controlled sales and marketing spend as a result of the COVID-19 pandemic.

For the nine-month period, SG&A amounted to $8.8 million (55.0% of revenue), an increase of 27.3% or $1.9 million compared to $6.9 million (51.4% of revenue) for the same period a year ago. Higher SG&A expenses were mainly due to sustained sales and marketing support despite the overall more cautious approach adopted in March, at the start of the pandemic.

Adjusted EBITDA and adjusted EBITDA margin

Adjusted EBITDA for Q3 2020 was $1.8 million, up from $1.6 million in Q3 2019, resulting in a Q3 adjusted EBITDA margin of 26.9% for 2020 versus 26.7% last year. Adjusted EBITDA for the first nine months of the year was $1.8 million in 2020 compared to $2.2 million in 2019, resulting in an adjusted EBITDA margin of 11.6% for 2020 and 16.5% for 2019.

Net financial expenses

Net financial expenses decreased to $75,119 in Q3 2020 from $84,069 in Q3 2019, principally due to a decrease in financing fees. For the first nine months of the year, financial expenses increased to $255,411 from $170,083 a year earlier, as the Company planned ahead for a stronger seasonal period due to growth by increasing its inventories, requiring more working capital support.

Income taxes

Income taxes increased to $364,129 in Q3 2020 from $327,980 a year ago, in line with the stronger income before income taxes. Income taxes for the nine-month period decreased to $292,865 in 2020 from $470,581 a year ago, which is in line with income before income taxes and resulted in an effective tax rate that is 3% lower.

Net income

Net income totalled $1.2 million in Q3 2020, or $50.44 per share (basic) and $50.43 per share (diluted), compared to $1.1 million a year ago, or $43.47 per share (basic and diluted). Net income for the nine-month period stood at $1.0 million in 2020, or $40.35 per share (basic) and $40.34 per share (diluted), compared to $1.4 million in fiscal 2019, or $55.40 per share (basic and diluted).

LIQUIDITY AND CAPITAL RESOURCES

Cash Flows[8]

	Nine-month periods ended	
	July 31, 2020	July 31, 2019
(In thousands of Canadian dollars)	$	$
Cash flow from (used in) operating activities	(595)	926
Cash flow from (used in) financing activities	1,184	(505)
Cash flow used in investing activities	-	(22)
Effects of movement of exchange rates on cash held	2	(1)
Increase (decrease) in cash and cash equivalents	591	398
Cash and cash equivalents, net of bank overdraft beginning of the year	150	(152)
Cash and cash equivalents, end of the year	740	246

In the nine-month period ended July 31, 2020, operating activities used cash flow of $595,026, having generated cash flow of $926,136 during the same period in 2019. The variation was mainly due to higher inventories and lower net income, partially offset by higher accounts receivable.

Financing activities for the nine-month period generated cash flow of $1,183,707 in 2020, having used $504,562 in 2019. The variance was principally attributable to the increased use of the Company's credit facilities.

Investing activities during the nine-month period were nil in 2020 compared to $22,378 used in 2019. The variance was due to lease deposits.

Credit Facilities

The Company has an authorized line of credit of a maximum amount for which limits were increased during the nine-month period ended July 31, 2020, from $1,500,000 to $4,500,000 and from US$450,000 to US$1,000,000, which can be used in the form of advances in Canadian dollars or in US dollars. As at July 31, 2020, the line of credit was used in the form of Canadian dollar advances for an amount of $3,027,000 (October 31, 2019 - $1,327,000) bearing interest at the prime rate (2.45% as of July 31, 2020) plus 1.0%, and in the form of American dollar advances for an amount of nil (October 31, 2019 - nil) bearing interest at the US base rate (3.75% as of July 31, 2020) plus 1%.

The Company also has an authorized line of credit that can be used in the form of a foreign exchange contract for a maximum amount of US$1,200,000; this credit facility was not used as at July 31, 2020 or October 31, 2019.

The credit facilities noted above are secured by the universality of the Company's movable assets, a joint guarantee of 6384269 Canada Inc. to a maximum of $8,000,000, a joint guarantee of GURU Beverage Co. to a maximum of $8,000,000 and a personal guarantee of shareholders for an amount of $646,667, renewable annually. These credit facilities are subject to certain conditions; as at July 31, 2020, these conditions were met.

[8] Discrepancies in recalculated amounts or percentages may occur due to rounding.

Long-Term Debt

The Company has a term loan facility for a maximum amount of $1,050,000. As at July 31, 2020, the availability under this facility was used for an amount of $357,500 (October 31, 2019 - $605,000).

The Company has one term loan with a remaining balance of $87,500 as at July 31, 2020, repayable in monthly payments of $17,500 in principal only plus interest at prime rate (2.45% as at July 31, 2020) plus 2.50%, with additional repayments if free cash flows are available up to a maximum of $130,000, maturing in December 2020.

The Company also has a second term loan with a remaining balance of $270,000 as of July 31, 2020, repayable in monthly payments of $10,000 in principal only plus interest at prime rate (2.45% as at July 31, 2020) plus 2.50%, maturing in October 2022.

FINANCIAL POSITION[9]

The following table shows the main variances that have occurred in the Company's financial position as at July 31, 2020:

	July 31, 2020	October 31, 2019	Variance	Significant contributions
(In thousands of Canadian dollars)	$	$	$	
Receivables	3,357	2,607	750	Increase due to revenue growth in 2020
Inventories	4,816	2,948	1,867	Increase due to revenue growth and to prevent potential disruption in supply chain due to COVID pandemic in 2020. No inventory depreciation risk since product shelf life is 24 months.
Credit facilities	3,027	1,327	1,700	Additional Inventory on hand
Accounts payable and accrued liabilities	3,218	2,865	353	Increase mainly due to changes in GURU branding and packaging
Lease liabilities (including current portion)	223	298	(74)	Payment of lease term liability
Long-term debt (including current portion)	358	605	(248)	Decrease due to annual payment on the long-term debt

DIVIDEND POLICY

The Company has not paid dividends on its common shares since incorporation. The Company's current policy is to retain future earnings to finance its growth. Any future determination to pay dividends will be made at the discretion of the Company's Board of Directors and will depend on the Company's financial condition, results of operations, capital requirements and other such factors as the Board of Directors may deem relevant.

CHANGES IN ACCOUNTING POLICIES

For information on future accounting policies changes, please refer to Note 5 in the unaudited interim condensed consolidated financial statements for the third quarter ended July 31, 2020.

TRENDS AND SEASONALITY

In Canada, GURU's sales are somewhat seasonal, tending to be higher in the spring through the fall, from the middle of the second quarter through the end of the fourth quarter, and somewhat lower in winter, from the start of the first quarter through the middle of the second quarter. In contrast, the U.S. market, with its overall warmer climate, generally does not see the same type of seasonal sales trend.

[9] Discrepancies in recalculated amounts or percentages may occur due to rounding.

FINANCIAL RISK MANAGEMENT

The Company is exposed to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk and interest risk). The interim condensed consolidated financial statements and management discussion and analysis do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the annual financial statements as at October 31, 2019. The Company is not aware of any significant changes to the Company's risk factors from those disclosed at that time.

Liquidity Risk

Liquidity risk is the Company's ability to meet its financial obligations when they come due. The Company is exposed to liquidity risk with respect to its contractual obligations and financial liabilities. It manages liquidity risk by continuously monitoring forecast and actual cash flows and matching maturity profiles of financial assets and liabilities, with the objective of maintaining a balance between continuity of funding and flexibility through borrowing facilities available through its bank and other lenders. The Company's policy is to ensure that it has adequate funding available from operations and other sources as required.

The following are the contractual maturities of the Company's financial obligations, including principal and interest, as at July 31, 2020:

(In thousands of Canadian dollars)	Carrying amount	Contractual cash flows	Less than 1 year	1-5 years	More than 5 years
Credit facilities	3,027	3,027	3,027	-	-
Trade and other payables	3,218	3,218	3,218	-	-
Lease liabilities, including current portion	223	247	122	118	7
Long-term debt, including current portion	358	374	219	155	-

ADDITIONAL FINANCING REQUIREMENTS

As a result of realized and anticipated growth in its activities, planned investments in operations, marketing, logistics, new product development and the potential for continued operating losses, the Company may require additional financing in the future to realize the goals outlined in the "Financial Outlook" section of this MD&A.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not currently have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on its financial position, changes in revenues or expenses, results of operations, liquidity or capital resources that are material, other than the lease. The Company's other off-balance-sheet arrangements consist only of obligations under operating leases with terms of 12 months or less or of low dollar value, which are not material.

RELATED-PARTY TRANSACTIONS

A significant shareholder's management company is considered to be a related party of the Company. During Q3 2020, $113,202 was paid to the management company compared to $23,929 in Q3 2019. For the first nine months of the year, the Company paid $149,202 versus $192,053 a year earlier.

These transactions are recorded at the amount of consideration paid as established and agreed to by the related parties.

STOCK-BASED COMPENSATION

On October 1, 2019, the Company created a stock option plan for its key employees, directors and consultants. The plan provides for the granting of stock options to purchase common shares of the Company. Options are subject to service vesting criteria of four years and expire ten years from the grant date. Under the plan, a maximum pool of 5% of the common shares outstanding have been reserved for issuance.

As at July 31, 2020, 235.871 options were granted at a weighted average exercise price of $2,232 per option. Share-based compensation expenses for the nine-month period ended July 31, 2020 were $64,519 compared to $60,000 in fiscal 2019.

OUTSTANDING SHARE DATA

As at October 5, 2020, the Company had 21,149 Class A shares outstanding, 3,307 Class B shares outstanding, and 235.871 stock options outstanding.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the interim condensed financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

The Company's significant accounting estimates and assumptions for the three-month and nine-month period ended July 31, 2020, are the same as those that applied to the Company's annual audited consolidated financial statements for the years ended October 31, 2019 and 2018.

RISK FACTORS

Please refer to the risk factors described in the "Risk Factors" section of the Company's filing statement.

SUBSEQUENT EVENTS

Redemption of Class A shares

In August 2020, the Company repurchased 50.42 Class A shares from one of the shareholders for a total amount of $10,000.

Proposed Reverse Take-over Transaction and Private Placement

On August 24, 2020, the Company entered into a letter of intent with Mira X Acquisition Corp. ("Mira X") to complete a going-public transaction in Canada for the Company (the "Proposed Transaction").

GURU and Mira X entered into a definitive agreement in respect of the Proposed Transaction on September 28, 2020. Under the Proposed Transaction, the existing holders of common shares of GURU (the "GURU Common Shares") will receive common shares of the Resulting Issuer ("Resulting Issuer Common Shares") in exchange for their GURU Common Shares. In addition, upon the completion of the Proposed Transaction, all of GURU's outstanding securities exercisable or exchangeable for, or convertible into, or other rights to acquire GURU Common Shares (the "GURU Convertible Securities") will be exchanged for securities exercisable or exchangeable for, or convertible into, or other rights to acquire Resulting Issuer Common Shares on the same economic terms and conditions as such original outstanding GURU Convertible Securities.

In the context of the Proposed Transaction, the common shares of Mira X (the "Mira X Common Shares") will be consolidated on a one (1) for 83.846 basis (the "Consolidation") prior to the closing of the Proposed Transaction ("Closing").

Following a reorganization that will include a share split of the outstanding shares of GURU, it is expected that 175,321 post-Consolidation Mira X Common Shares will be issued to the shareholders of Mira X on a one (1) for one (1) basis. Upon completion of the Proposed Transaction, the security holders of GURU will hold approximately 28,732,446 Resulting Issuer Common Shares representing approximately 99.4% of the Resulting Issuer Common Shares (assuming the issuance of 6,330,750 Subscription Receipts pursuant to the Private Placement described below), and the shareholders of Mira X will hold 175,321 Resulting Issuer Common Shares representing approximately 0.6% of the outstanding Resulting Issuer Common Shares.

The parties also anticipate that in conjunction with and upon Closing, the board of directors of the Resulting Issuer will consist of no fewer than six (6) directors (the "New Directors"), each of whom will be nominated by GURU. The executive officers of the Resulting Issuer will be appointed by GURU and are expected to include GURU's current CEO, Carl Goyette, Founder & Executive Chairman, Joe Zakher, and Chief Financial Officer, Ingy Sarraf. The New Directors will be put forth and nominated at a meeting of Mira X's shareholders to be held on or about October 28, 2020. Following the Proposed Transaction and the Private Placement, certain directors and members of the management team will own more than 10% of the Resulting Issuer, namely Eric Graveline, director, (28.4%) and Joseph Zakher, Executive Chairman, (26.5%).

Completion of the Proposed Transaction is subject to a number of conditions, including, but not limited to, the completion of the Consolidation, the receipt of regulatory approval, including the approval of the TSXV, completion of the concurrent private placement described below, in addition to the approval from Mira X and GURU shareholders in addition to certain standard closing conditions, including there being no material adverse change in the business of Mira X or GURU prior to completion of the Proposed Transaction. Mira X expects to hold an annual general and special meeting of its shareholders on or about October 28, 2020, to approve the Consolidation, continuation of its corporate jurisdiction from Ontario to the federal jurisdiction of the Canada Business Corporations Act and certain other related matters in connection with the Proposed Transaction.

Concurrent Private Placement and Secondary Offering

On September 30, 2020, in conjunction with the Proposed Transaction, GURU closed a brokered private placement of 6,330,750 Subscription Receipts at $5.45 per receipt for gross proceeds of $34.5 million, completed through a syndicate of agents led by Stifel Nicolaus Canada Inc., and including CIBC World Markets Inc. and Laurentian Bank Securities Inc. Each Subscription Receipt will be automatically exchanged for or converted automatically into one (1) Class A share of GURU (each, a "GURU Share"), which will then be exchanged for common shares of the Resulting Issuer in the context of the Proposed Transaction.

In addition to the private placement, certain shareholders of GURU will be offering and selling, on a prospectus exempt basis, approximately $5,300,000 of GURU Common Shares held by them by way of a secondary offering to new investors prior to the Closing.