GREENSPACE BRANDS INC.

Management's Discussion and Analysis

For the years ended March 31, 2022 and 2021

GreenSpace Brands Inc.

Table of Contents

MANAGEMENT'S DISCUSSION AND ANALYSIS
of Financial Condition and Results of Operations
For the years ended March 31, 2022 and 2021

This Management's Discussion and Analysis ("MD&A") is a review of the consolidated financial condition and results of operations of GreenSpace Brands Inc. ("the Company") for the years ended March 31, 2022 and 2021. The MD&A is intended to help readers understand the Company's business and the key factors underlying its financial results. It should be read in conjunction with the Company's annual consolidated financial statements and accompanying notes for the years ended March 31, 2022 and 2021 which have been filed with applicable regulatory authorities and are available on SEDAR at www.sedar.com.

The financial information contained herein has been prepared in accordance with International Financial Reporting Standards ("IFRS") and is reported in Canadian dollars; however, reference is made to adjusted gross profit, earnings before interest expense, income taxes, depreciation and amortization ("EBITDA") and adjusted EBITDA as defined in the "Non-IFRS Measures" section. EBITDA and adjusted EBITDA are not measures of financial performance recognized under IFRS. The Company has included these measures as they are used by Management to evaluate financial performance and Management believes they will be used by certain investors and analysts in assessing the Company's financial performance. These measures are not necessarily comparable to similarly titled measures used by other companies and should not be construed as an alternative to net income or cash flow from operating activities as determined in accordance with IFRS. See the section within the MD&A entitled **"Use of Non-IFRS Measures, Measures of Operating Performance and Reconciliation of Net (Loss) Earnings to Adjusted EBITDA"** for further information.

This MD&A has been prepared as of July 14, 2022.

CORPORATE OVERVIEW

The Company is in the business of developing, marketing, and selling premium, convenient, organic, plant-based and natural foods in Canada and the United States. Consumers are increasingly focused on healthier choices when it comes to their eating habits, looking for clean labels, organic products and plant-based products that better fit their healthier lifestyles. The Company's product assortment focuses on satisfying the needs of consumers as they transition through their different need states and life-stages, with a focus on organic and plant-based foods and snacks. The Company sources natural ingredients largely from ethically operated suppliers and combines these ingredients into tasty and nutritious food and snack products.

Throughout its history the Company has acquired or internally developed and brought to market several brands and has sold and discontinued several other brands, all in the natural food space. Brands reflected in these consolidated financial statements include:

LOVE CHILD ORGANICS

On October 19, 2015, the Company completed the acquisition of Love Child (Brands) Inc. ("Love Child"), operating as LOVE CHILD ORGANICS. LOVE CHILD ORGANICS is a Canadian-based developer and producer of 100% organic, natural and nutritionally rich food products for infants, toddlers and small children. LOVE CHILD ORGANICS always seeks to go "beyond organic" in the products it develops. Specifically, it has a strong focus on using clean, simple ingredients, avoids the use of refined sugars and preservatives, and includes recognized superfood ingredients in the majority of its product range. LOVE CHILD ORGANICS' core target market is the parents of infants, toddlers and small children, aged six months to six years, who are increasingly prioritizing organic, nutritious food for their children.

CENTRAL ROAST

CENTRAL ROAST began operations in 2011 and was acquired by the Company in two transactions in 2016. Its products can now be found in a number of retailers across Canada. CENTRAL ROAST offers its products in various functional categories each consisting of different mixes of nuts, seeds, popcorns and other snacks. During the year ended March 31, 2021, CENTRAL ROAST was engaged in the production and sale of branded products which included tubs, large and small bags, single-serve bags, and scoop bulk bags in a range of product lines. During the year ended March 31, 2022, Management adopted a third-party manufacturing model and rationalised its SKU offerings to focus on its best-selling resealable large bags as part of its Project FIT simplification initiatives.

GO VEGGIE

Galaxy Nutritional Foods, Inc. ("Galaxy") created the cheese alternative category for health-conscious consumers 50 years ago and is proud to remain one of America's leading providers of great-tasting dairy-free/lactose-free products. The Company acquired all the outstanding shares of Galaxy on January 24, 2018. Today, under Galaxy's GO VEGGIE brand, the Company continues to innovate and offer consumers healthier plant-based, lactose-free and soy-free choices in a wide variety of formats across the United States and for export markets.

LIFE CHOICES, CEDAR and KIJU

Life Choices offered premium convenience meat products to Canadian consumers, featuring grass-fed and/or pasture-raised meat without the use of added hormones and antibiotics. During the third quarter ended December 31, 2019, the Company suspended sales of this brand.

2047480 Ontario Ltd. formerly known as Nothing But Nature Inc. ("Nothing But Nature") owned the Kiju brand. The business assets of Nothing But Nature (including the Kiju brand) were sold to Zurban Beverages Inc. on May 21, 2019 and the operation was discontinued for accounting purposes, during the year ended March 31, 2020.

The Cold Press Corp. owns the CEDAR brand which was engaged in the development and selling of the CEDAR cold press juices. Sales of the CEDAR brand were suspended in the fourth quarter of the year ended March 31, 2020. During the quarter ended June 30, 2021 operations of The Cold Press Corp. were discontinued for accounting purposes.

OPERATING STRATEGY

With its more focused brand portfolio, the Company implemented a new Strategic Plan and set a new **Vision** of **"We make organic and plant-based snacks more delicious".** The Strategic Plan is intended to enable the Company to better align its efforts towards expanding within the fast-growing and profitable organic and plant-based snack industry. Approximately two-thirds of the Company's current revenue comes from healthy snack categories. Over time the Company will focus efforts on profitably growing these healthy snack categories and snack occasions where consumer and retailer momentum and interest are building rapidly.

Aligned with its Vision and to enable the achievement of its profitable growth ambitions, the Strategic Plan articulates a **"Focused Growth Strategy"** that consists of the following seven foundational tenets:

- Focus on Core Brand Snacking
- Reduce Costs and Complexity
- Improve Gross Profit Percentages
- Invest in Margin-Accretive Innovation
- Invest in Route-to-Market Excellence
- Invest in a Lean and Capable Organization
- Improve Financial Flexibility

Management has prioritized aggressive actions to reduce costs and complexity as part of its multi-year transformation agenda. Reductions in complexity are expected to yield savings in variable and fixed costs and improve gross profit percentages. Over time this is expected to enable investments into margin-accretive innovation, expansion within current and new distribution channels (utilizing anticipated route-to-market excellence) and enable smart investments to build a lean and capable organization. Management believes that this Focused Growth Strategy will result in significantly improved business performance over time. Significant steps have been undertaken and announced by Management to improve business performance in congruence with its Focused Growth Strategy.

FULL YEAR CONSOLIDATED RESULTS

The following is a table and description of the full year consolidated operational results for the Company's continuing operations.

Condensed Consolidated Statements of Operations and Comprehensive Loss

(expressed in thousands of Canadian dollars)	**For the year ended March 31**			
	2022	2021	Inc/(Dec)	Inc/(Dec)
	$	$	$	%
Gross revenue	**18,250**	29,330	(11,080)	(37.8%)
Less: rebates and discounts	**(3,588)**	(5,285)	1,697	(32.1%)
Less: listing fees	**(183)**	(376)	193	(51.3%)
Net revenue	**14,479**	23,669	(9,190)	(38.8%)
Cost of goods sold	**12,014**	20,619	(8,605)	(41.7%)
Gross profit	**2,465**	3,050	(585)	(19.2%)
Gross profit percentage	**17.0%**	12.9%		
Adjusted gross profit[1]	**2,648**	3,426	(778)	(22.7%)
Adjusted gross profit percentage	**18.1%**	14.2%		
General and administrative	**209**	2,146	(1,937)	(90.3%)
Storage and delivery	**1,806**	2,521	(715)	(28.4%)
Salaries and benefits	**3,489**	5,068	(1,579)	(31.2%)
Advertising and promotion	**217**	656	(439)	(66.9%)
Professional fees	**659**	1,091	(432)	(39.6%)
Stock-based compensation	**265**	171	94	55.0%
Amortization of intangible assets	**355**	675	(320)	(47.4%)
Loss before underlying items	**(4,535)**	(9,278)	4,743	(51.1%)
Interest expense	**2,769**	3,422	(653)	(19.1%)
Accretion expense	**1,422**	169	1,253	741.4%
Loss on goodwill impairment	**1,836**	6,346	(4,510)	(71.1%)
Loss on intangible asset impairment	**2,046**	3,645	(1,599)	(43.9%)
Loss on property, plant and equipment impairment	**-**	102	(102)	(100.0%)
Restructuring gain	**(571)**	-	(571)	
Other income	**(534)**	(475)	(59)	12.4%
Foreign exchange gain	**(1,275)**	(1,942)	667	(34.3%)
Loss before income taxes	**(10,228)**	(20,545)	10,317	(50.2%)
Net loss from continuing operations	**(10,228)**	(20,545)	10,317	(50.2%)
Net gain (loss) from discontinued operations	**8**	(234)	242	(103.4%)
Net loss	**(10,220)**	(20,779)	10,559	(50.8%)
EBITDA[1]	**(4,107)**	(8,158)	4,051	(49.7%)
As a percentage of net revenue	**(28.4%)**	(34.5%)		
Adjusted EBITDA[1]	**(3,779)**	(6,414)	2,635	(41.1%)
As a percentage of net revenue, excluding listing fees	**(25.8%)**	(26.7%)		

[1] *See non-IFRS measures*

Use of Non-IFRS Measures, Measures of Operating Performance and Reconciliation of Net (Loss) Earnings to Adjusted EBITDA

The Company's consolidated financial statements are prepared in accordance with IFRS. Management uses IFRS together with non-IFRS and operating performance measures as key performance indicators to better assess the Company's underlying performance and provides this additional information in this MD&A. Non-IFRS measures include:

Adjusted Gross Profit adjusts gross profit to exclude non-recurring, one-time listing fees which are not considered part of on-going, normal operations and Management believes adjusted gross profit is a useful supplemental measure. However, adjusted gross profit is not a recognized measure under IFRS. Investors are cautioned that Adjusted Gross Profit should not be construed as an alternative to gross profit determined in accordance with IFRS. The Company's method of calculating Adjusted Gross Profit may differ from the method used by other issuers, and accordingly, the Company's Adjusted Gross Profit calculation may not be comparable to similarly titled measures used by other issuers.

EBITDA adds back certain non-cash items to net income or loss from continuing operations and is used by Management to measure operating performance. The Company defines EBITDA as earnings or loss before interest and accretion expense, income taxes expensed or recovered, depreciation and amortization, foreign exchange gains or losses, restructuring gains or losses, and other income and expense, including gains or losses on the sale of business or assets and asset and goodwill impairment charges. The Company's method of calculating EBITDA may differ from the method used by other issuers and, accordingly, the Company's EBITDA calculation may not be comparable to similarly titled measures used by other issuers.

Adjusted EBITDA further adjusts EBITDA by adding back income or expenses of a non-cash, non-recurring, unusual or one-time nature. Adjusted EBITDA is a measure used by Management, the food and beverage industry and investors as an indicator of the Company's operating performance and ability to incur and service debt. The Company also uses Adjusted EBITDA as a valuation metric. Management believes Adjusted EBITDA to be an important indicator of normal operating performance since it removes the impact of certain non-recurring items that are not indicative of ongoing operating performance thereby giving investors greater transparency in assessing the Company's results of operations. The Company's method of calculating Adjusted EBITDA may differ from the method used by other issuers and, accordingly, the Company's Adjusted EBITDA calculation may not be comparable to similarly titled measures used by other issuers.

Reconciliation of Gross Profit to Adjusted Gross Profit
(expressed in thousands of Canadian dollars

	Year ended	
	March 31, 2022	March 31, 2021
	$	$
Gross profit	**2,465**	3,050
Add back non-recurring expenses		
Listing fees	**183**	376
Adjusted gross profit	**2,648**	3,426
Adjusted gross profit percentage	**18.1%**	14.2%

Reconciliation of Net loss from continuing operations to EBITDA and Adjusted EBITDA from continuing operations
(expressed in thousands of Canadian dollars)
A reconciliation of the Company's net loss to Adjusted EBITDA is outlined in the following table.

	Year ended	
	March 31, 2022	March 31, 2021
	$	$
Net loss from continuing operations for the year	**(10,228)**	(20,545)
Interest and accretion expense	**4,191**	3,591
Depreciation and amortization	**428**	1,120
Foreign exchange gain	**(1,275)**	(1,942)
Other income	**(534)**	(475)
Restructuring gain, net	**(571)**	-
Loss on goodwill impairment	**1,836**	6,346
Loss on intangible asset impairment	**2,046**	3,645
Loss on property, plant and equipment impairment	**-**	102
EBITDA	**(4,107)**	(8,158)
Add back non-cash and non-recurring expenses		
Stock based compensation	**265**	171
Fines and penalties for shorts	**(140)**	407
Listing fees	**183**	376
Professional fees	**20**	377
Severance	**-**	413
Adjusted EBITDA	**(3,779)**	(6,414)

Gross Revenue

Gross revenue for the year ended March 31, 2022 from continuing operations was $18.2 million, a 37.8% decline compared to the prior year. Gross revenue was lower compared to prior year largely due to:

- During the prior year ended March 31, 2021 and during the first quarter of the year ended March 31, 2022, certain customers decided to stop doing business with the Company or to reduce their product assortment given poor customer service levels. Improvements in service levels during the year ended March 31, 2022 have resulted in some of these customers relisting certain products. Management and our sales team will continue to pursue discussions with the remaining customers to relist the Company's products at some point in the future.
- Portfolio simplification, which was initiated as part of the previously announced Project FIT initiative, has reduced active stock keeping units ("SKUs") across the business by approximately 69% this year. While this initiative has already and may continue to result in some revenue softness in the short term, it is Management's view that this effort will enable the Company to focus on its best-selling SKUs, ultimately increasing revenue while improving gross profit percentages, lowering inventory holding costs and reducing waste.
- The negative impact of these changes to the Company's sales were partially offset by the positive effects of price increases taken by the Company.

Gross Profit Percentage

The Company's gross profit percentage for the year ended March 31, 2022, was 17.0% of net revenue, up from 12.9% in the prior year. This 4.1 percentage point improvement is largely attributable to better net pricing and mix, driven in part by price increases, reduced listing fees and the prioritization of higher-margin items within the portfolio. Although the gross profit percentage improved in the year ended March 31, 2022, the extent of the improvement fell short of management's expectations largely due to higher clearance costs on aged inventories. With the simplification of its operating model and improved forecasting and replenishment disciplines firmly embedded across the organization, Management expects to reduce aged inventory clearance costs, which is expected to drive gross profit percentage improvements in the coming year.

Selling, General and Administrative ("SG&A") Expenses (SG&A is a non-IFRS measure)

Overall, SG&A expenses for the year ended March 31, 2022 have decreased by 43.0% to $6.6 million compared to $11.7 million in the prior year. The decrease in SG&A expenses is primarily attributable to the following:

- General and administrative expenses for the year ended March 31, 2022, decreased by $1.9 million or 90.3% to $0.2 million primarily due to lower customer fines and penalties, savings attributable to the Company's Project FIT initiative and efforts to recover aged receivables with trade customers.

- Storage and delivery expenses for the year ended March 31, 2022, decreased by $0.7 million or 28.4% to $1.8 million. This is primarily a result of lower volumes compared to the prior year, partially offset by the higher storage costs associated with the increased levels of inventory necessary for better customer service and by costs that increased due to inflationary pressures within our industry. Management believes the Company's focus on streamlining its product portfolio and driving Project FIT initiatives across its warehousing network should mitigate these inflationary pressures over time.
- Salaries and benefits expense for the year ended March 31, 2022, decreased by $1.6 million or 31.2% to $3.5 million, primarily as a result of the streamlined organization model under Project FIT and $0.41 million in non-recurring CEO severance payments expensed last year. Total full-time employee ("FTE") headcount has reduced from 43 to 26.5 FTEs over the year ended March 31, 2022.
- Advertising and promotional expenses for the year ended March 31, 2022, decreased by $0.4 million or 66.9% to $0.2 million as the Company prioritized building customer service levels and gross profit percentage on core SKUs.
- Professional fees for the year ended March 31, 2022, decreased by $0.4 million or 39.6% to $0.7 million, primarily as Management realized cost savings, particularly in legal fees.

Interest and Accretion Expense

Interest and accretion expense for the year ended March 31, 2022 increased by $0.6 million or 16.7% to $4.2 million reflecting higher accretion expense resulting from loan modifications which were partially offset by lower debt renewal charges incurred than in the prior year.

Impairment of Intangible Assets and Goodwill

As a result of annual impairment testing, certain assets were identified as impaired and written down in the final quarter of the year ended March 31, 2022. Specifically, the impairment pertains to continuing businesses for which write-downs were required under IAS 36. This included write-downs of goodwill at Love Child (Brands) Inc., and intangible assets at Galaxy Nutritional Foods, Inc.

Restructuring (Gain) Expense

On May 12, 2021, the Company announced a restructuring initiative it referred to as Project FIT, designed to reduce costs and enhance shareholder value. During the year ended March 31, 2022, the Company implemented this restructuring with the following previously announced actions which have resulted in a $0.6 million gain:

- **Exit of Self-Manufacturing at Central Roast**: The Company transitioned its Central Roast operation from self-manufacturing to one of relying on third-party contract manufacturers and warehouses to produce, warehouse and distribute to customers those products in its portfolio. This action resulted in the Company exiting its long-term lease, selling its production and warehousing equipment and terminating those employees involved in the self-manufacturing and warehousing activities for its Central Roast business – the net impact of which resulted in gains to the business which were recorded in Restructuring.
- **Portfolio Simplification:** The Company undertook the initiative of reducing its active stock keeping units which was intended to simplify and focus its business going forward. Any resultant loss on the disposal of any of these discontinued stock keeping units has been reflected as part of Restructuring. These actions have seen a 69% reduction in stock

keeping units to date.

- **Organization Optimization**: Having announced that its organization structure will be optimized and spans of control increased the Company streamlined its management structure and certain costs and recoveries relating to these transitions were recorded as Restructuring. As mentioned above, Total FTE headcount has reduced from 43 FTEs at the start of the current fiscal year to 26.5 FTEs as at March 31, 2022.

The Company intends to undertake additional restructuring initiatives over time as part of Project FIT and intends that any associated costs relating to these actions will also be accounted for as part of Restructuring.

Other Income

During the year ended March 31, 2022, the Company realized other income of $0.5 million (2021 - $0.5 million) reflecting gains on loan modifications of $0.3 million (2021 - $nil), royalty income received of $0.18 million (2021 - $0.14 million) related to the sale of Rolling Meadow Dairy products to Organic Meadow Limited Partnership in 2019, and government grants of $0.12 million (2021 - $0.26 million), offset by a $0.09 million loss on the issuance of shares to settle liabilities (2021 - $0.1 million gain).

Foreign Exchange (Gain) Loss

During the year ended March 31, 2022 the Company realized a foreign exchange gain of $1.3 million compared to $1.9 million in the prior year. The change in foreign exchange is primarily attributed to: (i) the revaluation of the USD denominated Galaxy VTB amounting to an $1.29 million gain (2021 – $1.08 million) and (ii) the revaluation of the USD denominated TD Bank ABL facility amounting to $nil (2021 - $0.78 million gain).

Discontinued Operations

On May 21, 2019, the Company completed the sale of the assets within the Nothing But Nature ("NBN") business and for the years ended March 31, 2022 and 2021, the Company accounted for all activities of that business as a discontinued operation.

Early in fiscal 2022 the Company disposed of the remaining packaging inventories (which had previously been written off in their entirety) of The Cold Press Corp. relating to the CEDAR brand. For the years ended March 31, 2022 and 2021, the Company accounted for all activities of that business as a discontinued operation.

Net Loss:

During the year ended March 31, 2022 the Company reported a net loss from continuing operations of $10.2 million compared to a net loss of $20.5 million in the prior year. Net loss from continuing operations for the year ended March 31, 2022 was primarily improved from the prior year given significantly reduced SG&A expenses (by $5.1 million), lower non-cash impairment charges (by $6.2 million) and a restructuring gain (of $0.6 million) partially offset by increased interest and accretion expense (by $0.6 million) and lower foreign exchange gains (by $0.7 million).

EBITDA:

For the year ended March 31, 2022, the Company reported negative EBITDA of $4.1 million which represents a 49.7% improvement from the prior year. The EBITDA improvement of $4.1 million compared to prior year is largely attributable to: (i) a $10.3 million reduction in net loss (see above) plus (ii) increased add-backs for interest and accretion ($0.6 million) and foreign exchange gain ($0.7 million); less (iii) decreased add-backs for impairment ($6.2 million), depreciation and amortization expense ($0.7 million), and restructuring ($0.6 million).

Adjusted EBITDA (see "Use of Non-IFRS Measures, Measures of Operating Performance and Reconciliation of Net (Loss) Earnings to Adjusted EBITDA")

Adjusted EBITDA of negative $3.8 million was improved 41.1% or $2.6 million compared to the prior year, reflecting the matters described above.

CASH FLOWS

Summary Statement of Cash Flows

(expressed in thousands of Canadian dollars)

	Year ended March 31,	
	2022	2021
	$	$
Cash provided by (used for)		
Operating activities	**(3,843)**	(6,086)
Investing activities	**331**	(1)
Financing activities	**1,766**	10,144
FX gain on foreign cash and cash equivalents	**(43)**	(27)
Net increase (decrease) in cash	**(1,789)**	4,030
Cash - beginning the of the period	**4,030**	-
Cash – end of the period	**2,241**	**4,030**

Cash flow from operating activities consumed $3.8 million for the year ended March 31, 2022 (2021 – $6.1 million). The private placements that occurred in December 2020 and March 2021 allowed the Company to normalize relationships and settle past-due obligations with many of its key suppliers and invest in inventory to increase customer fill rates and resume promotion activities with retailers. Cash flow from investing activities reflects the gain from asset sales regarding Central Roast's property, plant, and equipment. Cash flow from financing activities primarily reflects the net proceeds of private placements together with the net change to loans payable and loans to related parties during the year ended March 31, 2022 of $2.5 million and $0.6 million respectively (2021 - $10.2 million and ($0.3) million respectively).

LIQUIDITY AND CAPITAL RESOURCES

The Company monitors its capital structure and makes necessary adjustments to meet its objectives having regard for market conditions and for the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, taking on debt, or disposing of assets. Management and the Board of Directors review the capital structure on an ongoing basis.

The Company considers its capital to be share capital and debt. The Company assesses its capital requirements utilizing forecasting processes whereby working capital and operational cash flow are forecasted to identify any capital shortfall or surplus. The Company's budget is updated periodically, as required and based on experience.

During the year ended March 31 2022 the Company was able to renegotiate payment terms with a number of suppliers and contract manufacturers. The Company continues to make efforts towards improving payment terms with its supplier base. The Company was also able to raise an additional net $2.5 million through a Bought Deal Offering in September 2021, with net proceeds to be used for working capital, investments in innovation, geographic and channel expansion, and general corporate purposes.

During the year ended March 31, 2021, the Company raised a total net amount of $10.2 million in cash through two rounds of private placements which has moved the Company closer to its working capital targets. The Company used the proceeds to begin rebuilding its inventory through pre-payments to suppliers as well as settling a portion of its past-due payables.

Management believes that with the appropriate level of working capital and continued re-evaluation of various operating models for its sourcing and supply chain activities, it can improve its level of sales and further improve its operations.

OFF-BALANCE SHEET ARRANGEMENTS

In October 2016, the Company issued a standby letter of credit for $0.2 million to one of its Canadian suppliers for extended credit terms. In September 2020, the stand-by letter of credit was replaced by a $0.2 million cash-backed letter of credit. During the same month, the Company secured the available credit limit of the corporate credit cards with $0.022 million in cash. The cash associated with the 'cash-backed' letter of credit and the corporate credit cards are recorded on the consolidated statement of financial position as restricted cash.

TRANSACTIONS BETWEEN RELATED PARTIES

On October 8, 2021, Pender Growth Fund Inc. ("Pender"), a significant shareholder, acquired a portion of the Company's debt obligation to Primary Capital Inc. As a result of this transaction and at March 31, 2022, Pender holds $1.093 million of assignment rights and interest within the Primary loan which has been reclassified as a loan from a related party. During the year ended March 31, 2022, the Company recorded interest expense of $0.062 million, with a corresponding increase in the loan from related party.

Until October 31, 2021 the Company leased office space from a shareholder of the Company. The Company paid rent of $0.042 million respectively during the year ended March 31, 2022 (2021 – $0.096 million).

Under the terms of employment between the Company and the former Executive Chairman and Interim CEO ("Interim CEO"), the Board of Directors agreed to pay the Interim CEO (a) the additional amount of $0.077 million for the period up to July 17, 2020 where this amount is unpaid and recognized in accounts payable and accrued liabilities, which was expensed during the year ended March 31, 2021; and (b) effective July 17, 2020, the Interim CEO's salary was increased (for the period of time he serves in this position) where the amount of this increase is also unpaid and recognized in accounts payable and accrued liabilities, which at March 31, 2021 amounted to $0.144 million. Both amounts set out in (a) and (b) above were to be paid at such time as the Board of Directors deemed it appropriate. During the three-month period ended June 30, 2021, at the instruction of the Board of Directors, both amounts set out in (a) and (b) above were paid in full.

Prior to August 22, 2019, the Company was introduced to Pivot Financial Inc. ("Pivot") as a potential lender to the Company. At that time, it was made clear to the Company, that the individual who made this introduction would be entitled to a referral fee from Pivot, should the Company use the services of Pivot. Subsequently, that individual became a director of the Company. On September 22, 2020, the Company entered into a lending agreement with Pivot and a referral fee in the amount of $0.04 million was paid to the director by Pivot from the closing fees paid to Pivot by the Company.

Key Management includes the Company's directors and officers. For the year ended March 31, 2022 key Management includes the CEO, the former Interim CEO, the former CFO, the current CFO, the Brand Presidents of Love Child and Go Veggie, the General Manager of Central Roast, the VP of Sales and the directors (2021 – the former CEO, the Interim CEO, the CFO, the Controller, the Brand Presidents of Love Child and Go Veggie, the General Manager of Central Roast and the directors). Compensation awarded to key Management includes salary, severance, director fees and share based payments. The following table presents key Management compensation and includes the effect of the agreement above:

(expressed in thousands of Canadian dollars)	**Year ended**	
	March 31, 2022	March 31, 2021
Salary, severance and director fees	**1,165**	1,747
Share based compensation	**240**	140

SUBSEQUENT EVENTS

HST Receivable

On various dates between April 6, 2022 and May 17, 2022, the Company collected long-outstanding HST receivables in the aggregate amount of $545.

Strategic Review

On June 2, 2022, the Company announced that it had initiated a review of strategic alternatives to enhance shareholder value which would consider a range of potential strategic alternatives. The Company engaged financial advisors to assist in the review and no formalized timetable was established for the completion of the strategic review.

Pivot Term Loan

On June 6, 2022, the Company entered into an amending agreement with Pivot Financial Inc. where the fixed coverage financial covenant of 1:1 was removed. In consideration for the amendment the Company incurred of $30 fees which were paid on June 7, 2022.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Management's discussion and analysis of its financial condition and results of operations, including the discussion on liquidity and capital resources, is based upon the Company's consolidated financial statements, which have been prepared in accordance with IFRS unless otherwise noted.

The preparation of these consolidated financial statements requires Management to make estimates and judgements that affect the reported amounts of assets, liabilities, revenue, expenses and related disclosure of contingent assets and liabilities. On an ongoing basis, Management evaluates its estimates and judgements, particularly those related to the determination of expected credit loss on accounts receivable, provisions for inventory, business combinations, intangible assets valuation and goodwill impairment. Management bases its estimates on historical experience and on various other assumptions, which are believed to be reasonable under the circumstances, the results of which form the basis for making judgements about the carrying value of assets and liabilities that are not readily apparent from other sources.

No known trends, commitments, events, or other uncertainties are currently believed to materially affect the assumptions used.

Critical accounting estimates and judgements are described in greater detail in the Company's audited annual consolidated financial statements for the year ended March 31, 2022.

CHANGES IN ACCOUNTING POLICIES / FUTURE ACCOUNTING POLICY CHANGES

The Company's accounting policies are consistently applied to all the periods presented unless otherwise noted below.

RISKS AND UNCERTAINTIES

The Company is subject to certain risks and uncertainties that could have a material adverse effect on the Company's results of operations, business prospects, financial condition, and the trading price of its common shares. These risks and uncertainties include: COVID-19, inflationary pressure including the risk of increased commodity prices, raw material and packaging availability, supply chain disruptions, cyclicality, reduction in demand, seasonality, competition, information management, foreign exchange, labour, income tax matters, the renewal or refinancing of existing debt, interest rates on debt refinancing or renewal, customer concentration, relationships with suppliers, product liability, capital and liquidity risk, collections from customers, interest rates, distribution agreements, lack of long-term customer sales agreements, dependence on key personnel, and growth challenges.

In addition to the new operating strategy and vision described above, in May 2021 the Company announced the launch of Project FIT, a multi-pronged initiative expected to deliver cost savings in excess of $2.0 million annually starting in the second-half of the year ending March 31, 2022. On July 21, 2021 the Company updated its outlook with respect to Project FIT, identifying that it had plans in place for savings in excess of $2.0 million and was raising its target for savings by an additional $1.0 million. While Management remains confident with its progress, there can be no certainty in this regard.

Management has rebuilt required levels of relevant inventory and improved customer service levels across all three of its branded businesses. During the year ended March 31 2022, the Company, with certain strategic retailers, resumed promotional activities which is expected to improve sales going forward and has regained some distribution. In addition, the Company has accelerated its new channel growth across a number of important e-commerce platforms. Aligned with this Focused Growth Strategy, Management has prioritized improvements in profitability through better product mix, price increases and enhanced cost management. Currently, one of the most meaningful risks to the business is the inability to successfully implement this Focused Growth Strategy. While Management remains confident with respect to these initiatives, there can be no certainty in this regard.

The Company has been able to rebuild credibility with much of its supplier base and renegotiate payment terms with many key suppliers across its inventory and manufacturing network. In addition, Management has successfully been able to implement a number of price increases across its customer base. While rebuilding customer sales momentum may take time after the working capital challenges of the year ended March 31, 2021, Management believes that the foundational elements are being established to deliver improvements in both topline performance and profitability improvements. Management believes that the rapid implementation of its Focused Growth Strategy will drive improvements in the operation over time, though there can be no certainty in this regard.

OUTSTANDING SHARE DATA

As of March 31, 2022, the Company had:

- 509,392,282 common shares issued and outstanding;
- 214,885,430 share purchase warrants convertible into 214,885,430 common shares of the Company; and
- 24,389,116 compensation stock options, convertible into 24,389,116 common shares of the Company.

OUTLOOK

This section (and throughout this MD&A) contains certain forward-looking statements. Please refer to the disclosure under the heading "Forward-Looking Statements" for a discussion of risks and uncertainties related to such statements.

Management believes that there are several fundamental trends occurring within both the North American food and snack landscapes that will continue to support consumer demand for the Company's brands and products. Organic and plant-based food and snack options are leading the growth in their respective categories, driving significant consumer and retail customer interest. They represent tremendous growth potential for the Company as consumers' food and snack choices evolve. Consumers are increasingly seeking out food and snack options that deliver health, convenience, quality and authenticity. Management believes that its portfolio of brands is well-positioned to meet these consumer needs. In addition, changes in shopping behaviours and snacking behaviours have accelerated as a result of the COVID-19 pandemic, presenting new opportunities for the business that Management is actively pursuing.

Management believes that its new Vision, Strategic Plan and the implementation of its Focused Growth Strategy, developed in April 2021 and approved in May 2021, are contributing to improvements in Adjusted EBITDA as well as to more effective and efficient business operations. These improvements, which will continue to benefit future periods, include:

- **Simplification of the business** including a 69% reduction in the number of active stock-keeping units sold by the Company, thereby increasing its focus on higher-margin items. Moving the Central Roast business from self-manufacturing and self-warehousing to contract manufacturing and use of third-party warehousing enabled Management to exit an underutilized production facility and realize a gain from the sale of its production and warehousing equipment. On an ongoing basis, these simplification initiatives will materially improve the Company's cost base and use of cash.
- **Streamlining the organizational model** as part of Project FIT, which together with the restructuring of the Central Roast production staff, resulted in the reduction of FTE from 43 to 26.5 over the year ended March 31, 2022. As a consequence, salary and benefit costs during the year ended March 31, 2022 declined by $1.6 million and further benefits are expected as the full-year impact of these changes are realized.
- **Increasing relevant inventory levels** enabling the Company to materially improve customer service levels and re-initiate promotional activities with certain strategic retailers, both of which have positively impacted the Company's retailer relationships and gross revenue momentum. Within the context of Canadian transport disruptions occurring in early 2022, the business faced temporary supply constraints on certain ingredients; however, the impacts from these disruptions were short-lived with inventories normalized to target levels.
- **Reduction of expected credit losses** achieved through the collections of past-due accounts receivable amounts.
- **Reduction of the Company's required investment in prepaid expenses** as relationships with key suppliers improve.
- **Implementation of price increases** improved gross profit percentage during the year ended March 31, 2022. Additional price increases have been announced to trade customers and these additional price increases will offset inflationary pressures and will serve to protect gross profit percentage over subsequent quarters.
- **Expanded distribution with large Canadian retailers** of the Company's core product portfolio as well as new margin-accretive innovations.

Management believes that as a result of these achievements, the Company's cost structure is now better positioned to achieve profitability once its higher gross revenue targets are achieved. In this vein, Management developed and is working to execute its Focused Growth Strategy, which is driving the Company to: continue promotional activities with key customers; introduce margin-accretive new products designed to expand brands across new consumption occasions; reintroduce its products to retailers who reduced their support to the Company as a consequence of poor service levels in the prior year; smartly expand into new channels and new geographies; and optimize consumer pricing and the value of its brands over time in order to achieve revenue growth. While Management remains optimistic about its ability to increase the Company's gross revenue through these initiatives within its Focused Growth Strategy, there can be no certainty in that regard.

Additionally, on June 2, 2022, the Company announced that it had initiated a review of strategic alternatives to enhance shareholder value which would consider a range of potential strategic alternatives. The Company engaged financial advisors to assist in the review and no formalized timetable was established for the completion of the strategic review.

FORWARD-LOOKING STATEMENTS

This news release includes certain information and contains statements that may constitute "forward-looking information" and "forward-looking statements", respectively, under applicable securities law. Forward-looking statements can be identified by words such as: "anticipate", "intend", "plan,", "goal", "believe", "project", "estimate", "expect", "strategy", "likely", "may", "should", "will", and similar references to future periods. Examples of forward-looking statements include, among others, statements we make regarding guidance relating to fiscal year 2022 EBITDA and expected operating results, such as revenue growth and earnings. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, certain of which are beyond the control of GreenSpace, including, but not limited to, the failure of third parties to comply with their obligations to the Company or its affiliates; the impact of new and changes to, or application of, current laws and regulations; critical accounting estimates and changes to accounting standards, policies, and methods used by the Company; the occurrence of natural and unnatural catastrophic events and claims resulting from such events; and risks related to COVID-19 and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information, including the risks identified in the Company's disclosure documents. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. All forward-looking statements contained in this press release are given as of the date hereof and is based upon the opinions and estimates of management and information available to management as at the date hereof. Except as required by applicable securities laws, we undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

ADDITIONAL INFORMATION

Additional information, including the Company’s annual information form, is on SEDAR at www.sedar.com.