Management's Discussion of Quarterly Report

For First Quarter Ending February 29, 2016

Herborium Group, Inc.

April 15, 2016

The following statements are of importance to current and potential investors regarding Herborium's First Quarter of 2016 ending February 29, 2016. In addition, the statement contains major objectives for the plan of operations for the remaining there quarters.

Achievements for the First Quarter of 2016:
Herborium's revenue increased for the 16th consecutive quarter and grew close to 14% in comparison to the same period of 2015.
Sales on the Amazon Marketplace grew 38% in comparison to the same period of 2015.
Gross profit increased 5.5% in comparison to the same period of 2015.
Operating expenses decreased by 9.4% in comparison to the same period of 2015.
Net loss decreased by 35.9% in comparison to the same period of 2015.

During the remaining part of 2016, the activities of Herborium Group, Inc. will focus on continuing to increase market share and revenue from AcnEase®, the Company's all botanical acne treatment, through a number of e-Commerce initiatives and traditional distribution.

To support this objective, in 2016, the Company deployed the following initiatives:

1. Professional Affiliate Program with Blue Cherry, Inc. and Saleshare . By the end of the second quarter we expect that AcnEase® will be on 200 publishing sites
2. Direct Amazon sales. Herborium is in a process of deploying AcnEase® on the super seller platform. The Agreement was reached in April and will be announced by the end of this month.
3. AcnEase® is available for sale at Beauty Experts, a very popular Hut Group website in the UK. Purchase orders of HUT Group, LLC increased 30% in 2015 and this move is a clear indication that they are committed to further grow the sales and market share of AcnEase® in UK and EU markets. AcnEase® is now sold on lookfantastic.com, Mankind.com and BeautyExperts.com.
4. A multitude of aggressive social media events and tactics are in progress and include establishing new alliances with bloggers, creating a series of

webinars, and developing new twitter campaigns and Instagram ads in the US and French markets.

/s/ Dr. Agnes P. Olszewski

Dr. Agnes Olszewski
President & CEO