



AGRIOS GLOBAL
HOLDINGS

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AGRIOS GLOBAL HOLDINGS LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED: MARCH 31, 2019

WHERE
TECHNOLOGY
MEETS **GROWTH**



AGRIOS GLOBAL HOLDINGS LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR YEAR ENDED MARCH 31, 2019

(All amounts expressed in USD dollars, unless otherwise stated)

BACKGROUND

This Management's Discussion and Analysis ("MD&A") has been prepared as of July 29, 2019, and it presents an analysis of the consolidated financial position of Agrios Global Holdings Ltd. (formerly Sparrow Capital Corp.) (the "Company" or "Agrios") for the year ended March 31, 2019. The following information should be read in conjunction with the audited financial statements of the Corporation for the year ended March 31, 2019 and March 31, 2018, including the notes contained therein. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS").

During the year ended March 31, 2019, the Company adopted certain accounting policies, critical account estimates and risk factors to reflect the acquisition of TimberLand Bay Properties, LLC ("TimberLand"). All amounts are expressed in US dollars unless noted otherwise.

CAUTIONARY NOTE REGARDING FORWARDING LOOKING STATEMENTS

This MD&A contains certain statements that may constitute "forward-looking statements". Forward-looking statements include but are not limited to, statements regarding future anticipated business developments and the timing thereof, regulatory compliance, sufficiency of working capital, and business and financing plans. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, the Company's ability to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies.

DESCRIPTION OF BUSINESS

The Company was incorporated in British Columbia, Canada, on February 18, 2017. The Company's head office is located at 1980 – 1075 West Georgia Street, Vancouver, BC, Canada, V6E 3C9. On November 12, 2018, the Company commenced trading on the Canadian Securities Exchange ("CSE") under the symbol "AGRO". On February 21, 2019 the Company commenced trading on the OTCQB Venture Market under the ticker symbol (OTCQB: AGGHF).

The Company, through its wholly-owned subsidiaries, currently operates as an agricultural technology, services and property management company. The Company provides real property and equipment for lease and enhanced ancillary services to the agricultural and cannabis industries in the State of Washington. The Company chose Washington given the proximity to Vancouver, British Columbia and as Washington was one of the first states to legalize and regulate the use of recreational cannabis for adults in 2014 and as such its regulatory regime is stable.

The Company's mission is to enable licensed cultivators of cannabis and/or other agricultural crops to enhance both crop quality and yields through proprietary knowledge and the use of clean technology and tools.

The Company is corporately structured to provide a comprehensive range of flexible options to licensed cannabis cultivators, and processors for the cultivating, processing, packaging, and distribution of cannabis and cannabis products. The Company, through its wholly-owned subsidiaries, also provides long-term advisory and consulting services in cannabis and other agricultural crops.

The Company provides an integrated facility (the "Shelton Facility"), the technology, and the structure to comply with Washington and municipal cannabis laws in Shelton, Washington. The Company also provides supply services for Tier 3 WSLCB producer and production license holders ("License Holders") and derives income streams from license holders for the cultivation, growing, processing, packaging, and distribution of cannabis within Washington.

AGRIOS GLOBAL HOLDINGS LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR YEAR ENDED MARCH 31, 2019

(All amounts expressed in USD dollars, unless otherwise stated)

HIGHLIGHTS FOR THE YEAR ENDED MARCH 31, 2019 AND SUBSEQUENTLY

On June 8, 2018, the Company completed the acquisition of TimberLand Bay Properties, LLC and issued 29,166,667 shares as consideration shares.

On June 19, 2018 the Company completed a tranche 1 brokered private placement ("Financing") for gross proceeds of \$2,660,817 (CAD \$3,532,500) at a price of \$0.377 (CAD \$0.50) per share. Each share will consist of one common share and one share purchase warrant, resulting in the issuance of 7,065,000 common shares and 7,065,000 share purchase warrants. The share purchase warrants are convertible into 706,500 common shares if the Company has not completed a liquidity event by the later of 120 days from closing or March 31, 2019. Each Financing common share will be exercisable for an additional CAD \$0.05 security every 30 days from the later of 120 days from closing or March 31, 2019 if the liquidity event does not occur. In connection with the Financing the Company incurred \$239,706 (CAD \$318,838) of share issuance costs and issued 423,900 Agent's Warrants. The Agent's Warrants entitle the holders to acquire 423,900 common shares at an exercise price of CAD \$0.50 for two years from the date the company completes a liquidity event with a fair value of \$88,767 (CAD \$117,847).

On July 16, 2018, the Company completed a tranche 2 brokered private placement ("Financing") for gross proceeds of \$136,637 (CAD \$179,500) at a price of \$0.381 (CAD \$0.50) per share. Each share will consist of one common share and one share purchase warrant, resulting in the issuance of 359,000 common shares and 359,000 share purchase warrants. The share purchase warrants are convertible into 35,900 common shares if the Company has not completed a liquidity event by the later of 120 days from closing or March 31, 2019. Each Financing common share will be exercisable for an additional CAD \$0.05 security every 30 days from the later of 120 days from closing or March 31, 2019 if the liquidity event does not occur. In connection with the Financing the Company incurred \$6,309 (CAD \$8,288) of share issuance costs and issued 21,540 Agent's Warrants. The Agent's Warrants entitle the holders to acquire 21,540 common shares at an exercise price of CAD \$0.50 for two years from the date the company completes a liquidity event with a fair value of \$4,562 (CAD \$5,993).

On July 23, 2018, the Company completed a private placement ("Financing") for gross proceeds of \$4,162,182 (CAD \$5,475,767) at a price of \$0.46 (CAD \$0.60) per share. In connection with the Financing the Company incurred \$240,119 (CAD \$315,901) of share issuance costs and issued 516,802 Finder's Warrants. The Finder's Warrants entitle the holders to acquire 516,802 common shares at an exercise price of \$0.46 (CAD \$0.60) for two years from the date of closing with a fair value of \$124,891 (CAD \$164,307).

On July 26, 2018, the Company granted incentive stock options to consultants and employees of the Company, exercisable at \$0.46 (CAD \$0.60), to purchase up to an aggregate of 5,300,000 common shares of the Company.

On August 27, 2018, the Company closed a non-brokered private placement raising gross proceeds of \$100,699 (CAD \$130,761) by the issuance of 217,935 common shares at a price of \$0.46 (CAD \$0.60) per share.

On November 12, 2018, the Company commenced trading on the Canadian Securities Exchange ("CSE") which constituted as a liquidity event. As such, the 7,424,000 common share purchase warrants issued in conjunction with the brokered placements lapsed.

On December 17, 2018, the Company completed the acquisition of Greenfields Agritech Limited by paying \$330,000 and issuing 2,000,000 shares as considerations shares which are subject to certain release conditions. Greenfields holds a 65% ownership in a joint venture with Yunnan Hua Fang Health Management Co. Ltd. The joint venture will be focused in research and development of hemp cultivation; processing and sales of hemp products; biotechnology research and application; and import/export of goods and technology.

On January 9, 2019, the Company granted incentive stock options to consultants and employees of the Company, exercisable at \$0.34 (CAD \$0.45), to purchase up to an aggregate of 1,250,000 common shares of the Company.

AGRIOS GLOBAL HOLDINGS LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR YEAR ENDED MARCH 31, 2019

(All amounts expressed in USD dollars, unless otherwise stated)

On March 15, 2019, the Company granted incentive stock options to consultants and employees of the Company, exercisable at \$0.50 (CAD \$0.67), to purchase up to an aggregate of 500,000 common shares of the Company.

On April 1, 2019, the Company entered into a service agreement with Skyline Corporate Communications Group LLC ("Skyline"). The consideration for the services provided by Skyline to the Company consist of \$5,000 per month and 31,250 common shares at a deemed price of \$0.45 (CAD \$0.60) per common share.

On May 8, 2019, Greenfields achieved its milestones and 2,120,000 common shares were released from escrow.

On June 14, 2019, the Company closed the first tranche of its non-brokered private placement of unsecured convertible debentures ("Debentures"), in the principal amount of \$757,235 (CAD \$1,010,000). The Debentures will mature on June 14, 2022, and bear interest at a rate equal to 8% per annum, payable, in cash or common shares of the Company. The principal and any accrued interest on the Debentures are convertible at the option of the holder into common shares at a price of \$0.49 (CAD \$0.65) per Share (the "Conversion Price"). Furthermore, on July 15, 2019, the Company amended the Conversion Price to \$0.38 (CAD \$0.50) and all terms remained the same.

On July 3, 2019, the Company entered into debt settlement agreements with two arms-length parties to settle an aggregate \$44,583 (CAD \$59,460) in debt. In settlement of the debt, the Company issued an aggregate of 145,025 common shares at a deemed price of \$0.31 (CAD \$0.41) per common share.

OUTSTANDING SHARE DATA

The following share capital data is current as of the date of this document:

	Balance
Shares issued and outstanding	85,801,609
Stock Options	7,050,000
Warrants	15,608,653

OVERALL PERFORMANCE

The statement of financial position as of March 31, 2019 indicates a cash and term deposit balance of \$1,963,184 (March 31, 2018 – \$1,447,843) and total current assets of \$6,381,218 (March 31, 2018 – \$6,817,018). The increase in cash and term deposit and the overall current assets is primarily due to the closed financings completed during the year. The increase of accounts receivable of \$4,249,969 (March 31, 2018 - \$1,777) is due to the Company earning revenues of \$4,044,349 and acquired receivables of \$372,465 upon acquisition of TimberLand.

Non-current assets as of March 31, 2019 were \$24,898,097 (March 31, 2018 – nil), which is mainly related to \$23,014,699 of property, plant and equipment acquired from the acquisition of TimberLand and restricted cash of \$1,500,000.

Current liabilities as of March 31, 2019 were \$1,281,970 (March 31, 2018 - \$69,231). The increase is comprised of accounts payable of \$711,847 (March 31, 2018 – \$69,231), and the following: operational activities on a consolidated basis; current income taxes of \$237,589; current portion of mortgage payable of \$233,257, which is related to the facility; and due to related parties of \$99,277 which is related to a deposit for construction costs for TimberLand which was advanced by JRV Technologies LLC, a Company controlled by James Foster, a director of the Company.

AGRIOS GLOBAL HOLDINGS LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR YEAR ENDED MARCH 31, 2019

(All amounts expressed in USD dollars, unless otherwise stated)

Shareholders' equity as of March 31, 2019 was \$23,149,432 (March 31, 2018 – \$6,747,787) and is comprised of share capital of \$25,083,183 (March 31, 2018 - \$6,833,871), reserves of \$3,496,049 (March 31, 2018 – \$722,600), non-controlling interest of \$(16,710) (March 31, 2018 – nil), accumulative other comprehensive loss of \$30,999 (March 31, 2018 – \$55,223), and accumulated deficit of \$5,382,091 (March 31, 2018 – \$753,461). The increase in Shareholders' equity was related to 29,166,667 common shares with a fair of \$11,246,955 issued to acquire TimberLand, and private placements that closed for gross proceeds of \$2,660,817, \$136,637, \$4,162,182, and \$101,013 during the year.

Long-term liabilities of \$6,847,913 (March 31, 2018 – nil) mainly consist of \$4,188,872 the long-term portion of mortgage payable for the facility and \$2,659,041 of deferred income tax liability that is a result of the acquisition of TimberLand.

The Company had one customer for the year ended March 31, 2019 that accounted for all of the revenues. As the majority of the Company's income is derived from one customer, its ability to continue operations is dependent upon the relationship with and the sustainability of the customer. Any significant disruption in the customer's business could result in a material adverse effect on the operations of the Company. The loss of this significant customer will adversely impact the operations of the Company.

As at March 31, 2019 the Company's working capital is \$5,099,248 (March 31, 2018 – \$6,747,787).

As of March 31, 2019, the Company had incurred \$4,179,660 (March 31, 2018 - \$241,709) of operating activities. The increase is primarily attributed to the build out of the facility as well as the general and administrative expenses incurred for corporate matters and expenses related to financing and management meetings. The Company also has not collected any of its outstanding trade receivables.

As of March 31, 2019, the Company has incurred \$3,599,471 (March 31, 2018 - \$6,753,661) of investing activities. This increase in cash outflow is primarily due to the continued build out of the Company's facility.

As of March 31, 2019, the Company has received \$6,315,539 (March 31, 2018 - \$7,046,782) from financing mainly through the issuance of common shares of the Company. There was also \$99,277 which relates to a shareholder advance.

RESULTS OF OPERATIONS

On April 1, 2018 the Company entered into equipment lease and services agreement, consulting and supply agreement, license consulting agreement, and financial services agreement with EH Enterprises Management, Inc., dba Evergreen Herbal ("EH") and started reporting revenue in April 2018. For the year ended March 31, 2019, the Company recorded \$2,537,177 as rental and IP revenue and \$1,507,172 as products and service revenue. The cost of products and services sold is \$748,717, which is related to services purchased, salaries, and cost of nutrients and supplies sold. The gross profit for the year ended March 31, 2019 is \$3,295,632. Operating expenses for the year totaled \$8,123,545. The expenses of the Company for the year ended March 31, 2019 consisted mainly of stock-based compensation of \$2,555,337 related to performance warrants issued in the prior year and expected to partially vest this year as well as stock options granted during the year, management salaries of \$1,278,656, travel, asset acquisition expense of \$985,097, consulting fees of \$658,726, office and miscellaneous expense of \$482,424 and travel and meals of \$479,502.

Management salaries for the year ended March 31, 2019 amounted to \$1,278,656, which consists of compensation provided to management. See related party discussion below.

Asset Acquisition expense for the year ended March 31, 2019 amounted to \$985,097, which relates to the acquisition of the Greenfields Transaction as described in Note 9 on the financial statements. The Company determined that fair value of the identifiable assets and liabilities acquired at the date of Transaction were not material, therefore the Company expensed the acquisition of assets.

AGRIOS GLOBAL HOLDINGS LTD.**MANAGEMENT'S DISCUSSION AND ANALYSIS FOR YEAR ENDED MARCH 31, 2019**

(All amounts expressed in USD dollars, unless otherwise stated)

Consulting fees for the year ended March 31, 2019 amounted to \$658,726, which consisted of engaging consultants with setting up corporate subsidiaries as well as consulting on business development and market strategy.

Office and miscellaneous expense for the year ended March 31, 2019 amounted to \$482,424, which consists of general office and operational expenses.

Travel and meals for the year ended March 31, 2019 amounted to \$479,502, which consists of expenses related to travel and hotel for business purposes consisting of investor presentations, financing meetings, board meetings and general business duties. \$28,000 in travel and accommodation relate specifically to car allowance for individuals travelling in the performance of their management duties.

The total loss before income taxes is \$4,767,355 (March 31, 2018 – \$753,461) and after current income tax expense of \$237,589 (March 31, 2018 – nil), deferred income tax recovery of \$359,604 (March 31, 2018 – nil), gain attributable to non-controlling interest of \$16,710 (March 31, 2018 – nil), and foreign currency translation gain of \$24,222 (March 31, 2018 – (\$55,223)) the total comprehensive loss for the year is \$4,652,854 (March 31, 2018 – \$808,684). The income tax expense is related to the income tax provision for the operations. The foreign currency translation of \$24,222 is derived from translation of the Canadian entities' accounting records to US dollars. The Company's expenses are primarily denominated in United States dollars. Only the Company's corporate office is based in the Canada and current exposure to exchange rate fluctuations is minimal.

As at March 31, 2019, the loss per share is \$0.06 (March 31, 2018 - \$0.11). As at March 31, 2019, there were 85,801,609 shares outstanding and 37,702,509 shares outstanding as at March 31, 2019.

COMPARISON OF RESULTS OF OPERATIONS

The following table sets forth selected consolidated information for the years ended March 31, 2019, 2018 and 2017.

	Year Ended March 31,		2017
	2019	2018	
	\$	\$	\$
Rental and IP revenue	2,537,177	-	-
Products and service revenue	1,507,172	-	-
Cost of products and services sold	(748,717)	-	-
Gross Profit	3,295,632	-	-
Operating Expenses	(8,123,545)	(749,091)	(5)
Net loss from operations	(4,827,913)	(749,091)	(5)
Net income (loss) from other items and income tax	134,125	(4,370)	-
Net income (loss) from other comprehensive income	40,934	(55,223)	-
Total comprehensive loss	(4,652,854)	(808,684)	(5)
Basic and diluted			
loss per share	(0.06)	(0.11)	(5)

AGRIOS GLOBAL HOLDINGS LTD.**MANAGEMENT'S DISCUSSION AND ANALYSIS FOR YEAR ENDED MARCH 31, 2019**

(All amounts expressed in USD dollars, unless otherwise stated)

During the year ended March 31, 2019, the Company reported \$2,537,177 in rental and IP revenue and \$1,507,172 in products and service revenue (March 31, 2018 – nil), cost of products and services sold is \$748,717 (March 31, 2018 – nil), and a gross profit of \$3,295,632 (March 31, 2018 – nil), a net loss of \$4,645,340 (March 31, 2018 – \$753,461), and a net comprehensive loss of \$4,652,854 (March 31, 2018 – \$808,684).

During the year ended March 31, 2019, the Company recorded operating expenses of \$8,123,545 (March 31, 2018 – \$749,091). Significant operating expenses for the year ended March 31, 2019 were comprised of stock-based compensation of \$2,555,337 (March 31, 2018 – 509,442), asset acquisition expense of \$985,097 (March 31, 2018 – nil), management salaries of \$1,278,656 (March 31, 2018 – 30,502), consulting fees of \$658,726 (March 31, 2018 – 72,875), office and miscellaneous of \$482,424 (March 31, 2018 – 10,308), and travel and meals of \$479,502 (March 31, 2018 – \$56,665). The increase in cash-based expenses during the year were attributable to the Company incurring expenses for raising financing, consulting fees, acquisition of Greenfields and general administrative costs.

The Company's operations are in their infancy and no comparative or trend discussion is applicable at the moment.

SELECTED QUARTERLY INFORMATION FOR MOST RECENT COMPLETED QUARTERS

The following table sets out selected quarterly financial information of the Company. This information is derived from quarterly financial statements prepared by management since incorporation on February 18, 2017. These financial data are prepared in accordance with IFRS.

	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018
	\$	\$	\$	\$
Rental and IP revenue	997,500	562,500	742,500	234,677
Products and service revenue	507,713	427,884	378,502	193,073
Net gain (loss)	105,442	(2,227,349)	(1,824,929)	(698,504)
Basic loss per share	(0.01)	(0.03)	(0.02)	(0.01)
	March 31, 2018	December 31, 2017	September 30, 2017	June 30, 2017
	\$	\$	\$	\$
Rental and IP revenue	-	-	-	-
Products and service revenue	-	-	-	-
Net loss	(799,103)	(16,727)	(18)	(3,343)
Basic loss per share	(0.01)	(0.00)	(0.00)	(0.01)

During the quarter ended March 31, 2019, the Company reported \$997,500 in rental and IP revenue and \$507,713 in products and service revenue (March 31, 2018 – nil), and a net gain of \$105,442 (March 31, 2018 – (\$799,103)). The net gain was primarily attributable to the increased revenue from rental and IP as well as products and services.

LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2019, the Company had working capital of \$5,099,248 having current assets of \$6,381,218 and current liabilities of \$1,281,970. The majority of the Company's working capital, \$5,099,248 is based on the Company's cash position from financings closed during the year.

AGRIOS GLOBAL HOLDINGS LTD.**MANAGEMENT'S DISCUSSION AND ANALYSIS FOR YEAR ENDED MARCH 31, 2019**

(All amounts expressed in USD dollars, unless otherwise stated)

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. At March 31, 2019, the Company had incurred a net loss of \$4,645,340 (March 31, 2018 – \$753,461) and had an accumulated deficit of \$5,382,091 (March 31, 2018 – \$753,461). The Company's financial success is dependent on management's ability to raise adequate financing on reasonable terms and to commence profitable operations in the future. These factors indicate the existence of material uncertainties which may cast significant doubt about the Company's ability to continue as a going concern. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded in these consolidated financial statements. These consolidated financial statements do not include adjustments that would be necessary should the Company be unable to continue as a going concern.

The Company's expected cash resources are sufficient to meet its short-term needs. Management estimates that the current cash position and future cash flows from new equity financings and/or related party loans will be sufficient for the Company to carry out its anticipated costs of operations through fiscal 2019. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary in order for the Company to achieve its business objectives.

In order to manage liquidity risk, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's operations.

A summary of the Company's contractual obligations at March 31, 2019 is detailed in the table below.

Contractual Obligations	Payments Due by Period				
	Total	Less than 1 Year	1 – 3 Years	4 – 5 Years	After 5 Years
Accounts payable and accrued liabilities	\$711,847	\$711,847	N/A	N/A	N/A
Current income taxes	\$237,589	\$237,589	N/A	N/A	N/A
Mortgage payable	\$4,422,129	\$233,257	\$4,188,872	N/A	N/A
Due to related parties	\$99,277	\$99,277	N/A	N/A	N/A
Total	\$5,470,842	\$1,281,970	\$4,188,872	N/A	N/A

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The classification and measurement of financial assets is based on the Company's business models for managing its financial assets and whether the contractual cash flows represent solely payments of principal and interest ("SPPI"). Financial assets are initially measured at fair values plus, in the case of financial assets not at fair value through profit and loss ("FVTPL") transaction costs.

Financial assets are subsequently measured at either:

- (i) amortized cost;
- (ii) fair value through other comprehensive income ("FVTOCI"); or
- (iii) at fair value through profit or loss ("FVTPL").

AGRIOS GLOBAL HOLDINGS LTD.**MANAGEMENT'S DISCUSSION AND ANALYSIS FOR YEAR ENDED MARCH 31, 2019**

(All amounts expressed in USD dollars, unless otherwise stated)

Financial liabilities are generally classified and measured at fair value at initial recognition and subsequently measured at amortized cost.

The following table summarized the classification of the Company's financial instruments under IAS 39 and the new measurement under IFRS 9:

	IAS 39 Classification	IFRS 9 Classification
Financial assets		
Cash and cash equivalents	FVTPL	FVTPL
Term deposit	FVTPL	FVTPL
Accounts receivable	Loans and receivables	Amortized cost
Due from related parties	Loans and receivables	Amortized cost
Deposits	Loans and receivables	Amortized cost
Financial liabilities		
Accounts payable and accrued liabilities	Amortized cost	Amortized cost
Mortgage payable	Amortized cost	Amortized cost
Due to related parties	Amortized cost	Amortized cost

IFRS 9 uses an expected credit loss impairment model as opposed to an incurred credit loss model under IAS 39. The impairment model is applicable to financial assets measured at amortized cost where any expected future credit losses are provided for, irrespective of whether a loss event has occurred as at the reporting date. The adoption of the new expected credit loss impairment model had a negligible impact on the carrying amounts of financial assets recognized at amortized cost.

The Company's financial assets include cash and cash is classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

The Company is exposed to one variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures.

The principal financial instruments used by the Company, from which financial instrument risk arises are cash and term deposits, accounts payable, mortgage payable and other accrued liabilities.

	March 31, 2019	March 31, 2018
Financial Assets		
Cash, term deposit and restricted cash	\$3,463,184	\$1,447,843
Accounts receivable	4,249,969	1,777
Due from related parties	-	5,357,628
Total Financial Assets	\$7,713,153	\$6,807,248
Financial Liabilities		
Accounts payable and other accrued liabilities	\$711,847	\$69,231
Due to related parties	99,277	-
Mortgage payable	4,422,129	-

AGRIOS GLOBAL HOLDINGS LTD.**MANAGEMENT'S DISCUSSION AND ANALYSIS FOR YEAR ENDED MARCH 31, 2019**

(All amounts expressed in USD dollars, unless otherwise stated)

Total Financial Liabilities	\$5,233,253	\$69,231
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Financial instruments not measured at fair value include accounts payable and other accrued liabilities, due to (from) related parties, loan payable, mortgage payable and installment obligations. Due to their short-term nature, the carrying value of cash and term deposit, accounts receivable, accounts payable and other accrued liabilities, due to related parties and installment obligations approximates their fair value. The carrying value of the Mortgage payable approximates its fair value as the terms are similar to current market terms.

The Company's financial instruments are exposed to certain financial risks, which include the following:

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company's expenses are denominated in United States dollars. The Company's corporate office is based in the Canada and current exposure to exchange rate fluctuations is minimal. The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

Credit risk

Credit risk is the risk of loss due to the counterparty's inability to meet its obligations. The Company's exposure to credit risk is on its cash. Risk associated with cash is managed through the use of a major bank which is a high credit quality financial institution as determined by rating agencies.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company aims to ensure that there is sufficient capital in order to meet short-term operating requirements, after taking into account the Company's holdings of cash. The Company's cash is held in corporate bank accounts available on demand. Liquidity risk has been assessed as being high.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits and paid on the credit facilities and instalment obligations. The fair value interest rate risk on bank deposits, credit facilities and instalment obligations are insignificant as the deposits, credit facilities and instalment obligations are short-term. The Company has not entered into any derivative instruments to manage interest rate fluctuations.

OFF-BALANCE SHEET TRANSACTIONS

The Company has not entered into any significant off-balance sheet arrangements or commitments.

LICENSE AGREEMENT

The Company has not entered into any license arrangements or commitments.

RELATED PARTY TRANSACTIONS

The Company had the following transactions with management and directors of the Company:

During the year ended March 31, 2019 and 2018, the Company incurred the following expenses to related parties:

AGRIOS GLOBAL HOLDINGS LTD.**MANAGEMENT'S DISCUSSION AND ANALYSIS FOR YEAR ENDED MARCH 31, 2019**

(All amounts expressed in USD dollars, unless otherwise stated)

	March 31, 2019	March 31, 2018
	\$	\$
Salaries and wages – CEO, President and a director	209,583	7,084
Salaries and wages – Directors	491,264	-
Salaries and wages – CTO	84,583	-
Salaries and wages – Director of Agronomy Services	97,500	-
Salaries and wages – Director of Operations	90,000	-
Salaries and wages – Former VP of Business Development	170,000	7,083
Consulting fees – CFO and a director	45,739	-
Consulting fees – Managing Director of Agrios Asia	71,394	-
Consulting fees – VP Product Development	20,000	-
Contractor fees - a company controlled by the CTO	460,762	-
Share-based payments	1,265,402	-
	3,006,227	14,167

As at March 31, 2019 and 2018, the Company has the following balance owing to (due from) related parties:

	March 31, 2019	March 31, 2018
	\$	\$
Officers and Directors	19,937	-
Directors	17,957	-
Officers	53,738	-
JRV Technologies LLC, a company controlled by James Foster	98,991	-
Ascendant Management LLC, a company controlled by Andrew Lange	370,740	-
SK Alliance Company Ltd., a company controlled by Stephanie Wong	8,915	-
Timberland Bay Properties LLC	-	(5,357,628)
	570,279	(5,357,628)

Due to/from related parties are unsecured, non-interest bearing, and due on demand with no specific terms of repayment.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

The following is a summary of recent accounting pronouncements the Company will be required to adopt in future years. The Company continues to evaluate the impact of these standards on its financial statements.

Adoption of IFRS 15 Revenue from Contracts with Customers (“IFRS 15”)

IFRS 15 establishes a single five-step model framework for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company has determined that the adoption of this standard has no impact on its financial statements.

On April 1, 2018, the Company adopted the requirements of IFRS 15. IFRS 15 covers principles that an entity shall apply to report useful information to users of the financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer. The Company elected to apply IFRS 15 using a full retrospective approach.

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IFRS 15 requires companies to recognize revenue when “control” of goods or services transfers to the customer, whereas the previous standard, IAS 18, required entities to recognize revenue when the “risks and rewards” of the goods or services transfer to the customer. The Company concluded that there is no change to the timing of revenue recognition of its rental income, service fee income, and supply sales under IFRS 15 compared to the previous standard. As such, no adjustment was required to the Company's financial statements.

Adoption of IFRS 9 Financial Instruments (“IFRS 9”)

On April 1, 2018, the Company adopted the requirements of IFRS 9. IFRS 9 provides a revised model for recognition and measurement of financial instruments and a single, forward-looking “expected-loss” impairment model. The Company adopted a retrospective approach, other than for hedge accounting, which is applied prospectively.

IFRS 9 did not impact the Company's classification and measurement of financial assets and liabilities, and there was no significant impact on the carrying amounts of the Company's financial instruments at the transition date.

The introduction of the new ‘expected credit loss’ impairment model had negligible impact on the Company, given the Company provides its rental income, service fee income, and product sales concentrate to a customer with no historical level of customer default, and the corresponding receivables from these sales are short-term in nature.

The Company currently has no hedging arrangements and will apply the new accounting requirements under IFRS 9 as required.

Adoption of IFRS 16 Leases (“IFRS 16”)

On April 1, 2019, the Company will adopt the requirements of IFRS 16. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions.

The impact of the adoption of this standard on the financial statements of the Company is not expected to be significant.

RISK AND UNCERTAINTIES

Conflicts of Interest

Certain directors of the Company also serve as directors and/or officers of other companies involved in other business ventures. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

Negative Operating Cash Flows

As the Company is at the early stage start up stage it may continue to have negative operating cash flows. Without the injection of further capital and the development of revenue streams from its business, the Company may continue to have negative operating cash flows until it can realize stable cash flow from operations.

Risks Related as a Going Concern

The ability of the Company to continue as a going concern is uncertain and dependent upon its ability to achieve profitable operations, obtain additional capital and receive continued support from its shareholders. Management of the Company will have to raise capital through private placements or debt financing and proposes to continue to do so through future private placements and offerings. The outcome of these matters cannot be predicted at this time.

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Reliance on Key Personnel and Advisors

The Company relies heavily on its officers. The loss of their services may have a material adverse effect on the business of the Company. There can be no assurance that one or all of the employees of, and contractors engaged by, the Company will continue in the employ of, or in a consulting capacity to, the Company or that they will not set up competing businesses or accept positions with competitors. There is no guarantee that certain employees of, and contractors to, the Company who have access to confidential information will not disclose the confidential information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The information provided in this report is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying consolidated financial statements.

RISK FACTORS

Market Risk for Securities

We are a reporting issuer company whose common shares are not listed for trading on a stock exchange. There can be no assurance that an active trading market for our common shares will be established and sustained. Upon a listing, the market price for our common shares could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of our securities. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

Uninsured or Uninsurable Risk

We may become subject to liability for risks against which we cannot insure or against which we may elect not to insure due to the high cost of insurance premiums or other factors. The payment of any such liabilities would reduce the funds available for our usual business activities. Payment of liabilities for which we do not carry insurance may have a material adverse effect on our financial position and operations.

Conflicts of Interest Risk

Certain of our directors and officers are also directors and operators in other companies. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers conflict with or diverge from our interests. In accordance with the BCBCA, directors who have a material interest in a person who is a party to a material contract, or a proposed material contract are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and the officers are required to act honestly and in good faith with a view to our best interests. However, in conflict of interest situations, our directors and officers may owe the same duty to another company and will need to balance their competing interests with their duties to us.

Circumstances (including with respect to future corporate opportunities) may arise that may be resolved in a manner that is unfavourable to us.

Key Personnel Risk

Our success will depend on our directors and officers to develop our business and manage our operations, and on our ability to attract and retain key quality assurance, scientific, sales, public relations and marketing staff or consultants once operations begin. The loss of any key person or the inability to find and retain new key persons could have a material adverse effect on our business. Competition for qualified technical, sales and marketing staff, as well as officers and directors can be intense and no assurance can be provided that we will be able to attract or retain key personnel in the future, which may adversely impact our operations.

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No Established Market for Shares Risk

There is currently no established trading market through which common shares in our authorized capital may be sold. Even if a trading market develops, there can be no assurance that such market will continue in the future. You may lose your entire investment.

Global Economy Risk

The ongoing economic slowdown and downturn of global capital markets has generally made the raising of capital by equity or debt financing more difficult. We will be dependent upon the capital markets to raise additional financing in the future, while we establish a client base for our product. Access to financing has been negatively impacted by the ongoing global economic downturn. As such, we are subject to liquidity risks in meeting our development and future operating cost requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact our ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to us and our management. If uncertain market conditions persist, our ability to raise capital could be jeopardized, which could have an adverse impact on our operations and the trading price of our Common Shares on the Exchange.

Dividend Risk

We have not paid dividends in the past and do not anticipate paying dividends in the near future. We expect to retain our earnings to finance further growth and, when appropriate, retire debt.

Share Price Volatility Risk

It is anticipated that our common shares will be listed for trading on the Exchange. As such, external factors outside of our control such as announcements of quarterly variations in operating results, revenues and costs may have an effect on the Company's common shares. Global stock markets, including the Exchange, have from time to time experienced extreme price and volume fluctuations that have often been unrelated to the operations of particular companies. There can be no assurance that an active or liquid market will develop or be sustained for the common shares.

OTHER INFORMATION

Additional information on the Company is available on SEDAR at www.sedar.com.