Management’s Discussion and Analysis of

GREEN RISE FOODS INC.

For the three-months ended March 31, 2026, and March 31, 2025

(Canadian Dollars)

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") of Green Rise Foods Inc. (hereinafter "Green Rise" or "the Company") provides a discussion and analysis of the financial condition and results of operations to enable a reader to assess the financial condition of the Company as at March 31, 2026, and the results of operations for the period ended March 31, 2026.

The MD&A is prepared as of May 29, 2026, and should be read in conjunction with the unaudited condensed interim consolidated financial statements ("financial statements") of Green Rise as at March 31, 2026. The accompanying financial statements have been prepared by and are the responsibility of Green Rise's management. The financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

All amounts in this discussion are expressed in thousands of Canadian dollars (CAD), unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A constitute "forward-looking information" and "forward-looking statements". All statements other than statements of historical fact contained in this MD&A. Such statements can, in some cases, be identified by the use of forward-looking terminology such as "expect," "likely", "may," "will," "should," "intend," or "anticipate," "potential," "proposed," "estimate" and other similar words, including negative and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy. The forward-looking statements included in this MD&A are made only as of the date of this MD&A and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law.

Forward-looking statements in this MD&A are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. Management provides forward-looking statements because it believes they provide useful information to readers when considering their investment objectives and cautions readers that the information may not be appropriate for other purposes.

Some of the risks which could affect future results and could cause results to differ materially from those expressed in the forward-looking statements contained herein include:

- expansion of facilities
- changes in laws, regulations and guidelines;
- legislative or regulatory reform and compliance;
- competition;
- environmental regulations and risks;
- risks inherent in an agricultural business including adverse weather and viruses;
- retention and acquisition of skilled personnel;
- compliance and ability to participate in the temporary foreign worker program;
- negative consumer perception;
- product liability;
- insurance coverage;

- regulatory or agency proceedings, investigations and audits;
- litigation;
- constraints on marketing products;
- fraudulent or illegal activity by the Company's employees, contractors and consultants;
- information technology systems and cyber-attacks;
- breaches of security and risks related to breaches of applicable privacy laws;
- access to capital;
- estimates or judgments relating to critical accounting policies;
- extended economic downturn caused by pandemics; and
- the impact of tariffs.

In addition to the factors set out above and those identified in this MD&A under "Risks and Uncertainties" and other factors not currently viewed as material could cause actual results to differ materially from those described in the forward-looking statements of this MD&A. Although the Company has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors and risks that cause actions, events or results not to be anticipated, estimated or intended. Accordingly, readers should not place any undue reliance on forward-looking statements.

OVERVIEW OF GREEN RISE

Green Rise was incorporated under the Business Corporations Act (Ontario) on June 9, 2017. On June 15, 2018, Bull Market Farms Inc. (a wholly owned subsidiary of Green Rise) acquired its first farm with an existing 51-acre producing greenhouse ("GR1") of fresh produce located in Leamington, Ontario ("the Transaction"). GR1 is currently growing medley, piccolo and beefsteak tomato varieties. The Company also leases 15-acres of its GR1 greenhouse to one-customer, who is currently growing organic peppers. With the Transaction, the Company completed its first greenhouse range acquisition.

The Company has plans to increase its cultivation capacity and product diversification. It continues to execute on this plan and has completed, through Bull Market, the following acquisitions:

- On February 1, 2021, the Company acquired its second range, a 20.5-acre producing greenhouse ("GR2") located in Kingsville, Ontario. The GR2 farm currently is producing beef steak tomatoes.
- On June 30, 2022, the Company acquired its third range, a 15-acre producing greenhouse ("GR3") located in Kingsville, Ontario. The GR3 farm is currently producing mini peppers.

The Company aims to be the best in quality and lowest cost grower of greenhouse-grown fresh produce. To achieve this status, the Company's goals include:

- Diversifying its greenhouses and pack-lines to be able to offer multi-sku product offerings of fresh produce;
- Maintaining policies that attract, motivate, and retain a highly skilled workforce with years of agricultural experience in the greenhouse fresh produce industry;
- Improving processes and seeking out new technologies to help increase produce yields, reduce the Company's carbon footprint, drive costs lower, improve product quality and reduce waste and inefficiencies;
- To maintain a strict financial discipline to acquire assets and select annual crop plantings that position the Company to consistently offer the best product pricing and provide consistent financial returns to our shareholders.

Pursuing these goals have helped Green Rise achieve key milestones listed on page 4 of this MD&A under the headings "Highlights for Q1 Fiscal 2026" and "Highlights Subsequent to Q1 Fiscal 2026".

The Company's common shares are listed on the Toronto Venture Stock Exchange (the "TSX-V") under the trading symbol "GRF.V".

The address of the Company's registered office is 2 Victoria Street, Toronto, Ontario, M5E 1L4.

The seasonal operations consist of growing, packaging and sale of produce principally to one major customer.

Highlights for Q1 Fiscal 2026

- Adjusted EBITDA for the three-month period ended March 31, 2026, came in at $(1.2) million as compared to $(1.6) million for the comparative period. A reconciliation of this non-gap measure to net income on an IFRS basis, is included on page 13 of this MD&A.

- The realization of negative Adjusted EBITDA is consistent with the seasonality of the Company's crop cycle which produces minimal amounts of revenue in the first quarter of the year as the greenhouses are prepared for the upcoming grow season. The decrease of $0.4 million in negative Adjusted EBITDA was driven primarily by four factors being (1) the earlier planting at the Company's GR1 greenhouse resulting in higher production volumes in the first quarter out of the Company's GR1 greenhouse; (2) A warmer winter which resulted in lower gas consumption; (3) additional savings as a result of cost savings identified in administrative expenditures implemented during the quarter and (4) a reduction in interest expense resulting from the recognition of a gain of $85 thousand resulting from the change in fair value on the Company's interest rate swaps ($126 thousand loss for the three-month period ended March 31, 2025 and an increase in interest expense for the prior year comparative period).

- On January 5, 2026, certain management changes were made which resulted in (i) George Hatzoglou, the Company's Chief Financial Officer, being additionally appointed as Chief Operating Officer and (ii) Abe Schmitt being appointed as Vice-President Operations. These changes also involved Adam Suder, the Company's former Chief Growth Officer, leaving the Company.

- On March 27, 2026, the Company received a $1.5 million Grower's Advance from its distribution partner, Mastronardi Produce Limited. The amount is non-interest bearing and will be repaid in full by June 30, 2026. The Grower's Advance helped the Company meets its obligations while its 2026 harvesting has ramped up. The Company also extended its purchase and marketing agreement with Mastronardi Produce Limited so that it applies to all three farms, GR1, GR2 and GR3 and the end of the initial term was amended from June 14, 2028, to December 31, 2032. Also, the Company is currently in discussions with Mastronardi Produce Limited in connection with certain clarifying amendments to be made to that marketing agreement.

- The Company's adjusted working capital deficit, improved by $1.1 million. This was primarily driven by the investment in the bearer plants and fair value adjustment on the biological assets, offset by the raw inputs and costs to set-up these assets.

	March 31, 2026	**December 31, 2025**
Working capital deficit	$42,997	$43,410
Current portion of mortgages and promissory notes	(40,123)	(39,415)
Adjusted working capital deficit	$2,874	$3,995

Highlights Subsequent to Q1 Fiscal 2026

- The 2026 crop season is progressing and as at the date of this report, fresh produce is being produced and picked at the Company's GR1, GR2 and GR3 greenhouses.

- On April 17, 2026, the Company received a letter from RBC requesting it provide a proposal on how it plans to remediate the 2025 fixed charge coverage ratio breach by May 31, 2026. The Company has submitted its proposal to RBC and expects to resolve the matter on or before June 30, 2026.

- On May 1, 2026, the Company announced the initiation of a strategic review process to identify, evaluate, and pursue potential strategic alternatives with the goal of maximizing shareholder value and liquidity (the "Strategic Review"). As part of the Strategic Review, the potential strategic alternatives could include, amongst other things, either individually or in combination, the sale of part, or all, of the assets of the Company, the sale of the Company, a merger or other business combination with another party, a going private transaction, a refinancing or recapitalization, a wind-up, or any other strategic transaction.

  The Company has not established a definitive timeline to complete the Strategic Review, or any transaction, and no decisions have been reached at this time. As such, the process is subject to unknown variables including the costs, structure, terms, timing, and outcome. There can be no assurance that the Strategic Review will result in any transaction or initiative or, if a transaction or initiative is undertaken, as to the terms or timing of such a transaction or initiative and its impact on the financial condition, liquidity, and results of operations of the Company. The Company does not intend to disclose further developments in connection with the Strategic Review until it is determined that disclosure is appropriate or necessary.

- On May 11, 2026, the Ontario Court of Appeal ("Court of Appeal") allowed Green Rise's appeal from the November 27, 2024, decision of the Ontario Superior Court of Justice ("Superior Court"). In that decision, the Superior Court had dismissed the Company's claim for insurance coverage for the March 2021 tomato crop loss at the GR2 greenhouse. The Court of Appeal set aside that dismissal and remitted the action for trial. As a result, the Company will reverse in Q2 of 2026, the $0.2 million legal reserve recorded for the costs award made by the Superior Court. The Court of Appeal also awarded Green Rise $70 thousand in appeal costs. The Company is reviewing its options and next steps.

- The formal 2026 CUSMA Joint Review is scheduled to begin on July 1, 2026, though preparatory steps and consultations have started. The ultimate impact of any government-imposed tariff actions will therefore depend on this review and other future developments that are highly uncertain and that cannot be predicted with confidence.

SIGNIFICANT TRANSACTIONS

There were no significant transactions during the quarter.

Seasonality

The nature of the food production business is predictably seasonal. Currently, the Company's growing season allows for saleable product between the months of April and December. Accordingly, Q2 and Q3 are expected to be the Company's strongest quarters. During Q4, operations begin to wind down through the month of December when management starts the process of cleaning out the greenhouse in preparation for the next growing season.

Overall Performance

SELECT QUARTERLY INFORMATION

The summary is set out in the following table. The amounts are derived from the financial statements prepared under IFRS.

($ thousands)	**Three-months ended March 31, 2026**	Three-months ended March 31, 2025
Revenues		
-Fresh produce revenues	**$664**	$233
-Rental and other revenues	**296**	278
Total revenues	**$960**	$511
Cost of Goods Sold		
-Production costs[1]	**$1,341**	$1,280
-Depreciation and amortization	**802**	729
-SG&A, excluding depreciation	**829**	1,127
-Net change in unrealized gain on biological asset	**(3,660)**	(3,589)
Income from operations	**$1,648**	$964
-Interest expense	**(475)**	(706)
-Other income -government assistance	**-**	10
-Deferred and current income tax expense	**(50)**	(5)
Net income	**$1,123**	$263

1. *Production costs include raw materials, labor, repairs and maintenance expenses and other cost of sales.*

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Results for the three-month period ended March 31, 2026

Income from Operations

Revenue

The Company generated fresh produce revenue of $664 thousand as compared to $233 thousand in the prior year period. An earlier planting of the Company's medly and piccolo varieties at the Company's GR1 greenhouse, as compared to the prior year period, resulted in an earlier pick and higher sales in the current period. Furthermore, a hot tomato market has also contributed to higher revenues generated per pound shipped on the Company's beefsteak crops which are priced at market value (vs contract pricing). The first quarter of operations typically has none or minimal sales as the crop season harvest pick typically starts in mid to late March / early April.

Production costs and depreciation

Production costs were relatively flat as compared to the prior year period. Higher labor costs were offset by a warmer winter which resulted in decreased gas consumption. The Company has hired additional labor supervisors as well as increased training to minimize repeat labor work to maximize shipped yields and crop health.

Depreciation costs came in slightly higher as compared to the prior year period. This was mainly due to higher bearer plant amortization in the current quarter ($87 thousand as compared to $39 thousand for the three-month period ended March 31, 2025) as a result of the higher sales.

SG&A

SG&A, excluding depreciation, decreased by $0.3 million as compared to the prior year period. This decrease was attributed to the following: (1) lower legal expenses ($0.1 million incurred in the prior year period as compared to nil on the Company's pursuit of insurance recoveries in respect of a 2021 crop loss); (2) Approximately $0.1 million in lower stock based compensation resulting from the non-vesting of the January 2025 Tranche 1 stock options and (3) additional cost savings identified in administrative expenditures implemented during the quarter, as compared to the prior year comparative period.

Net change in unrealized gains on biological assets

The net change in unrealized gain on biological assets remained relatively flat as compared to the prior year period. The earlier planting of medley and piccolo, resulting in more developed product on the vines as at March 31, 2026, offset the change in product mix to more beefsteak. Medley and Piccolo varieties typically have 9-10 weeks of product developing on the vine as compared to 5-6 weeks for beefsteak.

Net Income (Includes Income from operations, Interest expense, other income -governance assistance and current and deferred income tax expense)

Interest expense

Interest expense decreased by $0.2 million as compared to the prior year period. The decrease was mainly attributed to the change in the unrealized loss on the mark to market adjustment on the Company's interest rate swaps (the change resulted in a gain of $85 thousand for the three-month period ended March 31, 2026, as compared to a loss of $126 thousand for the same period in the prior year).

Other income -government assistance

There was no significant other income reported in either the three-months ended March 31, 2026, or 2025.

Current and Deferred income tax expense

Current and deferred income tax was higher for the three-month period ended March 31, 2026, reflecting the higher net income generated during the period as compared to the same three-month period ended March 31, 2025.

SUMMARY OF QUARTERLY RESULTS

($ thousands)	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024
Revenues	960	7,678	11,544	12,208	511	5,561	11,784	12,620
Income (loss) from operations	1,648	(2,597)	700	2,499	964	(4,320)	1,765	3,477
Net income (loss)	1,123	(3,098)	233	1,955	263	(3,517)	601	2,227
Basic and diluted EPS	0.02	(0.06)	0.00	0.04	0.01	(0.07)	0.02	0.04
Total assets	56,629	50,456	53,828	59,290	57,830	51,014	55,197	60,729
Total liabilities	53,616	48,609	48,750	54,604	55,246	48,812	49,484	56,125
Equity	3,013	1,847	5,078	4,686	2,584	2,202	5,713	4,604

LIQUIDITY AND CAPITAL RESOURCES

Financial Condition Review

($ thousands)	**March 31, 2026**	December 31, 2025
Cash	-	-
Working Capital Deficit[1]	(42,997)	(43,410)
Total Assets	56,629	50,456
Total Liabilities	53,616	48,609
Net Equity	3,013	1,847

1) The working capital deficit is the net of all current assets and liabilities.

The Company has in place a planning and forecasting process to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company is exposed to risks related to seasonality as there is limited revenue from January through to mid April. If the current resources and cash generated from operations is insufficient to satisfy its obligations, the Company can draw on its credit facility.

As of March 31, 2026, the Company's operating line was $5,800 of which $3,897 had been drawn leaving an undrawn balance of $1,903 ($5,800 of which $842 was drawn and $4,958 was undrawn as at December 31, 2025).

The Company had a working capital deficit of $42,997 as of March 31, 2026 ($43,410 deficit as of December 31, 2025). When the working capital deficit of $42,99.7 for the three-month period ended March 31, 2026, is adjusted for mortgage debt and the $2.6 million promissory notes, the working capital deficit is $2,874 (December 31, 2025; $3,995 -when adjusting for mortgage debt). The long-term mortgage debt and promissory notes were classified as current for two key reasons being (1) if they matured within 12-months of March 31, 2026 and (2) as a result of the fact that the Company was not in compliance with its 2025 annual fixed charge coverage ratio covenant of 1.1:1 nor the Company's requirement to clear all of its operating line balances for at least 1 business day, during the fiscal year. The Company achieved an annual fixed charge coverage ratio of 0.77:1. An additional $1.6 million would be required to bring the Company on side with the 2025 annual fixed charge coverage ratio.

The most significant factor causing the Company to be offside on its covenants was the large amount of CAPEX on plant, property and equipment ("PP&E") which took place in 2025, and which was largely funded through the Company's operating lines and accounts payable. Normalized annual CAPEX on PP&E is typically in the range of $175 thousand to $225 thousand. For 2025, a total of $1.4 million in additions were made on the Company's PP&E. Adjusting for large CAPEX on PP&E, the Company needed to generate an additional $574 thousand to satisfy the 1.1:1 annual fixed charge coverage ratio. The Company has submitted its proposal to RBC and expects to resolve the matter on or before June 30, 2026.

Interest rate risk

With the availability in its operating lines, a grower's advance of $1.5 million provided by the Company's distribution partner and agreements with certain large vendors to extend credit terms to Q2 or Q3 of 2026, the Company has made all needed investments in its bearer plants. As of the date of this MD&A, the Company has healthy plants and has commenced harvesting across all three farms, and it is anticipated that the Company will have sufficient cash flow to carry out operations throughout 2026.

Total Assets increased by $6.2 million as compared to the amount reported as at December 31, 2025. The increase was primarily driven by the investments made in the bearer plants and resulting unrealized gain in the fair value in biological assets across all three of the Company's greenhouses, as at March 31, 2026.

Total Liabilities increased by $5.0 million as compared to the amount reported as at December 31, 2025. $5.6 million of this increase was driven by increases in amounts drawn on the Company's operating lines and accounts payable as a result of investments made in the bearer plants and costs associated with operating 71.5 acres of fresh produce cultivation capacity. There was also a decrease of $0.5 million resulting from the principal payments made on the Company's mortgage debt. The remaining difference related to the reduction in the mark to market adjustment on the Company's interest rate swaps.

Equity increased by $1.2 million mainly as a result of the net income generated and the increase in contributed surplus resulting from stock option expense during the quarter.

CAPITAL MANAGEMENT

The Company considers its capital to be equity, which comprises share capital, contributed surplus and deficit, which at March 31, 2026, totaled $3,013 (December 31, 2025, $1,847).

The Company's objectives when managing capital are to safeguard its assets and maintain a competitive cost structure, continue as a going concern and provide returns to its shareholders. In addition, the Company works with all relevant stakeholders to ensure the safety of its operations and employees and to remain in compliance with all environmental regulations.

The Company manages its capital structure and makes adjustments to it in light of changes in its economic environment and the risk characteristics of the Company's assets. To effectively manage the entity's capital requirements, the Company has in place a planning, budgeting and forecasting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives.

The Company's management holds strict financial metrics when evaluating returns on greenhouses and in deciding the composition (debt vs equity) in funding deals or addressing any shortfalls in capital. The Company continued to pay down its mortgage debt (Paid $0.6 million in the first quarter of 2026 ($0.6 million in the first quarter of 2025) and utilizes its equity position in its real properties to refinance and fund deals. The Company also assesses government programs such as AgriStability, to help address any years where gross margins fall below the Company's 5-year historic gross margin average.

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. With the exception of its one mortgage on its GR1 property and the GR3 mortgage which have open rate interest rates, the Company's loans have fixed rates of interest and are therefore subject to the risk of changes in fair value if the prevailing interest rate were to increase or decrease. To mitigate the interest rate risk on open variable loans, the Company uses derivative financial instruments (interest rate swaps) to exchange the variable rate inherent in the long-term debt for a fixed rate.

CONTRACTUAL OBLIGATIONS

As at March 31, 2026, the payments due by period are set out in the following table:

($000s)	**Total**	**Less than 1 year**	**1 to 5 years**	**Over 5 years**
Operating line	4,660	4,660	-	-
Trade payables	6,743	6,743	-	-
Growers advance	1,500	1,500		
Payable to 2073834 Ontario Ltd.	453	453	-	-
Lease obligations	137	63	74	-
Promissory note	2,562	2,562	-	-
Mortgage loans	37,561	37,561	-	-
Total	53,616	53,542	74	-

COMMITMENTS

As at March 31, 2026, the payments due by period are set out in the following table:

($000s)	**Total**	**Less than 1 Year**	**1 – 5 Years**	**After 5 Years**
Purchase commitments	691	691	-	-

Purchase commitments consist of commitments to acquire gas through to February 2027.

On March 27, 2026, the Company extended its Marketing Agreement with Mastronardi Produce Limited so that it applies to all farms, GR1, GR2 and GR3 and the end of the initial term was amended from June 14, 2028, to December 31, 2032. The Company is currently in discussions with Mastronardi Produce Limited in connection with certain clarifying amendments to that agreement as extended.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

CONTINGENCIES

The Company is party to property acquisition agreements that include contractual obligations related to the severance of land and the management of associated infrastructure. The Company is currently engaged in a dispute with regulatory authorities regarding the compliance of these works. Management maintains that all activities have been performed in accordance with applicable municipal and regulatory requirements and is contesting the requirement to comply. The Company anticipates a resolution to this matter in the near term and expects that all associated permits will continue to be maintained. Under the terms of the acquisition agreement, the counterparty is contractually responsible for the costs of all required remediation. Due to the ongoing nature of this dispute, the final scope and associated costs of remediation cannot be reasonably estimated at this time; however, the Company does not believe the resolution of this matter will have a material adverse effect on its financial position given the indemnification in place.

The Company is, from time to time, involved in various claims and legal proceedings. The Company cannot reasonably predict the likelihood or outcome of these activities. The Company does not believe that adverse decisions in any pending, threatened or potential proceedings related to any matter, or any amount which may be required to be paid by reasons thereof, will have a material effect on the financial condition or future results of operations other than certain employment contract claims that are ongoing. The Company has not disclosed the information pertaining to certain employment contract claims so as not to prejudice the Company's position in defending such claims.

TRANSACTIONS BETWEEN RELATED PARTIES AND KEY MANAGEMENT COMPENSATION (IN THOUSANDS UNLESS OTHERWISE STATED)

Key management personnel are those persons having authority for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company’s executive officers and members of its Board of Directors. For the three-month period ended March 31, 2026, the Company paid $130 in management salaries (March 31, 2025: $230) and had $37 in stock-based compensation (March 31, 2025: $111). The Company also paid $13 in mileage reimbursements to certain officers for the use of their personal vehicles used for business purposes (March 31, 2025: $16). The mileage reimbursement was in accordance with prescribed Canada Revenue Agency mileage rates. Finally, $1 was paid to certain officers for gym memberships and fees. For the three-month period ended March 31, 2026, the Company paid $27 for the utilization of the 2 Victoria Street, Toronto office, which is owned by two officers of the Company (March 31, 2025: $Nil).

As of March 31, 2026, the Company also held a non-interest-bearing note receivable for $82 (December 31, 2025, $82) from its former Chief Growth Officer. The $82 is expected to be settled in Q2 of fiscal 2026.

On June 30, 2022, the Company acquired its third greenhouse range from 2073834 Ontario Ltd., (“207”) a company principally controlled by Adam Suder the Company’s former Chief Growth Officer. Total consideration for this acquisition was $15,051. Of this amount $14,634 has been paid in cash and $417 is outstanding. In addition, a total of $36 in finance related costs are also outstanding. The amounts due to 207 have been included as a note payable in current liabilities in the Consolidated Statement of Financial Position. However, the Company must obtain the Royal Bank of Canada’s approval for the payment of this liability. The Company is working with RBC to settle this liability in Q2 of fiscal 2026.

On August 29, 2024, the Company issued to three directors of the Company, or family corporations controlled by them or with which they have a relationship (“the Lenders”), an aggregate of $1.2 million of non-convertible promissory notes (“the Notes”), evidencing three separate loans to the Lenders in the principal amount of $400 each. A total of $25 was paid in interest on the Notes in the three months ended, March 31, 2026 (March 31, 2025: $25).

RISKS AND UNCERTAINTIES

There are a number of risk factors that could cause future results to differ materially from those described herein. These risks have been identified in the December 31, 2025 consolidated financial statements and on page 2, 3, 11 and 12 of this MD&A. Additional risks and uncertainties, including those that the Company does not know about or that it currently deems immaterial, could also adversely affect the Company's business and results of operations.

A significant outbreak of epidemic, pandemic or contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, including the geographical area in which the Company operates, resulting in an economic downturn that could affect demand for its services. As of the date of this management discussion and analysis, the Company's operations have been classified as an essential service and there has been no disruption to the current operating activities. The extent to which a future epidemic, pandemic or contagious disease occurs it may significantly impact the results and operations of the Company and will depend on further developments, which are highly uncertain and cannot be predicted.

The United States Government has imposed tariffs on a variety of goods imported into the United States from Canada and other countries. In response to these actions, the Government of Canada has responded with counter tariffs on goods imported into Canada from the United States. At this time, the impact of these actions on the Company are unknown. The ultimate impact of any government-imposed tariff actions will therefore depend on future developments that are highly uncertain and that cannot be predicted with confidence.

CRITICAL ACCOUNTING JUDGMENT AND ESTIMATION UNCERTAINTIES

Areas where critical accounting estimates and judgments have the most significant effect on the amounts recognized in the financial statements include:

- Estimated useful life of property, plant and equipment

  Management estimates the useful lives of property, plant and equipment based on the period during which the assets are expected to be available for use. The amounts and timing of recording expenses for depreciation of property, plant and equipment for any period are affected by these estimated useful lives. The estimates are reviewed at least annually and are updated if expectations change as a result of physical wear and tear, technical or commercial obsolescence and legal or other limits to use. It is possible that changes in these factors may cause significant changes in the estimated useful lives of the Company's property, plant and equipment in the future.

- Leases:

  The Company uses judgement to determine the incremental borrowing rate used to calculate the initial liability and corresponding asset. The incremental borrowing rate is the rate of interest that a lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar value to the right-of use asset in a similar economic environment.

- Estimated fair value of biological assets

  The estimates and underlying assumptions are reviewed on an ongoing basis. The most significant estimates include those related to the valuation of biological assets (See Note 4 to the Green Rise 2025 consolidated financial statements). Biological assets are measured at the fair value less costs to sell, which is calculated as expected sales of harvested biological produce, less costs to sell and costs to complete. Management estimates the sales price of the produce on the vine by utilizing actual sales prices in the following period, estimates the expected yield based on historical production and estimates the costs to sell and costs to complete, which includes packaging and transportation costs. Stage of growth and remaining costs to complete for in-progress produce are estimated by management based on historical production. The estimated inputs are subject to fluctuations based on the timing and prevailing growing conditions and market conditions.

- Bearer plants

  The classification of bearer assets is a significant judgment. Expenditures for bearer plants are recorded in investing activities on the statement of cash flows. Bearer plants are depreciated based on the estimated yield profile of the plants over their life. The amounts and timing of recorded expense for depreciation of bearer plants for any period are affected by the estimate of useful lives.

- Going Concern

  The Company had a working capital deficit of $42,997 as of March 31, 2026 (working capital deficit of $43,410 as of December 31, 2025). The Company's ability to continue as a going concern is dependent on its ability to generate sufficient cash flows from its operations to meet its obligations as they come due and to have adequate cash resources at the end of the year to fund the investment required to set-up the following year's bearer plants.

  Managing crop health, operational processes and costs (and particularly labor efficiencies) and the ability to participate and retain employees through the temporary foreign worker programs are critical to the Company's cash flow generation capabilities. The Company also depends on certain levels of sunlight to help achieve its annual production yields. The application of the going concern assumption is dependent upon the Company's ability to generate future profitable operations that are in line with its annual financial plan and to fund its CAPEX needed to sustain its greenhouse infrastructure.

  The Company was in breach to comply with its annual fixed charge coverage ratio ("the financial covenant") as well as the requirement to zero out its operating lines for at least 1 business day, for the year ended December 31, 2025. The financial covenant requires the Company to maintain a ratio of 1.1:1. For the year-end December 31, 2025, the Company's financial covenant was 0.77:1. On April 17, 2026, the Company received a letter from RBC requesting (see note 16 to the March 31, 2026 interim condensed consolidated financial statements) it provide a proposal on how it plans to remediate the shortfall by May 31, 2026. The Company has submitted its proposal to RBC and expects to resolve the matter on or before June 30, 2026. While the Company has been successful in the past in remediating its covenant breaches and refinancing its mortgages, there is no assurance that it will be successful in closing the refinance or obtaining additional waivers of covenant breaches if required in the future. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

New accounting standards issued but not effective

IFRS 18 – Presentation and Disclosure in Financial Statements

On April 9, 2024, the IASB issued IFRS 18 "Presentation and Disclosure in the Financial Statements" ("IFRS 18") replacing IAS 1. IFRS 18 introduces categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures, and requirements to improve the aggregation and disaggregation of information in the financial statements. As a result of IFRS 18, amendments to IAS 7 were also issued to require that entities use the operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities and also to remove presentation alternatives for interest and dividends paid and received. Similarly, amendments to IAS 33 "Earnings per Share" were issued to permit disclosure of additional earnings per share figures using any other component of the statement of profit or loss, provided the numerator is a total or subtotal defined under IFRS 18. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and is to be applied retrospectively, with early adoption permitted. The Company is currently assessing the impact of the standard on its financial statements.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that material information is gathered and reported to senior management to permit timely decisions regarding public disclosure. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Venture issuers are not required to provide representations in their annual and interim filings relating to the establishment and maintenance of DC&P and ICFR as defined in National Instrument 52-109 -Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"). In particular the Chief Executive Officer and Chief Financial Officer are not required to make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and (b) process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with IFRS.

OUTSTANDING SHARE DATA

As at the date of this MD&A, 47,639,066 total shares and 2,235,001 stock options were outstanding.

APPROVAL

The Board of Directors of the Company approved the disclosure in this MD&A on May 29, 2026.

NON-IFRS MEASURES

The Company has presented certain non-IFRS financial measures and non-IFRS ratios in this document. The Company believes these measures and ratios, while not a substitute for measures of performance prepared in accordance with IFRS, provide investors an improved ability to evaluate the underlying performance of the Company. These measures do not have any standardized meaning prescribed under IFRS and therefore may not be comparable to other issuers.

EBITDA and Adjusted EBITDA

The Company utilizes EBITDA and Adjusted EBITDA to measure its financial performance. Earnings before interest, taxes, depreciation, and amortization (EBITDA) and Adjusted EBITDA are a non-IFRS financial measure and non-IFRS ratios, respectively, and are common financial performance measures in the agricultural industry; however, they have no standard meaning under IFRS. EBITDA represents earnings before interest, income taxes, depreciation, and amortization. EBITDA is then adjusted to include or exclude specific items that are relevant or irrelevant to the Company's annual cash flow generation such as: (1) bearer plant amortization and unfunded normalized CAPEX; (2) non-cash items such as stock-based compensation and the net change in unrealized (gain) loss on biological assets and (3) non-reoccurring items such as certain one-time legal or acquisition related expenses. The objective of Adjusted EBITDA is to present the annual cash flows generated by the Company before interest and principal repayments on its debt obligations.

	Three-months ended	
($ thousands)	**March 31, 2026**	March 31, 2025
Net earnings	**$1,123**	$263
Additions (Deductions)		
Depreciation	**802**	729
Interest expense	**475**	706
Current and Deferred income tax expense	**50**	5
EBITDA	**$2,450**	$1,703
Additions (Deductions)		
Bearer plant amortization	**$(87)**	$(39)
Unfunded CAPEX	**(52)**	(9)
Stock based compensation	**43**	119
Non-recurring legal fees	**-**	109
Employee severance	**108**	118
Net change in unrealized gain on biological assets	**(3,660)**	(3,589)
Adjusted EBITDA	**$(1,198)**	$(1,588)

Adjusted Loss

The Company utilizes adjusted earnings (defined as net earnings adjusted for (1) non-recurring expenses such as impairment on bearer plants and purchase price adjustments allocated to assets other than property, plant and equipment and (2) unrealized (gains) and losses in biological assets and mark to market adjustments on the interest rate swaps. Adjusted earnings are not recognized measures under IFRS; however, management believes that adjusted earnings is a useful supplemental measure to net earnings as these measures provide readers with an indication of recurring earnings compared to prior periods. The Company calculates adjusted earnings as follows:

	Three-months ended	
($ thousands)	**March 31, 2026**	March 31, 2025
Net earnings	**$1,123**	$263
Additions (Deductions)		
Change in unrealized (gain) loss on mark to market adjustment on interest rate swaps	**(85)**	126
Non-recurring legal fees	**-**	109
Employee severance	**108**	118
Net change in unrealized (gain) on biological assets	**(3,660)**	(3,589)
Adjusted Net loss	**$(2,514)**	$(2,973)

Selected Production Cost Ratios to Produce Sales

The Company utilizes Adjusted Labor and Adjusted Production costs as a percentage of produce sales to measure its financial performance. Adjusted Labor and Adjusted Production costs are not recognized measures under IFRS; however, management believes that Adjusted Labor and Adjusted Production costs as a ratio to produce sales is a useful supplemental measure to provide readers with an indication of margins as compared to reoccurring costs in prior periods. These ratios are not shown in Q1 given the seasonality of the business as minimal revenues occur in Q1. The ratios will be illustrated in the Q2, Q3 and Q4 MD&As.