

# Arris Holdings Inc.

**Arris Holdings Inc.**  
**Management Discussion & Analysis**

Year ended September 30, 2013.

## Management's Discussion and Analysis

The following is management's discussion in respect of the results of operations and financial position of Arris Holdings Inc. Corp. (the "Company" or "AHI") for the year ended September 30, 2013 and should be read in conjunction with the Company's audited annual financial statements for the same year ended September 30 2013, which have been presented in accordance with International Financial Reporting Standards. The financial statements of the Company are presented in Canadian dollars. Additional information, including the above mentioned financial statements, which contain extensive disclosure of the history and properties of the Company are available on SEDAR and may be accessed at [www.sedar.com](http://www.sedar.com).

This MD&A has been prepared effective as of December 19, 2013.

### Forward Looking Statements

*The information presented in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, "forward-looking statements" or "forward-looking information" (collectively "forward-looking statements") as those terms are used in the Private Securities Litigation Reform Act of 1995 and similar Canadian laws.*

*Such forward-looking statements, including but not limited to those with respect to the price of metals, the timing and amount of estimated future mineralization and economic viability of properties, capital expenditures, costs and timing of exploration projects, permitting timelines, title to properties, the timing and possible outcome of pending exploration projects and other factors and events described in this MD&A involve known and unknown risks, uncertainties and other factors such as general economic and business conditions, change in foreign currency exchange rates, and other factors, which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Since forward looking statements address future events and conditions, by their nature, they involve inherent risks and uncertainties. Readers should verify all claims and do their own due diligence before investing in any securities mentioned or implied in this document. Investing in securities is speculative and carries a high degree of risk.*

*These statements are based on management's current expectations and are subject to a number of uncertainties and risks that could cause actual results to differ materially from those described in the forward-looking statements. Forward-looking statements are based on management's current plans, estimates, projections, beliefs, and opinions and we do not intend nor do we undertake any obligation to update or revise any forward-looking statements whether written or oral that may be made by or on the Company's behalf should the assumptions related to these plans, estimates, projections, beliefs and opinions change, except as required by securities law.*

*The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward looking statements.*

<b><i>Forwarding looking statements</i></b>	<b><i>Assumptions</i></b>	<b><i>Risk factors</i></b>
<i>Management will consider to further raise capital in the future to finance the Company's operations through equity or debt financing, including related party loan.</i>	<i>Based on the past history of the Company, the Company was able to raise funds when needed through either private placement or debt financing.</i>	<i>Change in interest rate, support by related parties, change in condition of capital market</i>

### **About Arris Holdings Inc.**

Arris Holdings Inc. was incorporated on October 30, 2009 under the Business Corporations Act (British Columbia). The common shares of the Company are currently traded on the Canadian National Stock Exchange under the Symbol AAF.

### **Overall Performance**

The Company is an exploration stage company whose principal activity is the exploration and development of mineral properties.

The Company fully impaired its mineral properties in the last year and the Company is currently pursuing new investment opportunities .

Subsequent to the year ended September 30, 2013, Mr. Charles Larsen was appointed the Company's director and chief executive officer on December 12, 2013. Mr. Larsen brings to Arris a great deal of experience and expertise in the Hemp industry. The appointment of Mr. Larsen to the board marks the beginning of a new era for Arris. The Company will immediately begin shifting its business model to focus on the emerging global hemp industry.

In December 2013, the Company incorporate a wholly owned subsidiary in the U.S.A. Dr. Reid Jilek and Donald Steinberg were appointed to directors of its U.S. subsidiary on December 18, 2013. This newly formed US subsidiary will focus on opportunities unfolding in the emerging hemp industry in the United States.

Arris will hold its Annual General Meeting on February 7, 2014 at which time shareholders will be requested to vote on a proposed name change to Global Hemp Group, Inc. and on a 5 for 1 forward stock split.

### **Selected Annual Information**

Selected annual information of the Company in the last three years is as follows:

	2013	2012	2011
	\$	\$	\$
Revenues	-	-	-
Net loss	66,203	116,199	396,187
Net loss per share, basic and diluted	0.00	0.01	0.02
Total assets	812	16,373	46,040
Total long term liabilities	-	-	-
Cash dividend	-	-	-

## Selected Quarterly Information

The following table summarizes the results of operations for the Company's eight most recent quarters.

	Quarter Ended							
	September 30, 2013	June 30, 2013	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012	December 31, 2011
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue	-	-	-	-	-	-	-	-
Loss(gain) from disposition of investment	-	-	-	-	-	-	(10,905)	-
Loss (gain) from market value adjustment of investments	-	-	-	-	-	-	12,500	(12,500)
Operating expenses	22,176	18,750	11,310	13,967	26,291	15,440	31,849	17,617
Loss from continued operations	22,176	18,750	11,310	13,967	62,198	15,440	33,444	5,117
Loss per share, basic and diluted	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

The Company is an exploration stage company and its result of operation is not subject to seasonality. Management expects operating costs to remain low while AHI remains an exploration stage company.

## Results of Operations

### Year Ended September 30, 2013 ("Fiscal 2013")

As an exploration stage company, the Company has not earned any revenue since inception, and does not expect to have revenue in the foreseeable future. Loss for Fiscal 2013 was \$66,203 (Fiscal 2012 – loss of \$116,199). The \$66,203 loss was mainly a combined result of a \$nil gain from the Company's investments (Fiscal 2012 - \$10,905 gain), loss from exploration and evaluation asset impairment of \$nil (Fiscal 2012 – loss of \$10,907), loss from provision for promissory note receivable of \$nil (Fiscal 2012 – loss of \$25,000), and operating expenses of \$66,203 (Fiscal 2012 –\$91,197).

The gain from the Company's investments, impairment loss, and loss from provision for note receivable were incidental in Fiscal 2012 and were non-recurring in nature.

The \$66,203 operating expenses consisted mainly of \$5,000 in consulting fees (Fiscal 2012 - \$35,000), \$30,000 of occupancy costs (Fiscal 2012 - \$27,881), and \$13,142 in trust and filing fees (Fiscal 2012 - \$15,036). The operating expenses in Fiscal 2013 are generally lower as management intends to curtail its operations until the Company is able to secure additional financing to meet its long term business objectives.

As at September 30, 2013, the Company had \$812 cash (September 30, 2012 - \$6,302), accounts payable and accrued liabilities of \$31,591 (September 30, 2012 - \$130,949), and \$1,874,000 share capital (September 30, 2012 - \$1,724,000)

On January 10, 2013, the Company closed a private placement and issued two millions of units at \$0.75/unit. The \$150,000 gross proceeds are used for general operation purposes. Each unit consists of one common share in the equity of the Company and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of \$0.10 per share for a period of two years. The \$150,000 proceeds were used to finance the operations during Fiscal 2013 and for the partial pay down of the Company's accounts payable.

#### Three Months Ended September 30, 2013 (“2013 Q4” or the “Current Quarter”)

Loss for the Current Quarter was \$22,176 (2012 Q4 – loss of \$62,198). The \$22,176 loss was a result having operating expenses of \$22,176 (2012 Q4–\$26,291), non-recurring loss from exploration and evaluation asset of \$nil (2012 Q4 – loss of \$10,907), and non-recurring loss from note receivable provision of \$nil (2012 Q4 – loss of \$25,000).

The \$22,176 operating expenses consisted mainly of \$8,350 in professional and consulting fees (2012 Q4 - \$7,723), \$7,500 of occupancy costs (2012 Q4 - \$10,119), and \$5,708 in trust and filing fees (2012 Q4 - \$7,114). The operating expenses in the Current Quarter are not significantly different to 2012 Q4 as the Company were curtailing expenses in both quarters.

#### **Liquidity and Capital Resources**

Financing of operations has been achieved primarily through equity financing. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they are due. As at September 30, 2013, the Company had a working capital deficiency of \$30,779. Subsequent to the year ended September 30, 2013, the Company issued two promissory notes to an unrelated party for the agreement amount of \$40,000 (the “Borrowing”) to improve its liquidity. These promissory notes bear interest at 5% per annum. As of the date of this MD&A, \$20,000 of the funds has been advanced to the Company. This Borrowing is un-secured and will mature on December 31, 2014.

Management will consider to further raise capital in the future to finance the Company's operations through equity or debt financing, including related party loan.

While the Company believes it will be able to raise additional financing when required, there is no guarantee that the Company can complete equity or debt financings in the future. There are inherent risks associated with the equities market and fluctuations in this market could negatively impact the Company's liquidity and access to capital resources. See the “Risks and Uncertainties” for further discussion of the risks the Company may have.

The Company does not have capital commitments and its capital resources are not subject to external restrictions.

During Fiscal 2013, the Company received \$150,000 from its financial activities by issuing two million units at \$0.075/unit to finance the operation of the Company.

During Fiscal 2013, the Company had no cash inflow/outflow from its investing activities.

#### **Proposed Transactions**

There are no proposed transactions that may have material impact to the Company except the proposal change of business focus discussed in the section of “Overall Performance”.

## Outstanding Share Data

As at the date of this MD&A, the Company has the following shares or equities that are convertible to the Company's share capital:

Class A Common Shares	23,583,372
Warrants	-2,000,000-
Stock Options	-0-

## Off-Balance Sheet Arrangements

The company does not have off-balance sheet arrangements.

## Transactions with Related Parties

Related Party	Year Ended September 30,		Description
	2013	2012	
A&A Progressive Development Ltd. (i)	\$ 30,000	\$ 11,881	Occupancy cost
Innovative Properties Inc. (ii)	\$ 5,000	\$ -	Consulting fees
Cabmerl Industries Ltd. (i)	\$ nil	\$ 16,000	Occupancy cost
	\$ nil	\$ 35,000	Consulting fees

(i) Lucky Janda, a former director of the Company and a family member of the Company's CEO as at September 30, 2013 (Sandy Janda), is also a director of Cabmerl Industries Ltd. ("Cabmerl") and A&A Progressive Development Ltd. ("A&A").

(ii) The CEO of Innovative Properties Inc. is a family member of the Company's CEO as at September 30, 2013, Sandy Janda. Innovative Properties provide administrative/regulatory compliance services to the Company.

On May 1, 2010, AHI entered into a lease agreement and a consulting agreement with Cabmerl Industries Ltd. The monthly rent and consulting fees are \$2,000 and \$5,000, respectively. The two agreements with Cabmerl were terminated on May 31, 2012.

In May 2012, the Company entered into a lease agreement with A&A for monthly rent of \$2,500. This rental agreement can be terminated with a 30-day notice.

As at September 30, 2013, the Company's accounts payable and accrued liabilities balance included a \$nil payable balance owing to Cabmerl (September 30, 2012- \$94,080), and \$17,637 payable owing to A&A (September 30, 2012- \$11,200). Related-party payables are un-secured and non-interest bearing.

## Financial Instruments and Other Instruments

Refer to Notes 3 and 11 to the Company's audited financial statements for the year ended September 30, 2013.

## Changes in Accounting Policies including Initial Adoption

Refer to Notes 3 to the Company's audited financial statements for the year ended September 30, 2013.

## **Risks and Uncertainties**

Risks of the Company's business include the following:

### New Business

Our business is subject to risks inherent in the establishment of a new business enterprise, such as limited historical financial information, limited capital resources and the inability to raise additional funds when required. No commitments to provide additional funds have been made by management or other shareholders.

### Dilution to the Existing Shareholders

The Issuer has no other capital resources other than the ability to use its common stock to raise additional capital. The issuance of additional equity securities by the Issuer could result in a significant dilution in the equity interests of existing shareholders.

### Reliance on Management's Expertise

AHI strongly depends on the business acumen and investing expertise of its management team and there is little possibility that this dependence will decrease in the near term. The loss of the services of any member of such team could have a material adverse effect on the Issuer. AHI does not have any key person insurance in place for management. Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive.

### Permits and Licenses

The hemp industry may require the Company to obtain regulatory or other permits and licenses from various governmental licensing bodies. There can be no assurance that the Company will be able to obtain all necessary permits and licenses that may be required to carry out the Company's hemp business.

### Conflicts of Interest

Certain of the directors of the Company also serve as directors and/or officers of other companies in similar line of business. 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.

## **Financial and Disclosure Controls and Procedures**

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make. Investors should be aware that inherent limitations on the ability of the Company's certifying officers to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

In connection with Exemption Orders issued in November 2007 and revised in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the certificate under National Instrument (“NI 52-109”) (Certification of Disclosure in Issuer’s Annual and Interim Filings), the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

**Directors and Officers**

Navchand Jagpal	Director
Lucky Janda	Former director (resigned on April 26, 2013)
Sandy Janda	Ex - CEO (resigned on December 12, 2013), director
Jack Bal	Ex- Director (resigned on December 12, 2013)
Mikhail Gurfinkel	Director (appointed on November 4, 2013)
Jamie Lewin	Chief Financial Officer
Charles Larsen	Director and Chief Executive Officer (appointed on December 12, 2013)