Greenway Greenhouse Cannabis Corporation

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the three and six months ended September 30, 2021

This Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of Greenway Greenhouse Cannabis Corporation (the "Company" or "Greenway"), is for the three and six months ended September 30, 2021, and the comparable period in 2020. It is supplemental to, and should be read in conjunction with, the Company's condensed interim financial statements and the accompanying notes for the three months ended September 30, 2021 (the "Financial Statements"), and the audited annual financial statements for the years ended March 31, 2021 and 2020. Such financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). This MD&A has been prepared by reference to the MD&A disclosure requirements established under National Instrument 51-102 - *Continuous Disclosure Obligations* ("NI 51-102") of the Canadian Securities Administrators.

In this MD&A, reference is made to adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA") which does not have any standardized meaning under IFRS and is not a measure of financial performance under IFRS, and therefore, may not be comparable to similar measures presented by other companies. Management believes this measure provides useful information as it is a commonly used measure in the capital markets and as it is a close proxy for repeatable cash generated by operations.

The Company calculates Adjusted EBITDA as net income (loss) plus (minus) income tax expense (recovery), plus (minus) interest expense (income), net, minus rental income, plus (minus) non-cash fair value adjustment on sale of inventory, plus (minus) non-cash fair value adjustment on growth of biological assets, plus amortization, plus share-based compensation, plus impairment, plus transaction costs and certain one-time non-operating expenses, as determined by management.

All dollar amounts in this MD&A are expressed in Canadian dollars unless otherwise indicated.

This MD&A contains forward-looking information within the meaning of Canadian securities laws. Refer to "Cautionary Note Regarding Forward-Looking Statements" for cautionary statements regarding forward-looking statements.

This MD&A is prepared as of November 24, 2021.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this MD&A are forward-looking statements, which reflect management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future and include statements with words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", or similar words suggesting future outcomes or statements regarding an outlook, or other expectations, beliefs, plans objectives, assumptions, intentions or statements about future events or performance. The forward-looking statements are included principally in the following sections of this MD&A: "Description of Business", "Highlights for the Period", "Results of Operations", and "Liquidity." Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this MD&A. There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" in the Company's long form non-offering prospectus dated September 3, 2021 and filed under the Company's profile at www.sedar.com (the "Prospectus"). 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:

- impact of novel coronavirus “COVID-19”;
- ability to raise required additional capital;
- limited operating history;
- ability to achieve revenue growth and development;
- ability to realize growth targets;
- forward looking statements may prove to be inaccurate;
- costs related to its investment in infrastructure, growth, research and development, regulatory compliance and operations;
- inability to turn a profit or generate immediate revenues;
- operating in a novel industry;
- supply and demand fluctuations;
- inaccuracy of market data;
- regulatory risks and uncertainties;
- supply chain issues;
- reliance on a single facility;
- uncertainty of licensing and regulatory approvals;
- regulatory compliance risks;
- marketing limitations in regulated industry;
- effect of rapid growth and consolidation on key relationships;
- industry competition;
- effect of negative publicity;
- effect of end of product for consumer;
- product development and profitability;
- novel products and market competition;
- effect of clinical research on public perception and medical efficacy, safety and social acceptance;
- consumer preference and customer retention;
- impact of Canadian Free Trade Agreement;
- compliance with import and export laws;
- attraction and retention of key personnel;
- impact of entering into strategic alliances, contractual relationships, joint ventures or other relationships;
- impact of future acquisitions or dispositions;
- agricultural risks;
- disruption of key utilities and lack of skilled labour;
- rising energy costs;
- efficacy of quality control systems;
- product recalls;
- product liability;
- safety, health and environmental laws and regulations;
- fraudulent or illegal activity by employees, contractors and consultants;
- litigation;
- reliance on information technology systems and potential impact of cyber-attacks;
- liability or the threat of liability in relation to personal and confidential information;
- protection and enforcement of intellectual property rights, or intellectual property it licensed from others;
- breaches of security;
- incurring additional indebtedness;
- adequate internal controls over financial reporting;
- material weakness in its internal controls and loss of confidence;
- negative operating cash flow;
- credit risk;
- changes to tax and accounting requirements;
- securing adequate insurance;
- accuracy of forward looking statements;
- the price of the Common Shares in public markets may experience significant fluctuations;
- impact of published content and research from industry analysts;
- dilution of current shareholders through additional share issuances from treasury;
- no anticipated dividends; and

- ongoing reporting requirements under applicable securities laws and stock exchange policies.

Although the forward-looking statements contained in this MD&A are based upon what management currently believes to be reasonable assumptions, the Company cannot provide any assurance that actual results, performance or achievements will be consistent with these forward-looking statements. In particular, management of the Company have made assumptions regarding, among other things:

i. the availability of financing at all or on reasonable terms;
ii. the Company's ability to successfully execute its plans and intentions, including with respect to expansion of the Company's cultivation facilities;
iii. general business and economic conditions, particularly in the Canadian medicinal and adult-use cannabis markets;
iv. regulation of the markets in which we operate;
v. the Company's ability to attract and retain skilled staff;
vi. market competition, including the products and technology offered by the Company's competitors; and
vii. maintenance of our current positive relationships with our suppliers, service providers and other third parties.

Although we believe that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and we cannot assure that actual results will be consistent with these forward-looking statements. The above risks, uncertainties, assumptions and other factors could cause Greenway's actual results, performance, achievements and experience to differ materially from Greenway's expectations, future results, performances or achievements expressed or implied by the forward-looking statements.

In addition to the factors set out above and those identified under "Risk Factors" in this MD&A, other factors not currently viewed as material could cause actual results to differ materially from those described in the forward-looking statements. Although Greenway 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.

DESCRIPTION OF BUSINESS

Greenway is licensed to cultivate, process and sell (B2B) under the *Cannabis Act* (Canada), having obtained its nursery licence and standard cultivation licence (collectively, the "**Licences**") pursuant thereto. The Company's business model is to cultivate, bulk package, and wholesale high quality dry bud cannabis to other cannabis companies that are licensed pursuant to the *Cannabis Act* (Canada) and the Cannabis Regulations ("Licensees"). The Company was incorporated under the laws of the *Business Corporations Act* (Ontario) on July 9, 2018. The Company's registered office is 1478 Seacliff Drive, Kingsville, Ontario, N9Y 2M2.

The Company has a licensed indoor nursery as well as a separate licensed greenhouse for standard cultivation. The nursery is currently used to safely store and maintain mother plants and genetics, as well as to propagate clones and vegetative plants for the greenhouse. Due to the propagation services being conducted at the nursery, nearly the entire footprint of the greenhouse is used for flowering cannabis plants. The licensed greenhouse facility is approximately 41,750 square feet (excluding processing and office space) within a produce greenhouse facility that is currently operating an aggregate of approximately 1,800,000 square feet (inclusive of Greenway's cultivation facility). Greenway has the right to expand within the facility and may do so in the future. The estimated production capacity is 6,000 kilograms per year or approximately 150 grams per square foot per annum. The Company is currently selling the following cannabis strains: Sun County Kush, Lemon Pound Cake, Blackberry Gelato and Gorilla Glue.

The Company is a reporting issuer in the Province of Ontario and its common shares are currently listed on the Canadian Securities Exchange ("CSE") under the symbol "GWAY".

HIGHLIGHTS FOR THE PERIOD

The following highlights occurred during the first quarter ended June 30, 2021:

On May 5, 2021, the Company closed the final tranche of a private placement and issued 2,458,000 common shares from treasury for $0.50 per share. The Company paid aggregate finders fees and administrative fees of $16,214 related to the tranche. The net cash proceeds of $1,212,786 were used for working capital purposes.

On May 11, 2021, the Company finished harvesting the final area of its first crop of cannabis. At June 30, 2021, all product was within the processing cycle (drying, bucking, curing, trimming, packaging). The entire grow period, from cloning to harvest, was approximately 18 weeks. The length of this grow period was greater than expected, as the period in the Company's nursery located at 1478 Seacliff Drive, Kingsville, Ontario (the "**Nursery**") was extended while the Company waited to receive the standard cultivation license from Health Canada for the greenhouse and processing facility located 1102 Mersea Road 5 in Leamington, Ontario (the "**Cultivation Facility**"). **[In future periods, management expects the plants to grow for 4 to 5 weeks in the Nursery and 9 to 10 weeks in the Cultivation Facility. With an expectation of 9 to 10 weeks for flowering, and extra capacity in the Nursery, the Company expects to produce 5 crop cycles per year.]**

The following highlights occurred during the second quarter ended September 30, 2021:

On July 28, 2021, the first shipment of bulk packaged, dried cannabis was received by a customer and the first cannabis revenue was recorded by the Company. During the three months ended September 30, 2021, the Company sold and shipped 1,008,765 grams of cannabis to six customers, representing approximately 64% of its first harvested crop.

The Company harvested its second crop during this period, which was still in processing at quarter-end. The Company experienced challenging growing conditions in the summer of 2021 due to unusually high temperatures and humidity levels. Yields are expected to be lower in summer crops, and the Company expects to compensate for this with improved yield rates for the remainder of the fiscal year.

On September 3, 2021, the Company filed the Prospectus and on September 21, 2021, the Company's common shares began trading on the CSE.

As filed on October 19, 2021, in a press release, the Company's unique strains *Sun County Kush* and *Blackberry Gelato* are now available on the Ontario Cannabis Store ("OCS") and retail stores via white labelled retail store products. They are also available in Alberta, Manitoba, Saskatchewan, and British Columbia.

The Company achieved positive Adjusted EBITDA of $272,444 during the second quarter.

OVERALL PERFORMANCE

As the three-month period ended September 30, 2021, is the first period of recognized revenue, management believes that it would not be meaningful to comment on the performance of the year-to-date (six month) period, with the exception of the cash flow statement.

During the three months ended September 30, 2021, the Company generated its first cannabis revenue of $1,156,930. The cost of sales was $624,667 resulting in a gross margin before fair value adjustments of 46.0%.

The net assets of the Company increased from $10,263,759 as at March 31, 2021 to $10,450,036 at September 30, 2021, an increase of $186,277. The assets at September 30, 2021 consist primarily of property, plant and equipment of $23,724,139 (March 31, 2021 - $20,687,193), cash of $2,090,790 (March 31, 2021 – $3,456,555), accounts receivable of $890,037 (March 31, 2021 - $nil), inventory of $1,225,789 (March 31, 2021 - $nil), biological assets of $500,267 (March 31, 2021 - $888,772), and government remittances receivable and prepaid expenses and deposits of $150,551 (March 31, 2021 - $77,804).

Liabilities as of September 30, 2021 consist of accounts payable and accrued liabilities of $1,014,505 (March 31, 2021 - $896,024), share capital deposits of $nil (March 31, 2021 - $105,500), lease liabilities of $6,012,203 (March 31, 2021 - $2,777,990), and long-term debt of $4,695,000 (March 31, 2021 - $10,514,063). Current portions of lease liabilities and long-term debt were $215,379 (March 31, 2021 - $95,488) and $6,194,450 (March 31, 2021 - $457,500).

RESULTS OF OPERATIONS

Greenway Greenhouse Cannabis Corporation

Condensed Interim Statements of Income (Loss) and Comprehensive Income (Loss)

(Unaudited - in Canadian dollars)

		For the three months ended September 30,		For the six months ended September 30,	
		2021	2020	**2021**	2020
	Notes	**$**	$	**$**	$
Revenue		**1,156,930**	-	**1,156,930**	-
Cost of sales	10	**624,667**	-	**624,667**	-
Gross Profit before fair value adjustments		**532,263**	-	**532,263**	-
Fair value adjustment on sale of inventory	4	**(800,690)**	-	**(800,690)**	-
Fair value adjustment on growth of biological assets	5	**6,098**	-	**762,377**	-
Gross Profit		**(262,329)**	-	**630,388**	-
Operating Expenses					
General and administration	14	**210,405**	127,623	**446,548**	232,717
Amortization	6	**294,255**	119,568	**374,510**	239,136
Share-based compensation	13	**24,400**	92,610	**61,285**	170,039
Professional fees		**69,563**	26,816	**133,499**	52,699
Marketing and sales		**49,719**	10,047	**75,552**	20,407
Research and development		**27,023**	2,076	**47,730**	2,076
Transaction costs		**171,910**	-	**191,425**	-
		847,275	378,740	**1,330,549**	717,074
Operating loss		**(1,109,604)**	(378,740)	**(836,599)**	(717,074)
Interest income (expense), net	7,8,10	**(221,000)**	(40,577)	**(426,195)**	(80,940)
Rental income	7,10	**62,500**	62,500	**125,000**	125,000
Net income (loss) and comprehensive income (loss)		**(1,268,104)**	**(356,817)**	**(1,137,794)**	**(673,014)**
Weighted average number of common shares - basic		**121,671,149**	**167,115,439**	**133,245,926**	167,115,439
Weighted average number of common shares - diluted		**121,671,149**	**167,115,439**	**133,245,926**	167,115,439
Income (loss) per share - basic		**(0.01)**	**(0.00)**	**(0.01)**	**(0.00)**
Income (loss) per share - diluted		**(0.01)**	**(0.00)**	**(0.01)**	**(0.00)**

The following highlights the key operating results during the three months ended September 30, 2021.

For the three months ended September 30, 2021

During the three months ended September 30, 2021 the Company incurred a loss and comprehensive loss of $1,268,104 (2020 - $356,817). The loss and comprehensive loss for the period consists primarily of the following:

- Revenue of $1,156,930 from the sale of cannabis products (2020 – $nil). This was the first quarter to recognize cannabis revenue, as the first shipment occurred near the end of July 2021. The average sale price is expected to increase in the future.

- Cost of sales of $624,667 (2020 - $nil) including cash costs of $507,676, amortization costs of $96,891, and shipping costs of $20,100.

- Fair value adjustment on sale of inventory was ($800,690) (2020 - $nil) to recognize that cannabis products that received fair value recognition in prior periods, based on management's prior assumptions, had been sold in the current three-month period.

- Fair value adjustment on growth of biological assets of $6,098 (2020 - $nil) was not significant and represents the fair value portion to adjust the asset to fair market value less costs to sell.

- General and administration expenses consist of management and directors' fees of $52,910 (2020 - $15,471), office and general of $86,872 (2020 - $19,895), salaries and wages of $61,223 (2020 - $75,369), insurance of $9,400 (2020 – $nil) and repairs and maintenance of $nil (2020 - $16,888). The net decrease of $25,738 was driven by an increase in the number of employees and directors, increased cash compensation for independent directors, and general overhead as the Company commenced operations and offset by nil repairs and maintenance expenses that have been reclassified to cost of sales for the ongoing future.

- Amortization expense of $294,255 (2020 - $119,568) consists of the property, plant, and equipment amortization, as well as amortization of the right-of-use asset. This was an increase of $174,687 from the prior period, as the processing facility was not operating in the prior period and because the processing facility is not operating at full capacity it is being amortized as an operating expense, rather than capitalized to inventory.

- Share-based compensation of $24,400 (2020 - $92,610) consists of the non-cash fair value as measured by the Black-Scholes option pricing model. The current period expense is based on 125,000 (2020 – 250,000) stock options granted and vested.

- Professional fees of $69,563 (2020 - $26,816) consist primarily of quarterly review fees from external auditors, corporate secretary services and other miscellaneous legal fees. Legal and auditor services have increased due to the Company listing its common shares on the CSE.

- Marketing and sales expense of $49,719 (2020 - $10,047) consists primarily of sales commissions, public relations services and promotional materials with respect to the Company and to cannabis products.

- Research and development expense of $27,023 (2020 – $2,076) consists primarily of labour, materials, utilities and lab testing services for production development of cannabis strains. In the prior period, minimal activity was conducted in the Nursery, as the main facility (greenhouse) had not yet received its licence.

- Transaction costs of $171,910 (2020 - $nil) consist of legal expenses and business fees regarding the listing of the common shares on the CSE.

- Interest expense of $221,000 (2020 - $40,577) consists primarily of interest from long-term debt and lease liabilities. The increase in the expense is attributable to the increase of debt regarding construction of the Cultivation Facility and the additional right-of-use asset/liability recognized in the current period.

- Rental income of $62,500 (2020 - $62,500) primarily consists of renting a separate greenhouse to Sunrite Greenhouses Ltd. for an annual amount of $250,000.

LIQUIDITY

The Company had cash of $2,090,790 as at September 30, 2021 (March 31, 2021 - $3,456,555). The Company had a working capital deficiency of $2,566,900 as at September 30, 2021 (March 31, 2021 – 2,868,619). The Company has a credit facility with a major bank of $6,100,000 and pursuant to such facility the Company must satisfy certain restricted covenants which were not met as of September 30, 2021. As a result, the entire amount of the credit facility was reclassified to a current liability in the Financial Statements. Subsequent to the quarter-end and before the date hereof, the Company received a waiver from the bank for the restrictive covenants until December 3, 2021. If the long-term portion of the Bank of Montreal debt facility was excluded, the Company would have a working capital balance of $2,772,550.

Operating Activities

The Company recognized a decrease (increase) in cash of $1,433,705 from operating activities during the six months ended September 30, 2021 (2020 – ($419,963)), the decrease of $1,853,668 was primarily due to the fact that business operations were significantly lower in the prior year, as the cultivation licence was awarded in February of 2021.

Investing Activities

The Company used cash of $737,680 (2020 - $3,427,120) in investing activities primarily for processing equipment and new software.

Financing activities

During the six months ended September 30, 2021 the Company raised net proceeds of $805,620 (2020 - $3,121,485) through the issuance of common shares and exercise of stock options, offset by a decrease in share capital deposits and repayment of lease liabilities and long-term debt:

a) In connection with closing tranches of the aforementioned private placement, the Company raised $1,229,000 of cash gross proceeds, less $16,214 in finders and administrative fees. The decrease in share capital deposits of $105,500 resulted from funds that were closed in the private placement but were held on March 31, 2021. No warrants were issued as a result of this private placement. During the period, 200,000 stock options were exercised for $50,000.

b) The Company paid $250,000 in lease payments for the Nursery and greenhouse assets.

c) The Company made $101,666 in principal payments related to its long-term debt to BMO. Management noted that there normally would have been a third payment of $50,833 but the period-end was a holiday and the banks were closed. The third payment occurred immediately subsequent to period-end.

The Company’s common shares are listed on the CSE to gain access to the capital markets for further equity financing. Under such circumstances, there is no assurance that the Company will be able to obtain further funds required for the Company’s continued working capital requirements.

OFF-BALANCE SHEET ARRANGEMENTS

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

TRANSACTIONS WITH RELATED PARTIES

Key management personnel are the officers and directors of the Company. Management and directors' fees and share-based compensation for the three and six months ended September 30, 2021 is summarized as follows:

	For the three months ended September 30				For the six months ended September 30			
		2021		**2020**		**2021**		**2020**
Management and directors' fees	$	52,910	$	15,471	$	98,127	$	33,766
Share-based compensation (fair value)	$	24,400	$	49,075	$	48,800	$	98,150
	$	**77,310**	**$**	**64,546**	**$**	**146,927**	**$**	**131,916**

As at September 30, 2021, $nil (September 30, 2020 - $nil) is owed to officers and directors of the Company.

The Company identifies the following as related parties:

Company	Description	Relationship
Sunrite Greenhouses Ltd. ("Sunrite")	Hydroponic Cultivation	Majority Shareholder of the Company
Via Verde Hydroponics Ltd.	Hydroponic Cultivation	Common Ownership with Sunrite
Del Fresco Produce Ltd.	Produce Marketer	Common Ownership with Sunrite
Delfresco Express Ltd.	Produce Distribution	Common Ownership with Sunrite

The Company shares certain economic resources with the above-noted related parties resulting in the following expenses billed in the three-month period ended September 30, 2021, from related parties:

			Amount	
Description	Company		2021	2020
			$	$
General labour	Via Verde Hydroponics Ltd.	Cost of sales	167,415	-
General labour	Sunrite Greenhouses Ltd.	Cost of sales	26,775	-
Utilities	Via Verde Hydroponics Ltd.	Cost of sales	51,975	-
Administrative Wages	Del Fresco Produce Ltd.	General and administration	15,226	-
Insurance	Via Verde Hydroponics Ltd.	General and administration	9,400	-
Property taxes	Via Verde Hydroponics Ltd.	General and administration	-	-
Executive wages	Del Fresco Produce Ltd.	General and administration	43,800	14,670
Interest	Via Verde Hydroponics Ltd.	Interest expenses	67,375	-

The Company has entered into a lease for approximately 57,000 square feet of greenhouse and warehouse space with Via Verde Hydroponics Ltd. The lease agreement commenced May 1, 2019 and the annual rent is $250,000. The corresponding leased asset has been recorded as a right-of-use asset as described in Note 6 to the Financial Statements.

The Company has an operating lease agreement with Sunrite, to whom it leases approximately 667,000 square feet of greenhouse and warehouse space. The operating lease agreement is a 12 month term (May 1 to April 30) and is renewed annually. The annual rent is $250,000 and is paid monthly.

Related party transactions were made in the normal course of business and have been recorded at the exchange amounts.

During the six months ended September 30, 2021, the Company recorded:

Equity incentives granted and fees paid to the following for services rendered:	Options	Fair Value	Fees paid
		$	$
Darren Peddle, CFO	-	-	48,127
Dennis Staudt, a Director	-	-	25,000
Martin Komsa, a Director	-	-	25,000
		-	$98,127

PROPOSED TRANSACTIONS

There were no proposed transactions other than the listing of common shares on the CSE which occurred on September 21, 2021.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The following is the Company's accounting policy for financial instruments under IFRS 9:

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The Company classifies its financial instruments as follows:

Financial assets and liabilities	
Cash	FVTPL
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Lease liability	Amortized cost
Long-term debt	Amortized cost

(ii) Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of loss in the period in which they arise.

(iii) Impairment of financial assets at amortized cost.

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of loss

Adjusted EBITDA

Adjusted EBITDA is a non-IFRS financial measure that does not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. Management believes this measure provides useful information as it is a commonly used measure in the capital markets and as it is a close proxy for repeatable cash generated by operations.

The Company calculates Adjusted EBITDA as net income (loss) plus (minus) income tax expense (recovery), plus (minus) interest expense (income), net, minus rental income, plus (minus) non-cash fair value adjustment on sale of inventory, plus (minus) non-cash fair value adjustment on growth of biological assets, plus amortization, plus share-based compensation, plus impairment, plus transaction costs and certain one-time non-operating expenses, as determined by management.

	For the three months ended September 30		For the six months ended September 30	
	2021	2020	2021	2020
NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)	$ (1,268,104)	$ (356,817)	$ (1,137,794)	$ (673,014)
Interest (income) expense, net	221,000	40,577	426,195	80,940
Rental income	(62,500)	(62,500)	(125,000)	(125,000)
Fair value adjustment on sale of inventory	800,690	-	800,690	-
Fair value adjustment on growth of biological assets	(6,098)	-	(762,377)	-
Amortization	391,146	119,568	471,401	239,136
Share-based compensation	24,400	92,610	61,285	170,039
Transaction costs	171,910	-	191,425	-
ADJUSTED EBITDA	$ 272,444	$ (166,562)	$ (74,175)	$ (307,899)

DISCLOSURE OF OUTSTANDING SHARE DATA

Common Shares

The Company's authorized share capital consists of an unlimited number of common shares without par value. As at September 30, 2021 the Company had 121,832,019 (March 31, 2021 – 171,681,566) common shares issued and outstanding. The Company closed its private placement and issued 2,458,000 shares on May 5, 2021. On May 13, 2021, Sunrite voluntarily surrendered 52,507,547 common shares to the Company, which were subsequently cancelled by the Company. In the month of September, 200,000 common shares were issued as the result of stock options exercised.

An aggregate of 470,000 common shares were issued on November 17th and 19th pursuant to the exercise of stock options. The number of issued and outstanding common shares as of the date hereof is 122,302,019.

Stock options

As at the date hereof, 9,663,000 (September 30, 2021 – 10,133,000) stock options were outstanding as follows:

Expiry Date	Options Outstanding	Options Exercisable	Exercise Price
September 21, 2024	5,800,000	5,600,000	$0.25
September 21, 2024	3,863,000	3,373,740	$0.50
Total	**9,663,000**	**8,973,740**	**$0.35**

ADDITIONAL INFORMATION

Additional information regarding the Company is contained in the Prospectus which may be viewed under Greenway's SEDAR profile at www.sedar.com.

RISK FACTORS

Much of the information included in this report includes or is based upon estimates, projections or other forward-looking statements. Such forward-looking statements include any projections or estimates made by the Company and its management in connection with the Company's business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect the Company's current judgment regarding the direction of its business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. Except as required by law, the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other forward-looking statements involve various risks and uncertainties as outlined in the Prospectus and as set forth below. The Company cautions readers of this report that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other forward-looking statements. The risks and uncertainties below are not the only ones Greenway faces. Additional risks and uncertainties not presently known to us or that we believe to be immaterial may also adversely affect our business.

SUBSEQUENT EVENTS

On November 23, 2021, the Company announced an intention to complete a non-brokered private placement of up to 7,272,727 units (the "Units") in the capital of the Company at an issuance price of $1.10 per Unit for aggregate gross proceeds of up to $8,000,000. Each Unit will consist of one common share (the "Common Shares") and one common share purchase warrant (the "Warrants") with each Warrant being exercisable for one Common Share at an exercise price of $1.65 for a period of nine months from the date of issuance, subject to adjustment upon certain customary events.

BOARD APPROVAL

The Board of Directors of the Company has approved this MD&A.