



**UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021**

Expressed in United States Dollars

The accompanying unaudited condensed interim consolidated financial statements of the company have been prepared by and are the responsibility of the Company's management.

These financial statements for Planet 13 Holdings Inc. are also included in the Form 10-Q for the quarter ended March 31, 2022 filed on SEDAR on May 16, 2022 in its entirety.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements.

PLANET 13 HOLDINGS INC.
Interim Condensed Consolidated Balance Sheets
(Unaudited, In United States Dollars)

	March 31, 2022	December 31, 2021
ASSETS		
Current Assets:		
Cash	\$ 62,144,642	\$ 61,588,843
Accounts Receivable	2,053,367	1,216,128
Inventory	14,979,628	14,225,369
Prepaid Expenses and Other Current Assets	3,802,746	3,977,524
Total Current Assets	82,980,383	81,007,864
Property and Equipment	65,000,878	50,778,277
Intangible Assets	68,898,383	63,398,007
Goodwill	35,506,060	-
Right of Use Assets - Operating	20,204,303	20,399,965
Long-term Deposits and Other Assets	1,234,586	1,061,879
Deferred Tax Asset	174,157	162,804
TOTAL ASSETS	\$ 273,998,374	\$ 216,808,796

LIABILITIES AND SHAREHOLDERS' EQUITY

LIABILITIES

Current Liabilities:

Accounts Payable	\$ 3,467,977	\$ 3,266,783
Accrued Expenses	5,454,139	7,032,620
Income Taxes Payable	3,894,364	1,126,249
Notes Payable - Current Portion	884,000	884,000
Operating Lease Liabilities	454,142	423,573
Total Current Liabilities	14,154,622	12,733,225

Long-Term Liabilities:

Operating Lease Liabilities	23,159,653	23,134,012
Lease Incentive Obligation Liability	813,278	-
Warranty Liability	3,046,240	7,206,049
Other Long-term Liabilities	28,000	28,000

Total Liabilities	41,201,793	43,101,286
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Shareholders' Equity

Common Shares, no par value, unlimited Common Shares authorized, 220,048,952 issued and outstanding at March 31, 2022 and 198,687,950 at December 31, 2021

Additional Paid-In Capital	307,044,846	245,861,704
Retained Earnings (Deficit)	(74,215,265)	(72,154,194)
Total Shareholders' Equity	232,796,581	173,707,510

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 273,998,374	\$ 216,808,796
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On behalf of the Board:

Michael Harman
/s/ Michael Harman
Director

Adrienne O'Neal
/s/ Adrienne O'Neal
Director

PLANET 13 HOLDINGS INC.
Interim Condensed Consolidated Statements of Operations and Comprehensive Loss
(Unaudited, in United States Dollars)

	Three Months Ended	
	March 31, 2022	March 31, 2021
Revenues, net of discounts	\$ 25,694,395	\$ 23,816,208
Cost of Goods Sold	(12,793,391)	(10,781,481)
Gross Profit	12,901,004	13,034,727
Expenses:		
General and Administrative	13,486,690	7,974,816
Sales and Marketing	603,242	659,949
Lease Expense	481,247	612,326
Depreciation	2,040,052	964,596
Total Expenses	16,611,231	10,211,687
Income (Loss) From Operations	(3,710,227)	2,823,040
Other Income (Expense):		
Interest income (expense), net	27,353	(7,158)
Foreign exchange gain (loss)	(95,709)	829,635
Transaction costs	-	(256,666)
Change in fair value of warrant liability	4,159,809	(6,187,530)
Other Income, net	314,465	62,897
Total Other Income	4,405,918	(5,558,822)
Income (Loss) Before Provision for Income Taxes	695,691	(2,735,782)
Provision For Income Taxes		
Current Tax Expense	(2,768,115)	(3,364,710)
Deferred Tax Recovery	11,353	86,063
	(2,756,762)	(3,278,647)
Loss and Comprehensive Loss for the Period	\$ (2,061,071)	\$ (6,014,429)
Loss per Share		
Basic and diluted loss per share	\$ (0.01)	\$ (0.03)
Weighted Average Number of Common Shares		
Basic and diluted	205,570,940	190,777,592

PLANET 13 HOLDINGS INC.
Interim Condensed Consolidated Statements of Changes in Shareholders' Equity
(Unaudited, in United States Dollars, except Share Amounts)

	Common Shares	Number of Class A Restricted Shares	Warrants	Additional Paid-in Capital	Accumulated Deficit	Total Shareholders' Equity
Balance, January 1, 2021	126,573,250	55,232,940	150,963	\$ 159,399,056	\$ (52,693,242)	\$ 106,705,814
Shares Issued on Settlement of RSUs	852,154	-	-	-	-	-
Share based Compensation - RSUs	-	-	-	202,295	-	202,295
Shares Issued on Exercise of Broker Warrants	446,801	-	(446,801)	2,163,065	-	2,163,065
Shares Issued on Exercise of Other Warrants	2,487,449	-	-	15,030,913	-	15,030,913
Shares Issued on Exercise of Options	109,669	-	-	86,216	-	86,216
Share Based Compensation - Options	-	-	-	1,678	-	1,678
Shares Issued on Bought Deal Financings, net	9,861,250	-	591,676	47,729,735	-	47,729,735
Loss for the Period	-	-	-	-	(6,014,429)	(6,014,429)
Balance, March 31, 2021	<u>140,330,573</u>	<u>55,232,940</u>	<u>295,838</u>	<u>\$ 224,612,958</u>	<u>\$ (58,707,671)</u>	<u>\$ 165,905,287</u>
Balance, January 1, 2022	198,687,950	-	295,838	245,861,704	(72,154,194)	173,707,510
Share based Compensation - RSUs	-	-	-	2,055,494	-	2,055,494
Shares Issued on Acquisition	21,361,002	-	-	57,854,830	-	57,854,830
Replacement Options issued on acquisition	-	-	-	1,239,818	-	1,239,818
Loss for the Period	-	-	-	-	(2,061,071)	(2,061,071)
Balance, March 31, 2022	<u>220,048,952</u>	<u>-</u>	<u>295,838</u>	<u>\$ 307,011,846</u>	<u>\$ (74,215,265)</u>	<u>\$ 232,796,581</u>

PLANET 13 HOLDINGS INC.
Interim Condensed Consolidated Statements of Cash Flows
(Unaudited, In U.S. Dollars)

	Three Months Ended	
	March 31, 2022	March 31, 2021
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Net loss	\$ (2,061,071)	\$ (6,014,429)
Adjustments for items not involving cash:		
Shared based compensation expense	2,055,494	203,973
Non-cash lease expense	950,585	758,039
Depreciation	2,642,531	964,597
Change in fair value of warrant liability	(4,264,763)	5,904,816
Loss on translation of warrant liability	104,954	282,714
Transaction costs	-	256,666
Deferred tax liability	-	86,063
Proceeds from lease incentive	1,000,000	-
Unrealized gain on foreign currency exchange	(145,267)	(14,641)
	<u>282,463</u>	<u>2,427,798</u>
Net Changes in Non-cash Working Capital Items	3,563,710	2,123,567
Repayment of lease liabilities	(885,433)	(758,039)
Total Operating	<u>2,960,740</u>	<u>3,793,326</u>
FINANCING ACTIVITIES		
Proceeds from private placements	-	53,852,980
Proceeds from exercise of warrants and options	-	10,884,762
Financing issuance expenses	-	(3,494,930)
Total Financing	<u>-</u>	<u>61,242,812</u>
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(4,026,607)	(3,471,948)
Cash acquired through NGW acquisition	1,478,698	-
Total Investing	<u>(2,547,909)</u>	<u>(3,471,948)</u>
Effect of foreign exchange on cash	142,968	598,310
NET CHANGE IN CASH DURING THE YEAR	555,799	62,162,500
CASH		
Beginning of Period	<u>61,588,843</u>	<u>79,000,850</u>
End of Period	<u><u>\$ 62,144,642</u></u>	<u><u>\$ 141,163,350</u></u>

PLANET 13 HOLDINGS INC.

**Notes to the Interim Condensed Consolidated Financial Statements
(Unaudited, in United States Dollars, except share amounts)**

1. Nature of operations

Planet 13 Holdings Inc. (“**P13**” or the “**Company**”) was incorporated under the Canada Business Corporations Act on April 26, 2002 and continued under the British Columbia Business Corporations Act on September 24, 2019.

The Company is a vertically integrated cultivator and provider of cannabis and cannabis-infused products that is licensed under the laws of the States of Nevada, California, and Florida with a license lottery win-result in Illinois. The Company is licensed in these jurisdictions as follows: six Nevada licenses for cultivation (three medical and three adult-use), six Nevada licenses for production (three medical and three adult-use), three Nevada dispensary licenses (one medical and two adult-use), two Nevada licenses for distribution (one active, one conditional), one adult-use dispensary license in California, one distribution license in California, one Medical Marijuana Treatment Center license in Florida (unlimited medical dispensaries, cultivation and processing) and one lottery win for an adult-use dispensary license in Illinois. As of March 2, 2022, by way of acquisition and in addition to the licenses listed above, the Company added three California cultivation licenses (one medical and two adult-use), one California cultivation nursery license, one California distribution license, one California license for adult-use manufacture, and one pending California license for cultivation packaging.

P13 is a public company which is listed on the Canadian Securities Exchange (“**CSE**”) under the symbol PLTH and on the OTCQX exchange under the symbol “**PLNHF**”.

The Company’s registered office is located at 595 Howe Street, 10th Floor, Vancouver, BC V6C 2T5 and the head office address is 2548 W. Desert Inn Road, Las Vegas, NV 89109.

While cannabis and CBD-infused products are legal under the laws of several U.S. states (with varying restrictions applicable), the United States Federal Controlled Substances Act classifies all “marijuana” as a Schedule I drug, whether for medical or recreational use. Under U.S. federal law, a Schedule I drug or substance has a high potential for abuse, no accepted medical use in the United States, and a lack of safety for use under medical supervision.

The federal government currently is prohibited from prosecuting businesses that operate in compliance with applicable state and local medical cannabis laws and regulations; however, this does not protect adult use cannabis. In addition, if the federal government changes this position, it would be financially detrimental to the Company.

2. Basis of presentation

These unaudited interim condensed consolidated financial statements reflect the accounts of the Company and have been prepared in accordance with generally accepted accounting principles in the United States of America (“**GAAP**”) and pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (“**SEC**”) for all periods presented. Certain information and footnote disclosures normally included in the audited annual consolidated financial statements prepared in accordance with GAAP have been omitted or condensed. The information included in these unaudited interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2021. These unaudited interim condensed consolidated financial statements reflect all adjustments (consisting of normal recurring adjustments), which, in the opinion of management, are necessary for the fair presentation of the results for the interim periods presented. Interim results are not necessarily indicative of results for a full year.

These unaudited interim condensed consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operation for the foreseeable future and, accordingly, will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due.

PLANET 13 HOLDINGS INC.

Notes to the Interim Condensed Consolidated Financial Statements

(Unaudited, in United States Dollars, except share amounts)

Failure to arrange adequate financing on acceptable terms and/or achieve profitability may have an adverse effect on the financial position, results of operations, cash flows and prospects of the Company. These unaudited interim condensed consolidated financial statements do not give effect to adjustments to assets or liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material. These unaudited interim condensed consolidated financial statements are presented in U.S. dollars, which is also the Company's and its subsidiaries' functional currency.

These consolidated financial statements were authorized for issuance by the Board of Directors of the Company on May 16, 2022.

i) Basis of consolidation

The accompanying consolidated financial statements include the accounts of the Company and all subsidiaries. Subsidiaries are entities in which the Company has a controlling voting interest or is the primary beneficiary of a variable interest entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are deconsolidated from the date control ceases. All intercompany accounts and transactions have been eliminated upon consolidation. The consolidated financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating intercompany balances and transactions.

PLANET 13 HOLDINGS INC.
Notes to the Interim Condensed Consolidated Financial Statements
(Unaudited, in United States Dollars, except share amounts)

These consolidated financial statements include the accounts of the Company and the following entities which are subsidiaries of the Company:

Subsidiaries as at March 31, 2022	Jurisdiction of Incorporation	Ownership Interest 2022	Ownership Interest 2021	Nature of Business
MM Development Company, Inc. ("MMDC")	USA	100%	100%	Vertically integrated cannabis operations
BLC Management Company LLC	USA	100%	100%	Holding company
LBC CBD LLC ("LBC")	USA	100%	100%	CBD retail sales and marketing
Newtonian Principles Inc.	USA	100%	100%	Cannabis retail sales
Crossgate Capital U.S. Holdings Corp.	USA	100%	0%	Holding company, former NGW Subsidiary
NGWB, LLC	USA	100%	0%	Proposed building holding company; former NGW subsidiary
Next Green Wave, LLC	USA	100%	0%	CA license holding entity; former NGW subsidiary
MM Development MI, Inc.	USA	100%	100%	Holding company
MM Development CA, Inc.	USA	100%	100%	Holding company
Planet 13 Illinois, LLC	USA	49%	49%	Holding company
BLC NV Food, LLC	USA	100%	100%	Food retailing
By The Slice, LLC	USA	100%	100%	Food retailing
Planet 13 Chicago, LLC	USA	100%	100%	Holding company
Planet 13 Florida, Inc.	USA	100%	100%	Holding company

ii) Functional currency

The Company's functional currency is the United States dollar ("USD"), and management has chosen to present these unaudited interim condensed consolidated financial statements in USD. The functional currency of the Company's subsidiaries is USD. All amounts are presented in USD values unless otherwise stated.

PLANET 13 HOLDINGS INC.**Notes to the Interim Condensed Consolidated Financial Statements
(Unaudited, in United States Dollars, except share amounts)**

Canadian currency transactions are translated into USD at exchange rates in effect on the date of the transaction. Monetary assets and liabilities denominated in Canadian dollars (“CAD”) are translated to USD at the foreign exchange rate applicable at the end of each reporting period.

Realized and unrealized foreign exchange gains and losses are recognized in the unaudited interim condensed consolidated statements of operations and comprehensive loss. Non-monetary assets and liabilities that are measured in terms of historical cost in CAD are translated using the exchange rate at the date of the transaction.

iii) Emerging growth company

The Company is an “Emerging Growth Company”, as defined in Section 2(a) of the Securities Act of 1933, as amended (the “**Securities Act**”), as modified by the Jumpstart Our Business Startups Act of 2012 (the “**JOBS Act**”), and it has taken advantage of certain exemptions that are not applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the independent registered public accounting firm attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in its periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved.

Further, Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not has a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial reporting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such election to opt out is irrevocable. The Company has elected not to opt out of such extended transition period which means that when a standard is issued or revised and it has different application dates for public and private companies, the Company, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard.

iv) Business Combinations and Goodwill

The Company accounts for business combinations using the acquisition method in accordance with ASC 805, Business Combinations, which requires recognition of assets acquired and liabilities assumed, including contingent assets and liabilities, at their respective fair values on the date of acquisition. Any excess of the purchase consideration over the net fair value of tangible and identified intangible assets acquired less liabilities assumed is recorded as goodwill. The costs of business acquisitions, including fees for accounting, legal, professional consulting and valuation specialists, are expensed as incurred within general and administrative expenses. Purchase price allocations may be preliminary and, during the measurement period not to exceed one year from the date of acquisition, changes in assumptions and estimates that result in adjustments to the fair value of assets acquired and liabilities assumed are recorded in the period the adjustments are determined.

The estimated fair value of acquired assets and assumed liabilities are determined primarily using a discounted cash flow approach, with estimated cash flows discounted at a rate that the Company believes a market participant would determine to be commensurate with the inherent risks associated with the asset and related estimated cash flow streams.

3. Inventory

Finished goods inventory consists of dried cannabis, concentrates, edibles, and other products that are complete and available for sale (both internally generated inventory and third-party products purchased in the wholesale market). Work in process inventory consists of cannabis after harvest, in the processing stage. Packaging and miscellaneous consist of consumables for use in the transformation of biological assets and other inventory used in production of finished goods. The Company’s inventory is comprised of:

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Raw materials	\$ 5,380,680	\$ 3,093,646
Packaging and miscellaneous	2,052,099	1,825,514
Work in progress	2,198,264	2,883,955
Finished goods	5,348,585	6,422,254
	<u>\$ 14,979,628</u>	<u>\$ 14,225,369</u>

PLANET 13 HOLDINGS INC.
Notes to the Interim Condensed Consolidated Financial Statements
(Unaudited, in United States Dollars, except share amounts)

Cost of Inventory is recognized as an expense when sold and included in cost of goods sold. During the three months ended March 31, 2022, the Company recognized \$12,793,391 (2021 - \$10,781,481) of inventory expensed to cost of goods sold.

4. Prepaid expenses and other current assets

	<u>March 31,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>
Security deposits	\$ 2,469,231	\$ 2,287,596
Advertising and Marketing	73,382	306,415
Prepaid rent	241,428	218,599
Insurance	641,770	804,608
License fees	77,254	36,008
Miscellaneous	299,681	324,298
	<u>\$ 3,802,746</u>	<u>\$ 3,977,524</u>

5. Property and equipment

	<u>Land and</u> <u>Improvements</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Leasehold</u> <u>Improvements</u>	<u>Construction</u> <u>in Progress</u>	<u>Total</u>
Gross carrying amount						
At December 31, 2021	\$ 630,299	\$ 1,707,894	\$ 11,105,241	\$ 54,718,371	\$ 127,680	\$ 68,289,485
Additions	3,957,912	9,098,972	190,442	1,087,782	2,530,024	16,865,132
Transfers	-	-	166,367	(166,367)	-	-
At March 31, 2022	<u>4,588,211</u>	<u>10,806,866</u>	<u>11,462,050</u>	<u>55,639,786</u>	<u>2,657,704</u>	<u>85,154,617</u>
Depreciation						
At December 31, 2021	\$ 179,297	\$ 246,447	\$ 3,801,166	\$ 13,284,298	\$ -	\$ 17,511,208
Additions	13,056	36,883	577,496	2,015,096	-	2,642,531
Transfers & disposals	-	-	3,743	(3,743)	-	-
At March 31, 2022	<u>192,353</u>	<u>283,330</u>	<u>4,382,405</u>	<u>15,295,651</u>	<u>-</u>	<u>20,153,739</u>
Carrying amount						
At December 31, 2021	<u>\$ 451,002</u>	<u>\$ 1,461,447</u>	<u>\$ 7,304,075</u>	<u>\$ 41,434,073</u>	<u>\$ 127,680</u>	<u>\$ 50,778,277</u>
At March 31, 2022	<u>\$ 4,395,858</u>	<u>\$ 10,523,536</u>	<u>\$ 7,079,645</u>	<u>\$ 40,344,135</u>	<u>\$ 2,657,704</u>	<u>\$ 65,000,878</u>

As at March 31, 2022, costs related to construction of facilities were capitalized as construction in progress and not depreciated. Once construction is completed, the construction in progress balance is moved to the appropriate fixed asset account and depreciation commences. The contractual construction commitment as of March 31, 2022 was \$5,580,235 (2021 - \$nil).

For the three months ended March 31, 2022, depreciation expense was \$2,642,531 (2021 - \$1,408,621) of which \$602,479 (2021 - \$444,025) was included in cost of goods sold.

PLANET 13 HOLDINGS INC.**Notes to the Interim Condensed Consolidated Financial Statements
(Unaudited, in United States Dollars, except share amounts)**

During the three months ended March 31, 2022, the Company transferred \$166,367 and \$3,743 in gross asset value and accumulated depreciation, respectively, from leasehold improvements to equipment.

6. Intangible assets

	Retail Dispensary Santa Ana	Retail Dispensary Clark County	Cultivation and Production Clark County	Master License Florida	Cultivation Coalinga, California	Total
Carrying amount						
Balance, December 31, 2021	\$ 6,151,343	\$ 690,000	\$ 709,798	\$ 55,846,866	\$ -	\$ 63,398,007
Additions - NGW	-	-	-	-	5,000,000	5,000,000
Balance, March 31, 2022	<u>\$ 6,151,343</u>	<u>\$ 690,000</u>	<u>\$ 709,798</u>	<u>\$ 55,846,866</u>	<u>\$ 5,000,000</u>	<u>\$ 68,398,007</u>

On March 2, 2022, the Company closed on its acquisition of Next Green Wave Holdings, Inc. (“NGW”) resulting in the Company acquiring a California cultivation and distribution license held by NGW in Coalinga, California. The acquisition was accounted for as a stock purchase acquisition as NGW was deemed to be a business under ASC 805 Business Combinations (Note 20).

Florida License Acquisition

On September 28, 2021, the Florida Department of Health’s Office of Medical Marijuana Use (“OMMU”) approved the Company to acquire a license to operate a Medical Marijuana Treatment Center issued by the Florida Department of Health from a subsidiary of Harvest Health & Recreation Inc. The acquisition closed with an effective date of October 1, 2021, and the Company released \$55,000,000 of restricted cash that was being held in escrow to the seller in exchange for receipt of the Medical Marijuana Treatment Center license.

The Company has capitalized \$846,866 in costs incurred to secure the license pursuant to the license acquisition.

7. Leases

The Company’s lease agreements are for cultivation, manufacturing, retail, and office premises and for vehicles. The property lease terms range between 7 years and 21 years depending on the facility and are subject to an average of 2 renewal periods of equal length as the original lease. Leases for vehicles are typically between 4 years and 6 years with no renewal terms. Certain leases include escalation clauses or payment of executory costs such as property taxes, utilities, or insurance and maintenance. Rent expense for leases with escalation clauses is accounted for on a straight-line basis over the lease term. The Company’s lease agreements do not contain any material residual value guarantees or material restrictive covenants.

PLANET 13 HOLDINGS INC.
Notes to the Interim Condensed Consolidated Financial Statements
(Unaudited, in United States Dollars, except share amounts)

The following table provides the components of lease costs recognized in the unaudited interim condensed consolidated statement of operations and comprehensive loss for three month periods ended March 31, 2022 and 2021:

	Three Months Ended	
	March 31, 2022	March 31, 2021
Operating lease costs	\$ 971,243	\$ 1,069,776
Finance lease costs:		
Amortization of lease assets	-	12,599
Interest on lease liabilities	-	1,583
Finance lease costs	-	14,182
Short term lease expense	1,467	(2,130)
Total lease costs	<u>\$ 972,710</u>	<u>\$ 1,081,828</u>

Other information related to operating and finance leases as of and for the three months ended March 31, 2022 and 2021 are as follows:

	March 31, 2022		March 31, 2021	
	Finance Lease	Operating Lease	Finance Lease	Operating Lease
Weighted average discount rate	15.00%	15.00%	15.00%	15.00%
Weighted average remaining lease term	-	11.62	0.14	16.21

The maturity of the contractual undiscounted lease liabilities as of March 31, 2022 and December 31, 2021 are:

	March 31, 2022		December 31, 2021	
	Finance Lease	Operating Lease	Finance Lease	Operating Lease
2021	\$ -	\$ -	\$ -	\$ 3,261,812
One year	-	3,635,441	-	3,385,737
Two years	-	3,771,882	-	3,514,686
Three years	-	3,913,770	-	3,648,859
Four years	-	3,968,632	-	3,695,773
Five years	-	3,857,670	-	3,880,082
Thereafter	-	53,381,169	-	54,138,155
Total undiscounted lease liabilities	-	72,528,564	-	73,170,343
Interest on lease liabilities	-	(48,914,769)	-	(49,612,758)
Total present value of minimum lease payments	-	23,613,795	-	23,557,585
Lease liability - current portion	-	(454,142)	-	(423,573)
Lease liability	<u>\$ -</u>	<u>\$ 23,159,653</u>	<u>\$ -</u>	<u>\$ 23,134,012</u>

PLANET 13 HOLDINGS INC.
Notes to the Interim Condensed Consolidated Financial Statements
(Unaudited, in United States Dollars, except share amounts)

Principally all leases relate to real estate. Additional information on the right-of-use assets is as follows:

	March 31, 2022		December 31, 2021	
	Finance Lease	Operating Lease	Finance Lease	Operating Lease
Gross carrying amount				
Balance, beginning of period	\$ 133,561	\$ 22,830,123	\$ 133,561	\$ 21,962,564
Lease additions and modifications	-	56,130	-	867,559
Disposals	(96,601)	-	-	-
Balance, end of period	\$ 36,960	\$ 22,886,253	\$ 133,561	\$ 22,830,123
Depreciation				
Balance, beginning of period	\$ 133,561	\$ 2,430,158	\$ 88,889	\$ 1,464,669
Additions	-	251,792	44,672	965,489
Disposals	(96,601)	-	-	-
Balance, end of period	\$ 36,960	\$ 2,681,950	\$ 133,561	\$ 2,430,158
Carrying amount, beginning of period	\$ -	\$ 20,399,965	\$ 44,672	\$ 20,497,895
Carrying amount, end of period	\$ -	\$ 20,204,303	\$ -	\$ 20,399,965

For the three months ended March 31, 2022, the Company incurred \$971,243 of operating lease costs (2021 - \$1,069,776), of which \$489,996 (2021 - \$457,450) was capitalized to inventory or included in cost of goods sold.

8. Notes payable

	March 31, 2022	December 31, 2021
Promissory note dated November 4, 2015, with semi-annual interest at 5.0%, secured by deed of trust, due December 1, 2019	884,000	884,000
	\$ 884,000	\$ 884,000
Less current portion	(884,000)	(884,000)
	\$ -	\$ -

Started maturities of debt obligations are as follow:

Next 12 months Promissory Note	\$ 884,000
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PLANET 13 HOLDINGS INC.
Notes to the Interim Condensed Consolidated Financial Statements
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9. Share capital

The Company is authorized to issue an unlimited number of common shares and an unlimited number of Class A shares.

	Number of Common Shares	
	March 31, 2022	December 31, 2021
Common Shares		
Balance at January 1	198,687,950	126,573,250
Shares issued on settlement of RSU's	i. -	3,126,534
Shares issued on exercise of options	ii. -	121,336
Shares issued on exercise of warrants	iii. -	3,772,640
Shares issued on financing - February 2021	iv. -	9,861,250
Shares issued on conversion of Class A shares	v. -	55,232,940
Shares issued on acquisition (Note 20)	21,361,002	-
Total common shares outstanding	220,048,952	198,687,950

i. Shares issued for Restricted Share Units

During the three months ended March 31, 2022, no Restricted Share Units ("RSUs") were awarded, vested or settled.

During the year ended December 31, 2021, the Company issued 3,126,534 common shares on the settlement of RSUs that had vested during the period. The Company did not receive any cash proceeds on the settlement.

ii. Shares issued for Stock Options

During the three months ended March 31, 2022, 1,106,925 exchange options were issued to holders of NGW options in connection with the Company's acquisition of NGW. Other than the exchange options, no options were awarded, exercised or expired.

During the year ended December 31, 2021, the Company issued 121,336 common shares on the exercise of options that had a strike price in the range of CAD\$0.75 to CAD\$1.55 per common share resulting in cash proceeds of \$86,216 (CAD\$108,987).

iii. Shares issued on the exercise of Warrants

During the three months ended March 31, 2022, no warrants were issued, exercised or expired.

During the year ended December 31, 2021, the Company issued 3,772,640 common shares to warrant holders who exercised 3,772,640 warrants resulting in cash proceeds of \$14,093,793 (CAD\$17,848,084).

iv. Shares issued on Financing – February 2021

On February 2, 2021, the Company completed a bought deal financing for aggregate gross proceeds of \$53,852,980 (CAD\$69,028,750) at a price of CAD\$7.00 per unit. The Company issued 9,861,250 units of the Company. Each unit was comprised of one common share in the capital of the Company and one-half of one Common Share purchase warrant. Each whole warrant entitles the holder to acquire one common share at an exercise price of CAD\$9.00 per common share for a period of 24 months.

PLANET 13 HOLDINGS INC.**Notes to the Interim Condensed Consolidated Financial Statements
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The Company also issued 591,676 broker warrants that entitle the holder to purchase one common share for a period of 24 months from the closing of the offering at a price of CAD\$7.00 per common share. The broker warrants were measured based on the fair market value of the warrants using a Black Scholes valuation model.

The Company incurred \$3,494,930 in cash share issuance costs and \$1,296,170 in broker warrant costs. The warrants are initially measured at fair value (Note 10) with residual proceeds being allocated to the common shares. Issuance costs have been allocated in the same proportion, with costs allocated to the warrant liability being expensed as incurred. The net proceeds were allocated as follows:

	<u>Gross Proceeds</u>	<u>Issuance Costs</u>
February 2, 2021 Financing		
Common shares (APIC)	\$ 50,967,999	\$ (4,534,434)
Warrant liability (Note 10)	2,884,981	(256,666)
Total	<u>\$ 53,852,980</u>	<u>\$ (4,791,100)</u>

viii. Shares issued on Acquisition

On March 2, 2022, the Company completed a business combination acquisition of NGW.

The Company acquired all of the NGW Shares for a total consideration of 21,361,002 common shares of the Company and NGW then amalgamated with Planet 13 (Note 20).

10. Warrants

The following table summarizes the fair value of the warrant liability at March 31, 2022 and December 31, 2021:

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Opening balance	\$ 7,206,049	\$ 13,204,211
Additions	-	2,884,981
Exercises	-	(8,976,258)
Foreign exchange	104,954	100,635
Change in fair value	(4,264,763)	(7,520)
Closing balance	<u>\$ 3,046,240</u>	<u>\$ 7,206,049</u>

The warrant liability is adjusted to fair value on the date the warrants are exercised and at the end of each reporting period. The amount that is reclassified to equity on the date of exercise is the fair value at that date.

PLANET 13 HOLDINGS INC.

**Notes to the Interim Condensed Consolidated Financial Statements
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The following table summarizes the number of warrants outstanding at March 31, 2022 and December 31, 2021:

	March 31, 2022	Weighted Average Exercise Price - CAD	December 31, 2021	Weighted Average Exercise Price - CAD
Balance - beginning of period	8,861,951	\$ 7.46	7,158,337	\$ 4.98
Issued	-	\$ -	5,522,301	\$ 8.79
Exercised	-	\$ -	(3,772,640)	\$ 4.73
Expired	-	\$ -	(46,047)	\$ 3.75
Balance - end of period	<u>8,861,951</u>	<u>\$ 7.46</u>	<u>8,861,951</u>	<u>\$ 7.46</u>

The Company received cash proceeds of \$14,093,793 (CAD\$17,848,084) from the exercise of warrants during the year ended December 31, 2021.

Fair values

The Company complies with ASC 820, Fair Value Measurement, for its financial assets and liabilities that are re-measured and reported at fair value at each reporting period, and non-financial assets and liabilities that are re-measured and reported at fair value at least annually. Financial instruments recorded at fair value in the consolidated balance sheet are classified using a fair value hierarchy that reflects the observability of significant inputs used in making the measurements. In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities. Fair values determined by Level 2 inputs utilize data points that are observable such as quoted prices, interest rates and yield curves. Fair values determined by Level 3 inputs are unobservable data points for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability. The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The following tables present information about the Company's assets and liabilities that are measured at fair value on a recurring basis as of March 31, 2022 and December 31, 2021:

	Quoted prices in active markets for identical asset (Level 1)	Total
March 31, 2022		
Warrant liability	\$ (3,046,240)	\$ (3,046,240)
December 31, 2021		
Warrant liability	(7,206,049)	(7,206,049)

11. Share based compensation

(a) Stock options

The Company has established an incentive stock option plan (the "Plan") for employees, management, directors, and consultants of the Company, as designated and administered by a committee of the Company's Board of Directors. Under the Plan, the Company may grant options for up to 10% of the issued and outstanding common shares of the Company. The maximum term of an option is five years and the related vesting period runs from immediate to the life of the grant.

PLANET 13 HOLDINGS INC.
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During the three months ended March 31, 2022 and the year ended December 31, 2021

No incentive stock options were granted during the three months ended March 31, 2022 or the year ended December 31, 2021. During the three months ended March 31, 2022, the Company issued 1,106,925 options in exchange for all NGW options outstanding (Note 20).

The following table summarizes information about stock options outstanding at March 31, 2022:

Expiry Date	Exercise price CAD\$	March 31, 2022 Outstanding	March 31, 2022 Exercisable	December 31, 2021 Outstanding	December 31, 2021 Exercisable
July 4, 2022	\$ 2.65	100,000	100,000	100,000	100,000
June 11, 2023	\$ 0.80	61,668	61,668	61,668	61,668
June 30, 2024	\$ 2.60	7,500	7,500	7,500	7,500
November 21, 2024	\$ 1.31	282,528	282,528	-	-
February 27, 2025	\$ 1.31	51,525	51,525	-	-
July 6, 2025	\$ 1.31	97,325	97,325	-	-
September 30, 2025	\$ 2.19	143,125	143,125	-	-
December 15, 2025	\$ 3.06	269,075	269,075	-	-
September 30, 2026	\$ 4.37	263,347	263,347	-	-
		<u>1,276,093</u>	<u>1,276,093</u>	<u>169,168</u>	<u>169,168</u>

The employee options vest one third on the grant date and one third on the first and second anniversary of the grant date. The following table reflects the continuity of stock options for the period presented:

	March 31, 2022	Weighted Average Exercise Price - CAD	December 31, 2021	Weighted Average Exercise Price - CAD
Balance - beginning of period	169,168	\$ 2.01	293,838	\$ 1.52
Issued	1,106,925	2.58	-	-
Exercised	-	-	(121,336)	0.91
Expired	-	-	(3,334)	0.80
Forfeited	-	-	-	-
Balance - end of period	<u>1,276,093</u>	<u>\$ -</u>	<u>169,168</u>	<u>\$ 2.01</u>

Share based compensation expense attributable to employee options was \$nil and \$1,678 for the three months ended March 31, 2022 and 2021, respectively.

The total intrinsic value of options exercised, outstanding and exercisable as of March 31, 2022 was \$0, \$676,329 and \$676,329, respectively.

The total intrinsic value of stock options exercised, outstanding and exercisable as of December 31, 2021 was \$274,611, \$238,010 and \$238,010, respectively.

PLANET 13 HOLDINGS INC.
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(b) Restricted Share Units

The Company has established a Restricted Share Unit incentive plan (the “**RSU Plan**”) for employees, management, directors, and consultants of the Company, as designated and administered by a committee of the Company’s Board of Directors. Under the RSU Plan, the Company may grant RSUs and/or options for up to 10% of the issued and outstanding common shares of the Company.

The following table summarizes the RSUs that are outstanding as at March 31, 2022 and 2021:

	<u>March 31, 2022</u>	<u>March 31, 2021</u>
Balance - beginning of period	2,591,929	1,764,250
Exercised	-	(852,154)
Balance - end of period	<u>2,591,929</u>	<u>912,096</u>

The Company recognized \$2,055,494 in share-based compensation expense attributable to RSUs vesting during the three months ended March 31, 2022 (\$202,295 for the three months ended March 31, 2021).

During the three months ended March 31, 2022

During the three months ended March 31, 2022, no RSUs were granted, exercised or vested.

During the three months ended March 31, 2021

On January 4, 2021, the Company issued 852,154 common shares to settle 852,154 that had vested. The Company did not receive any cash from this issuance.

12. Loss per share

	<u>Three Months Ended</u>	
	<u>March 31,</u> <u>2022</u>	<u>March 31,</u> <u>2021</u>
(Loss) available to common shareholders	\$ (2,061,071)	\$ (6,014,429)
Weighted average number of shares outstanding, basic and diluted	205,570,940	190,777,592
Basic and diluted (loss) per share	\$ (0.01)	\$ (0.03)

Approximately 12,729,976 and 10,790,606 of potentially dilutive securities for the three months ended March 31, 2022 and 2021, respectively were excluded in the calculation of diluted EPS as their impact would have been anti-dilutive due to the net losses for such periods.

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Notes to the Interim Condensed Consolidated Financial Statements
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13. General and administrative

	Three Months Ended	
	March 31, 2022	March 31, 2021
Salaries and wages	\$ 4,784,344	\$ 3,448,129
Share based compensation	2,055,494	203,973
Executive compensation	673,614	499,336
Licenses and permits	843,029	588,041
Payroll taxes and benefits'	1,170,454	682,042
Supplies and office expenses	247,933	299,784
Subcontractors	732,984	474,640
Professional fees (legal, audit and other)	2,339,674	636,170
Miscellaneous general and administrative expenses	639,164	1,179,223
	<u>\$ 13,486,690</u>	<u>\$ 8,011,338</u>

14. Supplemental cash flow information

Change in Working Capital	March 31, 2022	March 31, 2021
Accounts Receivable	469,564	304,238
Inventory	1,341,349	(1,865,995)
Prepaid Expenses and Other Assets	242,118	(2,717,571)
Long-term Deposits and Other Assets	12,911	-
Deferred Tax Assets	(11,353)	-
Accounts Payable	506,527	1,609,235
Accrued Expenses	(1,765,521)	1,428,950
Income Taxes Payable	2,768,115	3,364,710
Other Liabilities	-	-
	<u>\$ 3,563,710</u>	<u>\$ 2,123,567</u>

Cash Paid

Income Taxes	\$ -	\$ -
Interest	\$ -	\$ -

Non-cash Financing and Investing Activities

Initial Recognition of Fair Value of Net Assets Acquired in NGW Acquisition in Exchange for Shares, excluding Cash	\$ 22,109,890	\$ -
Initial Recognition of ROU Assets and Lease Liabilities	\$ 56,130	\$ -
Fixed Asset Amounts in Accounts Payable	\$ 39,825	\$ 369,066
Warrant liability reclassified to APIC on settlement	\$ -	\$ 6,388,839
Reclassification of long term lease liabilities to current	\$ 30,570	\$ -

PLANET 13 HOLDINGS INC.
Notes to the Interim Condensed Consolidated Financial Statements
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15. Related Party Transactions and Balances

Related party transactions are summarized as follows:

a) Building Lease

The Company is the sub-lessee of approximately 2,000 square feet of office space and purchases certain printed marketing collateral and stationery items from a company owned by one of the Company's Co-CEOs. Amounts paid for rent for the three months ended March 31, 2022 and 2021 equaled \$ 6,010 and \$6,010, respectively. Amounts paid for printed marketing collateral and stationery items to the same company were \$183,914 and \$30,287 for the three months ended March 31, 2022 and 2021, respectively.

The Company leased a cultivation facility from an entity owned by the Company's Co-CEOs. Rent paid for this facility for the three months ended March 31, 2022 and 2021 equaled \$nil and \$229,054, respectively. On April 30, 2021, the Company's Co-CEOs sold this building to an arm's length third party who assumed the lease.

(b) Other

A company owned by one of the Company's executives pays the Company for storage space. Amounts paid to the Company for storage space equaled \$ 5,968 and \$28,440 for the three months ended March 31, 2022 and 2020, respectively, and is recorded in other income.

16. Commitments and contingencies

(a) Construction Commitments

The Company had \$5,580,235 of outstanding construction commitments as of March 31, 2022.

(b) Contingencies

The Company's operations are subject to a variety of local and state regulation. Failure to comply with one or more of those regulations could result in fines, restrictions on its operations, or losses of permits that could result in the Company ceasing operations. While management of the Company believes that the Company is in compliance with applicable local and state regulations at March 31, 2022, medical and adult use cannabis regulations continue to evolve and are subject to differing interpretations. As a result, the Company may be subject to regulatory fines, penalties, or restrictions in the future.

(c) Claims and Litigation

From time to time, the Company may be involved in litigation relating to claims arising out of operations in the normal course of business. At March 31, 2022 and December 31, 2021, there were no pending or threatened lawsuits that could reasonably be expected to have a material effect on the results of the Company's operations. There are also no proceedings in which any of the Company's directors, officers or affiliates is an adverse party or has a material interest adverse to the Company's interest.

(d) Operating Licenses

Although the possession, cultivation, and distribution of marijuana for medical and adult use is permitted in Nevada and California, marijuana is a Schedule-I controlled substance and its use remains a violation of federal law. Since federal law criminalizing the use of marijuana pre-empts state laws that legalize its use, strict enforcement of federal law regarding marijuana would likely result in the Company's inability to proceed with our business plans. In addition, the Company's assets, including real property, cash, equipment, and other goods, could be subject to asset forfeiture because marijuana is still federally illegal.

PLANET 13 HOLDINGS INC.
Notes to the Interim Condensed Consolidated Financial Statements
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17. Risks

Credit risk

Credit risk is the risk that a third party might fail to discharge its obligations under the terms of a financial instrument. Credit risk arises from cash with banks and financial institutions. It is management's opinion that the Company is not exposed to significant credit risk arising from these financial instruments. The Company limits credit risk by entering into business arrangements with high credit-quality counterparties.

The Company evaluates the collectability of its accounts receivable and maintains an allowance for credit losses at an amount sufficient to absorb losses inherent in the existing accounts receivable portfolio as of the reporting dates based on the estimate of expected net credit losses.

Concentration risk

The Company operates exclusively in Southern Nevada and Southern California. Should economic conditions deteriorate within that region, its results of operations and financial position would be negatively impacted.

Banking Risk

Notwithstanding that a majority of states have legalized medical marijuana, there has been no change in US federal banking laws related to the deposit and holding of funds derived from activities related to the marijuana industry. Given that US federal law provides that the production and possession of cannabis is illegal, there is a strong argument that banks cannot accept or deposit funds from businesses involved with the marijuana industry. Consequently, businesses involved in the marijuana industry often have difficulty accessing the US banking system and traditional financing sources. The inability to open bank accounts with certain institutions may make it difficult to operate the business of the Company and leave the Company's cash holdings vulnerable.

Asset Forfeiture Risk

Because the cannabis industry remains illegal under US federal law, any property owned by participants in the cannabis industry which are either used in the course of conducting such business, or are the proceeds of such business, could be subject to seizure by law enforcement and subsequent civil asset forfeiture. Even if the owner of the property was never charged with a crime, the property in question could still be seized and subject to an administrative proceeding by which with minimal due process, it could be subject to forfeiture.

Currency rate risk

As of March 31, 2022, a portion of the Company's financial assets and liabilities held in Canadian dollars consist of cash and cash equivalents of \$143,474 (December 31, 2021 - \$165,943). The Company's objective in managing its foreign currency risk is to minimize its net exposure to foreign currency cash flows by transacting, to the greatest extent possible, with third parties in the functional currency. The Company is exposed to currency rate risk in other comprehensive income, relating to foreign subsidiaries which operate in a foreign currency. The Company does not currently use foreign exchange contracts to hedge its exposure of its foreign currency cash flows as management has determined that this risk is not significant at this point in time.

PLANET 13 HOLDINGS INC.**Notes to the Interim Condensed Consolidated Financial Statements
(Unaudited, in United States Dollars, except share amounts)****18. Disaggregated Revenue**

The following table presents the Company's disaggregated revenue by sales channel:

	Three Months Ended	
	March 31, 2022	March 31, 2021
Retail	\$ 23,559,391	\$ 22,775,156
Wholesale	2,135,004	1,041,052
Net revenues	<u>\$ 25,694,395</u>	<u>\$ 23,816,208</u>

19. COVID-19

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. The outbreak of this contagious disease, along with the related adverse public health developments, have negatively affected workforces, economies, and financial markets on a global scale. The Company incurred lower revenues, and additional expenditures related to COVID-19 during the first half of 2020. During the first half of 2020 the Company's operations in Nevada were mandated as an essential service but were restricted to delivery only, with no curbside pickup or instore sales permitted until such delivery-only order was lifted on May 30, 2020. The Company's operating results were not materially impacted during the second half of 2020. Currently, the Company is closely monitoring the impact of the pandemic on all aspects of its business and it is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations.

20. Next Green Wave Acquisition

On March 2, 2022 (the "Closing Date"), the Company completed a business combination acquisition of NGW. The Company entered into an arrangement agreement (the "Arrangement Agreement") with NGW on December 20, 2021 pursuant to which Planet 13 agreed to acquire (the "Arrangement") all of the issued and outstanding common shares of NGW (the "NGW Shares") pursuant to a plan of arrangement (the "Plan of Arrangement") under the Business Corporations Act (British Columbia). The Arrangement was approved by the holders of NGW Shares (the "NGW Shareholders") at a special meeting of NGW Shareholders held on February 25, 2022 and approved by the Supreme Court of British Columbia on March 1, 2022.

Pursuant to the Plan of Arrangement, on March 2, 2022, the Company acquired all of the NGW Shares for a total consideration of 21,361,002 common shares of the Company and NGW then amalgamated with Planet 13. The NGW Shareholders received 0.1145 of one Planet 13 Share (the "Exchange Ratio") and a nominal cash payment of C\$0.0001 for each NGW Share held immediately prior to the Effective Time. As a result, 21,361,002 Planet 13 Shares and \$15,205 in cash were issued in exchange for the NGW Shares. In addition, the number of Planet 13 Shares issued to any person pursuant to the Arrangement was rounded down to the nearest whole Planet 13 Share, with a cash consideration paid in lieu of the issuance of such fractional Planet 13 Share of C\$3.379 per share.

Based upon the Exchange Ratio, all NGW options to acquire NGW Shares that were outstanding immediately prior to the Effective Time were also exchanged for Planet 13 options that will entitle the holders to receive, upon exercise thereof, Planet 13 Shares. As a result, the Company issued 1,106,925 options in exchange for the NGW options.

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The NGW acquisition was accounted for as a stock purchase acquisition as NGW was deemed to be a business under ASC 805 Business Combinations and the Company is in the process of obtaining a third-party purchase price allocation analysis related to this acquisition. In the interim, the following table summarizes the initial allocation of consideration exchanged to the estimated fair value of identifiable intangible assets acquired assumed:

Consideration paid:

Cash	\$ 15,205
Issuance of 21,361,002 Class A Shares (Note 11)	57,854,830
Issuance of 1,106,925 replacement options	1,239,818
	<u>59,109,853</u>

Fair value of net assets acquired:

Cash	\$ 1,478,698
Inventory	2,095,608
Accounts Receivable	1,306,803
Other current assets	67,340
Property, plant and equipment, net of accumulated depreciation	13,162,210
Other assets	185,619
Intangible asset - License	5,500,000
Goodwill	35,506,060
Accounts Payable	(20,219)
Accrued Liabilities	(172,266)
	<u>\$ 59,109,853</u>

The Company acquired NGW in order to become vertically integrated in California and to create a pathway to introduce it Nevada-based brands into the market. NGW's post-acquisition revenues, gross profit and net income included in the Company's results for the three months ended March 31, 2022 were \$466,927, \$(82,215) and \$(149,227). The following table reflects the revenue, gross profit and comprehensive income (loss) that would have been reported if the acquisition had occurred at the beginning of the periods indicated:

	Three Months Ended March 31, 2022			Three Months Ended March 31, 2021		
	As Reported	NGW	Pro Forma	As Reported	NGW	Pro Forma
Revenue, net of discounts	\$ 25,694,395	\$ 870,651	\$ 26,565,046	\$ 23,816,218	\$ 4,846,508	\$ 28,662,726
Gross Profit	12,901,004	(131,700)	12,769,304	13,034,727	3,368,623	16,403,350
Comprehensive income (loss) for the period	(2,061,071)	(868,125)	(2,929,196)	(6,014,429)	1,750,995	(4,263,434)

The NGW cannabis licenses acquired have an indefinite life and as such will not be subject to amortization. The ultimate amount of goodwill and other intangible assets resulting from the third-party purchase price allocation analysis will be assessed for impairment on at least an annual basis. The Company does not expect that any of the goodwill of other identified intangible assets will be deductible for tax purposes.

21. Subsequent Events

None.