
CAPTOR CAPITAL CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

THREE MONTHS ENDED JUNE 30, 2023

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

Notice To Reader

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

CAPTOR CAPITAL CORP.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
Unaudited

	As at June 30, 2023	As at March 31, 2023
ASSETS		
Current		
Cash and cash equivalents	\$ 12,594,879	\$ 15,087,180
Amounts receivable, prepaid expenses and deposits (Note 4)	3,844,067	3,761,718
Inventory	1,457,951	1,440,471
Investments at fair value (Note 8)	4,296,133	3,474,539
	22,193,030	23,763,908
Non-current		
Amounts receivable and prepaid expenses (Note 4)	832,083	848,873
Right-of-use assets (Note 5)	5,640,751	6,138,586
Property and equipment (Note 6)	2,751,721	2,905,531
Goodwill (Note 7)	6,167,532	6,304,019
Intangibles (Note 7)	6,990,135	7,319,491
	\$ 44,575,252	\$ 47,280,408
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 17)	\$ 8,265,863	\$ 9,918,789
Promissory note payable (Note 9(ii))	77,803	79,086
Loans and notes payable (Note 9(i))	110,254	154,954
Lease liabilities (Note 10)	1,093,132	1,195,247
Income tax payable	4,784,040	4,889,961
	14,331,092	16,238,037
Non-current		
Promissory note payable (Note 9(ii))	-	440
Lease liabilities (Note 10)	6,082,425	6,462,747
Deferred tax liability	1,351,874	1,381,792
Uncertain tax liability	2,201,496	2,201,496
	23,966,887	26,284,512
Shareholders' Equity		
Share capital (Note 11)	116,143,585	116,143,585
Contributed surplus	32,512,168	32,512,168
Accumulated other comprehensive loss	(1,707,029)	(1,477,638)
Deficit	(130,918,753)	(130,455,525)
	16,029,971	16,722,590
Non-controlling interest (Note 3)	4,578,394	4,273,306
	20,608,365	20,995,896
	\$ 44,575,252	\$ 47,280,408

NATURE OF OPERATIONS (Note 1)
SUBSEQUENT EVENT (Note 19)

The accompanying notes are an integral part of these consolidated financial statements.

CAPTOR CAPITAL CORP.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
Unaudited

Three Months Ended June 30,	2023	2022
Revenue	\$ 9,244,202	\$ 11,072,809
Cost of sales	4,895,647	7,228,034
Gross profit	4,348,555	3,844,775
Expenses		
General and administrative expenses (Note 15)	4,134,763	4,800,136
Foreign exchange gain	(45,269)	(21,112)
Interest income	(45,287)	(15,528)
Amortization of intangible assets (Note 7)	208,204	199,770
Total expenses	(4,252,411)	(4,963,266)
Net loss for the period before other items:	96,144	(1,118,491)
Unrealized gain on investments at fair value (Note 8)	(254,284)	(117,743)
Net loss for the period	(158,140)	(1,236,234)
Other comprehensive (loss) income		
Items that may be reclassified subsequently:		
Foreign currency translation adjustment	(229,391)	592,694
Comprehensive loss for the period	\$ (387,531)	\$ (643,540)
Net loss attributable to:		
Shareholders of the Company	\$ (463,228)	\$ (1,122,505)
Non-controlling interest	305,088	(113,729)
	\$ (158,140)	\$ (1,236,234)
Loss per share - basic and diluted (Note 14)	\$ (0.01)	\$ (0.02)

The accompanying notes are an integral part of these consolidated financial statements.

CAPTOR CAPITAL CORP.

Condensed Interim Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)

Unaudited

Three Months Ended June 30,	2023	2022
Cash (used in) provided by:		
Operating Activities		
Net loss for the period	\$ (158,140)	\$ (1,236,234)
Unrealized gain on investments at fair value	254,284	117,743
Foreign exchange loss	114,724	537,610
Depreciation and amortization	690,304	833,185
Accretion	267,794	293,875
Changes in non-cash working capital items:		
Amounts receivable, prepaid expenses and deposits	(65,559)	(1,130,274)
Income tax payable	(105,921)	184,077
Accounts payable and accrued liabilities	(1,652,926)	1,300,300
Inventory	(17,480)	(150,859)
	(672,920)	749,423
Financing Activities		
Lease payments	(588,973)	(548,173)
	(588,973)	(548,173)
Investing Activities		
Purchase of property and equipment	-	(42,189)
Repayments of loans and notes payable	(41,939)	(217,162)
Purchase of investments at fair value	(1,075,878)	-
	(1,117,817)	(259,351)
Foreign exchange effect	(112,591)	1,014
Change in cash and cash equivalents	(2,379,710)	(58,101)
Cash and cash equivalents, beginning of period	15,087,180	20,318,036
Cash and cash equivalents, end of period	\$ 12,594,879	\$ 20,260,949
SUPPLEMENTAL INFORMATION:		
Interest received	\$ 45,287	\$ 22,481

The accompanying notes are an integral part of these consolidated financial statements.

CAPTOR CAPITAL CORP.**Condensed Interim Consolidated Statements of Changes in Shareholders' Equity****(Expressed in Canadian Dollars)****Unaudited**

	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Loss	Deficit	Non-controlling Interest	Total
Balance, March 31, 2022	\$ 116,143,585	\$ 32,512,168	\$ (3,319,724)	\$ (117,471,915)	\$ 8,514,424	\$ 36,378,538
Net comprehensive loss for the period	-	-	592,694	(1,122,505)	(113,729)	(643,540)
Balance, June 30, 2022	\$ 116,143,585	\$ 32,512,168	\$ (2,727,030)	\$ (118,594,420)	\$ 8,400,695	\$ 35,734,998
Balance, March 31, 2023	\$ 116,143,585	\$ 32,512,168	\$ (1,477,638)	\$ (130,455,525)	\$ 4,273,306	\$ 20,995,896
Net comprehensive loss for the period	-	-	(229,391)	(463,228)	305,088	(387,531)
Balance, June 30, 2023	\$ 116,143,585	\$ 32,512,168	\$ (1,707,029)	\$ (130,918,753)	\$ 4,578,394	\$ 20,608,365

The accompanying notes are an integral part of these consolidated financial statements.

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended June 30, 2023

(Expressed in Canadian Dollars, unless otherwise indicated)

(Unaudited)

1. NATURE OF OPERATIONS

Captor Capital Corp. (the "Company" or "Captor") was incorporated under the laws of the Province of Ontario, Canada by Articles of Incorporation dated September 26, 2003. On June 2, 2017, the Company changed its name from NWT Uranium Corp. to Captor Capital Corp. The Company also delisted its common shares from the TSX Venture Exchange (the "Exchange") on June 1, 2017. The delisting of the Company's shares from the Exchange was done pursuant to a resolution approved by shareholders that was passed on December 16, 2016. On October 30, 2017, the common shares of Captor commenced trading on the Canadian Securities Exchange ("CSE") under the symbol "CPTR". Currently, trading of the common shares is halted due to the proposed transaction (Note 19). The primary office is located at 4 King Street West, Suite 401, Toronto, Ontario, M5H 1B6, Canada.

The Company's principal business activity is the retail sale of cannabis products.

The consolidated financial statements were approved by the Board of Directors on August 29, 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Committee ("IFRIC"). These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRSs issued and outstanding as of August 29, 2023, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual consolidated financial statements for the year ended March 31, 2023, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending March 31, 2024 could result in restatement of these unaudited condensed interim consolidated financial statements.

(a) Recent accounting pronouncements

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for annual periods beginning on or after January 1, 2023 or later periods.

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The IASB has published Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) which clarifies the guidance on whether a liability should be classified as either current or non-current. The amendments:

- clarify that the classification of liabilities as current or non-current should only be based on rights that are in place at the end of the reporting period;
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability;
- make clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishment of the liability.

This amendment did not have any impact on the unaudited condensed interim consolidated financial statements.

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended June 30, 2023
(Expressed in Canadian Dollars, unless otherwise indicated)
(Unaudited)

3. NON- CONTROLLING INTEREST

The continuity of CRG's non-controlling interest at June 30, 2023 is as follows:

Company's ownership interest 51%

Balance, March 31, 2022	\$ 8,514,424
Share of loss for the year ended March 31, 2022	(4,241,118)

Balance, March 31, 2023	4,273,306
Share of loss for the period ended June 30, 2023	305,088

Balance, June 30, 2023	\$ 4,578,394
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4. AMOUNTS RECEIVABLE, PREPAID EXPENSES AND DEPOSITS

	As at June 30, 2023	As at March 31, 2023
Sales tax receivable - Canada	\$ 389,103	\$ 375,345
Amounts receivable	2,609,376	2,635,736
Other receivables / deposits ⁽¹⁾	857,659	874,449
Prepaid expenses and deposits	820,012	725,061
	4,676,150	4,610,591
Long-term other receivable	(832,083)	(848,873)
	\$ 3,844,067	\$ 3,761,718

⁽¹⁾ During the year ended March 31, 2023, the Company determined that \$6,055,341 of deposits were uncollectible and wrote down by that amount (Note 19).

5. RIGHT-OF-USE ASSETS

Balance - March 31, 2022	\$ 7,178,662
Amortization	(1,599,184)
Impact of foreign exchange	559,108

Balance - March 31, 2023	6,138,586
Amortization	(370,167)
Impact of foreign exchange	(127,668)

Balance - June 30, 2023	\$ 5,640,751
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CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended June 30, 2023

(Expressed in Canadian Dollars, unless otherwise indicated)

(Unaudited)

6. PROPERTY AND EQUIPMENT

Cost	Computer	Cannabis equipment	Leasehold improvements	Vehicles	Total
At March 31, 2022	\$ 110,383	\$ 357,651	\$ 3,242,499	\$ 138,141	\$ 3,848,674
Additions during the period	7,753	1,806	67,783	-	77,342
Impairment	(9,000)	(37,200)	(34,200)	-	(80,400)
Impact of foreign exchange	9,338	29,721	260,481	11,464	311,004
At March 31, 2023	118,474	351,978	3,536,563	149,605	4,156,620
Impact of foreign exchange	(1,487)	(8,207)	(57,441)	-	(67,135)
At June 30, 2023	\$ 116,987	\$ 343,771	\$ 3,479,122	\$ 149,605	\$ 4,089,485
Accumulated depreciation					
At March 31, 2022	\$ 61,723	\$ 39,618	\$ 444,711	\$ 101,772	\$ 647,824
Depreciation expense	27,268	45,258	426,171	47,833	546,530
Impact of foreign exchange	5,747	4,324	46,664	-	56,735
At March 31, 2023	94,738	89,200	917,546	149,605	1,251,089
Depreciation expense	5,039	10,552	96,342	-	111,933
Impact of foreign exchange	(2,123)	(2,080)	(21,055)	-	(25,258)
At June 30, 2023	\$ 97,654	\$ 97,672	\$ 992,833	\$ 149,605	\$ 1,337,764
Carrying value					
At March 31, 2023	\$ 23,736	\$ 262,778	\$ 2,619,017	\$ -	\$ 2,905,531
At June 30, 2023	\$ 19,333	\$ 246,099	\$ 2,486,289	\$ -	\$ 2,751,721

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended June 30, 2023

(Expressed in Canadian Dollars, unless otherwise indicated)

(Unaudited)

7. GOODWILL AND INTANGIBLES

Cost	Licenses	Customer relationship	Tradename	Total Intangibles	Goodwill
At March 31, 2022	\$ 8,169,681	\$ 970,243	\$ 2,904,263	\$ 12,044,187	\$ 7,574,881
Impairment	(2,341,100)	(54,000)	(84,500)	(2,479,600)	(1,959,937)
Impact of foreign exchange	677,974	80,517	241,015	999,506	689,075
At March 31, 2023	6,506,555	996,760	3,060,778	10,564,093	6,304,019
Impact of foreign exchange	(123,164)	(23,146)	(78,205)	(224,515)	(136,487)
At June 30, 2023	\$ 6,383,391	\$ 973,614	\$ 2,982,573	\$ 10,339,578	\$ 6,167,532
Accumulated amortization					
At March 31, 2022	\$ -	\$ 690,684	\$ 1,530,395	\$ 2,221,079	\$ -
Amortization	-	205,446	614,967	820,413	-
Impact of foreign exchange	-	62,023	141,087	203,110	-
At March 31, 2023	-	958,153	2,286,449	3,244,602	-
Amortization	-	52,138	156,066	208,204	-
Impact of foreign exchange	-	(36,677)	(66,686)	(103,363)	-
At June 30, 2023	\$ -	\$ 973,614	\$ 2,375,829	\$ 3,349,443	\$ -
Carrying value					
At March 31, 2023	\$ 6,506,555	\$ 38,607	\$ 774,329	\$ 7,319,491	\$ 6,304,019
At June 30, 2023	\$ 6,383,391	\$ -	\$ 606,744	\$ 6,990,135	\$ 6,167,532

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended June 30, 2023
(Expressed in Canadian Dollars, unless otherwise indicated)
(Unaudited)

8. INVESTMENTS AT FAIR VALUE

Other investments consist of shares held in publicly listed and private companies.

	Level 1	Level 1	Level 3	
	MedMen Enterprises (a)	Other investment (Public)	Other investment (Private)	Total
At March 31, 2022	\$ 133,241	\$ 222,185	\$ 1,844,150	\$ 2,199,576
Additions (disposal)	-	1,414,655	-	1,414,655
Revaluation to fair market value	(119,216)	(173,516)	153,040	(139,692)
At March 31, 2023	14,025	1,463,324	1,997,190	3,474,539
Additions (disposal)	-	1,075,878	-	1,075,878
Revaluation to fair market value	3,507	(214,550)	(43,241)	(254,284)
At June 30, 2023	\$ 17,532	\$ 2,324,652	\$ 1,953,949	\$ 4,296,133

Within Level 3, the Company includes non-public company investments. The key assumptions used in the valuation of these instruments include the value at which a recent financing was done by the investee and company-specific information.

9. LOANS AND NOTES PAYABLE

(i) The Company entered into certain auto loans for the purchase of vehicles. The table below is a summary of the continuity of the auto loans:

	Loan payable ⁽¹⁾
Balance - March 31, 2022	\$ 299,169
Repayments	(165,257)
Impact of foreign exchange	21,042
Balance - March 31, 2023	154,954
Repayments	(41,939)
Impact of foreign exchange	(2,761)
Balance - June 30, 2023	\$ 110,254
Current portion	\$ 110,254

⁽¹⁾ The terms of the loan payable are as follows: principal: US\$249,821, no interest shall accrue on the principal, maturity: February 15, 2024 and annual repayment: US\$10,409 in monthly installments.

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended June 30, 2023
(Expressed in Canadian Dollars, unless otherwise indicated)
(Unaudited)

9. LOANS AND NOTES PAYABLE (Continued)

(ii) During the year ended March 31, 2021, the Company issued a promissory note payable to 9311 VDV L.P. in the amount of US\$342,483. The table below is a summary of the continuity of the promissory notes payable:

	9311 VDV L.P.
Balance - March 31, 2022	\$ 246,946
Repayments	(183,706)
Impact of foreign exchange	16,286
Balance - March 31, 2022	79,526
Impact of foreign exchange	(1,723)
Balance - June 30, 2023	\$ 77,803
Current portion	\$ 77,803

The terms of the note payable to 9311 VDV L.P. are as follows: principal: US\$342,483, no interest shall accrue on the principal, maturity: December 31, 2023 and repayment of the principal as prescribed by the lender.

10. LEASE LIABILITIES

At the commencement date of the leases, the lease liabilities were measured at the present value of the lease payments that were not paid at that date. The lease payments are discounted using an interest rate of 16%, which is the Company's incremental borrowing rate.

The continuity of lease liabilities is presented in the table below:

Balance - March 31, 2022	\$ 8,138,067
Accretion expense	1,159,432
Lease payments	(2,288,986)
Impact of foreign exchange	649,481
Balance - March 31, 2023	7,657,994
Accretion expense	267,794
Lease payments	(588,973)
Impact of foreign exchange	(161,258)
Balance - June 30, 2023	\$ 7,175,557
Current portion	\$ 1,093,132
Non-current portion	\$ 6,082,425

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended June 30, 2023
(Expressed in Canadian Dollars, unless otherwise indicated)
(Unaudited)

10. LEASE LIABILITIES (Continued)

Maturity analysis - contractual undiscounted cash flows

As at June 30, 2023

Due less than one year	\$	2,042,272
Due between one and two years		1,810,563
Due between two and three years		1,720,514
Due thereafter		5,003,624
Total undiscounted lease obligations	\$	10,576,973

During the year ended June 30, 2023, the Company expensed \$15,000 (year ended March 31, 2023 - \$48,000) related to short-term leases.

11. SHARE CAPITAL

a) Authorized

Unlimited number of common shares with no par value.

b) Issued and outstanding

	Number of shares	Amount
Balance, March 31, 2022 and June 30, 2022	52,095,600	\$ 116,143,585
Balance, March 31, 2023 and June 30, 2023	52,095,600	\$ 116,143,585

12. WARRANTS

The following table reflects the continuity of warrants for the periods presented:

	Number of warrants	Weighted average exercise price
Balance, March 31, 2022 and June 30, 2022	6,400,431	\$ 1.20
Balance, March 31, 2023	6,400,431	\$ 1.20
Expired	(6,400,431)	1.20
Balance, June 30, 2023	-	\$ -

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended June 30, 2023

(Expressed in Canadian Dollars, unless otherwise indicated)

(Unaudited)

13. STOCK OPTIONS

The Company has a stock option plan for the purchase of common shares for its directors, officers, employees and other service providers. The aggregate number of common shares reserved for issuance under the stock option plan is 10% of the issued and outstanding common shares of the Company. The options are non-assignable and non-transferable and may be granted for a term not exceeding five years. The exercise price of the options is fixed by the Board of Directors of the Company at the time of grant, subject to all applicable regulatory requirements. The vesting term of the options is fixed by the Board of Directors of the Company at the time of grant and may vary from immediate vesting to up to 24 months.

The following table reflects the continuity of stock options for the periods presented:

	Number of stock options	Weighted average exercise price
Balance, March 31, 2022 and June 30, 2022	4,733,626	\$ 0.88
Balance, March 31, 2023	4,658,626	\$ 0.89
Options cancelled	(4,658,626)	0.89
Balance, June 30, 2023	-	\$ -

14. LOSS PER SHARE

Three Months Ended June 30,	2023	2022
Net loss for the period	\$ (463,228)	\$ (1,122,505)
Net loss per share - basic and diluted	\$ (0.01)	\$ (0.02)
Weighted average number of shares outstanding - basic and diluted	52,095,600	52,095,600

(i) Diluted loss per share does not include the effect of warrants and stock options as they are anti-dilutive.

15. GENERAL AND ADMINISTRATIVE EXPENSES

Three Months Ended June 30,	2023	2022
Management and administrative services (Note 17)	\$ 115,000	\$ 156,024
Professional fees	407,803	451,366
Operational expenses	2,850,080	3,252,549
Travel expenses	5,558	4,770
Regulatory fees	5,825	5,765
Interest and penalty	603	1,025
Depreciation	111,933	147,183
Accretion - lease liability	267,794	293,875
Amortization - right-of-use assets	370,167	487,579
	\$ 4,134,763	\$ 4,800,136

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended June 30, 2023
(Expressed in Canadian Dollars, unless otherwise indicated)
(Unaudited)

16. SEGMENTED INFORMATION

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operation decision maker, or decision making group, in deciding how to allocate resources and in assessing performance.

Operating segments

As at June 30, 2023	Corporate	Cannabis Operations	Total
Current assets	\$ 14,835,819	\$ 7,357,211	\$ 22,193,030
Property and equipment	-	2,751,721	2,751,721
Other assets	-	19,630,501	19,630,501
Total assets	\$ 14,835,819	\$ 29,739,433	\$ 44,575,252

As at March 31, 2023	Corporate	Cannabis Operations	Total
Current assets	\$ 15,391,587	\$ 8,372,321	\$ 23,763,908
Property and equipment	-	2,905,531	2,905,531
Other assets	-	20,610,969	20,610,969
Total assets	\$ 15,391,587	\$ 31,888,821	\$ 47,280,408

Three Months Ended June 30, 2023	Corporate	Cannabis Operations	Total
Sales, net of excise tax	\$ -	\$ 9,244,202	\$ 9,244,202
Gross profit	-	4,348,555	4,348,555
Net (loss) income	(305,839)	147,699	(158,140)

Three Months Ended June 30, 2022	Corporate	Cannabis Operations	Total
Sales, net of excise tax	\$ -	\$ 11,072,809	\$ 11,072,809
Gross profit	-	3,844,775	3,844,775
Net loss	(266,075)	(970,159)	(1,236,234)

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements
 Three Months Ended June 30, 2023
 (Expressed in Canadian Dollars, unless otherwise indicated)
 (Unaudited)

16. SEGMENTED INFORMATION (Continued)

Geographical segments

As at June 30, 2023	Canada	United States	Other	Total
Current assets	\$ 14,385,342	\$ 7,357,210	\$ 450,478	\$ 22,193,030
Property and equipment	-	2,751,721	-	2,751,721
Other assets	-	19,630,501	-	19,630,501
Total assets	\$ 14,385,342	\$ 29,739,432	\$ 450,478	\$ 44,575,252

As at March 31, 2023	Canada	United States	Other	Total
Current assets	\$ 14,941,110	\$ 8,372,320	\$ 450,478	\$ 23,763,908
Property and equipment	-	2,905,531	-	2,905,531
Other assets	-	20,610,969	-	20,610,969
Total assets	\$ 14,941,110	\$ 31,888,820	\$ 450,478	\$ 47,280,408

Three Months Ended June 30, 2023	Canada	United States	Other	Total
Sales, net of excise tax	\$ -	\$ 9,244,202	\$ -	\$ 9,244,202
Gross profit	-	4,348,555	-	4,348,555
Net (loss) income	(524,645)	366,505	-	(158,140)

Three Months Ended June 30, 2022	Canada	United States	Other	Total
Sales, net of excise tax	\$ -	\$ 11,072,809	\$ -	\$ 11,072,809
Gross profit	-	3,844,775	-	3,844,775
Net loss	(326,669)	(909,565)	-	(1,236,234)

17. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

Remuneration of directors and key management of the Company was as follows:

Three Months Ended June 30,	2023	2022
Directors fees and bonus	\$ 60,000	\$ 101,024
Alegana Enterprises Ltd. ("Alegana") (i)	55,000	55,000
Marrelli Support Services Inc. ("MSSI") (ii)	12,666	12,372
	\$ 127,666	\$ 168,396

(i) Alegana is a company controlled by Mr. John Zorbas, the President and Chief Executive Officer ("CEO") of the Company. The consulting fees paid to Alegana are for the function of the President which include, but are not limited to, managing the capital structure and current investment portfolio of the Company. Included in accounts payable and accrued liabilities at June 30, 2023 is \$12,219 (March 31, 2023 - \$12,219) owing to Alegana.

(ii) Mr. Jing Peng, the Chief Financial Officer ("CFO"), is a senior employee of MSSI. The management fees paid to MSSI relate to CFO function performed by Mr. Peng which includes the reporting of financial information and the safeguard of the Company's assets. Included in accounts payable and accrued liabilities at June 30, 2023 is \$2,957 (March 31, 2023 - \$41,445) owing to MSSI.

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended June 30, 2023

(Expressed in Canadian Dollars, unless otherwise indicated)

(Unaudited)

18. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data or other means. Level 3 inputs are unobservable (supported by little or no market activity). The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

(a) Assets and liabilities measured at fair value on a recurring basis:

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Aggregate fair value
As at June 30, 2023				
Investments at fair value	\$ 2,342,184	\$ -	\$ 1,953,949	\$ 4,296,133
As at March 31, 2023				
Investments at fair value	\$ 1,477,349	\$ -	\$ 1,997,190	\$ 3,474,539

(b) Fair values of financial assets and liabilities:

	June 30, 2023		March 31, 2023	
	Carrying amount	Estimated fair value	Carrying amount	Estimated fair value
Amortized cost				
Amounts receivable (i)	\$ 3,467,035	\$ 3,467,035	\$ 3,510,185	\$ 3,510,185
FVTPL				
Cash and cash equivalents	\$ 12,594,879	\$ 12,594,879	\$ 15,087,180	\$ 15,087,180
Investments at fair value	4,296,133	4,296,133	3,474,539	3,474,539
	\$ 16,891,012	\$ 16,891,012	\$ 18,561,719	\$ 18,561,719

	June 30, 2023		March 31, 2023	
	Carrying amount	Estimated fair value	Carrying amount	Estimated fair value
Other financial liabilities				
Accounts payable and accrued liabilities (i)	\$ 8,265,863	\$ 8,265,863	\$ 9,918,789	\$ 9,918,789
Promissory note payable (i)	77,803	77,803	79,526	79,526
Loans and notes payable (i)	110,254	110,254	154,954	154,954
	\$ 8,453,920	\$ 8,453,920	\$ 10,153,269	\$ 10,153,269

(i) The carrying amounts of amounts receivable, accounts payable and accrued liabilities, promissory notes and loans and notes payable are reasonable approximation of their fair values due to their short-term nature.

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended June 30, 2023

(Expressed in Canadian Dollars, unless otherwise indicated)

(Unaudited)

19. SUBSEQUENT EVENT

On July 26, 2023, the Company announced that it is no longer pursuing a business combination with Rimstock Holdings Limited ("Rimstock") in which the Company would have acquired a majority position of Rimstock in exchange for shares and cash consideration and would have resulted in the reverse takeover of the Company by Rimstock shareholders (the "Rimstock RTO"). Despite the best efforts of the parties, Rimstock and Captor were unable to reach agreement with Rimstock's secured creditors for the Rimstock RTO to proceed.

Prior to the termination of the Rimstock RTO, the Company advanced an aggregate of \$6,055,341 (US\$4,469,076) in bridge financing to Rimstock pursuant to the terms and subject to the conditions of a senior unsecured convertible debenture in the principal amount of US\$9,500,000 dated July 1, 2023 (the "Debenture"). The aggregate amount advanced to Rimstock under the Debenture is inclusive of the US\$2,500,000 non-refundable deposit the Company advanced to Rimstock on signing the letter of intent in respect of the Rimstock RTO. The financing represented Captor's sole investment in Rimstock and no further amounts will be advanced to Rimstock under the Debenture. Interest accrues under the Debenture at a rate of 1% above the base rate of Barclays Bank plc, and has a two year maturity period, subject to accelerated maturity in certain circumstances. Subject to the receipt of relevant regulatory approvals, the outstanding principal amount is convertible into ordinary shares in the capital of Rimstock. The proceeds from the Debenture were used by Rimstock for working capital and general operating purposes.

As the Rimstock RTO will not proceed, Rimstock is in discussions with its lenders regarding the restructuring of Rimstock and its liabilities. This has resulted in certain Rimstock group companies being placed into administration pursuant to UK insolvency laws and a write-down of the advances to Rimstock by the Company.

Following the termination of the RTO, the Company will seek to lift the trading halt on its common shares on the CSE. The resumption of trading of the common shares of the Company is subject to the approval of the CSE.