

FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: **Captor Capital Corp.** (the "Issuer").

Trading Symbol: **CPTR**

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities Act*, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

General Instructions

- (a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

CAPTOR CAPITAL CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

THREE AND NINE MONTHS ENDED DECEMBER 31, 2022

(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 December 31, 2022	As at March 31, 2022
ASSETS		
Current		
Cash and cash equivalents	\$ 15,867,355	\$ 20,318,036
Amounts receivable and prepaid expenses (Note 4)	10,151,306	3,187,818
Inventory	1,803,561	2,038,449
Investments at fair value (Note 8)	2,116,733	2,199,576
	29,938,955	27,743,879
Non-current		
Amounts receivable and prepaid expenses (Note 4)	849,563	895,143
Right-of-use assets (Note 5)	6,516,884	7,178,662
Property and equipment (Note 6)	3,090,355	3,200,850
Goodwill (Note 7)	8,270,673	7,574,881
Intangibles (Note 7)	10,036,282	9,823,108
	\$ 58,702,712	\$ 56,416,523
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 17)	\$ 9,250,699	\$ 6,799,132
Loans and notes payable (Note 9(i))	169,179	156,088
Promissory note payable (Note 9(ii))	52,062	221,548
Lease liabilities (Note 10)	1,271,310	1,066,886
Income tax payable	2,598,601	2,397,303
	13,341,851	10,640,957
Non-current		
Loans and notes payable (Note 9(i))	28,196	143,081
Promissory note payable (Note 9(ii))	27,528	25,398
Lease liabilities (Note 10)	6,703,743	7,071,181
Deferred tax liability	2,338,298	2,157,368
	22,439,616	20,037,985
Shareholders' Equity		
Share capital (Note 11)	116,143,585	116,143,585
Contributed surplus	32,512,168	32,512,168
Accumulated other comprehensive loss	(3,579,782)	(3,319,724)
Deficit	(117,430,479)	(117,471,915)
	27,645,492	27,864,114
Non-controlling interest (Note 3)	8,617,604	8,514,424
	36,263,096	36,378,538
	\$ 58,702,712	\$ 56,416,523

NATURE OF OPERATIONS (Note 1)

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

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

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2022	2021	2022	2021
Sales, net of excise tax	\$ 10,874,550	\$ 8,404,525	\$ 32,671,400	\$ 23,640,258
Cost of sales	6,344,404	4,970,339	20,007,049	15,026,243
Gross profit	4,530,146	3,434,186	12,664,351	8,614,015
Expenses				
General and administrative expenses (Note 15)	4,742,326	4,252,365	14,321,717	12,855,439
Foreign exchange (gain) loss	408,283	1,201,157	(2,372,599)	1,223,494
Interest income	(67,159)	(5,941)	(116,286)	(16,409)
Amortization of intangible assets (Note 7)	210,343	196,082	610,659	746,375
Total expenses	(5,293,793)	(5,643,663)	(12,443,491)	(14,808,899)
Net income (loss) for the period before other items:	(763,647)	(2,209,477)	220,860	(6,194,884)
Realized gain (loss) on investments at fair value	-	-	(410,848)	347,742
Unrealized gain (loss) on investments at fair value	(76,862)	(302,063)	334,604	(718,883)
Gain on sale of investment in associate	-	61,804	-	61,804
Loss on write-off of property and equipment (Note 6)	-	(123)	-	(28,580)
Net income (loss) for the period	(840,509)	(2,449,859)	144,616	(6,532,801)
Other comprehensive (loss) income				
Items that may be reclassified subsequently:				
Foreign currency translation adjustment	344,812	764,475	(260,058)	(4,146)
	344,812	764,475	(260,058)	(4,146)
Comprehensive loss for the period	\$ (495,697)	\$ (1,685,384)	\$ (115,442)	\$ (6,536,947)
Net loss attributable to:				
Shareholders of the Company	\$ (956,932)	\$ (2,777,938)	\$ 41,436	\$ (6,570,414)
Non-controlling interest	116,423	328,079	103,180	37,613
	\$ (840,509)	\$ (2,449,859)	\$ 144,616	\$ (6,532,801)
Income (loss) per share - basic and diluted (Note 14)	\$ (0.02)	\$ (0.05)	\$ 0.00	\$ (0.13)

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

	Nine Months Ended December 31,	
	2022	2021
Cash (used in) provided by:		
Operating Activities		
Net income (loss) for the period	\$ 144,616	\$ (6,532,801)
Unrealized loss (gain) on investments at fair value	(334,604)	718,883
Realized loss (gain) on investments at fair value	410,848	(347,742)
Foreign exchange gain	(1,359,849)	(796,059)
Gain on sale of investment in associate	-	(61,804)
Loss on write-off of property and equipment	-	28,580
Depreciation and amortization	2,260,199	2,249,776
Accretion	878,018	949,161
Stock based compensation expense	-	840,853
Changes in non-cash working capital items:		
Amounts receivable and prepaid expenses	(7,556,550)	(1,812,037)
Income tax payable	310,322	1,504,619
Accounts payable and accrued liabilities	2,451,567	124,089
Inventory	234,888	(675,772)
	(2,560,545)	(3,810,254)
Financing activities		
Issue of common shares and units, net of issue costs	-	12,267,631
Lease payments	(1,697,701)	(1,716,521)
	(1,697,701)	10,551,110
Investing Activities		
Purchase of property and equipment	(59,926)	(1,136,617)
Repayments of loans and notes payable	(305,324)	(228,382)
Proceeds from loan payable	-	13,143
Proceeds from sale of investments at fair value	6,599	436,116
Proceeds from sale of investment in associate	-	61,804
	(358,651)	(853,936)
Foreign exchange effect	166,216	(19,185)
Change in cash and cash equivalents	(4,616,897)	5,886,920
Cash and cash equivalents, beginning of period	20,318,036	17,363,137
Cash and cash equivalents, end of period	\$ 15,867,355	\$ 23,230,872
SUPPLEMENTAL INFORMATION:		
Interest received	\$ 116,286	\$ 16,409

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, 2021	\$ 103,604,649	\$ 29,528,620	\$ (3,254,325)	\$ (103,021,501)	\$ 12,465,055	\$ 39,322,498
Common shares issued for private placement	12,160,818	-	-	-	-	12,160,818
Cost of issue	(32,687)	-	-	-	-	(32,687)
Common shares issued for exercise of options	249,705	(110,205)	-	-	-	139,500
Share based compensation	-	840,853	-	-	-	840,853
Net comprehensive loss for the period	-	-	(4,146)	(6,570,414)	37,613	(6,536,947)
Balance, December 31, 2021	\$ 115,982,485	\$ 30,259,268	\$ (3,258,471)	\$ (109,591,915)	\$ 12,502,668	\$ 45,894,035
Balance, March 31, 2022	\$ 116,143,585	\$ 32,512,168	\$ (3,319,724)	\$ (117,471,915)	\$ 8,514,424	\$ 36,378,538
Net comprehensive income for the period	-	-	(260,058)	41,436	103,180	(115,442)
Balance, December 31, 2022	\$ 116,143,585	\$ 32,512,168	\$ (3,579,782)	\$ (117,430,479)	\$ 8,617,604	\$ 36,263,096

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

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements
Three and Nine Months Ended December 31, 2022
(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". 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.

COVID-19

On January 30, 2020, the World Health Organization declared the coronavirus outbreak ("COVID-19") a "Public Health Emergency of International Concern" and on March 10, 2020, declared COVID-19 a pandemic. The pandemic has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. In response, Captor has shifted its strategic approach and the manner in which it operates its business to continue providing affordable and high quality products to its customers, and ensure that its workplace and stores have appropriate measures in place to limit social interactions and enforce social distancing measures. The Company has also taken steps to alter its marketing methods, conserve cash, and align its overall strategic direction to preserve the health of its business.

The Company implemented certain initiatives in response to the impact of the COVID-19 pandemic. Such initiatives aim to allow the Company to continue offering affordable and high quality products in a safe environment, with additional measures in place to allow its customers to access its products while limiting social interactions, and enforcing social distancing measures throughout its retail stores. These initiatives have allowed the Company to initiated included: (i) increasing curbside pick-up and/or drive-thru options at all of its retail locations; (ii) expanding operate mostly uninterrupted and to implement its business continuity plan. Some of the measures that Captor home delivery services to customers; and (iii) enhancing its in-store safety and sanitation protocols. The Company has also increased its efforts to align labour costs with customer demand and reduce all non-essential operational expenses.

As of the issuance of this report, the Company's operations have not been significantly impacted as cannabis has been deemed an essential service in the state of California since March, 2020. At this point, the extent to which COVID-19 may impact the Company is uncertain; however, it is possible that COVID-19 may have a material adverse effect on the Company's business, results of operations and financial condition.

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements
Three and Nine Months Ended December 31, 2022
(Expressed in Canadian Dollars, unless otherwise indicated)
(Unaudited)

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 March 1, 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, 2022, 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, 2023 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, 2022 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 is effective for annual periods beginning on or after January 1, 2022. There is currently a proposal in place to extend effective date for annual periods beginning on or after January 1, 2023. Earlier application is permitted. The extent of the impact of adoption of this amendment has not yet been determined.

3. NON- CONTROLLING INTEREST

The continuity of CRG's non-controlling interest at December 31, 2022 is as follows:

Company's ownership interest 51%

Balance, March 31, 2021	\$ 12,465,055
Share of loss for the year ended March 31, 2022	(3,950,631)
Balance, March 31, 2022	8,514,424
Share of loss for the period ended December 31, 2022	103,180
Balance, December 31, 2022	\$ 8,617,604

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements
Three and Nine Months Ended December 31, 2022
(Expressed in Canadian Dollars, unless otherwise indicated)
(Unaudited)

4. AMOUNTS RECEIVABLE AND PREPAID EXPENSES

	As at December 31, 2022	As at March 31, 2022
Sales tax receivable - Canada	\$ 300,748	\$ 252,011
Amounts receivable	2,955,188	2,289,936
Other receivables ⁽¹⁾	875,139	920,719
Prepaid expenses and deposits	809,531	620,295
Deposit on transaction (note 19)	6,060,263	-
	11,000,869	4,082,961
Long-term other receivable	(849,563)	(895,143)
	\$ 10,151,306	\$ 3,187,818

⁽¹⁾ During the nine months ended December 31, 2022, the Company deemed that \$nil (year ended March 31, 2022 - \$673,018) of receivables were uncollectible and wrote down receivables by that amount.

5. RIGHT-OF-USE ASSETS

Balance - March 31, 2021	\$ 8,874,328
Additions	89,610
Amortization	(1,512,786)
Disposal	(221,989)
Impact of foreign exchange	(50,501)
Balance - March 31, 2022	7,178,662
Amortization	(1,225,198)
Impact of foreign exchange	563,420
Balance - December 31, 2022	\$ 6,516,884

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended December 31, 2022

(Expressed in Canadian Dollars, unless otherwise indicated)

(Unaudited)

6. PROPERTY AND EQUIPMENT

Cost	Computer	Cannabis equipment	Leasehold improvements	Vehicles	Total
At March 31, 2021	\$ 93,746	\$ 493,242	\$ 2,313,395	\$ 120,945	\$ 3,021,328
Additions during the year	17,281	138,873	1,004,011	18,013	1,178,178
Disposal	-	(281,120)	(28,676)	-	(309,796)
Impact of foreign exchange	(644)	6,656	(46,231)	(817)	(41,036)
At March 31, 2022	110,383	357,651	3,242,499	138,141	3,848,674
Additions during the period	3,479	5,311	51,136	-	59,926
Impact of foreign exchange	9,367	30,163	270,843	11,585	321,958
At December 31, 2022	\$ 123,229	\$ 393,125	\$ 3,564,478	\$ 149,726	\$ 4,230,558
Accumulated depreciation					
At March 31, 2021	\$ 29,398	\$ 9,074	\$ 18,077	\$ 64,942	\$ 121,491
Depreciation expense	32,614	30,699	383,797	37,357	484,467
Impact of foreign exchange	(289)	(155)	42,837	(527)	41,866
At March 31, 2022	61,723	39,618	444,711	101,772	647,824
Depreciation expense	43,508	43,176	301,370	36,288	424,342
Impact of foreign exchange	6,549	4,684	47,124	9,680	68,037
At December 31, 2022	\$ 111,780	\$ 87,478	\$ 793,205	\$ 147,740	\$ 1,140,203
Carrying value					
At March 31, 2022	\$ 48,660	\$ 318,033	\$ 2,797,788	\$ 36,369	\$ 3,200,850
At December 31, 2022	\$ 11,449	\$ 305,647	\$ 2,771,273	\$ 1,986	\$ 3,090,355

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements
Three and Nine Months Ended December 31, 2022
(Expressed in Canadian Dollars, unless otherwise indicated)
(Unaudited)

7. GOODWILL AND INTANGIBLES

Cost	Licenses	Customer relationship	Tradename	Total Intangibles	Total Goodwill
At March 31, 2021	\$ 8,221,330	\$ 976,377	\$ 2,922,624	\$ 12,120,331	\$ 12,672,838
Impairment ⁽¹⁾	-	-	-	-	(5,018,993)
Impact of foreign exchange	(51,649)	(6,134)	(18,361)	(76,144)	(78,964)
At March 31, 2022	8,169,681	970,243	2,904,263	12,044,187	7,574,881
Impact of foreign exchange	704,410	81,371	243,581	1,029,362	695,792
At December 31, 2022	\$ 8,874,091	\$ 1,051,614	\$ 3,147,844	\$ 13,073,549	\$ 8,270,673
Accumulated amortization					
At March 31, 2021	\$ -	\$ 499,776	\$ 622,814	\$ 1,122,590	\$ -
Amortization	-	194,669	914,411	1,109,080	-
Impact of foreign exchange	-	(3,761)	(6,830)	(10,591)	-
At March 31, 2022	-	690,684	1,530,395	2,221,079	-
Amortization	-	152,920	457,739	610,659	-
Impact of foreign exchange	-	62,747	142,782	205,529	-
At December 31, 2022	\$ -	\$ 906,351	\$ 2,130,916	\$ 3,037,267	\$ -
Carrying value					
At March 31, 2022	\$ 8,169,681	\$ 279,559	\$ 1,373,868	\$ 9,823,108	\$ 7,574,881
At December 31, 2022	\$ 8,874,091	\$ 145,263	\$ 1,016,928	\$ 10,036,282	\$ 8,270,673

As of December 31, 2022, the Company performed its annual impairment tests for goodwill and intangible assets. The recoverable amount of all cash generating units was determined based on their value-in-use using Level 3 inputs in a discounted cash flow model. The key assumptions used in the estimates of the recoverable amounts are described as follows:

- Cash flows: Estimated cash flows were projected based on the Company's business plans, which are based on actual operating results from internal sources as well as industry and market trends. The forecasts were extended to a total of 5 years (with a terminal year thereafter);
- Terminal value of growth rate: The terminal growth rate of 3% was based on historical and projected consumer price inflation, historical and projected economic indicators, and projected industry growth; and
- Discount rate: The post tax discount rates were 13% to 25%.

⁽¹⁾ As at March 31, 2022, management determined goodwill was impaired by \$5,018,993. At the CGU level, the goodwill impairment was attributable to the Castorville and Santa Cruz business operations of \$4,408,000 and \$610,993, respectively.

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements
Three and Nine Months Ended December 31, 2022
(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, 2021	\$ 322,581	\$ 850,801	\$ 2,227,720	\$ 3,401,102
Additions (disposal)	-	137,469	-	137,469
Revaluation to fair market value	(189,340)	(766,085)	(383,570)	(1,338,995)
At March 31, 2022	133,241	222,185	1,844,150	2,199,576
Revaluation to fair market value	(122,722)	(114,784)	154,663	(82,843)
At December 31, 2022	\$ 10,519	\$ 107,401	\$ 1,998,813	\$ 2,116,733

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:

	Auto loans ⁽¹⁾	Loan payable ⁽²⁾	Total
Balance - March 31, 2021	\$ 47,391	\$ -	\$ 47,391
Addition	13,143	313,176	326,319
Repayments	(55,028)	(13,049)	(68,077)
Impact of foreign exchange	(5,506)	(958)	(6,464)
Balance - March 31, 2022	-	299,169	299,169
Repayments	-	(123,006)	(123,006)
Impact of foreign exchange	-	21,212	21,212
Balance - December 31, 2022	\$ -	\$ 197,375	\$ 197,375
Current portion	\$ -	\$ 169,179	\$ 169,179
Non-current portion	\$ -	\$ 28,196	\$ 28,196

⁽¹⁾ The terms of the auto loans are as follows: principal: US\$57,658, annual interest rate: 5.84% - 6.19%, maturity: November 25, 2024 and annual repayment: US\$11,501 in monthly installments. As at December 31, 2022, the auto loans were repaid in full.

⁽²⁾ 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 and Nine Months Ended December 31, 2022
(Expressed in Canadian Dollars, unless otherwise indicated)
(Unaudited)

9. LOANS AND NOTES PAYABLE (Continued)

(ii) During the year ended March 31, 2019, the Company issued a promissory note payable to Chris Morganelli in the amount of US\$721,800 for the purchase of the Chai Santa Cruz store and issued a note payable to Salvatore Palma in the amount of US\$1,375,000 for the purchase of the Chai Monterey store. 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, 2021	\$ 430,672
Repayments	(181,600)
Impact of foreign exchange	(2,126)
Balance - March 31, 2022	246,946
Repayments	(182,318)
Impact of foreign exchange	14,962
Balance - December 31, 2022	\$ 79,590
Current portion	\$ 52,062
Non-current portion	\$ 27,528

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, 2021	\$ 9,375,671
Additions	89,610
Disposal	(253,054)
Accretion expense	1,252,934
Lease payments	(2,271,967)
Impact of foreign exchange	(55,127)
Balance - March 31, 2022	8,138,067
Accretion expense	878,018
Lease payments	(1,697,701)
Impact of foreign exchange	656,669
Balance - December 31, 2022	\$ 7,975,053
Current portion	\$ 1,271,310
Non-current portion	\$ 6,703,743

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements
Three and Nine Months Ended December 31, 2022
(Expressed in Canadian Dollars, unless otherwise indicated)
(Unaudited)

10. LEASE LIABILITIES (Continued)

Maturity analysis - contractual undiscounted cash flows

As at December 31, 2022

Due less than one year	\$ 2,326,153
Due between one and two years	1,878,508
Due between two and three years	1,846,074
Due thereafter	5,998,659
Total undiscounted lease obligations	\$ 12,049,394

During the nine months ended December 31, 2022, the Company expensed \$36,000 (year ended March 31, 2022 - \$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, 2021	38,529,739	\$ 103,604,649
Common shares issued for private placement (i)	12,800,861	12,160,818
Cost of issue - cash	-	(32,687)
Common shares issued for exercise of options	465,000	139,500
Fair value of options exercised	-	110,205
Balance, December 31, 2021	51,795,600	\$ 115,982,485
Balance, March 31, 2022 and December 31, 2022	52,095,600	\$ 116,143,585

(i) On April 30, 2021, the Company closed a non-brokered private placement of 12,800,861 units at a price of \$0.95 for gross proceeds of \$12,160,818. Each unit is comprised of one common share and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant will be exercisable to acquire one common share at an exercise price of \$1.20 per share for a period of 24 months from the closing.

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements
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12. WARRANTS

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

	Number of warrants	Weighted average exercise price
Balance, March 31, 2021	-	\$ -
Issued (Note 11(b)(i))	6,400,431	1.20
Balance, December 31, 2021	6,400,431	\$ 1.20
Balance, March 31, 2022 and December 31, 2022	6,400,431	\$ 1.20

The Company had the following warrants outstanding at December 31, 2022:

Expiry date	Number of warrants	Exercise price
April 30, 2023	6,400,431	\$ 1.20

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, 2021	1,975,000	\$ 0.30
Options granted (i)	723,626	1.60
Options exercised	(465,000)	0.30
Balance, December 31, 2021	2,233,626	\$ 0.71
Balance, March 31, 2022	4,733,626	\$ 0.88
Options cancelled	(75,000)	0.30
Balance, December 31, 2022	4,658,626	\$ 0.89

(i) On August 3, 2021, the Company granted 723,626 stock options to directors. Each option entitles the holder to purchase one (1) common share at a price of \$1.60 per common share for a period of three (3) years from date of grant. 523,626 of the options vested immediately and the remaining 200,000 vested on October 1, 2021.

A value of \$840,853 was estimated for the 723,626 stock options on the date of grant with the following assumptions and inputs: share price of \$1.60; exercise price of \$1.60; expected dividend yield of 0%; expected volatility of 126% which is based on historical data; risk-free interest rate of 0.53%; and an expected average life of three years.

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13. STOCK OPTIONS (Continued)

The Company had the following stock options outstanding at December 31, 2022:

Outstanding options	Exercisable options	Weighted average remaining contractual life (years)	Weighted average exercise price (\$)	Expiry date
1,135,000	1,135,000	0.80	0.30	October 19, 2023
723,626	723,626	1.59	1.60	August 3, 2024
2,800,000	2,800,000	4.01	0.95	January 4, 2027
4,658,626	4,658,626	2.85	0.89	

14. LOSS PER SHARE

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2022	2021	2022	2021
Net income (loss) for the period	\$ (840,509)	\$ (2,449,859)	\$ 144,616	\$ (6,532,801)
Net income (loss) per share - basic and diluted	\$ (0.02)	\$ (0.05)	\$ 0.00	\$ (0.13)
Weighted average number of shares outstanding - basic and diluted	52,095,600	51,730,600	52,095,600	49,455,582

(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 December 31,		Nine Months Ended December 31,	
	2022	2021	2022	2021
Management and administrative services (Note 17)	\$ 170,968	\$ 142,689	\$ 471,992	\$ 1,284,816
Professional fees	300,217	697,717	1,297,549	2,404,225
Operational expenses	3,317,108	2,311,050	9,844,228	5,724,814
Travel expenses	6,332	29,142	13,725	55,066
Regulatory fees	10,106	23,181	34,643	93,504
Share based compensation (Note 13)	-	232,400	-	840,853
Interest and penalty	130,406	1,914	132,022	7,966
Depreciation	137,962	122,844	424,342	342,848
Accretion - lease liability	292,930	310,626	878,018	949,161
Amortization - right-of-use assets	376,297	380,802	1,225,198	1,152,186
	\$ 4,742,326	\$ 4,252,365	\$14,321,717	\$12,855,439

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements
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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 December 31, 2022	Corporate	Cannabis Operations	Total
Current assets	\$ 22,279,873	\$ 7,659,082	\$ 29,938,955
Property and equipment	-	3,090,355	3,090,355
Other assets	-	25,673,402	25,673,402
Total assets	\$ 22,279,873	\$ 36,422,839	\$ 58,702,712

As at March 31, 2022	Corporate	Cannabis Operations	Total
Current assets	\$ 22,934,259	\$ 4,809,620	\$ 27,743,879
Property and equipment	-	3,200,850	3,200,850
Other assets	-	25,471,794	25,471,794
Total assets	\$ 22,934,259	\$ 33,482,264	\$ 56,416,523

Three Months Ended December 31, 2022	Corporate	Cannabis Operations	Total
Sales, net of excise tax	\$ -	\$ 10,874,550	\$ 10,874,550
Gross profit	-	4,530,146	4,530,146
Net (loss) income	(4,029,764)	3,189,255	(840,509)

Three Months Ended December 31, 2021	Corporate	Cannabis Operations	Total
Sales, net of excise tax	\$ -	\$ 8,404,525	\$ 8,404,525
Gross profit	-	3,434,185	3,434,185
Net (loss) income	(2,483,758)	33,899	(2,449,859)

Nine Months Ended December 31, 2022	Corporate	Cannabis Operations	Total
Sales, net of excise tax	\$ -	\$ 32,671,400	\$ 32,671,400
Gross profit	-	12,664,351	12,664,351
Net (loss) income	(1,775,663)	1,631,047	(144,616)

Nine Months Ended December 31, 2021	Corporate	Cannabis Operations	Total
Sales, net of excise tax	\$ -	\$ 23,640,258	\$ 23,640,258
Gross profit	-	8,614,015	8,614,015
Net loss	(6,027,400)	(505,401)	(6,532,801)

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements
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16. SEGMENTED INFORMATION (Continued)

Geographical segments

As at December 31, 2022	Canada	United States	Other	Total
Current assets	\$ 21,829,395	\$ 7,659,082	\$ 450,478	\$ 29,938,955
Property and equipment	-	3,090,355	-	3,090,355
Other assets	-	25,673,402	-	25,673,402
Total assets	\$ 21,829,395	\$ 36,422,839	\$ 450,478	\$ 58,702,712
As at March 31, 2022	Canada	United States	Other	Total
Current assets	\$ 22,486,415	\$ 4,809,620	\$ 447,844	\$ 27,743,879
Property and equipment	-	3,200,850	-	3,200,850
Other assets	-	25,471,794	-	25,471,794
Total assets	\$ 22,486,415	\$ 33,482,264	\$ 447,844	\$ 56,416,523
Three Months Ended December 31, 2022	Canada	United States	Other	Total
Sales, net of excise tax	\$ -	\$ 10,874,550	\$ -	\$ 10,874,550
Gross profit	-	4,530,146	-	4,530,146
Net (loss) income	1,627,195	(2,470,337)	2,633	(840,509)
Three Months Ended December 31, 2021	Canada	United States	Other	Total
Sales, net of excise tax	\$ -	\$ 8,404,525	\$ -	\$ 8,404,525
Gross profit	-	3,434,186	-	3,434,186
Net loss	(2,166,459)	(276,727)	(6,673)	(2,449,859)
Nine Months Ended December 31, 2022	Canada	United States	Other	Total
Sales, net of excise tax	\$ -	\$ 32,671,400	\$ -	\$ 32,671,400
Gross profit	-	12,664,351	-	12,664,351
Net (loss) income	1,300,526	(1,158,543)	2,633	144,616
Nine Months Ended December 31, 2021	Canada	United States	Other	Total
Sales, net of excise tax	\$ -	\$ 23,640,258	\$ -	\$ 23,640,258
Gross profit	-	8,614,015	-	8,614,015
Net (loss) income	(5,138,290)	(1,454,562)	60,051	(6,532,801)

CAPTOR CAPITAL CORP.

Notes to Condensed Interim Consolidated Financial Statements Three and Nine Months Ended December 31, 2022 (Expressed in Canadian Dollars, unless otherwise indicated) (Unaudited)

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 December 31,		Nine Months Ended December 31,	
	2022	2021	2022	2021
Directors fees and bonus (i)	\$ 95,484	\$ 75,000	\$ 286,508	\$ 262,500
Alegana Enterprises Ltd. ("Alegana") (ii)	75,484	55,000	185,484	665,000
Marrelli Support Services Inc ("MSSI") (iii)	12,485	12,400	82,908	80,575
Share based compensation	-	232,400	-	840,853
	\$ 183,453	\$ 374,800	\$ 554,900	\$ 1,848,928

(i) Fees paid to directors of the Company. Included in accounts payable and accrued liabilities at December 31, 2022, is \$nil (March 31, 2022 - \$50,000) due to directors of the Company.

(ii) 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.

(iii) 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 December 31, 2022 is \$58,871 (March 31, 2022 - \$7,605) owing to MSSI.

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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 December 31, 2022				
Investments at fair value	\$ 117,920	\$ -	\$ 1,998,813	\$ 2,116,733
As at March 31, 2022				
Investments at fair value	\$ 355,426	\$ -	\$ 1,844,150	\$ 2,199,576

(b) Fair values of financial assets and liabilities:

	December 31, 2022		March 31, 2022	
	Carrying amount	Estimated fair value	Carrying amount	Estimated fair value
Amortized cost				
Amounts receivable (i)	\$ 9,890,590	\$ 9,890,590	\$ 3,210,655	\$ 3,210,655
	\$ 9,890,590	\$ 9,890,590	\$ 3,210,655	\$ 3,210,655
FVTPL				
Cash and cash equivalents	\$ 15,867,355	\$ 15,867,355	\$ 20,318,036	\$ 20,318,036
Investments at fair value	2,116,733	2,116,733	2,199,576	2,199,576
	\$ 17,984,088	\$ 17,984,088	\$ 22,517,612	\$ 22,517,612
Other financial liabilities				
Accounts payable and accrued liabilities (i)	\$ 9,250,699	\$ 9,250,699	\$ 6,799,132	\$ 6,799,132
Promissory note payable	79,590	79,590	246,946	246,946
Loans and notes payable	197,375	197,375	299,169	299,169
	\$ 9,527,664	\$ 9,527,664	\$ 7,345,247	\$ 7,345,247

(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.

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(Unaudited)

19. OTHER EVENT

On July 18, 2022, the Company announced that it has entered into a binding letter of intent (the "LOI") dated July 15, 2022, with UK-based Rimstock Holdings Limited ("Rimstock") in respect of a proposed business combination pursuant to which the Company will acquire 64.11% of Rimstock in exchange for share capital in the Company and cash considerations, which will result in the reverse takeover of Captor Capital by Rimstock (the "Transaction").

It is currently contemplated that the Transaction will be effected by way of a share exchange of common shares of the Company for common shares of Rimstock (the "Share Exchange"). The resulting issuer that will exist upon completion of the Transaction (the "Resulting Issuer") will change its business from cannabis to the electric and luxury vehicle industry. Upon closing of the Transaction (the "Closing"), it is expected that shareholders holding 64.11% of Rimstock will hold 72% of the issued and outstanding shares of the Resulting Issuer (the "Resulting Issuer Shares") and current shareholders of Captor Capital will hold 28% of the issued and outstanding Resulting Issuer Shares (on a non-diluted basis).

The LOI contemplates that Captor and Rimstock will negotiate and enter into a definitive agreement in respect to the Transaction (the "Definitive Agreement"), pursuant to which it is anticipated that the Company will acquire 64.11% of Rimstock's issued and outstanding share capital in exchange for the aggregate purchase price of USD \$31,745,208 (the "Purchase Price"), which shall be paid in the following amounts:

- USD \$22,245,208 in shares of the Company with a deemed value of CAD \$0.25 per share, due upon the Closing;
- USD \$7,000,000 in cash, which shall be reserved in the treasury of the Company for use by the Resulting Issuer as working capital; and
- USD \$2,500,000 in cash as a non-refundable deposit, which will be converted into shares of Rimstock at a fully-diluted valuation of USD \$49,520,000 upon the earlier of: (i) the Closing; or (ii) the expiration of the exclusivity period set out under the LOI, which is 180 days from the date of the LOI.

Any additional cash in the treasury of the Company as of the Closing in excess of USD \$7,000,000 (less transaction fees) will be credited to the benefit of the Issuer's existing shareholders.

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

- (a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
- (b) A description of the transaction(s), including those for which no amount has been recorded.
- (c) The recorded amount of the transactions classified by financial statement category.
- (d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
- (e) Contractual obligations with Related Persons, separate from other contractual obligations.
- (f) Contingencies involving Related Persons, separate from other contingencies.

2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

- (a) summary of securities issued during the period,

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

- (a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,
- (b) number and recorded value for shares issued and outstanding,
- (c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and
- (d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

John Zorbas	President, CEO, Director
Jing Peng	CFO
Kyle Appleby	Director
Mark Klein	Director
Bryan Reyhani	Director
Brady Cobb	Director

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

CAPTOR CAPITAL CORP.

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS

FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31, 2022

Introduction

The following interim Management's Discussion & Analysis ("Interim MD&A") of Captor Capital Corp. (the "Company" or "Captor") for the three and nine months ended December 31, 2022 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management's discussion & analysis, being the Management's Discussion & Analysis ("Annual MD&A") for the fiscal year ended March 31, 2022. This Interim MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since date of the Annual MD&A.

This Interim MD&A has been prepared in accordance with section 2.2.1 of Form 51-102F1 of the National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual consolidated financial statements for the years ended March 31, 2022 and 2021, together with the notes thereto, and unaudited condensed consolidated interim financial statements for the three and nine months ended December 31, 2022, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed consolidated interim financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed consolidated interim financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of March 1, 2023 unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considered the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Captor common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations can be obtained from the offices of the Company or on the Company's SEDAR profile at www.sedar.com.

Cautionary Note Regarding Forward-Looking Information

This Interim MD&A includes "forward-looking information" and "forward-looking statements" within the meaning of Canadian securities laws and United States securities laws (collectively, "forward-looking information"). All information, other than statements of historical facts, included in this Interim MD&A that addresses activities, events or developments that the Company expects or anticipates will or may occur in the future is forward-looking information. Forward-looking information is often identified by the words "may", "would", "could", "should", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" or similar expressions and includes, among others, information and statements regarding:

- the business, revenue, results and future activities of, and developments related to, the Company after the date of this Interim MD&A, including as a result of the impact of COVID-19 and planned reductions of operating (including marketing) and capital expenses, including that cost of goods sold will increase at a slower rate than revenues;
- future business strategy, competitive strengths, goals, future expansion and growth of the Company's business and operations;
- the successful implementation of cost reduction strategies and plans, expectations and any targets for such strategies and plans, including expected additional improvements in reduction of Corporate SG&A (Non-IFRS) in upcoming quarters and reductions in marketing expenditures and focus on high return on investment marketing initiatives that drive sales and profitability;

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Dated – March 1, 2023

- whether any proposed transactions will be completed on the current terms and contemplated timing;
- expectations for the effects of any such proposed transactions, including the potential number and location of dispensaries or licenses to be acquired or disposed of;
- the ability of the Company to successfully achieve its business objectives as a result of completing such proposed acquisitions or dispositions;
- the contemplated use of proceeds remaining from previously completed capital raising activities;
- the application for additional licenses and the grant of licenses or renewals of existing licenses for which the Company has applied or expects to apply;
- the rollout of new dispensaries, including as to the number of planned dispensaries to be opened in the future and the timing and location in respect of the same, and related forecasts;
- the expansion into additional markets;
- expectations as to the development and distribution of the Company's brands and products;
- new revenue streams;
- the impact of the Company's digital and online strategy;
- the implementation or expansion of the Company's in-store and curbside pickup services;
- the ability of the Company to successfully execute its strategic plans;
- any changes to the business or operations as a result of any potential future legalization of adult-use and/or medical cannabis under U.S. federal law;
- expectations of market size and growth in the United States and the states in which the Company operates or contemplates future operations and the effect that such growth will have on the Company's financial performance;
- statements that imply or suggest that returns may be experienced by investors or the level thereof;
- expectations for other economic, business, regulatory and/or competitive factors related to the Company or the cannabis industry generally; and
- other events or conditions that may occur in the future.

Readers are cautioned that forward-looking information and statements are not based on historical facts but instead are based on assumptions, estimates, analysis and opinions of management of the Company at the time they were provided or made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, as applicable, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information and statements.

Forward-looking information and statements are not a guarantee of future performance and are based upon estimates and assumptions of management at the date the statements are made including among other things estimates and assumptions about:

- the impact of epidemic diseases, such as the recent outbreak of the COVID-19 pandemic;
- contemplated dispositions being completed on the current terms and current contemplated timeline;
- development costs remaining consistent with budgets;
- the ability to raise sufficient capital to advance the business of the Company and to fund planned operating and capital expenditures and acquisitions;
- the ability to manage anticipated and unanticipated costs;
- achieving the anticipated results of the Company's strategic plans;
- increasing gross margins, including relative to increases in revenue;
- the amount of savings expected from cost-cutting measures and divestitures of non-core assets, including the impact on Corporate SG&A (Non-IFRS) and EBITDA (Non-IFRS);
- favorable equity and debt capital markets;
- the availability of future funding under the Company's equity and debt finance facilities;
- stability in financial and capital markets;
- the ability to sustain negative operating cash flows until profitability is achieved;

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- the ability to satisfy operational and financial covenants under the Company's existing debt obligations;
- favorable operating and economic conditions;
- political and regulatory stability;
- obtaining and maintaining all required licenses and permits;
- receipt of governmental approvals and permits;
- sustained labor stability;
- favorable production levels and sustainable costs from the Company's operations;
- consistent or increasing pricing of various cannabis products;
- the ability of the Company to negotiate favorable pricing for the cannabis products supplied to it;
- the level of demand for cannabis products, including the Company's and third-party products sold by the Company;
- the continuing availability of third-party service providers, products and other inputs for the Company's operations; and
- the Company's ability to conduct operations in a safe, efficient and effective manner.

While the Company considers these estimates and assumptions to be reasonable, the estimates and assumptions are inherently subject to significant business, social, economic, political, regulatory, public health, competitive and other risks and uncertainties, contingencies and other factors that could cause actual performance, achievements, actions, events, results or conditions to be materially different from those projected in the forward-looking information and statements. Many estimates and assumptions are based on factors and events that are not within the control of the Company and there is no assurance they will prove to be correct.

Risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, as applicable, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information and statements include, among others:

- uncertain and changing U.S. regulatory landscape and enforcement related to cannabis, including political risks;
- risks and uncertainties related to the recent outbreak of COVID-19 and the impact it may have on the global economy and retail sector, particularly the cannabis retail sector in the states in which the Company operates, and on regulation of the Company's activities in the states in which it operates, particularly if there is any resurgence of the pandemic in the future;
- the inability to raise necessary or desired funds;
- risks related to future acquisitions or dispositions, resulting in unanticipated liabilities;
- reliance on the expertise and judgment of senior management of the Company;
- adverse changes in public opinion and perception of the cannabis industry;
- risks relating to anti-money laundering laws and regulation;
- risks of new and changing governmental and environmental regulation;
- risk of costly litigation (both financially and to the brand and reputation of the Company and relationships with third parties);
- risks related to contracts with and the inability to satisfy obligations to third-party service providers;
- risks related to the unenforceability of contracts;
- the limited operating history of the Company;
- risks inherent in an agricultural business;
- risks related to proprietary intellectual property and potential infringement by third parties;
- risks relating to regulatory actions and approvals from the Food and Drug Administration and risks of litigation;
- risks relating to financing activities including leverage;
- the inability to effectively manage growth;
- costs associated with the Company being a publicly traded company;
- the dilutive impact of raising additional financing through equity or convertible debt given the decline in the Company's share price;

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- increasing competition in the cannabis industry;
- legal and regulatory risks inherent in the cannabis industry;
- increases in energy costs and other input costs;
- risks associated with cannabis products manufactured for human consumption, including potential product recalls;
- inputs, suppliers and skilled labor being unavailable or available only at uneconomic costs;
- breaches of and unauthorized access to the Company's systems and related cybersecurity risks;
- constraints on marketing cannabis products;
- risks relating to the ongoing conflict in eastern Europe;
- risks relating to supply chain constraints;
- fraudulent activity by employees, contractors and consultants;
- tax and insurance related risks, including any changes in cannabis or cultivation tax rates;
- risks related to the economy generally;
- conflicts of interest of management and directors;
- failure of management and directors to meet their duties to the Company, including through fraud or breaches of their fiduciary duties;
- risks relating to certain remedies being limited and the difficulty of enforcement of judgments and effect service outside of Canada;
- sales by existing shareholders negatively impacting market prices;
- the limited market for securities of the Company; and
- limited research and data relating to cannabis.

Readers are cautioned that the foregoing lists are not exhaustive of all factors, estimates and assumptions that may apply to or impact the Company's results. Although the Company has attempted to identify important factors that could cause actual results to differ materially from the forward-looking information and statements contained in this Interim MD&A, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such forward-looking information and statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such information and statements. Accordingly, readers should not place undue reliance on forward-looking information and statements. The forward-looking information and statements contained herein are presented to assist readers in understanding the Company's expected financial and operating performance and the Company's plans and objectives and may not be appropriate for other purposes.

The forward-looking information and statements contained in this Interim MD&A represent the Company's views and expectations as of the date of this Interim MD&A unless otherwise indicated. The Company anticipates that subsequent events and developments may cause its views and expectations to change. However, while the Company may elect to update such forward-looking information and statements at a future time, it has no current intention of and assumes no obligation for doing so, except to the extent required by applicable law.

Description of Business

Captor was incorporated under the laws of the Province of Ontario, Canada by articles of incorporation on September 26, 2003 and Captor's outstanding common shares became publicly listed on March 19, 2004 on the TSX Venture Exchange (the "Exchange") under the symbol "NWT". Subsequently, the Company's outstanding common shares were listed on the OTCBB under the symbol "NWURF" and on the Frankfurt Exchange. The Company de-listed its common shares from the Exchange on June 1, 2017 and submitted an application for listing its common shares on the Canadian Securities Exchange ("CSE"). 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 CSE under the symbol "CPTR".

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The Company is a cannabis operating company with licences for retail in the State of California, the largest cannabis consumer market in the USA. Currently, the Company has nine cannabis dispensaries, which operate under the proprietary name "One Plant", located in Santa Cruz, Antioch, El Sobrante, Salinas, Lompoc, Goleta, Atwater, Palm Springs and Castroville (the "Dispensaries"). The One Plant stores are known for having a diverse set of competitively priced high quality product brands and an excellent budtender led customer service. Supplementing the brick and mortar retail presence is the Company's direct to consumer delivery business, which also operates under the One Plant brand.

Captor maintained focus on the synergy between its brick and mortar retail and delivery service growth in the through e-commerce. One Plant released an enhanced e-commerce site updating the user interface and brand imaging, further integrating the existing digital assets and leveraging the Company's online presence and improved analytics to drive sales and customer acquisition.

In August 2020, the Company entered into a joint venture with Three Habitat Consulting Holdco Inc. ("Three Habitat") and now holds a 51 percent stake in Captor Retail Group Inc. ("CRG"). CRG owns and operates the Dispensaries.

The existing infrastructure of Captor's cannabis retail operations are sophisticated retail outlets, utilizing proprietary analytics to increase efficiencies and profitability. As retail dispensaries are opened, Captor will benefit from economies of scale and will realize a direct impact to EBITDA (non-IFRS) while maintaining their consumer-focused approach.

Captor also benefits from both the geographic location of its dispensaries and the footprint of the physical buildings that house the retail dispensaries. Geographically, the retail locations are well-positioned in mature counties in California where adult-use is legal. Moreover, the physical locations are ideal to support a robust delivery platform, allowing for immediate access to some of California's most densely populated markets without the burden of paying premium rents.

Highlights

- On July 18, 2022, the Company announced that it entered into a binding letter of intent (the "LOI") dated July 15, 2022, with UK-based Rimstock Holdings Limited ("Rimstock") in respect of a proposed business combination pursuant to which the Company will acquire 64.11% of Rimstock in exchange for share capital in the Company and cash considerations, which will result in the reverse takeover of Captor Capital by Rimstock (the "Transaction").

It is currently contemplated that the Transaction will be effectuated by way of a share exchange of common shares of the Company for common shares of Rimstock (the "Share Exchange"). The resulting issuer that will exist upon completion of the Transaction (the "Resulting Issuer") will change its business from cannabis to the electric and luxury vehicle industry. Upon closing of the Transaction (the "Closing"), it is expected that shareholders holding 64.11% of Rimstock will hold 72% of the issued and outstanding shares of the Resulting Issuer (the "Resulting Issuer Shares") and current shareholders of Captor Capital will hold 28% of the issued and outstanding Resulting Issuer Shares (on a non-diluted basis).

The LOI contemplates that Captor and Rimstock will negotiate and enter into a definitive agreement in respect to the Transaction, pursuant to which it is anticipated that the Company will acquire 64.11% of Rimstock's issued and outstanding share capital in exchange for the aggregate purchase price of USD \$31,745,208 (the "Purchase Price"), which shall be paid in the following amounts:

- ✓ USD \$22,245,208 in shares of the Company with a deemed value of CAD \$0.25 per share, due upon the Closing;
- ✓ USD \$7,000,000 in cash, which shall be reserved in the treasury of the Company for use by the Resulting Issuer as working capital; and

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- ✓ USD \$2,500,000 in cash as a non-refundable deposit, which will be converted into shares of Rimstock at a fully-diluted valuation of USD \$49,520,000 upon the earlier of: (i) the Closing; or (ii) the expiration of the exclusivity period set out under the LOI, which is 180 days from the date of the LOI.

Any additional cash in the treasury of the Company as of the Closing in excess of USD \$7,000,000 (less transaction fees) will be credited to the benefit of the Company's existing shareholders.

Corporate Objective and Strategy

The objective of the Company with respect to its current operations is to provide its shareholders with long-term capital growth by improving the operating efficiencies and market share of its current operations, with a focus on EBITDA (non-IFRS) enhancement, and through acquisitions with direct revenue, cost and/or financial synergies.

On June 21, 2022, the board of directors initiated a process to identify, examine and pursue strategic alternatives to the Company's current business. (the "Strategic Review"). Brady Cobb, a cannabis industry veteran, has been named as the interim chairman of the board of directors, effective July 1, 2022, to oversee the leadership of the Company and the Strategic Review process with an eye towards maximizing operational efficiencies and charting the most accretive path forward to maximize shareholder value. The strategic alternatives being pursued include the potential sale of all or a material portion of the Company's 51% equity interest in CRG, either in one transaction or in a series of transactions, with the net proceeds being paid out through dividends to the shareholders of the Company on a pro-rated basis.

The Company is currently working towards completing the Transaction with Rimstock, and will continue to review other strategic investments.

Captor Retail Group Update

Adam Wilks, formally the COO of Three Habitat, maintains the role of CEO of CRG and manages the day-to-day operations of all operational Dispensaries.

Mr. Wilks continues to lead an experienced team with strong background in retail operations as well as highly educated, well-trained budtenders to lead the front-line customer engagement. Retail managers and front-line leadership from Captor are blending a select breed of operators that hail from cannabis retail and food and beverage ("F&B") service backgrounds, combining strong operations efficacy, extensive cannabis sector expertise, and corporate management experience.

Increasing the retail footprint from two to nine locations and increasing retail revenue has supported supply chain improvements for the network of stores. Aggressive expansion and a continued commitment to revenue growth have resulted in a variety of one-time charges for the Company including but not limited to, cost of acquiring leases, salaries of those involved in expansion, organizational costs of such M&A activity and general G&A. Captor remains confident the growth strategy will increase purchasing power, continue to streamline supply chains, and centralize business activities in the long-term. The growth-related expenses will support the development of operational effectiveness and economies of scale.

In addition to the instore retail operations expansion, the e-commerce experience is being revamped as growth in this business unit has not been inline with what was initially expected. CRG has retooled the customer loyalty program and launched their customer-facing app available in both the AppStore and Goggle Play. The opportunity to have an increased online presence has increased since Covid-19, yet the resources available to the traditional retail markets is not readily available to the cannabis sector. Limited traditional online marketing coupled with financial regulatory restrictions create hurdles that are continuously navigated. The Company has incurred various one-time charges relating to growth and expansion initiatives.

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CRG has grown from six operational dispensaries to nine operational dispensaries. The employee count increased from 118 to 140 full and part-time employees.

Retail Opportunities

CRG has been able to focus on its strong base position in the Northern California cannabis market as a direct result of having sourced prime retail locations in Antioch, El Sobrante, Atwater, Santa Cruz, Castroville, Salinas, Lompoc, Goleta, and Palm Springs.

In August 2020, CRG continued to grow its retail presence to include the Bay Area, Santa Cruz, Monterey and Santa Barbara markets with a joint venture with Three Habitat. The current combined retail footprint consists of nine operating dispensaries. CRG's retail footprint allows for both in-store and delivery transactions. The CRG has maximized opportunities to expand its e-commerce platform to capitalize on a fluid technology retail marketplace. Online ordering, delivery and express pickup have allowed CRG to service their customers in a manner that other mature retail and F&B sectors have obtained.

The acquisition is in line with CRG's strategy of building a leading cannabis retail, e-commerce, and delivery hub in the lucrative, but less competitive and costly Northern California market. The resulting retail footprint of Dispensaries makes CRG one of the largest retailers in Northern California, expanding the team of experienced operators, benefitting from increased buying power and economies of scale while leveraging expertise and established infrastructure to support the retail network. CRG continues to source opportunities for acquisition and remains focused on the efficient buildout of its current licenses.

Ancillary Revenue Opportunities

CRG is also investing in additional resources and support to expand and improve its current direct to consumer delivery service, which has tremendous growth potential. The direct-to-consumer model allows the Company to leverage its bricks and mortar store to deliver products to a much larger customer base with minimal incremental costs. Having the current geographic cluster of stores allows management to achieve maximum impact under the current delivery manifest rule limitations.

CRG will pursue licensing agreements in lieu of the Company's own brand to allow CRG to avoid incurring direct costs associated with having its own brand.

COVID-19 Response

On January 30, 2020, the World Health Organization declared the coronavirus outbreak ("COVID-19") a "Public Health Emergency of International Concern" and on March 10, 2020, declared COVID-19 a pandemic. The pandemic has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. In response, Captor has shifted its strategic approach and the manner in which it operates its business to continue providing affordable and high-quality products to customers and ensure that its workplace and stores have appropriate measures in place to limit social interactions and enforce social distancing measures. The Company has also taken steps to alter its marketing methods, conserve cash, and align its overall strategic direction to preserve the health of its business.

As of the issuance of this report, the Company's operations have not been significantly impacted as cannabis has been deemed an essential service in the state of California since March 2020. At this point, the extent to which COVID-19 may impact the Company is uncertain; however, it is possible that COVID-19 may have a material adverse effect on the Company's business, results of operations and financial condition.

Overall Performance

Corporate

As noted above, the Company has initiated a Strategic Review process, and has entered into a binding LOI with Rimstock to complete the proposed Transaction. There are no assurances that the Transaction will be closed.

Captor Retail Group

Considering the changing retail landscape due to COVID-19, CRG maintains a cautionary approach to its growth strategy and a keen focus on maximizing revenues from its current investments. CRG's retail footprint will support top line revenue expansion while strict standard operating procedures, centralized business activities, and a comprehensive enterprise mentality will correlate to income statement improvements and stabilize the assets earlier in their life cycle.

Developing retail locations in mature, high-density markets, CRG will continue to benefit from brand awareness and social engagement. Economies of scale will drive down costs and create value as product purchasing power increases. CRG is well positioned for profitability and will continue to draw top talent from the cannabis sector while engaging a growing client base because of its organized retail strategies that remain in line with the ethos of the California cannabis culture

California Legal Framework and how it Affects our Business

The State of California legalized medical-use cannabis in 1996 and adult-use cannabis in 2016. Permitted products include extracted oils, edibles and flowers, all of which may be distributed by delivery or wholesale.

California's licensing body for medical and adult-use cannabis is the Department of Cannabis Control ("DCC"). There is no limit to the number licenses California may issue, however, some jurisdictions have a limit on the number of licenses they will issue. Each license grants one licensed premise and the main classes of licenses are: cultivation, retailer, distributor, manufacturer, microbusiness, event organizer, and testing laboratory. Additionally, license may not be held by, or issued to, any person holding office in, or employed by, any agency of the State of California or any of its political subdivisions when the duties of such person are associated with enforcement of laws or regulations regarding cannabis or cannabis products. There are no requirements for vertical integration, however, California does define specific cultivation license types by canopy size.

Edibles labeled as "FOR MEDICAL USE ONLY" and only available for sale to a medicinal-use patient, may contain up to 500mg THC per package (adult use limit is 100mg THC/package). Topical products labeled as "FOR MEDICAL USE ONLY" and only available for sale to a medicinal-use patient, may contain up to 2000mg THC per package (adult use limit is 1000mg THC/package).

The Company conducts its operations in California in compliance, in material respects, with each regulation applicable to it in such state.

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Summary of Quarterly Results

Three Months Ended	Revenue (\$)	Income or (Loss)		Total assets (\$)
		Total (\$)	Basic and diluted income (loss) per share ⁽⁹⁾ (\$)	
December 31, 2022	10,874,550	(840,509) ⁽¹⁾	(0.02)	58,702,712
September 30, 2022	10,724,041	2,221,359 ⁽²⁾	0.04	59,894,692
June 30, 2022	11,072,809	(1,236,234) ⁽³⁾	(0.02)	57,010,880
March 31, 2022	9,097,203	(11,868,244) ⁽⁴⁾	(0.23)	56,416,523
December 31, 2021	8,404,525	(2,449,859) ⁽⁵⁾	(0.05)	66,940,690
September 30, 2021	8,465,787	(2,278,878) ⁽⁶⁾	(0.04)	68,706,010
June 30, 2021	6,769,946	(1,804,064) ⁽⁷⁾	(0.03)	69,170,836
March 31, 2021	4,337,656	(4,104,393) ⁽⁸⁾	(0.11)	60,310,334

- (1) Net loss of \$840,509 consisted primarily of general and administrative expenses of \$4,742,326 and was offset by gross profit of \$4,530,146.
- (2) Net income of \$2,221,359 consisted primarily of general and administrative expenses of \$4,779,255 offset by gross profit of \$4,289,430 and foreign exchange gain of 2,759,770.
- (3) Net loss of \$1,236,234 consisted primarily of general and administrative expenses of \$4,800,136 offset by gross profit of \$3,844,775.
- (4) Net loss of \$11,868,244 consisted primarily of general and administrative expenses of \$5,961,867 and impairment of goodwill of \$5,018,993 offset by gross profit of \$3,693,197.
- (5) Net loss of \$2,449,859 consisted primarily of general and administrative expenses of \$4,252,365 offset by gross profit of \$3,434,186.
- (6) Net loss of \$2,278,878 consisted primarily of general and administrative expenses of \$5,386,872 offset by gross profit of \$3,124,031.
- (7) Net loss of \$1,804,064 consisted primarily of general and administrative expenses of \$3,216,202 and unrealized loss on investment at fair value of \$514,237 and was offset by gross profit of \$2,055,798 and realized gain on investment at fair value of \$347,742.
- (8) Net loss of \$4,104,393 consisted primarily of general and administrative expenses of \$5,113,626 and income tax expense of \$1,287,301 and was offset by gross profit of \$1,373,591 and realized and unrealized gain on investment at fair value of \$459,266 and \$359,233, respectively.
- (9) Per share amounts are rounded to the nearest cent, therefore aggregating quarterly amounts may not reconcile to year-to-date per share amounts.

Results of Operations

For the three months ended December 31, 2022 compared with the three months ended December 31, 2021:

For the three months ended December 31, 2022, the Company's net loss was \$840,509 (\$0.02 per share), compared to net loss of \$2,449,859 (\$0.05 per share) for the three months ended December 31, 2021. The decrease in net loss of \$1,609,350 is a result of the following:

- During the three months ended December 31, 2022, the Company recorded a gross profit of \$4,530,146 from the sale of cannabis at its retail dispensaries compared to \$3,434,186 in the 2021 comparative period.
- Foreign exchange loss decrease in the three months ended December 31, 2022 to \$408,283 from a loss of \$1,201,157 in the comparative period in 2021. This resulted from the strengthening of the United States dollar against the Canadian dollar in the current period.
- Unrealized loss on investment at fair value decreased to \$76,862 for the three months ended December 31, 2022 from \$302,063 for the three months ended December 31, 2021 due to changes in the fair value of the Company's investments.

A breakdown of general and administrative expenses for the three months ended December 31, 2022 and 2021 is provided below.

Three Months Ended December 31,	2022 (\$)	2021 (\$)	Variance (\$)
Management and administrative services	170,968	142,689	28,279
Professional fees (i)	300,217	697,717	(397,500)
Operational expenses (ii)	3,317,108	2,311,050	1,006,058
Travel expenses	6,332	29,142	(22,810)
Regulatory fees	10,106	23,181	(13,075)
Share based compensation	nil	232,400	(232,400)
Interest and penalty	130,406	1,914	128,492
Depreciation	137,962	122,844	15,118
Accretion	292,930	310,626	(17,696)
Amortization – right of use assets	376,297	380,802	(4,505)
	4,742,326	4,252,365	489,961

- (i) The decrease in professional fees in 2022 of \$397,500 resulted from the reduced need for professional services in 2022.
- (ii) There was an increase in operational expenses of \$1,006,058 in 2022 compared to the 2021 comparable period. Operational expenses include insurance, indirect costs of the retail cannabis operations and various administrative costs of the Company. The increase in the 2022 period resulted from higher overall costs and the absence of governments grants in 2022.

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For the nine months ended December 31, 2022 compared with the nine months ended December 31, 2021:

For the nine months ended December 31, 2022, the Company's net income was \$144,616 (\$0.00 per share), compared to net loss of \$6,532,801 (\$0.13 per share) for the nine months ended December 31, 2021. The increase in net income of \$6,677,417 is a result of the following:

- During the nine months ended December 31, 2022, the Company recorded a gross profit of \$12,664,351 from the sale of cannabis at its retail dispensaries compared to \$8,614,015 in the 2021 comparative period.
- Foreign exchange gain increase in the nine months ended December 31, 2022 to \$2,372,599 from a loss of \$1,223,494 in the comparative period in 2021. This resulted from the strengthening of the United States dollar against the Canadian dollar in the current period.
- Unrealized gain on investment at fair value increased to \$334,604 for the nine months ended December 31, 2022 from a loss of \$718,883 for the nine months ended December 31, 2021 due to changes in the fair value of the Company's investments.

A breakdown of general and administrative expenses for the nine months ended December 31, 2022 and 2021 is provided below.

Nine Months Ended December 31,	2022 (\$)	2021 (\$)	Variance (\$)
Management and administrative services (i)	471,992	1,284,816	(812,824)
Professional fees (ii)	1,297,549	2,404,225	(1,106,676)
Operational expenses (iii)	9,844,228	5,724,814	4,119,414
Travel expenses	13,725	55,066	(41,341)
Regulatory fees	34,643	93,504	(58,861)
Share based compensation	nil	840,853	(840,853)
Interest and penalty	132,022	7,966	124,056
Depreciation	424,342	342,848	81,494
Accretion	878,018	949,161	(71,143)
Amortization – right of use assets	1,225,198	1,152,186	73,012
	14,321,717	12,855,439	1,466,278

- (i) The decrease in management and administrative services in 2022 of \$812,824 resulted from the absence of bonuses in 2022.
- (ii) The decrease in professional fees in 2022 of \$1,106,676 resulted from the reduced need for professional services in 2022.
- (iii) There was an increase in operational expenses of \$4,119,414 in 2022 compared to the 2021 comparable period. Operational expenses include insurance, indirect costs of the retail cannabis operations and various administrative costs of the Company. The increase in the 2022 period resulted from higher overall costs and the absence of governments grants in 2022.

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Liquidity and Financial Position

As at December 31, 2022, the Company had a consolidated cash balance of \$15,867,355 compared to \$20,318,036 at March 31, 2022. The Company had a working capital of \$16,597,104 as at December 31, 2022, compared to a working capital of \$17,102,922 at March 31, 2022.

The activities of the Company, which consist of the sale of cannabis products and acquisition of investments in a diversified portfolio of public companies and commodities, are financed through cash, as well as the completion of equity offerings and the exercise of stock options and warrants.

Current liabilities increased from \$10,640,957 at March 30, 2022 to \$13,341,851 as at December 31, 2022. Current liabilities related primarily to the retail dispensary operations.

As of December 31, 2022, and to the date of this MD&A, the cash resources of the Company are held with select financial institutions in Canada and the United States. At December 31, 2022, the Company's current liabilities consisted primarily of trade payables, loans payable, lease liabilities and income taxes payable. Accounts payable and accrued liabilities are in the ordinary course of business, short term and non-interest bearing.

The Company's use of cash at present occurs principally in two areas: the funding of its general and administrative expenditures as it develops the needed infrastructure, and its cannabis related acquisitions. In connection with the Company's operating and investment activities, the Company will seek to raise capital primarily through the issuance of equity securities. The Company has sufficient capital to meet its ongoing operating and investment activities.

Related Party Transactions

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 December 31, 2022 \$	Three Months Ended December 31, 2021 \$	Nine Months Ended December 31, 2022 \$	Nine Months Ended December 31, 2021 \$
Fees				
Kyle Appleby ⁽¹⁾	20,000	15,000	50,000	45,000
Bryan Reyhani ⁽¹⁾	5,000	15,000	35,000	55,000
Mark Klein ⁽¹⁾	20,000	15,000	50,000	52,500
Alex Spiro ⁽¹⁾	nil	15,000	30,000	35,000
Brady Cobb ⁽¹⁾	50,484	15,000	121,508	35,000
Alegana Enterprises Ltd. ("Alegana") ⁽²⁾	75,484	55,000	185,484	665,000
2249872 Ontario Ltd. ⁽¹⁾⁽³⁾	nil	nil	nil	40,000
Marrelli Support Services Inc. ("MSSI") ⁽⁴⁾	12,485	12,400	82,908	80,575
Totals	183,453	142,400	554,900	1,008,075

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	Three Months Ended December 31, 2022 \$	Three Months Ended December 31, 2021 \$	Nine Months Ended December 31, 2022 \$	Nine Months Ended December 31, 2021 \$
Share based compensation				
Kyle Appleby ⁽¹⁾	nil	48,174	nil	174,300
Bryan Reyhani ⁽¹⁾	nil	48,174	nil	174,300
Mark Klein ⁽¹⁾	nil	48,174	nil	174,300
Alegana Enterprises Ltd. ("Alegana") ⁽²⁾	nil	48,174	nil	174,300
Brady Cobb ⁽¹⁾	nil	19,852	nil	71,826
Alex Spiro ⁽¹⁾	nil	19,852	nil	71,827
2249872 Ontario Ltd. ⁽¹⁾⁽³⁾	nil	nil	nil	nil
Totals	nil	232,400	nil	840,853

(1) Fees paid to directors of the Company. Included in accounts payable and accrued liabilities at December 31, 2022, is \$nil (March 31, 2022 - \$50,000) due to directors of the Company.

(2) Alegana is a company controlled by Mr. John Zorbas, the President and Chief Executive Officer ("CEO") of the Company. Alegana provides consulting services to the Company for \$220,000 a year under the terms of a written contract that runs for an indefinite term. 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. Alegana may receive, at the sole discretion of the board of directors, a performance bonus of up to 400% of the annual consulting fee payable by the Company to Alegana.

Upon termination of Alegana by the Company without cause or a termination following a change of control, the Company is obligated to pay Alegana: (a) 1.5 times Alegana's annual consulting fee; and (b) an amount equal to 1.5 times the amount of all bonuses John Zorbas received for the most recent calendar year ended prior to the termination date or 2 times the amount of Alegana's annual consulting fee should John Zorbas not have received a bonus for the most recent calendar year ended prior to the termination date. Upon termination of Alegana under any other circumstances, the Company is not obligated to pay Alegana any penalty.

(3) 2249872 Ontario Ltd. is a company controlled by Henry Kloepper, a former director and former CEO of Captor. Mr. Kloepper. The Company has no ongoing contractual obligation or commitment to 2249872 Ontario Ltd.

(4) Mr. Jing Peng, the Chief Financial Officer ("CFO"), is a senior employee of MSSl. The management fees paid to MSSl 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 December 31, 2022 is \$58,871 (March 31, 2022 – \$7,605) owing to MSSl. The Company has no ongoing contractual obligation or commitment to MSSl.

Off-Balance-Sheet Arrangements

As of the date of this MD&A, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity, capital expenditures and capital resources, that are material to investors.

Proposed Transactions

There are no material proposed transactions as of the date of this MD&A, except for those disclosed in "Highlights" above.

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, 2021 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 is effective for annual periods beginning on or after January 1, 2022. There is currently a proposal in place to extend effective date for annual periods beginning on or after January 1, 2023. Earlier application is permitted. The extent of the impact of adoption of this amendment has not yet been determined.

Outstanding Share Data

The number of common shares of the Company outstanding and the number of common shares issuable pursuant to other outstanding securities of Captor as at March 1, 2023 are as follows:

Securities	As at March 1, 2023
Common shares outstanding	52,095,600
Stock options	4,658,626
Warrants	6,400,431
Total securities	63,154,657

Disclosure Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements; and (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date at and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* ("NI 52-109"), the Company uses the Venture Issuer Basic Certificate, which does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS). The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Risks and Uncertainties

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk and Uncertainties" in the Company's MD&A for the fiscal year ended March 31, 2022, available on SEDAR at www.sedar.com.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated March 1, 2022.

Jing Peng
Name of Director or Senior Officer

"Jing Peng"
Signature

Chief Financial Officer
Official Capacity

Issuer Details Name of Issuer Captor Capital Corp.	For Quarter Ended December 31, 2022	Date of Report YY/MM/D 22/03/01
Issuer Address 4 King Street. Suite 401.		
City/Province/Postal Code Toronto, Ontario M5H 1B6	Issuer Fax No. (416) 504-3982	Issuer Telephone No. (416) 504-3978
Contact Name Jing Peng	Contact Position CFO	Contact Telephone No. 416-848-9888
Contact Email Address jpeng@marrellisupport.ca	Web Site Address www.captorcapital.com	