Consolidated Financial Statements of

GREEN RISE FOODS INC.

For the years ended December 31, 2022, and December 31, 2021 (amended)

(Canadian Dollars)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

These consolidated financial statements, the notes thereto, and other information in the Management's Discussion and Analysis of Green Rise Foods Inc., ("Green Rise") as of and for the years ended December 31, 2022, and 2021 are the responsibility of management and have been approved by the Board of Directors.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and reflect management's best estimates, judgments, and policies that it believes appropriate in the circumstances.

Green Rise maintains a system of internal accounting control which provides on a reasonable basis assurance that the financial information is relevant, reliable, accurate and that Green Rise's assets are appropriately accounted for and safeguarded.

The Board of Directors, principally through the Audit Committee, is responsible for ensuring management fulfills its responsibilities for financial reporting and internal control. The Audit Committee meets periodically with management and the external auditors to review accounting, auditing, internal control and financial reporting matters.

These consolidated financial statements have been audited by RSM Canada LLP, Chartered Professional Accountants, Licensed Public Accountants. The auditor's report outlines the scope of their examination and their opinion on the consolidated financial statements.

(*Signed*) "*Vincent Narang*"
Chief Executive Officer

(*Signed*) "*George Hatzoglou*"
Chief Financial Officer

RSM

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Green Rise Foods Inc.

Opinion

We have audited the consolidated financial statements of Green Rise Foods Inc. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2022 and 2021 and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss of $1,768 thousand during the year ended December 31, 2022 and, as of that date, the Company has a working capital deficiency of $22,858 thousand. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to Note 19 to the consolidated financial statements which describes i) that the financial statements that we originally reported on April 29, 2022 have been restated, and ii) the matter that gives rise to the amendment of the financial statements. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our auditor’s report.

Acquisition of Greenhouse Property

Refer to Note 3 – Significant Accounting Policies and Note 4 – Business Combinations

On June 30, 2022, the Company purchased the assets used in a 16-acre greenhouse property for consideration of $15,051 thousand. The property was acquired from 2073834 Ontario Limited, a related party of the Company. Management applied significant judgement in evaluating the transaction price of the related party transaction and in determining whether any goodwill or bargain purchase gain arose on acquisition. Management involved external valuation specialists and applied a combination of valuation approaches to determine the fair values of assets acquired and liabilities assumed at the acquisition date. The evaluation of the transaction price and determination of the estimated fair values involved significant assumptions including forecasted revenues, operating expenses, and discount rates.

We considered this a key audit matter due to the significant judgement applied by management in evaluating whether the transaction price of the related party transaction appropriately reflected the fair value of the business acquired. Furthermore, management made significant assumptions to estimate the fair values of the assets acquired and liabilities assumed, which involved a high degree of estimation uncertainty and complexity. This was an area of significant risk for our audit which required increased auditor judgement and effort, including the use of internal valuation specialists, in performing procedures and evaluating audit evidence obtained.

How our audit addressed the Key Audit Matter

Our audit procedures related to the business combination included the following:

- Inspected the signed purchase agreement to obtain an understanding of the transaction's terms and conditions to evaluate relevant accounting considerations under IFRS 3 Business Combinations.
- Tested the mathematical accuracy of management's valuation models and supporting calculations.
- Evaluated the fair value of the consideration transferred.
- With the assistance of internal valuations specialists, evaluated the appropriateness of management's valuation models used to determine the overall valuation of the business to support the fair value of the purchase price, and to determine the valuation of assets acquired.
- With the assistance of internal valuation specialists, tested the significant assumptions and inputs used in the valuation models by:

    - Assessing current and past performance of the acquired business;
    - Comparing to externally available industry and economic trends;
    - Evaluating forecasts for future operations; and
    - Comparing against guideline companies within the same industry.

Other Information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis (MD&A).

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the MD&A prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Jamie Zuk.

RSM Canada LLP

Chartered Professional Accountants
Licensed Public Accountants
April 20, 2023
Toronto, Ontario

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(thousands)	**December 31, 2022**	December 31, 2021 *Amended (Note 19)*	January 1, 2021 *Amended (Note 19)*
Assets			
Current Assets:			
Cash	**$ -**	$ -	$ 3,057
Trade and other receivables	**421**	1,011	684
Inventory	**491**	802	533
Bearer plants (note 5)	**1,691**	1,411	529
Prepaid expenses and deposits	**360**	293	376
	2,963	3,517	5,179
Property, plant and equipment (note 6)	**52,818**	41,731	27,503
Total Assets	**$ 55,781**	$ 45,248	$ 32,682
Liabilities			
Current Liabilities			
Operating line (note 8)	**$ 438**	$ 2,914	$ -
Trade payables	**5,758**	4,671	2,360
Payable to 2073834 Ontario Ltd. (note 4)	**453**	-	-
Current portion of lease obligation (note 7)	**208**	163	81
Current portion of long-term debt (note 8)	**18,964**	2,019	1,253
	25,821	9,767	3,694
Lease obligation (note 7)	**89**	275	236
Long-term debt (note 8)	**25,620**	29,358	18,945
Deferred income tax liability (note 9)	**796**	982	1,855
Total Liabilities	**52,326**	40,382	24,730
Equity			
Share Capital (note 10)	**4,641**	4,212	4,030
Contributed Surplus (note 11)	**1,712**	1,784	1,637
Retained Earnings (Deficit)	**(2,898)**	(1,130)	2,285
Total Equity	**3,455**	4,866	7,952
Total Liabilities and Equity	**$ 55,781**	$ 45,248	$ 32,682

Approved by the Board of Directors

(Signed) "Enrico (Rick) Paolone"	*(Signed) "Jerry Mancini"*
Director	*Director*

Going concern Note 1

Commitments Note 17

Subsequent events Note 18

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

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

For the years ended December 31, 2022 and December 31, 2021

(thousands, except number of shares and per share amounts)		**For the year ended December 31, 2022**		For the year ended December 31, 2021
Revenue (note 13)	$	**23,056**	$	17,711
Cost of sales (note 14)		**(22,398)**		(17,477)
Gross profit		**658**		234
Selling, general and administrative expenses (note 14)		**(3,209)**		(3,299)
Loss from operations		**(2,551)**		(3,065)
Interest expense		**(1,669)**		(1,160)
Other income -government assistance (note 15)		**2,281**		-
Loss before income taxes		**(1,939)**		(4,225)
Income tax recovery (note 9)		**171**		810
Net loss and comprehensive loss for the year		**(1,768)**		(3,415)
Basic and diluted loss per share	$	**(0.04)**	$	(0.08)
Weighted average number of common shares outstanding				
Basic		**45,718,565**		45,056,648
Diluted		**45,718,565**		45,056,648

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2022 and December 31, 2021

(thousands except share amounts)	Number of shares	Share-Capital ($)	Contributed Surplus ($)	(Deficit) ($)	Total Equity ($)
Balance, December 31, 2021	**45,355,734**	**$ 4,212**	**$ 1,784**	**$ (1,130)**	**$ 4,866**
Stock options exercised (note 11)	1,033,332	429	(199)	-	230
Stock based compensation (note 11)	-	-	127	-	127
Comprehensive loss for the year	-	-	-	(1,768)	(1,768)
Balance, December 31, 2022	**46,389,066**	**$ 4,641**	**$ 1,712**	**$ (2,898)**	**$ 3,455**

	Number of shares	Share-Capital ($)	Contributed Surplus ($)	Retained Earnings (Deficit) ($)	Total Equity ($)
Balance, December 31, 2020	44,922,402	$ 4,030	$ 1,637	$ 2,285	$ 7,952
Stock options exercised (note 11)	433,332	182	(82)	-	100
Stock based compensation (note 11)	-	-	229	-	229
Comprehensive loss for the year	-	-	-	(3,415)	(3,415)
Balance, December 31, 2021	45,355,734	$ 4,212	$ 1,784	$ (1,130)	$ 4,866

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2022 and December 31, 2021

(thousands)		**December 31, 2022**		December 31, 2021 Amended (note 19)
Cash provided by (used in):				
Operating activities:				
Net loss for the year	**$**	**(1,768)**	$	(3,415)
Adjustments for:				
Depreciation of property, plant and equipment and bearer plants		**8,105**		5,752
Impairment of bearer plants (note 5)		**-**		1,085
Amortization of deferred financing fees		**18**		19
Mark to market adjustment on interest rate swap (note 8)		**(11)**		-
Stock based compensation (note 11)		**127**		229
Income tax recovery (note 9)		**(171)**		(810)
Net changes in non-cash working capital				
Trade receivable		**632**		(159)
Inventory		**329**		(269)
Biological assets (note 4)		**743**		-
Prepaid expenses		**(67)**		418
Trade payable		**581**		366
Net cash inflow from operating activities		**8,518**		3,216
Investing activities:				
Costs incurred on bearer plants (note 5)		**(4,483)**		(3,753)
Cash paid in business combination (note 4)		**(14,517)**		(16,013)
Cash acquired in a business combination (note 4)		**-**		19
Acquisition of property, plant and equipment (note 6)		**(249)**		(591)
Net cash outflow from investing activities		**(19,249)**		(20,338)
Financing activities:				
Proceeds from long-term loan with Bank (note 8)		**15,350**		13,000
Repayment of long-term debts with Bank (note 8)		**(2,150)**		(1,840)
(Repayment) draws on operating line (note 8)		**(2,476)**		2,914
Advance to 2073834 Ont Ltd (note 4)		**(82)**		-
Proceeds from stock options exercised (note 11)		**230**		100
Payment of lease obligations (note 7)		**(141)**		(109)
Net cash inflow from financing activities		**10,731**		14,065
Change in cash during the year		**-**		(3,057)
Cash - Beginning of year		**-**		3,057
Cash - End of year	**$**	**-**	$	-

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

1. Nature of operations and Going concern

Green Rise Foods Inc. ("Green Rise" or "the Company") is a grower of fresh produce with 89 acres of greenhouse ranges including a 51-acre greenhouse ("Green Rise 1" or "GR1") located in Leamington, Ontario, and a 22-acre and a 16-acre greenhouse ("Green Rise 2" or "GR2" and "Green Rise 3" or "GR3") both located in Kingsville, Ontario. GR1 was acquired on June 15, 2018, GR2 was acquired on February 1, 2021 and GR3 was acquired on June 30, 2022. All greenhouses were acquired through the Company's wholly owned subsidiary and operating company, Bull Market Farms Inc. ("Bull Market").

Details of the 2022 and 2021 acquisitions are outlined in note 4.

The Company's common shares are listed on the Toronto Venture Stock Exchange (the "TSX-V") under the trading symbol "GRF.V".

The address of the Company's registered office is 47 Colborne Street, Suite 301, Toronto, Ontario, M5E 1P8, Canada.

The seasonal operation consists of the growing, packaging and the sale of produce to primarily one major customer.

Going concern

These consolidated financial statements have been prepared on a going concern basis which assumes the Company will be able to realize its net assets and discharge its liabilities in the normal course of business as they come due into the foreseeable future. The Company incurred a net loss of $1,768 during the year ended December 31, 2022 (2021 net loss of $3,415) and a working capital deficit of $22,858 on December 31, 2022 (2021 working capital deficit of $6,250). Management is of the opinion that based on current forecasts for the business, the short-term debt financing the Company has in place might be insufficient if the Company does not achieve its targeted produce yields and revenues for its 2023 crops. The Company may require additional funds to meet the Company's liabilities and commitments as they become due over the next 12-months. There is a risk that financing may not be available on a timely basis or on terms acceptable to the Company and access to funding from government programs such as AgriStability may not be available within this 12-month time frame.

To continue as a going concern, the Company will need to finalize the renewal of two mortgages ("the GR1 mortgages") it holds with the Royal Bank of Canada ("RBC"). In total, $17,685 of the working capital deficit as at December 31, 2022 ($1,297 as at December 31, 2021) related to the GR1 mortgages. On April 6, 2023, the Company received approval from RBC to refinance $13,271 of this balance which is set to mature on June 30, 2023, pending approval of the terms and conditions pertaining to term and rate, expected to be finalized in the second quarter of 2023. The Company is also negotiating with RBC to increase available funds through the credit facility, reduce the fixed coverage ratio covenant and extend the amortization period of the mortgage to help minimize the impact of the recent spike in mortgage rates on debt servicing costs, however these terms have not yet been finalized to date. The remaining GR1 mortgage balance of $4,414 will mature on December 31, 2023. This mortgage is currently at a fixed rate of 1.95% and the Company is expected to begin refinancing negotiations in the third quarter of 2023. The remaining working capital deficit was $5,173 ($4,953 as at December 31, 2021). In order to manage the remaining working capital deficit, the Company's management continuously monitors the health of its crops and its forecasted fresh produce yields against actuals. To further mitigate downside risk on these yields, the Company has selected seeds and planted crops in 2023 that are more resistant to rugose virus and set floor pricing on its crops that are based on market pricing. In addition, the Company's management will be applying for the government funded AgriStability program and will be submitting the 2022 application on or around June 30, 2023. However, despite past successes in refinancing mortgages, creating more predictability in revenue streams and the successful applications on Government funded programs, there can be no assurance that these initiatives will be successful in the future. Accordingly, these material uncertainties may cast significant doubt as to the ability of the Company to meet its business plan and obligations as they come due and accordingly the appropriateness of the use of accounting principles applicable to a going concern.

These consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. Should the Company be unable to generate sufficient cash flow from financing and operating activities, the carrying value of the Company's assets could be subject to material adjustments and other adjustments may be necessary to these financial statements should such events impair the Company's ability to continue as a going concern.

2. Basis of preparation

Statement of Compliance

The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards and Interpretations (collectively, "IFRS") as issued by the International Accounting Standards Board ("IASB").

The consolidated financial statements were authorized for issue by the Board of Directors on April 20, 2023.

Basis of Consolidation

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date control ceases.

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Bull Market Farms Inc., Mor Gro Sales Inc. and 2801511 Ontario Inc. All intercompany balances, transactions, unrealized gains and losses resulting from intercompany transactions have been eliminated on consolidation.

Basis of Measurement

The consolidated financial statements have been prepared on an historical cost basis, except for biological assets, which are measured at fair value less costs to sell, inventory which is measured at the lower of cost and net realizable value and the interest-rate swap contract which is measured at fair value.

Statement of Financial Position items are classified as current if receipt or payment is due within twelve months. Otherwise, they are presented as non-current.

These consolidated financial statements are presented in Canadian dollars, which is the Company's and subsidiaries functional currency. The Company's operations consist of a single reporting segment, growing and selling produce in Canada. This segment is reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). The CODM is responsible for allocating resources and assessing performance of the operating segment.

3. Significant Accounting Policies

Cash

Cash consists of cash deposits held with banks. Cash balances are reported net against operating line balances providing the accounts are held with the same bank. Operating lines are paid down automatically overnight from cash deposits held in order to minimize interest expense.

Inventories

Inventories include supplies and packaging materials and are recorded at the lower of cost or net realizable value.

Inventories also include harvested agricultural produce that is held for resale, valued at the lower of cost and net realizable value. Cost is determined using the weighted average method. Inventories of harvested tomatoes are transferred from biological assets into inventory at fair value less costs to sell upon harvest. Any subsequent post-harvest costs are capitalized to inventory to the extent that cost is less than net realizable value. Net realizable value is determined as the estimated selling price in the ordinary course of business less estimated costs to sell. Cost of sales consists of direct costs attributable to sales including raw materials, consumables, labour and costs transferred from biological assets at harvest. As at December 31, 2022, there was no harvested agricultural produce inventory on hand (December 31, 2021 –$NIL).

Biological assets

Biological assets consist of the Company's unharvested produce on bearer plants. The crop cycles begin with planting in the first quarter of each year and the cycle ends when the plants are removed after final harvest in December. The Company records all related direct and indirect costs of production to cost of sales as incurred. Such costs consist of raw materials, labour and directly attributable overhead costs.

The Company remeasures biological assets to fair value less costs to sell at each reporting period up to the point harvest, which becomes the basis for the cost of inventory after that. Gains or losses arising from changes in fair value less cost to sell are included in cost of sales on the statement of loss and comprehensive loss and presented as "unrealized gain on changes in fair value of biological assets" in note 14. When inventory is sold, the fair value adjustment to biological assets included in inventory upon harvest is included in cost of sales on the statement of loss and comprehensive loss and presented as "realized fair value amounts included in inventory sold" in note 14.

To determine the fair value less costs to sell of biological assets, the expected yield is multiplied by the expected selling price and expected selling costs and remaining costs to be incurred in order to complete the harvest and bring the harvested product to finished inventory are deducted.

In determining the fair value less cost to sell of the biological assets, the Company estimates the following significant unobservable inputs, all of which are classified as Level 3 on the fair value hierarchy:

- Selling price and yield – determined using the actual selling price per pound and yield in the following period; and
- Post-harvest costs – calculated as the harvesting and overhead costs in the following period, consisting of the cost of direct and indirect materials and labour related to packaging.

Bearer plants

Bearer plants are measured at cost less depreciation and impairment. Bearer plant costs include expenditures that are directly attributable to the acquisition of the asset and any costs directly attributable to bringing the bearer plants to the location and condition necessary for them to be capable of operating in the manner intended by management, including costs associated with site preparation, propagation, labour, supplies and overhead costs incurred before the plant is able to produce a commercial harvest.   Bearer plants are depreciated based on the expected yield profile of the plants over their life.

Property, plant and equipment

Recognition and measurement

Property, plant and equipment are carried at cost, less any accumulated depreciation and any accumulated impairment charges.

Property, plant and equipment costs include expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bring the assets to a working condition for their intended use. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is presented net within gain/loss on disposal of assets in the statement of loss and comprehensive loss.

Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Residual values and useful lives are reviewed annually.

Depreciation expense is recognized on a straight-line balance basis over the estimated useful lives of each component of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives are as follows:

	Buildings	Greenhouses	Machinery and equipment	Vehicle	Right of Use Assets
Years	25	5 - 25	10	10	3 – 7

Construction in process reflects the cost of assets under construction, which are not depreciated until placed into service.

Impairment of long-lived assets

At each reporting period, the Company assesses whether there is an indication that an asset may be impaired. For the purposes of testing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units or CGUs). The recoverable amount is the higher of fair value less cost of disposal and the asset's value in use. If the carrying value exceeds the recoverable amount, an impairment loss is recorded in the statement of loss and comprehensive loss during the reporting period.

Provisions

Provisions, where applicable, are recognized in accrued liabilities when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period, and are discounted to present value where the effect is material.

Revenue

Revenue is recognized when a customer obtains control of the promised asset and the Company satisfies its performance obligation and collectability is reasonable assured. Revenue is allocated to each performance obligation. The Company considers the terms of the contract in determining the transaction price. The transaction price is based on the amount the entity expects to be entitled to in exchange for transferring promised goods. Revenue from the sale of produce is measured at the fair value of the consideration received or receivable.

The Company satisfies its performance obligations for its sale of produce per specified contract terms, which are generally on shipment. The Company typically receives payment within three weeks of delivery.

The Company leases greenhouse space and earns revenue from the lease. The Company accounts for the lease as an operating lease as the Company has retained substantially all of the risks and benefits of ownership of the greenhouse. Rent revenue earned directly from leasing the asset is recognized and measured in accordance with IFRS 16 -Leases; rental revenue is recognized on a straight-line basis over the least term.

Leases

Leases are recognized as right-of-use assets and corresponding liability at the date of which the leased asset is available for use by the Company. The right-of-use asset is measured initially at cost, and subsequently at cost less any accumulated depreciation and impairment losses. The initial cost recognized includes the lease liability, any lease payments made, less any lease incentives, and any direct costs incurred by the lessee. Lease payments are allocated between the liability and finance cost. The finance cost is charged to the statement of income over the lease period.

The lease liability upon initial measurement includes the net present value of the following lease payments:

- Fixed payments, less any lease incentives receivable;
- Variable lease payments that are based on an index or rate;
- Expected payments by the lessee under residual value guarantees;
- The exercise price of a purchase option of the lessee is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be determined, the Company's incremental borrowing rate.

Financial instruments

Financial instruments are recognized on the balance sheet on the trade date, the date on which the Company becomes a party to the contractual provisions of the financial instrument. The Company classifies its financial instruments in the following categories:

Financial assets and liabilities	**Classification**	**Measurement**
Cash	Amortized cost	Amortized cost
Trade receivables	Amortized cost	Amortized cost
Operating line	Amortized cost	Amortized cost
Trade payables	Amortized cost	Amortized cost
Lease obligations	Amortized cost	Amortized cost
Payable to 2073834 Ontario Ltd.	Amortized cost	Amortized cost
Interest rate swap	Fair value	Fair value
Long- term debt	Amortized cost	Amortized cost

Financial assets

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. The Company's intent is to hold these receivables until cash flows are collected. Trade receivables are recognized initially at fair value, net of any transaction costs incurred and are subsequently measured at amortized cost using the effective interest method. The Company recognizes a loss allowance for expected credit losses on a financial asset that is measured at amortized cost.

Financial liabilities

Financial liabilities are measured at amortized cost using the effective interest method, unless they are required to be measured at fair value through profit or loss (FVTPL), or the Company has opted to measure them at FVTPL. Long-term debt is recognized initially at fair value, net of any transaction costs incurred, and subsequently at amortized cost using the effective interest method.

Interest Rate Swap

The fair value of interest rate swaps has been determined using a discounted cash flow model. The interest rate swap held with the Royal Bank of Canada is measured at FVTPL. The mark to market adjustment is recorded in interest expense on the statement of loss and comprehensive loss.

Current and deferred income taxes

Income tax expense represents the sum of current and deferred income taxes. Current income taxes payable are based on taxable earnings for the period. Taxable earnings may differ from earnings before income tax as reported in the statement of loss and comprehensive loss because it may exclude items of income or expense that are taxable or deductible in other years and it may further exclude items of income or expense that are never taxable or deductible. The Company's liability for current income tax is calculated using tax rates that have been enacted or substantively enacted as at the reporting date.

Deferred income tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable earnings. Deferred income tax liabilities are generally recognized for all taxable temporary differences and deferred income tax assets are recognized to the extent that it is probable that taxable earnings will be available against which deductible temporary differences can be utilized. The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

Deferred income tax is calculated at the income tax rates that are expected to apply in the period when the liability is settled or the asset realized, based on income tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax is charged or credited to earnings, except when it relates to items charged or credited directly to equity, in which case the deferred income tax is reflected in equity. Income tax assets and liabilities are offset when there is a legally enforceable right to offset the assets and liabilities and when they relate to income taxes levied by the same tax authority.

Loss per share

Basic loss per share ("EPS") is calculated by dividing the loss for the year by the weighted average number of common shares outstanding during the year.

Diluted EPS reflects the potential dilution that could occur if additional common shares were issued as a result of holders of the Company's stock options and warrants exercising their rights to purchase common shares. The Company uses the treasury stock method to calculate diluted EPS. For both stock options and warrants whose exercise price is less than the average market price of the Company's common shares, the calculation assumes these in the money securities are exercised and the proceeds are used to repurchase common shares at the average market price for the period. For options and warrants granted during the fiscal year, average market price is defined as the average price of the Company's stock from the date of grant of the option or warrant issuance to the end of the reporting period. For options and warrants granted in prior years, the average market price used is the average market price for the fiscal year. The incremental number of common shares issued (stock options and warrants issued less the number of common stock repurchased from the proceeds from issuance) is added to the weighted average number of common shares outstanding over the period and used to calculate diluted EPS.

Share based compensation

The fair value of warrants and stock options awarded to directors, employees and consultants is measured at the date granted using the Black-Scholes option pricing model and charged to the statement of operations as the awards vest.

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions are measured at the amounts agreed upon by the parties.

Share issuance costs

Costs incurred in connection with the issuance of share capital are netted against the proceeds received net of tax. Costs related to the issuance of share capital and incurred prior to issuance are recorded as deferred share issuance costs and subsequently netted against proceeds when they are received.

Deferred financing fees

Cost incurred in connection with the financing of loans are capitalized and amortized over the term of the loan. Unamortized balances are reported net of the remaining loan balance payable.

Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued, or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination the non-controlling interest in the acquiree is measured at the fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Contingent consideration to be measured by the acquirer is recognized at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognized in the profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any noncontrolling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognized as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognized as a gain directly in profit or loss by the acquirer on the acquisition-date but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on provisional basis. The acquirer retrospectively adjusts the provisional amounts recognized and recognizes additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition date. The measurement period ends on either the earlier of (1) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

The Company determines whether a business is acquired when the integrated set of assets and activities includes at a minimum, an input and substantive process and whether the acquired set has the ability to contribute to the creation of outputs.

The Company also has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. If substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets, the concentration test is met, and the transaction is determined not to be a business combination. If the assets acquired are not a business, the transaction is accounted for as an asset acquisition.

Government assistance

Government assistance is recognized when there is reasonable assurance that the assistance will be received and that the Company will comply with all relevant conditions. Government assistance related to current expense is recorded as a reduction of the related expense on the statement of loss and comprehensive loss. Government assistance based on a prior period result is recognized in other income on the statement of loss and comprehensive loss.

Critical accounting judgments and estimation uncertainties

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates are based on management's best knowledge of the relevant facts and circumstances taking into account previous experience, but actual results may differ materially from the amount included in the financial statements.

Areas where critical accounting estimates and judgments have the most significant effect on the amounts recognized in the financial statements include:

ESTIMATES:

Estimated useful life of property, plant and equipment

Management estimates the useful lives of property, plant and equipment based on the period during which the assets are expected to be available for use. The amounts and timing of recording expenses for depreciation of property, plant and equipment for any period are affected by these estimated useful lives. The estimates are reviewed at least annually and are updated if expectations change as a result of physical wear and tear, technical or commercial obsolescence and legal or other limits to use. It is possible that changes in these factors may cause significant changes in the estimated useful lives of the Company's property, plant and equipment in the future.

Leases

The Company uses judgement to determine the incremental borrowing rate used to calculate the initial liability and corresponding asset. The incremental borrowing rate is the rate of interest that a lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar value to the right-of use asset in a similar economic environment.

Estimated fair value of biological assets

The estimates and underlying assumptions are reviewed on an ongoing basis. The most significant estimates include those related to the valuation of biological assets (Note 5). Biological assets are measured at the fair value less costs to sell, which is calculated as expected sales of harvested biological produce, less costs to sell and costs to complete. Management estimates the sales price of the produce on the vine by utilizing actual sales prices in the following period, estimates the expected yield based on historical production and estimates the costs to sell and costs to complete, which includes packaging and transportation costs. Stage of growth and remaining costs to complete for in-progress produce are estimated by management based on historical production. The estimated inputs are subject to fluctuations based on the timing and prevailing growing conditions and market conditions.

JUDGMENTS:

Bearer plants

The classification of bearer assets is a significant judgment. Expenditures for bearer plants are recorded in investing activities on the statement of cash flows. Bearer plants are depreciated based on the estimated yield profile of the plants over their life. The amounts and timing of recorded expense for depreciation of bearer plants for any period are affected by the estimate of useful lives.

Business combination

The Company applies judgment in determining a business is acquired when the integrated set of assets and activities includes at a minimum, an input and substantive process and whether the acquired set has the ability to contribute to the creation of outputs.

In a business combination, a significant area of judgment and estimation relates to the determination of the fair value of assets and liabilities acquired including any intangible assets and goodwill identified.

New and amended accounting policies

The Company has adopted the following revised IFRS amendments, effective January 1, 2022. These changes were made in accordance with the applicable transitional provisions and had no impact on the financial statements of the Company.

IAS 1: Amendment to IAS 1, Presentation of Financial Statements - Classification of Liabilities as Current or Non-Current

Effective January 1, 2022, the Company has adopted the amendments to paragraphs 69-76 of IAS 1 to clarify the requirements for classifying liabilities as current or non-current. The amendments specify that the conditions which exist at the end of a reporting period are those which will be used to determine if a right to defer settlement of a liability exists. The amendments also clarify the situations that are considered a settlement of a liability. The amendments are effective January 1, 2024, with early adoption permitted. The amendments are to be applied retrospectively. The application of the amendments did not have an impact on the Company.

IAS 16: Amendments to IAS 16, Property, Plant and Equipment

Effective January 1, 2022, the Company has adopted the amendments to IAS 16. The amendments clarify the accounting for the net proceeds from selling any items produced while bringing an item of property, plant and equipment into use. The application of the amendments did not have an impact on the Company.

IAS 41: Amendments to IAS 41, Agriculture

Effective January 1, 2022, the Company has adopted the amendment to IAS 41. The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. This will ensure consistency with the requirements in IFRS 13. The application of the amendments did not have an impact on the Company.

IFRS 3: Amendment to IFRS 3, Business Combinations

Effective January 1, 2022, the Company has adopted the amendment to IFRS 3. The amendment added an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination. The application of the amendment did not have an impact on the Company.

IFRS 9: Financial Instruments

Effective January 1, 2022, the Company has adopted the amendment to IFRS 9. The amendment provides clarification on which fees to include in the test in assessing whether to derecognize a financial liability. Only those fees paid or received between the borrower and the lender, including fees paid or received by either the entity or the lender on the other's behalf are included. The application of the amendment did not have an impact on the Company.

New accounting standards issued but not yet effective

IAS 8: Definition of Accountings Estimates

The IASB has issued an amendment to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors to introduce a new definition for accounting estimates, clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy. The amendments are effective for annual periods beginning on or after January 1, 2023. The extent of the impact of adoption of this standard has not yet been determined.

IAS 12: Income Taxes

The IASB has issued an amendment to IAS 12 – Income Taxes to narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The amendments are effective for annual periods beginning on or after January 1, 2023, with early adoption permitted. The extent of the impact of adoption of this standard has not yet been determined.

4. Business Combinations

Acquisition of 16-acre greenhouse property:

On June 30, 2022, the Company, through its wholly owned subsidiary Bull Market Farms Inc. ("Bull Market"), purchased the assets used in a 16-acre greenhouse property ("the property") located in Kingsville, Ontario, for consideration of $15,051. The purchase price was funded via a first charge mortgage on the property with an aggregate principal amount of $15,350, with collateral in the amount of $20,000 secured against the property. The mortgage has an open variable interest rate at prime plus 1.0% per annum. As part of the funding requirements of the mortgage with RBC, the Company postponed the payment of $483. Subject to RBC's approval, the postponed payment is expected to be paid by July 31, 2023.

The property was acquired from 2073834 Ontario Limited, an entity principally owned and controlled by Mr. Adam Suder, the Chief Growth Officer of the Company. The acquisition was considered a "related party transaction" under Multilateral Instrument 61-101 – *Protection of Minority Holders in Special Transactions* ("MI 61-101") and, as such, the acquisition was subject to the formal valuation and disinterested shareholder approval requirements of MI 61-101. The Company received formal shareholder approval at its annual general meeting held on June 29, 2022.

The transaction constitutes a business combination under IFRS 3 -Business Combinations. In accordance with the acquisition method of accounting, the purchase price has been allocated to the underlying assets acquired and liabilities assumed, based on their estimated fair values at the date of the acquisition. The Company used a combination of a direct comparison approach and a discounted cash flow model (net present value of expected future cash flows) to determine the fair value of the assets acquired. The purchase price allocation is summarized in the following table:

Purchase Price Consideration	***($000s)***
Cash consideration paid	14,517
Purchase price adjustment expected to be paid by July 31, 2023	51
Remaining consideration payable expected to be paid by July 31, 2023	483
Total Consideration	15,051

Net Identifiable Assets Acquired	
Receivables	42
Inventory	18
Bearer plants	1,316
Biological assets	743
Property, plant and equipment	13,423
Accounts payable	(491)
Total net assets acquired	15,051

The acquisition adds mini-pepper cultivation grow capacity, under annual fixed contract pricing. In addition to increasing price stability, the acquisition further diversifies the Company's product lines as it can now offer mini peppers in addition to medley, piccolo and beefsteak tomatoes. The increased production also allows the Company to increase its buying power and with that the ability to improve the Company's gross margins.

The Company recorded $3,663 of revenue and a $964 net loss in the consolidated statement of loss and comprehensive loss for the year ended December 31, 2022, as a result of the acquisition. If the acquisition occurred as of January 1, 2022, revenue for the year ended December 31, 2022, would have been $5,010 and earnings would have been $584.

Acquisition of a 22-acre greenhouse property

On February 1, 2021, the Company through its wholly owned subsidiary Bull Market Farms Inc., acquired the assets of Mor Gro Farms Inc. ("Green Rise 2" or "GR2"), a greenhouse range located in Kingsville, Ontario, for a purchase price of $16.0 million. The assets acquired include 100% of the shares of Mor Gro Sales Inc., a distribution company of fresh produce. The transaction constituted a business combination under IFRS 3 – Business Combinations. In accordance with the acquisition method of accounting, the purchase price was allocated to the underlying assets acquired and liabilities assumed, based on their estimated fair values at the date of the acquisition. The Company used a combination of a direct comparison approach and a discounted cash flow model (net present value of expected future cash flows) to determine the fair value of the assets acquired. The purchase price allocation, which was finalized in the fourth quarter of fiscal 2021, is summarized in the following table:

Purchase Price Cash Consideration	***($000s)***
Total Cash Consideration	16,013

Net Identifiable Assets Acquired	
Cash	19
Trade and other receivables	421
Bearer plants	811
Prepaid expenses	180
Property, plant and equipment	15,866
Accounts payable and contracts assumed	(1,054)
Right of use asset obligations	(230)
Total net assets acquired	16,013

The acquisition resulted in the addition of experienced growers and managers that bring decades of experience in growing an distributing fresh produce. In addition, the increased production allows the Company to increase its buying power and with that the ability to improve the Company's gross margins.

The Company recorded $4,944 of revenue and $1,589 net loss in the consolidated statement of loss and comprehensive loss for the year ended December 31, 2021, as a result of the acquisition. If the acquisition occurred as of January 1, 2021, revenue for the year ended December 31, 2021, would have been $4,944 and the loss would have been $1,664.

5. Bearer plants & Biological assets

Bearer pants (amended)

A reconciliation of beginning and ending balance of bearer plant assets is as follows:

($000s)	December 31, 2022	December 31, 2021 *Amended Note 19*
Bearer plants – beginning of the year	**1,411**	529
Additions acquired through acquisitions (note 4)	**1,316**	811
Additions acquired	**4,483**	4.679
Impairment in bearer plants	**-**	(1,085)
Depreciation of bearer plants	**(5,519)**	(3,523)
Bearer plants – end of the year	**1,691**	1,411

Bearer plant costs of $1,691 as of December 31, 2022 ($1,411 as at December 31, 2021) consist of costs directly attributable to bringing The bearer plants to the location and condition necessary for them to be capable of operating in the manner intended by management, including costs of site preparation, incurred on or before December 31, 2022, pertaining to the 2023 crop. In the first quarter of fiscal 2021, the Company lost its original crop at its newly acquired GR2 greenhouse which resulted in an impairment charge of $1,085.

Biological assets

The Company did not have any biological assets as of December 31, 2022 (December 31, 2021 -$NIL) however it did have biological assets throughout the year, consisting of unharvested tomato and mini-pepper produce growing on the vines. All tomatoes and mini-peppers were harvested as agricultural produce and sold during the year. The growing cycle for each harvest is approximately six weeks for tomatoes and five weeks for mini-peppers.

The change in carrying value of the Company's biological assets are as follows:

($000s)	**December 31, 2022**	December 31, 2021
Biological assets – beginning of the year	**-**	-
Biological asset acquired through acquisitions (note 4)	**743**	-
Unrealized gains due to biological asset transformation	**18,364**	14,550
Fair value of harvested biological asset	**(19,107)**	(14,550)
Biological assets – end of the year	**-**	-

In determining the carrying amount of biological assets, which are measured at fair value less costs to sell, the following significant unobservable inputs, all of which are classified as Level 3 on the fair value hierarchy, are used by management as part of this model:

- Selling price and yield – determined using the actual selling price per pound and yield in the following period; and
- Post-harvest costs -calculated as the harvesting and overhead costs for the five (mini-peppers) and the six week (tomatoes) following period, consisting of the cost of direct and indirect materials and labour related to packaging.

6. Property, plant and equipment:

($000s)	Land	Greenhouse	Buildings	Machinery and equipment	Vehicle	Right-of-use assets	Total
Cost:							
Balance – December 31, 2021	4,603	34,696	2,248	5,360	24	608	**47,539**
Additions via acquisitions (note 4)	1,867	9,636	545	1,375	-	-	**13,423**
Additions	-	-	13	215	21	-	**249**
Balance – December 31, 2022	6,470	44,332	2,806	6,950	45	608	**61,211**
Accumulated depreciation:							
Balance – December 31, 2021	-	4,129	147	1,305	2	225	**5,808**
Additions	-	1,706	100	621	5	153	**2,585**
Balance – December, 2022	-	5,835	247	1,926	7	378	**8,393**
Net book value							
Balance – December 31, 2022	6,470	38,497	2,559	5,024	38	230	**52,818**

($000s)	Land	Greenhouse	Buildings	Machinery and equipment	Vehicle	Right-of-use assets	Total
Cost:							
Balance – December 31, 2020	2,054	24,668	499	3,483	-	378	31,082
Additions vis acquisitions (note 4)	2,549	9,994	1,724	1,345	24	230	15,866
Additions	-	34	25	532	-	-	591
Balance – December 31, 2021	4,603	34,696	2,248	5,360	24	608	47,539
Accumulated depreciation:							
Balance – December 31, 2020	-	2,669	67	770	-	73	3,579
Additions	-	1,460	80	535	2	152	2,229
Balance – December, 2021	-	4,129	147	1,305	2	225	5,808
Net book value							
Balance – December 31, 2021	4,603	30,567	2,101	4,055	22	383	41,731

7. Lease obligations

Continuity schedule:

($000s)	December 31, 2022	December 31, 2021
Lease obligation – beginning of the year	**438**	317
Arising during the year	**-**	230
Lease payments, excluding interest	**(141)**	(109)
Less: Current portion	**(208)**	(163)
Long term lease obligation – end of the year	**89**	275

Balance sheet summary:

($000s)	December 31, 2022	December 31, 2021
Current lease obligation -end of year	**208**	163
Long term lease obligation -end of year	**89**	275
Total lease obligation – end of the year	**297**	438

The lease payments are discounted using the interest rate implicit in the lease, or if that cannot be determined, the Company's incremental borrowing rate.

During 2021, the Company, through its acquisition of GR2 acquired the use of an equipment labeler with a value of $230 with an effective interest rate of 5.5% with annual payments of $38 plus applicable taxes with 12 months remaining on its 36-month term ending December 31, 2023.

During 2020, the Company leased office space for its head office with a value of $262 with an effective interest rate of 5.5% with blended monthly payments of $5 plus applicable taxes and common area expenses for 60 months ending December 31, 2025.

During 2020, the Company leased a truck for its Bull Market Farm greenhouse range with a value of $23, with an effective interest rate of 3.0% with blended biweekly payments of $0.3 plus applicable taxes for 36 months ending September 17, 2023.

During 2019 the Company leased equipment with a value of $93 at an effective annual interest rate of 5.5%, with blended monthly payments of $1.5 plus applicable taxes for 72 months ending in October 2025.

8. Long-term debt

Continuity schedule:

($000s)	**December 31, 2022**	December 31, 2021
Loans and mortgages -beginning of the year	31,377	20,254
Proceeds from long-term debt during the year	15,350	13,000
Reclassification of unamortized deferred financing fees to current	18	-
Repayments during the year	(2,150)	(1,840)
Mark to market valuation on interest rate swap	(11)	-
Less: Current portion	(18,964)	(2,019)
Long term portion	**25,620**	29,395
Long term deferred financing fees	-	(37)
Long term portion, net of deferred financing fees	**25,620**	29,358

Balance sheet summary:

($000s)	**December 31, 2022**	December 31, 2021
Current portion of long-term debt -end of year	**18,964**	2,019
Long term portion of long-term debt -end of year	**25,620**	29,358
Total long-term debt obligation – end of the year	**44,584**	31,377

On June 30, 2022, the Company entered into a first mortgage with the Royal Bank of Canada ("RBC") in the amount of $15,350. The mortgage has an open variable interest rate at the prime interest rate plus 1.0% per annum. Proceeds from this mortgage were used entirely to fund the GR3 acquisition (refer to note 4) and resulting closing transaction costs and taxes. On July 20, 2022, and in order to manage the volatility of interest rates, the Company entered into an interest rate swap agreement, with RBC for a notional amount of $15,350 and term of 5-years at an all-in interest rate fixed at 3.84% for five years and the credit spread currently fixed at 1.25%. The credit spread is set annually by RBC. The next annual review of the Company's credit spread will be finalized in Q2 of fiscal 2023 and it is expected not to change from the current fixed rate of 1.25%. Effectively the Company swapped the interest rate and repayment obligations on the open mortgage with the interest and repayment obligations of the interest rate swap. The interest rate swap is paid out quarterly and has the same principal repayment amounts as the open mortgage. The interest rate swap is measured at fair value which resulted in an unrealized gain of $11 for the year ended December 31, 2022. This gain has been recorded in the statement of loss as a reduction in interest expense.

On January 19, 2021, the Company entered into a first mortgage with the RBC in the amount of $13,000 for a term of seven years. The mortgage bears interest at 2.85% per annum with monthly payments of $89 representing blended payments of interest and principal. Proceeds from this mortgage were used entirely to fund the GR2 acquisition which closed on February 1, 2021 (refer to note 4).

In December 2020, Bull Market entered into a mortgage agreement with RBC in the amount of $5,000 for a term of three years. The mortgage bears interest of 1.95% per annum with monthly payments of $32 representing blended payments of interest and principal and is secured against the GR1 property. The remaining balance of this loan as at December 31, 2022, was $4,414. The term of this mortgage is set to expire in December 2023 and accordingly the entire balance, as at December 31, 2022, has been classified as current in the statement of financial position.

In 2018, Bull Market entered into a mortgage with the RBC in the amount of $17,500 for a term of five years. The mortgage bears interest of 3.99% per annum with monthly payments of $129 representing blended payments of interest and principal. The remaining balance of this loan, as at December 31, 2022, was $13,290. The term of this mortgage is set to expire in June 2023 and accordingly the entire balance, as at December 31, 2022, has been classified as current in the statement of financial position.

RBC has collateral mortgage in the amount of $36,000 constituting a first fixed charge on the land and improvements located at 2633 Albuna Townline Road, Leamington, Ontario, a collateral mortgage in the amount of $18,153 constituting a first fixed charge on the land and improvements located at 1921 Road 3 East, Kingsville, Ontario and a first collateral mortgage in the amount of $20,000 constituting a first fixed charge on the land and improvements located at 795 Road 4 East, Kingsville, Ontario.

Credit Facility

The Company's RBC credit facility allows it to draw up to $6.6 million on its three operating lines ($5.0 million as at December 31, 2021). As at December 31, 2022 $438 had been drawn on the credit facility ($2,914 drawn as at December 31, 2021) leaving an undrawn balance of $6,162 ($2,086 undrawn as at December 31, 2021). All the operating lines bear an interest rate of prime plus 1% per annum.

On April 28, 2022, and effective June 30, 2022, RBC increased the Company's operating line by $1,600 to $7,850 (previously $6,250). This increase was made available to support the Company's newly acquired GR3 greenhouse range.

On March 1, 2022, RBC temporarily increased the Company's operating line by $1,250 to $6,250 (previously at $5,000). This temporary line extension ended on July 15, 2022, in line with the Company credit agreement dated April 28, 2022.

Borrowings under the RBC credit facilities are expected to resolve with operating requirements and have a zero balance at least 1 Business Day in each fiscal year. The credit facility also requires an annual certification on a fixed coverage ratio of 1:25 to 1.

9. Income Taxes

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

Income taxes

The Company's reported income tax differs from the statutory amount as follows:

($000s)	***December 31, 2022*** ***$***	*December 31, 2021* *$*
Loss before income taxes	**(1,938)**	(4,225)
Combined basic federal and provincial tax	**514**	1,120
Adjustment for prior years	**(17)**	(30)
Change in unrecognized temporary differences	**(273)**	(204)
Tax effect on stock-based compensation	**(34)**	(61)
Other	**(19)**	(15)
Income tax recovery	**171**	810

The statutory rate in effect for the year ended December 31, 2022, was 26.5% (2021 – 26.5%).

The deferred income tax assets and liabilities presented on the statement of financial position are net amounts and are comprised of the following:

($000s)	December 31, 2022 $	December 31, 2021 $
Property, plant and equipment	**(3,026)**	(2,454)
Unrealized gains on derivative contracts	**(3)**	-
Financing costs	**1**	9
Non-capital losses	**2,232**	1,463
Total	**(796)**	(982)

The Company has additional non-capital losses of $3,250 (December 31, 2021: $2,098) for which no deferred tax asset has been recognized. In addition, the Company has $202 (December 31, 2021: $324) in deductible share issuance costs for which no deferred tax asset has been recognized. As of December 31, 2022, and 2021, management has not recognized these deferred tax assets because it is not probable that the benefit can be realized.

The Company's non-capital losses expire as follows:

($000s)	December 31, 2022 $
Year of Expiry	
2036:	**$167**
2037:	**88**
2038:	**55**
2039:	**466**
2040:	**749**
2041:	**6,031**
2042:	**4,111**
Total	**$11,667**

10. Share capital

	Number of Shares	Amount ($000s)
Common shares:		
Common Shares, December 31, 2020	44,922,402	4,030
Stock options exercised during the year (I, ii and iii)	433,332	182
Common Shares, December 31, 2021	45,355,734	4,212
Stock options exercised during the year (iv)	1,033,332	429
Common Shares, December 31, 2022	46,389,066	4,641

i. During the second quarter of 2021, 100,000 options with a strike price of $0.20 and 100,000 options with a strike price of $0.24 were exercised, resulting in the issuance of 200,000 common shares and net cash proceeds of $44. In addition, a total of $33, representing the stock-based compensation on these options that had previously been credited to contributed surplus was reclassified into share capital. The share price on the days of exercise was $1.89 per share.

ii. During the third quarter of 2021, 16,666 options with a strike price of $0.24 were exercised, resulting in the issuance of 16,666 common shares and cash proceeds of $4. In addition, a total of $3, representing the stock-based compensation on these options that had previously been credited to contributed surplus was reclassified into share capital. The share price on the day of exercise was $1.70 per share.

iii. During the fourth quarter of 2021, 216,666 options with a strike price of $0.24 were exercised, resulting in the issuance of 216,666 common shares and net cash proceeds of $52. In addition, a total of $46, representing the stock-based compensation on these options that had previously been credited to contributed surplus was reclassified into share capital. The share price on the days of exercise was $1.05 per share.

iv. During the third quarter of 2022, 100,000 options with a strike price of $0.10 were exercised, 100,000 options with a strike price of $0.20 were exercised and 833,332 options with a strike price of $0.24 were exercised, resulting in the issuance of 1,033,332 shares and net cash proceeds of $230. In addition, a total of $199, representing the stock-based compensation of these options that had previously been credited to contributed surplus was reclassified into share capital. The share price on the days of exercise ranged from 60 to 80 cents per share.

11. Contributed surplus

Stock Option Continuity

	Number of Options	Weighted Average Exercise Price
Balance, December 31, 2020	2,450,000	$0.23
Options exercised during the year	(433,332)	$0.23
Balance, December 31, 2021	**2,016,668**	$0.23
Options exercised during the year	**(1,033,332)**	$0.22
Options issued during the year	**550,000**	$0.56
Balance at December 31, 2022	**1,533,336**	$0.35

Stock Option Plan

The Company has implemented a rolling stock option plan as it reserves a maximum of 10% of the issued and outstanding common shares of the Company for issuance under the Stock Option Plan. Options granted shall vest one third on each anniversary date and are exercisable for a period of up to ten years.

On October 4, 2022, the Company issued 550,000 options to an officer and management of the Company. The estimated fair value of the stock options was based on a Black-Scholes valuation model and amounted to $252. The following assumptions were used -stock exercise price $0.56, expected dividend yield -0%, expected volatility -114%, risk free rate 3.85%, vesting period -5 years and expected life of five years. Volatility was estimated based upon historical price observations over a 3-year period.

On August 28, 2020, the Company issued 2,050,000 stock options to certain directors and management of the Company. The estimated fair value of the stock options was based on a Black-Scholes valuation model and amounted to $430. The following assumptions were used -stock exercise price -$0.24, expected dividend yield -0%, expected volatility -75%, risk free rate -0.17%, vesting period -3 years and expected life of five years. Volatility was estimated based upon historical price observations over the expected term of the options. A total of 833,332 of these options were exercised in 2022 (333,332 were exercised in 2021 and refer to note 10).

On November 27, 2019, the Company issued 400,000 stock options to directors of the Company. The estimated fair value of the stock options was based on a Black-Scholes valuation model and amounted to $48. The following assumptions were used – stock exercise price $0.20, expected dividend yield – 0%, expected volatility – 75%, risk free rate – 1.45%, vesting period -3 years and an expected life of five years. Volatility was estimated based upon historical price observations over the expected term of the options. A total of 100,000 of these options were exercised in 2022 (100,000 options were exercised in 2021 and refer to note 10). A total of 100,000 of these options were forfeited in 2020. A total of 100,000 options were exercised in 2022 relating to the last remaining options on the November 2017 grant (refer to note 10).

The stock option compensation expense and charge to contributed surplus relating to the stock options vested during the year ended December 31, 2021, was $127 (December 31, 2021, $229).

	Stock options outstanding		Stock options exercisable	
Exercise prices	**Stock options outstanding**	**Weighted Average remaining contractual life (years)**	**Stock options exercisable**	**Weighted average exercise price ($/option)**
$0.20	100,000	0.12	100,000	$0.05
$0.24	883,336	1.53	300,000	$0.18
$0.56	550,000	1.71	-	-
$0.20 - $0.56	1,533,336	3.36	400,000	$0.23

12. Related party transactions

Key management personnel are those persons having authority for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and members of its Board of Directors. For the year ended December 31, 2022, the Company paid $477 in management salaries (2021: $450), $nil in management bonuses (2021: $200) and had $86 in stock-based compensation (2021: $167). The Company also incurred $10 in professional fees to one of its Directors ($8 in 2021 to a corporation controlled by an officer of the Company). The transactions were at fair value and related to legal services (2022) and capital improvements on its equipment at its GR1 property (2021). As at December 31, 2022, the Company also held a non-interest bearing note receivable for $82 from one of its officers and a non-interest note payable of $9 to one of its officers. Both notes are expected to be settled in the next 12 months.

On June 30, 2022 the Company, as described in note 4, acquired its third greenhouse range from 2073834 Ontario Ltd., ("207") a company principally controlled by Adam Suder the Company's Chief Growth Officer. Total consideration for this acquisition was $15,051. Of this amount $14,634 has been paid in cash and $417 is expected to be paid by July 31, 2023. In addition, a total of $35 in finance related costs are also expected to be paid to 207 by July 31, 2023. The amounts due to 207 have been included as a note payable in current liabilities in the Consolidated Statement of Financial Position.

13. Revenue

($000s)	**For the year ended December 31, 2022**	For the year ended December 31, 2021
Sales of fresh produce	**22,415**	17,121
Rent and Other[1]	**641**	590
Total	**23,056**	17,711

1) The Company leases a portion of its greenhouse space at GR1 to its one major customer. The current lease will expire on June 15, 2023. The Company is currently negotiating a new lease with its one major customer, and it is expected to come into effect on June 16, 2023. A total of $563 in rent revenue was recorded for the year ended December 31, 2022 ($563 for the year-ended December 31, 2021).

14. Expenses by nature

The following table outlines the Company's significant expenses by nature:

($000s)	**For the year ended December 31, 2022**	For the year ended December 31, 2021
Production Costs		
Raw materials and consumables used[1]	**7,383**	5,464
Labor[1]	**6,924**	6,180
Depreciation (notes 5 and 6)	**7,731**	5,380
Realized fair value amounts of biological assets (note 5)	**19,107**	14,550
Unrealized gain on change in fair value of biological assets (note 5)	**(19,107)**	(14,550)
Repairs and maintenance	**262**	453
Other	**98**	-
Total	**22,398**	17,477

1) During the year the Company participated in various government programs that support production margin declines and costs relating to COVID-19 measures mandated by the government. As noted in note 3 government assistance related to current expense is recorded as a reduction of the related expense and government assistance related to a prior year result is recognized in other income (see note 15) on the statement of loss and comprehensive loss. A total of $nil (December 31, 2021: $363) has been netted against raw material and consumables used and a total of $nil has been netted against labor costs (December 31, 2021: $111) relating to these programs.

($000s)	**For the year ended December 31, 2022**	For the year ended December 31, 2021
Selling, general and administrative expenses		
Salaries	**687**	913
Marketing board fees	**71**	46
Insurance	**346**	286
Depreciation (notes 5 & 6) [1]	**374**	372
Office Rent	**44**	69
Professional services	**581**	426
Land transfer taxes and legal costs on acquisitions (note 4)	**361**	389
Stock based compensation (note 10)	**127**	229
Other	**618**	569
Total	**3,209**	3,299

1) Relates to the annual amortization of the Company's 15 acres of greenhouse range at its GR1 Facility currently being leased out to one of the Company's customers and the annual amortization on the right of use asset relating to the Company's head office lease.

15. Other income -government assistance

($000s)	For the year ended December 31, 2022	For the year ended December 31, 2021
Government Programs		
AgriStability	**2,118**	-
SDRM	**66**	-
Fuel tax credit program	**77**	-
Other	**20**	-
Total	**2,281**	-

During the year the Company finalized its 2021 AgriStability submission and was awarded a total of $2,481, of which $363 had been recognized in 2021 as a reduction in COS -raw materials and consumables (see note 14). Accordingly, a total of $2,118 was recorded as other income -government assistance in the statement of loss and comprehensive loss for the year-ended December 31, 2022. The Program is administered by AgriCorp, an Ontario Government agency created in 1997. The Company was also awarded $66 on its 2021 self-directed risk management program ("SDRM") which was submitted and awarded in 2022 (2021: $Nil). The SDRM program helps growers manage risks beyond their control to help mitigate risk associated with farm businesses. Both programs are administered by AgriCorp, an Ontario Government agency. Finally, the Company qualified for the fuel tax credit program with a total of $77 recorded in the statement of loss and comprehensive loss (2021: $Nil). The program allows farming businesses, with one or more establishments in Ontario, Manitoba, Saskatchewan and Alberta, to have a portion of their fuel charges and farming expenses returned to them.

16. Financial instruments

The Company's financial assets and financial liabilities have been classified into categories that determine their basis of measurement. These amounts are initially recognized at fair value and subsequently are measured at amortized cost. The fair value of these amounts approximates their carrying values. All other assets and liabilities are determined using Level 3 of the fair value hierarchy.

Fair values of financial instruments are determined by valuation methods depending on the hierarchy levels as defined below:

- Level 1 – quoted market price in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted market prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. observed prices) or indirectly (i.e. derived from prices); and
- Level 3 – inputs for the assets or liabilities that are not based on observable market data.

Assets/Liabilities	Category	Measurement	December 31, 2022	December 31, 2021
Trade receivables	Financial asset	Amortized cost	68	-
Other receivables	Financial asset	Amortized cost	353	1,011
Interest rate swap	Financial asset[1]	Fair value	11	-
Operating line	Financial liabilities	Amortized cost	438	2,914
Trade payables	Financial liabilities	Amortized cost	5,758	4,670
Payable to 2073834 Ontario Ltd.	Financial liabilities	Amortized cost	453	-
Lease obligations	Financial liabilities	Amortized cost	297	438
Long-term debt	Financial liabilities	Amortized cost	44,584	31,377

1. Interest rate swap asset is presented on the consolidated statements of financial position in long-term debt. The interest rate swap is classified as level 2 in the fair value hierarchy as the fair value has been determined based on inputs which can be substantially observed or corroborated in the marketplace.

Management of financial risk

The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk and interest rate risk.

Credit risk

The exposure to credit risk arises through the failure of a customer or another third party to meet its contractual obligations to the Company. The Company believes its maximum exposure to credit risk is the carrying value of its trade and other receivables. As at December 31, 2022 a total of $68 was owed by customers (December 31, 2021: $nil), $52 in rent payable on the leased 15-acre organic farm at GR1, $99 related to HST (December 31, 2021: $562) and $77 relating to amounts owed on the Return of Fuel Charge Credit Program. All amounts have been collected with exception to the fuel charge credit program, which is expected to be collected once the 2022 tax returns of the Company's wholly owned subsidiary BMFI are filed. The remaining balance primarily relates to a non-interest-bearing loan for $82 to an officer of the Company (refer to note 12). This amount is expected to be settled in the next 12-months. As at December 31, 2021 there was $363 owed by Agri Crop as part of the interim reward for the 2021 Agri Stability program. This amount was collected in full in 2022.

Liquidity risk

Liquidity risk is the risk the Company will not be able to meet its obligations as they fall due. It is the Company's intention to meet its obligations through the collection of accounts receivable and cash from sales. The Company has in place a planning and forecasting process to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company is exposed to risks related to seasonality as there is limited revenue from January through to mid April. If the current resources and cash generated from operations is insufficient to satisfy its obligations, the Company can draw on its credit facility. The Company has also entered into agreements with certain large Vendors to extend credit terms to Q2 or Q3 of 2023, when the Company's greenhouses are at full production and cash flow generation is highest in the year. The table below summarizes the timing of the due dates of the Company's financial obligations.

As at December 31, 2022 the following obligations are due:

(\$000s)	**Total**	**Less than 1 year**	**1 to 5 years**	**Over 5 years**
Operating line	438	438	-	-
Trade, tax and other payables	5,758	5,758	-	-
Payable to 2073834 Ontario Ltd.	453	453	-	-
Lease obligations	297	208	89	-
Mortgage loans	44,584	18,964	18,721	6,899
Total	51,530	25,821	18,810	6,899

For the GR1 mortgages coming due in 2023 (see note 1 and 8), pending approval of the terms and conditions, the amortization periods for these mortgages are expected to be extended to minimize the impact of the recent spike in mortgage rates on debt servicing costs., however these terms have not yet been finalized to date.

On March 1, 2022, RBC temporarily increased the Company's operating line by $1,250 to $6,250. This temporary extension of $1,250 was eliminated on July 15, 2022, in accordance with its April 28, 2022, credit facility agreement with RBC.

As at December 31, 2022 the Company's operating line is $6,600 of which $438 was drawn ($5,000 and a drawn balance of $2,914 as at December 31, 2021). The Company's availability to draw on its operating line, as at December 31, 2022 was $6,162 ($2,086 as at December 31, 2021).

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's loans, with exception to its GR3 mortgage which has an open rate interest rate, have fixed rates of interest and are therefore subject to the risk of changes in fair value if the prevailing interest rate were to increase or decrease. To mitigate the interest rate risk on open variable loans, the Company uses derivative financial instruments (interest rate swaps) to exchange the variable rate inherent in the long-term debt for a fixed rate (see note 8).

Management of capital risk

The Company considers its capital to be equity, which comprises share capital, contributed surplus and deficit, which at December 31, 2022, totaled $3,455 (2021 $4,866).

The Company's objectives when managing capital are to safeguard its assets and maintain a competitive cost structure, continue as a going concern and provide returns to its shareholders. In addition, the Company works with all relevant stakeholders to ensure the safety of its operations and employees and to remain in compliance with all environmental regulations.

The Company manages its capital structure and makes adjustments to it in light of changes in its economic environment and the risk characteristics of the Company's assets. To effectively manage the entity's capital requirements, the Company has in place a planning, budgeting and forecasting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives.

The Company's management holds strict financial metrics when evaluating returns on greenhouses and in deciding the composition (debt vs equity) in funding deals or addressing any shortfalls in capital. The Company continued to pay down its mortgage debt (Paid $2.2 million in 2022 (2021: $1.9 million) and utilizes its equity position in its real properties to refinance and fund deals. The Company also assesses government programs such as AgriStability, to help address any years where gross margins fall below the Company's 5-year historic gross margin average.

17. Commitment and contingencies

As at December 31, 2022 the payments due by period are set out in the following table:

($000s)	**Total**	**Less than 1 Year**	**1 – 5 Years**	**After 5 Years**
Purchase commitments	2,198	2,198	-	-

Purchase commitments consist primarily of commitments to pay for raw material inputs for the 2023 Crop that were entered into in 2022 but delivered to the Company's greenhouse ranges in January 2023 and commitments to acquire gas through to November 2023.

The Company has entered into an agreement with a customer for a 10-year period to supply all available produce at its GR1 greenhouse range. The Company has also assumed an agreement, as part of its newly acquired GR3 acquisition (see note 4). The initial agreement, dated January 1, 2021, was for a term of 2 years. The Agreement automatically renews each year unless otherwise terminated by either party not later than 90 days prior to the end of the applicable term.

Contingencies

The Company may be involved in legal proceedings from time to time arising in the ordinary course of business. Contingencies will be accrued when the outcome if probable, and the amount can be reasonably estimated.

Based on the Company's knowledge of events at December 31, 2022, no such matters were identified.

18. Subsequent Events

On January 1, 2023, the Company completed a short form vertical amalgamation with its wholly owned subsidiary, Bull Market and Bull Market's wholly owned subsidiary 2801511 Ontario Inc. ("280"). Pursuant to the amalgamation, all of the issued and outstanding shares of Bull Market and "280" were cancelled and the assets, obligations and liabilities of Bull Market and 280 were assumed by Green Rise. No securities of Green Rise were issued in connection with the amalgamation and the share capital of Green Rise remained unchanged. All three companies are Ontario corporations governed by the *Business Corporations Act (Ontario)* ("the Act") and the amalgamation is pursuant to Section 177 of the Act.

19. Amendment of recognition of propagation and seed costs

During the 4th quarter of 2022, while determine the recognition of liabilities relating to seed and plant propagation costs, the Company concluded that the control of these assets and the obligation to pay the respective liabilities, occurs when the seeds are delivered and when the plant propagator begins the propagation process. Previously it had been viewed that control over these assets and the obligation to pay the respective liabilities did not take place until the plants are delivered to the Company. The change did not impact the Company's previously reported consolidated statement of loss and comprehensive loss. It did however impact the Company's Consolidated Statement of Financial Position and the Company's Consolidated Statement of Cash Flows. The impact of this amendment is summarized in the tables below:

Consolidated Statement of Financial Position	**Previously Reported for the year ended December 31, 2021**	**Adjustment**	**Amendment Amount for the year ended December 31, 2021**
Current assets			
Inventory	311	491	802
Bearer plants	348	1,063	1,411
Current liabilities			
Trade payables	3,117	1,554	4,671

Consolidated Statement of Cash Flows	**Previously Reported for the year ended December 31, 2021**	**Adjustment**	**Amendment Amount for the year ended December 31, 2021**
Cash inflows (outflows) from operating activities			
Inventory	(170)	(99)	(269)
Trade and other payables	267	99	366

Consolidated Statement of Financial Position	**Previously Reported for the year ended December 31, 2020**	**Adjustment**	**Amendment Amount as at January 1, 2021**
Current assets			
Inventory	141	392	533
Bearer plants	392	137	529
Current liabilities			
Trade payables	1,831	529	2,360