CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

GREENRISE

GREENRISE GLOBAL BRANDS INC.
(Formerly AMP Alternative Medical Products Inc.)

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

(Expressed in EUROS "€")

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Greenrise Global Brands Inc.

Opinion

We have audited the consolidated financial statements of Greenrise Global Brands Inc. (formerly AMP Alternative Medical Products Inc.) (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2021 and 2020, and the consolidated statements of comprehensive loss, changes in shareholders' deficiency and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

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 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 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 financial statements which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Managements' Discussion and Analysis 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 Financial Statements

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

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

The engagement partner on the audit resulting in this independent auditor’s report is Rakesh Patel.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, BC
May 6, 2022

GREENRISE GLOBAL BRANDS INC.
(Formerly AMP Alternative Medical Products Inc.)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31,
(Expressed in Euros)

	Notes		2021		2020
ASSETS					
Current assets					
Cash		€	27,448	€	60,446
Accounts receivable and prepaid expenses	4		23,451		238,524
Inventory	5		47,786		-
Loans receivable	7		-		9,541
			98,685		308,511
Non-current assets					
Equipment	8		88,171		45,601
Right of use assets	9		66,081		17,446
Total assets		€	252,937	€	371,558
LIABILITIES AND SHAREHOLDERS' DEFICIENCY					
Current liabilities					
Trade and other payables	14	€	296,406	€	261,463
Derivative liability	12		58,660		-
Lease liabilities - current	10		27,634		5,464
			382,700		266,927
Non-current liabilities					
Lease liabilities	10		31,995		12,396
Loan payable	11		1,841,755		1,064,844
Total liabilities			2,256,450		1,344,167
Shareholders' deficiency					
Share capital	12		4,593,312		2,157,858
Share based payment reserve	12		2,563,601		2,390,292
Foreign currency translation reserve			22,787		22,787
Deficit			(9,183,213)		(5,543,546)
Total shareholders' deficiency			(2,003,513)		(972,609)
Total liabilities and shareholders' deficiency		€	252,937	€	371,558

Nature and Continuance of Operations (Note 1)
Subsequent Events (Note 18)
On behalf of the Board:

Director *<u>/s/ Kenneth MacLeod</u>* Director *<u>/s/ Alex Blodgett</u>*

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

GREENRISE GLOBAL BRANDS INC.
(Formerly AMP Alternative Medical Products Inc.)
CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS
YEAR ENDED DECEMBER 31,
(Expressed in Euros)

	Notes	2021	2020
Revenue			
Sales		€ 452,868	€ 105,200
Cost of goods sold		409,552	105,353
Gross profit /(loss)		43,316	(153)
Expenses			
General and administrative expenses	13	2,128,084	1,584,882
Interest	11	138,517	46,069
Share based compensation	12	138,365	315,880
Transfer agent, filing fees and shareholder communication		43,228	83,412
Total expenses		(2,448,194)	(2,030,243)
Loss before other income (expense)		(2,404,878)	(2,030,396)
Other income (expense)			
Foreign exchange gain (loss)		(2,049)	99,413
Unrealized loss on marketable securities		-	809
Unrealized gain on derivative liability	12	40,962	-
Loss on acquisition of Greenrise GmbH	6	(1,263,374)	-
Impairment of loans and investment loans	7	(10,328)	(189,071)
Gain on sale of subsidiaries	6	-	7,256
Loss for the year		(3,639,667)	(2,113,607)
Other comprehensive income (loss)			
Foreign currency translation gain		-	(74,675)
Comprehensive loss for the year		€ (3,639,667)	€ (2,188,283)
Weighted average number of common shares outstanding		31,178,872	24,898,140
Loss per common share, basic and diluted		€ 0.12	€ 0.08

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

GREENRISE GLOBAL BRANDS INC.
(Formerly AMP Alternative Medical Products Inc.)
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' DEFICIENCY
YEAR ENDED DECEMBER 31, 2021 and 2020
(Expressed in Euros)

	Capital Stock					
	Shares (Note 12)	Amount	Share-based payment reserve	Foreign currency translation reserve	Deficit	Total Equity
Balance, December 31, 2019	21,478,024	€ 1,174,577	€ 2,071,550	€ 97,462	€ (3,429,939)	€ (86,350)
Loss for the year	-	-	-	(74,675)	(2,113,607)	(2,188,282)
Shares issued in private placement	5,675,587	997,943	-	-	-	997,943
Shares issued on exercise of warrants	7,000	1,123	-	-	-	1,123
Share issuance costs	-	(12,923)	-	-	-	(12,923)
Fair value of stock options and warrants transferred on exercise	-	373	(373)	-	-	-
Fair value of warrants	-	(3,235)	3,235	-		-
Share-based compensation	-	-	315,880	-	-	315,880
Balance, December 31, 2020	27,160,611	2,157,858	2,390,292	22,787	(5,543,546)	(972,609)
Loss for the year	-	-	-	-	(3,639,667)	(3,639,667)
Shares issued in private placement	5,460,028	1,534,961	-	-	-	1,534,961
Shares issued on exercise of warrants	8,400	1,965	-	-	-	1,965
Shares issued to purchase Greenrise GmbH	4,290,000	1,017,439	-	-	-	1,017,439
Share issuance costs	-	(83,967)	-	-	-	(83,967)
Fair value of stock options and warrants transferred on exercise	-	880	(880)	-	-	-
Fair value of warrants	-	(35,824)	35,824	-		-
Share-based compensation	-	-	138,365	-	-	138,365
Balance, December 31, 2021	36,919,039	€ 4,593,312	€ 2,563,601	€ 22,787	€ (9,183,213)	€ (2,003,513)

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

(Expressed in EUROS)

	2021	2020
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Loss for the year	€ (3,639,667)	€ (2,113,607)
Items not affecting cash:		
Interest capitalized to loans	(787)	(730)
Amortization and depreciation	37,977	9,054
Non-cash loan interest	138,517	53,480
Impairment of loans and investment loans	10,328	189,071
Gain on sale of inactive subsidiaries	-	7,256
Gain on derivative liability	(40,962)	-
Unrealized loss on investments	-	809
Loss on acquisition	1,263,374	-
Share based compensation	138,365	315,880
Foreign exchange	-	(74,674)
	(2,092,855)	(1,613,461)
Changes in non-cash working capital items:		
Accounts receivable and prepaid expenses	208,884	(227,095)
Inventory	(41,597)	-
Trade and other payables	37,461	9,967
Net cash used in operating activities	(1,888,107)	(1,830,589)
INVESTING ACTIVITIES		
Acquisition of right-of-use assets	(63,148)	(49,934)
Increase in loans receivable	-	(38,580)
Repayments of loan receivable	-	133,942
Net cash provided by (used in) investing activities	(63,148)	45,428
FINANCING ACTIVITIES		
Shares issued for cash, net of share issue costs	1,552,580	986,143
Lease payments	(26,782)	(2,000)
Loan payable	392,459	644,593
Net cash provided by financing activities	1,918,257	1,628,736
Change in cash for the year	(32,998)	(156,425)
Cash, beginning of year	60,446	216,871
Cash, end of year	€ 27,448	€ 60,446

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Nature of Operations

Greenrise Global Brands Inc. (formerly AMP Alternative Medical Products Inc.) ("the Company" or "Greenrise") is incorporated in the Province of British Columbia in Canada, with its registered office located at Suite 1000, 925 West Georgia Street, Vancouver, British Columbia, Canada V6C 3L2.

Greenrise's wholly-owned subsidiaries are AMP Alternative Medical Products GmbH, a pharmaceutical supplier of medical cannabis products to German pharmacies based in Erfurt, Germany, and AMP Alternative Management Inc. (formerly AMP Alternative Medical Products Canada Limited).

The Company's common shares trade on the Canadian Securities Exchange ("CSE") under the trading symbol "XCX" and, on the Frankfurt Stock Exchange under the trading symbol "C4T."

On November 2, 2021, the Company changed its name to Greenrise Global Brands Inc. from AMP Alternative Medical Products Inc.

The reporting currency of Greenrise's consolidated financial statements is the Euro ("€").

Going Concern

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning that it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at December 31, 2021, the Company had an accumulated deficit of €9,183,213 and a working capital deficit of €284,015. To date, the Company has not generated sufficient revenues to meet its operating and administrative expenses or its other obligations. The Company's continuation as a going concern is dependent upon its ability to raise equity capital or borrowings sufficient to meet current and future obligations and ultimately attain profitable operations. These uncertainties may cast significant doubt on the ability of the Company to continue operations as a going concern. Management intends to finance operating costs over the next twelve months with private placements of the Company's common shares and loans from related parties.

Since March 2020, the spread of COVID-19 has impacted many local economies around the globe. In many countries, including Canada, Germany and the rest of Europe some businesses have been forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide. In the height of the pandemic, global stock markets experienced great volatility and significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods.

2. BASIS OF PRESENTATION

These consolidated financial statements have been prepared on an accrual basis in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") and with the accounting policies and selected annual disclosures disclosed in Note 3.

The consolidated financial statements were authorized for issue by the Board of Directors on May 6, 2022.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

These consolidated financial statements have been prepared on a going concern basis, under the historical cost convention, except for investments in associates and jointly controlled entities that are accounted for using the equity method and certain financial instruments and investments which are measured at fair value.

The Company consolidates subsidiaries over which it has control, where control is the power, directly or indirectly, to govern the financial and operating policies of an entity to obtain benefits from its activities.

These consolidated financial statements include the accounts of the Company and its wholly-owned investment subsidiaries, AMP Alternative Medical Products GmbH ("AMP Germany") of Germany and AMP Alternative Management Inc. (formerly AMP Alternative Medical Products Canada Limited) ("AMP Canada") of Canada and Greenrise GmbH ("GRG Germany"). The consolidated financial statements also include the accounts of its previously wholly-owned subsidiary, Alternative Medical Products Switzerland GmbH ("AMP Swiss") of Switzerland up until its disposition on June 1, 2020 and its 99% owned subsidiary Alternative Medical Products Malta plc ("AMP Malta") of Malta up until its disposition on December 22, 2020.

Foreign currency translation

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The functional currency of the Company and its subsidiaries is the Euro. These financial statements are presented in EUROS.

Basis of preparation

Change in functional and presentation currencies
Effective October 1, 2020, the Company changed from a Canadian dollar presentation currency to a Euro presentation currency. The functional currency of the Company and AMP Canada also changed from Canadian dollars to the Euro effective October 1, 2020. The functional currency of AMP Germany did not change and remains the Euro.

A change in presentation currency is accounted for as a change in accounting policy and is applied retrospectively as if the new presentation currency had always been the presentation currency.

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising in the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the statement of comprehensive income (loss) in the period in which they arise.

Exchange differences arising from the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income (loss) to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, the reported amounts of revenues and expenses during the reporting period and contingent assets and liabilities. Significant estimates include the fair value measurements and assumptions relating to financial instruments, changes in equity accounted

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

investments, deferred income taxes and the recoverability of receivables and loans receivable.

Use of estimates and assumptions

The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted prospectively in the period in which the estimates are revised. Actual results could significantly differ from those estimates.

Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's financial statements include the assessment of the Company's influence on associates, the Company's ability to continue as a going concern and the determination of functional currency.

Financial instruments

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

The following table shows the classification of the Company's financial instruments under IFRS 9:

Financial assets / liabilities	
Cash	Amortized cost
Accounts receivable	Amortized cost
Investments in marketable securities	FVTPL
Loans receivable	FVTPL
Investment loan receivable	FVTPL
Trade and other payables	Amortized cost
Loan payable	Amortized cost

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

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

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

Financial liabilities:
The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statements of comprehensive loss.

Equity accounted investments

Equity accounted investments are those entities in which the Company has significant influence but does not have control over the financial and operating policies of the investees. Significant influence is presumed to exist when the Company holds between 20 percent and 50 percent of the voting power of another entity. Joint arrangement entities are those over which the Company has joint control, established by contractual agreement and requiring unanimous consent for strategic, financial and operating decisions. Joint ventures are joint arrangements, whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Investments in associates and joint ventures are accounted for by the equity method, whereby the original cost of the investment is adjusted for the Company's share of earnings or losses less dividends since significant influence was acquired. When net accumulated losses from an equity accounted investment exceed its carrying amount, the investment balance is reduced to $Nil and additional losses are not provided for unless the Company is committed to provide other financial support to the investee. The Company resumes accounting for its portion of income (loss) of the investment when the entity subsequently reports net income and the Company's share of that net income exceeds the share of net losses not recognized during the period the equity method was suspended.

Profits or losses resulting from transactions between the Company and its associates are eliminated to the extent of the interest in the associate. The Company determines at each reporting date whether there is objective evidence that the investments in associates are impaired. The financial statements of associates are prepared for the same reporting period as the Company. Where necessary adjustments are made to bring the accounting policies of associates in line with those of the Company.

Revenue recognition

The Company follows the requirements of IFRS 15 Revenue from Contracts with Customers ("IFRS 15") as follows:

Sales are recognized when the quantity of products sold and the sales price are fixed, and control of the products has transferred to the Company's customers, being when the products are shipped to the customer. The customer has full

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Revenue recognition (cont'd…)

discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Once products are delivered to the Company's customers, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales order, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied. The revenue from these sales is recognized when the customer purchases the inventory.

A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Inventory

Inventories are initially recognized at cost, and subsequently measured at the lower of cost and net realizable value (the estimate selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale) using the "first-in first-out" method. Cost comprises all costs of purchase, and other costs incurred in bringing the inventories to their present location and condition.

Income taxes

Income tax expense comprises current and deferred tax. Current and deferred tax is recognized in profit and loss except to the extent that it relates to items recognized directly in equity or in reserves as part of shareholders' equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable income will be available against which the asset can be realized.

Deferred income tax assets and deferred income tax liabilities are offset only if a legally enforceable right exists to offset current tax assets against current income tax liabilities, and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing net income (loss) attributable to the equity owners of the Company by the weighted average number of common shares outstanding during the reporting period.

Diluted earnings (loss) per share is determined by dividing the net income (loss) attributable to the equity owners of the Company by the weighted average number of common shares outstanding, adjusted for the dilutive effect of all potential common shares issuances upon exercise of options, warrants and similar instruments. For the periods presented, the Company had no dilutive instruments.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Equipment

Equipment is carried at cost, less accumulated depreciation and accumulated impairment losses. The cost of an item of equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation is provided on a straight line with capitalized costs being amortized over three years for computer and other equipment and between seven to nine years for operating systems and hardware.

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The lease term includes periods covered by an option to extend if the Company is reasonably certain to exercise that option. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured as the present value of future lease payments, excluding payments made at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Reserves

Share-based payments

The Company's share option plan allows employees, directors, officers and consultants to acquire shares of the Company. The fair value of options granted is recognized as share-based compensation expense with a corresponding increase in share-based payment reserve in equity.

Fair value is measured at grant date, and each tranche is recognized using the graded vesting method over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

When options are exercised, the proceeds received, together with any related amount in share-based payments reserve, are credited to share capital.

Foreign currency translation reserve

The foreign currency translation reserve records exchange differences arising on translation of the financial statements of subsidiaries and equity accounted investments of the Company that have a functional currency other than the Euro.

(Expressed in EUROS)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

New accounting standards, amendments and interpretations

The Company did not adopt any new accounting standard changes or amendments in the current year that had a material impact on the Company's financial statements.

4. ACCOUNTS RECEIVABLE AND PREPAID EXPENSES

	2021	2020
Trade receivable	€ 23,451	€ 8,057
Prepaid expenses	-	230,467
	€ 23,451	€ 238,524

5. INVENTORY

As at December 31, 2021, the Company's inventories consisted of finished goods held at a third party's secure facility in Germany.

6. INVESTMENTS

a) On November 2, 2021, the Company acquired 100% ownership of GRG Germany, a company in the CBD oil business, by issuing 4,290,000 common shares of the Company with a value of €1,017,439 based on the closing price of the Company's common shares at the date of the transaction, and assumption of debt by the Company of €245,935 that GRG Germany owed to a third party. For accounting purposes, the acquisition is considered to be outside the scope of IFRS *3 Business Combinations* ("IFRS 3") since GRG Germany, prior to the acquisition, did not constitute a business. The transaction is accounted for in accordance with *IFRS 2 Share-based Payment,* whereby the Company issued shares for the net assets of GRG Germany, which was determined to be nil.

The value in excess of the identifiable net assets was expensed in the statement of comprehensive loss on acquisition as the share consideration is considered within the scope of IFRS 2. A loss on the acquisition of €1,263,374 was recognized on the acquisition, which is comprised of the fair value of the common shares and debt assumed less any identifiable net assets.

The loss on acquisition is as follows:

Common shares issued (4,290,000 shares at CAD$0.35 (€0.24) per share)	€ 1,017,439
Debt assumed	245,935
	1,263,374
Net assets assumed at the acquisition date	-
Loss on acquisition of GRG Germany	€ 1,263,374

b) The Company held investments for sale of €nil as at December 31, 2020 (December 31, 2019 - €26,532). The investments were previously held in the Company's subsidiary, AMP Alternative Medical Products PLC (AMP Malta), which was sold in December 2020 for €15,000 with the Company recognizing a €7,256 gain on the sale after taking into account AMP Malta's assets and liabilities on the date of sale.

(Expressed in EUROS)

7. LOANS RECEIVABLE

The Company has an unsecured demand revolving line of credit with potential medical and CBD cannabis suppliers to upgrade potential suppliers' facilities to meet EU-GMP standards in order to export cannabis to Germany for €10,328 accruing an interest rate of 8% (December 31, 2020 - €9,541). During the year ended December 31, 2021 the Company determined that the loan my not be recoverable and made a provision of €10,328 to reflect this.

During the year ended December 31, 2020, the Company ended a business venture to explore the production of CBD medical cannabis in Switzerland for export to Germany resulting in the write-off of €53,105 as an impairment of loan receivables.

During the year ended December 31, 2020, the Company wrote-off the balance of its non-core investment loan receivable and recorded an impairment of €135,966 after receiving a final payment of €133,942.

8. EQUIPMENT

		Operating systems and hardware		Computer and other equipment		Total
Cost						
As at December 31, 2019	€	3,180	€	-	€	3,180
Additions during the year		42,600		7,334		49,934
As at December 31, 2020		45,780		7,334		53,114
Additions during the year		6,372		56,776		63,148
As at December 31, 2021	€	52,152	€	64,110	€	116,262
Accumulated depreciation						
As at December 31, 2019	€	295	€	-	€	295
Additions during the year		5,428		1,790		7,218
As at December 31, 2020		5,723		1,790		7,513
Additions during the year		7,120		13,458		20,578
As at December 31, 2021	€	12,843	€	15,248	€	28,091
Net book value						
As at December 31, 2020	€	40,057	€	5,544	€	45,601
As at December 31, 2021	**€**	**39,309**	€	**48,862**	€	**88,171**

(Expressed in EUROS)

9. RIGHT OF USE ASSETS

As at December 31, 2021 the right-of-use assets consist of motor vehicles located in Germany, which will terminate between December 2023 and February 2024.

		Motor vehicle
Balance, December 31, 2019	€	-
Additions during the year		19,282
Depreciation		(1,836)
Balance at December 31, 2020		17,446
Additions during the year		66,034
Depreciation		(17,399)
Balance at December 31, 2021	€	66,081

10. LEASE LIABILITIES

Lease liabilities are recorded as follows:

		Motor vehicle
Balance, December 31, 2019	€	-
Additions during the year		19,282
Lease payments		(2,000)
Interest		578
Balance at December 31, 2020		17,860
Additions during the year		66,034
Lease payments		(26,782)
Interest		2,517
Balance at December 31, 2021	€	59,629
Current	€	27,634
Non-current	€	31,995

The lease liabilities were discounted at an incremental borrowing rate of 3%.

11. LOAN PAYABLE

The Company has an unsecured revolving credit drawdown facility for €2-million, bearing an interest rate of 10% per annum and maturing on December 31, 2023. As at December 31, 2021, €1,841,755 (December 31, 2020 - €1,064,844) was drawn down against the credit facility. During the year ended December 31, 2021 interest of €132,387 (2020 - €54,443) was accrued on this loan.

12. CAPITAL AND OTHER COMPONENTS OF EQUITY

Authorized and issued shares

The authorized share capital of the Company is an unlimited number of Class A Voting Common Shares (the "common shares"). As at December 31, 2021, there were 36,919,039 shares outstanding, with the following common shares having been issued since January 1, 2020:

12. CAPITAL AND OTHER COMPONENTS OF EQUITY (cont'd)

Authorized and issued shares (cont'd)

a) In November 2021, the Company completed a non-brokered placement of 1,263,428 units at a price of CAD$0.35 per unit for proceeds of CAD$442,200 (€307,765). Each unit is comprised of one common share of the Company and one common share purchase warrant (each, a "Warrant"). Each Warrant entitles the holder to acquire one share at an exercise price of CAD$0.60 for a period of twelve months from the date of issuance. The Company paid cash finder's fees of CAD$30,956 (€21,542) and issued 88,440 finders warrants with a fair value of CAD$14,720 (€10,268). The finders' warrants are exercisable at CAD$0.35 each and expire on May 30, 2022;

b) In October 2021, the Company closed a non-brokered private placement of 810,000 common shares of the Company at CAD$0.40 (€0.28) per share for gross proceeds of CAD$324,000 (€224,563).

c) In April 2021, the Company issued 3,500 common shares at a price of CAD$0.35 per share for proceeds of CAD$1,225 (€819) upon the exercise of finders' warrants;

d) In March 2021, the Company issued 4,900 common shares at a price of CAD$0.35 per share for proceeds of CAD$1,715 (€1,146) upon the exercise of finders' warrants;

e) On February 10, 2021, the Company completed a non-brokered placement of 3,386,600 common shares at a price of CAD$0.50 per share for proceeds of CAD$1,693,300 (€1,102,255). The Company paid cash finders' fees of CAD$80,465 (€52,400), other share issue costs of CAD$15,000 (€10,025) and issued 160,930 finders' warrants with a fair value of CAD$39,243 (€25,555). The finders' warrants are exercisable at CAD$0.50 each and expire on August 10, 2021;

f) In November 2021, the Company issued 4,290,000 common shares to acquire GRG Germany (Note 6);

g) On October 9 2020, the Company completed a non-brokered placement of 1,089,802 common shares at a price of CAD$0.35 per share for proceeds of CAD$381,431 (€232,991). The Company paid cash finders' fees of CAD$1,225 (€790) and issued 3,500 finders' warrants with a fair value of CAD$460 (€296). The finders' warrants are exercisable at CAD$0.35 each and expire on March 18, 2021;

h) On September 18, 2020, the Company completed a non-brokered placement of 1,115,785 common shares at a price of CAD$0.35 per share for proceeds of CAD$390,525 (€237,461). The Company paid cash finders' fees of CAD$1,715 (€1,099) and issued 4,900 finders' warrants with a fair value of CAD$910 (€584). The finders' warrants are exercisable at CAD$0.35 each and expire on March 18, 2021;

i) In September 2020, the Company issued 7,000 common shares at a price of CAD$0.25 per share for proceeds of CAD$1,750 (€1,064) upon the exercise of finders' warrants; and

j) On March 6, 2020, the Company completed a non-brokered placement of 3,470,000 common shares at a price of CAD$0.25 per common share for proceeds of CAD$867,500 (€527,488). The Company paid cash finders' fees of CAD$10,500 (€7,095), other share issuance costs of CAD$5,000 (€3,378) and issued 42,000 finders' warrants with a fair value of CAD$3,485 (€2,355). The finders' warrants are exercisable at CAD$0.25 each and expired on September 6, 2020.

(Expressed in EUROS)

12. CAPITAL AND OTHER COMPONENTS OF EQUITY (cont'd)

Stock options and warrants

The Option Plan adopted by the board of directors (the "Board") is a "rolling" stock option plan, pursuant to which the Board may from time to time, in its discretion, and in accordance with CSE and regulatory requirements, grant to directors, officers, employees and consultants, non-assignable and non-transferable options to purchase common shares of the Company, provided that the number of common shares reserved for issuance will not exceed 10% of the then issued and outstanding common shares of the Company.

The Company uses a fair value method of accounting for all stock-based payments. Under this method, the Company recorded a stock-based compensation expense of €138,365 (2020 – €315,880) for the year ended December 31, 2021, with a corresponding credit to reserves. The fair value of the stock options is estimated at the date of the grant using the Black-Scholes Option Pricing Model, assuming the following weighted-average assumptions:

	2021	2020
Risk-free interest rate	0.66%	0.27%
Expected life	2.37 years	1.69 years
Annualized volatility	101%	103%
Pre-vest forfeiture rate	0.00%	0.00%
Dividend rate	0.00%	0.00%

During the year ended December 31, 2021, the Company granted 844,000 options (2020 – 3,340,500) with a fair value of €138,365 (2020 – €315,880), which was recognized on the respective dates of grant.

The continuity of incentive stock options issued outstanding is as follows:

	Stock options	
	Number	**Weighted Average Exercise Price (CAD$)**
Balance, December 31, 2019	2,123,779	$ 0.50
Granted	3,340,500	0.38
Expired	(2,123,779)	0.50
Cancelled	(626,000)	0.44
Balance, December 31, 2020	2,714,500	0.36
Granted	844,000	0.47
Balance, December 31, 2021	3,558,500	$ 0.39

(Expressed in EUROS)

12. CAPITAL AND OTHER COMPONENTS OF EQUITY (cont'd)

The following stock options were outstanding as at December 31, 2021:

	Options outstanding			Options exercisable	
Exercise price range	**Number of stock options outstanding**	**Weighted average remaining contractual life (years)**	**Weighted average exercise price (CAD$)**	**Number of stock options exercisable**	**Weighted average exercise price (CAD$)**
CAD$0.35	1,969,500	0.94	$ 0.35	1,969,500	$ 0.35
CAD$0.39	745,000	0.94	0.39	745,000	0.39
CAD$0.45	504,000	3.17	0.45	504,000	0.45
CAD$0.50	340,000	0.94	0.50	340,000	0.50
	3,558,500	1.26	$ 0.39	3,558,500	$ 0.39

The weighted average fair value per stock option granted during the year ended December 31, 2021, was €0.16 per option (2020 – €0.12).

The continuity of warrants issued and outstanding is as follows:

	Warrants	
	Number	**Weighted Average Exercise Price (CAD$)**
Balance, December 31, 2019	-	$ -
Granted	50,400	0.27
Exercised	(7,000)	0.25
Expired	(35,000)	0.25
Balance, December 31, 2020	8,400	0.35
Granted	1,512,798	0.57
Exercised	(8,400)	0.35
Expired	(160,930)	0.50
Balance, December 31, 2021	1,351,868	$ 0.58

In March 2020, the Company issued an aggregate of 42,000 non-transferrable finders warrants, exercisable at a price of $0.25 per share until September 6, 2020, with a fair value of €2,324 (CAD$3,486). The fair value of these warrants was determined using the Black-Scholes valuation model with the following assumptions: i) expected share price volatility of 170%, ii) risk free interest rate of 0.72%; iii) dividend yield of $nil; and iv) expected life of 0.5 years.

In September 2020, the Company issued an aggregate of 4,900 non-transferrable finders warrants, exercisable at a price of $0.35 per share until March 18, 2021, with a fair value of €607 (CAD$910). The fair value of these warrants was determined using the Black-Scholes valuation model with the following assumptions: i) expected share price volatility of 112%, ii) risk free interest rate of 0.24%; iii) dividend yield of $nil; and iv) expected life of 0.5 years.

12. CAPITAL AND OTHER COMPONENTS OF EQUITY (cont'd)

Stock options and warrants (cont'd)

In October 2020, the Company issued an aggregate of 3,500 non-transferrable finders warrants, exercisable at a price of $0.35 per share until March 18, 2021, with a fair value of €308 (CAD$462). The fair value of these warrants was determined using the Black-Scholes valuation model with the following assumptions: i) expected share price volatility of 110%, ii) risk free interest rate of 0.21%; iii) dividend yield of $nil; and iv) expected life of 0.5 years.

In February 2021, the Company issued an aggregate of 160,390 non-transferrable finders warrants, exercisable at a price of $0.50 per share until August 10, 2021, with a fair value of €25,555 (CAD$39,243). The fair value of these warrants was determined using the Black-Scholes valuation model with the following assumptions: i) expected share price volatility of 170%, ii) risk free interest rate of 0.17%; iii) dividend yield of $nil; and iv) expected life of 0.5 years.

In November 2021, the Company issued an aggregate of 88,440 non-transferrable finders warrants, exercisable at a price of $0.35 per share until May 30, 2022, with a fair value of €10,269 (CAD$14,720). The fair value of these warrants was determined using the Black-Scholes valuation model with the following assumptions: i) expected share price volatility of 98%, ii) risk free interest rate of 0.95%; iii) dividend yield of $nil; and iv) expected life of 0.5 years.

In November 2021, the Company issued an aggregate of 1,263,428 non-transferrable warrants to the subscribes of the unit private placement, exercisable at a price of $0.60 per share until November 30, 2022, with a fair value of €99,622 (CAD$152,979). The fair value of these warrants was determined using the Black-Scholes valuation model with the following assumptions: i) expected share price volatility of 98%, ii) risk free interest rate of 0.95%; iii) dividend yield of $nil; and iv) expected life of 1 year. Since these warrants are exercisable in Canadian dollars the warrants are considered a derivative liability and as such their fair value is recognized on the Company's Consolidated Statement of Financial Position as a liability.

13. GENERAL AND ADMINISTRATION EXPENSES

	2021	2020
Consulting and executive management fees (Note 14)	€ 1,040,069	€ 927,197
Depreciation and amortization (Notes 8 and 9)	37,977	9,054
Office and supplies	313,608	86,069
Marketing	88,372	50,364
Professional fees	82,334	234,038
Rent and insurance	67,874	74,316
Salaries and benefits	497,850	203,844
	€ 2,128,084	€ 1,584,882

14. RELATED PARTY TRANSACTIONS

During the year ended December 31, 2021, the Company paid or accrued directors and management fees of €379,131 (2020 - €307,909) to directors and executive officers of the Company.

During the year ended December 31, 2021, 200,000 common shares (2020 – 285,785 common shares) were issued to directors and executive officers, or companies controlled by directors and officers, of the Company, for proceeds of CAD$100,000 (€65,121) (2020 - CAD$100,025 (€66,250)).

Included in accounts payable at December 31, 2021, is €23,536 (December 31, 2020 – €16,017) owing to directors and officers of the Company for management fees and expenses incurred on behalf of the Company.

15. CAPITAL MANAGEMENT

The Company's capital is comprised of shareholders' equity, less reserves, and liabilities. Cash and loans receivable are managed for liquidity and operational requirements in conjunction with budgeted or expected capital needs. The Company's objective when managing capital is to maintain its ability to retain sufficient liquidity to make investments as opportunities arise and to continue to meet ongoing expenditure and operational needs.

The Company manages the capital structure and makes adjustments to its capital management strategies when economic conditions or risk characteristics of its capital change. To maintain or adjust the capital structure, the Company may consider the issuance of shares, acquire, or dispose of assets or adjust the amount of cash held.

Currently, the Company's strategy is to monitor economic conditions and capital markets and allocate operating capital for investment opportunities arising from market conditions.

The Company is not subject to externally imposed capital requirements. The Company's overall capital management strategy remains unchanged from the prior year.

16. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, accounts receivable, loans receivable, accounts payable, derivative liability and loan payable.

Fair value
Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

a. Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
b. Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
c. Level 3 - Inputs that are not based on observable market data.

Cash deposits have been measured at fair value using Level 1 inputs. The carrying value of receivables, loan receivable, trade payables, and loan payable approximate their fair value. The derivative liability is measured using level 3 inputs.

The Company is exposed in varying degrees to financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of investment policies, counterparty credit limits and liquidity concerns. The more significant risk exposure and the way in which such exposure is managed is described below.

Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with major banks in Canada and Germany. As most of the Company's cash is held by two banks, there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies.

Currency risk
Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the Company's functional currency. The Company's reporting currency is the Euro and major purchases are transacted in the Euro and Canadian dollars. The Company maintains Euro's and Canadian dollar in bank accounts in Germany and Canada. The Company is subject to gains and losses from fluctuations in the Canadian dollar against the Euro. The Company held a net monetary asset position of \$20,994 in Canadian dollars as of December 31, 2021, with the effect on profit or loss before tax of a 10% fluctuation to the CAD dollar being €1,459.

(Expressed in EUROS)

16. FINANCIAL INSTRUMENTS (cont'd…)

Currency risk (cont'd…)

The Company's investments are subject to foreign currency risk, which may adversely affect the Company's financial position, results of operations and cash flows. The following table summarizes the geographical distribution of the Company's financial instruments in Euros at December 31, 2021:

	Euro	CAD Dollar	Total
Cash, accounts receivable and prepaid expenses	75%	25%	100%
Loans receivable	0%	100%	100%
Trade and other payable	44%	56%	100%
Loan payable	100%	0%	100%

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows from a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of its investment in money market funds included in cash is limited as the money market funds may be redeemed at any time without penalty. The Company's loan receivable and long-term loan payable has fixed interest rates and are not affected by changes in interest rates.

Liquidity risk
Liquidity risk is the risk that the Company will not have sufficient cash resources to meet financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure as outlined in Note 15. Liquidity risk is assessed as high.

17. INCOME TAXES

Income tax expense varies from the amount that would be computed by applying a combined federal and provincial income tax rate of 27% (2020 - 27%) to income before taxes as follows:

	2021	2020
Loss before income taxes for the year	€ (3,639,667)	€ (2,113,607)
Expected income tax recovery	€ (982,710)	€ (570,674)
Valuation allowance	1,325,446	396,071
Non-deductible expenses	49,505	56,905
Other – FX rate changes	(368,522)	123,691
Share issuance costs	(23,719)	(5,992)
	€ -	€ -

(Expressed in EUROS)

17. INCOME TAXES (cont'd…)

The significant components of the Company's deferred income tax assets and liabilities are as follows:

	2021	2020
Capital loss carry-forwards	€ 997,662	€ 755,741
Non-capital loss carry-forwards	2,997,652	1,928,786
Other	34,370	19,713
Net deferred tax assets	4,029,685	2,704,239
Less: valuation allowance	(4,029,685)	(2,704,239)
	€ -	€ -

The Company has non-capital tax losses carried forward, approximating CAD$14,700,000 in Canada, expiring from 2026 through 2041, and €1,490,000 in Germany which may be carried forward indefinitely but may be forfeited under a direct or indirect change in ownership.

The Company has gross capital losses approximating CAD$10,600,000 available for deduction against future capital gains that, if not utilized, will carry forward indefinitely.

Deferred tax assets have not been recognized because management believes it is not sufficiently probable that future taxable profits will be available against which the Company can utilize the benefits.

18. SUBSEQUENT EVENTS

Subsequent to December 31, 2021:

a) In April 2022, the Company announced the acquisition of a majority interest (51%) in CannaCare Health GmbH ("CannaCare"). Terms of the transaction are as follows:

- 5,000,000 common shares of the Company were issued to the shareholders of CannaCare with a value of €1,017,439 based on the closing price of the Company's common shares at the date of the transaction. The shares are subject to an escrow hold period until March 2024;
- Cash payment of €250,000 paid to CannaCare shareholders;
- Conversion of a €608,920.55 loan that CannaCare owes to a shareholder into 4,201,552 convertible debenture units (each a "Debenture Unit") in the Company, under the same conditions as the private placement (see below). Furthermore, each Debenture Unit is unsecured, matures on December 31, 2024, and bears interest at 2% per annum;
- CannaCare shareholders can earn up to an additional 2,000,000 common shares of the Company upon attainment of sales of €4,000,000 and positive earnings before income taxes, depreciation, and amortization ("EBITDA") for the year ended December 31, 2022; up to an additional 1,500,000 common shares of the Company upon attainment of sales of €10,000,000 and positive EBITDA for the year ended December 31, 2023;
- CannaCare shareholders can earn a cash payment up to €1,000,000 depending on the achievement of certain EBITDA thresholds in the year ended December 31, 2022;
- The Company has the exclusive option to purchase the remaining 49% of CannaCare for two years after closing from CannaCare shareholders by the issuance of common shares of the Company.

18. SUBSEQUENT EVENTS (cont'd…)

b) The Company completed a non-brokered placement of 2,805,000 units of the Company at a price of CAD$0.20 per unit for proceeds of CAD$561,000. Each unit is comprised of one common share in the Company and two share purchase warrants, exercisable for one common share at an exercise price of CAD$0.35 at any time up to one year and at CAD$0.50 at any time up to two years following the closing date. In connection with the private placement, the Company paid finders' fee of CAD$10,500 and issued 52,500 finders' warrants, where each finders' warrant entitles the holder to acquire one additional common share at a price of CAD$0.20 per share for a period of six months from the date of issuance.

c) The Company sold GRG Germany for 1 Euro (Note 6).

d) On April 14, 2022, the Company closed a non-brokered private placement of 812,000 units of the Company at CAD$0.20 (€0.15) per share for gross proceeds of CAD$162,400 (€119,105). Each unit is comprised of one common share in the Company and two share purchase warrants exercisable for one common share at an exercise price of CAD$0.35 at any time up to one year and at CAD$0.50 at any time up to two years following closing. The Company paid cash finder's fees of CAD$7,700 (€8,337) and issued 38,500 finders warrants which are exercisable at CAD$0.20 each and expire on October 14, 2022.

e) On January 28, 2022 AMP Germany entered into a drawdown loan facility for €500,000 with a private lender. The loan carries an interest rate of 5% per annum and is secured by the Company's shares in AMP Germany as well as AMP Germany's trademarks and is due on December 31, 2022.

19. SEGMENTED INFORMATION

The Company has one reportable business segment, being the pharmaceutical supply of medical cannabis products to German pharmacies. All of the Company's sales and non-current assets are in Germany.