



**Planet 13 Announces First Quarter 2019 Financial Results**

- *Q1 Revenue of \$13.8 million with the SuperStore now generating over \$5 million per month in revenue.*
- *SuperStore accounted for ~8.2% of all cannabis dispensary revenue for Nevada in January and February.*
- *Q1 EBITDA of \$1.3 million and Cash Flow from Operating Activities of \$2.6 million.*
- *Well capitalized with \$20 million to complete all growth initiatives.*

*All figures are reported in United States dollars (\$) unless otherwise indicated*

**Las Vegas, Nevada – May 30, 2019 – Planet 13 Holdings Inc. (CSE: PLTH) (OTCQB: PLNHF)** (“Planet 13” or the “Company”), a leading vertically-integrated Nevada cannabis company, today announced financial results for the three-month period ended March 31, 2019. Planet 13’s financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”).

Cannabis Entertainment Complex (the “SuperStore”) monthly performance since opening November 1<sup>st</sup>, 2018.

	30-Nov-18	31-Dec-18	31-Jan-19	28-Feb-19	31-Mar-19	30-Apr-19
Revenue	\$ 3,364,891	\$ 3,438,723	\$ 4,075,052	\$ 4,304,122	\$ 5,456,889	\$ 5,276,095
MoM Growth		2.2%	18.5%	5.6%	26.8%	-3.3%
Total Tickets	42,157	44,296	48,119	48,052	61,602	58,869
# of Days	30	31	31	28	31	30
Average Customers/Day	<b>1,405</b>	<b>1,429</b>	<b>1,552</b>	<b>1,716</b>	<b>1,987</b>	<b>1,962</b>
Avg Ticket	\$ <b>79.82</b>	\$ <b>77.63</b>	\$ <b>84.69</b>	\$ <b>89.57</b>	\$ <b>88.58</b>	\$ <b>89.62</b>
Total Visitors	55,433	68,422	70,133	67,900	98,659	96,659
Avg Visitors/Day	<b>1,848</b>	<b>2,207</b>	<b>2,262</b>	<b>2,425</b>	<b>3,183</b>	<b>3,222</b>
Visitor Conversion Rate	76%	65%	69%	71%	62%	61%

Larry Scheffler, Co-CEO of Planet 13 commented, “The SuperStore is now drawing over 3,000 visitors per day and generating over \$5 million a month in revenue. For the first two months of

2019, the SuperStore accounted for ~8.2% of all cannabis dispensary sales in Nevada.<sup>1</sup> We fully expect to generate additional growth at the SuperStore as we continue to execute awareness initiatives and complete Phase II of our expansion plan, which is designed to generate strong traffic and incremental, high-margin revenue. Other companies are starting to recognize the value of being in our store. In Q1 we made a focused effort to start leveraging the Planet 13 Las Vegas SuperStore's unique sales platform, highlighted by our exclusive launch of the Tyson Ranch brand. In our view, the SuperStore will rapidly become the only place to launch a national brand synonymous with the entertainment and excitement that Las Vegas is known for. With roughly 70% of the customers coming through the SuperStore each month originating from out of state, we expect the value of the platform to increase as it becomes a proven launchpad for national brands and by building awareness of our brands across the U.S. in advance of out-of-state expansion."

Bob Groesbeck, Co-CEO added, "We expect our new production facility to be completed in Q3, which will enable us to expand sales of our current in-house brands – Medizin, *TRENDI*, and Leaf & Vine – and add more valuable brands to the portfolio. Our goal over time is to maintain a broad selection of third-party brands in the SuperStore, while incrementally growing the percentage of sales generated from wholly owned brands, to drive continual improvements in margin. With the launch of our fourth wholly-owned brand, Planet M, we are also actively exploring opportunities to take these highly successful brands into other dispensaries in Nevada as well as across the U.S. on a wholesale basis, as part of our long-term objective to be a premium retailer and cannabis brands company not only in Nevada, but in other key cannabis markets nationally."

## **Financial Highlights – Q1 – 2019**

### *Operating Results*

*All comparisons below are to the quarter ended March 31, 2018, unless otherwise noted*

- Revenues were \$13.8 million as compared to \$3.6 million, an increase of 286%
- Gross profit before biological adjustments was \$7.4 million or 53.8% as compared \$1.6 million or 45.7%, an increase of 354%
- Operating expenses, excluding non-cash compensation expense, were \$5.9 million as compared to \$1.2 million, an increase of 388%
- Net loss of \$1.2 million as compared to a net profit of \$12,741
- Adjusted EBITDA of \$1.3 million as compared to Adjusted EBITDA of \$667,563

### *Balance Sheet*

*All comparisons below are to December 31, 2018, unless otherwise noted*

- Cash and cash equivalents of \$20.2 million as compared to \$19.4 million
- Total assets of \$55.5 million as compared to \$44.9 million, an increase of 24%
- Total liabilities of \$17.7 million as compared to \$7.0 million, an increase of 151%

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<sup>1</sup> [https://tax.nv.gov/Publications/Marijuana\\_Statistics\\_and\\_Reports/](https://tax.nv.gov/Publications/Marijuana_Statistics_and_Reports/)

## **Q1 Highlights and Recent Developments**

For a more comprehensive overview of these highlights and recent developments, please refer to Planet 13's *Management's Discussion and Analysis of the Financial Condition and Results of Operations for the Three and Twelve Months Ended March 31, 2019* (the "**MD&A**").

- Between February 28 and March 11, 2019, the Company started construction on Phase II of the Superstore consisting of a restaurant, a consumer facing production facility, a CBD store and an event center.
- On March 14, 2019, Planet 13 teamed-up with boxing legend Mike Tyson to launch Tyson Ranch exclusively at Planet 13 SuperStore.
- On April 3, 2019, Planet 13 launched Leaf & Vine, a line of high CBD:THC vapes and concentrates.
- On May 24, 2019, Planet 13 announced upgrading to the OTCQX Best Market.
- On May 29, 2019, Planet 13 announced national launch of Planet M CBD Brand.

## **Results of Operations (Summary)**

The following tables set forth consolidated statements of financial information for the three-month period ending March 31, 2019 and March 31, 2018. For further information regarding the Company's financial results for these periods, please refer to the Company's interim financial statements for the period ended March 31, 2019 together with the MD&A, available on Planet 13's issuer profile on SEDAR at [www.sedar.com](http://www.sedar.com) and the Company's website <https://www.planet13holdings.com>.

<i>Expressed in USD\$</i>	Three Months Ended Mar-31-2019	Three Months Ended Mar-31-2018	Percentage Change	Three Months Ended Dec-31-2018	Percentage Change
<b>Revenue</b>					
Revenues, net of discounts	13,836,063	3,587,542	285.7%	8,279,698	67.1%
Cost of Goods Sold	(6,393,446)	(1,948,174)	228.2%	(4,110,064)	55.6%
<b>Gross Profit, Before Biological Asset Adjustment</b>	<b>7,442,617</b>	<b>1,639,368</b>	354.0%	<b>4,169,634</b>	78.5%
<b>Gross Profit Margin %</b>	53.8%	45.7%		50.4%	
Realized fair value amounts included in COGS	(346,062)	(587,834)	(41.1%)	(675,419)	(48.8%)
Unrealized fair value gain on growth of biological assets	358,771	656,208	(45.3%)	750,879	(52.2%)
<b>Gross profit</b>	<b>7,455,327</b>	<b>1,707,742</b>	336.6%	<b>4,245,094</b>	75.6%
<b>Gross Profit Margin %</b>	53.9%	47.6%		51.3%	
<b>Expenses</b>					
General and Administrative	4,540,220	1,110,973	308.7%	4,788,076	(5.2%)
Sales and Marketing	1,402,129	105,546	1228.5%	1,151,010	21.8%
Depreciation and Amortization	597,089	32,363	1745.0%	332,925	79.3%
Share based payments	572,352	-	na	367,497	55.7%
<b>Total Expenses</b>	<b>7,111,790</b>	<b>1,248,882</b>	469.5%	<b>6,639,508</b>	7.1%
<b>Income (Loss) From Operations</b>	<b>343,537</b>	<b>458,860</b>	(25.1%)	<b>(2,394,414)</b>	(114.3%)
<b>Other (Income) Expense:</b>					
Interest Expense, net	215,699	118,452	82.1%	5,674	3701.5%
Realized Foreign Exchange gain (loss)	2,725	-	na	330	725.8%
Other income	(17,163)	(12,968)	na	(80,285)	(78.6%)
Loss on settlement of accounts payable	-	-	na	96,341	na
<b>Total Other (Income) Expense</b>	<b>201,261</b>	<b>105,484</b>	90.8%	<b>22,060</b>	812.3%
<b>Income (loss) for the period before tax</b>	<b>142,276</b>	<b>353,376</b>	(59.7%)	<b>(2,416,474)</b>	(105.9%)
Provision for tax - current	1,565,619	340,635	359.6%	889,066	76.1%
<b>Income (Loss) for the period</b>	<b>(1,423,343)</b>	<b>12,741</b>	(11271.0%)	<b>(3,305,540)</b>	(56.9%)
<b>Other Comprehensive (loss)</b>					
<i>Items that may be reclassified subsequently to profit/loss</i>					
Foreign exchange translation adjustment	273,205	-		(666,970)	
<b>Net Comprehensive Income (Loss) for the period</b>	<b>(1,150,138)</b>	<b>12,741</b>		<b>(3,972,510)</b>	
<b>Loss per share for the period</b>					
Basic and fully diluted loss per share	<b>(\$0.01)</b>	<b>\$0.00</b>		<b>(\$0.03)</b>	
Weighted Average Number of Shares Outstanding					
Basic and fully diluted	129,467,108	75,000,000		128,166,081	

## Adjusted EBITDA

	Three Months Ended Mar-31-2019	Three Months Ended Mar-31-2018	Percentage Change	Three Months Ended Dec-31-2018	Percentage Change
<b>EBITDA</b>					
Profit (loss) before taxes	142,276	353,376	(59.7%)	(2,416,474)	(105.9%)
Add back:					
Net change in Inventory Bio Asset valuation	38,623	353,843	(89.1%)	(75,459)	(151.2%)
Net change in fair value inventory adjustments	(72,643)	(306,782)	(76.3%)	-	na
Non-cash share based payments	572,352	-	na	367,497	55.7%
Depreciation and amortization	597,089	32,363	1745.0%	332,925	79.3%
Depreciation included in COGS	(157,297)	129,279	(221.7%)	(163,872)	(4.0%)
Interest and non-operating expenses (income)	201,261	105,484	90.8%	22,060	812.3%
<b>EBITDA</b>	<b>1,321,661</b>	<b>667,563</b>	98.0%	<b>(1,933,323)</b>	(168.4%)
<b>Margin</b>	9.6%	18.6%			

## Summary of Quarterly Results

Three months ended US\$	Mar-31-2019	Dec-31-2018	Sep-30-2018	Jun-30-2018	Mar-31-2018	Dec-31-2017	Sep-30-2017	Jun-30-2017	Mar-31-2017	Dec-31-2016	Sep-30-2016
Total revenue	13,836,063	8,279,698	4,896,191	4,403,324	3,587,542	3,382,717	3,025,048	1,461,782	1,134,434	840,009	499,860
Net income (loss)	(1,423,343)	(3,305,540)	(824,916)	(6,605,989)	12,741	259,493	(185,632)	22,209	(698,585)	(660,597)	(424,386)
Comprehensive Net Income (loss)	(1,150,138)	(3,972,510)	(683,625)	(6,883,229)	12,741	259,493	(185,632)	22,209	(698,585)	(660,597)	(424,386)
Net Income (loss) per share	(0.01)	(0.03)	(0.01)	(0.07)	0.00	n/a	n/a	n/a	n/a	n/a	n/a
Total assets	55,510,677	44,945,306	26,854,931	26,942,786	9,081,603	7,657,047	7,546,186	7,463,866	6,836,301	5,062,394	5,177,915
Total liabilities	17,656,059	7,040,566	4,857,506	5,957,754	8,314,441	10,839,575	11,680,362	11,760,007	10,986,251	8,365,209	8,538,183
Working capital	19,539,822	20,982,049	11,757,401	17,236,373	1,344,989	1,197,763	2,178,498	2,218,708	1,670,162	(536,659)	254,038
Dividends declared	-	-	-	-	-	-	-	-	-	-	-

## Outstanding Shares

As at the date of this report, the Company had 79,086,246 common shares and 55,232,940 class A convertible, restricted voting shares issued and outstanding for a total of 134,319,186 shares outstanding. There were 875,000 options issued and outstanding of which 354,883 have fully vested. There were 18,086,742 warrants outstanding and 3,444,905 RSU's outstanding of which nil RSUs had fully vested as at December 31, 2018 and at the date of this report.

## Conference Call

Planet 13 will host a conference call on Friday, May 31, 2019 at 8:30 a.m. EST to discuss its second quarter financial results and provide investors with key business highlights. The call will be chaired by Bob Groesbeck, Co-CEO, Larry Scheffler, Co-CEO, and Dennis Logan, CFO.

### CONFERENCE CALL DETAILS

Date: May 31, 2019 | Time: 8:30 a.m. EST  
Participant Dial-in: 416-764-8688 or 1-888-390-0546  
Replay Dial-in: 416-764-8677 or 1-888-390-0541  
(Available for 2 weeks)  
Reference Number: 611654  
Listen to webcast: <https://bit.ly/2EmDEUh>

## Financial Measures

There are measures included in this news release that do not have a standardized meaning under generally accepted accounting principles (GAAP) and therefore may not be comparable to similarly titled measures and metrics presented by other publicly traded companies. The Company includes these measures because it believes certain investors use these measures and metrics as a means of assessing financial performance. EBITDA (earnings before interest, taxes,

depreciation and amortization) is calculated as net earnings before finance costs (net of finance income), income tax expense, and depreciation and amortization of intangibles and is a non-GAAP financial measure that does not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies.

**For further inquiries, please contact:**

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**About Planet 13**

Planet 13 ([www.planet13holdings.com](http://www.planet13holdings.com)) is a vertically integrated cannabis company based in Nevada, with award-winning cultivation, production and dispensary operations in Las Vegas - the entertainment capital of the world. Planet 13's mission is to build a recognizable global brand known for world-class dispensary operations and a creator of innovative cannabis products. Planet 13's shares trade on the Canadian Stock Exchange (CSE) under the symbol PLTH and OTCQX under the symbol PLNHF.

***Cautionary Note Regarding Forward-Looking Information***

*This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward looking statements relate to, among other things, future expansion plans.*

*These forward-looking statements are based on reasonable assumptions and estimates of management of the Company at the time such statements were made. Actual future results may differ materially as forward-looking statements involve known and unknown risks, uncertainties and other factors which may*

*cause the actual results, performance or achievements of the Company to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors, among other things, include: final regulatory and other approvals or consents; fluctuations in general macroeconomic conditions; fluctuations in securities markets; expectations regarding the size of the Nevada cannabis market and changing consumer habits; the ability of the Company to successfully achieve its business objectives; plans for expansion; political and social uncertainties; inability to obtain adequate insurance to cover risks and hazards; and the presence of laws and regulations that may impose restrictions on cultivation, production, distribution and sale of cannabis and cannabis related products in the State of Nevada; and employee relations. Although the forward-looking statements contained in this news release are based upon what management of the Company believes, or believed at the time, to be reasonable assumptions, the Company cannot assure shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as anticipated, estimated or intended. Readers should not place undue reliance on the forward-looking statements and information contained in this news release. The Company assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.*

*The Company is indirectly involved in the manufacture, possession, use, sale and distribution of cannabis in the recreational and medicinal cannabis marketplace in the United States through its subsidiary MMDC. Local state laws where MMDC operates permit such activities however, these activities are currently illegal under United States federal law. Additional information regarding this and other risks and uncertainties relating to the Company's business are contained under the heading "Risk Factors" in the Company's annual information form dated April 30, 2019 filed on its issuer profile on SEDAR at [www.sedar.com](http://www.sedar.com).*

*No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.*

## CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

*Expressed in United States Dollars (unaudited)*

	As at March 31, 2019	As at December 31, 2018
<b>Assets</b>		
<b>Current Assets</b>		
Cash	\$ 20,161,253	\$ 19,364,086
HST receivable	117,333	101,831
Inventories (Note 5)	5,198,723	5,322,111
Biological assets (Note 6)	876,554	915,177
Prepaid expenses and other current assets (Note 9)	1,782,527	1,391,278
<b>Total Current Assets</b>	<b>28,136,390</b>	<b>27,094,483</b>
Property and equipment (Note 7)	18,782,929	17,256,484
Right of use assets (Note 8)	7,952,019	-
Long-term deposits and other assets	639,339	594,339
	<b>27,374,287</b>	<b>17,850,823</b>
<b>Total Assets</b>	<b>\$ 55,510,677</b>	<b>\$ 44,945,306</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 2,400,103	\$ 1,720,721
Accrued expenses	1,806,234	1,306,145
Income taxes payable	3,506,231	2,187,109
Notes payable - current portion (Note 10)	884,000	884,000
Current portion of lease liabilities (Note 11)	-	14,459
<b>Total Current Liabilities</b>	<b>8,596,568</b>	<b>6,112,434</b>
Long -term lease liabilities (Note 11)	8,342,138	29,768
Deferred rent (Note 12)	-	427,508
Deferred tax liability (Note 15)	717,353	470,856
	<b>9,059,491</b>	<b>928,132</b>
<b>Total Liabilities</b>	<b>17,656,059</b>	<b>7,040,566</b>
<b>Shareholders' Equity</b>		
Share capital (Note 13)	44,774,892	42,460,824
Restricted share units (Note 13)	1,807,341	2,800,335
Warrants (Note 13)	6,747,387	7,046,843
Option reserve (Note 13)	384,289	305,890
Accumulated other comprehensive income (loss)	(529,715)	(802,920)
Deficit	(15,329,576)	(13,906,232)
<b>Total Shareholders' Equity</b>	<b>37,854,618</b>	<b>37,904,740</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 55,510,677</b>	<b>\$ 44,945,306</b>

*See accompanying notes*

Nature of operations (Note 1)

Restatement (Note 3 (f))



## CONDENSED CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)

<i>Expressed in United States Dollars (unaudited)</i>	<b>Three months Ended March 31, 2019</b>	<b>As Restated (Note 3 (f)) Three months Ended March 31, 2018</b>
<b>Revenue</b>		
Revenues, net of discounts	\$ 13,836,063	\$ 3,587,542
Cost of Goods Sold (Note 6)	(6,393,446)	(1,948,174)
<b>Gross Profit before fair value asset adjustment</b>	<b>7,442,617</b>	<b>1,639,368</b>
Realized fair value amounts included in inventory sold	(346,062)	(587,834)
Unrealized fair value gain on growth of biological assets	358,771	656,208
<b>Gross Profit</b>	<b>7,455,326</b>	<b>1,707,742</b>
<b>Expenses</b>		
General and Administrative (Note 14)	4,540,220	1,110,973
Sales and Marketing	1,402,129	105,546
Depreciation and Amortization	597,089	32,363
Share-Based Compensation Expense	572,352	-
<b>Total Expenses</b>	<b>7,111,790</b>	<b>1,248,882</b>
<b>Income (Loss) From Operations</b>	<b>343,536</b>	<b>458,860</b>
<b>Other Expense:</b>		
Interest expense, net	215,699	118,452
Realized foreign exchange loss	2,725	-
Other (income) expense	(17,163)	(12,968)
<b>Total Other Expense</b>	<b>201,261</b>	<b>105,484</b>
<b>Income (Loss) before income taxes</b>	<b>142,275</b>	<b>353,376</b>
Provision for tax - current (Note 15)	1,319,122	320,594
Provision for tax - deferred (Note 15)	246,497	20,041
<b>Net income (loss) for the period</b>	<b>\$ (1,423,344)</b>	<b>\$ 12,741</b>
<b>Other Comprehensive Income (Loss)</b>		
Foreign exchange translation gain (loss)	273,205	-
<b>Net Comprehensive Income (Loss) for the Period</b>	<b>\$ (1,150,139)</b>	<b>\$ 12,741</b>
<b>Loss per share for the period</b>		
Basic and diluted loss per share (Note 16)	<b>(\$0.01)</b>	<b>\$0.00</b>
Weighted Average Number of Common Shares Outstanding Basic and Diluted (Note 16)	129,467,108	75,000,000

## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

<i>Expressed in United States Dollars (unaudited)</i>	<b>Three Months Ended March 31, 2019</b>	<b>As Restated (Note 3 (f)) Three Months Ended March 31, 2018</b>
<b>Operating activities</b>		
Net income (loss) for the period	\$ (1,423,344)	\$ 12,741
Add (deduct) non-cash items:		
Share based payments (Note 13)	572,352	-
Depreciation and amortization (Note 7,8)	754,384	161,815
Deferred tax liability (Note 15)	246,497	20,041
Realized fair value amounts included in inventory sold	346,062	587,834
Unrealized fair value gain on growth of biological assets	(358,771)	(656,208)
Non-cash interest expense	215,699	89,029
<b>Net change in non-cash working capital</b>		
HST receivable	(15,502)	-
Inventories (Note 5)	(222,674)	(1,130,482)
Biological assets (Note 6)	397,394	1,010,051
Prepaid expenses and other assets (Note 9)	(391,249)	(487,046)
Long term deposits and other assets	(45,000)	-
Accounts payable	679,381	(163,151)
Accrued expenses	500,090	332,911
Income tax payable	1,319,122	320,594
<b>Cash flow provided by (used in) operating activities</b>	<b>2,574,441</b>	<b>98,129</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment (Note 7)	(2,202,345)	(53,226)
<b>Cash flow used in investing activities</b>	<b>(2,202,345)</b>	<b>(53,226)</b>
<b>Financing activities</b>		
Issuance of shares on warrant exercise (Note 13)	527,665	-
Payment on lease liabilities (Note 11)	(375,799)	(3,536)
<b>Cash flow provided by (used in) financing activities</b>	<b>151,866</b>	<b>(3,536)</b>
<b>Net increase (decrease) in cash</b>	<b>523,962</b>	<b>41,367</b>
Cash at beginning of the period	19,364,086	451,869
Effect of foreign exchange on cash	273,205	-
<b>Cash at end of the period</b>	<b>\$ 20,161,253</b>	<b>\$ 493,236</b>