
CITY VIEW GREEN HOLDINGS INC.
CONDENSED INTERIM CONSOLIDATED FINANCIAL
STATEMENTS
THREE MONTHS ENDED MARCH 31, 2024
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Notice To Reader

The accompanying unaudited condensed interim consolidated financial statements of City View Green Holdings Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

City View Green Holdings Inc.**Condensed Interim Consolidated Statements of Financial Position****(Expressed in Canadian Dollars)****Unaudited**

As at	March 31, 2024	December 31, 2023
ASSETS		
Current assets		
Cash	\$ 19,589	\$ 343
Amounts receivable (note 5)	9,385	3,503
Prepaid expenses	40,908	-
Total assets	\$ 69,882	\$ 3,846
DEFICIENCY AND LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 8)	\$ 2,285,990	\$ 2,234,404
Promissory notes payable (note 9)	570,286	557,650
Loans payable (note 10)	848,293	836,230
Due to related parties (note 14)	102,079	104,689
Total liabilities	3,806,648	3,732,973
Shareholders' deficiency		
Share capital (note 11)	32,206,706	32,206,706
Contributed surplus (note 12)	8,124,653	8,124,653
Equity portion of convertible loan payable (note 10)	42,917	42,917
Deficit	(44,111,042)	(44,103,403)
Total shareholders' deficiency	(3,736,766)	(3,729,127)
Total shareholders' deficiency and liabilities	\$ 69,882	\$ 3,846

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Nature of operations and going concern (note 1)

City View Green Holdings Inc.**Condensed Interim Consolidated Statements of Loss and Comprehensive Loss****(Expressed in Canadian Dollars)****Unaudited**

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Revenue	\$ -	\$ 6,331
Expenses		
Consulting (note 14)	81,954	94,572
General and administration	49,271	43,146
Professional fees	18,816	38,050
Interest on loans payable, promissory notes payable, and due to related parties (notes 9, 10 and 14)	24,699	25,401
Rent	5,600	1,550
Depreciation (note 7)	-	74,830
Accretion (note 10)	-	13,166
Total expenses	180,340	290,715
Net loss before interest and undernoted items	(180,340)	(284,384)
Interest income (note 6)	-	8,601
Gain on sale of property and equipment	172,701	-
Net loss and comprehensive loss for the period	\$ (7,639)	\$ (275,783)
Basic and diluted net comprehensive loss per share (note 15)	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding - basic and diluted	346,587,960	331,752,774

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

City View Green Holdings Inc.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)

(Expressed in Canadian Dollars)

Unaudited

	Share capital		Shares to be issued	Contributed surplus	Equity portion of convertible loan payable	Deficit	Total
	Number of shares	Amount					
Balance, December 31, 2022	321,254,625	\$ 31,831,706	\$ 257,223	\$ 8,113,253	\$ 39,500	\$ (41,654,811)	\$ (1,452,629)
Shares issued for cash	24,833,335	372,500	(100,000)	-	-	-	272,500
Warrants issued for debt issue costs	-	-	-	7,900	-	-	7,900
Net loss and comprehensive loss for the period	-	-	-	-	-	(275,783)	(275,783)
Balance, March 31, 2023	346,087,960	\$ 32,204,206	\$ 157,223	\$ 8,121,153	\$ 39,500	\$ (41,930,594)	\$ (1,408,512)
Balance, December 31, 2023	346,587,960	\$ 32,206,706	\$ -	\$ 8,124,653	\$ 42,917	\$ (44,103,403)	\$ (3,729,127)
Net loss and comprehensive loss for the period	-	-	-	-	-	(7,639)	(7,639)
Balance, March 31, 2024	346,587,960	\$ 32,206,706	\$ -	\$ 8,124,653	\$ 42,917	\$ (44,111,042)	\$ (3,736,766)

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

City View Green Holdings Inc.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
Unaudited

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Operating activities		
Net loss for the period	\$ (7,639)	\$ (275,783)
Adjustments for:		
Depreciation	-	74,830
Accrued interest	24,699	16,800
Accretion	-	13,166
Changes in non-cash working capital items:		
Amounts receivable	(5,882)	(22,767)
Prepaid expenses	(40,908)	4,667
Accounts payable and accrued liabilities	51,586	(20,974)
Net cash provided by (used in) operating activities	21,856	(210,061)
Financing activities		
Proceeds from issuance of shares, net of share issue costs	-	272,500
Advances to related parties	(2,610)	(29,578)
Net cash provided by (used in) financing activities	(2,610)	242,922
Net change in cash for the period	19,246	32,861
Cash (bank overdraft), beginning of period	343	(494)
Cash (bank overdraft), end of period	\$ 19,589	\$ 32,367

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

City View Green Holdings Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2024

(Expressed in Canadian Dollars)

Unaudited

1. Nature of operations and going concern

City View Green Holdings Inc. ("City View", and, with its subsidiary, the "Company") was incorporated pursuant to the Canada Business Corporations Act on February 5, 2008. The Company continued into British Columbia from the jurisdiction of Canada, under the *British Columbia Business Corporations Act*, on February 18, 2011. On February 27, 2019, the Company completed a reverse take-over business combination with 2590672 Ontario Inc. ("2590672 Ontario") wherein the Company acquired 100% of the issued and outstanding common shares of 2590672 Ontario and began trading on the Canadian Securities Exchange (the "CSE") under the symbol "CVGR". The Company's registered office is located at 345 Danforth Avenue, Toronto, Ontario, M4K 1N7.

The Company formulates, produces and sells cannabis edibles and related products.

The unaudited condensed interim consolidated financial statements have been prepared using accounting policies applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they become due. As at March 31, 2024, the Company has an accumulated deficit of \$44,111,042 (December 31, 2023 - \$44,103,403) and a working capital deficiency of \$3,736,766 (December 31, 2023 - working capital deficiency of \$3,729,127), and for the year then ended, the Company incurred a net loss of \$7,639 (three months ended March 31, 2023 - net loss of \$275,783). In April 2024, the Company announced that it was exiting the retail cannabis space. These conditions raise material uncertainties which cast significant doubt about the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. While the Company is continuing its best efforts to achieve the above plans, there is no assurance that any such activity will generate funds for operations. The unaudited condensed interim consolidated financial statements do not reflect adjustments to the carrying values and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern, and such adjustments may be material.

2. Basis of presentation

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

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRSs issued and outstanding as of May 28, 2024, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual financial statements as at and for the year ended December 31, 2023. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending December 31, 2024 could result in restatement of these unaudited condensed interim consolidated financial statements.

City View Green Holdings Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2024

(Expressed in Canadian Dollars)

Unaudited

3. Significant accounting judgments, estimates and assumptions

The preparation of the consolidated financial statements using accounting policies consistent with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. The preparation of the consolidated financial statements also requires management to exercise judgment in the process of applying the accounting policies.

Critical accounting estimates

Share-based compensation – management is required to make a number of estimates when determining the compensation expense resulting from share-based transactions, including the forfeiture rate and expected life of the instruments.

Warrants – management is required to make a number of estimates when measuring the value of warrants including expected life of the instruments.

Critical judgments in applying accounting policies

Income taxes – measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only become final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the consolidated financial statements.

Going concern – the assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available for its operations and working capital requirements as discussed in note 1.

4. Capital risk management

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and financial markets in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, or adjusting spending. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital structure to consist of share capital, shares to be issued, contributed surplus, equity portion of convertible loan payable, and deficit, which at March 31, 2024 totaled a deficiency of \$3,736,766 (December 31, 2023 - deficiency of \$3,729,127). The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. Selected information is provided to the Board of Directors of the Company. The Company is not subject to any capital requirements imposed by a lending institution.

City View Green Holdings Inc.
Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2024
(Expressed in Canadian Dollars)
Unaudited

5. Amounts receivable

	As at March 31, 2024	As at December 31, 2023
Sales tax recoverable	\$ 9,385	\$ 3,503

6. Promissory note receivable

On March 5, 2019, the Company entered into a loan agreement in the amount of \$200,000 with 11103016 Canada Inc. ("11103016 Canada"). The loan is secured by 11103016 Canada's inventory and equipment, and bears interest rate of Prime Bank Rate plus 5% per annum, calculated monthly not in advance. The loan is repayable on or before March 5, 2020. The Company loaned an additional \$100,000 to 11103016 Canada in August 2019. On March 5, 2020, the Company extended the repayment date of the loan to December 31, 2020. In April 2021, the repayment date was extended to December 31, 2021, and in April 2022, the repayment date was further extended to December 31, 2022.

During the year ended December 31, 2023, the Company determined that the promissory note was not recoverable and recorded an impairment loss of \$427,779.

7. Plant and equipment

Cost	Equipment
Balance, December 31, 2022	\$ 1,496,602
Impairment (i)	(1,496,602)
Balance, December 31, 2023 and March 31, 2024	\$ -

Accumulated depreciation

Balance, December 31, 2022	\$ 433,897
Depreciation for the year	299,320
Impairment (i)	(733,217)
Balance, December 31, 2023 and March 31, 2024	\$ -

Carrying value

Balance, December 31, 2023	\$ -
Balance, March 31, 2024	\$ -

(i) For the year ended December 31, 2023, the Company determined it will not be able to recover any amount from its equipment. As a result, the Company recorded an impairment on property and equipment of \$763,385.

City View Green Holdings Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2024

(Expressed in Canadian Dollars)

Unaudited

8. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities of the Company are principally comprised of amounts outstanding for purchases relating to general operating activities.

	As at March 31, 2024	As at December 31, 2023
Accounts payable	\$ 1,328,321	\$ 1,277,561
Accrued liabilities	957,669	956,843
Total accounts payable and accrued liabilities	\$ 2,285,990	\$ 2,234,404

9. Promissory notes payable

	Quinsam (i)	Therma (ii)	Total
Balance, December 31, 2022	\$ 293,790	\$ 213,315	\$ 507,105
Interest accrued	30,600	19,945	50,545
Balance, December 31, 2023	324,390	233,260	557,650
Interest accrued	7,650	4,986	12,636
Balance, March 31, 2024	\$ 332,040	\$ 238,246	\$ 570,286

- (i) In August 2021, the Company obtained a \$225,000 secured loan from Quinsam Capital Corporation ("Quinsam"). The loan is repayable by December 31, 2021, bears interest at 10% per annum, and is secured by the Company's assets.

In connection therewith, the Company issued 750,000 warrants to Quinsam. Each warrant is exercisable for one common share of the Company at a price of \$0.15 per share for a period of 2 years. The 750,000 warrants were valued at \$37,300 as estimated using the Black-Scholes model for pricing options under the following assumptions: risk free interest rate - 0.47%; dividend yield - 0%; expected stock volatility - 199% and an expected life of 2 years.

In April 2022, the Company extended the repayment date to December 31, 2022. In consideration, the Company agreed to issue 500,000 shares of the Company to Quinsam. As a result, \$15,000 was expensed to debt issue cost.

During the year ended December 31, 2022, the Company obtained an additional \$30,000 loan from Quinsam.

In April 2023, the repayment date was extended to December 31, 2023. In April 2024, the repayment date was further extended to December 31, 2024.

As at March 31, 2024, the Company owed \$332,040 (December 31, 2023 - \$324,390) including accrued interest.

- (ii) On May 2, 2022, the Company issued a promissory note in the amount of \$200,000 to Therma Bright Inc, ("Therma"), a company with common management and directors. The note is non-secured, bears interest of 10% per annum and is due on May 2, 2024. As at March 31, 2024, the Company owed \$238,246 (December 31, 2023 - \$233,260) including accrued interest.

City View Green Holdings Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2024

(Expressed in Canadian Dollars)

Unaudited

10. Loans payable

	LOC Agreement (i)	CEBA (ii)	Total
Balance, December 31, 2022	\$ 625,730	\$ 40,000	\$ 665,730
Loan advanced	100,000	-	100,000
Equity portion of convertible loan payable	(3,417)	-	(3,417)
Interest accrued	44,166	-	44,166
Accretion	29,751	-	29,751
Balance, December 31, 2023	796,230	40,000	836,230
Interest accrued	12,063	-	12,063
Balance, March 31, 2024	\$ 808,293	\$ 40,000	\$ 848,293

- (i) In 2020, the Company entered into a revolving line of credit (the "LOC") agreement with a third party lender (the "Lender"), whereby the Company can obtain \$1,500,000 of revolving line of credit financing facility to be used exclusively for the purchase of the Company's business related equipment, deposits for construction work and tenant's improvements on the Company's Brantford facility, or for security, rental payments, taxes and insurance related thereto. Funds advanced under the LOC are non-secured and bore interest at a rate of 10% per annum.

The LOC was to terminate on April 30, 2022 and bear interest at a rate of 7% per annum.

In September 2022, the LOC was amended. Under the terms of the amendment, the Lender may advance up to an additional \$500,000 under the LOC by December 15, 2022, upon certain conditions being met. The Lender has the right at any time until maturity to elect, in its sole discretion, to convert all or any portion of the outstanding amount into fully paid as non-assessable shares at a price of \$0.05 per share. The LOC was amended to terminate on June 30, 2023. The Company bifurcated \$39,500 to equity and the remaining balance to the carrying value of the loan.

On June 30, 2023, the LOC was amended to terminate on December 31, 2023. In connection with the amendment, the Company issued the Lender 3,250,000 share purchase warrants of the Company. The warrants expired on December 31, 2023 and were each exercisable for one common share of the Company at a price of \$0.10 per share. The 3,250,000 warrants were valued at \$3,500 as estimated using the Black-Scholes model for pricing options under the following assumptions: risk free interest rate - 4.81%; dividend yield - 0%; expected stock volatility - 352% and an expected life of 4 months.

In August 2023, the Lender advanced an additional \$100,000. The Company bifurcated \$3,417 to equity and the remaining balance to the carrying value of the loan.

For the three months ended March 31, 2023, the Company recognized accretion expense of \$13,166.

In April 2024, the LOC was amended to terminate on December 31, 2024.

- (ii) In April 2020, the Company received \$40,000 under the Canada Emergency Business Account (CEBA) program. 25% of the loan was forgivable if repaid by December 31, 2022. The loan accrues no interest until December 31, 2023 and must be repaid by December 31, 2023. The forgiveness repayment date has been extended to January 18, 2024 for eligible CEBA loan holders in good standing. If the loan remains outstanding on January 19, 2024, it will convert to a non-amortizing term loan with full repayment due on December 31, 2026. Repayment of CEBA on or before the due date will result in loan forgiveness of 25% (up to \$10,000). The entire balance of \$40,000 is due and outstanding as at December 31, 2023 and 2022.

City View Green Holdings Inc.
Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2024
(Expressed in Canadian Dollars)
Unaudited

11. Share capital

(a) Authorized share capital

Unlimited number of common shares, with no par value.

(b) Common shares issued

	Number of common shares	Amount
Balance, December 31, 2022	321,254,625	\$ 31,831,706
Common shares issued for cash	24,833,335	372,500
Balance, March 31, 2023	346,087,960	\$ 32,204,206
Balance, December 31, 2023 and March 31, 2024	346,587,960	\$ 32,206,706

- (i) On February 17, 2023, the Company closed the first tranche of a non-brokered private placement, pursuant to which it issued 21,666,668 common shares at \$0.015 per share for aggregate gross proceeds of \$325,000, of which \$100,000 proceeds were from the shares to be issued recorded in 2022. A director of the Company subscribed for 3,333,334 shares for \$50,000.
- (ii) On March 20, 2023, the Company closed the second and final tranche of its non-brokered private placement, pursuant to which it issued 3,166,667 common shares at \$0.015 per share for aggregate gross proceeds of \$47,500.

12. Stock options

The Company has a Share Option Plan (the "Plan") under which it is authorized to grant options to purchase common shares of the Company to directors, senior officers, employees and/or consultants of the Company. The aggregate number of shares of the Company which may be issued and sold under the Plan may not exceed 15% of the total number of common shares issued and outstanding from time to time. Share options are granted with a maximum term of ten years with vesting terms at the discretion of the Board of Directors.

	Number of stock options	Weighted average exercise price
Balance, December 31, 2022	32,009,732	\$ 0.21
Expired	(1,166,400)	0.38
Balance, March 31, 2023 and December 31, 2023	30,843,332	\$ 0.21
Expired	(8,773,332)	0.45
Balance, March 31, 2024	22,070,000	\$ 0.11

City View Green Holdings Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2024

(Expressed in Canadian Dollars)

Unaudited

12. Stock options (continued)

The following table reflects the actual stock options issued and outstanding as of March 31, 2024:

Expiry date	Exercise price (\$)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)
June 3, 2024	0.15	0.18	1,750,000	1,750,000
July 24, 2024	0.18	0.32	300,000	300,000
October 4, 2024	0.15	0.51	3,150,000	3,150,000
December 22, 2024	0.10	0.73	3,250,000	3,250,000
March 16, 2025	0.10	0.96	500,000	500,000
September 14, 2025	0.10	1.46	12,920,000	12,920,000
October 7, 2025	0.10	1.52	200,000	200,000
	0.11	1.09	22,070,000	22,070,000

13. Warrants

	Number of warrants	Weighted average exercise price
Balance, December 31, 2022	36,041,785	\$ 0.08
Issued (i)	750,000	0.10
Expired	(3,250,000)	0.10
Balance, March 31, 2023	33,541,785	\$ 0.08
Balance, December 31, 2023	3,350,000	\$ 0.12
Expired	(1,600,000)	0.10
Balance, March 31, 2024	1,750,000	\$ 0.15

(i) During the three months ended March 31, 2023, the Company issued 750,000 warrants in connection with a secured loan. The warrants expired unexercised.

The following table reflects the warrants issued and outstanding as of March 31, 2024:

Expiry date	Exercise price (\$)	Warrants outstanding
July 30, 2024	0.18	1,000,000
August 12, 2024	0.10	750,000
	0.15	1,750,000

City View Green Holdings Inc.
Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2024
(Expressed in Canadian Dollars)
Unaudited

14. Related party balances and transactions

Related parties include key management being the Company's executive officers, the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. The following related party transactions were conducted in the normal course of operations and were made on an arm's length basis:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Consulting	\$ 56,250	\$ 56,250
Professional fees	11,240	11,725
	\$ 67,490	\$ 67,975

As at March 31, 2024, \$801,307 (December 31, 2023 - \$745,058) included in accounts payable and accrued liabilities was payable to key management personnel.

As at March 31, 2024, the directors of the Company advanced a total of \$102,079 (December 31, 2023 - \$104,689). The advance is non-interest bearing and repayable on demand.

15. Loss per share

For the three months ended March 31, 2024, basic and diluted loss per share has been calculated based on the loss attributable to common shares of \$7,639 (2023 - \$275,783) and weighted average number of common shares outstanding of 346,587,960 (2023 - 331,752,774). Diluted loss per share did not include the effect of convertible debt, stock options, and warrants as they are anti-dilutive.