

Green Rise Foods Announces Q3 2021 Results Highlighted by Record Tomato Revenue and Provides Update on Fiscal 2022 Crop Selection

Toronto, Ontario--(Newsfile Corp. – November 23, 2021) - **Green Rise Foods Inc.** (TSXV: GRF and "Green Rise" or the "Company") is pleased to announce the release of its condensed interim consolidated financial results for the three and nine-months ended September 30, 2021.

"We generated record tomato sales of \$14.5 million with Adjusted EBITDA of \$4.8 million during the first nine months of 2021, across 73 managed acres of cultivation capacity, an increase of 43% over 51 acres in the same period in 2020. These increases are attributable to the Mor Gro Farms Inc. ("GR2") acquisition which closed on February 1, 2021, and aided in offsetting headwinds we faced," said Vincent Narang, Chief Executive Officer of Green Rise. "These macro-factor headwinds included a combination of lower yields due to adverse weather conditions in the three-month period ended September 30, 2021, revenue impacts attributable to a normalization in beefsteak tomato prices through the first nine months of the year and higher labour costs resulting from the Federally mandated COVID-19 quarantine protocols for all inbound travellers to Canada."

Third Quarter 2021 Financial Results

- Achieved record tomato sales of \$7.4 million for the third quarter of 2021, a 14% increase over \$6.5 million generated in the three-months ended September 30, 2020.
- Generated Adjusted EBITDA of \$3.1 million for the three-months ended September 30, 2021, compared to \$3.6 million for the same period in 2020.
- Realized the benefit of a full quarter of harvesting at the newly acquired GR2 facility, and as of November 11, 2021, had shipped over 5.4 million pounds of beefsteak tomatoes (3.5 million pounds for the three-months ended September 30, 2021).

Year-to-Date Financial Results

- Achieved record tomato sales of \$14.5 million for the nine-months ended September 30, 2021, a 19% increase over \$12.2 million realized during the same period in 2020.
- Generated Adjusted EBITDA of \$4.8 million for the first nine-months of 2021, compared to \$6.0 million for the nine-months ended September 30, 2020.
- Continued to grow the assets and cultivation capacity of the Company following the acquisition of the net assets of Mor Gro Farms Inc. on February 1, 2021, adding a 22-acre greenhouse range on a 57-acre property in Kingsville, Ontario, for cash consideration of \$15.9 million.

The complete unaudited financial statements and associated Management's Discussion and Analysis are available under the Company's profile at www.sedar.com.

2022 Decisions on Crop Selection

The Company is also pleased to announce strategic decisions made with its partners relating to its 2022 crop selection, which include the following:

- At the Company's Green Rise 1 range ("GR1"), Green Rise will be planting 36 acres of the medley tomato variety with sales at fixed contract pricing.
 - Nine of the 36 acres will be a premium medley.
 - Fifteen additional acres will continue to be leased to the Company's strategic distribution partner.
- At the GR2 range, the Company will continue to produce 22 acres of beefsteak tomatoes with sales at market pricing.

As a result of these decisions, the Company will have 36 acres of production at fixed contract pricing and 22 acres at market pricing, compared to 40 acres at market pricing in 2021. The Company will effectively have 62% of its planned crop at fixed contract pricing in 2022 as compared to 31% in the 2021 harvesting season. The Company's medley variety tomatoes are high-yielding mini-hybrid specialty tomatoes that have consistent production yields. This allocation is expected to allow Green Rise to capitalize on labour efficiencies at its GR1 facility by reducing the number of product SKUs.

"Our approach to fixed contract pricing, coupled with our plan to concentrate each range on a single product versus multiple products, provides labour optimization and greater certainty of revenue to the Company. We look for ranges that increase our cash flows while providing stable growth to our shareholders and high-quality fresh produce to our marketing partners," concluded Vincent Narang.

ABOUT GREEN RISE

Green Rise is a grower of fresh produce with 73 acres of greenhouse ranges located in Kingsville, Ontario. Poised to be the "best-in-class" contract grower of fresh produce, the Company takes pride in providing high-quality, consistent and reliable product to meet the growing consumer demand for locally grown fresh produce. By leveraging innovative growing solutions and embracing technology, Green Rise seeks to optimize its operations to generate improved product quality, expand profit margins, and provide investors with meaningful and growing returns. The Company is proud to be an environmentally sustainable investment, producing locally grown, bee-pollinated fresh produce using less water than field-grown produce. The Company is proud that its first range is EFI (Equitable Food Initiative) certified.

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Forward-Looking Statements

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