

Green Rise Foods Announces Record Q2 Fiscal 2023 Financial Results

Toronto, Ontario--(Newsfile Corp. – Aug 17, 2023) - **Green Rise Foods Inc.** (TSXV: GRF and "Green Rise" or the "Company") is pleased to release of its interim condensed consolidated financial results for the three and six-month periods ended June 30, 2023.

The complete interim condensed consolidated financial statements and associated Management's Discussion and Analysis ("MD&A") are available under the Company's profile at www.sedarplus.ca.

Selected highlights for the three and six-month period ended:

- Record fresh produce revenue of \$10.9 million for the six-month period ending June 30, 2023, vs \$8.2 million for prior year period ended June 30, 2022. This represents a 33% increase over the comparative prior year period.
- For the three-month period ended June 30, 2023, Adjusted EBITDA equalled \$2.3 million vs \$1.2 million for the three-month period ended June 30, 2022.
- Renewal of a mortgage with a principal amount of \$12.8 million which matured on June 30, 2023. The renewal is for a three-year term with a fixed annual interest rate of 5.75%.
- Amendment to the Company's credit facility with RBC which improved liquidity. The amendment included an increase to the Company's operating lines from \$6.6 million to \$7.3 million, the ability to draw a further \$800 thousand on a revolver facility (at prime plus 1%) and the reduction of the Company's annual fixed coverage ratio from 1.25 to 1 to 1.10 to 1.
- Improvement to the Company's working capital ratio deficit which stood at \$22.9 million as at December 31, 2022, and is, as at June 30, 2023, \$8.4 million.
- Renewal of the lease agreement, for 15-acres of the Company's Organic greenhouse, to its distribution partner Mastronardi Produce Ltd. ("our distribution partner") for a 3.5-year term to December 31, 2026.

"The impact of the strategic mini-pepper acquisition the Company made last year on June 30, 2022, is being translated positively onto the balance sheet. Optimal growing conditions and the successful execution by our operations team of our harvesting activities are all key factors leading to the Company's successful second quarter results. We continue to diversify our product offering and now turn our focus to work closely with our distribution partner in determining asset allocation to optimize our return to shareholders for the years ahead. Our operation and finance teams continue to be diligent on managing input costs as well as budgeting and tracking optimal labor expenses. Congratulations to the men and women and all who help manage the day-to-day operations of Green Rise. It is due to their efforts that we continue to proudly provide Quality, Fresh Ontario Grown produce to our distribution partner." said Vincent Narang the Company's Chief Executive Officer.

ABOUT GREEN RISE

Green Rise is a "Best-In-Class" Controlled-Environment Agriculture grower of fresh produce. The Company wholly owns 72 acres of greenhouse ranges and an additional 15-acre organic range currently leased to Mastronardi Produce Ltd. The Company takes pride in providing high-quality, consistent, and reliable product to meet the growing consumer demand for locally grown fresh product. The Company is proud to be an environmentally sustainable investment delivering locally grown, bee-pollinated fresh produce.

Contact Information

For further information, please contact:

George Hatzoglou, Chief Financial Officer

Phone: +1-416-551-5015

E-mail: info@greenrisefoods.ca

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Forward-Looking Statements

This news release contains "forward-looking information" within the meaning of applicable securities laws. Any such forward-looking statements may be identified by words such as "expects", "anticipates", "believes", "projects", "plans" and similar expressions. Readers are cautioned not to place undue reliance on forward-looking statements. Actual results and developments may differ materially from those contemplated by these statements. The statements in this news release are made as of the date of this release. Green Rise undertakes no obligation to update any such forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on any such forward-looking statements. Green Rise undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of Green Rise or their respective financial or operating results or (as applicable), their securities.