



NEWS RELEASE

Agra Ventures Reports Annual Financial Results for the 2022 Fiscal Year

For the Year Ended December 31, 2022 as Compared to the Same Period of the Prior Year, AGRA's Decrease in Total Revenues to \$673,416 from \$928,208 was Offset by a Significant Improvement in Total Expenses to \$5,671,770 from \$18,440,744, Respectively

Vancouver, British Columbia / May 1, 2023 (Globe Newswire) – Agra Ventures Ltd. (“AGRA” or the “Company”) (CSE: AGRA) (OTCPK: AGFAF), a company with diversified assets focused on the cannabis industry, announces that it has filed its audited annual financial results for the fiscal year ending December 31, 2022, the highlights of which are included in this news release. The full set of Consolidated Financial Statements and Management Discussion and Analysis can be viewed by visiting the Company’s website at agraventures.com or its profile page on SEDAR at www.sedar.com.

Financial Highlights (all amounts expressed in Canadian dollars unless otherwise noted)

- Total revenues for the year ended December 31, 2022 was \$673,416, as compared to the \$928,208 reported for the same period of the prior year, which reflects the current challenged state of the Canadian cannabis industry and was primarily due to the sale of cannabis at declining prices by the Boundary Bay Cannabis joint venture entity.
- Gross profit for the year ended December 31, 2022 was \$303,967, from the \$405,223 reported for the same period of the prior year, which represented a similar gross profit margin of 45% and 44% respectively, primarily due to the Company and its related entities being able to manage inventories proportionate to expected sales.
- Total expenses for the year ended December 31, 2022 was \$5,671,770, a significant decrease from the \$18,440,744 reported for the same period of the prior year, which was primarily due to a decrease in transaction costs, finance and other costs, production costs and consulting and management expenses.
- Comprehensive loss for the year ended December 31, 2022 was \$41,969,746, as compared to a comprehensive loss of \$2,354,780 reported for the same period of the prior year, which was primarily due to the impairment of investments by \$15,612,428, the recording of a provision on a loan receivable of \$18,088,318 as well as the impairment of intangible assets and write-off of certain accounts receivable.

- Total assets for the year ended December 31, 2022 was \$1,094,736, from the \$46,216,990 reported for the same period of the prior year.

Management Commentary

“The 2022 fiscal year can best be characterized as an opportunity to significantly improve the Company’s cost structure against the backdrop of a highly competitive recreational cannabis price environment. AGRA’s current situation is not unique on the high-cost and regulatorily burdensome landscape that is the Canadian cannabis industry. However, management continues to work toward positioning the Company for future optionality by exiting unprofitable ventures and monetizing assets of declining value. I would like to thank our stakeholders for their continued support and guidance on this path,” said Nick Kuzyk, CEO & Director of Agra Ventures.

Summary of Key Financial Measures

A summary of selected annual financial information for the last two fiscal years as follows, as expressed in Canadian dollars:

	As at December 31, 2022 (\$)	As at December 31, 2021 (\$)
Total revenues	673,416	928,208
Total expenses	5,671,770	18,440,744
Comprehensive loss	41,969,746	2,354,780
Net loss per share	(0.79)	(0.20)
Total assets	1,094,736	46,216,990

Outlook

The Company primarily operates within the challenged economic landscape that currently is the Canadian recreational cannabis industry. Its near-term outlook includes focusing on the collection of receivables to increase the stability of its current cash position.

Additionally, the Company is positioned to earn approximately 43% of up to two additional share-based earnout milestone payments relating to the sale of its Edibles & Infusions Corp. (“EIC”) subsidiary in the prior year. The two potential EIC milestone payments are: \$7,000,000 in common shares of Organigram upon EIC earning \$15,000,000 in net revenue during the 12 months ended December 31, 2022 and \$2,500,000 in common shares of Organigram on the generation of \$7,000,000 in adjusted earnings before interest, taxes, depreciation and amortization for the 12 months ended December 31, 2022.

The Company remains open to business opportunities including but not limited to acquisitions, divestitures, joint ventures, partnerships and other such transactions or commercial arrangements. However, the Company intends to exit the unprofitable Boundary Bay Cannabis joint venture by selling its interest in 2023.

About Agra Ventures Ltd.

Agra Ventures is a company with diversified assets focused on the cannabis industry. Agra Ventures’ primary asset in Canada is its 70% ownership of Boundary Bay Cannabis located in Delta, BC. Boundary Bay Cannabis utilizes part of a large greenhouse complex in order to focus on the cost-optimized cultivation of high-potency cannabis. Abroad, the company’s wholly owned subsidiary, Farmako GmbH, is focused

on becoming Europe's leading distributor of medical cannabis as well as its proprietary CBD and THC test kits. Farmako currently has active product distribution operations in Germany and is fully licensed in the United Kingdom.

For more information about Agra Ventures, please visit www.agraventures.com and its profile page on SEDAR at www.sedar.com.

ON BEHALF OF THE BOARD OF DIRECTORS

Nick Kuzyk, CEO & Director

E: ir@agraventures.com

T: (800) 783-6056

The CSE and Information Service Provider have not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

Forward-looking Information Cautionary Statement

Except for statements of historic fact this news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan" "expect" "project" "intend" "believe" "anticipate" "estimate" and other similar words or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements including but not limited to delays or uncertainties with regulatory approvals including that of the CSE. There are uncertainties inherent in forward-looking information including factors beyond the Company's control. There are no assurances that the business plans for Agra Ventures described in this news release will come into effect on the terms or time frame described herein. The Company undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change except as required by law. The reader is cautioned not to place undue reliance on forward-looking statements. Additional information identifying risks and uncertainties that could affect financial results is contained in the Company's filings with Canadian securities regulators which are available at www.sedar.com.

SOURCE: Agra Ventures Ltd.