



Following Successful Year Nepra Foods Issues Letter from CEO

VANCOUVER, BC / ACCESSWIRE / January 5, 2022 / Nepra Foods Inc. ("Nepra") (CSE:NPRA)(FSE:2P6.F)(OTC PINK:NPRFF), creator of nutritious plant-based and allergen-free food, is pleased to share a letter to shareholders from CEO David Wood.

Dear Fellow Shareholders,

This past year has been an exceptional and transformational year for Nepra Foods. We continued to build on our track record of revenue growth for the 5th year in a row, with a 150% year-on-year growth, which was facilitated by an expansion of our production and office space in January. We also completed an oversubscribed initial public offering (IPO) in September, which allows us to further expand our business and develop exciting new product verticals.

Building from last year's success, we will be adding two new revenue streams which are synergistic with our underlying wholesale ingredient business. The first of which will be our consumer-packaged plant-based high-protein frozen meals into both traditional and natural retail channels with our PROPASTA™ line. The second will be to market our semi-finished meal components such as textured plant proteins, plant-based cheeses, high protein pastas, and blended dry mixes into the institutional foodservice market including restaurant chains, schools, and hospitals. These products utilize the same input materials, allowing for rapid scaling and providing further economies of scale through the synergy with our underlying ingredient business. A systemic shift in consumer preferences and market trend towards healthier eating, including more plant-

based and sustainable meal options, puts us at the forefront of this movement and marks this as an ideal time to grow into these markets.

Our underlying wholesale ingredient business continues to show aggressive year-over-year growth in 2022. While the industry, in general, has been plagued by logistical challenges and heightened costs, Nepra Foods' supply chains have proven to be resilient and largely unimpacted. While pricing pressure at the wholesale level is expected to continue to rise this year, we have been able to mitigate this given the proprietary nature of our ingredients which allows us to pass on the increases through to our customers and maintain our margins. This year we will also be adding several new specialty ingredients to our imported line of starches, plant proteins, and fibers which are designed to solve specific problems for our industrial food-producing customers and initial responses have been highly positive. As such, we anticipate these new products will play a substantial role in driving significant growth.

We are expanding our domestic production base, specifically the number of products that will be manufactured in our Colorado facility, to further minimize business risk and ensure product quality. In the first quarter of this year, we will ramp up manufacturing of our textured hemp protein product (THP™) for use in our new consumer products (i.e. PROPASTA™) in addition to having excess capacity to facilitate wholesale sales and product partnerships. Textured hemp protein is an exciting new addition to the plant-based protein market offering which has many advantages over the conventional textured vegetable proteins currently available in the market. As such, food producers are anxiously awaiting new, nutritious, functional proteins to add to their products allowing them to get away from soy, gluten, and other allergens. The addition of textured hemp protein to our wholesale line of ingredients will be a significant addition to revenue with strong margins.

In the development of the PROPASTA™ consumer line, the R&D staff at Nepra has developed several new proprietary formulations. The components of our consumer products, such as the high protein pasta and plant-based cheeses, are very unique in the industry and will disrupt the retail frozen food section. However, our goal at the company is to make it easier for everyone to eat healthier. Many people that eat out at restaurants or at institutional facilities, such as schools and commissaries, are also looking for new plant-based options. In addition to selling into retail, the components that go into PROPASTA™ meals will be sold into these institutional markets. This sales strategy has been executed by other plant protein manufacturers with great success. However, most of our competitors in this space still use soy and wheat that are allergens and make it difficult for institutions to adopt. Being that our products are allergen-free as well as gluten-free will be a big advantage for us in these channels.

In summary, I see this year as a breakout year for Nepra Foods. The success of our IPO and strong shareholder base combined with access to the public market allow us to rapidly accelerate our growth . To me, the COVID pandemic seems to be changing the way people eat. Our tagline "The Evolution of Eating™" really sums up my view of the changes we should expect in not only the wants and needs of consumers but also in the actuality of our food production and supply chains. The pandemic has reminded all of us how important it is to take care of our own and our families' health. Now is the perfect time for Nepra Foods to make big moves to expand our presence in the industry and I look forward to what the year will bring.

David Wood

CEO

Nepra Foods Inc.



About Nepra Foods

Nepra Foods is grounded in a passion for food. We believe eating healthy shouldn't be difficult. Everybody deserves food options that are truly nutritious and taste good. Food shouldn't contain allergens that might prevent everybody in the family from enjoying it together. People shouldn't have to compromise quality and taste in what they eat even if they are trying to cut down on carbs, don't tolerate gluten or dairy very well, or don't want to eat food produced from animals. Nepra Foods is on a mission to make healthy, enjoyable food for everybody.

Forward-Looking Statement

This news release contains statements and information that, to the extent that they are not historical fact, constitute "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the

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