Verde Announces Q4 and FY 2024 Results

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SINGAPORE, March 20, 2025 - Verde AgriTech Ltd. (TSX: "NPK") ("Verde" or the "Company") announces its financial results for the full year ended December 31, 2024 ("FY 2024") and the fourth quarter 2024 ("Q4 2024"), as audited by RSM SG Assurance LLP ("RSM").

"Looking back, 2023/24 will undoubtedly be remembered as one of the most challenging periods for Brazilian agriculture in this century. A historic number of farmers and input suppliers faced insolvency, overwhelmed by an unprecedented combination of economic and climatic challenges. The effects of this crisis have already spilled into the first half of 2025, continuing to present significant obstacles for the sector. Navigating through this 'perfect storm' required exceptional resilience, and those who persevered have demonstrated remarkable strength and adaptability," stated Cristiano Veloso, Founder and CEO of Verde Agritech.

"For H2 2025 deliveries, we are seeing strong market optimism driven not only by favorable geopolitical factors but also by improved commodity prices, better climatic conditions, and a recovering global supply chain. Verde is strategically positioned to capitalize on the resurgence of Brazil's agricultural profitability, which is bolstered by these favorable dynamics. Our order books for the second half of the year reflect significant growth to date, marking a notable improvement compared to 2024," Mr. Veloso added.

As previously announced on October 2, 2024[1], the Company successfully renegotiated its loans with its two largest creditors, covering 73% of its total outstanding debt. This deal, which extends the repayment term to 120 months and suspends principal payments for 18 months, is projected to generate R$115 million in cash savings over the next 24 months. Interest payments will also be suspended during this period, with a significantly reduced interest rate to follow. The agreement has proven to be a critical step in strengthening Verde's financial position.

Further progress was reported on November 11, 2024[2] when Verde secured an agreement with creditors representing over 92% of the company's total debt, leading to improved financial terms for the company. Non-adherent creditors will face a 75% reduction in their outstanding balance, with the remaining debt subject to a much lower interest rate of 0.82% per year. The agreement, which is pending court approval, is expected to result in the cancellation of R$8.5 million in debt.

Additionally, Verde successfully renegotiated additional loans. This comprehensive effort means that more than 99.8% of the Company's outstanding debts have now been renegotiated, significantly reducing its short-term obligations for 2025 to R$1.5 million.

"It has been over four months since we entered the final stage of the renegotiation process, and we are now awaiting the homologation of the agreement by the court. We remain confident that the approval is imminent, and its recognition will be finalized soon. This will be a significant milestone for the Company," stated Cristiano Veloso, Founder and CEO of Verde Agritech.

Fourth Quarter and Full Year 2024 Highlights

Operational and Financial Highlights

- Verde's sales volume amounted to 319,000 tons; a 25% reduction compared to 2023. Additionally, revenue had a 43% decrease compared to the previous year, with $21.6 million in FY 2024. In 2025, after only 79 days, Verde already has orders and delivered products representing over 60% of all products delivered in 2024.
- Cash held by the Company decreased by $3.5 million, from $6.9 million in FY 2023 to $3.4 million in FY 2024. Additionally, the Company has $6.9 million in short-term receivables. The total Cash and short-term receivables were $10.3 million in FY 2024.

- EBITDA before non-cash events was -$2.5 million in FY 2024, compared to $2.0 million in FY 2023.
- The Company reported a net loss of -$12.6 million in FY 2024, compared to a net loss of -$6.0 million in FY 2023.
- Sales and General Administrative Expenses decreased by $1.6 million, from $11.7 million in 2023 to $10.1 million.

Other Highlights

- The Product sold in FY 2024 has the potential to capture up to 25,429 tons of carbon dioxide ("CO_2") from the atmosphere via Enhanced Rock Weathering ("ERW").[3] The potential net amount of carbon captured is estimated at 16,255 tons of CO_2. In addition to the carbon removal potential, Verde's FY 2024 sales avoided the emissions of 9,116 tons of CO_2e, by substituting potassium chloride ("KCl") fertilizers.[4]
- Combining the potential carbon removal and carbon emissions avoided by the use our Product since the start of production in 2018, Verde's total impact stands at 297,782 tons of CO_2.[5]
- 16,776 tons of chloride have been prevented from being applied into soils FY 2024, by farmers who used the Product in lieu of KCl fertilizers.[6] A total of 155,935 tons of chloride has been prevented from being applied into soil by Verde's customers since the Company started production.[7]

2024 Year in Review

Agricultural Market

In 2024, many agricultural businesses have been confronted with severe liquidity challenges, prompting an increasing number to seek insolvency protection as part of efforts to restructure their debts. The scarcity of accessible credit has not only hindered investments but also disrupted the broader agribusiness ecosystem, impacting suppliers and financial institutions alike. This crisis stems from the high commodity prices at the beginning of 2022, which led farmers to expect that both commodity and input prices would remain elevated. However, while input costs stayed high for longer, commodity prices began to drop. As a result, farmers who purchased fertilizers at elevated prices, expecting high commodity prices, were left struggling with mismatched financial conditions. Consequently, 2024 continues to be marked by significant financial strain, as businesses work to manage the debt burdens accumulated in recent years.

Furthermore, economic instability in Brazil further intensified challenges in the agricultural market. High interest rates and fluctuating exchange rates created additional financial strain for farmers, limiting their access to working capital. Amid the record rise in farmer insolvencies, several distributors experienced financial distress, with some seeking credit protection. In response, Verde adopted a cautious approach to farmer financing, prioritizing financial stability over short-term sales growth. The Company chose to limit credit offerings, forgoing potential sales to minimize exposure to default risks, which inevitably had an impact on overall sales performance.

Global market competition

The Brazilian agricultural sector faced significant challenges in 2024, driven by evolving macroeconomic factors. The Selic interest rate, which stood at 12.25% by the end of the year, restricted farmers' access to credit, limiting their ability to invest in productivity-enhancing input. Projections suggest a gradual increase in the Selic rate in 2025, with estimates indicating 15.00% by the end of 2025, followed by a potential decrease to 12.50% by 2026. Annual inflation forecasts for 2025 and 2026 stand at 5.50% and 4.20%, respectively, which may provide some relief as economic conditions stabilize.[8]

In 2024, Verde's average cost of debt was 16.2% per annum, reflecting the high-interest environment that has become a defining characteristic of the current economic landscape. Brazilian corporations, particularly those in the agricultural sector, faced significant financial constraints and limited access to working capital, which further hampered their ability to invest in productivity and input purchases. Compared to international players, Verde's capacity to offer financing with longer tenors is considerably limited, putting the company at a disadvantage in terms of competitive financing options for its customers. Unlike many of its competitors, Verde does not have the ability to shift a significant portion of its debt to US dollar-denominated liabilities at attractive interest rates, further amplifying the impact of local interest rates on its financial flexibility.

Amid these challenging market conditions, Brazilian farmers faced tight working capital during the critical period for purchasing inputs like fertilizers for the upcoming planting season. In response, many farmers sought suppliers offering the most favorable payment terms and interest rates, opting to defer payments until after the harvest, typically between 9 to 12 months later. While this approach is common in the agricultural sector, it increases the risk of non-payment for suppliers, including fertilizer companies, reflecting the heightened financial pressures within the industry.

Currency exchange rate

Canadian dollar valuated by 6.2% versus Brazilian Real in FY 2024 compared to FY 2023[9].

Q4 and FY 2024 Results Conference Call

The Company will host a conference call to discuss Q4 and FY 2024 results and provide an update. Subscribe using the link below and receive the conference details by email.

Date:	Friday, March 21, 2025
Time:	09:00 am Eastern Time
Subscription link:	https://bit.ly/Q4andFY_2024_Results

The questions must be submitted in advance through the following link before the conference call: https://bit.ly/Q4_andFY2024_Questions.

The Company's full year and fourth quarter financial statements and related notes for the period ended December 31, 2024 are available to the public on SEDAR at www.sedar.com and the Company's website at www.investor.verde.ag/.

Results of Operations

The following table provides information about three and twelve months ended December 31, 2024 as compared to the three and twelve months ended December 31, 2023. All amounts in CAD $'000.

All amounts in CAD $'000	3 months ended Dec 31, 2024		3 months ended Dec 31, 2023		12 months ended Dec 31, 2024		12 months ended Dec 31, 2023	
Tons sold ('000)	48		104		319		428	
Average revenue per ton sold $	60		68		68		89	
Average production cost per ton sold $	(21	)	(21	)	(20	)	(23	)
Average gross profit per ton sold $	39		47		48		66	
Average gross margin	65	%	68	%	71	%	74	%
Revenue	2,888		7,058		21,597		37,863	
Production costs	(986	)	(2,230	)	(6,302	)	(9,689	)
Gross Profit	1,902		4,828		15,295		28,174	
Gross Margin	65	%	68	%	71	%	74	%
Sales and marketing expenses	(842	)	(996	)	(3,686	)	(4,022	)
Product delivery freight expenses	(938	)	(3,001	)	(7,705	)	(14,510	)
General and administrative expenses	(1,947	)	(2,527	)	(6,432	)	(7,666	)
EBITDA (1)	(1,825	)	(1,696	)	(2,528	)	1,976	
Share Based, Equity and Bonus Payments (Non-Cash Event) (2)	13		(304	)	(2,133	)	(449	)
Depreciation and Amortization (3)	(753	)	(640	)	(3,232	)	(3,716	)

Operating (Loss) / Profit after non-cash events	(2,565)	(2,640)	(7,893)	(2,189)
Interest Income/Expense [4]	(262)	(2,795)	(4,634)	(6,381)
Net (Loss) / Profit before tax	(2,827)	(5,435)	(12,527)	(8,570)
Income tax [5]	(4)	2,787	(31)	2,591
Net (Loss) / Profit	(2,831)	(2,648)	(12,558)	(5,979)

(1) - Non GAAP measure
(2) - Included in General and Administrative expenses in financial statements
(3) - Included in General and Administrative expenses and Cost of Sales in financial statements
(4) - Please see Summary of Interest-Bearing Loans and Borrowings notes
(5) - Please see Income Tax notes

External Factors

Revenue and costs are affected by external factors including changes in the exchange rates between the C$ and R$ along with fluctuations in potassium chloride spot CFR Brazil, agricultural commodities prices, interest rates, among other factors. For further details, please refer to the 2024 Year in Review section (page 3).

Financial and operating results

In FY 2024, revenue from sales fell by 43%, accompanied by a 23% reduction in the average revenue per ton. Excluding freight expenses (FOB price), the average revenue per ton decreased by 20%. This decline in average revenue per ton was primarily attributed to a decrease in potassium chloride prices, the provision of additional discounts by the Company to strategic customers to increase market adoption, and a shift in the product mix due to farmers limited working capital. With many farmers facing restricted cash flows, there has been a noticeable shift towards opting for lower-value-added products. Despite these challenges, Verde managed to increase sales of premium products, with Low-Carbon Specialty Fertilizer Products accounting for 13% of total sales in 2024, up from 7% in 2023. However, the share of sales in big bags declined from 20% in FY 2023 to 13% in FY 2024, negatively impacting the average revenue per ton.

The decline in sales price per ton and volume were the key drivers of the Company's significantly lower results compared to the previous year. Additionally, the Company continues to maintain a high level of Expected Credit Losses ("ECL"), which further impacted EBITDA negatively. The Company is actively negotiating with these clients, and if successful, the provision will be reversed.

The Company generated a net loss of -$12.6 million in FY 2024, compared to a net loss of -$6.0 million in FY 2023.

Basic loss per share was -$0.24 for FY 2024, compared to a basic loss per share of -$0.11 for FY 2023.

Production costs

The average cost per ton fell by 13% in FY 2024, driven by fluctuations in the Brazilian real and a shift towards greater utilization of Plant 2, which operates at a lower cost than Plant 1 due to enhanced operational efficiency. Sales from Plant 2 accounted for 76% of total sales in 2024, further contributing to the reduction in average production costs per ton.

Production costs include all direct costs from mining, processing, and the addition of other nutrients to the Product, such as Sulphur and Boron. It also includes the logistics costs from the mine to the plant and related salaries.

Verde's production costs and sales price are based on the following assumptions:

1. Micronutrients added to the product increase its production cost, rendering K Forte® less expensive to produce.
2. Production costs vary based on packaging type, with bulk being less expensive than Jumbo Bags.
3. Plant 1 produces K Forte® Jumbo Bags and Low-Carbon Specialty Fertilizer Products, while Plant 2 exclusively produces K Forte® Bulk. Therefore, Plant 2's production costs are lower than Plant 1's costs.

Sales, General and Administrative Expenses:

SG&A represents a non-operating segment that includes corporate and administrative functions, essential for supporting the Company's operating segments.

Sales Expenses

CAD $'000	3 months ended Dec 31, 2024	3 months ended Dec 31, 2023	12 months ended Dec 31, 2024	12 months ended Dec 31, 2023
Sales and marketing expenses	(740)	(923)	(3,246)	(3,912)
Fees paid to independent sales agents	(102)	(73)	(440)	(110)
Total	(842)	(996)	(3,686)	(4,022)

Sales and marketing expenses cover salaries for employees, car rentals, domestic travel in Brazil, hotel accommodations, and Product promotion at marketing events.

As part of the Company's sales and marketing strategy, Verde compensates its independent sales agents through commissions. Fees paid to independent sales agents increased by $330,000 in FY 2024, partially due to a $249,000 provision reversal recorded in 2023.

Product delivery freight expenses

Expenses decreased by 47% in FY 2024, to $7.7 million compared to $14.5 million in FY 2023. The volume sold as CIF (Cost Insurance and Freight) in 2024 represented 74% of total sales, compared to 71% in FY 2023. However, the Company achieved a reduction in average freight costs per ton for products sold on a CIF basis, to $33 in 2024 from $48 in the comparable period of the previous year. The 31% decrease in freight costs can primarily be attributed to a reduction in the percentage of sales made to regions that are more distant from Verde's production facilities.

General and Administrative Expenses

CAD $'000	3 months ended Dec 31, 2024	3 months ended Dec 31, 2023	12 months ended Dec 31, 2024	12 months ended Dec 31, 2023
General administrative expenses	(330)	(665)	(2,413)	(3,646)
Allowance for expected credit losses	(1,302)	(1,138)	(2,320)	(1,754)
Legal, professional, consultancy and audit costs	(207)	(521)	(1,112)	(1,435)
IT/Software expenses	(102)	(182)	(529)	(715)
Taxes and licenses fees	(6)	(21)	(58)	(116)
Total	(1,947)	(2,527)	(6,432)	(7,666)

General administrative expenses include office expenses, rent, bank fees, insurance, foreign exchange variances, and remuneration for executives, Board directors, and administrative staff. In FY 2024, general administrative expenses decreased by 34%, primarily due to a series of contract renegotiations with suppliers, a reduction in administrative headcount, and lower leasing expenses, such as water trucks and metallic structures used to support operations.

As per Verde's sales policy, any outstanding customer payments overdue for more than 12 months must be provisioned. The total ECLs booked in Q4 2024 amounted to $2.3 million, compared to $1.8 million of provision in Q4 2023. In 2024, the agricultural sector experienced a significant rise in insolvency protection cases, directly impacting a portion of Verde's clients.

Legal, professional and audit costs include fees along with accountancy, audit and regulatory costs. Consultancy fees encompass consultants employed in Brazil, such as accounting services, patent processes, lawyer's fees and regulatory consultants.

Share Based, Equity and Bonus Payments (Non-Cash Events) encompass expenses associated with stock options granted to employees and directors, as well as equity compensation and non-cash bonuses awarded to key management personnel. In FY 2024, the costs associated with share-based, equity, and bonus payments increased. This was primarily due to new options issuance.

Income tax

Brazilian corporations are subject to income taxes (IRPJ and CSLL) using an 'Actual Profits' method (i.e. APM - "*Lucro Real*", in Portuguese), which is based on taxable income (the tax in this method is approximately 34% of the EBITDA), adjusted by certain additions and exclusions as determined by the legislation.

As of January 2023, the Brazilian subsidiary switched from 'Assumed Profits' taxation to 'Real Profits' taxation. With this transition, the Subsidiary is allowed to offset up to 30% of accumulated losses in subsequent years when profits are generated. Based on the projected taxable income, considering the approved budget and an extended period of up to ten years the recognized deferred tax assets on the Brazilian entities are deemed recoverable, resulting in the recognition of $2.8 million of deferred tax assets in such entity. The Company also recognized an allowance for tax losses carry forward for the amount that is not expected to be offset against future taxable income within ten years.

Liquidity and Cash Flows

For additional details see the consolidated statements of cash flows for the quarters ended December 31, 2024 and December 31, 2023 in the financial statements.

Cash received from / (used for): CAD $'000	3 months ended Dec 31, 2024	3 months ended Dec 31, 2023	12 months ended Dec 31, 2024	12 months ended Dec 31, 2023
Operating activities	(214)	20,709	(1,885)	4,619
Investing activities	(197)	(2,308)	753	(4,022)
Financing activities	171	(20,806)	(3,120)	5,017

On December 31, 2024, the Company held cash of $3.4 million, a decrease of $3.5 million on the same period in 2023. In addition, the Company had $6.9 million in short-term receivables, bringing the total of cash and receivables to $10.3 million in FY 2024.

Operating activities

In agricultural sales, credit transactions are common due to the cyclical nature of farming income, which sees fluctuations with seasonal highs during harvests and lows during planting. This cycle necessitates that farmers have access to essential inputs like seeds, fertilizers, and pesticides ahead of their selling season. To accommodate this, credit terms are offered, allowing farmers to procure these inputs in advance and align their payments with their revenue cycle.

Verde's approach to credit in the agricultural sector reflects a deep understanding of these operational nuances, resulting in a substantial portfolio of receivables. The Company's credit term is 30 to 120 days upon shipment, depending on the period of the year, tailored to the specific needs of each farmer, considering the crop cycle, creditworthiness, and other key factors. This strategy ensures farmers have the necessary resources for each planting season, while Verde secures its financial interests through aligned payment schedules.

Net cash generated under operating activities decreased to -$1.9 million in FY 2024, compared to $4.6 million in FY 2023. This was mainly due to a decrease in receivables and payables from the last financial year.

Trade and short-term receivables decreased by 50% in FY 2024, to $6.9 million compared to $13.7 million in 2023. Trade and other payables decreased by 57% in FY 2024, to $1.7 million compared to $4.0 million in 2023.

Investing activities

Cash utilized from investing activities increased to $0.8 million in FY 2024, compared to -$4.0 million in 2023. This increase was due to the redemption of financial applications.

Financing activities

Cash generated from financing activities decreased to -$3.1 million in FY 2024, compared to $5.0 million in FY 2023. This decline resulted from a lower volume of loans issued in 2024 compared to the previous year.

Financial condition

The Company's current assets decreased to $12.0 million in 2024, compared to $23.0 million in 2023. Current liabilities decreased to $2.0 million in FY 2024, compared to $40.0 in FY 2023, providing a working capital surplus of $10.0 million in 2024. This improvement was primarily driven by the renegotiation of loans, extending their repayment terms to the long term, which positively impacted the Group's working capital position. Although the restructuring plan is pending court homologation, most of the creditors have agreed to the new terms.

About Verde AgriTech

Verde AgriTech is dedicated to advancing sustainable agriculture through the innovation of specialty multi-nutrient potassium fertilizers. Our mission is to increase agricultural productivity, enhance soil health, and significantly contribute to environmental sustainability. Utilizing our unique position in Brazil, we harness proprietary technologies to develop solutions that not only meet the immediate needs of farmers but also address global challenges such as food security and climate change. Our commitment to carbon capture and the production of eco-friendly fertilizers underscores our vision for a future where agriculture contributes positively to the health of our planet.

For more information on how we are leading the way towards sustainable agriculture and climate change mitigation in Brazil, visit our website at https://verde.ag/en/home/.

Corporate Presentation

For further information on the Company, please view shareholders' deck:

https://verde.docsend.com/view/ggz6zdd3dk3uxakd

Company Updates

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Cautionary Language and Forward-Looking Statements

All Mineral Reserve and Mineral Resources estimates reported by the Company were estimated in accordance with the Canadian National Instrument 43-101 and the Canadian Institute of Mining, Metallurgy, and Petroleum Definition Standards (May 10, 2014). These standards differ significantly from the requirements of the U.S. Securities and Exchange Commission. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability.

This document contains "forward-looking information" within the meaning of Canadian securities legislation and "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995. This information and these statements, referred to herein as "forward-looking statements" are made as of the date of this document. Forward-looking statements relate to future events or future performance and reflect current estimates, predictions, expectations or beliefs regarding future events and include, but are not limited to, statements with respect to:

- (i) the estimated amount and grade of Mineral Resources and Mineral Reserves;
- (ii) the estimated amount of CO_2 removal potential per ton of rock;
- (iii) the PFS representing a viable development option for the Project;
- (iv) estimates of the capital costs of constructing mine facilities and bringing a mine into production, of sustaining capital and the duration of financing payback periods;
- (v) the estimated amount of future production, both produced and sold;
- (vi) timing of disclosure for the PFS and recommendations from the Special Committee;
- (vii) the Company's competitive position in Brazil and demand for potash;
- (viii) estimates of operating costs and total costs, net cash flow, net present value and economic returns from an operating mine.
- (ix) the expected terms of the debt restructuring;
- (x) the expected financial impact of the debt restructuring to the Company;
- (xi) the timeline for court approval of the debt restructuring; and
- (xii) the potential arising from the re-assaying of certain core samples.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives or future events or performance (often, but not always, using words or phrases such as "expects", "anticipates", "plans", "projects", "estimates", "envisages", "assumes", "intends", "strategy", "goals", "objectives" or variations thereof or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements.

All forward-looking statements are based on Verde's or its consultants' current beliefs as well as various assumptions made by them and information currently available to them. The most significant assumptions are set forth above, but generally these assumptions include, but are not limited to:

- (i) the presence of and continuity of resources and reserves at the Project at estimated grades;
- (ii) the estimation of CO_2 removal based on the chemical and mineralogical composition of assumed resources and reserves;
- (iii) the geotechnical and metallurgical characteristics of rock conforming to sampled results; including the quantities of water and the quality of the water that must be diverted or treated during mining operations;
- (iv) the capacities and durability of various machinery and equipment;
- (v) the availability of personnel, machinery and equipment at estimated prices and within the estimated delivery times;
- (vi) currency exchange rates;

(vii) Super Greensand® and K Forte® sales prices, market size and exchange rate assumed;
(viii) appropriate discount rates applied to the cash flows in the economic analysis;
(ix) tax rates and royalty rates applicable to the proposed mining operation;
(x) the availability of acceptable financing under assumed structure and costs;
(xi) anticipated mining losses and dilution;
(xii) reasonable contingency requirements;
(xiii) success in realizing proposed operations;
(xiv) receipt of permits and other regulatory approvals on acceptable terms; and
(xv) the fulfilment of environmental assessment commitments and arrangements with local communities.

Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Many forward-looking statements are made assuming the correctness of other forward looking statements, such as statements of net present value and internal rates of return, which are based on most of the other forward-looking statements and assumptions herein. The cost information is also prepared using current values, but the time for incurring the costs will be in the future and it is assumed costs will remain stable over the relevant period.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that estimates, forecasts, projections and other forward-looking statements will not be achieved or that assumptions do not reflect future experience. We caution readers not to place undue reliance on these forward-looking statements as a number of important factors could cause the actual outcomes to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates assumptions and intentions expressed in such forward-looking statements. These risk factors may be generally stated as the risk that the assumptions and estimates expressed above do not occur as forecast, but specifically include, without limitation: risks related to the court approval process for the debt restructuring; risks relating to variations in the mineral content within the material identified as Mineral Resources and Mineral Reserves from that predicted; variations in rates of recovery and extraction; the geotechnical characteristics of the rock mined or through which infrastructure is built differing from that predicted, the quantity of water that will need to be diverted or treated during mining operations being different from what is expected to be encountered during mining operations or post closure, or the rate of flow of the water being different; developments in world metals markets; risks relating to fluctuations in the Brazilian Real relative to the Canadian dollar; increases in the estimated capital and operating costs or unanticipated costs; difficulties attracting the necessary work force; increases in financing costs or adverse changes to the terms of available financing, if any; tax rates or royalties being greater than assumed; changes in development or mining plans due to changes in logistical, technical or other factors; changes in project parameters as plans continue to be refined; risks relating to receipt of regulatory approvals; delays in stakeholder negotiations; changes in regulations applying to the development, operation, and closure of mining operations from what currently exists; the effects of competition in the markets in which Verde operates; operational and infrastructure risks and the additional risks described in Verde's Annual Information Form filed with SEDAR in Canada (available at www.sedar.com) for the year ended December 31, 2023. Verde cautions that the foregoing list of factors that may affect future results is not exhaustive.

When relying on our forward-looking statements to make decisions with respect to Verde, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Verde does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by Verde or on our behalf, except as required by law.

For additional information please contact:

Cristiano Veloso, Chief Executive Officer and Founder

Tel: +55 (31) 3245 0205; Email: investor@verde.ag

www.verde.ag| www.investor.verde.ag

[1] Learn more at: Verde Successfully Renegotiates Loans with Its Two Largest Creditors

[2] Learn more at: Verde Secures Debt Renegotiation Agreement Covering 92% of Total Debts, Reaching

Improved Financial Terms

[3] The carbon capture potential of Verde's products, through Enhanced Rock Weathering (ERW), is 120 kg CO_2e per ton of K Forte®. For further information, see "Verde's Products Remove Carbon Dioxide From the Air".

[4] K Forte® is a fertilizer produced in Brazil using national raw materials. Its production process has low energy consumption from renewable sources and, consequently, a low environmental and GHG emissions footprint. Whereas the high carbon footprint of KCl results from a complex production process, involving extraction, concentration, and granulation of KCl, in addition to the long transportation distances to Brazil, given that 95% of the KCl consumed in the country is imported. 12Mt of K Forte® is equivalent to 2Mt of KCl in K2O content. Emissions avoided are calculated as the difference between the weighted average emissions for KCl suppliers to produce, deliver, and apply their product in each customer's city and the emissions determined according to K Forte®'s Life Cycle Assessment for its production, delivery, and application in each customer's city.

[5] From 2018 to 2024, the Company has sold 1.85 million tons of Product, which can potentially remove up to 231,376 tons of CO_2. Additionally, this amount of Product could potentially prevent up to 66,405 tons of CO_2 emissions.

[6] Verde's Product is a salinity and chloride-free replacement for KCl fertilizers. Potassium chloride is composed of approximately 46% of chloride, which can have biocidal effects when excessively applied to soils. According to Heide Hermary (Effects of some synthetic fertilizers on the soil ecosystem, 2007), applying 1 pound of potassium chloride to the soil is equivalent to applying 1 gallon of Clorox bleach, with regard to killing soil microorganisms. Soil microorganisms play a crucial role in agriculture by capturing and storing carbon in the soil, making a significant contribution to the global fight against climate change.

[7] 1 ton of Product (10% K_2O) has 0.1 tons of K_2O, which is equivalent to 0.17 tons of potassium chloride (60% K_2O), containing 0.08 tons of chloride.

[8] As of December 30, Source: Brazilian Central Bank.

[9] Source: Brazilian Central Bank.