

VERDE AGRITECH LIMITED

UNAUDITED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS

FIRST QUARTER ENDED 31 MARCH 2026



# VERDE AGRITECH LIMITED

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# VERDE AGRITECH LIMITED

## UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE

### FIRST QUARTER ENDED 31 MARCH 2026

The accompanying unaudited consolidated financial statements of Verde AgriTech Limited ("Verde", the "Company", or the "Group") for the first quarter ended 31 March 2026 have been prepared by and are the responsibility of the Company's management. They have been prepared in accordance with IAS 34 'Interim Financial Reporting' issued by the International Auditing and Assurance Board ("IAASB") and do not include all of the information and disclosures that would be required by International Financial Reporting Standards for annual audited financial statements. The interim consolidated financial statements should be read in conjunction with the Group's audited financial statements including the notes thereto for the year ended 31 December 2025. The financial information has not been reviewed or audited by the Group's auditor.

These financial statements have been approved by the Audit Committee and the Board of Directors of the Group.

## VERDE AGRITECH LIMITED

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the quarter ended 31 March 2026.

All amounts expressed in Canadian Dollars.

	Note	3 Months ended 31 Mar 2026 \$'000	3 Months ended 31 Mar 2025 \$'000
Revenue		1,677	2,852
Cost of sales		(1,425)	(1,492)
<b>Gross Profit</b>		<b>252</b>	<b>1,360</b>
Sales and distribution expenses		(1,352)	(1,966)
Administrative expenses		(1,164)	(1,763)
<b>Operating (Loss) / Profit</b>		<b>(2,264)</b>	<b>(2,369)</b>
Finance costs		(1,543)	(1,481)
Finance income		79	73
<b>Loss before tax from continuing operations</b>		<b>(3,728)</b>	<b>(3,777)</b>
Income tax expense		(1)	(4)
<b>Loss for the quarter</b>		<b>(3,729)</b>	<b>(3,781)</b>

<b>Loss per share (\$)</b>		3 Months ended 31 Mar 2026	3 Months ended 31 Mar 2025
Basic and dilutive loss per share	4	<b>(0.066)</b>	(0.072)

# VERDE AGRITECH LIMITED

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the quarter ended 31 March 2026

All amounts expressed in Canadian Dollars.

	Note	3 Months ended 31 Mar 2026 \$'000	3 Months ended 31 Mar 2025 \$'000
<b>Loss for the period from continuing operations</b>		<b>(3,729)</b>	<b>(3,781)</b>
<b>Other comprehensive income</b>			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		<b>964</b>	1,758
<b>Total comprehensive loss for the period attributable to equity holders of the parent</b>		<b>(2,765)</b>	<b>(2,023)</b>

# VERDE AGRITECH LIMITED

## STATEMENT OF CASH FLOWS

For the Quarter Ended 31 March 2026

All amounts expressed in Canadian Dollars.

Cash flows from operating activities	3 months ended 31 Mar 2026	3 months ended 31 Mar 2025
	\$'000	\$'000
Loss before tax	(3,728)	(3,777)
Depreciation	821	806
Depletion of mineral property	2	1
Loss from disposal of property, plant and equipment	15	400
Loss from disposal of Right-of-use assets	-	35
Foreign exchange differences	394	708
Share-based payments	68	161
Derivative financial instruments	-	3
Deferred taxes	-	-
Expected credit losses on trade receivable	25	524
Finance costs	1,510	1,438
<b>Operating cash flows before changes in working capital</b>	<b>(893)</b>	<b>299</b>
Decrease / (Increase) in inventories	(185)	(126)
Increase in receivables	82	(1,759)
Decrease in payables	554	870
<b>Cash utilised in operations</b>	<b>451</b>	<b>(1,015)</b>
Interest paid	(81)	(165)
Taxation paid	(4)	(4)
<b>Net cash utilised in operating activities</b>	<b>(527)</b>	<b>(885)</b>
<b>Cash flows from investing activities</b>		
Acquisition of mineral property assets	(3)	(3)
Acquisition of property, plant and equipment	(209)	(65)
<b>Net cash utilised in investing activities</b>	<b>(212)</b>	<b>(68)</b>
<b>Cash flows from financing activities</b>		
Bank loans payments (principal)	(29)	-
Lease liabilities payments	-	(43)
Proceeds from issue of shares	4,052	-
<b>Net cash (utilised in) / generated in financing activities</b>	<b>4,023</b>	<b>(43)</b>
Net increase in cash and cash equivalents	3,284	(996)
Cash and cash equivalents at beginning of period	2,985	3,476
Effect of exchange rate fluctuations on cash held	116	-
<b>Cash and cash equivalents at end of period</b>	<b>6,385</b>	<b>2,480</b>

# VERDE AGRITECH LIMITED

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

**As at 31 March 2026**

All amounts expressed in Canadian Dollars.

Assets	Note	31 March 2026 (\$'000)	31 Dec 2025 (\$'000)
Property, plant and equipment	5	41,572	39,445
Mineral properties	6	19,267	18,374
Other assets	7	424	396
Deferred tax asset		2,777	2,595
<b>Total non-current assets</b>		<b>64,040</b>	<b>60,810</b>
Inventory		1,561	1,376
Trade and other receivables		5,176	5,311
Cash and cash equivalents	13	6,385	2,985
<b>Total current assets</b>		<b>13,122</b>	<b>9,672</b>
<b>Total assets</b>		<b>77,162</b>	<b>70,482</b>
<b>Equity attributable to the equity holders of the parent</b>			
Issued capital	9	21,342	20,664
Capital contribution		49,862	49,862
Warrants reserve	10	3,374	-
Merger reserve		(4,557)	(4,557)
Translation reserve		(13,960)	(14,924)
Accumulated losses		(33,923)	(30,262)
<b>Total equity</b>		<b>22,138</b>	<b>20,783</b>
<b>Liabilities</b>			
Interest-bearing loans and borrowings	12	46,037	41,997
Provisions		137	128
<b>Total non-current liabilities</b>		<b>46,174</b>	<b>42,125</b>
Trade and other payables		2,663	2,148
Interest-bearing loans and borrowings	12	6,181	5,421
Other financial liabilities	8	6	5
<b>Total current liabilities</b>		<b>8,850</b>	<b>7,574</b>
<b>Total liabilities</b>		<b>55,024</b>	<b>49,699</b>
<b>Total equity and liabilities</b>		<b>77,162</b>	<b>70,482</b>

# VERDE AGRITECH LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

All amounts expressed in Canadian Dollars.

	Share capital (\$'000)	Capital contribution (\$'000)	Warrants reserve (\$'000)	Merger reserve (\$'000)	Translation reserve (\$'000)	Accumulated losses (\$'000)	Total (\$'000)
<b>Balance at 1 January 2025</b>	<b>20,652</b>	<b>49,862</b>	<b>-</b>	<b>(4,557)</b>	<b>(16,750)</b>	<b>(18,872)</b>	<b>30,335</b>
<b>Comprehensive profit/(loss)</b>							
Loss for the period	-	-	-	-	-	(3,781)	(3,781)
Foreign exchange translation differences	-	-	-	-	1,758	-	1,758
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,758</b>	<b>(3,781)</b>	<b>(2,023)</b>
<b>Transactions with owners</b>							
Issue of share capital	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	161	161
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>161</b>	<b>161</b>
<b>Balance at 31 March 2025</b>	<b>20,652</b>	<b>49,862</b>	<b>-</b>	<b>(4,557)</b>	<b>(14,992)</b>	<b>(22,492)</b>	<b>28,473</b>
<b>Comprehensive profit/(loss)</b>							
Loss for the period	-	-	-	-	-	(7,889)	(7,889)
Foreign exchange translation differences	-	-	-	-	68	-	68
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>68</b>	<b>(7,889)</b>	<b>(7,821)</b>
<b>Transactions with owners</b>							
Issue of share capital	12	-	-	-	-	-	12
Share-based payments	-	-	-	-	-	119	119
<b>Total transactions with owners</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>119</b>	<b>131</b>
<b>Balance at 31 December 2025</b>	<b>20,664</b>	<b>49,862</b>	<b>-</b>	<b>(4,557)</b>	<b>(14,924)</b>	<b>(30,262)</b>	<b>20,783</b>
<b>Balance at 1 January 2026</b>	<b>20,664</b>	<b>49,862</b>	<b>-</b>	<b>(4,557)</b>	<b>(14,924)</b>	<b>(30,262)</b>	<b>20,783</b>
<b>Comprehensive profit/(loss)</b>							
Loss for the period	-	-	-	-	-	(3,729)	(3,729)
Foreign exchange translation differences	-	-	-	-	964	-	964
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>964</b>	<b>(3,729)</b>	<b>(2,765)</b>
<b>Transactions with owners</b>							
Issue of share capital	678	-	3,374	-	-	-	4,052
Share-based payments	-	-	-	-	-	68	68
<b>Total transactions with owners</b>	<b>678</b>	<b>-</b>	<b>3,374</b>	<b>-</b>	<b>-</b>	<b>68</b>	<b>4,120</b>
<b>Balance at 31 March 2026</b>	<b>21,342</b>	<b>49,862</b>	<b>3,374</b>	<b>(4,557)</b>	<b>(13,960)</b>	<b>(33,923)</b>	<b>22,138</b>

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# VERDE AGRITECH LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS

### 1. Corporate information

The consolidated financial statements of Verde Agritech Limited and its subsidiaries (together referred to as the 'Group') for the quarter ended 31 March 2026 were authorised for issue on 12 May 2026, in accordance with a resolution of the directors. Verde Agritech Limited (the parent) is a limited company incorporated and domiciled in Singapore and whose shares are publicly traded on the Toronto Stock Exchange ("TSX") under the symbol "NPK", and on the OTC Markets ("OTCQX") under the symbol "VNPKE". The registered office is located 16 Collyer Quay # 17 – 00, Collyer Quay Centre, Singapore, 049318.

The principal activity of the Group is mineral extraction and production and sale of fertilizer.

### 2. Material accounting policies

#### 2.1 Basis of preparation

The accounting policies and methods of computation used in the preparation of the unaudited consolidated financial information are the same as those described in the Group's audited consolidated financial statements and notes thereto for the year ended 31 December 2025. The annual financial statements are prepared in accordance with international accounting standards and with IFRSs as promulgated by the International Accounting Standards Board ("IASB") and their interpretations issued by the IFRIC.

In the opinion of management, the accompanying interim financial information includes all adjustments considered necessary for fair and consistent presentation of financial statements. These interim consolidated financial statements should be read in conjunction with the Group's audited financial statements and notes for the year ended 31 December 2025.

The statutory accounts for the year ended 31 December 2025 have been filed with SEDAR+. The auditors' report on these accounts was unqualified.

The consolidated financial statements have been prepared on a historical cost basis and are presented in Canadian Dollars ("CAD") rounded to the nearest thousand (\$'000), except when otherwise indicated.

#### Going concern basis of preparation

For the period ended 31 March 2026, the Group reported operating revenue of \$1,677, a net loss of (\$3,729) and net cash flows from operating activities of (\$527). Moreover, the Group presented a working capital surplus of \$4,272.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

When assessing the going concern basis of preparation, the Directors have assessed the experience and saleability of the products, along with forward orders taken and expected cash generation and reserves.

# VERDE AGRITECH LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS

### 2. Material accounting policies (continued)

#### 2.1 Basis of preparation (continued)

The Directors believe that the assumptions used to estimate the Group's results are reasonable, but any changes in the macroeconomic scenario may have adverse impacts on the Group's ability to continue as a going concern. In the event that the Group's cash generation, together with its current cash reserves, is not sufficient to fulfil its cash obligations and requirements, the Directors will seek in advance other forms of capital inflow, which may include debt restructuring.

In conclusion, based on the Group's current cash balance, and Group's expectation regarding cash generation, working capital and current debt requirements, the Directors have a reasonable expectation that the Group will maintain the continuity of its activities for at least the next 12 months.

### 3. Operating segments

The Group's operations relate to the mining of mineral deposits and sale of multi-nutrient potassium specialty fertilizer marketed in Brazil with support provided from Singapore and as such, the Group has only one operating segment.

### 4. Loss per share

#### Basic loss per share

The calculation of basic loss per share at 31 March 2026 was based on the loss attributable to ordinary shareholders of -\$3,729 (31 March 2025: -\$3,781) and a weighted average number of Ordinary Shares outstanding during the period ended 31 March 2026 of 56,443,724 (31 March 2025: 52,669,723) calculated as follows:

#### Loss attributable to ordinary shareholders

	3 months ended 31 Mar 2026	3 months ended 31 Mar 2025
Loss for the period (\$'000)	(3,729)	(3,781)
Loss attributable to ordinary shareholders (\$'000)	(3,729)	(3,781)

#### Weighted average number of ordinary shares

	3 months ended 31 Mar 2026	3 months ended 31 Mar 2025
Weighted average number of ordinary shares outstanding – basic ('000)	56,444	52,670
Dilutive Stock options	-	-
Weighted average number of ordinary shares outstanding – dilutive ('000)	56,444	52,670
Basic (loss) / earnings per share	(0.066)	(0.072)
Diluted (loss) / earnings per share	(0.066)	(0.072)

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## VERDE AGRITECH LIMITED

### NOTES TO THE GROUP FINANCIAL STATEMENTS

#### 4. Loss per share (continued)

The determination of the weighted average number of ordinary shares outstanding for the calculation of diluted earnings per share does not include the following effect of stock options which were anti-dilutive to earnings per share. For the period ended 31 March 2026, as a result of the loss for the period the stock options are deemed anti-dilutive.

	3 months ended 31 Mar 2026	3 months ended 31 Mar 2025
Anti-dilutive Stock options	4,823	5,009

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# VERDE AGRITECH LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS

### 5. Property, plant and equipment

(\$'000)	Land and buildings	Plant and equipment	Computer equipment	Furniture and fixtures	Other assets	Total
<b>Cost</b>						
Balance at 1 January 2025	17,789	27,399	722	129	850	46,889
Additions	10	68	12	-	168	258
Disposals	-	-	(13)	-	(446)	(459)
Transfers	-	-	-	-	-	-
Effect of movements in foreign exchange	1,338	2,060	51	10	52	3,511
Balance at 31 December 2025	19,137	29,527	772	139	624	50,199
Balance at 1 January 2026	19,137	29,527	772	139	624	50,199
Additions	7	(14)	-	-	216	209
Disposals	-	(75)	(1)	-	-	(76)
Effect of movements in foreign exchange	1,347	2,074	54	10	46	3,531
<b>Balance at 31 March 2026</b>	<b>20,491</b>	<b>31,512</b>	<b>825</b>	<b>149</b>	<b>886</b>	<b>53,863</b>

<b>Depreciation and impairment losses</b>						
Balance at 1 January 2025	1,307	5,233	422	62	-	7,024
Depreciation charge for the period	545	2,508	147	11	-	3,211
Transfers	-	-	-	-	-	-
Depreciation on disposals	-	-	(12)	-	-	(12)
Effect of movements in foreign exchange	99	397	31	4	-	531
Balance at 31 December 2025	<b>1,951</b>	<b>8,138</b>	<b>588</b>	<b>77</b>	<b>-</b>	<b>10,754</b>
Balance at 1 January 2026	<b>1,951</b>	<b>8,138</b>	<b>588</b>	<b>77</b>	<b>-</b>	<b>10,754</b>
Depreciation charge for the period	142	640	36	3	-	821
Depreciation on disposals	-	(61)	-	-	-	(61)
Effect of movements in foreign exchange	140	588	43	6	-	777
<b>Balance at 31 March 2026</b>	<b>2,233</b>	<b>9,305</b>	<b>667</b>	<b>86</b>	<b>-</b>	<b>12,291</b>

<b>Carrying amounts</b>						
At 1 January 2025	16,482	22,166	300	67	850	39,865
<b>At 31 December 2025</b>	<b>17,186</b>	<b>21,389</b>	<b>184</b>	<b>62</b>	<b>624</b>	<b>39,445</b>
At 1 January 2026	<b>17,186</b>	<b>21,389</b>	<b>184</b>	<b>62</b>	<b>624</b>	<b>39,445</b>
<b>At 31 March 2026</b>	<b>18,258</b>	<b>22,207</b>	<b>158</b>	<b>63</b>	<b>886</b>	<b>41,572</b>

## VERDE AGRITECH LIMITED

### NOTES TO THE GROUP FINANCIAL STATEMENTS

#### 6. Mineral properties

Cost	Total (\$'000)
Balance at 1 January 2025	17,928
Additions	211
Mine closure provision	6
Effect of movements in foreign exchange	918
Balance at 31 December 2025	<b>19,063</b>
Balance at 1 January 2026	19,063
Additions	3
Effect of movements in foreign exchange	940
<b>Balance at 31 March 2026</b>	<b>20,006</b>
Amortization	
Balance at 1 January 2025	638
Amortisation charge for the year	6
Effect of movements in foreign exchange	45
Balance at 31 December 2025	<b>689</b>
Balance at 1 January 2026	689
Amortisation charge for the period	2
Effect of movements in foreign exchange	48
<b>Balance at 31 March 2026</b>	<b>739</b>
Carrying amounts	
At 1 January 2025	17,290
<b>At 31 December 2025</b>	<b>18,374</b>
At 1 January 2026	<b>18,374</b>
<b>At 31 March 2026</b>	<b>19,267</b>

# VERDE AGRITECH LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS

### 7. Other assets

(\$'000)	3 months ended 31 Mar 2026	31 Dec 2025
Receivables	424	396
<b>Total</b>	<b>424</b>	<b>396</b>

Long-term receivables is mostly comprised of judicial deposits.

### 8. Other financial assets and liabilities

(\$'000)	3 months ended 31 Mar 2026	31 Dec 2025
Derivative - Swap contracts	6	5
<b>Total</b>	<b>6</b>	<b>5</b>

### 9. Share capital

Issued - Ordinary Shares	31 Mar 2026		31 Dec 2025	
	Number	\$'000	Number	\$'000
At 1 January	52,693,724	20,664	52,669,724	20,652
Issuance of ordinary shares	3,750,000	678	24,000	12
<b>At end of period</b>	<b>56,443,724</b>	<b>21,342</b>	<b>52,693,724</b>	<b>20,664</b>

During the period, the Company completed a brokered private placement through the issuance of 3,750,000 units at C\$1.20 per unit, for gross proceeds of C\$4,500. Transaction costs directly attributable to the offering, including agent commissions, legal fees and related filing costs, amounted to C\$448. Accordingly, net proceeds of C\$4,052 were recognized in issued capital.

### 10. Share warrants

	31 Mar 2026		31 Dec 2025	
	Number	\$'000	Number	\$'000
At 1 January	-	-	-	-
Issuance of ordinary shares	3,862,500	3,374	-	-
<b>At end of period</b>	<b>3,862,500</b>	<b>3,374</b>	-	-

3,750,000 Ordinary Share purchase warrants were issued on 12 March 2026 in connection with the Placement, together with 112,500 broker warrants issued to the Agent, for a total of 3,862,500 warrants. Each warrant is exercisable to purchase one Ordinary Share at an exercise price of \$1.65 for a period of 30 months following the closing date of the Offering, expiring on 12 September 2028. The warrants are unlisted. The fair value of the share purchase warrants at the date of issuance was estimated at \$0.87 per warrant using the Black-Scholes model, based on assumptions including expected volatility of 140.37%, a risk-free interest rate of 3.12%, no expected dividends, and an expected life of 2.5 years.

The fair value of services received in return for the warrants issued is measured by reference to the fair value of the warrants issued in the absence of information on the fair value of the services provided. The share warrant reserve reflected the value of outstanding share warrants based on the fair value of the share warrants at the time of issue.

## VERDE AGRITECH LIMITED

### NOTES TO THE GROUP FINANCIAL STATEMENTS

#### 11. Share-based payments

No share options were granted during the period; the expense recognized relates to prior grants vesting during the period.

The number and weighted average exercise prices of share options are as follows:

	31 Mar 2026		31 Dec 2025	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding at the beginning of the period	\$1.32	4,857,074	\$1.42	4,923,985
Granted during the period	-	-	\$0.73	300,000
Exercised during the period	-	-	\$0.49	(24,000)
Cancelled/Forfeited during the period	\$0.68	(34,571)	\$1.57	(342,911)
<b>Outstanding at the end of the period</b>	<b>\$1.32</b>	<b>4,822,503</b>	<b>\$1.32</b>	<b>4,857,074</b>
<b>Exercisable at the end of the period</b>	<b>\$0.77</b>	<b>3,853,382</b>	<b>\$0.76</b>	<b>3,825,176</b>

The options outstanding at 31 March 2026 have an exercise price in the range of \$0.40 to \$7.76 (2025: \$0.40 to \$7.76) and a weighted average remaining contractual life of 7.0 years (31 December 2025: 6.7 years).

At 31 March 2026, 3,853,382 of the options had vested (31 December 2025: 3,825,176).

Fair value of share options and assumptions (\$)	31 Mar 2026	31 Dec 2025
Weighted average fair value of options granted during the period	-	\$0.51
Weighted average share price	-	\$0.73
Weighted average exercise price	-	\$0.73
Expected volatility (expressed as weighted average volatility used in the modelling under Black-Scholes model)	-	111%
Option life	-	3
Expected dividends	-	-
Risk-free interest rate (based on national government bonds)	-	2.83%

The expected volatility is based on the historic volatility of the share price (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility due to publicly available information. There are no market conditions associated with the share option grants.

(\$'000)	31 Mar 2026	31 Dec 2025
Total expense recognised as employee costs	68	280

## VERDE AGRITECH LIMITED

### NOTES TO THE GROUP FINANCIAL STATEMENTS

#### 11. Share-based payments (continued)

Details of share options outstanding at 31 March 2026 are as follows:

Number of Options							Exercisable period	
Outstanding at beginning of period	Granted	Forfeited	Exercised	Outstanding at end of period	Exercisable at end of period	Exercise price (\$)	Grant date	Expiry date
131	-	-	-	131	131	\$0.61	24 Sep 2018	24 Sept 2028
35,000	-	-	-	35,000	35,000	\$0.61	24 Sep 2018	24 Sept 2028
124,490	-	-	-	124,490	124,490	\$0.63	01 Mar 2019	01 Mar 2029
167,500	-	-	-	167,500	167,500	\$0.63	01 Mar 2019	01 Mar 2029
10,000	-	-	-	10,000	10,000	\$0.67	1 Sept 2019	1 Sept 2029
10,684	-	-	-	10,684	10,684	\$0.40	25 Mar 2020	25 Mar 2030
11,683	-	-	-	11,683	11,683	\$1.22	5 Mar 2021	5 Mar 2031
750,000	-	-	-	750,000	750,000	\$1.22	5 Mar 2021	5 Mar 2031
6,245	-	(2,571)	-	3,674	1,838	\$1.21	10 May 2021	10 May 2031
7,662	-	-	-	7,662	3,831	\$7.76	16 Mar 2022	16 Mar 2032
3,000	-	-	-	3,000	1,200	\$7.11	5 Nov 2022	5 Nov 2032
80,500	-	(1,500)	-	79,000	15,800	\$2.23	19 May 2023	19 May 2033
98,452	-	-	-	98,452	65,963	\$2.23	19 May 2023	19 May 2033
736,179	-	-	-	736,179	493,240	\$2.32	15 July 2023	15 July 2033
70,000	-	-	-	70,000	21,000	\$1.20	28 Mar 2024	28 Mar 2034
1,900,000	-	-	-	1,900,000	1,900,000	\$1.20	28 Mar 2024	28 Mar 2034
101,548	-	-	-	101,548	67,022	\$0.74	17 May 2024	17 May 2034
419,000	-	(8,000)	-	411,000	83,000	\$0.80	19 June 2024	19 June 2034
100,000	-	-	-	100,000	66,000	\$0.83	27 June 2024	27 June 2034
5,000	-	-	-	5,000	1,000	\$0.71	12 Aug 2024	12 Aug 2034
20,000	-	-	-	20,000	4,000	\$0.63	12 Dec 2024	12 Dec 2034
85,000	-	(22,500)	-	62,500	8,500	\$0.48	13 Aug 2025	13 Aug 2035
115,000	-	-	-	115,000	11,500	\$0.99	19 Nov 2025	19 Nov 2035
<b>4,857,074</b>	<b>-</b>	<b>(34,571)</b>	<b>-</b>	<b>4,822,503</b>	<b>3,853,382</b>			

The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on the Black-Scholes model.

#### 12. Interest-bearing loans and borrowings

(\$'000)	31 Mar 2026	31 Dec 2025
<b>Non-current liabilities (\$'000)</b>		
Bank loans	46,037	41,997
<b>Current liabilities (\$'000)</b>		
Bank loans	6,181	5,421
<b>Total</b>	<b>52,218</b>	<b>47,418</b>

The Group did not receive any loans during the period.

# VERDE AGRITECH LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS

### 12. Interest-bearing loans and borrowings (Continued)

#### Summary of Interest-bearing loans and borrowings

	2026 (C\$'000)	2025 (C\$'000)	Repayable by	Total interest payable*
Working capital <sup>(a)</sup>	48,195	43,803	Sep, 2034	CDI <sup>(1)</sup> +2.0%
Working capital	2,550	2,276	Sep, 2034	TR <sup>(2)</sup>
Fixed asset acquisition <sup>(b)</sup>	466	463	Oct, 2029	CDI <sup>(1)</sup> +2.0%
Fixed asset acquisition <sup>(b)</sup>	1,076	966	Sep, 2034	CDI <sup>(1)</sup> +2.0%
Transaction costs	(69)	(90)	Apr, 2028	-
<b>Total</b>	<b>52,218</b>	<b>47,418</b>		

<sup>1)</sup> - CDI, (from Portuguese “*Certificado de Depósito Interbancário*”) is the average of interbank overnight rates in Brazil. As at 31 March, 2026, the 12 months cumulative rate was 14.79%.

<sup>(2)</sup> - *Taxa Referencial* (TR), currently at around 2.03% per year.

Bank loans are secured as follows:

Indicator <sup>(a)</sup> – Plant / Factory

Indicator<sup>(b)</sup> – Fixed charge over the equipment purchased

Interest-bearing loans and borrowings are denominated in BRL.

Maturity profile of the bank loans are as follows:

	2026			2025		
	Due in less than 1 year	Due in 2-4 years	Due in more than 4 years	Due in less than 1 year	Due in 2-4 years	Due in more than 4 years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Bank Loans	6,181	18,543	27,494	5,421	21,678	20,319

In October 2024, the Company renegotiated its bank debts as part of an out-of-court recovery plan. The agreement includes an 18-month grace period for principal payments and a 6-month grace period for interest payments, effective from the official start date of the agreement. Debt repayments are structured over a 108-month term, commencing after the grace period.

The repayment schedule establishes that the Company will repay 10% of the debt during the first three years following the grace period, 30% between the fourth and sixth years, and the remaining 60% over the final three years. For interest payments, the Company will make fixed monthly payments of R\$100,000 between the sixth and eighteenth months from the start date. After this period, interest rates will be adjusted to CDI + 1.25% for the first three years, increasing to CDI + 2.5% thereafter.

This renegotiation has resulted in a substantial reduction of short-term debt obligations, as reflected in the updated maturity profile. The plan aims to strengthen the Company's cash flow and ensure better financial management throughout the judicial recovery process.

# VERDE AGRITECH LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS

### 13. Financial instruments

The Board of Directors determines, as required, the degree to which it is appropriate to use financial instruments and hedging techniques to mitigate risks. The main risks for which such instruments may be appropriate are foreign exchange risk, interest rate risk and liquidity risk, each of which is discussed below. There is no perceived credit risk as the Group and Company have minimal other financial receivables and bank deposits are made with financial institutions considered to have strong credit ratings.

#### Foreign currency risk

The Group's cash resources are mainly held in Canadian Dollars and Brazilian Real. Exchange rate fluctuations may adversely affect the Group's financial position and results. The Group's financial results are reported in Canadian Dollars and its revenues, costs and finance costs are primarily incurred in Brazilian Real.

The appreciation of Brazilian Real against the Canadian Dollar could increase the actual revenues and operating costs of the Group's operations and materially affect the results presented in the Group's financial statements.

Currency exchange fluctuations may also materially adversely affect the Group's future cash flows from operations, its results of operations, financial condition and prospects. The Group has a general policy of not hedging against foreign currency risks. The Group manages foreign currency risk by regularly reviewing the balances held in currencies other than the functional currency to match expected expenditure in foreign currency.

The Group had the following short-term deposits and cash and cash equivalents in various currencies including its presentational currency. The amounts are stated in Canadian Dollar equivalents:

Currency (\$'000)	31 Mar 2026	31 Dec 2025
Canadian Dollars	4,013	246
Brazilian Reais	2,333	2,701
American Dollars	26	25
British Pounds	-	-
Singaporean Dollars	13	13
<b>Total</b>	<b>6,385</b>	<b>2,985</b>

The Brazilian Reais deposits are held as interbank deposit certificates, with no maturity date and track Brazil's short term interest rate (SELIC), which was 14.75% at March 31, 2026.

Foreign currency risk sensitivity analysis showing a 10% weakening/strengthening of the Brazilian Real against the Canadian Dollar with all other variables held constant is set out below. 10% represents the reasonable possible exposure.

	Equity (\$'000)	
	31 Mar 2026	31 Dec 2025
10% weakening of Brazilian Real	(4,943)	(4,257)
10% strengthening of Brazilian Real	4,044	3,483

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## VERDE AGRITECH LIMITED

### NOTES TO THE GROUP FINANCIAL STATEMENTS

#### 13. Financial instruments (continued)

##### **Liquidity risk**

The Group has relied on revenue generated from the sale of Product, along with shareholder funding and long-term loans to finance its operations. The liquidity risk is significant and is managed by controls over expenditure and cash resources. The Group and Company have borrowings, trade and other payables with a maturity of less than one year with borrowings and a provision greater than one year.

##### **Interest rate risk**

The Group's policy is to retain its surplus funds in the most advantageous term of deposit available up to twelve months' maximum duration.

The group's policy is to make conservative investments, typically linked to the interest rate set by the Brazilian government (SELIC). Variations in this government interest rate can affect financial expenses, as the group's loans are also tied to the same interest rate.

The Group's average current loan rate is 16.75% per annum. As of March 31, 2026, the SELIC target rate was 14.75% per annum, following the Central Bank of Brazil's March 18, 2026 rate reduction. Subsequent to quarter-end, on April 29, 2026, the Central Bank of Brazil reduced the SELIC target rate to 14.50% per annum. The Directors do not consider it reasonably possible that a significant increase in interest rates is expected for the foreseeable future.

##### **Credit risk**

Credit risk arises when a failure by counterparties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. The Group generates revenue from the sale of products. Where credit is extended to customers this results in trade receivables which may be subject to default. This risk is mitigated by credit control procedures.

In addition, the company has a credit risk relating to subsidiary investments. The Company expects loans to subsidiaries to be ultimately repaid from trading cash flows to be generated from its mining activities. Consideration is given at each reporting date as to whether the subsidiaries have sufficient liquid assets to repay the loans if demanded in order to determine the probability of default. The Company measures the lifetime expected credit loss by considering all the different recovery strategies and credit loss scenarios. The recovery strategy considered is a repayment-over-time strategy as net trading cash flows are expected to repay the balances. Likely credit loss scenarios are dependent on the operating capability factors inherent in the successful operation of the mine which include the selling price of the products, future costs and availability of capital, operating costs and tax rates. Sensitivity analysis is performed on the various factors and expected credit losses recognised as appropriate.

##### **Fair values**

In the Directors' opinion there is no material difference between the book value and fair value of any of the Group's financial instruments. The non-current loans and financing bear interest over floating interest rates.

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## VERDE AGRITECH LIMITED

### NOTES TO THE GROUP FINANCIAL STATEMENTS

#### 13. Financial instruments (continued)

##### **Classes of financial instruments**

The classes of financial instruments are the same as the line items included on the face of the statement of financial position and have been analysed in more detail in the notes to the financial statements. The Group's financial assets are measured at amortized cost, and financial liabilities, other than derivative financial instruments, are measured at amortized cost.

#### 14. Subsequent event

Subsequent to March 31, 2026, the Board of Directors approved a liquidity preservation and creditor engagement strategy. As part of this strategy, the Group will suspend scheduled debt-service payments to its financial creditors under the Debt Renegotiation Agreement homologated by the Brazilian civil court and related financing agreements as such payments become due going forward, while the Group engages with creditors regarding revised payment terms that are sustainable under current market conditions.

The Group intends to seek waivers, standstill arrangements, amendments, extensions or other revised terms with such creditors. The suspension of scheduled debt-service payments may result in creditor notices, claims or proceedings under applicable financing and debt renegotiation arrangements. The Group has retained specialized legal and restructuring advisors in Brazil to support the creditor engagement process.