Verde AgriTech Announces Q2 2026 Financial and Operating Results

Belo Horizonte, Brazil and Singapore, August 13, 2026 - Verde AgriTech Ltd (TSX: NPK | OTCQX: VNPKF) ("**Verde**" or the "**Company**") today reported its financial and operating results for the three and six months ended June 30, 2026 ("**Q2 2026**").

"Q2 2026 was marked by greater selectivity in fertilizer purchasing across Brazilian agriculture. The underlying need for crop nutrition remained, but fertilizer affordability, restrictive financing and the expected return on each application increasingly shaped the timing and scope of purchasing decisions. In this environment, our focus is to understand customer priorities more precisely, direct our efforts toward the most relevant opportunities and shorten the path from technical validation to commercial adoption," stated Reberth Machado, Chief Executive Officer of Verde.

"Closer customer engagement is central to that approach. Since becoming CEO, my priority has been to engage directly with Verde's major clients, strategic B2B customers, and well-renowned agronomic advisers across Brazil. We are also seeking a stronger presence at major industry events, particularly in Sugarcane, where I bring extensive operating experience and longstanding relationships, and in composting-related segments, where our products have synergistic fit. These discussions are sharpening how we prioritize accounts, deploy commercial resources, and develop new business, with clear criteria for pricing, credit and resource allocation," Mr. Machado added.

Second Quarter 2026 Financial Highlights

All figures are in Canadian dollars unless otherwise stated.

- Revenue in Q2 2026 was $3.4 million compared with $4.8 million in Q2 2025 and sales volume totaled 46,709 tons in Q2 2026 compared with 80,354 tons in Q2 2025. Excluding product delivery freight revenue, average revenue per ton increased to $40 from $38.
- Unit profitability remained resilient, with average gross profit per ton, excluding product delivery freight revenue, increasing to $23 from $22 in Q2 2025, even in a lower-volume environment.
- Sales and marketing and general and administrative expenses decreased by 10% in Q2 2026 compared with Q2 2025.

- EBITDA before non-cash events was $(1.2) million in Q2 2026 compared with $(0.2) million in Q2 2025.

- Net loss was $(3.6) million in Q2 2026 compared with a net loss of $(2.4) million in Q2 2025.

- As of June 30, 2026, the Company held $4.1 million in cash and $5.7 million in short-term receivables, compared with $2.4 million and $8.2 million, respectively, as of June 30, 2025.

Q2 2026 Sustainability Results

In Q2 2026, products sold by Verde had the potential to capture up to 5,605 tons of CO_2 through Enhanced Rock Weathering, with estimated net carbon removal of 3,937 tons, while also avoiding an estimated 2,336 tons of CO_2e emissions by replacing potassium chloride fertilizers. Since production began in 2018, the combined potential net carbon removal and avoided emissions total approximately 348,790 tons of CO_2. Additionally, 3,698 tons of chloride were prevented from entering soils in Q2 2026, bringing the cumulative total avoided since inception to approximately 198,132 tons.

MAGNES RARE EARTHS AND MINAS AMERICAS HIGHLIGHTS

During Q2 2026, Verde established Magnes Rare Earths as a wholly owned platform dedicated to advancing the Minas Americas Global Alliance project, preserving Verde shareholders' exposure while providing focused technical and capital markets leadership. On June 16, Magnes reported assays from 253 additional drill holes, bringing the total reported to 297. The update included 10.0 metres from surface at 0.97% TREO and reinforced the repetition of shallow mineralization with an NdPr-led magnet rare earth basket and Dy/Tb support[1].

Magnes is integrating the expanded dataset into geological modelling and metallurgical testwork. Subject to technical, financing and regulatory conditions, it is targeting maiden S-K 1300 and NI 43-101 mineral resource estimates before year-end 2026 and a preliminary economic assessment in H1 2027. Magnes also intends to pursue a future U.S. stock exchange listing, subject to applicable approvals and market conditions. The assays are head grades and do not represent recoverable grades, mineral resources, mineral reserves or project economics. Leonardo Deringer Fraga, P.Geo., an independent Qualified Person under NI 43-101, has reviewed and approved the scientific and technical information in this release (EGBC Licence No. 61611).

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[1] Read more at: Magnes Rare Earths Reports 10 m From Surface at 0.97% TREO at Minas Americas Rare Earth Project.

Brazil's rare earth policy backdrop also became more constructive. In June, the Ministry of Mines and Energy published a study supporting the preparation of a National Rare Earths Strategy.[2] In July, the Ministry approved the National Mining Plan 2050 through Portaria MME No. 924/2026.[3] The Chamber of Deputies also approved Bill 2,780/2024, which would establish a national policy for critical and strategic minerals, and sent it to the Federal Senate for consideration.[4]

FERTILIZER MARKET CONDITIONS

Brazil's agricultural input market remained under significant financial pressure in Q2 2026. The principal constraint was access to credit and working capital, which led growers, distributors and cooperatives to preserve cash, reduce commitments, and defer fertilizer purchases.

The Central Bank of Brazil reduced the Selic rate to 14.25% in June and further to 14.00% after quarter-end in August. Financing costs nevertheless remained elevated throughout Q2, and the easing implemented during the quarter had not yet translated into a broad improvement in credit availability by quarter-end.[5]

Sector credit quality also deteriorated. At the end of June 2026, a record 1,263 Brazilian agricultural businesses were in judicial reorganization, 66% more than at the end of June 2025. This increase reflected persistent financial stress across the sector, as growers, distributors and other participants across the agricultural value chain continued to face constrained liquidity, high financing costs and weaker cash generation.[6]

The pressure was visible in the 2026/27 fertilizer buying cycle. By late May, Brazilian soybean growers had secured approximately 50% of expected fertilizer requirements, compared with more than 60% historically.[7] Customers shortened buying windows and, in some cases, reducing purchases, limiting visibility over the timing and conversion of demand.

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[2] Source: Brazilian Ministry of Mines and Energy (MME), "Final Report - Support for the Preparation of the National Rare Earths Strategy" (June 9, 2026).
[3] Sources: Brazilian Ministry of Mines and Energy (MME), "Brazil Establishes a State Strategy to Transform Mineral Wealth into Sustainable Development While Strengthening National Sovereignty Through 2050" (July 2, 2026), and "MME Ordinance No. 924 of July 2, 2026 - Approval of the National Mining Plan 2050" (published in the Federal Official Gazette on July 7, 2026).
[4] Source: Federal Senate of Brazil, "Bill No. 2,780/2024 - National Policy for Critical and Strategic Minerals" (legislative record). As of July 29, 2026, the bill remained under Senate consideration; Urgency Request No. 506/2026 had been received on July 6, 2026.
[5] Sources: Central Bank of Brazil, "Minutes of the Meeting of the Monetary Policy Committee - Copom, 279th Meeting, June 16-17, 2026" and, "Minutes of the Meeting of the Monetary Policy Committee - Copom, 280th Meeting, August 04-05, 2026"
[6] Source: Poder360, "Agribusiness Judicial Reorganizations Reach Record High, Up 66% in One Year" (August 4, 2026), based on the RGF-Bizdoc Monitor.
[7] Source: Reuters, "Soaring fertilizer prices dim Brazilian farmers' edge over U.S. rivals" (June 8, 2026).

The 2026 election year added a further planning variable. As the October presidential election approached, uncertainty over the post-election fiscal and interest-rate outlook remained in focus, while El Niño forecasts increased the risk of regional changes in planting and nutrient-application windows.[8] Together, restricted credit, elevated sector insolvencies and political and climate uncertainty kept commercial conditions difficult throughout the quarter. For Verde, these conditions required continued discipline in credit approval, pricing and account selection.

[8] Sources: Reuters, "Brazil's economy forecast to grow moderately after October presidential vote" (July 13, 2026), and NOAA Climate Prediction Center, "ENSO Diagnostic Discussion" (July 9, 2026).

Q2 2026 FINANCIAL RESULTS

The following table provides information about the three and six months ended June 30, 2026, compared with the three and six months ended June 30, 2025.

All amounts in CAD $'000, except per-ton data and percentages	3 months ended June 30, 2026	3 months ended June 30, 2025	6 months ended June 30, 2026	6 months ended June 30, 2025
Tons sold ('000)	47	80	74	128
Average revenue per ton sold $	73	60	69	60
Average production cost per ton sold $	(17)	(16)	(20)	(16)
Average gross profit per ton sold $	56	44	49	44
Average gross margin	77%	73%	71%	73%
Revenue	3,425	4,800	5,102	7,652
Production costs	(816)	(1,316)	(1,458)	(2,073)
Gross Profit	**2,609**	**3,484**	**3,644**	**5,579**
Gross Margin	**77%**	**73%**	**71%**	**73%**
Sales and marketing expenses	(751)	(891)	(1,478)	(1,742)
Product delivery freight expenses	(1,559)	(1,733)	(2,184)	(2,848)
General and administrative expenses	(1,003)	(1,048)	(2,036)	(2,098)
Allowance for expected credit losses	(518)	6	(542)	(507)
EBITDA (1)	**(1,222)**	**(182)**	**(2,596)**	**(1,616)**
Share-Based, Equity and Bonus Payments (Non-Cash Event) (2)	(34)	(72)	(102)	(233)
Depreciation and Amortization (3)	(862)	(772)	(1,684)	(1,546)
Operating (Loss) / Profit after non-cash events	**(2,118)**	**(1,026)**	**(4,382)**	**(3,395)**
Interest Income/Expense	(1,514)	(1,394)	(2,978)	(2,802)
Net (Loss) / Profit before tax	**(3,632)**	**(2,420)**	**(7,360)**	**(6,197)**
Income tax	(5)	(6)	(6)	(10)
Net (Loss) / Profit	**(3,637)**	**(2,426)**	**(7,366)**	**(6,207)**

(1) Non-GAAP measure. EBITDA before non-cash events is calculated as operating loss before depreciation, amortization and non-cash events. Refer to the section entitled "Non-GAAP and Other Financial Measures" below.
(2) Included within General and Administrative expenses in the financial statements.
(3) Included within General and Administrative expenses and Cost of Sales in the financial statements.

Sales Performance

Revenue for Q2 2026 was $3.4 million compared with $4.8 million in Q2 2025. The decline reflected lower volume as customers shortened buying windows and, in some cases, reassessed planting expansion and planned nutrient applications in response to tighter liquidity and weaker crop economics. Verde continued to apply selective credit criteria, particularly for specialty fertilizer sales that include third-party raw materials and did not extend higher-risk terms without adequate compensation.

Looking beyond the current buying cycle, tighter global grain balances could provide a more constructive backdrop for grower economics. Reuters reported that global wheat and corn output for 2026/27 is projected to fall short of consumption, reducing the supply cushion.[9] If this supports firmer crop prices and stronger grower cash generation, management believes fertilizer purchasing capacity and Verde's order conversion could begin to improve during H1 2027[10].

Gross profit

Gross profit was $2.6 million in Q2 2026 compared with $3.5 million in Q2 2025, reflected by lower sales volume. Excluding product delivery freight revenue, average revenue per ton was $40 compared with $38, while average production cost per ton was $17 compared with $16. Despite the lower sales volume and the fixed nature of a significant portion of production costs, the Company maintained unit profitability broadly in line with the prior year, with average gross profit per ton of $23 compared with $22 and gross margin of 57% compared with 58%.

Sales, general and administrative expenses

Sales, general and administrative expenses decreased by 10% to $1.75 million in Q2 2026, compared with $1.94 million in Q2 2025. These reductions are related to supplier contract reviews, contract renegotiations, workforce reductions, and tighter discretionary-spend controls, showing that proactive actions were taken, given the current market conditions.

Allowance for expected credit losses

The Company recognized an expected credit loss expense of $0.5 million in Q2 2026, compared with a nominal recovery in Q2 2025. The charge primarily related to trade receivables from a customer that entered judicial reorganization in Brazil during the quarter.

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[9] Source: Reuters - "Big Grain Crops Mask Shrinking Margin for Error" (July 16, 2026). Available at: Reuters article

[10] The timing and extent of any improvement remain uncertain and would depend on a sustained improvement in grower economics.

Financial Results and Profitability

EBITDA before non-cash events for Q2 2026 was $(1.2) million compared with $(0.2) million in Q2 2025. Lower gross profit and the expected credit loss charge were partly offset by lower sales and marketing, freight and administrative expenses.

Net loss for Q2 2026 was $(3.6) million compared with $(2.4) million in Q2 2025. Net finance expense was $(1.5) million compared with $(1.4) million, reflecting the continued effect of elevated interest rates.

Basic and diluted loss per share was $(0.064) in Q2 2026 compared with $(0.046) in Q2 2025.

Liquidity, Debt and Working Capital

As of June 30, 2026, the Company held $4.1 million in cash and $5.7 million in short-term receivables. Total loan balance was $55.1 million, of which $6.8 million was due within 12 months and $48.3 million was due thereafter, with an average interest rate of 16.25% per annum.

The Company ended Q2 2026 with working capital of $1.7 million. Current liabilities were $10.0 million compared with $3.5 million as of June 30, 2025, primarily reflecting the reclassification of borrowings into current liabilities as repayments became due. The applicable repayment terms are under renegotiation.

Q2 2026 FINANCIAL RESULTS CONFERENCE CALL

The Company will host a conference call to discuss Q2 2026 results and provide an update. Subscribe using the link below and receive the conference details by email.

Date:	Friday, August 14, 2026
Time:	08:00 a.m. Eastern Time
Link:	Q2 2026 Earnings Webinar

The Company's financial statements and related notes for the period ended June 30, 2026, are available to the public on SEDAR+ at www.sedarplus.ca and the Company's website at www.investor.verde.ag/.

ABOUT VERDE AGRITECH

Verde AgriTech is a Brazil-focused specialty fertilizer company listed on the TSX and OTCQX. Through its wholly owned subsidiary Magnes Rare Earths, the Company also retains exposure to the Minas Americas Global Alliance rare earth project in Minas Gerais, Brazil. 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/.

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Non-GAAP and Other Financial Measures

Earnings before interest, taxes, depreciation and amortization ("EBITDA") is not a generally accepted measure of financial performance under IFRS. Management of the Company utilizes EBITDA as a financial performance measure to assess profitability and return on equity in its decision-making. In addition, the Company, its lenders and investors use EBITDA to measure performance and value for various purposes. Investors are cautioned, however, that EBITDA should not be construed as an alternative to net loss attributable to common shareholders determined in accordance with IFRS as an indicator of the Company's performance.

The Company's method of calculating EBITDA may differ from other companies and, accordingly, they may not be comparable to similarly named measures used by other companies. A quantitative reconciliation of EBITDA is included below.

Adjusted EBITDA Reconciliation	3 months ended June 30, 2026	3 months ended June 30, 2025	6 months ended June 30, 2026	6 months ended June 30, 2025
Net loss	(3,637)	(2,426)	(7,366)	(6,207)
Add (Deduct):				
Interest Income/Expense	1,514	1,394	2,978	2,802
Income tax	5	6	6	10
Share-Based, Equity and Bonus Payments (Non-Cash Event)	34	72	102	233
Depreciation and Amortization	862	772	1,684	1,546
Adjusted EBITDA	**(1,222)**	**(182)**	**(2,596)**	**(1,616)**

(1) Refer to "Non-GAAP and Other Financial Measures" section of MD&A for discussion of non-IFRS measures used in this table.

Cautionary Language Regarding Forward-Looking Statements and Other Advisories

Forward-Looking Information and Forward-Looking Statements

This news release contains "forward-looking information" within the meaning of applicable Canadian securities laws and "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 (collectively, "forward-looking statements"). Forward-looking statements are made as of the date of this news release and relate to future events or performance. Often, but not always, forward-looking statements can be identified by words such as "expects," "anticipates," "plans," "projects," "estimates," "envisages," "assumes," "intends," "strategy," "goals," "objectives," or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results “may,” “could,” “would,” “might,” or “will” be taken, occur or be achieved.

Forward-looking statements in this news release include, without limitation, statements regarding: (i) the potential amount and timing of carbon removal and avoided emissions associated with Verde’s products; (ii) the customer-led commercial strategy under Reberth Machado, including customer engagement, account prioritization and conversion; (iii) Magnes Rare Earths, continued drilling, geological modelling, metallurgical testwork, the potential timing and publication of S-K 1300 and NI 43-101 mineral resource estimates, a preliminary economic assessment and a possible future U.S. stock exchange listing; (iv) agricultural credit conditions, fertilizer affordability, demand and Verde’s competitive position; and (v) the liquidity-preservation and creditor-engagement strategy, including payment suspensions and efforts to obtain waivers, standstill arrangements, amendments, extensions or other revised terms.

These forward-looking statements are based on management’s current expectations, estimates and assumptions as of the date hereof, including, without limitation: customer demand and purchasing behavior; the availability and cost of agricultural credit; the effectiveness of commercial initiatives; the presence and continuity of mineralization; the representativeness of assay results; the availability of equipment, laboratories, personnel and financing; metallurgical performance; receipt of required corporate, regulatory, exchange and shareholder approvals; foreign exchange rates; realized selling prices; market adoption of Verde’s products; and the Company’s ability to negotiate sustainable terms with creditors.

Forward-looking statements are inherently subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied. These include, without limitation: agricultural credit constraints; grower, distributor or cooperative insolvencies; customer concentration and collection risk; failure to execute the customer-led commercial strategy; leadership-transition and key-person risks; lower-than-expected demand, prices, margins or cash conversion; foreign-exchange and interest-rate volatility; debt defaults, creditor notices, claims or proceedings and failure to obtain acceptable revised terms; going-concern and financing risks; exploration, geological, sampling, assay, QA/QC and metallurgical variability; the possibility that exploration will not result in mineral resources or reserves; delays or adverse outcomes in technical studies, permitting, financing or a potential U.S. listing; changes in commodity markets, regulation or tax regimes; operational, infrastructure, environmental, stakeholder and labour risks; and risks affecting carbon-removal methodologies, measurement, verification, certification, permanence and pricing. Additional risk factors are described in the Company’s most recent Annual Information Form and other continuous disclosure filings on SEDAR+. The foregoing list is not exhaustive, and there can be no assurance that forward-looking statements will prove accurate.

Readers are cautioned not to place undue reliance on forward-looking statements. Except as required by applicable law, the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Financial Outlook / Future-Oriented Financial Information

This news release may contain future-oriented financial information or financial outlooks (“FOFI”) within the meaning of applicable securities laws, including expectations regarding liquidity preservation, commercial execution and future operating performance. Such FOFI is provided to describe management’s current expectations and may not be appropriate for other purposes. It is based on the assumptions and subject to the risks described above, and actual results may vary materially. This release does not provide rare earth production guidance, recovery guidance, project economics or a development decision.

Currency, Units and Trademarks

Unless otherwise stated, all figures are in Canadian dollars (C$). Tonnages are metric tons.

Third Party Sources

This news release contains information concerning the Company’s industry and the markets in which it operates, which is based on information from independent third-party sources. Although management of the Company believes these sources to be generally reliable, market and industry data is inherently imprecise, subject to interpretation and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process, and other limitations and uncertainties inherent in any statistical survey or data collection process. Management of the Company has not independently verified any third-party information contained herein.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS[11]

For the three and six months ended 30 June 2026
All amounts expressed in Canadian dollars.

	3 Months ended 30 June 2026 $'000	3 Months ended 30 June 2025 $'000	6 Months ended 30 June 2026 $'000	6 Months ended 30 June 2025 $'000
Revenue	**3,425**	**4,800**	**5,102**	**7,652**
Cost of sales	**(1,638)**	**(2,049)**	**(3,063)**	**(3,541)**
Gross Profit	1,787	2,751	2,039	4,111
Sales and distribution expenses	**(2,310)**	**(1,714)**	**(3,662)**	**(3,680)**
Administrative expenses	**(1,594)**	**(2,063)**	**(2,758)**	**(3,826)**
Operating (Loss) / Profit	(2,117)	(1,026)	(4,381)	(3,395)
Finance income	**108**	**60**	**187**	**133**
Finance costs	**(1,623)**	**(1,454)**	**(3,166)**	**(2,935)**
Loss before tax from continuing operations	(3,632)	(2,420)	(7,360)	(6,197)
Income tax expense	**(5)**	**(6)**	**(6)**	**(10)**
Loss for the period	(3,637)	(2,426)	(7,366)	(6,207)

Loss per share ($)	3 Months ended 30 June 2026	3 Months ended 30 June 2025	6 Months ended 30 June 2026	6 Months ended 30 June 2025
Basic and diluted loss per share	**(0.064)**	**(0.046)**	**(0.131)**	**(0.118)**

[11] For important notes and disclosures, please refer to the Company's Q2 2026 full consolidated financial statements and accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION[12]

As at 30 June 2026
All amounts expressed in Canadian dollars.

Assets	30 June 2026 ($'000)	31 Dec 2025 ($'000)
Property, plant and equipment	**42,380**	**39,445**
Right-of-use asset	**-**	**-**
Mineral properties	**19,586**	**18,374**
Other assets	**435**	**396**
Deferred tax asset	**2,848**	**2,595**
Total non-current assets	**65,249**	**60,810**
Inventory	**1,839**	**1,376**
Trade and other receivables	**5,699**	**5,311**
Other financial assets	**-**	**-**
Cash and cash equivalents	**4,115**	**2,985**
Total current assets	**11,653**	**9,672**
Total assets	**76,902**	**70,482**
Issued capital	**21,342**	**20,664**
Capital contribution	**49,862**	**49,862**
Warrants reserve	**3,374**	**-**
Merger reserve	**(4,557)**	**(4,557)**
Translation reserve	**(14,015)**	**(14,924)**
Accumulated losses	**(37,526)**	**(30,262)**
Total equity	**18,480**	**20,783**
Interest-bearing loans and borrowings	**48,316**	**41,997**
Lease liabilities	**-**	**-**
Provisions	**139**	**128**
Total non-current liabilities	**48,455**	**42,125**
Trade and other payables	**3,178**	**2,148**
Interest-bearing loans and borrowings	**6,783**	**5,421**
Lease liabilities	**-**	**-**
Other financial liabilities	**6**	**5**
Total current liabilities	**9,967**	**7,574**
Total liabilities	**58,422**	**49,699**
Total equity and liabilities	**76,902**	**70,482**

[12] For important notes and disclosures, please refer to the Company's Q2 2026 full consolidated financial statements and accompanying notes.