Verde AgriTech Announces Cost Reductions and Leadership Transition to Preserve Cash and Support Growth

Belo Horizonte, Brazil and Singapore, November 5, 2026 - Verde AgriTech Ltd (TSX: NPK | OTCQX: VNPKF) ("**Verde**" or the "**Company**") announces a programme targeting approximately R$13 million in cost and expense savings in 2027 compared with the full-year 2026 estimate. The programme aims to preserve cash and protect the Company's capital structure, so existing shareholders remain positioned to benefit from a recovery in demand. Management intends to pursue growth responsibly, applying strict customer credit criteria and seeking to avoid significant additional credit risk.

Verde currently projects that it will end December 2026 with approximately R$8.5 million in cash and R$7.5 million in receivables. If the Brazilian agricultural crisis persists through 2027, management's objective is to end the year with cash and receivables at broadly equivalent levels, without relying on new capital raising. The planned savings, disciplined working capital management and customer collections are intended to support this objective.

Brazil's agricultural sector has faced a sequence of pressures since 2022. The fertilizer-price shock and subsequent movements in commodity and input prices were followed by high financing costs, elevated interest rates and more restrictive credit conditions, affecting growers' cash flow and purchasing decisions. Verde is responding to this prolonged crisis by reducing structural costs and retaining the production platform needed to serve a recovery in demand. The Company's ability to meet its liquidity target will depend on customer collections, operating performance, restructuring and investment costs, and debt-service obligations, including the outcome of discussions with creditors.

LOWER COSTS TO SUPPORT PROFITABLE GROWTH

The proposed 2027 plan reduces spending across sales and marketing, general administration, legal, consulting and audit services, and IT and software by approximately 50.7%, from R$22.7 million in the full-year 2026 estimate to R$11.2 million in 2027. These four categories account for approximately R$11.5 million of the savings target, with a further R$1.5 million expected from plant cost initiatives.

The plan builds on reductions already made to the organization. From December 2026, Verde expects to operate with 68 positions, compared with 169 in January 2026, representing an expected reduction of 101 positions, or approximately 60%. Further adjustments are planned as part of the ongoing reorganization.

The measures include a simpler management structure, consolidation of responsibilities, contract renegotiations, and tighter control of discretionary spending. Greater use of artificial intelligence tools is intended to improve productivity across commercial and administrative activities. The focus is on lowering overhead while retaining the production assets and operating capabilities needed to serve a recovery in demand.

"Our priority is to preserve cash and protect Verde's capital structure while keeping the business positioned for recovery," said Felipe Paolucci, Chief Financial Officer of Verde. "We will pursue growth responsibly, with strict credit criteria, and use the production capacity already in place to improve profitability as demand returns."

EXISTING CAPACITY SUPPORTS RENEWED GROWTH

Verde increased product sales from 119,809 tons in 2019 to 628,000 tons in 2022, representing a compound annual growth rate (CAGR) of 73.7% in sales volume. Management aims to restore a similarly strong pace of volume growth as market conditions improve, while maintaining credit discipline and focusing on customers with strong credit profiles.

The Company has 3.0 million tons of installed annual production capacity. Following a sustained recovery in market conditions, management's objective is to reach full utilization within approximately five years, without capital expenditure to expand installed production capacity.

At full utilization, the potential annual EBITDA is approximately C$86 million, on annual revenue of approximately C$223 million and an EBITDA margin of approximately 38.6%. This scenario illustrates the earnings potential of the installed capacity; it is not a forecast for a specific financial year.

LEADERSHIP TRANSITION AND CONTINUITY

The initiative is accompanied by a leadership transition. Reberth Machado will step down as Chief Executive Officer, and Felipe Paolucci, who has been with Verde for nearly eight years and currently serves as Chief Financial Officer, will assume the role of Chief Executive Officer, effective November 5, 2026.

The Board of Directors extends its sincere thanks to Reberth Machado for his leadership, dedication, and contributions to Verde and its customer relationships. The Board wishes him every success in his future endeavors. The Company also thanks the colleagues whose roles are affected by the reorganization for their service and commitment.

Mr. Paolucci has 25 years of experience in finance and operations at multinational companies, including Unilever, Deloitte, Arysta, now part of UPL, and Verde AgriTech. He has more than 15 years of experience in the agricultural sector and holds an MBA and a bachelor’s degree in management and finance. His tenure as CFO provides continuity in financial management and detailed knowledge of Verde's operations, working capital requirements, and creditor relationships.

As CEO, his immediate priorities will be to implement the cost reductions, manage liquidity, and prepare the commercial and operating organization for renewed growth. As previously announced, Cristiano Veloso, Verde's founder and former Chief Executive Officer, will continue supporting Verde as an external consultant on a non-exclusive basis, advising management, sharing institutional knowledge and supporting continuity in key longstanding stakeholder relationships.

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, visit https://verde.ag/en/home/.

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ILLUSTRATIVE EBITDA

For the full-capacity illustration, EBITDA represents earnings before net finance expense, income tax, depreciation and amortization. EBITDA margin is EBITDA divided by revenue. EBITDA is a non-IFRS financial measure, has no standardized meaning under IFRS and may not be comparable with measures used by other issuers. It should not be considered a substitute for net profit or cash flow.

FORWARD-LOOKING INFORMATION AND FINANCIAL OUTLOOK

This news release contains forward-looking information and financial outlooks concerning the leadership transition, the continuation of Cristiano Veloso's external advisory support, the reorganization, cost savings and productivity improvements, projected December 2026 cash and receivables, the objective of preserving projected year-end 2026 cash and receivables levels at the end of 2027 if the Brazilian agricultural crisis persists, without relying on new capital raising, the pace of future growth, the objective of full utilization within approximately five years after a sustained market recovery, capital expenditure requirements and the illustrative full-capacity revenue, EBITDA and EBITDA margin. These statements reflect management's current expectations and assumptions and are provided to explain the intended effects of the programme and the operating potential of Verde's installed capacity. They may not be appropriate for other purposes.

The outlook assumes timely implementation of the planned measures, customer payments, appropriate control of working capital and capital expenditure, and the Company's ability to address debt service obligations. It also assumes sufficient demand, appropriate pricing, required permits, plant readiness, maintenance and restart expenditure, and working capital. Historical growth rates do not assure future performance, and no calendar date for a market recovery is forecast.

Risks include lower demand or margins, delayed savings, additional restructuring or restart costs, customer defaults or delayed collections, operational disruption, permitting constraints, changes in interest and exchange rates, adverse outcomes in creditor discussions and additional funding requirements. Actual results may differ materially from the illustrative scenario, and achievement of the savings, liquidity and utilization objectives is not assured. Readers should consider the risk factors in the Company's continuous disclosure filings on SEDAR+. Except as required by applicable law, the Company undertakes no obligation to update forward-looking information. Unless otherwise stated, financial figures are in Brazilian reais; C$ denotes Canadian dollars.