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**FOR IMMEDIATE RELEASE**

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**TSX-V:FARM**

## **Deveron Reports \$5.2 Million in Revenue in Q2 2022**

**Toronto, Ontario** - Deveron Corp. (TSX-V: FARM) (“Deveron” or the “Company”), a leading agriculture data company in North America, is pleased to report Q2 2022 year-over-year revenue growth of 183%. Revenue grew to \$5,183,378 in Q2 2022 from \$1,832,078 in Q2 2021, driven by 64% organic growth. In Q2 2022, Deveron recorded one month of revenue from its recently completed transaction with A&L Canada in May 2022.

### *Second Quarter 2022 Financial Highlights*

The Company’s revenue improved over the previous year’s quarter, driven by strong organic growth of our collection, insight, and carbon products, as well as the launch of new features within Farm Dog, the Company’s data platform. Q2 2022 saw the Company begin to bundle its lab testing and collection products for enterprise level clients. Deveron continued to execute on the integration of the agronomy, crop advisor & lab businesses that joined the Company in 2021.

- The Company’s data collection product sales grew 93% year over year to \$1,470,656 from \$762,152 in Q2 2021
- The Company’s data analytics product sales grew 247% year over year to \$3,712,722 from \$1,069,926 in Q2 2021

Operating expenses in Q2 2022 grew to \$7,343,366 from \$2,114,710, reflecting the costs associated with the addition of A&L Canada, totaling \$1,356,921. Additionally, operating expenses grew due to the Company’s investment in digital products, engineering, and the scaling of its sales organization. As a result of these investments, the Company expects to achieve positive Non-IFRS Adjusted EBITDA in the second half of 2022.

“Deveron achieved exceptional triple digit revenue growth in the second quarter,” commented David MacMillan, Deveron’s President and CEO. “In Q2 2022, the Company achieved its highest quarterly revenue to date. This was driven by strong organic growth from our sales and operations groups, growth from businesses that joined Deveron in 2021, as well as one month of

revenue recognized from A&L Canada. We are beginning to see our investments in a technology empowered, vertically integrated soil ecosystem yield higher revenues in typically slower seasons. As we enter our busier season, we feel well positioned to see strong results and positive EBITDA in the second half of the year. “

### *Second Quarter 2022 Operational Highlights*

#### *A&L Canada Laboratories East, Inc.*

On [May 24<sup>th</sup>, 2022](#), the Company announced the completion of its transaction with A&L Canada Laboratories East, Inc., the leading Canadian soil health and plant tissue testing laboratory. Pursuant to the terms of the share purchase agreement, the Company has the option to purchase the remaining 33% of A&L following the three-year anniversary of the closing of the transaction, and an obligation to purchase the remaining 33% following the five-year anniversary.

A&L is the largest soil and tissue laboratory in Canada. Based in London, Ontario, A&L operates a 54,500 square foot laboratory with significant growth capacity and currently employs 140 people, including a large R&D group that has produced patented, crop specific yield and disease solutions. A&L processes over 435,000 soil samples per year. Deveron and A&L have cooperated in Canadian soil testing and analysis since 2019 and jointly own and operate Wood’s End Laboratory in the United States. During the 12-month period ended December 31, 2021, A&L had unaudited revenue of \$26.7 million and EBITDA of \$11.6 million. As of December 31, 2021, A&L had total unaudited assets of \$19.8 million and total unaudited liabilities of \$6.7 million. Following the transaction, on a pro forma 2021 basis, Deveron’s revenue would be \$35.3 million with EBITDA of \$8.3 million.

#### *Product Update*

Since the launch of the carbon services platform in Q3 2021, the Company has continued to see strong growth and engagement with the product. At the end of Q2 2022 Deveron had surpassed 500,000 acres, in the United States, utilizing the Company’s streamlined and scalable digital soil ecosystem for measuring agricultural carbon. The Company has begun to leverage this infrastructure for other data collection products to help create operational efficiencies across all business units.

Q2 2022 also saw the release of the document dashboard function in Farm Dog, Deveron’s data platform. The new feature acts as hub for crop advisors and agronomists to share information with their growers easily and within one platform. This feature is a critical step in the Company’s product road map to make independent agricultural data accessible and useful. Since the launch

of the new feature the Company has seen strong initial engagement, with thousands of documents shared across the Company's growing user base.

*Summary of Financial Results*

Results of Operations	For the three months ended			For the six months ended		
	June 30, 2022	June 30, 2021	% Change	June 30, 2022	June 30, 2021	% Change
Total Revenue	\$5,183,378	1,832,078	183%	\$6,590,339	2,499,804	164%
Gross Profit	3,168,174	1,259,131	152%	3,905,848	1,642,799	138%
Gross Profit Margin %	61%	69%	-8%	59%	66%	-7%
Operating Expenses	7,343,366	2,114,710	247%	11,630,918	3,477,846	234%
Adjusted EBITDA (Loss)*	(2,002,060)	(554,010)	-261%	(4,628,458)	(1,145,384)	-304%
Net Loss	(4,214,092)	(855,579)	-393%	(7,763,970)	(1,835,047)	-323%
Weighted Average Common Shares Outstanding	110,529,358	71,171,406		104,820,853	71,317,926	
<b>Per Share:</b>						
Net Loss	(0.04)	(0.01)		(0.07)	(0.03)	

*\*Non-IFRS measure. Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") should not be construed as alternatives to comprehensive loss or income determined in accordance with IFRS. Adjusted EBITDA does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The Company defines Adjusted EBITDA as IFRS net loss excluding interest expense, depreciation and amortization expense, share-based payments, income tax expense, integration costs, one time acquisition costs, and impairment of goodwill, property, plant, and equipment and right-of-use assets (ROU). The Company believes that Adjusted EBITDA is a meaningful financial metric as it measures cash generated from operations which the Company can use to fund working capital requirements, service future interest and principal debt repayments and fund future growth initiatives*

The Management's Discussion and Analysis for the period and the accompanying financial statements and notes are available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). This news release is not in any way a substitute for reading those financial statements, including the notes to the financial statements.

**About Deveron:** Deveron is an agriculture technology company that uses data and insights to help farmers and large agriculture enterprises increase yields, reduce costs and improve farm outcomes. The company employs a digital process that leverages data collected on farms across North America to drive unbiased interpretation of production decisions, ultimately recommending how to optimize input use. Our team of agronomists and data scientists build products that recommend ways to better manage fertilizer, seed, fungicide, and other farm inputs. Additionally, we have a national network of data technicians that are deployed to collect various types of farm data, from soil to drone, that build a basis of our best-in-class data layers. Our focus is the US and Canada where **1 billion acres of farmland are actively farmed annually.**

For more information and to join our community, please visit [www.deveron.com/investors](http://www.deveron.com/investors) or reach us on Twitter [@Deveron](https://twitter.com/Deveron).

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*This news release includes certain "forward-looking statements" within the meaning of that phrase under Canadian securities laws. Without limitation, statements regarding future plans and objectives of the Company are forward looking statements that involve various degrees of risk. Forward-looking statements reflect management's current views with respect to possible future events and conditions and, by their nature, are based on management's beliefs and assumptions and subject to known and unknown risks and uncertainties, both general and specific to the Company. Although the Company believes the expectations expressed in such forward-looking statements are reasonable, such statements are not guarantees of future performance and actual results or developments may differ materially from those in our forward-looking statements. The following are important factors that could cause the Company's actual results to differ materially from those expressed or implied by such forward looking statements: changes in the world-wide price of agricultural commodities, general market conditions, risks inherent in agriculture, the uncertainty of future profitability and the uncertainty of access to additional capital. Additional information regarding the material factors and*

*assumptions that were applied in making these forward looking statements as well as the various risks and uncertainties we face are described in greater detail in the "Risk Factors" section of our annual and interim Management's Discussion and Analysis of our financial results and other continuous disclosure documents and financial statements we file with the Canadian securities regulatory authorities which are available at [www.sedar.com](http://www.sedar.com). The Company undertakes no obligation to update this forward-looking information except as required by applicable law. The Company relies on litigation protection for forward looking statements.*