

Bee Vectoring Technologies Issues Shareholder Letter and Announces Fiscal Year 2021 Financial Results

Mississauga, Ontario and Sacramento, California--(Newsfile Corp. - January 31, 2022) - **Bee Vectoring Technologies International Inc. (CSE: BEE) (OTCQB: BEVVF) (CVE: BEE) (the "Company" or "BVT")** today released an update letter to shareholders from Chief Executive Officer Ashish Malik announcing financial results for the fourth quarter and fiscal year ended September 30, 2021. The financial statements and MD&A are available on the Company's website at www.beevt.com and on SEDAR at www.sedar.com.

Dear Fellow Shareholders,

I'm pleased to share the results from the 2021 fiscal year-end for BVT, along with commentary on milestones achieved and our outlook for the future.

2021 is the year that BVT cemented its position as a commercial enterprise. There is now proven market demand for BVT's natural precision agriculture system, which includes our bee delivery systems and biological control agent, CR-7. We have a growing base of customers in multiple regions of the US, and momentum in Europe and South America from partners who are interested in licensing BVT's technology for use in these markets.

Some of 2021's accomplishments include:

- 47% growth in revenue in the US on a constant currency basis. 100% retention of customers in the key blueberry market of Georgia. First revenues in [Michigan](#), New Jersey and the [Pacific Northwest](#).
- First commercial activity in California, the largest agriculture market in North America. New [territory manager](#) in place and first successful trials ([almonds](#), [berries](#)) underway following regulatory approval at the beginning of the year.
- [First commercial agreement](#) with a major industry partner. CBC Biogard granted BVT use of its proven biological insecticide through BVT's bee vectoring system. This is our first path to revenue in the EU and validates the business as a platform, not a single-product system.
- [Memorandum of Understanding](#) with BioSafe to explore pairing BioSafe biologicals with BVT's bee delivery systems and using CR-7 for applications outside of bee-vectoring.
- Regulatory approval progress in multiple global markets including the European Union, Mexico, Canada, and Peru, which will be the beachhead for our South American expansion.
- Successful trials of CR-7 for seed treatment of soybeans, a 300-million-acre worldwide crop.
- Growing recognition of leadership in the agriculture industry as shown by the [Bronze Award](#) at the Annual Biocontrol Industry Meeting (ABIM) and the IHS Markit's Crop Science Award for [best precision application technology innovation](#). In addition, many news articles and podcasts covered BVT in 2021.

One of the most significant accomplishments borne through these individual milestones is that over a span of 10 years, BVT has achieved a level of market penetration and platform for growth that has taken many other companies significantly longer and with a considerably higher investment. The typical journey to bring a crop protection product to market is over 11 years at a cost of over \$280 million^[1]. BVT is now

a successful commercial operation in its 10th year, with a \$20M investment. Simply put, BVT has accomplished far more, with far less, than many others.

FINANCIAL HIGHLIGHTS:

The Company has also made strong progress in key financial metrics:

- Revenue of \$400,000 which represents a year-on-year growth of +47% using constant currency (US\$/CAD\$) exchange rates for FY2021 and FY2020. As reported, revenue growth is +38% since the CAD strengthened in 2021 as compared to 2020.
- Gross margins improved from 39% in FY2020 to 42% in FY2021. This improvement was driven by lower cost of production of BVT's *Clonostachys rosea* strain BVT CR-7 and the introduction of the higher margin honeybee solution.
- Cash on hand of \$2.7 million. The strong cash balance allows the Company to continue executing its growth plan as we enter 2022.
- The Company continues to focus on operational efficiency and cash management as evident by a reduction of cash used by operations from \$3.67 million in FY2020 to \$2.85 million in FY2021.

Growth Acceleration Plan

With its market fit now confirmed, BVT is accelerating growth in new markets and opportunities. The hard work and milestones we have achieved are translating into more rapid success. Our strategy for geographic and portfolio expansion includes:

1. Accelerating sales in the US with an expanded sales team and strategic marketing to raise awareness and generate leads.
2. Replicating market penetration success and know-how built from the US in new geographies.
3. Expanding sales of our patented bee vectoring systems to address new crop pest, disease and yield challenges by including existing and approved products from third parties into our portfolio. By providing more solutions to help growers, BVT gains a bigger share of wallet from customers.
4. Exploring sales of CR-7 into new applications such as seed treatment, foliar and soil drench. These areas offer significant increases to the market opportunity for the Company.

Operationally, things have never been stronger for BVT. The solid foundation we have built since inception, the proven commercial fit for our core assets, and the milestones we achieved in the last year will all act as a springboard for future growth.

Looking Ahead

2021 saw Climate Change and ESG (Environmental, Social, and Governance) issues become a much bigger conversation in agriculture and beyond. Some of the largest companies in the world are making commitments to becoming more sustainable and the food ecosystem at large is looking for innovations that drive towards producing more safe and affordable food for society, while having a reduced impact on the planet and its resources. As a business with sustainability at its very core, BVT is proud to be positioned at the centre of this discussion which will fuel our continued growth.

This next phase of the Company's growth is due to the milestones achieved by the dedicated and passionate BVT team. We have worked hard to establish the Company and its technology. While there is still much work ahead, the road is clearer and cleaner. I have worked for some of the largest agriculture companies in the world and based on personal experience I believe that BVT is now well recognized as a disruptive and valuable innovation. I am excited by the progress made to date and the

path we are on.

With the support of our growing investor base around the world, a team that is knowledgeable and passionate, and a customer base that endorses our system and strategy, we are truly excited about the future.

Thank you for your support and we look forward to sharing further updates with you as the business continues to progress.

Sincerely,

"*Ashish Malik*"

Ashish Malik
CEO

[¹] CropLife International, 2016

Readers are encouraged to review the financial statements and MD&A in full; the financial statements and MD&A include trends and risks which are likely to impact the Company and are detailed in the Company's MD&A for the year ended September 30, 2021 under the headings "ACCOUNTING ESTIMATES AND JUDGEMENTS", "FINANCIAL INSTRUMENTS", and "RISKS".

About Bee Vectoring Technologies International Inc

BVT, an agriculture technology company, is a market disruptor with a significant global market opportunity in the \$240 billion crop protection and fertilizer market. BVT has pioneered a natural precision agriculture system that replaces chemical pesticides and wasteful plant protection product spray applications by delivering biological pesticide alternatives to crops using commercially grown bees. BVT's award-winning technology, precision vectoring, is completely harmless to bees and allows minute amounts of naturally-derived pesticides (called biologicals) to be delivered directly to blooms, providing improved crop protection and yield results than traditional chemical pesticides - and improving the health of the soil, the microbiome and the environment. Currently, BVT has over 65 granted patents, over 35 patents pending in all major agricultural countries worldwide, and has US EPA registration of its Vectorite™ with CR-7 (EPA Registration No. 90641-2) for sale as a registered biological fungicide for use on the labeled crops.

Additional information can be viewed at the Company's website www.beevt.com. To receive regular news updates from the Company, subscribe at www.beevt.com/newsletter.

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"should", "potential", "will", "seek", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions as they relate to the Company, "annual revenue potential", are intended to identify forward-looking information. All statements other than statements of historical fact may be forward-looking information. Such statements reflect the Company's current views and intentions with respect to future events, and current information available to the Company, and are subject to certain risks, uncertainties and assumptions, including: planted acres, selling price of competitive chemical pesticides and the US to Canadian dollar exchange rate. Material factors or assumptions were applied in providing forward-looking information. Many factors could cause the actual results, performance or achievements that may be expressed or implied by such forward-looking information to vary from those described herein should one or more of these risks or uncertainties materialize. These factors include changes in law, competition, litigation, the ability to implement business strategies and pursue business opportunities, state of the capital markets, the availability of funds and resources to pursue operations, new technologies, the ability to protect intellectual property rights, the ability to obtain patent protection for products, third-party intellectual property infringement claims, regulatory changes affecting products, failing research and development activities, the ability to reach and sustain profitability, dependence on business and technical experts, the ability to effectively manage business operations and growth, issuance of debt, dilution of existing securities, volatility of publicly traded securities, potential conflicts of interest, unlikelihood of dividend payments, the potential costs stemming from defending third-party intellectual property infringement claims, the ability to secure relationships with manufacturers and purchasers, as well as general economic, market and business conditions, as well as those risk factors discussed or referred to in the Company's Filing Statement dated August 14, 2020, filed with the CSE and securities regulatory authorities in certain provinces of Canada and available at www.sedar.com. Should any factor affect the Company in an unexpected manner, or should assumptions underlying the forward-looking information prove incorrect, the actual results or events may differ materially from the results or events predicted. Any such forward-looking information is expressly qualified in its entirety by this cautionary statement. Moreover, the Company does not assume responsibility for the accuracy or completeness of such forward-looking information. The forward-looking information included in this press release is made as of the date of this press release and the Company undertakes no obligation to publicly update or revise any forward-looking information, other than as required by applicable law. All figures are in Canadian dollars.



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