

# Sprout AI Announces Cease Trade Order Due to Delay of Q4 2021 Interim Financial Filing

Calgary, Alberta--(Newsfile Corp. - April 7, 2022) - Sprout AI Inc. (CSE: BYFM) (OTCQB: BYFMF) ("Sprout AI" or the "Company"), a leading vertical farming technology company, announces that the Company's principal regulator, the British Columbia Securities Commission (the "BCSC") has issued a Cease Trade Order (the "CTO") as of April 6<sup>th</sup>, 2022, as a result of the Company's failure to file its interim financial statements for the 12 months ended November 30, 2021, the related management's discussion and analysis and officer certifications (collectively, the "November 30 Filings"). In addition, the Company filed an amended Notice of Change in Year End in relation to its change in year end from November 30 to February 28.

Management of the Company is currently working expeditiously with the Company's Interim CFO and accounting team to complete the November 30 Filings, which the Company anticipates shall be done shortly. Upon filing of the November 30 Filings, the Company will, if necessary, apply to the BCSC for a revocation of the CTO. Once the CTO is revoked, resumption of trading of the Company's common shares will commence. Further updates will be provided in due course.

A copy of the CTO can be found on the BCSC's website at: <https://www.bsc.bc.ca/enforcement/early-intervention/cease-trade-orders> (<https://www.newsfilecorp.com/redirect/8ArkEsQxgw>).

Management of the Company is currently working with the newly appointed external auditors, Segal LLP to prepare its audited financial statements for its transitional year ended February 28, 2022, which the Company anticipates shall be released on time in line with the June 28<sup>th</sup> due date.

For non-material updates and to learn more about Sprout AI and the vertical farming industry, please follow Sprout AI on:

Twitter: <https://twitter.com/SproutAIS> (<https://www.newsfilecorp.com/redirect/y3gD1cJ5KJ>)

LinkedIn: <https://www.linkedin.com/company/sproutaisolutions> (<https://www.newsfilecorp.com/redirect/1zk4MiGyAL>)

Facebook: <https://www.facebook.com/SproutAIS/> (<https://www.newsfilecorp.com/redirect/ABmpDiQq50>)

Instagram: <https://www.instagram.com/sproutais/> (<https://www.newsfilecorp.com/redirect/Z42JkhYLWe>)

## **About Sprout AI**

Sprout AI is a vertical farming technology company in the business of planning, designing, manufacturing and/or assembling sustainable and scalable AI-controlled vertical cultivation equipment for indoor vertical farming. The adaptive technology produces an environment with improved growing parameters and early detection of adverse conditions, resulting in consistent and repeatable crops with shorter cultivation cycles independent of geographic climates.

The self-contained multilevel rolling rack technology increases the cubic cultivation area while mitigating the risk of outside and cross-contaminants.

For more information about Sprout AI, please visit <https://www.sproutai.solutions> (<https://www.newsfilecorp.com/redirect/aV2LkFEeNn>).

### **Chief Executive Officer**

**Chris Bolton**

Sprout AI Inc.

Phone: +011 (507) 6384-8734

E-mail: [mainweb@sproutai.solutions](mailto:mainweb@sproutai.solutions) (<https://www.newsfilecorp.com/redirect/2J3jMHMRXR>)

### **Investor Relations Contact**

Colleen McKay

Sprout AI Inc.

Tel: + 1 (289) 231-9026

E-mail: [cmckay@sproutai.solutions](mailto:cmckay@sproutai.solutions) (<mailto:cmckay@sproutai.solutions>)

Website: <https://www.sproutai.solutions> (<https://www.newsfilecorp.com/redirect/MZn80hVKrG>)

Address: International Business Park,

Unit 5B, Building 3860

### Forward-Looking Statements

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation, with respect to the Company. The forward-looking information included in this news release is not based on historical facts but rather, on the expectations of the Company's management regarding the future growth of the Company, its results of operations, performance, business prospects and opportunities. This news release uses words such as "will," "expects," "anticipates," "intends," "plans," "believes," "estimates" or similar expressions to identify forward-looking information. Such forward-looking information reflects the current beliefs of the Company's management based on information currently available to them. This forward-looking information includes, among other things, statements relating to: the CTO, completion of the November 30 Filings, revocation of the CTO, resumption of trading of the Company's common shares and preparation of the Company's annual audited financial statements for its transitional year ended February 28, 2022. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements reflect the beliefs, opinions and are based upon a number of assumptions and estimates that, while considered reasonable by the respective parties, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Such factors include without limitation, that the Company has adequate resources to complete the November 30 Filings and its audited financial statements for its transitional year ended February 28, 2022 in the timelines anticipated by the Company, global or national health concerns, including the outbreak of pandemic or contagious diseases, such as COVID-19 and including the evolution of new variants of COVID-19, the duration and effect thereof and delays relating to vaccine development, procurement and distribution; risks relating to the effective management of the Company's growth, liabilities and risks, including environmental liabilities and risks associated with the Company's operations, the Company's ability to attract and retain customers, the competitive nature of the industries in which the Company operates. If any of these risks or uncertainties materialize, or if assumptions underlying the forward-looking statements prove incorrect, actual results might vary materially from those anticipated in the forward-looking statements. Information contained in forward-looking statements in this news release is provided as of the date of this news release, and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information or future events or results, except to the extent required by applicable Canadian securities laws. Accordingly, potential investors should not place undue reliance on forward-looking statements or the information contained in those statements.

All the forward-looking information contained in this news release is expressly qualified by the foregoing cautionary statements.



To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/119777>  
(<https://www.newsfilecorp.com/redirect/bA2oRsPOEg>)