

Sprout AI's Rapid Expansion Continues During Daunting Times

CALGARY, Alberta, Oct. 07, 2021 (GLOBE NEWSWIRE) -- via **InvestorWire - Sprout AI Inc.** ("**Sprout AI**" or the "**Company**") (**CSE: SPRT**) a globally focused company, celebrates a thrilling milestone since the reopening of its Centre of Excellence (COE) in the technology hub of Panama Pacifico. After successfully enduring the mandatory closure during Panama's national COVID-19 quarantine shutdown, today marks the first anniversary of the company as it sets out to reopen its COE. With the strategic support of London and Regional (L&R), Sprout AI has positioned itself as one of the fastest-growing technologically innovative companies within Panama Pacifico. Since its opening, the company has retained 13 full-time resources and is on target to hire an additional 12 in November 2021. Sprout AI remains on track to increase its total number of full-time staff to over 80 individuals by end of Q2 2022.

This rapid growth is in response to a demand to increase production capacity within the COE. Key components of the Sprout AI high-tech indoor vertical grow habitats ("habitats") will be assembled, quality assurance tested and packaged for domestic and international shipment. The increased production of habitats will add to the existing habitats within Panama and for delivery to existing projects in Africa and North America. Accordingly, to further assist with expansion into the Oceania Region and to provide marketing, sales and technical support to Africa and Asia, Sprout AI has incorporated a fully owned subsidiary in Australia (Sprout AI Australia Pty. Ltd.).

As noted by Henry Kardonski, managing director for London & Regional: *"Panama Pacifico has proven itself as a resilient ecosystem for companies to thrive, especially during the COVID-19 Pandemic. One of the many companies that consolidated and strengthened during the Pandemic is Sprout AI. We are pleased to be working with Sprout AI as it ramps up its operations within its Center of Excellence (COE). Sprout AI has established itself to be the fastest-growing tech company within Panama Pacifico, and one of the most noteworthy businesses within Panama. Together with London and Regional we are looking forward to a long-term relationship of solid growth and technological innovation."*

Key benefits that Sprout AI has/will leverage in Panama:

- 1 **Panama is one of the largest logistics centers in the world.** The Panama Canal is carved out through the land center and links the Atlantic and Pacific oceans to create an essential shipping route. Centrally located on the equator, Panama possesses all the necessary logistics operators, international banks, intercountry accountants, and a host of multilingual resources to ensure smooth coordination of shipments from Panama to any global client. The location also boasts easy access for global visitors. Between February 2019 and December 2019, Sprout AI hosted over 600 guests representing federal governments, law enforcement, ministers of health, agriculture, industry, commerce, banking superintendents and project advocates from North and South America, Europe, the Caribbean and Africa.
- 1 **Currency Stability.** Panama's currency is tied to the U.S. dollar, thus sheltering it from large swings in currency volatility. All Sprout AI contracts are issued in U.S. dollars, enabling them to receive and withdraw U.S. funds. As the cost of operations in Panama is lower, by comparison, utilizing U.S. currency also protects their financial margins resulting in consistent product pricing. In 2020 Panama's national debt to the gross domestic product was 63.46%, illustrating a higher level of stability in comparison to Canada (117.84%) or the USA (127.11%). This stability ensures affordable access to essential resources such as highly-skilled, multilingual professionals and laborers for operations and accelerated growth.
- 1 **Sprout AI was accepted into the exclusive Panama Pacifico.** Panama Pacifico is a 58-hectare corporate park of offices and shops for investors and companies encompassing the latest technologies globally. After meeting the strict criteria, Sprout AI was welcomed into the business community that not only supports each member but also encourages collaboration. Being a part of this select community provides Sprout AI with flexibility for the development of special activities as well as grants, taxes, labor and immigration benefits.

Chris Bolton, CEO of Sprout AI, commented: "The challenges presented to any business in 2020 and 2021 were daunting. However, our innate ability to consistently spot opportunities, and realize those opportunities, while adapting to ever changing global, country, political or project risks further enabled Sprout AI to continue to thrive in uncertain times. Being positioned within Panama Pacifico has ensured Sprout AI maintains a distinct competitive advantage over its nearest competitors and provides Sprout AI with a stable base to further realize our dream of global expansion."

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.

About London & Regional

London and Regional is a global business with an investment portfolio of over \$9 billion with offices in London, Ireland and Panama. L&R's Panama Pacifico portfolio consists of a sustainable urban ecosystem for people and businesses to thrive; with 20,000 new residential properties and 40,000 permanent jobs including 170 global companies, which Sprout AI is proud to be a part of.

In collaboration with the Panamanian State, London & Regional is rewriting the history of this city with the development of Panama Pacifico - an unprecedented community that revolutionizes the traditional real estate concept to enable a sustainable environment to unlock human

potential.

For more information about Sprout AI, please visit <https://www.sproutai.solutions>.

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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 intentions, plans and future actions of the Company; statements relating to the business and future activities of the Company; and anticipated developments in operations of the Company. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Forward-looking statements are based on certain assumptions and analyses made by the Company in light of the experience and perception of historical trends, current conditions, and expected future developments and other factors it believes are appropriate and are subject to risks and uncertainties.

Although the Company believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and there can be no assurance that actual results will be consistent with these forward-looking statements. Given these risks, uncertainties and assumptions, prospective investors should not place undue reliance on these forward-looking statements. Whether actual results, performance, or achievements will conform to the expectations and predictions of the Company is subject to a number of known and unknown risks, uncertainties, assumptions, and other factors, including: 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; and the other risk factors described in the Company's final long form prospectus dated May 31, 2021.

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

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1. International Monetary Fund - <https://www.imf.org/en/Search#q=panama%20gdp&sort=relevancy>

Statista - <https://www.statista.com/statistics/454880/national-debt-of-panama-in-relation-to-gross-domestic-product-gdp/#:~:text=In%202020%2C%20the%20national%20debt,63.46%20percent%20of%20the%20GDP.>

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