

BEVO AGRO INC.

7170 Glover Road,
Langley, BC V0X 1T0
(www.bevoagro.com)

February 22, 2018

NEWS RELEASE

BEVO AGRO INC. REPORTS SECOND QUARTER RESULTS

Bevo Agro Inc. (TSXV: BVO) is pleased to announce operating and financial results for the second quarter and for the six months ending December 31, 2017.

Sales for the three months ending December 31, 2017 totaled \$5,580,874, which was \$1,266,241 or 18% lower than sales of \$6,847,115 in the same three month period ending December 31, 2016. Six month sales for the period ending December 31, 2017 totaled \$10,091,467, compared to sales of \$11,347,268 for the same period last year. The lower sales relates to shifts in delivery dates for some customers from December to January, some customers supplying their own seed rather than using Bevo supplied seed as well as some competitive pressures.

The gross margin for the three months ending December 31, 2017 was \$1,636,626, or 29% of sales compared to \$1,970,771 (29%) in the same quarter the previous year. The gross margin of \$3,058,628 or 30% of sales for the first six months is an increase over \$3,019,883 (27%) in gross margin last year.

Expenses totaled \$1,432,029 for the three months ending December 31, 2017, with amortization (a non cash expense) being the main contributor of the \$106,382 increase in total expenses. A \$248,497 increase in amortization for the six months ending December 31, 2017 contributed to total expenses of \$2,793,302, compared to \$2,524,048 for the same six months last year.

EBITDA (Earnings Before, Interest, Taxes, Depreciation, Amortization) was \$1,809,223 for the six months compared to \$1,798,748 for the same period last year.

The company has not provided for any bad debts in the second quarter, since accounts receivable which are reviewed monthly, are current and collectible.

Net earnings for the six months ended December 31, 2017 were \$196,926, compared to \$366,335 for the same period last year.

Readers are encouraged to view the Company's unaudited financial statements as at December 31, 2017 and accompanying MD&A at www.sedar.com.

Summary- Consolidated Condensed Statements of Operations and Comprehensive Income

3 months ending	Dec 31, 2017		Dec 31, 2016		Change	
Sales	\$5,580,874	100%	\$6,847,115	100%	(\$1,266,241)	-18%
Cost of Sales	\$3,944,248	71%	\$4,876,344	71%	(\$932,096)	-19%
Gross Margin	\$1,636,626	29%	\$1,970,771	29%	(\$334,145)	-17%
Expenses						
Operating & administrative	\$362,750	6%	\$353,322	5%	\$9,428	3%
Admin fees, wages & benefits	\$277,797	5%	\$297,482	4%	(\$19,685)	-7%

Amortization	\$598,165	11%	\$474,811	7%	\$123,354	26%
Interest expenses	\$193,317	3%	\$200,032	3%	(\$6,715)	-3%
Total	\$1,432,029	26%	\$1,325,647	19%	\$106,382	8%
Earnings from operations	\$204,597	4%	\$645,124	9%	(\$440,527)	-68%
Other						
Earnings before taxes	\$204,597	4%	\$645,124	9%		
Income taxes-future	\$52,600		\$168,315			
Net earnings for period	\$151,997	3%	\$476,809	7%	(\$324,812)	-68%
Earnings per share	\$0.01		\$0.01			
EBITDA	\$996,079	18%	\$1,319,967	19%	(\$323,888)	-25%

6 months ending	Dec 31, 2017		Dec 31, 2016		Change	
Sales	\$10,091,467	100%	\$11,347,268	100%	(\$1,255,801)	-11%
Cost of Sales	\$7,032,839	70%	\$8,327,385	73%	(\$1,294,546)	-16%
Gross Margin	\$3,058,628	30%	\$3,019,883	27%	\$38,745	1%
Expenses						
Operating & administrative	\$686,962	7%	\$641,357	6%	\$45,605	7%
Admin fees, wages & benefits	\$562,443	6%	\$579,778	5%	(\$17,335)	-3%
Amortization	\$1,153,382	11%	\$904,885	8%	\$248,497	27%
Interest expenses	\$390,515	4%	\$398,028	4%	(\$7,513)	-2%
Total	\$2,793,302	28%	\$2,524,048	22%	\$269,254	11%
Earnings from operations	\$265,326	3%	\$495,835	4%	(\$230,509)	-46%
Other	\$0		\$0			
Earnings before taxes	\$265,326	3%	\$495,835	4%	(\$230,509)	-46%
Income taxes-future	\$68,400	1%	\$129,500	1%	(\$61,100)	-47%
Net earnings for period	\$196,926	2%	\$366,335	3%	(\$169,409)	-46%
Earnings per share	\$0.01		\$0.01			
EBITDA	\$1,809,223	18%	\$1,798,748	16%	\$10,475	1%

Bevo Agro accounts for revenue on a “when goods are shipped” basis. The following is a 12 month trailing summary of financial performance.

	Dec 31, '17	June 30, '17	Dec 31, '16	June 30, '16	Dec 31, '15
Sales	\$32,095,484	\$33,351,285	\$31,226,140	\$31,167,250	\$27,139,259
Gross Margin	\$10,315,485	\$10,276,740	\$8,809,832	\$8,610,294	\$7,469,955
Net earnings	\$2,886,823	\$3,056,232	\$2,950,459	\$2,825,603	\$1,627,490
EBITDA	\$6,574,761	\$6,564,286	\$6,001,064	\$5,806,890	\$4,719,558
Shares o/s	26,115,933	25,954,933	25,574,933	25,559,433	25,535,933
Earnings per share	\$0.11	\$0.12	\$0.12	\$0.11	\$0.06

EBITDA/share	\$0.25	\$0.25	\$0.23	\$0.23	\$0.18
--------------	---------------	--------	--------	--------	--------

Bevo Agro is North America's leading supplier of propagated agricultural plants, operating approximately 53 acres of greenhouse facilities on 98 acres of land in Langley, BC and 20 acres of land in Pitt Meadows, BC. The Company's main products are the propagation of vegetable plants such as tomatoes, peppers, cucumbers, and other plants such as bedding plants, flowers and grasses. The Company markets its products to established greenhouse growers, nurseries and retail outlets throughout North America.

For further information contact:

Jack Benne, President

Bevo Agro Inc.

Phone: (604) 888-0420

Fax: (604) 888-8048

Email: jackbenne@bevofarms.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.