

Stock Data

Share Price:	15.25p
Market Cap:	£33.51m
Shares in issue:	219.71m
52 week high/low:	33.00p/9.03p

Company Profile

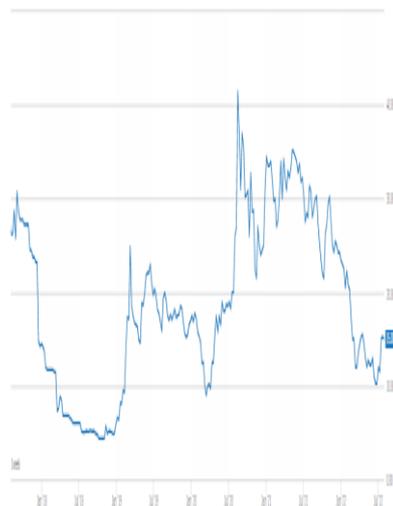
Sector:	Healthcare
Ticker:	DVRG
Exchange:	AIM

Activities

DeepVerge plc ('DeepVerge', 'DVRG', 'the Group') is an environmental and life science group of companies that develops and applies AI and IoT technology to analytical instruments for the analysis and identification of bacteria, viruses and toxins.

www.deepverge.com

5-year share price performance



Source: [LSE](https://www.lse.com)

Past performance is not an indication of future performance.

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TPI acts as sole broker to DeepVerge plc.

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DeepVerge plc

DeepVerge has published a Trading Update detailing unaudited H1 2022 revenue growth of 95% to £6.47m (H1 2021: £3.32m). The release goes on to note that £8.87m of orders collected by the start of August have been booked for delivery in H2 2022 (H2 2021: £3.91m), while also conservatively providing updated full year 2022 revenue guidance that it now expects to be in excess of £18m (FY 2021: £9.3m). Given that this figure is somewhat below current market expectations and that it is expected to lead to a modest reduction in gross margins along with a slight increase in overheads, full year EBITDA will also fall short of consensus. TPI accordingly is temporarily suspending its financial forecasts and price target for DeepVerge while awaiting further updates.

The release notes that DeepVerge has recently been remarkably successful in converting a significant prospect pipeline into firm orders for delivery in FY 2022; this has been evidenced, for example, by its concluding £6.5 million worth of international deals across China, South Asia, India and Africa (as detailed in RNS announcements of 30 June 2022, 18 July 2022 and 1 August 2022). It goes on to state, however, that there now is some uncertainty as to whether the pace can be sustained sufficiently to meet previously expected levels. The release also went on to detail progress and performance indicators at both Group and divisional levels, accompanied by a quote from the Group's CEO, Gerard Brandon, as follows:

DeepVerge – Full year 2022 sales expected to exceed £18m

- H1 Group revenues up 95% to £6.47m (2021 H1: £3.32m)
- Orders up 128% for delivery in H2 exceed £8.87m (2021: £3.91m)
- Full year sales weighted to H2 are expected to exceed £18m (2021: £9.3m)

Modern Water – Divisional orders rise 116% in a single month

- £6.5m of orders secured to end of July, up 116% in one month (30 June 2022 RNS: £3m)
- In addition, multiple £1m+ bids remain outstanding for site installations

Skin Trust Club – Already achieved in excess of £1m sales

- 27,000 club members
- 42.5% with skin conditions
- 24 skin care clients joined the marketplace
- 300+ products added to marketplace
- 200+ products to be added shortly
- 84,000+ visits to site per month and growing
- 6% conversion rate to Skin Trust Club Membership
- Over £1m sales achieved by Skin Trust Club

Gerard Brandon CEO DeepVerge plc, commented:

"H1 2022 has been another exceptional fast growth period for DeepVerge. Modern Water is in the right place, at the right time, to deal with the global water crisis. Also, Skin Trust Club has hit a rich vein of consumer desire to take control by personalising the skin care industry which can be seen by the rush of skin care products being added to the Skin Trust Club marketplace, that only began in Q1 this year.

Although full year 2022 revenues might be lower than previously guided, we are pleased with sales traction across our divisions in the current macroeconomic and geopolitical environment. We have taken a prudent stance to guide the market on year-end revenue and will provide further updates as necessary. “

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