

**Stock Data**

Share Price:	1.95p
Market Cap:	£14.83m
Shares in issue:	760.46m
52 week high/low:	22.00p/1.31p

**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](http://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 released details of a significant contract win along with changes at Board-level. Glanaco Limited, the Group's County Cork-based subsidiary that was acquired in March 2022, has secured a €10m (c.£9.3m) order from an existing customer in Central Asia for the design, assembly and supply of multi-function mobile equipment for use by municipalities. The order comprises a design licensed to the customer, the initial c.£3.2m revenues for which were included in the £17.2m (unaudited) total for 2022 announced on 9 January 2023, with the c.£6.1m balance due to come from production of 100 units which are contracted to be delivered in the current financial period, starting in March. Building on its growth trajectory, which continues in tandem with ongoing restructuring that is projected to deliver cost savings of up to £2m this financial year, this news strongly supports the Group's target of becoming cash flow positive in H2 2023. Separately, two Board-level changes have been confirmed: (i) Executive Director and founder of Rinocloud Limited, Fionan Murray, has resigned, and stepped down from the Board to concentrate on maximising the value of the Skin Trust Club and Labskin Division during his notice period and; (ii) highly experienced Andrew Waters FCA has been appointed with immediate effect as Chief Financial Officer ('CFO') and as a Group Director. As part of the process of strengthening the Board interim CEO, Nigel Burton, notes that a further independent Non-Executive Director is expected to be appointed as soon as practicable. DeepVerge meanwhile confirms that it continues to review a range of options to meet the unprecedented demand for Labskin services and to facilitate Skin Trust Club's accelerating growth.

## Glanaco – Engineering company acquired in March 2022

DeepVerge acquired Engineering Services company Glanaco Limited on 17 March 2022 for consideration of, in aggregate, £1.08 million comprising £0.65 million in equity and £0.43 million in cash. Amongst other things, it enabled the testing, assembly and commissioning of the new generation of Microtox®PD (real-time pathogen detection in wastewater) products in-house.

Located in Cork, Ireland, Glanaco designs, manufactures, assembles, and distributes mechanical and electronic products in sensor and detection, remote monitoring and robotic extension solutions. It serves partners and customers in a range of sectors including local authorities, utilities, oil and gas, mining, data centres and construction across a global customer base. Glanaco has nine employees.

Glanaco has been a collaboration partner and contractor in the production assembly and testing of Modern Water's Microtox®PD equipment since August 2021, as part of the DeepVerge €2.8 million expansion programme which was supported with a €750,000 grant from Irish state support funder, Enterprise Ireland. This engineering expertise, scalable manufacturing capacity and logistics facility, along with existing long term supply chain partners, delivered cost savings, increased control and mitigated risk of supply chain bottlenecks by delivering in-house engineering expertise that might otherwise have created barriers to global growth. The order for 100 units will facilitate applications including cleaning, decontaminating, de-icing, and salting streets and other public areas (supported with relevant data generated through

bespoke software created by Rinocloud), and will be managed within Glanaco's plant where all assembly and testing will be undertaken. Glanaco's unaudited accounts for the year ended 31 December 2021 showed profits before tax of £218,315 on turnover of £1.362 million, and net assets at the year-end of £524,255.

### **New CFO brings significant public and private company experience**

Andrew Waters (aged 56) brings significant experience as a CFO of both public and private companies in the healthcare and life sciences field, including most recently at AIM-quoted Venture Life Group plc. Andrew has a Physics degree from Imperial College and qualified as a Chartered Accountant with PriceWaterhouseCoopers.

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