



# Organto Foods Inc.

## Company Presentation

April 2024



# Disclaimer

This presentation contains certain forward-looking statements which may not be based on historical fact, including without limitation, statements regarding Organto Foods Inc. ("Organto")' expectations in respect of its ability to successfully execute its business plan; its in-depth knowledge and experience in the organic foods business; plans for future growth and the direction of the business; financial projections including expected revenues, gross margin, EBITDA and cash-flow (the last two being non-GAAP financial measures); plans to increase product volumes and supplies from strategic third party growers and contractors; expected growth of the organic foods industry generally; its ability to raise additional capital and fund its ongoing operations; management's expectations, beliefs and assumptions; events or developments that Organto expects to take place in the future; and general economic conditions. All statements, other than statements of historical facts, are forward-looking information and statements. The words "believe", "expect", "anticipate", "contemplate", "target", "intends", "continue", "budget", "estimate", "may", "will", and similar expressions identify forward-looking information and statements.

Such forward-looking information and statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Organto as of the date of such information and statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking information and statements. Such factors include, but are not limited to, the inability of Organto to generate sufficient revenues and margins or raise sufficient funds to carry out its business plan; the impact of the global COVID-19 pandemic and Russia/Ukraine conflict on customer demand and supply chains, supply availability and ongoing operations; changes in government legislation, taxation, controls, regulations and political or economic developments in various countries; risks associated with agricultural activities generally, including inclement weather, access to supply of organic products, poor crop yields, and spoilage; ability to maintain organic certifications; compliance with import and export laws of various countries; significant fluctuations in food prices and transportation costs; the risk of obtaining necessary licenses and permits; the ability to retain key employees and contractors; dependence on third parties for services and supplies; non-performance by contractual counterparties; the ability to acquire complimentary and accretive businesses on acceptable terms; and general economic conditions. The foregoing list is not exhaustive and Organto undertakes no obligation to update any of the foregoing except as required by law. Many of these uncertainties and contingencies could affect Organto's actual performance and cause its actual performance to differ materially from what has been expressed or implied in any forward-looking information and statements made by, or on behalf of, Organto. Readers are cautioned that forward-looking information and statements are not guarantees of future performance. There can be no assurance that such information and statements will prove to be accurate and actual results and future events could differ materially from those acknowledged in such information and statements.

Organto disclaims any intention or obligation to update or revise any forward-looking information and statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.

# Highlights

<p><b>Fast-growing healthy foods platform</b></p>	<p>Value-added organic and non-GMO fruit and vegetable products platform</p>	<p><b>Strong growth realized over five years</b></p>	<p>Five consecutive years of revenue growth</p>
<p><b>Asset light business model</b></p>	<p>Transitioned from asset heavy to asset light business model with expansion flexibility</p>	<p><b>Multi-Tier branded product offering</b></p>	<p>I AM Organic, ORO and =AWESOME Fruits brands</p>
<p><b>Broad and flexible product offering</b></p>	<p>Organic and non-GMO Bulk, private label and branded</p>	<p><b>Growth platform – opportunities beyond fresh</b></p>	<p>Opportunities to leverage digital technologies and move beyond fresh into non-fresh and consumer products</p>
<p><b>Diverse customer and supply base</b></p>	<p>Approx 170 customers in approx. 19 countries with product sourced globally from approx. 50 suppliers in approx. 18 countries</p>	<p><b>Experienced team and board</b></p>	<p>Over 200 years of combined foods experience</p>

# At a Glance

## Facts



### 3 Listings

TSX-V, OTCQB and FSE



### 2015

Founded with asset heavy business model



### 170

Customers



### 50

Strategic growers – 100% Global GAP certified



### 3

Owned brands



### FY22/YTD23

FY '22 ACT CDN\$22.5m  
FY '23 EST CDN\$27-28m



### 2019

Transitioned to asset-light business model



### 19

Countries served



### 18

Sourcing countries



### 14

Retail clients

*Customer and supplier data based on last twelve months*

## Mission, Purpose, Vision, Values

*Our mission of making organic fruits and vegetable products available for every consumer aligns with today's consumer trends – “good for people & planet”*

### OUR PURPOSE

To bring healthy and nutritious organic fruit and vegetable products to market by creating sustainable and transparent linkages between growers and end markets

### OUR VISION

To be a leading global provider of organic fruit and vegetable products utilizing an integrated business model, trusted for driving equitable returns to all parties in the value chain

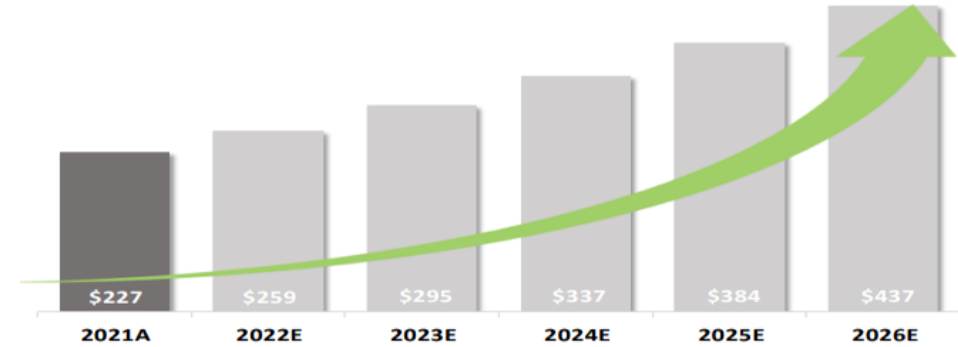
### OUR VALUES

Working together as a team, honouring and respecting our customers and supply chain partners, respecting the world we live in and do what is right for long-term sustainability

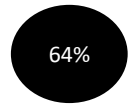
# Continued Global Demand for Healthy Living

The Global Organic Foods Market is expected to have a five-year CAGR of **14% CAGR** from 2021-2026

Source: Organic Food Global Market Report 2022



Consumers are becoming more interested in healthy eating, and prioritize it over affordability



Consumers interested to learn about influence of food over health



Consumers choose health over affordability

Source: 2021 Deloitte Conscious Consumer – Connecting With Health and Sustainability Priorities

Fruits & vegetable products are the largest and fastest growing category in organics

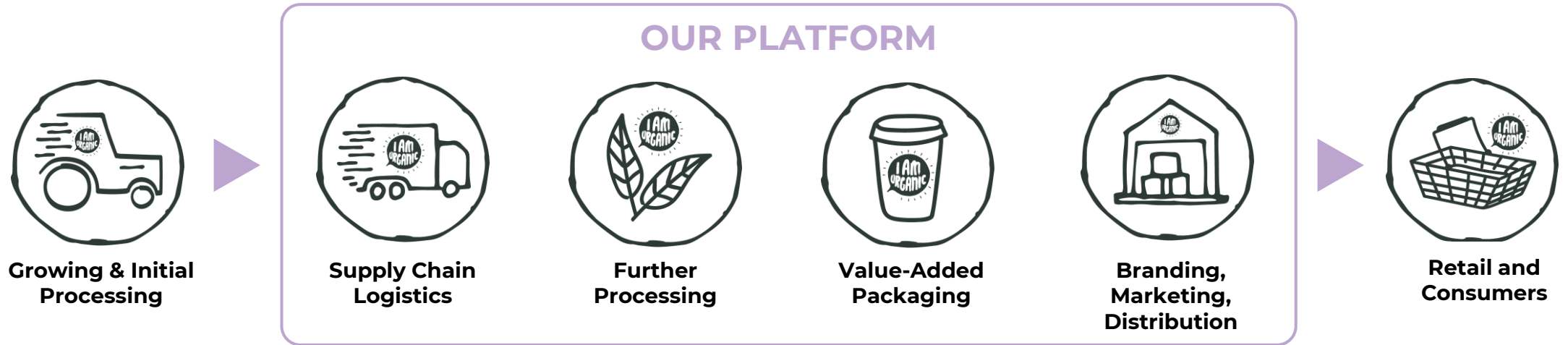
Source: CDN. Organic Trade Assoc.

The European Union Green Deal targets a carbon neutral footprint in the EU by 2050 and includes a Farm to Fork Strategy focused on healthy people, healthy societies and a healthy planet.....

...and is expected to have a significant impact on demand for organic foods consumption in Europe with a target of 25% of farming in the EU being organic by 2030 versus current estimate of approx. 8-10%



# Efficient Asset Light Business Model



**Diverse certification, sourcing, logistics, packaging, marketing and distribution expertise**



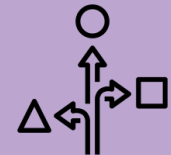
**Utilise strategic 3rd party growers, logistics and processing partners**



**Extensive market knowledge and supply chain expertise “links growers with end markets”**



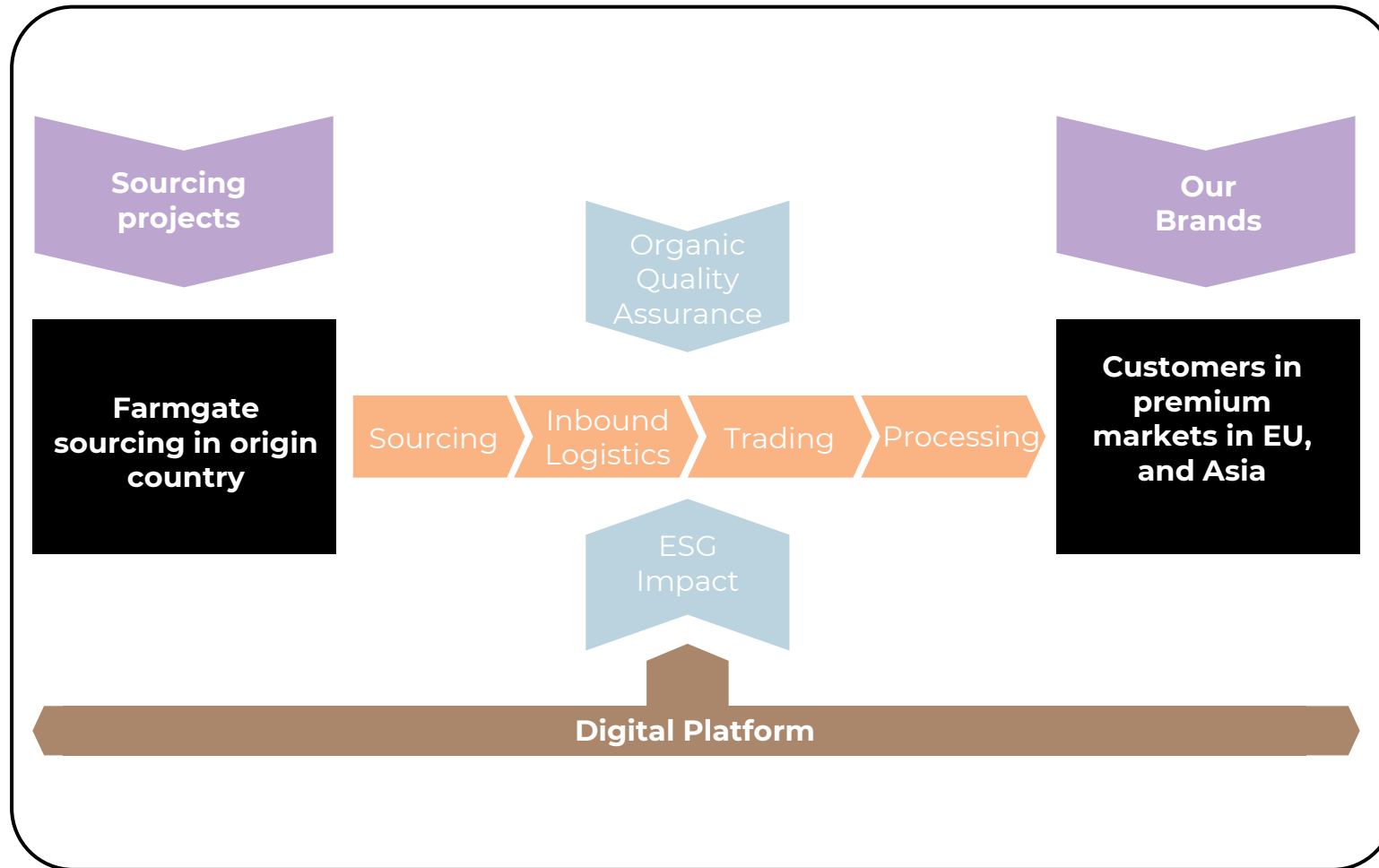
**Ability to value-add with limited capital investment**



**Flexible and adaptable to ever-changing market dynamics**

# Added Value From Farm to Fork

*Opportunity to continue to move “upstream” with growers to enhance value proposition*



## Our Value Add

### Sourcing/Growers

- ✓ Certification expertise/Quality assurance
- ✓ “Boots on the ground”
- ✓ Value-added go-to-market partner

### Supply Chain

- ✓ Global network of logistics and processing partners
- ✓ Year-round supply capabilities in core categories
- ✓ Ownership of inventory

### Products

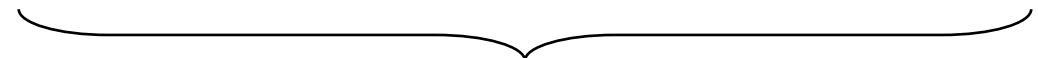
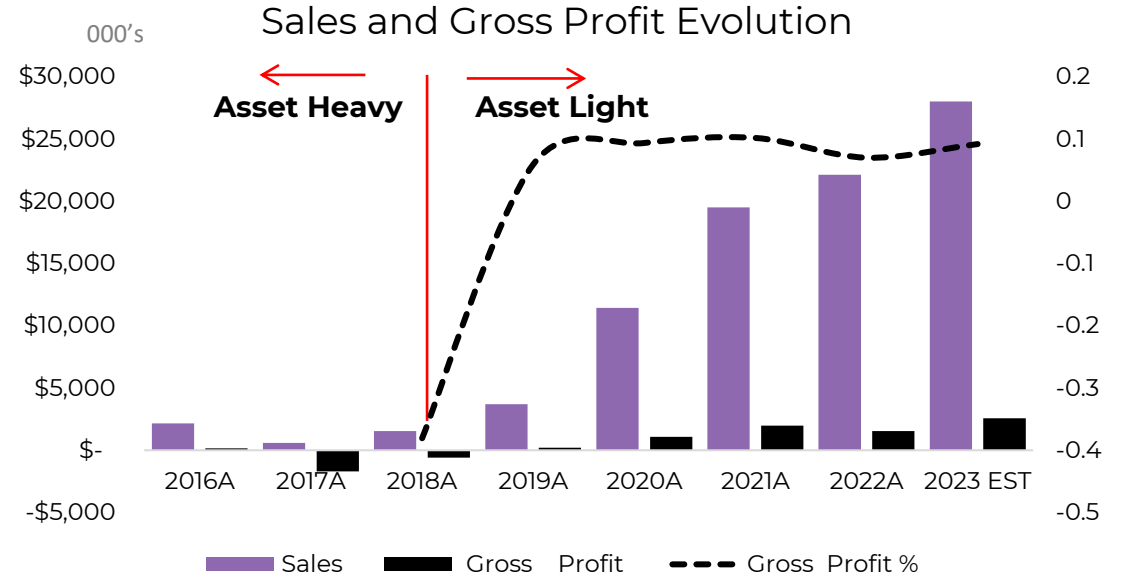
- ✓ Diverse product offering
- ✓ Multiple formats – bulk, private label and branded
- ✓ Value-added formats

### Brands

- ✓ Premium I AM Organic brand utilizing proprietary digital passport technology
- ✓ Non-GMO brands – ORO and =Awesome Fruits

# Our Business Model Has Evolved and Progressed

- ✓ Successfully transitioned to an efficient and flexible asset-light business model in 2018/2019
- ✓ Shift from ‘demand pull’ to ‘source push’ strategy in 2022/2023 to improve go-to-market and cost-effectiveness
- ✓ Five years of sales growth versus the prior year
- ✓ Developed multi-tier branded product offering to meet customer needs
- ✓ Positioned for expansion beyond the fresh category leveraging digital technology
- ✓ Pro-active acquisition strategy - completed 3 acquisitions in 2021 and 4th in January 2023
- ✓ Assembled experienced leadership team and board of directors with deep industry knowledge



**- Looking Forward -**  
*“Focus on scaling and diversifying operations and driving to positive cash flow and profitability”*



# Product Portfolio

In the last 12 months we served approximately **170 customers** across **19 countries** in Europe and recently added sales in Asia, with a focus on tropical fruits and tastemakers

## ORGANIC FRUITS    ORGANIC VEGETABLES

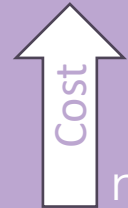
- |               |                    |
|---------------|--------------------|
| ● Bananas     | ● Asparagus        |
| ● Avocado     | ● Herbs            |
| ● Mango       | ● Ginger           |
| ● Raspberries | ● Fine green beans |
| ● Limes       | ● Snow peas        |
| ● Apples      | ● Sugar snaps      |



Wide-range of products to meet consumer preferences

### *Product Segmentation*

Premium Branded  
Mid-Tier Branded & Private Label  
Bulk Distributed



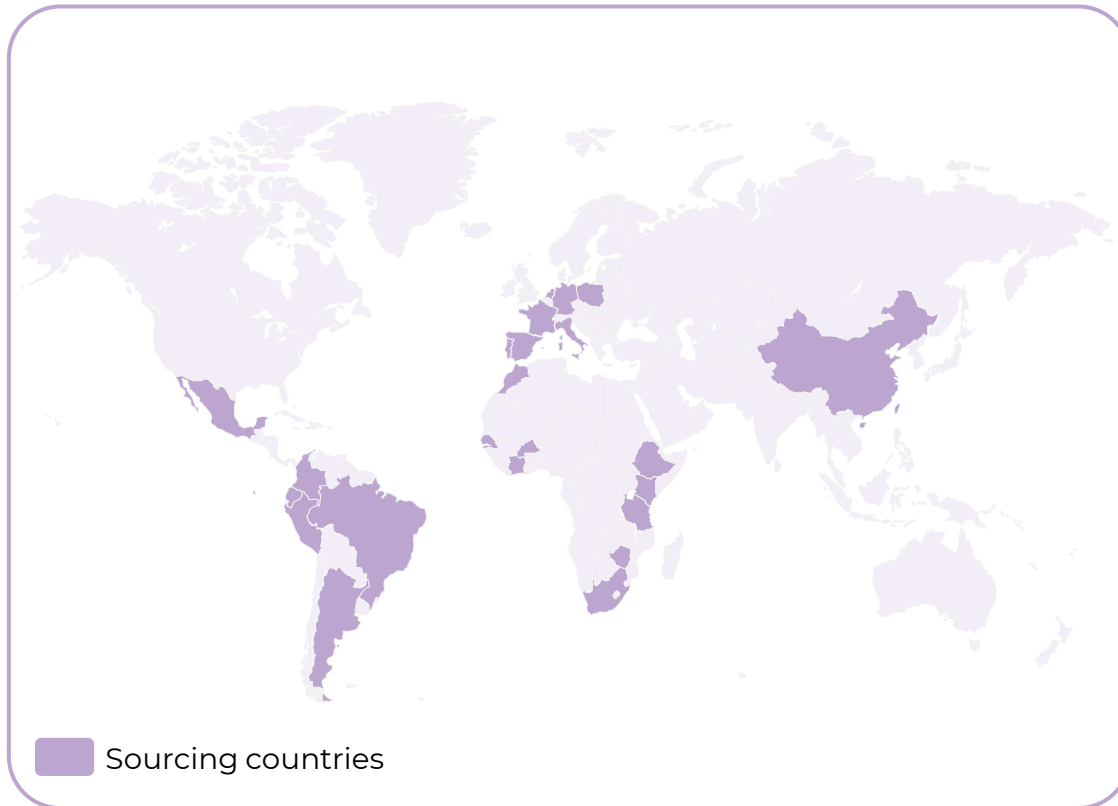
Organic  
non-GMO

Products sold in multiple formats and multiple channels

### *Customer Segmentation*

Bricks and Mortar Retail  
On-Line Retail  
Convenience – TO GO  
Distributors/Wholesalers/Service Providers

# Supply Chain Continues to Grow, We “Follow the Sun”



- ✓ Integrated year-round supply chains
- ✓ We work with our valued strategic growers and supply chain partners to control and monitor each step in the supply chain, delivering quality products with complete transparency
- ✓ We use geographically diverse growing regions to “follow the sun” with the objective of minimizing our ecological footprint as we source product from around the globe
- ✓ We source from many countries in Europe, North and South America, Africa and Asia
- ✓ Asset-light business model provides flexibility, scalability and capital efficiency

# Multi-Tier Branded Product Portfolio



LET'S  
EAT THE  
WORLD  
BETTER

*Premium Organic*  
+ 15% margin profile



*Premium non-GMO*  
10% - 15% margin profile



*Mid-tier non-GMO*  
8% - 12% margin profile



## Gross Margin Evolution

Steady Improvement with Asset Light Business Model – 2022 Impacted by Macroeconomic Challenges – Improved in 2023

YTD Q3 2023 INC FX – 8.3%

2022 ACT INC FX – 7.1%

2021 ACT – 10.2%

2020 ACT – 9.4%

2019 ACT – 5.9%

2016-2018 – *negative GM* – Asset heavy business model

# Our Premium I AM Organic Brand

We communicate our **I AM ORGANIC** brand values and product transparency via our digital passport



# Our Sustainability Goals Align With Today's Major Themes

*Wholesome food*



Make the planet and its people healthier through our healthy products and sustainable practices

*Social impact through ethical value chains*



Promote the well-being of our employees, partners, growers and suppliers through sustainable and fair practices and processes

*Environmental impact and waste reduction*



Secure sustainable supply of wholesome foods while minimizing our environmental footprint and waste throughout the supply chain

*Transparency & traceability*



Provide full transparency throughout the supply chain with traceability back to the source

# Digital Platform Transformation A Key Strategic Imperative



- Organto’s digital journey has commenced under the brand “**Organto Smart Connect**” – Powered by AI
  - Initial focus on waste reduction, supply chain transparency and digital marketplace applications
  - Expect to implement full platform over time
- Planned strategic partnership with third party who have developed a robust cloud infrastructure with machine learning and artificial intelligence capabilities
- Our objective is to transform from a “business that uses technology” to a “technology driven business”, leveraging big data and artificial intelligence to drive reduced waste, margin improvement and sales exposure while at the same time improving operational agility and reducing costs

# Platform Expansion Opportunities

## ✓ Geographic market expansion

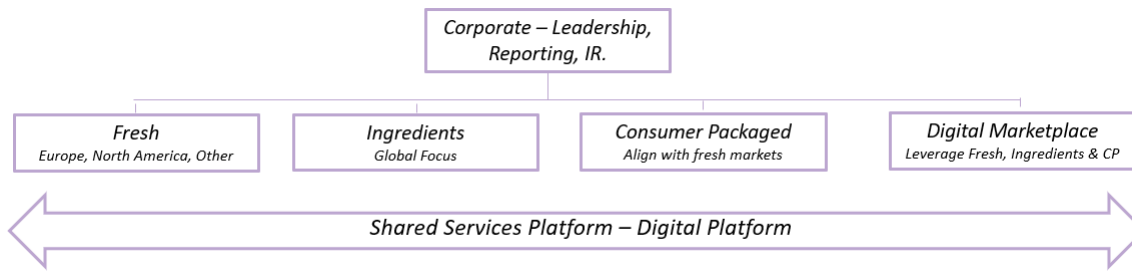
- Opportunity to enter North American market leveraging existing and planned platform expertise and addressing grower demand
- Supported by strategic partnerships with experienced industry players

## ✓ Expand into non-fresh organic ingredients

- Leverage supply chain expertise and market knowledge to move beyond fresh offering into *non-fresh ingredients*

## ✓ Product expansion to consumer-packaged goods

- Leverage supply relationships and market knowledge to leverage fresh offering into value-added fruit and veg based *consumer products*



## US Opportunity



- ✓ Largest and fastest growing organic foods market in the world
- ✓ Organic sales in non-food and food markets in the US totaled \$61.7 billion in 2022
- ✓ Organic vegetables & fruits represent approx. 15% of total produce sold in the US
- ✓ Approx. 6% of food sold in the US is organic

## Beyond Fresh



- ✓ Demand for a broad range of healthy foods continues to grow globally
- ✓ As consumers search for healthy convenience, opportunity to meet this demand with range of consumer-packaged products leveraging supply and market expertise
- ✓ Fragmented non-fresh ingredient sector offers growth opportunities

# Team

## Leadership

### Steve Bromley - Chair of the Board and Co-CEO

- Over 35 years in food businesses with focus on natural and organic sectors
- Former CEO, COO & CFO of SunOpta Inc. (TSX/NASDAQ) (2001-2015)

### Rients van der Wal - Co-CEO, CEO Organto Europe & Director

- Over 20 years' experience building sustainable food businesses
- Former Head of Total Exotics Sales at Dole

### Bob Kouw – Chief Operating Officer, Global Operations

- Foods industry veteran with extensive strategic, financial and operational expertise
- Former CFO of Tradin Organics, global player in organics

### Ralf Langner – CFO & Corporate Secretary

- CPA/CGA
- Over 25 years of public company financial reporting and governance experience

### John Rathwell – SVP, Investor Relations and Corp Dev

- Over 25 years of progressively responsible capital markets experience
- Extensive experience with micro, small and midcap companies

## Board of Directors

### Peter Gianulis

- Co-Founder of Organto - over 20+ years in organic foods business
- Managing Director of Carrelton Asset Mgt and CEO of Allegiant Ltd.

### Jeremy Kendall

- Founder and former Chair and CEO of SunOpta Inc. (TSX/NASDAQ)
- Organic foods pioneer with extensive operating and business building experience

### Alejandro Maldonado

- President & Chairman of Alpasas Farms
- President of Berry Growers Association of México

### Joe Riz – Chair of the Audit Committee

- Founding director and former Executive VP and COO of SunOpta Inc. (TSX/NASDAQ)
- Extensive organic foods operating and governance experience

### Gert Jan van Noortwijk

- Former President of International Grains and Feed Trade Association
- Extensive agribusiness and global foods supply chain foods experience

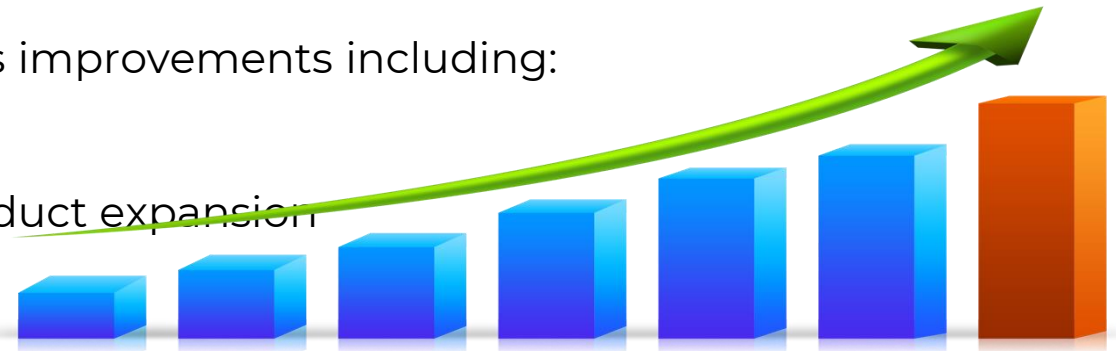
### Joost Verrest

- Extensive brand marketing experience
- Extensive foods experience with Total Produce, Chiquita. Green Protein BV, Sara Lee



# Key Priorities

- ✓ Continue to drive growth in key product categories where we deserve to win underpinned by deep supply relationships
- ✓ Drive gross margin growth via deepened supply relationships, supply chain efficiencies as platform expands, and shift to higher value-added product mix
- ✓ Achieve EBITDA +’ve during back half of 2024
- ✓ Drive growth of digital platform technologies to reduce waste, improve transparency and access new marketplaces
- ✓ Leverage platform to drive growth and process improvements including:
  - Digital transformation
  - Market expansion beyond Europe
  - Beyond fresh - non-fresh ingredients product expansion
  - Consumer products expansion



# Capitalization



\* 0.02 million with a strike price of C\$3.00 expiring December 2024/February 2025

- \*\* 1. C\$2.16 million due December 2024 with a conversion price of \$3.00
- 2. C\$0.30 million due February 2025 with a conversion price of \$3.00
- 3. C\$0.24 million due March 2025 with a conversion price of \$3.00
- 4. C\$4.025 million due 50% in November 2027 and 50% in November 2028 with a conversion price of \$5.00

*Currently finalizing debt restructure on items 1, 2 and 3 above*

## Capitalization C\$M (as of April 19, 2024)

<b>Share Price</b>	<b>\$ 0.100</b>
Current Outstanding	34.3
To Be Issued for Bond Restructure	13.4
<b>Basic Proforma Outstanding</b>	<b>47.7</b>
<b>Market Capitalization</b>	<b>\$ 4.8</b>
Basic Shares Outstanding	47.70
Options/RSU's	1.98
Warrants *	0.02
Convertible Notes **	7.60
<b>Fully Diluted Shares</b>	<b>57.30</b>

# ORGANTO FOODS INC.

1111 Melville Street - #410  
Vancouver, BC V6E 3V6  
Canada  
[info@organto.com](mailto:info@organto.com)

**SERVING FAST GROWING  
ORGANIC AND HEALTHY  
FOODS MARKETS**

**STRATEGIC ASSET LIGHT  
BUSINESS MODEL - FLEXIBLE,  
SCALABLE AND CAPITAL EFFICIENT**

**EXPERIENCED AND  
ALIGNED LEADERSHIP  
TEAM**



**A FAST-  
GROWING  
HEALTHY  
FOODS  
PLATFORM**

**BRANDED, PRIVATE LABEL  
AND BULK DISTRIBUTED  
PRODUCT OFFERING**

**DIVERSE CUSTOMER BASE  
ACROSS NUMEROUS  
COUNTRIES IN EUROPE**

**GLOBAL SUPPLY BASE**