

Organto to Acquire Beeorganic BV

Expands Specialty Line of Fairtrade Organic Bananas

Vancouver, BC, Canada and Breda, the Netherlands, September 29, 2021 – Organto Foods Inc. (TSX-V: OGO, OTC: OGOFF, FSE: OGF) (“Organto” or “the Company”), a leading provider of organic and value-added organic fruits and vegetables today announced that it has signed a Letter of Intent (“LOI”) to acquire 100% of the outstanding shares of Beeorganic B.V. (“Beeorganic”), a privately held Dutch corporation. Beeorganic is a year-round provider of fresh fairtrade organic bananas with sales in the Netherlands, Belgium and France. Closing of the transaction is subject to completion of final due diligence, definitive agreements and acceptance of the TSX Venture Exchange.



Beeorganic is based in Den Hoorn, the Netherlands. The business commenced operations in 2003 under the direction of Mr. Mike Reuselaars, who will join Organto and lead the Company’s organic banana portfolio, leveraging Organto’s existing resources and value-added marketing platform. Beeorganic offers a differentiated product offering combining specific product size specifications with a unique ripening process to deliver great tasting products to its customers. Similar to Organto, Beeorganic operates an asset light business model with their products sourced primarily from strategic Caribbean-based grower partners. Organto recently announced the addition of organic bananas to its product portfolio, and the addition of Beeorganic will add significant depth to the Company’s banana category.

“We are extremely excited to have Mike and the Beeorganic team become part of Organto, utilizing their expertise as we expand our organic fruits and vegetables portfolio. Growth via acquisition has been one of our stated strategies, and we are pleased to be able to announce our second acquisition of 2021.” commented Rients van der Wal, Co-CEO of Organto and CEO of Organto Europe BV. “Mike has successfully built the Beeorganic business over the years based upon strong values and operating principles, and we believe the business will be a great fit with the operating platform that we have been building. We continue to expand our product capabilities and work to bring value to the categories we serve and by combining our collective strengths, we believe we will be able to profitably expand the banana category for years to come.”

Mike Reuselaars, one of the current owners of Beeorganic commented, “We are very proud of the business and legacy which we have built based on our strong values and commitment to both our grower partners and our customers. We are impressed with Organto’s vision for the future and strategy to be a leader in fresh organic fruits and vegetables, including their commitment to sustainable and transparent business practices. This vision aligns with our goals at Beeorganic, and we could not be more pleased to become a part of this vision.”

Bananas are one of the largest fruit categories in the world and organic bananas are not only great tasting and healthy, they are very convenient for on the go snacking. Bananas are known to be an excellent source of vitamin B6 and a good source of potassium, fiber and vitamin C – nutrients that help promote heart health among other benefits.



Beeorganic anticipates revenues of approximately CDN \$6.0 million in its current fiscal year with positive EBITDA margins. The business is expected to be EBITDA accretive to Organto and strong growth is projected for the future as its operations are combined with Organto. Under the terms of the LOI, at closing Organto will pay €600,000 in cash and issue common shares of Organto worth €300,000. The common shares issued will be subject to escrow provisions and become freely tradable in equal amounts over three years. In addition, a former owner will be eligible for an earn-out of up to €150,000 based on pre-established growth targets to be met over a three-year period.

Organto's long-term growth strategy is to build an ethics driven "one-stop shop" in fresh organic and specialty fruits and vegetables, fueled by a combination of strong internal growth and acquisitions. The acquisition of Beeorganic diversifies Organto's product expertise in a large and growing fruit category and is expected to drive internal growth as resources are leveraged to accelerate growth.

ON BEHALF OF THE BOARD,

Steve Bromley
Chair and Co-Chief Executive Officer

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 news release.

For more information about Organto contact:

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ABOUT ORGANTO

Organto is an integrated provider of branded, private label and distributed organic and non-GMO fruit and vegetable products using a strategic asset-light business model to serve a growing socially responsible and health-conscious consumer around the globe. Organto's business model is rooted in its commitment to sustainable business practices focused on environmental responsibility and a commitment to the communities where it operates, its people and its shareholders.

FORWARD LOOKING STATEMENTS

This news release may include certain forward-looking information and statements, as defined by law including without limitation Canadian securities laws and the "safe harbor" provisions of the US Private Securities Litigation Reform Act of 1995 ("forward-looking statements"). In particular, and without limitation, this news release contains forward-looking statements respecting Organto's business model and markets; Organto's vision of being a leading global provider of fresh organic fruits and vegetables utilizing an integrated business model; Organto's belief that the combination with Beeorganic will expand the Company's product portfolio, leverage its operating platform and lead to profitable expansion; Organto's belief that Beeorganic has built a business based on strong values and operating principles; Organto's belief that Beeorganic is a great fit and will add significant depth to the Company's banana category; Organto's belief that the addition of Beeorganic will be EBITDA accretive once the transaction is closed; management's beliefs, assumptions and expectations; and general business and economic conditions. Forward-looking statements are based on a number of assumptions that may prove to be incorrect, including without limitation assumptions about the following: the ability and time frame within which Organto's business model will be implemented and product supply will be increased; cost increases; dependence on suppliers, partners and contractual counter-parties; changes in the business or prospects of Organto; unforeseen circumstances; risks associated with the organic produce business generally, including inclement weather, unfavorable growing conditions, low crop yields, variations in crop quality, spoilage, import and export laws and similar risks; transportation costs and risks; general business and economic conditions; and ongoing relations with distributors, customers, employees, suppliers, consultants, contractors and partners. The foregoing list is not exhaustive and Organto undertakes no obligation to update any of the foregoing except as required by law.

