

## Organto Acquires Assets of Zimbabwe Marketing Services *Expands Sourcing and Supply Capabilities in Key African Growing Regions*

Vancouver, BC, Canada and Breda, the Netherlands, November 24, 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 finalized definitive agreements to acquire the operating assets of ZMS B.V. (“Zimbabwe Marketing Services” or “ZMS”) including customer and supplier relationships and certain trademark applications. ZMS is based in the Netherlands and serves a variety of European customers with non-GMO and organic raspberries, snow peas, sugar snaps and fine green beans sourced from a number of African-based growing regions. The transaction is subject to TSX Venture Exchange acceptance.

### Highlights:

- *Strategic Alignment* – asset light business acquired with established supply agreements and European go-to-market focus which aligns with Organto’s business model and is expected to drive growth opportunities.
- *Accretive Acquisition* – expected to be immediately EBITDA accretive.
- *Expansion of Sourcing and Supply in Key African Growing Regions* – adds depth in existing product categories and extensive African sourcing and supply capabilities – a key growing region for future supply.
- *Growth Platform* – expected to drive increased selling opportunities in Europe and also South Africa and the Middle East plus I AM Organic branded product expansion opportunities leveraging Organto’s digital passport technology.
- *Multi-Channel Market Potential* – products offer multiple go-to-market and consumption opportunities – at home, on-line, convenient and on-the-go and food service formats



ZMS is based in the Netherlands and commenced operations in 2018. ZMS was initially founded by Rients van der Wal and Sander Barhoorn. Mr van der Wal is the current Co-CEO of Organto and Mr. Barhoorn is a senior member of Organto’s European management team. ZMS works with a number of African-based suppliers and service providers to bring non-GMO and organic raspberries, snow peas, sugar snaps and fine green beans to the European market. The addition of ZMS’s resources is expected to be central to Organto’s plan to grow and diversify supply from key African growing regions.

Under the terms of the acquisition, Organto will acquire all customer and supplier relationships of ZMS plus currently initiated trademark applications for the rights to the Awesome Fruits brand for non-GMO branded fruits in the EU and the Rawsome Fruits brand for organic fruits in the EU.



“We are very pleased to acquire the operating assets of ZMS as we believe this will further expand our sourcing and supply capabilities from key African growing regions, while at the same time providing expanded commercial opportunities across our business.” commented Steve Bromley, Chair and Co-CEO of Organto. “Growth via acquisition has been one of our stated strategies, and we are pleased to be able to announce our third acquisition of 2021. The geographic expansion of our supply capabilities is a key acquisition objective, and the acquisition of the assets of ZMS does just that.”

ZMS has annualized revenues of approximately CDN \$2.0 million with positive EBITDA margins. The assets and operations acquired are expected to be EBITDA accretive to Organto and strong growth is projected for the future as operations are combined with Organto. The business will be immediately integrated onto Organto’s operating platform and ZMS’s operations are expected to be easily combined with Organto’s existing resources to drive future business opportunities.

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 the assets of Zimbabwe Marketing Services strengthens Organto’s sourcing and supply expertise from key African growing regions and is expected to drive internal growth as supply is accelerated and commercial resources are leveraged.

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.*

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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 acquisition of the operating assets of ZMS will expand the Company’s African based sourcing capabilities, expand commercial opportunities, leverage its operating platform and lead to profitable expansion; Organto’s belief that the addition of the assets of ZMS will be EBITDA accretive; 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.

