

**good,  
natured**  
better everyday products

# investor overview

APRIL 2024



**clean tech fast  
50<sup>TM</sup> recipient**

2021, 2022 & 2023 Clean Tech Fast 50<sup>TM</sup> &  
North America Fast 500<sup>TM</sup> Awarded By Deloitte LLP

3 Years Running!

TSXV : GDNP  
OTCQB: GDNPF

# the fine print

## Forward-Looking Statements

The forward-looking information and statements contained in this presentation reflect several material factors and expectations and assumptions of good natured Products Inc. (“good natured<sup>®</sup>”) including, without limitation: that good natured<sup>®</sup> will continue to conduct its operations in a manner consistent with past operations, the general continuance of current or where applicable, assumed industry conditions, availability of debt and/or equity to fund good natured<sup>®</sup> capital and operating requirements as needed. good natured<sup>®</sup> believes the material factors and assumptions reflected in the forward-looking statements are reasonable at this time but no assurance can be given that these factors, assumptions will prove to be correct. The forward-looking statements contained in this presentation speak only as of the date of this presentation. For further information, please go to [our Investor Relations site](#).

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## Non-GAAP Financial Measures

This presentation contains certain Non-GAAP financial measures including Variable Gross Margin (VGM), Adjusted EBITDA and Adjusted Cash Net Income. These non-GAAP measures do not have standardized meanings, and therefore may not be comparable to similar measures presented by other issuers. See “Non-GAAP Financial Measures” at the end of this presentation for additional information regarding VGM and Adjusted EBITDA including their composition.

## Market Data and Graphs

Market data and certain industry forecasts used in this presentation were obtained from market research, publicly available information and industry publications. We believe that these sources are generally reliable, but the accuracy and completeness of this information is not guaranteed. We have not independently verified such information, nor have we ascertained the validity or accuracy of the underlying economic assumptions relied upon therein, and we do not make any representation as to the accuracy of such information. Any graphs, tables or other information demonstrating our historical performance or of any other entity contained in this presentation are intended only to illustrate past performance and are not necessarily indicative of our future performance.

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OUR NORTH STAR &

# **key investor considerations**

# our north star

BECOME NORTH AMERICA'S LEADING  
EARTH FRIENDLY PRODUCT COMPANY



By developing plant-based  
products & packaging



and acquiring relevant companies

that grow our assortment,  
customer base and market reach.



# We're all **good natured**<sup>®</sup>

Sustainability  
is at the heart of  
our business.



## **Making Good**

We put our whole hearts into making *better everyday products*<sup>®</sup> that use more renewable resources, less fossil fuel, and no chemicals of concern.

## **With Purpose**

We transform the latest bio-based technology into earth-friendly products that help our customers make their own positive impact. Today.

# key investor considerations

## MASSIVE MARKET **opportunity**

### Positive Macro Drivers

- Growing consumer demand for sustainable products
- Increasing environmental regulatory pressure
- Restoring supply chain to North America

### Fast Growing

- U.S. Sustainable CPG estimated to grow to US\$400 B annually\*
- Fragmented market ripe for consolidation

\*Based on estimated \$1 of every \$5 spent on fast moving consumer goods ("FMCG") is coming from an environmentally conscious consumer. Management therefore estimates the U.S. sustainable consumer packaged goods ("CPG") opportunity at up to 20% of the overall U.S. CPG market.  
<https://www.kantar.com/inspiration/fmcbg/sustainability-could-bring-382-billion-to-fmcbg-brands>

## STRONG **business model**

### Long Term Growth Strategy - Two-Pronged

- Organic - landing new customer, cross selling to grow revenue per customer, new product launches.
- Acquisition - 6 M&A transactions completed to date.

### Consumer Oriented

### Climate Tech Proposition

- Internationally trademarked, recognizable brand
- Focus on making it easy & affordable for businesses
- Options for both recycling and compostable end of life

### Strong Product Road Map

- 400+ products across 5 distinct business groups
- 3 ingredient families including fiber, biobased & biodegradables

## PROVEN **track record**

### Acquiring, Integrating & Generating Organic Growth

- 8x in growth from 2019 to T12M
- 4 acquisitions completed in past four years

### Diversified Revenue Mix

- National, regional and small business customers across 50+ states and provinces
- Wide and diverse product range with over 400 plant-base products

### Solid Competitive Advantage

- Defensible moats - trade secrets, IP, leading product range, domestic manufacturing footprint
- Experienced Fortune 500 leadership team

# important milestones



**2017**  
Changes name from Solegear to good natured Products Inc. & Surpasses \$2 Million In Annual Revenue and 14x YOY Growth

**2018**  
Recognized by Government of Canada via Innovation Funding Award & Surpasses \$3.1 Million in Annual Revenue and 51% YOY Growth

**2019**  
**June 2019**  
Secures \$10 Million USD for Organic Working Capital and Acquisitions From Business Development Bank Of Canada  
**March 2019**  
Achieves Top 10 Best Seller Ranking On Amazon.com for Plant-Based Handy Recycler  
**December 2019**  
Surpasses \$10.1 Million in Annual Revenue and 98% YOY Growth

**2020**  
**December 2020**  
Closes Acquisition of IPF For \$16.7 Million  
**May 2020**  
Closes Acquisition of Shepherd Thermoforming for \$9.5 Million  
**December 2020**  
Surpasses \$16.7 M in Annual Revenue & 65% YOY Growth

**2021**  
**March 2021**  
Closes \$23.1 Million Bought Deal Offering & Debt Retirement  
**May 2021**  
Closes Acquisition of All Operating Assets of Ex-Tech  
**October 2021**  
Closes \$35.8 Million Senior Credit Facility & \$17.25 M Convertible Debenture Offering  
**December 2021**  
Surpasses \$61.1 Million in Annual Revenue & 266% YOY Growth

**2022**  
**March 2022**  
Announces Patent-pending for Novel Tamper Evident Packaging, GoodGuard™  
**May 2022**  
OTCQX Listing Under Ticket Symbol GDNPF  
**July 2022**  
Closes Acquisition of Houston-based FormTex Plastics  
**August 2022**  
Secures USD \$55 Million Credit Facility with Wells Fargo and CAD \$6.6 Million Mortgage Financing with Business Development Bank of Canada

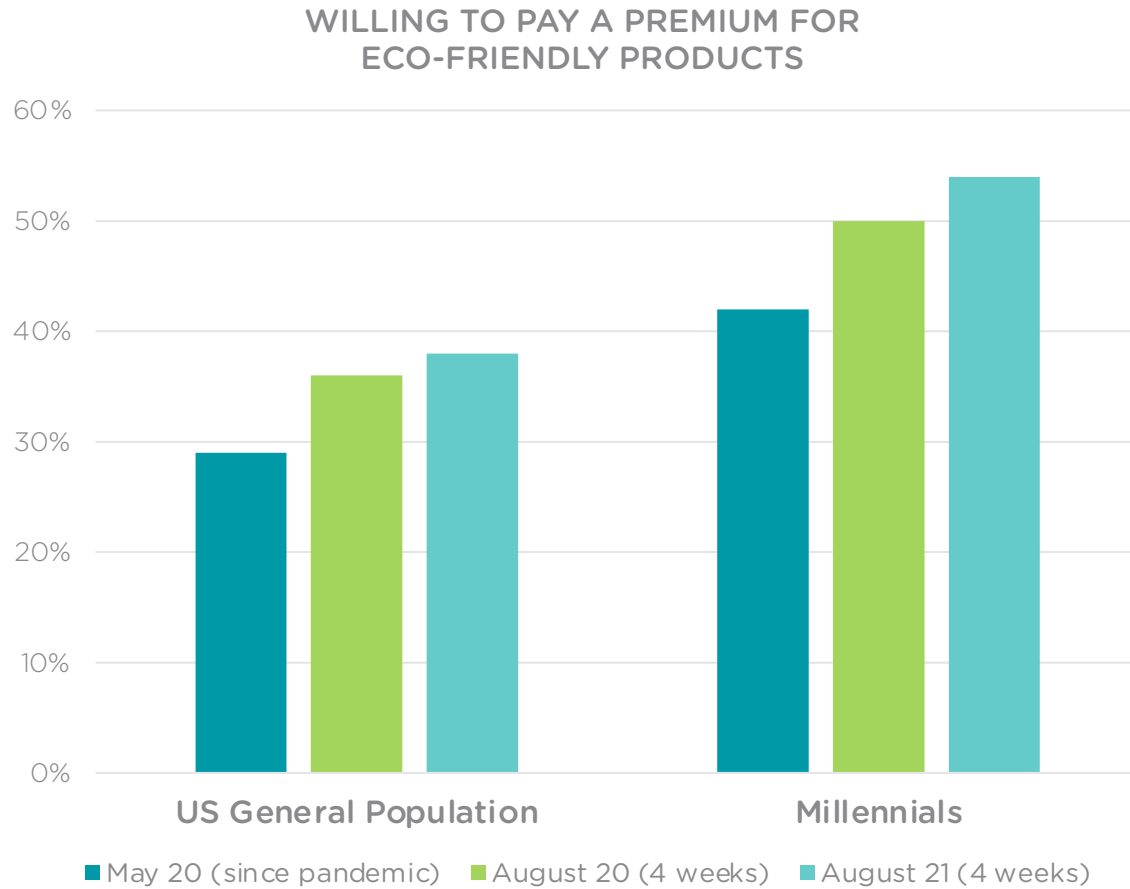
**2023**  
**May 2023**  
Launched GoodToGo™ Microwavable - First CMA compostable, heat resistant, 97% plant-based packaging

INDUSTRY AND

# **market drivers**



# MILLENNIALS WILL pay a premium for sustainability



\$1 in every \$5 spent on Fast Moving Consumer Goods (FMCG) comes from an environmentally conscious consumer<sup>1</sup> who are willing to pay a premium.<sup>2</sup>

“Consumers will look to connect with brands that reflect their evolving beliefs, and they’re **willing to pay a premium for eco-friendly or sustainable products.**<sup>2</sup>

1. [Meta for Business: Business Marketing Research and Intelligence, US Micro-shifts Study, 2022.](#)

2. [Consumer Brands Association, CPG Industry Supports 20 Million American Jobs, Contributes \\$2 Trillion to GDP, August 2019.](#)

# BUSINESS PLAN DESIGNED TO CAPTURE **key drivers of sustainable demand**

## BUILDING A **brand with purpose**

Consumers are highly conscious of the packaging they buy weekly, and it is top of mind when they consider how they can personally reduce their environmental impact. They expect brands & retailers to be more socially & environmentally responsible.



## EMBRACING **climate policies**

Bans on chemicals of concern<sup>4</sup> and “forever chemicals” like PFAS<sup>5</sup>, as well as the recently announced US National Biostrategy<sup>6</sup> to transition 90% of plastics to use renewable raw materials instead of petroleum, are driving proactive change in how everyday products are packaged and sold.

## CONSOLIDATING **fragmentation**

Sustainable CPG is characterized by two types of competitors with no established leader:

1. Multiple small entrants focused on one product line or niche market segment
2. Traditional brands acquiring new entrants to add sustainable products to their assortment

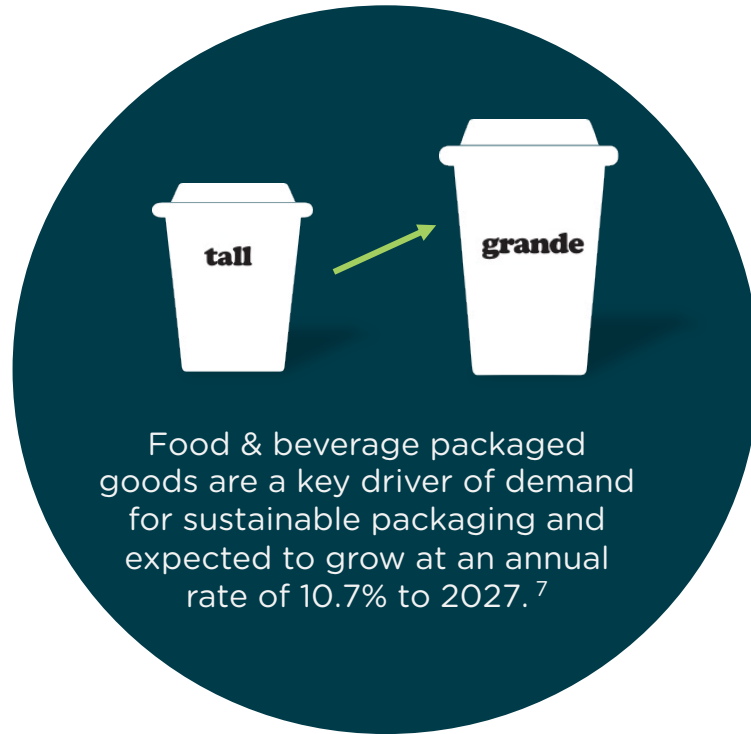
3. [Emergen Research, Sustainable Packaging Market Size, Share, Trends, By Materials, September 2020](#)

4. [Safer States Organization, Analysis of State Legislation Addressing Toxic Chemicals and Materials, February 2023](#)

5. [Government of Canada taking next step in addressing “forever chemicals” PFAS, May, 2023](#)

6. [Bold Goals for U.S. Biotechnology and Biomanufacturing, March 2023.](#)

# SUSTAINABLE PACKAGING MARKET growing & ripe for transformation



“Growing awareness regarding environmental concerns among consumers and strict government regulations regarding toxic packaging materials have fueled the sustainable packaging market.

## MASSIVE MARKET

The sustainable packaging market was worth around USD \$266 billion in 2021 and is estimated to grow to about USD \$358 billion by 2028.<sup>8</sup>

## DEMAND INCREASING

Consumer, industry and regulatory trends driving market pressure on fast-moving consumer good companies to identify and embrace sustainable packaging solutions.

## ACQUISITIONS OCCURRING

Market factors are setting the stage for dramatic transformation in the FMCG space, and by extension the packaging industry is making moves to respond to this changing landscape.

## HIGH FRAGMENTATION

Industry highly fragmented – largest company is USD \$21.3 billion yet less than 3% global market share.<sup>9</sup>

7. [Emergen Research, Sustainable Packaging Market Size, Share, Trends, By Materials, September 2020](#)

8. [Kantar: Who Cares, Who Does? Study, 2022](#)

9. [Top 10 Companies To Watch in 2023, January 2023.](#)

WHAT WE DO AND  
**go to market**

# what we do



## USE CLEAN RENEWABLE MATERIALS

Our products are made with the highest possible percentage of renewable, plant-based materials instead of petroleum & contain no chemicals of concern.

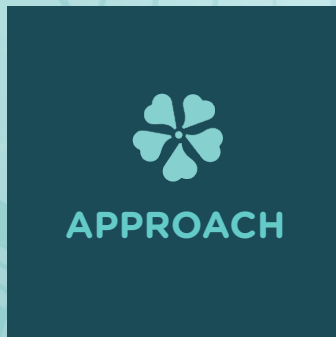
## MAKE BETTER EVERYDAY PRODUCTS

We're part of the sustainable consumer packaged goods (CPG) industry offering a wide assortment of eco-friendly products made from plants.



## MAKE IT EASY & AFFORDABLE

We focus on making everyday products in North America and offering them through multiple channels so it's easy and accessible for businesses to make the switch to sustainable packaging.





# 3 stages of bio-based material development to meet diverse needs

## BIO-BASED MATERIAL advancement

Future bio-based resins that will expand performance characteristics and/or end-of-life options.

- Home compostability
  - PLA/PHA blends and enzyme additives
- Emerging material families not yet available at market prices and scale
  - PBS, PHA
- Waste streams as feedstock
  - Forestry byproducts and fringe crops
- Expanded bioplastic portfolio
  - Bio-PP

## CHEMICALLY EQUIVALENT bioplastics

Drop-in replacements for traditional petroleum-based polymers that can be co-mingled in recycling streams.

- Bio-PET
- Bio-HDPE
- Bio-LDPE

## CLOSED LOOP compostables

For customers who are ready to go all the way, our certified compostable polymers create a full closed loop by turning back into soil to be made into more plants.

- PLA



## designed to deliver better everyday products®

We take the stuff people are buying every day and make it better by:

1. Making them out of renewable materials and without chemicals of concern.
2. Ensuring they perform the same or better than petroleum-based products.
3. Making them more readily accessible to people as a means to create meaningful environmental and social impact.





**our approach maximizes organic growth**

We offer a leading assortment through multiple channels to diverse customers.

**5 KEY BUSINESS GROUPS**  
**400+ products & services**

MARKET SEGMENTS	PACKAGING	GENERAL MERCHANDISE	COMMERCIAL & BUSINESS SUPPLIES	INDUSTRIAL	SERVICES
<b>DIRECT TO BUSINESS</b>	Leaf	Leaf	Leaf	Leaf	Leaf
National	Leaf	Leaf		Leaf	Leaf
Regional	Leaf	Leaf	Leaf	Leaf	Leaf
Small Business	Leaf	Leaf	Leaf	Leaf	Leaf
<b>DIRECT TO CONSUMER</b>	Leaf	Leaf	Leaf		
eCommerce	Leaf	Leaf	Leaf		
Stores		Leaf			

Leaves represent business groups and market segments with active customers during the prior 12 months.



# key business groups

## Packaging

Stock and custom designs for various industries delivered through exclusive and/or multi-year purchasing agreements.

## General Merchandise

Everyday products with high purchase frequency and a focus on removing chemicals of concern in homes and through supply chain.

## Commercial & Business Supplies

High volume/high demand items used in operations, from pallet stretch wrap to multi-use packaging made from renewable materials.

## Industrial

Eco-friendly inputs to retail, restaurant, medical and manufacturing industries, including extruded sheets and biodegradable agents.

## Services

Supplemental service offerings, such as design, prototyping, labelling and mold financing to support customer requirements.



# we've been getting a big thumbs up

“



### AMAZON.COM

eco friendly! beautiful product. What I love about this product is that its planet friendly! I avoid use of plastic, so, I'm super glad to get this!



“

**WE ABSOLUTELY LOVE THE PACKAGING** and we're so glad we switched over to plant-based packaging...  
The customer service has been phenomenal. Thank you so much! ❤️



“

**IT LOOKS SO MUCH BETTER** (and way cuter!) in its new smaller container! It's so great to see so many companies making great products that are saving our planet.

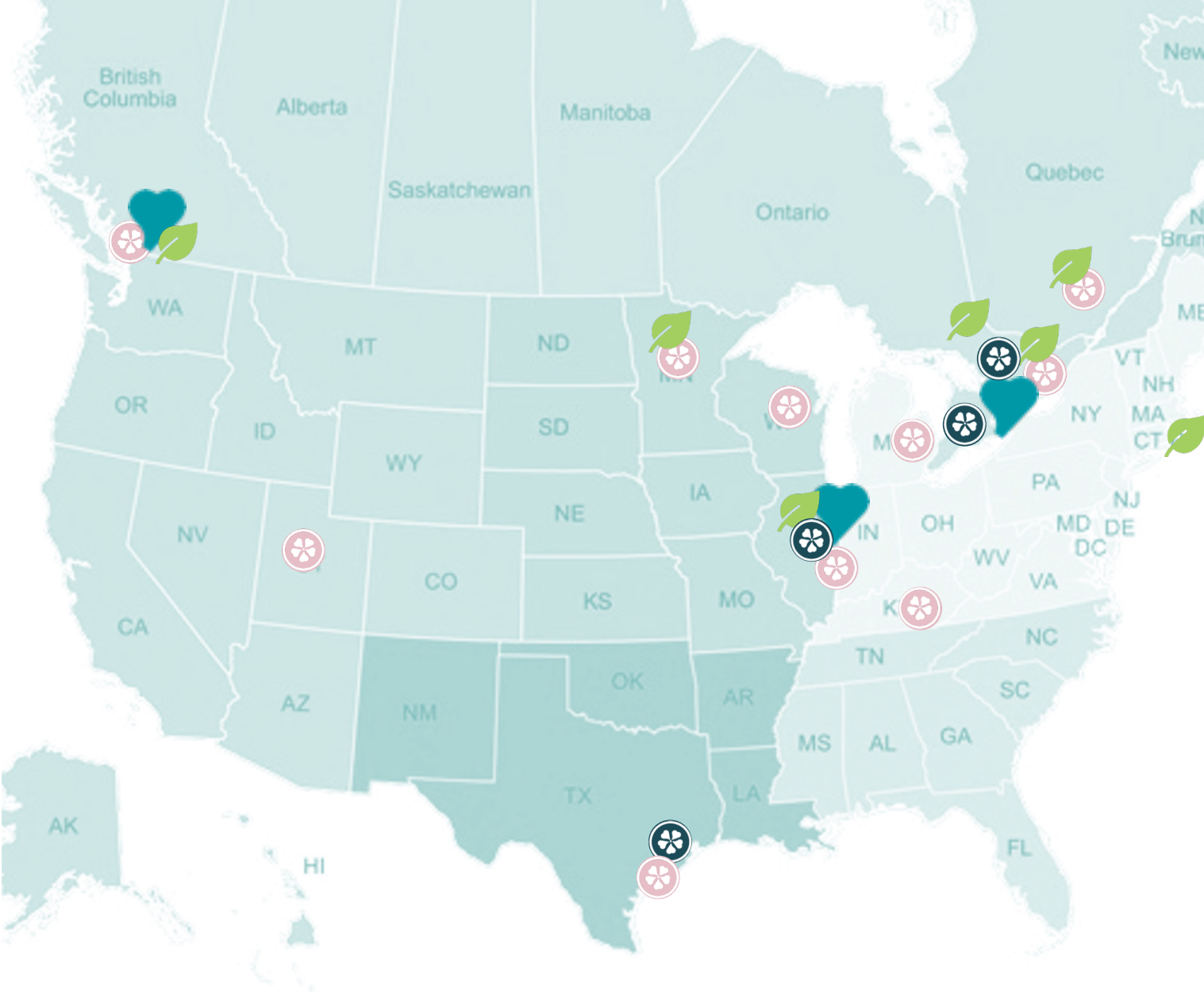


“

**NEW PACKAGING!** I love these treat boxes from *good natured*®. They are made of 99% plant-based material and are certified compostable!



SCALEABLE, FLEXIBLE  
**operations**



## FLEXIBLE & SCALABLE **experienced supply chain**

Our highly scalable insourced and outsourced manufacturing model delivers a flexible supply chain to support growth and new product development.

Insourced supply chain has approximately 150,000 sq. ft. of manufacturing floor space.

Our experienced team has built a global supply chain to access the latest bio-based ingredients that support our growing product assortment.

	Outsourced Manufacturing		Insourced Manufacturing		Regional Offices		Distribution Centres
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# defensible moats

Well positioned to solidify a leadership position in a high growth industry.

## ♥ First To Market

400+ plant-based products positions *good natured*® as a market leader

## ♥ Unique, Well Executed Business Model

Retail-oriented sales strategy by Business Group and customer segments delivers consistent organic growth

## ♥ Trade Secrets

Processing trade secrets and know how

## ♥ Patents

Proprietary, patented and patent pending product designs and material recipes

## ♥ Scalable Supply Chain

Exclusive and highly scalable vendor agreements, combined with both insourced and outsourced manufacturing, deliver a flexible supply chain model to support growth and new product development.

## ♥ Sourcing Agreements

Unique and defensible ingredient sourcing agreements

## ♥ Trademark Brand

Consumer-oriented, recognizable brand and market positioning



CONSOLIDATED  
**financials**

# strong 5-year revenue growth, curb from destocking and rising interest rate headwinds

Cost reduction activities initiated in response

Notes:  
T12M: Trailing Twelve Month Actual (ended September 30, 2023)

Variable Gross Margin\* (VGM), a non-GAAP measure, is gross margin excluding fixed production costs such as depreciation, repairs and maintenance, utilities and similar overhead items.

\*See "Non-GAAP Financial Measures" below for additional information.

Revenue & SG&A

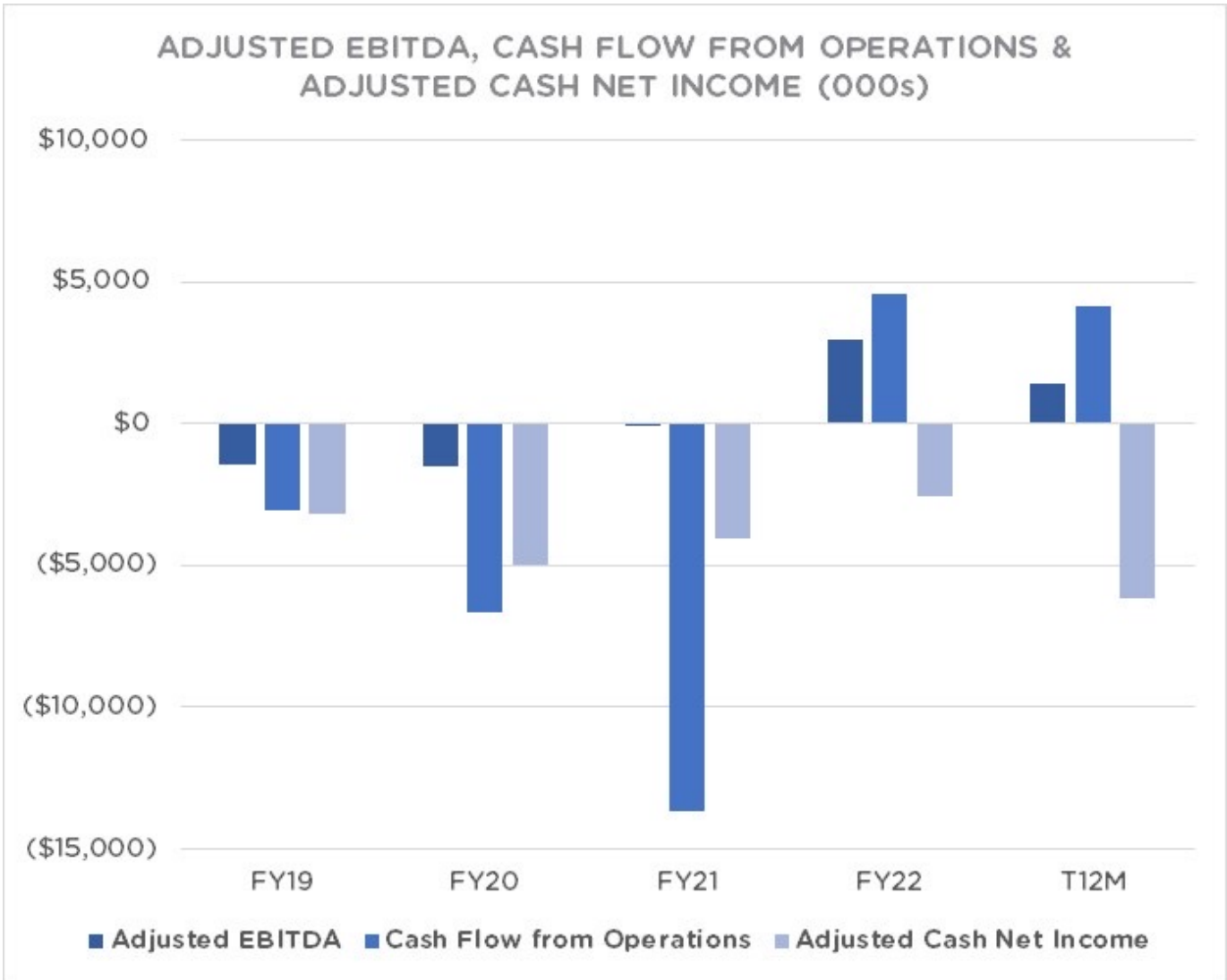


34% GM	34% GM	37% GM	32% VGM 26% GM	33% VGM 26% GM	36% VGM 26% GM
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# adjusted EBITDA, cash net income & cash flow from operations

Adjusted EBITDA remains positive, while Adjusted Cash Net Income declined from higher interest and finance costs.

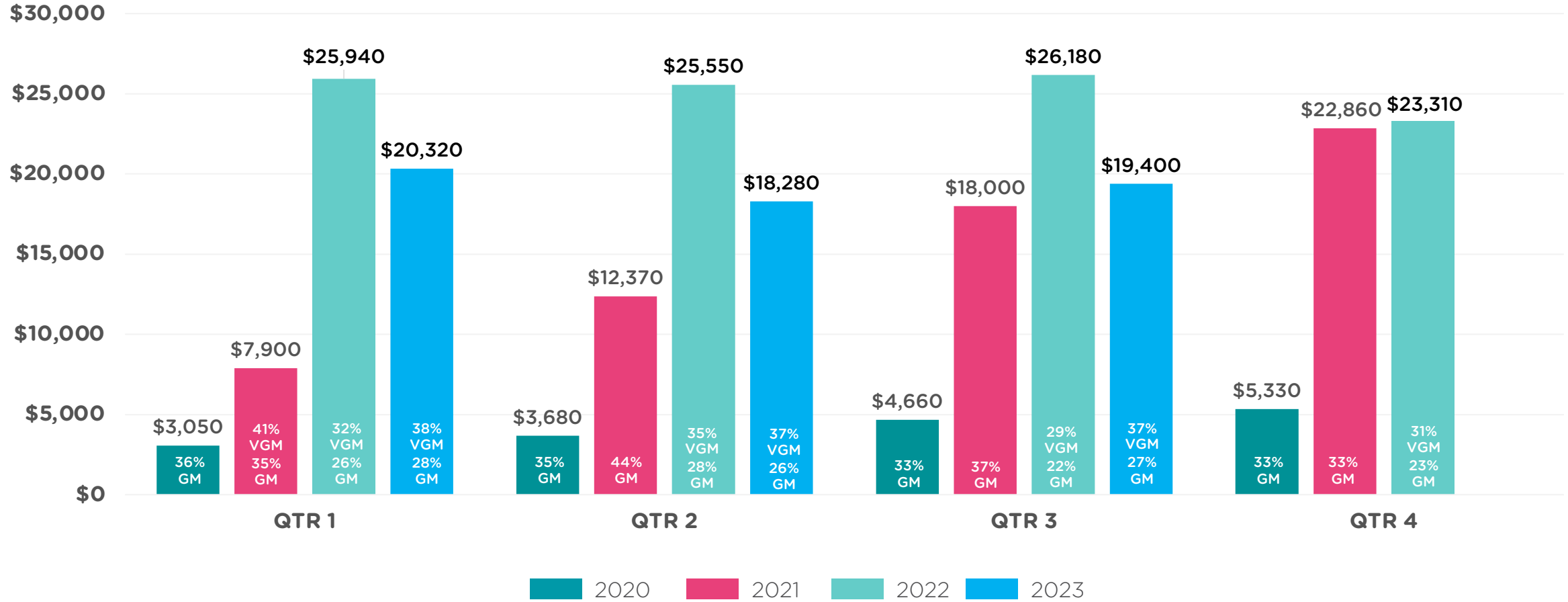
Adjusted EBITDA & Adjusted Cash Net Income, non-GAAP measures, and cash flow from operations provides management a valuable, normalized metric for the evaluation of ongoing operating performance, strategic decisions and future operating plans. See “Non-GAAP Financial Measures” below for further information regarding these non-GAAP measures.





# quarterly results

## QUARTERLY REVENUE COMPARISON (000s)



# ACQUISITIONS THAT CREATE **transformative synergies**

These transactions demonstrate the Company’s ability to successfully complete strategic acquisitions to achieve its growth objectives.

2020



Completed the acquisition of Shepherd Thermoforming & Packaging Inc., a leading thermoformer with over 35 years’ experience.

**Average Annual Revenue**  
+CAD\$5.0 Million  
**Average Annual Adjusted EBITDA**  
CAD\$420,000



Highly synergistic, the addition of IPF more than doubled revenue on trailing twelve-months across nearly 100 customers, and drives margin efficiencies with the Shepherd facility.

**Annual Revenue**  
+CAD\$17 Million  
**Annual Adjusted EBITDA**  
CAD\$3.7 Million

2021



Announced highly accretive acquisition of Ex-Tech Plastics in Richmond, Illinois, positioning *good natured*® as one of North America’s leading commercial sheet extruders.

**Annual Revenue**  
+CAD\$33 Million  
**Annual Adjusted EBITDA**  
US\$2.6 Million

2022



Announced the acquisition of FormTex Plastics Corporation in Houston, Texas, increasing the Company’s capacity and customer base, resulting in material positive financial synergies.

**Annual Revenue**  
+USD\$4.9 Million  
**Annual Adjusted EBITDA**  
US\$0.6 Million

## 27% mgmt. & insider ownership

CAPITAL STRUCTURE AS AT  
MARCH 27, 2024

\*NOTES:

STOCK OPTIONS INCLUDE ALL VESTED AND UNVESTED OPTIONS, AND ALL STOCK OPTIONS THAT HAVE NOT BEEN ISSUED.

FULLY DILUTED OUTSTANDING INCLUDES 22 MILLION FROM OUT-OF-THE -MONEY CONVERTIBLE DEBENTURES

SYMBOL	GDNP
Float Size (Estimated)	216,299,111
Insider/Management Shares	78,408,379
Shares Outstanding	294,707,490
Fully Diluted*	405,730,944
Warrants	62,734,645
Options*	8,646,940
Other Incentive Equity	17,650,893
Convertible Debentures*	21,990,976
Market Capitalization	\$17,682,449

# outstanding warrants

WARRANT SUMMARY AS AT MARCH 27, 2024

OUTSTANDING	MATURITY	STRIKEPRICE	TOTAL VALUE
8,201,250	01-Jun-24	\$0.52	\$4,264,650
963,150	01-Jun-24	\$0.40	\$385,260
2,071,429	21-Dec-24	\$0.14	\$290,000
35,714,285	21-Dec-24	\$0.19	\$6,785,714
15,639,998	21-Sep-26	\$0.08	\$1,251,200
144,533	21-Sep-26	\$0.06	\$8,672
<b>TOTALS</b>			
62,734,645		\$0.21	\$12,985,496

FORTUNE 500

# senior leadership

# WE'RE ALL **good natured**®

Our c-suite knows consumer behaviors, understands retail realities and has never shied away from leaning in to drive growth, no matter the odds.



Former CEO Best Buy Europe, \$5 billion JV with Carphone Warehouse. Former SVP, Int'l Retail Ops & President China at Best Buy: multi-billion sourcing division. VP Sales Dev for Best Buy US, responsible for \$30 billion sales strategy.



Corp development & capital management closing acquisitions/divestitures of 200+ business transactions over \$1 billion in value. Raised over \$200 million in debt and equity.



CPA and MBA with 25+ years of experience in senior finance roles for several public companies, listed on both TSX-V and NASDAQ, responsible for all finance related activities for the company.



Multi-national Fortune 100 background building large-scale marketing campaigns. Specific expertise in brand portfolio strategy, customer segmentation and new market development.

# our board & advisors keep us on track

With expertise across capital markets, consumer products, packaging and supply chain, we're in good hands to stay on course for big time growth.

## Paul Antoniadis Executive Chair & CEO

Founding Partner at Scenario Ventures. Former CEO Best Buy Europe. Former SVP, Int'l Retail Ops & President China at Best Buy: multi billion sales and sourcing division. Also held VP of Sales Development for Best Buy US, where he was responsible for the execution of \$30.8 billion in sales.

## Keith Spencer Lead Director

Sought-after expert on technology, venture capital funding, and high-growth commercialization. Past Partner of 35+ years at Fasken Martineau DuMoulin, a major multinational law firm. Recipient of the BC Technology Industry Association's Bill Thompson Lifetime Achievement Award for exemplary efforts in supporting the BC technology industry.

## Joel Marsh Director

Senior Director with over 30 years' retail experience in operations, financial management, sales development, supply chain, standard operations process and scaling new businesses. Led Best Buy Sales Development team to 47 straight months of positive like-for-like sales growth while improving gross margin rates by 500 basis points.

## Tami Kozikowski Director

Senior Executive with significant public company experience including profit and loss responsibilities for businesses ranging from \$60 million to \$5 billion. Presently the CEO of The Waters Group, a leader in senior living communities located in Minnesota, Wisconsin and Pennsylvania. Previously EVP, Real Estate and Development & LifeSpa at Lifetime Fitness (2012 to 2016) and Chief Development officer at Advance Auto Parts (2009 to 2012).

## Karl Sanft Director

Presently CEO of 24 Hours Fitness, an industry-leading group operating close to 300 locations throughout the U.S., having originally joined in April 2019 as COO. Starting his career at K-Mart and Office Depot, Mr. Sanft later joined Best Buy and rose to Senior Vice President of U.S. Retail Operations over his 20-year tenure with the company.

## Mark Munford Director

Served as President of Natural Chemistry for over 30 years and CEO of NC Brands from 2015, prior to its acquisition in 2019 by leading North American chemical manufacturer KIK Custom Products Inc. Experienced in building and expanding multiple natural product brands in both Canada and the United States using a combined approach of developing and commercializing unique and patentable green chemistry technology, along with a robust acquisition strategy to grow quickly to profitability.

## Salil Munjal Advisor

Managing General Partner,  
Yaletown Partners  
British Columbia

## Tom Haglin Advisor

Owner  
LINDAR Corp., Avantech  
Minnesota

# legal and disclaimers

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The information contained in this presentation is accurate only as of June 8, 2023. The information contained in this presentation is subject to updating, revision, verification and amendment without notice or reason.

## Forward Looking Statements

This presentation contains "forward-looking information" within the meaning of applicable Canadian and United States securities laws, which is based upon the Company's current internal expectations, estimates, projections, assumptions and beliefs. Such forward-looking statements and forward-looking information include, but are not limited to, statements concerning, among other things, expected market drivers, the Company's business plans and growth strategies, and other future conditions which we believe are reasonable as of the current date. The reader should not place undue importance on forward-looking information and should not rely upon this information as of any other date.

Forward-looking statements or forward-looking information are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements or forward-looking information, including, without limitation: future capital needs and uncertainty of additional financing; risks relating to general economic, market and business conditions; unforeseen delays in the realization of the Company's plans; risks related to the loss of key manufacturing equipment, capability or facilities; the performance of plant-based materials and the ability of the Company's products and packaging to meet significant technical requirements; changes in raw material supply and costs; labour availability and labour costs; fluctuations in operating results, and other related risks. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements or forward-looking information. Although good natured® has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that could cause results not to be as anticipated, estimated or intended.



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## Forward Looking Statements Continued

In making such forward-looking statements or providing such information, good natured® has made assumptions regarding, among other things: the ability to successfully attracting and retaining customers and skilled members of management, directors and staff; the availability of financing opportunities; the impact of competition; the ability to obtain and maintain existing financing on acceptable terms; currency, exchange and interest rates; risks associated with economic conditions; the ability to successfully integrate acquired businesses within the Company's existing business and optimize synergies; dependence on management and conflicts of interest and market competition; the ability to successfully commercialize the Company's products; the viability and success of any potential future transactions; delays or problems with product supply or manufacturing; the ability of the Company to meet its obligations to its lenders; and compliance with applicable laws and regulations. All other assumptions contained in this presentation constitute forward-looking information.

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## Non-GAAP Financial Measures

We have included in this presentation information regarding the Company's Variable Gross Margin, Adjusted EBITDA and Adjusted Cash Net Income all non-GAAP measures to provide, what management believes, is a meaningful comparison of good natured® performance during those time periods. These non-GAAP measures do not have standardized meanings, and therefore may not be comparable to similar measures presented by other issuers.

Variable Gross Margin provides deeper insight into normalized product margins and profit related to variable material input costs, inbound freight and labour costs associated with producing the goods being sold. VGM also reflects contribution absent of fluctuations due to changes in volumes from factors such as mix of insourced versus outsourced manufacturing to respond to specific customer requirements for multiple-facility production, depreciation from facility capital investments and the addition of manufacturing facility acquisitions with factory overhead charges.

The Company employs Adjusted EBITDA internally to measure its operating and financial performance and to assist in business decision making. The Company believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors and other stakeholders also use this non-GAAP measure as information to evaluate the Company's operating and financial performance. Adjusted EBITDA provides an indication of the Company's continuing capacity to generate income from operations before considering the Company's financing decisions, share compensation, costs of amortizing capital assets and other items that management believes are not reflective of the Company's underlying operating performance for the reporting period. Accordingly,

# legal and disclaimers

## Non-GAAP Financial Measures

Adjusted EBITDA comprises net income (loss) excluding financing costs, foreign exchange gains or losses, share compensation, amortization and depreciation, asset impairment, gains or losses on loans, acquisition related costs, selling, general and administrative (“SG&A”) costs tied to acquisition activities, restructuring, one-time charges, operational process, engineering-related consultancy costs, asset impairment, and income taxes. With the Company focused on revenue growth and productivity improvements, Adjusted EBITDA provides management a valuable, normalized metric for the evaluation of ongoing operating performance, strategic decisions, and future operating plans.

Company employs Adjusted Cash Net Income internally to measure its operating and financial performance and to assist in business decision making. The Company believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors and other stakeholders also use this non-GAAP measure as information to evaluate the Company’s operating and financial performance.

Adjusted Cash Net Income provides an indication of the Company’s continuing capacity to generate income from operations after considering the Company’s financing decisions, and before considering non-cash costs and other significant or unusual items. Accordingly, Adjusted Cash Net Income comprises net income (loss) excluding non-cash interest expense, foreign exchange gains or losses, share compensation, amortization and depreciation, asset impairment, gains or losses on loans, acquisition related costs, selling, general and administrative costs tied to acquisition activities, restructuring, one-time charges, operational process engineering-related consultancy costs, and asset gains (impairments).

## Non-GAAP Financial Measures

Further information regarding Variable Gross Margin, including reconciliations of VGM to gross margin, the most directly comparable GAAP measure can be found in the Company’s MD&A for the Q1, Q2, Q3 and the financial year ended 2021, 2022 and 2023 under the headings “non-IFRS financial measures” and “discussion of operations” or similar sections and is incorporated by reference. Further information regarding Adjusted EBITDA, including reconciliations of Adjusted EBITDA to net loss, the most directly comparable GAAP measure, can be found in the Company’s MD&A for the financial year ended 2020, 2021, 2022 and 2023 under the headings “non-IFRS financial measures” and “discussion of operations” or similar sections and is incorporated by reference. The Company’s MD&A for financial year ended 2020, and Q1, Q2, Q3 and the financial year ended 2021, 2022 and 2023 are available on the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com).



**thank you**

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