

Q&A with Brian Athaide, CEO of The Green Organic Dutchman Holdings Ltd. providing Clean Organic Medical Cannabis Products free from Chemical Pesticides or Synthetic Fertilizers developing distribution in Europe Latin America and North America



Brian Athaide
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Interview conducted by:
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CEOCFO: *Mr. Athaide, the first thing I see on the Green Organic Dutchman Holdings, Ltd site is “Making life better.” How are you doing so?*

Mr. Athaide: Making Life Better embodies everything our company stands for. From our corporate culture, our products, the way they’re produced, to building LEED certified, GMP compliant facilities and even our retail first financing approach. If you look at the medical market there are many proven benefits including the treatment of epilepsy and other neurological conditions, sleep disorders, chronic pain, arthritis relief in addition to appetite recovery for cancer survivors. We’re making life better. Additionally, cannabis is a much safer alternative to opioids. With respect to the recreational market, cannabis can be used as a healthier alternative to alcohol at social events or when a consumer wants to relax and unwind without calories or risk of a hangover. We see thousands of ways in which we Make Life Better every day and it all starts with clean organic product that is free from chemical pesticides or synthetic fertilizers.

CEOCFO: *What are you doing differently at Green Organic Dutchman to be part of this process and this movement?*

Mr. Athaide: The early management team was involved heavily on the capital market side, funding and taking public two previous Canadian Licensed Producers, where they learned a significant amount about the industry. All these learnings were captured in our business plan. One of the largest issues that most startups face, especially in the cannabis space, is they underestimate the capital required to build these facilities and don’t have the ability to raise that capital and thus deliver on their business plan. They may have the best idea in the world and the best team, but if they do not have the capital to execute, they fail. One of the first things our team did was put in place a unique financing plan. They specifically targeted medical patients and recreational consumers who could become not only medical patients and recreational customers of ours, but brand ambassadors. Before our IPO, they raised \$160 million privately with over four thousand investors. That is completely unheard

of! The IPO then brought in over \$130 million taking our total dollars raised over \$350 million. This fully funds our domestic expansion and provides significant capital towards international opportunities including M&A, JV's, licensing deals, and potential acquisitions. Our goal is to become the largest and the most valuable organic cannabis brand in the world.

CEOCFO: *With so many new ideas in the cannabis industry, including how to grow and how to harvest, how did you decide on what is the best way, the best plans?*

Mr. Athaide: We learned from our past experiences in the cannabis sector, and took a top down approach looking to all industries, not just cannabis. We knew a mix of science backgrounds with masters and PhD's in organic agriculture, combined with the hands-on experience growing certified organic cannabis was the answer.

We hired our master grower from one of the most reputable certified organic LP's in Canada. We also hired grow teams who have experience working in million+ square foot organic vegetable greenhouse so we have a significant amount of experience in large scale organic commercial operations. Combining that experience and knowledge, along with other scientists and R&D professionals has enabled us to develop intellectual property around organic cannabis growing, at scale.

CEOCFO: *Is the public aware? Do they recognize the difference between organic and non-organic? Do people care today? How do you get them to care more?*

Mr. Athaide: Absolutely. We have seen growth across organic categories for some time now as consumers are paying more and more attention to what they put in their bodies. In fact, Hill and Knowlton completed a research report indicating 57% of Canadian medical patients prefer organic. Organic is a both a brand and a lifestyle. If you think about it, Amazon buying Whole Foods for \$14 billion validates the importance of organic. It is even bigger in Europe than it is in North America. If you look across different product categories as you go in a grocery store, organic products cost anywhere from 20% to 50% more than the same products that are non-organic. People recognize that it is safer, cleaner, frequently tastes better, and in cannabis, commands a premium price upwards of 26%.

CEOCFO: *What happens after you do the growing?*

Mr. Athaide: After we grow our strains there are many different steps depending on the product we're making, and the consumer receiving that product. Some people smoke it, so we take the bud, (the flower part that contains all the cannabinoids) we dry it and we sell it packaged based on weight (per gram). This has been the largest part of the current market; that is often associated with historical cannabis culture. However, looking forward I see the market developing into other consumption forms such as oils and extracts. With this process you extract the active pharmaceutical ingredient from the dried bud, the cannabinoids, and isolate different cannabinoids such as THC or CBD. Consumers ingest oils in a variety of different delivery methods that make consumption more discreet than smoking.

Today in the black market there are many other segments such as vapes, gummies, chocolates and beverages infused with THC or CDB. These are popular consumption formats which are anticipated to be legalized in Canada shortly after the recreational adult use market is

implemented. Consumers demand access to safer and more reliable products with varying delivery methods. This is, in our opinion, the future of the cannabis market and where TGOD is spending a significant amount of time building a team and infrastructure to dominate this segment.

CEOCFO: *What do you understand today about the regulatory process and what is coming up? How do you stay ahead of or even just up to date, because it does seem to be a constantly changing landscape?*

Mr. Athaide: Regulations are changing constantly as people begin to understand more about the product, supply chain and consumption methods. Cannabis has been widely used for thousands of years and only in the past 100 years did it become illegal and people become less familiar with it. Given this, there has not been a lot of modern clinical research done. However, now that it is becoming acceptable again, the medical benefits from various cannabinoids are being uncovered at a rapid pace. The FDA has approved three cannabis-based drugs over the past several years, despite cannabis remaining federally illegal. I believe you will see over time, as more studies take place, the regulatory environment adapting and becoming much easier. If you look at Europe now, it seems that every month more and more countries are starting to legalize medical use. It is simply a matter of time before the general population and governments around the world realize the benefits bringing the recreational market out of the shadows and into a more regulated, safer environment. Canada is the first G7 country to do so federally, and the world is watching.

CEOCFO: *What has changed from the original vision for Green Organic Dutchman?*

Mr. Athaide: The original vision remains intact. We have always aimed to become the largest organic cannabis brand in the world. We started building out multiple facilities with a goal of supplying the medical and recreational markets (once legalized) with clean organic cannabis. Over the past year we have built our vision further to become a global consumer branded business driven by innovation. We are focused on the Consumer and ensuring we have the best possible products, with high efficacy, and can be delivered in the way that consumers prefer. We see beverages at the top of the pyramid with the highest value creation due to ease of consumption, fast onset and as a replacement of other beverages across many different occasions. We are investing significantly in product development, licensing deals, and developing the best manufacturing processes to build our organic brand around the world.

If you think about beer companies, they aren't growing their own hops or barleys. I come from the wine industry and most of our grapes came from long term contract growers who were experts on managing vineyards, while we focused on building the brand. I see the Cannabis industry evolving in a similar way.

CEOCFO: *How far will your current funding take you?*

Mr. Athaide: We have already raised more than \$350 million. That is enough to fully build out our Canadian facilities, fund our international expansions into Europe and Latin America, provide ample dollars for further joint ventures, M&A, strategic investments and more licensing deals. We have recently closed on the investment of 49% interest in Epican Medicinals, a vertically integrated cannabis company in Jamaica, and a fully integrated Polish company HemPoland with distribution

across 700 locations in 13 countries. That is just the beginning. We have so many partnerships and acquisitions we are working on. We plan to be very active with our news flow for the foreseeable future.

Canada is going to be an important market but there are only thirty-six million people here. Europe is 20 times that and Latin America 18 times that. Our plan has us in three continents and 12 countries by the end of the year making us largest and most valuable organic cannabis brand in the world.

CEOCFO: *What is the key to paying attention to all of the opportunities but not running amuck? With so much opportunity globally, how to do you focus in?*

Mr. Athaide: [We are focused on long term value creation.](#) There are many announcements made every day from different cannabis companies. Much of it is noise without long term substance. We are really focused on building substance, building something that is going to create a legacy in the industry, and real value for our shareholders. It is a matter of filtering through the opportunities methodically and keeping our due-diligence checklists in place. These include so many aspects of the business such as financial attractiveness, organic authenticity and a management team with the right capabilities and skills to win in a competitive environment. Most importantly, do we have the right legal framework in that country. We then look to see what we can bring, or how we bring different types of people or businesses together to create even further value. As an example of this, we are finding the best technologies in the US and licensing them to be bring to Canada and other international markets. We signed an agreement with Stillwater S.C., for water soluble cannabinoids, which can provide an incredibly fast onset and smooth offset. We also have a license agreement with Evolabs / CBx who have the number one vape in Colorado and some remarkable topicals and creams. These are industry leading technologies and products that are proven in the states, where we own the exclusive licenses across Canada and international markets. This is massive for us and allows us to work with land-locked states that have developed unique and novel products but can't export beyond their state boundaries.

CEOCFO: *What might someone miss when they first look at Green Organic Dutchman that should be recognized?*

Mr. Athaide: The team that founded the company came from a capital markets background and were able to raise a significant amount of money for the business. They knew they needed to put in place a management team that now had experience operating a company of that size. Csaba Reider, our president has more than thirty-five years of CPG experience, much of it in beverages. I came from the Wine Industry and before that spent 25 years with Proctor & Gamble working in eight different countries in four continents. Looking across the rest of our team in marketing, branding, sales, operations, supply chain, legal, IT and HR, we have people with tremendous experiences from CPG, leading technology, pharmaceutical, and retail companies, building incredible consumer focused brands. Overall our team has more than 165 years of CPG experience. There are no other cannabis companies today that have that level of consumer products experience. A team with such a diverse skill set and track record will undoubtable help us execute our plans and execute them with excellence. If I was an investor I would look at, "Do they have the right business model, the right strategy, the right

plan, but most importantly, do they have the right team?" I believe these are all qualities we possess and I am so excited for the future of the cannabis market, both in Canada, and abroad.

