

The demand of the US market for high quality grain supply

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Agenda

- Who we are
- Actual market situation North America
- Supply situation of raw materials and ingredients
- Market Expectation
 - Product and Supply
 - Administration

Who we are

Organic Partners International, LLC (Organic Partners) brings together a powerful network of Organic Sourcing Agents and Primary Suppliers of Organic Ingredients for Industrial Bulk Buyers.

Our international network of growers and processors is tied together through over 20 years of successful joint business ventures in The European Union & former East Bloc Countries, South America, North Africa, Asia, Oceania, and North America.

The main product lines include:

- Oils
- Pulses and Grains
- Oil and Confectionary Seeds
- Fruits and Vegetables, IQF, Concentrates, Purees
- Nuts and Dried Fruits
- Cocoa Products
- Sugar and Sweeteners

We are operating as fullservice partner in the supply chain, normaly with door-to-door solutions

Actual market situation North America

- Short overview world:
 - Organic market growth continues to estimated \$72 Billion/ 2015
 - Worldwide 37.5 Million ha available organic land
- Worlds largest organic market is the USA
 - Growth 11,5% annualy (conventional 3%)
 - US market is the worlds leading organic market
 - US \$32.3 Billion, 92% of total organic sales (2013, OTA)
 - Germany \$10.2 Billion
 - France \$5.9 Billion
 - Main organic product groups US market
 - Fruits and Vegetables 37.0%
 - Bread and Grains 11.8%

Actual market situation North America

- World's organic agricultural land
 - Total: 37.54 Million ha
 - First: 12.16 Million ha (Australia)
 - Second: 11.18 Million ha (EU)
 - Third: 3.01 Million ha (North America)

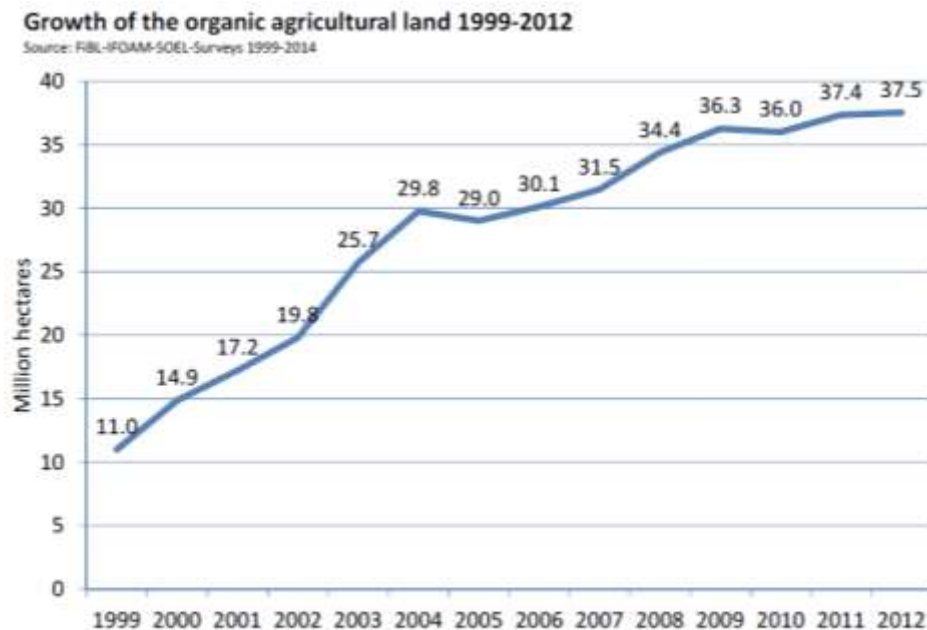


Figure 5: World: Growth of the organic agricultural land 1999-2012

Source: FiBL-IFOAM-SOEL surveys 2000-2014

Supply situation of raw material and ingredients

- Growth of organic agricultural land is slower than market growth
 - North American market is strongly import reliant for years to come as production does not grow parallel with market growth
- Decision at OPI to extend sourcing for raw materials and ingredients beyond the traditionally North and South American supply area
- Shortage of organic wheat (milling, feed grade) leads to reaching out to Ukrainian supply as a longterm strategy

Market Expectation – Product and Supply

- Large customers
- Third party Manufacturing
- High quality Standards
- Logistics
- Warehousing
- Multicultural Society

Market Expectation – Administration

- Sustainability in Supply
- Quality Screening
- Trade Terms
- Claim Handling
- Local Representation

Thank you for your attention!

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