

# Verus International



## Investor Overview – November 2019

Verus International, Inc. (OTCQB: VRUS)  
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# SAFE HARBOR STATEMENT

Forward-looking statements contained in this presentation involve risks and uncertainties, as well as assumptions that, if they never materialize or prove incorrect, could cause our results to differ materially and adversely from those expressed or implied by such forward-looking statements. Forward-looking statements may include, but are not limited to, statements relating to our outlook or expectations for earnings, revenues, expenses, asset quality, volatility of our common stock, financial condition or other future financial or business performance, strategies, expectations, or business prospects, or the impact of legal, regulatory or supervisory matters on our business, results of operations or financial condition.

Forward-looking statements can be identified by the use of words such as “estimate,” “plan,” “project,” “forecast,” “intend,” “expect,” “anticipate,” “believe,” “seek,” “target” or similar expressions. Forward-looking statements reflect our judgment based on currently available information and involve a number of risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Factors that could cause or contribute to such differences will be discussed in the section titled “Risk Factors” in our future Form 10-Q and 10-K filings following our business transition and in any subsequent filings under the Exchange Act and in our other SEC filings. Additionally, there may be other factors that could preclude us from realizing the predictions made in the forward-looking statements. We operate in a continually changing business environment and new factors emerge from time to time. We cannot predict such factors or assess the impact, if any, of such factors on our financial position or results of operations. All forward-looking statements included in this presentation speak only as of the date of this presentation and you are cautioned not to place undue reliance on any such forward-looking statements. Except as required by law, we undertake no obligation to publicly update or release any revisions to these forward-looking statements to reflect any events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events.

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# FASTEST GROWING MULTI-LINE CONSUMER PRODUCTS COMPANY

**Verus is ranked #1 in revenue growth among all public multi-line consumer product companies in the U.S.**

## Who are we?

- Verus is a global, emerging multi-line consumer packaged goods (CPG) company developing branded product lines in the U.S., South America, and the Middle East
- Exclusive licensor for Major League Baseball (MLB) team-branded frozen desserts and candies
- A multi-line company with an initial portfolio covering **meat**, **frozen desserts**, **confectionary (candy)** products, **beverages**, **health and fitness supplements**, **vegetables**, **fruits**, **honey**, **rice** and **condiments**





# GEOGRAPHIC FOOTPRINT

During 2019 and 2020, Verus plans to enter selective North and South American, European, and Asian Markets.

**Current Operations:**  
Maryland, USA  
Brazil  
Dubai, UAE  
Singapore

Verus has significant experience selling into the Gulf Cooperation Council (GCC) countries via its operations in Dubai. This is one of the fastest growing food and consumer product markets in the world.

# THE VERUS FAMILY OF BRANDS



Vērus Foods



# THE VERUS FAMILY OF BRANDS - REGIONAL

Verus has the ability to cross-border its brands, expanding the reach of promising company-owned lines or replicating products in additional geographies

**U.S.A. Only**  
**(Canada in the future)**



The MLB licensed business (launched in 2019) has created interest from other professional sports leagues, including some with a global presence



**NUTRIBRANDS**  
NUTRITIONAL PRODUCTS PROUDLY MADE IN THE USA



Nutribrands gives Verus a foothold in the world's 6<sup>th</sup> largest consumer products market (211 million population)



**Vērus Foods**

Branding has not yet been announced for European product categories



# 2019 M&A: NUTRIBRANDS



**Brazilian health and nutrition company founded in 2004 that owns, imports and distributes more than 150 *Made in the USA* products in Brazil.**

Nutribrands sells both its own and 10 other leading brands in the Brazilian food supplements and vitamin markets.

## Key Attributes:

- *Arnold Nutrition* (the Company's own brand) is a top seller in Brazil
- Products in 79,000+ retail locations
- First 12-month sales projected in excess of \$18 million, with triple digit growth rate to follow
- Can expand to other markets, including U.S.
- **Opportunity to create the leading “5-Hour Energy” equivalent shot-type supplement in Brazil**

Acquired  
October 2019



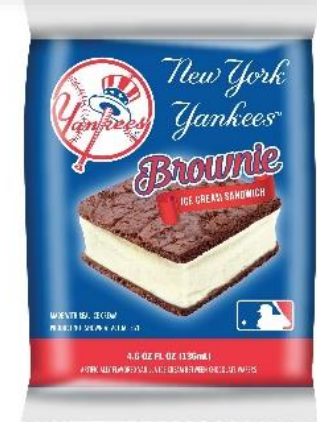
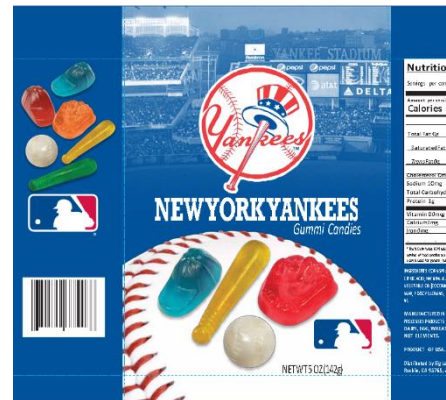
# 2019 M&A: BIG LEAGUE FOODS



**Big League Foods (BLF)** is a U.S. based, *turnkey* start-up in the frozen foods and confectionary (candy) categories. BLF holds a license from Major League Baseball for its products.

## Key Attributes:

- Initial shipments (July 2019) to 2,500+ retail locations
- Fiscal 2020 target – 20,000+ stores (ice cream and candy)
- License covers all 30 MLB teams
- 12-month sales projected in excess of \$15 million; with triple digit growth rate to follow
- Can expand to other professional sports leagues, discussions already in process





# NUTRIBRANDS – EXPANSION PLAN

## Goals for 2020:

### Product expansion across all categories:

- Sports Nutrition Supplements
- Energy Shots and Pills
- Weight Loss Management
- Vitamins and Dietary Supplements



Includes Brazil and other countries where we sell our products



# BIG LEAGUE FOODS – EXPANSION PLAN

## Goals for 2020:

- Generate revenue for the entire 8-month season, from spring training through *The World Series*



- Add new teams



- Introduce multiple display options to gain floor and counter space



- Roll out new baseball-centric candy products and packaging
- Finalize first orders from national retail chains

**FEB - MARCH 2020**

SUN	MON	TUE	WED	THU	FRI	SAT
23 CWS	24 TEX	25 LAA	26 SEA	27 ARI	28 OAK	29 SD
1 MIL	2 LAD	3 CLE	4 CHI	5 MIL	6 OAK	7 KC
8 LAA	9 CWS	10 CLE	11 SEA	12 COL	13 SF	14 SF
15 LAD	16 CWS	17 CLE	18 SD	19 CHI	20 TEX	21 SF
22 CLE	23	24	25	26	27	28

reds.com/SPRING

HOME AWAY



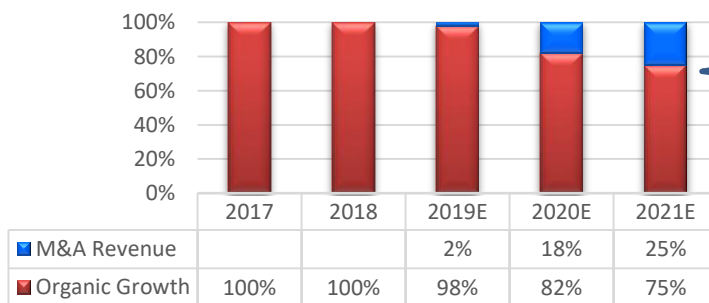
# M&A STRATEGY: ACQUIRE GROWTH

**Goal is to continue acquiring growth opportunities**

## Strategy:

- Branded product acquisitions that can generate \$5m-\$35m in year one
- Low-risk deals with minimal up-front cash and earn-out structures that incentivize the acquired operation
- Strategic or complementary product lines in our core markets
- Every new line must add triple digit growth
- High gross margins of 30%+

**Organic vs. M&A Growth**



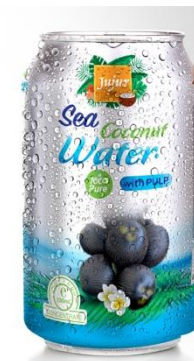
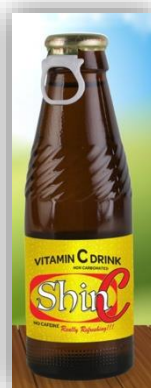
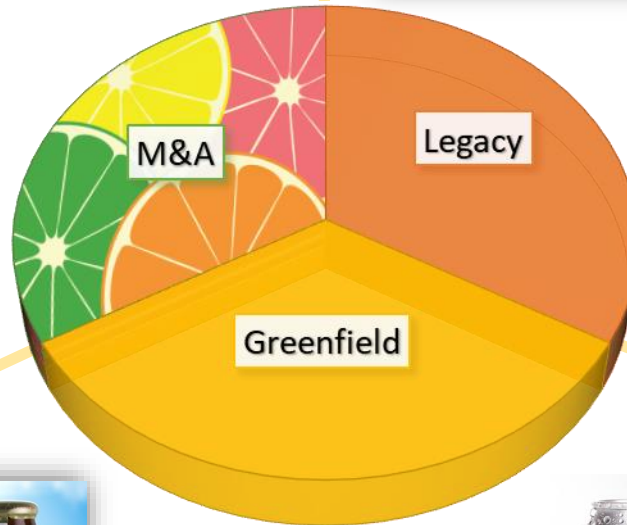
■ Organic Growth ■ M&A Revenue

**We have less than 0.25% penetration in all of our largest markets, creating open-ended organic growth potential and hyper-growth from M&A.**



# ONGOING PRODUCT LINE EXPANSION

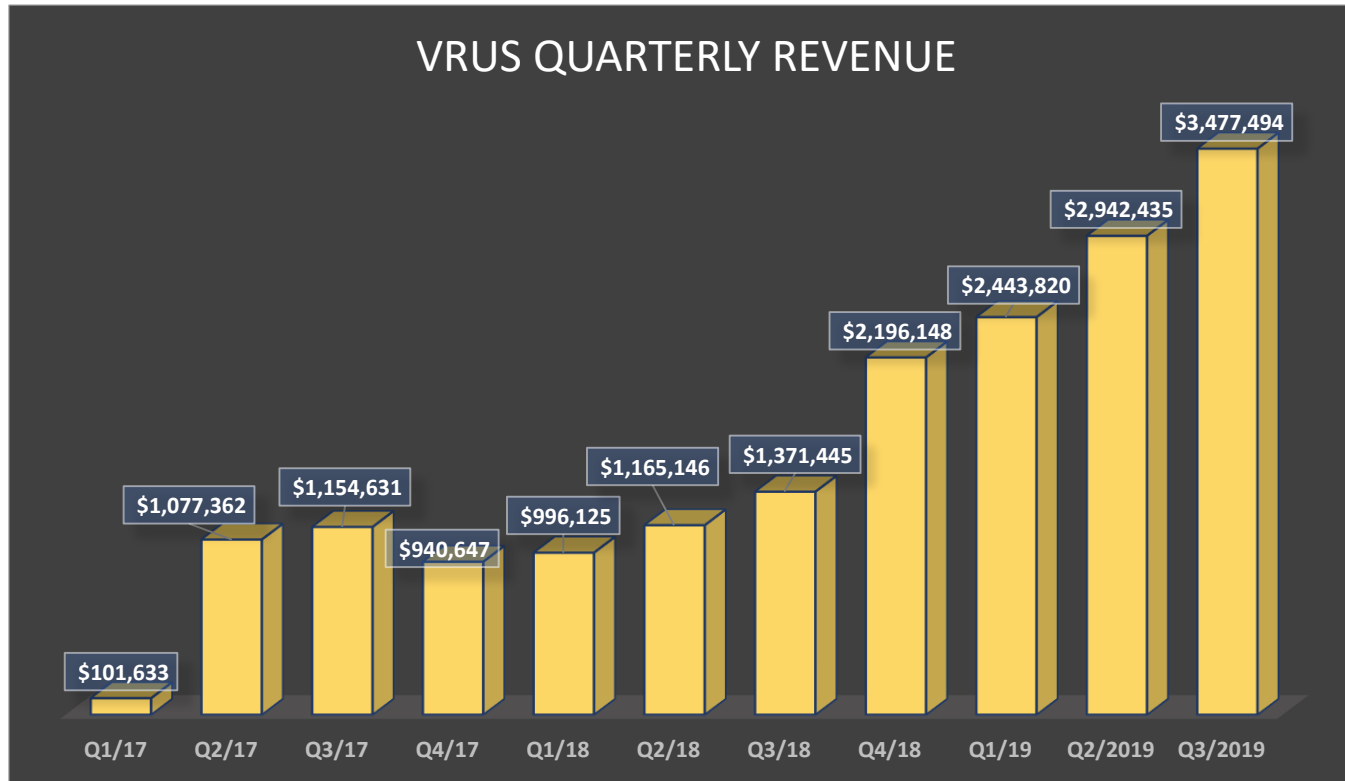
Three Growth Engines: M&A (+ Partnerships), Greenfield (In-House), & Legacy Restarts



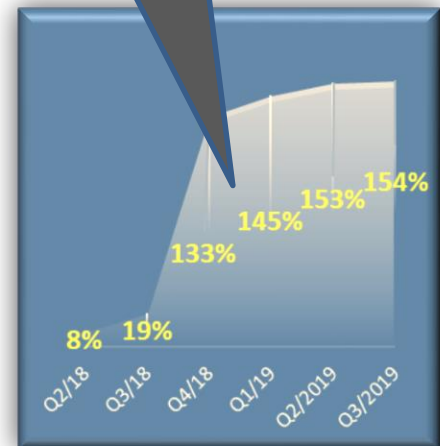
Focus is on adding branded, high margin products.

# REVENUE ACCELERATION

Based on current backlog, revenue visibility is excellent, with growth modeled out through fiscal year 2021



Quarterly revenue growth is accelerating



Revenue acceleration has been from 100% organic growth

# FINANCIAL IMPROVEMENT

**Verus' 2019 financial improvement has been obscured by non-cash charges. Fiscal 2020 is expected to be the breakout year for growth.**

	Fiscal 2018 (October 31, 2018)				Fiscal 2019 (October 31, 2019)		
	Q1/18	Q2/18	Q3/18	Q4/18	Q1/19	Q2/19	Q3/19
Revenue	\$ 996,126	\$1,238,318	\$1,371,445	\$ 2,196,148	\$2,443,820	\$ 2,942,435	\$ 3,477,494
Cost of revenue	938,190	1,026,581	1,147,231	1,941,452	2,077,467	2,490,130	2,984,240
Gross Profit	57,936	211,737	224,214	254,696	366,353	452,305	493,254
Operating Expenses	281,746	481,068	336,231	560,036	403,720	695,993	1,811,126
Operating (loss) income	(223,810)	(269,331)	(112,017)	(305,340)	(37,367)	(243,688)	(1,317,872)
Other (Expense) Income	(400,740)	(30,450)	(799,493)	(942,298)	(301,122)	2,408,302	(39,330)
(Loss) Income from continuing operations before income taxes	(624,550)	(299,781)	(911,510)	(1,247,638)	(338,489)	2,164,614	(1,357,202)
Income taxes	-	-	-	-	-	-	-
(Loss) Income from continuing operations	(624,550)	(299,781)	(911,510)	(1,247,638)	(338,489)	2,164,614	(1,357,202)
Income (loss) from discontinued operations	117,544	(10,779)	152,422	-	-	-	-
Net (loss) income	<u>\$(507,006)</u>	<u>\$ (310,560)</u>	<u>\$ (759,088)</u>	<u>\$(1,247,638)</u>	<u>\$ (338,489)</u>	<u>\$ 2,164,614</u>	<u>\$ (1,357,202)</u>

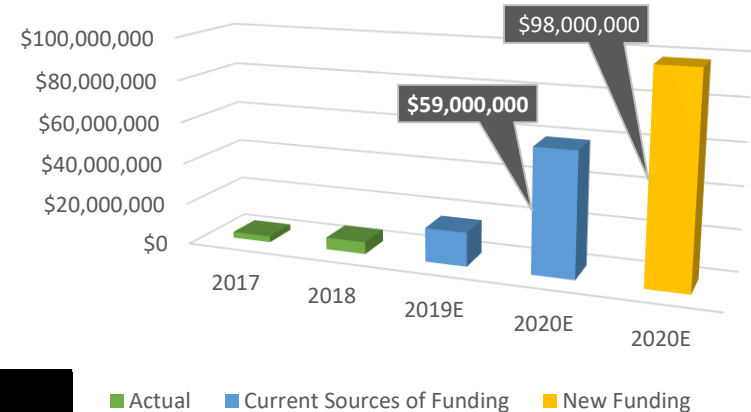
Q3/2019 results included  
\$900,000 in non-cash charges



# #4 FASTEST GROWTH IN THE CONSUMER SPACE

Verus ranks among the fastest growing companies in the consumer sector, with additional growth acceleration expected in Q4 fiscal 2019.

Verus International Revenue From Existing Lines  
(by fiscal year)



## Leading Consumer Growth Stocks

Name	Symbol	Exchange	Market Cap	Revenue	Sales (TTM) vs TTM 1 Yr. Ago (TTM)
New Age Beverages	NBEV	NASDAQ	176.39M	208.49M	322%
Beyond Meat	BYND	NASDAQ	4.76B	230.93M	240%
Eastside Distilling	EAST	NASDAQ	32.80M	13.72M	174%
Verus International	VRUS	OTC	30.95M	11.06M	148%
The Andersons	ANDE	NASDAQ	768.22M	7.10B	119%
United Natural Foods	UNFI	NYSE	464.94M	21.39B	109%

Source: Investing.com

(As of 11/24/2019)

Verus is projecting hyper-growth if funding goals are met in fiscal 2020.

# GROWTH DRIVERS

Visibility through 2020 and into 2021 is excellent, from all lines of business

## Growth Drivers Include:

- Expected increases in bank lines of credit as the business grows
- Large unfilled backlog plus product roll-out schedule that could exceed our forward projections
- Pending late-stage, scalable M&A
- Surge in interest by strategic partners who wish to enter our markets
- Finalize partnerships with national retailers



Due to the existing backlog and scalability of the current product lines, every new dollar in funding can go directly to working capital.



Highest  
Margins or  
Fastest  
Turnaround

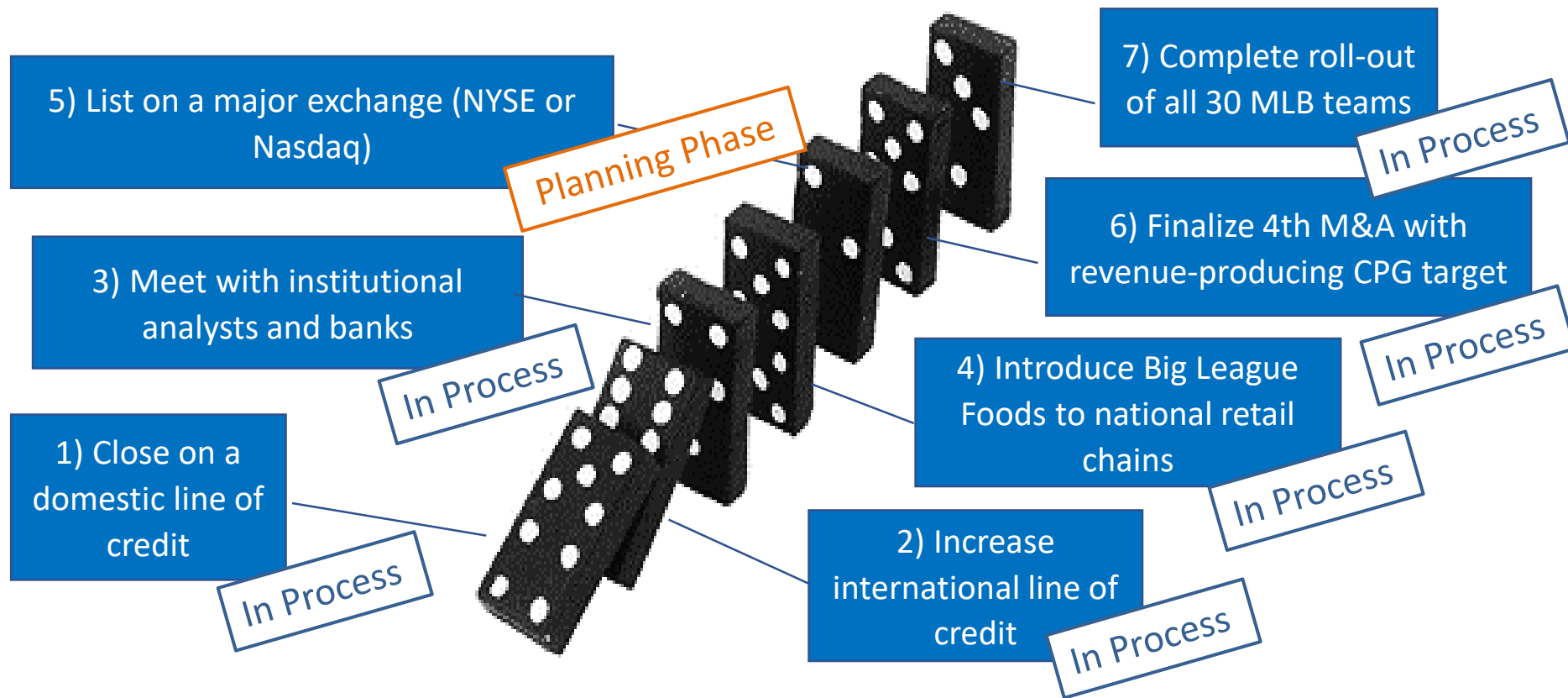


5X-9X  
Revenue  
Multiplier

New funding goes to work immediately

# FISCAL 2020 GAME PLAN

Over the next four quarters, Verus plans to expand its existing product lines, while also adding new products, geographies and categories in the CPG space.





# KEY EXECUTIVES



Anshu Bhatnagar

## Chief Executive Officer

A food distribution veteran, Anshu previously founded and was CEO of a large international food products company focused on the MENA region. Prior to starting Verus, he was also a Managing Member of Blue Capital Group, a real estate oriented Multi-Family Office focused on millions of square feet of office, residential, and hotel space. He has also owned, operated and exited other successful businesses.



Chris Cutchens

## Chief Financial Officer

Chris Cutchens previously served as the Managing Partner of Cutchens Group, LLC, which specialized in operational and financial services for public and private companies. His prior public experience includes senior positions at companies such as Watsco, Inc. (NYSE: WSO), Carrier Enterprise, LLC (subsidiary of Watsco), and MarineMax, Inc. (NYSE: HZO). Chris holds a Bachelor of Science degree in accounting and a masters degree in accounting information systems. Chris is a CPA licensed in the state of Florida.



Michael McGowan

## General Counsel

Michael McGowan has more than thirty years of experience in senior positions at public and private companies, including Cava Group (restaurants), Nuestar (technology), and AddThis (data solutions). He was also a key senior team member at AOL during five years in which AOL revenue grew from \$400 million to \$10 billion; where he was involved in major acquisitions, including Time Warner, Netscape, and MapQuest. He graduated from Harvard College with an A.B. in Economics and received his J.D. from Georgetown University.



Jim Wheeler

## President Big League Foods

Founder of the Big League Foods Subsidiary, Jim has more than two decades of experience in the food industry and has held CEO or other executive positions at seven food-related companies. His experience includes both product development and operations. Jim is responsible for all aspects of the MLB-branded product roll-out.

# CONTACT INFORMATION

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