



rethink
what's
possible

Investor Fact Sheet

February 2023

nexeinnovations.com

Who We Are

NEXE Innovations Inc. ("NEXE") designs, manufactures and commercializes fully compostable materials for everyday consumer products. NEXE is focused on replacing single-use plastics with its proprietary compostable materials. Our offerings comply with the circular economy by providing a zero waste solution. NEXE Innovations launched its first patented product – the NEXE Pod – in 2021. The NEXE Pod addresses the large and growing 60 billion per year single-serve coffee pod market and provides a much needed sustainable alternative. The NEXE Pod is fully compostable and can compost in as little as 17 days in industrial composting under optimal circumstances. NEXE believes that the NEXE Pod leads in the key features of convenience, performance, taste and aroma.

Mission

At NEXE Innovations we are putting the planet first. Our mission is to eliminate petroleum-based plastics by innovating and manufacturing plant-based materials that can be returned to the soil after use.



Strategic Priorities

At NEXE Innovations, our goal is to provide a competitive offering which is a fully compostable solution to help businesses reach their sustainability goals. To achieve our goal, we are focused on the following three strategic priorities over the next 12-months:

1. Focus on high-growth private label and co-manufacturing branded coffee segments;
2. Build a talented sales and marketing team that is motivated to help businesses meet their goals; and
3. Vertically integrate operations, including transitioning to injection molding and manufacturing components in-house in order to have greater control over the production process and quality. The new manufacturing process will allow NEXE to scale operations more quickly, improve operating margins, protect a comprehensive IP portfolio, and strengthen competitive position.

Capital Structure

Trading Symbol(s)

TSX.V: NEXE Frankfurt: NX5 OTC: NEXNF

Common Shares Outstanding: 97.3 Million
(As of Q2 2023)

Market Capitalization: \$48.7 Million
(As of market close 01/31/2023)

Working Capital: \$26.5 Million
(As of Q2 2023)

Total Debt: \$1.1 Million
(As of Q2 2023)

Long-term Assets: \$17.6 Million
(As of Q2 2023)

Share Price: \$0.50
(As of market close 01/31/2023)

COMPOSTABILITY
IN AS LITTLE AS

17 DAYS

BY INDUSTRIAL COMPOSTING

NO ADHESIVES
SOY BASED INK



MORE
VOLUME

NEXE POD



COOL TO
THE TOUCH



FULLY
COMPOSTABLE



SUPERIOR
TASTE



PLANT-BASED

*NEXE Innovations Inc. is not affiliated with, endorsed, or sponsored by Keurig®. Keurig® is a registered trademark of Keurig Dr. Pepper Inc.

**NEXE Innovations Inc. is not affiliated with, endorsed, or sponsored by Nespresso®. Nespresso® is a registered trademark of Société des Produits Nestlé S.A.

Why Invest in NEXE Innovations?

Innovative compostable materials with comprehensive IP portfolio

More than 8 years have been spent developing NEXE's proprietary and patented compostable material which can sufficiently withstand heat, pressure and water. NEXE's first product to be introduced is the fully compostable NEXE Pod, which is compatible with each of the Nespresso® OriginalLine and Keurig® single-serve brewing systems. NEXE's compostable materials are an ideal fit for the circular economy; NEXE's renewable materials limits waste and compost into soil. The technology of the NEXE Pod is backed by scientific and industrial studies confirming that soil containing NEXE Pods has no evidence of toxicity to plants and can compost in as little as 17 days in an industrial compost facility under optimal conditions. The NEXE Pod is patented and NEXE has a comprehensive portfolio of patents.

Focused on providing a replacement for single-use plastics that can compete across key features of price, convenience and performance

Consumers are increasingly demanding environmentally friendly alternatives and are particularly focused on sustainable packaging. The amount of plastics used in packaging produces a significant amount of carbon emissions and recycling programs have not yielded the results needed (less than 5% of plastic produced is recycled in the U.S.). More than 365 million tons of plastic are produced per year, with single-use plastics accounting for almost half. Single-use plastic coffee pods can take over 500 years to break down. By comparison, the NEXE Pod can break down in as little as 17 days in industrial composting under optimal conditions.

Targeting high volume private label and co-manufacturing market for better returns

NEXE has taken a disciplined approach to implementing its strategy. To date, NEXE has focused on building a strong operational footprint. For 2022/2023, NEXE's focus has shifted to building a sales and marketing team and providing a competitive compostable solution for established consumer packaged goods companies and iconic coffee brands. Focusing on the private label and co-manufacturing segments allows NEXE to leverage these companies' established distribution channels across North America, minimizing marketing and advertising spend and filling capacity in a more reliable way. NEXE is engaged in conversations with several potential clients and is receiving numerous in-bound inquiries.

Vertical integration and in-house manufacturing provides flexibility to scale faster and have greater control over quality

NEXE is in the process of vertically integrating its manufacturing process. This includes investing in compounding, extrusion and injection molding to produce components for the NEXE Pod and other products. The vertically integrated manufacturing process will significantly reduce supply chain lead times, further reduce the carbon footprint and protect NEXE's IP portfolio. With its vertically integrated operations and larger facility in Windsor, Ontario, NEXE will have the capacity to secure larger commercial contracts and expedite the development of additional products.

Fully funded, asset rich company provides flexibility to implement strategy and focus on growth

NEXE has \$25.2 million in cash and GICs, and capital investments are front-end loaded with minimal investments required over the next two years to expand capacity up to ~ 500M pods per year by fiscal year ended May 31, 2025. NEXE is an asset rich company with facilities located in key industrial hubs. NEXE is in a strong position to weather the increased volatility in the market and focus on executing its strategy over the next 12+ months.

Leadership



Darren Footz CEO, Co-Founder

A serial entrepreneur, Darren is the past President of Granville Island Coffee, a company he built in five years from a small artisan roaster to a national brand. He is the innovative mind behind the plant-based and fully compostable NEXE Pod. His expertise, dedication and pioneering ideas are the backbone of our organization.



Ash Guglani President, Co-Founder

Ash spent 12 years in capital markets with a national investment bank in Vancouver. As an original founder of NEXE, he plays an integral role in helping NEXE in all capacities across financing (public, private and government), operations, and marketing.



Chris Murray Vice President, Sales & Marketing

Mr. Murray has over 20 years of extensive experience in the consumer-packaged goods (CPG) industry in Canada and the United States. Mr. Murray was most recently Vice President of Sales and Marketing at Zavid Coffee Company where, in his eight-year tenure, his team grew Zavid Coffee's business by over 500%. Mr. Murray managed a growing marketing team at Zavid Coffee that continuously onboarded new and trending coffee formats, including recyclable K-Cup formats.



Marc Bains Director, Automation

Marc has over 15 years of experience and has been a key member of the NEXE team since inception. In his current role, Marc is responsible for developing and implementing the automation process (including working with key vendors on customizing manufacturing equipment). Marc has also founded and leads a national health charity.

To learn more download [NEXE Innovations Investor Presentation](#) or visit us at

www.nexeinnovations.com

Nexe.

For more information contact:

Kam Mangat

VP, Investor Relations & Corporate Strategy
invest@nexeinnovations.com

Office +1-604-359-4742

For media relations contact:
media@nexeinnovations.com

Follow us on social media

    @nexeinnovations

Forward Looking Information

This factsheet (this “Factsheet”) contains forward-looking statements including, but not limited to, forward-looking statements regarding the size and growth of the single-serve coffee pod market; NEXE’s belief regarding the NEXE Pod’s competitive advantage; NEXE’s ability to leverage its IP portfolio to innovate and expand into additional markets; NEXE’s belief regarding the benefits of its vertical integration and in-house production; NEXE’s expectation of minimal investments being required in the next two years; NEXE’s expectations regarding its production capacity by May 31, 2025; NEXE’s strategic priorities for the next 12 months and the expected results of the same; NEXE’s expectation that the NEXE Pods compost in as little as 17 days in industrial composting under optimal conditions; NEXE’s expectation of potential long-term opportunities afforded by NEXE’s flexible and scalable operations and IP; NEXE’s belief in its ability to weather the increased volatility in the market and focus on executing its strategy over the next 12 to 18 months; and other forward-looking statements.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results or growth to be materially different from many future results or growth expressed or implied by the forward-looking statements. Actual results are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Factsheet. Such forward-looking statements are based on a number of assumptions which may prove to be incorrect. There may be factors that cause actual results not to be as expressed or implied by the forward-looking statements. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, you should not place undue reliance on forward-looking statements. The forward-looking statements should not be relied upon as representing NEXE’s views as to any date subsequent to the date that this Factsheet was prepared.

NEXE disclaims any responsibility to update the forward-looking statements or any risks, uncertainties or factors that may affect the forward-looking statements to reflect events or developments, including any revised forward-looking statements that might be published by the sources of the forward-looking information contained in this Factsheet. In addition, this Factsheet is not intended to express or simply any forward-looking statements regarding expected or anticipated results of operations, financial condition, performance or achievements of NEXE and NEXE disclaims any such forward-looking statements. The results of operations, financial condition, performance, achievements or prospects of NEXE involve known and unknown risks, uncertainties and other factors, including risks relating to the ability of NEXE to obtain necessary financing, the impact of debt financing transactions, the Canadian and global economy generally and the Canadian, North American and global market for NEXE’s products, consumer interest in NEXE’s products, competition, the regulatory environment, governmental legislative or regulatory actions or activities, potential litigation, and anticipated and unanticipated costs. The forward-looking statements contained in this Factsheet are expressly qualified in their entirety by this cautionary statement.