



# BMO Farm to Market Conference

May 18, 2022

# Disclaimer



## FORWARD LOOKING STATEMENTS

This presentation includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. In some cases, you can identify these forward-looking statements by words such as "anticipate," "approximate," "believe," "commit," "continue," "could," "estimate," "expect," "hope," "intend," "may," "outlook," "plan," "project," "potential," "should," "would," "will" and other similar words or expressions. Forward-looking statements reflect the Company's current expectations or beliefs concerning future events and actual events may differ materially from historical results or current expectations. The reader is cautioned not to place undue reliance on these forward-looking statements, which are not a guarantee of future performance and are subject to a number of uncertainties, risks, assumptions and other factors, many of which are outside the control of the Company. The forward-looking statements in this presentation address a variety of subjects including, for example, projected financial information, statements regarding estimates and forecasts of other financial and performance metrics, projected costs of building or acquiring facilities, projections of market opportunity and market share, and the business prospects of the Company following the Pete's transaction. The following factors, among others, could cause actual results to differ materially from those described in these forward-looking statements: the effects of disruption to Local Bounti's businesses as a result of the transaction; the impact of transaction costs on Local Bounti's interim 2022 and full year 2022 financial results; Local Bounti's ability to retain Pete's customers following the consummation of the transaction; Local Bounti's ability to achieve the anticipated benefits from the transaction; the uncertainty of water supply (and related uncertainty for certain water rights) for Pete's facilities located in California; Local Bounti's ability to effectively integrate the acquired operations into its own operations; the ability of Local Bounti to retain and hire key personnel; the uncertainty of projected financial information; the diversion of management time on transaction-related issues; Local Bounti's increased leverage as a result of additional indebtedness incurred in connection with the transaction; restrictions contained in Local Bounti's debt facility agreements with Cargill; Local Bounti's ability to repay, refinance, restructure and/or extend its indebtedness as it comes due; and unknown liabilities that may be assumed in the transaction. In addition, actual results are subject to other risks and uncertainties that relate more broadly to the Company's overall business, including Local Bounti's ability to generate revenue; the risk that Local Bounti may never achieve or sustain profitability; the risk that Local Bounti could fail to effectively manage its future growth; the risk that Local Bounti will fail to obtain additional necessary capital when needed on acceptable terms, or at all; Local Bounti's ability to build out additional facilities; reliance on third parties for construction, delays relating to material delivery and supply chains, and fluctuating material prices; Local Bounti's ability to decrease its cost of goods sold over time; potential for damage to or problems with Local Bounti's CEA facilities; Local Bounti's ability to attract and retain qualified employees; Local Bounti's ability to develop and maintain its brand or brands it may acquire; Local Bounti's ability to maintain its company culture or focus on its vision as it grows; Local Bounti's ability to execute on its growth strategy; the risks of diseases and pests destroying crops; Local Bounti's ability to compete successfully in the highly competitive natural food market; Local Bounti's ability to defend itself against intellectual property infringement claims; changes in consumer preferences, perception and spending habits in the food industry; seasonality; Local Bounti's ability to achieve its sustainability goals; and other risks and uncertainties indicated from time to time, including those under "Risk Factors" and "Forward-Looking Statements" in Local Bounti's Annual Report on Form 10-K for the year ended December 31, 2021, filed with the Securities and Exchange Commission (the "SEC") on March 30, 2022, as supplemented by subsequent Quarterly Reports on Form 10-Q and Annual Reports on Form 10-K, and other reports and documents Local Bounti files from time to time with the SEC. 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## INDUSTRY AND MARKET DATA

In this presentation, Local Bounti relies on and refers to information and statistics regarding the sectors in which Local Bounti competes and other industry data. Local Bounti obtained this information and statistics from third-party sources, including reports by market research firms. Although Local Bounti believes these sources are reliable, the Company has not independently verified the information and does not guarantee its accuracy and completeness. Local Bounti has supplemented this information where necessary with information from discussions with Local Bounti customers and Local Bounti's own internal estimates, taking into account publicly available information about other industry participants and Local Bounti's management's best view as to information that is not publicly available.

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# The Farm of the Future™ Built on a 50 Year Legacy



Pete's Dad and Opa



Pete with his  
Mom and Dad



Craig & Travis

- ✓ **Travis and Craig wanted to invest in CEA**, but could not find the ideal existing business after performing due diligence
- ✓ They became very excited to **start with a “clean sheet”** and to **build a business with long-term CEA leadership in mind**
- ✓ Existing CEA participants were not focused enough on unit economics; **Travis and Craig back solved for Local Bounti’s patent pending, high yield and low cost technology**
- ✓ **A very large \$30Bn estimated U.S. TAM by 2025<sup>1</sup>** added to the appeal, due to the concept of “replacement product”
- ✓ Travis and Craig have a **complementary skill set with a long history of experience** building and managing capital intensive, commodity-based businesses

Sources: Publicly Available Market Research on Controlled Environment Agriculture, U.S. Census Bureau (2019).  
1. U.S. TAM based on publicly available market research on Controlled Environment Agriculture's approximation of 2025 total U.S. TAM.



# Local Bounti's Differentiated Approach



## Unit Economics

- ✓ Achieves superior production unit economics through patent-pending Stack & Flow Technology™ and plant science R&D
- ✓ Modular approach enables flexibility to accelerate go-to-market strategy



## Local, Distributed & Logistics Strategy

- ✓ Product surety of 365-day supply of locally grown pesticide/herbicide-free produce
- ✓ Peak freshness
- ✓ Proximity of farms enables significant reduction in transportation logistics and associated costs



## Brand and Product Diversity

- ✓ Strong retailer and customer loyalty through branded strategy and superior product
- ✓ Enables an efficient business model for grocers by providing multiple SKUs, resulting in fewer supply requirements and reduction in waste



## Sustainable & Transparent

- ✓ Mission-driven for sustainability and human welfare
- ✓ Strong ESG alignment, directly addressing more than half of Sustainable Development Goals
- ✓ GRI and SASB reporting oversight

# Local Bounti Has Strong ESG Alignment



Local Bounti exhibits exceptional ESG performance, directly addressing over half of the U.N. Sustainable Development Goals

## **SDG 2:**

Enables access to fresh food

## **SDG 6:**

90% less water usage as compared to conventional agriculture

## **SDG 7:**

Energy-efficient facilities

## **SDG 8:**

Provides full-time, quality jobs

## **SDG 9:**

Invests in sustainable infrastructure and technology

## **SDG 11:**

Increases jobs, taxes and investment in cities

## **SDG 12:**

Significantly reduces food waste

## **SDG 13:**

Fewer emissions than traditional agriculture

## **SDG 14:**

Eliminates agricultural runoff

## **SDG 15:**

Utilizes 90% less land than field-grown agriculture

## **SDG 16:**

Policies prohibiting from engaging in unethical activities

## **SDG 17:**

Partnering organizations to focus on improving sustainability



# Operationally and Commercially Established



## Key Highlights



## Proven Credibility

### Growth Stats

**1.5x-2.0x**

Yield of comparable greenhouse farms<sup>1</sup>

**~20**

Retail SKUs available today<sup>2</sup>

**3.0x**

Facility capital costs to EBITDA<sup>3</sup>

### Strategic Partner



\$170M debt facility in place with Cargill

*"Local Bounti and Cargill share a commitment to delivering farm to fork options for consumers while sustaining the land, not only for today but for generations to come."*

**Ross Jennings**  
Head of Cargill's Trade and Capital Markets

### Strong Retail Presence



1. Based on Company information. 2. Stock Keeping Units. 3. Does not include impact of proposed transaction with Pete's.



# Farm of the Future™: Unit Economics Drove Our Patented Facility Design



**Proprietary Patent<sup>1</sup> Enables a Differentiated Platform**

Our unique Stack & Flow™ Technology provides Build vs Buy opportunities to quickly expand Local Bounti's addressable market

Vertical Farm



Stack  
+  
Flow

Greenhouse



**1.5x-2.0x<sup>2</sup>**

Comparable yield

**40+ SKUs**

Optimal production potential

**90%+<sup>3</sup>**

Less water and land usage

## EFFICIENCIES

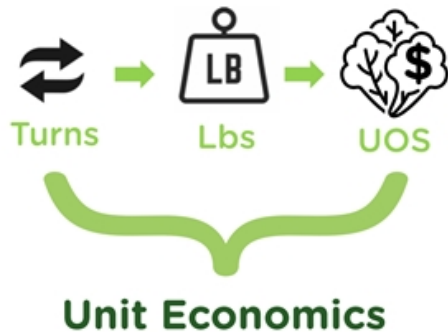
- ✓ Yield
- ✓ Cost
- ✓ Capital
- ✓ Product
- ✓ Resource

1. Patent pending on method of growing plants using the vertical / greenhouse hybrid configuration and other growing practices in hydroponic farms, such as plant indexing, in order to optimize growth for each type of plant.

2. Based on Company information.

3. Based on publicly available market research on Controlled Environment Agriculture.

## Local Bounti Crop Cycle: Hamilton, MT



## Consistent innovation in crop cycle sets Local Bounti apart

Every facility investment decision is looked at through the lens of ROI and the most important variable to unit economics:

### Turns of the Greenhouse

Crop Turns Progression	Outdoor Growers	CEA Competitors
Loose Leaf	7x	12-15x
Head Lettuce	5x	7x

Local Bounti				
Actuals				Assumptions
2020	2021 <sup>1</sup>	2022 <sup>2</sup>	2022 <sup>3</sup>	2025 <sup>4</sup>
15x	23x	<b>26x</b>	<b>37-52x</b>	26x
9x	13x	<b>17x</b>	<b>20x</b>	15x

1. Actual Local Bounti crop turns in alignment with Pipe Deck
2. Actual Local Bounti crop turns, March 2022
3. Trial results achieved February 2022
4. 2025 Projected crop turns in alignment with Pipe Deck



# Local Bounti Product Portfolio



## OUR BRAND PROMISE



PESTICIDE  
FREE<sup>1</sup>



NON-  
GMO



GREENHOUSE  
PROTECTED



SUSTAINABLY  
GROWN



GROWN WITH  
SUNLIGHT



WEEKS OF  
FRESHNESS

Graphic does not depict all active retail SKUs in market today  
1. Does not include all of Pete's SKUs. Local Bounti intends to support Pete's facilities to attain the same certifications.

## Expected High Market Capture with Distributed Farm Footprint



Local Bounti is at the forefront of discovering markets ripe for expansion and penetration.

### STEP 1

Select geographic opportunity

### STEP 2

Analyze **Build vs Buy** strategic approach

### STEP 3

Expand footprint

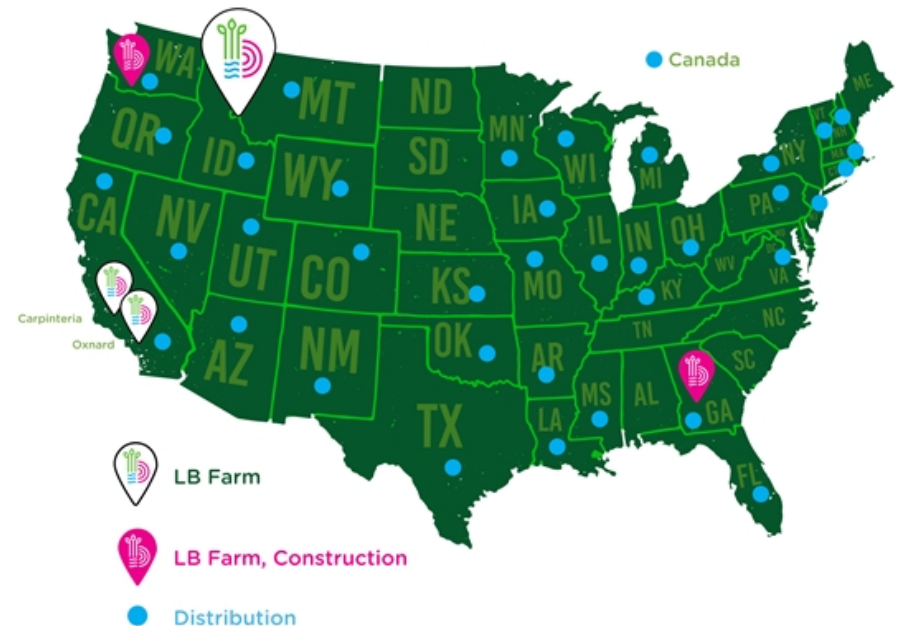
#### LOCAL BOUNTI STRATEGIC LENS

### BUILD VS BUY

Ideal location	• Speed to market
Built to suit facility	• Existing operations
R&D capabilities	• Cost structure flexibility
State-of-the-art facility	• Local Talent / Expertise

# 10,000+

Retail doors and growing!





# Local Focus, Global Mindset

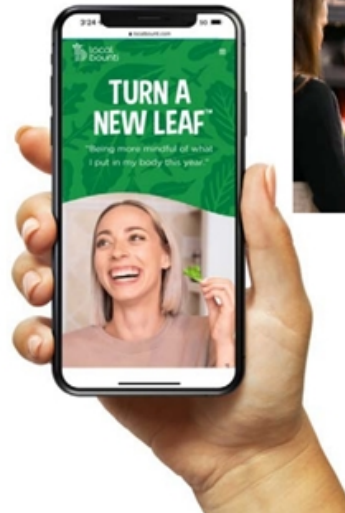


LAND BRAND EXPAND

Building a global brand powerhouse requires an integrated strategy

Omni channel touchpoints drive awareness and generates trial, including:

- In-store product diversification (SKU count) captures more in-store real estate
- Advertising (Digital + Print)
- Consumer promotion
- Public relations & social media
- Event activation & sampling







Thank You!