

whipstitch

CAPITAL

DEAL DIFFERENT.

Healthy Living Consumer Products:
Industry Update, Deal Review and 'Hot' Categories



Natural Products Expo West
March 2017

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DEAL DIFFERENT.



What the Whipstitch Team Has Been Up To

2016 by the Numbers

- **Three** M&A Transactions
- **Four** Private Placements
- **One** Unannounced Deal
- **Three** New Team Members
- **Eight** New Associated Industry Experts (Our "Stitching Crew")
- **Ten** Speaking Events with Emerging Consumer Companies
- **One** Stitching Crew Lobster Bake



2017 Transactions

- Several transactions expected to close in first half of 2017, for example:
 - Nutrient-dense Superfood Company
 - Sports Nutrition and Supplement Company
 - Better-for-you Snack Company

Bill Moses Joins the Whipstitch Team as Senior Operating and Strategic Advisor

- Former Co-Founder, Chairman/CEO of KeVita Probiotic Drinks
- Founder, angel investor and strategic advisor to several on-trend functional CPG ventures
- Owner of Casa Barranca Winery
- Charity advocate & non-profit board member



Contents

- Whipstitch Capital Overview



Healthy Living: Industry Overview and Deal Update /
Whipstitch's Top 11 Healthy Living Consumer Trends

- SPINS Market Update: Produced for
Whipstitch's Industry Analysis



- Food & Beverage M&A and Private Placement Deal Data

Whipstitch – A Bank Solely Focused on the Healthy Living Market

Whipstitch [hwip-stitch]

Noun. The stitch that passes over an edge, in joining, finishing, or gathering.

- Launched October 2015 by Nick McCoy and Michael Burgmaier
- Focused exclusively on innovative consumer companies
- Financial Advisory on M&A and institutional private placements
- Participate in over 15 consumer industry events/year
- Lead events such as all-day financing seminars, networking events
- The Whipstitch team has completed >50 consumer transactions; select recent deals:



Whipstitch Differentiation: This is What We Do

Focus

- All we do is consumer; 90%+ food and beverage
- We know how to talk about your company – no learning curve

You Get the Top

- We work with you to develop a strategic plan and execute
- 100% credibility with investors and strategics

Experience

- Over twenty years of investment banking experience
- High-touch, high-quality

We Are Not the Typical Advisors, Nor Do We Want to Be
Won't Tell You What You Want to Hear; We Tell You the Truth
Our M.O.: Under-promise and Over-Deliver – Ask Our Former Clients...

DEAL DIFFERENT.

Whipstitch is Co-Founded and Led by a Seasoned, Highly-Experienced Team

Nick
McCoy



DEAL DIFFERENT.

Michael
Burgmaier



- 20+ years of investment banking experience; co-founder, Silverwood Partners
- Investment Banking Group at Gleacher & Co. (First Albany; now Jefferies)
- Director of M&A at Allmerica Financial Corp.
- Senior Associate, Corporate Development, Wheelabrator Technologies
- MBA in Finance from Wake Forest University; BS Business Admin. UNH

- 15+ years of investment banking, consulting and VC experience
- Principal of VC firm CEI Community Ventures
- Consultant at Bain & Co., Inc.
- Frequent author and speaker at BevNet Live, Expo West, NCN and more
- MBA from Tuck School of Business at Dartmouth College; MPP, Duke; BA Economics, Boston College

Jefferies



A Deeply Experienced Whipstitch Team

The **24/7** Team



**Greg
Ucich**

Senior Associate

- 3 years consumer IB experience at Silverwood Partners
- Outdoor activity enthusiast
- Based in San Diego, CA – the most beautiful place in the country.. (except summers in Maine, says Burgmaier incessantly)



**Tim
Sousa**

Senior Associate

- 5 years consumer IB and PE experience at Silverwood, Kamylon Capital
- Happily retired NCAA athlete who has never lost the spirit of competition
- Human test subject, just look at his desk drawer full of vitamins and supplements



**Taylor
Lynch**

Analyst

- Experience in PE at New Forest Capital
- Avid sports enthusiast; Exercise Physiology degree from BYU
- Love of the outdoors, on path to become future Bear Grills
- Proud husband and father of newborn who loves the sound of her own cry

The **Extended** Team



**Bill
Moses**

Senior Operating and Strategic Advisor

- Former Co-Founder, Chairman/ CEO of KeVita Probiotic Drinks; acquired by PepsiCo in 2016
- Founder, angel investor and strategic advisor for several on-trend functional CPG ventures
- Owner of Casa Barranca Winery; the first certified organic winery in central coast California
- Ellis Island Gold Medal of Honor Recipient for humanitarian and business leadership



**Bob
Burke**

- Consultant to natural and specialty food and beverage companies
- Co-Author of *Natural Products Field Manual* and *The Sale's Manager Handbook*



**Kim
Greenfeld**

- Founder of Campo Verde Solutions providing consulting to natural and organic companies
- Private label expertise; previously with Trader Joe's and Whole Foods

With Support From the **STITCHING CREW**

Stitching Crew Continued...



**Jeanne
Varley**

- Founder & CEO of Emerging Brand Strategies, LLC; a consultancy to emerging beverage and consumer goods co's
- Held senior level roles with Diageo, Constellation Brands and FIJI water
- Enjoys spending time with young daughter and husband near home in South Florida
- MBA from Wharton



**Tim
Sperry**

- Founder of The Tim Sperry Group; a consultancy focused on clients selling into the Natural, Organic and Specialty Marketplaces
- Previously spent 20 years in purchasing leadership at WFM



**Robert
Craven**

- CEO of FoodState; a company that has been mastering the art of whole-food supplements since 1973 through its MegaFood and INNATE Response brands
- Previously CEO of Garden of Life; led them to the #14 spot on the Inc. Magazine list of fastest-growing private companies



**Rick
Antonelli**

- Majority of professional career dedicated to UNFI; positions included Executive VP, Chief Operating Officer, and President of Distribution
- Leadership roles at Harvest Provision and Fairfield Farm Kitchens
- Served on Board of Directors for Galaxy Nutritional Foods, Zevia, National Cooperative Grocers Association, Mary's Gone Crackers and UNFI



**Chris
Licata**

- CEO of The Tecnica Group, a winter sport and outdoor brand distributor; brands include Nordica, Tecnica, Blizzard and Rollerblade
- Previously President and CEO of Blake's All Natural Foods; acquired by ConAgra Foods in 2015
- In 2014, named the NH Small Business Person of the Year by The United States Business Administration



**Kent
Pilakowski**

- Created IGNITE Sales Management in 2007; works with established brands as a national sales force to assist in scaling CPG businesses
- Referred to as a "category captain" in the natural and organic space
- Former General Mills: Roles included directing sales operations, trade marketing and category management

Whipstitch in the Press: NOSH Voices: "Under Pressure, Here's What the Big CPGs Will Do"

From a Whipstitch Article
Published 9/13/16

BEVNET

Under Pressure, Here's What Big CPGs Will Do
By Michael Burgmaier



- The hurt is accelerating for the big CPGs; all eight of the top food and beverage companies experienced sales declines in Q1 2016 vs. 2015
- Despite suffering major losses, 2015 experienced strongest growth in food and beverage spending over the past four years thanks to growth of small and mid-sized CPG companies
- Large CPG companies are acting: Acquiring smaller companies and investing in relatively early-stage, fast-growth companies
- The numbers show that consumers are willing to pay and are spending but their money is flowing away from the CPG giants
- Small CPG companies should consider strategies for capital; entrepreneurs should look for great advisors, ask hard questions and think through all possible scenarios

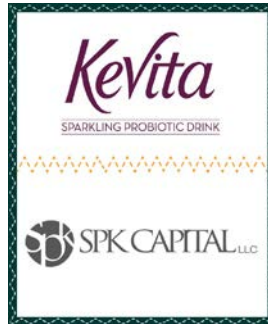
| Strategic | Investment Path | Fund/Group Name | Example Investments |
|-----------|--------------------------------|---|--|
| | Internal group | Venturing & Emerging Brands (VEB) | Honest tea, suja, ZICO |
| | External Fund (one LP) | First Beverage Ventures | Q DRINKS, HEALTH-ADE, KOMBUCHA |
| | Investing | NEB/North America Premium Nutrition & Venturing | O.N.E. Coconut Water, KEVITA |
| | Investing | -- | SWEET LEAF |
| | Created Fund | Acre Venture Partners | NA - launched 2016 |
| | External Fund (backed by Mars) | Digitalis Ventures | SECOND GENOME THE MICROBIOME COMPANY |
| | Internal Group | 301, Inc. | BEYOND MEAT, RHYTHM - SUPERFOODS - kite hill |
| | Internal Group | 1894 Ventures | NA - launched 2016 |
| | Investing | -- | Numi ORGANIC TEA |
| | Investing | -- | DAILY GREENS |
| | Investing | -- | BODYARMOR SuperDrink, bai |
| | Internal Group | Cultivate Ventures | NA - launched 2016 |

Source: <http://www.bevnet.com/news/2016/nosh-voices-pressure-heres-big-cpgs-will>

M&A Advisory: Select Deals Led by the Whipstitch Team



Private Placement Advisory: Select Deals Led by the Whipstitch Team



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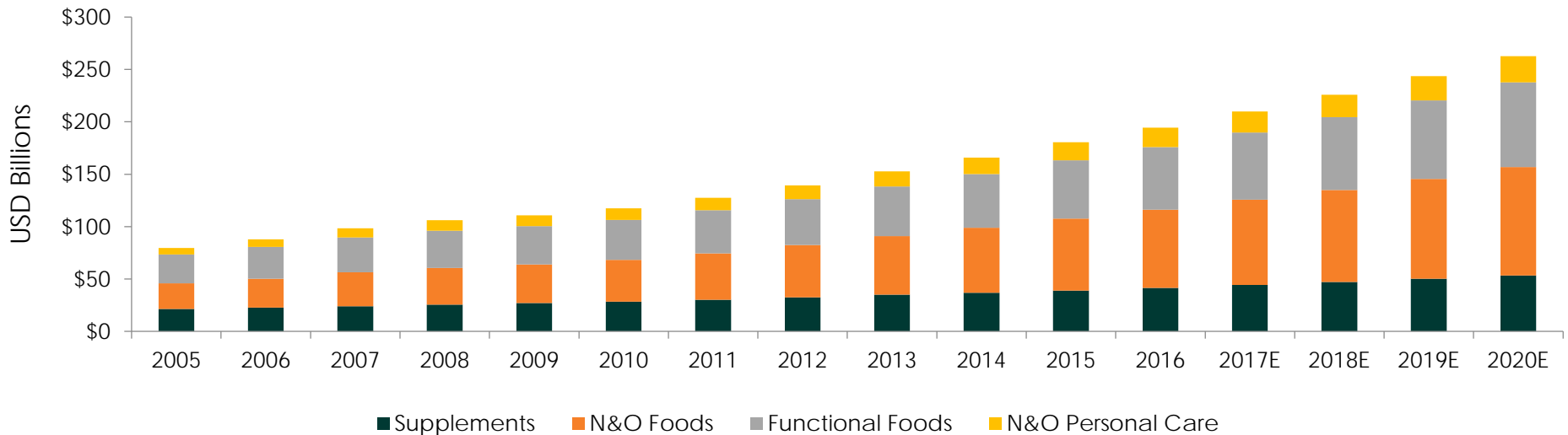
The Unstoppable Growth in Natural, Organic and Healthy Rolls On

Sales of Natural products continue to rise as consumer seek healthier alternatives

- Let the snowball keep rolling – total US sales of natural products increased 7.7% YoY to \$195B
- Growth was particularly strong in the natural and organic foods segment – up 8.5% YoY as consumers continue to seek better-for-you, functions options that are ‘clean-label’
- Natural and organic personal care sales increased 7.5% YoY as the category continues to benefit from the tailwinds created from the broader healthy-living market

Total US Sales of Natural Products by Category^{1,2}

Annual Dollar Sales

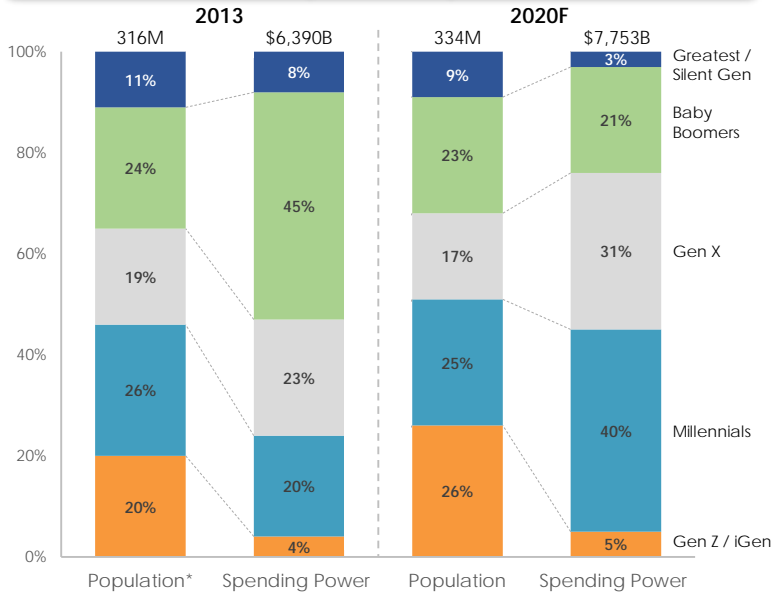


Sources: 1. New Hope 2. Nutrition Business Journal

Millennials 'Wag the Tail' of the CPG Industry – Food Brands Re-inventing Marketing Strategies

Millennial generation surpassing Baby Boomer's shaping how Large CPGs engage with consumers

US Discretionary Spending Power by Generation (2013, 2020P)¹

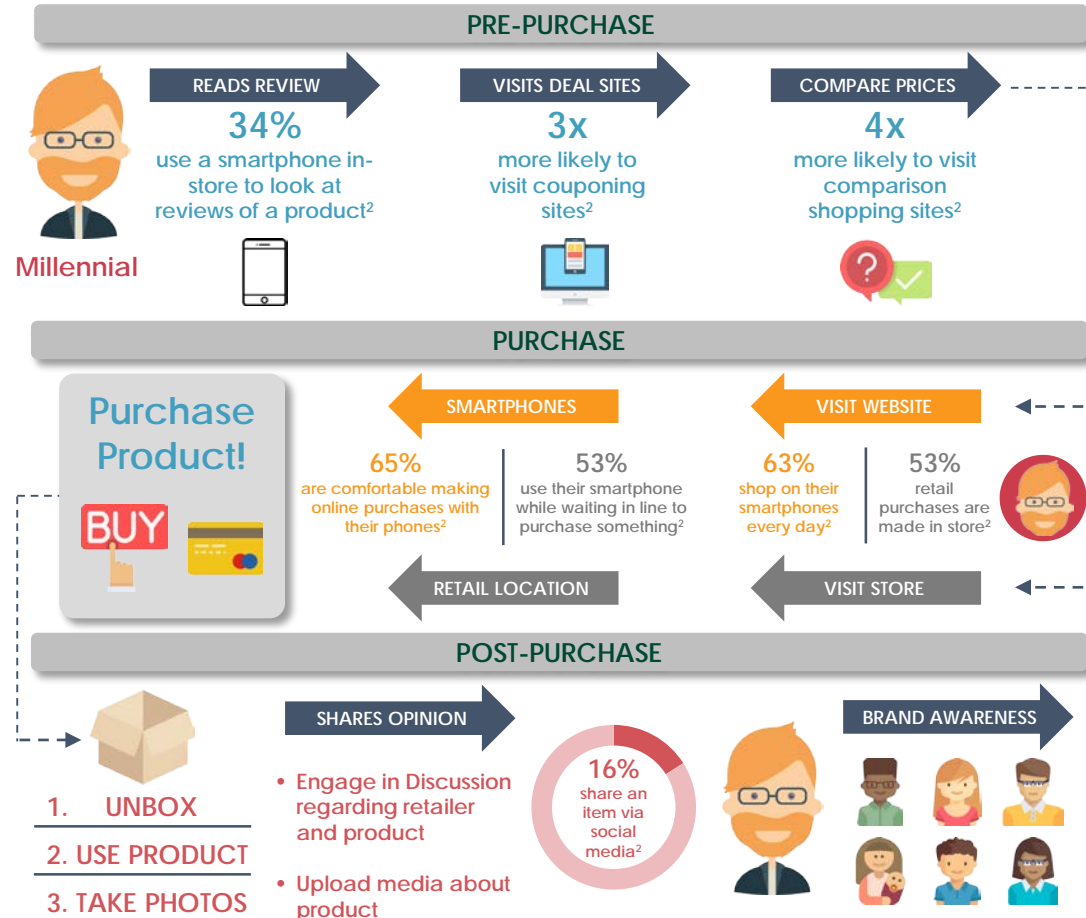


Notes: *Years born = Greatest / Silent Gen (before 1946), Baby Boomers (1946-1964), Gen X (1946-1981), Millennials (1982-2000), Gen Z / iGen (after 2000)

- Millennials currently largest living generation, projected to hold through 2020
- Will constitute half of workforce and **replace Baby Boomers as generation with highest discretionary spending power – responsible for 40%**¹

Sources: 1. U.S. Census, Technomic, Deloitte Millennial Survey 2014, L.E.K. Analysis
2. Alliance Data's card service business, Conversant, Epsilon and LoyaltyOne
Graphics - provided by Flaticon.com

Millennials Use of Digital and Mobile Technology Forcing Consumer Brands to Change Marketing Strategies²



The Health and Wellness Industry Remains Active Environment for M&A and Private Investments

Health and wellness categories continue to attract institutional and strategic capital – no signs of stopping

Nutrition and Health & Wellness Industry Transactions: M&A Details 2013 – 2016¹

| M&A | 2016 | 2015 | 2014 | 2013 |
|--------------------------------------|-------------|-------------|-------------|------------|
| Retail & Distribution | 26 | 10 | 11 | 10 |
| Supplements | 15 | 10 | 22 | 11 |
| Ingredients | 28 | 22 | 22 | 30 |
| Contract Manufacturing | 8 | 12 | 8 | 9 |
| OTC & Personal Care | 13 | 13 | 11 | 4 |
| Natural & Organic, Functional Food | 102 | 100 | 53 | 69 |
| Others: Tech, Fitness, Pet | 59 | 80 | 47 | 27 |
| Total M&A | 251 | 247 | 174 | 160 |
| Financings | 456 | 380 | 209 | 93 |
| Total Transactions | 707 | 627 | 383 | 253 |
| Avg. size of financing (\$MM) | 15.2 | 20.8 | 21.7 | 9.1 |

- **2016 reaches highest M&A transaction activity to-date, totaling 251 deals**
- PEs and strategics continue to provide capital for functional, on-trend food & beverage companies; 102 total transactions in 2016
- Large CPGs such as Mars Inc., Campbell's, Kellogg's and Tyson work to compete in growing market by spawning VC funds aimed at capitalizing on early, fast-growing companies
- Supplement, Ingredients and Retail & Distribution categories experience highest transaction growth at 50%, 27% and 160% respectively

Sources: 1. Nutrition Capital Network

Recent Food & Beverage M&A Highlights

| Acquirer | Target | Date | Acquirer | Target | Date | Acquirer | Target | Date |
|---|---|-----------|---|--|------------|---|---|----------|
|  |  | Mar 2016 |  |  | July 2016* |  |  | Nov 2016 |
|  |  | Apr 2016 |  |  | July 2016 |  |  | Dec 2016 |
|  |  | Apr 2016 |  |  | Aug 2016 |  |  | Dec 2016 |
|  |  | May 2016 |  |  | Sept 2016 |  |  | Dec 2016 |
|  |  | May 2016 |  |  | Sept 2016 |  |  | Jan 2017 |
|  |  | May 2016 |  |  | Nov 2016 |  |  | Feb 2017 |
|  |  | June 2016 |  |  | Nov 2016 |  |  | Feb 2017 |
|  |  | July 2016 |  |  | Nov 2016 |  |  | Feb 2017 |

* Announced date – transaction

Recent Food and Beverage Private Placements

| Investor(s) | Target | Date | Investor(s) | Target | Date | Investor(s) | Target | Date |
|---|---|-----------|---|--|-----------|---|---|----------|
|  |  | June 2016 |  |  | Sept 2016 |  |  | Jan 2017 |
|  |  | June 2016 | JAB HOLDING |  | Oct 2016 |  |  | Jan 2017 |
|  |  | June 2016 |  |  | Oct 2016 |  |  | Jan 2017 |
|  |  | July 2016 |  |  | Oct 2016 |  |  | Jan 2017 |
|  |  | July 2016 |  |  | Oct 2016 |  |  | Jan 2017 |
|  |  | July 2016 |  |  | Oct 2016 |  |  | Jan 2017 |
|  |  | July 2016 |  |  | Dec 2016 |  |  | Feb 2017 |
|  |  | Sept 2016 |  |  | Dec 2016 |  |  | Feb 2017 |
|  |  | Sept 2016 |  |  | Jan 2017 |  |  | Feb 2017 |

“This Still Goes to 11”: Whipstitch's Top Healthy Living Trends and Truths



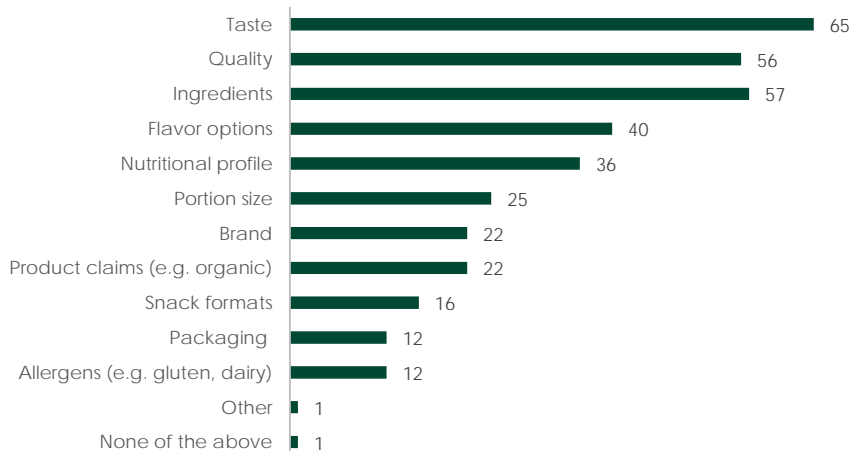
1. Shifting Consumer Preferences Prompts Cleaning-up of Unhealthy Categories
2. Flexitarian Lifestyles Driving Success of Plant-based Brands
3. Grass-fed Products Continue to Outgrow their Traditional-beef Peers
4. Many Large Grocery Opportunities Remain Brand-less
5. Big CPG Accelerates Venture Investing
6. Label Transparency and Reliability Warrant More Thorough Attention
7. Premium, Natural & Organic Brands Continue to Drive Growth in the Frozen Set
8. Large CPG use M&A to Help Supplant R&D
9. Craft Spirits Gain Mainstream Attention
10. Kombucha Growth Leads to Category Sophistication
11. Benefits of Healthy Biome Shifting Consumer Spending

1. Shifting Consumer Preferences Prompts Cleaning-up of Unhealthy Categories



Most Important Characteristics Consumers Look For in Purchasing Snacks¹

"Aside from price, when purchasing snacks marketed as healthy, which of the following, if any, are most important to you? Please select up to five."



- 64% of better-for-you (BFY) snack buyers say taste is important in their decision, more so than any other measured factor
- Consumers continue to look for foods that are both good for them and that taste good
- BFY snacks leading the way in terms of flavor innovation; introducing new BFY snack options will diversify inherent flavor ranges

Sources: 1. Mintel Report, June 2016

Legacy Brand

Better-For-You Brands



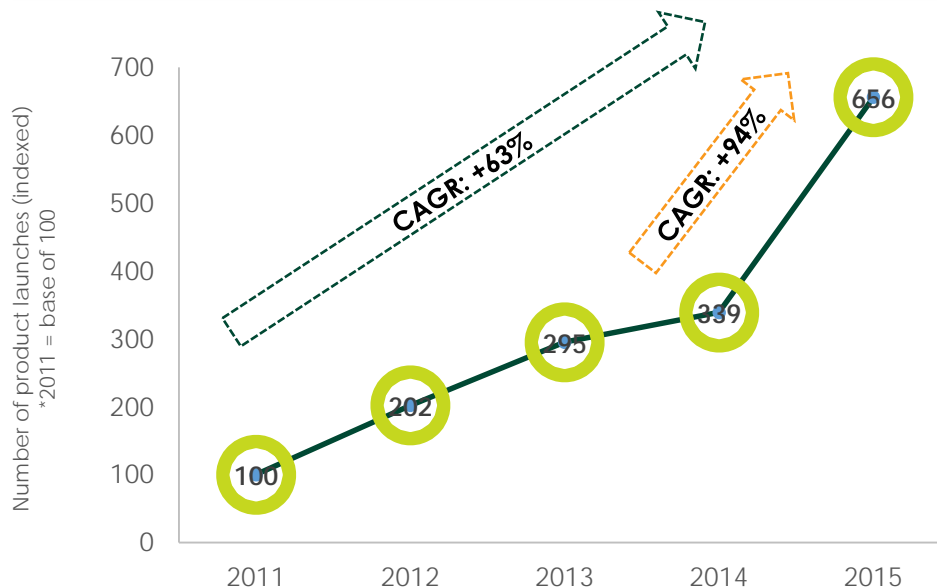
2. Flexitarian Lifestyles Driving Success of Plant-based Brands



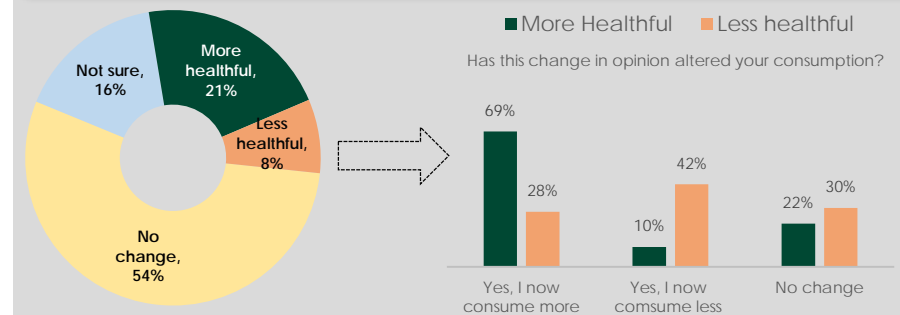
Americans increasing their desire for more plant-based and meat alternative products

- Consumption of plant-based food & beverages now exceeds \$4.9 billion in U.S. sales, growing 3.4% YoY in 2016 and outpacing the total food & beverage industry¹
- Plant-based ingredient product launches grew at a CAGR of 63% from 2011 to 2015 and show no signs of slowing
- Flexitarian approach shifting the protein industry; one in five people have an improved opinion on the healthfulness of plant protein and many are trying to consumer more

New Global Product Launches Tracked with a Plant-Based Claim (indexed*)²



Opinion Change: Protein from Plant Sources³



Plant-Based Brands Meeting the Demand



Sources: 1. SPINS, Ending June 2016 2. Innova Market Insights 3. International Food and Information Council Foundations

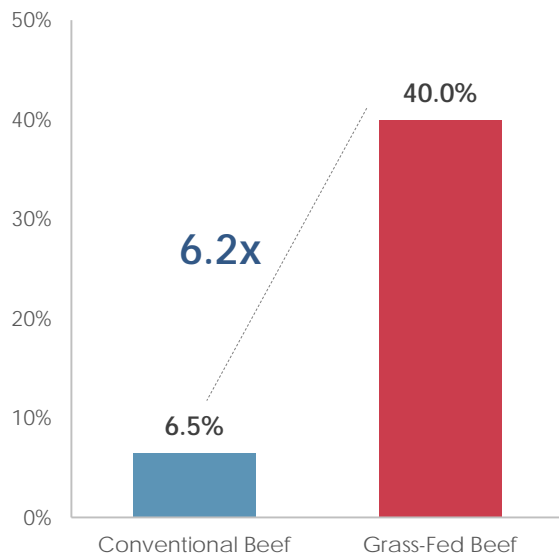
3. Grass-fed Products Continue to Outgrow their Traditional-beef Peers



Grass-fed dairy and beef products flourish; opportunities remain for category brand leaders

- Grass-fed beef outgrowing the conventional beef market by a factor of **6x**¹
- Once considered a luxury item, grass-fed beef is now readily available at many national grocery markets
- Grass-fed trend continues to expand in various categories such as butter, ghee, yogurt, cheese, milk protein powders and dietary supplements

Grass-Fed vs. Conventional Beef 2016 YoY % Growth¹



Sources: 1. Nielsen 2. Civil Eats

Grass-Fed Category Leaders

Meat

BUTCHER
BOX



Yogurt

100% GRASS-FED DAIRY
MAPLE HILL
CREAMERY



Milk



KALONA
SUPER NATURAL™
BEYOND ORGANIC. BEYOND DELICIOUS.

Butter



Is Current Grass-Fed Dairy Labeling Transparent Enough?

- Because the new American Grass-Fed Association (AGA) Grass-Fed Dairy seal will not be the product of any government oversight, there is the potential for less credible, grass-fed claims
- Current producers such as Organic Valley, Maple Hill Creamery and Tricking Springs Creamery are working to close the gap catered to a dairy-specific standard
- "We've got big players in the organic dairy area who are promoting this... So when consumers start seeing that certification, it's going to have a lot more impact because it's on recognized products." – Marilyn Nobel, AGA's Communications Director²

4. Many Large Grocery Opportunities Remain Brand-less



What's your favorite sushi brand? Exactly.

Top 10 Dollar Growth Categories: Grocery Department¹

Annual Dollar Sales >\$500 million

| Category | | Dollar % Growth | % Growth |
|---|--|-----------------|----------|
| Liquid Tea | | 19.5% | 14.4% |
| Deli Sushi* | | 16.4% | 12.6% |
| Liquid Coffee | | 14.6% | 13.8% |
| Lunch Combination | | 14.4% | 13.4% |
| Vinegar and Cooking Wine | | 11.8% | 6.6% |
| Cherries* | | 9.6% | 3.3% |
| Value Added Fruit* | | 9.4% | 3.9% |
| Nutritional (ex. drinks, bars, supplements) | | 9.3% | 2.9% |
| Value Added Vegetables* | | 8.9% | 6.5% |
| Meat-Packaged Meals* | | 8.7% | 9.7% |

Sources: 1. Nielsen Answers, Total US All Outlets Combined, period ending 10/1/16, Total Tracked Sales all Outlets Includes: Grocery, drug, mass merchandisers, convenience, select dollar stores, select warehouse clubs and military commissaries (DeCA) – Data reflects UPC-coded items only except where denoted by asterisk (*), which includes UPC + random-weight retailer-assigned price look-up code and system-2 sales volume; volume equivalence will vary respective of each category.

2. Store Brands

3. Mintel

Chart Graphics - provided by flaticon.com

- The center-of-the-store, known for offering convenient shelf-stable food staples, is no longer as appealing as the fresh produce, dairy, meat, deli and prepared foods sold around store perimeters²
- Perimeter categories outperform center-store sales – center-store sales totaled \$205 billion in 2015 and are expected to grow to \$216 billion by 2020, perimeter store sales were \$296 billion in 2014 and are on pace to reach \$364 billion by 2019³
- Five out of the 10 top grocery categories consist of grab-and-go, RTD perimeter items¹

What Worked



Pioneered the "Intel Inside®" branding of mainstream deli and sandwich shops



Frequently found in north-east retailers as the ready-to-serve, branded, offering



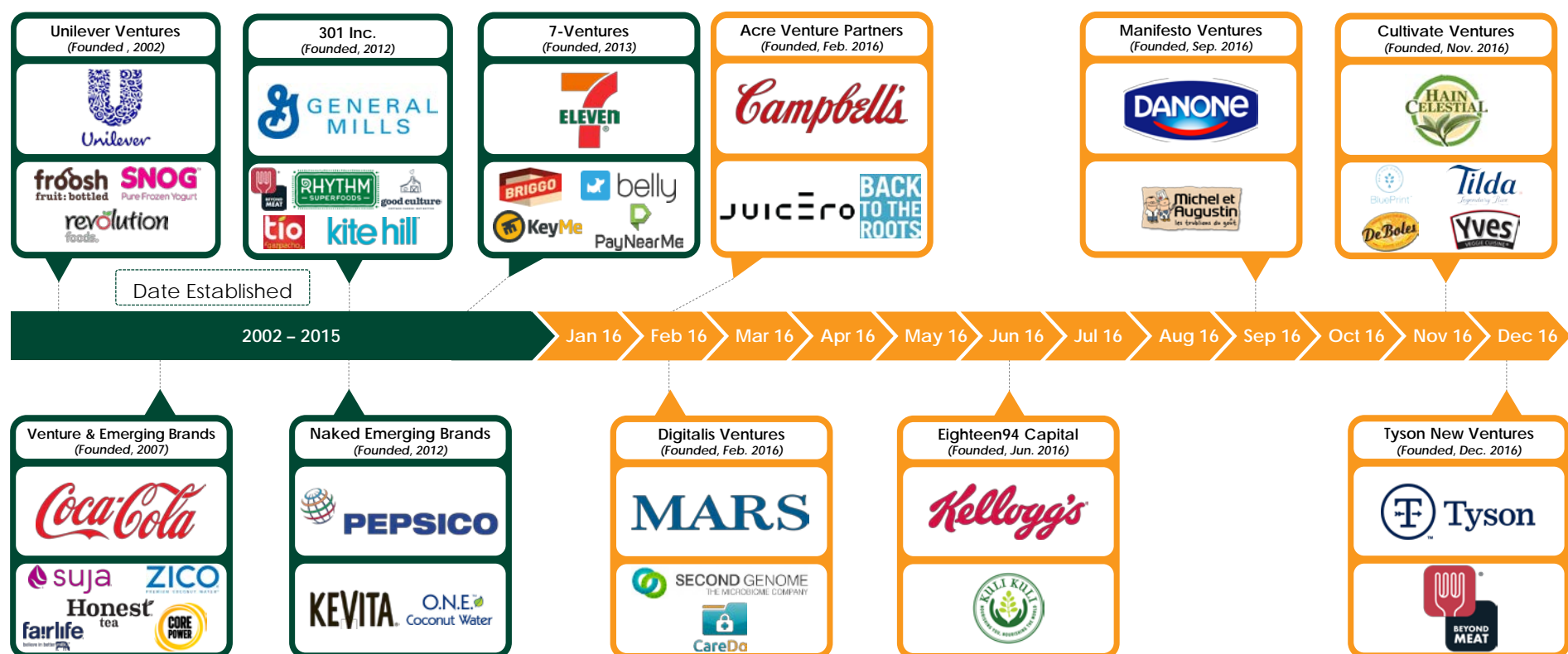
Attempt to brand commodity items – inability to resonate as "organic" – whitespace remains

5. Big CPG Accelerates Venture Investing



Big CPG in a race to establish venture funds to gain early exposure to new categories

- Many big CPGs continue to launch venture funds to gain exposure to earlier-stage brands and/or new categories
- Provides proof-of-concept testing at a substantially lower cost than M&A – allows targets to operate independently
- Target gains strategic capital, advice and (perhaps) distribution – critical issues around negotiating deal terms



6. Label Transparency and Reliability Warrant More Thorough Attention



34% of consumers don't know what 'clean label' is...yet 50% purchase based on nutrition labels¹

Defining what 'HEALTHY' means

- FDA has issued a guidance for manufactures to follow that will allow more foods to now claim 'healthy'; currently working to redefine qualifications for the term
- Key change includes emphasis on types of fat – high healthy fat content a reflection of evidence of the right fats for a healthy diet
- Possible foods affected include avocados, chia seeds, almonds and sunflower seeds¹

The 'NATURAL' confusion

- High profile lawsuits of large CPG companies such as Danone, Naked Juice and KIND show need to improve understanding of 'natural' label claims
- Current FDA guidelines state 'natural foods' cannot contain 'anything artificial or synthetic' – no stance on GMO or trace elements at this point²
- Industry risks further potential backlash from consumers until improvement in definition

Kombucha SUGAR content issues

- Recent KeVita study reported that products from five out of eight manufactures tested contained higher levels of sugar than reported on labels
- Study found that the majority of tested products contained 20% more sugar than reported on the label
- Two of those brands contained 291% and 311% more sugar than their labeled amounts.....

Labeling issues stem from 'OUTDATED' science

- A letter handed down by the FDA warning KIND of their use of 'healthy'
- Led to industry-wide concern and a citizen petition to the FDA to reconsider the definition



Consumer 'CLEAN-LABEL' knowledge



34% of **global** consumers do not understand the meaning of 'clean-label'



45% of **US** consumers do not understand the meaning of 'clean-label'

Sources: 1. New Hope 2. Inside Counsel

7. Premium, Natural & Organic Brands Continue to Drive Growth in the Frozen Set

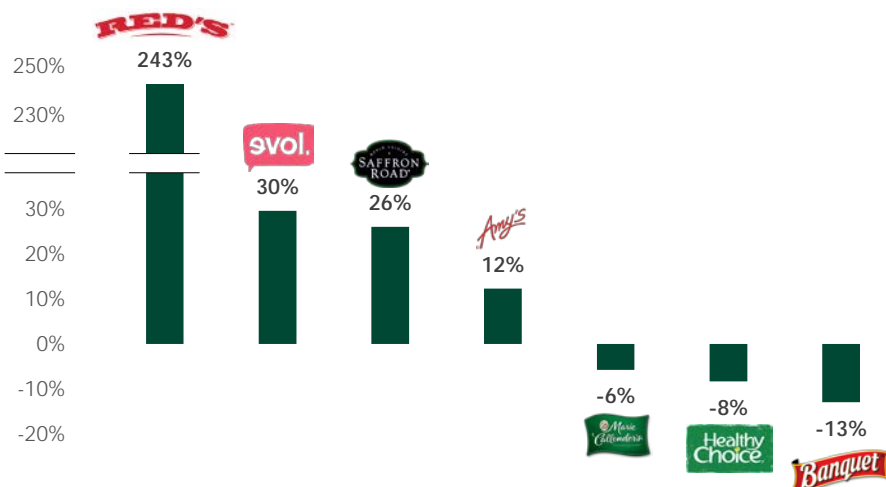


Frozen food category growth driven by brands with premium, better-for-you offerings

- Sales of frozen entrées, pizza, side dishes and appetizer products reached \$22B in 2016 – a slight increase over 2015 – proving the category is here-to-stay as other health-centric categories emerge (e.g.) refrigerated¹
- 60% of households reported purchasing frozen pizzas and 40% reported purchasing frozen dinners¹
- Quality and healthfulness rank paramount in consumers mind when purchasing frozen items as convenience is already perceived¹
- Better-for-you brands with high-quality ingredients will continue to out-grow industry peers

Premium Frozen Meal Brands vs. Legacy Meal Brands

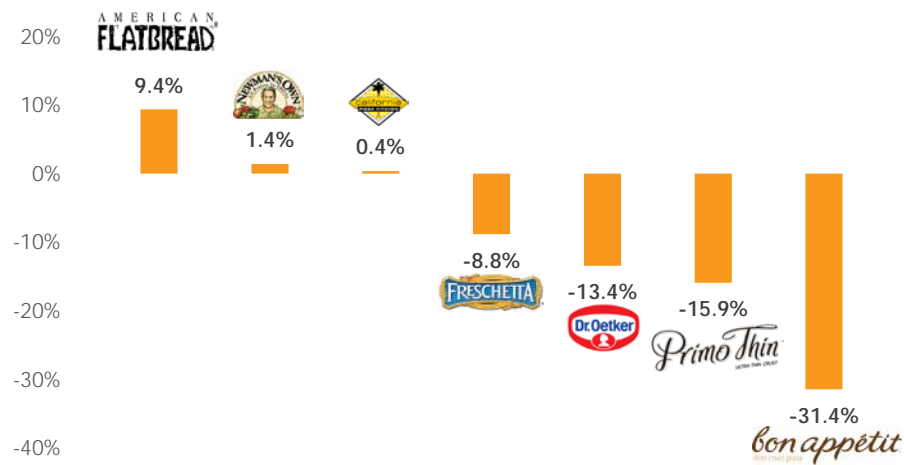
IRI Retail Sales – Food – 52 Weeks Ending 01/22/17



Sources: 1. "Packaged Facts"

Premium Frozen Pizza Brands vs Legacy Pizza Brands

IRI Retail Sales – Food – 52 Weeks Ending 01/22/17























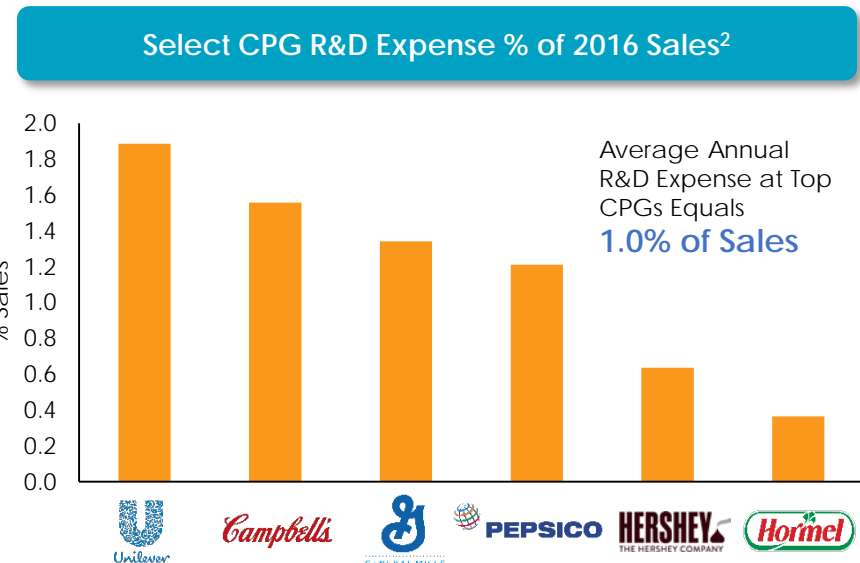
8. Large CPG use M&A to Help Supplant R&D



Major CPGs inability to build authentic brands has led to M&A and venture activity

- Since 2011, major CPG brands have lost over \$18 billion in market share¹ as consumers continue to gravitate towards small, innovative brands with value-additive offerings
- Large CPG attempts to internally create new on-trend brands has largely resulted in minimal success due to an inability to connect authentically with today's consumers; especially millennials
- As a result, several CPGs are effectively outsourcing new brand development through M&A and venture activity – on average, traditional R&D expense equaled 1.0% of major CPG sales in 2016²
- With many large CPG companies holding significant capital on hand, expect M&A activity to remain steady in coming years

| CPG Brand | 2016 R&D Expense (% of Sales) | 2016 Sales (YoY % Growth) | Acquiring Authentic Brands |
|---|-------------------------------|---------------------------|--|
|  Unilever | 1.9% | -1.1% |  Living proof. |
|  Campbell's | 1.6% | -1.5% |  Plum Organics  Bolthouse Farms  Garden of Eatin' |
|  General Mills | 1.3% | -6.1% |  Annie's  EPIC  Food 52 |
|  PEPSICO | 1.2% | -0.4% |  KEVITA |
|  HERSHEY'S THE HERSHEY COMPANY | 0.6% | -0.4% |  KRAVE  barkTHINS  Brookside |
|  Hormel | 0.4% | 2.8% |  Justin's  APPLEGATE  Good & Beautiful |



Sources: 1. Boston Consulting Group 2. 10-K Filings from Select CPG Companies with over \$5.0 billion in annual sales

9. Craft Spirits Gain Mainstream Attention

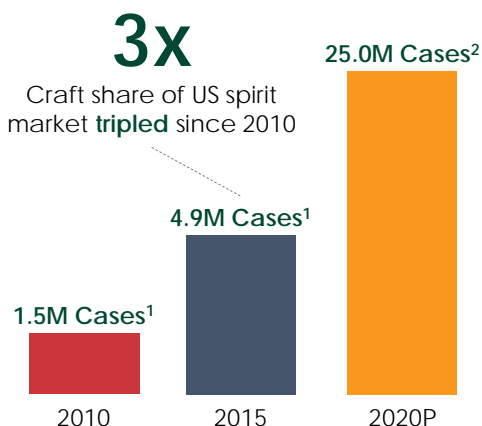


Growth of craft spirits result of alignment with consumer interest in premium offerings

- Following in the foot steps of the craft beer industry, the rapidly growing craft spirits category generates over \$2.0 billion in annual sales (4.9 million cases) in the US retail market, representing a CAGR of 27.9% since 2010¹
- Currently representing 3% of the total US spirit market¹, forecasts expect increased mainstream acceptance with annual volumes growing to a projected 25 million cases by 2020²
- Consumers increasing interest in craft beverages helping to improve the category's unit economics – market surveys suggest consumers are willing to pay at least 10% more for craft products³
- Strengthening category performance has led to increased interest from investors and strategics

Category Expected to Build on Recent Success

Annual US Retail Volume















Consumer Interest Driving Growth



Sources: 1. American Craft Spirits Association 2. Fortune 3. Deloitte 4. Harris Poll 5. Mintel

Recent Investment and M&A Activity

| | |
|---|---|
|   | In February 2017, Gruppo Campari announced the acquisition of premium gin company, Bulldog Gin, for \$58M |
|   | In January 2017, Constellation Brands made investments in Catocin Creek and Bardstown Bourbon |
|    | In recent years Pernod Ricard has acquired majority interests in Monkey 47 and Tequila Avión |
|    | In 2016, Constellation Brands acquired spirit companies, High West and the Prisoner Wine |
|   | In March 2015, Bacardi acquired Angel's Envy, a bourbon brand |

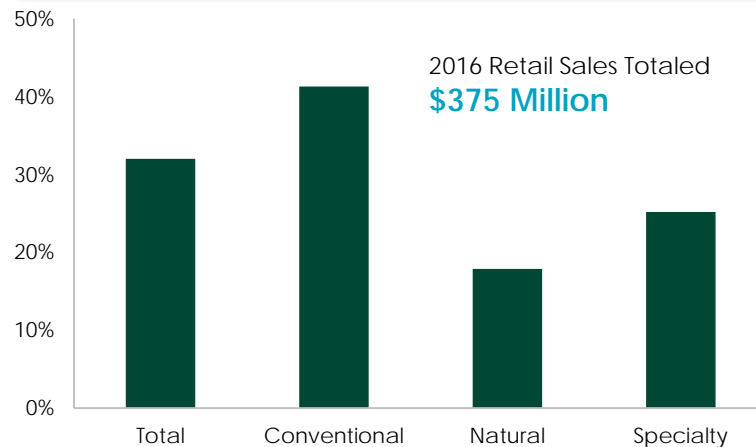
10. Kombucha Growth Leads to Category Sophistication



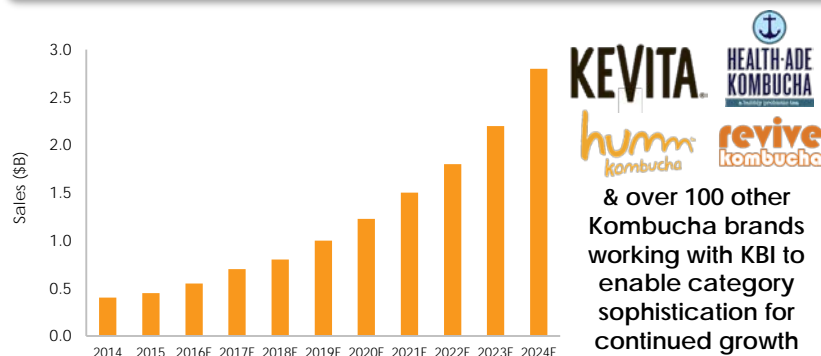
Quickly growing Kombucha market faces challenges in achieving mainstream acceptance

- Kombucha represents a nearly \$400 million category¹
- Sales of the fermented beverage grew by 32% YoY in 2016 with growth occurring across many sales channels¹
- Though origins for Kombucha trace back 2000 years, the market for the beverage remains largely underdeveloped – market studies suggest only 4% of US population are aware of and understand Kombucha²
- However, as the category grows, various category issues need attention to gain further mainstream success
- Specifically Kombucha has received questionable press regarding labeling issues surrounding alcohol and sugar content
- The industry's top brands are actively taking steps to address concerns – for example, the Kombucha Brewers International (KBI) is working with over 100 brands to develop standards for alcohol testing methodology
- Additionally, the entrance of a major CPG brand via Pepsi's acquisition of KeVita in late 2016 could improve consumer trust and offer increased marketing capital to build category awareness

2016 Kombucha Retail Sales Growth %¹



US Kombucha Market Revenue Forecast³



Sources: 1. SPINS 52 weeks as of 10/2/16 2. Brew Dr Kombucha 3. Grand View Research

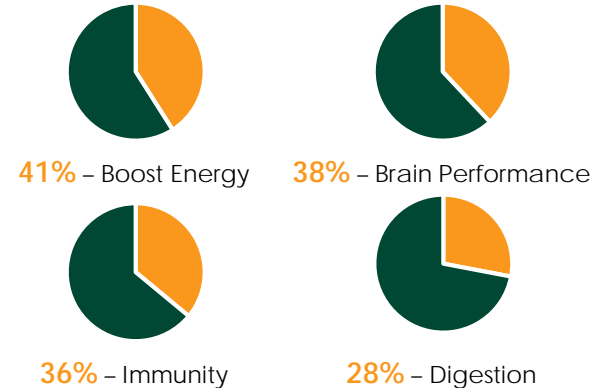
11. Benefits of Healthy Biome Shifting Consumer Spending



- New evidence continues to link the gut to many organs and systems in the body and identifies functional benefits from a healthy to improved immunity and brain health
- Consumers have taken note of the health benefits and are increasingly considering digestion when making diet decisions – market research suggests 28% of consumers look to buy products that can aid digestion¹
- Awareness of gut health has generated sustained success for the over \$2 billion digestive health supplement category² – largely led by probiotic supplements
- Nutritional probiotic supplements marketed for digestive health are the largest condition-specific category for mass-market retail and the second fastest growing (21% year over year) condition-specific supplements category³
- Additionally, momentum has grown for non-probiotic related diet strategies where consumers are both adding and avoiding products containing ingredients that aid and harm digestion
- Studies show drinking coffee, tea and red wine were among the factors associated with more diverse, healthier, gut microbes⁴
- Whereas products containing sugar alcohols have been linked to gastrointestinal issues caused by their indigestible composition

Consumers Seek Healthy Gut For:

% of Consumers Purchasing Influenced by Health Benefit²



Sugar Alcohols Impact on Gut Health

How to Identify on Ingredient Lists

| | |
|------------|----------|
| Erythritol | Xylitol |
| Mannitol | Sorbitol |
| Lactitol | Isomalt |

- Sugar substitutes often used for low glycemic and caloric properties
- Highly refined in order to be added to foods
- Manufacturing process makes them highly indigestible, triggering gastric distress

Sources: 1. Natural Marketing Institute 2. Nutrition Business Journal 3. Packaged Facts, 2016 sales compared to 2015 4. Science Magazine

Contents

- Whipstitch Capital Overview



Healthy Living: Industry Overview and Deal Update /
Whipstitch's Top 11 Healthy Living Consumer Trends

- SPINS Market Update: Produced for
Whipstitch's Industry Analysis



- Food & Beverage M&A and Private Placement Deal Data



Key Trends In The Natural Products Industry



February 2017

SPINS Overview

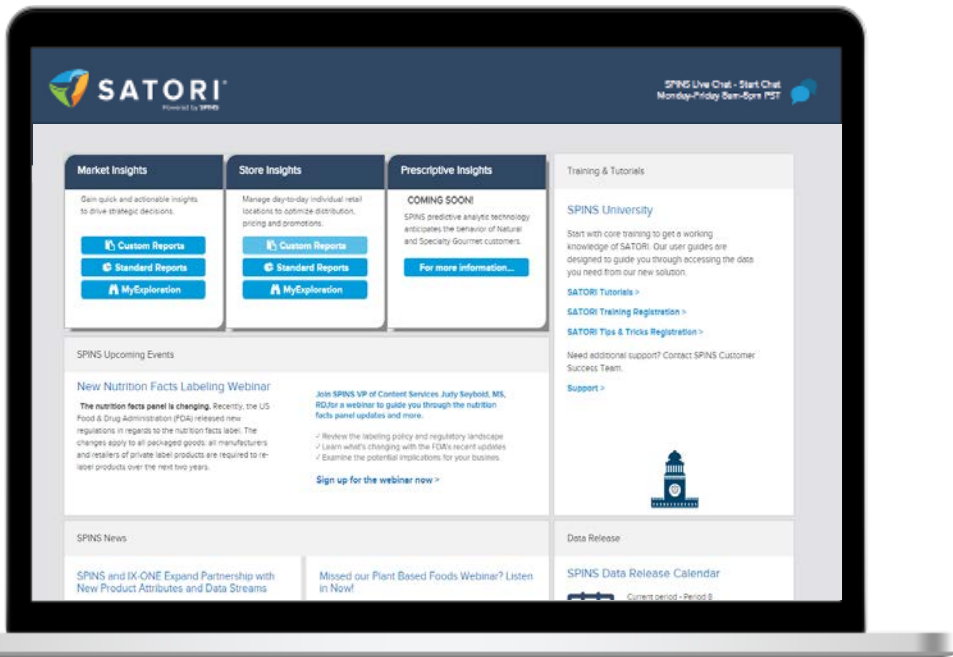


WHO IS SPINS?

SPINS is the leading provider of retail consumer insights, analytics, and consulting for the Natural, Organic, and Specialty products industries.

We transform raw data into intelligent and actionable business solutions.

- Retail Sales Data & Analytics
- Business Intelligence (BI) Tools
- Custom Reports & Consultation
- Brand Growth Solutions
- Consumer Insights & Solutions
- Digital and Mobile Applications
- Thought Leadership & Industry News



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SPINS tracks retail sales performance across three major channels – Conventional, Natural, and Specialty Gourmet

SPINSscan Conventional



SAFEGWAY



Publix.

Walgreens

Walmart

- Joint service with IRI
- Comprised of ~101,000 retail locations spanning Grocery, Drug, Walmart, Mass, Dollar, Military and some Club.
- Includes reporting in the nation's leading retailers such as Target, Safeway, Kroger, Wegman's and Walmart.
- \$38B natural/organic market, with overall health and wellness double that size.

SPINSscan Natural



Independent
Natural Food
Retailers
Association



NATURAL
GROCERS

EARTH FARE
real food for everyone

- Full-format stores with \$2 million+ in annual sales and at least 50%+ of sales from natural/organic products.
- Includes co-ops, associations, independents, large regional chains (excludes Whole Foods).
- Breeds innovation and sustains the level of authenticity and high product standards that define the industry.
- ~1,100 retail locations, \$12.4B channel with 28% store increase and 60% volume increase over past 5 years.

SPINSscan Specialty Gourmet



MARIANO'S



Bristol Farms

- Full-format stores with \$2 million+ in annual sales with at least 25% of sales from SPINS-defined specialty items.
- High-end stores with a focus on specialty, imported, natural, organic and prepared items.
- ~950 retail locations, representing more than \$14.2B, and poised for continued success.

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SPINS Product Library is the industry standard for Health & Wellness information on products

OUR SCIENCE: HOW WE TRACK PRODUCTS

Retail data is segmented in our Product Library. Every product with a barcode is coded for an expansive list of attributes, certifications, ingredient profiles allowing for trillions of nuanced trend insights.



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What's New At SPINS?



SPINS Retail
Partnership

THE LAUNCH OF NEW KEY ACCOUNTS

SPINS continues to expand our partnerships with leading retailers across Natural, Specialty Gourmet, Conventional, and Alternative Channels. We've recently launched a number of new key accounts and have a few more in the queue with store level services, including:



SPINS will offer Store-level application services for Target, which operates more than 1700 retail locations and generates over \$5.4 billion in annual natural and specialty product sales.



SPINS will continue to offer Kroger Corp, all banners and all divisions, as a Key Account through our partnership with IRI, making Item-level data available for your brands and categories.

| | |
|---|---|
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |

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Through SPINS, Investors can see that Natural Products continue to outpace Total Product sales growth in every channel

Only SPINS:

- Tracks retail sales performance across three major channels
- Segments total sales by three product segments -- Natural, Specialty, Conventional products

Focus of this document

Natural Channel

\$8.0B Channel Sales

+7% Total Channel

+7% Natural Products

+7% Specialty/Wellness Products



Independent
Natural Food
Retailers
Association



Specialty Gourmet Channel

\$8.4B Channel Sales

+0% Total Channel

+2% Natural Products

+2% Specialty/Wellness Products

Bristol Farms



Conventional MULO + Conv

\$684.3B Channel Sales

+1% Total Channel

+10% Natural Products

+5% Specialty/Wellness Products



Publix

SAFEWAY



Source: SPINSscan Natural and Specialty Gourmet (proprietary),
Conventional Multi Outlet (powered by IRI),
52 weeks ending 12/25/2016. UPC coded items only.
Natural and Organic defined as SPINS NPI Brand positions

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SPINSights Conventional Channel



For Whipstitch, SPINS analyzed the dynamics driving Natural Products growth in the Conventional Channel

What are the “4Ps dynamics” driving Natural Product Growth?

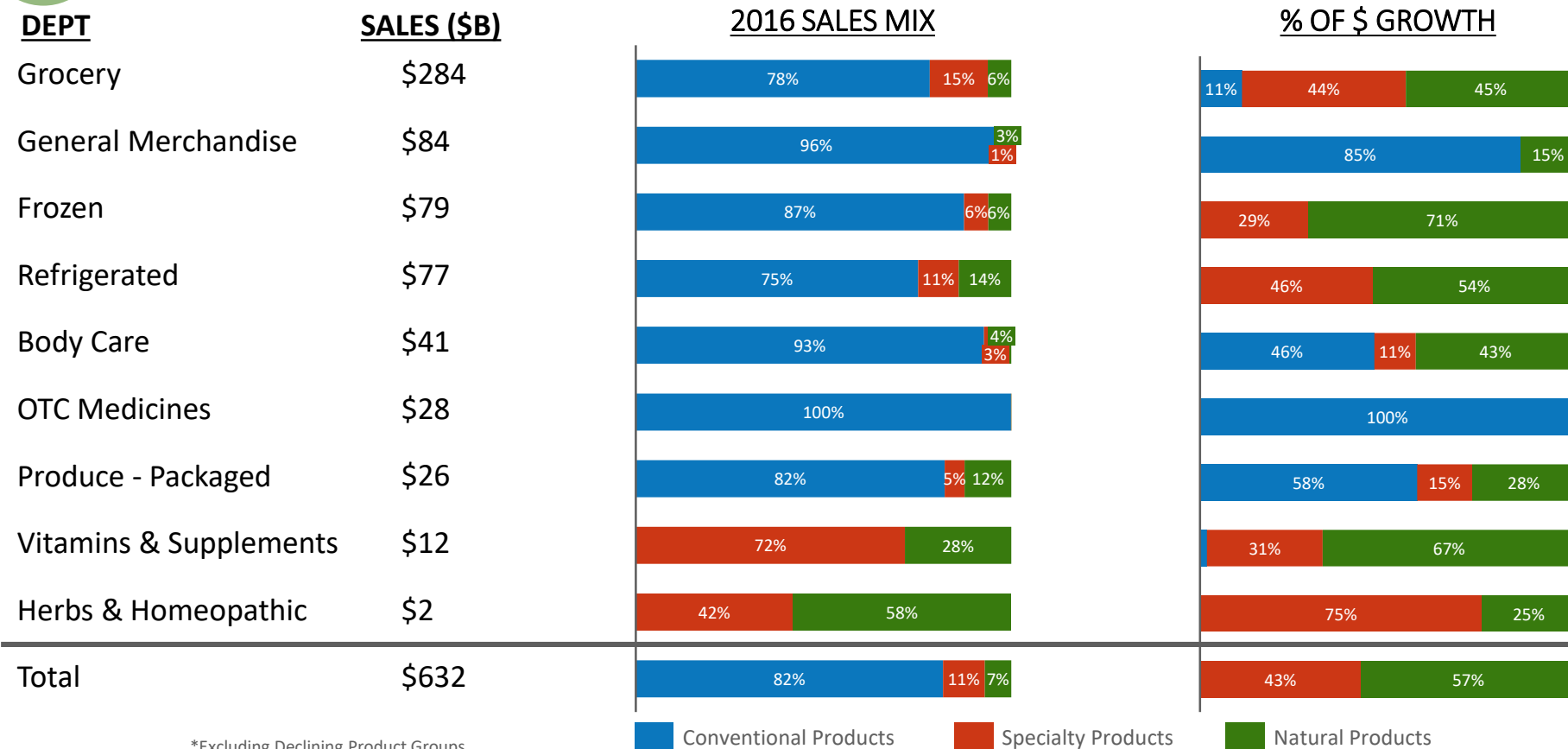


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Key Insight: In nearly every Department, Natural & Specialty Products are driving growth

Product

Total U.S. Multi-Outlet and Convenience Channel – Sales Mix and Growth by Department
52 Weeks Ending 12/25/16



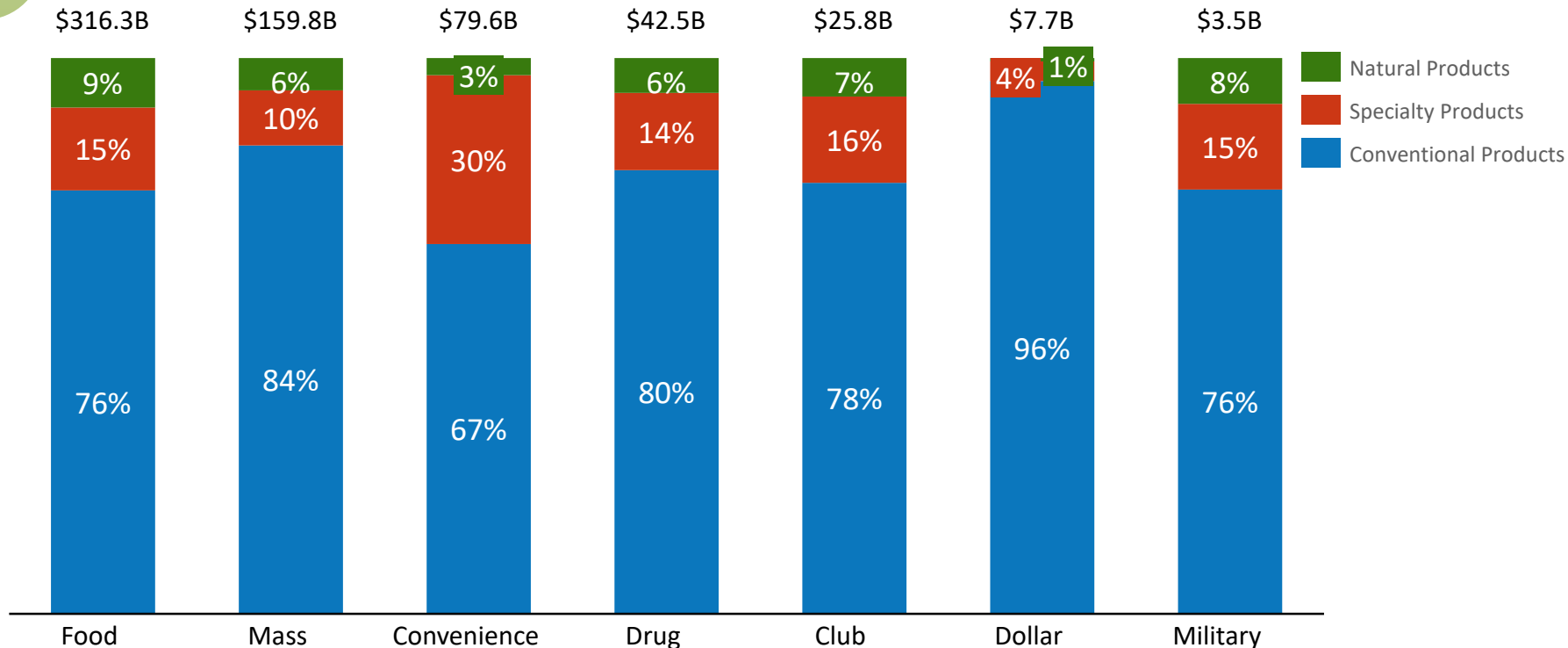
Source: Conventional Multi-Outlet and Convenience Channel (powered by IRI), UPC Coded Items only.
52 weeks ending 12/25/2016.

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Key Insight: While Conventional Products Still Dominate Dollar Sales in Every Channel...

Place

Sales Mix and Growth Rates across Conventional Channels
52 Weeks Ending 12/25/16



| | | | | | | | |
|-----|-------|--------|--------|-------|-------|-------|-------|
| NPI | +9.4% | +11.9% | +13.7% | +7.5% | +4.7% | +3.1% | +2.8% |
| TPL | +0.6% | +1.6% | +2.8% | -0.1% | -0.8% | +0.3% | -4.6% |

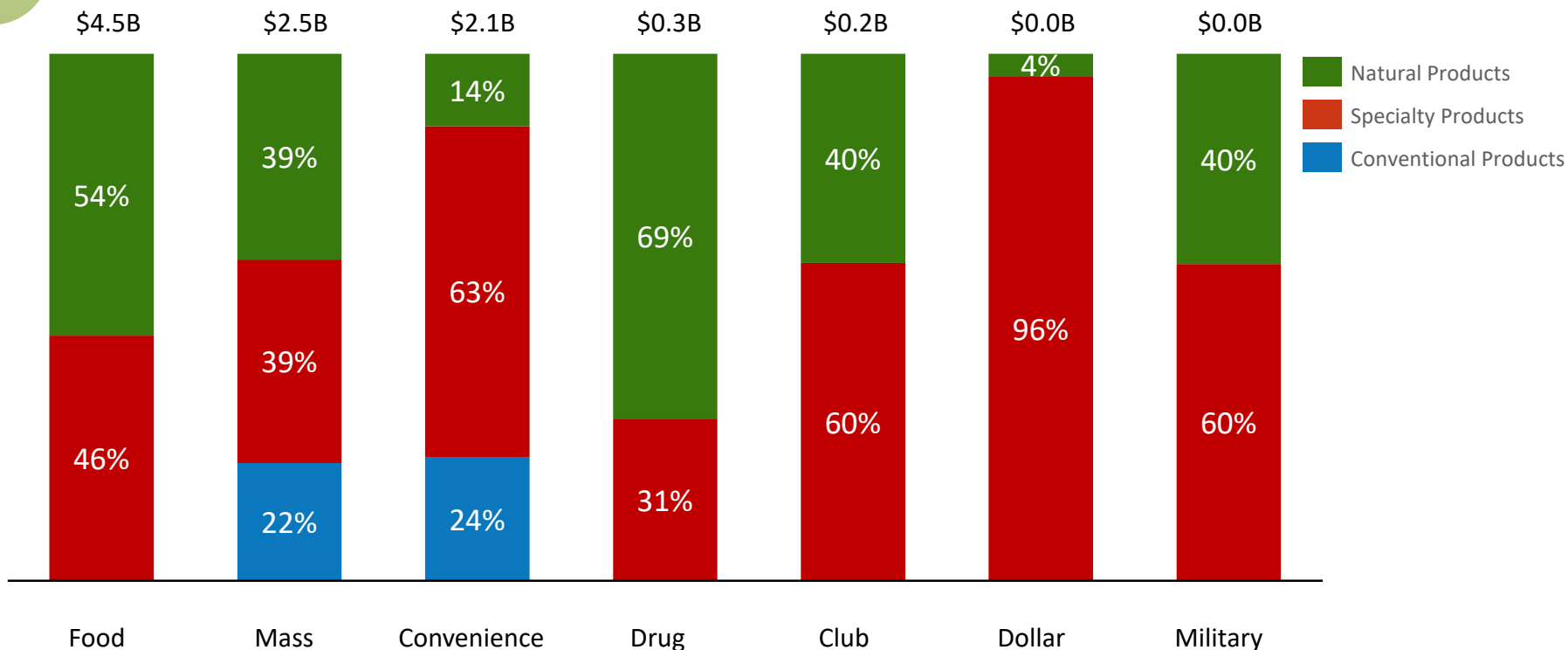
Source: SPINScan Conventional Multi Outlet and Convenience (powered by IRI),
52 weeks ending 12/25/2016. UPC coded items only.
Mass = Target, Walmart, Shopko, K-Mart | Club = BJ's + Sam's
Dollar = Family Dollar + Fred's Dollar | Military = DeCa + Nexcom

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Key Insight: ... Natural & Specialty Products Dominate Dollar *Growth* in Every Channel

Place

Contribution to Growth Mix and Growth Rates across Conventional Channels
52 Weeks Ending 12/25/16



| | Food | Mass | Convenience | Drug | Club | Dollar | Military |
|-----|-------|--------|-------------|-------|-------|--------|----------|
| NPI | +9.4% | +11.9% | +13.7% | +7.5% | +4.7% | +3.1% | +2.8% |
| TPL | +0.6% | +1.6% | +2.8% | -0.1% | -0.8% | +0.3% | -4.6% |

*Excluding Declining Positioning Groups

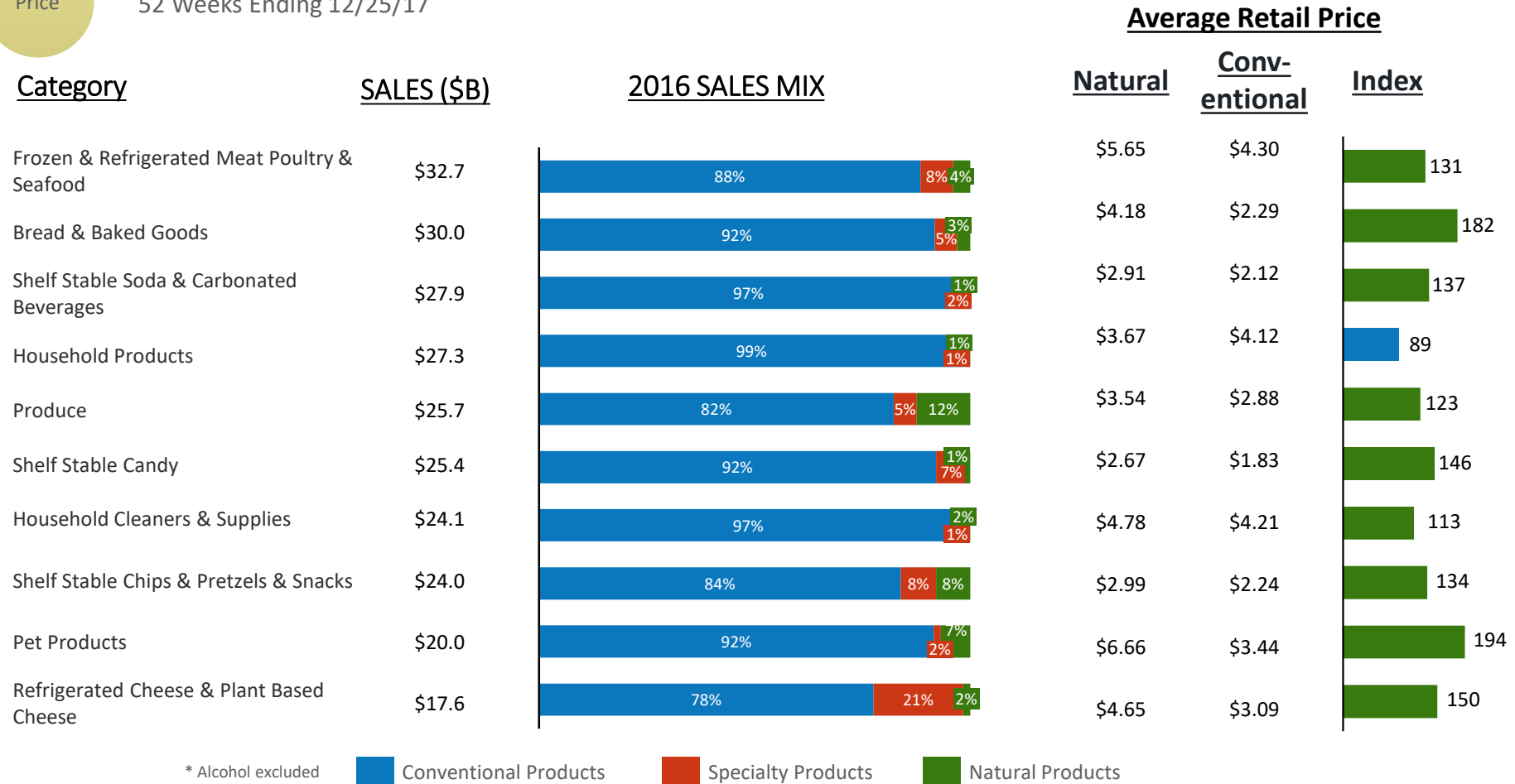
Source: SPINScan Conventional Multi Outlet and Convenience (powered by IRI), 52 weeks ending 12/25/2016. UPC coded items only.
Mass = Target, Walmart, Shopko, K-Mart | Club = BJ's + Sam's
Dollar = Family Dollar + Fred's Dollar | Military = DeCa + Nexcom

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Key Insight: Looking at “Top 10” categories, Natural Products are selling at a significant *Price Premium*...

Price

Total U.S. Multi-Outlet and Convenience Channel – Sales Mix and Price by Top 10 Categories
52 Weeks Ending 12/25/17



Source: Conventional Multi-Outlet and Convenience Channel (powered by IRI). UPC Coded Items only.
52 weeks ending 12/25/2016.

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Key Insight: In addition, Natural Products are *less reliant on Promotion*

Promotion

Total U.S. Retail Dollar Sales & % Growth – Multi-Outlet + Convenience Channel
52 Weeks Ending 12/25/17

Category

SALES (\$B)

2016 SALES MIX

Natural

Conv-
entional

Index

Frozen & Refrigerated Meat Poultry & Seafood

\$32.7

88%

8% 4%

24.5%

37.2%

66

Bread & Baked Goods

\$30.0

92%

3% 5%

29.9%

34.2%

87

Shelf Stable Soda & Carbonated Beverages

\$27.9

97%

1% 2%

31.3%

48.1%

65

Household Products

\$27.3

99%

1% 1%

31.1%

31.1%

100

Produce

\$25.7

82%

5% 12%

34.7%

46.8%

74

Shelf Stable Candy

\$25.4

92%

1% 7%

33.1%

36.1%

92

Household Cleaners & Supplies

\$24.1

97%

2% 1%

24.7%

25.6%

96

Shelf Stable Chips & Pretzels & Snacks

\$24.0

84%

8% 8%

42.8%

44.6%

96

Pet Products

\$20.0

92%

1% 2%

15.7%

16.5%

96

Refrigerated Cheese & Plant Based Cheese

\$17.6

78%

21% 2%

18.7%

34.6%

54

* Alcohol excluded



Conventional Products



Specialty Products



Natural Products

Source: Conventional Multi-Outlet and Convenience Channel (powered by IRI). UPC Coded Items only.
52 weeks ending 12/25/2016.

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Investor Perspective



Investors leverage SPINS to identify the most attractive categories & brands to invest in

Example use case: What are the fastest growing NPI categories?

Step 1

What are the Fastest Growing Categories Overall?

Step 2

Which ones are Heavily Driven by Natural Products?

Step 3

Based on both of these criteria, what might be the most attractive categories to focus on?

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What are the Fastest Growing Categories Overall?

Step 1

Combined Natural, Specialty and Multi-Outlet Channels – Top 10 Categories by % Growth
Current 52 Weeks Ending 12/25/2016



| Category | Dollars (\$M) | % Growth |
|--|--------------------------|-------------|
| PERFORMANCE NUTRITION | \$132,619,812 | 33.3% |
| HERBAL FORMULAS | \$1,051,856,619 | 26.3% |
| REFRIGERATED PLANT BASED MEAT ALTERNATIVES | \$124,399,937 | 12.9% |
| REFRIGERATED TEA & COFFEE RTD | \$1,094,805,614 | 10.8% |
| PROTEIN SUPPLEMENTS & MEAL REPLACEMENTS | \$3,326,552,441 | 10.6% |
| REFRIGERATED ENTREES | \$6,507,794,588 | 10.2% |
| SHELF STABLE WELLNESS BARS & GELS | \$2,402,107,396 | 10.2% |
| SHELF STABLE TEA & COFFEE RTD | \$3,090,846,813 | 9.7% |
| DIGESTIVE AIDS & ENZYMES | \$1,454,454,726 | 9.3% |
| AMINO ACIDS | \$51,924,361 | 8.5% |
| Other 85 Categories | \$601,865,534,908 | 0.8% |
| Total 95 Categories | \$621,102,897,216 | 1.1% |

Source: SPINScan Natural Channel; SPINScan Specialty Gourmet Channel;
Conventional Multi-Outlet Channel (powered by IRI),
52 weeks ending 12/25/2016.

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Which ones are Heavily Driven by Natural Products?

Step 2

Combined Natural, Specialty and Multi-Outlet Channels – Top 10 Categories by % Growth
Current 52 Weeks Ending 12/25/2016

| Category | Total | | Natural Products | |
|--|-------------------|----------|------------------|----------|
| | Dollars (\$M) | % Growth | Dollars (\$M) | % Growth |
| PERFORMANCE NUTRITION | \$132,619,812 | 33.3% | \$21,555,124 | 16.5% |
| HERBAL FORMULAS | \$1,051,856,619 | 26.3% | \$657,981,641 | 9.1% |
| REFRIGERATED PLANT BASED MEAT ALTERNATIVES | \$124,399,937 | 12.9% | \$123,868,714 | 12.9% |
| REFRIGERATED TEA & COFFEE RTD | \$1,094,805,614 | 10.8% | \$94,758,953 | 75.6% |
| PROTEIN SUPPLEMENTS & MEAL REPLACEMENTS | \$3,326,552,441 | 10.6% | \$330,589,229 | 28.2% |
| REFRIGERATED ENTREES | \$6,507,794,588 | 10.2% | \$320,942,225 | 4.0% |
| SHELF STABLE WELLNESS BARS & GELS | \$2,402,107,396 | 10.2% | \$1,688,215,434 | 12.6% |
| SHELF STABLE TEA & COFFEE RTD | \$3,090,846,813 | 9.7% | \$223,669,736 | 17.0% |
| DIGESTIVE AIDS & ENZYMES | \$1,454,454,726 | 9.3% | \$725,045,903 | 14.1% |
| AMINO ACIDS | \$51,924,361 | 8.5% | \$43,395,606 | 5.9% |
| Other 85 Categories | \$601,865,534,908 | 0.8% | \$47,233,873,710 | 8.7% |
| Total 95 Categories | \$621,102,897,216 | 1.1% | \$51,463,898,292 | 9.1% |

Source: SPINScan Natural Channel; SPINScan Specialty Gourmet Channel;
Conventional Multi-Outlet Channel (powered by IRI),
52 weeks ending 12/25/2016.

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Which ones are Heavily Driven by Natural Products?

Step 2

Combined Natural, Specialty and Multi-Outlet Channels – Top 10 Categories by % Growth
Current 52 Weeks Ending 12/25/2016

| Category | Total | | Natural Products | | | | |
|--|--------------------------|-------------|-------------------------|-------------|------------------------|-------------|----------------|
| | Dollars (\$M) | % Growth | Dollars (\$M) | % Growth | Dollar Change | NPI Mix | NPI Mix Growth |
| PERFORMANCE NUTRITION | \$132,619,812 | 33.3% | \$21,555,124 | 16.5% | \$3,047,249 | 16.3% | -2.4% |
| HERBAL FORMULAS | \$1,051,856,619 | 26.3% | \$657,981,641 | 9.1% | \$55,069,713 | 62.6% | -9.8% |
| REFRIGERATED PLANT BASED MEAT ALTERNATIVES | \$124,399,937 | 12.9% | \$123,868,714 | 12.9% | \$14,190,169 | 99.6% | 0.0% |
| REFRIGERATED TEA & COFFEE RTD | \$1,094,805,614 | 10.8% | \$94,758,953 | 75.6% | \$40,787,656 | 8.7% | 3.2% |
| PROTEIN SUPPLEMENTS & MEAL REPLACEMENTS | \$3,326,552,441 | 10.6% | \$330,589,229 | 28.2% | \$72,656,977 | 9.9% | 1.4% |
| REFRIGERATED ENTREES | \$6,507,794,588 | 10.2% | \$320,942,225 | 4.0% | \$12,418,712 | 4.9% | -0.3% |
| SHELF STABLE WELLNESS BARS & GELS | \$2,402,107,396 | 10.2% | \$1,688,215,434 | 12.6% | \$189,039,443 | 70.3% | 1.5% |
| SHELF STABLE TEA & COFFEE RTD | \$3,090,846,813 | 9.7% | \$223,669,736 | 17.0% | \$32,534,652 | 7.2% | 0.5% |
| DIGESTIVE AIDS & ENZYMES | \$1,454,454,726 | 9.3% | \$725,045,903 | 14.1% | \$89,622,252 | 49.9% | 2.1% |
| AMINO ACIDS | \$51,924,361 | 8.5% | \$43,395,606 | 5.9% | \$2,421,241 | 83.6% | -2.0% |
| Other 85 Categories | \$601,865,534,908 | 0.8% | \$47,233,873,710 | 8.7% | \$3,788,477,267 | 7.8% | 0.6% |
| Total 95 Categories | \$621,102,897,216 | 1.1% | \$51,463,898,292 | 9.1% | \$4,300,265,329 | 8.3% | 0.6% |

Source: SPINScan Natural Channel; SPINScan Specialty Gourmet Channel;
Conventional Multi-Outlet Channel (powered by IRI),
52 weeks ending 12/25/2016.

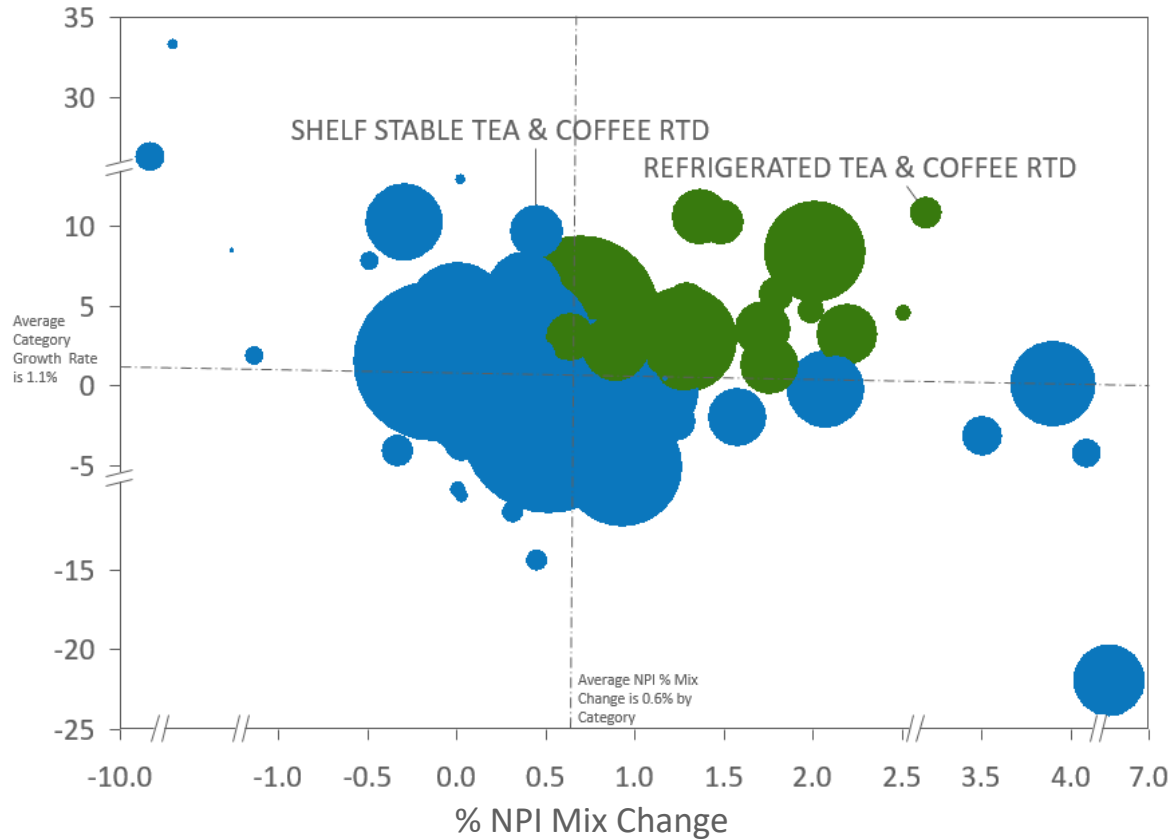
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Which ones are Heavily Driven by Natural Products?

Step 3

Combined Natural, Specialty and Multi-Outlet Channels – Category Growth Rate by % NPI Mix Growth
Current 52 Weeks Ending 12/25/2016

Category (TPL) \$ % Change



Other High Potential Categories

| Category | % Growth | % NPI Mix Change |
|--|------------|------------------|
| Refrigerated Tea & Coffee Rtd | 11% | 3% |
| Herbal Singles | 5% | 3% |
| Shelf Stable Oils & Vinegars | 3% | 2% |
| Digestive Aids & Enzymes | 9% | 2% |
| Shelf Stable Water | 8% | 2% |
| Refrigerated Condiments | 5% | 2% |
| Shelf Stable Jerky & Meat Snacks | 6% | 2% |
| Vitamins & Minerals | 1% | 2% |
| Refrigerated Plant Based Milk & Creamer | 4% | 2% |
| Shelf Stable Wellness Bars & Gels | 10% | 1% |

Source: SPINScan Natural Channel; SPINScan Specialty Gourmet Channel; Conventional Multi-Outlet Channel (powered by IRI), 52 weeks ending 12/25/2016.

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Source: SPINScan Natural Channel; SPINScan Specialty Gourmet Channel;
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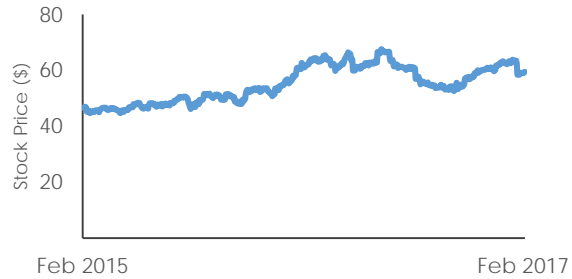
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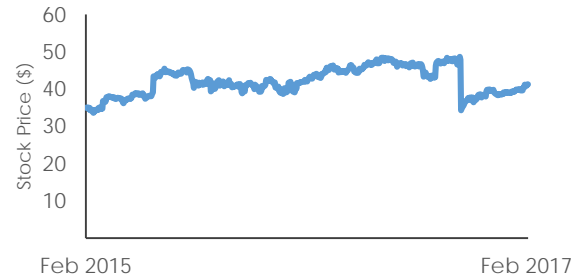
- Food & Beverage M&A and Private Placement Deal Data

Select CPG Stock Performance

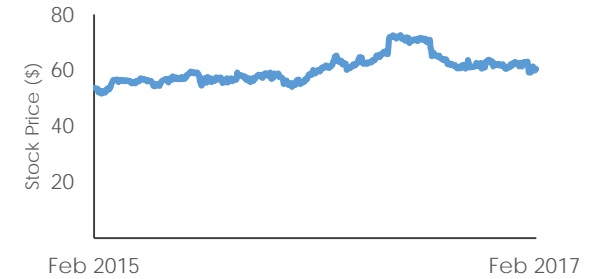
Campbell Soup Company (CPB)



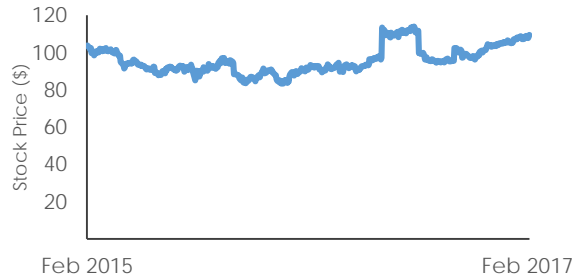
Conagra Brands (CAG)



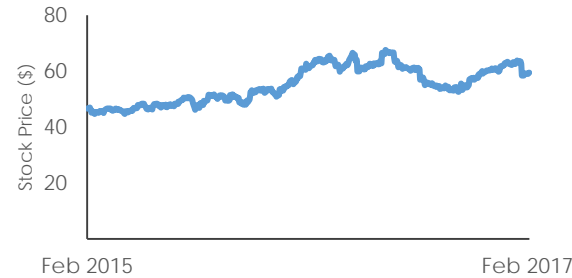
General Mills (GIS)



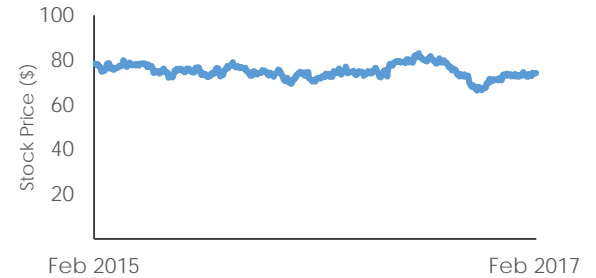
The Hershey Company (HSY)



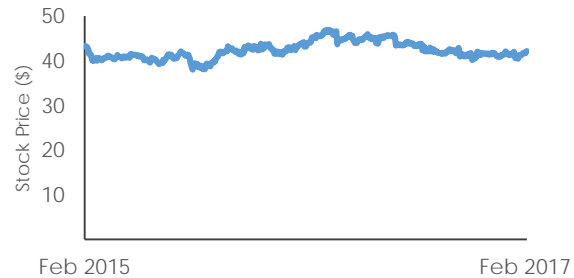
Nestlé S.A. (NESN)



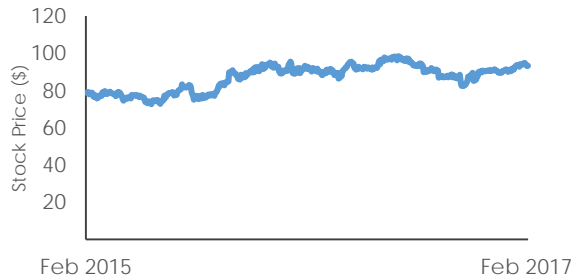
Danone (BN)



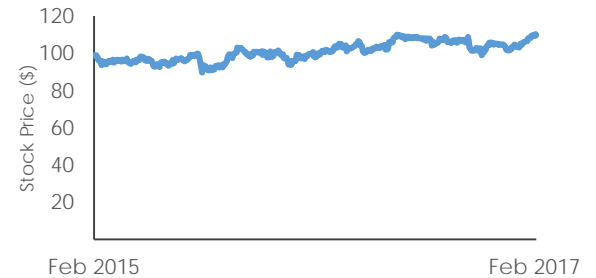
The Coca-Cola Company (KO)



Dr Pepper Snapple Group (DPS)



PepsiCo (PEP)



Source: S&P Capital IQ as of 3/1/17

Strong Revenue Growth Leads to Top-tier Valuation Multiples



Selected Consumer M&A

| Announced Date | Target | Acquirer | Transaction Value (\$ in 000) | Enterprise Value / | |
|----------------|--|--|-------------------------------|--------------------|--------|
| | | | | Revenue | EBITDA |
| 2/22/17 | Walden Farms | PANOS brands, LLC | n/a | n/a | n/a |
| 2/21/17 | Lightlife Foods, Inc. | Maple Leaf Foods Inc. | \$140,000 | 3.5x | n/a |
| 2/10/17 | Mead Johnson Nutrition | Reckitt Benckiser Group | 16,700,000 | 4.5 | 18.2 |
| 2/3/17 | Body Plus | CCMP Capital Advisors, Jamieson Laboratories , Stockton Road Capital | n/a | n/a | n/a |
| 2/2/17 | Bulldog Gin | Campari | 58,000 | n/a | n/a |
| 2/1/17 | Michael Angelo's Gourmet Foods | Advent International, Sovos Brands | n/a | n/a | n/a |
| 1/19/17 | Mondelez International, Inc., Grocery and Cheese Business in Australia & New Zealand | Bega Cheese Limited | 347,300 | n/a | n/a |
| 1/18/17 | Brinkhoff & Monoson, Inc. (Red Monkey Foods) | San Francisco Equity Partners | n/a | n/a | n/a |
| 1/17/17 | Love & Quiches Gourmet | AUA Private Equity Partners, Indulge Desserts Holdings | n/a | n/a | n/a |
| 1/10/17 | Younique | Coty | 600,000 | 1.5 | n/a |
| 1/9/17 | Garden Fresh Restaurant Corp. | Cerberus Capital Management | n/a | n/a | n/a |
| 1/6/17 | Amazing Grass | Glanbia | n/a | n/a | n/a |
| 1/4/17 | Bubbies Homemade Ice Cream & Desserts | Kenex Holdings | n/a | n/a | n/a |
| 1/3/17 | Hill & Valley, Inc. | J&J Snack Foods Corp. | n/a | n/a | n/a |
| 12/28/16 | Wild Joe's Beef Jerky | Simply Unique Snacks, LLC | n/a | n/a | n/a |
| 12/20/16 | Sweet Harvest Foods Inc. | Natural American Foods, Inc. | n/a | n/a | n/a |
| 12/15/16 | Living Proof, Inc | Unilever PLC | n/a | n/a | n/a |
| 12/13/16 | Beer Business in Central and Eastern Europe (AB InBev) | Asahi Group Holdings, Ltd. | 7,774,200 | 4.4 | 14.8 |
| 12/12/16 | Nothing But Nature Inc. (Kiju Organic) | GreenSpace Brands Inc. | 7,500 | 1.2 | n/a |
| 12/12/16 | Maxi Canada Inc. | Altamont Capital Partners | n/a | n/a | n/a |
| 12/9/16 | Foodpanda GmbH | Delivery Hero Holding GmbH | n/a | n/a | n/a |
| 12/9/16 | The Wilnah International, LLC (ALO Juice) | Long Island Iced Tea Corp. | 25 | n/a | n/a |
| 12/7/16 | Nestle (Nutrament Business) | Brynwood Partners, Harvest Hill Beverage | n/a | n/a | n/a |
| 12/2/16 | Victoria Fine Foods Holding Company and Victoria Fine Foods, LLC | B&G Foods, Inc. | 70,000 | n/a | n/a |

Source: Capital IQ & Industry Research

Selected Consumer M&A

| Announced Date | Target | Acquirer | Transaction Value (\$ in 000) | Enterprise Value / | |
|----------------|--|--|-------------------------------|--------------------|--------|
| | | | | Revenue | EBITDA |
| 11/29/16 | Enrico Giotti S.p.A. | McCormick & Company | \$127,300 | 2.3x | n/a |
| 11/28/16 | Blue Lake Citrus Products, LLC (Nobel Juice) | Sun Orchard, Inc. | n/a | n/a | n/a |
| 11/28/16 | Snyder's-Lance, Inc., Diamond of California Culinary Nut Business | Blue Road Management, L.P. | n/a | n/a | n/a |
| 11/22/16 | BAI Brands LLC | Dr Pepper Snapple Group, Inc. | 1,700,000 | 4.5 | 21.5 |
| 11/22/16 | KeVita, Inc. | PepsiCo, Inc. | n/a | n/a | n/a |
| 11/17/16 | Bellisio Parent, LLC | Charoen Pokphand Foods Public Co. Ltd. | 1,075,000 | 1.8 | n/a |
| 11/14/16 | Peacock Foods LLC | Greencore Group plc | 747,500 | 0.8 | 15.8 |
| 11/10/16 | Mercer Foods Inc. | Graham Partners | n/a | n/a | n/a |
| 11/3/16 | Angelic Bakehouse, Inc. | T. Marzetti Company | n/a | n/a | n/a |
| 10/31/16 | Grupo Modelo, S.A.B. de C.V., Brewery Operation in Obregon, Mexico | Constellation Brands Inc. | 600,000 | n/a | n/a |
| 10/31/16 | Hillside Candy LLC | Highlander Partners, L.P. | n/a | n/a | n/a |
| 10/24/16 | Stonefire Grill, Inc. | Goode Partners LLC | n/a | n/a | n/a |
| 10/17/16 | Charles Smith Wines | Constellation Brands | 120,000 | n/a | n/a |
| 10/17/16 | Good Hair Day | Coty | 552,340 | 2.4 | 12.5 |
| 10/14/16 | Northern Brewer, Inc. | ZX Ventures LLC | n/a | n/a | n/a |
| 10/13/16 | Parati S.A. | Kellogg Company | 430,000 | n/a | n/a |
| 10/10/16 | Allied Specialty Foods, Inc. | AdvancePierre Foods Holdings, Inc. | 60,000 | n/a | n/a |
| 10/5/16 | High West Distillery, LLC | Constellation Brands Inc. | 160,000 | n/a | n/a |
| 9/29/16 | Gorilly Goods | Nature's Path Foods | n/a | n/a | n/a |
| 9/26/16 | Red Fork LLC , Packaged Foods Businesses | ConAgra Foods, Inc. | n/a | n/a | n/a |
| 9/26/16 | Frontera Foods, Inc. | ConAgra Foods, Inc. | n/a | n/a | n/a |
| 9/21/16 | ACH Food Companies, Inc., Spices and Seasonings Business | B&G Foods North America, Inc. | 365,000 | 1.7 | 9.4 |
| 9/19/16 | Seventh Generation, Inc. | Unilever PLC | 700,000 | 3.5 | n/a |
| 9/9/16 | Boathouse Beverage, LLC (SpikedSeltzer) | Anheuser-Busch InBev SA/NV | n/a | n/a | n/a |
| 9/8/16 | Jimmy John's Franchise, LLC | Roark Capital Group | n/a | n/a | n/a |

Source: Capital IQ & Industry Research

Consumer Private Placements

| <u>Announced Date</u> | <u>Target</u> | <u>Investor(s)</u> | <u>Transaction Value (\$ in 000)</u> |
|-----------------------|---------------------------------------|---|--------------------------------------|
| 2/16/17 | MealPal | Comcast Ventures, Bessemer Venture Partners, Haystack Partners, NextView Ventures | \$15,000 |
| 2/14/17 | Tractor Soda | AccelFoods | n/a |
| 2/14/17 | Natural Food Works, LLC | Snyder's-Lance, Inc. | 1,500 |
| 2/7/17 | Miyoko's Kitchen, Inc. | Obvious Ventures, JMK Consumer Growth Partners, Stray Dog Capital | n/a |
| 2/2/17 | Ospoto, Inc. (Sun Basket) | J.F. Shea Venture Capital, Vulcan Capital, Sapphire Ventures LLC, Accolade Partners, Baseline Ventures, PivotNorth Capital, Relevance Capital, Founders Circle Capital LP | 15,000 |
| 1/26/17 | Hungryroot, Inc. | Lightspeed Venture Partners, Lerer Hippeau Ventures, Crosslink Capital | 7,700 |
| 1/25/17 | Kopari | L Catterton | n/a |
| 1/24/17 | Incredible Foods, Inc. | Flagship Pioneering, Polaris Partners, Winona Capital Management, LLC | n/a |
| 1/23/17 | Once Upon a Farm, LLC | Harbinger Ventures Group, Inc., S2G Ventures, Cambridge Companies, LLC | 3,110 |
| 1/20/17 | ISS Research, LLC (OhYeah! Nutrition) | CAVU Venture Partners | n/a |
| 1/18/17 | Barnana | BFG Partners, Blueberry Ventures, Finn Capital Partners, Trently Advisors | 5,300 |
| 1/17/17 | Rhythm Superfoods, LLC | Circleup Growth Capital Fund I, L.P., Inc., Investment Arm, 301 Inc., Blueberry Ventures | 6,000 |
| 1/11/17 | Pure Growth Organic Foods, LLC | Sunrise Strategic Partners, LLC | n/a |
| 1/11/17 | Kuli Kuli, Inc. | InvestEco Capital Corp., S2G Ventures, Eighteen94 Capital, LLC | 4,250 |
| 12/22/16 | Quip | Blue Scorpion Investments, L.P., Blue Scorpion Investments | n/a |
| 12/19/16 | Evoke Healthy Foods | Launch NY | 50 |
| 12/19/16 | HelloFresh | Baillie Gifford & Co. | 88,820 |
| 12/14/16 | Goddess Garden LLC | Renewal2 Management Company | 3,000 |
| 12/14/16 | Lola Products | Spark Capital | 7,000 |
| 12/13/16 | Clear Labs, Inc. | Khosla Ventures, Felicis Ventures, GV, Tencent Holdings Ltd., Investment Arm, Wing Venture Partners | 13,000 |
| 12/6/16 | Shenandoah Valley Organic, LLC | S2G Ventures | 4,740 |
| 12/6/16 | Brandless, Inc. | Redpoint Ventures, Cowboy Ventures, Slow Capital and Sherpa Capital | 16,000 |
| 12/5/16 | Snooze, an A.M. Eatery | Stripes Group | n/a |
| 12/2/16 | Oatly AB | Verlinvest S.A., China Resources Co., Limited | n/a |

Source: Capital IQ & Industry Research

Consumer Private Placements

| <u>Announced Date</u> | <u>Target</u> | <u>Investor(s)</u> | <u>Transaction Value (\$ in 000)</u> |
|-----------------------|--------------------------------------|---|--------------------------------------|
| 12/2/16 | Rebbl, Inc. | Powerplant Ventures, LLC, Boulder Investment Group Reprise | \$10,000 |
| 11/16/16 | MOD Pizza LLC | Fidelity Management & Research Company, Perella Weinberg Partners, Investment Arm, PWP Growth Equity | 42,000 |
| 11/15/16 | Zwift, LLC | Samchuly Bicycle Co., Ltd, Shasta Ventures, Novator Partners LLP, Waypoint Capital | 27,000 |
| 11/15/16 | &pizza | AVALT Holdings | 25,000 |
| 10/31/16 | Crunchsters, Inc. | VG Growth Partners LLC | n/a |
| 10/28/16 | Terra's Kitchen, LLC | Kiwi Venture Partners | n/a |
| 10/28/16 | Habit Food Personalized, LLC | Campbell Soup Company | 32,000 |
| 10/27/16 | Luna Pharmaceuticals, Inc. (Premama) | River Hallow Partners | n/a |
| 10/27/16 | Foodstirs, LLC | Beechwood Capital, MuckerLab, Mucker Capital, Cambridge Companies, LLC | n/a |
| 10/26/16 | Veggie Grill | Brentwood Associates, Powerplant Ventures | 22,000 |
| 10/25/16 | Vintage Italia | Advantage Capital Partners, Emil Capital Partners, Silas Capital | 3,000 |
| 10/22/16 | Maple Hill Creamery, LLC | Sunrise Strategic Partners, LLC | n/a |
| 10/18/16 | UTZ Quality Foods, Inc. | C. Dean Metropoulos & Co. | 146,000 |
| 10/12/16 | Joe & the Juice A/S | General Atlantic LLC, Valedo Partners | n/a |
| 10/10/16 | Beyond Meat, Inc. | Kleiner Perkins Caufield & Byers, Tyson Foods, Inc., | n/a |
| 10/7/16 | Del Real Foods | Palladium Equity Partners LLC | 121,600 |
| 10/5/16 | Argo Tea Inc. | JAB Holdings | n/a |
| 10/5/16 | Ollie Pet Inc. | Canaan Partners, Primary Venture Partners, Lerer Hippeau Ventures | 4,400 |
| 10/5/16 | BEFORE Brands, Inc. | Gurnet Point Capital Limited | 13,100 |
| 9/29/16 | Relish Labs LLC (Home Chef) | L Catterton | 40,000 |
| 9/26/16 | Fresh Direct, LLC | J.P. Morgan Asset Management, Inc., W Capital Partners, AARP Financial Inc., Asset Management Arm, AARP Innovation Fund | 189,000 |
| 9/21/16 | BrightFarms, Inc. | Catalyst Investors, NGEN Partners, LLC, WP Global Partners, Inc. | 30,100 |
| 9/16/16 | good culture, LLC | 301 Inc., CAVU Venture Partners | 3,000 |
| 9/13/16 | Oath Craft Pizza | Breakaway Innovation Group | 4,500 |

Source: Capital IQ & Industry Research

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