Healthy Living Consumer Products:
Industry Update, Deal Review and Top Trends

March 3, 2022

Michael Burgmaier
Managing Director
mike@wstitch.com

Nicolas McCoy
Managing Director
nick@wstitch.com

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Whipstitch Capital: The Largest, Independent Investment Bank in the U.S. Solely Focused on Emerging Consumer Brands

The Leading Consumer-Focused Investment Bank in the U.S.

Large, Experienced Team
Twelve-person team led by industry veterans Nick McCoy and Mike Burgmaier

Best-in-Class Advisors
Financial advisory on M&A and institutional private placements

Highly Skilled
80+ years collective consumer investment banking experience; 100+ transactions closed

Consumer Experts
Focused exclusively on innovative consumer companies

Category-Leading Clients
Whipstitch represents category-leaders, innovators, and top-quality teams

Boston HQ
Coverage across the U.S; clients and buyers from all over the world

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Whipstitch Represents Category Leaders, Innovators and Highly-Talented Teams

Select Recent/Active Mandates

Restaurant
Innovative plant-based, fast-casual restaurant chain

Non-Alcohol
Better-for-you alcohol-free tea brewed-like-beer brand

Meat Delivery
Sustainably-raised direct-to-consumer meat company

Plant-Based Protein Beverage
Industry leading, multi-category plant-based protein beverage brand

Bread and Baked Goods
Clean-ingredient, low-card bread and baked goods brand

Select Prior Transactions

SINCE 1847 THAYERS NATURAL REMEDIES	core	purely elizabeth.	uqora	PURPLE CARROT	HOPE SPREAD GOOD THINGS	Swerve	KEVITA
L'ORÉAL PARIS	Keurig DrPepper	SEMCAP Food & Nutrition INVEST WITH PURPOSE	PHARMAVITE	Oisix ra daichi	SAVENCIA FROMAGE & DAIRY	WHOLE EARTH BRANDS	PEPSICO

Whipstitch is Unique: 100% Founder Owned; Solely Consumer Focused; Strong Banking Capabilities

We Own Whipstitch

The principals own 100% of the firm

We are not going anywhere

Long-Term

We work with many clients over many years

We have no quarterly quotas

We work with clients to get the best deal done at the right time

100% Consumer Focused

We only do consumer

We know it better than anyone

We know how to talk about your company and the opportunity

Connected

We know virtually every acquirer and investor in the consumer space

They ask us what we think and listen to our opinions

Regular interaction quarterly (or more) with over 50+ global strategics

Lead Industry Gatherings

We bring acquirers and investors to us with can't-miss events throughout the year

Whipstitch Founded and Led by Experienced Dealmakers with a Highly Seasoned Team

Managing Director

Nick McCoy, CFA
- 20+ years investment banking experience
- Formerly Gleacher & Co. (First Albany, now Jefferies), Allmerica Financial Corp., Wheelabrator Technologies
- MBA, Wake Forest University; BS, University of New Hampshire

Managing Director

Michael Burgmaier
- Over 20 years of investment banking, consulting and VC Experience
- Former VC and Bain & Co., Inc. Consultant
- MBA, The Tuck School of Business at Dartmouth; MPP, Duke University; BS, Boston College

Executive Director

Andress Blackwell
- Former CEO of Swerve; acquired by Whole Earth Brands in 2020
- 15+ years natural products industry experience

Director

Tim Sousa
- Eight years consumer IB and PE experience
- MBA and BS Finance, Bentley University where Tim was a NCAA student athlete

Director

Greg Ucich, CFA
- Eight years consumer IB experience
- Based in San Diego, CA – west coast coverage
- BS Economics and Finance, University of New Hampshire

Vice President

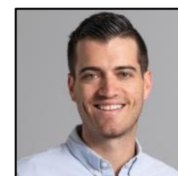
Dominic Mangano
- Six years consumer IB experience
- BS Finance, University of Connecticut

Associate

Tyler Coppola, CPA
- Three years consumer IB experience; Two years buy- and sell-side diligence experience
- MST and BS Accounting, Bentley University

Associate

Sarika Pokala
- Two years consumer IB experience; Specialty Finance at JP Morgan
- BS Applied Economics and Management, Cornell University

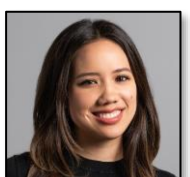


Associate

Brendan Camuso, CPA
- Two years consumer IB experience; one year buy- and sell-side diligence experience
- BS Accounting, University of Maryland

Dir. of Operations

Kathy Foster
- Five years of investment banking operations experience



Analyst

Lauren Park
- Prior experience in strategic consulting
- BS Applied Economics and Management, Cornell University

Analyst

Sam Zander, CPA
- Two years experience in Deloitte's audit practice
- MS Accounting, USC; BS Finance, Washington State University

Whipstitch Works with Clients Both Before and During the Process: Our Services are Comprehensive and Best-in-Class

Pre-Process

Executive Summary & CIM

We **create** the best story possible. We know what matters. We sell. We make you look good

Financial Model

We **create** detailed, highly-complex bottoms-up financial models using airtight assumptions

Buyers List

We **leverage** our massive network to compile the best list of investors / acquirers tailored for you

Process

Calling Program

We **generate** strong interest and provide requested diligence materials

Meetings

We are on email and phones constantly and at meetings. We **manage** it all. We sell

Diligence

We **manage** the Data Room. We know what will be asked and we have answers ready (you will look good)

Marketplace

We **create** a competitive process designed to generate multiple offers

Closing

We **lead** negotiations with investors/acquirers to help create the best-possible outcomes

Be Sure to Subscribe to Our Industry-Leading Weekly Deal Recap Newsletter

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Consumer Transaction Recap

Volume 6 Number 9

Consumer Transaction Recap February 20-26, 2022

The consumer and healthy living sectors continue to receive attention from strategic buyers and financial investors. At Whipstitch Capital we understand the challenge of managing a business while also remaining in the loop on the latest industry news. To help, we created this weekly newsletter highlighting M&A and private placement transactions announced during the previous week.

In this issue:

- Whipstitch Webinar
- Food and Beverage News
- Personal Care
- Pet
- Other Consumer Transactions
- More from Whipstitch

FOOD AND BEVERAGE NEWS

NESTLE FINALIZES ACQUISITION OF VITAL PROTEINS

Nestle Health Science, a business unit of Nestle SA, completed its acquisition of Vital Proteins, a manufacturer of collagen-based foods, beverages, and supplements. Nestle first acquired a majority stake in Vital Proteins in June 2020. Financial terms of the transaction were not disclosed.

Read more

PERSONAL CARE

KIMBERLY-CLARK TAKES MAJORITY STAKE IN THINX

Kimberly-Clark acquired a majority stake in Thinx, a maker of reusable menstrual underwear. Financial terms were not disclosed.

Read more

PET

MADE BY NACHO RAISES $14MM

Made by Nacho, a cat food company, raised $14 million in a Series A round led by CAVU Venture Partners and joined by New Fare Partners and Mars' Companion Fund.

Read more

OTHER CONSUMER / HEALTH & WELLNESS TRANSACTIONS

YOSHI SECURES INVESTMENT FROM BRIDGESTONE AMERICAS

Yoshi, a last-mile delivery company, raised an undisclosed amount from Bridgestone Americas.

Read more

- Whipstitch distributes weekly transaction newsletters to more than 12,000 consumer industry professionals
- Covers food and beverage, supplements, retail and personal care
- Shared extensively within strategic acquirers and private equity firms
- Constant interaction with buyer/ investor universe – Whipstitch is the knowledge leader in consumer M&A
- Non-traditional buyers and investors see the newsletter and constantly ask to participate in our processes

DEAL DIFFERENT.™

Click to Subscribe!

SPINS / Whipstitch Partnership Offers Comprehensive Data Set and Unrivaled Market Analysis Capabilities

Established Partnership Provides Whipstitch With Detailed Market Information on Every Brand and Category Tracked by SPINS

- Investors and acquirers pay up when they see a strong data story
- We know the data inside and out, and we know the right story to tell
- Whipstitch clients get favorable access to SPINS data packages

Clear Value-Driver for Whipstitch Clients

Select Deals Led by the Whipstitch Team

- purely elizabeth. — SEMCAP Food & Nutrition (INVEST WITH PURPOSE)
- HOPE (SPREAD GOOD THINGS) — SAVENCIA FROMAGE & DAIRY
- uqora — PHARMAVITE
- SINCE 1847 THAYERS NATURAL REMEDIES — L'ORÉAL PARIS
- BROTHERS INTERNATIONAL FOOD CORPORATION — B·C·P Benford Capital Partners
- PURPLE CARROT — Oisix ra daichi
- core — Keurig DrPepper
- Swerve — WHOLE EARTH BRANDS
- HUNGRY HARVEST — CREADEV CREATING FOR PEOPLE
- essentia hydration perfected — CASTANEA
- Uncle Matt's — Dean FOODS
- KEVITA — PEPSICO
- FLYING EMBERS — THE ECOSYSTEM INTEGRITY FUND, powerplant VENTURES
- spindrift — VMG
- COUNTRY ARCHER Jerky Co. — Monogram Capital PARTNERS
- BLAKE'S ALL NATURAL FOODS — CONAGRA BRANDS
- GoodBelly PROBIOTICS — General Mills Making Food People Love
- SQWINCHER THE ACTIVITY DRINK — KENT CORPORATION
- $100MM+ Supplement Co. — Has received the first tranche of a $45MM minority investment from a leading consumer-focused private equity firm
- LesserEvil — InvestEco
- Functional Beverage Co. — $50MM+ Private Equity Minority Investment

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Natural Products Industry Capital Markets Remain Highly Active with M&A and Private Placements

Overall Transaction Activity Grew 25% in 2021, Largest Increase in Four Years

- Industry-wide financings **grew by 25%** in 2021, indicating continued healthy capital markets activity
- M&A activity **fully recovered in 2021** following the COVID-19 pause in 2020

Nutrition and Health & Wellness Industry Transactions: M&A Details 2015 – 2021[1]

	2015	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
Retail & Distribution	10	26	34	22	29	23	10
Supplements	10	17	21	11	10	17	12
Ingredients	22	29	43	29	34	32	30
Contract Manufacturing	12	8	14	12	13	8	13
OTC & Personal Care	13	16	23	17	24	12	29
Natural & Organic, Functional Food	100	103	138	138	104	101	144
Others: Tech, Fitness, Pet	80	60	83	117	93	79	104
Total M&A	**247**	**259**	**356**	**346**	**307**	**272**	**342**
Financings	**383**	**456**	**554**	**611**	**659**	**782**	**980**
Average Size of Financing ($MM)	$21	$15	$25	$37	$31	$30	$52
Total Transactions	**630**	**715**	**910**	**957**	**966**	**1054**	**1,322**
YoY Growth	**+63%**	**+13%**	**+27%**	**+5%**	**+1%**	**+9%**	**+25%**

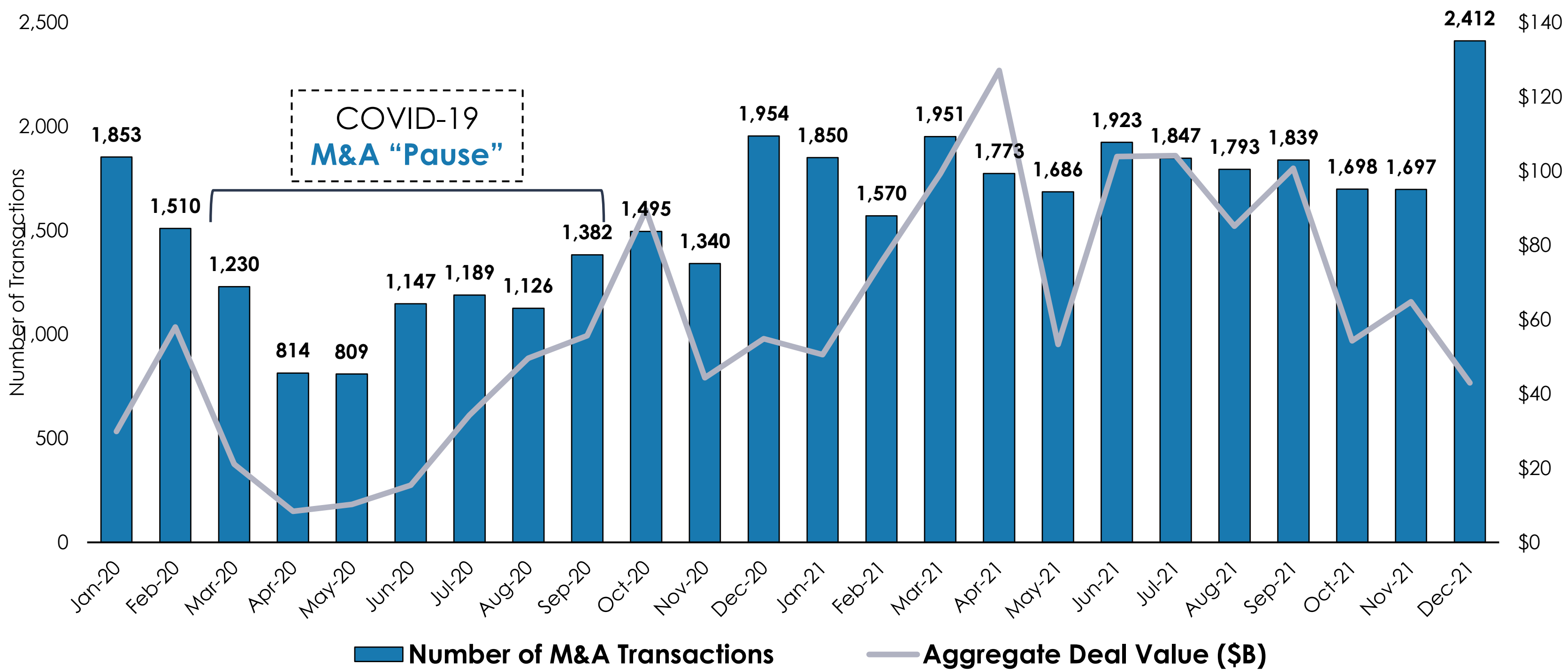
1. Nutrition Capital Network

M&A Volume Has Returned to High Levels After Pandemic-Related Pause

Cross-Industry M&A Volume Steadily Rose Following Q2 2020 Pause

- M&A activity **on the rise** post initial shock of COVID-19; **buyers have adjusted to new norms** such as fewer in-person diligence meetings and site visits
- 2021 M&A volume also driven by expected **capital gains tax increase**

As the Market Adjusted to the Pandemic, Cross-Industry M&A Activity Increased[1]



1) S&P Global Market Intelligence, Reported Deal Value, All Industries, U.S. and Canada

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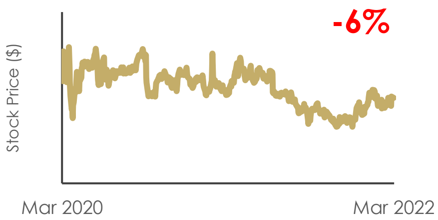
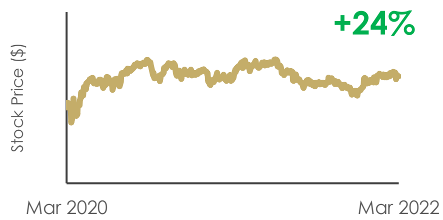
Two-Year CPG Stock Performance (As of March 2022)

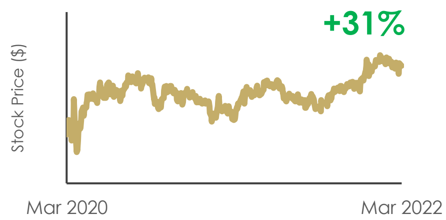
Campbell's (CPB)



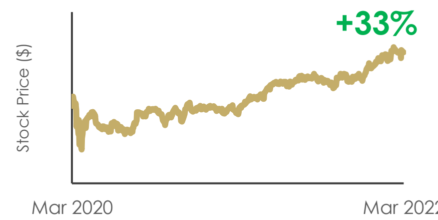
Conagra Brands (CAG)



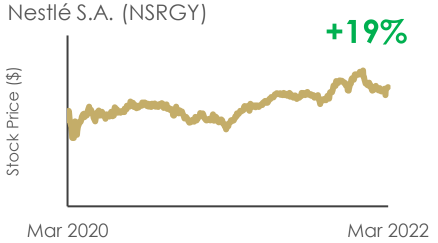
General Mills (GIS)



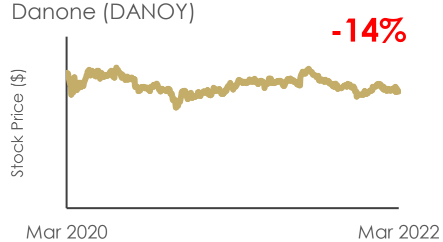
The Hershey Company (HSY)



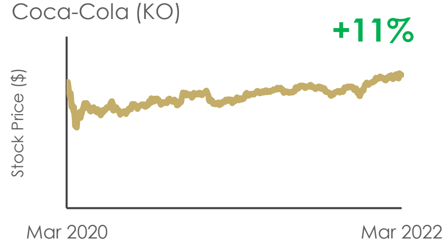
Nestlé S.A. (NSRGY)



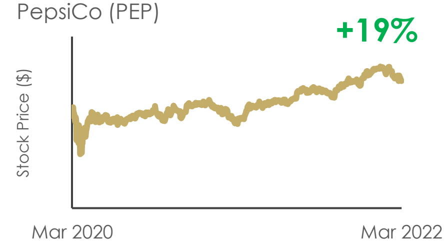
Danone (DANOY)



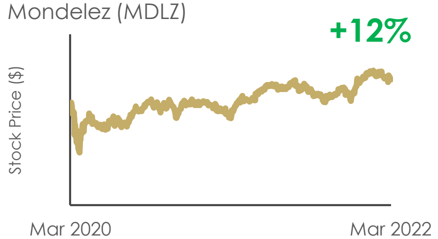
Coca-Cola (KO)



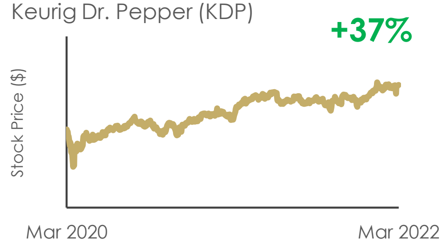
PepsiCo (PEP)



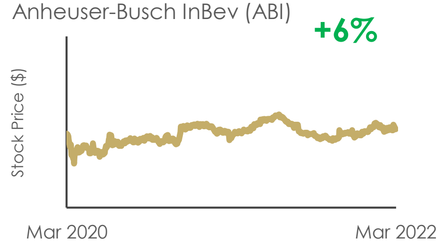
Mondelez (MDLZ)



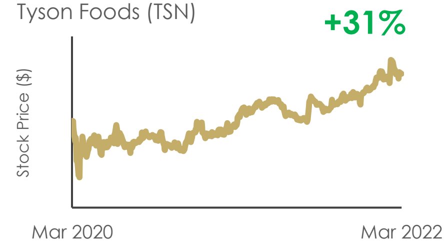
Keurig Dr. Pepper (KDP)



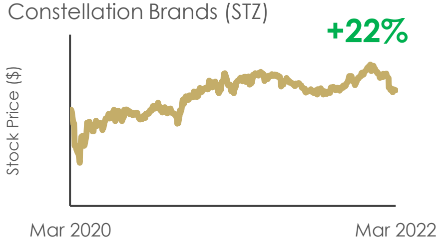
Anheuser-Busch InBev (ABI)



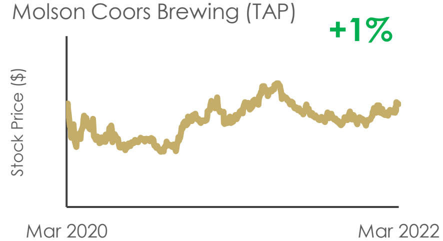
Tyson Foods (TSN)



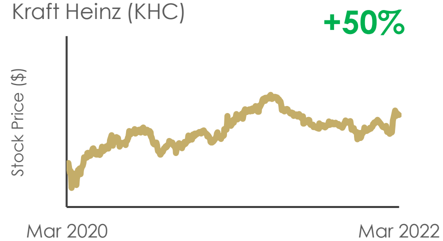
Constellation Brands (STZ)



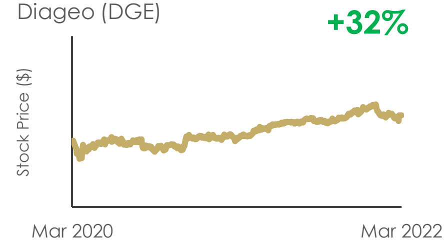
Molson Coors Brewing (TAP)



Kraft Heinz (KHC)



Diageo (DGE)



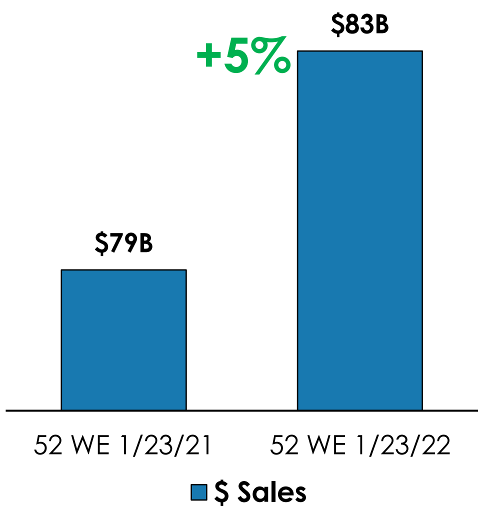
1. S&P Market Intelligence

Health & Wellness Products Took Share From Conventionally-Positioned Products Over the Last 12 Months

Healthy Brands Reacted Quickly to the Changing Landscape

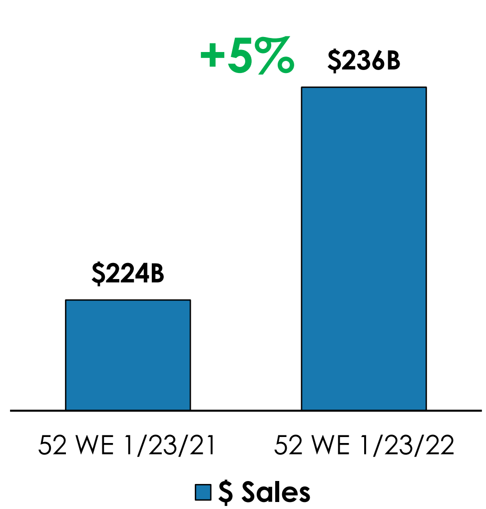
- **NPI and HWI products both grew 5%,** in the last 52 weeks, as brands took advantage of consumers' increased focus on health
- Consumers continue to **discover new, better-for-you brands**, which will drive growth for years to come

Naturally-Positioned Products (NPI)



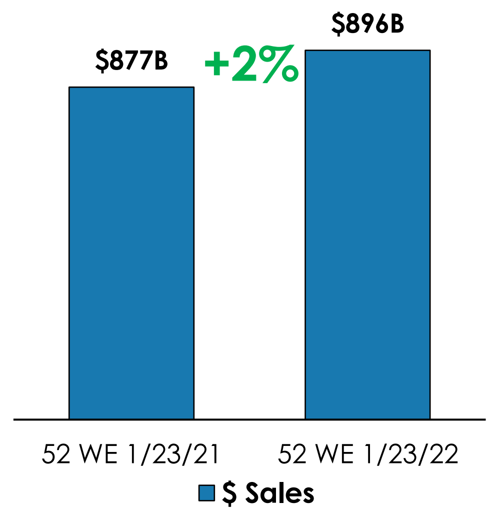
Top 3 Growth Categories
1. Body Fragrances
2. Internal Medicines
3. SS Functional Bev.

Health & Wellness Products (HWI)



Top 3 Growth Categories
1. Internal Medicines
2. Personal Hygiene
3. Performance Nutrition

All Products (TPL)



Top 3 Growth Categories
1. Performance Nutrition
2. Superfood & Supplements
3. Sun & Insect Protection

1. SPINS 52 WE 1/23/22, All Categories, Total US – MULO + Natural Enhanced + Convenience

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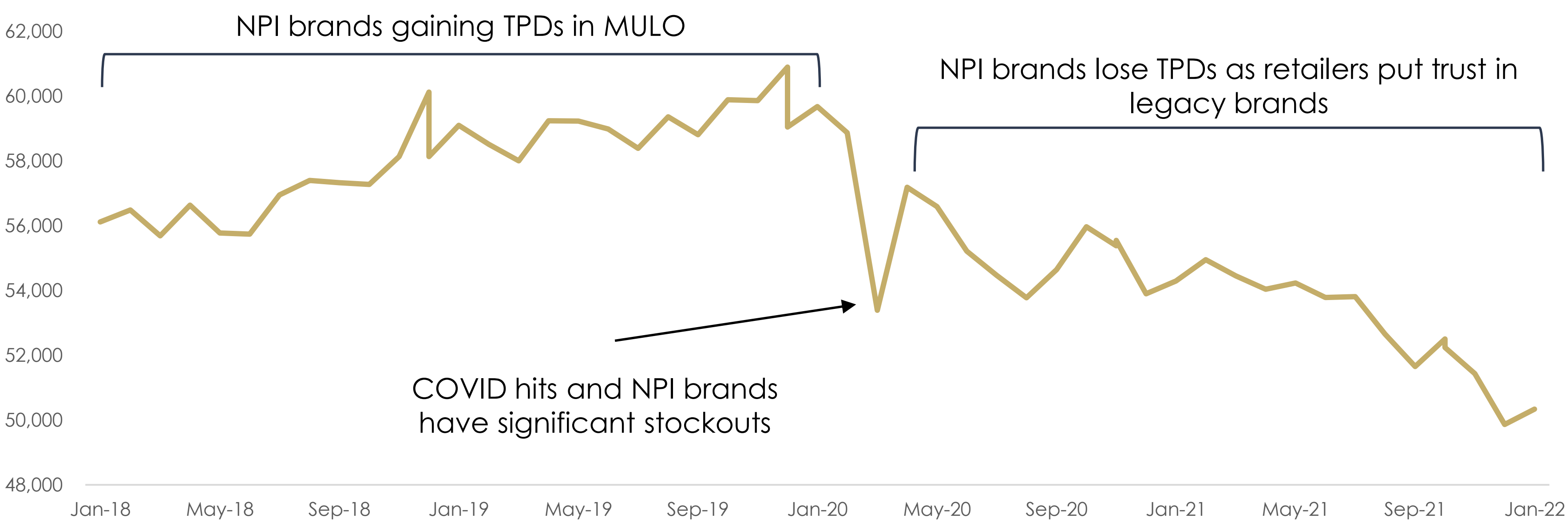
Since the Start of the Pandemic, Better-For-You Brands Have Consistently Lost Distribution in MULO

NPI Brands Punished due to Production Concerns Stemming from COVID

- From January 2018 to January 2020, NPI brands saw **consistent TDP growth** in MULO – an indication that conventional retailers were becoming more accepting of **better-for-you brands**
- Then COVID hit and NPI brands saw their TDPs decrease nearly **10%** in one month
- Since then, NPI brands have consistently been **losing distribution** in MULO as retailers put more faith in **legacy brands** with more **stable production**

TDPs of NPI Brands in MULO[1]



1) SPINS, brands with less than $1MM in sales in the four weeks ending

Recent Consumer M&A Highlights

Buyer	Target	Date
Peak Rock Capital	Ziyad	Feb 2022
Nestlé	Orgain	Feb 2022
Mars	Nom Nom	Jan 2022
Monster Energy	CANarchy Craft Brewery Collective	Jan 2022
P&G	Tula Skincare	Jan 2022
MidOcean Partners	Casper's Ice Cream	Jan 2022
Blackstone	Supergoop!	Dec 2021
San Francisco Equity Partners	Rustic Bakery	Dec 2021

Buyer	Target	Date
Eurazeo	Beekman 1802	Dec 2021
Hain Celestial	That's How We Roll	Dec 2021
L'Oréal	YTTP	Dec 2021
Kraft Heinz	Just Spices	Dec 2021
Utz	RW Garcia	Dec 2021
Hershey	Dot's Homestyle Pretzels	Dec 2021
CVC	ekaterra	Nov 2021
Coca-Cola	BodyArmor	Nov 2021

Buyer	Target	Date
Savencia Fromage & Dairy	Hope Spread Good Things	Oct 2021
Blackstone	Spanx	Oct 2021
butterfly	Chosen Foods	Sep 2021
PAI Partners	Tropicana, Naked	Aug 2021
First Beverage Group, Manna Tree Partners	Health-Ade	Jul 2021
Paine Schwartz Partners	suja	Jul 2021
VCP	PetHonesty	Jul 2021
KPS Capital Partners, LP	Tate & Lyle	Jul 2021

Recent Consumer Private Placements

Investor	Target	Date
nicoya	splendid spoon	Feb 2022
PIUS	COOKS VENTURE THE FUTURE OF FOOD IS REGENERATIVE	Feb 2022
Monogram Capital PARTNERS	OLIPOP	Feb 2022
ALPHA WAVE	AthleticGreens	Jan 2022
stride	CHOMPS	Jan 2022
SCIENCE	Liquid Death MOUNTAIN WATER	Jan 2022
Beam SUNTORY	FLYING EMBERS	Jan 2022
SEMCAP Food & Nutrition INVEST WITH PURPOSE	purely elizabeth.	Jan 2022

Investor	Target	Date
McWin Partners	EVERY	Dec 2021
JAZZ VENTURE PARTNERS	YUMI	Dec 2021
ADM	FUTURE MEAT	Dec 2021
MIRAE ASSET Global Investments	IMPOSSIBLE	Nov 2021
	JUNE SHINE HARD KOMBUCHA	Nov 2021
LONE PINE CAPITAL	DAILY HARVEST	Nov 2021
D1 CAPITAL PARTNERS	Cometeer	Oct 2021
Ambrosia INVESTMENTS; KINNEVIK	NICK'S	Oct 2021

Investor	Target	Date
TEMASEK	Perfect Day	Sep 2021
SoftBank	Misfits Market	Sep 2021
Durable CAPITAL PARTNERS	SUPER COFFEE PROTEIN+MCT OIL	Aug 2021
nextworld EVERGREEN	THE CITIZENRY	Jun 2021
PowerPlant PARTNERS	rae	Jun 2021
SPC SWANDER PACE CAPITAL	mommy's BLISS	Jun 2021
VMG	bobbie	Jun 2021
L CATTERTON	HUNGRYROOT	Jun 2021

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THIS ONE GOES TO ELEVEN

Whipstitch Capital's Top-11 Healthy Living Trends

Why Stop at 10? Whipstitch Goes to 11

1. Pet Food and Supplement Use Becoming More Human-Like
2. "Alcohol" Consumption Moves More Convenient, Craft, Full-Flavor and "Guilt-Free" – Capital Markets Take Note
3. Low/No Sugar Product Launches Continue to Reach New Heights as Unsweetened Options Grow
4. Plant-Forward Lifestyle Putting Veggies at Center of the Plate
5. Demand for Local Grows While Products Become More Globally Accessible
6. Despite Federal Obstacles, Cannabis Industry Continues to Blossom
7. Convenience Stores Embrace Better-For-You, Giving Consumers More Options
8. Video-Based Social Media Content Plays a Growing Role in Category Trends - Both in Acquiring Customers and Losing Them
9. Personal Care Becoming More Inclusive Through Consumer Education
10. Consumers Seek Brands with ESG Attributes
11. eCommerce Conquesting Traditional Retail Only Products

1. Pet Food and Supplement Use Becoming More Human-Like

Pet Owners Increasing Purchases in High-Quality, Nutrition Dense Foods for their Furry Family

Made by Nacho
Cat-crafted cat food

- Nutritional and **palate pleasing** cat food
- Raised $14MM in a Series A funding round led by CAVU this February[2]

PetPlate

- Delivers **fresh cooked, personalized meals** for dogs direct-to-consumer
- Raised $19MM in a Series B funding round led by Pendulum[2]

ACANA
GO BEYOND THE 1ST INGREDIENT

- Made with **premium, ethically sourced meat**
- Include **prebiotics** to support a healthy gut; **fish oil** to promote a healthy coat, and **antioxidants** for immune support

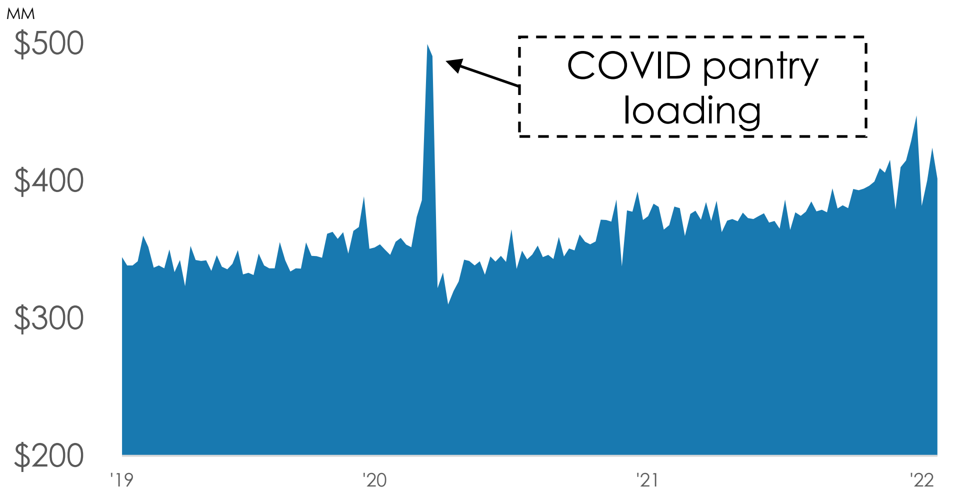
PETHONESTY

- Premium pet health products providing **high-quality, innovative** pet supplements
- Received a **majority investment** from Vestar Capital Partners[2]

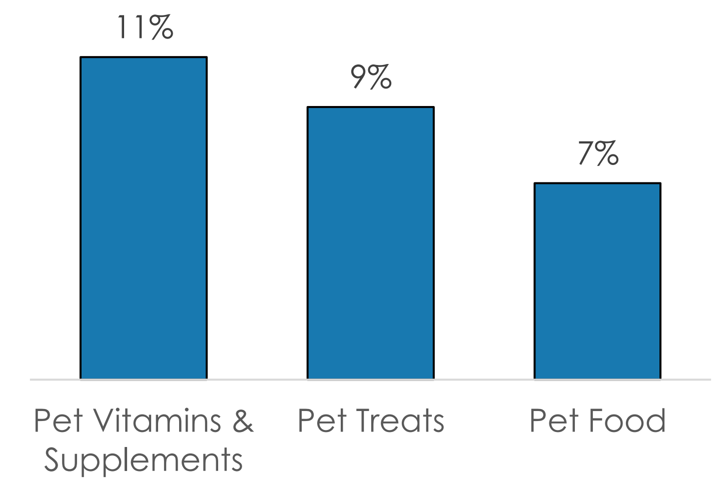
Zesty Paws

- A **pet functional supplement** brand
- **Acquired** by H&H Group International Holdings Ltd. For $610MM[3]

2022 Pet Food and Treat Sales up 11% since 2019[1]



Year-over-Year Sales Growth[4]



1. SPINS trended by week through 1/23/22, Pet Food & Pet Treats, Total US – MULO & Natural
2. PR Newswire
3. Forbes
4. SPINS, MULO, 52 WE 1/23/22

SPINS | whipstitch CAPITAL

2. "Alcohol" Consumption Moves More Convenient, Craft, Full-Flavor and "Guilt-Free" – Capital Markets Take Note

On-Trend alcohol and "alcohol-like" brands experience wave of funding and acquisitions

What people are drinking…

Convenience

RTD cocktail sales grew **126%** in 2021[3]

Craft/Full Flavor

Premixed cocktails were the **fastest-growing spirits category** in 2021[2]

Guilt-Free

44% of US alcohol drinkers say they try to "select the **healthiest alcohol option**"[3]

Some brands who are listening and getting funded/acquired…

Invested

Flying Embers	Beam Suntory
Mezcal Ilegal	VMG
June Shine	Amberstone
Hoplark®	Goat Rodeo Capital
Athletic Brewing Co Non-Alcoholic Brews®	Alliance Consumer Growth

Acquired

Cutwater™ Spirits	ABInBev
On The Rocks Premium Cocktails	Beam Suntory
Breckenridge Distillery	Tilray
Lone River Ranch Water	Diageo

1. BevAlc Insights
2. CNBC
3. Mintel

3. Low/No Sugar Product Launches Continue to Reach New Heights as Unsweetened Options Grow

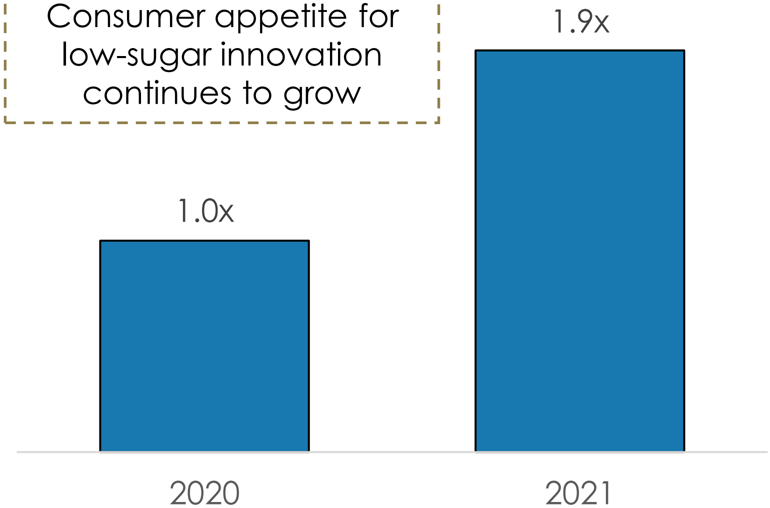
American Palates Shifting Away From Ultra-sweet Flavors as Keto Maintains Relevance

Compared to traditional competitive brand

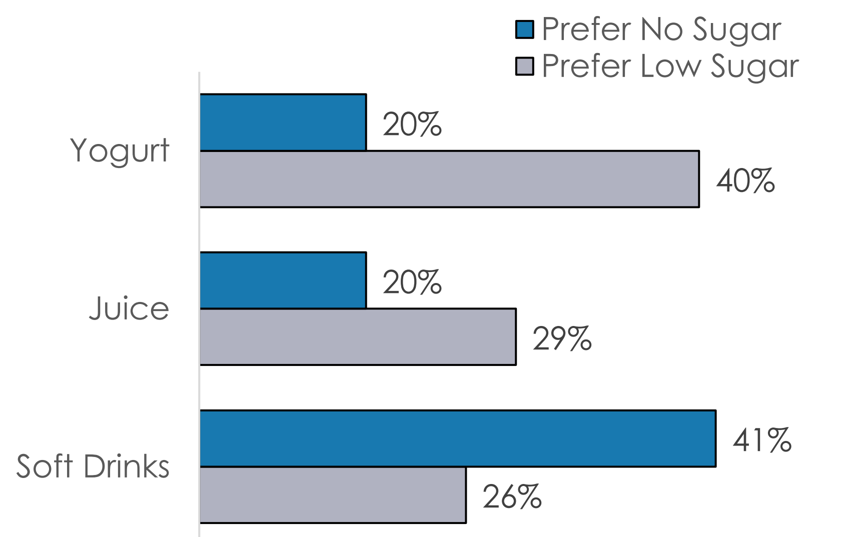
17g	38g	8g	38g	20g	15g	6g
Less sugar	Less sugar	Less sugar	Less sugar	Less sugar	Less sugar	Less sugar

Keto Branded Product Launches Doubled in 2021[1]

Consumer appetite for low-sugar innovation continues to grow



Aversion to Sugar Category Dependent[2]



1. Mintel Global New Product Database, representing percentage of all new product innovation that is branded as Keto
2. DSM: Understanding Consumer Preference for Low-Calorie and Low-Sugar Products

SPINS | whipstitch CAPITAL

4. Plant-Forward Lifestyle Putting Veggies at Center of the Plate

Consumers Increasingly Adopt a Plant-Forward Diet, Prioritizing Balance over Restrictions

Plants | Animal-Derived

Vegan
- Excludes meat, fish, dairy, eggs and anything that comes from an animal

Diet Balance

2% of US Population

Vegetarian
- Excludes meat. Dairy and eggs allowed

Diet Balance

5% of US Population

Plant-Forward
- No exclusions – Includes meat and plant-based foods, however meat is typically not the focus of the meal

Diet Balance

44% of US Population

The Plant-Forward Diet is a sustainable, mainstream approach to healthy-eating

49%
of respondents choose plant-based foods because they are healthier

44%
of respondents seek to reduce meat intake

39%
of respondents actively try to eat more plant-based foods

5%
of American Adults identify as vegetarian

Source: Datassential, HotShot Report

5. Demand for Local Grows While Products Become More Globally Accessible

Health and the Search for Personal Connection Drives Local Shopping

73%
Of Americans actively try to include locally grown foods in their diets[1]

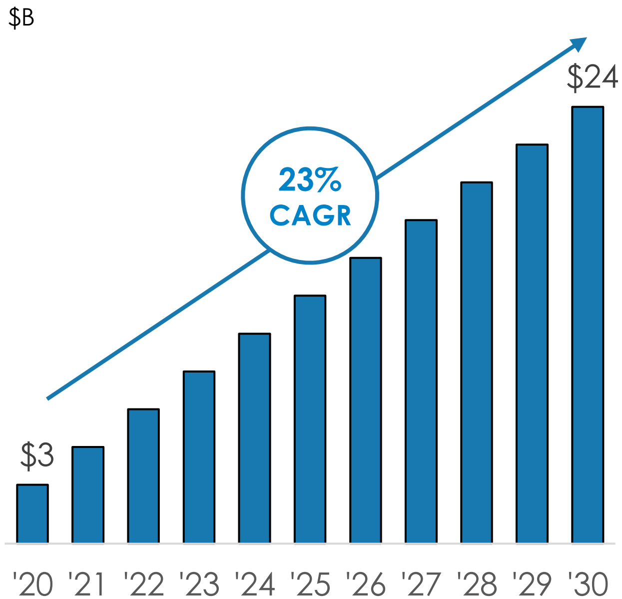
38%
Support local businesses to feel connected with their community[2]

39%
Consider supporting local farmers when buying food, a 44% increase over 2018[4]

50%
Of consumers would buy vertical agriculture products[3]

Global Vertical Farming Industry Set to Explode Through 2030[5]

Vertical farms sprouting up all over urban cities – providing healthy, **farm-to-table food without the distance**



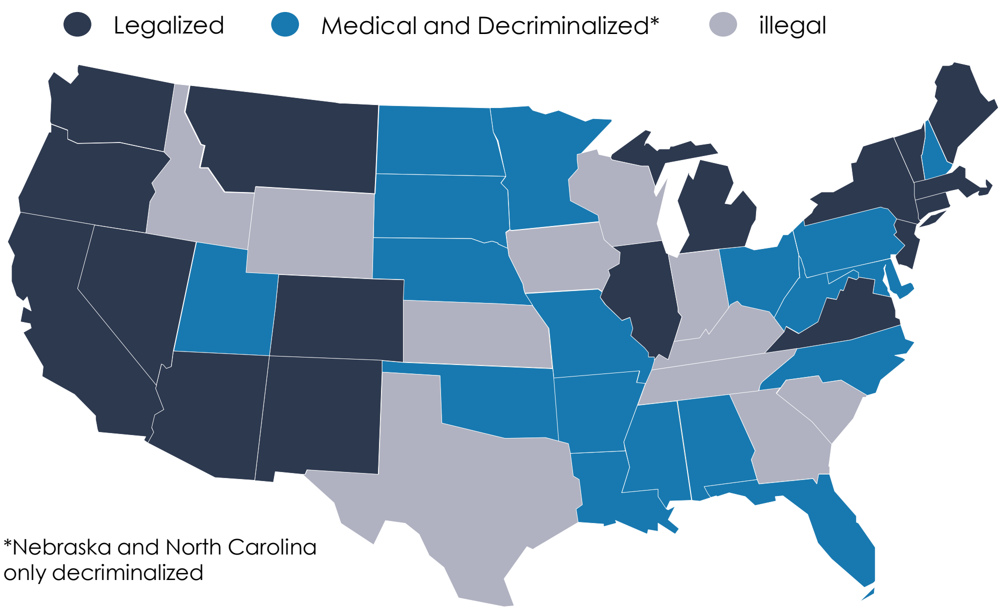
Vertical Farming Attracting Major Investors[6]

Company	$ Raised	Investors
Plenty	400MM	Walmart; One Madison Group
Bowery	300MM	Fidelity Investments; Google
infarm	200MM	جهاز قطر للاستثمار Qatar Investment Authority; atomico

1. Gallup
2. Intuit
3. Dept. of Marketing for Food and Agricultural Products
4. Specialty Food Magazine
5. Allied Market Research
6. Reuters

6. Despite Federal Obstacles, Cannabis Industry Continues to Blossom

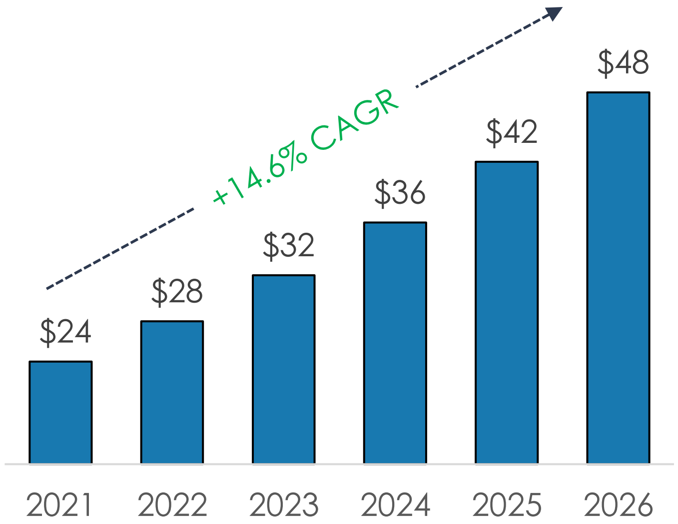
Mature and New Markets Contributing to Growth in Cannabis Sales



*Nebraska and North Carolina only decriminalized

Consistent, Strong Growth Expected Ahead

$Bn, US Cannabis Market, Amounts Projected



Cannabis Landscape in the U.S.

Only 14 states remain that **are not legalized** full medical or adult-use

In the **last two years, eight states legalized** adult-use cannabis

New markets are **transitioning faster** from medical-only to adult-use

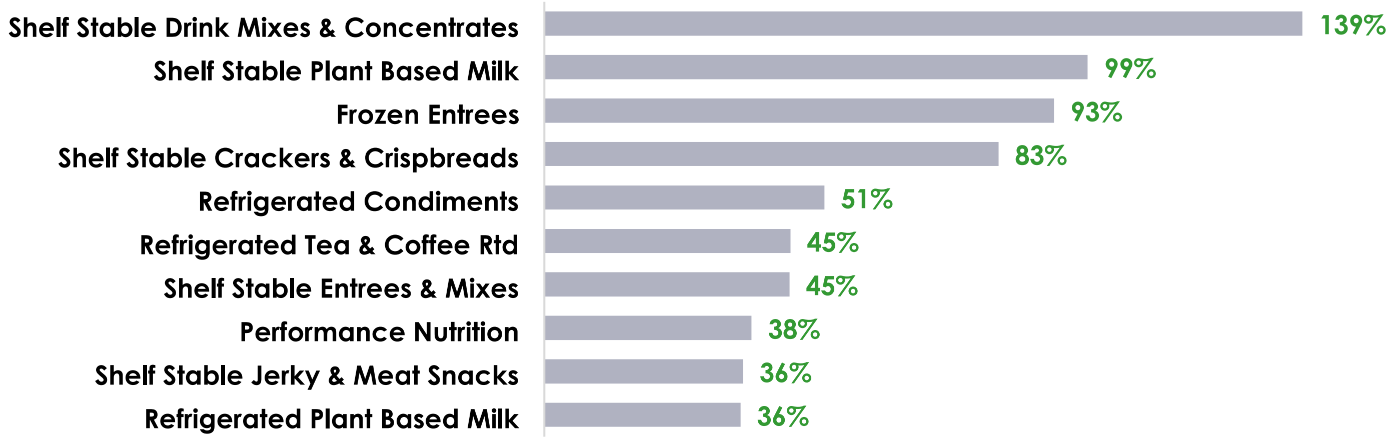
California, the largest cannabis market in the world, **experienced +25% year-over-year growth**

Source: BDSA

7. Convenience Stores Embrace Better-For-You, Giving Consumers More Options

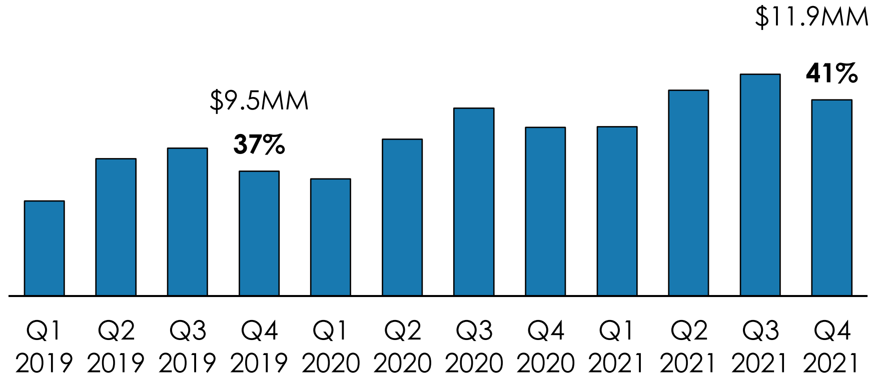
Top 10 Fastest Growing Categories in Convenience Above $1MM Sales

SPINS, All Categories with 52 WE 01/23/22 Sales Above $1MM, 52 WE 01/23/2022, HWI[1]: Convenience



Better For You in Convenience Stores is Growing: HWI as a Percent of TPL

SPINS, Alcohol, FZ, RF, Grocery, Produce, Vitamins & Supplements, HWI[1] % of TPL[2]: Convenience



BFY Brands with Fast Growing C-Store Presence

1. HWI = Health and Wellness Industry which includes products that are positioned as natural, organic, healthy, wellness, specialty , and international
2. TPL = Total Product Library which includes all SPINS product types

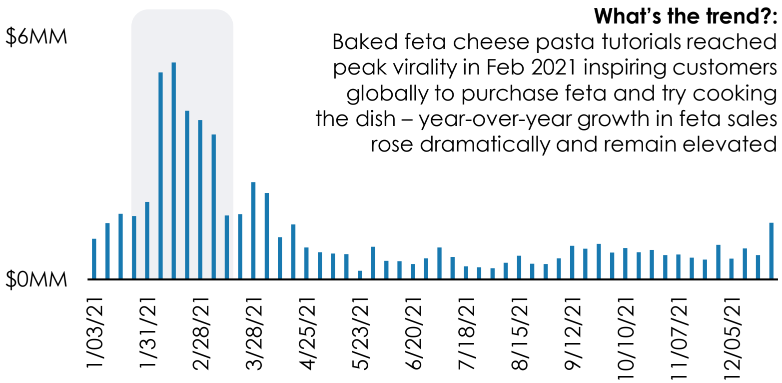
8. Video-Based Social Media Content Plays a Growing Role in Category Trends - Both in Acquiring Customers and Losing Them

TikTok & YouTube Are Powerful Social Media Tools That Inspire, Educate, or Turn Away Consumers

Inspiring New Customers to Enter Category:

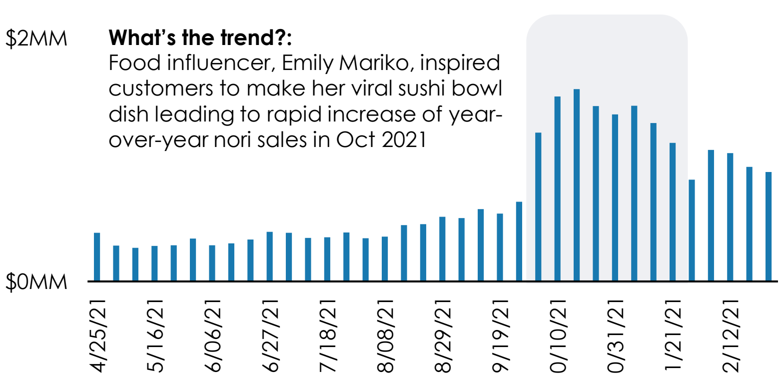
TikTok: Feta Cheese Pasta Trend[1]

What's the trend?:
Baked feta cheese pasta tutorials reached peak virality in Feb 2021 inspiring customers globally to purchase feta and try cooking the dish – year-over-year growth in feta sales rose dramatically and remain elevated



TikTok: Emily Mariko's Sushi Bowl[2]

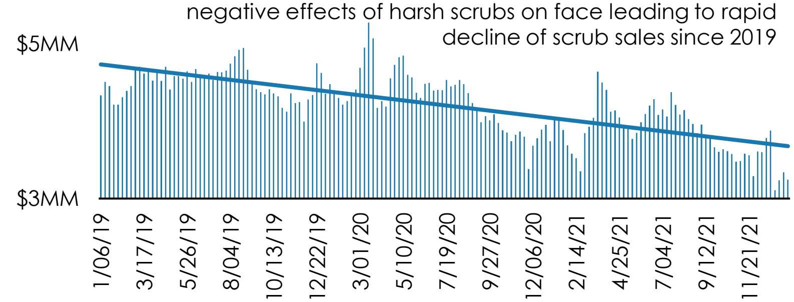
What's the trend?:
Food influencer, Emily Mariko, inspired customers to make her viral sushi bowl dish leading to rapid increase of year-over-year nori sales in Oct 2021



Turning Away Customers:

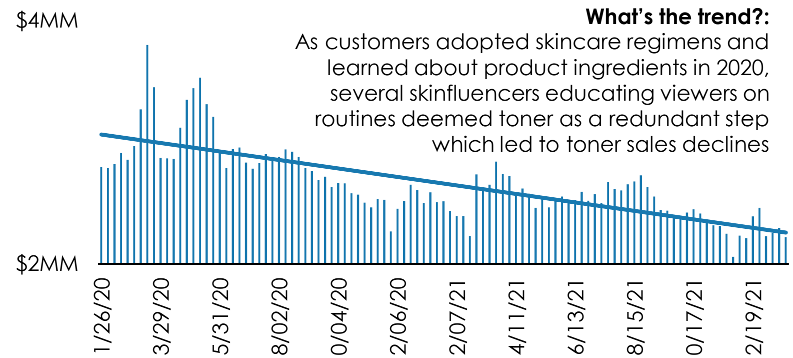
YouTube: Exfoliating Scrubs are Demonized[3]

What's the trend?:
Skin educator & influencer, Hyram Harbro, along with other skinfluencers created content raising concerns around negative effects of harsh scrubs on face leading to rapid decline of scrub sales since 2019



YouTube: Toner is Branded as Redundant[4]

What's the trend?:
As customers adopted skincare regimens and learned about product ingredients in 2020, several skinfluencers educating viewers on routines deemed toner as a redundant step which led to toner sales declines



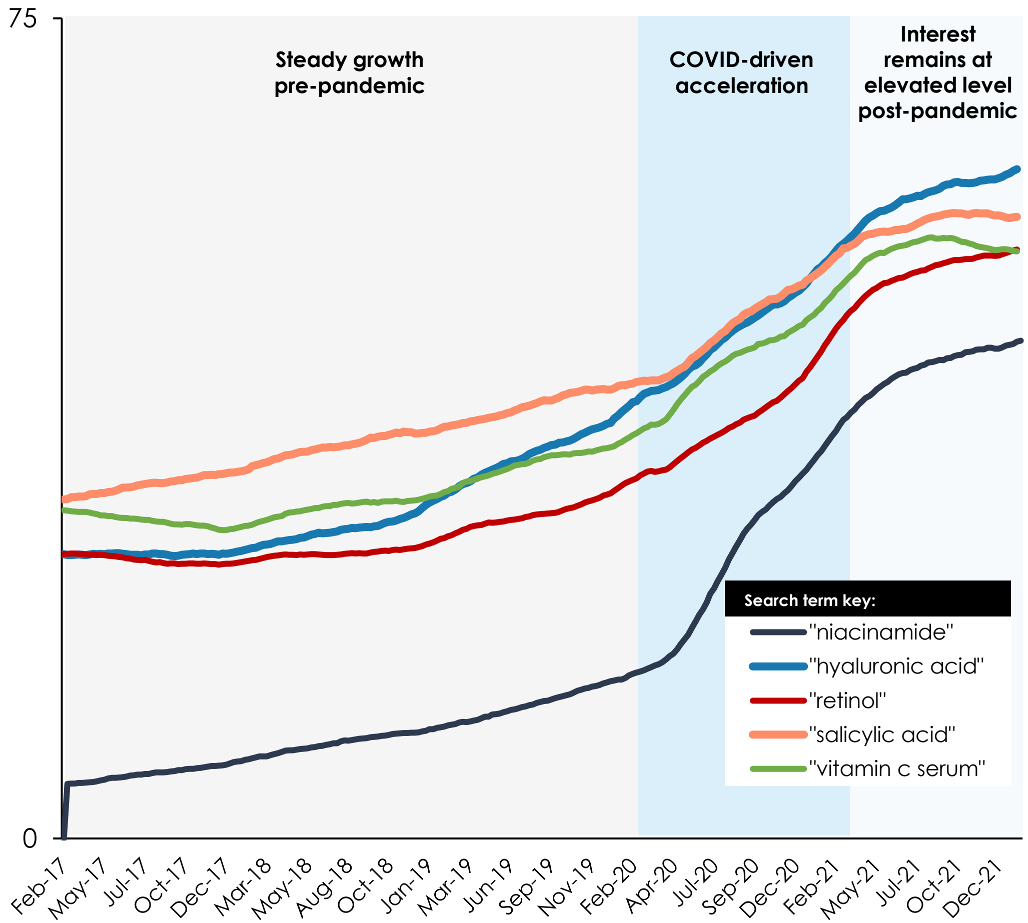
SPINS, MULO + C-Store + Natural Enhanced, WE 1/23/22:
1. "Feta" SKUs-only across cheese and plant-based cheese subcategories; This Year Sales – Last Year Sales
2. SS Dried Seaweed subcategory; This Year Sales – Last Year Sales
3. "Scrub" and "Exfoliating" SKUs-only in Facial Cleansers & Exfoliants subcategory
4. Facial Mists, Toners, & Astringents subcategory

whipstitch CAPITAL

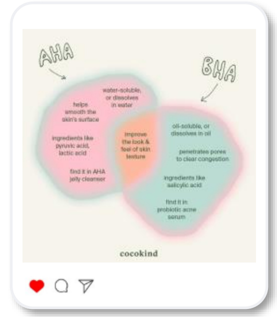
9. Personal Care Becoming More Inclusive Through Consumer Education

Educated Consumers Purchasing from Inclusive and Informative Personal Care Brands

Search Trends of Active Ingredients in Personal Care Products Show Consumer Education Rapidly Accelerated During COVID[1]

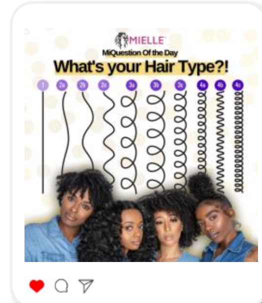


Inclusive & Informative Brands To Watch[2]



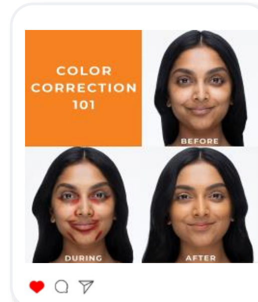
cocokind

- Sustainable, clean, and functional skincare with transparency and education around each ingredient
- Personalized skincare routine builder tool for individual skin type and skin goals



MIELLE

- Education around coily, curly, and wavy hair types and hair porosity
- Quiz to help consumers determine their hair type and purchase better-for-you products that suit their hair



TINTED

- Addressing lack of representation of South Asian skin tones in cosmetics
- Education and how-to's around color correcting hyperpigmentation that disproportionately affects people with darker skin tones

1. Google Trends Analytics, Smoothing Factor = 0.99
2. Company Instagram pages

10. Consumers Seek Brands with ESG Attributes

"It's a movement that ***people now feel strongly about. A pig has a big brain and is a feeling animal****. It's a situation that's horrible, it's obscene"* – Carl Icahn on his proxy battle with McDonalds over pig welfare

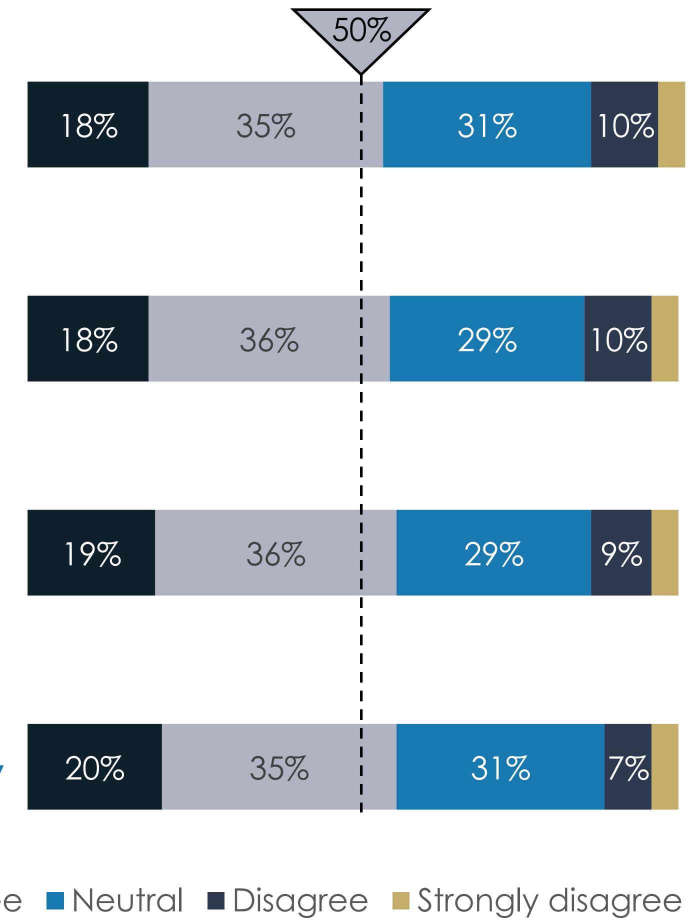
Consumers care about ESG[1]

I buy from companies that are conscious and supportive of **protecting the environment**

I choose products with a **traceable** and transparent **origin**

I intentionally buy items with **eco-friendly packaging** or less packaging

I am buying more **biodegradable/eco-friendly** products



And CPG brands are leaning in

Company	Cause
Walden Local	Animal rights, land stewardship
EVERY	Animal-free proteins
MADE GOOD	Regenerative agriculture, employee development
GOTHAM GREENS	Resource efficient agriculture
Vital Farms	Humane treatment of farm animals, sustainable farming

1. PwC

11. eCommerce Conquesting Traditional Retail Only Products

Four Ways Brands in Historically Brick-and-Mortar Categories Leverage E-Commerce

DTC Feature	"Traditional" Category	Brand Example	Why it Works
1. **Subscriptions**	Tea	HOPLARK®	**Instills a sense of exclusivity.** ✓ Only members can buy certain limited-edition drinks **Makes customers feel special.** ✓ Members granted access to new releases before the public
2. **Mission-Focused DTC Marketing**	Coffee	fabula	**Seamlessly aligns with company values.** ✓ 100% DTC model marketed as an essential feature to ensure coffee arrives fresh and full of flavor -- whereas letting coffee sit on shelves would comprise their mission
3. **Self-Controlled Delivery**	Meat and Poultry	Walden LOCAL	**Provides easy access to local, highly-principled meat brand.** ✓ Walden's monthly delivery service offers local, 100% organic and sustainably-sourced meat
4. **Text-Commerce**	Energy Bars	VERB™	**Offers a convenient, modern customer service.** ✓ Customers track and modify deliveries via a text message to a team member, never a bot **Creates a personable, fun experience.** ✓ Some customers use the platform to update the company on their vacations, how they use their bars, and even how their pets are doing

1. Penn Medicine, *The Hidden Health Benefits of Tea*, 12/9/2019

Table of Contents

SPINS

BUSINESS OVERVIEW

POWERING THE WELLNESS ECOSYSTEM

ABOUT SPINS

A BIT OF HISTORY

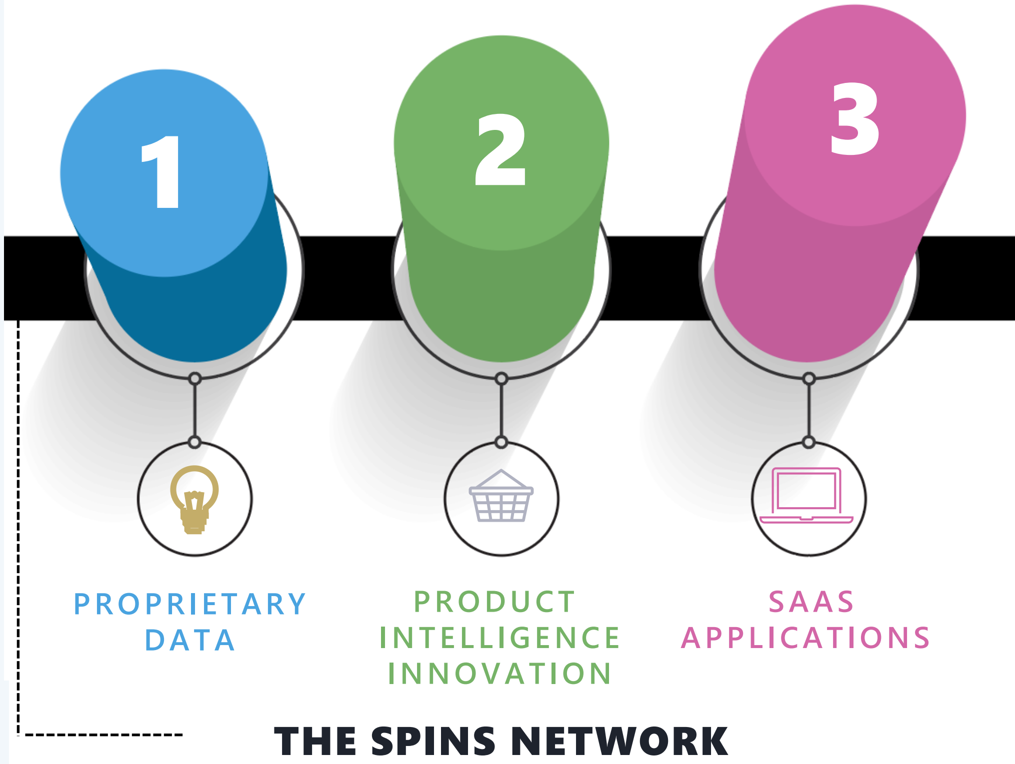
For over 25 years, SPINS has been empowering brands and retailers with wellness-focused insights to drive meaningful growth and innovation throughout the industry.

The SPINS Network Powering The Wellness Ecosystem

SPINS serves retailers, brands and their ecosystem that inspire the human pursuit of wellness.

We do that by focusing on three pillars.

We have solutions that deliver today, and we are investing to build the future.



SPINS®

Omnichannel Network Of Proprietary Retail Partners

SPINS empowers the industry through our comprehensive network of retailers. All SPINS channels are enhanced through our proprietary Product Intelligence that creates an exclusive output of reporting and insights.

Natural Enhanced

- Bristol Farms
- Fresh Thyme
- The Fresh Market
- Sprouts

130+

Regional Grocery

- Busch's
- Grocery Outlet Bargain Market
- Harding's
- Pyramid Foods

85+

SPINS Pet

- Choice Pet
- PetPeople
- Pet$aver Healthy Pet Superstore
- petsen$e

50+

eCommerce

- ClearCut
- Thrive Market
- Lucky Vitamin
- Boston Organics
- Farmstead

10+

Wellness

- Health & Fitness
- Bodegas
- CBD/ Dispensary
- Vitamin & Supplements
- Ethnic

30+

Proprietary Data (Exclusive Retailer View Only)

Conventional

*powered in partnership with IRI

Mass*	Grocery*
Target	Kroger

Club	Convenience*
Sam's Club	Wawa

Military	Drug*
NEXCOM	CVS pharmacy

*Relationship with IRi

SPINS combines nutritional and industry expertise with data science to create actionable attributes that identify shopper motivations, new opportunities, and enable impactful communication with shoppers.

Collect

PRODUCT FACTS, CLAIMS & MARKETING

NUTRITION FACT PANEL

INGREDIENT STATEMENT

BRAND POSITIONING
SHOPPER CENTRIC DIETS
CERTIFICATIONS

Generate

3.1M
Total UPCs Coded

325+
Product Attributes

100+
Categories

Activate

NUTRITION
- Total Calories
- Protein

ALLERGENS & SENSITIVITIES
- Lactose Ingredients
- Peanut Allergen

CLEAN LABEL
- Artificial Flavors
- Parabens

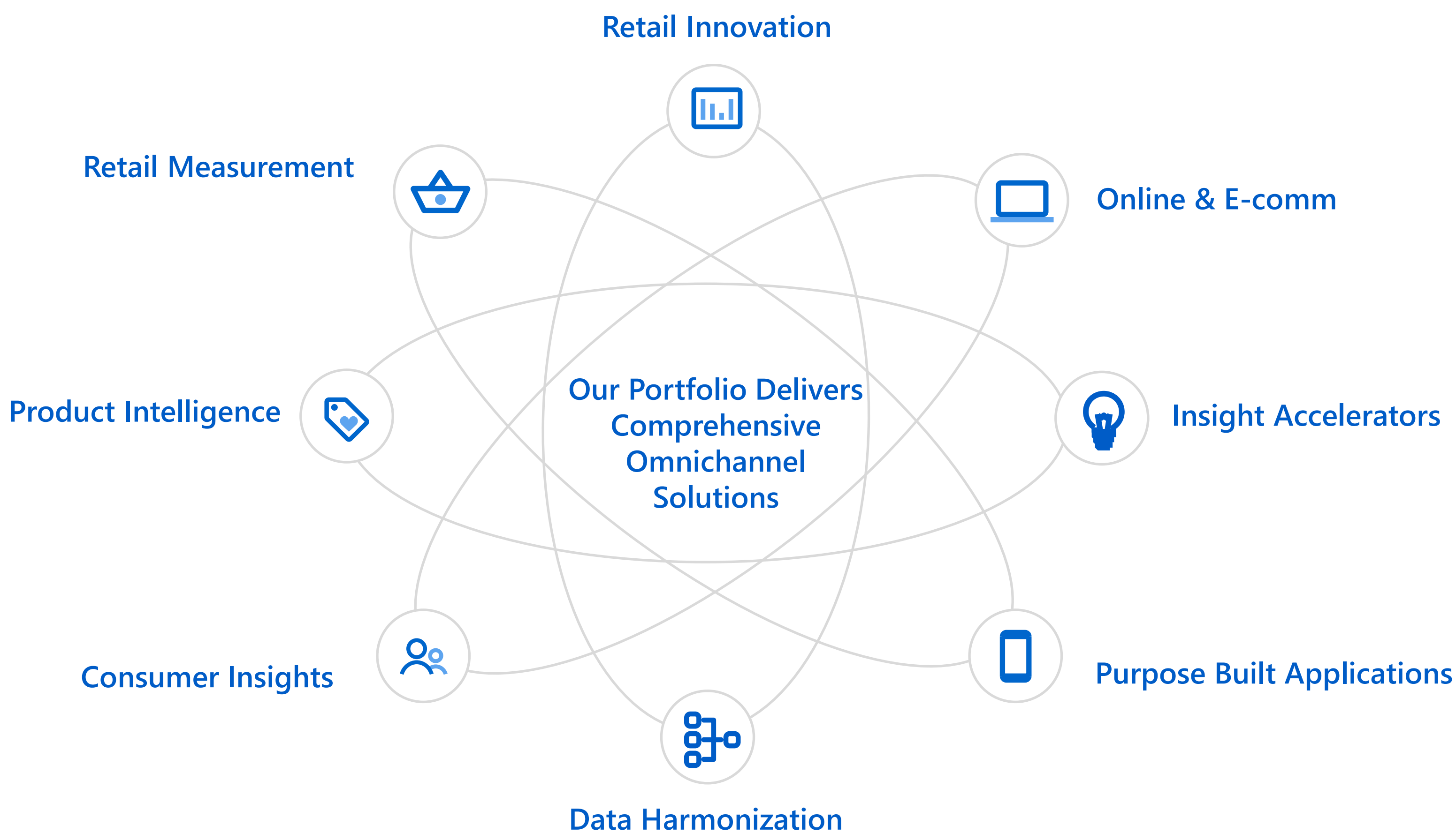
SUSTAINABILITY & WELLNESS
- Labeled Organic
- Probiotics

DIETS
- Plant Based Diet
- KETO Diet

PRODUCT FACTS
- Packaging
- Product Type

SPINS Technology Applications Power the Industry

SPINS combined Data, Product Intelligence, and Applications Deliver Unique OmniChannel Applications for Brands, Retailers, & Strategic Partners



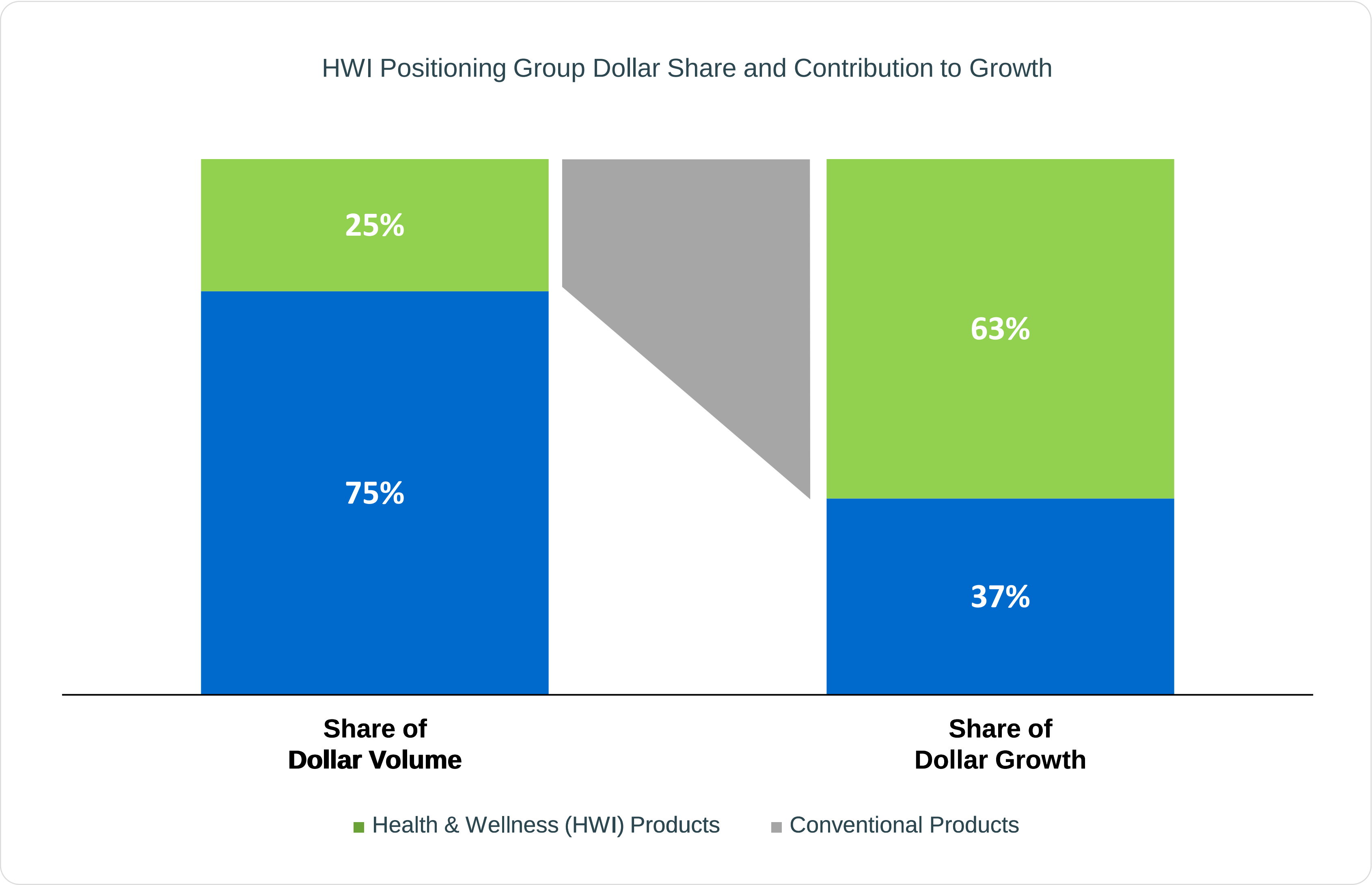
SPINS®

MARKET OVERVIEW

STATE OF THE NATURAL INDUSTRY

State of the Natural

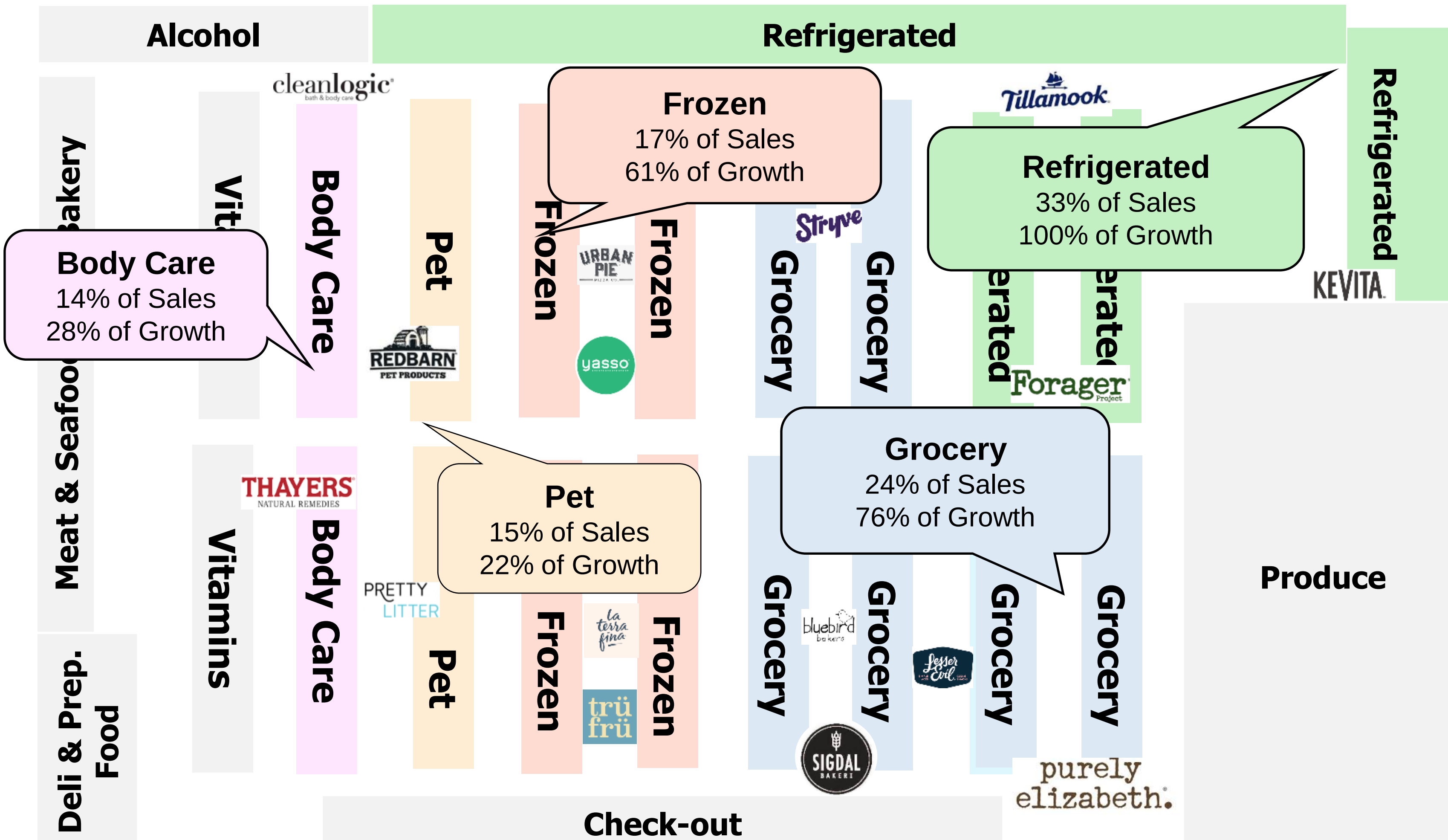
Health and Wellness Products contribute to significant CPG growth within the last year



Source: Total US SPINS Natural Enhanced Channel & Conventional Multioutlet Channel (Powered by IRI), 52WE 12.26.21

State of the Natural

Health and Wellness products continue to drive both sales and tremendous growth across the grocery store



Sales & Growth figures represent HWI products compared to total department

Source: Total US SPINS Natural Enhanced Channel & Conventional Multioutlet Channel (Powered by IRI), 52WE 12.26.21

State of the Natural

Trends signaling a new normal in the Natural Products Industry

Better for You Indulgences

With significant technological innovation in the Food & Beverage industry, consumers no longer must sacrifice health for enjoying their favorite products

Functional Sports Nutrition Fuels Active Lifestyles

To support active lifestyles, consumers are increasingly looking for supplemental products to support pre, intra, and post workout functionalities in a variety of formats

Vitamins & Supplements Omni-Channel Growth

Vitamins & Supplements are experiencing explosive growth as consumers look to products with specific functional ingredients and focus on leading label claims

The Growth of **Better-For-You Indulgences**

Growth of Alternative Sweeteners

The presence of alternative sweeteners in dessert related products continue to increase as consumers look for healthier ways to enjoy their favorite sweet treats

High Growth Sugar Alternatives & Top Performing Subcategories

COCONUT SUGAR

+38%, +$20.3M

%, $ growth vs YA

SS Cookies	**+70%** ($9.5M)
SS Candy Chocolate	**+43%** ($9.7M)
FZ Plant Based Novelties	**+29%** ($1.4M)

MONK FRUIT

+14%, +$40.4M

%, $ growth vs YA

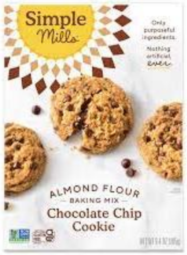
FZ Pies & Other Desserts	**+481%** ($2.1M)
SS Candy Non-Chocolate	**+420%** ($10.2M)
SS Bars Granola & Snack	**+237%** ($2.1M)

STEVIA

+14%, +$85.9M

%, $ growth vs YA

FZ Novelties	**+145%** ($32.0M)
SS Candy Non-Chocolate	**+47%** ($18.0M)
SS Cookies	**+36%** ($16.5M)



Source: Total US SPINS Natural Enhanced Channel & Conventional Multioutlet Channel (Powered by IRI), 52WE 12.26.21 for SS Cookies/Snack Bars, SS Candy, SS Desserts & Dessert Topics, FZ Desserts

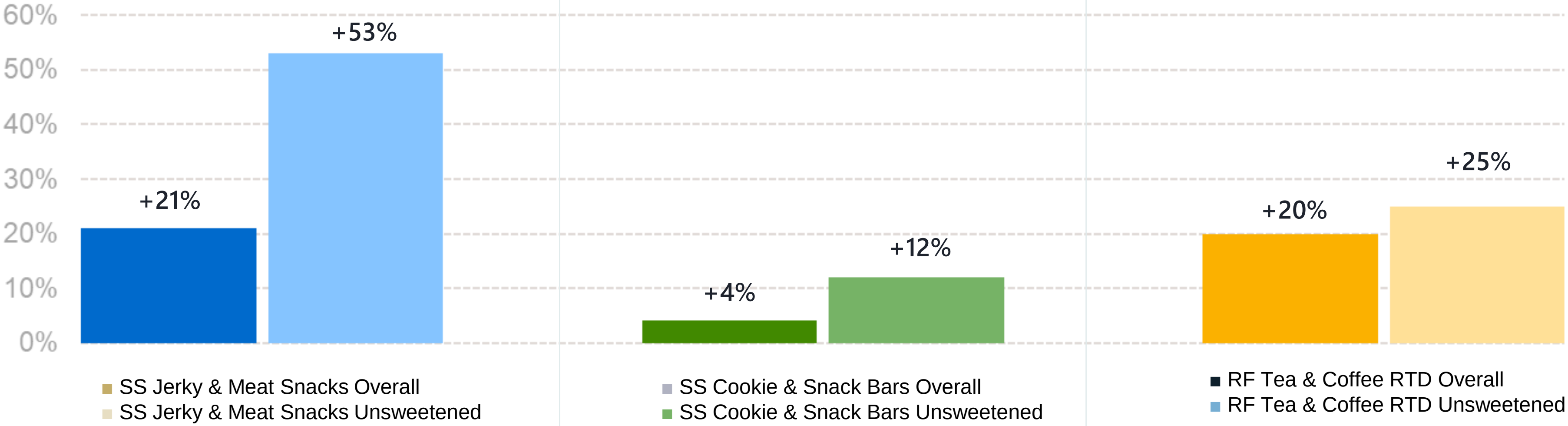
Sugar Free Products Outperform

Unsweetened products are key innovation elements across the store as consumers seek creative ways to curb their cravings and enjoy staple products

Jerky & Meat Snacks — % growth vs YA

Cookie & Snack Bars — % growth vs YA

RF Tea & Coffee RTD — % growth vs YA



Chomps | Tillamook | Country Archer | Alyssa's Bakery | Sweet Well | Beech Nut | Bizzy | Pop & Bottle | Grady's

Source: Total US SPINS Natural Enhanced Channel & Conventional Multioutlet Channel (Powered by IRI), 52WE 12.26.21

Innovation Fuels Non-Alcoholic Beverage Growth

Non-alcoholic alternatives to traditional wine and beer varietals continue to see growth, as mindful consumers seek substitutes to their favorite happy hour beverages

NON-ALCOHOLIC BEER TYPE GROWTH VS YA.

+803% IPA

Athletic Brewing 

+389% GOLDEN ALE

Bravus Brewing 

+186% ADJUNCT LAGER

Genesse 

+99% LIGHT LAGER

Brooklyn Brewery 

NON-ALCOHOL WINE TYPE GROWTH VS. YA

+170% SPARKLING ROSE

Freixenet 

+48% OTHER SPARKLING WINE

Stella Rosa 

+28% CHARDONNAY

Luminara 

+24% MERLOT

Fre 

Source: Total US SPINS Natural Enhanced Channel & Conventional Multioutlet Channel (Powered by IRI), 52WE 12.26.21

Functional Sports Nutrition fuels Active Lifestyles

Top Growing Sports Nutrition Segments

To supplement a healthy lifestyle, consumers are increasingly purchasing products that support pre, intra, and post workout functions across Brick & Mortar retailers and on Amazon

HIGH GROWTH NATURAL ENHANCED & MULTIOUTLET CHANNEL SUBCATEGORIES

% Growth, $ Sales

+172% | $196M Hydration & Electrolytes	**+41% | $283M** Pre-Workout
+20% | $14M Intra & Post Workout	**+19% | $15M** Creatine
+17% | $4B Protein & Meal Replacement – Liquid	**+12% | $1B** Protein & Meal Replacement – Powder

HIGH GROWTH SPINS AMAZON CHANNEL TRENDS

$242M Rev
30%
YoY Growth

Amazon Native Brands w/out B&M Penetration

+307%
$ growth

Gorilla Mode

+10%
$ growth

Legion Pulse

$730M Rev
20%
YoY Growth

Amazon Native Brands w/out B&M Penetration

+148%
$ growth

TRU Supplements

+40%
$ growth

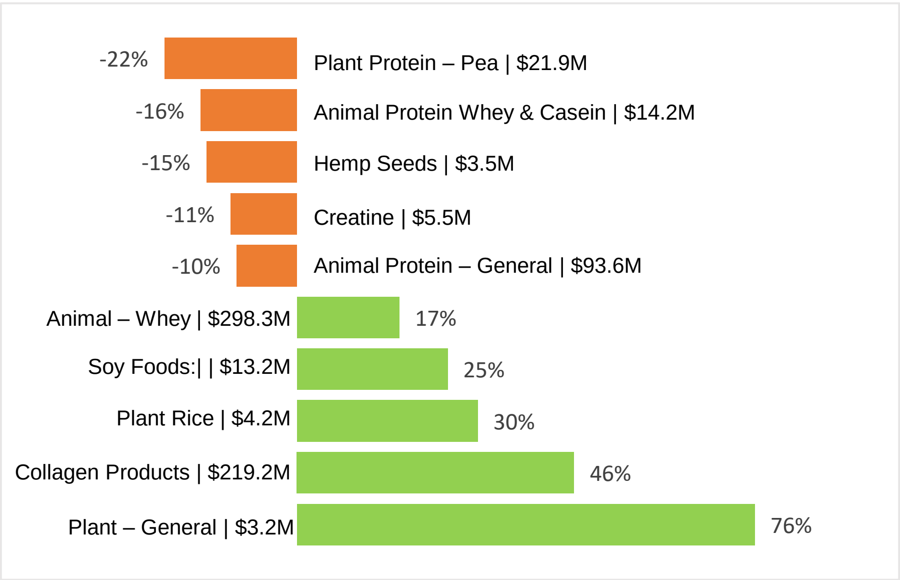
PMD Products

Source: Total US SPINS Natural Enhanced Channel & Conventional Multioutlet & Convenience Channel (Powered by IRI), 52WE 12.26.21, SPINS Amazon Powered by ClearCut Analytics L12 months through end Dec 2021

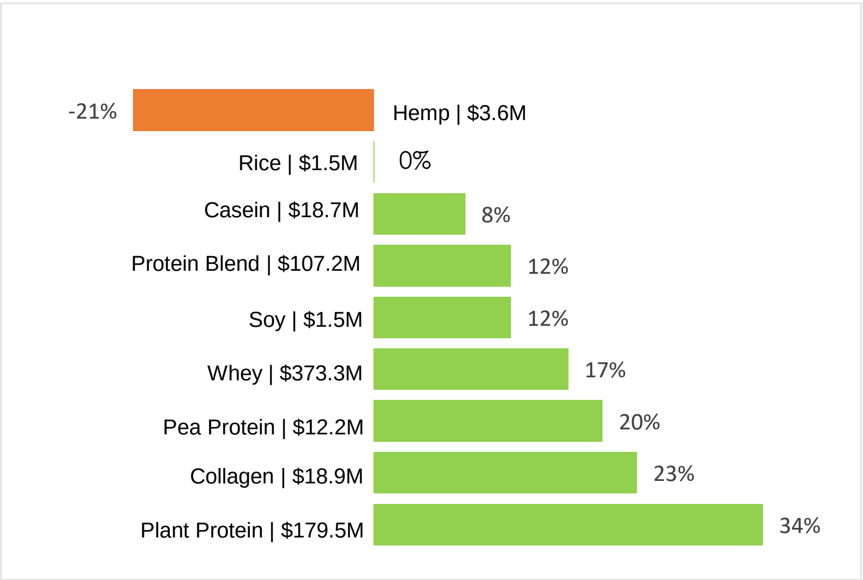
Plant-Based Protein Powder Outperforms

Within the high growth protein powder space, various plant-based protein sources lead growth across traditional Brick & Mortar outlets and on Amazon

Protein Powder Source Growth: SPINS Natural Enhanced & Multioutlet Channels



Protein Powder Source Growth: SPINS Amazon Channel



$ figures represent L52 sales

Source: Total US SPINS Natural Enhanced Channel & Conventional Multioutlet Channel (Powered by IRI), 52WE 12.26.21, SPINS Amazon powered by ClearCut Analytics L12 months through end Dec 2021

Functional Beverages Integral to Active Consumers

Alongside supplement formats, consumers look to performance, energy, and functional beverages to fuel their active lifestyle.

Leading Functional Beverage Products $ Growth vs YA.

+63%	Isotonic Sports Beverage - Coconut
+29%	Functional Beverage - Energy
+21%	Functional Beverage – Cognitive Focus
+13%	Isotonic Sports Beverage

Leading Functional Ingredients $ Growth vs YA.

+97%	Green Teas & Supplements
+79%	Caffeine
+77%	Amino Acids - Other
+21%	Taurine

Leading Flavors $ Growth vs YA.

+443%	Watermelon
+168%	Lime
+87%	Blue Raspberry
+53%	Peach

Source: Total US SPINS Natural Enhanced Channel & Conventional Multioutlet Channel (Powered by IRI), 52WE 12.26.21, SS Functional Beverages

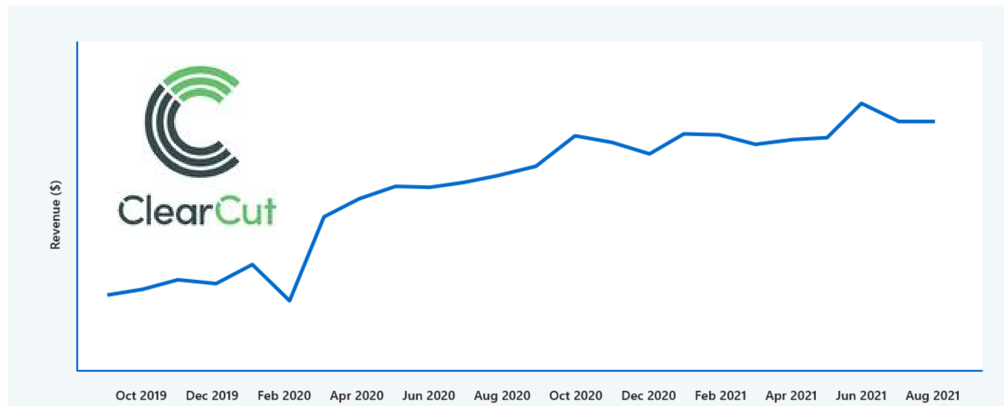
Amazon Incubates
Vitamins & Supplements Innovation

SPINS OmniChannel View into Vitamins & Supplements

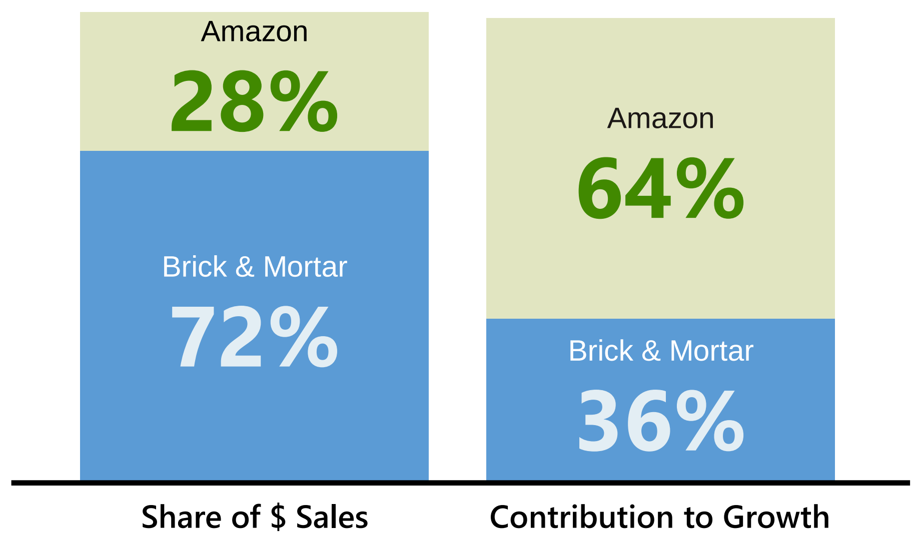
Though brick and mortar sales comprise most of current VMS sales, Amazon is the driving Channel for department growth

VMS Continues to Show Strong YoY Performance on Amazon

VMS Saw **43% YoY Growth** on Amazon



VMS Amazon Sales Contribute to Majority of Overall Market Growth



Source: SPINS Natural Enhanced Channel and Multioutlet & Convenience (Powered by IRI) 52WE 8/8/21, SPINS Amazon powered by ClearCut Analytics L24 months through end Aug 2021

Amazon Ingredient Trends Scale to Brick & Mortar

Wellness seeking consumers continue to purchase VMS products with leading functional ingredients, available in a variety of mediums, to obtain specific health benefits both in brick & mortar stores and on Amazon

SPINS AMAZON CHANNEL TRENDS

High Growth Functional Ingredients

Functional Ingredient	$ & % Growth vs YA
Ashwagandha	$39.6M (+120%)
Collagen	$154.1M (+46%)
Nootropics	$72.3M (+34%)
Superfood Complex	$32.8M (+29%)
Vitamin D	$31.4M (+16%)
Turmeric	$21.9M (+12%)

4/6 functional ingredients also trending in B&M Channels

SPINS NATURAL ENHANCED & MULTIOUTLET CHANNEL TRENDS

High Growth Functional Ingredients

Functional Ingredient	$ & % Growth vs YA
Ashwagandha	$65.3M (+162%)
Cider Vinegar Supplements	$104.3M (+128%)
Zinc	$46.8M (+61%)
Collagen	$99.7M (+45%)
Nootropics	$136.7M (+35%)
Superfoods	$286.6M (+17%)

High Growth Supplement Forms (SPINS Amazon)

Form	$ & % Growth vs YA
Capsule	$503.6M (+29%)
Gummy	$92.0M (+16%)
Liquid	$80.6M (+14%)

2/3 key forms also trending in B&M Channels

High Growth Supplement Forms (SPINS Natural Enhanced & Multioutlet)

Form	$ & % Growth vs YA
Gum	$1.0M (+53%)
Gummy	$495.2M (+23%)
Liquid – RTD	$510.5M (+19%)

Source: Total US SPINS Natural Enhanced Channel & Conventional Multioutlet Channel (Powered by IRI), 52WE 12.26.21, SPINS Amazon powered by ClearCut Analytics L12 months through end Dec 2021

Label Claims Are Critical for VMS Sales

Like Food & Beverage categories, label claims and certifications are experiencing significant growth and have scaled to become increasingly important to influence retail placement and consumer purchasing decisions

HOW CLEAN LABELS ARE PROMOTING SUPPLEMENTS $ growth vs YA Total $ Sales	+10% $8.2B Vital Clean	+8% $12.2B Artificial Preservatives Free	+7% $12.5B Artificial Colors Free	+7% $11.2B Artificial Sweetener Free	+6% $6.7B Major 8 Allergen Free

HOW LABEL CLAIMS ARE SUPPORTING SUPPLEMENTS $ growth vs YA Total $ Sales	+30% $1.2B Labeled Vegan	+23% $2.3B Labeled Non-GMO	+19% $907.6M Certified B-Corp.	+17% $710.4M Labeled Organic	+14% $7.3B Labeled Gluten Free

Source: Total US SPINS Natural Enhanced Channel & Conventional Multioutlet Channel (Powered by IRI), 52WE 12.26.21

State of the Natural – Wrap Up

Trends signaling a new normal in the Natural Products Industry

Better for You Indulgences

- A variety of alternative sweeteners, such as coconut sugar, monk fruit, and stevia continue to see growth in dessert related categories
- Unsweetened products across the grocery store continue to outpace traditionally sweetened counterparts, signaling a clear shift in consumer preferences.
- Innovation in the alcohol industry is contributing to growth of non-alcoholic wine and beer, allowing consumers a unique way to enjoy traditionally alcoholic offerings.

Functional Sports Nutrition Fuels Active Lifestyles

- Sports nutrition continues to be a growing segment for consumers across traditional retail and Amazon as they seek supplemental products to maintain a healthy lifestyle
- Protein powder, one of the top performing segments, shows diverse growth trends across various protein sources in both brick & mortar and on Amazon, with plant-protein as the clear leader.
- Functional beverages serve as an additional medium for consumers to achieve a healthy lifestyle, found in diverse product types, flavors, and created with differing functional ingredients.

Vitamins & Supplements Omni-Channel Growth

- Vitamins and Supplements continue to see explosive growth in traditional retail formats and on Amazon amidst the ongoing pandemic
- Significant overlap exists in leading VMS functional ingredient and form types across brick & mortar Channels and Amazon.
- Clean labeling and industry standard certifications continue to remain important to consumers and serve as a point of differentiation.

SPINS Financial & Professional Services Group

For more information on how SPINS can support you, contact us!

Edricco Reina
Managing Director

Email: ereina@spins.com
Phone: 708-595-5692

Madlen Karnatz
Associate Director

Email: mkarnatz@spins.com
Phone: 773-332-7331

Meghana Kodali
Associate

Email: mkodali@spins.com
Phone: 312-623-7574

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Thank you!

Please Contact Whipstitch Capital for More Information

Michael Burgmaier
Managing Director
mike@wstitch.com

Nicolas McCoy
Managing Director
nick@wstitch.com

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