Healthy Living Consumer Products Update

Industry Overview
Deal Review
Top Trends

In partnership with SPINS

March 6, 2023

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THIS ONE GOES TO ELEVEN

The Leading, Independent Investment Bank in the US Solely Focused on Established and Emerging Consumer Brands

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

Large, Experienced Team
Highly specialized 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
100+ years collective consumer & investment banking experience; 170+ transactions closed

Consumer Experts
Focused exclusively on innovative and emerging 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

Pet
High-quality treats, cleaning products and accessories for pets

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

Protein Chips
High protein chips with bold flavoring

Full Body Sweat Care
Sweat products for excessive sweaters, makeup wearers, athletes, and more

Plant-Based Superfoods
High quality, organic, and delicious-tasting superfoods

Select Prior Transactions

Since 1847 Thayers Natural Remedies	core	Base Culture	purely elizabeth.	uqora	Rocco & Roxie Supply Co.	keystone Natural Holdings	KeVita
L'Oréal Paris	Keurig Dr Pepper	Flowers Foods	SEMCAP Food & Nutrition Invest with Purpose	Pharmavite	PetIQ	House Foods	PepsiCo

Whipstitch is Unique: 100% Founder Owned, Solely Consumer Focused, Strong Middle-Market Banking Capabilities

We Own Whipstitch

100% founder owned and led

Committed to long-term growth of firm

We know what having everything on the line feels like

Long-Term

Develop relationships early and work with many clients over many years

No quarterly quotas which means we work to get the best deal done at the right time

100% Consumer

Highly specialized in consumer

Our team knows the industry inside and out

It is all we do

Customized Approach

Every process is highly customized to meet the needs of the client and their goals

There are no templates or cookie cutters

Connected

Our acquirer and investor connections run deep and span 20+ years

Our connections look to us for industry insights and opportunities

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

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

Director

Greg Ucich, CFA

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

Vice President

Dominic Mangano

- Seven years consumer IB experience
- BS Finance, University of Connecticut

Associate

Kris Hall, CFA, CPA

- Eight years of management and accounting consulting
- BS Accounting and Finance, Villanova 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

Sam Zander, CPA

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

Analyst

Julianne Slavin

- Two years family office experience
- MS Finance and BS Economics-Finance, Bentley University

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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

The Whipstitch Weekly

Volume 7 Number 9

Consumer Transaction Recap February 21-27, 2023

Food & Beverage | Personal Care | Health & Wellness | Pet | Other Consumer | More from Whipstitch

We track and report on consumer markets activity over the past week so you don't need to.

The Investment Bank for Emerging Consumer Brands

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FOOD AND BEVERAGE

BILL GATES BUYS STAKE IN HEINEKEN HOLDING WORTH €883MM

Bill Gates purchased 10.8 million shares (a 3.8% stake) in Heineken Holding, worth €883 million.

Read more

PERSONAL CARE

CALIRAY SECURES CAPITAL

Sustainable beauty brand Caliray raised a Series A round led by True Beauty Ventures.

Read more

HEALTH & WELLNESS

DCP CAPITAL ACQUIRES MINORITY STAKE IN JAMIESON WELLNESS

Private equity firm DCP Capital invested $35 million in exchange for 33.3% of Jamieson Wellness, a manufacturer, distributor, and marketer of vitamins, minerals, and supplements.

Read more

PET

SCHOLTUS PETCARE ACQUIRES BIG CREEK FOODS

Pet treats and snacks manufacturer, Scholtus Petcare, purchased Big Creek Foods, a producer of dehydrated meat snacks for dogs and cats. Financial terms were not disclosed.

Read more

- Whipstitch distributes weekly transaction newsletters to over 13,000 consumer industry professionals
- Covers food and beverage, supplements, pet, retail, beauty 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

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Clear Value-Driver for Whipstitch Clients

Select Deals Led by the Whipstitch Team

Company	Counterparty
Rocco & Roxie Supply Co.	PetIQ
Keystone Natural Holdings	House Foods
Base Culture	Flowers Foods
purely elizabeth.	SEMCAP Food & Nutrition
uqora	Pharmavite
Thayers Natural Remedies	L'Oréal Paris
Hope	Savencia Fromage & Dairy
Swerve	Whole Earth Brands
Hungry Harvest	Creadev
Core	Keurig Dr Pepper
Purple Carrot	Oisix ra daichi
KeVita	PepsiCo
Flying Embers	The Ecosystem Integrity Fund; Powerplant Ventures
Spindrift	VMG
Country Archer Jerky Co.	Monogram Capital Partners
Essentia	Castanea
Uncle Matt's Organic	Dean Foods
Blake's All Natural Foods	Conagra Brands
GoodBelly Probiotics	General Mills
$100MM+ Supplement Co.	Has received the first tranche of a $45MM minority investment from a leading consumer-focused private equity firm
Lesser Evil	InvestEco

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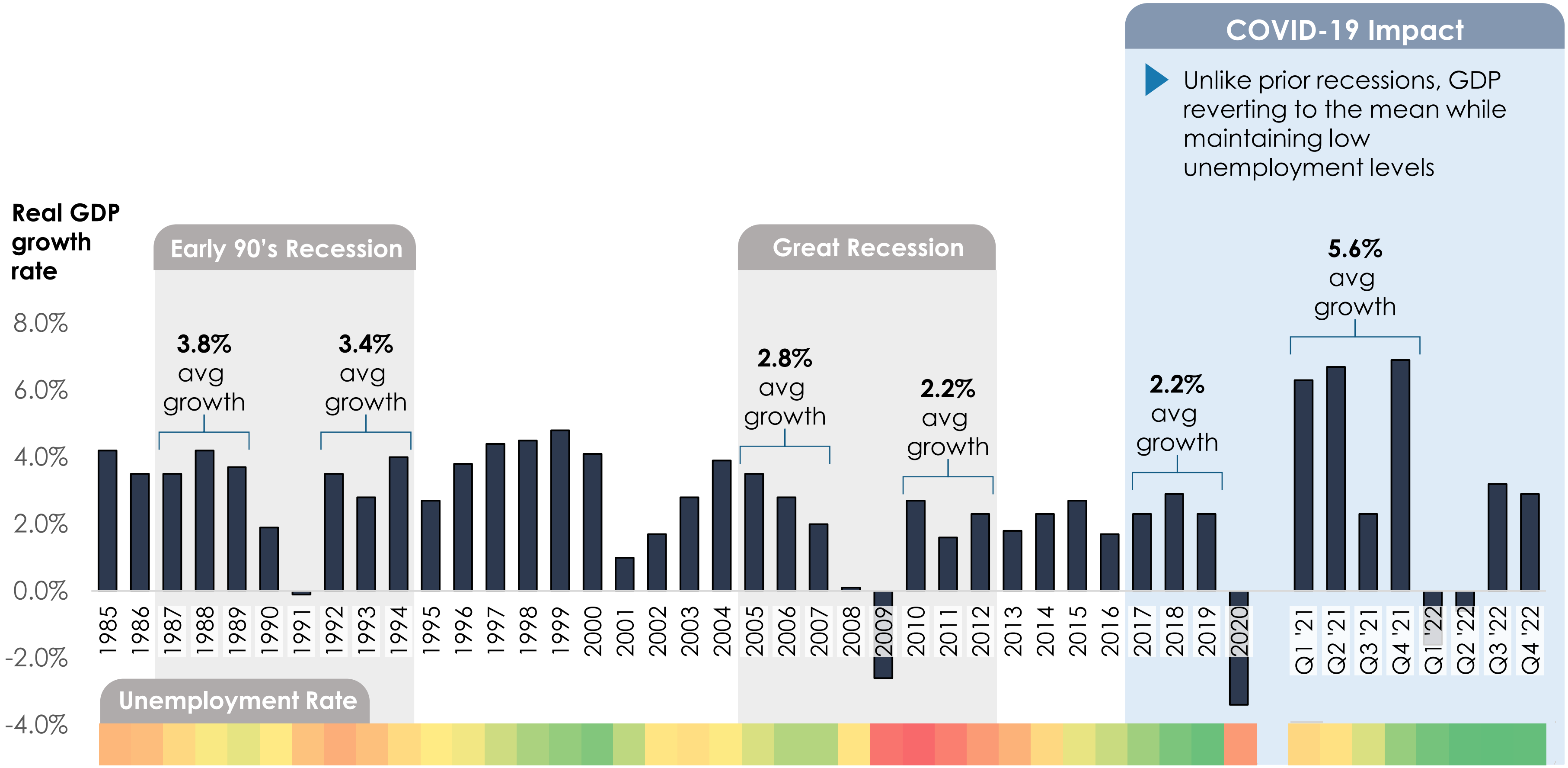
We Are Not in a Recession

Economic Stimulus Drove Inflation and Demand – Now is Providing Resiliency



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

Overall Transaction Activity Stayed Flat in 2022 Following 2021 Highs

- Industry-wide transactions **remain 2% off 2021 all-time highs**
- Despite macroeconomic headwinds, private placement volume set a new record

Nutrition and Health & Wellness Industry Transactions: M&A Details 2016 – 2021[1]

	2016	2017	2018	2019	2020	2021	2022
Retail & Distribution	26	34	22	29	23	10	21
Supplements	17	21	11	10	17	12	8
Ingredients	29	43	29	34	32	30	32
Contract Manufacturing	8	14	12	13	8	13	8
OTC & Personal Care	16	23	17	24	12	29	30
Natural & Organic, Functional Food	103	138	138	104	101	144	109
Others: Tech, Fitness, Pet	60	83	117	93	79	104	71
Total M&A	**259**	**356**	**346**	**307**	**272**	**342**	**279**
Financings	**456**	**554**	**611**	**659**	**782**	**980**	**1020**
Average Size of Financing ($MM)	$15	$25	$37	$31	$30	$42	$32
Total Transactions	**715**	**910**	**957**	**966**	**1054**	**1,322**	**1299**
YoY Growth	**+13%**	**+27%**	**+5%**	**+1%**	**+9%**	**+25%**	**-2%**

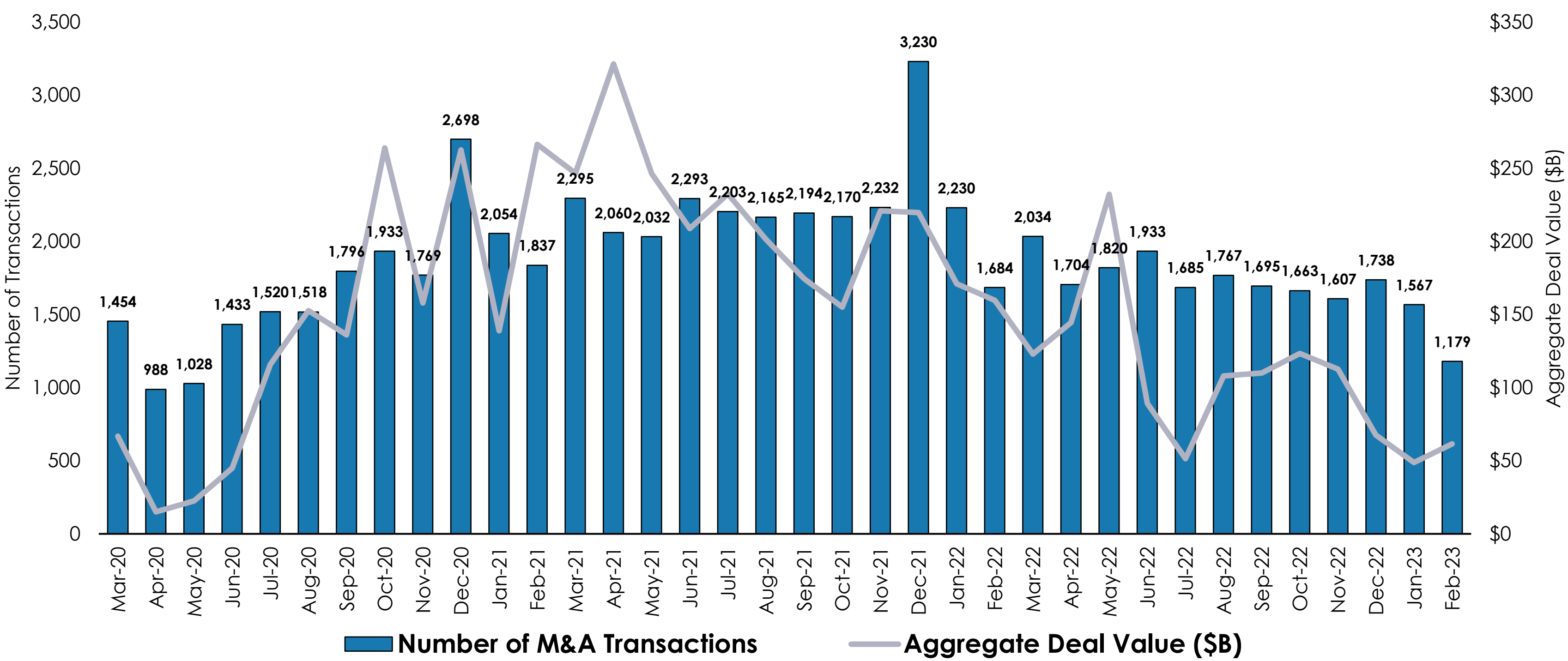
1. Nutrition Capital Network

M&A Volume Stabilizes After Post-Pandemic Highs

Cross-Industry M&A Volume Began to Stabilize in 2H 2022

- M&A activity **rose** in 2020 after the initial shock of COVID-19 and **sustained** through 2021 as **buyers adjusted to new norms** such as few in-person diligence meetings and site visits
- The macro-economic environment in 2022 resulted in M&A activity **falling** to near COVID-19 pandemic levels

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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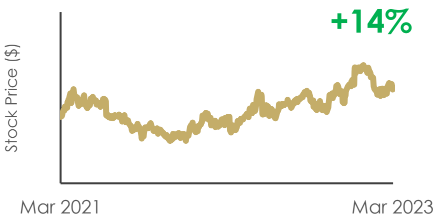
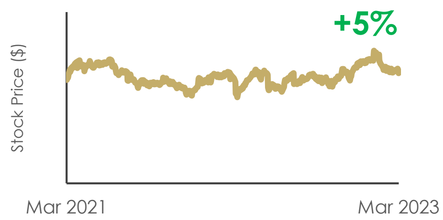
Two-Year CPG Stock Performance (As of March 2023)

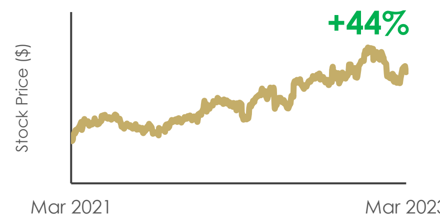
Campbell's (CPB)



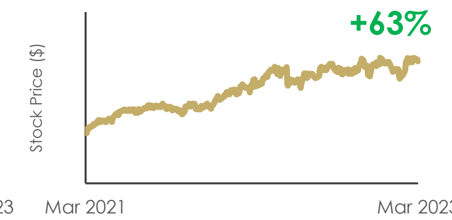
Conagra Brands (CAG)



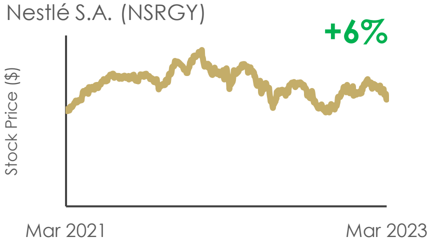
General Mills (GIS)



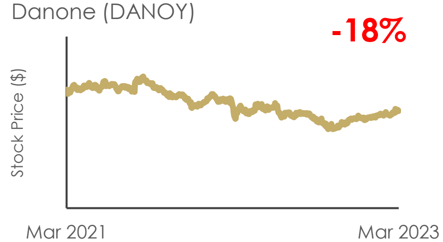
The Hershey Company (HSY)



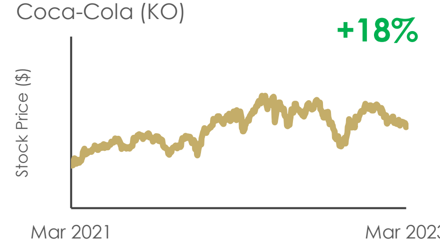
Nestlé S.A. (NSRGY)



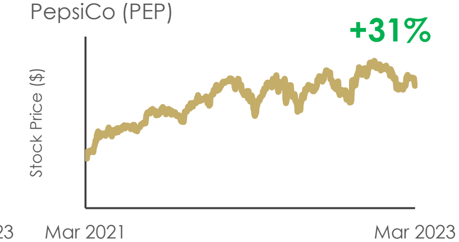
Danone (DANOY)



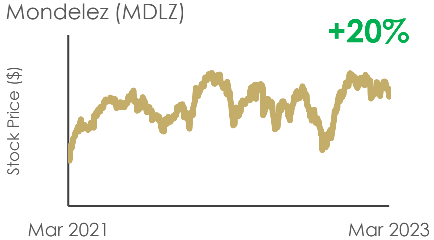
Coca-Cola (KO)



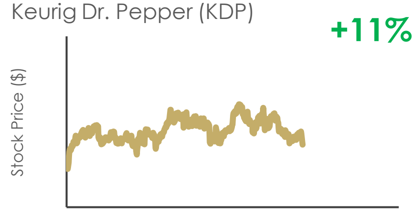
PepsiCo (PEP)



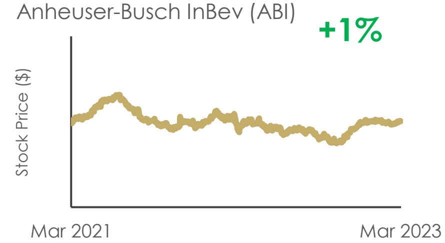
Mondelez (MDLZ)



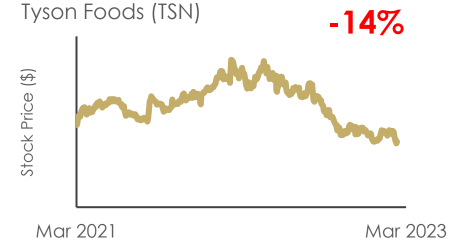
Keurig Dr. Pepper (KDP)



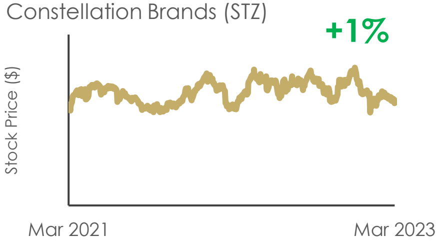
Anheuser-Busch InBev (ABI)



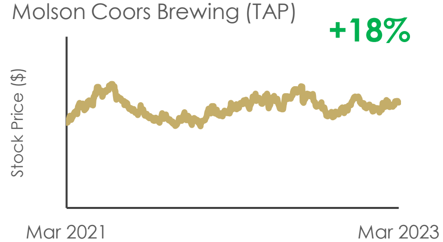
Tyson Foods (TSN)



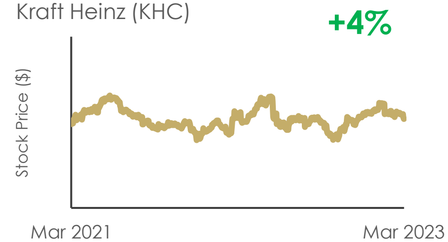
Constellation Brands (STZ)



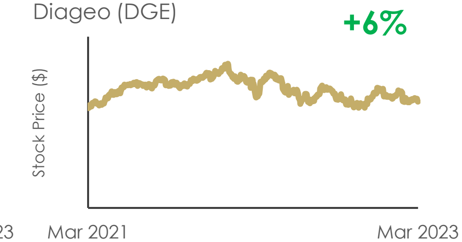
Molson Coors Brewing (TAP)



Kraft Heinz (KHC)



Diageo (DGE)

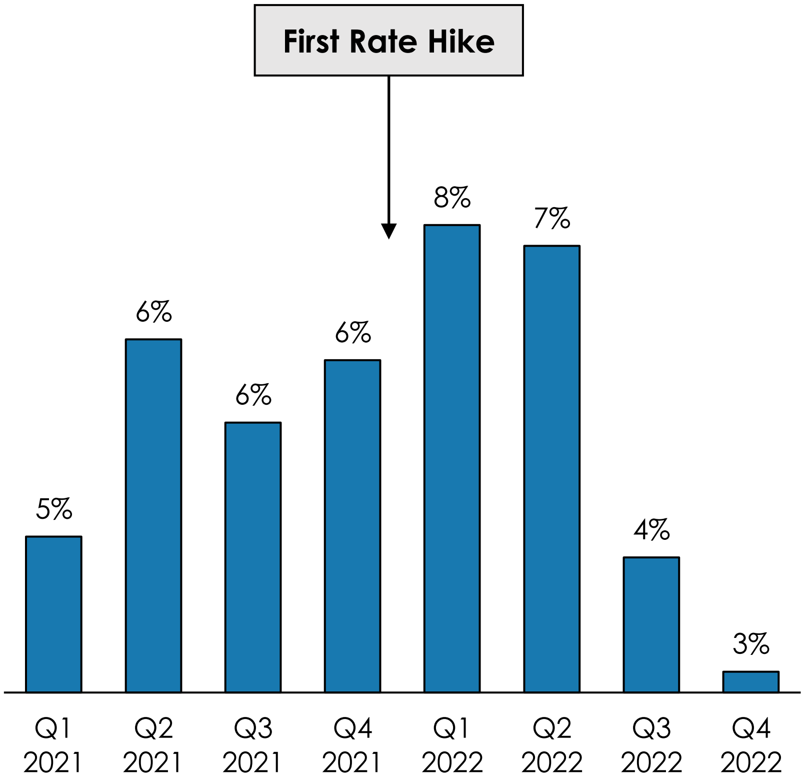


1. S&P Market Intelligence

Inflation is Ebbing and the Economy is Weathering Rate Hikes Well

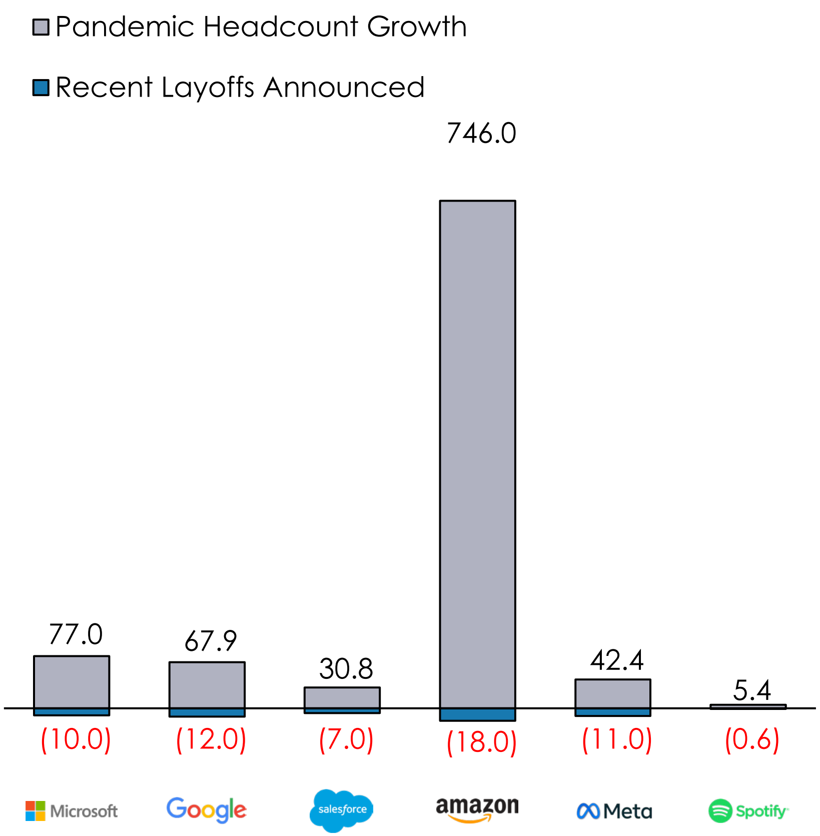
Consumers Continue to Spend and Layoffs Are Far Lower Than Post-Covid Hires

QoQ % Change in Personal Consumption Prices[1]



Tech Companies Lay Offs[2]

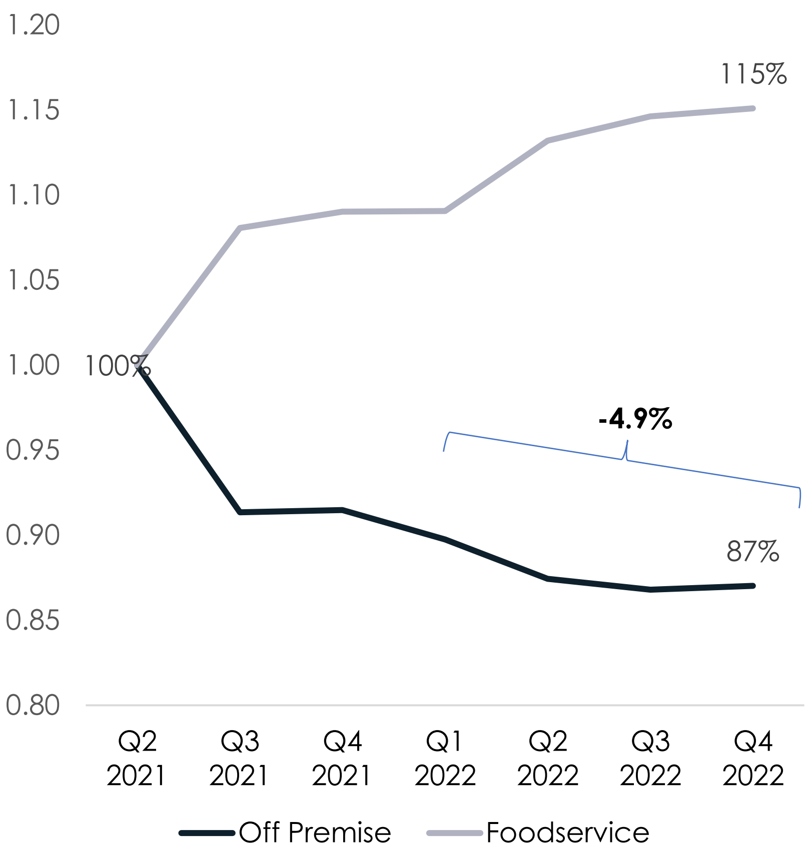
(000's)



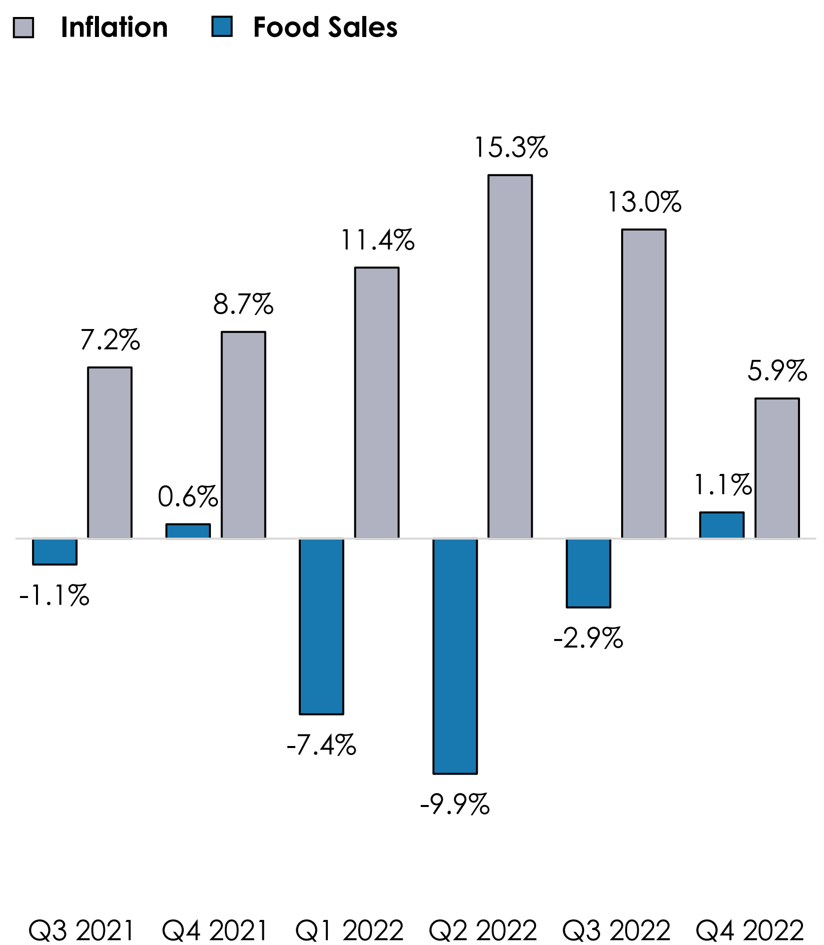
(1) Bureau of Economic Analysis
(2) Crestone

Inflation and Foodservice Growth Caused a Temporary Drop in CPG Spending in 2022

Index of Food Service vs Off Premise Consumption[1]



Total Inflation Growth vs Demand[1]



(1) Bureau of Economic Analysis

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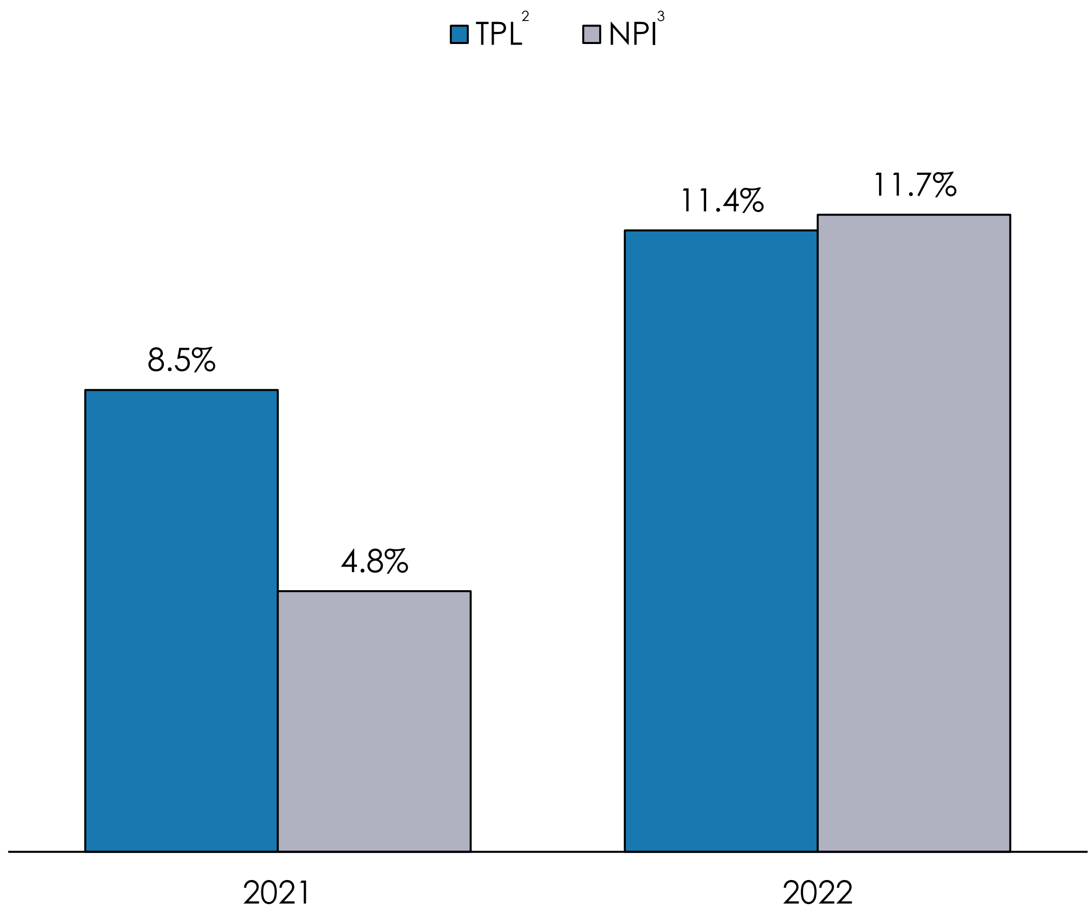
In 2022, Natural Product Companies Matched Larger CPGs in Price Increases

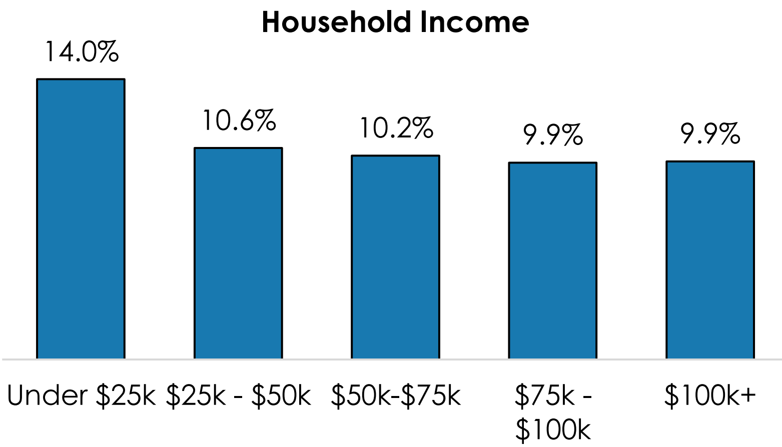
ARP Growth Rate Change Year over Year[1]

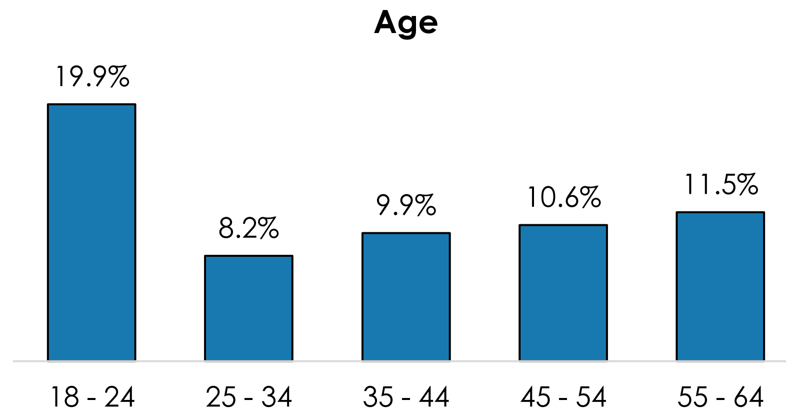


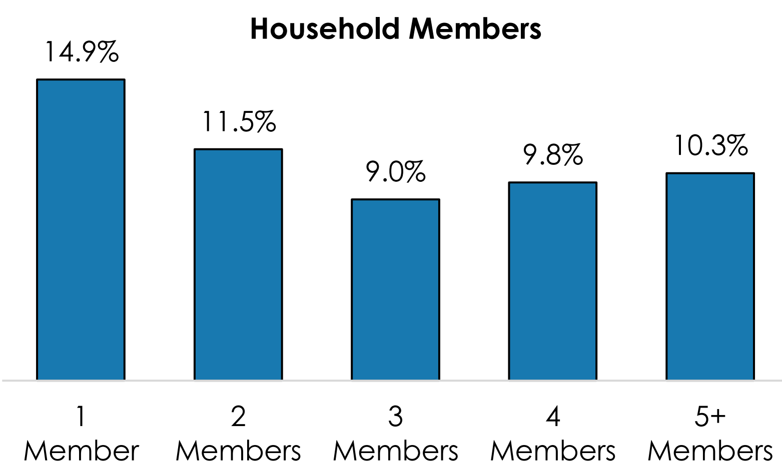
(1) SPINS, all categories, MULO + Natural + Convenience
(2) TPL = Total Product Library (All products tracked by SPINS)
(3) HWI = Health and Wellness (Products with an emphasis on health and wellness)

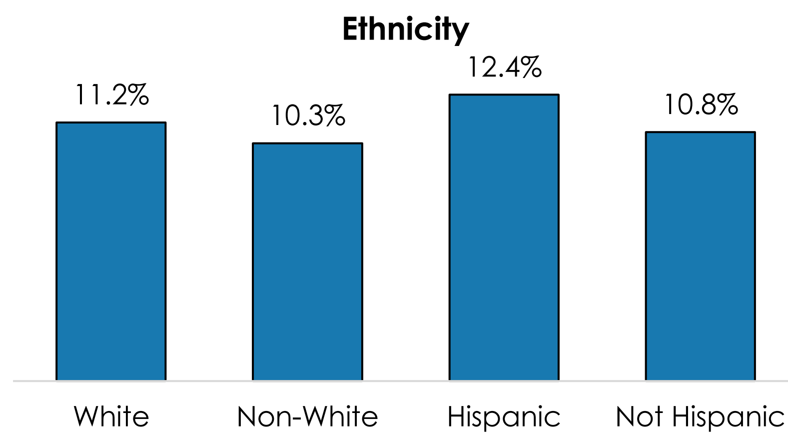
Food Demand Is Most Resilient in Lower Income, Older Adults, Small Families, Whites and Hispanic Demographics

$/Buyer Growth Among Varied Demographics[1]









(1) NielsenIQ Omnishopper Panel, Syndicated Total US, FOOD, Q4 2021 vs Q4 2022

Recent Consumer M&A Highlights

Buyer	Target	Date
Yellow Wood Partners	Suave	Feb 2023
Post	Gravy Train	Feb 2023
Purina	Red Collar Pet Foods	Feb 2023
Diageo	Don Papa Rum	Jan 2023
P&G	Mielle	Jan 2023
Hometown Food Company	Birch Benders	Jan 2023
PetIQ Smarter Pet Health	Rocco & Roxie Supply Co.	Jan 2023
Mars	trü frü	Dec 2022

Buyer	Target	Date
Bansk Group	Red's	Dec 2022
Carlsberg Group	Waterloo Brewing	Dec 2022
BDT Capital Partners	Weber	Dec 2022
Keurig Dr Pepper	nutrabolt	Dec 2022
Ferrero	Wells	Dec 2022
Tilray Brands	Montauk Brewing Co.	Nov 2022
Mars Petcare	Champion Petfoods	Nov 2022
Diageo	Balcones Distilling	Nov 2022

Buyer	Target	Date
Grupo Bimbo	St Pierre Groupe	Oct 2022
Campari Group	Wilderness Trail Distillery	Oct 2022
Suja Organic	Vive Organic	Oct 2022
Nestlé Health Science	Seattle's Best Coffee	Oct 2022
The Healing Company	Your Super	Oct 2022
Diageo	Mr Black Cold Brew Coffee Liquor	Sep 2022
L'Oréal	Skinbetter Science	Sep 2022
Church & Dwight Co., Inc.	Hero.	Sep 2022

Recent Consumer Private Placements

Investor	Target	Date
Provenance Capital Group	Makeup by Mario	Jan 2023
Mars	The Pack	Jan 2023
CAVU Venture Partners	poppi	Dec 2022
Princeville Capital	NotCo	Dec 2022
Diageo	The Oxford Artisan Distillery	Nov 2022
Alliance Consumer Growth	Clio	Nov 2022
CAVU Venture Partners	Topicals	Nov 2022
Keurig Dr Pepper	Athletic Brewing Co	Nov 2022

Investor	Target	Date
Campari Group	Catalyst Spirits	Oct 2022
Imaginary	Xiao Chi Jie	Oct 2022
L Catterton	Yummers Pet Supply Co.	Oct 2022
Science	Liquid Death Mountain Water	Oct 2022
Prelude Growth Partners	Bachan's	Sep 2022
BMO Capital Markets	Gotham Greens	Sep 2022
L Catterton	eatplanted.	Sep 2022
CAVU Venture Partners	Nécessaire	Sep 2022

Investor	Target	Date
novo holdings	kate farms	Sep 2022
VMG	maev	Sep 2022
Siddhi Capital	Aura Bora	Sep 2022
C2 Capital Partners	JUST	Aug 2022
willow growth partners	De Soi	Jul 2022
Aria Growth Partners	Onda	Jul 2022
s2g ventures	atomo beanless coffee	Jun 2022
L Catterton	Sugar	May 2022

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Whipstitch Capital's Top-11 Healthy Living Trends

Why Stop at 10? Whipstitch Goes to 11

1. Non-alcohol Drink Innovation Dominated by Beer, but Enters Wine, Spirits and Functional Beverage Categories
2. Recession-Woof: Premium Pet Products Sales Remain Robust
3. Clean Ingredient Wellness Bars Over-Indexing Specialty Function in Convenience
4. With Upgraded Home Coffee, Consumers Drive Growth in Coffee Related Categories
5. Great-tasting High Protein Foods Increasingly Winning with Consumers
6. Proposed Alcohol Labeling Requirements Could Create Category Shockwave
7. Consumers Increasing Consumption of Functional Beverages to Complement Busy Lives
8. Consumers Seeking More Intense Flavor Innovation When Snacking
9. The Resurgence of the Better-for-You Multicategory Platform Brand
10. The Rise of Gender Inclusive Personal Care Brands
11. Education Through Tik Tok Driving VMS Brand Growth

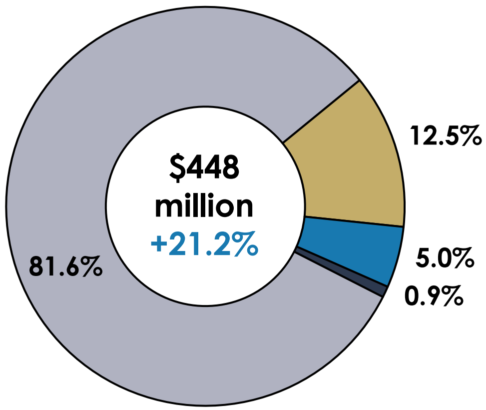
1. Non-alcohol Drink Innovation Dominated by Beer, but Enters Wine, Spirits and Functional Beverage Categories

As Non-alcohol Categories Shift, Drink Companies Diversify

Non-Alcohol Categories Growing Quickly[1]

Share of Non-Alcoholic Category by Subcategory

- **NA Beer**
  +20.6% vs YA
- **NA Wine**
  +19.9% vs YA
- **NA Spirits**
  +132.7% vs YA
- **NA RTD**
  +23.6% vs YA



Large Strategics Expand Into the Non-Alcoholic Adult Beverage Category

November 2022 – Keurig Dr Pepper purchases $50MM minority stake in leading NA craft beer maker **Athletic Brewing**[2]

January 2023 – Molson Coors Beverage Company releases **Roxie**, a zero-proof canned cocktail[3]

Brands Using Product Innovation to Take Advantage of Non-Alcoholic Category Growth

Ritual Zero Proof:
- Replicates classic spirits with no alcohol content
- **+55%** velocity growth and **+186%** $ sales growth year over year[2]

Hoplark:
- Sparkling beverage brewed like beer, with hops but without sugars, additives, or fermentation

Surely:
- NA wine sourced from premium grapes, fermented, and de-alcoholized

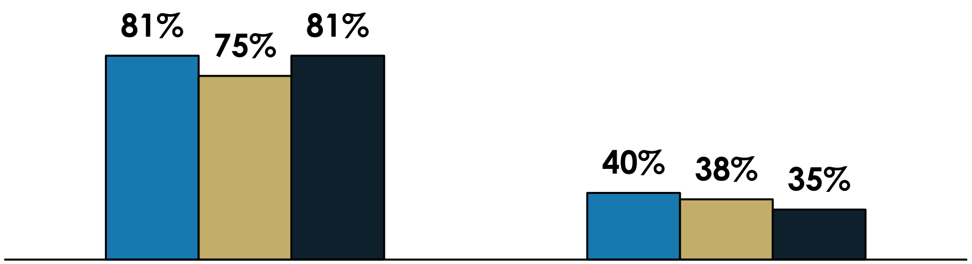
De Soi:
- A bitters botanical aperitif with natural adaptogens instead of alcohol

1. Nielson, Total FMCG Retailers + Liquor + Convenience, 52 WE 1/1/23
2. Keurig Dr. Pepper, November 9, 2022
3. Molson Coors Beverage Company, January 10, 2023

2. Recession-Woof: Premium Pet Products Sales Remain Robust

The 2022 Economic Downturn Proved Premium Pet's Resilience

US Consumers Willingness to Pay Up for Premium Pet Food[1]

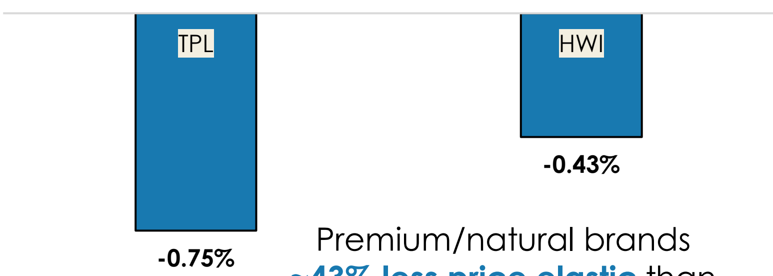


Brands to Watch

- RAWZ – The next best thing to feeding raw.
- PetHonesty
- "I and love and you"
- Open Farm
- The Farmer's Dog
- Made by Nacho
- Three Dog Bakery – The bakery for dogs
- Hungry Pet Nutrition

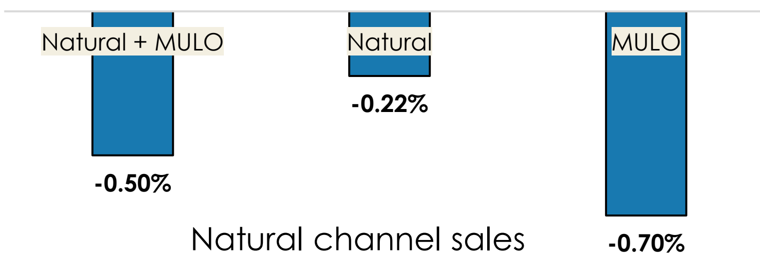
Price Elasticity: $ Change for Every 1% Change in ARP[2]

By Universe:



Premium/natural brands **~43% less price elastic** than mass brands

By Channel:



Natural channel sales **~68% less price elastic** than MULO sales

1. Lightspeed/Mintel
2. SPINS, Total Product Library, MULO + Natural + Convenience, 4 WE 1/27/19 through 10/30/22, Pet Dog Food

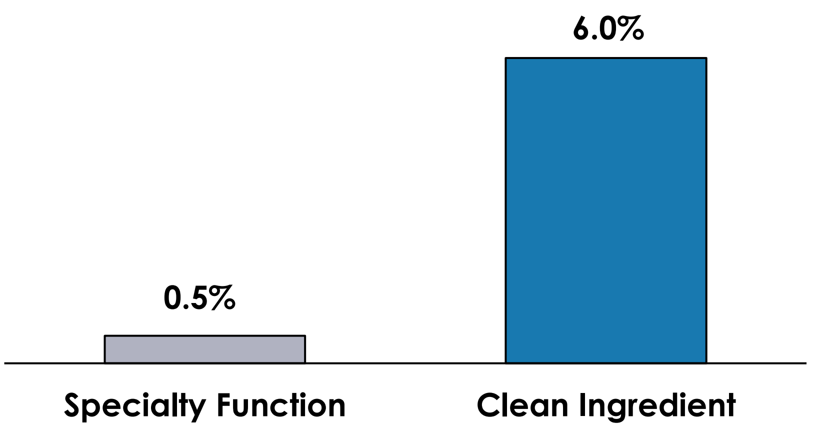
TPL = Total Product Library (All products tracked by SPINS)
HWI = Health and Wellness (Products with an emphasis on health and wellness)

3. Clean Ingredient Wellness Bars Over-Indexing Specialty Function in Convenience

Clean Ingredient Wellness Bars are 12x the Market Share Compared to Specialty Function Bars

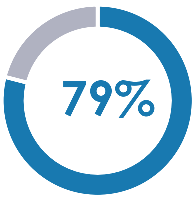
Example Specialty Function Bars

Wellness Bars % Share of Total Convenience[1]

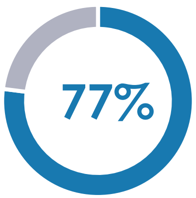


Example Clean Ingredient Bars

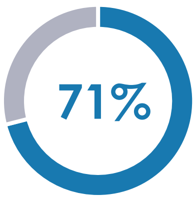
…and US Consumers Love Shopping at Convenience Stores Because…



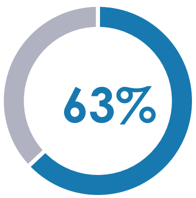
Of US consumers think there is a lot of product variety in the store[2]



Of US consumers think the convenience store provides a good shopping experience[2]



Of US consumers find new products and brands they haven't seen before[2]



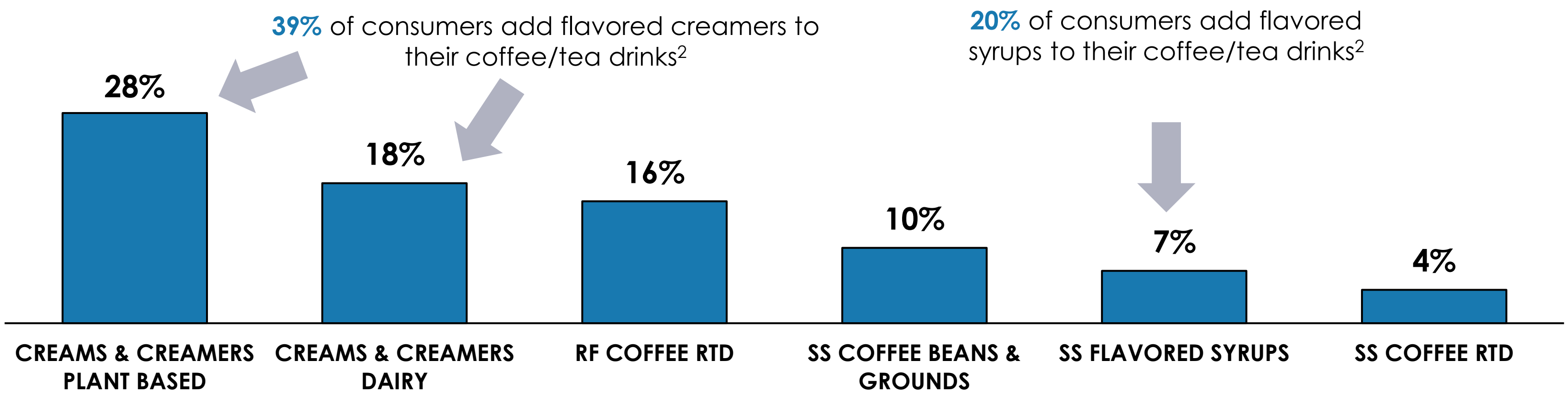
Of US consumers see good value for their budget when they shop at C-stores[2]

1. SPINS, Convenience, Wellness Bars & Gels, 52WE 1/1/23
2. Supermarket News

4. With Upgraded Home Coffee, Consumers Drive Growth in Coffee Related Categories

At Home Coffee Consumption Takes Main Stage[1]

52W YOY Dollar Growth, by category



$ MULO	$0.6	$3.0	$1.1	$11.7	$0.5	$1.5

Innovative Brands Benefitting from Shift in Consumer Preferences Towards At-Home Coffee[3]

BLACK RIFLE® COFFEE COMPANY

740%
2-Year CAGR
$60.4M in MULO

307%
2-Year CAGR
$16.5M in MULO

236%
2-Year CAGR
$4.1M in MULO

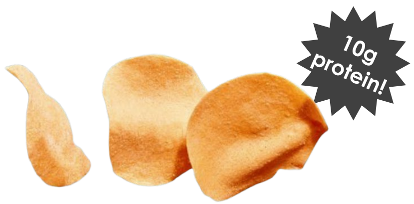
210%
2-Year CAGR
$5.8M in MULO

1. SPINS, MULO, 52W Dollars vs. Dollars, YAGO 1/29/23
2. Mintel, Coffee and RTD Coffee – US - 2022
3. SPINS, MULO, 52W Dollars vs. Dollars, 2YAGO 1/29/23 (2-year CAGR)

5. Great-tasting High Protein Foods Increasingly Winning with Consumers

Consumers Want Convenient Protein Minus the Taste of Protein

WILDE CHIPS



Crispy chips made from chicken breast, egg whites, and bone broth deliver a **satiating snack packed with flavor**

GOODLES

Creamy mac and cheese that supplies **balanced nutrition, prebiotics**, and nutrients from 21 plants

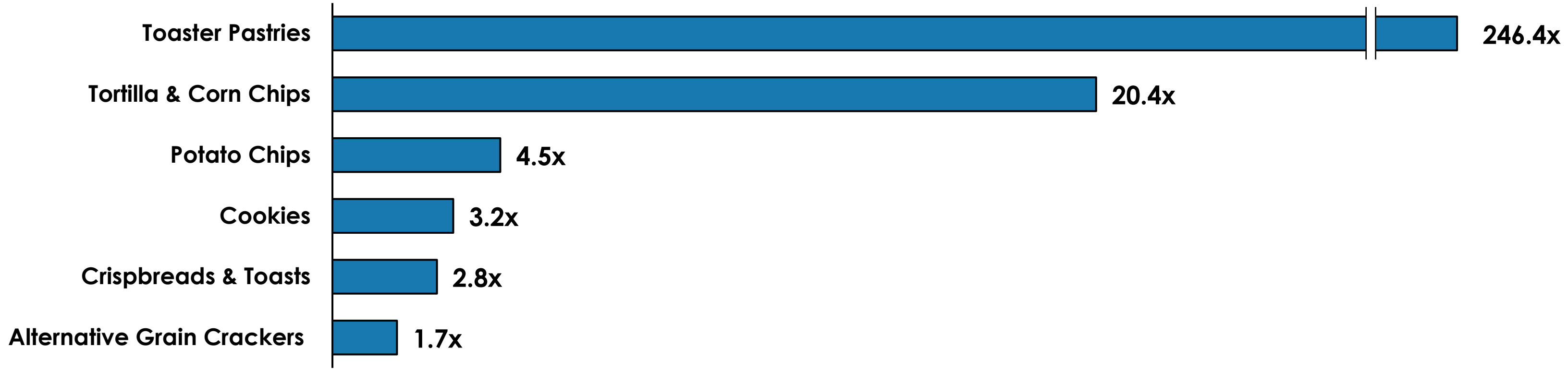
THE SAFE + FAIR FOOD COMPANY

Clean-label, vegan salty snacks that **don't taste like sacrifice**

LEGENDARY FOODS

Protein replaces sugar in this re-invention of a childhood classic

High-Protein Offerings Two-Year Growth Compared to Conventional Equivalent[1]



1. SPINS, MULO + Natural, 52 WE 1/1/23. Comparing growth of SKUs with <5g of protein to SKUs with >5g of protein

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6. Proposed Alcohol Labeling Requirements Could Create Category Shockwave

Consumers Demand More Transparent Alcohol Labels, Producers Push Back

The TTB will begin preliminary rulemaking on mandatory ingredient labeling that will cover nutrient, alcohol content, allergen and ingredient labeling. The rules are set to be published in 2023 as consumers support transparent labeling[1]

Consumer Benefits

- **75%** think alcoholic beverages should have **standardized alcohol content labels**[2]
- **72%** say adequate labeling will **encourage responsible alcohol use**[2]

VS.

Producer Worries

- Producers don't want to label **additives** that are included in the production process and are **undetectable in the final product**
- **Small brewers/distillers may struggle to bear the cost**, and it could be cumbersome to small batch products

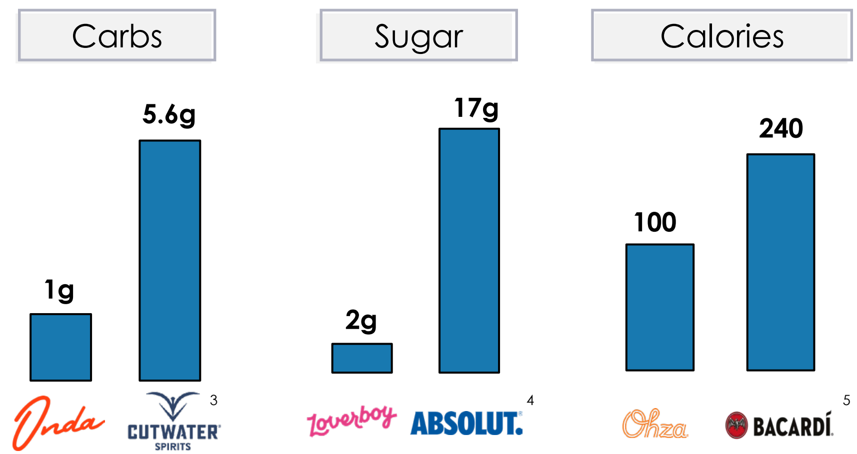
DISCUS Members Elect to Self-Regulate

By June 2024, all spirits distributed by DISCUS members will include information about serving size, calories, and grams of carbs, protein, and fat

Sample DISCUS Members:

BACARDÍ, Beam Suntory, Constellation Brands, DIAGEO, Moët Hennessy

BFY & Transparent Labeling Wins with Consumers in RTD



1. US Department of Treasury's Alcohol and Tobacco Tax and Trade Bureau (TTB)
2. National Consumers League
3. Compared to Cutwater Tequila Ranch Water
4. Compared to Absolut Grapefruit Paloma
5. Compared to Bacardi Rum Punch

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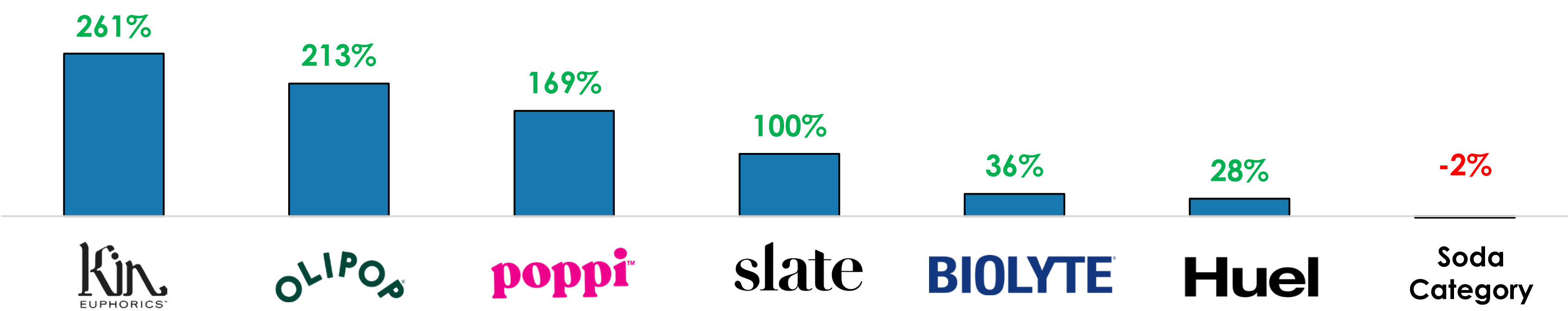
7. Consumers Increasing Consumption of Functional Beverages to Complement Busy Lives

Better-For-You Beverages Meeting Diverse Needs From Energy to Relaxation and More

Digestion	Fitness Nutrition	Functional Hydration	Relaxation	Balanced Energy
OLIPOP	slate	BIOLYTE	Kin EUPHORICS	BUZZ LITE
poppi	Huel	nuun	SENTIA	swoon

One-year Unit Growth of Select Better-For-You Beverage Brands Pass Double Digits[1]



1. SPINS, MULO, Natural, Convenience, 52 WE 1/29/23

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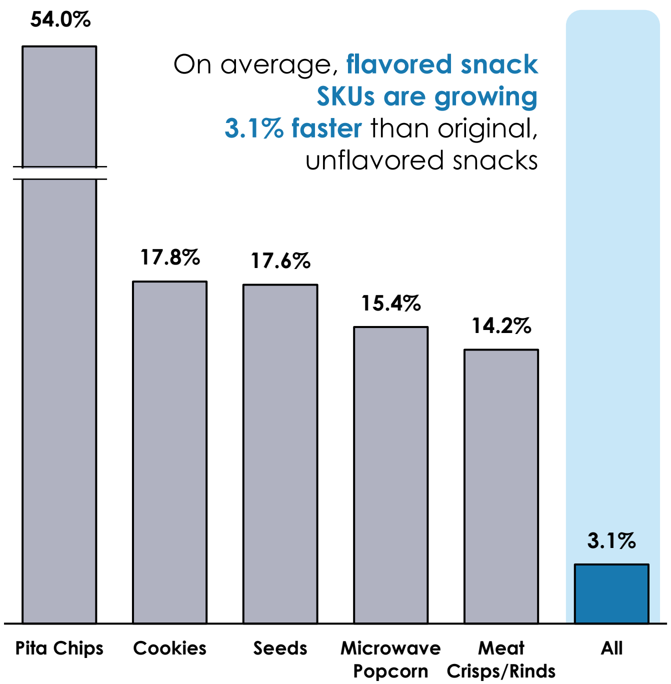
8. Consumers Seeking More Intense Flavor Innovation When Snacking

Flavor Drives Majority of Snacking Trial and Category Growth

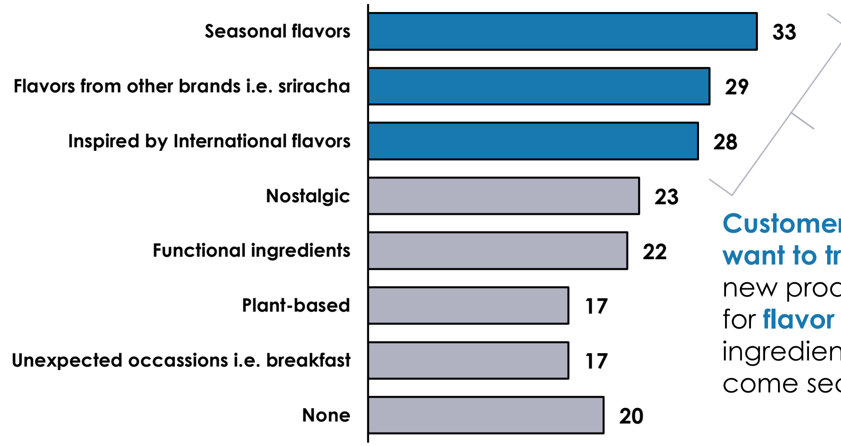
Flavored SKUs Growing Faster Than Original Counterparts Across Snacking Subcategories[1]

2 YoY unit sales growth of flavored SKUs minus growth of original SKUs



Flavor is the Primary Reason Customers Trial New Snacks – BFY Ingredients Are Secondondary[2]

Which of the following snack innovations would be interested in trying?



Customers want to trial new products for **flavor** – ingredients come second

Winning Flavors

Southern comfort
Chicken & waffle protein chips

Unexpected combo
pineapple & ancho chile pork rinds

International spice
Roasted green chile & pepita hummus

1. SPINS, Total Product Library, 52 WE 1/1/23, MULO + Natural Enhanced + C-store, Assumes SKUs containing text "original" are non-flavored and total other sales are flavored
2. Mintel, U.S. Salty Snacks 2023

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9. The Resurgence of the Better-for-You Multicategory Platform Brand

Flavor and Format Extensions Excite Consumers, Driving New Product Trial

63%

Of consumers prefer to stick with familiar brands[1]

48%

Of consumers are trying more new foods/drinks than a year ago[1]

2.29x

Is the average number of unique subcategories that brands play in[2]

$39B

Dollar growth related to UPCs that had $0 Dollar Sales 2YAGO[2]

Annie's
A "Legacy" Multicategory Brand

Mac 'n Cheese

Snack Bars

Ketchup

Cheese Puffs

Emerging Multicategory Brands

Pancake Mix

Cookies

Bars

Crackers

Pasta

Frozen Pizza

Rice

Mac N Cheese

Pancake Mix

Flours

Syrup

Granola Bars

1. Mintel, Online Discovery Process in Food & Drink - US – 2022
2. SPINS, Total Product Library, 52 WE 1/29/23, MULO, Grocery, Refrigerated, and Frozen Departments Only

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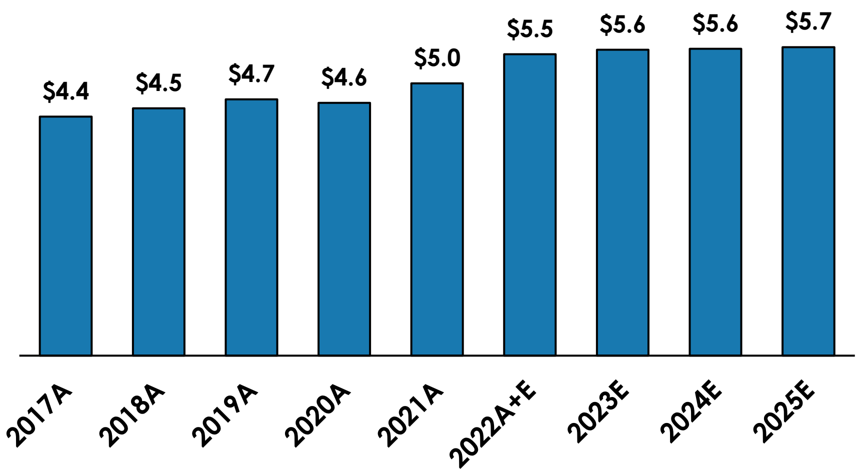
10. The Rise of Gender Inclusive Personal Care Brands

Similar Product Preferences Across Genders Fueling Gender Inclusive Personal Care Growth

The Men's Personal Care Market Large and Growing

Men's Personal Care Market Size (in Billions)[1]



The **number of men interested in beauty products rose 3%** between 2018 and Q1 2021 vs a 5% decline in interest amongst female consumers[3]

More than **56% of men** now have a skincare regime[4]

Brands to Watch

cocokind

carpe
SEIZE THE MOMENT

BUBBLE

WELEDA

1. Mintel, Men's Personal Care, 2022
2. Mintel, Personal Care Consumer, 2021
3. GWI, 2021
4. WARC, 2022

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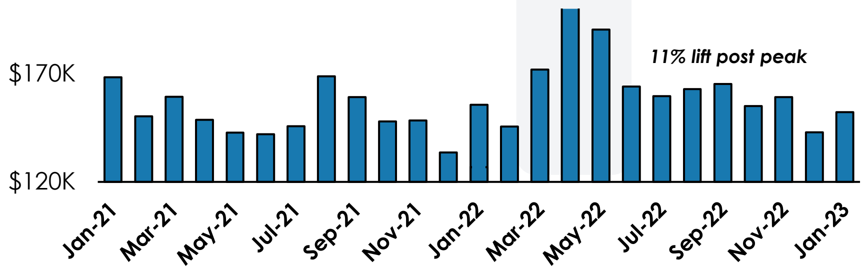
11. Education Through Tik Tok Driving VMS Brand Growth

Consumers Influenced Through Tik Tok Education Bolstering VMS Brands Sales

Sales VMS Ingredients After Viral Tik Toks[1]

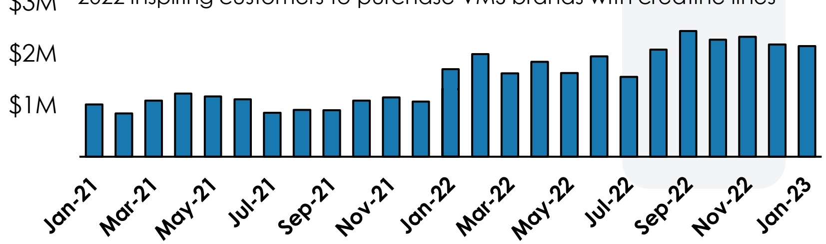
TikTok: L-Glutamine[1]

What's the trend?:
Benefits of L-Glutamine on TikTok reach peak virality in May 2022 inspiring customers to purchase VMS brands with glutamine lines



TikTok: Creatine[2]

What's the trend?:
Positive results from creatine intake go viral on TikTok in September 2022 inspiring customers to purchase VMS brands with creatine lines



VMS Brands To Watch[2]

mindbodygreen

- Lifestyle media, personal care, and VMS brand dedicated to wellness
- Offer supplements for gut health, cognitive function, and overall health

obvi.

- Collagen protein brand
- Offer collagen-boosting products in powder, gummy, bar, and snack formats

GEM.

- Daily vitamin gummies brand
- Gummies comprised of a blend of superfoods and minerals without synthetic blinders

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

whipstitch CAPITAL

Table of Contents

SPINS®

Business **Overview**

Powering the Wellness Ecosystem

SPINS®

Inspiring the pursuit of wellness.

SPINS is a wellness-focused CPG data company

SPINS equips brands with insights and tools they need to innovate, get their products to market, and tell their stories.

SPINS provides retailers mission-critical capabilities to serve the consumer through tailored experiences, the right products on the shelf, and differentiated assortments.

SPINS: Who We Are

Retail Coverage

SPINS offers the **most complete market view** across the full retail landscape

Available at SPINS

Exclusive to SPINS

- Natural Grocery
- Regional & Independent Grocery
- Pet
- eCommerce

- Conventional

Product Intelligence

SPINS provides the industry's leading Product Intelligence Platform to align **product attributes** with **consumer preferences**

Exclusive to SPINS

- Certification
- Ingredient
- Label Claim
- Nutrition Panel
- Positioning

- Package & Product

Applications & Insights

SPINS delivers on-demand insights through **intuitive applications** and **deep industry acumen**

Exclusive to SPINS

- Business Intelligence
- Data Harmonization
- Trade Promotion Tools
- Growth Consulting

SPINS FINANCIAL PARTNERS GROUP

Meet **Our Team**

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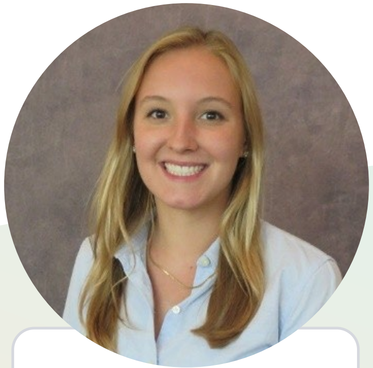
Managing Director
Financial Partners Group

Email: ereina@spins.com

Phone: 708-595-5692



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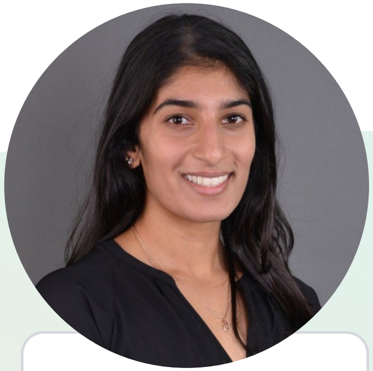

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Associate
Financial Partners Group

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Phone: 312-623-7574

SPINS® Financial Services Group

The Premier Intelligence Network for Financial and Strategic Partners

Data Applications

- ✓ Investment Insight Suite
- ✓ Business Dev Suite
- ✓ AMZN Market Measurement
- ✓ Mobile Application

Strategic Consulting

- ✓ Commercial Due Diligence
- ✓ OmniChannel Innovation
- ✓ 90 Day Growth Roadmap
- ✓ Thought Leadership

Portfolio Growth

- ✓ POS & Consumer Data
- ✓ Brand Growth Consulting
- ✓ Destini Locators, Coupons,
- ✓ AMZN Digital Shelf Mgmt

OUR EXPERTISE

- PRIVATE EQUITY / VENTURE CAPTIAL FIRMS
- INVESTMENT BANKS
- MANAGEMENT CONSULTANTS
- ADVISORY FIRMS
- INCUBATORS / ACCELERATORS

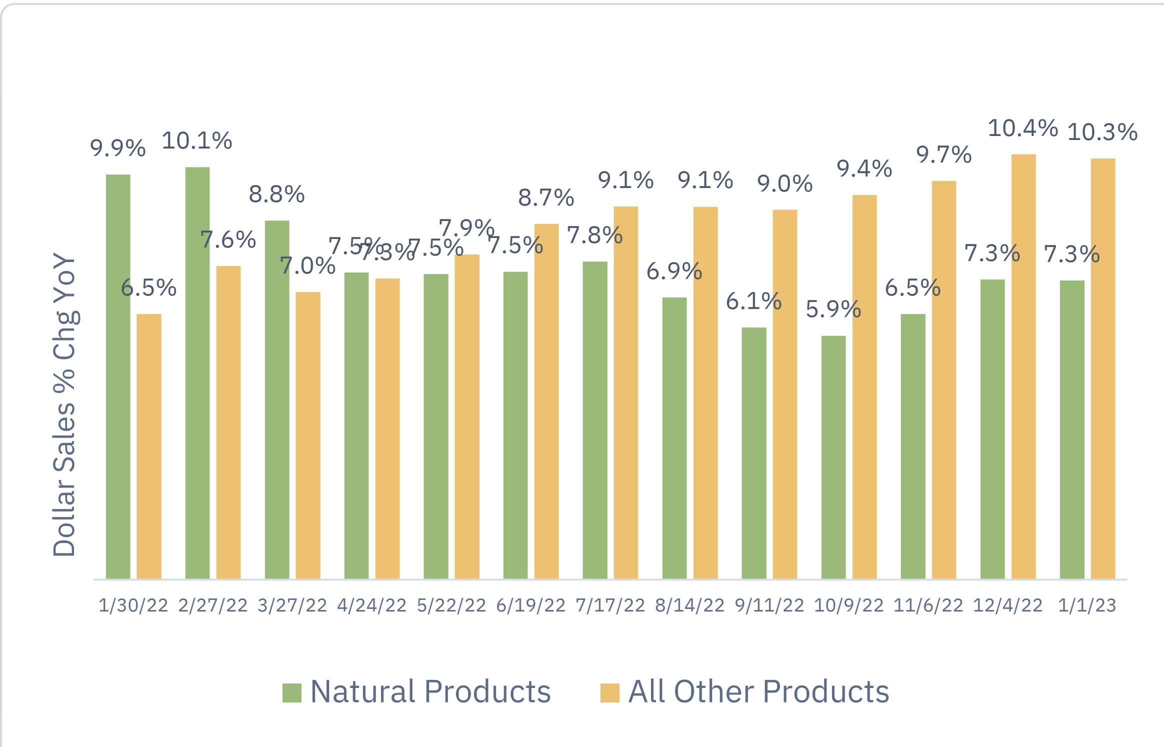
SPINS

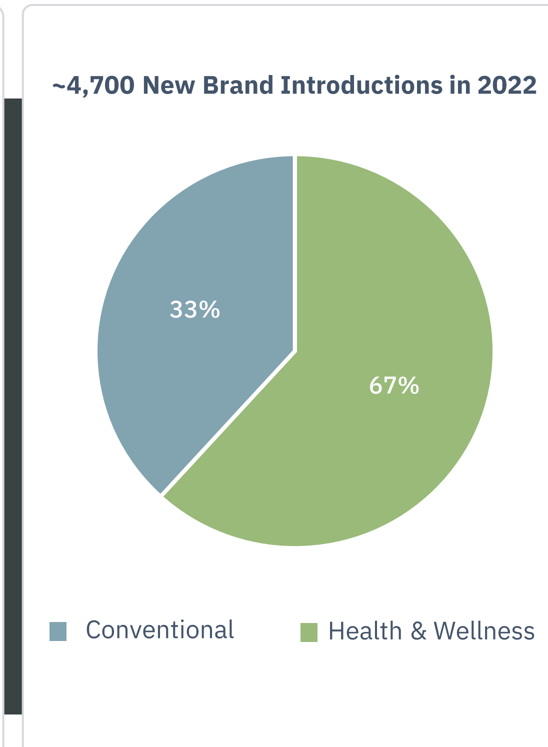
Market Overview

MARKET OVERVIEW

Health & Wellness continues to **lead innovation**

Across all retail outlets, shoppers continue to buy natural products at an increasing rate, and CPGs are responding with H&W focused innovation





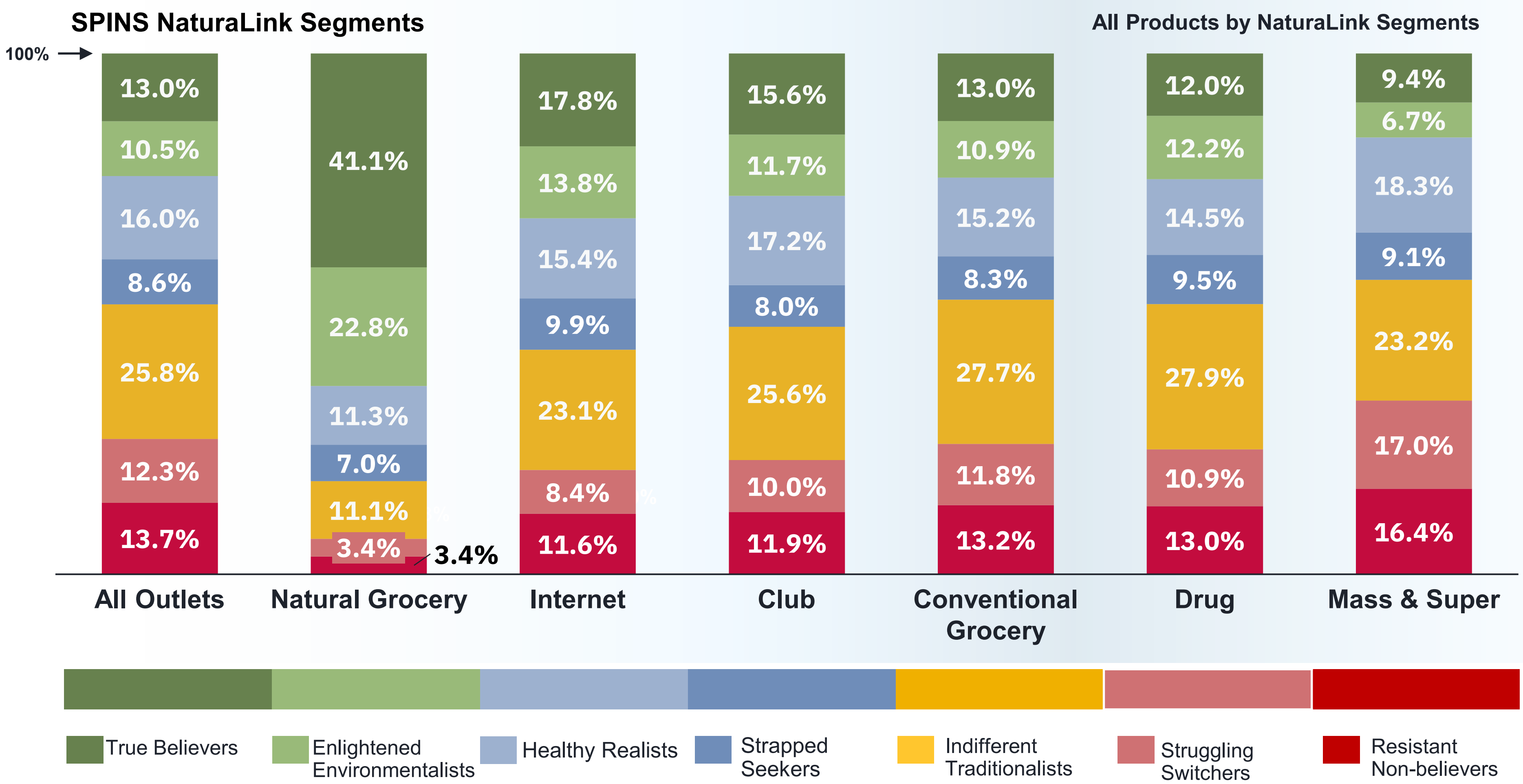
Source: IRI All Outlet Panel, Enhanced with SPINS Product Attribution, each time period represents 12 weeks
New Brand Intros: SPINS Total US Natural Channel + Conventional MultiOutlet+ Convenience, 52 Weeks ending 1/1/2023.

Source: SPINS Total US Natural Enhanced Channel+Multi Outlet, 52 Weeks ending 1/1/2023

MARKET OVERVIEW

Natural consumers shop **in all retail channels**

The core Natural consumer shops in Natural retailers and beyond, with strong presence in Club, Online, & Conventional Grocery Outlets Chg.

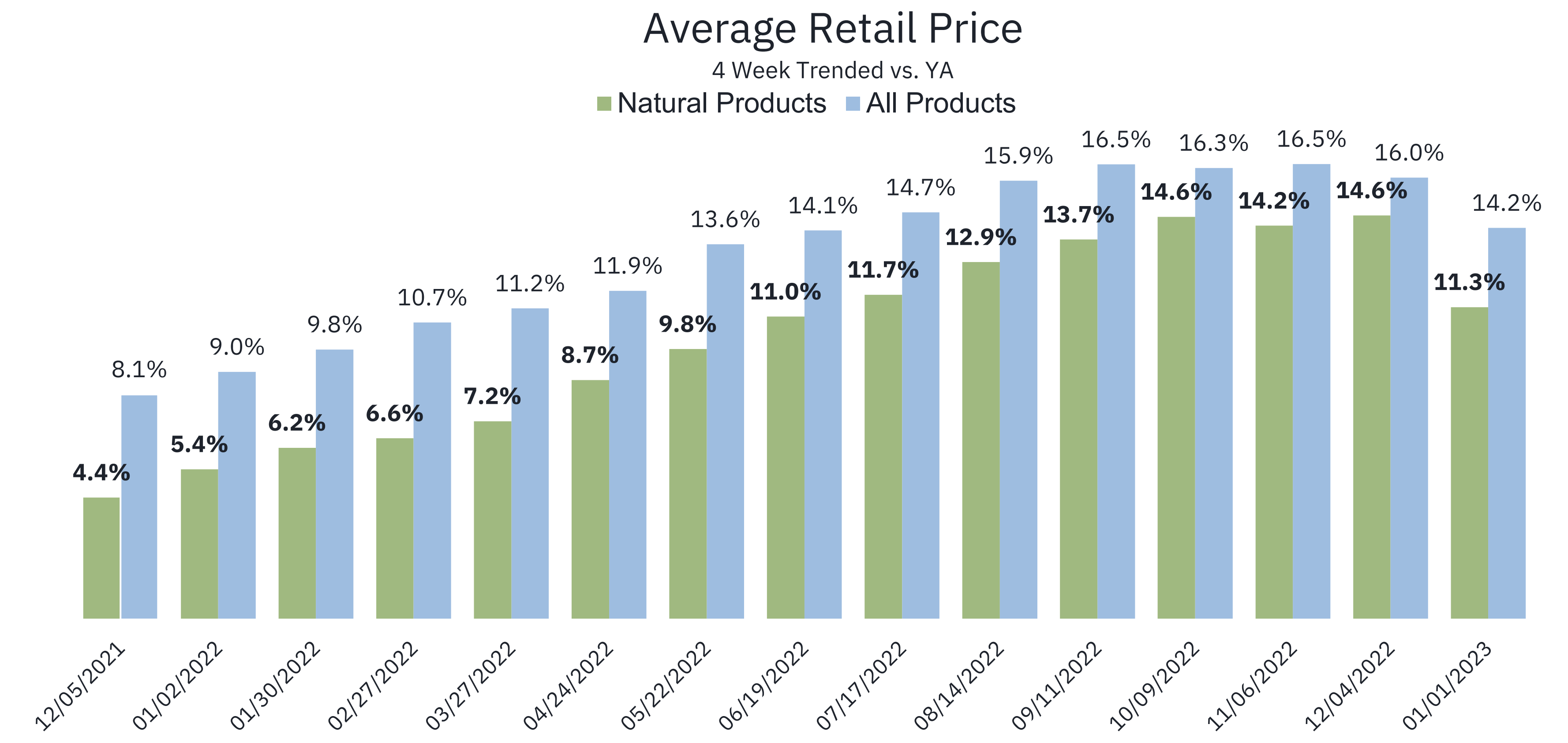


NCP Consumer Panel - Total US All Outlets
52 weeks ending 12/262021

MARKET OVERVIEW

Increases in Average Retail Price across Food & Beverage categories **have started to decelerate**

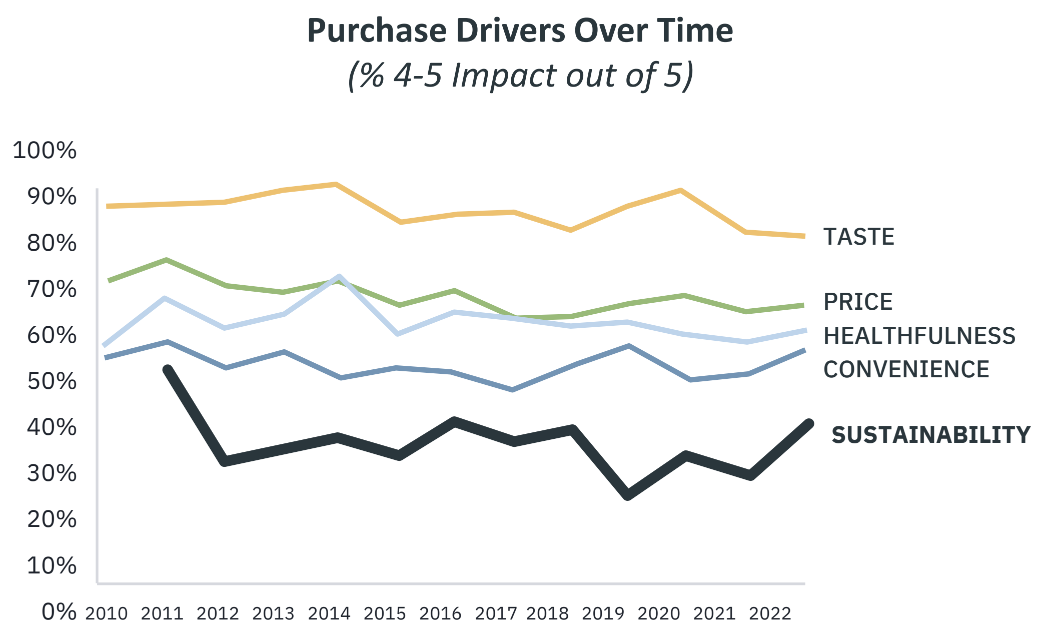
Natural products have seen smaller price increases relative to all products for Food & Beverage departments, strengthening their appeal from both a wellness and budget standpoint.

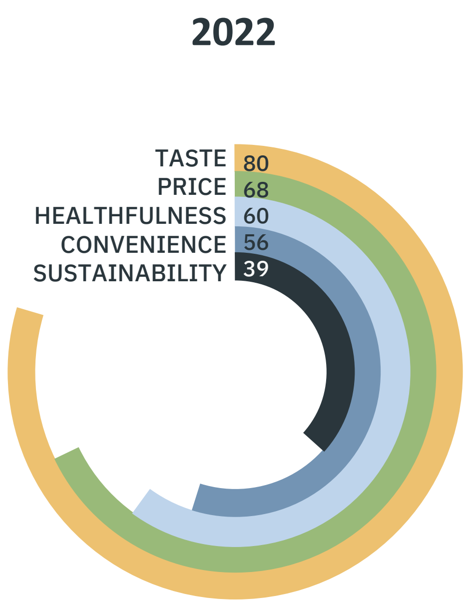


Source: SPINS Total US Natural Enhanced Channel + Conventional Multioutlet, 52 Weeks ending 1/1/2023

The importance of environmental sustainability has increased in 2022

Although it still ranks below other purchase drivers, 4 in 10 say environmental sustainability has an impact on their decision to buy certain foods and beverages.





Source: International Food Information Council, [TREND] Q6 How much of an impact do the following have on your decision to buy foods and beverages? SUMMARY: TOP 2 (Great Impact/Somewhat of an Impact); (n=1,005) *Prior to 2019, Environmental Sustainability was addressed as "Sustainability"

Shoppers trust 3rd **Party Certifications & Labels** for sustainability

3of4

of sustainable shoppers use labels or third-party certifications to confirm a company or product's sustainability credential

- +6% | $38B — Certified Non-GMO
- +6% | $17B — Certified Organic
- +5% | $12B — Certified B Corp
- +3% | 813M — Certified Plant Based Foods
- +2% | $426M — Certified Marine Stewardship Council
- +21% | $25M — Certified Upcycled

Source: SPINS Natural Channel, SPINS Conventional Channel (powered by IRI) data 52 Weeks Ending 10.30.22
Alcohol, Body Care, Frozen, Grocery, Medicine & Personal Health, Pet, Produce, Refrigerated & VMS Departments

State of The Natural

Trend Spotlight

SPINS®

State of the Natural

Center of Store Resurgence is Powered by Health & Wellness Disruptors

Tougher economic conditions have pushed consumers towards prioritizing the staples, but ***center of store's resurgence*** is largely driven by **Health & Wellness** disruption of historically stale shelf-stable categories.

Maintaining a Healthy Microbiome is a Key Pillar in Functional Consumption

Despite doubling down on center of store, consumers are still seeking added ***functional benefits*** that focus on immunity support, strong mental clarity, and digestive health.

Center of Store Resurgence is Powered by Health & Wellness

Commodity categories emphasize multiple diet friendly options as consumers **double down on nutrition**

PROTEIN PACKED PRODUCTS (15-20G) SEE CONTINUED GROWTH	
Category Examples	YoY Growth
Hot Cereal	+308%
Bread & Baked Goods	+40%
SS Meat & Poultry & Seafood	+12%
Soup	+11%

YoY $ % change L52W

LOW CARB / KETO FRIENDLY PRODUCTS DEMONSTRATE DOUBLE DIGIT GROWTH	
Category Examples	YoY Growth
Bread & Baked Goods	+41%
Jerky & Meat Snacks	+37%
Pizza & Pasta Sauces	+20%
Condiments & Dressings & Marinades	+8%

YoY $ % change L52W

- ✓ **26g protein**
- ✓ **Labeled Vegan**

- ✓ **20G protein**
- ✓ **Gluten/Dairy Free, Non-GMO**

- ✓ **Whole 30 & Keto friendly**
- ✓ **No added sugar**

- ✓ **1g net carb**
- ✓ **Certified Keto**

Source: Total US SPINS Natural Enhanced Channel & Conventional Multioutlet & Convenience Channel (Powered by IRI), 52WE 1.1.23 vs Year Ago

Paleo products grow across multiple shelf-stable categories for consumers looking to reduce cardiovascular risk factors

CERTIFICATIONS	% and $ Growth YoY
Certified Paleo Foundation – Paleo	**+16%** | +$86.4M
Diet Paleo	**+5.1%** | +2.6B
Certified Whole Grains Council	**+3.6%** | +291M

LABEL BASED CLAIMS	% and $ Growth YoY
Paleo Positioned	**+17.2%** | +1.7B
Grain Free	**+16.9%** | +129.6M
Gluten Free	**+9.6%** | +5.3B
Allergy Friendly	**+9.2%** | +36.5M

Top Paleo Categories in Center of Store

CATEGORY	YoY Growth
Soup	19% ▲
Crackers & Crispbreads	18% ▲
Jerky & Meat Snacks	16% ▲
Bread & Baked Goods	59% ▲
Condiments & Dressings & Marinades	10% ▲

Combining multiple dietary preferences such as **Paleo Positioned** and **Gluten Free**, the **Soup** category is seeing double digit growth through unique uses of functional broth products

Certified Paleo and Keto, Whole 30 diet, zero sugar, with 7g of protein and no antibiotics for this **SS Jerky & Meat Snack** demonstrates how multiple attributes appeals to a larger segment of shoppers

Source: Total US SPINS Natural Enhanced Channel & Conventional Multioutlet & Convenience Channel (Powered by IRI), 52WE 1.1.23 vs Year Ago

Consumers are prioritizing **sustainable products** that are human & planet friendly for staple categories

Certified Upcycled

+13% | +$3.4M

- **3400%** Fruit Spreads & Jams & Jellies
- **114%** Baking Mixes & Flours & Ingredients
- **23%** SS Fruits & Veggies

Labeled Non-GMO

+8% | +4.4B

- **77%** Jerky & Meat Snacks
- **20%** SS Pasta
- **17%** Beans Grains & Rice Dry

Certified B-Corp

+7% | +792M

- **27%** Frozen Fruits & Veggies
- **15%** Baking Mixes & Flours & Ingredients
- **13%** Cold Cereal

YoY $ % change L52W

Source: Total US SPINS Natural Enhanced Channel & Conventional Multioutlet & Convenience Channel (Powered by IRI), 52WE 1.1.23 vs Year Ago

Maintaining a healthy Microbiome remains top of mind

Beverages leveraging **immunity** and **mental clarity** boosting ingredients are meeting consumer demand

Functional Ingredient Drivers and Decliners

Beverage Categories | +10%

Attribute Drivers	YoY Growth
Mushrooms - Cordycep	%130 ▲
Vitamin D	81% ▲
Elderberry	46% ▲
Matcha	19% ▲
Taurine	8% ▲

Attribute Decliners	YoY Growth
Charcoal	96% ▼
Flax Seed Oil	46% ▼
Protein – Animal Whey	37% ▼
Chia Seed or Oil	27% ▼
Creatine	20% ▼

✓Mushrooms - Cordycep

✓Elderberry

✓Matcha

✓Vitamin D

SPINS

Immunity boosting Super Mushrooms are expanding beyond VMS into snacks, beverages, and center of store categories

VMS

Dollar Sales	YOY Growth
$120M	**-3.1%**

Food & Beverage

Dollar Sales	YOY Growth
$610M	**+23.0%**

Top Super Mushroom Categories

Category	Sales	% growth YoY
ENERGY & SPORTS DRINKS	$3.7M	+373%
SHELF STABLE TEA & COFFEE RTD	2.6M	+355%
SHELF STABLE ENTREES & MIXES	23.8M	+73%
SS COOKIES & SNACK BARS	58.8M	+60%
SS JERKY & MEAT SNACKS	2.1M	+59%
REFRIGERATED ENTREES	29.3M	+56%
WELLNESS BARS & GELS	4.4M	+47%
CREAMS & CREAMERS	5.7M	+46%
KOMBUCHA & OTHER FUNCTIONAL BEVS	25.6M	+44%
SS COFFEE & HOT COCOA	10.0M	+35%
SS SOUP	$141.2M	+21%

MADE GOOD

GT'S KOMBUCHA

KETTLE & FIRE

AMY'S KITCHEN

REBBL

To support strong **gut & brain connectivity**, shoppers are consuming digestive health products across multiple formats

Green Food Supplements

$90M | +6%

Digestive Aid Vitamins

$202M | +5%

Sauerkraut

$79M | +1%

Kefir

$141M | +17%

Kombucha

$723M | +3%

Cleanse & Detox

$103M | +1%

Prebiotics

$1.9B | +2%

Kimchi

$41M | +18%

Probiotic Yogurt

$5.4B | +9%

Prebiotic Soda

$73M | +226%

L52W $ Size | % Growth

Source: Total US SPINS Natural Enhanced Channel & Conventional Multioutlet & Convenience Channel (Powered by IRI), 52WE 1.1.23 vs Year Ago

Consumers being back on-the-go led to an increasing need for **stress reducing** products, with consumption proliferating into easy grab n' go formats

+32% | +$13M MACA ROOT

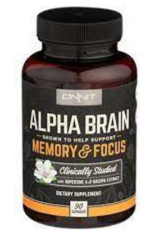
Adaptogenic, Stress reducing, mood boosting

Category Examples	YoY Growth
Condition Specific Supplements	+77%
RF Juices	+27%

+26% | +$2M BACOPA

Cognitive function, stress relief, vitality

Category Examples	YoY Growth
Condition Specific Supplements	+26%
SS Tea	*New*



+18% | +24M ASHWAGANDHA

Adaptogenic, natural ayurvedic remedy

Category Examples	YoY Growth
SS Tea & Coffee RTD	+89%
Kombucha & Functional Bevs	+31%

+7% | +$15M MAGNESIUM

Sleep support, brain function, anxiety reduction

Category Examples	YoY Growth
Water	+233%
Performance Nutrition	+10%

Source: Total US SPINS Natural Enhanced Channel & Conventional Multioutlet & Convenience Channel (Powered by IRI), 52WE 1.1.23 vs Year Ago

SPINS®

Thank you!

Please Contact Whipstitch Capital for More Information

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