



**SILVERWOOD PARTNERS**  
*Investment Bankers*

32 Pleasant Street  
Sherborn, MA 01770  
[www.silverwoodpartners.com](http://www.silverwoodpartners.com)

# CONSUMER

## *The Plant-Based REVOLUTION*

March 2018

  
**Natural  
Products**  
**EXPO WEST®**



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# SILVERWOOD PARTNERS

***A specialized boutique investment bank focused on transaction advisory across three core industries***

- Sell Side M&A
- Buy Side M&A
- Strategic Alternatives Analysis
- Financial Advisor to Corporate Venture Investors
- Strategic Investments
- Growth Equity Private Placements (Series A, B, C)
- Financial Advisor to Family Offices
- Financial Advisor to Ultra-High Net Worth Individuals



## TECHNOLOGY

- Mobile & Wireless
- Internet of Things (IoT)
- Big Data & Analytics
- Augmented & Virtual Reality
- Artificial Intelligence
- Media & Consumer Technology



## CONSUMER

- Food and Beverage Products
  - LOHAS
  - Natural
  - Organic
  - Functional
- Active Lifestyle Products
  - Performance Apparel
  - Sports Equipment



## HEALTHCARE

- HC Information Technology
- HC Information Services
- Technology Enabled Services
- Outsourced Medical Device Technology
- OTC/Consumer/Pharma

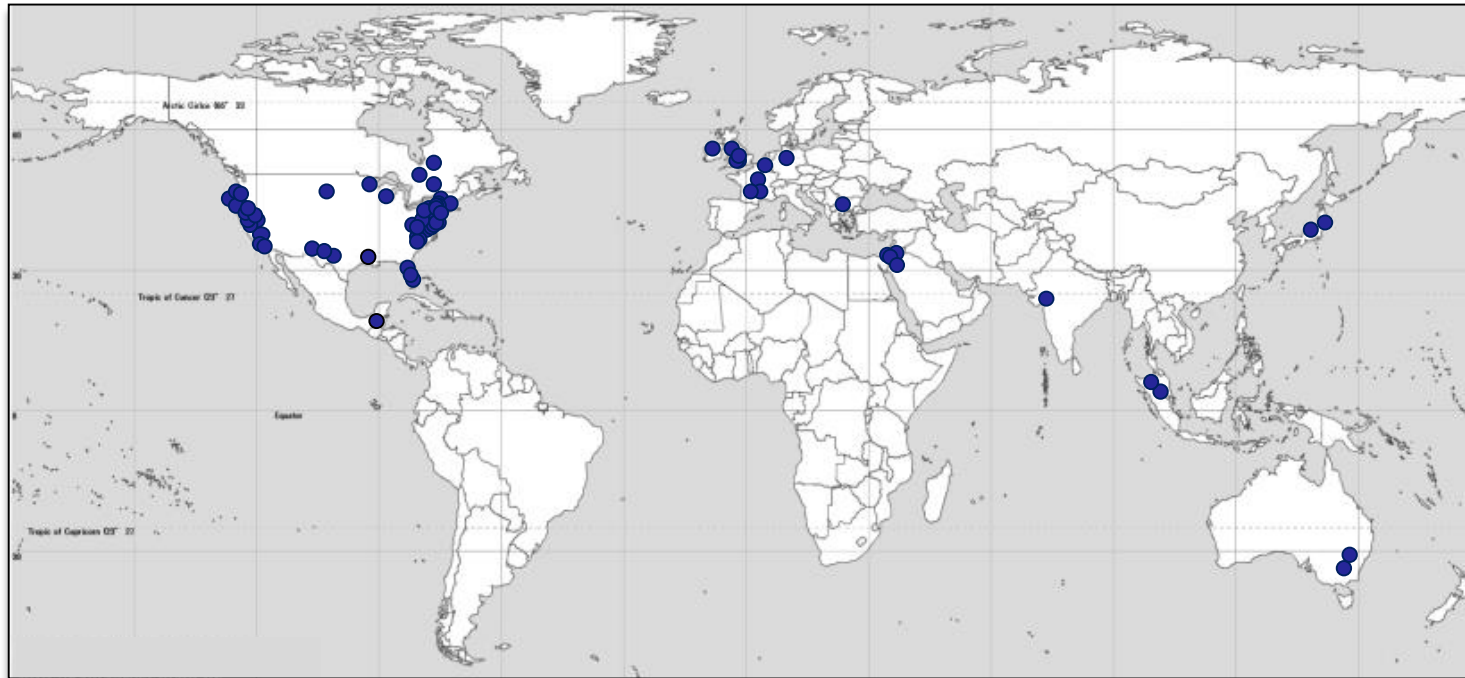


# SPECIALIZED INVESTMENT BANK – GLOBAL FOCUS

## Silverwood combines Tier I transaction advisory capabilities with a global focus:

- Clients and active contacts in the Americas, Europe and Asia Pacific
- Deep expertise in cross border transactions – understand the complexities and intricacies involved in executing complex, cross border deals

Representative Silverwood Engagements and Clients



# THE SILVERWOOD INVESTMENT BANKING TEAM

## Jonathan Hodson-Walker

*Founder, Managing Partner*



- 25+ years of investment banking experience in the US and Europe
- MD and Group Head at Gleacher & Co. (First Albany)
- Co-founded, co-managed IBD at H.C. Wainwright
- Corporate Finance VP at CS First Boston in New York and London (UK country desk)
- Fulbright Scholar with MBA from the Kelley School of Business at Indiana University

## Lars E. Hem

*Managing Director*



- Head of Silverwood's consumer practice
- Previous investment banking experience at J.P. Morgan, Valuefinder Group and Stonebridge Associates
- Founder and former Co-CEO of CATZ Sports Performance
- MBA in Finance and Strategy from The Kellogg School at Northwestern University

## Ned Montenecourt

*Managing Director Advisor*



- Founder and Managing Director of LaunchSail, a consulting group focused on strategic introductions and intellectual capital
- Previous roles as Director and Chief Compliance Officer of Risk-Distribution & Execution at BlackRock and Pierpont Securities
- BS and BA, Finance and Architecture from Lehigh University

## Bryan J. Prohm

*Managing Director*



- 12+ years of international technology industry experience in business intelligence, consulting, market research and strategy roles at Ericsson, Gartner and Motorola
- 8+ years of TMT equity research experience at Cowen & Company
- B.A. in International Studies from UNC Chapel-Hill and M.A., Russian & East European Studies from University of Michigan

## Gwendalyn S. Moore

*Senior Analyst*



- Consumer, Technology, and Healthcare coverage
- Previous experience in strategic business operations at VMTurbo and technology investment banking at AGC Partners
- BA, summa cum laude, and MS in Economics from Tufts University

## Chuck Slotkin

*Managing Director Advisor*



- He is also the Founder and Managing Director of Nature's Equity
- Focused on the sustainable consumer products sector since the early growth of the industry
- Former banker with Herzfeld & Stern, and Gruntal & Co.
- B.A. from Colorado College in Political Science, History and Economics, and an MBA from New York University's Leonard N. Stern School of Business



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# INDUSTRY ADVISOR TEAM - CONSUMER



**Steven Bock**  
*Industry Advisor*  
Former President and CEO of  
Rotobrush and Unger  
Software Corporation



**Rimas Buinevicius**  
*Industry Advisor*  
Co-Founder of Madcelerator



**Oswaldo da Costa e Silva**  
*Industry Advisor*  
Founder of InnoCrest  
Consultancy



**Fred Coutts**  
*Industry Advisor*  
President and Founder of  
Waypoint Marketing Group  
Organic, Natural Living Markets



**Greg Doherty**  
*Industry Advisor*  
EVP and Managing Director  
Dietary Supplements  
Bolton & Company



**Leslie Freytag**  
*Industry Advisor*  
Senior Executive, Harry &  
David, Neiman Marcus



**Robert Genco**  
*Industry Advisor*  
Founder Della Terra LLC  
Supplements



**David Gilby**  
*Industry Advisor*  
Senior VP of Sales and  
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at SweetLabs, Inc.



**Brad Haggen**  
*Industry Advisor*  
Board Member and Private  
Investor



**Mark Haas**  
*Industry Advisor*  
Sr. Partner at Helmsman  
Group, worked with Annie's,  
Kashi, Hain Celestial



**Saul Katz**  
*Industry Advisor*  
Founder & CEO of New Era  
Nutrition



**Josh Kohnstamm**  
*Industry Advisor*  
Founder & CEO of Kohnstamm  
Communications



**Jim Lamie**  
*Industry Advisor*  
VP Global Marketing, SMS  
Audio, Gillette Co.



**Nils-Michael Langenborg**  
*Industry Advisor*  
CEO, Whole Health Marketing



**Allexe Law**  
*Industry Advisor*  
Founder of Art Scinence  
Group, Consultant and  
Mentor



# INDUSTRY ADVISOR TEAM – CONSUMER (CONTINUED)



**Carol Nicholson**  
*Industry Advisor*  
Owner and CEO of  
International Marketing  
Company



**Michele Sawyer**  
*Industry Advisor*  
CEO and Founder Sawyer  
Design, Consumer and  
Healthy Living Industry



**Philip Teverow**  
*Industry Advisor*  
Founder Solid Brands Natural  
Products Consulting



**Bill Patrizio**  
*Industry Advisor*  
President Consumer Media,  
RealNetworks, Leadership Roles  
at Red Bee Media, Technicolor



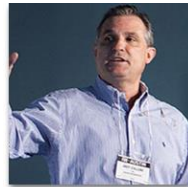
**Michael Schultz**  
*Industry Advisor*  
Managing Partner MGSS  
Holdings, Founder, CEO  
Sedulous Foods



**Michael Theodor**  
*Industry Advisor*  
President of MTC Organic and  
Natural Products Consulting



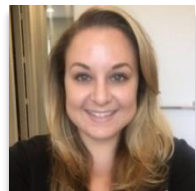
**Marc Philouze**  
*Industry Advisor*  
Advisor, AdvBio  
Former CEO,  
DianaPlantSciences



**Andy Stallone**  
*Industry Advisor*  
CEO of SAS Sales and  
Marketing, Executive  
Consultant



**Eugene Wang**  
*Industry Advisor*  
Managing Partner at Sophie's  
Kitchen



**Jessica Pratt**  
*Industry Advisor*  
VP, Natural Sales, Food  
Service at Suja



**Julia Stamberger**  
*Industry Advisor*  
Founder, Next BIG Thing Group  
CEO, GP Concept Labs  
CEO & CSO, GoPicnic Brands



# SILVERWOOD – PRINCIPAL DIFFERENTIATORS

EXPERTISE

EXCELLENCE

EXECUTION

## Industry Expertise

- Leading technology-focused boutique investment bank
- Understand industry dynamics– no learning curve; immediately effective

## Industry Relationships

- Active dialogue with industry professionals
- Constantly refresh contacts
- Call from Silverwood implies competitive strategic deal

## Industry Commitment

- Active in focus sectors for almost two decades
- Senior level commitment to each deal
- Presence at all major industry tradeshows

## Results Oriented

- Focused on M&A and private placements – committed to achieving best available result
- Process expertise; negotiation expertise

## Worldwide Reach

- Experience in multinational deals
- Active contact with international companies and investors



# RELATIONSHIPS, REPUTATION, RESULTS

## Silverwood Partners – Premier Reputation within the Food and Beverage Industry

- Maintains an active dialogue with large food and beverage buyers and private equity firms with an interest in the technology industry
- Proprietary industry knowledge base – constantly updated by active presence at industry tradeshows and a growing network of industry advisors
- Industry analyses are widely disseminated to over 10,000 contacts throughout the institutional community

*Attendance at All Major Tradeshows*



- Organizes and hosts networking events at major industry tradeshows – attendees typically include key consumer company executives and investors focused on the consumer sector
- Presents unique opportunity for industry professionals to interact and network in a collegial setting
- To sign up for Silverwood's weekly newsletter, follow the link below:

### [Consumer Weekly Newsletter](#)

Weekly email that details industry relevant financing information:

- M&A transactions
- Private placement transactions
- New investment funds
- And more...





# INDUSTRY ADVISOR PROGRAM – INTERESTED?

## Formal Consulting Affiliation with Silverwood Partners

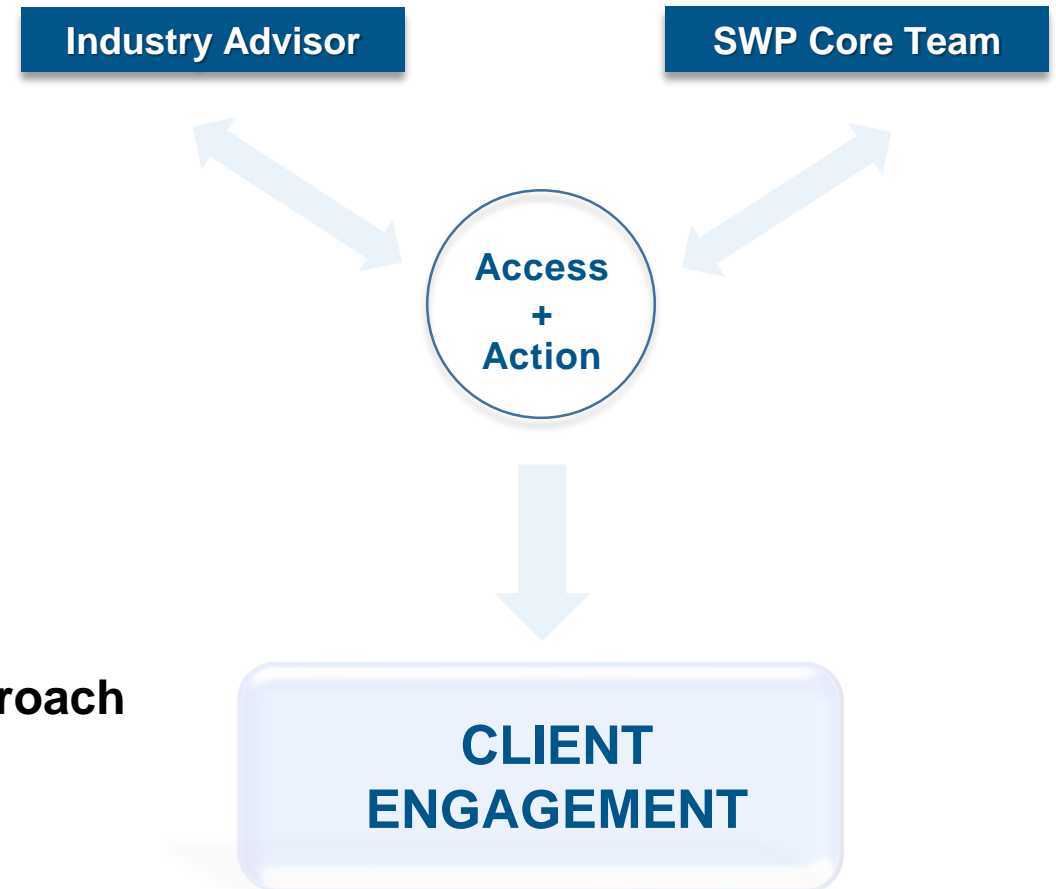
- Personal Business Development Opportunity
- Revenue Opportunity
- Board Member Opportunities
- Investment Opportunities
- Networking Opportunities
- No Costs, Conditions, or Commitments

[Click Link to Learn More About Program](#)

## Contact Silverwood Partners to Discuss Interest and Approach

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# TEAM HAS BROAD CONSUMER EXPERIENCE



# REPRESENTATIVE TRANSACTIONS – CONSUMER AND HEALTHCARE

 Has been acquired by  An industry focused division of  The undersigned acted as exclusive financial advisor to Progressive Gourmet, Inc. and initiated the transaction. 	 Not Fast Foods Has received financing from  The undersigned acted as exclusive financial advisor to Progressive Gourmet, Inc. and initiated the transaction. 	 Has been acquired by  The undersigned acted as exclusive financial advisor to Progressive Gourmet, Inc. and initiated the transaction. 	 Has been acquired by  The undersigned acted as exclusive financial advisor to Progressive Gourmet, Inc. and initiated the transaction. 	 Has been acquired by  The undersigned acted as exclusive financial advisor to Amazon Preservation Partners, Inc. and Zola Foods of the United States and initiated the transaction. 	 An investment holding of  Has been acquired by  Precision Foods Group The undersigned acted as exclusive financial advisor to The Sunkist Corporation and initiated the transaction. 	 Acquired by American Hotel Co., Inc.  The undersigned initiated this transaction and acted as exclusive financial advisor to Mediterranean Snack Food Company, LLC. 	 Has been acquired by  The undersigned initiated this transaction and acted as exclusive financial advisor to Blake's All Natural Foods. 	 A leading manufacturer and marketer of raw snacking products has received funding from an investment group led by  The undersigned acted as exclusive financial advisor to Brad's Raw Foods LLC. 	 A marketer and supplier of nutritional supplements has received mezzanine funding from  Mezzanine Debt Security with Warrants The undersigned acted as exclusive financial advisor to Scivation, Inc. 
 The #1 Frozen Greek Yogurt Brand in the United States has received \$2.5M in funding from an investment group led by  Convertible Note The undersigned acted as exclusive financial advisor to Yasso, Inc. 	 Has raised \$19.2 million of growth capital led by  and with participation from  The undersigned acted as exclusive financial advisor to Castanea, Inc. in connection with this transaction. 	 delicious vitality™ Marketer of certified organic, sparkling probiotic beverages has received an investment from  Private Placement of Series D Preferred Shares The undersigned acted as financial advisor to Kevita, Inc. in connection with this transaction. 	 A marketer of sodas and soft drinks made with fresh juice has received funding from an investment group led by  Private Placement of Series A Preferred Shares And other selected investors The undersigned initiated this transaction and acted as exclusive financial advisor to Spindrift Soda Company. 	 Has been acquired by  The undersigned acted as exclusive financial advisor to The Switch. 	 Has raised a \$3.2M Convertible Note from a syndicate, including participation from  And other selected investors The undersigned acted as exclusive financial advisor to Essentia Water, Inc. in connection with this transaction. 	 Has acquired  The undersigned acted as exclusive financial advisor to Healthy Brands Collective, Inc. 	 Has been acquired by  The undersigned acted as financial advisor to Living Harvest Foods, Inc. in connection with this transaction. 	 delicious vitality™ Marketer of certified organic, sparkling probiotic beverages has received an investment from  Private Placement of Series B Preferred Shares The undersigned acted as financial advisor to Kevita, Inc. in connection with this transaction. 	 A functional beverage company has received an investment from  Private Placement of Series A Preferred Shares The undersigned acted as exclusive financial advisor to TSG Consumer Partners. 
 A functional, non-flavored beverage company has received an investment from  Private Placement of Series A Preferred Shares The undersigned initiated this transaction and acted as exclusive financial advisor to Balance Water, Inc. 	 Has been acquired by  The undersigned acted as financial advisor to 4D Drinks, Inc. and Function Drinks. 	 BRAZILIAN SUPERFRUITS Marketer of all natural and organic superfruit beverages, supplements and food service purveyors Private Placement of Series B Preferred Shares The undersigned acted as financial advisor to Amazon Preservation Partners, Inc. in connection with this transaction. 	 Has been acquired by  The undersigned acted as financial advisor to Cherrybrook Kitchens, LLC. 	 Has been acquired by  The undersigned acted as financial advisor to Maine Cottages, Inc. 	 Sunkist Cocomo Marketer of all natural, flavored beverages and operators Private Placement of Series B Preferred Shares The undersigned acted as financial advisor to Maverick Brands LLC in connection with this transaction. 	 Has been acquired by  The undersigned acted as financial advisor to Hiba Corporation in connection with this transaction. 	 Marketer of all natural beverages infused with botanical flower extracts Private Placement of Series A and Series B Preferred Shares The undersigned acted as financial advisor to Hiba Corporation in connection with this transaction. 	 including  Has been acquired by  The undersigned acted as exclusive financial advisor to Otter Creek Brewing. 	 Has been acquired by  The undersigned acted as financial advisor to On a Roll Sales, Inc. 
 Has been acquired by  The undersigned provided financial advice in connection with the sale of the business. 	 Has been acquired by  \$23,400,000 The undersigned acted as exclusive financial advisor to Titterton's Old English Soda Shop, Ltd. 	 Has divested its Women's Health Products Division to  A portfolio company of  The undersigned provided financial advice and acted as exclusive financial advisor to PolyMedica Corporation. 	 The YoCrunch Company, a division of the Breyers Yogurt Company, is a leading producer of yogurt in the U.S. and a portfolio company of Catterton Partners Valuation Analysis The undersigned provided valuation services to The YoCrunch Company. 	 A high end specialty food and related products manufacturer and distributor. Valuation Analysis The undersigned provided valuation services to Stonewall Kitchen, LLC. 	 Private placement financing with affiliates of Stamford Capital The undersigned acted as financial advisor to London Taste North America, Inc. for this transaction. 	 Has been acquired by  a portfolio company of  The undersigned acted as exclusive financial advisor to AnsaMed Ltd. 	 Has been acquired by  subsidiary, including  CREGANNA The undersigned initiated this transaction and acted as exclusive financial advisor to Essel Propack Limited. 	 \$6,400,000 Private Placement of Series B Preferred Shares The undersigned acted as financial advisor to Cornova, Inc. in connection with this transaction. 	 Has sold its Catheter and Disposables Technology, Inc. subsidiary to TACPRO, Inc. The undersigned acted as exclusive financial advisor to CardioTech International, Inc. 



# PLANT BASED REVOLUTION – KEY THEMES

**Global Rise of Plant-Based Diets**

Emergence of **Sustainable Urban Farming**

Plant-Based Options Driving Snack Category Growth

**Rapid Growth of Dairy Alternatives Market**

**Edible Dairy Alternatives Becoming Multi-Billion Category**

**Transformation of Protein Within Big Food**

Emergence of **Pea Protein** as Leading Alternative Protein Source

**Plant-Based Meats Find Mainstream Consumer Acceptance**

**Sustainability** Driving Development of Cellular Agriculture

**Spotlight: Plant-Based Athletes**

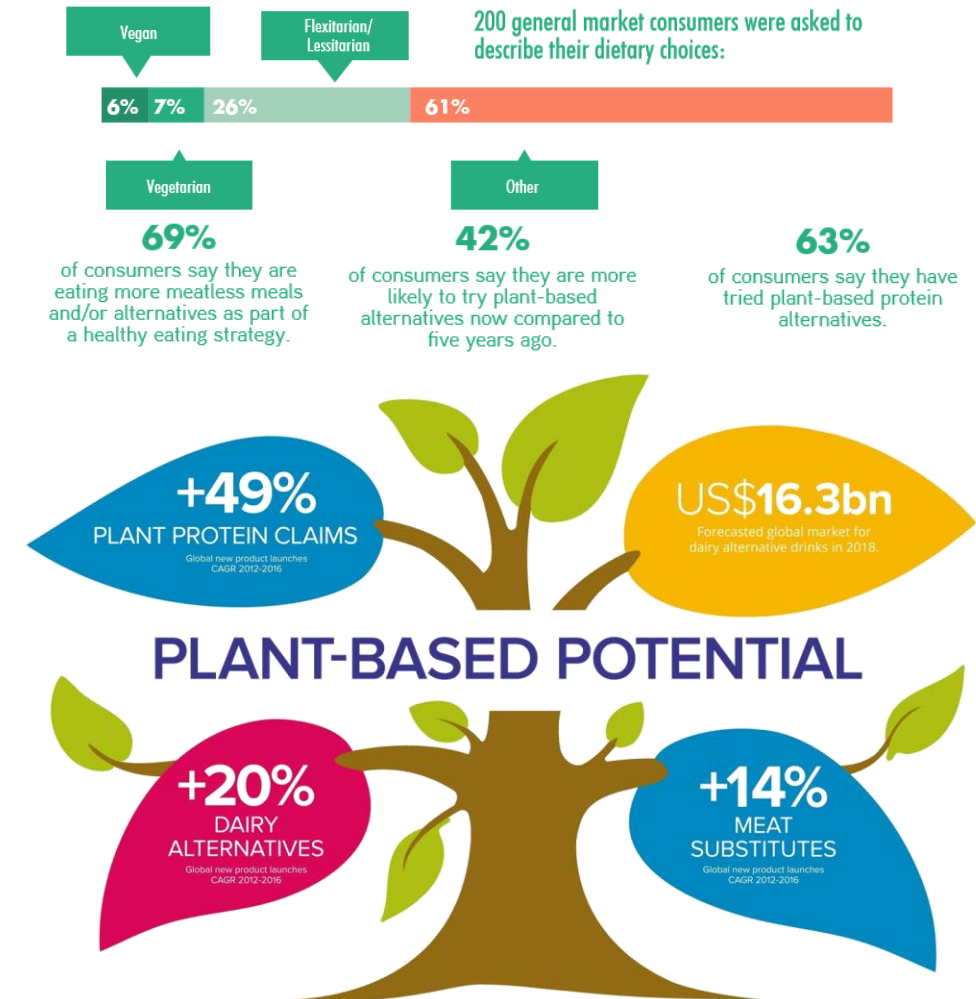




# PLANT-BASED CONSUMPTION ON THE RISE GLOBALLY

## Health, Environmental, and Animal Welfare Concerns Key Drivers in Global Shift Towards Increasingly Plant-Based Diets

- Consumers are increasingly looking to fill their grocery carts with plant-based foods. From 2012 to 2016, plant-based product claims in the U.S. as a whole have grown at a compound annual growth rate (CAGR) of 35.8 percent, with 220 related product launches in 2016 and 320 in 2015, HealthFocus reported.
- According to Nestle's Patrice Bula, plant-based diets appeal to three core groups: vegan, vegetarian, and flexitarian, all of which are on the rise. There's been a 600% increase in people identifying as vegans in the U.S in the last three years. According to a report by research firm GlobalData, only 1% of U.S. consumers claimed to be vegan in 2014, compared with 6% by the end of 2017.
- In 2018, international meal delivery service Just Eat named veganism as a top consumer trend in 2018 as people become more aware of healthy and ethical lifestyle choices. Just Eat, which has delivery hubs in 15 countries, reported that 33 percent of its partner restaurants now offer vegan options, with many launching dedicated vegan menus, to keep up with increasing demand.
- **HEALTH ORGS:** Mainstream health organizations are recommending a plant-based diet. Including, among others: Kaiser Permanente, the largest healthcare organization in the U.S.; the Dietary Guidelines Advisory Committee; and the American Institute for Cancer Research.
- **COMPANIES:** Google is encouraging employees to eat more plants, and its chefs are pushing more plant-based products in the kitchen. As part of a broader sustainability initiative, Google recognizes that meat consumption is an important part of its carbon footprint and that animal agriculture is a big part of our environmental crisis. Even Walmart, the world's largest retailer, is asking its suppliers to offer more plant-based products.



Source: Innova Market Insights, 2017

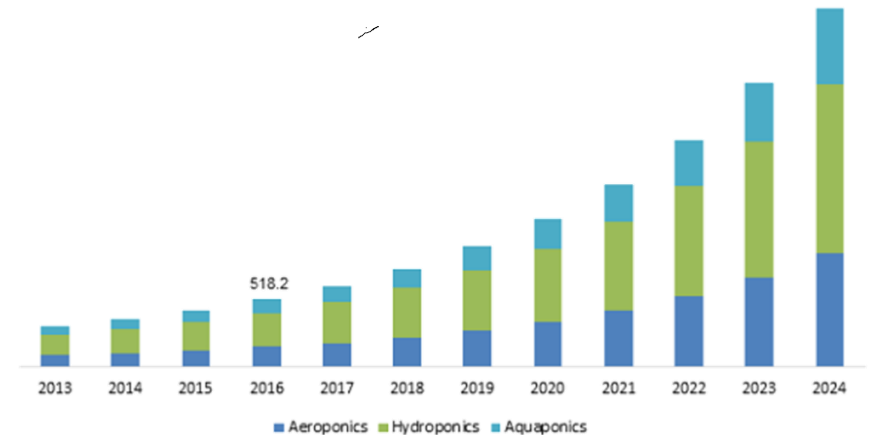


# EMERGENCE OF SUSTAINABLE URBAN FARMING

## Consumers' Desire for Fresh Produce in Increasingly Crowded Cities Driving Rapid Growth in Urban Farming Practices

- **Urban farming** is the phrase coined to describe the practice of growing, processing and distribution of food and other products through plant cultivation in and around cities for serving local inhabitants. Increasing urbanization around the world is resulting in significant demand for urban farming.
- Lower transportation cost and supply of fresh nutritious products at competitive prices are contributing to urban farming's recent prominence. In 2015, urban farms produced 20% of the world's food and around 800 million people were engaged in urban farming globally.
- Despite continuous growth, the current market faces major limitations due to unrecognized agricultural policies and lack of urban planning.<sup>1</sup>
- **Vertical farming**, the practice of producing crops in vertically stacked layers, is a transformative practice by which developers aim to produce at low production cost, high quality, fresh, and nutritious food with high yield year-round.
  - *Compared with traditional farming, vertical farming does not require high water usage, soil fertility, favorable weather, skilled labor, or the use of pesticides.*
- The Vertical Farming market is on track to exceed \$13B by 2024, growth driven primarily by soaring population levels, declining food self-sufficiency, scarcity of farming land, and higher global productivity yields.
- Vertical Farming in outdoor environments has also given rise to the practice of indoor farming. Due primarily to space constraints in various urban cities, indoor-environment agriculture (e.g. growing plants in warehouses, shipping containers and parking areas) is expected to account for more than 70% share in 2024 due to space constraints in urban cities. Vertical farming in outdoor environments such as skyscrapers, barren lands, deserts etc. is also gaining acceptance.
- Methodologically speaking, **hydroponics** (using nutrient-rich water instead of soil) will continue to hold a lion's share by 2024. However **aeroponics** (growing plants in an air/mist environment) and **aquaponics** (fertilizing plants with water rich in fish waste, and vice versa since plants are nutritious for fish) growth mechanisms are likely to follow with similarly rapid gains.

U.S. Vertical Farming Market Size, By Technology, 2013-2024 (USD Millions)



## Alternative Agriculture News



In July 2017, indoor farming startup Plenty raised \$200M in a round led by SoftBank Vision Fund. Plenty, founded in 2014, claims to grow up to 350 times more greens than conventional farms of similar size, while using much less water and land.



In September 2017, the Foundation for Food and Agriculture Research (FFAR) awarded a \$1M Seeding Solutions grant to vertical farming startup AeroFarms for research to improve produce quality.



In June 2017, Bowery Farming raised \$20M from a group of leading investors, including General Catalyst, GGV, and GV (f.k.a. Google Ventures), for its "post-organic" vertical farm which relies on proprietary software, robotics, and LED lights to produce leafy greens which are pesticide free and use 95% less water than traditionally grown crops.

1. BusinessWire 2. GM Insights

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# PLANT-BASED OPTIONS DRIVING SNACK CATEGORY GROWTH

## Plant-Based Snacks Align Well with Consumers' Desire to Maintain Healthy, On-the-Go Lifestyles

- Since 2011 the healthy snack market has grown at a CAGR of 4.7% – increasing consumer demand is expected to grow the category at a CAGR in excess of 5.0% to more than \$25.0 billion through 2021<sup>1</sup>.
- The burgeoning push towards healthier snacks has subsequently facilitated a snowballing demand for alternative ingredient snacks, which are primarily made using pulses and alternative vegetables and grains (e.g. chickpeas, sweet potatoes, kale, and spinach).
- Over the past decade, the percentage of adults who usually only snack on healthy foods grew from 24% to 30%. Millennials and younger consumers (Gen X) are significantly more likely to eat snacks made with alternative ingredients than those who are 50 and older<sup>1</sup>.
- The strong growth of sales of alternative vegetable-based snacks, particularly salty snack versions, was the largest factor contributing to the rise in sales in 2016. Packaged Facts estimates the salty snack segment carried the alternative-ingredient snack market in 2016, with growth of almost 7% (faster growth than what was seen by salty snacks as a whole).
- Growth of the alternative ingredients snack market will remain moderate to strong over the next three years through 2019, with a compound annual growth rate (CAGR) of 6.2% to reach sales of \$1,700M.
- Helping to drive the demand for healthier snacks is a shifting consumer palate – consumers are seeking meals that can be consumed throughout the day and support an-on-the-go lifestyle steadily moving away from a regimented three meals a day diet and now seek clean, whole food ingredient snacks
- Consumers are also increasingly attracted to snacks with blended proteins - “What was once a market driven by weight management and sports nutrition is now driven by consumers seeking to achieve personal fitness goals and support healthy lifestyles,” said Jean Heggie, strategic marketing lead for DuPont Nutrition & Health.



**35%** of millennials rely on snacks as meal replacements<sup>2</sup> – nutrient-dense snacks positioned to succeed



**43%** of Americans believe that it is difficult to remain healthy in today's on-the-go modern lifestyle<sup>1</sup>



**80%** of Americans believe that eating healthy requires sacrifice<sup>1</sup> – better-tasting low portion snacks can help ease such sacrifice

## Alternative Snacks Category News



In February 2018, Siren Snacks raised \$1M from Pear Ventures, their first institutional capital round. In an effort to “re-imagine the protein bar,” Siren’s bites are vegan, gluten-free and grain-free, and have 12 grams of protein. The brand’s colorful, resealable packaging also makes the bites easier for on-the-go snacking and more approachable to consumers outside of the protein market’s traditional fitness-focused community.



In November 2017, Phyter Food raised \$1M to expand the nutrition bar business. Phyter Food is the creator of the first vegetable-based nutrition bars which debuted in 2016; the bars are kosher, vegan, and free of GMOs, gluten, soy, dairy, chemicals and preservatives.



In May 2017, producer of organic chickpea puffs Hippeas raised money from a group of investors including Strand Partners and Leonardo DiCaprio. The Company’s revenues are on track to more than triple this year.

1. Packaged Facts 2. Mintel

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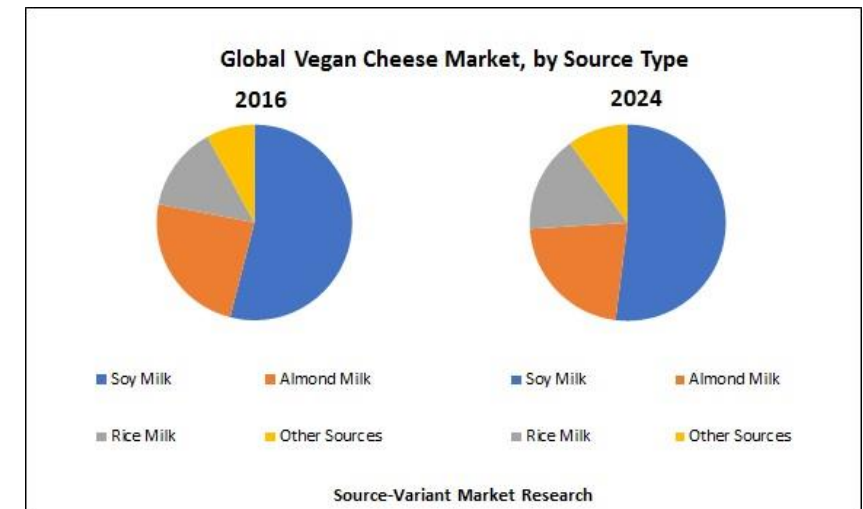
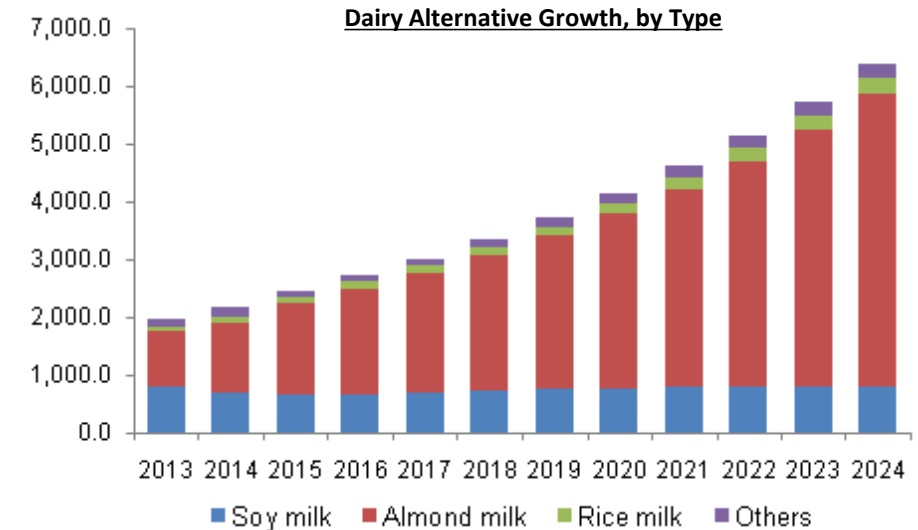


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# RAPID GROWTH OF DAIRY ALTERNATIVE MARKET

## The global alternative dairy market is growing at a CAGR of 13.8% and will reach \$34B by 2024

- On average, two thirds of the world's adult populations are lactose-intolerant. (In Asia and Africa the figure is approximately 90%.) Accordingly, an increasing number of consumers are choosing non-dairy milk and products which are lactose-free.
- The shift away from traditional dairy products towards plant-based alternatives revolves around **health concerns** with a growing number of consumers believing that plant-based foods are healthier than animal-based foods. Further, there is a growing consumer base that is motivated by **animal welfare concerns**.
  - "Vegetarians and vegans together account for less than 15% of all consumers and their numbers do not grow very rapidly, but a growing number of consumers identify themselves as flexitarian or lessitarian, meaning that they've cut back on their consumption of animal-based foods and beverages. It is this group that is most responsible for the significant and ongoing shift" says David Sprinkle, research director for Packaged Facts.
- The U.S. will be a key market for dairy alternatives and is anticipated to grow at a CAGR of over 10% through 2024. Dairy alternative beverages are expected to be a key application segment for the market.
  - Almond milk is anticipated to witness the fastest growth of all dairy alternatives in the North American market, owing to changing consumer preference from soy milk to almond milk products.
  - Rising consumer demand for tasty and cholesterol free products in the region will also drive the almond milk industry growth
- The beverage market segment based on dairy alternative products dominated the global dairy alternatives market in 2016:
  - The **dairy alternative beverage market** segment primarily consists of soy milk, almond milk, coconut milk, rice milk, hemp milk, and other energy drinks.
  - The **dairy alternative food market** segment includes cheese, yogurt, spreads, butter, confectionery and snacking varieties, and creamers.
- Plain, unsweetened formulation of the dairy milk alternatives is anticipated to account for a major share in the industry and is expected to grow at a CAGR of over 15% over the next eight years.
  - Additionally, there is growing demand for unsweetened soy and almond milk for manufacturing purposes in food products such as yogurt, cheese, and desserts.



Sources: GrandView Research; Markets and Markets; Mordor Intelligence

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# DRINKABLE DAIRY ALTERNATIVES SEEING EXPONENTIAL GROWTH

## Plant Based Beverage Market Rapidly Expanding Beyond Conventional Soy and Almond Options

- Plant-based dairy alternatives alone are expected to comprise 40% of the total dairy beverage category, up from 25% in 2016 when dairy alternative beverages alone accounted for barely \$6 billion in retail sales. (Packaged Facts)
- The plant-based milk industry is set to reach \$16.3B in 2018, up from \$7.4B in 2010. "Plant-based milk has itself grown 3.1% and now accounts for nearly 10% of all milk sales in the USA. At the same time, cow's milk sales have reduced by 5% in the past year."
- The rapid growth of the industry shows that now, more than ever, consumers are drifting away from cow's milk and choosing dairy-free and vegan alternatives such as almond milk, coconut milk, pea milk, and more. (Innova)
- In recent years, the plant-based dairy beverage alternatives category has seen an expansion of several nut- and legume-based milk alternatives beyond soy, rice, coconut, and almond. Popular alternative milks include (beyond soy and almond) hemp, flax, barley, pea, and quinoa. Other beverage expansions include varieties made from cashews, hazelnuts, macadamias, peanuts, pecans, and tiger nuts. In addition, there are non-dairy milks being offered made from bananas, cassava, oats, and potatoes, among others.

### Recent Category News



In February 2016, Ripple Foods raised \$65M in a Series C round, marking a victory for plant-based pea milk. The round was led by Euclidean Capital with participation from Goldman Sachs.



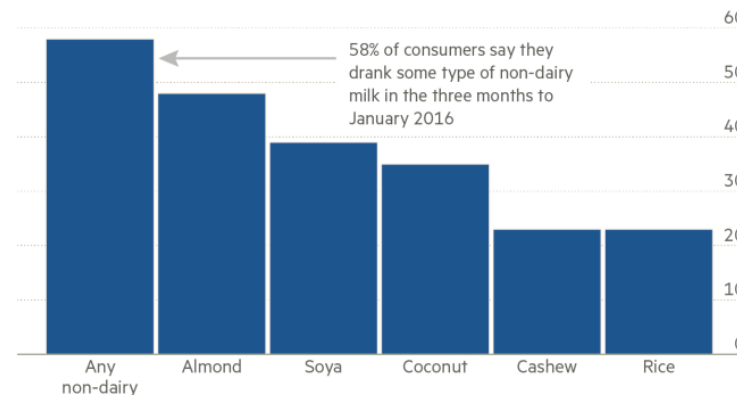
In September 2017, Bolthouse Farms (owned by Campell's) debuted its line of pea milks.



Following a round of funding led by Boulder Food Group in March 2016, August Vega, founder and CEO of cold-pressed nut milk brand MALK Organics, confirmed in an interview with BevNET that the company was currently in the process of finalizing another round of investment

### Companies' growing thirst for non-dairy milk

% of US consumers who say they have tried this product\*

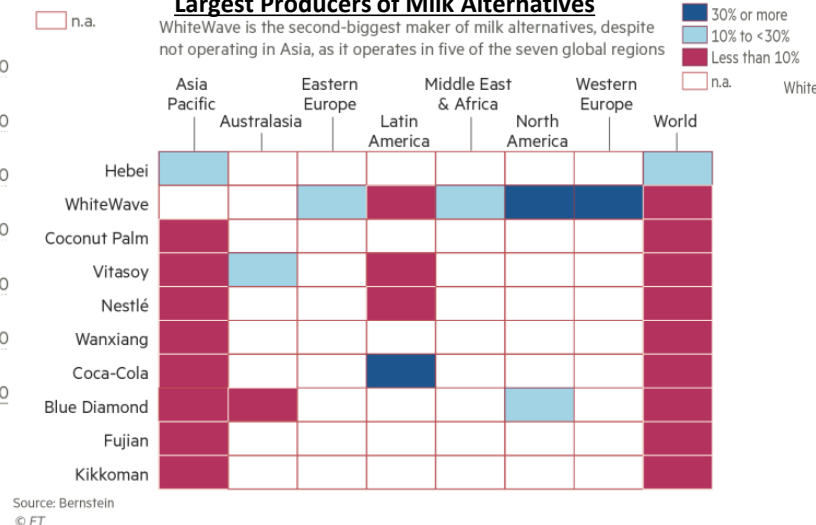


\*Three-months to Jan 2016. Based on more than 2000 internet users aged 18 and above

Source: Mintel  
© FT

### Largest Producers of Milk Alternatives

WhiteWave is the second-biggest maker of milk alternatives, despite not operating in Asia, as it operates in five of the seven global regions



Source: Bernstein  
© FT



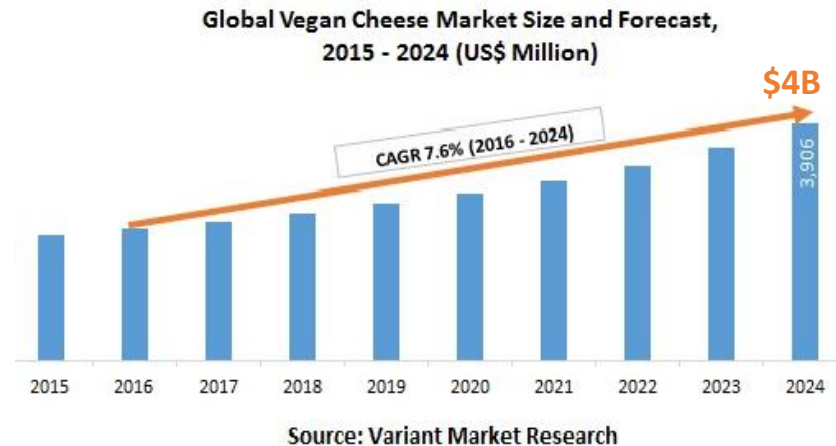
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# EDIBLE DAIRY ALTERNATIVES BECOMING A MULTI-BILLION DOLLAR CATEGORY

## Cheese and Ice Cream Dairy Alternatives Are Driving Segment Growth

- Sales of dairy alternatives (excluding milk) account for \$726.8M, 20% of total sales. These include cheese, yogurt, ice cream, novelty and frozen desserts, butters/spreads, dips, dressings, sour cream, and creamers
- Egg substitutes and mayo accounted for \$37M of sales (12.6%)
- The global Vegan Cheese Market is estimated to reach \$4B by 2024; growing at a CAGR of 7.6% from 2016 to 2024
- The global plant-based ice cream industry will continue to grow to \$2.45 billion by 2027 at a CAGR of 9.3%. By the end of 2017, FMI values the dairy-free ice cream industry at \$1 billion. (FMI)



### Recent Category News



At the winter Fancy Food show, Faba foods unveiled a new product dubbed "Faba Butter," a vegan spread which mimics dairy butter.



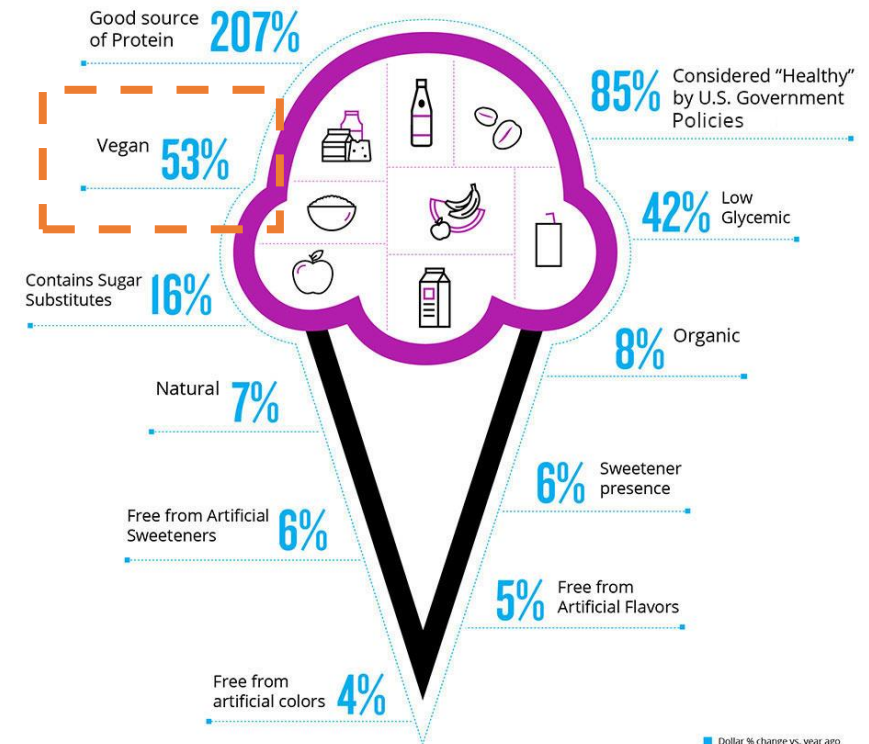
In August 2017, Kite Hill launched three new yogurt products: "Greek-style" high protein yogurt, drinkable probiotic-enhanced yogurt and tubes of children's yogurts.



Both Ben and Jerry's and Halo Top continue to add dairy-free versions of popular flavors to their vegan-friendly lines

## AMERICANS ARE SCOOPING INTO BETTER-FOR-YOU ICE CREAM

Claims and specifications driving the fastest growth in the category



Source: Nielsen Product Insider, Total U.S., Latest 52 Weeks Ended May 27, 2017

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Sources: Variant Research, FMI



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# TRANSFORMATION OF PROTEIN WITHIN BIG FOOD

## Innovative, Cleaner Protein Sources Beginning to Gain Traction with Big Food As Consumers Increase Adoption

- Nearly half of American consumers indicate that they would like to add more protein to their diet<sup>1</sup>; however, consumers are not looking to meet this demand at a sacrifice to limiting consumption of healthier, cleaner products.
- As a result, concepts such as a plant-based meat alternatives are beginning to have a meaningful impact on the over \$200 billion meat and poultry industry<sup>2</sup> – market research suggests that 66.0% of consumers believe that protein alternatives are healthier than meat.<sup>3</sup>
- To remain aligned with consumers' changing taste preferences, large CPG companies and meat suppliers are consciously “cleaning up” the profile of their protein offering through various strategic initiatives.
- As is the case with many better-for-you trends, “Big Food” faces an uphill battle to entering these growing protein subcategories authentically. Plant-based protein saw strong interest in M&A and investment opportunities in 2016 and 2017.
- Big Food's entrance into these emerging protein trends has the potential to improve market dynamics with consumer education and lower costs – two thirds of consumers say that they would eat more plant-based proteins if they knew how best to prepare meals.<sup>3</sup>



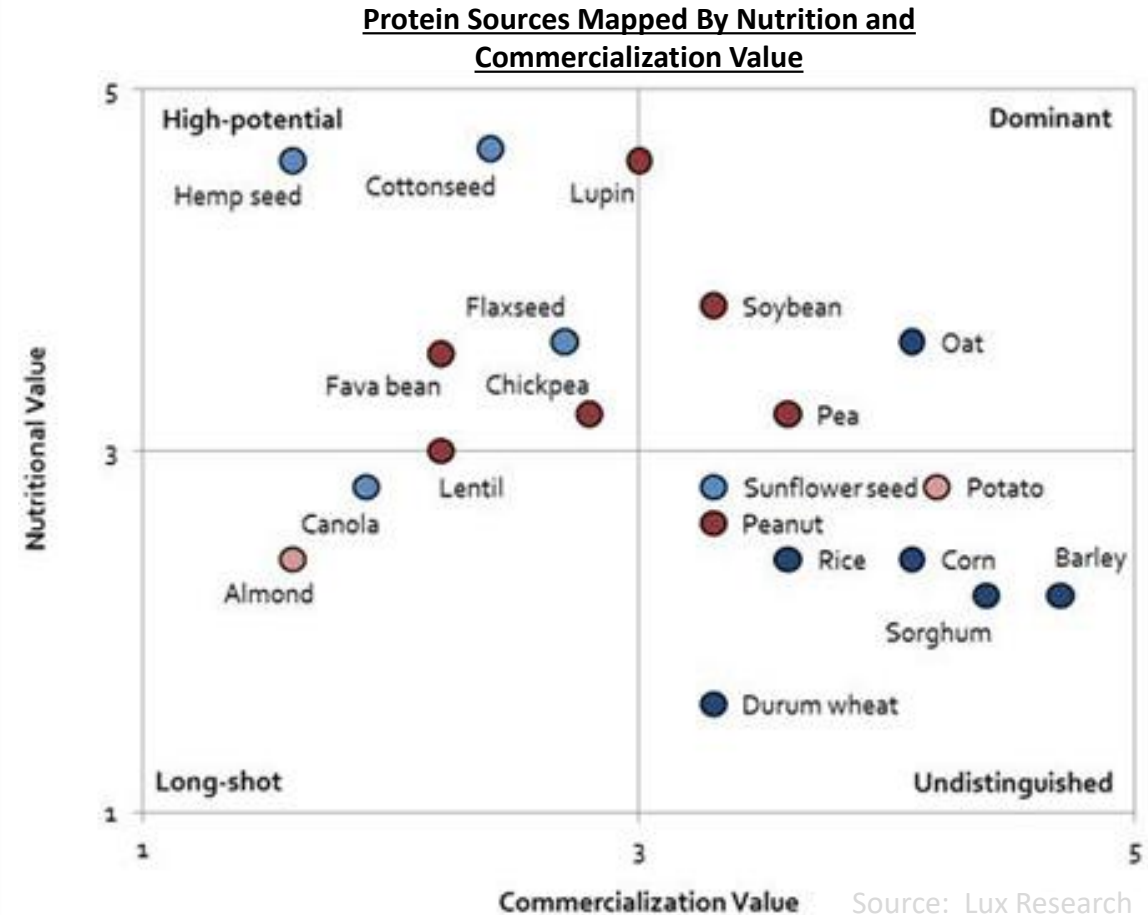
**66% of consumers** who eat protein alternatives, believe they are healthier than meat



**35% of Americans** consume protein from sources other than red meat



**66% of consumers** state they would consume more protein alternatives if they knew how to best cook them



Sources: 1. NPD Group 2. North American Meat Institute 3. Mintel



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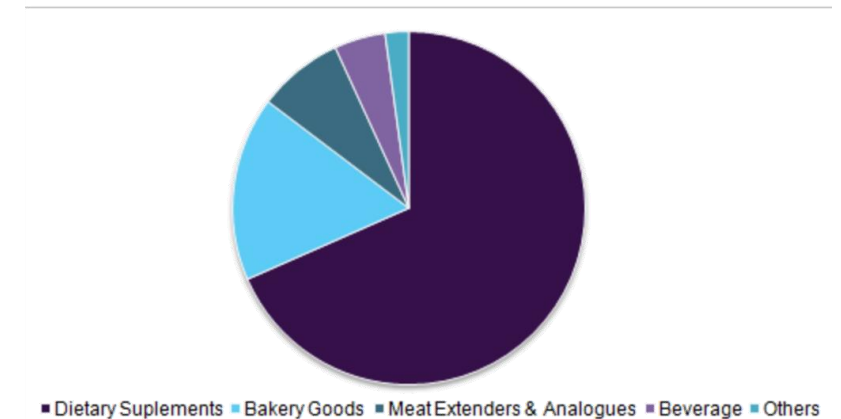
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# PEA PROTEIN EMERGES AS LEADING ALTERNATIVE PROTEIN SOURCE

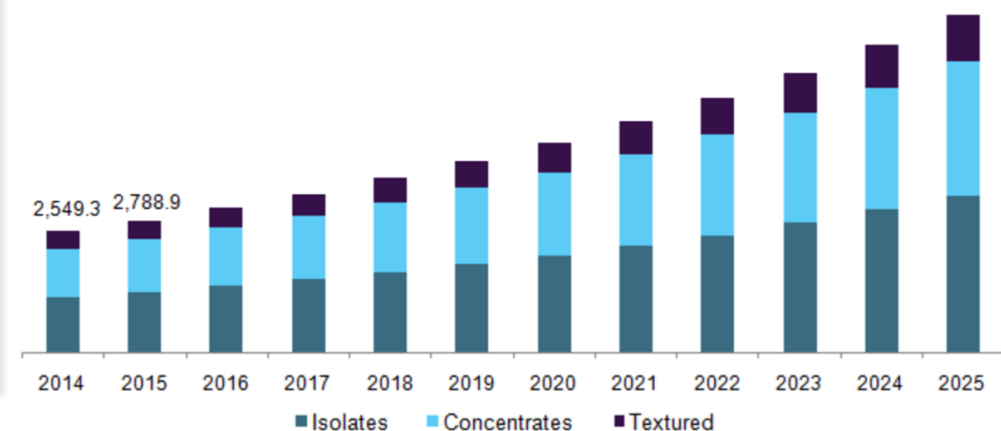
## Pea Protein Market Expected to Triple To \$313.M by 2025

- Extracted from the yellow pea,, pea protein is generally used as a dairy alternative and a dietary supplement.
- Bakery, snacks, beverages, meat extenders and nutritional supplements are some of the major applications of pea protein. The nutritional supplement among the segments forms the largest part of the pea protein industry and the same segment is expected to remain the largest part by 2023 with a CAGR of 8.8%.
- In 2016, pea concentrates accounted for 27.2% of revenue. Such products comprise 70-80% of protein content and are favorably used in energy drinks and fruit mixes applications. The U.S. concentrates segment is likely to expand at a CAGR of 9.8% from 2017 to 2025.
- Health-related growth drivers include:
  - Demand for gluten-free products for treatment of celiac disease.
  - Increasing awareness towards adverse effects associated with food comprising gluten as well as lactose
  - Rising importance of flexitarian diet among the majority population in U.S. owing to increasing concerns regarding cardiovascular diseases that are associated with red meat consumption is expected to remain a favorable factor for promoting the industry growth.
- Growth is additionally fueled by rising importance of organic farming as green and yellow peas are used as raw materials in processing. Additionally, the pea protein market will benefit from increasing interest in plant-based diets:
  - Growing concerns over meat allergies has resulted in technological development of new textured products, which resemble meat.
  - Pea protein offers good texturing properties which will promote its application scope in the production of meat substitute items.
  - The robust presence of manufacturing facilities of meat producers including Tyson, JBF, Cargill and National Foods in the U.S. is expected to increase the use of pea protein as texture improving agent in meat processing.

Global pea protein market volume by application, 2016 (%)



U.S. pea protein market volume by product, 2014 - 2025 (Tons)



Sources: Guggenheim Ventures, GrandView Research; Mordor Intelligence

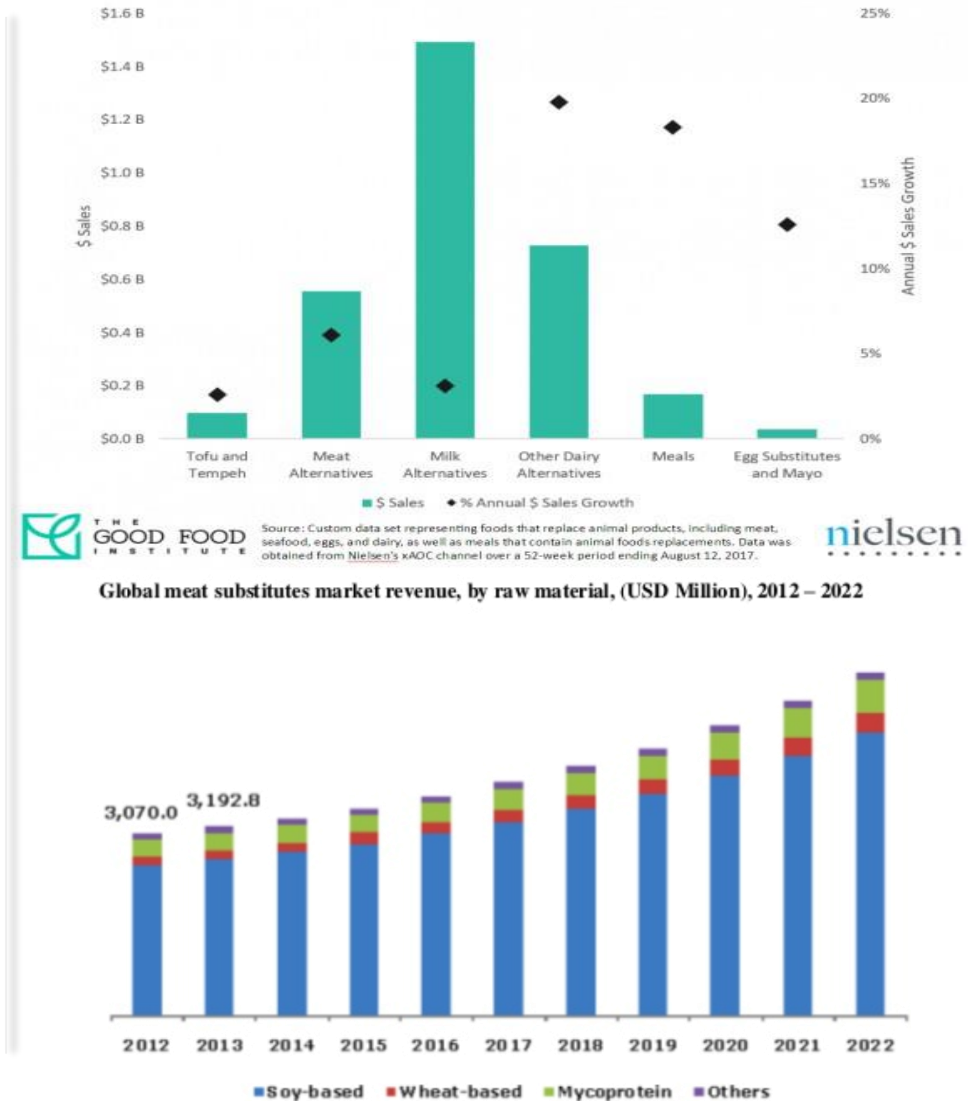




# ANIMAL PROTEIN UNDER PRESSURE FROM BOTH PLANT-BASED AND LAB-CULTURED MEAT

## Animal Agriculture Under Pressure as Meat Substitutes Offer Better-For-You Products with Improved Taste Profiles and Competitive Price Points

- Increased consumption of **plant-based** or **lab-cultured** meats can help to improve or reverse modern day health and environmental issues, as animal agriculture accounts for half of greenhouse emissions in the U.S.
- The market for meat substitutes should grow 8.4% annually over the next five years, with China helping to speed the expansion as it seeks to cut meat consumption in half by 2030, according to estimates in the Sustainalytics report.
- Europe was the largest market for meat substitutes in 2017. The market is characterized by the presence of large-scale meat substitute manufacturers such as Quorn Foods (UK) and Meatless (Netherlands). The increasing number of new modified meat-free product launches by manufacturers such low-fat and fortified snack with meat substitutes act as catalysts for the growth of meat substitutes market.
- On the basis of type, the **tofu & tofu ingredients** segment accounted for the largest share of the meat substitutes market in 2017, followed by textured vegetable protein segment.
  - Meat substitutes such as tempeh and tofu are rich in proteins and minerals, since they are derived from soy; moreover, they have become a popular meat alternative among vegetarians and vegan consumers for their health benefits.*
- On the basis of category, **frozen** meat substitute products accounted for the largest market share in 2017.
  - The rise in demand for convenience foods, as a result of growing income levels of consumers, is one of the major factors driving the market for frozen meat substitutes.*
- On the basis of source, soy-based meat substitute products accounted for the largest market share, followed by mycoprotein, in 2017.
  - Soy protein is a cost-effective and reliable substitute for meat and has the highest amount of protein as compared to other meat substitutes.*
  - Soy-based meat substitutes have the ability to be produced so as to mimic the organoleptic characteristics of meat products.*



# PLANT-BASED MEATS ARE FINDING MAINSTREAM CONSUMER ACCEPTANCE

## The Plant-Based Meat Category is Expected to Reach \$5B by 2020 and Could Comprise One Third of the Market by 2050.

- The plant-based foods category grew 8.1% over the past year, topping \$3B in sales. Within that segment, plant-based meat sales grew at a rate of 6%.
- Annual global sales of plant-based substitute meat have gained 8 percent a year since 2010, and are growing at twice the rate of processed meat, according to an October report from Bloomberg Intelligence.
  - That boost is due to expanding shelf space in Whole Foods Markets and other retailers.
- The two most widely known producers of plant-based meat products (burgers) are Impossible Foods and Beyond Meat.
  - The former is known for its “Impossible Burger,” which the Company claims requires 95% less land, 74% less water, and creates 87% less greenhouse gas emissions than it would take to produce the same burger from cows.
  - The latter is known for its “Beyond Burger” which is derived from pea protein and is the first veggie burger to “bleed” like real meat.
  - Bill Gates has made investments in both companies.



TEMASEK



## Recent Plant-Based Meat Category News



In August 2017, Impossible Foods raised \$75M to fund a production facility in Oakland that will enable national retail distribution. Notable investors include Temasek holdings and Bill Gates.



In February 2018, Beyond Burgers hit Bareburgers nation wide. Additionally, the Company launched a sausage line on the West Coast. In January 2018, the Beyond Burger became available at TGI Friday's on their BugerBar menu, and in December 2017 Beyond Meat raised another funding round which included Tyson Foods.



In February 2018, prominent manufacturer of vegetarian and plant-based foods Don Lee farms introduced the first organic, raw plant-based burger which, according to the company, is “made with plants, not science.”



In December 2017, the Company (rebranded as Just Foods) debuted a vegan egg, made from mung-bean protein.



In September 2017, Nestlé USA announced that it has agreed to acquire Sweet Earth, a plant-based foods manufacturer based in Moss Landing, Calif. The acquisition gives Nestlé immediate entry into the plant-based foods segment. Sweet Earth's portfolio spans all meal occasions, diversifying Nestlé's offering.



In February 2017, Maple Leaf brands acquired Lightlife foods. Lightlife reported 2016 sales of approximately US\$40 million and had 38% market share in the U.S. refrigerated plant proteins market. The Company manufactures more than 30 innovative products, including plant-based tempeh, hot dogs, breakfast foods and burgers.

Sources: Good Food Institute



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# SUSTAINABILITY DRIVING DEVELOPMENT OF CELLULAR AGRICULTURE

## Consumer Attention to Eco-Friendly Brands Continues to Increase; Many Brands Launching New Efforts to Reshape Agricultural and Manufacturing Processes Which Negatively Impact Environment

- How consumers perceive a brand's social or environmental impact may play a role in supporting their purchasing decision, according to a new survey commissioned by Unilever. The survey of 20,000 adults living in the United Kingdom, United States, India, Brazil and Turkey found that 33% of those surveyed said they are choosing to buy from brands they believe are doing social or environmental good<sup>1</sup>.
- Animal agriculture is inefficient and accounts for half of greenhouse emissions in the US, more than transportation exhaust. Increased consumption of alternatively engineered or plant-based meals can help to improve or reverse modern day health and environmental issues.
- On any given day, 90% of the U.S. is eating meat, and the global demand for meat is expected to double by 2050.
- Cellular agriculture is a method of agricultural production enabling the growth of meat, eggs, and leather in cell culture. More and more entrepreneurs are embracing the science and launching companies which have attracted over \$300M in investment funding since 2015.
- Though the science is in very early stages and faces significant hurdles to mainstream adoption such as cost, scalability, and acceptance, scientists believe cellular agriculture could provide a **sustainable** way to feed a population of over 9 billion by 2050. The environmental impact of lab-grown beef, for instance, is significantly less than that of conventionally farmed beef.



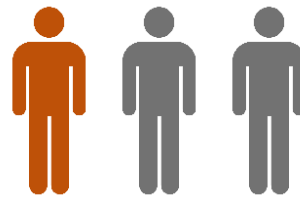
78% of US consumers feel better when they buy products that are sustainably produced

#1

Sustainability voted “**most important**” food and beverage trend for 2017

\$1,500

Market research suggests consumers dispose up to \$1,500 in usable food a year



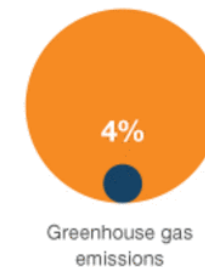
1 in 3 global consumers choose to buy brands they believe are doing social or environmental good

### Environmental impact compared

● Conventionally farmed beef ● Lab-grown beef



Energy use



Greenhouse gas emissions



Land use

Source: Environmental Science & Technology Journal

Sources: Unilever, FoodDive



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# LAB-CULTURED MEAT MARKET IN EARLY STAGES OF DEVELOPMENT AND EXPECTED TO EXPERIENCE RAPID GROWTH

## Lab-based Producers of “Clean-Meat” Provides Sustainable Option to Feed a Population of over 9B by 2050.

- Clean-meat startups argue that their production facilities will use less water and land than factory farms, and that animal feed will become unnecessary. Slaughter would become obsolete, and because lab-grown meat would be made in controlled environments, it wouldn't be exposed to pathogens.
- Memphis Meats' Kay said the revolution for the beer market's micro-brewing phenomenon is a model that “at scale” can be patterned by meat labs. Memphis executives told the Wall Street Journal last year that the company, founded in 2015, can make a pound of meat for less than \$2,400 start to finish, down from \$18,000 a year earlier. This is a notable decrease in cost from the \$300,000+ spent on the first cultured burger (made in 2013 by Dutch scientist Mark Post).
- A study published last year by researchers at Australia's University of Queensland, and cited by Memphis Meats, found that about a third of 673 respondents in the US would be willing to eat cell-cultured meat regularly. Nearly half said they would choose it over soy-based meat substitutes. About one-fifth said they were unlikely to try the meat or would refuse it.
- A major hurdle for cellular agriculture is finding a nutrient solution to “feed” the cells in vitro. (To date, scientists have relied on fetal bovine serum, extracted from slaughtered animals, which is both expensive and ethically paradoxical.) CEO of Memphis Meats Uma Valeti says that his company has developed a kill-free feed; the challenge now is to identify the cell lines that will thrive on it and taste good when harvested.
  - The system, nicknamed ‘Blackbird’, combines of one-of-a-kind robotics, proprietary plant databases, AI and predictive modeling.
  - Blackbird automates the system for researching plant proteins by breaking them down to the molecular level and searching for desirable properties — like emulsification, protein content and thermal stability.
- Traditional beef producers, in particular, are pushing back strongly on technologically generated meat. In February 2018, the US Cattlemen's Association (USCA) filed a 15-page petition to the USDA asking the agency to strictly define “meat” and “beef” as animals raised and slaughtered.
  - In the petition, the USCA mentions Memphis Meats, Just (formerly called Hampton Creek), and Mosa Meats, — the top three startups which are racing to bring lab-grown meat to market.

## Recent Cultured Meat Category News



Memphis Meats expects to sell clean meat products in high-end restaurants at a higher-than-average price point by 2019. By 2021, it hopes to reach cost parity with grocery store meat products — at about \$3 to \$4 per pound.<sup>3</sup> Bill Gates is a notable investor.



In September 2017, the Company received a patent for its machine learning-based analysis of plant parts for potential products.



In January 2018, Israeli biotech startup SuperMeat raised \$3M for lab-grown chicken products.



Mosa Meat recently closed its first round of funding from “a group of mission-driven investors from the US.” It also expects to close a second, larger round by the end of Q1 2018 with two lead investors from the pharmaceutical and food industries.



Gelzen is a startup aiming to produce a vegan alternative which can precisely replicate the qualities of gelatin. It is backed by New Crop Capital.



Muufri is a startup aiming to launch cow-less milk on the market by producing its essential components using bioengineered yeast. It has raised \$2M to date.





# THE NEXT WAVE OF TECHNOLOGICAL INNOVATION: FOOD AND AGRICULTURE

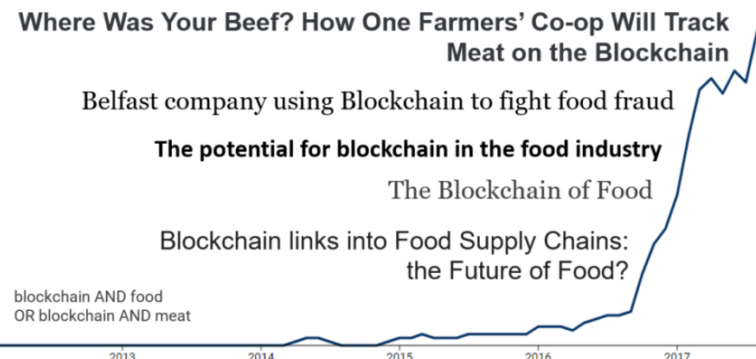
## As Software Continues to Consume the World, Technologists are Now Seeking to Reshape Worldwide Cultivation, Production, and Procurement of Foods

- The global food technology market is expected to grow over \$250.43 billion by 2022, at a CAGR of 5.8%<sup>1</sup>
- The Amazon/Whole Foods merger has permanently altered the grocery landscape by forcing traditional brick-and-mortar grocery retailers to adopt technological solutions in order to remain competitive. In order to guarantee future success, it will be crucial for operators to allocate more funds into technological infrastructure and channel partners, internal training to support increased demand for delivery and takeout, and development for menu items which will specifically hold up well to travel.<sup>2</sup>
- Food technology is also making its way beyond web-based and delivery services, directly into the kitchen and meal preparation process. There has recently been a rise in demand for smart chefs and cooking robots - Moley Robotics has created a fully automated, intelligent cooking robot designed precisely to create meals; the consumer version is expected to launch in 2018.
- The myriad ways in which technology can improve traditional agriculture methods renders the space ripe for disruption. Following Monsanto's \$1B acquisition of the Climate Corporation in 2013, the agriculture technology space has continued to attract significant attention.
- In 2017 alone, investors deployed more than \$700M into the space, with funding on track to beat the previous two years combined, and deals expected to rise 65% year-over-year. Additionally, more than 200 unique investors make at least one agricultural technology investment in 2017. The biggest increase was due to venture capital interest, which, after years of stagnation, nearly doubled between 2016 and 2017. There had been 118 unique venture funds invested in agricultural technology in 2017 as of early December.<sup>3</sup>
- Another huge area of growth in food technology is that of meat substitutes. Demand for alternative proteins is expected to double by 2024 with soybean, pea and oat proteins emerging as the leading alternates<sup>4</sup>
- Continued advances in genetic engineering and plant-based innovation will enhance taste, flavor, and health benefits to incentivize consumption. However, the primary challenges producers face and barriers to mainstream adoption are cost and scale. Innovators must find ways to lower production costs and find economically viable ways to produce their substitutes at high volumes if they want to see their products move from novelty purchases to kitchen staples.



## Media discussion of blockchain and meat & food

2012 - 2017 YTD (10/26/17)



## Demand for Plant-Based Dishes Grows



Vegan orders increased in popularity by 19 percent in 2017



Meat-substitutes are ordered five percent more on Mondays than the rest of the week



Jackfruit, a trendy plant protein, rose 33 percent in popularity for orders placed on Mondays

#meatlessmonday



GRUBHUB

\*Based on Grubhub's order data from January 2015 to July 2017

Sources: 1. Research & Markets 2. Forbes 3. CB Insights 4. Lux Research



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# HIGHLIGHT: PLANT-BASED ATHLETES

## Tom Brady

- Brady teamed up with vegan meal delivery service **Purple Carrot** to create a meatless, dairy-free TB12 performance meal plan in 2016.
- Though not vegan, his personal diet is reportedly 80% plant-based. The 40-year-old, 5-time (and counting) Super Bowl champion eats organic food — 80% vegetables and whole grains and 20% lean meats, such as wild salmon

## Tennessee Titans

- This season, the Tennessee Titans had a reported 11 team members go vegan ("with varying levels of commitment," according to ESPN).
- The team made it all the way to the playoffs for the first time in a decade.

## Venus Williams

- Venus currently holds the record for the most appearances in a Grand Slam singles draw. In addition to that, she has holds numerous consecutive wins across several tennis tournaments.
- Venus also holds several Olympic gold medals and a silver in mixed doubles. In fact, she holds the record for the most Olympic medals held by a male or female tennis player
- In 2011, Venus withdrew from the U.S. Open before her second-round match after being diagnosed with Sjögren's syndrome, an autoimmune disorder that can cause dry eyes and mouth as well as joint and muscle pain. Following her diagnosis, Venus adopted a raw vegan diet and in an interview with Health, stated that it "changed my whole life." After taking some time off, Venus returned to the court, as strong as ever. Venus told Health, **"I literally couldn't play tennis anymore, so it really changed my life."**


## Kyrie Irving

- "This season I've been on more of a plant-based diet, getting away from all the animals and all that. I had to get away from that... **So my energy is up, my body feels amazing.** Just understanding what the diet is like for me and what's beneficial for me for having the highest energy out here and being able to sustain it at a very high level."





# ATHLETIC CAMPAIGNS




**RICH ROLL**  
ONE OF THE 'ALL-ROUND' FITTEST MEN IN THE WORLD

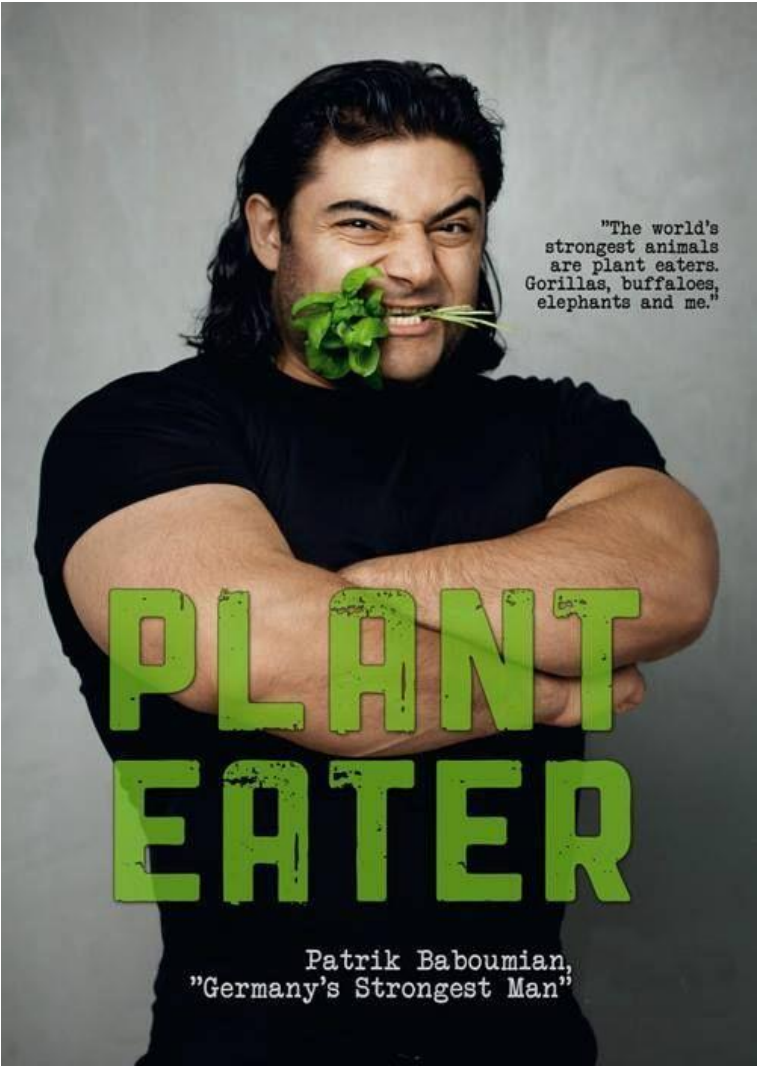
**VEGAN.**

Rich has been vegan since 2006, and was awarded the title of one of 2009's '25 Fittest Guys in the World' by Men's Fitness Magazine. He is best known for his participation in the Ultraman World Championships, which involves a 6.2 mile swim, 261.4 mile cycle and 52.4 mile run over 3 days. In 2008 he recorded the second fastest time for the 10km swim, beating many professional athletes and finishing 11th overall. In 2009 he won the swim and the first day, finishing 7th overall.

*"Let's wrap up the protein question with one thought to ponder. Some of the strongest and most fierce animals in the world are PlantPowered. The elephant, rhino, hippo, and gorilla have one thing in common—they all get 100 percent of their protein from plants."*

- Rich Roll - Vegan Ultraman

IG | @veganbodybuilding  [www.riseofthevegan.com](http://www.riseofthevegan.com)



**PLANT EATER**

Patrik Baboumian,  
"Germany's Strongest Man"

"The world's strongest animals are plant eaters. Gorillas, buffaloes, elephants and me."



**OurHenHouse.org**

**"Being vegan is not taboo anymore."**

- David Carter  
The 300 Pound Vegan  
Our Hen House podcast #414



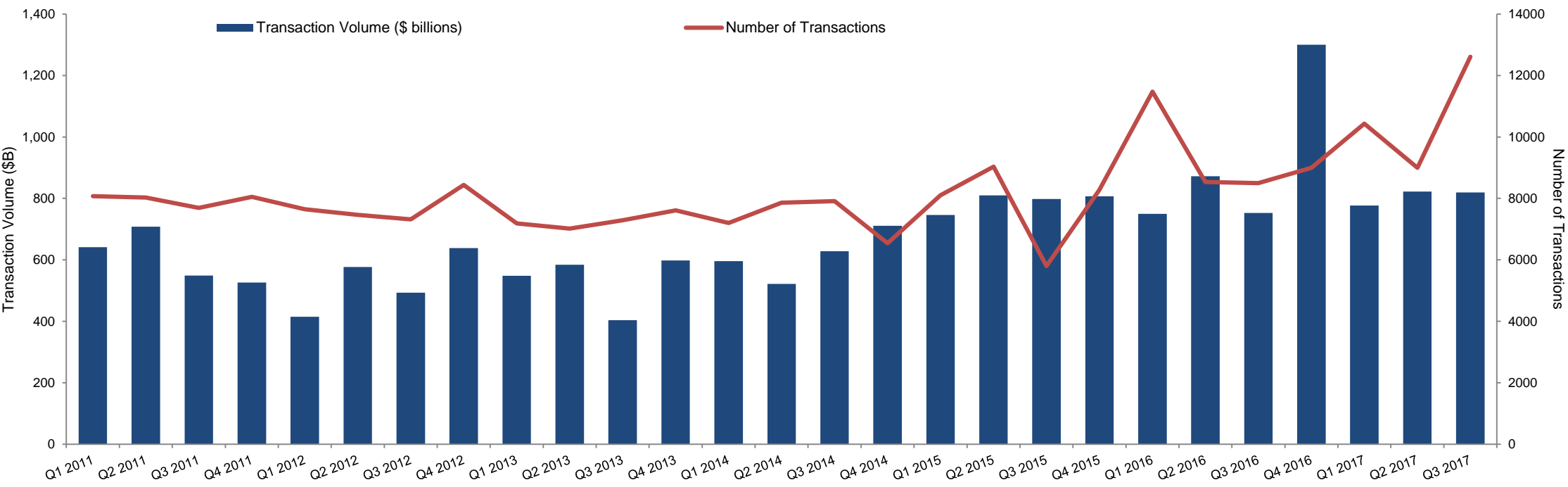
# M&A ACTIVITY

## M&A Market Perspectives

- Global M&A activity continued at a sustained high level in Q1-Q3 of 2017
- Over the first three quarters of 2017, global M&A deal activity was higher than that of the same period in 2016 (up 3% YoY)

### Global M&A Activity

Source: Thomson Reuters





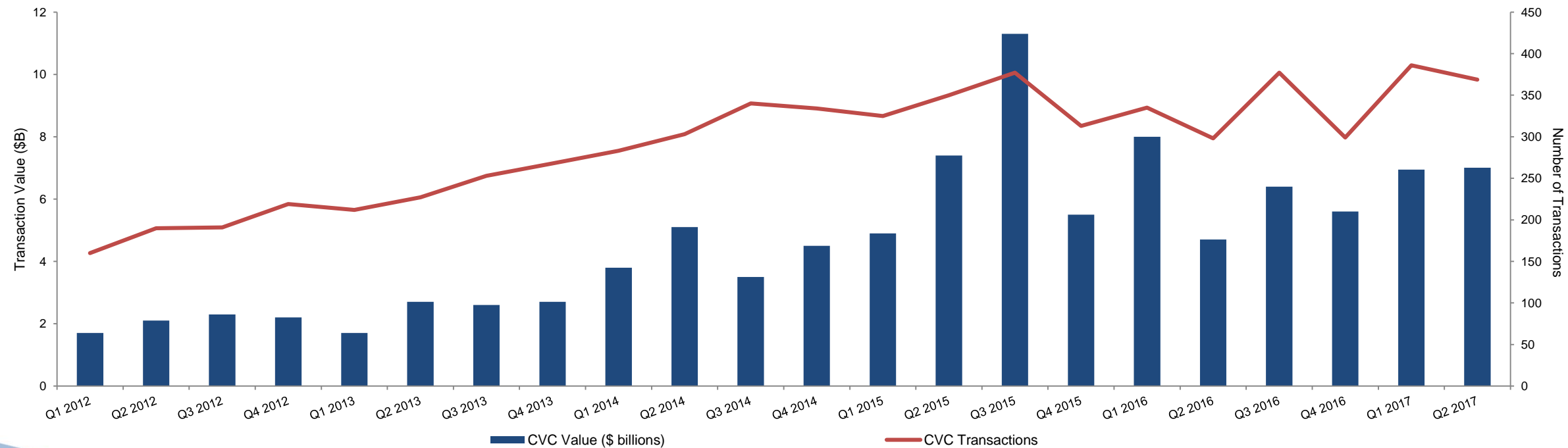
# CORPORATE VENTURE INVESTMENT ACTIVITY

## Corporate VC and Direct Investment Funding Continues to Remain an Active Trend in Startup Financing

- Corporate VC investment through the first half of 2017 was \$13.3 Billion over 798 deals, approximately even with the first half of 2016 at \$12.7 Billion over 633 deals
- Corporate venture capital participation decreased 7% Q/Q in Q3 '17, with corporate involvement in 26% of all VC deals

### Corporate VC and Corporation Funding

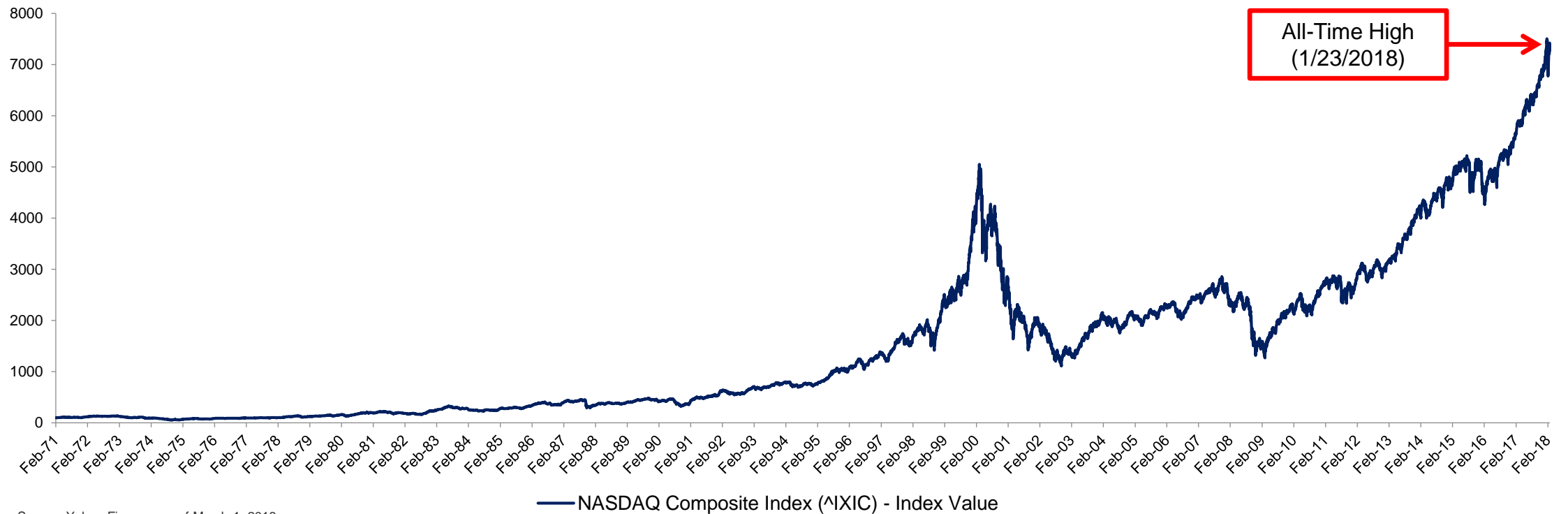
Source: CB Insights



# EQUITY MARKETS AT ALL-TIME HIGHS

## Equity Markets Continue to Climb as Market Volatility Decreases

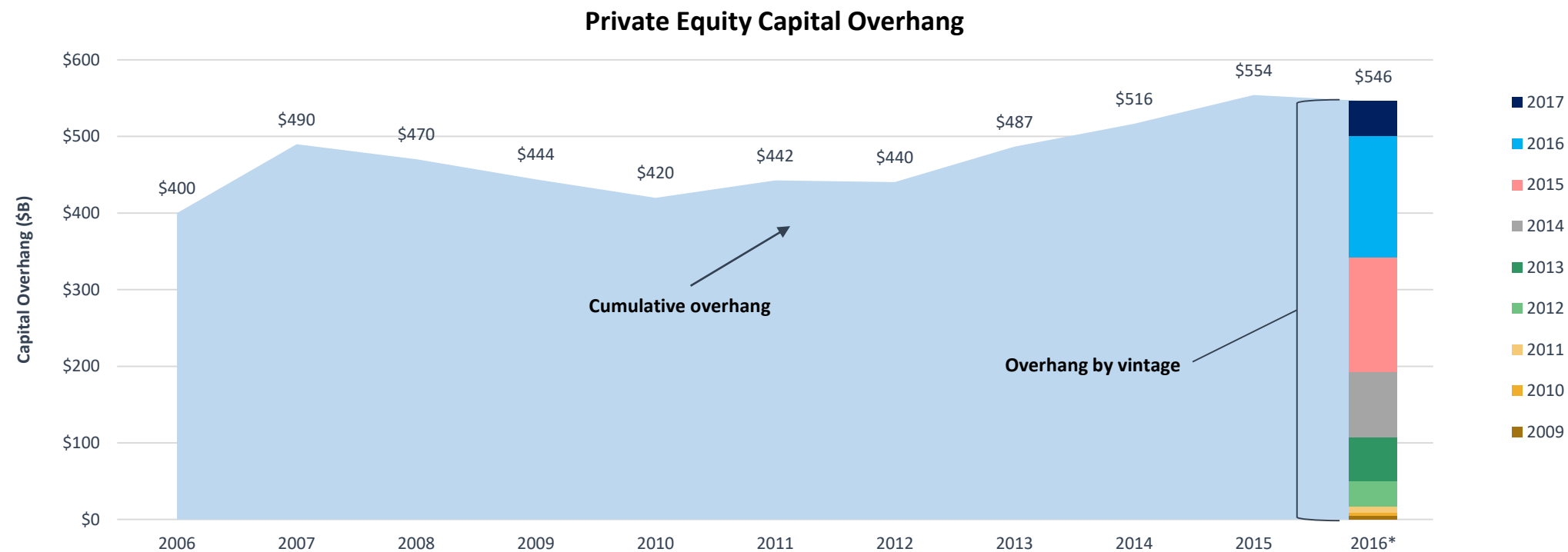
- NASDAQ at an all-time high of 7,460 (1/23/18)
- S&P 500 at an all-time high of 2,839 (1/23/18)
- Dow at an all-time high of 26,210 (1/23/18)



# SIGNIFICANT PRIVATE EQUITY CAPITAL AVAILABLE

## U.S. PE Firms Aggressively Searching for Acquisitions

- Over \$500 billion of U.S. PE capital available for equity investment
- Purchasing power 3x to 4x this amount with leverage, reinvested equity
- Significant sector interest by PE buyers



Source: PitchBook; As of September 2017

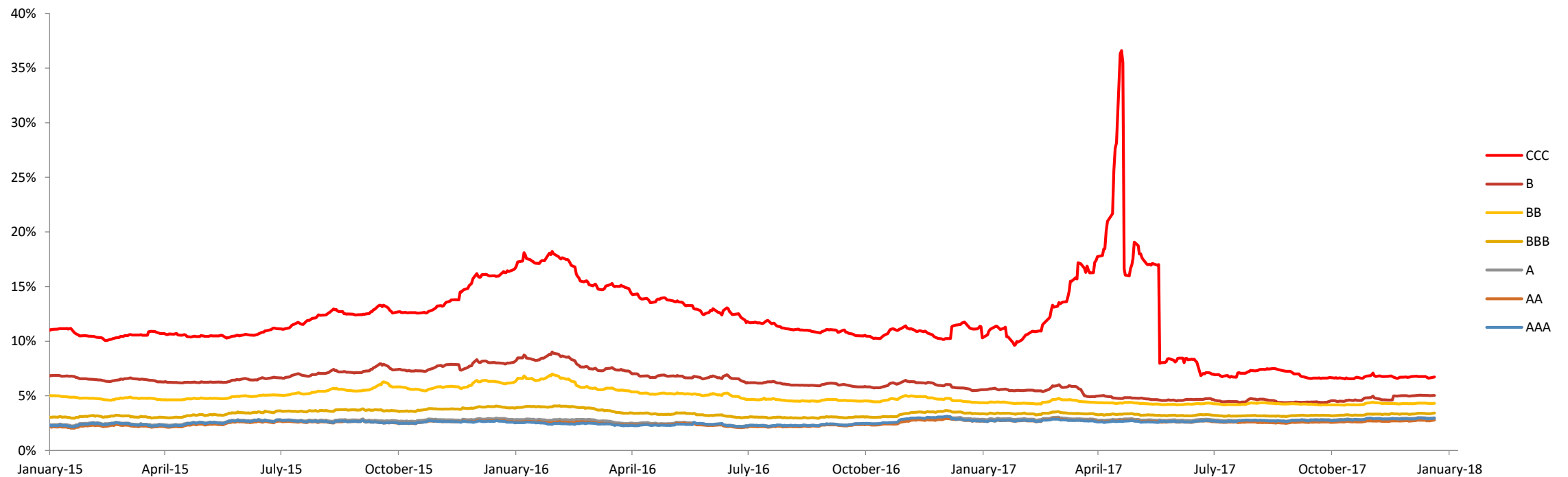
\*Returns data as of 12/31/2016



# BORROWING COSTS HISTORICALLY LOW

## Corporate Bond Yields Decreased from Recent Highs in February 2016

- Spreads have tightened vs. Treasuries for corporate issuers
- Yields lowering for less than investment grade issuers
- Market access more certain with decreased volatility

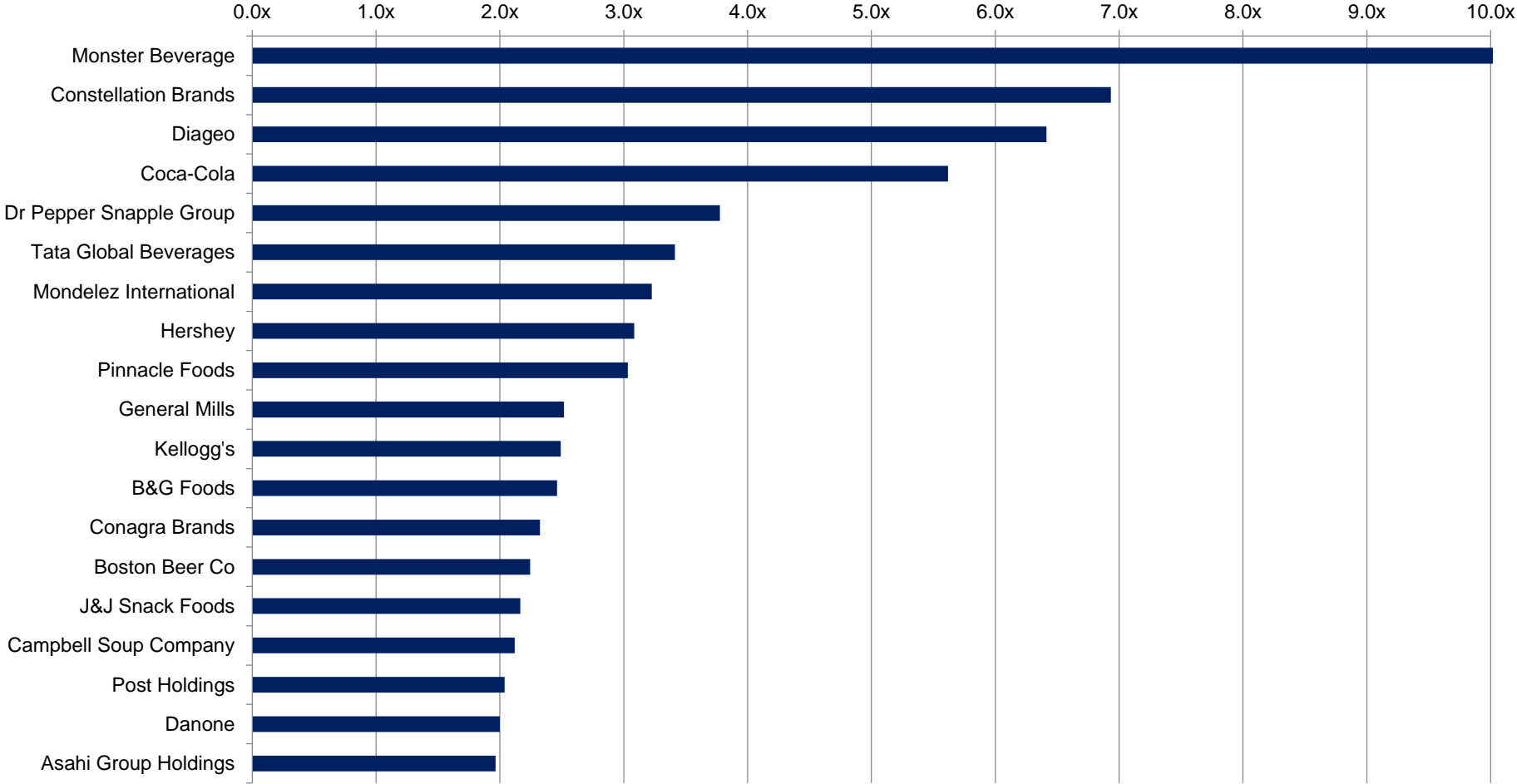


Source: S&P Dow Jones Indices; January 2018





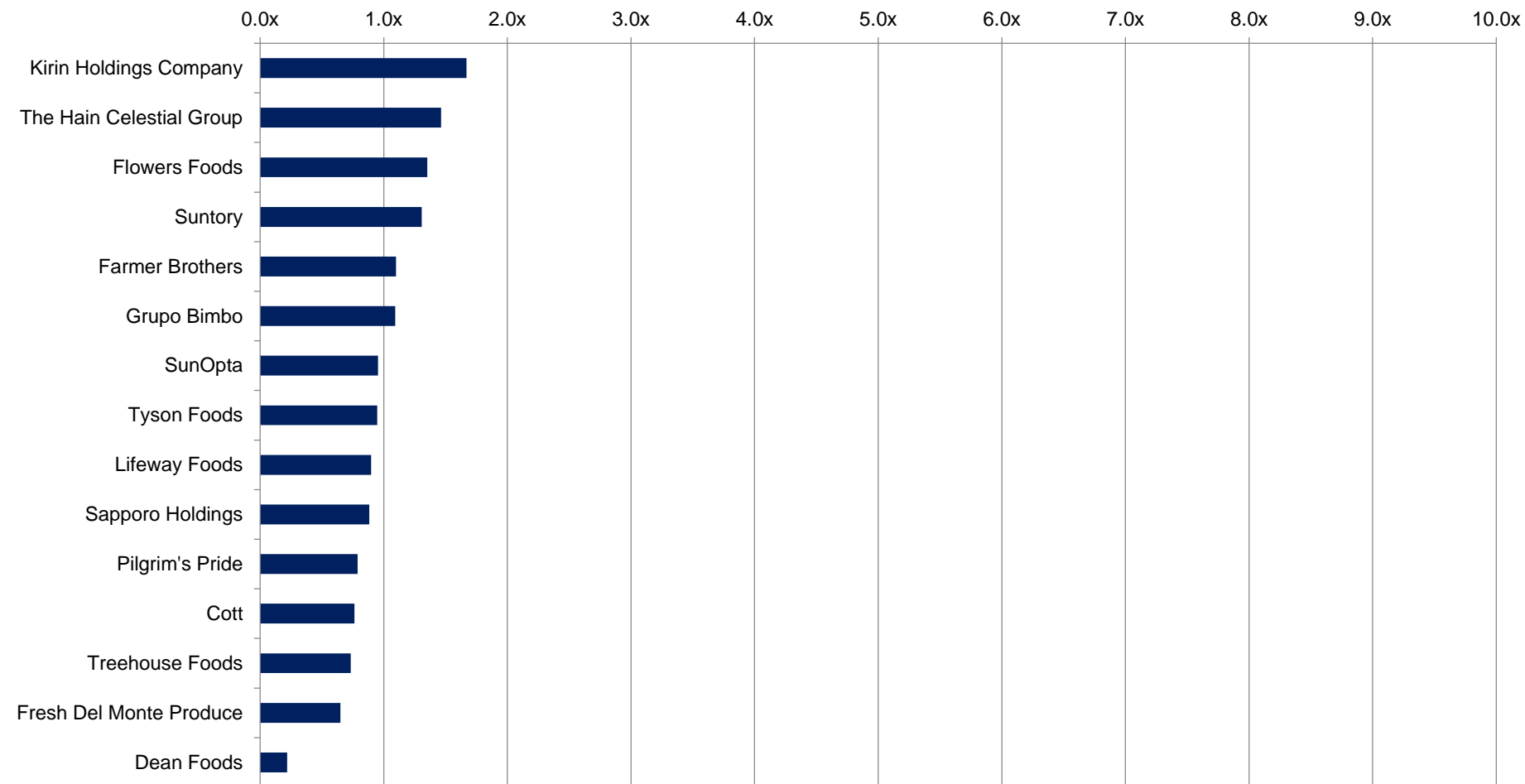
# PUBLIC COMPANIES – EV/REVENUE $\geq$ 2.0X



Source: Pitchbook Data as of March 1, 2018



# PUBLIC COMPANIES – EV/REVENUE LESS THAN 2.0X



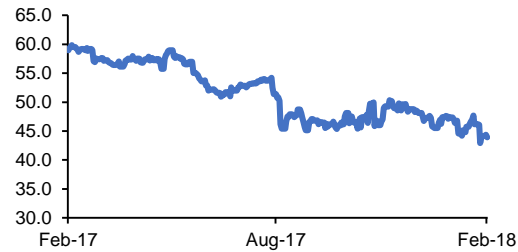
Source: Pitchbook Data as of March 1, 2018

# WHAT IS THE EQUITY MARKET REWARDING?

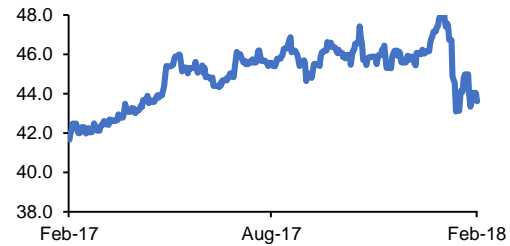


# SELECTED STOCK PERFORMANCE – TRAILING TWELVE MONTHS

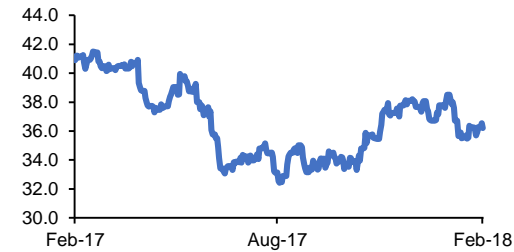
**Campbell Soup Company (CPB)**



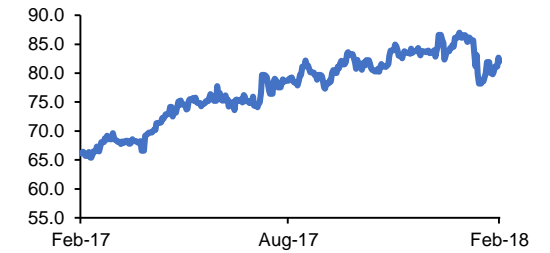
**Coca-Cola (KO)**



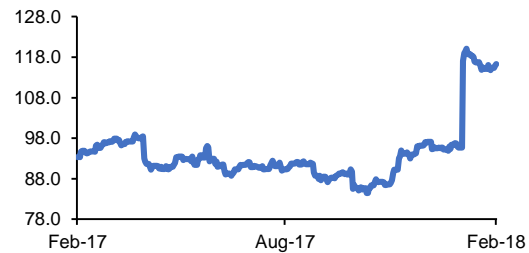
**Conagra Brands (CAG)**



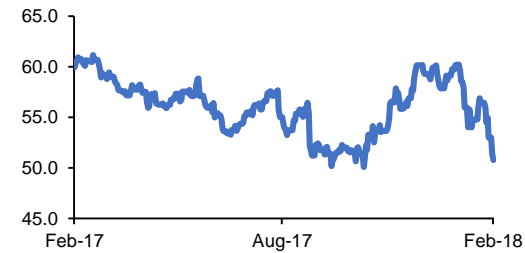
**Danone (BN)**



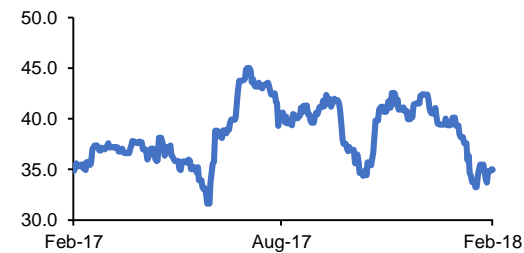
**Dr Pepper Snapple Group (DPS)**



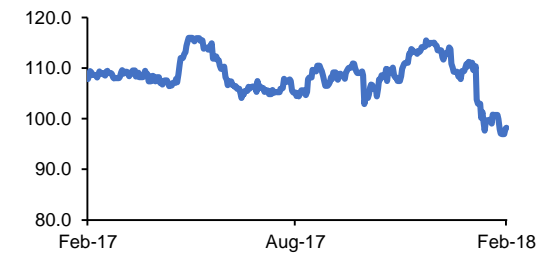
**General Mills (GIS)**



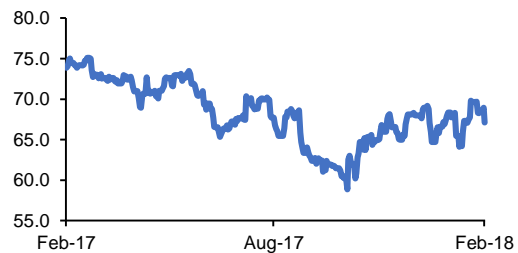
**The Hain Celestial Group (HAIN)**



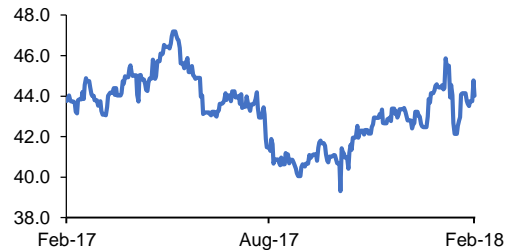
**Hershey (HSY)**



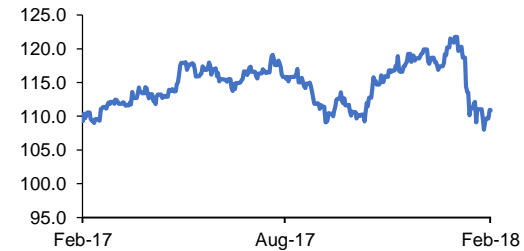
**Kellogg's (K)**



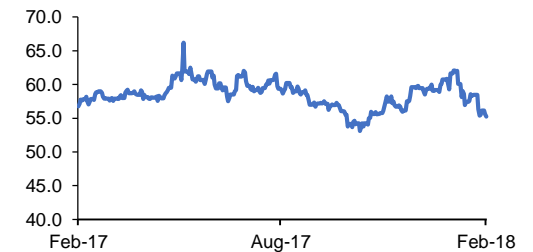
**Mondelez International (MDLZ)**



**Pepsico (PEP)**



**Pinnacle Foods (PF)**



Source: Pitchbook Data as of March 3, 2017



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# SELECTED M&A TRANSACTIONS – FOOD & BEVERAGE AND PERSONAL CARE

Date	Target	Target Description	Buyer	Transaction Value (\$MM)	Revenue Multiple	EBITDA Multiple
23-Feb-2018	Blue Buffalo (BUFF)	Manufacturer and marketer of pet products in the United States.	General Mills	8,000	6.5x	27.0x
20-Feb-2018	Del Monte Processed Fruit And Vegetable Business	Provider of processed fruits and vegetables.	Bonduelle	35	N/A	N/A
15-Feb-2018	Timothy's Coffees of the World	Owner and operator of a chain of coffee shops intended to sell coffee and snacks at cheaper prices.	MTY Food Group	2	N/A	N/A
13-Feb-2018	3V Natural Foods	Producer and distributor of food products.	SHS Group	69	N/A	N/A
05-Feb-2018	Mann Packing	Processor and supplier of a broad variety of fresh and value-added vegetable products.	Fresh Del Monte Produce	361	0.7x	N/A
31-Jan-2018	Amplify Snack Brands	Manufacturer and supplier of food products.	Hershey	1,000	2.7x	12.5x
31-Jan-2018	Betty Ice	Producer of ice creams.	Unilever	122	3.6x	N/A
30-Jan-2018	Cott Beverages	Producer and distributor of beverages.	Refresco Group	1,250	N/A	N/A
29-Jan-2018	Dr Pepper Snapple Group (DPS)	Manufacturer of flavored beverages.	BDT Capital Partners, JAB Holding Company, Keurig Green Mountain, Mondelez International	21,000	3.1x	13.4x
29-Jan-2018	Indústria de Produtos Alimentícios Piraquê	Producer of food products.	M Dias Branco Industria e Comercio de Alimentos	498	N/A	N/A
29-Jan-2018	Field Roast Grain Meat Company	Producer of vegan meat products.	Maple Leaf Foods	120	3.2x	N/A
24-Jan-2018	Galaxy Nutritional Foods	Provider of cheese alternative and other organic food products.	GreenSpace Brands	18	1.1x	N/A
23-Jan-2018	Hortex	Producer of non-carbonated fruit juices and beverages.	Mid Europa Partners	244	1.2x	N/A
23-Jan-2018	Puris Proteins	Producer of non-GMO food products intended to supply organic soybeans and soy-based products internationally.	Undisclosed	25	N/A	N/A
22-Jan-2018	Darrell Lea Confectionary	Producer and retailer of chocolates in Australia.	Quadrant Private Equity	159	2.0x	12.8x
22-Jan-2018	Patron Spirits	Producer of spirits in the United States.	Bacardi	3,570	5.3x	N/A
18-Jan-2018	Bertagni	Producer of pasta.	Groupe Panzani, Pastificio Lucio Garofalo	111	1.4x	N/A
17-Jan-2018	Enzymotec (krill oil business)	Producer of krill oil in Israel.	Aker BioMarine, AXA Investment Managers	26	N/A	N/A
17-Jan-2018	Goodfellas Pizza	Owner and operator of a chain of pizza stores in Ireland.	Nomad Foods	274	N/A	N/A



Source: Pitchbook Data as of February 27, 2018; Silverwood Estimates

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# SELECTED M&A TRANSACTIONS – FOOD & BEVERAGE AND PERSONAL CARE

Date	Target	Target Description	Buyer	Transaction Value (\$MM)	Revenue Multiple	EBITDA Multiple
16-Jan-2018	St Hubert	Producer of margarine and spreads.	Beijing Sanyuan Foods, Fosun International	761	N/A	N/A
15-Jan-2018	Hügli	Manufacturer of packaged food products.	Bell Food Group	169	N/A	N/A
11-Jan-2018	Nestlé (US Confectionery Business)	Producer of confectionery products.	Ferrero International	2,800	N/A	N/A
06-Jan-2018	Comercializadora Novaverde	Wholesaler and distributor of canned fruits and vegetables.	Andina Bottling Company, Coca-Cola, Coca-Cola Embonor	79	N/A	N/A
04-Jan-2018	Lily O'Brien's Chocolates	Producer of premium chocolates and desserts.	Colian Holding Spółka Akcyjna	49	N/A	N/A
31-Dec-2017	Unitop-Optima	Manufacturer and distributor of sesame-based snacks and other confectionery goods.	Bounty Brands, Coast2Coast Capital	48	1.1x	N/A
31-Dec-2017	Mykogen Polska	Producer of mushroom-growing substrate.	Greenyard	110	2.4x	7.0x
29-Dec-2017	Masuda Flour Milling Company	Producer and distributor of wheat flour products.	Nitto Fuji Flour Milling Company	27	0.4x	3.7x
28-Dec-2017	Golden Koala	Producer of dairy milk products.	Jatenergy	3	N/A	N/A
22-Dec-2017	Raisio (confectionery business)	Provider of confectionery products throughout United Kingdom and Czech Republic.	CapVest Partners, Valeo Foods	118	1.1x	12.3x
22-Dec-2017	B-d. Farm Paris Creek	Producers of dairy products.	Primary Opinion	26	1.7x	N/A
21-Dec-2017	Nutri-Pea	Producer of food ingredients derived from yellow peas.	G.S. Dunn	30	N/A	N/A
20-Dec-2017	Bisquit Cognac	Manufacturer of alcoholic beverages.	Gruppo Campari	62	6.0x	N/A
19-Dec-2017	Omega Protein	Developer and producer of protein and nutritional products.	Cooke	500	1.5x	9.0x
18-Dec-2017	Epicore Bionetworks	Manufactures and supplier of biotechnology and nutritional products across the globe.	Caisse des Dépôts Group, Eurazeo, IDIA Capital Investissement, Neovia, Unigrains	28	2.4x	10.1x
18-Dec-2017	Snyder's-Lance (LNCE)	Snyder's-Lance makes, sells, and distributes a variety of packaged snack foods.	Campbell Soup Company	6,000	2.7x	43.6x
15-Dec-2017	Unilever (Spreads Business)	Producer of food products intended to offer margarine and spreads.	Kohlberg Kravis Roberts	8,079	2.4x	10.1x
14-Dec-2017	Inventure Foods	Marketer and manufacturer of specialty food.	Metropoulos & Company, Utz Quality Foods	90	0.3x	-13.2x

Source: Pitchbook Data as of February 27, 2018; Silverwood Estimates



# SELECTED M&A TRANSACTIONS – FOOD & BEVERAGE AND PERSONAL CARE

Date	Target	Target Description	Buyer	Transaction Value (\$MM)	Revenue Multiple	EBITDA Multiple
14-Dec-2017	Shipt	Operator of an online grocery marketplace intended to deliver groceries to the customer's door.	Target	550	N/A	N/A
14-Dec-2017	Sunland Volonte Agency	Distributor of packet drinks.	EA Holdings	19	N/A	N/A
14-Dec-2017	Appol	Producer of concentrated fruit juices.	SDIC Zhonglu Fruit Juice Company	19	N/A	N/A
13-Dec-2017	California Olive Ranch	Producer of olive oil.	Undisclosed	35	N/A	N/A
13-Dec-2017	Tazo Tea	Producer and distributor of tea and herbal beverages.	Unilever	384	3.4x	N/A
12-Dec-2017	Pacific Foods of Oregon	Producer of natural and organic food products.	Campbell Soup Company	700	3.0x	N/A
12-Dec-2017	Montchevre	Producer of dairy products.	Saputo	265	1.8x	N/A
11-Dec-2017	OldTown White Coffee (5201)	Producer of coffee.	BDT Capital Partners, Freemark Partners, JAB Holding Company, Jacobs Douwe Egberts, Quadrant Private Equity	360	3.6x	15.5x
05-Dec-2017	Atrium Innovations	Manufacturer of nutritional supplements and natural health products.	Nestlé Health Science	2,300	3.3x	N/A
05-Dec-2017	La Rousse Foods	Producer and distributor of nutritional healthy food and beverages intended to offer fresh dairy and nutritional supplements for good health.	Musgrave Group	36	N/A	N/A
04-Dec-2017	Itambe Alimentos	Producer of dairy products.	Groupe Lactalis	577	N/A	N/A
03-Dec-2017	Three-A (Qinhuangdao) Food Industries	Producer of food and beverage ingredients.	Wilmar International	1	N/A	N/A
01-Dec-2017	Ferrara Candy Company	Manufacturer of confectionery and gum products.	Ferrero International	1,200	N/A	N/A
01-Dec-2017	Richelieu Foods	Producer and supplier of premium private label frozen pizza.	Freiberger (UK) Limited	435	1.3x	N/A
01-Dec-2017	Groupe Commensal	Producer and seller of ready to eat vegetarian food products intended to offer a range of refrigerated prepared meals.	Undisclosed	3	N/A	N/A
30-Nov-2017	Squirrel Brand	Producer of roasted nuts and snack mixes.	Sanfilippo John B & Son	32	0.9x	N/A
30-Nov-2017	Pirate Life	Producer of alcoholic beverages.	Anheuser-Busch InBev	8	N/A	N/A
29-Nov-2017	KIND Snacks	Manufacturer of healthy snacks made from whole ingredients.	Mars	4,000	5.5x	N/A
29-Nov-2017	Thorne Research	Manufacturer of dietary supplements intended to enhance the health and well-being of people worldwide.	Mitsui & Company	8	N/A	N/A
28-Nov-2017	Chill Beverages	Manufacturer of beverage products.	Long4Life	32	N/A	N/A

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# SELECTED M&A TRANSACTIONS – FOOD & BEVERAGE AND PERSONAL CARE

Date	Target	Target Description	Buyer	Transaction Value (\$MM)	Revenue Multiple	EBITDA Multiple
27-Nov-2017	Columbus Manufacturing	Producer of meat products.	Hormel Foods	850	2.8x	N/A
24-Nov-2017	GIM Factory	Producer and distributor of seafood products.	Taokaenoi Food & Marketing	2	N/A	N/A
21-Nov-2017	Homemade Harvey Operating	Manufacturer of canned fruits and vegetables.	Tianyun International	5	N/A	N/A
20-Nov-2017	Decacer	Producer of pure maple products.	L.B. Maple Treat	40	N/A	7.8x
17-Nov-2017	Bento Sushi	Provider of ready-to-eat foods sushi foods.	Mayfair Equity Partners, YO! Sushi	78	0.7x	N/A
07-Nov-2017	Icelandic Seachill	Processor and supplier of frozen seafood.	Hilton Food Group	111	N/A	6.8x
06-Nov-2017	Labeyrie Traiteur Surgelés	Producer and seller of frozen food products.	Ajinomoto	25	0.3x	-8.1x
03-Nov-2017	NuLac Foods	Nulac foods is an australian based company that develops and deliver dairy and dairy free products.	Bubs Australia	29	N/A	N/A
02-Nov-2017	Ruchi Soya Industries	Manufacturer and retailer of edible oils and soya products.	Devonshire Capital	616	0.2x	-5.7x
02-Nov-2017	Preferred Brands International (519091)	Producer and seller of ready-to-eat Indian cuisines intended to offer a wide variety of vegetarian food items.	Mars	171	N/A	N/A
01-Nov-2017	Havmor Ice Cream	Producer of packaged ice creams and related products.	Lotte Confectionery	158	0.0x	N/A
01-Nov-2017	Joseph Epstein Food Enterprises	Producer of natural food products.	MamaMancini's Holdings	5	N/A	N/A
01-Nov-2017	Adams & Russell	Producer and supplier of tea and coffee.	GreenBean Coffee Roasters	1	N/A	6.6x
31-Oct-2017	Fjord	Processor and provider of smoked fishes.	Agroittica Lombarda	4	N/A	N/A
27-Oct-2017	RxBar	Manufacturer and distributor of protein bars.	Kellogg's	600	5.0x	N/A
26-Oct-2017	Olivos Naturales	Producer of virgin olive oil.	ADM Capital	153	4.5x	N/A
26-Oct-2017	Vigor Alimentos	Producer of dairy products.	Grupo Lala	1,578	8.7x	N/A
26-Oct-2017	Murray Goulburn (MGC)	Producer and processor of milk and milk products.	Saputo	1,025	N/A	N/A
24-Oct-2017	Refresco Group (RFRG)	Bottler of soft drinks and fruit juices intended for retailers and A-brands in Europe and the United States.	British Columbia Investment Management, PAI Partners	5,436	2.2x	24.8x
23-Oct-2017	Angie's Artisan Treats	Producer of snack food products,	Conagra Brands	250	N/A	N/A

Source: Pitchbook Data as of February 27, 2018; Silverwood Estimates



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# SELECTED M&A TRANSACTIONS – FOOD & BEVERAGE AND PERSONAL CARE

Date	Target	Target Description	Buyer	Transaction Value (\$MM)	Revenue Multiple	EBITDA Multiple
20-Oct-2017	Pyengana Dairy	Producer of English-style cheddar cheese, bottled milk and other dairy products.	Tasfood	2	0.5x	N/A
19-Oct-2017	Cerebos Food & Instant Coffee and Asian Home Gourmet	Manufacturer of food and instant coffee.	Kraft Heinz	226	N/A	N/A
18-Oct-2017	Mighty International	Manufacturer of non-sweet spectrum of flavors.	Frutarom Industries	32	2.1x	N/A
16-Oct-2017	East Balt Bakeries	Producer of sandwich buns and rolls created for the bakery industry sectors.	Grupo Bimbo	650	1.5x	9.3x
12-Oct-2017	Myanmar Distillery Company	Producer of alcoholic beverages and spirits.	Thai Beverage Public	494	N/A	N/A
12-Oct-2017	Myanmar supply Chain and Service Comapany	Produces alcoholic and non-alcoholic beverages.	Thai Beverage Public	7	N/A	N/A
06-Oct-2017	Darling Downs Fresh Eggs	Producer of eggs in Kincora Queensland.	Farm Pride Foods	5	N/A	N/A
05-Oct-2017	Jeongsim Food	Manufacturer and distributor of fruits, vegetable and nuts. The company also manufactures dried sweet potato product.	Undisclosed	10	1.7x	N/A
04-Oct-2017	Gruppo Campari (Lemonsoda business)	Producer of alcohol-free fruit-flavored carbonated drinks.	Royal Unibrew	94	2.6x	N/A
02-Oct-2017	Sanabel Al-Salam	Producer and retailer of sweets and confectionery items.	Savola Group	300	N/A	N/A
02-Oct-2017	Back To Nature Foods	Producer of organic and health foods created for making food recipes using ingredients inspired by nature.	B&G Foods	163	2.0x	9.6x
02-Oct-2017	Boyd Coffee	Manufacturer and distributor of coffee products intended to offer premium quality of coffee products.	Farmer Brothers	63	0.7x	N/A
02-Oct-2017	Peter Paulsen Import-Export	Manufacturer of meat snacks and meat food products.	Charoen Pokphand Foods	12	N/A	N/A
01-Oct-2017	Plated	Provider of an online platform intended to provide ready-to-cook ingredients and recipes for home delivery.	Albertsons	188	N/A	N/A
29-Sep-2017	TerraVia	Producer and seller of food, nutrition, and specialty ingredients intended to harnesses the power of algae.	Corbion	20	N/A	N/A
29-Sep-2017	Udder Delights Australia	Manufacturer and distributor of cheese and dairy products.	Megmilk Snow Brand	11	2.3x	N/A
28-Sep-2017	Avi Instant	Producer of poultry meat.	Carmistin	5	39.0x	N/A
22-Sep-2017	Unilever (South African Margarine Business)	Producer of margarine product in South Africa.	Pembani Remgro Infrastructure Fund	900	N/A	N/A
22-Sep-2017	Rader Farms	Producer of frozen rashberries and fine berries.	Oregon Potato	50	N/A	N/A
20-Sep-2017	Sager Creek Vegetable Company	Provider of farm-fresh canned vegetables and fruits.	McCall Farms	55	N/A	N/A

Source: Pitchbook Data as of February 27, 2018; Silverwood Estimates



# SELECTED M&A TRANSACTIONS – FOOD & BEVERAGE AND PERSONAL CARE

Date	Target	Target Description	Buyer	Transaction Value (\$MM)	Revenue Multiple	EBITDA Multiple
18-Sep-2017	Groupe Mimran	Provider of milling services.	Seaboard	378	N/A	N/A
14-Sep-2017	Mikey's	Provider of baked foods.	Factory	5	N/A	N/A
14-Sep-2017	Blue Bottle Coffee	Operator of a network of cafes intended to offer organic coffee.	Nestlé	700	N/A	N/A
13-Sep-2017	Alimentsa	Provider of shrimp production services.	BioMar Holding	119	5.2x	39.3x
12-Sep-2017	Trilliant Food and Nutrition	Manufacturer of coffee and other beverages sold primarily in a single-serve format.	The Blackstone Group	541	2.4x	N/A
12-Sep-2017	IOI Loders Croklaan	Producer of oil and oil products.	Bunge	1,000	N/A	9.5x
11-Sep-2017	Moy Park	Processor and producer of poultry products.	Pilgrim's Pride	1,300	0.6x	N/A
11-Sep-2017	KK Fine Foods	Producer, manufacturer and distributor of ready-made meals.	Ter Beke	17	0.3x	N/A
07-Sep-2017	Raised Real	Seller of home made baby food ingredients intended to produce nutritious baby meals.	Schwan's Company	5	N/A	N/A
06-Sep-2017	Geovita Group	Producer of food ingredients.	Ebro Foods	20	N/A	N/A
05-Sep-2017	Cloetta Italy	Producer and seller of confectionery brands such as Sperlari, Saila, Dietor, Galatine and Dietorelle.	Katjes International	56	0.6x	N/A
01-Sep-2017	Pivovarni Khaineken	Manufacturer of beer and malt beverages.	Oasis Beverages Cyprus	6,190	N/A	N/A

Source: Pitchbook Data as of February 27, 2018; Silverwood Estimates



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# SELECTED INVESTMENTS – FOOD & BEVERAGE AND PERSONAL CARE

Date	Target	Target Description	Investors	Transaction Value (\$MM)
27-Feb-2018	Perfect Day	Producer of dairy-free milk and proteins using lab-based technology.	Temasek, Horizons Ventures, Continental Grain, Iconiq Capital, Lion Ventures, Verus International	25
26-Feb-2018	Bear Squeeze	Producer of ketogenic meal shakes.	AccelFoods	1
26-Feb-2018	Siren Snacks	Manufacturer of protein "bites" which are vegan, gluten-free, and grain-free.	Pear Ventures	1
21-Feb-2018	Caledonia Spirits	Operator of a craft distillery firm created to support working landscapes and local agriculture.	FreshTracks Capital	1
19-Feb-2018	TeneTrio	Provider of dog snacks intended to be manufactured with insects.	BC Brandenburg Capital	1
14-Feb-2018	Drink Maple	Producer of packaged maple water intended to refresh the taste of pure water, with a hint of maple flavor.	Undisclosed	3
12-Feb-2018	Instacart	Provider of a goods delivery application designed to order and secure delivery of groceries from local stores.	Coatue Management, Glade Brook Capital Partners	200
06-Feb-2018	Stryve Foods	Owner and operator of a protein snack company intended to create a convenient, protein-packed snack that would leave people drooling.	Murano Group	1
06-Feb-2018	Blue Harvest Fisheries	Operator of seafood harvesting business intended to supply seafood from well managed and sustainable fisheries.	Undisclosed	1
05-Feb-2018	Wandering Bear	Operator of a coffee brewing company intended to sell fresh coffee that do not stale.	Undisclosed	8
05-Feb-2018	Empresario	Owner and operator of a company selling liquor.	ATX Seed Ventures	2
01-Feb-2018	Camino Brewing Company	Operator of a beer company intended to brew craft specialty beers.	Undisclosed	2
01-Feb-2018	BigBasket	Operator of an online platform intended to sell food and grocery products.	Alibaba Group, International Finance Corporation, Sands Capital Ventures, The Abraaj Group	300
01-Feb-2018	Harmless Harvest	Provider of non-alcoholic beverages intended to offer refrigerated premium coconut water.	AccelFoods, Danone Manifesto Ventures, Mousse Partners	30
29-Jan-2018	Ripple (Beverages)	Producer of non-dairy food products intended to make life healthy.	Euclidean Capital, Fall Line Capital, GV, Khosla Ventures, Prelude Ventures, S2G Ventures, The Goldman Sachs Group	65
29-Jan-2018	Keurig Green Mountain	Manufacturer of coffee, teas and other beverages.	JAB Holding Company	9,000
26-Jan-2018	Cultiva	Provider of a food-grade biofilm technology intended to supplement the cuticle of the plant.	Undisclosed	2
25-Jan-2018	Sun Basket	Provider of a healthy meal kit subscription service designed to save time in planning and shopping for ingredients and recipes.	Accolade Partners, August Capital, Correlation Ventures, Founders Circle Capital, Relevance Capital, Rembrandt Venture Partners, Sapphire Ventures, Unilever Ventures, Vulcan Capital	58

Source: Pitchbook Data as of March 6, 2017; Silverwood Estimates

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# SELECTED INVESTMENTS – FOOD & BEVERAGE AND PERSONAL CARE

Date	Target	Target Description	Investors	Transaction Value (\$MM)
23-Jan-2018	Tosi Health	Producer of a health-conscious line of meal and snack products created to improve health and proper weight management.	Cambridge Companies	3
19-Jan-2018	Pinto Barn	Producer of allergen free snack food created for children suffering from food allergies.	Undisclosed	10
18-Jan-2018	Matchabar	Operator of a tea bar.	Bullish, Cambridge Companies	4
16-Jan-2018	Smari Organics	Producer of Icelandic yogurt intended to provide yogurt made from organic, pasture-based cow's milk.	Undisclosed	2
16-Jan-2018	Teton Waters Ranch	Manufacturer and supplier of food products made from grass-fed animals.	Undisclosed	4
11-Jan-2018	Pagoda	Operator of a fruit retailer chain specialized in providing fresh fruit.	Co-Stone Capital, Guangzhou Yuexiu Industrial Investment Fund Management, Shenzhen Capital Group, Source Code Capital, Zhongjin Zhide Equity Investment Management, Zhongzhi Capital Management Co	230
11-Jan-2018	Eat Fit Go Healthy Foods	Operator of a chain of restaurants in the United States.	Undisclosed	1
10-Jan-2018	Spiked Cold Brew	Owner and operator of a liqueur brand intended to provide cream liqueur drinks.	Undisclosed	1
08-Jan-2018	Banana	Producer of banana-based organic snacks.	Undisclosed	8
08-Jan-2018	Smashmallow	Retailer of food products.	Sonoma Brands, VMG Partners	10
05-Jan-2018	Aloha	Producer of nutritional supplements designed to ensure a healthy lifestyle.	Undisclosed	26
05-Jan-2018	Hail Merry	Manufacturer of snack products.	Undisclosed	2
03-Jan-2018	Farmhouse Culture	Producer of fermented and organic probiotic rich foods & beverages.	301 (John Haugen), Oregon Venture Fund, Renewal Funds, White Road Investments	13
03-Jan-2018	Green Blender	Provider of a subscription service for superfood smoothies.	Point Nine Capital, SOSV, Team Europe Management	2
02-Jan-2018	Muscle Food	Producer and supplier of protein-rich food products.	BGF	14
02-Jan-2018	SuperMeat	Development of clean chicken meat intended to save animals, protect the environment and improve public health.	New Crop Capital, PHW-Gruppe, Stray Dog Capital	3
01-Jan-2018	Butternut Box	Operator of home-made healthy dog food delivery platform intended to improve health issues of dogs.	Literacy Capital, Passion Capital, White Star Capital	7
01-Jan-2018	Safe Catch	Provider of canned seafood products.	Echo Capital Group, Essential Investments	5
29-Dec-2017	CitraPac	Manufacturer of specialty real-fruit frozen snacks.	Undisclosed	2

Source: Pitchbook Data as of March 6, 2017; Silverwood Estimates



# SELECTED INVESTMENTS – FOOD & BEVERAGE AND PERSONAL CARE

Date	Target	Target Description	Investors	Transaction Value (\$MM)
20-Dec-2017	Bou	Producer of gluten-free bouillon cubes intended to offer healthy food.	Undisclosed	1
19-Dec-2017	FoodMaven	Provider of an online grocery marketplace intended to help people buy grocery items.	Chris Scoggins, Eric Roza, Jon Borgen, Rajesh Atluru, Robert Finzi, Tom Ahlborg, Walton Family Fund	9
19-Dec-2017	Daily Harvest	Provider of subscription-based services designed to offer boxes of frozen food.	Bobby Flay, Haylie Duff, Lightspeed Venture Partners, M13, Shaun White, VMG Partners	43
19-Dec-2017	Tovala	Provider of a smartphone application, steam oven and meal delivery services created to provide busy people with an effortless way to eat delicious, healthy, home-cooked meals.	Joseph Mansueto, Larry Levy, Origin Ventures, Pritzker Group Venture Capital, Tyson Ventures, Y Combinator	9
18-Dec-2017	Coopland & Son (Scarborough)	Operator of three bakeries in Hull, Durham and Scarborough, United Kingdom.	BGF	11
18-Dec-2017	Pop Gourmet	Manufacturer of gourmet popcorn.	Visionary Private Equity Group	1
15-Dec-2017	RISE Coffee	Provider of natural nitrogen-infused cold brew coffee intended to offer organic coffee to its customers.	Winklevoss Capital Management	3
14-Dec-2017	Teabox	Provider of an online platform intended to offer organic tea and tea-based products direct from the source.	Accel, Cameron Jones, Henry Jung, RB Investments, Robert M. Bass	7
14-Dec-2017	Tio Gazpacho	Developer of chilled and drinkable soups.	Undisclosed	2
14-Dec-2017	Ineldea	Manufacturer of food supplements and healthcare products.	Mérieux Développement	12
13-Dec-2017	Kuleana Spirits	Operator of a rum distillery intended to produce rum from local sugarcane.	Undisclosed	5
12-Dec-2017	Nutpods	Producer of dairy-free beverage creamer intended to provide healthy and tasty beverage.	CircleUp Network	2
11-Dec-2017	VAHDAM	Owner and operator of an online tea store intended to provide organic tea.	Fireside Ventures, Mumbai Angel Venture Mentors, Singapore Angel Network	1
11-Dec-2017	The Real McCoy Rum	Producer and distributor of alcoholic beverages.	Undisclosed	4
08-Dec-2017	200 Degrees	Owner and operator of a chain of coffee shops.	Foresight Group	4
07-Dec-2017	Beyond Meat	Provider of animal-free meat products created to replace animal protein with plant protein.	Ambrosia Investments, Candice Bergen, Cleveland Avenue, Jack Welch, Lauder Partners, Leonardo DiCaprio, Seth Goldman, Suzy Welch, Thomas Middleditch, Tyson Ventures	55
06-Dec-2017	Springworks Farm Maine	Provider of agricultural products intended to bring fresh produce.	Undisclosed	2
27-Nov-2017	Love Grown Foods	Operator of a natural food company whose mission is to create delicious foods that are packed full of nutritional benefits.	Cimbria Capital	3

Source: Pitchbook Data as of March 6, 2017; Silverwood Estimates

Plant-Based Deal



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# SELECTED INVESTMENTS – FOOD & BEVERAGE AND PERSONAL CARE

Date	Target	Target Description	Investors	Transaction Value (\$MM)
21-Nov-2017	Chevoo	Producer of artisan goat cheese.	Undisclosed	7
21-Nov-2017	Kona Deep	Provider of packaged bottled water.	Danone Manifesto Ventures, Grand Crossing Capital	6
20-Nov-2017	Bizzy Coffee	Provider of sugar free cold brew coffee designed to provide healthier alternative to energy drinks.	Bluestein & Associates, M25 Group, SOSV	2
16-Nov-2017	Hawaiian Ola Brewing	Producer of organic beverages from locally-sourced materials.	Undisclosed	1
15-Nov-2017	Phyter Food	Producer of vegetable-based nutrition bars created to provide an organic, plant-based alternative for on-the-go snacking.	Sustainable Local Food Investment Group	1
15-Nov-2017	Tiff's Treats Holdings	Provider of classic, baked-to-order cookies and brownies.	Morgan Stanley Expansion Capital	25
15-Nov-2017	Wild Friends Foods	Producer of nut butters made designed to make food friendly.	Portland Seed Fund	3
13-Nov-2017	Sportwater	Producer of electrolyte formulation drinks intended to cater to the needs of athletes.	Undisclosed	1
08-Nov-2017	Urban Remedy	Provider of organic based food products intended to make fresh, clean food more accessible to an increased number of customers.	301	17
08-Nov-2017	Suja	Producer of cold-pressed juices.	Coca-Cola	12
08-Nov-2017	Multi-Flow Industries	Manufacturer and supplier of juice and beverage concentrates.	Undisclosed	2
07-Nov-2017	Powerful	Producer of high-protein yogurts created to serve as an alternate to other unhealthy snacks.	Cambridge Companies, River Hollow Partners, SWAT Equity Partners	4
03-Nov-2017	Plus Products Holdings	Manufacturer of a medicated gum intended to provide most diet-friendly edibles.	Undisclosed	4
02-Nov-2017	4505 Chicharrones	Producer of all-natural pork rinds.	CircleUp Network	3
01-Nov-2017	Vital Proteins	Producer of pasture-raised collagen-based health supplements intended to fill the gap created by modern food production by reintroducing crucial whole animal ingredients back into people's diet.	CAVU Venture Partners	26
31-Oct-2017	Mooala Brands	Producer of dairy-free beverages.	M3 Ventures, Sweat Equities	5
30-Oct-2017	WellWell	Operator of a food and drinks company intended to sell natural sports beverages.	Undisclosed	1
30-Oct-2017	Health-Ade	Provider of kombucha designed to provide the best tasting and highest quality kombucha you can buy.	CAVU Venture Partners, First Beverage Group	13
30-Oct-2017	Ample Hills Creamery	Owner and operator of a chain of ice-cream shops dedicated to offer handcrafted ice creams.	Allana Group, Argonautic Ventures, Bullish, Charles Cohen, Lerer Hippeau Ventures, Michael Murphy, RiverPark Funds, Rosecliff Ventures	8

Source: Pitchbook Data as of March 6, 2017; Silverwood Estimates

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# SELECTED INVESTMENTS – FOOD & BEVERAGE AND PERSONAL CARE

Date	Target	Target Description	Investors	Transaction Value (\$MM)
30-Oct-2017	Alpine Start	Provider of instant coffee intended to be consumed outside or on the go.	Slow Ventures	1
25-Oct-2017	Forthglade Foods	Provider of good quality natural pet food.	Santander Corporate & Commercial	7
24-Oct-2017	Raw Pressery	Provider of cold-pressed juices and cleanses made from fruits and vegetables intended to make getting healthy easier for people.	DSG Consumer Partners (Deepak Shahdarpuri), Saama Capital India Advisors, Sequoia Capital India	6
23-Oct-2017	Splendid Spoon	Operator of a plant-based wellness company intended to sell fresh and healthy foods.	Undisclosed	3
23-Oct-2017	Chevon	Seller of frozen goat meat and other ready-to-cook ranges.	Greenfield Advisory	1
20-Oct-2017	Kusmi Tea	Provider of teas and accessories intended to provide all in one tea products.	Nextworld Evergreen	24
18-Oct-2017	MycoTechnology	Provider of food technology services designed to improve nutritional characteristics of food products.	Ajinomoto, Bunge, Closed Loop Capital, Continental Grain, Eighteen94 Capital, Emerson Collective, GreatPoint Ventures, Middleland Capital, S2G Ventures, Seventure Partners, Tao Capital Partners, Windy City	42
17-Oct-2017	Mestizo Foods	Owner and operator of a food production company intended to manufacture and distribute snack based food products.	Undisclosed	1
17-Oct-2017	Fingerlix	Operator of an online ready-to-cook delivery service platform intended to solve the growing need for healthy and tasty cooking at home.	Accel, Zephyr Management	7
17-Oct-2017	Hafervoll	Provider of oatmeal snacks intended to be processed by hand and prepared in the oven.	SevenVentures	4
16-Oct-2017	Big Tree Farms	Producer of tropical food products.	Patamar Capital, Pergament LOHAS Fund, White Road Investments	5
16-Oct-2017	Ourolac Indústria de Alimentos	Manufacturer and distributor of cheese food products.	2bCapital, Siguler Guff & Company	28
16-Oct-2017	Dosa	Owner and operator of a restaurant intended to provide traditional style cuisines inspired from Southern Indian cooking and spices.	Undisclosed	4
13-Oct-2017	Heavenly Organics	Operator of an online honey retail store intended to sell organic raw honey and sugar-cane products by applying sustainable farming methods.	Undisclosed	4
12-Oct-2017	Austin Eastciders	Producer of traditional craft ciders.	Undisclosed	10
11-Oct-2017	Health Warrior	Manufacturer of nutrition bars and other snacks.	Undisclosed	5
10-Oct-2017	Cryoocyte	Provider of cryopreserve services designed to freeze fish eggs.	Aqua-Spark, Fort Point Angels, Oleg Uritsky	5
10-Oct-2017	Hippeas	Producer of natural snack food created to change the way people eat snacks.	CAVU Venture Partners, Joseph Serventi, Leonardo DiCaprio, Strand Equity Partners	10
10-Oct-2017	Sun-in Co	Manufacturer and distributor of bakery ingredients.	The Goldman Sachs Group	30

Source: Pitchbook Data as of March 6, 2017; Silverwood Estimates



# SELECTED INVESTMENTS – FOOD & BEVERAGE AND PERSONAL CARE

Date	Target	Target Description	Investors	Transaction Value (\$MM)
09-Oct-2017	Zume Pizza	Provider of robot-powered pizza delivery services.	Undisclosed	48
09-Oct-2017	Veeba	Producer and distributor of food ingredients.	DSG Consumer Partners, Saama Capital India Advisors, Sixth Sense Ventures Advisors, Verlinvest	6
05-Oct-2017	Eat Your Coffee	Producer of coffee-based energy bars intended to create caffeinated snacks.	Stray Dog Capital	3
05-Oct-2017	Sanavi	Provider of flavored water intended to promote healthy drinking.	Undisclosed	1
05-Oct-2017	Caulipower	Producer of gluten-free cauliflower-based food products intended to serve heavy-hitting nutrients that fight cancer, heart disease, arthritis, type 2 diabetes, Crohn's disease and ulcerative colitis.	BFG Partners	2
05-Oct-2017	Gobble	Operator of an online marketplace intended to offer home cooked meals.	Andreessen Horowitz, Initialized Capital Management, Khosla Ventures, Trinity Ventures	15
03-Oct-2017	Mindful Chef	Provider of food ingredients intended to help users make healthy meals.	Undisclosed	2
03-Oct-2017	Reverend Nat's Hard Cider	Manufacturer of hard cider created to make handcraft and unusual ciders.	Shobi Dahl	1
01-Oct-2017	Miss Jones	Producer of organic frostings and organic baking mixes intended to make it easy to bake.	Baylor Angel Network, Houston Angel Network	2
01-Oct-2017	Boomerang's Food	Seller and producer of Australian-style meat and vegetarian pies.	Baylor Angel Network, Houston Angel Network, Wild Basin Investments	4
29-Sep-2017	Purella Food	Producer of healthy snacks and supplements using Chlorella, natural freshwater algae grown under special conditions.	bValue Angels VC	2
29-Sep-2017	Just Goods	Provider of bottled water created to be responsibly sourced, produced and packaged for improved environmental and community impact.	DGNL Ventures	2
28-Sep-2017	Liv Up	Provider of convenient meals designed to use deep-freezing technology in the organic food sector.	Kaszek Ventures	2
27-Sep-2017	Bluestone Lane	Operator of a chain of coffee shops intended to create immersive coffee experiences.	Freemark Partners	16
25-Sep-2017	La Parisienne de Baguette	Producer of fresh bread.	Entrepreneur Venture	7
21-Sep-2017	Laird Superfood	Producer of organic whole bean coffee, ground coffee and sweetener intended to offer super-food to its customer.	Undisclosed	3
19-Sep-2017	DouxMatok	Developer of flavor delivery technology intended to be used for enhancing the natural sweetness of sugars.	Foodlab Capital, Gil Horsky, Pitango Venture Capital	8
15-Sep-2017	Revive Kombucha	Operator of a brewery which produces fermented tea beverages.	Beechwood Capital, Blueberry Ventures, Good Eggs, Greenhouse Capital Partners, Peet's Coffee & Tea, Prolog Ventures, Rodeo Ventures, Specialized Bicycle Components, Strand Equity Partners, Traditional Medicinals	8

Source: Pitchbook Data as of March 6, 2017; Silverwood Estimates

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# SELECTED INVESTMENTS – FOOD & BEVERAGE AND PERSONAL CARE

Date	Target	Target Description	Investors	Transaction Value (\$MM)
14-Sep-2017	Seven Sundays	Manufacturer of unprocessed gourmet mueslis.	Katjesgreenfood	2
14-Sep-2017	Keventer Agro	Provider and distributor of dairy, beverages and food products.	Mandala Capital	26
13-Sep-2017	Yofix	Provider of dairy free and soy-free pre-biotic and pro-biotic, fermented foods.	Strauss Group	2
13-Sep-2017	FreshMarket	Operator of an online grocery platform, based in Suzhou, China.	Addor Capital, Dingfeng Asset Management, Tiantu Capital	82
13-Sep-2017	Be Well Nutrition	Producer of protein drinks made with grass-fed dairy.	KarpReilly	8
12-Sep-2017	Plenty	Developer of an agricultural technology designed to produce fresher, better tasting and more nutritious produce available everywhere.	Bezos Expeditions, Data Collective, DCM Ventures, Finistere Ventures, Innovation Endeavors, Kirenaga Partners, Moore Capital Management, SGVC, SoftBank Group	200
12-Sep-2017	good culture	Producer of organic and all-natural cottage cheese products.	Undisclosed	6
07-Sep-2017	Melt Organic	Manufacturer of organic dairy-free, plant-based butter designed for improvement in baking, cooking and topping.	Undisclosed	2
06-Sep-2017	Stem Ciders	Operator of a crafted cider producing company intended to offer flavoured ciders.	Undisclosed	4
06-Sep-2017	Solve For Food	Provider of food processing services intended to transform the worldwide packaged food industry.	IV Ventures	13
06-Sep-2017	Bhakti	Producer of flavorful, India-inspired, fresh-brewed and sustainably sourced teas.	Cleveland Avenue, John Foraker	5
05-Sep-2017	BulletProof	Provider of food and beverage products designed to help people perform better, think faster and live better.	CAVU Venture Partners, Trinity Ventures	22
04-Sep-2017	Homemate	Provider of instant meals intended to deliver healthy and fresh homemade food.	Friheden Invest, Kraks Fond	6
01-Sep-2017	Skoop	Provider of superfood powder.	Seurat Company	1



Source: Pitchbook Data as of March 6, 2017; Silverwood Estimates

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nielsen  
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# FAD OR FUNDAMENTAL?:

HEALTH & WELLNESS IN 2018

February 2018  
Nielsen, Health and Wellness

# FINDING TOTAL STORE GROWTH IS A CHALLENGE

Department dollar sales growth



Source: Nielsen retail measurement, Total U.S., 52 weeks ending September 30<sup>th</sup> 2017 vs. Year-Ago; 'Fresh Perishables' sourced via Nielsen FreshFacts, UPC-coded + random-weight retailer-assigned PLU (price look-up code) and system 2 sales volume; All other groups sourced via Nielsen Answers, UPC-coded data

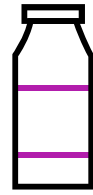
# FLYING OFF THE SHELF: FRESH, CONVENIENT, HEALTHY

## CATEGORIES HIGHEST ABSOLUTE UNIT GROWTH



### PRODUCE

Bananas  
Pre Packaged Salads  
Produce Snack Combos  
Grapes  
Strawberries  
Specialty Fruits  
Mandarins  
Cauliflower



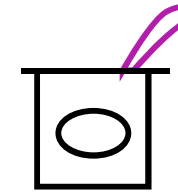
### BEVERAGES

Sparkling Water  
Water  
Value Added Water  
RTD Coffee  
Kombucha  
Lactose Reduced/  
Free Milk



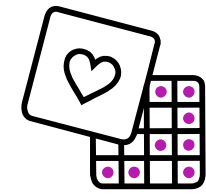
### DELI

Lunch Combos  
Prepared Salads  
Deli Snack Combos



### DAIRY

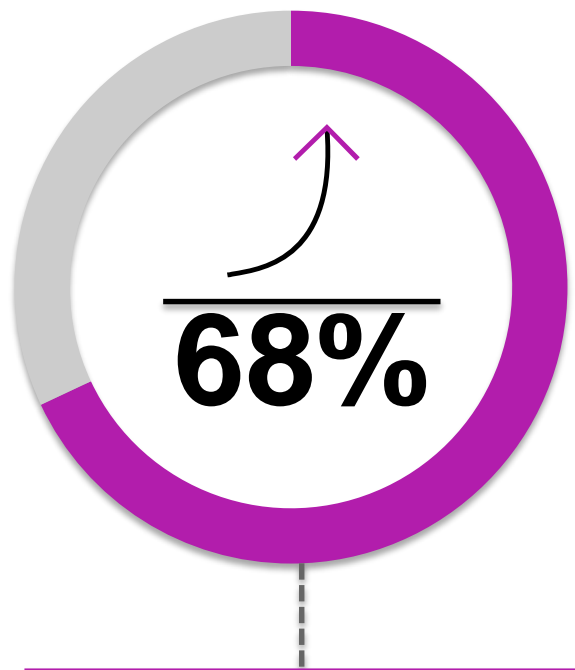
Liquid Coffee Creamer  
Icelandic Yogurt



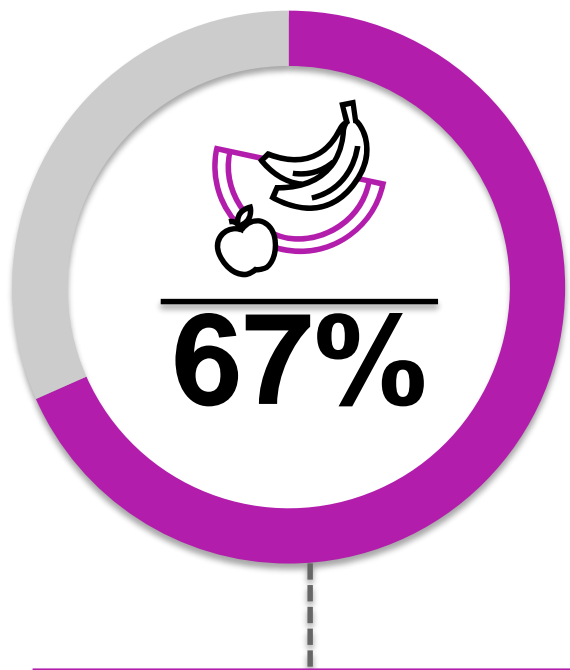
### GROCERY

Chocolate

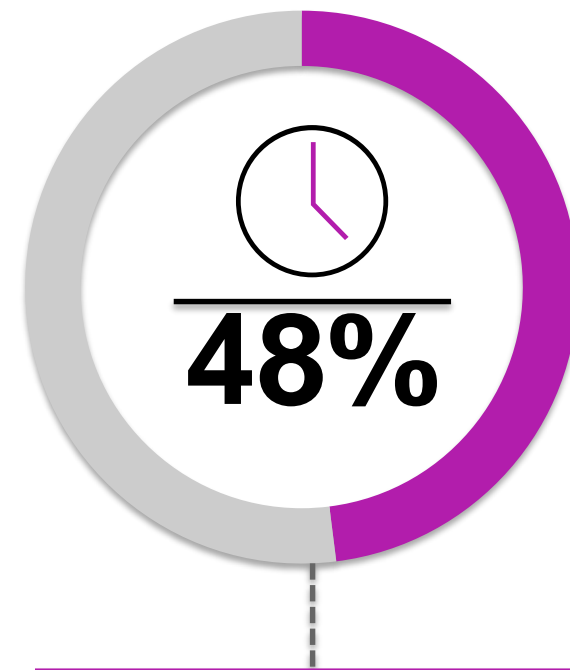
# WHAT ARE SHOPPERS LOOKING FOR IN 2018



Of Americans said that it is **important** that **companies implement programs to improve the environment**



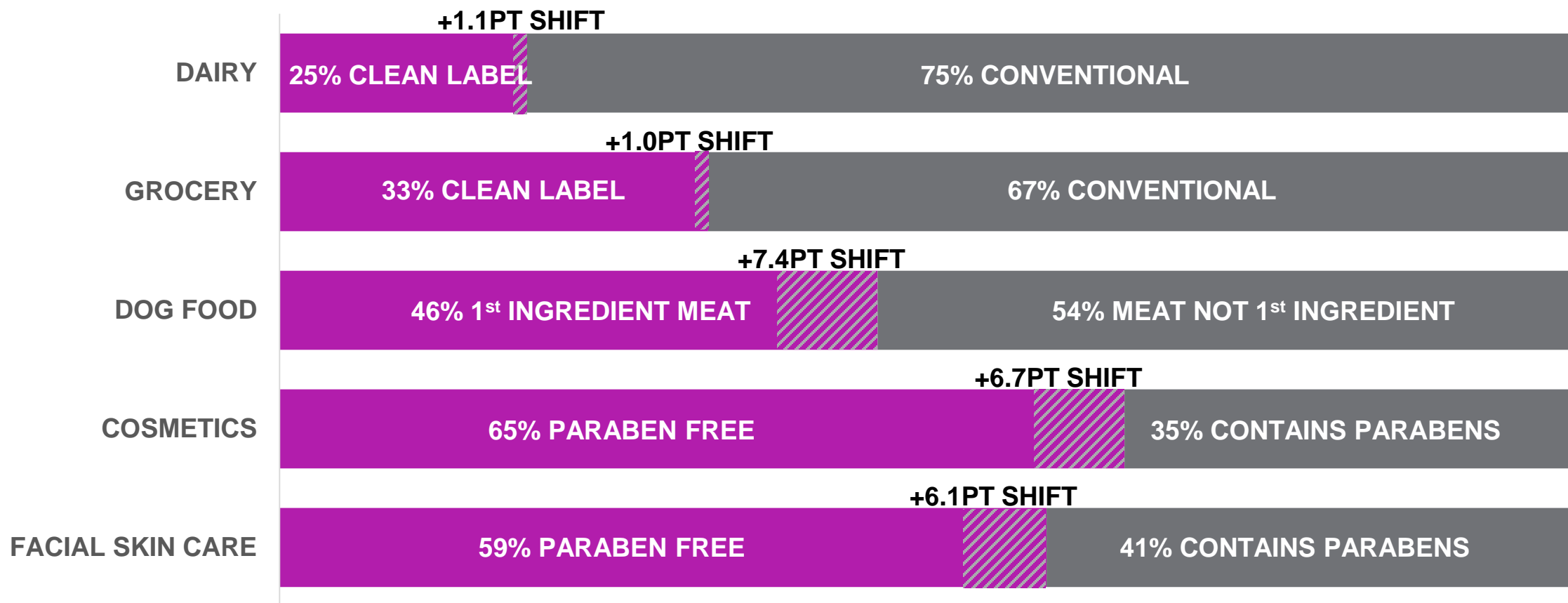
Of Americans will be **prioritizing healthy or socially-conscious food purchases** in 2018



Of Americans will **change their consumption habits** to reduce their impact on the environment

# FREE FROM PRODUCTS ARE REDEFINING CATEGORIES ACROSS THE STORE

\$ SHARE OF INGREDIENT IN CATEGORY AND SHIFT FROM 2017 TO 2015



Source: Nielsen Product Insider, powered by Label Insight, 52 weeks ending 12/30/2017

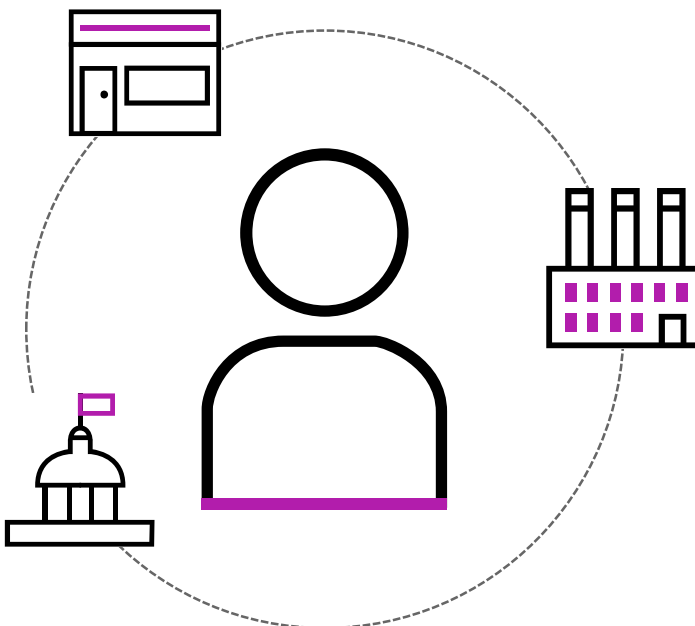
\*Includes products that are rated Clean Label or above.



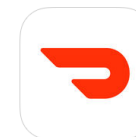
# SHIFTING RETAIL FUNDAMENTALS



**CHANGES AREN'T JUST  
BEING MADE ON HERE**

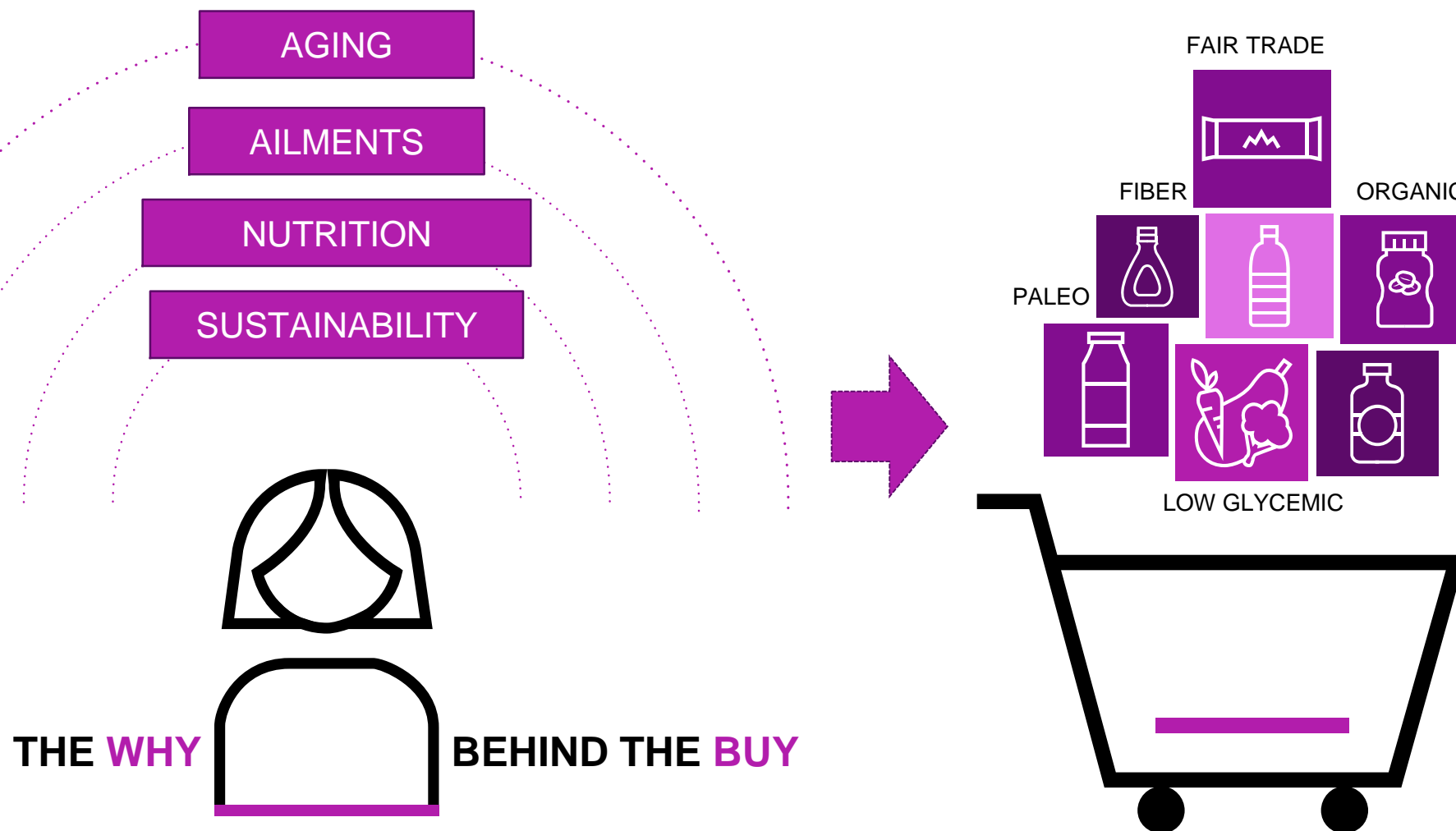


**RETAIL, MANUFACTURERS,  
AND ORGANIZATIONS ALIGN**



**HOW WE ENGAGE WITH  
FOOD IS CHANGING**

# WHY HEALTH AND WELLNESS?



# 2018: FUNDAMENTALS

1



**FRESH AS AN INFLUENCER**

2



**FUNCTIONAL CONSUMABLES**

3



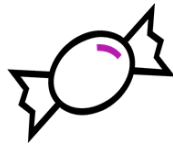
**PROTEIN POWERHOUSE**

4



**PLANT-BASED OPTIONS**

5



**CLOSE WATCH ON SUGAR**

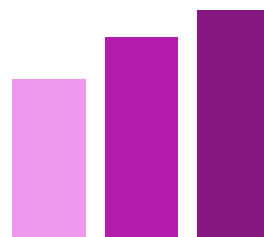


# FUNDAMENTAL ONE: FRESH AS AN INFLUENCER:



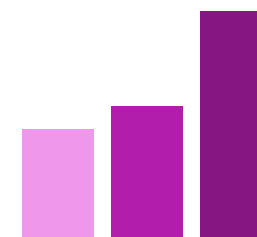
CRANBERRY

+9%  
\$ vs YAGO



KALE

+13%  
\$ vs YAGO



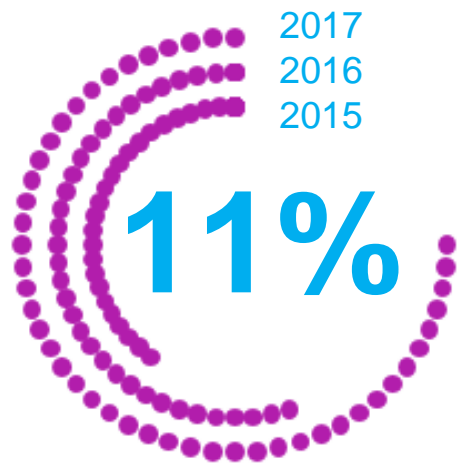
CAULIFLOWER

+71%  
\$ vs YAGO

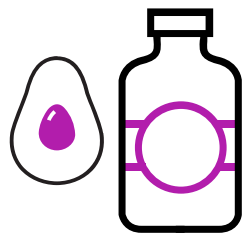




# LOOK FOR INSPIRATION OUTSIDE OF YOUR AISLES



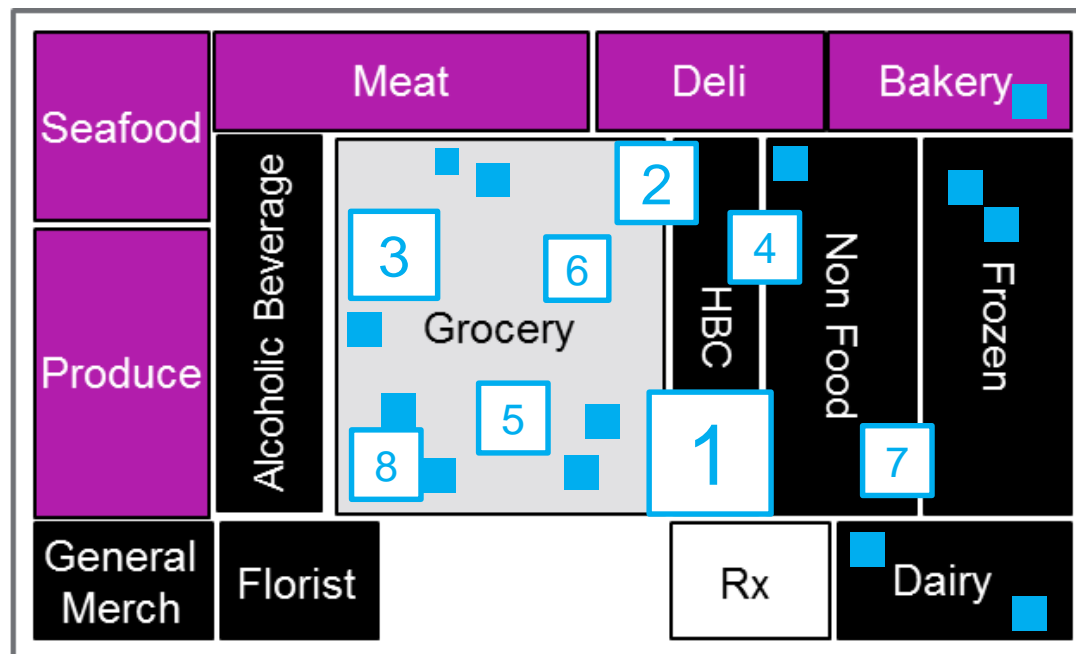
HH Penetration  
+5pts vs 2015



AVOCADO OIL

31

categories reached across store have avocado oil as an ingredient (11% of all categories)

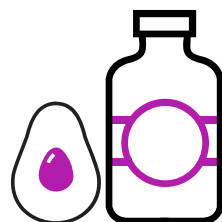


ACROSS THE STORE PRODUCTS WITH AVOCADO OIL  
INCREASED DOLLARS BY 31% FROM YA

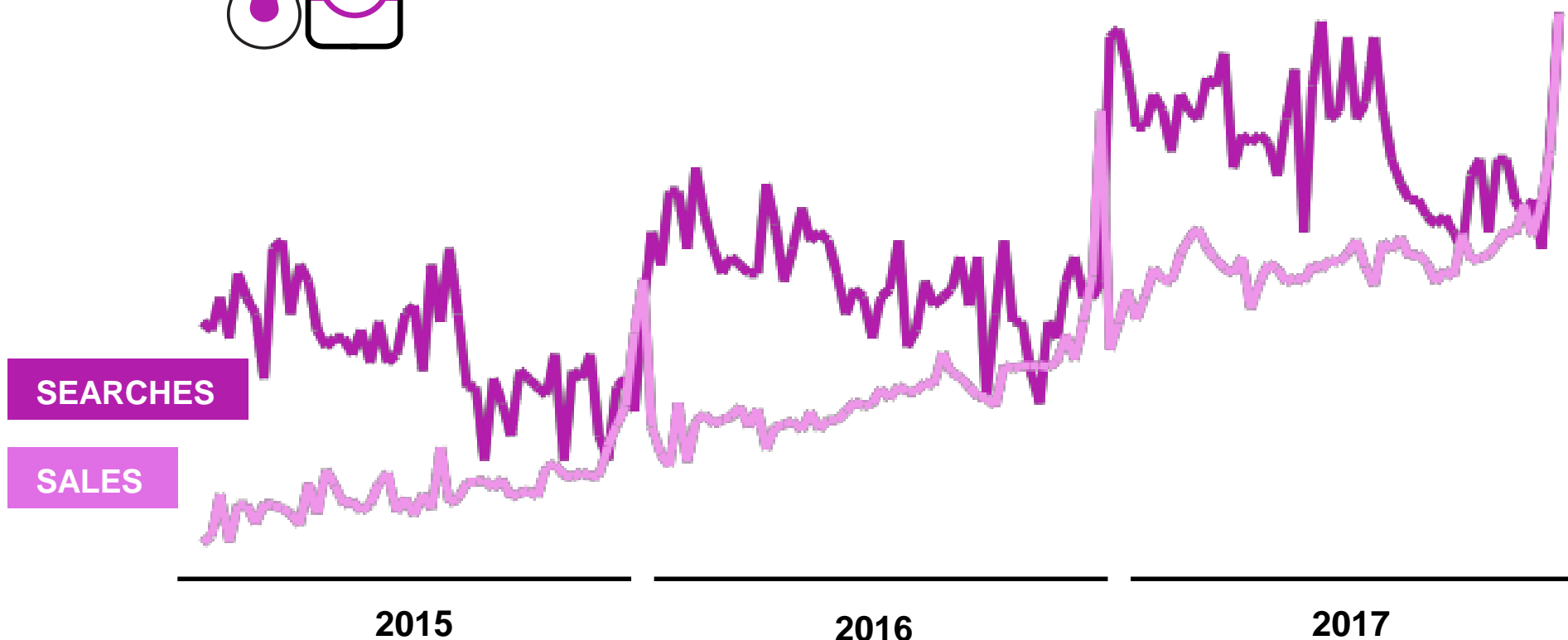


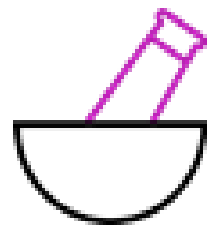


# STARTING ONLINE, SALES FOLLOW RESEARCH STARTING IN THE NEW YEAR

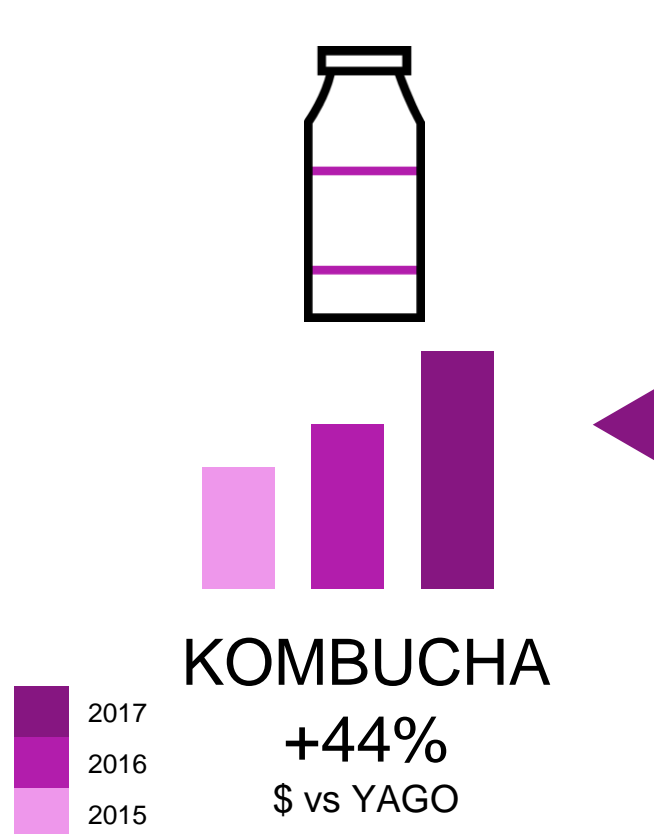


## AVOCADO OIL GOOGLE SEARCHES AND STORE SALES





# FUNDAMENTAL TWO: FUNCTIONAL CONSUMABLES



PENETRATION

SHIFT VS YA

FUNCTIONAL BEVERAGE HH PENETRATION AND GROWTH VS YA



EXCELLENT  
SOURCE OF  
PROTEIN

**3.6%**

**+0.3pts**



COLD  
PRESSED

**5.9%**

**+2.9pts**



PROBIOTIC

**6.7%**

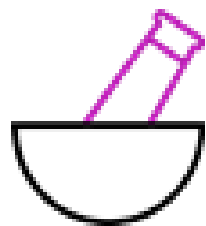
**+3.6pts**



CONTAINS  
COCONUT

**23.7%**

**+2.8pts**

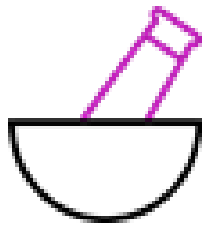


# ADOPTOGENS ARE SMALL BUT GROWING IN FOOD AND BEVERAGE



## ADAPTOGENS IN FOOD AND BEVERAGE: \$ SALES VS YAGO

HOLY BASIL	+22%	<\$1M
MACA	+56%	>\$4M
ASHWAGANDA	+201%	<\$1M
SCHISANDRA	+33%	<\$1M



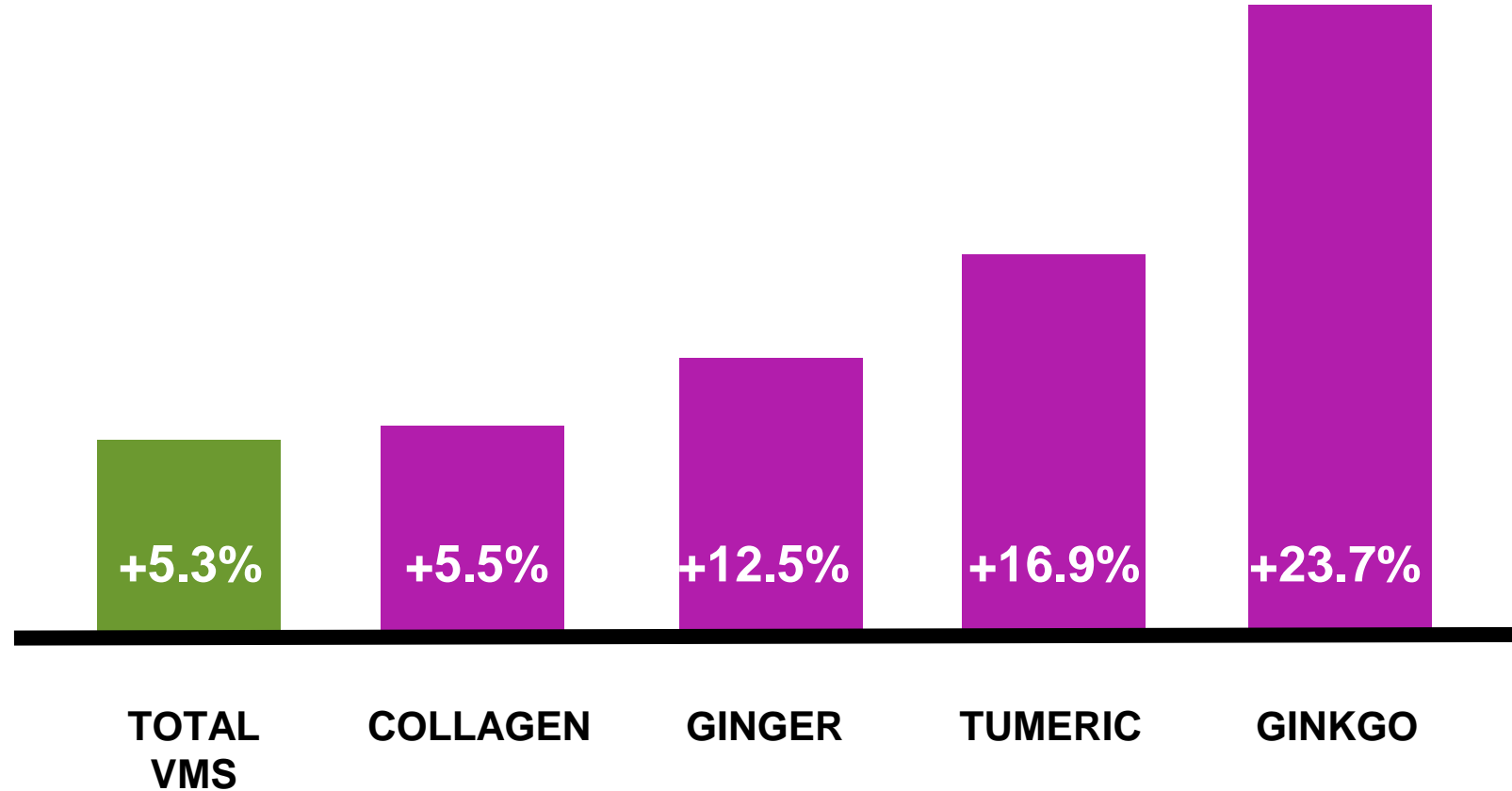
# TRADITIONAL MEDICINAL INGREDIENTS GROWING IN VITAMINS/SUPPLEMENTS

n

DOLLAR GROWTH FOR INGREDIENTS IN VITAMINS AND SUPPLEMENTS



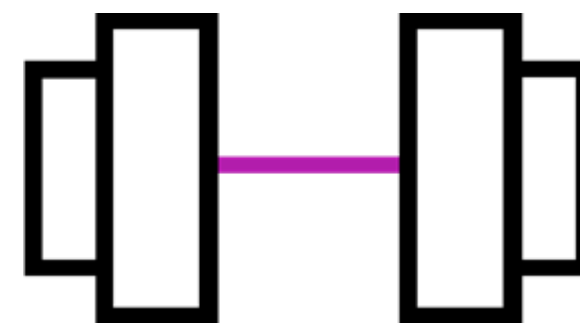
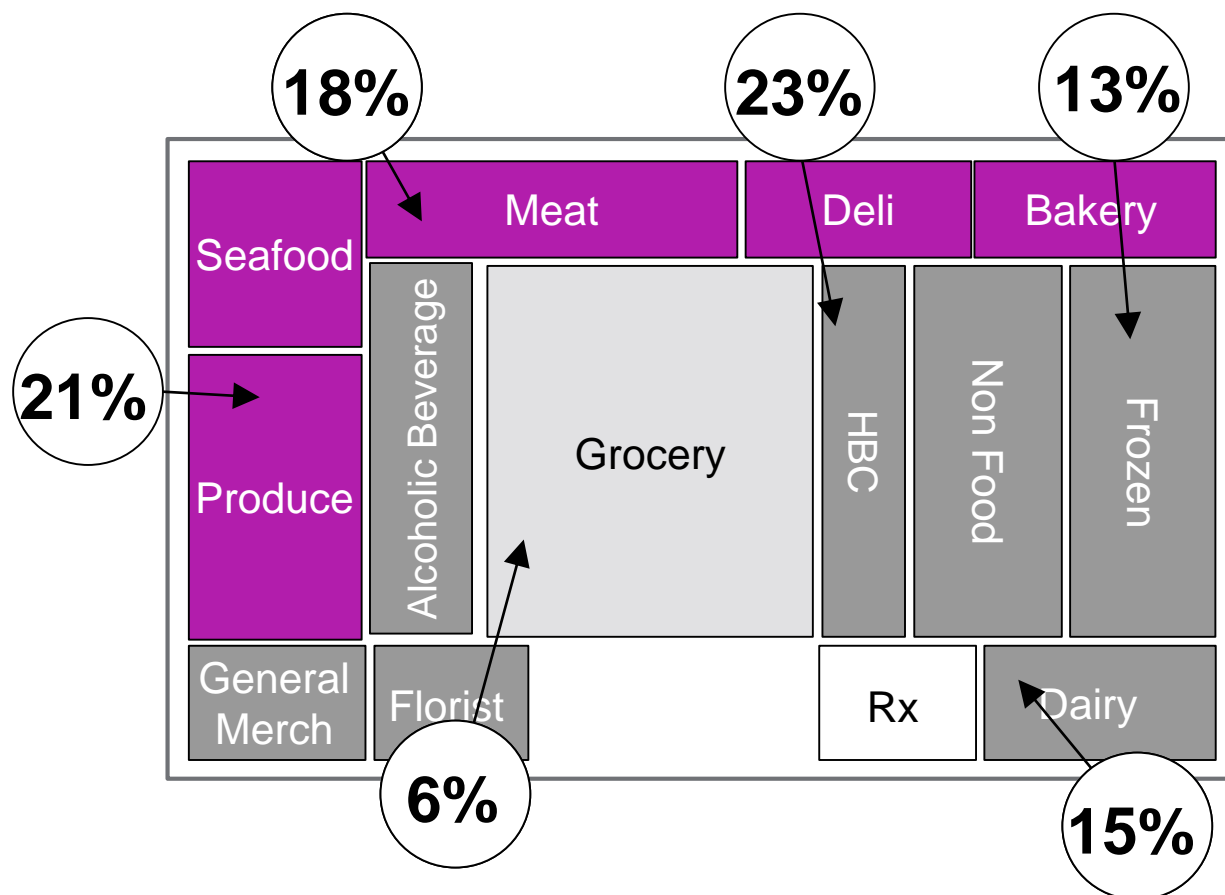
**VITAMINS &  
SUPPLEMENTS**





# FUNDAMENTAL THREE: PROTEIN POWERHOUSE

PROTEIN CLAIM \$ GROWTH BY DEPARTMENT VS YA



7%

OF AMERICAN  
HOUSEHOLDS FOLLOW A  
HIGH PROTEIN DIET, **UP**  
**+1.3PTS** FROM YA

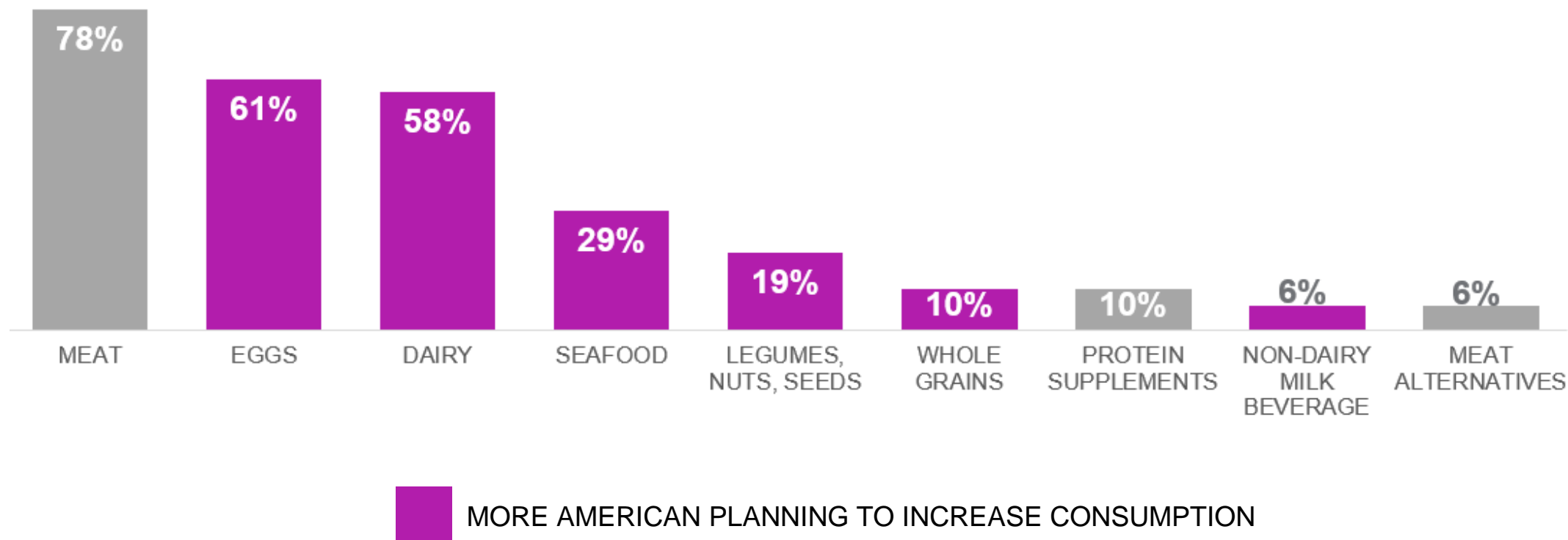
Source: Nielsen Homescan Shopper 2017 Health Survey Panel, Data 52 Weeks Ending 2016  
Source: Nielsen Product Insider, powered by Label Insight, data ended 09/16/2017





# WHERE PROTEIN COMES FROM MATTERS TO MANY CONSUMERS

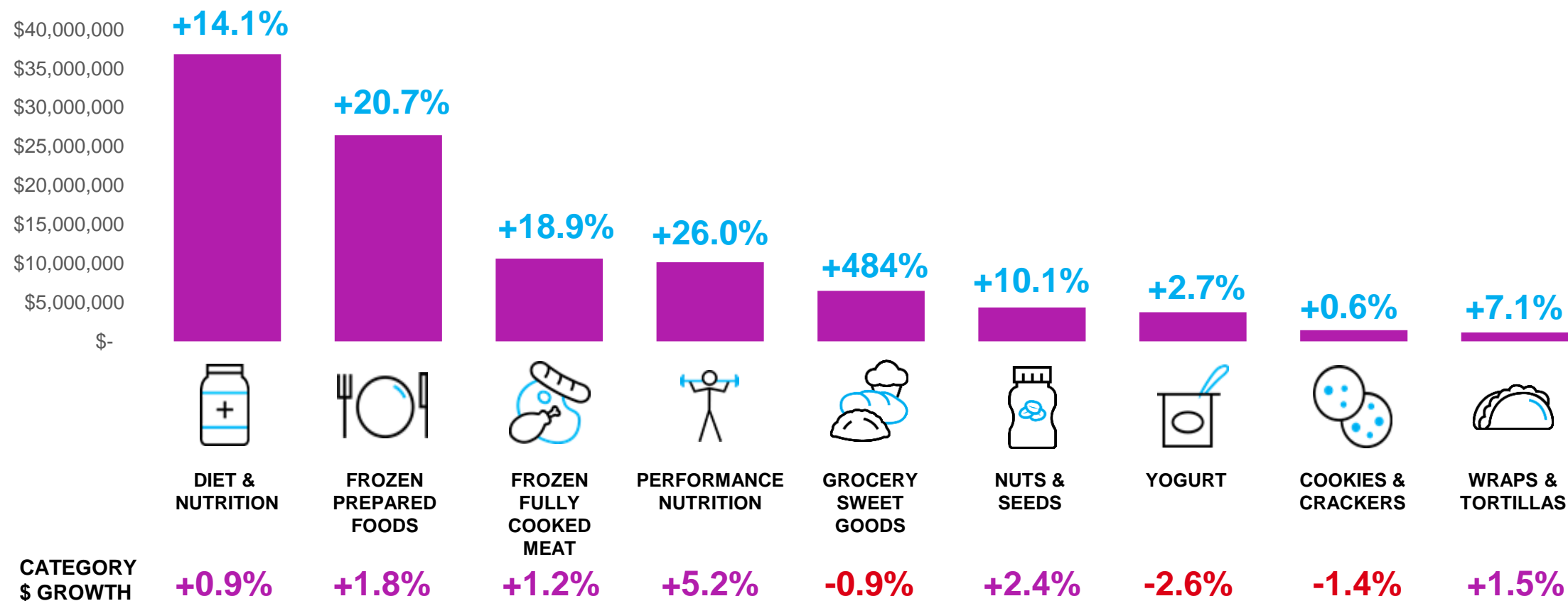
Q: WHAT ARE THE PRIMARY SOURCES OF PROTEIN IN YOUR/YOUR HOUSEHOLD'S DIET? SELECT UP TO 3





# FUNDAMENTAL FOUR: PLANT-BASED OPTIONS

PLANT BASED & FDA PROTEIN FOOD & BEV: HIGH ABSOLUTE \$ GROWTH (% GROWTH)



Source: Nielsen Product Insider, powered by Label Insight, 52 weeks ending 12/30/2017



# FUNDAMENTAL FIVE: CLOSE WATCH ON SUGAR

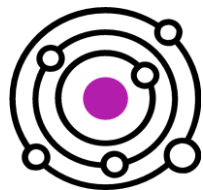
DOLLAR GROWTH OF INGREDIENT COMBINATIONS: TOTAL FOOD AND BEVERAGE



NON-CALORIC SWEETENER

+ FREE FROM ARTIFICIAL SWEETENER

**16% \$ Growth**



LOW GLYCEMIC DIET

+ SUGAR ALCOHOLS

**35% \$ Growth**



LOW GLYCEMIC CLAIM

+ ADDED SUGARS

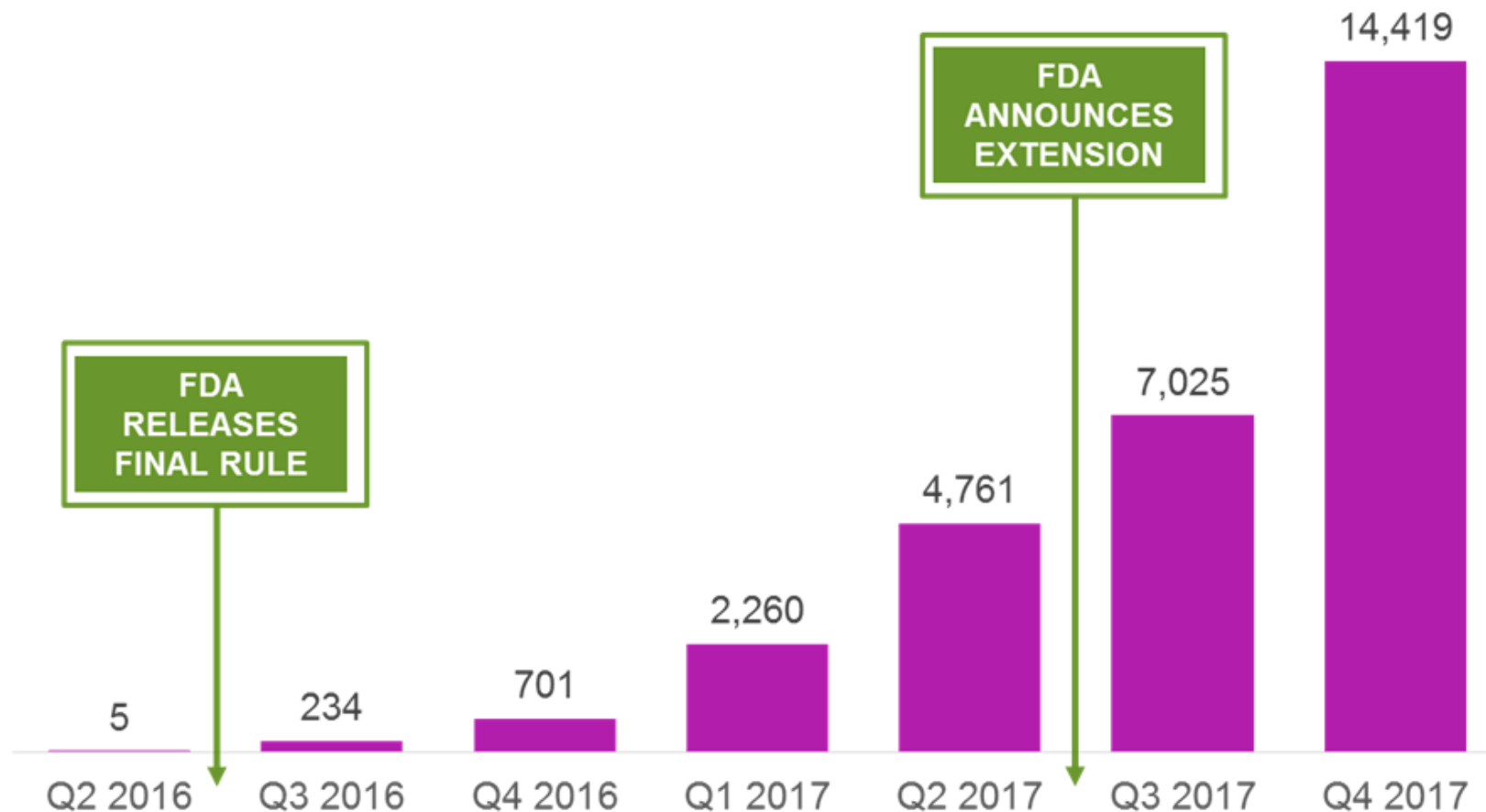
**19% \$ Growth**





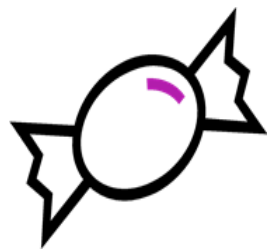
# NEW NFP REGULATIONS WILL INCREASE SUGAR TRANSPARENCY

NEW NUTRITION FACTS PANEL ADOPTION: COUNT OF PRODUCTS



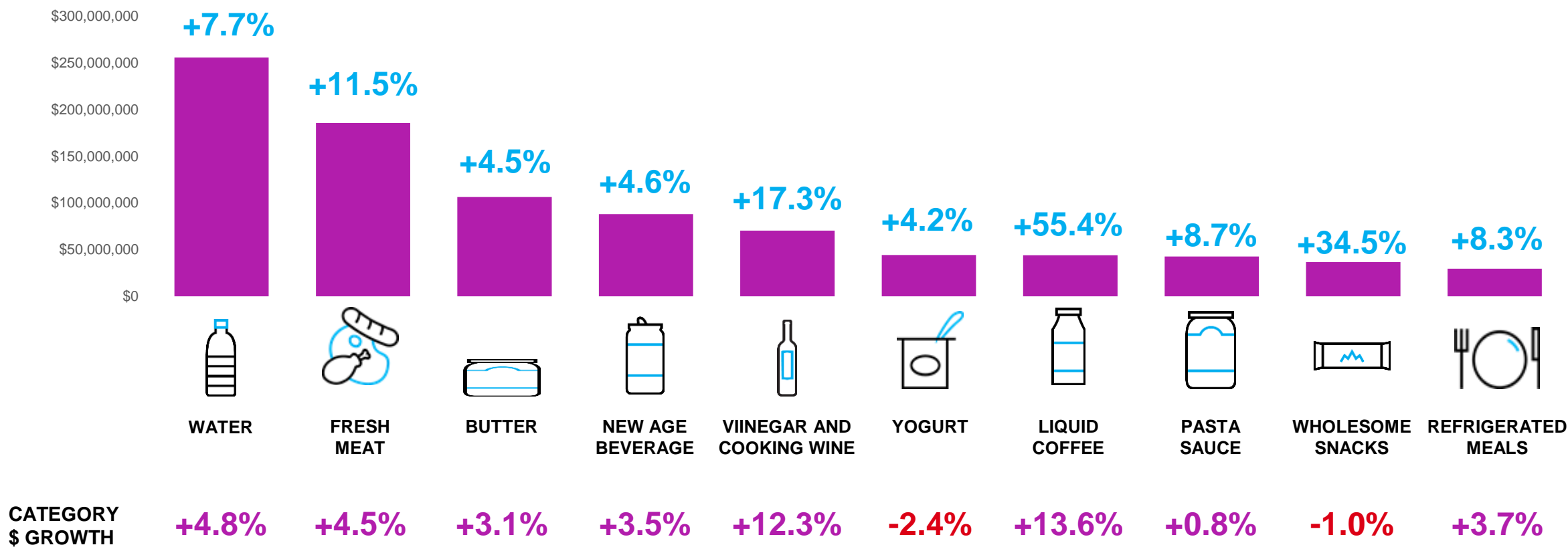
1 in 2

Americans are planning to eat less sugar or buy more 'no sugar added' products this year



# MANY CATEGORIES ARE SEEING GROWTH WITH NO ADDED SUGAR

NO ADDED SUGAR FOOD & BEV: HIGH ABSOLUTE \$ GROWTH (% GROWTH)



Source: Nielsen Product Insider, powered by Label Insight, 52 weeks ending 12/30/2017



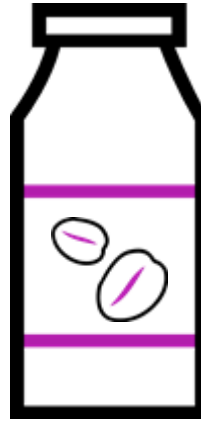
# EVERY CATEGORY HAS THE POTENTIAL TO INNOVATE



## ICE CREAM

**SUGAR ALCOHOLS**  
*+5.4PTS SHARE GROWTH*

**FDA HEALTHY**  
*+4.8PTS SHARE GROWTH*



## READY TO DRINK COFFEE

**GOOD SOURCE OF PROTEIN**  
*+2.1PTS SHARE GROWTH*

**ALL NATURAL INGREDIENTS**  
*+5.7PT SHARE GROWTH*



## FACIAL CLEANSERS

**FREE FROM SULFATES**  
*+5.1PTS SHARE GROWTH*

**CHARCOAL**  
*+3.3PTS SHARE GROWTH*



**PRIVATE  
LABEL**



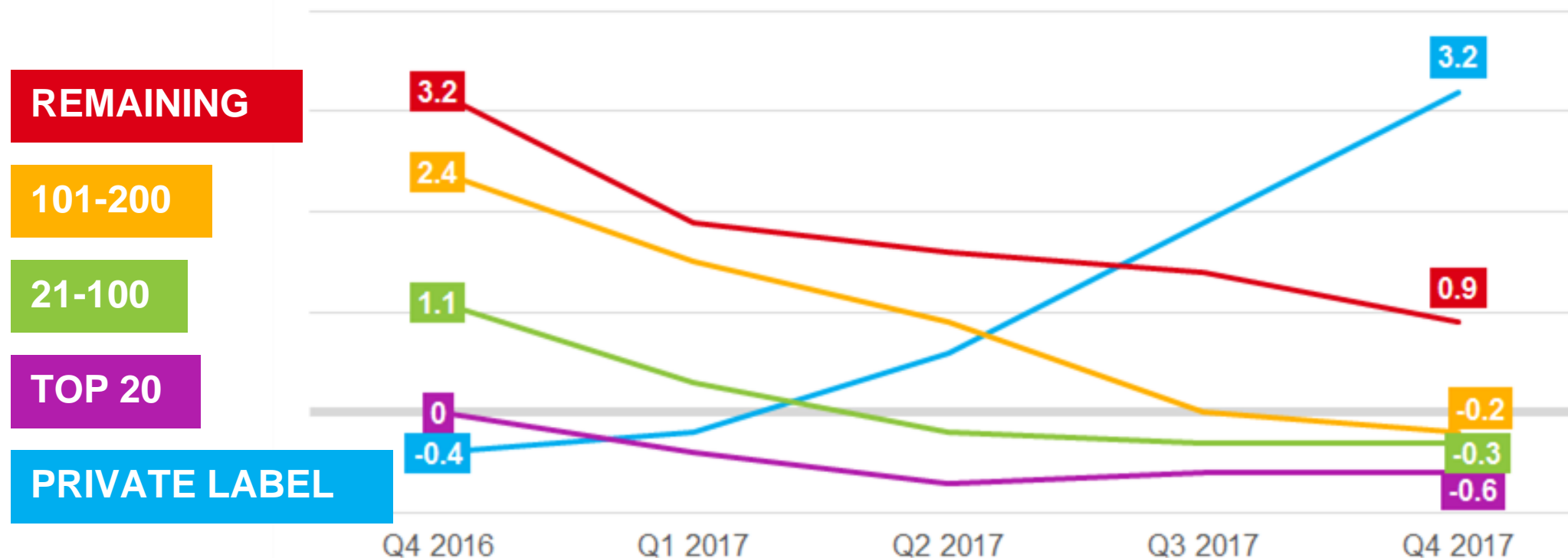
**OUTLET  
SHIFTING**



**DIGITAL  
ENGAGEMENT**

# STORE BRANDS ARE GROWING SHARE

Total FMCG manufacturer traditional retail dollar growth



Source: Nielsen Retail Measurement Services, Core syndicated hierarchy, Total U.S., January 2016 – December 2017, UPC-coded

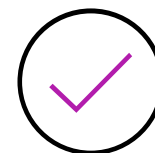
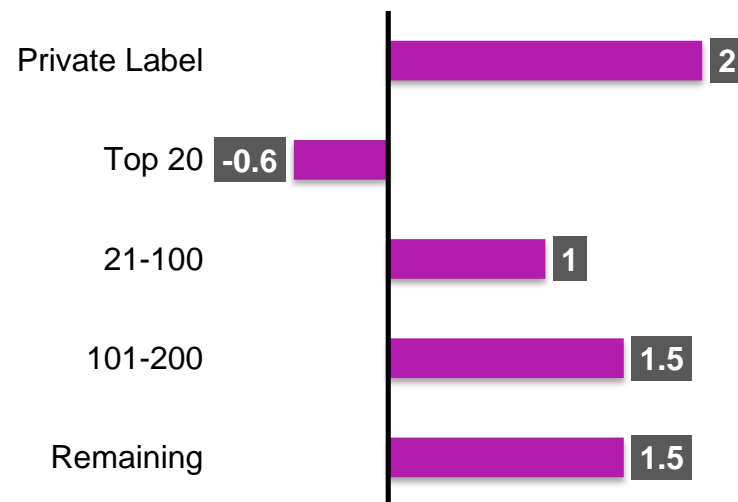
# CLEAN LABEL DRIVES BRANDS OF ALL SIZES

Where conventional opportunities are saturated, market looks brighter with sustainable & transparent brands

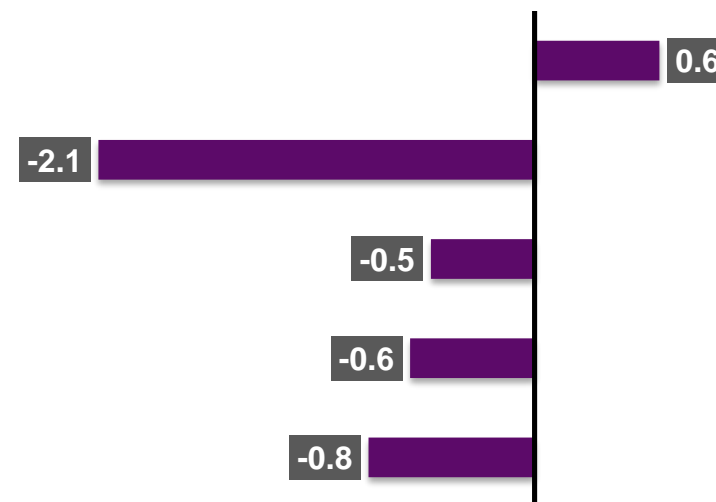
Manufacturer Tiers – Dollar Growth vs. Year-Ago



## CLEAN LABEL



## CONVENTIONAL



Source: Nielsen Product Insider, powered by Label Insight, 52 weeks ending 12/30/2017

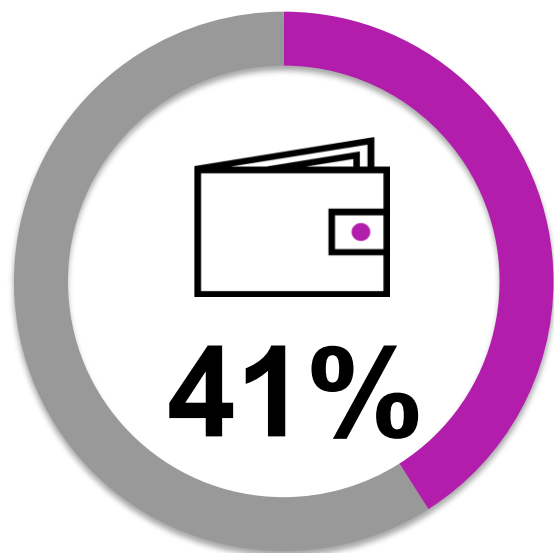
# ACROSS OUTLETS STORE BRANDS ARE INNOVATING WITH WELLNESS PRODUCTS



Source: Aldi, Whole Foods, Target, 7-Eleven



# CLEAN LABEL PRODUCTS COME AT A PREMIUM PRICE POINT



Of Americans said they prefer to buy environmentally friendly products/brands but they are more expensive, so they buy non-environmentally friendly products/brands

## % PRICE PREMIUM FOR CLEAN LABEL COMPARED TO CONVENTIONAL

### PIZZA



**+55%**

### BREAD



**+50%**

### PREPARED FOOD



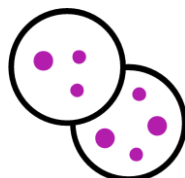
**+10%**

### OILS/ BUTTERS



**+45%**

### COOKIES & CRACKERS



**+12%**

### DESSERTS



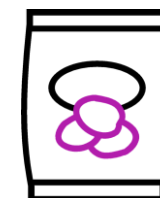
**+12%**

### BEVERAGES



**+25%**

### SALTY SNACKS



**+18%**

# PRIVATE LABEL CAN BRING VALUE TO CLEAN AND FREE FROM PRODUCTS

% DISCOUNT PRIVATE LABEL COMPARED TO BRANDED

PIZZA



**-9%**

BREAD



**-37%**

PREPARED  
FOOD



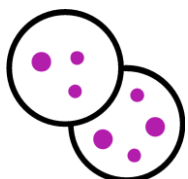
**-18%**

OILS/  
BUTTERS



**-28%**

COOKIES &  
CRACKERS



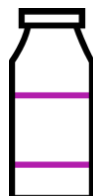
**-34%**

DESSERTS



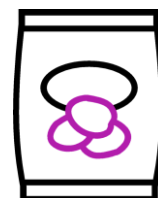
**-39%**

BEVERAGES



**-26%**

SALTY  
SNACKS



**-27%**

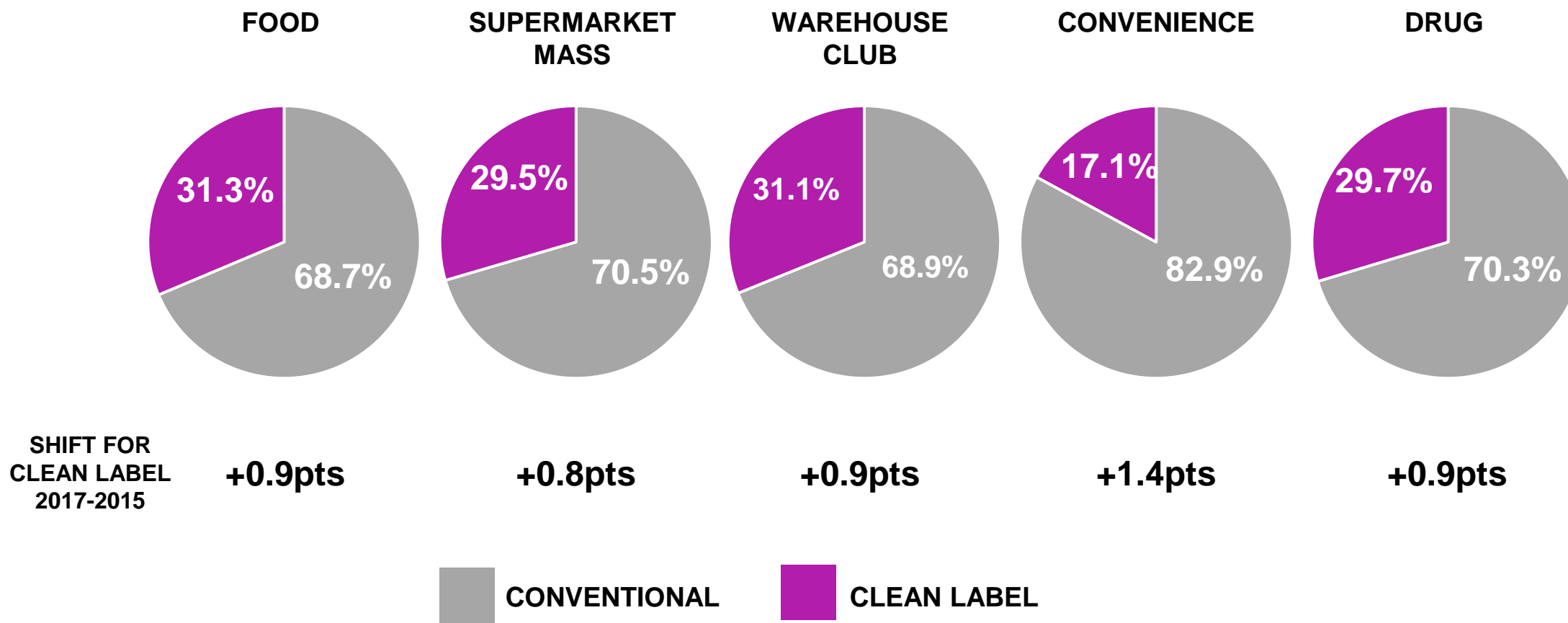


**27%**

Lower price for this Clean Label basket Private Label basket compared to Branded Clean Label basket

# CLEAN LABEL IS MORE ACCESSIBLE THAN EVER

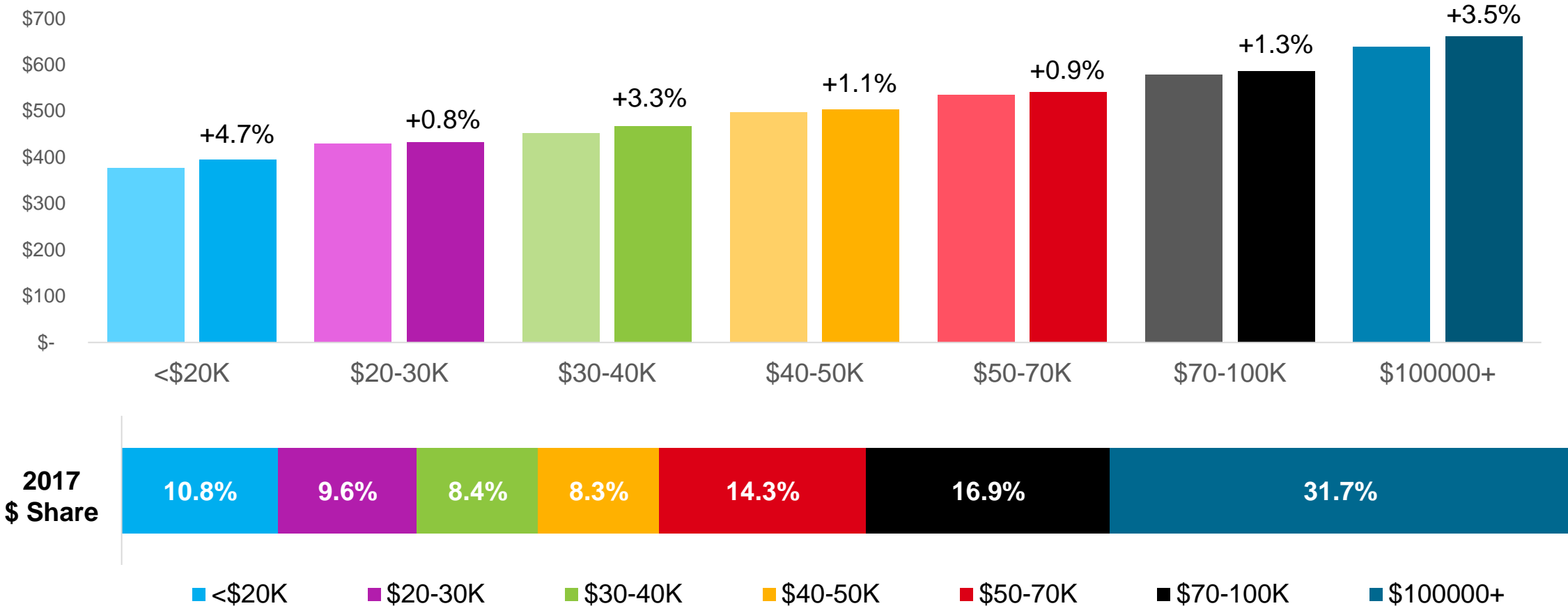
DOLLAR DISTRIBUTION BY OUTLET AND SHIFT VS 2YA



Source: Nielsen Answers On-Demand Syndicated Panel, 52 weeks ending 12/30/17 vs 2YA

# LOWER INCOME HHs SEEING GREATEST INCREASE IN SPEND FOR CLEAN PRODUCTS

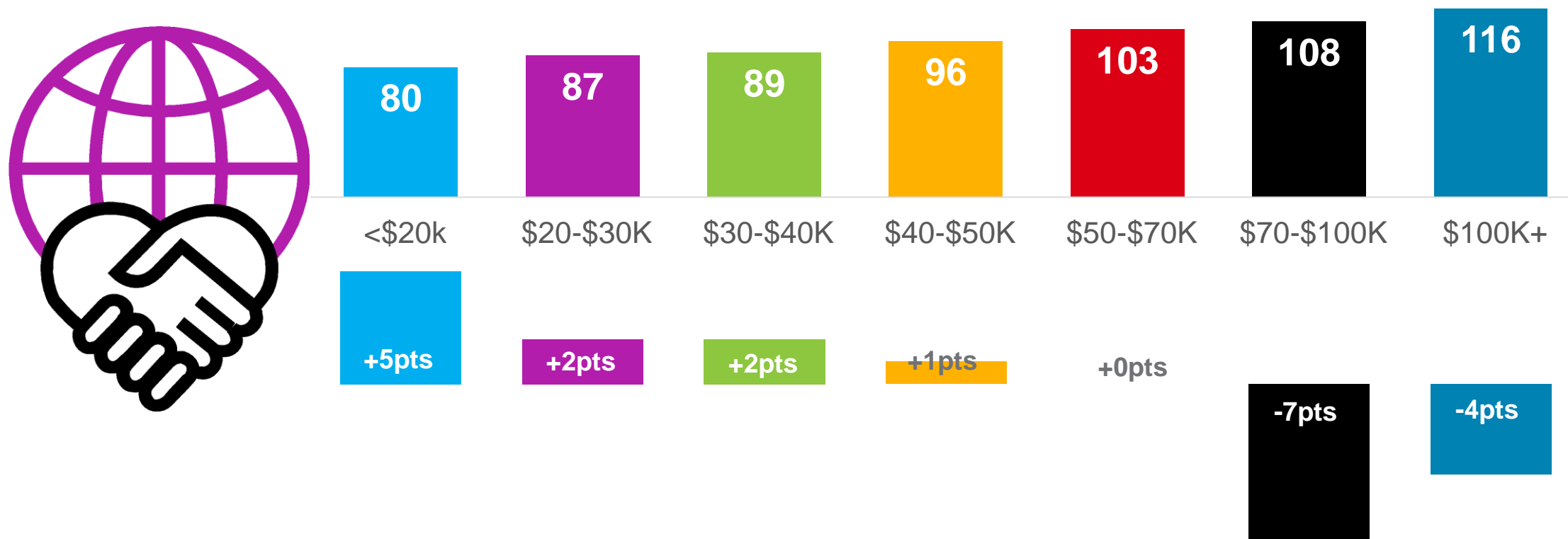
AVERAGE HH SPEND ON CLEAN LABEL PRODUCTS BY INCOME GROUP: 2015 (left bar) vs 2017 (right bar)



Source: Nielsen Homescan Panel, Total U.S., 52 weeks ending 12/30/17 vs 2 YA

# SUSTAINABLE PRODUCTS ARE BECOMING MORE EVENLY PURCHASED ACROSS INCOMES

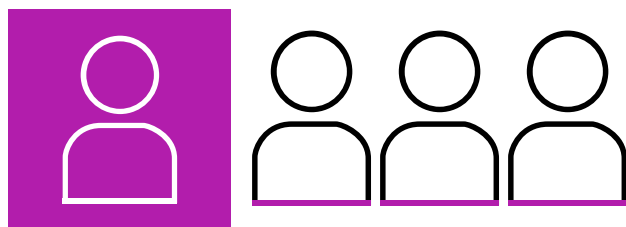
HH INDEX FOR SUSTAINABLE PRODUCTS BY INCOME GROUP & INDEX SHIFT FROM 2017-2015



Source: Nielsen Answers On-Demand Syndicated Panel, 52 weeks ending 12/30/17 vs 2YA, Nielsen Answers On-Demand Core, 52 Weeks ending 12/30/17 vs 3YA

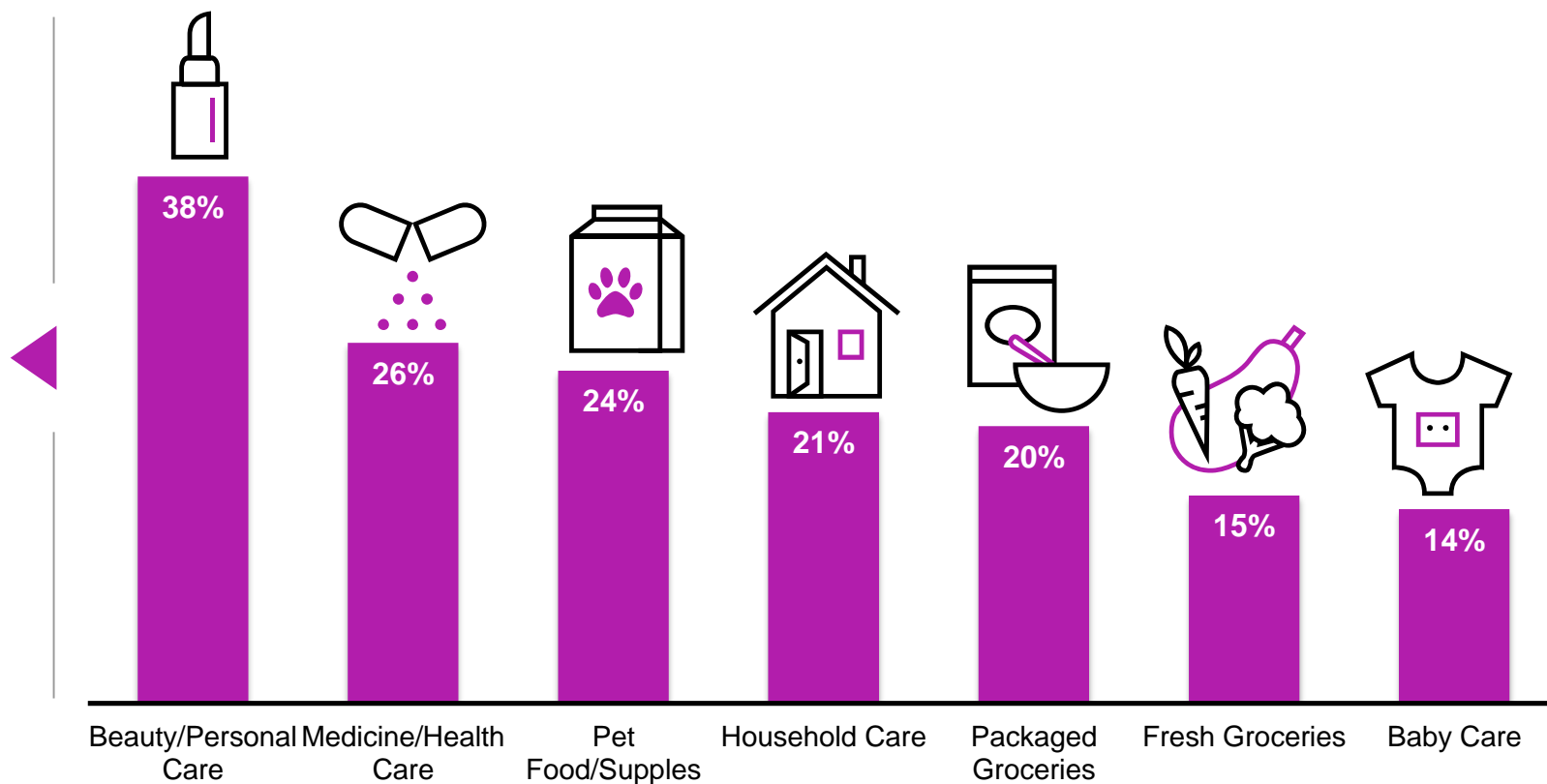


# SHOPPERS ARE ACCLIMATING TO THE EASE OF ONLINE PURCHASING

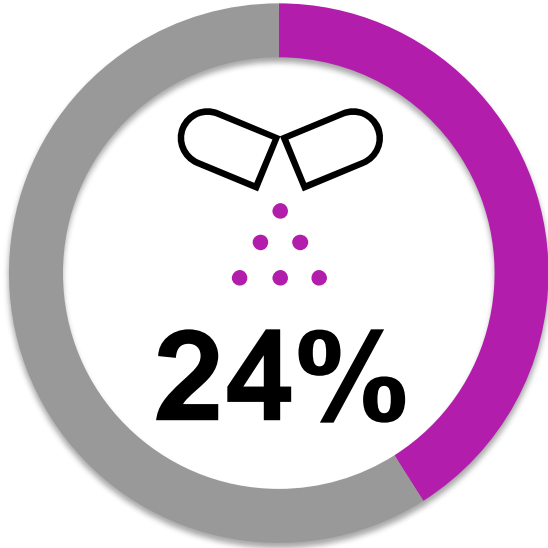


**1 in 4**

Americans said that they are  
**more likely to purchase  
Medicine & Health Care  
products online** than in-store

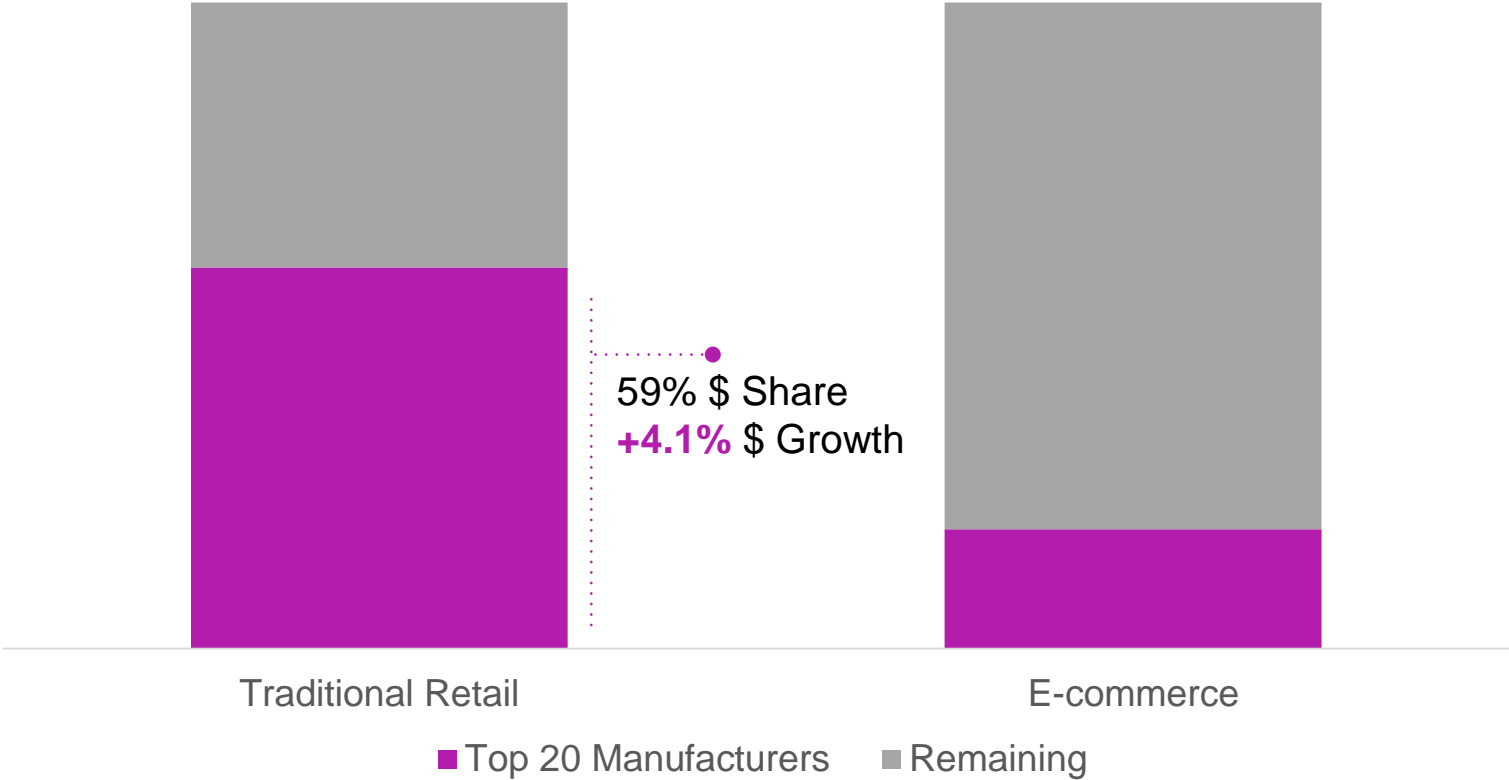


# E-COMMERCE DRIVES NEARLY 1 IN EVERY 4 DOLLARS SPENT ON VITAMINS



Of Vitamin and Supplement sales occur online

CATEGORY \$ SHARE BY RETAIL CHANNEL: TOTAL VITAMINS & SUPPLEMENTS

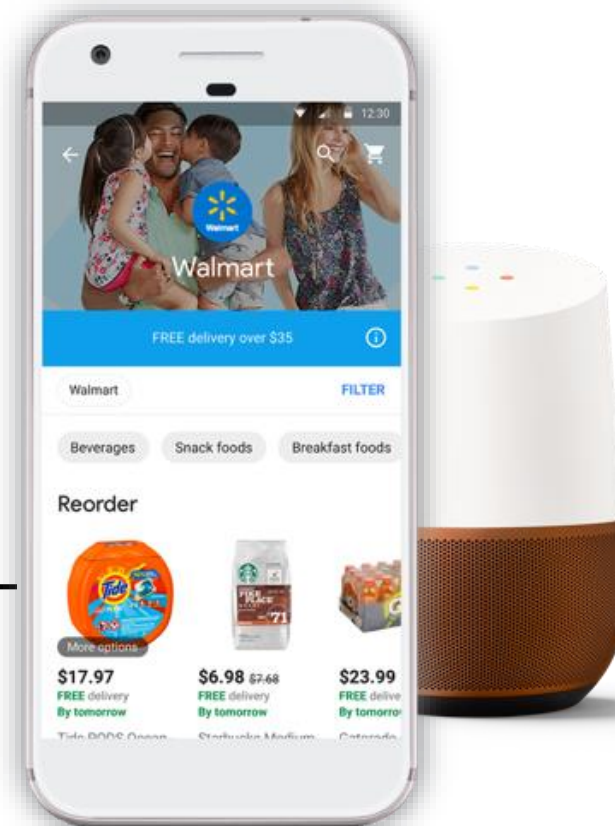
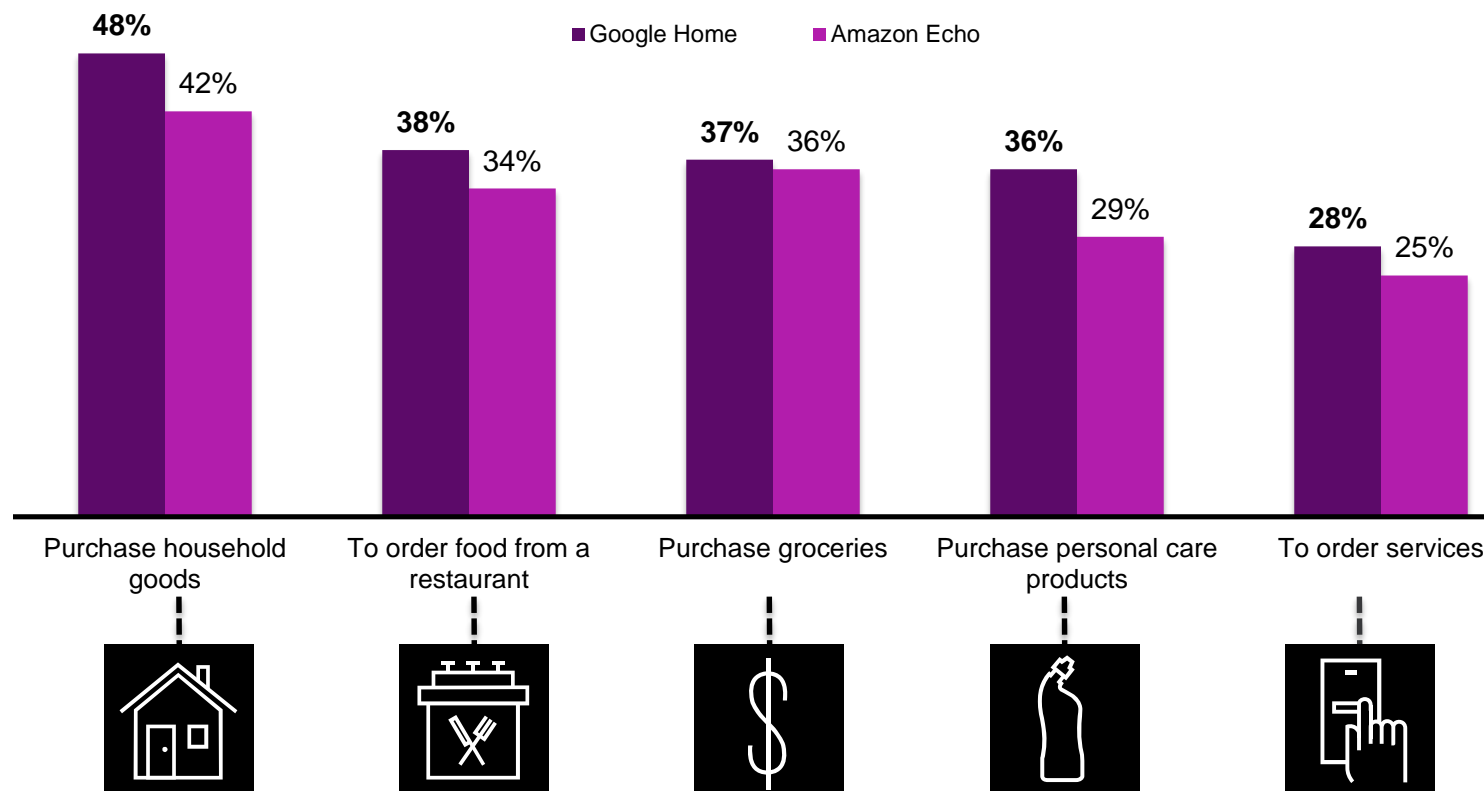


Source: Nielsen Retail Measurement Services, Core syndicated hierarchy xAOC+C, and Nielsen E-commerce measurement, Total US, 52 weeks ended Nov. 4, 2017

# GOOGLE HOME USERS ARE ACTIVELY PURCHASING FROM THEIR DEVICES

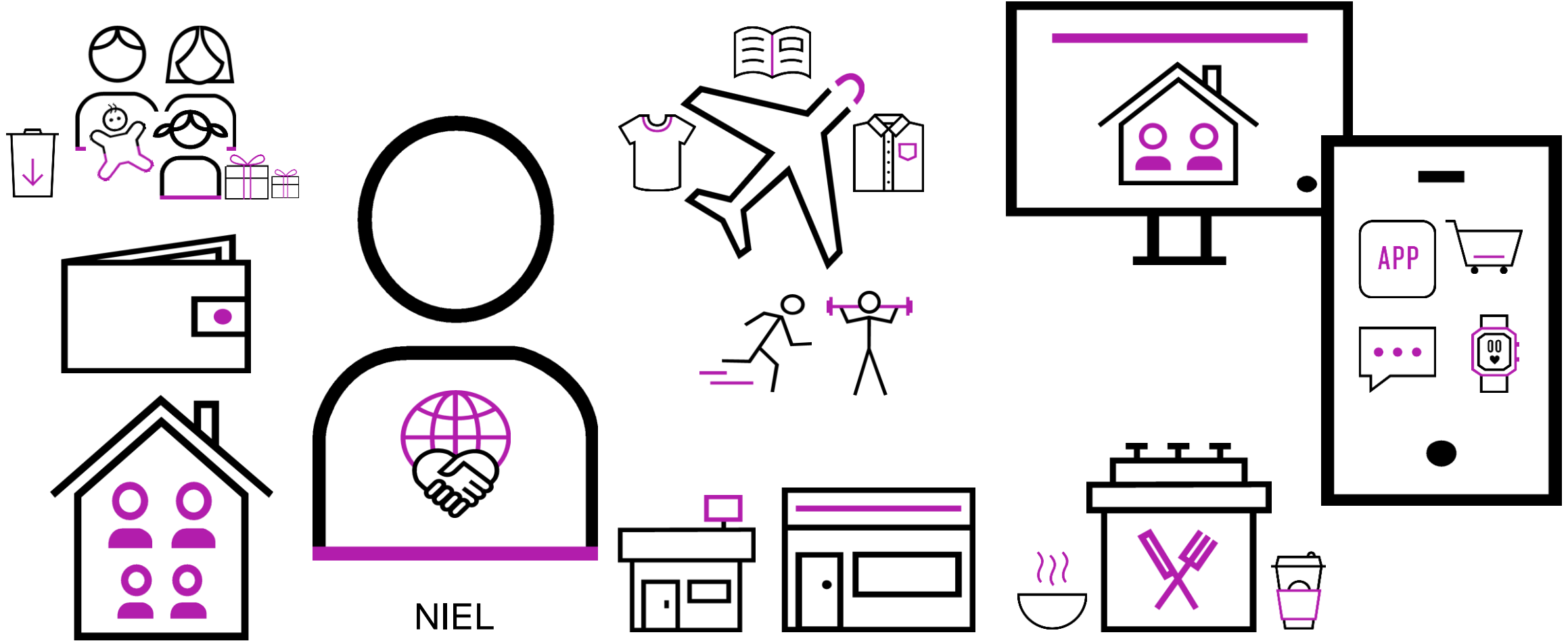


GENERAL VOICE USAGE  
Percent of Owners



Source: 2017 Nielsen Voice Activated Device Report. Amazon Echo includes Dot usage.

# TRULY KNOW THE CONSUMER YOU WANT TO ENGAGE WITH <sup>n</sup>



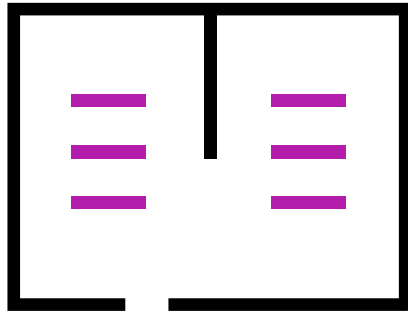
Source: Spectra paired with Nielsen Product Insider, powered by Label Insight, 52 weeks ending 12/30/2017

WHAT'S REQUIRED TO WIN?

IN 2018 ARE YOU READY TO  
DRIVE FORWARD WITH HEALTH **FUNDAMENTALS**  
AND CAPITALIZE ON WELLNESS **FADS?**



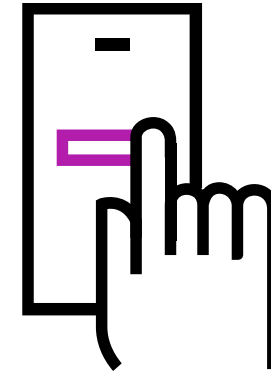
# HEALTH & WELLNESS IN 2018



**HEALTH FOOD**  
WIN WITH FADS AND  
FUNDAMENTALS



**WHAT & WHERE**  
UNDERSTAND BRANDS  
AND OUTLET SHIFTING



**DIGITAL**  
ADAPT TO DEMAND FOR  
TRANSPARENCY



nielsen  
.....

THE SCIENCE BEHIND WHAT'S NEXT™