Healthy Living Consumer Products Update

Industry Overview
Deal Review
Top Trends

Spring 2025

whipstitch CAPITAL

SPINS® BAIN & COMPANY

THEBLUEBIRDGROUP

Table of contents

I. About Whipstitch Capital

Whipstitch Capital is a unique, industry-centric, proven investment bank solely focused on the consumer sector – it's what we love and all we do

Select previous Whipstitch clients

- WILDE CHIPS
- WICKLES WICKEDLY DELICIOUS!
- THINSTERS
- BEST DAY BREWING
- KEVITA
- MADE GOOD
- SINCE 1847 THAYERS NATURAL REMEDIES
- Lesser Evil SIMPLE ACTS CLEAN SNACKS
- clio
- core
- Swerve
- purely elizabeth.
- COLD-BREW HIGH Brew COFFEE
- spindrift
- PRESENCE PRESENCE MARKETING | DYNAMIC PRESENCE
- JOYRIDE Uncommon Candy
- ESTD 2013 ROCCO & ROXIE SUPPLY CO.
- uqora
- BREW DR.
- essentia

We are creating what the investment banking model should look like

We love what we do

We help companies at their most pivotal moments

For us, this isn't a job, it's a privilege

And we take that responsibility seriously

Like you, we are founders, innovators and creators

We know what it's like to have it all on the line

We operate with a clear focus: Close the right deal, at the time, for you

Shortcuts to success do not exist. You are unique. You deserve a personalized approach

We operate as ONE TEAM. No silos. No quotas. We get the job done at the right time for you. Our team knows what matters

We know the buyers, the investors, the market, the data. We know how to sell....

And we take our craft seriously because your success is our success...

To Us, It's Personal

We have grown to become the largest, independently-owned investment bank in the U.S., solely focused on the consumer sector

Large, Experienced Team
Highly specialized team led by industry veterans Nick McCoy and Mike Burgmaier

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

Highly Skilled
100+ years collective consumer investment banking experience; 170+ transactions closed

Consumer Experts
We only do consumer. Nothing else

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

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

We are different: Founder-owned and led, laser-focused on consumer, know virtually everyone, and provide a customized approach to each processes

We Own Whipstitch

100% founder owned and led

Committed to long-term growth of firm

We know what having everything on the line feels like

Long-Term Philosophy

Develop relationships early and work with brands over many years

No quarterly quotas; we work to get the best deal done at the right time for you

100% Consumer Focused

Highly specialized in consumer and consumer-related industries

Our team knows the industry inside and out

It is all we do

Customized Approach

Every process is highly customized to meet your needs and goals

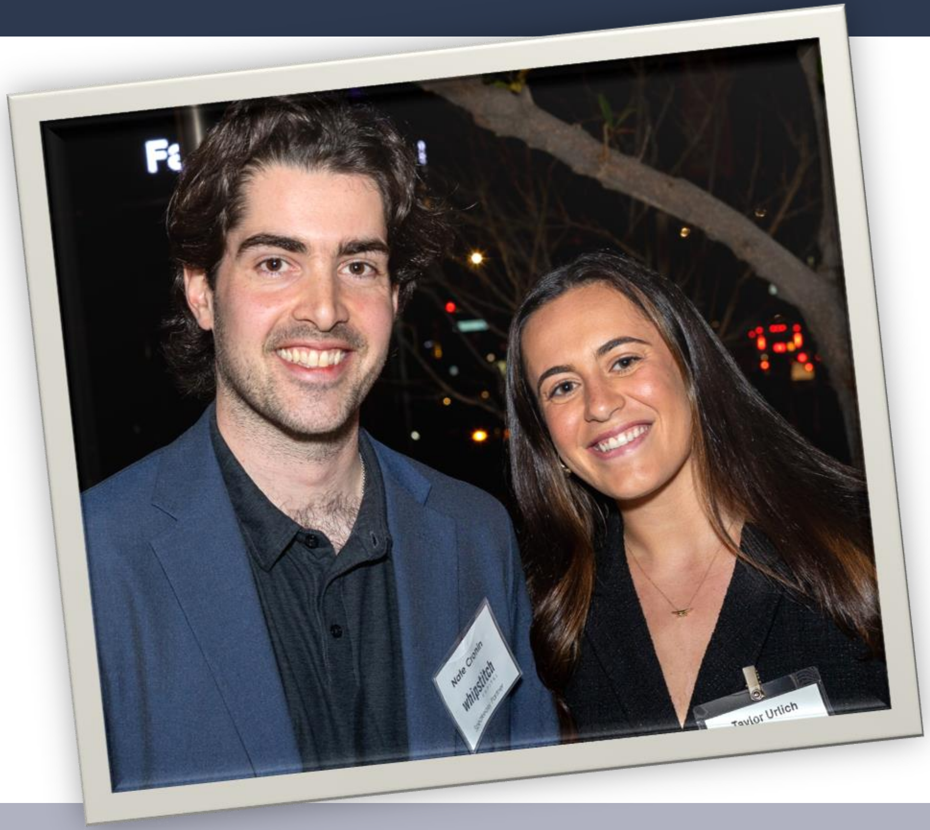
There are no templates or cookie cutters

Super Connected

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

Investors and acquirers look to us for industry insights and opportunities

Whipstitch bankers represent companies across various consumer sectors



Food	From everyday staples to premium, better-for-you and next-generation brands – we are experts
Beverage	An explosive category – no bank in the US has played a larger role than Whipstitch over the last ten years
Beauty & personal care	An exciting category: acquirers looking for innovative offerings – our first deal here was industry leading
Pet	With the humanization of pets, the pet vertical has only scratched the surface of its growth opportunity
Manufacturing	Supply-chain control has become critical, leading to a strong interest in private label and co-man
Service providers	Service providers offering specialized services to consumer / related companies remain attractive

Select prior transactions

SINCE 1847 THAYERS NATURAL REMEDIES	core	ROCCO & ROXIE SUPPLY CO.	PRESENCE	purely elizabeth.	uqora	ELEMIS	Swerve	KEVITA	Jelly Belly	ZARBEE'S INSPIRED BY NATURE
L'ORÉAL PARIS	Keurig DrPepper	PETIQ	PLTFRM	SEMCAP Food & Nutrition	PHARMAVITE	L'OCCITANE EN PROVENCE	WHOLE EARTH BRANDS	PEPSICO	Ferrara	Johnson & Johnson

Note: Includes transactions completed by Whipstitch deal team members while at prior firms

The Whipstitch Weekly recaps the latest consumer deals across all consumer sectors for more than 15,000 people – we do the work for you

Dedicated, internal team produces easy-to-read, weekly deals update

- Weekly transaction recaps goes to more than 15,000 industry professionals
- Covers food and beverage, health and wellness, retail, pet, personal care/beauty and other consumer
- Shared extensively within strategic acquirers and private equity firms
- Constant interaction with buyer/ investor universe – Whipstitch is the knowledge leader in consumer M&A
- Non-traditional buyers and investors see the newsletter and regularly ask to participate in our processes

Click to Subscribe!

Whipstitch thought leadership sought out for industry publications catering to strategic acquirers, private equity firms and other investors

BevNET Live Summer 2023: The Finance Forecast for Beverage Brands

Strategics Want to Buy Companies in the Second Inning

General Mills Venture Arm Invests in GoodBelly Probiotics Parent

Investment Insight: Uncertainty At KDP, Confidence in Kombucha

Canada's 'Better For You' Food And Beverage Sector Presents Big Opportunity For Investors

Interest Brewing In Kombucha As Healthy Beer, Soda Alternative

From Personalization to Collagen and 'The Cloud': Whipstitch Capital Picks Top Healthy Living Trends

Cash in Natural Foods: Experts Weigh in on How to Get it and Prepare to Sell

GoodBelly Lands $12M Round, Led By 301 Inc.

Select deals led by the Whipstitch team

HOPLARK	BROOKLYN BREWERY
keystone Natural Holdings	House Foods
PCA skin	Colgate
purely elizabeth.	SEMCAP Food & Nutrition INVEST WITH PURPOSE
uqora	PHARMAVITE
SINCE 1847 THAYERS NATURAL REMEDIES	L'ORÉAL PARIS
THINSTERS Hain Celestial	J&J SNACK FOODS CORP
BROTHERS INTERNATIONAL FOOD CORPORATION	B·C·P Benford Capital Partners
WILDE CHIPS	Multiple Investors
COLD-BREW HIGH Brew COFFEE	beliv
Swerve	WHOLE EARTH BRANDS
HUNGRY HARVEST	CREADEV CREATING FOR PEOPLE
core	Keurig DrPepper
PURPLE CARROT	Oisix ra daichi
KEVITA	PEPSICO
PRESENCE	PLTFRM
spindrift	VMG
ELEMIS	L'OCCITANE EN PROVENCE
ROCCO & ROXIE SUPPLY CO.	PET IQ
COUNTRY ARCHER Jerky Co.	Monogram Capital PARTNERS
essentia hydration perfected	CASTANEA
BLAKE'S ALL NATURAL FOODS	CONAGRA BRANDS
GoodBelly PROBIOTICS	General Mills Making Food People Love
ZARBEE'S INSPIRED BY NATURE	Johnson & Johnson
MannaPro nurturing life.	Morgan Stanley CAPITAL PARTNERS
LesserEvil	InvestEco
MADE GOOD	PRELUDE GROWTH PARTNERS

Note: Includes transactions completed by Whipstitch deal team members while at prior firms

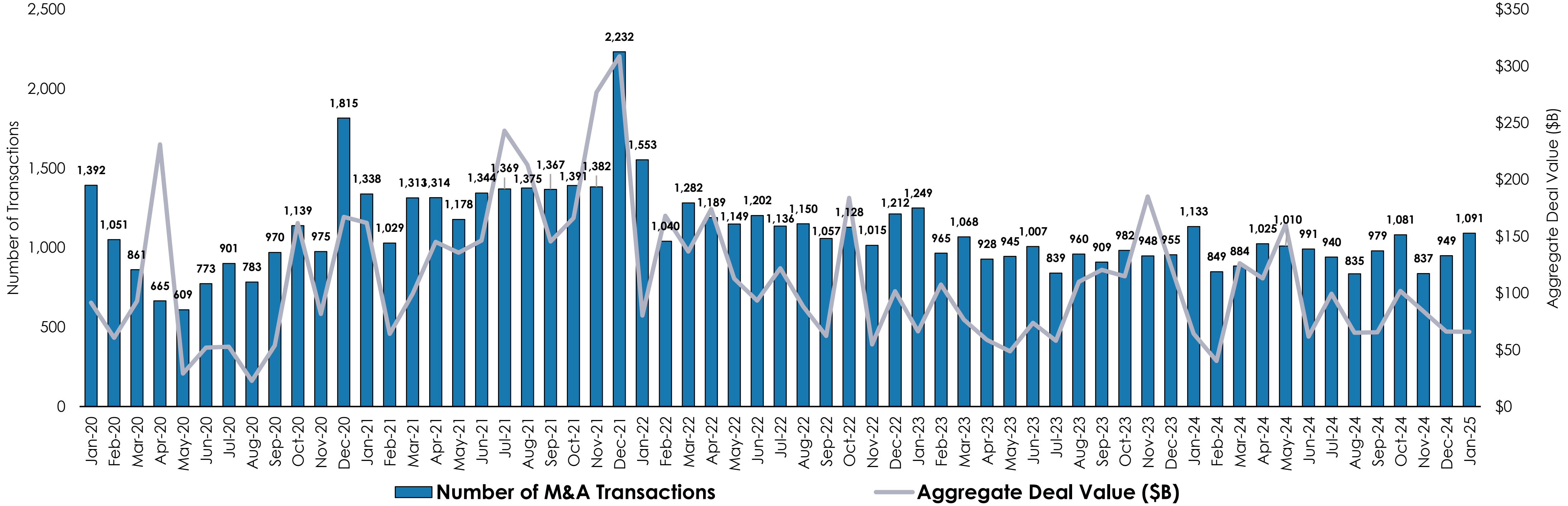
II. Capital Markets Recap & Overview

M&A volume has stabilized

Cross-industry M&A volume stabilized

- M&A activity **rose** in 2021 after the initial shock of COVID-19, maintaining strong momentum throughout the year
- In 2022 and 2023, M&A activity **declined** due to macroeconomic challenges
- 2024 saw **stable** M&A activity, and early data from January 2025 suggests a continuation of this trend

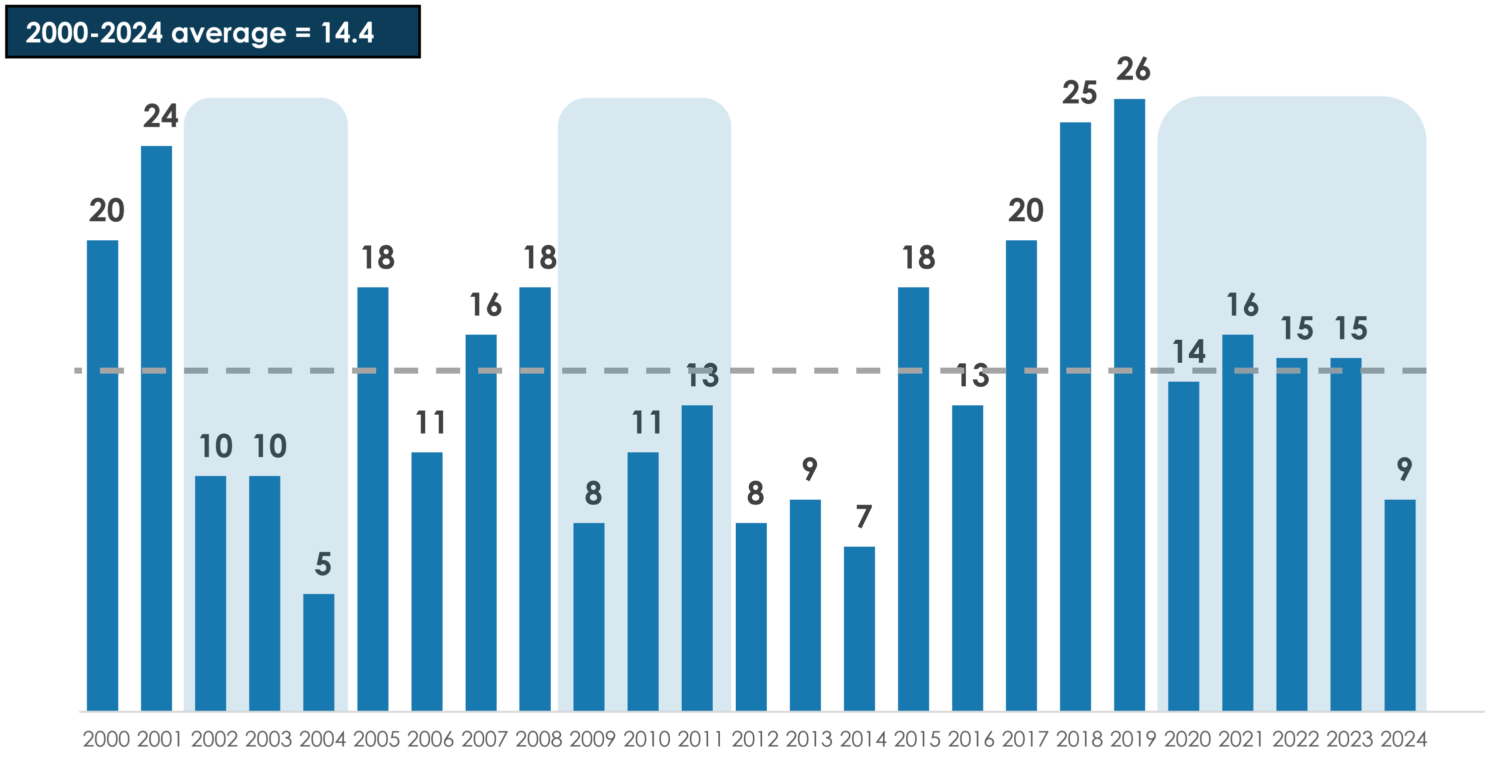
Cross-industry M&A activity continues steady pace into 2025[1]



1. S&P Global Market Intelligence, Reported M&A Deal Value, All Industries, U.S. and Canada, As of 1/31/25

Large CPGs continue to be acquisitive

Annual acquisitions by the 15 largest CPG companies since 2000



The Big 15 CPG's

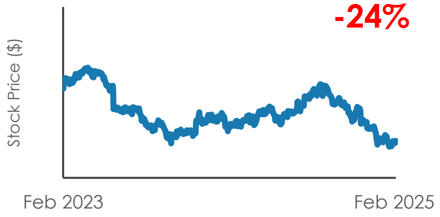
- Campbell Soup Co.
- Church & Dwight Co.
- General Mills
- Kellogg Company
- KraftHeinz
- Mars
- Mondelez International
- Nestle
- PepsiCo
- Procter & Gamble
- The Rank Group
- SC Johnson & Son
- The Clorox Company
- Tyson Foods
- Unilever

1. S&P CapitalIQ, As of 2/19/25

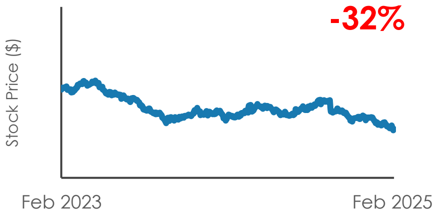
whipstitch

Two-year CPG stock performance

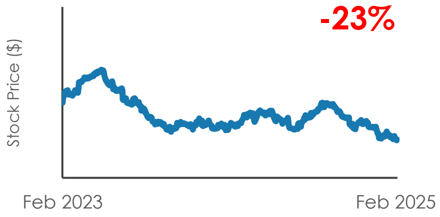
Campbell's (CPB)



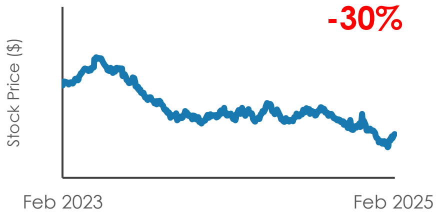
Conagra Brands (CAG)



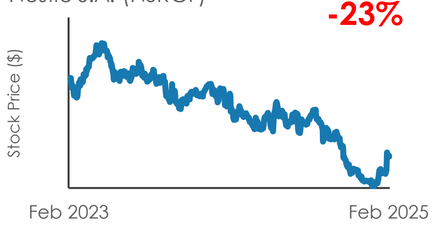
General Mills (GIS)



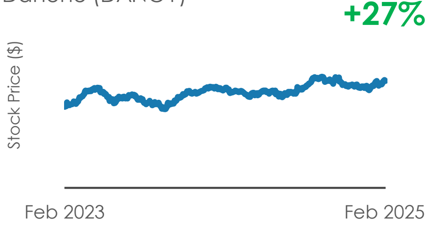
The Hershey Company (HSY)



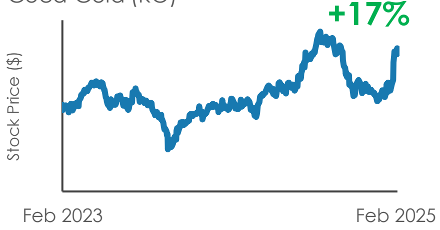
Nestlé S.A. (NSRGF)



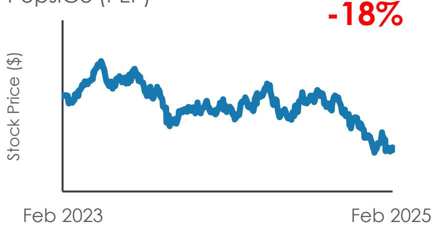
Danone (DANOY)



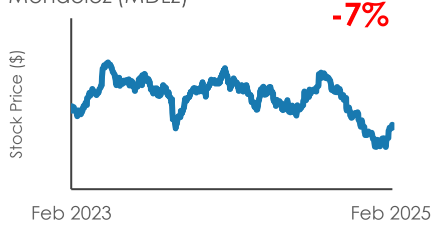
Coca-Cola (KO)



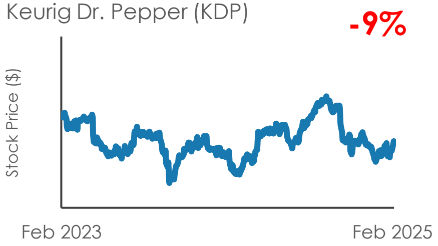
PepsiCo (PEP)



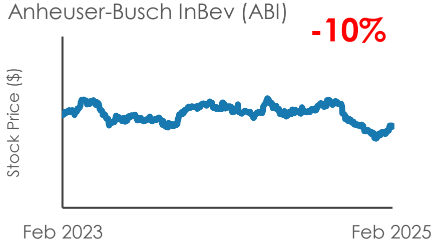
Mondelez (MDLZ)



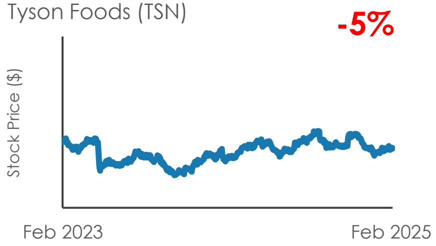
Keurig Dr. Pepper (KDP)



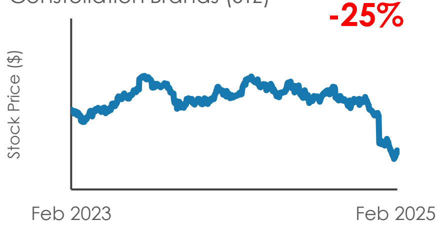
Anheuser-Busch InBev (ABI)



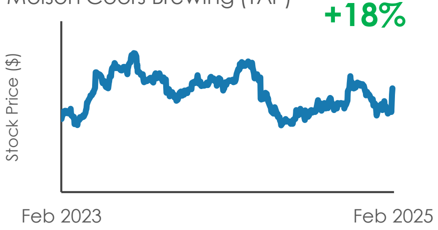
Tyson Foods (TSN)



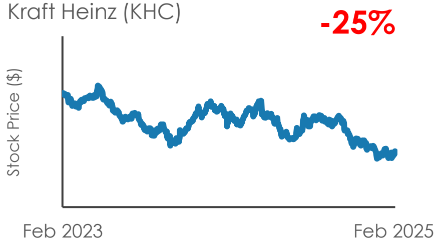
Constellation Brands (STZ)



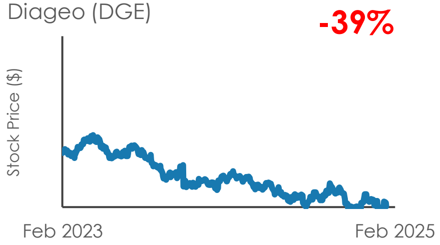
Molson Coors Brewing (TAP)



Kraft Heinz (KHC)



Diageo (DGE)

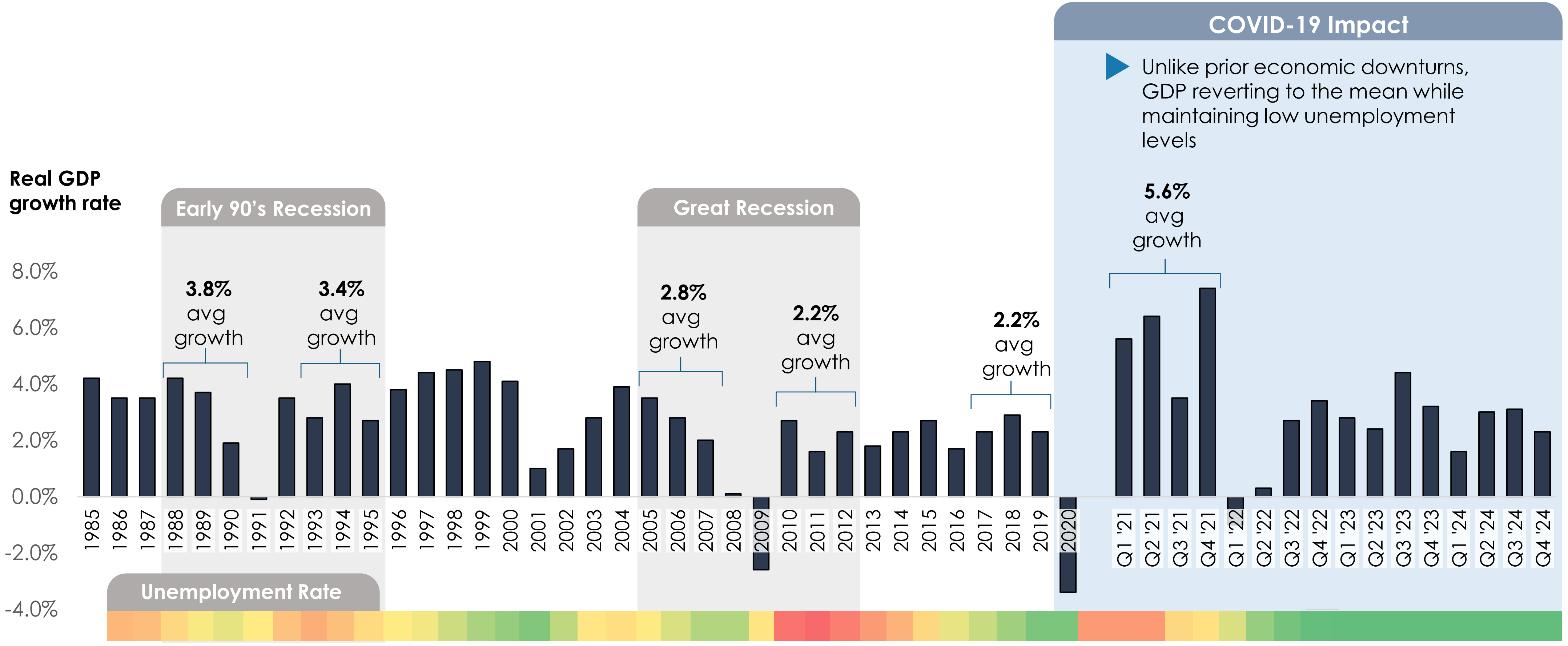


1. S&P Market Intelligence

whipstitch

Economic growth and labor markets continue to be resilient

Economic stimulus drove inflation and demand



1. BEA

whipstitch

Recent consumer M&A highlights

Buyer	Target	Date
Celsius	Alani Nu	Feb 2025
Unilever	Wild	Feb 2025
NyRád Fresh Ideas	Boxed Water	Feb 2025
Molson Coors beverage company	Fever-Tree	Jan 2025
Ferrero	power crunch	Jan 2025
Flowers Foods	Simple Mills	Jan 2025
Advent	Sauer's Since 1887	Dec 2024
Gryphon Investors	spindrift	Dec 2024
Sazerac	Svedka	Dec 2024
OWS Foods	Lillie's Q	Dec 2024
TreeHouse	Harris Tea	Dec 2024
Affinity Equity Partners	Yupi	Nov 2024
General Mills	whitebridge pet brands	Nov 2024
Hershey The Hershey Company	Sour Strips	Nov 2024
Molson Coors beverage company	ZOA	Nov 2024
1440 Foods	FitCrunch	Nov 2024
Keurig Dr Pepper	Ghost	Oct 2024
PepsiCo	Siete	Oct 2024
USANA The Cellular Nutrition Company	hiya	Sep 2024
Platinum Equity / butterfly	R	Sept 2024
Sodiaal / Groupe Lactalis	General Mills N.A. Yogurt Business	Sep 2024
Our Home	Pop Secret	Aug 2024
Mars	Kellanova	Aug 2024
Crown	Revance	Aug 2024
Bansk	PetIQ	Aug 2024
Vetnique labs	Lintbells	Jul 2024
Emmi	Mademoiselle Desserts	Jul 2024
Carlsberg	Britvic	Jun 2024
Sonoco	Eviosys	Jun 2024
Simply Good	Owyn Only What You Need	Apr 2024
L Catterton	Kiko Milano	Apr 2024
J&J Snack Foods Corp	Thinsters	Apr 2024

Recent consumer private placements

Buyer	Target	Date
Ingredion	Oobli	Feb 2025
J.P.Morgan	OLIPOP	Feb 2025
Goldman Sachs	Fay	Feb 2025
B² PARTNERS	PlantBaby	Feb 2025
	GREYSON	Feb 2025
	GLOSS VENTURES	Jan 2025
KOSÉ	foxtale	Jan 2025
L'ORÉAL	de cons truct	Jan 2025

Buyer	Target	Date
TEMASEK	REBEL FOODS	Dec 2024
Fidelity dexcom	ŌURA	Dec 2024
CAMBRIDGE COMPANIES	tosi	Dec 2024
SOJOURNER	HAWAII COFFEE COMPANY	Dec 2024
HealthworX	Culina Health	Dec 2024
LVMH	D_b_	Dec 2024
GENERAL ATLANTIC	eyewa	Nov 2024
Whiterock	DRINKSOLOGY KIRKER GREER	Nov 2024

Buyer	Target	Date
Coefficient Capital	KoRo	Nov 2024
s2gventures	shiru	Nov 2024
ChrysCapital	HEALTHKART	Nov 2024
SELVA VENTURES	ONE SKIN	Nov 2024
GENERAL ATLANTIC STRIPES	vuori	Nov 2024
felix CAPITAL	PURE	Oct 2024
TORCH CAPITAL	nara	Oct 2024
INVUS	Belli Welli	Oct 2024

Buyer	Target	Date
ADIA	purple	Oct 2024
Angel Investors	BEST DAY BREWING	Oct 2024
Lewis Hamilton	BRAMBLE	Oct 2024
district ventures capital	GAINFUL	Sep 2024
VOLITION CAPITAL	Grove	Sep 2024
L CATTERTON	Vyrao	Sep 2024
GENERAL ATLANTIC	ATHLETIC BREWING CO.	Sep 2024
SPRING TIDE	ZBIOTICS	Aug 2024

III. Whipstitch Capital's Healthy Living Consumer Trends

Whipstitch Capital's healthy living trends

Why Stop at 10? Whipstitch Goes to 12

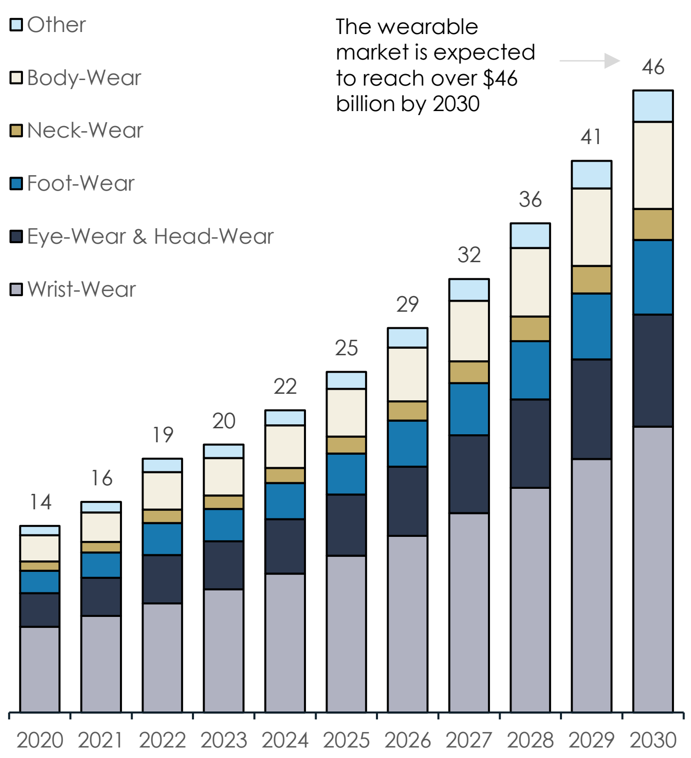
1. Growing consumer focus on personal data and practices that promote wellness and extend healthspan
2. Dairy staple revival: Renewed consumer interest in traditional milk-based products
3. Body care blends wellness and beauty: Consumers embracing body care as an integral part of well-being
4. GLP-1 medications reshaping food and beverage habits: Weight management trends driving new consumption behaviors
5. High-protein, low-sugar innovations: Combining indulgence with nutritional benefits to meet evolving dietary preferences
6. Sugar-free energy solutions gaining momentum: A surge in demand for healthier, clean-label energy products
7. Brands and solutions evolving to address concerns derived from environmental issues
8. Accessibility in women's health: Accelerating innovation in solutions for hormonal, reproductive, and general well-being
9. Increased attention on personal care routines and wellness products for men
10. Bars as the go-to for portable nutrition: Private brands driving growth in convenient, nutrient-packed snack options
11. Satisfying sweet cravings with clean candy
12. Pet wellness at the forefront of consumer minds

1. Growing consumer focus on personal data and practices that promote wellness and extend healthspan

As a result of increased personal data, consumers focusing on routines and offerings to extend healthspan

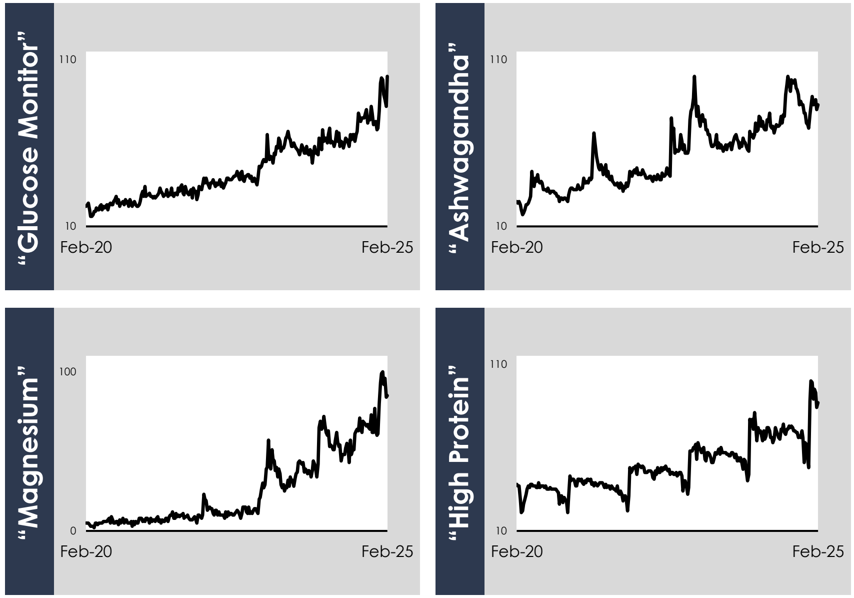
The US wearable market is growing 12% YoY as more consumers track their data

US Wearable Technology Market Size ($BN)[1]



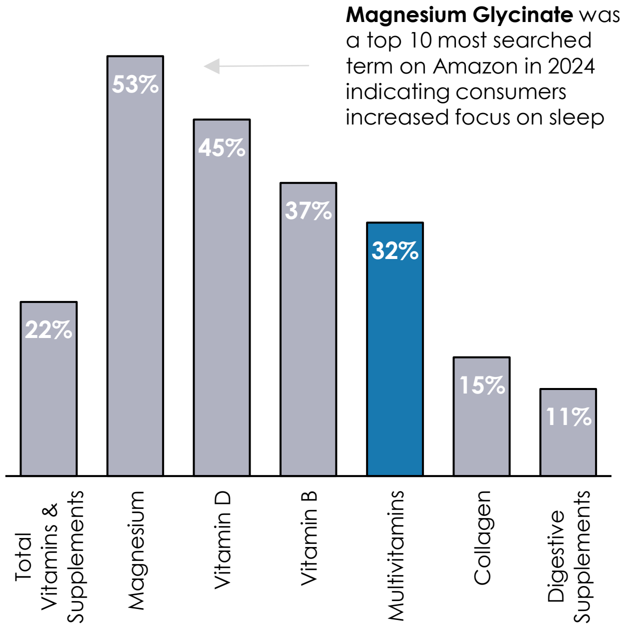
Healthspan related search trends show growing demand for health products

Google Trends Analytics



Vitamins and supplements category exploded over the past 12 months

Growth Rate on Amazon[2]



Brands to watch

HUMANAUT LIFEFORCE bellabeat MOMENTOUS nello™

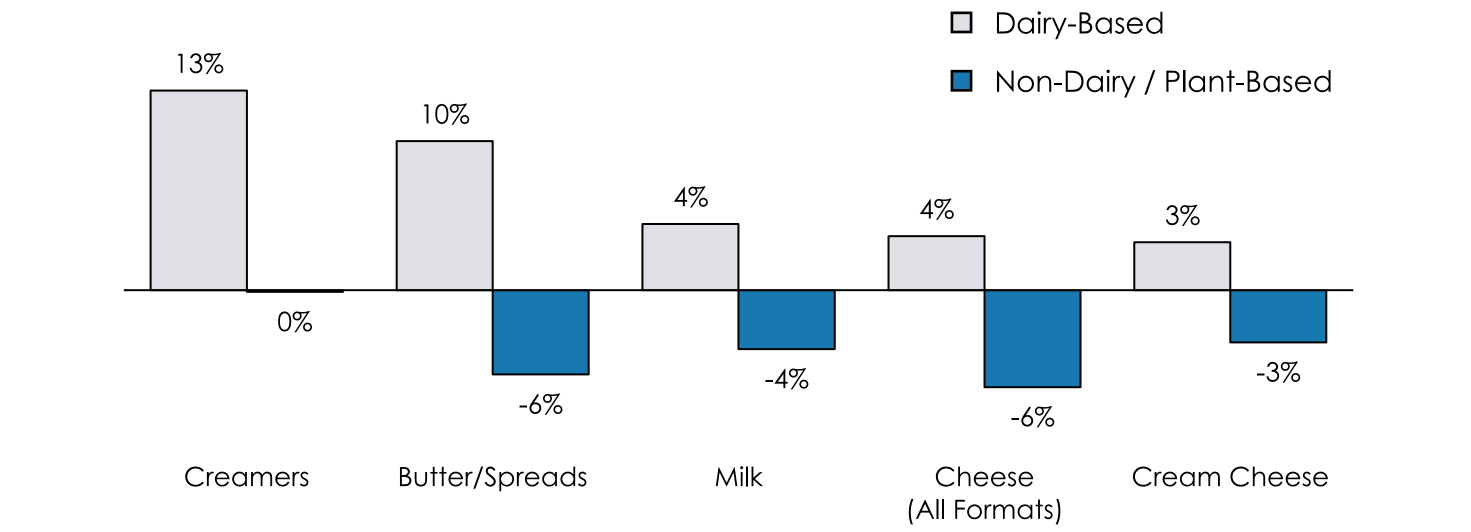
1. The Bluebird Group, Grandview Research, 2020 – 2030 US Wearable Technology Market
2. The Bluebird Group, Growth Rate on Amazon – Top Categories in VMS L12M

2. Dairy staple revival: Renewed consumer interest in traditional milk-based products

Consumers turning back to traditional dairy as a clean, simple, protein source

Dairy stapes outpacing dairy alternative counterparts[1]

YoY $ Growth by Product Type

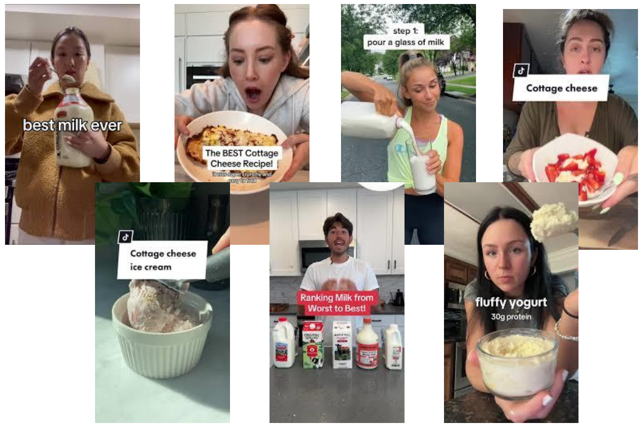


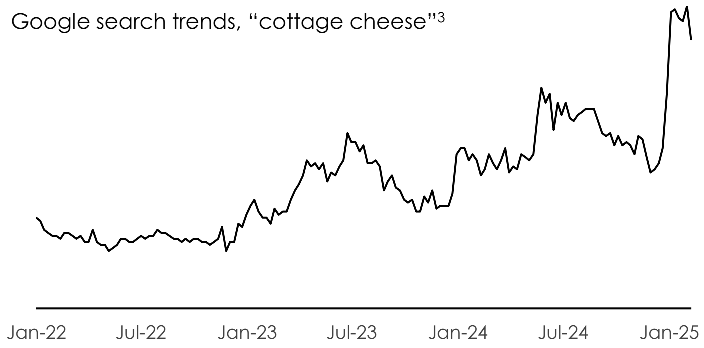
"In 2024…U.S. consumption of whole milk rose by 3.2 percent — only the ***second increase since the 1970s****"*[2]

Brands to watch

slate. | good CULTURE | Petit Pot | ICELANDIC PROVISIONS | Clio | PAINTERLAND SISTERS

Social media trends highlight nutritional and functional value of dairy products





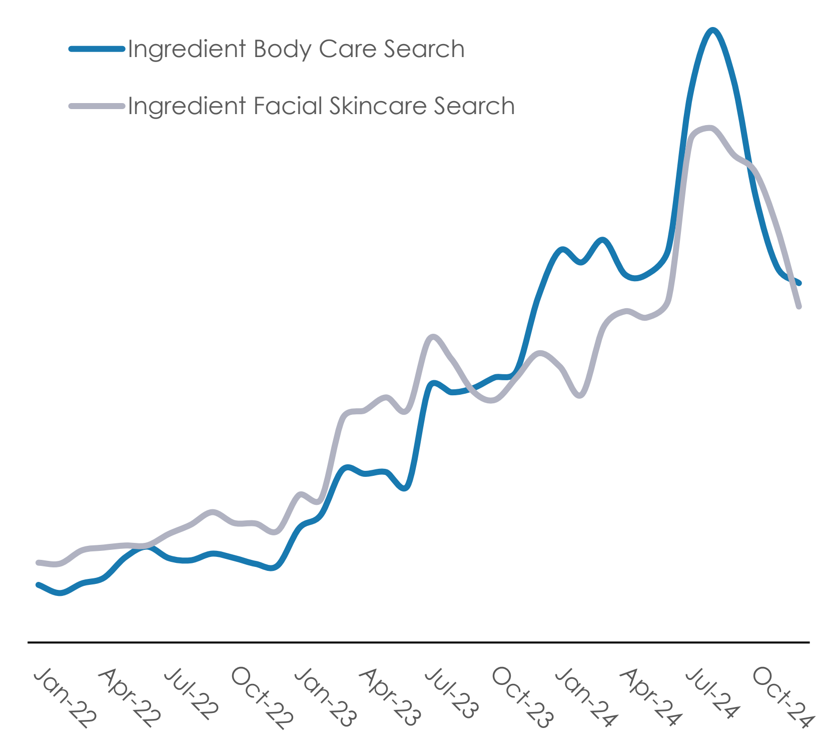
1. SPINS 24 WE 1/26/25, MULO, Convenience, & Natural
2. New York Times via Circana, 2/6/2025, "Got Weird? Milk Is Headed for Its Strangest Year Yet."
3. Google trends analysis

3. Body care blends wellness and beauty: Consumers embracing body care as an integral part of well-being

Consumers becoming more aware of body care through body washes, lotions, serums and other treatments

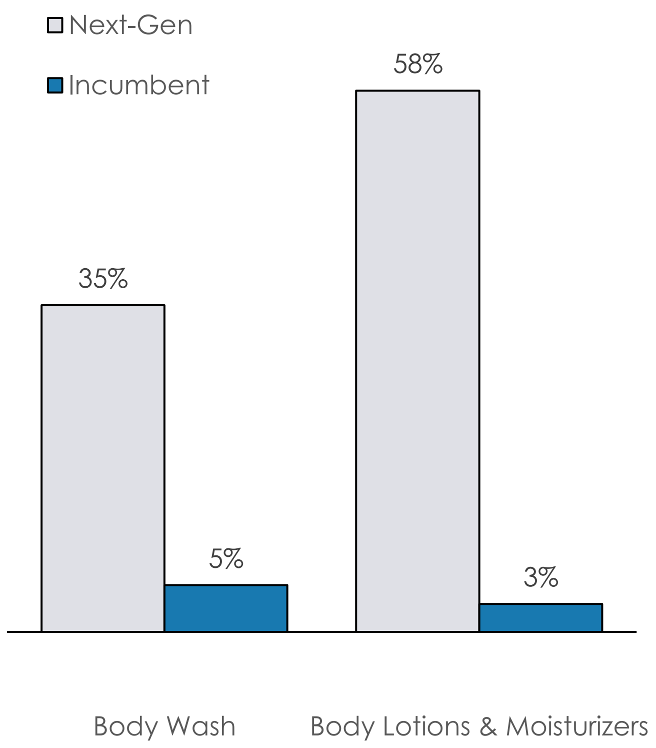
Awareness of skincare ingredients originally for facial skincare has translated into body care

Amazon Search – including 'glycolic, salicylic, hyaluronic acid & turmeric' Index – Body Care vs Facial Skin Care



Next-generation brands leading the growth across body care categories

YoY growth (%)



Next-generation brands account for an increasing percentage of **body care category market share** while incumbent brands lose share

Brands to watch

SALT & STONE

Rare Beauty

OUAI

BYOMA

OSEA

soapbox

1. The Bluebird Group; Amazon Search – including 'glycolic, salicylic, hyaluronic acid & turmeric' Index – Body Care vs Facial Skin Care. L3Y – (Desktop Mobile, & App Devices)
2. SPINS, MULO + Natural + C-Store, 52WE 1/26/25 – Next-Generation brands categorized as brands founded after 2000

4. GLP-1 medications reshaping food and beverage habits: Weight management trends driving new consumption behaviors

GLP-1 users on the lookout for healthier food and beverage options

An increasing number of Americans interested in GLP-1[1]

>8%

Of Americans are already taking GLP-1 medications

35%+

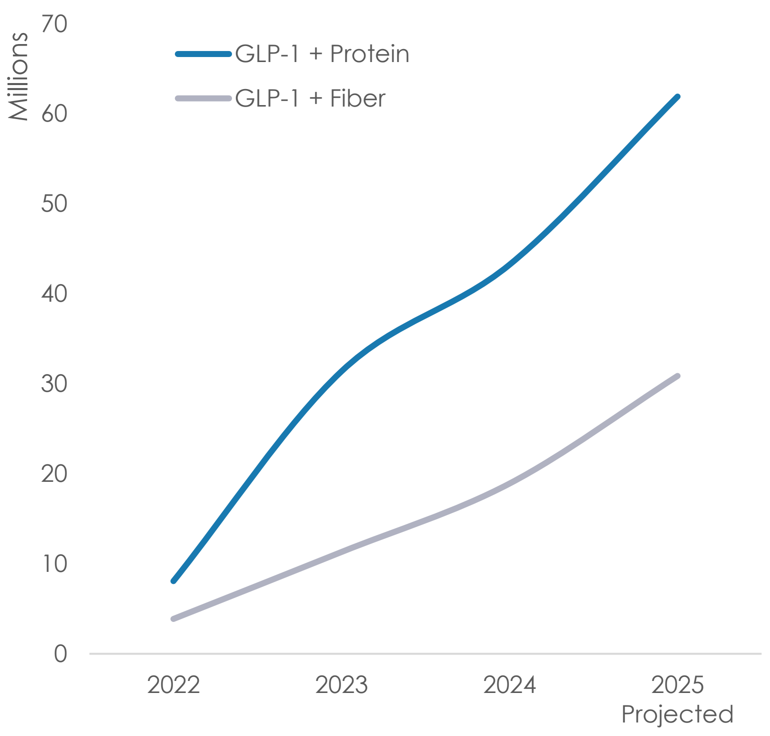
Of Americans are interested in GLP-1 weight loss drugs

137 million

Americans may be eligible for GLP-1 weight loss medications

GLP-1 users focused on protein and fiber intake along with the medication[2]

Social Views – GLP-1's and Fiber or Protein
L3Y – (Desktop Mobile, & App Devices)



Brands bring GLP-1-friendly products to market as consumers look to make healthier choices[3]

80%

of GLP-1 Users are looking for products specifically marketed to their needs

28%

of GLP-1 Users do not think they are getting enough protein in their diet

Daily Harvest GLP-1 bundle

Nestle's Vital Pursuit

Conagra's Healthy Choice

1. PwC
2. Sprout Social
3. ADM Survey

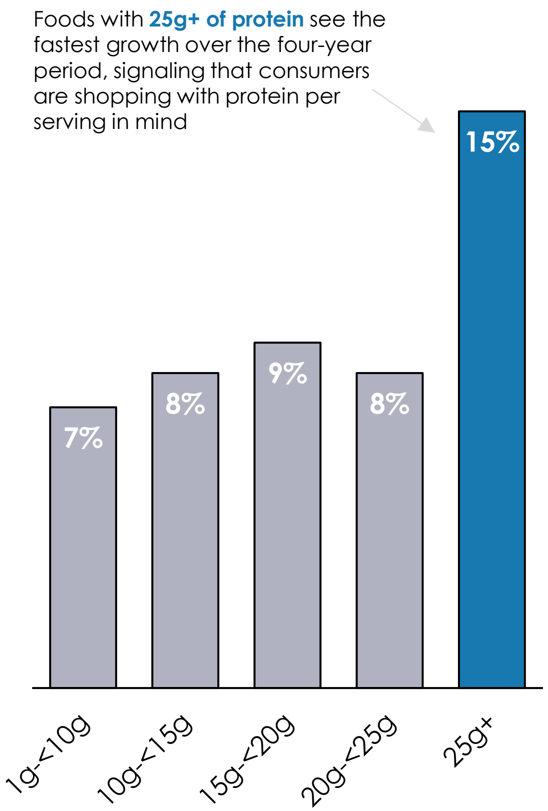
whipstitch

5. High-protein, low-sugar innovations: Combining indulgence with nutritional benefits to meet evolving dietary preferences

Consumers increasing protein intake across multiple eating occasions and food types

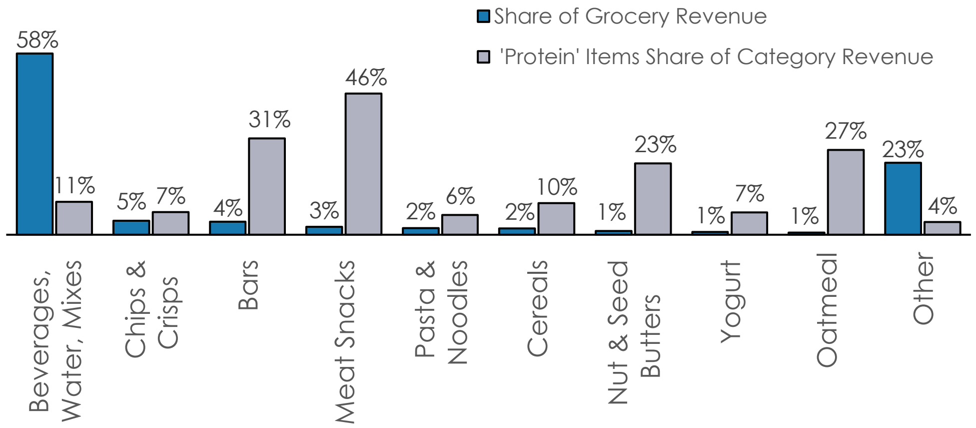
Consumers prioritizing protein consumption in everyday meals[1]

4-year CAGR of foods by protein/serving



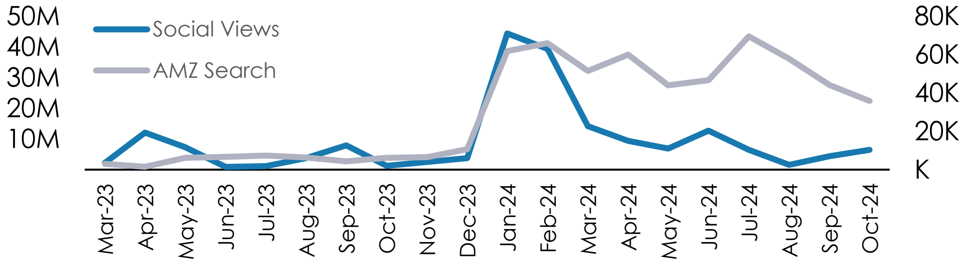
Protein-focused products span all grocery categories, accounting for 11% of total grocery revenue[2]

Amazon Revenue by Category & % of Revenue including 'Protein' in title - Grocery

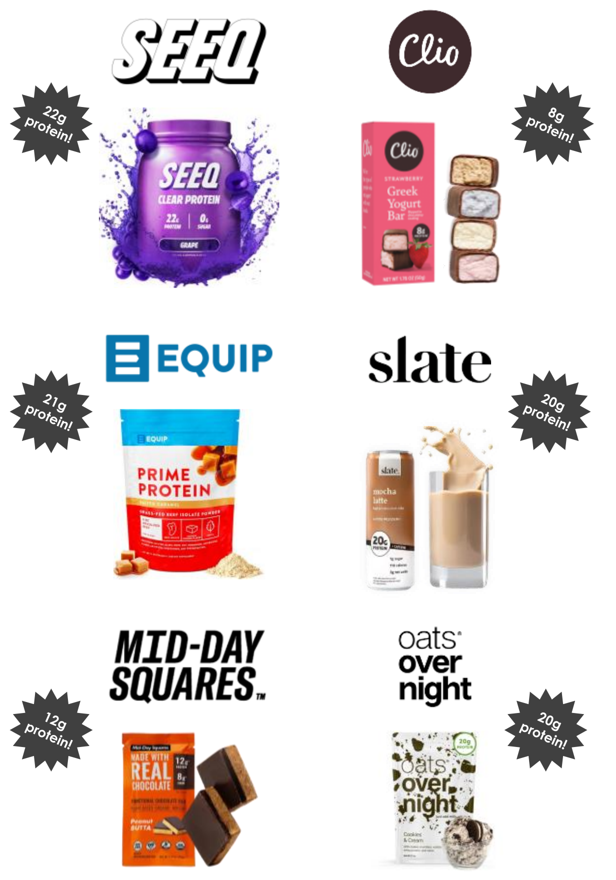


Social Views & Amazon Search: Protein Brownies[3]

What's the trend?
A viral spike in early 2024 boosts social views for protein brownies, driving awareness of protein-based indulgence and increasing Amazon searches.



Brands to watch



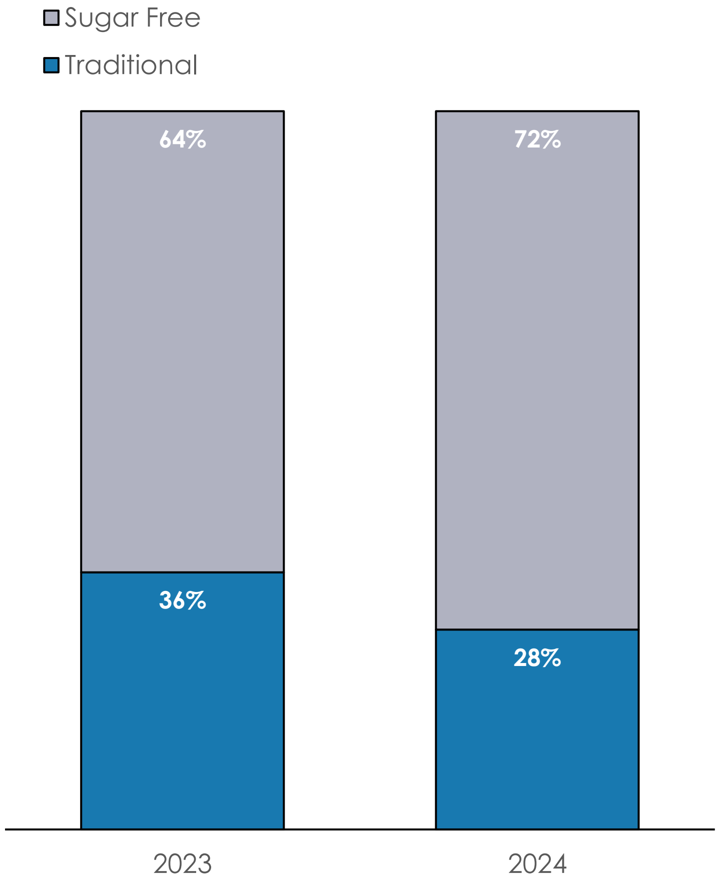
1. Nielson IQ
2. The Bluebird Group, L12M – (Desktop Mobile, & App Devices)
3. The Bluebird Group, L22mos – Desktop Mobile, & App Device)

whipstitch

6. Sugar-free energy solutions gaining momentum: A surge in demand for healthier, clean-label energy products

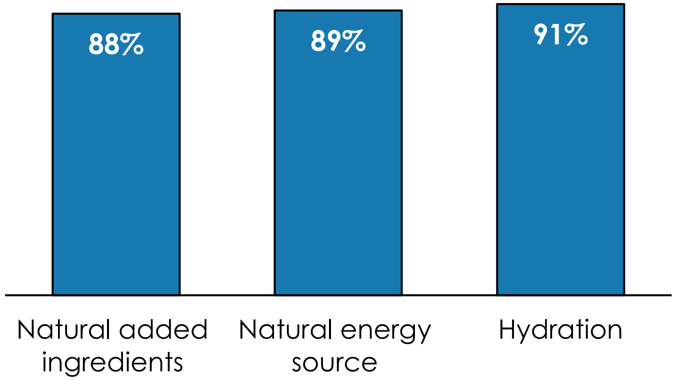
Sugar-free energy drink searches surged YoY while traditional sugary options fall

Amazon Search – Energy Drinks



Consumers pick clean-label energy over traditional offerings

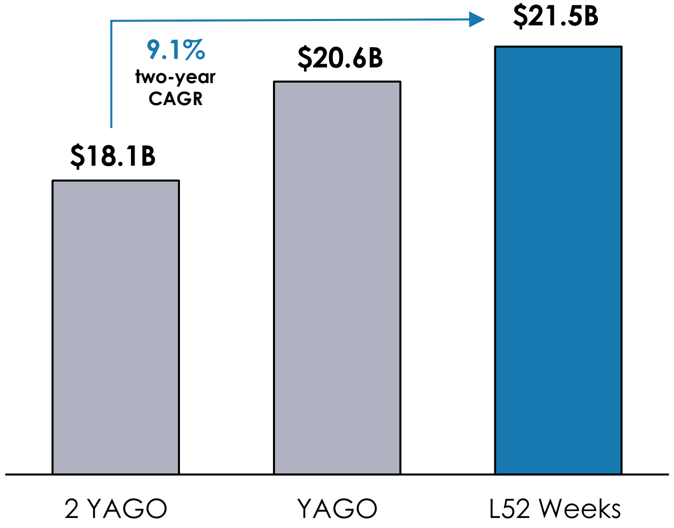
Mintel, Energy Drink Consumption, 2024



Healthier options continue to drive energy drink growth as consumers seek beverages with **natural** and **clean energy** sources, plus **hydration** benefits

Clean-label energy fueling total energy market growth

Energy drink sell-through ($B)[2]



Brands to watch

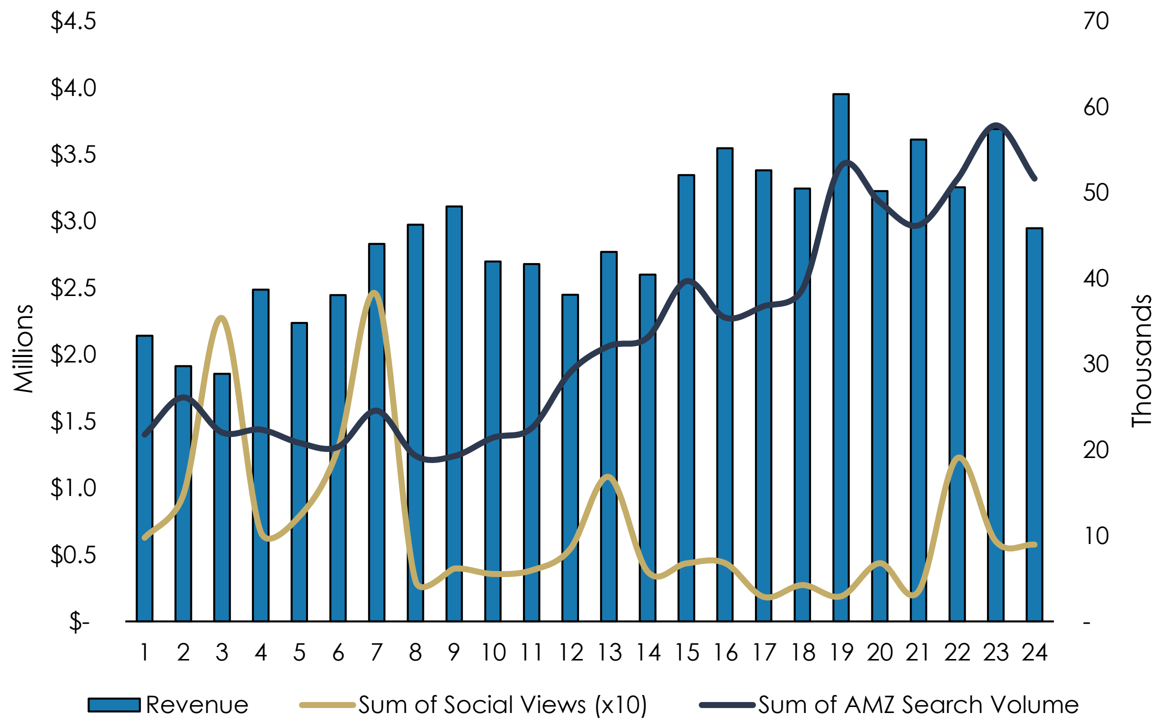
1. The Bluebird Group, L2Y – (Desktop Mobile, & App Devices)
2. SPINS 52 WE 1/26/25, MULO, Convenience, & Natural – Energy Drinks

7. Brands and solutions evolving to address concerns derived from environmental issues

Customers continue purchasing from brands that provide transparency and prioritize sustainability

Online searches for sustainable cleaning supplies on the rise[1]

Amazon Search, Amazon Revenue, and Social Views
'Non-Toxic' Cleaning (Dish, Laundry, Multi-Purpose)



Consumer products in crosshairs of state legislatures for PFAS exposure

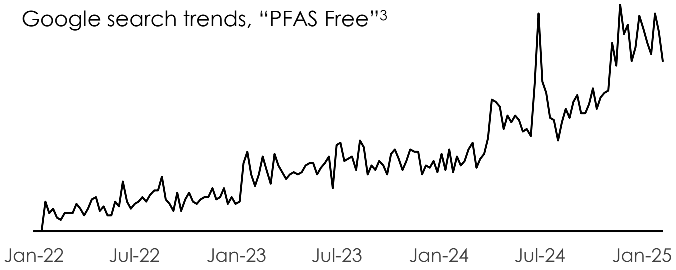
Consumers increasingly concerned about "forever chemicals" in consumer products

States responding by introducing policies that target PFAS in consumer goods and packaging

States that have adopted or introduced PFAS consumer product policies

California	Montana
Colorado	Nevada
Connecticut	New Jersey
Illinois	New Mexico
Maine	New York
Maryland	Oregon
Maryland	Rhode Island
Massachusetts	Vermont
Minnesota	Washington

Google search trends, "PFAS Free"[3]



Brands to watch

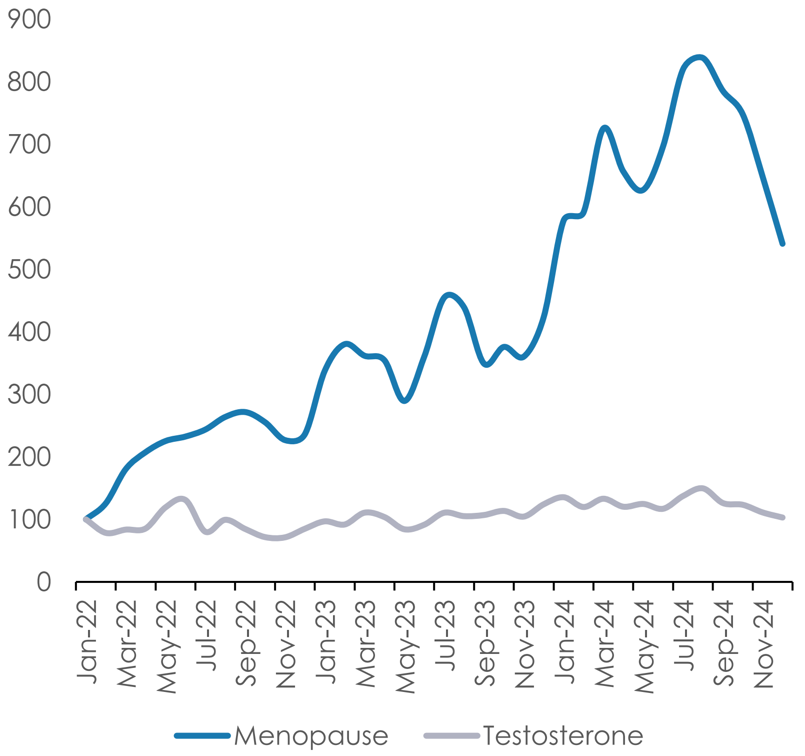
1. The Bluebird Group, L24M, Desktop, Mobile, & App Device
2. Safer States, PFAS policies, Cleaning Products, Packaging, Personal Care
3. Google trends analysis

8. Accessibility in women's health: Accelerating innovation in solutions for hormonal, reproductive, and general well-being

Direct-to-consumer brands complement retail channels, increasing accessibility for women's health products

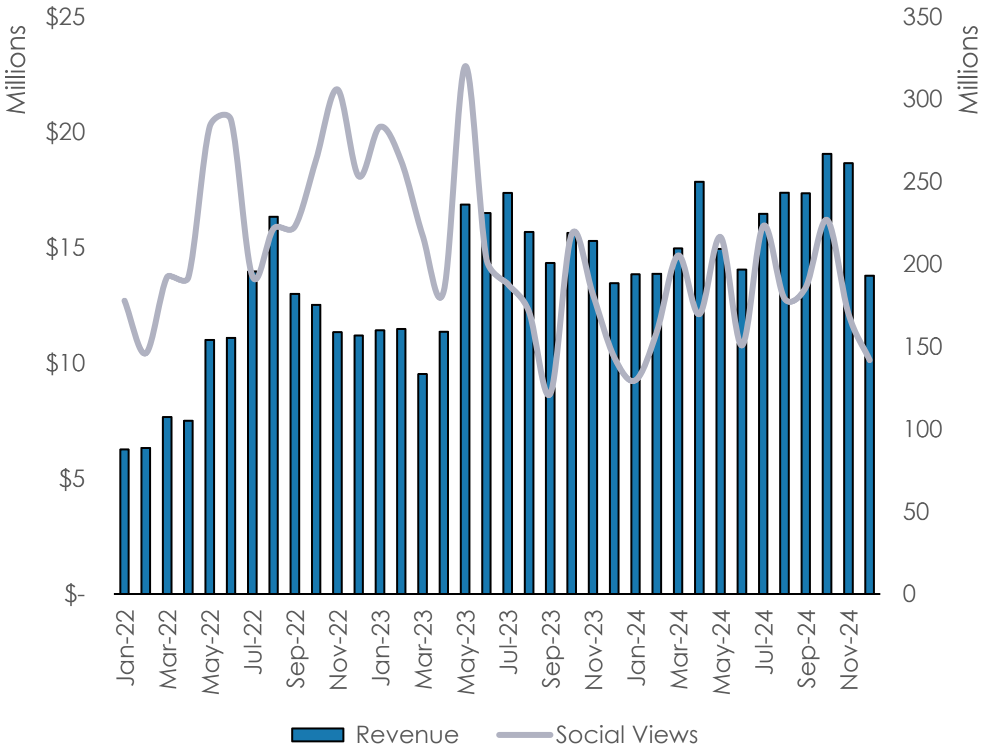
Menopause supplements search far outpacing search growth of testosterone supplements[1]

Amazon Search – Menopause Health & Testosterone Supplements



Following increased traction on social media, menopause health has grown to $200MM on Amazon[2]

Amazon Revenue & Social Views – Menopause Health



Brands to watch

- FLO
- BLUME
- CLEAR STEM
- YOUR
- LOVE WELLNESS
- mixhers
- Wholesome Story
- hers
- Winged
- Natural Cycles
- ovira
- willow

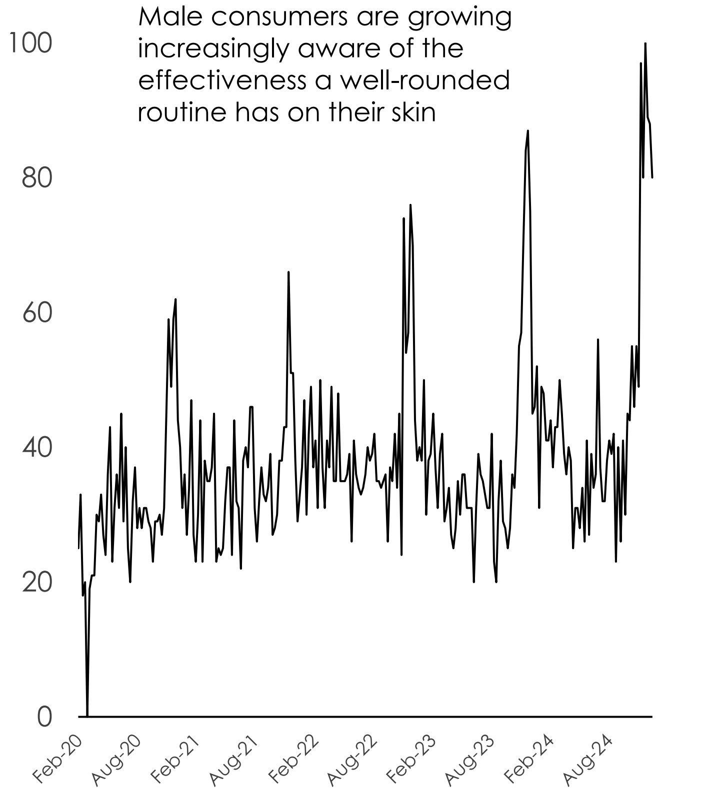
1. The Bluebird Group; Growth Index - Amazon Search – Menopause Health & Testosterone Supplements L3Y – (Desktop Mobile, & App Devices)
2. The Bluebird Group; Amazon Revenue & Social Views – Menopause Health (millions) L3Y – (Desktop Mobile, & App Devices)

9. Increased attention on personal care routines and wellness products for men

Male-focused skincare brands experiencing growth as men have become more aware of skin care benefits and holistic approaches to grooming

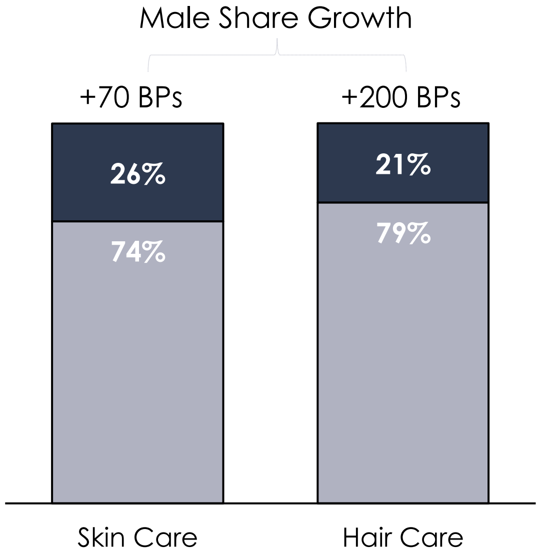
Skincare for men on the rise[1]

Google search trends, "men's skincare"

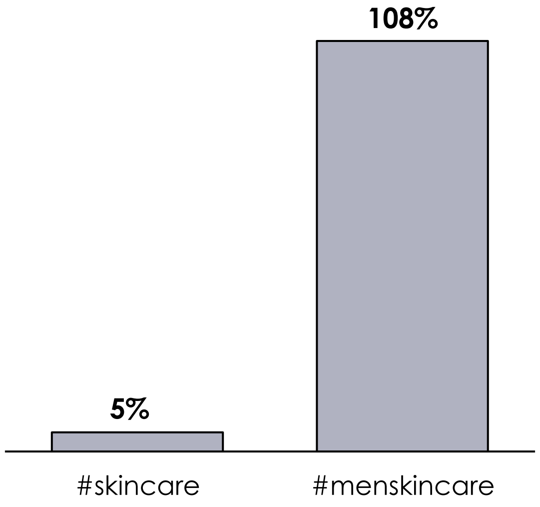


Revenue share and search rates for men's skincare growing rapidly

Share of Revenue by Demographic- Gender L12M[2]



Social Media Views – Growth, L12M, YoY[3]



Brands to watch

Dr. Squatch | Bulldog Skincare | The Mad Optimist | Caldera + Lab | Every Man Jack

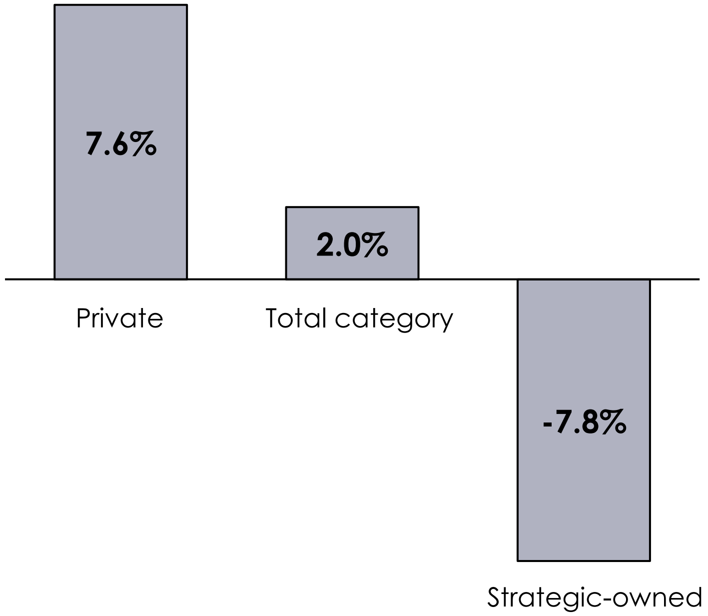
1. Google Trends Analytics
2. The Bluebird Group, L12M, Desktop Mobile & App Devices
3. The Bluebird Group, L12M, YoY, Desktop Mobile & App Devices

10. Bars as the go-to for portable nutrition: Consumers continue to eat bars throughout the day

Private brands driving growth in convenient, nutrient-packed snack options

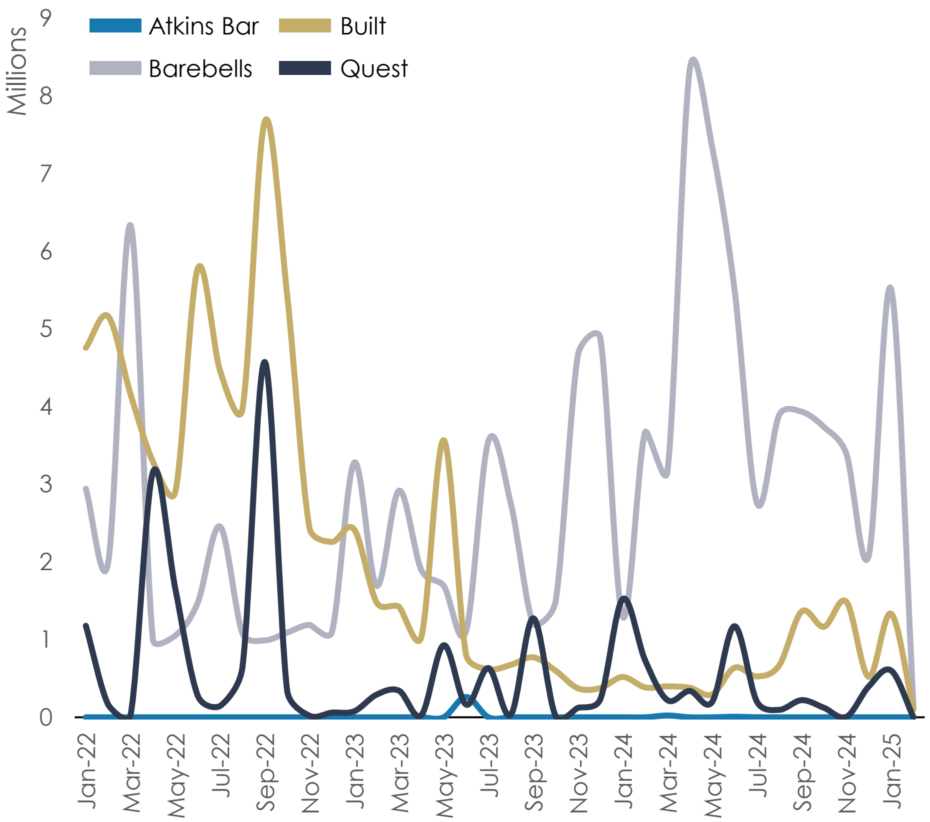
Private bar brands fueling category growth compared to strategic-owned brands

YoY growth (%)



New bar brands find traction through social media

Social Media Views – Bar Brands[2]



Brands to watch

Barebells
BUILT
Clio
MISFITS
MID-DAY SQUARES
gomacro
BOBO'S
88 ACRES
David
TRUBAR™

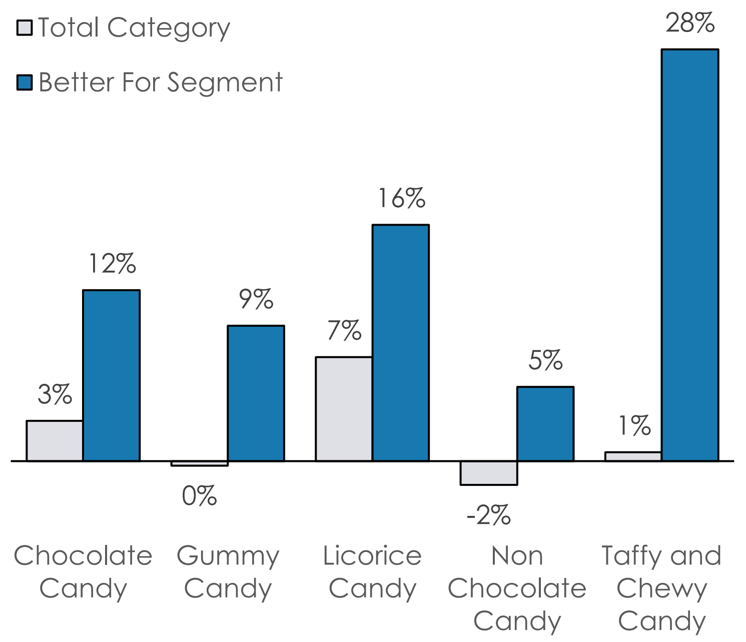
1. SPINS 52 WE 1/26/25, MULO + C-Store + Natural, Wellness and Snack Bars
2. The Bluebird Group, L24M – (Desktop Mobile, & App Devices)
3. Strategic-Owned includes bar companies owned by public CPG companies or acquisitive private CPG companies (i.e., Mars)

11. Satisfying sweet cravings with clean candy

Growing attention around low-sugar and clean ingredient options for sweet treats

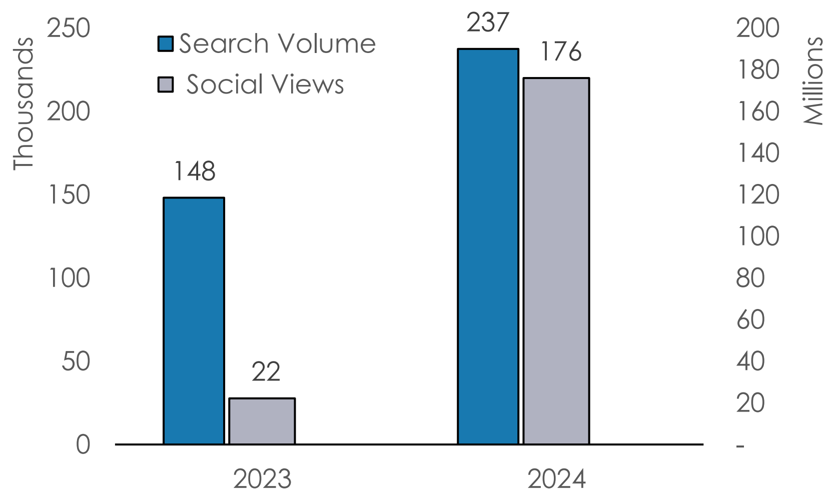
Better-for-you candy seeing increased productivity across all candy types

YoY $ Productivity Growth – L12M YoY[1]



Search for 'Dye Free Candy' grew 60% YoY on Amazon, while social views grew almost 700% YoY

Amazon Search Volume – L24M[2]



Brands to watch

JOYRIDE Uncommon Candy

Sour strips with **80% less sugar** than the leading brand

UNREAL

Chocolate snacks made with **simple ingredients**

BÉQUET CARAMEL

Handcrafted gourmet butter caramel made with **100% natural** ingredients

Chocolove xoxox

Premium Belgian chocolate crafted with clean, **non-GMO** ingredients

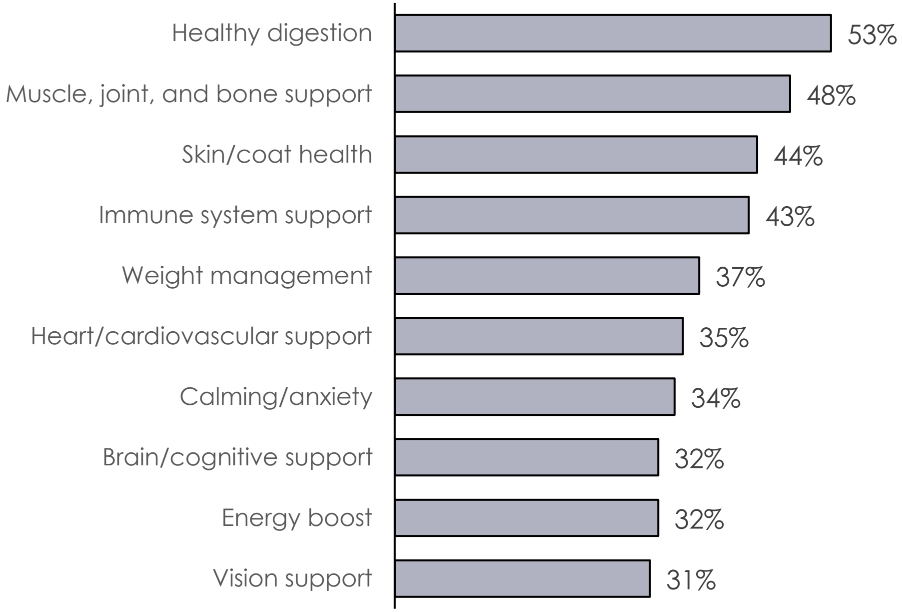
1. The Bluebird Group, Nielsen, L12M YoY
2. The Bluebird Group, L24M, Desktop Mobile & App Devices

12. Pet wellness at the forefront of consumer minds

Consumers continue to focus on wellness in the pet sector, prioritizing sustainability, functionality and transparency

Preventative health a key focus for pet owners

US: interest in functional health and wellness benefits, 2024[1]



Pet health and wellness is important to consumers, with gut health and minimal processing taking priority

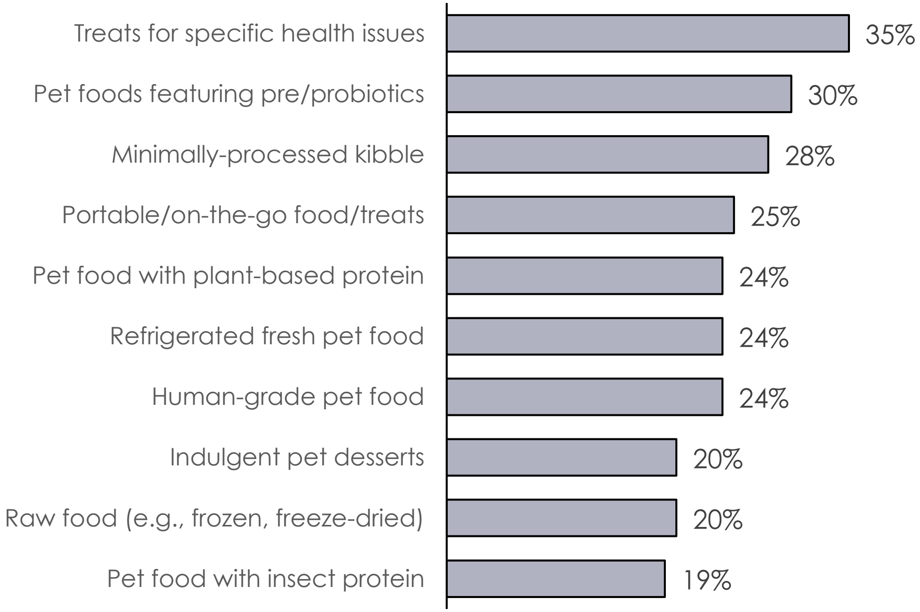
46%

Of Pet Wellness shoppers purchased more than one wellness category[2]

2.5

Average number of Pet Wellness brands pet owners purchased in the last 12 months[2]

US: interest in pet food and treat concepts, 2024[3]



Brands to watch

PORTLAND PET FOOD COMPANY · CARNIVORE MEAT COMPANY · Dr. Harvey's · native pet · Three Dog Bakery · SMALLS Food. For Cats.

1. Kantar Profiles/Mintel July 2024
2. Source: Numerator. Pet health and wellness categories and brands purchased, 12 months ending 08/31/2024. Includes dog dental chews and cat dental treats

IV. Bain & Company Consumer Product M&A Annual Report

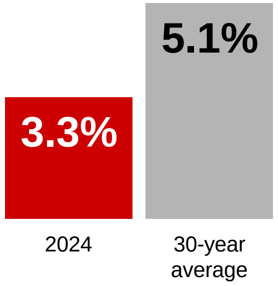
(Select Slides)

2025 M&A Report – Consumer Products

BAIN & COMPANY

2025 M&A Report – key themes

M&A market is idling, poised for growth



M&A is **cyclically low** as % of global GDP

$3.6T **Total M&A deal value**

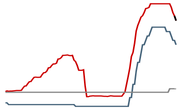
+9% Strategic M&A

+33% PE & VC

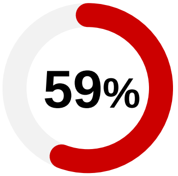
+13% vs. 2023

The deal environment is improving if still uncertain

Moderating cost of capital

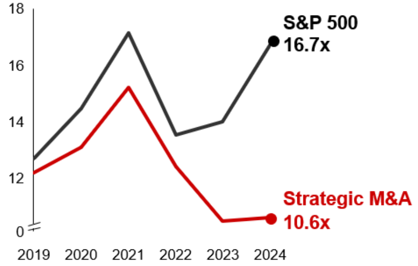


Some easing of central bank rates



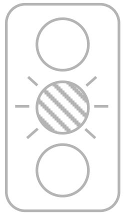
Strategic deals >$1B are **scale**

Buyer-sellers apart on valuations



Bid-ask gap mirrors widening public/private valuation gap

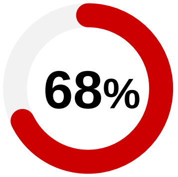
Normalizing regulatory environment



Return to **traditional merger enforcement** and more timely processes

M&A and Divestitures will be critical to navigate two transformational forces

As **disruptive technologies** impact profit pools across industries, M&A can accelerate the response



M&A is faster and more efficient way to build new product and services

1 in 3 tech deals go to non-tech buyers

As **post-globalization** including **tariffs** creates constraints, M&A supports strategic repositioning

M&A and divestitures to realign supply chain footprint and end market portfolio

Alternate deal types (JVs, partnerships) to create optionality and mitigate risks

GenAI is redefining M&A capability

Reducing time and cost across M&A processes

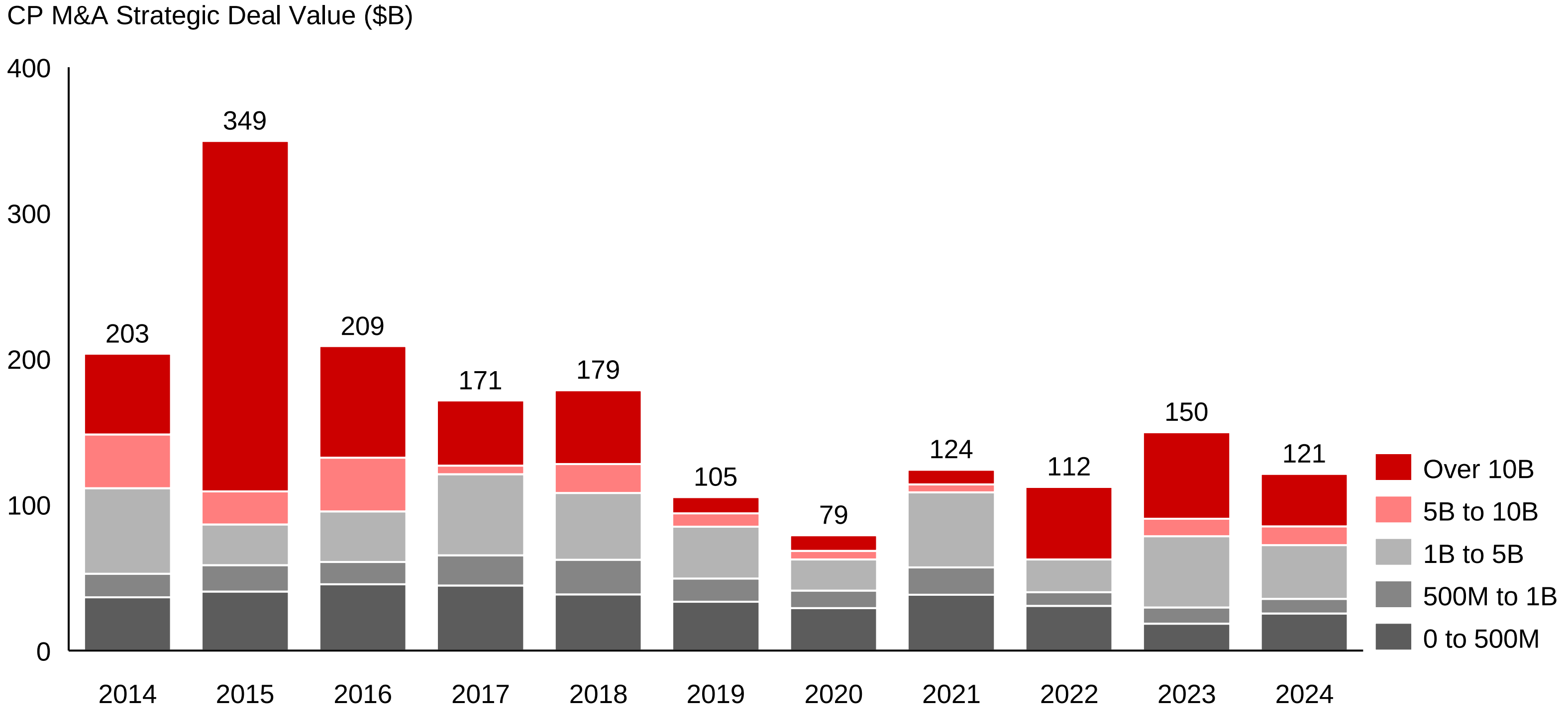
Creating value through new value propositions, product offerings, business process redesign

Source: Dealogic, CapIQ (as of Jan 15, 2025); Bain M&A Practitioners 2025 Outlook Survey (N=307)

CP M&A deal market remains suppressed, with fewer big, scale deals

Consumer Products strategic deal value

IN BILLIONS OF US DOLLARS



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
# $5B to $10B	5	4	5	1	3	1	1	1	0	2	2
# >$10B	3	5	2	2	3	1	1	1	2	2	1

Note: *Core CP includes Food, Beverage, Household & Personal Products
Source: Dealogic

Highlights from the market:

13x **multiples for core CP***, down slightly from 15x in 2021

-19% **deal value** in 2024 vs 2023

47% deal value **from divestitures** in last 5 years (vs. 37% in 5 years prior)

60% of CP execs **prepping an asset for sale** in the next 3 years

We believe the M&A market is poised for growth, but that may look different in CP than other industries

- Strategics’ response to **disruption will heighten demand for M&A**, Divestitures/Separations, and JV/Partnerships

- Renewed activity by **private equity will spur competition, price transparency and momentum** for the overall market

- **Stable or easing cost of capital** in most markets, subject to inflationary pressures, will facilitate dealmaking

- **Buyer-seller valuation gap will narrow** as motivated sellers look to streamline portfolios / exit investments

- **Normalizing regulatory environment** will reduce uncertainty in approval processes, even as traditional merger enforcement constraints remain

V. SPINS Market Insights

2025 Industry Update & Trends Predictions

The SPINS **Advantage**

Retail Coverage

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

Exclusive to SPINS

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

Conventional

AVAILABLE AT SPINS

Product Intelligence

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

Exclusive to SPINS

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

Package & Product

Applications & Insights

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

Exclusive to SPINS

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

What's **facing our industry** today?

STATE OF THE INDUSTRY

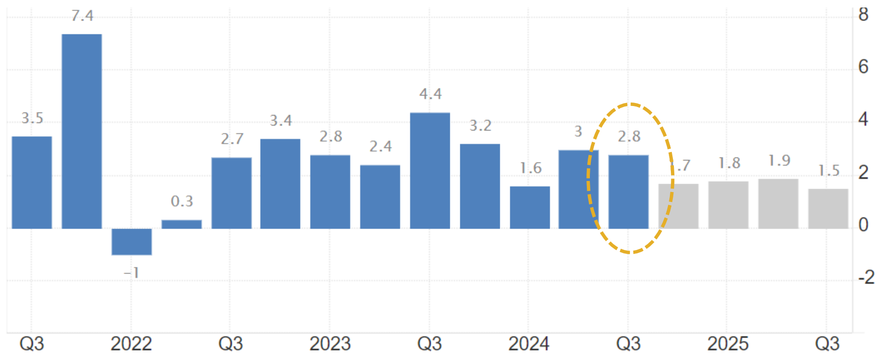
External Forces

Consumer sentiment is finally improving, and the economy is solidly on the rise.

While still fragile, economists agree virtually all signs are positive of a flourishing economy. Capital should increasingly be freeing up and starting to flow in the months to come.

GROWTH FEELS REAL

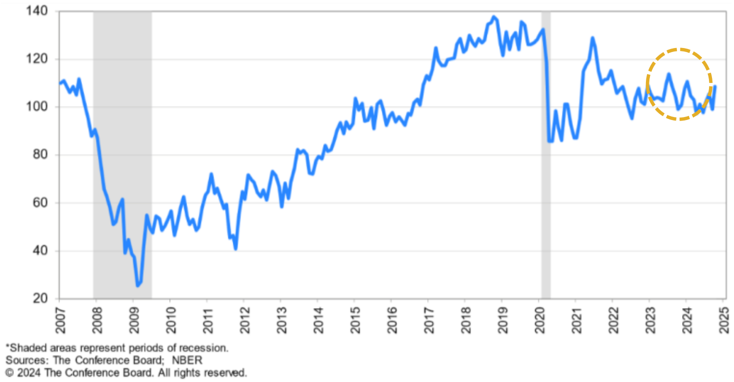
Q3 GDP came in higher than expected at 2.8%. Interest rates are starting to drop with another reduction expected end of ‘24.



US Bureau of Economic Analysis

CONSUMER CONFIDENCE

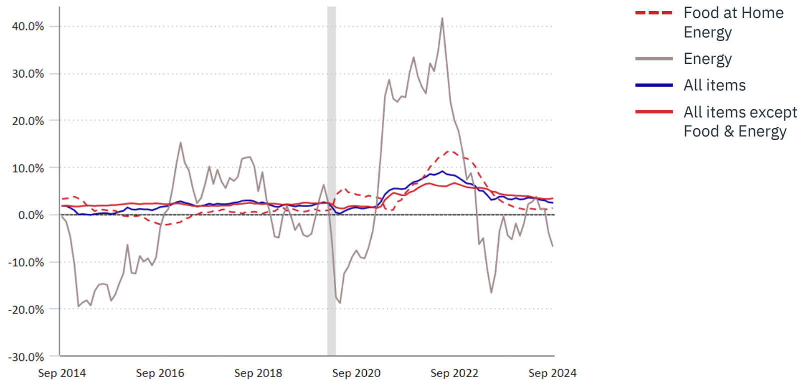
Americans last month became more optimistic about the future of the labor market and the broader US economy. Fastest clip since Mar ‘21.



The Confidence Board

JOBS, FOOD & GAS ALL SOLID

Several months of strength in jobs and dropping gas and supermarket prices are putting more dollars in EVERYONE’S pockets.



US Bureau of Labor Statistics

Source: *Fed Funds rate on 11/21; up from 4% prior year; **52 week inflation in 10/23 via Food CPI ***SPINS Consumer Panel, 12 weeks ending 11/5/23

Natural and Wellness Products Are Driving Growth Across All Channels

Natural products growth is outpacing conventional product growth in every channel. The Natural Channel has the highest overall growth rate and the highest NPI growth -- a consistent recent month after month trend.

	Natural Expanded Channel	Regional & Independent Grocery Channel	Conventional MultiOutlet	Convenience Channel
Total Growth	+3.7% Total Growth	-1.9% Total Growth	+1.6% Total Growth	+1.0% Total Growth
NATURAL PRODUCTS	+6.6%	+1.1%	+4.4%	+5.0%
SPECIALTY & WELLNESS PRODUCTS	+2.3%	+1.2%	+3.0%	+4.2%
CONVENTIONAL PRODUCTS	-1.1%	-3.1%	+1.1%	-1.3%

Source: SPINS Total store US Natural Enhanced Channel, Regional Grocery, Conventional Multioutlet + Convenience Channels (powered by Circana), 52 Weeks ending 10.06.24

STATE OF THE INDUSTRY

Consumer Sentiment

Within our industry, new values-based consumers are joining the movement. They are spending more and buying more often.

With younger shoppers even further favoring natural, wellness and transparency, there are strong consumer preference tailwinds expected for years to come.

Source: SPINS All Outlet Consumer Panel (powered by Circana), 12 weeks ending .Oct 6, 2024

NPI IS BRINGING IN NEW SHOPPERS

While most shoppers are buying some NPI, over 2M new shoppers recently bought NPI brands. And buyers are increasing their NPI trips.

+ 2M
MORE NPI BUYERS

6%
INCREASE IN TRIPS PER BUYER

95.5% of HHs buying NPI, up almost 1%

Latest 12 weeks versus year ago

ECOMM FLOURISHES

Internet purchases have gained a full Share of Wallet point over the last year while Club and Walmart have both lost ground for the first time in several years.

Internet Share of NPI Wallet

$10 of every $100
+$1 from year ago
+2.7mm new NPI buyers

YOUNGER SHOPPERS ARE BUILDING MOMENTUM

Younger Millennials and Gen Z are more values-driven than their predecessors and shop with their values. They are gaining purchasing power quickly.

2030

"Zennials" will hold **47–60%** of buying power

And they **shop with their values,** favoring people and planet as well as health

Shopper Preferences With Staying Power

The preferences and behaviors transforming our industry over the next few years

Lifespan to Healthspan	"Before it's too late"	**Longevity focus; personalized**
Sustainability	Secondary driver in CPG purchases	**Table stakes**
New Global Notions	Segmented store placement	**Blending as ordinary. Flavor adventure**
Intentional Indulgences	Excess and sometimes polarizing; mindless eating	**Intentional choices for how "I" want to indulge**

KEY TRENDS

Preferences with Staying Power

A new generation of reliably health-focused, and increasingly self-centric, values-oriented consumers

Preferences with Staying Power

SPINS STATE OF THE NATURAL REPORT

1 The Beverage Boom

In recent years, the grocery industry has witnessed a significant shift in consumer mindfulness across all drinking occasions. With a heightened focus on wellness, intentional indulgence and the sober-curious movement, consumers seek alternatives to traditional counterparts in beverage segments across hydration, energy, soda and alcohol.

2 The Evolution of Diets

More than half of Americans say they have followed a diet in the last year. This focus on health has spurred a growing demand for nutritious, balanced meal options that not only cater to specific dietary preferences but also support overall wellness goals.

The motivations for this vary by individual, but have broad affect on the CPG industry, challenging brands and retailers to meet ever-evolving consumer demand.

SPINS®

The Beverage Boom

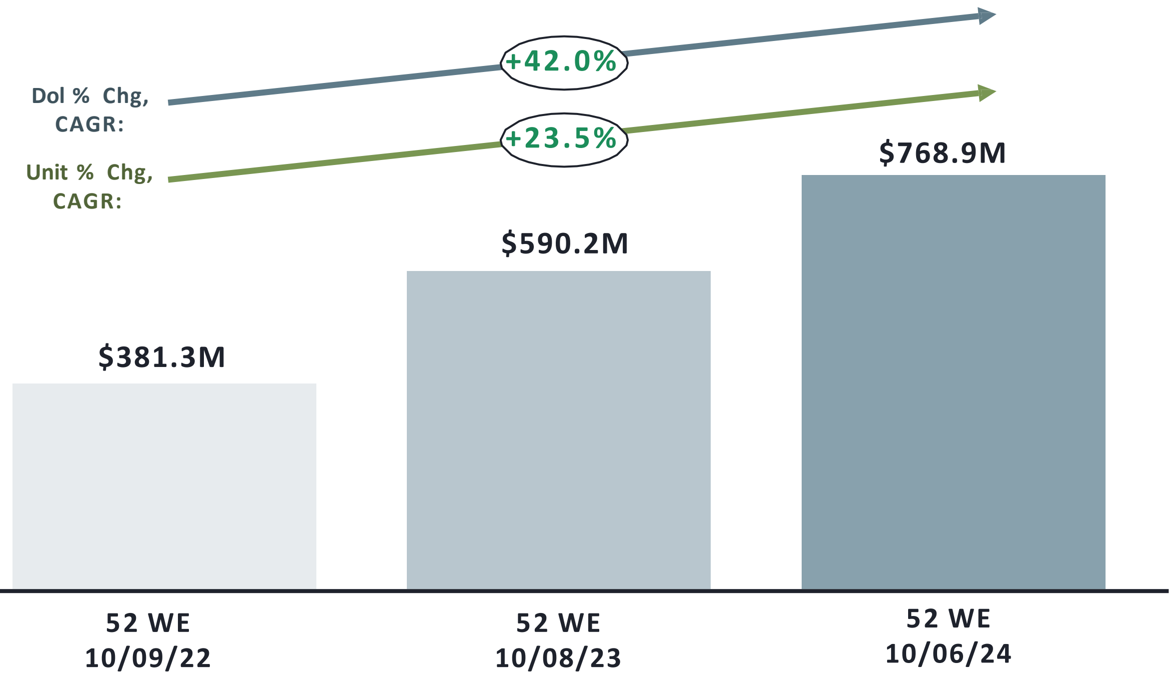
Sustained Surge: The Continued Rise Of Hydration

Shoppers are increasingly looking for personalized, health-focused solutions that support both performance and overall wellness.

Hydration & Electrolyte

Subcategory 2 Year CAGR

Dollar Sales, Dol, Unit % Chg CAGR



The Power Behind Hydration Powders

Multi-Minerals

Sodium, calcium, and potassium help replenish electrolytes, support muscle function, and prevent dehydration.

Potassium

Maintain proper heart and muscle function, balances fluids in the body, and supports healthy blood pressure levels.

Magnesium

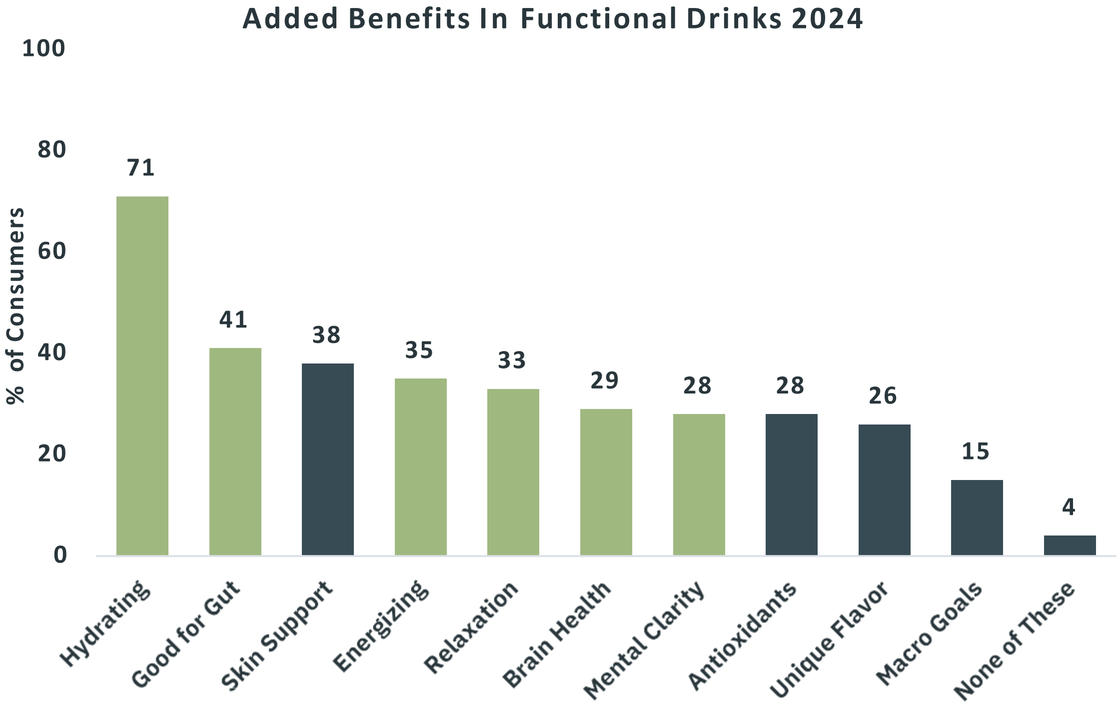
Promotes muscle and nerve function, regulating blood sugar levels, improving sleep quality, and bone health.

Icons from flaticon.com

Source: SPINS Natural Expanded Channel + Multi-Outlet (MULO) (Powered by Circana), VMS Department, Category: Performance Nutrition, Subcategory: Hydration & Electrolytes, Attribute: Functional Ingredient, 52 WE 10/06/24

Clean Energy & Functionality: Beverage Alternatives For A Boost

The Functional Beverage Movement



= Benefits Also Tracked At SPINS

Graph & Data: Innova Market Insights

Clean Energy

- Steady energy for sustained performance
- Sharpens mental focus effectively
- Powered by clean caffeine sources like green tea and guarana
- Zero added sugars to prevent energy crashes

Functional Support

- Supports gut health and digestion
- Enhances mental clarity and cognitive performance
- Includes beneficial ingredients such as: Ashwagandha, Adaptogens, Nootropics, Turmeric, Zinc, Magnesium, L-Theanine

Source: SPINS Natural Expanded Channel + Multi-Outlet (MULO) (Powered by Circana), Category Functional Beverages, 52 WE 10/06/24, https://www.innovamarketinsights.com/trends/functional-beverages-in-the-us/

Functional Beverage Ingredients

Functional beverages are tapping into rising consumer interests and expanding the audience beyond traditional beverage buying habits. Up-and-coming ingredients and formulations will continue to create new opportunities for brands and retailers.

Digestive Health (+34%)

Top Subcategories		
Kombucha	$753m	+3.2%
Soda Diet & Alt.	$669m	+153.9%
Functional Bev Other	$81m	-13.3%
Wellness Shots	$80m	+13.6%
Rf Juice & Juice Drinks	$33m	+4.3%

Top Functional Ingredients		
Kombucha Cultures	$743m	+2.6%
Fiber – Other	$358m	+140.4%
Cider Vinegar	$288m	+145.3%
Probiotics	$270m	+11.6%
Artichoke	$2.7m	-3.9%

Mood Support (+62%)

Top Subcategories		
Water Sparkling Flavored	$23m	+69.6%
Functional Bev Other	$18m	+193.8%
Wellness Shots	$6m	+6.5%
Ss Tea RTD	$1m	-35.6%
Soda Diet & Alt.	$0.5m	+832.6%

Top Functional Ingredients		
Ashwagandha	$19m	+100.3%
Magnesium	$8m	+106.8%
CBD	$6m	-4.1%
Probiotics	$5m	+4.0%
THC Delta 8	$4m	+3,772.2%

Cleanse & Detox (+17%)

Top Subcategories		
Wellness Shots	$15m	+16.4%
Rf Lemonade & Limeade	$2m	+758.1%
Rf Juice & Juice Drinks	$1m	-49%
Kombucha	$0.7m	+704.7%
Functional Bev Other	$0.3m	-61.4%

Top Functional Ingredients		
Probiotics	$12m	+2.4%
Spirulina Blue Grn Algae	$2m	+213.0%
Cayenne	$0.9m	-14.0%
Dandelion	$0.7m	New
Kombucha Cultures	$0.7m	+704.7%

Attribute: Health Focus; Source: SPINS Natural Channel, SPINS Conventional Channel (powered by Circana) data 52 Weeks Ending 10.8.24

Non-Alcoholic Category

With every single subcategory reporting an increase in sales, the non-alcoholic category is seeing strong growth. Though the beer subcategory remains the largest player in the NA space, there is growing interest throughout the entire space. Some of the fastest growing include Hard Cider, Flavored Malt Bev,. & Other as well as RTD Cocktails.

CATEGORY	DOLLARS	$, % CHG	UNITS, % CHG
Beer	$383M	23.3%	18.7%
Flavored Malt Bev. & Other	$24M	72.1%	50.7%
White Wine	$15M	54.1%	48.8%
Sparkling Wine	$15M	52.1%	45.3%
Red Wine	$12M	26.2%	23.0%
RTD Cocktails	$8M	164.0%	136.6%
Spirits & Liquor	$5M	72.0%	96.9%
Blush & Rose Wine	$3M	27.9%	23.6%
Hard Cider	$0.2M	579.2%	674.7%
Fortified & Other Spec. Wine	$0.2M	57.5%	104.7%

Top Non-Alcoholic Brands

Abs $ Chg | $ % Chg L52W vs YA

ATHLETIC BREWING CO

Category: Beer & Hard Cider

Dols: +53.6% | +$36.7M
Units: +49.8% | +2.9M

ALCOHOL-REMOVED WINE FRE

Category: Wine

Dols: +26.5% | +$6.9M
Units: +24.8% | +650.4K

RITUAL ZERO PROOF

Category: Spirits
Subcategory: Spirits & Liquor

Dols: +137.4% | +$2.5M
Units: +135.4% | +90.2K

Recess

Category: Spirits
Subcategory: RTD Cocktails

Dols: +262.1% | +$3.0M
Units: +209.8% | +391.9K

Source: 52 weeks ending 1.25.2025 SPINS SNE, MULO, powered by Circana. Filtered by SPINS Product Intelligence

Euphorics Help Buyers Lift their Spirits, Without any Spirits

Consumers are looking outside of alcohol for ways to elevate their mood, enhance their mind, or achieve a temporary buzz. Enter – Euphorics. This fast-emerging set of beverages rely on natural ingredients to lift or relax, without the hangover.

Trending Functional Beverage Items

Abs $ Chg | $ % Chg L52W vs YA

Ashwagandha

Brand: hiyo
SKU: Blackberry Lemon Tonic Og 12 Oz (4 Pk)

Dols: +201.8% | +$1.2M
Units: +204.3% | +96.9K

Mushroom - Reishi

Brand: GTs
SKU: Alive Cola Mushroom Elixir Og 16oz

Dols: +18.1% | +$1.2M
Units: +18.9% | +364.8K

THC Delta 8

Brand: Crescent 9
SKU: Tropical Thc Seltzer 12 Oz (12 Pk)

Dols: +593.4% | +$805.2K
Units: +582.4% | +22.8K

Cannabidiol (CBD)

Brand: Vybes
SKU: Strawberry Lavender Ogc 14 Oz

Dols: +11.3% | +$87.3K
Units: +12.4% | +14.8K

Largest Growing Functional Ingredients Across Euphoric Beverage Brands

By Absolute $ Growth

Ingredient	Absolute $ Growth	$ % Change vs YA
ASHWAGANDHA	+$10.8M	+151.0%
MUSHROOMS - REISHI	+$6.6M	+54.7%
THC DELTA 8	+$4.9M	+4035.3%
MAGNESIUM	+$3.9M	+106.8%
MUSHROOMS - OTHER	+$3.1M	+177.8%
THEANINE	+$2.4M	+95.2%
HOPS	+$1.0M	+111.9%
MUSHROOMS - CORDYCEP	+$0.9M	+65.9%
ZINC	+$0.8M	+146.0%
CANNABIDIOL (CBD)	+$0.7M	+3.2%
HEMP SEEDS & DERIVATIVES	+$0.6M	+605.6%
KRATOM	+$0.4M	+1534.8%
KAVA	+$0.1M	+68.5%
RHODIOLA	+$0.1M	+25.5%
MUSHROOMS - CHAGA	+$0.1M	+366.0%

Source: 52 weeks ending 1.25.2025 SPINS SNE, MULO, powered by Circana. Filtered by SPINS Product Intelligence

The Evolution of Diets

Food As Medicine: How Personalized Nutrition, Diet Trends, And Functional Foods Are Revolutionizing Wellness

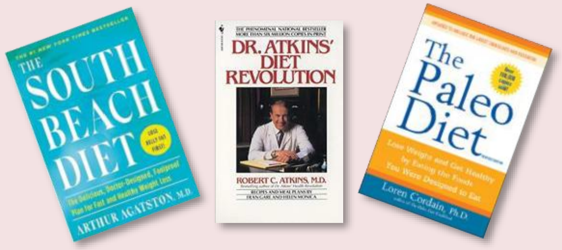
1990s – 2000s: The Rise of Superfoods

2010s – Present: Culinary Medicine & Personal Wellness

Looking Ahead: Food as Medicine: Functional Nutrition

Diets, Superfoods & Organic

Superfoods like kale and quinoa became popular for their powerful health benefits, along with the rise of plant based and organic eating.



All About Ingredients

$788.8M +13.3% U	$1.5B +22.0% U	$4.1B +4.7% U
Mushrooms	Nootropics	Adaptogens

Unit % Chg vs YAGO

Returning Diet Trends:

✓ Vegan ✓ Gluten Free ✓ Keto

Functionality Takes Center Stage

+34.4%	+10.7%	+3.7%
Digestive Health	Mood Support	Energy Support

Unit % Chg vs YAGO

Social Media Influence:

45% of Gen Z respondents turn to TikTok & Instagram for purchasing inspiration.

Survey from ICSC: The Rise of the Gen Z Consumer 2023

Source: SPINS Natural Expanded Channel + Multi-Outlet (MULO) (Powered by Circana), Grocery, Refrigerated, VMS Departments Combined, 52 WE 10/06/24

Nutrient Density

Personalized diet, eating protein first? More fiber, fast and slow carbs. Real time feed back on blood sugar

$32M |+57.6%

20g+ Protein Bread & Baked Goods

$356M |+32%

Magnesium Functional Ingredient in Supplements

$52.4M |+51.1%

No Sugar Shelf Stable Coffee & Tea RTD

$42.7M |+11%

Plant Based Positioned Protein Powders and RTDs

$159.8M |+53.6%

High Fiber Shelf Stable Cookies

$181.9M |+6.6%

Low Sodium Shelf Stable Soups

These days we're inundated with nutrition advice – eat more fiber, eat protein for your first meal of the day, think about slow and fast carbs and the list goes on and on. But, how can you know for sure that any of this is helping you?

Before, you could only rely on how you **'felt'** that is unless you took a blood test or have been prescribed a blood glucose monitor.

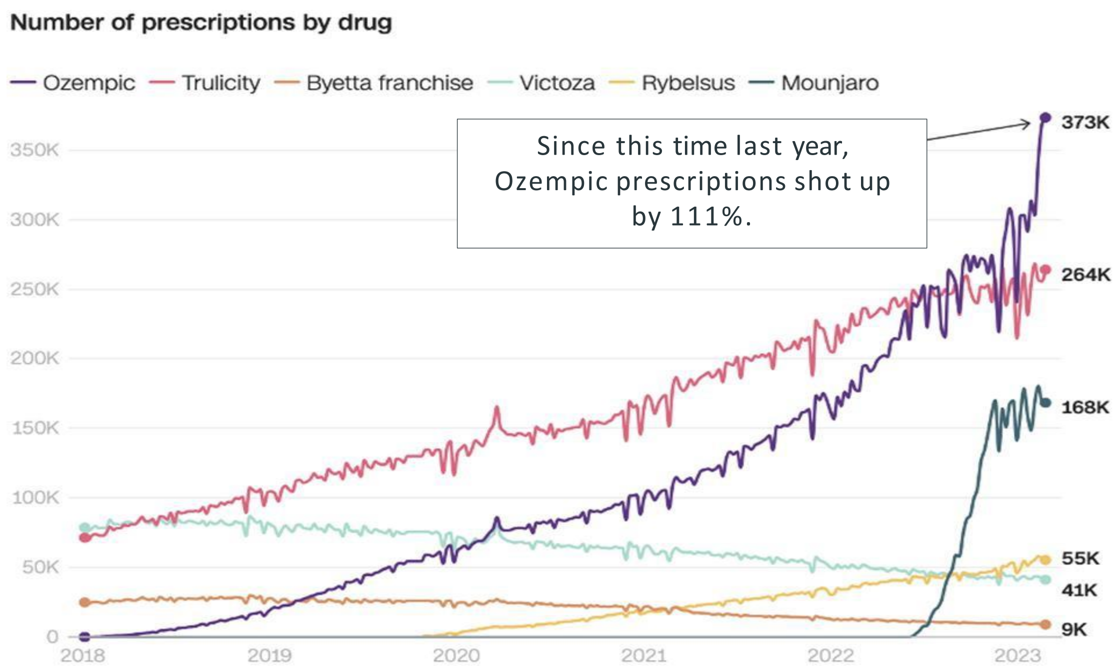
However, in 2024 blood glucose monitors are available **over-the-counter**, enabling anyone to truly track how their eating habits affect their blood sugar.

This real-time feedback allows consumers to understand how their dietary choices affect them and make changes to their diets with more **confidence**.

Personalized diets could be seeing their next evolution as tech companies try to push the envelope next with no-prick blood glucose monitoring in the works.

How **Ozempic & Other GLP-1s** Transformed Shoppers' Needs

The Arrival of GLP-1s & Similar Drugs



The rise of GLP-1 medications fuels demand for innovation around high-protein foods & snacks that satisfy cravings & support wellness.

Filling Nutrient Gaps

Support
GLP-1 Ready-To-Eat Options & Food Kits

Expand
High Protein Snacks, Powders & RTDs

Supplement: To Alleviate Cravings and Side Affects

Category	Dollars	Dol % Chg	Unit % Chg
Minerals	$711.8M	+14.3%	+7.4%
Vitamin A/D/K	$627.0M	+1.6%	+0.7%
RF Dairy/Plant Yogurt*	$441.5M	+36.1%	+32.4%
SS Chips/Pretzels/Snacks*	$69.6M	+63.2%	+47.9%

** Denotes protein value >20g*

Source: https://www.healthline.com/health/nutrition/glp-1-diet; SPINS Natural Expanded Channel + Multi-Outlet (MULO) (Powered by Circana), Category: Protein Supplements & Meal Replacements, Attribute: NFP Ranges Protein Value, 52 WE 10/06/24

VI. About The Bluebird Group

The Bluebird Group: Where ambitious brands scale

We achieve success for our brands through unrivaled retail + brand partnership, deep commerce expertise, and innovative data and technology solutions. We grow brands of all sizes, stages, and verticals.

Retailers We Service

- amazon
- TARGET
- Walmart
- Costco Wholesale
- Kroger
- sam's club

Our Expertise

- Retail Management
- Retail Media (PPC + DSP)
- Digital Shelf
- Category Management
- Creative Development
- Data and Technology

An **innovative** approach, driven by **data**, led by **experts**.

THE**BLUEBIRD**GROUP

Sign up for The Whipstitch Weekly!

Keep up with the latest in consumer deal flow every single week

Key Contacts

Whipstitch Capital

Michael Burgmaier
Managing Director
mike@wstitch.com

Nicolas McCoy
Managing Director
nick@wstitch.com

Andress Blackwell
Executive Director
andress@wstitch.com

Bain & Company

Maria Kurenova
Americas Lead,
Consumer Products M&A
Partner, Atlanta

Allison Snider
Global Lead,
Consumer Products M&A
Partner, New York

The Bluebird Group

Jason Kapsner
CEO, Founder

Brandon Gatzke
Chief Innovation Officer

SPINS

Edricco Reina
Managing Director,
Financial and Innovation
Services

Madlen Karnatz
Big CPG & Financial
Services Segment Lead

Disclaimer and indemnity

DEAL DIFFERENT.™

Disclaimer

Nothing in this informational pamphlet is an offer or solicitation to buy or sell any security. Although this pamphlet may include investment related information, nothing in it is a recommendation that you purchase, sell or hold any security or any other investment or that you pursue an investment style or strategy. Wellness Partners, LLC dba Whipstitch Capital or BFY Securities, LLC does not give any advice or make any representation through this informational pamphlet as to whether any security or investment is suitable to you or will be profitable and may have commercial relationships with companies named herein. Nothing in this pamphlet is intended to be, and you should not consider anything contained herein to be investment, accounting, tax or legal advice. If you would like investment, accounting, tax or legal advice, you should consult with your financial advisors, accountants, or attorneys regarding your individual circumstances and needs. The past performance of any investment, investment strategy or investment style is not indicative of future performance. For additional disclosures, please see our website at www.whipstitchcapital.com