

PRIVATE EQUITY DRIVES ACTIVE M&A MARKET FOR VITAMINS & SUPPLEMENTS BUSINESSES

VITAMINS & SUPPLEMENTS SECTOR UPDATE | MARCH 2022



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Vitamins & Supplements

Private Equity Drives Active M&A Market

KEY SECTOR TAKEAWAYS

Capstone Partners' Consumer Investment Banking Group is pleased to share its Vitamins & Supplements report. Merger and acquisition (M&A) activity soared in 2021 as strategic and financial buyers aggressively pursued privately owned businesses in the sector. Through early 2022, acquisition volume has continued at a healthy pace, signaling a sustained favorable environment for founders and entrepreneurs exploring a liquidity event. The report also includes an interview with American Pacific Group, discussing Vitamins & Supplements sector trends, recent investments, and opportunities for growth in the space. Several key report takeaways are included below.

1. A sustained consumer shift towards greater emphasis on health and wellness has culminated in a robust Vitamins & Supplements market through early 2022.
2. Privately owned vitamins and supplements businesses with recurring revenue, customer loyalty, strong efficacy, and brand strength are attracting heightened buyer interest in the current M&A market.
3. Elevated competition in M&A sale processes for sector players has driven valuations north, with quality companies attracting premium pricing.
4. Financial buyers, including private equity, have increased their investment appetite in the space, actively establishing and building upon platform companies.
5. The current middle market M&A environment provides a favorable backdrop for high-quality, privately owned vitamins & supplements businesses to achieve optimal outcomes in a sale process.
6. In addition to the attractive Women's Health sector, several other supplement markets promising strong 2022 performance include Sports Nutrition, Mental Health, Bone and Joint Health, Beauty, Eye Health, and Energy Support.

Capstone Partners has developed a full suite of corporate finance solutions, including M&A advisory, debt advisory, financial advisory, and equity capital financing to help privately owned businesses and private equity firms through each stage of the company's lifecycle, ranging from growth to an ultimate exit transaction.

To learn more about Capstone's wide range of advisory services and Vitamins & Supplements sector expertise, please contact Capstone Managing Director [Lisa Tolliver](#).



CONSUMERS CONTINUE TO PRIORITIZE HEALTH & WELLNESS

Sustained consumer prioritization of overall health and wellness has supported robust demand in the Vitamins & Supplements sector in 2022. Heightened emphasis on immunity, nutrition, and cognitive wellness has been indicative of a lasting consumer shift towards holistic health, supporting optimism for the sector's long term growth prospects. Elevated consumer interest has fueled strong revenue growth among sector participants. Notably, leading holistic health coaching and products platform Medifast (NYSE:MED), recorded a 42.6% year-over-year (YOY) revenue increase in Q4 and has continued to invest in scaling its manufacturing and fulfillment capacity to support expected growth, according to its earnings call.¹ In addition, repeat customers are expected to meaningfully contribute to the sectors' expansion in 2022, evidenced by 67% of global nutritional supplement users indicating they will continue their supplement consumption over the next 12 months, according to ADM.²

Personalization and robust e-commerce capabilities are expected to be driving forces in the competition for customer acquisition as smaller, privately owned middle market companies seek to differentiate themselves in the sector. Consumers are increasingly seeking out brands that offer a more tailored approach to nutrition and fitness goals, evidenced by 76% of U.S. dietary supplement users indicating their preference for personalized products directly suited to their needs. In addition, the pandemic has solidified online and direct-to-consumer (DTC) channels as a critical revenue stream for sector participants. Middle market businesses with strong DTC capabilities, leveraging subscription-based models have often attracted elevated buyer interest in M&A processes.

SUSTAINABLE BRANDS AND PLANT-BASED PRODUCTS SEE INCREASED DEMAND

Sustainability and environmental, social, and governance (ESG) initiatives have increasingly permeated the Vitamins & Supplements sector as consumers have continued to place value on products using clean ingredients and sourcing methods. Plant-based supplements, in particular, have experienced heightened adoption, evidenced by the 48% YOY increase in sales of plant-based protein in 2021, according to ClearCut Analytics.³ The growing prevalence of ESG-friendly practices



Lisa Tolliver
Managing Director

"M&A activity continues at a rampant rate in the Vitamins & Supplements sector. We have represented and closed three deals in the past twelve months and are in active discussions with acquirers interested in wellness related brands. In particular, the Women's Health market is extremely active, with large strategics seeking entry into this high growth market."

has also extended to capital and private markets. Buyers have increasingly sought market leaders in categories including Plant-based Nutrition, demonstrated by Nestle's (SWX:NESN) majority stake acquisition of Orgain in February 2022 (more details on page eight). Demand for brands promoting sustainability and environmentally friendly products and production processes is expected to accelerate through 2022, especially as private equity firms face increasing pressure from limited partners to incorporate ESG principles into their investment screening process.

WOMEN'S HEALTH MARKET POISED FOR CONTINUED GROWTH

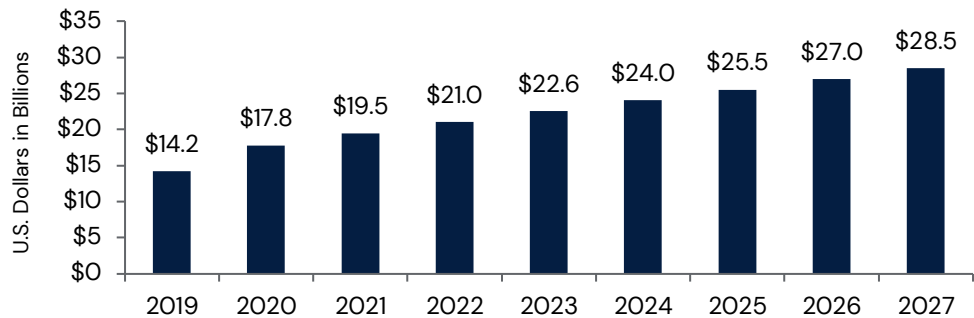
The Women's Health market has emerged as an active segment of the sector for investment and M&A activity through early 2022. Sector players have increasingly sought to add product offerings through consolidation to increasingly penetrate this high growth market. Notably, Capstone recently advised MenoLabs on its sale to Amyris (Nasdaq:AMRS) in January 2022 (undisclosed). MenoLabs all-natural products focus on addressing perimenopause and menopause symptoms, operating in the rapidly growing Menopause market which is expected to reach \$23 billion by 2028, according to Grand View Research.⁴ The transaction highlights the growing interest among public strategic players to bolster their women's health product offerings. Privately owned businesses operating in the Menopause market, and broader Women's Health segment, with high levels of recurring revenue, DTC capabilities, and brand strength are poised to attract strong buyer demand through 2022.



MARKET GROWTH AND M&A ACTIVITY

Online Vitamins & Supplements Sales Projected to Continue Steady Growth Trajectory

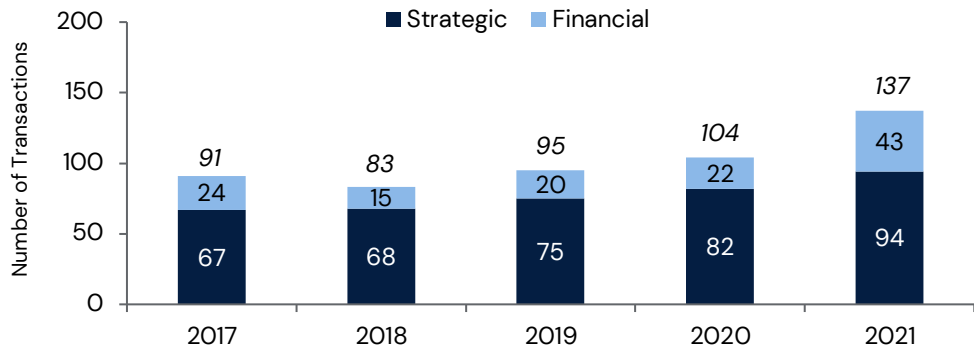
The online channel for the Vitamins & Supplements sector has experienced robust growth, with sales projected to continue to increase to \$28.5 billion by 2027. E-commerce has experienced enhanced penetration, with many digitally native brands drawing strong investor interest.



Source: IBISWorld

M&A Market Surges, Creating Favorable Backdrop For Privately Owned Businesses

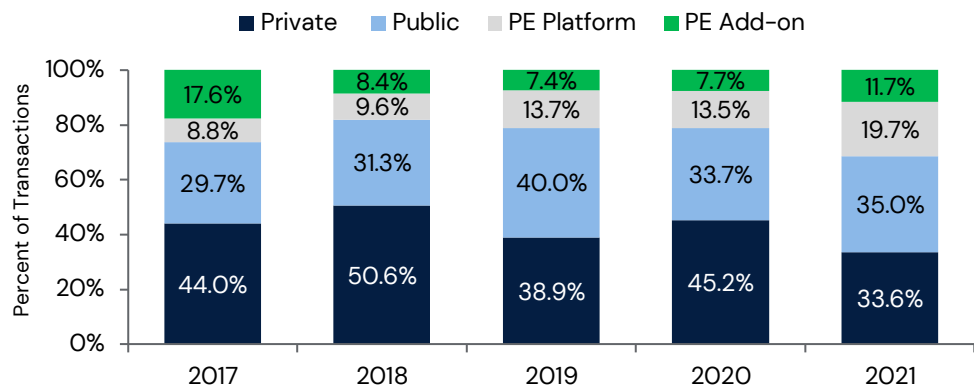
The current M&A market for privately owned, middle market businesses remains active, with overall Vitamins & Supplements sector transaction volume increasing substantially in 2021. The healthy valuation environment will continue to present valuable opportunities for business owners seeking a liquidity event in 2022.



Source: Capital IQ, FactSet, PitchBook, and Capstone Research

Financial Buyers Increase Acquisition Activity in 2021

Financial buyers have increased their acquisition appetite in the Vitamins & Supplements sector, comprising 31.4% of total transactions in 2021. Platform investments have accounted for a significant portion of deal activity at 19.7%. Private equity will continue to search for attractive add-ons to complement their portfolios.



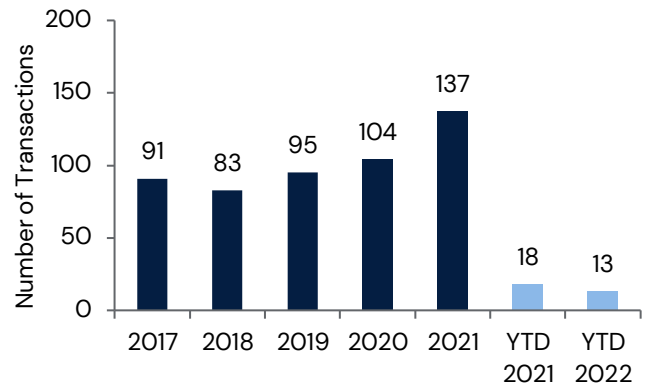
Source: Capital IQ, FactSet, PitchBook, and Capstone Research



PRIVATE EQUITY INCREASES ACQUISITION ACTIVITY

The Vitamins & Supplements sector experienced record levels of M&A activity in 2021 with 137 transactions announced or completed, which marked a 32% YOY increase. The prospect of capital gains tax increases, heightened consumer emphasis on wellness, and a frenzy of buyers seeking quality sector targets created a historic backdrop for privately owned businesses in the middle market. In addition, many digitally native brands have experienced significant growth and buyer interest as DTC channels have become ingrained in consumer purchasing habits. Rapid consolidation is forecast to continue through 2022 as sector players bolster their product offerings and financial buyers enhance their sector portfolio holding companies.

Vitamins & Supplements Transaction Volume



Year-to-date (YTD) ended February 16

Source: Capital IQ, FactSet, PitchBook, and Capstone Research

Strategic buyers led deal activity in 2021, comprising 68.6% of total transactions as sector players aggressively competed for quality assets. A driving trend in M&A activity for 2022 will be the influx of private equity investment and acquisition appetite in the space. Notably, financial buyers accounted for 31.4% of transactions in 2021 (43 deals), nearly double their deal count in 2020. Heightened levels of private equity activity in the sector has been fueled by vast levels of dry powder, low interest rates, and robust fundraising levels. Leading private equity firms have actively sought to expand platforms in the sector, targeting fast growing brands with category leadership. Notably, American Pacific Group has continued to expand its Wellbeam Consumer Health platform, acquiring BioTRUST Nutrition in January 2022 (undisclosed, more details on next page). In addition, Vitamins & Supplements brands that have penetrated the Healthcare Practitioner channel have drawn healthy interest through early 2022, evidenced by Gryphon Investors acquisition of Metagenics for an undisclosed sum (October 2021, more details on next page). Continued financial buyer activity is expected throughout 2022, especially as dealmakers are noting traditionally-focused healthcare private equity firms venturing into the Vitamins & Supplements sector—expanding the relevant buyer universe.

Vitamins & Supplements Valuation Analysis

Valuation Method	Average Revenue Multiple	Average EBITDA Multiple
Historic M&A Transactions (2017– YTD)	2.6x	11.2x
Historic M&A Transactions < \$200mm EV (2017–YTD)	2.0x	9.1x

Source: Capital IQ, FactSet, PitchBook, and Capstone Research

Valuation Insight

M&A purchase multiples have remained robust in the Vitamins & Supplements sector, averaging 11.2x EBITDA from 2017 through YTD 2022. Premium multiples have been awarded to businesses with brand strength, high subscription-based revenue, product efficacy, and healthy customer retention. In addition, purchase multiples for assets further down market, below \$200 million in enterprise value have also demonstrated strength in recent years, averaging 9.1x EBITDA. Healthy pricing at lower market levels points to the strong buyer demand and competition for quality privately owned businesses in the Vitamins & Supplements sector.



NOTABLE TRANSACTIONS



Nestlé Health Science, a subsidiary of Nestlé has agreed to acquire a majority stake in Orgain from Butterfly Equity (February 2022) for an undisclosed sum. Orgain is a leading provider of protein powders, shakes, bars, and plant-based supplements. The transaction marks a continued expansion of Nestlé's health & wellness offerings, having acquired The Bountiful Company in April 2021 for an enterprise value of \$5.8 billion. It also points to the strength of Nestlé's balance sheet, with Orgain achieving approximately \$400 million in annual revenue which could value the company near \$2 billion, according to Bloomberg.⁶



Solace Nutrition has acquired the assets of R-Kane Nutritionals, a leading provider of protein meal replacement solutions for the Weight Loss & Management market (January 2022). Terms of the transaction were not disclosed. R-Kane sells its products through DTC channels and provides obesity treatment programs and solutions to medical providers. The acquisition of R-Kane Nutritionals bolsters Solace Nutrition's presence in the Weight Loss & Management segment and is expected to drive synergies and further growth for the two brands.



Middle market private equity firm Gryphon Investors has agreed to acquire Metagenics, a premier global practitioner-recommended provider of nutritional supplements (October 2021). Terms of the transaction were not disclosed. Metagenics product portfolio includes more than 850 natural health products targeting areas including digestive health, foundational health, cardiometabolic/immune response, neurological health, immune health, women's health, and bariatric health. The acquisition reflects the robust private equity appetite for nutritional health brands operating in specialty channels.



Lisa Tolliver
Managing Director

"The buyer universe for Vitamins & Supplements businesses is broad and growing. We are seeing strong strategic interest representative of Nestlé's acquisition of Orgain and Amyris' acquisition of MenoLabs most recently, in addition to many private equity groups actively building platform investments in the sector. We expect the strong level of interest and M&A activity to continue through 2022. It is a good time for private companies in the sector to explore their options for liquidity."



Wellbeam Consumer Health, a portfolio company of American Pacific Group, has acquired leading e-commerce nutrition brand BioTRUST Nutrition for an undisclosed sum (January 2022). BioTRUST Nutrition offers a portfolio of high quality, science-based products including protein, collagen, healthy living, anti-aging, and digestive health. In addition, BioTRUST has developed data-driven multi channel marketing capabilities to foster customer acquisition and retention. The acquisition marks American Pacific Groups' continued expansion of its Wellbeam Consumer Health platform, having completed a series of acquisitions in 2021.



Nexus Capital Management and Meaningful Partners have completed a strategic growth investment in Sugarbear Vitamin Care (September 2021, undisclosed). Sugarbear provides vitamin-based solutions made with organic and plant-based ingredients. The newly infused capital will support Sugarbear's expansion of its market leading position in Hair and other Functional Supplements segments and expand its domestic and international reach. Nexus and Meaningful's partnership is expected to assist in establishing Sugarbear into a more holistic health & wellness products provider.



Q&A WITH AMERICAN PACIFIC GROUP



Capstone Partners spoke with Stephanie Gauvin, Principal at American Pacific Group (APG) to discuss the Vitamins & Supplements sector and APG's investment activity. Capstone recently advised [Gym Launch and Prestige Labs](#) on its investment by American Pacific Group (December 2021, deal terms confidential). American Pacific Group is a San Francisco Bay Area-based private equity firm with \$450 million of capital under management that pursues control investment opportunities primarily in North America. APG drives sustainable growth in its portfolio companies through the "Q Process"—a proprietary and tested approach to value creation—and concentrates primarily in the Consumer, Healthcare, Software, Industrial, Business Services, and Technology industries. For more information, please visit www.americanpacificgroup.com.

Can you tell us about American Pacific Group and how it differentiates itself?

American Pacific Group is a growth-oriented, lower middle market private equity firm that partners with companies at unique inflection points. We are operationally focused and seek to drive a step-change in growth and trajectory in companies that we partner with. Consumer, especially focused on Health and Wellness, is a core vertical for us. We bring expertise and experience to help companies accelerate customer acquisition by optimizing their top of funnel activities across key channels and extend lifetime value through enhanced retention tactics in new product development. Additionally, we help the companies we partner with optimize their supply chain from manufacturing all the way through fulfillment and ensure that best-in-class quality programs are in place.

What are the key performance indicators (KPIs) you search for when evaluating investment opportunities?

We are ultimately looking to partner with fundamentally good businesses. We look at a lot of KPIs to help us understand the business itself. Our goal is to understand the sources of growth and profitability, and trends over time. Outside of the traditional financial metrics like revenue, gross margins, and profitability, we look at KPIs across all areas of business starting with customer acquisition, marketing, supply chain and operations (including manufacturing and fulfillment), loyalty (including subscriptions and repeat purchase behavior),

quality and regulatory compliance, and new product development.

What are some of the key growth drivers you are seeing in the Vitamins & Supplements and broader Health & Wellness sectors?

The macro trends are very favorable today across both the Health and Wellness industry itself and e-commerce channel trends. Health and Beauty is growing around a 12% CAGR [compound annual growth rate] and VMS [vitamins, minerals, supplements] is growing around an 8% CAGR. COVID really drove a step-change in e-commerce penetration, and now people are more comfortable than ever purchasing products online. Both DTC [direct-to-consumer] brands and Amazon and marketplace-focused brands will continue to benefit from that shift and step-change. Overall, e-commerce is expected to grow at 11%, and for various Health and Wellness segments, its multiples of that rate.

Can you describe some of the motivations behind your recent acquisitions in the space and any other opportunities you plan to pursue?

Let me walk you through our portfolio and give you an understanding of what we're creating with each of them. [Wellbeam Consumer Health](#) is a portfolio of e-commerce-focused Health and Wellness consumer brands. We have four brands in the portfolio today, including Eu Natural, a fast-growing solutions-based digitally native provider of vitamin and mineral nutritional supplement products; Penetrex, a leading joint and muscle



Q&A WITH AMERICAN PACIFIC GROUP (CONTINUED)

relief and recovery brand; TruSkin, a leading skincare brand with a range of high-quality plant-powered products; and BioTRUST, a fast-growing healthy aging-focused brand with offerings that include protein, collagen and digestive health. Wellbeam is actively looking for additional brands to join the platform today.

We have another platform in our current portfolio called [Alete Active Nutrition](#) that is a portfolio of active nutrition brands. There are three brands in the portfolio today, including SaltStick, which is a leading electrolyte supplement brand; JoJé®, a fast-growing brand that offers a range of steady release energy bars; and Bonk Breaker, a brand that creates real food energy bars, electrolyte energy chews, and protein bars that provide healthy nutrition. Alete is also actively looking for additional brands to partner with to further advance its mission of providing consumers with products to activate their potential.

The third portfolio company that I want to talk about is [Prestige Labs](#), a fast-growing provider of premium fitness and health supplements that focus on supporting high-performance sports nutrition. We are actively growing and building that brand, it's our most recent acquisition in December of 2021.

At APG we continue to be excited about the broader Health and Wellness space and are seeking great companies to partner with. We're excited about finding additional platforms within Health and Wellness where we can help founders or companies step-change their growth and potential.

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The macro trends are very favorable today across both the Health and Wellness industry itself and e-commerce channel trends. Health and Beauty is growing around a 12% CAGR and VMS is growing around an 8% CAGR. COVID really drove a step-change in e-commerce penetration, and now people are more comfortable than ever purchasing products online. Both DTC brands and Amazon and marketplace-focused brands will continue to benefit from that shift and step-change. //



Stephanie Gaufin
Principal, American Pacific Group

Stephanie Gaufin is a Principal at American Pacific Group. She is focused on sourcing, executing and supporting investments across the firm.

Prior to joining American Pacific Group, Stephanie was a Principal at KKR focused on buyout and growth healthcare opportunities. Prior to KKR, she was a Vice President at Mainsail Partners, a software-focused growth equity firm. She started her career at McKinsey & Company and Altamont Capital Partners.

Stephanie received a BS from Brigham Young University and an MBA from Stanford Graduate School of Business, where she was an Arjay Miller Scholar.



CAPSTONE CASE STUDY

Capstone Partners advised Gym Launch and Prestige Labs (together, the Company) on its investment by San Francisco Bay Area-based private equity firm American Pacific Group (APG). Read the full press release [here](#).

Founded in 2016 by Alex and Leila Hormozi, Gym Launch provides coaching programs and business training materials to help gym owners increase revenue and improve profitability. Key services include strategic and tactical business training, community engagement, and access to proprietary resources to improve lead generation, lead nurture, sales, fulfillment, and retention. Gym Launch has helped over 4,500 gyms to date.

In 2018, the Company launched a proprietary line of premium fitness and health supplements branded under Prestige Labs. Prestige's product portfolio focuses on supporting high-performance sports nutrition and sells via Gym Launch clientele in addition to direct to consumer via its website: shop.prestigelabs.com.

Lisa Tolliver, Managing Director at Capstone, said, "It has been a privilege to represent the Hormozi's at this inflection point in the Company's growth trajectory. They are extremely entrepreneurial and have a tremendous passion for the business, which was evident in the Company's growth and throughout the transaction process. With APG's added partnership, sector expertise and track record, the Company is well positioned to continue on an impressive growth trajectory and benefit from the ongoing positive trends within the health and fitness sectors."



"Capstone was a persistent partner through the deal process. With the timing of our go to market, many buyers were hesitant given the industry, but Capstone forged forward with tenacity to find the right buyer for us. They brought a balanced insight to us as founders and helped educate us throughout the process, given this was the first transaction of such a size-able amount for us. We are pleased with the selection of Capstone and the outcome of this deal."

Leila Hormozi
The Company's Co-Founder





CAPSTONE CASE STUDY

Capstone Partners advised MenoLabs—a women's wellness brand—on its acquisition by Amyris, a publicly traded synthetic biotechnology company. Terms of the deal were not disclosed.

Founded in 2019, MenoLabs is a rapidly growing women's wellness brand focused on addressing perimenopause and menopause symptoms. MenoLabs is one of few companies offering research-backed, all-natural treatments of menopause symptoms and generates a subscription-based, recurring revenue stream via its website and Amazon Subscribe & Save—all while further expanding its omnichannel by penetrating retail channels in 2022. Over the past two years, the company has developed and launched eight products, including its lead product, MenoFit—an all-natural menopause relief supplement. Additionally, the company launched MenoLife, a highly rated perimenopause and menopause health tracker app, which helps users track and analyze more than 40 menopause-related symptoms and allows them to comment and react to posts in an online forum. Learn more at menolabs.com.

Amyris is a leading synthetic biotechnology company, transitioning the Clean Health & Beauty and Flavors & Fragrances markets to sustainable ingredients through fermentation and the company's proprietary Lab-to-Market™ operating platform. The acquisition of MenoLabs will accelerate Amyris' position in the fast-growing Menopause market. The companies have synergies through shared formulations, proprietary sector knowledge, existing customer bases, and MenoLife app data that can be leveraged. The transaction has set Amyris to be the leader in the Menopause Treatment market.



“We knew we wanted to work with Capstone from the first day we contemplated selling. The team delivered the level of expertise, support, and buyer connections we needed to successfully find the right partner to acquire MenoLabs and bring that deal across the finish line. As 20-year veteran entrepreneurs, our team moves at a very fast pace. Capstone matched us stride for stride and did not let anything fall through the cracks.”

Vanessa Ford
Co-Founder of MenoLabs





SELECT TRANSACTIONS

Date	Target	Acquirer	Target Business Description	Enterprise Value (mm)	EV / LTM Revenue	EBITDA
02/10/22	YoFiit	Global Food Ingredients	Provides plant-based nutrition products including nutritional bars and keto low-carb bars.	-	-	-
02/02/22	Orgain	Nestlé Health Science	Produces nutritional and organic food supplements including powders and nutrition shakes.	-	-	-
01/27/22	Snoooze	Galerie	Offers natural sleep drinks.	-	-	-
01/24/22	MenoLabs	Amyris (Nasdaq:AMRS)	Women's health brand providing all-natural supplements to relieve menopause and perimenopause symptoms.	CF	CF	CF
01/12/22	Gym Launch, Prestige Labs	American Pacific Group	Provides coaching programs and business training for gym owners and offers fitness and health supplements.	CF	CF	CF
01/17/22	Atteva	Biotonus USA	Produces dietary supplements.	-	-	-
01/13/22	Palm Nutrition	Star8 (OTCPK:STRH)	Provides healthy and dietary supplements.	-	-	-
01/05/22	BioTrust Nutrition	Wellbeam Consumer Health	Manufactures nutritional supplements for fat loss, muscle building, and overall health.	-	-	-
01/04/22	R-Kane Nutritionals	Solace Nutrition	Provides weights loss products for obesity treatment and dietary supplements.	-	-	-
12/23/21	New Path Laboratories	Core One Labs (CNXS:COOL)	Develops and licenses natural health products and dietary supplements.	-	-	-
11/29/21	TheraBreath	Church & Dwight (NYSE:CHD)	Provides natural ingredient products for oral hygiene and overall wellness.	\$580.0	6.7x	16.1x
11/18/21	Foothills Food Group	SLG Investment	Produces protein bars.	-	-	-
11/10/21	Nutrition 21	Everwell Health	Manufactures and markets nutritional supplements and minerals.	-	-	-
10/25/21	Rari Nutrition	Star8 (OTCPK:STRH)	Supplies natural sports nutrition products and nutraceuticals through its online platform.	-	-	-
10/21/21	Natalist	Everly Well	Provides feminine care products.	-	-	-
10/18/21	Metagenics	Gyphon Investors	Provides research, development, and manufacturing of medical foods and nutritional formulas.	-	-	-
09/20/21	Sugarbear Vitamin	Nexus; Meaningful Partners	Offers vitamin-based solutions made with organic and plant-based ingredients.	-	-	-
09/20/21	Function Supplements	TRU Supplements	Manufactures vegan dietary supplements.	-	-	-
09/08/21	Bonk Breaker	Alete Active Nutrition	Produces and sells nutrition bars and chews.	-	-	-
08/30/21	Bettera Brands	Catalent (NYSE:CTLT)	Manufactures nutritional supplements including gummies, soft chews, and lozenges.	\$1,000.0	~6.7x	-
08/24/21	NooMeds	Galaxy	Provides dietary supplements for memory health.	-	-	-
08/13/21	Friendly Gummy	Vegano Foods (CNSX:VAGN)	Develops and sells chewy gummy supplements.	-	-	-

Blue shade indicates Capstone advised transaction; CF = confidential
Source: Capital IQ, PitchBook, FactSet, and Capstone Research

PUBLIC COMPANY DATA

SUPPLEMENTS

Company	Price	% 52 Wk	Market	Enterprise	LTM			EV / LTM	
	03/01/22	High	Cap	Value	Revenue	EBITDA	Margin	Revenue	EBITDA
Blackmores Limited	\$57.30	75.9%	\$1,110.7	\$1,073.3	\$450.4	\$57.9	12.9%	2.4x	18.5x
Glanbia plc	\$13.86	81.8%	\$3,889.4	\$4,635.2	\$4,771.0	\$458.1	9.6%	1.0x	10.1x
Herbalife Nutrition Ltd.	\$35.66	63.9%	\$3,557.9	\$5,963.0	\$5,802.8	\$916.9	15.8%	1.0x	6.5x
Jamieson Wellness Inc.	\$26.27	79.9%	\$1,062.6	\$1,192.0	\$356.4	\$74.7	21.0%	3.3x	16.0x
Medifast, Inc.	\$192.79	57.2%	\$2,217.0	\$2,140.0	\$1,526.1	\$228.1	14.9%	1.4x	9.4x
WW International, Inc.	\$9.61	23.4%	\$672.9	\$2,076.5	\$1,260.1	\$246.7	19.6%	1.6x	8.4x
Mean							15.6%	1.8x	11.5x
Median							15.4%	1.5x	9.7x
Harmonic Mean							14.6%	1.5x	10.1x

EV = enterprise value; LTM = last twelve months
\$ in millions, except per share data
NM = Not Meaningful

FOOD & BEVERAGE

Company	Price	% 52 Wk	Market	Enterprise	LTM			EV / LTM	
	03/01/22	High	Cap	Value	Revenue	EBITDA	Margin	Revenue	EBITDA
Danone S.A.	\$59.56	82.1%	\$38,767.4	\$51,510.5	\$27,614.0	\$5,698.9	20.6%	1.9x	9.0x
General Mills, Inc.	\$66.82	95.5%	\$40,306.3	\$52,799.4	\$18,607.5	\$4,246.8	22.8%	2.8x	12.4x
The Hain Celestial Group, Inc.	\$35.71	73.1%	\$3,261.3	\$4,019.6	\$1,875.1	\$237.7	12.7%	2.1x	16.9x
Kerry Group plc	\$119.48	82.7%	\$21,130.8	\$23,447.7	\$8,359.6	\$1,185.5	14.2%	2.8x	19.8x
Mondelez International, Inc.	\$64.34	92.6%	\$89,325.0	\$105,968.0	\$28,720.0	\$7,257.0	25.3%	3.7x	14.6x
Post Holdings, Inc.	\$103.91	87.8%	\$6,427.8	\$13,448.8	\$6,412.4	\$984.1	15.3%	2.1x	13.7x
The Simply Good Foods Company	\$39.62	91.8%	\$4,000.2	\$4,445.1	\$1,055.7	\$223.9	21.2%	4.2x	19.9x
Mean							18.9%	2.8x	15.2x
Median							20.6%	2.8x	14.6x
Harmonic Mean							17.8%	2.6x	14.2x

Source: Capital IQ as of March 1, 2022

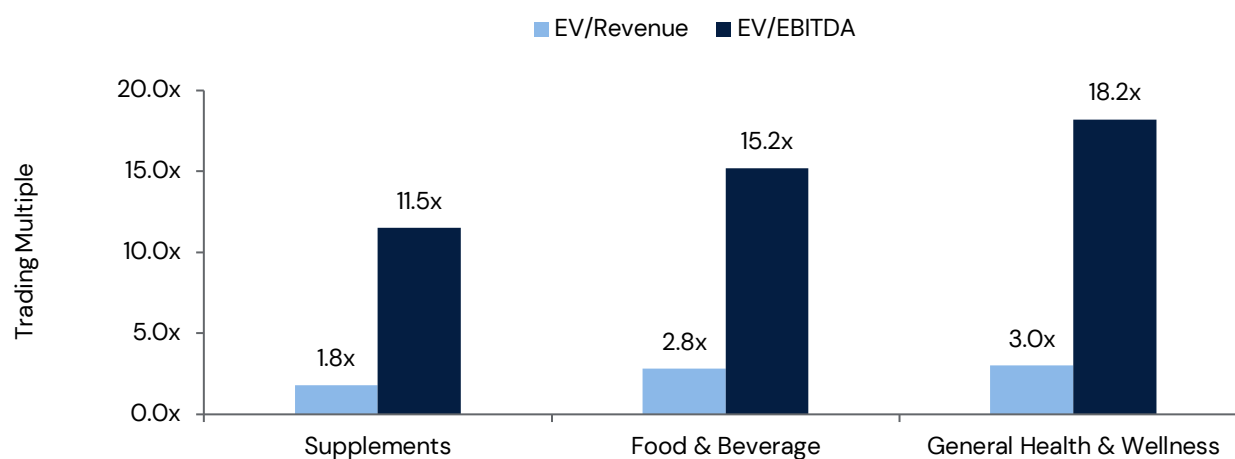


PUBLIC COMPANY DATA

GENERAL HEALTH & WELLNESS

Company	Price	% 52 Wk	Market Cap	Enterprise Value	LTM			EV / LTM	
	03/01/22	High			Revenue	EBITDA	Margin	Revenue	EBITDA
Abbott Laboratories	\$118.17	82.9%	\$208,390.7	\$217,614.7	\$43,075.0	\$13,115.0	30.4%	NM	16.6x
By-health Co., Ltd.	\$3.95	65.7%	\$6,710.0	\$6,289.4	\$1,100.3	\$245.7	22.3%	NM	25.6x
Church & Dwight Co., Inc.	\$96.89	92.4%	\$23,514.4	\$26,049.3	\$5,190.1	\$1,216.9	23.4%	NM	21.4x
Colgate-Palmolive Company	\$76.04	88.8%	\$63,910.6	\$71,255.6	\$17,421.0	\$4,567.0	26.2%	4.1x	15.6x
Hypera S.A.	\$6.49	89.1%	\$4,096.0	\$5,106.9	\$1,065.6	\$367.7	34.5%	4.8x	13.9x
Nature's Sunshine Products, Inc.	\$16.90	78.6%	\$334.0	\$285.6	\$427.9	\$47.6	11.1%	0.7x	6.0x
Pharmanutra S.p.A.	\$68.47	77.0%	\$662.8	\$640.1	\$75.8	\$22.0	29.0%	NM	29.1x
Reckitt Benckiser Group plc	\$84.16	92.6%	\$60,158.5	\$71,349.4	\$17,919.6	\$4,273.4	23.8%	4.0x	16.7x
USANA Health Sciences, Inc.	\$87.96	81.6%	\$1,711.9	\$1,472.0	\$1,186.5	\$183.2	15.4%	1.2x	8.0x
Zydus Wellness Limited	\$20.97	64.0%	\$1,334.4	\$1,366.6	\$265.1	\$46.2	17.4%	NM	29.6x
Mean							23.4%	3.0x	18.2x
Median							23.6%	4.0x	16.6x
Harmonic Mean							21.0%	1.7x	14.3x

Last Twelve-Month Public Company Trading Multiples by Segment



Source: Capital IQ as of March 1, 2022



VITAMINS & SUPPLEMENTS REPORT CONTRIBUTORS

**Lisa Tolliver**

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Lisa has over 24 years of experience in the investment banking industry, primarily focused on advising middle market private business owners in liquidity related transactions. As a Managing Director in Capstone's Consumer Investment Banking Group, she works closely with clients to advise and execute domestic and cross-border M&A transactions, recapitalizations and capital raises. Specifically, Lisa has strong M&A expertise working with branded consumer, e-commerce, DTC, DNB and Amazon businesses.

Prior to Capstone Partners, Lisa worked in the Capital Strategies Group at Morgan Stanley Smith Barney and also spent 10 years working for the middle market investment banking arm of Citigroup, where she was involved in the evaluation, marketing and closing of numerous transactions involving private businesses and corporate divestitures. Over her career, Lisa has worked across several industry sectors including consumer, e-commerce, industrial & manufacturing, technology-enabled services, and government & defense. Lisa received her BA on academic scholarship from Illinois State University and is a Series 7, 63, and 79 Registered Securities Representative.

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Brianna currently serves as a Vice President within Capstone Partners' Investment Banking practice. Based in Chicago, IL, she joined the firm in 2018 as an Associate. She is responsible for all aspects of deal execution including company and financial analysis, material preparation, management presentations, due diligence, and buyer negotiations. Her focus includes a variety of industries including Consumer, Ecommerce, Construction, Business Services, Manufacturing, and Industrials.

Prior to joining Capstone Partners, Brianna was an Analyst at PricewaterhouseCoopers Corporate Finance LLC, the investment banking division of the Big 4 accounting and consulting firm, on their healthcare M&A team. Brianna graduated with honors from Indiana University's Kelley School of Business with a major in Business Economics and Public Policy. She holds her Series 7, 63 and 79 licenses.

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Connor currently serves as Research Manager at Capstone Partners. Connor provides M&A insights, capital markets analysis, and macroeconomic trends for C-suite middle market executives. He specializes in the coverage of the Consumer and Healthcare industries. Prior to joining the Research Team at Capstone, Connor was a specialist with the Investor Services team at BlackRock where he was responsible for assessing fund and account performance, communicating relevant market dynamics, and facilitating trades for shareholders, financial advisors, and institutional clients. Connor is Series 7 Registered Securities Representative.

FIRM TRACK RECORD

Capstone maintains an active presence in the Consumer industry with in-depth knowledge of the buyer universe and business characteristics that drive premium valuations in an M&A process. Our frequent conversations with industry participants provide us with increased transparency into market trends and buyer preferences. A sampling of Capstone's closed deals are outlined below.

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ENDNOTES

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Market Presence

With a long-established U.S. footprint, together with an international partner platform, we provide clients with broad expertise and access to key market relationships on a global basis. Our presence is backed by ~200 professionals in the U.S. with 450+ professionals across 43 countries.

