



HEALTH & WELLNESS REPORT

Explore M&A Activity, Capital Market
Conditions and Current Trends for the
Health & Wellness Industry



1H 2019

SDRVentures

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Investment Banking & Securities Offered Through SDR
Capital Markets, Inc., Member FINRA & SIPC.



HEALTH & WELLNESS REPORT

1H 2019 M&A OVERVIEW

The first half of 2019 saw a continuation of robust M&A activity in the Health & Wellness Industry, as strategic acquirers have rapidly pursued inorganic growth strategies to position themselves more competitively in today's saturated market. SDR tracked 67 transactions involving businesses participating in and serving the Health & Wellness sector. Most notably, the Natural & Organic Foods, Health & Fitness, and Vitamins, Minerals, & Supplements segments led the pack with 15 recorded transactions each including several noteworthy deals closed so far this year. The Personal Care segment also continues to experience significant acquirer interest, with 12 deals recorded in 2019, including the largest transaction in the industry year to date – JAB Cosmetics' acquisition of an additional 20% stake in Coty for \$1.7 billion in cash.

Strategic buyers and sponsor-backed platforms continue to dominate the M&A landscape in the Health & Wellness sector, accounting for three quarters of all activity so far this year. Although new sponsors are now increasingly seeking platform acquisitions from which to grow, as demonstrated by Swander Pace Capital's investment in Bragg Live Food Products and TSG Consumer Partners' acquisition of CorePower Yoga, industry participants continue to outpace pure funds in their pursuit of attractive targets.

The average EBITDA multiple for publicly traded Health & Wellness companies by the end of the first half of 2019 held steady since the end of 2018 at 12.5x LTM EBITDA. The Activewear segment traded at the highest average multiple of all segments at 15.2x EBITDA and the Vitamins, Minerals, & Supplements segment traded at the lowest multiple of 9.2x.

NATURAL & ORGANIC FOODS

The Natural & Organic Foods segment has been among the most active in the Health & Wellness Industry in the first half of 2019. With 15 recorded transactions so far this year, it is clear that this segment's incredible compounded annual growth rate of over 11% since 2005 has bolstered M&A activity in the space. Some notable transactions involving Natural & Organic Food Products this year have been:

- ❑ Nagase Holdings America Corp. agreed to acquire a 93.6% majority stake in Prinova Group for \$621 million. Prinova is an international supplier of ingredients, flavors and value-added nutrient fortification products. The acquisition will expand the food business of Nagase Holdings and create synergies for both companies.
- ❑ Taylor Farms acquired Earthbound Farm, a subsidiary of Danone U.S. engaged in the production of organic salads, fruit and vegetables for \$500 million. This deal will expand Taylor Farms' capabilities into the fresh produce category.
- ❑ Litehouse agreed to acquire Sky Valley Foods for \$46 million. The transaction will expand Litehouse's organic products and its manufacturing presence on the East Coast.

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ABOUT SDR

Established in 2002, SDR Ventures has developed deep M&A and capital transaction knowledge and expertise. SDR offers transaction advisory, private capital formation and business consulting services across a wide range of industries. We serve business owners and operators of privately held companies and provide them with a professional-class experience.

HEALTH & WELLNESS CONTACTS



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HEALTH & WELLNESS REPORT

HEALTH & FITNESS

M&A activity in the Health & Fitness segment has significantly accelerated through the first half of 2019; SDR tracked 15 transactions in the sector year to date, compared to 13 total in 2018. It is notable that the Health & Fitness segment is the only active subsector in the Health & Wellness Industry that had more acquirer activity coming from pure financial sponsors versus strategic acquirers or sponsor-backed platforms. PE funds have been forced to compete with other industry participants to establish thriving platforms in the increasingly competitive space. Some of the more notable transactions involving Health & Fitness companies this year have been:

- ❑ KPS Capital Partners signed a definitive agreement to acquire the assets related to the fitness business operations of Brunswick Corp for \$490 million in cash. The business being acquired manufactures and sells commercial fitness equipment and billiards game tables and furnishings.
- ❑ TSG Consumer Partners LLC acquired CorePower Yoga, a portfolio company of Catterton Management Co and Amzak Capital Management, that engages in the operation of yoga fitness studios, for an undisclosed amount.
- ❑ A private group led by Morgan Stanley Capital Partners acquired Impact Fitness from Bain Capital Double Impact and Bridges Fund Management for an undisclosed amount. Impact Fitness operates gym and fitness centers throughout the U.S.

VITAMINS, MINERALS, & SUPPLEMENTS (VMS)

Unlike the Health & Fitness sectors, M&A activity in the Vitamins, Minerals, & Supplements segment has entirely been driven by strategic acquirers in the first half of 2019. Large and recognizable CPG brands have continued to pursue VMS targets as a way to differentiate their product offerings and strategic positioning in the marketplace. Noteworthy deals in 2019 have included:

- ❑ PepsiCo acquired CytoSport from Hormel Foods Corp for \$465 million in cash. CytoSport, Inc. manufactures nutritional supplement products and the acquisition will include the Muscle Milk and Evolve Brands.
- ❑ Neptune Wellness Solutions signed a definitive agreement to acquire Sugarleaf Labs for \$150 million. Sugarleaf Labs extracts cannabidiol oil and offers tinctures, topicals and liquid soft gel capsule products.
- ❑ Glanbia acquired Watson for \$89 million in cash, and following the transaction, Watson will be part of GN Nutritional Solutions. Watson manufactures and supplies nutritional products for the food and beverage industry.

PERSONAL CARE

The Personal Care segment experienced less transaction volume than the three previously highlighted sectors, with 12 deals tracked by SDR in the first 6 months of 2019. That being said, this subsector has seen no shortage of notable strategic acquirers angling to add Personal Care offerings to their product portfolios, including Unilever, Procter & Gamble and JAB Cosmetics. Below are a few significant transactions that occurred in this segment year to date:

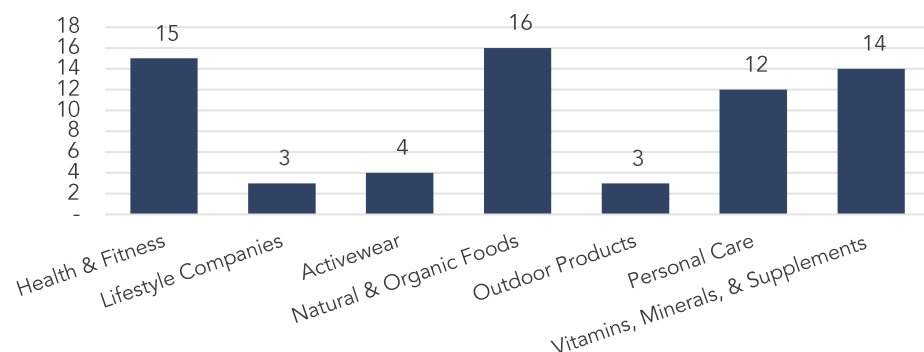
- ❑ JAB Cosmetics acquired an additional 20% stake in Coty for \$1.7 billion in cash, representing a 21% premium to the closing stock price of Coty on February 11, 2019. Coty manufactures and distributes branded beauty products.
- ❑ Unilever agreed to acquire Tatcha, a portfolio company of Castanea Partners, Finn Capital Partners, and Beechwood Capital, for \$500 million in cash. Tatcha operates as a luxury beauty and lifestyle company.
- ❑ LG Household & Health Care agreed to acquire New Avon, a manufacturer and distributor of cosmetics and beauty products, for \$125 million in cash. The acquisition will strengthen LG Household & Health Care's international growth plans.
- ❑ Procter & Gamble agreed to acquire This Is L, a manufacturer and distributor natural personal care products, for a reported value of \$100 million. The acquisition complements Procter & Gamble's existing portfolio of feminine care products.

Sources: FactSet

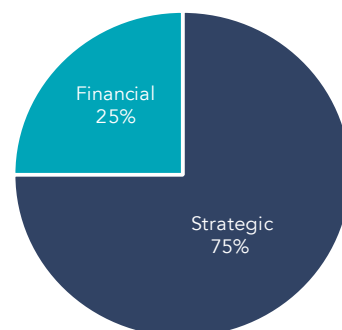


HEALTH & WELLNESS REPORT

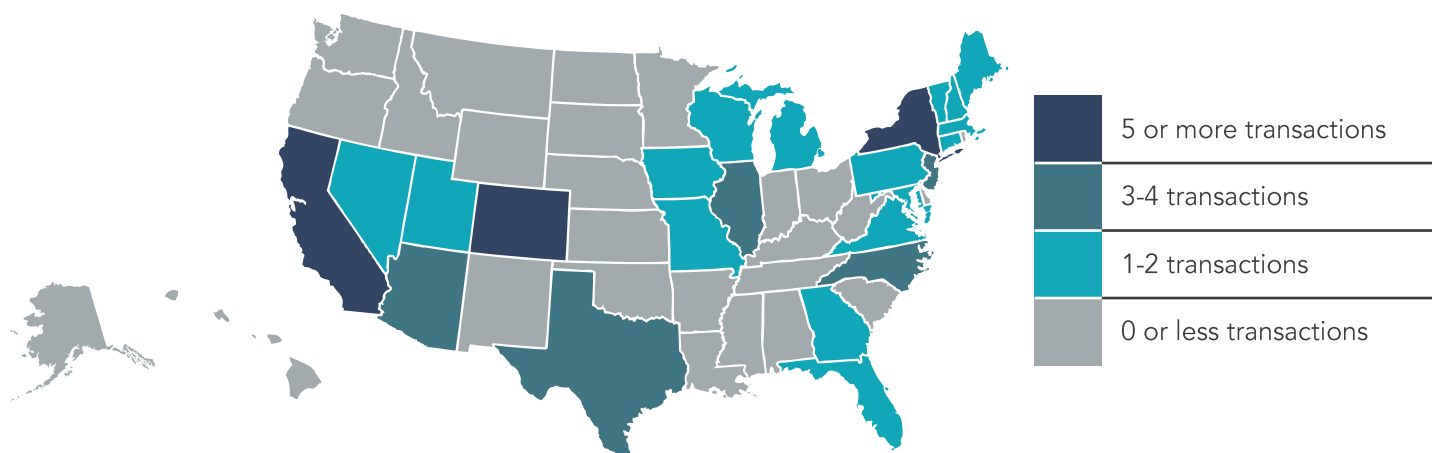
TRANSACTIONS BY SEGMENT



TRANSACTIONS BY TYPE



TRANSACTIONS BY LOCATION



TRANSACTION ACTIVITY

Date	Target	Buyer(s)	Segment	Amount (\$ in Mil)	TEV/Rev	TEV/EBITDA
6/10/2019	Tatcha LLC	Unilever NV	Personal Care	500.00	-	-
6/3/2019	Prinova Group LLC	Nagase Holdings America Corp.	Natural & Organic Foods	663.46	0.9x	-
5/6/2019	Brunswick Corp. (Fitness Ops)	KPS Capital Partners LP	Health & Fitness	490.00	-	-
4/25/2019	New Avon LLC	LG Household & Health Care Ltd.	Personal Care	125.00	-	-
4/18/2019	OLLY Public Benefit Corp.	Unilever NV	Vitamins, Minerals, & Supplements	-	-	-
4/11/2019	Earthbound Farm, Inc.	Taylor Fresh Foods, Inc.	Natural & Organic Foods	500.00	13x	-
3/4/2019	Gym-Mark, Inc.	Gap, Inc.	Activewear	-	-	-
2/19/2019	CytoSport, Inc.	PepsiCo, Inc.	Vitamins, Minerals, & Supplements	465.00	-	-
2/12/2019	Coty, Inc.	JAB Cosmetics BV; JAB Holding Co. SARL	Personal Care	16,123.74	18x	12.3x
2/5/2019	This Is L. Inc.	Procter & Gamble Co.	Personal Care	100.00	-	-

FULL LIST ON PAGE 11

Source: FactSet

Note: These data represent recorded transactions only and are not all-inclusive. Nevertheless, they are typically representative of the industry.



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ACTIVE BUYERS

MOST ACTIVE STRATEGIC BUYERS

Strategic Buyer	Inv. Date	Select Corporate Acquisitions
NewLeaf Brands, Inc	6/24/2019 6/24/2019	<ul style="list-style-type: none"> Relye Brand LLC TeaLief Brand, LLC
Unilever	6/10/2019 4/18/2019 12/14/2017 11/27/2017 6/19/2017	<ul style="list-style-type: none"> Tatcha LLC OLLY Public Benefit Corp. Schmidt's Deodorant Co. LLC Sundial Brands LLC Kingdom Animalia LLC (d.b.a. Hourglass Cosmetics)
PepsiCo, Inc	2/19/2019 10/31/2018 5/25/2018	<ul style="list-style-type: none"> CytoSport, Inc. Health Warrior, Inc. PepsiCo, Inc.
Brunswick Corporation	7/20/2017 11/18/2016 8/31/2016 7/5/2016 1/20/2016	<ul style="list-style-type: none"> Lankhorst Taselaar BV Payne's Marine Supply, Inc. Indoor Cycling Group Thunder Jet Boats Inc. Cybox International Inc.
Hi-Tech Pharmaceuticals	6/19/2017 10/5/2016 10/5/2016 4/28/2016 8/18/2015	<ul style="list-style-type: none"> Top Secret Nutrition LLC Tribavus Enterprises Prime Nutrition Gaspari Nutrition Inc. LG Sciences LLC

SELECT SPONSORS WITH ACTIVE PORTFOLIO HOLDINGS

Financial Buyer	Inv. Date	Select Corporate Investments
Swander Pace Capital	6/25/2019 11/29/2018 1/18/2018 12/12/2016 1/22/2016	<ul style="list-style-type: none"> Bragg Live Food Products, Inc. Nutritional Medicinals LLC J R Watkins LLC Halo Innovations Swanson Health Products, Inc.
TSG Consumer Partners LLC	4/9/2019 3/12/2019 10/5/2017	<ul style="list-style-type: none"> Anchor Fitness LLC CorePower Yoga LLC S&G Properties LLC
Gryphon Investors	1/22/2019 5/18/2018 3/12/2018	<ul style="list-style-type: none"> Johnson & Johnson Consumer, Inc./Roc Skincare Brand/ New Milani Group, Inc. Matrixx Initiatives, Inc.
Wind Point Advisors	11/14/2018 1/30/2018 3/9/2017	<ul style="list-style-type: none"> Cosmetic Essence LLC California Natural Products Inc Vee Pak, Inc.
Peak Rock Capital	3/28/2018 11/6/2017 9/8/2017 12/20/2016 11/14/2016	<ul style="list-style-type: none"> Inter Valley Pool Supply, Inc. Strike King Lure Co Hasa Inc Sweet Harvest Foods Co. Do Outdoors Inc

Sources: FactSet

Note: These data represent recorded transactions only and are not all-inclusive. Nevertheless, they are typically representative of the industry.

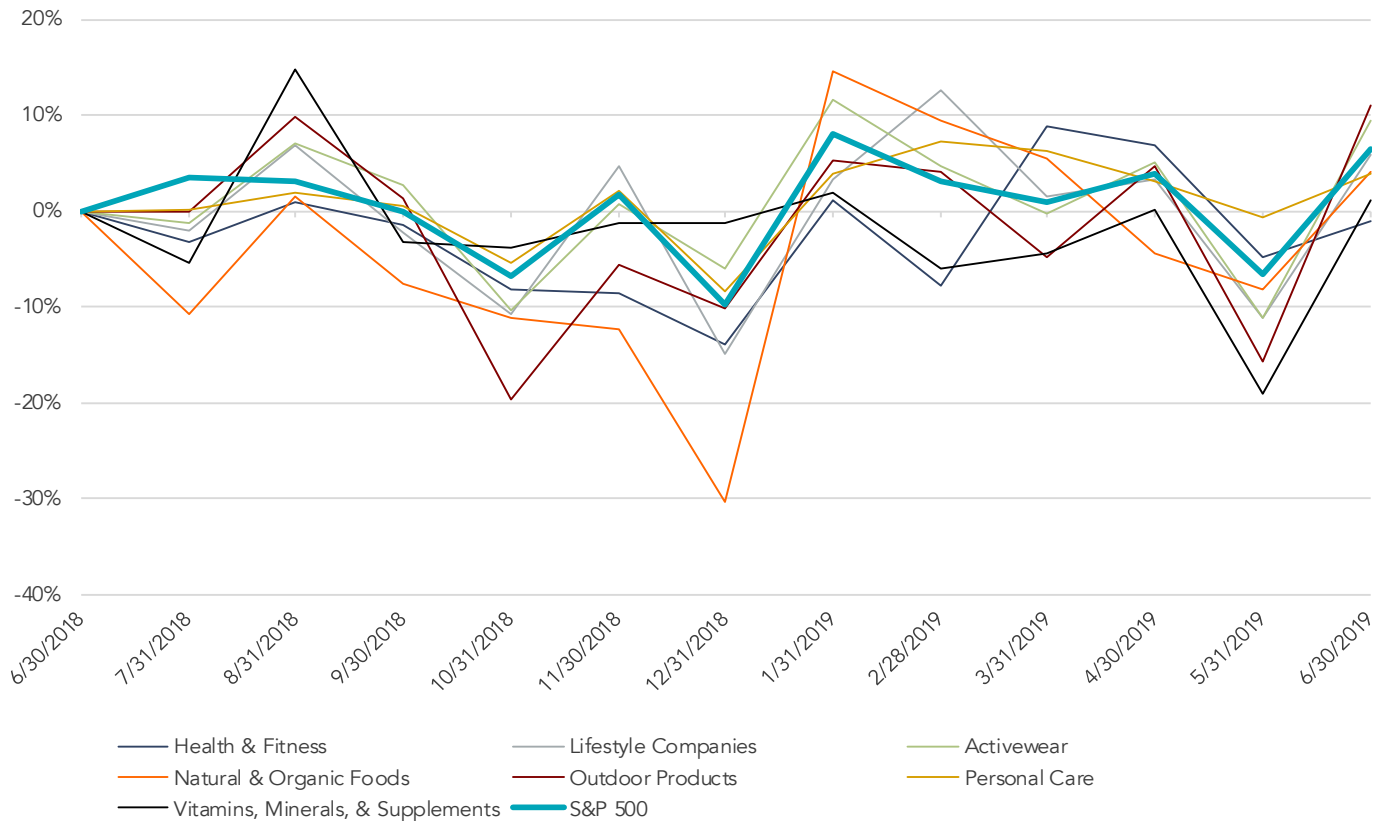


HEALTH & WELLNESS REPORT

PUBLIC BASKET

HEALTH & WELLNESS SEGMENTS VS. S&P 500

Running 12 Months



HEALTH & FITNESS

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	Quarter Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Planet Fitness, Inc.	PLNT	\$ 6,361	\$ 72.44	5.4%	35.1%	88.4%	17.0%	42.4%	115x	29.4x	NM	9.8x	23.5x
Medifast, Inc.	MED	1,463	128.30	0.6%	2.6%	49.2%	45.0%	15.5%	2.5x	16.9x	24.2x	18x	114x
Weight Watchers International, Inc.	WTW	1,292	19.10	(5.2%)	(50.5%)	18.4%	(2.8%)	10.9%	19x	7.0x	7.7x	2.0x	7.9x
Fitbit, Inc.	FIT	984	4.40	(25.7%)	(11.5%)	61.8%	3.7%	(24.8%)	0.3x	NM	NM	0.3x	NM
Nautilus, Inc.	NLS	64	2.21	(60.3%)	(79.7%)	13.8%	(1.1%)	(9.1%)	0.2x	6.9x	NM	0.2x	6.8x
Segment Average				(22.6%)	(34.8%)	35.8%	11.2%	(1.9%)	1.2x	10.3x	16.0x	1.0x	8.7x
Segment Median				(15.4%)	(31.0%)	33.8%	1.3%	0.9%	1.1x	7.0x	16.0x	1.0x	7.9x

Source: FactSet



HEALTH & WELLNESS REPORT

PUBLIC BASKET (CONTINUED)

LIFESTYLE COMPANIES

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	Quarter Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Garmin Ltd.	GRMN	\$ 15,167	\$ 79.80	(7.6%)	26.0%	88.9%	6.0%	22.9%	4.1x	15.6x	215x	3.9x	14.9x
Vail Resorts, Inc.	MTN	8,951	223.18	2.7%	5.9%	73.7%	7.6%	50.0%	4.7x	15.1x	29.8x	4.4x	14.0x
Polaris Industries Inc.	PII	5,507	91.23	8.1%	19.0%	70.7%	10.1%	7.9%	12x	12.4x	17.6x	1.1x	9.2x
Brunswick Corp.	BC	3,960	45.89	(8.8%)	(12%)	65.7%	(3.6%)	12.8%	10x	8.0x	26.3x	10x	6.7x
GoPro, Inc.	GPRO	655	5.46	(16.0%)	28.8%	71.4%	6.3%	(3.7%)	0.7x	NM	NM	0.6x	7.4x
Vista Outdoor, Inc.	VSTO	516	8.88	10.9%	(218%)	45.8%	(2.4%)	3.5%	0.6x	13.5x	NM	0.6x	7.8x
Clarus Corp.	CLAR	428	14.44	12.7%	42.7%	96.9%	9.5%	10.2%	2.0x	22.4x	41.1x	1.9x	16.5x
Peak Resorts, Inc.	SKIS	70	4.75	4.4%	15%	85.6%	9.1%	42.7%	16x	6.2x	10.6x	1.5x	6.7x
Segment Average				0.8%	12.6%	74.8%	5.3%	18.3%	2.0x	13.3x	24.5x	1.9x	10.4x
Segment Median				3.6%	12.4%	72.6%	7.0%	11.5%	1.4x	13.5x	23.9x	1.3x	8.5x

ACTIVEWEAR

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	Quarter Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
NIKE, Inc.	NKE	\$ 107,337	\$ 83.95	(0.3%)	13.2%	93.3%	8.6%	NM	3.4x	23.6x	33.7x	3.2x	21.2x
VF Corp.	VFC	35,081	87.35	6.8%	30.1%	90.1%	(12.3%)	10.2%	2.7x	17.7x	27.8x	3.1x	18.6x
lululemon athletica, Inc.	LULU	22,115	180.21	10.0%	48.2%	94.6%	17.7%	22.2%	6.7x	26.3x	47.5x	5.7x	22.3x
Under Armour, Inc.	UA	9,773	22.20	17.6%	37.3%	91.8%	6.0%	6.6%	2.3x	32.3x	NM	2.1x	25.2x
Gildan Activewear, Inc.	GIL-CA	7,975	38.78	5.5%	22.3%	98.2%	8.2%	13.5%	3.1x	15.9x	26.6x	2.9x	13.9x
Deckers Outdoor Corp.	DECK	5,123	175.97	19.7%	37.5%	99.5%	7.2%	10.5%	2.3x	12.7x	19.9x	2.2x	12.6x
Foot Locker, Inc.	FL	4,633	41.92	(30.8%)	(212%)	61.6%	3.8%	13.1%	0.4x	4.0x	8.7x	0.5x	4.0x
Wolverine World Wide, Inc.	WWW	2,451	27.54	(22.9%)	(13.6%)	69.2%	5.1%	12.1%	1.4x	10.7x	13.8x	1.4x	10.0x
Sequential Brands Group, Inc.	SQBG	34	0.55	(57.0%)	(31.3%)	24.1%	(7.2%)	45.2%	4.1x	8.1x	NM	4.4x	8.8x
Iconix Brand Group, Inc.	ICON	9	0.85	(58.7%)	1.8%	11.4%	(12.5%)	57.4%	3.7x	8.9x	NM	4.4x	8.7x
APEX Global Brands, Inc.	CHKE	7	0.41	(415%)	(18.8%)	32.8%	13.0%	19.6%	2.5x	6.8x	NM	2.2x	4.9x
Segment Average				(13.8%)	9.6%	69.7%	3.4%	21.1%	3.0x	15.2x	25.4x	2.9x	13.7x
Segment Median				(0.3%)	13.2%	90.1%	6.0%	13.3%	2.7x	12.7x	26.6x	2.9x	12.6x

NATURAL & ORGANIC FOODS

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	Quarter Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Hain Celestial Group, Inc.	HAIN	\$ 2,230	\$ 21.90	(5.3%)	38.1%	70.3%	(3.5%)	7.9%	13x	22.8x	NM	1.3x	13.9x
United Natural Foods, Inc.	UNFI	484	8.97	(32.1%)	(15.3%)	20.0%	37.1%	2.1%	0.2x	10.2x	NM	0.2x	5.9x
Seneca Foods Corp.	SENEA	266	27.83	13.1%	(14%)	77.5%	NM	18%	0.5x	NM	45.8x	NM	NM
Del Monte Pacific Ltd.	D03-SG	217	0.11	7.9%	20.8%	76.0%	NM	13.2%	0.9x	8.1x	10.6x	NM	NM
Segment Average				(4.1%)	10.6%	60.9%	16.8%	6.2%	0.7x	13.7x	28.2x	0.7x	9.9x
Segment Median				1.3%	9.7%	73.1%	16.8%	5.0%	0.7x	10.2x	28.2x	0.7x	9.9x

Source: FactSet



HEALTH & WELLNESS REPORT

PUBLIC BASKET (CONTINUED)

OUTDOOR PRODUCTS

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	Quarter Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Brunswick Corp.	BC	\$ 3,960	\$ 45.89	(8.8%)	(12%)	65.7%	(3.6%)	12.8%	10x	8.0x	26.3x	10x	6.7x
Callaway Golf Co.	ELY	1,630	17.16	7.7%	12.2%	69.6%	27.2%	15.9%	16x	15.9x	18.4x	13x	10.6x
Sturm, Ruger & Co., Inc.	RGR	960	54.48	2.8%	2.4%	77.8%	NM	210%	17x	8.5x	19.4x	NM	NM
Johnson Outdoors, Inc.	JOUT	669	74.57	4.5%	26.9%	69.5%	4.9%	17.6%	12x	8.7x	16.5x	12x	8.4x
Vista Outdoor, Inc.	VSTO	516	8.88	10.9%	(21.8%)	45.8%	(2.4%)	3.5%	0.6x	13.5x	NM	0.6x	7.8x
Escalade, Inc.	ESCA	165	11.47	2.7%	0.2%	79.1%	NM	4.1%	0.9x	10.1x	8.5x	NM	NM
Segment Average				3.3%	3.1%	67.9%	6.5%	12.5%	1.2x	10.8x	17.8x	1.0x	8.4x
Segment Median				3.6%	1.3%	69.5%	1.3%	14.4%	1.1x	9.4x	18.4x	1.1x	8.1x

PERSONAL CARE

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	Quarter Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Unilever Plc	ULVR-GB	\$ 72,548	\$ 62.29	11.4%	19.1%	98.2%	5.7%	38.4%	3.3x	15.2x	15.1x	3.2x	14.0x
The Estée Lauder Companies, Inc.	EL	39,958	183.11	10.6%	40.7%	99.1%	8.6%	217%	4.6x	210x	NM	4.3x	19.8x
Ulta Beauty, Inc.	ULTA	19,898	346.89	(0.5%)	41.7%	94.9%	13.7%	18.0%	2.9x	16.7x	30.2x	2.5x	14.7x
Coty, Inc.	COTY	8,709	13.40	16.5%	10.4%	92.7%	(2.2%)	16.3%	2.0x	13.6x	NM	2.1x	12.4x
Nu Skin Enterprises, Inc.	NUS	2,704	49.32	3.1%	(19.6%)	55.6%	5.7%	14.2%	10x	7.0x	21.6x	10x	6.3x
Inter Parfums, Inc.	IPAR	2,033	66.49	(12.4%)	1.4%	82.1%	8.4%	19.9%	3.0x	18.9x	37.1x	2.8x	17.1x
USANA Health Sciences, Inc.	USNA	1,791	79.43	(5.3%)	(32.5%)	57.6%	9.6%	14.2%	14x	8.2x	16.1x	13x	7.4x
Avon Products, Inc.	AVP	1,729	3.88	32.0%	15.3%	95.1%	(5.3%)	6.5%	0.6x	6.6x	NM	0.7x	8.8x
Sally Beauty Holdings, Inc.	SBH	1,513	13.34	(27.5%)	(21.8%)	56.5%	(0.5%)	14.1%	0.8x	5.8x	6.6x	0.8x	5.8x
Revlon, Inc.	REV	1,022	19.33	(0.3%)	(23.3%)	65.3%	(0.3%)	6.2%	1.6x	25.3x	NM	16x	14.8x
LifeVantage Corp.	LFVN	192	12.98	(9.2%)	(1.6%)	76.0%	9.2%	4.9%	0.8x	16.9x	29.2x	0.8x	9.8x
Natural Health Trends Corp.	NHTC	92	8.05	(37.9%)	(56.5%)	29.6%	NM	(13.5%)	NM	NM	4.5x	NM	NM
United-Guardian, Inc.	UG	88	18.80	(18%)	2.5%	90.3%	NM	39.3%	5.6x	13.7x	19.1x	NM	NM
CCA Industries, Inc.	CAW	19	2.99	95.4%	35.9%	98.0%	NM	NM	15x	30.9x	NM	NM	NM
Segment Average				4.3%	15.5%	74.5%	4.3%	12.7%	1.9x	14.9x	20.5x	1.5x	10.8x
Segment Median				(1.2%)	(0.1%)	79.0%	5.7%	14.2%	1.5x	13.7x	20.4x	1.3x	9.8x

VITAMINS, MINERALS & SUPPLEMENTS

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	Quarter Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Herbalife Nutrition Ltd.	HLF	\$ 6,439	\$ 42.76	(19.3%)	(27.5%)	69.2%	7.0%	13.5%	16x	10.3x	20.3x	14x	8.9x
Medifast, Inc.	MED	1,463	128.30	0.6%	2.6%	49.2%	45.0%	15.5%	2.5x	16.9x	24.2x	18x	114x
LifeVantage Corp.	LFVN	192	12.98	(9.2%)	(1.6%)	76.0%	9.2%	4.9%	0.8x	16.9x	29.2x	0.8x	9.8x
Nature's Sunshine Products, Inc.	NATR	179	9.29	0.0%	14.0%	86.6%	NM	7.8%	0.4x	6.6x	NM	NM	NM
GNC Holdings, Inc.	GNC	133	150	(45.1%)	(36.7%)	32.3%	(11.3%)	11.5%	0.5x	5.3x	2.9x	0.5x	6.1x
Vitamin Shoppe, Inc.	VSI	90	3.94	(44.0%)	(16.9%)	28.2%	(3.8%)	6.4%	0.1x	2.7x	25.1x	0.1x	2.4x
Mannatech, Inc.	MTEX	41	16.99	(4.3%)	(9.6%)	80.9%	NM	4.3%	0.1x	5.4x	NM	NM	NM
Segment Average				(17.3%)	(10.8%)	60.3%	9.2%	9.1%	0.8x	9.2x	20.3x	0.9x	7.7x
Segment Median				(9.2%)	(9.6%)	69.2%	7.0%	7.8%	0.5x	6.6x	24.2x	0.8x	8.9x

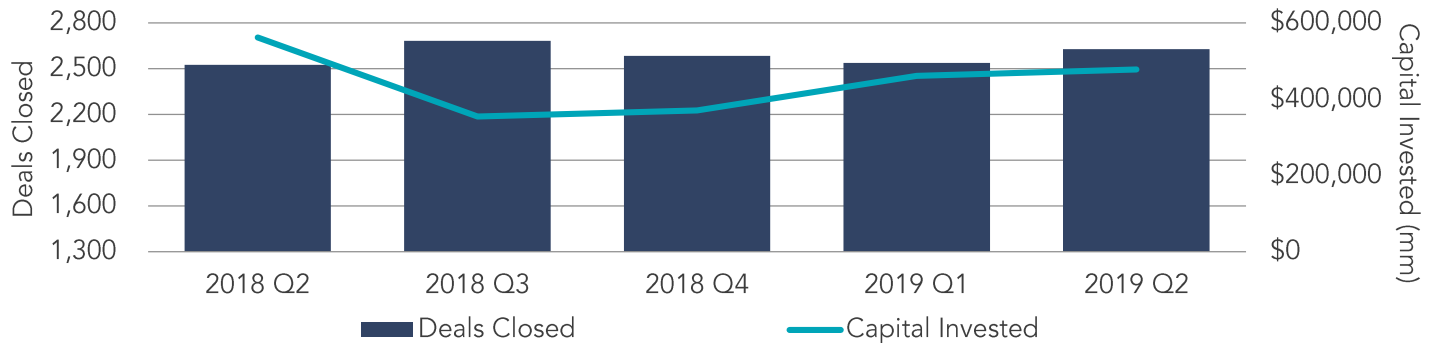
Source: FactSet



HEALTH & WELLNESS REPORT

U.S. M&A ACTIVITY SNAPSHOT

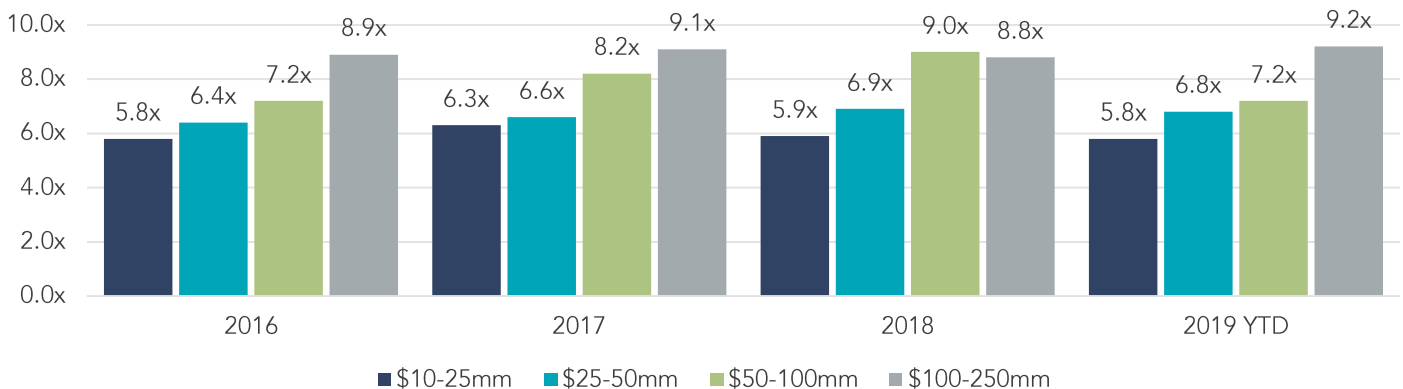
OVERALL U.S. M&A ACTIVITY



Source: FactSet Financial Data and Analytics

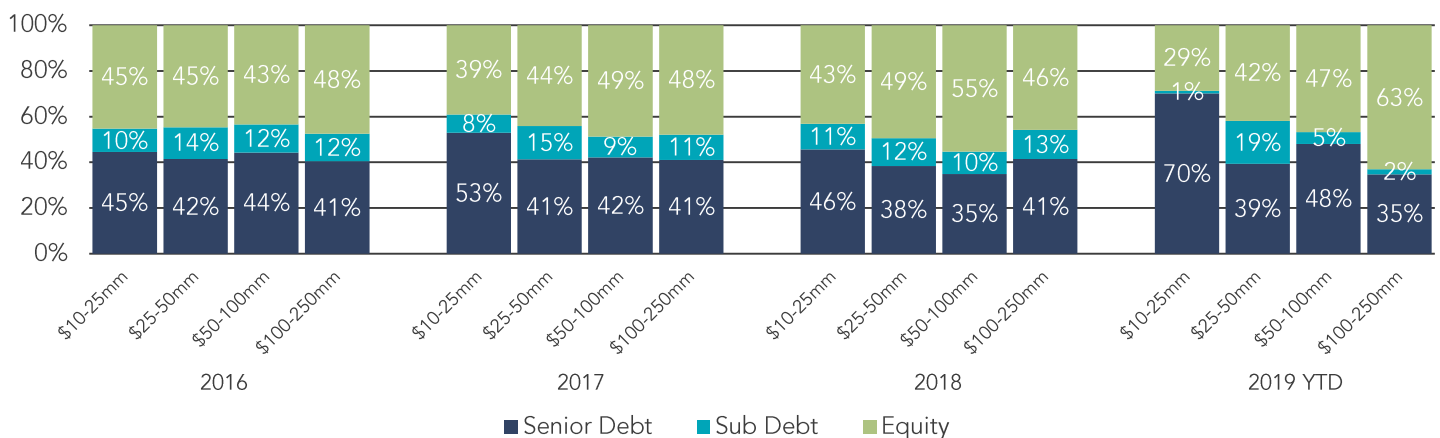
LOWER MIDDLE MARKET PRIVATE EQUITY TRANSACTION MULTIPLES

EBITDA Multiples By Transaction Size



Source: GF Data®

CAPITAL BREAKDOWN – LOWER MIDDLE MARKET PRIVATE EQUITY TRANSACTIONS



Note: The most current source of GF Data is as of May 2019.

Source: GF Data®



HEALTH & WELLNESS REPORT

HEALTH & WELLNESS EXPERTISE

Health & Wellness has become a very active industry of late, but we have been involved in the space for several years. Our experience and drive have put us at the leading edge of information in the market, giving you an advantage when the time comes to buy, sell or seek investments to grow your business.

Our Health & Wellness investment banking expertise includes the following industry segments:

- Health & Fitness
- Lifestyle Companies
- Activewear
- Natural & Organic Foods
- Outdoor Products
- Personal Care
- Vitamins, Minerals & Supplements

CONTACT US



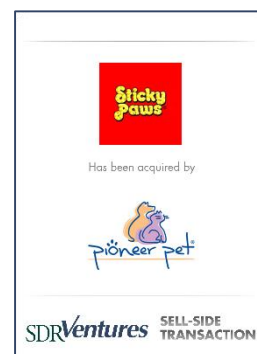
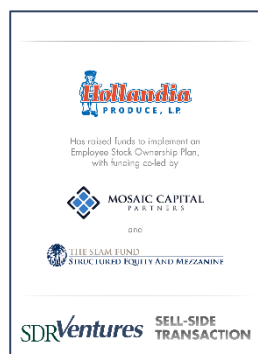
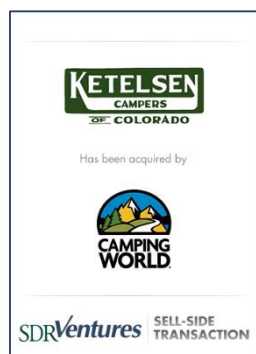
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SELECT CONSUMER EXPERIENCE

SDR has completed numerous transactions types throughout various industries, including:



SDR SERVICE OFFERINGS



SELL-SIDE ADVISORY



PRIVATE CAPITAL FORMATION



BUY-SIDE ADVISORY



STRATEGIC CONSULTING



HEALTH & WELLNESS REPORT

1H 2019 TRANSACTION ACTIVITY

Date	Target	Buyer(s)	Segment	Amount (\$ in Mil)	TEV/ Rev	TEV/ EBITDA
6/25/2019	Bragg Live Food Products, Inc.	Swander Pace Capital LLC; Dragoner Investment Group LLC	Natural & Organic Foods	-	-	-
6/25/2019	Texas Beauty Labs	Phlur, Inc.; Next Coast Ventures LLC	Personal Care	-	-	-
6/24/2019	Pure Barre LLC (28 Pure Barre Studios)	Palladin Consumer Retail Partners LLC	Health & Fitness	-	-	-
6/24/2019	Relyfe Brand LLC	NewLeaf Brands, Inc.	Vitamins, Minerals, & Supplements	3.00	-	-
6/24/2019	TeaLief Brand, LLC	NewLeaf Brands, Inc.	Natural & Organic Foods	3.00	-	-
6/20/2019	PURE Aesthetics & Wellness Medical Group	OrangeTwist	Health & Fitness	-	-	-
6/19/2019	Perfect Bar & Co.	Mondelez International, Inc.	Natural & Organic Foods	-	-	-
6/18/2019	Planet Fitness, Inc. (26 Franchises)	EMP Management LLC; JLM Financial Partners LLC; United PF Partners LLC	Health & Fitness	-	-	-
6/14/2019	Sun Bum Suncare LLC	S.C. Johnson & Son, Inc.	Personal Care	-	-	-
6/11/2019	Impact Fitness	Morgan Stanley Capital Partners; Shareholders	Health & Fitness	-	-	-
6/11/2019	Medix Wellness Ltd.	CCG, Inc. (USA)	Vitamins, Minerals, & Supplements	-	-	-
6/10/2019	Tatcha LLC	Unilever NV	Personal Care	500.00	-	-
6/5/2019	Do Outdoors LLC	BDT Capital Partners LLC	Outdoor Products	-	-	-
6/3/2019	Steiner Sports Marketing, Inc.	Fanatics, Inc.	Outdoor Products	-	-	-
6/3/2019	Prinova Group LLC	Nagase Holdings America Corp.	Natural & Organic Foods	663.46	0.9x	-
6/3/2019	Brookfit Ventures LLC	Grandave Fitness, Inc.	Health & Fitness	0.75	-	-
5/28/2019	IC Pharma LLC	Ethema Health Corp.	Natural & Organic Foods	-	-	-
5/23/2019	Sky Valley Foods, Inc.	Litehouse, Inc.	Natural & Organic Foods	46.00	-	-
5/21/2019	Proactive Nutra LLC	SinglePoint, Inc.	Vitamins, Minerals, & Supplements	-	-	-
5/21/2019	6 Pack Fitness, Inc.	Zogoworx LLC	Activewear	-	-	-
5/17/2019	Bryce Skin Care	Annabidiol Corp.	Personal Care	-	-	-
5/16/2019	Raw Chocolate Alchemy LLC	Gabriella's Kitchen, Inc.	Natural & Organic Foods	100	-	-
5/9/2019	Noonan Physical Therapy & Associates	Athletico Ltd.	Health & Fitness	-	-	-
5/9/2019	Sugarleaf Labs LLC	Neptune Wellness Solutions, Inc.	Vitamins, Minerals, & Supplements	150.00	-	-
5/6/2019	Hain Celestial Group, Inc. (Protein Business)	Keystone Capital, Inc.; Keystone Natural Holdings LLC	Natural & Organic Foods	-	-	-
5/6/2019	Brunswick Corp. (Fitness Ops)	KPS Capital Partners LP	Health & Fitness	490.00	-	-
4/29/2019	Crunch LLC	Fitness Holdings Northeast LLC	Health & Fitness	-	-	-
4/25/2019	New Avon LLC	LG Household & Health Care Ltd.	Personal Care	125.00	-	-
4/18/2019	OLLY Public Benefit Corp.	Unilever NV	Vitamins, Minerals, & Supplements	-	-	-
4/11/2019	Earthbound Farm, Inc.	Taylor Fresh Foods, Inc.	Natural & Organic Foods	500.00	13x	-
4/9/2019	Anchor Fitness LLC	TSG Consumer Partners LLC; Sunshine Fitness Management LLC	Health & Fitness	-	-	-
4/4/2019	Jenny Craig, Inc.	H.I.G. Capital LLC	Vitamins, Minerals, & Supplements	-	-	-
3/29/2019	One World Fitness PFF LLC	Centre Partners Management LLC	Health & Fitness	-	-	-
3/29/2019	CBD For Life LLC	iAnthus Capital Holdings, Inc.	Vitamins, Minerals, & Supplements	16.02	-	-
3/28/2019	Fitgirls Brazil Corp.	Pacífico Sul Indústria Têxtil e Confecções Ltda.	Activewear	-	-	-
3/25/2019	Zuellig Botanicals, Inc.	Martin Bauer GmbH & Co. KG	Vitamins, Minerals, & Supplements	-	-	-
3/19/2019	Schillinger Genetics, Inc.	Benson Hill Biosystems, Inc.	Natural & Organic Foods	-	-	-
3/13/2019	Natural Health Farm, Inc.	Natural Health Farm Holdings, Inc.	Vitamins, Minerals, & Supplements	0.03	-	-
3/12/2019	CorePower Yoga LLC	TSG Consumer Partners LLC	Health & Fitness	-	-	-

Sources: FactSet

Note: These data represent recorded transactions only and are not all-inclusive. Nevertheless, they are typically representative of the industry.



HEALTH & WELLNESS REPORT

1H 2019 TRANSACTION ACTIVITY (CONTINUED)

Date	Target	Buyer(s)	Segment	Amount (\$ in Mil)	TEV/ Rev	TEV/ EBITDA
3/1/2019	J&D Brush Co. LLC	Goody Products, Inc.; ACON Investments LLC	Personal Care	-	-	-
3/8/2019	Sunshine Fitness Resources LLC	GI Manager LP; Daxko LLC	Health & Fitness	-	-	-
3/6/2019	The Slush Naturals Co., Inc.	Shareholders	Natural & Organic Foods	-	-	-
3/4/2019	Gym-Mark, Inc.	Gap, Inc.	Activewear	-	-	-
3/1/2019	Architectural Beauty	Fusion Packaging, Inc.	Personal Care	-	-	-
2/28/2019	Gilman Cheese Corp.	Borgman Capital LLC	Natural & Organic Foods	-	-	-
2/27/2019	Belabumbum LLC	AdoreMe, Inc.	Activewear	-	-	-
2/22/2019	UpSpring Ltd.	Reckitt Benckiser Group Plc	Vitamins, Minerals, & Supplements	-	-	-
2/20/2019	Watson, Inc. (Connecticut)	Glanbia Plc	Vitamins, Minerals, & Supplements	89.00	-	-
2/19/2019	CytoSport, Inc.	PepsiCo, Inc.	Vitamins, Minerals, & Supplements	465.00	-	-
2/15/2019	Trovrx, Inc. (ENU Nutrition Brand)	Ajinomoto Health & Nutrition North America, Inc.; Cambrooke Therapeutics, Inc.	Vitamins, Minerals, & Supplements	-	-	-
2/12/2019	Coty, Inc.	JAB Cosmetics BV; JAB Holding Co. SARL	Personal Care	16,123.74	18x	12.3x
2/7/2019	BergaMet NA LLC	Grey Cloak Tech, Inc.	Vitamins, Minerals, & Supplements	2.44	-	-
2/6/2019	Habit LLC	Viome, Inc.	Lifestyle Companies	-	-	-
2/6/2019	ClarityRx Clinical Skin Care, Inc.	New Mountain Capital LLC; Topix Pharmaceuticals, Inc.	Personal Care	-	-	-
2/5/2019	Club Champion LLC	Levine Leichtman Capital Partners, Inc.; Shareholders	Outdoor Products	-	-	-
2/5/2019	Tretap Beverage Co.	Ceres Natural Remedies LLC	Natural & Organic Foods	-	-	-
2/5/2019	This Is L. Inc.	Procter & Gamble Co.	Personal Care	100.00	-	-
2/4/2019	Fitness Connection, Inc.	Roark Capital Group, Inc.	Health & Fitness	-	-	-
2/4/2019	Power of 3 Nutrition	Tierra Farm, Inc.	Natural & Organic Foods	-	-	-
2/1/2019	Adventure Sports Network	American Media, Inc.	Lifestyle Companies	-	-	-
1/30/2019	Biovation Labs LLC	Adaptive Health LLC	Vitamins, Minerals, & Supplements	-	-	-
1/22/2019	Iredale Mineral Cosmetics Ltd.	San Francisco Equity Partners	Personal Care	-	-	-
1/22/2019	Johnson & Johnson Consumer, Inc. (Roc Skincare Brand)	Gryphon Investors, Inc.	Personal Care	-	-	-
1/16/2019	TravelFit LLC	Equity 38 LLC; Fitness Anywhere LLC	Health & Fitness	-	-	-
1/10/2019	Afterburn Holdings LLC	Brentwood Associates	Health & Fitness	-	-	-
1/7/2019	Emmaus Life Sciences, Inc.	M Ynd Analytics, Inc.	Vitamins, Minerals, & Supplements	-	-	-
1/2/2019	Woodlands Market	Baseline Investments LLC	Natural & Organic Foods	2.70	-	-

Sources: FactSet

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