



# HEALTH & WELLNESS REPORT

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



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1H 2020

**SDR***Ventures*

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# HEALTH & WELLNESS REPORT

## HEALTH & WELLNESS 1H20: WHAT TO KNOW

- ❑ Brick and mortar retail took a beating in 1H20. COVID-19 punished traditional shopping centers and retail outlets with stay-at-home orders, temporary mall closings and consumer spending dented by layoffs and furloughs.
- ❑ Health & Wellness enterprises, whether in cosmetics, vitamins and supplements, or gyms, were hit hard, plunging some into bankruptcy.
- ❑ Winners in the COVID environment were companies that adapted through e-commerce. Consumer demand didn't entirely dry up, but business moved online. We believe buyer behavior may be forever changed, creating opportunity for those willing to adapt.

## Two Ways To Look At Health & Wellness In 2020

In the Health & Wellness sector – a broad consumer sector that includes nutritional supplements, fitness, and beauty care – 1H20 has been a double-edged sword. As consumers sought vitamin and mineral supplements to bolster their health during the COVID-19 pandemic or looked for ways to stay fit while socially distant, they were looking online instead of in traditional brick and mortar outlets.

For retail Health & Wellness, 2025 came five years early. The anticipated decline in brick and mortar retail has been accelerated by stay-at-home orders, virus-wary shoppers, and rapidly changing consumer habits. Just as Sears catalogs gutted hometown general stores at the dawn of the 20th Century, today's sons of Amazon are reshaping the consumer landscape.

## Challenge: Brick And Mortar No More

For Health & Wellness brands that depend on physical location and foot traffic, an already challenging environment got tougher in the first half of the year. Traffic in shopping malls – long the home of supplement giant GNC and beauty supply chains such as Sephora – took a beating in a viral storm that could be the beginning of a death spiral. Malls closed for virus concerns, anchor department stores fell into bankruptcy and slashed locations in reaction to declining traffic. Without anchors as magnets, smaller mall retailers like those in Health & Wellness suffered. Ultimately the malls themselves struggled.

It's been predicted a third of America's 1,000 shopping malls may close by 2021. Mall staples J.C. Penney and Neiman Marcus sought bankruptcy protection this year. Macy's (parent of Bloomingdale's) announced store closings. And the Health & Wellness niche "mall neighbors" such as Forever 21 and Victoria's Secret are contracting. For Health & Wellness brands that have depended on malls, we don't believe this is sustainable. Something will have to change.

Outside the mall, brick and mortar isn't healthy either. By the end of 1H20, retailers announced plans to close some 6,000 stores, compared to 5,900

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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.

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store closures in all of 2018. Investment giant UBS predicted retailers will close 75,000 brick and mortar stores by 2026. So far in 2020:

- ❑ GNC, an 85-year-old vitamin and supplement chain, announced it is filing for bankruptcy and plans to close 1,200 stores. Already struggling with in-store purchase declines, COVID stay-at-home orders further depressed recovery efforts.
- ❑ As the coronavirus spread, mall traffic fell 97% for the week ending March 27 compared to 2019. When some malls reopened in May, returning traffic was down 75% over May 2019, with consumers wary of a virus with no known cure or vaccine and millions out of work.
- ❑ Cosmetic retailers Sephora and Ulta Beauty closed all stores temporarily in March and sales techniques such as in-store makeovers became infeasible. As uncertainty ruled, Ulta withdrew its guidance for fiscal 2020.

## Upheaval: Opportunity

This isn't to say M&A activity in Health & Wellness is at risk. We believe this is an opportunity for companies willing to reinvent, reimagine, and retool. Demand remains. Younger generations are attuned more than ever to healthier lifestyles. Millennials have been called the "Wellness Generation". And one estimate shows predicted annual global demand for vitamins and supplements to surpass \$230 billion by 2027. At the end of 2019, the United States remained the largest market for dietary supplements.

Brick and mortar sales aren't struggling because people aren't buying during the pandemic, because people are still buying. It's because people are buying online. E-commerce sales were up 76% in June 2020 year-over-year.

As the coronavirus caught our collective attention in Q1 2020, online retailer Amazon reported revenue of \$75.5 billion, up from \$60 billion in the same period last year. As fitness fans avoided gyms, Peloton, which sells stationary bikes with subscription-model online spin classes, saw a 66% surge in sales over the same period last year through online sales, home delivery, and setup.

As consumer habits adapt to the current situation, studies have shown us once new habits are formed, they may not change back. Who needs a store to buy vitamins? Customers can't try them out like apparel.

Opportunity is found where you look. While in-person fitness chains including Gold's Gym and 24 Hour Fitness went into bankruptcy, orders for home fitness equipment soared 170%. And Peloton wasn't the only virtual workout player to see a boost, Mirror Interactive and obé fitness saw increases.







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## Health & Wellness M&A

While the economy struggled in the first half of the year – the coronavirus has been one of those system shocks that are hard to predict – we remain optimistic about the M&A opportunities ahead. Change opens the way for new activity, and as we've seen, Health & Wellness is not an area where people cut back, instead, they adapt. If anything, the pandemic has created a renewed global focus on health, from food to supplements. Businesses that have embraced the new reality and successfully graduated to web-based service have seen demand rocket. Willingness to adapt while products are in demand may fuel activity and create new opportunities.

In January, Helen of Troy – a developer and worldwide marketer of consumer health and beauty products – announced the acquisition of Drybar Products in a deal worth about \$255 million in cash. Drybar is a fast-growing hair care and styling brand.

One of the world's largest apparel companies, PVH Corp., in January sold its Speedo North America sports apparel business to Pentland Group, which works in retail and wholesale sports outdoor fashion sectors. The deal was reportedly worth \$170 million in cash.

And while not a Health & Wellness deal, online-only retailer 1-800-Flowers.com made another big splash in February, demonstrating continued strength in e-commerce, a sales environment we feel will become increasingly important for Health & Wellness. 1-800-Flowers.com acquired online customized gift retailer PersonalizationMall.com, with annual revenue of about \$150 million, in a deal reportedly worth \$252 million.

## Health & Wellness, The Road Ahead

There's no question, 1H20 has been a bumpy ride. But sometimes bumps shake loose opportunities. As Health & Wellness consumers continue to look for new ways to shop in a world that may never return to the old ways, we believe companies able to metamorphosize from brick and mortar to e-commerce can place themselves directly in front of customers as traditional behaviors change. And as for all those shopping malls that may one day soon be vacant? One idea is to turn them into distribution hubs to serve a coming new wave of online retail.

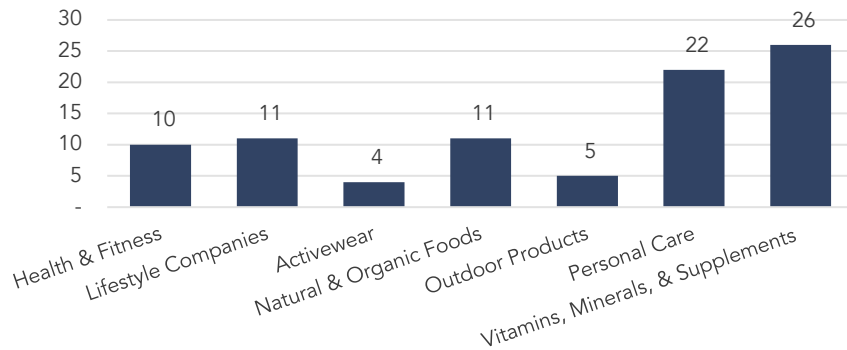


Sources: LEK; Businesswire; Pymnts; History; CNN; CNBC; New York Times; QZ; Barron's; GlobalNewsWire; Sanford Health; VentureBeat; Accenture; Dallas Business Journal; Deloitte; Digitalcommerce360; Forbes

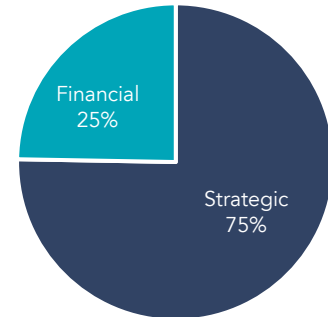


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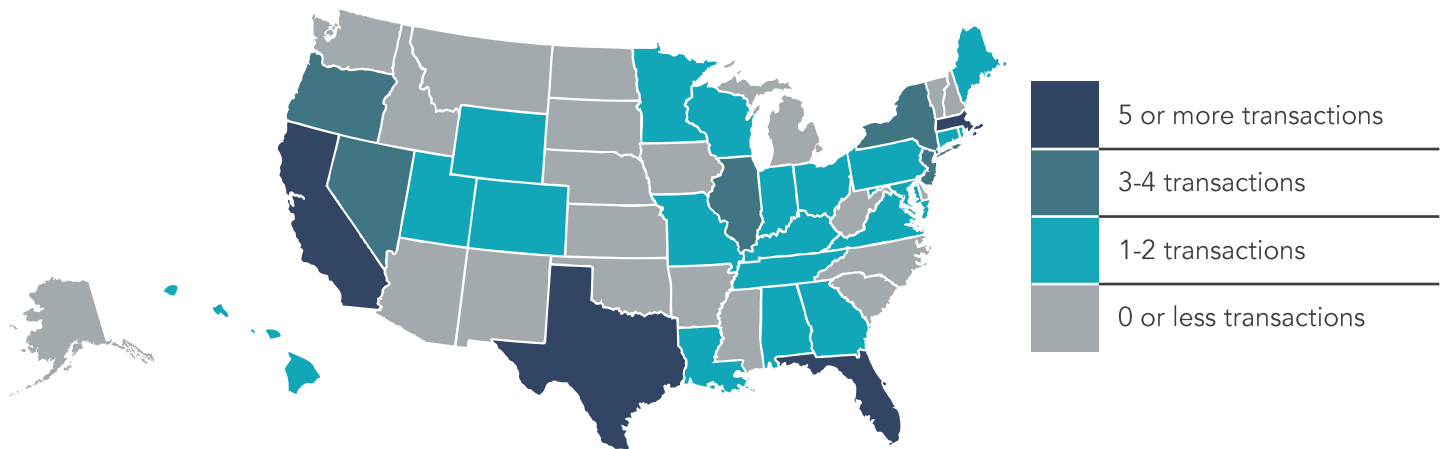
## TRANSACTIONS BY SEGMENT



## TRANSACTIONS BY TYPE



## TRANSACTIONS BY LOCATION



## TRANSACTION ACTIVITY

Date	Target	Buyer(s)	Segment	Amount (\$ in Mil)	TEV/Rev	TEV/EBITDA
6/24/2020	CrossFit	Individual Investor	Health & Fitness	-	-	-
6/24/2020	F45 Training	Crescent Funding	Health & Fitness	845.00	-	-
6/12/2020	Itella Foods	ConvergeOne Holdings	Natural & Organic Foods	482.00	-	-
5/29/2020	GenCanna	MGG Investment Group	Vitamins, Minerals, & Supplements	218.00	-	-
5/11/2020	Coty	Kohlberg Kravis Roberts	Personal Care	7,166.67	-	20.5x
4/20/2020	Marucci Sports	The Compass Group	Outdoor Products	200.00	-	13.8x
4/2/2020	High Ridge Brands (Oral Care Assets)	Perrigo Company	Personal Care	113.00	-	-
1/23/2020	Drybar	Helen Of Troy	Personal Care	255.00	3.9x	-
1/15/2020	VitalFit Nutrition	TB 12 sports	Vitamins, Minerals, & Supplements	-	-	-
1/10/2020	New Seasons Market	Good Food Holdings	Natural & Organic Foods	200.00	-	-

**FULL LIST ON PAGE 12**

Source: PitchBook Financial Data and Analytics

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



# HEALTH & WELLNESS REPORT

## ACTIVE BUYERS

### MOST ACTIVE STRATEGIC BUYERS

Strategic Buyer	Inv. Date	Select Corporate Acquisitions
Acquired Sales	2/24/2020	▪ Lifted Made
	11/16/2018	▪ Ablis LLC
Stonewall Kitchen	2/3/2020	▪ Village Candle
	8/26/2019	▪ Vermont Village
Procter & Gamble	1/8/2020	▪ Billie
	2/5/2019	▪ This Is L. Inc.
	12/12/2018	▪ Walker & Company Brands, Inc.
HeavenlyRx	12/27/2019	▪ PureKana
	7/24/2019	▪ Tru Brands
	7/11/2019	▪ Jones Soda Co.
	7/9/2019	▪ Airganics
SC Johnson	10/31/2019	▪ COOLA
	9/12/2019	▪ Oars + Alps
Hi-Tech Pharmaceuticals	7/26/2019	▪ Tatcha LLC
	4/18/2019	▪ OLLY Public Benefit Corp.
	12/14/2017	▪ Schmidt's Deodorant Co. LLC
	11/27/2017	▪ Sundial Brands LLC
	6/19/2017	▪ Kingdom Animalia LLC (d.b.a. Hourglass Cosmetics)

### SELECT SPONSORS WITH ACTIVE PORTFOLIO HOLDINGS

Financial Buyer	Inv. Date	Select Corporate Investments
Centre Partners	3/20/2020	▪ Guy & Oneill
	1/13/2020	▪ Outdoor Recreation Company of America
	12/5/2019	▪ BMC Mgmt
	3/29/2019	▪ One World Fitness PFF LLC
BDT Capital Partners	10/14/2019	▪ Creative Snacks Co.
	7/9/2019	▪ Lew's Fishing
	6/5/2019	▪ Do Outdoors LLC
Brynwood Partners	10/8/2019	▪ Arrowhead Mills
	10/8/2019	▪ SunSpire
Trilantic Capital Management	9/12/2019	▪ Southfit Holdings
	9/12/2019	▪ Southfit
	7/10/2019	▪ MJ Fitness Management
Swander Pace Capital	6/25/2019	▪ Bragg Live Food Products, Inc.
	11/29/2018	▪ Nutritional Medicinals LLC
	1/18/2018	▪ J R Watkins LLC
	12/12/2016	▪ Halo Innovations
	1/22/2016	▪ Swanson Health Products, Inc.
TSG Consumer Partners LLC	4/9/2019	▪ Anchor Fitness LLC
	3/12/2019	▪ CorePower Yoga LLC
	10/5/2017	▪ S&G Properties LLC

Source: PitchBook Financial Data and Analytics

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

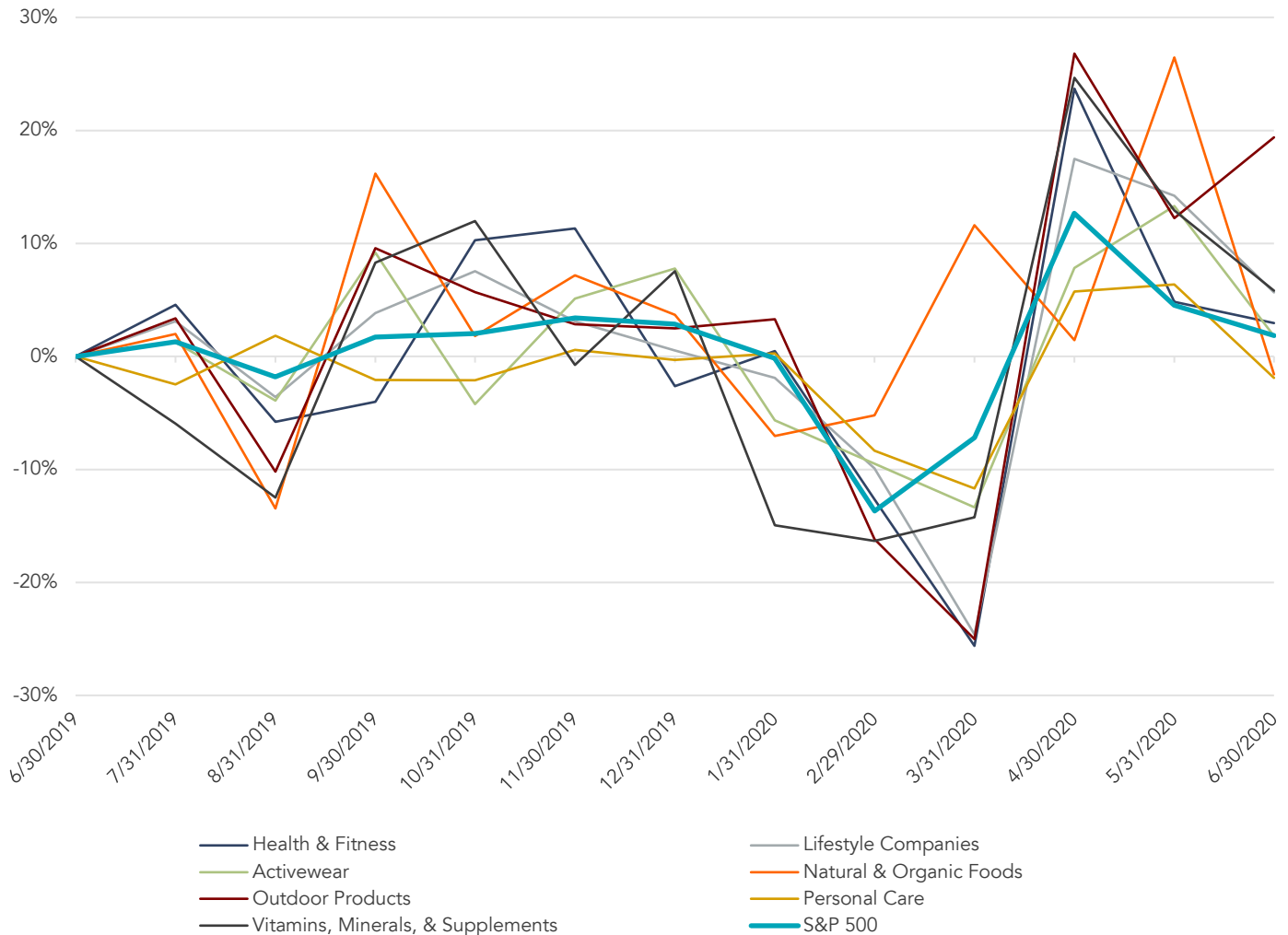


# HEALTH & WELLNESS REPORT

## 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	PLNT	\$ 5,236	\$ 60.57	24.4%	(18.9%)	68.2%	(9.4%)	38.7%	9.9x	25.6x	50.5x	10.9x	27.3x
Fitbit	FIT	1,725	6.46	(3.0%)	(1.7%)	89.0%	(5.4%)	(25.5%)	1.0x	NM	NM	1.1x	NM
WW	WTW	1,714	24.90	45.8%	(33.5%)	53.5%	NM	23.1%	2.3x	9.8x	13.9x	NM	NM
Medifast	MED	1,635	138.77	122.0%	26.6%	99.3%	33.1%	13.0%	2.1x	16.2x	22.1x	16x	9.9x
Nautilus	NLS	276	9.27	255.2%	429.7%	94.8%	36.0%	(25.1%)	1.0x	NM	NM	0.7x	7.0x
<b>Segment Average</b>				<b>88.9%</b>	<b>80.5%</b>	<b>81.0%</b>	<b>13.6%</b>	<b>4.9%</b>	<b>3.3x</b>	<b>17.2x</b>	<b>28.8x</b>	<b>3.6x</b>	<b>14.7x</b>
<b>Segment Median</b>				<b>45.8%</b>	<b>(1.7%)</b>	<b>89.0%</b>	<b>13.8%</b>	<b>13.0%</b>	<b>2.1x</b>	<b>16.2x</b>	<b>22.1x</b>	<b>1.3x</b>	<b>9.9x</b>

Source: PitchBook Financial Data and Analytics



# 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	GRMN	\$ 18,624	\$ 97.50	30.1%	(0.1%)	92.3%	0.7%	27.5%	4.5x	16.3x	19.2x	4.4x	17.4x
Vail Resorts	MTN	7,318	182.15	23.3%	(24.1%)	71.3%	0.8%	24.1%	4.5x	18.9x	45.4x	4.5x	14.4x
Polaris Industries	PII	5,669	92.55	92.2%	(9.0%)	88.7%	2.9%	9.7%	11x	116x	214x	11x	8.6x
Brunswick (US)	BC	5,065	64.01	81.0%	6.7%	95.0%	4.4%	4.5%	15x	19.8x	NM	15x	9.1x
Vista Outdoor	VSTO	839	14.45	64.2%	93.2%	98.0%	7.9%	(3.7%)	0.8x	NM	NM	0.7x	5.8x
GoPro	GPRO	750	4.76	81.7%	9.7%	80.0%	(13.3%)	(2.8%)	0.8x	NM	NM	0.9x	14.4x
Clarus Corporation	CLAR	345	1156	18.4%	(14.4%)	78.3%	(6.1%)	6.9%	16x	23.8x	23.6x	18x	15.9x
<b>Segment Average</b>				<b>55.8%</b>	<b>8.9%</b>	<b>86.2%</b>	<b>(0.4%)</b>	<b>9.5%</b>	<b>2.1x</b>	<b>18.1x</b>	<b>27.4x</b>	<b>2.1x</b>	<b>12.2x</b>
<b>Segment Median</b>				<b>64.2%</b>	<b>(0.1%)</b>	<b>88.7%</b>	<b>0.8%</b>	<b>6.9%</b>	<b>1.5x</b>	<b>18.9x</b>	<b>22.5x</b>	<b>1.5x</b>	<b>14.4x</b>

### 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	NKE	\$ 152,471	\$ 98.05	18.5%	(3.2%)	92.8%	(5.3%)	14.7%	4.2x	25.8x	NM	4.0x	316x
Lululemon Athletica	LULU	40,626	312.01	64.6%	34.7%	96.1%	9.7%	25.3%	10.5x	NM	NM	9.6x	37.8x
VF Corporation	VFC	23,740	60.94	12.7%	(38.9%)	60.8%	(10.6%)	10.2%	2.6x	25.9x	38.8x	2.9x	23.7x
Deckers Brands	DECK	5,499	196.39	46.6%	16.3%	90.0%	18%	17.7%	2.4x	13.6x	20.4x	2.4x	NM
Under Armour	UA	4,215	8.84	9.7%	(53.9%)	36.0%	(13.3%)	(3.4%)	11x	NM	NM	13x	NM
Gildan Activewear	GIL	3,052	15.40	26.4%	(49.9%)	38.0%	(20.1%)	11.5%	16x	13.7x	23.3x	2.0x	10.3x
Foot Locker	FL	3,039	29.16	32.2%	(25.2%)	60.9%	3.8%	7.1%	0.8x	11.2x	15.2x	0.8x	9.3x
Wolverine World Wide	WWW	1,933	23.81	56.6%	(29.4%)	68.6%	(9.8%)	7.9%	13x	16.6x	20.2x	15x	12.0x
Sequential Brands Group	SQBG	14	8.40	2.4%	(38.7%)	32.9%	15.0%	(76.8%)	5.8x	NM	NM	5.0x	6.7x
Iconix Brand Group	ICON	11	0.93	40.0%	(31.1%)	33.8%	85.0%	(54.6%)	4.7x	NM	NM	2.6x	5.2x
Cherokee Global Brands	APEX	6	1.12	166.7%	43.6%	47.3%	32.7%	(67.8%)	3.2x	NM	NM	2.4x	NM
<b>Segment Average</b>				<b>43.3%</b>	<b>(16.0%)</b>	<b>59.7%</b>	<b>8.1%</b>	<b>(9.8%)</b>	<b>3.5x</b>	<b>17.8x</b>	<b>23.6x</b>	<b>3.1x</b>	<b>17.1x</b>
<b>Segment Median</b>				<b>32.2%</b>	<b>(29.4%)</b>	<b>60.8%</b>	<b>1.8%</b>	<b>7.9%</b>	<b>2.6x</b>	<b>15.2x</b>	<b>20.4x</b>	<b>2.4x</b>	<b>11.1x</b>

### 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
The Hain Celestial Group	HAIN	\$ 3,213	\$ 31.51	21.3%	21.4%	95.8%	(8.7%)	4.6%	17x	NM	NM	18x	16.2x
United Natural Foods	UNFI	996	18.21	98.4%	107.9%	77.9%	5.1%	0.0%	0.2x	NM	NM	0.2x	7.4x
Seneca Foods	SENEA	308	33.81	(15.0%)	(17.1%)	80.7%	NM	5.5%	0.5x	8.8x	14.8x	NM	NM
Del Monte Pacific	D03	144	0.07	10.9%	(29.2%)	63.0%	NM	11.3%	10x	9.1x	NM	NM	NM
<b>Segment Average</b>				<b>28.9%</b>	<b>20.7%</b>	<b>79.4%</b>	<b>(1.8%)</b>	<b>5.4%</b>	<b>0.9x</b>	<b>8.9x</b>	<b>14.8x</b>	<b>1.0x</b>	<b>11.8x</b>
<b>Segment Median</b>				<b>16.1%</b>	<b>2.1%</b>	<b>79.3%</b>	<b>(1.8%)</b>	<b>5.1%</b>	<b>0.8x</b>	<b>8.9x</b>	<b>14.8x</b>	<b>1.0x</b>	<b>11.8x</b>

Source: PitchBook Financial Data and Analytics





# 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 (US)	BC	\$ 5,065	\$ 64.01	81.0%	6.7%	95.0%	4.4%	4.5%	15x	19.8x	NM	15x	9.1x
Callaway Golf Company	ELY	1648	17.51	71.3%	(17.4%)	78.4%	(2.7%)	9.2%	15x	16.6x	28.7x	16x	15.1x
Sturm, Ruger & Company	RGR	1329	76.00	49.3%	61.6%	99.5%	33.7%	17.4%	2.7x	15.6x	39.2x	2.0x	9.0x
Johnson Outdoors	JOUT	918	91.02	45.2%	18.7%	99.1%	0.5%	14.1%	14x	10.2x	17.4x	14x	10.5x
Vista Outdoor	VSTO	839	14.45	64.2%	93.2%	98.0%	7.9%	(3.7%)	0.8x	NM	NM	0.7x	5.8x
Escalade	ESCA	197	13.96	134.6%	42.0%	92.5%	NM	8.3%	10x	12.5x	22.2x	NM	NM
<b>Segment Average</b>				<b>74.3%</b>	<b>34.1%</b>	<b>93.7%</b>	<b>8.8%</b>	<b>8.3%</b>	<b>1.5x</b>	<b>15.0x</b>	<b>26.9x</b>	<b>1.4x</b>	<b>9.9x</b>
<b>Segment Median</b>				<b>67.8%</b>	<b>30.3%</b>	<b>96.5%</b>	<b>4.4%</b>	<b>8.7%</b>	<b>1.5x</b>	<b>15.6x</b>	<b>25.4x</b>	<b>1.5x</b>	<b>9.1x</b>

### 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	ULVR	\$ 140,276	\$ 53.61	5.8%	(11.8%)	82.2%	4.1%	19.9%	2.9x	14.4x	22.4x	2.7x	12.1x
The Estée Lauder Companies	EL	67,925	188.68	18.4%	(8.6%)	85.6%	(1.3%)	16.4%	4.7x	28.4x	NM	4.7x	214x
ULTA Beauty	ULTA	11,455	203.42	15.8%	(19.6%)	55.2%	1.9%	12.6%	1.9x	15.2x	27.1x	1.9x	13.4x
Coty	COTY	3,411	4.47	(13.4%)	(60.3%)	33.3%	(9.9%)	(26.7%)	1.6x	NM	NM	1.7x	11.9x
Nu Skin Enterprises	NUS	1,984	38.23	75.0%	(6.7%)	77.6%	9.2%	10.3%	0.9x	7.3x	14.2x	0.9x	6.5x
USANA Health Sciences	USNA	1,543	73.43	27.1%	(6.5%)	80.7%	5.6%	16.3%	1.3x	7.8x	15.9x	1.2x	7.6x
Inter Parfums	IPAR	1,518	48.15	3.9%	(33.8%)	59.2%	(17.1%)	14.4%	2.2x	15.3x	29.5x	2.7x	20.3x
Sally Beauty Holdings	SBH	1,414	12.53	55.1%	(31.3%)	57.0%	(0.9%)	12.7%	0.9x	7.4x	7.2x	0.9x	6.9x
Revlon	REV	528	9.90	(9.4%)	(53.8%)	36.1%	(5.9%)	0.4%	1.6x	NM	NM	1.7x	12.7x
Lifefantage	LFVN	194	13.52	31.3%	(13.4%)	78.4%	5.1%	8.0%	0.8x	9.9x	17.1x	0.8x	7.6x
United-Guardian	UG	68	14.81	2.5%	(24.6%)	70.9%	NM	41.2%	4.3x	10.5x	15.8x	NM	NM
Natural Health Trends	NHTC	66	5.74	74.5%	6.7%	67.5%	NM	(5.9%)	NM	NM	NM	NM	NM
CCA Industries	CAWW	16	2.19	5.3%	(26.0%)	70.6%	NM	NM	NM	NM	NM	NM	NM
<b>Segment Average</b>				<b>24.3%</b>	<b>(24.5%)</b>	<b>62.4%</b>	<b>(1.5%)</b>	<b>8.3%</b>	<b>1.7x</b>	<b>10.5x</b>	<b>18.1x</b>	<b>1.5x</b>	<b>10.9x</b>
<b>Segment Median</b>				<b>15.8%</b>	<b>(24.6%)</b>	<b>67.5%</b>	<b>0.5%</b>	<b>11.5%</b>	<b>1.6x</b>	<b>9.9x</b>	<b>15.9x</b>	<b>1.5x</b>	<b>9.8x</b>

### 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 International of America	HLF	\$ 6,197	\$ 44.98	54.3%	(5.6%)	92.1%	7.6%	12.2%	15x	12.0x	24.3x	14x	8.9x
Medifast	MED	1,635	138.77	122.0%	26.6%	99.3%	33.1%	13.0%	2.1x	16.2x	22.1x	16x	9.9x
Greencore Group	GNC	691	1.55	(24.5%)	(58.6%)	41.1%	(5.1%)	7.9%	0.6x	9.4x	9.4x	0.7x	8.0x
Lifefantage	LFVN	194	13.52	31.3%	(13.4%)	78.4%	5.1%	8.0%	0.8x	9.9x	17.1x	0.8x	7.6x
Nature's Sunshine Products	NATR	175	9.01	10.8%	0.9%	83.0%	NM	7.7%	0.4x	4.8x	22.0x	NM	NM
Mannatech	MTEX	35	14.80	37.3%	(8.0%)	83.1%	NM	5.4%	0.1x	2.2x	6.7x	NM	NM
<b>Segment Average</b>				<b>38.5%</b>	<b>(9.7%)</b>	<b>79.5%</b>	<b>10.2%</b>	<b>9.0%</b>	<b>0.9x</b>	<b>9.1x</b>	<b>16.9x</b>	<b>1.1x</b>	<b>8.6x</b>
<b>Segment Median</b>				<b>34.3%</b>	<b>(6.8%)</b>	<b>83.1%</b>	<b>6.4%</b>	<b>8.0%</b>	<b>0.7x</b>	<b>9.6x</b>	<b>19.5x</b>	<b>1.1x</b>	<b>8.5x</b>

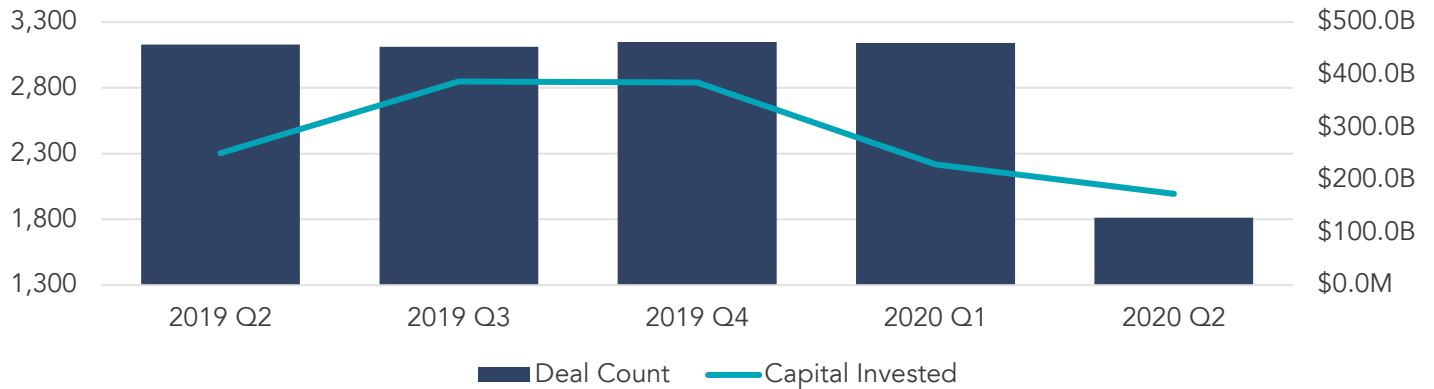
Source: PitchBook Financial Data and Analytics



# HEALTH & WELLNESS REPORT

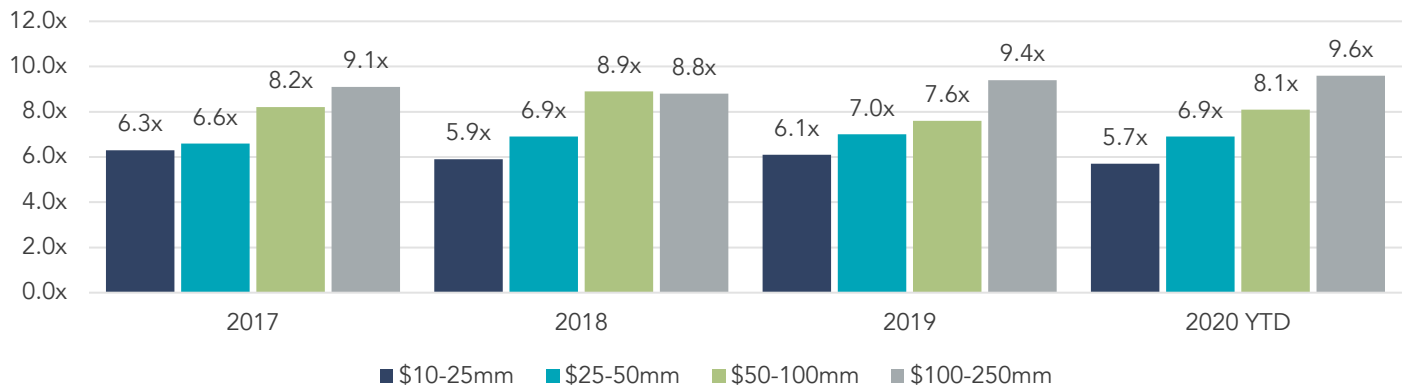
## U.S. M&A ACTIVITY SNAPSHOT

### OVERALL U.S. M&A ACTIVITY

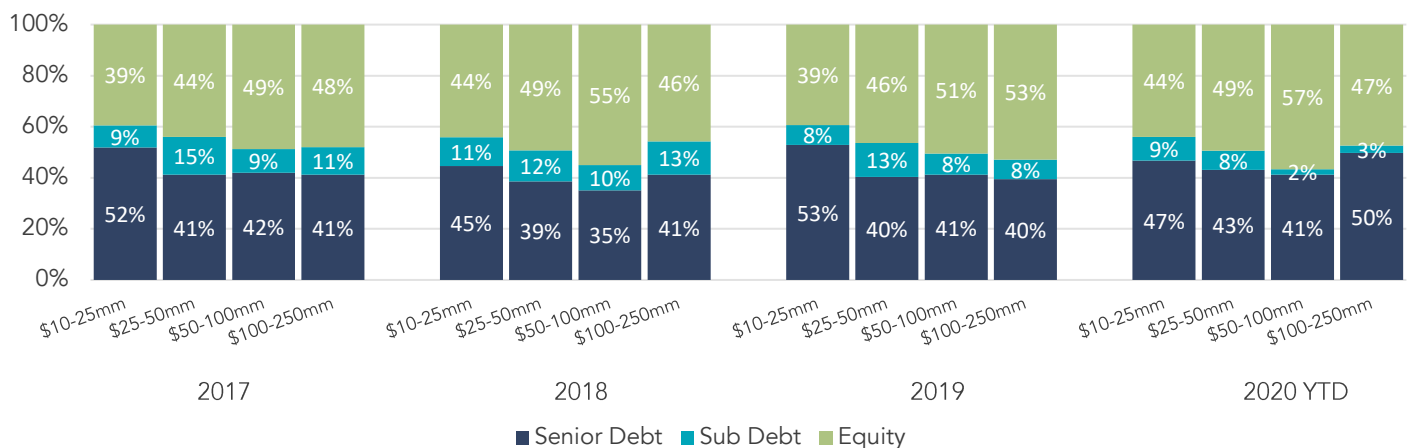


### LOWER MIDDLE MARKET PRIVATE EQUITY TRANSACTION MULTIPLES

EBITDA Multiples By Transaction Size



### CAPITAL BREAKDOWN – LOWER MIDDLE MARKET PRIVATE EQUITY TRANSACTIONS



Note: The most current source of GF Data is as of May 2020.

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

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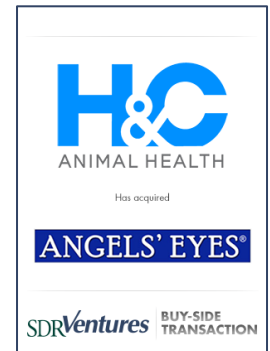
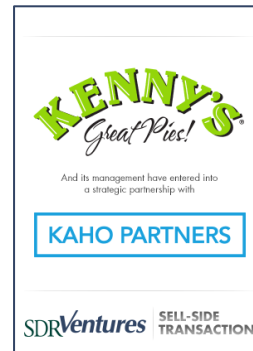
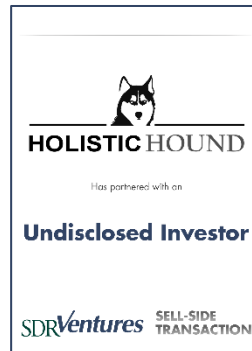
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## SELECT CONSUMER EXPERIENCE

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 2020 TRANSACTION ACTIVITY

Date	Target	Buyer(s)	Segment	Amount (\$ in Mil)	TEV/Rev	TEV/EBITDA
6/24/20	CrossFit	Individual Investor	Health & Fitness	-	-	-
6/24/20	F45 Training	Crescent Funding	Health & Fitness	845.00	-	-
6/23/20	Brandless	Clarke Capital Partners, Ikonifi	Lifestyle Companies	-	-	-
6/18/20	ColorProof Haircare	Cosway Company	Personal Care	-	-	-
6/18/20	LeafLife Wellness	Bayou City Hemp	Vitamins, Minerals, & Supplements	-	-	-
6/18/20	PUSH (Other Healthcare Services)	Bravo Wellness	Health & Fitness	-	-	-
6/18/20	Sundaily (Skincare)	Grove Collaborative	Personal Care	-	-	-
6/18/20	Thayers Natural Remedies	L'Oreal	Personal Care	-	-	-
6/18/20	The Puration (CBD Sexual Wellness Business)	The Puration	Vitamins, Minerals, & Supplements	-	-	-
6/15/20	Heartland Fragrance	Ozark Brands	Personal Care	-	-	-
6/12/20	Neurogan	W/R Group	Vitamins, Minerals, & Supplements	-	-	-
6/12/20	Ittella Foods	ConvergeOne Holdings	Natural & Organic Foods	482.00	-	-
6/11/20	Abacus Health Products (CNQ: ABCS)	Charlotte's Web Hemp	Vitamins, Minerals, & Supplements	50.94	3.2x	-
6/10/20	APDM Wearable Technologies	Ares Capital, Astorg, eResearch Technology, Nordic Capital, Novo Holdings	Lifestyle Companies	-	-	-
6/10/20	SinFit Nutrition	GenTech Holdings	Vitamins, Minerals, & Supplements	-	-	-
6/10/20	Vital Proteins	Nestlé Health Science	Vitamins, Minerals, & Supplements	-	-	-
6/4/20	Puration (CBD Infused Sun Care Product Business)	The Puration	Vitamins, Minerals, & Supplements	-	-	-
6/3/20	Breathresearch	AireHealth	Lifestyle Companies	-	-	-
6/1/20	Sport Defense	NEXGEL	Personal Care	-	-	-
5/29/20	GenCanna	MGG Investment Group	Vitamins, Minerals, & Supplements	218.00	-	-
5/27/20	Bodybuilding.com	The Najafi Companies	Vitamins, Minerals, & Supplements	-	-	-
5/27/20	Willie Bird Turkeys	Diestel Family Ranch	Natural & Organic Foods	-	-	-
5/26/20	Reliva	Aurora Cannabis (TSE: ACB)	Vitamins, Minerals, & Supplements	85.00	-	6.3x
5/26/20	Global Clean Solutions	Edison Nation	Personal Care	-	-	-
5/22/20	Retail Pro Associates	Endexx	Vitamins, Minerals, & Supplements	-	-	-
5/11/20	Coty	Kohlberg Kravis Roberts	Personal Care	7,166.67	-	20.5x
5/8/20	Choice Wellness	Cyios	Lifestyle Companies	-	-	-
5/6/20	Love Goodly	NOVICA	Personal Care	-	-	-
5/1/20	Rudi's Organic Bakery	Mayfair Equity Partners, Promise Gluten Free	Natural & Organic Foods	-	-	-
4/28/20	Qind	Hempyre Holdings	Vitamins, Minerals, & Supplements	-	-	-
4/27/20	Motiv	Proxy	Lifestyle Companies	-	-	-
4/27/20	Wildtree	Altair Acquisitions	Natural & Organic Foods	-	-	-
4/21/20	Outdoor Tech	Protempo	Outdoor Products	-	-	-
4/20/20	Marucci Sports	The Compass Group	Outdoor Products	200.00	-	13.8x
4/16/20	Formulae Development	Omya	Personal Care	-	-	-
4/15/20	Mobilefitnessequipment	Undisclosed	Health & Fitness	-	-	-
4/15/20	Compass 360	Exxel Outdoors	Activewear	-	-	-
4/15/20	One Kings Lane	CSC Generation	Lifestyle Companies	-	-	-

Source: PitchBook Financial Data and Analytics

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



# HEALTH & WELLNESS REPORT

## 1H 2020 TRANSACTION ACTIVITY (CONTINUED)

Date	Target	Buyer(s)	Segment	Amount (\$ in Mil)	TEV/ Rev	TEV/ EBITDA
4/14/20	Funky Farms	TerrAscend	Vitamins, Minerals, & Supplements	-	-	-
4/13/20	Sano Intelligence	OneDrop	Lifestyle Companies	-	-	-
4/6/20	Ultimate Superfoods	Cambridge Commodities	Natural & Organic Foods	-	-	-
4/2/20	High Ridge Brands (Oral Care Assets)	Perrigo Company	Personal Care	113.00	-	-
4/2/20	High Ridge Brands	Tengram Capital Partners	Personal Care	7.50	-	-
3/31/20	Maranda Games	University Games	Outdoor Products	-	-	-
3/20/20	Boomerang Laboratories	Centre Partners, Constitution Capital Partners, Guy & Oneill	Personal Care	-	-	-
3/17/20	Xcel Wetsuits	ZG Collective	Activewear	-	-	-
3/13/20	NatSurFact	Stepan	Personal Care	2.04	-	-
3/12/20	Scott's Liquid Gold (Manufacturing operation in Denver, Colorado)	Clearview Capital, Northwest Cosmetic Laboratories	Personal Care	-	-	-
3/11/20	Armourgenix	Block X Capital	Vitamins, Minerals, & Supplements	-	-	-
3/9/20	Sobe Organics	BlockchainK2	Personal Care	0.49	-	-
3/4/20	Lifebalance Program	Alliant Insurance Services, Apollo Investment, Auburn Hill Capital, Public Sector Pension Investment Board, Stone Point Capital	Lifestyle Companies	-	-	-
3/3/20	Fitness Ventures	Prospect Hill Growth Partners	Health & Fitness	-	-	-
2/26/20	BRIDEface	Individual Investor	Personal Care	-	-	-
2/25/20	Foot Solutions	Individual Investor	Activewear	-	-	-
2/24/20	W3ll People	E.L.F. Cosmetics	Personal Care	25.92	-	-
2/24/20	Lifted Made	Acquired Sales	Vitamins, Minerals, & Supplements	-	-	-
2/20/20	Brekki	Individual Investor	Natural & Organic Foods	-	-	-
2/20/20	Ungerer & Company	Givaudan	Vitamins, Minerals, & Supplements	-	-	-
2/19/20	Functional Solutions	Pear Sports	Health & Fitness	-	-	-
2/18/20	Lancaster Foods	Arlon Group, The Coastal Companies	Natural & Organic Foods	-	-	-
2/18/20	OMID Holdings	AV1Group	Vitamins, Minerals, & Supplements	-	-	-
2/18/20	The Quit Company	B&B Systems	Vitamins, Minerals, & Supplements	-	-	-
2/14/20	Av1Group	OMID Holdings	Vitamins, Minerals, & Supplements	-	-	-
2/12/20	Magma Products	Brand Velocity Partners, Merion Investment Partners	Outdoor Products	-	-	-
2/11/20	Bargain Hunt	ACON Investments	Lifestyle Companies	-	-	-
2/10/20	Harmony Hemp	Abacus Health Products	Vitamins, Minerals, & Supplements	5.50	2.5x	-
2/7/20	Triib	Advent International, Transaction Services Group	Health & Fitness	-	-	-
2/4/20	Zen Panda Holistic	Savage Enterprises	Vitamins, Minerals, & Supplements	-	-	-
2/3/20	Village Candle	Audax Group, Stonewall Kitchen	Personal Care	-	-	-
1/31/20	Hello (Personal Products)	Colgate-Palmolive	Personal Care	-	-	-
1/31/20	Marroquin Organic International	Agrana Beteiligungs	Natural & Organic Foods	-	-	-
1/31/20	PGA West	Century Golf Partners Management; Hankuk Industry	Health & Fitness	-	-	-
1/29/20	Kase Farma	HTC Purenergy	Vitamins, Minerals, & Supplements	-	-	-
1/23/20	Drybar	Helen Of Troy	Personal Care	255.00	3.9x	-

Source: PitchBook Financial Data and Analytics

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# HEALTH & WELLNESS REPORT

## 1H 2020 TRANSACTION ACTIVITY (CONTINUED)

Date	Target	Buyer(s)	Segment	Amount (\$ in Mil)	TEV/ Rev	TEV/ EBITDA
1/22/20	Sweet Nature	Green Boy Group	Natural & Organic Foods	-	-	-
1/22/20	Zija International	Isagenix International	Vitamins, Minerals, & Supplements	-	-	-
1/17/20	First Class CBD	Mota Ventures	Vitamins, Minerals, & Supplements	32.00	119x	-
1/16/20	Kat Von D Beauty	Kendo Brands	Personal Care	-	-	-
1/15/20	Lovability	Individual Investor	Lifestyle Companies	-	-	-
1/15/20	VitalFit Nutrition	TB 12 sports	Vitamins, Minerals, & Supplements	-	-	-
1/13/20	Afterburn Holdings (Eight Studios, 19 additional subfranchised studios, and area development rights)	Afterburn Holdings; Brentwood Associates	Health & Fitness	-	-	-
1/13/20	Boomer Naturals	Remaro Group	Vitamins, Minerals, & Supplements	-	-	-
1/13/20	Outdoor Recreation Company of America	Centre Partners; MacNeill Pride Group	Outdoor Products	-	-	-
1/10/20	New Seasons Market	Good Food Holdings	Natural & Organic Foods	200.00	-	-
1/8/20	Billie	Procter & Gamble	Lifestyle Companies	-	-	-
1/8/20	Olaplex	Advent International	Personal Care	-	-	-
1/6/20	Flywheel Sports	Town Sports International Holdings	Health & Fitness	25.00	-	-
1/2/20	New Leaf Market Co-op	Community Co-op Market	Natural & Organic Foods	-	-	-
1/1/20	Motionwear	Costume Gallery; Henry & Wallace	Activewear	-	-	-

Source: PitchBook Financial Data and Analytics

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