Navigating Wellness: Consumers Curate Health and Equilibrium Amid Stressors

Q2 2022

evergi™

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What's happening in the Wellness Market?

- As summer gets in full swing, we see people increase their interest in more **athletic and diet-related pursuits**.
- We continue to see the wellness market shrinking due to the economy. Between the rising costs of everything and the immanent recession, people are tightening their wallets and focusing on things they know and are familiar with. People are shifting out of the more trend-setting personas that spend and experiment in the health space, and we're seeing growth in our **Better-Way Believers and Self-Focused Savers**.
- Stress around the pandemic is still there but **continues to decline** as people's lives slowly start to get back to normal. Money continues to tick up as a stressor, constricting their wallets.
- Non-alcoholic beverages are growing as alcohol use continues its downward slide, opening many innovation options in the space.
- **Middle- to Low-Income** categories are still prime innovation targets, as people will still be searching out affordable healthy options. Plant-based products are being impacted by consumers' ability to spend at the market, so helping them justify the added expenditure will go a long way.

Background and Methodology

Evergi™ Conversations:
Social listening data from Twitter and Instagram posts utilizing keywords related to wellness. Posts are tagged by product type and subtype, medical conditions, ingredients, need states, and associated keywords.

Evergi™ Consumers:
Survey fielded quarterly online with 5,210 US consumers age 21+. This wave was fielded in May 2022. This is a general population survey, census balanced on age, gender, and geography.

Evergi™ integrates consumer surveys, social listening, expert analysis, and more in a single platform to create a 360-degree view of emerging wellness attitudes and trends

With in-depth **survey data** integrated with social media, users can filter and get answers on:

- Consumer Demographics
- Consumer Attitudes and Behaviors on Diet, Shopping, Exercise, and more
- Brand Affinities
- Usage and Interest on a broad range of products and functional ingredients

Our **social listening** dashboard is explicitly created for the emerging wellness industry. Identify the products, brands, and topics consumers are talking about to drive a stronger go-to-market

Consumer Survey Methodology

- Fielded quarterly online with 5,000 US consumers age 21+
- We use third-party panel providers to field the survey with a general population audience, which is census balanced on age, gender, and geography

Social Listening Methodology

- We collect Twitter and Instagram posts utilizing keywords related to wellness
- Posts are tagged by product type and sub-type, medical conditions, ingredients, need states, and associated keywords

Health Continuum

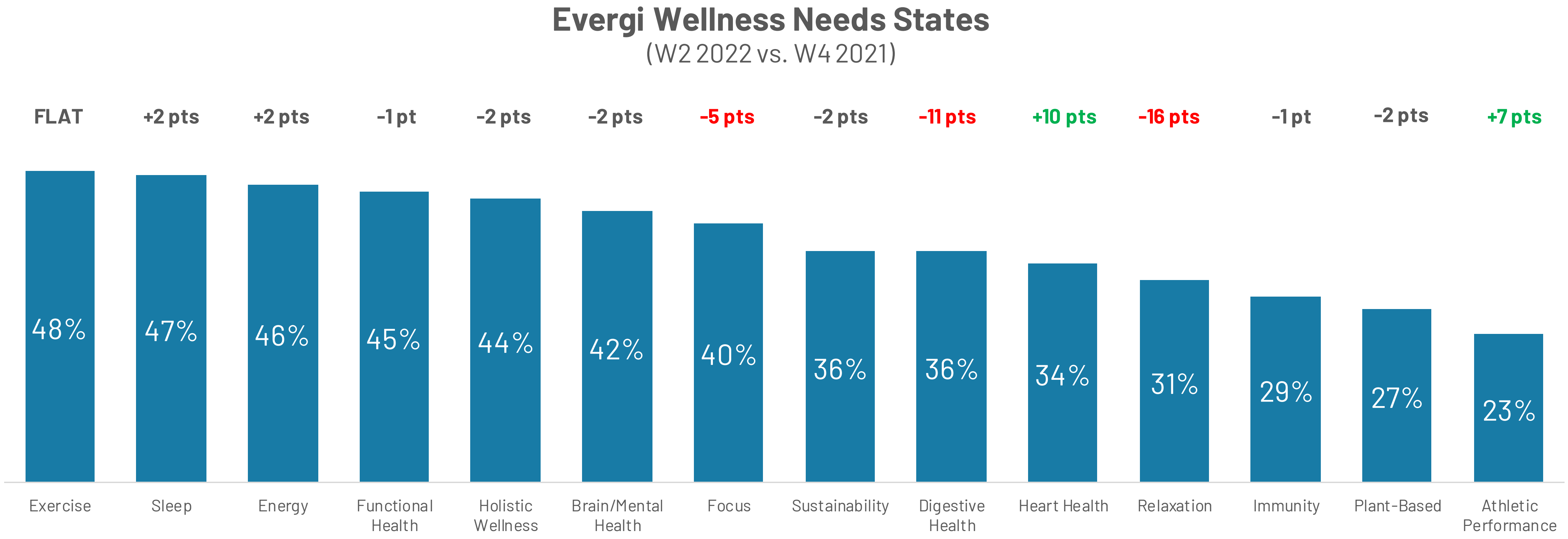
- Each product or ingredient is assessed for a "fall-off point", where we see a large penetration drop between segments or income levels. The "fall-off" point is mapped for both consumer segment and income

Scorecards

- Each product is assessed on the health continuum, Evergi consumer data, search history, and social communications

Shifting levels of stress

As the weather warmed up, we saw people prioritizing fundamentals like Athletic Performance and Heart Health. Growth among the more basic needs has slowed, but things like Exercise, Sleep, and Energy still rank high.

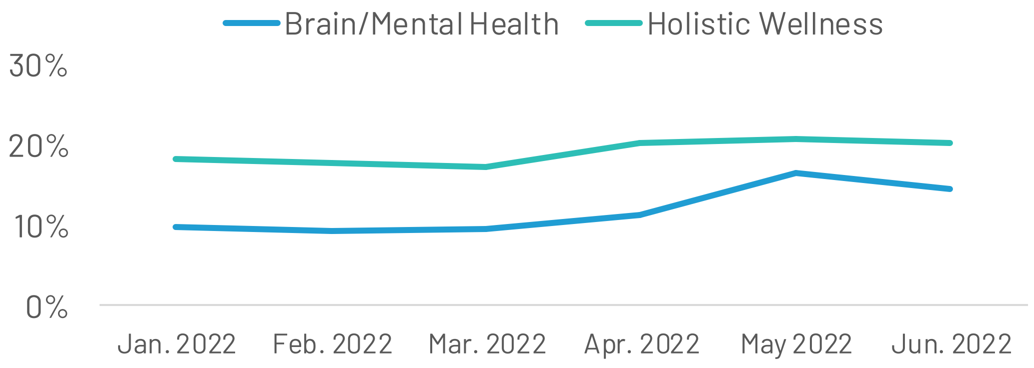


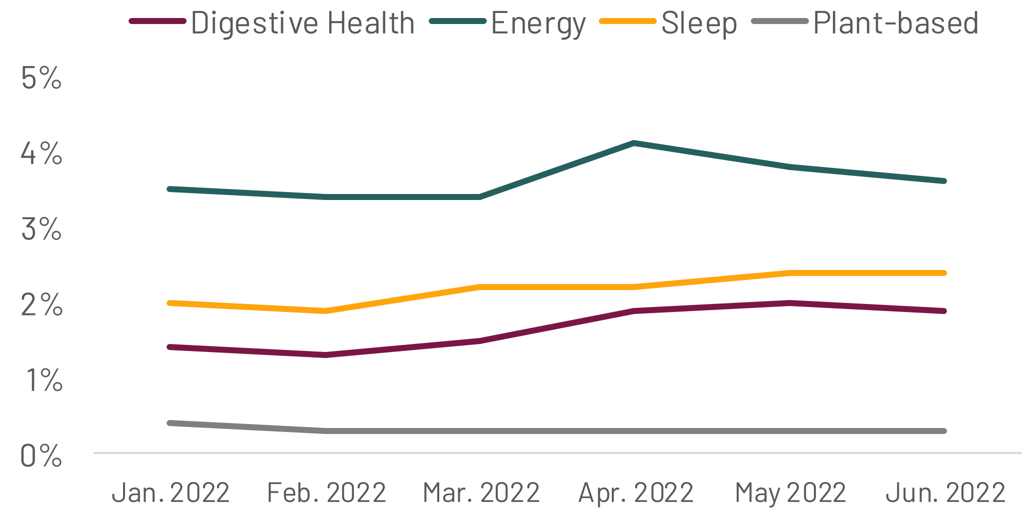
Source: Evergi W2 2022 vs. W4 2021 Red= Significant negative shift, Green=Significant Positive shift

Mental Health and Holistic Wellness are still top of mind for many people

- Within the Evergi platform, we can track need states, topics and products through social listening, capturing how social chatter tracks with product use
- Plant-based social conversations continue to show a slow decline as we enter Q3. However, **Sleep and Energy have continued to trend upward** over the past 6 months
- Although we saw decline in the Digestion need state in our consumer data, **social communication continues to increase**, suggesting we'll see an increase in consumer consumption in this area in the months to come
- Growth in Digestive Health conversations is driven by increases in discussions around Gut health combined with probiotics, IBS and Premium Smoothies

Social Listening: Evergi Needs States/Topics



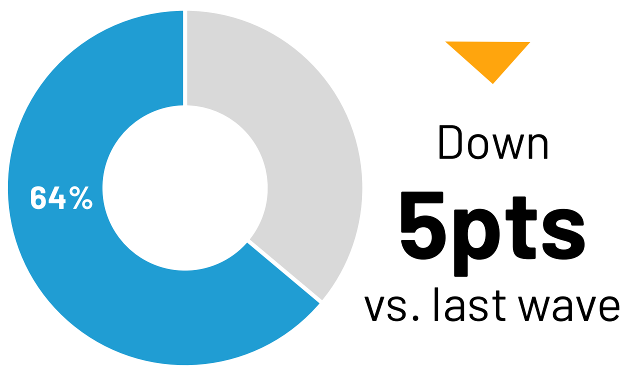


Source: Evergi, Conversations

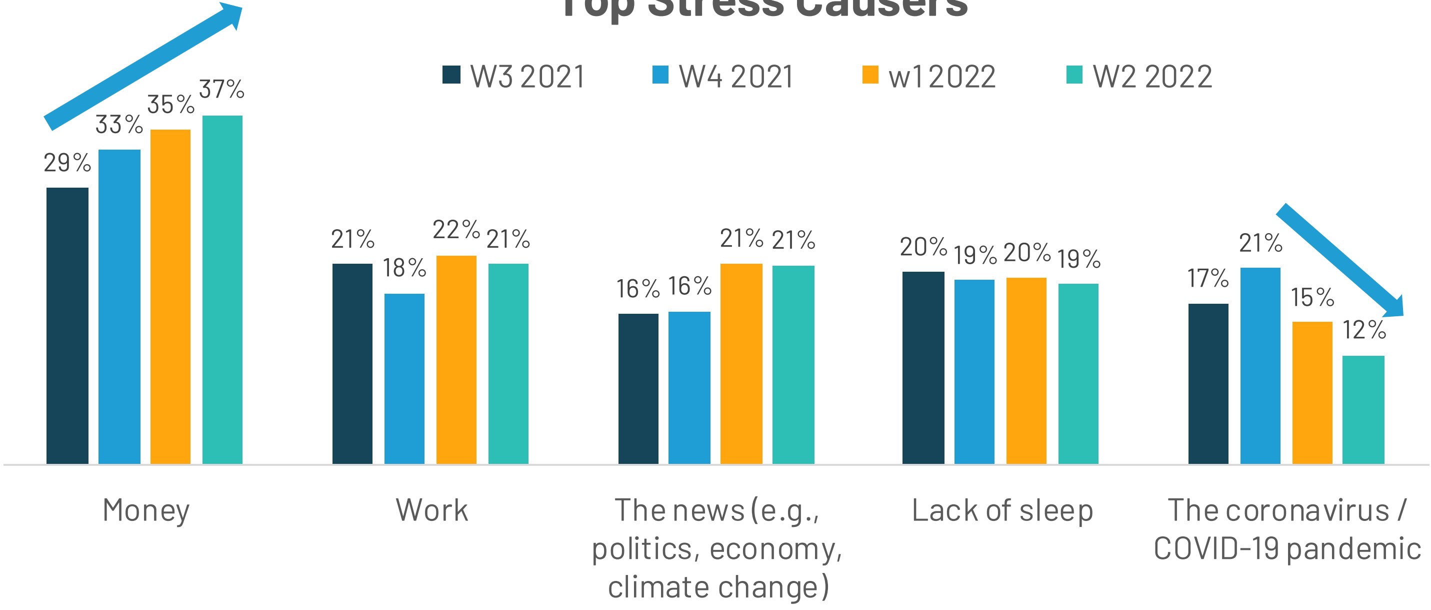
Money continues to be the top stressor, with work and the news tied for second place.

- Despite the economic struggles and increasingly negative news coverage, the overall stress level has decreased. 64% of consumers reported stress levels at three or higher (down from 69%), and 15% of people rated their stress as a 1
- Stress about Covid-19 is down 23%, as we see people slowly transitioning back into their regular routines

Stress Level 3+



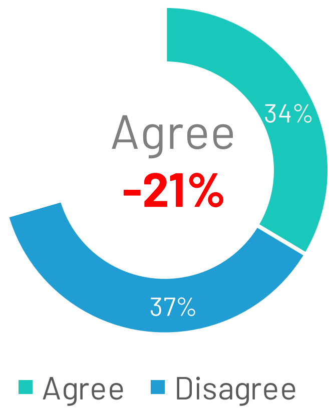
Top Stress Causers



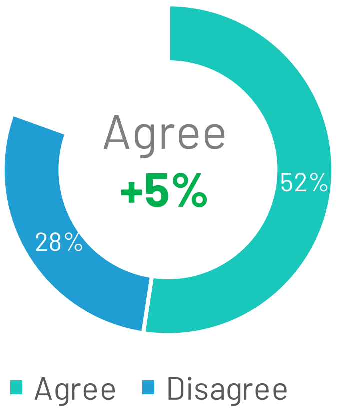
We see softening pandemic concerns as people become less cautious and live with fewer COVID precautions

The amount of people who say they are still very cautious about COVID has dropped 11% vs last quarter

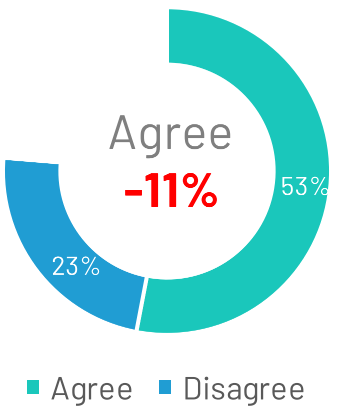
COVID has affected my holiday plans this year



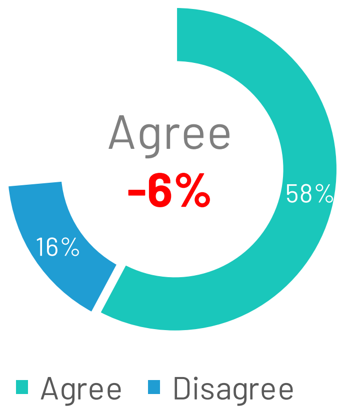
I am now living my life with little COVID precautions



I am still very cautious when it comes to COVID



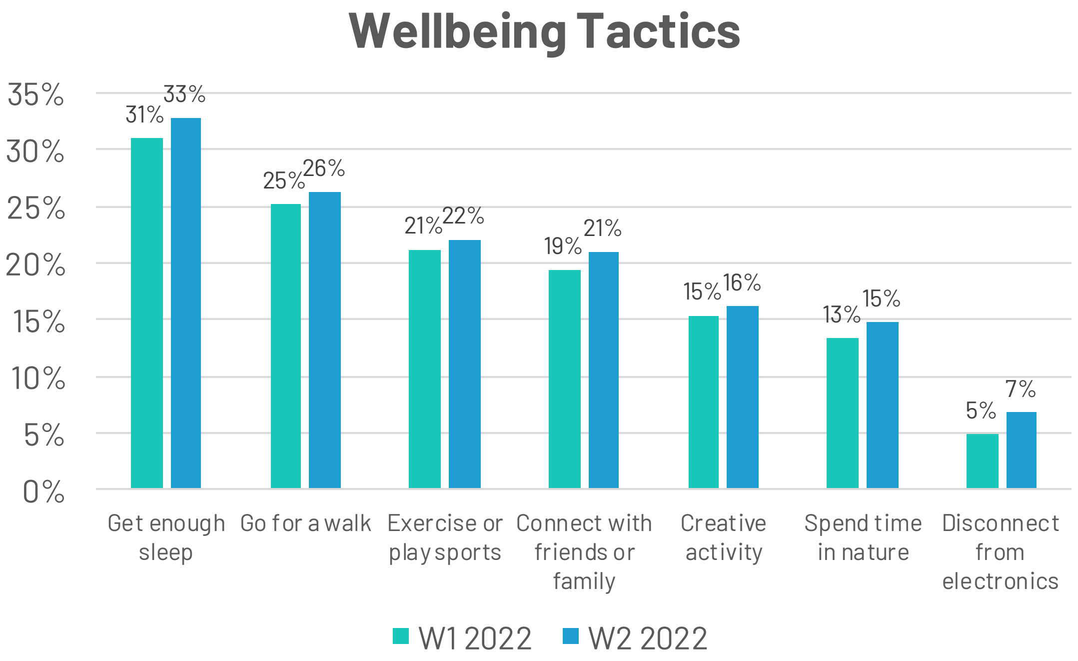
Pandemic changed my priorities

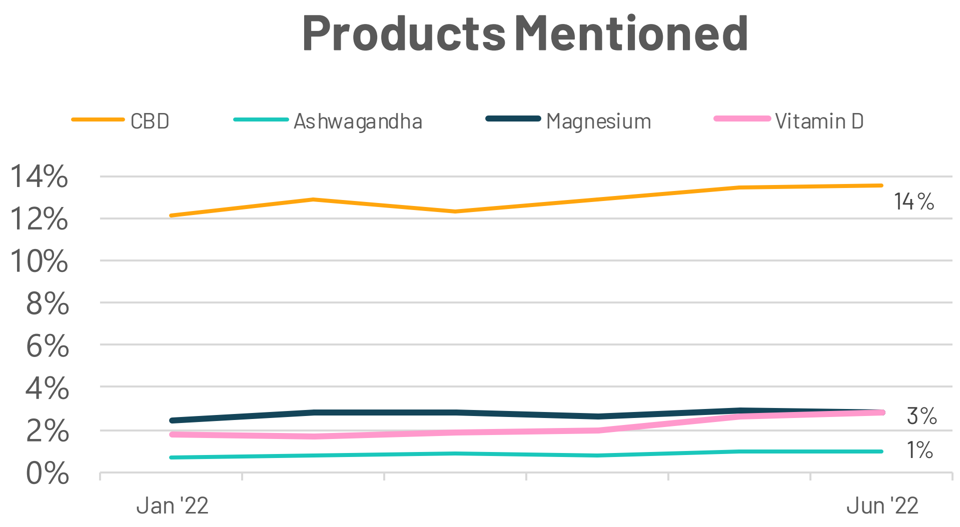


Body primed for summertime

Summer weather has people seeking wholesome back-to-basics self-care

- To deal with stress and improve overall wellbeing, more people are getting outside, disconnecting from their electronics, and connecting with friends or family
- Although we see a softening around people treating their stress with cannabis, CBD, and other functional foods, there has been increased social media chatter around those ingredients, indicating that people are still interested in holistic health

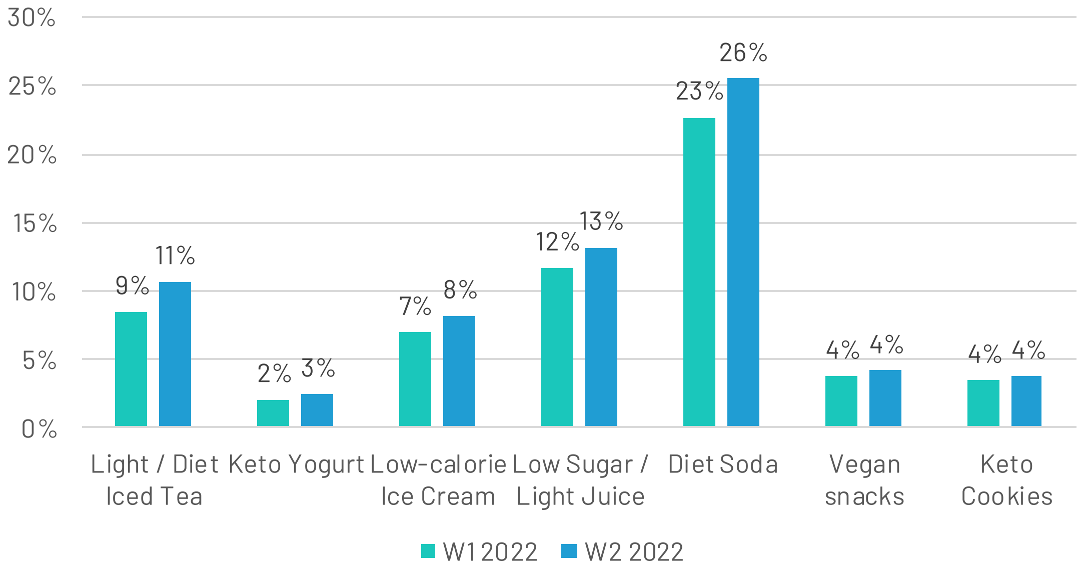




With Summer in full swing, people are taking advantage of the good weather and working on their physical body

- 16% of people state that their weight or appearance is a cause of stress
- Intermittent fasting and paleo diets are each up 16% in the past three months
- The use of fitness trackers or apps is up, and more people are looking for low-fat label claims
- Consumers are purchasing more diet-friendly foods, like keto yogurts and cookies, as well as low calorie or low sugar options

Diet Friendly Food Growth



Important Label Claims Increasing

+12%
Low Fat
Over the past 3 months

+8%
Low Carb
Over the past 3 months

Growth of the savvier spender

Evergi Persona Overviews

Trendy Enthusiasts

These trendsetters are total **cutting edge wellbeing gurus** – they are focused on bettering their mind, body, spirit and the planet with all the latest fads available.

- High income Millennials
- Focused on mindfulness, gut health and whole-body wellbeing
- Most stressed segment
- Likes convenient foods and meal kits
- Highly active on social media – especially Facebook and YouTube

Wellness Seekers

Wellness Seekers are **fast followers** that pay close attention to the **latest wellbeing trends** in order to improve their mind and body.

- Male city dwellers
- More ethnically diverse
- Fast followers on fad diets
- Practice mindfulness
- Highly stressed and looking to reduce
- Very social media present on all channels

Better-Way Believers

Wholesome idealists focused on **bettering their bodies** and the planet through **"the right way"**, "the better way", "the traditional way" or trying new "proven ways"

- Female and more likely to be Gen Xer or Boomer
- Focus on eating a wholesome, "real", "free-from" natural foods
- Eating healthy comes easier to them
- Into alternative and natural remedies
- Plant-based diets are better for themselves and the environment

Self-Focused Savers

These budget conscious consumers are focused on more traditional, less intense and **basic wellbeing habits** that improve their health.

- Lower income Baby Boomers
- Budget conscious
- Into traditional food claims like low sugar, low sodium (many suffer from heart disease) and real food ingredients
- Not really into exercise but do focus on me-time
- Very focused on reducing food waste
- Not as stressed as other segments

Detached Traditionalists

Not into or up on latest fads or wellbeing trends, They are more comfortable doing things the traditional way and using traditional products/ingredients.

- Lower-income Gen Xer or Baby Boomers
- Not trying to lose weight or follow any specific diets
- Not particularly stressed
- Care about the environment but find eco-friendly products and behaviors hard to follow
- They do focus on improving their sleep
- Looking to reduce sugar and high fructose corn syrup

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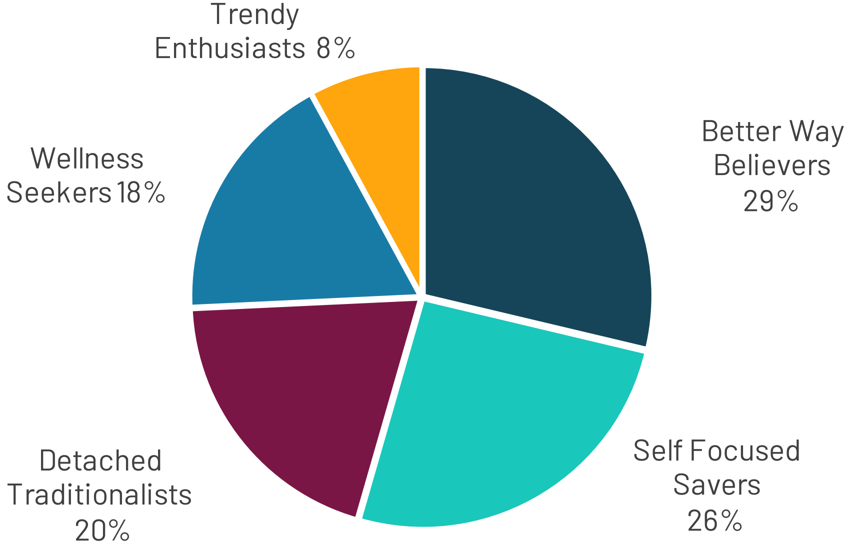
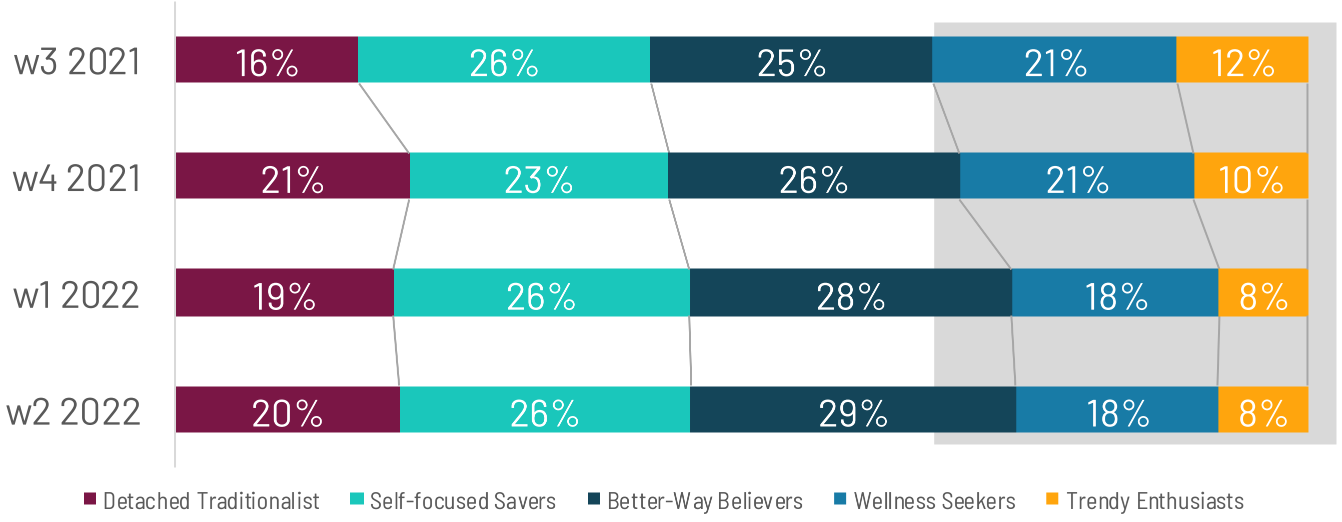
We continue to see people shift away from our trend-setting segments, into more conservative spending segments—seemingly less willing to experiment with new products

Economic instability is causing more consumers to cut back on spending, which results in an increase to the more income conscious segments. These consumers are more likely to stick to what they know instead of branching out and experimenting

W2 2022 Evergi Segments



Wellness Segments by Quarter



Better-Way Believers

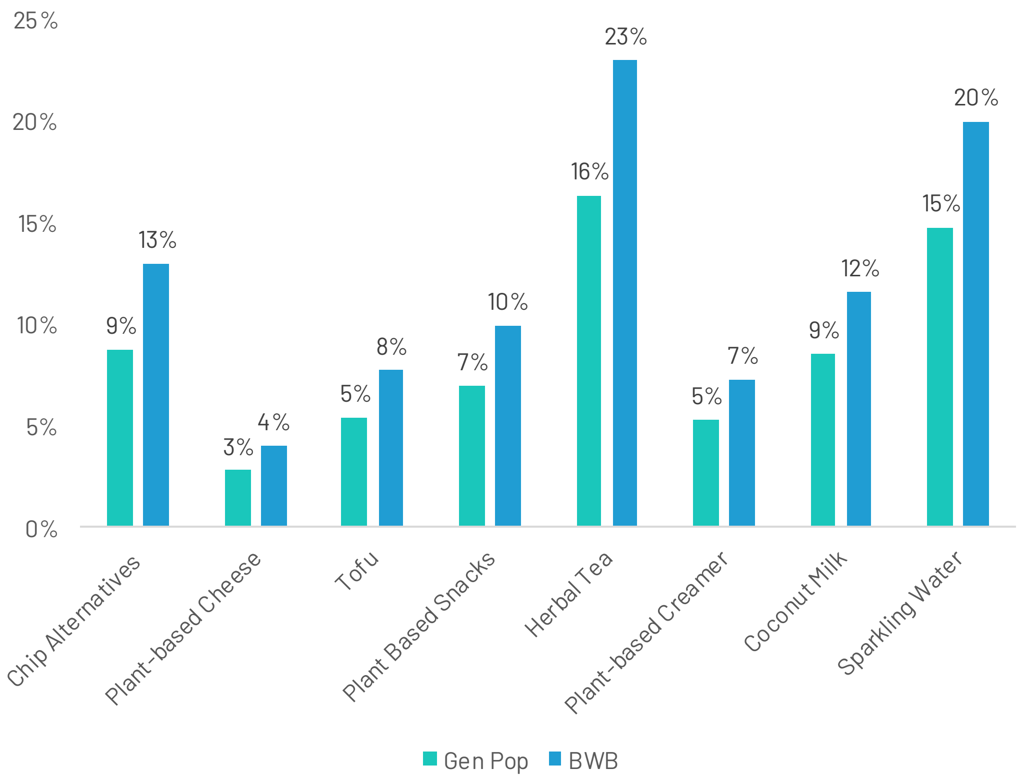
When we look at our largest persona group (29% of consumers), we see different generations and income levels. These people are more likely to focus on bettering themselves, prioritizing sleep and reducing stress, and practicing mindfulness. They are still willing to pay more for quality goods and believe that plant-based foods are both healthier and better for the environment. They believe food is medicine and are focusing on their whole-body well-being. They are also more likely to research products more thoroughly before purchasing.

Innovation for this persona should circle around products they are more likely to buy, which tend to be "better-for-you" options, like potato chip alternatives, plant-based options, and herbal teas.

12 Tides
Puffed Kelp Chips

Bandit
Barn Cat Cave
Aged Cashew
Cheese

Over Indexing Products Among Better-Way Believers



Trendy Enthusiasts

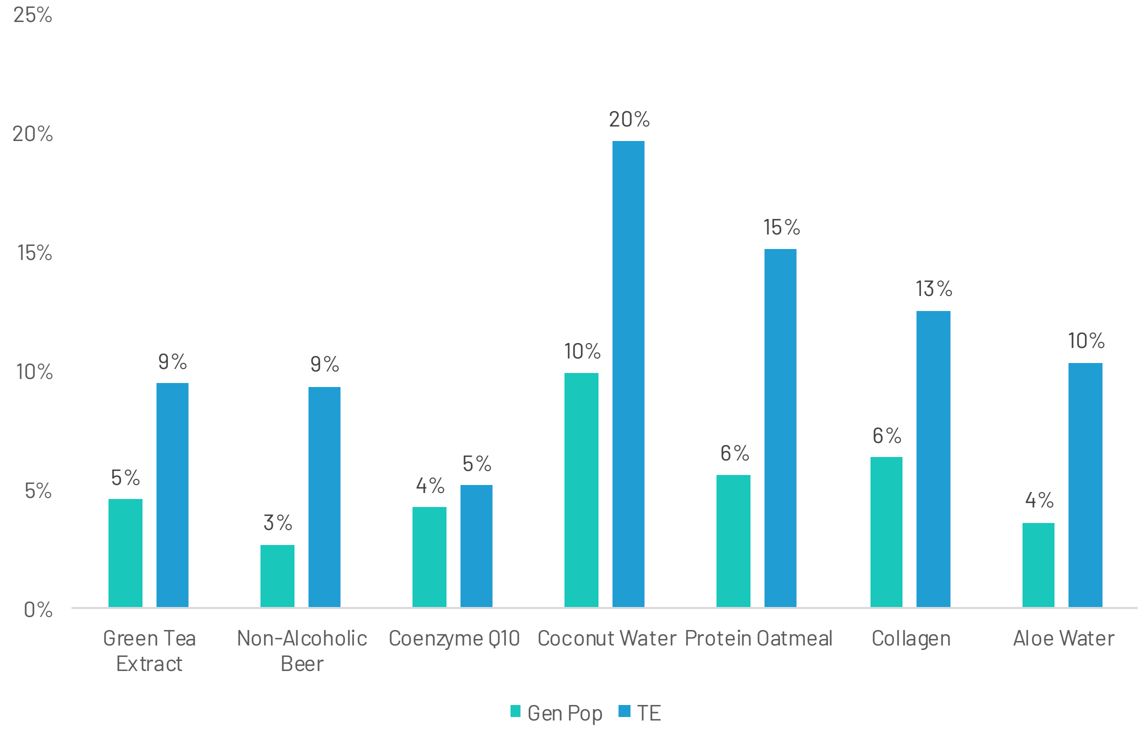
Even though we are seeing this segment shrink, it's important to know how to reach these consumers. When we look at the growth of over-indexing products among the Trendy Enthusiasts, we see products that are ripe for innovation. This group of people is still going out and buying their vitamins, functional foods and non-alcoholic beer.

Overall, our Trendy Enthusiasts are still the ones who want to spearhead new health trends. Food is medicine to them, and they try to eat for health and be eco-conscious. This demographic isn't going away, they are just feeling the effects from the economy, but will still make an effort to stay on top of trends.

KOH
The PrOATagonist

Detox Water
Cryptokiwi

Top Growing Products that Over Index Against the Gen Pop



Countering Economic impact among Trend-setters

- As Trendy Enthusiasts and Wellness Seekers are declining with their ability to spend on the health and wellness category, their feelings and desires are still strong in the health market.
- Find ways to help them justify spending more by focusing on multiple benefits/messages that resonate.
- These segments are looking for all sorts of health claims, adding communication around things like All Natural, Organic, or Energy Boosting could give them the boost they need to get past the investment in new products.

Top Claims Among Key Health Segments

	Total Consumers	Wellness Seekers	Trendy Enthusiasts
All Natural	36%	+9pts	+17pts
Organic	26%	+11pts	+19pts
Non-GMO	25%	-1pts	+13pts
Preservative Free	33%	-5pts	+12pts
Helps with sleep	26%	+13pts	+17pts
Supports Gut Health	33%	-2pts	+16pts
Energy Boosting	33%	+6pts	+18pts
Immune Boosting	31%	+4pts	+17pts
High Protein	33%	+10pts	+14pts
Low Sodium	32%	-2pts	+13pts
High Fiber	24%	+3pts	+16pts
Low Fat	27%	+7 pts	+12pts

Source: Evergi, Consumer; Q2 2022

Plant-Based trending downward

Plant-Based alternatives continue to decline—with Plant-based Bacon and Frozen meals still showing some strength

Down
25%
Plant-Based Creamer

Down
17%
Plant-Based Fish Alternatives

Down
17%
Plant-Based Sausages

Down
9%
Plant-Based Yogurt

Down
8%
Plant-Based Cheese

Down
7%
Plant-Based Meat/Burgers

Down
6%
Plant-Based Chicken Alternatives

Down
3%
Plant-Based Ice Cream

Up
1%
Plant-Based Bacon

Up
5%
Plant-Based Frozen Meals or Bowls

Source: Evergi, Consumer; Q2 2022

It's not all doom and gloom for the Plant-based market, our Trendy Enthusiasts show some growth across some areas of the category

Up
6%
Plant-Based Meat/Burgers

Up
19%
Plant-Based Chicken

Up
19%
Plant-Based Sausages

Up
12%
Plant-Based Bacon

Up
31%
Plant-Based Cheese

Source: Evergi, Among Trendy Enthusiast Consumer; Q2 2022

What...or who are driving the declines in the Plant-Based market?

1. **"Plant-Forward Dieters"***, those that claim to be consuming a vegan, vegetarian or plant-based diet, have declined over the past few quarters

2. **Plant-based dieters**, that also consume meat, are decreasing their PB product consumption while increasing their meat consumption

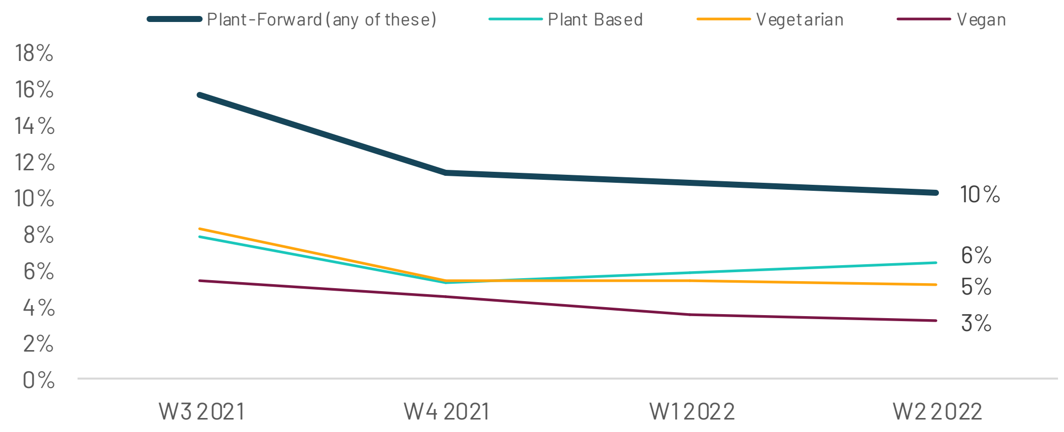
3. **Economic woes** have consumers backing off pricier items

Source: Evergi,Q2 2022; *Plant-Forward Dieters indicate they follow a vegan, vegetarian or Plant-based diet.

"Plant-Forward Dieters"—slowly declining

- Consumers following **plant-forward diets**, like vegan, vegetarian, and plant-based diets, make up about 10% of American consumers. This group has been slowly declining. While the classification of plant-based dieting has been on the uptick in the last few quarters, Veganism has been slowly falling.
- Consumers often describe their dieting as an overlap of vegetarian, vegan, and plant-based, but 32% of those in the plant-forward dieting group describe themselves as Plant-based only.
- This **plant-based only** group is ensuring plants and vegetables are a large part of their diet, but meat and other animal products are often still part of their diet. In fact, 49% of them report eating meat products.

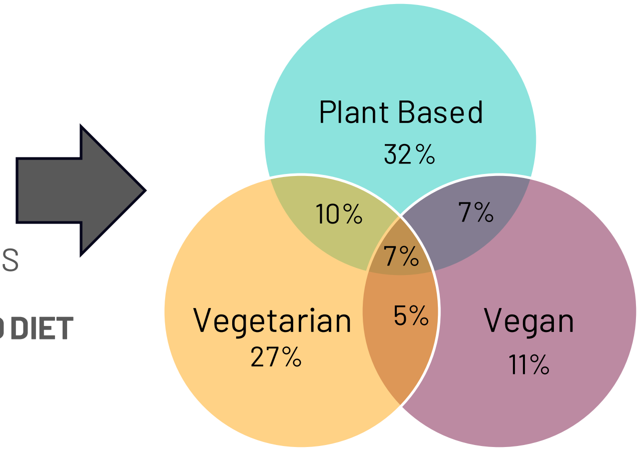
Diet Type Over Time



Plant-Forward Diet Overlap

10%

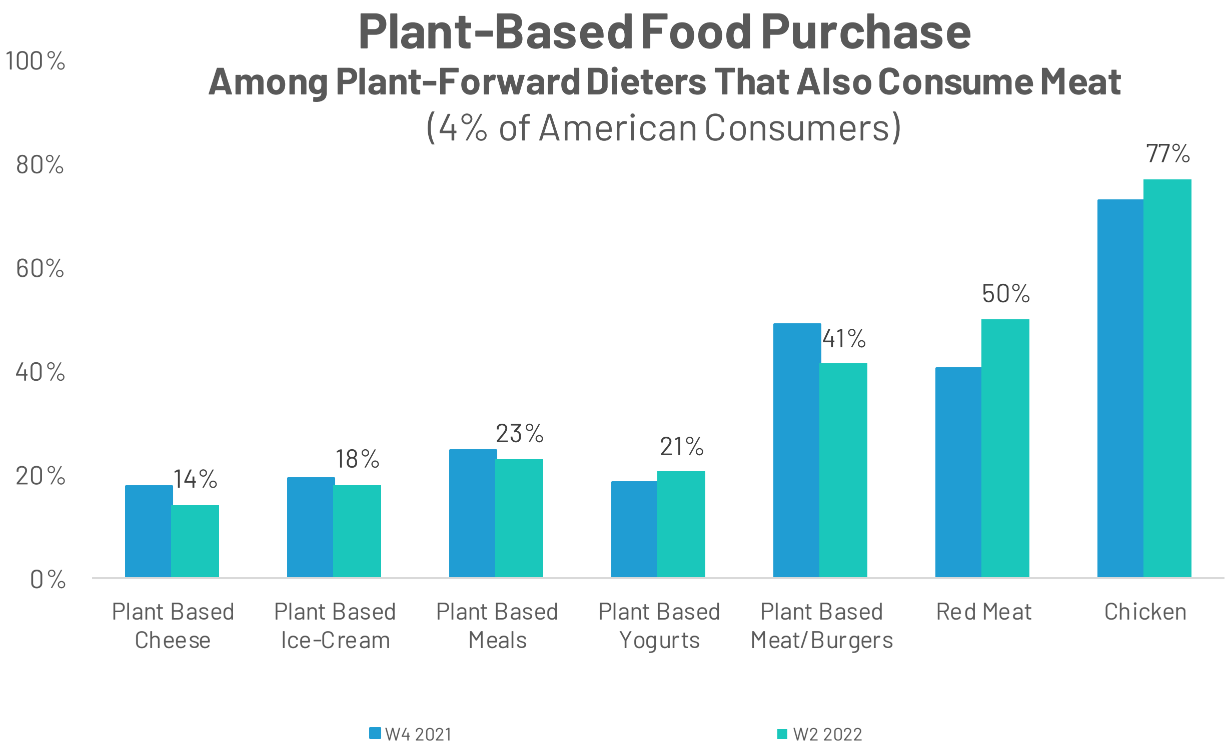
OF CONSUMERS CLAIM A **PLANT-FORWARD DIET**



Source: Evergi, Q2 2022; *Plant-Forward Dieters indicate they follow a vegan, vegetarian or Plant-based diet.

2 "Plant-forward Dieters" who also purchase meat products showing declines among plant-based products

- "Plant-forward dieters," even those identifying as being on a Vegan, Vegetarian, or Plant-based diet, still report purchasing meat products.
- Unfortunately, this group is decreasing their purchase of plant-based products, while their Red Meat and Chicken purchases are increasing—suggesting that they're deciding to move back towards animal products, perhaps for financial reasons.
- This group still **strongly believes that Plant-based meals are both better for you and better for the Environment** (80% agreement for both), so when their economic woes subside, we should see them return to more plant-based options.

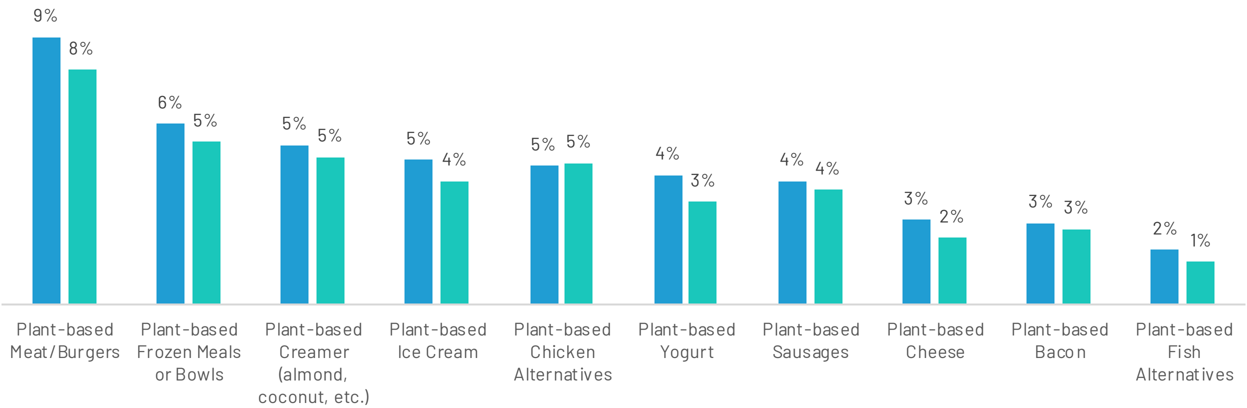


Source: Evergi, Q2 2022; *Plant-Forward Dieters indicate they follow a vegan, vegetarian or Plant-based diet.

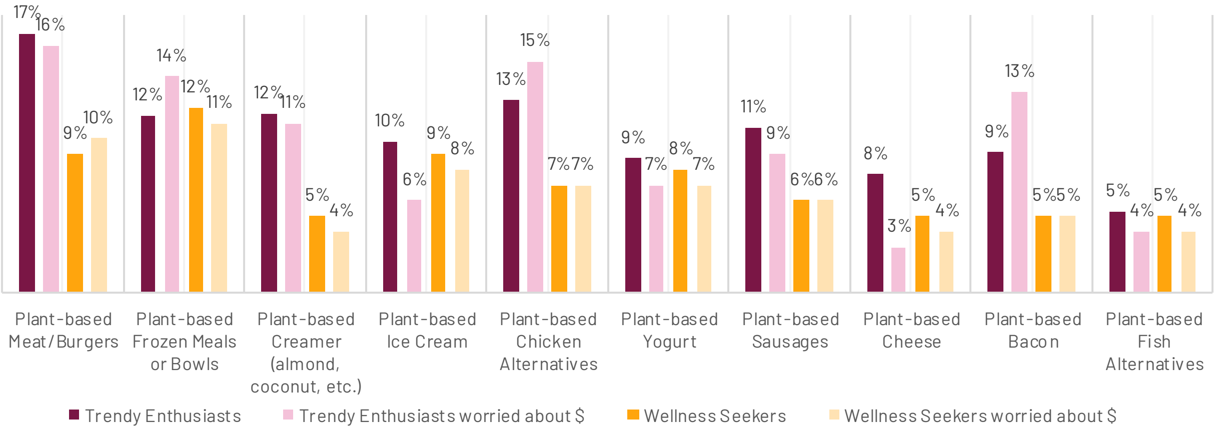
Money woes, driving Plant-based consumption downward

- Consumers who state that Money is one of their primary stressors show shifts downward in Plant-based consumption .
- Our top health segments, those usually willing to spend more on health and wellness products, are showing notable shifts downward among some key product types, like yogurts and cheese.
- These Wellness driven segments still feel strongly about health and wellness, but the economic contraction may be impacting their ability to indulge in these areas. This group, too, should show growth in the plant-based market when they feel more economically settled.

Impact of Money Woes on Plant-Based



Evergi Personas: Impact of Money Woes on Plant-Based

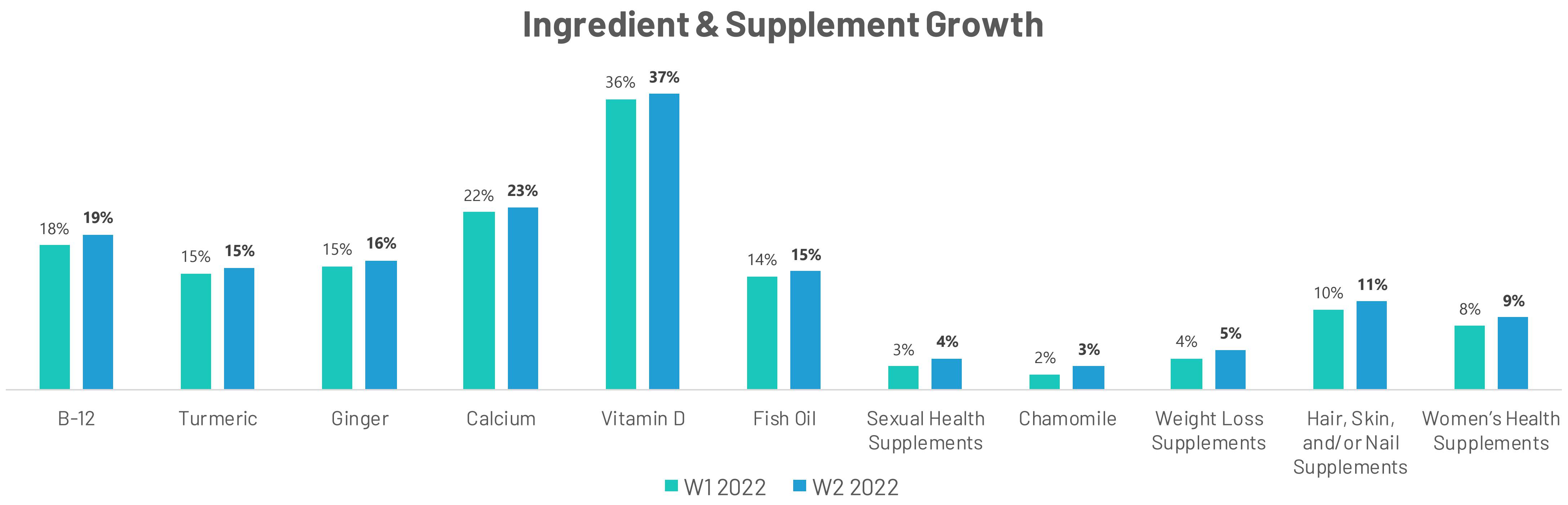


Source: Evergi, Consumer; Q2 2022

Promising Growth

Growth persists in key supplements and ingredient categories

- Dependable ingredients, like B-12 and Vitamin D, and alternative staples, like turmeric and ginger, have grown.
- Targeted supplements, like ones for sexual health and weight loss, have also seen growth this quarter.
- Despite the overall softening, 39% of people prefer alternative medicine, and 44% say they are trying to turn to modern medicine less.



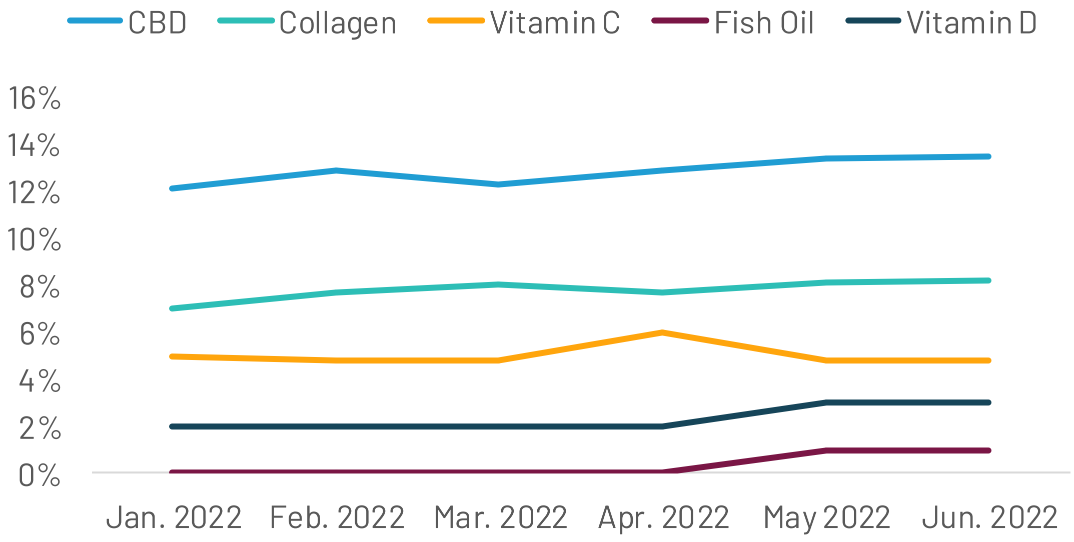
Interest in functional and holistic ingredients is supported by the growth of social listening conversations

- Holistic Wellness as a topic has shown growth in social conversations, up 6% over the last 6 months
- We see the more people chatting about ingredients like Collagen and Vitamin C, along with Vitamin D and Fish Oil, suggesting we may see more growth in these categories in the coming months

6%

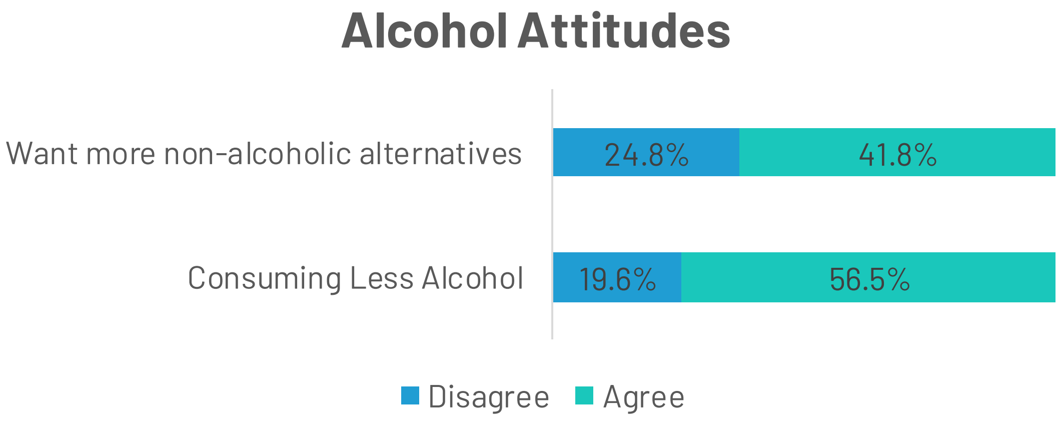
HOLISTIC WELLNESS SOCIAL CHATTER

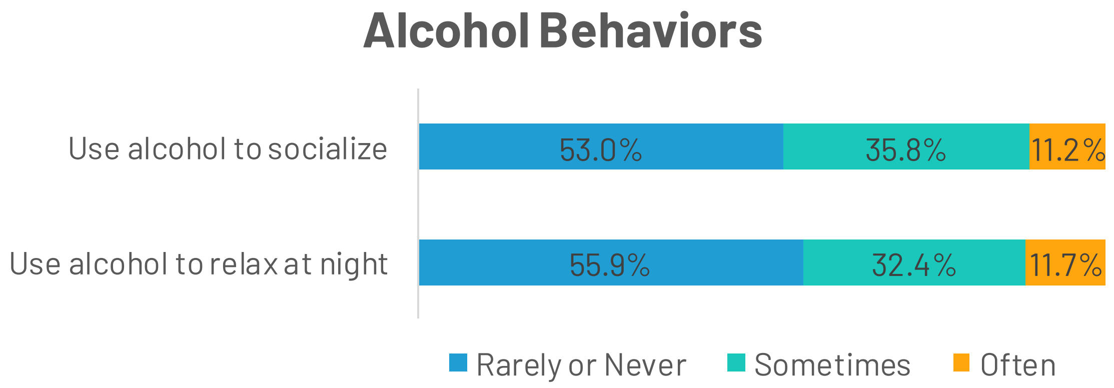
Social Listening:
Evergi Ingredients



People are consuming less alcohol in general

- Over half of the people surveyed said they are consuming less alcohol, and 42% want more non-alcoholic alternatives.
- Alcohol isn't being used as much to relax at night or socialize, opening the door for new non-alcoholic product innovation.
- Most people who drink less state they are trying to be healthier, and 7.4% will reach for a non-alcoholic beer option, up 40% from last quarter.



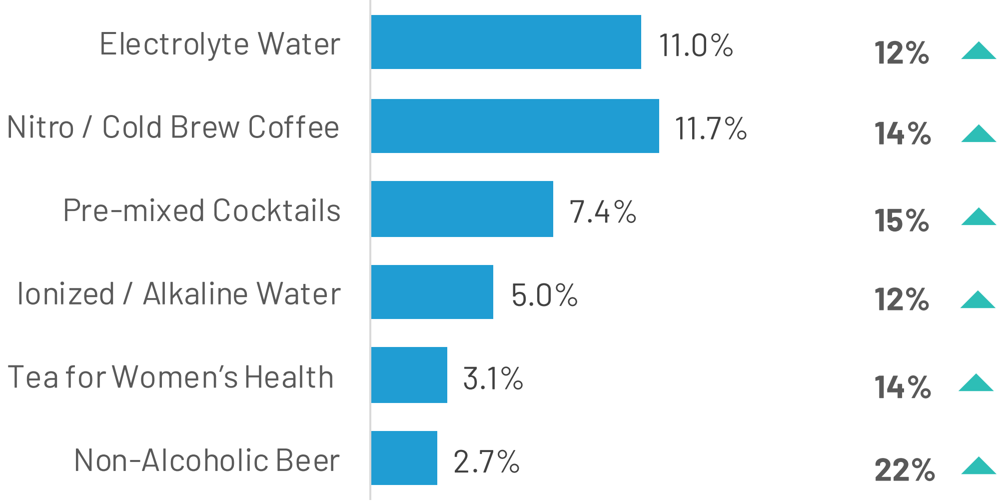


Source: Evergi, Consumer; Q2 2022

Promising growth in Non-alcoholic beverages

- As interest in alcohol alternatives continues to grow, the non-alcoholic beer category is ripe for innovation.
- Enhanced waters are also up this quarter, with people looking for more function with their hydration.
- Nitro/Cold Brew coffee has been growing the past 3 quarters, as more canned and RTD options hit the market.

Non-Alcoholic Beverages Increasing (W2 2022 Quarterly Growth)



Ripe For Innovation

Our Wellness segments can be considered a health continuum, with the Trendy Enthusiasts leading the way

Detached Traditionalists

Not into the latest fads or wellbeing trends, they are more comfortable doing things the traditional way, using traditional products/ingredients.

Self-Focused Savers

These budget-conscious consumers are focused less on intensity and more on traditional and foundational wellness habits to improve their health.

Better-Way Believers

These wholesome idealists are focused on bettering their bodies and the planet through "*the right way*", "*the better way*", "*the traditional way*" or trying new "*proven ways*".

Wellness Seekers

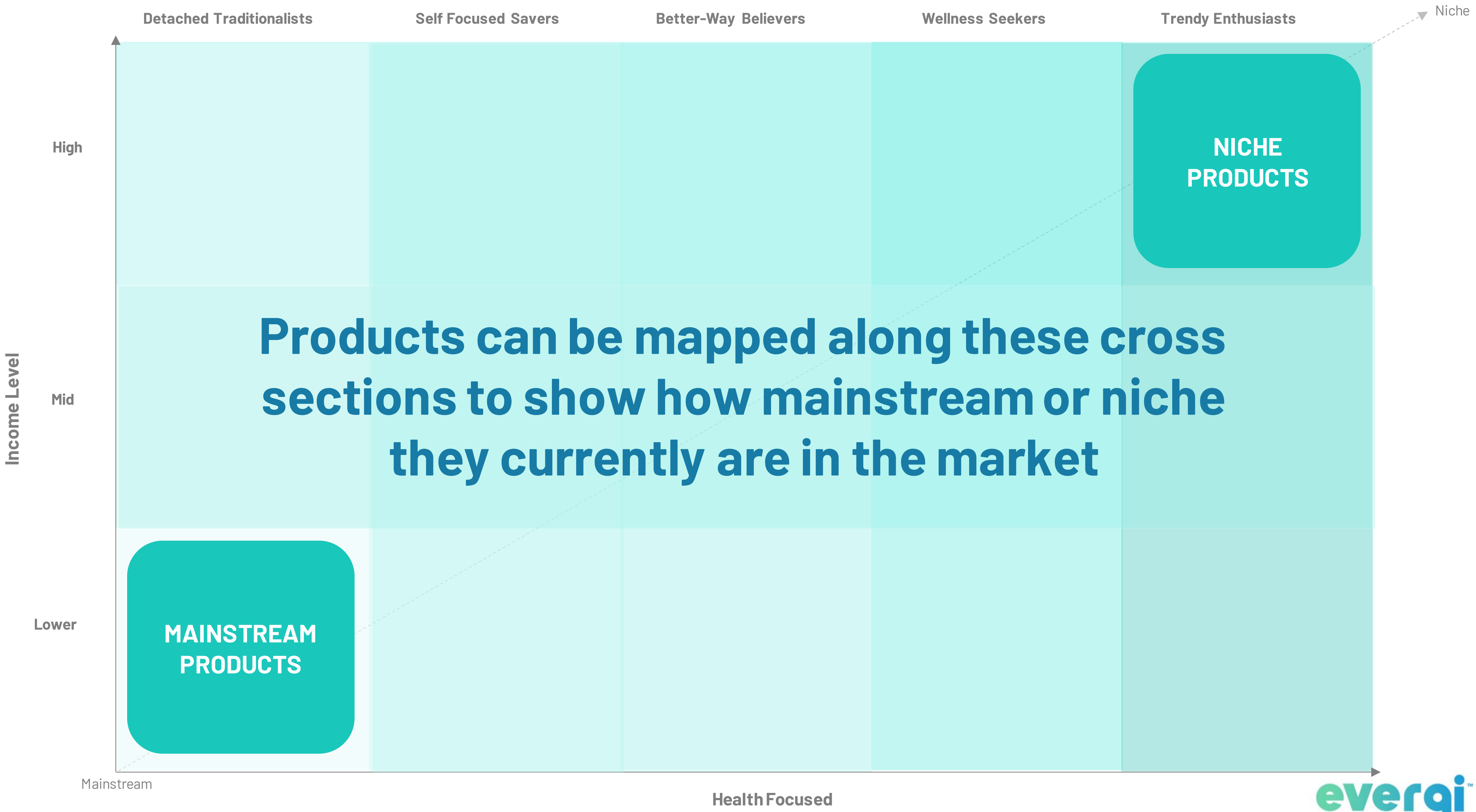
Wellness Seekers are fast followers that pay close attention to the latest well-being trends in order to improve their minds and bodies.

Trendy Enthusiasts

These trendsetters are cutting-edge, well-being gurus focused on bettering their minds, bodies, and spirits—as well as the planet—with all the latest fads available.

Income is another important dimension for understanding innovation as It indicates consumers' ability or willingness to pay

Products can be mapped along these cross sections to show how mainstream or niche they currently are in the market



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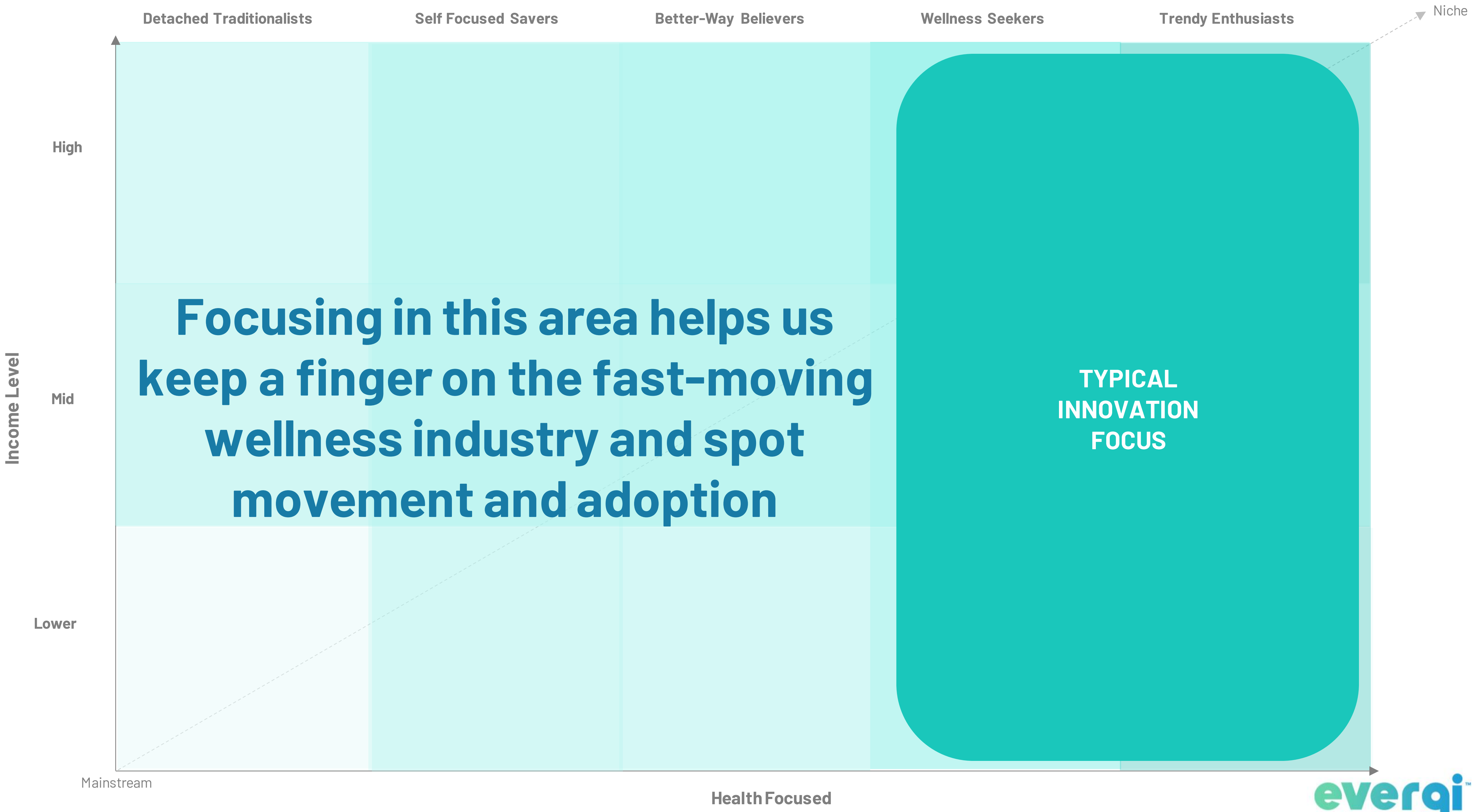

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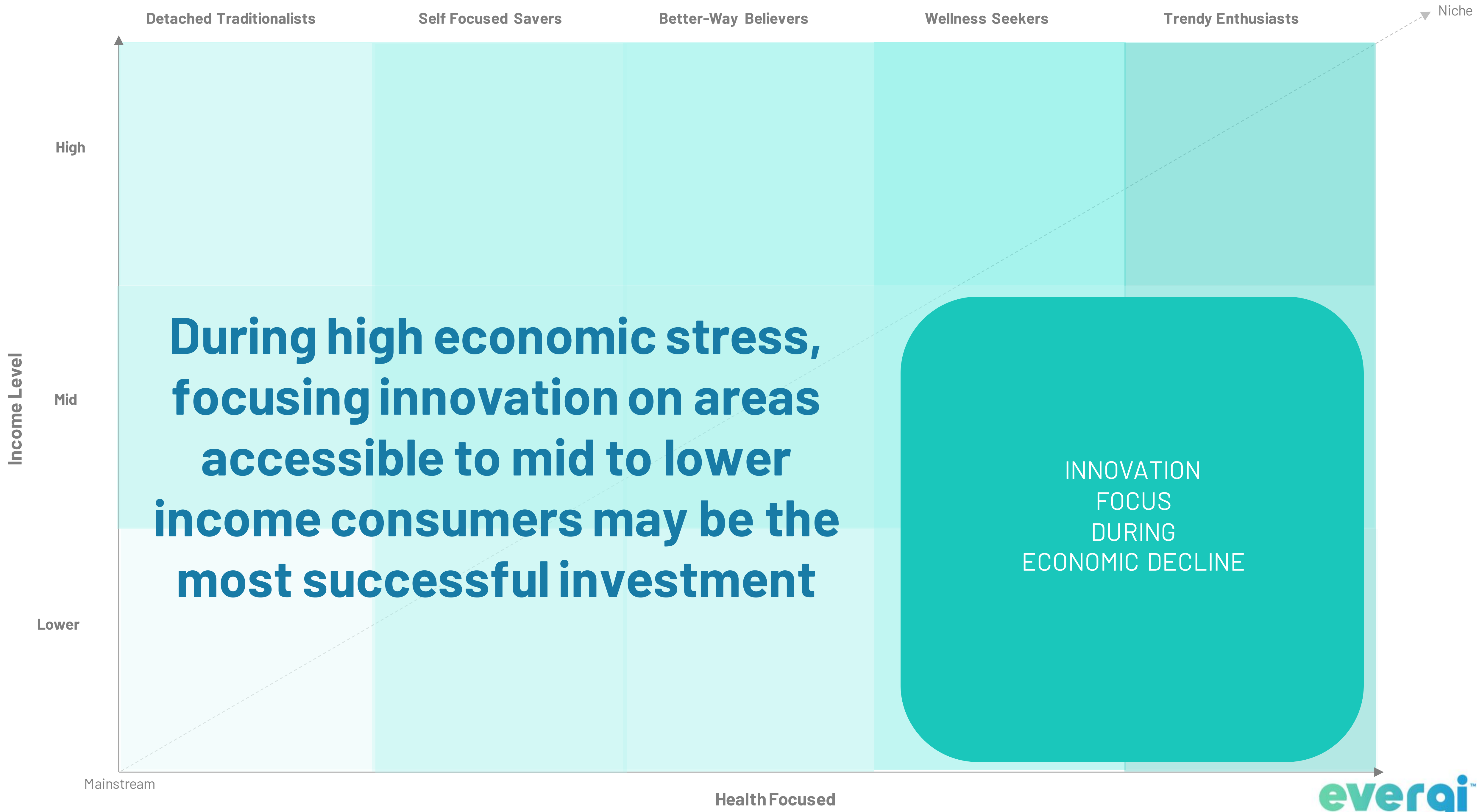

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We see some shifts in what middle to low income, health-conscious consumers are buying—these products are ripe for short-term innovation

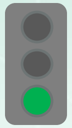
Lower Income Innovations Grid

	Wellness Seekers		Trendy Enthusiasts	
Middle Income	Cold-pressed Juice Botanical-infused Soda or Juice Energy Shots Herb / Botanical infused water Ionized / Alkaline Water Keto Cookies Low-calorie Ice Cream Mood Supplements Non-Alcoholic Spirits Nutrient-infused Coffee Oat Milk Plant-based Bacon Plant-based Frozen Meals	Plant-based Yogurt Post Workout / Recovery Drinks Postbiotics Prebiotic Soda or drink mixes Premium Smoothies Probiotic / Kefir Water Protein Oatmeal Protein Pancake or Waffle Mix Savory Snack Bars Sports Gummies or Jellybeans Tepache Turmeric Tea Weight Loss Supplements	Cauliflower Crust Frozen Pizza Coconut Milk Dehydrated / Freeze-dried Cheese or Cheese Crisps Gluten-free Pancake or Waffle Mix Hard Cider High-protein Frozen Meals or Bowls Meal Replacement Bars Plant-based Chicken Alternatives	Plant-based Creamer (almond, coconut, etc.) Pre-mixed Cocktails (canned or bottled) Sexual Health Supplements
Lower Income	Adaptogen / Vitamin Enhanced Water Aloe Water Coffee Shots GABA (Gamma-Aminobutyric Acid) Granola with Ancient Grains Irish Moss	Light / Diet Iced Tea Protein Cookies Chamomile	Echinacea Functional Chocolate	

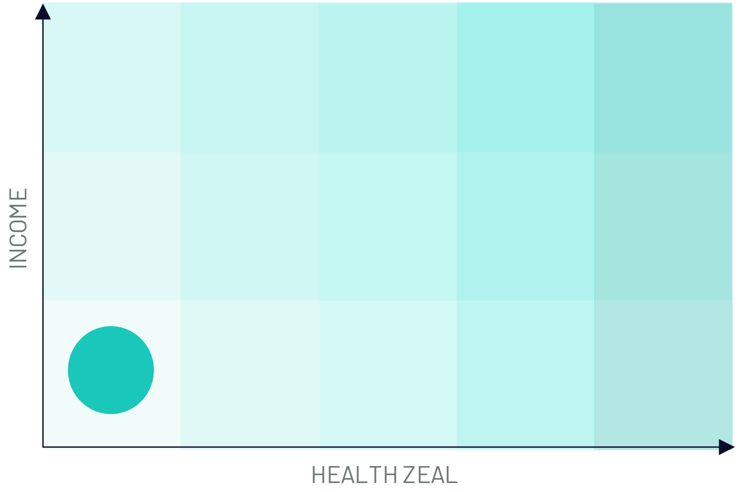
Product & Ingredient Highlights

- B-12
- Vitamin D
- Fish Oil
- Kombucha
- Tepache
- CBD Chocolate
- Postbiotics
- Sparkling Water
- Elderberry
- Turmeric

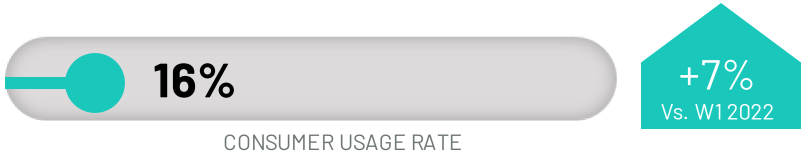
B-12 (as an ingredient)



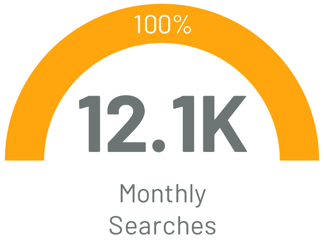
UBER CONSCIOUS, MID-INCOME CONSUMERS



SOLID START, GROWTH WANING

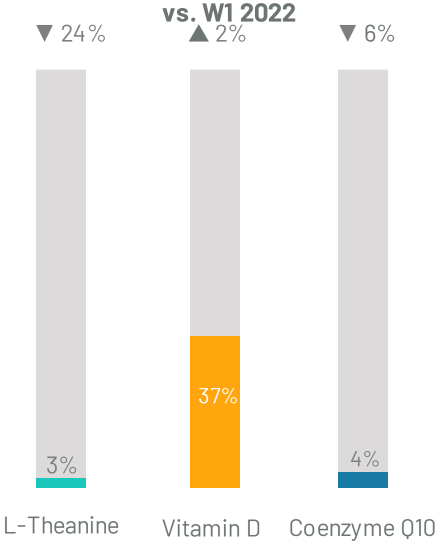


HIGH LEVELS OF SEARCH AND FULL SEO SATURATION



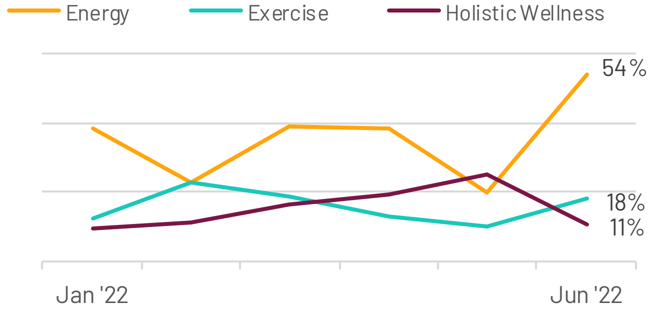
COMPETITIVE PERFORMANCE

vs. W1 2022

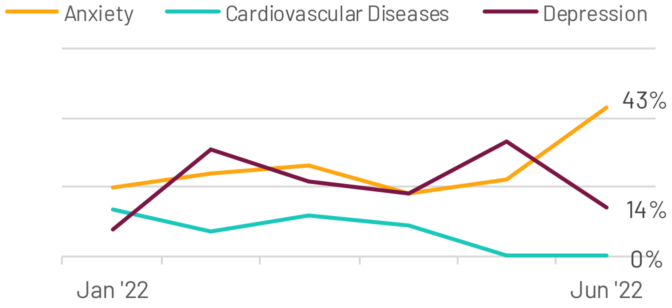


SOCIAL INSIGHTS

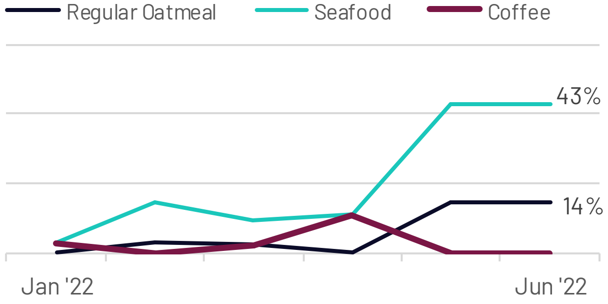
Topics Mentioned



Conditions Mentioned



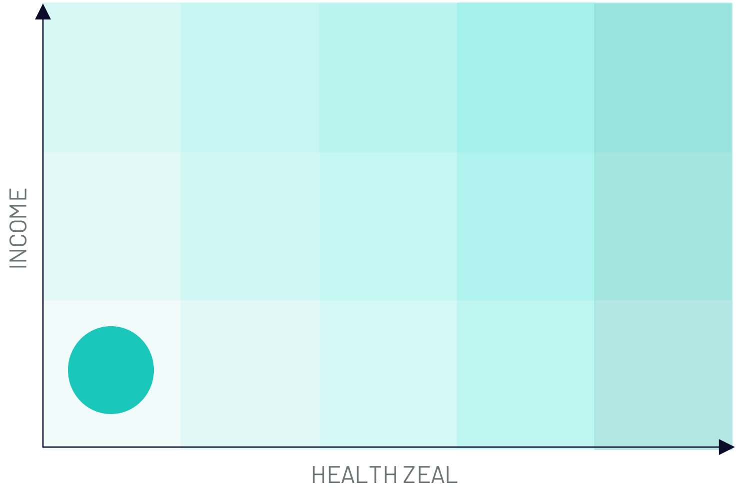
Products Mentioned



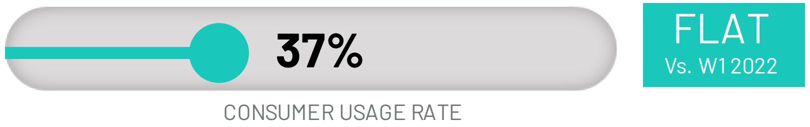
Q2 2022 Evergi Overview; SEM Rush Search

Vitamin D (as an ingredient)

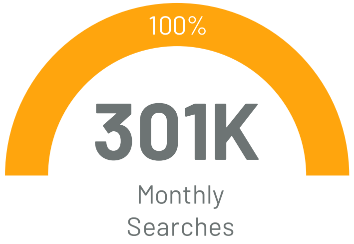
UBER CONSCIOUS, MID-INCOME CONSUMERS



SOLID START, GROWTH WANING

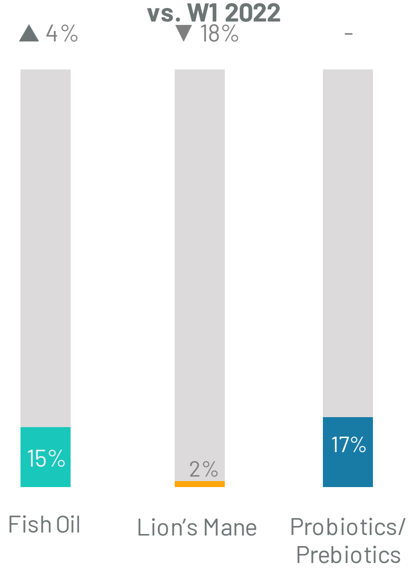


HIGH LEVELS OF SEARCH AND FULL SEO SATURATION



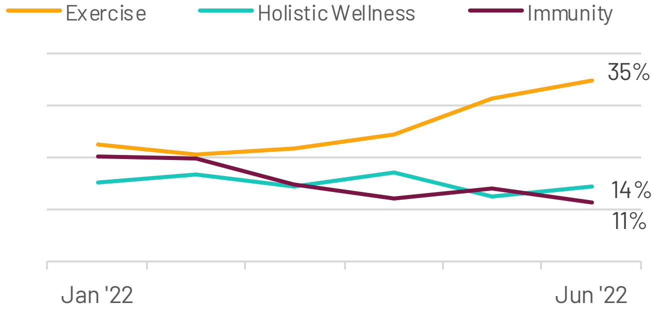
COMPETITIVE PERFORMANCE

vs. W1 2022



SOCIAL INSIGHTS

Topics Mentioned



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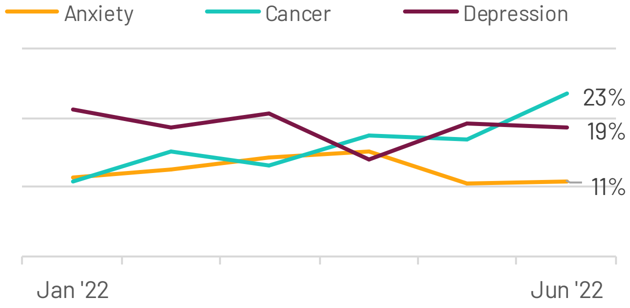
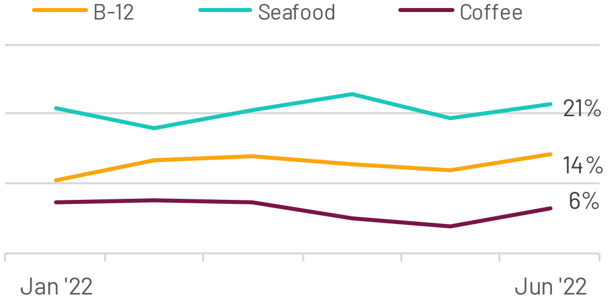


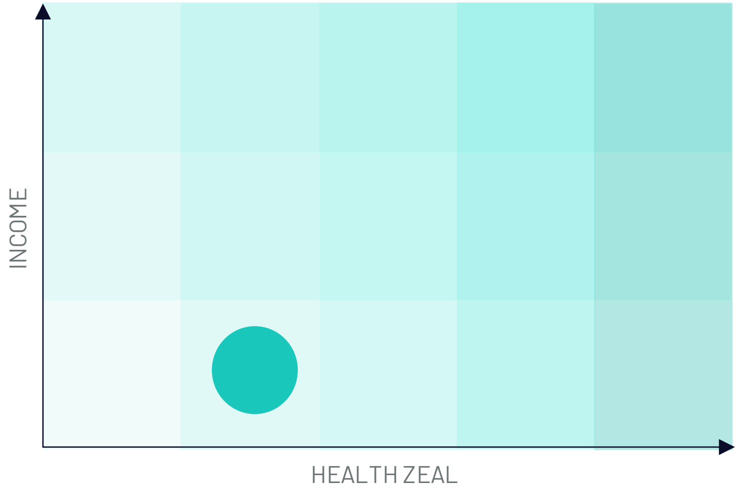
Products Mentioned



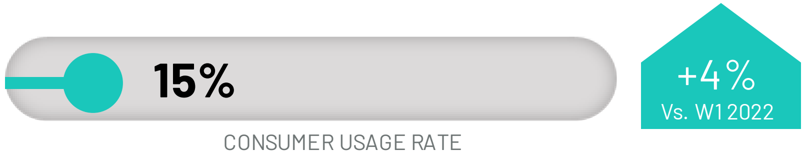
Q2 2022 Evergi Overview; SEM Rush Search

Fish Oil (as an ingredient)

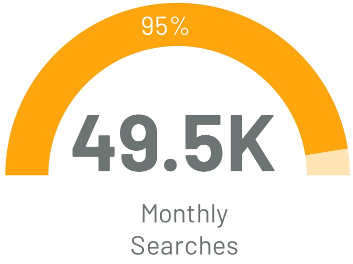
UBER CONSCIOUS, MID-INCOME CONSUMERS



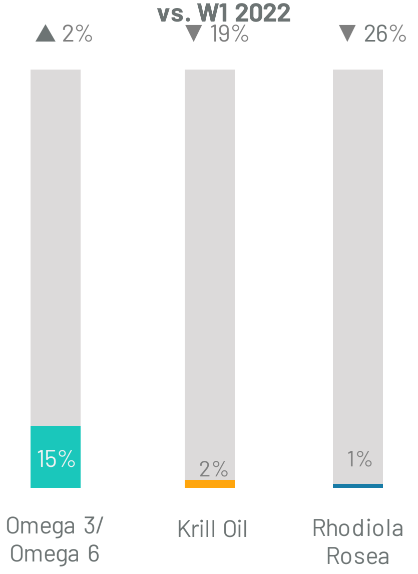
SOLID START, GROWTH WANING



HIGH LEVELS OF SEARCH AND SEO NEARING SATURATION

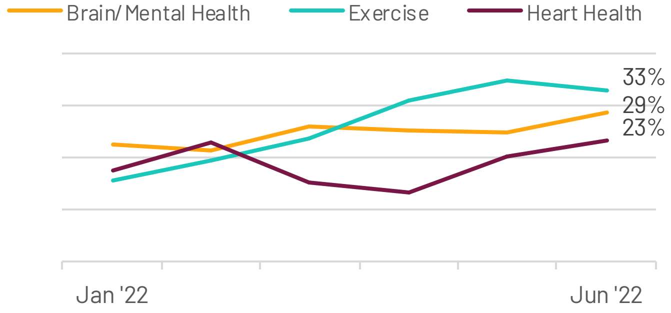


COMPETITIVE PERFORMANCE

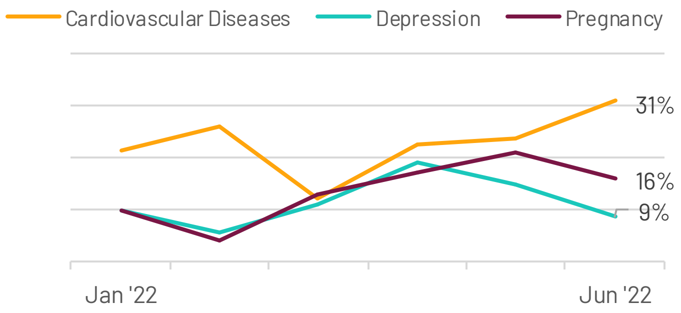


SOCIAL INSIGHTS

Topics Mentioned



Conditions Mentioned

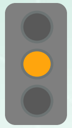


Omega Cure
Fish Oil

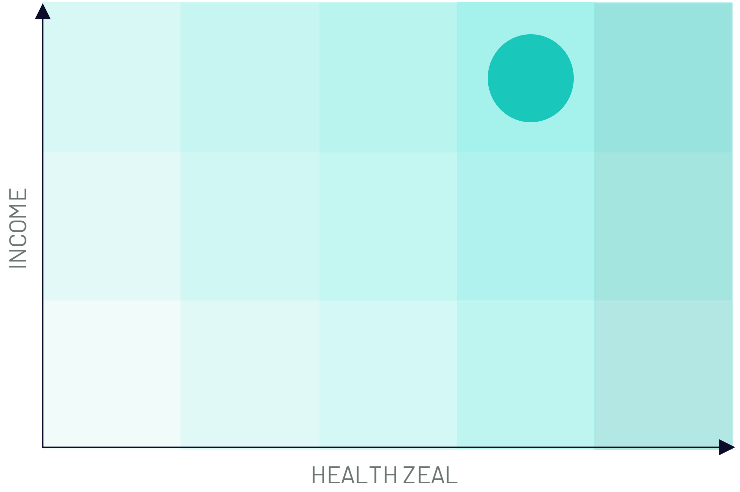
Hum
OMG! Omega the Great

Q2 2022 Evergi Overview; SEM Rush Search

Kombucha

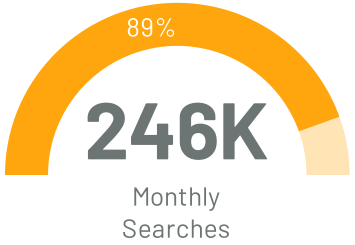


UBER CONSCIOUS, MID-INCOME CONSUMERS

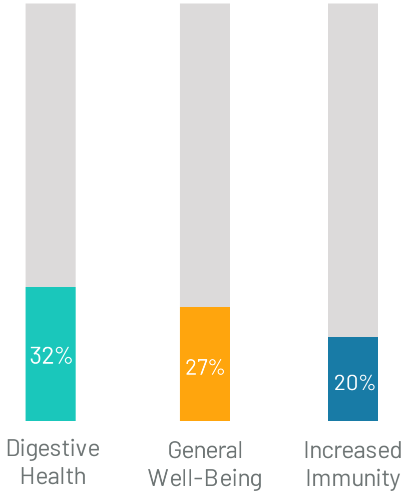


SOLID START, GROWTH WANING

HIGH LEVELS OF SEARCH AND SEO NEARING SATURATION

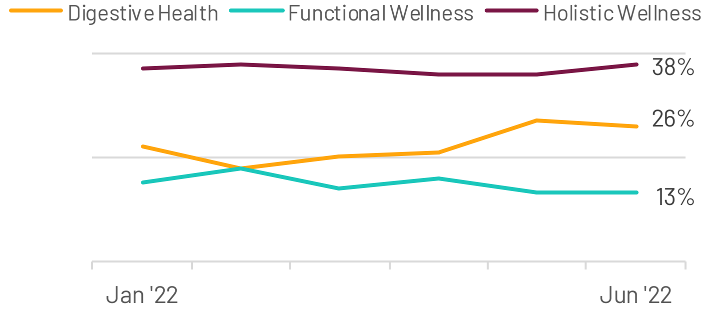


DESIRED EFFECTS

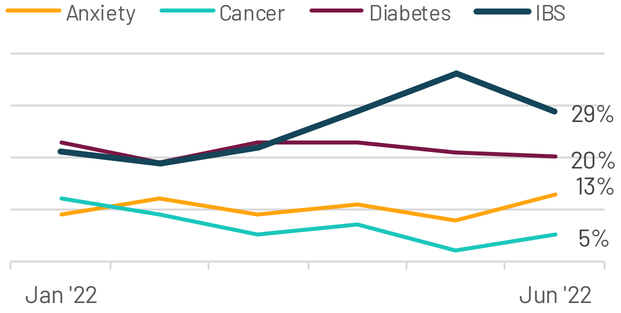


SOCIAL INSIGHTS

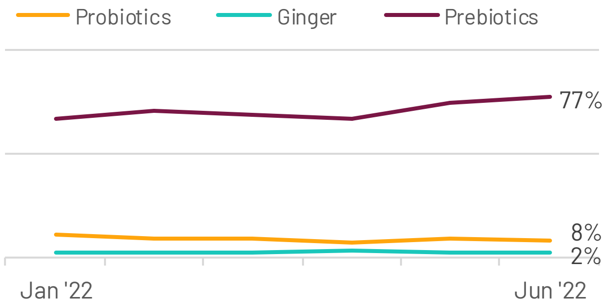
Topics Mentioned



Conditions Mentioned



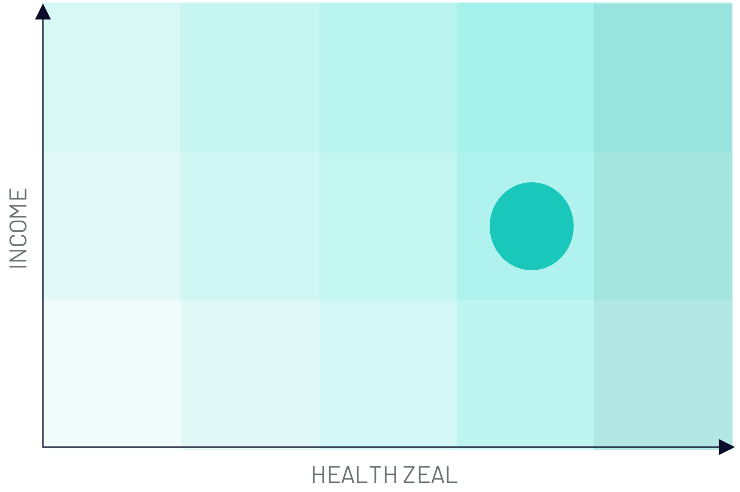
Products Mentioned



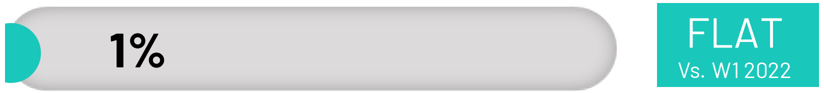
Q2 2022 Evergi Overview; SEM Rush Search

Tepache

UBER CONSCIOUS, MID-INCOME CONSUMERS

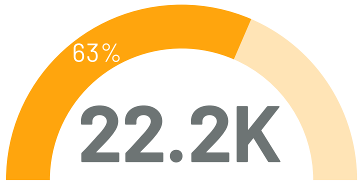


SOLID START, GROWTH WANING



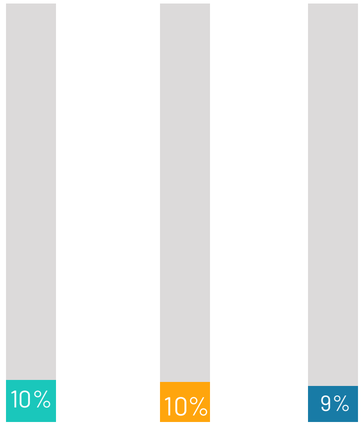
CONSUMER USAGE RATE

HIGH LEVELS OF SEARCH AND SEO SPACE TO ROAM



Monthly Searches

DESIRED EFFECTS



INNOVATIONS

De La Calle!
Orange Turmeric Tepache

Bittermans
Tepache Spiced Pineapple Liqueur

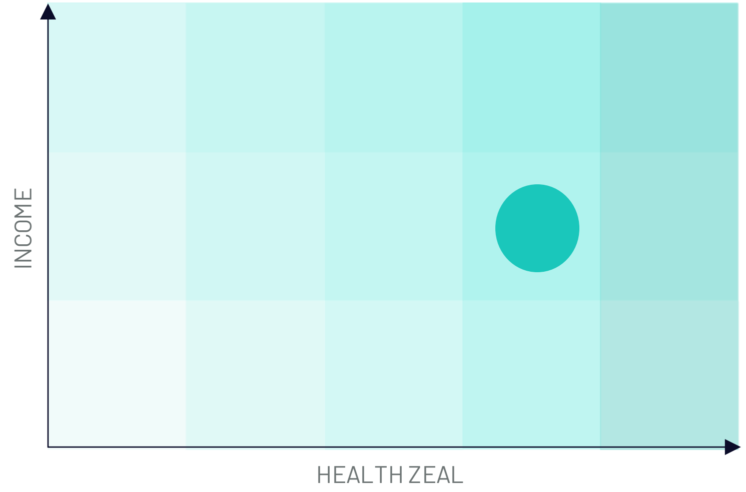
Big Easy
Tepache

Tepache Gold
Wellness Blend

Q2 2022 Evergi Overview; SEM Rush Search, (Desired Effects portion from Q1 2022)

CBD Chocolate

UBER CONSCIOUS, MID INCOME CONSUMERS



SOLID START, GROWTH RATE FLAT

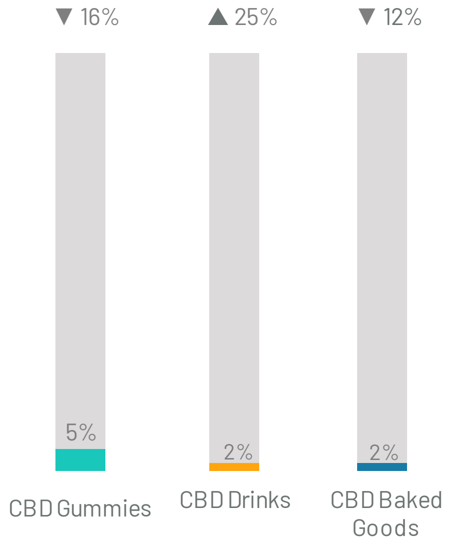
FLAT
Vs. W1 2022

CONSUMER USAGE RATE

LOW SEARCH AND SEO SPACE TO ROAM

COMPETITIVE PERFORMANCE

vs. W1 2022



INNOVATIONS

Horn Creek Hemp
Oregon Mint Chocolate Bar

Vital Leaf
Classic Dark Chocolate Bar

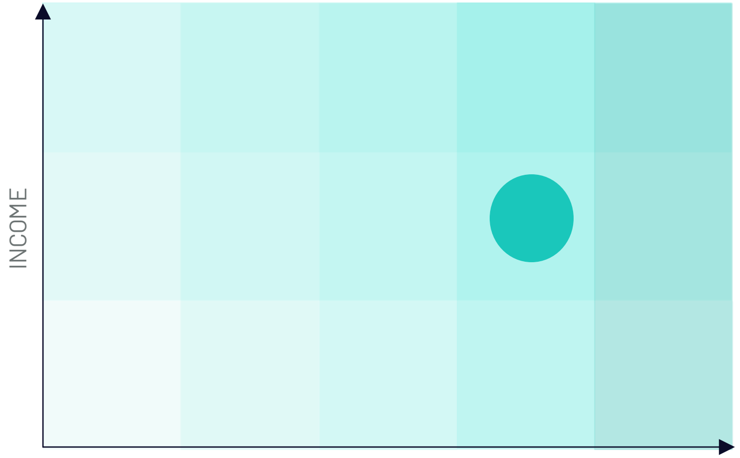
Lulu's
Full Spectrum CBD Chocolate Bar

Leif Goods
Mint Hibiscus Chocolate Bar

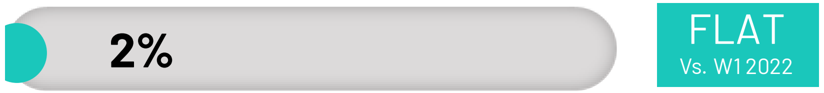
Q1 2022 Evergi Overview; SEM Rush Search, (Desired Effects portion from Q3 2021)

Postbiotics

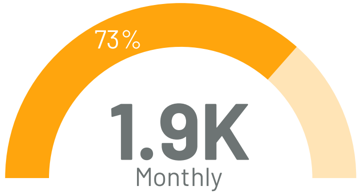
UBER CONSCIOUS, MID-INCOME CONSUMERS



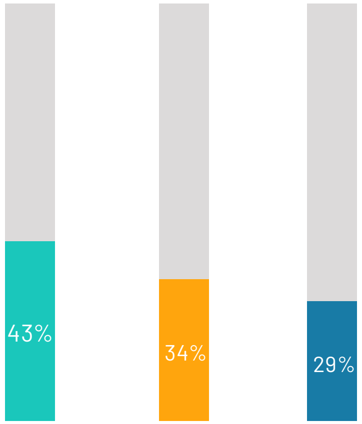
SOLID START, GROWTH WANING



LOW SEARCH AND SEO NEARING SATURATION



DESIRED EFFECTS



INNOVATIONS

Primal Harvest
Primal Gut Restore

Ritual
Symbiotic+

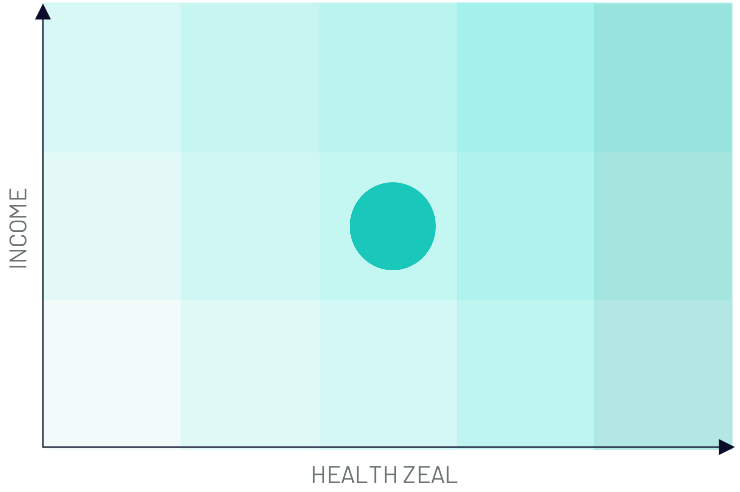
R's KOSO
Japanese Postbiotic Drink

Klora
Gut-Renew Monthly Starter Kit

Q2 2022 Evergi Overview; SEM Rush Search

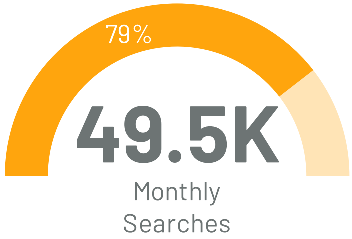
Sparkling Water

HEALTH CONSCIOUS, MID INCOME CONSUMERS

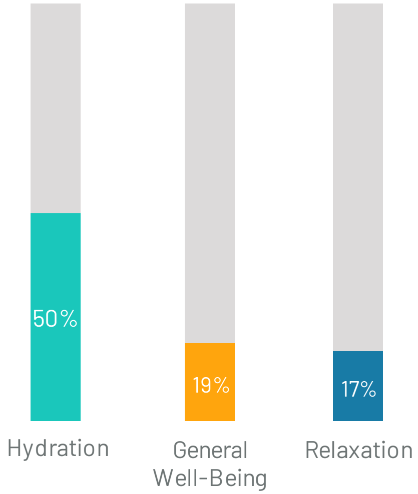


STILL HOT, GROWTH RATE FLAT

HIGH SEARCH AND SEO NEARING SATURATION

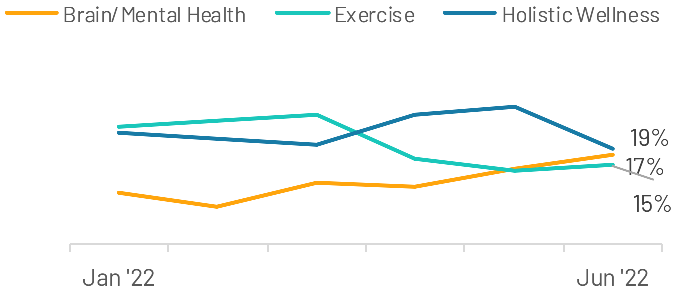


DESIRED EFFECTS

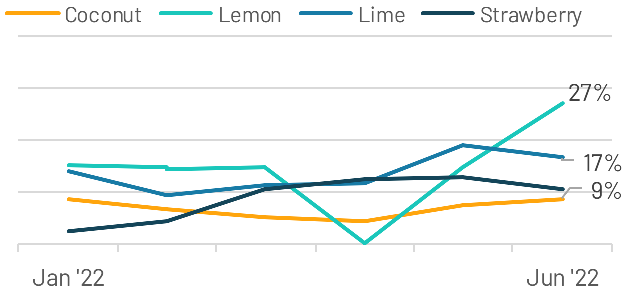


SOCIAL INSIGHTS

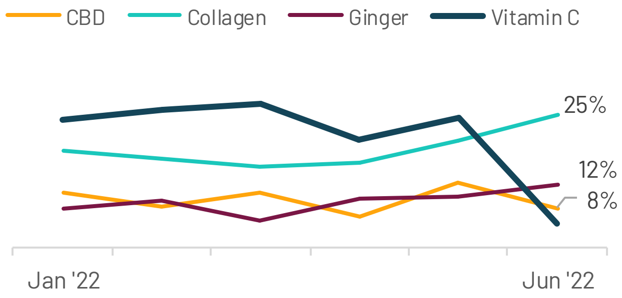
Topics Mentioned



Flavors Mentioned



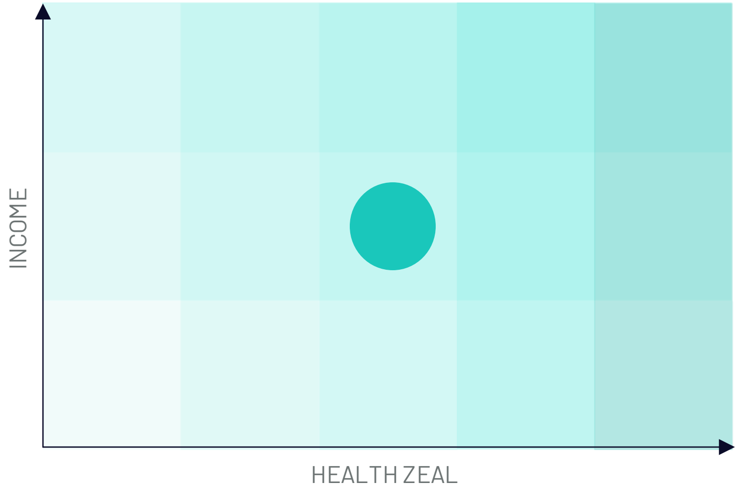
Ingredients Mentioned



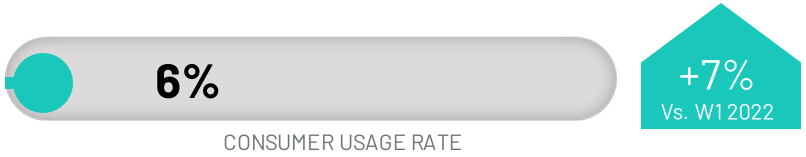
Q1 2022 Evergi Overview; SEM Rush Search, (Desired Effects portion from Q3 2021)

Elderberry

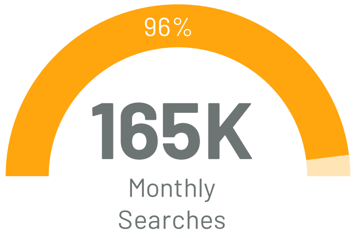
HEALTH CONSCIOUS, MID INCOME CONSUMERS



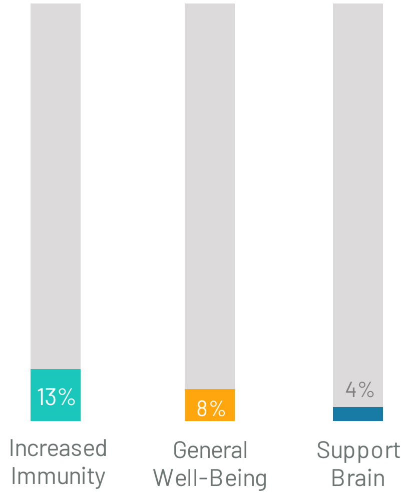
GAINING LEGS, GROWTH RATE STEADY



HIGH SEARCH AND HIGH SEO SATURATION

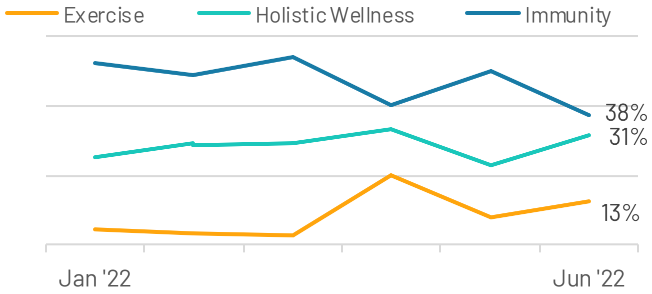


DESIRED EFFECTS

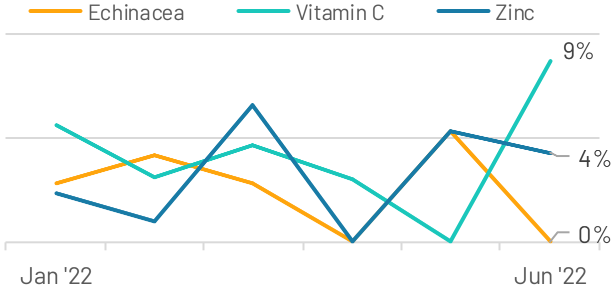


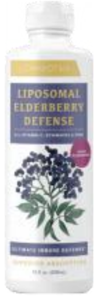
SOCIAL INSIGHTS

Topics Mentioned



Ingredients Mentioned





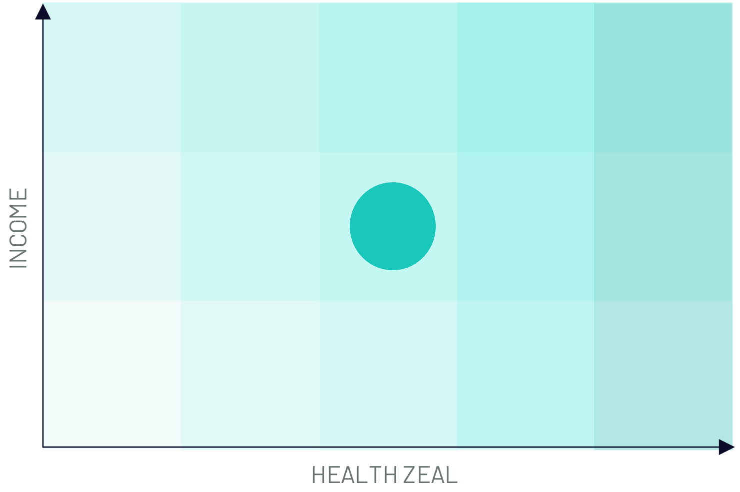
Cymbiotika
Liposomal Elderberry
Defense

Moring Vinga
Elderberry & Holy Basil

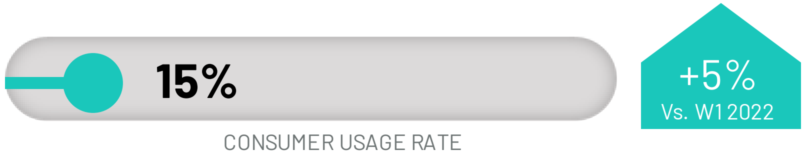
Q1 2022 Evergi Overview; SEM Rush Search, (Desired Effects portion from Q3 2021)

Turmeric (as an ingredient)

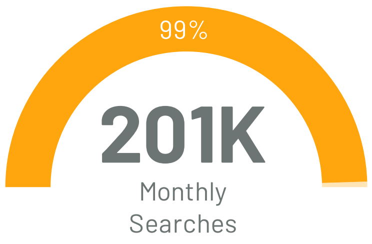
HEALTH CONSCIOUS, MID INCOME CONSUMERS



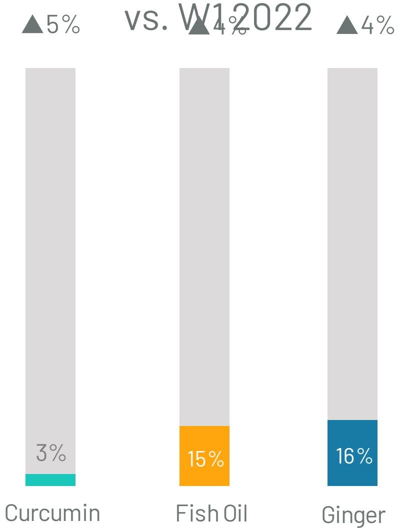
STILL HOT, GROWTH RATE STEADY



HIGH SEARCH AND HIGH SEO SATURATION

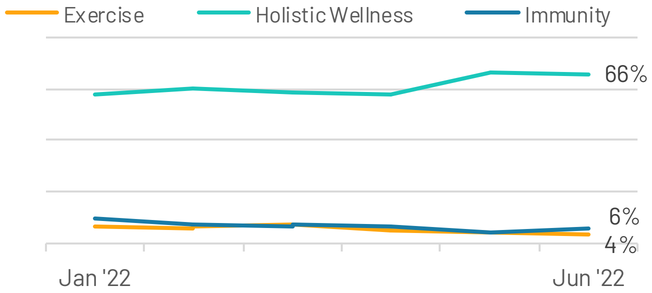


COMPETITIVE PERFORMANCE vs. W1 2022

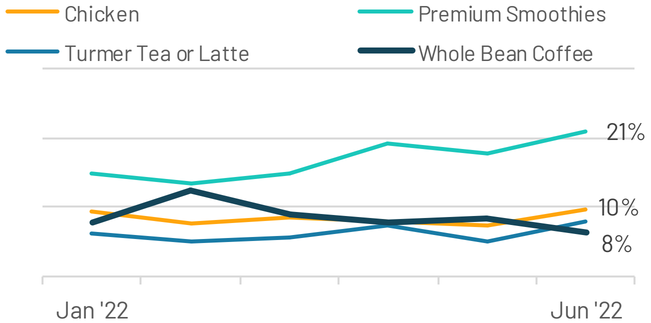


SOCIAL INSIGHTS

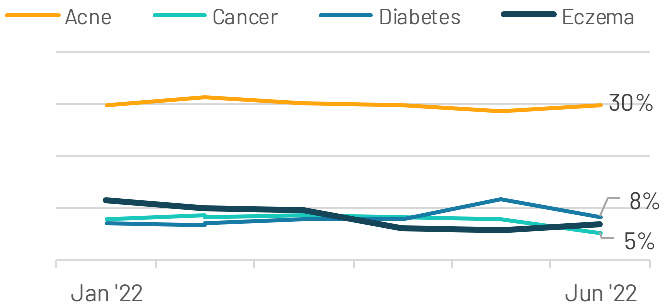
Topics Mentioned



Flavors Mentioned



Ingredients Mentioned



Q1 2022 Evergi Overview; SEM Rush Search, (Desired Effects portion from Q3 2021)

Freshman Class:

New Entrants in the Evergi Wellness Survey

Foods

- Protein Powder (Milk Based)
- Protein Powder (Plant Based)
- Functional Chocolate

Beverages

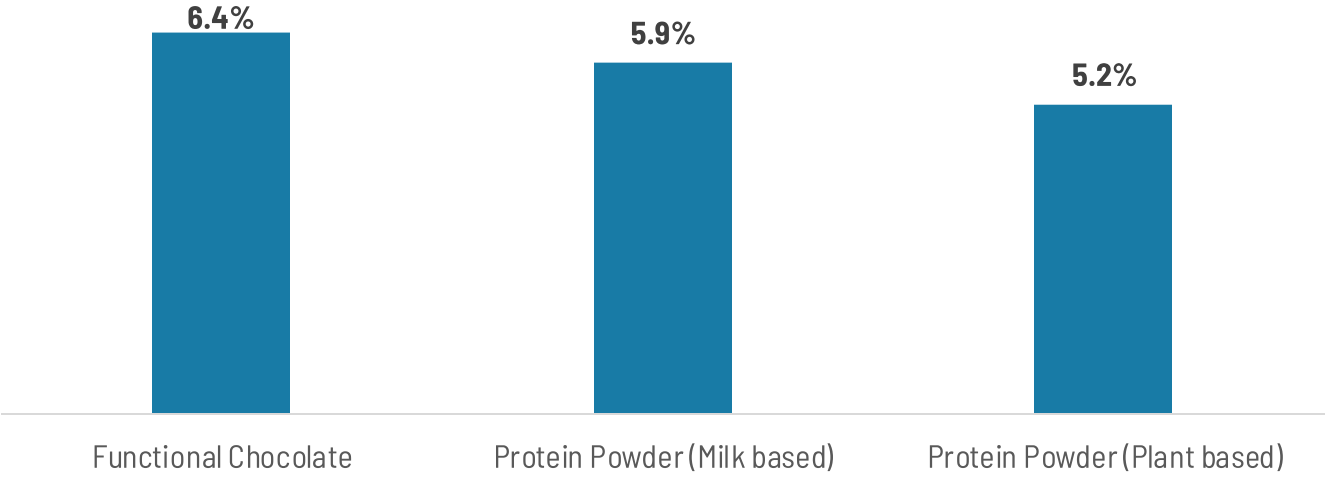
- Almond Milk
- Coconut Milk
- Pea Milk
- Other Nut Milk (Not Almond)

Ingredients

- Aloe Vera

Newly Added Foods

- We decided to break up protein powder into milk based or plant based, so we can further track those parallel products.
- More companies are creating functional chocolate bars to add some health benefits to your chocolate habit.



Product Innovation

Vega:
Protein and Greens

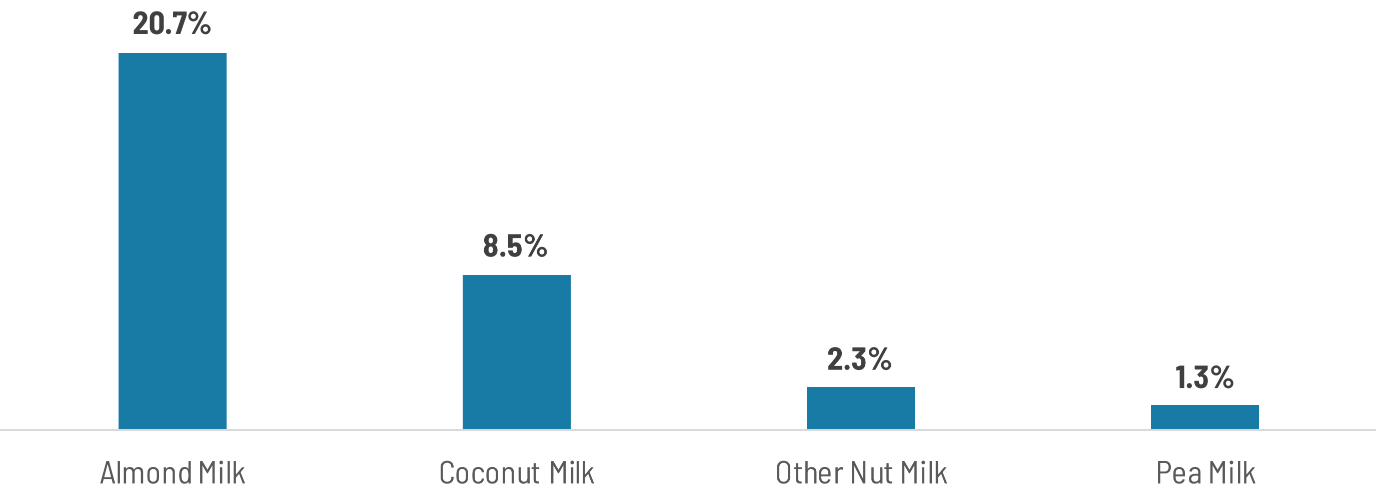
Astor Chocolate:
Calm- Lavender Black Currant Chocolate

GoodSam:
Chocolate Bars

Source: Evergi, Consumer; Q2 2022

Newly Added Beverages

- Due to the growing demand for plant-based milks, we broke apart Almond Milk from the Nut Milks, and added more plant-based milks, coconut milk and pea milk.
- We're seeing brands start to create plant-based milk blends to combine important features from each type of milk, to try and better replicate the taste, texture, and experience of drinking and cooking with dairy milk.



Product Innovation

Silk:
Next Milk

Califa Farms
Coconut Almondmilk Blend

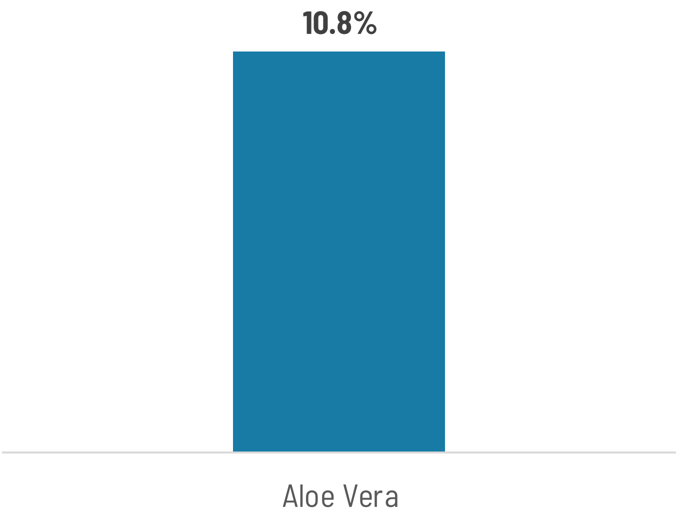
Ripple:
Pea Milk

Elmhurst:
Milked Walnuts

Source: Evergi, Consumer; Q2 2022

Newly Added Ingredient

- Aloe Vera is a succulent native to Africa, whose leaves contain a nutritious gel that has many functions.
- The gel can be used topically on the skin to help heal and soften, taken as a supplement, or it used as an ingredient.
- Beyond the straight aloe gel you used to heal sunburn, aloe has also been getting added to skin care products to help boost hydration and add nutrients to the skin.



Product Innovation

Suja
Recovery: Blue Tropicaloe

Alove Yogurt

Green Leaf Naturals:
Aloe Vera Manuka Honey Cream

Source: Evergi, Consumer; Q2 2022

Key Takeaways

How to win in a down economy:

- **Load-up on those benefits**
  Health-driven consumers still feel very strongly about the health market, despite their recent reduction in spending; help them overcome the financial hurdle by focusing communication into benefits and claims they're looking for. If consumers can get multiple benefits in a product with a similar price point, all the better. More bang for their buck!
- **Focus on "tried and true" ingredients**
  We're seeing growth of the income-conscious consumer. Focus innovation around the familiar. Consumers are less likely to branch out and try new things during a time when they are trying to save money. Common ingredients like Vitamin D and fish oil continue to gain strength as more specialized ingredients and products decline.
- **Steal that share**
  The overall pool of people spending health and wellness products is restricting with the economy, look to direct competitors or products competing for the same need states or benefits for growth. What are they doing well and how can you counter that to steal that volume?
- **Remove the risk**
  Health-conscious consumers want to be able to experiment and try new products but are strapped for cash. Consider alternate ways to get your product in the consumer's hands. If you can appeal to them through sampling, social media or influencers it may help convince them to spend

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