

ThreePeaks Brands

Science • Nutrition • You

Business Plan
Market Supplement

Markets

| <u>Topic</u> | <u>Page</u> |
|-----------------------------------|-------------|
| Positioning | 3 |
| U.S. Navy | 4 |
| Other U.S. Military | 5 |
| GSA-Managed Federal Sites | 6 |
| Hazelden Betty Ford Centers | 7 |
| Sodexo/Sysco | 8 |
| Army & Air Force Exchange Service | 9 |
| Retail/Consumer | 10 |

Positioning

ThreePeaks Brands

Science • Nutrition • You

Our positioning represents the three elements of our vision statement:

We use Peak Science to develop Peak Nutrition to empower a Peak You.

Peak Science™-- Leading-edge nutritional science creating unique organic and natural ingredients and nutraceuticals protected by patents.

Peak Nutrition™-- Innovative technologies producing synergistic formulations of foods and beverages that deliver optimal nutrition and taste.

Peak You™-- The result you want, whatever that might be, whether you're an athlete reaching for peak performance, a weekend recreational enthusiast looking for a peak experience, or someone just wanting to get the peak enjoyment out of better health and happiness in your daily life.

These elements also define who we are as a business. They define what direction we take in our thinking, our research, our product development. We are thought leaders by using breakthrough science. We are industry leaders by employing breakthrough production techniques. And we are life leaders by delivering tangible benefits to improve the lives of our customers.

Our science is patented, our production is innovative, our focus is on the empowerment of the individual to get the most out of life. This allows us not only to position ourselves as unique in the marketplace, but to *de*-position all our competitors as being the same.

There is ThreePeaks Brands . . . and there is everyone else.

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| Market | U.S. Navy |
| Opportunity | 82 bases in U.S./territories 430 ships Inland bases (NAS Fallon, e.g.) |
| Position | Endorsed through U.S. military's Combat Feeding Directorate Only yogurt smoothie on the Navy's Master Load List Exclusive NAPA (National Allowance Pricing Agreement) number Six-year relationship between Navy and Healthy Dairy Distributed to ships through 3 U.S. Navy bases |
| Strategy | Expand volume to existing 3 bases Expand to other bases |
| Partner | Corporate Chefs (military broker) |
| Growth | Drinkable yogurt category: \$29.2B 2016 \$44.6B est. 2025 4.8% CAGR (Grandview Research) |
| Goal | Add 1 new base/quarter Increase volume 2X in first year Increase volume 2X in next two years |
| Assumptions | Maintain relationship with Corporate Chefs Corporate Chefs maintain good relationship with Navy Corporate Chefs has capacity to grow our business |
| Products | Healthy Dairy Yogurt Smoothies (4Q22) Healthy Dairy Premium Shakes (2Q23) Healthy Dairy "Powdered Protein" supplement drink (4Q23) Protein bars (3Q24) Benesweet "On-the-Go" packs (StickPacks) (1Q23) |
| Example | Current: 3 ports (=3.6% of total), 800 cases, \$2500/100 cases = \$20,000/month Potential: 8 ports (=10% of total), 2133 cases, \$2500/100 cases = \$53,333/month |

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| Market | Other U.S. Military (Air Force, Army, Coast Guard, Marines, Space Force) |
| Opportunity | 4,000 bases in U.S. 1,000 other bases globally |
| Position | Endorsed through U.S. military's Combat Feeding Directorate Only yogurt smoothie on the Navy's Master Load List (applies to Marines) Exclusive NAPA (National Allowance Pricing Agreement) number Six-year relationship between Navy and Healthy Dairy |
| Strategy | Expand to other service bases via Navy experience/relationship |
| Partner | Corporate Chefs (military broker) |
| Growth | Drinkable yogurt category: \$29.2B 2016 \$44.6B est. 2025 4.8% CAGR (Grandview Research) |
| Goal | Expand sales to all military services by 4Q23 |
| Assumptions | Maintain relationship with Corporate Chefs Corporate Chefs maintain good relationship with all services Corporate Chefs has capacity to grow our business |
| Products | Healthy Dairy Yogurt Smoothies (4Q22) Healthy Dairy Premium Shakes (2Q23) Healthy Dairy "Powdered Protein" supplement drink (4Q23) Protein bars (3Q24) Benesweet "On-the-Go" packs (StickPacks) (1Q23) |

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| Market | GSA-managed federal sites |
| Opportunity | 2,000 federally owned facilities 5,000 leased facilities 2,000,000 federal employees |
| Position | Endorsed through U.S. military's Combat Feeding Directorate Only yogurt smoothie on the Navy's Master Load List Exclusive NAPA (National Allowance Pricing Agreement) number Six-year relationship between Navy and Healthy Dairy |
| Strategy | Expand to GSA facilities based on experience/success with military |
| Partner | Corporate Chefs (broker—GSA contract) Other |
| Growth | Drinkable yogurt category: \$29.2B 2016 \$44.6B est. 2025 4.8% CAGR (Grandview Research) |
| Goal | Expand sales to 25% of GSA facilities by 2Q24 Expand sales to 50% of GSA facilities by 4Q25 |
| Assumptions | Maintain relationship with Corporate Chefs Corporate Chefs maintain good relationship with Navy Corporate Chefs has capacity to grow our business |
| Products | Healthy Dairy Yogurt Smoothies (4Q22) Healthy Dairy Premium Shakes (2Q23) Healthy Dairy "Powered Protein" supplement drink (4Q23) Protein bars (3Q24) Benesweet "On-the-Go" packs (StickPacks) (1Q23) |

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| Market | Hazelden Betty Ford Centers |
| Opportunity | 17 residential facilities 100-200 residents per facility Average stay 30-90 days Thousands of day-treatment and out-patient visits |
| Position | Good recovery begins with good nutrition |
| Strategy | Expand relationship via shared values and role of nutritional support in recovery |
| Partner | Sodexo (food service manager for all HBFF facilities) |
| Growth | Global drinkable yogurt category: \$29.2B 2016 \$44.6B est. 2025 4.8% CAGR (Grandview Research) U.S. enhanced water category: \$5.9B 2019 est. \$11.3B 2027 11.3% CAGR (Grandview Research) |
| Goal | Test market in 1 facility by 1Q23 Expand to all facilities by 1Q24 |
| Assumptions | Addiction is a growing societal problem HBFF will continue as a preeminent recovery program |
| Products | Healthy Dairy Yogurt Smoothies (4Q22) Healthy Dairy Yogurt Cups (2Q23) Healthy Dairy Premium Shakes (3Q23) Balens organic enhanced still water (3Q23) (Balens Basic?) Balens organic enhanced sparkling water (4Q23) (Balens Bubble?) Benesweet tabletop (StickPacks) (1Q23) |
| Example | 17 clinics @ 200 patients/clinic @ 3 meals/day = 10,200 meals/day If 10% of the patients choose HDYS just 1X/day = 340/day 340/day @ 30 days = 10,200 servings 10,200 @ 24 bottles/case = 425 cases/month 425 @ \$39.60/case = \$16,830 |

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| Market | Sodexo/Sysco |
| Opportunity | <p>Sodexo one of the largest food-service companies in the world (corporations, restaurants, hotels, etc.)</p> <p>Customers managed through Sysco, one of the largest food distributors in the world (300 warehouses serving 600,000 customers)</p> <p>Food service = \$.37 of every food dollar = \$600 billion industry</p> |
| Position | Sodexo/Sysco support HBFF—requested Healthy Dairy branded product to service other customers |
| Strategy | Leverage success with HBFF as proof-of-concept for other Sodexo/Sysco customers |
| Partner | Direct contact |
| Growth | <p>Drinkable yogurt category: \$29.2B 2016 \$44.6B est. 2025 4.8% CAGR (Grandview Research)</p> <p>U.S. enhanced water category: \$5.9B 2019 est. \$11.3B 2027 11.3% CAGR (Grandview Research)</p> |
| Goal | Add 1 new S/S account every quarter beginning 2Q23 |
| Assumptions | <p>Maintain relationship with HBFF</p> <p>Maintain relationship with Sodexo/Sysco</p> |
| Products | <p>Healthy Dairy Yogurt Smoothies</p> <p>Healthy Dairy Premium Shakes</p> <p>Healthy Dairy Yogurt Cups</p> <p>Healthy Dairy “Powdered Protein” supplement drink</p> <p>Protein bars</p> <p>Benesweet “On-the-Go” packs (StickPacks)</p> |
| Example | <p>Benesweet StickPacks as foodservice tabletop</p> <p>Americans consume 400M cups of coffee/day</p> <p>At least 40% of those add sweetener = 160M cups/day</p> <p>@ 1% market share = 1.6M servings of BS/day</p> <p>@ \$0.02/serving = \$32,000/day</p> <p>@ 5% market share = 8M servings of BS/day</p> <p>@ \$0.02/serving = \$160,000/day</p> |

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| Market | Army & Air Force Exchange Service |
| Opportunity | 2,440 facilities, 33 countries, 50 states, 5 U.S. territories 123 main stores 167 Military Clothing stores 645 convenience stores (troop stores, Express locations, Class Six outlets) 165 specialty stores 67 theaters 1,400 quick-serve restaurants 3,375 concession operations \$9.2 billion revenue |
| Position | Endorsed through U.S. military's Combat Feeding Directorate Only yogurt smoothie on the Navy's Master Load List Exclusive NAPA (National Allowance Pricing Agreement) number Six-year relationship between Navy and Healthy Dairy |
| Strategy | Leverage relationship with military services and GSA |
| Partner | Corporate Chefs (GSA contract) Direct relationship with Exchange Services HQ |
| Growth | Drinkable yogurt category: \$29.2B 2016 \$44.6B est. 2025 4.8% CAGR (Grandview Research) U.S. enhanced water category: \$5.9B 2019 est. \$11.3B 2027 11.3% CAGR (Grandview Research) |
| Goal | Test market 1 exchange location 2Q23 Expand to 10% of locations by 2Q24 Expand to 25% of locations by 4Q25 |
| Assumptions | Maintain relationship with Corporate Chefs Corporate Chefs maintain good relationship with Navy Corporate Chefs has capacity to grow our business Establish direct relationship with Exchange Service |
| Products | Healthy Dairy Yogurt Smoothies Healthy Dairy Premium Shakes Healthy Dairy "Powdered Protein" supplement drink Protein bars Benesweet "On-the-Go" packs (StickPacks) |

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| Market | Retail |
| Opportunity | Retail = \$.12 of every food of every food dollar = \$200 billion industry |
| Position | Military proven |
| Strategy | Build on success in military and exchanges Leverage brand awareness/preference built in these channels (Military families shop retail, too, and bring their preferences) |
| Partner | Various brokers |
| Growth | Drinkable yogurt category: \$29.2B 2016 \$44.6B est. 2025 4.8% CAGR (Grandview Research) U.S. enhanced water category: \$5.9B 2019 est. \$11.3B 2027 11.3% CAGR (Grandview Research) |
| Goal | Test market by 1Q26 |
| Assumptions | Success with military/GSA as proof-of-value |
| Products | Healthy Dairy Yogurt Smoothies Healthy Dairy Premium Shakes Healthy Dairy “Powdered Protein” supplement drink Branded energy drinks (Balens Buzz?) Branded energy shots (Balens Bolt?) Balens Electrolyte-Replacement drink (Balens Burst?) Benesweet “On-the-Go” packs (StickPacks) Benesweet by the Bag Benesweet Better Chocolate Chips Benesweet Better Chocolate Bars Benesweet Better Protein Bars |
| Timing | Year 3-4 evaluation |