

SNACT[®]

INVESTMENT PROPOSAL



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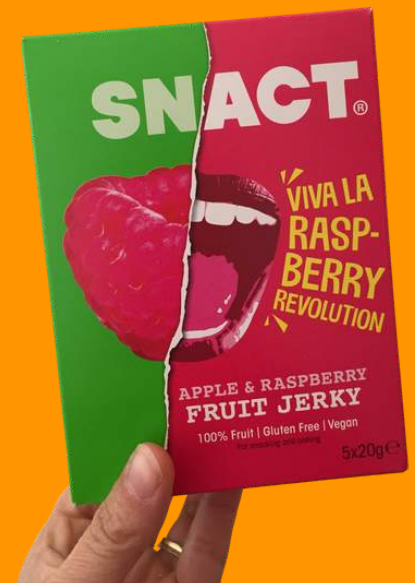
OCTOBER 2017

#DELICIOUSPROTEST

We're on a mission to create MORE TASTE LESS WASTE.

We make wholesome food waste-fighting snacks. Our delicious snacks are packed with all the nutrition of flawless fruit and wrapped in home compostable packaging. We're building a global movement of Snactivists to create a deliciously sustainable food future.

This is our #deliciousprotest.



OUR PURPOSE



1/3 of the food we produce globally is wasted. In the UK, 1.6 billion apples are wasted yearly, 1.4 million bananas daily.

We work with farmers and pack houses to use up their surplus, and have become a food waste solution for large retailers. To date, we've saved over 100,000kg of fruit from going to waste.



Excessive plastic consumption is chocking the planet. Flexible use plastics (like snack packets) never get recycled.

We've pioneered the use of a new home compostable film that decomposes like a fruit peel and returns to soil as a fertiliser, in partnership with Tipa.



Many snacks are unhealthy and synonymous with empty calories - food that has little or no nutritional value. This is wasteful.

Our snacks are nutritious and are made with no unnecessary, artificial ingredients, additives or preservatives.

OUR BUSINESS TODAY



Huge market opportunity

Snacking is ubiquitous and by providing healthy ethical products, we are positioning Snact into growth areas of the market. "Free from" is set to grow by 20% in the next couple of years, the health bar market will almost double and sales of ethical products have quadrupled over the past decade.

Scalable business

We've created a business with a demonstrated ability to secure and process surplus produce on a significant scale. We've recently expanded our product portfolio and invested in rebranding to be able to use a wider range of produce and engage different sources of surplus.

Great traction

We've created a powerful brand concept, secured great listings and sold 300,000 units of fruit jerky. The relevance of what we're doing has led to great PR and brand awareness. The new branding & new products have been extremely well received by both trade & consumers.

OUR JOURNEY: PAST & FUTURE

The beginning (December 2013)

16 hour days collecting produce from markets on bikes & making snacks by hand in a rented kitchen. We sold out at our first market so set about launching a crowdfunding campaign to get things going.

NPD & Launch (December 2015)

We started putting a scalable surplus supply chain in place and found a manufacturer to grow. Fruit jerky in its current format was launched in December 2015.

Today

We've sold 300,000 units of fruit jerky with sales increasing across key customers like Compass and Ocado. We've just launched new products and revamped our brand. We've saved over 100 tonnes of fruit to date and were the first to use Tipa's home compostable packaging in the UK.

Next two years

We aim to breakeven and save half a million kilos of food from going to waste. We'll shift our focus from brand and product development to sales and marketing for our existing brand and product portfolio. We'll continue to focus on predominantly on the UK market.

2-5 years

We'll replicate food waste solutions in other countries as we expand our sales & marketing activities beyond the UK.

Long Term

Turn every snacker into a Snactivist in the world. We'll look to tackle environmental and social issues in the food system beyond food waste.



THE FRUIT BOWL



Ilana Taub:
Co-Founder & CEO

MSc in Environmental Technology from Imperial College London. ICAEW lobbying for finance to play a bigger role in sustainable development. Launched The Food Assembly in the UK. London Leader by the GLA & the Mayor of London. Unreasonable Impact 2017 Programme.



Michael Minch-Dixon:
Co-Founder & COO

MSc in Environmental Technology from Imperial College London. Co-founder Brite Green, award winning sustainability strategy consultancy. Talent Development Programme at Vestas. UN Sustainable Energy for All Practitioners' Network. EP Magazine Emerging Leader.

The Snact Team

Ashley Lydiate: Sales & Outreach Manager
Noora Pärssinen: Sales & Marketing Manager
Marta Owczarek: Marketing & Communications
Elis Edhem: Student Placement Intern
Bethan Davis: Finance Manager

Advisors

Robert Hewitt: Board Director. Senior Policy Advisor at the Cabinet Office.
Kerttu Inkeroinen: Non-Executive Director. Marketing Director at Union Hand Roast Coffee & Senior Brand Manager at Coca Cola
Julian Bier: Investor. Serial entrepreneur.
Erik Bruun Bindslev: Food & Beverage Business Strategy Advisor.



THE #DELICIOUSPROTEST ARSENAL

Fruit Jerky



The 100% fruit snack to satisfy sweet cravings. Made with whole fresh apples, not concentrates. Targeted at women & kids. Part of your 5 a day. RRP £0.89.

Banana bars



The balanced bar for substantial cravings. The only bar on the market that definitely has no dates. Targeted at both genders as a second breakfast & for active lifestyles. High in Fibre. Part of your 5 a day. RRP £1.39.

Chocolate fruit bites



The more indulgent of the brand portfolio. For those who want an (almost) guilt free high quality chocolate snack. 74% dark chocolate. No refined cane sugar. RRP £1.39



VEGAN. GLUTEN FREE. MADE IN THE UK.
FOOD WASTE-FIGHTING & PLASTIC FREE.



OUR TARGET SNACTIVISTS

These three groups represent significant purchasing power in the snacking sector. They actively seek products like ours and value our ethos. Catering to them is a huge market opportunity.

Conscious consumers. All ages. Health conscious, avoid processed or overly sugary foods. Like to make a stand with purchasing decisions. Buy Snact because it matches their values.

The health conscious. 27-45 year old women. Use food as a form of self-expression. Prefer natural products and appreciate wholesome eating made easy. Socially conscious though convenience is king (or queen).

Parents. 25-45, working parents with young children. Looking for convenience and nutritious on-the-go snacks to help with busy lives. Buy Snact because it's unique, convenient, nutritious, good for both kids and parents.



OUR MARKETING PHILOSOPHY

Snact is a mission led brand. We communicate in a bold, desirable, and delicious way, demonstrating our passion for causes worth shouting about and challenging the status quo of the global food system.

Brand Philosophy: Give a sh*t and get sh*t done. It's our cut to the chase attitude and gritty enthusiasm that defines our approach to the #deliciousprotest.

Brand Attitude: Fun, bold, provocative, witty. We want to make people chuckle, get inspired, and join the movement.

Brand Tone: We're dynamic, unmissable and witty. We're passionately motivated to make a difference, progressive and bursting with positive energy. We're provocative, assertive and irreverent, but also confident in our solution to the issues, not afraid to get our hands dirty and get shit done. We're not preachy or fluffy, we're clever and good humoured.

Marketing Messaging Focus

Snacking: our products are delicious, healthier, convenient and part of a mission to change things for the better - all you could want from a snack.

Sustainability: we challenge the status quo and everything we do makes a positive social and environmental impact.

Inspiration: we want to educate people and empower them to join our smart, witty, radical movement: the #deliciousprotest.



OUR MARKETING ACTIVITIES

Focus

Get people to know us (PR, social media, partnerships)

Get people to try us (in-store samplings, freebies - free snacks in online orders, freebies linked to sale opportunity)

Get people to love us (so they buy again & tell others)

Strong shopper marketing push

Work with existing & new accounts to develop activation tailored to them (e.g.: sampling in shops like Planet Organic, offices like Google; recipe cards for Waitrose; counter displays; off-shelf opportunity; standing displays.)

Trade marketing

Trade shows, trade press & trade events (e.g.: signed up to Lunch!, Natural & Organic Product Show, Bread & Jam Festival...)



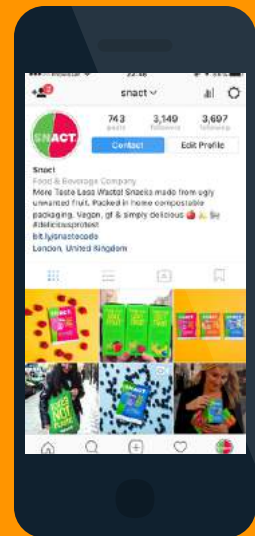
CREATING A BUZZ



marieclaire **VOGUE**
THE INDEPENDENT **FAST@COMPANY**
London Evening Standard **THE HUFFINGTON POST**
METRO



8000 followers on Twitter
2600 followers on Facebook



3200 followers
on Instagram

unreasonable
impact Created with
BARCLAYS

LONDON
SUSTAINABLE DEVELOPMENT
COMMISSION

SALES OVERVIEW

Retail

Multiples: We are in discussions with Tesco to be the primary user of their surplus bananas and to list our banana bars in their impulse section

Premium retailers: We're listed with Planet Organic, As Nature Intended, Sourced Market & Selfridges. We will continue to grow these listing and add to them

Indies: We're stocked in indies primarily in London but with a growing foot print across the country



Food Service

Compass: Compass is our largest customer. We will continue to grow this account by expanding the number of sites we're in, including offices & universities.

Wilson Vale, Just Hospitality: Smaller contract caterers we have started working with.



Online

Ocado: Listed since May 2016. Sales are growing & there is a big opportunity to grow this account further.

Amazon: Vendor but have not pushed this yet, will start to do more of this in the future

Snack boxes: Great way to launch new products & get into many households. Included in SourcedBox, Lifebox, Foodist, VeganTuck box...

Webshop: Just redid this with the rebrand & optimised for higher sales.

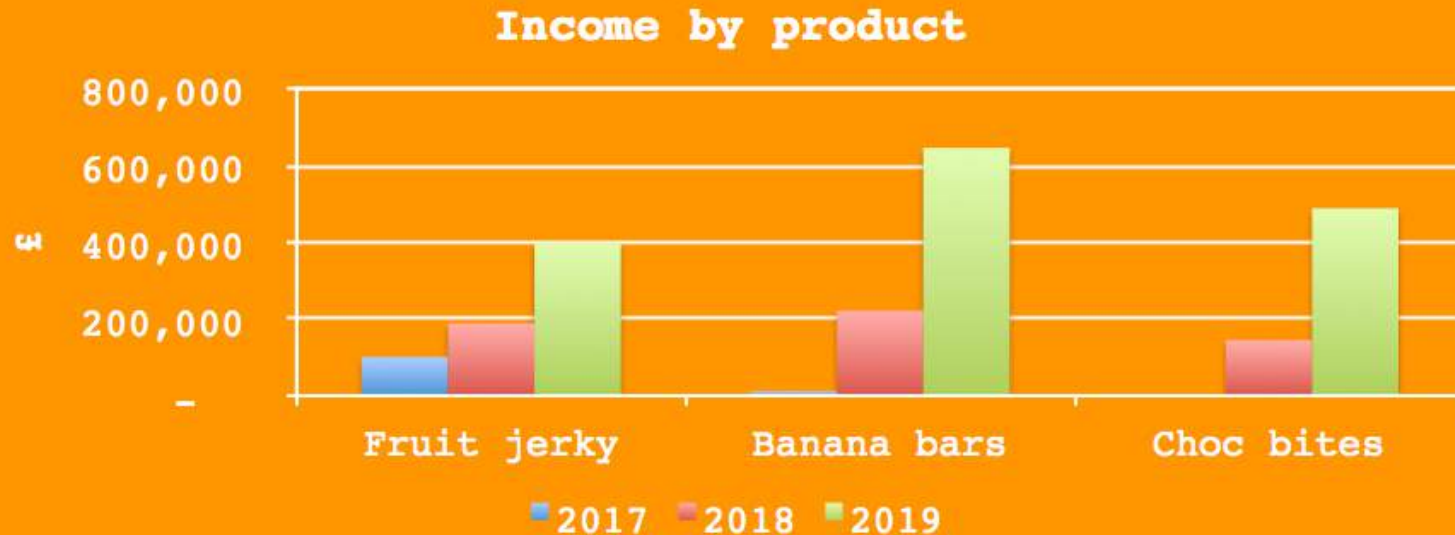


Routes to Market

We have listing with regional and national distributors including Brakes, Bewleys, Epicurium, Marigold, and CLF.



PROJECTIONS



Fruit Jerky: The UK dried fruit market is worth £200 million (2016) and growth in this area is coming from branded snacks. Wholesale price: £0.45 (RRP £0.89).

Banana Bars: The UK health bar market is growing - from £150m to £250 (2015-2019). With a unique product (bars made with bananas, not dates), and unique story, we're in a very strong place to capture a large part of this growing market. Whole sale price: £0.60 (RRP £1.39).

Chocolate Fruit Bites: 1 out of 6 people eat chocolate every day. Growth in this category is coming from dark and premium chocolates. Whole sale price: £0.60 (RRP £1.39).

With all of our snacks, we are tapping into the growing segment of existing markets. We've deliberately not modelled "hockey stick" growth - whilst we see huge potential for our brand we prefer to offer a conservative growth path in our plan.

P&L

£

	2017			2018					2019			
	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	
Total Income	112,329	60,202	95,519	152,915	247,031	555,667	311,846	355,143	404,814	461,830	1,533,633	
Total Cost of Sales	98,363	41,040	64,933	103,671	167,061	376,705	198,515	225,819	257,120	293,024	974,478	
Gross Profit	13,965	19,162	30,586	49,244	79,970	178,961	113,331	129,324	147,695	168,806	559,156	
Total Operating Expenses	344,622	91,866	93,013	96,082	102,667	383,628	119,753	127,935	140,498	148,146	536,332	
Net Profit	(330,657)	(72,704)	(62,427)	(46,838)	(22,697)	(204,666)	(6,422)	1,389	7,197	20,660	22,824	

Including promotions and discount, and the implementation of cost of reduction measures, we anticipate gross profit to be 32-36% over the next two years.

Working with surplus produce and compostable film whilst staying price competitive means that our gross margins are thinner than if we were to work with traditional supply chains and packaging. But the exposure and brand loyalty this generates compensates in the form of marketing subsidy. Our objective is obviously to increase our gross margins as we grow as we benefit from economies of scale.



INVESTMENT NEEDS

We need £250,000 to get us to breakeven. Now that we have the brand and products needed to achieve a big growth in sales the focus of expenditure will be on marketing and the team.

Our team

55% of fixed expenditure over the next two years will be on the team.

We'll bring in more experienced people and operational support to ensure that we deliver quality at volume.

Marketing

Marketing will account for 31% of fixed expenditure over the next two years.

Our great story affords us lots of media coverage and positive positioning in store but given the competitive nature of this space, we will invest heavily here.



WHY INVEST

An amazing brand: We are building a brand and have now gotten a great foundation for it, both visually & conceptually. Our brand identity is punchy, powerful & creative. Our products & packaging are innovative.

Delicious nutritious products: Our fruit jerky quality has improved highly & our new products are truly delicious. Our wider product portfolio also means we've in a better place to reach a wider range of consumers.

A solid team: We've built a stronger team internally with a strong network of advisors (and continuing to do so) to guide Snact to its next level of growth.

An exciting pipeline: Great customers, good chance of winning a key listing as we're getting surplus directly from supermarkets.

A scalable supply chain: We've proven we can access large amounts of surplus produce to the point where large retailers see us as a solution and partner to help them tackle their food waste.



