
LAIRD
SUPERFOOD®

Forward looking disclaimer

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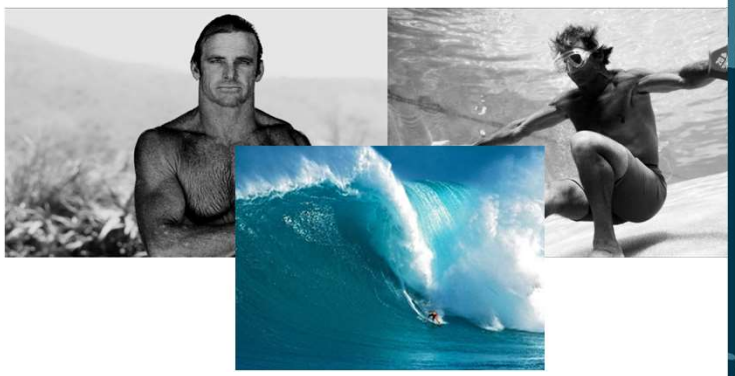
Creating a world where superfoods fuel optimal daily performance by providing great tasting, innovative, highest-quality superfoods that support the health and wellness journey of our consumers.



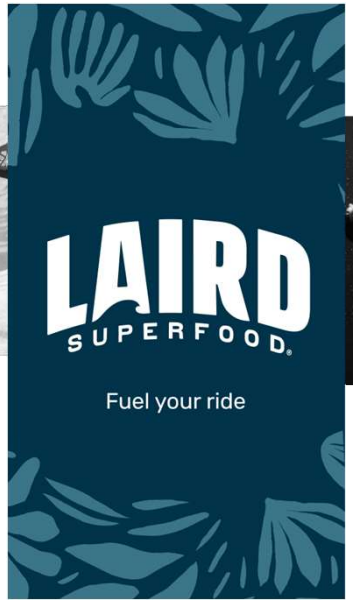
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Laird Superfood was founded by two athletes training for the ultimate life

Laird Hamilton



- Big Wave Surfer and pioneer of action water sports
- Innovator
- Author
- Fitness and nutrition expert
- LSF innovation leader – defines our mission and ingredient discovery



Gabby Reece



- The Gabby Reece show podcast host
- Best-selling author
- Former professional volleyball player
- First women athlete to design a signature shoe with Nike
- LSF ingredient advisor – holds us true to our guardrails and innovation design

Laird Superfood Strategic Plan

1 Grow our core business
- Expand distro & improve MAPS
- Grow awareness and trial
- Shift marketing to TOF

2 Innovate in Superfoods
- Expand existing product lines
- Execute packaging innovation
- Launch “1-step” innovation

3 Improve LSF Supply Chain
- Increase capacity and flexibility
- Reduce operational costs
- Ensure product quality

4 Build critical capabilities and improve our work processes
- Continue to simplify work processes and IT infrastructure
- Train/hire critical employees to elevate business performance

5 Improve our P+L and accelerate the path to profitability
- Optimize pricing and leverage scale to improve GM to a sustainable 38%+
- Execute annual ZOG or better
- Pursue consolidation opportunities within/adjacent to our core portfolio

LSF investment highlights

- ✓ Plant-based, clean, functional ingredients that are on-trend with consumers
- ✓ Large and growing addressable market across core categories
- ✓ Highly engaged founders with strong equity, reach and relevance
- ✓ Strong brand equity, net promoter score, and active social community
- ✓ Actively scaling digital platforms
- ✓ Management team with extensive experience in consumer goods
- ✓ Significant whitespace expansion opportunity at retail

LSF executive team with extensive experience



Jason Vieth

CEO | President

- President and CEO since January 2022
- EVP/GM at Sovos Brands
- SVP of Life Time Fitness
- SVP/GM at WhiteWave Foods
- Boston Consulting Group



Anya Hamill

CFO

- Chief Financial Officer since July 2022
- CFO at Little Secrets
- Sr. Director of Finance at WhiteWave Foods
- Financial Analyst at Agilent



Martha Opela

VP, Marketing

- Joined LSF May 2022
- Marketing Director, Charlotte's Web
- Brand Management at WhiteWave Foods
- Brand Management at Dish Network



Jared Larkin

VP, Supply Chain

- VP of Supply Chain since August 2022
- Director of Operations and Finance for Picky Bars
- President of KIALOA Canoe Paddles



Steve Richie

General Counsel

- General Counsel since June 2022
- Head of HR since Jan 2023
- EVP, Legal and Human Resources, at Concentrix Corporation
- GC, Annie's, Inc.

Laird Superfood portfolio spans large categories









	Liquid and Powder Coffee Creamers	Coffee, Tea and Hot Chocolate Products	Snack, Nutrition, Performance Bars	Hydration & Beverage Enhancing Supplements
Total Addressable Market (TAM)	$7.3 billion	$29.4 billion	$6.5 billion	$7.4 billion

Source: Mintel Report based on IRI InfoScan Reviews, CSPDailyNews.com, US Census Bureau, Economic Census/Mintel (Coffee/Tea, Creamers) , IRI 52WE 10/31/21 (Snack Bars), Future Market Insights & Grandview Research 2022 (Hydration/Bev Enhancing Supplements)

Consumer are upgrading to a new generation of functional food and beverage

59%

Of consumers agree that functional drinks help them **accomplish their health goals**



83%

Of consumers claim to have **recently used beverages** containing at least one functional claim.



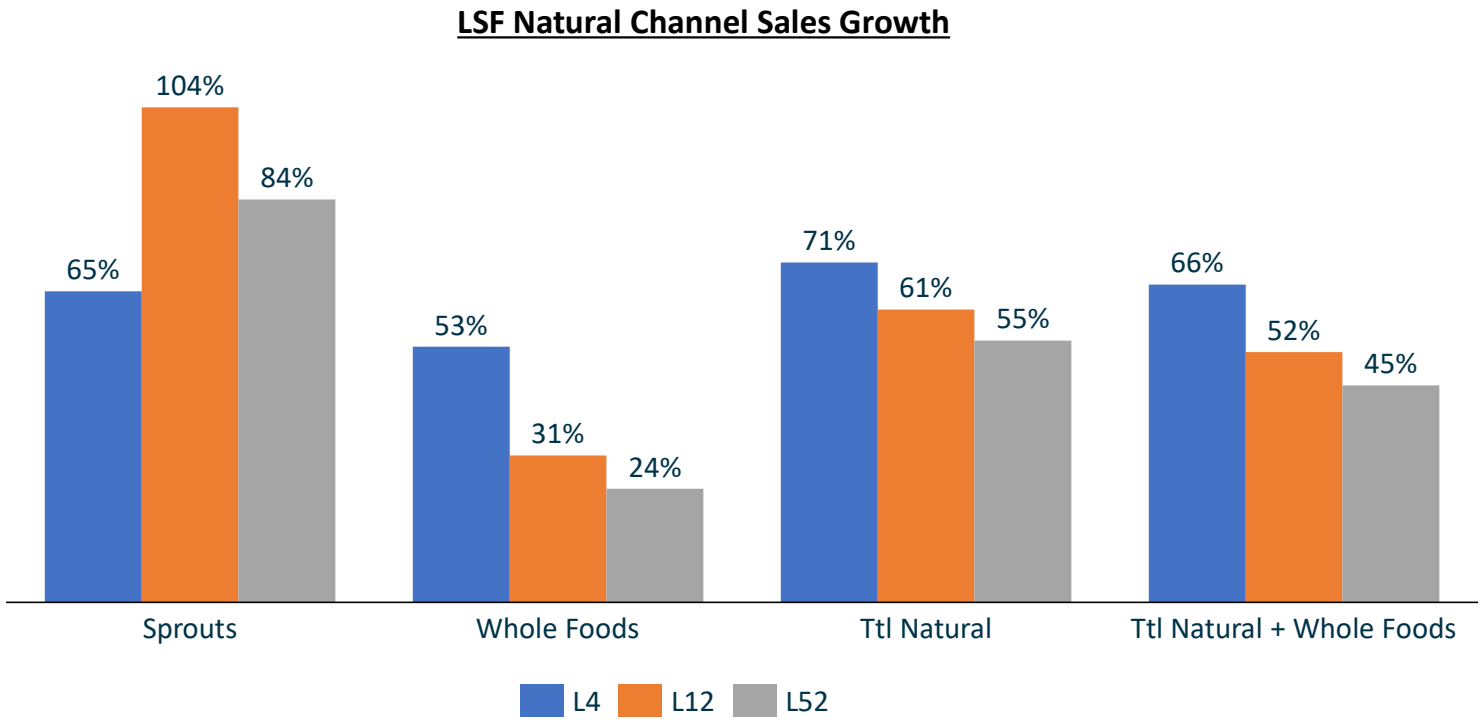
+39%

Growth in Functional / Mushroom based products in **Coffee & Creamers**.



Source: Mintel Functional Drinks Report April 2023, Customer LSF Segmentation Study Aug 2022, SPINS Natural Channel , MULO+Natural Channel 52 weeks Ending 9/10/23

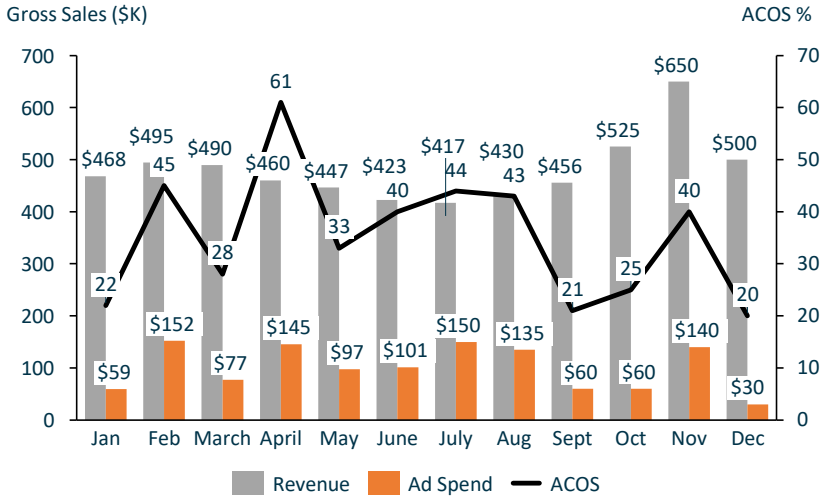
LSF sales in the Natural Channel are accelerating



Source: Spins Total Natural Channel data ending 10/8/23 and Whole Foods data ending 10/22/23

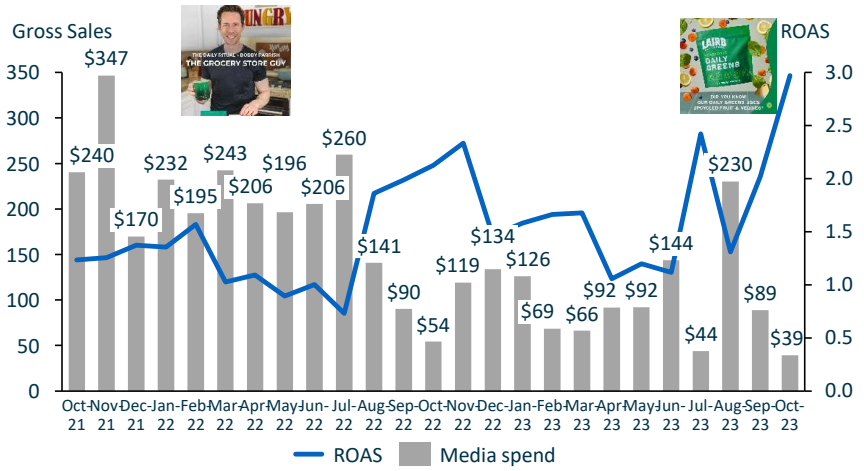
Dramatic improvement in our e-comm media spend efficiencies

LSF - Amazon Media Spend and Return
2023 Plan



Ad Cost of Sales (ACOS) improving along with Gross Sales

LSF - DTC Paid Media Spend and Return, $K

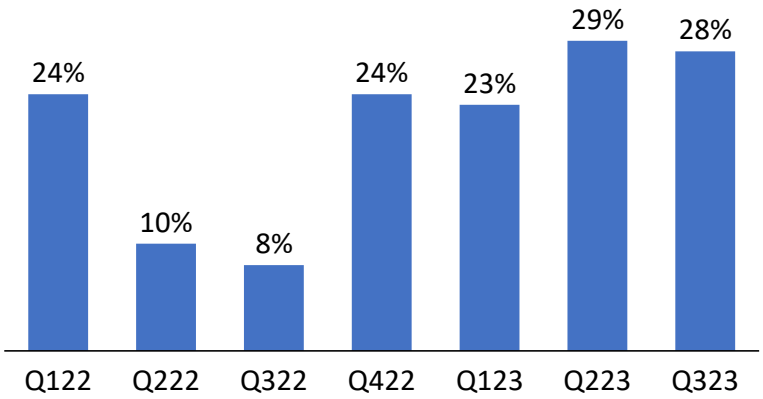


As ad spend decreased, ROAS has improved

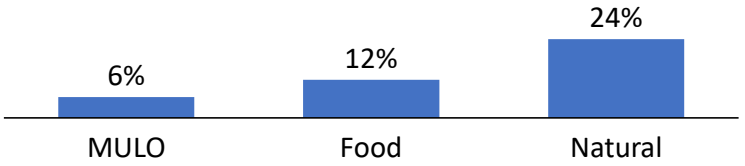
Source: Laird Superfood media spend and gross sales, AMZ Nov Dec Projections

Strong retail takeaway in 2023

LSF Total Brand Dollar Growth by Quarter
MULO + Natural + Whole Foods



LSF Liquid Creamer Dollar Velocity Change by Quarter
12W ending 9/10/2023



Source: SPINS Data Ending 9/10/2023

3Q23 Financial Performance





Financial highlights

Q3 LSF net sales returned to growth and gross margin reached nearly 30%*

- $9.2 million net sales grew 4%, versus prior year period, driven by expansion in Retail and Club, offset in part by lower E-commerce sales.
  - Wholesale added up to 47% of total net sales and grew 43% year over year.
  - E-commerce added up to 53% of total net sales and decreased 17% year over year, driven by a planned media spend reduction (-19%). Amazon sales were negatively impacted by residual inventory out-of-stocks related to the Q1 quality issue.
- 30% gross margin*, 6+ point expansion versus prior year for the second quarter in a row, driven by cost of sales improvement , partially offset by stepped-up promotional trade investment to drive growth in our Wholesale channel.
- $3.5 million of cash was used in operations versus $3.6 million in the prior year period, reflecting lower EBITDA loss offset in part by inventory investment to meet stepped up demand in Retail and Club channels.
- $2.8 million net loss, cut in half versus prior year driven by expanded margin and reduced marketing and G&A.

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*Q3 Results excluding benefit of one-time settlement. FY2023 guidance are excluding one-time charges

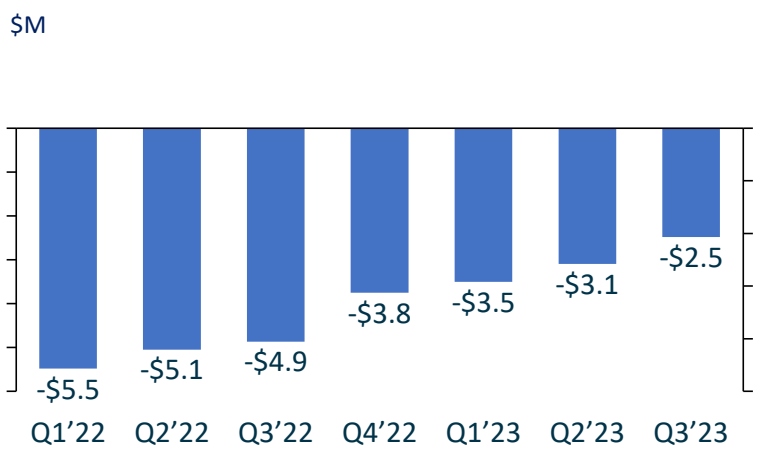
Financial results*

			YoY change
3Q23	Net Sales	$9.2M	+$0.4M
	Gross Margin	29.5%	+610 bp
	OPEX	$3.2M	($1.7M)
	Net Loss	($2.8M)	+$2.8M
3Q22	Net Sales	$8.8M	
	Gross Margin	23.4%	
	OPEX	$4.9M	
	Net Loss	($5.6M)	

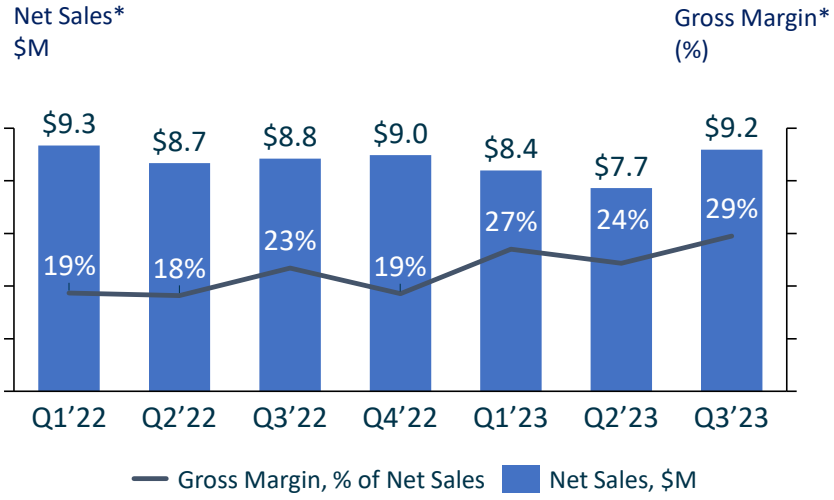
*Q3'23 results exclude one-time benefit of $0.1M for a settlement with a supplier related to product quality issue experiences in Q1'23

EBITDA losses consistently getting smaller

EBITDA losses* narrowing on a sequential basis



Gross margin improvement on consistent sales



*excluding one-time charges

Q323 results*

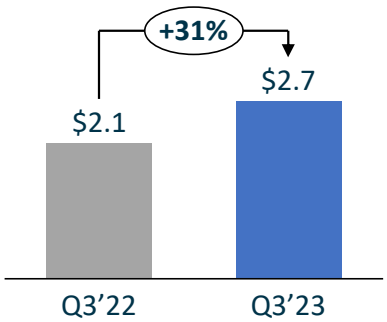
Net sales, $M



Net Sales +4% due to:

- Wholesale +43%
  - Retail 2%
  - Club +248%
- E-commerce (17)%

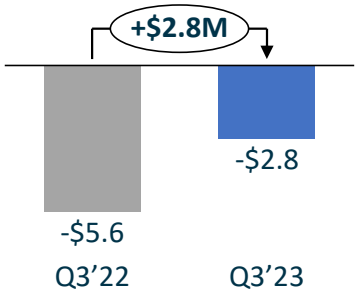
Gross profit*, $M



Gross margin of 29.5%, +6 points versus prior year driven by:

- Transition to asset light co-packer model and 3rd party fulfillment.
- Offset in part by trade investment to drive incremental awareness and trial in Retail.

Net loss*, $M

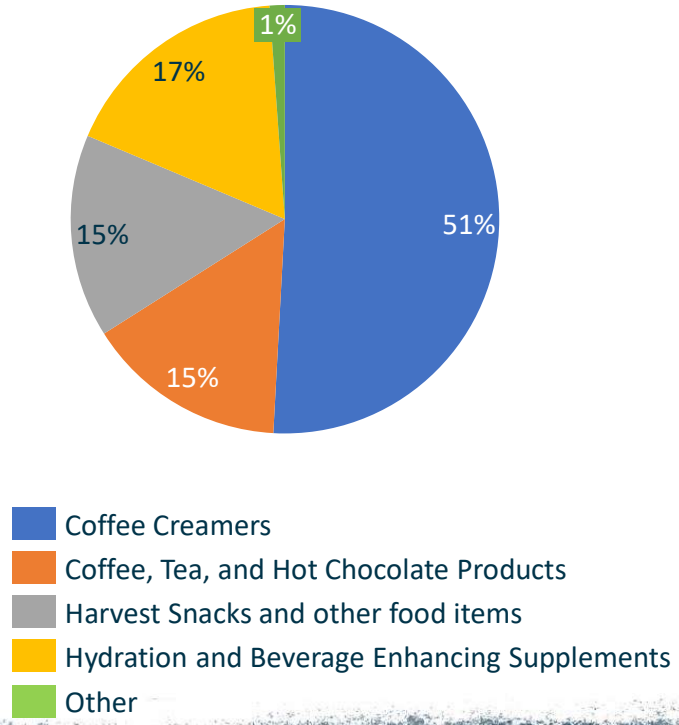


- Net loss improved by $2.8 million due to expanded gross margin and lower marketing and G&A spend.

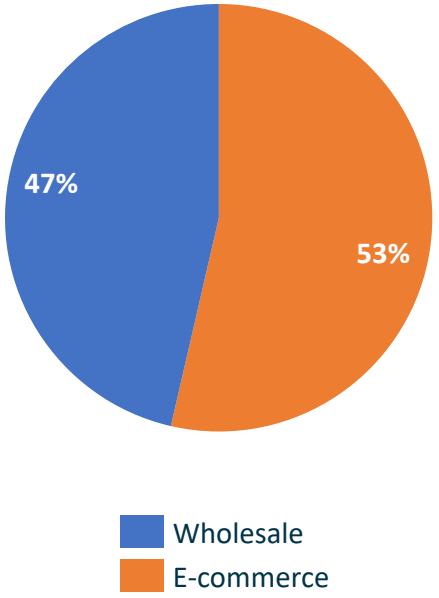
*excluding one-time charges and benefits

Q323 sales mix

Gross sales by product line

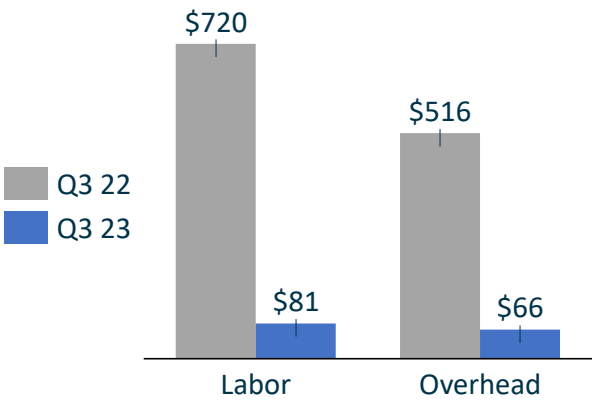


Net sales by channel

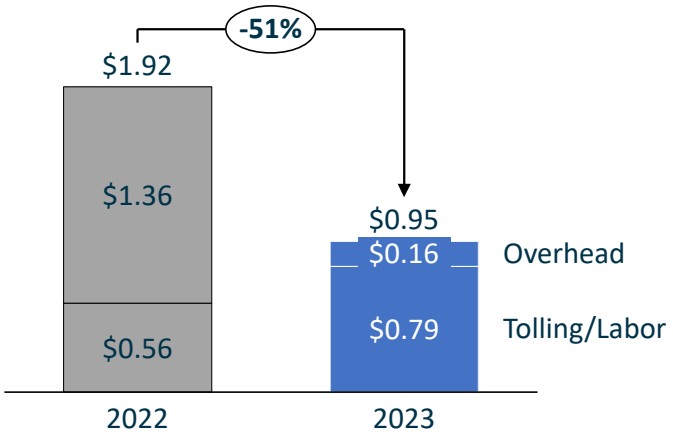


Reduced costs and greater capacity in Supply Chain

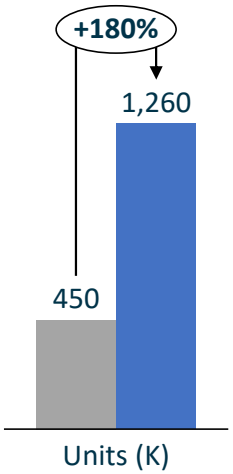
Fixed expenses, $K



8oz Powder Creamer manufacturing cost, $ (e.g.)

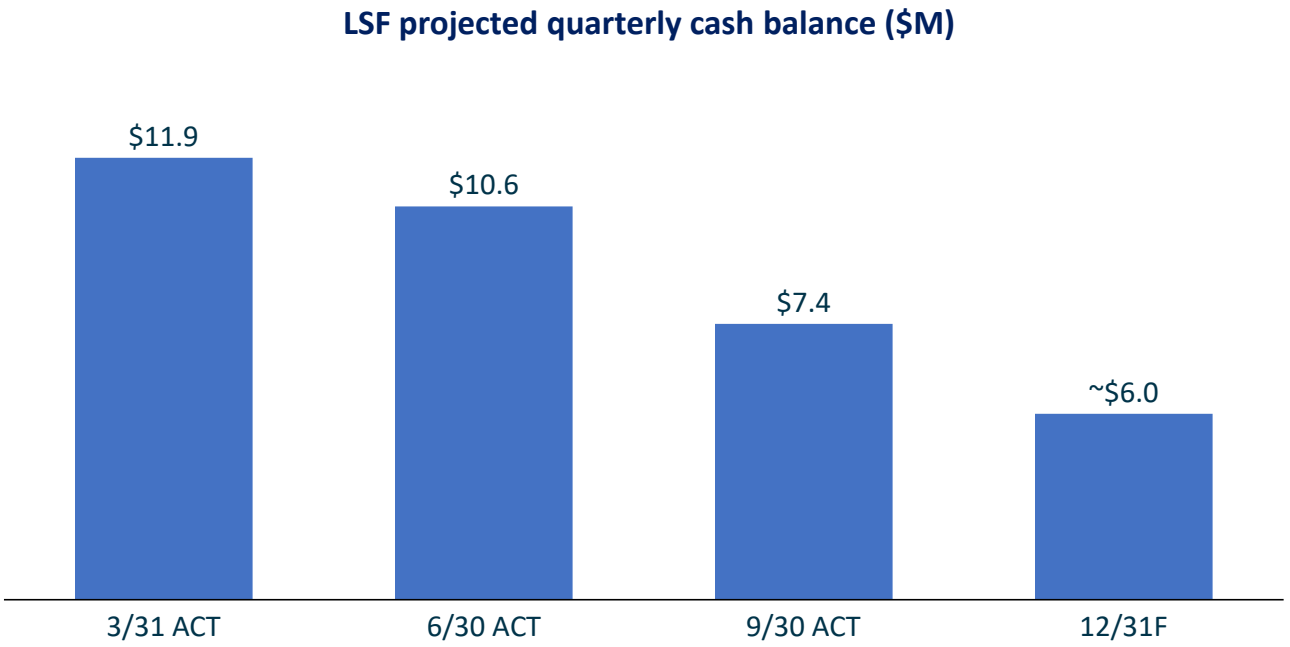


Manufacturing capacity (Powder Creamer)

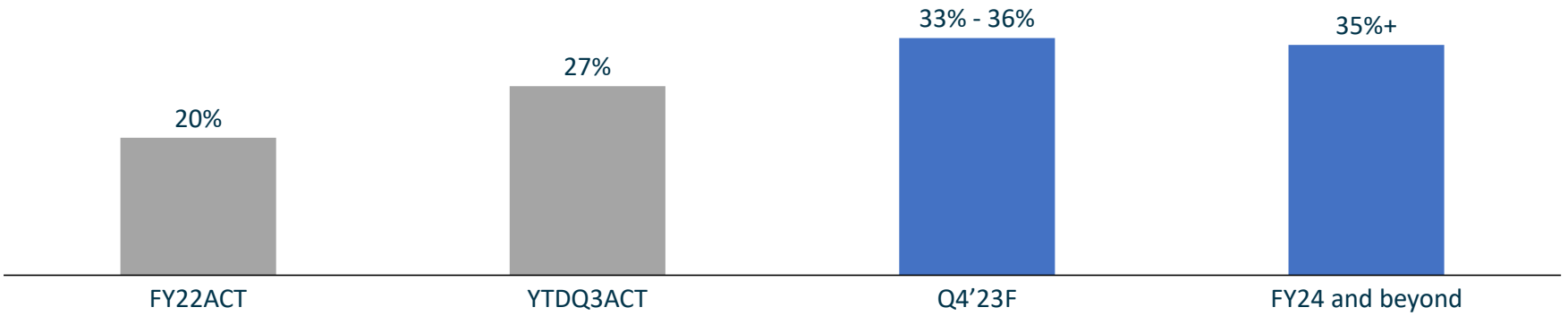


- In 2023, we transitioned to a fully outsourced variable cost Supply Chain model.
- Through outsourcing, short-term manufacturing capacities have tripled over 2022.

Slowing burn to exit 2023 with ~$6M cash



Long-term gross margin outlook*



- Margins dampened by underutilization and fixed overhead costs due to in-house manufacturing.
- First 9 months post co-pack transition shows 7+ points Gross margin improvement over same period last year.
- Continued benefit of an asset light co-packed model.
- Liquid Creamer transition to aseptic drives 50% gross margin improvement.
- Normalized trade promotion spend.
- Selective pricing/trade optimization.
- Cost Optimization – product reformulation, process improvement, procurement/scale savings.

* excluding any one-time charges and benefits