



**Bonne Santé Group, Inc.**  
**Confidential Executive Summary**  
**January 6, 2021**

**Bonne Santé Group, Inc.** (“BSG,” “Bonne Santé,” or the “Company”), a Delaware corporation, is engaged in the development, marketing, manufacturing, acquisition, operation and sale of a broad spectrum of nutritional and related products in the Health & Wellness sector. Structured as a global holding company, BSG is executing a buy-and-build strategy with serial accretive acquisitions creating a vertically integrated company.

To drive growth and earnings, the Company is developing proprietary products as well as acquiring other profitable companies, both brands and distribution channels. The Company is currently being positioned for an anticipated Initial Public Offering (the “IPO”) and NASDAQ listing in 2021.

The Company has been engaged in a comprehensive program to develop a robust pipeline of prospective acquisitions in addition to the target acquisitions described in this Executive Summary. Management has significant experience in locating and evaluating prospective target operating companies. The Company has also entered into buy-side agreements with certain M&A advisers and consultants to assist management in identifying and evaluating prospective target operating companies.

The acquisition profile for 2021 is to acquire multiple companies aggregating a minimum of \$100 million in revenues on an annualized basis, with the next three acquisitions in the pipeline representing over \$40 million in revenue. The nutritional products industry is highly fragmented with a large pool of companies generating less than \$20 million in revenues representing significant opportunity for industry consolidation.

**Bonne Santé Natural Manufacturing, Inc.:** On March 8, 2018, the Company acquired 51% of Millennium Natural Manufacturing, Inc. On October 8, 2019, the Company acquired the 49% of Millennium it did not own. Millennium has been rebranded Bonne Santé Natural Manufacturing (“BSNM”) to better reflect the Company’s vertical integration. Based in Doral, Florida, BSNM is a 22,000 square-foot FDA-certified state-of-the-art manufacturing facility. BSNM has manufactured products for nearly 100 different companies. The facility has encapsulation, tableting, packaging, and labeling machines, and multiple shipping and receiving docks. BSNM’s Quality Assurance Department the latest analytical technology to verify the potency of each product. The current building is under a 5-year lease from July 2017 to June 2022. BSNM has an option for 3-year renewable terms with a 3% annual increase. (Watch Bonne Santé Natural Manufacturing’s overview video [here](#).)

**BSNM Strengths:**

- Developed and tested over 300 formulas since 1998.
- Enjoys a quality reputation and FDA-certified state-of-the-art facility.
- Expertise in registering products across the globe, including Latin America.

Although Millennium was highly distressed at the time of acquisition by Bonne Santé Group and has sustained moderate losses since the acquisition, the Company has made significant progress with the implementation of its Pathway to Profitability (the “Plan”) which management believes will result in significant profitability in 2021. Key components of the Plan include:

- Recent engagement of nutraceutical industry veteran Ryan Zackon as Chief Executive Officer
- Installation of a highly proactive Business Development group
- Execution of a \$15 million, three-year contract with Twinlab. (See below.)

- Immediate migration of all contract manufacturing to BSNM on completion of the Boost Marketing acquisition (Target 1) and Doctors Scientific Organica acquisition (Target 2). Both acquisitions can migrate their capsule production and related contract manufacturing to BSNM, which will now inure to the benefit of BSG as a whole. Those contributions are anticipated to be in excess of \$1.5 to \$2 million in additional annual revenues for 2021.

**Twinlab Consolidated:** On February 10, 2020, Bonne Santé Group executed a 3-year, \$15 million agreement with Twinlab Consolidated, a 50-year-old global supplements company for contract manufacturing. Pursuant to the terms of the contract, it is anticipated Twinlab will deliver a minimum of \$5 million per year in contract manufacturing orders. (Read the press release [here](#).)

**Acquisition Pipeline:** As of the date of this Executive Summary, the Company has identified and commenced negotiations in various stages with multiple companies representing aggregate revenues approaching \$100 million in its M&A pipeline that management believes can be acquired on an accretive basis supporting the Company's high growth business model. Of these, BSNM, which has already been acquired, and the next two acquisitions in the pipeline represent over \$25 million in revenue for 2021 and are expected to be completed on a pre-IPO basis. The third acquisition in the pipeline is also presented below as confidential Target 3 and is expected to be completed subsequent to the Company's anticipated IPO, resulting in a Company with over \$40 million in revenue for 2021 on a consolidated basis.

**Target 1 - Boost Marketing:** On April 26, 2019 Bonne Santé Group executed a definitive agreement for the acquisition of Sharp Nutrition, an operating division of Boost Marketing Group, LLC, owned by Steven Eilers pursuant to an asset purchase agreement ("Target 1"). Boost, based in Grand Rapids, Michigan provides an online commerce platform for its multiple brands of nutritional supplements sold on Amazon, including several "Amazon's Choice" products with over 10,000 reviews. Boost sells various supplements under the Nutrition Essentials brand, including: Probiotics, Testosterone, Prenatal Vitamins, Anti-Aging, Brain Function, Thyroid Support and Anxiety. BSG will pay to the Seller a purchase price equal to 4x Trailing Twelve Months Adjusted EBITDA of approximately \$1.2 million, estimated at approximately \$5 million, comprised of 74% Cash, 16% Seller Note and 10% Convertible Note. (The Amazon store page can be viewed [here](#).)

**Target 2 - Doctors Scientific Organica:** On February 11, 2020 Bonne Santé Group executed a definitive agreement for the acquisition of 100% of Doctors Scientific Organica LLC d/b/a Smart for Life and Oyster Management Services, based in Riviera Beach, Florida from its sole shareholder pursuant to a stock purchase agreement ("Target 2"). This health and wellness foods company specializes in the manufacturing, development and sale of numerous weight loss products, supplements, health food bars, diet cookies and healthy snacks. DSO currently sells its products in various big box retailers including Costco, Walmart, BJ's and Sam's Club. In addition, the company manufactures products sold under one of Nickelodeon's highly visible children's show brands and has a licensing agreement with internet fitness celebrity Jen Selter with over 15 million followers. [www.jenselter.com](http://www.jenselter.com) BSG will pay to the Seller a purchase price equal to 6x Trailing Twelve Months Adjusted EBITDA of approximately \$2 million or approximately \$12 million, comprised of 50% Cash, 25% Seller Note and 25% Convertible Note. [www.smartforlife.com](http://www.smartforlife.com)

**Target 3 – Confidential:** On April 27, 2020 Bonne Santé Group executed a Letter of Intent for the acquisition of 100% of a Southern Florida-based manufacturing facility with both powder and liquid manufacturing lines, in the form of a stock purchase from the sole shareholder ("Target 3"). This nutraceutical and private label contract manufacturer specializes in premium nutritional supplements, fresh juices and ready-to-drink activated liquid products and personal care products, many of which are sold in top-tier retail channels including Walmart, Trader Joes and Whole Foods. Currently generating approximately \$15 million in revenue and \$3 million of Adjusted EBITDA, the company has expanded from a 30,000 sq. ft. facility this year to a 65,000 sq. ft. facility with capacity to achieve up to \$100 million in sales, representing significant growth. BSG will pay to the Seller a purchase price equal to 6x 2021 proforma Adjusted EBITDA comprised of a combination of Cash, Seller Note and Convertible Note.

SUMMARY FINANCIAL DATA				
	2018A	2019A	2020E	2021E
<b>Revenue</b>				
Bonne Santé Natural Manufacturing	3,682	2,364	1,760	6,250
Target 1: Boost Marketing	6,013	3,987	4,885	6,839
Target 2: Doctors Scientific Organica	13,365	9,953	11,139	14,481
<b>Total Net Sales</b>	<b>23,060</b>	<b>16,305</b>	<b>17,784</b>	<b>27,570</b>
<b>Adjusted EBITDA</b>				
Bonne Santé Natural Manufacturing	(49)	(506)	(332)	686
Target 1: Boost Marketing	2,022	1,206	1,227	2,007
Target 2: Doctors Scientific Organica	1,757	1,278	1,960	2,653
<b>Total Adjusted EBITDA</b>	<b>3,730</b>	<b>1,977</b>	<b>2,854</b>	<b>5,346</b>

\* Adjusted EBITDA data does not give effect to parent company G&A estimated at \$1.1 million annually.

\*\* Certain information set forth in the chart above is based on pro forma estimates and are subject to material adjustments.

ANTICIPATED CASH AT CLOSING	
Target 1: Boost Marketing	\$4 million
Target 2: DSO	\$6 million
Liquidation of Current Senior Debt (to provide 1 <sup>st</sup> position)	\$2.5 million
Transaction Costs & Fees	\$1 million
Working Capital	\$1 million
<b>Total Cash</b>	<b>\$14.5 million</b>

**Management Team:** Detailed information on the Bonne Santé Group management team can be accessed here: <https://www.bonnesantegroup.com/management-team/>

**Summary:** Management's objective at Bonne Santé Group is the development of a high-growth world-class nutraceutical company engaged in the development, manufacture, and sales of quality nutraceuticals to an expanding global marketplace with an emphasis on quality Health & Wellness products. Taking advantage of the the burgeoning \$300 billion nutraceutical industry that is ripe for consolidation, the management team aims to grow the company through both organic growth and strategic M&A into a major publicly listed company with over \$250 million in revenues over the next three years. As the company achieve's its anticipated NASDAQ listing in 2021, Bonne Santé Group's management and Board of Directors have an unwavering commitment to growth in revenue, earnings and shareholder value.

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