

THE SKINNY™



a chemical-free lifestyle brand

PUREST PRODUCTS ON EARTH
5 INGREDIENTS OR LESS
CLEAN ENOUGH TO EAT



Executive Summary

THE SKINNY™

100% Natural Clean Beauty & Food Co. helping consumers live a **chemical-free lifestyle**.

We own the **Nutralock™** system patent, which is our ultra cold-press oil processing resulting in the purest microfiltered coconut oil.

Global skincare category is **\$123B** with a **CAGR of 4.4%** & annual \$ growth of **\$1B**.

Natural & Organic segment forecasted to hit **\$25B** by 2025 with a **CAGR of 9%**.

\$3MM captial raise to start a **business transformation** and invest in three growth drivers:

- **Building a strong DTC business via digital marketing** to drive sales & accelerate A/R payments
- **Combining Expanded E-Commerce & national retail distribution** to accelerate revenue
- **Expanding Production Capacity** to drive scale and improve profitability

Executive Team



LUKE GEDDIE

Founder, COO
Chairman of the Board

Former International
Importer & Exporter
B.S. Business Administration,
Management & Operations
University of Colorado



JAIME A. VASQUEZ

CEO, CMO
Vice Chairman of BOD

Former CMO PepsiCo Bev-
erages, COO LG Electronics,
CMO @ Cricket Wireless
B.A. English Literature UCLA
MBA Georgetown University



OMAR KHALAF

Chief Commercial Officer
Principal Emerging Brands Partners

15 years with Kraft Foods
Group, Head of Sales @
Kraft, Oasis Brands, & Truco
(On the Border Snacks)
B.S. Marketing Cal State
Long Beach

Advisors



MIKE LANCE

Advisor to Skinny & Co.,
Investor

Former Investment Banker
Morgan Stanley and Gold-
man Sachs
B.A. UNC Chapel Hill
MBA Georgetown University



JOY REESE NMD

Co-Founder, VP Wholesale Sales
& Chief Health and Wellness
Officer, Board Member

Naturopathic Practitioner
B.S. Texas Tech, American
College of Integrative Medi-
cine and Dentistry



FRED BEILSTEIN

Interim CFO

Managing Partner Equicorp Part-
ners, Former President and/or
CFO @ Cendant, Popeyes, Days
Inn, Fuqua Industries, CPA
B.S. Accounting & Finance @
George Washington University



SHAUN O'HALLOREN

Advisor to Skinny &
Co. Executive Team

President @ Beauty Brand, Consultant
Management Squared, Former Pres-
ident & Co-founder of Brow Gal and
Skywater Beverage
Biology & Sociology UC Santa Barbara

The Problem

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Younger & older generations are knowledgeable about artificial ingredients but have a tough time finding all natural options without all the fillers and chemicals



Problem: watered down

Ingredients: Water/eau, sodium laureth sulfate, sodium citrate, cocamidopropyl betaine, sodium xylenesulfonate, stearyl alcohol, sodium lauryl sulfate, sodium chloride, cetyl alcohol, fragrance/parfum, citric acid, sodium benzoate, polyquaternium-6, guar hydroxypropyltrimonium chloride, tetrasodium edta, trisodium ethylenediamine disuccinate, trihydroxystearin, mica, titanium dioxide, panthenol, panthenyl ethyl ether, silica, iron oxides, methylchloroisothiazolinone, methylisothiazolinone.



Problem: unknown alcohol dries out skin

Ingredients: Water, Sodium C14-16, Olefin Sulfonate, Cocamidopropyl Hydroxysulfate, Glycerin, Sodium Hydrolyzed Potato Starch Dodecenyldisuccinate, Acrylates Crosspolymer-4, Cellulose, Polysorbate 20, Citric Acid Sodium Benzoate, Glycolic Acid, Fragrance, Lactic Acid, Sodium Hydroxide, Disodium EDTA, Carica Papaya (Papaya) Fruit Extract, Hydrolyzed Hyaluronic Acid.



Problem: wasteful

Most wipes contain polyester, polypropylene, cotton, wood pulp, rayon fibers and a cocktail of plastics, which mean they're non-biodegradable and are essentially bad for your skin.

Read More at: <https://eco-age.com/news/sustainable-way-remove-make-up>

2 Main Skinny Target Groups



LISA

Demo: Millennials
Bullseye: 25-34
Size: 22.5MM
Concern: They've been educated on risks of products with chemicals

Size of target

43.6MM*

Size of Natural skincare market

Over 20% are buying natural & category continues to grow

Annual organic growth

\$1B



JOY

Demo: Boomers
Bullseye: 45-54
Size: 21.1MM
Concern: Avoiding chemical-laden products that cause breast cancer

*Doesn't include future international expansion

The Solution

THE SKINNY™

Skinny is the 100% natural, chemical-free, skin & body care solution made with 5 ingredients or less.

- Skinny is the world's only 100% raw patented coconut oil with the highest purity
- Our products offer multi-use applications
- We are concentrated so we deliver better value

Consumers prefer multi use products due to value equation vs. the competitions' several step products.

Solution: pure, concentrated ingredients; without plastic



Ingredients: Saponified Coconut Oil, Skinny Coconut Oil®, Rosemary

Solution: moisturizing ingredients to not damage skin like chemical filled products



Ingredients: Cocos Nucifera, Sucrose, Skinny Coconut Oil®, Vanilla Tahitensis Fruit

Solution: multi-use, recyclable, and reusable packaging



Ingredients: Skinny Coconut Oil®, Tea Tree Oil, Frankincense Oil, Myrrh Oil, Peppermint Oil

It's perfectly clear that Skinny & Co.'s patented, ultra cold-pressed process and proprietary oil filtration process makes the core ingredient a natural stabilizer enabling all products to be chemical-free resulting in world leading purification.

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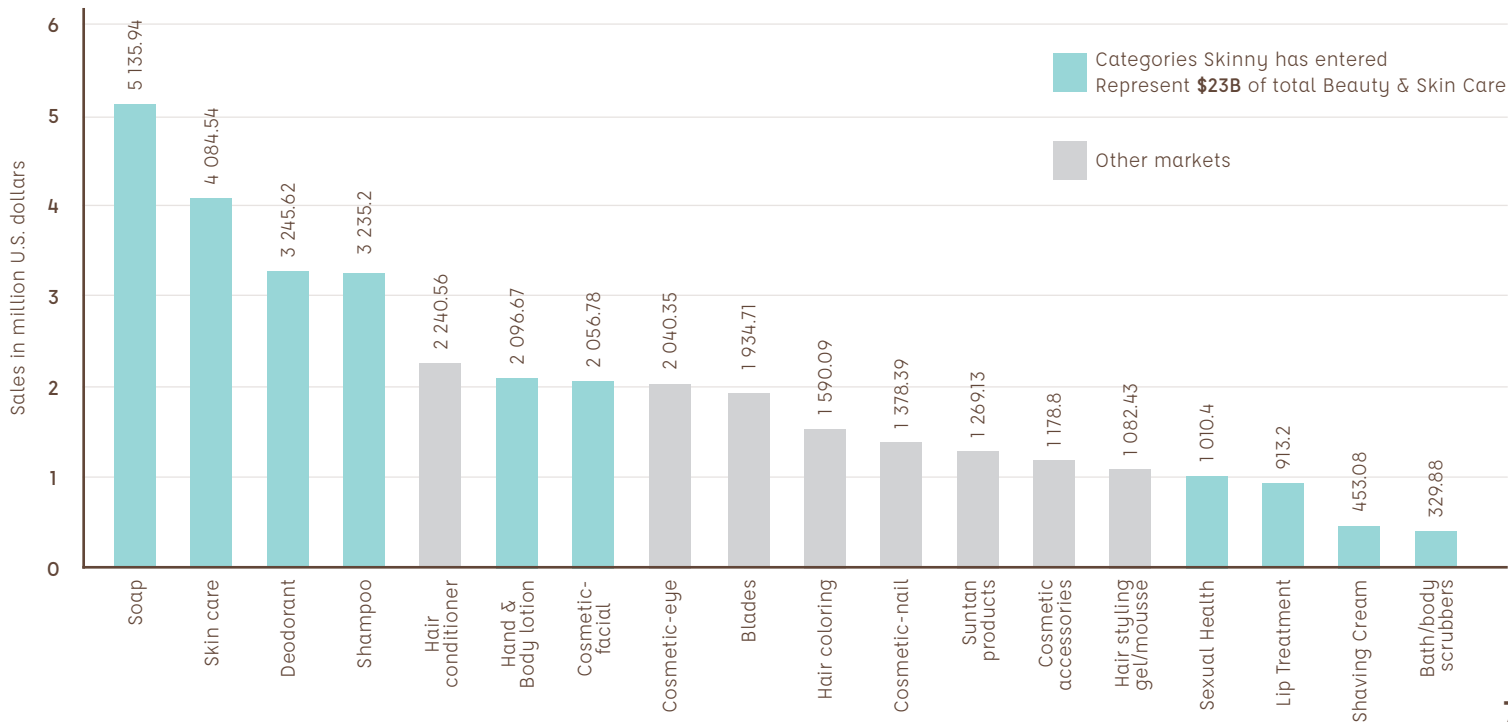
SKINNY & CO.

The meat is pressed, resulting in a perfectly clear oil, and as a result of its patent, it retains the fruit's health benefits and preventing the oil from going rancid.

Category has met consumers' shifting needs leading to consistent, ~4% growth in the \$123B Beauty & Personal Care category and double at 9% CAGR for Natural & Organic at 25B

THE SKINNY™

Leading health and beauty care product categories in the United States in 2019
(in million U.S. dollars)



Unlike others, we manage our entire supply chain allowing us to educate consumers on clean beauty & skin care products with full transparency

THE SKINNY™

THE SKINNY™

100% Natural, Cleanest
Most Transparent, Best Value

Self-Produced
& Transparent

Neutrogena

Herbivore
80% Natural

Tata Harper
90% Natural

One Love Organics

Traditional
with Fillers and
Chemicals

Ultra Clean,
Pure & Natural

Aquaphor

Dermalogica

Dove

Drunk Elephant

Shea Moisture

Yes to

Cocokind

RMS Beauty

SW Basics

Ursa Major

Beauty Counter

Allafia

Kiehls

Kopari

Co-Manufactured
with limited QC

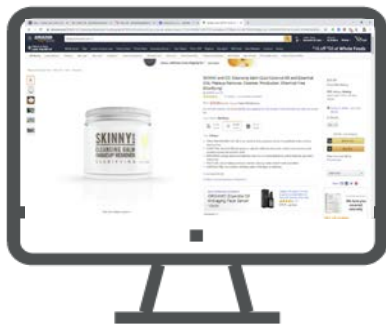
Market Strategy

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Our go to market strategy focuses on 3 distribution channels: D2C, B2B, and Distributors

E-Comm is lead sales channel

Own shopper experience by engaging 1:1 and increase margins



D2C

Drive availability in National retail where shoppers are discovering and trying

Align with growing retailers to provide a stage for the product where she shops



B2B

Boutiques drive awareness and trial - with shop owners as influencers

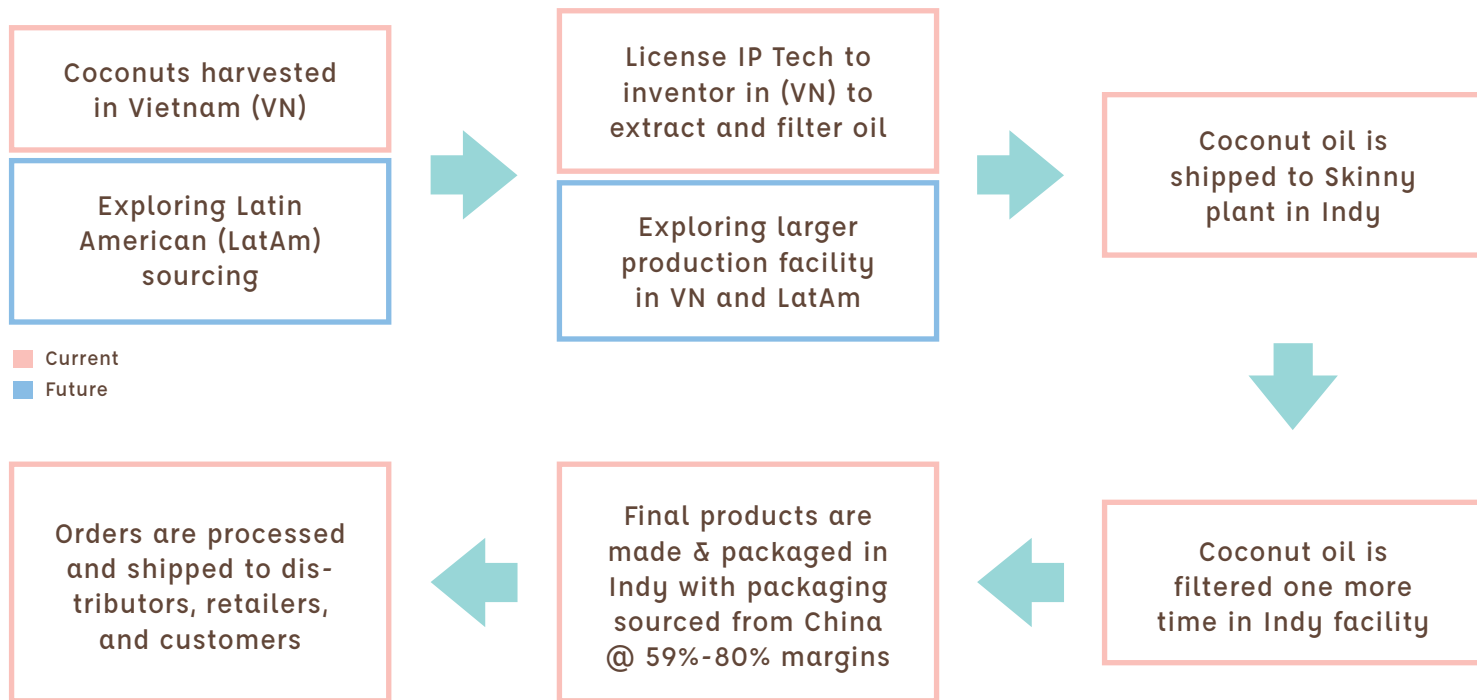
Drive sales at stores where owners are curators, and consumers are in discovery mode & less price sensitive



Distributors

Skinny has a simple and 100% transparent supply chain

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2020 Annual Marketing Planning

THE SKINNY™

Sales Goal

Get 50,000 people to
buy 2.5x/year and spend
an average of \$45

Target Consumer

Young women & Boomers

Barrier

Competitors are
misleading customers
that their products
are natural when
in fact they include
fillers & chemicals

Strategy	Get Her to Try
Tactics	Paid Social Sampling Boxes College Ambassadors Affiliate Partnerships Pop Up Shops

Strategy	Build Trust
Tactics	Podcasts DTC Social Media Advertising Influencers Search

Strategy	Build Loyalty
Tactics	Email Campaign Subscribe & Save Reward Program

The Skinny Marketing Plan will maximize the brand funnel with an enhanced Digital Marketing Focus that enables efficient growth

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Consumer Journey	AWARENESS Consumer sees and/or interacts with brand and becomes familiar	CONSIDERATION Consumer considers a set of brands/products based on perceptions & recent touch points	PURCHASE Consumer puts items in his/her shopping cart	FULFILLMENT Order is submitted and shipped	LOYALTY Consumer forms beliefs about the brand and product based on experience
Objectives	Engagement & Web Traffic	Conversion	Purchase/Subscribe & Save	Delight	Drive Repeat
Internal Tactics	Develop and execute marketing plan that generate demand for our products (paid and unpaid)	Re-target lapsed retail buyers & consumers that have spent time looking @ our products with targeted email messages	Capture shopping cart data (both purchased and not purchased) and follow up accordingly	Manage detailed communication with consumer on the order and shipping status	Maintain ongoing communication with data-driven info relevant to each consumer Offer a rewards program
Tech Tools/Platforms	Community/ Reputation management	Redesigned website with best in class shopping experience			Marketing automation/ email marketing tool
	Marketing automation, including email, marketing tool	Consumer reviews tool	ERP: orders, inventory & supply chain		Loyalty Reward Platform (with referral add-on)
			CRM		

IP consists of our Nutralock™ Technology and 2 stage proprietary filtering system



Dehumidification method and apparatus patent 9,560,859 B2

A system for dehydrating raw produce with no heat

Processed ingredients below 118F have much higher enzyme and nutritional value

2 step proprietary filtering system in US

Further improves coconut oil quality

Provides a true cold "kill step" making our oil the highest quality on earth

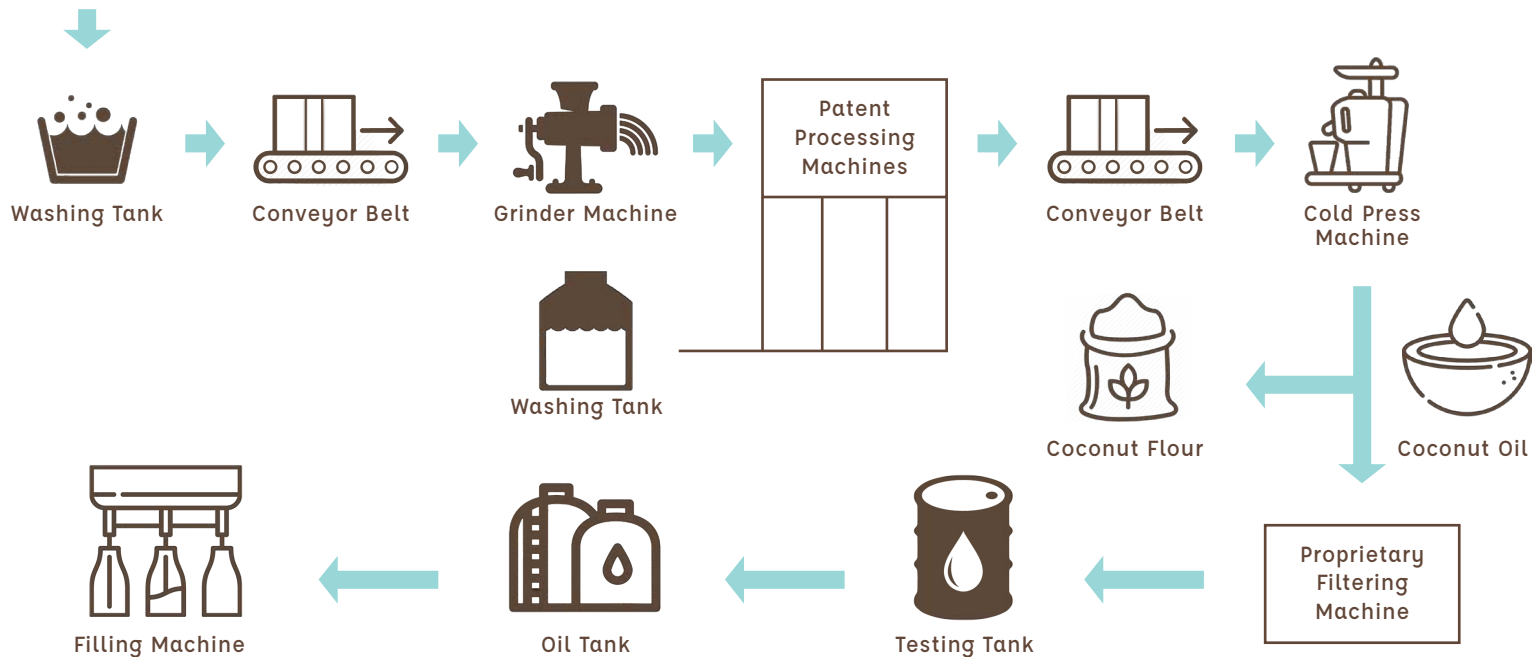
We also have several patents pending and own all trademarks



Coconut Meat

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Patented and Proprietary Oil Processing Diagram



The Ask, Numbers, and Milestones

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The Ask

\$2MM to close out the A Round

Critical Numbers

Average Gross Margin = high 70s & 80s for
our top selling SKUS

B2B Cost per Acquisition (CPA) = \$40

Lifetime Value = \$1,186.59

Mktg Budget as % of Revenue = 20%

Sales Promo as % of Revenue = 10%

CPA on Social Media Ads = \$18

CPA on Google Adwords = \$48

ROAS Return on AdSpend = 3 to 1 minimum

Milestones with Cap Raise

Scale Operations to get
ahead of demand

Beef up Sales/Broker Team

Land Large National Accounts

Invest in Marketing to Drive
Brand Awareness, Trial and
Build Brand Equity

Invest in Sales Promotions
to drive trial, secure retailer
ad support and ensure pull
through

5 Year Pro Forma

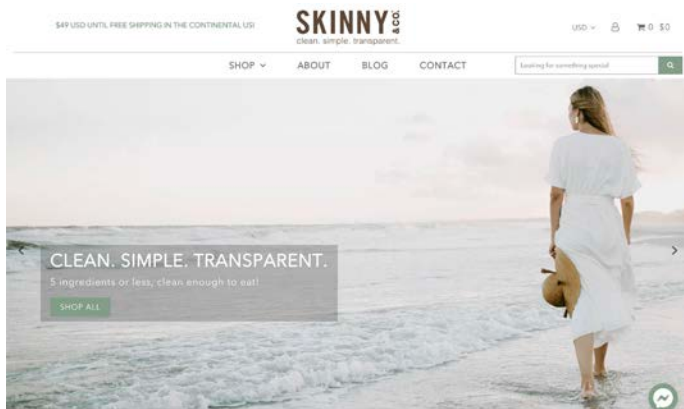
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<i>Financial Summary</i>										
	Actual				Forecast	Projected				
Fiscal Year Ending December 31	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Operating Statement										
Net Sales	\$ 827,840	\$ 2,173,736	\$ 1,437,876	\$ 1,695,208	\$ 2,150,974	\$ 6,986,026	\$ 10,479,039	\$ 15,718,559	\$ 23,577,838	\$ 35,366,757
COGS	340,031	779,402	466,830	659,754	828,283	2,717,564	4,034,430	5,973,052	8,959,578	13,439,386
Gross Profit	\$ 487,809	\$ 1,394,334	\$ 971,037	\$ 1,035,454	\$ 1,322,691	\$ 4,268,462	\$ 6,444,609	\$ 9,745,507	\$14,618,260	\$ 21,927,389
% to Net Sales	58.93%	64.14%	67.53%	61.08%	61.49%	61.10%	61.50%	62.00%	62.00%	62.00%
Operating Expenses	\$ 262,132	\$ 860,821	\$ 531,807	\$ 623,646	\$ 835,106	\$ 1,329,020	\$ 1,864,016	\$ 2,520,183	\$ 3,581,547	\$ 5,102,678
Marketing, Advertising, & Amazon Fees	53,252	204,037	219,673	336,749	264,161	1,488,301	2,567,365	3,693,862	5,422,903	8,134,354
Shipping Expenses	160,911	253,579	198,250	200,831	254,352	312,520	453,873	657,063	981,074	1,458,171
Occupancy Expenses	53,942	52,732	60,175	61,124	73,129	64,416	127,000	127,000	191,000	191,000
Professional Fees	21,929	159,181	85,887	65,003	218,969	215,000	215,000	215,000	215,000	215,000
Capital Burn	\$ 552,166	\$ 1,530,035	\$1,095,792	\$1,287,353	\$ 1,645,717	\$ 3,409,257	\$ 5,227,254	\$ 7,213,081	\$ 10,391,524	\$ 15,101,203
% to Net Sales	66.70%	70.40%	76.21%	75.94%	76.51%	48.80%	49.88%	45.89%	44.07%	42.70%
EBITDA	\$ (64,357)	\$ (136,016)	\$ (124,755)	\$ (251,899)	\$ (323,026)	\$ 859,205	\$ 1,217,426	\$ 2,532,426	\$ 4,226,736	\$ 6,826,186

\$3MM raise covers our burn rate and provides investment to drive revenue, cover expansion costs, marketing & sales over 2 years at which point self funding

Appendix-Website Evolution

Current: Skinny & Co.



<https://www.skinnyandcompany.com/>

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Coming Soon: The Skinny

