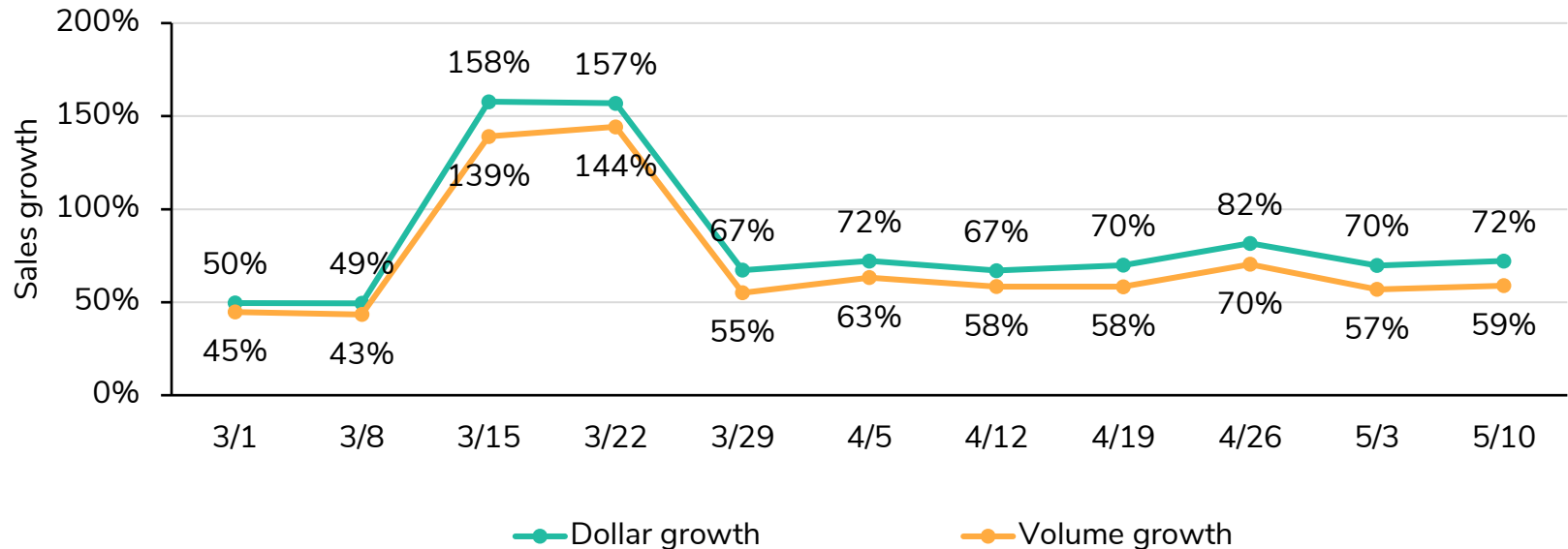


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# Effects of Covid-19 on the plant-based food industry

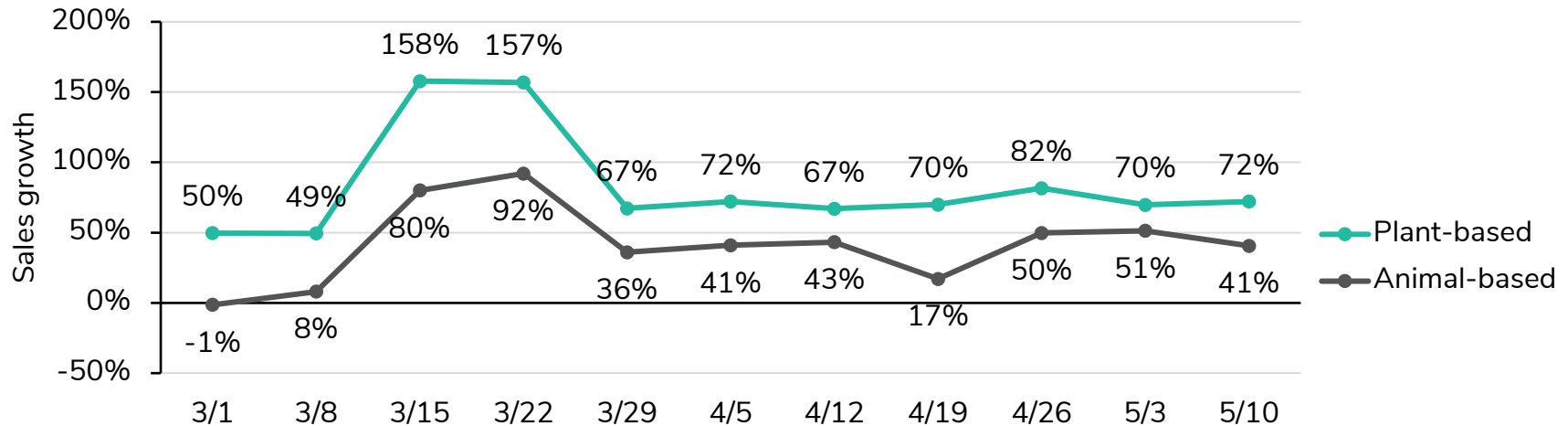
# Plant-based meat has experienced strong growth in both dollar and volume sales

Plant-based dollar and volume sales: increase in growth vs same week in the previous year  
March 1, 2020 – May, 10 2020



# Plant-based meat dollar sales growth has consistently outperformed animal-based meat dollar sales growth

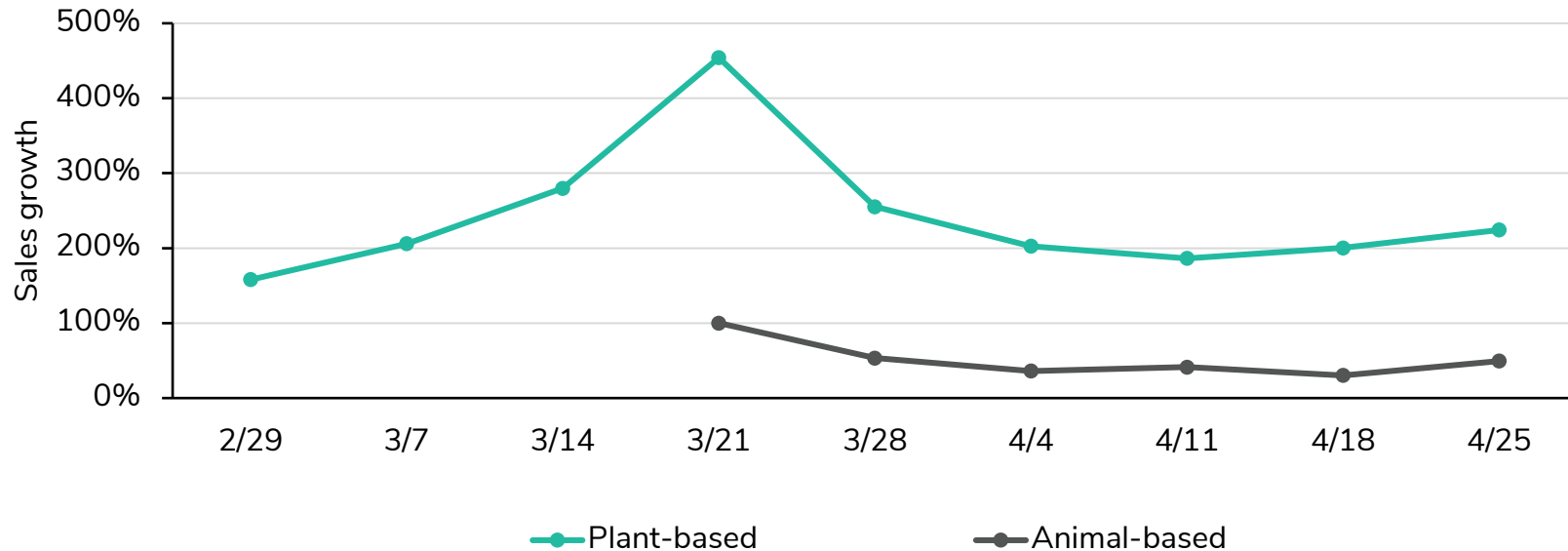
Plant-based and animal-based meat comparison: Increase in dollar sales growth vs same week in the previous year  
March 1, 2020 – May, 10 2020



The animal-based and plant-based meat categories grew 45% and 86%, respectively, for the 9-week period ending May 10

# Fresh plant-based meat sales growth has massively outperformed fresh animal-based meat sales growth

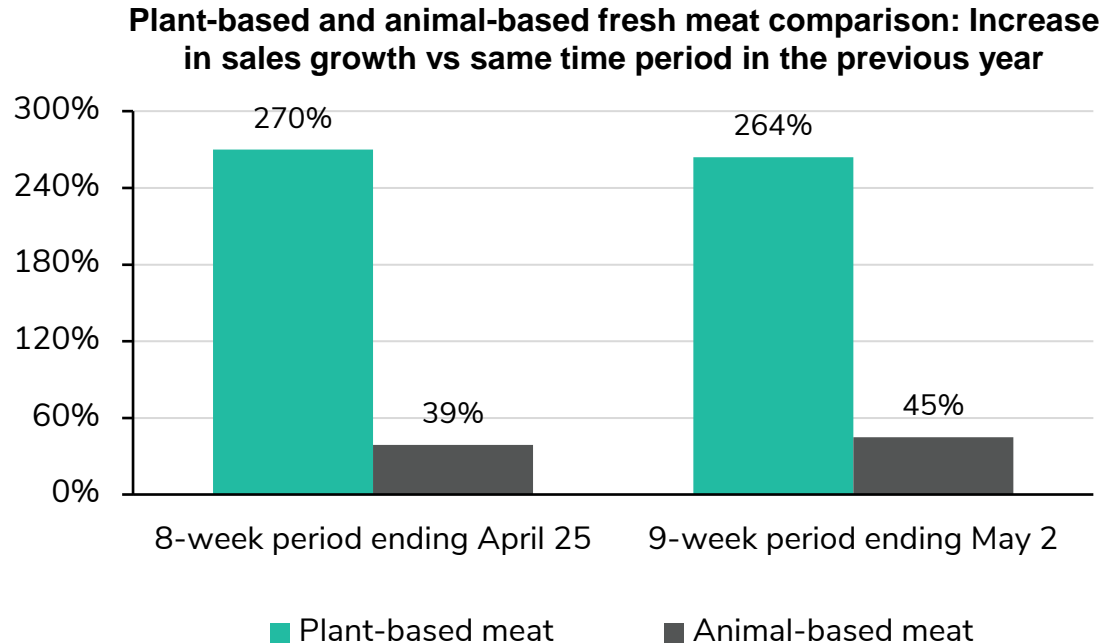
Plant-based and animal-based fresh meat comparison: Increase in sales growth vs same week in the previous year  
February 29, 2020 – April 25, 2020 (where available)



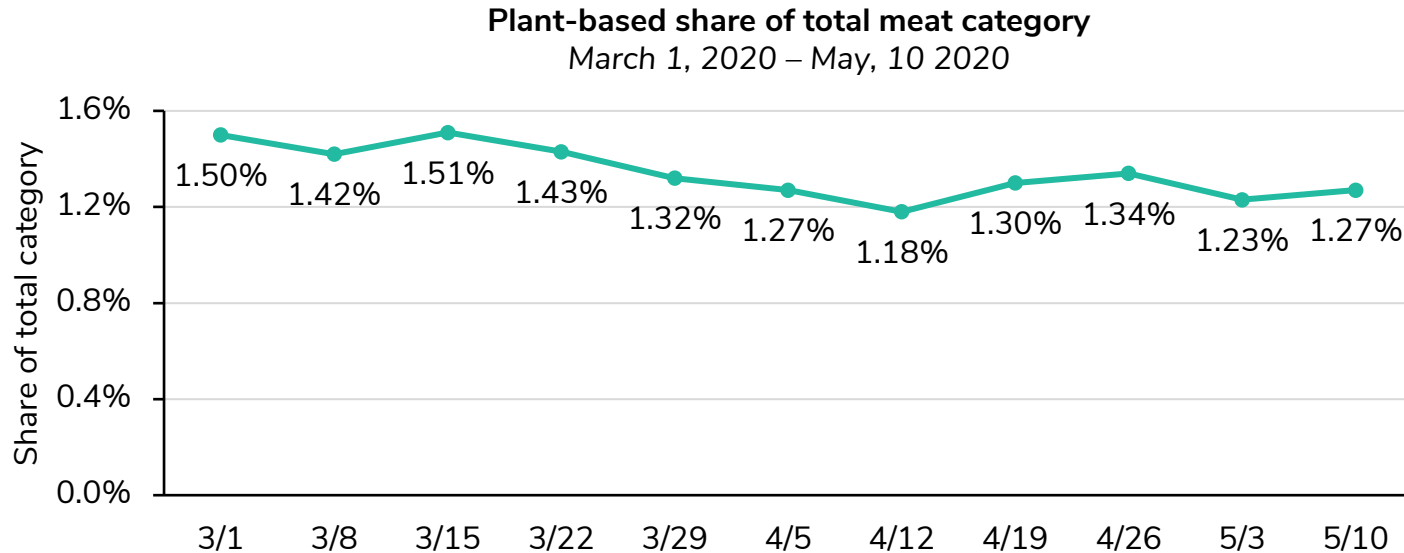
Note: values for animal-based meat sales growth for weeks ending 2/29, 3/7, and 3/14 were not provided in source data

Source: Financial Times, "Pandemic accelerates shift to meat substitutes" (April 2020); Food Navigator, "How is coronavirus impacting plant-based meat" (April 2020); NPR, "America's Shopping List Here's What We're Buying The Most" (March 2020)

# Fresh plant-based meat sales growth has massively outperformed fresh animal-based meat sales growth

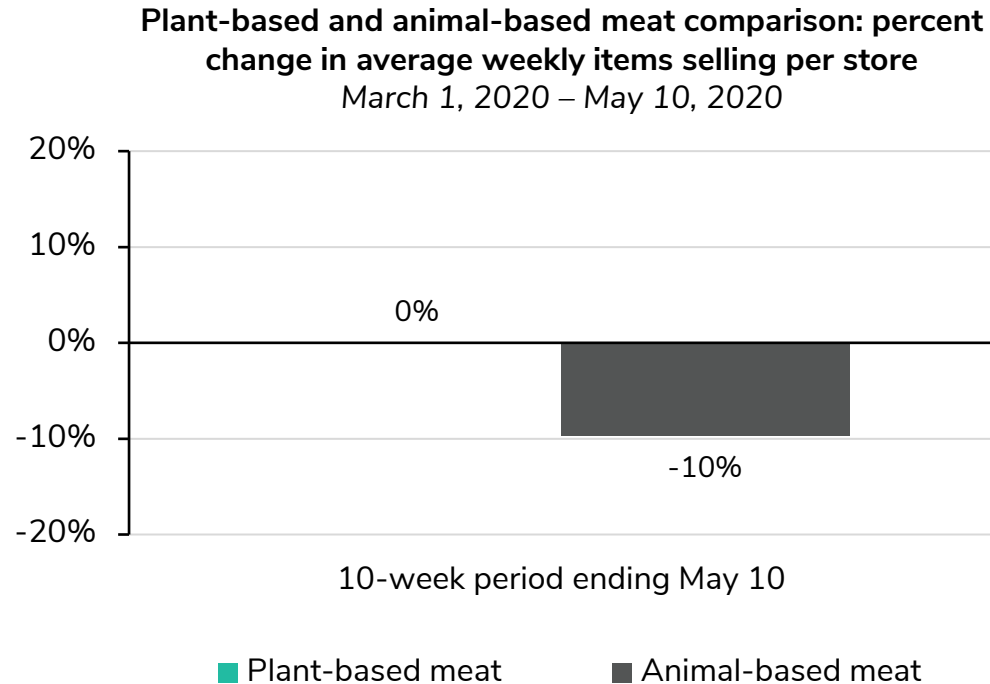


# Plant-based meat share has dropped slightly due to absolute gains in animal-based meat dollar sales



Animal-based and plant-based meat categories added \$5 billion and \$100.3 million in absolute dollar sales, respectively, for the 9-week period ending May 10

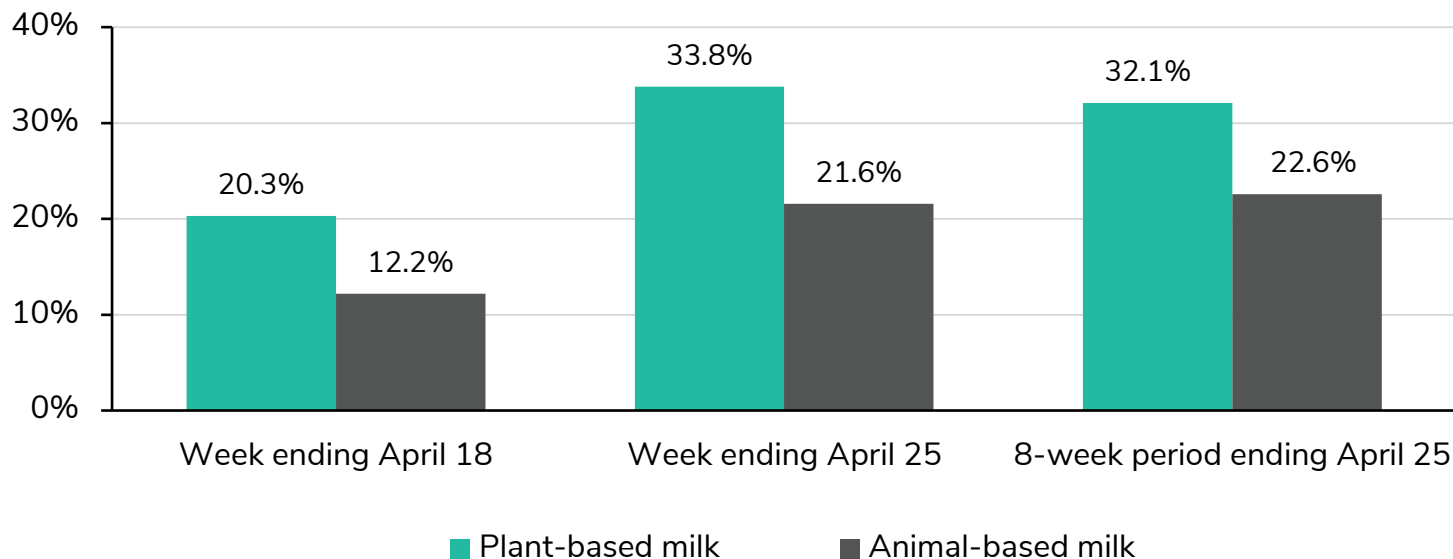
# Plant-based meat average items per store has remained stable throughout the pandemic



Plant-based meat represented 9.9% of the total number of items during the first week of March, and 10.8% of the total number of items during the week ending May 10

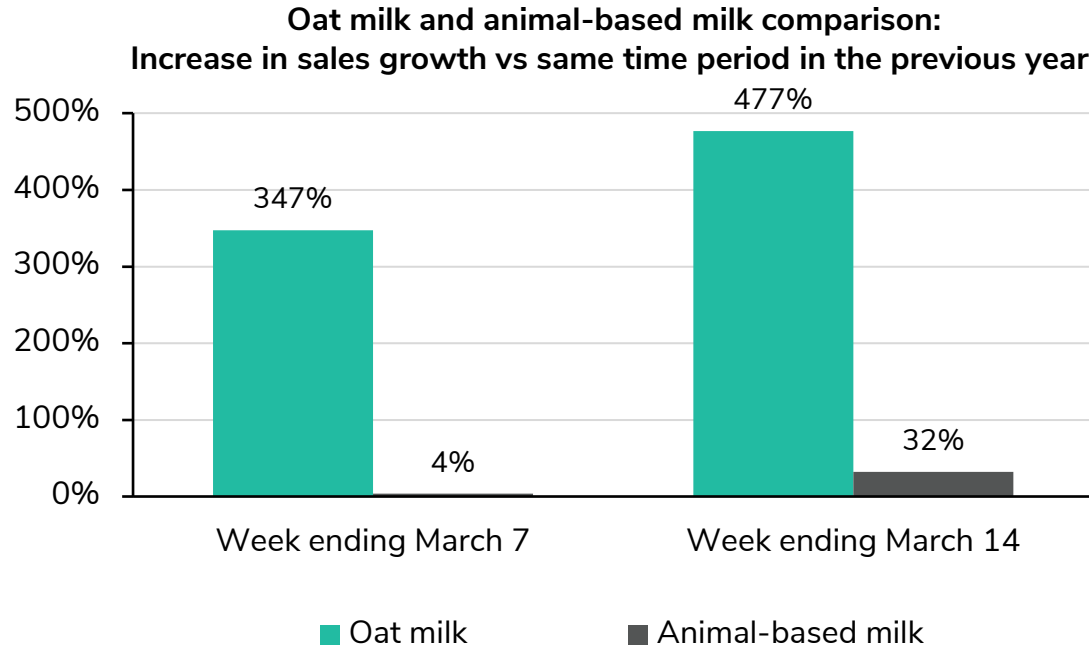
# Plant-based milk sales have outperformed animal-based milk sales, but not to the same level as plant-based meat

Plant-based and animal-based milk comparison:  
Increase in sales growth vs same time period in the previous year



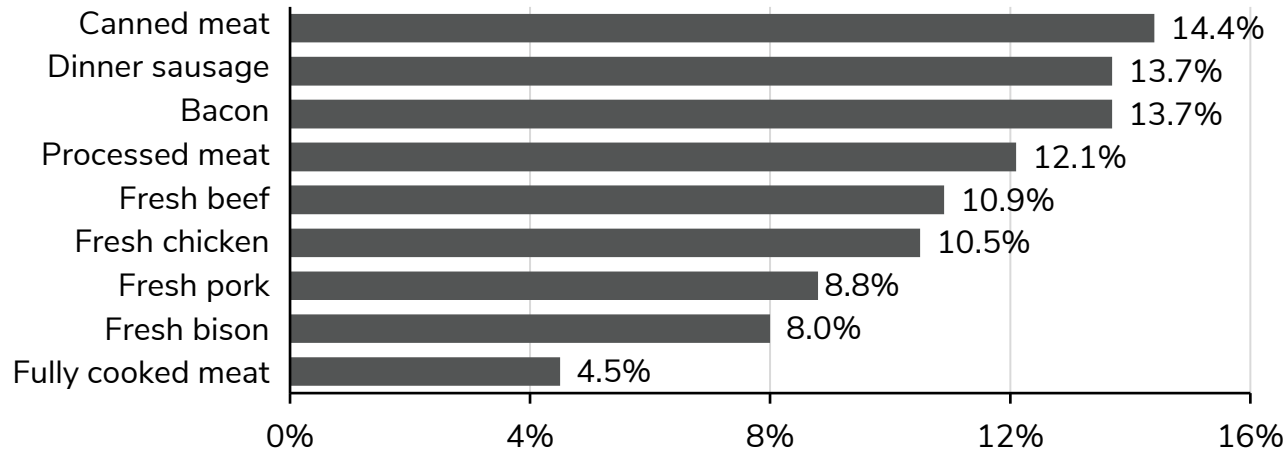


# However, oat milk as a subcategory has massively outperformed animal-based milk



# Meat processing plant closures have led to increased animal-based meat prices

Animal-based meat prices for week ending May 2, 2020 vs same week in 2019

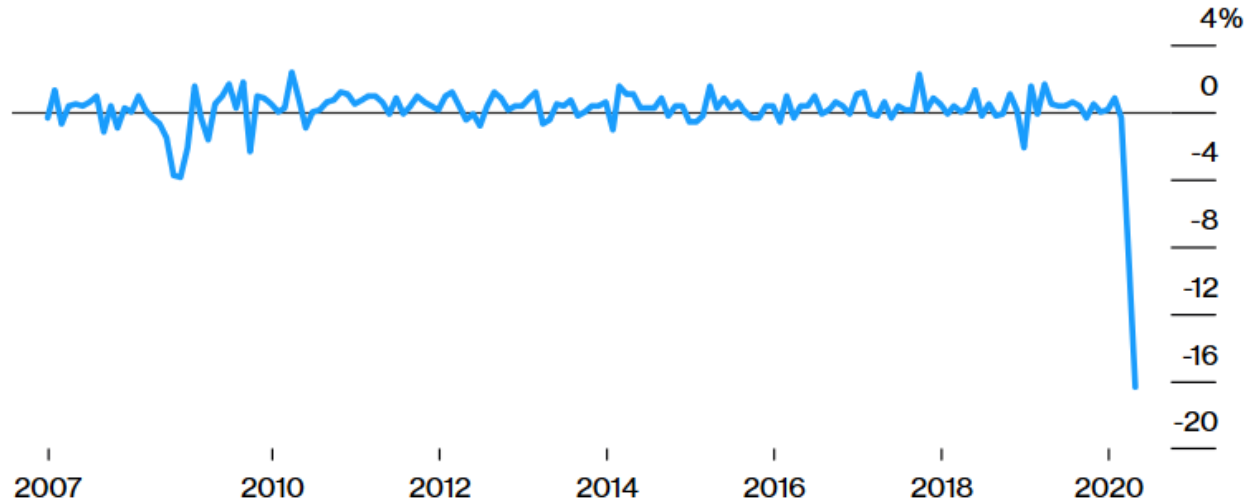


# Plant-based meat category sales are performing well despite sharp drop in overall U.S. retail sales

## Total Nosedive

U.S. retail sales plunged 16.4% in April to new record as pandemic upended economy

— Total retail sales (MoM change, SA)



Source: U.S. Commerce Department

# Plant-based meat companies have been performing well over the past few months

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- 66% increase in March sales, driven by frozen plant-based protein products



- Sales increased by 65% from March 13, 2020 to April 19, 2020, compared to the same period in 2019
- 38% of buyers were first time customers



- Sales increased 40% from February through April
- Sales of plant-based ham grew 631% compared to the same period last year

# Plant-based meat companies have been performing well over the past few months

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**IMPOSSIBLE™**





- Impossible products added to 777 retail locations in California, Nevada and the Chicago area
- This marks a 500% percent increase in grocery stores selling the Impossible Burger
- Impossible intends to sell its products in 1,000 grocery stores in the near future



**BEYOND MEAT®**

- Reported that its first quarter net revenues increased 141 percent from the previous year to more than \$97 million
- This is compared to more than \$40 million in first quarter in 2019

# Plant-based companies raised \$741 million in investment capital in Q1 2020, nearly matching the \$747 million raised in 2019

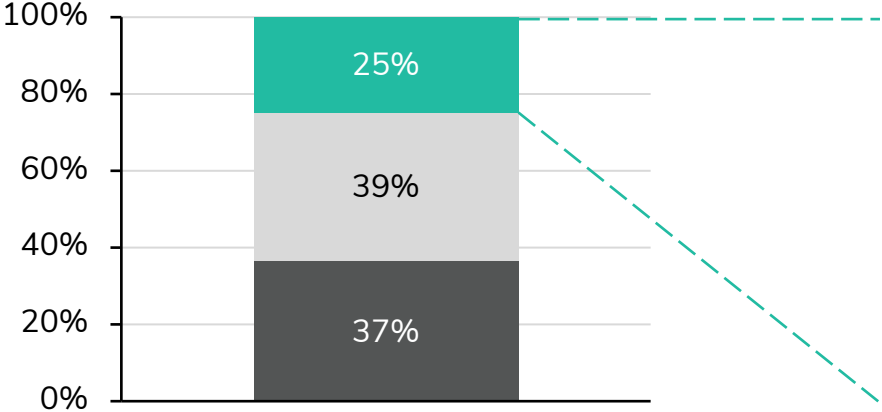
Investments in plant-based companies in 2020 (non exhaustive)	
Company	Amount raised
	\$6 million
	\$500 million
	\$4.6 million
	\$200 million

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# Effects of Covid-19 on consumer motivations/perceptions

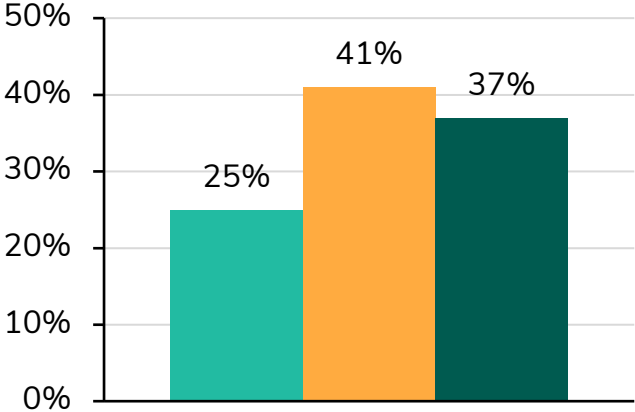
# Gen Z and Millennials are more likely to report they will not buy animal-based meat due to fears of Covid-19

Consumer responses to whether or not Covid-19 makes them feel less safe about buying meat



- Yes, I will be less likely to buy meat
- Makes me nervous, but won't stop me from buying meat

Consumers who report they are less likely to buy meat, by generation

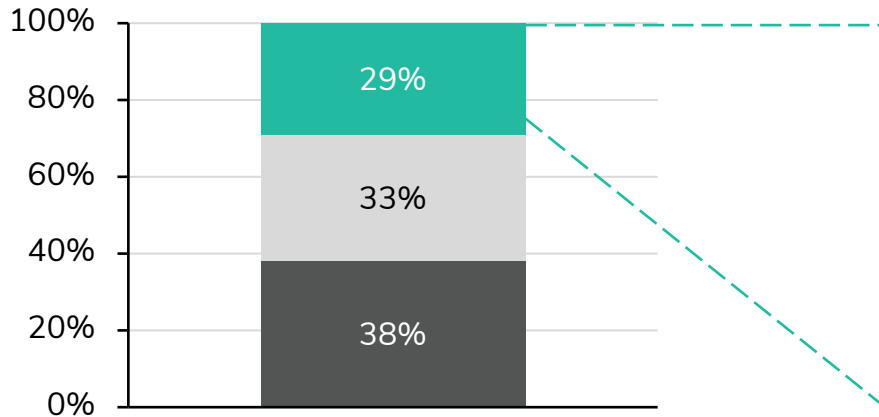


- All generations
- Gen Z
- Millennials



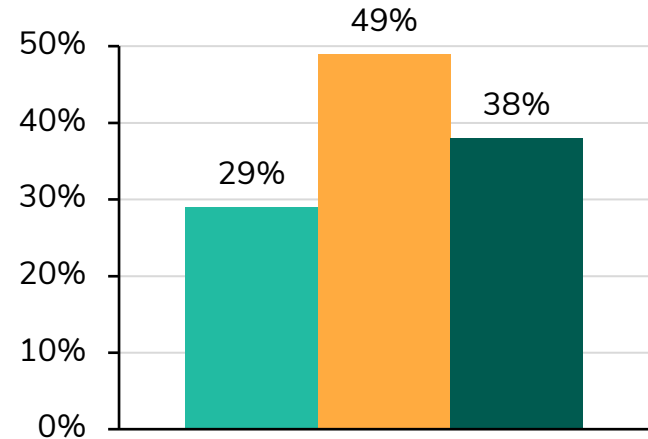
# Similarly, Gen Z and Millennials are more likely to report they will not order animal-based meat due to Covid-19

Consumer responses to whether or not Covid-19 makes them feel less safe about ordering meat dishes



- Yes, I will be less likely to order
- Makes me nervous, but won't stop me from ordering
- No, this doesn't concern me

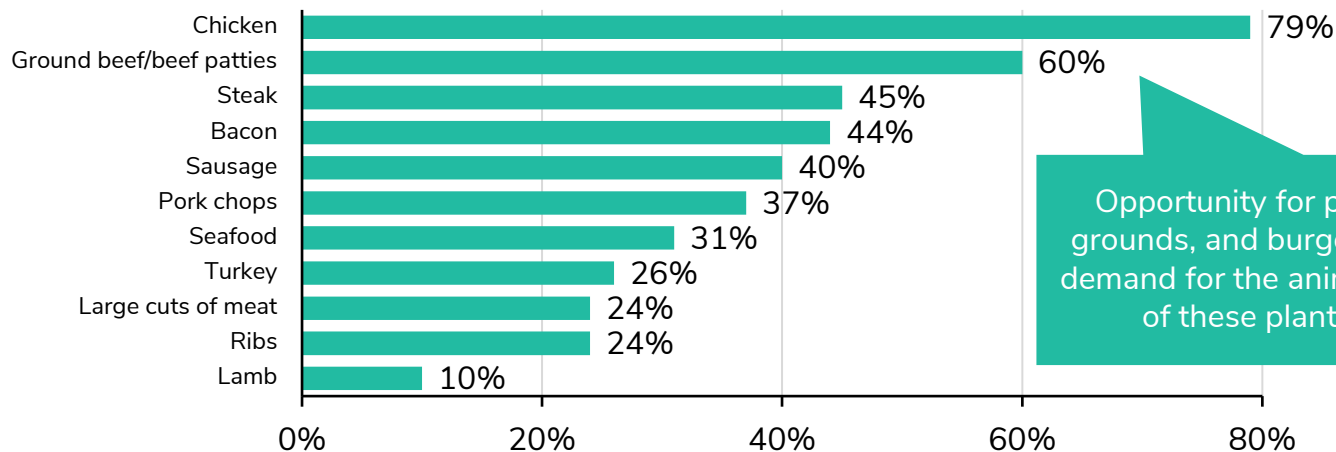
Consumers who report they are less likely to order meat dishes, by generation



- All generations
- Gen Z
- Millennials

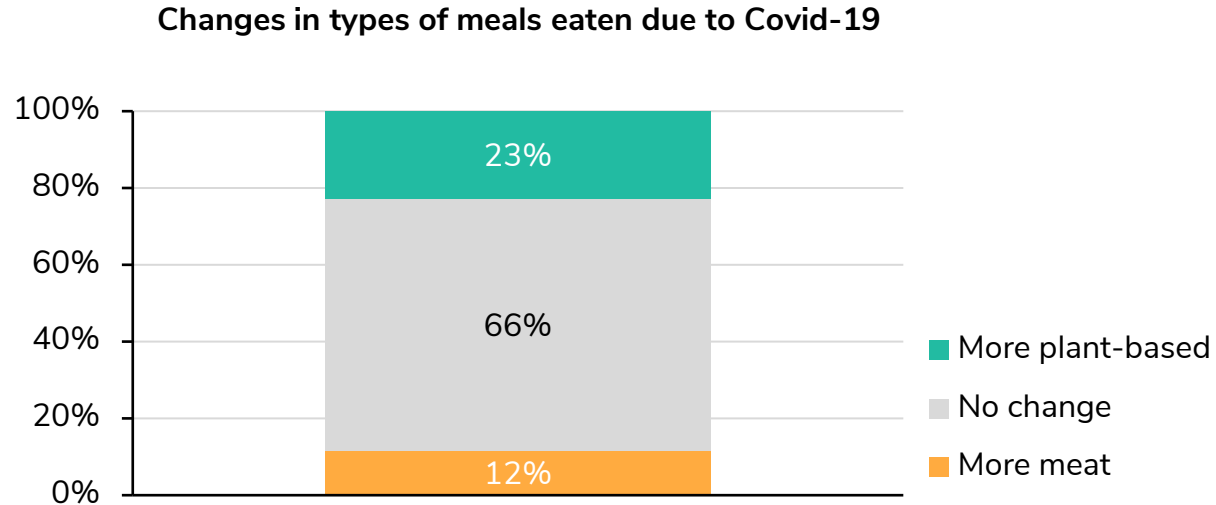
# Consumers are most likely to stock up on animal-based chicken, ground beef, and beef burgers

Types of animal-based meat consumers are most likely to stock up on in preparation for meat shortages due to Covid-19



Opportunity for plant-based chicken, grounds, and burgers to meet consumer demand for the animal-based equivalents of these plant-based products

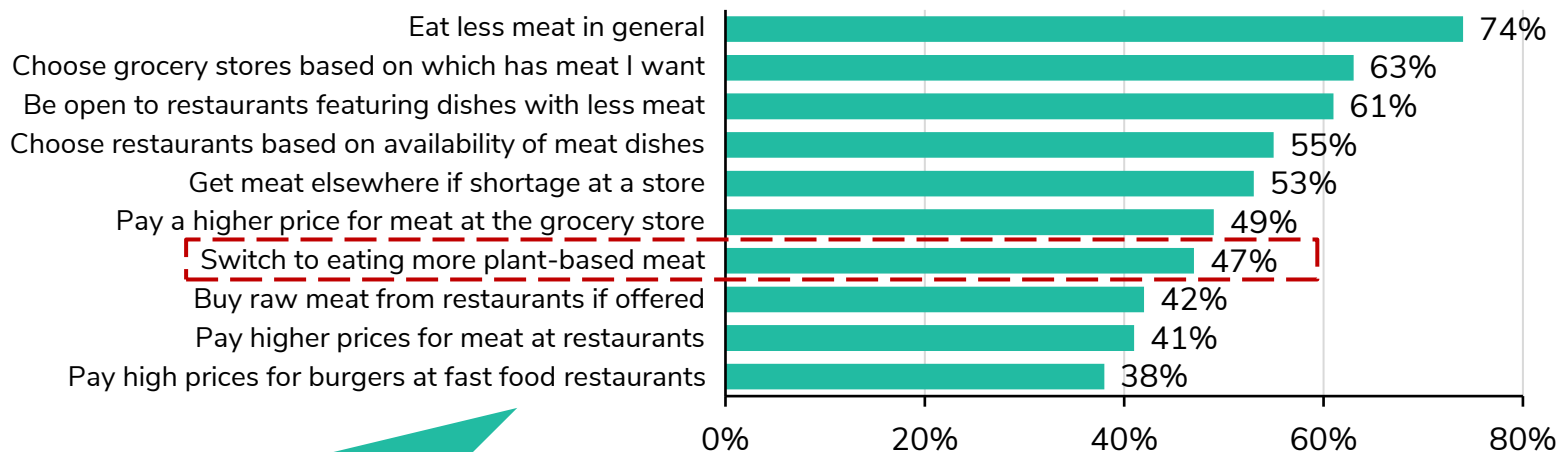
# Almost one quarter of consumers report eating more plant-based meals due to Covid-19



Consumers aged 18-24 are the largest age group to eat more plant-based meals during the pandemic (29% vs 23%)

# Almost half of consumers report they are willing to eat more plant-based meat in the event of meat shortages

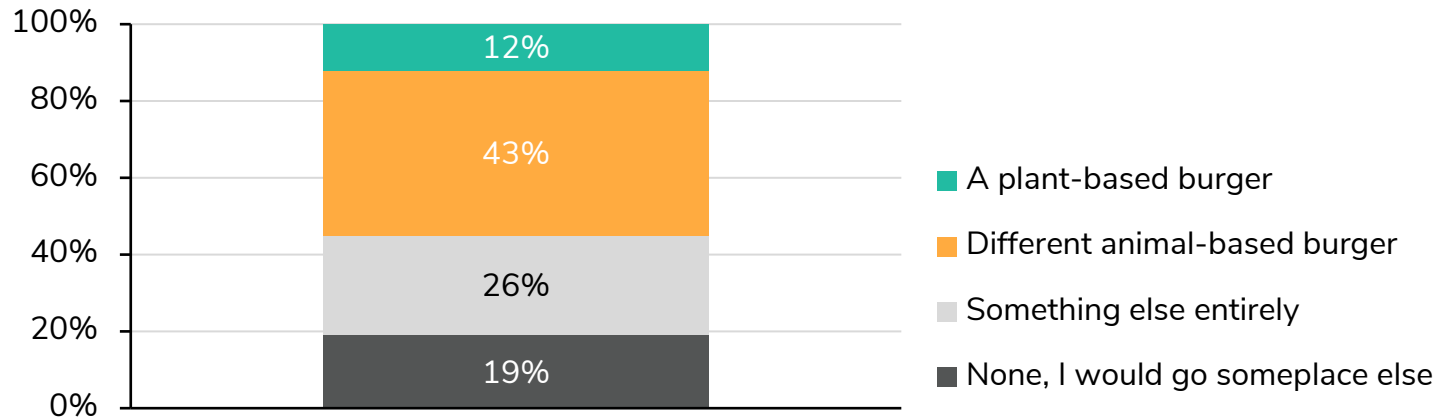
Actions consumers are willing to take if Covid-19 leads to meat shortages



Gen Z and Millennials are more likely to switch to eating more plant-based meat, at 62% and 56%, respectively

# 12% of consumers would order a plant-based burger if there were no beef burgers available at a restaurant

Consumer responses to what they would order if there were no beef burgers available at a restaurant



Millennials are more likely to order a plant-based burger (17% vs 12%)

# Food and beverage professionals expect there will be strong demand for plant-based products during the pandemic

Responses from food and beverage professionals on product attributes they believe consumers will demand most during pandemic

