



Live Better, Longer:
The \$1.8 Trillion Opportunity
in Health and Wellness

MANNATREE

The \$1.8 trillion health and wellness market is primed for global investments.

Lifespan is no longer the defining measure; it's about "healthspan," or the idea that you can live not simply longer but longer and better.

Consumers are realizing there is no one magic bullet, but many ways to invest in their health and wellness. They continue to demonstrate that they are willing to pay a premium for those benefits, from nutrition to fitness wearables to health supplements.

The marketplace is responding. From an Oura ring that monitors one's sleep to Vitamin C facial serums, the \$1.8 trillion global market for wellness and health is growing year over year¹ —making it prime for strategic investment. The sector has outperformed more traditional sectors, growing

nearly twice as fast as the global economy,² and at Manna Tree, we believe it is poised for rich and robust growth and solid return opportunities for investors.

At Manna Tree, we believe new businesses will be created and scaled around health and wellness in the years to come. Our firm began in better-for-you foods, and we will now invest capital behind this burgeoning segment of health and the innovative ideas, services and products that may transform and drive better health and wellness outcomes.



The Growing Importance of “Healthspan”

Healthspan: A person’s healthspan is the length of time that the person is healthy—not just alive.

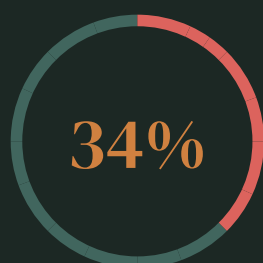
As people embrace the idea of healthspan, science has played a big role in rechecking conventional wisdoms about health. Longevity has emerged as an important topic of study at top-notch research organizations like Harvard Medical School, Stanford University, and the Mayo Clinic. Living a healthy lifestyle can negate the conventional wisdom of “good genes” and “bad genes.” Even people who have a family history, for instance, can lower their risk of heart attacks and early death by 75% to 80%, according to Stephen Kopecky, a cardiologist at the Mayo Clinic and author of “Live Younger Longer.”

Research has also debunked, for instance, the long-held carb-centric diet³ and shown the importance of “good fats” and protein as part of a healthy diet⁴. Similarly, cardio was long touted as the way to exercise, but new science shows that strength training is incredibly important, considering we lose muscle mass as we age.

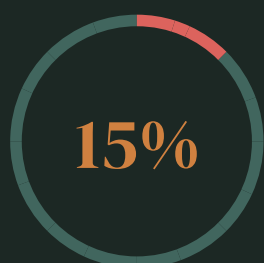
Now more people are seeking better ways to live that prevent chronic diseases, improve mindfulness, build strength and clarity, and improve the overall quality of life. Doves of people are embracing everything from saunas and ice baths to meditation and “rucking,” which involves walking with a weighted backpack. They’re embracing healthier habits based on the research that show benefits, whether it be cardiovascular, bone density, inflammation reduction or muscle-building. Consumers are gobbling up podcasts and books on how to increase longevity, and as a result created health celebrities like authors Peter Attia and Mark Hyman, podcaster Andrew Huberman and whole food advocate and doctor Casey Means.

The attention on wellness isn’t lost on big players like Apple and Google, which have introduced new wellness tools in their platforms. Amazon, too, has witnessed double-digit growth of wellness products.⁵

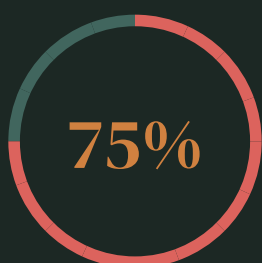
Consumer interest in health is a much-needed shift considering how sick most of the population is today: **50%** of the world’s population is expected to be overweight or obese by 2034⁶, **96 million** Americans are pre-diabetic⁶, and one American dies every **33 seconds** from cardiovascular disease.⁸



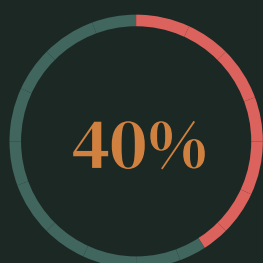
Reduction in Type 2 diabetes for those who ate healthiest plant-based diets⁹



Reduced risk of terminated healthspan, or the number of years when a person is healthy, with better sleep¹⁰



Of chronic diseases are avoidable through preventive care¹¹



Of cognitive decline cases could be prevented or delayed by addressing 12 risk factors over a person’s life¹²



Reduction in falls among older people with strength and exercise and balance training¹³

Pillars of Longevity and Healthspan

Health experts, medical researchers and nutritionists have identified several key factors that contribute to a longer, healthier life. They're entwined and complement each other and are in no particular order.



Sleep

Ensuring seven hours of undisturbed sleep contributes to everything from hormonal balances, cognitive function and overall mental performance.¹⁴ It improves immunity, weight maintenance, lowers the risk for diabetes and heart disease, reduces stress and improves one's mood.¹⁵



Exercise

Staying active can extend your healthspan, making your blood vessels more flexible and elastic, making your heart stronger, decreasing inflammation, discouraging blood clot formation, and improving heart, lungs and muscle function.¹⁶ Strength training can prevent muscle mass decline, improve strength and increase bone density which can reduce the risk of osteoporosis, osteopenia and bone fractures.¹⁷ Exercise can also improve balance, which can aid in reducing dangerous falls as one ages.¹⁸



Nutrition

Optimal nutrition is key to healthy aging, reducing cancer risk, cardiovascular illness, respiratory and neurodegenerative disease.¹⁹ Research shows food in America is harming our health: Six in 10 Americans live with at least one chronic disease, and some of that stems from the proliferation of processed foods containing artificial and chemical ingredients.²⁰



Staying Mentally Active

Research shows that people can maintain and improve cognitive abilities with mentally stimulating activities, such as puzzles, reading, playing musical instruments or engaging in strategic games. By challenging the brain, it can enhance neuroplasticity, which is the brain's ability to adapt and form new connections.²¹



Community

In the U.S., we face a loneliness epidemic, which can shorten one's lifespan by up to 15 years.²² Athletics, sports, outdoor activity and people gathering is key to healthspan. In fact, scientists have found that the more people socialized, the longer they lived.²³

The Consumer Force

Despite soaring inflation and the rising cost of living in the last 12 months²⁴, shoppers across the globe are still spending—and they're putting wellness and experiences at the top of their priority list. We expect people to continue spending on health and wellness.

Count the pandemic as a catalyst. It prompted people to reassess their lives and look for healthier options, and soon, they were using at-home testing kits, consuming more supplements, buying more exercise equipment, tracking their carbs, paying attention to gut health and buying more clean products with fewer chemicals and ingredients.

That demand should only grow. Longer life expectancies and declining birth rates will result in a surge of people older than 65 across the globe²⁵— and those people will be increasingly focused on feeling better longer. And the interest is huge among younger buyers, too.

Take, for instance, Generation Z, born between 1997 and 2013. They're spending more dollars than older generations on areas like fitness, nutrition, sleep, mindfulness, and appearance. There's been an uptick in spending in just the last year among that generation for organic foods, and they're demanding sustainable and ethical products and prioritizing products free from chemicals and artificial additions.

More than half of Gen Zers consider fitness a high priority²⁶ driven in part by "FitTok" or the section of TikTok that shares workouts, food plans and other fitness related content.

Women are also an important demographic to brands in the health and wellness space.²⁷ For decades, women's health has been underfunded and understudied. It wasn't until the early 1990s that women were even included in clinical trials or research, and care focused on women's health lagged behind.

50%+
More than half of Gen Zers consider fitness a high priority, driven in part by "FitTok"



*Disclaimer: @briannajoye_fitness did not give permission to use this image. This is a public image on her TikTok and we give the creator (@briannajoye_fitness) all credit.

McKinsey projects that closing the women's health gap could be a trillion-dollar opportunity by 2040.

Already, in the last decade, there's been a 1,000% increase in the number of businesses in women's

health²⁸, and between 2016 and 2022 alone, there were 60% more startups that focused on women's health. Menopause is a biggie that has long been overlooked, and McKinsey projects it could be a \$350 million opportunity.²⁹ Women's hormonal supplement sector alone is worth \$4.5 billion and expected to reach \$8.5 billion by 2032,³⁰ and the female infertility market is expected to nearly double to \$2.3 billion by 2033.³¹

Brands Are Listening

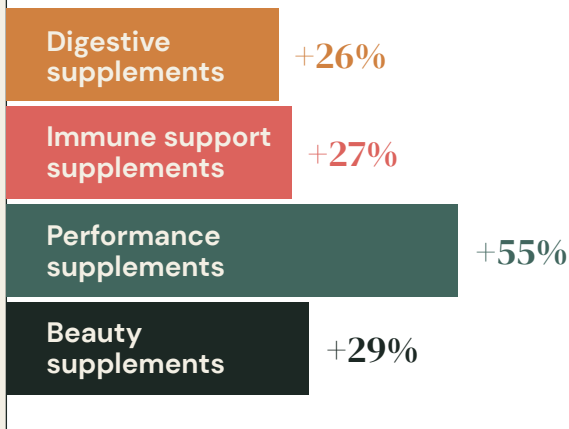
To ensure they heed the call, brands are creating targeted health-related social media content for younger users. They're using artificial intelligence to personalize experiences, such as using generative

AI to design custom workouts based on fitness data³² or personalized nutrition feedback on a person's blood glucose levels. And they are innovating new products, rethinking old ones and conducting studies to prove their benefits.

Sales growth of wellness products on Amazon.³³



The popularity of supplements exploded since the COVID pandemic, when consumer sought more ways to boost immunity. **The health consciousness mindset has persevered.**



Wearable technology is more prevalent today, and revenue for fitness trackers is expected to **grow 20% a year** until 2032.



Nutrition bars and drinks



The market for nutrition bars, drinks, energy bars and drinks, protein bars and powders and shakes is also on the rise. Searches for "energy bars" on Amazon have **grown 91%** in the past year.

+25%
sales growth



People are demanding products that help them improve their wellbeing, whether that's massage, relaxation or overall body wellness. Searches on Amazon for aromatherapy candles **climbed 20.2% this year.**



Exercise equipment

Sales are climbing for exercise equipment, whether it's exercise bikes, rowing machines, home gyms, weight machines or yoga mats. The searches for under desk exercise equipment, for instance, has **grown 19.7%**.

+30%
sales growth



Consumers are seeking holistic products and services that help them manage their weight, their health and mental wellbeing.

81%

Of shoppers say purchasing clean label food products is important to them³⁴

3.8M

shoppers searched Amazon for smart watches and Fitbits in a 30-day time period³⁵

37%

Of U.S. of consumers say they would like additional sleep and mindfulness products and services³⁶

60%

Of U.S. consumers are trying to lose weight³⁷

25K

People are starting the weight loss drug Wegovy each week³⁸

By the Numbers

The explosion of research, information, products and services for a better “healthspan” has led to brand new markets and significantly grown existing ones.

Market for:



Cold plunge tubs³⁹

\$324.6 million

\$426.9 million by 2030



Natural and organic food products⁴⁰

\$181.5 billion in 2022

\$446.2 billion by 2030



Organic skin care⁴¹

\$9.82 billion in 2021

\$21.21 billion by 2030



Wellness tourism⁴²

\$923.6 billion in 2023

\$2.1 trillion by 2030



Vitamins and supplements⁴³

\$177.50 billion in 2023

\$327.42 billion by 2030



Fitness trackers⁴⁴

\$46.12 billion in 2023

\$136.94 billion by 2030

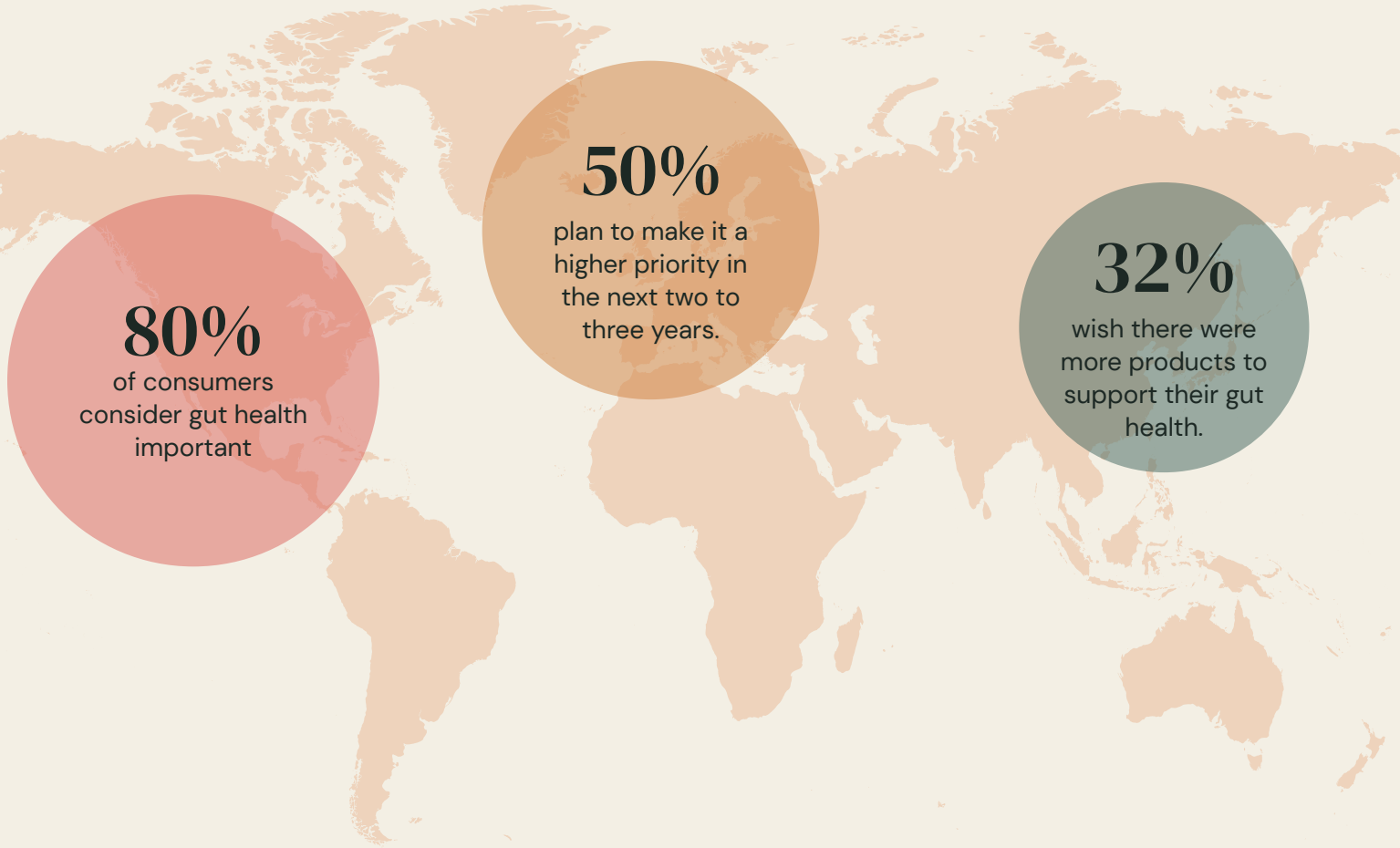
Global opportunity

The move toward wellness is not simply a U.S. phenomenon. People are far more similar than different when it comes to global cultures embracing health.

In China, consumers are searching for clinical efficacy and clean labels in their products, and 60% of boomers there plan to increase their spending on fitness.⁴⁵ In fact, consumers in China, India and the Middle East are twice as interested in spending on fitness and wellness services compared to advanced countries. And younger consumers there

are twice as likely to trade up for premium products compared to peers in the West. This is important when 75% of consumers in emerging markets will be between the ages of 15 and 34 by 2034. We believe the global market could be significant in terms of consumer demand, investment opportunities and partner investors.⁴⁶

In China, the UK and the U.S., consumers care about gut health more than ever before.



M&A Activity Is On the Rise

Mergers and acquisitions are beginning to pick up, and we see a positive M&A environment ahead.

In 2010, food and beverage companies could exit with as little as \$10 million revenues and losses, according to Whipstitch Capital, the largest founder-led, independent M&A and private placement advisory firm. By 2020, \$10 million brands became \$100 million, and margins were an increased focus. Going forward, brands are expected to be purchased closer to their independent headroom potential—if not profitable at that point, they will likely not get there. We believe there are global opportunities for acquirers of food and beverage companies, and North America will be a trendsetter.

Growth companies are far more likely to reach profitability if they have supply chain integration, good data for efficient marketing, and omnichannel for more visibility and overall market presence. All

wellness companies should benefit from “rising tides” in sustainability, wellness, social responsibility and multicultural consumer bases.

In fact, Whipstitch projects that by 2030, the natural products industry will be holistically mainstream, sharing the same capital markets and business models as other traditional brands. These healthy products will no longer be cordoned off in a dedicated “natural and organic” space in stores. They’ll be integrated across broader store shelves.

Expect to see viable liquidity for investors in growing companies, consistent participation by large strategic companies, and more IPO exits, too. Companies with positive EBITDA and specialty premium products will likely find more positive exit conditions, as will larger, profitable \$200 million+ brands with innovative better-for-you and sustainable products.



Fueling Healthy Lives Across the Globe

Nutrition is just the start. We believe that better health will require exercise, lifestyle changes and a holistic approach to living, **not just longer lives but longer and *better* lives.**

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About Manna Tree: Manna Tree is a global private equity firm empowering consumers to live better, longer. The firm strategically invests in the consumer sector, particularly within the health and wellness ecosystem, focusing on growth-stage and buyout opportunities.

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