



## **Snapdragon Capital Partners and The Maze Group Join Forces with HGGC by Making Strategic Growth Investment in Nutraceutical**

*New Equity Partnership to Drive Digital Transformation*

**PALO ALTO, Calif.—July 17, 2019**—HGGC, a leading middle-market private equity firm, today announced it has agreed to the sale of a minority stake in Nutraceutical International Corporation—a vertically integrated manufacturer, marketer, and distributor of branded nutritional supplements, personal care, and other natural products—to Snapdragon Capital Partners LLC and The Maze Group LLC. This minority investment by Snapdragon and Maze validates HGGC’s investment and helps unlock the next phase of growth for Nutraceutical as a multi-brand leader in the natural health and wellness industry.

“Together, Snapdragon and Maze offer a compelling blend of investment expertise and hands-on experience building successful e-commerce and digital strategies at growth brands and category leaders across the consumer spectrum,” said Steven Leistner, Partner at HGGC. “Their partnership with us will help accelerate our future efforts following two strong years of value creation since our initial investment.”

Since HGGC’s investment in August 2017, Nutraceutical has exited its retail operations, simplified its manufacturing footprint, divested idle assets, and improved its supply chain to better serve its customer base. These efforts, under the direction of CEO Chad Clawson, have led to attractive revenue growth and margin improvement and have positioned Nutraceutical to capitalize on the ever-growing popularity of natural products.

“We are excited to join a highly-skilled partnership investor in HGGC and to contribute to the strong platform that Chad and the rest of the Nutraceutical team have built,” said Mark Grabowski, Snapdragon Founder and Managing Partner. “We are confident that our deep technological transformation capabilities and strong investing track record in tech-enabled consumer businesses will help Nutraceutical better serve its customer base, unlock growth, and further establish itself as an omnichannel leader.”

“HGGC’s strategic relationships, value-added operational expertise, and partnership philosophy have been key drivers of Nutraceutical’s progress over the past two years,” added Clawson. “We have successfully focused on our core business and are poised to further our vision by enhancing our digital transformation with the help of HGGC and our new minority partners, Snapdragon and Maze.”

Steve Young, President and Co-Founder at HGGC, commented, “We are proud of the progress Nutraceutical has made under the leadership of Chad and the broader team, and we look forward to welcoming Snapdragon’s Mark Grabowski and Maze Founder and CEO Zack Werner to the Nutraceutical board of directors, which is led by HGGC Partner Les Brown, who serves as Chairman of the Board.”

Piper Jaffray & Co. and William Hood & Co. advised Nutraceutical on the transaction. Kirkland & Ellis acted as legal advisor to Nutraceutical, and Morrison Cohen was legal advisor to Snapdragon and Maze.

Terms of the private, minority transaction were not disclosed.

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## **About HGGC**

HGGC is a leading middle-market private equity firm with \$4.3 billion in cumulative capital commitments. Based in Palo Alto, Calif., HGGC is distinguished by its *Advantaged Investing* approach that enables the firm to source and acquire scalable businesses at attractive multiples through partnerships with management teams, founders and sponsors who reinvest alongside HGGC, creating a strong alignment of interests. Over its history, HGGC has completed more than 130 platform investments, add-on acquisitions, recapitalizations and liquidity events with an aggregate transaction value of over \$20 billion. More information is available at [www.hggc.com](http://www.hggc.com).

## **About Snapdragon and Maze**

Snapdragon is a growth equity and buyout investment firm founded by Mark Grabowski targeting consumer businesses benefitting from long term secular trends, including health & wellness as a core vertical. The Maze Group is a consulting firm focused on creating enterprise value for public and private equity owned businesses using cutting edge technology and data driven marketing systems. Together, Snapdragon and Maze invest in technology enabled consumer businesses, leveraging Snapdragon's investment experience and Maze's technical capabilities to drive outsized returns. More information is available at [www.snapdragoncap.com](http://www.snapdragoncap.com) and [www.themazegroup.com](http://www.themazegroup.com).

## **About Nutraceutical**

Founded in 1993 in Park City, Utah, Nutraceutical was a pioneer of the natural products industry and has grown to become one of the largest and highest quality producers in the country. Nutraceutical is an integrated manufacturer, marketer, and distributor of branded natural products, including supplements, personal care, and other natural products sold primarily through domestic health and natural food stores, as well as specialty stores and online. Internationally, Nutraceutical markets and distributes branded nutritional supplements and other natural products to and through health and natural product distributors and retailers and online. Nutraceutical manufactures and sells its products under numerous brands, including Solaray®, Zhou Nutrition®, Heritage Store®, KAL, Dynamic Health®, Zand®, Honey Gardens®, and Nu U Nutrition®. Nutraceutical's mission is to empower and inspire individuals to feel better and live healthier by providing the most trustworthy, pure, and innovative natural wellness solutions. More information is available at [www.nutraceutical.com](http://www.nutraceutical.com).

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