



# BLUE CORE

\$25M Series B : June 2023

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## Why Invest in Blue Core (BCL)

First mover & differentiated value proposition through its sustainable manufacturing platform & vertical integration

A \$30M sustainable asset base (verified by multiple 3rd parties) providing downside protection for investors

Prospective management team with 150 years of industry specific operating & development experience

Existing distribution channels & relationships with major U.S. retailers enable the platform to scale quickly

BCL addresses a critical need with retailers by helping them meet their ESG targets by decarbonizing the supply chain

Co-pack & private label contracts provide financial stability while branded portfolio generates significant financial upside

Outsized demand within a large TAM driven by secular vs. cyclical drivers offers significant growth potential

BCL is currently securing its capacity with long-term filling commitments to de-risk future revenue generation



## Blue Core is Launching a \$25M Series B Equity Round



*Building Render is FPO*

# BCL History and Overview

Blue Core (BCL) is redefining beverage manufacturing as the first fully sustainable and renewable-powered beverage manufacturing operation in the U.S.

BCL was established in 2020 when BCL's parent, GFE Sustainable, spun-out three of its premier assets: (1) 72 acres of strategically positioned land in Beaver County Utah (2) A spring water aquifer (3) 5.0MW of geothermal resource.

Blue Core's initial focus was on leveraging its unique asset base to build a sustainable co-packing and private label manufacturing platform. The platform would be powered by the geothermal asset and draw water from the spring water aquifer.

In 2022, BCL executed a transformative acquisition through the purchase of Rethink Brands (Rethink). The acquisition of Retink gave BCL a mature upstream business which included 20,000 points of distribution, long-term customer relationships with leading retailers (ex: Walmart) and a low-sugar beverage portfolio. The combined business offers a powerful value proposition given BCL's sustainable manufacturing platform coupled with the vertical integration.

For U.S. retailers, BCL addresses a key need given that net-zero commitments necessitate de-carbonizing supply chains. The next phase of greenhouse gas (ghg) reporting requirements specifically focuses on supply chain emissions which will be factored into ESG ratings. This puts additional pressure on retailers to find sustainable manufacturing partners.

As a first mover, BCL is poised to capitalize on these market opportunities.



## Operating Divisions:

1

### Branded Division

Building, buying, and manufacturing better-for-you, sustainably packaged beverage brands.

2

### Co-Pack Division

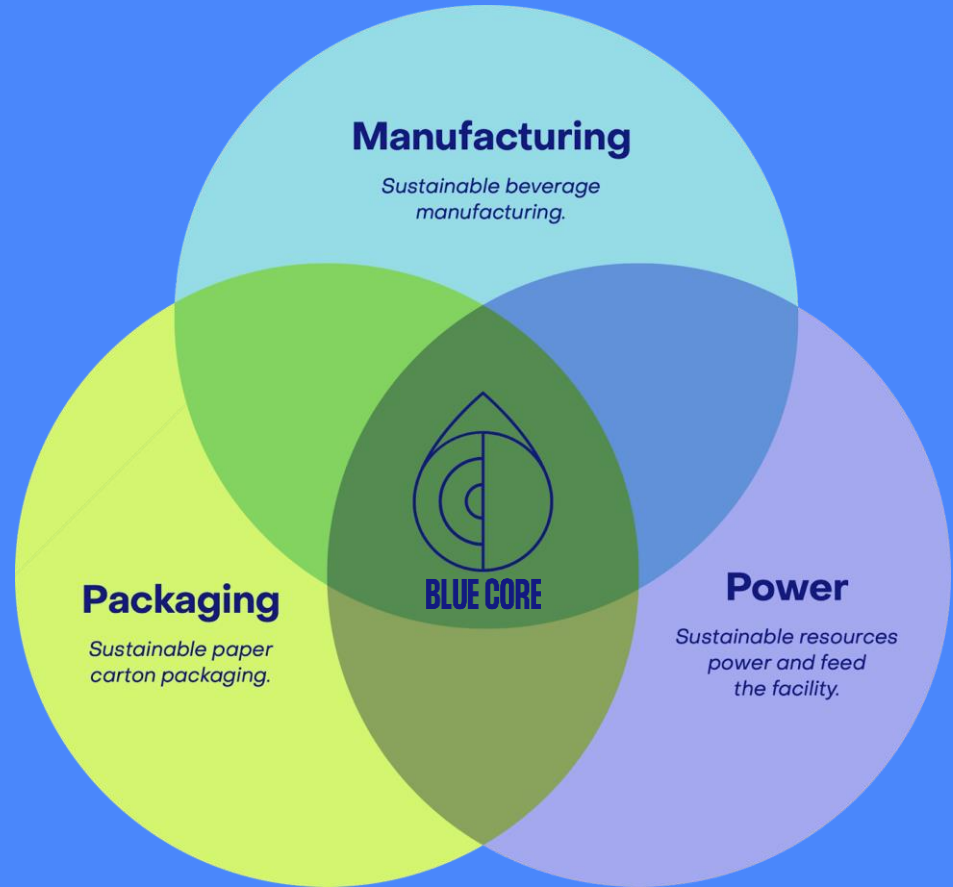
Manufacturing for the world's largest and fastest-growing sustainably packaged brands.

3

### Private-Label Division

Manufacturing store brands for the world's largest and fastest-growing retailers.

# Blue Core is redefining the future of Beverage Manufacturing.



Blue Core is ready to create, manufacture, and scale the next generation of beverage brands.

**All in Pursuit of One Vision:  
Sustainability.**

Blue Core leverages the earth's resources  
to power and feed its operations.

**The first of its kind.**



100% Powered by  
Geothermal Energy



Sustainable Manufacturing  
(200m packs annually)



PH balanced Spring  
(Delivering over 18m gallons  
of water annually)

# Blue Core is building a **state-of-the-art** beverage manufacturing facility in Beaver County, Utah.

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Blue Core will have a 135,000 sq ft facility built on 3.5 acres of its 72 acres of available land, expected to be fully-operational by Q4'24

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Our initial Tetra Pak manufacturing capabilities include 200ml, 500ml, and 1L with an annual capacity output of 200M+ units by Q4'24

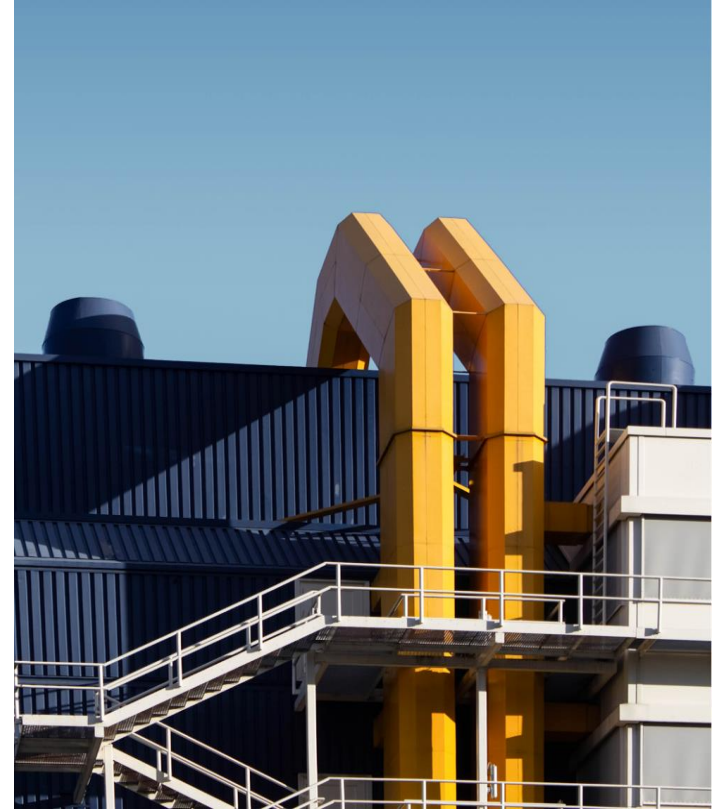
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Our manufacturing footprint and capacity output allows our Utah facility to approach **\$100M** by 2027 based on current forecasting projections

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Blue Core has an additional **3M sq ft** in available manufacturing & warehouse expansion space, equating to over **\$1B** in annual revenue capacity.

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*The greenfield platform gives BCL a durable competitive advantage given that no other existing facility can match its sustainable manufacturing*

# Blue Core partnered with the global leader in beverage manufacturing to build best-in-class sustainable manufacturing capabilities.



## Product Capabilities Phase 1

### 200ML

- Organic Juice
- Organic Low Sugar Juice Drinks
- Organic Lemonade
- Organic Tea
- Organic Flavored Water
- Organic Functional Water

### 500ML & 1L

- Spring Water
- Purified Water
- Organic Functional Water
- Organic Flavored Water
- Enhanced Water

## Filtration Processes

### ATTRIBUTES

- Sand Filtration
- Carbon bed filtration
- Ozone sterilization
- UV sterilization
- RO filtration







## Diversified Business Model

### 1 Branded Division

- Blue Core plans to own and operate a portfolio of better-for-you beverage brands with national distribution across retail & online.
- By vertically integrating all layers within our supply chain, our branded business will increase overall gross profit, increase manufacturing efficiencies, and generate faster lead times to our retailer partners
- Blue Core's ability to pick, pack, and ship products directly from our facility gives us a significant advantage in being faster to market vs. our branded competitors.
- Branded beverages trade between 3X-7X net revenue in a highly-acquisitive market, giving us optionality to seek liquidity at fully-maximized valuations.








### 2 Co-Pack Division

- Blue Core plans to partner with beverage suppliers of all sizes to make product on a contractual basis.
- These contracts lock in guaranteed volume at healthy margins, cover fixed costs, and stabilizes cash flow.
- Beverage brands are moving to sustainable formats at an unprecedented rate. Demand far outweighs capacity.
- As brands partner with Blue Core, it's standard practice for the co-packer to earn 'sweat' equity in their customers, giving Blue Core additional upside as branded beverages companies trade up to 3X-7x revenue.

### 3 Private Label Division

- Private label growth and consumer demand for sustainable packaging has forced retailers to adjust their assortment decisions.
- Retailers are looking to establish long-term agreements in order to guarantee reliable manufacturing capacity and pricing stability.
- Blue Core is positioned to secure long-term contracts as the first beverage manufacturer to provide a turn-key manufacturing process, in-house re-pack services, long-term warehousing support, and optimized logistics services.

Blue Core is the **first ever** fully sustainable vertically integrated beverage manufacturer.

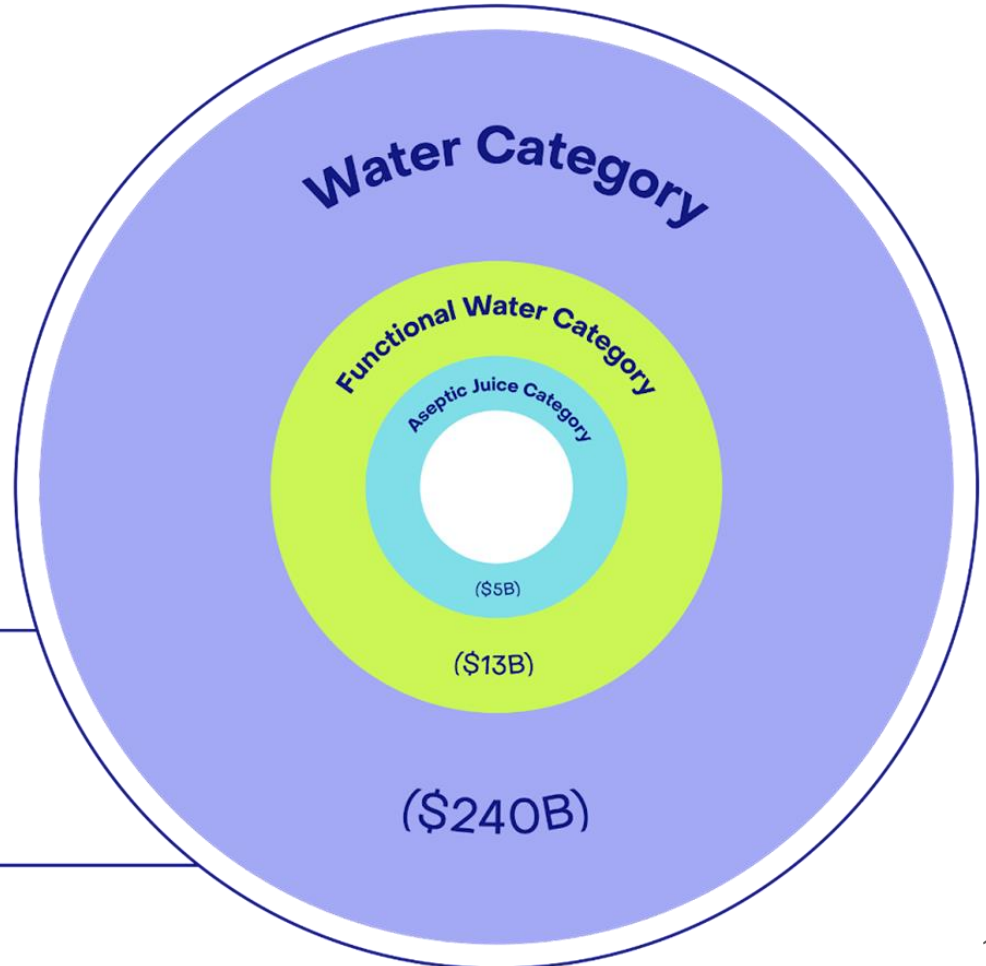
	 BLUE CORE	 flow water	 JUST WATER	 Coca-Cola	 Nestle Waters	 pepsi	 KDP
Sustainable manufacturing	×	×	×				
Diversified Portfolio: Branded, Co-pack, P/L	×			×	×	×	×
Turn-key manufacturing service	×					×	×
Long-term warehousing and logistics solutions	×			×	×	×	×
In-house online fulfillment	×						
In-house re-packing capabilities	×			×	×	×	×
Sustainably Powered Facility (ESG Focused)	×						

**Blue Core plays in the  
largest (& growing)  
categories in all of  
beverage.**

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**Total \$250B+  
Category**

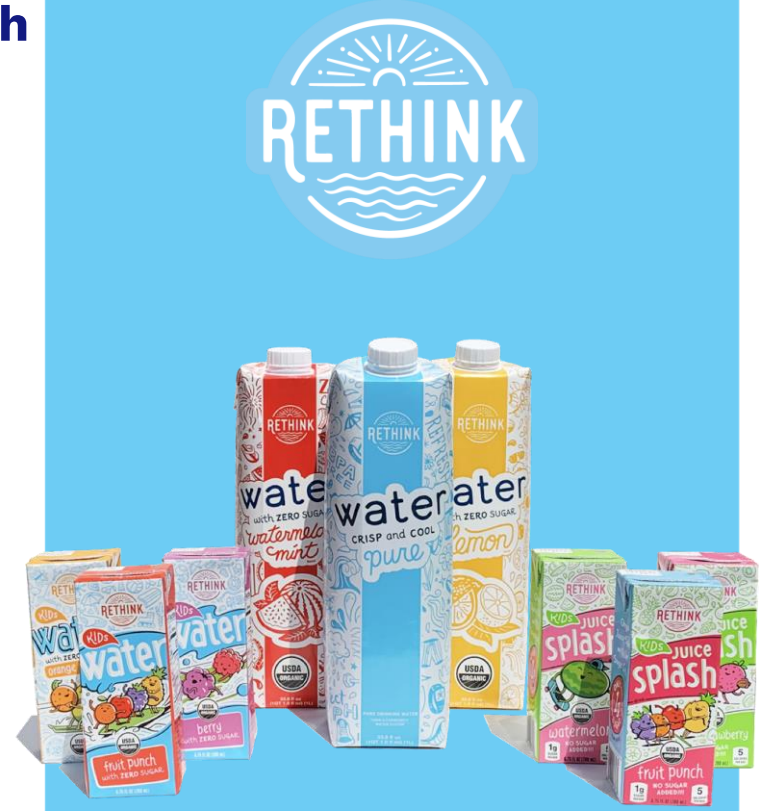
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# **Powering Vertical Integration Through the Rethink Acquisition**

# In 2022, BCL accelerated its strategy to scale & build its branded business through the acquisition of Rethink Brands Inc.

- Blue Core completed its acquisition of Rethink Brands Inc. in December 2022
- This acquisition gives Blue Core immediate access to key retailers through Rethink's vendor contracts and pre-existing strong retail relationships (e.g. Walmart, Sam's Club, Kroger, Target, Amazon, etc).
- Rethink's management team has over 75+ years of experience in food, beverage, cpg & manufacturing. Immediate human capital value to be gained through the acquisition.
- Vertical integration will create immediate cost savings and fill Blue Core lines on Day 1. Cost savings is estimated to improve Rethink margins by over 25%.
- Rethink has had very positive discussions with key retail partners on the acquisition. Our fully integrated sustainable model, aligns perfectly with their assortment strategies



# Rethink Brands Inc. Overview

- Rethink Brands, Inc. was founded in 2016 with a mission to disrupt the water and juice categories by packing in 100% sustainable cartons and providing USDA Organic low sugar options for both kids & adults.
- Rethink's diversified portfolio of products perfectly align with Blue Core's manufacturing capabilities: 500ML, 1L, and 200ML
- Rethink gained significant traction with consumers & retailers over the past 6 years, giving Blue Core immediate volume, and route to market with partners like Walmart, Target, Kroger, Sam's Club and Costco
- The Rethink Brands team brings significant human capital and has already begun Integration into Blue Core, bringing over 75+ years of combined CPG, food/beverage, retail, and manufacturing experience
- Rethink Brands has enjoyed significant growth over the last 18 months driven by consumers opting for more healthy and sustainably packaged beverage options and the business is projected to surpass \$50M in revenue by 2024



# Rethink Traction & Market Success



## Product Capabilities

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### Rethink Juice Splash (200ml)

- 1g of Sugar
- USDA Organic Flavor
- Organic Monk Fruit Extract
- 5 Calories



### Rethink Kids Water (200ml)

- 0g of Sugar
- USDA Organic Flavor
- 0 Calories



### Rethink Water (500ml & 1L)

- 0g of Sugar
- USDA Organic Flavor
- 0 Calories



## Distribution

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Rethink Brands has over 20,000 points of distribution at the largest retailers in the US.



In addition to its national retail network, Rethink also has national distribution agreements in place with UNFI, KeHE, and DPI.



Rethink has a profitable, multi-channel D2C and eCommerce presence led by Amazon, Thrive Market, and national retail partners.



## Revenue

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Rethink had annual revenue in 2021 of \$4.3M but had booked orders to reach \$7.5M which couldn't be filled due to co-packer capacity constraints.

Driven by demonstrated success in the Club Channel, Rethink revenues were forecasted to reach ~\$50M in 2023, and \$60M in 2024

# Rethink Management Team



Rethink's management team carries over **75+ years of experience** in CPG, Beverage, Manufacturing, and Logistics, and its leadership team has grown some of the nation's largest brands.



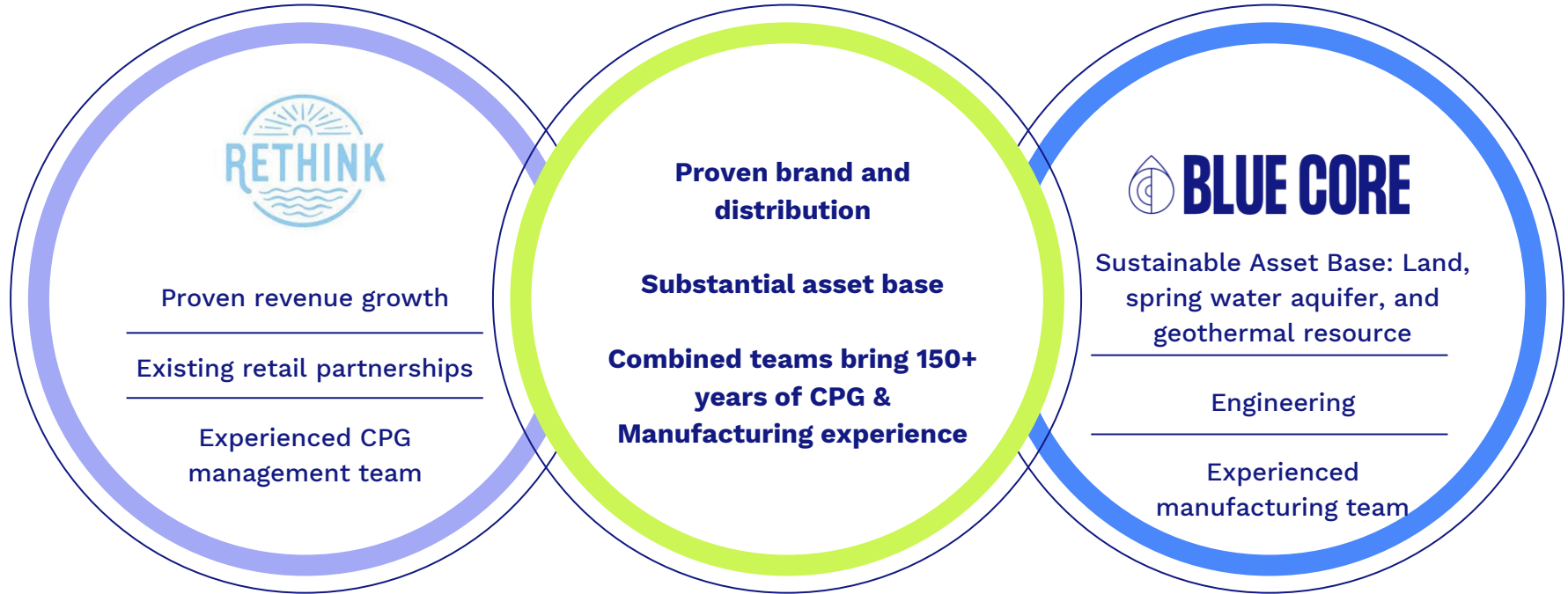


# Demonstrated Financial Benefit of Vertical Integration

Pricing Model	500ML Example	
Price Scenario	Rethink Current	Rethink + Blue Core
Retail Price Per Unit	\$1.00	\$1.00
Retailer Margin	40%	40%
Units Per Case	12	12
Price To Retailer	\$7.25	\$7.25
COGs Per Case	\$4.57	\$3.48
Inbound Freight	\$.50	\$0.00
Rethink Margin \$	\$2.18	\$3.77
Rethink Margin %	30%	52%
Outbound Freight	\$1.00	\$1.00
3PL Warehousing	\$.25	\$0.00
Contribution \$	\$.93	\$2.77
Contribution %	13%	38%

- Blue Core + Rethink partnership allows the business to vertically integrate all of Rethink's existing product portfolio, providing significant GM improvements by bringing manufacturing in-house and reduce inbound shipping costs.
- Blue Core to see additional Gross Margin improvements by eliminating additional layers in the supply chain including inbound freight, warehousing, & 3PL handling costs.
- Blue Core's vertically integrated model is easily replicable and will continue to see Gross Margin improvements throughout all of its sales divisions as run rates continue to increase driving overall operational efficiencies.

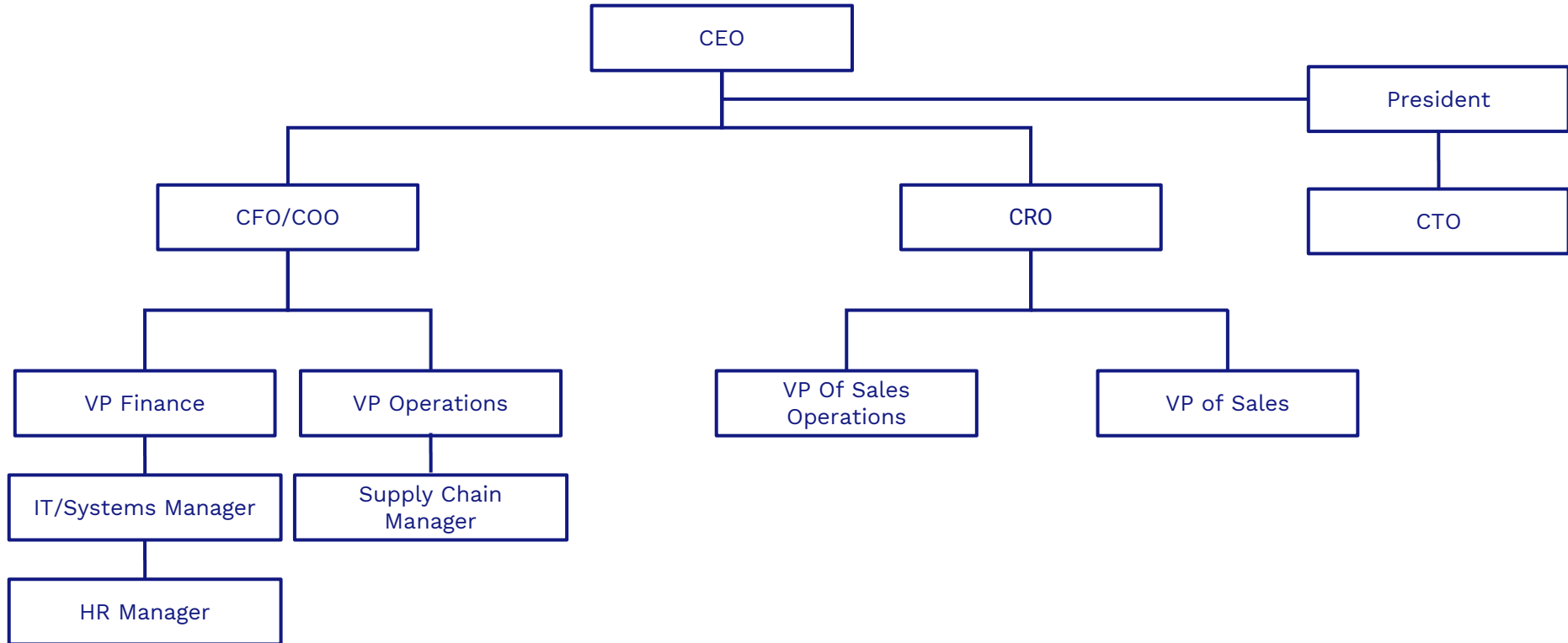
# Rethink + Blue Core... 1+1=5



# **Organizational structure and targeted team.**

# Organizational Structure Phase

1



# Targeted Team

## Identified CEO

*15+ years in CPG, Food & Beverage sales, strategy business development, holding executive & C-level roles in multiple commerce industries. Experience includes leadership roles at P&G and Google. Executive and founding member of The Stable and co-founder/CEO of Rethink Brands Inc.*

## Identified President

*15+ years of global investing and operating experience across family offices, hedge funds and sustainability focused private companies. Co-founder of two international hedge funds. Led multi-billion dollar investment in wind energy.*

## Identified CRO

*15+ years of CPG & food/beverage operating experience scaling early-stage & venture backed startups including Bodyarmor which sold for \$5.6b to Coca Cola. Co-Founder/President, Rethink Brands, a sustainable beverage brand focused on health & wellness sold nationwide at Walmart, Kroger, & Whole Foods.*

## Identified CFO/COO

*30+ years of CPG, food/beverage, and manufacturing experience. Extensive operating experience in finance, operations, and process improvement at one of the largest ingredient manufacturers, TIC Gums. Diverse multi-industry & multi-discipline experience.*

# Targeted Team

## **Co-Founder/Gov. Relations**

*35+ years of management experience  
Former Consultant to the private/public Boards of Directors in Texas, Utah and Nevada.*

## **Identified CTO**

*30+ years of experience in the food/beverage processing and packaging space.  
Former executive at Tetra Pak  
Extensive technical experience in the design, construction, commissioning and operation of large-scale, high-volume aseptic food and beverage production facilities.*

## **Identified VP Ops**

*15+ years of experience across aseptic plant operations.  
Director of Operations at Lyons Magnus which included the install of six high speed Tetra Pak lines  
Plant Manager at Ameriquel Aseptic and oversaw 300,00 sq. ft. facility.*

## **Identified VP Sales Ops**

*15+ years of operational supply chain & logistics experience.  
Extensive experience in domestic & international supply chain & logistics management.  
Extensive experience in sales operations working with national retailers : Walmart, Kroger, CVS and Target.*

# Facility timeline and key milestones.

# Building Update

1. Blue Core successfully completed all of its necessary pre-building permit requirements in as of Q4 2022
  - a. Zoning (Central Development)
  - b. Conditional Use Permit
1. In Q1 2023, Blue Core officially broke ground on the facility through the financial backing of Advantage Capital
1. Blue Core officially received all of its necessary building permits as of June 2023 and is on track for facility completion by June 2024



*Building Render is FPO*



# Building Contractors

## 1. Big D Construction

- a. Blue Core has partnered with Big-D Construction, located in Salt Lake City, as lead contractor for the build out.
- a. Big-D comes highly recommended by State Officials and is one of the 3 largest contractors in Utah building more than 240 manufacturing facilities, warehouses, and distribution centers across the US.

## 1. Desert Edge Architecture

- a. Blue Core has partnered with Desert Edge Architecture, a leading commercial architect company located in Saint George, Utah.
- a. Desert Edge has completed the necessary blueprints for Blue Core and has been actively involved in working with Big D Construction on the building timeline



# Tetra Pak

1. Blue Core, started its relationship in June 2023 by purchasing its first set up equipment for the facility, the 200ml High Speed Aseptic Slim
1. The current commission start date for the line is set for September 2024, which directly coincides with retailer line reviews
1. By officially starting its partnership with Tetra Pak, Blue Core will now receive the support of Tetra Pak's Global Sales Team in helping to secure available demand from their new & existing customer base of beverage companies



**Current Market Demand  
Has Accelerated the  
Importance to Start Now**

# Tetra Pak's high acid demand is the **largest in company history** due to **limited manufacturing options in North America**

## Key Drivers to Demand Availability

- *Market oversaturation within Low Acid manufacturing created a severe backlog in the Tetra Pak supply chain resulting in a significant problem of demand outstripping the available capacity*
- *Low Acid velocities have started to show early signs of softening trends compared to prior years creating a larger focus from Tetra Pak to expand & support their North American High Acid manufacturing footprint*
- *Dramatic volume expansion in High Acid beverage categories such as Aseptic Juice, Isotonics, and Functional Water/Beverages has accelerated the need for new manufacturing as the current landscape cannot support & sustain the available demand*



# Blue Core's Current Secured Demand & Pipeline



## 1 Branded Division



**Year 1: 27m units**  
**Year 2: 57m units**

## 2 Co-Pack Division



**Year 1: 25m units**  
**Year 2: 50m units**

Blue Core's initial branded & co-pack commitments secure the Phase 1 & 2 capacity with more in the pipeline

***\*\*Capacity secured through Acquisition + LOI Commitments\*\****

## Pipeline



Tetra Pak currently has ~1B units of available demand from brands in the marketplace that BCL is in active discussions with.



Through the Tetra Pak partnership, BCL is now able to enter into top to top discussions with the nation's largest beverage manufacturers to discuss co-pack partnerships.



Blue Core has entered into conversations with major retailers, such as 7-Eleven's Private Brands team, about long term filling partnerships.



# BLUE CORE

Financials

# Blue Core Base Plan Financials



Profit and Loss	2023	2024	2025	2026	2027
<b>Sales</b>		\$ -	\$ 23,990,850	\$ 54,760,550	\$ 88,398,050
Discounts and Returns	\$ -	\$ -	\$ (848,260)	\$ (2,215,424)	\$ (3,412,744)
<b>Net Sales</b>	\$ -	\$ -	\$ 23,142,590	\$ 52,545,126	\$ 84,985,306
<b>COGS</b>	\$ -	\$ -	\$ 11,367,931	\$ 25,697,347	\$ 39,849,031
Operating Expenses	\$ 216,000	\$ 295,320	\$ 5,516,334	\$ 6,346,403	\$ 7,057,876
<b>Total Cost of Goods Sold</b>	\$ 216,000	\$ 295,320	\$ 16,884,265	\$ 32,043,750	\$ 46,906,907
<b>Gross Margin</b>	\$ (216,000)	\$ (295,320)	\$ 6,258,326	\$ 20,501,376	\$ 38,078,399
Compensation	\$ 781,727	\$ 928,907	\$ 1,478,490	\$ 1,719,330	\$ 2,120,730
Travel	\$ 4,000	\$ 6,000	\$ 12,000	\$ 16,000	\$ 20,000
G&A	\$ 1,297,925	\$ 1,497,925	\$ 2,835,705	\$ 3,002,185	\$ 3,212,985
Marketing	\$ -	\$ -	\$ 1,184,918	\$ 3,303,008	\$ 4,659,038
Selling	\$ -	\$ -	\$ 2,583,767	\$ 5,185,658	\$ 8,046,318
R&D	\$ -	\$ -	\$ -	\$ -	\$ -
Other Expenses	\$ 232,000	\$ -	\$ -	\$ -	\$ -
<b>Total Expenses</b>	\$ 2,315,652	\$ 2,432,832	\$ 8,094,880	\$ 13,226,180	\$ 18,059,070
<b>Net Income</b>	\$ (2,531,652)	\$ (2,728,152)	\$ (1,836,554)	\$ 7,275,196	\$ 20,019,329

## Assumptions:

- Revenue grows 3.8X through FY'27 with profitability achieved in Year 2 of operations as the business quickly ramps
- Revenue is backed by long-term purchase commitments which generates significant visibility across the business
- Given the market demand, BCL could tap into additional growth opportunities to scale the business even faster

# Blue Core Investors & Advisors

Blue Core has put together a strategic group of investment partners that add a tremendous amount of value across multiple functions of the business

## Private Equity Partners

**ADVANTAGE**  

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**CAPITAL**

## Venture Capital Partners

**BLUESTEIN**  
VENTURES

**af.**  
ventures

## Government Funding

**edcUTAH**   
ECONOMIC DEVELOPMENT  
CORPORATION OF UTAH  
[edcutah.org](http://edcutah.org)



*\*Added through Rethink Acquisition\**





# BLUE CORE

Appendix



## Investment Overview

### Branded

- Build, buy and launch better-for-you beverage brands online and in retail
- Vertical integration means quicker and more profitable
- Can create innovation with retail partners by leveraging preexisting relationships
- In-house DTC pick/pack/ship capabilities give Blue Core an unfair advantage in being first to market with innovation
- Branded beverage businesses trade between 3x-7x net revenue in a highly acquisitive market

### Co-Pack

- Leverage Blue Core assets by partnering with other beverage brands to manufacture their products
- Establish long-term contract agreements with large and small brands guaranteeing consistent manufacturing demand and revenue
- Create significant efficiency and economies of scale in the value chain
- Partner with innovative start-ups to facilitate the incubation of their brands (opportunity for 'free' equity)

### Private Label

- Leverage Blue Core assets by partnering with retailers and food service providers to manufacture their products
- Establish long-term contract agreements with large and small brands guaranteeing consistent manufacturing demand and revenue
- Creates significant efficiency and economies of scale in the value chain
- The geothermal energy source eliminates the reliance on the power grid creating alternative channel opportunities (e.g., Government Contracts)

## Rooted in Vertically Integrated Sustainable Manufacturing & Valuable Assets



**Geothermal Energy**  
*5-10 MWs with a  
temperature of ~315°F*



**Natural Spring Water**  
*Water source with  
perfectly balanced PH*



**Carbon Balanced  
Operation**  
  
*With 100%  
renewable energy*



**72 Acres of Land**  
*Available for future  
manufacturing and  
warehouse expansion*



**Tetra Pak Packaging**  
*Made from up to 75%  
plant based material and  
is 100% recyclable*

## Blue Core Asset Valuation: \$30 Million

### Geothermal Energy Source (\$18.2M)

- Geothermal capacity range of 5MW and temperature of ~315°F
- Located next to operating geothermal plant owned by enel green power

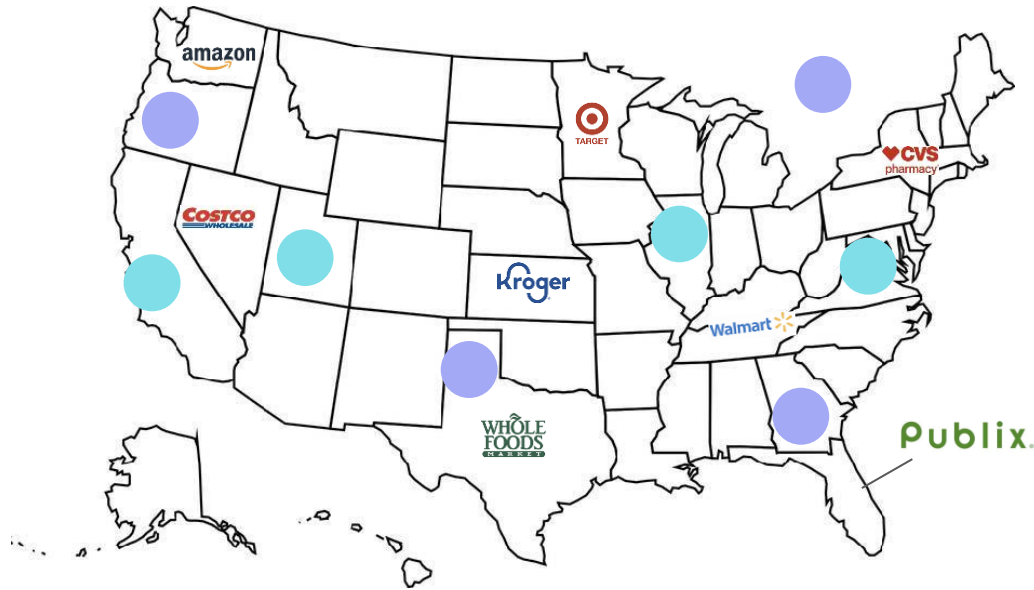
### Pristine Spring Water Source (\$6.4M)

- Perfectly balanced PH
- 660 ppm total dissolved solids
- Access to 82M gallons of sustainable spring water with access to additional water

### Land Ownership (\$5.4M)

- 72 acres of land (Beaver, UT)
- Located within a Qualified Opportunity Zone (QOZ)
- Located at an interchange on I-15

# Blue Core plans to own & operate a national network of manufacturing facilities becoming the largest full service sustainable beverage provider in the North America.



Primary Manufacturing  
and Warehouse Sites



Secondary Manufacturing  
and Warehouse Sites

- Our long-term geographic expansion plans enhance our value to customers as we further decrease operational lead times and improve warehouse and freight efficiencies.
- The geographic expansion plan includes primary and secondary facilities across the US & Canada and puts no brand, retailer or product out of reach.
- Blue Core firmly cements itself as the leaders in D2C capabilities and execution given our ability to logistically shrink the country.
- Geographic expansion significantly decreases Blue Core's internal operational costs and eliminates national logistical challenges, allowing for continual Gross Margin and EBITDA improvement as we scale

**Sustainability is at the  
core of everything we do.**

# We're a fully-sustainable operation.



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The first beverage manufacturer to be fully-powered by our own natural geothermal energy resource (up to 5 MW.)

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Committed to powering our operations with 100% renewable energy and achieve carbon neutrality by 2028.

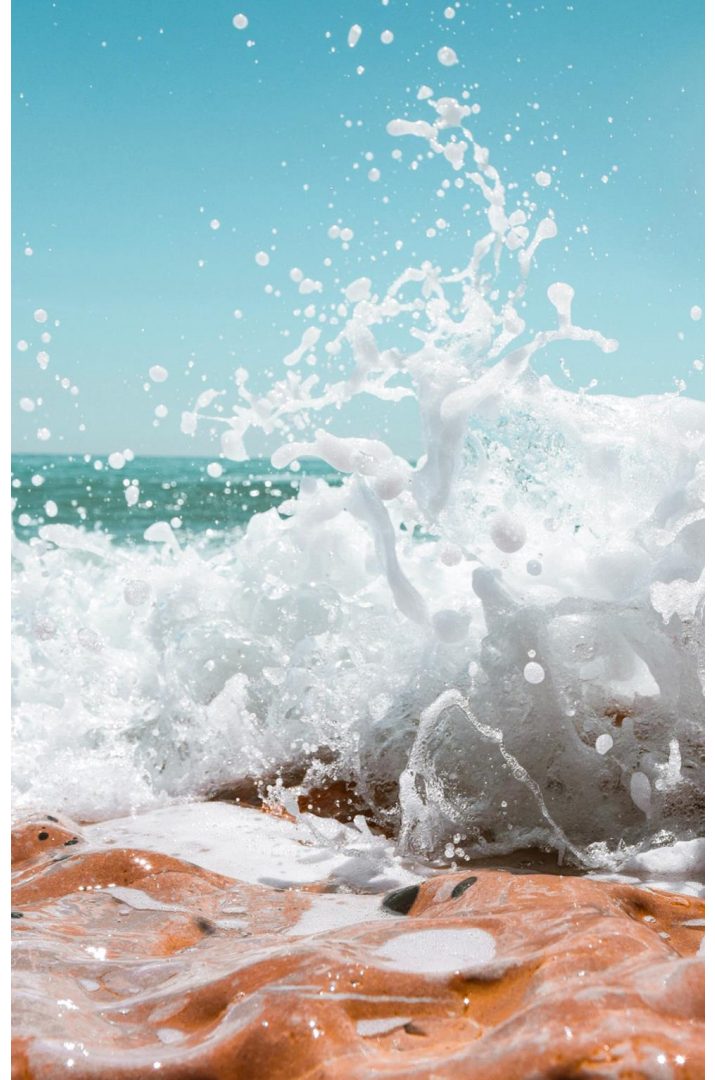
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Aseptic packaging transportation and manufacturing efficiencies.

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Fully-protected spring water source.

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# We use plant-based packaging.



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Tetra Pak cartons made of 75% renewable paperboard from responsibly-managed forests.

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100% recyclable packaging is free from harmful chemicals like BPA.

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Reduces overall carbon footprint in the supply chain by over 50% compared to traditional plastic bottles.

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# We're pioneering a greener supply chain.



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Responsibly-managed and traceable operations practices (aseptic manufacturing, warehousing, and logistics).

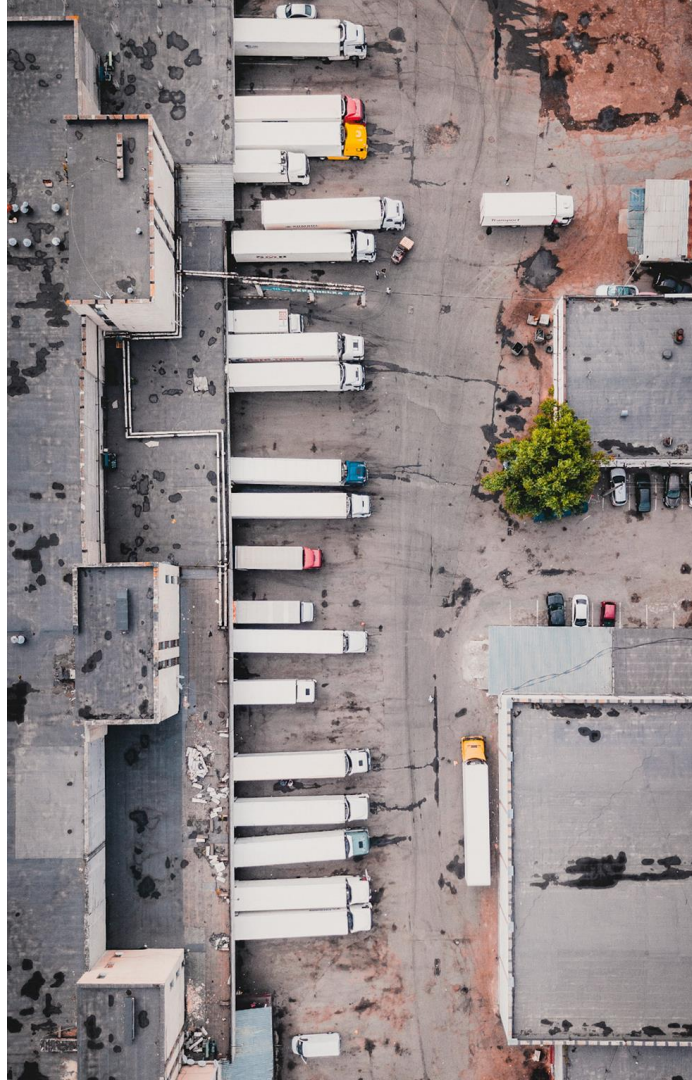
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Reduction of overall transportation needs on a trucks/MM basis (Blue Core = 30MM Cartons/Truck vs 1MM Plastic Bottles/Truck).

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90% reduction in overall water footprint compared to plastic bottles (0.2 liters vs. 2.0 liters).

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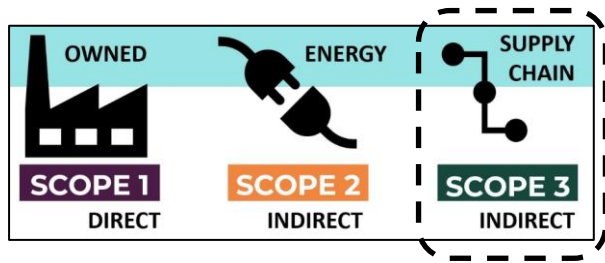
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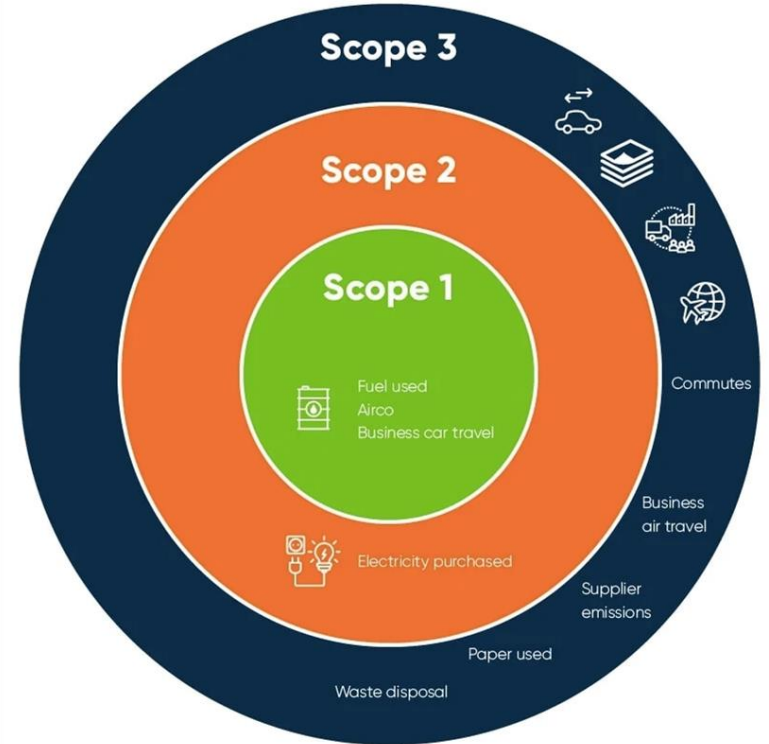


# How BCL Can Add Value to Brand and Retail Customers

## Greenhouse Gas (GHG) Emissions Reporting Requirements



- Able to fulfill carbon neutral commitments through decarbonizing the supply chain
- Improve scope 3 GHG emission scores & carbon footprint
- Fulfill customer preference for sustainable products
- Address investor scrutiny of sustainability and ESG credentials



**Thank you.**