

NEWSLETTER



INGREDIENTS
Your Long Term Partner

MEAT, CULINARY & SNACK INGREDIENTS

Q3 2020

Dear Readers,

The summer of 2020 has been a heated one to say the least, with record high temperatures recorded in some parts of the world and a global pandemic which shows no signs of abating. Human health and environmental sustainability are likely to be key factors driving consumer decision making in the future.

Since the outbreak of COVID-19 plant-based eating has increased dramatically as consumers around the world try to reduce the amount of animal based products they consume due to concerns over health, disease, animal welfare and the environment.

In the UAE sales of plant-based burgers at certain outlets have increased from 35% of total sales to 50% of total sales since the pandemic began.

In this edition of our MCS newsletter we will be sharing news and innovation taking place in the plant-based meat industry and we will also be introducing **GS Dunn - our new partner for the supply of mustard powders and ingredients to the Middle East food industry.**

News Alert: Gulfood Manufacturing 2020 has been cancelled due to COVID-19 and the restrictions on international travel. The show is now scheduled to take place from November 7th-9th 2021.

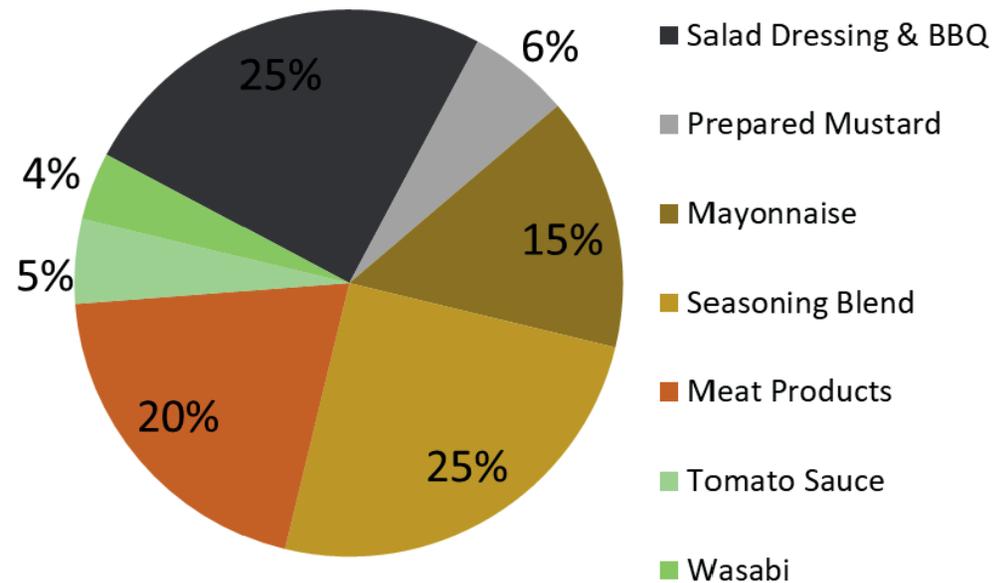




FSL's philosophy to only associate ourselves with the leading ingredients manufacturers brings us to our most recent partnership with GS Dunn for the supply of mustard powders. Headquartered in Hamilton, Canada, GS Dunn is a world-renowned dry mustard miller and leader in the development and innovation of mustard ingredients. Founded in 1867, they now serve over 100 customers in 61 countries with a portfolio of more than 250 unique products. Their annual production capacity is 35 million pounds and their mustard ingredients are used in some of the world's largest international food brands.

For centuries, mustard has been appreciated for its medicinal, nutritive and savory attributes. G.S. Dunn and FSL know the valuable role mustard has played throughout culinary history and the taste, functional benefits and value addition it offers various food applications today:

MUSTARD END USER APPLICATIONS (%)



PRODUCT CATEGORIES



- ✔ Mustard Flour (100's)
- ✔ Whole Ground Mustard (200's)
- ✔ Crushed Seed (300's)
- ✔ Mustard Bran (400's)
- ✔ Deactivated Mustard (600's)
- ✔ De-Oiled Mustard (700's)

PRODUCT CODE	TYPE	VOLATILE OIL %	STRENGTH	COMMON APPLICATIONS
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Mustard Flour

106	Pure Yellow Mustard Flour	Trace	Mild	Salad Dressings, Salad Cream, Mayonnaise, Mustards
105	Pure Mustard Flour	0.25 – 0.35	Mild/Medium	Mild Mustard Sauces, Mustards
103	Pure Mustard Flour	0.45 – 0.55	Medium	Sauces, Mustards, Batter Systems, Predusts, Spice Blends
101	Pure Mustard Flour	0.55 – 0.65	Medium/Hot	Salad Dressings, Mayonnaise
110	Pure Mustard Flour	0.65 – 0.75	Hot	Barbecue Sauces, Chinese Sauces, Wasabi Paste
111	Pure Mustard Flour	0.75 – 0.85	Hot	English Style Mustards
107	Pure Oriental Mustard Flour	0.75 min	Very Hot	Barbecue Sauces, Chinese Sauces, Wasabi Paste

Ground Mustard

201	Ground #1 Yellow Mustard	Trace	Mild	Mustards, Salad Dressings
203	Ground Brown Mustard	0.4 min	Medium/Hot	Meat Products, Prepared Mustards
204	Ground #4 Yellow Mustard	Trace	Mild	Meat Products, Prepared Mustards

Mustard Bran

402	Yellow Mustard Bran	Trace	Mild	Bulking and Thickening Agent
412	Fine Yellow Mustard Bran	Trace	Mild	Natural Thickener, Gum Substitute
401	Mixed Mustard Bran	0.4 max	Medium	Bulking and Thickening Agent, Seed Extender
403	Oriental Mustard Bran	0.6 max	Hot	Bulking Agent, Seed Extender

Cracked Mustard Seed

301	Cracked Yellow Mustard Seed	Trace	Mild	Mustards, Salad Dressings
303	Cracked Brown Mustard Seed	0.4 min	Medium/Hot	Mustards, Salad Dressings

Whole Mustard Seed – Treated or Untreated

501	#1 Yellow Mustard Seed	N/A	Mild	Pickles, Relishes
502	Oriental Mustard Seed	N/A	Hot	Pickles, Relishes
503	Brown Mustard Seed	N/A	Medium/Hot	Pickles, Relishes

Deactivated Ground Yellow Mustard

601	Deactivated Ground Yellow Mustard	N/A	Bland	Meat Products
615	Deactivated Fine Ground Yellow Mustard	N/A	Bland	Mayonnaise, Sauces, Bakery Products, Tomato Based Sauces



MUSTARD

Mustard – A Natural Solution to Food Additives

Mustard is a highly versatile food ingredient that is increasingly being used for different properties – as an emulsifier (stabilizer in processed foods), binder, natural preservative and for its health properties as an antioxidant.

Continuing Research and the Future of Mustard

- ✔ G.S. Dunn Ltd. is a member of PRCO and CMA. Both groups support ongoing research and are evaluating new varieties of mustard with specific characteristics for functionality.
- ✔ Additional research at North American University centers offers GS Dunn insights into additional functional uses and techniques. Current opportunities in the innovation pipeline include: mustard protein isolate, oil replacement in mayonnaise, antioxidant in vegetable oil and binder replacement of eggs.

This partnership between GS Dunn and FSL will allow us to offer the highest quality and most sophisticated mustard ingredients to our customers in the Middle East.



MEAT INDUSTRY NEWS AND INNOVATION:

Plant-Based Meat partnering with the Foodservice and Quick Serve Restaurant Industry

The immense success of Beyond Meat and its historic IPO has led other plant-based brands to pursue similar strategies of partnering with fast-food chains and restaurants to market and distribute their products. In this sense the companies are able to focus on creating the best product while the restaurants do the heavy lifting and marketing to the consumer. Although Beyond Meat is now widely available in retail stores and has become a household name, its success was spurred by restaurant chains like A&W who bought, marketed and sold the product to the consumer.

In 2020, the plant-based food sector experienced average growth of 148% across all categories while plant-based burgers, nuggets and sausages saw the fastest growth of 241% compared to 2019.

Various restaurant chains in the UAE, Saudi, Qatar and Kuwait are now importing and serving Beyond Meat burgers to their customers which leaves a clear opportunity for local manufacturers to supply and capitalize on this growing market.

In the UAE, sales of Beyond Meat burgers have increased dramatically after COVID-19. According to Al Arabiya English, "More customers are opting or vegan food, and the coronavirus pandemic is accelerating the trend."

Local Food expert Fabrice Vriens and brand manager for Bareburger Restaurant in the UAE, revealed that more diners are opting for plant-based meat options as it is a healthier and cleaner option. He said: "The COVID-19 crisis is pretty much associated with the consumption of animal meat and has created virusphobia."



"We believe that is the main reason that consumers are increasing their plant-based food consumption. We have seen a rise in the share of Beyond Meat and vegan offerings in our total sales."

Mr. Vriens added that while the brand noticed that flexitarian diets were on the rise last year, the coronavirus pandemic 'has driven more of their customers towards their plant-based options.' Vegan burger in the Dubai outlet sales have increased from 35 percent in January to 50 percent of all burgers sold now.

| KFC

Below are some examples of how plant-based meat manufacturers in North America are partnering with food chains to achieve similar success with their products:



*Customers lined up at a KFC in Atlanta to be among the first to try **Beyond Fried Chicken**, a plant-based option made in partnership with Beyond Meat.*

In 2019 Beyond Meat partnered with KFC to bring their plant-based chicken to consumers in Atlanta. The product was an instantaneous hit, selling out in a single day.

According to a representative from KFC, in about five hours the restaurant sold as many plant-based boneless wings and nuggets as it would sell of its popular popcorn chicken in an entire week. (A “Kentucky Fried Miracle,” the company declared.)

With the test, KFC joined several other major fast-food companies in making meat alternatives more mainstream. Most are using either Beyond Meat’s products or those made by Impossible Foods to replace the meat in their most popular products such as The Burger King Whopper, The White Castle Slider or The A&W Mozza Burger.

Is the idea to turn everyone into a vegetarian? No – but studies have shown that eating less meat could help both the environment and our health, and that could be making people a little more interested in cutting back – especially in a post-COVID world.

“Our target customers for this product were flexitarians looking to incorporate plant-based choices into their diets,” the KFC representative said.

| BURGER KING



Burger King launched its plant-based **Impossible Whopper** in St. Louis in April 2019 which led to the best Q3 sales results for the company since 2015.

Following its immense success, Burger King expanded distribution to locations across the entire USA. The launch of the burger increased Burger King's revenue by 10 % in 2019 and led to an increase in footfall by 4%, compared to McDonalds in the same year which did not launch a plant-based option. The Impossible Whopper by Impossible Foods, tapped as the "100% Whopper, 0% Beef," features a flame-grilled patty topped with tomatoes, onions, lettuce, mayonnaise, ketchup and pickles on a sesame seed bun. The sandwich is 630 calories, contains 34 grams of fat and 25 grams of protein, according to nutritional information on Burger King's website. (A regular Whopper has 660 calories, 40 grams of fat and 28 grams of protein).

| A&W



A&W was one of the first multinational food chains to introduce the **Beyond Burger** to the masses in the USA and Canada in 2018. The restaurant chain which targeted flexitarians with the roll out of a plant-based offering has attributed this innovation to a growth in sales of 10.3% as new customers walk through its doors and meat loving consumers were offered a healthier and guilt free burger option to chose from.

A&W captured a significant portion of market share from its major competitors in early 2018 being the only company to offer a plant-based offering. In doing so the perception of the A&W brand was elevated with this pioneering and innovative move which elevated the brand status to that of a premium, healthier and more sustainable food offering.

| CARL'S JR

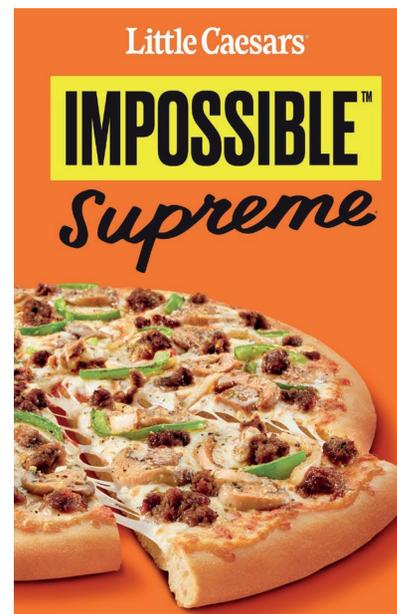


The Tennessee-based burger chain, Carl's Jr, launched its plant-based burger under the name **"Beyond Famous Star® With Cheese"** in partnership with Beyond Meat in December 2018.

After its widespread success at U.S. locations distribution was expanded into Canada.

The Beyond Famous Star features the Beyond Burger™ quarter-pound patty topped with melted American cheese, lettuce, tomato, sliced onions, dill pickles, special sauce and mayonnaise on a seeded bun. The patty is cooked top-to-bottom and is made without GMOs, gluten and soy and has lower saturated fat than regular beef, but still delivers the typical Carl's Jr flame-broiled flavor and 20 grams of protein.

| LITTLE CAESARS



Pizza joints are also cashing in on the plant-based frenzy - Little Caesars, the pizza chain for meat-centric consumers, also teamed up with Impossible Foods last year to offer a plant-based sausage tagged as **"The Impossible Supreme Pizza."**

The pizza features meatless sausage crumbles in addition to mushrooms, caramelized onions and green pepper toppings.

The ¼-pound serving of the Impossible Foods sausage has 0 milligrams of cholesterol, 17 grams of protein and 270 calories, compared to a quarter-pound of beef sausage has about 70 milligrams of cholesterol, 14 grams of protein and 340 calories.

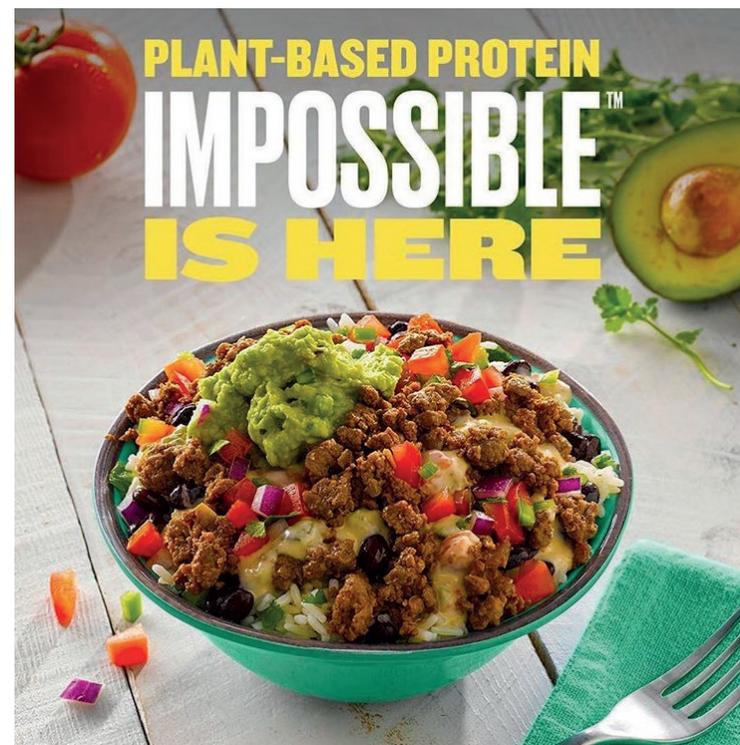
| DUNKIN'



In July 2019, Dunkin' (together with Beyond Meat) introduced the **Beyond Breakfast Sausage** into their Manhattan restaurants and it soon rose to the list of their top-selling products.

The patty is made with 100% plant-based proteins and a mix of spices crafted especially for Dunkin' – served on an English muffin with egg and American cheese. It features 10 grams of plant-based protein, 29% less total fat, 33% less saturated fat and fewer calories, cholesterol and sodium compared to a traditional Dunkin' Sausage, Egg and Cheese Breakfast Sandwich on an English muffin.

| QDOBA



Qdoba, one of the largest Mexican fast food restaurants in the USA, has announced that it will be rolling out its plant-based menus across 730 locations in the U.S. in partnership with Impossible Foods.

The plant-based protein, which Qdoba said tastes and cooks like beef, is seasoned in the restaurant. It features two chef-inspired creations namely: **QDOBA Impossible Bowl** and **QDOBA Impossible Taco**.

WHITE CASTLE



White Castle was aggressive with its launch of the **Impossible Slider** in 140 locations in New York and New Jersey in 2018 and has now expanding its distribution to over 750 outlets nationwide based on its immense success.

The Impossible Slider's new recipe was unveiled at CES 2019 in Las Vegas where it won several awards including "Most Unexpected Product" and "Most Impactful Product" to name a few.

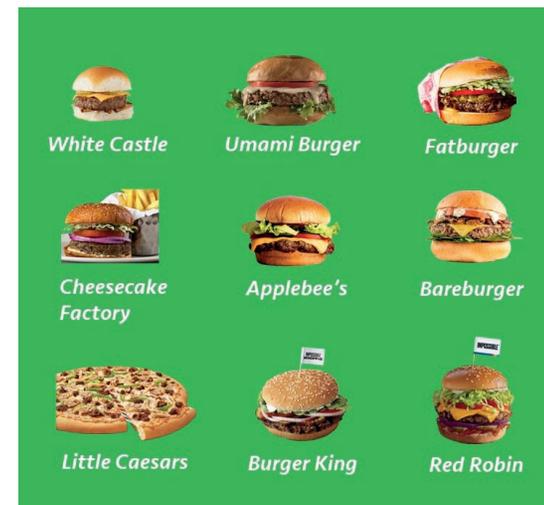
The slider comes with smoked Cheddar cheese and has 240 calories with 11 grams of protein. White Castle does not offer a vegan cheese for the slider, but said it was working to find an option.



BEYOND MEAT™



IMPOSSIBLE™



Reference: <https://www.marketplace.org/>

If you are interested in any of the products featured above, please contact:

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