Zacks Small-Cap Research

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MamaMancini's Holdings (MMMB-OTCQB)

MMMB: Initiate coverage with an Outperform rating

Current Recommendation	**Outperform**
Prior Recommendation	N/A
Date of Last Change	01/04/2014
Current Price (01/06/15)	$1.87
Six- Month Target Price	**$2.96**

OUTLOOK

MamaMancini's Holdings is a growth company in the specialty food industry. Management is aggressively pursuing strategies to build the MamaMancini's brand and drive sales growth through 1) the addition of new retail locations, 2) increasing the number of shelf placements at each location and 3) new product introductions. The company has significant potential through expanding its distribution footprint, increasing brand awareness and making more products available in terms of both format (frozen, fresh, hot deli bar, sandwich kiosks, etc.) and variety. We initiate coverage with an Outperform rating and a price target of $2.96.

SUMMARY DATA

52-Week High	**$5.00**
52-Week Low	**$1.15**
One-Year Return (%)	**-53.25**
Beta	**-0.68**
Average Daily Volume (shrs.)	**2,068**
Shares Outstanding (million)	**25.8**
Market Capitalization ($ mil.)	**$48.3**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**0**
Insider Ownership (%)	**52**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/M**
P/E using 2014 Estimate	**N/M**
P/E using 2015 Estimate	**N/M**
Zacks Rank	**N/A**

Risk Level	**Above Average**
Type of Stock	**Small-Growth**
Industry	**Food-Misc.**
Zacks Rank in Industry	**N/A**

ZACKS ESTIMATES

Revenue (changed to January FY during 2014)
(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2012	1.14 A	1.27 A	0.97 A	1.20 A	4.58 A
2013	1.77 A	1.70 A	2.17 A	3.10 A	8.74 A
2014	2.58 A	2.25 A	3.76 A	3.91 E	12.50 E
2015	3.86 E	3.65 E	5.31 E	5.61 E	18.43 E

Earnings per Share
(EPS is operating earnings before non recurring items)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2012	-$0.03 A	-$0.03 A	-$0.03 A	-$0.03 A	-$0.12 A
2013	-$0.03 A	-$0.04 A	-$0.02 A	-$0.05 A	-$0.13 A
2014	-$0.03 A	-$0.03 A	-$0.03 A	-$0.03 E	-$0.12 E
2015	-$0.02 E	-$0.02 E	-$0.00 E	$0.00 E	-$0.04 E

Zacks Projected EPS Growth Rate - Next 5 Years % **25**

Company changed to January FY during 2014. See model in report.

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KEY POINTS

- MamaMancini's is a specialty packaged food company focused on manufacturing, marketing and distribution of specialty (Italian) pre-prepared, frozen and refrigerated all natural food products under the MamaMancini's brand name.
- MamaMancini's products are sold primarily at supermarkets, big-box stores and mass market retailers, including Costco and Walmart. Retail distribution has grown from 4,000 locations with 16,000 shelf placements at the end of calendar 2013 to 11,700 stores and 37,000 shelf placements as of October 31, 2014.
- Management is focused on driving sales growth by expanding its presence in the retail distribution channel through
  - expanding the number of retail locations at which MamaMancini's products are available
  - increasing the number of shelf placements at each location
  - introducing new products
- The branding strategy includes a marketing program that is designed to build consumer awareness and drive consumer purchase through radio advertising, in-store merchandising, promotional discounts and couponing, along with Daniel Mancini's blogs, tweets, demonstrations and roadshows.
- Management is committed to innovative product launches in order to further drive sales growth. During the first half of this fiscal year, the company has launched 10 new products. Currently, the company is producing 17 versions of MamaMancini's products.
- We initiate coverage with an Outperform rating and a price target of $2.96.

OVERVIEW

Headquartered in East Rutherford, NJ, MamaMancini's Holdings, Inc. (MMMB: OTCQB) is a specialty packaged food company focused on manufacturing, marketing and distribution of specialty (Italian) pre-prepared, frozen and refrigerated all natural food products under the MamaMancini's brand name, but especially beef, turkey, chicken and pork meatballs with sauce. MamaMancini's products are sold in approximately 11,700 retail locations in the United States, predominately in the Northeast and Southeast.

Management is focused on both **expanding the breadth** of the distribution network of the company's products towards a strong nationwide footprint and **intensifying the depth** of the product portfolio to garner additional product placements at each location. The branding strategy includes marketing programs designed to build consumer awareness and customer trial through targeted radio advertising, social media, in-store merchandising, promotional discounts, couponing, consumer product tastings, demonstrations and special merchandising events.

Management is committed to new product launches in order to further spur sales growth and increase product placements. As part of the ongoing product development program, 10 new products were introduced during the first and second quarters of current fiscal year. Management is also contemplating expanding the existing marketplace of 32,000 grocery stores and mass merchants by assessing the potential of an additional 200,000 locations of convenience stores, drug stores and gas stations.

The goals of management's growth strategy include increasing the number of retail locations that carry MamaMancini's products from the current 11,700 stores and increasing total shelf placements from the current 37,000 (as of October 2014) to 300,000, along with increasing the penetration per store (measured by the number of SKUs per location) from the current 3.36 to 5 short-term and 10 longer-term. Financially, management's long-term gross margin target is 40%, which is expected to be achieved by a combination of economies of scale and the upgrade of production equipment; the gross margin in the latest quarter (3Q/FY2015) was 28%.

Sequentially, quarterly sales have been growing consistently in the range of 6% and 28% on a 4-quarter rolling basis as the company broadens its reach in the supermarket, mass market, big-box and club store segments of the retail distribution channel. For the 2013 calendar year, net sales increased 90.7% over 2012. At the end of 2013, management changed the company's reporting period from a calendar year to a fiscal year ending January 31st, making the calculation of Year-Over-Year (YOY) sales growth in 2014 somewhat challenging. Nevertheless, it appears that net sales have been growing at around a 50% YOY pace over the last 12 months. However, management advises that quarterly revenue is subject to variability since retailers have variable purchasing and promotion plans throughout the year, which may result in uneven revenue results. MamaMancini's sales are concentrated with four customers representing approximately 66% of gross sales.

In March 2013, MamaMancini's Holdings, Inc. began trading under the symbol MMMB subsequent to a reverse triangular merger with Mascot Properties Acquisition Corp. that occurred in January 2013.

CORPORATE EVOLUTION OF MAMAMANCINI'S

Daniel Dougherty (aka Daniel Mancini) began to earnestly develop a commercial version of his grandmother's Italian meatballs during 2007. In 2008, he approached Carl Wolf, the former CEO of Alpine Lace Brands Inc. (a NASDAQ-listed. deli cheese company), with his product idea for MamaMancini's meatballs. Soon thereafter, a licensing agreement was signed, and the recipe was perfected in Daniel Mancini's test kitchen. After the April 2009 appearance on the **Martha Stewart Show** with the company's first product, *Mancini's Meatballs and Sunday Sauce*, MamaMancini's was selling frozen meatballs online and locally in about 200 supermarkets in New Jersey. With the assistance of a PR firm (The Door), Daniel Mancini further developed brand awareness with press in The New York Times, The Wall Street Journal, The New York Daily News, USA Today and People Magazine, among others. Daniel Mancini also appeared on the TODAY Show's Cooking School series, The Daily Buzz, Mr. Food Access Hollywood LIVE, CBS Local TV and Fox Business News.

MamaMancini's utilizes a network of food brokers, appointed/engaged independent agents and the company's employees to garner additional points of distribution. By the end of 2012, MamaMancini's had three full time regional and national sales persons (in addition to Founder Daniel Mancini, CEO Carl Wolf and President Matt Brown) to solicit business with supermarket chains, big-box stores and club retailers in the U.S. In calendar 2014, MamaMancini's signed another seven broker sales representatives to aid in the distribution of the company's products, including, Southern Food Brokers (Alabama, Tennessee, Mississippi, Louisiana and Arkansas), Try Angle Foods (for BJ Club Stores), Marketing Management Inc. (Target Stores), R&R Sales and Marketing (Michigan, Ohio and select accounts from Kentucky to Nebraska), Absolute Sales (Southern California, Oregon and Washington) and Daymon Associates (select accounts in the New York metropolitan area). Today, MamaMancini's has appointed/engaged more than 30 sales representatives/brokers to solicit shelf space for the company's products.

Corporate Timeline

•	2007	Daniel Mancini develops initial Beef Meatballs in Sauce product
•	2008	Daniel Mancini approaches Carl Wolf
•	January 1, 2009	Development and License Agreement signed with Daniel Dougherty
•	April 2009	Selling online and at approximately 200 locations in NJ
•	February 22, 2010	Form MamaMancini's LLC and commence corporate operations
•	February 22, 2010	Development and License Agreement assigned to MamaMancini's LLC
•	March 5, 2012	MamaMancini's LLC converts into MamaMancini's Inc.
•	March 11, 2013	MamaMancini's Holdings, Inc. begins trading under symbol MMMB
•	December 31, 2013	Achieve 16,000 product placements at 4,000 locations
•	February-April 2014	Introduce 7 new products, bringing line to 14 products
•	May-July 2014	Introduce 3 new products, increasing portfolio to 17 products
•	October 31, 2014	Achieve 37,000 product placements at 11,700 locations

In March 2013, MamaMancini's Holdings, Inc. began trading under the symbol MMMB subsequent to a reverse triangular merger with the shell of Mascot Properties Acquisition Corp. that occurred in January 2013. At the time, 20,054,000 shares were issued as a result of the merger/acquisition. Prior to the transaction, in March 2012, MamaMancini's Inc. had entered into a share exchange with MamaMancini's LLC in which unit holders of the Limited Liability Corporation had exchanged their ownership units for 15,000,000 shares of MamaMancini's Inc., along with 223,404 5-year options exercisable at $1.00.

PRODUCTS

MamaMancini's offers a portfolio of all-natural Italian food products that overtime has expanded through new product introductions, portion resizing and packaging enhancement. MamaMancini's products utilize domestic inspected meats, Italian tomatoes, genuine Romano cheese, real eggs and other all-natural ingredients that not only provide an authentic Italian taste profile, but also qualify as "all natural" as per the definition of the U.S. Department of Agriculture (no artificial ingredients, minimally processed, etc.). MamaMancini's products are positioned as a healthy, convenient and authentic Italian meal option that does not contain any artificial ingredients and is available at a slight premium price point, competitively priced versus other premium brands and slightly higher than commodity prepared foods.

The key attributes of the company's products are that they

1) contain all natural and high quality ingredients,
2) represent traditional Italian fare and
3) are convenient to prepare.

Convenience of preparation and tastefulness both have strong impacts on the consumption of food products. MamaMancini's uses only domestic inspected beef, turkey, pork and chicken meats, whole Italian tomatoes, imported Pecorino Romano cheese, real eggs and other all natural ingredients. The recipes and sauces utilize higher-cost quality ingredients to provide the authentic flavor and aroma profiles of traditional Italian fare. Finally, with almost every MamaMancini's product being ready-to-serve within 12 minutes, simple preparation through the use of a microwave oven provides convenience of preparation for both consumers and institutional food service operators.

All of the company's products are derived from the original, traditional family recipes of Anna Mancini, the Brooklyn grandmother of founder Daniel Dougherty aka Daniel Mancini. He was taught how to make her meatballs and authentic Italian sauce at age 15. Today, all new products are being developed under the January 1, 2009 Development and License Agreement with Daniel Dougherty.

Original Two Frozen Products Available in 2010



In February 2010, MamaMancini's LLC launched its initial line of all-natural Italian food products. The company's initial signature product was ***MamaMancini's Sunday Sauce and 6 Large Beef Meatballs***. Originally available in a 24-ounce package, the product contained 7 ingredients: "beef, whole fresh eggs, Romano cheese, onion, parsley, a pinch of salt and pepper and just the right amount of breadcrumbs."

Another early staple product in the company's portfolio was ***MamaMancini's Sunday Sauce and 6 Large Turkey Meatballs*****.** Both were available in frozen and refrigerated formats.

By 2012, the company's product family also included 16-ounce ***Sunday Sauce and 4 Large Beef Meatballs***, 16-ounce ***Sunday Sauce and 4 Large Turkey Meatballs***, 18-ounce **Sunday Sauce** and 18-ounce **Marinara Sauce**.

Current Line of 17 Products



Over time, the names of the products were repositioned from ***Sunday Sauce*** to ***Slow Cooked Italian Sauce***. Furthermore, product lines with chicken meatballs and pork sausage meatballs were added.

Also, additional package sizes were introduced, including a 20-ounce package, a 2.5 lb. Club package with 12 meatballs and a 4.5 lb. bulk pack. Today, the standard size is 22 ounces with 8 meatballs, which is considered the optimal size for use with a one-pound box of pasta.

Early Product Introduction Timeline:

•	February 2010	*MamaMancini's Sunday Sauce and 6 Large Beef Meatballs*
•	February 2010	*MamaMancini's Sunday Sauce and 6 Large Turkey Meatballs*
•	February 3, 2011	*Meatball sub and sausage and peppers entrée* in The Fresh Market
•	2011	*MamaMancini's Sunday Sauce and 6 Large Chicken Meatballs*
•	2011	*MamaMancini's Sunday Sauce and 6 Large Pork Meatballs*
•	2011	*Sunday Sauce and 4 Mild Italian Sausages*
•	October 2012	Introduce 22-ounce retail sauce and meatball line
•	Late-2012	Transition from *Sunday Sauce* to *Slow Cooked Italian Sauce*

Product innovation is a key to growth, particularly in case of consumer staples companies. The segment is highly competitive with companies continuously developing new products to gratify or alter consumer tastes and preferences. New product rollouts are catalysts for the growth of not only sales, but also brand awareness, retail shelf placements and retail store distribution. Other firms must follow suit in order to retain or build market share, necessitating continued innovations and accompanying marketing support. The introduction of new products not only further enforces brand identity, but also helps garner improved penetration in existing retail locations.

MamaMancini's has entered a prolific period of new product introductions. During the last 12 months, the company has launched 10 new products in the following categories: Antibiotic-Free Meatballs, Gluten-Free Beef Meatballs, Mama's Mac-n-Cheese Stuffed Meatballs and Pasta Dinners.

During the **first quarter of fiscal 2015**, the company launched **seven new products**, namely:

- Feb. 26, 2014 Antibiotic-Free *Slow Cooked Italian Sauce and 8 Beef Meatballs*
- Feb. 26, 2014 Antibiotic-Free *Slow Cooked Italian Sauce and 8 Turkey Meatballs*
- March 19, 2014 *Mac n' Mamas*™ (rigatoni pasta, crushed meatballs, sauce and cheeses)
- 1Q/FY2015 *Orecchiette with Broccoli and Pork Meatballs*
- 1Q/FY2015 Gluten-Free *Slow Cooked Italian Style Sauce and 8 Beef Meatballs*
- 1Q/FY2015 Gluten-Free *Slow Cooked Italian Style Sauce and 8 Turkey Meatballs*
- 1Q/FY2015 Stuffed Beef Meatballs with Five Cheese Centers

Antibiotic-Free Meatballs

Beginning in February 2014, MamaMancini's began offering antibiotic beef and turkey meatball products. The two new products (Slow Cooked Italian Sauce and 8 Antibiotic-Free Beef Meatballs & Slow Cooked Italian Sauce and 8 Antibiotic-Free Turkey Meatballs) contain meatball products from animals that were on strict vegetarian diets, which were free from animal by-products, hence, antibiotic and hormone free. MamaMancini's antibiotic products were tested for 18 months in a well-known grocery store chain in the western U.S. before their national launch with updated packaging.



Antibiotic Free Turkey



Antibiotic Free Beef

Mama's Mac-n-Cheese

In March 2014, MamaMancini's introduced Mac n' Mamas™, a rigatoni pasta mixed with Italian tomato sauce, crushed all-natural meatballs, mozzarella and ricotta cheese. This product pairs pasta with crushed MamaMancini's beef meatballs and the company's tomato meat sauce.

Gluten-Free Beef Meatballs



Gluten Free Beef



Gluten Free Turkey

Stuffed Meatballs



Stuffed Meatballs with Five Cheese Centers



Stuffed Meatballs Chicken Parmigiana Style



Stuffed Meatballs Chicken Florentine Style

During the second fiscal quarter of 2015, the company launched several new products, namely:

- 2Q/FY2015 Stuffed Meatballs Chicken Parmigiana Style
- 2Q/FY2015 Stuffed Meatballs Chicken Florentine Style
- 2Q/FY2015 Bolognese Sauce and Fusilli Pasta

MamaMancini's maintains a continuing research and development program to develop new products and improve existing products for both retail and food services venues. Many products are under development, some based upon Ms. Mancini's traditional recipes and others derived from the original recipes. Products under development are subject to a Development and License Agreement with Daniel Dougherty that was entered into on January 1, 2009. **Other products under development** include Chicken Marsala, Beef Meatloaf, Turkey Meatloaf, Italian Meatball Soup, Flavored Poultry Meatballs, Vegetarian Meatballs and Spicy Meatballs n' Sauce.

STRATEGY

Management is implementing a multifaceted strategy to expand the MamaMancini's brand - a line of all natural authentic Italian food products with authentic taste and flavor profiles that are highly convenient to prepare and serve. Led by Chairman and CEO Carl Wolf, who successfully built the Alpine Lace cheese brand which was acquired by Land O'Lakes, MamaMancini's is driving sales growth by expanding its presence in certain segments of the retail distribution channel (primarily supermarkets, mass merchants, big-box and club stores) through 1) **the addition of new retail locations**, 2) **increasing the number of shelf placements at each location** and 3) **new product introductions**. Management closely monitors the metrics of retailer locations, retailer shelf placements and SKUs per retailer location and also provides the data to the investment community in the company's quarterly filings.

The company is building brand awareness and driving consumer purchase through a **marketing campaign**, which focuses on radio advertising (Sirius XM) and social media, along with Daniel Mancini's blogs, tweets (@danielmancini), recipes, demonstrations and roadshows. A 19-week national radio advertising program was undertaken on Sirius XM Radio between late-December 2012 and the beginning of May 2013. The campaign was composed of 13 weeks of running 1,500 commercials per week and 6 weeks off. In early August 2014 through December, the company conducted a national consumer radio advertising campaign on Sirius XM and Political Talk Radio. Also, commercials were featured on Bloomberg and CNBC. Approximately 10,000 commercials were aired during the campaign.

Management has made a concerted effort to gain a presence in **big-box and club retailers**. In mid-2013, a special line of products applicable to the club stores (e.g. Costco and Sam's Club) was introduced. MamaMancini's current penetration of big-box and club retailers reaches 20% at seasonally peak periods. Management is targeting 80% penetration on a year-round basis.

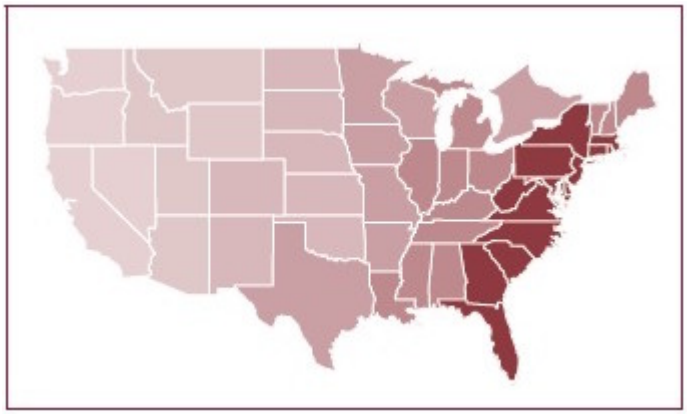
Thus far, management's efforts have resulted in strong double-digit sales growth. Going forward, management anticipates developing the MamaMancini's brand for food service, industrial and export markets.

On **the production side**, management anticipates expanding the gross margin through the adoption of new, automated, high-speed production equipment. Also, the company expects the gross margin to expand as the product mix migrates toward its new higher-margin products, such as antibiotic, gluten-free, entrée and stuffed varieties. Furthermore, management intends to mollify the impact of higher commodity beef costs and attain its traditional gross margin in the near future. Additionally, management anticipates that packaging costs will decrease as the company benefits from economies of scale of longer runs that are associated with a growing sales base.

NORTH AMERICAN DISTRIBUTION

MamaMancini's has delivered a healthy rate of expansion in terms of sales, store locations and shelf placements. The company's customers are located throughout the United States, though the larger concentrations are in the northeast and southeast.

The company's products are sold through a commission broker network to retail chains (principally supermarket and mass market retailers) and to distributors directly. All of the company's full-time employees and Daniel Mancini, along with a select number of sales representatives, sell MamaMancini's products.



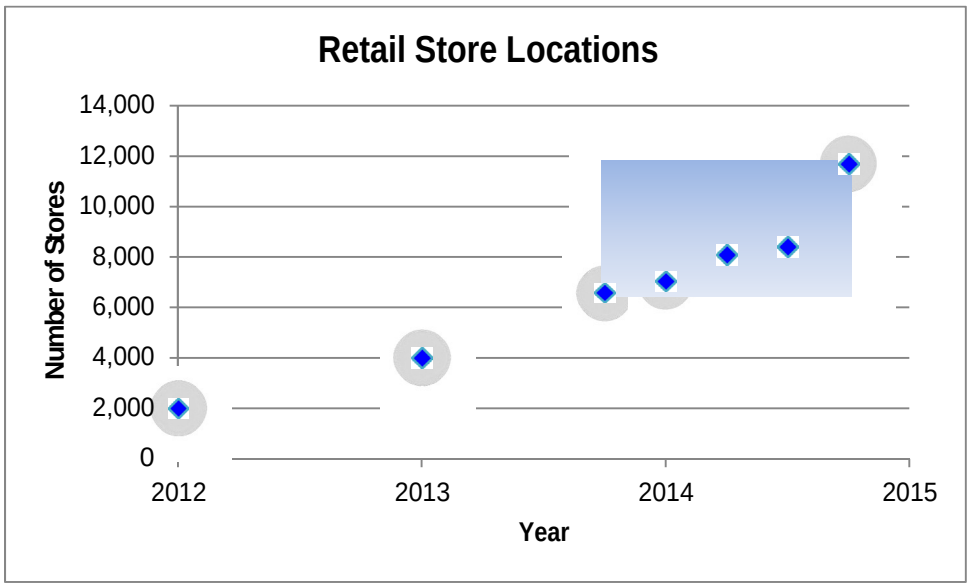
Starting in 2008, Daniel Mancini began selling frozen meatballs at a local **Whole Foods Market** store. Distribution expanded to Whole Foods stores located nearby in the New Jersey-New York City area (approximately 24 stores). Thereafter, an online platform was created. Distribution expanded to approximately 200 supermarkets in the New Jersey area by April 2009. Over the next 12 months, MamaMancini's products (both frozen meatballs and hot meatballs at the deli bar) were being placed at **Garden of Eden Gourmet** (full service grocers with four locations in New York), **A&P** (which includes A&P, Waldbaums and Superfresh stores) and **Kings Food Markets** (an upscale food market chain with stores in northern New Jersey, New York and Connecticut).

A number of new retailers signed on to carry MamaMancini's product in late-2010 through early 2011, including **Publix** (operates over 1,000 stores throughout the Southeast U.S. with locations in Florida, Georgia, Alabama, South Carolina, Tennessee and North Carolina), **Giant Eagle** (417 supermarkets located in western Pennsylvania, Ohio, northern West Virginia and Maryland), **Brookshire Grocery Company** (151 stores operating in Texas, Louisiana and Arkansas), **Giant Food of Maryland** (subsidiary of Royal Ahold that operates 170 supermarkets located in Delaware, Maryland, Virginia and Washington, D.C.), **Key Food Stores Co-op** (cooperative of independently-owned supermarkets in and around New York City, Long Island, New Jersey and Pennsylvania), **Harris Teeter** (chain of 231 supermarkets in North Carolina, South Carolina, Virginia, Georgia, Tennessee, Florida, Maryland, Delaware and the District of Columbia) and **King Kullen** (37 locations around Long Island). By the end of 2011, management estimated MamaMancini's products were located in approximately 2,000 retail locations.

During 2012, the company added **Shop Rite Supermarkets** (a cooperative chain of supermarkets serving 346 stores in New Jersey, New York, Connecticut, Delaware, Maryland and Pennsylvania), **Price Chopper** (aka **Market 32** is an upscale grocer with 135 stores in New England and New York), **Food Emporium** (a subsidiary of A&P with stores on Long Island and in three New York City boroughs), **Shaw's Supermarkets** (135 stores operating in Maine, Massachusetts, New Hampshire, Rhode Island and Vermont), **Stop n Shop** (more than 380 supermarkets in Connecticut, Rhode Island, Massachusetts, northern New Jersey and downstate New York), **Foodtown Grocery Stores** (supermarket cooperative with 55 in New York, New Jersey and eastern Pennsylvania) and **The Fresh Marke**t (chain of 160

gourmet supermarkets operating in 25 states located in the Southeast, Midwest, Mid-Atlantic, Northeast, and Western U.S.).

Distribution continued to expand during 2013 with the addition of **Costco Wholesale Corporation** (membership-only warehouse club with 451 domestic stores, which is the second largest retailer in the United States in terms of sales), **Costco Canada** (the Canadian subsidiary of Costco Wholesale Corporation with 87 stores), Walmart (the largest retailer in the United States in terms of sales), **The Kroger Company** (the largest supermarket chain in North America in terms of stores with 2,424 locations), **Rouses Supermarkets** (chain of 37 grocery markets in Louisiana, Alabama and Mississippi), **Lunds & Byerly's** (27 upscale supermarkets in the Minneapolis-St. Paul area of Minnesota), **Shoppers Food** (a division of SuperValu with stores located in Washington DC, Maryland and Northern Virginia), **Market Basket** (chain of 73 supermarkets in New Hampshire, Massachusetts and Maine), **Central Markets** (9 gourmet grocery stores owned by H-E-B Grocery Company), **Winn Dixie** (operates 485 stores in Florida, Alabama, Louisiana, Georgia and Mississippi), **BI-LO** (operates 214 grocery stores in South Carolina, North Carolina, Tennessee and Georgia), **Marsh Supermarkets** (97 locations in Indiana and Ohio) and **Bashas'** (family-run chain of markets under four distinct formats with more than 130 stores, primarily serving Arizona). As of December 31, 2013, MamaMancini's products were being sold at 7,040 retail locations and carried on approximately 22,600 shelves in supermarkets and club stores in North America.

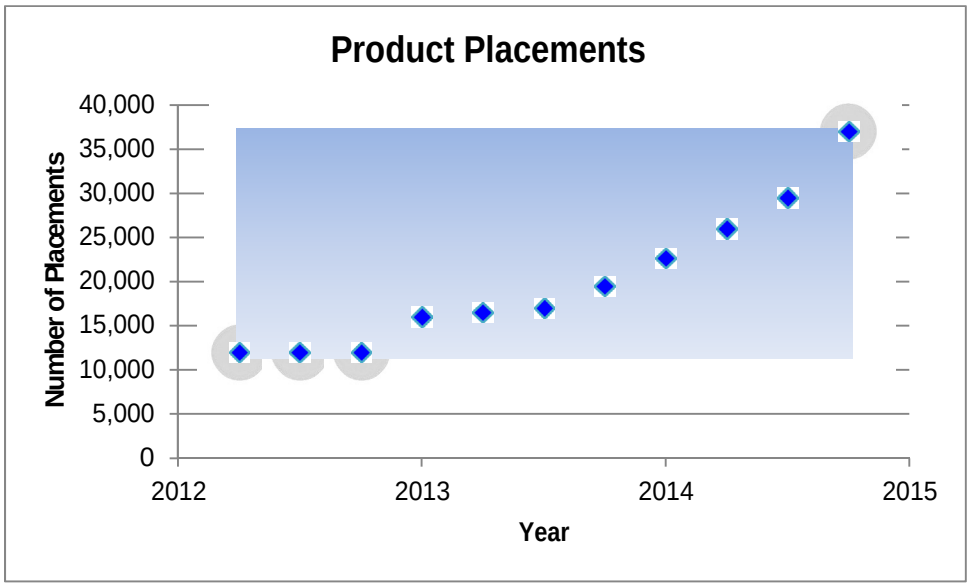


In the first half of 2014, MamaMancini's gained new authorizations and distribution with **Weis Markets** (chain of 165 in Pennsylvania, Maryland, New York, New Jersey and West Virginia), **Ingles Markets** (regional supermarket chain with 201 locations serving Alabama, Georgia, North Carolina, South Carolina, Tennessee and Virginia), **Save Mart Supermarkets** (operates 243 supermarkets located in northern California and northern Nevada), **Gelson's Markets** (fine foods retailer serving southern California with 17 stores), **Reasor's Groceries** (employee-owned grocery store chain with 18 locations in the vicinity of Tulsa Oklahoma), **Central Grocers Cooperative** (cooperative distributing to about 240 member-owner grocery stores in Iowa, Indiana, Illinois and Wisconsin), **King Soopers** – Denver (supermarket brand of Kroger in the Rocky Mountain Region), **Monterrey Provisions** (distributor of specialty and natural food products in California) and **Kmart** (Ohio Division).

Between June and July 2014, MamaMancini's received new initial orders and distributions with **URM** (wholesaler serving independent stores in Oregon & Washington), **Certco** (wholesaler to independent stores in Wisconsin & Iowa), **Jewel Stores** (a SuperValu retailer in Illinois& Indiana), **Associated Wholesale Grocers** (wholesaler in Louisiana), **Piggly Wiggly** (co-operative in Alabama), **Brookshire Grocers** (retailer in Texas), the Los Angeles Division of **Costco**, **Spartan Stores** (food distributor and grocery store retailer headquartered Michigan and serving 167 corporate-owned retail stores in 44 states

and oversea) and **Unified Grocers of Northern California** (retailer-owned wholesale grocery cooperative). Also, MamaMancini's initiated relationships with **SuperValu** in Georgia (SuperValu is the third-largest food retailing company in the United States), **Woodman's Markets** (employee-owned supermarket operating 15 stores in Wisconsin), **Clover Mountain Foods** (food distributor for delis, bakeries, markets, grocery stores and food service operators in Indiana, Kentucky, Ohio, West Virginia, Pennsylvania, Maryland, New Jersey and Delaware), **Lucky Stores, Gourmet Guru** (all natural and organic retail food distributor serving customers on the East Coast from Massachusetts to Virginia) and **Nash-Finch** (the second largest publicly traded wholesale food distributor in the US prior to merging with Spartan Stores). As of October 31, 2014, MamaMancini's products are available at 11,700 retail locations and carried on approximately 37,000 shelves.





PRODUCTION

MamaMancini's outsources substantially all the manufacturing of the company's products to **Joseph Epstein Food Enterprises, Inc.**, a related third-party food manufacturing business with a 17,000 square foot production facility in East Rutherford, New Jersey. During the last 12 months, the manufacturing capacity of JEFE has been increased by more than 150% in anticipation of increased demand. High-speed equipment was acquired and installed. Concurrently, production order flow was improved, which is expected to lower unit labor costs. The entire production facility obtained Safe Quality Food (SQF) Level 2 Certification in August 2014.

MamaMancini's entered into a five-year agreement with Joseph Epstein Food Enterprises (JEFE) in March 2010. The manufacturer has a revocable license to use MamaMancini's recipes, formulas,

methods and ingredients for the production of the products. In addition, MamaMancini's acquires and installs all the production equipment that is used at the manufacturer's facility and also retains ownership of the equipment. However, the manufacturer grants the exclusive right to purchase the production to MamaMancini's. There is a perpetual automatic renewal clause, though either party may cancel the contract with a nine-month written notice.

Joseph Epstein Food Enterprises is owned by MamaMancini's CEO Carl Wolf CEO and COO Matthew Brown. In addition, Matthew Brown served as President of Joseph Epstein Food Enterprises until January 2012 and is the son-in-law of Carl Wolf. MamaMancini's has stated that management is considering the potential acquisition of JEFE. There is no assurance that the transaction will take place.

For a short period of time, MamaMancini's entered into a food manufacturing agreement with a non-related party manufacturer in October 2011. However, by March 2012, the agreement was terminated and the company's production equipment was returned to MamaMancini's. Management is seeking supplemental manufacturers to complement the production services provided by JEFE.

BRANDING

Consumer products companies with strong brand name franchises enjoy the **competitive strengths** of brand awareness and consumer loyalty. Through new products, line extensions and marketing programs, revenue growth is enhanced and usually additional shelf space at supermarkets and other retail channels is attained. Financially, this in turn leads to substantial internal cash flow generation, higher levels of profitability and above-average earnings growth, allowing for reinvestment in additional marketing programs and product innovation. Large capitalization companies usually also utilize cash flow for share repurchase programs, acquisitions, debt reduction and dividend increases.

Strong brand names are important assets to consumer products companies. When brands consistently deliver quality, consumers usually reciprocate through **brand loyalty** and **consistent repurchase**. Though consumers may have difficulty articulating their relationship with a brand, simplistically, there are several types of brand positioning concepts, including Functional (how the product differentiates itself by better benefiting consumers and solving their problems), Experiential (how the product experience provides sensory and/or cognitive stimulation), Emotional (how the product delivers positive feelings related to owning and using the brand), Social (the product fulfills feelings of both belonging and social meaningfulness) and Self-expressive (how consumers identify with the product in a way that expresses and enhances self-image).

Functional benefits relate to the tangible capabilities or attributes of a product, which are perceived to be better (tastier, faster, lighter, safer, more advanced, etc.) than competing products. Though some attributes are subjective, such as flavor, each can be rationally assessed. The product's functional and usability advantages are appealing. With brand name products, consumers rely that the product's quality will remain consistent. When each subsequent purchase delivers a gratifying consumer experience, any uncertainty about the product's quality is resolved. The customer is assured and brand equity is built. High-quality products are rewarded with brand loyalty exemplified by faithful purchase behavior; however, brand loyalty becomes transient if the product fails to deliver consistent quality. Consumers perceive functional superiority as differentiation, which competitors may attempt to diffuse by offering conflicting claims. In the case of MamaMancini's, the company's quality, all natural products cater to a homemade taste profile.

Experiential benefits accrue through sensory and/or cognitive stimulation). User experiences documented on the company's website, Twitter and Facebook are replete with sensory remembrances like "Your meatballs bring memories of great food" and an "absolutely delicious meal that my entire family enjoyed together." One of management's goals is to deliver a hearty family dining experience.

The vitality of a brand can be further realized through **emotional** relationships. Emotional benefits add strength and richness to the perception of the brand, usually created and enhanced by experiences of owning and using the product. Brand loyalty is reinforced in consumers that hold a heartfelt commitment to a product that is linked to happy memories and experiences. The MamaMancini's brand connects with consumers in a meaningful and emotional way. The product's flavors, coupled with the reminiscences of the Sunday meal of Daniel Mancini's grandmother invoke the pleasure of a family home-dining experience. The Mancini name provides a credible differentiation from other all natural Italian products.

Self-expressive benefits focus on self-concept and aspirations, along with providing a way to communicate self-image. Truly meaningful brand relationships deliver on one's life theme and support the quest for identity. Often, a feeling of well-being (warm glow) accompanies an altruistic act. Environmentally conscious and fair-minded consumers experience personal satisfaction by contributing to the improvement of the common good. These meaningful issues improve one's core concept of self. By deliberately choosing and sincerely supporting an organic and sustainable brand reinforces self-worth and self-esteem.

The brand name, brand-mark, slogans, product names and packaging are critical elements in positioning the brand along all dimensions. The **name of a brand** is generally the most important element affecting consumer perceptions. The MamaMancini's brand is a memorable name that invokes an image to help position the company's all natural Italian product line.

Brand identity can be further constructed through packaging, brand-marks, symbols and slogans. The imagery of the packaging both in terms of color and logos are important elements in constituting the brand. MamaMancini's packages feature the photograph of grandmother, Anna Mancini, holding Daniel Mancini when he was only one-year old as a symbolic **brand-mark** of MamaMancini's.

However, effective brands transcend logos, marketing campaigns and social media presence. Though important, truly powerful brand create dynamic, meaningful relationships with consumers by delivering a compelling brand experience on all dimensions of brand positioning.

Historically, brand name consumer products have been positioned in the market at premium price points, which are usually still modest and affordable. The durability of the brand relationship leads to strong **pricing power** as prices can be raised at the rate of inflation or above with consumer response being more inelastic to price increases (reduced price sensitivity). Also, modestly reducing the quantity the product in a package can be an effective method of raising prices.

Also, strong brand products translate into **distribution strengths**, especially in attaining shelf space, which is directly related to volume growth. Also, the trade is often more cooperative with and supportive of strong brands.

FINANCINGS

MamaMancini's has been thus far successful in financing management's business plan and the resultant increasing sales base. Not only is considerable capital is necessary to finance production, inventories and accounts receivables for a growing company, but also lines of credit are needed.

In October 2010, MamaMancini's entered into a $1.0 million line of credit (structured as a revolving note) with The Provident Bank, which remained active until May 1, 2013. Then in 2011, the company was financed through a common stock offering of 638,298 shares at $3.19 per share for net proceeds of **$200,000** The following year, the company issued 5,054,000 shares at $1.00 per share, which provided net proceeds of **$4,403,158**. Spartan Capital Securities, LLC acted as financial advisor and placement agent for the private placement.

During the second half of 2013, MamaMancini's received net proceeds of **$4,127,861** from an equity financing of 3,333,375 shares priced at $1.50 per share. Also, in December 2013, the company sold an additional 533,333 shares at $1.50 per share for net proceeds of **$697,829**.

In January 2014, the company secured a three-year, $1.50 million credit facility with Faunus Group International Inc. (aka FGI Finance). Then, during the first half of fiscal year (between February 1 and July 31, 2014), the company sold 853,334 shares priced at $1.50 per share through private placements, in which all the members of the Board of Directors participated by subscribing to 416,669 shares. Net proceeds totaled **$1,026,601**. Spartan Capital again acted as placement agent.

In September 2014**,** MamaMancini's entered into a new asset-based $3.1 million financing facility with Entrepreneur Growth Capital, LLC, which replaced prior $1.5 million facility with FGI Finance. Also as part of the same financing, the company entered into a 5-year $600,000 Secured Promissory Note with Entrepreneur Growth Capital.

In December 2014, MamaMancini's entered into a securities purchase agreement through which the company will issue a $2.0 million 14% convertible redeemable debenture maturing in February 2016 to Manatuck Hill Partners, LLC. Upon issuance of the convertible debenture, 200,000 shares of MamaMancini's common stock also will be issued to Manatuck Hill Partners.

RECENT NEWS

Financial Results for Third Quarter of Fiscal 2015

On December 23, 2014, MamaMancini's Holdings, Inc. announced financial results for the third fiscal quarter ending October 31, 2014. Sales (net of slotting fees and discounts) increased 73.5% to $3,759,698 versus $2,167,517 generated during the comparable quarter last year period, which ended September 30, 2013. The **robust sales growth** was primarily due to continued expansion of the company's retailer distribution footprint, along with heavy merchandising at box store accounts. Product placements in retail, supermarket and club stores increased 89.7% from approximately 19,500 shelves as of September 30, 2013 to approximately 37,000 on October 31, 2014.

The gluten-free products launched in the previous quarter (gluten-free beef and sauce, gluten-free turkey and sauce) appear to be receiving good acceptance. In addition, the recently-introduced pasta entrée items (five cheese stuffed beef meatballs and sauce, stuffed chicken florentine meatballs and sauce, chicken parmigiana meatballs and sauce) have received new authorizations.

The gross margin contracted 77 basis points (bps) to 28.0% versus 28.83% in the third quarter last year, primarily due to a change in product mix. General and administrative expense increased 60.1% to $1,773,678 primarily due to a $216,000 increase related advertising and promotional expenses, a $104,600 increase in postage and freight related to higher sales and a $100,500 increase in professional fees related to equity financings. The company reported a net loss of $$773,809 (or $0.03 per diluted share) compared to a net loss of $493,568 (or $0.02 per diluted share) in the comparable quarter last year.

At the end of the third fiscal quarter (October 31, 2014), working capital was $2.87 million. Working capital has decreased $560,698 from 3.43 million at the end of the last fiscal year (January 31, 2014) primarily due to a $1.02 million increase in the outstanding line of credit balance offset by the $0.69 million increase in the deposit with related-party manufacturer.

Management continues to execute its growth strategy by introducing new products, increasing the number of distributors and engaging independent sales representatives through agent contracts. The company undertook a national radio advertising campaign on Sirius XM radio and political talk radio that

was initiated in early August. However, management expects to report an operating loss in 2014 due to the investments required to develop the business (e.g. slotting fees, marketing events, promotional campaigns and product development costs).

Pre-announce Financial Results Third Quarter of Fiscal 2015

On November 18, 2014, management pre-announced estimated sales for the third fiscal quarter ending October 31, 2014. The **quarter's sales** are estimated to be **$3.7 million**, up approximately 68% versus $2.2 million reported in the comparable period ending September 30, 2013. After a one-time charge of $99,000 for early termination of a credit facility, the net loss for the quarter is estimated to be $700,000 (or $.03 per diluted share) versus a loss of $494,000 (or $.02 a share) in the comparable quarter last year.

Third-Party Production Facility Obtains SQF Level 2 Certification

On August 8, 2014, MamaMancini's Holdings announced that the company's entire third-party production facility located in East Rutherford, NJ had obtained Safe Quality Food ("SQF") Level 2 Certification. The production facility exclusively manufactures MamaMancini's products.

Financial Results for Second Quarter of Fiscal 2015

On September 8, 2014, MamaMancini's Holdings, Inc. announced financial results for the second fiscal quarter ending July 31, 2014. Sales (net of slotting fees and discounts) increased 32.3% to $2,249,768 versus $1,700,388 generated during the comparable quarter last year. The **robust sales growth** was primarily due to the increased number of retailers carrying the company's products, along with an increased shelf presence. Product placements in retail, supermarket and club stores increased 73.5% from approximately 17,000 shelves as of June 30, 2013 to approximately 29,500 on July 31, 2014.

During the quarter, the company launched several **new products**, namely, gluten-free beef and sauce, gluten-free turkey and sauce, Mac n' Mamas, five cheese stuffed beef meatballs and sauce, chicken florentine meatballs and sauce, chicken parmigiana meatballs and sauce, rigatoni with bolognese sauce, and antibiotic free turkey and beef meatballs and sauce.

The gross margin contracted 97 basis points (bps) to 29.3% versus 30.3% in the second quarter last year, primarily due to a change in product mix. General and administrative expense increased 11.0% to $1,401,461. The company reported a net loss of $793,398 (or $0.03 per diluted share) compared to a net loss of $753,072 (or $0.04 per diluted share) in the comparable quarter last year.

At the end of the second fiscal quarter (July 31, 2014), working capital was $3.07 million, a 10.4% decline from the fiscal year-end (January 31, 2014) level of $3.43 million.

Concurrent with the announcement of financial results, the company announced a new $3.1 million loan facility with Entrepreneur Growth Capital, LLC (replacing the current $1.5 million facility with FGI Finance).

Management continues to execute its growth strategy by introducing new products and increasing the number of new locations. A national radio advertising campaign was initiated in early August on Sirius radio and political talk radio. The campaign is slated to run through December 2014 with approximately 10,000 commercials being aired. As a result, management hoped to approach generating breakeven financial results during the fourth fiscal quarter ending January 31, 2015.

VALUATION

Generally, the appropriate valuation methodology for food companies is based on EV/EBITDA (Enterprise Value/Earnings Before Interest, Depreciation and Amortization) reflecting the sector's characteristics of profitability and cash flow generation. P/E (Price/Earnings) can also be utilized for mature, slow-growing food companies with a moderate amount of debt. However, if a company is experiencing negative profitability, either due to adverse fundamental circumstances or being in the early phases of the company's life cycle, the applicable valuation metric becomes Price-to-Sales (P/S).

In the case of MamaMancini's, the appropriate valuation methodology is based on P/S due the character of the company's enterprise, namely a small-capitalization company, currently with negative profitability, but with an expected rapidly growing sales profile that should ultimately result in profitable operations as the company's products achieve increased distribution and brand awareness. Price-to-Sales valuation incorporates the company's ability to generate revenues with the expectation that the growing revenue stream ultimately will manifest itself into positive EBITDA and also positive earnings when the break-even point is surpassed.

For comparative purpose, the examination of the current P/S valuation range for large packaged food companies (e.g. Campbell Soup, ConAgra, General Mills, Kellogg, Kraft Foods etc.) with moderately growing or stagnant sales profiles is between 0.9 and 2.0 times TTM revenues with a mean P/S valuation of 1.6 times. The tight cluster of valuations around the mean is attributable to the relatively stable growth rates of processed food companies.

Industry Comparables	**% Chg YTD**	**P/E Current FY**	**EPS Growth 5Yr Est**	**QTRLY YOY Revenue Growth**	**TTM Price/ Book**	**TTM Price/ Sales**	**TTM EV/ EBITDA**
MAMAMANCINI'S HLDGS.	-1.6	N/M	25.0	73.5	11.3	4.1	-17.8
S&P 500	-1.9	16.1	10.8	N/A	5.2	3.4	16.1
Industry Mean	-2.0	28.9	9.9	N/M	5.2	1.6	11.1
Industry Median	-1.6	19.3	10.0	N/M	5.8	1.7	10.7
CAMPBELL SOUP CO.	-1.5	17.6	4.3	4.2	8.5	1.6	11.2
CONAGRA FOODS	-2.3	15.7	8.2	-0.4	2.7	0.9	10.2
GENERAL MILLS	-2.2	18.3	7.1	-2.4	5.1	1.8	12.1
KELLOGG CO.	-1.8	15.9	5.6	-2.1	6.7	1.6	8.3
KRAFT FOODS GROUP	-1.3	18.3	7.9	0.1	6.5	2.0	9.9
MONDELEZ INT'L	-0.2	19.3	11.9	-1.6	2.0	1.7	15.1

MamaMancini's revenue profile is expected to continue experiencing rapid growth since the significant distribution agreements with the major and regional grocery chains continue to be announced. Geographically, the company can deepen penetration in the eastern U.S. and also broaden distribution in the Midwest and Western regions of the country. Also, the company is experiencing rapid growth as a participant in the faster-growing specialty food industry.

In the valuation process, industry comparables should be carefully chosen such that the character and growth rate of revenues are similar. It is important to incorporate a mechanism which takes into account that MamaMancini's is experiencing solid double-digit revenue growth on a quarterly YOY basis, currently 73.5% for the most recently reported quarter. Comparable companies should share this same fundamental attribute of revenue growth. It is typical for the P/S multiples of young firms that appear to

have vast potential to be well above those of moderately growing companies, sometimes expanding well above 7 times trailing twelve-month (TTM) sales. Therefore, MamaMancini's current P/S ratio of 4.1 based on TTM revenues is not disconcerting. Since going public in March 2013, the stock has traded between 3.0 and 14.1 times TTM sales, but predominately between 4.1 to 9.9 times, with an average of 6.9 times.

Comparable fast growing food companies are not common. Few small and mid-cap companies generate quarterly revenue growth above 10% on a YOY basis, let alone 73% like MamaMancini's. Similar consumer staple companies reporting quarterly growth in excess of 7.5% YOY currently trade at significant premiums due to their growth potential, specifically between 1.4 and 7.6 times sales with a mean P/S valuation of 3.7 times.

Industry Comparables	**% Chg YTD**	**P/E Current FY**	**EPS Growth 5Yr Est**	**QTRLY YOY Revenue Growth**	**TTM Price/ Book**	**TTM Price/ Sales**	**TTM EV/ EBITDA**
MAMAMANCINI'S HLDGS.	-1.6	N/M	25.0	73.5	11.5	5.3	-17.8
S&P 500	-1.9	16.1	10.8	N/A	5.2	3.4	16.1
Industry Mean	-2.6	24.5	12.4	N/M	6.6	3.7	29.2
Industry Median	-2.0	20.5	10.4	N/M	6.1	2.4	23.8
KEURIG GREEN MTN.	-2.0	30.6	16.2	14.2	6.1	4.5	18.3
HAIN CELESTIAL	-4.7	28.9	14.6	32.2	3.5	2.4	45.6
HORMEL FOODS CORP.	-2.7	20.1	8.0	9.5	3.7	1.4	13.0
LIFEWAY FOODS	-4.6	42.1	N/A	26.6	6.3	2.5	45.4
MONSTER BEVERAGE	1.0	34.2	19.8	7.7	13.2	7.6	23.8

Yet MamaMancini's is in the emerging growth phase of its corporate history and is still in the early stage of establishing its grocery store distribution footprint. The full potential and financial impact of management's distribution strategy has yet to be observed in the company's financial reports.

Since MamaMancini's has the potential and is expected to generate meaningful increased revenues over the upcoming quarters, our price target is based on a P/S ratio valuation using estimated forward revenues. Given the company's exposure to the attractive specialty food industry, extremely strong revenue growth exhibited by reported financial results and rapidly growing grocery-store presence, we are projecting TTM revenues of $18.4 million through January 2016. Based on evaluating current price-to-sales multiples of comparable growth companies within the industry and an expectation that the company will be valued in the top quartile (or at 4.5 times projected TTM sales), **our target for MamaMancini's** is **$2.96**.

The consumer staples group in general, and the food industry in particular, is exemplified by the generation of relative steady cash flow. As a result, mergers and acquisitions (M&A) in the food industry are commonplace as large cash reserves are systematically deployed towards dividend payments, share repurchases and strategic acquisitions. M&A transactions allow food companies to find growth through the acquisition of both new platforms and tuck-in opportunities. By capturing incremental products and brands, acquirers not only grow to their revenue base, but also usually benefit from economies of scale as the target is consolidated operationally. MamaMancini's has a higher-than-average growth profile and long-term potential as a producer and marketer of specialty food. The franchise would have particular value to a major food company.

RISKS

- MamaMancini's sales are concentrated with four customers representing approximately 66% of gross sales. The loss of any large account or any material decrease in a large account's purchases would most likely result in decreased sales.
- The success of MamaMancini's is highly dependent on market acceptance of the company's products by both the trade (supermarkets, grocery stores and distributors) and consumers. Furthermore, the proper shelf and freezer placement is an important aspect of catching the attention of consumers and generating sales.

BALANCE SHEET & PROJECTED INCOME STATEMENT

MamaMancini's Holdings, Inc.

Year ending Dec. 31 thru 2013, then January 31	12/ 31/ 2011	12/ 31/ 2012	12/ 31/ 2013	1/ 31/ 2014	10/ 31/ 2014
ASSETS					
Cash	16,505	2,008,161	1,741,935	1,541,640	216,075
Accounts receivable, net	581,479	463,565	1,063,849	1,029,632	2,312,283
Inventories	101,110	76,570	112,279	159,829	213,455
Prepaid expenses	79,382	64,178	135,525	140,511	208,143
Due from manufacturer - related party		159,200	781,521	774,049	722,639
Deposit with manufacturer - related party	102,860	192,956	359,506	598,987	1,285,549
Deferred offering costs	-	-	-	-	5,400
Total Current Assets	**881,336**	**2,964,630**	**4,194,61**	**4,244,64**	**4,963,54**
Property and equipment, net	20,015	17,45	929,496	978,02	1,141,156
Debt issuance costs, net	-	-	-	-	27,497
Goodwill	-	-	-	46,264	0
TOTAL ASSETS	**901,351**	**2,982,081**	**5,124,111**	**5,268,939**	**6,132,197**
Liabilities and Stockholders' Equity					
Accounts payable & accrued expenses	282,494	329,233	823,044	595,297	730,616
Line of credit	500,000	200,000	-	222,704	1,246,979
Term loan	-	-	-	-	120,000
Notes payable - related parties	69,544	-	-	-	-
Total Current Liabilities	**852,038**	**529,23**	**823,04**	**818,00**	**2,097,595**
Term loan - net of current	-		-		470,000
TOTAL LIABILITIES	**852,038**	**529,23**	**823,04**	**818,00**	**2,567,595**
Common stock	15,000	201	242	242	258
Shares due from Ironridge					
Additional paid-in-capital	1,386,723	5,804,680	10,600,461	10,993,973	12,375,724
Subscription receivable	-	-	5	8	1
Accumulated deficit	(1,352,410)	(3,352,033	(6,299,641	(6,543,285	(8,811,381
Total Stockholders' Equity	49,313	**2,452,848**	**4,301,06**	**4,450,93**	**3,564,60**
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	**901,351**	**2,982,081**	**5,124,11**	**5,268,93**	**6,132,19**
Shares outstanding	15,000,000	20,054,000	24,187,37	24,187,37	25,807,37

MamaMancini's Holdings, Inc.

Income Statement		1Q	2Q	3Q	4Q	
	2011	2012	2012	2012	2012	2012
Period ending	12/31/2011	3/31/2012	6/30/2012	9/30/2012	12/31/2012	12/31/2012
Sales - net of slotting fees & discounts	**3,734,062**	1,137,201	1,274,763	969,414	1,201,467	**4,582,845**
Cost of sales:						
Cost of sales products	2,496,538	784,271	869,695	712,888	863,735	3,230,589
Gross Income	**1,237,524**	352,930	405,068	256,526	337,732	**1,352,256**
Operating Expenses:						
Research and development	0	0	41,043	24,027	3,302	68,372
General and administrative	1,885,084	745,233	826,350	687,600	1,011,977	3,271,160
Total operating expenses	1,885,084	745,233	867,393	711,627	1,015,279	3,339,532
Other income (expense):						
Interest (expense)	(7,136)	(7,854)	(22,418)	0	17,925	(12,347)
Gain (loss) on investment	(27,032)	0	0	0	0	0
Other income (expense)	0	0	0	225	(225)	0
Total other income (expense)	(34,168)	(7,854)	(22,418)	225	17,700	(12,347)
Net Income (Loss)	**(681,728)**	(400,157)	(484,743)	(454,876)	(659,847)	**(1,999,623)**
Net loss per share:						
Basic and diluted loss per share	(0.05)	(0.03)	(0.03)	(0.03)	(0.03)	(0.12)
Wgted avg. shares - basic & diluted	14,818,086	15,000,000	16,930,154	18,161,717	19,341,450	17,358,333
Gross Margin	33.1%	31.0%	31.8%	26.5%	28.1%	29.5%

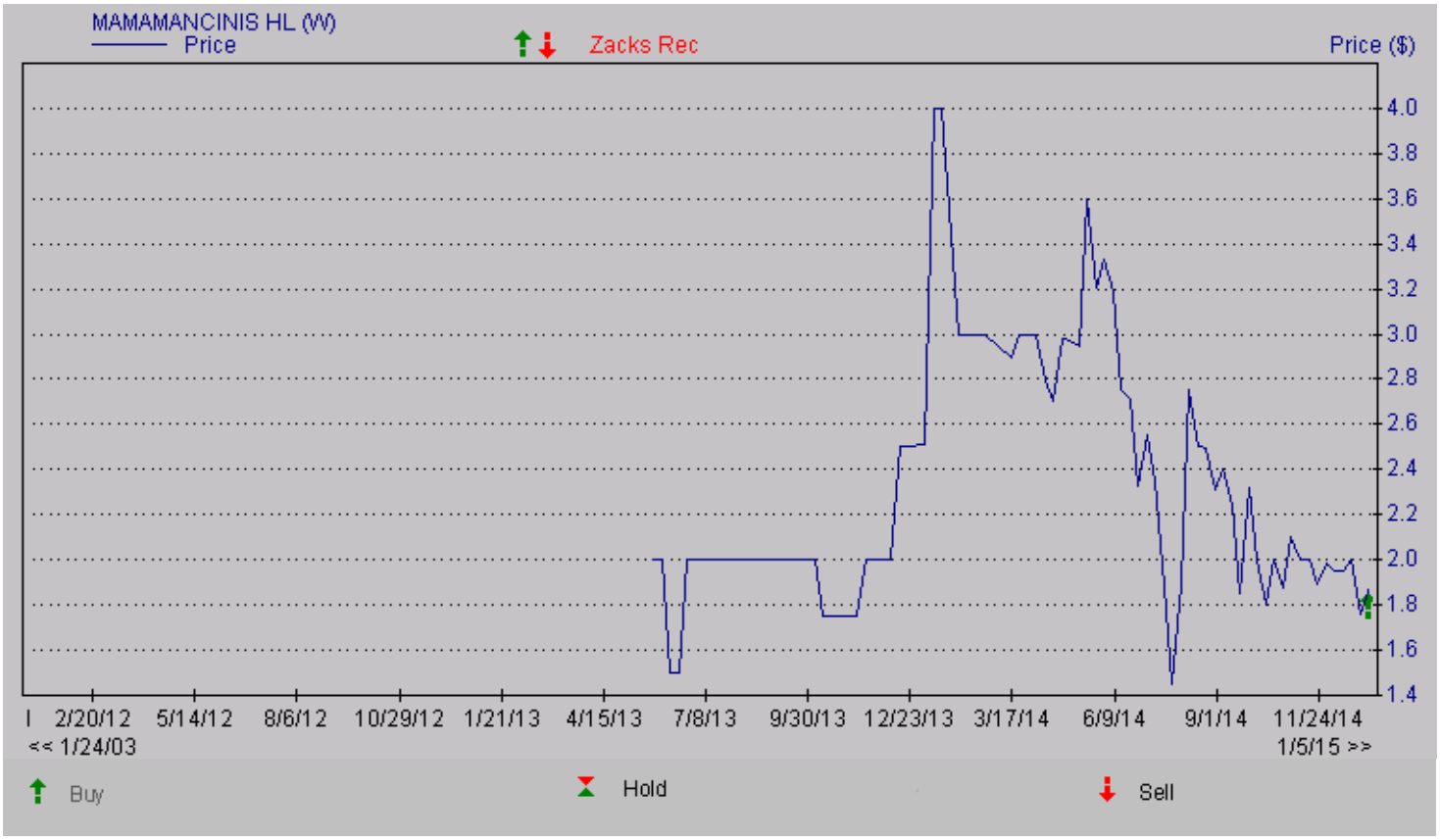
Income Statement		1Q	2Q	3Q	4Q	
	2012	2013	2013	2013	2013	2013
Period ending	12/31/2012	3/31/2013	6/30/2013	9/30/2013	12/31/2013	12/31/2013
Sales - net of slotting fees & discounts	**4,582,845**	1,772,164	1,700,388	2,167,517	3,101,552	**8,741,621**
Cost of sales:						
Cost of sales products	3,230,589	1,282,102	1,185,886	1,543,029	2,179,578	6,190,595
Gross Income	**1,352,256**	490,062	514,502	624,488	921,974	**2,551,026**
Operating Expenses:						
Research and development	68,372	3,143	3,995	5,212	7,058	19,408
General and administrative	3,271,160	1,096,057	1,262,054	1,108,072	2,004,403	5,470,586
Total operating expenses	3,339,532	1,099,200	1,266,049	1,113,284	2,011,461	5,489,994
Other income (expense):						
Interest (expense)	(12,347)	(2,250)	(1,525)	(4,772)	(93)	(8,640)
Other income (expense)	0	0	0	0	0	0
Total other income (expense)	(12,347)	(2,250)	(1,525)	(4,772)	(93)	(8,640)
Net Income (Loss)	**(1,999,623)**	(611,388)	(753,072)	(493,568)	(1,089,580)	**(2,947,608)**
Net loss per share:						
Basic and diluted loss per share	(0.12)	(0.03)	(0.04)	(0.02)	(0.05)	(0.13)
Wgted avg. shares - basic & diluted	17,358,333	20,640,667	20,854,000	22,424,957	24,130,000	22,012,920
Gross Margin	29.5%	27.7%	30.3%	28.8%	29.7%	29.2%

MamaMancini's Holdings, Inc.

Income Statement Period ending	1Q FY2015 4/30/2014	2Q FY201 7/31/2014	3Q FY2015 10/31/2014	4Q E FY2015 1/31/2015	FY FY 2015 E 1/31/2015
Sales - net of slotting fees & discounts	2,583,149	2,249,768	3,759,698	3,907,956	**12,500,571**
Cost of sales:					
Cost of sales products	1,780,225	1,590,904	2,705,436	2,796,489	8,873,054
Gross Income	802,924	658,864	1,054,262	1,111,467	**3,627,517**
Operating Expenses:					
Research and development	18,901	24,091	28,967	19,950	91,909
General and administrative	1,468,278	1,401,461	1,773,678	1,825,000	6,468,417
Total operating expenses	1,487,179	1,425,552	1,802,645	1,844,950	6,560,326
Other income (expense):					
Interest (expense)	(16,634)	(26,710)	(25,426)	(25,200)	(93,970)
Other income (expense)	0	0	0	0	0
Total other income (expense)	(16,634)	(26,710)	(25,426)	(25,200)	(93,970)
Net Income (Loss)	(700,889)	(793,398)	(773,809)	(758,683)	**(3,026,779)**
Net loss per share:					
Basic and diluted loss per share	(0.03)	(0.03)	(0.03)	(0.03)	(0.12)
Wgted avg. shares - basic & diluted	24,711,719	25,452,943	25,815,200	26,815,200	25,698,766
Gross Margin	31.1%	29.3%	28.0%	28.4%	29.0%

Income Statement Period ending	FY 2015 E 1/31/2015	1Q FY2016 4/30/2015	2Q FY201 7/31/2015	3Q FY2016 10/31/2015	4Q FY2016 1/31/2016	FY 2016 E 1/31/2016
Sales - net of slotting fees & discounts	**12,500,571**	3,857,040	3,653,477	5,306,455	5,612,337	**18,429,309**
Cost of sales:						
Cost of sales products	8,873,054	2,777,069	2,593,969	3,714,518	3,872,512	12,958,068
Gross Income	**3,627,517**	1,079,971	1,059,508	1,591,936	1,739,824	**5,471,240**
Operating Expenses:						
Research and development	91,909	20,000	20,000	20,000	20,000	80,000
General and administrative	6,468,417	1,512,326	1,557,696	1,604,427	1,652,560	6,327,009
Total operating expenses	6,560,326	1,532,326	1,577,696	1,624,427	1,672,560	6,407,009
Other income (expense):						
Interest (expense)	(93,970)	(25,000)	(24,250)	(23,523)	(22,817)	(95,589)
Other income (expense)	0	0	0	0	0	0
Total other income (expense)	(93,970)	(25,000)	(24,250)	(23,523)	(22,817)	(95,589)
Net Income (Loss)	**(3,026,779)**	(477,355)	(542,438)	(56,013)	44,448	**(1,031,358)**
Net loss per share:						
Basic and diluted loss per share	(0.12)	(0.02)	(0.02)	(0.00)	0.00	(0.04)
Wgted avg. shares - basic & diluted	25,698,766	24,711,719	25,452,943	25,815,200	26,815,200	25,698,766
Gross Margin		28.0%	29.0%	30.0%	31.0%	29.7%

HISTORICAL ZACKS RECOMMENDATIONS



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