

Investors,

We are excited to share a coinvestment opportunity with you in [Pepper's](#) Series B round (a Fund III portfolio company). Please find an overview of the opportunity and how we operationalize the process below.

We are kindly asking for indications by **Monday 12/8** given the momentum of the round.

Pepper is the leading vertical SaaS platform for the \$1.4T+ independent food distribution industry. The company is modernizing this fragmented and legacy market with AI-powered software that enables end-to-end digitization, from digital storefronts and core operations to payments and marketing.

**Investment Highlights:**

- **Market opportunity:** Wholesale food distribution generates \$1.4T in GMV on an annual basis in North America, with 28,000+ distributors and minimal modern software penetration.
- **Traction:** 2.5x YoY growth to \$16M ARR across 400+ independent food distributors with best-in-class retention (98% logo retention, 135% net dollar retention).
- **Diversified revenue:** Pepper monetizes their customers across SaaS fees, payments, and advertising. All three channels present significant opportunities for revenue expansion.
- **Founding team:** Co-Founders [Bowie Cheung](#) (CEO) and [Chetan Narain](#) (CTO) bring deep operational and technical expertise. They previously built and scaled Uber Eats from inception to \$2B+ in revenue.

**Materials:**

- [Interplay Ventures <> Pepper Data Room](#)

**Round:**

- \$50M Series B; \$205M pre-money valuation.
- Led by [Lead Edge Capital](#) (investors in Toast, Alibaba, Wise, etc.) with \$35M of primary investment.
- Participation from existing insiders, including ICONIQ, Greylock, and Index Ventures.

**Process:**

- **Allocations:** The size of our allocation varies and we may limit check sizes based on availability.
- **Fees:** 2% one-time (non-recurring) management fee and reduced carried interest of 15% for existing Interplay LPs.
- **Structure:** An SPV will be created for the investment via AngelList.

Please let me know if you are interested in participating or would like to discuss further.

Best,  
Christian

**Christian Mark**

Partner, Investor Relations  
Interplay - LinkedIn - Jobs - Engage