

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