



# INDUSTRY UPDATE

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FOOD & BEVERAGE  
Q4 2020

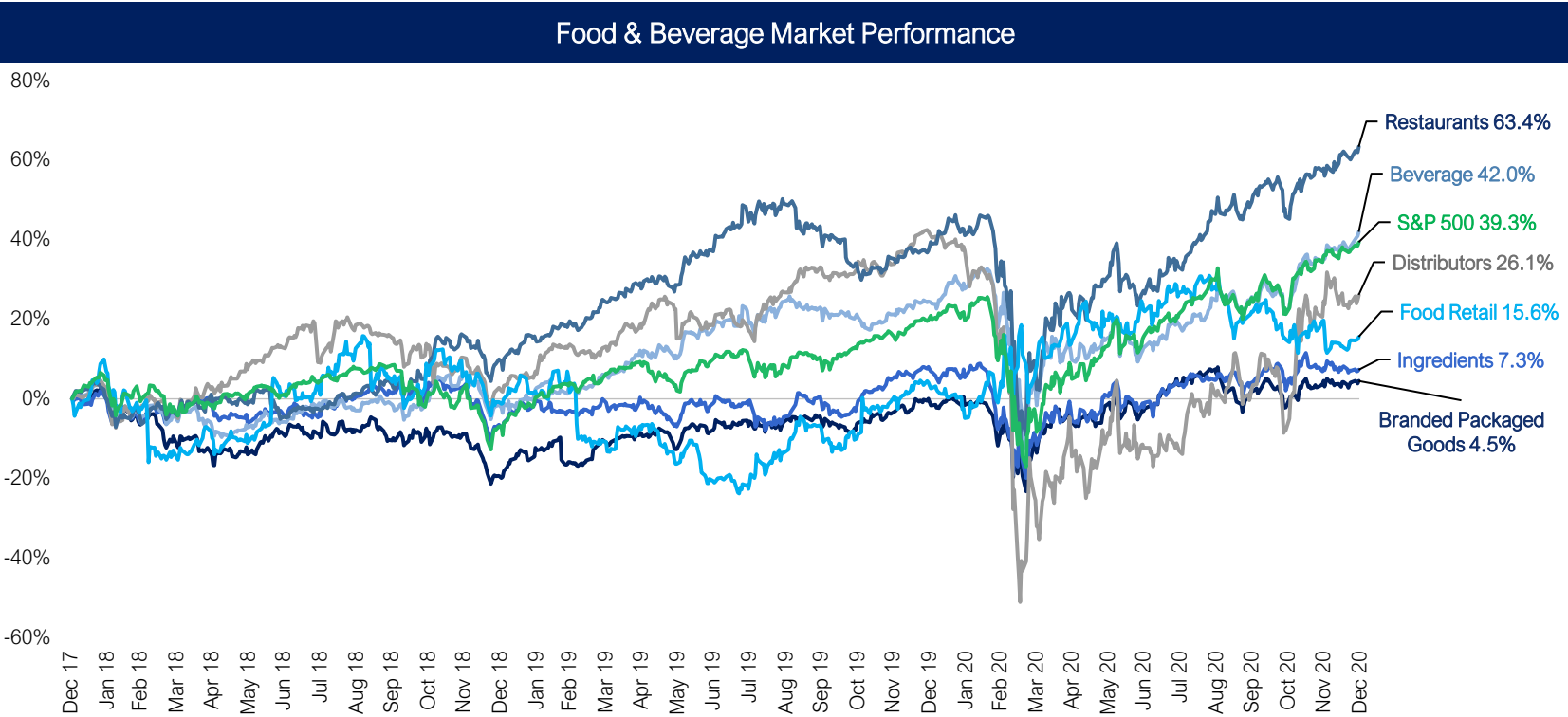


GREENWICH  
CAPITAL GROUP

# GCG INDUSTRY UPDATE | Food & Beverage

## Public Market Performance

Q4 2020 saw additional gains in the Food & Beverage (“F&B”) industry and the broader U.S. equity market as equities further advanced Q3’s recovery from the COVID-19 pandemic. The Restaurants segment was the strongest performing in Q4 2020 as the future outlook for the sector improved due to the progress made with multiple COVID-19 vaccine candidates. For the 3-year period ending December 31, 2020, the S&P 500 index was up by 39.3%, extending its run from Q3. The F&B industry underperformed the broader market with the exception of the Restaurants and Beverage segments.



Source: S&P Capital IQ  
Note: All values based on publicly available data as of 12/31/2020



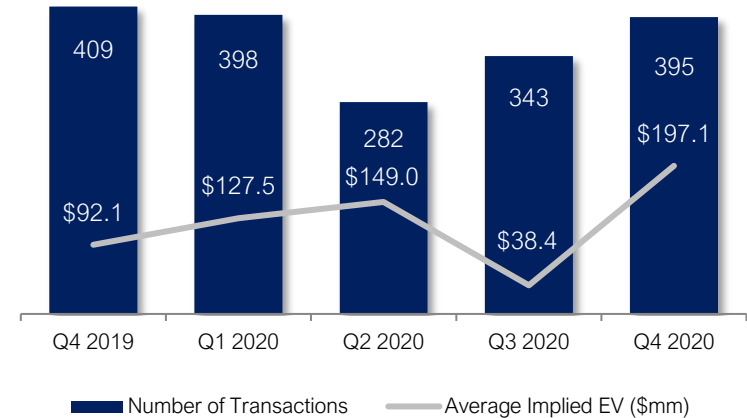
# GCG INDUSTRY UPDATE | Food & Beverage

## Middle-Market M&A Activity

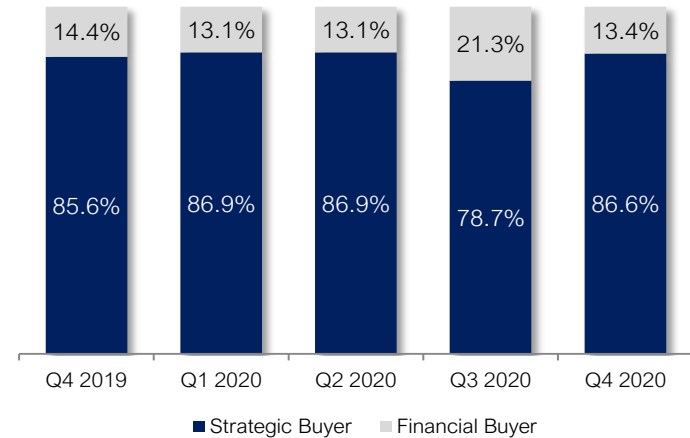
In Q4 2020, the F&B sector saw a greater number of transactions and significantly higher average deal value than in Q3 2020. There were 395 transactions in Q4 with an average deal value of \$197.1 million. Strategic buyers continue to dominate overall deal activity and have sought acquisitions to offset slowing organic growth and to diversify their offerings. In Q4, financial buyers represented under 14% of all M&A activity in the industry.

The Packaged Foods and Meats category led activity, accounting for 33.6% of total F&B transaction volume. Restaurant companies proved to be attractive targets as well, comprising over 27% of transaction volume.

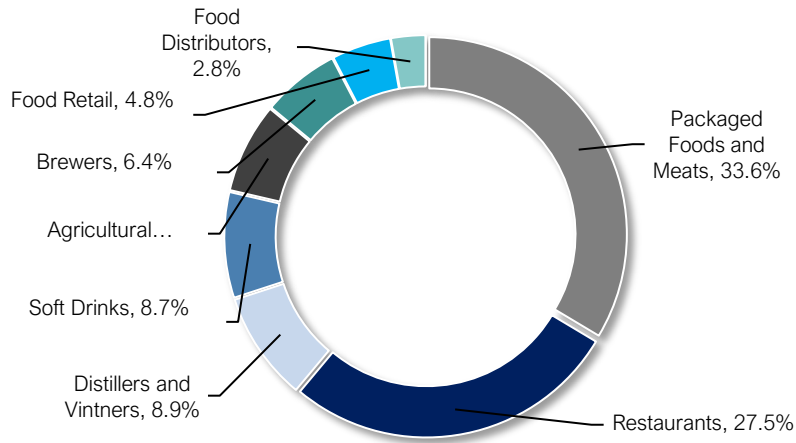
### Food & Beverage M&A Activity



### M&A Activity by Buyer Type



### Q4 2020 M&A Activity by Sector Activity



Source: S&P Capital IQ

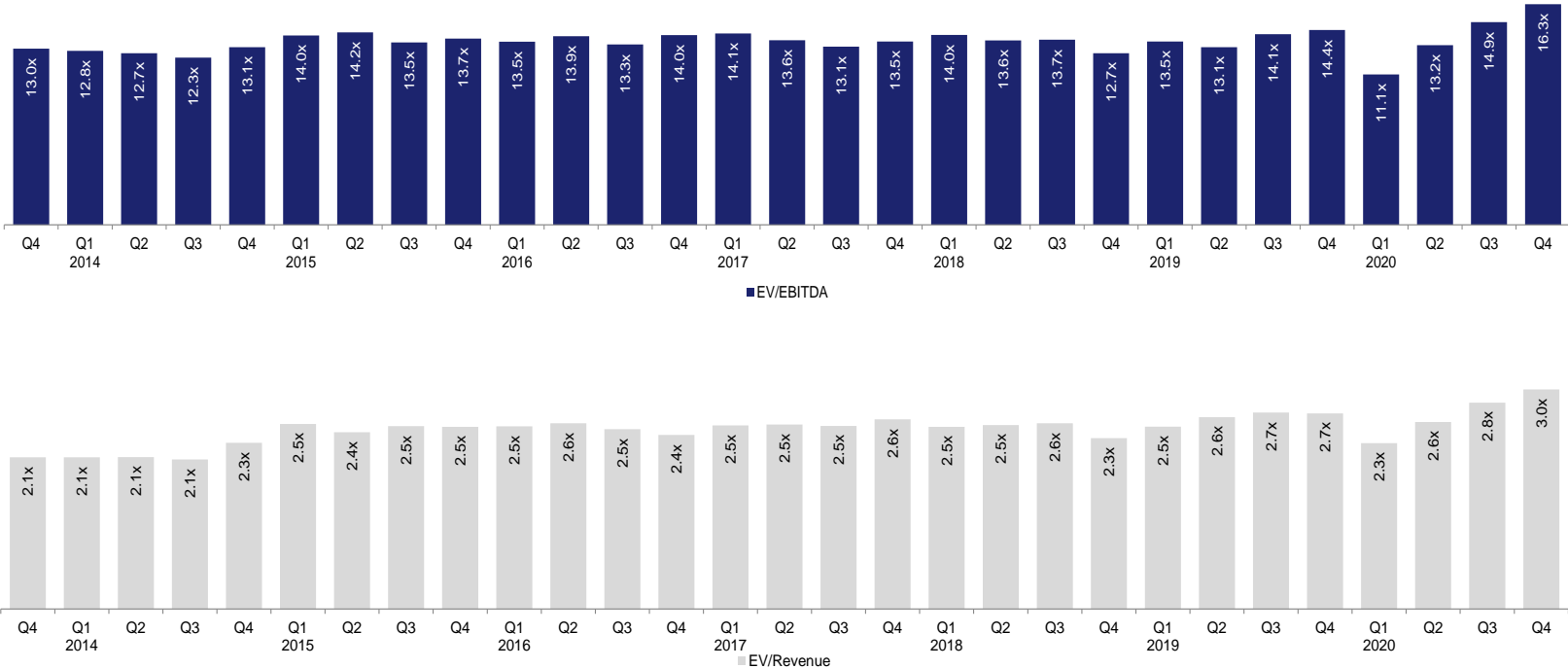
Note: All values based on publicly available data as of 12/31/2020. Beginning in Q3 2020, GCG's middle market M&A criteria includes transactions from \$10mm to \$500mm in EV.



# GCG INDUSTRY UPDATE | Food & Beverage

## Public Company Trading Multiples

Based on a representative set of publicly traded companies across the F&B industry, public companies in F&B traded at an average multiple of 16.3x EBITDA and 3.0x revenue. Among the sectors disclosed on the previous page, the strongest trading multiples were observed in the Beverage and Restaurant sectors. The overall industry experienced an increase in EBITDA and revenue multiples of 9.3% and 7.1%, respectively, in Q4 2020 due to the continued growth following Q1's decline caused by the onset of COVID-19.



Source: S&P Capital IQ  
 Note: All values based on publicly available data as of 12/31/2020



# GCG INDUSTRY UPDATE | Food & Beverage

## Public Comparable Companies

Company Name	Enterprise	Share	Price Change		LTM Margins		TEV / LTM:	
	Value (\$mils)	Stock Price	3 month	12 month	Gross	EBITDA	Revenue	EBITDA
<b>Branded Packaged Goods</b>								
B&G Foods, Inc.	\$ 3,565.59	\$ 27.73	(0.1%)	54.7%	24.6%	19.1%	1.8x	9.7x
Campbell Soup Company	\$ 20,246.39	\$ 48.35	(0.0%)	(2.2%)	34.9%	22.3%	2.3x	10.3x
Conagra Brands, Inc.	\$ 27,254.67	\$ 36.26	1.5%	5.9%	29.2%	22.2%	2.4x	10.9x
General Mills, Inc.	\$ 48,224.37	\$ 58.80	(4.7%)	9.8%	35.5%	22.4%	2.6x	11.8x
Hormel Foods Corporation	\$ 24,797.49	\$ 46.61	(4.7%)	3.3%	19.8%	19.0%	2.6x	13.6x
Kellogg Company	\$ 29,558.26	\$ 62.23	(3.7%)	(10.0%)	34.4%	18.0%	2.2x	12.1x
Lancaster Colony Corporation	\$ 4,893.74	\$ 183.73	2.8%	14.8%	26.6%	16.3%	3.6x	22.3x
McCormick & Company, Incorporated	\$ 29,613.35	\$ 95.60	(1.5%)	12.6%	41.1%	23.1%	5.4x	23.2x
Mondelez International, Inc.	\$ 101,708.62	\$ 58.47	1.8%	6.2%	39.4%	24.8%	3.9x	15.7x
Post Holdings, Inc.	\$ 13,112.55	\$ 101.01	17.5%	(7.4%)	31.4%	18.9%	2.3x	12.1x
The J. M. Smucker Company	\$ 18,081.52	\$ 115.60	0.1%	11.0%	38.9%	24.7%	2.2x	9.1x
The Kraft Heinz Company	\$ 68,300.20	\$ 34.66	15.7%	7.9%	34.0%	26.2%	2.6x	10.1x
TreeHouse Foods, Inc.	\$ 4,503.48	\$ 42.49	4.8%	(12.4%)	19.4%	12.8%	1.0x	8.1x
Tyson Foods, Inc.	\$ 34,087.91	\$ 64.44	8.3%	(29.2%)	13.7%	13.2%	0.8x	6.0x
Mean	\$ 30,567.72	\$ 69.71	2.7%	4.6%	30.2%	20.2%	2.6x	12.5x
Median	\$ 26,026.08	\$ 58.64	0.8%	6.0%	32.7%	20.7%	2.4x	11.3x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 12/31/2020



# GCG INDUSTRY UPDATE | Food & Beverage

## Public Comparable Companies (Cont'd)

Company Name	Enterprise	Share	Price Change		LTM Margins		TEV / LTM:	
	Value (\$mils)	Stock Price	3 month	12 month	Gross	EBITDA	Revenue	EBITDA
<b>Ingredients</b>								
Archer-Daniels-Midland Company	\$ 36,451.57	\$ 50.41	8.4%	8.8%	6.8%	5.7%	0.6x	10.1x
Cal-Maine Foods, Inc.	\$ 1,640.70	\$ 37.54	(2.2%)	(12.2%)	17.1%	9.5%	1.2x	15.6x
Hormel Foods Corporation	\$ 24,797.49	\$ 46.61	(4.7%)	3.3%	19.8%	19.0%	2.6x	13.6x
Ingredion Incorporated	\$ 7,158.13	\$ 78.67	4.0%	(15.4%)	20.9%	15.5%	1.2x	7.8x
International Flavors & Fragrances Inc.	\$ 15,612.62	\$ 108.84	(11.1%)	(15.6%)	40.7%	21.2%	3.1x	14.4x
Pilgrim's Pride Corporation	\$ 6,938.08	\$ 19.61	31.0%	(40.1%)	6.7%	6.5%	0.6x	8.9x
Premium Brands Holdings Corporation	\$ 4,346.70	\$ 79.05	4.8%	12.7%	19.1%	7.2%	1.4x	19.2x
Sensient Technologies Corporation	\$ 3,659.36	\$ 73.77	27.8%	11.6%	30.8%	15.4%	2.8x	18.1x
Mean	\$ 12,575.58	\$ 61.81	7.3%	(5.9%)	20.3%	12.5%	1.7x	13.5x
Median	\$ 7,048.10	\$ 62.09	4.4%	(4.4%)	19.5%	12.4%	1.3x	14.0x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 12/31/2020



# GCG INDUSTRY UPDATE | Food & Beverage

## Public Comparable Companies (Cont'd)

Company Name	Enterprise	Share	Price Change		LTM Margins		TEV / LTM:	
	Value (\$mils)	Stock Price	3 month	12 month	Gross	EBITDA	Revenue	EBITDA
<b>Beverages</b>								
Anheuser-Busch InBev SA/NV	\$ 237,293.00	\$ 69.91	29.8%	(14.8%)	58.6%	35.6%	4.8x	13.5x
Brown-Forman Corporation	\$ 38,708.85	\$ 79.43	5.5%	17.5%	61.4%	35.0%	11.6x	33.1x
Constellation Brands, Inc.	\$ 53,946.60	\$ 219.05	15.6%	15.4%	51.9%	39.5%	6.6x	27.1x
Primo Water Corporation	\$ 4,082.97	\$ 15.66	10.4%	14.5%	51.0%	16.7%	1.6x	9.4x
Farmer Bros. Co.	\$ 174.03	\$ 4.67	5.7%	(69.0%)	26.1%	5.3%	0.4x	7.1x
Molson Coors Beverage Company	\$ 18,159.08	\$ 45.19	34.7%	(16.2%)	39.0%	23.7%	1.8x	7.8x
Monster Beverage Corporation	\$ 47,169.42	\$ 92.48	15.3%	45.5%	59.8%	36.7%	10.7x	29.1x
National Beverage Corp.	\$ 3,594.28	\$ 84.90	24.8%	66.4%	38.7%	22.9%	3.4x	14.9x
PepsiCo, Inc.	\$ 239,922.15	\$ 148.30	7.0%	8.5%	55.3%	18.4%	3.5x	19.1x
Starbucks Corporation	\$ 146,332.03	\$ 106.98	24.5%	21.7%	21.9%	24.9%	6.2x	24.9x
The Boston Beer Company, Inc.	\$ 11,975.33	\$ 994.29	12.6%	163.1%	47.6%	19.6%	7.6x	38.7x
The Coca-Cola Company	\$ 269,115.31	\$ 54.84	11.1%	(0.9%)	59.9%	36.8%	8.0x	21.8x
Mean	\$ 89,206.09	\$ 159.64	16.4%	21.0%	48%	26.3%	5.5x	20.5x
Median	\$ 42,939.13	\$ 82.17	13.9%	15.0%	51.5%	24.3%	5.5x	20.4x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 12/31/2020



# GCG INDUSTRY UPDATE | Food & Beverage

## Public Comparable Companies (Cont'd)

Company Name	Enterprise	Share	Price Change		LTM Margins		TEV / LTM:	
	Value (\$mils)	Stock Price	3 month	12 month	Gross	EBITDA	Revenue	EBITDA
<b>Distributors</b>								
AMCON Distributing Company	\$ 149.67	\$ 118.95	84.2%	65.2%	7.8%	1.8%	0.1x	7.4x
Core-Mark Holding Company, Inc.	\$ 1,980.35	\$ 29.37	1.5%	8.0%	6.6%	1.7%	0.1x	8.4x
Performance Food Group Company	\$ 9,289.88	\$ 47.61	37.5%	(7.5%)	11.7%	2.2%	0.4x	16.2x
SpartanNash Company	\$ 1,449.06	\$ 17.41	6.5%	22.3%	15.1%	3.0%	0.2x	5.4x
Sysco Corporation	\$ 46,142.17	\$ 74.26	19.4%	(13.2%)	18.6%	4.5%	0.9x	20.8x
The Chefs' Warehouse, Inc.	\$ 1,293.96	\$ 25.69	76.7%	(32.6%)	25.6%	1.2%	1.0x	84.2x
United Natural Foods, Inc.	\$ 4,774.66	\$ 15.97	7.4%	82.3%	14.6%	4.1%	0.2x	4.4x
US Foods Holding Corp.	\$ 13,083.47	\$ 33.31	49.9%	(20.5%)	16.8%	3.1%	0.6x	18.0x
Mean	\$ 9,770.40	\$ 45.32	35.4%	13.0%	15%	2.7%	0.4x	20.6x
Median	\$ 3,377.51	\$ 100.00	28.4%	0.3%	14.9%	2.6%	0.3x	12.3x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 12/31/2020





# GCG INDUSTRY UPDATE | Food & Beverage

## Public Comparable Companies (Cont'd)

Company Name	Enterprise	Share	Price Change		LTM Margins		TEV / LTM:	
	Value (\$mils)	Stock Price	3 month	12 month	Gross	EBITDA	Revenue	EBITDA
<b>Restaurants</b>								
Brinker International, Inc.	\$ 4,842.22	\$ 56.57	32.4%	34.7%	13.1%	16.2%	1.6x	9.8x
Chipotle Mexican Grill, Inc.	\$ 40,886.36	\$ 1,386.71	11.5%	65.7%	33.7%	15.6%	7.0x	45.0x
Darden Restaurants, Inc.	\$ 19,884.32	\$ 119.12	18.2%	9.3%	17.1%	12.5%	2.9x	23.3x
Domino's Pizza, Inc.	\$ 19,121.89	\$ 383.46	(9.8%)	30.5%	27.4%	20.4%	4.9x	24.0x
McDonald's Corporation	\$ 207,488.52	\$ 214.58	(2.2%)	8.6%	51.4%	56.2%	10.9x	19.4x
Restaurant Brands International Inc.	\$ 32,607.49	\$ 61.11	6.3%	(4.2%)	57.5%	36.5%	6.4x	17.5x
Starbucks Corporation	\$ 146,332.03	\$ 106.98	24.5%	21.7%	21.9%	24.9%	6.2x	24.9x
Yum! Brands, Inc.	\$ 42,890.09	\$ 108.56	18.9%	7.8%	48.3%	34.1%	7.7x	22.5x
Mean	\$ 64,256.62	\$ 304.64	12.5%	21.8%	33.8%	27.1%	6.0x	23.3x
Median	\$ 36,746.93	\$ 113.84	14.9%	15.5%	30.6%	22.7%	6.3x	22.9x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 12/31/2020



# GCG INDUSTRY UPDATE | Food & Beverage

## Public Comparable Companies (Cont'd)

Company Name	Enterprise	Share	Price Change		LTM Margins		TEV / LTM:	
	Value (\$mils)	Stock Price	3 month	12 month	Gross	EBITDA	Revenue	EBITDA
<b>Food Retail</b>								
Ingles Markets, Incorporated	\$ 1,512.23	\$ 42.66	12.1%	(10.2%)	26.0%	9.1%	0.3x	3.6x
Natural Grocers by Vitamin Cottage, Inc.	\$ 681.63	\$ 13.74	39.4%	39.2%	31.9%	11.1%	0.7x	5.9x
Sprouts Farmers Market, Inc.	\$ 3,737.54	\$ 20.10	(4.0%)	3.9%	36.4%	11.3%	0.6x	5.3x
The Kroger Co.	\$ 42,645.38	\$ 31.76	(6.3%)	9.6%	23.8%	5.7%	0.3x	5.7x
Village Super Market, Inc.	\$ 636.97	\$ 22.06	(10.4%)	(4.9%)	28.1%	5.5%	0.3x	6.2x
Weis Markets, Inc.	\$ 1,276.58	\$ 47.81	(0.4%)	18.1%	28.8%	7.7%	0.3x	4.2x
Mean	\$ 8,415.06	\$ 29.69	5.1%	9.3%	29.2%	8.4%	0.4x	5.1x
Median	\$ 1,394.40	\$ 26.91	(2.2%)	6.7%	28.5%	8.4%	0.3x	5.5x
<b>Food &amp; Beverage Mean</b>	<b>\$ 40,030.93</b>	<b>\$ 113.64</b>	<b>12.6%</b>	<b>10.8%</b>	<b>30.7%</b>	<b>17.6%</b>	<b>3.0x</b>	<b>16.3x</b>
<b>Food &amp; Beverage Median</b>	<b>\$ 18,120.30</b>	<b>\$ 58.64</b>	<b>7.2%</b>	<b>8.3%</b>	<b>28.5%</b>	<b>17.3%</b>	<b>2.3x</b>	<b>13.5x</b>

Source: S&P Capital IQ

Note: All values based on publicly available data as of 12/31/2020



# GCG INDUSTRY UPDATE | Food & Beverage

## Q4 2020 Middle-Market M&A Activity

Announcement Date	Target	Buyer	Sector	Value (\$mm)	TEV/ Revenue	TEV/ EBITDA
12/21/2020	Zevia, LLC	Caisse de dépôt et placement du Québec	Soft Drinks	200.00	-	-
12/21/2020	US Based Chile Pepper Business of Mizkan America, Inc	Olam Americas, Inc.	Packaged Foods and Meats	108.50	-	-
12/21/2020	Little Spoon, Inc.	Valor Management Corp.; Forty Niners Football Company LLC; SoGal Ventures; Interplay Ventures; Vaultier7 LLP; Valor Siren Ventures I LP	Packaged Foods and Meats	22.00	-	-
12/17/2020	Wholesome Sweeteners, Inc.	Whole Earth Brands, Inc.	Packaged Foods and Meats	240.50	-	-
12/17/2020	4,642 Acres of Farmland Located in Tulare County, California	Gladstone Land Corporation	Agricultural Products	61.50	-	-
12/17/2020	Tiff's Treats Holdings, Inc.	Pixiu Investments	Packaged Foods and Meats	10.00	-	-
12/14/2020	M Line Holdings, Inc.	Ecosciences, Inc.	Soft Drinks	30.00	-	-
12/10/2020	Piedmont Coca-Cola Bottling Partnership	Ventures Acquisition LLC	Food Distributors	100.00	-	-
12/8/2020	Gotham Greens Holdings, LLC	The Silverman Group; Manna Tree Partners	Agricultural Products	87.00	-	-
12/3/2020	Natural Balance Pet Foods, Inc.	Nexus Capital Management LP	Packaged Foods and Meats	50.00	0.23	-
11/24/2020	Cheribundi, Inc.	Emil Capital Partners, LLC	Soft Drinks	15.00	-	-
11/23/2020	Factor75, LLC	HelloFresh SE	Restaurants	277.00	-	-
11/12/2020	Truco Enterprises, LP	Heron Holding Corporation	Packaged Foods and Meats	480.00	-	-
11/10/2020	The Organic Corporation B.V./Tradin Organics USA LLC	Amsterdam Commodities N.V.	Food Distributors	389.79	0.79	10.00
11/10/2020	Swerve, L.L.C./Swerve IP, L.L.C	Whole Earth Brands, Inc.	Packaged Foods and Meats	80.00	-	-
11/10/2020	New Wave Foods, Inc.	New Enterprise Associates, Inc.; Evolution VC Partners	Packaged Foods and Meats	18.00	-	-

Source: S&P Capital IQ

Note: All values based on publicly available data as of 12/31/2020. Includes transactions from \$10mm to \$500mm in EV.



# GCG INDUSTRY UPDATE | Food & Beverage

## Q4 2020 Middle-Market M&A Activity

Announcement Date	Target	Buyer	Sector	Value (\$mm)	TEV/ Revenue	TEV/ EBITDA
11/5/2020	Beverages & More, Inc.	GoBrands, Inc.	Food Retail	350.00	-	-
11/5/2020	Certain Assets of its Dry Pasta and Noodles Business in USA	American Italian Pasta Company	Packaged Foods and Meats	242.50	1.21	-
11/4/2020	SweetWater Brewing Company, Inc.	Aphria Inc.	Brewers	366.00	5.49	16.29
11/4/2020	So Good Brand, Inc.	Prelude Growth Partners	Soft Drinks	10.50	-	-
11/2/2020	3,280 Gross Citrus Acres in Hendry County	Alico, Inc.	Agricultural Products	16.45	-	-
11/2/2020	Everytable, PBC	Kaiser Permanente Ventures; Creadev S.A.S.; Gratitude Railroad; Candide Group, LLC; Desert Bloom Food Ventures LLC	Restaurants	16.00	-	-
10/28/2020	Dry pasta business of Catelli Foods Corporation	Barilla America, Inc.	Packaged Foods and Meats	123.95	1.60	-
10/28/2020	Kate Farms, Inc.	The Goldman Sachs Group, Inc.; Kaiser Permanente Ventures	Packaged Foods and Meats	51.00	-	-
10/28/2020	Cultivation and Production facilities in Tumwater, WA and Georgetown, MA of 4Front Ventures	Innovative Industrial Properties, Inc.	Agricultural Products	33.00	-	-
10/20/2020	BrightFarms Inc.	Cox Enterprises, Inc.; Catalyst Investors, L.L.C.	Agricultural Products	100.00	-	-
10/14/2020	Plenty Unlimited Inc.	Driscoll's, Inc.; SoftBank Investment Advisers (UK) Limited	Agricultural Products	140.00	-	-
10/14/2020	27 Kings Food Market And Balducci's Food Lover's Market Locations	Acme Markets Inc.	Food Retail	96.40	-	-
10/13/2020	Green Plains Cattle Company LLC	StepStone Group Inc.; AGR Partners, LLC; StepStone Atlantic Fund, L.P.; Nuveen Alternatives Advisors LLC; Tgam Agribusiness Fund-B Lp	Agricultural Products	80.50	-	-
10/1/2020	Dewey's Bakery, Inc.	Eurazeo SE; Eurazeo Brands	Packaged Foods and Meats	26.00	-	-
10/1/2020	Better Choice Company Inc.	Cambridge Companies SPG	Packaged Foods and Meats	18.20	-	-

Source: S&P Capital IQ

Note: All values based on publicly available data as of 12/31/2020. Includes transactions from \$10mm to \$500mm in EV.



# GCG INDUSTRY UPDATE | Food & Beverage

## Food & Beverage Expertise

GCG offers a unique breadth and depth of expertise in Food & Beverage from both an operational and transactional standpoint. Our professionals bring direct experience in senior operating roles within the industry to augment our investment banking and consulting services.

The range of segments that GCG has worked in includes, but is not limited to, snack foods, private label, manufacturing, retail and distribution. Our Food & Beverage professionals have deep roots in the industry and are able to provide clients with the guidance and support needed to expand their businesses, allow them to run more effectively and venture into new markets both domestically and globally. Our experience, community of networks and relationships have positioned us as industry leaders surrounding M&A, private placements and financial advisory in the Food & Beverage sector.

## More about Greenwich Capital Group

Greenwich Capital Group (“GCG”) is a middle market focused advisory firm offering a range of investment banking and consulting services to private companies, public companies and private equity investors. For additional perspective or to discuss M&A related opportunities in the F&B sector, please reach out to GCG’s Food & Beverage practice leader, Andrew Dickow. For more information, please visit [www.greenwichgp.com](http://www.greenwichgp.com).

Data Sources: We have based our findings on data provided by industry recognized sources. Data and information for this publication was collated from the S&P Capital IQ database. For more information on this or anything else related to our research, please email [info@greenwichgp.com](mailto:info@greenwichgp.com).

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