



INDUSTRY UPDATE

FOOD & BEVERAGE
Q1 2021

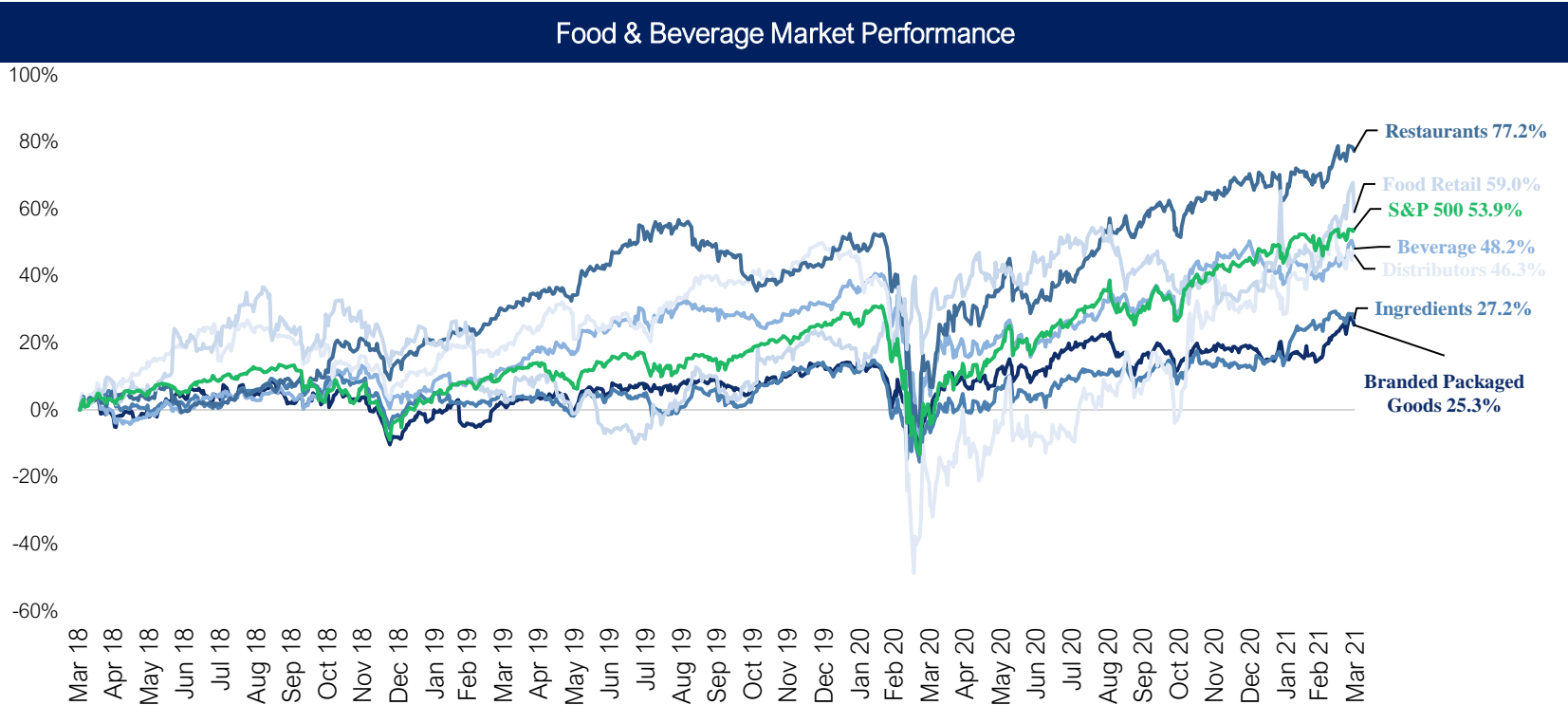


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Public Market Performance

Q1 2021 saw additional gains in the Food & Beverage (“F&B”) industry and the broader U.S. equity market as equities further advanced Q4’s recovery from the COVID-19 pandemic. The Restaurants segment was the strongest performing in Q1 2021 as the future outlook for the sector improved due to the progress made with COVID-19 vaccinations. For the 3-year period ending March 31, 2021, the S&P 500 index was up by 53.9%, extending its run from Q4. The F&B industry underperformed the broader market with the exception of the Restaurants and Food Retail segments.



Source: S&P Capital IQ
Note: All values based on publicly available data as of 3/31/2021



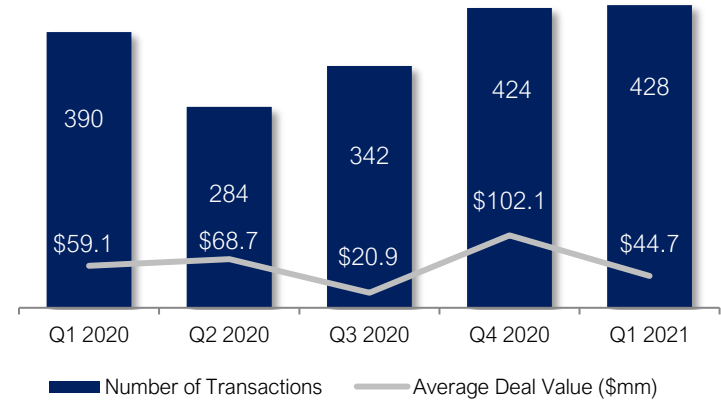
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Middle-Market M&A Activity

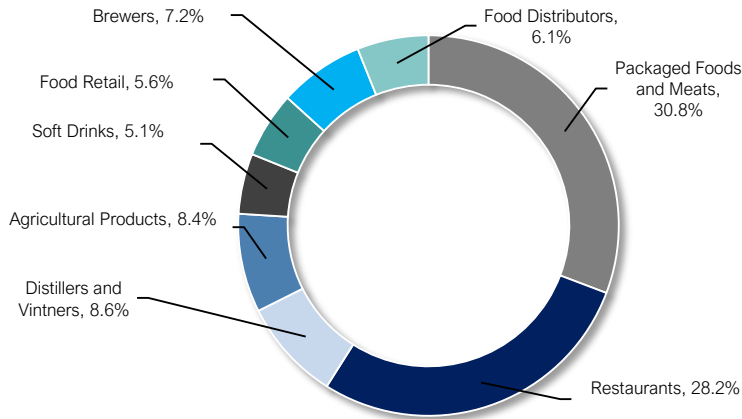
In Q1 2021, the F&B sector saw a greater number of transactions and lower average deal value than in Q4 2020. There were 428 transactions in Q1 with an average deal value of \$44.7 million. Strategic buyers continue to dominate overall deal activity and have sought acquisitions to offset slowing organic growth and to diversify their offerings. In Q1, financial buyers represented under 11% of all M&A activity in the industry.

The Packaged Foods and Meats category led activity, accounting for 30.8% of total F&B transaction volume. Restaurant companies proved to be attractive targets as well, comprising over 28% of transaction volume.

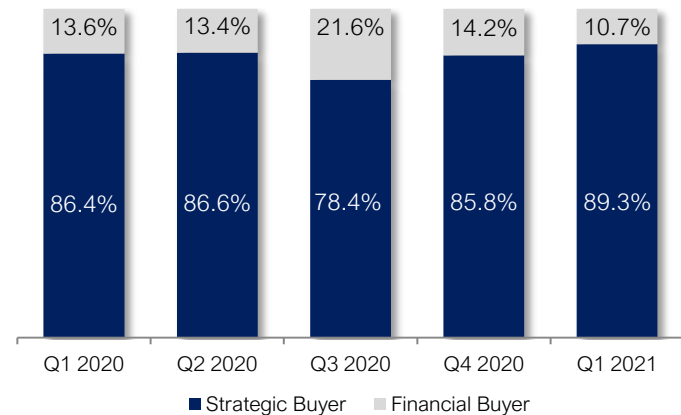
Food & Beverage M&A Activity



Q1 2021 M&A Activity by Sector Activity



M&A Activity by Buyer Type



Source: S&P Capital IQ

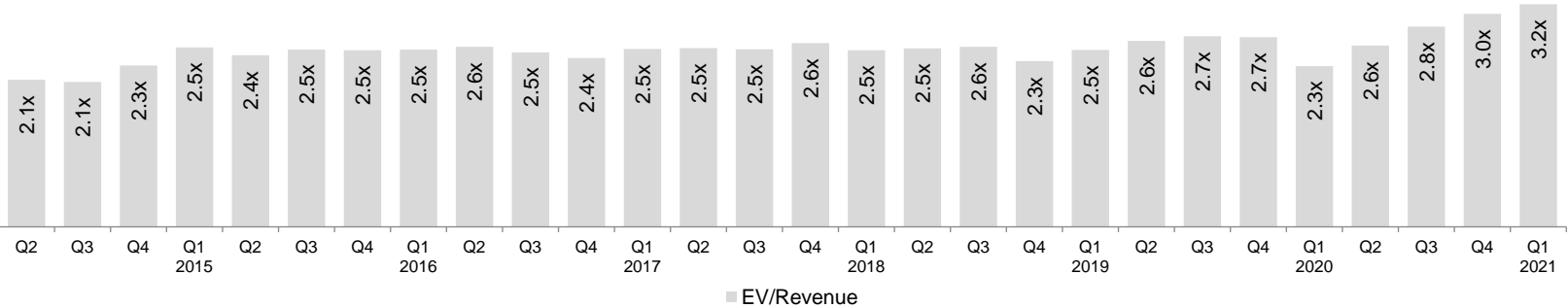
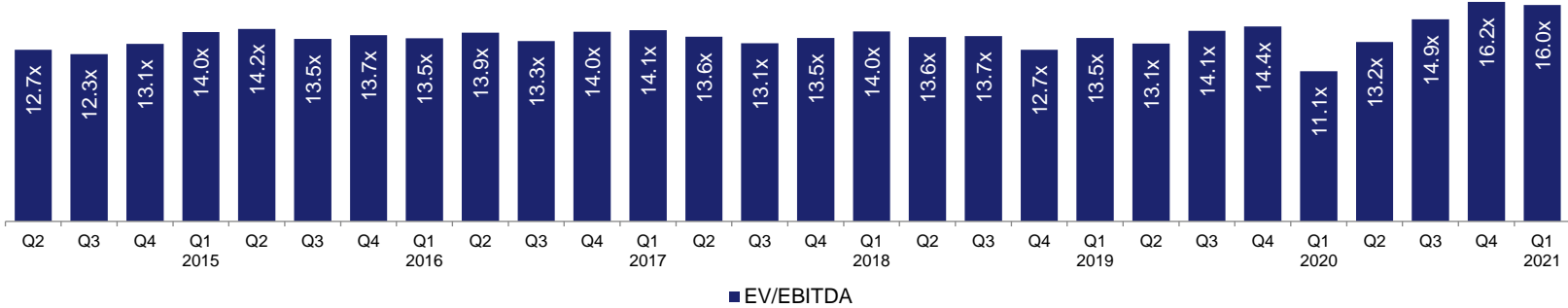
Note: All values based on publicly available data as of 3/31/2021. Beginning in Q3 2020, GCG's middle market M&A criteria includes transactions from \$10mm to \$500mm in EV.



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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 16.0x EBITDA and 3.2x 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 a decrease in EBITDA multiples of 1.3% and an increase in revenue multiples of 6.7%.



Source: S&P Capital IQ
 Note: All values based on publicly available data as of 3/31/2021



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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
Branded Packaged Goods								
B&G Foods, Inc.	\$ 4,327.29	\$ 31.06	12.0%	71.7%	24.7%	18.9%	2.2x	11.7x
Campbell Soup Company	\$ 20,547.28	\$ 50.27	4.0%	8.9%	34.8%	22.6%	2.3x	10.2x
Conagra Brands, Inc.	\$ 27,919.87	\$ 37.60	3.7%	28.2%	29.3%	22.7%	2.4x	10.9x
General Mills, Inc.	\$ 49,393.84	\$ 61.32	4.3%	16.2%	35.6%	23.0%	2.7x	11.5x
Hormel Foods Corporation	\$ 25,346.16	\$ 47.78	2.5%	2.4%	19.6%	14.3%	2.6x	18.3x
Kellogg Company	\$ 29,772.50	\$ 63.30	1.7%	5.5%	34.4%	17.8%	2.2x	12.1x
Lancaster Colony Corporation	\$ 4,633.35	\$ 175.36	(4.6%)	21.2%	27.0%	16.7%	3.4x	20.5x
McCormick & Company, Incorporated	\$ 29,187.93	\$ 89.16	(6.7%)	26.3%	41.1%	22.1%	5.0x	22.5x
Mondelez International, Inc.	\$ 100,142.07	\$ 58.53	0.1%	16.9%	40.4%	25.7%	3.8x	15.3x
Post Holdings, Inc.	\$ 13,285.33	\$ 105.72	4.7%	27.4%	31.3%	18.9%	2.3x	12.6x
The J. M. Smucker Company	\$ 18,203.83	\$ 126.53	9.5%	14.0%	39.0%	24.8%	2.2x	9.0x
The Kraft Heinz Company	\$ 74,799.66	\$ 40.00	15.4%	61.7%	36.0%	32.7%	2.9x	9.0x
TreeHouse Foods, Inc.	\$ 5,046.99	\$ 52.24	22.9%	18.3%	19.6%	12.9%	1.2x	9.1x
Tyson Foods, Inc.	\$ 36,193.63	\$ 74.30	15.3%	28.4%	13.4%	11.5%	0.8x	7.4x
Mean	\$ 31,342.84	\$ 72.37	6.1%	24.8%	30.5%	20.3%	2.6x	12.9x
Median	\$ 26,633.01	\$ 59.93	4.1%	19.8%	32.9%	20.5%	2.4x	11.6x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 3/31/2021



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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
Ingredients								
Archer-Daniels-Midland Company	\$ 42,271.53	\$ 57.00	13.1%	62.0%	7.4%	6.3%	0.7x	11.2x
Cal-Maine Foods, Inc.	\$ 1,698.99	\$ 38.42	2.3%	(12.6%)	16.8%	9.0%	1.2x	13.0x
Hormel Foods Corporation	\$ 25,346.16	\$ 47.78	2.5%	2.4%	19.6%	14.3%	2.6x	18.3x
Ingredion Incorporated	\$ 7,828.58	\$ 89.92	14.3%	19.1%	21.6%	16.2%	1.3x	8.2x
International Flavors & Fragrances Inc.	\$ 38,927.20	\$ 139.61	28.3%	36.8%	39.6%	22.7%	7.7x	34.6x
Pilgrim's Pride Corporation	\$ 7,831.44	\$ 23.79	21.3%	31.3%	7.5%	8.2%	0.6x	8.5x
Premium Brands Holdings Corporation	\$ 4,918.39	\$ 95.19	20.4%	86.4%	19.1%	7.6%	1.5x	20.5x
Sensient Technologies Corporation	\$ 3,834.62	\$ 78.00	5.7%	79.3%	32.0%	17.6%	2.9x	16.5x
Mean	\$ 16,582.11	\$ 71.21	13.5%	38.1%	20.5%	12.7%	2.3x	16.3x
Median	\$ 7,830.01	\$ 67.50	13.7%	34.0%	19.4%	11.6%	1.4x	14.7x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 3/31/2021



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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
Beverages								
Anheuser-Busch InBev SA/NV	\$ 213,890.33	\$ 62.85	(10.1%)	42.5%	57.9%	34.5%	4.8x	13.6x
Brown-Forman Corporation	\$ 33,672.34	\$ 68.97	(13.2%)	24.2%	61.0%	34.2%	10.0x	29.4x
Constellation Brands, Inc.	\$ 55,279.67	\$ 228.00	4.1%	59.0%	53.1%	43.3%	6.5x	16.1x
Primo Water Corporation	\$ 4,174.47	\$ 16.27	3.9%	80.6%	57.0%	18.9%	2.1x	11.2x
Farmer Bros. Co.	\$ 293.06	\$ 10.44	123.6%	50.0%	23.4%	4.7%	0.7x	12.5x
Molson Coors Beverage Company	\$ 19,186.92	\$ 51.15	13.2%	31.1%	41.0%	25.3%	2.0x	8.6x
Monster Beverage Corporation	\$ 46,067.57	\$ 91.09	(1.5%)	61.9%	58.6%	36.6%	10.0x	27.0x
National Beverage Corp.	\$ 4,445.54	\$ 48.91	15.2%	129.4%	39.1%	23.8%	4.1x	17.4x
PepsiCo, Inc.	\$ 231,597.73	\$ 141.45	(4.6%)	17.8%	54.7%	18.9%	3.3x	17.4x
Starbucks Corporation	\$ 148,369.57	\$ 109.27	2.1%	66.2%	23.1%	26.1%	6.4x	26.1x
The Boston Beer Company, Inc.	\$ 14,562.88	\$1,206.28	21.3%	228.2%	47.6%	20.0%	8.4x	43.6x
The Coca-Cola Company	\$ 262,634.82	\$ 52.71	(3.9%)	19.1%	59.3%	38.9%	8.0x	20.5x
Mean	\$ 86,181.24	\$ 173.95	12.5%	67.5%	48%	27.1%	5.5x	20.3x
Median	\$ 39,869.96	\$ 65.91	3.0%	54.5%	53.9%	25.7%	5.6x	17.4x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 3/31/2021



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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
Distributors								
Core-Mark Holding Company, Inc.	\$ 2,328.04	\$ 38.69	31.7%	35.4%	6.5%	1.6%	0.2x	10.7x
Performance Food Group Company	\$ 10,614.51	\$ 57.61	21.0%	133.1%	11.7%	2.3%	0.4x	17.6x
SpartanNash Company	\$ 1,500.53	\$ 19.63	12.8%	37.1%	15.2%	3.0%	0.2x	5.4x
Sysco Corporation	\$ 48,834.41	\$ 78.74	6.0%	72.6%	18.2%	3.6%	1.1x	29.1x
The Chefs' Warehouse, Inc.	\$ 1,491.98	\$ 30.46	18.6%	202.5%	23.2%	(1.1%)	1.3x	NM
United Natural Foods, Inc.	\$ 5,490.73	\$ 32.94	106.3%	258.8%	14.7%	4.2%	0.2x	4.7x
US Foods Holding Corp.	\$ 14,309.52	\$ 38.12	14.4%	115.2%	16.5%	2.7%	0.6x	23.5x
Mean	\$ 12,081.39	\$ 42.31	30.1%	122.1%	15%	2.3%	0.6x	15.2x
Median	\$ 5,490.73	\$ 100.00	18.6%	115.2%	15.2%	2.7%	0.4x	14.2x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 3/31/2021



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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
Restaurants								
Brinker International, Inc.	\$ 5,469.39	\$ 71.06	25.6%	491.7%	12.6%	15.6%	1.9x	11.9x
Chipotle Mexican Grill, Inc.	\$ 42,193.10	\$1,420.82	2.5%	117.1%	36.3%	16.3%	7.1x	45.2x
Darden Restaurants, Inc.	\$ 22,598.70	\$ 142.00	19.2%	160.7%	15.6%	14.7%	3.7x	26.0x
Domino's Pizza, Inc.	\$ 18,459.77	\$ 367.79	(4.1%)	13.5%	27.6%	20.0%	4.5x	22.7x
McDonald's Corporation	\$ 215,126.64	\$ 224.14	4.5%	35.6%	51.4%	55.6%	11.2x	20.5x
Restaurant Brands International Inc.	\$ 34,300.41	\$ 65.00	6.4%	62.4%	57.2%	35.3%	6.9x	19.7x
Starbucks Corporation	\$ 148,369.57	\$ 109.27	2.1%	66.2%	23.1%	26.1%	6.4x	26.1x
Yum! Brands, Inc.	\$ 43,529.98	\$ 108.18	(0.4%)	57.9%	48.1%	36.2%	7.7x	21.9x
Mean	\$ 66,255.95	\$ 313.53	7.0%	125.6%	34.0%	27.5%	6.2x	24.3x
Median	\$ 38,246.76	\$ 125.64	3.5%	64.3%	32.0%	23.1%	6.7x	22.3x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 3/31/2021



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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
Food Retail								
Ingles Markets, Incorporated	\$ 1,874.54	\$ 61.65	44.5%	70.5%	26.8%	9.9%	0.4x	4.1x
Natural Grocers by Vitamin Cottage, Inc.	\$ 800.43	\$ 17.55	27.7%	106.2%	32.1%	10.5%	0.7x	6.8x
Sprouts Farmers Market, Inc.	\$ 4,448.37	\$ 26.62	32.4%	43.2%	36.9%	11.8%	0.7x	5.8x
The Kroger Co.	\$ 45,938.25	\$ 35.99	13.3%	19.5%	24.0%	5.2%	0.3x	6.7x
Village Super Market, Inc.	\$ 642.55	\$ 23.57	6.8%	(4.1%)	28.1%	5.6%	0.3x	5.8x
Weis Markets, Inc.	\$ 1,480.06	\$ 56.52	18.2%	35.7%	27.3%	7.6%	0.4x	4.6x
Mean	\$ 9,197.37	\$ 36.98	23.8%	45.2%	29.2%	8.5%	0.5x	5.6x
Median	\$ 1,677.30	\$ 31.31	23.0%	39.4%	27.7%	8.8%	0.4x	5.8x
Food & Beverage Mean	\$ 41,371.51	\$ 121.76	13.7%	65.3%	31.3%	18.2%	3.2x	16.2x
Food & Beverage Median	\$ 19,186.92	\$ 61.32	6.8%	37.1%	28.1%	17.6%	2.3x	13.3x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 3/31/2021



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Q1 2021 Middle-Market M&A Activity

Announcement Date	Target	Buyer	Sector	Value (\$mm)	TEV/ Revenue	TEV/ EBITDA
1/5/2021	Hu Master Holdings, LLC	Mondelez International, Inc.	Packaged Foods and Meats	231.00	-	-
1/6/2021	Thistle Health Inc.	Alumni Ventures Group, LLC; Powerplant Ventures, LLC; Rich Products Ventures; Siddhi Capital, LLC	Restaurants	10.30	-	-
1/8/2021	Outstanding Foods, Inc.	SternAegis Ventures	Packaged Foods and Meats	10.00	-	-
1/11/2021	Certain Assets of Vitner's brand	Utz Quality Foods, LLC	Packaged Foods and Meats	25.00	1.00	7.35
1/11/2021	Checkers Drive-In Restaurants, Inc.	Oak Hill Capital Partners; Oak Hill Capital Partners IV, L.P.	Restaurants	20.00	-	-
1/15/2021	14 Dunkin' Restaurants in MetroWest Boston	Northern Management Group LLC	Restaurants	44.00	-	-
1/19/2021	BlueNalu, Inc.	Thai Union Group Public Company Limited; Rich Products Corporation; Syngenta Crop Protection AG; Agronomics Limited; KBW Ventures, Inc.; Siddhi Capital, LLC; Lewis & Clark AgriFood; Rage Capital	Packaged Foods and Meats	60.00	-	-
2/2/2021	Schnucks Fresh Foods grocery store in Peoria	Sentinel Net Lease	Food Retail	7.50	-	-
2/2/2021	Snack It Forward, LLC	Post Holdings, Inc.	Packaged Foods and Meats	12.50	-	-
2/9/2021	Newtown Lane Marketing, Incorporated	Cytxera DC Holdings, Inc.	Food Distributors	78.44	-	-
2/9/2021	Potbelly Corporation	Intrinsic Investment Holdings, Llc	Restaurants	16.00	-	-
2/10/2021	Foxtrot Ventures, Incorporated	University of Chicago Endowment; Barshop Ventures; Lerer Hippeau Ventures; Collaborative Fund; Bluestein Ventures; Monogram Capital Partners; Rise of the Rest; M3 Ventures; Wasson Enterprise, LLC; Fifth Wall Ventures Management, LLC; Imaginary Ventures; Rise Of The Rest Seed Fund, LP; Almanac Holdings LLC; Wittington Ventures	Food Retail	42.00	-	-
2/10/2021	Sprout Foods, Inc.	Neptune Wellness Solutions Inc.	Packaged Foods and Meats	33.59	2.04	-
2/11/2021	PlantFuel, Inc.	Sire Bioscience Inc. (nka:PlantFuel Life Inc.)	Packaged Foods and Meats	9.73	-	-
2/16/2021	Assets of Country Fresh Holding Co Inc. (nka:Country Fresh)	Stellex Capital Management LLC	Packaged Foods and Meats	55.00	-	-

Source: S&P Capital IQ

Note: All values based on publicly available data as of 3/31/2021. Includes transactions from \$10mm to \$500mm in EV.



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Q1 2021 Middle-Market M&A Activity

Announcement Date	Target	Buyer	Sector	Value (\$mm)	TEV/ Revenue	TEV/ EBITDA
2/18/2021	Little Leaf Farms, LLC	Bank of America Corporation; Pilot House Ventures Group LLC; Coppermine Capital, LLC; Equilibrium Capital Group, LLC	Agricultural Products	90.00	-	-
2/23/2021	Aquaculture Assets of Hydrenesis Aquaculture, LLC	NaturalShrimp Incorporated	Packaged Foods and Meats	12.50	-	-
2/24/2021	Vindara, Inc.	Kalera AS	Agricultural Products	14.31	-	-
3/1/2021	Controlled Environment Agriculture (CEA) Facility and The Property in Morehead	AppHarvest, Inc.	Agricultural Products	125.00	-	-
3/8/2021	Local Eateries, Inc.	Tribeca Venture Partners; Slow Ventures LLC; Middleland Capital; FJ Labs, Inc.; Max Ventures Management LLC; RiverPark Ventures; L37 Ventures LLC	Food Retail	10.00	-	-
3/9/2021	All Assets Of DDIT LLC	Dude Delivery, LLC	Restaurants	23.51	-	-
3/10/2021	Oishii Farm Corporation	SPARX Group Co., Ltd.; Social Starts; Sony Innovation Fund; PKSHA Technology Inc.; Mirai Creation Fund II	Agricultural Products	50.00	-	-
3/15/2021	Eat Just, Inc.	Charlesbank Capital Partners, LLC; Vulcan Capital; Qatar Investment Authority	Packaged Foods and Meats	200.00	-	-
3/16/2021	Vermont Hard Cider Company, LLC	Northeast Drinks Group LLC	Distillers and Vintners	20.00	-	-
3/24/2021	CoverCress Inc.	REG Ventures, LLC; Bunge Ventures	Agricultural Products	8.00	-	-
3/24/2021	Grovara LLC	SPINS, LLC; Bluestein Ventures; CEAS Investments I, LLC; Spiral Sun Ventures; Siddhi Capital, LLC	Food Distributors	5.50	-	-
3/24/2021	Sakara Life, Inc.	Silas Capital; Annox Capital; One Better Ventures	Restaurants	15.00	-	-
3/25/2021	Just Greens, LLC	Pearl Energy Investments	Agricultural Products	125.00	-	-
3/29/2021	Ronzoni Dry Pasta Brand and a Dry Pasta Manufacturing Facility in Winchester, Virginia	8th Avenue Food & Provisions, Inc.	Packaged Foods and Meats	95.00	-	-
3/30/2021	Doms Market, LLC	Valor Management Corp.; Molto Capital Inc.; Wasson Enterprise, LLC; Cleveland Avenue LLC; M3 Ventures; Valor Siren Ventures I LP; Beliade	Food Retail	15.00	-	-
3/31/2021	U.S. motorways business of HMSHost Corporation	Applegreen plc; B&J Holdings Limited	Food Distributors	375.00	-	-

Source: S&P Capital IQ

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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.

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.

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