



INDUSTRY UPDATE

FOOD & BEVERAGE
Q2 2021

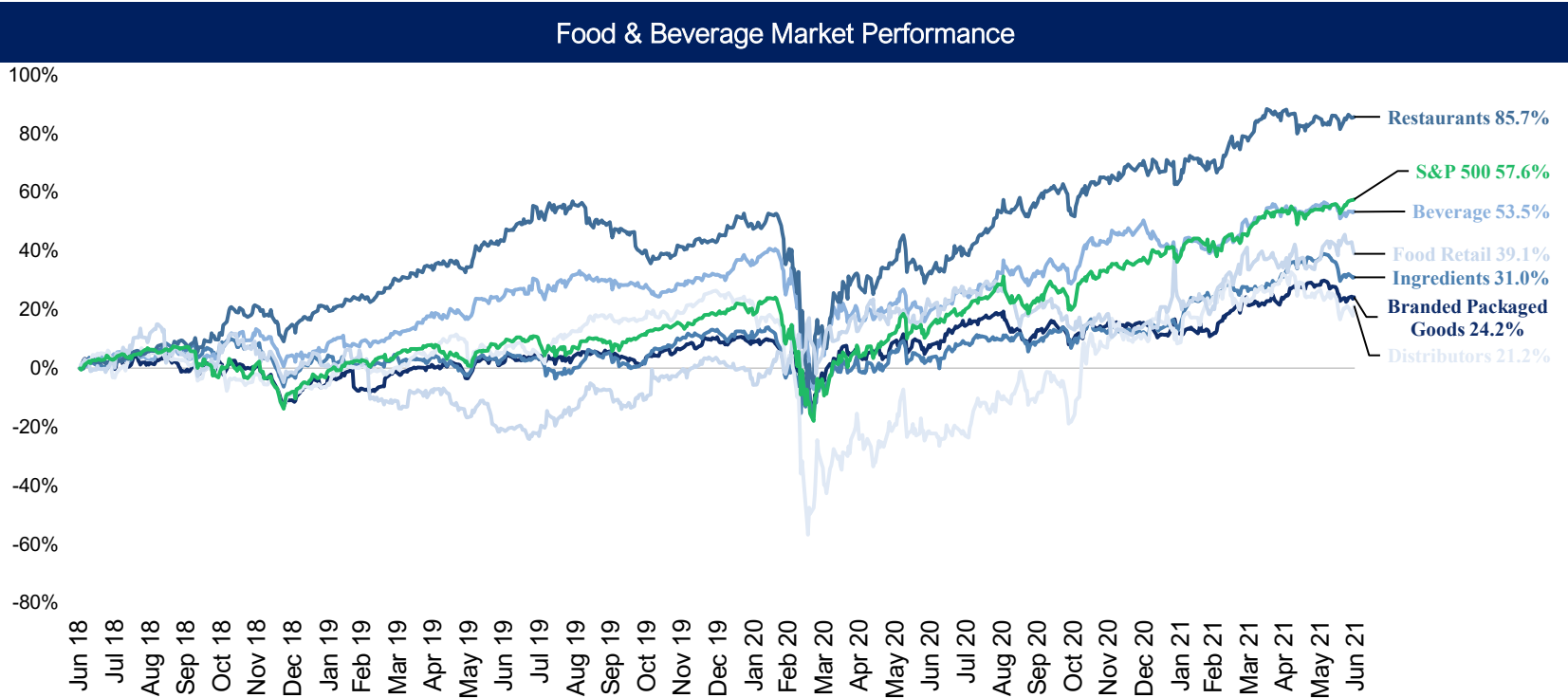


GREENWICH
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Public Market Performance

Q2 2021 saw additional gains in the Food & Beverage (“F&B”) industry and the broader U.S. equity market as equities further advanced Q1’s recovery from the COVID-19 pandemic. The Restaurants segment was the strongest performing in Q2 2021 as the future outlook for the sector improved due to the loosening of pandemic-related restrictions. For the 3-year period ending June 30, 2021, the S&P 500 index was up by 57.6%, extending its run from Q1. The F&B industry underperformed the broader market with the exception of the Restaurants segment.



Source: S&P Capital IQ
Note: All values based on publicly available data as of 6/30/2021



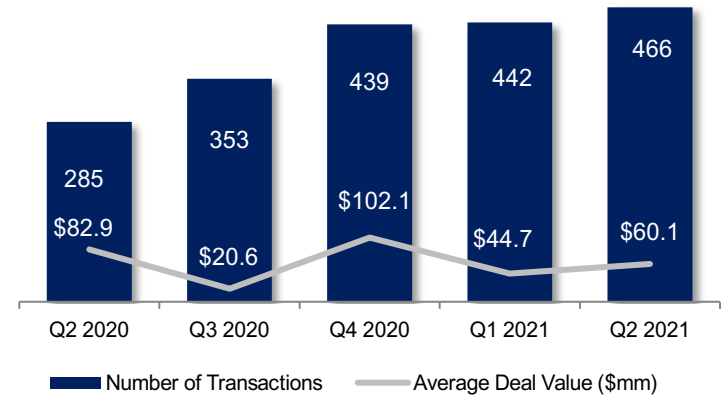
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Middle-Market M&A Activity

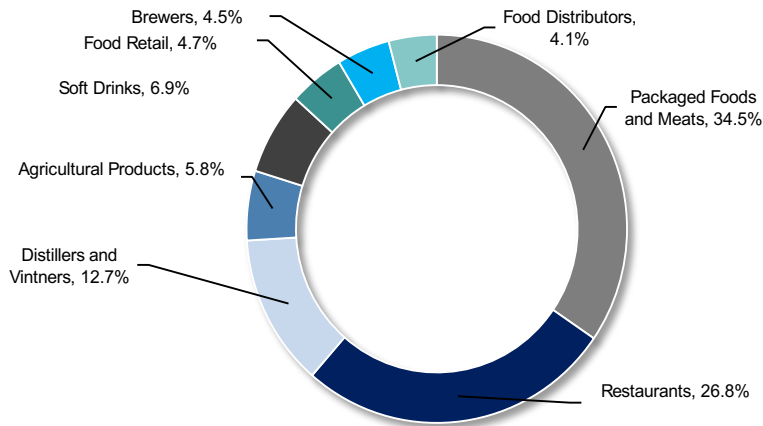
In Q2 2021, the F&B sector saw a greater number of transactions and higher average deal value than in Q1 2021. There were 466 transactions in Q2 with an average deal value of \$60.1 million. Strategic buyers continue to dominate overall deal activity, while financial buyers have grown their presence due to favorable industry trends and historical levels of dry powder. In Q2, financial buyers represented 18% of all M&A activity in the industry.

The Packaged Foods and Meats category led activity, accounting for 34.5% of total F&B transaction volume. Restaurant companies proved to be attractive targets as well, comprising nearly 27% of transaction volume.

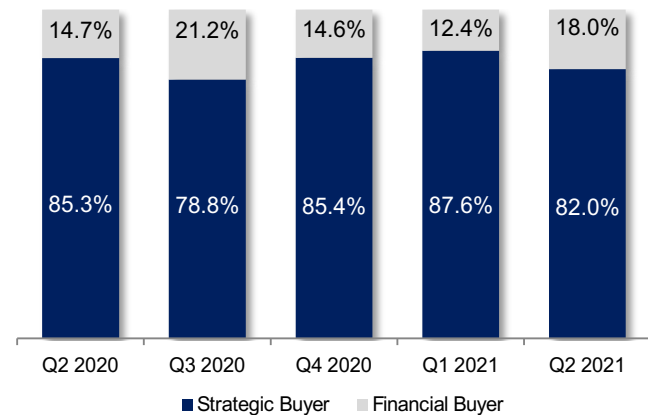
Food & Beverage M&A Activity



Q2 2021 M&A Activity by Sector Activity



M&A Activity by Buyer Type



Source: S&P Capital IQ

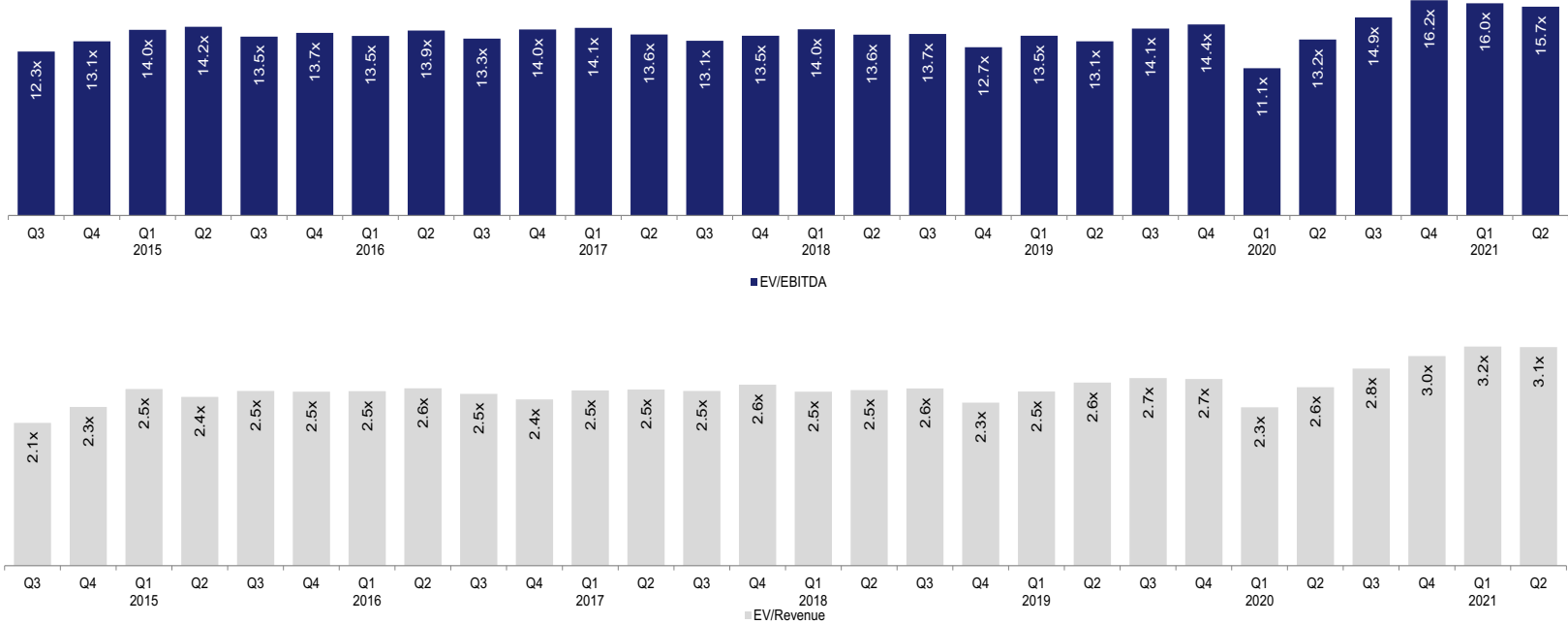
Note: All values based on publicly available data as of 6/30/2021. Beginning in Q3 2020, GCG's middle market M&A criteria includes transactions from \$10mm to \$500mm in EV.



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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 15.7x EBITDA and 3.1x 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 1.9% and a decrease in revenue multiples of 3.1%.



Source: S&P Capital IQ
 Note: All values based on publicly available data as of 6/30/2021



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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.	\$ 4,444.23	\$ 32.80	4.3%	34.5%	24.8%	19.0%	2.2x	11.6x
Campbell Soup Company	\$ 19,045.12	\$ 45.59	(11.3%)	(8.1%)	34.2%	22.7%	2.2x	9.6x
Conagra Brands, Inc.	\$ 26,963.97	\$ 36.38	(5.1%)	3.4%	29.3%	22.7%	2.3x	10.1x
General Mills, Inc.	\$ 49,046.23	\$ 60.93	(1.4%)	(1.2%)	35.6%	24.2%	2.7x	11.2x
Hormel Foods Corporation	\$ 25,418.30	\$ 47.75	(0.9%)	(1.1%)	19.3%	14.0%	2.6x	18.4x
Kellogg Company	\$ 30,355.13	\$ 64.33	0.9%	(2.6%)	34.2%	17.9%	2.2x	12.2x
Lancaster Colony Corporation	\$ 5,136.33	\$ 193.51	7.6%	24.9%	27.0%	16.7%	3.7x	21.9x
McCormick & Company, Incorporated	\$ 28,959.12	\$ 88.32	(1.8%)	(1.5%)	40.6%	21.8%	4.9x	22.3x
Mondelez International, Inc.	\$ 107,661.49	\$ 62.44	6.2%	22.1%	40.4%	25.7%	4.0x	15.5x
Post Holdings, Inc.	\$ 13,674.73	\$ 108.47	1.7%	23.8%	31.3%	18.9%	2.4x	12.7x
The J. M. Smucker Company	\$ 18,613.69	\$ 129.57	0.8%	22.5%	39.3%	24.1%	2.3x	9.7x
The Kraft Heinz Company	\$ 75,070.95	\$ 40.78	1.2%	27.9%	36.0%	32.7%	2.8x	8.7x
TreeHouse Foods, Inc.	\$ 4,614.65	\$ 44.52	(16.2%)	1.6%	19.6%	12.9%	1.1x	8.3x
Tyson Foods, Inc.	\$ 36,424.41	\$ 73.76	(2.9%)	23.5%	14.1%	11.9%	0.8x	7.1x
Mean	\$ 31,816.31	\$ 73.51	(1.2%)	12.1%	30.4%	20.4%	2.6x	12.8x
Median	\$ 26,191.13	\$ 61.69	(0.0%)	12.8%	32.8%	20.4%	2.4x	11.4x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 6/30/2021



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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	\$ 45,429.35	\$ 60.60	4.7%	51.9%	7.4%	6.3%	0.7x	10.5x
Cal-Maine Foods, Inc.	\$ 1,591.02	\$ 36.21	(7.3%)	(18.6%)	16.8%	9.0%	1.1x	12.1x
Hormel Foods Corporation	\$ 25,418.30	\$ 47.75	(0.9%)	(1.1%)	19.3%	14.0%	2.6x	18.4x
Ingredion Incorporated	\$ 7,967.28	\$ 90.50	(1.8%)	9.0%	21.6%	16.2%	1.3x	8.1x
International Flavors & Fragrances Inc.	\$ 49,112.63	\$ 149.40	6.9%	22.0%	39.6%	22.7%	7.9x	34.9x
Pilgrim's Pride Corporation	\$ 7,704.91	\$ 22.18	(8.9%)	31.3%	7.5%	8.2%	0.6x	7.7x
Premium Brands Holdings Corporation	\$ 5,956.30	\$ 101.64	7.1%	59.7%	19.1%	7.6%	1.8x	23.3x
Sensient Technologies Corporation	\$ 4,162.04	\$ 86.56	11.3%	66.0%	32.0%	17.6%	3.1x	17.7x
Mean	\$ 18,417.73	\$ 74.36	1.4%	27.5%	20.4%	12.7%	2.4x	16.6x
Median	\$ 7,836.10	\$ 73.58	1.9%	26.7%	19.2%	11.5%	1.5x	14.9x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 6/30/2021



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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	\$ 236,394.98	\$ 72.01	12.6%	46.1%	57.9%	34.5%	4.9x	14.1x
Brown-Forman Corporation	\$ 36,610.38	\$ 74.94	7.1%	17.7%	60.5%	32.8%	10.6x	32.3x
Constellation Brands, Inc.	\$ 55,090.45	\$ 233.89	(0.0%)	33.7%	53.9%	39.9%	6.3x	15.9x
Primo Water Corporation	\$ 4,247.93	\$ 16.74	3.0%	22.2%	56.4%	19.1%	2.1x	11.2x
Farmer Bros. Co.	\$ 335.31	\$ 12.69	44.7%	72.9%	23.4%	4.7%	0.9x	19.2x
Molson Coors Beverage Company	\$ 19,854.13	\$ 53.69	2.6%	56.3%	41.0%	25.3%	2.1x	8.3x
Monster Beverage Corporation	\$ 46,146.22	\$ 91.35	0.7%	31.8%	58.6%	36.6%	9.7x	26.4x
National Beverage Corp.	\$ 4,252.02	\$ 47.23	(2.1%)	54.8%	39.3%	24.2%	4.0x	16.4x
PepsiCo, Inc.	\$ 241,862.30	\$ 148.17	3.9%	12.0%	54.7%	18.9%	3.4x	17.9x
Starbucks Corporation	\$ 151,270.42	\$ 111.81	1.4%	51.9%	23.1%	26.1%	6.3x	24.3x
The Boston Beer Company, Inc.	\$ 12,351.93	\$ 1,020.80	(14.6%)	90.2%	47.6%	20.0%	6.3x	31.7x
The Coca-Cola Company	\$ 267,917.04	\$ 54.11	1.8%	21.1%	59.4%	39.6%	8.0x	20.3x
Mean	\$ 89,694.43	\$ 161.45	5.1%	42.6%	48%	26.8%	5.4x	19.8x
Median	\$ 41,378.30	\$ 73.48	2.2%	39.9%	54.3%	25.7%	5.6x	18.5x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 6/30/2021



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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								
AMCON Distributing Company	\$149.98	\$153.11	32.7%	171.8%	7.7%	2.1%	0.1x	5.8x
Core-Mark Holding Company, Inc.	\$2,588.12	\$45.01	15.9%	80.4%	6.5%	1.6%	0.2x	11.8x
Performance Food Group Company	\$9,292.25	\$48.49	-15.1%	66.4%	11.7%	2.3%	0.3x	15.2x
SpartanNash Company	\$1,515.31	\$19.31	-4.7%	-9.1%	15.5%	3.0%	0.2x	5.5x
Sysco Corporation	\$48,191.99	\$77.75	-2.7%	42.2%	18.2%	3.6%	1.1x	30.3x
The Chefs' Warehouse, Inc.	\$1,555.85	\$31.83	6.5%	134.4%	23.2%	(1.1%)	1.5x	NM
United Natural Foods, Inc.	\$5,709.06	\$36.98	10.0%	103.1%	14.6%	4.3%	0.2x	4.9x
US Foods Holding Corp.	\$14,053.53	\$38.36	1.4%	94.5%	16.2%	2.5%	0.6x	24.4x
Mean	\$10,382.01	\$56.36	5.5%	85.5%	14%	2.3%	0.5x	14.0x
Median	\$4,148.59	\$41.69	3.9%	87.4%	15.0%	2.4%	0.3x	11.8x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 6/30/2021



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Public Comparable Companies (Cont'd)

Company Name	Enterprise	Share	Price Change		LTM Margins		TEV / LTM:	
	Value (\$mm)	Stock Price	3 month	12 month	Gross	EBITDA	Revenue	EBITDA
Restaurants								
Brinker International, Inc.	\$4,941.79	\$61.85	-14.2%	157.7%	12.6%	15.6%	1.7x	11.0x
Chipotle Mexican Grill, Inc.	\$45,833.71	\$1,550.34	10.2%	47.3%	36.3%	16.3%	7.3x	44.4x
Darden Restaurants, Inc.	\$22,905.32	\$145.99	0.6%	92.7%	20.8%	19.7%	3.2x	16.2x
Domino's Pizza, Inc.	\$22,199.83	\$466.49	26.7%	26.3%	27.6%	20.0%	5.3x	26.2x
McDonald's Corporation	\$218,886.00	\$230.99	2.7%	25.2%	51.4%	55.6%	11.2x	20.1x
Restaurant Brands International Inc.	\$34,156.46	\$64.44	-1.8%	18.0%	57.2%	35.3%	6.8x	19.4x
Starbucks Corporation	\$151,270.42	\$111.81	1.4%	51.9%	23.1%	26.1%	6.3x	24.3x
Yum! Brands, Inc.	\$45,272.57	\$115.03	4.8%	32.4%	48.1%	36.2%	7.7x	21.3x
Mean	\$68,183.26	\$343.37	3.8%	56.4%	34.6%	28.1%	6.2x	22.9x
Median	\$39,714.52	\$130.51	2.0%	39.8%	32.0%	23.1%	6.6x	20.7x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 6/30/2021



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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	\$ 1,792.84	\$ 58.27	(8.9%)	35.3%	26.8%	9.9%	0.4x	3.8x
Natural Grocers by Vitamin Cottage, Inc.	\$ 646.68	\$ 10.74	(39.4%)	(27.8%)	32.1%	10.5%	0.6x	5.8x
Sprouts Farmers Market, Inc.	\$ 4,159.32	\$ 24.85	(11.7%)	(2.9%)	37.2%	11.9%	0.7x	5.5x
The Kroger Co.	\$ 47,499.88	\$ 38.31	0.6%	13.2%	23.5%	4.8%	0.4x	7.5x
Village Super Market, Inc.	\$ 636.10	\$ 23.51	(7.1%)	(15.2%)	28.0%	5.1%	0.3x	6.2x
Weis Markets, Inc.	\$ 1,377.53	\$ 51.66	(12.1%)	3.1%	27.3%	7.6%	0.3x	4.4x
Mean	\$ 9,352.06	\$ 34.56	(13.1%)	0.9%	29.1%	8.3%	0.4x	5.5x
Median	\$ 1,585.18	\$ 31.58	(10.3%)	0.1%	27.6%	8.8%	0.4x	5.7x
Food & Beverage Mean	\$ 42,031.03	\$ 124.40	0.9%	36.5%	30.9%	17.9%	3.1x	15.7x
Food & Beverage Median	\$ 19,449.63	\$ 61.39	0.8%	25.7%	27.8%	17.7%	2.2x	14.1x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 6/30/2021



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Q2 2021 Middle-Market M&A Activity

Announcement Date	Target	Buyer	Sector	Value (\$mm)	TEV/Rev	TEV/EBITDA
4/5/2021	Natural American Foods, Inc.	Blue Road Management, L.P.	Packaged Foods and Meats	102.00	-	-
4/12/2021	McLovin's Pet Food, Inc.	Caduceus Software Systems Corp.	Packaged Foods and Meats	68.00	-	-
4/15/2021	5,734 acres of ranch land	State of Florida	Agricultural Products	14.40	-	-
4/21/2021	Bohemian Beverage Co.	Green Hygienics Holdings Inc.	Brewers	13.70	-	-
4/22/2021	Assets of Carla's Pasta, Inc.	Tribe 9 Foods LLC	Packaged Foods and Meats	27.70	-	-
4/22/2021	Agri-Kind, LLC\Agronomed Holdings Inc.	Verano Holdings Corp.	Agricultural Products	147.00	-	-
4/29/2021	106 Certain Convenience Store Properties located in regions of the U.S.	CrossAmerica Partners LP	Food Retail	263.00	-	-
5/3/2021	Food of New Mexico Distributors, Inc.	Tattooed Chef, Inc.	Packaged Foods and Meats	25.82	-	-
5/4/2021	Picky Bars, LLC	Laird Superfood, Inc.	Packaged Foods and Meats	11.96	1.20x	-
5/10/2021	Long Term Care Operations 360 Inc.	Long Term Care Operations 360 Inc	Restaurants	-	-	-
5/11/2021	All Assets And Certain Operating Liabilities Of Great Lakes Festida Holdings, Inc.	Utz Brands, Inc.	Packaged Foods and Meats	41.00	-	-
5/12/2021	Red River Valley Egg Farm, LLC	Cal-Maine Foods, Inc.	Packaged Foods and Meats	48.50	-	-
5/14/2021	Nulo, Inc.	Apax Partners LLP; Apax X Fund	Packaged Foods and Meats	12.50	-	-
5/18/2021	Lily's Sweets, LLC	The Hershey Company	Packaged Foods and Meats	425.00	3.86x	-
5/28/2021	Borges Of California, Inc.	Carriere Family Farms, Inc.	Agricultural Products	24.25	-	-
6/1/2021	Ready-to-Eat Cereal Business of TreeHouse Foods, Inc.	Post Holdings, Inc.	Packaged Foods and Meats	85.00	-	-
6/2/2021	Sports Pouch Beverage Co., Inc.	Glink Apps International	Soft Drinks	59.20	-	-

Source: S&P Capital IQ

Note: All values based on publicly available data as of 6/30/2021. Includes transactions from \$10mm to \$500mm in EV.



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Q2 2021 Middle-Market M&A Activity

Announcement Date	Target	Buyer	Sector	Value (\$mm)	TEV/Rev	TEV/EBITDA
6/7/2021	API Holdings, LLC	Anderson Company Investments III LLC	Agricultural Products	16.67	-	-
6/23/2021	JM Swank, LLC	Brenntag SE	Food Distributors	304.00	0.6x	-
6/25/2021	Village Inn/Bakers Square Restaurants	BBQ Holdings, Inc.	Restaurants	13.50	-	-
6/28/2021	Global Franchise Group, LLC	FAT Brands Inc.	Restaurants	442.50	-	-

Source: S&P Capital IQ

Note: All values based on publicly available data as of 6/30/2021. Includes transactions from \$10mm to \$500mm in EV.



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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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