



# INDUSTRY UPDATE

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FOOD & BEVERAGE  
Q1 2023



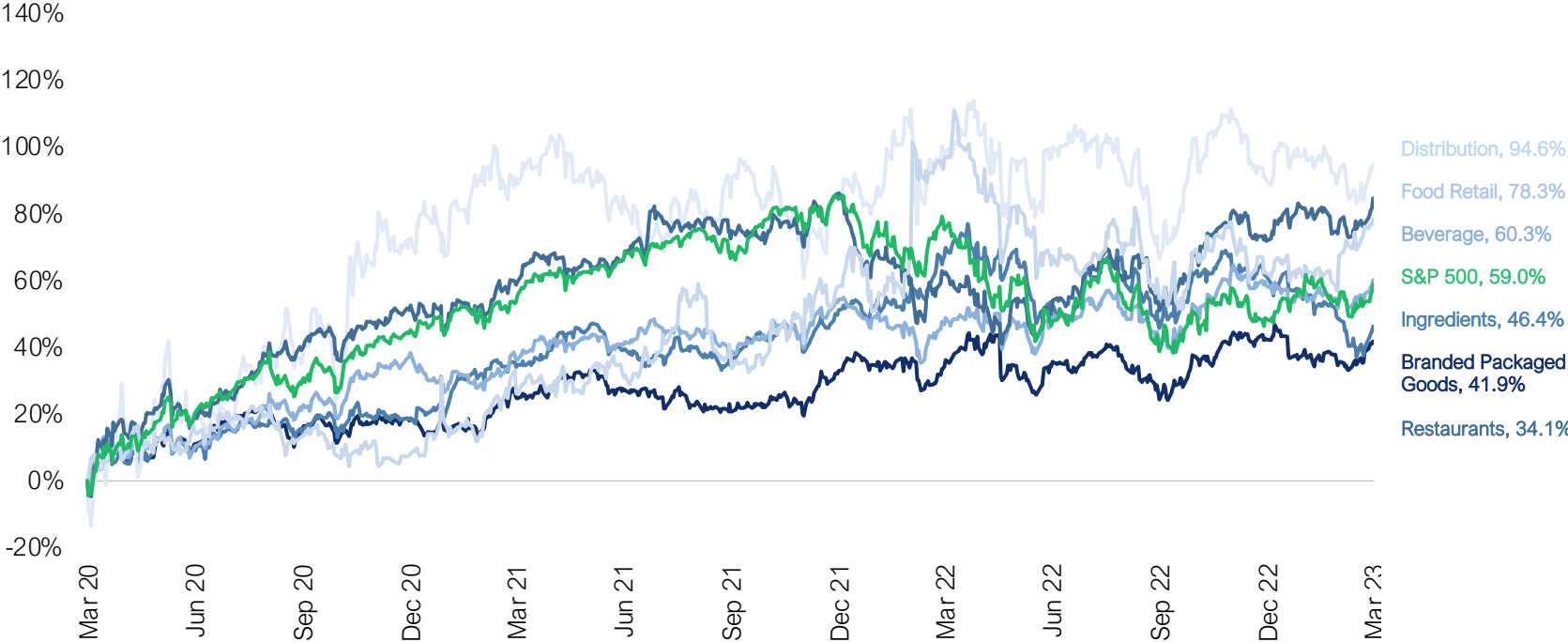
GREENWICH  
CAPITAL GROUP

# GCG Food & Beverage Update | Q1 2023

## Public Market Performance

All sectors in the Food & Beverage (“F&B”) industry experienced gains in the market in Q1 2023, reinforcing predictions of 5.5% growth in food and beverage purchases for 2023. The sector has remained resilient through the recent banking crisis and fears of an upcoming recession as consumers have switched from purchasing premium products to cheaper private label alternatives. The Food Retail segment was the strongest performer in Q1 2023, recording a median increase of 5.6% (see pg. 10) in share price over the quarter. For the 3-year period ending March 31, 2023, the Distribution, Food Retail, and Beverage sectors outperformed the S&P 500 index, which recorded gains of 59.0% despite the shaky start to the year.

Food & Beverage Market Performance



Source: S&P Capital IQ  
Note: All values based on publicly available data as of 3/31/2023.

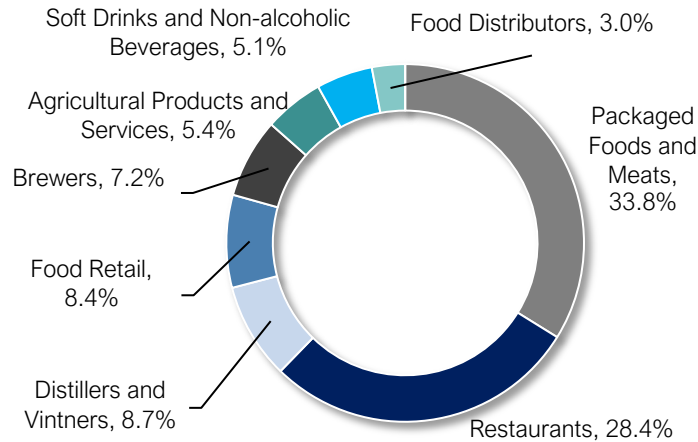


# GCG Food & Beverage Update | Q1 2023

## Middle-Market M&A Activity

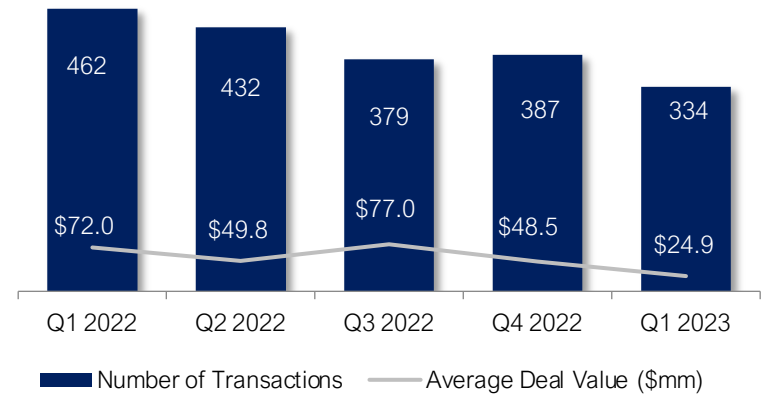
Transaction volume in the Food & Beverage industry slightly decreased in Q1 2023 compared to the previous quarter. Transaction volume also decreased by 28% on a year-over-year basis. Average deal value decreased to \$24.9M this quarter as the rising interest rate environment has made it increasingly difficult for acquirers to obtain financing for large scale acquisitions. While financials buyers remain active in the sector as they continue to make tuck-in acquisitions for current portfolio companies, strategic buyers represent the largest portion of acquirers, accounting for 88.9% of transaction volume. The Packaged Foods and Meats category led activity in the industry, accounting for 33.8% of total volume. The Restaurants sector was active as well, comprising 28.4% of transaction volume.

### Q1 2023 M&A Activity by Sector

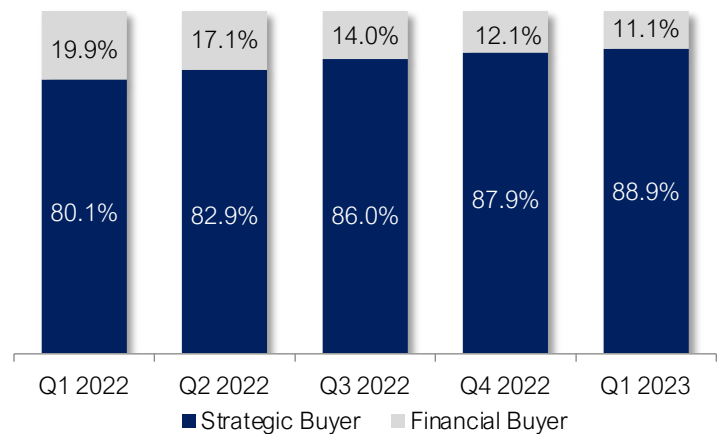


Source: S&P Capital IQ  
 Note: All values based on publicly available data as of 3/31/2023.

### Q1 2023 Food & Beverage M&A Activity



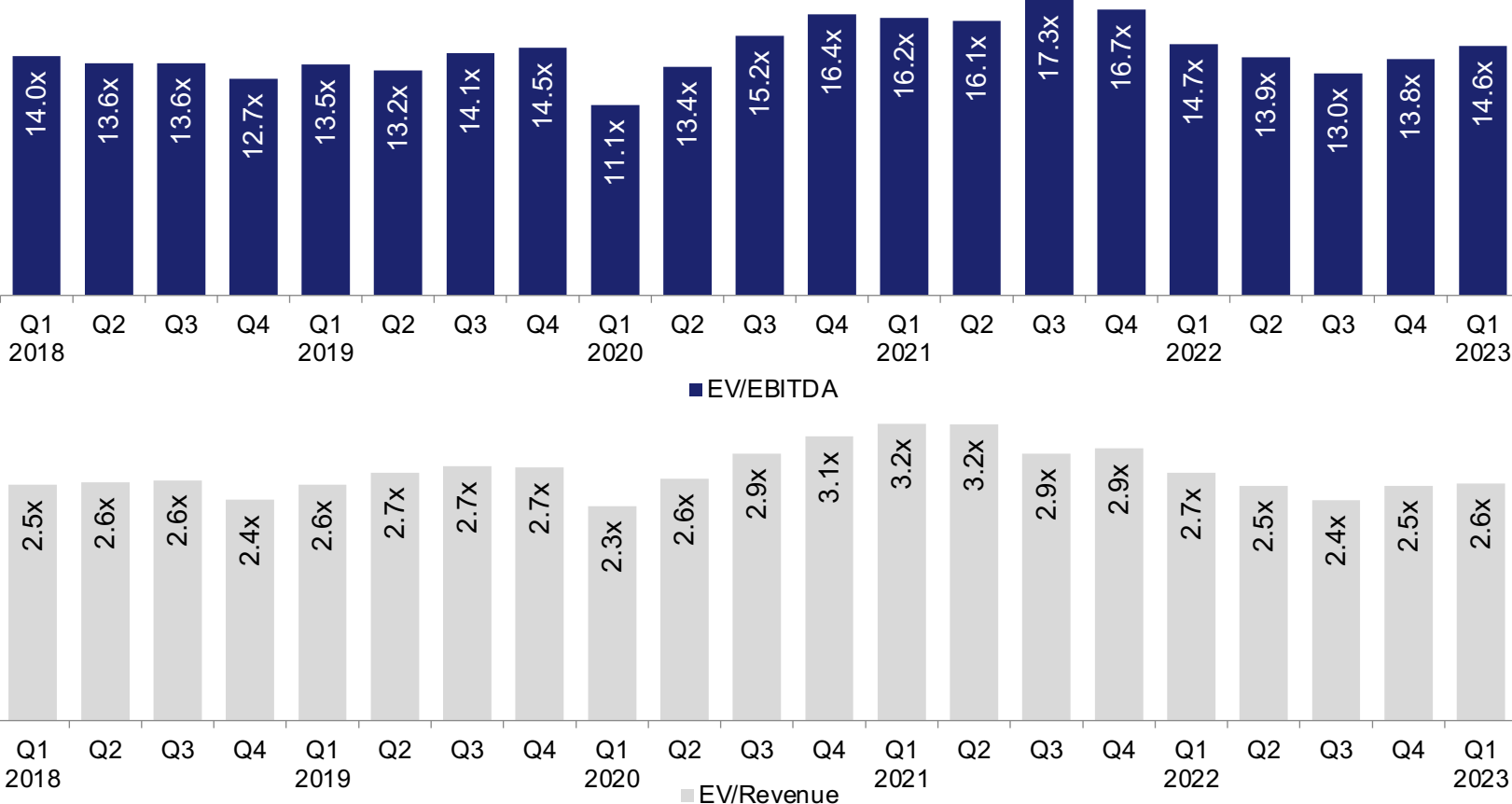
### Q1 2023 M&A Activity by Buyer Type



# GCG Food & Beverage Update | Q1 2023

## Public Company Trading Multiples

Based on a representative set of publicly traded companies across the F&B industry, companies traded at an average multiple of 14.6x EBITDA and 2.6x Revenue in Q1 2023. The F&B industry recorded a 5.5% increase in average EBITDA multiple and a 1% increase in average Revenue multiple from the previous quarter. The Beverages sector continues to lead the industry with a median EBITDA multiple of 18.7x.



Source: S&P Capital IQ  
 Note: All values based on publicly available data as of 3/31/2023.



# GCG Food & Beverage Update | Q1 2023

## 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.	\$ 3,529.35	\$ 15.53	39.3%	(42.1%)	19.4%	14.0%	1.6x	11.6x	
Campbell Soup Company	\$ 21,110.19	\$ 54.98	(3.1%)	22.0%	30.8%	21.0%	2.3x	11.0x	
Conagra Brands, Inc.	\$ 27,583.94	\$ 37.56	(2.9%)	10.2%	26.3%	20.4%	2.3x	11.5x	
General Mills, Inc.	\$ 61,413.01	\$ 85.46	1.9%	24.1%	33.0%	20.3%	3.1x	15.1x	
Hormel Foods Corporation	\$ 24,484.73	\$ 39.88	(12.4%)	(23.9%)	17.1%	16.5%	2.0x	12.0x	
Kellogg Company	\$ 30,313.06	\$ 66.96	(6.0%)	2.1%	30.2%	14.6%	2.0x	13.5x	
Lancaster Colony Corporation	\$ 5,515.75	\$ 202.88	2.8%	31.0%	20.9%	12.5%	3.1x	25.1x	
McCormick & Company, Incorporated	\$ 27,175.55	\$ 83.21	0.4%	(18.4%)	35.6%	18.7%	4.3x	22.7x	
Mondelez International, Inc.	\$ 116,776.75	\$ 69.72	4.6%	9.7%	36.1%	22.8%	3.7x	16.2x	
Post Holdings, Inc.	\$ 10,927.63	\$ 89.87	(0.4%)	26.6%	25.5%	14.4%	1.8x	12.5x	
The J. M. Smucker Company	\$ 21,085.02	\$ 157.37	(0.7%)	14.4%	32.2%	20.0%	2.5x	12.7x	
The Kraft Heinz Company	\$ 67,467.05	\$ 38.67	(5.0%)	(3.2%)	31.1%	28.0%	2.5x	9.1x	
TreeHouse Foods, Inc.	\$ 4,351.64	\$ 50.43	2.1%	50.4%	15.0%	8.1%	1.3x	15.5x	
Tyson Foods, Inc.	\$ 28,940.73	\$ 59.32	(4.7%)	(34.8%)	10.4%	10.0%	0.5x	5.4x	
Mean	\$ 32,191.03	\$ 75.13	1.1%	4.9%	26.0%	17.2%	2.4x	13.9x	
Median	\$ 25,830.14	\$ 63.14	(0.6%)	10.0%	28.3%	17.6%	2.3x	12.6x	

Source: S&P Capital IQ

Note: All values based on publicly available data as of 3/31/2023.



# GCG Food & Beverage Update | Q1 2023

## Public Comparable Companies (Cont'd)

<u>Company Name</u>	<u>Enterprise</u>	<u>Share</u>	<u>Price Change</u>		<u>LTM Margins</u>		<u>TEV / LTM:</u>		
	<u>Value (\$mils)</u>	<u>Stock Price</u>	<u>3 month</u>	<u>12 month</u>	<u>Gross</u>	<u>EBITDA</u>	<u>Revenue</u>	<u>EBITDA</u>	
<b>Ingredients</b>									
Archer-Daniels-Midland Company	\$ 53,003.82	\$ 79.66	(14.2%)	(12.6%)	7.5%	6.5%	0.5x	8.1x	
Cal-Maine Foods, Inc.	\$ 2,336.61	\$ 60.89	11.8%	3.7%	39.1%	34.2%	0.8x	2.2x	
Hormel Foods Corporation	\$ 24,484.73	\$ 39.88	(12.4%)	(23.9%)	17.1%	16.5%	2.0x	12.0x	
Ingredion Incorporated	\$ 9,216.25	\$ 101.73	3.9%	13.0%	18.8%	13.5%	1.2x	8.6x	
International Flavors & Fragrances Inc.	\$ 34,700.01	\$ 91.96	(12.3%)	(31.5%)	33.4%	19.5%	2.8x	14.3x	
Pilgrim's Pride Corporation	\$ 8,601.59	\$ 23.18	(2.3%)	(8.6%)	10.4%	10.4%	0.5x	4.7x	
Premium Brands Holdings Corporation	\$ 5,181.26	\$ 73.90	21.6%	(13.6%)	18.3%	6.6%	1.2x	17.6x	
Sensient Technologies Corporation	\$ 3,888.13	\$ 76.56	5.0%	(10.7%)	34.0%	18.1%	2.7x	14.9x	
Mean	\$ 17,676.55	\$ 68.47	0.1%	(10.5%)	22.3%	15.7%	1.4x	10.3x	
Median	\$ 8,908.92	\$ 75.23	0.8%	(11.7%)	18.6%	15.0%	1.2x	10.3x	

Source: S&P Capital IQ

Note: All values based on publicly available data as of 3/31/2023.



# GCG Food & Beverage Update | Q1 2023

## Public Comparable Companies (Cont'd)

<u>Company Name</u>	<u>Enterprise</u>	<u>Share</u>	<u>Price Change</u>		<u>LTM Margins</u>		<u>TEV / LTM:</u>		
	<u>Value (\$mils)</u>	<u>Stock Price</u>	<u>3 month</u>	<u>12 month</u>	<u>Gross</u>	<u>EBITDA</u>	<u>Revenue</u>	<u>EBITDA</u>	
<b>Beverages</b>									
Anheuser-Busch InBev SA/NV	\$ 214,528.13	\$ 66.73	11.1%	9.0%	54.5%	33.1%	3.7x	11.0x	
Brown-Forman Corporation	\$ 33,556.50	\$ 64.27	(2.1%)	(5.3%)	59.5%	28.4%	8.0x	28.3x	
Constellation Brands, Inc.	\$ 53,990.80	\$ 225.89	(2.5%)	(3.3%)	50.5%	13.3%	5.6x	38.8x	
Primo Water Corporation	\$ 4,051.03	\$ 15.34	(1.3%)	6.1%	58.4%	19.8%	1.8x	9.2x	
Farmer Bros. Co.	\$ 198.84	\$ 3.86	(16.3%)	(46.8%)	25.7%	0.6%	0.4x	66.0x	
Molson Coors Beverage Company	\$ 17,557.82	\$ 51.68	0.3%	(1.4%)	34.2%	16.6%	1.6x	9.9x	
Monster Beverage Corporation	\$ 53,799.33	\$ 54.01	6.4%	31.5%	50.3%	26.3%	8.5x	32.4x	
National Beverage Corp.	\$ 4,839.17	\$ 52.72	13.3%	18.0%	33.5%	18.6%	4.1x	22.2x	
PepsiCo, Inc.	\$ 287,347.46	\$ 182.30	0.9%	7.4%	53.3%	18.6%	3.3x	17.8x	
Starbucks Corporation	\$ 140,247.01	\$ 104.13	5.0%	13.8%	25.7%	27.1%	4.3x	15.7x	
The Boston Beer Company, Inc.	\$ 3,881.68	\$ 328.70	(0.2%)	(16.0%)	41.2%	10.4%	1.9x	17.8x	
The Coca-Cola Company	\$ 300,729.73	\$ 62.03	(2.5%)	(1.3%)	58.1%	35.8%	7.0x	19.6x	
Mean	\$ 92,893.96	\$ 100.97	1.0%	1.0%	45%	20.7%	4.2x	24.1x	
Median	\$ 43,677.92	\$ 63.15	0.0%	2.4%	50.4%	19.2%	3.9x	18.7x	

Source: S&P Capital IQ

Note: All values based on publicly available data as of 3/31/2023.



# GCG Food & Beverage Update | Q1 2023

## Public Comparable Companies (Cont'd)

<u>Company Name</u>	<u>Enterprise</u>	<u>Share</u>	<u>Price Change</u>		<u>LTM Margins</u>		<u>TEV / LTM:</u>	
	<u>Value (\$mils)</u>	<u>Stock Price</u>	<u>3 month</u>	<u>12 month</u>	<u>Gross</u>	<u>EBITDA</u>	<u>Revenue</u>	<u>EBITDA</u>
<b>Distributors</b>								
AMCON Distributing Company	\$ 280.62	\$ 167.00	(7.7%)	3.7%	8.2%	2.2%	0.2x	7.6x
Performance Food Group Company	\$ 14,252.81	\$ 60.34	3.3%	18.5%	11.2%	2.4%	0.3x	11.3x
SpartanNash Company	\$ 1,628.54	\$ 24.80	(18.0%)	(26.6%)	15.5%	2.3%	0.2x	7.2x
Sysco Corporation	\$ 50,525.10	\$ 77.23	1.0%	(6.3%)	18.2%	5.3%	0.7x	13.0x
The Chefs' Warehouse, Inc.	\$ 2,024.68	\$ 34.05	2.3%	2.3%	23.7%	6.7%	0.8x	11.6x
United Natural Foods, Inc.	\$ 4,885.14	\$ 26.35	(31.9%)	(37.8%)	14.2%	3.1%	0.2x	5.2x
US Foods Holding Corp.	\$ 14,202.20	\$ 36.94	8.6%	(1.6%)	16.1%	3.2%	0.4x	12.9x
Mean	\$ 12,542.73	\$ 60.96	(6.1%)	(6.8%)	15%	3.6%	0.4x	9.8x
Median	\$ 4,885.14	\$ 100.00	1.0%	(1.6%)	15.5%	3.1%	0.3x	11.3x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 3/31/2023.





# GCG Food & Beverage Update | Q1 2023

## Public Comparable Companies (Cont'd)

<u>Company Name</u>	<u>Enterprise</u>	<u>Share</u>	<u>Price Change</u>		<u>LTM Margins</u>		<u>TEV / LTM:</u>	
	<u>Value (\$mils)</u>	<u>Stock Price</u>	<u>3 month</u>	<u>12 month</u>	<u>Gross</u>	<u>EBITDA</u>	<u>Revenue</u>	<u>EBITDA</u>
<b>Restaurants</b>								
Brinker International, Inc.	\$ 3,943.69	\$ 38.00	19.1%	2.8%	11.7%	13.7%	1.0x	7.2x
Chipotle Mexican Grill, Inc.	\$ 50,018.40	\$ 1,708.29	23.1%	7.2%	39.1%	22.7%	5.8x	25.5x
Darden Restaurants, Inc.	\$ 24,543.49	\$ 155.16	12.2%	19.3%	19.6%	18.5%	2.4x	12.9x
Domino's Pizza, Inc.	\$ 16,876.50	\$ 329.87	(4.8%)	(16.9%)	25.6%	19.9%	3.7x	18.7x
McDonald's Corporation	\$ 250,740.56	\$ 279.61	6.1%	12.2%	57.0%	59.5%	10.8x	18.2x
Restaurant Brands International Inc.	\$ 35,857.64	\$ 67.14	3.8%	15.3%	39.9%	33.3%	5.5x	16.5x
Starbucks Corporation	\$ 140,247.01	\$ 104.13	5.0%	13.8%	25.7%	27.1%	4.3x	15.7x
Yum! Brands, Inc.	\$ 49,264.65	\$ 132.08	3.1%	11.2%	48.3%	35.2%	7.2x	20.5x
Mean	\$ 71,436.49	\$ 351.79	8.5%	8.1%	33.4%	28.8%	5.1x	16.9x
Median	\$ 42,561.14	\$ 143.62	5.5%	11.7%	32.4%	24.9%	4.9x	17.3x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 3/31/2023.



# GCG Food & Beverage Update | Q1 2023

## Public Comparable Companies (Cont'd)

<u>Company Name</u>	<u>Enterprise</u>	<u>Share</u>	<u>Price Change</u>		<u>LTM Margins</u>		<u>TEV / LTM:</u>		
	<u>Value (\$mils)</u>	<u>Stock Price</u>	<u>3 month</u>	<u>12 month</u>	<u>Gross</u>	<u>EBITDA</u>	<u>Revenue</u>	<u>EBITDA</u>	
<b>Food Retail</b>									
Ingles Markets, Incorporated	\$ 2,037.22	\$ 88.70	(8.0%)	(0.7%)	24.8%	8.8%	0.4x	4.0x	
Natural Grocers by Vitamin Cottage, Inc.	\$ 634.76	\$ 11.75	28.6%	(40.7%)	32.4%	10.6%	0.6x	5.5x	
Sprouts Farmers Market, Inc.	\$ 4,857.89	\$ 35.03	8.2%	8.0%	36.9%	11.9%	0.8x	6.4x	
The Kroger Co.	\$ 54,855.37	\$ 49.37	10.7%	(14.1%)	22.1%	5.7%	0.4x	6.5x	
Village Super Market, Inc.	\$ 611.59	\$ 22.88	(1.8%)	(7.3%)	28.1%	6.5%	0.3x	4.4x	
Weis Markets, Inc.	\$ 2,119.03	\$ 84.67	2.9%	14.5%	25.7%	6.8%	0.5x	6.6x	
Mean	\$ 10,852.64	\$ 48.73	6.8%	(6.7%)	28.3%	8.4%	0.5x	5.6x	
Median	\$ 2,078.12	\$ 42.20	5.6%	(4.0%)	26.9%	7.8%	0.4x	5.9x	
<b>Food &amp; Beverage Mean</b>	<b>\$ 44,204.02</b>	<b>\$ 115.36</b>	<b>1.7%</b>	<b>(0.5%)</b>	<b>29.7%</b>	<b>16.7%</b>	<b>2.6x</b>	<b>14.6x</b>	
<b>Food &amp; Beverage Median</b>	<b>\$ 21,085.02</b>	<b>\$ 66.73</b>	<b>1.0%</b>	<b>2.3%</b>	<b>26.3%</b>	<b>16.5%</b>	<b>2.0x</b>	<b>12.7x</b>	

Source: S&P Capital IQ

Note: All values based on publicly available data as of 3/31/2023.



# GCG Food & Beverage Update | Q1 2023

## Q1 2023 M&A Activity

Announcement Date	Target Name	Buyer Name	Sector	Value (\$mm)	TEV/Rev	TEV/EBITDA
1/9/2023	Lifecore Biomedical, Inc.	Wynnefield Capital, Inc	Packaged Foods and Meats	38.75 <sup>(1)</sup>	1.5x	-
1/9/2023	Birch Benders, LLC	Hometown Food Company	Packaged Foods and Meats	40.00	0.8x	-
1/18/2023	Green Farms, Inc.	PNC Erieview Capital	Food Distributors	-	-	-
1/20/2023	Seattle Food Tech, Inc.	Agronomics Limited	Packaged Foods and Meats	20.32 <sup>(1)</sup>	-	-
1/21/2023	Royal Crown Company, Inc.	Macay Holdings, Inc.	Soft Drinks and Non-alcoholic Beverages	45.93	-	-
1/23/2023	Berry People LLC	AgriFORCE Growing Systems Ltd.	Agricultural Products and Services	28.00	1.1x	-
1/27/2023	Lees Foods	Finsbury Food Group	Packaged Foods and Meats	6.91	0.3x	-
1/31/2023	Concord Foods, Inc.	Sysco Corporation	Food Distributors	-	-	-
1/31/2023	Beaumont Juice, Inc.	Trivest Partners, L.P.	Packaged Foods and Meats	-	-	-
2/3/2023	D'USSÉ Cognac	Bacardi Limited	Distillers and Vintners	750.00	-	-
2/3/2023	Autogrill (MIL: AGL)	Dufry (SWX: DUFN)	Restaurants	3,619.77	0.8x	5.9x
2/7/2023	Cocina Sabrosa Trade Expo	Emerald Holding, Inc.	Packaged Foods and Meats	-	-	-

Source: S&P Capital IQ

Note: All values based on publicly available data as of 3/31/2023. <sup>(1)</sup> Capital Raised.



# GCG Food & Beverage Update | Q1 2023

## Q1 2023 M&A Activity

Announcement Date	Target Name	Buyer Name	Sector	Value (\$mm)	TEV/Rev	TEV/EBITDA
2/8/2023	Yucatan Foods, LLC	Flagship Food Group LLC	Packaged Foods and Meats	17.50	-	-
2/16/2023	Diaspora Tea & Herb Company, LLC	SBJ Capital	Packaged Foods and Meats	-	-	-
2/22/2023	Freshii	Foodtastic	Restaurants	38.81	1.3x	-
2/28/2023	Mimi's Rock	FitLife Brands	Packaged Foods and Meats	20.10	0.7x	-
2/16/2023	ZeroCater, Inc.	Cleveland Avenue LLC; REMUS Capital	Food Retail	15.00 <sup>(1)</sup>	-	-
2/16/2023	Wet Noses Inc.	Beach Point Capital Management LP	Packaged Foods and Meats	-	-	-
2/21/2023	Soylent Nutrition, Inc.	Starco Brands, Inc.	Packaged Foods and Meats	29.43	0.3x	-
2/28/2023	BurgerFi International, Inc.	Lionheart Equities, LLC	Restaurants	0.75	0.9x	17.6x
3/3/2023	Oats Overnight, Inc.	Access Capital, Inc.	Packaged Foods and Meats	21.00 <sup>(1)</sup>	-	-
3/22/2023	Cardenas Marketplace	Longpoint Realty Partners, LP	Food Retail	22.70	-	-
3/23/2023	Zero Acre Farms Inc.	Chipotle Mexican Grill, Inc.; Cultivate Next	Packaged Foods and Meats	-	-	-
3/27/2023	Western Smokehouse Partners, LLC	AUA Private Equity Partners, LLC	Packaged Foods and Meats	-	-	-

Source: S&P Capital IQ

Note: All values based on publicly available data as of 3/31/2023. <sup>(1)</sup> Capital Raised.



# GCG Food & Beverage Update | Q1 2023

## Q1 2023 M&A Activity

Announcement Date	Target Name	Buyer Name	Sector	Value (\$mm)	TEV/Rev	TEV/EBITDA
3/27/2023	Firebirds Of Raleigh, LLC	Garnett Station Partners, LLC	Restaurants	-	-	-
3/28/2023	United Malt Group Limited (ASX: UMG)	Malteries Soufflet SAS	Brewers	1,460.36	1.4x	23.4x
3/30/2023	Rob's Backstage Popcorn LLC	The Hershey Company	Packaged Foods and Meats	7.00 <sup>(1)</sup>	-	-
3/31/2023	Coffee Holding	Bunker Connect	Food Distributors	622.48	9.5x	-
3/31/2023	L'Osteria	McWin Capital Partners	Restaurants	430.00	1.1x	-

Source: S&P Capital IQ

Note: All values based on publicly available data as of 3/31/2023. <sup>(1)</sup> Capital Raised.



# GCG Food & Beverage Update | Q1 2023

## 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 LLC ("GCG") is a leading investment bank that advises clients including closely-held and family-owned businesses, private equity firms, and public companies. GCG's senior bankers have collectively advised on hundreds of transactions over many years of experience in mergers and acquisitions, with most having backgrounds with large U.S. and global firms. GCG is focused on advising clients in key industry verticals throughout the U.S.

GCG was founded by entrepreneurially minded investment banking professionals focused on building an organization centered around advising clients. We strive to build relationships by representing our clients' long-term interests and earning their trust. In contrast to the practice of pushing transaction responsibilities to junior resources, our philosophy is to deliver personalized, senior-level attention and experience to every GCG engagement. We are proud to offer references that will speak to a differentiated level of service and results. 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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