



# INDUSTRY UPDATE

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FOOD & BEVERAGE  
Q2 2023

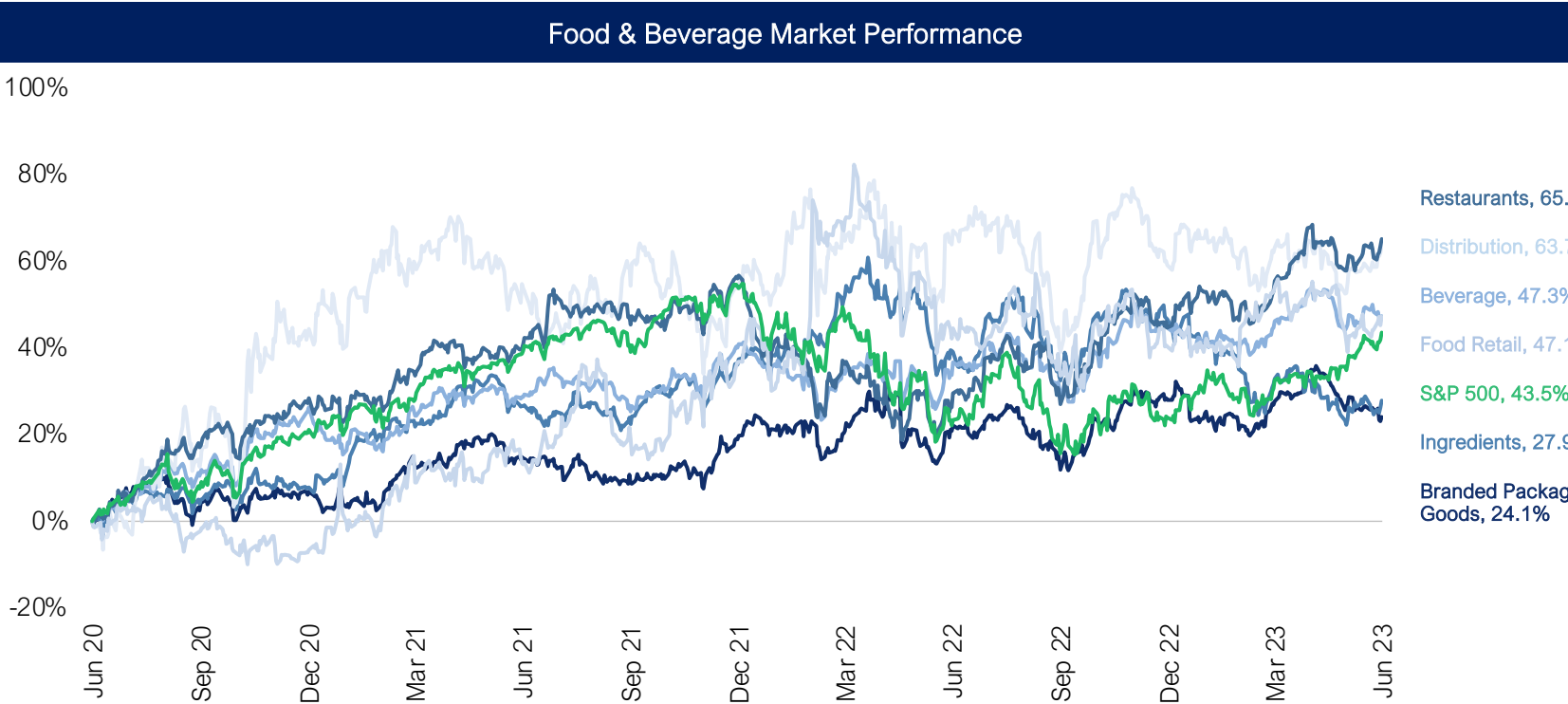


GREENWICH  
CAPITAL GROUP

# GCG Food & Beverage Update | Q2 2023

## Public Market Performance

The Food & Beverage (“F&B”) industry faced market compressions in Q2 2023, primarily as a result of concerns that consumers’ wallets are being stretched by inflation and rising prices. This has led to skepticism among investors about the sustainability of the price increases that have been implemented by companies, which might necessitate offering discounts to boost unit sales. Despite these challenges, companies in the sector remain confident that they can manage costs and alleviate pricing pressures by working together with their suppliers. The Restaurants segment was the strongest performer in Q2 2023, recording a median increase of 5.8% (see pg. 9) in share price over the quarter. For the 3-year period ending June 30, 2023, the Restaurants, Distribution, Beverage, and Food Retail sectors outperformed the S&P 500 index, which recorded gains of 43.5%.



Source: S&P Capital IQ  
Note: All values based on publicly available data as of 6/30/2023.

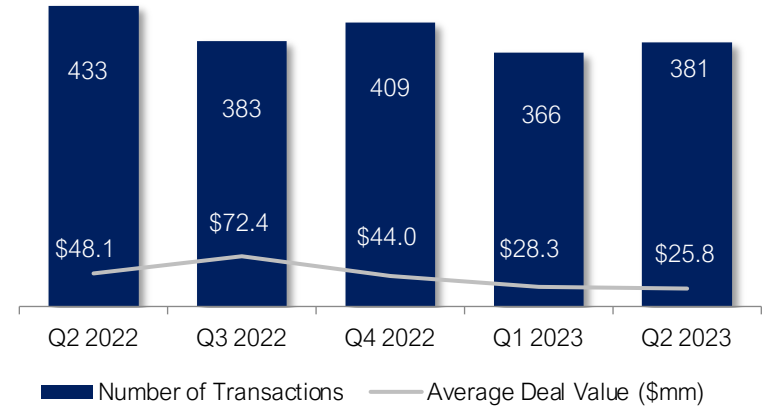


# GCG Food & Beverage Update | Q2 2023

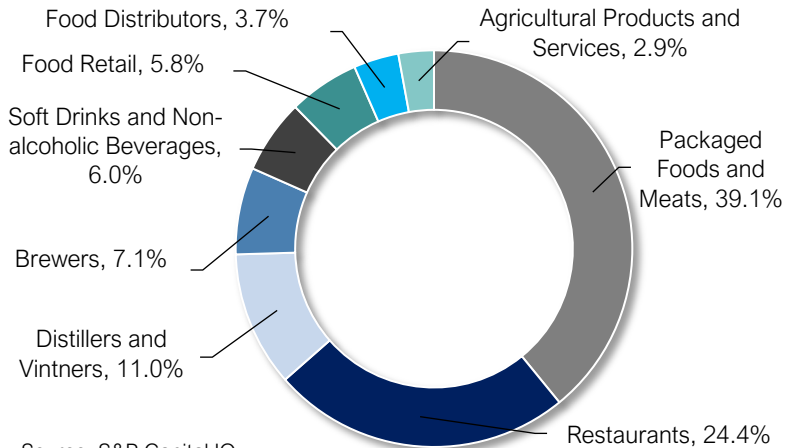
## Middle-Market M&A Activity

Transaction volume in the Food & Beverage industry slightly increased in Q2 2023 compared to the previous quarter. Observed deal values in the sector continued to decline this quarter, averaging \$25.8M as buyers target smaller assets with difficulties surrounding the debt financing environment. Financial buyers remain active in the sector, but strategic buyers represent the largest portion of acquirers (89.5%). With the current interest rate environment, strategic buyers are finding it increasingly advantageous to utilize their readily available cash for acquiring smaller companies. This approach allows them to bolster their market share and diversify their existing product offerings. The Packaged Foods and Meats category led activity in the industry, accounting for 39.1% of total volume. The Restaurants sector was active as well, comprising 24.4% of transaction volume.

Q2 2023 Food & Beverage M&A Activity

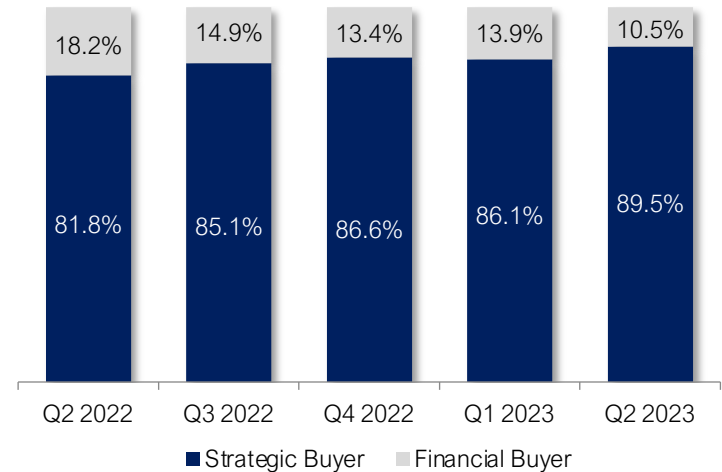


Q2 2023 M&A Activity by Sector



Source: S&P Capital IQ  
 Note: All values based on publicly available data as of 6/30/2023.

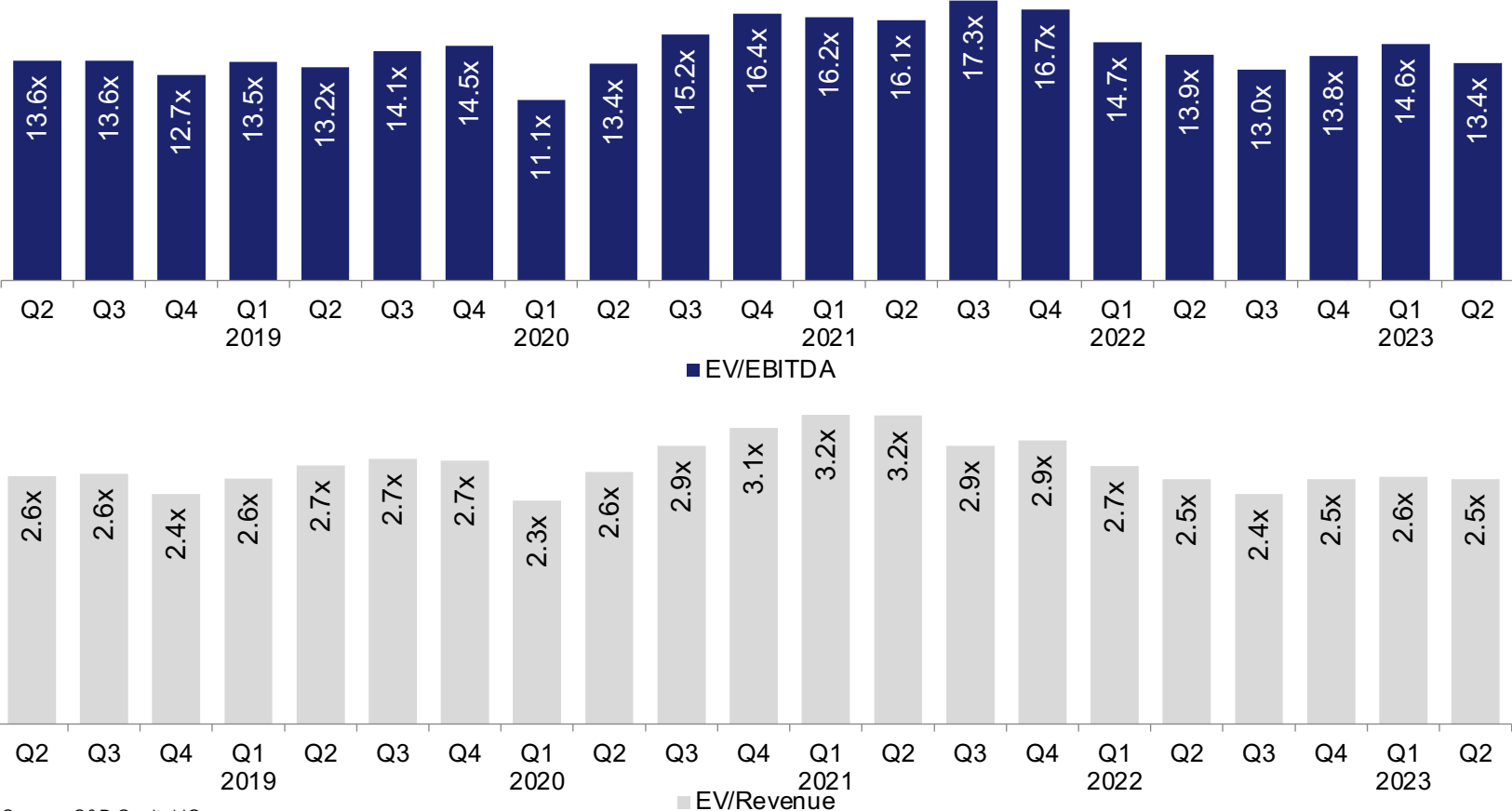
Q2 2023 M&A Activity by Buyer Type



# GCG Food & Beverage Update | Q2 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 13.4x EBITDA and 2.5x Revenue in Q2 2023. The F&B industry recorded an 8.1% decrease in average EBITDA multiple and a 1% decrease in average Revenue multiple from the previous quarter. The Beverages and Restaurants sectors lead the industry with median EBITDA multiples of 18.2x.



Source: S&P Capital IQ  
 Note: All values based on publicly available data as of 6/30/2023.



# GCG Food & Beverage Update | Q2 2023

## Public Comparable Companies

Company Name	Enterprise Value (\$mm)	Share Stock Price	Price Change		LTM Margins		TEV / LTM:		
			3 month	12 month	Gross	EBITDA	Revenue	EBITDA	
<b>Branded Packaged Goods</b>									
B&G Foods, Inc.	\$ 3,321.95	\$ 13.92	(10.4%)	(42.4%)	20.2%	14.7%	1.6x	10.5x	
Campbell Soup Company	\$ 18,448.78	\$ 45.71	(16.9%)	(5.7%)	30.7%	20.9%	2.0x	9.5x	
Conagra Brands, Inc.	\$ 25,575.50	\$ 33.72	(10.2%)	(2.4%)	26.6%	20.6%	2.1x	10.3x	
General Mills, Inc.	\$ 56,496.02	\$ 76.70	(10.3%)	1.2%	32.6%	19.6%	2.8x	14.3x	
Hormel Foods Corporation	\$ 24,681.38	\$ 40.22	0.9%	(15.7%)	16.8%	16.4%	2.0x	12.3x	
Kellogg Company	\$ 30,656.92	\$ 67.40	0.7%	(6.1%)	29.8%	13.3%	2.0x	14.7x	
Lancaster Colony Corporation	\$ 5,469.00	\$ 201.09	(0.9%)	53.2%	21.6%	13.1%	3.0x	22.9x	
McCormick & Company, Incorporated	\$ 28,195.57	\$ 87.23	4.8%	5.5%	36.4%	19.3%	4.3x	22.4x	
Mondelez International, Inc.	\$ 118,443.59	\$ 72.94	4.6%	15.2%	35.9%	21.9%	3.6x	16.4x	
Post Holdings, Inc.	\$ 11,216.78	\$ 86.65	(3.6%)	2.7%	25.2%	14.4%	1.8x	12.4x	
The J. M. Smucker Company	\$ 18,362.72	\$ 147.67	(6.2%)	12.6%	32.9%	20.2%	2.2x	10.7x	
The Kraft Heinz Company	\$ 63,119.93	\$ 35.50	(8.2%)	(8.1%)	31.0%	27.6%	2.3x	8.5x	
TreeHouse Foods, Inc.	\$ 4,413.32	\$ 50.38	(0.1%)	17.2%	15.9%	10.1%	1.2x	12.2x	
Tyson Foods, Inc.	\$ 26,592.37	\$ 51.04	(14.0%)	(40.1%)	8.3%	8.0%	0.5x	6.2x	
Mean	\$ 31,070.99	\$ 72.16	(5.0%)	(0.9%)	26.0%	17.2%	2.2x	13.1x	
Median	\$ 25,128.44	\$ 59.22	(4.9%)	(0.6%)	28.2%	17.9%	2.1x	12.2x	

Source: S&P Capital IQ

Note: All values based on publicly available data as of 6/30/2023.



# GCG Food & Beverage Update | Q2 2023

## Public Comparable Companies (Cont'd)

<u>Company Name</u>	<u>Enterprise Value (\$mm)</u>	<u>Share Stock Price</u>	<u>Price Change</u>		<u>LTM Margins</u>		<u>TEV / LTM:</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	\$ 52,140.61	\$ 75.56	(5.1%)	(1.1%)	7.5%	6.2%	0.5x	7.8x	
Cal-Maine Foods, Inc.	\$ 1,558.23	\$ 45.00	(26.1%)	(10.3%)	39.1%	34.2%	0.5x	1.5x	
Hormel Foods Corporation	\$ 24,681.38	\$ 40.22	0.9%	(15.7%)	16.8%	16.4%	2.0x	12.3x	
Ingredion Incorporated	\$ 9,467.65	\$ 105.95	4.1%	18.0%	19.6%	14.0%	1.2x	8.2x	
International Flavors & Fragrances Inc.	\$ 31,747.72	\$ 79.59	(13.5%)	(33.3%)	32.4%	18.3%	2.6x	14.2x	
Pilgrim's Pride Corporation	\$ 8,467.52	\$ 21.49	(7.3%)	(31.7%)	8.3%	8.4%	0.5x	5.8x	
Premium Brands Holdings Corporation	\$ 5,481.35	\$ 78.94	6.8%	9.3%	18.5%	6.5%	1.2x	18.0x	
Sensient Technologies Corporation	\$ 3,685.45	\$ 71.13	(7.1%)	(11.6%)	33.0%	17.7%	2.5x	14.2x	
Mean	\$ 17,153.74	\$ 64.73	(5.9%)	(9.5%)	21.9%	15.2%	1.4x	10.2x	
Median	\$ 8,967.59	\$ 73.35	(6.1%)	(10.9%)	19.0%	15.2%	1.2x	10.3x	

Source: S&P Capital IQ

Note: All values based on publicly available data as of 6/30/2023.



# GCG Food & Beverage Update | Q2 2023

## Public Comparable Companies (Cont'd)

<u>Company Name</u>	<u>Enterprise Value (\$mm)</u>	<u>Share Stock Price</u>	<u>Price Change</u>		<u>LTM Margins</u>		<u>TEV / LTM:</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	\$ 193,631.56	\$ 56.72	(15.0%)	3.0%	54.3%	32.8%	3.3x	10.0x
Brown-Forman Corporation	\$ 34,854.30	\$ 66.78	3.9%	(6.7%)	59.0%	32.0%	8.2x	25.8x
Constellation Brands, Inc.	\$ 57,603.51	\$ 246.13	9.0%	4.5%	49.7%	13.4%	6.0x	44.8x
Primo Water Corporation	\$ 3,694.48	\$ 12.54	(18.3%)	(5.8%)	59.1%	19.8%	1.6x	8.2x
Farmer Bros. Co.	\$ 186.32	\$ 2.77	(28.2%)	(40.6%)	24.1%	(0.9%)	0.4x	NM
Molson Coors Beverage Company	\$ 20,895.24	\$ 65.84	27.4%	18.4%	32.3%	15.4%	1.9x	12.5x
Monster Beverage Corporation	\$ 57,105.47	\$ 57.44	6.4%	21.5%	50.8%	26.9%	8.8x	32.7x
National Beverage Corp.	\$ 4,392.15	\$ 48.35	(8.3%)	(2.3%)	33.8%	18.9%	3.7x	19.9x
PepsiCo, Inc.	\$ 291,872.32	\$ 185.22	1.6%	9.3%	53.7%	18.4%	3.3x	18.2x
Starbucks Corporation	\$ 134,657.64	\$ 99.06	(4.9%)	25.0%	26.3%	27.2%	4.0x	14.6x
The Boston Beer Company, Inc.	\$ 3,680.59	\$ 308.44	(6.2%)	(2.0%)	40.8%	9.9%	1.8x	18.0x
The Coca-Cola Company	\$ 291,649.10	\$ 60.22	(2.9%)	(6.5%)	58.1%	35.3%	6.7x	19.0x
Mean	\$ 91,185.22	\$ 100.79	(3.0%)	1.5%	45%	20.7%	4.1x	20.3x
Median	\$ 45,979.89	\$ 63.03	(3.9%)	0.5%	50.3%	19.3%	3.5x	18.2x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 6/30/2023.





# GCG Food & Beverage Update | Q2 2023

## Public Comparable Companies (Cont'd)

<u>Company Name</u>	<u>Enterprise Value (\$mm)</u>	<u>Share Stock Price</u>	<u>Price Change</u>		<u>LTM Margins</u>		<u>TEV / LTM:</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	\$ 270.55	\$ 203.00	21.6%	22.8%	8.5%	2.1%	0.1x	7.0x
Performance Food Group Company	\$ 14,107.83	\$ 60.24	(0.2%)	27.2%	11.5%	2.6%	0.3x	10.3x
SpartanNash Company	\$ 1,608.54	\$ 22.51	(9.2%)	(26.5%)	15.3%	2.3%	0.2x	7.1x
Sysco Corporation	\$ 48,584.25	\$ 74.20	(3.9%)	(14.0%)	18.2%	5.3%	0.6x	12.1x
The Chefs' Warehouse, Inc.	\$ 2,183.57	\$ 35.76	5.0%	(8.2%)	23.8%	6.8%	0.8x	11.3x
United Natural Foods, Inc.	\$ 4,437.65	\$ 19.55	(25.8%)	(50.7%)	14.0%	3.1%	0.1x	4.8x
US Foods Holding Corp.	\$ 16,000.94	\$ 44.00	19.1%	40.6%	16.4%	3.6%	0.5x	12.8x
Mean	\$ 12,456.19	\$ 65.61	0.9%	(1.3%)	15%	3.7%	0.4x	9.3x
Median	\$ 4,437.65	\$ 100.00	(0.2%)	(8.2%)	15.3%	3.1%	0.3x	10.3x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 6/30/2023.





# GCG Food & Beverage Update | Q2 2023

## Public Comparable Companies (Cont'd)

<u>Company Name</u>	<u>Enterprise Value (\$mm)</u>	<u>Share Stock Price</u>	<u>Price Change</u>		<u>LTM Margins</u>		<u>TEV / LTM:</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.	\$ 3,777.16	\$ 36.60	(3.7%)	62.1%	11.8%	14.0%	0.9x	6.6x
Chipotle Mexican Grill, Inc.	\$ 61,723.68	\$ 2,139.00	25.2%	63.7%	40.0%	24.0%	6.9x	28.6x
Darden Restaurants, Inc.	\$ 25,797.49	\$ 167.08	7.7%	46.1%	19.9%	18.7%	2.5x	13.1x
Domino's Pizza, Inc.	\$ 16,996.20	\$ 336.99	2.2%	(16.5%)	26.4%	20.7%	3.7x	18.5x
McDonald's Corporation	\$ 264,158.92	\$ 298.41	6.7%	18.0%	57.5%	60.3%	11.3x	18.7x
Restaurant Brands International Inc.	\$ 39,247.22	\$ 77.52	15.5%	50.3%	40.1%	33.2%	5.9x	17.8x
Starbucks Corporation	\$ 134,657.64	\$ 99.06	(4.9%)	25.0%	26.3%	27.2%	4.0x	14.6x
Yum! Brands, Inc.	\$ 50,924.05	\$ 138.55	4.9%	18.7%	48.5%	34.9%	7.3x	21.0x
Mean	\$ 74,660.30	\$ 411.65	6.7%	33.4%	33.8%	29.1%	5.3x	17.4x
Median	\$ 45,085.64	\$ 152.82	5.8%	35.5%	33.2%	25.6%	4.9x	18.2x

Source: S&P Capital IQ

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# GCG Food & Beverage Update | Q2 2023

## Public Comparable Companies (Cont'd)

<u>Company Name</u>	<u>Enterprise Value (\$mm)</u>	<u>Share Stock Price</u>	<u>Price Change</u>		<u>LTM Margins</u>		<u>TEV / LTM:</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	\$ 1,918.42	\$ 82.65	(6.8%)	(5.7%)	24.4%	8.1%	0.3x	4.1x
Natural Grocers by Vitamin Cottage, Inc.	\$ 633.03	\$ 12.26	4.3%	(24.6%)	32.6%	10.6%	0.6x	5.4x
Sprouts Farmers Market, Inc.	\$ 5,114.76	\$ 36.73	4.9%	42.8%	36.9%	11.9%	0.8x	6.6x
The Kroger Co.	\$ 51,604.04	\$ 47.00	(4.8%)	(2.4%)	22.3%	5.7%	0.3x	6.0x
Village Super Market, Inc.	\$ 609.85	\$ 22.82	(0.3%)	(0.3%)	28.2%	7.3%	0.3x	3.9x
Weis Markets, Inc.	\$ 1,582.87	\$ 64.21	(24.2%)	(13.8%)	25.3%	6.6%	0.3x	5.1x
Mean	\$ 10,243.83	\$ 44.28	(4.5%)	(0.7%)	28.3%	8.4%	0.4x	5.2x
Median	\$ 1,750.64	\$ 41.87	(2.5%)	(4.0%)	26.7%	7.7%	0.3x	5.2x
<b>Food &amp; Beverage Mean</b>	<b>\$ 43,861.55</b>	<b>\$ 122.83</b>	<b>(2.2%)</b>	<b>3.3%</b>	<b>29.6%</b>	<b>16.7%</b>	<b>2.5x</b>	<b>13.4x</b>
<b>Food &amp; Beverage Median</b>	<b>\$ 18,448.78</b>	<b>\$ 65.84</b>	<b>(2.9%)</b>	<b>(1.1%)</b>	<b>26.6%</b>	<b>15.4%</b>	<b>2.0x</b>	<b>12.3x</b>

Source: S&P Capital IQ

Note: All values based on publicly available data as of 6/30/2023.



# GCG Food & Beverage Update | Q2 2023

## Q2 2023 M&A Activity

Announcement Date	Target Name	Buyer Name	Sector	Value (\$mm)	TEV/Re v	TEV/EBITD A
4/10/2023	Legacy Bakehouse LLC	Benford Capital Partners, LLC	Packaged Foods and Meats	-	-	-
4/28/2023	MAPCO Express, Inc.	Circle K Stores Inc.	Food Retail	725.00	-	-
5/1/2023	Hardie's Fruit and Vegetable Company, LP	The Chefs' Warehouse, Inc.	Agricultural Products and Services	48.00	-	-
5/3/2023	Ruth's Hospitality Group, Inc.	Darden Restaurants, Inc.	Restaurants	965.97	1.8x	8.1x
5/9/2023	Stag's Leap Wine Cellars, LLC	Marchesi Antinori S.p.A.	Distillers and Vintners	-	-	-
5/11/2023	Harvest Food Group, LLC	Industrial Opportunity Partners, LLC	Packaged Foods and Meats	-	-	-
5/11/2023	Tost Beverages, Inc.	Constellation Brands, Inc.	Soft Drinks and Non-alcoholic Beverages	-	-	-
5/16/2023	Blue Star Foods Corp.	ClearThink Capital Partners, LLC	Packaged Foods and Meats	10.20 <sup>(1)</sup>	-	-
5/17/2023	About Time Coffee Chain Inc.	IDG Capital Partners Co., Ltd.	Restaurants	10.00 <sup>(1)</sup>	-	-
5/25/2023	Lotus Chocolate Company	Reliance Retail	Packaged Foods and Meats	90.09	15.0x	-
5/30/2023	Emerald Nuts of Campbell Soup Company	Flagstone Foods, Inc.	Packaged Foods and Meats	40.00	0.6x	-
5/31/2023	MyForest Foods Co.	Ecovative Design LLC	Packaged Foods and Meats	15.25 <sup>(1)</sup>	-	-
5/31/2023	Johan i Hallen & Bergfalk	Metro	Packaged Foods and Meats	108.84	0.6x	-

Source: S&P Capital IQ

Note: All values based on publicly available data as of 6/30/2023. <sup>(1)</sup> Capital Raised.



# GCG Food & Beverage Update | Q2 2023

## Q2 2023 M&A Activity

Announcement Date	Target Name	Buyer Name	Sector	Value (\$mm)	TEV/Re V	TEV/EBITD A
6/1/2023	Penelope Bourbon LLC	Luxco, Inc.	Distillers and Vintners	215.80	-	-
6/7/2023	QualiTech, Inc.	MidOcean Partners LLP	Packaged Foods and Meats	-	-	-
6/7/2023	Everytable, PBC	Kaiser Permanente Ventures	Restaurants	25.00 <sup>(1)</sup>	-	-
6/8/2023	Food Base	Turpaz Perfume and Flavor Extracts	Packaged Foods and Meats	9.57	1.0x	-
6/14/2023	Yasso, Inc.	Unilever PLC	Packaged Foods and Meats	-	-	-
6/20/2023	Raw Advantage Processing, LLC	BrightPet Nutrition Group, LLC	Packaged Foods and Meats	-	-	-
6/20/2023	New Carbon Company, LLC	Arbor Investments	Packaged Foods and Meats	-	-	-
6/21/2023	Pinstripes, Inc.	Banyan Acquisition Sponsor LLC	Restaurants	75.00 <sup>(1)</sup>	-	-
6/23/2023	Domaine Curry Wine	Constellation Brands, Inc.	Distillers and Vintners	-	-	-
6/26/2023	Whole Earth Brands, Inc.	Sababa Holdings	Food Retail	592.03	1.1x	12.2x
6/26/2023	Hansung Green Factory	Keystone Partners	Agricultural Products	30.81	3.0x	-
6/29/2023	Chef Inspirational Foods	MamaMancini's Holdings	Packaged Foods	3.65	0.2x	-
6/30/2023	Westrock Coffee Company, LLC	HF Capital	Packaged Foods and Meats	75.00 <sup>(1)</sup>	1.6x	23.4x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 6/30/2023. <sup>(1)</sup> Capital Raised.



# GCG Food & Beverage Update | Q2 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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