



INDUSTRY UPDATE

FOOD & BEVERAGE
Q3 2023



GREENWICH
CAPITAL GROUP

GCG Food & Beverage Update | Q3 2023

Public Market Performance

The Food & Beverage (“F&B”) industry continued to face pressures in the market in Q3 2023. Economic headwinds are steering consumer behavior towards increased saving and less spending on premium goods. The looming economic downturn is prompting industry players to rethink their path to growth in the sector. Large corporations have shifted focus from expanding market share to optimizing margins, which is driving increased market share for private label products. This shift has created opportunities for smaller brands to gain market share by capitalizing on their niche offerings, while keeping cost-conscious consumers top of mind. The Food Retail segment experienced the smallest decrease in share price over the quarter, of 1.3% (see pg. 10). For the 3-year period ending September 30, 2023, the Food Retail and Distribution sectors outperformed the S&P 500 index, which recorded gains of 27.5%.

Food & Beverage Market Performance



Source: S&P Capital IQ
Note: All values based on publicly available data as of 9/30/2023.

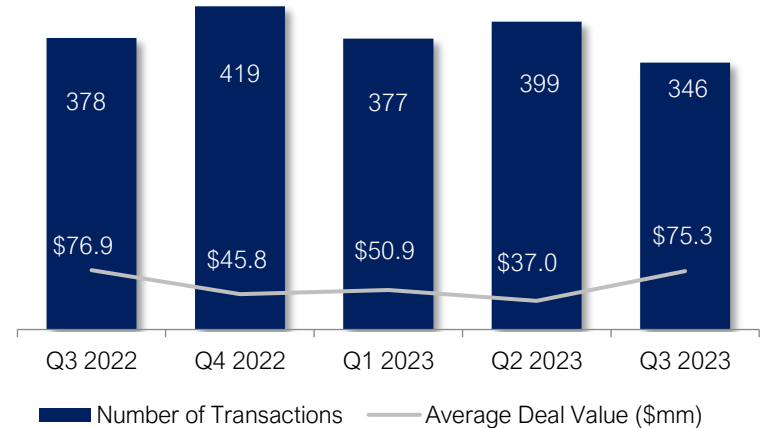


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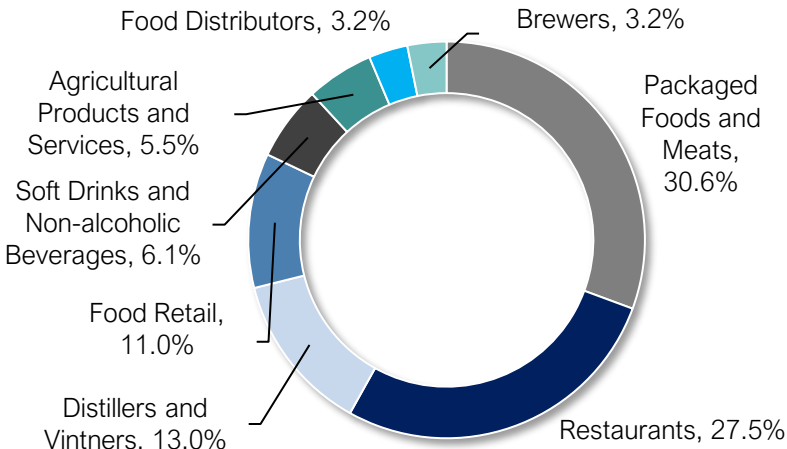
Middle-Market M&A Activity

In Q3 2023, the Food & Beverage industry saw a modest dip in transaction volume compared to the previous quarter. Interestingly, there was a surge in observed deal values, more than doubling in size and averaging \$75.3M this quarter. The spike in deal values is likely linked to an improved outlook on inflation with the deceleration of interest rate hikes. Financial buyers with readily available capital to deploy have become less cautious and are able to invest more on premium assets. Strategic buyers continue to represent the largest portion of acquirers (89.3%), while financial buyers remain active in the sector. The Packaged Foods and Meats category led activity in the industry, accounting for 30.6% of total volume. The Restaurants sector was active as well, comprising 27.5% of transaction volume.

Q3 2023 Food & Beverage M&A Activity

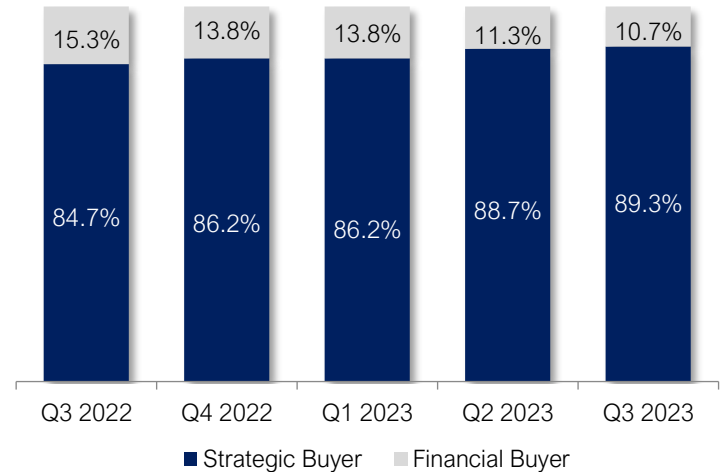


Q3 2023 M&A Activity by Sector



Source: S&P Capital IQ
 Note: All values based on publicly available data as of 9/30/2023.

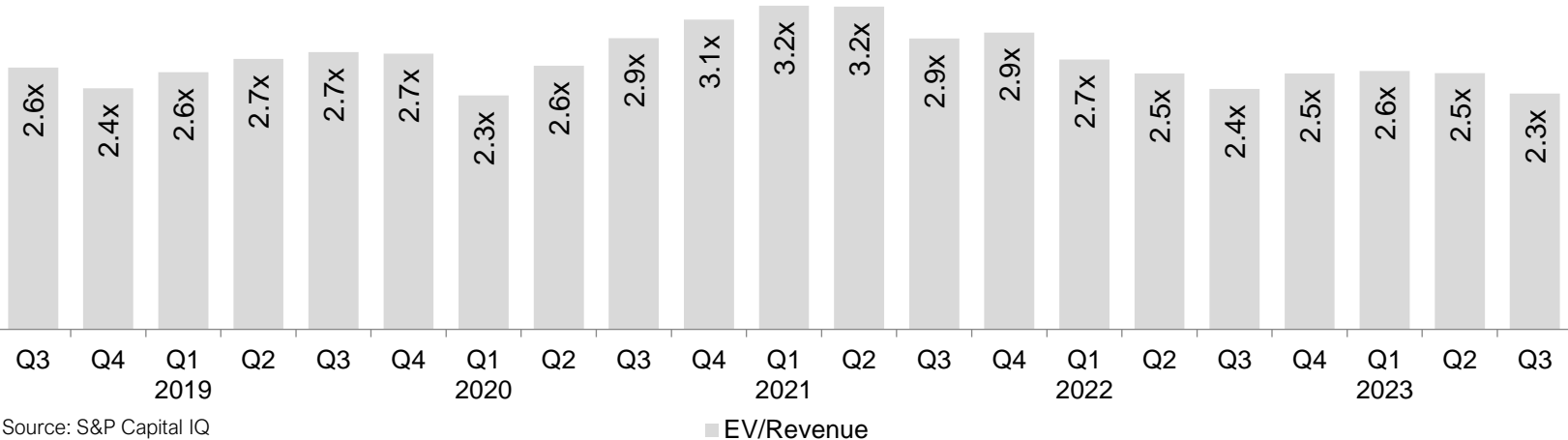
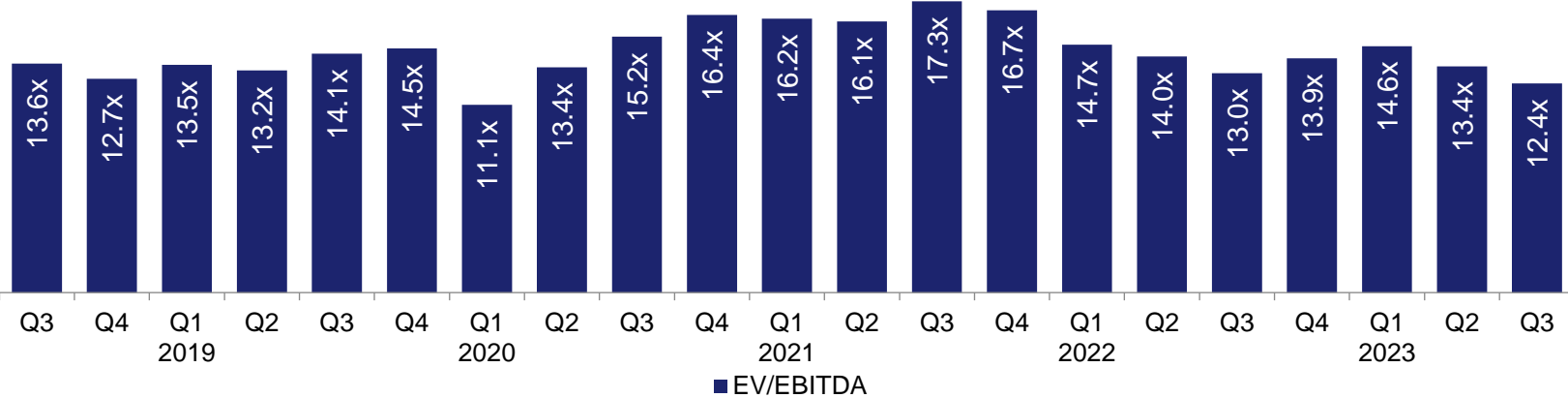
Q3 2023 M&A Activity by Buyer Type



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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 12.4x EBITDA and 2.3x Revenue in Q3 2023. The F&B industry recorded a 7.6% decrease in average EBITDA multiple and an 8% decrease in average Revenue multiple from the previous quarter. The Beverages sector led the industry with median EBITDA multiples of 17.1x.



Source: S&P Capital IQ
 Note: All values based on publicly available data as of 9/30/2023.



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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
Branded Packaged Goods								
B&G Foods, Inc.	\$ 2,985.10	\$ 9.89	(29.0%)	(40.0%)	21.3%	14.5%	1.4x	9.0x
Campbell Soup Company	\$ 17,019.59	\$ 41.08	(10.1%)	(12.8%)	31.4%	19.2%	1.8x	7.9x
Conagra Brands, Inc.	\$ 22,547.31	\$ 27.42	(18.7%)	(16.0%)	27.5%	19.3%	1.8x	8.9x
General Mills, Inc.	\$ 49,240.56	\$ 63.99	(16.6%)	(16.5%)	33.9%	19.6%	2.4x	11.7x
Hormel Foods Corporation	\$ 23,408.09	\$ 38.03	(5.4%)	(16.3%)	16.8%	11.5%	1.9x	12.0x
Kellanova	\$ 27,755.05	\$ 59.51	(11.7%)	(14.6%)	30.6%	12.4%	1.7x	13.1x
Lancaster Colony Corporation	\$ 4,484.46	\$ 165.03	(17.9%)	9.8%	21.4%	12.2%	2.5x	19.4x
McCormick & Company, Incorporated	\$ 25,152.33	\$ 75.64	(13.3%)	6.1%	36.7%	18.0%	3.9x	20.0x
Mondelez International, Inc.	\$ 113,976.00	\$ 69.40	(4.9%)	26.6%	37.9%	20.3%	3.3x	14.6x
Post Holdings, Inc.	\$ 11,235.08	\$ 85.74	(1.1%)	4.7%	26.0%	14.4%	1.7x	11.3x
The J. M. Smucker Company	\$ 16,348.58	\$ 122.91	(16.8%)	(10.6%)	34.4%	20.2%	1.9x	9.0x
The Kraft Heinz Company	\$ 60,621.83	\$ 33.64	(5.2%)	0.9%	33.2%	23.9%	2.2x	8.0x
TreeHouse Foods, Inc.	\$ 4,207.48	\$ 43.58	(13.5%)	2.7%	16.3%	11.3%	1.2x	10.2x
Tyson Foods, Inc.	\$ 26,600.24	\$ 50.49	(1.1%)	(23.4%)	6.7%	5.1%	0.5x	7.7x
Mean	\$ 28,970.12	\$ 63.31	(11.8%)	(7.1%)	26.7%	15.9%	2.0x	11.6x
Median	\$ 22,977.70	\$ 55.00	(12.5%)	(11.7%)	29.0%	16.2%	1.9x	10.8x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 9/30/2023.



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Public Comparable Companies (Cont'd)

Company Name	Enterprise Value (\$mm)	Share Stock Price	Price Change		LTM Margins		TEV / LTM:	
			3 month	12 month	Gross	EBITDA	Revenue	EBITDA
Ingredients								
Archer-Daniels-Midland Company	\$ 49,171.79	\$ 75.42	(0.2%)	(6.3%)	7.8%	5.3%	0.5x	7.7x
Cal-Maine Foods, Inc.	\$ 1,724.08	\$ 48.42	7.6%	(12.9%)	34.8%	29.4%	0.5x	1.7x
Hormel Foods Corporation	\$ 23,408.09	\$ 38.03	(5.4%)	(16.3%)	16.8%	11.5%	1.9x	12.0x
Ingredion Incorporated	\$ 8,757.22	\$ 98.40	(7.1%)	22.2%	20.1%	13.3%	1.1x	7.4x
International Flavors & Fragrances Inc.	\$ 28,194.57	\$ 68.17	(14.3%)	(24.9%)	31.8%	15.7%	2.4x	13.7x
Pilgrim's Pride Corporation	\$ 8,675.83	\$ 22.83	6.2%	(0.8%)	5.1%	4.5%	0.5x	8.2x
Premium Brands Holdings Corporation	\$ 5,104.90	\$ 70.30	(10.9%)	13.6%	18.9%	6.0%	1.1x	16.5x
Sensient Technologies Corporation	\$ 3,175.35	\$ 58.48	(17.8%)	(15.7%)	32.4%	16.8%	2.2x	12.3x
Mean	\$ 16,026.48	\$ 60.01	(5.2%)	(5.1%)	20.9%	12.8%	1.3x	9.9x
Median	\$ 8,716.52	\$ 63.33	(6.3%)	(9.6%)	19.5%	12.4%	1.1x	10.1x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 9/30/2023.



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Public Comparable Companies (Cont'd)

Company Name	Enterprise Value (\$mm)	Share Stock Price	Price Change		LTM Margins		TEV / LTM:		
			3 month	12 month	Gross	EBITDA	Revenue	EBITDA	
Beverages									
Anheuser-Busch InBev SA/NV	\$ 193,260.18	\$ 55.30	(2.5%)	22.5%	54.0%	30.0%	3.4x	10.8x	
Brown-Forman Corporation	\$ 30,375.38	\$ 57.69	(13.6%)	(13.3%)	59.2%	30.3%	7.1x	22.9x	
Constellation Brands, Inc.	\$ 58,556.67	\$ 251.33	2.1%	9.4%	50.1%	35.1%	6.1x	45.6x	
Primo Water Corporation	\$ 3,834.24	\$ 13.87	10.6%	9.9%	60.9%	18.6%	1.7x	8.6x	
Farmer Bros. Co.	\$ 95.96	\$ 2.58	(6.9%)	(45.0%)	33.7%	(3.4%)	0.3x	NM	
Molson Coors Beverage Company	\$ 19,986.64	\$ 63.59	(3.4%)	32.5%	36.9%	18.7%	1.8x	9.8x	
Monster Beverage Corporation	\$ 52,219.98	\$ 52.95	(7.8%)	21.8%	52.6%	28.5%	7.8x	27.5x	
National Beverage Corp.	\$ 4,203.58	\$ 47.02	(2.8%)	22.0%	34.9%	18.9%	3.6x	17.7x	
PepsiCo, Inc.	\$ 270,554.82	\$ 169.44	(8.5%)	3.8%	54.0%	17.6%	3.0x	16.3x	
Starbucks Corporation	\$ 125,348.86	\$ 91.27	(7.9%)	8.3%	27.4%	19.3%	3.6x	13.1x	
The Boston Beer Company, Inc.	\$ 4,564.45	\$ 389.53	26.3%	20.4%	42.2%	10.6%	2.2x	21.4x	
The Coca-Cola Company	\$ 271,116.82	\$ 55.98	(7.0%)	(0.1%)	59.1%	31.5%	6.1x	17.1x	
Mean	\$ 86,176.46	\$ 104.21	(1.8%)	7.7%	47%	21.3%	3.9x	19.2x	
Median	\$ 41,297.68	\$ 56.84	(5.1%)	9.7%	51.3%	19.1%	3.5x	17.1x	

Source: S&P Capital IQ

Note: All values based on publicly available data as of 9/30/2023.



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Public Comparable Companies (Cont'd)

Company Name	Enterprise Value (\$mm)	Share Stock Price	Price Change		LTM Margins		TEV / LTM:	
			3 month	12 month	Gross	EBITDA	Revenue	EBITDA
Distributors								
AMCON Distributing Company	\$ 311.01	\$ 206.00	1.5%	(1.9%)	8.5%	1.7%	0.2x	7.6x
Performance Food Group Company	\$ 13,910.47	\$ 58.86	(2.3%)	37.0%	11.7%	2.4%	0.3x	9.4x
SpartanNash Company	\$ 1,575.34	\$ 22.00	(2.3%)	(24.2%)	15.2%	1.9%	0.2x	6.4x
Sysco Corporation	\$ 43,804.23	\$ 66.05	(11.0%)	(6.6%)	18.4%	4.6%	0.6x	11.8x
The Chefs' Warehouse, Inc.	\$ 1,699.86	\$ 21.18	(40.8%)	(26.9%)	23.6%	4.5%	0.6x	9.2x
United Natural Foods, Inc.	\$ 4,039.19	\$ 14.14	(27.7%)	(58.9%)	13.6%	1.6%	0.1x	4.9x
US Foods Holding Corp.	\$ 14,364.03	\$ 39.70	(9.8%)	50.2%	16.9%	3.8%	0.4x	10.1x
Mean	\$ 11,386.30	\$ 61.13	(13.2%)	(4.5%)	15%	2.9%	0.3x	8.5x
Median	\$ 4,039.19	\$ 100.00	(9.8%)	(6.6%)	15.2%	2.4%	0.3x	9.2x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 9/30/2023.



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Public Comparable Companies (Cont'd)

Company Name	Enterprise Value (\$mm)	Share Stock Price	Price Change		LTM Margins		TEV / LTM:		
			3 month	12 month	Gross	EBITDA	Revenue	EBITDA	
Restaurants									
Brinker International, Inc.	\$ 3,555.31	\$ 31.59	(13.7%)	26.5%	13.1%	9.3%	0.9x	6.1x	
Chipotle Mexican Grill, Inc.	\$ 53,067.80	\$ 1,831.83	(14.4%)	21.9%	40.6%	19.3%	5.7x	23.2x	
Darden Restaurants, Inc.	\$ 23,977.07	\$ 143.22	(14.3%)	13.4%	20.3%	15.0%	2.2x	11.9x	
Domino's Pizza, Inc.	\$ 18,443.08	\$ 378.79	12.4%	22.1%	27.1%	19.4%	4.1x	19.7x	
McDonald's Corporation	\$ 238,906.54	\$ 263.44	(11.7%)	14.2%	57.2%	53.8%	9.9x	16.3x	
Restaurant Brands International Inc.	\$ 36,322.99	\$ 66.62	(14.1%)	25.3%	40.3%	32.4%	5.4x	16.2x	
Starbucks Corporation	\$ 125,348.86	\$ 91.27	(7.9%)	8.3%	27.4%	19.3%	3.6x	13.1x	
Yum! Brands, Inc.	\$ 46,851.60	\$ 124.94	(9.8%)	17.5%	48.9%	34.1%	6.7x	19.1x	
Mean	\$ 68,309.16	\$ 366.46	(9.2%)	18.6%	34.4%	25.3%	4.8x	15.7x	
Median	\$ 41,587.29	\$ 134.08	(12.7%)	19.7%	33.8%	19.4%	4.7x	16.3x	

Source: S&P Capital IQ

Note: All values based on publicly available data as of 9/30/2023.



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Public Comparable Companies (Cont'd)

Company Name	Enterprise Value (\$mm)	Share Stock Price	Price Change		LTM Margins		TEV / LTM:		
			3 month	12 month	Gross	EBITDA	Revenue	EBITDA	
Food Retail									
Ingles Markets, Incorporated	\$ 1,746.54	\$ 75.33	(8.9%)	(4.9%)	24.3%	7.5%	0.3x	3.9x	
Natural Grocers by Vitamin Cottage, Inc.	\$ 662.30	\$ 12.91	5.3%	19.6%	32.9%	5.4%	0.6x	5.5x	
Sprouts Farmers Market, Inc.	\$ 5,719.13	\$ 42.80	16.5%	54.2%	37.0%	7.6%	0.9x	7.2x	
The Kroger Co.	\$ 49,659.38	\$ 44.75	(4.8%)	2.3%	22.5%	5.2%	0.3x	5.8x	
Village Super Market, Inc.	\$ 607.17	\$ 22.64	(0.8%)	17.1%	28.5%	4.6%	0.3x	3.9x	
Weis Markets, Inc.	\$ 1,519.68	\$ 63.00	(1.9%)	(11.6%)	25.2%	5.3%	0.3x	4.9x	
Mean	\$ 9,985.70	\$ 43.57	0.9%	12.8%	28.4%	5.9%	0.4x	5.2x	
Median	\$ 1,633.11	\$ 43.78	(1.3%)	9.7%	26.8%	5.3%	0.3x	5.2x	
Food & Beverage Mean	\$ 40,981.87	\$ 113.42	(7.1%)	2.7%	30.2%	15.3%	2.3x	12.4x	
Food & Beverage Median	\$ 18,443.08	\$ 58.86	(7.8%)	3.8%	28.5%	14.5%	1.8x	11.0x	

Source: S&P Capital IQ

Note: All values based on publicly available data as of 9/30/2023.



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Q3 2023 M&A Activity

Announcement Date	Target Name	Buyer Name	Sector	Value (\$mm)	TEV/Rev	TEV/EBITDA
7/3/2023	Bang Energy	Blast Asset Acquisition LLC; Monster Beverage Company	Soft Drinks and Non-alcoholic Beverages	362.00	-	-
7/3/2023	Ace Beverage Group Inc.	Corby Spirit and Wine Limited	Distillers and Vintners	111.10	-	-
7/5/2023	Bobbie Baby, Inc.	GroundForce Capital	Packaged Foods and Meats	70.00 ⁽¹⁾	-	-
7/7/2023	Bonumose, Inc.	Symrise AG	Packaged Foods and Meats	70.65 ⁽¹⁾	-	-
7/13/2023	Drink Barcode, Inc.		Soft Drinks and Non-alcoholic Beverages	23.38 ⁽¹⁾	-	-
7/20/2023	La Colombe Torrefaction, INC.	Keurig Dr Pepper Inc.	Packaged Foods and Meats	300.00 ⁽¹⁾	-	-
7/25/2023	Oishii Farm Corporation		Agricultural Products and Services	100.00 ⁽¹⁾	-	-
7/25/2023	Orion Food Systems, LLC	Performance Food Group, Inc.	Restaurants	-	-	-
7/26/2023	Kernel Foods, Inc.	Raga Partners, LP	Restaurants	36.00 ⁽¹⁾	-	-
8/1/2023	Popeyes Louisiana Kitchen, Inc.	TDR Capital LLP	Restaurants	63.00 ⁽¹⁾	-	-
8/7/2023	Fiesta Restaurant Group, Inc.	Authentic Restaurant Brands	Restaurants	388.00	0.9x	7.6x
8/7/2023	Eight beer and beverage brands and related assets of Anheuser-Busch Companies, LLC	Tilray Beverage, LLC	Brewers	83.40	-	-
8/8/2023	Blue Run Spirits, Inc.	Molson Coors Beverage Company	Distillers and Vintners	-	-	-

Source: S&P Capital IQ

Note: All values based on publicly available data as of 9/30/2023. ⁽¹⁾ Capital Raised.



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Q3 2023 M&A Activity

Announcement Date	Target Name	Buyer Name	Sector	Value (\$mm)	TEV/Rev	TEV/EBITDA
8/9/2023	Six Franchise Restaurants In Georgia And South Carolina	First Watch Restaurant Group, Inc.	Restaurants	13.90	-	-
8/15/2023	Fogo de Chão, Inc.	Bain Capital Private Equity, LP	Restaurants	-	-	-
8/16/2023	400 Winn-Dixie-branded grocery stores of Southeastern Grocers Inc.	ALDI Inc.	Food Retail	-	-	-
8/23/2023	Maplebear Inc.	PepsiCo, Inc.	Food Retail	175.00 ⁽¹⁾	-	-
8/28/2023	CH4 Global, Inc.	Data Collective; Cleveland Avenue Advisers, LLC; DCVC Bio, L.P.	Agricultural Products and Services	45.05 ⁽¹⁾	-	-
9/6/2023	Snack Bars Business Unit of Treehouse Foods, Inc.	John B. Sanfilippo & Son, Inc.	Packaged Foods and Meats	63.00	-	-
9/14/2023	Sagamore Whisky, LLC	Disaronno International LLC	Distillers and Vintners	-	-	-
9/25/2023	Barbeque Integrated, Inc.	FAT Brands Inc.	Restaurants	31.80	0.2x	-
9/27/2023	Sahale Snacks, Inc.	Kar Nut Products Company, LLC	Packaged Foods and Meats	34.00	0.7x	-
9/29/2023	Blue Apron Holdings, Inc.	Wonder Group, Inc	Food Retail	141.65	0.3x	-

Source: S&P Capital IQ

Note: All values based on publicly available data as of 9/30/2023. ⁽¹⁾ Capital Raised.



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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 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.

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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Andrew Dickow

Managing Director

Food & Beverage Leader

adickow@greenwichgp.com

O: (248) 480-2036

M: (248) 388-1888