



INDUSTRY UPDATE

FOOD & BEVERAGE
Q1 2024



GREENWICH
CAPITAL GROUP

GCG Food & Beverage Update | Q1 2024

Public Market Performance

Across the Food & Beverage (“F&B”) industry, most sectors have seen consistent quarter-over-quarter growth through Q1 2024. Reduced economic pressures have shifted industry focus towards expansion through strategic consolidation and enhanced technology investments to foster organic growth. Companies that have made advancements in AI and digital enhancements have driven increased consumer engagement and capitalized on increased spending. Nearly all sectors in the F&B industry experienced an increase in share price. The Food Retail segment saw the largest average increase in share price over the quarter, of 10.1% (see pg. 10). For the 3-year period ending March 31, 2024, only the Food Retail sector outperformed the S&P 500 index, which recorded gains of 32.3%. The Restaurants sector is close behind with gains of 27.3% over the 3-year period.

Food & Beverage Market Performance



Source: S&P Capital IQ
Note: All values based on publicly available data as of 03/31/2024.

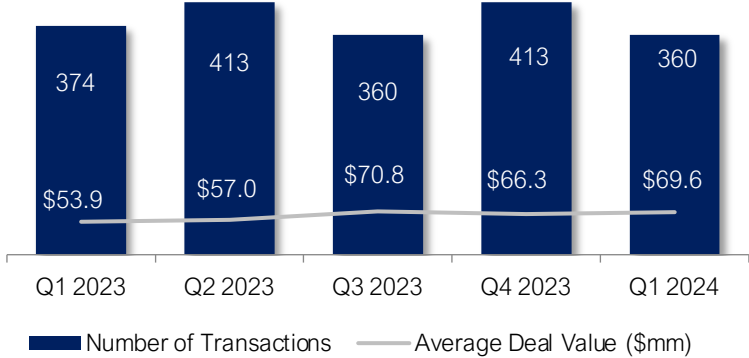


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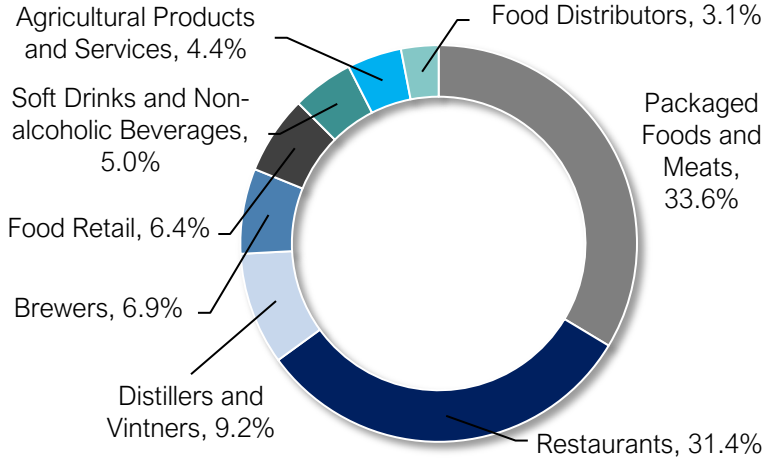
Middle-Market M&A Activity

In Q1 2024, the Food and Beverage industry witnessed a decrease in deal volume but an increase in average deal value, suggesting a strategic shift towards acquiring high-quality assets. This trend in increased deal value is likely facilitated by the more accommodating lending environment, allowing industry players to refine their portfolios by focusing on key strategic areas. Strategic buyers comprised the majority of total transaction volume (91.7%), indicating a strong preference in for deals that align closely with core business objectives. The Packaged Foods and Meats category led activity in the industry, accounting for 33.6% of total volume. The Restaurants sector was active as well, comprising 31.4% of transaction volume in the quarter.

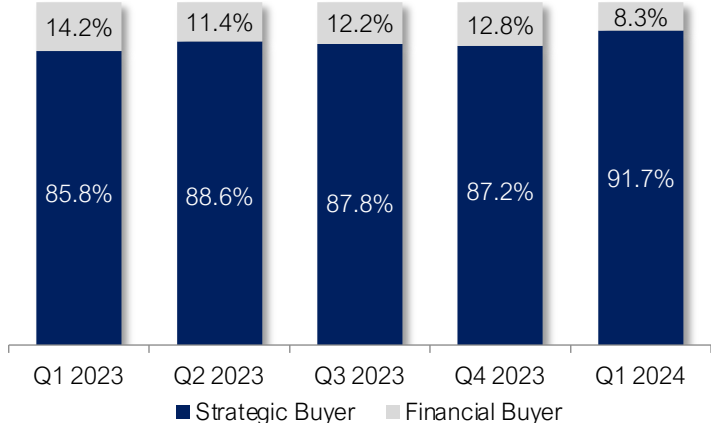
Q1 2024 Food & Beverage M&A Activity



Q1 2024 M&A Activity by Sector



Q1 2024 M&A Activity by Buyer Type



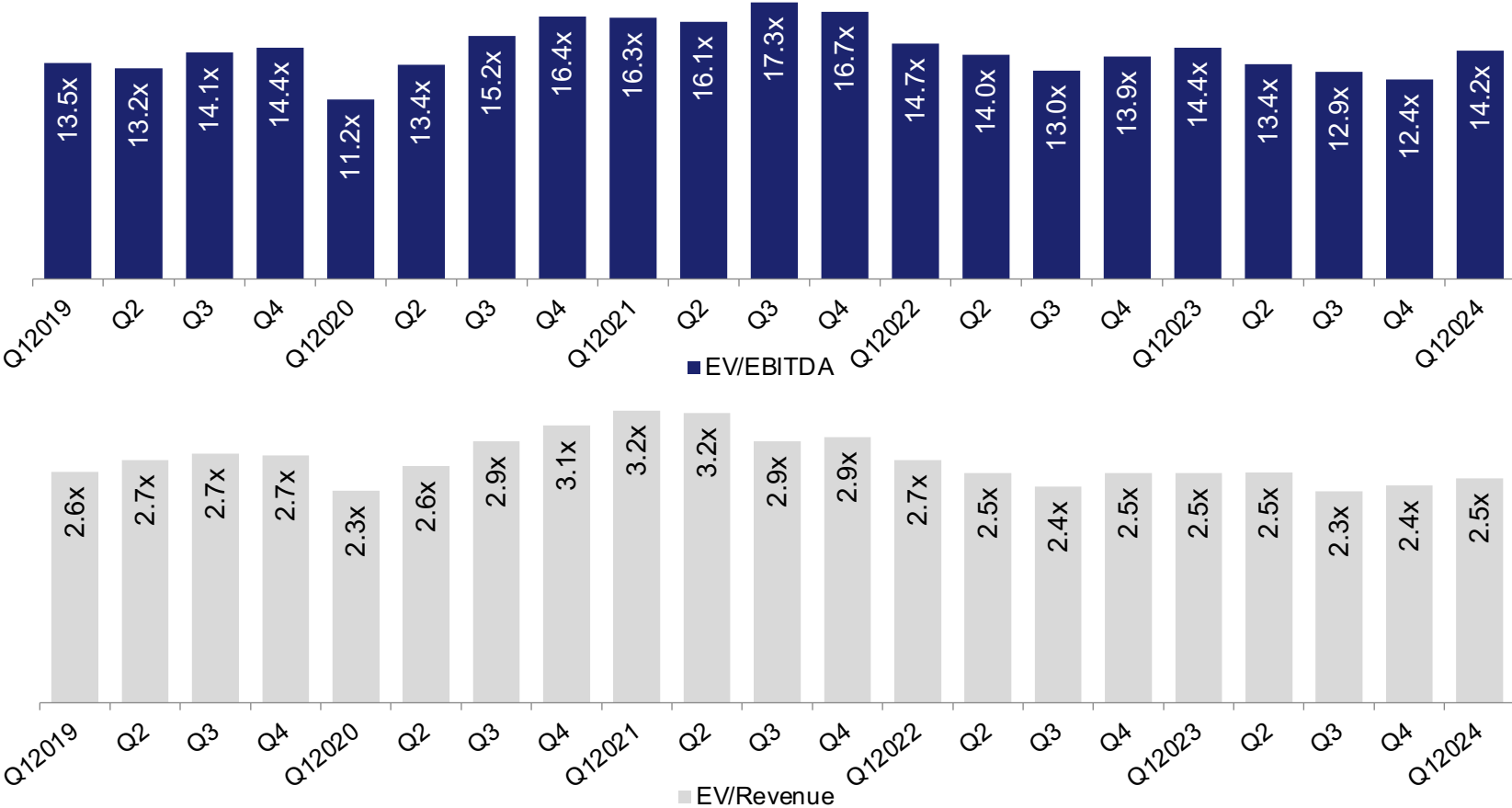
Source: S&P Capital IQ
 Note: All values based on publicly available data as of 03/31/2024.



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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 14.1x EBITDA and 2.6x Revenue in Q1 2024. The F&B industry recorded a 14.4% increase in average EBITDA multiple and a 3.4% increase in average Revenue multiple from the previous quarter. The Restaurants sector led the industry with median EBITDA multiples of 16.7x.



Source: S&P Capital IQ
 Note: All values based on publicly available data as of 03/31/2024.



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Public Comparable Companies

<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>
Branded Packaged Goods								
B&G Foods, Inc.	\$ 2,964.12	\$ 11.29	7.5%	(27.3%)	22.2%	15.1%	1.4x	9.0x
Campbell Soup Company	\$ 17,964.26	\$ 44.66	3.3%	(18.8%)	31.4%	18.8%	1.9x	8.5x
Conagra Brands, Inc.	\$ 23,265.49	\$ 29.68	3.6%	(21.0%)	27.3%	18.5%	1.9x	9.4x
General Mills, Inc.	\$ 51,771.70	\$ 70.13	7.7%	(17.9%)	34.7%	21.3%	2.6x	11.4x
Hormel Foods Corporation	\$ 21,491.85	\$ 34.98	8.9%	(12.3%)	16.6%	10.8%	1.8x	11.3x
Kellanova	\$ 25,937.78	\$ 57.06	2.1%	(14.8%)	32.7%	13.9%	2.0x	13.2x
Lancaster Colony Corporation	\$ 5,561.74	\$ 206.47	24.1%	1.8%	22.4%	13.1%	3.0x	21.5x
McCormick & Company, Incorporated	\$ 24,751.55	\$ 76.62	12.0%	(7.9%)	37.9%	18.3%	3.7x	18.2x
Mondelez International, Inc.	\$ 112,264.26	\$ 69.76	(3.7%)	0.1%	38.2%	20.0%	3.1x	13.5x
Post Holdings, Inc.	\$ 12,573.63	\$ 105.44	19.7%	17.3%	27.6%	15.7%	1.7x	10.3x
The J. M. Smucker Company	\$ 21,947.58	\$ 124.73	(1.3%)	(20.7%)	36.5%	21.9%	2.7x	11.5x
The Kraft Heinz Company	\$ 64,496.55	\$ 37.06	0.2%	(4.2%)	33.7%	23.9%	2.4x	9.0x
TreeHouse Foods, Inc.	\$ 3,365.75	\$ 38.70	(6.6%)	(23.3%)	16.8%	10.0%	1.0x	8.3x
Tyson Foods, Inc.	\$ 28,838.75	\$ 57.85	7.6%	(2.5%)	5.2%	3.9%	0.5x	10.1x
Mean	\$ 29,799.64	\$ 68.89	6.1%	(10.8%)	27.4%	16.1%	2.1x	11.8x
Median	\$ 22,606.53	\$ 57.46	5.5%	(13.5%)	29.5%	17.0%	2.0x	10.8x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 03/31/2024.



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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>	
Ingredients									
Archer-Daniels-Midland Company	\$ 40,350.09	\$ 62.35	(13.7%)	(21.7%)	8.0%	5.3%	0.4x	6.7x	
Cal-Maine Foods, Inc.	\$ 2,297.66	\$ 58.55	2.0%	(3.8%)	23.3%	16.6%	0.9x	3.5x	
Hormel Foods Corporation	\$ 21,491.85	\$ 34.98	8.9%	(12.3%)	16.6%	10.8%	1.8x	11.3x	
Ingredion Incorporated	\$ 9,735.03	\$ 117.23	8.0%	15.2%	21.4%	14.5%	1.2x	7.7x	
International Flavors & Fragrances Inc.	\$ 32,202.90	\$ 86.37	6.7%	(6.1%)	32.1%	15.3%	2.8x	16.5x	
Pilgrim's Pride Corporation	\$ 11,104.42	\$ 34.51	24.8%	48.9%	6.4%	5.9%	0.6x	9.1x	
Premium Brands Holdings Corporation	\$ 4,836.95	\$ 65.68	(7.5%)	(11.1%)	19.3%	6.3%	1.0x	15.3x	
Sensient Technologies Corporation	\$ 3,574.79	\$ 68.69	4.1%	(10.3%)	31.6%	16.3%	2.5x	14.3x	
Mean	\$ 15,699.21	\$ 66.05	4.2%	(0.2%)	19.8%	11.4%	1.4x	10.6x	
Median	\$ 10,419.72	\$ 64.02	5.4%	(8.2%)	20.4%	12.6%	1.1x	10.2x	

Source: S&P Capital IQ

Note: All values based on publicly available data as of 03/31/2024.



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			<u>3 month</u>	<u>12 month</u>	<u>Gross</u>	<u>EBITDA</u>	<u>Revenue</u>	<u>EBITDA</u>	
Beverages									
Anheuser-Busch InBev SA/NV	\$ 196,790.27	\$ 61.10	(5.4%)	(8.4%)	53.9%	30.7%	3.4x	10.5x	
Brown-Forman Corporation	\$ 27,151.79	\$ 51.02	(10.6%)	(20.6%)	60.8%	30.3%	6.4x	20.4x	
Constellation Brands, Inc.	\$ 60,571.04	\$ 266.00	10.0%	17.8%	50.4%	36.8%	6.2x	18.6x	
Primo Water Corporation	\$ 3,808.71	\$ 18.20	20.8%	18.7%	64.2%	20.0%	2.2x	9.9x	
Farmer Bros. Co.	\$ 122.36	\$ 3.60	17.6%	(6.7%)	36.0%	(2.7%)	0.4x	118.5x	
Molson Coors Beverage Company	\$ 20,120.67	\$ 67.33	10.0%	30.3%	37.3%	19.5%	1.7x	8.5x	
Monster Beverage Corporation	\$ 56,899.07	\$ 57.74	0.2%	6.9%	53.1%	29.1%	8.0x	27.1x	
National Beverage Corp.	\$ 4,399.99	\$ 49.43	(0.6%)	(6.2%)	35.7%	19.8%	3.7x	17.6x	
PepsiCo, Inc.	\$ 274,954.59	\$ 172.98	1.8%	(5.1%)	54.2%	17.9%	3.0x	15.5x	
Starbucks Corporation	\$ 124,747.87	\$ 91.53	(4.7%)	(12.1%)	27.9%	19.8%	3.4x	11.9x	
The Boston Beer Company, Inc.	\$ 3,326.28	\$ 300.70	(13.0%)	(8.5%)	42.4%	10.5%	1.7x	15.2x	
The Coca-Cola Company	\$ 294,023.05	\$ 60.68	3.0%	(2.2%)	59.5%	31.6%	6.4x	17.8x	
Mean	\$ 88,909.64	\$ 100.03	2.4%	0.3%	48%	21.9%	3.9x	24.3x	
Median	\$ 42,025.43	\$ 60.89	1.0%	(5.7%)	51.8%	19.9%	3.4x	16.6x	

Source: S&P Capital IQ

Note: All values based on publicly available data as of 03/31/2024.



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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>
Distributors								
AMCON Distributing Company	\$ 295.40	\$ 177.01	(9.2%)	6.0%	8.7%	1.5%	0.1x	7.0x
Performance Food Group Company	\$ 16,550.91	\$ 74.10	7.2%	22.8%	11.9%	2.5%	0.3x	10.5x
SpartanNash Company	\$ 1,532.02	\$ 19.85	(13.5%)	(20.0%)	15.3%	2.3%	0.2x	5.4x
Sysco Corporation	\$ 52,150.73	\$ 80.57	10.2%	4.3%	18.4%	4.7%	0.7x	13.3x
The Chefs' Warehouse, Inc.	\$ 2,343.75	\$ 36.86	25.2%	8.3%	23.7%	4.7%	0.7x	10.4x
United Natural Foods, Inc.	\$ 4,299.69	\$ 11.20	(31.0%)	(57.5%)	13.3%	1.2%	0.1x	6.0x
US Foods Holding Corp.	\$ 18,200.84	\$ 54.18	19.3%	46.7%	17.3%	4.0%	0.5x	12.0x
Mean	\$ 13,624.76	\$ 64.82	1.2%	1.5%	16%	3.0%	0.4x	9.2x
Median	\$ 4,299.69	\$ 100.00	7.2%	6.0%	15.3%	2.5%	0.3x	10.4x

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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>	
Restaurants									
Brinker International, Inc.	\$ 4,323.41	\$ 50.96	18.0%	34.1%	13.5%	9.6%	1.0x	6.7x	
Chipotle Mexican Grill, Inc.	\$ 81,646.88	\$ 2,877.00	25.8%	68.4%	40.7%	19.4%	8.3x	33.2x	
Darden Restaurants, Inc.	\$ 26,549.06	\$ 167.24	1.8%	7.8%	21.0%	15.4%	2.4x	12.4x	
Domino's Pizza, Inc.	\$ 22,299.43	\$ 493.92	19.8%	49.7%	28.0%	19.5%	5.0x	23.3x	
McDonald's Corporation	\$ 250,902.57	\$ 280.22	(5.5%)	0.2%	57.1%	53.7%	9.8x	16.3x	
Restaurant Brands International Inc.	\$ 39,780.31	\$ 78.45	0.4%	16.8%	39.9%	33.2%	5.7x	17.0x	
Starbucks Corporation	\$ 124,747.87	\$ 91.53	(4.7%)	(12.1%)	27.9%	19.8%	3.4x	11.9x	
Yum! Brands, Inc.	\$ 51,014.31	\$ 140.47	7.5%	6.4%	49.4%	35.9%	7.2x	19.5x	
Mean	\$ 75,157.98	\$ 522.47	7.9%	21.4%	34.7%	25.8%	5.3x	17.5x	
Median	\$ 45,397.31	\$ 153.86	4.6%	12.3%	34.0%	19.6%	5.3x	16.7x	

Source: S&P Capital IQ

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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>	
Food Retail									
Ingles Markets, Incorporated	\$ 1,754.92	\$ 75.82	(12.2%)	(14.5%)	23.5%	6.3%	0.3x	4.6x	
Natural Grocers by Vitamin Cottage, Inc.	\$ 762.40	\$ 17.33	8.3%	47.5%	33.4%	5.9%	0.7x	5.9x	
Sprouts Farmers Market, Inc.	\$ 7,896.96	\$ 63.61	32.2%	81.6%	37.1%	7.6%	1.2x	9.6x	
The Kroger Co.	\$ 58,363.94	\$ 56.99	24.7%	15.4%	23.0%	5.4%	0.4x	6.5x	
Village Super Market, Inc.	\$ 662.68	\$ 28.31	7.9%	23.7%	28.6%	4.6%	0.3x	4.2x	
Weis Markets, Inc.	\$ 1,490.53	\$ 63.86	(0.2%)	(24.6%)	25.3%	5.2%	0.3x	4.9x	
Mean	\$ 11,821.91	\$ 50.99	10.1%	21.5%	28.5%	5.8%	0.5x	5.9x	
Median	\$ 1,622.73	\$ 60.30	8.1%	19.6%	26.9%	5.6%	0.4x	5.4x	
Food & Beverage Mean	\$ 43,223.15	\$ 138.77	5.1%	2.9%	30.4%	15.3%	2.5x	14.2x	
Food & Beverage Median	\$ 21,491.85	\$ 63.61	4.1%	(3.8%)	28.0%	15.3%	1.8x	11.3x	

Source: S&P Capital IQ

Note: All values based on publicly available data as of 03/31/2024.



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Q1 2024 M&A Activity

Announcement Date	Target Name	Buyer Name	Sector	Value (\$mm)	TEV/Re v	TEV/EBITD A
1/1/2024	WhiteWave Services, Inc./Wallaby Yogurt Company, Inc.	Platinum Equity, LLC	Packaged Foods and Meats	-	-	-
1/2/2024	Riley's Pets	Pet MD Brands, Inc.	Packaged Foods and Meats	7.50	2.3x	-
1/4/2024	Weaver Popcorn Manufacturing, Inc.	AUA Private Equity Partners, LLC	Packaged Foods and Meats	-	-	-
1/8/2024	21 Franchise Restaurants In North Carolina	First Watch Restaurants, Inc.	Restaurants	75.00	-	-
1/10/2024	Ohalo Genetics, Inc.		Agricultural Products and Services	67.00 ⁽¹⁾	-	-
1/16/2024	Fresh Cut Business of Calavo Growers	F&S Fresh Foods	Packaged Foods and Meats	100.00	-	-
1/16/2024	Carrols Restaurant Group, Inc.	Restaurant Brands International Inc.	Restaurants	1,709.12	0.9x	6.5x
1/23/2024	Oishii Farm Corporation		Agricultural Products and Services	53.30 ⁽¹⁾	-	-
1/25/2024	Hotel Chocolat Group plc	Mars, Incorporated	Packaged Foods and Meats	700.31	2.7x	25.7x
1/26/2024	Ingomar Packing Company LLC	Kagome Co., Ltd.	Packaged Foods and Meats	243.34	1.6x	-
1/30/2024	Marley Spoon Inc.	FreshRealm, Inc.	Restaurants	24.00	-	-
1/31/2024	Utz Quality Foods, LLC	Our Home	Packaged Foods and Meats	182.50	-	-
2/5/2024	Crest Foods Co, Inc.	Harwood Capital LLP	Packaged Foods and Meats	33.70 ⁽¹⁾	-	-
2/8/2024	Devenish Nutrition, LLC	Easy Bio USA, Inc.	Packaged Foods and Meats	66.34	0.4x	-

Source: S&P Capital IQ

Note: All values based on publicly available data as of 03/31/2024. ⁽¹⁾ Capital Raised



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Q1 2024 M&A Activity

Announcement Date	Target Name	Buyer Name	Sector	Value (\$mm)	TEV/Rev	TEV/EBITD
				v	A	
2/13/2024	Benson Hill Ingredients, LLC	White River Soy Processing, LLC	Packaged Foods and Meats	72.00	-	-
2/15/2024	The Bargain Barn, Inc.	Grocery Outlet Inc.	Food Retail	62.00	-	-
2/15/2024	Westrock Coffee Company	Comvest Credit Partners	Packaged Foods and Meats	72.00 ⁽¹⁾	-	-
2/27/2024	Progressive Produce Corporation	PTF Holdings, LLC	Agricultural Products and Services	120.25	0.5x	-
3/6/2024	PataFoods, Inc.	Melitas Ventures LLC	Packaged Foods and Meats	20.00 ⁽¹⁾	-	-
3/7/2024	Serenity Kids, Inc.	Stride Consumer Partners LLC	Packaged Foods and Meats	52.06 ⁽¹⁾	-	-
3/7/2024	Concord Foods, LLC	Sugar Foods Corporation	Packaged Foods and Meats	-	-	-
3/11/2024	Musti Group Oyj	Sonae, SGPS, S.A.	Packaged Foods and Meats	938.28	2.3x	14.0x
3/12/2024	Sovos Brands, Inc.	Campbell Soup Company	Packaged Foods and Meats	2,959.52	3.0x	15.7x
3/13/2024	California Custom Fruits & Flavors, Inc.	Peak Rock Capital LLC	Packaged Foods and Meats	-	-	-
3/15/2024	Burklund Distributors, Inc.	AMCON Distributing Company	Food Distributors	19.60	-	-
3/20/2024	BuzzBallz, LLC.	SAZERAC COMPANY, INC.	Distillers and Vintners	-	-	-
3/26/2024	The ONE Group Hospitality, Inc.	HPS Investment Partners, LLC	Restaurants	550.00 ⁽¹⁾	1.7x	9.8x

Source: S&P Capital IQ

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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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