



INDUSTRY UPDATE

FOOD & BEVERAGE
Q2 2024



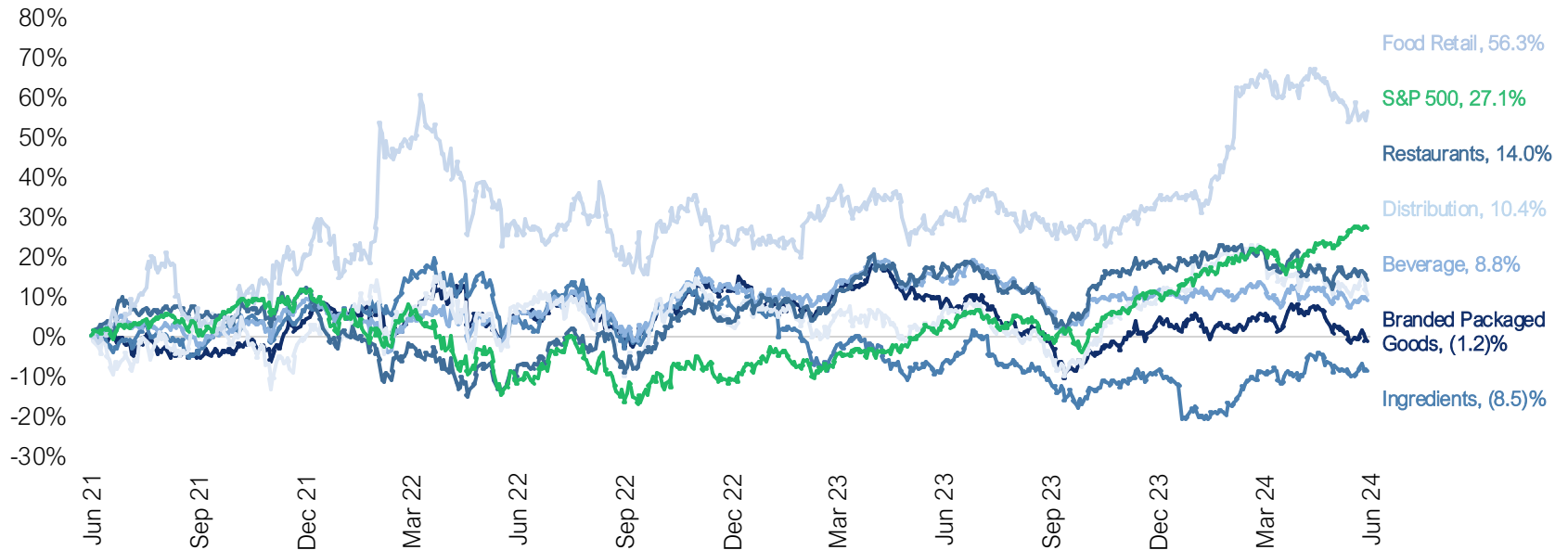
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Public Market Performance

Most sectors within the Food & Beverage (“F&B”) industry experienced slight compressions quarter-over-quarter. Profitability has been a challenge for key industry players as consumer spending growth has leveled off due to concerns about inflation and rising food costs. To mitigate further risk from increased supply costs, companies are investing in consolidating their supply chains and focusing on operational efficiency, as passing these costs on to consumers has become more difficult. However, companies that have successfully fueled sales volumes through advertising and promotions have been able to sustain profitability. Despite these pressures, M&A deal activity has remained stable, and there is optimism for the second half of the year due to accumulated dry powder and anticipated Fed rate cuts. The Food Retail segment saw the largest average share price increase over the quarter at 4% (see pg. 10). Over the 3-year period ending June 30, 2024, only the Food Retail sector outperformed the S&P 500 index, with gains of 56.3%. This performance highlights the resilience and adaption amongst the top players in the sector, positioning it well for sustained future growth.

Food & Beverage Market Performance



Source: S&P Capital IQ

Note: All values based on publicly available data as of 06/30/2024.

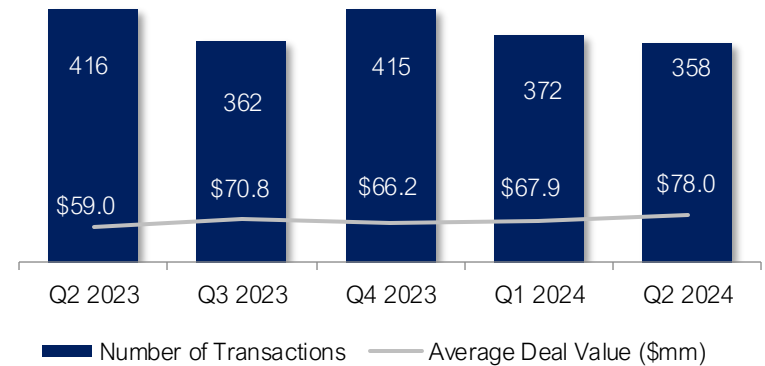


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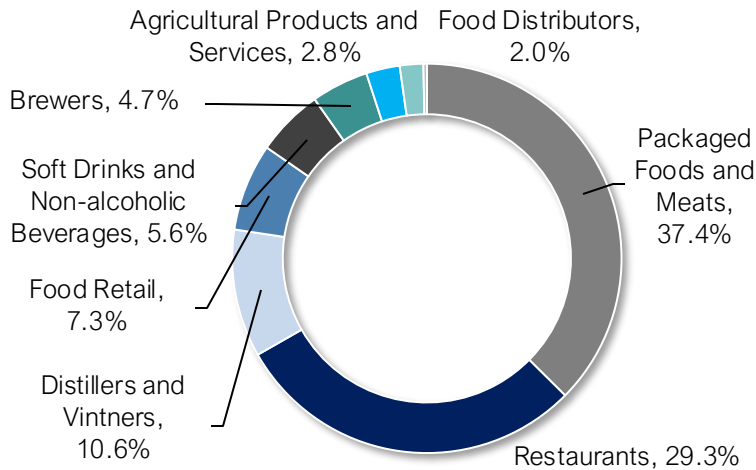
Middle-Market M&A Activity

The Food and Beverage industry demonstrated resilience in Q2 2024, maintaining similar deal volumes to the previous quarter. In addition to the stable deal activity, average deal value continued its upward trajectory since Q4 2023, this time with a quarter-over-quarter increase of approximately 15%. The rise in deal value is likely driven by substantial amounts of dry powder available for financial sponsors to acquire premium assets, coupled with a favorable lending environment for strategic players. As a result, while the number of deals remained stable, the value of the deals rose with more platform acquisitions and more significant add-on deals. Strategic buyers remain the most active in the industry, accounting for 90.5% of the total transaction volume in the quarter. The Packaged Foods and Meats category led activity in the industry with 37.4% of total volume.

Q2 2024 Food & Beverage M&A Activity

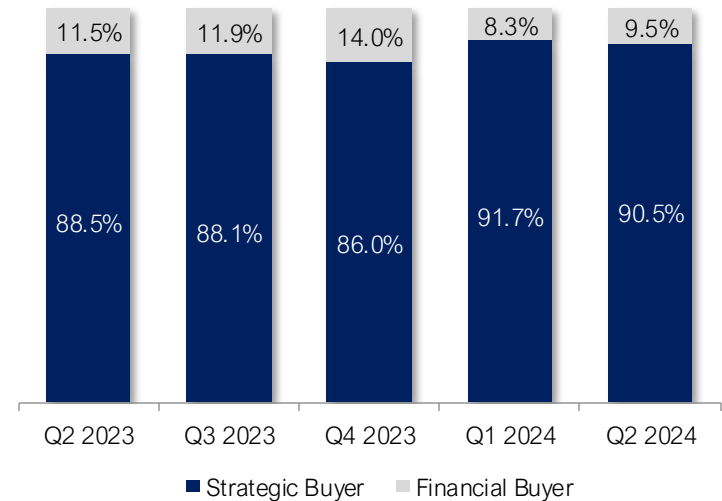


Q2 2024 M&A Activity by Sector



Source: S&P Capital IQ
 Note: All values based on publicly available data as of 06/30/2024.

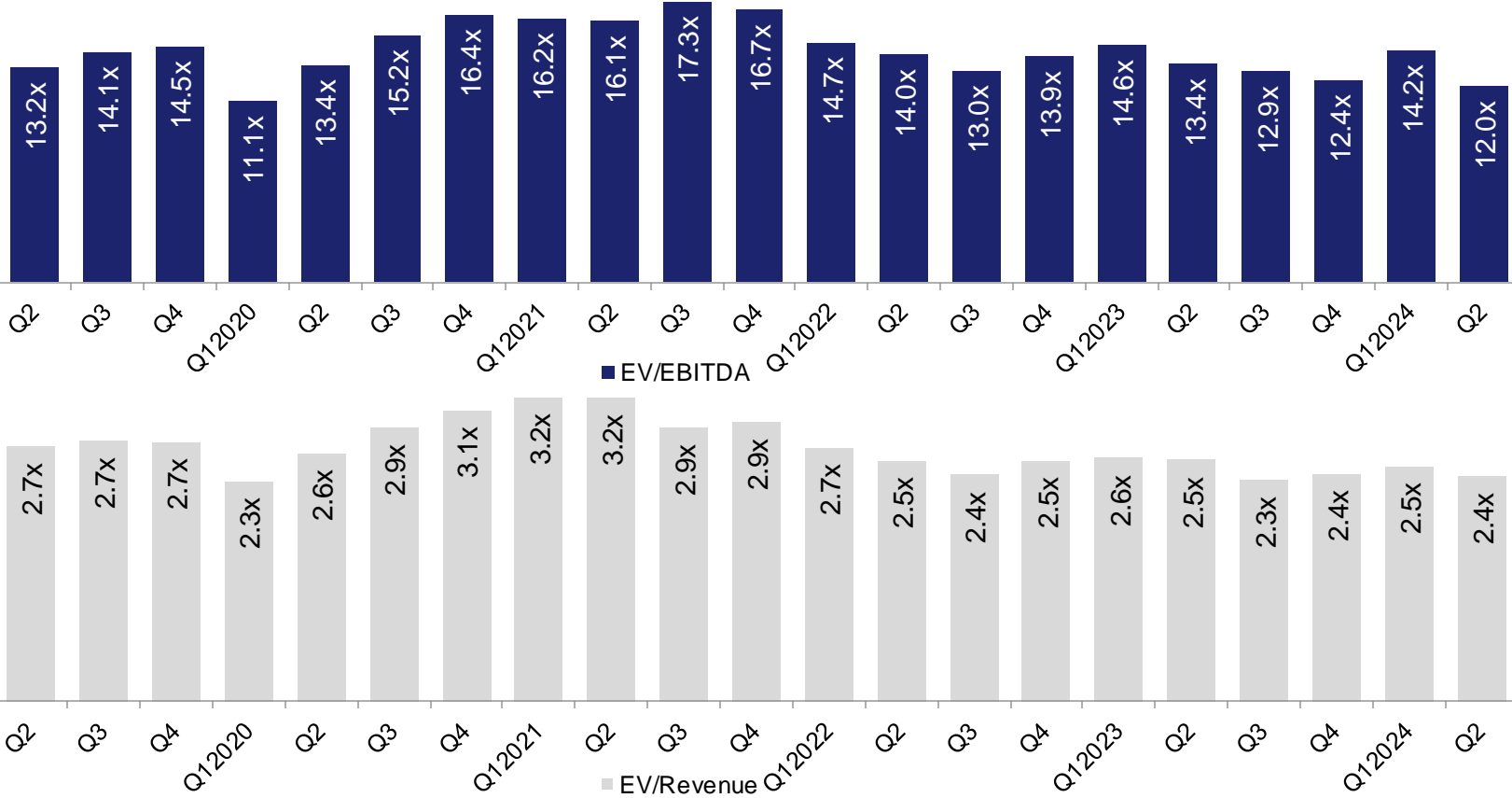
Q2 2024 M&A Activity by Buyer Type



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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 14.0x EBITDA and 2.6x Revenue in Q2 2024. The F&B industry recorded a 15.7% decrease in average EBITDA multiple and a 4.2% decrease in average Revenue multiple from the previous quarter. The Beverages sector led the industry with median EBITDA multiples of 16.1x.



Source: S&P Capital IQ
 Note: All values based on publicly available data as of 06/30/2024.



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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.	\$ 2,690.76	\$ 7.95	(29.6%)	(42.9%)	22.4%	15.0%	1.3x	8.3x
Campbell Soup Company	\$ 20,894.53	\$ 45.27	1.4%	(1.0%)	31.7%	19.4%	2.2x	9.5x
Conagra Brands, Inc.	\$ 22,198.58	\$ 28.30	(4.6%)	(16.1%)	27.8%	19.4%	1.8x	9.1x
General Mills, Inc.	\$ 48,479.52	\$ 63.30	(9.7%)	(17.5%)	35.0%	21.8%	2.4x	10.6x
Hormel Foods Corporation	\$ 18,995.85	\$ 30.43	(13.0%)	(24.3%)	16.8%	10.8%	1.6x	10.1x
Kellanova	\$ 25,942.64	\$ 56.72	(0.6%)	(15.8%)	34.4%	14.8%	2.0x	13.0x
Lancaster Colony Corporation	\$ 5,037.52	\$ 188.57	(8.7%)	(6.2%)	23.0%	14.2%	2.7x	18.0x
McCormick & Company, Incorporated	\$ 23,120.48	\$ 69.95	(8.7%)	(19.8%)	38.0%	18.4%	3.5x	16.8x
Mondelez International, Inc.	\$ 105,734.26	\$ 65.24	(6.5%)	(10.6%)	40.3%	21.9%	2.9x	11.1x
Post Holdings, Inc.	\$ 12,369.42	\$ 103.64	(1.7%)	19.6%	29.0%	16.5%	1.6x	9.5x
The J. M. Smucker Company	\$ 20,259.06	\$ 110.51	(11.4%)	(25.2%)	38.1%	23.0%	2.5x	10.1x
The Kraft Heinz Company	\$ 57,772.54	\$ 31.86	(14.0%)	(10.3%)	34.8%	24.7%	2.2x	8.0x
TreeHouse Foods, Inc.	\$ 3,251.33	\$ 36.28	(6.3%)	(28.0%)	16.2%	8.8%	1.0x	9.2x
Tyson Foods, Inc.	\$ 29,225.59	\$ 57.36	(0.8%)	12.4%	6.3%	4.8%	0.6x	9.7x
Mean	\$ 28,283.72	\$ 63.96	(8.2%)	(13.3%)	28.1%	16.7%	2.0x	10.9x
Median	\$ 21,546.56	\$ 57.04	(7.6%)	(16.0%)	30.4%	17.5%	2.1x	9.9x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 06/30/2024.



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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	\$ 40,760.71	\$ 60.64	(2.7%)	(19.7%)	7.4%	4.5%	0.4x	7.2x
Cal-Maine Foods, Inc.	\$ 2,380.99	\$ 62.78	7.2%	39.5%	23.3%	17.0%	1.0x	5.9x
Hormel Foods Corporation	\$ 18,995.85	\$ 30.43	(13.0%)	(24.3%)	16.8%	10.8%	1.6x	10.1x
Ingredion Incorporated	\$ 8,962.71	\$ 113.77	(3.0%)	7.4%	21.8%	14.5%	1.1x	7.5x
International Flavors & Fragrances Inc.	\$ 34,126.35	\$ 93.14	7.8%	17.0%	33.0%	15.6%	3.0x	17.3x
Pilgrim's Pride Corporation	\$ 11,830.93	\$ 38.24	10.8%	77.9%	9.8%	9.0%	0.7x	8.2x
Premium Brands Holdings Corporation	\$ 5,051.11	\$ 68.55	4.4%	(13.2%)	19.6%	6.3%	1.1x	15.9x
Sensient Technologies Corporation	\$ 3,758.13	\$ 73.66	7.2%	3.6%	31.4%	16.0%	2.6x	15.7x
Mean	\$ 15,733.35	\$ 67.65	2.3%	11.0%	20.4%	11.7%	1.4x	11.0x
Median	\$ 10,396.82	\$ 65.66	5.8%	5.5%	20.7%	12.6%	1.1x	9.1x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 06/30/2024.



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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	\$ 196,848.11	\$ 58.35	(4.5%)	2.9%	54.5%	30.0%	3.3x	10.2x	
Brown-Forman Corporation	\$ 22,784.94	\$ 42.11	(17.5%)	(36.9%)	60.5%	29.5%	5.5x	17.8x	
Constellation Brands, Inc.	\$ 59,462.17	\$ 256.29	(3.7%)	4.1%	51.1%	37.5%	6.0x	17.5x	
Primo Water Corporation	\$ 4,394.52	\$ 21.75	19.5%	73.5%	64.6%	20.6%	2.5x	10.7x	
Farmer Bros. Co.	\$ 102.71	\$ 2.50	(30.6%)	(9.7%)	37.7%	(2.0%)	0.3x	23.3x	
Molson Coors Beverage Company	\$ 16,958.26	\$ 50.60	(24.8%)	(23.1%)	39.1%	21.5%	1.4x	6.7x	
Monster Beverage Corporation	\$ 48,498.83	\$ 49.90	(13.6%)	(13.1%)	53.5%	29.2%	6.6x	22.4x	
National Beverage Corp.	\$ 4,663.80	\$ 52.80	6.8%	9.2%	36.0%	20.0%	3.9x	18.3x	
PepsiCo, Inc.	\$ 261,599.89	\$ 162.89	(5.8%)	(12.1%)	54.6%	18.3%	2.8x	14.7x	
Starbucks Corporation	\$ 109,455.15	\$ 77.13	(15.7%)	(22.1%)	27.6%	19.4%	3.0x	10.5x	
The Boston Beer Company, Inc.	\$ 3,398.06	\$ 301.90	0.4%	(2.1%)	43.8%	11.8%	1.7x	13.6x	
The Coca-Cola Company	\$ 300,972.41	\$ 63.28	4.3%	5.1%	60.5%	33.6%	6.5x	17.9x	
Mean	\$ 85,761.57	\$ 94.96	(7.1%)	(2.0%)	49%	22.5%	3.6x	15.3x	
Median	\$ 35,641.89	\$ 55.58	(5.2%)	(5.9%)	52.3%	21.0%	3.2x	16.1x	

Source: S&P Capital IQ

Note: All values based on publicly available data as of 06/30/2024.



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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	\$ 238.80	\$ 141.00	(20.3%)	(30.5%)	8.7%	1.4%	0.1x	5.9x
Performance Food Group Company	\$ 14,968.42	\$ 65.17	(12.1%)	8.2%	12.0%	2.5%	0.3x	9.5x
SpartanNash Company	\$ 1,496.32	\$ 18.26	(8.0%)	(18.9%)	15.4%	2.4%	0.2x	5.1x
Sysco Corporation	\$ 47,353.67	\$ 69.88	(13.3%)	(5.8%)	18.5%	5.6%	0.6x	11.5x
The Chefs' Warehouse, Inc.	\$ 2,440.69	\$ 39.18	6.3%	9.6%	23.9%	4.7%	0.7x	10.5x
United Natural Foods, Inc.	\$ 4,336.62	\$ 12.79	14.2%	(34.6%)	13.4%	1.2%	0.1x	6.1x
US Foods Holding Corp.	\$ 17,554.77	\$ 52.56	(3.0%)	19.5%	17.3%	4.0%	0.5x	11.7x
Mean	\$ 12,627.04	\$ 56.98	(5.2%)	(7.5%)	16%	3.1%	0.4x	8.6x
Median	\$ 4,336.62	\$ 100.00	(8.0%)	(5.8%)	15.4%	2.5%	0.3x	9.5x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 06/30/2024.



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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.	\$ 5,243.79	\$ 72.55	42.4%	98.2%	13.7%	9.7%	1.2x	8.0x
Chipotle Mexican Grill, Inc.	\$ 87,625.34	\$ 61.81	7.4%	44.5%	41.0%	20.1%	8.6x	34.4x
Darden Restaurants, Inc.	\$ 24,252.51	\$ 148.33	(11.3%)	(11.2%)	21.2%	15.5%	2.1x	11.1x
Domino's Pizza, Inc.	\$ 22,626.13	\$ 505.35	2.3%	50.0%	28.4%	19.7%	5.0x	22.8x
McDonald's Corporation	\$ 230,270.21	\$ 249.99	(10.8%)	(16.2%)	57.0%	53.5%	8.9x	14.8x
Restaurant Brands International Inc.	\$ 37,528.52	\$ 70.29	(10.4%)	(9.3%)	39.8%	33.9%	5.2x	15.3x
Starbucks Corporation	\$ 109,455.15	\$ 77.13	(15.7%)	(22.1%)	27.6%	19.4%	3.0x	10.5x
Yum! Brands, Inc.	\$ 47,783.70	\$ 129.70	(7.7%)	(6.4%)	49.3%	36.6%	6.8x	18.0x
Mean	\$ 70,598.17	\$ 164.39	(0.5%)	15.9%	34.7%	26.0%	5.1x	16.9x
Median	\$ 42,656.11	\$ 103.42	(9.0%)	(7.9%)	34.1%	19.9%	5.1x	15.1x

Source: S&P Capital IQ

Note: All values based on publicly available data as of 06/30/2024.



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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	\$ 1,582.48	\$ 68.56	(9.6%)	(17.0%)	23.5%	6.0%	0.3x	4.4x	
Natural Grocers by Vitamin Cottage, Inc.	\$ 841.36	\$ 21.28	22.8%	73.6%	33.3%	6.0%	0.7x	6.3x	
Sprouts Farmers Market, Inc.	\$ 9,787.40	\$ 83.57	31.4%	127.5%	37.6%	7.9%	1.4x	11.6x	
The Kroger Co.	\$ 52,938.74	\$ 50.56	(11.3%)	7.6%	23.0%	5.4%	0.4x	5.9x	
Village Super Market, Inc.	\$ 647.33	\$ 26.24	(7.3%)	15.0%	28.6%	4.4%	0.3x	4.2x	
Weis Markets, Inc.	\$ 1,464.68	\$ 62.74	(1.8%)	(2.3%)	25.2%	5.1%	0.3x	4.9x	
Mean	\$ 11,210.33	\$ 52.16	4.0%	34.1%	28.5%	5.8%	0.6x	6.2x	
Median	\$ 1,523.58	\$ 56.65	(4.5%)	11.3%	26.9%	5.7%	0.3x	5.4x	
Food & Beverage Mean	\$ 41,298.44	\$ 83.69	(3.6%)	2.9%	30.9%	15.7%	2.4x	11.9x	
Food & Beverage Median	\$ 18,995.85	\$ 62.78	(5.8%)	(6.4%)	28.6%	15.5%	1.7x	10.5x	

Source: S&P Capital IQ

Note: All values based on publicly available data as of 06/30/2024.



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Q2 2024 M&A Activity

Announcement Date	Target Name	Buyer Name	Sector	Value (\$mm)	TEV/Rev	TEV/EBITDA
4/2/2024	Lucky Beverage Co.	Brand Foundry Ventures	Soft Drinks and Non-alcoholic Beverages	8.00 ⁽¹⁾	-	-
4/3/2024	Straus Family Creamery, Inc.	Grounded Capital LLC	Packaged Foods and Meats	23.17 ⁽¹⁾	-	-
4/9/2024	That's How We Roll LLC	J&J Snack Foods Corp.	Packaged Foods and Meats	7.70	-	-
4/15/2024	Flavor Producers, LLC	Glanbia plc	Packaged Foods and Meats	355.00	4.1x	18.0x
4/18/2024	Emergy Inc.	Grosvenor	Packaged Foods and Meats	222.41 ⁽¹⁾	-	-
4/23/2024	Oberweis Dairy, Inc.	Osprey Capital, LLC	Packaged Foods and Meats	-	-	-
4/24/2024	Tropical Smoothie Cafe, LLC	Blackstone Inc.	Restaurants	2,000.00	1.5x	-
4/25/2024	Lotus Foods, Inc.	Grounded Capital LLC	Food Distributors	22.50 ⁽¹⁾	-	-
4/29/2024	Only What You Need, Inc.	Simply Good Foods USA, Inc.	Soft Drinks and Non-alcoholic Beverages	280.00	3.3x	-
4/30/2024	Subway	Roark Capital Management LLC	Restaurants	9,550.00	1.0x	13.2x
5/1/2024	The James Skinner LLC	Stellex Capital Management LLC	Packaged Foods and Meats	-	-	-

Source: S&P Capital IQ; Pitchbook

Note: All values based on publicly available data as of 06/30/2024. ⁽¹⁾ Capital Raised



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Q2 2024 M&A Activity

Announcement Date	Target Name	Buyer Name	Sector	Value (\$mm)	TEV/Rev	TEV/EBITDA
5/3/2024	Kosmos Q, LLC	L2 Capital Partners, L.P.	Packaged Foods and Meats	-	-	-
5/8/2024	Sea Smoke Estate Vineyards	Constellation Brands, Inc.	Distillers and Vintners	170.00	-	-
5/15/2024	Montucky Cold Snacks, Co.	E. & J. Gallo Winery, Inc.	Brewers	49.70 ⁽¹⁾	-	-
5/31/2024	All production, sales and distribution assets of Kalil Bottling Co	Keurig Dr Pepper Inc.	Soft Drinks and Non-alcoholic Beverages	-	-	-
6/11/2024	Pruvit Ventures, Inc.	Adventures Capital	Soft Drinks and Non-alcoholic Beverages	107.00	-	-
6/17/2024	Primo Water Corporation	BlueTriton Brands, Inc.	Soft Drinks and Non-alcoholic Beverages	22.98	-	-
6/17/2024	Cheeze Kurls, LLC	Nexus Capital Management LP	Packaged Foods and Meats	-	-	-
6/21/2024	Summer Garden Food Manufacturing	Lassonde Industries Inc.	Packaged Foods and Meats	235.00	1.6x	8.4x
6/25/2024	Local Food Group Inc.	General Catalyst Group Management	Restaurants	40.00 ⁽¹⁾	-	-
6/27/2024	Benson Hill, Inc.	Argonautic Ventures	Agricultural Products and Services	131.47	0.2x	-
6/28/2024	Substantially all the assets of ISE America, Inc.	Cal-Maine Foods, Inc.	Packaged Foods and Meats	112.00	-	-

Source: S&P Capital IQ; Pitchbook

Note: All values based on publicly available data as of 06/30/2024. ⁽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 and Pitchbook databases. For more information on this or anything else related to our research, please email info@greenwichgp.com.

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