



FOOD & BEVERAGE

Q4 2024

Industry Trends

GCG has identified key trends shaping the Food & Beverage sector in Q4 2024. The demand for better-for-you (BFY) and functional options is driving significant industry growth, alongside rising cost-consciousness fueling private label expansion. PepsiCo's acquisition of Siete Foods highlights the increasing push by large CPG companies to expand both BFY and multicultural offerings. Consumers are also gravitating toward functional beverages, with prebiotic and probiotic categories leading growth.

As grocery prices continue to climb, private label sales hit a record \$271 billion in 2024, with refrigerated and general F&B categories seeing notable gains. Walmart's BetterGoods and Kroger's Field & Vine brands have made a strong impact, with refrigerated items growing 7.5% and the broader F&B category increasing by 4%.

These trends will continue to shape industry dynamics and M&A activity. GCG anticipates increased acquisitions in BFY snacks, functional beverage portfolio expansion, and more branded companies entering the private label space.

1

Continued Growth of BFY Snacking

Snacking has become an integral part of consumers' daily routines, driven by shifting lifestyle habits and a growing focus on health-conscious choices. Demand for BFY snacks continues to rise as consumers seek options with less sugar, more protein, and added fiber. Broader trends in weight management further support this shift. Major acquisitions, such as Pepsi's purchase of Siete, have expanded BFY snack availability across all channels, fueling market growth.



Image Source: Good Eggs

2

Healthy Lifestyles Driving Interest in Functional Beverages:

Functional beverages are surging in popularity, particularly those supporting gut health. Consumers now have access to a full range of biotics—pro-, pre-, and post-biotics. Brands like Olipop and Poppi lead in prebiotic sodas, while Health-Ade, Humm, and Kevita dominate the probiotic kombucha category. Post-biotic products are gaining traction in supermarkets. Other functional beverages, including protein coffees, hydration drinks, and health-boosting non-alcoholic options continue to expand.



Image: Eat This Not That

3

Private Label Taking Market Share from Larger CPG Brands:

Since 2021, consumers have increasingly embraced private-label brands, recognizing them as viable alternatives to name brands in terms of taste and quality. This shift remains strong with nearly 75% of shoppers opting for budget-friendly options. Private-label products account for a significant portion of this trend, reflecting a broader consumer preference for value. As retailers continue to perform well, private labels are solidifying their reputation for affordability and quality.

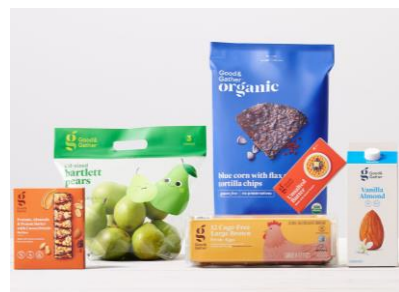


Image Source: Target

Sources: McKinsey & Company, Innova Market Insights, Food Dive

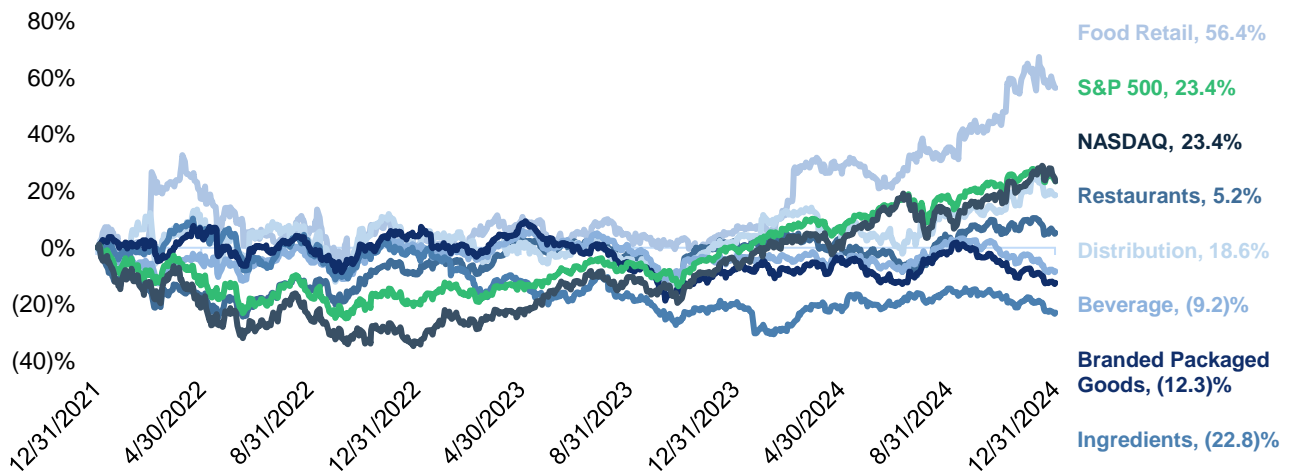
Public Market Performance

Q4 2024 was a tumultuous period for the Food & Beverage (F&B) industry, marked by a mix of opportunities and challenges. While the quarter began on a high note, fueled by increased consumer spending and market optimism, most sub-sectors experienced quarter-over-quarter share price decreases.

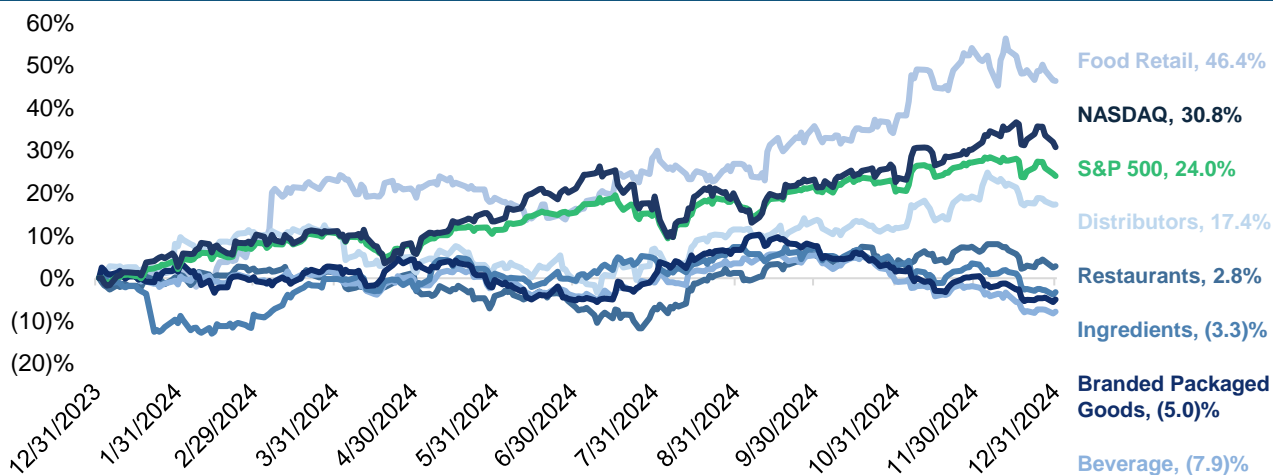
One unique challenge was investor concerns surrounding Robert F. Kennedy Jr.'s potential appointment as the head of the HHS under President Trump's administration, and the implications this might have for the industry. Additionally, large CPGs faced stock pressures as they continued to lose market share to private label brands, driven by increasingly cost-conscious consumers.

However, M&A deal activity soared in Q4 as both strategic and financial buyers sought to refine their product portfolios and capitalize on growth opportunities through bolt-on acquisitions. The Food Retail segment saw the largest average share price increase over the quarter at 8.6% (see pg. 13) and remains the industry's strongest performer, with a 56.4% gain, outpacing both the S&P 500 and NASDAQ indices over the 3-year period ending December 31, 2024.

F&B Industry vs. S&P 500 & Nasdaq Composite Index Chart – 3 Years



F&B Industry vs. S&P 500 & Nasdaq Composite Index Chart – LTM



Source: Pitchbook

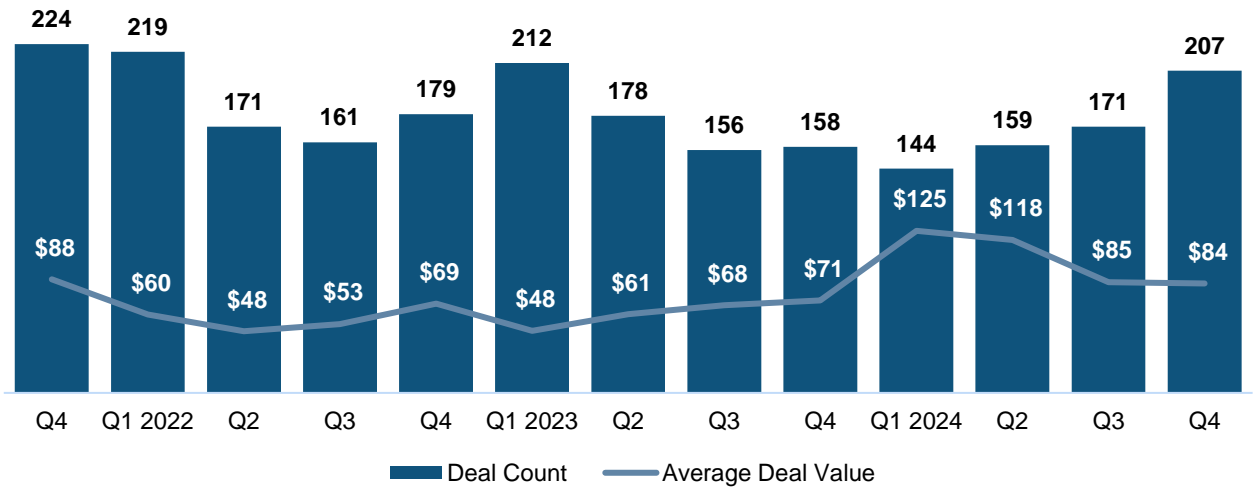
Note: All values based on publicly available data as of 12/31/2024

Middle Market M&A Activity

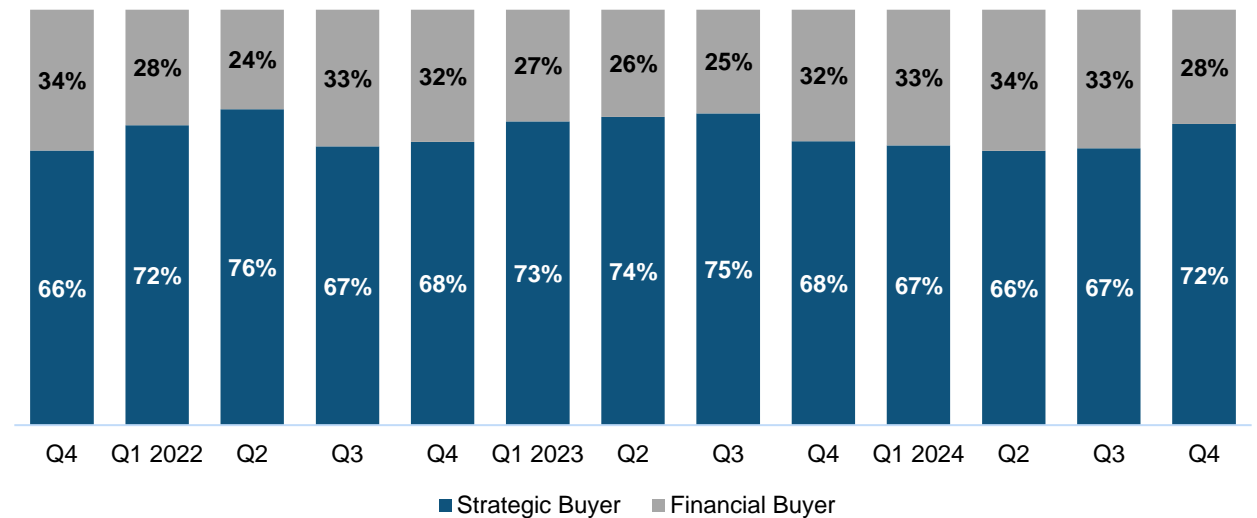
The Food and Beverage industry ended 2024 on a high note, achieving the strongest quarter of deal activity since early 2023. Deal volumes surged in Q4, reflecting continued momentum in the sector, while average deal values held steady compared to Q3. This underscores the appeal of smaller, premium bolt-on acquisitions as companies and investors focus on enhancing their portfolios with high-growth, niche targets.

Heightened activity was likely driven by market optimism fueled by the slowing of inflation and anticipated Fed rate cuts, creating a more favorable M&A environment. While financial sponsors were active, strategic buyers led the charge, accounting for 72% of total volume. This reflects their ongoing efforts to refine product portfolios and capitalize on shifting consumer preferences.

Food & Beverage Deal Activity (Deal Values in \$MM)



M&A Activity by Buyer Type



Source: Pitchbook

Note: All values based on publicly available data as of 12/31/2024

Representative Market Landscape

Beverages



Food Retail



Ingredients



Branded Packaged Goods



Distributors







Restaurants



Comparable Transactions

Q4 2024 M&A Activity – Select Transactions

11/01/2024	11/08/2024	12/03/2024
 <p>acquires</p> 	 <p>acquires</p> 	 <p>acquires</p> 
<p>Big Beverages Contract Manufacturing, a leading co-packer in the beverage industry, has been acquired by Celsius Holdings in an all-cash deal. Big Beverage, a longtime Celsius co-packer, will dedicate its facility to manufacturing Celsius products. This strategic acquisition provides greater supply chain control and production flexibility for Celsius.</p>	<p>Primo Water Corporation, a hydration beverage company, was acquired by BlueTriton Brands. The two companies have merged to form Primo Brands, a company focused on healthy hydration. This move improves the company's position in the hydration industry and enhances its brand diversity and distribution capabilities.</p>	<p>Voortman Cookies, formerly a subsidiary of Hostess Brands and J.M. Smucker, was acquired by Second Nature Brands in an all-cash deal. This deal marks J.M. Smucker's divestiture of a non-core asset, while Second Nature Brands grows its strong presence in the Better For You snacking category by adding the specialty cookie brand.</p>

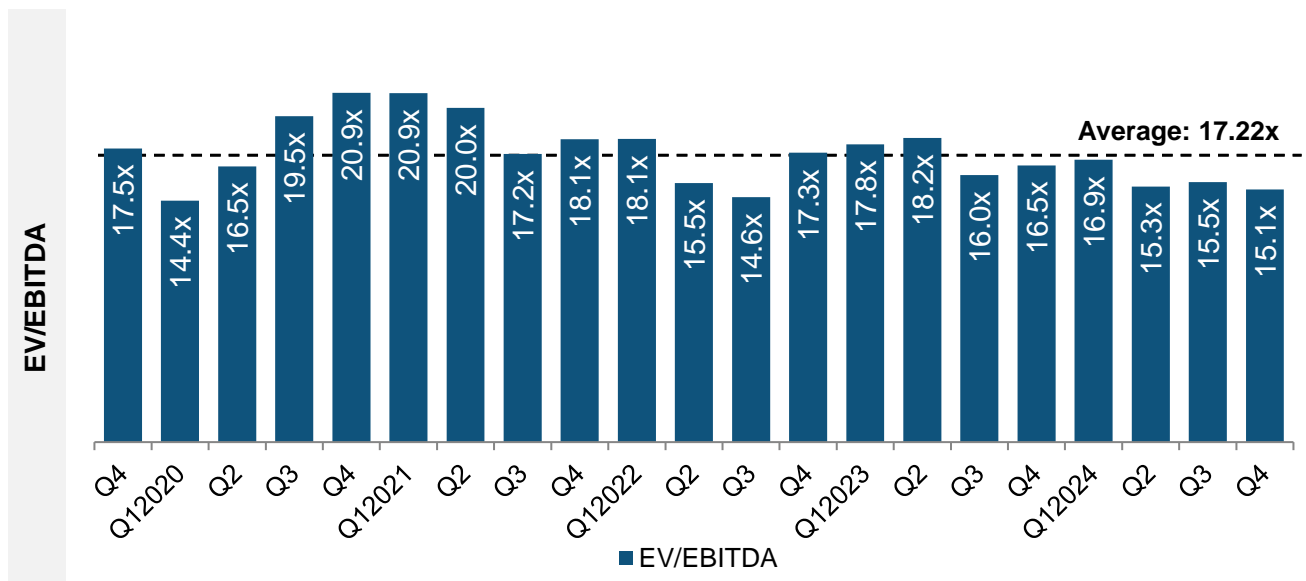
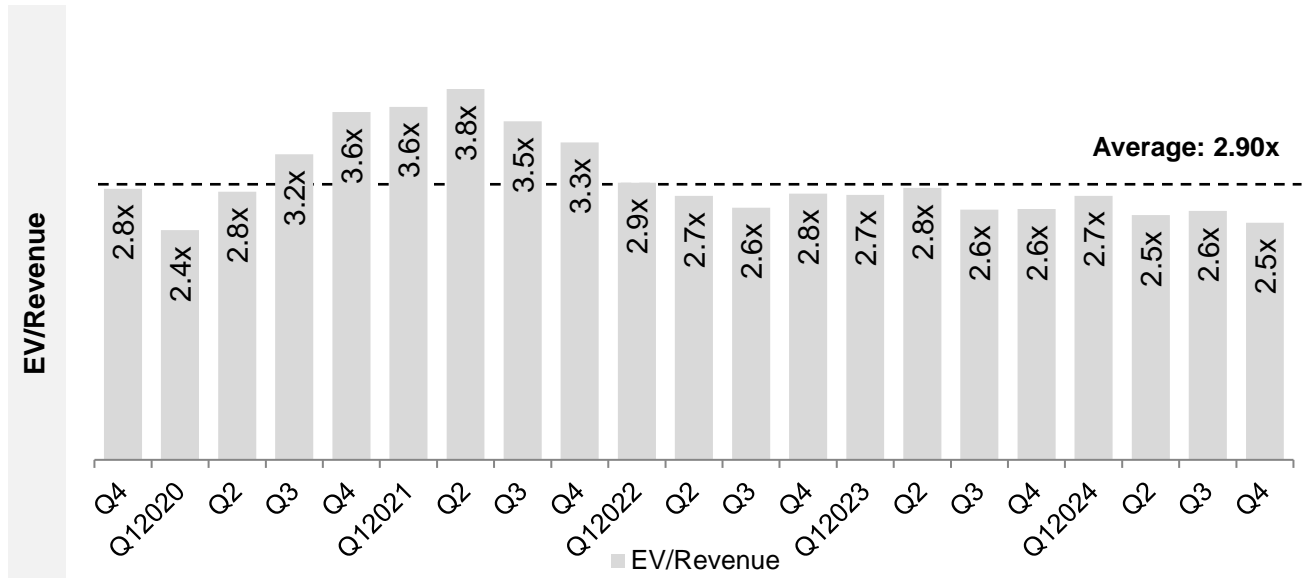
Deal Date	Target	Buyer	Value (\$M)	TEV / Rev	TEV / EBITDA
24-Dec-24	The Duckhorn Portfolio	Butterfly Equity	1,944.6	4.6x	14.9x
23-Dec-24	Hiya	USANA Health Sciences	260.2	2.5x	11.8x
18-Dec-24	Cloud Star	General Mills	1,450.0		
16-Dec-24	Tropical Cheese	AUA			
05-Dec-24	Arcadia Biosciences	Roosevelt Resources	33.2		
03-Dec-24	Voortman Cookies	CapVest Partners	305.0	4.7x	
22-Nov-24	Sabra Dipping	Pepsico	481.6		
19-Nov-24	Jersey Mike's Subs	Blackstone	8,000.0	2.0x	
19-Nov-24	Berry Global	Amcor	7,335.0	0.6x	4.1x
12-Nov-24	Noosa Yoghurt	CapVest Partners	200.0		
08-Nov-24	Primo Water	BlueTriton Brands	8,825.2	1.8x	10.5x
07-Nov-24	ZOA Energy	Molson Coors Beverage	53.0		
01-Nov-24	Big Bev. Contract Mfg.	Celsius Holdings	75.0		
25-Oct-24	PetIQ	Bansk Group	1,415.9	1.2x	15.7x
08-Oct-24	Cheney Brothers	Performance Food Group	2,100.0		
02-Oct-24	Badia Spices	BDT & MSD Partners	1,200.0		
01-Oct-24	The Virginia Food Group	Azalea Capital	28.0		
01-Oct-24	Siete Family Foods	Pepsico	1,200.0	2.4x	

Source: Pitchbook

Note: All values based on publicly available data as of 12/31/2024

Public Comparable Companies

Based on a representative set of publicly traded companies across the F&B industry, companies traded at an average multiple of 15.1x EBITDA and 2.5x Revenue in Q4 2024. The F&B industry recorded a 2.9% decrease in average EBITDA multiple and a 4.7% decrease in average Revenue multiple from the previous quarter.



Source: Pitchbook

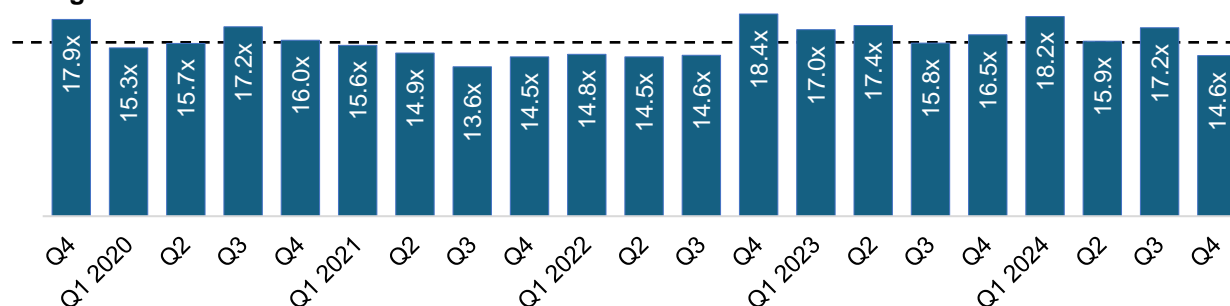
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Public Comparable Companies

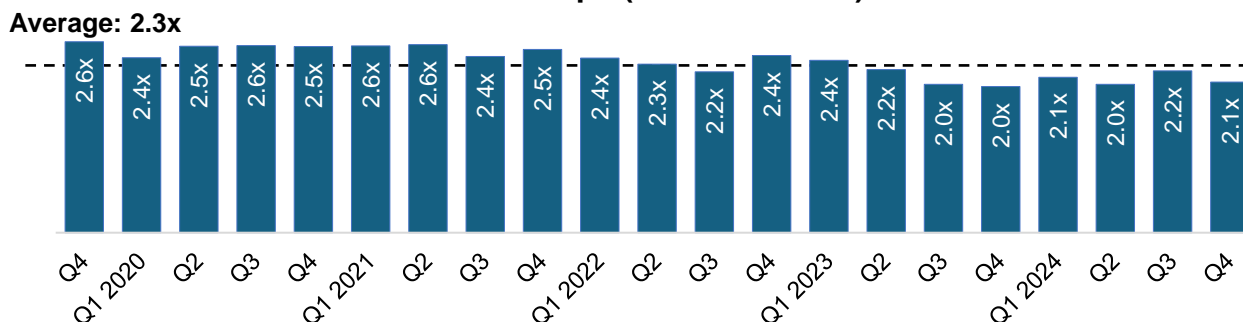
Branded Packaged Goods

Company Name	Enterprise Value (\$MM)	Share Stock Price	Price Change		LTM Margins		TEV / LTM:	
			3 month	12 month	Gross	EBITDA	Revenue	EBITDA
B&G Foods, Inc.	\$ 2,631.09	\$ 6.89	(22.7%)	(34.4%)	21.9%	10.9%	1.3x	12.3x
Campbell Soup Company	\$ 19,595.82	\$ 41.88	(13.4%)	(3.1%)	30.8%	30.8%	2.0x	13.7x
Conagra Brands, Inc.	\$ 21,671.84	\$ 27.75	(15.2%)	(3.2%)	27.2%	27.2%	1.8x	15.6x
General Mills, Inc.	\$ 47,629.32	\$ 63.77	(14.5%)	(2.1%)	35.3%	35.3%	2.4x	11.3x
Hormel Foods Corporation	\$ 19,325.26	\$ 31.37	(0.9%)	(2.3%)	17.0%	17.0%	1.6x	14.6x
Kellanova	\$ 33,930.19	\$ 80.97	0.4%	44.8%	34.9%	34.9%	3.2x	21.6x
Lancaster Colony Corporation	\$ 4,679.93	\$ 173.14	(2.3%)	4.1%	23.1%	23.1%	2.5x	17.8x
McCormick & Company	\$ 24,869.13	\$ 76.24	(9.3%)	11.4%	38.5%	38.5%	3.7x	19.2x
Mondelez International, Inc.	\$ 98,815.61	\$ 59.73	(18.2%)	(17.5%)	38.8%	38.8%	2.7x	13.5x
Post Holdings, Inc.	\$ 12,943.85	\$ 114.46	(1.4%)	30.0%	29.1%	29.1%	1.6x	10.2x
The J. M. Smucker Company	\$ 20,051.63	\$ 110.12	(9.1%)	(12.9%)	38.7%	38.7%	2.3x	11.6x
The Kraft Heinz Company	\$ 56,081.76	\$ 30.71	(12.7%)	(17.0%)	34.6%	34.6%	2.1x	14.5x
TreeHouse Foods, Inc.	\$ 3,232.56	\$ 35.13	(15.2%)	(15.2%)	15.6%	15.6%	1.0x	18.8x
Tyson Foods, Inc.	\$ 28,652.55	\$ 57.44	(3.9%)	6.9%	6.8%	6.8%	0.5x	9.9x
Mean	\$ 28,150.75	\$ 64.97	(9.9%)	(0.8%)	28.0%	27.2%	2.1x	14.6x
Median	\$ 20,861.73	\$ 58.59	(11.0%)	(2.7%)	30.0%	30.0%	2.1x	14.1x

Average: 16.0x Public Comps (TEV / EBITDA)



Average: 2.3x Public Comps (TEV / Revenue)



Source: Pitchbook

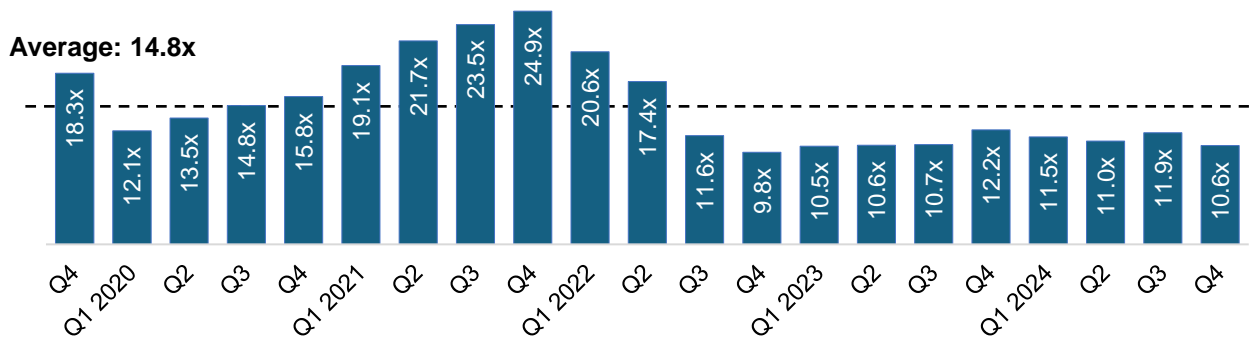
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Public Comparable Companies

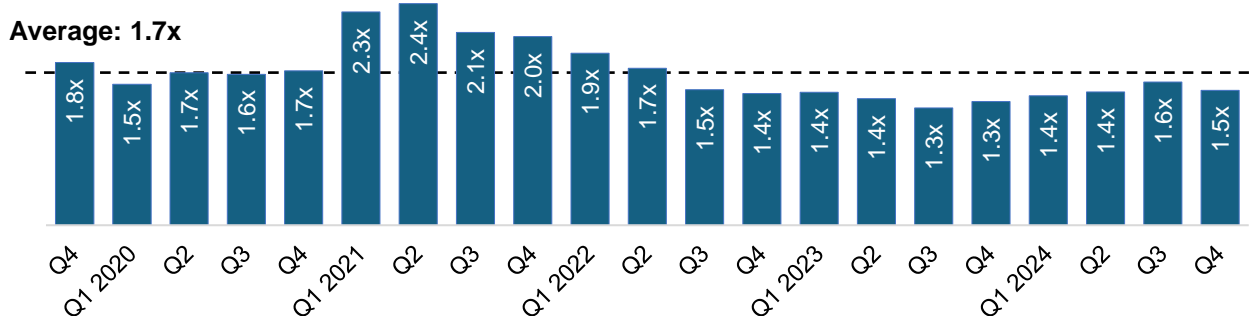
Ingredients

Company Name	Enterprise Value (\$MM)	Share Stock Price	Price Change		LTM Margins		TEV / LTM:	
			3 month	12 month	Gross	EBITDA	Revenue	EBITDA
Archer-Daniels-Midland Company	\$ 35,033.51	\$ 50.52	(15.1%)	(30.0%)	7.1%	7.1%	0.4x	9.5x
Cal-Maine Foods, Inc.	\$ 4,289.77	\$ 102.92	33.9%	79.3%	28.0%	28.0%	1.6x	4.9x
Hormel Foods Corporation	\$ 19,325.26	\$ 31.37	(0.9%)	(2.3%)	17.0%	17.0%	1.6x	14.6x
Ingredion Incorporated	\$ 9,945.08	\$ 137.56	1.1%	26.7%	23.1%	23.1%	1.3x	8.1x
International Flavors & Fragrances Inc.	\$ 30,877.94	\$ 84.55	(18.0%)	4.4%	35.1%	35.1%	2.7x	14.9x
Pilgrim's Pride Corporation	\$ 12,344.39	\$ 45.39	(5.7%)	64.1%	11.5%	11.5%	0.7x	6.7x
Premium Brands Holdings Corporation	\$ 4,543.90	\$ 55.10	(22.0%)	(22.5%)	19.8%	19.8%	1.0x	13.4x
Sensient Technologies Corporation	\$ 3,625.10	\$ 71.26	(9.2%)	8.0%	31.9%	31.9%	2.4x	16.7x
Mean	\$ 14,998.12	\$ 72.33	(4.5%)	16.0%	21.7%	21.7%	1.5x	11.1x
Median	\$ 11,144.74	\$ 63.18	(7.4%)	6.2%	21.5%	21.5%	1.5x	11.5x

Public Comps (TEV / EBITDA)



Public Comps (TEV / Revenue)



Source: Pitchbook

Note: All values based on publicly available data as of 12/31/2024

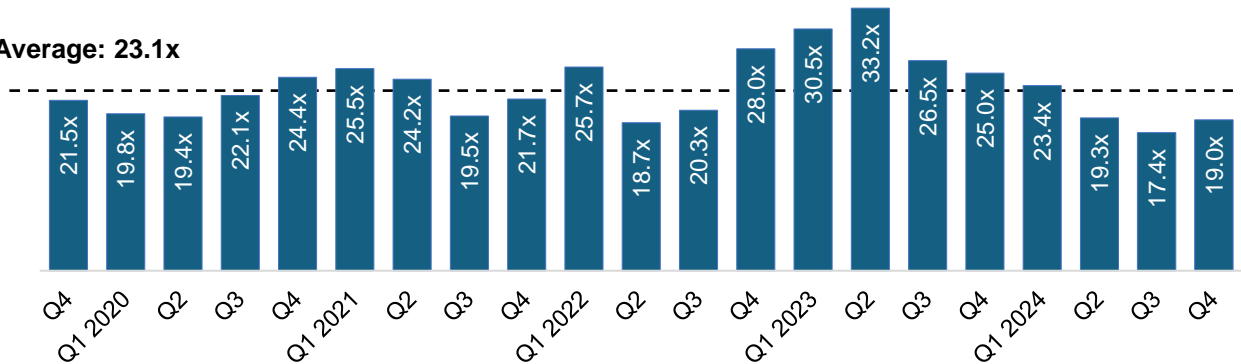
Public Comparable Companies

Beverages

Company Name	Enterprise Value (\$MM)	Share Stock Price	Price Change		LTM Margins		TEV / LTM:	
			3 month	12 month	Gross	EBITDA	Revenue	EBITDA
Anheuser-Busch InBev	\$ 180,295.93	\$ 50.07	(24.8%)	(22.5%)	54.9%	54.9%	3.0x	9.3x
Brown-Forman	\$ 20,689.63	\$ 37.98	(22.1%)	(33.5%)	59.2%	59.2%	5.1x	14.2x
Constellation Brands	\$ 52,510.59	\$ 221.00	(14.2%)	(8.6%)	51.3%	51.3%	5.2x	33.3x
Molson Coors Beverage Company	\$ 17,249.92	\$ 57.32	(0.1%)	(6.4%)	38.8%	38.8%	1.5x	7.7x
Boston Beer	\$ 3,227.79	\$ 299.98	4.1%	(13.2%)	44.0%	44.0%	1.6x	16.3x
Monster Beverage	\$ 50,239.14	\$ 52.56	1.9%	(8.8%)	53.8%	53.8%	6.8x	24.4x
National Beverage	\$ 3,932.33	\$ 42.67	(9.8%)	(14.2%)	36.9%	36.9%	3.3x	15.8x
The Vita Coco Company	\$ 1,937.28	\$ 36.91	31.2%	43.9%	39.9%	39.9%	3.9x	27.2x
Celsius Holdings	\$ 6,117.31	\$ 26.34	(15.6%)	(51.7%)	49.6%	49.6%	4.5x	25.6x
PepsiCo	\$ 245,739.65	\$ 152.06	(11.3%)	(10.5%)	54.7%	54.7%	2.7x	15.1x
Coca-Cola	\$ 297,939.45	\$ 62.26	(13.2%)	5.7%	60.4%	60.4%	6.4x	20.7x
Mean	\$ 79,989.00	\$ 94.47	(6.7%)	(10.9%)	49%	49.4%	4.0x	19.0x
Median	\$ 20,689.63	\$ 52.56	(11.3%)	(10.5%)	51.3%	51.3%	3.9x	16.3x

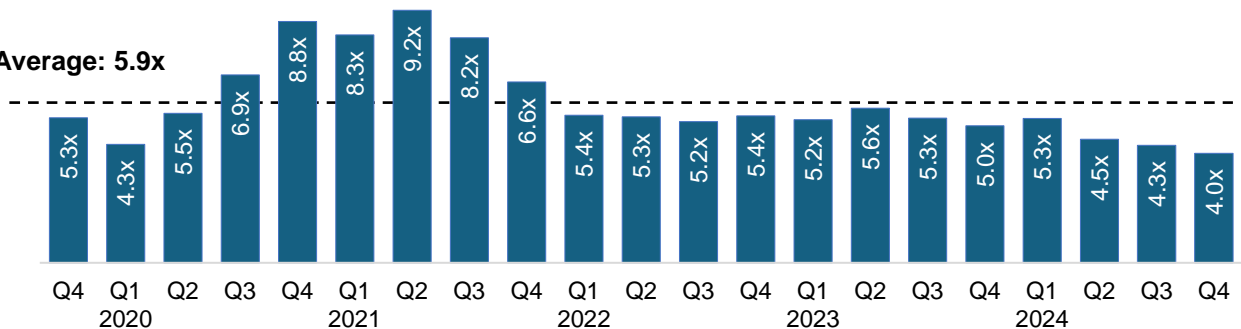
Public Comps (TEV / EBITDA)

Average: 23.1x



Public Comps (TEV / Revenue)

Average: 5.9x



Source: Pitchbook

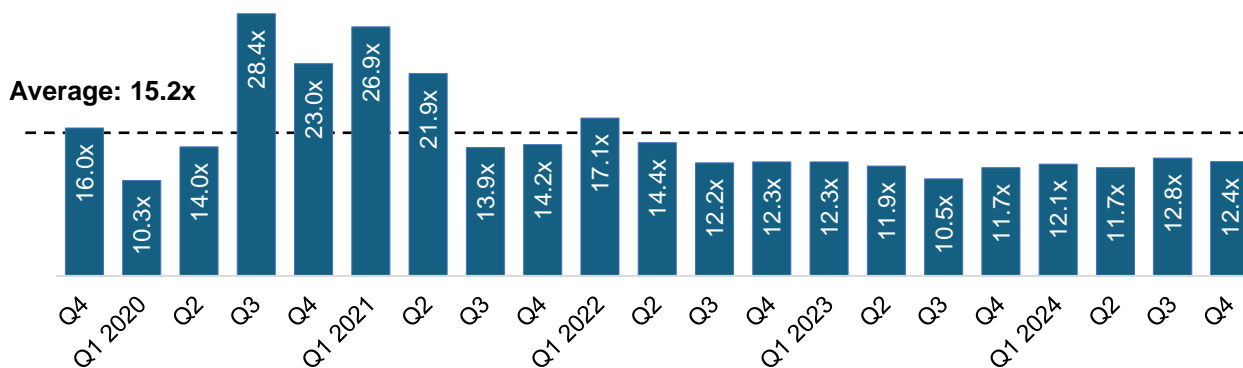
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Public Comparable Companies

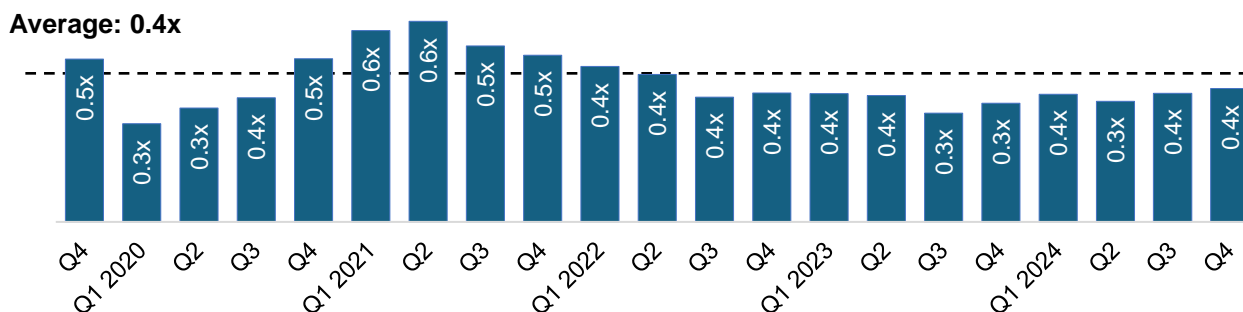
Distributors

Company Name	Enterprise Value (\$MM)	Share Stock Price	Price Change		LTM Margins		TEV / LTM:	
			3 month	12 month	Gross	EBITDA	Revenue	EBITDA
AMCON Distributing Company	\$ 250.89	\$ 128.16	(11.9%)	(34.3%)	6.7%	6.7%	0.1x	9.2x
Performance Food Group Company	\$ 18,910.62	\$ 84.55	8.2%	22.3%	11.4%	11.4%	0.3x	13.5x
SpartanNash Company	\$ 1,525.21	\$ 18.32	(18.9%)	(20.2%)	15.6%	15.6%	0.2x	7.3x
Sysco Corporation	\$ 50,265.15	\$ 76.46	(1.6%)	4.6%	18.5%	18.5%	0.6x	11.9x
The Chefs' Warehouse, Inc.	\$ 2,829.43	\$ 49.32	17.9%	67.6%	24.0%	24.0%	0.8x	15.5x
United Natural Foods, Inc.	\$ 5,437.39	\$ 27.31	24.4%	68.3%	13.4%	13.4%	0.2x	15.4x
US Foods Holding Corp.	\$ 20,601.04	\$ 67.46	9.6%	48.6%	17.3%	17.3%	0.6x	13.7x
Mean	\$ 14,259.96	\$ 64.51	3.9%	22.4%	15%	15.3%	0.4x	12.4x
Median	\$ 5,437.39	\$ 100.00	8.2%	22.3%	15.6%	15.6%	0.3x	13.5x

Public Comps (TEV / EBITDA)



Public Comps (TEV / Revenue)



Source: Pitchbook

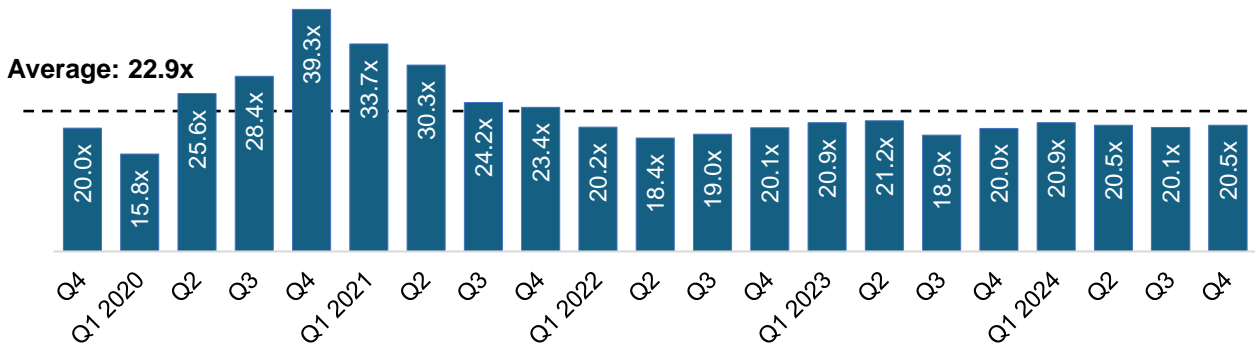
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Public Comparable Companies

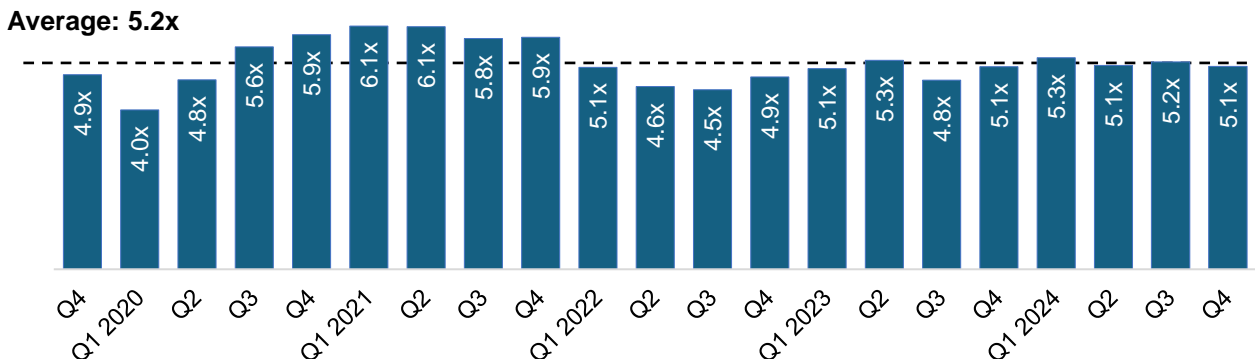
Restaurants

Company Name	Enterprise Value (\$MM)	Share Stock Price	Price Change		LTM Margins		TEV / LTM:	
			3 month	12 month	Gross	EBITDA	Revenue	EBITDA
Brinker International, Inc.	\$ 7,870.19	\$ 132.29	68.0%	206.4%	14.9%	14.9%	1.7x	18.0x
Chipotle Mexican Grill, Inc.	\$ 85,280.58	\$ 60.30	5.5%	31.8%	26.9%	26.9%	7.8x	38.8x
Darden Restaurants, Inc.	\$ 28,054.86	\$ 186.69	13.8%	13.6%	21.2%	21.2%	2.4x	15.3x
Domino's Pizza, Inc.	\$ 19,509.48	\$ 419.76	(2.5%)	1.8%	39.0%	39.0%	4.2x	20.1x
McDonald's Corporation	\$ 259,930.88	\$ 289.89	(4.3%)	(2.2%)	56.6%	56.6%	10.0x	19.0x
Restaurant Brands International Inc.	\$ 37,765.81	\$ 65.18	(10.1%)	(16.6%)	37.2%	37.2%	4.8x	15.5x
Starbucks Corporation	\$ 125,726.45	\$ 91.25	(6.3%)	(5.0%)	26.8%	26.8%	3.5x	18.0x
Yum! Brands, Inc.	\$ 48,085.28	\$ 134.16	(3.6%)	2.7%	48.6%	48.6%	6.7x	19.3x
Mean	\$ 76,527.94	\$ 172.44	7.5%	29.1%	33.9%	33.9%	5.1x	20.5x
Median	\$ 42,925.54	\$ 133.23	(3.1%)	2.3%	32.1%	32.1%	4.5x	18.5x

Public Comps (TEV / EBITDA)



Public Comps (TEV / Revenue)



Source: Pitchbook

Note: All values based on publicly available data as of 12/31/2024

Public Comparable Companies

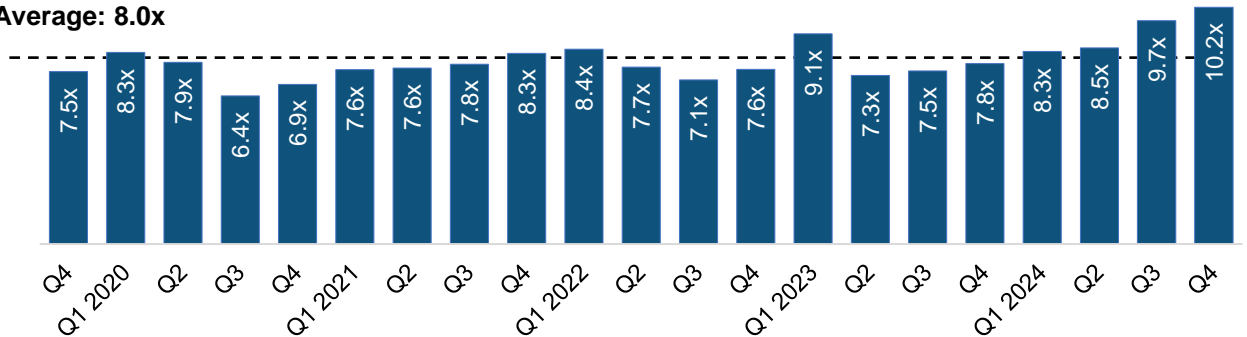
Food Retail

Company Name	Enterprise Value (\$MM)	Share Stock Price	Price Change		LTM Margins		TEV / LTM:	
			3 month	12 month	Gross	EBITDA	Revenue	EBITDA
Ingles Markets, Incorporated	\$ 1,435.26	\$ 64.44	(7.0%)	(25.4%)	23.0%	23.0%	0.3x	5.1x
Natural Grocers by Vitamin Cottage	\$ 1,247.45	\$ 39.72	34.9%	148.3%	29.4%	29.4%	1.0x	16.0x
Sprouts Farmers Market, Inc.	\$ 14,049.85	\$ 127.07	14.5%	164.1%	37.8%	37.8%	1.9x	19.1x
The Kroger Co.	\$ 59,582.51	\$ 61.15	7.8%	33.8%	22.6%	22.6%	0.4x	7.7x
Village Super Market, Inc.	\$ 716.49	\$ 31.89	2.0%	21.6%	28.8%	28.8%	0.3x	7.2x
Weis Markets, Inc.	\$ 1,585.28	\$ 67.72	(0.8%)	5.9%	24.5%	24.5%	0.3x	6.4x
Mean	\$ 13,102.81	\$ 65.33	8.6%	58.0%	27.7%	27.7%	0.7x	10.2x
Median	\$ 1,510.27	\$ 62.80	4.9%	27.7%	26.7%	26.7%	0.4x	7.4x

Food & Beverage Mean	\$ 40,456.20	\$ 87.97	(2.0%)	13.6%	30.6%	30.4%	2.5x	15.1x
Food & Beverage Median	\$ 19,417.37	\$ 63.02	(4.1%)	(0.1%)	29.0%	29.0%	1.9x	14.7x

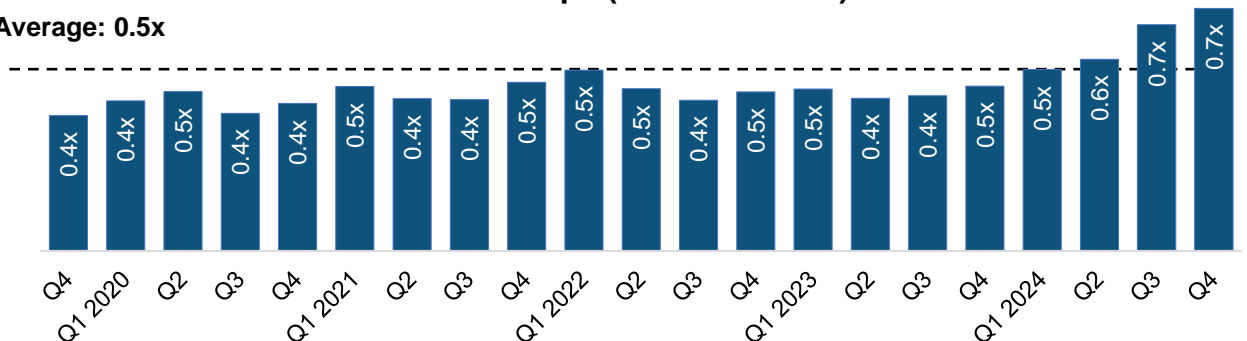
Public Comps (TEV / EBITDA)

Average: 8.0x



Public Comps (TEV / Revenue)

Average: 0.5x



Source: Pitchbook

Note: All values based on publicly available data as of 12/31/2024

About Greenwich Capital Group

Greenwich Capital Group is a middle-market focused investment bank offering a range of strategic and financial advisory services to privately held businesses, private equity investors and publicly traded companies. Our senior professionals have held leadership positions at large, global platforms, bringing a wealth of experience and industry insight to each of our clients.

- National Investment Banking Platform, with Five Offices throughout the United States
- Global Expertise with a Focus on the Middle-Market
- Senior-Level Investment Bankers who Specializing in:

- Private Company Transactions
- Family-Owned Businesses
- Corporate Divestitures
- ESOP Transactions
- Capital Advisory Mandates



Mergers & Acquisitions

- Private Company Sale Transactions
- Corporate Divestitures
- Acquisitions
- Leveraged Recapitalizations
- Joint Ventures
- Distressed M&A

ESOP and Financial Advisory

- ESOP Feasibility Study
- ESOP Advisory
- Complex Financial Modeling
- Business Valuation
- Strategic Options Analysis
- Corporate Development Advisory
- Board Advisory Services

Capital Raising

- Senior Debt
- Junior Debt
- Unitranche Debt
- Minority Equity

Independent & Focused Advice

Senior Level Attention

Industry Experience

Entrepreneurial & Collaborative

World-Class Advisory Services to the Middle Market

Food & Beverage Expertise


Select Transactions




has been acquired by



a portfolio company of




has been acquired by





LaSalle Capital




has been acquired by



has acquired



has acquired



has sold its Fruit₂O water and Veryfine juice brands and related assets to



a subsidiary of

J.W. Childs Associates




has acquired



has acquired



has been recapitalized by



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Managing Director
National Food & Beverage Leader
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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.

For additional perspective or to discuss M&A related opportunities in the Food & Beverage 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 Pitchbook database. For more information on this or anything else related to our research, please email info@greenwichgp.com.

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All transactions were completed by Senior Professionals while at GCG or with other firms prior to joining GCG