



# Food and Beverage M&A Landscape

Late Fall 2018



# M&A Market Overview

Mergers and acquisitions (M&A) deal activity in the Food and Beverage industry remains active, with 271 deals closed over the last 12 month (LTM) period ending Oct. 31, 2018. Although M&A activity has not slowed down, the market has not seen any multibillion dollar transactions closing since our Summer 2018 report. The largest transaction was the acquisition of Keystone Foods by Tyson Foods, which valued the company at \$2.4 billion. Other large transactions include Keurig Dr Pepper's \$525 million acquisition of Core Nutrition LLC, a producer of organic beverages and bottled water and Amplify Snack Brands' \$420 million acquisition of Pirate Brands LLC, a manufacturer of snack products.

M&A activity in the Food and Beverage industry is still predominately driven by strategic buyers (including companies primarily owned by private equity investors), with strategic transactions representing 88% of total deal flow over the LTM. Of the 271 deals closed in the past 12 months, 185 (68%) were completed by privately owned buyers.

Overall deal volume slightly lagged in the LTM ending Oct. 31 2018, compared to the same period last year, with 274 deals closed in the same period in 2017.

This year, the Alcoholic Beverages segment saw the highest level of deal volume, with 40 total transactions in 2018 so far, as buyers targeted craft brewers, distillers and vintners. The vast majority of deals were between private enterprises. Therefore, most transactions did not disclose financial information. The Confectionery/Snacks segment also saw strong activity, with 30 deals, including the Pirate Brands acquisition mentioned earlier, already surpassing the 17 deals seen for all of 2017.

The strong deal flow is likely to continue as many private food and beverage companies are contemplating exit strategies rather than expanding current product development. This will provide opportunities for well-capitalized companies likely to acquire prime assets or merge to support growth.

## Table of Contents



1	Executive Summary
2	M&A Market Overview
6	Recent North American M&A Activity by Subsector
20	Public Company Trading Multiples
27	About Our Food and Beverage Corporate Finance Practice

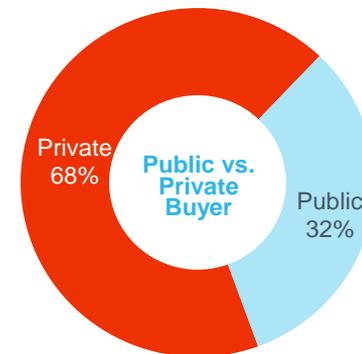
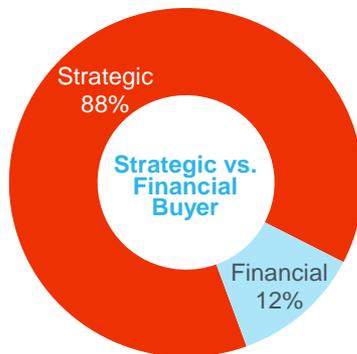
# M&A Market Overview

Number of Closed Deals (as of Oct. 31 2018)



\*Only one month of data for the period ending Oct. 31 2018

By Number of Closed Deals (LTM as of Oct. 31 2018)



## Select Significant U.S. Transactions<sup>1</sup>

### Saputo Inc. acquired activities of F&A Dairy Products, Inc.



On October 26, 2018, Saputo Inc. announced it had entered into an agreement to acquire the activities of F&A Dairy Products, Inc., a manufacturer of cheeses, for \$85 million. Saputo said, “The acquisition of F&A Dairy Products’ activities will add to and complement the activities of Saputo’s Cheese Division (USA).”

### Amplify Snack Brands Inc. acquired Pirate Brands LLC



On October 17, 2018, Amplify Snack Brands, Inc. acquired Pirate Brands, LLC, a manufacturer of a snack products, for \$420 million. Hershey’s Chief Growth Officer Mary Beth West said, “We expect the full Pirate Brands portfolio to be a great fit for Hershey’s growing Amplify business, which is targeted toward consumers who are looking for great-tasting snacks without compromise.”

### Glanbia plc acquired SlimFast/Health and Nutrition Systems



On October 11, 2018, Glanbia plc acquired SlimFast and Health and Nutrition Systems, for \$350 million. “I am pleased to announce that we have agreed to acquire SlimFast, a leading consumer brand in the \$8 billion weight management nutrition market, an adjacency to the Glanbia Performance Nutrition brand portfolio,” said Siobhán Talbot, group managing director of Glanbia.

### Thomas H. Lee Partners acquired Dakota Growers Pasta Company, Inc.



On October 1, 2018, Thomas H. Lee Partners, L.P. (THL) acquired a 62.5% stake in Dakota Growers Pasta Company, a manufacturer of a pasta, from Post Holdings, Inc. for \$250 million. As part of the transaction, Post Holdings formed 8th Avenue Food & Provisions, consisting of Post Holdings’ private brands business, which will be partially capitalized by THL.

### Keurig Dr Pepper acquired Core Nutrition LLC



On September 27, 2018, Keurig Dr Pepper Inc. announced to acquire Core Nutrition, LLC, a producer of a organic beverages and bottled water, valuing the company at \$525 million. KDP CEO Bob Gamgort stated, “CORE® has been a valued and successful allied brand partner, and we are pleased that this on-trend beverage will become part of our owned KDP family of brands. Through this transaction, we intend to realize the full growth potential for the business.”

### Tyson Foods acquired Keystone Foods



On August 20, 2018, Tyson Foods announced its acquisition of Keystone Foods, a supplier of meat protein, for \$2.4 billion. Tom Hayes, president and CEO of Tyson Foods, said in a statement that Keystone “provides a significant foundation for international growth with its in-country operations, sales, and distribution network in high growth markets in the Asia Pacific region as well as exports to key markets in Europe, the Middle East, and Africa.”

<sup>1</sup> Deals closed during Q3 and October 2018 with an implied enterprise value greater than \$50 million. Excludes bankruptcy sales. Deals selected based on dollar value of transaction. Sources: S&P Global Market Intelligence, Mergermarket, company press releases and various news sources (e.g., Newswire, PR Newswire, GlobeNewswire).

# Select Recent Canadian Transactions<sup>1</sup>

## Swander Pace Capital acquired Bäckerhaus Veit, Ltd.



On October 26, 2018, Swander Pace Capital acquired Bäckerhaus Veit. A leading producer of artisan, European-style breads, rolls, buns and soft pretzel products for top-tier retail and foodservice customers across North America. CEO Sabine Veit said, “Swander Pace is the ideal partner to help us achieve our next phase of growth.”<sup>2</sup>

Duff & Phelps acted as exclusive financial advisor to Bäckerhaus Veit, Ltd.

## Sun Pharm Investments Ltd. to acquire Bevo Agro (TSXV:BVO)



On October 4, 2018, Sun Pharm Investments signed an agreement to acquire Bevo Agro from CGM Ventures Inc. and others in a reverse merger transaction. Bevo Agro will be merged with Zenabis Global, one of Sun Pharm’s established brands in the cannabis industry. Chief Growing Officer Leo Benne said, “This transaction represents a positive growth opportunity for Bevo Agro, as Zenabis intends to invest up to \$100 million to expand our greenhouse facility to provide state-of-the-art cannabis production capacity.”<sup>2</sup>

## Maple Leaf Foods to acquire Les Produits Alimentaires Viau



On October 2, 2018, Maple Leaf Foods signed a definitive agreement to acquire Viau for \$168 million. “Viau brings a portfolio of leading brands, a reputation for innovation and quality, skilled management and people, and excellent manufacturing assets,” said Michael McCain, president and CEO of Maple Leaf Foods.

## Kraft Canada acquired assets of Ethical Bean Coffee



On September 24, 2018, Kraft Canada completed the acquisition of the assets of Ethical Bean Coffee, leading roaster of 100% fair trade, certified organic coffee. Lloyd Bernhardt, co-founder of Ethical Bean, stated, “With Kraft Heinz’s expertise and scale, we’re confident that Ethical Bean Coffee will continue to deliver on that reputation to a much wider audience.”<sup>2</sup>

## Craft Collective Beerworks acquired Postmark Brewing



On October 15, 2018, Craft Collective Beerworks acquired Postmark Brewing. “This acquisition is something we have been seeking for the Craft Collective business since inception,” comments Craft Collective co-founder, Richard Sehmer. “We are thrilled to be adding Postmark Brewing to our brand collective and look forward to growing the iconic West Coast brand into a national and international staple.”<sup>2</sup>

## La Coop fédérée to acquire a stake in W-S Feed & Supplies Ltd.



On August 24, 2018, La Coop fédérée signed an agreement in principle to acquire a 50% stake in W-S Feed & Supplies. “This investment represents a strategic entry into the Ontario market, in the animal nutrition industry this time” says Ghislain Gervais, president of La Coop fédérée.<sup>2</sup>

<sup>1</sup> Deals closed during Q3 and October 2018. Excludes bankruptcy sales. <sup>2</sup> The financial terms of the deal have not been disclosed. Sources: S&P Global Market Intelligence, Mergermarket, company press releases and various news sources (e.g., Newswire, PR Newswire, GlobeNewswire).

# Recent North American M&A Activity by Subsector

## Food and Beverage Subsector Definitions

## Deals by Subsector (LTM as of Oct. 31 2018)

Food

### Agricultural Products:

Production and distribution of fresh produce

### Bakery:

Production and distribution of baked goods

### Better-For-You:

Differentiated food products with health benefits

### Confectionery/Snacks:

Chocolate, candy, nuts and other convenient snack foods

### General:

Conglomerates and general food businesses

### Dairy:

Production and distribution of dairy or dairy byproducts, such as cheese or yogurt

### Ingredients\*:

Goods used in the production of other food-related items

### Protein Producers:

Meat and seafood producers and distributors

### Specialty-Pet:

Pet food producers, distributors and retailers

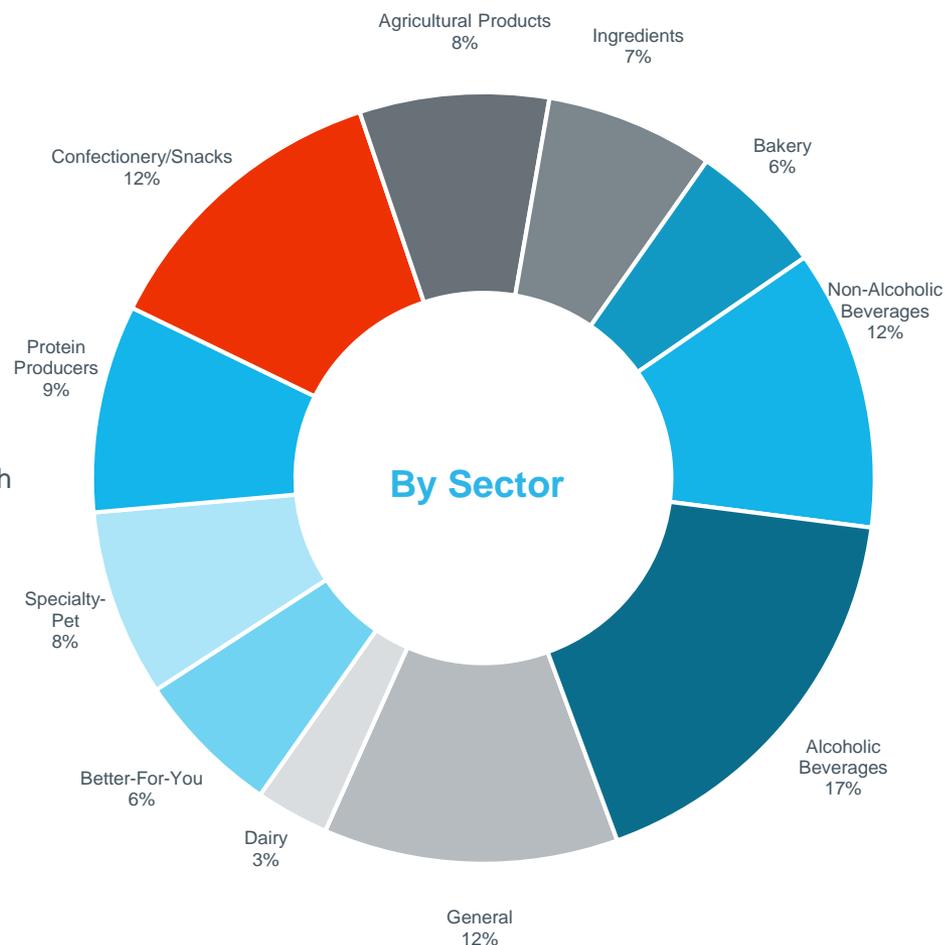
Beverages

### Nonalcoholic Beverages:

Beverages that do not contain alcohol

### Alcoholic Beverages:

Wine, beer and spirits



\*No transactions with financial details were disclosed for the Ingredients subsector during the coverage period

Source: Capital IQ as of Oct. 31 2018.

Note: M&A deal count is defined by a list of subsectors viewed as the best representation of the industry.

# Recent North American M&A Activity<sup>1</sup> ●○○○○○○○○○○○○○○○○

## Agricultural

(USD in millions)

Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EV/EBITDA	EBITDA Margin	
Announced	AGT Food and Ingredients Inc.		AGT Food and Ingredients Inc. produces and exports pulses, staple foods and food ingredients worldwide.	Management group led by Murad Al-Katib, president and CEO	\$807.7	\$1,208.5	\$31.2	0.7x	25.9x	2.6%	
Announced	Bevo Agro Inc.		Bevo Agro Inc. provides propagated plants in North America.	Sun Pharm Investments Ltd.	-	\$25.5	\$5.2	-	-	20.24%	
Announced	California Olive Ranch Inc.		California Olive Ranch Inc. produces olive oil.	Crefica SL; Calliopsis LLC; Duncanson SL	\$20.3	-	-	-	-	-	
Announced	Purefarma Solutions Inc.		Purefarma Solutions Inc. manufactures and distributes premium cannabidiol oils.	Heritage Cannabis Holdings Corp.	\$11.1	\$1.5	\$0.4	7.2x	28.61x	25.00%	
					<b>Mean</b>	<b>\$279.7</b>	<b>\$411.8</b>	<b>\$12.3</b>	<b>3.9x</b>	<b>27.2x</b>	<b>15.9%</b>
					<b>Median</b>	<b>\$20.3</b>	<b>\$25.5</b>	<b>\$5.2</b>	<b>3.9x</b>	<b>27.2x</b>	<b>20.2%</b>

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of October 31, 2018.

# Recent North American M&A Activity<sup>1</sup> ●○○○○○○○○○○○○○○○○

## Bakery

(USD in millions)

Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EBITDA	EBITDA Margin	
10/19/2018	All the assets of Bantam Bagels LLC		Assets of Bantam Bagels, LLC comprise frozen mini stuffed bagels and pancakes production.	T. Marzetti Company	\$34.0	\$20.0	-	1.7x	-	-	
8/31/2018	U.S. baking business Of The J. M. Smucker Company		U.S. baking business of The J. M. Smucker Company includes a portfolio of brands, such as Pillsbury, Hungry Jack, White Lily, Jim Dandy, and Martha White.	Brynwood Partners	\$375.0	\$370.0	-	1.0x	-	-	
7/11/2018	Assets of Supreme Sweets Inc.		Supreme Sweets Inc. operates a commercial bakery and manufactures confections and bread for third-party retailers.	US Highland Inc.	\$0.4	-	-	-	-	-	
6/7/2018	Tate's Bake Shop, Inc.		Tate's Bake Shop, Inc. produces baking products.	Mondelez International, Inc.	\$500.0	-	-	-	-	-	
					<b>Mean</b>	<b>\$227.4</b>	<b>\$195.0</b>	<b>NA</b>	<b>1.4x</b>	<b>NA</b>	<b>NA</b>
					<b>Median</b>	<b>\$204.5</b>	<b>\$195.0</b>	<b>NA</b>	<b>1.4x</b>	<b>NA</b>	<b>NA</b>

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of October 31, 2018.

# Recent North American M&A Activity<sup>1</sup> ○○●○○○○○○○○○○

## Better-For-You

(USD in millions)

Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EBITDA	EBITDA Margin
Announced <sup>2</sup>	SlimFast/Health and Nutrition Systems		Algae World Inc. develops and manufactures organic products for food, nutraceutical, pharmaceuticals, fabrics, auto, biofuels, and health care industries.	Glanbia plc	\$350.0	-	-	-	-	-
10/17/2018	Pirate Brands LLC		Pirate Brands, LLC, doing business as Pirate Brands, manufactures healthy baked snack products.	Amplify Snack Brands Inc.	\$420.0	-	-	-	-	-
10/15/2018	Algae World Inc.		Algae World Inc. develops and manufactures organic products for food, nutraceutical, pharmaceuticals, fabrics, auto, biofuels, and health care industries.	KYN Capital Group Inc.	\$3.0	-	-	-	-	-
					<b>Mean</b>	<b>\$257.7</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
					<b>Median</b>	<b>\$350.0</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of October 31, 2018.

<sup>2</sup> Deal was closed after this list was compiled.

# Recent North American M&A Activity<sup>1</sup> ○○○●○○○○○○○○

## Confectionery/Snacks

(USD in millions)

Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EV/EBITDA	EBITDA Margin	
Announced	Grön Chocolate LLC/Grön Confections LLC		Grön Chocolate LLC and Grön Confections LLC produces consumer-packaged edible cannabis products.	C21 Investments Inc.	\$11.2	-	-	-	-	-	
Announced	Infused Edibles LLC		Infused Edibles LLC produces cannabis-infused candy.	Cannabis Consortium Inc.	\$4.3	-	-	-	-	-	
7/31/2018	California Gold Bars Inc.		California Gold Bars Inc. produces cannabis-infused chocolate bars.	High Hampton Holdings Corp.	\$6.1	-	-	-	-	-	
5/31/2018	New England Confectionery Company Inc.		New England Confectionery Company Inc. manufactures and markets confectionery products.	Round Hill Investments LLC	\$17.3	\$50.6	-	0.3x	-	-	
					<b>Mean</b>	<b>\$9.7</b>	<b>\$50.6</b>	<b>NA</b>	<b>0.3x</b>	<b>NA</b>	<b>NA</b>
					<b>Median</b>	<b>\$8.6</b>	<b>\$50.6</b>	<b>NA</b>	<b>0.3x</b>	<b>NA</b>	<b>NA</b>

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of October 31, 2018..

# Recent North American M&A Activity<sup>1</sup> ○○○○●○○○○○○○○

## General

(USD in millions)

Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EV/EBITDA	EBITDA Margin
Announced	La Vida Verde Inc.		La Vida Verde Inc. engages in extraction, manufacturing and distribution of cannabis food products.	International Cannabrands Inc.	\$12.1	-	-	-	-	-
10/26/2018	Pinnacle Foods Inc.		Pinnacle Foods Inc. manufactures, markets and distributes branded convenience food products in North America.	Conagra Brands Inc.	\$10,904.1	\$3,156.8	\$659.7	3.5x	16.5x	20.9%
10/1/2018	Dakota Growers Pasta Company, Inc.		Dakota Growers Pasta Company, Inc. manufactures pasta for retail private-label, foodservice, and ingredient customers.	Thomas H. Lee Partners, L.P.	\$400.0	-	-	-	-	-
9/30/2018	Substantially all the assets of the foodservice business of Letica Corporation		The assets of the foodservice business of Letica Corporation.	Graphic Packaging International LLC	\$95.0	\$110.0	-	0.9x	-	-
7/16/2018	McCann's Irish Oatmeal		McCann's Irish Oatmeal comprises the business of manufacturing oatmeal.	B&G Foods Inc.	\$32.0	-	-	-	-	-

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of October 31, 2018.

# Recent North American M&A Activity<sup>1</sup> ○○○○○●○○○○○○

## General

(USD in millions)

Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EBITDA	EBITDA Margin	
7/3/2018	Del Monte processed fruit and vegetable business In Canada		Del Monte processed fruit and vegetable business in Canada comprises selling and processing processed frozen fruit and vegetables.	Bonduelle SA	\$34.1	\$47.6	-	0.7x	-	-	
6/22/2018	Relish Labs LLC		Relish Labs LLC, doing business as Home Chef, provides a fresh ingredient and recipe delivery service.	The Kroger Co.	\$700.0	\$250.0	-	2.8x	-	-	
					<b>Mean</b>	<b>\$1,739.6</b>	<b>\$891.1</b>	<b>\$659.7</b>	<b>2.0x</b>	<b>16.5x</b>	<b>20.9%</b>
					<b>Median</b>	<b>\$95.0</b>	<b>\$180.0</b>	<b>\$659.7</b>	<b>1.8x</b>	<b>16.5x</b>	<b>20.9%</b>

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of October 31, 2018.

# Recent North American M&A Activity<sup>1</sup> ○○○○○○●○○○○○○

## Dairy

(USD in millions)

Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EBITDA	EBITDA Margin	
Announced	Activities of F&A Dairy Products Inc.		Activities of F&A Dairy Products, Inc. comprise the business of manufacturing a variety of natural cheeses, including mozzarella and provolone.	Saputo Inc.	\$85.0	-	-	-	-	-	
Announced	Substantially all assets of Sunshine Dairy Foods Management LLC		Substantially all assets of Sunshine Dairy Foods Management, LLC comprise processing and packaging dairy products.	Lyrical Foods Inc.	\$5.6	-	-	-	-	-	
6/19/2018	Shepherd Gourmet Dairy (Ontario) Inc.		Shepherd Gourmet Dairy (Ontario) Inc. produces cheese and yogurt.	Saputo Inc.	\$77.6	\$44.2	-	1.8x	-	-	
					<b>Mean</b>	<b>\$56.1</b>	<b>\$44.2</b>	<b>NA</b>	<b>1.8x</b>	<b>NA</b>	<b>NA</b>
					<b>Median</b>	<b>\$77.6</b>	<b>\$44.2</b>	<b>NA</b>	<b>1.8x</b>	<b>NA</b>	<b>NA</b>

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of October 31, 2018.

# Recent North American M&A Activity<sup>1</sup> ○○○○○○○●○○○○○

## Protein Producers

(USD in millions)

Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EBITDA	EBITDA Margin
Announced	Advanced Fresh Concepts Corp.		Advanced Fresh Concepts Corp. develops and supplies sushi products to supermarkets in the U.S. and Canada.	Zensho Holdings Co. Ltd.	\$257.0	-	-	-	-	-
Announced	Processing facility in Fremont, Nebraska, of Hormel Foods Corporation		The processing Facility in Fremont, Nebraska, of Hormel Foods Corporation is a pork processing facility.	WholeStone Farms LLC	\$30.0	-	-	-	-	-
Announced	Poultry rendering and blending assets of American Proteins Inc. and AMPRO Products Inc.		American Proteins Inc. processes allied poultry by-products into feed supplements, and AMPRO Products Inc. provides protein feed supplements.	Tyson Foods Inc.	\$850.0	-	-	-	-	-
Announced <sup>2</sup>	Les Produits Alimentaires Viau Inc.		Les Produits Alimentaires Viau Inc. develops, produces, and markets cooked or dry-cured pepperoni, Italian cooked meats, sausages, pizza toppings, and meatballs.	Maple Leaf Foods Inc.	\$167.8	\$140.5	-	1.2x	-	-
Announced	MFG (US) Holdings, Inc. And McKey Luxembourg Holdings S.à.r.l.		Keystone supplies chicken, beef, fish and pork to the foodservice industry, as well as retail and convenience store channels.	Tyson Foods Inc.	\$2,400.0	-	-	-	-	-

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of October 31, 2018.

<sup>2</sup> Deal was closed after this list was compiled.

# Recent North American M&A Activity<sup>1</sup> ○○○○○○○○●○○○○

## Protein Producers

(USD in millions)

Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EV/EBITDA	EBITDA Margin	
10/2/2018	Specialty Foods Group Inc.		Specialty Foods Group, Inc. is engaged in the production of meat products.	Indiana Packers Corporation	\$30.5	-	-	-	-	-	
7/30/2018	Yorkshire Valley Farms Ltd.		Yorkshire Valley Farms Ltd. processes and distributes organic chicken products.	Premium Brands Holdings Corporation	-	\$50.0	-	-	-	-	
6/5/2018	National Beef Packing Co. LLC		National Beef Packing Co. LLC engages in processing, packaging and delivering fresh and frozen beef and beef by-products.	Marfrig Global Foods SA	\$2,300.0	\$7,300.0	-	0.3x	-	-	
5/28/2018	Concord Premium Meats Ltd., The Meat Factory Ltd., Country Prime Meats Ltd. and Frandon Seafood Inc.		The businesses comprise manufacturers of cooked protein products for retailers and food-service customers across Canada.	Premium Brands Holdings Corporation	\$174.0	\$204.3	-	0.9x	-	-	
					<b>Mean</b>	<b>\$776.2</b>	<b>\$1,923.7</b>	<b>NA</b>	<b>0.8x</b>	<b>NA</b>	<b>NA</b>
					<b>Median</b>	<b>\$215.5</b>	<b>\$172.4</b>	<b>NA</b>	<b>0.9x</b>	<b>NA</b>	<b>NA</b>

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of October 31, 2018.

# Recent North American M&A Activity<sup>1</sup>

## Specialty-Pet

(USD in millions)

Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EV/EBITDA	EBITDA Margin	
10/17/2018	HBH Enterprises LLC		HBH Enterprises LLC, doing business as Ballard Manufacturing, develops and manufactures pet treats and supplements.	PetIQ LLC	\$14.8	-	-	-	-	-	
5/21/2018	Hound & Gatos Pet Foods Corp.		Hound & Gatos Pet Foods Corp. manufactures and distributes canned pet food.	Charlee Bear Products Inc.	\$1.7	-	-	-	-	-	
5/14/2018	Ainsworth Pet Nutrition Parent LLC		Ainsworth Pet Nutrition Parent LLC manufactures and distributes healthy pet foods and treats.	NU Pet Company	\$1,900.0	-	-	-	-	-	
4/24/2018	Blue Buffalo Pet Products Inc.		Blue Buffalo Pet Products Inc. operates as a pet food company in the United States, Canada, Japan and Mexico.	General Mills Inc.	\$8,043.9	\$1,274.6	\$313.8	6.3x	25.6x	24.6%	
					<b>Mean</b>	<b>\$2,490.1</b>	<b>\$1,274.6</b>	<b>\$313.8</b>	<b>6.3x</b>	<b>25.6x</b>	<b>24.6%</b>
					<b>Median</b>	<b>\$957.4</b>	<b>\$1,274.6</b>	<b>\$313.8</b>	<b>6.3x</b>	<b>25.6x</b>	<b>24.6%</b>

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of October 31, 2018.

# Recent North American M&A Activity<sup>1</sup> ○○○○○○○○○○○○●○○

## Non-Alcoholic Beverages

(USD in millions)

Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EBITDA	EBITDA Margin
Announced	Core Nutrition LLC		Core Nutrition, LLC produces organic beverages and bottled water.	Keurig Dr Pepper Inc.	\$525.0	-	-	-	-	-
Announced	Mars Drinks North America LLC		Mars Drinks North America, LLC offers specialty single-serve coffees, teas, and hot chocolate drinks.	Luigi Lavazza SpA	-	\$350.0	-	-	-	-
Announced	Drink Fresh Water LLC		Drink Fresh Water LLC manufactures cannabidiol-infused beverages.	New Age Farm Inc. (nka: New Age Brands Inc.)	\$1.3	-	-	-	-	-
10/15/2018	Mountain Valley Spring Company LLC		Mountain Valley Spring Company, LLC produces and delivers bottled spring water.	DSS Group Inc.	\$78.5	-	-	-	-	-
8/20/2018	Zipfizz Corporation		Zipfizz Corporation engages in the production and distribution of energy and sports drink tubes.	KUC Holding	\$80.0	\$54.1	-	1.5x	-	-

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of October 31, 2018.

# Recent North American M&A Activity<sup>1</sup>

## Non-Alcoholic Beverages

(USD in millions)

Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EV/EBITDA	EBITDA Margin	
7/9/2018	Dr Pepper Snapple Group Inc.		Dr Pepper Snapple Group Inc. manufactures and distributes non-alcoholic beverages.	Maple Parent Holdings Corp. (nka: Keurig Dr Pepper Inc.)	\$25,251.5	\$6,690.0	\$1,577.0	3.8x	16.0x	23.6%	
5/31/2018	Old Orchard Brands LLC		Old Orchard Brands LLC produces fruit juices.	Lassonde Industries Inc.	\$158.9	\$103.3	\$15.8	1.5x	10.1x	15.3%	
5/29/2018	Dream Water Global		Dream Water Global produces flavored water that helps users sleep naturally.	Harvest One Cannabis Inc.	\$26.9	-	-	-	-	-	
5/4/2018	Azure Water Services LLC		Azure Water Services LLC produces custom labeled bottled water for private label companies and copackers.	IsoBev Inc.	\$2.4	-	-	-	-	-	
4/24/2018	Substantially all of the assets of Steep & Brew Inc.		Steep & Brew Inc. roasts coffee, selling to large retail channels in the Upper Midwest United States.	Generations Coffee Company LLC	\$2.9	\$7.0	-	0.4x	-	-	
					<b>Mean</b>	<b>\$2,903.0</b>	<b>\$1,440.9</b>	<b>\$796.4</b>	<b>1.8x</b>	<b>13.0x</b>	<b>19.4%</b>
					<b>Median</b>	<b>\$78.5</b>	<b>\$103.3</b>	<b>\$796.4</b>	<b>1.5x</b>	<b>13.0x</b>	<b>19.4%</b>

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of October 31, 2018.

# Recent North American M&A Activity<sup>1</sup> ○○○○○○○○○○○○●

## Alcoholic Beverages

(USD in millions)

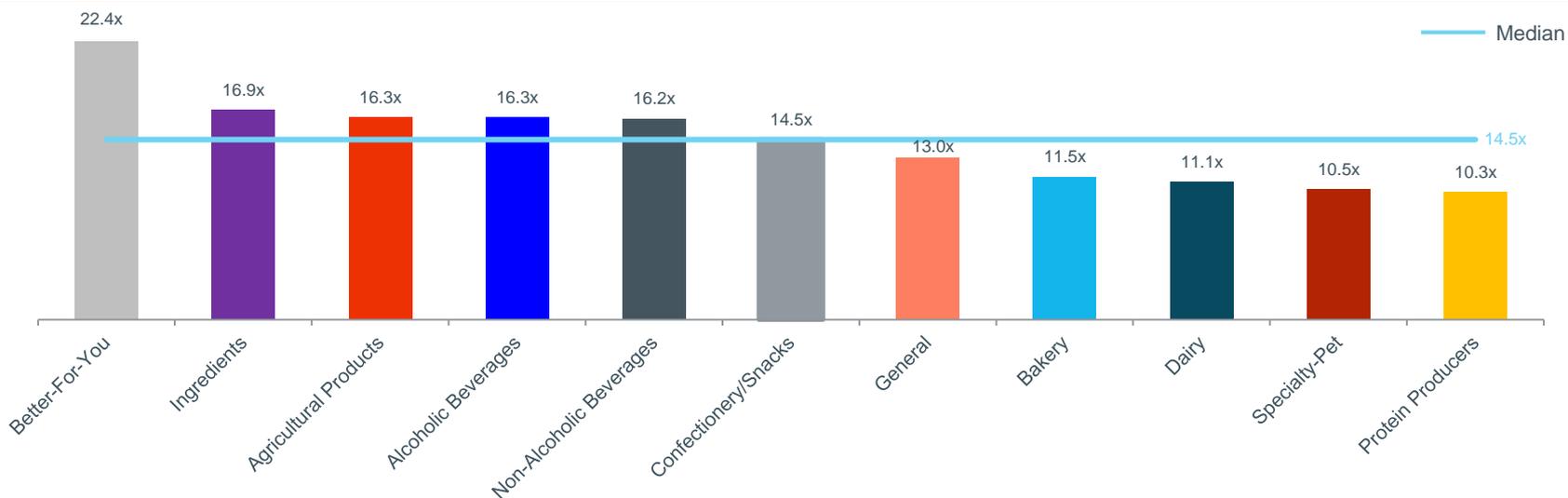
Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EV/EBITDA	EBITDA Margin
Announced	Majority assets of Rivertowne Brewing Company		Rivertown Brewing Company, LLC operates a brewery that specializes in offering beers, lagers, and ales through distributors in Ohio, Kentucky, Indiana, Tennessee, and Florida.	Helldown Brewing LLC	\$2.1	-	-	-	-	-
10/18/2018	Brewing assets and inventory of Fireweed Brewing Corp.		The brewing assets and inventory of Fireweed Brewing Corp. comprise brewing assets and inventories for producing beer and cider.	Big Rock Brewery Inc.	\$0.67	-	-	-	-	-
10/10/2018	Certain assets of Cisco Brewers Inc.		Cisco Brewers, Inc., doing business as Cisco Brewers, produces and markets alcoholic beverages.	Craft Brew Alliance Inc.	\$23.0	-	-	-	-	-
6/20/2018	Backyard Vineyards Inc.		Backyard Vineyards Inc. produces wines.	Diamond Estates Wines & Spirits Inc.	\$2.26	-	-	-	-	-
					<b>Mean</b>	<b>\$7.0</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
					<b>Median</b>	<b>\$2.2</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of October 31, 2018.

## Public Company Trading Multiples

- Enterprise value to LTM EBITDA multiples for Food and Beverage companies across many food segments have continued to increase when compared to median multiples of the preceding five years (see pages 21 and 22 for historical multiples by subsector).
- As of Oct. 31 2018, Better-For-You, Ingredients and Agricultural Products companies commanded the highest median EBITDA multiples, with all three subsectors benefiting from increasing urbanization, rising disposable income and growing adoption of eating healthy foods.
- Key food trends have supported valuations for other subsectors. For example, alcoholic and non-alcoholic beverage categories have remained steady for the quarter, as growing demand for premium alcoholic beverages has fueled growth in the category. Valuations in the non-alcoholic category are higher because of the increased demand of healthier non-alcoholic beverage options, such as drinkable breakfasts and beverages, as consumers are starting to look to beverages to play new roles in their health-conscious and fast-paced lifestyles.
- Better-For-You products continue to benefit from the millennials and Generation Z's focus on health as they become a larger portion of the overall demand, with median multiples increasing to 22.4x as of Oct. 31 2018, a significant premium over the other food and beverage categories.
- Multiples for Agricultural Products have recently seen a significant rise, increasing to a median of 16.3x as of Oct. 31 2018, compared to an average of 12.1x for the past five years. Demand for Agricultural Products should continue to grow as North American consumers use their higher disposable incomes to consume higher-priced whole foods and produce.

EV/LTM EBITDA Median Multiples by Subsector (as of Oct. 31 2018)



Note: Sector constituents based on selected comparable companies; certain periods exclude outliers based on Duff & Phelps analysis; EBITDA does not reflect adjustments for extraordinary items. EV = Enterprise Value = Market Capitalization + Total Debt + Preferred Equity – Cash and Short Term Investments. LTM = last 12 months. Sources: S&P Global Market Intelligence, Business Wire, Skimmed Milk Market, Mordor Intelligence, Foodingredientsfirst.com, PR Newswire.

# Public Company Trading Multiples

## EV/LTM EBITDA Median Multiples – Food Segments (as of Oct. 31 2018)

— 5-year median

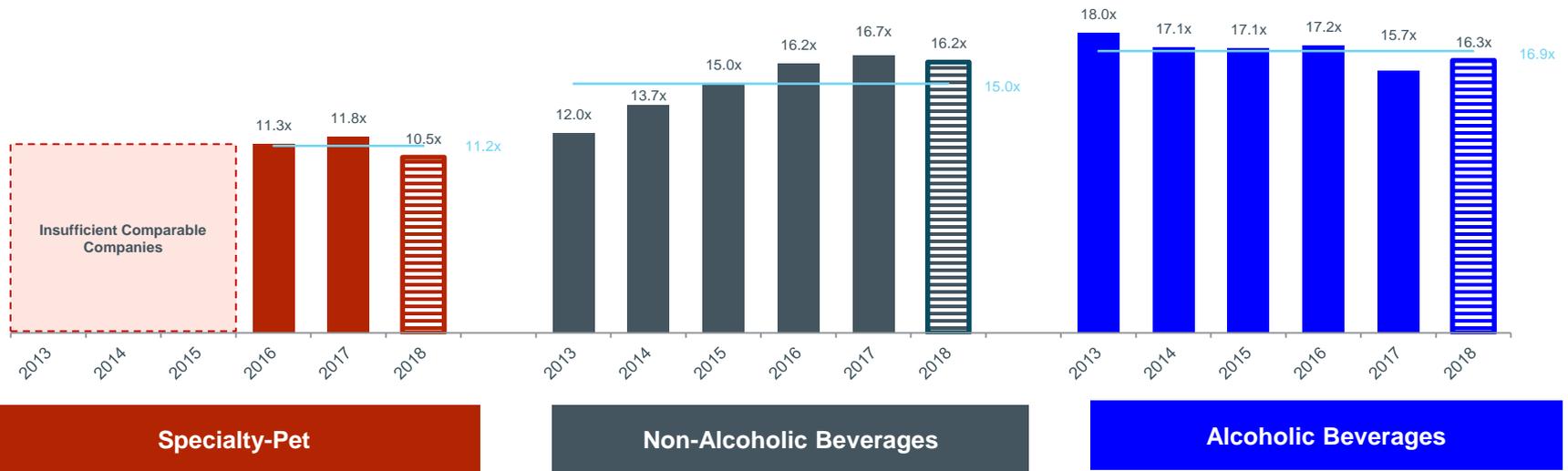


Note: Sector constituents based on selected comparable companies; certain periods exclude outliers based on Duff & Phelps analysis; EBITDA does not reflect adjustments for extraordinary items. EV = Enterprise Value = Market Capitalization + Total Debt + Preferred Equity – Cash and Short Term Investments. LTM = last 12 months. Sources: S&P Global Market Intelligence, Business Wire, Skimmed Milk Market, Mordor Intelligence, Foodingredientsfirst.com, PR Newswire.

# Public Company Trading Multiples

## EV/LTM EBITDA Median Multiples – Food Segments (as of Oct. 31 2018)

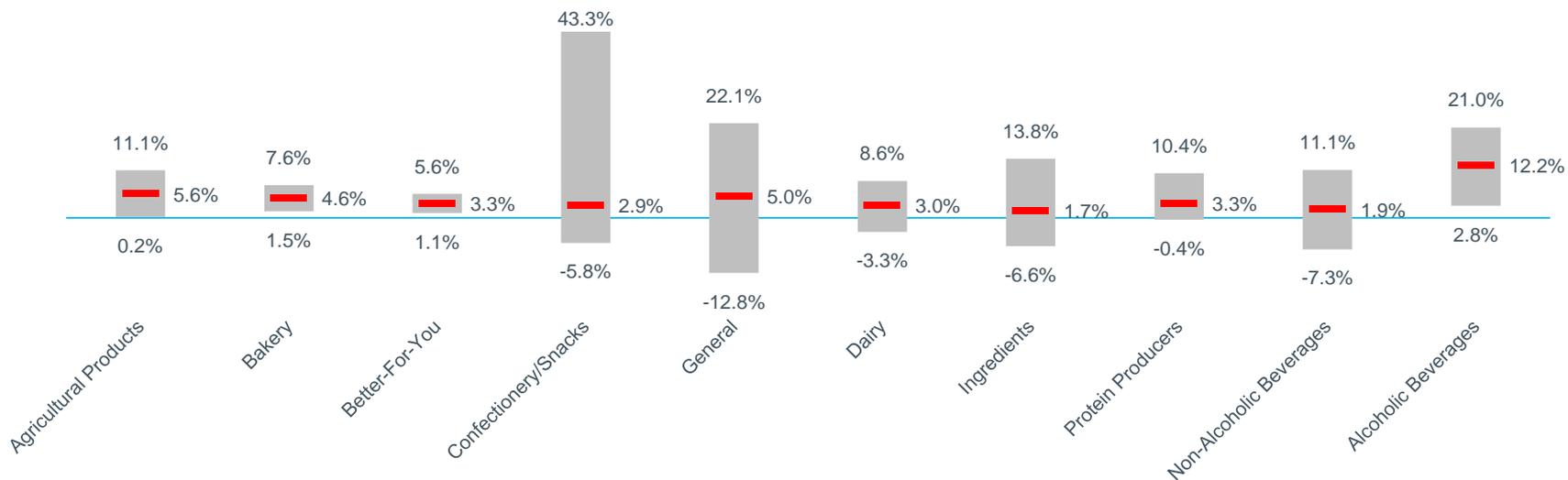
— 5-year median



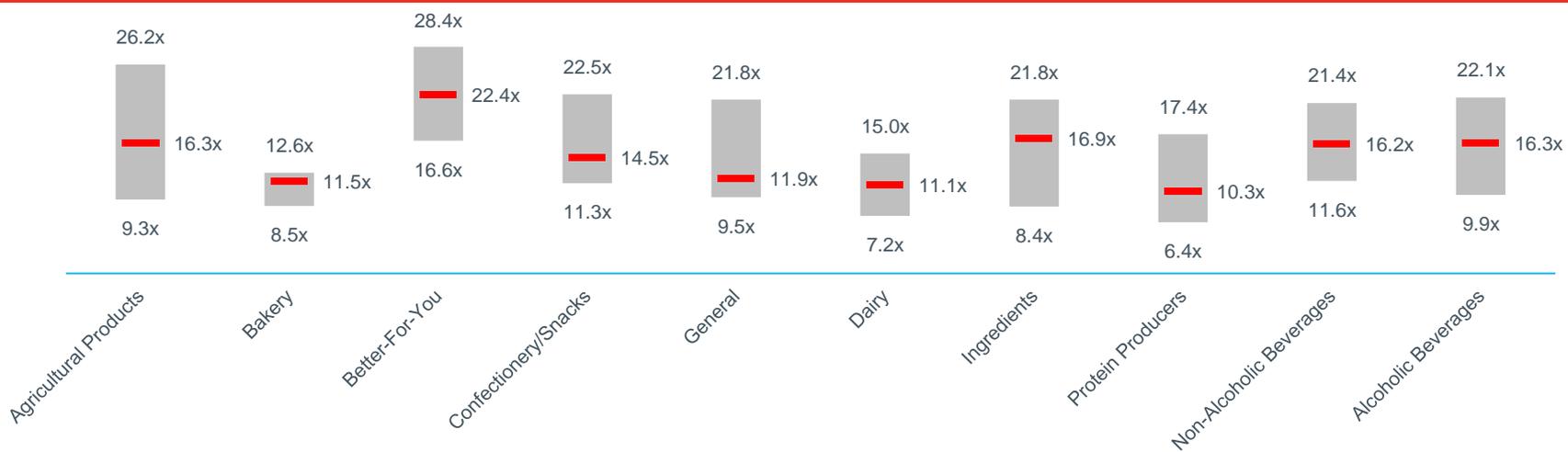
Note: Sector constituents based on selected comparable companies; certain periods exclude outliers based on Duff & Phelps analysis; EBITDA does not reflect adjustments for extraordinary items. EV = Enterprise Value = Market Capitalization + Total Debt + Preferred Equity – Cash and Short Term Investments. LTM = last 12 months. Sources: S&P Global Market Intelligence, Business Wire, Skimmed Milk Market, Mordor Intelligence, Foodingredientsfirst.com, PR Newswire.

# Select Public Company Operating and Trading Statistics

**Five-Year Revenue Compound Annual Growth Rate (CAGR)<sup>1</sup> – Range and Median (as of Oct. 31 2018)\***



**Enterprise Value/LTM EBITDA (by Sector)<sup>1</sup> – Range and Median (as of Oct. 31 2018)\***



\*Specialty-Pet companies were excluded due to insufficient data. <sup>1</sup>The values above represent high, median and low data points for each category as of Oct. 31 2018. Source: S&P Global Market Intelligence; Q3 2018 as of close of October 30, 2018.

# Public Company Trading Statistics

(USD in millions, except per share data)

Company	HQ	10/31/18 Stock Price	% of 52-Wk High	Market Cap.	Enterprise Value	Operating Metrics (LTM)						Enterprise Value as a Multiple of					
						Revenue	Revenue CAGR, 5-Yr.	EBITDA Margin	Assets	Ret. on Assets	Net Debt/ EBITDA	Revenue			EBITDA		
												LTM	2018E	2019E	LTM	2018E	2019E
<b>Agricultural Products</b>																	
Lamb Weston Holdings Inc.	U.S.	\$ 78.16	98%	\$ 11,447	\$ 13,731	\$ 3,521	NA	23.5%	\$ 2,854	13.9%	3.0x	3.9x	3.8x	3.6x	16.6x	15.8x	14.9x
Fresh Del Monte Produce Inc.	U.S.	33.03	63%	1,598	2,272	4,402	4.2%	4.3%	3,222	2.0%	3.2x	0.5x	0.5x	0.5x	12.1x	NA	NA
Calavo Growers Inc.	U.S.	97.00	90%	1,704	1,712	1,086	11.1%	7.2%	373	11.3%	0.1x	1.6x	1.6x	1.4x	22.0x	21.8x	17.0x
Lassonde Industries Inc.	CA	176.61	78%	1,234	1,558	1,214	8.7%	10.8%	996	6.6%	2.1x	1.3x	1.3x	1.2x	11.8x	12.3x	10.8x
Rogers Sugar Ltd.	CA	4.04	81%	424	692	623	7.6%	12.9%	684	6.3%	3.0x	1.1x	1.1x	1.1x	8.6x	9.0x	8.5x
Seneca Foods Corporation	U.S.	31.63	87%	307	668	1,311	0.2%	1.9%	1,122	-0.4%	14.8x	0.5x	NA	NA	26.2x	NA	NA
Landec Corporation	U.S.	13.69	88%	380	462	533	3.5%	NM	403	NM	2.9x	0.9x	0.8x	0.8x	16.3x	14.6x	11.0x
<b>Median</b>			<b>87%</b>	<b>\$ 1,234</b>	<b>\$ 1,558</b>	<b>\$ 1,214</b>	<b>5.9%</b>	<b>9.0%</b>	<b>\$ 996</b>	<b>6.4%</b>	<b>3.0x</b>	<b>1.1x</b>	<b>1.2x</b>	<b>1.2x</b>	<b>16.3x</b>	<b>14.6x</b>	<b>11.0x</b>
<b>Mean</b>			<b>83%</b>	<b>2,442</b>	<b>3,014</b>	<b>1,813</b>	<b>5.9%</b>	<b>10.1%</b>	<b>1,379</b>	<b>6.6%</b>	<b>4.2x</b>	<b>1.4x</b>	<b>1.5x</b>	<b>1.4x</b>	<b>16.2x</b>	<b>14.7x</b>	<b>12.4x</b>
<b>Bakery</b>																	
George Weston Limited	CA	\$ 72.83	84%	\$ 11,209	\$ 25,947	\$ 37,299	7.6%	7.5%	\$ 32,946	3.3%	4.2x	0.7x	0.7x	0.7x	9.3x	7.9x	7.6x
Flowers Foods Inc.	U.S.	19.31	85%	4,072	4,877	3,945	1.5%	10.7%	2,693	6.6%	1.9x	1.2x	1.2x	1.2x	11.5x	11.9x	11.4x
Hostess Brands Inc.	U.S.	10.40	68%	1,039	2,261	832	NA	21.6%	2,994	3.0%	4.8x	2.7x	2.7x	2.6x	12.6x	12.2x	10.9x
<b>Median</b>			<b>84%</b>	<b>\$ 4,072</b>	<b>\$ 4,877</b>	<b>\$ 3,945</b>	<b>4.6%</b>	<b>10.7%</b>	<b>\$ 2,994</b>	<b>3.3%</b>	<b>4.2x</b>	<b>1.2x</b>	<b>1.2x</b>	<b>1.2x</b>	<b>11.5x</b>	<b>11.9x</b>	<b>10.9x</b>
<b>Mean</b>			<b>79%</b>	<b>5,440</b>	<b>11,029</b>	<b>14,025</b>	<b>4.6%</b>	<b>13.3%</b>	<b>12,878</b>	<b>4.3%</b>	<b>3.6x</b>	<b>1.6x</b>	<b>1.5x</b>	<b>1.5x</b>	<b>11.1x</b>	<b>10.7x</b>	<b>10.0x</b>
<b>Better-For-You</b>																	
The Hain Celestial Group Inc.	U.S.	\$ 24.88	56%	\$ 2,589	\$ 3,307	\$ 2,429	5.6%	8.2%	\$ 2,903	2.9%	3.4x	1.4x	1.3x	1.3x	16.6x	12.6x	11.4x
The Simply Good Foods Company	U.S.	18.96	96%	1,533	1,613	431	NA	16.7%	975	4.3%	1.1x	3.7x	3.4x	3.3x	22.4x	18.4x	17.2x
SunOpta Inc.	CA	7.64	81%	666	1,255	1,233	1.1%	3.6%	999	0.7%	11.4x	1.0x	1.0x	1.0x	28.4x	20.8x	15.9x
<b>Median</b>			<b>81%</b>	<b>\$ 1,533</b>	<b>\$ 1,613</b>	<b>\$ 1,233</b>	<b>3.3%</b>	<b>8.2%</b>	<b>\$ 999</b>	<b>2.9%</b>	<b>3.4x</b>	<b>1.4x</b>	<b>1.3x</b>	<b>1.3x</b>	<b>22.4x</b>	<b>18.4x</b>	<b>15.9x</b>
<b>Mean</b>			<b>78%</b>	<b>1,596</b>	<b>2,058</b>	<b>1,365</b>	<b>3.3%</b>	<b>9.5%</b>	<b>1,626</b>	<b>2.6%</b>	<b>5.3x</b>	<b>2.0x</b>	<b>1.9x</b>	<b>1.8x</b>	<b>22.5x</b>	<b>17.3x</b>	<b>14.8x</b>
<b>Confectionery/Snacks</b>																	
Mondelēz International Inc.	U.S.	\$ 41.98	90%	\$ 61,032	\$ 80,098	\$ 26,131	-5.8%	20.2%	\$ 63,918	3.8%	4.1x	3.1x	3.1x	3.1x	15.2x	15.3x	15.1x
The Hershey Company	U.S.	107.15	93%	22,481	26,378	7,743	2.2%	24.6%	7,836	15.0%	2.0x	3.4x	3.4x	3.3x	13.8x	14.0x	13.6x
Post Holdings Inc.	U.S.	88.42	87%	5,886	12,958	6,257	43.3%	18.5%	12,522	3.8%	5.5x	2.1x	2.2x	2.2x	11.2x	10.6x	10.0x
J&J Snack Foods Corp.	U.S.	156.16	97%	2,929	2,798	1,138	5.6%	13.8%	932	7.7%	NA	2.5x	2.4x	2.3x	17.8x	16.5x	15.7x
Tootsie Roll Industries Inc.	U.S.	31.57	85%	2,025	2,018	517	-0.7%	17.4%	961	4.7%	NA	3.9x	NA	NA	22.5x	NA	NA
John B. Sanfilippo & Son Inc.	U.S.	63.06	79%	715	800	877	3.6%	7.1%	415	7.1%	1.4x	0.9x	NA	NA	12.8x	NA	NA
<b>Median</b>			<b>89%</b>	<b>\$ 4,408</b>	<b>\$ 7,878</b>	<b>\$ 3,698</b>	<b>2.9%</b>	<b>17.9%</b>	<b>\$ 4,398</b>	<b>5.9%</b>	<b>3.1x</b>	<b>2.8x</b>	<b>2.7x</b>	<b>2.7x</b>	<b>14.5x</b>	<b>14.7x</b>	<b>14.3x</b>
<b>Mean</b>			<b>89%</b>	<b>15,845</b>	<b>20,842</b>	<b>7,111</b>	<b>8.0%</b>	<b>16.9%</b>	<b>14,431</b>	<b>7.0%</b>	<b>3.2x</b>	<b>2.6x</b>	<b>2.8x</b>	<b>2.7x</b>	<b>15.6x</b>	<b>14.1x</b>	<b>13.6x</b>

## Definitions

**CAGR:** Compound Annual Growth Rate

**EBITDA:** Earnings Before Interest, Taxes, Depreciation, and Amortization. EBITDA does not reflect adjustments for extraordinary items.

**Enterprise Value:** Market Capitalization + Total Debt + Preferred Equity + Minority Interest – Cash and Short Term Investments

**LTM:** Last 12 Months

# Public Company Trading Statistics

(USD in millions, except per share data)

Company	HQ	10/31/18 Stock Price	% of 52-Wk High	Market Cap.	Enterprise Value	Operating Metrics (LTM)						Enterprise Value as a Multiple of					
						Revenue	Revenue CAGR, 5-Yr.	EBITDA Margin	Assets	Ret. on Assets	Net Debt/ EBITDA	Revenue			EBITDA		
												LTM	2018E	2019E	LTM	2018E	2019E
<b>General</b>																	
The Kraft Heinz Company	U.S.	\$ 54.97	67%	\$ 67,032	\$ 97,990	\$ 26,359	NA	28.9%	\$ 119,730	3.5%	4.1x	3.7x	3.7x	3.7x	12.8x	13.4x	12.9x
General Mills Inc.	U.S.	43.80	72%	26,115	42,418	16,065	-2.4%	21.6%	30,555	6.6%	4.5x	2.6x	2.5x	2.4x	12.2x	12.3x	11.8x
Kellogg Company	U.S.	65.48	87%	22,723	31,903	13,484	-1.9%	23.9%	18,114	9.4%	2.9x	2.4x	2.4x	2.3x	9.9x	13.3x	13.0x
Campbell Soup Company	U.S.	35.60	90%	17,288	21,137	7,969	-12.8%	19.7%	10,485	7.5%	2.5x	2.7x	2.2x	1.9x	13.4x	11.5x	9.2x
Conagra Brands Inc.	U.S.	37.41	73%	11,248	20,925	9,218	2.8%	21.3%	14,529	8.6%	4.9x	2.3x	2.1x	2.1x	10.7x	11.6x	11.4x
The J.M. Smucker Company	U.S.	108.32	81%	12,320	18,843	7,609	5.5%	22.0%	17,513	4.7%	3.6x	2.5x	2.4x	2.4x	11.2x	11.2x	11.1x
Pinnacle Foods Inc.	U.S.	45.56	68%	2,551	4,836	6,031	22.1%	8.4%	5,644	2.6%	4.5x	0.8x	0.8x	0.8x	9.5x	9.3x	8.8x
TreeHouse Foods, Inc.	U.S.	171.38	98%	4,711	4,493	1,241	5.0%	16.6%	840	14.0%	NA	3.6x	3.5x	3.4x	21.8x	20.4x	19.1x
B&G Foods Inc.	U.S.	26.04	66%	1,717	3,766	1,731	20.3%	18.7%	3,432	5.1%	6.3x	2.2x	2.2x	2.3x	11.7x	11.1x	11.5x
Lancaster Colony Corporation	CA	67.34	72%	2,274	2,979	2,141	21.7%	8.3%	1,839	6.1%	4.7x	1.4x	1.3x	1.1x	16.9x	15.4x	12.2x
<b>Median</b>			<b>73%</b>	<b>\$ 11,784</b>	<b>\$ 19,884</b>	<b>\$ 7,789</b>	<b>5.0%</b>	<b>20.5%</b>	<b>\$ 12,507</b>	<b>6.3%</b>	<b>4.5x</b>	<b>2.4x</b>	<b>2.3x</b>	<b>2.3x</b>	<b>11.9x</b>	<b>11.9x</b>	<b>11.7x</b>
<b>Mean</b>			<b>77%</b>	<b>16,798</b>	<b>24,929</b>	<b>9,185</b>	<b>6.7%</b>	<b>18.9%</b>	<b>22,268</b>	<b>6.8%</b>	<b>4.2x</b>	<b>2.4x</b>	<b>2.3x</b>	<b>2.2x</b>	<b>13.0x</b>	<b>12.9x</b>	<b>12.1x</b>
<b>Dairy</b>																	
Saputo Inc.	CA	\$ 30.51	85%	\$ 11,859	\$ 13,954	\$ 9,635	8.6%	9.6%	\$ 7,224	6.9%	2.0x	1.4x	1.4x	1.3x	15.0x	14.4x	12.7x
Dean Foods	U.S.	7.99	66%	730	1,573	7,761	-3.3%	2.8%	2,354	1.4%	4.1x	0.2x	0.2x	0.2x	7.2x	8.5x	6.9x
Lifeway Foods Inc.	U.S.	2.90	28%	46	48	107	3.0%	0.1%	64	-3.2%	22.8x	0.5x	NA	NA	NA	NA	NA
<b>Median</b>			<b>66%</b>	<b>\$ 730</b>	<b>\$ 1,573</b>	<b>\$ 7,761</b>	<b>3.0%</b>	<b>2.8%</b>	<b>\$ 2,354</b>	<b>1.4%</b>	<b>4.1x</b>	<b>0.5x</b>	<b>0.8x</b>	<b>0.7x</b>	<b>11.1x</b>	<b>11.4x</b>	<b>9.8x</b>
<b>Mean</b>			<b>60%</b>	<b>4,212</b>	<b>5,192</b>	<b>5,834</b>	<b>2.7%</b>	<b>4.2%</b>	<b>3,214</b>	<b>1.7%</b>	<b>9.6x</b>	<b>0.7x</b>	<b>0.8x</b>	<b>0.7x</b>	<b>11.1x</b>	<b>11.4x</b>	<b>9.8x</b>
<b>Ingredients</b>																	
Archer Daniels Midland Company	U.S.	\$ 47.25	91%	\$ 26,490	\$ 33,275	\$ 64,464	-6.6%	5.4%	\$ 39,664	3.2%	2.3x	0.5x	0.5x	0.5x	9.6x	9.5x	9.1x
McCormick & Company, Inc.	U.S.	144.00	99%	18,960	23,882	5,401	5.7%	20.7%	10,278	5.8%	4.5x	4.4x	4.4x	4.2x	21.4x	21.5x	19.9x
Bunge Limited	U.S.	61.80	74%	8,719	16,968	45,805	-5.9%	3.5%	21,446	2.9%	4.3x	0.4x	0.4x	0.4x	10.6x	9.0x	8.9x
International Flavors & Fragrances Inc.	U.S.	144.66	92%	15,424	16,864	3,613	4.4%	22.2%	9,616	6.0%	NA	4.7x	4.2x	3.1x	21.0x	19.6x	14.0x
Ingredion Inc.	U.S.	101.18	69%	7,154	8,518	5,852	-2.0%	17.4%	5,751	8.6%	1.2x	1.5x	1.5x	1.4x	8.4x	8.4x	8.1x
Sensient Technologies Corporation	U.S.	64.86	83%	2,742	3,471	1,391	-1.1%	18.6%	1,841	7.3%	2.8x	2.5x	2.5x	2.4x	13.4x	13.4x	12.6x
Balchem Corporation	U.S.	93.65	80%	3,020	3,165	639	13.8%	24.2%	986	7.1%	0.9x	4.9x	4.9x	4.4x	20.5x	20.0x	18.9x
AGT Food and Ingredients Inc.	CA	13.34	75%	323	787	1,230	9.5%	2.9%	834	0.8%	10.9x	0.6x	0.7x	0.5x	21.8x	14.3x	11.0x
<b>Median</b>			<b>81%</b>	<b>\$ 7,936</b>	<b>\$ 12,691</b>	<b>\$ 4,507</b>	<b>1.7%</b>	<b>18.0%</b>	<b>\$ 7,683</b>	<b>5.9%</b>	<b>2.8x</b>	<b>2.0x</b>	<b>2.0x</b>	<b>1.9x</b>	<b>16.9x</b>	<b>13.9x</b>	<b>11.8x</b>
<b>Mean</b>			<b>85%</b>	<b>10,354</b>	<b>13,366</b>	<b>16,049</b>	<b>2.2%</b>	<b>14.4%</b>	<b>11,302</b>	<b>5.2%</b>	<b>3.9x</b>	<b>2.4x</b>	<b>2.4x</b>	<b>2.1x</b>	<b>15.8x</b>	<b>14.5x</b>	<b>12.8x</b>

# Public Company Trading Statistics

(USD in millions, except per share data)

Company	HQ	10/31/18 Stock Price	% of 52-Wk High	Market Cap.	Enterprise Value	Operating Metrics (LTM)						Enterprise Value as a Multiple of					
						Revenue	Revenue CAGR, 5-Yr.	EBITDA Margin	Assets	Ret. on Assets	Net Debt/ EBITDA	Revenue			EBITDA		
												LTM	2018E	2019E	LTM	2018E	2019E
<b>Protein Producers</b>																	
Tyson Foods Inc.	U.S.	\$ 59.92	71%	\$ 21,877	\$ 31,924	\$ 40,052	3.1%	10.4%	\$ 29,109	7.0%	2.3x	0.8x	0.8x	0.8x	7.7x	7.6x	7.2x
Hormel Foods Corporation	U.S.	43.64	99%	23,265	23,720	9,546	1.8%	14.4%	7,895	9.6%	0.1x	2.5x	2.4x	2.3x	17.2x	16.5x	15.6x
Pilgrim's Pride Corporation	U.S.	17.66	46%	4,397	6,331	11,023	5.2%	8.1%	5,976	6.4%	2.1x	0.6x	0.6x	0.6x	7.0x	7.3x	6.4x
Seaboard Corporation	U.S.	3,865.00	86%	4,524	3,783	6,507	-0.4%	4.5%	5,435	2.4%	NA	0.6x	NA	NA	12.8x	NA	NA
Maple Leaf Foods Inc.	CA	22.77	81%	2,832	2,879	2,691	1.2%	8.7%	2,153	5.1%	0.2x	1.1x	1.1x	1.0x	12.2x	11.0x	8.8x
Sanderson Farms Inc.	U.S.	48.67	93%	2,367	2,053	1,581	3.4%	17.8%	1,152	12.8%	NA	1.3x	1.4x	1.3x	7.3x	15.3x	14.5x
Cal-Maine Foods Inc.	U.S.	98.39	56%	2,247	1,959	3,358	5.2%	9.1%	1,792	7.0%	NA	0.6x	0.6x	0.6x	6.4x	12.2x	11.0x
Clearwater Seafoods Inc.	CA	4.16	59%	269	639	470	10.4%	15.8%	577	4.2%	4.8x	1.4x	1.4x	1.3x	8.6x	8.0x	7.4x
High Liner Foods Inc.	CA	6.44	54%	215	583	1,069	3.2%	4.6%	826	2.3%	7.4x	0.5x	0.6x	0.6x	12.0x	9.3x	9.2x
Bridgford Foods Corporation	U.S.	16.77	78%	152	139	174	5.8%	6.1%	100	4.3%	NA	0.8x	NA	NA	13.0x	NA	NA
<b>Median</b>			<b>74%</b>	<b>\$ 2,600</b>	<b>\$ 2,466</b>	<b>\$ 3,024</b>	<b>3.3%</b>	<b>8.9%</b>	<b>\$ 1,972</b>	<b>5.8%</b>	<b>2.2x</b>	<b>0.8x</b>	<b>0.9x</b>	<b>0.9x</b>	<b>10.3x</b>	<b>10.1x</b>	<b>9.0x</b>
<b>Mean</b>			<b>72%</b>	<b>6,215</b>	<b>7,401</b>	<b>7,647</b>	<b>3.9%</b>	<b>10.0%</b>	<b>5,502</b>	<b>6.1%</b>	<b>2.8x</b>	<b>1.0x</b>	<b>1.1x</b>	<b>1.1x</b>	<b>10.4x</b>	<b>10.9x</b>	<b>10.0x</b>
<b>Specialty-Pet</b>																	
Central Garden & Pet Company	U.S.	\$ 32.48	72%	\$ 1,858	\$ 2,223	\$ 2,215	6.0%	9.7%	\$ 1,708	6.5%	1.0x	1.0x	5.7x	5.1x	10.4x	23.1x	17.9x
Freshpet Inc.	U.S.	38.10	94%	1,354	1,348	185	NA	4.9%	136	-2.2%	NA	7.3x	7.0x	5.7x	NM	NM	42.0x
<b>Median</b>			<b>83%</b>	<b>\$ 1,606</b>	<b>\$ 1,786</b>	<b>\$ 1,200</b>	<b>6.0%</b>	<b>7.3%</b>	<b>\$ 922</b>	<b>2.2%</b>	<b>1.0x</b>	<b>4.1x</b>	<b>6.4x</b>	<b>5.4x</b>	<b>10.4x</b>	<b>23.1x</b>	<b>29.9x</b>
<b>Mean</b>			<b>83%</b>	<b>1,606</b>	<b>1,786</b>	<b>1,200</b>	<b>6.0%</b>	<b>7.3%</b>	<b>922</b>	<b>2.2%</b>	<b>1.0x</b>	<b>4.1x</b>	<b>6.4x</b>	<b>5.4x</b>	<b>10.4x</b>	<b>23.1x</b>	<b>29.9x</b>
<b>Non-Alcoholic Beverages</b>																	
The Coca-Cola Company	U.S.	\$ 47.88	98%	\$203,802	\$231,774	\$ 32,310	-7.3%	37.9%	\$ 86,877	7.1%	2.3x	7.2x	7.3x	7.0x	18.9x	20.9x	19.3x
PepsiCo Inc.	U.S.	112.38	92%	158,632	179,954	64,663	-0.5%	19.7%	73,632	8.7%	1.7x	2.8x	2.8x	2.7x	14.2x	13.9x	13.2x
Keurig Dr Pepper Inc.	U.S.	26.00	98%	36,117	49,005	4,207	-0.2%	27.7%	23,800	NA	10.8x	11.6x	NA	NA	42.1x	NA	NA
Monster Beverage Corporation	U.S.	52.85	75%	29,224	28,330	3,693	11.1%	35.9%	4,871	16.6%	NA	7.7x	7.5x	6.8x	21.4x	20.9x	18.9x
National Beverage Corp.	U.S.	92.45	73%	4,311	4,063	1,008	9.1%	22.1%	523	28.1%	NA	4.0x	3.8x	3.4x	18.2x	17.0x	15.1x
Cott Corporation	CA	15.08	87%	2,077	3,205	2,345	1.9%	11.8%	3,160	1.4%	4.0x	1.4x	1.4x	1.3x	11.6x	10.2x	9.3x
Farmer Bros. Co.	U.S.	24.11	69%	408	496	622	3.5%	5.6%	503	0.5%	2.8x	0.8x	0.8x	0.8x	14.3x	9.7x	7.9x
<b>Median</b>			<b>87%</b>	<b>\$ 29,224</b>	<b>\$ 28,330</b>	<b>\$ 3,693</b>	<b>1.9%</b>	<b>22.1%</b>	<b>\$ 4,871</b>	<b>7.9%</b>	<b>2.8x</b>	<b>4.0x</b>	<b>3.3x</b>	<b>3.1x</b>	<b>18.2x</b>	<b>15.4x</b>	<b>14.1x</b>
<b>Mean</b>			<b>85%</b>	<b>62,081</b>	<b>70,975</b>	<b>15,550</b>	<b>2.5%</b>	<b>22.9%</b>	<b>27,624</b>	<b>10.4%</b>	<b>4.3x</b>	<b>5.1x</b>	<b>3.9x</b>	<b>3.7x</b>	<b>20.1x</b>	<b>15.4x</b>	<b>13.9x</b>
<b>Alcoholic Beverages</b>																	
Constellation Brands Inc.	U.S.	\$ 199.23	84%	\$ 37,745	\$ 47,721	\$ 7,915	17.1%	55.9%	\$ 24,098	7.4%	3.4x	6.0x	5.9x	5.5x	10.8x	15.8x	14.3x
Brown-Forman Corporation	U.S.	46.34	78%	22,297	24,577	3,291	2.8%	34.1%	5,025	13.4%	2.0x	7.5x	7.2x	6.8x	21.9x	20.9x	19.3x
Molson Coors Brewing Company	U.S.	64.00	75%	13,809	23,852	10,931	21.0%	22.1%	30,470	3.3%	4.1x	2.2x	2.2x	2.2x	9.9x	9.6x	9.4x
The Boston Beer Company Inc.	U.S.	307.29	93%	3,492	3,423	977	7.3%	15.9%	624	10.7%	NA	3.5x	3.4x	3.1x	22.1x	19.9x	17.9x
<b>Median</b>			<b>81%</b>	<b>\$ 18,053</b>	<b>\$ 24,215</b>	<b>\$ 5,603</b>	<b>12.2%</b>	<b>28.1%</b>	<b>\$ 14,561</b>	<b>9.0%</b>	<b>3.4x</b>	<b>4.8x</b>	<b>4.6x</b>	<b>4.3x</b>	<b>16.3x</b>	<b>17.8x</b>	<b>16.1x</b>
<b>Mean</b>			<b>82%</b>	<b>19,336</b>	<b>24,894</b>	<b>5,778</b>	<b>12.1%</b>	<b>32.0%</b>	<b>15,054</b>	<b>8.7%</b>	<b>3.2x</b>	<b>4.8x</b>	<b>4.7x</b>	<b>4.4x</b>	<b>16.2x</b>	<b>16.5x</b>	<b>15.2x</b>

## About Duff and Phelps

Duff & Phelps' Consumer group is among the most active middle-market advisors, providing sell-side, buy-side and capital raising services for clients worldwide. With expertise in consumer, food and beverage, restaurant and retail sectors, our professionals have executed more than 100 industry transactions over the past 10 years.

<b>Proven Execution</b>	100+ <i>Consumer M&amp;A and Capital Raise</i> transactions over the past 10 years
<b>Deep Sector Expertise</b>	Category focus drives thought leadership and builds <i>invaluable relationships with buyers and investors alike</i>
<b>Customized Approach</b>	Successful track record of <i>premium value transactions</i> driven by <i>hands-on execution and creativity</i>
<b>Experienced Team</b>	More than 30 <i>bankers</i> dedicated exclusively to the Consumer sector within North America
<b>Global Platform</b>	More than 2,500 <i>employees across 70 offices in 20 countries</i> , with an extensive presence in North America, Europe and Asia

**#4 middle-market M&A Advisor over the past five years<sup>1</sup>**

**266 M&A transactions over the past five years**

**#1 ranked for U.S. and global fairness opinions for 2017<sup>2</sup>**

**1,000+ transaction opinions for \$2 trillion in deal value since 2005**

**650+ private equity groups (PEGs) proactively covered by our Financial Sponsors Group**

**1,750+ PEGs contacted under engagement mandates in 2017**

**45+ private equity coverage officers across North America**

<sup>1</sup> Source: Published in Thomson Reuters' "Mergers & Acquisitions Review - Full Year 2015, 2016 and 2017."

<sup>2</sup> Source: Thomson Financial Securities Data (U.S. deals \$75M < \$225M, including deals without a disclosed value). Full years 2013 through 2017.

## Selected Duff & Phelps Food and Beverage Experience

Sell Side Advisor



has been acquired by



Sell Side Advisor



has been acquired by



Sell Side Advisor



has been acquired by



Sell Side Advisor



has acquired



Sell Side Advisor



a portfolio company of

 LINSALATA CAPITAL PARTNERS

has been acquired by



Sell Side Advisor



has been acquired by



Sell Side Advisor



has been acquired by



Buy-Side Advisor



has acquired



Sell Side Advisor



has been acquired by



Sell Side Advisor



has been acquired by



Buy-Side Advisor



has acquired



Debt Placement



secured a senior credit facility from a consortium of banks, including



Sell Side Advisor



has been acquired by



Sell Side Advisor



a division of



has been acquired by



Buy-Side Advisor



has acquired



# Contact Us

## Joshua Benn

Global Head of Consumer, Food and Restaurants  
New York  
+1 212-450-2840  
joshua.benn@duffandphelps.com

## Bob Bartell

Global Head of Corporate Finance  
Chicago  
+1 312-697-4654  
bob.bartell@duffandphelps.com

## Ross Fletcher

Senior Advisor  
Toronto  
+1 416-361-2588  
ross.fletcher@duffandphelps.com

## Howard Johnson

Managing Director  
Toronto  
+1 416-597-4500  
howard.johnson@duffandphelps.com

## Farzad Mukhi

Director  
Los Angeles  
+1 424-249-1661  
farzad.mukhi@duffandphelps.com

## Devin Kennealy

Vice President  
Toronto  
+1 416-361-6479  
devin.kennealy@duffandphelps.com

# About Duff & Phelps

Duff & Phelps is the global advisor that protects, restores and maximizes value for clients in the areas of valuation, corporate finance, investigations, disputes, cybersecurity, compliance and regulatory matters, and other governance-related issues. We work with clients across diverse sectors, mitigating risk to assets, operations and people. With Kroll, a division of Duff & Phelps since 2018, our firm has nearly 3,500 professionals in 28 countries around the world. For more information, visit [www.duffandphelps.com](http://www.duffandphelps.com)

*M&A advisory, capital raising and secondary market advisory services in the United States are provided by Duff & Phelps Securities, LLC. Member FINRA/SIPC. Pagemill Partners is a Division of Duff & Phelps Securities, LLC. M&A advisory, capital raising and secondary market advisory services in the United Kingdom are provided by Duff & Phelps Securities Ltd. (DPSL), which is authorized and regulated by the Financial Conduct Authority. M&A advisory and capital raising services in Germany are provided by Duff & Phelps GmbH, which is a Tied Agent of DPSL. Valuation Advisory Services in India are provided by Duff & Phelps India Private Limited under a category 1 merchant banker license issued by the Securities and Exchange Board of India.*