



CORPORATE FINANCE

# Industry Insights

Food and Beverage M&A Landscape

Winter 2022

# M&A Market Overview

M&A deal activity in the food and beverage space thrived in 2021, setting a record-high year for transactions. With 374 deals closing over the trailing 12 month (TTM) period, ending December 31, 2021, this marks the second highest historic TTM deal count. Transaction volumes in Q4 2021 were slightly lower than the previous year, with 85 deals announced, in comparison to 92. After four consecutive quarters of unseen levels of M&A activity, Q4 2021 is the first quarter in a year not to surpass 90 announced transactions.

Q4 2021 saw several notable North American deals in the space. In the U.S., The Coca-Cola Company acquired a majority stake in Bodyarmor (BA) Sports Nutrition, further expanding their portfolio in sport drinks. The trend of large players growing their brand portfolio through acquisition continued, including The Hershey Company acquiring Dot's Pretzels & Pretzels Inc. There were noteworthy bakery transactions in the quarter as well, including the sale of the fresh, frozen and ambient bakery business of Weston Foods.

M&A activity in the food and beverage sector in 2021 was predominately driven by strategic buyers (including companies primarily owned by private equity investors), with strategic transactions representing 79% of total deal value. Of the 374 deals closed over 2021, 264 (71%) were completed by privately owned buyers.

Low interest rates, strong capital markets and accelerated transaction timelines were the major contributors to a record year in transactions. On the pandemic, the rapid spread of the Omicron-variant is expected to cause short-term lags in the economy. Due to abrupt regulatory changes in different geographies, businesses that are heavily inventory dependent have been challenged by global supply-chain issues. Supply of materials on all front has been a bottleneck for most manufacturers, especially in the food and beverage space due to the volume and variety of inventory. However, based on current COVID-19 projections, a recovery to previous levels of economic activity can be expected within the first half of 2022. With the global supply-chain anticipated to rebound from current challenges and abundant capital in the market, we believe that 2022 will be a strong year for M&A activity.

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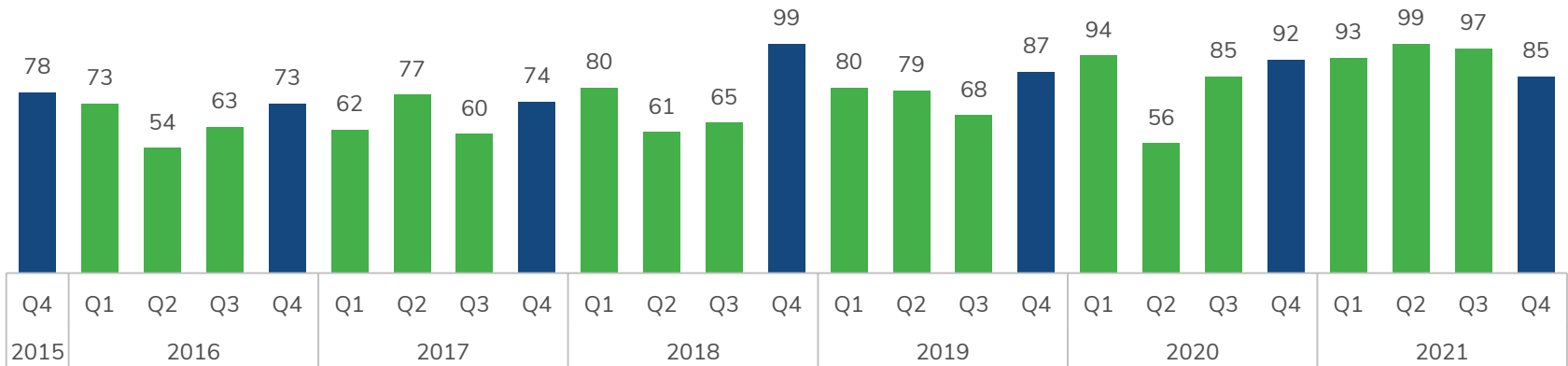
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Sources: Capital IQ as of December 31, 2021

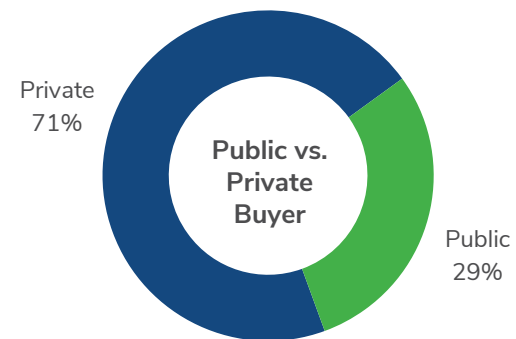
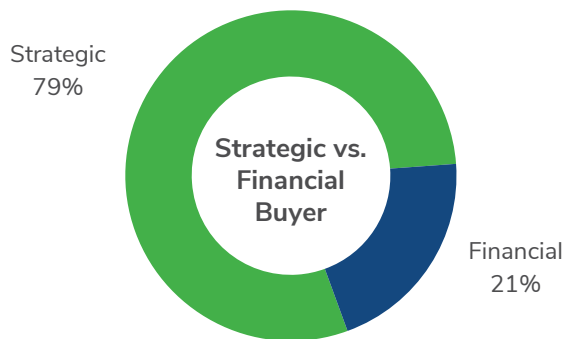
Note: M&A deal count is defined by a list of subsectors viewed as the best representation of the industry.

# M&A Market Overview, continued

Number of Closed Deals (as of December 31, 2021)



By Number of Closed Deals (for the year ending December 31, 2021)



Note: Includes food and beverage sector deals where the target was based in North America.  
Source: S&P Global Market Intelligence. Transactions with more than 50% of the company acquired are included in the analysis.

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

## The Coca-Cola Company (NYSE:KO) acquired BA Sports Nutrition



On November 1, 2021, The Coca-Cola Company acquired the remaining 85% stake of Bodyarmor Sports Nutrition for USD 5,600 million. Previously in 2018, Coca-Cola bought a 15% stake to become BA's second largest shareholder. This transaction will be Coca-Cola's largest acquisition to date. The transaction will help grow Coca-Cola's brand portfolio in the sports drink category. BA has surpassed Coca-Cola's Powerade to become the second-largest player in the category.

## FGF Brands acquired Weston Foods Fresh and Frozen Bakery Businesses (TSX:WN)



On December 10, 2021, FGF Brands acquired Weston Foods Fresh and Frozen Bakery Businesses for USD 889 mn. "We look forward to building on that legacy by investing in people, facilities, and innovation across our entire operations – FGF remains a startup at heart and this acquisition allows us to bring that same drive for disruption to more teams, brands, and customers than ever before, as we pursue our vision to become the world's greatest baker," said Ojus Ajmera, FGF Co-Founder.

## Hearthside Food Solutions acquired Weston Foods Ambient Bakery Business (TSX:WN)



On December 29, 2021, Hearthside Food Solutions acquired Weston Foods Ambient Bakery Business for USD 296 mn. "The Weston Foods acquisition is an ideal complement to our existing production network and business, bringing baking capacity, a roster of premier customers, expanded capabilities, and enhanced geographic coverage. These synergies benefit our current and new customers alike," said Chuck Metzger, CEO of Hearthside.

## The Hershey Company (NYSE:HSY) acquired Dot's Pretzels & Pretzels Inc.



On December 14, 2021, The Hershey Company acquired both Dot's Pretzels and Pretzels Inc. for USD 1,200 mn. The addition of Dot's Pretzels accelerates Hershey's snacking powerhouse vision by adding to its portfolio the fastest-growing scale U.S. pretzel brand, representing 55% of the pretzel category's growth during the past year. Acquiring Pretzels Inc. also brings the pretzel manufacturing capability in-house to ensure the continued growth of Dot's and expertise to drive future snacking innovations.

## Treasury Wine Estates Limited (ASX:TWE) acquired Frank Family Vineyards



On November 17, 2021, Treasury Wine Estates acquired Frank Family Vineyards for USD 315 mn. "Frank Family Vineyards represents an outstanding addition to the Treasury Americas brand portfolio and is another important step towards our ambition of becoming the premium wine market leader in the Americas," said Ben Dollard, President of Treasury Americas.

## The Hain Celestial Group (NASDAQ: HAIN) acquired That's How We Roll



On December 28, 2021, The Hain Celestial Group acquired That's How We Roll for USD 259 mn. "ParmCrisps and Thinsters are optimally positioned to benefit from consumer preferences for clean-label and high-protein snacks – Both brands have created loyal followings by being true to their unique value propositions. We are excited to welcome them to the Hain family and support the brands' next chapter as part of our growing snacking platform," said Mark Schiller, President and Chief Executive Officer of Hain.

<sup>1</sup>Deals in the U.S. and Canada, closed or announced over Q4 2021, selected based on subjectively being representative of recent market activity, excluding bankruptcy sales.

Sources: S&P Global Market Intelligence, Mergermarket, company press releases and various news sources (e.g., *Newswire*, *PR Newswire*, *GlobeNewswire*).

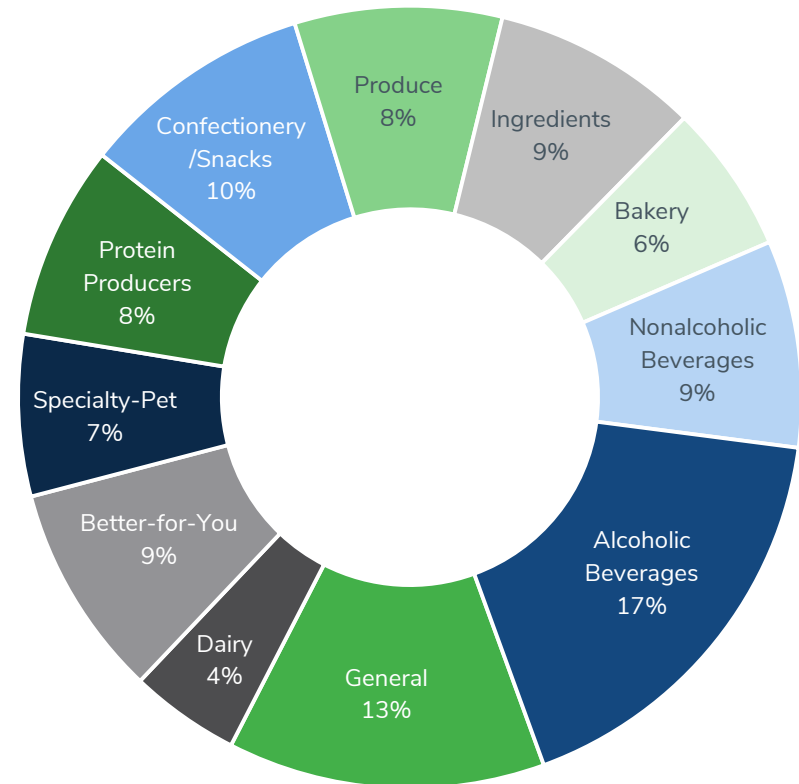
Note: All trademarks, trade names, or logos referenced herein are the property of their respective owners.

# Recent North American M&A Activity by Subsector

## Food and Beverage Subsector Definitions

Food	<b>Bakery:</b> Production and distribution of baked goods
	<b>Better-for-You:</b> Differentiated food products with health benefits
	<b>Confectionery/Snacks:</b> Chocolate, candy, nuts and other convenient snack foods
	<b>General:</b> Conglomerates and general food businesses
	<b>Dairy:</b> Production and distribution of dairy or dairy by-products, such as cheese or yogurt
	<b>Ingredients:</b> Goods used in the production of other food-related items
	<b>Produce:</b> Fresh produce or other agricultural products
	<b>Protein Producers:</b> Meat and seafood producers and distributors
	<b>Specialty-Pet:</b> Producers of pet food and treats
	<b>Nonalcoholic Beverages:</b> Beverages that do not contain alcohol
Beverages	<b>Alcoholic Beverages:</b> Wine, beer and spirits

## Deals by Subsector (TTM as of December 31, 2021)



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

## Better-for-You

## Bakery

(\$ USD in millions)

Date Closed	December 28, 2021	November 2, 2021	October 18, 2021	December 29, 2021	December 10, 2021
Target	That's How We Roll LLC	Amara Organic Foods	Pulse Kitchen Specialty Foods Ltd	Weston Foods Ambient Bakery Business	Weston Foods Fresh and Frozen Bakery Businesses
Target Location					
Target Business Description	That's How We Roll LLC manufactures and markets better-for-you chips, cookies, and other snack products.	Amara is a food technology company that uses science and proprietary IP that locks in taste and texture to make healthy, organic, non-GMO, plant-based and children's food.	Pulse Kitchen Specialty Foods Ltd produces plant-based vegan and gluten free cheese products.	The ambient bakery business of George Weston Limited comprises of both frozen and fresh baking products manufacturing.	Bakery business of George Weston Limited which includes fresh and frozen baking products manufacturing.
Acquirer	The Hain Celestial Group Inc.	Eat Well Investment Group Inc.	Boosh Plant-Based Brands Inc.	Hearthside Food Solutions LLC	FGF Brands Inc.
Financial Metrics <i>(where disclosed)</i>	EV: USD 259.0 LTM Rev.: USD 108.0 EV/Rev.: 2.4x	EV: USD 12.6	EV: USD 0.3	EV: USD 295.6	EV: USD 888.7

<sup>1</sup>Includes majority acquisitions and mergers with disclosed financial details. Excludes bankruptcy sales. Source: S&P Global Market Intelligence as of December 31, 2021

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

	Alcoholic Beverages		Nonalcoholic Beverages		Dairy
(\$ USD in millions)					
<b>Date Closed</b>	December 7, 2021	November 17, 2021	Announced	November 1, 2021	December 1, 2021
<b>Target</b>	Double Diamond Distillery LLC	Frank Family Vineyards LLC	Mylk Brands Inc.	BA Sports Nutrition LLC	Clover Stornetta Farms Inc.
<b>Target Location</b>					
<b>Target Business Description</b>	Double Diamond Distillery LLC, trading as Breckenridge Distillery, produces and sells various distilled spirits, such as vodka, rum, gin, and bourbon whiskey.	Frank Family Vineyards LLC produces wine.	Mylk Brands Inc. produces beverages that are made from fiber-rich oats and real bananas.	BA Sports Nutrition LLC produces and sells sports drinks.	Clover Stornetta Farms Inc. processes, produces, and distributes a range of dairy products.
<b>Acquirer</b>	Tilray Inc. (nka: Tilray Brands Inc.)	Treasury Wine Estates Limited	Eat Beyond Global Holdings Inc.	The Coca-Cola Company	Alpina Productos Alimenticios S.A.
<b>Financial Metrics</b> (where disclosed)	EV: USD 106.2	EV: USD 315.0 LTM Rev.: USD 54.0 EV/Rev.: 5.8x	EV: USD 9.1	EV: USD 6,588.2	EV: USD 200.0 LTM Rev.: USD 237.0 EV/Rev.: 0.8x

<sup>1</sup>Includes majority acquisitions and mergers with disclosed financial details. Excludes bankruptcy sales. Source: S&P Global Market Intelligence as of December 31, 2021

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

	Specialty-Pet		Produce		General
(\$ USD in millions)					
<b>Date Closed</b>	Announced	December 1, 2021	December 29, 2021	October 5, 2021	December 6, 2021
<b>Target</b>	GlobalOne Pet Products LLC	Private Label Dry Pet Food Business of The J.M. Smucker Company	Substantially All Assets of Olive Branch LLC	Growing Modules and Assets of Swiss Leaf Farms Ltd.	RW Garcia
<b>Target Location</b>					
<b>Target Business Description</b>	GlobalOne Pet Products LLC produces and sells super premium pet treats and chews across the United States and Canada.	The Private Label Dry Pet Food Business and Kansas Manufacturing Facility of The J.M. Smucker Company.	Olive Branch LLC produces and sells olives, olive mixes, and savory products.	Swiss Leaf Farms is a Canadian farm that grows produce.	RW Garcia provides food products including gluten free crackers, tortilla chips, dippers, veggie chips, flaxseed and corn tortillas.
<b>Acquirer</b>	Nextmune AB	Diamond Pet Foods	MamaMancini's Holdings, Inc.	CubicFarm Systems Corp.	Utz Brands, Inc.
<b>Financial Metrics</b> <i>(where disclosed)</i>	EV: USD 80.0 LTM Rev.: USD 20.0 LTM EBITDA: USD 5.0 EV/Rev.: 4.0x EV/EBITDA: 16.0x EBITDA Margin: 25.0%	EV: USD 33.0 LTM Rev.: USD 95.0 EV/Rev.: 0.3x	EV: USD 1.0	EV: USD 1.2	EV: USD 56.0 LTM Rev.: USD 66.2 LTM EBITDA: USD 5.8 EV/Rev.: 0.8x EV/EBITDA: 9.7x EBITDA Margin: 8.8%

<sup>1</sup>Includes majority acquisitions and mergers with disclosed financial details. Excludes bankruptcy sales. Source: S&P Global Market Intelligence as of December 31, 2021



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

## Confectionery /Snacks

## Protein

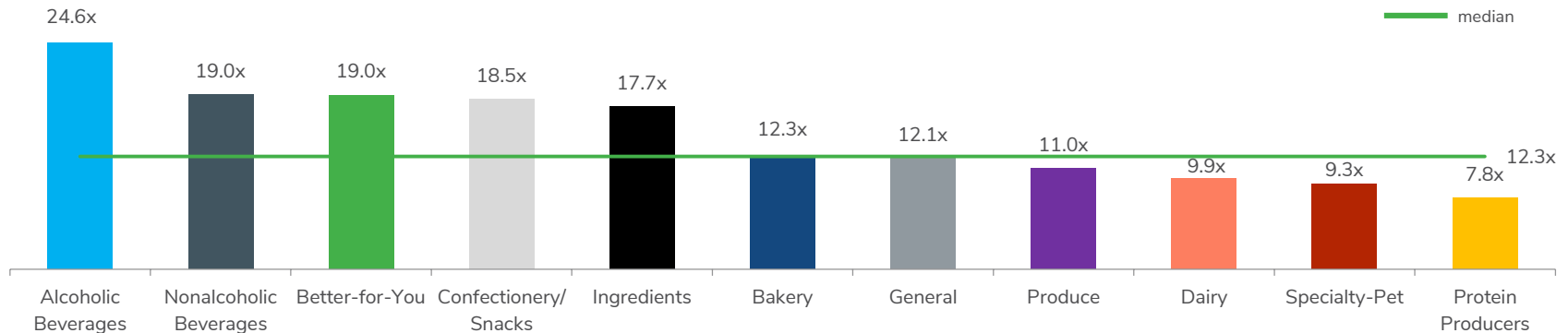
(\$ USD in millions)

Date Closed	December 14, 2021	Announced
Target	Dot's Pretzels LLC	Sunnyvalley Smoked Meats Inc.
Target Location		
Target Business Description	Dot's Pretzels LLC produces and manufactures gourmet seasoned pretzels and snacks.	Sunnyvalley Smoked Meats Inc. produces smoked bacon, and ham and pork loin products.
Acquirer	The Hershey Company	Plumrose USA, Inc.
Financial Metrics <i>(where disclosed)</i>	EV: USD 1,200.0	EV: USD 90.0 LTM Rev.: USD 150.0 EV/Rev.: 0.6x

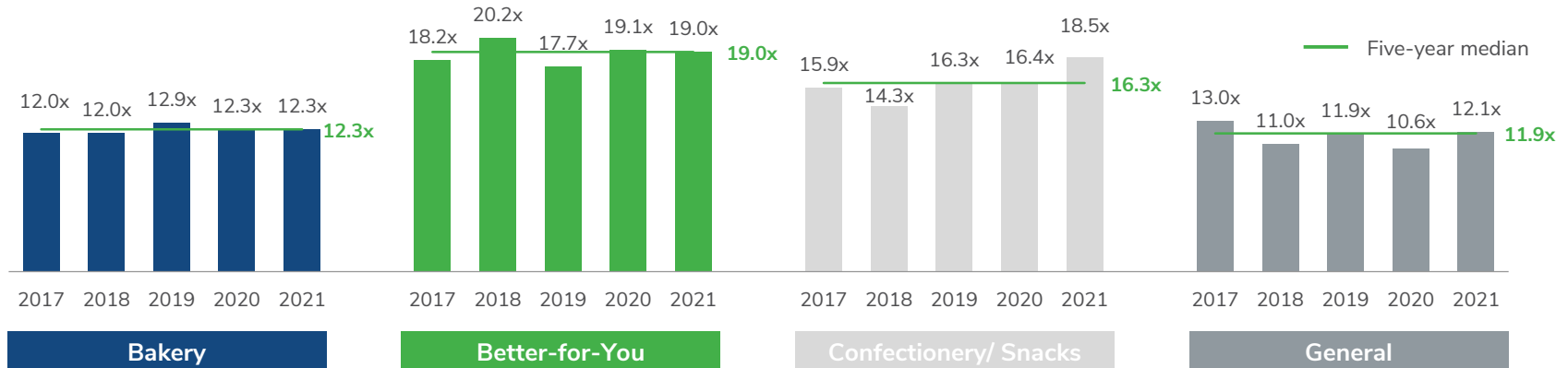
<sup>1</sup>Includes majority acquisitions and mergers with disclosed financial details. Excludes bankruptcy sales. Source: S&P Global Market Intelligence as of December 31, 2021

# Public Company Trading Multiples

EV/TTM EBITDA Median Multiples by Subsector (as of December 31, 2021)



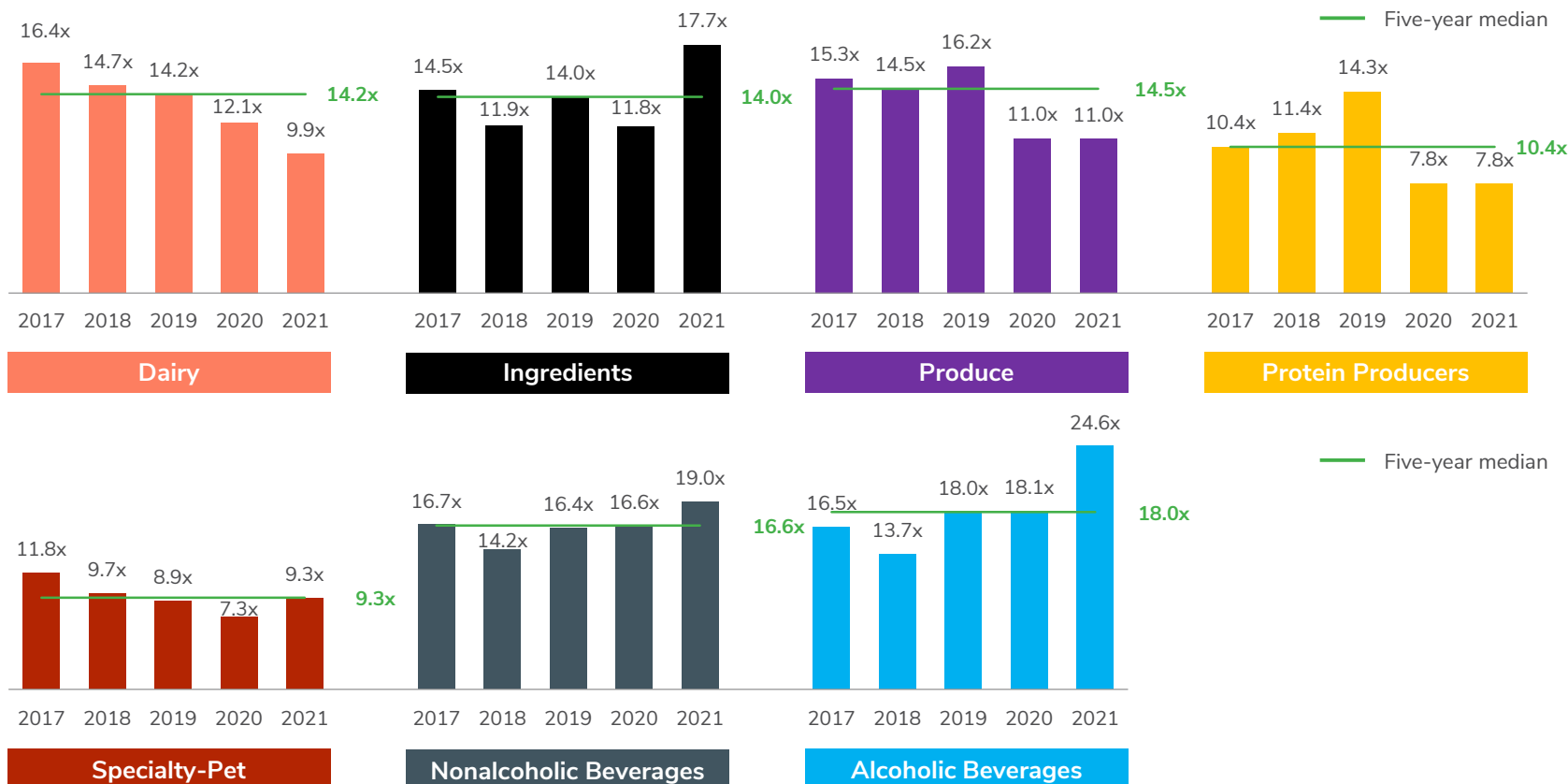
EV/TTM EBITDA Median Multiples – Food and Beverage Subsectors (as of December 31, 2021)



Note: Sector constituents based on selected comparable companies; certain periods exclude outliers based on Kroll analysis; EBITDA does not reflect adjustments for extraordinary items  
 EV = enterprise value = market capitalization + total debt + preferred equity – cash and short-term investments. TTM = trailing 12 months. Source: S&P Global Market Intelligence

# Public Company Trading Multiples

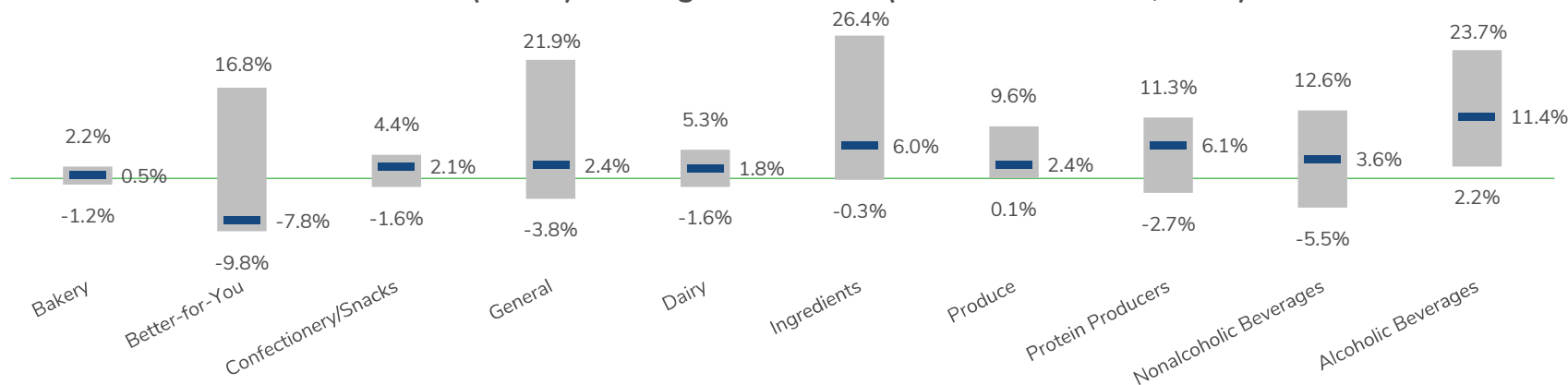
## EV/TTM EBITDA Median Multiples – Food and Beverage Subsectors (as of December 31, 2021)



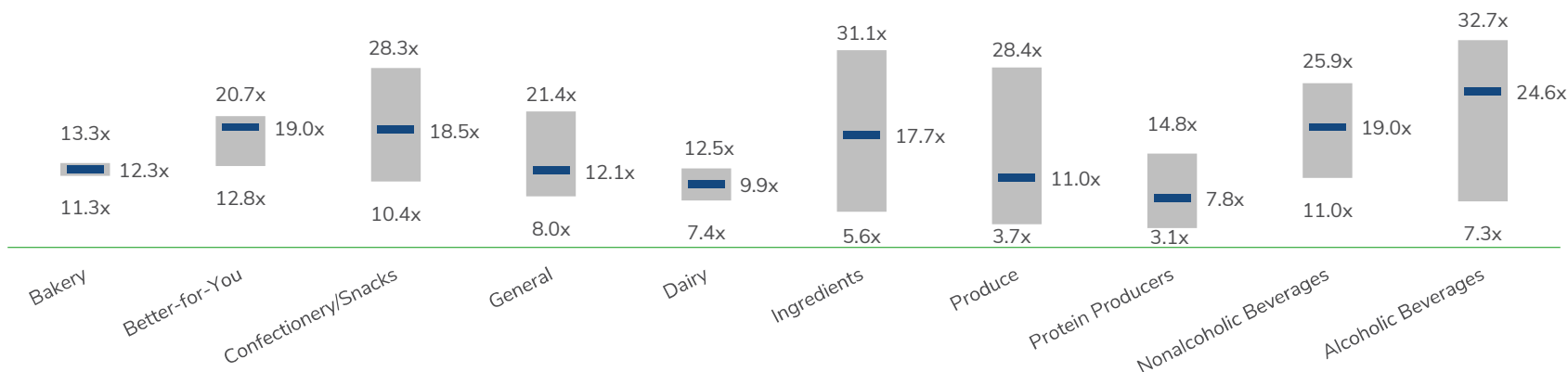
Note: Sector constituents based on selected comparable companies; certain periods exclude outliers based on Kroll analysis; EBITDA does not reflect adjustments for extraordinary items. EV = enterprise value = market capitalization + total debt + preferred equity – cash and short-term investments. TTM = trailing 12 months. Source: S&P Global Market Intelligence.

# Select Public Company Operating and Trading Statistics

Five-Year Revenue Growth Rate (CAGR)<sup>1</sup> – Range and Median (as of December 31, 2021)\*



Enterprise Value/TTM EBITDA (by sector)<sup>1</sup> – Range and Median (as of December 31, 2021)\*



\*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 December 31, 2021.

Source: S&P Global Market Intelligence

# Public Company Trading Statistics .oo

(USD in millions, except per share data)

		31-Dec-21	% of			Operating Metrics (TTM)						Enterprise Value as a Multiple of					
Company	HQ	Stock Price	52-Wk High	Market Cap.	Enterprise Value	Revenue	Revenue CAGR, 5-Yr.	EBITDA Margin	Assets	Ret. on Assets	Net Debt/ EBITDA	Revenue			EBITDA		
												TTM	2022E	2023E	TTM	2022E	2023E
Bakery																	
Flowers Foods Inc.	U.S.	27.47	99%	5,807	6,755	4,370	2.2%	13.7%	3,323	7.1%	1.9x	1.5x	1.6x	1.5x	11.3x	13.6x	13.5x
Hostess Brands Inc.	U.S.	20.42	100%	2,826	3,720	1,101	-1.2%	25.4%	3,435	4.1%	3.3x	3.4x	3.3x	3.2x	13.3x	14.0x	13.3x
Median			99%	4,316	5,238	2,736	0.5%	19.6%	3,379	5.6%	2.6x	2.5x	2.4x	2.3x	12.3x	13.8x	13.4x
Mean			99%	4,316	5,238	2,736	0.5%	19.6%	3,379	5.6%	2.6x	2.5x	2.4x	2.3x	12.3x	13.8x	13.4x
Better-for-You																	
BellRing Brands Inc.	U.S.	28.53	83%	1,112	4,571	1,247	16.8%	18.5%	697	18.8%	2.0x	3.7x	3.3x	3.0x	19.8x	17.6x	15.6x
The Simply Good Foods Company	U.S.	41.57	98%	4,197	4,417	1,056	NA	21.2%	2,043	6.0%	2.1x	4.2x	3.9x	3.6x	19.7x	19.4x	17.4x
The Hain Celestial Group Inc.	U.S.	42.61	87%	3,958	4,368	1,927	-7.8%	12.5%	2,142	5.1%	1.8x	2.3x	2.2x	2.1x	18.2x	16.5x	14.4x
Tattooed Chef Inc.	U.S.	15.54	56%	1,274	1,154	202	NA	-9.7%	268	-8.5%	6.2x	5.7x	5.4x	4.1x	NM	NM	NM
SunOpta Inc.	U.S.	6.93	41%	752	1,052	814	-9.8%	8.2%	749	1.4%	5.2x	1.3x	1.3x	1.2x	15.7x	15.4x	13.2x
Whole Earth Brands Inc.	U.S.	10.74	72%	413	793	437	NA	14.2%	919	3.2%	6.6x	1.8x	1.6x	1.4x	12.8x	9.4x	8.3x
NewAge Inc.	U.S.	1.03	23%	151	159	440	95.7%	1.7%	406	-4.0%	NA	0.4x	0.4x	0.3x	20.7x	NM	11.9x
Median			72%	1,112	1,154	814	4.5%	12.5%	749	3.2%	3.7x	2.3x	2.2x	2.1x	19.0x	16.5x	13.8x
Mean			66%	1,694	2,359	874	23.7%	9.5%	1,032	3.1%	4.0x	2.8x	2.6x	2.3x	17.8x	15.6x	13.5x
Confectionery/Snacks																	
Mondelez International Inc.	U.S.	66.31	100%	92,501	109,648	28,360	1.4%	25.6%	67,317	4.7%	2.8x	3.9x	3.8x	3.7x	15.1x	18.5x	17.5x
The Hershey Company	U.S.	193.47	100%	39,856	43,889	8,830	3.7%	26.9%	9,439	13.5%	1.7x	5.0x	4.9x	4.7x	18.5x	19.0x	18.0x
Post Holdings Inc.	U.S.	112.73	96%	7,053	14,110	6,227	4.4%	17.4%	12,415	3.5%	6.3x	2.3x	2.1x	2.0x	13.0x	11.7x	10.8x
Utz Brands Inc.	U.S.	15.95	53%	1,237	2,822	1,126	NA	8.9%	2,633	0.7%	8.2x	2.5x	2.4x	2.3x	28.3x	17.6x	16.6x
J & J Snack Foods Corp.	U.S.	157.96	87%	3,015	2,770	1,145	2.9%	12.0%	1,122	4.2%	NA	2.4x	2.2x	2.1x	20.2x	17.4x	15.4x
Tootsie Roll Industries Inc.	U.S.	36.23	63%	2,432	2,202	532	-0.2%	17.6%	1,015	4.7%	NA	4.1x	NA	NA	23.6x	NA	NA
John B. Sanfilippo & Son Inc.	U.S.	90.16	95%	1,034	1,096	875	-1.6%	12.1%	407	13.2%	0.6x	1.3x	1.2x	1.2x	10.4x	NA	NA
Median			95%	3,015	2,822	1,145	2.1%	17.4%	2,633	4.7%	2.8x	2.5x	2.3x	2.2x	18.5x	17.6x	16.6x
Mean			85%	21,018	25,220	6,728	1.7%	17.2%	13,478	6.4%	3.9x	3.1x	2.8x	2.7x	18.4x	16.8x	15.6x
General																	
The Kraft Heinz Company	U.S.	35.90	80%	43,943	65,894	26,272	-0.4%	31.2%	94,897	3.7%	3.3x	2.5x	2.5x	2.7x	8.0x	10.6x	11.2x
General Mills Inc.	U.S.	67.38	97%	40,644	53,137	18,608	3.1%	22.8%	32,482	6.5%	2.9x	2.9x	2.8x	2.8x	12.5x	14.4x	14.1x
Kellogg Company	U.S.	64.42	94%	21,975	30,192	14,225	1.7%	17.6%	18,407	6.4%	3.2x	2.1x	2.1x	2.1x	12.1x	13.3x	12.9x
Conagra Brands Inc.	U.S.	34.15	87%	16,382	25,914	11,223	6.4%	19.9%	22,592	5.0%	4.4x	2.3x	2.3x	2.2x	11.6x	11.9x	11.2x
The J. M. Smucker Company	U.S.	135.82	97%	14,718	19,330	7,905	1.0%	22.5%	16,241	4.6%	2.8x	2.4x	2.4x	2.4x	10.9x	11.8x	11.4x
Campbell Soup Company	U.S.	43.46	81%	13,114	18,324	8,372	1.0%	25.5%	11,899	7.6%	2.9x	2.2x	2.2x	2.2x	8.6x	11.4x	11.0x
Premium Brands Holdings Corporation	CA	99.91	92%	4,398	5,768	3,657	21.9%	8.5%	3,169	4.6%	4.7x	1.6x	1.5x	1.3x	18.5x	17.0x	14.1x
Lancaster Colony Corporation	U.S.	165.60	82%	4,559	4,447	1,510	4.9%	15.5%	1,115	10.4%	NA	2.9x	2.8x	2.7x	19.0x	19.0x	16.4x
B&G Foods Inc.	U.S.	30.73	64%	1,994	4,432	1,995	8.6%	17.3%	3,946	4.3%	7.4x	2.2x	2.1x	2.1x	12.8x	12.3x	12.1x
TreeHouse Foods Inc.	U.S.	40.53	73%	2,261	4,304	4,339	-3.8%	11.7%	5,082	2.8%	4.6x	1.0x	1.0x	1.0x	8.5x	11.1x	9.8x
Sovos Brands Inc.	U.S.	15.05	86%	1,518	2,271	692	NA	15.3%	1,183	NA	7.4x	3.3x	3.2x	2.9x	21.4x	19.9x	18.1x
Median			86%	13,114	18,324	7,905	2.4%	17.6%	11,899	4.8%	3.8x	2.3x	2.3x	2.2x	12.1x	12.3x	12.1x
Mean			85%	15,046	21,274	8,981	4.5%	18.9%	19,183	5.6%	4.4x	2.3x	2.3x	2.2x	13.1x	13.9x	12.9x

## Glossary

**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

**TTM:** Trailing 12 months

Source: S&P Global Market Intelligence as of December 31, 2021. Companies selected based on being most representative of their specific industry group.

# Public Company Trading Statistics

(USD in millions, except per share data)

		31-Dec-21	% of			Operating Metrics (TTM)						Enterprise Value as a Multiple of					
Company	HQ	Stock Price	52-Wk High	Market Cap.	Enterprise Value	Revenue	Revenue CAGR, 5-Yr.	EBITDA Margin	Assets	Ret. on Assets	Net Debt/ EBITDA	Revenue			EBITDA		
												TTM	2022E	2023E		2022E	2023E
Dairy																	
Saputo Inc.	CA	22.52	67%	9,350	12,558	11,372	5.3%	8.9%	10,665	3.6%	3.4x	1.1x	1.1x	1.0x	12.5x	12.4x	10.2x
Lifeway Foods Inc.	U.S.	4.60	64%	71	69	114	-1.6%	8.2%	70	5.9%	NA	0.6x	NA	NA	7.4x	NA	NA
Median			66%	4,711	6,313	5,743	1.8%	8.5%	5,368	4.7%	3.4x	0.9x	1.1x	1.0x	9.9x	12.4x	10.2x
Mean			66%	4,711	6,313	5,743	1.8%	8.5%	5,368	4.7%	3.4x	0.9x	1.1x	1.0x	9.9x	12.4x	10.2x
Ingredients																	
International Flavors & Fragrances Inc.	U.S.	150.65	96%	38,348	50,149	9,895	26.4%	22.9%	40,252	2.8%	5.5x	5.1x	4.3x	4.0x	22.2x	20.5x	18.2x
Archer-Daniels-Midland Company	U.S.	67.59	98%	37,813	46,880	80,137	5.2%	5.9%	52,298	3.5%	2.4x	0.6x	0.6x	0.6x	9.9x	10.1x	10.2x
McCormick & Company, Incorporated	U.S.	96.61	98%	25,826	31,029	6,146	7.0%	21.4%	12,884	5.7%	4.1x	5.0x	4.9x	4.8x	23.6x	24.0x	23.0x
Bunge Limited	U.S.	93.36	96%	13,119	20,193	55,079	5.6%	6.5%	24,109	6.4%	2.1x	0.4x	0.4x	0.4x	5.6x	7.1x	8.0x
Darling Ingredients Inc.	U.S.	69.29	81%	11,212	12,752	4,451	6.0%	26.8%	5,926	4.9%	1.9x	2.9x	2.8x	2.7x	10.7x	10.1x	8.0x
Ingredion Incorporated	U.S.	96.64	95%	6,430	8,424	6,732	3.4%	15.8%	6,986	7.1%	2.0x	1.3x	1.2x	1.1x	7.9x	9.0x	8.4x
Balchem Corporation	U.S.	168.60	97%	5,460	5,491	767	7.1%	23.0%	1,179	6.7%	0.2x	7.2x	7.0x	6.5x	31.1x	29.6x	27.0x
Sensient Technologies Corporation	U.S.	100.06	94%	4,205	4,674	1,374	-0.3%	16.7%	1,728	6.1%	2.1x	3.4x	3.5x	3.3x	20.3x	20.2x	18.1x
MGP Ingredients Inc.	U.S.	84.99	95%	1,867	2,104	561	12.0%	21.2%	1,017	9.1%	2.0x	3.8x	3.4x	3.1x	17.7x	16.0x	14.7x
Median			96%	11,212	12,752	6,146	6.0%	21.2%	6,986	6.1%	2.1x	3.4x	3.4x	3.1x	17.7x	16.0x	14.7x
Mean			94%	16,031	20,188	18,349	8.0%	17.8%	16,264	5.8%	2.5x	3.3x	3.1x	2.9x	16.5x	16.3x	15.1x
Produce																	
Lamb Weston Holdings Inc.	U.S.	63.38	73%	9,203	11,227	3,894	4.9%	16.5%	4,156	5.7%	3.8x	2.9x	2.8x	2.6x	17.5x	17.8x	13.1x
Fresh Del Monte Produce Inc.	U.S.	27.60	75%	1,312	2,033	4,237	1.0%	6.5%	3,388	2.0%	3.2x	0.5x	0.5x	0.5x	7.3x	9.4x	9.6x
Mission Produce Inc.	U.S.	15.70	68%	1,109	1,241	892	NA	10.4%	874	4.7%	1.6x	1.4x	1.2x	1.1x	13.3x	12.2x	11.0x
Lassonde Industries Inc.	CA	124.33	79%	862	1,049	1,515	4.7%	9.8%	1,117	5.5%	1.0x	0.7x	0.7x	0.7x	7.1x	7.5x	7.0x
Calavo Growers Inc.	U.S.	42.40	50%	750	858	1,056	2.4%	2.9%	445	0.4%	5.3x	0.8x	0.8x	0.7x	28.4x	17.1x	12.9x
Rogers Sugar Inc.	CA	4.70	97%	488	765	705	9.6%	12.6%	694	6.3%	3.3x	1.1x	1.0x	1.0x	8.6x	9.4x	9.0x
Seneca Foods Corporation	U.S.	47.95	77%	416	625	1,396	0.5%	12.2%	1,188	7.4%	1.3x	0.4x	NA	NA	3.7x	NA	NA
Landec Corporation	U.S.	11.10	86%	327	504	536	0.1%	4.2%	422	0.2%	9.4x	0.9x	2.8x	2.8x	22.6x	22.6x	15.8x
Median			76%	806	954	1,226	2.4%	10.1%	995	5.1%	3.2x	0.9x	1.0x	1.0x	11.0x	12.2x	11.0x
Mean			76%	1,808	2,288	1,779	3.3%	9.4%	1,535	4.0%	3.6x	1.1x	1.4x	1.3x	13.6x	13.7x	11.2x
Protein Producers																	
Tyson Foods Inc.	U.S.	87.16	100%	31,646	39,032	47,049	5.0%	14.1%	36,309	8.4%	1.2x	0.8x	0.8x	0.8x	5.9x	7.7x	7.5x
Hormel Foods Corporation	U.S.	48.81	96%	26,483	29,253	11,386	3.6%	17.4%	12,696	6.3%	2.0x	2.6x	2.4x	2.4x	14.8x	17.9x	16.9x
Pilgrim's Pride Corporation	U.S.	28.20	95%	6,872	9,888	13,857	7.9%	8.7%	8,833	5.3%	2.9x	0.7x	0.7x	0.7x	8.2x	8.1x	7.5x
Seaboard Corporation	U.S.	3,935.01	89%	4,568	4,677	8,755	10.5%	9.7%	7,257	4.6%	0.1x	0.5x	NA	NA	5.5x	NA	NA
Beyond Meat Inc.	U.S.	65.16	29%	4,127	4,395	466	NA	-18.6%	1,432	-7.1%	NA	9.4x	9.4x	7.2x	NM	NM	NM
Maple Leaf Foods Inc.	CA	23.12	92%	2,884	3,902	3,583	6.1%	9.8%	3,414	4.1%	3.2x	1.1x	1.1x	1.0x	11.1x	11.4x	9.2x
Sanderson Farms Inc.	U.S.	191.08	96%	4,265	3,854	4,800	11.3%	26.2%	2,345	19.1%	NA	0.8x	0.8x	0.8x	3.1x	4.8x	5.3x
Cal-Maine Foods Inc.	U.S.	36.99	86%	1,807	1,724	1,431	2.8%	1.1%	1,232	-2.8%	NA	1.2x	1.1x	1.1x	NA	21.0x	14.0x
High Liner Foods Incorporated	CA	11.78	97%	393	640	846	-2.7%	9.7%	787	4.8%	3.2x	0.8x	0.7x	0.7x	7.8x	6.9x	6.5x
Bridgford Foods Corporation	U.S.	12.11	56%	110	137	228	10.3%	1.6%	157	-1.2%	7.2x	0.6x	NA	NA	NA	NA	NA
Median			94%	4,196	4,148	4,191	6.1%	9.7%	2,880	4.7%	2.9x	0.8x	0.9x	0.9x	7.8x	8.1x	7.5x
Mean			84%	8,315	9,750	9,240	6.1%	8.0%	7,446	4.1%	2.8x	1.9x	2.1x	1.8x	8.0x	11.1x	9.5x

## Glossary

**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

**TTM:** Trailing 12 months

Source: S&P Global Market Intelligence as of December 31, 2021. Companies selected based on being most representative of their specific industry group.

# Public Company Trading Statistics ○○

(USD in millions, except per share data)

						Operating Metrics (TTM)						Enterprise Value as a Multiple of					
Company	HQ	31-Dec-21 Stock Price	% of 52-Wk High	Market Cap.	Enterprise Value	Revenue	Revenue CAGR, 5-Yr.	EBITDA Margin	Assets	Ret. on Assets	Net Debt/ EBITDA	Revenue			EBITDA		
												TTM	2022E	2023E	TTM	2022E	2023E
<b>Specialty-Pet</b>																	
Freshpet Inc.	U.S.	95.27	51%	4,134	3,970	394	25.0%	3.4%	758.33	-1.7%	NA	10.1x	9.3x	7.0x	NA	NA	NA
Central Garden & Pet Company	U.S.	52.63	84%	2,900	3,630	3,304	12.6%	11.8%	3,117	5.9%	2.8x	1.1x	1.1x	1.0x	9.3x	10.0x	9.6x
<b>Median</b>			<b>67%</b>	<b>3,517</b>	<b>3,800</b>	<b>1,849</b>	<b>18.8%</b>	<b>7.6%</b>	<b>1,938</b>	<b>2.1%</b>	<b>2.8x</b>	<b>5.6x</b>	<b>5.2x</b>	<b>4.0x</b>	<b>9.3x</b>	<b>10.0x</b>	<b>9.6x</b>
<b>Mean</b>			<b>67%</b>	<b>3,517</b>	<b>3,800</b>	<b>1,849</b>	<b>18.8%</b>	<b>7.6%</b>	<b>1,938</b>	<b>2.1%</b>	<b>2.8x</b>	<b>5.6x</b>	<b>5.2x</b>	<b>4.0x</b>	<b>9.3x</b>	<b>10.0x</b>	<b>9.6x</b>
<b>Nonalcoholic Beverages</b>																	
The Coca-Cola Company	U.S.	59.21	100%	255,753	284,544	37,802	-2.3%	39.7%	90,606	7.8%	2.0x	7.5x	7.5x	7.0x	19.0x	22.5x	20.9x
PepsiCo Inc.	U.S.	173.71	100%	242,976	277,501	76,681	4.4%	18.9%	93,254	8.0%	2.5x	3.6x	3.5x	3.4x	19.1x	19.4x	18.0x
Keurig Dr Pepper Inc.	U.S.	36.86	99%	52,266	66,141	12,413	NA	32.5%	50,330	4.0%	3.6x	5.3x	5.3x	5.0x	16.4x	16.2x	15.6x
Monster Beverage Corporation	U.S.	96.04	96%	50,819	47,902	5,313	12.6%	34.9%	7,449	17.0%	NA	9.0x	8.8x	8.0x	25.9x	25.6x	22.9x
Celsius Holdings Inc.	U.S.	74.57	68%	5,585	5,519	246	63.9%	4.6%	295	2.8%	NA	22.5x	18.3x	11.3x	NA	NA	NA
Primo Water Corporation	U.S.	17.64	88%	2,824	4,374	2,060	2.7%	19.4%	3,643	2.3%	4.5x	2.1x	2.1x	2.0x	11.0x	11.1x	10.3x
National Beverage Corp.	U.S.	45.33	46%	4,230	3,990	1,102	7.7%	23.0%	635	20.0%	NA	3.6x	3.5x	3.4x	15.7x	16.7x	15.6x
Farmer Bros. Co.	U.S.	7.45	57%	135	248	409	-5.5%	2.8%	346	-4.1%	29.2x	0.6x	0.5x	0.5x	22.1x	12.7x	6.7x
<b>Median</b>			<b>92%</b>	<b>28,202</b>	<b>26,710</b>	<b>3,686</b>	<b>4.4%</b>	<b>21.2%</b>	<b>5,546</b>	<b>5.9%</b>	<b>3.6x</b>	<b>4.5x</b>	<b>4.4x</b>	<b>4.2x</b>	<b>19.0x</b>	<b>16.7x</b>	<b>15.6x</b>
<b>Mean</b>			<b>82%</b>	<b>76,823</b>	<b>86,277</b>	<b>17,003</b>	<b>11.9%</b>	<b>22.0%</b>	<b>30,820</b>	<b>7.2%</b>	<b>8.3x</b>	<b>6.8x</b>	<b>6.2x</b>	<b>5.1x</b>	<b>18.5x</b>	<b>17.7x</b>	<b>15.7x</b>
<b>Alcoholic Beverages</b>																	
Constellation Brands Inc.	U.S.	250.97	100%	47,069	57,833	8,671	3.7%	23.6%	25,527	6.9%	3.1x	6.7x	6.6x	6.2x	28.2x	17.8x	16.3x
Brown-Forman Corporation	U.S.	72.86	89%	34,891	35,311	3,623	3.6%	32.2%	6,616	10.1%	1.1x	9.7x	9.5x	9.0x	30.2x	29.5x	26.7x
Molson Coors Beverage Company	U.S.	46.35	75%	10,057	17,235	9,955	23.7%	23.8%	27,644	3.6%	3.0x	1.7x	1.7x	1.6x	7.3x	8.1x	8.0x
The Boston Beer Company Inc.	U.S.	505.10	37%	6,158	6,135	2,170	19.2%	11.5%	1,464	7.9%	NA	2.8x	3.0x	2.6x	24.6x	NA	16.7x
The Duckhorn Portfolio Inc.	U.S.	23.34	92%	2,676	2,903	344	NA	25.8%	1,263	4.2%	2.5x	8.4x	8.0x	7.3x	32.7x	23.6x	20.6x
Vintage Wine Estates Inc.	U.S.	11.82	88%	715	913	210	NA	10.6%	752	NA	8.9x	4.3x	3.4x	2.9x	NA	14.2x	11.3x
Andrew Peller Limited	CA	6.45	70%	278	435	302	2.2%	11.9%	443	3.1%	4.3x	1.4x	1.5x	1.4x	12.1x	10.6x	9.4x
Waterloo Brewing Ltd.	CA	4.59	73%	164	217	87	19.9%	15.2%	103	4.4%	5.0x	2.5x	2.4x	2.2x	16.4x	12.1x	9.5x
<b>Median</b>			<b>82%</b>	<b>4,417</b>	<b>4,519</b>	<b>1,257</b>	<b>11.4%</b>	<b>19.4%</b>	<b>1,363</b>	<b>4.4%</b>	<b>3.1x</b>	<b>3.6x</b>	<b>3.2x</b>	<b>2.8x</b>	<b>24.6x</b>	<b>14.2x</b>	<b>13.8x</b>
<b>Mean</b>			<b>78%</b>	<b>12,751</b>	<b>15,123</b>	<b>3,170</b>	<b>12.0%</b>	<b>19.3%</b>	<b>7,976</b>	<b>5.7%</b>	<b>4.0x</b>	<b>4.7x</b>	<b>4.5x</b>	<b>4.2x</b>	<b>21.6x</b>	<b>16.6x</b>	<b>14.8x</b>

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# About Our Food and Beverage Corporate Finance Practice

Kroll's 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+ consumer M&A and capital-raising transactions over the past 10 years
<b>Deep Sector Expertise</b>	Category focus drives thought leadership and builds invaluable relationships with buyers and investors alike
<b>Customized Approach</b>	Successful track record of premium-value transactions driven by hands-on execution and creativity
<b>Experienced Team</b>	More than 30 bankers dedicated exclusively to the consumer sector within North America
<b>Global Platform</b>	Nearly 5,000 professionals in 30 countries and territories, with an extensive presence in North America, Europe and Asia

**#5 U.S. Middle-Market transactions over the past 10 years<sup>1</sup>**

**600+ M&A transactions over the past ten years**

**#1 Fairness opinions in the U.S. and Globally over the last 10 years<sup>2</sup>**

**Over 2,178 fairness and solvency opinions for over \$6 trillion in deal value since 2005**

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

**1,730+ private equity groups contacted under engagement mandates in 2017**

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

Sources:

<sup>1</sup>Refinitiv Data (U.S. deals \$10M < \$170M, including deals without a disclosed value.) Full years 2012 through 2021.

<sup>2</sup>Refinitiv' cumulative data 2012-2021



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