



Food & Beverage Industry Resilience, Adaptation, and Innovation

Q3 2023

The F&B industry's journey through the post-pandemic landscape is characterized by resilience, adaptation, and innovation. With shifting consumer preferences and evolving market dynamics, industry leaders are navigating a complex but promising terrain.

Balancing Act: Value vs. Premium

Following economic challenges, the United States has shown greater resilience compared to its European counterpart.¹ A noteworthy trend has emerged throughout the year, with a portion of consumers showing a willingness to invest in premium, healthier food products and enhance their home experiences.² Looking ahead, companies in the Food & Beverage (F&B) sector are preparing to navigate shifting consumer preferences, notably with the rise of Generation Z as a significant demographic.³

Conversely, a considerable number of consumers prioritize value, leading to the continued growing popularity of private label brands within the industry. As pricing pressures persist, middle-market companies must explore innovative strategies to remain competitive while safeguarding profit margins. These strategies encompass the integration of artificial intelligence (AI) and data-driven solutions, aimed at optimizing supply chains, accurately forecasting demand, swiftly identifying emerging trends, and personalizing customer engagement through tailored advertising and pricing strategies.⁴

Innovation and Adaptation: Key to Market Growth

A closer look at the F&B industry's health through share prices reveals a compelling story of investor confidence. This underscores the sector's strategic resilience and adaptability. In Q3 of 2023, public companies in the Food & Beverage industry overall demonstrated strong financial performance, surpassing market expectations. Key industry players such as Coca-Cola and PepsiCo played pivotal roles in bolstering this success, leveraging strategic pricing actions to achieve strong financial results.⁵

Companies like Kraft Heinz exemplify the power of innovation and adaptation, reporting improved shelf space utilization and supply chain enhancements that have driven market share and volume growth.⁶ Many industry participants are actively embracing strategic initiatives, including the concept of "shrinkflation," in response to evolving consumer patterns and the competitive pricing landscape.⁷

M&A Trends: Evolution and Growth

Shifting focus to M&A activity, Q3 of 2023 witnessed a total of 130 M&A transactions announced or completed in the United States, marking a notable ~3.0% increase compared to the previous year. These M&A deals, accompanied by disclosed multiples, transacted at an average EV/EBITDA multiple of 13.8x during Q3 2023, reflecting a significant 36.6% increase from the previous quarter.

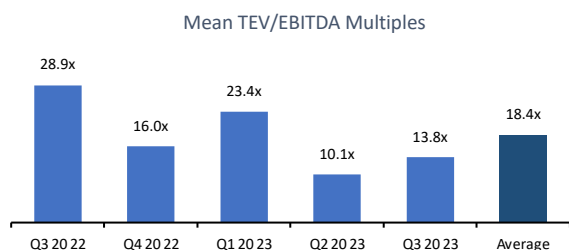
6. Kraft Heinz 7. Cohn Reznick 8. WSJ – A look at PE Activity 9. S&P - Private Equity 2023 10. Cablevey Conveyors



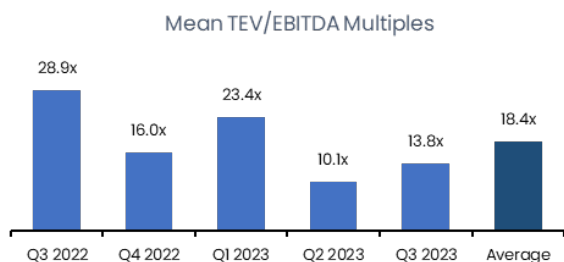
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Q3 2023

The total transaction volume reached an impressive \$9.4 billion, partly driven by substantial public-to-private deals. (Charts 1,2,3)



While M&A activity in Q3 of 2023 experienced a slight dip compared to the previous quarter, a year-over-year analysis reveals a robust +3% increase compared to Q3 2022. Valuations, coupled with aggregate transaction values, rose during this period, fueled by increased sector profitability, controlled raw material costs, and the release of pent-up demand. Sellers, who had exercised caution in the past, are now actively participating in the market, further enlivening the M&A landscape.



Profitability Takes Center Stage

High interest rates for Private Equity (PE) buyers have notably reduced their

participation, resulting in a 17% drop in all reported transactions—a figure not seen since 2019. (Chart 5) This has put PE firms at a disadvantage, while strategic buyers capitalize on acquisitions aimed at achieving economies of scale, enhancing product offerings, and expanding market share, armed with substantial cash reserves. Anticipating a shift, interest rates are expected to decrease later in 2024, potentially leading to a resurgence in PE activity as many firms approach the end of their holding cycles.⁸

A noteworthy trend emerging is the preference of PE firms for companies with established profitability over those with mere growth potential, all with the aim of maximizing returns. Additionally, attention is drawn to the deployment of PE firms' dry powder — an unprecedented \$2.59 trillion in 2023, attributed to the accumulation of capital raised in previous years, yet to be deployed.⁹

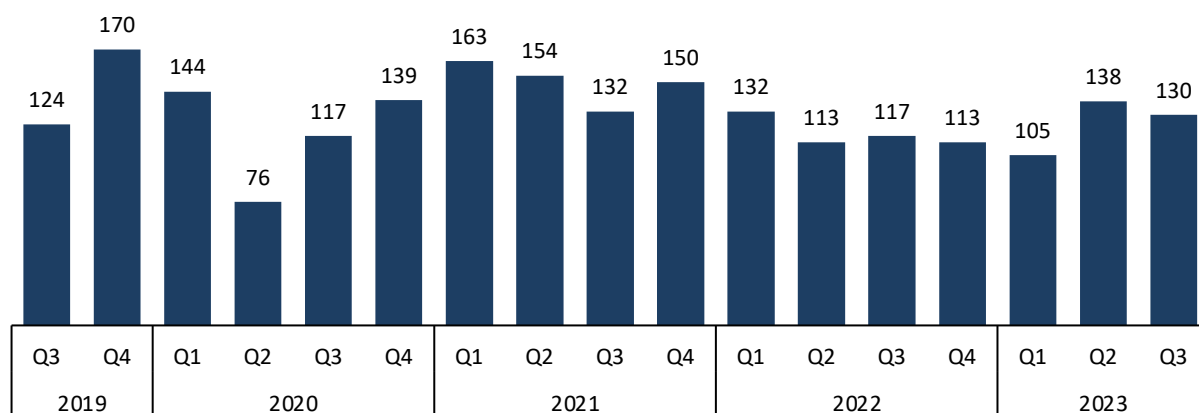
Let's Get In Touch

To explore the latest developments in the sector's M&A landscape, share updates about your business, or discover our comprehensive advisory services and in-depth expertise in the F&B industry, give us a call.

6. Kraft Heinz 7. Cohn Reznick 8. WSJ – A Look at PE Activity 9. S&P – Private Equity 2023 10. Cablevey Conveyors

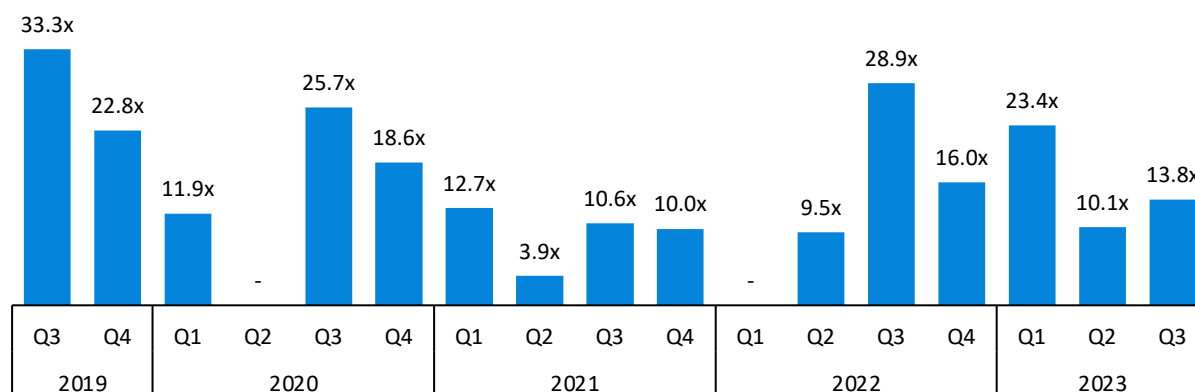
Number of Closed M&A Transactions

Chart - 1



Mean TEV/EBITDA Multiples²

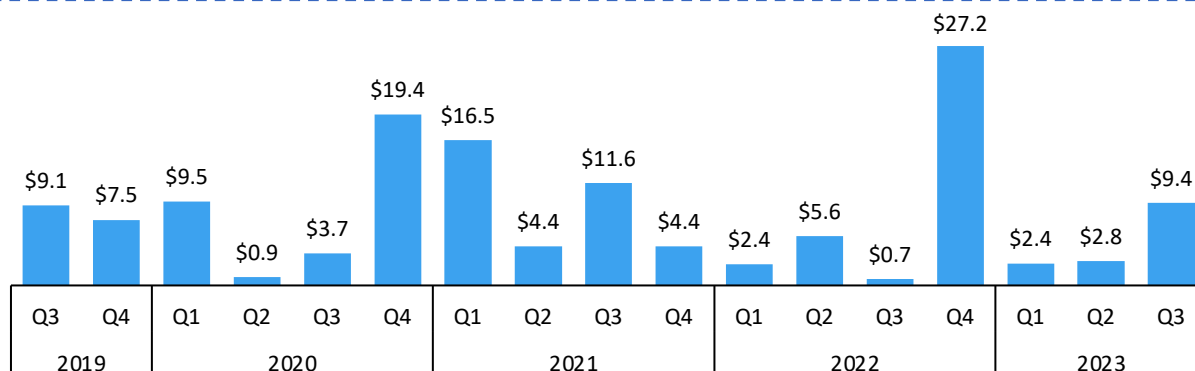
Chart - 2



Total Transaction Value² (\$B)

Chart - 3

The spike in the total transaction value in Q4 2022 is due to the announced acquisition of Albertsons Companies by Kroger for a total consideration of ~\$24.6 billion which is yet to close.

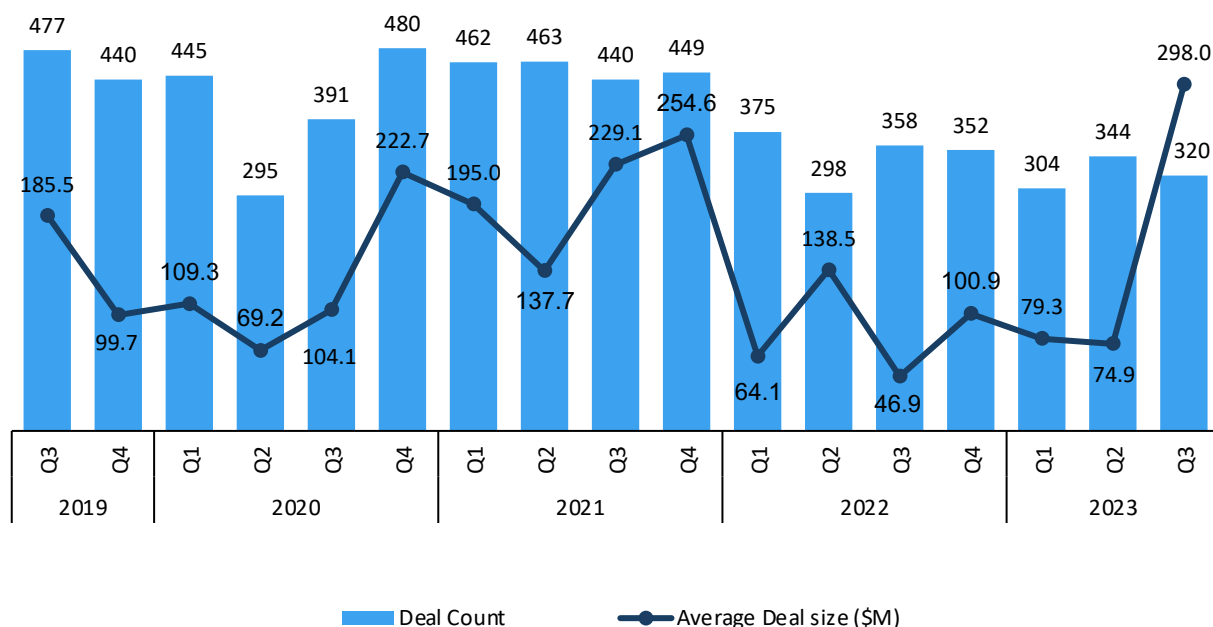


S&P Capital IQ. 1 - U.S. data presented as of 09/30/2023. 2 - The mean TEV/EBITDA multiples and total transaction value based on publicly available transaction information.

M&A Transaction Volume Quarterly

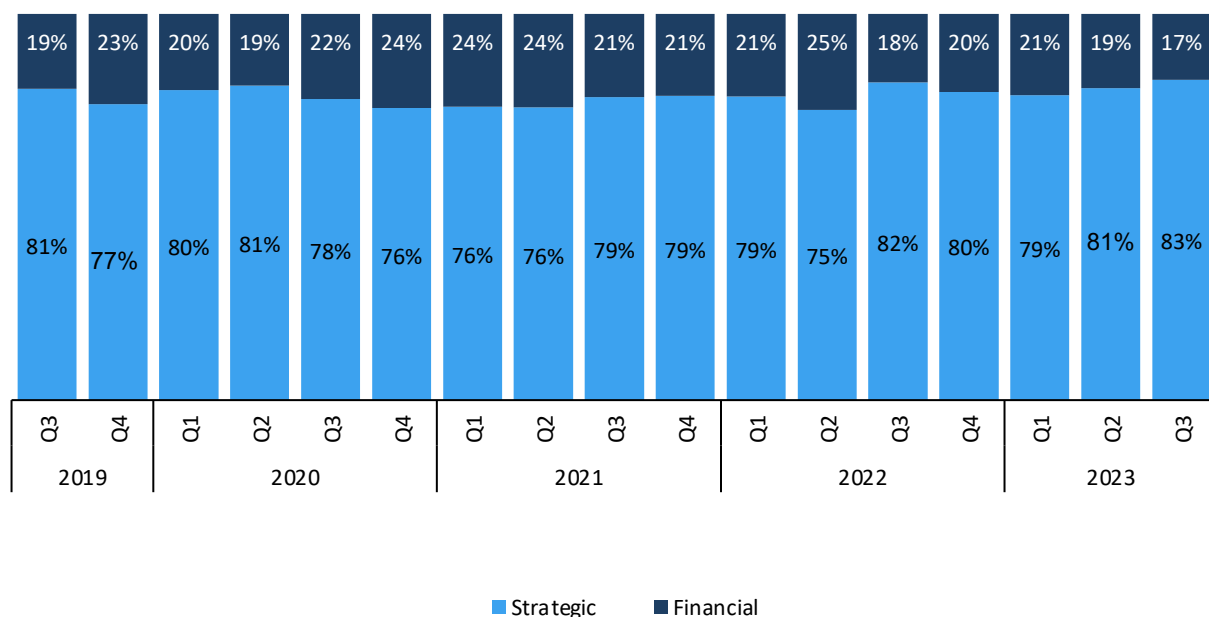
Chart - 4

The spike in the Average Deal Size in Q3 2023 is due to the announced acquisition of several public to private transactions like Hostess Brands & Sovos by The J.M. Smucker Company & Campbell for a total consideration of ~\$10.0 billion.



Strategic vs. Financial Buyer

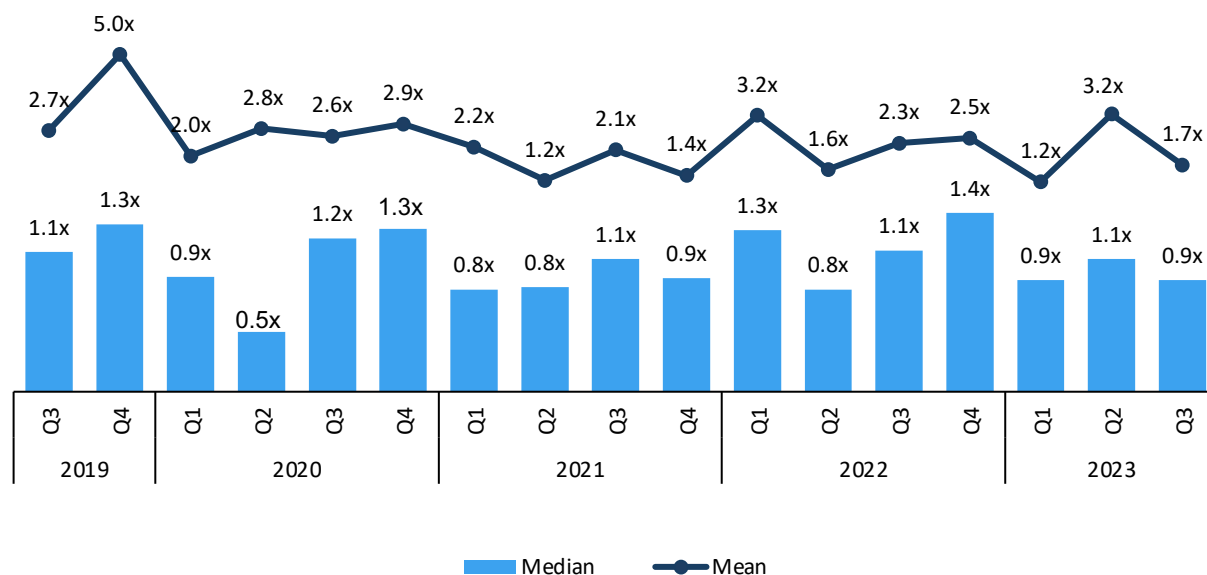
Chart - 5



S&P Capital IQ. 1 - Global M&A market data presented as of 09/30/2023.

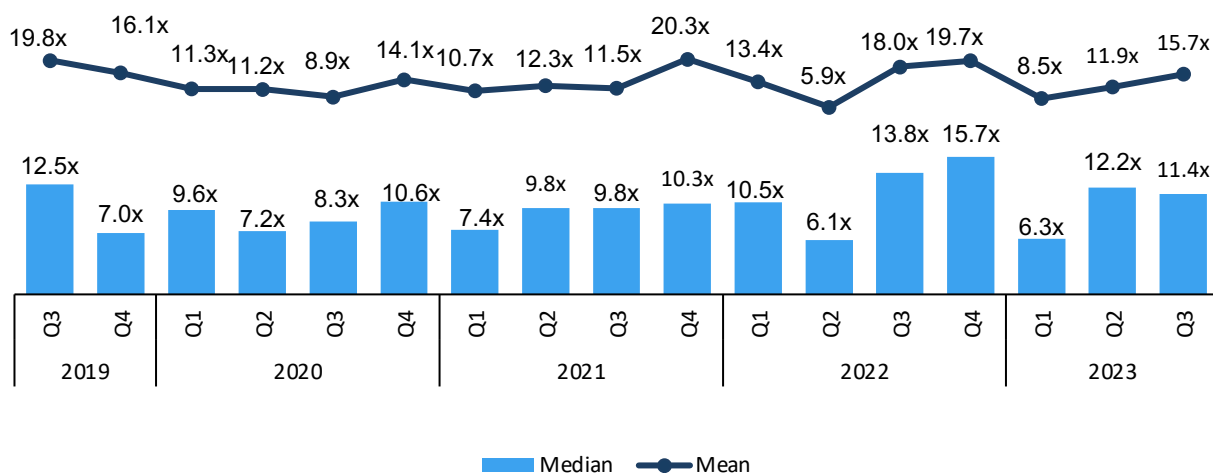
Mean and Median TEV/Revenue

Chart - 6



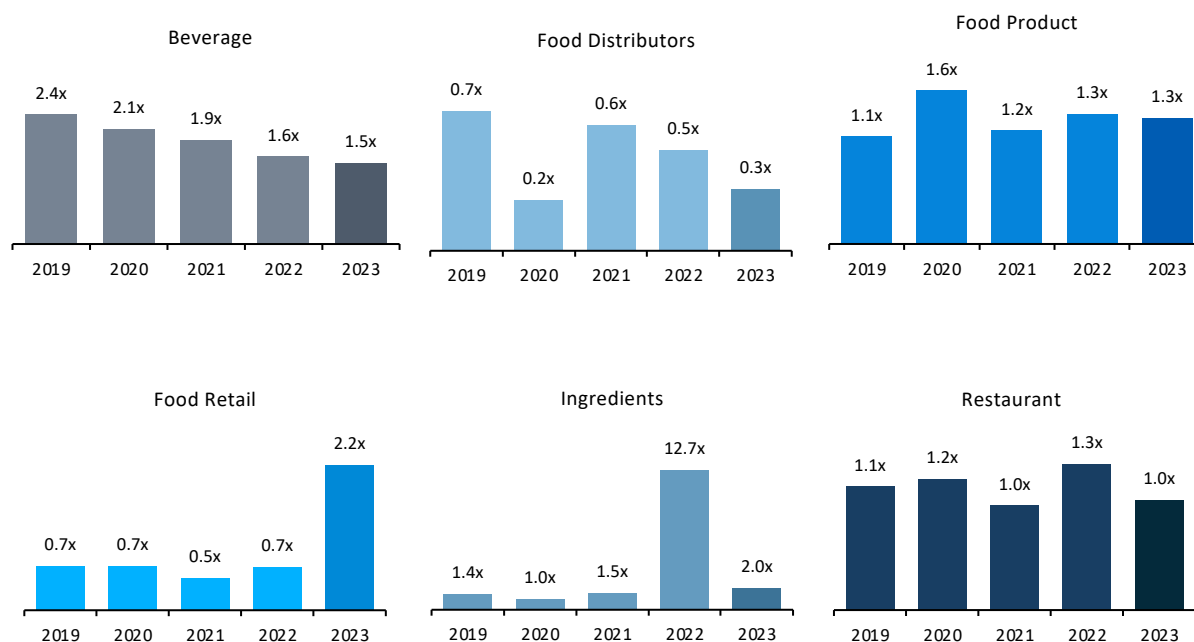
Mean and Median TEV/EBITDA

Chart - 7

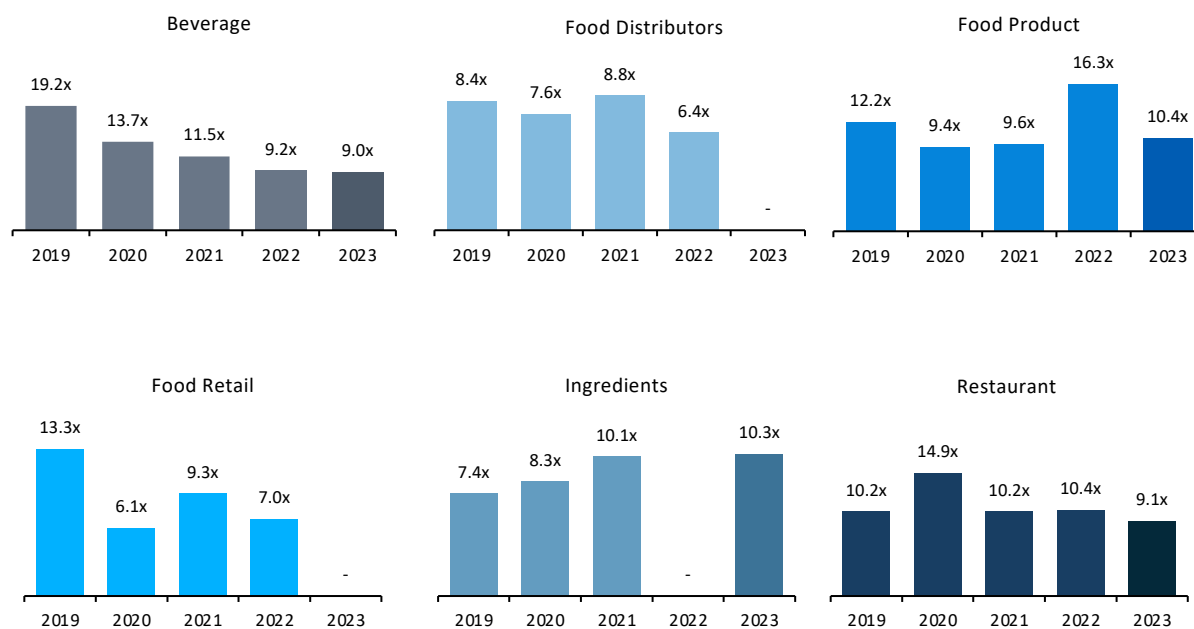


S&P Capital IQ. 1 - Global M&A market data presented as of 09/30/2023.

Precedent Transactions Analysis – Median TEV/Revenue



Precedent Transactions Analysis – Median TEV/EBITDA



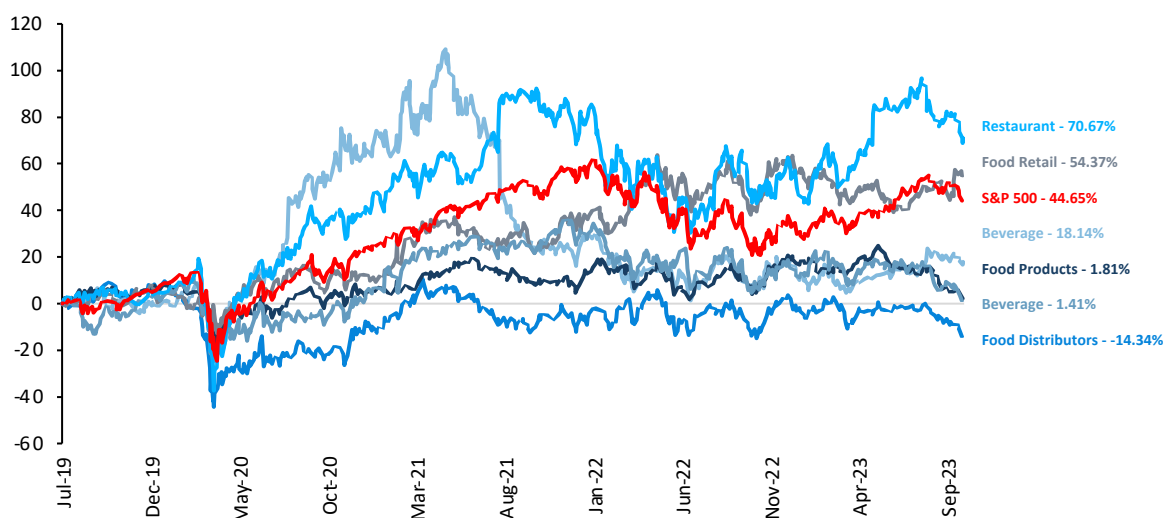
S&P Capital IQ. 1 - 2023 data presented as of 09/30/2023. 2 - Precedent transactions analysis based on global food & beverage median TEV/Revenue & TEV/EBITDA multiples.

Notable M&A Transactions in the U.S. in Q3 2023

Date Announced	Target	Category	Acquirer	Seller	Target Business Description
Sep-23		Food Product	 THE J.M. SMUCKER CO.	BlackRock, Inc	<ul style="list-style-type: none"> Hostess Brands, Inc. develops, manufactures, markets, sells, and distributes snack products in the United States and Canada. The Company is offering \$34.25 per share of Hostess common stock. The acquisition significantly expands J.M. Smucker's portfolio of snacking brands and provides greater exposure to the Convenience channel, with 40% of Hostess sales generated from convenience stores purchases, according to J.M. Smucker's acquisition call.¹
Aug-23	 Cattle slaughter business	Food Product	 minerva foods	Marfrig Global Foods S.A.	<ul style="list-style-type: none"> Minerva acquired Marfrig's cattle slaughtering and deboning plants in Brazil for \$1.5 Billion. The transaction is subject to analysis and approval by the respective competition authorities. The move falls in line with Minerva's geographical diversification strategy, increases operational synergies and expands on competitive advantage and will boost slaughtering capacity by 44%.²
Aug-23		Food Product	 Campbell's	Advent International Corporation	<ul style="list-style-type: none"> Sovos Brands, Inc., through its subsidiaries, operates as a consumer-packaged food company that manufactures and distributes consumer food products in the United States. Sovos Brands, Inc. shareholders will receive \$23.00 per share in cash as consideration. The transaction also accomplishes a strategic goal of Campbell to build a \$1 billion sauces business, gaining entry into the growing ultra-distinctive Italian Sauce category.³
Jul-23	 well grown	Food Product	 Paine Schwartz Partners	N/A	<ul style="list-style-type: none"> Costa Group Holdings Limited produces, packs, and markets fruits and vegetables to food retailers. Paine Schwartz Partners, LLC made unsolicited, confidential, non-binding indicative proposal to acquire 85.16% stake in Costa Group Holdings Limited for AUD 1.4 billion. The deal, struck through a so-called scheme implementation agreement, amounts to an enterprise value of about A\$2.5bn (\$1.6bn) and values Costa Group's equity at A\$1.5bn, the Sydney-listed business said in a stock exchange filing.⁴

S&P Capital IQ. 1. SEC – JIM Smucker 2. Just Food 3. SEC – Campbell's 4. Just Food

F&B Industry Relative Stock Price Performance



Beverage – KO, PEP, KDP, STZ, MNST, BF.B, TAP, FIZZ, SAM, COCO, SBEV, LWAY, BRFH

Food Distributors – SYF, USFD, PFGC, UNFI, BRCC, CVGW, CALM, CHEF, JBSS, HFFG

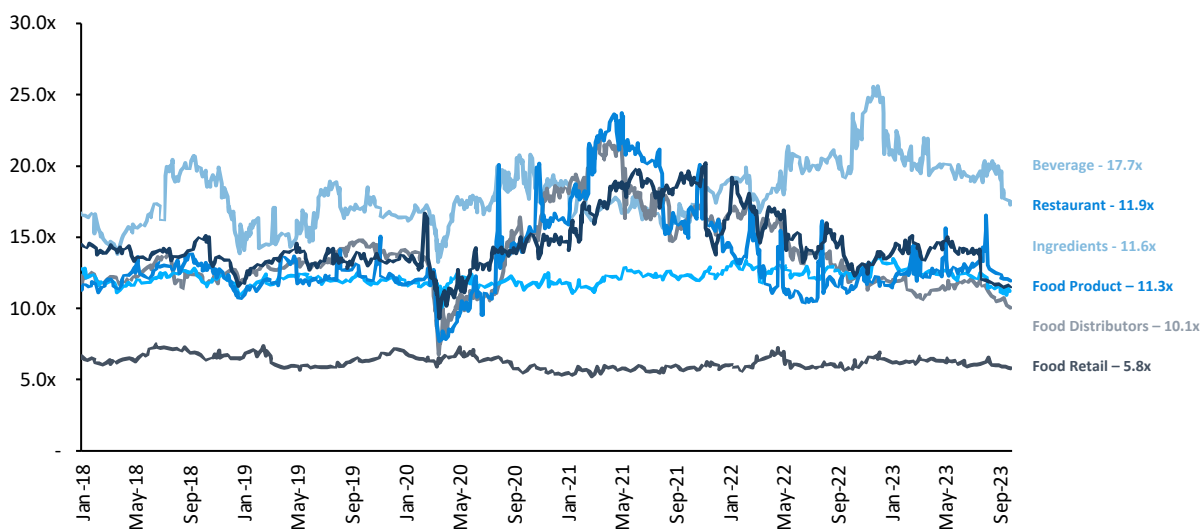
Food Product – MDLZ, KHC, GIS, HSY, TSN, K, HRL, MKC, CAG, CPB, SJM, POST, PPC, FLO, SMPL, THS, BGS, LANC, HAIN, UTZ, JJSF, FDP, VITL

Food Retail – KR, ACI, CASH, GO, SFM, IMKT.A, WMK, SPTN, NGVC, SENE.A, VLGE.A, BTTR

Ingredients – IFF, LW, DAR, BCPC, INGR, SXT, FREE

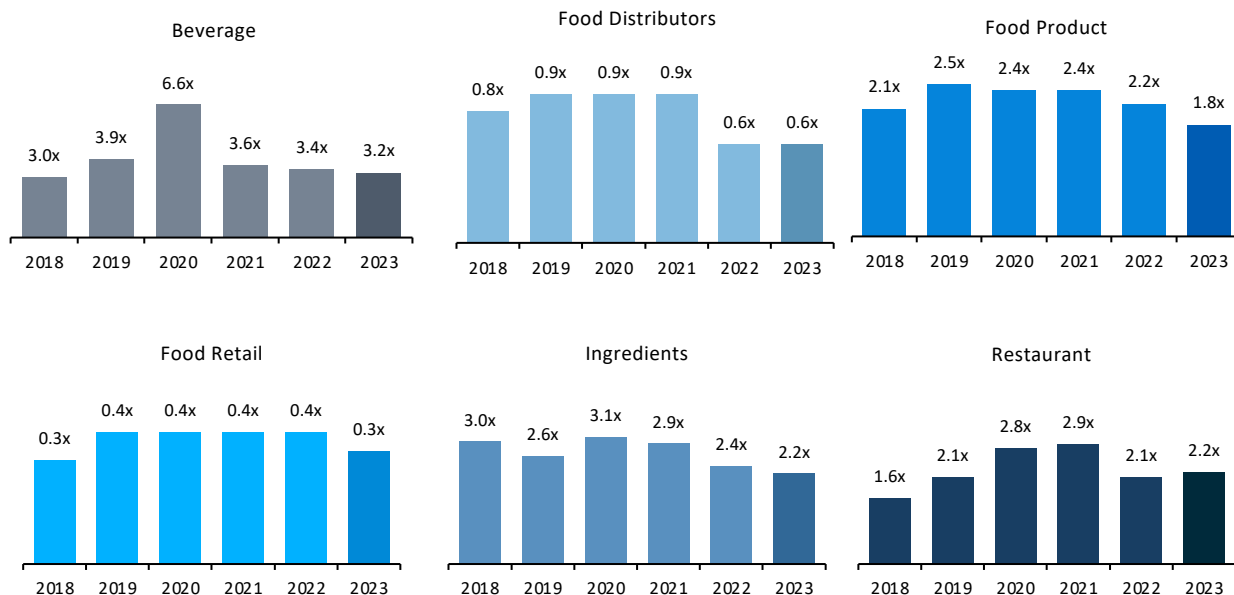
Restaurant – MCD, YUM, CMG, DRI, DPZ, PZZA, BLMN, CAKE, DIN, SHAK, TAST, FAT, FWRG, BJRI, CHUY

F&B Industry Performance – Median EV/EBITDA

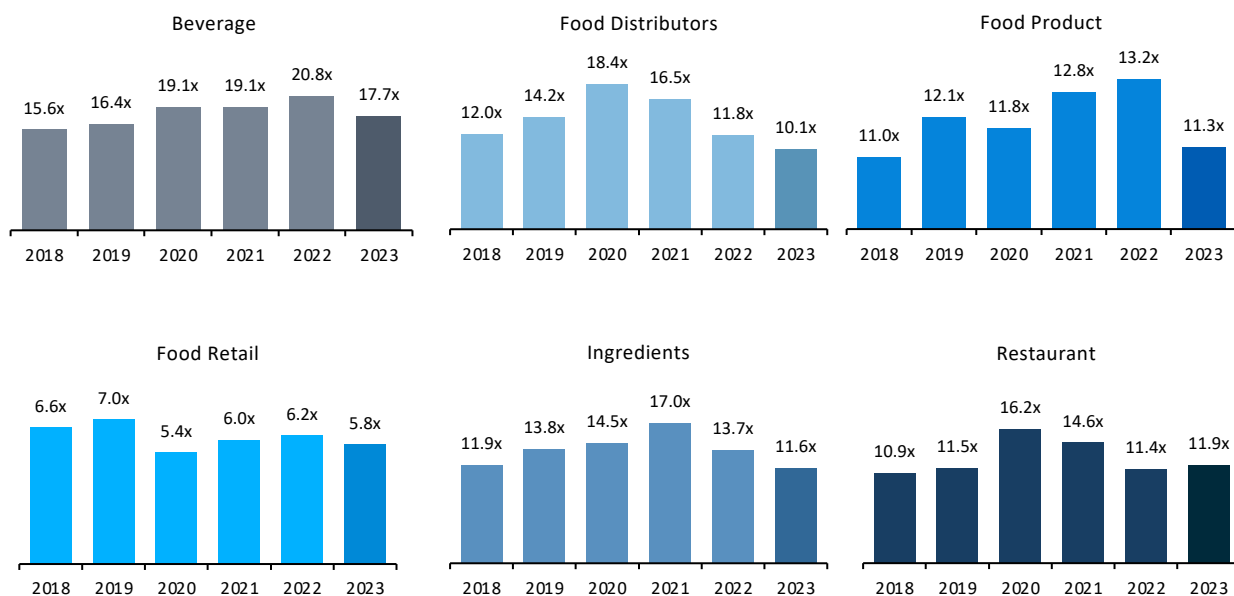


S&P Capital IQ. Data presented as of 09/30/2023.

Public Companies – Median TEV/Revenue

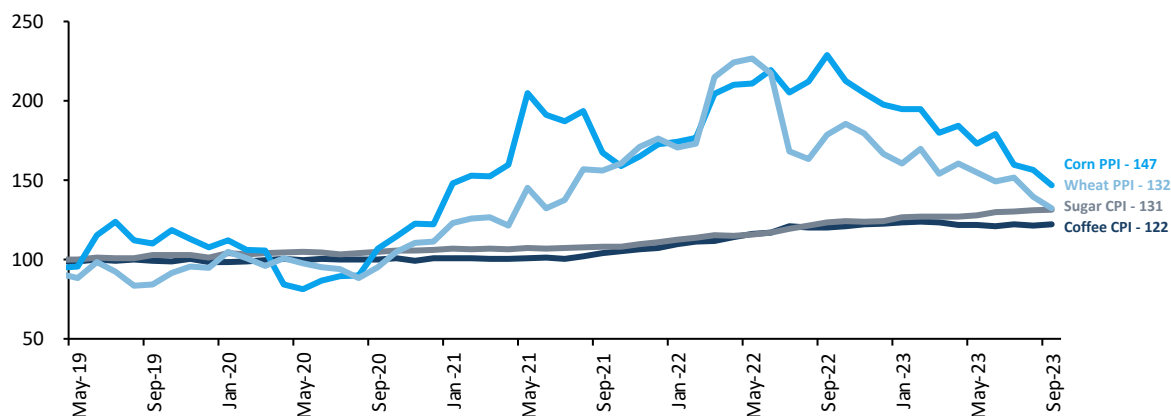


Public Companies – Median TEV/EBITDA

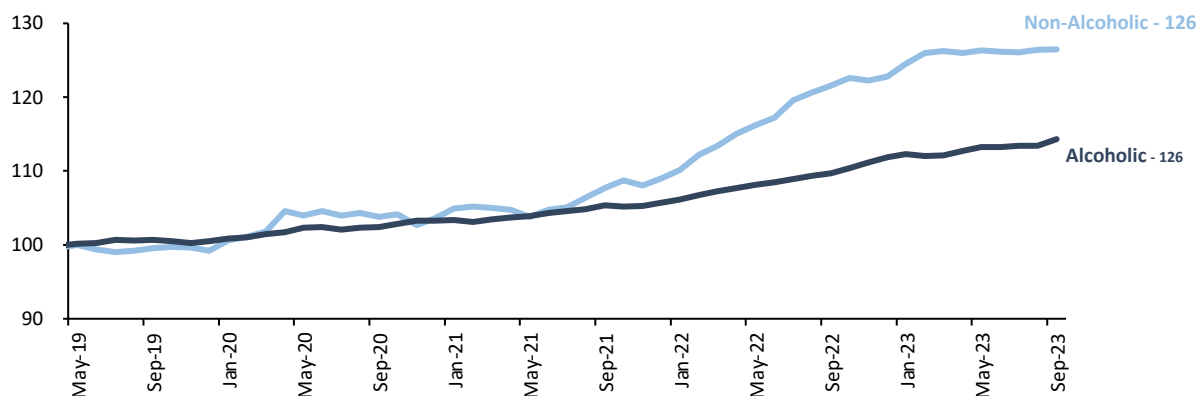


S&P Capital IQ, 1 - 2023 data presented as of 09/30/2023.

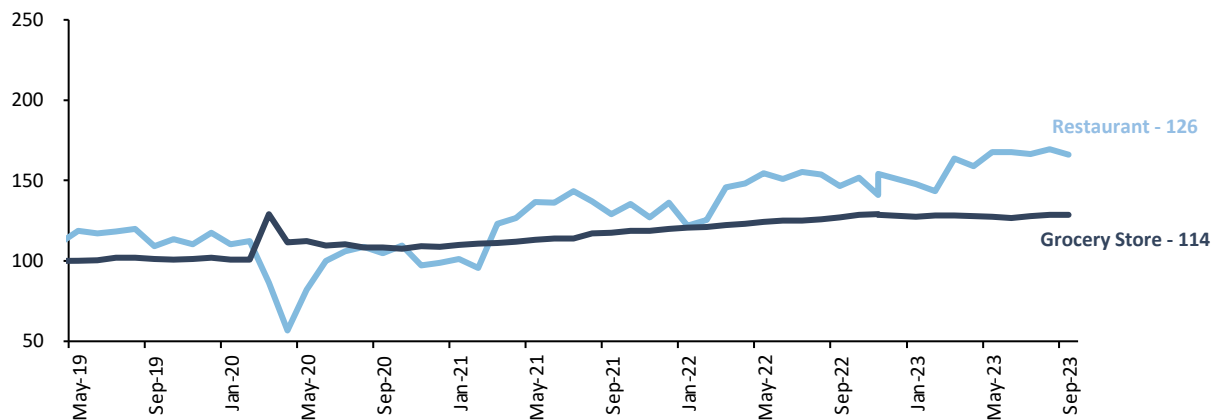
Food Commodity Price Indices



Beverage Consumer Price Indices



Restaurant & Grocery Sales Indices



Federal Reserve Economic Data (FRED), S&P Capital IQ. 1 - Macro data rebased as of 01/01/2019 and presented as of 09/30/2023.

Appendix

Public Market Comparables and Precedent Transactions

Public Company Comparables- Beverages and Food Distributors

Beverages	LTM Results		LTM Margins		1Yr FWD Margins		Country	Enterprise Value	TEV / LTM:		TEV / 1Yr FWD:	
	Revenue	EBITDA	Gross	EBITDA	Gross	EBITDA			Revenue	EBITDA	Revenue	EBITDA
Barfresh Food Group	\$8	(\$3)	36.1%	(34.5%)	NA	6.1%	United States	\$24.0	3.1x	NM	1.5x	25.1x
Brown-Forman Corporation	\$4,259	\$1,291	59.2%	30.3%	NA	32.8%	United States	\$30,375.4	7.1x	23.5x	6.7x	20.4x
Constellation Brands, Inc.	\$9,786	\$3,438	50.1%	35.1%	NA	36.5%	United States	\$58,556.7	6.0x	17.0x	5.6x	15.4x
Keurig Dr Pepper Inc.	\$14,750	\$3,930	53.5%	26.6%	NA	28.6%	United States	\$58,205.5	3.9x	14.8x	3.8x	13.3x
Lifeway Foods, Inc.	\$154	\$16	26.7%	10.6%	NA	0.0%	United States	\$150.4	1.0x	9.2x	0.9x	NM
Molson Coors Beverage Company	\$11,541	\$2,161	36.9%	18.7%	NA	20.2%	United States	\$19,986.6	1.7x	9.2x	1.7x	8.5x
Monster Beverage Corporation	\$6,923	\$1,994	52.6%	28.8%	NA	30.7%	United States	\$52,220.0	7.5x	26.2x	6.7x	21.7x
National Beverage Corp.	\$1,179	\$223	34.9%	18.9%	NA	20.3%	United States	\$4,203.6	3.6x	18.9x	3.5x	17.3x
PepsiCo, Inc.	\$91,617	\$16,125	54.0%	17.6%	NA	19.0%	United States	\$270,554.8	3.0x	16.8x	2.9x	15.1x
Splash Beverage Group, Inc.	\$21	(\$16)	30.3%	(75.1%)	NA	(24.2%)	United States	\$29.9	1.4x	NM	0.8x	NM
The Boston Beer Company, Inc.	\$2,062	\$218	42.2%	10.6%	NA	12.1%	United States	\$4,564.4	2.2x	20.9x	2.2x	17.9x
The Coca-Cola Company	\$45,030	\$14,168	59.1%	31.5%	NA	32.5%	United States	\$271,116.8	6.0x	19.1x	5.8x	17.9x
The Vita Coco Company, Inc.	\$479	\$54	34.1%	11.4%	NA	13.9%	United States	\$1,423.8	3.0x	26.1x	2.8x	20.4x

25th Percentile	34.5%	10.6%	NA	9.1%
Mean	43.8%	10.0%	NA	17.6%
Median	42.2%	18.7%	NA	20.2%
75th Percentile	53.8%	29.6%	NA	31.6%

25th Percentile	2.0x	14.8x	1.6x	15.1x
Mean	3.8x	18.4x	3.5x	17.5x
Median	3.1x	18.9x	2.9x	17.9x
75th Percentile	6.0x	23.5x	5.7x	20.4x

Food Distributors	LTM Results		LTM Margins		1Yr FWD Margins		Country	Enterprise Value	TEV / LTM:		TEV / 1Yr FWD:	
	Revenue	EBITDA	Gross	EBITDA	Gross	EBITDA			Revenue	EBITDA	Revenue	EBITDA
BRC Inc.	\$370	(\$49)	33.3%	-13.3%	NA	5.0%	United States	\$361.1	1.0x	NM	0.8x	15.4x
Calavo Growers, Inc.	\$974	\$30	7.7%	3.1%	NA	5.3%	United States	\$549.4	0.6x	18.1x	0.5x	9.8x
Cal-Maine Foods, Inc.	\$2,947	\$868	34.8%	29.4%	NA	14.7%	United States	\$1,724.1	0.6x	2.0x	0.9x	6.1x
HF Foods Group Inc.	\$1,160	\$22	17.5%	1.9%	NA	NA	United States	\$390.5	0.3x	17.9x	NM	NM
John B. Sanfilippo & Son, Inc.	\$981	\$111	22.2%	11.3%	NA	NA	United States	\$1,155.8	1.2x	10.5x	NM	NM
Performance Food Group Company	\$53,574	\$1,298	11.8%	2.4%	NA	2.7%	United States	\$13,910.5	0.3x	10.7x	0.2x	9.1x
Sysco Corporation	\$76,818	\$3,534	18.4%	4.6%	NA	5.5%	United States	\$43,804.2	0.6x	12.4x	0.5x	10.0x
The Chefs' Warehouse	\$3,275	\$149	23.6%	4.5%	NA	5.7%	United States	\$1,699.9	0.5x	11.4x	0.5x	8.2x
United Natural Foods	\$30,272	\$491	13.6%	1.6%	NA	1.6%	United States	\$4,039.2	0.1x	8.2x	0.1x	8.1x
US Foods Holding Corp.	\$35,176	\$1,365	17.1%	3.9%	NA	4.5%	United States	\$14,364.0	0.4x	10.5x	0.4x	8.6x

25th Percentile	13.2%	1.8%	NA	3.1%
Mean	20.0%	4.9%	NA	5.6%
Median	17.9%	3.5%	NA	5.2%
75th Percentile	26.0%	6.3%	NA	5.7%

25th Percentile	0.3x	9.3x	0.3x	8.2x
Mean	0.6x	11.3x	0.5x	9.4x
Median	0.5x	10.7x	0.5x	8.8x
75th Percentile	0.7x	15.2x	0.7x	9.9x

S&P Capital IQ. Data presented as of 09/30/2023.

Public Company Comparables- Food Products

Food Products	LTM Results		LTM Margins		1Yr FWD Margins		Country	Enterprise Value	TEV / LTM:		TEV / 1Yr FWD:	
	Revenue	EBITDA	Gross	EBITDA	Gross	EBITDA			Revenue	EBITDA	Revenue	EBITDA
B&G Foods, Inc.	\$2,107	\$315	21.8%	15.0%	NA	15.7%	United States	\$2,985.1	1.4x	9.5x	1.5x	9.6x
Campbell Soup Company	\$9,357	\$1,797	31.4%	19.2%	NA	19.0%	United States	\$17,019.6	1.8x	9.5x	1.8x	9.6x
Conagra Brands, Inc.	\$12,277	\$2,365	27.5%	19.3%	NA	19.3%	United States	\$22,547.3	1.8x	9.5x	1.8x	9.5x
Flowers Foods, Inc.	\$5,003	\$496	47.7%	9.9%	NA	10.2%	United States	\$6,049.1	1.2x	12.2x	1.2x	11.4x
Fresh Del Monte Produce Inc.	\$4,352	\$261	8.7%	6.0%	NA	5.8%	Cayman Islands	\$1,824.3	0.4x	7.0x	0.4x	7.2x
General Mills, Inc.	\$20,281	\$3,967	33.9%	19.6%	NA	20.6%	United States	\$49,240.6	2.4x	12.4x	2.4x	11.5x
Hormel Foods Corporation	\$12,195	\$1,407	16.8%	11.5%	NA	12.4%	United States	\$23,408.1	1.9x	16.6x	1.9x	15.5x
J&J Snack Foods Corp.	\$1,559	\$174	30.1%	11.2%	NA	13.3%	United States	\$3,258.5	2.1x	18.7x	2.0x	15.2x
Kellanova	\$15,866	\$2,104	31.8%	13.3%	NA	17.4%	United States	\$27,755.5	1.7x	13.2x	2.1x	12.1x
Lancaster Colony Corporation	\$1,859	\$228	21.4%	12.2%	NA	14.3%	United States	\$4,484.5	2.4x	19.7x	2.3x	16.4x
McCormick & Company	\$6,605	\$1,187	36.7%	18.0%	NA	18.6%	United States	\$25,152.3	3.8x	21.2x	3.7x	19.7x
Mondelez International, Inc.	\$35,397	\$7,183	37.9%	20.3%	NA	20.1%	United States	\$113,976.0	3.2x	15.9x	3.1x	15.6x
Pilgrim's Pride Corporation	\$16,961	\$758	5.1%	4.5%	NA	7.5%	United States	\$8,675.8	0.5x	11.4x	0.5x	6.5x
Post Holdings, Inc.	\$6,991	\$1,071	26.9%	15.3%	NA	15.7%	United States	\$11,235.1	1.6x	10.5x	1.4x	9.1x
The Hain Celestial Group, Inc.	\$1,782	\$130	21.8%	7.3%	NA	9.1%	United States	\$1,795.2	1.0x	13.8x	1.0x	10.6x
The Hershey Company	\$10,858	\$2,810	43.9%	25.9%	NA	27.4%	United States	\$45,742.3	4.2x	16.3x	4.0x	14.5x
The J. M. Smucker Company	\$8,461	\$1,712	34.4%	20.2%	NA	21.7%	United States	\$16,348.6	1.9x	9.5x	1.9x	8.7x
The Kraft Heinz Company	\$27,161	\$6,487	33.2%	23.9%	NA	23.9%	United States	\$60,621.8	2.2x	9.3x	2.3x	9.4x
The Simply Good Foods Company	\$1,243	\$229	36.5%	18.4%	NA	20.0%	United States	\$3,735.1	3.0x	16.3x	2.8x	14.2x
TreeHouse Foods, Inc.	\$3,634	\$375	16.6%	10.3%	NA	10.8%	United States	\$4,207.5	1.2x	11.2x	1.2x	11.0x
Tyson Foods, Inc.	\$52,881	\$1,832	5.0%	3.5%	NA	4.9%	United States	\$26,600.2	0.5x	14.5x	0.5x	10.2x
Utz Brands, Inc.	\$1,432	\$102	31.4%	7.1%	NA	13.3%	United States	\$2,799.4	2.0x	27.6x	1.9x	14.3x
Vital Farms, Inc.	\$446	\$35	33.7%	7.8%	NA	8.8%	United States	\$393.2	0.9x	11.3x	0.8x	8.6x

25th Percentile	21.4%	7.8%	NA	10.2%
Mean	27.6%	13.9%	NA	15.2%
Median	31.4%	13.3%	NA	15.7%
75th Percentile	34.4%	19.3%	NA	20.0%

25th Percentile	1.2x	9.5x	1.2x	9.4x
Mean	1.9x	13.8x	1.8x	11.8x
Median	1.8x	12.4x	1.9x	11.0x
75th Percentile	2.4x	16.3x	2.3x	14.5x

S&P Capital IQ. Data presented as of 09/30/2023.

Public Company Comparables- Restaurants

Restaurants	LTM Results		LTM Margins		1Yr FWD Margins		Country	Enterprise Value	TEV / LTM:		TEV / 1Yr FWD:	
	Revenue	EBITDA	Gross	EBITDA	Gross	EBITDA			Revenue	EBITDA	Revenue	EBITDA
BJ's Restaurants, Inc.	\$1,346	\$88	12.6%	6.51%	NA	8.57%	United States	\$1,059.5	0.8x	12.1x	0.8x	9.0x
Bloomin' Brands, Inc.	\$4,572	\$549	17.5%	12.01%	NA	11.33%	United States	\$4,147.8	0.9x	7.6x	0.9x	7.8x
Carrols Restaurant Group, Inc.	\$1,819	\$109	15.4%	5.97%	NA	7.69%	United States	\$1,592.8	0.9x	14.7x	0.8x	10.8x
Chipotle Mexican Grill, Inc.	\$9,536	\$1,836	40.6%	19.26%	NA	19.61%	United States	\$53,067.8	5.6x	28.9x	4.9x	25.1x
Chuy's Holdings, Inc.	\$449	\$52	20.9%	11.69%	NA	12.11%	United States	\$750.2	1.7x	14.3x	1.6x	12.9x
Darden Restaurants, Inc.	\$10,772	\$1,616	20.3%	15.00%	NA	15.48%	United States	\$23,977.1	2.2x	14.8x	2.0x	13.2x
Dine Brands Global, Inc.	\$830	\$212	47.6%	25.49%	NA	29.45%	United States	\$2,255.78	2.7x	10.7x	2.7x	9.1x
Domino's Pizza, Inc.	\$4,469	\$866	27.1%	19.39%	NA	20.20%	United States	\$18,443.1	4.1x	21.3x	3.9x	19.5x
FAT Brands Inc.	\$425	\$35	33.1%	8.24%	NA	17.52%	United States	\$1,379.4	3.2x	39.4x	2.3x	12.9x
First Watch Restaurant Group, Inc.	\$833	\$78	21.5%	9.35%	NA	10.00%	United States	\$1,489.4	1.8x	19.1x	1.5x	14.9x
McDonald's Corporation	\$24,689	\$13,454	57.4%	54.49%	NA	54.36%	United States	\$238,906.5	9.7x	17.8x	9.0x	16.5x
Papa John's International, Inc.	\$1,836	\$202	30.7%	10.98%	NA	10.43%	United States	\$3,211.0	1.7x	15.9x	1.4x	13.8x
Shake Shack Inc.	\$1,040	\$90	36.4%	8.62%	NA	12.19%	United States	\$2,768.0	2.7x	30.9x	2.3x	18.9x
The Cheesecake Factory Incorporated	\$3,409	\$204	39.7%	5.97%	NA	7.34%	United States	\$3,302.2	1.0x	16.2x	0.9x	12.5x
Yum! Brands, Inc.	\$7,059	\$2,503	49.1%	35.46%	NA	35.65%	United States	\$46,851.6	6.6x	18.7x	6.2x	17.4x

25th Percentile	20.3%	8.2%	NA	10.0%
Mean	31.3%	16.6%	NA	18.1%
Median	30.7%	11.7%	NA	12.2%
75th Percentile	40.6%	19.4%	NA	20.2%

25th Percentile	1.0x	14.3x	0.9x	10.8x
Mean	3.0x	18.8x	2.7x	14.3x
Median	2.2x	16.2x	2.0x	13.2x
75th Percentile	4.1x	21.3x	3.9x	17.4x

S&P Capital IQ. Data presented as of 09/30/2023.

Public Company Comparables- Food Retail and Ingredients

Food Retail	LTM Results		LTM Margins		1Yr FWD Margins		Country	Enterprise Value	TEV / LTM:		TEV / 1Yr FWD:	
	Revenue	EBITDA	Gross	EBITDA	Gross	EBITDA			Revenue	EBITDA	Revenue	EBITDA
Albertsons Companies, Inc.	\$78,761	\$3,955	28.4%	5.0%	NA	5.3%	United States	\$27,384.1	0.3x	6.9x	0.3x	6.5x
Better Choice Company Inc.	\$42	(\$12)	30.7%	(29.2%)	NA	NA	United States	\$5.1	0.1x	NM	NM	NM
Casey's General Stores, Inc.	\$14,509	\$954	21.5%	6.6%	NA	6.4%	United States	\$11,331.7	0.8x	11.9x	0.7x	11.5x
Grocery Outlet Holding Corp.	\$3,910	\$214	31.3%	5.5%	NA	6.2%	United States	\$4,134.7	1.1x	19.3x	1.0x	15.9x
Ingles Markets, Incorporated	\$5,760	\$432	24.3%	7.5%	NA	NA	United States	\$1,746.5	0.3x	4.0x	NM	NM
Natural Grocers by Vitamin Cottage, Inc.	\$1,141	\$62	28.7%	5.4%	NA	NA	United States	\$662.3	0.6x	10.7x	NM	NM
Seneca Foods Corporation	\$1,510	\$117	10.1%	7.8%	NA	NA	United States	\$876.0	0.6x	7.5x	NM	NM
SpartanNash Company	\$9,825	\$185	15.2%	1.9%	NA	2.6%	United States	\$1,575.3	0.2x	8.5x	0.2x	6.2x
Sprouts Farmers Market, Inc.	\$6,593	\$514	37.1%	7.8%	NA	7.4%	United States	\$5,719.1	0.9x	11.1x	0.8x	10.8x
The Kroger Co.	\$148,038	\$7,737	22.5%	5.2%	NA	5.2%	United States	\$49,659.4	0.3x	6.4x	0.3x	6.3x
Village Super Market, Inc.	\$2,167	\$100	28.5%	4.6%	NA	NA	United States	\$607.2	0.3x	6.1x	NM	NM
Weis Markets, Inc.	\$4,790	\$249	25.1%	5.2%	NA	NA	United States	\$1,519.7	0.3x	6.1x	NM	NM

25th Percentile	21.7%	4.7%	NA	4.6%
Mean	253%	2.8%	NA	5.5%
Median	26.7%	5.3%	NA	5.8%
75th Percentile	30.2%	7.3%	NA	6.6%

25th Percentile	0.3x	6.1x	0.3x	6.3x
Mean	0.5x	9.0x	0.6x	9.5x
Median	0.3x	7.5x	0.5x	8.6x
75th Percentile	0.7x	11.1x	0.8x	12.6x

Ingredients	LTM Results		LTM Margins		1Yr FWD Margins		Country	Enterprise Value	TEV / LTM:		TEV / 1Yr FWD:	
	Revenue	EBITDA	Gross	EBITDA	Gross	EBITDA			Revenue	EBITDA	Revenue	EBITDA
Balchem Corporation	\$926	\$210	31.9%	22.6%	NA	24.6%	United States	\$4,357.0	4.7x	20.8x	4.5x	18.2x
Darling Ingredients Inc.	\$6,942	\$1,064	23.0%	15.3%	NA	23.2%	United States	\$13,040.7	1.9x	12.3x	1.9x	8.0x
Ingredion Incorporated	\$8,226	\$1,135	20.7%	13.8%	NA	14.5%	United States	\$8,757.2	1.1x	7.7x	1.0x	7.1x
International Flavors & Fragrances Inc.	\$11,620	\$1,747	31.8%	15.0%	NA	18.1%	United States	\$28,194.6	2.4x	16.1x	2.5x	13.7x
Lamb Weston Holdings	\$5,890	\$1,273	28.6%	21.6%	NA	23.5%	United States	\$16,793.9	2.9x	13.2x	2.4x	10.3x
Sensient Technologies Corporation	\$1,456	\$245	32.4%	16.8%	NA	17.0%	United States	\$3,175.4	2.2x	13.0x	2.1x	12.6x
Whole Earth Brands	\$539	\$40	24.4%	7.5%	NA	15.3%	United States	\$586.9	1.1x	14.6x	1.0x	6.8x
















25th Percentile	23.0%	13.8%	NA	15.3%
Mean	27.5%	16.1%	NA	19.5%
Median	28.6%	15.3%	NA	18.1%
75th Percentile	31.9%	21.6%	NA	23.5%

25th Percentile	1.1x	12.3x	1.0x	7.1x
Mean	2.3x	13.9x	2.2x	11.0x
Median	2.2x	13.2x	2.1x	10.3x
75th Percentile	2.9x	16.1x	2.5x	13.7x

S&P Capital IQ. Data presented as of 09/30/2023.

Transaction Activity

Recently Announced Transactions - Food & Beverage¹

Announced	Closed	Target	Category	Acquirer	Target Business Description	EV	EV/ EBITDA
Sep-23	-	 RARE STEAKHOUSE	Restaurant	 GROLLO GROUP	Rare Steakhouse Downtown owns and operates a restaurant serving steaks.	11.2	-
Sep-23	-	 Blue Apron	Food Ingredients	 Blue Apron Holdings	Blue Apron Holdings, Inc. operates a direct-to-consumer platform that delivers original recipes with fresh and seasonal ingredients.	111.6	-
Sep-23	-	 老恒和	Food Ingredients	 WUXING	Honworld Group Limited, manufactures and sells cooking wine and other condiment products.	397.2	-
Sep-23	-	 NINGBO	Food Retail	Nanjing Wanquan Commercial Management	Ningbo Boquan Trading Co., Ltd. operates as snack store.	1.2	-
Sep-23	-	 Blue Planet Foods	Restaurants	 BARBEQUE NATION	Blue Planet Foods Private Limited engaged in the business of running restaurants under brand name of SALT.	-	-
Sep-23	Sep-23	 SMOKEY BONES	Restaurants	 FAT BRANDS	Barbeque Integrated, Inc., doing business as Smokey Bones, owns and operates restaurants in Florida.	31.8	-
Sep-23	Sep-23	 HAMBLEDON VINEYARD	Beverages	ATLANTIS	Hambledon Vineyard plc produces and markets sparkling wines.	27.7	-
Sep-23	Oct-23	Anamika Sugar Mills Private Limited	Food Ingredients	 Anamika Sugar Mills	Anamika Sugar Mills Private Limited engages in the production of sugar.	28.4	-
Sep-23	-	 Finsbury Food Group	Food Products	DBAY Advisors	Finsbury Food Group Plc engages in manufacture of range of bakery snack products in the United Kingdom.	220.0	5.7x
Sep-23	-	 SUPERCOR supermercados	Food Retail	 Carrefour	47 SuperCor operates a chain of supermarket stores	64.3	-
Sep-23	-	 LEMONADE by Lemonica	Beverages	 Genda	LEMONADE by Lemonica, Inc. produces and sells lemonade.	-	-
Sep-23	-	 CAPESPAN GROUP LIMITED	Food Distributors	3 Sisters Proprietary Limited	Capespan Group distributes fresh fruits to retail, food service, and wholesale sectors companies worldwide.	29.0	-

1 - S&P Capital IQ. Data presented as of 09/30/2023.

Transaction Activity

Recently Announced Transactions - Food & Beverage¹

Announced	Closed	Target	Category	Acquirer	Target Business Description	EV	EV/EBITDA
Sep-23	-	 Hostess BRANDS	Food Products		Hostess Brands, Inc. develops, manufactures, markets, sells, and distributes snack products in the United States and Canada.	5,531.8	18.2x
Sep-23	Sep-23	 CITY LINE FOODSERVICE	Food Distributors		City Line Distributors, Inc. operates as an independent full service food distributor.	-	-
Aug-23	Aug-23	 NAGATOSHI produce, Inc.	Food Distributors		Nagatoshi Produce USA, LLC engages in the wholesale distribution of USA-grown Japanese fruits and vegetables.	-	-
Aug-23	-	 Nilgiri's 1995	Food Retail		The Nilgiri Dairy Farm Private Limited operates a chain of supermarkets in South India.	8.1	-
Aug-23	Oct-23	SHOKUKAI Ltd	Food Distributors		SHOKUKAI CO., Ltd. distributes food products.	46.9	-
Aug-23	-	 Marfrig	Food Products		Marfrig's cattle slaughtering and deboning plants comprises food manufacturing plants.	1,531.4	-
Aug-23	Aug-23	 HEINEKEN (Russia)	Beverages		The business comprises of breweries.	-	-
Aug-23	-	 AbouThai 阿 布 泰	Food Retail		Main operations comprise of grocery stores.	8.6	-
Aug-23	Sep-23	 PK PT. PUNDI KENCANA	Food Ingredients		PT. Pundi Kencana engages in the milling of flour.	37.4	-
Aug-23	Oct-23	 利 寶 閣 利寶閣集團有限公司 Li Bao Ge Group Limited	Restaurants	N/A	Li Bao Ge Group Limited, engages in the operation of chain of Chinese restaurants.	28.5	57.2x
Aug-23	Sep-23	 Anheuser-Busch	Beverages		Eight beer and beverage brands and related assets of Anheuser-Busch Companies, LLC comprises eight beer and other beverage brands.	83.4	-
Aug-23	-	sovos brands	Food Products		Sovos Brands, Inc. operates as a consumer-packaged food company that manufactures consumer food products.	2,786.8	15.7x

1 - S&P Capital IQ. Data presented as of 09/30/2023.

Transaction Activity










Recently Announced Transactions - Food & Beverage¹

Announced	Closed	Target	Category	Acquirer	Target Business Description	EV	EV/EBITDA
Aug-23	-		Restaurants		Fiesta Restaurant Group, Inc., together with its subsidiaries, owns, operates, and franchises fast-casual restaurants.	353.3	7.6x
Aug-23	Aug-23		Food Retail		Eyre Peninsula Seafoods Pty Ltd retails and wholesale kinkawooka shellfish and Boston bay mussels.	13.1	-
Aug-23	-		Food Ingredients	JSHD LLC	Yaizu Suisankagaku Industry Co., Ltd. manufactures and sells natural seasonings, healthy foods, functional foods.	41.4	7.9x
Aug-23	Aug-23		Food Distributors		London Fruit, Inc. imports and distributes avocados, mangos, and limes to wholesalers and retailers in the United States.	-	-
Aug-23	-		Food Retail		Dia Portugal Supermercados, SA owns, operates, and franchises a chain of hard-discount supermarkets under the Minipreço brand in Portugal.	169.7	-
Aug-23	-		Beverages		Coca-Cola Beverages Philippines, Inc. manufactures and markets Coca-Cola beverages.	1,800.0	-
Jul-23	Jul-23	Sichuan Jixiangju Food Co.	Food Ingredients	N/A	Sichuan Jixiangju Food Co., Ltd. manufactures vegetable seasoning and sauces.	391.8	-
Jul-23	-	Trilby Trading Limited	Food Distributors		Trilby Trading Limited operates as a distributor of vegetable oils and fats, oils, fats to the food manufacturing and service sectors.	10.8	-
Jul-23	Jul-23		Food Products		Morixe Hermanos S.A.C.I. manufactures and sells wheat flour in Argentina.	42.5	5.6x
Jul-23	Aug-23		Restaurants		Holy Cow! Gourmet Burger Company SA operates as a burger restaurant.	34.3	-
Jul-23	-		Food Products		Costa Group Holdings Limited produces, packs, and markets fruits and vegetables to food retailers.	1,598.3	11.4x
Jul-23	Sep-23		Beverages		Vrumona BV manufactures and distributes soft drinks. Vrumona BV was formerly known as K.A.D.	327.4	12.0x

1 - S&P Capital IQ. Data presented as of 09/30/2023.

Major News Headlines in Q3 2023

Recent Events and News – Global

Company	Date	Country	News Summary
	10/30/2023	United States	<ul style="list-style-type: none"> Authentic Restaurant Brands acquired Fiesta Restaurant Group for \$225 Million. ARB seeks to expand within local areas to be able to penetrate markets properly and the acquisition is expected to fall in line with the goal.¹
	10/25/2023	United States	<ul style="list-style-type: none"> Keurig Dr Pepper plans to spend \$100 million to further develop its coffee roasting and manufacturing facility in Spartanburg County, South Carolina. It is expected to be completed by 2027 and create 250 jobs. The project is an extension of a phased build of the facility that broke ground in 2019.²
	9/29/2023	United States	<ul style="list-style-type: none"> Wonder Group has acquired Blue Apron for an offer price of \$13 per share, representing an equity value of \$103 Million. The per share purchase price represents a 137% premium to the September 28, 2023 closing price. Wonder's acquisition of Blue Apron is expected to create a leading platform for mealtime, enhancing mealtime with choice, flexibility and convenience.³
	9/8/2023	United States	<ul style="list-style-type: none"> Molson Coors Beverage Company has reached an agreement to acquire Blue Run Spirits, a producer of finely crafted bourbon and rye whiskies. The deal represents another step in the company's evolution as a total beverage company while providing Blue Run with resources to continue its growth and add diverse elements to its portfolio.⁴
	9/7/2023	United States	<ul style="list-style-type: none"> Splash Beverage Group has announced that it has executed a letter of intent to acquire JEM Beverage Company. The acquisition is supposed to help with the expansion of the alcohol product portfolio of the group.⁵
	9/2/2023	United States	<ul style="list-style-type: none"> LiveKindly Collective acquired California-based Alpha Foods on Tuesday, marking its sixth food brand acquisition. The acquisition puts LKC on track to become one of the plant-based industry's leading food companies as the segment struggles with reduced growth and sales.⁶
	9/2/2023	Portugal	<ul style="list-style-type: none"> Auchan Retail has acquired Dia Portugal Supermercado, gaining control of 489 Minipreço and Mais Perto convenience stores, as well as three warehouses. The deal supports the consolidation of Auchan Retail's strategically located markets, confirming its selective development strategy.⁷
	7/31/2023	United States	<ul style="list-style-type: none"> Monster Beverage Corporation completed acquisition of Bang Energy for a purchase price of approximately \$362 million. Through the acquisition, Chairman and Co-CEO Rodney C. Sacks hopes to expand the portfolio through the distinct brand positioning of bang energy drink.⁸
	7/25/2023	Argentina	<ul style="list-style-type: none"> Beliv announced acquisition of 78% stake in High Brew. High Brew is a pioneering and leading brand in the cold brew coffee ready to drink industry, which is a rapidly growing category in the United States. The milestone is a part of Beliv's global expansion strategy and its consumer centric vision, and lets the company increase its footprint in the country where it is already present with other brands.⁹
	7/3/2023	Netherlands	<ul style="list-style-type: none"> Royal Unibrew A/S has acquire Vrumona from Heineken. Vrumona is the second largest soft drinks player in the Dutch market carrying a range of strong own brands and partner brands. The company seeks to penetrate the dutch market and the local brand is predicted to be a strategic fit.¹⁰

1. [BusinessWire](#) 2. [Food Dive](#) 3. [Blue Apron](#) 4. [Molson Coors](#) 5. [Splash Beverages](#) 6. [Food Dive](#) 7. [Auchan Retail](#) 8. [Monster Beverages](#) 9. [Beliv](#) 10. [Royal Unibrew](#)

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