



Food and Beverage M&A Landscape

Winter 2020



M&A Market Overview

Merger & Acquisition (M&A) deal activity in the U.S. and Canadian food and beverage industry slowed down slightly in 2019, with 276 deals closing over the year.

The market witnessed several major transactions through Q3 and Q4 2019, including the divestiture of a portfolio of wine and spirit brands by Constellation Brands to E. & J. Gallo Winery for \$1.1 billion, which was re-announced on December 12, 2019, after being amended due to concerns brought forward by the Federal Trade Commission, and the acquisition of Arnott's Biscuits Holdings and related business of Campbell Soup Company by KKR & Co. Inc., which closed on December 23, 2019, with a transaction value of \$2.2 billion. For further details, see page 4.

M&A activity in the food and beverage sector is still predominately driven by strategic buyers (including companies primarily owned by private equity investors), with strategic transactions representing 84% of total deal value over 2019. Of the 276 deals closed over 2019, 202 (73%) were completed by privately owned buyers.

Overall deal volume in 2019 decreased 1.5% relative to the 303 deals closed over 2018 and remains flat relative to the 276 deals closed in 2017.

Robust deal flow continues to be seen in the healthy snacking category, with large strategic acquirors and financial sponsors both showing strong interest in brands perceived by consumers to be both convenient and nutritious. Recent transactions such as The Hershey Company's acquisition of ONE Brands LLC and Mondelez International Inc.'s acquisition of Perfect Bar LLC show that the large incumbents of the traditional confectionary and snack food sector are still eager to acquire healthy brands in order to stay relevant with today's consumers.

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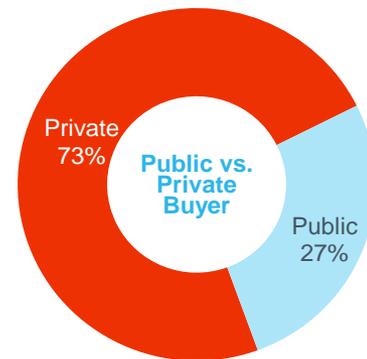
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M&A Market Overview, Continued

Number of Closed Deals (as of December 31, 2019)



By Number of Closed Deals (LTM as of December 31, 2019)



Note: All amounts are listed in USD unless otherwise noted. 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 U.S. Transactions¹

KKR & Co. Inc. acquired Arnott's Biscuits Holdings and related business of Campbell Soup Company



On December 23, 2019, KKR closed the acquisition of Arnott's Biscuits for \$2.2 billion. "This was a thorough and complex process in which we considered many options," Campbell Chief Executive Officer Mark Clouse said. "By applying almost \$3 billion of divestiture net proceeds to reduce debt, Campbell's balance sheet will be stronger and capable of supporting our plan to grow our focused and differentiated portfolio."

Act II Global Acquisition Corp to acquire Flavors Holdings Inc.



On December 19, 2019, Act II Global Acquisition Corp announced the \$550 million acquisition of Flavors Holdings Inc. for approximately, which manufactures sweeteners and licorice products through its subsidiaries MAFCO Worldwide and Merisant Company. The combined company will be called Whole Earth Brands. Irwin Simon, Executive Chairman of Act II commented, "We are excited to create Whole Earth Brands, a global, industry-leading platform, focused on on-trend food products and ingredients."

E. & J. Gallo Winery amends acquisition of wine and spirit brands of Constellation Brands Inc.



On December 12, 2019, E. & J. Gallo Winery announced it would amend its acquisition of certain wine and spirit brands of Constellation Brands Inc. in response to concerns raised by the Federal Trade Commission. The amended transaction does not include several brands in the sparkling wine, brandy, dessert wine and concentrate categories. The value of the transaction has been reduced from \$1.7 billion to \$1.1 billion.

Atkins Nutritionals Holdings Inc. to acquire Quest Nutrition LLC



On November 17, 2019, Simply Good Foods, parent of Atkins Nutritionals Holdings Inc., closed the acquisition of Quest Nutrition for \$1.0 billion. "The acquisition of Quest strengthens Simply Good Foods' position within the nutritional snacking category by expanding our portfolio of brands and product offerings [and] providing us with greater consumer and channel diversification," said Simply Good Foods' CEO Joseph Scalzo.

Anheuser-Busch InBev to acquire Craft Brew Alliance Inc.



On November 11, 2019, Anheuser-Busch Companies (U.S. subsidiary) announced the acquisition of the remaining 68.9% stake in Craft Brew Alliance Inc. (Craft Brew), which valued the company at approximately \$380 million. As part of the transaction, Craft Brew will join Brewers Collective, a business unit of Anheuser-Busch. "Anheuser-Busch has a long track record of working with its craft partners to help make the U.S. beer category stronger and more vibrant," said Anheuser-Busch CEO Michel Doukeris.

The Hershey Company acquired ONE Brands LLC



On September 23, 2019, The Hershey Company closed the acquisition of ONE Brands LLC (ONE) for \$397 million. "As the nutrition bar category continues to grow, ONE offers a compelling brand proposition with great-tasting unique flavors, low sugar and high protein," said Mary Beth West, Chief Growth Officer of The Hershey Company.

¹ Largest deals closed or announced over the past six months, based on implied enterprise value. Excludes bankruptcy sales. Sources: S&P Global Market Intelligence, Mergermarket, company press releases and various news sources (e.g., Newswire, PR Newswire, GlobeNewswire).

Select Recent Canadian Transactions¹

Hostess Brands LLC acquired Voortman Cookies Limited



On January 3, 2020, Hostess Brands LLC (Hostess) closed the acquisition (previously announced December 2, 2019) of Swander Pace Capital portfolio company, Voortman Cookies Limited (Voortman) at an implied enterprise value multiple of 16.0x EBITDA. “We expect the combination of Hostess’ lean, proven operating model and Voortman’s brand and adjacent category position, will result in meaningful cost savings and growth opportunities,” said Hostess CEO Andy Callahan.

Lassonde Industries Inc. acquired Sun-Rype Products Ltd.



On January 3, 2020, Lassonde Industries Inc. closed the acquisition of Sun-Rype Products Ltd. (previously announced October 29, 2019) at a multiple of 12.3x EBITDA, for an implied enterprise value of C\$110.3 million. “This transaction is part of our strategy of constant and measured growth and will strengthen our presence in the Canadian and U.S. markets,” said Nathalie Lassonde, CEO of Lassonde Industries Inc.

Claridge Inc. and Champlain Financial Corporation Acquired Captain Dan’s Seafood Inc.



On October 1, 2019, Canadian private equity firms Claridge Inc. and Champlain Financial Corporation acquired seafood processor and wholesaler, Captain Dan’s Seafood Inc. The acquisition was made through the Champlain Seafood Platform with a strategic investment from Claridge Inc. “This acquisition is in line with our goal to become the world leader in the \$10 billion crab and lobster industry,” said Marc Poulin, Executive Chairman of Champlain.

Ceres Global Ag Corp. acquired Delmar Commodities Ltd.



On August, 16, 2019, Ceres Global Ag Corp. closed the acquisition of Delmar Commodities Ltd. for C\$22.9 million. “With the completion of this acquisition we have made meaningful progress on our goal to diversify our product lines, add strategic origination capabilities for our core products and expand our geographic footprint in Canada,” said Robert Day, President and CEO of Ceres Global Ag Corp.

Fresh Direct Produce Ltd. acquired Emperor Specialty Foods Ltd.



On July 18, 2019, Fresh Direct Produce Ltd., a portfolio company of the private equity firm Hammond, Kennedy, Whitney & Company Inc., acquired Emperor Specialty Foods Ltd., an importer and distributor of fresh produce. “With a talented management team and range of complementary products, we are confident Emperor will prove an important addition to Fresh Direct Produce, and play a critical role in our value-driven growth plan,” said Davis Yung, President, CEO and co-founder of Fresh Direct Produce.

Parmalat Canada Inc. acquired cheese business of Kraft Canada Inc.



On July 2, 2019, Parmalat Canada closed the acquisition of the Canadian Natural Cheese business of Kraft Canada for \$1.2 billion. The deal includes the cheese brands Cracker Barrel, P’tit Québec and AMOOza, and Kraft’s Ingleside, Ontario, processing plant. Mark Taylor, Parmalat CEO and President, said, “We are excited to work closely with the community and our stakeholders to ensure we can grow sustainably and help Canada’s natural cheese business thrive.”

¹ Deals closed over the past six months, selected based on subjectively being representative of recent market activity. Excludes bankruptcy sales. 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

Agricultural:

Fresh produce or other agricultural products

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 by-products, 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

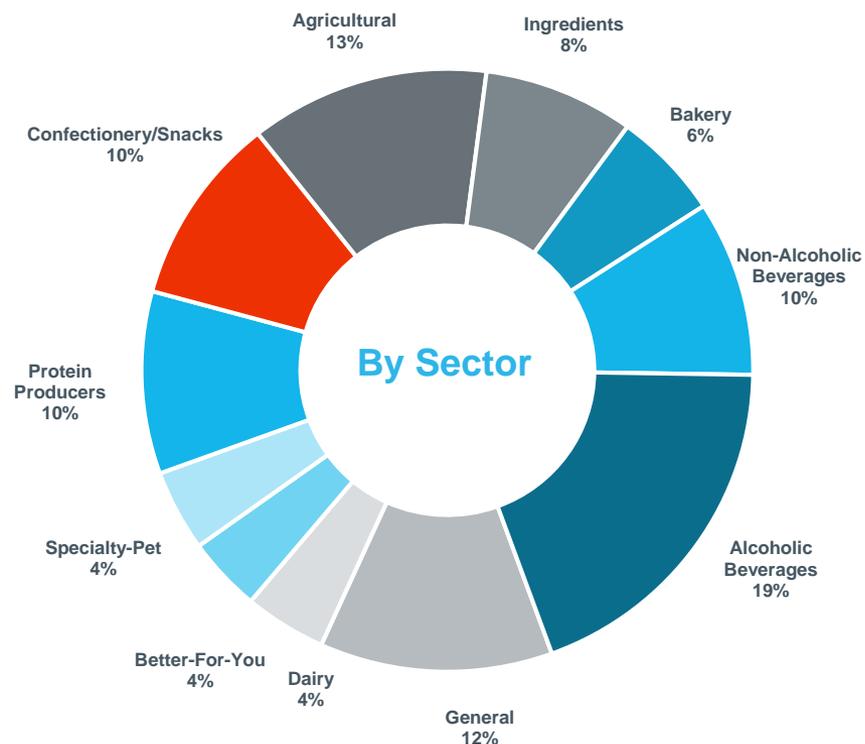
Non-Alcoholic Beverages:

Beverages that do not contain alcohol

Alcoholic Beverages:

Wine, beer and spirits

Deals by Subsector (LTM as of December 31, 2019)



Food

Beverages

Recent North American M&A Activity¹ ●○○○○○○○

Agricultural

(USD in millions)

Date Closed	Announced	Announced	11/12/2019	9/6/2019	8/16/2019
Target	Dragon Seeds LLC	Hughson Nut Inc.	Armstrong Produce Ltd./Kula Produce Co. Ltd.	Green Plains Cattle Company LLC	Delmar Commodities Ltd.
Target Location					
Target Business Description	Dragon Seeds LLC grows and harvests dragon fruit.	Hughson Nut Inc. processes and markets almonds.	Armstrong Produce Ltd. and Kula Produce Co. Ltd. produce and sell fruits and vegetables.	Green Plains Cattle Company LLC operates cattle feedlots.	Delmar Commodities Ltd. provides processing and supply chain management of agricultural products.
Acquirer	iFresh Inc.	Olam International Ltd.	FreshPoint Inc.	StepStone Group LP and others	Ceres Global Ag Corp.
Financial Metrics <i>(Where Disclosed)</i>	EV: \$15.8	EV: \$54.0	LTM Rev.: \$155.0	EV: \$154.5	EV: \$17.5

¹ Includes majority acquisitions and mergers with disclosed financial details. Excludes bankruptcy sales. Source: S&P Global Market Intelligence as of December 31, 2019.

Recent North American M&A Activity¹ ●○○○○○○○

Bakery

Better-For-You

(USD in millions)

	Bakery	Better-For-You	Better-For-You	Better-For-You	Better-For-You
Date Closed	8/30/2019	11/7/2019	9/23/2019	9/9/2019	8/22/2019
Target	Superior Cake Products Inc.	Quest Nutrition LLC	ONE Brands LLC	Red Ace LLC	HapiFoods Group Inc.
Target Location					
Target Business Description	Superior Cake Products Inc. produces and supplies sweet baked goods.	Quest Nutrition LLC produces and markets protein bars.	ONE Brands LLC produces and markets a line of low-sugar and nutritional snack bars.	Red Ace LLC produces organic concentrated beetroot shots.	HapiFoods Group Inc. manufactures breakfast cereals.
Acquirer	Sara Lee Frozen Bakery	Atkins Nutritionals Holdings Inc.	The Hershey Company	Bhang Corporation	Natures Hemp Corp.
Financial Metrics <i>(Where Disclosed)</i>	EV: \$65.0 LTM Rev.: \$43.0 LTM EBITDA: \$7.0 EV/Rev.: 1.5x EV/EBITDA: 9.3x EBITDA Margin: 16.3%	EV: \$1,000.0	EV: \$401.5	EV: \$2.1	EV: \$0.2

¹ Includes majority acquisitions and mergers with disclosed financial details. Excludes bankruptcy sales. Source: S&P Global Market Intelligence as of December 31, 2019.

Recent North American M&A Activity¹ ○○●○○○○

Better-For-You

Confectionery/Snacks

(USD in millions)

	Better-For-You		Confectionery/Snacks		
Date Closed	8/1/2019	7/16/2019	Announced*	10/25/2019	10/21/2019
Target	Flagstone Foods Inc./ Linette Quality Chocolates Inc.	Perfect Bar LLC	Voortman Cookies Limited	Warnock Food Products Inc.	The direct store delivery (DSD) snacks business of Conagra Brands Inc.
Target Location					
Target Business Description	Flagstone Foods Inc. manufactures and distributes private-label healthy snacks. Linette Quality Chocolates Inc. manufactures dry-roasted products. Both were subsidiaries of TreeHouse Foods Inc.	Perfect Bar LLC produces protein bars.	Voortman Cookies Limited produces and sells cookies.	Warnock Food Products Inc. produces organic, non-GMO, gluten-free, kosher, whole grain and peanut-free snacks.	The DSD business of Conagra Brands Inc. includes the Tim's® Cascade Snacks, Hawaiian® Snacks, Erin's®, Snyder® of Berlin and Husman's® brands.
Acquirer	Atlas Holdings LLC	Mondelez International Inc.	Hostess Brands Inc.	Calbee North America LLC	Utz Quality Foods LLC
Financial Metrics <i>(Where Disclosed)</i>	EV: \$90.0	LTM Rev.: \$70.0	EV: \$319.8 LTM EBITDA: \$20.0 EV/EBITDA: 16.0x	LTM Rev.: \$41.7	EV: \$140.0

¹ Includes majority acquisitions and mergers with disclosed financial details. Excludes bankruptcy sales. Source: S&P Global Market Intelligence as of December 31, 2019.

*Note: transaction closed on January 3, 2020

Recent North American M&A Activity¹ ○○○●○○○

Confectionery/Snacks

General

(USD in millions)

Date Closed	10/9/2019	10/8/2019	Announced*	Announced*	Announced
Target	popchips inc.	Arrowhead Mills Inc./nSpired Natural Foods Inc.	Fruitsmart Inc.	Sun-Rype Products Ltd.	More Than Gourmet Inc.
Target Location					
Target Business Description	popchips inc. produces and supplies snack food products.	Arrowhead Mills Inc. and nSpired Natural Foods Inc. produce organic cereals, chocolates and baking products.	Fruitsmart Inc. processes fruits and vegetables, and supplies juices, concentrates, blends, purees, fibers and seed powders.	Sun-Rype Products Ltd. engages in the manufacture, marketing and sale of fruit-based food and beverage products under the Sun-Rype brand in Canada and the United States.	More Than Gourmet Inc. produces and distributes sauces.
Acquirer	Velocity Snack Brands	Hometown Food Company	Universal Corporation	Lassonde Industries Inc.	Ajinomoto Health & Nutrition North America Inc.
Financial Metrics <i>(Where Disclosed)</i>	LTM Rev.: \$49.8	EV: \$15.0	EV: \$105.0	EV: \$84.3 LTM Rev.: \$125.3 LTM EBITDA: \$6.9 EV/Rev.: 0.7x EV/EBITDA: 12.3x EBITDA Margin: 5.5%	EV: \$71.2 LTM Rev.: \$24.7 EV/Rev.: 2.9x

¹ Includes majority acquisitions and mergers with disclosed financial details. Excludes bankruptcy sales. Source: S&P Global Market Intelligence as of December 31, 2019.

*Note: transactions closed on January 3, 2020

Recent North American M&A Activity¹ ○○○○●○○○

General

Dairy

Ingredients

(USD in millions)

	General	Dairy	Ingredients
Date Closed	12/23/2019	12/13/2019	Announced
Target	Arnott's Biscuits Holdings, Campbell Hong Kong and related business of Campbell Soup Company	Zumbro River Brand Inc.	The U.S. ice cream business of Nestlé S.A.
Target Location			
Target Business Description	The portfolio being sold includes Arnott's Biscuits, as well as several other Campbell brands in several countries in Asia, as well as Australia.	Zumbro River Brand Inc., a contract food manufacturer, engages in producing and packaging food ingredients and finished products.	The U.S. ice cream business of Nestlé S.A. comprises ice cream manufacturing operations.
Acquirer	KKR & Co. Inc.	SensoryEffects Flavor Company	Froneri International Limited
Financial Metrics <i>(Where Disclosed)</i>	EV: \$2200.0 EV/EBITDA: 6.5x	EV: \$52.0	LTM Rev.: \$1,800.0
			EV: \$1233.8 LTM Rev.: \$426.5 EV/Rev.: 2.9x
			EV: \$546.7

¹ Includes majority acquisitions and mergers with disclosed financial details. Excludes bankruptcy sales. Source: S&P Global Market Intelligence as of December 31, 2019.

*Note: transaction closed on January 3, 2020

Recent North American M&A Activity¹ ○○○○○●○○

Ingredients

Protein

Specialty-Pet

(USD in millions)

	Ingredients	Protein	Specialty-Pet	Specialty-Pet	
Date Closed	12/18/2019	Announced	Announced	12/19/2019	11/4/2019
Target	Profile Food Ingredients LLC	Modern Meat Inc.	Pettanicals Pet Treats Inc.	Halo, Purely For Pets Inc.	International Dehydrated Foods Inc./American Dehydrated Foods Inc.
Target Location					
Target Business Description	Profile Food Ingredients LLC produces dry stabilizer and emulsifier blends for the food industry.	Modern Meat Inc. processes, produces and distributes meat products for retail outlets and institutions.	Pettanicals Pet Treats Inc. produces nutritional pet supplement products.	Halo, Purely For Pets Inc. produces and markets pet care products.	International Dehydrated Foods Inc. and American Dehydrated Foods Inc. produce pet food.
Acquirer	Mantrose-Haeuser Co., Inc.	Navis Resources Corp.	Hemp Technology Inc.	Better Choice Company Inc.	Symrise AG
Financial Metrics <i>(Where Disclosed)</i>	LTM Rev.: \$25.0	EV: \$2.6	EV: \$0.2	EV: \$47.0 LTM Rev.: \$33.4 EV/Rev.: 1.4x	EV: \$900.0 LTM Rev.: \$220.0 LTM EBITDA: \$51.0 EV/Rev.: 4.1x EV/EBITDA: 17.6x EBITDA Margin: 23.2%

¹ Includes majority acquisitions and mergers with disclosed financial details. Excludes bankruptcy sales. Source: S&P Global Market Intelligence as of December 31, 2019.

Recent North American M&A Activity¹ ○○○○○○●○

Non-Alcoholic Beverages

(USD in millions)

Date Closed	Announced	Announced	12/27/2019	8/13/2019	9/18/2019
Target	Little West Holdings LLC	AQUAhydrate Inc.	Country Pure Foods Inc.	TeaLief Brand LLC	Cameron's Coffee and Distribution Company
Target Location					
Target Business Description	Little West Holdings LLC produces cold-pressed juices.	AQUAhydrate Inc. produces alkalized water.	Country Pure Foods Inc. produces, processes and distributes juice products and other beverages.	TeaLief Brand LLC produces cannabinoids-infused teas.	Cameron's Coffee and Distribution Company produces and supplies coffee and tea.
Acquirer	BevCanna US Operating Company Ltd.	The Alkaline Water Company Inc.	Blue Point Capital Partners LLC	NewLeaf Brands Inc.	Grupo Nutresa S. A.
Financial Metrics <i>(Where Disclosed)</i>	EV: \$4.0	EV: \$50.8 LTM Rev.: \$15.0 EV/Rev.: 3.4x	LTM Rev.: \$256.0	EV: \$3.0	EV: \$113.0 LTM Rev.: \$72.0 EV/Rev.: 1.6x

¹ Includes majority acquisitions and mergers with disclosed financial details. Excludes bankruptcy sales. Source: S&P Global Market Intelligence as of December 31, 2019.

Recent North American M&A Activity¹ ○○○○○○○●

Alcoholic Beverages

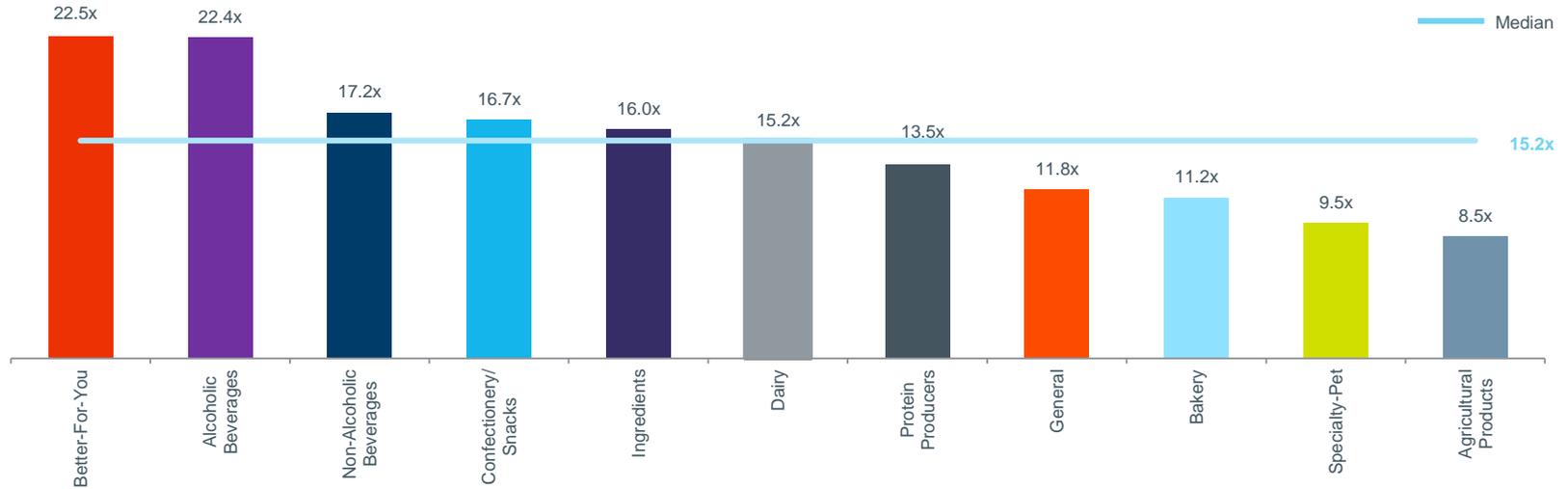
(USD in millions)

Date Closed	Announced	Announced	11/11/2019	10/9/2019	7/3/2019
Target	Portfolio of wine and spirits brands and six winemaking facilities of Constellation Brands Inc.	Craft Brew Alliance Inc.	Southern Cliff Brands Inc.	Castle Brands Inc.	Off-Centered Way LLC
Target Location					
Target Business Description	The acquired portfolio comprises winemaking facilities and wine and spirits brands. The transaction is a modified agreement, excluding several previously included brands.	Craft Brew Alliance Inc. brews and sells craft beers and ciders in the U.S. and internationally.	Southern Cliff Brands Inc., trading as Pommies Cider Co., manufactures and distributes cider.	Castle Brands Inc., together with its subsidiaries, develops, markets, imports and sells alcoholic and non-alcoholic beverage products in the U.S., Canada, Europe and Asia.	Off-Centered Way LLC engages in the production of beers.
Acquirer	E. & J. Gallo Winery	Anheuser-Busch Companies LLC	Valens GroWorks Corp.	Pernod Ricard SA	The Boston Beer Company Inc.
Financial Metrics <i>(Where Disclosed)</i>	EV: \$1,092.9	EV: \$378.6 LTM Rev.: \$198.7 LTM EBITDA: \$5.4 EV/Rev.: 1.9x EV/EBITDA: NM EBITDA Margin: 2.7%	EV: \$5.5	EV: \$276.1 LTM Rev.: \$89.0 LTM EBITDA: \$4.5 EV/Rev.: 3.1x EV/EBITDA: NM EBITDA Margin: 5.1%	EV: \$152.0 LTM Rev.: \$106.7 LTM EBITDA: \$22.1 EV/Rev.: 1.4x EV/EBITDA: 6.9x EBITDA Margin: 20.7%

¹ Includes majority acquisitions and mergers with disclosed financial details. Excludes bankruptcy sales. Source: S&P Global Market Intelligence as of December 31, 2019.

Public Company Trading Multiples

EV/LTM EBITDA Median Multiples by Subsector as of January 31, 2020



EV/LTM EBITDA Median Multiples – Food and Beverage Subsectors as of January 31, 2020



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. Source: S&P Global Market Intelligence

Public Company Trading Multiples

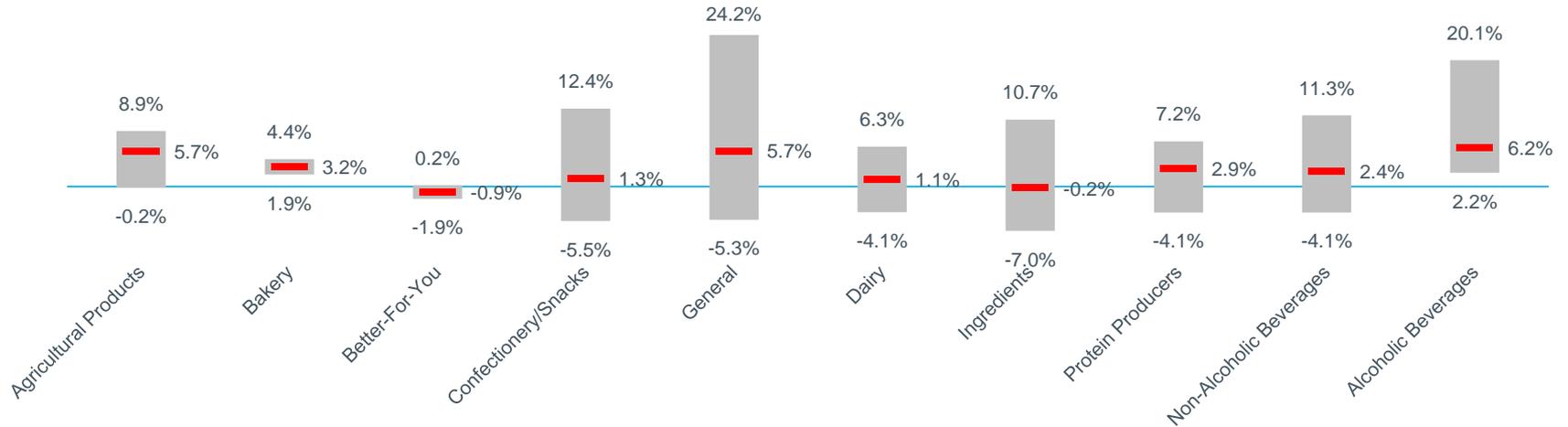
EV/LTM EBITDA Median Multiples – Food and Beverage Subsectors as of January 31, 2020



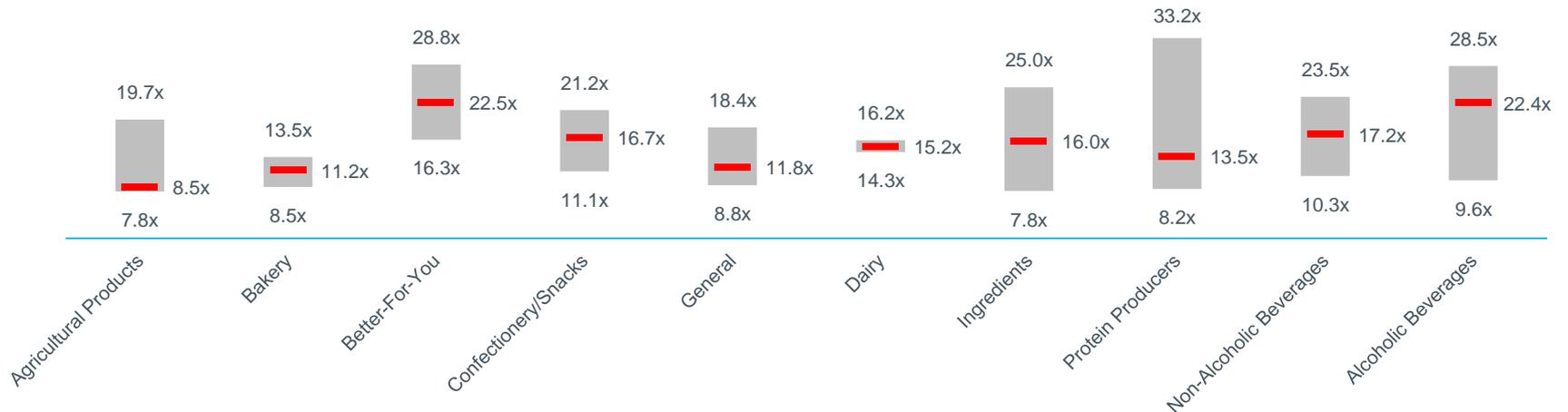
Note: Sector constituents based on selected comparable companies; certain periods exclude outliers based on Duff & Phelps analysis; EBITDA does not reflect adjustments for extraordinary items. EV = Enterprise Value = Market Capitalization + Total Debt + Preferred Equity – Cash and Short-Term Investments.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

Select Public Company Operating and Trading Statistics

5-Year Revenue Growth Rate (CAGR)¹ – Range and Median (as of January 31, 2020)*



Enterprise Value/LTM EBITDA (by Sector)¹ – Range and Median (as of January 31, 2020)*



*Specialty-Pet companies were excluded due to insufficient data.

¹ The values above represent high, median and low data points for each category as of January 31, 2020.

Source: S&P Global Market Intelligence

Public Company Trading Statistics

(USD in millions, except per share data)

Company	HQ	31-Jan-20 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	2020E	2021E	LTM	2020E	2021E
Agricultural Products																	
Lamb Weston Holdings Inc.	U.S.	\$ 91.31	97%	\$ 13,340	\$ 15,730	\$ 3,938	NA	24.1%	\$ 3,467	13.6%	2.7x	4.0x	3.9x	3.7x	16.6x	16.3x	16.0x
Fresh Del Monte Produce Inc.	U.S.*	31.38	81%	1,509	2,338	4,510	3.1%	6.5%	3,345	2.1%	3.5x	0.5x	0.5x	0.5x	8.0x	9.3x	9.1x
Calavo Growers Inc.	U.S.	76.61	76%	1,348	1,348	1,196	8.9%	5.7%	390	11.4%	NA	1.1x	1.1x	1.0x	19.7x	14.3x	13.1x
Lassonde Industries Inc.	CA	106.28	68%	737	1,036	1,265	8.5%	9.6%	996	5.0%	2.1x	0.8x	0.8x	0.7x	8.6x	8.3x	7.6x
Seneca Foods Corporation	U.S.	39.55	94%	362	705	1,290	-0.2%	7.0%	933	2.6%	4.7x	0.5x	NA	NA	7.8x	NA	NA
Rogers Sugar Inc.	CA	3.62	78%	379	629	601	8.3%	12.4%	631	5.8%	3.4x	1.0x	1.1x	1.1x	8.5x	9.3x	8.8x
Landec Corporation	U.S.	11.20	85%	327	541	590	2.8%	2.2%	560	-0.5%	16.7x	0.9x	0.9x	0.9x	NA	15.9x	13.6x
Median			81%	\$ 737	\$ 1,036	\$ 1,265	5.7%	7.0%	\$ 933	5.0%	3.5x	0.9x	1.0x	0.9x	8.5x	11.8x	11.1x
Mean			83%	2,572	3,190	1,913	5.2%	9.6%	1,475	5.7%	5.5x	1.3x	1.4x	1.3x	11.5x	12.2x	11.4x
Bakery																	
George Weston Limited	CA	\$ 80.64	94%	\$ 12,385	\$ 31,744	\$ 37,311	4.4%	10.0%	\$ 35,072	4.3%	4.2x	0.9x	0.8x	0.8x	8.5x	7.9x	7.5x
Flowers Foods Inc.	U.S.	21.53	88%	4,554	5,849	4,124	1.9%	12.6%	3,178	5.7%	3.0x	1.4x	1.4x	1.4x	11.2x	13.1x	12.9x
Hostess Brands Inc.	U.S.	13.42	90%	1,623	2,445	906	NA	20.0%	3,067	2.8%	4.0x	2.7x	2.7x	2.6x	13.5x	12.0x	11.2x
Median			90%	\$ 4,554	\$ 5,849	\$ 4,124	3.2%	12.6%	\$ 3,178	4.3%	4.0x	1.4x	1.4x	1.4x	11.2x	12.0x	11.2x
Mean			91%	6,187	13,346	14,114	3.2%	14.2%	13,772	4.3%	3.8x	1.7x	1.6x	1.6x	11.1x	11.0x	10.5x
Better-For-You																	
The Hain Celestial Group Inc.	U.S.	\$ 24.21	91%	\$ 2,527	\$ 2,919	\$ 2,239	-1.9%	8.0%	\$ 2,285	2.7%	2.3x	1.3x	1.4x	1.4x	16.3x	15.7x	13.8x
The Simply Good Foods Company	U.S.	22.97	73%	2,188	2,785	555	NA	17.5%	2,016	3.6%	6.2x	5.0x	3.2x	2.8x	28.8x	18.0x	14.9x
SunOpta Inc.	CA	2.71	57%	239	908	1,215	0.2%	2.0%	959	-0.5%	23.6x	0.7x	0.8x	0.7x	NA	21.8x	17.1x
Median			73%	\$ 2,188	\$ 2,785	\$ 1,215	-0.9%	8.0%	\$ 2,016	2.7%	6.2x	1.3x	1.4x	1.4x	22.5x	18.0x	14.9x
Mean			74%	1,651	2,204	1,336	-0.9%	9.2%	1,753	1.9%	10.7x	2.4x	1.8x	1.7x	22.5x	18.5x	15.3x
Confectionery/Snacks																	
Mondelez International Inc.	U.S.	\$ 57.38	97%	\$ 82,222	\$ 100,231	\$ 25,868	-5.5%	25.0%	\$ 64,549	4.2%	3.4x	3.9x	3.8x	3.7x	15.5x	18.1x	17.2x
The Hershey Company	U.S.	155.17	96%	32,418	36,192	7,986	1.5%	25.3%	8,140	13.6%	1.9x	4.5x	4.4x	4.3x	17.9x	17.3x	16.6x
Post Holdings Inc.	U.S.	104.57	92%	7,310	13,851	5,727	12.4%	19.3%	11,944	4.1%	5.5x	2.4x	2.3x	2.3x	12.6x	11.2x	10.7x
J & J Snack Foods Corp.	U.S.	165.84	84%	3,138	2,975	1,198	5.2%	13.9%	1,096	7.2%	NA	2.5x	2.4x	2.4x	17.9x	17.1x	16.4x
Tootsie Roll Industries Inc.	U.S.	34.11	84%	2,228	2,068	520	-0.8%	18.7%	982	5.0%	NA	4.0x	NA	NA	21.2x	NA	NA
John B. Sanfilippo & Son Inc.	U.S.	84.30	78%	963	1,005	883	1.2%	10.3%	400	11.1%	0.5x	1.1x	1.1x	1.1x	11.1x	NA	NA
Median			88%	\$ 5,224	\$ 8,413	\$ 3,462	1.3%	19.0%	\$ 4,618	6.1%	2.6x	3.2x	2.4x	2.4x	16.7x	17.2x	16.5x
Mean			88%	21,380	26,053	7,030	2.3%	18.7%	14,518	7.5%	2.8x	3.1x	2.8x	2.7x	16.0x	15.9x	15.2x

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	31-Jan-20 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	2020E	2021E	LTM	2020E	2021E
General																	
The Kraft Heinz Company	U.S.	\$ 29.20	60%	\$ 35,658	\$ 64,768	\$ 25,332	18.6%	29.1%	\$ 102,822	2.9%	4.6x	2.6x	2.6x	2.6x	8.8x	10.7x	11.2x
General Mills Inc.	U.S.	52.22	93%	31,584	46,129	16,783	-1.0%	23.2%	30,452	6.4%	3.7x	2.7x	2.7x	2.7x	11.8x	12.8x	12.8x
Kellogg Company	U.S.	68.21	96%	23,266	31,745	13,578	-1.4%	16.4%	17,564	5.7%	3.8x	2.3x	2.4x	2.3x	14.3x	14.5x	13.9x
Conagra Brands Inc.	U.S.	32.92	92%	16,026	26,658	10,532	-5.3%	21.5%	22,493	5.0%	4.9x	2.5x	2.5x	2.5x	11.8x	12.6x	12.1x
Campbell Soup Company	U.S.	48.39	98%	14,597	23,146	8,088	-0.7%	18.0%	13,110	5.1%	5.9x	2.9x	2.9x	2.9x	15.9x	14.2x	14.1x
The J. M. Smucker Company	U.S.	103.61	81%	11,817	17,793	7,651	6.8%	21.9%	16,791	4.3%	3.7x	2.3x	2.3x	2.3x	10.6x	10.8x	10.8x
TreeHouse Foods Inc.	U.S.	44.60	66%	2,507	4,893	5,567	15.5%	9.7%	5,261	3.5%	4.7x	0.9x	1.1x	1.1x	9.0x	10.1x	9.9x
Lancaster Colony Corporation	U.S.	154.65	93%	4,255	4,105	1,334	4.6%	16.8%	984	12.3%	NA	3.1x	3.1x	3.0x	18.4x	18.2x	16.7x
Premium Brands Holdings Corporation	CA	73.69	99%	2,767	3,715	2,672	24.2%	8.0%	2,164	4.4%	4.8x	1.4x	1.3x	1.3x	17.5x	15.7x	14.1x
B&G Foods Inc.	U.S.	16.06	59%	1,029	2,939	1,648	14.9%	18.0%	3,572	4.1%	6.7x	1.8x	1.8x	1.8x	9.9x	9.8x	9.7x
Median			93%	\$ 13,207	\$ 20,470	\$ 7,869	5.7%	18.0%	\$ 14,951	4.7%	4.7x	2.4x	2.4x	2.4x	11.8x	12.7x	12.4x
Mean			84%	14,351	22,589	9,319	7.6%	18.3%	21,521	5.4%	4.7x	2.2x	2.3x	2.2x	12.8x	12.9x	12.5x
Dairy																	
Saputo Inc.	CA	\$ 30.75	88%	\$ 12,545	\$ 15,621	\$ 11,150	6.3%	9.8%	\$ 10,162	5.5%	3.1x	1.4x	1.4x	1.3x	14.3x	13.6x	12.3x
Lifeway Foods Inc.	U.S.	2.25	47%	35	35	94	-4.1%	2.3%	58	-1.7%	NA	0.4x	NA	NA	16.2x	NA	NA
Median			67%	\$ 6,290	\$ 7,828	\$ 5,622	1.1%	6.1%	\$ 5,110	1.9%	3.1x	0.9x	1.4x	1.3x	15.2x	13.6x	12.3x
Mean			67%	6,290	7,828	5,622	1.1%	6.1%	5,110	1.9%	3.1x	0.9x	1.4x	1.3x	15.2x	13.6x	12.3x
Ingredients																	
Archer-Daniels-Midland Company	U.S.	\$ 44.76	95%	\$ 24,917	\$ 33,021	\$ 64,656	-4.5%	4.8%	\$ 31,472	2.9%	3.0x	0.5x	0.5x	0.5x	10.6x	9.6x	9.1x
McCormick & Company Incorporated	U.S.	163.37	94%	21,714	25,901	5,347	4.7%	22.1%	10,362	6.0%	3.7x	4.8x	4.7x	4.6x	21.9x	22.4x	21.2x
International Flavors & Fragrances Inc.	U.S.	131.11	86%	13,999	18,328	5,075	10.7%	22.5%	12,985	4.4%	3.8x	3.6x	3.6x	3.5x	16.0x	16.5x	15.5x
Bunge Limited	U.S.	52.43	88%	7,427	15,151	41,900	-7.0%	1.4%	18,634	-2.3%	NA	0.4x	0.4x	0.4x	25.0x	10.3x	10.1x
Ingredion Incorporated	U.S.	88.00	88%	5,875	7,671	5,737	-0.2%	17.1%	6,095	7.5%	1.9x	1.3x	1.3x	1.3x	7.8x	8.2x	8.0x
Balchem Corporation	U.S.	108.02	98%	3,475	3,643	641	6.8%	24.3%	1,097	6.5%	1.1x	5.7x	5.7x	5.2x	23.4x	23.1x	21.5x
Sensient Technologies Corporation	U.S.	59.75	79%	2,529	3,151	1,329	-1.8%	18.5%	1,779	6.2%	2.6x	2.4x	2.4x	2.4x	12.9x	14.0x	12.9x
Median			88%	\$ 7,427	\$ 15,151	\$ 5,347	-0.2%	18.5%	\$ 10,362	6.0%	2.8x	2.4x	2.4x	2.4x	16.0x	14.0x	12.9x
Mean			91%	11,420	15,267	17,812	1.2%	15.8%	11,775	4.5%	2.7x	2.7x	2.6x	2.5x	16.8x	14.9x	14.0x

Public Company Trading Statistics OO

(USD in millions, except per share data)

Company	HQ	31-Jan-20 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	2020E	2021E	LTM	2020E	2021E
Protein Producers																	
Tyson Foods Inc.	U.S.	\$ 82.63	88%	\$ 30,163	\$ 41,782	\$ 43,027	1.7%	9.6%	\$ 33,811	5.6%	2.9x	1.0x	0.9x	0.9x	10.2x	9.0x	8.5x
Hormel Foods Corporation	U.S.	47.26	98%	25,272	24,858	9,497	0.4%	14.2%	8,109	8.8%	NA	2.6x	2.6x	2.5x	18.5x	18.1x	17.3x
Pilgrim's Pride Corporation	U.S.	26.05	77%	6,501	8,521	11,003	5.2%	9.3%	6,603	6.3%	2.2x	0.8x	0.8x	0.7x	8.3x	NM	NM
Beyond Meat Inc.	U.S.	110.42	46%	6,793	6,512	231	NA	2.2%	455	-0.6%	NA	28.2x	23.1x	13.1x	NA	NA	NA
Seaboard Corporation	U.S.	3,855.61	81%	4,491	4,476	6,690	0.4%	2.0%	5,946	0.6%	NA	0.7x	NA	NA	33.2x	NA	NA
Sanderson Farms Inc.	U.S.	137.69	77%	3,061	3,020	3,440	4.4%	5.9%	1,774	2.5%	NA	0.9x	0.8x	0.8x	14.8x	6.7x	5.3x
Maple Leaf Foods Inc.	CA	19.60	72%	2,428	2,921	2,885	4.2%	7.5%	2,588	3.5%	2.3x	1.0x	1.0x	0.9x	13.5x	11.3x	10.8x
Cal-Maine Foods Inc.	U.S.	35.69	76%	1,738	1,607	1,217	-4.1%	-0.9%	1,111	-3.7%	11.1x	1.3x	1.3x	1.2x	NM	NA	11.4x
Clearwater Seafoods Incorporated	CA	4.09	88%	266	627	460	6.9%	16.6%	557	5.1%	4.7x	1.4x	1.3x	1.3x	8.2x	7.2x	7.2x
High Liner Foods Incorporated	CA	6.25	69%	209	520	963	-1.4%	6.6%	810	3.3%	5.2x	0.5x	0.6x	0.6x	8.2x	6.7x	6.7x
Bridgford Foods Corporation	U.S.	19.06	50%	173	184	189	7.2%	6.5%	123	4.5%	0.9x	1.0x	NA	NA	14.9x	NA	NA
Median			77%	\$ 3,061	\$ 3,020	\$ 2,885	2.9%	6.6%	\$ 1,774	3.5%	2.9x	1.0x	1.0x	0.9x	13.5x	8.1x	8.5x
Mean			75%	7,372	8,639	7,237	2.5%	7.2%	5,626	3.3%	4.2x	3.6x	3.6x	2.4x	14.4x	9.8x	9.6x
Specialty-Pet																	
Freshpet Inc.	U.S.	\$ 62.88	93%	\$ 2,269	\$ 2,307	\$ 232	23.7%	5.5%	\$ 206	-1.2%	3.1x	10.0x	5.7x	5.1x	NA	23.1x	17.9x
Central Garden & Pet Company	U.S.	32.21	80%	1,786	1,886	2,404	8.2%	8.3%	2,135	4.5%	1.8x	0.8x	0.8x	0.8x	9.5x	9.3x	9.0x
Median			87%	\$ 2,027	\$ 2,097	\$ 1,318	16.0%	6.9%	\$ 1,171	1.6%	2.5x	5.4x	3.2x	2.9x	9.5x	16.2x	13.5x
Mean			87%	2,027	2,097	1,318	16.0%	6.9%	1,171	1.6%	2.5x	5.4x	3.2x	2.9x	9.5x	16.2x	13.5x
Non-Alcoholic Beverages																	
The Coca-Cola Company	U.S.	\$ 58.40	99%	\$ 249,952	\$ 283,657	\$ 37,266	-4.1%	34.8%	\$ 86,381	7.8%	2.7x	7.6x	7.3x	6.9x	21.9x	22.6x	21.0x
PepsiCo Inc.	U.S.	142.02	98%	198,038	226,399	66,045	-0.2%	19.9%	77,444	9.0%	2.2x	3.4x	3.4x	3.3x	17.2x	17.3x	16.2x
Keurig Dr Pepper Inc.	U.S.	28.53	89%	40,136	55,610	10,999	NA	32.5%	49,400	3.5%	4.4x	5.1x	5.0x	4.8x	15.6x	16.5x	15.0x
Monster Beverage Corporation	U.S.	66.60	98%	35,810	34,528	4,108	11.3%	35.8%	5,137	17.5%	NA	8.4x	8.2x	7.5x	23.5x	23.2x	21.1x
Cott Corporation	CA	15.31	96%	2,064	3,469	2,394	3.2%	14.0%	3,321	1.9%	4.8x	1.4x	1.4x	1.4x	10.3x	10.6x	10.0x
National Beverage Corp.	U.S.	42.91	51%	1,998	1,809	976	8.8%	18.0%	567	17.0%	NA	1.9x	1.9x	1.9x	10.3x	10.9x	11.2x
Farmer Bros. Co.	U.S.	11.98	46%	206	303	580	1.6%	2.8%	437	-2.2%	6.0x	0.5x	0.5x	0.5x	18.8x	11.9x	8.3x
Median			96%	\$ 35,810	\$ 34,528	\$ 4,108	2.4%	19.9%	\$ 5,137	7.8%	4.4x	3.4x	3.4x	3.3x	17.2x	16.5x	15.0x
Mean			82%	75,458	86,539	17,481	3.4%	22.5%	31,812	7.8%	4.0x	4.0x	4.0x	3.8x	16.8x	16.1x	14.7x
Alcoholic Beverages																	
Constellation Brands Inc.	U.S.	\$ 188.30	88%	\$ 35,932	\$ 49,094	\$ 8,238	6.7%	23.5%	\$ 27,094	6.1%	4.3x	6.0x	5.9x	6.2x	25.3x	16.9x	16.0x
Brown-Forman Corporation	U.S.	67.64	93%	32,321	34,021	3,403	2.2%	35.1%	5,553	13.0%	1.9x	10.0x	9.7x	9.2x	28.5x	27.7x	25.8x
Molson Coors Beverage Company	U.S.	55.58	83%	12,025	21,460	10,512	20.1%	21.3%	28,752	2.9%	4.2x	2.0x	2.0x	2.0x	9.6x	9.4x	9.8x
The Boston Beer Company Inc.	U.S.	356.38	80%	4,245	4,264	1,174	5.7%	18.6%	1,016	12.4%	0.1x	3.6x	3.5x	2.8x	19.6x	19.7x	15.9x
Median			85%	\$ 22,173	\$ 27,741	\$ 5,820	6.2%	22.4%	\$ 16,323	9.2%	3.1x	4.8x	4.7x	4.5x	22.4x	18.3x	15.9x
Mean			86%	21,131	27,210	5,832	8.7%	24.6%	15,604	8.6%	2.6x	5.4x	5.3x	5.1x	20.7x	18.4x	16.9x

About Our Food and Beverage Corporate Finance Practice

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.

Proven Execution *100+ Consumer M&A and Capital Raise transactions over the past 10 years*

Deep Sector Expertise *Category focus drives thought leadership and builds *invaluable relationships with buyers and investors* alike*

Customized Approach *Successful track record of *premium value transactions* driven by *hands-on execution and creativity**

Experienced Team *More than 30 bankers dedicated exclusively to the Consumer sector within North America*

Global Platform *Nearly 3,500 employees across 70 offices in 28 countries, with an extensive presence in North America, Europe and Asia*

#4 Middle-Market M&A Advisor over the past 10 years²

300+ M&A Transactions over the past five years

#1 Ranked for U.S. and global Fairness Opinions for 2019¹

1,000+ Transaction Opinions for \$2 trillion in deal value since 2005

650+ Private Equity Groups (PEGs) proactively covered by our Financial Sponsors Group

1,730+ PEGs contacted under engagement mandates in 2017

45+ private equity coverage officers across North America

¹ Source: Thomson Financial Securities Data (U.S. deals \$15M < \$170M, including deals without a disclosed value). Full years 2010 through 2019.

² Source: Published in Thomson Reuters' "Mergers & Acquisitions Review - Full Year 2015, 2016, 2017, 2018 and 2019."

Selected Duff & Phelps Food and Beverage Experience

<p>Sell Side Advisor</p>  <p>a portfolio company of L CATTERTON has been acquired by</p> 	<p>Sell Side Advisor</p>  <p>has been acquired by</p> 	<p>Sell Side Advisor</p>  <p>has been acquired by</p> 	<p>Sell Side Advisor</p>  <p>has been acquired by</p> 	<p>Sell Side Advisor</p>  <p>has acquired</p> 
<p>Sell Side Advisor</p>  <p>has been acquired by</p> 	<p>Sell Side Advisor</p>  <p>has been acquired by</p> 	<p>Buy Side Advisor</p>  <p>has acquired</p> 	<p>Sell Side Advisor</p>  <p>has been acquired by</p> 	<p>Sell Side Advisor</p>  <p>has been acquired by</p> 
<p>Sell Side Advisor</p>  <p>a portfolio company of L LINSALATA CAPITAL PARTNERS has been acquired by</p> 	<p>Buy Side Advisor</p>  <p>has acquired</p> 	<p>Sell Side Advisor</p>  <p>portfolio companies of GRUPO have entered into an agreement to be acquired by</p> 	<p>Sell Side Advisor</p>  <p>has been acquired by</p> 	<p>Sell Side Advisor</p>  <p>a division of BEVERAGE INNOVATIONS has been acquired by</p> 

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About Duff & Phelps

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