



CCC
INVESTMENT
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Food & Beverage Industry

Q1/2021 Review

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Featured Transactions

Valuation & Operating Metrics

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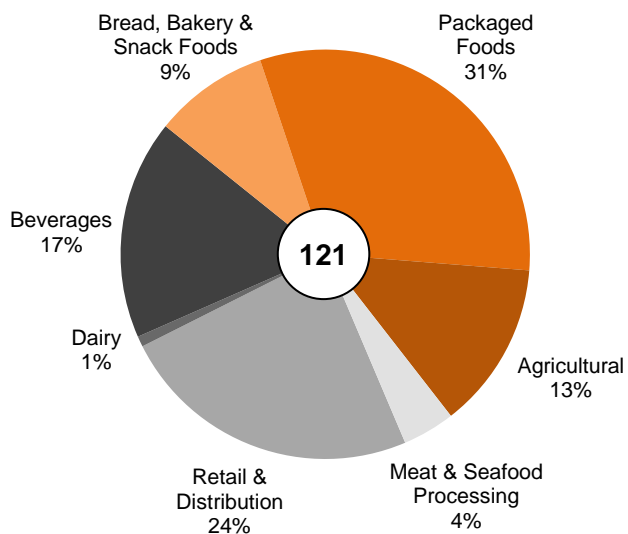
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June 2021

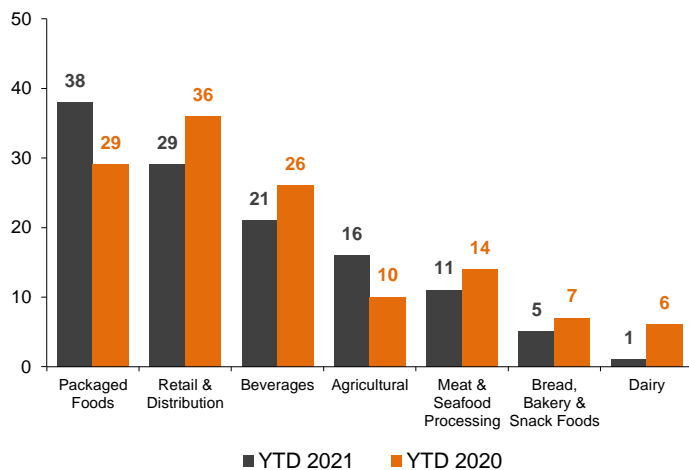


North American Merger and Acquisition Statistics

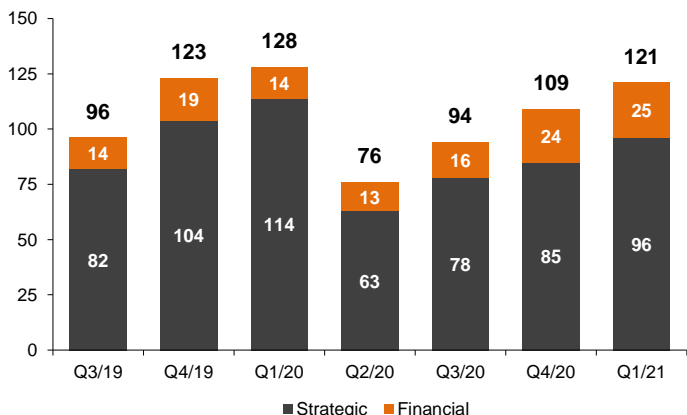
Q1/21 Food & Beverage (“F&B”) Deal Volume by Segment



2021 YTD⁽¹⁾ F&B Transactions by Segment

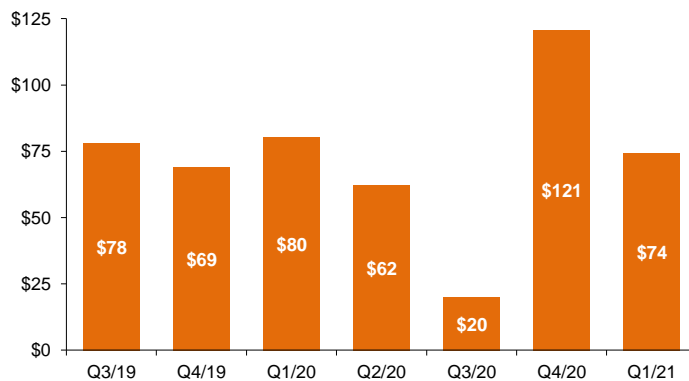


F&B Deal Volume by Transaction Type



F&B Average Deal Size (US\$M)

(For disclosed transactions under US\$500M in value)



* Q4/20 saw an above average deal size due to an extremely high amount of publicly disclosed transactions.

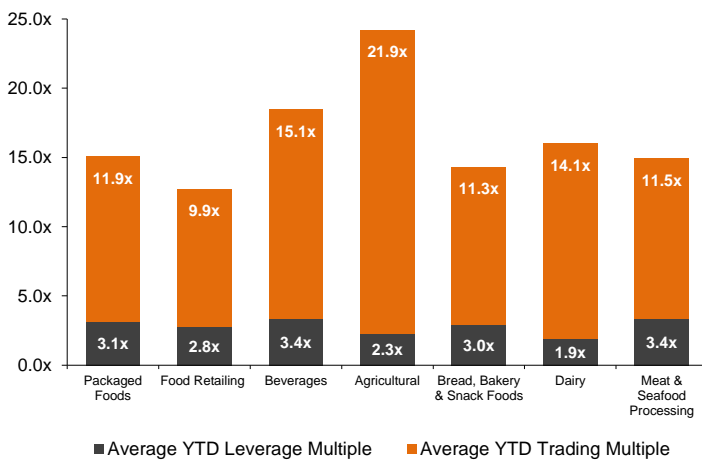
Notes:

All statistics are for announced/closed majority stake transactions only.
 All North American statistics/figures exclude Mexico (Canada & U.S. only)
⁽¹⁾ YTD – Year-to-Date – ended March 31st
 Source: S&P Global Market Intelligence, CISION PR Newswire, Thomson Reuters



North American Merger and Acquisition Statistics

North American Public Company Trading⁽¹⁾ & Leverage⁽²⁾ Multiples



Economic Indicator Forecast⁽³⁾

Exchange Rates	Actual		Forecast			
	Q1/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22
CAD/USD	0.71	0.80	0.81	0.82	0.81	0.81
Interest Rates	Actual		Forecast			
	Q1/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22
5-year GOC Bonds	0.62	0.98	1.01	1.15	1.27	1.38
Other Key Rates	Q1/20		Q1/21			
CAD Prime Business Rate	2.45		2.45			
CAD 1 month BA ⁽⁴⁾	1.02		0.17			
USD 3 month LIBOR ⁽⁵⁾	1.45		0.19			

Leverage Multiples for High Yield F&B Issuers

Company Name	Industry Classification	S&P Entity Credit Rating	LTM Total Debt/EBITDA	
			Mar 31, 2020	Mar 31, 2021
Campbell Soup Company	Packaged Foods	BBB-	4.2x	3.6x
Darling Ingredients Inc.	Agricultural Products	BB+	4.5x	3.3x
Lamb Weston Holdings, Inc.	Packaged Foods	BB+	2.8x	4.2x
Pilgrim's Pride Corporation	Meat & Seafood Processing	BB+	3.1x	3.1x
TreeHouse Foods, Inc.	Packaged Foods	BB-	5.4x	4.4x
B&G Foods, Inc.	Packaged Foods	B+	6.6x	6.7x
Hostess Brands, Inc.	Bread, Bakery & Snack Foods	B+	6.7x	4.5x
Post Holdings, Inc.	Packaged Foods	B+	7.2x	7.1x
The Simply Good Foods Company	Packaged Foods	B+	5.7x	3.5x
Primo Water Corporation	Beverages	B	5.6x	5.3x
High Liner Foods Incorporated	Meat & Seafood Processing	B	5.0x	3.9x
United Natural Foods, Inc.	Retail & Distribution	B	6.7x	5.0x
The Chef's Warehouse, Inc.	Retail & Distribution	B-	9.6x	-*
SunOpta Inc.	Packaged Foods	B-	37.3x*	2.4x
Mean			5.6x	4.5x
Median			5.6x	4.3x

* Are not included in Mean or Median due to being outliers.

Notes:

⁽¹⁾ Enterprise Value to EBITDA - Earnings Before Interest, Taxes, Depreciation and Amortization.

⁽²⁾ Leverage defined as Total Debt to EBITDA.

⁽³⁾ Majority consensus of Canadian Chartered Banks.

⁽⁴⁾ BA - Bankers' Acceptance.

⁽⁵⁾ LIBOR - London Interbank Offered Rate.

Source: S&P Global Market Intelligence & Economic Indicator Forecasts from various Canadian Banks.



Q1/21 Featured Transactions

BEVERAGES

Date	Target Location	Target	Acquirer Location	Acquirer	Target Business Description	Enterprise Value*	EV / LTM Revenue	EBITDA
03-22-21		Danone Naya Waters		Champlain Financial & GefCo	Provides bottled spring water in North America.	-	-	-
03-16-21		Vermont Hard Cider		Northeast Drinks Group	Produces and sells hard ciders in the U.S.	\$20	-	-
03-16-21		City Brewing Company		Charlesbank, Oaktree Capital & Blue Ribbon	Leading co-manufacturer of high-growth beverages.	-	-	-
03-05-21		Essentia Water		Nestlé USA	Manufactures bottled alkaline and electrolyzed water.	-	-	-
02-16-21		Nestlé Waters North America		Metropolous & Co. & One Rock Capital	Produces bottled water in the U.S. and Canada.	\$4,300	-	-
01-22-21		Luxco		MGP Ingredients	Producer and supplier of alcoholic beverage products.	\$506	2.49x	17.98x
01-14-21		ZICO Beverages		Powerplant Ventures	Manufactures and sells coconut water in various flavours.	-	-	-

PACKAGED FOODS

Date	Target Location	Target	Acquirer Location	Acquirer	Target Business Description	Enterprise Value*	EV / LTM Revenue	EBITDA
03-31-21		Plum Organics		Sun-Maid Growers of California	Produces organic food products for babies and kids.	-	-	-
03-25-21		New Mexico Chili Products		Sensient Natural Ingredients	Produces capsicums and specialty chilies.	-	-	-
03-24-21		Imperial Sugar		United States Sugar	Manufactures cane sugar, sweeteners and other products.	-	-	-
03-12-21		Be Good Plant Based Foods		NHS Industries	Vancouver-based manufacturer of plant-based foods.	\$2	-	-
03-18-21		Blender Bites		Balsam Technologies	Produces frozen premium organic & plant-based smoothies.	\$5	-	-
03-17-21		Dakota Ingredients		Benson Hill Biosystems	Processes and produces peas and dry bean products.	-	-	-
02-18-21		Follow Your Heart		Danone S.A.	A leader in the dairy-free and plant-based industry.	-	-	-
02-03-21		MLW Foods		Champlain Financial & Fondacton	Manufacturer of Chinese snacks, appetizers and entrees.	-	-	-
02-02-21		Torie & Howard		American Licorice	Produces organic candies in various flavours.	-	-	-
01-18-21		Baby Gourmet Foods		Hero Group	Produces packaged organic food for babies and kids.	-	-	-
01-17-21		The Future of Cheese		Organic Garage	Produces plant-based cheese products.	\$6	-	-
01-11-21		The Cultured Nut		The Very Good Food Company	Victoria-based producer of plant-based cheese.	\$2	-	-
01-04-21		Hu Master Holdings		Mondelez International	Produces high-quality snacks made from simple ingredients.	\$248	-	-

AGRICULTURAL

Date	Target Location	Target	Acquirer Location	Acquirer	Target Business Description	Enterprise Value*	EV / LTM Revenue	EBITDA
03-28-21		FreshPoint's Toronto Operations		Taylor Fresh Foods	Toronto's fresh cut vegetable operations.	-	-	-
03-17-21		J&J Family of Farms		Benson Hill Biosystems	Grower, packer and shipper of value-added produce.	-	-	-
03-15-21		Bean Processing of Globeways Canada		ETG Commodities	Manitoba-based bean processing facility.	-	-	-
03-02-21		Decas Cranberry		Fruit d'Or	Produces various sweetened dried products and cranberries.	-	-	-
02-25-21		Hinrichs Trading Company		Ardent Mills	Engages in chickpea sourcing, cleaning and packaging.	-	-	-
02-24-21		Vindara		Kalera AS	Delivers genetic seed varieties for indoor farming operations.	\$24	-	-
01-05-21		The Mushroom Company		South Mill Mushroom Sales	One of North America's largest mushroom processors.	-	-	-

Notes:

* Implied Enterprise Value in \$USM.

Source: S&P Global Market Intelligence, CISION PR Newswire.

Q1/21 Featured Transactions

BREAD, BAKERY & SNACK FOODS

Date	Target Location	Target	Acquirer Location	Acquirer	Target Business Description	Enterprise Value*	EV / LTM Revenue	EBITDA
03-30-21		U.S. Waffle Company		C�erelia SA	Bakes and distributes pancakes and waffles.	-	-	-
03-30-21		Wewalka Pizza Dough Business		C�erelia SA	North American pizza dough business and facility.	-	-	-
03-12-20		Aryzta North America		Lindsay Goldberg	One of the largest providers of frozen baked goods.	\$850	-	-
02-22-21		Maison Isabelle		Champlain Financial	Manufacturer of four-quarter-style cakes sold in Canada.	-	-	-
02-10-21		Nuts Business of Kraft Heinz		Hormel Foods	Includes most products sold under the Planters brand.	\$3,350	3.05x	12.5x
01-11-21		Frozen Dough Business of Corbion		FroDo Baking	New Jersey-based frozen dough business of Corbion N.V.	-	-	-
01-05-21		Ecce Panis		Jimmy's Cookies	Producer of stoned baked artisan breads and rolls.	-	-	-
01-11-21		Vitner's Brand		Utz Quality Foods	Certain assets related to Vitner's snack brand.	\$25	1.0x	7.35x

MEAT & SEAFOOD PROCESSING

Date	Target Location	Target	Acquirer Location	Acquirer	Target Business Description	Enterprise Value*	EV / LTM Revenue	EBITDA
02-15-21		GBS Partners		MBH Corporation	Sausage processor doing business as Boulder Sausage.	\$4	0.75x	-
02-09-21		Randall Foods		Highview Capital	Provider of fresh poultry and meat products.	-	-	-

RETAIL & DISTRIBUTION

Date	Target Location	Target	Acquirer Location	Acquirer	Target Business Description	Enterprise Value*	EV / LTM Revenue	EBITDA
03-31-21		Empirical Group & Southern Tea		Harris Tea Company	Engages in the sale and manufacturing of tea and coffee.	-	-	-
03-16-21		Longo Brothers Fruit Markets		Empire Company	Ontario-based owner and operator of grocery stores.	\$535	0.61x	-
03-16-21		RJ Produce		GrubMarket	Texas-based wholesaler of fruits and vegetables.	-	-	-
03-15-21		Lloyd-James Marketing Group		The Very Good Food Company	Boutique wholesaler specializing in plant-based food.	\$1	-	-
03-12-21		In2Food		Dobla US Manufacturing	Imports and distributes pastry and chocolate ingredients.	-	-	-
03-12-21		Conner Produce		Crook Brothers	West Virginia-based produce distributor.	-	-	-
02-26-21		K. Heeps		Schiff's Food Service	Pennsylvania-based foodservice distribution division.	-	-	-
02-23-21		Gelson's Markets		Pan Pacific International	A premier Southern California-based supermarket chain.	-	-	-
02-19-21		Pocono Produce		Driscoll Foods	Independent, broadline foodservice distributor.	-	-	-
02-15-21		19 liquor stores of Alcanna		Otter Farm & Home Co-Operative	19 convenience-format liquor stores located in B.C.	\$64	-	-
02-08-21		Tops Markets		Price Chopper / Market 32	New York-based grocery chain.	-	-	-
01-29-21		Distribution Cote-Nord		Premium Brands	Engages in the distribution of frozen food products.	-	-	-
01-21-21		Sunora Foods		Folspire	Alberta-based food oil entity, trader and supplier.	\$3	0.33x	33.31x
01-19-21		Fresno Produce		GS Foods Group	Family-owned and operated produce supplier.	-	-	-

DAIRY

Date	Target Location	Target	Acquirer Location	Acquirer	Target Business Description	Enterprise Value*	EV / LTM Revenue	EBITDA
03-24-21		Two Milk Processing Plants		Select Milk Producers & New Dairy Opco	DePere & Harvard milk processing plants of Dairy Farmers.	-	-	-

Notes:

* Implied Enterprise Value in \$USM.

Source: S&P Global Market Intelligence, CISION PR Newswire.

Q1/21 Valuation and Operating Metrics

Select North American Public Companies

(all data in US\$M except for share price & multiples)

Ticker	Company	Stock Price 31-Mar-21	52 Week		Total Enterprise Value	Total Debt	LTM Revenue	LTM EBITDA	EBITDA Margin	Total Debt to LTM EBITDA	TEV / LTM	TEV / LTM
			High	Low							Revenue ⁽¹⁾	EBITDA ⁽¹⁾
Packaged Foods												
NYSE:CAG	Conagra Brands, Inc.	\$37.60	\$39.34	\$28.26	\$27,920	\$9,506	\$11,733	\$2,530	22%	3.66x	2.38x	11.04x
NYSE:GIS	General Mills, Inc.	61.32	66.14	51.51	49,394	13,851	18,626	4,168	22%	3.32x	2.65x	11.85x
NasdaqGS:MDLZ	Mondelez International, Inc.	58.53	60.23	48.00	100,142	20,170	27,112	5,947	22%	3.06x	3.69x	16.84x
NYSE:SJM	The J. M. Smucker Company	126.53	132.38	101.89	18,204	5,001	8,175	1,922	24%	2.47x	2.23x	9.47x
NasdaqGS:KHC	The Kraft Heinz Company	40.00	41.21	23.36	74,800	27,408	26,422	7,154	27%	3.17x	2.83x	10.46x
Food Retailing Market												
TSX:EMP.A	Empire Company Limited	\$31.15	\$32.49	\$21.38	\$13,383	\$5,524	\$22,236	\$1,348	6%	3.39x	0.59x	9.77x
TSX:L	Loblaw Companies Limited	55.81	61.21	48.38	31,288	13,142	41,978	3,028	7%	3.46x	0.75x	10.34x
TSX:MRU	Metro Inc.	45.58	52.67	41.84	14,758	3,699	14,776	1,410	10%	2.41x	1.01x	10.54x
NYSE:KR	The Kroger Co.	35.99	42.99	29.83	45,938	20,587	132,498	5,993	5%	3.00x	0.35x	7.67x
NYSE:WMT	Walmart Inc.	135.83	153.66	111.80	435,210	63,702	559,151	38,100	7%	1.53x	0.78x	11.42x
Beverages Market												
TSX:ADW.A	Andrew Peller Limited	\$8.61	\$9.29	\$5.58	\$531	\$137	\$311	\$53	17%	2.46x	1.69x	9.87x
NASDAQ:KDP	Keurig Dr Pepper Inc.	34.37	35.57	23.29	62,620	14,723	11,907	3,772	32%	3.76x	5.26x	16.60x
NYSE:TAP	Molson Coors Beverage Company	51.15	56.10	32.11	19,187	8,476	9,450	2,317	25%	3.55x	2.03x	8.28x
NasdaqGS:PEP	PepsiCo, Inc.	141.45	148.77	115.67	231,598	43,665	71,311	12,884	18%	3.24x	3.25x	17.98x
NYSE:KO	The Coca-Cola Company	52.71	54.93	41.80	262,635	44,420	33,014	11,507	35%	3.75x	7.96x	22.82x
Agricultural Food Market												
NYSE:ADM	Archer-Daniels-Midland Company	\$57.00	\$59.12	\$33.01	\$42,272	\$12,294	\$68,278	\$3,329	5%	3.28x	0.62x	12.70x
NasdaqGS:CVGW	Calavo Growers, Inc.	77.64	85.40	52.42	1,476	109	1,007	54	5%	1.62x	1.47x	27.16x
NYSE:INGR	Ingredion Incorporated	89.92	93.66	68.71	7,829	2,387	6,058	893	15%	2.43x	1.29x	8.77x
TSX:SOY	SunOpta Inc.	14.77	17.20	1.82	1,759	107	789	45	6%	1.77x	2.20x	39.05x
Bread, Bakery & Snack Foods Market												
NYSE:FLO	Flowers Foods, Inc.	\$23.80	\$25.18	\$19.81	\$6,054	\$1,323	\$4,388	\$489	11%	2.25x	1.38x	12.37x
TSX:WN	George Weston Limited	88.47	89.87	73.10	32,646	16,597	43,519	3,696	8%	3.99x	0.75x	8.83x
NasdaqCM:TWNK	Hostess Brands, Inc.	14.34	16.18	10.12	2,840	1,129	1,039	249	24%	4.38x	2.73x	11.43x
NasdaqGS:JJSF	J & J Snack Foods Corp.	157.03	169.58	108.57	2,755	57	964	51	5%	0.84x	2.86x	53.98x
NYSE:K	Kellogg Company	63.30	72.88	56.61	29,772	8,143	13,770	2,334	17%	3.30x	2.16x	12.76x
Dairy Market												
NasdaqGS:CALM	Cal-Maine Foods, Inc.	\$38.42	\$46.66	\$35.97	\$1,699	\$3	\$1,453	\$125	9%	0.02x	1.17x	13.64x
TSX:SAP	Saputo Inc.	30.04	30.70	24.95	15,319	3,271	11,364	1,090	10%	2.85x	1.35x	14.05x
Meat & Seafood Processing Market												
TSX:HLF	High Liner Foods Incorporated	\$10.68	\$11.23	\$4.18	\$630	\$304	\$827	\$78	9%	3.67x	0.75x	8.01x
TSX:MFI	Maple Leaf Foods Inc.	22.78	24.46	18.44	3,525	970	3,446	365	11%	2.46x	1.02x	9.67x
NasdaqGS:PPC	Pilgrim's Pride Corporation	23.79	25.73	14.06	7,831	2,656	12,290	847	7%	2.64x	0.64x	9.24x
TSX:PBH	Premium Brands Holdings Corporation	95.19	96.23	55.14	4,918	1,526	3,295	232	7%	5.92x	1.49x	21.18x
NasdaqGS:SAFM	Sanderson Farms, Inc.	155.78	167.41	105.74	3,520	92	3,650	260	7%	0.13x	0.96x	13.53x
NYSE:TSN	Tyson Foods, Inc.	74.30	78.14	52.33	36,194	11,357	42,830	4,920	11%	2.31x	0.85x	7.36x

Notes:

As at March 31, 2021.

⁽¹⁾ All trading multiples based upon trading currency.

Source: S&P Global Market Intelligence.

CCC Investment Banking

About CCC Investment Banking

Established in 1975, CCC is one of Canada's leading independent middle market investment banks. CCC has a specialization in the North American food and beverage industry. CCC provides advisory services in:

- ◆ Mergers & Acquisitions ◆ Management Buy-outs ◆ Divestitures ◆ Financing Strategy and Placement
- ◆ Restructurings ◆ Strategic Reviews ◆ Valuations and Fairness Opinions ◆ Capital Raises

A Sample of CCC's F&B Transaction Experience



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The background features a dark grey field with large, overlapping, angular shapes in a vibrant orange color, creating a dynamic, abstract geometric pattern.

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