



CCC
INVESTMENT
BANKING



Food & Beverage Industry

Q2/2021 Review

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Featured Transactions

Valuation & Operating Metrics

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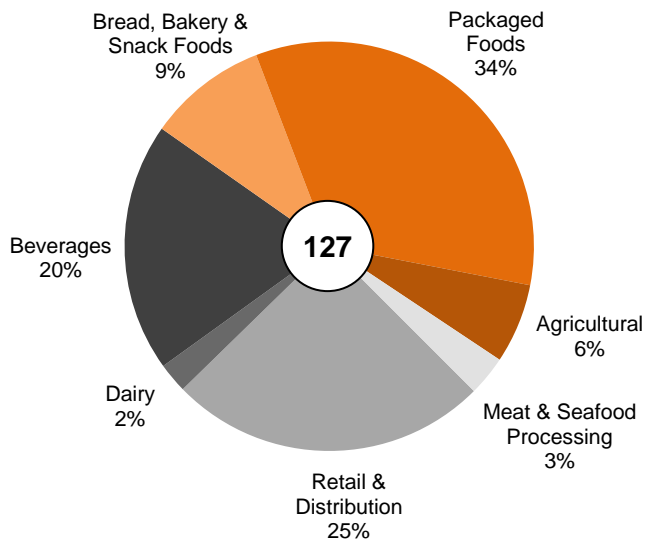
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September 2021

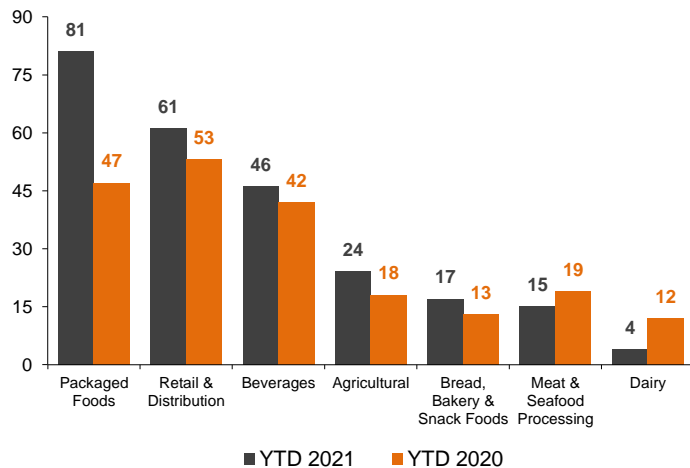


North American Merger and Acquisition Statistics

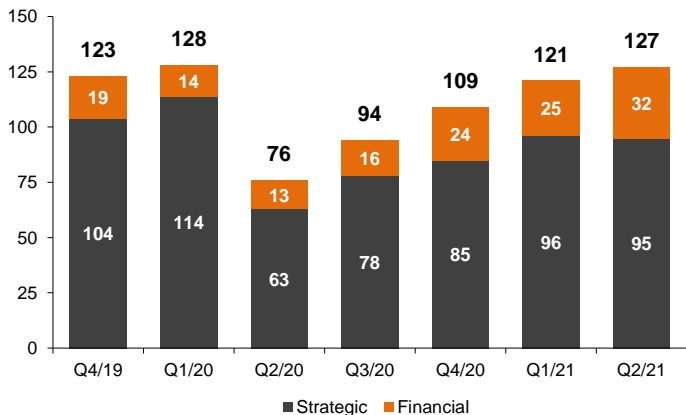
Q2/21 Food & Beverage (“F&B”) Deal Volume by Segment



2021 YTD⁽¹⁾ F&B Transactions by Segment

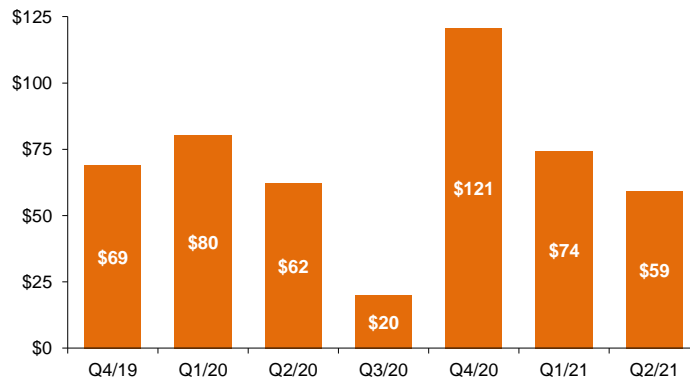


F&B Deal Volume by Transaction Type



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

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



Q2/21 had 27 publicly disclosed transactions with 78% of those below US\$50M in value.

Notes:

All statistics are for announced/closed majority stake transactions only.
All North American statistics/figures exclude Mexico (Canada & U.S. only)

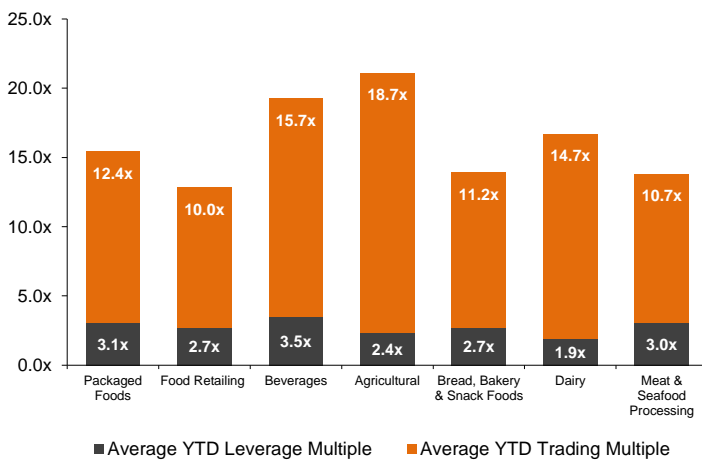
⁽¹⁾ YTD – Year-to-Date – ended June 30th

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			
	Q2/20	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22
CAD/USD	0.74	0.81	0.81	0.81	0.81	0.80
Interest Rates	Actual		Forecast			
	Q2/20	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22
5-year GOC Bonds	0.37	0.94	0.97	1.22	1.40	1.51
Other Key Rates	Q2/20		Q2/21			
	CAD Prime Business Rate		2.45		2.45	
CAD 1 month BA ⁽⁴⁾		0.26		0.18		
USD 3 month LIBOR ⁽⁵⁾		0.30		0.15		

Leverage Multiples for High Yield F&B Issuers

Company Name	Industry Classification	S&P Entity Credit Rating	LTM Total Debt/EBITDA	
			Jun 30, 2020	Jun 30, 2021
Campbell Soup Company	Packaged Foods	BBB-	4.7x	3.2x
Darling Ingredients Inc.	Agricultural Products	BB+	3.9x	2.8x
Lamb Weston Holdings, Inc.	Packaged Foods	BB+	5.1x	4.3x
Pilgrim's Pride Corporation	Meat & Seafood Processing	BB+	3.6x	2.6x
TreeHouse Foods, Inc.	Packaged Foods	B+	5.0x	4.5x
B&G Foods, Inc.	Packaged Foods	B+	5.7x	6.4x
Hostess Brands, Inc.	Bread, Bakery & Snack Foods	B+	6.7x	4.2x
Post Holdings, Inc.	Packaged Foods	B+	7.0x	6.9x
The Simply Good Foods Company	Packaged Foods	B+	5.1x	2.8x
Primo Water Corporation	Beverages	B	6.1x	5.1x
High Liner Foods Incorporated	Meat & Seafood Processing	B	4.7x	3.8x
United Natural Foods, Inc.	Retail & Distribution	B	5.7x	5.0x
The Chef's Warehouse, Inc.	Retail & Distribution	B-	16.0x	-*
SunOpta Inc.	Packaged Foods	B-	35.0x*	3.7x
Mean			6.1x	4.3x
Median			5.1x	4.2x

* 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.



Q2/21 Featured Transactions

BEVERAGES

Date	Target Location	Target	Acquirer Location	Acquirer	Target Business Description	Enterprise Value*	EV / LTM Revenue	EBITDA
06-30-21		Harmless Harvest		Danone Manifesto	San Francisco-based organic coconut water producer.	-	-	-
06-24-21		Francis Ford Coppola Wine Portfolio		Delicato Vineyards	Francis Ford Coppola Wine Portfolio & two Sonoma facilities.	-	-	-
05-06-21		Napa Wine Brands		Golden Triangle Ventures	Sonoma-based producer of wines & some food products.	-	-	-
05-06-21		Kunde Enterprises		Vintage Wine Estates	Wine producer doing business as Kunde Estate Winery.	-	-	-
05-05-21		Agave Tequila		Splash Beverage Group	Agave Tequila line of Pepin Distributing.	-	-	-
04-29-21		Little West		PlantX Life	California-based manufacturer of cold pressed juices.	-	-	-
04-19-21		Bohemian Beverage		Green Hygienics Holdings	Offers infused teas, beers, ciders & cocktails.	\$14	-	-
04-15-21		The Hain Celestial Group		SunOpta Inc.	N.A. non-dairy beverages business of Hain Celestial.	\$33	-	-
04-14-21		Lead Dog Brewing		Mammoth Beers	Nevada-based brewery of canned beers.	-	-	-
04-07-21		Ponzi Vineyards		Champagne Bollinger S.A.	Oregon-based owner and operator of a winery.	-	-	-

PACKAGED FOODS

Date	Target Location	Target	Acquirer Location	Acquirer	Target Business Description	Enterprise Value*	EV / LTM Revenue	EBITDA
06-29-21		T-Bev		Swander Pace	Produces organic caffeine & functional botanical extracts.	-	-	-
06-21-21		Royal Ridge Fruit & Cold Storage		Arable Capital Partners	Grows & processes dried & frozen fruit.	-	-	-
06-15-21		CJBL Pet Proteins		3D Corporate Solutions	Manufactures various proteins for pet brands in N.A.	-	-	-
06-03-21		Starwest Botanicals		Incline Management	Produces botanicals, herbs, spices & dietary supplements.	-	-	-
06-01-21		Ready-to-Eat Cereal Business/Treehouse		Post Holdings	Ready-to-Eat Cereal Business of Treehouse Foods.	\$85	-	-
05-25-21		Mighty Spark Food		Various Investors	Manufactures all-natural turkey & chicken products.	-	-	-
05-18-21		Lily's Sweets		The Hershey Company	Maker of low-sugar, better-for-you confectionery products.	\$425	-	-
05-17-21		Dion Herbs & Spices		Champlain Financial	Quebec-based producer of herbs & spices.	-	-	-
05-14-21		Tyson Pet Products		General Mills	Manufacturer of dog food & a various types of treats.	\$1,200	5.0x	-
05-12-21		Red River Valley Egg Farm		Cal-Maine Foods	Owns & operates a specialty shell egg production complex.	\$97	-	-
05-10-21		Custom Made Meals		Stellex Capital	Manufactures oven-ready entrees, appetizers & sides.	-	-	-
05-04-21		Pete and Gerry's Organics		Butterfly Equity	Producer of organic, free-range & pasture-raised eggs.	-	-	-
04-28-21		Olde Thompson		Olam Holdings B.V.	Private label spices & seasonings manufacturer.	\$950	-	-
04-05-21		Natural American Foods		Blue Road Management	Producer & processor of honey & natural sweeteners.	\$102	-	-

AGRICULTURAL

Date	Target Location	Target	Acquirer Location	Acquirer	Target Business Description	Enterprise Value*	EV / LTM Revenue	EBITDA
06-01-21		Les Endives J.M.S.		Ferme Bunny Farm	Quebec-based producer & seller of endives.	-	-	-
05-28-21		Borges of California		Carriere Family Farms	Engages in the production & processing of walnuts.	\$30	-	-
04-13-21		Happy Caps Farm		Red Light Holland	Dartmouth-based producer of gourmet mushrooms.	-	-	-

Notes:

* Implied Enterprise Value in \$USM.

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

Q2/21 Featured Transactions

BREAD, BAKERY & SNACK FOODS

Date	Target Location	Target	Acquirer Location	Acquirer	Target Business Description	Enterprise Value*	EV / LTM Revenue	EBITDA
06-30-21		Bagel Boy		Crown Bakeries	Producer of bagels, flatbreads, pitas & sandwich thins.	-	-	-
06-24-21		Wicked Good Cupcakes		Hickory Farms	Massachusetts-based online mason jar cupcake shop.	-	-	-
06-21-21		Brill		Rise Baking	Specializes in the production of cakes, cookies & muffins.	-	-	-
06-10-21		Michel's Bakery		Crown Bakeries	Philadelphia-based baker in large-scale, private label baking.	-	-	-
05-25-21		Kodiak Cakes		L Catterton Partners	Utah-based producer of whole grain pancakes & mixes.	-	-	-
05-11-21		Festida Foods		Utz Brands	Manufacturer of tortilla chips, corn chips & pellet snacks.	\$41	-	-
05-04-21		N.A. Business of ARYZTA AG		Lindsay Goldberg	Comprises the N.A. frozen B2B baking production business.	-	-	-
04-30-21		Wheat Parent		Tilia Holdings	Producer of premium bakery & milled products.	-	-	-
04-05-21		De Wafelbakkers		Brynwood Partners	Manufacturer of frozen pancakes, waffles & French toast.	-	-	-
04-01-21		Koffee Kup Bakery		American Industrial Acquisition	Vermont-based producer of a variety of baked goods.	-	-	-

MEAT & SEAFOOD PROCESSING

Date	Target Location	Target	Acquirer Location	Acquirer	Target Business Description	Enterprise Value*	EV / LTM Revenue	EBITDA
06-30-21		Four Pig Farms		Maple Leaf Foods	Four pig production farms in Central Saskatchewan.	-	-	-
06-26-21		Mermax		Premium Brands Holdings	Distributor & processor of seafood, fish & meat.	-	-	-
06-25-21		Poultry Plant		Maple Leaf Foods	Ontario poultry processing plant & associated poultry supply.	-	-	-
06-01-21		Quality Food Processors		Monogram Food Solutions	Iowa-based processor & co-packer of bacon.	-	-	-
04-26-21		M.F. Foley		The Chefs' Warehouse	Seafood processor operating under the name Foley Fish.	-	-	-

RETAIL & DISTRIBUTION

Date	Target Location	Target	Acquirer Location	Acquirer	Target Business Description	Enterprise Value*	EV / LTM Revenue	EBITDA
06-23-21		JM Swank		Brenntag SE	Distributes ingredients serving a variety of food categories.	\$304	0.61x	-
06-23-21		Sierra Produce		GrubMarket	Importer & distributor of South American fruits in the U.S.	-	-	-
06-10-21		Lakeview Farms		CapVest Partners	Family-owned & operated wholesale food distributor.	-	-	-
05-20-21		Bellissimo Distribution		Sysco Corporation	Italian specialty distributor doing business as Greco & Sons.	-	-	-
05-14-21		Nothing Bundt Franchising		Roark Capital Group	Operates bakeries under the name Nothing Bundt Cakes.	-	-	-
05-13-21		Smart & Final Stores		Bodega Latina	Los Angeles-based operator of grocery & warehouse stores.	\$620	0.15x	3.70x
05-04-21		Vaccaro & Sons Produce		GrubMarket	St. Louis-based produce & dairy distributor.	-	-	-
04-21-21		Jana Food Services		GrubMarket	Texas-based wholesaler of halal & ethnic food.	-	-	-
04-06-21		Ferraro Foods		Kelso & Company	Foodservice distributor serving the Italian food segment.	-	-	-

DAIRY

Date	Target Location	Target	Acquirer Location	Acquirer	Target Business Description	Enterprise Value*	EV / LTM Revenue	EBITDA
06-07-21		Three Specialty Cheese Companies		Ronin Equity Partners	Red Apple, Barron County Cheese & Cheese Brothers.	-	-	-

Notes:

* Implied Enterprise Value in \$USM.

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

Q2/21 Valuation and Operating Metrics

Select North American Public Companies

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

Ticker	Company	Stock Price 30-Jun-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.	\$36.38	\$39.34	\$32.55	\$26,964	\$9,231	\$11,185	\$2,363	21%	3.82x	2.41x	11.41x
NYSE:GIS	General Mills, Inc.	60.93	66.14	53.96	49,046	13,006	18,127	4,105	23%	3.04x	2.71x	11.95x
NasdaqGS:MDLZ	Mondelez International, Inc.	62.44	64.37	50.00	107,661	19,740	27,843	6,162	22%	2.88x	3.87x	17.47x
NYSE:SJM	The J. M. Smucker Company	129.57	140.65	102.87	18,614	4,910	8,003	1,825	23%	2.55x	2.33x	10.20x
NasdaqGS:KHC	The Kraft Heinz Company	40.78	44.95	28.56	75,071	25,310	26,389	6,949	26%	3.00x	2.84x	10.80x
Food Retailing Market												
TSX:EMP.A	Empire Company Limited	\$31.56	\$34.65	\$25.89	\$13,585	\$5,790	\$23,001	\$1,386	6%	3.39x	0.59x	9.86x
TSX:L	Loblaw Companies Limited	61.58	61.83	49.12	33,224	12,989	42,742	3,343	8%	3.16x	0.77x	9.87x
TSX:MRU	Metro Inc.	47.97	53.47	42.48	15,226	3,672	14,668	1,400	10%	2.41x	1.02x	10.71x
NYSE:KR	The Kroger Co.	38.31	42.99	30.35	47,471	21,153	132,247	5,504	4%	3.32x	0.36x	8.62x
NYSE:WMT	Walmart Inc.	141.02	153.66	118.22	441,797	63,227	562,839	39,655	7%	1.47x	0.78x	11.14x
Beverages Market												
TSX:ADW.A	Andrew Peller Limited	\$7.66	\$9.43	\$6.33	\$507	\$160	\$312	\$38	12%	3.84x	1.62x	13.30x
NASDAQ:KDP	Keurig Dr Pepper Inc.	35.24	37.11	26.67	64,339	14,412	12,183	3,886	32%	3.57x	5.28x	16.56x
NYSE:TAP	Molson Coors Beverage Company	53.69	61.48	32.11	19,854	8,536	9,886	2,353	24%	3.52x	2.01x	8.44x
NasdaqGS:PEP	PepsiCo, Inc.	148.17	149.27	128.32	241,862	42,298	74,583	13,702	18%	2.96x	3.24x	17.65x
NYSE:KO	The Coca-Cola Company	54.11	56.48	43.83	267,917	45,230	33,433	11,773	35%	3.73x	8.01x	22.76x
Agricultural Food Market												
NYSE:ADM	Archer-Daniels-Midland Company	\$60.60	\$69.30	\$37.54	\$45,429	\$10,790	\$74,923	\$3,633	5%	2.66x	0.61x	12.50x
NasdaqGS:CVGW	Calavo Growers, Inc.	63.42	85.40	56.16	1,229	112	1,002	55	5%	1.83x	1.23x	22.53x
NYSE:INGR	Ingredion Incorporated	90.50	98.05	68.71	7,967	2,398	6,471	981	15%	2.23x	1.23x	8.12x
TSX:SOY	SunOpta Inc.	12.24	17.46	4.81	1,494	173	789	46	6%	2.78x	1.87x	31.75x
Bread, Bakery & Snack Foods Market												
NYSE:FLO	Flowers Foods, Inc.	\$24.20	\$25.48	\$21.55	\$6,133	\$1,260	\$4,341	\$488	11%	2.16x	1.41x	12.57x
TSX:WNN	George Weston Limited	95.36	97.10	74.22	33,991	16,501	44,327	4,273	10%	3.48x	0.76x	7.90x
NasdaqCM:TWNK	Hostess Brands, Inc.	16.19	17.23	11.63	3,057	1,127	1,074	266	25%	4.09x	2.85x	11.48x
NasdaqGS:JJSF	J & J Snack Foods Corp.	174.41	181.71	115.00	3,097	55	1,074	103	10%	0.46x	2.88x	30.15x
NYSE:K	Kellogg Company	64.33	72.88	56.61	30,355	8,332	13,942	2,372	17%	3.32x	2.18x	12.80x
Dairy Market												
NasdaqGS:CALM	Cal-Maine Foods, Inc.	\$36.21	\$46.66	\$34.64	\$1,591	\$2	\$1,349	\$36	3%	0.06x	1.18x	43.72x
TSX:SAP	Saputo Inc.	29.84	34.24	25.34	15,388	3,361	11,616	1,044	9%	3.05x	1.32x	14.74x
Meat & Seafood Processing Market												
TSX:HLF	High Liner Foods Incorporated	\$10.97	\$11.41	\$4.25	\$609	\$272	\$802	\$72	9%	3.53x	0.75x	8.34x
TSX:MFI	Maple Leaf Foods Inc.	20.77	24.76	18.73	3,479	1,077	3,550	351	10%	2.82x	0.98x	9.91x
NasdaqGS:PPC	Pilgrim's Pride Corporation	22.18	26.28	14.06	7,705	2,591	13,104	999	8%	2.24x	0.59x	7.72x
TSX:PBH	Premium Brands Holdings Corporatioi	101.64	103.70	69.08	5,956	1,398	3,581	276	8%	4.62x	1.68x	21.77x
NasdaqGS:SAFM	Sanderson Farms, Inc.	187.97	195.25	108.57	4,162	87	3,940	434	11%	0.10x	1.06x	9.59x
NYSE:TSN	Tyson Foods, Inc.	73.76	81.79	55.28	36,424	10,364	43,242	5,140	12%	2.02x	0.84x	7.09x

Notes:

As at June 30, 2021

⁽¹⁾ All trading multiples based upon trading currency.

Source: S&P Global Market Intelligence.

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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