



CCC
INVESTMENT
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Food & Beverage Industry

Q3/2023 Review

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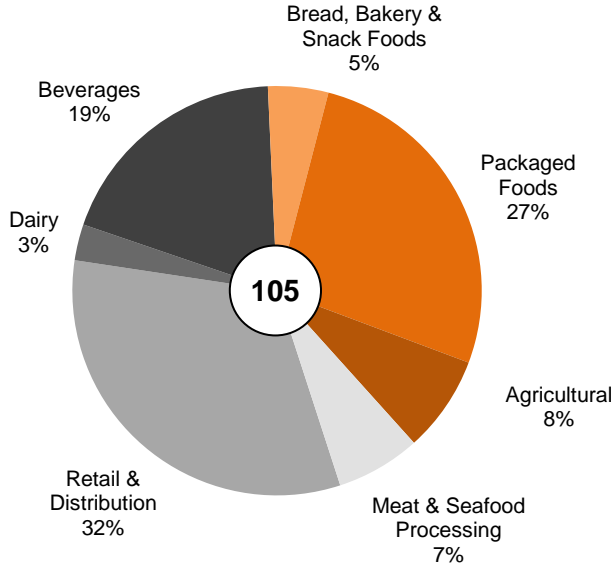
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November 2023

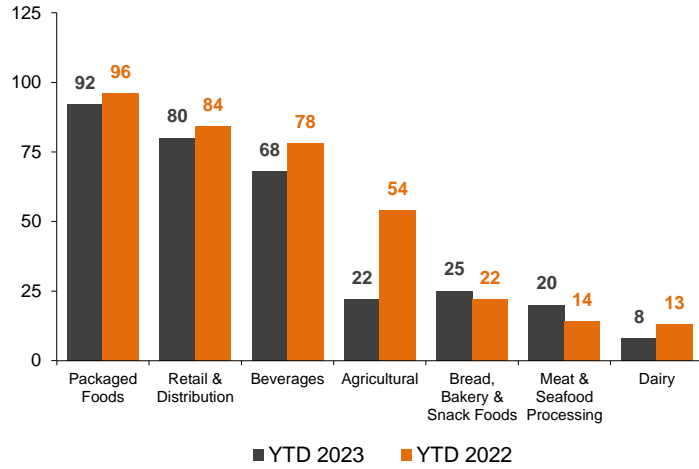


North American Merger and Acquisition Statistics

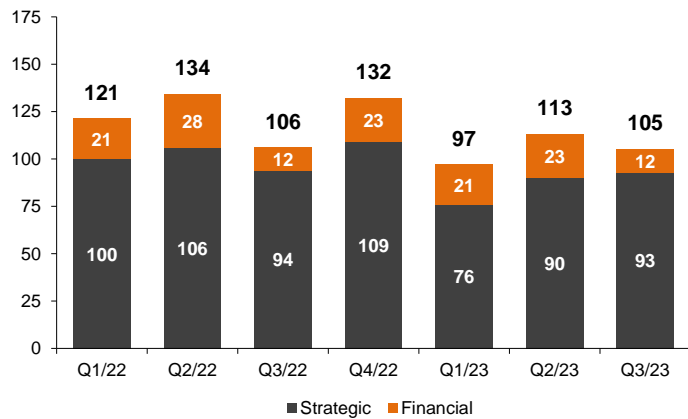
Q3/23 Food & Beverage (“F&B”) Deal Volume by Segment



2023 YTD⁽¹⁾ F&B Transactions by Segment

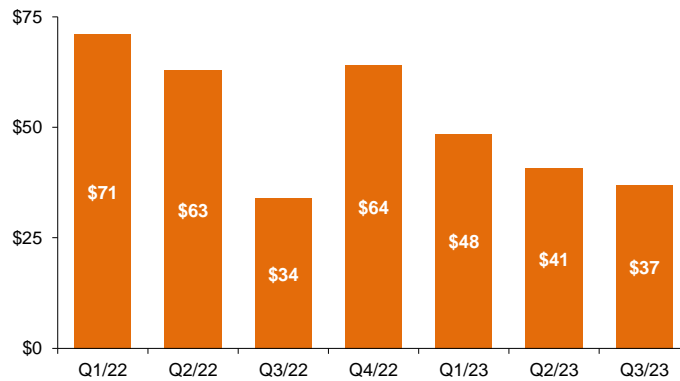


F&B Deal Volume by Transaction Type



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

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



Q3/23 had 11 publicly disclosed transactions with 73% of those below US\$50M in value.

Notes:

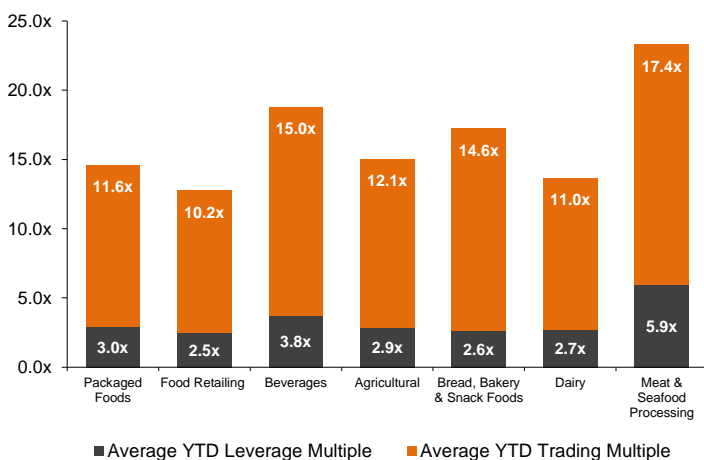
All statistics are for announced/closed majority stake transactions only.
 All North American statistics/figures exclude Mexico (Canada & U.S. only)
⁽¹⁾ YTD – Year-to-Date – ended September 30th

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			
	Q3/22	Q3/23	Q4/23	Q1/24	Q2/24	Q3/24
CAD/USD	0.72	0.74	0.73	0.74	0.74	0.76
Interest Rates	Actual		Forecast			
	Q3/22	Q3/23	Q4/23	Q1/24	Q2/24	Q3/24
5-year GOC Bonds	3.32	4.22	4.14	3.91	3.70	3.57
Other Key Rates	Q3/22		Q3/23			
CAD Prime Business Rate	5.95		7.20			
CAD 1 month BA ⁽⁴⁾	3.46		5.13			
USD 3 month LIBOR ⁽⁵⁾	3.75		5.66			

Leverage Multiples for High Yield F&B Issuers

Company Name	Industry Classification	S&P Entity Credit Rating	LTM Total Debt/EBITDA	
			Sept 30, 2022	Sept 30, 2023
Darling Ingredients Inc.	Agricultural Products and Services	BB+	3.1x	4.4x
Lamb Weston Holdings, Inc.	Packaged Foods and Meats	BB+	3.8x	2.7x
Hostess Brands, Inc.	Packaged Foods and Meats	BB-	4.1x	3.4x
The Simply Good Foods Company	Packaged Foods and Meats	BB-	2.0x	1.4x
Post Holdings, Inc.	Packaged Foods and Meats	B+	7.8x	6.5x
Primo Water Corporation	Soft Drinks and Non-alcoholic Beverage	B+	4.7x	4.3x
High Liner Foods Incorporated	Packaged Foods and Meats	B	3.3x	3.6x
Sovos Brands, Inc.	Packaged Foods and Meats	B	6.0x	3.0x
SunOpta Inc.	Packaged Foods and Meats	B	5.9x	6.6x
TreeHouse Foods, Inc.	Packaged Foods and Meats	B	17.9x*	5.1x
Utz Brands, Inc.	Packaged Foods and Meats	B	14.7x*	10.4x*
B&G Foods, Inc.	Packaged Foods and Meats	B-	8.4x	7.5x
Whole Earth Brands, Inc.	Packaged Foods and Meats	B-	11.1x*	11.8x*
Mean			4.9x	4.4x
Median			4.4x	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.

Q3/23 Featured Transactions

BEVERAGES

Date	Target Location	Target	Acquirer Location	Acquirer	Target Business Description	Enterprise Value*	EV / LTM Revenue	EBITDA
09-26-23		Assets of Ooh La Lemin		Sprecher Brewing Company, Inc.	Producer of lemonade drinks.	\$0.5	-	-
09-21-23		TSS Brands Limited		Avalon Spirits Corporation	Operator of a distillery that produces whiskey.	-	-	-
09-19-23		Lakewood Libations, Inc.		Unlimited, LLC	Producer of cannabis infused beverages.	-	-	-
09-09-23		Ginger Juice		Unnamed Buyer	Engages in cold-pressed juices, using raw fruits and vegetables.	-	-	-
09-06-23		Sonoma-Loeb Wines		Herzog Wine Cellars	Produces, bottles, and ships wines in the United States.	-	-	-
08-07-23		8 beer and beverage brands of Anheuser-Busch		Tilray Beverage, LLC	8 beer and beverage brands including Shock Top, Breckenridge, and more.	\$83.4	-	-
08-01-23		Go Fast Sports & Beverage Company		Global Sciences Holdings, Inc.	Manufacturer of energy drinks.	\$1.2	-	-
08-01-23		Tanteo Spirits LLC		Ole Smoky Distillery, LLC	Producer of tequila.	-	-	-
07-24-23		Domaine Roy & fils		Marchesi de Frescobaldi	Winery operator who sells various types of wine.	-	-	-

PACKAGED FOODS

Date	Target Location	Target	Acquirer Location	Acquirer	Target Business Description	Enterprise Value*	EV / LTM Revenue	EBITDA
09-27-23		Sahale Snacks, Inc.		Kar Nut Products Company, LLC	Producer of nuts and dried fruit snacks.	\$34.0	0.71x	-
09-19-23		Flour Manufacturing Facility		Grain Processing Corporation	Flour manufacturing and processing facility in Iowa.	-	-	-
09-13-23		Japan Crate, LLC		Bokksu Inc.	Manufactures and sells Japanese candy, snacks, and drinks.	-	-	-
09-10-23		Hostess Brands, Inc.		J.M. Smucker Company	Develops and manufacturers snack products.	\$5,632.3	4.1x	18.5x
09-05-23		Snack Bar Business of Treehouse Foods		John B. Sanfilippo & Son, Inc.	Assets of snack bar business comprise of a manufacturing facility.	\$63.0	-	-
08-22-23		Alpha, Inc.		PAI Partners	Manufacturers dry, canned, and baked pet food.	-	-	-
08-22-23		Assets of Argo Tea, Inc.		The Planting Hope Company Inc.	Assets of Argo Tea include a café space.	\$0.3	-	-
08-07-23		Sovos Brands, Inc.		Campbell Soup Company	Manufacturer and distributor of consumer food products.	\$2,786.8	3.0x	15.7x
08-02-23		Nona Lim, LLC		Grand Leader Technology Limited	Producer of Asian foods.	-	-	-
08-01-23		The Miso Brothers, Inc.		The Livekindly Company, Inc.	Producer of plant-based foods.	-	-	-
07-25-23		High Brew Coffee, Inc.		Beliv LLC	Producer of cold-brewed coffee.	-	-	-
07-17-23		Rosemathree Inc.		Seviroli Foods, LLC	Manufacturer of frozen and ready-to-cook pasta.	-	-	-
07-05-23		CalChef Foods, LLC		Mars, Incorporated	Offers healthy, refrigerated meat entrees and vegetable sides.	-	-	-

AGRICULTURAL

Date	Target Location	Target	Acquirer Location	Acquirer	Target Business Description	Enterprise Value*	EV / LTM Revenue	EBITDA
09-19-23		NS Brands Ltd.		Blue Road Management, L.P.	Producer of tomatoes, peppers, and cucumbers.	-	-	-
09-12-23		JFS Altius Farms		Jewish Family Service of Colorado, Inc.	Operator of a greenhouse producing crops, herbs, and green leaves.	-	-	-
09-07-23		Pasquesi Farms, LLC		Pure Hothouse Foods Inc.	Producer of glasshouse tomatoes.	-	-	-
07-18-23		Alberta Barley		Alberta Wheat Commission	Producer of barley.	-	-	-

Notes:

* Implied Enterprise Value in \$USM.

Source: S&P Global Market Intelligence.

Q3/23 Featured Transactions

BREAD, BAKERY & SNACK FOODS

Date	Target Location	Target	Acquirer Location	Acquirer	Target Business Description	Enterprise Value*	EV / LTM Revenue	EBITDA
09-27-23		Commercial Bakeries Corporation		Graham Partners	Manufacturer of private label cookies and biscuits.	-	-	-
08-03-23		AMES International, Inc.		Puyallup Tribe of Indians	Producer and supplier of chocolates, roasted and salted nuts, and cookies.	-	-	-
08-01-23		Marie Morin Canada		Lactalis Canada Inc.	Producer of desserts.	-	-	-
07-20-23		Twin City Bagel		Bimbo Bakeries USA, Inc.	Operator of a bagel bakery.	-	-	-
07-13-23		MBC Companies		Entrepreneurial Equity Partners, L.P.	Producer of frozen baked food products.	-	-	-

MEAT & SEAFOOD PROCESSING

Date	Target Location	Target	Acquirer Location	Acquirer	Target Business Description	Enterprise Value*	EV / LTM Revenue	EBITDA
09-26-23		Sea Fresh U.S.A. Inc.		Oceano Seafood SA	Operates a seafood company servicing local fisherman.	-	-	-
09-23-23		Bay Meats Butcher Shop		Marten Falls First Nation	Producer of meat products.	-	-	-
09-01-23		New England Charcuterie, LLC		PARMACOTTO S.p.a.	Producer of cured meat products, including chops, sausages, and salamis.	-	-	-
07-17-23		Port au Choix Processing Facility		Barry Group Inc.	Processing facility that produces cooked and peeled shrimp.	-	-	-

RETAIL & DISTRIBUTION

Date	Target Location	Target	Acquirer Location	Acquirer	Target Business Description	Enterprise Value*	EV / LTM Revenue	EBITDA
09-28-23		Blue Apron Holdings, Inc.		Wonder Group Inc.	Operator of a DTC platform delivering ingredients and recipes.	\$111.6	0.3x	-
09-20-23		Minamoto Wholesale Limited, LLC		Mutual Trading Co., Inc.	Wholesaler of food ingredients.	-	-	-
09-15-23		Lamm Food Service, LLC		GS Foods Group, Inc.	Markets and distributes food products, including fruits, vegetables, cheeses, and more.	-	-	-
09-08-23		Keck's Food Service, Inc.		Legacy Food Group, LLC	Distributor of bakery ingredients and refrigerated products.	-	-	-
09-08-23		Stores of Kroger and Albertsons		C&S Wholesale Grocers, Inc.	Select stores, distribution centers, offices, and private label brands.	\$1,900.0	-	-
09-05-23		City Line Distributors, Inc.		Frontenac Company LLC	Distributor of beef, veal, lamb, pork, and poultry products.	-	-	-
08-29-23		Ital-Plus Imports Inc.		Pilaros International Trading Inc.	Online retailer of Italian food products.	-	-	-
08-25-23		Superior Foods International, LLC		Virus S.A.	Distributor of frozen fruits, vegetables, and more.	-	-	-
08-16-23		BI-LO, LLC		Fresco Retail Group, LLC	Operates a network of grocery stores and in-store pharmacies.	-	-	-
08-10-23		7 Liquor Express locations		Peninsula Consumer Services Co-Op	Liquor retail locations.	-	-	-
08-03-23		London Fruit, Inc.		GrubMarket, Inc.	Distributes avocados, mangos, and limes to wholesalers.	-	-	-
07-12-23		Colonial Wholesale Distributing, LLC		National Convenience Distributors, LLC	Distributor and retailer of grocery items.	-	-	-
07-04-23		Prime MTL Distribution		Ideal Food Service Corp	Supplier of fresh fruits and vegetables.	-	-	-

DAIRY

Date	Target Location	Target	Acquirer Location	Acquirer	Target Business Description	Enterprise Value*	EV / LTM Revenue	EBITDA
09-08-23		North Country Packaging Inc.		Red Apple Cheese, LLC	Manufacturer of Wisconsin cheese products.	-	-	-
08-28-23		Yuengling's Ice Cream Corporation		PickleJar Holdings, Inc.	Provider of ice cream and other dairy products.	-	-	-
08-21-23		The Urgent Company, Inc.		Superlatus, Inc.	Produces and sells ice creams.	\$1.25	-	-

Notes:
 * Implied Enterprise Value in \$USM.
 Source: S&P Global Market Intelligence.

Q3/23 Valuation and Operating Metrics

Select North American Public Companies

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

Ticker	Company	Stock Price 30-Sep-23	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.	\$27.42	\$41.30	\$27.27	\$22,547	\$9,274	\$12,277	\$2,365	19%	3.81x	1.84x	9.53x
NYSE:GIS	General Mills, Inc.	63.99	90.89	63.63	49,241	12,282	20,281	3,967	20%	2.97x	2.43x	12.41x
NasdaqGS:MDLZ	Mondelez International, Inc.	69.40	78.59	54.85	113,976	21,718	34,131	6,791	20%	2.88x	3.34x	16.78x
NYSE:SJM	The J. M. Smucker Company	122.91	163.07	122.64	16,349	4,495	8,461	1,712	20%	2.46x	1.93x	9.55x
NasdaqGS:KHC	The Kraft Heinz Company	33.64	42.80	32.42	60,622	20,049	27,096	6,158	23%	2.65x	2.24x	9.84x
Food Retailing Market												
TSX:EMP.A	Empire Company Limited	\$27.31	\$28.36	\$24.46	\$11,907	\$5,285	\$23,000	\$1,260	5%	3.25x	0.52x	9.57x
TSX:L	Loblaw Companies Limited	85.31	95.55	78.04	39,393	13,858	44,035	3,845	9%	3.00x	0.92x	10.50x
TSX:MRU	Metro Inc.	52.15	58.33	49.60	15,112	3,255	15,168	1,331	9%	2.24x	1.02x	11.59x
NYSE:KR	The Kroger Co.	44.75	50.41	41.82	49,659	19,912	148,038	7,737	5%	2.32x	0.34x	6.42x
NYSE:WMT	Walmart Inc.	159.93	165.85	128.07	489,438	66,861	630,794	37,228	6%	1.65x	0.78x	13.15x
Beverages Market												
TSX:ADW.A	Andrew Peller Limited	\$3.11	\$4.21	\$2.92	\$304	\$168	\$291	\$23	8%	6.32x	1.07x	13.31x
NASDAQ:KDP	Keurig Dr Pepper Inc.	31.57	39.73	30.47	58,205	14,373	14,567	3,739	26%	3.66x	4.00x	15.57x
NYSE:TAP	Molson Coors Beverage Company	63.59	70.90	46.69	19,987	6,965	11,178	1,956	18%	3.43x	1.79x	10.22x
NasdaqGS:PEP	PepsiCo, Inc.	169.44	196.88	160.98	270,555	44,774	91,617	16,125	18%	2.58x	2.95x	16.78x
NYSE:KO	The Coca-Cola Company	55.98	64.99	54.02	271,117	41,844	45,030	14,168	31%	2.87x	6.02x	19.14x
Agricultural Food Market												
NYSE:ADM	Archer-Daniels-Midland Company	\$75.42	\$98.28	\$69.92	\$49,172	\$9,500	\$96,896	\$5,088	5%	1.70x	0.51x	9.66x
NasdaqGS:CVGW	Calavo Growers, Inc.	25.23	38.97	22.64	549	101	974	30	3%	2.44x	0.56x	18.05x
NYSE:INGR	Ingredion Incorporated	98.40	113.46	79.68	8,757	2,461	8,216	1,096	13%	2.08x	1.07x	7.99x
TSX:SOY	SunOpta Inc.	3.37	11.75	3.32	847	435	883	66	8%	5.36x	0.96x	12.77x
Bread, Bakery & Snack Foods Market												
NYSE:FLO	Flowers Foods, Inc.	\$22.18	\$30.16	\$22.08	\$6,049	\$1,374	\$5,003	\$496	10%	2.31x	1.21x	12.21x
TSX:WN	George Weston Limited	111.35	135.96	102.58	34,463	16,091	44,452	4,762	11%	3.08x	0.79x	7.42x
NasdaqCM:TWNK	Hostess Brands, Inc.	33.31	33.74	21.59	5,321	995	1,383	293	21%	3.27x	3.85x	18.17x
NasdaqGS:JJSF	J&J Snack Foods Corp.	163.65	177.71	127.80	3,258	172	1,515	155	10%	1.00x	2.15x	21.03x
NYSE:K	Kellanova	59.51	77.17	58.44	27,755	7,443	15,873	1,972	12%	3.53x	1.75x	14.07x
Dairy Market												
NasdaqGS:CALM	Cal-Maine Foods, Inc.	\$48.42	\$65.32	\$43.29	\$1,724	\$0	\$2,947	\$868	29%	0.00x	0.58x	1.99x
TSX:SAP	Saputo Inc.	20.99	27.72	20.09	11,623	3,077	13,384	1,084	8%	2.69x	0.89x	10.96x
Meat & Seafood Processing Market												
TSX:HLF	High Liner Foods Incorporated	\$8.13	\$11.73	\$7.98	\$604	\$340	\$1,105	\$93	8%	3.47x	0.56x	6.60x
TSX:MFI	Maple Leaf Foods Inc.	19.29	23.38	13.93	3,808	1,615	3,672	95	3%	13.24x	1.06x	41.08x
NasdaqGS:PPC	Pilgrim's Pride Corporation	22.83	26.57	19.96	8,676	3,904	16,961	773	5%	4.04x	0.51x	11.23x
TSX:PBH	Premium Brands Holdings Corporatio	70.30	83.98	57.19	5,105	2,046	4,773	288	6%	6.14x	1.09x	18.11x
NYSE:TSN	Tyson Foods, Inc.	50.49	69.07	47.11	26,600	9,320	53,270	2,703	5%	2.73x	0.50x	9.84x

Notes:

As at September 30, 2023

⁽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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