

# Food and Beverage M&A Landscape

Spring 2019

# M&A Market Overview

Mergers & Acquisitions (M&A) deal activity in the food and beverage industry remains strong, with 283 deals closing in the last 12 months (LTM) to March 31, 2019. The market witnessed two major transactions in the first quarter of 2019 – the acquisition of The Schwan Food Company Inc. by CJ Foods America Corp. closed on February 25, 2019, which valued the company at \$2.2 billion, and the acquisition of Blommer Chocolate Company by Fuji Oil Holdings Inc. closed on January 1, 2019, with a value of \$750 million.

M&A activity in the Food and Beverage industry is still predominately driven by strategic buyers (including companies primarily owned by private equity investors), with strategic transactions representing 91% of total deal flow over the LTM. Of the 283 deals closed in the LTM, 199 (70%) were completed by privately owned buyers.

Overall deal volume in the LTM to March 31, 2019 remained relatively in line with last year, only 5.4% lower than the 299 deals closing over the previous 12-month period.

The beverage sector continues to be an active space for M&A, with 47 transactions completed by alcoholic beverage companies and 40 deals completed by non-alcoholic players in the LTM. Sports nutrition and health-based brands are a key focus area for strategic buyers, reflected by PepsiCo's announced acquisition of CytoSport for \$465 million in February 2019.

In Canada, the cannabis space is a dynamic sector for M&A, including food and beverage transactions. In February 2019, cannabis producer Tilray closed the acquisition of Fresh Hemp Foods, which is just one of many examples of the growing cross section between food and beverage, and cannabis.

The strong deal flow is likely to continue as the fundamentals remain supportive of M&A activity and many private food and beverage companies may be contemplating exit strategies. This may provide opportunities for well-capitalized companies to acquire prime assets or merge to support growth.

Sources: Capital IQ as of March 31, 2019.

Note: M&A deal count is defined by a list of subsectors viewed as the best representation of the industry.

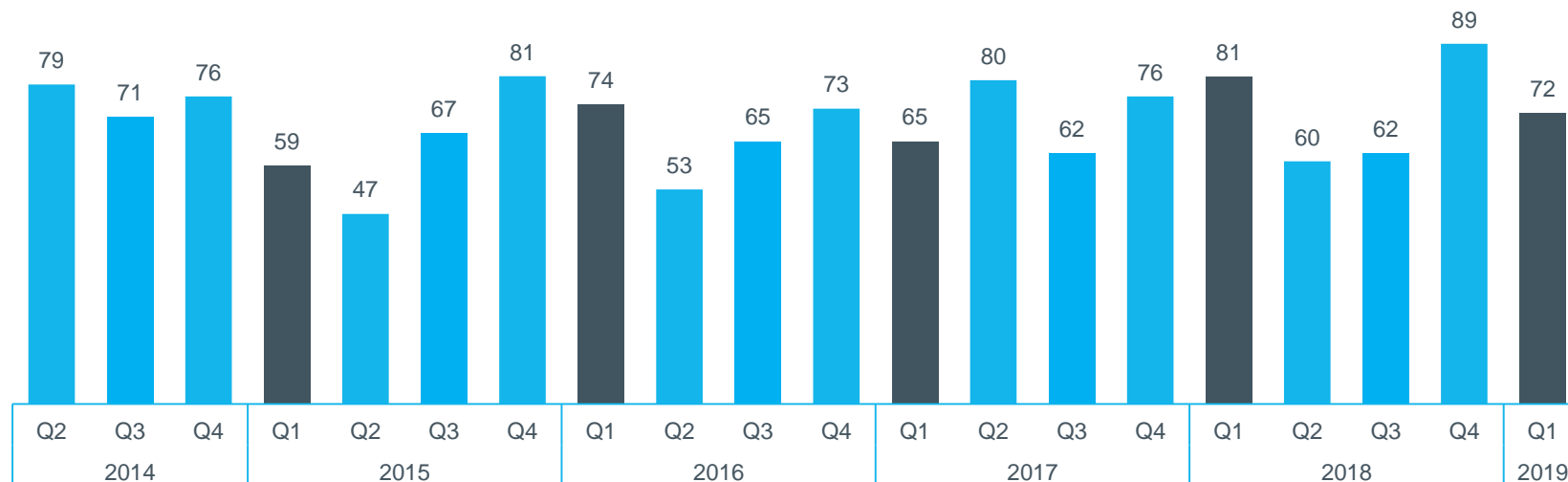
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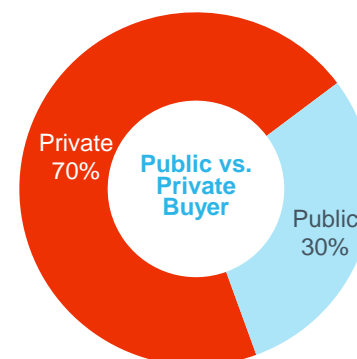
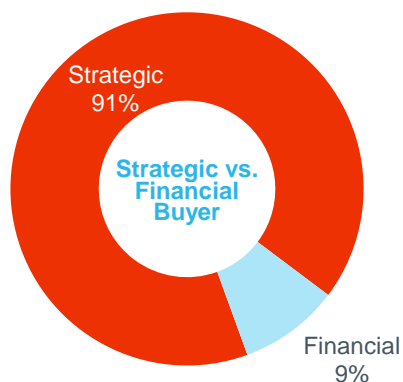
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## M&A Market Overview, Continued

**Number of Closed Deals (as of March 31, 2019)**



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





## Select Recent U.S. Transactions<sup>1</sup>

### CJ Foods America Corp. acquired stake in The Schwan Food Company, Inc.



On February 25, 2019, CJ Foods America closed the acquisition of a majority stake in The Schwan Food Company for \$1.8 billion, with an implied enterprise value of \$2.3 billion. Schwan's CEO Dimitrios Smyrnios said, "We are entering a new and exciting era at Schwan's, and we look forward to working closely with our new team members to further strengthen our operations and accelerate growth."

### PepsiCo, Inc. to acquire CytoSport business of Hormel Foods Corporation



On February 19, 2019, PepsiCo, Inc. entered into a definitive agreement to acquire the CytoSport business of Hormel Foods Corporation for approximately \$470 million. "PepsiCo has deep expertise and experience in the sports nutrition category and has been a long-standing distribution partner for CytoSport," said Hormel President and CEO Jim Snee.

### Symrise AG to acquire International Dehydrated Foods LLC and American Dehydrated Foods Inc.



On January 31, 2019, Symrise AG announced the signing of an agreement to acquire International Dehydrated Foods and American Dehydrated Foods for approximately \$900 million. "The strategic acquisition of A.D.F./I.D.F. perfectly delivers on our strategy to expand in fast-growing, high-margin business areas," said Heinz-Jürgen Bertram, Ph.D., CEO of Symrise, "The complementary offering will further diversify our Diana portfolio in pet food and nutrition."

### Fuji Oil Holdings Inc. acquired Blommer Chocolate Company



On January 29, 2019, Fuji Oil closed the acquisition of Blommer Chocolate for \$750 million. Peter Blommer, CEO of Blommer Chocolate said, "With our combined expertise in chocolate and fats and oils, both rooted in product and process innovation, we have the opportunity to create a broad global footprint from which to serve our customers and drive growth."

### Keurig Dr Pepper Inc. acquired Core Nutrition, LLC



On November 30, 2018, Keurig Dr Pepper (KDP) closed its acquisition of Core Nutrition for \$525 million. CORE® has been a KDP allied brand since 2016, with KDP currently managing approximately two-thirds of the brands' U.S. distribution. KDP CEO Bob Gamgort stated, "CORE® has been a valued and successful allied brand partner, and we are pleased that this on-trend beverage will become part of our owned KDP family of brands."

### Conagra Brands, Inc. acquired Pinnacle Foods Inc.



On October 16, 2018, Conagra Brands completed the acquisition of Pinnacle Foods at a valuation of \$10.9 billion. "Expanding Conagra Brands' portfolio through the acquisition of Pinnacle Foods creates a tremendous opportunity to drive profitable growth and shareholder value by further leveraging our proven approach to innovation, brand-building, operational excellence and deep customer relationships," said Sean Connolly, president and CEO of Conagra Brands.

<sup>1</sup> Deals closed over the past six months, at a value of over \$100 million. 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 Transactions<sup>1</sup>

### United Pet Supplements Inc. acquired RawPaw Natural Foods Inc. and Bonnie & Clyde Pet Goods



United Pet Supplements Inc., a portfolio company of Dane Creek Capital Corp., acquired RawPaw Natural Foods Inc. and Bonnie & Clyde Pet Goods on March 20 and 22, 2019, respectively. Both acquisitions were at a purchase price of approximately 1.3x the trailing 12 months' revenue. Mark Warren, chairman and CEO of Dane Creek said, "The acquisition of RawPaw gives us further strength in the fast-growing area of natural pet supplements."

### Tilray, Inc. acquired Fresh Hemp Foods Ltd. (dba Manitoba Harvest)



On February 28, 2019, Tilray acquired Fresh Hemp Foods for \$319 million. The acquisition will expand Tilray's product portfolio into the natural foods category and bring Manitoba Harvest expertise in working with cannabinoids, including cannabidiol (CBD). Brendan Kennedy, Tilray President and CEO said, "We're excited to work with Manitoba Harvest to develop and distribute a diverse portfolio of branded hemp-derived CBD food and wellness products in the U.S. and Canada."

### Ocean Spray Cranberries, Inc. acquired Atoka Cranberries Inc.



On February 2, 2019, Ocean Spray Cranberries announced the acquisition of Atoka Cranberries. "This is a strong investment for Ocean Spray and our 700 Farmer-Owners," said Ocean Spray CEO Randy Papadellis.

### Maple Leaf Foods to acquire Les Produits Alimentaires Viau (VIAU)



On November 13, 2018, Maple Leaf Foods closed the acquisition of VIAU for \$168 million. "VIAU brings a portfolio of leading brands, a reputation for innovation and quality, skilled management and people, and excellent manufacturing assets," said Michael McCain, president and CEO of Maple Leaf Foods. "This acquisition expands Maple Leaf's position in the growing market for premium dry cured and pepperoni meat products."

### Parmalat Canada, Inc. to acquire Cheese Business of Kraft Canada Inc.



On November 6, 2018, Parmalat Canada announced the acquisition of the Canadian Natural Cheese business of Kraft Canada for \$1.2 billion. The deal would see Parmalat Canada take stewardship of the cheese brands Cracker Barrel, P'tit Quebec and Amooza, and Kraft's Ingleside, Ont., 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."

### Swander Pace Capital acquired Bäckerhaus Veit Ltd.



**Duff & Phelps advised Bäckerhaus Veit**

On October 26, 2018, Swander Pace Capital acquired Bäckerhaus Veit, a leading producer of artisan, European-style breads, rolls, buns and soft pretzel products for top-tier retail and foodservice customers across North America. CEO Sabine Veit said, "Swander Pace is the ideal partner to help us achieve our next phase of growth."

<sup>1</sup> 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

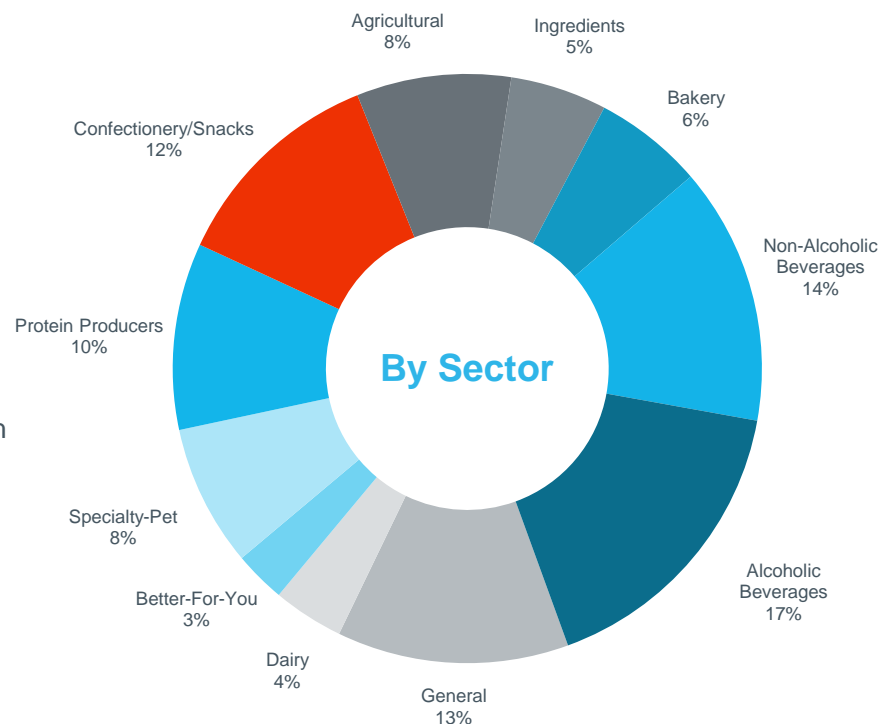
### Non-Alcoholic Beverages:

Beverages that do not contain alcohol

### Alcoholic Beverages:

Wine, beer and spirits






## Deals by Subsector (LTM as of March 31, 2019)



# Recent North American M&A Activity<sup>1</sup> ●○○○○○○○○○○○○○○○○○○

## Agricultural

(USD in millions)





Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EBITDA	Margin
2/28/2019	Fresh Hemp Foods, Ltd.		Fresh Hemp Foods, Ltd., dba Manitoba Harvest, produces hemp food.	Tilray, Inc.	\$318.5	-	-	-	-	-
1/22/2019	Topgro Holding, Ltd.		Topgro Holdings, Ltd. operates agricultural land.	Bevo Farms, Ltd.	\$9.0	-	-	-	-	-
1/8/2019	Bevo Agro, Inc.		Bevo Agro, Inc. provides greenhouse, field and bedding crop seedlings and vegetable plants.	Sun Pharm Investments, Ltd. (nka Zenabis Global Inc.)	-	\$25.3	\$5.0	-	-	19.6%
11/28/2018	Golden Ridge Rice Mills, LLC		Golden Ridge Rice Mills, LLC's business comprises stabilized rice bran production activities.	RiceBran Technologies	\$7.9	-	-	-	-	-
11/26/2018	3,667 acre farm in Hartley County, Texas		3,667 acre farm in Hartley County, Texas.	Gladstone Land Corporation	\$8.5	-	-	-	-	-
					Mean	\$86.0	\$25.3	\$5.0	NA	19.6%
					Median	\$8.7	\$25.3	\$5.0	NA	19.6%

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of March 31, 2019.

# Recent North American M&A Activity<sup>1</sup>

## Bakery

(USD in millions)

Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EBITDA Margin
12/14/2018	Canyon Bakehouse, LLC		Canyon Bakehouse, LLC operates as a bakery, producing gluten-free breads, buns, bagels and muffins.	Flowers Foods, Inc.	\$205.0	-	-	-	-
12/13/2018	GOOD Co-Op, Inc.		GOOD Co-Op, Inc. produces cannabis-based bakery products, such as pot brownies and cookies.	Plus Products, Inc.	\$1.5	-	-	-	-
11/16/2018	Omni Baking Company, LLC		Omni Baking Company, LLC operates as a contract bakery that produces and delivers fresh, frozen baked and par-baked products.	T. Marzetti Company	\$25.0	-	-	-	-
10/19/2018	Bantam Bagels, LLC		Bantam Bagels, LLC produces bagels and provides shipping and catering ordering options online.	T. Marzetti Company	\$34.0	\$20.0	-	1.7x	-
					Mean	\$66.4	\$20.0	NA	1.7x
					Median	\$29.5	\$20.0	NA	1.7x





<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of March 31, 2019.



# Recent North American M&A Activity<sup>1</sup>

## Better-For-You

(USD in millions)

Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EBITDA	Margin
Announced	CytoSport business of Hormel Foods Corporation		CytoSport business of Hormel Foods Corporation is a sports-oriented nutritional products manufacturing business.	PepsiCo, Inc.	\$465.0	\$300.0	-	1.6x	-	-
1/30/2019	Good Food Holdings, LLC		Good Food Holdings, LLC processes and provides natural foods.	PK Retail Holdings Inc.	\$275.0	\$598.0	-	0.5x	-	-
10/17/2018	Pirate Brands, LLC		Pirate Brands, LLC, dba Pirate Brands, manufactures healthy snack products.	Amplify Snack Brands, Inc.	\$420.0	-	-	-	-	-
10/15/2018	Algae World, Inc.		Algae World, Inc. develops and manufactures organic products for food and other industries.	KYN Capital Group, Inc.	\$3.0	-	-	-	-	-
					Mean	\$290.8	\$449.0	NA	1.0x	NA
					Median	\$347.5	\$449.0	NA	1.0x	NA

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of March 31, 2019.

# Recent North American M&A Activity<sup>1</sup> ooo●oooooooooooo

## Confectionery/Snacks

(USD in millions)






Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EBITDA	EBITDA Margin
Announced	Tres Ojos Naturals, LLC		Tres Ojos Naturals, LLC, dba SolDaze, produces cannabis-infused fruit snacks.	Nutritional High International, Inc.	\$3.0	-	-	-	-	-
1/29/2019	Blommer Chocolate Company		Blommer Chocolate Company processes, manufactures and supplies integrated chocolate and cocoa in North America.	Fuji Oil Holdings, Inc.	\$750.0	\$907.0	\$56.0	0.8x	13.4x	6.2%
11/5/2018	Lamb Weston BSW, LLC		Lamb Weston BSW, LLC manufactures potato chips and snacks.	Lamb Weston Holdings, Inc.	\$182.0	-	-	-	-	-
				Mean	\$311.7	\$907.0	\$56.0	0.8x	13.4x	6.2%
				Median	\$182.0	\$907.0	\$56.0	0.8x	13.4x	6.2%

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of March 31, 2019..

# Recent North American M&A Activity<sup>1</sup>

## General

(USD in millions)






Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EBITDA	Margin
Announced	North American coatings and seasonings business of Southeastern Mills, Inc.		North American coatings and seasonings business of Southeastern Mills, Inc. manufactures and sells coatings and seasonings.	Kerry Group plc	\$192.3	-	-	-	-	-
Announced	Frozen Specialties, Inc.		Frozen Specialties, Inc. produces and sells frozen pizzas and pizza bites.	Bellisio Foods, Inc.	\$15.5	\$57.6	-	0.3x	-	-
2/25/2019	The Schwan Food Company, Inc.		The Schwan Food Company, Inc., through its subsidiaries, produces and sells frozen food products.	CJ Foods America Corp.	\$2,180.0	-	-	-	-	-
2/25/2019	Wesson Oil Brand of Conagra Brands, Inc.		Wesson Oil Brand of Conagra Brands, Inc. comprises the operations of Wesson Oil, which manufactures cooking oils.	Richardson International Limited	\$180.0	-	-	-	-	-
1/7/2019	La Vida Verde, Inc.		La Vida Verde, Inc. engages in extraction, manufacturing and distribution of cannabis food products.	International Cannabrand, Inc.	\$12.1	-	-	-	-	-

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of March 31, 2019.

# Recent North American M&A Activity<sup>1</sup>

## General

(USD in millions)





Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/ Revenue	EBITDA	EBITDA Margin
1/4/2019	Primal Nutrition, LLC		Primal Nutrition, LLC manufactures and markets food seasonings, such as condiments, sauces and dressings.	The Kraft Heinz Company	\$200.0	\$50.0	-	4.0x	-	-
12/31/2018	Hans Kissle Company, LLC		Hans Kissle Company, LLC is a food manufacturing company offering salads, prepared foods, desserts, deli meats and dinner kits.	Mitsui & Co., Ltd.; KENKO Mayonnaise Co., Ltd.	\$108.0	-	-	-	-	-
12/1/2018	Yucatan Foods, LP		Yucatan Foods, LP produces and sells guacamole in the United States.	Apio, Inc. (nka Curation Foods, Inc.)	\$80.0	\$60.0	\$5.0	1.3x	16.0x	8.3%
10/26/2018	Pinnacle Foods, Inc.		Pinnacle Foods, Inc. manufactures, markets and distributes branded convenience food products in North America.	Conagra Brands, Inc.	\$10,904.1	\$3,156.8	\$659.7	3.5x	16.5x	20.9%
10/1/2018	Dakota Growers Pasta Company, Inc.		Dakota Growers Pasta Company, Inc. manufactures pasta for retail private label, foodservice and ingredient customers.	Thomas H. Lee Partners, L.P.	\$400.0	-	-	-	-	-
				Mean	\$1,427.2	\$831.1	\$332.4	2.3x	16.3x	14.6%
				Median	\$186.2	\$58.8	\$332.4	2.4x	16.3x	14.6%

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of March 31, 2019.

# Recent North American M&A Activity<sup>1</sup>

## Dairy

(USD in millions)

Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EBITDA	EBITDA Margin
Announced	Canadian Natural Cheese Business of Kraft Canada, Inc.		Canadian Natural Cheese Business of Kraft Canada, Inc. comprises natural cheese brands, including Cracker Barrel, P'tit Quebec and aMOOza!.	Parmalat Canada, Inc.	\$1,233.8	\$426.5	-	2.9x	-	-
1/31/2019	Rolling Meadow Dairy brand and business of GreenSpace Brands, Inc.		Rolling Meadow Dairy brand and business of GreenSpace Brands, Inc. is a dairy business.	Organic Meadow Co-Operative, Inc.	\$1.4	-	-	-	-	-
1/11/2019	Milk Plant of Saputo, Inc.		Milk Plant of Saputo, Inc. is a milk-producing plant in Canada.	Peterson Group BC	\$218.0	-	-	-	-	-
11/30/2018	Activities of F&A Dairy Products, Inc.		Activities of F&A Dairy Products, Inc. consists of manufacturing a variety of natural cheeses, including mozzarella and provolone.	Saputo, Inc.	\$85.0	-	-	-	-	-
					Mean	\$384.5	\$426.5	NA	2.9x	NA
					Median	\$151.5	\$426.5	NA	2.9x	NA






<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of March 31, 2019.



# Recent North American M&A Activity<sup>1</sup>

## Protein Producers

(USD in millions)


Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EBITDA Margin
Announced	Iowa Premium Beef, LLC		Iowa Premium Beef, LLC offers meat slaughtering and meat product packing services.	Jefferies Financial Group, Inc., National Beef Packing Co., LLC and others	\$150.0	\$650.0	-	0.2x	-
Announced	Advanced Fresh Concepts Corp.		Advanced Fresh Concepts Corp. develops and supplies sushi products to supermarkets in the United States and Canada.	Zensho Holdings Co., Ltd.	\$257.0	-	-	-	-
3/29/2019	Ariake U.S.A., Inc.		Ariake U.S.A., Inc. produces and sells stocks and broths, meat bases, sauces, fats and dried stock.	Kerry, Inc.	\$176.0	\$53.0	-	3.3x	-
2/28/2019	Sam Kane Beef Processors, Inc.		Sam Kane Beef Processors, Inc. processes, produces, markets and distributes beef meat products to customers in the United States and internationally.	STX Beef Company	\$1.5	-	-	-	-
12/3/2018	Processing Facility of Hormel Foods Corporation in Fremont, Nebraska		The business is a pork processing facility.	WholeStone Farms, LLC	\$30.0	-	-	-	-

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of March 31, 2019.

# Recent North American M&A Activity<sup>1</sup>

## Protein Producers

(USD in millions)

Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EBITDA Margin
11/25/2018	Pinty's Delicious Foods, Inc.		Pinty's Delicious Foods, Inc. produces and supplies fresh and frozen chicken products to the retail and food service industry in Canada.	Olymel S.E.C./L.P.	-	\$180.1	-	-	-
11/13/2018	Les Produits Alimentaires Viau, Inc.		Les Produits Alimentaires Viau, Inc. develops, produces and markets cooked or dry-cured pepperoni, Italian cooked meats, sausages, pizza toppings and meatballs.	Maple Leaf Foods, Inc.	\$167.8	\$140.5	-	1.2x	-
10/2/2018	Specialty Foods Group, Inc.		Specialty Foods Group, Inc. produces meat products.	Indiana Packers Corporation	\$30.5	-	-	-	-
					Mean	\$116.1	\$255.9	NA	NA
					Median	\$150.0	\$160.3	NA	NA

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of March 31, 2019.

# Recent North American M&A Activity<sup>1</sup> ○○○○○○○○○●○○○○

## Specialty-Pet

(USD in millions)




Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/ Revenue	EBITDA	EBITDA Margin
Announced	International Dehydrated Foods, Inc./American Dehydrated Foods, Inc.		International Dehydrated Foods, Inc. produces protein-fortifying ingredients for pet food, and American Dehydrated Foods, Inc. provides ingredients to pet food manufacturers.	Symrise AG	\$900.0	\$220.0	\$51.0	4.1x	17.6x	23.2%
12/20/2018	Shelby JV, LLC		Shelby JV, LLC processes and sells pet food products.	Scales Corporation Limited	\$38.7	-	-	-	-	-
10/17/2018	HBH Enterprises, LLC		HBH Enterprises, LLC, dba Ballard Manufacturing, develops and manufactures pet treats and supplements.	Petiq, LLC	\$14.8	-	-	-	-	-
				Mean	\$317.8	\$220.0	\$51.0	4.1x	17.6x	23.2%
				Median	\$38.7	\$220.0	\$51.0	4.1x	17.6x	23.2%

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of March 31, 2019.

# Recent North American M&A Activity<sup>1</sup>

## Non-Alcoholic Beverages

(USD in millions)






Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EBITDA	Margin
Announced	Café Cachita coffee brand of H&H Coffee Group Export Corp.		Café Cachita coffee brand of H&H Coffee Group Export Corp. consists of a business unit that produces coffee.	CLR Roasters, LLC	\$0.7	-	-	-	-	-
Announced	Bev Canna Enterprises, Inc.		Bev Canna Enterprises, Inc. produces cannabis-infused beverages.	Abattis Bioceuticals Corp.	\$11.4	-	-	-	-	-
Announced	Wild Poppy Company, Inc.		Wild Poppy Company, Inc. produces and wholesales beverages with juice and organic fruit.	Life On Earth, Inc.	\$1.5	-	-	-	-	-
Announced	10828416 Canada, Inc.		10828416 Canada, Inc. develops cannabidiol-based food and beverage products, including CBD-infused teas, waters, non-alcoholic beverages, sports drinks and a variety of other cannabidiol finished goods.	Upper Canyon Minerals Corp.	\$8.0	-	-	-	-	-
Announced	Mars Drinks North America, LLC		Mars Drinks North America, LLC offers specialty single-serve coffees, teas and hot chocolate drinks for offices in the United States and Canada.	Luigi Lavazza S.p.A.	-	\$350.0	-	-	-	-

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of March 31, 2019.

# Recent North American M&A Activity<sup>1</sup>

## Non-Alcoholic Beverages

(USD in millions)

Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EBITDA Margin
Announced*	CBD Lifestyle Corp.		CBD Lifestyle Corp. develops and markets beverages infused with hemp-derived extracts and derivatives.	River Wild Exploration, Inc. (nka CENTR Brands Corp.)	\$10.7	-	-	-	-
2/14/2019	Beverage brand and intellectual property portfolio of Carlsbad Naturals, LLC		Beverage brand and intellectual property portfolio comprises packaged products manufacturing and intellectual property.	Isodiol International, Inc.	\$8.5	-	-	-	-
2/8/2019	Cott Beverages, LLC		Cott Beverages, LLC develops and manufactures soft drink concentrates for bottlers in the United States and internationally.	Refresco Group N.V.	\$50.0	\$80.0	-	0.6x	-
1/24/2019	Blessed Bean Coffee, LLC		Blessed Bean Coffee, LLC produces beverages such as coffee, tea and cocoa.	Elev8 Brands, Inc.	\$0.1	-	-	-	-
1/22/2019	True Buch Kombucha		True Buch Kombucha provides organic tea beverages.	Zenabis Global, Inc.	\$3.0	-	-	-	-

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of March 31, 2019.






\*Closed on April 1, 2019



# Recent North American M&A Activity<sup>1</sup>

## Non-Alcoholic Beverages

(USD in millions)




Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EBITDA	EBITDA Margin
12/31/2018	Los Angeles manufacturing and bottling plant business of Reed's, Inc.		Manufacturing and bottling plant business of Reed's, Inc. comprises the business of manufacturing and bottling beverages.	California Custom Beverage, LLC	\$1.3	-	-	-	-	-
12/21/2018	Morinda Holdings, Inc.		Morinda Holdings, Inc. is a multilevel marketing company which develops and distributes Noni-based products, such as the Noni Juice line of beverages.	New Age Beverages Corporation	\$100.0	\$237.0	\$20.0	0.4x	5.0x	8.4%
11/30/2018	Core Nutrition, LLC		Core Nutrition, LLC produces organic beverages and bottled water.	Keurig Dr Pepper, Inc.	\$525.0	-	-	-	-	-
10/15/2018	Mountain Valley Spring Company, LLC		Mountain Valley Spring Company, LLC produces and delivers bottled spring water.	DSS Group, Inc.	\$78.5	-	-	-	-	-
10/4/2018	Drink Fresh Water LLC		Drink Fresh Water, LLC manufactures cannabidiol-infused beverages.	New Age Farm, Inc. (nka New Age Brands, Inc.)	\$1.6	-	-	-	-	-
				Mean	\$57.1	\$222.3	\$20.0	0.5x	5.0x	8.4%
				Median	\$8.2	\$237.0	\$20.0	0.5x	5.0x	8.4%

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of March 31, 2019.

# Recent North American M&A Activity<sup>1</sup> ○○○○○○○○○○○○●

## Alcoholic Beverages

(USD in millions)

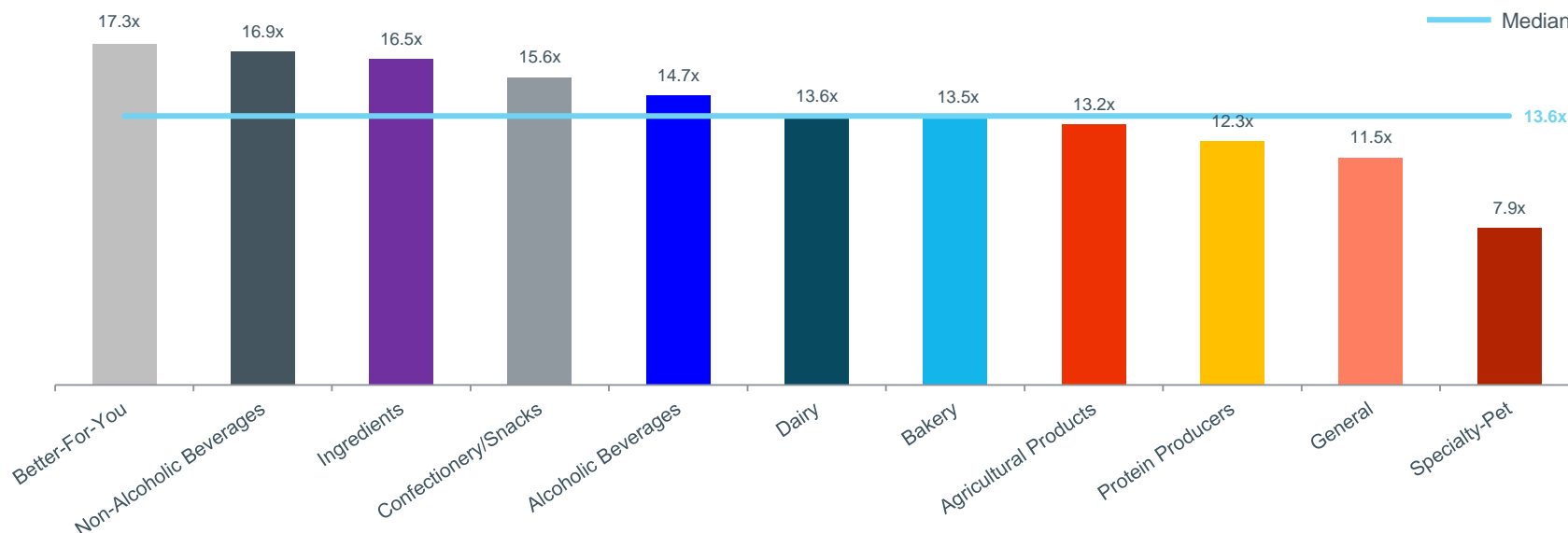
Date Closed	Target	Target Location	Target Business Description	Acquirer	Enterprise Value	LTM Revenue	LTM EBITDA	EV/Revenue	EBITDA	Margin
12/31/2018	The Pocket Shot Company		The Pocket Shot Company, a portable spirit company, designs, produces and distributes hard liquor and other beverages in flexible single-serving pouches in the United States.	Pure Harvest Cannabis Producers, Inc. (nka The Pocket Shot Company)	-	\$0.1	-	-	-	-
10/18/2018	Brewing assets and inventory of Fireweed Brewing Corp.		Fireweed Brewing Corp. is a brewer of craft beer, cider and refreshment beverages.	Big Rock Brewery, Inc.	\$0.7	-	-	-	-	-
10/10/2018	Certain assets of Cisco Brewers, Inc.		Assets of Cisco Brewers comprise intellectual property assets, raw materials, packaging materials, specified contract rights and other assets.	Craft Brew Alliance, Inc.	\$23.0	-	-	-	-	-
					Mean	\$11.8	\$0.1	NA	NA	NA
					Median	\$11.8	\$0.1	NA	NA	NA

<sup>1</sup> Includes transactions where financial details were disclosed and where more than 50% of the company was acquired. Source: S&P Global Market Intelligence as of March 31, 2019.

## Public Company Trading Multiples

- Enterprise value to LTM EBITDA multiples for Food and Beverage companies across many food segments have continued to increase compared to median multiples of the preceding five years (see pages 22 and 23 for historical multiples by subsector).
- As of March 31, 2019, companies in the Better-For-You and Non-Alcoholic Beverages segments commanded the highest median EBITDA multiples, driven by the growing preference for healthy lifestyle choices, rising disposable incomes and market-wide interest in the possibilities of cannabis-infused beverages.
- Better-For-You products continue to benefit from younger generations' focus on health, as they constitute a growing portion of the overall demand, with median multiples increasing to 17.3x as of March 31, 2019.
- Many large companies in the Non-Alcoholic Beverages sector have acquired companies in the cannabis space in anticipation of national legalization in the United States following cannabis legalization in Canada this past October. As well, strong strategic corporate activity and product innovation have supported higher median multiples, such as 16.9x for Non-Alcoholic beverages as of March 31, 2019.
- Other trends continue to support valuations in other subsectors—for example, the Confectionery/Snacks and Ingredients markets are driven by product premiumization and the introduction of new flavors and healthy ingredients.

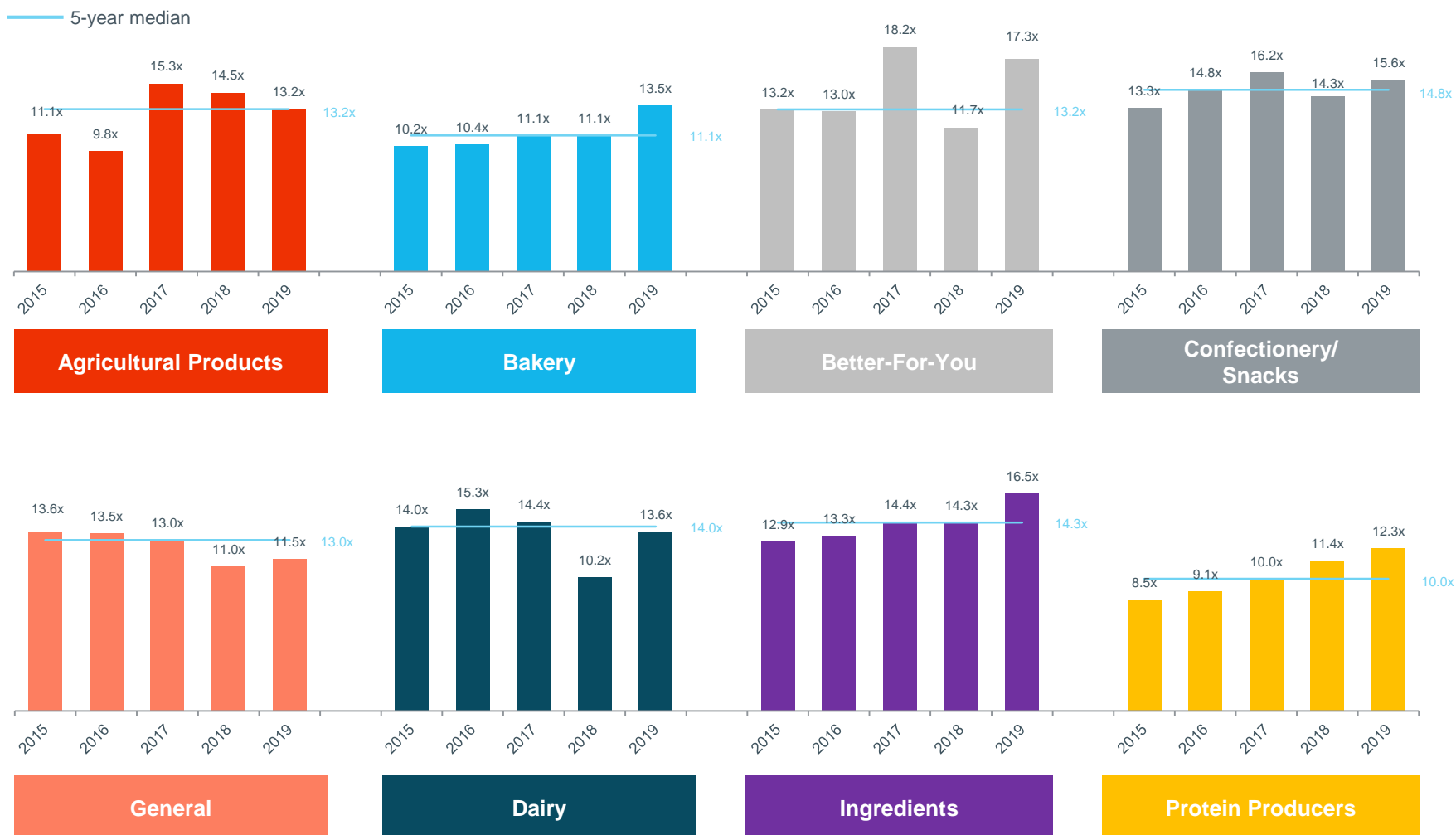
EV/LTM EBITDA Median Multiples by Subsector as of March 31, 2019



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. Sources: S&P Global Market Intelligence, Businesswire, PR Newswire.

# Public Company Trading Multiples

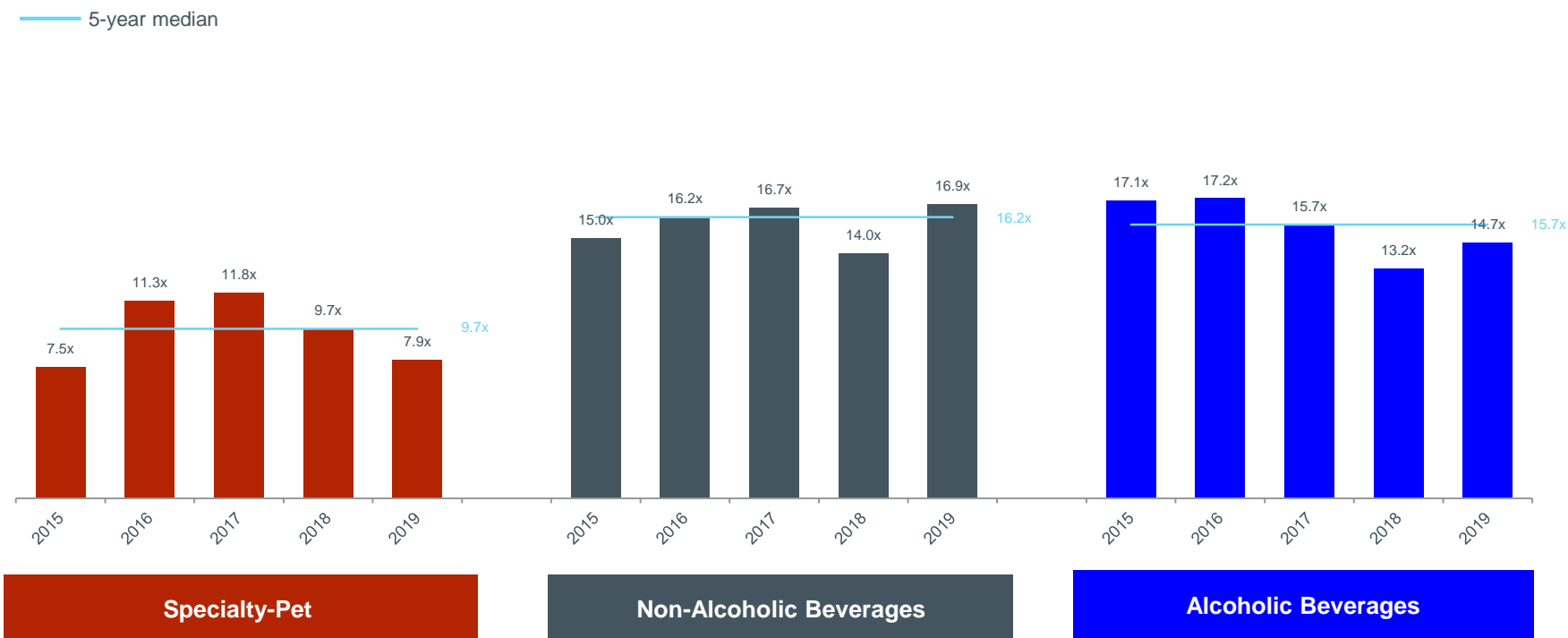
## EV/LTM EBITDA Median Multiples – Food and Beverage Subsectors as of March 31, 2019



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. Sources: S&P Global Market Intelligence

# Public Company Trading Multiples

## EV/LTM EBITDA Median Multiples – Food and Beverage Subsectors as of March 31, 2019

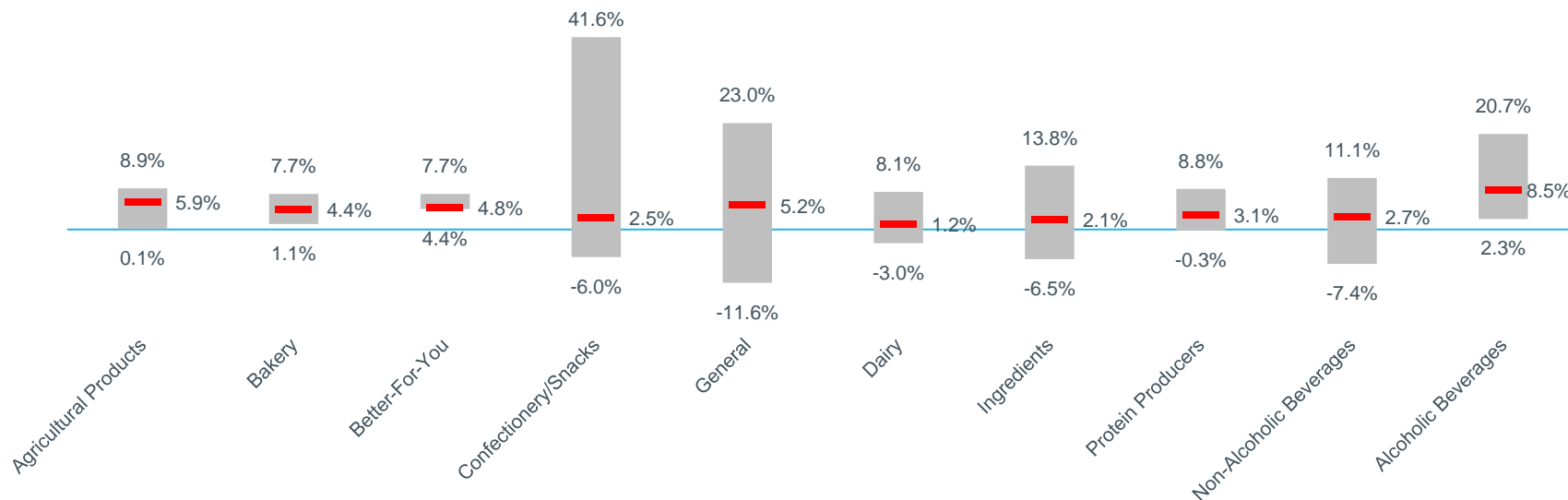


Note: Sector constituents based on selected comparable companies; certain periods exclude outliers based on Duff & Phelps analysis; EBITDA does not reflect adjustments for extraordinary items. EV = Enterprise Value = Market Capitalization + Total Debt + Preferred Equity – Cash and Short Term Investments.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

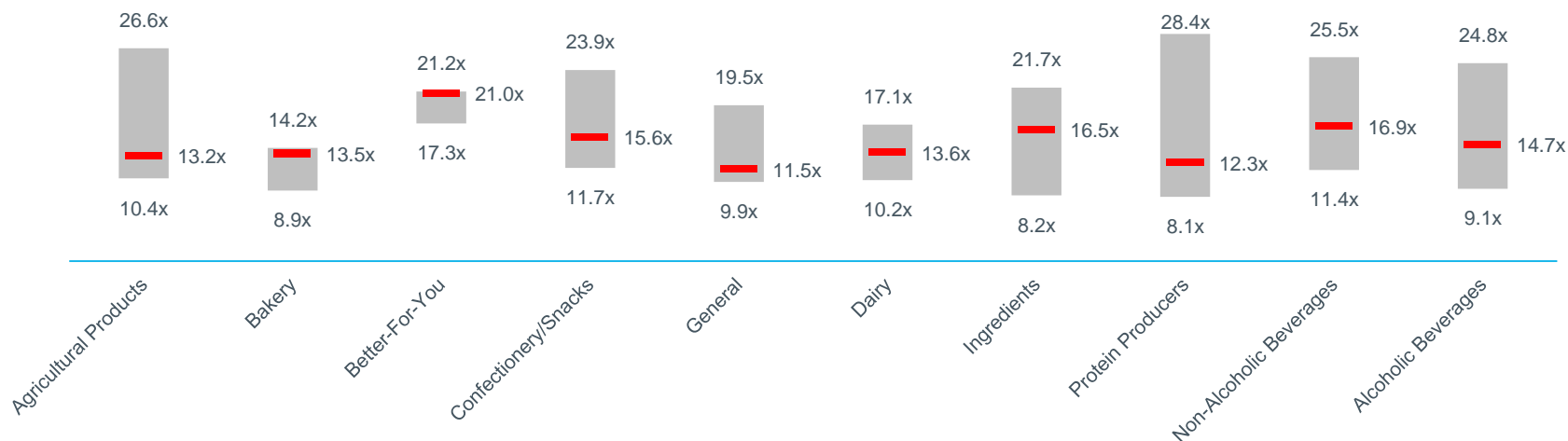


# Select Public Company Operating and Trading Statistics

## 5-Year Revenue Growth Rate (CAGR)<sup>1</sup> – Range and Median (as of March 31, 2019)\*



## Enterprise Value/LTM EBITDA (by Sector)<sup>1</sup> – Range and Median (as of March 31, 2019)\*



\*Specialty-Pet companies were excluded due to insufficient data. <sup>1</sup> The values above represent high, median and low data points for each category as of March 31, 2019.

Source: S&P Global Market Intelligence; Q1 2019 as of close on March 31, 2019.

# Public Company Trading Statistics.oo

(USD in millions, except per share data)

USD in millions, except per share data																		
Company	HQ	31-Mar-19 Stock Price	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	2019E	2020E	LTM	2019E	2020E	
<b>Agricultural Products</b>																		
Lamb Weston Holdings Inc.	U.S.	\$ 74.94	89%	\$ 10,962	\$ 13,231	\$ 3,671	NA	23.6%	\$ 3,111	13.8%	3.0x	3.6x	3.6x	3.4x	15.3x	14.7x	13.6x	
Fresh Del Monte Produce Inc.	U.S.	27.03	52%	1,308	2,031	4,494	4.1%	4.1%	3,255	1.7%	3.6x	0.5x	0.4x	0.4x	11.1x	8.7x	7.9x	
Calavo Growers Inc.	U.S.	83.85	78%	1,476	1,512	1,099	8.8%	5.2%	380	10.5%	0.5x	1.4x	1.3x	1.2x	26.6x	17.4x	15.6x	
Lassonde Industries Inc.	CA	132.04	59%	918	1,198	1,168	8.9%	9.8%	966	5.7%	2.0x	1.0x	1.0x	0.9x	10.4x	9.9x	9.1x	
Rogers Sugar Inc.	CA	4.51	97%	474	721	592	7.8%	11.8%	633	5.5%	3.5x	1.2x	1.2x	1.1x	10.4x	9.3x	8.8x	
Seneca Foods Corporation	U.S.	24.60	69%	236	589	1,328	0.1%	-0.5%	962	-2.3%	NA	0.4x	NA	NA	NM	NA	NA	
Landec Corporation	U.S.	12.28	79%	358	442	546	3.4%	5.1%	502	2.0%	5.2x	0.8x	0.8x	0.7x	15.9x	19.5x	12.4x	
Median			78%	\$ 918	\$ 1,198	\$ 1,168	5.9%	5.2%	\$ 962	5.5%	3.2x	1.0x	1.1x	1.0x	13.2x	12.3x	10.7x	
Mean			75%	2,247	2,818	1,843	5.5%	8.4%	1,401	5.3%	3.0x	1.3x	1.4x	1.3x	15.0x	13.3x	11.2x	
<b>Bakery</b>																		
George Weston Limited	CA	\$ 71.89	86%	\$ 11,018	\$ 27,576	\$ 35,593	7.7%	8.8%	\$ 32,109	4.2%	3.6x	0.8x	0.7x	0.7x	8.9x	8.0x	7.7x	
Flowers Foods Inc.	U.S.	21.32	93%	4,508	5,483	3,952	1.1%	10.3%	2,846	6.1%	2.4x	1.4x	1.4x	1.3x	13.5x	12.6x	12.1x	
Hostess Brands Inc.	U.S.	12.50	83%	1,251	2,443	850	NA	20.2%	3,011	2.8%	4.9x	2.9x	2.8x	2.7x	14.2x	12.1x	11.2x	
Median			86%	\$ 4,508	\$ 5,483	\$ 3,952	4.4%	10.3%	\$ 3,011	4.2%	3.6x	1.4x	1.4x	1.3x	13.5x	12.1x	11.2x	
Mean			88%	5,592	11,834	13,465	4.4%	13.1%	12,655	4.4%	3.6x	1.7x	1.6x	1.6x	12.2x	10.9x	10.3x	
<b>Better-For-You</b>																		
The Hain Celestial Group Inc.	CA	\$ 71.89	86%	\$ 11,018	\$ 27,576	\$ 35,593	7.7%	8.8%	\$ 32,109	4.2%	3.6x	0.8x	0.7x	0.7x	8.9x	8.0x	7.7x	
The Simply Good Foods Company	U.S.	23.12	72%	2,407	3,097	2,397	4.4%	7.5%	2,803	2.6%	3.8x	1.3x	1.3x	1.4x	17.3x	16.5x	15.2x	
SunOpta Inc.	CA	3.45	39%	302	902	1,261	4.8%	3.4%	897	0.7%	11.8x	0.7x	0.7x	0.7x	21.0x	17.2x	13.7x	
Median			72%	\$ 2,407	\$ 3,097	\$ 2,397	4.8%	7.5%	\$ 2,803	2.6%	3.8x	0.8x	0.7x	0.7x	17.3x	16.5x	13.7x	
Mean			65%	4,576	10,525	13,084	5.6%	6.5%	11,936	2.5%	6.4x	0.9x	0.9x	0.9x	15.7x	13.9x	12.2x	
<b>Confectionery/Snacks</b>																		
Mondelēz International Inc.	U.S.	\$ 49.92	100%	\$ 72,172	\$ 89,779	\$ 25,938	-6.0%	19.7%	\$ 62,729	3.7%	3.9x	3.5x	3.5x	3.4x	17.6x	17.4x	16.7x	
The Hershey Company	U.S.	114.83	100%	23,944	27,822	7,791	1.7%	26.2%	7,703	16.6%	1.9x	3.6x	3.5x	3.5x	13.6x	14.2x	13.9x	
Post Holdings Inc.	U.S.	109.40	99%	7,275	13,568	6,235	41.6%	18.6%	11,285	4.1%	5.4x	2.2x	2.4x	2.3x	11.7x	11.0x	10.4x	
J&J Snack Foods Corp.	U.S.	158.84	98%	2,983	2,847	1,145	5.4%	13.8%	934	7.8%	NA	2.5x	2.4x	2.4x	18.1x	17.0x	16.0x	
Tootsie Roll Industries Inc.	U.S.	37.24	99%	2,457	2,167	519	-0.9%	17.4%	947	4.8%	NA	4.2x	NA	NA	23.9x	NA	NA	
John B. Sanfilippo & Son Inc.	U.S.	71.87	91%	818	875	872	3.2%	7.5%	411	7.2%	0.9x	1.0x	1.0x	1.0x	13.4x	12.5x	10.4x	
Median			99%	\$ 5,129	\$ 8,207	\$ 3,690	2.5%	18.0%	\$ 4,325	6.0%	2.9x	3.0x	2.4x	2.4x	15.6x	14.2x	13.9x	
Mean			98%	18,275	22,843	7,083	7.5%	17.2%	14,002	7.4%	3.0x	2.8x	2.6x	2.5x	16.4x	14.4x	13.5x	

## 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)

Operating Metrics (LTM)																	Enterprise Value as a Multiple of					
Company	HQ	31-Mar-19 Stock Price	52-Wk High	Market Cap.	Enterprise Value	Revenue	Revenue CAGR, 5-Yr.	EBITDA Margin	Assets	Ret. on Assets	Net Debt/ EBITDA	Revenue			EBITDA							
												LTM	2019E	2020E	LTM	2019E	2020E					
General																						
The Kraft Heinz Company	U.S.	\$	32.65	50%	\$ 39,815	\$ 70,091	\$ 26,259	18.9%	26.9%	\$ 103,627	3.4%	4.3x	2.7x	2.7x	2.7x	9.9x	11.1x	10.9x				
General Mills Inc.	U.S.		51.75	100%	30,987	46,329	16,594	-1.7%	22.3%	30,286	7.1%	4.0x	2.8x	2.7x	2.7x	12.5x	13.3x	12.8x				
Kellogg Company	U.S.		57.38	77%	19,723	28,853	13,547	-1.7%	19.2%	17,780	6.9%	3.6x	2.1x	2.1x	2.1x	11.1x	11.9x	11.5x				
Campbell Soup Company	U.S.		27.74	70%	13,479	24,317	8,891	-11.6%	21.4%	22,727	5.7%	6.0x	2.7x	2.5x	2.2x	12.8x	13.2x	11.2x				
Conagra Brands Inc.	U.S.		38.13	86%	11,482	20,745	9,751	3.7%	20.5%	14,024	8.5%	4.6x	2.1x	2.1x	2.1x	10.4x	11.3x	11.2x				
The J.M. Smucker Company	U.S.		116.50	92%	13,251	19,172	7,717	6.2%	21.4%	16,928	4.7%	3.6x	2.5x	2.4x	2.4x	11.6x	11.4x	11.4x				
Pinnacle Foods Inc.	U.S.		64.55	100%	3,614	5,748	5,812	20.4%	8.7%	5,599	3.3%	4.2x	1.0x	1.0x	1.0x	11.4x	10.4x	10.2x				
TreeHouse Foods, Inc.	U.S.		156.69	81%	4,310	4,116	1,271	4.2%	16.6%	875	13.9%	NA	3.2x	3.1x	3.0x	19.5x	18.6x	17.0x				
B&G Foods Inc.	U.S.		24.42	73%	1,595	3,219	1,701	18.6%	18.1%	3,055	4.8%	5.3x	1.9x	2.0x	2.0x	10.4x	10.6x	10.4x				
Lancaster Colony Corporation	CA		57.61	63%	1,945	2,779	2,220	23.0%	8.0%	1,798	5.8%	4.6x	1.3x	1.0x	1.0x	15.7x	11.7x	10.7x				
Median				79%	\$ 12,367	\$ 19,958	\$ 8,304	5.2%	19.9%	\$ 15,476	5.8%	4.3x	2.3x	2.3x	2.2x	11.5x	11.6x	11.2x				
Mean				79%	14,020	22,537	9,376	8.0%	18.3%	21,670	6.4%	4.5x	2.2x	2.2x	2.1x	12.5x	12.4x	11.7x				
Dairy																						
Saputo Inc.	CA	\$	34.08	99%	\$ 13,298	\$ 15,040	\$ 9,534	8.1%	9.2%	\$ 7,365	6.3%	2.0x	1.6x	1.5x	1.4x	17.1x	16.0x	13.6x				
Dean Foods Company	U.S.		3.03	27%	278	1,172	7,755	-3.0%	1.5%	2,118	-1.3%	8.2x	0.2x	0.2x	0.2x	10.2x	7.3x	5.4x				
Lifeway Foods Inc.	U.S.		2.42	37%	38	41	103	1.2%	1.6%	57	-1.9%	1.9x	0.4x	NA	NA	NA	NA	NA				
Median				37%	\$ 278	\$ 1,172	\$ 7,755	1.2%	1.6%	\$ 2,118	-1.3%	2.0x	0.4x	0.8x	0.8x	13.6x	11.6x	9.5x				
Mean				55%	4,538	5,418	5,798	2.1%	4.1%	3,180	1.0%	4.0x	0.7x	0.8x	0.8x	13.6x	11.6x	9.5x				
Ingredients																						
Archer Daniels Midland Company	U.S.	\$	43.13	83%	\$ 24,157	\$ 30,606	\$ 64,341	-6.5%	5.3%	\$ 40,833	3.0%	2.2x	0.5x	0.5x	0.4x	9.0x	8.9x	8.3x				
McCormick & Company, Incorporated	U.S.		150.63	97%	19,884	24,520	5,425	5.3%	20.8%	10,228	5.8%	4.2x	4.5x	4.5x	4.4x	21.7x	21.3x	20.3x				
Bunge Limited	U.S.		128.79	86%	13,733	17,744	3,978	6.1%	21.9%	12,889	5.0%	4.5x	4.5x	3.4x	3.2x	20.4x	15.3x	14.1x				
International Flavors & Fragrances Inc.	U.S.		53.07	69%	7,507	13,671	45,743	-5.7%	3.4%	19,425	3.1%	3.1x	0.3x	0.3x	0.3x	8.8x	8.9x	8.0x				
Ingredion Incorporated	U.S.		94.69	72%	6,314	8,099	5,841	-1.6%	16.8%	5,728	8.2%	1.8x	1.4x	1.4x	1.4x	8.2x	8.1x	7.7x				
Sensient Technologies Corporation	U.S.		67.79	86%	2,867	3,545	1,387	-1.1%	18.5%	1,825	7.2%	2.6x	2.6x	2.5x	2.4x	13.8x	13.7x	12.8x				
Balchem Corporation	U.S.		92.80	79%	2,995	3,097	644	13.8%	23.8%	981	7.0%	0.7x	4.8x	4.5x	4.1x	20.2x	19.0x	18.1x				
AGT Food and Ingredients Inc.	CA		13.39	95%	401	849	1,137	6.4%	3.9%	864	1.5%	9.2x	0.7x	0.6x	0.6x	19.2x	12.0x	12.5x				
Median				84%	\$ 6,911	\$ 10,885	\$ 4,701	2.1%	17.7%	\$ 7,978	5.4%	2.9x	2.0x	2.0x	1.9x	16.5x	12.8x	12.6x				
Mean				82%	9,732	12,766	16,062	2.1%	14.3%	11,597	5.1%	3.5x	2.4x	2.2x	2.1x	15.2x	13.4x	12.7x				

# Public Company Trading Statistics

(USD in millions, except per share data)

USD in millions; except per share data																		
Company	HQ	31-Mar-19	% of	Market Cap.	Enterprise Value	Operating Metrics (LTM)							Enterprise Value as a Multiple of					
		Stock Price	52-Wk High			Revenue	Revenue CAGR, 5-Yr.	EBITDA Margin	Assets	Ret. on Assets	Net Debt/EBITDA	Revenue			EBITDA			
												LTM	2019E	2020E	LTM	2019E	2020E	
<u>Protein Producers</u>																		
Tyson Foods Inc.	U.S.	\$ 69.43	96%	\$ 25,361	\$ 37,084	\$ 40,016	2.9%	10.1%	\$ 32,335	6.4%	2.9x	0.9x	0.9x	0.8x	9.1x	8.7x	8.5x	
Hormel Foods Corporation	U.S.	44.76	97%	23,977	24,093	9,575	1.5%	14.4%	8,155	9.2%	0.1x	2.5x	2.5x	2.4x	17.4x	16.8x	16.0x	
Pilgrim's Pride Corporation	U.S.	22.29	89%	5,560	7,546	10,938	5.4%	7.1%	5,931	5.1%	2.6x	0.7x	0.7x	0.7x	9.8x	8.1x	7.5x	
Seaboard Corporation	U.S.	4,284.70	99%	5,002	4,409	6,583	-0.3%	4.5%	5,307	2.4%	NA	0.7x	NA	NA	14.9x	NA	NA	
Maple Leaf Foods Inc.	CA	23.13	89%	2,855	3,120	2,562	3.4%	8.1%	2,292	4.6%	1.3x	1.2x	1.1x	1.1x	15.1x	9.8x	9.2x	
Sanderson Farms Inc.	U.S.	131.84	100%	2,921	2,906	3,207	3.7%	3.2%	1,685	-0.4%	NA	0.9x	0.8x	0.8x	28.4x	13.1x	13.1x	
Cal-Maine Foods Inc.	U.S.	44.63	85%	2,173	1,879	1,524	1.8%	15.1%	1,194	9.1%	NA	1.2x	1.3x	1.3x	8.2x	13.2x	15.5x	
Clearwater Seafoods Incorporated	CA	3.69	77%	239	573	434	8.8%	16.4%	533	4.4%	4.6x	1.3x	1.2x	1.3x	8.1x	6.9x	6.8x	
High Liner Foods Incorporated	CA	5.87	68%	196	559	1,049	2.1%	5.8%	837	3.1%	5.9x	0.5x	0.5x	0.5x	9.2x	9.1x	8.3x	
Bridgford Foods Corporation	U.S.	23.81	73%	216	214	178	6.4%	6.1%	108	4.2%	NA	1.2x	NA	NA	19.9x	NA	NA	
Median			89%	\$ 2,888	\$ 3,013	\$ 2,885	3.1%	7.6%	\$ 1,989	4.5%	2.7x	1.1x	1.0x	1.0x	12.3x	9.4x	8.8x	
Mean			87%	6,850	8,238	7,607	3.6%	9.1%	5,838	4.8%	2.9x	1.1x	1.1x	1.1x	14.0x	10.7x	10.6x	
<u>Specialty-Pet</u>																		
Central Garden & Pet Company	U.S.	\$ 25.56	57%	\$ 1,480	\$ 1,592	\$ 2,235	6.2%	9.0%	\$ 1,951	5.4%	1.1x	0.7x	5.7x	5.1x	7.9x	23.1x	17.9x	
Freshpet Inc.	U.S.	42.29	96%	1,507	1,500	193	25.1%	4.9%	140	-2.1%	NA	7.8x	6.2x	5.1x	NM	NM	28.4x	
Median			76%	\$ 1,494	\$ 1,546	\$ 1,214	15.7%	7.0%	\$ 1,045	1.7%	1.1x	4.2x	6.0x	5.1x	7.9x	23.1x	23.2x	
Mean			76%	1,494	1,546	1,214	15.7%	7.0%	1,045	1.7%	1.1x	4.2x	6.0x	5.1x	7.9x	23.1x	23.2x	
<u>Non-Alcoholic Beverages</u>																		
The Coca-Cola Company	U.S.	\$ 46.86	92%	\$ 200,334	\$ 230,042	\$ 31,856	-7.4%	36.4%	\$ 83,216	6.9%	2.6x	7.2x	6.6x	6.3x	19.8x	20.1x	18.6x	
PepsiCo Inc.	U.S.	122.55	99%	172,095	195,507	64,983	-0.4%	20.0%	75,466	8.6%	2.0x	3.0x	2.9x	2.8x	15.0x	14.9x	14.1x	
Keurig Dr Pepper Inc.	U.S.	27.97	97%	39,363	55,246	7,442	NA	29.1%	48,918	3.3%	7.4x	7.4x	4.9x	4.8x	25.5x	16.6x	15.2x	
Monster Beverage Corporation	U.S.	54.58	82%	29,645	28,687	3,807	11.1%	35.9%	4,527	17.6%	NA	7.5x	6.9x	6.3x	21.0x	19.1x	17.4x	
National Beverage Corp.	CA	14.59	87%	1,984	3,178	2,373	2.5%	11.7%	3,176	1.4%	4.2x	1.3x	1.3x	1.3x	11.4x	9.5x	8.9x	
Cott Corporation	U.S.	57.73	45%	2,693	2,418	1,018	9.6%	20.7%	553	25.7%	NA	2.4x	2.4x	2.3x	11.5x	12.0x	11.3x	
Farmer Bros. Co.	U.S.	20.01	64%	340	457	615	2.9%	4.4%	528	-0.5%	4.3x	0.7x	0.8x	0.7x	16.9x	9.1x	7.5x	
Median			87%	\$ 29,645	\$ 28,687	\$ 3,807	2.7%	20.7%	\$ 4,527	6.9%	4.2x	3.0x	2.9x	2.8x	16.9x	14.9x	14.1x	
Mean			81%	63,779	73,648	16,013	3.1%	22.6%	30,912	9.0%	4.1x	4.2x	3.7x	3.5x	17.3x	14.5x	13.3x	
<u>Alcoholic Beverages</u>																		
Constellation Brands Inc.	U.S.	\$ 175.33	74%	\$ 33,289	\$ 46,910	\$ 8,116	10.8%	63.6%	\$ 29,232	6.6%	4.4x	5.8x	6.1x	5.8x	9.1x	16.3x	15.0x	
Brown-Forman Corporation	U.S.	52.78	89%	25,179	27,155	3,313	2.3%	33.1%	5,163	12.6%	2.1x	8.2x	8.1x	7.6x	24.8x	22.9x	22.0x	
Molson Coors Brewing Company	U.S.	59.65	79%	12,903	22,580	10,770	20.7%	21.3%	30,110	3.0%	4.1x	2.1x	2.1x	2.1x	9.9x	9.3x	9.1x	
The Boston Beer Company Inc.	U.S.	294.73	89%	3,368	3,280	996	6.1%	16.9%	640	12.0%	NA	3.3x	3.0x	2.8x	19.5x	16.8x	15.0x	
Median			84%	\$ 19,041	\$ 24,867	\$ 5,715	8.5%	27.2%	\$ 17,197	9.3%	4.1x	4.5x	4.5x	4.3x	14.7x	16.6x	15.0x	
Mean			83%	18,685	24,981	5,799	10.0%	33.7%	16,286	8.6%	3.5x	4.8x	4.8x	4.6x	15.8x	16.3x	15.3x	

## 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.

<b>Proven Execution</b>	100+ <i>Consumer M&amp;A and Capital Raise</i> transactions over the past 10 years
<b>Deep Sector Expertise</b>	Category focus drives thought leadership and builds <i>invaluable relationships with buyers and investors</i> alike
<b>Customized Approach</b>	Successful track record of <i>premium value transactions</i> driven by <i>hands-on execution and creativity</i>
<b>Experienced Team</b>	More than 30 <i>bankers</i> dedicated exclusively to the Consumer sector within North America
<b>Global Platform</b>	Nearly 3,500 <i>employees</i> across 70 <i>offices</i> in 28 <i>countries</i> , with an extensive presence in North America, Europe and Asia

**#4 Middle-Market M&A Advisor over the past five years<sup>2</sup>**

**300+ M&A Transactions over the past five years**

**#1 Ranked for U.S. and global Fairness Opinions for 2018<sup>1</sup>**

**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**

<sup>1</sup> Source: Thomson Financial Securities Data (U.S. deals \$50M < \$150M, including deals without a disclosed value). Full years 2014 through 2018.

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



## Selected Duff & Phelps Food and Beverage Experience

### Sell Side Advisor



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# About Duff & Phelps

Duff & Phelps is the global advisor that protects, restores and maximizes value for clients in the areas of valuation, corporate finance, investigations, disputes, cybersecurity, compliance and regulatory matters, and other governance-related issues. We work with clients across diverse sectors, mitigating risk to assets, operations and people. With Kroll, a division of Duff & Phelps since 2018, our firm has nearly 3,500 professionals in 28 countries around the world. For more information, visit [www.duffandphelps.com](http://www.duffandphelps.com)

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