Food and Beverage Sector Brief

Harris Williams | Q2 2023

Food and Beverage Observations and Market Updates

M&A and private markets, particularly for food and beverage companies, remain resilient despite broader market volatility

Happening in Food and Beverage Right Now

M&A Market Conditions Remain Supportive

Significant dry powder remains for acquisitions, and buyers are seeking opportunities to deploy capital

Capital Markets Experiencing Volatility

The public markets have experienced volatility recently driven by concerns about a potential recession and recent bank failures

Increasingly Attractive Market

The food and beverage market continues to be recession resilient, is scalable, and there is opportunity for accelerated growth

Partnership Deals Are More Prevalent

Buyers have moved toward more partnership deals with more meaningful seller rollover, especially for deals of scale

What We're Reading

Walmart Calls Grocery Inflation the "Biggest Issue" Facing Consumers

Yahoo! Finance – May 2023

Walmart says shoppers' wallets are getting squeezed among stubbornly high food prices. John Rainey, CFO of Walmart points out that food prices on a two-year basis are up 20% and this is causing customers to be more discretionary with larger ticket items like TVs, electronics, and apparel.

Read the full article here.

Restaurant Prices Are Rising Faster Than Grocery Prices for the First Time Since Inflation Ran Hot

CNBC Food and Beverage News – April 2023

For the first time since inflation began to rise in mid-2021, restaurant prices have outpaced grocery prices on a 12-month basis. The price of food away from home is up 8.8% over the last year, while the price of food at home is up 8.4% in the same period.

Read the full article here.

Plant-based Ingredients Are 2023's Top Superfoods

Food and Beverage Insider – March 2023

Plant derived foods like greens, nuts, seeds and fermented foods are what nutrition experts say consumers are shopping for the most in 2023.

Read the full article here.

Food at your Favorite Ballpark is Probably Going to be More Expensive

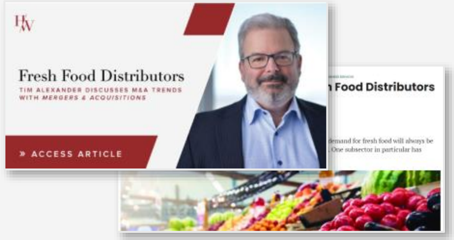
CNBC Food and Beverage News – March 2023

One of the top-selling concessionary items that could see sticker shock: ballpark franks, in part to food inflation. Also among the areas seeing the harshest pricing pressure is plastic and disposable packaging materials used to prep food. Catering and hospitality companies have begun adjusting menus and ingredients to bring down food costs.

Read the full article here.

Recent Harris Williams Food and Beverage Industry Content

- Fresh Food Distributors: Tim Alexander shares sector trends and key traits that make M&A an attractive option for investors interested in fresh food



Link to Read

- Report: Opportunities and New Frontiers in the Pet Sector

Link to Read

Select Recent Food and Beverage Transactions

AUA Private Equity Partners' Acquisition of Western Smokehouse Partners

Target | Buyer

March 21, 2023
EV: N/A
EV / LTM Revenue: N/A
EV / EBITDA: N/A

- Western Smokehouse Partners is a leading manufacturing partner for the top brands and retailers in premium, crafted protein snacks
- Western Smokehouse Partners extensive manufacturing capabilities will allow the company to continue to drive growth

ICV Partners Acquisition of Raymundo Food Group

Target | Buyer

February 21, 2023
EV: N/A
EV / LTM Revenue: N/A
EV / EBITDA: N/A

- Raymundo Food Group is a manufacturer and marketer of refrigerated snacks and desserts
- Combining Raymundo's with the Desi Natural and Noga brands will create Farmingdale-based "Desi Fresh Foods" that will be used as a platform to create the leading refrigerated South Asian food company in the U.S.

Nestlé Purina PetCare's Acquisition of Red Collar Pet Food's Treat Facility

Target | Buyer

February 7, 2023
EV: N/A
EV / LTM Revenue: N/A
EV / EBITDA: N/A

- The facility acquisition will expand Purina's pet treat capacity and serve as the 22nd Purina-owned and operated facility throughout the U.S.
- In addition to this acquisition, Purina is also currently constructing two new dry pet food factories in Eden, North Carolina and Williamsburg Township, Ohio

IRCA's Acquisition of Kerry's Sweet Ingredients Portfolio

Target | Buyer

January 11, 2023
EV: € 500
EV / LTM Revenue: 0.5x
EV / EBITDA: 12.2x

- The Sweet Ingredients Portfolio is a leading manufacturer of sweet and cereal products primarily serving the end markets of bakery, cereal, confection, and dairy in Europe and the U.S.
- This transaction will enhance IRCA's product portfolio and expand its global presence

PNC RiverArch Capital's Acquisition of Backerhaus Veit

Target | Buyer

January 9, 2023
EV: N/A
EV / LTM Revenue: N/A
EV / EBITDA: N/A

- Backerhaus Veit is a manufacturer of European-style bread, rolls, buns and soft pretzels sold through foodservice and retail
- Backerhaus Veit will join Costanzo's Bakery as part of PNC Riverarch's current investment portfolio

Vestar Capital Partners' Acquisition of Titan Frozen Fruit

Target | Buyer

January 5, 2023
EV: N/A
EV / LTM Revenue: N/A
EV / EBITDA: N/A

- Titan Frozen Fruit is a leading berry processor, providing value-added frozen ingredients to industrial, foodservice, and retail clients
- In partnership with Vestar and Windhover, Titan plans to continue to build the next generation fruit processing and ingredients company

Public Market Operational and Valuation Metrics

Food and Beverage

(USD in millions except per share data)	Mkt Cap	TEV	Stock Performance: Current Price	Stock Performance: % of LTM High	TEV / Revenue: LTM	TEV / Revenue: NTM	TEV / EBITDA: LTM	TEV / EBITDA: NTM	LTM: Revenue Growth %	LTM: EBITDA Margin	NTM: Revenue Growth %	NTM: EBITDA Margin
Food and Beverage												
Branded Processed Foods												
Associated British Foods plc	$18,666	$20,802	$24.00	93.8%	0.9x	0.9x	9.3x	7.5x	4.4%	9.9%	6.3%	11.6%
B&G Foods, Inc.	$1,117	$3,529	$15.53	59.4%	1.6x	1.6x	12.4x	10.9x	2.4%	13.1%	(0.8%)	15.0%
Campbell Soup Company	$16,465	$21,110	$54.98	95.2%	2.3x	2.2x	12.9x	12.0x	3.1%	17.8%	3.1%	18.5%
Conagra Brands, Inc.	$17,902	$27,584	$37.56	90.9%	2.3x	2.2x	12.4x	11.4x	1.4%	18.2%	2.3%	19.3%
General Mills, Inc.	$50,195	$61,413	$85.46	94.0%	3.1x	3.0x	16.1x	14.6x	3.0%	19.1%	4.3%	20.2%
The Hershey Company	$51,909	$56,563	$254.41	91.9%	5.4x	5.1x	21.5x	18.8x	3.2%	25.2%	7.3%	27.0%
Hormel Foods Corporation	$21,796	$24,485	$39.88	77.2%	2.0x	1.9x	16.2x	15.4x	(0.6%)	12.2%	2.2%	12.5%
The J. M. Smucker Company	$16,781	$21,085	$157.37	96.5%	2.5x	2.8x	13.6x	12.6x	1.9%	18.6%	(8.8%)	22.1%
Kellogg Company	$22,945	$30,313	$66.96	86.8%	2.0x	1.9x	14.5x	12.2x	2.8%	13.7%	4.6%	15.5%
McCormick & Company, Incorporated	$22,309	$27,176	$83.21	88.0%	4.3x	4.0x	24.5x	21.4x	0.7%	17.3%	6.6%	18.6%
Nestlé S.A.	$325,865	$378,184	$122.13	93.3%	3.7x	3.5x	19.1x	16.6x	8.1%	19.4%	4.6%	21.3%
Post Holdings, Inc.	$5,284	$10,928	$89.87	90.9%	1.7x	1.7x	12.5x	10.5x	3.5%	13.9%	0.1%	16.6%
Sovos Brands, Inc.	$1,672	$2,031	$16.68	81.0%	2.3x	2.2x	13.3x	15.3x	9.0%	17.3%	4.6%	14.4%
Median	**$18,666**	**$24,485**	**$66.96**	**90.9%**	**2.3x**	**2.2x**	**13.6x**	**12.6x**	**3.0%**	**17.3%**	**4.3%**	**18.5%**
High Growth, Branded Food & Beverage												
Vital Farms, Inc.	$623	$555	$15.30	84.2%	1.4x	1.2x	23.8x	17.9x	11.6%	5.8%	12.2%	6.9%
Freshpet, Inc.	$3,180	$3,053	$66.19	90.1%	4.8x	4.1x	NM	59.4x	5.9%	(2.5%)	19.2%	6.8%
Tattooed Chef, Inc.	$119	$149	$1.42	16.9%	0.7x	0.6x	NM	NM	(3.7%)	(41.0%)	7.4%	(30.7%)
Median	**$623**	**$555**	**$15.30**	**84.2%**	**1.4x**	**1.2x**	**23.8x**	**38.6x**	**5.9%**	**(2.5%)**	**12.2%**	**6.8%**
Natural / Organic Foods / Better-For-You												
The Hain Celestial Group, Inc.	$1,534	$2,470	$17.15	64.0%	1.4x	1.3x	17.2x	12.2x	(2.6%)	7.9%	4.7%	10.7%
SunOpta Inc.	$878	$1,277	$7.66	65.7%	1.4x	1.3x	18.7x	12.6x	1.9%	7.3%	8.8%	9.9%
The Simply Good Foods Company	$3,957	$4,350	$39.77	94.9%	3.7x	3.4x	20.3x	17.2x	(0.0%)	18.0%	6.6%	20.0%
Median	**$1,534**	**$2,470**	**$17.15**	**65.7%**	**1.4x**	**1.3x**	**18.7x**	**12.6x**	**(0.0%)**	**7.9%**	**6.6%**	**10.7%**
Baked Goods												
ARYZTA AG	$1,685	$1,948	$1.70	94.8%	0.9x	0.8x	9.0x	6.6x	15.1%	10.2%	9.5%	12.6%
Flowers Foods, Inc.	$5,791	$6,819	$27.41	90.9%	1.4x	1.3x	13.7x	12.9x	2.1%	10.3%	7.9%	10.2%
Grupo Bimbo, S.A.B. de C.V.	$22,285	$27,668	$5.03	86.7%	1.2x	1.2x	9.6x	8.8x	10.6%	12.7%	5.1%	13.3%
Hostess Brands, Inc.	$3,321	$4,207	$24.88	85.8%	3.1x	2.9x	15.0x	13.1x	1.0%	20.4%	4.3%	22.4%
Lancaster Colony Corporation	$5,594	$5,516	$202.88	91.9%	3.0x	2.9x	24.8x	20.3x	3.5%	12.2%	3.4%	14.4%
Median	**$5,594**	**$5,516**	**$24.88**	**90.9%**	**1.4x**	**1.3x**	**13.7x**	**12.9x**	**3.5%**	**12.2%**	**5.1%**	**13.3%**
Private Label Foods and Beverages												
Lamb Weston Holdings, Inc.	$15,241	$17,588	$104.52	90.6%	3.7x	3.0x	17.5x	14.4x	6.6%	20.9%	23.7%	20.5%
Seneca Foods Corporation	$400	$843	$52.27	76.0%	0.6x	NM	7.4x	NM	1.9%	7.6%	NA	NA
TreeHouse Foods, Inc.	$2,830	$4,352	$50.43	91.2%	1.2x	1.2x	14.5x	12.2x	3.5%	8.4%	3.2%	9.7%
Median	**$2,830**	**$4,352**	**$52.27**	**90.6%**	**1.2x**	**2.1x**	**14.5x**	**13.3x**	**3.5%**	**8.4%**	**3.2%**	**15.1%**

Public Market Operational and Valuation Metrics

Food and Beverage

(USD in millions except per share data)		Mkt Cap	TEV	Stock Performance Current Price	Stock Performance % of LTM High	TEV / Revenue LTM	TEV / Revenue NTM	TEV / EBITDA LTM	TEV / EBITDA NTM	LTM Revenue Growth %	LTM EBITDA Margin	NTM Revenue Growth %	NTM EBITDA Margin
Food and Beverage													
Dairy													
Danone S.A.		$38,994	$49,952	$62.27	93.8%	1.7x	1.7x	11.0x	10.1x	12.8%	15.4%	2.3%	16.4%
Emmi AG		$5,381	$6,035	$1,005.90	93.5%	1.3x	1.3x	14.9x	13.6x	8.5%	8.8%	4.8%	9.3%
Glanbia plc		$3,907	$4,528	$14.52	94.0%	0.8x	0.8x	10.7x	9.4x	15.7%	7.0%	(0.1%)	8.0%
Lifeway Foods, Inc.		$88	$91	$6.04	74.6%	0.6x	0.6x	11.6x	NM	2.7%	5.4%	4.6%	0.0%
Saputo Inc.		$10,866	$13,743	$25.85	94.0%	1.1x	1.0x	14.4x	10.4x	5.6%	7.4%	5.8%	9.8%
	Median	**$5,381**	**$6,035**	**$25.85**	**93.8%**	**1.1x**	**1.0x**	**11.6x**	**10.2x**	**8.5%**	**7.4%**	**4.6%**	**9.3%**
Snacks													
J&J Snack Foods Corp.		$2,850	$2,941	$148.22	89.3%	2.0x	1.9x	23.5x	16.5x	4.0%	8.5%	7.3%	11.3%
John B. Sanfilippo & Son, Inc.		$1,120	$1,156	$96.92	81.2%	1.1x	NA	10.5x	NA	2.0%	10.8%	NA	NA
Mondelez International, Inc.		$95,050	$116,777	$69.72	88.7%	3.5x	3.4x	19.0x	17.7x	4.5%	18.7%	3.8%	19.4%
PepsiCo, Inc.		$251,084	$287,347	$182.30	92.6%	3.3x	3.2x	19.4x	17.7x	1.9%	16.8%	2.0%	18.1%
Utz Brands, Inc.		$1,334	$3,002	$16.47	82.4%	2.1x	2.1x	35.1x	16.3x	4.0%	6.1%	4.0%	12.6%
	Median	**$2,850**	**$3,002**	**$96.92**	**88.7%**	**2.1x**	**2.6x**	**19.4x**	**17.1x**	**4.0%**	**10.8%**	**3.8%**	**15.3%**
Alcoholic Beverages													
Anheuser-Busch InBev SA/NV		$132,188	$213,182	$66.63	100.0%	3.6x	3.4x	11.6x	10.2x	1.7%	31.2%	5.3%	33.6%
Carlsberg A/S		$22,326	$25,674	$154.99	100.0%	2.5x	2.4x	13.7x	11.3x	11.7%	18.6%	7.4%	21.0%
Constellation Brands, Inc.		$41,676	$53,991	$225.89	86.4%	5.7x	5.5x	16.4x	15.5x	(1.1%)	34.9%	3.6%	35.6%
Diageo plc		$100,746	$121,640	$44.71	91.6%	6.0x	5.5x	17.7x	15.9x	13.0%	33.8%	8.0%	34.7%
Heineken N.V.		$61,082	$78,161	$107.63	94.4%	2.5x	2.3x	13.3x	10.5x	15.6%	19.1%	12.3%	21.6%
Kirin Holdings Company, Limited		$12,769	$18,076	$15.77	95.6%	1.2x	1.2x	10.0x	8.6x	0.9%	11.9%	1.9%	13.6%
Pernod Ricard SA		$58,078	$68,905	$226.75	97.0%	5.4x	5.1x	18.0x	15.7x	14.6%	30.2%	6.7%	32.5%
Sapporo Holdings Limited		$1,995	$3,817	$25.61	88.1%	1.0x	1.0x	16.2x	15.8x	2.4%	6.4%	(2.1%)	6.6%
	Median	**$3,650**	**$61,448**	**$87.13**	**95.0%**	**3.1x**	**2.9x**	**14.9x**	**13.4x**	**7.1%**	**24.7%**	**6.0%**	**27.0%**
Non-Alcoholic Beverages													
A.G. BARR p.l.c.		$694	$634	$6.24	89.4%	1.6x	1.3x	9.6x	8.9x	11.5%	16.8%	21.1%	15.0%
The Coca-Cola Company		$268,361	$300,730	$62.03	94.7%	6.9x	6.7x	22.3x	20.7x	1.1%	30.9%	3.2%	32.3%
Primo Water Corporation		$2,449	$4,051	$15.34	94.1%	1.8x	1.7x	10.5x	8.8x	0.7%	17.4%	4.8%	19.8%
Lassonde Industries Inc.		$526	$756	$77.10	83.9%	0.5x	0.5x	7.6x	5.8x	4.8%	6.3%	5.7%	7.8%
Monster Beverage Corporation		$56,431	$53,799	$54.01	89.3%	8.3x	7.6x	31.0x	25.2x	2.9%	26.7%	9.5%	30.1%
National Beverage Corp.		$4,922	$4,844	$52.72	91.4%	4.1x	4.0x	23.8x	20.7x	0.8%	17.4%	4.7%	19.1%
PepsiCo, Inc.		$251,084	$287,347	$182.30	92.6%	3.3x	3.2x	19.4x	17.7x	1.9%	16.8%	2.0%	18.1%
	Median	**$4,922**	**$4,844**	**$54.01**	**91.4%**	**3.3x**	**3.2x**	**19.4x**	**17.7x**	**1.9%**	**17.4%**	**4.8%**	**19.1%**

Public Market Operational and Valuation Metrics

Food and Beverage

(USD in millions except per share data)		Mkt Cap	TEV	Stock Performance Current Price	Stock Performance % of LTM High	TEV / Revenue LTM	TEV / Revenue NTM	TEV / EBITDA LTM	TEV / EBITDA NTM	LTM Revenue Growth %	LTM EBITDA Margin	NTM Revenue Growth %	NTM EBITDA Margin
Inputs													
Protein Processing													
Cal-Maine Foods, Inc.		$2,983	$2,337	$60.89	93.2%	0.8x	1.0x	2.2x	4.2x	20.5%	34.2%	(21.3%)	23.1%
JBS S.A.		$7,819	$25,731	$3.53	48.5%	0.4x	0.3x	5.3x	4.6x	3.2%	6.6%	3.7%	7.4%
Seaboard Corporation		$4,376	$4,941	$3,770.01	87.7%	0.4x	NM	5.6x	NM	1.8%	7.9%	NM	NA
Tyson Foods, Inc.		$21,096	$28,941	$59.32	64.3%	0.5x	0.5x	6.3x	8.1x	0.6%	8.6%	3.4%	6.5%
	Median	**$6,098**	**$15,336**	**$60.11**	**76.0%**	**0.5x**	**0.5x**	**5.4x**	**4.6x**	**2.5%**	**8.3%**	**3.4%**	**7.4%**
Fruit and Vegetable													
Calavo Growers, Inc.		$510	$591	$28.77	63.2%	0.5x	0.5x	23.0x	12.5x	(4.0%)	2.2%	(0.2%)	4.2%
Fresh Del Monte Produce Inc.		$1,440	$2,231	$30.11	92.7%	0.5x	0.5x	9.1x	9.3x	(0.2%)	5.5%	1.7%	5.3%
Mission Produce, Inc.		$786	$1,010	$11.11	65.5%	1.0x	1.1x	20.3x	11.7x	(0.3%)	4.8%	(8.7%)	9.1%
Dole plc		$1,114	$2,673	$11.74	87.5%	0.3x	0.3x	9.3x	7.4x	0.2%	3.1%	0.9%	3.9%
	Median	**$950**	**$1,621**	**$20.26**	**76.5%**	**0.5x**	**0.5x**	**14.8x**	**10.5x**	**(0.2%)**	**3.9%**	**0.3%**	**4.7%**
Ingredients / Flavors													
Givaudan SA		$30,058	$34,948	$3,257.65	80.0%	4.5x	4.4x	23.7x	20.9x	7.3%	19.2%	4.1%	20.9%
Ingredion Incorporated		$6,711	$9,216	$101.73	89.7%	1.1x	1.0x	8.7x	8.3x	3.1%	13.0%	11.4%	12.2%
International Flavors & Fragrances Inc.		$23,456	$34,700	$91.96	68.0%	2.8x	2.8x	16.9x	14.8x	(1.6%)	16.8%	1.3%	18.9%
Kerry Group plc		$17,661	$20,033	$99.78	86.2%	2.1x	2.1x	16.3x	14.7x	15.2%	13.1%	1.4%	14.4%
Sensient Technologies Corporation		$3,222	$3,888	$76.56	85.7%	2.7x	2.6x	15.7x	14.6x	0.9%	17.1%	4.3%	17.7%
Symrise AG		$15,216	$17,665	$108.87	88.2%	3.6x	3.3x	18.2x	16.5x	14.4%	19.7%	7.3%	20.2%
Tate & Lyle plc		$3,865	$4,179	$9.71	94.0%	1.9x	1.8x	11.6x	10.0x	NA	16.6%	5.8%	18.2%
	Median	**$15,216**	**$17,665**	**$99.78**	**86.2%**	**2.7x**	**2.6x**	**16.3x**	**14.7x**	**5.2%**	**16.8%**	**4.3%**	**18.2%**
Agribusiness													
The Andersons, Inc.		$1,385	$2,439	$41.32	88.9%	0.1x	0.1x	6.7x	7.1x	(0.6%)	2.1%	(2.2%)	2.0%
Archer-Daniels-Midland Company		$43,530	$53,004	$79.66	81.1%	0.5x	0.5x	9.8x	8.9x	0.4%	5.3%	(0.9%)	5.9%
Bunge Limited		$14,322	$19,458	$95.52	80.3%	0.3x	0.3x	6.6x	6.4x	(0.8%)	4.4%	(3.0%)	4.7%
CF Industries Holdings, Inc.		$14,206	$17,910	$72.49	60.6%	1.7x	2.3x	3.2x	4.7x	(7.7%)	54.2%	(23.4%)	48.0%
Darling Ingredients Inc.		$9,339	$12,875	$58.40	66.7%	2.0x	1.8x	11.8x	7.0x	7.5%	16.7%	7.5%	26.4%
The Mosaic Company		$15,438	$18,650	$45.88	71.0%	1.0x	1.2x	3.6x	4.6x	(1.7%)	27.7%	(19.5%)	26.8%
	Median	**$14,264**	**$18,280**	**$65.45**	**75.6%**	**0.8x**	**0.9x**	**6.7x**	**6.7x**	**(0.7%)**	**11.0%**	**(2.6%)**	**16.1%**

Public Market Operational and Valuation Metrics

Food and Beverage

			Stock Performance		TEV / Revenue		TEV / EBITDA		LTM		NTM	
(USD in millions except per share data)	Mkt Cap	TEV	Current Price	% of LTM High	LTM	NTM	LTM	NTM	Revenue Growth %	EBITDA Margin	Revenue Growth %	EBITDA Margin
Consumer and Retail												
Grocery Distribution												
SpartanNash Company	$870	$1,629	$24.80	65.7%	0.2x	0.2x	9.9x	6.5x	2.3%	1.7%	4.3%	2.5%
United Natural Foods, Inc.	$1,565	$4,885	$26.35	53.2%	0.2x	0.2x	7.9x	6.8x	1.4%	2.1%	3.4%	2.3%
Median	**$1,217**	**$3,257**	**$25.58**	**59.4%**	**0.2x**	**0.2x**	**8.9x**	**6.6x**	**1.8%**	**1.9%**	**3.9%**	**2.4%**
Foodservice Distribution												
The Chefs' Warehouse, Inc.	$1,347	$2,025	$34.05	80.8%	0.7x	0.7x	14.5x	10.8x	7.9%	4.9%	4.6%	6.4%
Colabor Group Inc.	$62	$72	$0.46	62.4%	22.5x	NA	NA	NA	(81.2%)	0.0%	NM	NM
Sysco Corporation	$39,202	$50,531	$77.23	86.9%	0.7x	0.6x	13.8x	12.0x	3.2%	5.0%	6.0%	5.4%
Performance Food Group Company	$9,422	$14,253	$60.34	95.4%	0.3x	0.2x	13.6x	10.5x	1.3%	2.0%	13.2%	2.3%
US Foods Holding Corp.	$8,568	$13,668	$36.94	88.5%	0.4x	0.4x	13.5x	9.2x	2.6%	3.0%	6.0%	4.1%
Median	**$8,568**	**$13,668**	**$36.94**	**86.9%**	**0.7x**	**0.5x**	**13.7x**	**10.6x**	**2.6%**	**3.0%**	**6.0%**	**4.8%**
Food Retail												
Costco Wholesale Corporation	$220,354	$215,793	$496.87	88.0%	0.9x	0.9x	21.8x	19.6x	1.5%	4.2%	6.7%	4.4%
Ingles Markets, Incorporated	$1,685	$2,037	$88.70	86.1%	0.4x	NM	4.4x	NM	0.1%	7.9%	NA	NA
J Sainsbury plc	$7,995	$15,312	$3.45	96.1%	0.4x	0.4x	7.9x	5.7x	(0.8%)	5.1%	3.7%	6.8%
The Kroger Co.	$35,421	$54,855	$49.37	92.3%	0.4x	0.4x	7.3x	6.9x	1.2%	5.1%	2.6%	5.2%
Natural Grocers by Vitamin Cottage, Inc.	$267	$635	$11.75	61.7%	0.6x	NM	11.2x	NM	1.0%	5.1%	NA	NA
Koninklijke Ahold Delhaize N.V.	$33,203	$48,628	$34.21	98.1%	0.5x	0.5x	8.0x	6.4x	13.2%	6.5%	4.7%	7.8%
Sprouts Farmers Market, Inc.	$3,610	$4,858	$35.03	87.6%	0.8x	0.7x	9.8x	9.8x	1.3%	7.7%	4.9%	7.4%
Tesco PLC	$23,892	$37,315	$3.29	86.8%	0.5x	0.4x	8.5x	6.8x	0.7%	5.6%	5.8%	6.6%
Village Super Market, Inc.	$332	$612	$22.88	93.7%	0.3x	NM	7.6x	NM	1.3%	3.8%	NA	NA
Weis Markets, Inc.	$2,277	$2,119	$84.67	88.6%	0.5x	NM	8.1x	NM	4.4%	5.6%	NA	NA
Median	**$5,803**	**$10,085**	**$34.62**	**88.3%**	**0.5x**	**0.5x**	**8.1x**	**6.9x**	**1.2%**	**5.3%**	**3.1%**	**6.7%**
Quick Service Restaurant												
Jack in the Box Inc.	$1,804	$4,820	$87.59	89.4%	2.9x	2.9x	15.1x	14.7x	12.4%	19.3%	1.6%	19.5%
McDonald's Corporation	$204,534	$250,741	$279.61	93.6%	10.7x	10.3x	20.0x	19.3x	1.0%	53.4%	4.1%	53.2%
Restaurant Brands International Inc.	$20,677	$35,709	$67.14	90.5%	5.4x	5.2x	15.9x	14.5x	2.1%	33.8%	3.4%	35.9%
The Wendy's Company	$4,619	$8,154	$21.78	91.1%	3.9x	3.7x	17.4x	15.2x	3.1%	22.4%	5.6%	24.2%
Yum! Brands, Inc.	$36,997	$49,265	$132.08	92.2%	7.1x	6.8x	21.0x	19.3x	1.4%	33.8%	4.9%	35.1%
Median	**$20,677**	**$35,709**	**$87.59**	**91.1%**	**5.4x**	**5.2x**	**17.4x**	**15.2x**	**2.1%**	**33.8%**	**4.1%**	**35.1%**
Fast Casual												
Chipotle Mexican Grill, Inc.	$47,186	$50,018	$1,708.29	79.8%	5.6x	5.1x	30.2x	26.9x	4.0%	18.4%	9.1%	19.0%
El Pollo Loco Holdings, Inc.	$352	$584	$9.59	73.8%	1.2x	1.2x	12.2x	10.2x	1.0%	10.1%	2.5%	11.7%
Fiesta Restaurant Group, Inc.	$214	$348	$8.22	89.4%	0.9x	0.8x	29.8x	10.2x	2.2%	3.0%	7.6%	8.2%
Noodles & Company	$225	$491	$4.85	71.5%	1.0x	0.9x	17.2x	10.2x	4.4%	5.6%	7.5%	8.8%
Potbelly Corporation	$241	$422	$8.33	74.8%	0.9x	0.9x	21.5x	15.3x	4.4%	4.2%	3.6%	5.6%
Shake Shack Inc.	$2,182	$2,616	$55.49	77.1%	2.8x	2.4x	43.8x	25.4x	5.5%	6.3%	14.4%	9.5%
Wingstop Inc.	$5,502	$6,048	$183.58	82.0%	16.9x	14.8x	58.2x	47.9x	10.1%	29.1%	14.5%	30.8%
Median	**$352**	**$584**	**$12.07**	**77.1%**	**1.2x**	**1.2x**	**29.8x**	**15.3x**	**4.4%**	**6.3%**	**7.6%**	**9.5%**

Public Market Operational and Valuation Metrics

Food and Beverage

			Stock Performance		TEV / Revenue		TEV / EBITDA		LTM		NTM	
(USD in millions except per share data)	Mkt Cap	TEV	Current Price	% of LTM High	LTM	NTM	LTM	NTM	Revenue Growth %	EBITDA Margin	Revenue Growth %	EBITDA Margin
Consumer and Retail												
Differentiated Casual												
BJ's Restaurants, Inc.	$686	$1,193	$29.14	80.6%	0.9x	0.9x	17.6x	11.5x	0.0%	5.3%	6.5%	7.6%
The Cheesecake Factory Incorporated	$1,810	$3,536	$35.05	84.9%	1.1x	1.0x	20.3x	13.2x	0.0%	5.3%	8.2%	7.5%
Chuy's Holdings, Inc.	$645	$763	$35.85	89.7%	1.8x	1.6x	15.8x	13.6x	2.8%	11.1%	8.8%	11.9%
Dave & Buster's Entertainment, Inc.	$1,781	$4,463	$36.79	80.8%	2.3x	1.9x	9.7x	8.4x	12.7%	23.4%	18.7%	22.9%
Median	**$1,233**	**$2,365**	**$36.47**	**82.9%**	**1.4x**	**1.3x**	**16.7x**	**12.3x**	**1.4%**	**8.2%**	**8.5%**	**9.7%**
Casual Dining Restaurant												
Bloomin' Brands, Inc.	$2,247	$4,330	$25.65	90.1%	1.0x	0.9x	8.1x	7.6x	2.4%	11.8%	5.2%	12.0%
Brinker International, Inc.	$1,674	$3,944	$38.00	90.2%	1.0x	0.9x	12.0x	9.8x	2.6%	8.1%	4.4%	9.4%
Darden Restaurants, Inc.	$18,884	$24,543	$155.16	94.9%	2.4x	2.2x	16.1x	14.6x	3.4%	14.7%	5.8%	15.4%
Dine Brands Global, Inc.	$1,063	$2,536	$67.64	82.1%	2.8x	3.0x	11.8x	10.1x	(1.4%)	24.0%	(4.8%)	29.4%
Red Robin Gourmet Burgers, Inc.	$229	$837	$14.32	86.8%	0.7x	0.6x	15.4x	11.8x	1.4%	4.3%	3.6%	5.4%
Texas Roadhouse, Inc.	$7,244	$7,841	$108.06	92.6%	1.9x	1.7x	16.6x	14.7x	4.7%	11.3%	11.3%	11.4%
Median	**$1,961**	**$4,137**	**$52.82**	**90.2%**	**1.4x**	**1.3x**	**13.7x**	**11.0x**	**2.5%**	**11.5%**	**4.8%**	**11.7%**
Fine Dining												
Ruth's Hospitality Group, Inc.	$524	$767	$16.42	76.4%	1.5x	1.4x	9.9x	8.5x	4.2%	15.0%	8.7%	16.0%
Median	**$524**	**$767**	**$16.42**	**76.4%**	**1.5x**	**1.4x**	**9.9x**	**8.5x**	**4.2%**	**15.0%**	**8.7%**	**16.0%**
Pizza												
Domino's Pizza, Inc.	$11,685	$16,877	$329.87	77.4%	3.7x	3.6x	20.2x	18.7x	0.3%	18.4%	2.6%	19.3%
Papa John's International, Inc.	$2,597	$3,375	$74.93	76.6%	1.6x	1.5x	15.5x	14.9x	13.1%	10.4%	5.7%	10.3%
Median	**$7,141**	**$10,126**	**$213.83**	**77.0%**	**2.7x**	**2.6x**	**17.9x**	**16.8x**	**6.7%**	**14.4%**	**4.2%**	**14.8%**
Beverage / Snack Retail												
Starbucks Corporation	$119,677	$140,247	$104.13	90.2%	4.3x	3.7x	23.4x	18.3x	6.7%	18.2%	16.2%	20.1%
Median	**$119,677**	**$140,247**	**$104.13**	**90.2%**	**4.3x**	**3.7x**	**23.4x**	**18.3x**	**6.7%**	**18.2%**	**16.2%**	**20.1%**
Family Restaurant												
Cracker Barrel Old Country Store, Inc.	$2,516	$3,682	$113.60	93.8%	1.1x	1.0x	16.1x	12.9x	2.2%	6.7%	4.9%	8.0%
Denny's Corporation	$630	$1,036	$11.16	85.0%	2.2x	2.1x	12.9x	11.6x	3.1%	17.0%	2.4%	18.6%
Median	**$1,573**	**$2,359**	**$63.36**	**89.4%**	**1.6x**	**1.6x**	**14.5x**	**12.3x**	**2.7%**	**11.9%**	**3.7%**	**13.3%**

Harris Williams Food and Beverage Experience

Select Food and Beverage Transaction Experience

Sterling has acquired Greens a portfolio company of Shoreline Equity Partners	Western Smokehouse Partners a portfolio company of Monogram Capital Partners has been acquired by AUA Private Equity Partners	Ridgemont Equity Partners has acquired Worldwide Produce a portfolio company of SSC	Denali Ingredients has been acquired by Orkla	Lipari a portfolio company of H.I.G. Capital has been acquired by Littlejohn & Co.
Aurora Capital Partners has acquired Universal Pure a portfolio company of Tilia	FreshEdge a portfolio company of Rotunda Capital Partners has been acquired by Wind Point Partners	Water Lilies a portfolio company of AUA Private Equity Partners has been acquired by Bluepoint Capital Partners	Valley Proteins, Inc. has been acquired by Darling Ingredients	Stonewall Kitchen Family of Brands a portfolio company of Audax Private Equity has been acquired by TA Associates
Just Spices has been acquired by Kraft Heinz	Mercer Foods a portfolio company of Graham Partners has been acquired by Entrepreneurial Equity Partners Mubadala	DDW The Color House has been acquired by Givaudan	BakeMark a portfolio company of Pamplona Capital Management has been acquired by Clearlake	JM Swank a portfolio company of Platinum Equity has been acquired by Brenntag
Cérélia a portfolio company of Ardian has acquired U.S. Waffle Company	ipn Inspired Pet Nutrition a portfolio company of L Catterton has been acquired by CapVest	TA Associates has invested in Mid America Pet Food Victor	mpm a portfolio company of eci building successful businesses has been acquired by 3i	Truco Enterprises a portfolio company of Insignia Capital Group has been acquired by Utz Brands

Harris Williams Transaction Spotlight

Western Smokehouse Partners a portfolio company of Monogram Capital Partners has been acquired by AUA Private Equity Partners

3/21/2023

Company Background

Leading manufacturing partner for the top brands and retailers in premium, crafted protein snacks

Key Value Drivers

- ✓ Partner to the highest growth better-for-you meat snack brands and private-label retailers
- ✓ Innovation expertise enables consumer growth and strengthens embedded position as go-to partner
- ✓ Industry-leading capabilities with a scaled infrastructure in a capacity-constrained category

Harris Williams Transaction Spotlight

Denali Ingredients has been acquired by Orkla

11/1/2022

Company Background

Leading provider of custom specialty ingredients for the ice cream and frozen novelty industry

Key Value Drivers

- ✓ Partner of choice for custom specialty ingredients with world-class facilities and unmatched speed to market
- ✓ Marquee customer base and diverse set of blue-chip relationships
- ✓ 15+ years of thoughtful leadership and deep expertise

Consumer Global Coverage

- North America
- Europe
- Asia

Consumer Sector Coverage Areas

Consumer Products:

- Consumer Durables
- Household Goods
- Enthusiast / Lifestyle
- Footwear, Apparel and Accessories
- Beauty & Personal Care
- Infant & Juvenile
- OTC Pharma / VMS
- Pet Care

Consumer Services:

- Education
- Entertainment
- Health and Wellness
- Franchisor and Franchisee Businesses
- Residential Services
- Travel and Hospitality

Consumer Multi-Site:

- Consumer Health
- Fitness Clubs
- Leisure
- Restaurants
- Specialty Retail

Food and Beverage:

- Agriculture
- Bakery
- Beverage
- Branded
- Dairy
- Distribution
- Food Services
- Ingredients
- Meat and Protein
- Natural and Organic
- Pet Food and Treats
- Produce
- Snacks

Recent Consumer Transactions

Direct Ferries a portfolio company of Livingbridge has received an investment from ICG

r.e.m.beauty has received a strategic investment from Sandbridge Capital strand equity

Sterling has acquired Greens a portfolio company of Shoreline

Western Smokehouse Partners a portfolio company of Monogram Capital has been acquired by ALPA

Groundworks a portfolio company of CORTEC Group has been acquired by KKR

Ridgemont Equity Partners has acquired Worldwide Produce a portfolio company of SSC

Unleashed Brands has been acquired by Seidler Equity Partners

Radiance Holdings a portfolio company of PNC Riverarch Capital has been acquired by TSG Consumer

Contact Us

Tim Alexander
Managing Director
talexander@harriswilliams.com
(612) 359-2716

Will Bain
Managing Director
wbain@harriswilliams.com
+44 20 7518 8906

Brant Cash
Managing Director
bcash@harriswilliams.com
(612) 359-2709

Ryan Freeman
Managing Director
rfreeman@harriswilliams.com
(612) 359-2703

Andreas Poth
Director
apoth@harriswilliams.com
+49 69 3650638 20

Andy Warczak
Director
awarczak@harriswilliams.com
(612) 359-2714

Brant Wilczek
Director
bwilczek@harriswilliams.com
(612) 359-2732

HarrisWilliams / GLOBAL M&A ADVISOR

Harris Williams is a global investment bank specializing in M&A advisory services. Clients worldwide rely on us to help unlock value in their business and turn ambitious goals into reality. We approach every engagement with boundless collaboration, pooling expertise and relationships across industries and geographies to uncover the unique story of each company.

Deep Industry Experience


Aerospace, Defense & Government Services

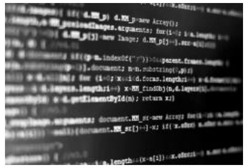

Business Services


Consumer


Energy, Power & Infrastructure


Healthcare & Life Sciences


Industrials


Technology


Transportation & Logistics

70% Revenue from repeat clients

83% Managing directors promoted from within the firm

30+ Year history

Sources and Disclosures

Sources

1. S&P Capital IQ

Disclosures and Disclaimers