



D|A|DAVIDSON
INVESTMENT BANKING

FOOD & BEVERAGE INDUSTRY UPDATE: SUN'S AT OUR BACKS

Summer 2024



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AT A GLANCE

D.A. Davidson's Consumer Group has a reputation for its depth of industry knowledge, breadth of capabilities, and tenacity of its senior professionals. Offering sector-specific expertise through a full-service platform, the team provides M&A, strategic advisory, and equity capital markets capabilities.

- 01 | Trusted M&A and capital advisor
- 02 | Full-service capabilities including public offerings and debt placements
- 03 | Global reach through D.A. Davidson MCF International
- 04 | Strong relationships and active dialogue with key strategics and consumer & food focused private equity firms

Select Recent Food & Beverage Transactions

 <p>has been acquired by</p>  <p>SELL-SIDE ADVISOR</p>	 <p>Sold the Gluten Free business of its subsidiary</p>  <p>to</p>  <p>Pending <i>mcf</i></p> <p>SELL-SIDE ADVISOR</p>	 <p>has raised growth capital</p> <p>FINANCIAL ADVISOR <i>mcf</i></p>	 <p>has merged with</p>  <p>a portfolio company of</p>  <p>FINANCIAL ADVISOR</p>
 <p>has sold its</p> <p>Sunflower & Roasted Snacks Division</p> <p>to</p>  <p>SELL-SIDE ADVISOR</p>	 <p>has been acquired by</p>  <p>SELL-SIDE ADVISOR <i>mcf</i></p>	 <p>has been acquired by</p>  <p>SELL-SIDE ADVISOR</p>	 <p>has merged with</p> <p>SilverBox Engaged Merger Corp I</p> <p>FINANCIAL ADVISOR</p>
 <p>has completed a follow-on offering of common stock</p> <p>\$40,000,000</p> <p>SOLE BOOKRUNNER</p>	 <p>has merged with</p>  <p>FINANCIAL ADVISOR</p>	 <p>has completed a follow-on offering of common stock</p> <p>\$345,345,000</p> <p>CO-MANAGER</p>	 <p>has acquired</p>  <p>ANKERKRAUT</p> <p>BUY-SIDE ADVISOR <i>mcf</i></p>





2024 Market Update; Bakery Insights

As we sit here halfway through the year, we feel pretty good about our prediction in our last update that the food & beverage M&A market would pick up steam during 2024. Before we take any victory laps however, we thought this would have been driven by multiple cuts in the Fed rate (nope), broad-based unit growth at retail (nope), and less volatility in the commodity markets (definite nope!). Despite a still choppy macro backdrop (elections anyone??), we've seen the balance of power between buyers and sellers shift back to a more level playing field and healthy middle market food & beverage businesses slowly begin to dip their toes back into the market. More importantly, we've seen strong levels of interest in the processes we've been running and are advising clients that now is once again a good time to consider a transaction.

One particular category that we've seen a tremendous amount of recent interest and activity in is Bakery. Despite noise around low carb diets and GLP-1s, Bakery has been one of the strongest performing categories within food & beverage and has led to a robust M&A market. We explore some of the trends driving the Bakery category and why we're so excited about its long-term prospects on the following page.

Consistent Growth Despite Headwinds

The Sweet Spot of In-Store Bakery

Wild Ride of Commodity Prices

Active M&A Market



Bakery has performed consistently well over the past few years despite inflationary headwinds

The Bakery market has outperformed the broader grocery market, growing at a 9% CAGR over the past five years while all food departments combined have grown at a collective 5% CAGR over the same period. During this inflationary period, Bakery unit sales remained flat (down 0.2% compared to all food down 2%) while price increases helped bakeries maintain margins and grow the dollar size of the market. This resilient spending in Bakery shows that American consumers prioritize baked goods over other parts of the store when deciding where to allocate dollars of their grocery bill.

In-Store-Bakery is the sweet spot for retailers and producers

The In-Store-Bakery (“ISB”) has seen particularly strong growth over the past five years as grocery stores devote an increasing amount of square footage to their perimeter bakery department (as opposed to center aisle). There are several trends driving this shift: higher gross margins for the grocers (~55% vs. ~30% center aisle), more frequent visits (60%+ of US consumers buy ISB products weekly) and a demographic that skews younger and with higher income than the median shopper. Investors have certainly taken notice, especially for frozen ISB platforms that bake the products at their facility before shipping them frozen to customer’s distribution centers who then ship to and thaw in-store. This allows for greater scale than Direct Store Delivery (“DSD”) models that require trucks to deliver fresh products to the store daily or weekly. We saw the strength of interest in this model firsthand while advising J. Skinner Baking on its sale to Stellex Capital earlier this year.

Commodity prices have taken bakeries for a wild ride

One of the biggest challenges for bakeries in recent years has been the volatility of input prices, especially in 2022. The year started off with a spike in flour prices due to the war in Ukraine. Once bakeries felt that was in the rearview mirror, a massive avian flu outbreak sent egg prices to unprecedented highs. More recently, cocoa prices have surged due to drought and disease driven production shortages as well as potential market speculation. Bakeries have had to be nimble in locking in or hedging key input prices in advance, mitigating input cost increases through investments in automation, or carefully implementing price increases to maintain margins. Those that have successfully navigated this environment have been rewarded with increased business from retailers that are looking to consolidate their vendor relationships.

Bakery is an active M&A market that remains ripe for consolidation

Circana estimates that the Retail Bakery market in the US is over \$48 billion with the foodservice market being roughly similar size. Although there are certainly several large players in the category, the Bakery market is still incredibly fragmented with countless regional players and bakeries specializing in specific product categories, sales channels, or price points. At the same time, there are significant advantages to scale in terms of production efficiencies, input pricing and the ability to offer national programs in multiple categories to large customers. As a result, there has been a flurry of recent M&A activity which we expect to continue for the foreseeable future.

We’ve been busy over the past several months in the Bakery category – closing a transaction, talking to strategic acquirers, walking the floor at the IDDBA show in Houston this June, and talking to numerous founder-owned bakeries. We’re passionate about the category (and eating its products!). Please reach out to any of us to discuss the latest trends in the space or the broader food & beverage space.



D.A. DAVIDSON
ADVISES
THE JAMES
SKINNER BAKING
COMPANY
ON ITS SALE TO
STELLEX CAPITAL
MANAGEMENT



“ D.A. Davidson was an essential partner in helping advise J. Skinner through this transformational partnership. Their deep understanding of our business, valuable advice and tenacity throughout the process were critical to a successful outcome for the business.

”

- AUDIE KEATON
CEO, J. Skinner Baking



j. skinner®

has been acquired by

stellex
CAPITAL MANAGEMENT

SELL-SIDE ADVISOR

D.A. Davidson served as financial advisor to the James Skinner Baking Company, a market-leading provider of artisan baked goods for the in-store bakery channel, in its sale to Stellex Capital Management, a private equity firm with over \$2.8 billion of assets under management.

D.A. Davidson was hired by the Company to find a financial partner to back its management team and provide growth capital to invest in increased production capacity, additional plant automation, and new product development.

J. Skinner ultimately chose to partner with Stellex due to Stellex’s willingness to invest capital to facilitate an aggressive growth plan, ability to provide strategic and operational support to the business, and strong cultural alignment with the management team.



View From Across the Pond

The European Food, Beverage & Agriculture M&A Market

Cautious optimism has been the recurring theme in our recent updates on European Food, Beverage and Agriculture M&A activity. Reviewing the market over the first six months of 2024, cautious optimism may still be the backdrop, but there is reason to put a little more weight on optimism.

We predicted an uptick in M&A activity at the beginning of 2024, driven by easing cost inflation, improving public market valuations and secular shifts in consumer preferences. This has been borne out in the figures: in total, there were 238 middle market FB&A deals in Europe in the first half of 2024, compared to 210 in the same period of 2023. Market activity continues to be dominated by strategic actors, but there have been several noteworthy private equity-driven transactions, such as CVC's acquisition of Partner in Pet Food and IK Partner's divestment of Mademoiselle Desserts, demonstrating that financial investors are active in the sector both on the buy and sell side. That said, activity in the first half of the year only represents an uptick and our discussions with actors in the food, beverage and agriculture market reiterate that we are far from being in a boom market.

How We Think About The Market

When considering the M&A outlook for the second half of 2024, we think about these key themes:

1. Inflation has stabilized, but the topic is still relevant. European Central Bank data shows that consumer food price inflation dropped from 5.7% at the start of 2024 to 2.4% in July 2024. Key bulk commodity prices indices have declined from 2022 peaks. However, certain key products such as olive oil and chocolate have seen well publicized, supply-driven price spikes, and input prices in certain local raw material markets continue to exhibit volatility.
2. M&A pipelines are strong, but the key question is timing. Sector M&A activity has been dampened since 2019, first by COVID-19 and then by the inflationary and consumer spending shocks following the invasion of Ukraine. Four years of muted M&A activity have created a pipeline of quality businesses looking to sell and unperforming assets which need to be divested. With strategic acquirers looking to transform their businesses and increasing, albeit selective, interest from private equity players, we expect more common ground between buyers and sellers on valuations and deal terms.
3. High growth segments continue to attract outsized attention, including convenience eating, plant-based eating and healthy snacking. As an example, the premium pet food market has seen significant activity in the first half of 2024, evidenced by two private equity deals: EMERAM's acquisition of Germany-based Provital, a D2C provider of high-quality pet food, and Juuri Partner's investment in Finland-based Alvar Pet, a D2C pet food brand. Both deals demonstrate that high growth segments and businesses are of enduring interest.

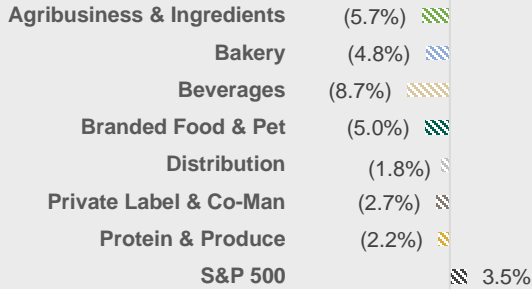
How We See The Remainder of 2024

As an M&A adviser, we are often asked for the market outlook based on our own dialogues with buyers and sellers. Put simply, we expect more assets to come to the market and more acquirers, both strategic and financial, to review opportunities. Although we are not out of the woods yet, everything points to a stronger market over the coming 12 months.

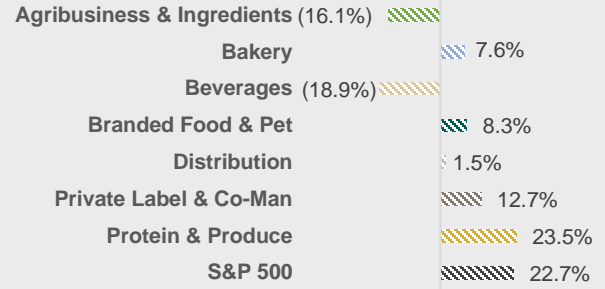


PUBLIC COMPANY VALUATION & OPERATING METRICS

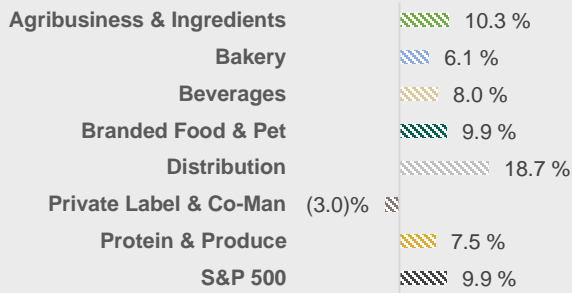
1-Month % Change In Stock Price



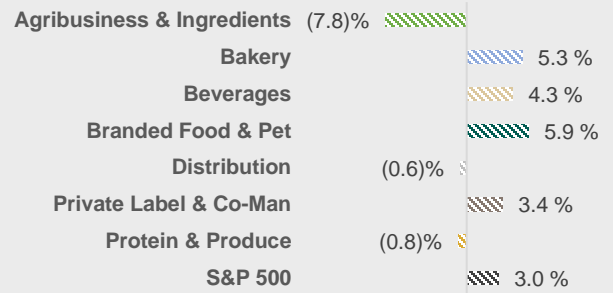
12-Month % Change In Stock Price



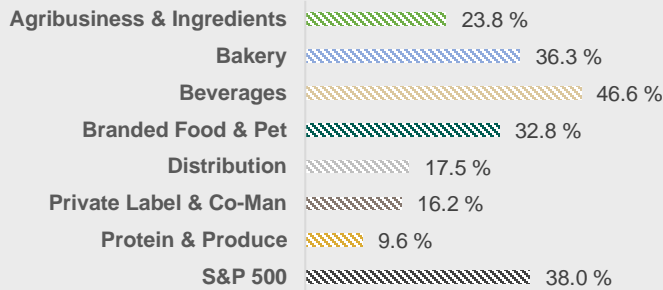
Median 3-Year Revenue CAGR



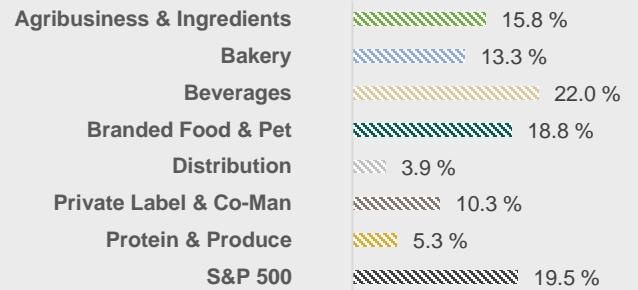
Median LTM Revenue Growth



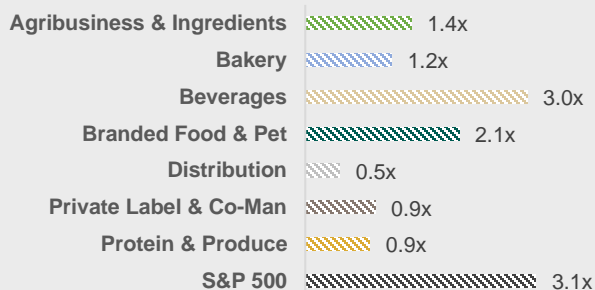
Median LTM Gross Margin



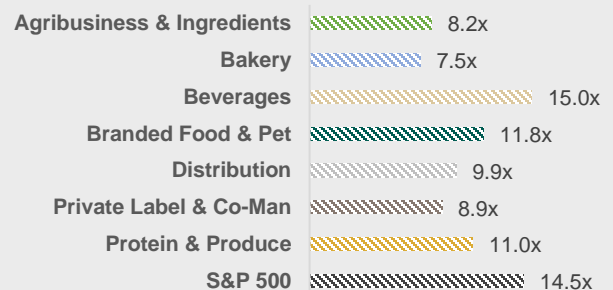
LTM EBITDA Margin



Median TEV / 2024 Revenue Multiple



Median TEV / 2024 EBITDA Multiple



PUBLIC COMPANY VALUATION & OPERATING METRICS

Agribusiness & Ingredients

Operational Metrics

Company	LTM	LTM Gross	LTM EBITDA	Debt / LTM	Revenue			EBITDA			EPS		
	Revenue	Margin	Margin	EBITDA	LTM	CY 2024	2025E	LTM	CY 2024	2025E	LTM	CY 2024	2025E
Agribusiness													
Archer-Daniels-Midland Company	\$ 91,710	7.7 %	5.0 %	2.4x	\$ 91,710	\$ 89,714	\$ 91,686	\$ 4,631	\$ 5,013	\$ 4,874	\$ 5.72	\$ 5.51	\$ 5.42
Nutrien Ltd.	\$ 27,325	29.6 %	18.0 %	2.8x	\$ 27,325	\$ 26,735	\$ 27,408	\$ 4,918	\$ 5,538	\$ 5,641	\$ 1.70	\$ 3.83	\$ 4.22
Bunge Global SA	\$ 57,629	7.9 %	6.0 %	1.7x	\$ 57,629	\$ 55,725	\$ 56,921	\$ 3,472	\$ 2,546	\$ 2,548	\$ 12.44	\$ 9.45	\$ 9.91
FMC Corporation	\$ 4,061	39.1 %	17.0 %	6.5x	\$ 4,061	\$ 4,459	\$ 4,807	\$ 689	\$ 939	\$ 1,137	\$ 9.74	\$ 3.57	\$ 4.93
Darling Ingredients Inc.	\$ 6,417	23.8 %	15.8 %	4.6x	\$ 6,417	\$ 5,965	\$ 6,382	\$ 1,011	\$ 1,260	\$ 1,599	\$ 3.35	\$ 2.33	\$ 3.82
The Andersons, Inc.	\$ 13,587	5.3 %	2.7 %	1.7x	\$ 13,587	\$ 12,118	\$ 12,700	\$ 368	\$ 335	\$ 374	\$ 3.51	\$ 3.15	\$ 3.95
Mean	\$ 33,455	18.9 %	10.7 %	3.3x	\$ 33,455	\$ 32,453	\$ 33,317	\$ 2,515	\$ 2,605	\$ 2,695	\$ 6.08	\$ 4.64	\$ 5.37
Median	\$ 20,456	15.8 %	10.9 %	2.6x	\$ 20,456	\$ 19,427	\$ 20,054	\$ 2,241	\$ 1,903	\$ 2,073	\$ 4.62	\$ 3.70	\$ 4.57
Ingredients													
International Flavors & Fragrances Inc.	\$ 11,351	33.0 %	16.3 %	6.0x	\$ 11,351	\$ 11,167	\$ 11,416	\$ 1,848	\$ 2,115	\$ 2,279	\$ (9.79)	\$ 4.03	\$ 4.38
Ingredion Incorporated	\$ 7,905	21.2 %	14.4 %	1.6x	\$ 7,905	\$ 7,885	\$ 8,078	\$ 1,141	\$ 1,213	\$ 1,262	\$ 9.98	\$ 9.60	\$ 10.30
Balchem Corporation	\$ 930	33.4 %	25.3 %	1.4x	\$ 930	\$ 974	\$ 1,027	\$ 235	\$ 244	\$ 258	\$ 3.54	\$ 4.28	\$ 4.81
MGP Ingredients, Inc.	\$ 806	36.9 %	25.0 %	1.5x	\$ 806	\$ 755	\$ 796	\$ 202	\$ 219	\$ 238	\$ 4.33	\$ 6.18	\$ 6.87
Benson Hill, Inc.	\$ 446	5.4 %	(9.6)%	NM	\$ 446	\$ 118	\$ 119	(\$43)	(\$11)	(\$4)	\$ (0.69)	\$ (0.23)	\$ (0.13)
Mean	\$ 4,287	26.0 %	14.3 %	2.6x	\$ 4,287	\$ 4,180	\$ 4,287	\$ 676	\$ 756	\$ 807	\$ 1.47	\$ 4.77	\$ 5.25
Median	\$ 930	33.0 %	16.3 %	1.6x	\$ 930	\$ 974	\$ 1,027	\$ 235	\$ 244	\$ 258	\$ 3.54	\$ 4.28	\$ 4.81
Group Mean	\$ 20,197	22.1 %	12.4 %	3.0x	\$ 20,197	\$ 19,601	\$ 20,122	\$ 1,679	\$ 1,765	\$ 1,837	\$ 3.98	\$ 4.70	\$ 5.32
Group Median	\$ 7,905	23.8 %	15.8 %	2.1x	\$ 7,905	\$ 7,885	\$ 8,078	\$ 1,011	\$ 1,213	\$ 1,262	\$ 3.54	\$ 4.03	\$ 4.81

Valuation Metrics

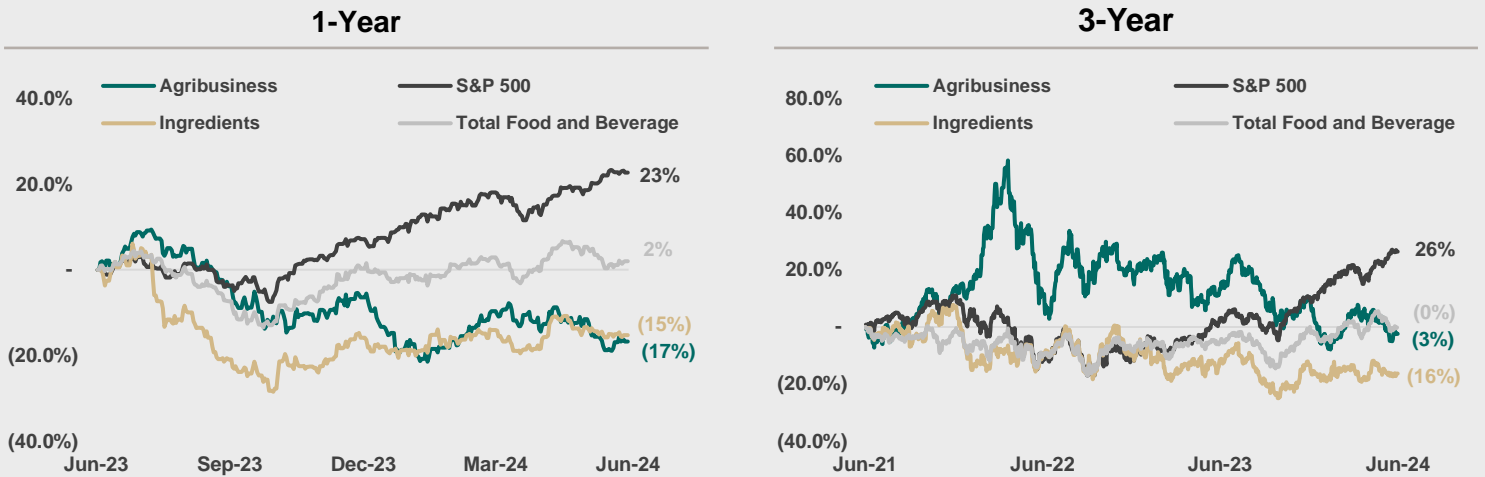
Company	6/30/2024	52-Week	Market	EV	EV / Revenue			EV / EBITDA			P / E		
	Share Price	% of High	Cap.		LTM	CY 2024	2025E	LTM	CY 2024	2025E	LTM	CY 2024	2025E
Agribusiness													
Archer-Daniels-Midland Company	\$60.45	69.2 %	\$ 29,926	\$ 40,704	0.44x	0.45x	0.44x	8.8x	8.1x	8.4x	10.6x	11.0x	11.2x
Nutrien Ltd.	\$50.89	75.3 %	\$ 25,174	\$ 38,359	1.40x	1.43x	1.40x	7.8x	6.9x	6.8x	29.9x	13.3x	12.1x
Bunge Global SA	\$106.77	91.6 %	\$ 15,206	\$ 19,013	0.33x	0.34x	0.33x	5.5x	7.5x	7.5x	8.6x	11.3x	10.8x
FMC Corporation	\$57.55	53.9 %	\$ 7,183	\$ 11,269	2.78x	2.53x	2.34x	16.4x	12.0x	9.9x	5.9x	16.1x	11.7x
Darling Ingredients Inc.	\$36.75	51.3 %	\$ 5,922	\$ 10,553	1.64x	1.77x	1.65x	10.4x	8.4x	6.6x	11.0x	15.8x	9.6x
The Andersons, Inc.	\$49.60	80.7 %	\$ 1,677	\$ 2,203	0.16x	0.18x	0.17x	6.0x	6.6x	5.9x	14.1x	15.7x	12.6x
Mean	\$60.33	70.3 %	\$ 14,182	\$ 20,350	1.13x	1.12x	1.06x	9.1x	8.2x	7.5x	13.3x	13.9x	11.3x
Median	\$54.22	72.3 %	\$ 11,195	\$ 15,141	0.92x	0.94x	0.92x	8.3x	7.8x	7.1x	10.8x	14.5x	11.4x
Ingredients													
International Flavors & Fragrances Inc.	\$95.21	95.3 %	\$ 24,312	\$ 34,655	3.05x	3.10x	3.04x	18.8x	16.4x	15.2x	NM	23.6x	21.7x
Ingredion Incorporated	\$114.70	93.9 %	\$ 7,560	\$ 9,054	1.15x	1.15x	1.12x	7.9x	7.5x	7.2x	11.5x	11.9x	11.1x
Balchem Corporation	\$153.95	96.5 %	\$ 5,036	\$ 5,297	5.70x	5.44x	5.16x	22.6x	21.7x	20.5x	43.5x	36.0x	32.0x
MGP Ingredients, Inc.	\$74.40	59.5 %	\$ 1,638	\$ 1,927	2.39x	2.55x	2.42x	9.6x	8.8x	8.1x	17.2x	12.0x	10.8x
Benson Hill, Inc.	\$0.15	9.6 %	\$ 32	\$ 90	0.20x	0.77x	0.76x	NM	NM	NM	NM	NM	NM
Mean	\$87.68	71.0 %	\$ 7,716	\$ 10,205	2.50x	2.60x	2.50x	14.7x	13.6x	12.7x	24.1x	20.9x	18.9x
Median	\$95.21	93.9 %	\$ 5,036	\$ 5,297	2.39x	2.55x	2.42x	14.2x	12.6x	11.6x	17.2x	17.8x	16.4x
Group Mean	\$72.77	70.6 %	\$ 11,242	\$ 15,739	1.75x	1.79x	1.71x	11.4x	10.4x	9.6x	16.9x	16.7x	14.4x
Group Median	\$60.45	75.3 %	\$ 7,183	\$ 10,553	1.40x	1.43x	1.40x	9.2x	8.2x	7.8x	11.5x	14.5x	11.4x



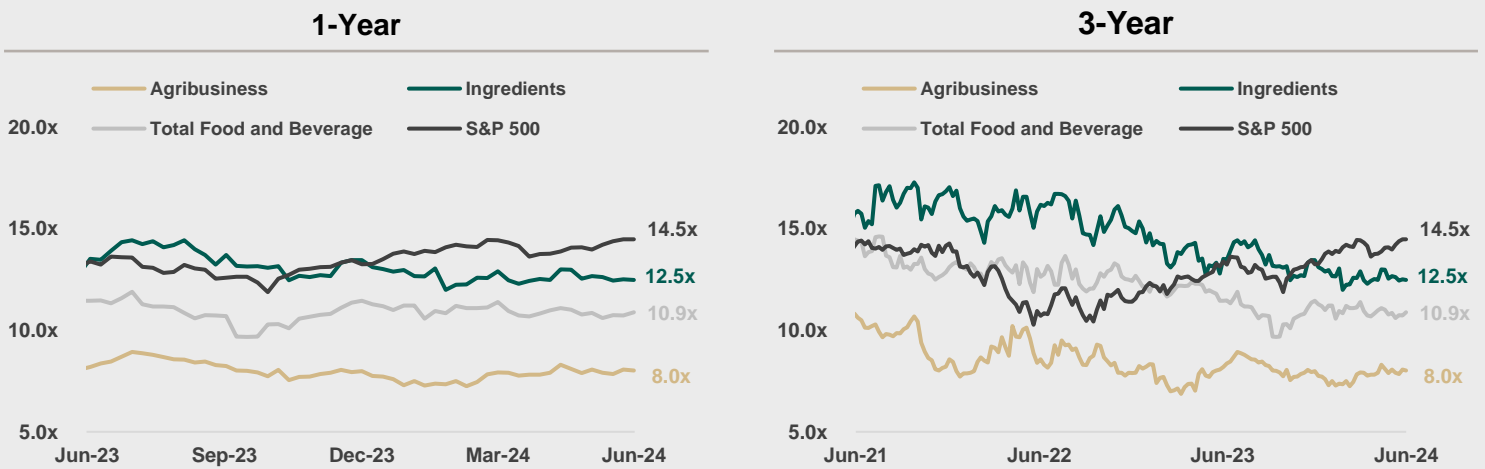
PUBLIC COMPANY VALUATION & OPERATING METRICS

Agribusiness & Ingredients

Indexed Stock Performance



EV / NTM EBITDA Multiple



Recent Transactions

Target	Buyer	Date	Target / Transaction Description
		May-24	Producer and distributor of oil-based supplements intended for nutraceuticals, pet nutrition and beauty products
		May-24	Leader in liquid portion control and bulk condiments, seasonings and dry blend mixes for the foodservice industry
		Apr-24	Manufacturer of natural, organic and plant-based flavors and extracts
		Mar-24	Leading developer and manufacturer of custom-formulated specialty ingredients and flavors for a diverse customer base

Source: S&P Capital IQ, as of 6/30/2024



PUBLIC COMPANY VALUATION & OPERATING METRICS

Bakery

Operational Metrics

Company	LTM	LTM Gross	LTM EBITDA	Debt / LTM	Revenue			EBITDA			EPS		
	Revenue	Margin	Margin	EBITDA	LTM	CY 2024	2025E	LTM	CY 2024	2025E	LTM	CY 2024	2025E
Bakery													
Grupo Bimbo, S.A.B. de C.V.	\$ 23,772	51.8 %	13.3 %	3.0x	\$ 23,772	\$ 22,813	\$ 24,323	\$ 3,157	\$ 3,141	\$ 3,421	\$ 0.19	\$ 0.19	\$ 0.23
Lotus Bakeries NV	\$ 1,175	39.1 %	18.8 %	1.5x	\$ 1,175	\$ 1,280	\$ 1,406	\$ 221	\$ 251	\$ 279	\$ 175.88	\$ 196.28	\$ 219.51
Gruma, S.A.B. de C.V.	\$ 6,638	36.3 %	16.0 %	1.8x	\$ 6,638	\$ 6,604	\$ 6,868	\$ 1,060	\$ 1,078	\$ 1,158	\$ 1.20	\$ 1.26	\$ 1.42
Flowers Foods, Inc.	\$ 5,133	48.8 %	10.2 %	2.6x	\$ 5,133	\$ 5,158	\$ 5,246	\$ 523	\$ 530	\$ 550	\$ 0.59	\$ 1.22	\$ 1.29
Lancaster Colony Corporation	\$ 1,874	23.0 %	14.8 %	0.0x	\$ 1,874	\$ 1,918	\$ 1,961	\$ 276	\$ 290	\$ 305	\$ 4.83	\$ 6.68	\$ 6.96
Yamazaki Baking Co., Ltd.	\$ 7,969	32.5 %	7.6 %	0.9x	\$ 7,969	\$ 8,019	\$ 8,175	\$ 604	\$ 640	\$ 648	\$ 1.15	\$ 1.18	\$ 1.19
ARYZTA AG	\$ 2,377	19.5 %	11.2 %	2.2x	\$ 2,377	\$ 2,461	\$ 2,524	\$ 266	\$ 349	\$ 364	\$ 0.08	\$ 0.11	\$ 0.13
Mean	\$ 6,991	35.9 %	13.1 %	1.7x	\$ 6,991	\$ 6,893	\$ 7,215	\$ 873	\$ 897	\$ 961	\$ 26.27	\$ 29.56	\$ 32.96
Median	\$ 5,133	36.3 %	13.3 %	1.8x	\$ 5,133	\$ 5,158	\$ 5,246	\$ 523	\$ 530	\$ 550	\$ 1.15	\$ 1.22	\$ 1.29

Valuation Metrics

Company	6/30/2024	52-Week	Market	EV	EV / Revenue			EV / EBITDA			P / E		
	Share Price	% of High	Cap.		LTM	CY 2024	2025E	LTM	CY 2024	2025E	LTM	CY 2024	2025E
Bakery													
Grupo Bimbo, S.A.B. de C.V.	\$3.54	69.0 %	\$ 15,391	\$ 23,898	1.01x	1.05x	0.98x	7.6x	7.6x	7.0x	18.8x	18.6x	15.5x
Lotus Bakeries NV	\$10,318.23	93.1 %	\$ 8,393	\$ 8,569	7.29x	6.69x	6.09x	NM	NM	NM	58.7x	52.6x	47.0x
Gruma, S.A.B. de C.V.	\$18.27	93.5 %	\$ 6,652	\$ 8,071	1.22x	1.22x	1.18x	7.6x	7.5x	7.0x	15.3x	14.5x	12.8x
Flowers Foods, Inc.	\$22.20	84.3 %	\$ 4,687	\$ 6,028	1.17x	1.17x	1.15x	11.5x	11.4x	11.0x	37.7x	18.2x	17.2x
Lancaster Colony Corporation	\$188.97	87.8 %	\$ 5,205	\$ 5,052	2.70x	2.63x	2.58x	18.3x	17.5x	16.6x	39.1x	28.3x	27.2x
Yamazaki Baking Co., Ltd.	\$20.53	79.9 %	\$ 4,158	\$ 4,153	0.52x	0.52x	0.51x	6.9x	6.5x	6.4x	17.9x	17.5x	17.2x
ARYZTA AG	\$1.78	87.3 %	\$ 1,763	\$ 2,227	0.94x	0.90x	0.88x	8.4x	6.4x	6.1x	23.6x	16.0x	14.0x
Mean	\$1,510.50	85.0 %	\$ 6,607	\$ 8,285	2.12x	2.03x	1.91x	10.0x	9.5x	9.0x	30.2x	23.7x	21.6x
Median	\$20.53	87.3 %	\$ 5,205	\$ 6,028	1.17x	1.17x	1.15x	8.0x	7.5x	7.0x	23.6x	18.2x	17.2x



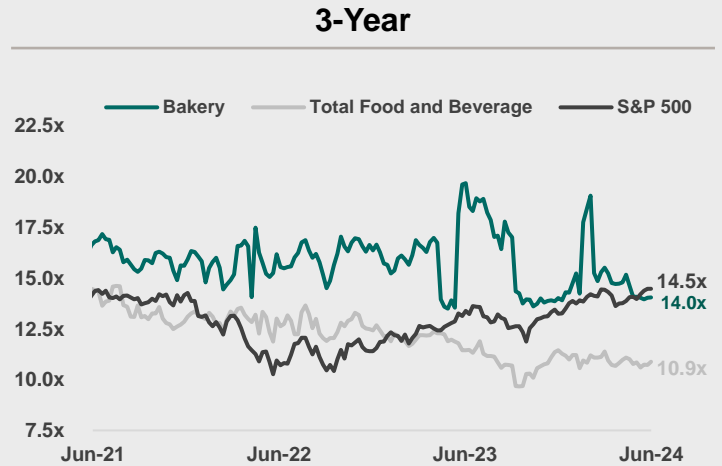
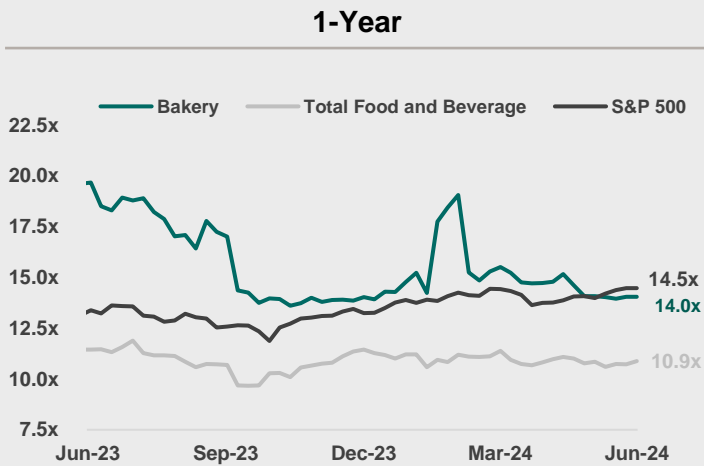
PUBLIC COMPANY VALUATION & OPERATING METRICS

Bakery

Indexed Stock Performance



EV / NTM EBITDA Multiple



Recent Transactions

Target	Buyer	Date	Target / Transaction Description
		May-24	Large family-owned bakery producing sweet goods for the in-store-bakery
		Jun-24	Family-owned food manufacturing business procuring 4-inch snack pies and 8-inch dessert pies across North America
		Jun-24	Wholesale bakery offering fresh and frozen bread products; a portfolio company of Shoreline Equity Partners, LLC.
		May-24	Producer of flavored cake pops, ice cream inclusions and seasonal enrobed cakes
		Apr-24	Baked goods company specializing in pre-proofed freezer to oven ready croissants

Source: S&P Capital IQ, as of 6/30/2024
Highlight represents Davidson transaction



PUBLIC COMPANY VALUATION & OPERATING METRICS

Beverages

Operational Metrics

Company	LTM	LTM Gross	LTM EBITDA	Debt / LTM	Revenue			EBITDA			EPS		
	Revenue	Margin	Margin	EBITDA	LTM	CY 2024	2025E	LTM	CY 2024	2025E	LTM	CY 2024	2025E
Non-Alcoholic Beverage													
The Coca-Cola Company	\$ 46,074	60.0 %	32.4 %	2.9x	\$ 46,074	\$ 45,727	\$ 48,015	\$ 14,919	\$ 15,031	\$ 16,090	\$ 2.49	\$ 2.82	\$ 3.02
Keurig Dr Pepper Inc.	\$ 14,929	55.4 %	28.3 %	4.0x	\$ 14,929	\$ 15,407	\$ 16,006	\$ 4,225	\$ 4,541	\$ 4,748	\$ 1.55	\$ 1.92	\$ 2.07
Monster Beverage Corporation	\$ 7,340	53.5 %	30.2 %	0.0x	\$ 7,340	\$ 7,824	\$ 8,598	\$ 2,217	\$ 2,333	\$ 2,631	\$ 1.58	\$ 1.77	\$ 2.03
Celsius Holdings, Inc.	\$ 1,414	49.6 %	23.2 %	0.0x	\$ 1,414	\$ 1,671	\$ 2,152	\$ 328	\$ 383	\$ 503	\$ 0.91	\$ 1.07	\$ 1.42
National Beverage Corp.	\$ 1,192	36.0 %	20.1 %	0.2x	\$ 1,192	\$ 1,212	\$ 1,243	\$ 240	\$ 254	\$ 268	\$ 1.89	\$ 1.98	\$ 2.05
The Vita Coco Company, Inc.	\$ 496	39.2 %	15.9 %	0.0x	\$ 496	\$ 510	\$ 564	\$ 79	\$ 80	\$ 90	\$ 0.91	\$ 1.02	\$ 1.18
Oatly Group AB	\$ 787	21.8 %	(19.4)%	NM	\$ 787	\$ 830	\$ 900	(\$152)	(\$42)	\$ 15	\$ (0.65)	\$ (0.28)	\$ (0.18)
Flow Beverage Corp.	\$ 31	7.8 %	(77.7)%	NM	\$ 31	\$ 42	\$ 55	(\$24)	(\$6)	\$ 2	\$ (0.58)	\$ (0.23)	\$ (0.16)
Mean	\$ 9,033	40.4 %	6.6 %	1.2x	\$ 9,033	\$ 9,153	\$ 9,692	\$ 2,729	\$ 2,822	\$ 3,043	\$ 1.01	\$ 1.26	\$ 1.43
Median	\$ 1,303	44.4 %	21.6 %	0.1x	\$ 1,303	\$ 1,442	\$ 1,697	\$ 284	\$ 319	\$ 385	\$ 1.23	\$ 1.42	\$ 1.73
Alcoholic Beverage													
Anheuser-Busch InBev SA/NV	\$ 59,714	53.9 %	31.5 %	4.2x	\$ 59,714	\$ 61,754	\$ 64,297	\$ 18,807	\$ 21,395	\$ 22,651	\$ 2.33	\$ 3.35	\$ 3.81
Brown-Forman Corporation	\$ 4,178	60.5 %	30.1 %	2.5x	\$ 4,178	\$ 4,151	\$ 4,358	\$ 1,257	\$ 1,417	\$ 1,379	\$ 2.14	\$ 2.01	\$ 1.94
Molson Coors Beverage Company	\$ 11,952	38.2 %	20.8 %	2.6x	\$ 11,952	\$ 11,752	\$ 11,816	\$ 2,485	\$ 2,455	\$ 2,475	\$ 5.01	\$ 5.61	\$ 5.80
The Boston Beer Company, Inc.	\$ 2,025	43.6 %	12.9 %	0.2x	\$ 2,025	\$ 2,032	\$ 2,100	\$ 261	\$ 251	\$ 282	\$ 8.00	\$ 10.00	\$ 12.45
The Duckhorn Portfolio, Inc.	\$ 398	54.9 %	35.0 %	2.4x	\$ 398	\$ 452	\$ 505	\$ 139	\$ 170	\$ 191	\$ 0.54	\$ 0.59	\$ 0.69
Vintage Wine Estates, Inc.	\$ 233	15.8 %	(20.4)%	NM	\$ 233	\$ 0	\$ 0	(\$48)	\$ 0	\$ 0	\$ (2.33)	\$ 0.00	\$ 0.00
Mean	\$ 13,083	44.5 %	18.3 %	2.4x	\$ 13,083	\$ 13,357	\$ 13,846	\$ 3,817	\$ 4,281	\$ 4,496	\$ 2.62	\$ 3.60	\$ 4.11
Median	\$ 3,101	48.8 %	25.4 %	2.5x	\$ 3,101	\$ 3,091	\$ 3,229	\$ 759	\$ 834	\$ 830	\$ 2.24	\$ 2.68	\$ 2.87
Group Mean	\$ 10,769	42.2 %	11.6 %	1.7x	\$ 10,769	\$ 10,955	\$ 11,472	\$ 3,195	\$ 3,447	\$ 3,666	\$ 1.70	\$ 2.26	\$ 2.58
Group Median	\$ 1,719	46.6 %	22.0 %	2.4x	\$ 1,719	\$ 1,851	\$ 2,126	\$ 294	\$ 319	\$ 392	\$ 1.57	\$ 1.84	\$ 1.99

Valuation Metrics

Company	6/30/2024	52-Week	Market	EV / Revenue			EV / EBITDA			P / E			
	Share Price	% of High	Cap.	EV	LTM	CY 2024	2025E	LTM	CY 2024	2025E	LTM	CY 2024	2025E
Non-Alcoholic Beverage													
The Coca-Cola Company	\$63.65	98.9 %	\$ 274,912	\$ 303,277	6.58x	6.63x	6.32x	20.3x	20.2x	18.8x	25.6x	22.6x	21.1x
Keurig Dr Pepper Inc.	\$33.40	95.4 %	\$ 45,277	\$ 61,710	4.13x	4.01x	3.86x	14.6x	13.6x	13.0x	21.5x	17.4x	16.2x
Monster Beverage Corporation	\$49.95	81.6 %	\$ 52,378	\$ 48,879	6.66x	6.25x	5.68x	22.0x	20.9x	18.6x	31.6x	28.2x	24.6x
Celsius Holdings, Inc.	\$57.09	57.3 %	\$ 13,526	\$ 13,473	9.53x	8.06x	6.26x	NM	NM	26.8x	62.8x	53.3x	40.2x
National Beverage Corp.	\$51.24	93.0 %	\$ 4,803	\$ 4,526	3.80x	3.73x	3.64x	18.9x	17.8x	16.9x	27.1x	25.8x	25.0x
The Vita Coco Company, Inc.	\$27.85	83.7 %	\$ 1,630	\$ 1,507	3.04x	2.96x	2.67x	19.1x	18.9x	16.7x	30.7x	27.2x	23.6x
Oatly Group AB	\$0.94	40.5 %	\$ 559	\$ 891	1.13x	1.07x	0.99x	NM	NM	NM	NM	NM	NM
Flow Beverage Corp.	\$0.16	44.0 %	\$ 12	\$ 49	1.58x	1.18x	0.89x	NM	NM	23.3x	NM	NM	NM
Mean	\$35.54	74.3 %	\$ 49,137	\$ 54,289	4.56x	4.24x	3.79x	19.0x	18.3x	19.2x	33.2x	29.1x	25.1x
Median	\$41.68	82.6 %	\$ 9,164	\$ 8,999	3.97x	3.87x	3.75x	19.1x	18.9x	18.6x	28.9x	26.5x	24.1x
Alcoholic Beverage													
Anheuser-Busch InBev SA/NV	\$58.15	86.2 %	\$ 0	\$ 78,770	1.32x	1.28x	1.23x	4.2x	3.7x	3.5x	24.9x	17.3x	15.3x
Brown-Forman Corporation	\$43.19	60.6 %	\$ 20,414	\$ 23,165	5.54x	5.58x	5.32x	18.4x	16.3x	16.8x	20.2x	21.5x	22.3x
Molson Coors Beverage Company	\$50.83	71.7 %	\$ 10,769	\$ 16,986	1.42x	1.45x	1.44x	6.8x	6.9x	6.9x	10.1x	9.1x	8.8x
The Boston Beer Company, Inc.	\$305.05	77.1 %	\$ 3,598	\$ 3,435	1.70x	1.69x	1.64x	13.2x	13.7x	12.2x	38.1x	30.5x	24.5x
The Duckhorn Portfolio, Inc.	\$7.10	54.0 %	\$ 1,044	\$ 1,357	3.41x	3.00x	2.69x	9.8x	8.0x	7.1x	13.1x	11.9x	10.3x
Vintage Wine Estates, Inc.	\$0.14	12.2 %	\$ 8	\$ 332	1.42x	NA	NA	NM	NA	NA	NM	NA	NA
Mean	\$77.41	60.3 %	\$ 5,972	\$ 20,674	2.47x	2.60x	2.46x	10.5x	9.7x	9.3x	21.3x	18.1x	16.2x
Median	\$47.01	66.1 %	\$ 2,321	\$ 10,210	1.56x	1.69x	1.64x	9.8x	8.0x	7.1x	20.2x	17.3x	15.3x
Group Mean	\$53.48	68.3 %	\$ 30,638	\$ 39,883	3.66x	3.61x	3.28x	14.7x	14.0x	15.1x	27.8x	24.1x	21.1x
Group Median	\$46.57	74.4 %	\$ 4,200	\$ 8,999	3.23x	3.00x	2.69x	16.5x	15.0x	16.8x	25.6x	22.6x	22.3x

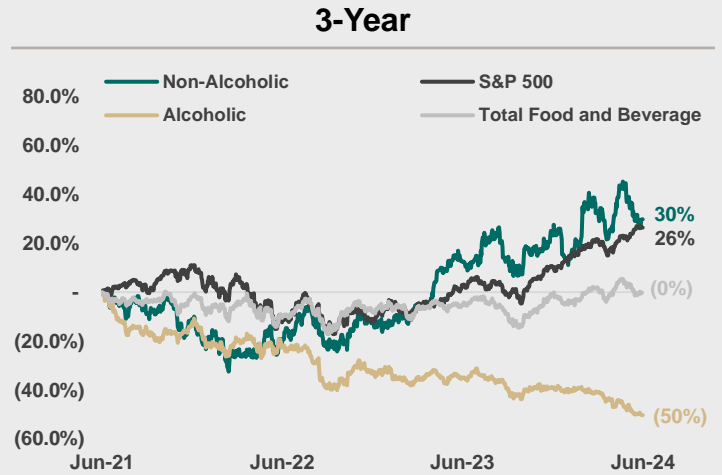
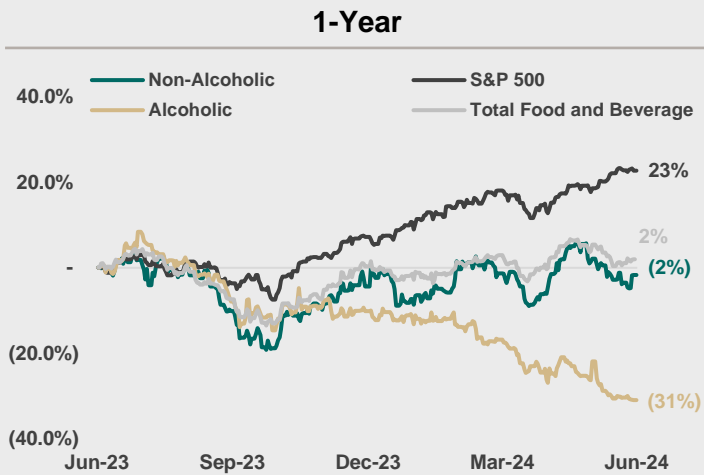
Source: S&P Capital IQ, as of 6/30/2024



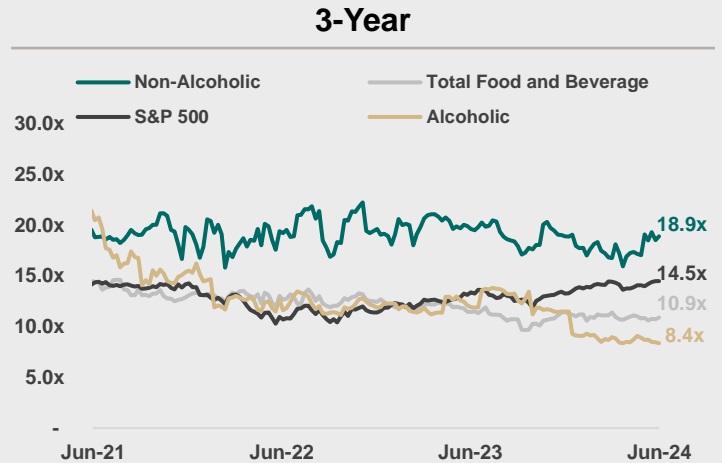
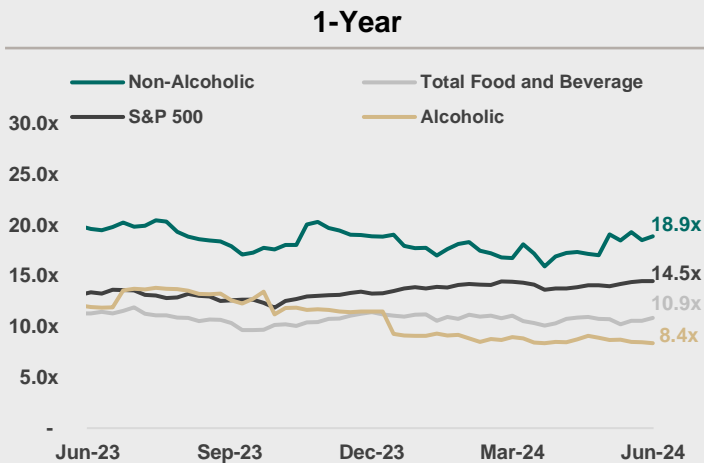
PUBLIC COMPANY VALUATION & OPERATING METRICS

Beverages

Indexed Stock Performance



EV / NTM EBITDA Multiple



Recent Transactions

Target	Buyer	Date	Target / Transaction Description
		Jun-24	Merger between BlueTriton and Primo Water forms a new leading pure-play hydration company
		May-24	Popular fruit-flavored soda with good ingredients and a nostalgic taste
		May-24	Operator of a brewery with offerings of light beer and other seltzers, received a \$50M investment from Gallo
		May-24	Family-owned alcohol company creating pre-mixed cocktails with innovative flavors inside uniquely packaged shapes
	<i>Various Investors</i>	Mar-24	Liquid Death recently closed a \$67M financing round, bringing the companies approximated valuation up to \$1.4B

Source: S&P Capital IQ, as of 6/30/2024



PUBLIC COMPANY VALUATION & OPERATING METRICS

Branded Food & Pet

Operational Metrics

Company	LTM	LTM Gross	LTM EBITDA	Debt / LTM	Revenue			EBITDA			EPS		
	Revenue	Margin	Margin	EBITDA	LTM	CY 2024	2025E	LTM	CY 2024	2025E	LTM	CY 2024	2025E
Branded Food & Pet													
Mondelez International, Inc.	\$ 36,140	41.7 %	23.7 %	2.3x	\$ 36,140	\$ 36,783	\$ 38,575	\$ 8,560	\$ 7,435	\$ 7,735	\$ 3.14	\$ 3.48	\$ 3.67
The Hershey Company	\$ 11,430	46.3 %	28.9 %	1.7x	\$ 11,430	\$ 11,442	\$ 11,858	\$ 3,305	\$ 3,062	\$ 3,131	\$ 10.10	\$ 9.59	\$ 9.70
Kellanova	\$ 12,980	33.4 %	15.0 %	3.4x	\$ 12,980	\$ 12,711	\$ 13,079	\$ 1,941	\$ 2,237	\$ 2,332	\$ 2.36	\$ 3.62	\$ 3.85
Conagra Brands, Inc.	\$ 12,051	27.8 %	19.6 %	3.7x	\$ 12,051	\$ 11,944	\$ 12,043	\$ 2,366	\$ 2,359	\$ 2,470	\$ 0.72	\$ 2.60	\$ 2.67
Campbell Soup Company	\$ 9,411	31.7 %	20.4 %	3.9x	\$ 9,411	\$ 10,285	\$ 10,570	\$ 1,921	\$ 1,987	\$ 2,075	\$ 2.47	\$ 3.16	\$ 3.34
The J. M. Smucker Company	\$ 8,179	38.1 %	23.3 %	4.5x	\$ 8,179	\$ 8,936	\$ 9,104	\$ 1,905	\$ 2,096	\$ 2,195	\$ 7.14	\$ 10.07	\$ 10.67
Post Holdings, Inc.	\$ 7,770	28.4 %	18.0 %	4.6x	\$ 7,770	\$ 8,073	\$ 8,221	\$ 1,398	\$ 1,369	\$ 1,433	\$ 5.21	\$ 5.73	\$ 6.53
BellRing Brands, Inc.	\$ 1,844	32.7 %	20.7 %	2.2x	\$ 1,844	\$ 2,023	\$ 2,250	\$ 381	\$ 423	\$ 471	\$ 1.43	\$ 1.86	\$ 2.14
Freshpet, Inc.	\$ 823	35.0 %	10.1 %	5.1x	\$ 823	\$ 960	\$ 1,195	\$ 83	\$ 126	\$ 175	\$ 0.20	\$ 0.73	\$ 1.06
The Simply Good Foods Company	\$ 1,276	38.1 %	20.2 %	1.1x	\$ 1,276	\$ 1,374	\$ 1,496	\$ 258	\$ 274	\$ 289	\$ 1.45	\$ 1.85	\$ 1.94
Utz Brands, Inc.	\$ 1,433	32.8 %	9.8 %	6.0x	\$ 1,433	\$ 1,436	\$ 1,493	\$ 140	\$ 201	\$ 228	\$ (0.25)	\$ 0.71	\$ 0.83
B&G Foods, Inc.	\$ 2,026	22.4 %	15.4 %	6.8x	\$ 2,026	\$ 1,958	\$ 1,971	\$ 311	\$ 303	\$ 312	\$ (1.45)	\$ 0.81	\$ 0.87
The Hain Celestial Group, Inc.	\$ 1,765	22.2 %	8.6 %	5.7x	\$ 1,765	\$ 1,739	\$ 1,756	\$ 151	\$ 159	\$ 162	\$ (1.01)	\$ 0.39	\$ 0.43
Mama's Creations, Inc.	\$ 110	28.6 %	9.8 %	1.2x	\$ 110	\$ 120	\$ 135	\$ 11	\$ 13	\$ 17	\$ 0.14	\$ 0.15	\$ 0.24
Mean	\$ 7,660	32.8 %	17.4 %	3.7x	\$ 7,660	\$ 7,842	\$ 8,125	\$ 1,624	\$ 1,575	\$ 1,645	\$ 2.26	\$ 3.20	\$ 3.42
Median	\$ 4,898	32.8 %	18.8 %	3.8x	\$ 4,898	\$ 5,048	\$ 5,235	\$ 889	\$ 896	\$ 952	\$ 1.44	\$ 2.23	\$ 2.41

Valuation Metrics

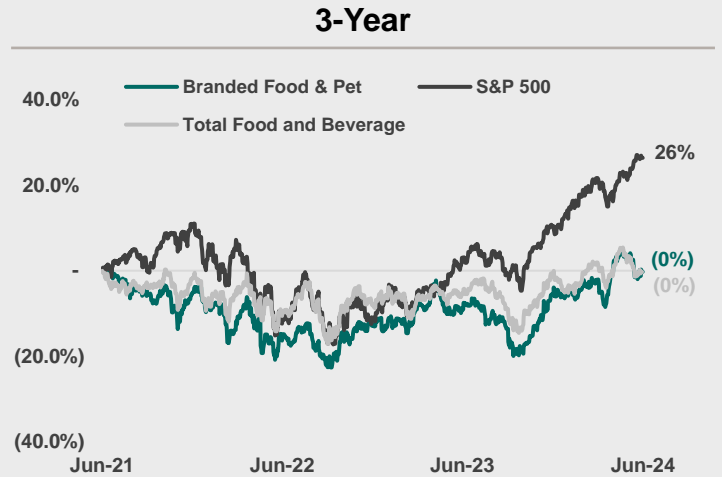
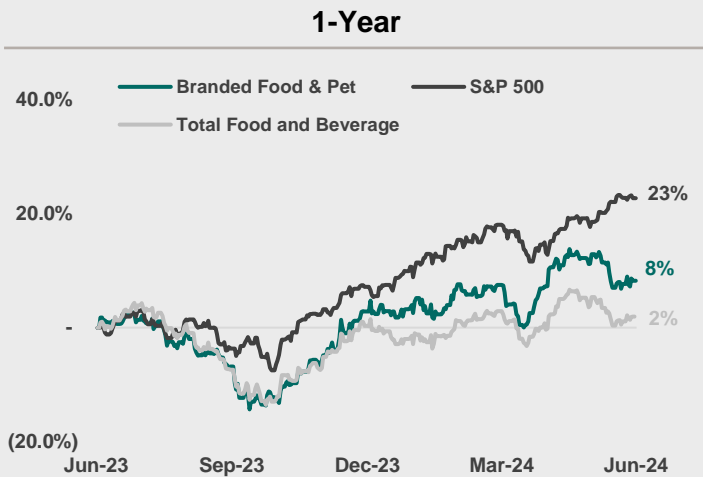
Company	6/30/2024	52-Week	Market	EV	EV / Revenue			EV / EBITDA			P / E		
	Share Price	% of High	Cap.		LTM	CY 2024	2025E	LTM	CY 2024	2025E	LTM	CY 2024	2025E
Branded Food & Pet													
Mondelez International, Inc.	\$65.44	84.8 %	\$ 88,006	\$ 106,230	2.94x	2.89x	2.75x	12.4x	14.3x	13.7x	20.9x	18.8x	17.8x
The Hershey Company	\$183.83	73.0 %	\$ 37,229	\$ 42,405	3.71x	3.71x	3.58x	12.8x	13.9x	13.5x	18.2x	19.2x	18.9x
Kellanova	\$57.68	84.0 %	\$ 19,744	\$ 26,295	2.03x	2.07x	2.01x	13.5x	11.8x	11.3x	24.5x	15.9x	15.0x
Conagra Brands, Inc.	\$28.42	82.7 %	\$ 13,587	\$ 22,233	1.84x	1.86x	1.85x	9.4x	9.4x	9.0x	39.5x	10.9x	10.6x
Campbell Soup Company	\$45.19	96.2 %	\$ 13,492	\$ 20,871	2.22x	2.03x	1.97x	10.9x	10.5x	10.1x	18.3x	14.3x	13.5x
The J. M. Smucker Company	\$109.04	70.8 %	\$ 11,580	\$ 20,077	2.45x	2.25x	2.21x	10.5x	9.6x	9.1x	15.3x	10.8x	10.2x
Post Holdings, Inc.	\$104.16	96.3 %	\$ 6,353	\$ 12,444	1.60x	1.54x	1.51x	8.9x	9.1x	8.7x	20.0x	18.2x	16.0x
BellRing Brands, Inc.	\$57.14	91.1 %	\$ 7,463	\$ 8,223	4.46x	4.07x	3.66x	21.6x	19.4x	17.4x	39.9x	30.7x	26.7x
Freshpet, Inc.	\$129.39	97.4 %	\$ 6,699	\$ 6,865	8.34x	7.15x	5.75x	NM	NM	NM	NM	NM	NM
The Simply Good Foods Company	\$36.13	84.0 %	\$ 3,655	\$ 3,723	2.92x	2.71x	2.49x	14.4x	13.6x	12.9x	24.9x	19.5x	18.7x
Utz Brands, Inc.	\$16.64	83.0 %	\$ 1,397	\$ 2,910	2.03x	2.03x	1.95x	20.8x	14.5x	12.8x	NM	23.5x	20.1x
B&G Foods, Inc.	\$8.08	53.3 %	\$ 639	\$ 2,701	1.33x	1.38x	1.37x	8.7x	8.9x	8.7x	NM	9.9x	9.3x
The Hain Celestial Group, Inc.	\$6.91	52.2 %	\$ 621	\$ 1,434	0.81x	0.82x	0.82x	9.5x	9.0x	8.9x	NM	17.6x	16.1x
Mama's Creations, Inc.	\$6.74	89.0 %	\$ 252	\$ 251	2.28x	2.09x	1.87x	23.4x	19.3x	14.7x	47.1x	44.0x	28.5x
Mean	\$61.06	81.3 %	\$ 15,051	\$ 19,762	2.78x	2.61x	2.41x	13.6x	12.6x	11.6x	26.9x	19.5x	17.0x
Median	\$51.17	84.0 %	\$ 7,081	\$ 10,333	2.25x	2.08x	1.99x	12.4x	11.8x	11.3x	22.7x	18.2x	16.1x



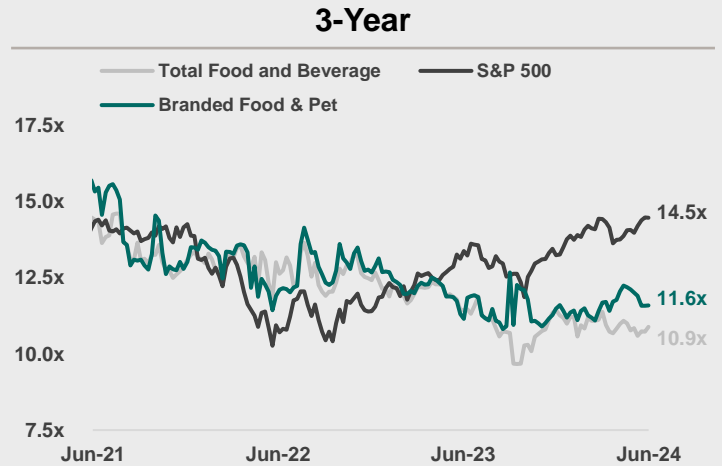
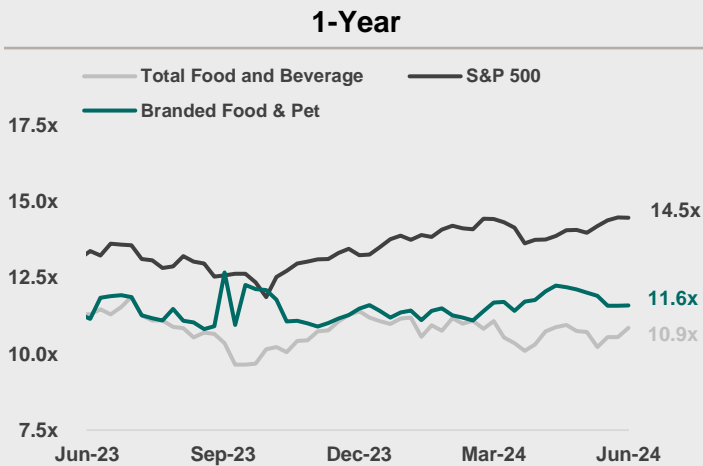
PUBLIC COMPANY VALUATION & OPERATING METRICS

Branded Food & Pet

Indexed Stock Performance



EV / NTM EBITDA Multiple



Recent Transactions

Target	Buyer	Date	Target / Transaction Description
	Our Home	May-24	Creator and distributor of a variety of cheese, pizza crisps and other crunchy snacks
	Forward Consumer Partners	Apr-24	Fast-growing artisan baking business producing organic sourdough breads and simply-made baked good
	SIMPLY GOOD	Apr-24	Leading plant-based, allergen-free RTD protein shake producer
	pillars	Apr-24	A better-for-you, clean label drinkable yogurt brand sold at leading conventional and natural retailers

Source: S&P Capital IQ, as of 6/30/2024



PUBLIC COMPANY VALUATION & OPERATING METRICS

Distribution

Operational Metrics

Company	LTM	LTM Gross	LTM EBITDA	Debt / LTM	Revenue			EBITDA			EPS		
	Revenue	Margin	Margin	EBITDA	LTM	CY 2024	2025E	LTM	CY 2024	2025E	LTM	CY 2024	2025E
Distribution													
Sysco Corporation	\$ 78,016	18.5 %	5.0 %	3.4x	\$ 78,016	\$ 80,666	\$ 83,966	\$ 3,886	\$ 4,364	\$ 4,642	\$ 4.10	\$ 4.43	\$ 4.77
US Foods Holding Corp.	\$ 36,004	17.3 %	4.1 %	3.3x	\$ 36,004	\$ 37,874	\$ 39,746	\$ 1,490	\$ 1,729	\$ 1,899	\$ 2.03	\$ 3.11	\$ 3.70
Performance Food Group Company	\$ 54,057	12.0 %	2.6 %	3.5x	\$ 54,057	\$ 59,713	\$ 62,246	\$ 1,388	\$ 1,559	\$ 1,720	\$ 2.68	\$ 4.53	\$ 5.37
United Natural Foods, Inc.	\$ 30,242	13.4 %	1.3 %	9.2x	\$ 30,242	\$ 31,024	\$ 31,268	\$ 395	\$ 539	\$ 577	\$ (2.42)	\$ 0.34	\$ 0.72
The Chefs' Warehouse, Inc.	\$ 3,589	23.8 %	5.2 %	4.9x	\$ 3,589	\$ 3,765	\$ 4,032	\$ 187	\$ 216	\$ 241	\$ 0.88	\$ 1.37	\$ 1.67
SpartanNash Company	\$ 9,628	15.4 %	2.5 %	3.7x	\$ 9,628	\$ 9,600	\$ 9,769	\$ 245	\$ 261	\$ 271	\$ 1.55	\$ 2.03	\$ 2.08
Karat Packaging Inc.	\$ 405	37.6 %	13.2 %	1.3x	\$ 405	\$ 439	\$ 469	\$ 54	\$ 63	\$ 69	\$ 1.49	\$ 2.00	\$ 2.17
HF Foods Group Inc.	\$ 1,150	17.8 %	3.6 %	4.7x	\$ 1,150	\$ 0	\$ 0	\$ 42	\$ 0	\$ 0	\$ 0.06	\$ 0.00	\$ 0.00
Mean	\$ 26,636	19.5 %	4.7 %	4.3x	\$ 26,636	\$ 27,885	\$ 28,937	\$ 961	\$ 1,092	\$ 1,177	\$ 1.30	\$ 2.23	\$ 2.56
Median	\$ 19,935	17.5 %	3.9 %	3.6x	\$ 19,935	\$ 20,312	\$ 20,519	\$ 320	\$ 400	\$ 424	\$ 1.52	\$ 2.01	\$ 2.13

Valuation Metrics

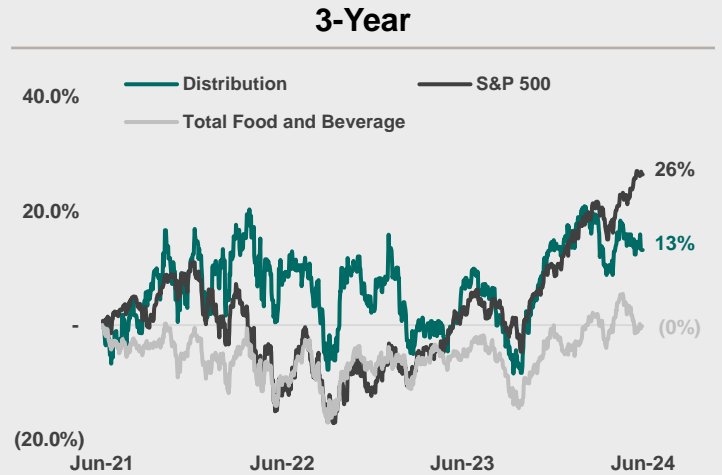
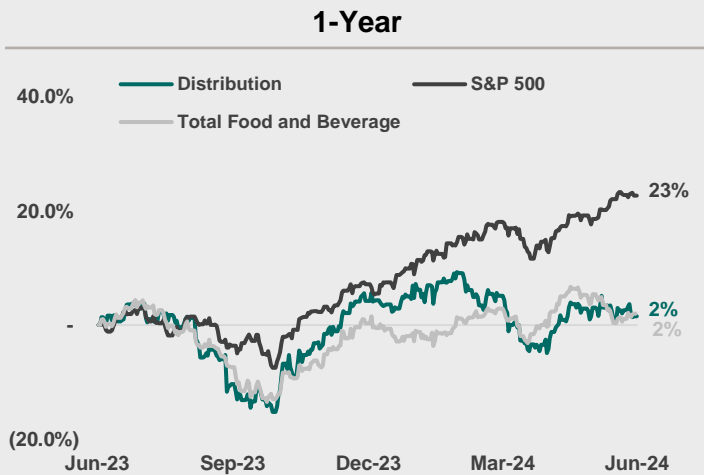
Company	6/30/2024	52-Week	Market	EV	EV / Revenue			EV / EBITDA			P / E		
	Share Price	% of High	Cap.		LTM	CY 2024	2025E	LTM	CY 2024	2025E	LTM	CY 2024	2025E
Distribution													
Sysco Corporation	\$71.39	86.1 %	\$ 35,613	\$ 48,167	0.62x	0.60x	0.57x	12.4x	11.0x	10.4x	17.4x	16.1x	15.0x
US Foods Holding Corp.	\$52.98	94.6 %	\$ 13,026	\$ 17,658	0.49x	0.47x	0.44x	11.9x	10.2x	9.3x	26.1x	17.1x	14.3x
Performance Food Group Company	\$66.11	84.2 %	\$ 10,341	\$ 15,168	0.28x	0.25x	0.24x	10.9x	9.7x	8.8x	24.7x	14.6x	12.3x
United Natural Foods, Inc.	\$13.10	61.6 %	\$ 783	\$ 4,359	0.14x	0.14x	0.14x	11.0x	8.1x	7.5x	NM	38.5x	18.1x
The Chefs' Warehouse, Inc.	\$39.11	97.8 %	\$ 1,558	\$ 2,440	0.68x	0.65x	0.61x	13.1x	11.3x	10.1x	44.3x	28.6x	23.4x
SpartanNash Company	\$18.76	76.5 %	\$ 639	\$ 1,517	0.16x	0.16x	0.16x	6.2x	5.8x	5.6x	12.1x	9.3x	9.0x
Karat Packaging Inc.	\$29.58	95.6 %	\$ 595	\$ 626	1.54x	1.42x	1.33x	11.7x	9.9x	9.1x	19.9x	14.8x	13.6x
HF Foods Group Inc.	\$3.00	50.8 %	\$ 158	\$ 338	0.29x	NA	NA	8.1x	NA	NA	52.3x	NA	NA
Mean	\$36.75	80.9 %	\$ 7,839	\$ 11,284	0.53x	0.53x	0.50x	10.7x	9.4x	8.7x	28.1x	19.8x	15.1x
Median	\$34.35	85.1 %	\$ 1,170	\$ 3,399	0.39x	0.47x	0.44x	11.4x	9.9x	9.1x	24.7x	16.1x	14.3x



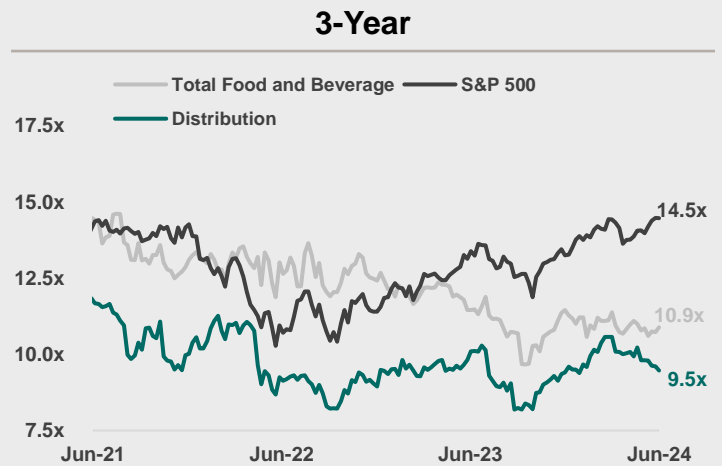
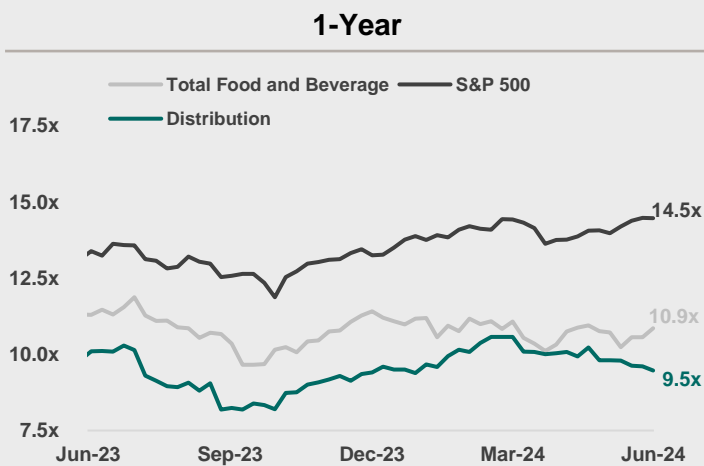
PUBLIC COMPANY VALUATION & OPERATING METRICS

Distribution

Indexed Stock Performance



EV / NTM EBITDA Multiple



Recent Transactions

Target	Buyer	Date	Target / Transaction Description
		Jun-24	Distributor of meat products designed to streamline fresh protein and produce procurement for restaurants and stores
		Jun-24	Direct store delivery distributor of dairy products, frozen foods and beverages
		May-24	Worldwide produce provider with operations across 44 countries and multiple continents
		May-24	Full-service meat distributor and processor servicing restaurants and re-distributors in the Midwest

Source: S&P Capital IQ, as of 6/30/2024



PUBLIC COMPANY VALUATION & OPERATING METRICS

Private Label / Co-Manufacturing

Operational Metrics

Company	LTM	LTM Gross	LTM EBITDA	Debt / LTM	Revenue			EBITDA			EPS		
	Revenue	Margin	Margin	EBITDA	LTM	CY 2024	2025E	LTM	CY 2024	2025E	LTM	CY 2024	2025E
Private Label / Co-Man													
George Weston Limited	\$ 44,642	32.7 %	9.9 %	3.5x	\$ 44,642	\$ 45,612	\$ 47,307	\$ 4,414	\$ 5,319	\$ 5,528	\$ 6.97	\$ 8.71	\$ 9.74
TreeHouse Foods, Inc.	\$ 3,398	15.8 %	9.2 %	5.0x	\$ 3,398	\$ 3,458	\$ 3,571	\$ 313	\$ 365	\$ 407	\$ 0.48	\$ 2.26	\$ 2.94
SunOpta Inc.	\$ 658	16.6 %	12.3 %	4.9x	\$ 658	\$ 701	\$ 771	\$ 81	\$ 90	\$ 107	\$ (0.15)	\$ 0.11	\$ 0.22
Seneca Foods Corporation	\$ 1,459	12.9 %	10.8 %	4.1x	\$ 1,459	\$ 0	\$ 0	\$ 158	\$ 0	\$ 0	\$ 8.56	\$ 0.00	\$ 0.00
Mean	\$ 12,539	19.5 %	10.5 %	4.4x	\$ 12,539	\$ 12,443	\$ 12,912	\$ 1,242	\$ 1,444	\$ 1,511	\$ 3.97	\$ 2.77	\$ 3.22
Median	\$ 2,428	16.2 %	10.3 %	4.5x	\$ 2,428	\$ 2,080	\$ 2,171	\$ 235	\$ 228	\$ 257	\$ 3.73	\$ 1.18	\$ 1.58

Valuation Metrics

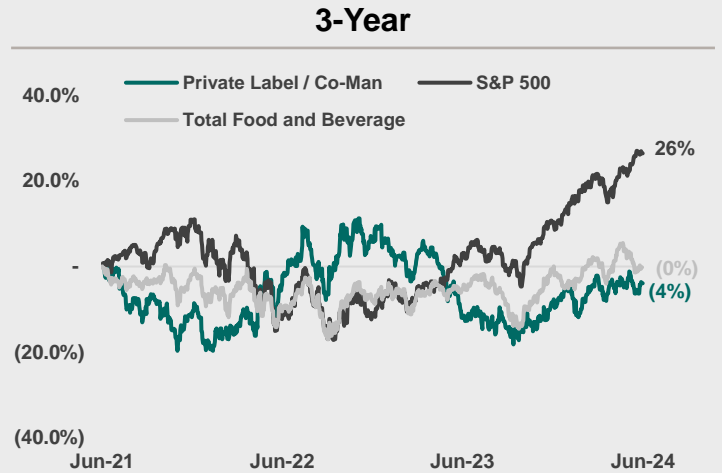
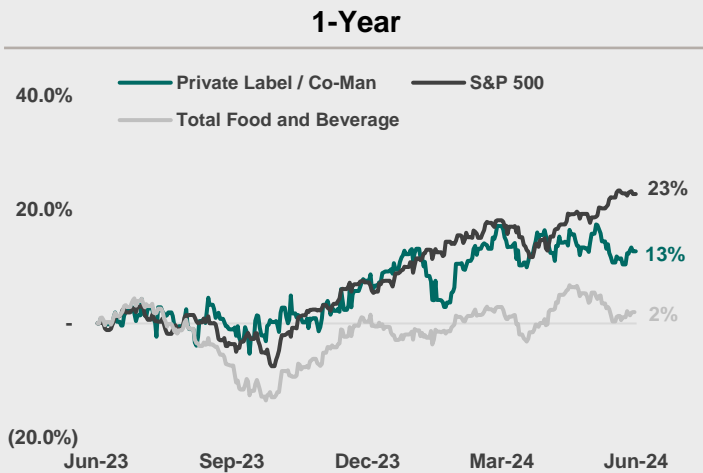
Company	6/30/2024	52-Week	Market	EV	EV / Revenue			EV / EBITDA			P / E		
	Share Price	% of High	Cap.		LTM	CY 2024	2025E	LTM	CY 2024	2025E	LTM	CY 2024	2025E
Private Label / Co-Man													
George Weston Limited	\$143.78	99.0 %	\$ 19,160	\$ 38,560	0.86x	0.85x	0.82x	8.7x	7.2x	7.0x	20.6x	16.5x	14.8x
TreeHouse Foods, Inc.	\$36.64	69.1 %	\$ 1,927	\$ 3,270	0.96x	0.95x	0.92x	10.4x	8.9x	8.0x	75.6x	16.2x	12.5x
SunOpta Inc.	\$5.40	71.1 %	\$ 647	\$ 1,052	1.60x	1.50x	1.36x	13.0x	11.6x	9.8x	NM	50.9x	25.0x
Seneca Foods Corporation	\$57.40	90.6 %	\$ 400	\$ 1,046	0.72x	NA	NA	6.6x	NA	NA	6.7x	NA	NA
Mean	\$60.81	82.5 %	\$ 5,534	\$ 10,982	1.04x	1.10x	1.03x	9.7x	9.3x	8.3x	34.3x	27.9x	17.4x
Median	\$47.02	80.9 %	\$ 1,287	\$ 2,161	0.91x	0.95x	0.92x	9.6x	8.9x	8.0x	20.6x	16.5x	14.8x



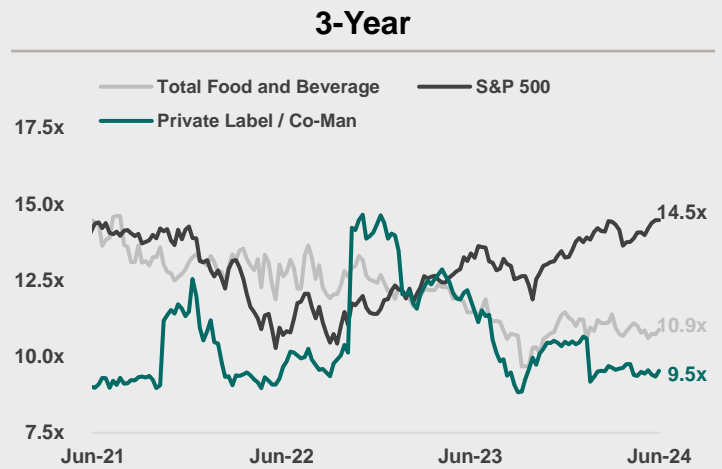
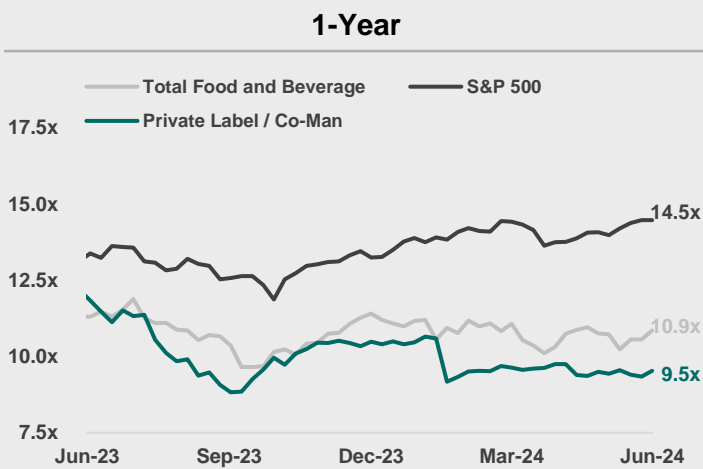
PUBLIC COMPANY VALUATION & OPERATING METRICS

Private Label / Co-Manufacturing

Indexed Stock Performance



EV / NTM EBITDA Multiple



Recent Transactions

Target	Buyer	Date	Target / Transaction Description
		Jul-24	Manufacturer of private-label food products intended for retailers and food services in the U.S. and Canada
		Jun-24	Family-owned and operated manufacturing facility of cheese puffs and other related snacks
		Jun-24	Large US specialty food manufacturer and distributor offering approximately 250 products acquired in a \$235M all cash deal
		May-24	Truefood Manufacturing who specializes in granolas, nutrition bars and chocolate merges with Barbakers in the snack market
		Apr-24	Family-owned co-packing production business manufacturing bottles and cans for both alcoholic and non-alcoholic beverages

Source: S&P Capital IQ, as of 6/30/2024



PUBLIC COMPANY VALUATION & OPERATING METRICS

Protein & Produce

Operational Metrics

Company	LTM	LTM Gross	LTM EBITDA	Debt / LTM	Revenue			EBITDA			EPS		
	Revenue	Margin	Margin	EBITDA	LTM	CY 2024	2025E	LTM	CY 2024	2025E	LTM	CY 2024	2025E
Protein													
JBS S.A.	\$ 73,030	11.9 %	5.1 %	5.9x	\$ 73,030	\$ 69,738	\$ 72,840	\$ 3,746	\$ 4,774	\$ 4,907	\$ 0.18	\$ 0.50	\$ 0.49
Tyson Foods, Inc.	\$ 52,879	5.8 %	4.4 %	4.7x	\$ 52,879	\$ 53,176	\$ 54,314	\$ 2,339	\$ 3,074	\$ 3,451	\$ (1.77)	\$ 2.97	\$ 3.94
Hormel Foods Corporation	\$ 12,046	16.8 %	11.0 %	2.9x	\$ 12,046	\$ 12,172	\$ 12,391	\$ 1,325	\$ 1,438	\$ 1,533	\$ 1.40	\$ 1.60	\$ 1.73
Premium Brands Holdings Corporation	\$ 4,647	19.6 %	6.4 %	6.9x	\$ 4,647	\$ 4,884	\$ 5,276	\$ 297	\$ 465	\$ 519	\$ 1.56	\$ 3.59	\$ 4.61
Cal-Maine Foods, Inc.	\$ 2,374	23.3 %	16.8 %	0.0x	\$ 2,374	\$ 2,516	\$ 2,099	\$ 398	\$ 379	\$ 270	\$ 5.64	\$ 7.89	\$ 3.20
Vital Farms, Inc.	\$ 501	35.7 %	12.4 %	0.4x	\$ 501	\$ 581	\$ 684	\$ 62	\$ 75	\$ 88	\$ 0.86	\$ 0.96	\$ 1.15
Beyond Meat, Inc.	\$ 327	(4.2)%	(53.4)%	NM	\$ 327	\$ 322	\$ 345	(\$174)	(\$100)	(\$78)	\$ (5.18)	\$ (2.22)	\$ (1.68)
Mean	\$ 20,829	15.6 %	0.4 %	3.5x	\$ 20,829	\$ 20,484	\$ 21,136	\$ 1,142	\$ 1,443	\$ 1,527	\$ 0.39	\$ 2.18	\$ 1.92
Median	\$ 4,647	16.8 %	6.4 %	3.8x	\$ 4,647	\$ 4,884	\$ 5,276	\$ 398	\$ 465	\$ 519	\$ 0.86	\$ 1.60	\$ 1.73
Produce													
Dole plc	\$ 8,377	8.5 %	4.1 %	3.9x	\$ 8,377	\$ 8,208	\$ 8,719	\$ 346	\$ 373	\$ 389	\$ 2.03	\$ 1.17	\$ 1.39
Fresh Del Monte Produce Inc.	\$ 4,300	7.9 %	5.5 %	2.5x	\$ 4,300	\$ 4,383	\$ 4,525	\$ 235	\$ 218	\$ 252	\$ (0.51)	\$ 1.95	\$ 2.47
Mission Produce, Inc.	\$ 1,076	10.8 %	7.1 %	3.5x	\$ 1,076	\$ 1,031	\$ 0	\$ 76	\$ 69	\$ 0	\$ 0.25	\$ 0.19	\$ 0.00
Calavo Growers, Inc.	\$ 993	7.5 %	2.6 %	2.8x	\$ 993	\$ 670	\$ 662	\$ 26	\$ 43	\$ 49	\$ (0.29)	\$ 1.47	\$ 1.82
Limoneira Company	\$ 178	2.2 %	(6.2)%	NM	\$ 178	\$ 187	\$ 0	(\$11)	\$ 21	\$ 0	\$ (0.13)	\$ 0.28	\$ 0.00
Mean	\$ 2,985	7.4 %	2.6 %	3.2x	\$ 2,985	\$ 2,896	\$ 2,781	\$ 134	\$ 145	\$ 138	\$ 0.27	\$ 1.01	\$ 1.14
Median	\$ 1,076	7.9 %	4.1 %	3.1x	\$ 1,076	\$ 1,031	\$ 662	\$ 76	\$ 69	\$ 49	\$ (0.13)	\$ 1.17	\$ 1.39
Group Mean	\$ 13,394	12.2 %	1.3 %	3.3x	\$ 13,394	\$ 13,156	\$ 13,488	\$ 722	\$ 902	\$ 948	\$ 0.34	\$ 1.70	\$ 1.59
Group Median	\$ 3,337	9.6 %	5.3 %	3.2x	\$ 3,337	\$ 3,449	\$ 3,312	\$ 266	\$ 296	\$ 261	\$ 0.22	\$ 1.32	\$ 1.56

Valuation Metrics

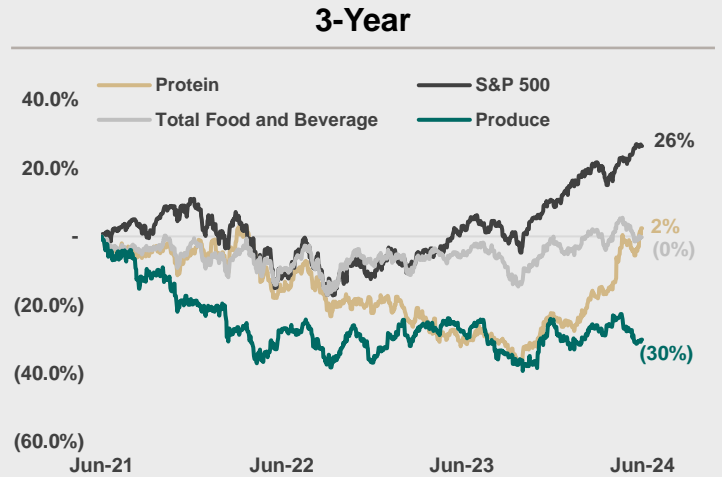
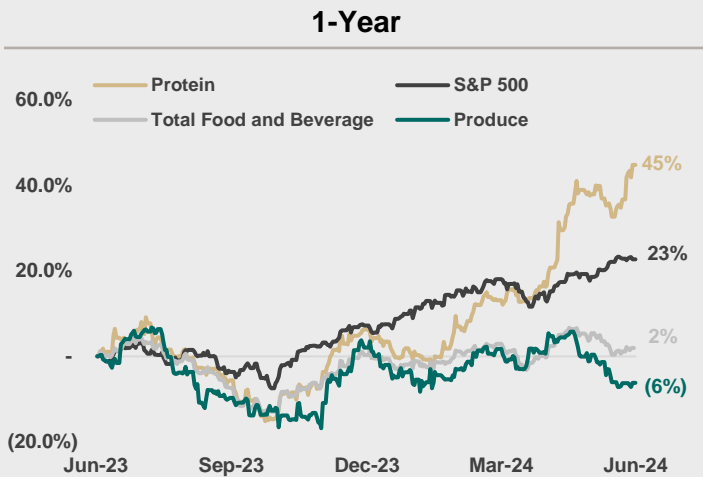
Company	6/30/2024	52-Week	Market	EV	EV / Revenue			EV / EBITDA			P / E		
	Share Price	% of High	Cap.		LTM	CY 2024	2025E	LTM	CY 2024	2025E	LTM	CY 2024	2025E
Protein													
JBS S.A.	\$5.81	98.4 %	\$ 12,893	\$ 32,397	0.44x	0.46x	0.44x	8.6x	6.8x	6.6x	31.7x	11.6x	11.8x
Tyson Foods, Inc.	\$57.14	92.1 %	\$ 20,343	\$ 29,239	0.55x	0.55x	0.54x	12.5x	9.5x	8.5x	NM	19.2x	14.5x
Hormel Foods Corporation	\$30.49	73.1 %	\$ 16,718	\$ 19,029	1.58x	1.56x	1.54x	14.4x	13.2x	12.4x	21.8x	19.0x	17.6x
Premium Brands Holdings Corporation	\$68.85	82.9 %	\$ 3,058	\$ 5,095	1.10x	1.04x	0.97x	17.2x	11.0x	9.8x	44.0x	19.2x	14.9x
Cal-Maine Foods, Inc.	\$61.11	94.4 %	\$ 2,997	\$ 2,299	0.97x	0.91x	1.10x	5.8x	6.1x	8.5x	10.8x	7.8x	19.1x
Vital Farms, Inc.	\$46.77	99.5 %	\$ 2,108	\$ 1,994	3.98x	3.43x	2.92x	NM	26.7x	22.6x	54.2x	49.0x	40.8x
Beyond Meat, Inc.	\$6.71	34.9 %	\$ 435	\$ 1,500	4.59x	4.65x	4.35x	NM	NM	NM	NM	NM	NM
Mean	\$39.55	82.2 %	\$ 8,365	\$ 13,079	1.89x	1.80x	1.69x	11.7x	12.2x	11.4x	32.5x	21.0x	19.8x
Median	\$46.77	92.1 %	\$ 3,058	\$ 5,095	1.10x	1.04x	1.10x	12.5x	10.2x	9.2x	31.7x	19.1x	16.3x
Produce													
Dole plc	\$12.24	89.3 %	\$ 1,162	\$ 2,389	0.29x	0.29x	0.27x	6.9x	6.4x	6.1x	6.0x	10.4x	8.8x
Fresh Del Monte Produce Inc.	\$21.85	76.5 %	\$ 1,047	\$ 1,606	0.37x	0.37x	0.35x	6.8x	7.4x	6.4x	NM	11.2x	8.8x
Mission Produce, Inc.	\$9.88	76.0 %	\$ 701	\$ 951	0.88x	0.92x	NA	12.5x	13.9x	NA	39.7x	52.0x	NA
Calavo Growers, Inc.	\$22.70	58.2 %	\$ 404	\$ 472	0.48x	0.70x	0.71x	18.4x	11.0x	9.7x	NM	15.5x	12.5x
Limoneira Company	\$20.81	91.6 %	\$ 375	\$ 459	2.58x	2.45x	NA	NM	21.7x	NA	NM	74.0x	NA
Mean	\$17.50	78.3 %	\$ 738	\$ 1,175	0.92x	0.95x	0.45x	11.2x	12.1x	7.4x	22.9x	32.6x	10.0x
Median	\$20.81	76.5 %	\$ 701	\$ 951	0.48x	0.70x	0.35x	9.7x	11.0x	6.4x	22.9x	15.5x	8.8x
Group Mean	\$30.36	80.6 %	\$ 5,187	\$ 8,119	1.48x	1.45x	1.32x	11.5x	12.1x	10.1x	29.8x	26.3x	16.5x
Group Median	\$22.28	86.1 %	\$ 1,635	\$ 2,147	0.93x	0.92x	0.84x	12.5x	11.0x	8.5x	31.7x	19.0x	14.5x



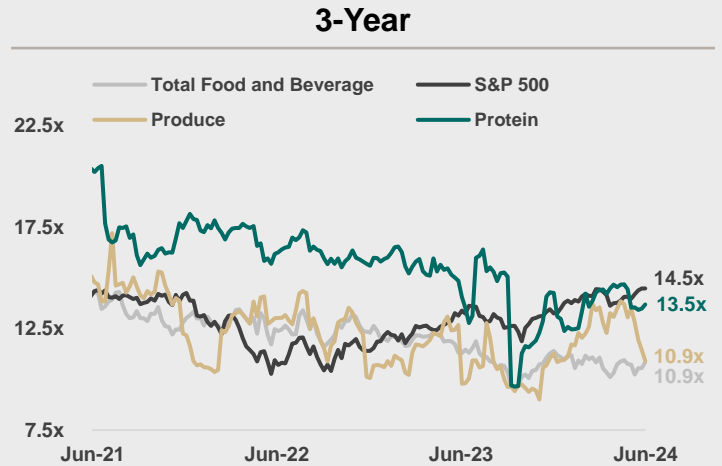
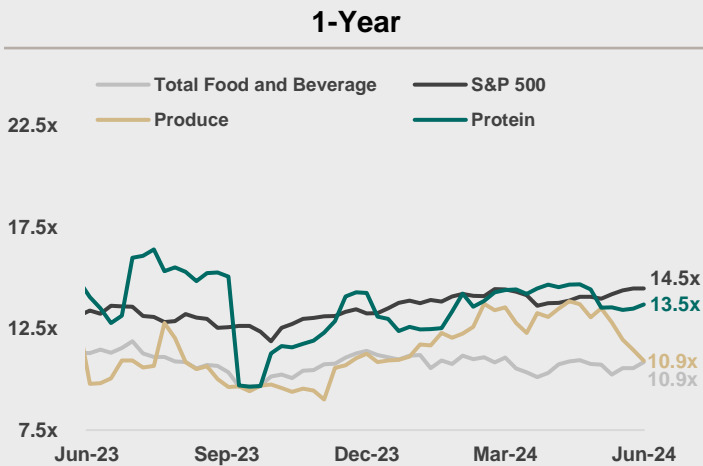
PUBLIC COMPANY VALUATION & OPERATING METRICS

Protein & Produce

Indexed Stock Performance



EV / NTM EBITDA Multiple



Recent Transactions

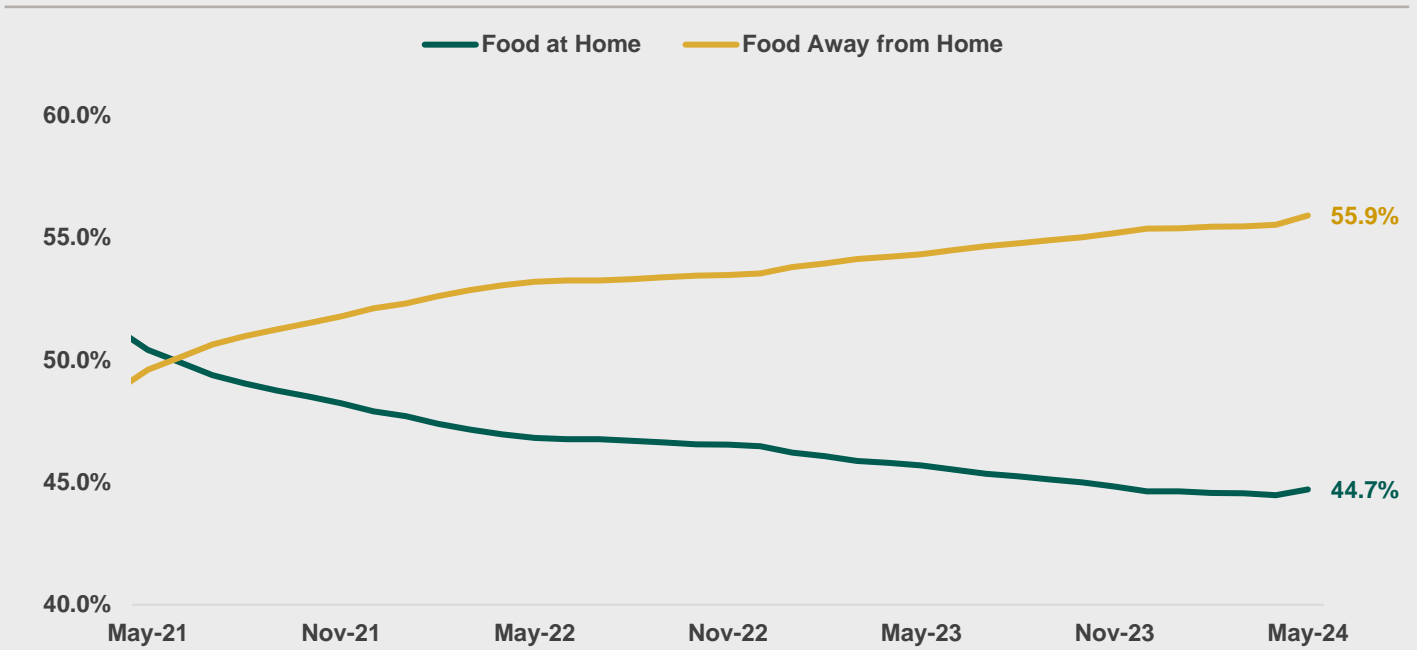
Target	Buyer	Date	Target / Transaction Description
		Jul-24	Producer and distributor of eggs with offerings of shell eggs, hard-cooked eggs and frozen egg products
		May-24	Producer of sausages intended for the fast-food sector
		May-24	Premier smokehouse procuring the finest quality smoked salmon to both food service channels and retail outlets
		Apr-24	Protein processor and value adding distributor offering pork, beef, seafood and various meat products in 15 states.
		Apr-24	Meat snacks processor based in Idaho

Source: S&P Capital IQ, as of 6/30/2024

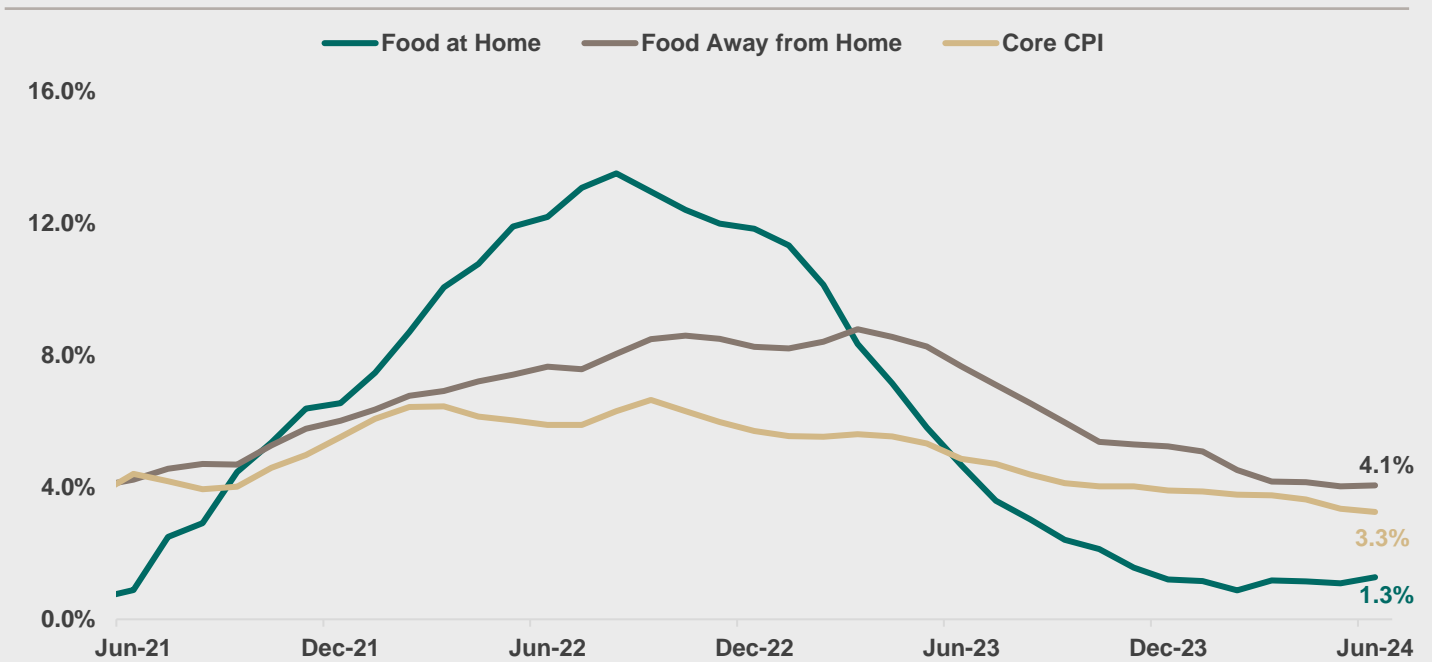


KEY MACRO TRENDS

Food Sales Mix¹



Inflation Trends²

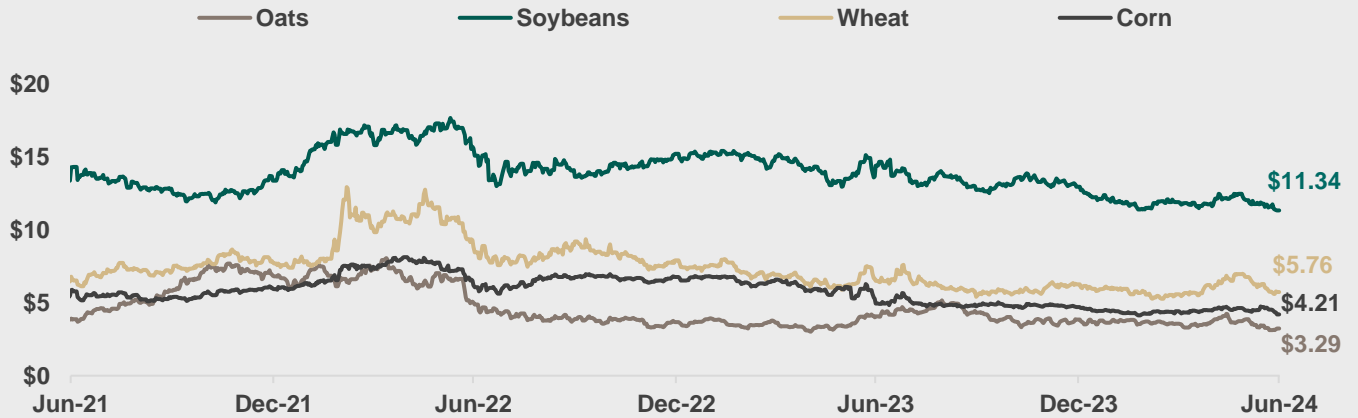


1. USDA Economic Research Service
 2. Federal Reserve Economic Data (FRED)

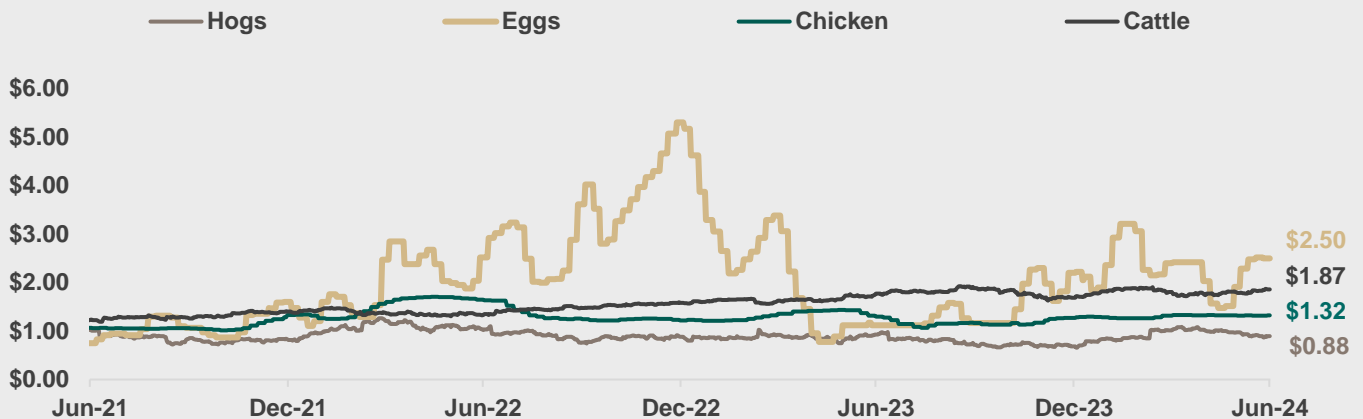


INPUT PRICING TRENDS

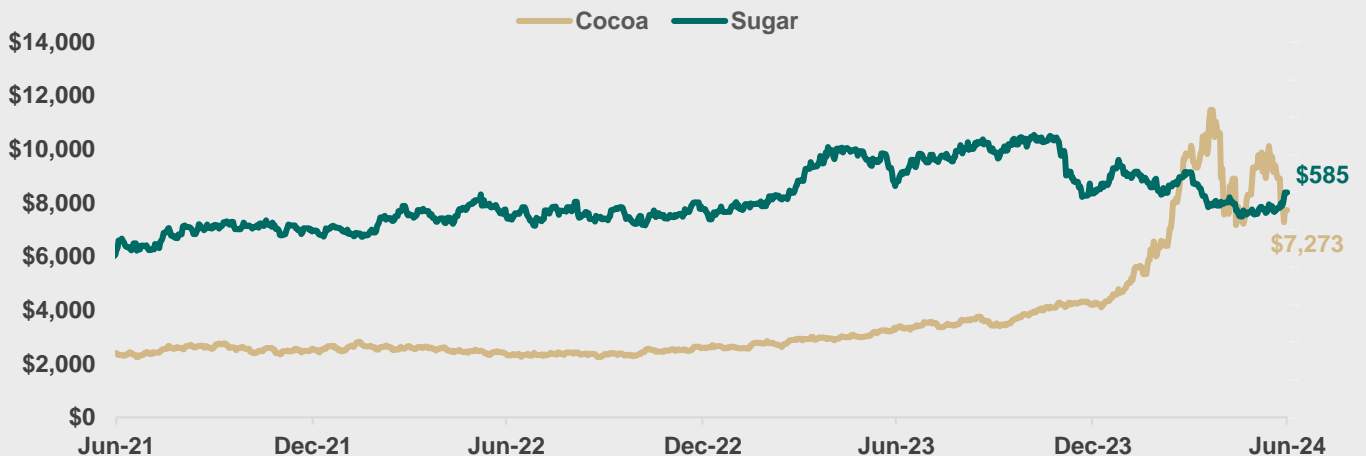
Commodity Price Index (\$ Per Bushel)



Protein Price Index (\$ Per lbs.)



Sugar & Cocoa Index (\$ Per MT)



Source: S&P Capital IQ, as of 6/30/2024

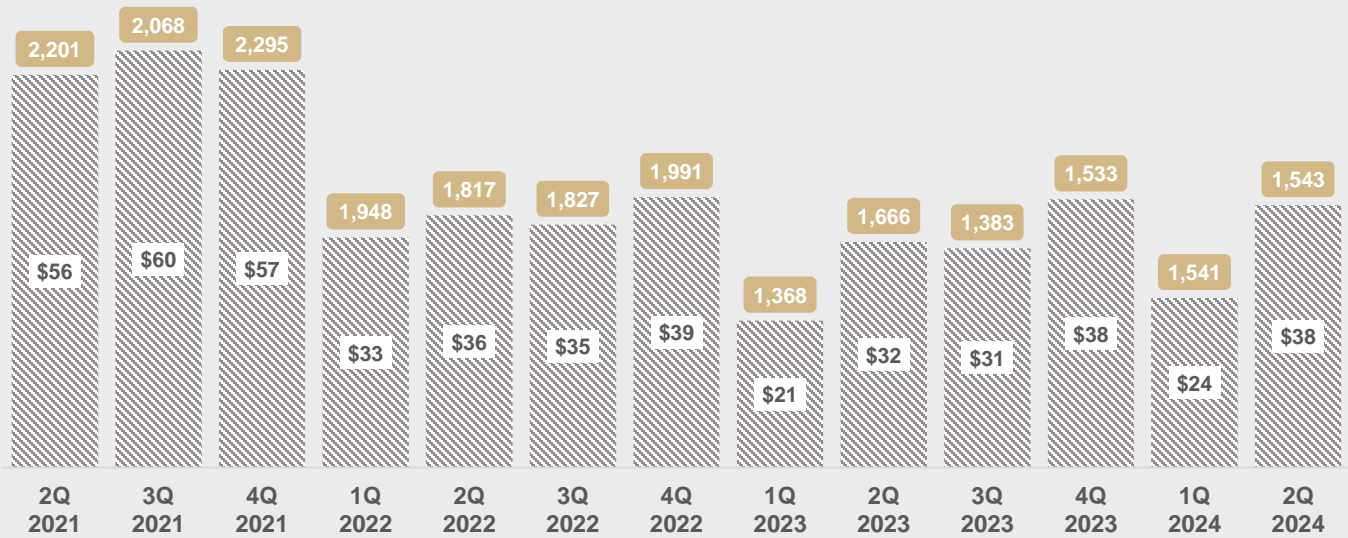


QUARTERLY MIDDLE MARKET M&A VOLUME

Quarterly Consumer Middle Market M&A Volume

Aggregate Deal Value (\$ Billions)

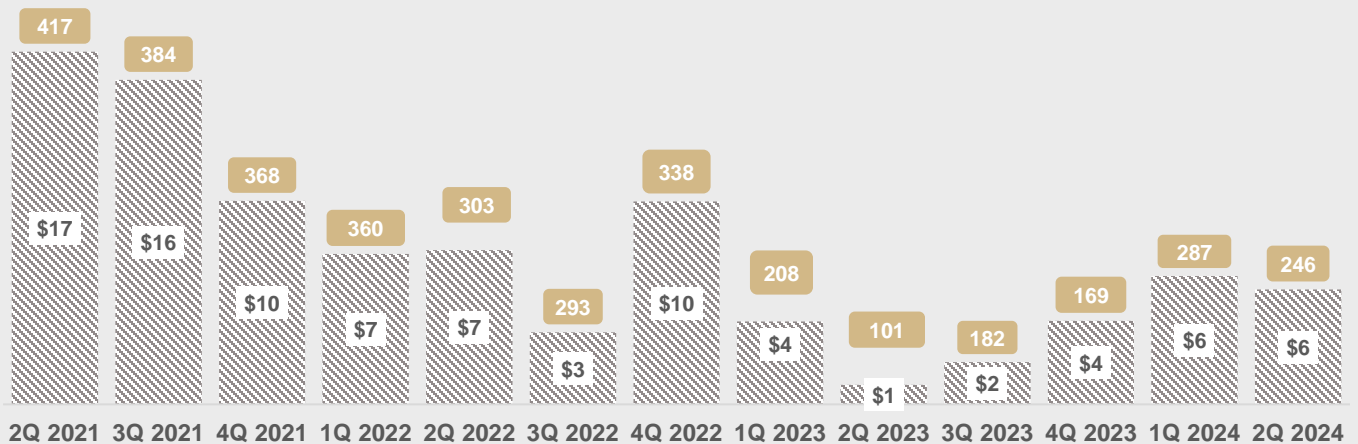
Deal Volume



Quarterly F&B Middle Market M&A Volume

Aggregate Deal Value (\$ Billions)

Deal Volume



Source: S&P Capital IQ, as of 6/30/24



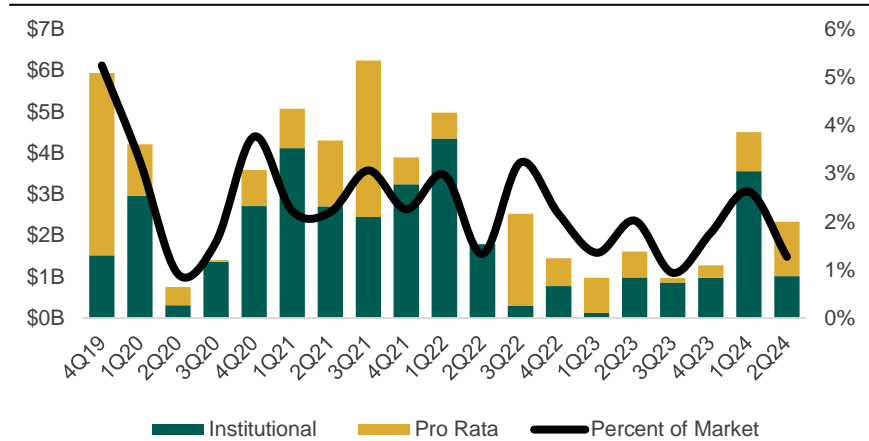
Food & Beverage (F&B) Debt Capital Markets Update

Loan volume surged in 2024 with refinancing activity continuing to drive a majority of loan activity in the sector representing 60.8% of YTD 2024 loan volume through June 2024. LBO, acquisition, and recap/dividend activity drove the remaining YTD 2024 loan volume with 21.5%, 12.1%, and 5.6%, respectively. The leverage ratio for YTD 2024 new-issue loans decreased slightly to 4.36x in June 2024, down from 4.42x at year-end 2023 and from 5.03x at year-end 2022. The rebound in F&B transaction volume in YTD 2024 resulted from increased demand for capital from borrowers, debt maturities coming due, and market-wide capitulation regarding the potential for a sustained higher interest rate environment. In contrast, 2022 and 2023 transaction volume was suppressed in light of supply-chain disruptions and high labor costs.

F&B Loan Volume

YTD 2024 loan volume has seen a significant uptick with \$6.8B of 1H 2024 volume exceeding \$4.8B in full-year 2023. Notably, loan volume reached \$4.5B in 1Q24, up from \$1.3B in 4Q23 and up from \$1.0B in 1Q23. 2Q24, albeit down from 1Q24, exhibited solid volume of \$2.3B. 2Q24 and 1Q24 saw \$1.0B and \$3.6B of institutional volume, respectively, up from \$1.0B in 2Q23 and \$0.1B in 1Q23. While election headwinds may temporarily suppress overall transaction activity, the potential for slowing inflation and an interest rate cut in 2H 2024 should help prop up new-issue loan volume for the remainder of the year.

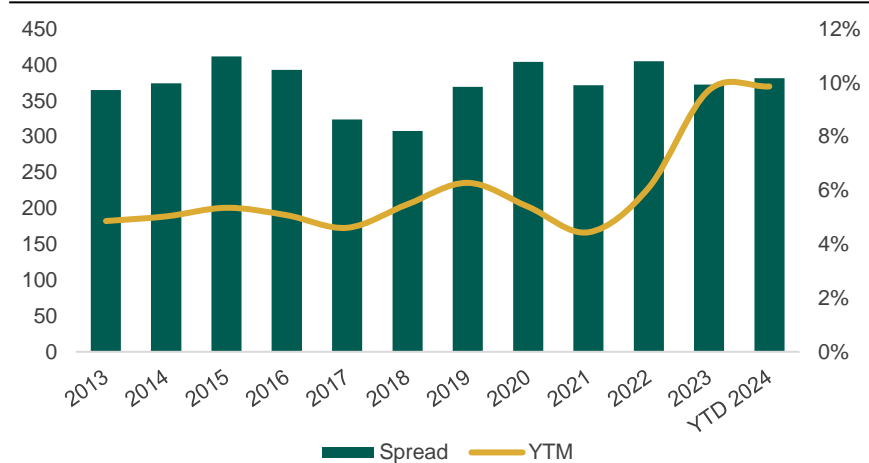
Quarterly F&B Loan Volume



F&B New-Issue Spreads / Yields

The YTD 2024 average institutional spread on new-issue F&B loans was 382 bps over SOFR, up a mere 9 bps from 373 bps in 2023 and down 23 bps from 405 bps in 2022. The average institutional yield-to-maturity (YTM) of F&B new-issue loans in YTD 2024 was 9.86%, up 13 bps from 9.73% in 2023 as the base SOFR rate remains elevated. With F&B credit spreads having tightened since 2022, the upward spike in YTM since 2022 is due to the increase in the underlying base rate. Borrowers are hoping for an interest rate cut in 2H 2024 to drive the YTM on new-issue loans lower (assuming credit spreads are unchanged).

F&B New-Issue Spreads & Yield-To-Maturity (YTM)



F&B Loan Pipeline

Launch Date	Issuer Name	Industry	Type / Deal Size (\$M)	Coupon / SOFR Floor	Leverage	Facility Ratings	Sponsor	Purpose
6/20/2024	B&G Foods	Food Products	Institutional: \$450	(SOFR + 350 / 0.00%)	6.4x	B+/B1	NA	Refinancing
5/20/2024	Simply Good Foods	Food Products	Institutional: \$250	(SOFR + 250 / 0.50%)	1.5x	BB+/Ba3	NA	M&A
4/16/2024	United Natural Foods	Food Products	Institutional: \$500	(SOFR + 475 / 0.00%)	4.6x	B+/B3	NA	Refinancing



FOOD & BEVERAGE TEAM

To speak with us regarding plans for capital, acquisitions, or succession, please contact one of our investment bankers.



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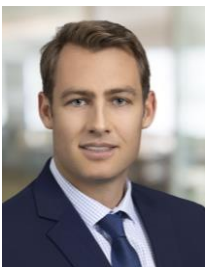
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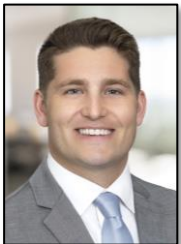
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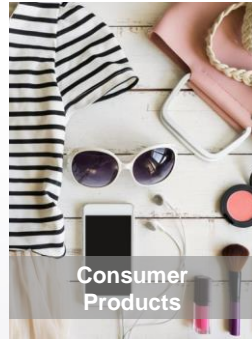


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