



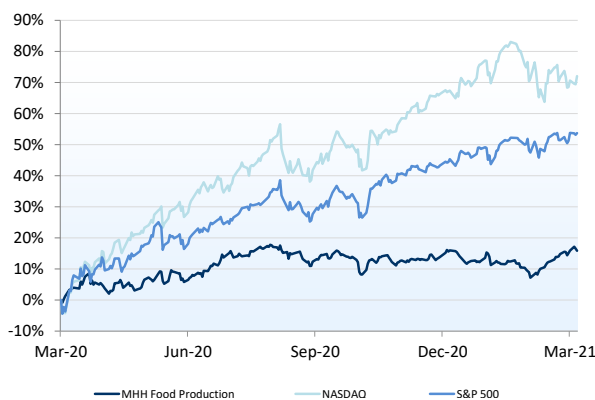
The Food Newsletter - Production, Distribution & Ecommerce Q2 2021

The Mufson Howe Hunter Food Newsletter - Production, Distribution & Ecommerce is designed to provide industry professionals and private equity sponsors with current market trends and important developments within the Food Production, Food Distribution & Food Ecommerce sectors. This quarterly report contains recent news, analysis, and M&A activity on selected companies and in-depth coverage of the primary sectors.

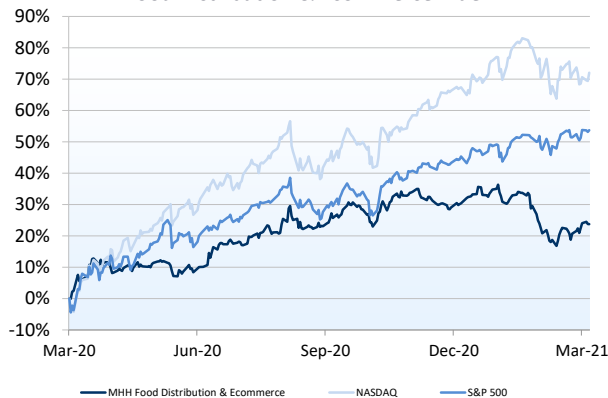
Last Twelve Months Performance (Daily from March 31, 2020 to March 31, 2021)

Price as Percent of Base (March 31, 2020 = 0%)

Food Production Index



Food Distribution & Ecommerce Index



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The Mufson Howe Hunter Food Production Index is currently comprised of ARYZTA AG, Associated British Foods plc, B&G Foods, Inc. Cal-Maine Foods, Inc., Campbell Soup Company, Conagra Brands, Inc., Flowers Foods, Inc., General Mills, Inc., George Weston Limited, Grupo Bimbo, S.A.B. de C.V., Hostess Brands, Inc., J & J Snack Foods Corp., JBS S.A., John B. Sanfilippo & Son, Inc., Kellogg Company, Lamb Weston Holdings, Inc., Lancaster Colony Corporation, McCormick & Company, Incorporated, Mondelez International, Inc., Nestlè S.A., Nomad Foods Limited, Post Holdings, Inc., Premium Brands Holdings Corporation, Sanderson Farms, Inc., Seaboard Corporation, Seneca Foods Corporation, The Hershey Company, The J.M. Smucker Company, TreeHouse Foods, Inc. and Tyson Foods, Inc.

The Mufson Howe Hunter Food Distribution & Ecommerce Index is currently comprised of Albertsons Companies, Inc., Blue Apron Holdings, Inc., Carrefour SA, Core-Mark Holding Company, Inc., Costco Wholesale Corporation, Delivery Hero SE, DoorDash, Inc., Grubhub Inc., HelloFresh SE, Ingles Markets, Incorporated, Just Eat Takeaway.com N.V., Koninklijke Ahold Delhaize N.V., Ocado Group plc, Performance Food Group Company, SpartanNash Company, Sprouts Farmers Market, Inc., Sysco Corporation, Tesco PLC, The Chefs' Warehouse, Inc. The Kroger Co., United Natural Foods, Inc., US Foods Holding Corp., Village Super Market, Inc., Walmart Inc., and Weis Markets, Inc.

The companies that comprise each Index periodically change as a result of mergers, acquisitions, initial public offerings and other transactions; therefore, comparisons to historical time periods and historical performance for each Index do not entirely correspond and correlate to the Index's current performance. Historical performance is not a guarantee or prediction of future results.

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Food Production

Baked Goods, Branded Foods, Private Label Foods, Snacks and Protein Processing for a variety of end-user markets.

Comparative Index Performance

The MHH Food Production Index ^(a) increased by 6.9% in March of 2021.

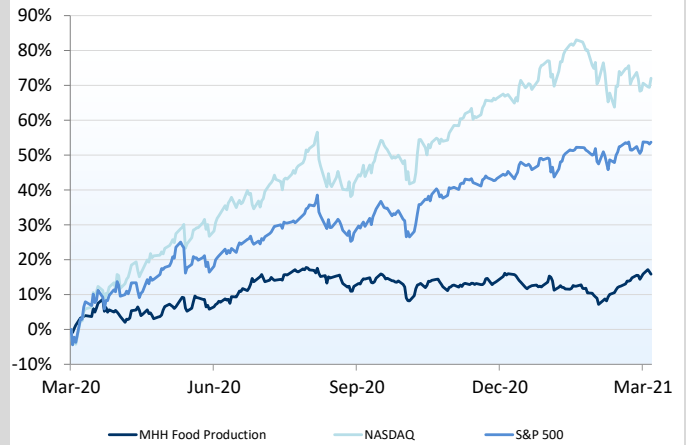
Last Three Years

Daily from March 31, 2018 to March 31, 2021
Price as Percent of Base (March 31, 2018 = 0%)



Last Twelve Months

Daily from March 31, 2020 to March 31, 2021
Price as Percent of Base (March 31, 2020 = 0%)



Price Appreciation

| | 3-Year | LTM | 1-Month |
|--|--------|-------|---------|
| MHH Food Production Index ^(a) | 31.2% | 15.9% | 6.9% |
| NASDAQ | 87.5% | 72.0% | (2.5%) |
| S&P 500 | 50.4% | 53.7% | 1.8% |

(a) Market cap weighted index assuming no dividend reinvestment. Mufson Howe Hunter Food Production Index is comprised of all companies listed on the following page.

Food Production

Selected Valuation Metrics

(\$ in millions, except per share data)

| Company | Market & Capitalization | | | LTM Performance ⁽³⁾ | | | Valuation | | | Margins | |
|--|-------------------------|-------------------|---------------------------------|--------------------------------|------------------|---------------|--------------------------|---------------|---------------|--------------|--------------|
| | Price ⁽¹⁾ | Equity Value | Enterprise Value ⁽²⁾ | Revenue | EBITDA | EPS | Enterprise Value/Revenue | Price/EBITDA | Price/EPS | Gross Profit | EBITDA |
| Baked Goods | | | | | | | | | | | |
| George Weston Limited (TSX:WN) | \$88.47 | \$13,459.5 | \$32,402.4 | \$42,932.8 | \$3,466.5 | \$4.68 | 0.75 x | 9.3 x | 18.9 x | 31.3% | 8.1% |
| Grupo Bimbo, S.A.B. de C.V. (BMV:BIMBO A) | 2.10 | 9,449.8 | 14,878.0 | 16,435.9 | 2,200.1 | 0.13 | 0.91 x | 6.8 x | 15.7 x | 54.2% | 13.4% |
| Flowers Foods, Inc. (FLO) | 23.80 | 5,038.5 | 6,053.7 | 4,388.0 | 489.3 | 0.72 | 1.38 x | 12.4 x | 33.1 x | 50.0% | 11.2% |
| Lancaster Colony Corporation (LANC) | 175.36 | 4,830.3 | 4,636.4 | 1,402.4 | 223.5 | 5.11 | 3.31 x | 20.7 x | 34.3 x | 27.0% | 15.9% |
| Hostless Brands, Inc. (TWNK) | 14.34 | 1,881.3 | 2,848.8 | 1,016.6 | 219.6 | 0.51 | 2.80 x | 13.0 x | 28.1 x | 36.3% | 21.6% |
| ARYZTA AG (SWX:ARYN) | 1.12 | 1,106.0 | 2,161.5 | 3,315.4 | 51.6 | (1.04) | 0.65 x | NM | NM | 11.5% | 1.6% |
| Mean | | \$5,960.9 | \$10,496.8 | \$11,581.8 | \$1,108.4 | \$1.68 | 1.63 x | 12.4 x | 26.0 x | 35.1% | 12.0% |
| Median | | 4,934.4 | 5,345.1 | 3,851.7 | 356.4 | 0.61 | 1.14 x | 12.4 x | 28.1 x | 33.8% | 12.3% |
| Branded Foods | | | | | | | | | | | |
| General Mills, Inc. (GIS) | \$61.32 | \$37,403.4 | \$49,393.8 | \$18,626.4 | \$4,167.9 | \$4.12 | 2.65 x | 11.9 x | 14.9 x | 35.6% | 22.4% |
| Nestlé S.A. (SWX:NESN) | 111.77 | 314,792.3 | 351,131.4 | 95,711.8 | 19,311.7 | 4.85 | 3.67 x | 18.2 x | 23.1 x | 49.4% | 20.2% |
| The Hershey Company (HSY) | 158.16 | 32,738.6 | 36,342.3 | 8,408.4 | 2,265.3 | 6.72 | 4.32 x | 16.0 x | 23.5 x | 46.3% | 26.9% |
| Kellogg Company (K) | 63.30 | 21,544.5 | 29,995.5 | 13,942.0 | 2,372.0 | 3.69 | 2.15 x | 12.6 x | 17.2 x | 34.2% | 17.0% |
| Associated British Foods plc (LSE: ABF) | 33.27 | 26,283.4 | 30,160.3 | 17,551.9 | 1,715.6 | 0.70 | 1.72 x | 17.6 x | NM | 22.4% | 9.8% |
| Conagra Brands, Inc. (CAG) | 37.60 | 18,046.0 | 27,549.5 | 11,733.1 | 2,530.1 | 2.43 | 2.35 x | 10.9 x | 15.5 x | 29.3% | 21.6% |
| McCormick & Company, Incorporated (MKC) | 89.16 | 23,808.9 | 29,188.7 | 5,870.8 | 1,253.9 | 2.84 | 4.97 x | 23.3 x | 31.4 x | 41.1% | 21.4% |
| Hormel Foods Corporation (HRL) | 47.78 | 25,808.3 | 25,346.2 | 9,685.2 | 1,340.1 | 1.62 | 2.62 x | 18.9 x | 29.5 x | 19.6% | 13.8% |
| Campbell Soup Company (CPB) | 50.27 | 15,232.3 | 20,547.3 | 8,965.0 | 1,728.0 | 2.65 | 2.29 x | 11.9 x | 19.0 x | 34.8% | 19.3% |
| The J. M. Smucker Company (SJM) | 126.53 | 13,704.5 | 18,203.8 | 8,174.5 | 1,921.6 | 8.41 | 2.23 x | 9.5 x | 15.0 x | 39.0% | 23.5% |
| Post Holdings, Inc. (POST) | 105.72 | 6,726.9 | 13,499.7 | 5,689.0 | 1,060.1 | 4.18 | 2.37 x | 12.7 x | 25.3 x | 31.3% | 18.6% |
| Nomad Foods Limited (NOMD) | 27.46 | 4,850.1 | 6,690.4 | 2,981.7 | 526.2 | 1.40 | 2.24 x | 12.7 x | 19.6 x | 30.6% | 17.6% |
| Premium Brands Holdings Corporation (TSX: PBH) | 95.19 | 4,149.9 | 5,652.6 | 3,295.3 | 232.3 | 1.79 | 1.72 x | 24.3 x | NM | 19.1% | 7.0% |
| B&G Foods, Inc. (BGS) | 31.06 | 2,010.4 | 4,327.3 | 1,967.9 | 356.1 | 2.04 | 2.20 x | 12.2 x | 15.2 x | 24.7% | 18.1% |
| Mean | | \$39,078.5 | \$46,287.8 | \$15,185.9 | \$2,912.9 | \$3.39 | 2.68 x | 15.2 x | 20.8 x | 32.7% | 18.4% |
| Median | | 19,795.2 | 26,447.8 | 8,686.7 | 1,721.8 | 2.75 | 2.32 x | 12.7 x | 19.3 x | 32.8% | 19.0% |
| Private Label Food | | | | | | | | | | | |
| Lamb Weston Holdings, Inc. (LW) | \$77.48 | \$11,334.0 | \$13,392.7 | \$3,510.3 | \$655.6 | \$1.71 | 3.82 x | 20.4 x | NM | 22.6% | 18.7% |
| TreeHouse Foods, Inc. (THS) | 52.24 | 2,921.2 | 5,032.9 | 4,322.1 | 496.1 | 1.45 | 1.16 x | 10.1 x | NM | 19.6% | 11.5% |
| Seneca Foods Corporation (SENE.A) | 47.09 | 427.0 | 588.0 | 1,470.7 | 162.1 | 14.36 | 0.40 x | 3.6 x | 3.3 x | 15.1% | 11.0% |
| Mean | | \$4,894.1 | \$6,337.9 | \$3,101.0 | \$437.9 | \$5.84 | 1.79 x | 11.4 x | 3.3 x | 19.1% | 13.7% |
| Median | | 2,921.2 | 5,032.9 | 3,510.3 | 496.1 | 1.71 | 1.16 x | 10.1 x | 3.3 x | 19.6% | 11.5% |
| Snack | | | | | | | | | | | |
| Mondelez International, Inc. (MDLZ) | \$58.53 | \$82,217.7 | \$100,420.7 | \$27,112.0 | \$5,947.0 | \$2.64 | 3.70 x | 16.9 x | 22.2 x | 40.4% | 21.9% |
| J & J Snack Foods Corp. (JJSF) | 157.03 | 2,989.2 | 2,786.6 | 964.3 | 51.0 | 0.09 | 2.89 x | NM | NM | 21.0% | 5.3% |
| John B. Sanfilippo & Son, Inc. (JBSS) | 90.37 | 1,036.4 | 1,082.3 | 855.9 | 95.0 | 4.99 | 1.26 x | 11.4 x | 18.1 x | 20.9% | NM |
| Mean | | \$28,747.8 | \$34,763.2 | \$9,644.1 | \$2,031.0 | \$2.57 | 2.62 x | 14.1 x | 20.1 x | 27.4% | 13.6% |
| Median | | 2,989.2 | 2,786.6 | 964.3 | 95.0 | 2.64 | 2.89 x | 14.1 x | 20.1 x | 21.0% | 13.6% |
| Protein Processing | | | | | | | | | | | |
| Tyson Foods, Inc. (TSN) | \$74.30 | \$27,099.6 | \$36,725.6 | \$43,242.0 | \$5,087.0 | \$5.81 | 0.85 x | 7.2 x | 12.8 x | 13.6% | 11.8% |
| JBS S.A. (BOVESPA:JBSS3) | 5.36 | 13,452.0 | 24,592.9 | 52,030.4 | 5,322.4 | 0.33 | 0.47 x | 4.6 x | 16.1 x | 16.7% | 10.2% |
| Pilgrim's Pride Corporation (PPC) | 23.79 | 5,796.8 | 8,097.2 | 12,290.4 | 847.5 | 0.52 | 0.66 x | 9.6 x | NM | 7.5% | 6.9% |
| Sanderson Farms, Inc. (SAFM) | 155.78 | 3,478.6 | 3,520.4 | 3,650.5 | 260.2 | 3.45 | 0.96 x | 13.5 x | NM | 8.0% | 7.1% |
| Cal-Maine Foods, Inc. (CALM) | 38.42 | 1,877.1 | 1,699.0 | 1,452.5 | 124.5 | 1.37 | 1.17 x | 13.6 x | 28.0 x | 16.8% | 8.6% |
| Mean | | NA | NA | \$22,533.2 | \$2,328.3 | \$2.30 | 0.82 x | 9.7 x | 18.9 x | NA | NA |
| Median | | NA | NA | 12,290.4 | 847.5 | 1.37 | 0.85 x | 9.6 x | 16.1 x | NA | NA |

NA = Not Available; NM = Not Meaningful; LTM = Latest Twelve Months
 ‡ = excluded from Mean and Median calculations
 Source: Public Filings, Press Releases and Published Research Reports.

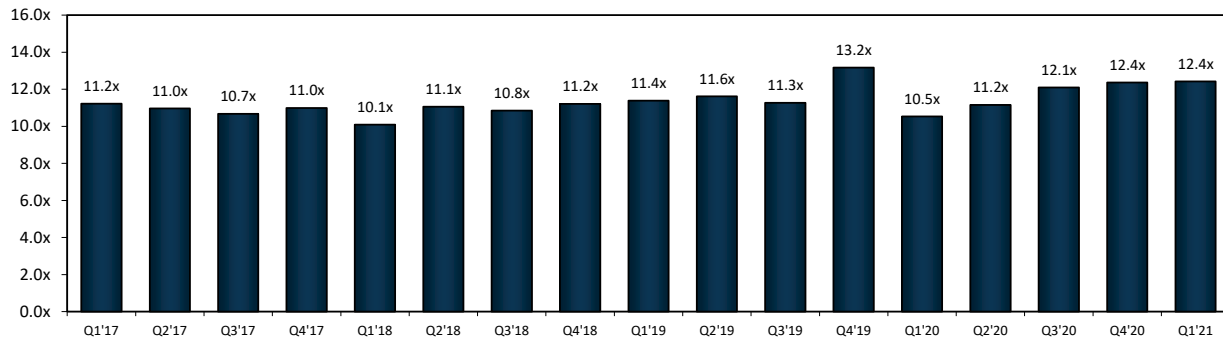
(1) As of close on March 31, 2021.

(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, postretirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

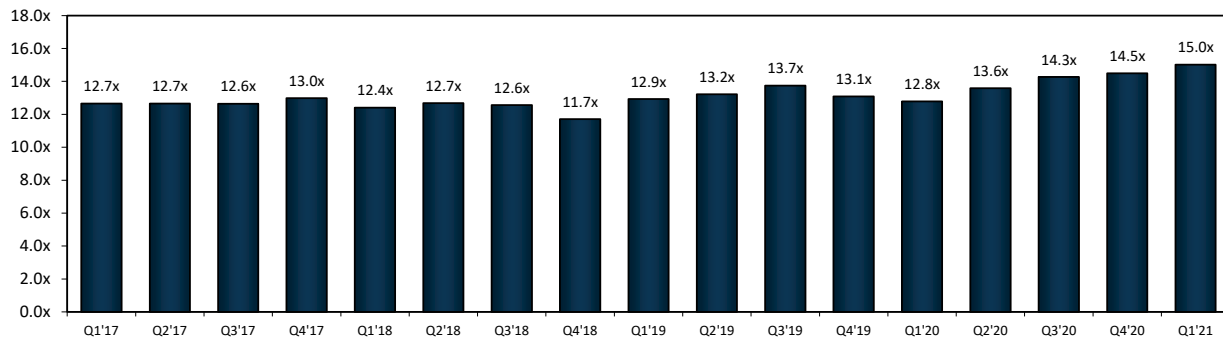
(3) Excludes non-recurring and discontinued operations.

Historical Enterprise Value-to-LTM EBITDA Multiples

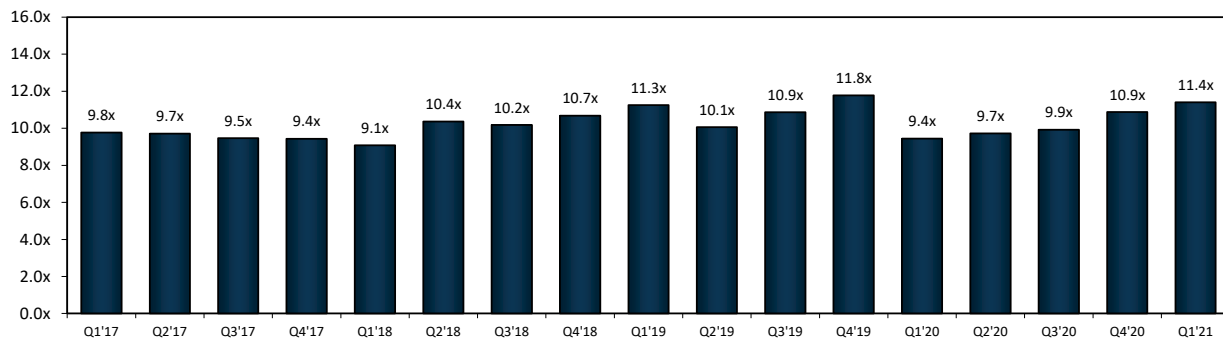
Baked Goods



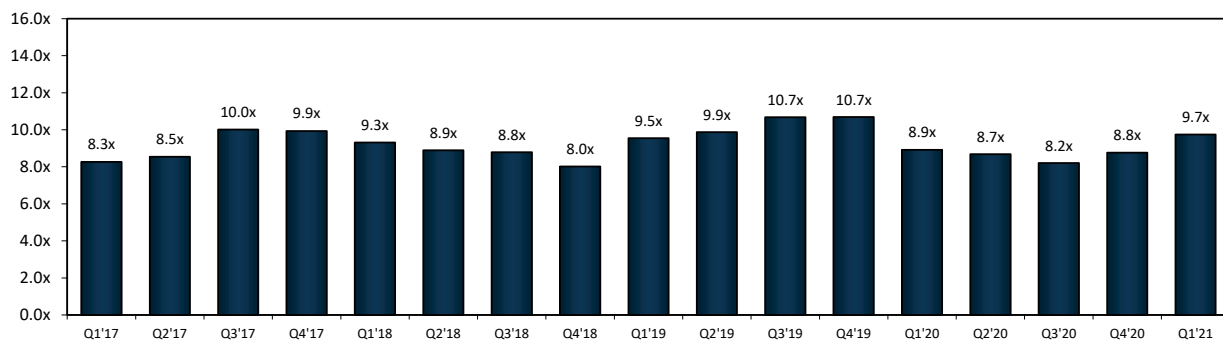
Branded Foods and Snacks



Private Label Food



Protein Processing



Selected M&A Transactions

| Announced | Target | Target Description | Acquirer | Value (\$m) |
|-----------|----------------------------------|--|--|-------------|
| Mar 31 | Nestlé Waters North America Inc. | Produces and sells bottled water in the United States and Canada | One Rock Capital Partners, LLC and Metropoulos & Co. | \$4,300.0 |
| Mar 11 | Starboard Seafood Inc. | Operates as a seafood distributor and importer | Premium Brands Holdings Corporation (TSX:PBH) | ND |
| Mar 11 | Distribution Cote-Nord Inc. | Engages in distribution of food | Premium Brands Holdings Corporation (TSX:PBH) | ND |
| Feb 19 | Follow Your Heart, Inc. | Produces and supplies natural food products | Danone S.A. (ENXTPA:BN) | ND |
| Feb 10 | Sprout Foods, Inc. | Manufactures and sells organic food for babies, toddlers, and people of various ages | Neptune Wellness Solutions Inc. (TSX:NEPT) | \$34.0 |
| Feb 9 | Randall Foods, Inc. | Processes and distributes poultry and meat products | Highview Capital, LLC | ND |
| Feb 3 | MLW Foods Inc. | Manufactures and supplies frozen food | Fondaction; Champlain Financial Corporation | ND |
| Feb 1 | Almark | Produces and supplies eggs to retailers, convenience stores and restaurant chains nationwide | Michael Foods Group, Inc. | ND |
| Jan 29 | Natural Balance Pet Foods, Inc. | Produces dog and cat formulas, including dry, canned, wet and other products | Nexus Capital Management LP | \$50.0 |
| Jan 26 | ProPortion Foods, LLC | Produces, and distributes food products | Cargill, Incorporated | ND |
| Jan 25 | LYF Food Technologies Inc. | Produces chocolate, confectionary, and baked and health food edibles | The Valens Company Inc. (TSX:VLNS) | \$38.0 |
| Jan 25 | Clearwater Seafoods Incorporated | Markets, and distributes seafood worldwide | Premium Brands Holdings Corporation (TSX:PBH) | ND |
| Jan 5 | Hu Master Holdings, LLC | Manufactures and sells chocolate products | Mondelez International, Inc. (NasdaqGS:MDLZ) | \$231.0 |
| Jan 5 | Ecce Panis, Inc. | Produces artisan breads and rolls | Jimmy's Cookies, LLC | ND |

ND – Not disclosed. Transaction values in millions.

Selected News

George Weston Limited (TSX:WN) reported net income of \$755.8 million for fiscal year 2020 as compared to \$186.6 million for the prior year. Earnings per share were \$4.68 versus \$0.97 for the prior year. Revenues for the year increased to \$42,932.8 million from \$38,633.5 million for fiscal year 2019.

Flowers Foods, Inc. (FLO) reported net income of \$152.3 million for fiscal year 2021 as compared to \$164.5 million for the prior year. Earnings per share were \$0.72 versus \$0.78 for the prior year. Revenues for the year increased to \$4,388.0 million from \$4,124.0 million for fiscal year 2020.

Hostess Brands, Inc. (TWNK) reported net income of \$64.7 million for fiscal year 2020 as compared to \$63.1 million for the prior year. Earnings per share were \$0.51 versus \$0.55 for the prior year. Revenues for the year increased to \$1,016.6 million from \$907.7 million for fiscal year 2019.

ARYZTA AG (SWX:ARYN) reported second quarter net income of (\$76.1) million for fiscal year 2021 as compared to (\$495.8) million for the prior year period. Earnings per share were (\$0.09) versus (\$0.51) for the prior year period. Revenues for the quarter decreased to \$456.7 million from \$525.0 million for the same period in fiscal year 2020.

General Mills, Inc. (GIS) reported third quarter net income of \$595.7 million for fiscal year 2021 as compared to \$454.1 million for the prior year period. Earnings per share were \$0.96 versus \$0.74 for the prior year period. Revenues for the quarter increased to \$4,520.0 million from \$4,180.3 million for the same period in fiscal year 2020.

McCormick & Company, Incorporated (MKC) reported first quarter net income of \$161.8 million for fiscal year 2021 as compared to \$144.7 million for the prior year period. Earnings per share were \$0.60 versus \$0.54 for the prior year period. Revenues for the quarter increased to \$1,481.5 million from \$1,212.0 million for the same period in fiscal year 2020.

Kellogg Company (K) reported first quarter net income of \$368.0 million for fiscal year 2022 as compared to \$347.0 million for the prior year period. Earnings per share were \$1.07 versus \$1.01 for the prior year period. Revenues for the quarter increased to \$3,584.0 million from \$3,412.0 million for the same period in fiscal year 2021.

Hormel Foods Corporation (HRL) reported first quarter net income of \$222.3 million for fiscal year 2021 as compared to \$242.9 million for the prior year period. Earnings per share were \$0.41 versus \$0.45 for the prior year period. Revenues for the quarter increased to \$2,461.1 million from \$2,384.4 million for the same period in fiscal year 2020.

Campbell Soup Company (CPB) reported second quarter net income of \$245.0 million for fiscal year 2021 as compared to \$1,208.0 million for the prior year period. Earnings per share were \$0.80 versus \$3.97 for the prior year period. Revenues for the quarter increased to \$2,279.0 million from \$2,162.0 million for the same period in fiscal year 2020.

The J. M. Smucker Company (SJM) reported third quarter net income of \$261.5 million for fiscal year 2021 as compared to \$187.4 million for the prior year period. Earnings per share were \$2.32 versus \$1.64 for the prior year period. Revenues for the quarter increased to \$2,076.7 million from \$1,972.3 million for the same period in fiscal year 2020.

B&G Foods, Inc. (BGS) reported net income of \$132.0 million for fiscal year 2021 as compared to \$76.4 million for the prior year. Earnings per share were \$2.04 versus \$1.17 for the prior year. Revenues for the year increased to \$1,967.9 million from \$1,660.4 million for fiscal year 2020.

Tyson Foods, Inc. (TSN) reported first quarter net income of \$467.0 million for fiscal year 2021 as compared to \$505.0 million for the prior year period. Earnings per share were \$1.28 versus \$1.38 for the prior year period. Revenues for the quarter decreased to \$10,460.0 million from \$10,815.0 million for the same period in fiscal year 2020.

JBS S.A. (BOVESPA:JBSS3) reported net income of \$885.4 million for fiscal year 2020 as compared to \$1,509.7 million for the prior year. Earnings per share were \$0.33 versus \$0.57 for the prior year. Revenues for the year increased to \$52,030.4 million from \$50,881.6 million for fiscal year 2019.

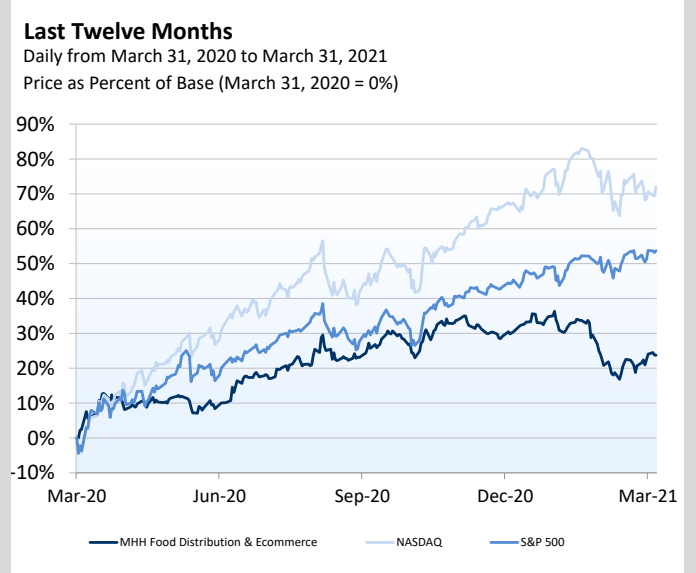
Sanderson Farms, Inc. (SAFM) reported first quarter net income of \$9.5 million for fiscal year 2021 as compared to (\$38.6) million for the prior year period. Earnings per share were \$0.42 versus (\$1.76) for the prior year period. Revenues for the quarter increased to \$909.3 million from \$823.1 million for the same period in fiscal year 2020.

Cal-Maine Foods, Inc. (CALM) reported third quarter net income of \$13.5 million for fiscal year 2021 as compared to \$13.7 million for the prior year period. Earnings per share were \$0.28 versus \$0.28 for the prior year period. Revenues for the quarter increased to \$359.1 million from \$345.6 million for the same period in fiscal year 2020.

Note: All per share results are reported on a fully-diluted basis.

Comparative Index Performance

The MHH Food Distribution & Ecommerce Index ^(a) increased by 1.5% in March of 2021.



| Price Appreciation | 3-Year | LTM | 1-Month |
|--|---------------|------------|----------------|
| MHH Food Distribution & Ecommerce Index ^(a) | 49.6% | 23.7% | 1.5% |
| NASDAQ | 87.5% | 72.0% | (2.5%) |
| S&P 500 | 50.4% | 53.7% | 1.8% |

(a) Market cap weighted index assuming no dividend reinvestment. Mufson Howe Hunter Food Distribution & Ecommerce Index is comprised of all companies listed on the following page.

Food Distribution & Ecommerce

Selected Valuation Metrics

(\$ in millions, except per share data)

| Company | Market & Capitalization | | | LTM Performance ⁽³⁾ | | | Valuation | | | Margins | |
|---|-------------------------|-------------------|---------------------------------|--------------------------------|------------------|-----------------|--------------------------|---------------|---------------|--------------|--------------|
| | Price ⁽¹⁾ | Equity Value | Enterprise Value ⁽²⁾ | Revenue | EBITDA | EPS | Enterprise Value/Revenue | Price/EBITDA | Price/EPS | Gross Profit | EBITDA |
| Food Retail | | | | | | | | | | | |
| Walmart Inc. (WMT) | \$135.83 | \$382,155.2 | \$434,722.2 | \$559,151.0 | \$38,100.0 | \$4.75 | 0.78 x | 11.4 x | 28.6 x | 24.8% | 6.8% |
| Costco Wholesale Corporation (COST) | 348.37 | 154,165.5 | 155,656.5 | 178,626.0 | 8,173.0 | 9.78 | 0.87 x | 19.0 x | 35.6 x | 13.2% | 4.6% |
| The Kroger Co. (KR) | 35.99 | 27,064.3 | 45,938.3 | 132,498.0 | 5,993.0 | 3.27 | 0.35 x | 7.7 x | 11.0 x | 24.0% | 4.5% |
| Koninklijke Ahold Delhaize N.V. (ENXTAM:AD) | 27.88 | 28,796.0 | 42,779.6 | 91,297.3 | 6,279.0 | 1.59 | 0.47 x | 6.8 x | 17.6 x | 27.7% | 6.9% |
| Tesco PLC (LSE:TSCO) | 3.15 | 24,228.8 | 41,122.0 | 80,611.3 | 4,308.6 | 0.13 | 0.51 x | 9.5 x | 24.1 x | 5.5% | 5.3% |
| Carrefour SA (ENXTPA:CA) | 18.13 | 14,650.4 | 31,346.4 | 88,017.1 | 4,329.1 | 1.00 | 0.36 x | 7.2 x | 18.1 x | 20.2% | 4.9% |
| Albertsons Companies, Inc. (ACI) | 19.07 | 8,896.4 | 23,273.5 | 69,690.4 | 3,867.6 | 1.47 | 0.33 x | 6.0 x | 13.0 x | 30.0% | 5.5% |
| Sprouts Farmers Market, Inc. (SFM) | 26.62 | 3,144.7 | 4,368.4 | 6,397.7 | 507.2 | 2.35 | 0.68 x | 8.6 x | 11.3 x | 37.2% | 7.9% |
| Ingles Markets, Incorporated (IMKT.A) | 61.65 | 1,171.0 | 1,857.0 | 4,761.8 | 461.6 | 11.19 | 0.39 x | 4.0 x | 5.5 x | 26.8% | 9.7% |
| Weis Markets, Inc. (WMK) | 56.52 | 1,520.3 | 1,508.3 | 4,133.1 | 258.4 | 4.33 | 0.36 x | 5.8 x | 13.1 x | 27.3% | 6.3% |
| Village Super Market, Inc. (VLGE.A) | 23.57 | 343.0 | 642.5 | 1,972.7 | 68.3 | 1.94 | 0.33 x | 9.4 x | 12.1 x | 28.1% | 3.5% |
| Mean | | \$58,739.6 | \$71,201.3 | \$110,650.6 | \$6,576.9 | \$3.80 | 0.49x | 8.7x | 17.3x | 24.1% | 6.0% |
| Median | | 14,650.4 | 31,346.4 | 80,611.3 | 4,308.6 | 2.35 | 0.39x | 7.7x | 13.1x | 26.8% | 5.5% |
| Food Distribution | | | | | | | | | | | |
| Sysco Corporation (SYU) | \$78.74 | \$40,282.0 | \$48,809.8 | \$44,027.5 | \$1,449.7 | (\$0.48) | 1.11 x | 33.7 x | NM | 18.2% | 3.3% |
| US Foods Holding Corp. (USFD) | 25.05 | 5,558.2 | 11,096.2 | 22,841.0 | 701.0 | (0.73) | 0.49 x | 15.8 x | NM | 16.2% | 3.1% |
| Performance Food Group Company (PFGC) | 57.61 | 7,708.3 | 10,512.3 | 26,868.5 | 473.2 | (1.08) | 0.39 x | 22.2 x | NM | 11.7% | 1.8% |
| United Natural Foods, Inc. (UNFI) | 32.94 | 1,854.4 | 5,490.7 | 27,347.0 | 742.4 | 3.47 | 0.20 x | 7.4 x | 9.5 x | 14.7% | 2.7% |
| Core-Mark Holding Company, Inc. (CORE) | 38.69 | 1,747.4 | 2,302.7 | 13,609.1 | 167.2 | 1.49 | 0.17 x | 13.8 x | 26.0 x | 6.5% | 1.2% |
| The Chef's Warehouse, Inc. (CHEF) | 30.46 | 1,154.5 | 1,503.9 | 1,016.4 | (43.2) | (2.45) | 1.48 x | NM | NM | 23.2% | -4.3% |
| SpartanNash Company (SPTN) | 19.63 | 712.0 | 1,503.2 | 9,348.5 | 217.8 | 2.12 | 0.16 x | 6.9 x | 9.3 x | 15.2% | 2.3% |
| Mean | | \$8,431.0 | \$11,602.7 | \$20,722.6 | \$529.7 | \$0.3 | 0.57x | 16.6x | 14.9x | 15.1% | 1.4% |
| Median | | 1,854.4 | 5,490.7 | 22,841.0 | 473.2 | -0.5 | 0.39x | 14.8x | 9.5x | 15.2% | 2.3% |
| Food Ecommerce | | | | | | | | | | | |
| Delivery Hero SE (XTRA:DHRO) | 129.69 | 32,286.1 | 32,562.6 | 3,023.7 | (988.6) | (8.57) | NM | NM | NM | 20.0% | -32.7% |
| Ocado Group plc (LSE:OCDO) | 28.03 | 20,721.6 | 19,878.9 | 3,108.0 | (42.1) | (0.23) | 6.40 x | NM | NM | 34.9% | -1.4% |
| Just Eat Takeaway.com N.V. (ENXTAM:TKWY) | \$92.28 | \$13,732.8 | \$13,780.5 | \$2,497.9 | \$21.4 | (\$1.32) | 5.52 x | NM | NM | 32.9% | 0.9% |
| Grubhub Inc. (GRUB) | 60.00 | 5,600.8 | 5,808.3 | 2,007.6 | (61.5) | (2.14) | 2.89 x | NM | NM | 26.7% | -3.1% |
| Blue Apron Holdings, Inc. (APRN) | 6.31 | 113.9 | 151.9 | 488.5 | (9.8) | (2.57) | 0.31 x | NM | NM | 37.8% | -2.0% |
| HelloFresh SE (XTRA:HFG) | 74.65 | 12,955.7 | 12,142.7 | 5,274.3 | 627.3 | 2.80 | 2.30 x | 19.4 x | 26.7 x | 66.1% | 11.9% |
| DoorDash, Inc. (DASH) | 131.13 | 42,718.7 | 38,476.7 | 2,886.0 | (311.0) | (7.39) | NM | NM | NM | 54.2% | -10.8% |
| Mean | | \$18,304.2 | \$17,543.1 | \$2,755.1 | (\$109.2) | (\$2.77) | 3.48 x | 19.4 x | 26.7 x | 38.9% | -5.3% |
| Median | | 13,732.8 | 13,780.5 | 2,886.0 | (42.1) | (2.14) | 2.89 x | 19.4 x | 26.7 x | 34.9% | -2.0% |

NA = Not Available; NM = Not Meaningful; LTM = Latest Twelve Months

‡ = excluded from Mean and Median calculations

Source: Public Filings, Press Releases and Published Research Reports.

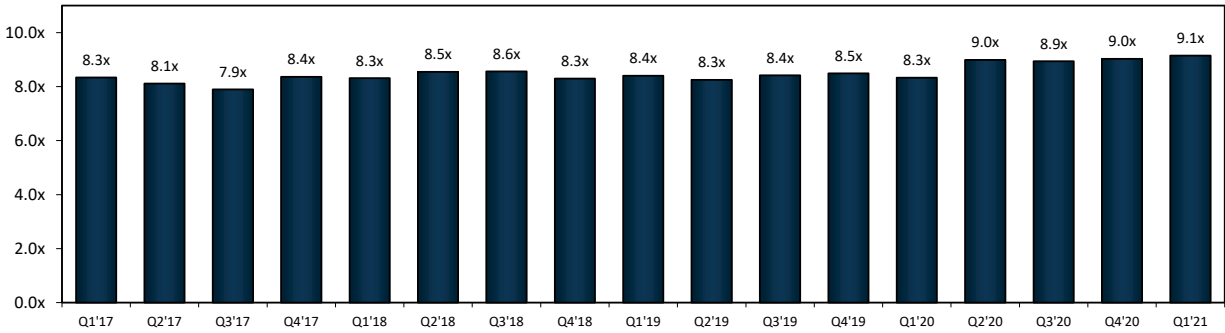
(1) As of close March 31, 2021.

(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, postretirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

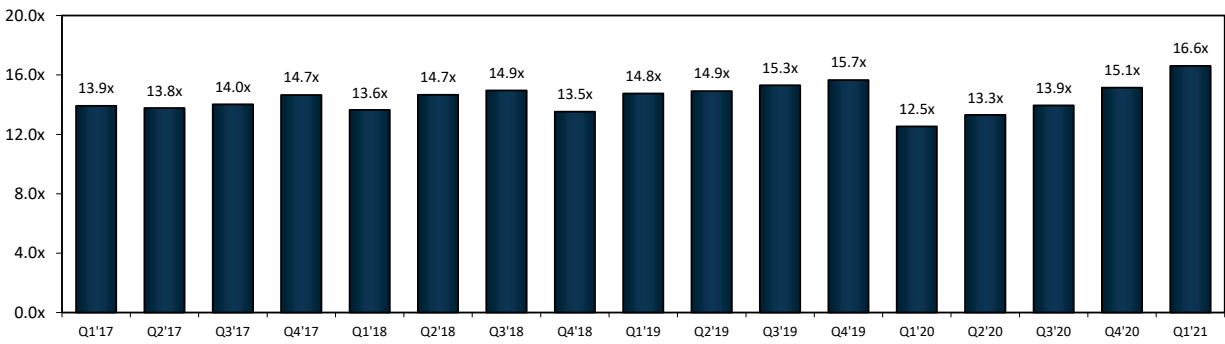
(3) Excludes non-recurring and discontinued operations.

Historical Enterprise Value-to-LTM Multiples

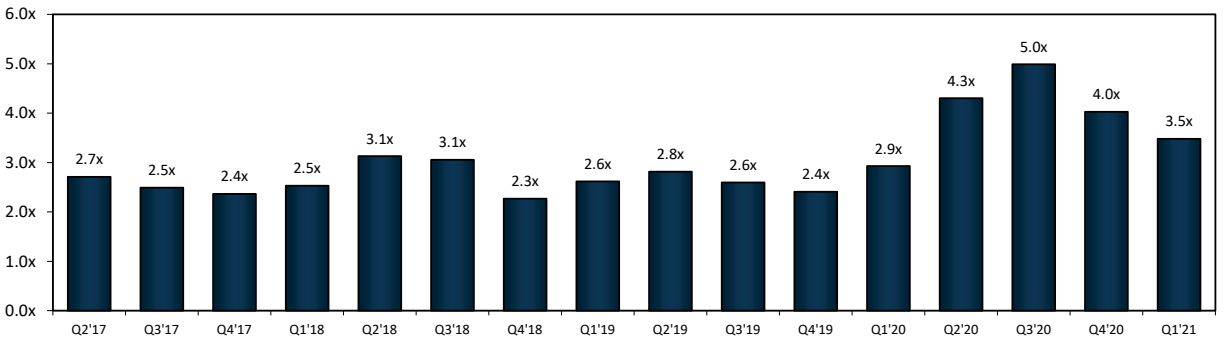
Food Retail (EV/EBITDA)



Food Distribution (EV/EBITDA)



Food E-Commerce (EV/Revenue) ⁽¹⁾ ⁽²⁾



⁽¹⁾ Data from Q2'17 due to IPO Dates

⁽²⁾ EV/EBITDA not applicable for Ecommerce

Selected M&A Transactions

| Announced | Target | Target Description | Acquirer | Value (\$m) |
|-----------|---|--|------------------------------------|-------------|
| Mar 24 | Grupo Big Brasil S.A. | Operates as a food retail company in Brazil | Atacadão S.A. (BOVESPA:CRFB3) | \$1,950.0 |
| Mar 16 | Longo Brothers Fruit Markets Inc. | Owens and operates a chain of grocery stores | Empire Company Limited (TSX:EMP.A) | \$290.0 |
| Feb 16 | Nineteen convenience-format liquor stores of Alcanna Inc. | Engages in the retailing of alcohol in North America | Otter Farm & Home Co-Operative | \$65.0 |
| Jan 19 | Jackson Whole Grocer | Operates grocery stores in Wyoming | Whole Foods Market, Inc. | ND |
| Jan 15 | Green's Natural Foods, Inc. | Owens and operates a food store offering organic produce, natural groceries, and dietary supplements | Hudson Equity Partners, LLC | ND |

ND – Not disclosed. Transaction values in millions.

Selected News

Walmart Inc. (WMT) reported net income of \$13,510.0 million for fiscal year 2021 as compared to \$14,881.0 million for the prior year. Earnings per share were \$4.75 versus \$5.19 for the prior year. Revenues for the year increased to \$559,151.0 million from \$523,964.0 million for fiscal year 2020.

Costco Wholesale Corporation (COST) reported second quarter net income of \$951.0 million for fiscal year 2021 as compared to \$931.0 million for the prior year period. Earnings per share were \$2.14 versus \$2.10 for the prior year period. Revenues for the quarter increased to \$44,769.0 million from \$39,072.0 million for the same period in fiscal year 2020.

Koninklijke Ahold Delhaize N.V. (ENXTAM:AD) reported net income of \$1,706.6 million for fiscal year 2021 as compared to \$1,973.4 million for the prior year. Earnings per share were \$1.59 versus \$1.78 for the prior year. Revenues for the year increased to \$91,297.3 million from \$74,041.8 million for fiscal year 2020.

The Kroger Co. (KR) reported net income of \$2,585.0 million for fiscal year 2021 as compared to \$1,659.0 million for the prior year. Earnings per share were \$3.27 versus \$2.04 for the prior year. Revenues for the year increased to \$132,498.0 million from \$122,286.0 million for fiscal year 2020.

Carrefour SA (ENXTPA:CA) reported net income of \$784.1 million for fiscal year 2020 as compared to \$1,263.6 million for the prior year. Earnings per share were \$0.97 versus \$1.60 for the prior year. Revenues for the year increased to \$88,017.1 million from \$82,949.2 million for fiscal year 2019.

US Foods Holding Corp. (USFD) reported net income of (\$226.0) million for fiscal year 2021 as compared to \$385.0 million for the prior year. Earnings per share were (\$1.15) versus \$1.75 for the prior year. Revenues for the year decreased to \$22,885.0 million from \$25,939.0 million for fiscal year 2020.

United Natural Foods, Inc. (UNFI) reported second quarter net income of \$59.0 million for fiscal year 2021 as compared to (\$30.7) million for the prior year period. Earnings per share were \$0.99 versus (\$0.57) for the prior year period. Revenues for the quarter increased to \$6,888.1 million from \$6,431.4 million for the same period in fiscal year 2020.

SpartanNash Company (SPTN) reported net income of \$75.9 million for fiscal year 2021 as compared to \$5.7 million for the prior year. Earnings per share were \$2.12 versus \$0.16 for the prior year. Revenues for the year increased to \$9,348.5 million from \$8,536.1 million for fiscal year 2020.

DoorDash, Inc. (DASH) reported net income of (\$461.0) million for fiscal year 2020 as compared to (\$667.0) million for the prior year. Earnings per share were (\$7.39) versus (\$15.44) for the prior year. Revenues for the year increased to \$2,886.0 million from \$885.0 million for fiscal year 2019.

















Ocado Group plc (LSE:OCDO) reported net income of (\$167.9) million for fiscal year 2020 as compared to (\$275.6) million for the prior year. Earnings per share were (\$0.23) versus (\$0.40) for the prior year. Revenues for the year increased to \$3,108.0 million from \$2,271.7 million for fiscal year 2019.

Just Eat Takeaway.com N.V. (ENXTAM:TKWY) reported net income of (\$184.7) million for fiscal year 2020 as compared to (\$129.1) million for the prior year. Earnings per share were (\$1.32) versus (\$2.23) for the prior year. Revenues for the year increased to \$2,497.9 million from \$466.8 million for fiscal year 2019.















Note: All per share results are reported on a fully-diluted basis.

Significant Industry M&A

This section of the Mufson Howe Hunter Food Production and Services Newsletter highlights significant M&A Transactions and current trends in the food space.

| Ann. Date | Target | Target Business Description | Acquiror | Enterprise Value | EV/EBITDA |
|------------|---|---|---|------------------|-----------|
| 05/05/2021 |  | Haystack Mountain Goat Dairy, Inc. produces and markets goat milk cheeses in the United States. |  | N/A | N/A |
| 04/05/2021 |  | De Wafelbakkers, LLC manufactures and distributes frozen breakfast products. |  | N/A | N/A |
| 03/23/2021 |  | Yoplait SAS produces, markets, and distributes dairy products worldwide. |  | N/A | N/A |
| 03/22/2021 |  | Producer of culinary-style meat and protein snacks. The company offers jerky made from natural beef, pork, and turkey. Its product range includes KRAVE Meat Cuts, KRAVE Pork Rinds, KRAVE Plant-Based Jerky, and other related products. |  | N/A | N/A |
| 02/19/2021 |  | Starboard Seafood Inc. operates as a seafood distributor and importer. |  | N/A | N/A |
| 02/10/2021 |  | Nuts Business of The Kraft Heinz Company comprises Corn Nuts production facility in Fresno, California, and Planters production facilities in Fort Smith, Arkansas and Suffolk, Virginia manufacturing nutrition products, cheez balls, and cheez curls and Corn Nuts branded products. |  | \$3,350.0 | N/A |
| 02/09/2021 |  | Randall Foods, Inc. processes and distributes poultry and meat products. |  | N/A | N/A |
| 12/31/2020 |  | ProPortion Foods, LLC produces, and distributes food products. |  | N/A | N/A |

Capital Market Activities

| <i>Date</i> | <i>Target</i> | <i>Investor</i> | <i>Type of Transaction</i> | <i>Target Description</i> | <i>Capital Raised (\$mm)</i> |
|-------------|---|---|----------------------------|--|------------------------------|
| Mar 23 |  |  | Late Stage VC | Provides plant-based egg substitute | \$200 |
| Mar 21 |  |  | Late Stage VC | Operates on-demand essential delivery space | \$1,150 |
| Mar 11 |  | Public | IPO | Operates in S. Korea E-Commerce | \$4,550 |
| Mar 17 |  | Public | IPO | Provides IT infrastructure for digital orders to on-demand restaurants | \$450 |
| Mar 16 |  |  | Late Stage VC | Operates online asian supermarket | \$315 |
| Feb 16 |  | Undisclosed Investors | Early Stage VC | Operates in Plant Based Yogurt Space | \$24 |
| Feb 4 |  |  | Early Stage VC | Provides chef-grade meal services for home-cook meals | \$30 |
| Feb 3 |  |  | Late Stage VC | Operates wine marketplace to view ratings across the globe | \$155 |
| Jan 19 |  | Public | IPO | Online retailer of eyecare and lenses | CAD55 |

daring.

has raised Series A financing from investor groups led by



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151
FOODS

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a portfolio company of



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has completed a senior debt financing with



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