



Mufson Howe Hunter

Food Production, Distribution & Ecommerce Newsletter

Q3 2021

Primary Food Production, Distribution & Ecommerce Contacts

Michael J. Mufson

Managing Director
215.399.5410

mmufson@mhco.com

Jimmy Yu CFA®

Vice President
215.399.5408

jyu@mhco.com

Anthony Lopez Ona

Managing Director
215.399.5405

alopezona@mhco.com

Cole Testaiuti

Analyst
215.399.5416
ctestaiuti@mhco.com

Mufson Howe Hunter & Company LLC is a middle-market focused investment bank providing M&A, capital raising and financial advisory services.

Mufson Howe Hunter & Partners LLC
Member SIPC | FINRA

The Mufson Howe Hunter Food Production, Distribution & Ecommerce Newsletter 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 Sept 30, 2020 to Sept 30, 2021 Price as Percent of Base (Sept 30, 2020 = 0%)

Food Production Index



Food Distribution & Ecommerce Index

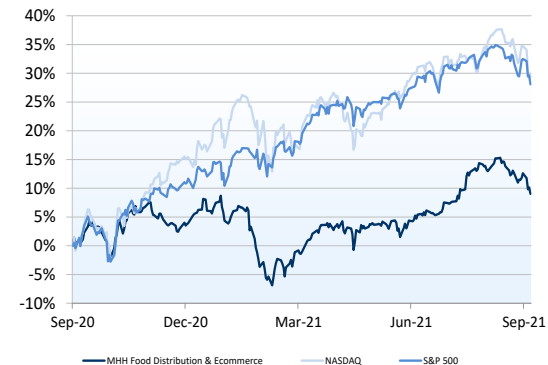


Table of Contents

Food Production, Distribution & Ecommerce Newsletter

Section 1	Food Production.....	3
Section 2	Food Distribution & Ecommerce.....	13
Section 3	Significant Industry M&A.....	20
Section 4	Capital Markets Activity.....	21
Section 5	MHH Representative Tombstones.....	22

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., Nestlé 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.

The information and statistical data contained herein have been obtained from sources that Mufson Howe Hunter believes are reliable, but Mufson Howe Hunter makes no representation or warranty as to the accuracy or completeness of any such information and data and expressly disclaims any and all liability relating to or resulting from your use of these materials. The information and data contained herein are current and only as of the date(s) indicated and Mufson Howe Hunter has no intention, obligation or duty to update these materials after such date(s). These materials do not constitute an offer to sell or the solicitation of an offer to buy any securities. Copyright September 2021 Mufson Howe Hunter & Company LLC. All rights reserved. Food Production, Distribution & Ecommerce Update is produced monthly by Mufson Howe Hunter. Mufson Howe Hunter provides a full range of investment banking services to Food Production and Services companies. For more information, visit www.mhhco.com.

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) decreased by 4.8% in September of 2021

Last Three Years

Daily from September 30, 2018 to September 30, 2021
Price as Percent of Base (September 30, 2018 = 0%)



Last Twelve Months

Daily from September 30, 2020 to September 30, 2021
Price as Percent of Base (September 30, 2020 = 0%)



Price Appreciation

	3-Year	LTM	1-Month
MHH Food Production Index ^(a)	34.9%	5.1%	(4.8%)
NASDAQ	79.8%	29.4%	(5.6%)
S&P 500	47.3%	28.1%	(4.8%)

(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.

Selected Valuation Metrics

Food Production

(\$ 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/EPS	Gross Profit	EBITDA	
Baked Goods											
George Weston Limited (TSX:WN)	\$108.05	\$16,171.8	\$35,245.3	\$44,327.4	\$4,272.6	\$3.32	0.80 x	8.2 x	32.6 x	31.6%	9.6%
Grupo Bimbo, S.A.B. de C.V. (BMV:BIMBO A)	2.83	12,672.1	18,160.3	16,742.2	2,308.7	0.15	1.08 x	7.9 x	18.6 x	54.1%	13.8%
Flowers Foods, Inc. (FLO)	23.63	5,003.8	5,970.8	4,332.2	481.7	1.07	1.38 x	12.4 x	22.1 x	50.0%	11.1%
Lancaster Colony Corporation (LANC)	168.81	4,647.3	4,492.5	1,467.1	225.9	5.16	3.06 x	19.9 x	32.7 x	26.4%	15.4%
Hostess Brands, Inc. (TWNK)	17.37	2,259.7	3,168.3	1,073.8	266.3	0.62	2.95 x	11.9 x	28.0 x	36.7%	24.8%
ARYZTA AG (SWX:ARYN)	1.50	1,488.0	1,728.1	1,809.5	192.9	(0.12)	0.96 x	9.0 x	NM	17.5%	10.7%
Mean		\$7,040.5	\$11,460.9	\$11,625.4	\$1,291.3	\$1.70	1.70 x	11.5 x	26.8 x	36.0%	14.2%
Median		4,825.5	5,231.6	3,070.8	374.0	0.85	1.23 x	10.43 x	28.0 x	34.2%	12.5%
Branded Foods & Snacks											
Nestlé S.A. (SWX:NESN)	\$120.78	\$332,197.0	\$374,649.5	\$92,266.4	\$18,189.6	\$4.72	4.06 x	20.6 x	25.6 x	49.4%	19.7%
Mondelez International, Inc. (MDLZ)	58.18	81,325.0	99,191.0	27,843.0	6,162.0	3.02	3.56 x	16.1 x	19.3 x	40.4%	22.1%
General Mills, Inc. (GIS)	59.82	36,232.5	49,352.3	18,302.9	4,086.7	3.77	2.70 x	12.1 x	15.9 x	35.3%	22.3%
The Hershey Company (HSY)	169.25	34,872.2	38,962.0	8,690.4	2,349.4	6.88	4.48 x	16.6 x	24.6 x	46.3%	27.0%
Kellogg Company (K)	63.92	21,789.0	30,122.0	14,032.0	2,410.0	3.79	2.15 x	12.5 x	16.9 x	34.1%	17.2%
McCormick & Company, Incorporated (MKC)	81.03	21,660.7	26,885.6	6,145.5	1,258.4	2.82	4.37 x	21.4 x	28.7 x	40.0%	20.5%
Conagra Brands, Inc. (CAG)	33.87	16,247.1	25,779.9	11,159.1	2,209.3	2.48	2.31 x	11.7 x	13.7 x	27.6%	19.8%
Hormel Foods Corporation (HRL)	41.00	22,244.8	25,265.5	10,351.5	1,356.9	1.58	2.44 x	18.6 x	25.9 x	18.6%	13.1%
Associated British Foods plc (LSE: ABF)	25.11	19,839.4	23,716.3	17,551.9	1,715.6	0.70	1.35 x	13.8 x	NM	22.4%	9.8%
Campbell Soup Company (CPB)	41.81	12,606.5	17,831.5	8,476.0	1,927.0	3.30	2.10 x	9.3 x	12.7 x	33.2%	22.7%
The J. M. Smucker Company (SJM)	120.03	13,006.3	17,621.4	7,888.9	1,728.0	7.14	2.23 x	10.2 x	16.8 x	38.2%	21.9%
Post Holdings, Inc. (POST)	110.16	7,018.0	14,140.6	5,942.4	1,098.3	2.79	2.38 x	12.9 x	NM	30.7%	18.5%
Nomad Foods Limited (NOMD)	27.56	4,867.8	6,677.6	3,008.3	538.3	1.37	2.22 x	12.4 x	20.2 x	30.7%	17.9%
Premium Brands Holdings Corporation (TSX: PBH)	102.45	4,466.4	5,844.6	3,581.0	275.7	2.06	1.63 x	21.2 x	NM	19.1%	7.7%
B&G Foods, Inc. (BGS)	29.89	1,937.6	4,264.8	1,975.5	349.5	1.69	2.16 x	12.2 x	17.7 x	24.3%	17.7%
J & J Snack Foods Corp. (JJSF)	152.82	2,913.3	2,682.2	1,074.1	102.7	2.26	2.50 x	NM	NM	24.3%	9.6%
John B. Sanfilippo & Son, Inc. (JBSS)	81.72	937.3	964.6	858.5	97.3	5.17	1.12 x	9.9 x	15.8 x	21.5%	NM
Mean		\$37,303.6	\$44,938.3	\$14,067.5	\$2,697.3	\$3.27	2.58 x	14.46 x	19.51 x	33.3%	18.6%
Median		16,247.1	23,716.3	8,476.0	1,715.6	2.82	2.31 x	12.69 x	17.68 x	30.7%	19.1%

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 September 30, 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.

Selected Valuation Metrics

Food Production

(\$ 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/EPS		Gross Profit	EBITDA
Private Label Food											
Lamb Weston Holdings, Inc. (LW)	\$61.37	\$8,964.2	\$10,933.2	\$3,783.6	\$590.1	\$1.75	2.89 x	18.5 x	NM	20.3%	15.6%
TreeHouse Foods, Inc. (THS)	39.88	2,222.9	4,343.4	4,283.4	470.7	1.42	1.01 x	9.2 x	28.2 x	18.9%	11.0%
Seneca Foods Corporation (SENE.A)	48.22	428.7	544.3	1,414.5	171.3	13.03	0.38 x	3.2 x	3.7 x	15.4%	12.1%
Mean		\$3,872.0	\$5,273.6	\$3,160.5	\$410.7	\$5.40	1.43 x	10.31 x	15.9 x	18.2%	12.9%
Median		2,222.9	4,343.4	3,783.6	470.7	1.75	1.01 x	9.23 x	15.9 x	18.9%	12.1%
Protein Processing											
Tyson Foods, Inc. (TSN)	\$78.94	\$28,799.4	\$37,670.4	\$45,698.0	\$5,145.0	\$6.42	0.82 x	7.3 x	12.3 x	13.4%	11.3%
JBS S.A. (BOVESPA:JBSS3)	6.84	17,165.3	30,267.4	61,206.6	5,722.6	1.06	0.49 x	5.3 x	6.5 x	16.6%	9.3%
Pilgrim's Pride Corporation (PPC)	29.08	7,086.1	9,297.5	13,104.1	997.7	(0.14)	0.71 x	9.3 x	NM	9.0%	7.6%
Sanderson Farms, Inc. (SAFM)	188.20	4,202.2	3,987.7	4,336.0	601.2	13.40	0.92 x	6.6 x	14.0 x	15.6%	13.9%
Cal-Maine Foods, Inc. (CALM)	36.16	1,766.7	1,678.5	1,387.9	26.4	0.07	1.21 x	NM	NM	10.9%	1.9%
Mean		\$11,803.9	\$16,580.3	\$25,146.5	\$2,498.6	\$4.16	0.83 x	7.1 x	10.9 x	13.1%	8.8%
Median		7,086.1	9,297.5	13,104.1	997.7	1.06	0.82 x	6.98 x	12.3 x	13.4%	9.3%

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 September 30, 2021.

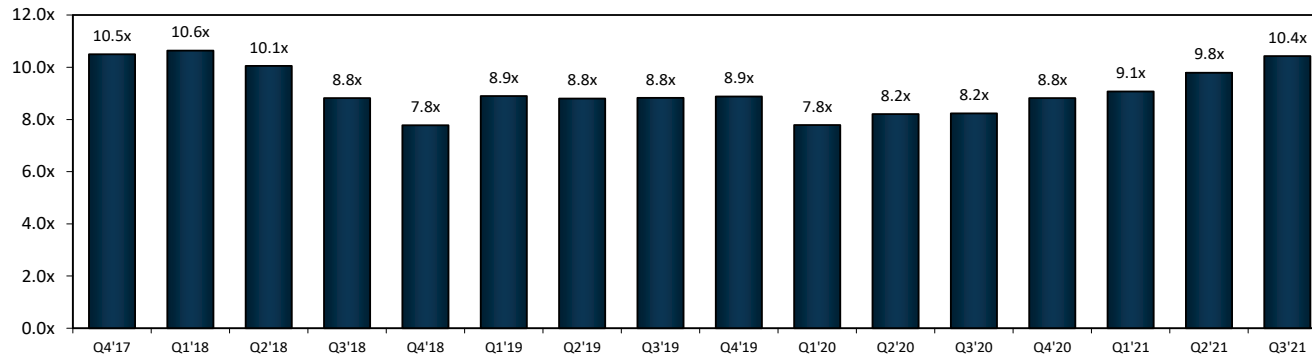
(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, postretirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) Excludes non-recurring and discontinued operations.

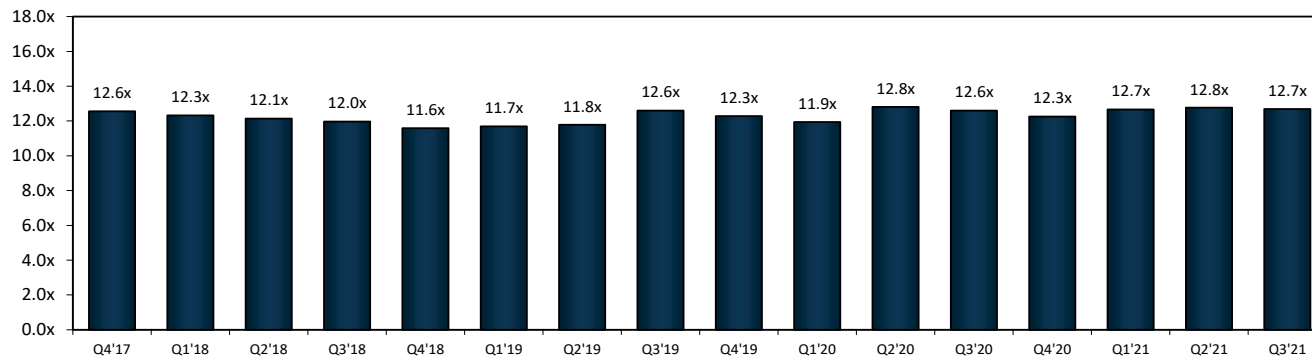
Historical Enterprise Value-to-LTM EBITDA Multiples

Food Production

Baked Goods



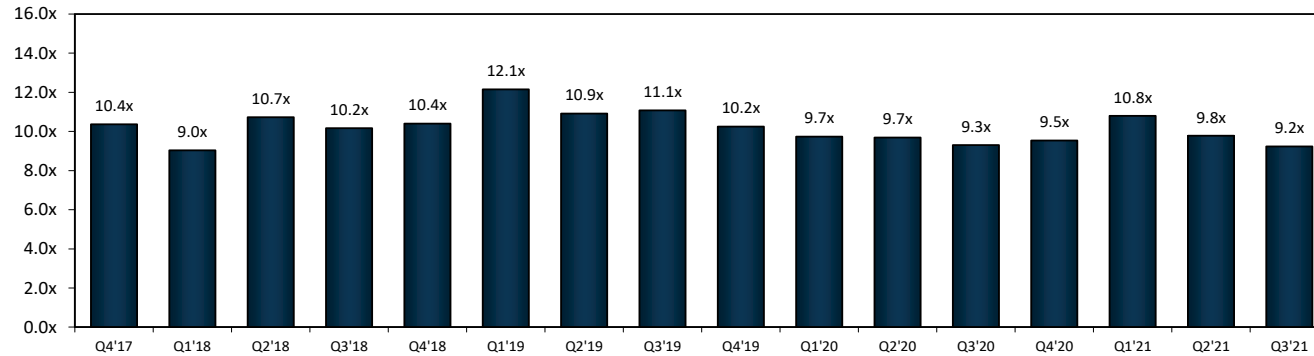
Branded Foods and Snacks



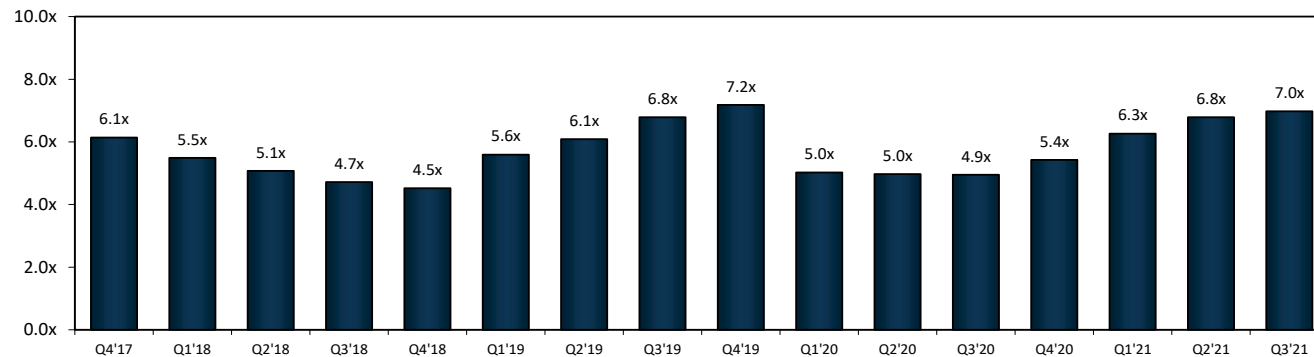
Historical Enterprise Value-to-LTM EBITDA Multiples

Food Production

Private Label Food



Protein Processing



Selected M&A Transactions

Food Production

Announced	Target	Target Description	Acquirer	Value
Sep 27	Substantially All the Business Assets of Firebird Artisan Mills	Manufactures organic flours and mixes	Ardent Mills, LLC	ND
Sep 13	Soybean Crushing Facility of Rose Acre Farms, Inc.	Produces and sells eggs in the United States	Benson Hill, Inc. (NYSE:BHIL)	ND
Sep 13	Egg Processing Plant In Hegins Of Michael Foods, Inc.	Processes and distributes various food products and food-ingredients	IsoNova Technologies LLC	ND
Aug 31	Manufacturing Facility in Portland	Comprises a manufacturing facility	The Institute for Digital Engineering and Life Sciences	ND
Aug 19	Brazil businesses of ARYZTA AG	Comprises baked food manufacturing business	Grupo Bimbo, S.A.B. de C.V. (BMV:BIMBO A)	ND
Aug 13	Nestlé Health Science S.A.	Manufactures and distributes nutritional solutions based on consumer health, medical nutrition, and supplements	ND	ND
Aug 12	Pilgrim's Pride Corporation (NasdaqGS:PPC)	Produces, processes, markets, and distributes fresh, frozen, and value-added chicken and pork products to retailers, distributors, and foodservice operators	JBS S.A. (BOVESPA:JBSS3)	\$1,278.1
Aug 09	Sanderson Farms, Inc. (NasdaqGS:SAFM)	Distributes fresh, frozen, and prepared chicken products	Cargill, Incorporated ; Wayne Farms, LLC	\$4,649.6
Aug 06	Huon Aquaculture Group Limited (ASX:HUU)	Engages in the hatching, farming, processing, marketing, and selling of Atlantic salmon and ocean trout	JBS Australia Pty Limited	\$534.0
Aug 05	Mermax Inc	Operates as a food distributor and wholesaler	Premium Brands Holdings Corporation (TSX:PBH)	ND
Aug 05	Maid-Rite Specialty Foods, LLC	Manufactures, distributes, sells, and supplies portion-controlled meat products	Premium Brands Holdings Corporation (TSX:PBH)	ND
Jul 29	Kanan Smart Solution	Develops artificial intelligence and X-ray inspection technology for the food industry	Mekitec Oy	ND

ND – Not disclosed. Transaction values in millions.

Selected M&A Transactions (cont'd)

Food Production

Announced	Target	Target Description	Acquirer	Value
Jul 27	Ennsvalley Bakery Limited	Engages in milling and manufacturing a range of human nutrition, animal feeds, and animal health products	BigCold Kenya Ltd	ND
Jul 13	Egg Beaters Liquid Egg Business of Conagra Brands, Inc	Operates as a consumer packaged goods food company	Buyer Company: Post Holdings, Inc. (NYSE:POST)	ND
Jul 02	Nestle (Korea) Co. Ltd.	Produces, distributes, and sells instant coffee, coffee mix, Nestea, and related products	Lotte Food Co.,Ltd. (KOSE:A002270)	\$30.2

ND – Not disclosed. Transaction values in millions.

Selected News

Food Production

George Weston Limited (TSX:WN) reported second quarter net income of \$94.6 million for fiscal year 2021 as compared to (\$180.0) million for the prior year period. Earnings per share were \$0.56 versus (\$1.22) for the prior year period. Revenues for the quarter increased to \$10,365.6 million from \$9,079.6 million for the same period in fiscal year 2020.

Flowers Foods, Inc. (FLO) reported second quarter net income of \$56.4 million for fiscal year 2022 as compared to \$57.9 million for the prior year period. Earnings per share were \$0.26 versus \$0.27 for the prior year period. Revenues for the quarter decreased to \$1,017.3 million from \$1,025.9 million for the same period in fiscal year 2021.

Grupo Bimbo, S.A.B. de C.V. (BMV:BIMBO A) reported second quarter net income of \$153.9 million for fiscal year 2021 as compared to \$112.0 million for the prior year period. Earnings per share were \$0.04 versus \$0.02 for the prior year period. Revenues for the quarter increased to \$4,207.0 million from \$3,741.2 million for the same period in fiscal year 2020.

Lancaster Colony Corporation (LANC) reported net income of \$142.3 million for fiscal year 2021 as compared to \$137.0 million for the prior year. Earnings per share were \$5.16 versus \$4.97 for the prior year. Revenues for the year increased to \$1,467.1 million from \$1,334.4 million for fiscal year 2020.

Hostess Brands, Inc. (TWNK) reported second quarter net income of \$29.8 million for fiscal year 2021 as compared to (\$0.2) million for the prior year period. Earnings per share were \$0.21 versus (\$0.00) for the prior year period. Revenues for the quarter increased to \$291.5 million from \$256.2 million for the same period in fiscal year 2020.

General Mills, Inc. (GIS) reported first quarter net income of \$627.0 million for fiscal year 2022 as compared to \$638.9 million for the prior year period. Earnings per share were \$1.02 versus \$1.03 for the prior year period. Revenues for the quarter increased to \$4,539.9 million from \$4,364.0 million for the same period in fiscal year 2021.

The Hershey Company (HSY) reported second quarter net income of \$301.2 million for fiscal year 2021 as compared to \$268.9 million for the prior year period. Earnings per share were \$1.45 versus \$1.29 for the prior year period. Revenues for the quarter increased to \$1,989.4 million from \$1,707.3 million for the same period in fiscal year 2020.

McCormick & Company, Incorporated (MKC) reported third quarter net income of \$212.4 million for fiscal year 2021 as compared to \$206.1 million for the prior year period. Earnings per share were \$0.79 versus \$0.76 for the prior year period. Revenues for the quarter increased to \$1,549.4 million from \$1,430.3 million for the same period in fiscal year 2020.

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

Selected News

Food Production

Kellogg Company (K) reported second quarter net income of \$380.0 million for fiscal year 2022 as compared to \$351.0 million for the prior year period. Earnings per share were \$1.11 versus \$1.02 for the prior year period. Revenues for the quarter increased to \$3,555.0 million from \$3,465.0 million for the same period in fiscal year 2021.

Hormel Foods Corporation (HRL) reported third quarter net income of \$176.9 million for fiscal year 2021 as compared to \$203.1 million for the prior year period. Earnings per share were \$0.32 versus \$0.37 for the prior year period. Revenues for the quarter increased to \$2,863.7 million from \$2,381.5 million for the same period in fiscal year 2020.

Campbell Soup Company (CPB) reported net income of \$1,002.0 million for fiscal year 2021 as compared to \$1,628.0 million for the prior year. Earnings per share were \$3.28 versus \$5.36 for the prior year. Revenues for the year decreased to \$8,476.0 million from \$8,691.0 million for fiscal year 2020.

The J. M. Smucker Company (SJM) reported first quarter net income of \$153.9 million for fiscal year 2022 as compared to \$237.0 million for the prior year period. Earnings per share were \$1.42 versus \$2.08 for the prior year period. Revenues for the quarter decreased to \$1,858.0 million from \$1,971.8 million for the same period in fiscal year 2021.

Post Holdings, Inc. (POST) reported third quarter net income of (\$54.3) million for fiscal year 2021 as compared to \$36.0 million for the prior year period. Earnings per share were (\$0.95) versus \$0.52 for the prior year period. Revenues for the quarter increased to \$1,589.8 million from \$1,336.4 million for the same period in fiscal year 2020.

Nomad Foods Limited (NOMD) reported second quarter net income of \$60.7 million for fiscal year 2021 as compared to \$70.4 million for the prior year period. Earnings per share were \$0.34 versus \$0.36 for the prior year period. Revenues for the quarter increased to \$706.4 million from \$674.1 million for the same period in fiscal year 2020.

Premium Brands Holdings Corporation (TSX: PBH) reported second quarter net income of \$22.8 million for fiscal year 2021 as compared to \$9.8 million for the prior year period. Earnings per share were \$0.52 versus \$0.26 for the prior year period. Revenues for the quarter increased to \$1,004.5 million from \$712.5 million for the same period in fiscal year 2020.

B&G Foods, Inc. (BGS) reported second quarter net income of \$24.6 million for fiscal year 2022 as compared to \$44.9 million for the prior year period. Earnings per share were \$0.38 versus \$0.70 for the prior year period. Revenues for the quarter decreased to \$464.4 million from \$512.5 million for the same period in fiscal year 2021.

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

Selected News

Food Production

TreeHouse Foods, Inc. (THS) reported second quarter net income of \$8.4 million for fiscal year 2021 as compared to (\$1.5) million for the prior year period. Earnings per share were \$0.15 versus (\$0.03) for the prior year period. Revenues for the quarter decreased to \$1,003.2 million from \$1,041.9 million for the same period in fiscal year 2020.

Mondelez International, Inc. (MDLZ) reported second quarter net income of \$1,078.0 million for fiscal year 2021 as compared to \$544.0 million for the prior year period. Earnings per share were \$0.76 versus \$0.38 for the prior year period. Revenues for the quarter increased to \$6,642.0 million from \$5,911.0 million for the same period in fiscal year 2020.

J & J Snack Foods Corp. (JJSF) reported third quarter net income of \$28.9 million for fiscal year 2021 as compared to (\$12.6) million for the prior year period. Earnings per share were \$1.51 versus (\$0.67) for the prior year period. Revenues for the quarter increased to \$324.3 million from \$214.6 million for the same period in fiscal year 2020.

John B. Sanfilippo & Son, Inc. (JBSS) reported net income of \$59.7 million for fiscal year 2021 as compared to \$54.1 million for the prior year. Earnings per share were \$5.17 versus \$4.69 for the prior year. Revenues for the year decreased to \$858.5 million from \$880.1 million for fiscal year 2020.

Tyson Foods, Inc. (TSN) reported third quarter net income of \$749.0 million for fiscal year 2021 as compared to \$526.0 million for the prior year period. Earnings per share were \$2.05 versus \$1.44 for the prior year period. Revenues for the quarter increased to \$12,478.0 million from \$10,022.0 million for the same period in fiscal year 2020.

JBS S.A. (BOVESPA:JBSS3) reported second quarter net income of \$873.7 million for fiscal year 2021 as compared to \$616.7 million for the prior year period. Earnings per share were \$0.35 versus \$0.23 for the prior year period. Revenues for the quarter increased to \$17,070.4 million from \$12,333.4 million for the same period in fiscal year 2020.

Pilgrim's Pride Corporation (PPC) reported second quarter net income of (\$166.7) million for fiscal year 2021 as compared to (\$6.0) million for the prior year period. Earnings per share were (\$0.68) versus (\$0.02) for the prior year period. Revenues for the quarter increased to \$3,637.7 million from \$2,824.0 million for the same period in fiscal year 2020.

Sanderson Farms, Inc. (SAFM) reported third quarter net income of \$164.8 million for fiscal year 2021 as compared to \$32.8 million for the prior year period. Earnings per share were \$7.38 versus \$1.48 for the prior year period. Revenues for the quarter increased to \$1,352.8 million from \$956.5 million for the same period in fiscal year 2020.

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

Selected News

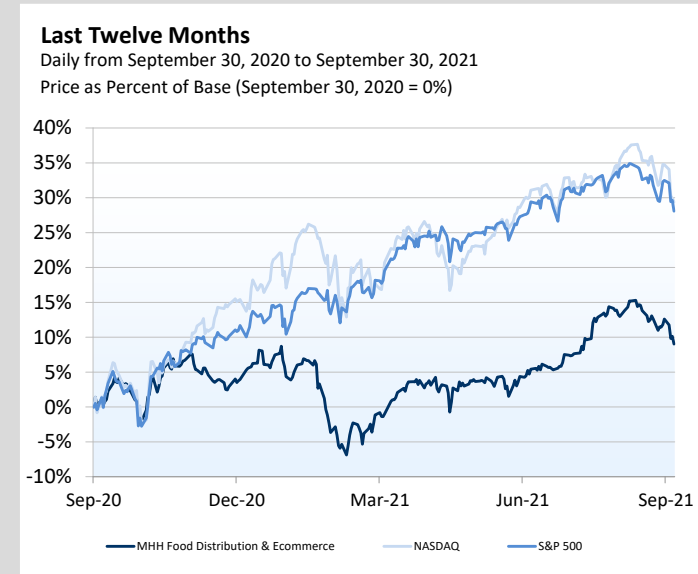
Food Production

Cal-Maine Foods, Inc. (CALM) reported first quarter net income of (\$18.0) million for fiscal year 2022 as compared to (\$19.4) million for the prior year period. Earnings per share were (\$0.37) versus (\$0.40) for the prior year period. Revenues for the quarter increased to \$331.7 million from \$292.8 million for the same period in fiscal year 2021.

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

Comparative Index Performance

The MHH Food Production Index^(a) decreased by 3.2% in September of 2021



Price Appreciation

	3-Year	LTM	1-Month
MHH Food Production Index ^(a)	50.9%	9.0%	(3.2%)
NASDAQ	79.8%	29.4%	(5.6%)
S&P 500	47.3%	28.1%	(4.8%)

(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.

Selected Valuation Metrics

Food Distribution & Ecommerce

(\$ 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	EPS	Gross Profit	EBITDA
Food Retail											
Walmart Inc. (WMT)	\$139.38	\$388,660.8	\$433,922.8	\$566,145.0	\$40,420.0	\$3.55	0.77 x	10.7 x	39.2 x	25.1%	7.1%
Costco Wholesale Corporation (COST)	348.37	153,918.2	153,664.2	195,929.0	9,004.0	11.27	0.78 x	17.1 x	30.9 x	12.9%	4.6%
Koninklijke Ahold Delhaize N.V. (ENXTAM:AD)	33.30	34,070.2	49,168.5	88,032.9	5,736.6	1.29	0.56 x	8.6 x	25.8 x	27.6%	6.5%
The Kroger Co. (KR)	40.43	30,065.3	49,027.3	133,440.0	5,572.0	1.49	0.37 x	8.8 x	27.0 x	23.1%	4.2%
Tesco PLC (LSE:TSCO)	3.42	26,237.0	41,370.1	81,906.0	4,884.0	0.21	0.51 x	8.5 x	16.5 x	6.1%	6.0%
Carrefour SA (ENXTPA:CA)	18.02	14,200.0	34,296.1	85,347.4	4,168.8	1.42	0.40 x	8.2 x	12.7 x	20.0%	4.9%
Albertsons Companies, Inc. (ACI)	31.13	14,523.3	27,699.0	68,956.3	3,569.3	1.10	0.40 x	7.8 x	28.3 x	29.7%	5.2%
Sprouts Farmers Market, Inc. (SFM)	23.17	2,645.8	3,914.5	6,276.9	497.2	2.30	0.62 x	7.9 x	10.1 x	36.9%	7.9%
Weis Markets, Inc. (WMK)	52.55	1,413.5	1,360.1	4,081.8	250.0	4.03	0.33 x	5.4 x	13.0 x	27.4%	6.1%
Village Super Market, Inc. (VLGE.A)	21.68	315.5	599.1	2,030.3	67.8	1.37	0.30 x	8.8 x	15.8 x	27.8%	3.3%
Mean		\$66,605.0	\$79,502.2	\$123,214.6	\$7,417.0	\$2.80	0.50x	9.2x	21.9x	23.7%	5.6%
Median		20,380.1	37,833.1	83,626.7	4,526.4	1.46	0.45x	8.52x	21.2x	26.2%	5.6%
Food Distribution											
Sysco Corporation (SYI)	\$78.50	\$40,213.6	\$49,061.3	\$51,297.8	\$2,329.0	\$1.02	0.96 x	21.1 x	77.0 x	18.2%	4.5%
US Foods Holding Corp. (USFD)	25.05	5,573.9	11,101.9	25,944.0	729.0	(0.08)	0.43 x	15.2 x	NM	16.2%	2.8%
Performance Food Group Company (PFGC)	46.46	7,169.0	10,164.1	30,398.9	576.5	0.30	0.33 x	17.6 x	NM	11.7%	1.9%
United Natural Foods, Inc. (UNFI)	48.42	2,733.1	6,193.1	26,950.0	772.0	2.38	0.23 x	8.0 x	20.3 x	14.6%	2.9%
The Chef's Warehouse, Inc. (CHEF)	32.57	1,236.3	1,609.8	1,238.9	(21.8)	(1.80)	1.30 x	NM	NM	22.6%	-1.8%
SpartanNash Company (SPTN)	21.90	787.0	1,513.0	9,072.3	207.7	1.91	0.17 x	7.3 x	11.5 x	15.6%	2.3%
Coreo AG (CORE)	1.55	27.2	87.0	6.2	(1.2)	(0.17)	NM	NM	NM	26.6%	-19.9%
Mean		\$8,248.6	\$11,390.0	\$20,701.2	\$655.9	\$0.5	0.57x	13.8x	36.3x	17.9%	-1.0%
Median		2,733.1	6,193.1	25,944.0	576.5	0.3	0.38x	15.23x	20.3x	16.2%	2.3%
Food Ecommerce											
DoorDash, Inc. (DASH)	\$205.98	\$69,608.1	\$65,261.1	\$4,162.0	(\$424.0)	(\$2.75)	NM	NM	NM	53.8%	-10.2%
Delivery Hero SE (XTRA:DHGR)	128.01	31,944.6	33,157.0	4,709.2	(1,171.4)	(10.10)	7.04 x	NM	NM	22.0%	-24.9%
Ocado Group plc (LSE:OCDO)	22.45	16,623.1	16,487.8	3,637.7	17.2	(0.28)	4.53 x	NM	NM	36.7%	0.5%
Just Eat Takeaway.com N.V. (ENXTAM:TKWY)	73.06	15,535.0	16,331.8	3,717.1	(305.3)	(4.50)	4.39 x	NM	NM	19.6%	-8.2%
HelloFresh SE (XTRA:HFG)	92.68	16,084.5	15,379.2	6,019.2	642.9	2.67	2.56 x	23.9 x	NM	66.2%	10.7%
Blue Apron Holdings, Inc. (APRN)	7.35	176.8	192.3	481.4	(25.7)	(3.49)	0.40 x	NM	NM	36.9%	-5.3%
Mean		\$24,995.4	\$24,468.2	\$3,787.8	(\$211.1)	(\$3.08)	3.78 x	23.9 x	NA	39.2%	-6.2%
Median		16,353.8	16,409.8	3,939.5	(165.5)	(3.12)	4.4 x	23.9 x	NA	36.8%	-6.8%

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 September 30, 2021.

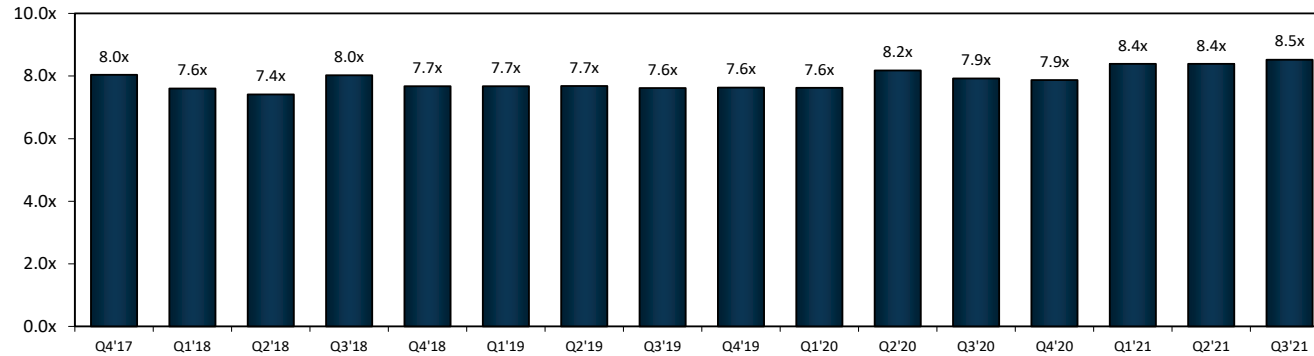
(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, postretirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) Excludes non-recurring and discontinued operations.

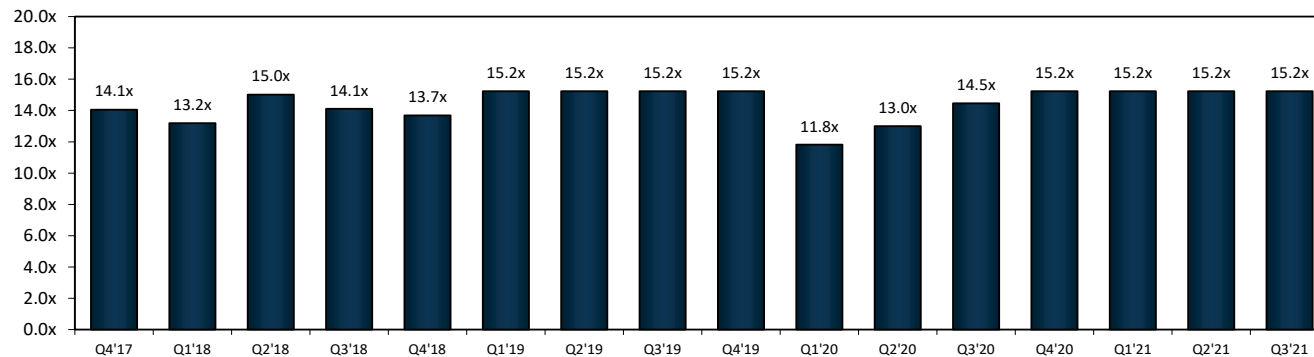
Historical Enterprise Value-to-LTM EBITDA Multiples

Food Distribution & Ecommerce

Food Retail



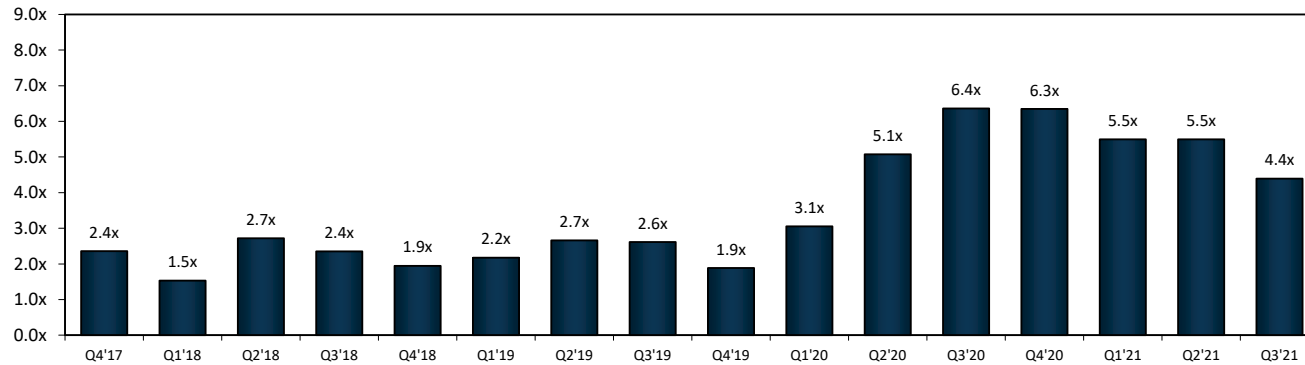
Food Distribution



Historical Enterprise Value-to-LTM Revenue Multiple

Food Distribution & Ecommerce

Food E-Commerce (EV/REV) ⁽¹⁾



⁽¹⁾ EV/EBITDA not applicable for Ecommerce

Selected M&A Transactions

Food Distribution & Ecommerce

Announced	Target	Target Description	Acquirer	Value
Sep 28	Bringo Magazin SRL	Operates the Bringo platform, through which the products of various stores can be ordered and received by buyers directly at home	Allib Rom S.R.L.	\$5.1
Sep 14	Promotech Digital, S.L./Mercadão	Operates an online marketplace that sells products from various stores	Glovoapp23, S.L.	ND
Sep 08	Medina Foodservice Limited	Operates as a wholesaler of dairy products, eggs and edible oils and fats	Sysco Corporation (NYSE:SYF)	ND
Aug 31	Delivery Hero SE (XTRA:DHHER)	Offers online food ordering and delivery services	MIH Food Holdings B.V.	ND
Aug 17	Hunter Farms Dairy Business of Harris Teeter, LLC	Comprises a dairy processing plant	Maryland & Virginia Milk Producers Cooperative Association, Inc.	\$8.1
Aug 13	Delivery Hero Korea LLC	Operates as an online food ordering company	Affinity Equity Partners; GS Retail Co., Ltd. (KOSDAQ:A007070); Permira Advisers Ltd.	\$687.7
Aug 12	Marketyo Inc.	Develops and customizes e-commerce platforms, websites, and mobile applications for food retail stores	Yemek Sepeti Elektronik A.S.	ND
Aug 11	NexTable, Inc.	Develops a cloud based reservation and table management system for the iPad	ND	\$0.1
Aug 04	Just Eat Takeaway.com N.V. (ENXTAM:TKWY)	Operates an online food delivery marketplace	The Baupost Group, LLC	\$645.0
Aug 06	Deliveroo plc (LSE:ROO)	Operates an online food delivery platform	Delivery Hero SE (XTRA:DHHER)	ND
Jul 16	Bistro.sk a.s.	Engages in offering online food delivery services	Just Eat Takeaway.com N.V. (ENXTAM:TKWY)	\$59.0
Jul 13	Youfoodz Holdings Limited (ASX:YFZ)	Engages in the production and distribution of ready-made meals, protein-packed snacks, cold-pressed juices, and gift cards	Cook E Services Australia Pty Ltd	\$97.8

ND – Not disclosed. Transaction values in millions.

Selected News

Food Distribution & Ecommerce

Walmart Inc. (WMT) reported second quarter net income of \$4,276.0 million for fiscal year 2022 as compared to \$6,476.0 million for the prior year period. Earnings per share were \$1.52 versus \$2.27 for the prior year period. Revenues for the quarter increased to \$141,048.0 million from \$137,742.0 million for the same period in fiscal year 2021.

Costco Wholesale Corporation (COST) reported net income of \$5,007.0 million for fiscal year 2021 as compared to \$4,002.0 million for the prior year. Earnings per share were \$11.27 versus \$9.02 for the prior year. Revenues for the year increased to \$195,929.0 million from \$166,761.0 million for fiscal year 2020.

Koninklijke Ahold Delhaize N.V. (ENXTAM:AD) reported second quarter net income of \$639.5 million for fiscal year 2022 as compared to \$776.8 million for the prior year period. Earnings per share were \$0.62 versus \$0.73 for the prior year period. Revenues for the quarter increased to \$22,080.8 million from \$21,413.5 million for the same period in fiscal year 2021.

The Kroger Co. (KR) reported second quarter net income of \$467.0 million for fiscal year 2022 as compared to \$819.0 million for the prior year period. Earnings per share were \$0.61 versus \$1.03 for the prior year period. Revenues for the quarter increased to \$31,682.0 million from \$30,489.0 million for the same period in fiscal year 2021.

Carrefour SA (ENXTPA:CA) reported second quarter net income of \$176.7 million for fiscal year 2021 as compared to (\$14.1) million for the prior year period. Earnings per share were \$0.22 versus (\$0.02) for the prior year period. Revenues for the quarter increased to \$20,754.7 million from \$19,683.2 million for the same period in fiscal year 2020.

Sprouts Farmers Market, Inc. (SFM) reported second quarter net income of \$61.0 million for fiscal year 2022 as compared to \$67.0 million for the prior year period. Earnings per share were \$0.52 versus \$0.57 for the prior year period. Revenues for the quarter decreased to \$1,522.0 million from \$1,642.8 million for the same period in fiscal year 2021.

Sysco Corporation (SYY) reported net income of \$524.2 million for fiscal year 2021 as compared to \$215.5 million for the prior year. Earnings per share were \$1.02 versus \$0.42 for the prior year. Revenues for the year decreased to \$51,297.8 million from \$52,893.3 million for fiscal year 2020.

US Foods Holding Corp. (USFD) reported second quarter net income of \$55.0 million for fiscal year 2022 as compared to (\$92.0) million for the prior year period. Earnings per share were \$0.20 versus (\$0.44) for the prior year period. Revenues for the quarter increased to \$7,663.0 million from \$4,560.0 million for the same period in fiscal year 2021.

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

Selected News

Food Distribution & Ecommerce

Performance Food Group Company (PFGC) reported net income of \$40.7 million for fiscal year 2021 as compared to (\$114.1) million for the prior year. Earnings per share were \$0.30 versus (\$1.01) for the prior year. Revenues for the year increased to \$30,398.9 million from \$25,086.3 million for fiscal year 2020.

United Natural Foods, Inc. (UNFI) reported net income of \$149.0 million for fiscal year 2021 as compared to (\$274.0) million for the prior year. Earnings per share were \$2.48 versus (\$5.09) for the prior year. Revenues for the year increased to \$26,950.0 million from \$26,559.0 million for fiscal year 2020.

SpartanNash Company (SPTN) reported second quarter net income of \$16.8 million for fiscal year 2022 as compared to \$28.5 million for the prior year period. Earnings per share were \$0.47 versus \$0.80 for the prior year period. Revenues for the quarter decreased to \$2,106.6 million from \$2,184.1 million for the same period in fiscal year 2021.

The Chefs' Warehouse, Inc. (CHEF) reported second quarter net income of \$1.1 million for fiscal year 2021 as compared to (\$20.3) million for the prior year period. Earnings per share were \$0.03 versus (\$0.62) for the prior year period. Revenues for the quarter increased to \$423.0 million from \$200.5 million for the same period in fiscal year 2020.

DoorDash, Inc. (DASH) reported second quarter net income of (\$102.0) million for fiscal year 2021 as compared to \$23.0 million for the prior year period. Earnings per share were (\$0.30) versus \$0.52 for the prior year period. Revenues for the quarter increased to \$1,236.0 million from \$675.0 million for the same period in fiscal year 2020.

Delivery Hero SE (XTRA:DHGR) reported second quarter net income of (\$541.6) million for fiscal year 2021 as compared to (\$251.5) million for the prior year period. Earnings per share were (\$2.28) versus (\$1.26) for the prior year period. Revenues for the quarter increased to \$1,456.8 million from \$538.8 million for the same period in fiscal year 2020.

Ocado Group plc (LSE:OCDO) reported second quarter net income of (\$55.2) million for fiscal year 2021 as compared to (\$35.4) million for the prior year period. Earnings per share were (\$0.07) versus (\$0.05) for the prior year period. Revenues for the quarter increased to \$936.0 million from \$670.7 million for the same period in fiscal year 2020.

Just Eat Takeaway.com N.V. (ENXTAM:TKWY) reported second quarter net income of (\$288.1) million for fiscal year 2021 as compared to (\$33.2) million for the prior year period. Earnings per share were (\$1.85) versus (\$0.25) for the prior year period. Revenues for the quarter increased to \$1,048.1 million from \$379.8 million for the same period in fiscal year 2020.

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

Selected News

Food Distribution & Ecommerce

HelloFresh SE (XTRA:HFG) reported second quarter net income of \$99.2 million for fiscal year 2021 as compared to \$130.3 million for the prior year period. Earnings per share were \$0.55 versus \$0.72 for the prior year period. Revenues for the quarter increased to \$1,843.7 million from \$1,094.0 million for the same period in fiscal year 2020.

Just Eat Takeaway.com N.V. (GRUB) reported second quarter net income of (\$288.1) million for fiscal year 2021 as compared to (\$33.2) million for the prior year period. Earnings per share were (\$1.85) versus (\$0.25) for the prior year period. Revenues for the quarter increased to \$1,048.1 million from \$379.8 million for the same period in fiscal year 2020.

Blue Apron Holdings, Inc. (APRN) reported second quarter net income of (\$18.6) million for fiscal year 2021 as compared to \$1.1 million for the prior year period. Earnings per share were (\$0.98) versus \$0.08 for the prior year period. Revenues for the quarter decreased to \$124.0 million from \$131.0 million for the same period in fiscal year 2020.

Waste Connections, Inc. (NYSE:WCN) reported second quarter net income of \$177.0 million for fiscal year 2021 as compared to (\$227.1) million for the prior year period. Earnings per share were \$0.68 versus (\$0.86) for the prior year period. Revenues for the quarter increased to \$1,533.9 million from \$1,305.8 million for the same period in fiscal year 2020.

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

Significant Industry M&A

Food Production, Distribution & Ecommerce Newsletter

Ann. Date	Target	Target Business Description	Acquiror	Enterprise Value	EV / LTM EBITDA
Sep 7	E&M Logistics	Distributes ice cream, frozen and fresh foods, and beverages	MILL POINT CAPITAL	ND	ND
Sep 3	 First Choice INGREDIENTS	Manufactures dairy-based concentrates and savory flavorings	 DSM	\$ 453.0	ND
Aug 30	 bettera brands	Produces and sells gourmet jelly beans, gummy vitamins, organic and sugar-free hard and chewy confections, licorice, and candies	 HIGHLANDER partners, L.P.  NMP Norwest Mezzanine Partners  Gimbal's EST. 1898	\$ 1,000.0	ND
Aug 12	 pilgrim's	Produces, processes, markets, and distributes fresh, frozen, and value-added chicken and pork products	 JBS	\$ 1,278.1	7.5x
Aug 11	 FRESH DIRECT PRODUCE	Imports, markets, and distributes fruits and vegetables	 PNC RIVERARCH CAPITAL	ND	ND
Aug 09	 Sanderson Farms	Produces, processes, markets, and distributes fresh, frozen, and prepared chicken	 Cargill  WAYNE FARMS	\$ 4,649.6	4.2x 7.5x ⁽¹⁾
Aug 05	 MERMAX DISTRIBUTION • TRANSFORMATION POISSON, VIANDE ET FRUITS DE MER	Operates as a food distributor and wholesaler	 B Premium Brands	ND	ND
Aug 02	 LOUISIANA GULF COAST FOODS	Produces and distributes branded food products to grocery and mass market retailers, as well as foodservice distributors	 MID OCEAN Partners	ND	ND
Jun 20	 BAKEMARK	Produces and sells bakery supplies and food ingredients	 CLEARLAKE	ND	ND

Source: S&P Capital IQ | (1) EV / NTM EBITDA

MHH Representative Industry Tombstones

Food Production, Distribution & Ecommerce Newsletter

daring.[™]

*has raised Series A financing from
investor groups led by*



*The undersigned served as the exclusive financial advisor
to Daring Foods Inc. in this transaction*

Mufson Howe Hunter
INVESTMENT BANKERS FOR GROWTH

OMNI
BAKING COMPANY

has been acquired by



*The undersigned served as the exclusive financial advisor
to Omni Baking Company LLC in this transaction*

Mufson Howe Hunter
INVESTMENT BANKERS FOR GROWTH



has completed a merger with



a portfolio company of

HCI EQUITY
PARTNERS

*The undersigned served as the exclusive financial advisor
to Royal Paper Products Inc. in this transaction*

Mufson Howe Hunter
INVESTMENT BANKERS FOR GROWTH

151
FOODS

has completed a sale-leaseback

*The undersigned served as the exclusive financial advisor
to 151 Foods*

Mufson Howe Hunter
INVESTMENT BANKERS FOR GROWTH

Mufson Howe Hunter & Co. is an independent investment bank for middle-market companies. We focus on mergers and acquisitions, recapitalizations and raising capital.

Mergers & Acquisitions

- Advise buyers and sellers (public and private companies)
- Sale of businesses, strategic acquisitions, management buy-outs and industry build-ups

Raise Capital

- Equity (control and non-control)
- Mezzanine financing
- Senior and junior debt
- Typically raise capital from banks, finance companies, private investment funds and private equity groups

Financial Advisory Services

- Analysis of business strategies and options
- Fairness opinions
- Valuations

Broker dealer services provided by our wholly-owned subsidiary

Mufson Howe Hunter & Partners LLC
Member SIPC | FINRA

c o n t a c t u s

Mufson Howe Hunter

www.mhhco.com

Michael Mufson

Managing Director

 215.399.5410  mmufson@mhhco.com

Anthony Lopez-Ona

Managing Director

 215.399.5405  alopezona@mhhco.com

Jimmy Yu CFA®

Vice President

 215.399.5408  jyu@mhhco.com

Cole Testaiuti

Analyst

 215.399.5416  ctestaiuti@mhhco.com