



Mufson Howe Hunter

Food Production, Distribution & E-Commerce Newsletter

Q3 2022

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The Mufson Howe Hunter Food Production, Distribution & E-Commerce 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 E-Commerce 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 June 30, 2021 to June 30, 2022

Price as Percent of Base (June 30, 2021 = 0%)

Food Production Index



Food Distribution & E-Commerce Index

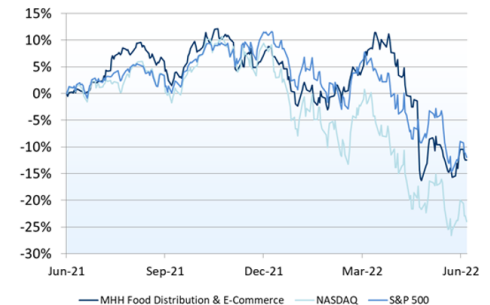


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The Mufson Howe Hunter Food Production Index is currently comprised of ARYZTA AG, Associated British Foods plc, B&G Foods, Inc. Cal-Maine Foods, Inc., Campbell Soup Company, Conagra Brands, Inc., Flowers Foods, Inc., General Mills, Inc., George Weston 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., 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 & E-Commerce 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., 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) decreased by 2.8% in June of 2022.

Last Three Years

Daily from June 28, 2019 to June 30, 2022.

Price as % of Base to June 28, 2019.



Last Twelve Months

Price as % of Base to June 30, 2021.



Price Appreciation

	3-Year	LTM	1-Month
MHH Food Production Index ^(a)	15.6%	-1.0%	-2.8%
NASDAQ	37.8%	-24.0%	-8.7%
S&P 500	28.7%	-11.9%	-8.4%

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

Selected Valuation Metrics – Q2 2022

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	EBITDA	Price/EPS	Gross Profit	EBITDA
Baked Goods											
George Weston Limited (TSX:WN)	\$116.74	\$16,880.3	\$35,165.9	\$43,314.2	\$4,687.6	\$4.31	0.81 x	7.5 x	27.1 x	32.4%	10.8%
Grupo Bimbo, S.A.B. de C.V. (BMV:BIMBO A)	3.24	14,378.4	20,268.8	18,213.2	2,348.7	0.18	1.11 x	8.6 x	17.7 x	52.9%	12.9%
Flowers Foods, Inc. (FLO)	26.32	5,581.0	6,583.0	4,464.5	486.3	1.03	1.47 x	13.5 x	25.5 x	49.5%	10.9%
Hostess Brands, Inc. (TWNK)	21.21	2,933.1	3,805.8	1,208.7	258.1	0.91	3.15 x	14.7 x	23.2 x	35.6%	21.4%
Lancaster Colony Corporation (LANC)	128.78	3,544.3	3,509.7	1,609.5	186.7	3.35	2.18 x	18.8 x	NM	22.0%	11.6%
ARYZTA AG (SWX:ARYN)	1.11	1,102.0	1,436.4	1,795.1	134.9	(0.10)	0.80 x	10.6 x	NM	18.1%	7.5%
Mean		\$7,403.2	\$11,794.9	\$11,767.5	\$1,350.4	\$1.61	1.59 x	12.3 x	23.4 x	35.1%	12.5%
Median		4,562.6	5,194.4	3,129.8	372.2	0.97	1.29 x	12.09 x	24.4 x	34.0%	11.2%
Branded Foods & Snacks											
Nestlé S.A. (SWX:NESN)	\$116.71	\$322,060.3	\$358,744.9	\$95,951.1	\$19,204.5	\$6.65	3.74 x	18.7 x	17.6 x	48.0%	20.0%
Mondelez International, Inc. (MDLZ)	62.09	85,927.8	104,221.8	29,246.0	6,097.0	2.97	3.56 x	17.1 x	20.9 x	38.7%	20.8%
General Mills, Inc. (GIS)	75.45	45,055.6	56,457.4	18,992.8	3,964.6	4.42	2.97 x	14.2 x	17.1 x	33.7%	20.9%
The Hershey Company (HSY)	215.16	44,237.9	49,213.5	9,341.6	2,546.7	7.78	5.27 x	19.3 x	27.7 x	45.5%	27.3%
Kellogg Company (K)	71.34	24,103.8	32,295.8	14,269.0	2,334.0	4.49	2.26 x	13.8 x	15.9 x	32.2%	16.4%
Hormel Foods Corporation (HRL)	47.36	25,861.2	28,302.7	12,459.3	1,502.0	1.75	2.27 x	18.8 x	27.1 x	17.1%	12.1%
McCormick & Company, Incorporated (MKC)	83.25	22,335.7	27,401.7	6,338.9	1,170.2	2.53	4.32 x	23.4 x	32.9 x	37.7%	18.5%
Conagra Brands, Inc. (CAG)	34.24	16,430.9	25,327.4	11,535.9	2,110.9	1.84	2.20 x	12.0 x	18.6 x	24.9%	18.3%
Campbell Soup Company (CPB)	48.05	14,442.7	19,241.7	8,448.0	1,738.0	3.12	2.28 x	11.1 x	15.4 x	31.4%	20.6%
The J. M. Smucker Company (SJM)	128.01	13,640.5	18,081.4	7,998.9	1,593.4	5.84	2.26 x	11.3 x	21.9 x	34.0%	19.9%
Associated British Foods plc (LSE: ABF)	19.17	15,154.5	17,465.7	20,420.8	2,344.3	1.33	0.86 x	7.5 x	14.5 x	22.4%	11.5%
Post Holdings, Inc. (POST)	82.35	5,002.3	10,773.2	6,596.6	1,055.2	7.35	1.63 x	10.2 x	11.2 x	27.2%	16.0%
Nomad Foods Limited (NOMD)	19.99	3,449.0	5,851.6	2,923.9	503.6	1.18	2.00 x	11.6 x	17.0 x	28.3%	17.2%
Premium Brands Holdings Corporation (TSX: PBH)	72.43	3,244.6	4,912.1	4,138.8	272.3	2.47	1.19 x	18.0 x	29.4 x	18.1%	6.6%
B&G Foods, Inc. (BGS)	23.78	1,638.1	3,943.9	2,083.5	295.1	0.96	1.89 x	13.4 x	24.9 x	20.7%	14.2%
J&J Snack Foods Corp. (JJSF)	139.66	2,678.0	2,512.1	1,247.4	132.3	3.24	2.01 x	19.0 x	NM	26.7%	10.6%
John B. Sanfilippo & Son, Inc. (JBSS)	72.49	835.5	916.5	904.9	92.6	4.90	1.01 x	9.9 x	14.8 x	21.0%	NM
Mean		\$38,005.8	\$45,039.0	\$14,876.3	\$2,762.2	\$3.69	2.45 x	14.67 x	20.42 x	31.4%	17.6%
Median		15,154.5	19,241.7	8,448.0	1,593.4	3.12	2.26 x	13.84 x	18.08 x	28.3%	17.8%

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 June 30, 2022.

(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 – Q2 2022

Food Production

(\$ in millions, except per share data)

(\$ in millions, except per share data)	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
Company											
Private Label Food											
Lamb Weston Holdings, Inc. (LW)	\$71.46	\$10,322.2	\$12,646.0	\$3,953.3	\$597.8	\$1.60	3.20 x	21.2 x	NM	19.6%	15.1%
TreeHouse Foods, Inc. (THS)	41.82	2,342.7	4,223.7	4,411.3	332.7	(0.54)	0.96 x	12.7 x	NM	15.4%	7.5%
Seneca Foods Corporation (SENE.A)	55.54	453.2	621.0	1,385.3	116.6	5.79	0.45 x	5.3 x	9.6 x	10.7%	8.4%
Mean		\$4,372.7	\$5,830.2	\$3,250.0	\$349.0	\$2.28	1.53 x	13.06 x	9.6 x	15.2%	10.4%
Median		2,342.7	4,223.7	3,953.3	332.7	1.60	0.96 x	12.70 x	9.6 x	15.4%	8.4%
Protein Processing											
Tyson Foods, Inc. (TSN)	\$86.06	\$31,114.9	\$38,454.9	\$51,339.0	\$7,186.0	\$11.11	0.75 x	5.4 x	7.7 x	15.9%	14.0%
JBS S.A. (BOVESPA:JBSS3)	6.04	13,394.7	30,259.3	77,074.3	9,752.9	2.06	0.39 x	3.1 x	2.9 x	19.5%	12.7%
Pilgrim's Pride Corporation (PPC)	31.23	7,505.5	10,547.9	15,744.4	1,530.5	0.87	0.67 x	6.9 x	NM	10.5%	9.7%
Sanderson Farms, Inc. (SAFM)	215.53	4,810.7	4,002.2	5,623.6	1,342.1	38.65	0.71 x	3.0 x	5.6 x	25.7%	23.9%
Cal-Maine Foods, Inc. (CALM)	49.41	2,418.1	2,323.0	1,534.0	50.7	0.37	1.51 x	NM	NM	11.7%	3.3%
Mean		\$11,848.8	\$17,117.5	\$30,263.1	\$3,972.5	\$10.61	0.81 x	4.6 x	5.4 x	16.7%	12.7%
Median		7,505.5	10,547.9	15,744.4	1,530.5	2.06	0.71 x	4.23 x	5.6 x	15.9%	12.7%

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 June 30, 2022.

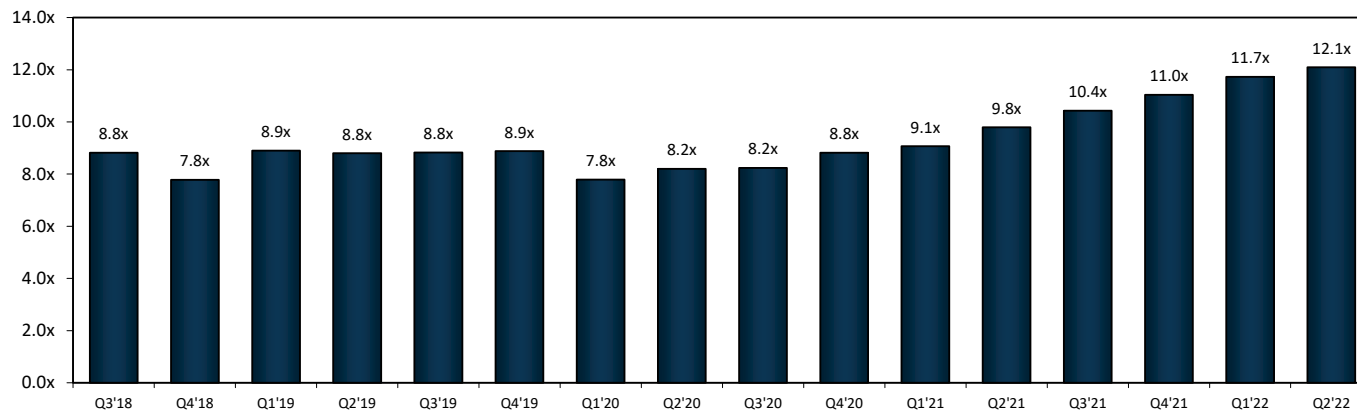
(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, postretirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) Excludes non-recurring and discontinued operations.

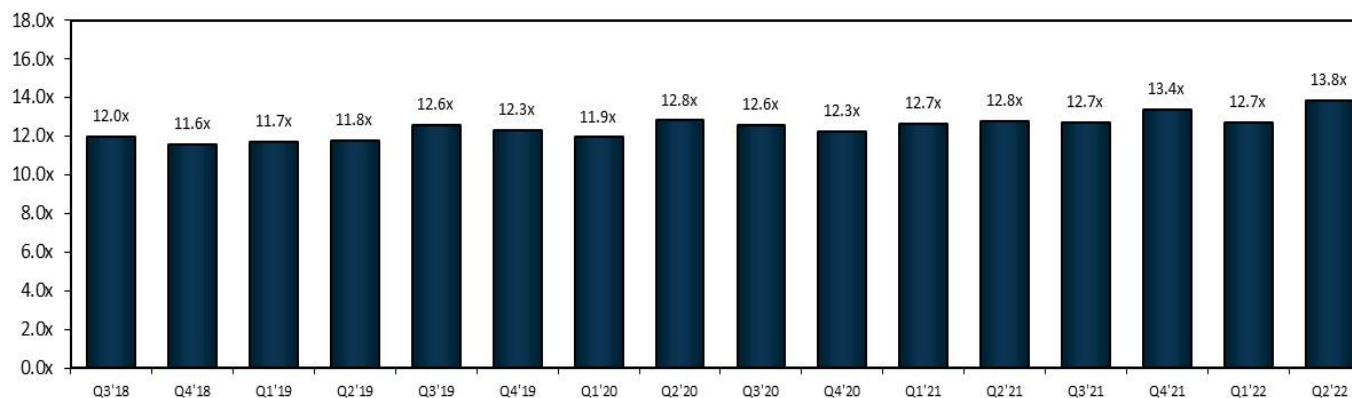
Historical Enterprise Value-to-LTM EBITDA Multiples

Food Production

Baked Goods



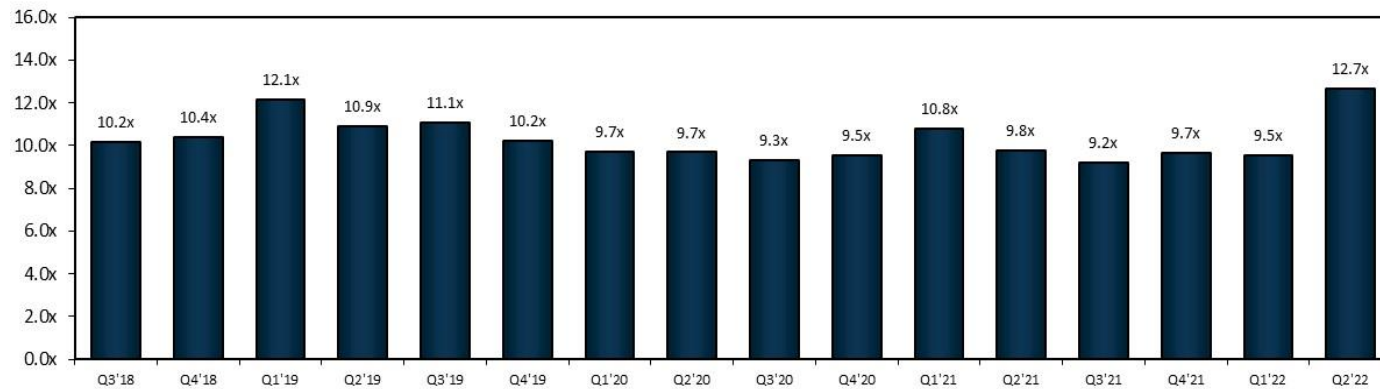
Branded Foods and Snacks



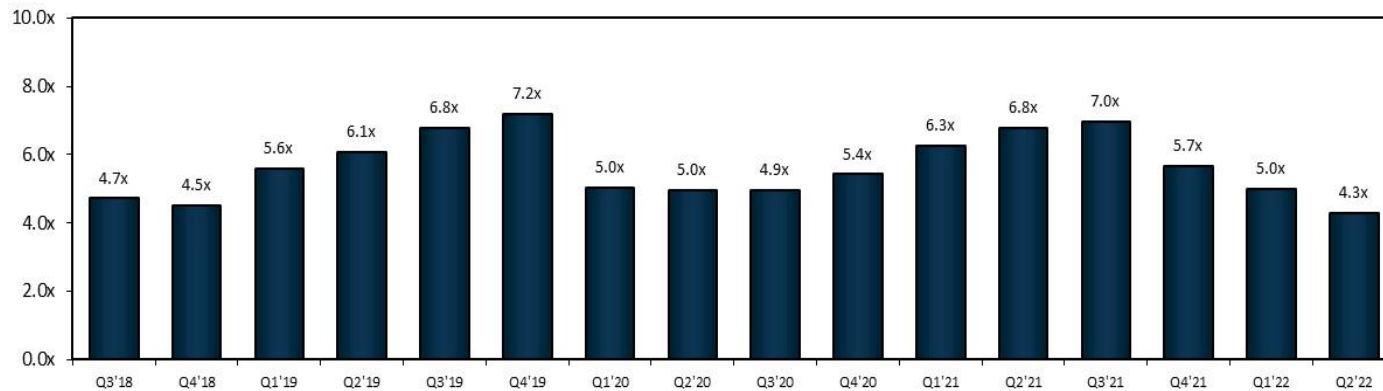
Historical Enterprise Value-to-LTM EBITDA Multiples

Food Production

Private Label Food



Protein Processing



Selected M&A Transactions

Food Production

Announced	Target	Target Description	Acquirer	Value
June 29	The Better Health Company Limited from CDH Investments and TBHC founding shareholders.	Manufactures and distributes natural health supplements under the brand, GO Healthy.	Nestlé Australia Ltd.	ND
June 23	Global Rights to Atypique from Station Agro-Biotech.	Comprises a non-alcoholic and ready-to-drink cocktail brand Atypique.	Keurig Dr Pepper Inc. (NasdaqGS:KDP)	ND
June 22	TNT Crust, Inc. from Peak Rock Capital LLC.	Manufactures and distributes partially baked, self-rising, flat breads, and other pizza crusts to restaurants, pizza manufacturers, and foodservice distributors.	General Mills, Inc. (NYSE:GIS)	ND
June 21	Dippin Dots, LLC from Fischer Enterprises, LLC.	Produces and sells beaded ice cream products worldwide.	J&J Snack Foods Corp. (NasdaqGS:JJSF)	\$220.0
June 20	Clif Bar & Company	Produces nutritious and organic foods.	Mondelez International, Inc. (NasdaqGS:MDLZ)	\$2900.0
June 15	Chameleon Cold Brew, LLC from Nestlé USA, Inc.	Produces and sells coffee.	SYSTEM Foods.	ND
May 25	Helper Main Meals and Suddenly Salad Side Dishes Businesses from General Mills, Inc. (NYSE:GIS)	Comprises salad side dishes businesses	Eagle Family Foods Group LLC.	\$610.0
May 23	Neo Vida Comércio e Importação de Produtos Naturais LTDA from Aqua Capital	Manufactures and sells health and wellness supplements and cosmetics products.	Nestlé Health Science S.A.	ND
May 05	Biotech Foods SL.	Develops technology for the production of cultured meat.	JBS S.A. (BOVESPA:JBSS3)	ND
May 05	Frozen Vegetable Manufacturing Operations of Growers Express LLC.	Comprises production and distribution of shelf-stable and frozen food.	B&G Foods, Inc. (NYSE:BGS)	ND
May 03	Kohinoor Basmati Rice.	Comprises basmati rice business. The asset is located in India	Adani Wilmar Limited. (NSEI:AWL)	ND

ND – Not disclosed. Transaction values in millions.

Source: S&P Capital IQ

Selected M&A Transactions (cont'd)

Food Production

Announced	Target	Target Description	Acquirer	Value
April 25	Confectionery Business from Grupo Bimbo, S.A.B.	Comprises lollipops, marshmallows, chocolates, gummies, and other confectionery products manufacturing business.	Mondelez International, Inc. (NasdaqGS:MDLZ)	\$1300.0
April 13	Ankerkraut GmbH from Freigeist Capital GmbH.	Produces spices, sauces, and seasonings.	Nestlé S.A. (SWX:NESN)	ND
April 06	Lacka Foods Limited.	Manufactures and distributes health food and drink products.	Weetabix Limited	ND
April 01	Orgain, Inc from Butterfly Equity LP.	Produces nutritional and organic food and supplements.	Nestlé Health Science S.A.	ND

ND – Not disclosed. Transaction values in millions.

Selected News

Food Production

Associated British Foods plc (LSE: ABF) reported second quarter net income of \$238.0 million for fiscal year 2022 as compared to \$81.0 million for the prior year period. Earnings per share were \$0.30 versus \$0.10 for the prior year period. Revenues for the quarter increased to \$3,941.0 million from \$3,156.5 million for the same period in fiscal year 2021.

B&G Foods, Inc. (BGS) reported first quarter net income of \$23.7 million for fiscal year 2023 as compared to \$26.9 million for the prior year period. Earnings per share were \$0.34 versus \$0.41 for the prior year period. Revenues for the quarter increased to \$532.4 million from \$505.1 million for the same period in fiscal year 2022.

Campbell Soup Company (CPB) reported third quarter net income of \$188.0 million for fiscal year 2022 as compared to \$160.0 million for the prior year period. Earnings per share were \$0.62 versus \$0.52 for the prior year period. Revenues for the quarter increased to \$2,130.0 million from \$1,984.0 million for the same period in fiscal year 2021.

Flowers Foods, Inc. (FLO) reported first quarter net income of \$85.6 million for fiscal year 2023 as compared to \$71.7 million for the prior year period. Earnings per share were \$0.40 versus \$0.34 for the prior year period. Revenues for the quarter increased to \$1,435.9 million from \$1,302.2 million for the same period in fiscal year 2022.

General Mills, Inc. (GIS) reported net income of \$2,707.3 million for fiscal year 2022 as compared to \$2,339.8 million for the prior year. Earnings per share were \$4.42 versus \$3.78 for the prior year. Revenues for the year increased to \$18,992.8 million from \$18,127.0 million for fiscal year 2021.

George Weston Limited (TSX:WN) reported first quarter net income of \$373.0 million for fiscal year 2022 as compared to (\$52.0) million for the prior year period. Earnings per share were \$2.45 versus (\$0.41) for the prior year period. Revenues for the quarter increased to \$12,407.0 million from \$12,017.0 million for the same period in fiscal year 2021.

Grupo Bimbo, S.A.B. de C.V. (BMV:BIMBO A) reported first quarter net income of \$4,466.8 million for fiscal year 2022 as compared to \$4,045.2 million for the prior year period. Earnings per share were \$1.00 versus \$0.90 for the prior year period. Revenues for the quarter increased to \$93,320.6 million from \$79,286.2 million for the same period in fiscal year 2021.

Hormel Foods Corporation (HRL) reported second quarter net income of \$261.6 million for fiscal year 2022 as compared to \$227.9 million for the prior year period. Earnings per share were \$0.48 versus \$0.42 for the prior year period. Revenues for the quarter increased to \$3,096.6 million from \$2,606.6 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

Hostess Brands, Inc. (TWNK) reported first quarter net income of \$34.6 million for fiscal year 2022 as compared to \$26.7 million for the prior year period. Earnings per share were \$0.25 versus \$0.19 for the prior year period. Revenues for the quarter increased to \$332.1 million from \$265.4 million for the same period in fiscal year 2021.

J&J Snack Foods Corp. (JJSF) reported second quarter net income of \$3.3 million for fiscal year 2022 as compared to \$6.1 million for the prior year period. Earnings per share were \$0.17 versus \$0.32 for the prior year period. Revenues for the quarter increased to \$281.5 million from \$256.2 million for the same period in fiscal year 2021.

JBS S.A. (BOVESPA:JBSS3) reported first quarter net income of \$5,142.3 million for fiscal year 2022 as compared to \$2,045.5 million for the prior year period. Earnings per share were \$2.29 versus \$0.81 for the prior year period. Revenues for the quarter increased to \$90,866.6 million from \$75,251.2 million for the same period in fiscal year 2021.

John B. Sanfilippo & Son, Inc. (JBSS) reported third quarter net income of \$11.9 million for fiscal year 2022 as compared to \$14.7 million for the prior year period. Earnings per share were \$1.02 versus \$1.27 for the prior year period. Revenues for the quarter increased to \$218.6 million from \$207.9 million for the same period in fiscal year 2021.

Kellogg Company (K) reported first quarter net income of \$422.0 million for fiscal year 2023 as compared to \$368.0 million for the prior year period. Earnings per share were \$1.23 versus \$1.07 for the prior year period. Revenues for the quarter increased to \$3,672.0 million from \$3,584.0 million for the same period in fiscal year 2022.

Lancaster Colony Corporation (LANC) reported third quarter net income of (\$4.5) million for fiscal year 2022 as compared to \$28.9 million for the prior year period. Earnings per share were (\$0.17) versus \$1.05 for the prior year period. Revenues for the quarter increased to \$403.5 million from \$357.2 million for the same period in fiscal year 2021.

Lamb Weston Holdings, Inc. (LW) reported third quarter net income of \$106.6 million for fiscal year 2022 as compared to \$66.1 million for the prior year period. Earnings per share were \$0.73 versus \$0.45 for the prior year period. Revenues for the quarter increased to \$955.0 million from \$895.8 million for the same period in fiscal year 2021.

McCormick & Company, Incorporated (MKC) reported second quarter net income of \$118.5 million for fiscal year 2022 as compared to \$183.7 million for the prior year period. Earnings per share were \$0.44 versus \$0.68 for the prior year period. Revenues for the quarter decreased to \$1,536.8 million from \$1,556.7 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

Mondelez International, Inc. (MDLZ) reported first quarter net income of \$855.0 million for fiscal year 2022 as compared to \$961.0 million for the prior year period. Earnings per share were \$0.61 versus \$0.68 for the prior year period. Revenues for the quarter increased to \$7,764.0 million from \$7,238.0 million for the same period in fiscal year 2021.

Nestlé S.A. (SWX:NESN) reported net income of \$16,905.0 million for fiscal year 2021 as compared to \$12,232.0 million for the prior year. Earnings per share were \$6.06 versus \$4.29 for the prior year. Revenues for the year increased to \$87,470.0 million from \$84,681.0 million for fiscal year 2020.

Nomad Foods Limited (NOMD) reported first quarter net income of \$56.0 million for fiscal year 2022 as compared to \$49.3 million for the prior year period. Earnings per share were \$0.32 versus \$0.28 for the prior year period. Revenues for the quarter increased to \$732.9 million from \$707.4 million for the same period in fiscal year 2021.

Pilgrim's Pride Corporation (PPC) reported first quarter net income of \$280.4 million for fiscal year 2022 as compared to \$100.2 million for the prior year period. Earnings per share were \$1.15 versus \$0.41 for the prior year period. Revenues for the quarter increased to \$4,240.4 million from \$3,273.4 million for the same period in fiscal year 2021.

Post Holdings, Inc. (POST) reported second quarter net income of \$523.3 million for fiscal year 2022 as compared to \$109.9 million for the prior year period. Earnings per share were \$8.40 versus \$1.69 for the prior year period. Revenues for the quarter increased to \$1,409.7 million from \$1,201.5 million for the same period in fiscal year 2021.

Premium Brands Holdings Corporation (TSX: PBH) reported first quarter net income of \$22.4 million for fiscal year 2022 as compared to \$19.8 million for the prior year period. Earnings per share were \$0.50 versus \$0.45 for the prior year period. Revenues for the quarter increased to \$1,251.2 million from \$1,009.8 million for the same period in fiscal year 2021..

Sanderson Farms, Inc. (SAFM) reported second quarter net income of \$321.2 million for fiscal year 2022 as compared to \$96.9 million for the prior year period. Earnings per share were \$14.39 versus \$4.34 for the prior year period. Revenues for the quarter increased to \$1,539.7 million from \$1,133.9 million for the same period in fiscal year 2021.

The Hershey Company (HSY) reported first quarter net income of \$533.5 million for fiscal year 2022 as compared to \$395.8 million for the prior year period. Earnings per share were \$2.57 versus \$1.90 for the prior year period. Revenues for the quarter increased to \$2,666.2 million from \$2,295.9 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

The J. M. Smucker Company (SJM) reported net income of \$631.7 million for fiscal year 2022 as compared to \$876.3 million for the prior year. Earnings per share were \$5.84 versus \$7.79 for the prior year. Revenues for the year decreased to \$7,998.9 million from \$8,002.7 million for fiscal year 2021.

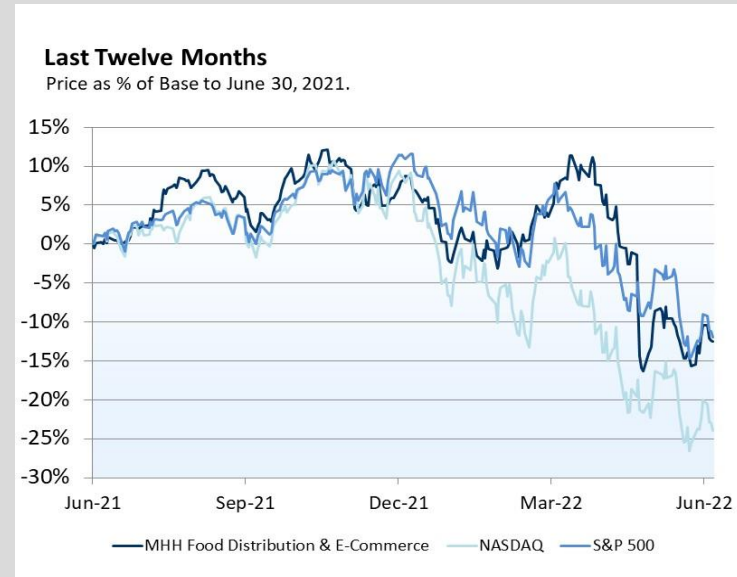
TreeHouse Foods, Inc. (THS) reported first quarter net income of (\$3.0) million for fiscal year 2022 as compared to \$1.5 million for the prior year period. Earnings per share were (\$0.05) versus \$0.03 for the prior year period. Revenues for the quarter increased to \$1,141.0 million from \$1,057.3 million for the same period in fiscal year 2021.

Tyson Foods, Inc. (TSN) reported second quarter net income of \$829.0 million for fiscal year 2022 as compared to \$476.0 million for the prior year period. Earnings per share were \$2.28 versus \$1.30 for the prior year period. Revenues for the quarter increased to \$13,117.0 million from \$11,300.0 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 Distribution & E-Commerce Index^(a) decreased by 4.1% in June of 2022.



Price Appreciation

	3-Year	LTM	1-Month
MHH Food Distribution & E-Commerce Index ^(a)	19.9%	-12.5%	-4.1%
NASDAQ	37.8%	-24.0%	-8.7%
S&P 500	28.7%	-11.9%	-8.4%

(a) Market cap weighted index assuming no dividend reinvestment. Mufson Howe Hunter Distribution & E-Commerce Index is comprised of all companies listed on the following pages.

Selected Valuation Metrics – Q2 2022

Food Distribution & E-Commerce

(\$ in millions, except per share data)

(\$ in millions, except per share data)	Market & Capitalization			LTM Performance ⁽³⁾			Valuation			Margins	
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA	EPS	Enterprise Value/		Price/	Gross Profit	EBITDA
Company							Revenue	EBITDA	EPS		
Food Retail											
Walmart Inc. (WMT)	\$121.58	\$333,269.0	\$398,893.0	\$576,013.0	\$35,028.0	\$4.65	0.69 x	11.4 x	26.2 x	24.9%	6.1%
Costco Wholesale Corporation (COST)	479.28	212,334.9	210,084.9	217,538.0	10,069.0	12.70	0.97 x	20.9 x	37.7 x	12.4%	4.6%
The Kroger Co. (KR)	47.33	33,867.5	53,218.5	141,190.0	7,273.0	2.89	0.38 x	7.3 x	16.4 x	22.4%	5.2%
Koninklijke Ahold Delhaize N.V. (ENXTAM:AD)	25.99	25,809.4	41,979.4	85,111.5	5,551.9	2.41	0.49 x	7.6 x	10.8 x	27.2%	6.5%
Tesco PLC (LSE:TSCO)	3.10	23,123.5	37,767.4	82,263.6	5,187.1	0.26	0.46 x	7.3 x	11.8 x	6.9%	6.3%
Carrefour SA (ENXTPA:CA)	17.65	13,199.5	28,698.2	84,248.8	4,095.3	1.48	0.34 x	7.0 x	11.9 x	19.7%	4.9%
Albertsons Companies, Inc. (ACI)	26.72	14,204.1	26,602.2	71,887.0	4,264.5	2.70	0.37 x	6.2 x	9.9 x	29.4%	5.9%
Sprouts Farmers Market, Inc. (SFM)	25.32	2,775.7	3,973.9	6,165.6	470.0	2.18	0.64 x	8.5 x	11.6 x	36.4%	7.6%
Weis Markets, Inc. (WMK)	74.54	2,005.0	1,916.9	4,322.1	259.4	4.31	0.44 x	7.4 x	17.3 x	27.0%	6.0%
Village Super Market, Inc. (VLGE.A)	22.81	331.1	616.7	2,069.9	72.4	1.62	0.30 x	8.5 x	14.1 x	28.2%	3.5%
Mean		\$66,092.0	\$80,375.1	\$127,081.0	\$7,227.1	\$3.52	0.51x	9.2x	16.8x	23.5%	5.7%
Median		18,663.8	33,232.8	83,256.2	4,725.8	2.55	0.45x	7.48x	13.0x	26.0%	6.0%
Food Distribution											
Sysco Corporation (SYI)	\$84.71	\$43,157.7	\$54,245.2	\$65,815.8	\$3,266.1	\$1.94	0.82 x	16.6 x	43.7 x	18.0%	5.0%
US Foods Holding Corp. (USFD)	30.68	6,869.0	12,420.0	30,990.0	838.0	0.65	0.40 x	14.8 x	47.5 x	15.6%	2.7%
Performance Food Group Company (PFGC)	45.98	7,127.0	11,932.6	43,845.0	732.0	0.46	0.27 x	16.3 x	NM	11.1%	1.7%
United Natural Foods, Inc. (UNFI)	39.40	2,296.7	5,919.7	28,390.0	749.0	4.09	0.21 x	7.9 x	9.6 x	14.6%	2.6%
The Chefs' Warehouse, Inc. (CHEF)	38.89	1,487.2	1,968.0	1,977.6	67.9	0.39	1.00 x	29.0 x	99.7 x	22.7%	3.4%
SpartanNash Company (SPTN)	30.17	1,089.9	1,823.2	9,036.9	206.9	2.04	0.20 x	8.8 x	14.8 x	15.9%	2.3%
Coreo AG (CORE)	1.02	17.9	82.8	16.7	1.3	(0.06)	4.97 x	NM	NM	22.1%	7.6%
Mean		\$8,863.6	\$12,627.4	\$25,724.6	\$837.3	\$1.4	1.12x	15.6x	43.1x	17.1%	3.6%
Median		2,296.7	5,919.7	28,390.0	732.0	0.6	0.40x	15.56x	43.7x	15.9%	2.7%
Food E-Commerce											
DoorDash, Inc. (DASH)	\$64.17	\$25,506.0	\$22,332.0	\$5,267.0	(\$414.0)	(\$1.53)	4.24 x	NM	NM	53.1%	-7.9%
Delivery Hero SE (XTRA:DHGR)	37.39	9,103.2	11,477.0	6,659.4	(1,419.9)	(5.09)	1.72 x	NM	NM	21.5%	-21.3%
Ocado Group plc (LSE:OCDO)	9.49	7,730.4	8,841.1	3,079.1	(265.8)	(0.60)	2.87 x	NM	NM	38.4%	-8.6%
HelloFresh SE (XTRA:HFG)	32.25	5,530.7	5,150.7	7,182.7	385.2	1.13	0.72 x	13.4 x	NM	65.7%	5.4%
Just Eat Takeaway.com N.V. (ENXTAM:TKWY)	15.75	3,385.6	4,845.9	5,112.0	(690.3)	(6.29)	0.95 x	NM	NM	15.2%	-13.5%
Blue Apron Holdings, Inc. (APRN)	3.64	126.0	134.6	458.4	(73.4)	(4.29)	0.29 x	NM	NM	34.6%	-16.0%
Mean		\$8,563.6	\$8,796.9	\$4,626.4	(\$413.0)	(\$2.78)	1.80 x	13.4 x	NA	38.1%	-10.3%
Median		6,630.5	6,995.9	5,189.5	(339.9)	(2.91)	1.3 x	13.4 x	NA	36.5%	-11.1%

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 June 30, 2022.

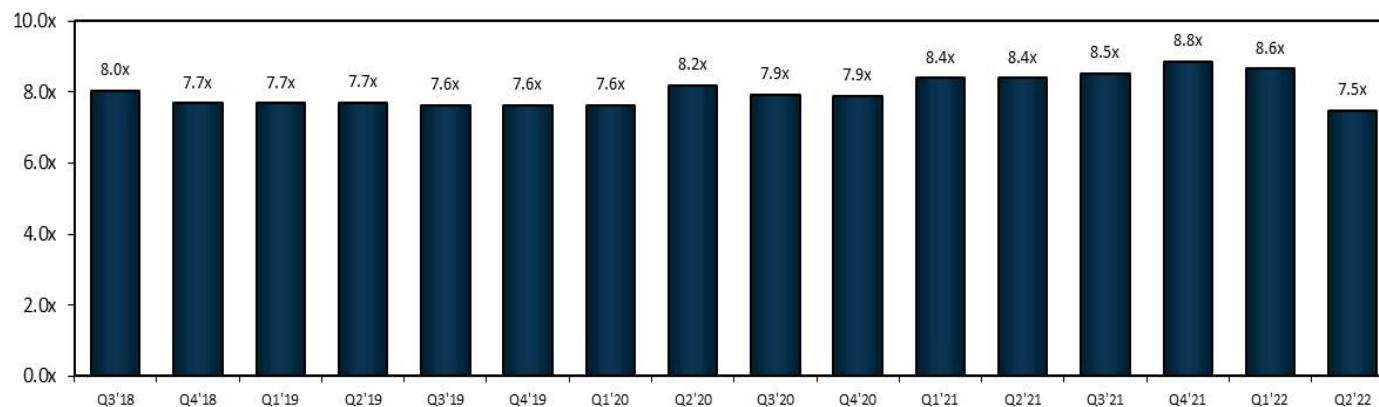
(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, postretirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) Excludes non-recurring and discontinued operations.

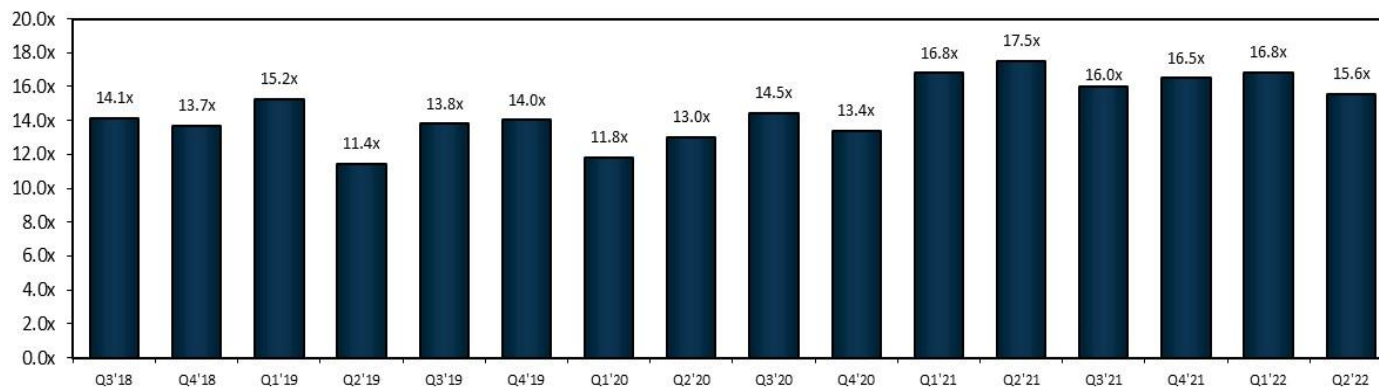
Historical Enterprise Value-to-LTM EBITDA Multiples

Food Distribution & E-Commerce

Food Retail



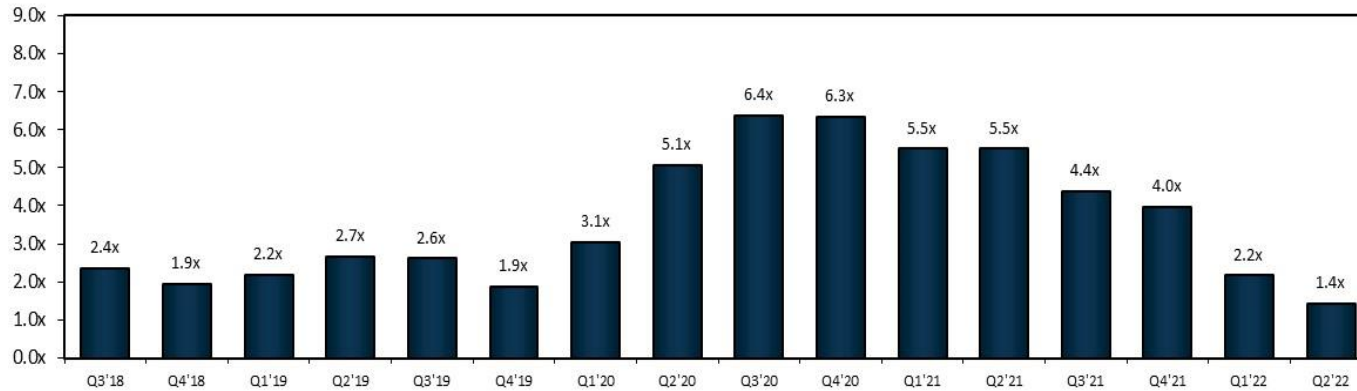
Food Distribution



Historical Enterprise Value-to-LTM Revenue Multiple

Food Distribution & E-Commerce

Food E-Commerce (EV/REV) ⁽¹⁾



⁽¹⁾ EV/EBITDA not applicable for E-Commerce

Selected M&A Transactions

Food Distribution & E-Commerce

Announced	Target	Target Description	Acquirer	Value
June 24	Blink Commerce Private Limited.	Local mobile e-commerce platform for online shopping and delivery of groceries, fruits, vegetables, cosmetics, electronics, and other daily needs in India.	Zomato Limited. (NSEI:ZOMATO)	\$628.8
June 14	Shop-N-Save Inc.	Operates a food grocery store.	SpartanNash Company. (NasdaqGS:SPTN)	ND
June 07	Grupo Big Brasil S.A. Acquired from Walmart Inc. (NYSE:WMT).	Operates as a food retail company in Brazil. The company operates under hypermarket, supermarket, neighborhood retail, wholesale, and shopping club formats.	Atacadão S.A. (BOVESPA:CRFB3)	ND
May 31	Wolt Enterprises Oy.	Develops and operates a food delivery platform.	DoorDash, Inc. (NYSE:DASH)	ND
May 23	Myrmex, Inc.	Owns and operates a grocery delivery system.	Ocado Group plc. (LSE:OCDO)	\$10.9
May 20	HelloFreshGO GmbH.	Develops HelloFreshGO, an automatic vending machine to provide access to meals and salads; snacks; and drinks throughout the workday.	Convini Kaffe AB.	ND
May 16	Cajoo Technology from Carrefour SA. (ENXTPA:CA).	Grocery delivery services online.	Flink SE.	ND
May 02	Cycloon Post BV.	Provides mail and logistics services. It offers postal services, such as franking, bulk mails, home to home, delivery and collection services.	Bol.com b.v.	ND
April 20	SKYESTATE Inc.	Provides drone services such as survey, inspection, drone pilot training, helicopter shots, image analysis, and visualization of technical standards.	Rakuten Group, Inc. (TSE:4755)	ND

ND – Not disclosed. Transaction values in millions.

Selected News

Food Distribution & E-Commerce

Albertsons Companies, Inc. (ACI) reported net income of \$1,619.6 million for fiscal year 2022 as compared to \$850.2 million for the prior year. Earnings per share were \$2.70 versus \$1.47 for the prior year. Revenues for the year increased to \$71,887.0 million from \$69,690.4 million for fiscal year 2021.

Blue Apron Holdings, Inc. (APRN) reported first quarter net income of (\$38.4) million for fiscal year 2022 as compared to (\$15.7) million for the prior year period. Earnings per share were (\$1.19) versus (\$0.88) for the prior year period. Revenues for the quarter decreased to \$117.8 million from \$129.7 million for the same period in fiscal year 2021.

Carrefour SA (ENXTPA:CA) reported net income of \$1,072.0 million for fiscal year 2021 as compared to \$641.0 million for the prior year. Earnings per share were \$1.35 versus \$0.79 for the prior year. Revenues for the year increased to \$74,080.0 million from \$71,954.0 million for fiscal year 2020.

Coreo AG (LSE:TSCO) reported net income of (\$0.9) million for fiscal year 2021 as compared to (\$2.4) million for the prior year. Earnings per share were (\$0.05) versus (\$0.14) for the prior year. Revenues for the year increased to \$14.7 million from \$9.6 million for fiscal year 2020.

Costco Wholesale Corporation (COST) reported third quarter net income of \$1,353.0 million for fiscal year 2022 as compared to \$1,220.0 million for the prior year period. Earnings per share were \$3.04 versus \$2.75 for the prior year period. Revenues for the quarter increased to \$52,596.0 million from \$45,277.0 million for the same period in fiscal year 2021.

Delivery Hero SE (SYN) reported net income of (\$1,100.1) million for fiscal year 2021 as compared to (\$1,409.1) million for the prior year. Earnings per share were (\$4.47) versus (\$7.03) for the prior year. Revenues for the year increased to \$5,855.6 million from \$2,471.9 million for fiscal year 2020.

DoorDash, Inc. (DASH) reported first quarter net income of (\$167.0) million for fiscal year 2022 as compared to (\$110.0) million for the prior year period. Earnings per share were (\$0.48) versus (\$0.34) for the prior year period. Revenues for the quarter increased to \$1,456.0 million from \$1,077.0 million for the same period in fiscal year 2021.

HelloFresh SE (XTRA:HFG) reported first quarter net income of \$27.3 million for fiscal year 2022 as compared to \$101.6 million for the prior year period. Earnings per share were \$0.15 versus \$0.56 for the prior year period. Revenues for the quarter increased to \$1,915.4 million from \$1,442.9 million for the same period in fiscal year 2021.

Koninklijke Ahold Delhaize N.V. (VLGE.A) reported first quarter net income of \$546.0 million for fiscal year 2023 as compared to \$550.0 million for the prior year period. Earnings per share were \$0.54 versus \$0.53 for the prior year period. Revenues for the quarter increased to \$19,774.0 million from \$18,264.0 million for the same period in fiscal year 2022.

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

Selected News

Food Distribution & E-Commerce

Performance Food Group Company (LSE:OCDO) reported third quarter net income of \$23.4 million for fiscal year 2022 as compared to (\$7.6) million for the prior year period. Earnings per share were \$0.15 versus (\$0.06) for the prior year period. Revenues for the quarter increased to \$12,097.4 million from \$6,925.6 million for the same period in fiscal year 2021.

SpartanNash Company (CORE) reported first quarter net income of \$19.3 million for fiscal year 2023 as compared to \$19.5 million for the prior year period. Earnings per share were \$0.53 versus \$0.54 for the prior year period. Revenues for the quarter increased to \$2,763.7 million from \$2,657.8 million for the same period in fiscal year 2022.

Sprouts Farmers Market, Inc. (SPTN) reported first quarter net income of \$88.3 million for fiscal year 2023 as compared to \$83.0 million for the prior year period. Earnings per share were \$0.79 versus \$0.70 for the prior year period. Revenues for the quarter increased to \$1,641.2 million from \$1,575.4 million for the same period in fiscal year 2022.

Sysco Corporation (SFM) reported third quarter net income of \$303.3 million for fiscal year 2022 as compared to \$88.9 million for the prior year period. Earnings per share were \$0.59 versus \$0.17 for the prior year period. Revenues for the quarter increased to \$16,902.1 million from \$11,824.6 million for the same period in fiscal year 2021.

Tesco PLC (PFGC) reported net income of \$1,481.0 million for fiscal year 2022 as compared to \$5,954.0 million for the prior year. Earnings per share were \$0.19 versus \$0.78 for the prior year. Revenues for the year increased to \$61,344.0 million from \$57,887.0 million for fiscal year 2021.

The Chefs' Warehouse, Inc. (XTRA:DHER) reported first quarter net income of \$1.4 million for fiscal year 2022 as compared to (\$17.9) million for the prior year period. Earnings per share were \$0.04 versus (\$0.49) for the prior year period. Revenues for the quarter increased to \$512.1 million from \$280.2 million for the same period in fiscal year 2021.

The Kroger Co. (CHEF) reported first quarter net income of \$664.0 million for fiscal year 2023 as compared to \$140.0 million for the prior year period. Earnings per share were \$0.90 versus \$0.18 for the prior year period. Revenues for the quarter increased to \$44,600.0 million from \$41,298.0 million for the same period in fiscal year 2022.

United Natural Foods, Inc. (UNFI) reported second quarter net income of \$66.0 million for fiscal year 2022 as compared to \$59.0 million for the prior year period. Earnings per share were \$1.08 versus \$1.01 for the prior year period. Revenues for the quarter increased to \$7,416.0 million from \$6,900.0 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 & E-Commerce

US Foods Holding Corp. (USFD) reported net income of \$164.0 million for fiscal year 2022 as compared to (\$226.0) million for the prior year. Earnings per share were \$0.54 versus (\$1.15) for the prior year. Revenues for the year increased to \$29,487.0 million from \$22,885.0 million for fiscal year 2021.

United Natural Foods, Inc. (KR) reported third quarter net income of \$67.0 million for fiscal year 2022 as compared to \$48.0 million for the prior year period. Earnings per share were \$1.10 versus \$0.79 for the prior year period. Revenues for the quarter increased to \$7,242.0 million from \$6,631.0 million for the same period in fiscal year 2021.













US Foods Holding Corp. (UNFI) reported first quarter net income of (\$7.0) million for fiscal year 2023 as compared to (\$24.0) million for the prior year period. Earnings per share were (\$0.07) versus (\$0.18) for the prior year period. Revenues for the quarter increased to \$7,798.0 million from \$6,295.0 million for the same period in fiscal year 2022.

Walmart Inc. (USFD) reported first quarter net income of \$2,054.0 million for fiscal year 2023 as compared to \$2,730.0 million for the prior year period. Earnings per share were \$0.74 versus \$0.97 for the prior year period. Revenues for the quarter increased to \$141,569.0 million from \$138,310.0 million for the same period in fiscal year 2022.

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

Q2 2022 Highlighted Industry M&A

Food Production, Distribution & E-Commerce Newsletter

Ann. Date	Target	Target Business Description	Acquiror	Enterprise Value	EV / LTM EBITDA
June 24		Local mobile e-commerce platform for online shopping and delivery of groceries, fruits, vegetables, cosmetics, electronics, and other daily needs in India.		\$628.8	ND
June 21		Produces and sells beaded ice cream products worldwide.		\$220.0	ND
June 20		Produces nutritious and organic foods.		\$2900.0	ND
May 25		Comprises salad side dishes businesses		\$610.0	ND
April 25		Comprises lollipops, marshmallows, chocolates, gummies, and other confectionery products manufacturing business.		\$1300.0	ND
April 01		Produces nutritional and organic food and supplements, including protein powders, nutrition shakes, protein and kids' bars; and pantry products.		ND	ND

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

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