



# Mufson Howe Hunter

## Food Production, Distribution & E-Commerce Newsletter Q4 2022

Primary Food Production, Distribution & E-Commerce Contacts

**Michael J. Mufson**  
Managing Director  
215.399.5410  
[mmufson@mhco.com](mailto:mmufson@mhco.com)

**Anthony Lopez Ona**  
Managing Director  
215.399.5405  
[alopezona@mhco.com](mailto:alopezona@mhco.com)

**Jimmy Yu**  
Vice President  
215.399.5408  
[jyu@mhco.com](mailto:jyu@mhco.com)

Mufson Howe Hunter & Company LLC are  
Investment Bankers for Growth

Mufson Howe Hunter & Partners LLC  
Member SIPC | FINRA

*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 December 31, 2021 to December 30, 2022  
Price as Percent of Base (December 31, 2021 = 0%)

Food Production Index



Food Distribution & E-Commerce Index



# Table of Contents

*Food Production, Distribution & E-Commerce Newsletter*

Section 1	Food Production.....	3
Section 2	Food Distribution & E-Commerce.....	12
Section 3	Significant Industry M&A.....	19

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, 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.

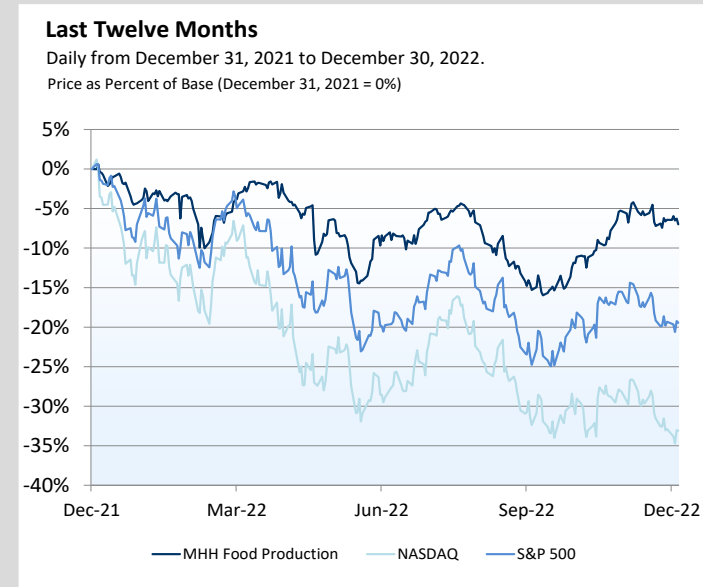
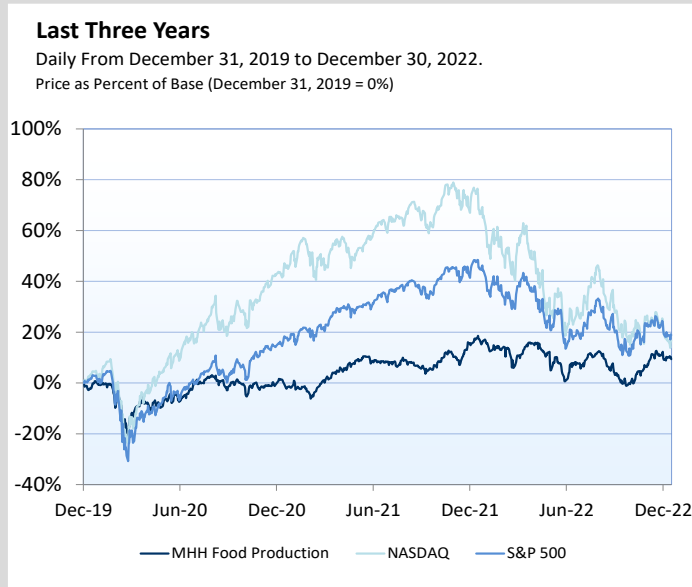
The information and statistical data contained herein have been obtained from sources that Mufson Howe Hunter believes are reliable, but Mufson Howe Hunter makes no representation or warranty as to the accuracy or completeness of any such information and data and expressly disclaims any and all liability 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 February 2023 Mufson Howe Hunter & Company LLC. All rights reserved. Food Production, Distribution & E-Commerce 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](http://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<sup>(a)</sup> decreased by 2.8% in December of 2022.



### Price Appreciation

	3-Year	LTM	1-Month
MHH Food Production Index <sup>(a)</sup>	9.4%	-7.0%	-2.8%
NASDAQ	16.7%	-33.1%	-8.9%
S&P 500	18.8%	-19.4%	-5.8%

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

# Selected Valuation Metrics – Q4 2022

## Food Production

(\$ in millions, except per share data)

Company	Market & Capitalization			LTM Performance <sup>(3)</sup>			Valuation			Margins	
	Price <sup>(1)</sup>	Equity Value	Enterprise Value <sup>(2)</sup>	Revenue	EBITDA	EPS	Enterprise Value/ Revenue	Price/ EBITDA	Price/ EPS	Gross Profit	EBITDA
<b>Baked Goods</b>											
George Weston Limited (TSX:WN)	\$124.12	\$17,468.8	\$35,648.1	\$40,779.5	\$4,207.4	\$9.87	0.87 x	8.5 x	12.6 x	32.5%	10.3%
Grupo Bimbo, S.A.B. de C.V. (BMV:BIMBO A)	4.22	18,714.9	25,036.0	19,644.4	2,492.3	0.24	1.27 x	10.0 x	17.9 x	51.8%	12.7%
Flowers Foods, Inc. (FLO)	28.74	6,068.0	7,087.2	4,706.6	484.5	1.03	1.51 x	14.6 x	27.9 x	48.2%	10.3%
Lancaster Colony Corporation (LANC)	197.30	5,436.2	5,391.4	1,709.9	198.2	3.50	3.15 x	NM	NM	21.2%	11.6%
Hostess Brands, Inc. (TWNK)	22.44	3,004.4	3,874.9	1,315.9	268.6	1.21	2.94 x	14.4 x	18.6 x	34.5%	20.4%
ARYZTA AG (SWX:ARYN)	1.19	1,181.5	1,477.3	1,791.2	195.3	(0.04)	0.82 x	7.6 x	NM	18.3%	10.9%
<b>Mean</b>		<b>\$8,645.6</b>	<b>\$13,085.8</b>	<b>\$11,657.9</b>	<b>\$1,307.7</b>	<b>\$2.63</b>	<b>1.76 x</b>	<b>11.0 x</b>	<b>19.2 x</b>	<b>34.4%</b>	<b>12.7%</b>
<b>Median</b>		<b>5,752.1</b>	<b>6,239.3</b>	<b>3,248.9</b>	<b>376.5</b>	<b>1.12</b>	<b>1.39 x</b>	<b>10.05 x</b>	<b>18.2 x</b>	<b>33.5%</b>	<b>11.2%</b>
<b>Branded Foods &amp; Snacks</b>											
Nestlé S.A. (SWX:NESN)	\$115.87	\$319,749.4	\$370,587.2	\$95,616.2	\$18,927.0	\$6.16	3.88 x	19.6 x	18.8 x	46.7%	19.8%
Mondelez International, Inc. (MDLZ)	66.65	91,018.5	111,059.5	30,459.0	5,778.0	2.25	3.65 x	19.2 x	29.6 x	36.5%	19.0%
General Mills, Inc. (GIS)	83.85	49,438.9	60,785.9	19,367.2	3,762.5	4.79	3.14 x	16.2 x	17.5 x	32.7%	19.4%
The Hershey Company (HSY)	231.57	47,491.0	52,377.1	10,093.1	2,555.7	7.66	5.19 x	20.5 x	30.2 x	43.3%	25.3%
Kellogg Company (K)	71.24	24,312.9	31,782.9	14,902.0	2,442.0	4.35	2.13 x	13.0 x	16.4 x	30.2%	16.4%
Conagra Brands, Inc. (CAG)	38.70	18,445.3	28,127.3	12,040.9	2,136.2	1.41	2.34 x	13.2 x	27.4 x	25.5%	17.7%
McCormick & Company, Incorporated (MKC)	82.89	22,222.9	27,287.7	6,350.5	1,108.7	2.52	4.30 x	24.6 x	32.9 x	35.8%	17.5%
Hormel Foods Corporation (HRL)	45.55	24,889.6	27,272.4	12,458.8	1,548.2	1.82	2.19 x	17.6 x	25.0 x	17.4%	12.4%
Campbell Soup Company (CPB)	56.75	16,994.8	21,953.8	8,901.0	1,598.0	2.64	2.47 x	13.7 x	21.5 x	30.8%	18.0%
The J. M. Smucker Company (SJM)	158.46	16,898.0	21,584.8	8,169.0	1,524.9	5.33	2.64 x	14.2 x	29.7 x	32.0%	18.7%
Associated British Foods plc (LSE: ABF)	18.99	14,865.1	17,001.0	19,414.0	2,131.4	1.01	0.88 x	8.0 x	18.8 x	22.2%	11.0%
Post Holdings, Inc. (POST)	90.26	5,302.4	11,103.5	5,851.2	793.9	11.75	1.90 x	14.0 x	7.7 x	25.1%	13.6%
Nomad Foods Limited (NOMD)	17.24	2,974.8	5,252.0	2,837.3	480.2	1.35	1.85 x	10.9 x	12.8 x	28.0%	16.9%
Premium Brands Holdings Corporation (TSX: PBH)	60.79	2,714.3	4,534.8	4,231.6	266.7	2.76	1.07 x	17.0 x	22.0 x	18.0%	6.3%
B&G Foods, Inc. (BGS)	11.15	799.1	3,230.3	2,111.6	263.6	(0.59)	1.53 x	12.3 x	NM	19.1%	12.5%
J&J Snack Foods Corp. (JJSF)	149.71	2,878.8	2,969.5	1,413.5	116.2	2.22	2.10 x	NM	NM	27.0%	8.2%
John B. Sanfilippo & Son, Inc. (JBSS)	81.32	937.4	992.3	982.1	97.6	5.01	1.01 x	10.2 x	16.2 x	20.2%	NM
<b>Mean</b>		<b>\$38,937.2</b>	<b>\$46,935.4</b>	<b>\$15,011.7</b>	<b>\$2,678.3</b>	<b>\$3.67</b>	<b>2.49 x</b>	<b>15.26 x</b>	<b>21.77 x</b>	<b>30.3%</b>	<b>16.6%</b>
<b>Median</b>		<b>16,994.8</b>	<b>21,953.8</b>	<b>8,901.0</b>	<b>1,548.2</b>	<b>2.64</b>	<b>2.19 x</b>	<b>14.07 x</b>	<b>21.51 x</b>	<b>28.0%</b>	<b>17.2%</b>

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 December 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 (cont'd) – Q4 2022

## Food Production

(\$ in millions, except per share data)

Company	Market & Capitalization			LTM Performance <sup>(3)</sup>			Valuation			Margins	
	Price <sup>(1)</sup>	Equity Value	Enterprise Value <sup>(2)</sup>	Revenue	EBITDA	EPS	Enterprise Value/ Revenue EBITDA		Price/ EPS	Gross Profit	EBITDA
<b>Private Label Food</b>											
Lamb Weston Holdings, Inc. (LW)	\$89.36	\$12,856.3	\$15,202.5	\$4,510.2	\$901.7	\$3.28	3.37 x	16.9 x	27.3 x	25.1%	20.0%
TreeHouse Foods, Inc. (THS)	49.38	2,769.4	4,756.3	4,655.8	326.5	(0.59)	1.02 x	14.6 x	NM	15.0%	7.0%
Seneca Foods Corporation (SENE.A)	60.95	462.4	823.5	1,483.0	105.7	5.56	0.56 x	7.8 x	11.0 x	9.2%	7.1%
<b>Mean</b>		<b>\$5,362.7</b>	<b>\$6,927.4</b>	<b>\$3,549.7</b>	<b>\$444.6</b>	<b>\$2.7</b>	<b>1.6 x</b>	<b>13.1 x</b>	<b>19.1 x</b>	<b>16.4%</b>	<b>11.4%</b>
<b>Median</b>		<b>2,769.4</b>	<b>4,756.3</b>	<b>4,510.2</b>	<b>326.5</b>	<b>3.3</b>	<b>1.0 x</b>	<b>14.6 x</b>	<b>19.1 x</b>	<b>15.0%</b>	<b>7.1%</b>
<b>Protein Processing</b>											
Tyson Foods, Inc. (TSN)	\$62.25	\$22,274.7	\$30,167.7	\$53,282.0	\$5,598.0	\$8.92	0.57 x	5.4 x	7.0 x	12.4%	10.5%
JBS S.A. (BOVESPA:JBSS3)	4.19	9,303.3	26,395.7	70,058.0	7,328.9	1.57	0.38 x	3.6 x	2.7 x	18.0%	10.5%
Pilgrim's Pride Corporation (PPC)	23.73	5,611.4	8,475.6	17,379.8	2,518.9	3.87	0.49 x	3.4 x	6.1 x	11.9%	14.5%
Cal-Maine Foods, Inc. (CALM)	54.45	2,664.2	2,284.2	2,530.5	675.3	9.71	0.90 x	3.4 x	5.6 x	32.5%	26.7%
<b>Mean</b>		<b>\$9,963.4</b>	<b>\$16,830.8</b>	<b>\$35,812.6</b>	<b>\$4,030.3</b>	<b>\$6.0</b>	<b>0.6 x</b>	<b>3.9 x</b>	<b>5.3 x</b>	<b>18.7%</b>	<b>15.5%</b>
<b>Median</b>		<b>7,457.4</b>	<b>17,435.7</b>	<b>35,330.9</b>	<b>4,058.5</b>	<b>6.4</b>	<b>0.5 x</b>	<b>3.5 x</b>	<b>5.9 x</b>	<b>15.2%</b>	<b>12.5%</b>

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 December 30, 2022.

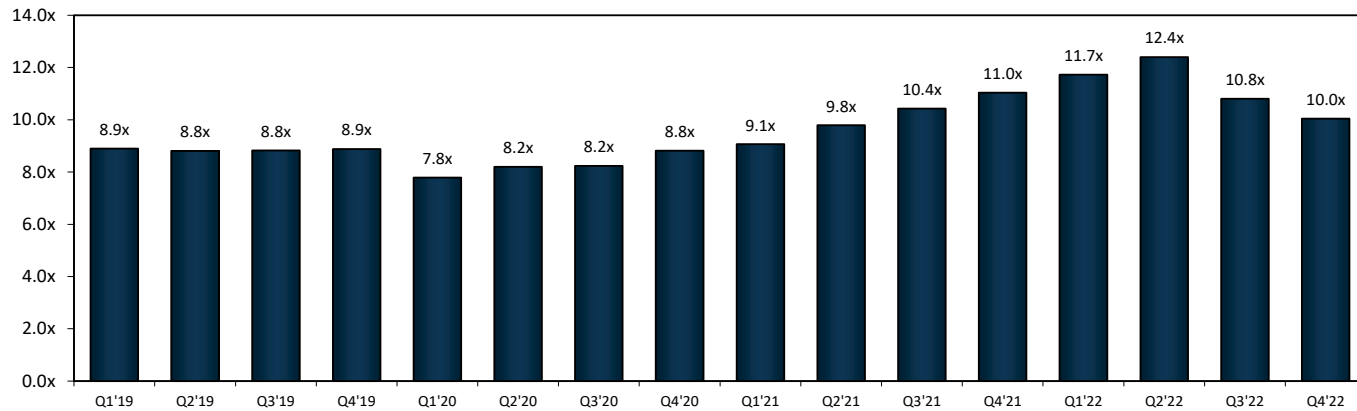
(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, postretirement benefits and unfunded pensions, if applicable, less cash and cash

(3) Excludes non-recurring and discontinued operations.

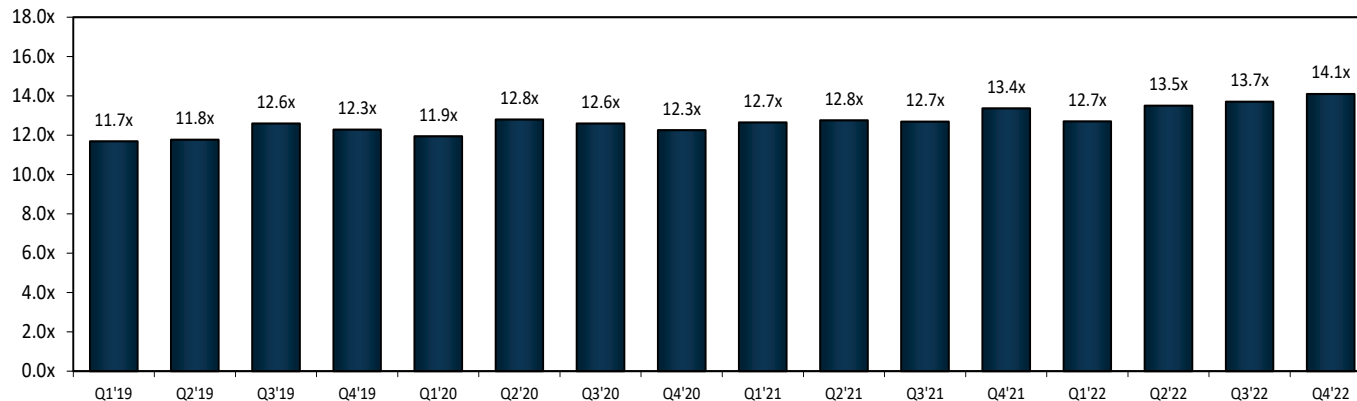
# Historical Enterprise Value-to-LTM EBITDA Multiples

Food Production

## Baked Goods



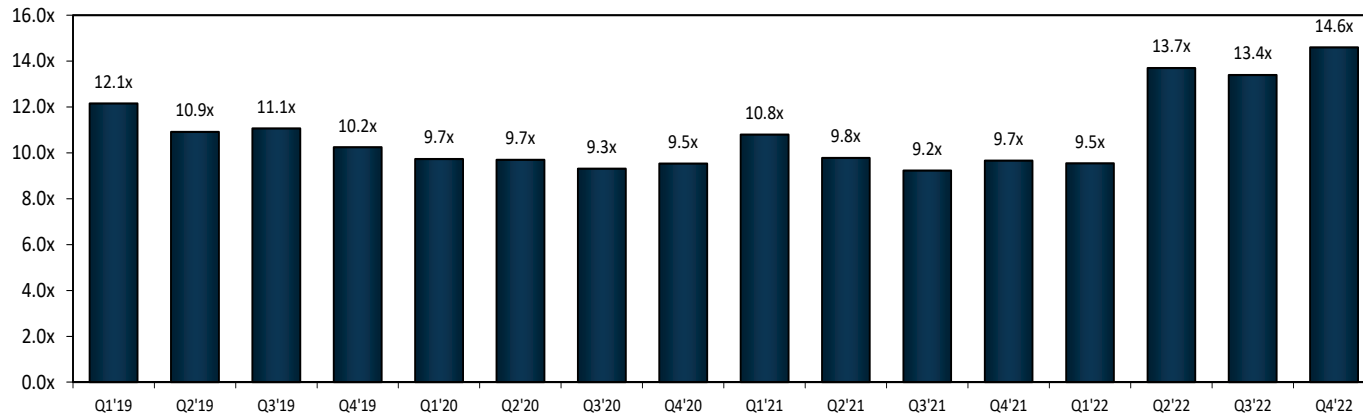
## Branded Foods and Snacks



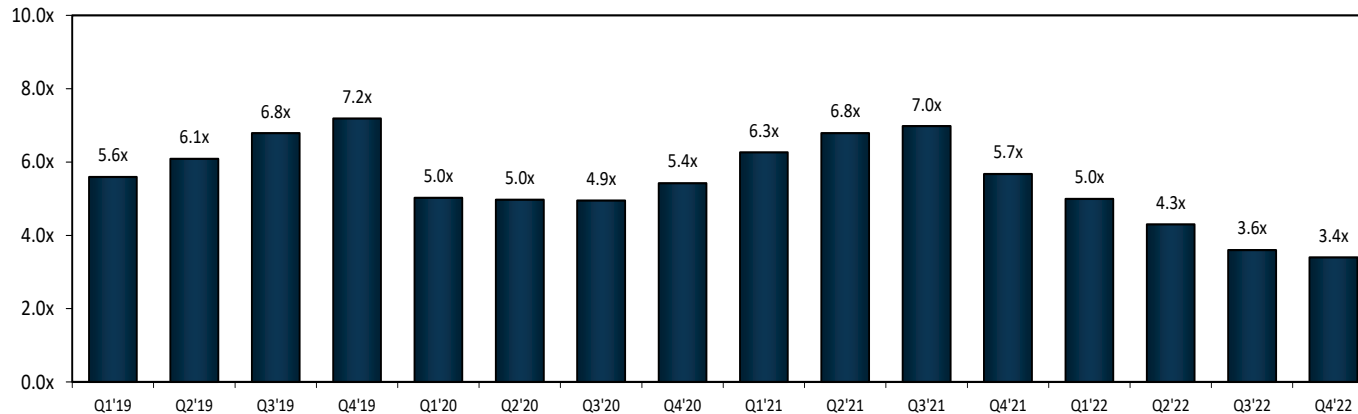
# Historical Enterprise Value-to-LTM EBITDA Multiples

Food Production

## Private Label Food



## Protein Processing



# Selected M&A Transactions

## Food Production

Announced	Target	Target Description	Acquirer	Value
<b>Dec 16</b>	Just the Cheese Brand.	Produces and sells cheese snacks.	John B. Sanfilippo & Son, Inc. (NasdaqGS: JBSS)	ND
<b>Dec 15</b>	Back to nature Foods Company, LLC. Business from B&G Foods, Inc. (NYSE: BGS)	Produces cookies, crackers, granolas, juices, and nuts.	Barilla America, Inc.	ND
<b>Nov 01</b>	Good Start Packaging, Inc. business from Nestlé Canada Inc.	Manufactures and sells packaging products. It offers food container boxes, tableware, juice bottles, and bags.	Perrigo Company plc (NYSE: PRGO)	ND
<b>Oct 20</b>	Meijer Frozen Foods B.V. from Meyer Beheer BV.	Engages in the manufacture and distribution of frozen potato products principally in Europe and the Middle East.	Lamb Weston Holland B.V.	\$688.2
<b>Oct 19</b>	Pop Up popcorn brand from Grupo Bimbo, S.A.B de C.V. (BMV: BIMBO A)	Comprises a popcorn brand.	Aperitivos y Extrusionados, S.A.	ND
<b>Oct 18</b>	Seattle Coffee Brand business from Starbucks Corporation. (NasdaqGS: SBUX)	Comprises a coffee brand.	Nestlé S.A (SWX: NESN)	ND
<b>Oct 03</b>	Denali Ingredients, LLC.	Manufactures and markets flavors, chocolate coatings, fudge sauces, and powders for chocolate milk and eggnog bases.	Orkla Food Ingredients AS.	\$200.0

*ND – Not disclosed. Transaction values in millions.*



# Selected News

## Food Production

**ARYZTA AG (SWX:ARYN)** reported net income of \$0.9 million for fiscal year 2022 as compared to (\$235.8) million for the prior year. Earnings per share were (\$0.05) versus (\$0.28) for the prior year. Revenues for the year increased to \$1,756.1 million from \$1,525.4 million for fiscal year 2021.

**Associated British Foods plc (LSE: ABF)** reported net income of \$700.0 million for fiscal year 2022 as compared to \$478.0 million for the prior year. Earnings per share were \$0.89 versus \$0.61 for the prior year. Revenues for the year increased to \$16,997.0 million from \$13,884.0 million for fiscal year 2021.

**B&G Foods, Inc. (BGS)** reported third quarter net income of (\$59.6) million for fiscal year 2023 as compared to \$20.7 million for the prior year period. Earnings per share were (\$0.83) versus \$0.32 for the prior year period. Revenues for the quarter increased to \$528.4 million from \$515.0 million for the same period in fiscal year 2022.

**Cal-Maine Foods, Inc. (CALM)** reported second quarter net income of \$198.6 million for fiscal year 2023 as compared to \$1.2 million for the prior year period. Earnings per share were \$4.07 versus \$0.02 for the prior year period. Revenues for the quarter increased to \$801.7 million from \$381.7 million for the same period in fiscal year 2022.

**Campbell Soup Company (CPB)** reported first quarter net income of \$297.0 million for fiscal year 2023 as compared to \$261.0 million for the prior year period. Earnings per share were \$0.99 versus \$0.86 for the prior year period. Revenues for the quarter increased to \$2,575.0 million from \$2,236.0 million for the same period in fiscal year 2022.

**Flowers Foods, Inc. (FLO)** reported third quarter net income of \$40.5 million for fiscal year 2023 as compared to \$38.9 million for the prior year period. Earnings per share were \$0.19 versus \$0.18 for the prior year period. Revenues for the quarter increased to \$1,158.2 million from \$1,027.8 million for the same period in fiscal year 2022.

**General Mills, Inc. (GIS)** reported second quarter net income of \$605.9 million for fiscal year 2023 as compared to \$597.2 million for the prior year period. Earnings per share were \$1.01 versus \$0.97 for the prior year period. Revenues for the quarter increased to \$5,220.7 million from \$5,024.0 million for the same period in fiscal year 2022.

**George Weston Limited (TSX:WN)** reported third quarter net income of \$903.0 million for fiscal year 2022 as compared to \$138.0 million for the prior year period. Earnings per share were \$6.14 versus \$0.82 for the prior year period. Revenues for the quarter increased to \$17,520.0 million from \$16,192.0 million for the same period in fiscal year 2021.

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

## Selected News

### Food Production

**Grupo Bimbo, S.A.B. de C.V. (BMV:BIMBO A)** reported third quarter net income of \$6,062.2 million for fiscal year 2022 as compared to \$4,020.5 million for the prior year period. Earnings per share were \$1.37 versus \$0.90 for the prior year period. Revenues for the quarter increased to \$102,821.1 million from \$85,659.3 million for the same period in fiscal year 2021.

**Hormel Foods Corporation (HRL)** reported net income of \$1,000.0 million for fiscal year 2022 as compared to \$908.8 million for the prior year. Earnings per share were \$1.82 versus \$1.66 for the prior year. Revenues for the year increased to \$12,458.8 million from \$11,386.2 million for fiscal year 2021.

**Hostess Brands, Inc. (TWNK)** reported third quarter net income of \$66.3 million for fiscal year 2022 as compared to \$26.2 million for the prior year period. Earnings per share were \$0.48 versus \$0.19 for the prior year period. Revenues for the quarter increased to \$346.2 million from \$288.0 million for the same period in fiscal year 2021.

**JBS S.A. (BOVESPA:JBSS3)** reported third quarter net income of \$4,013.6 million for fiscal year 2022 as compared to \$7,585.6 million for the prior year period. Earnings per share were \$1.81 versus \$3.01 for the prior year period. Revenues for the quarter increased to \$98,928.2 million from \$92,625.3 million for the same period in fiscal year 2021.

**Kellogg Company (K)** reported third quarter net income of \$310.0 million for fiscal year 2023 as compared to \$307.0 million for the prior year period. Earnings per share were \$0.90 versus \$0.89 for the prior year period. Revenues for the quarter increased to \$3,946.0 million from \$3,622.0 million for the same period in fiscal year 2022.

**Lancaster Colony Corporation (LANC)** reported first quarter net income of \$37.6 million for fiscal year 2023 as compared to \$30.7 million for the prior year period. Earnings per share were \$1.36 versus \$1.11 for the prior year period. Revenues for the quarter increased to \$425.5 million from \$392.1 million for the same period in fiscal year 2022.

**Mondelez International, Inc. (MDLZ)** reported third quarter net income of \$532.0 million for fiscal year 2022 as compared to \$1,258.0 million for the prior year period. Earnings per share were \$0.39 versus \$0.89 for the prior year period. Revenues for the quarter increased to \$7,763.0 million from \$7,182.0 million for the same period in fiscal year 2021.

**Nestlé S.A. (SWX:NESN)** reported second quarter net income of \$2,623.5 million for fiscal year 2022 as compared to \$2,972.5 million for the prior year period. Earnings per share were \$0.96 versus \$1.06 for the prior year period. Revenues for the quarter increased to \$22,879.0 million from \$20,963.0 million for the same period in fiscal year 2021.

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

# Selected News

## Food Production

**Nomad Foods Limited (NOMD)** reported third quarter net income of \$82.1 million for fiscal year 2022 as compared to \$51.7 million for the prior year period. Earnings per share were \$0.47 versus \$0.29 for the prior year period. Revenues for the quarter increased to \$759.6 million from \$599.4 million for the same period in fiscal year 2021.

---

**Pilgrim's Pride Corporation (PPC)** reported third quarter net income of \$258.4 million for fiscal year 2022 as compared to \$60.7 million for the prior year period. Earnings per share were \$1.08 versus \$0.25 for the prior year period. Revenues for the quarter increased to \$4,469.0 million from \$3,827.6 million for the same period in fiscal year 2021.

---

**Post Holdings, Inc. (POST)** reported net income of \$756.6 million for fiscal year 2022 as compared to \$166.7 million for the prior year. Earnings per share were \$12.09 versus \$2.39 for the prior year. Revenues for the year increased to \$5,851.2 million from \$4,980.7 million for fiscal year 2021.

---

**Premium Brands Holdings Corporation (TSX: PBH)** reported third quarter net income of \$43.5 million for fiscal year 2022 as compared to \$46.9 million for the prior year period. Earnings per share were \$0.97 versus \$1.07 for the prior year period. Revenues for the quarter increased to \$1,623.9 million from \$1,341.8 million for the same period in fiscal year 2021.

---

**The Hershey Company (HSY)** reported third quarter net income of \$399.5 million for fiscal year 2022 as compared to \$444.9 million for the prior year period. Earnings per share were \$1.94 versus \$2.14 for the prior year period. Revenues for the quarter increased to \$2,728.2 million from \$2,359.8 million for the same period in fiscal year 2021.

---

**The J. M. Smucker Company (SJM)** reported second quarter net income of \$191.1 million for fiscal year 2023 as compared to \$206.0 million for the prior year period. Earnings per share were \$1.79 versus \$1.90 for the prior year period. Revenues for the quarter increased to \$2,205.1 million from \$2,050.0 million for the same period in fiscal year 2022.

---

**TreeHouse Foods, Inc. (THS)** reported third quarter net income of (\$90.5) million for fiscal year 2022 as compared to \$6.7 million for the prior year period. Earnings per share were (\$1.61) versus \$0.12 for the prior year period. Revenues for the quarter increased to \$875.0 million from \$751.7 million for the same period in fiscal year 2021.

---

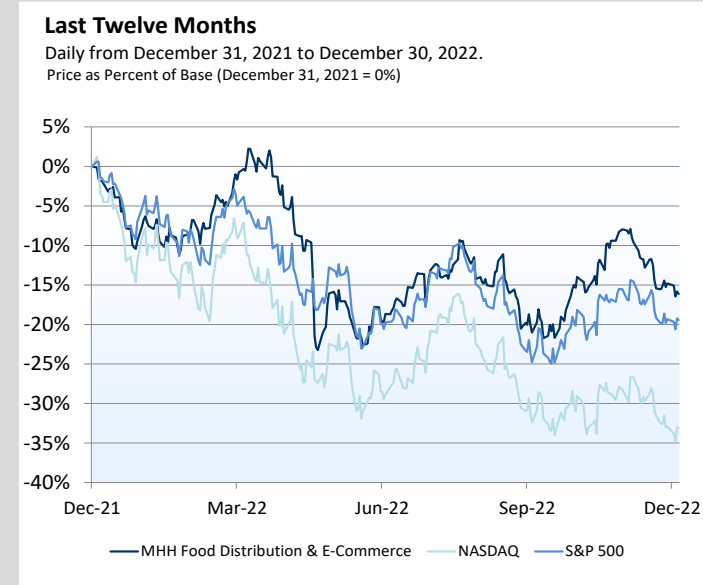
**Tyson Foods, Inc. (TSN)** reported net income of \$3,238.0 million for fiscal year 2022 as compared to \$3,047.0 million for the prior year. Earnings per share were \$8.92 versus \$8.34 for the prior year. Revenues for the year increased to \$53,282.0 million from \$47,049.0 million for fiscal year 2021.

---

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

## Comparative Index Performance

The MHH Food Distribution & E-Commerce Index<sup>(a)</sup> decreased by 7.8% in December of 2022.



### Price Appreciation

	3-Year	LTM	1-Month
MHH Food Distribution & E-Commerce Index <sup>(a)</sup>	13.0%	-16.1%	-7.8%
NASDAQ	16.7%	-33.1%	-8.9%
S&P 500	18.8%	-19.4%	-5.8%

(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 – Q4 2022

## Food Distribution & E-Commerce

(\$ in millions, except per share data)

Company	Market & Capitalization			LTM Performance <sup>(3)</sup>			Valuation			Margins	
	Price <sup>(1)</sup>	Equity	Enterprise	Revenue	EBITDA	EPS	Enterprise Value/		Price/	Gross	
		Value	Value <sup>(2)</sup>				Revenue	EBITDA	EPS	Profit	EBITDA
<b>Food Retail</b>											
Walmart Inc. (WMT)	\$141.79	\$382,379.3	\$446,934.3	\$600,112.0	\$34,894.0	\$3.26	0.74 x	12.8 x	43.5 x	24.4%	5.8%
Costco Wholesale Corporation (COST)	456.50	202,562.3	199,940.3	231,028.0	9,648.0	13.23	0.87 x	20.7 x	34.5 x	12.0%	4.2%
The Kroger Co. (KR)	44.58	31,911.3	51,223.3	146,484.0	7,507.0	3.18	0.35 x	6.8 x	14.0 x	22.2%	5.1%
Koninklijke Ahold Delhaize N.V. (ENXTAM:AD)	28.68	27,983.4	44,058.1	82,146.5	5,360.9	2.30	0.54 x	8.2 x	12.5 x	26.9%	6.5%
Tesco PLC (LSE:TSCO)	2.70	19,699.0	33,121.6	74,662.5	4,515.0	0.15	0.44 x	7.3 x	18.4 x	6.5%	6.0%
Carrefour SA (ENXTPA:CA)	16.71	12,867.8	32,401.5	82,365.7	3,858.5	1.40	0.39 x	8.4 x	11.9 x	19.1%	4.7%
Albertsons Companies, Inc. (ACI)	20.74	11,110.8	22,469.0	76,768.1	4,369.6	2.46	0.29 x	5.1 x	8.4 x	28.7%	5.7%
Sprouts Farmers Market, Inc. (SFM)	32.37	3,426.4	4,623.2	6,320.5	479.8	2.29	0.73 x	9.6 x	14.2 x	36.7%	7.6%
Ingles Markets, Incorporated (IMKT.A)	96.46	1,832.2	2,177.5	5,678.8	493.4	14.36	0.38 x	4.4 x	6.7 x	24.9%	8.7%
Village Super Market, Inc. (VLGE.A)	23.29	338.0	624.3	2,086.6	78.5	2.10	0.30 x	8.0 x	11.1 x	28.2%	3.8%
<b>Mean</b>		<b>\$69,411.1</b>	<b>\$83,757.3</b>	<b>\$130,765.3</b>	<b>\$7,120.5</b>	<b>\$4.47</b>	<b>0.50x</b>	<b>9.1x</b>	<b>17.5x</b>	<b>23.0%</b>	<b>5.8%</b>
<b>Median</b>		<b>16,283.4</b>	<b>32,761.6</b>	<b>79,457.3</b>	<b>4,442.3</b>	<b>2.38</b>	<b>0.42x</b>	<b>8.1x</b>	<b>13.3x</b>	<b>24.7%</b>	<b>5.8%</b>
<b>Food Distribution</b>											
Sysco Corporation (SY)†	\$76.45	\$38,742.4	\$49,878.0	\$71,306.4	\$3,489.8	\$2.82	0.70 x	14.3 x	27.1 x	18.1%	4.9%
Performance Food Group Company (PFGC)	58.39	9,089.7	13,831.2	51,013.1	953.7	1.32	0.27 x	14.5 x	44.3 x	11.2%	1.9%
US Foods Holding Corp. (USFD)	34.02	7,650.8	12,974.8	33,181.0	932.0	0.90	0.39 x	13.9 x	37.8 x	15.9%	2.8%
United Natural Foods, Inc. (UNFI)	38.71	2,316.1	6,028.1	29,463.0	680.0	3.89	0.20 x	8.9 x	9.9 x	14.4%	2.3%
SpartanNash Company (SPTN)	30.24	1,066.3	1,856.5	9,427.5	189.0	1.54	0.20 x	9.8 x	19.7 x	15.7%	2.0%
The Chefs' Warehouse, Inc. (CHEF)	33.28	1,273.6	1,776.5	2,380.3	111.9	0.91	0.75 x	15.9 x	36.4 x	23.4%	4.7%
Coreo AG (CORE)	0.85	19.2	77.1	16.0	1.4	(0.11)	4.82 x	NM	NM	25.6%	8.7%
<b>Mean</b>		<b>\$8,594.0</b>	<b>\$12,346.0</b>	<b>\$28,112.5</b>	<b>\$908.3</b>	<b>\$1.6</b>	<b>1.05x</b>	<b>12.9x</b>	<b>29.2x</b>	<b>17.7%</b>	<b>3.9%</b>
<b>Median</b>		<b>2,316.1</b>	<b>6,028.1</b>	<b>29,463.0</b>	<b>680.0</b>	<b>1.3</b>	<b>0.39x</b>	<b>14.1x</b>	<b>31.7x</b>	<b>15.9%</b>	<b>2.8%</b>
<b>Food E-Commerce</b>											
DoorDash, Inc. (DASH)	\$48.82	\$18,952.8	\$15,661.8	\$6,065.0	(\$652.0)	(\$2.44)	2.58 x	NM	NM	48.2%	-10.8%
Delivery Hero SE (XTRA:HER)	47.86	12,318.5	15,021.3	7,541.0	(1,327.5)	(6.38)	1.99 x	NM	NM	22.8%	-17.6%
Ocado Group plc (LSE:OCDO)	7.43	6,060.9	7,172.8	3,079.1	(196.0)	(0.60)	2.33 x	NM	NM	38.4%	-6.4%
Just Eat Takeaway.com N.V. (ENXTAM:TKWY)	21.11	4,558.4	6,447.4	5,757.9	(641.9)	(19.73)	1.12 x	NM	NM	16.8%	-11.1%
HelloFresh SE (XTRA:HFG)	21.94	3,764.2	3,756.1	7,170.7	269.5	0.78	0.52 x	13.9 x	NM	65.6%	3.8%
Blue Apron Holdings, Inc. (APRN)	0.83	32.9	65.0	458.7	(89.1)	(3.51)	0.14 x	NM	NM	33.7%	-19.4%
<b>Mean</b>		<b>\$7,614.6</b>	<b>\$8,020.7</b>	<b>\$5,012.1</b>	<b>(\$439.5)</b>	<b>(\$5.31)</b>	<b>1.45 x</b>	<b>13.9 x</b>	<b>NA</b>	<b>37.6%</b>	<b>-10.3%</b>
<b>Median</b>		<b>5,309.7</b>	<b>6,810.1</b>	<b>5,911.4</b>	<b>(418.9)</b>	<b>(2.97)</b>	<b>1.6 x</b>	<b>13.9 x</b>	<b>NA</b>	<b>36.0%</b>	<b>-10.9%</b>

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 December 30, 2022.

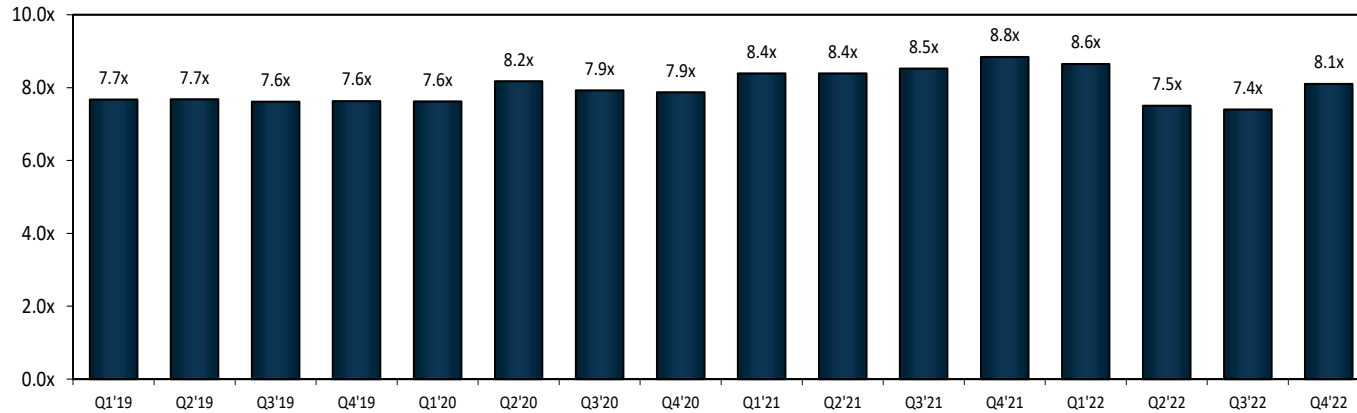
(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, postretirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) Excludes non-recurring and discontinued operations.

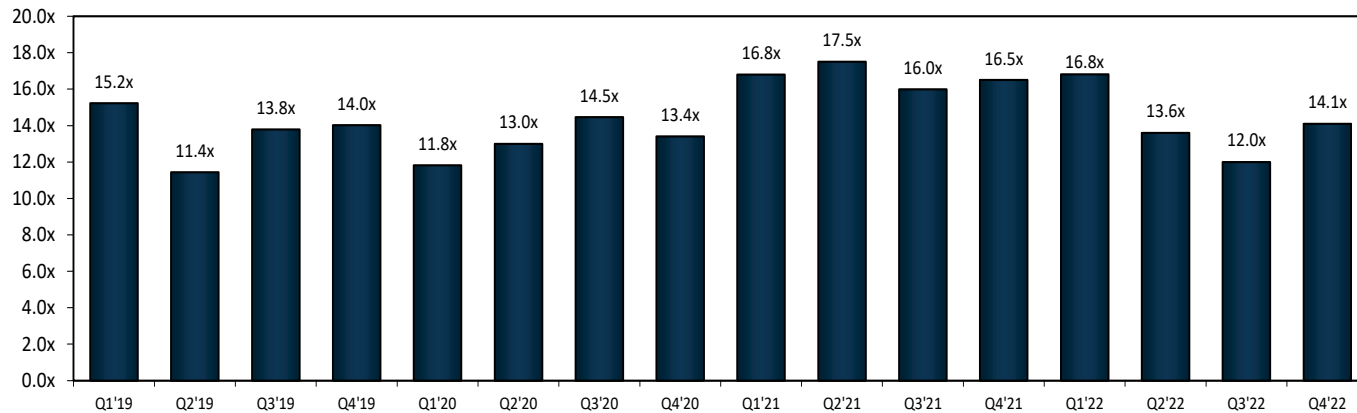
# Historical Enterprise Value-to-LTM EBITDA Multiples

Food Distribution & E-Commerce

## Food Retail



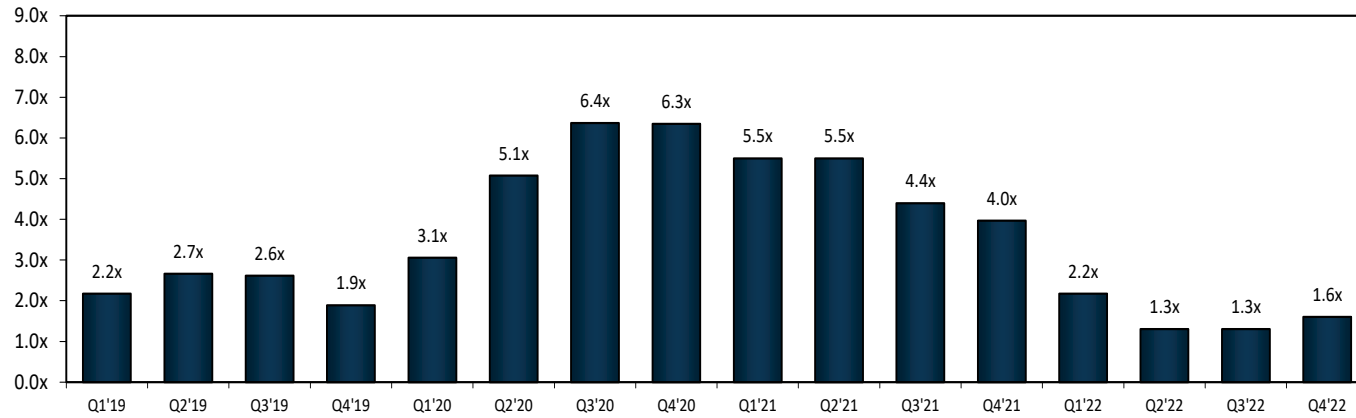
## Food Distribution



# Historical Enterprise Value-to-LTM Revenue Multiple

Food Distribution & E-Commerce

## Food E-Commerce (EV/REV) <sup>(1)</sup>



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

# Selected M&A Transactions

Food Distribution & E-Commerce

Announced	Target	Target Description	Acquirer	Value
Dec 09	Gorillas Technologies GmbH.	Offers on-demand grocery delivery services. The company offers fresh fruits, dairy products, vegan products, chilled drinks, and other products.	Getir Perakende Lojistik A.S.	\$1,200.0
Oct 14	Alberstons Companies, Inc. (NYSE: ACI)	Engages in the operation of food and drug stores in the United States.	The Kroger Co. (NYSE: KR)	\$34,010.8
Oct 06	Alert Innovation Inc.	Provides e-Grocery technology platform Alphabot.	Walmart Inc. (NYSE: WMT)	ND
Oct 04	FreshEdge, LLC.	Distributes food products. Its products include fruits, vegetables, dairy, meat, seafood, floral, and specialty foods for the food service and retail industries.	Wind Point Advisors, LLC.	ND

*ND – Not disclosed. Transaction values in millions.*



## Selected News

### Food Distribution & E-Commerce

**Blue Apron Holdings, Inc. (APRN)** reported third quarter net income of (\$25.8) million for fiscal year 2022 as compared to (\$27.6) million for the prior year period. Earnings per share were (\$0.74) versus (\$1.17) for the prior year period. Revenues for the quarter increased to \$109.7 million from \$109.7 million for the same period in fiscal year 2021.

---

**Carrefour SA (ENXTPA:CA)** reported second quarter net income of \$127.5 million for fiscal year 2022 as compared to \$135.5 million for the prior year period. Earnings per share were \$0.17 versus \$0.17 for the prior year period. Revenues for the quarter increased to \$19,860.5 million from \$17,505.0 million for the same period in fiscal year 2021.

---

**Costco Wholesale Corporation (COST)** reported first quarter net income of \$1,364.0 million for fiscal year 2023 as compared to \$1,324.0 million for the prior year period. Earnings per share were \$3.07 versus \$2.98 for the prior year period. Revenues for the quarter increased to \$54,437.0 million from \$50,363.0 million for the same period in fiscal year 2022.

---

**DoorDash, Inc. (DASH)** reported third quarter net income of (\$295.0) million for fiscal year 2022 as compared to (\$101.0) million for the prior year period. Earnings per share were (\$0.77) versus (\$0.30) for the prior year period. Revenues for the quarter increased to \$1,701.0 million from \$1,275.0 million for the same period in fiscal year 2021.

---

**HelloFresh SE (XTRA:HFG)** reported third quarter net income of \$2.6 million for fiscal year 2022 as compared to \$23.1 million for the prior year period. Earnings per share were \$0.02 versus \$0.13 for the prior year period. Revenues for the quarter increased to \$1,860.2 million from \$1,415.5 million for the same period in fiscal year 2021.

---

**Koninklijke Ahold Delhaize N.V. (ENXTAM:AD)** reported third quarter net income of \$589.0 million for fiscal year 2023 as compared to \$522.0 million for the prior year period. Earnings per share were \$0.59 versus \$0.51 for the prior year period. Revenues for the quarter increased to \$22,407.0 million from \$18,545.0 million for the same period in fiscal year 2022.

---

**Performance Food Group Company (PFGC)** reported first quarter net income of \$95.7 million for fiscal year 2023 as compared to \$4.7 million for the prior year period. Earnings per share were \$0.62 versus \$0.03 for the prior year period. Revenues for the quarter increased to \$13,619.3 million from \$9,800.3 million for the same period in fiscal year 2022.

---

**Tesco PLC (LSE:TSCO)** reported second quarter net income of \$126.5 million for fiscal year 2023 as compared to \$390.5 million for the prior year period. Earnings per share were \$0.02 versus \$0.05 for the prior year period. Revenues for the quarter increased to \$16,228.0 million from \$15,208.0 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

**SpartanNash Company (SPTN)** reported third quarter net income of \$9.5 million for fiscal year 2023 as compared to \$15.2 million for the prior year period. Earnings per share were \$0.26 versus \$0.42 for the prior year period. Revenues for the quarter increased to \$2,296.5 million from \$2,073.3 million for the same period in fiscal year 2022.

---

**Sprouts Farmers Market, Inc. (SFM)** reported third quarter net income of \$65.7 million for fiscal year 2023 as compared to \$63.9 million for the prior year period. Earnings per share were \$0.61 versus \$0.56 for the prior year period. Revenues for the quarter increased to \$1,591.0 million from \$1,509.6 million for the same period in fiscal year 2022.

---

**Delivery Hero SE (XTRA:DHGR)** reported second quarter net income of (\$736.9) million for fiscal year 2022 as compared to (\$501.0) million for the prior year period. Earnings per share were (\$2.82) versus (\$2.11) for the prior year period. Revenues for the quarter increased to \$1,907.7 million from \$1,228.7 million for the same period in fiscal year 2021.

---

**The Chefs' Warehouse, Inc. (CHEF)** reported third quarter net income of \$8.3 million for fiscal year 2022 as compared to \$3.5 million for the prior year period. Earnings per share were \$0.21 versus \$0.09 for the prior year period. Revenues for the quarter increased to \$661.9 million from \$484.3 million for the same period in fiscal year 2021.

---

**The Kroger Co. (KR)** reported third quarter net income of \$398.0 million for fiscal year 2023 as compared to \$483.0 million for the prior year period. Earnings per share were \$0.55 versus \$0.64 for the prior year period. Revenues for the quarter increased to \$34,198.0 million from \$31,860.0 million for the same period in fiscal year 2022.

---

**United Natural Foods, Inc. (UNFI)** reported first quarter net income of \$66.0 million for fiscal year 2023 as compared to \$76.0 million for the prior year period. Earnings per share were \$1.07 versus \$1.25 for the prior year period. Revenues for the quarter increased to \$7,532.0 million from \$6,997.0 million for the same period in fiscal year 2022.

---

**US Foods Holding Corp. (USFD)** reported third quarter net income of \$109.0 million for fiscal year 2023 as compared to \$64.0 million for the prior year period. Earnings per share were \$0.43 versus \$0.24 for the prior year period. Revenues for the quarter increased to \$8,917.0 million from \$7,890.0 million for the same period in fiscal year 2022.







---

**Walmart Inc. (WMT)** reported third quarter net income of (\$1,798.0) million for fiscal year 2023 as compared to \$3,105.0 million for the prior year period. Earnings per share were (\$0.66) versus \$1.11 for the prior year period. Revenues for the quarter increased to \$152,813.0 million from \$140,525.0 million for the same period in fiscal year 2022.

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

# Q4 2022 Highlighted Industry M&A

Food Production, Distribution & E-Commerce Newsletter

<i>Ann. Date</i>	<i>Target</i>	<i>Target Business Description</i>	<i>Acquiror</i>	<i>Enterprise Value</i>	<i>EV / LTM EBITDA</i>
Dec 09		Offers on-demand grocery delivery services. The company offers fresh fruits, dairy products, vegan products, chilled drinks, and other products.		\$1,200.0	ND
July 05		Engages in the operation of food and drug stores in the United States.		\$34,010.8	ND
Oct 20		Engages in the manufacture and distribution of frozen potato products principally in Europe and the Middle East.		\$688.2	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

Mufson Howe Hunter & Partners LLC  
Member SIPC | FINRA

c o n t a c t u s

## Mufson Howe Hunter

[www.mhhco.com](http://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**

*Vice President*

 215.399.5408  jyu@mhhco.com