



# Mufson Howe Hunter

## Food Production, Distribution & E-Commerce Newsletter

Q3 2023

### Primary Food Production, Distribution & E-Commerce Contacts

#### **Michael J. Mufson**

Managing Director  
215.399.5410

[mmufson@mhco.com](mailto:mmufson@mhco.com)

#### **Joe Golden**

Managing Director  
703.785.5525

[jgolden@bgxadvisory.com](mailto:jgolden@bgxadvisory.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

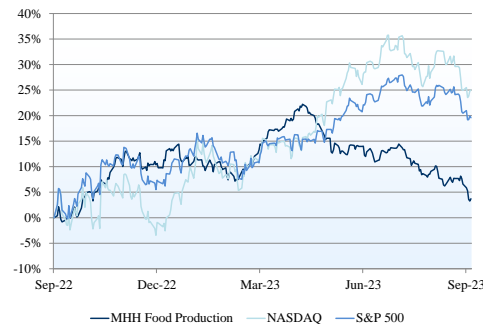
*The Mufson Howe Hunter Food Production, Distribution & E-Commerce Newsletter is designed to provide industry professionals and private equity sponsors with current market trends and important developments within the Food Production, Food Distribution & Food E-Commerce sectors. This quarterly report 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 September 30, 2022 to September 30, 2023

Price as Percent of Base (September 30, 2022 = 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.....	9
Section 3	Ethnic Food.....	14

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., Kellanova, 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, 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, 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 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.*

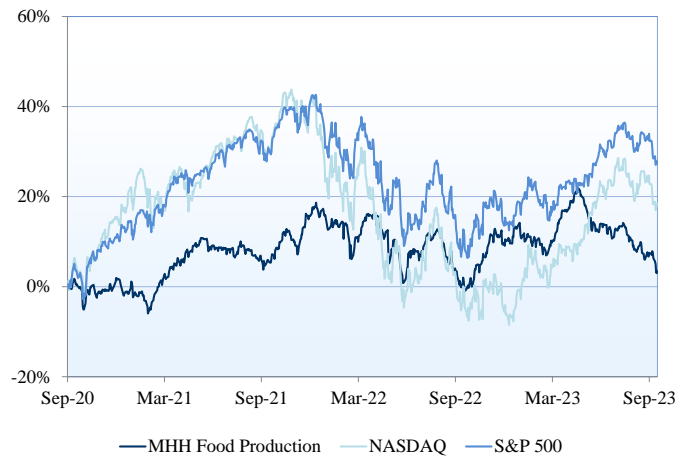
## Comparative Index Performance

The MHH Food Production Index<sup>(a)</sup> decreased by 4.9% in September of 2023.

### Last Three Years

Daily from September 30, 2020 to September 30, 2023

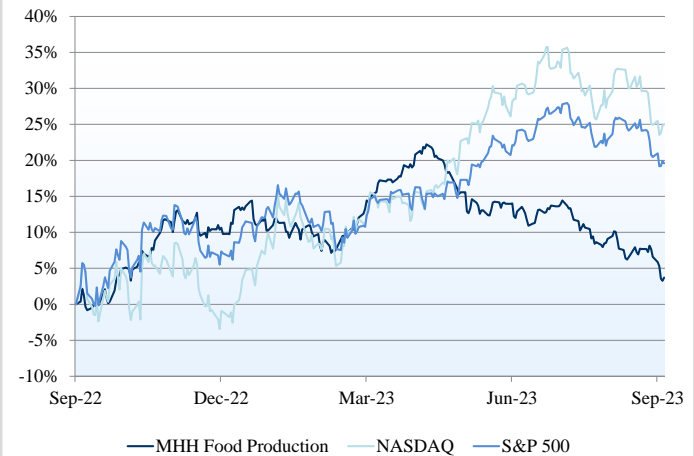
Price as Percent of Base (September 30, 2020 = 0%)



### Last Twelve Months

Daily from September 30, 2022 to September 30, 2023

Price as % of Base to June 30, 2021.



### Price Appreciation

	3-Year	LTM	1-Month
MHH Food Production Index <sup>(a)</sup>	3.5%	3.7%	-4.9%
NASDAQ	18.4%	25.0%	-5.8%
S&P 500	27.5%	19.6%	-4.9%

(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 <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)	\$111.35	\$15,121.2	\$34,863.6	\$44,452.1	\$4,761.9	\$9.03	0.78 x	7.3 x	12.3 x	32.5%	10.7%
Grupo Bimbo, S.A.B. de C.V. (BMV:BIMBO A)	4.82	21,235.7	28,436.7	24,005.3	2,994.0	0.38	1.18 x	9.5 x	12.8 x	51.4%	12.5%
Flowers Foods, Inc. (FLO)	22.18	4,687.1	6,049.1	5,003.4	495.5	1.05	1.21 x	12.2 x	21.1 x	47.7%	9.9%
Hostess Brands, Inc. (TWNK)	33.31	4,426.3	5,321.5	1,383.4	292.9	1.25	3.85 x	18.2 x	26.6 x	35.1%	21.2%
Lancaster Colony Corporation (LANC)	165.03	4,541.4	4,482.9	1,822.5	217.7	4.04	2.46 x	20.6 x	NM	21.3%	11.9%
ARYZTA AG (SWX:ARYN)	1.71	1,701.4	2,136.0	2,341.2	248.4	0.07	0.91 x	8.6 x	23.9 x	18.5%	10.6%
<b>Mean</b>		<b>\$8,618.8</b>	<b>\$13,548.3</b>	<b>\$13,168.0</b>	<b>\$1,501.8</b>	<b>\$2.64</b>	<b>1.73 x</b>	<b>12.7 x</b>	<b>19.3 x</b>	<b>34.4%</b>	<b>12.8%</b>
<b>Median</b>		<b>4,614.2</b>	<b>5,685.3</b>	<b>3,672.3</b>	<b>394.2</b>	<b>1.15</b>	<b>1.20 x</b>	<b>10.85 x</b>	<b>21.1 x</b>	<b>33.8%</b>	<b>11.3%</b>
<b>Branded Foods &amp; Snacks</b>											
Nestlé S.A. (SWX:NESN)	\$113.44	\$302,674.7	\$365,185.0	\$106,718.4	\$20,662.4	\$4.04	3.42 x	17.7 x	28.1 x	45.3%	19.4%
Mondelez International, Inc. (MDLZ)	69.40	94,413.0	113,976.0	34,131.0	6,791.0	3.01	3.34 x	16.8 x	23.1 x	36.7%	19.9%
General Mills, Inc. (GIS)	63.99	37,196.1	49,240.6	20,281.3	3,967.0	4.10	2.43 x	12.4 x	15.6 x	33.9%	19.6%
The Hershey Company (HSY)	200.08	40,909.9	45,742.3	10,858.4	2,809.7	8.69	4.21 x	16.3 x	23.0 x	43.9%	25.9%
Kellanova (K)	59.51	20,373.1	27,755.1	15,873.0	1,972.0	2.51	1.75 x	14.1 x	23.7 x	30.6%	12.4%
McCormick & Company, Incorporated (MKC)	75.64	20,296.6	24,996.1	6,605.1	1,186.9	2.40	3.78 x	21.1 x	31.5 x	36.7%	18.0%
Associated British Foods plc (LSE: ABF)	25.24	19,240.4	22,512.1	22,620.7	2,244.5	1.15	1.00 x	10.0 x	21.9 x	20.1%	9.9%
Conagra Brands, Inc. (CAG)	27.42	13,105.9	22,356.8	12,276.7	2,365.4	2.25	1.82 x	9.5 x	12.2 x	27.5%	19.3%
Campbell Soup Company (CPB)	41.08	12,226.3	17,006.3	9,357.0	1,797.0	2.85	1.82 x	9.5 x	14.4 x	31.4%	19.2%
The J. M. Smucker Company (SJM)	122.91	12,554.3	16,348.6	8,461.4	1,712.4	(0.16)	1.93 x	9.5 x	NM	34.4%	20.2%
Post Holdings, Inc. (POST)	85.74	5,248.9	11,235.1	6,624.7	953.8	5.14	1.70 x	11.8 x	16.7 x	26.0%	14.4%
Premium Brands Holdings Corporation (TSX: PBH)	70.30	3,122.2	5,147.6	4,772.8	288.0	1.93	1.08 x	17.9 x	NM	18.9%	6.0%
Nomad Foods Limited (NOMD)	15.22	2,605.7	4,662.9	3,307.9	535.6	1.31	1.41 x	8.7 x	11.6 x	28.0%	16.2%
J&J Snack Foods Corp. (JJSF)	163.65	3,156.8	3,263.0	1,515.4	155.0	3.41	2.15 x	21.1 x	NM	29.0%	10.2%
B&G Foods, Inc. (BGS)	9.89	715.0	2,985.1	2,133.1	309.9	(0.30)	1.40 x	9.6 x	NM	21.3%	14.5%
John B. Sanfilippo & Son, Inc. (JBSS)	98.80	1,143.2	1,155.8	999.7	108.0	5.40	1.16 x	10.7 x	18.3 x	21.2%	NM
<b>Mean</b>		<b>\$36,811.4</b>	<b>\$45,848.0</b>	<b>\$16,658.5</b>	<b>\$2,991.2</b>	<b>\$2.98</b>	<b>2.15 x</b>	<b>13.53 x</b>	<b>20.01 x</b>	<b>31.8%</b>	<b>16.9%</b>
<b>Median</b>		<b>12,830.1</b>	<b>19,681.5</b>	<b>8,909.2</b>	<b>1,754.7</b>	<b>2.68</b>	<b>1.82 x</b>	<b>12.10 x</b>	<b>20.09 x</b>	<b>29.8%</b>	<b>18.0%</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 September 29, 2023.

(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)

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>Private Label Food</b>											
Lamb Weston Holdings, Inc. (LW)	\$92.46	\$13,400.0	\$16,710.0	\$5,890.3	\$1,272.9	\$6.95	2.84 x	13.1 x	13.3 x	28.6%	21.6%
TreeHouse Foods, Inc. (THS)	43.58	2,457.0	4,207.5	3,609.6	347.8	1.17	1.17 x	12.1 x	NM	16.4%	9.6%
Seneca Foods Corporation (SENE.A)	53.83	408.8	875.0	1,542.8	101.3	3.52	0.57 x	8.6 x	15.3 x	8.9%	6.6%
<b>Mean</b>		<b>\$5,421.9</b>	<b>\$7,264.1</b>	<b>\$3,680.9</b>	<b>\$574.0</b>	<b>\$3.9</b>	<b>1.5 x</b>	<b>11.3 x</b>	<b>14.3 x</b>	<b>17.9%</b>	<b>12.6%</b>
<b>Median</b>		<b>2,457.0</b>	<b>4,207.5</b>	<b>3,609.6</b>	<b>347.8</b>	<b>3.5</b>	<b>1.2 x</b>	<b>12.1 x</b>	<b>14.3 x</b>	<b>16.4%</b>	<b>9.6%</b>
<b>Protein Processing</b>											
Tyson Foods, Inc. (TSN)	\$61.79	\$21,970.1	\$30,715.1	\$53,270.0	\$2,703.0	\$0.95	0.58 x	11.4 x	NM	6.7%	5.1%
JBS S.A. (BOVESPA:JBSS3)	3.61	8,016.8	28,152.2	76,292.6	3,985.2	0.43	0.37 x	7.1 x	8.3 x	12.1%	5.2%
Cal-Maine Foods, Inc. (CALM)	48.42	2,371.7	1,759.8	2,947.2	867.8	12.97	0.60 x	2.0 x	3.7 x	34.8%	29.4%
<b>Mean</b>		<b>\$10,786.2</b>	<b>\$20,209.0</b>	<b>\$44,169.9</b>	<b>\$2,518.7</b>	<b>\$4.8</b>	<b>0.5 x</b>	<b>6.8 x</b>	<b>6.0 x</b>	<b>17.8%</b>	<b>13.2%</b>
<b>Median</b>		<b>8,016.8</b>	<b>28,152.2</b>	<b>53,270.0</b>	<b>2,703.0</b>	<b>0.9</b>	<b>0.6 x</b>	<b>7.1 x</b>	<b>6.0 x</b>	<b>12.1%</b>	<b>5.2%</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 September 29, 2023.

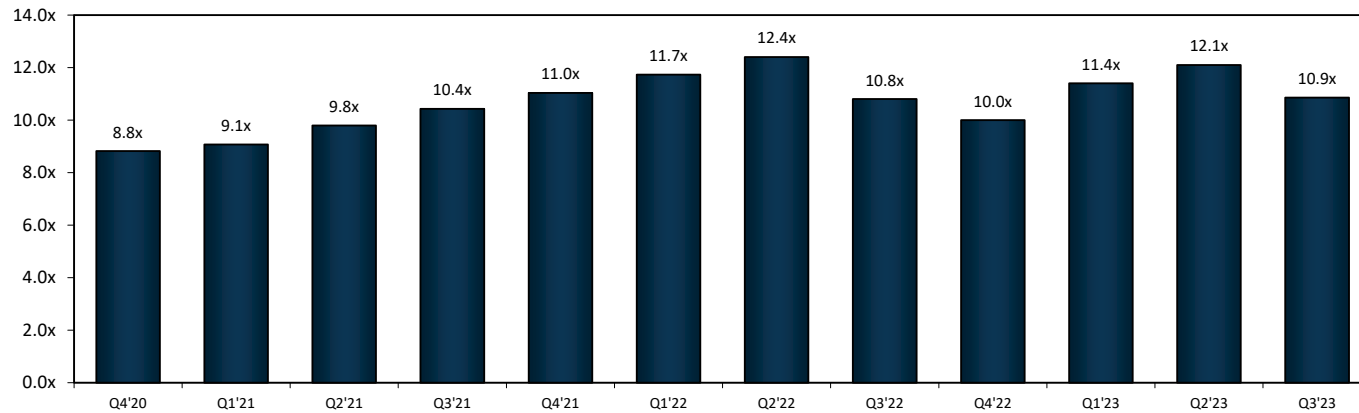
(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, postretirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) Excludes non-recurring and discontinued operations.

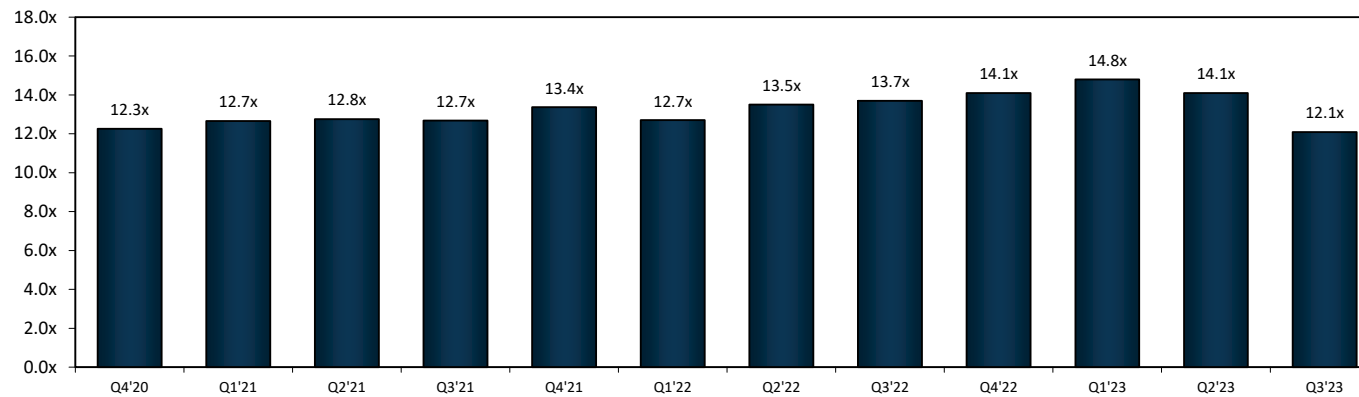
# Historical Enterprise Value-to-LTM EBITDA Multiples

## Food Production

### Baked Goods



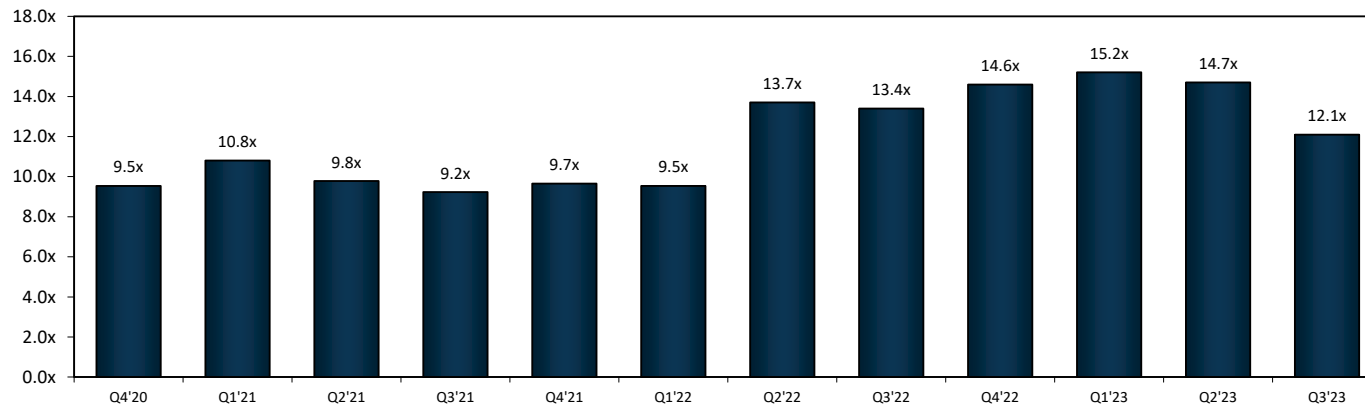
### Branded Foods and Snacks



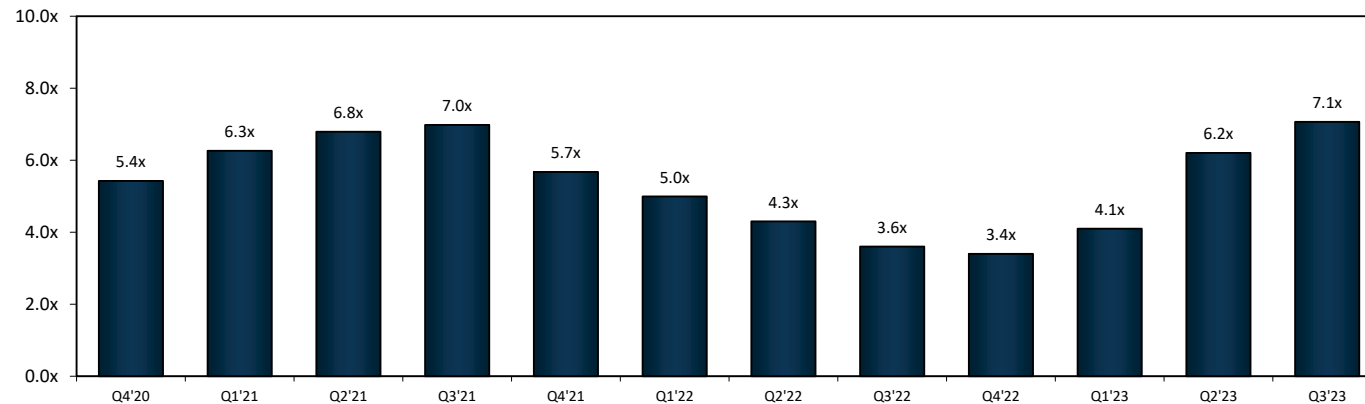
# Historical Enterprise Value-to-LTM EBITDA Multiples

## Food Production

### Private Label Food



### Protein Processing



# Selected M&A Transactions

## Food Production

Announced	Target	Target Description	Acquirer	Value
<b>Sep 28</b>	Substantially all assets of Fassio Egg Farms, Inc.	Engages in shell egg production and processing activities in Utah.	Cal-Maine Foods, Inc. (NasdaqGS:CALM)	ND
<b>Sep 27</b>	Sahale Snacks, Inc.	Produces, processes, and markets nuts and dried fruits snacks in the U.S.	Kar Nut Products Company, LLC	\$34.0
<b>Sep 27</b>	Commercial Bakeries Corporation	Manufactures private label cookies and biscuits.	Graham Partners, Inc.	ND
<b>Sep 11</b>	Hostess Brands, Inc. (NasdaqCM:TWNK)	Develops, manufactures, sells, and distributes snack products in the U.S. and Canada.	The J.M. Smucker Company (NYSE:SJM)	\$5,531.8
<b>Sep 25</b>	Ballreich Snack Food Company, LLC	Produces potato chips in Ohio.	Grippio Potato Chip Company, Inc.	ND
<b>Sep 07</b>	Grupo Crm Industria e Comercio de Alimentos LTDA	Produces and sells chocolates in Brazil with Brands, such as Kopenhagen, Choclates Brasil Cacau, and Kop Koffee.	Nestlé S.A. (SWX:NESN)	ND
<b>Aug 07</b>	Sovos Brands, Inc. (NasdaqGS:SOVO)	Manufactures and distributes consumer food products through two segments: Dinner & Sauces and Breakfast & Snacks.	Campbell Soup Company (NYSE:CPB)	\$2,786.8

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



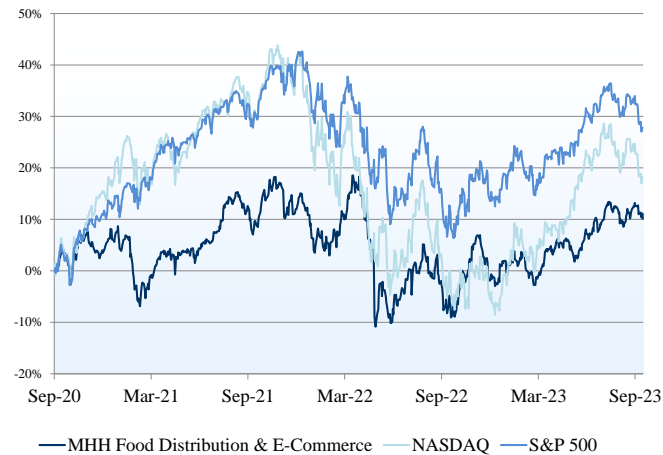
## Comparative Index Performance

The MHH Food Distribution & E-Commerce Index<sup>(a)</sup> decreased by 1.8% in September of 2023.

### Last Three Years

Daily from September 30, 2020 to September 30, 2023

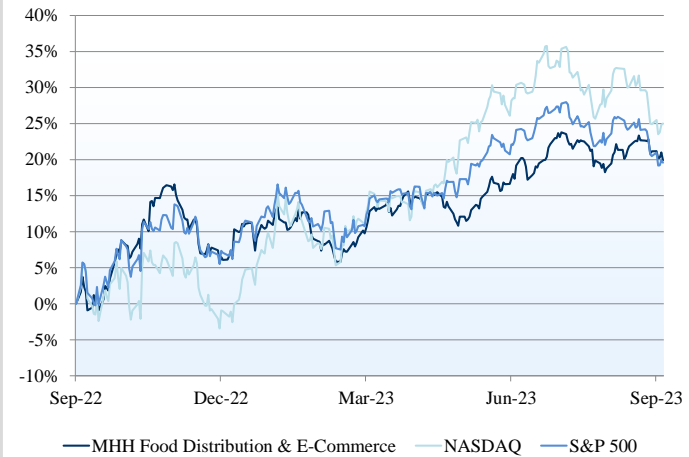
Price as Percent of Base (September 30, 2020 = 0%)



### Last Twelve Months

Daily from September 30, 2022 to September 30, 2023

Price as % of Base to June 30, 2021.



### Price Appreciation

	3-Year	LTM	1-Month
MHH Food Distribution & E-Commerce Index <sup>(a)</sup>	10.1%	19.9%	-1.8%
NASDAQ	18.4%	25.0%	-5.8%
S&P 500	27.5%	19.6%	-4.9%

(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)

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>Food Retail</b>											
Walmart Inc. (WMT)	\$159.93	\$430,461.8	\$489,437.8	\$630,794.0	\$37,228.0	\$5.19	0.78 x	13.1 x	30.8 x	24.2%	5.9%
Costco Wholesale Corporation (COST)	564.96	250,130.7	245,432.7	242,290.0	10,582.0	14.16	1.01 x	23.2 x	39.9 x	12.4%	4.4%
The Kroger Co. (KR)	44.75	32,189.4	49,659.4	148,038.0	7,737.0	2.24	0.34 x	6.4 x	20.0 x	22.5%	5.2%
Koninklijke Ahold Delhaize N.V. (ENXTAM:AD)	30.19	29,001.6	45,182.8	97,660.5	6,087.3	2.69	0.46 x	7.4 x	11.2 x	26.7%	6.2%
Tesco PLC (LSE:TSCO)	3.22	22,722.4	36,709.8	84,738.9	4,729.1	0.25	0.43 x	7.8 x	13.1 x	6.7%	5.6%
Carrefour SA (ENXTPA:CA)	17.24	12,410.0	31,358.7	93,780.6	4,012.0	1.85	0.33 x	7.8 x	9.3 x	18.5%	4.3%
Albertsons Companies, Inc. (ACI)	22.75	13,101.6	27,478.7	78,760.9	3,954.5	2.04	0.35 x	6.9 x	11.2 x	28.4%	5.0%
Sprouts Farmers Market, Inc. (SFM)	42.80	4,365.9	5,719.1	6,593.1	513.5	2.40	0.87 x	11.1 x	17.8 x	37.1%	7.8%
Ingles Markets, Incorporated (IMKT.A)	75.33	1,430.8	1,746.5	5,759.8	432.1	12.02	0.30 x	4.0 x	6.3 x	24.3%	7.5%
Weis Markets, Inc. (WMK)	63.00	1,694.6	1,519.7	4,780.3	252.1	4.36	0.32 x	6.0 x	14.4 x	25.2%	5.3%
Village Super Market, Inc. (VLGE.A)	22.64	336.3	588.0	2,166.7	100.1	3.38	0.27 x	5.9 x	6.7 x	28.5%	4.6%
<b>Mean</b>		<b>\$72,531.4</b>	<b>\$84,984.8</b>	<b>\$126,851.2</b>	<b>\$6,875.2</b>	<b>\$4.60</b>	<b>0.50x</b>	<b>9.1x</b>	<b>16.4x</b>	<b>23.1%</b>	<b>5.6%</b>
<b>Median</b>		<b>13,101.6</b>	<b>31,358.7</b>	<b>84,738.9</b>	<b>4,012.0</b>	<b>2.69</b>	<b>0.35x</b>	<b>7.4x</b>	<b>13.1x</b>	<b>24.3%</b>	<b>5.3%</b>
<b>Food Distribution</b>											
Sysco Corporation (SYY)	\$66.05	\$33,350.4	\$43,804.2	\$76,324.7	\$3,438.4	\$3.47	0.57 x	12.7 x	19.0 x	18.3%	4.5%
US Foods Holding Corp. (USFD)	39.70	9,802.0	14,364.0	34,987.0	1,345.0	1.87	0.41 x	10.7 x	21.2 x	16.9%	3.8%
Performance Food Group Company (PFGC)	58.86	9,192.8	13,909.7	53,354.7	1,262.5	2.54	0.26 x	11.0 x	23.2 x	11.7%	2.4%
United Natural Foods, Inc. (UNFI)	14.14	827.2	4,039.2	30,272.0	491.0	0.40	0.13 x	8.2 x	35.4 x	13.6%	1.6%
The Chefs' Warehouse, Inc. (CHEF)	21.18	840.1	1,699.9	3,054.7	142.0	0.53	0.56 x	12.0 x	40.1 x	23.7%	4.6%
SpartanNash Company (SPTN)	22.00	761.6	1,575.3	9,825.3	184.9	1.15	0.16 x	8.5 x	19.1 x	15.2%	1.9%
<b>Mean</b>		<b>\$9,129.0</b>	<b>\$13,232.1</b>	<b>\$34,636.4</b>	<b>\$1,144.0</b>	<b>\$1.7</b>	<b>0.35x</b>	<b>10.5x</b>	<b>26.3x</b>	<b>16.6%</b>	<b>3.1%</b>
<b>Median</b>		<b>5,016.5</b>	<b>8,974.4</b>	<b>32,629.5</b>	<b>876.8</b>	<b>1.5</b>	<b>0.34x</b>	<b>10.8x</b>	<b>22.2x</b>	<b>16.1%</b>	<b>3.1%</b>
<b>Food E-Commerce</b>											
DoorDash, Inc. (DASH)	\$79.47	\$31,255.4	\$28,308.4	\$7,687.0	(\$686.0)	(\$3.26)	3.68 x	NM	NM	47.1%	-8.9%
Delivery Hero SE (XTRA:DHGR)	28.76	7,525.7	11,533.1	10,481.3	(862.7)	(9.28)	1.10 x	NM	NM	28.6%	-8.2%
Ocado Group plc (LSE:OCDO)	7.33	5,987.0	7,163.0	3,232.1	(145.5)	(0.73)	2.22 x	NM	NM	36.8%	-4.5%
HelloFresh SE (XTRA:HFG)	29.93	5,153.5	5,426.3	8,371.5	275.9	0.31	0.65 x	19.7 x	97.5 x	65.3%	3.3%
Just Eat Takeaway.com N.V. (ENXTAM:TKWY)	12.46	2,656.9	3,262.8	5,860.3	(205.2)	(12.41)	0.56 x	NM	NM	22.4%	-3.5%
Blue Apron Holdings, Inc. (APRN)	12.88	99.1	97.4	435.8	(54.8)	(27.21)	0.22 x	NM	NM	35.2%	-12.6%
<b>Mean</b>		<b>\$8,779.6</b>	<b>\$9,298.5</b>	<b>\$6,011.3</b>	<b>(\$279.7)</b>	<b>(\$8.76)</b>	<b>1.40 x</b>	<b>19.7 x</b>	<b>97.5 x</b>	<b>39.2%</b>	<b>-5.7%</b>
<b>Median</b>		<b>5,570.3</b>	<b>6,294.6</b>	<b>6,773.6</b>	<b>(175.3)</b>	<b>(6.27)</b>	<b>0.9 x</b>	<b>19.7 x</b>	<b>97.5 x</b>	<b>36.0%</b>	<b>-6.4%</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 September 29, 2023.

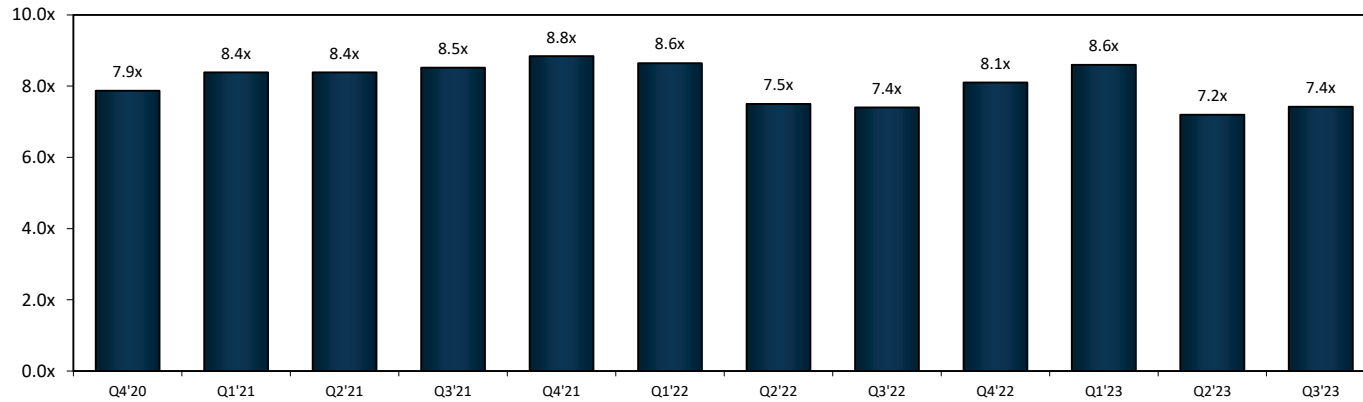
(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, postretirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) Excludes non-recurring and discontinued operations.

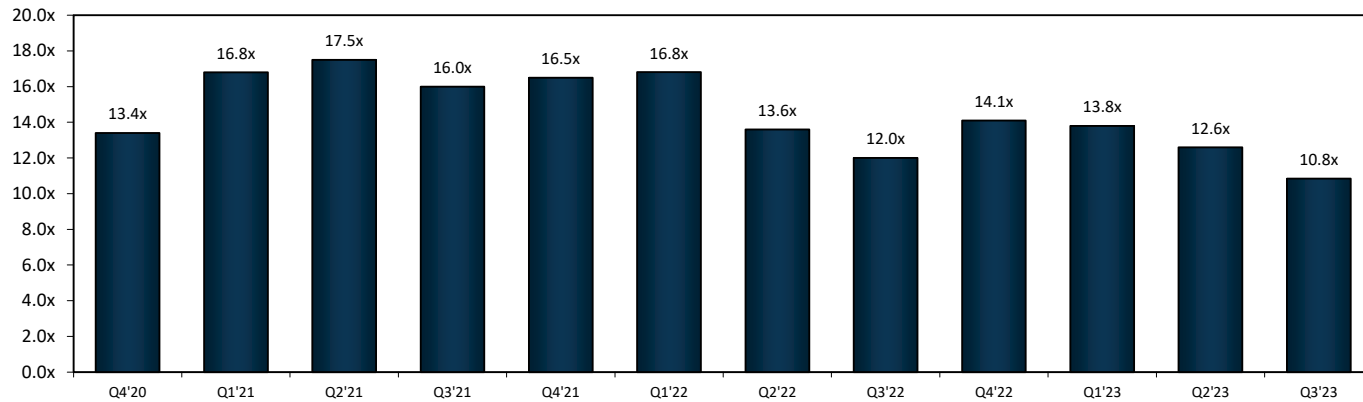
# Historical Enterprise Value-to-LTM EBITDA Multiples

Food Distribution & E-Commerce

## Food Retail



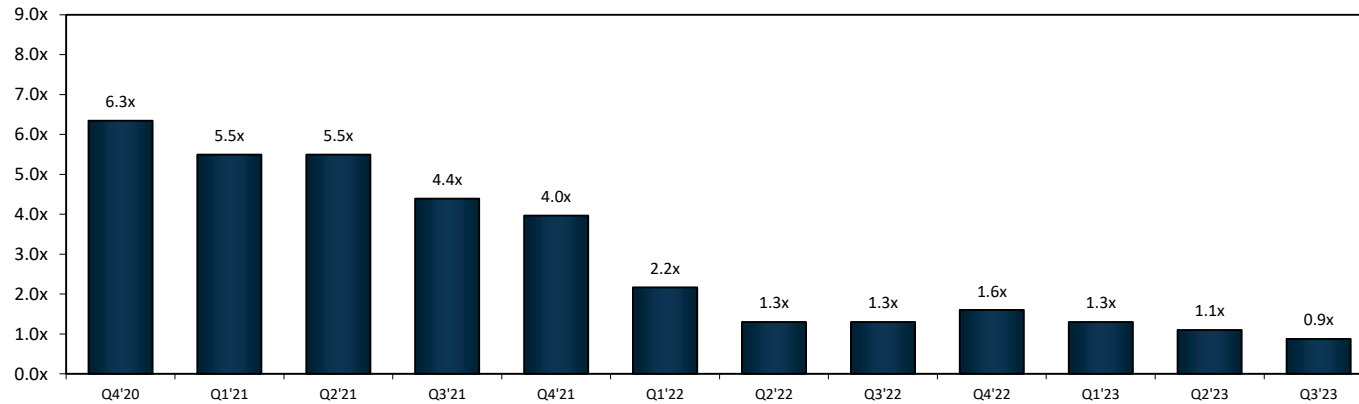
## Food Distribution



# 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
Sep 29	Blue Apron Holdings, Inc. (NasdaqGM:APRN)	Direct-to-consumer platform that delivers original recipes with fresh and seasonal ingredients.	Wonder Group, Inc.	\$111.6
Sep 22	Koninklijke Ahold Delhaize N.V. (ENXTAM:AD)	Operates retail food stores and e-commerce primarily in the U.S. and Europe.	E.Leclerc S.A.	ND

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

## Key Insights

- Authentic Asian food & flavor products are becoming highly accessible at big-box retailers and not just specialty markets
- Frozen Asian food brands are growing ~2x faster than the total U.S. frozen food category
- There has been significant investment in manufacturing capabilities to provide restaurant-quality products
- Big CPG brands lack authenticity and Asian based players have established themselves in the U.S. with greenfield operations or purchase of legacy U.S. assets
- Asian no longer means just Chinese or Japanese but has expanded to Korean, Thai, Filipino, and Indian

## Legacy Brands



## Next Generation Brands



# Ethnic Foods Overview

Food Production, Distribution & E-Commerce Newsletter

## Selected Private Equity Investments

Private  
Equity



ARBOR  
INVESTMENTS



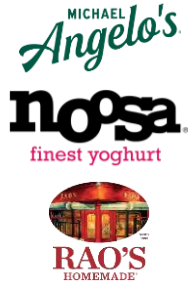
BLUEPOINT  
Capital Partners



BregalPartners



Portfolio



Private  
Equity



Portfolio



Private  
Equity



THE BAUPOST GROUP



Portfolio



# Ethnic Foods Overview

Food Production, Distribution & E-Commerce Newsletter

## Selected Strategic Investments

Strategic  
Investors



Portfolio



Strategic  
Investors



Portfolio





# Ethnic Foods Overview

Food Production, Distribution & E-Commerce Newsletter

Announced	Target	Target Description	Acquirer	Value
Aug 23, 2023	Nona Lim, LLC	Produces Asian food products.	Grand Leader Technology Limited	ND
Jun 19, 2023	Lucky Foods	Produces packaged kimchi and other authentic Asian appetizers, including sauces and spring rolls.	Daesag Corporation	ND
Apr 13, 2023	Sabatino North America, LLC (d.b.a. Sabatino Truffles)	Manufactures and markets truffles in the United States.	Three Hills Capital Partners, Traub Capital Partners	ND
Dec 31, 2022	Golden Country Oriental Food L.L.C.	Wholesaler and distributor of Asian, Oriental, Caribbean, and African grocery, restaurant, and food service products.	AFM Capital Partners, Inc.	ND
Aug 1, 2022	Chef Merito, Inc.	Manufactures and distributes seasonings, spices, and specialty foods for consumers of Latin American and Spanish foods.	PNC RiverArch Capital	ND
May 31, 2022	Il Pastaio S.r.l.	Produces potato-based gnocchi.	The Riverside Company	ND
Aug 11, 2021	Coconut Secret	Manufactures soy-free Asian sauces, including Teriyaki sauce, coconut aminos, garlic sauce, coconut vinegar, and coconut nectar.	Nutiva, Inc.	ND
Sep 18, 2020	Indulge Desserts Intermediate Holdings, LLC	Produces and sells gourmet desserts.	Emmi AG	ND
Dec 31, 2019	Sabrosura Foods, LLC	Produces Hispanic foods, cheeses, desserts, meats, and spices.	Centre Partners Management, LLC	ND
Dec 22, 2019	Kronos Foods Corp.	Manufactures, retails, and distributes Mediterranean food produces in the United States.	Entrepreneurial Equity Partners, L.P.	\$190.0
Dec 6, 2019	Tropicale Foods Inc.	Produces and distributes frozen ice creams.	Wind Point Advisors, LLC	ND
Sep 3, 2019	Charcuterie Artisans LLC	Produces and sells gourmet food products.	Entrepreneurial Equity Partners, L.P.	ND

ND – Not disclosed. Transaction values in millions.

Source: S&P Capital IQ

# Ethnic Foods Overview

Food Production, Distribution & E-Commerce Newsletter

(\$ 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>Asian Foods</b>											
Ajinomoto Co., Inc. (TSE:2802)	\$38.59	\$20,052.2	\$21,872.9	\$9,523.9	\$1,409.6	\$1.22	2.30 x	15.5 x	31.7 x	34.6%	14.8%
Kikkoman Corporation (TSE:2801)	52.52	10,024.3	9,636.1	4,354.9	541.4	1.53	2.21 x	17.8 x	34.4 x	33.2%	12.4%
Nissin Foods Holdings Co.,Ltd. (TSE:2897)	83.19	8,431.3	8,378.9	4,747.8	567.7	3.48	1.76 x	14.8 x	23.9 x	33.5%	12.0%
Calbee, Inc. (TSE:2229)	19.04	2,378.7	2,255.6	1,986.0	250.0	0.90	1.14 x	9.0 x	21.3 x	32.6%	12.6%
House Foods Group Inc. (TSE:2810)	20.89	2,037.5	1,840.2	1,931.0	198.8	1.28	0.95 x	9.3 x	16.3 x	35.8%	10.3%
Nongshim Co., Ltd. (KOSE:A004370)	348.86	2,017.3	1,547.8	2,531.7	237.0	20.32	0.61 x	6.5 x	17.2 x	30.2%	9.4%
Vitasoy International Holdings Limited (SEHK:345)	1.21	1,298.3	1,326.5	807.7	57.6	0.01	1.64 x	23.0 x	NM	47.4%	7.1%
Daesang Corporation (KOSE:A001680)	13.78	496.5	1,036.4	3,085.9	185.3	1.30	0.34 x	5.6 x	10.6 x	23.7%	6.0%
S&B Foods Inc. (TSE:2805)	26.31	318.0	391.7	843.7	66.4	2.14	0.46 x	5.9 x	12.3 x	23.6%	7.9%
<b>Mean</b>		<b>\$5,228.2</b>	<b>\$5,365.1</b>	<b>\$3,312.5</b>	<b>\$390.4</b>	<b>\$3.57</b>	<b>1.27 x</b>	<b>11.9 x</b>	<b>21.0 x</b>	<b>32.7%</b>	<b>10.3%</b>
<b>Median</b>		<b>2,037.5</b>	<b>1,840.2</b>	<b>2,531.7</b>	<b>237.0</b>	<b>1.30</b>	<b>1.14 x</b>	<b>9.26 x</b>	<b>19.2 x</b>	<b>33.2%</b>	<b>10.3%</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 September 29, 2023.

(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.

**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