



Mufson Howe Hunter

Food Industry Newsletter Q1 2024

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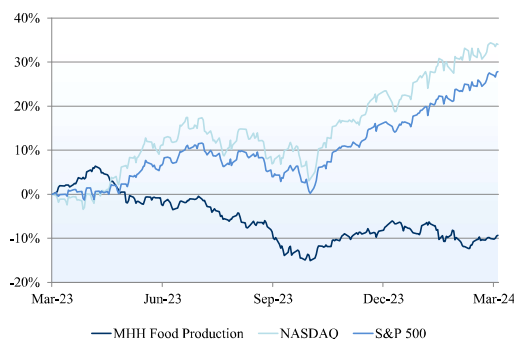
Mufson Howe Hunter & Partners LLC
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The Mufson Howe Hunter Food Industry Newsletter is designed to provide industry professionals and private equity sponsors with current market trends and important developments within the Food Production, Food Distribution & 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 March 31, 2023 to March 31, 2024
Price as Percent of Base (December 31, 2022 = 0%)*

Food Production Index



Food Distribution & E-Commerce Index

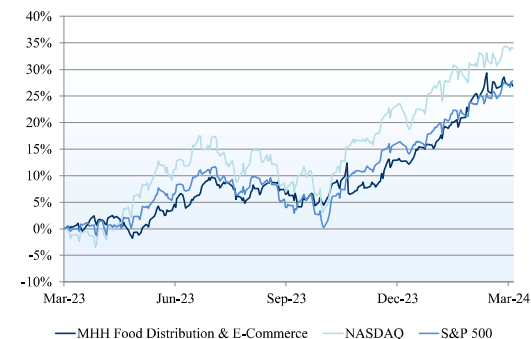


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The Mufson Howe Hunter Food Production Index is currently comprised of ARYZTA AG, Associated British Foods plc, B&G Foods, Inc. Cal-Maine Foods, Inc., Campbell Soup Company, Conagra Brands, Inc., Flowers Foods, Inc., General Mills, Inc., George Weston Limited, Grupo Bimbo, S.A.B. de C.V., 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., 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.

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Food Production

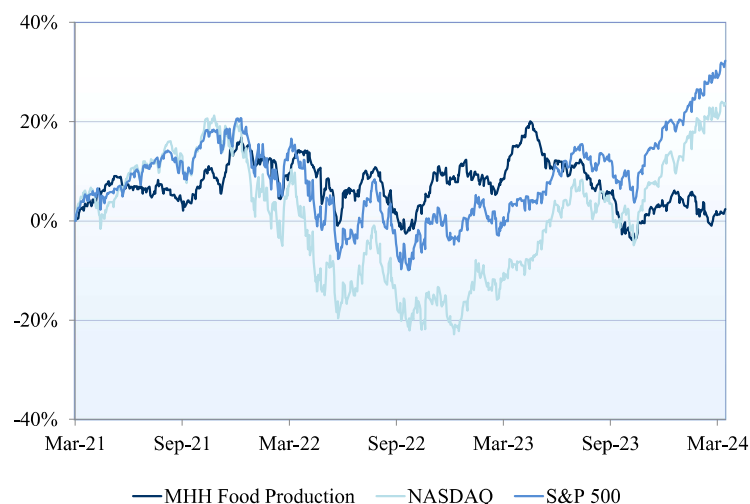
Baked Goods, Branded Foods, Private Label Foods, Snacks and Protein Processing for a variety of end-user markets.

Comparative Index Performance

The MHH Food Production Index^(a) increased by 2.9% in March of 2024.

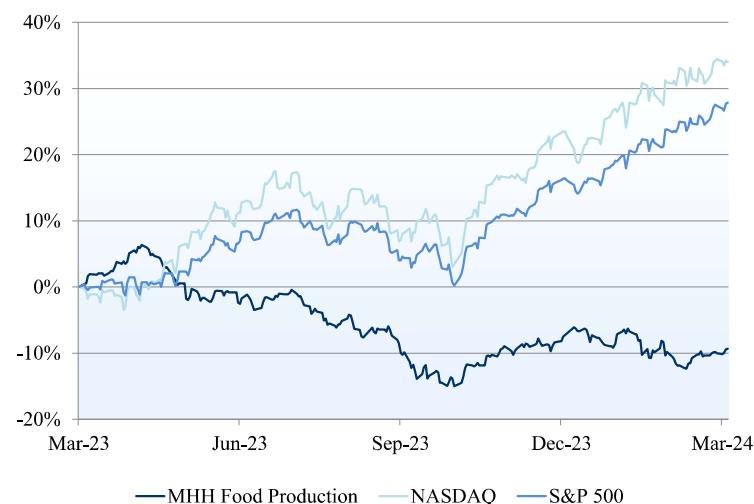
Last Three Years

Daily from March 31, 2021 to March 31, 2024
Price as Percent of Base (March 31, 2021 = 0%)



Last Twelve Months

Daily from March 31, 2023 to March 31, 2024
Price as Percent of Base (March 31, 2023 = 0%)



Price Appreciation

	3-Year	LTM	1-Month
MHH Food Production Index ^(a)	2.4%	-9.3%	2.9%
NASDAQ	23.7%	34.0%	1.8%
S&P 500	32.3%	27.9%	3.1%

(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 – Q1 2024

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)	\$135.23	\$18,087.3	\$37,759.7	\$45,526.8	\$4,444.8	\$8.14	0.83 x	8.5 x	16.6 x	32.6%	9.8%
Grupo Bimbo, S.A.B. de C.V. (BMV:BIMBO A)	4.75	20,817.5	29,323.8	23,771.6	3,146.5	0.00	1.23 x	9.3 x	NA	51.9%	13.2%
Flowers Foods, Inc. (FLO)	23.75	5,014.3	6,342.6	5,090.8	486.1	0.58	1.25 x	13.0 x	NM	48.3%	9.5%
Lancaster Colony Corporation (LANC)	207.63	5,714.2	5,560.9	1,873.6	262.7	4.83	2.97 x	21.2 x	NM	22.8%	14.0%
ARYZTA AG (SWX:ARYN)	1.82	1,799.3	2,345.7	2,376.6	261.9	0.08	0.99 x	9.0 x	24.1 x	19.5%	11.0%
Mean		\$10,286.5	\$16,266.6	\$15,727.9	\$1,720.4	\$2.73	1.45 x	12.2 x	20.3 x	35.0%	11.5%
Median		5,714.2	6,342.6	5,090.8	486.1	0.58	1.23 x	9.32 x	20.3 x	32.6%	11.0%
Branded Foods & Snacks											
Nestlé S.A. (SWX:NESN)	\$106.31	\$278,670.4	\$338,090.2	\$110,860.3	\$21,561.4	\$5.02	3.05 x	15.7 x	21.2 x	46.1%	19.4%
Mondelez International, Inc. (MDLZ)	70.00	93,895.1	112,119.1	36,140.0	8,421.0	3.14	3.10 x	13.3 x	22.3 x	41.7%	23.3%
General Mills, Inc. (GIS)	69.97	39,501.5	51,681.4	20,173.3	4,295.7	4.36	2.56 x	12.0 x	16.1 x	34.7%	21.3%
The Hershey Company (HSY)	194.50	39,719.1	44,442.9	11,165.0	2,952.0	9.06	3.98 x	15.1 x	21.5 x	44.8%	26.4%
Associated British Foods plc (LSE: ABF)	31.58	23,594.5	26,858.2	25,174.7	2,893.5	1.95	1.07 x	9.3 x	16.2 x	22.2%	11.5%
Kellanova (K)	57.29	19,579.4	26,056.4	12,980.0	1,837.0	2.36	2.01 x	14.2 x	24.3 x	33.4%	14.2%
McCormick & Company, Incorporated (MKC)	76.81	20,433.0	24,788.8	6,699.4	1,223.8	2.62	3.70 x	20.3 x	29.3 x	37.9%	18.3%
Conagra Brands, Inc. (CAG)	29.64	14,169.8	22,839.2	12,118.3	2,244.2	1.99	1.88 x	10.2 x	14.9 x	27.3%	18.5%
The J. M. Smucker Company (SJM)	125.87	13,364.3	22,068.6	8,207.8	1,799.0	(0.98)	2.69 x	12.3 x	NM	36.5%	21.9%
Campbell Soup Company (CPB)	44.45	13,250.7	17,901.7	9,271.0	1,742.0	2.55	1.93 x	10.3 x	17.4 x	31.4%	18.8%
Post Holdings, Inc. (POST)	106.28	6,449.2	12,624.6	7,390.6	1,158.0	4.66	1.71 x	10.9 x	22.8 x	27.6%	15.7%
Nomad Foods Limited (NOMD)	19.56	3,182.8	5,101.0	3,365.2	520.0	1.25	1.52 x	9.8 x	15.7 x	28.2%	15.5%
Premium Brands Holdings Corporation (TSX: PBH)	65.40	2,904.3	4,878.1	4,740.9	297.4	1.60	1.03 x	16.4 x	NM	19.3%	6.3%
B&G Foods, Inc. (BGS)	11.44	904.3	2,980.8	2,062.3	310.4	(0.89)	1.45 x	9.6 x	NM	22.2%	15.1%
J&J Snack Foods Corp. (JJSF)	144.56	2,801.6	2,898.8	1,555.8	176.3	4.10	1.86 x	16.4 x	NM	30.4%	11.3%
John B. Sanfilippo & Son, Inc. (JBSS)	105.92	1,228.7	1,274.6	1,031.4	110.5	5.56	1.24 x	11.5 x	19.0 x	21.2%	NM
Mean		\$35,853.0	\$44,787.8	\$17,058.5	\$3,221.4	\$3.02	2.17 x	12.95 x	20.06 x	33.2%	17.8%
Median		13,767.0	22,453.9	8,739.4	1,770.5	2.58	1.91 x	12.15 x	20.11 x	30.9%	18.3%

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

‡ = excluded from Mean and Median calculations

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

(1) As of close on March 28, 2024.

(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 – Q1 2024

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
Private Label Food											
Lamb Weston Holdings, Inc. (LW)	\$106.53	\$15,382.0	\$19,200.5	\$6,550.6	\$1,372.2	\$7.50	2.93 x	14.0 x	14.2 x	27.6%	20.9%
TreeHouse Foods, Inc. (THS)	38.95	2,097.9	3,379.2	3,431.6	342.8	1.05	0.98 x	9.9 x	NM	16.8%	10.0%
Seneca Foods Corporation (SENE.A)	56.90	405.0	1,066.8	1,481.7	112.5	4.33	0.72 x	9.5 x	13.1 x	10.3%	7.6%
Mean		\$5,961.6	\$7,882.2	\$3,821.3	\$609.2	\$4.3	1.5 x	11.1 x	13.7 x	18.2%	12.8%
Median		2,097.9	3,379.2	3,431.6	342.8	4.3	1.0 x	9.9 x	13.7 x	16.8%	10.0%
Protein Processing											
JBS S.A. (BOVESPA:JBSS3)	\$4.30	\$9,534.7	\$28,463.9	\$74,978.2	\$2,988.1	(\$0.10)	0.38 x	9.5 x	NM	10.9%	4.0%
Tyson Foods, Inc. (TSN)	58.73	20,928.3	29,245.3	52,940.0	2,080.0	(2.46)	0.55 x	14.1 x	NM	5.2%	3.9%
Cal-Maine Foods, Inc. (CALM)	58.85	2,885.9	2,188.3	2,374.3	394.1	5.64	0.92 x	5.6 x	10.4 x	23.3%	16.6%
Mean		\$11,116.3	\$19,965.8	\$43,430.8	\$1,820.7	\$1.0	0.6 x	9.7 x	10.4 x	13.1%	8.2%
Median		9,534.7	28,463.9	52,940.0	2,080.0	(0.1)	0.6 x	9.5 x	10.4 x	10.9%	4.0%

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

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

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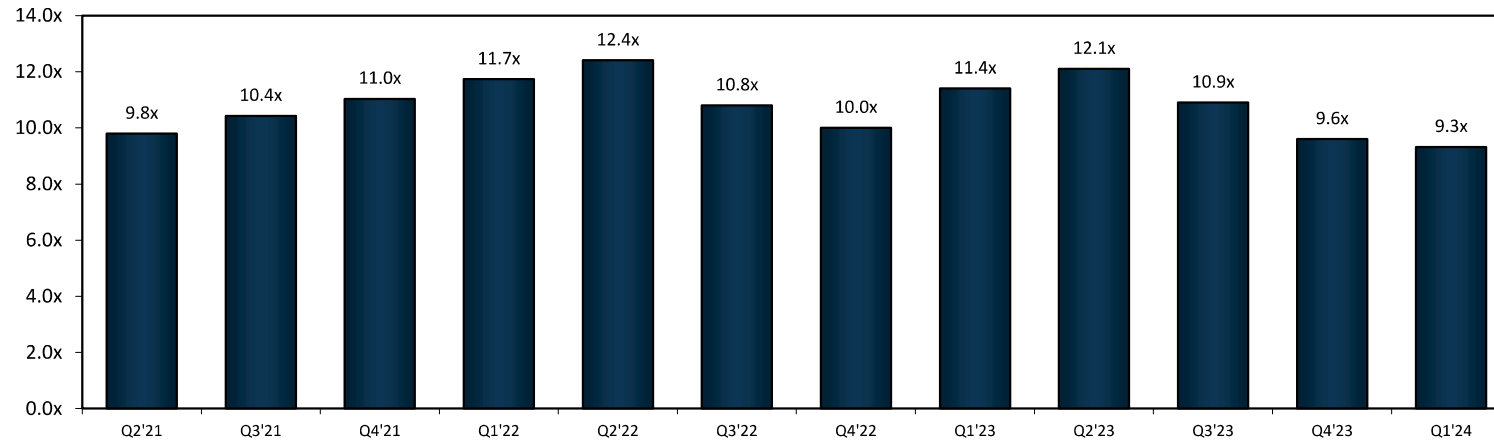
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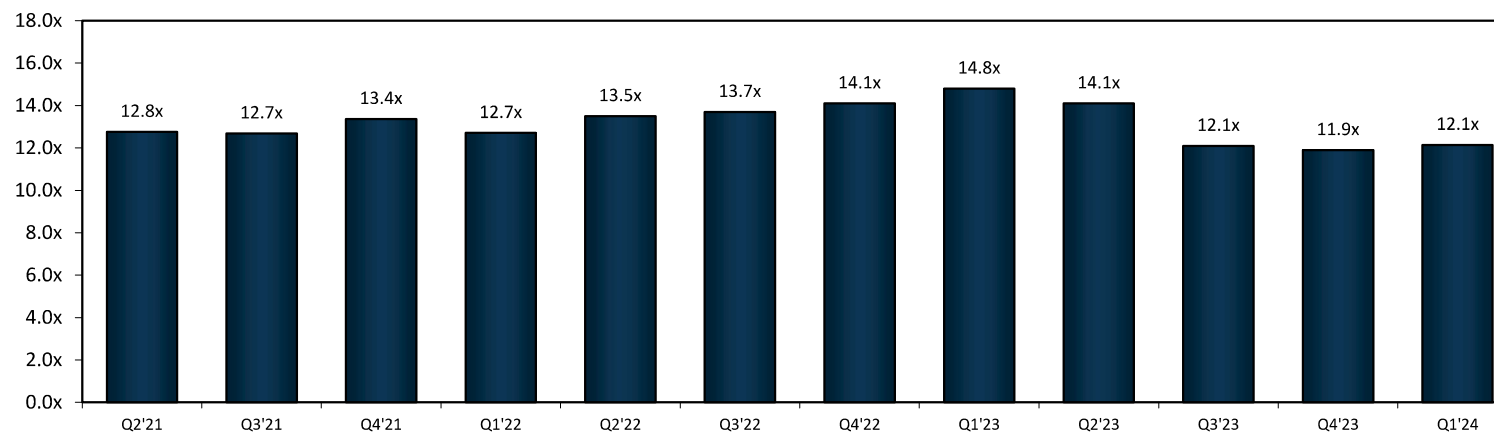
Historical Enterprise Value-to-LTM EBITDA Multiples

Food Production

Baked Goods



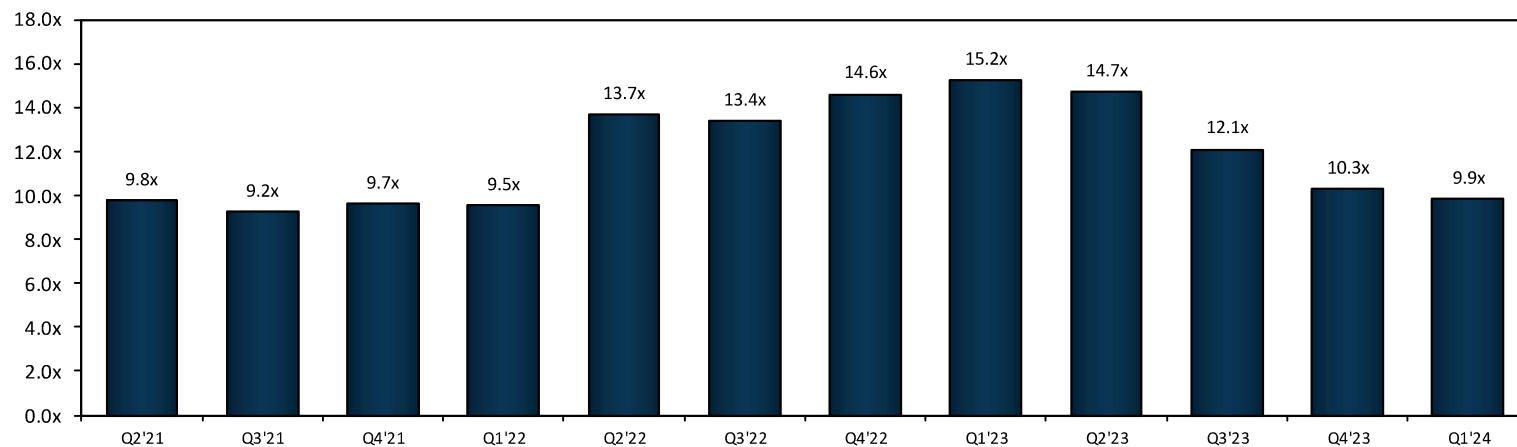
Branded Foods and Snacks



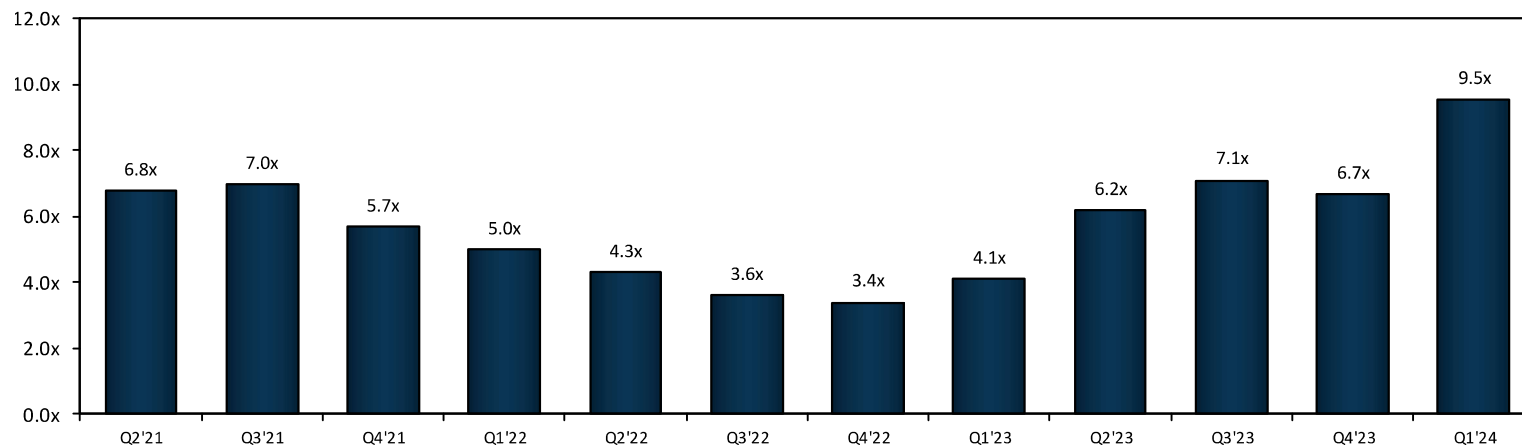
Historical Enterprise Value-to-LTM EBITDA Multiples

Food Production

Private Label Food



Protein Processing



Selected M&A Transactions

Food Production

Announced	Target	Target Description	Acquirer	Value
Mar 18	Alaska Processing Plant of Trident Seafoods Corporation	Seafood processing plant	E.C. Phillips and Son Inc.	ND
Mar 18	Ketchikan Salmon Processing Facility of Trident Seafoods Corporation	Salmon processing facility	Silver Bay Seafoods	ND
Mar 07	Bostock Brothers Limited (fka Happy Chickens Limited)	Produces organic poultry products	Grupo Bimbo, S.A.B. de C.V. (BMV:BIMBO A)	\$21.8
Feb 12	Pagnifique S.A.	Produces bakery and cereal products in Uruguay	Grupo Bimbo, S.A.B. de C.V. (BMV:BIMBO A)	ND

ND – Not disclosed. Transaction values in millions.

Food Distribution & E-Commerce

Food Distribution, Food Retail and Food E-Commerce

Comparative Index Performance

The MHH Food Distribution & E-Commerce Index^(a) increased by 2.0% in March of 2024.

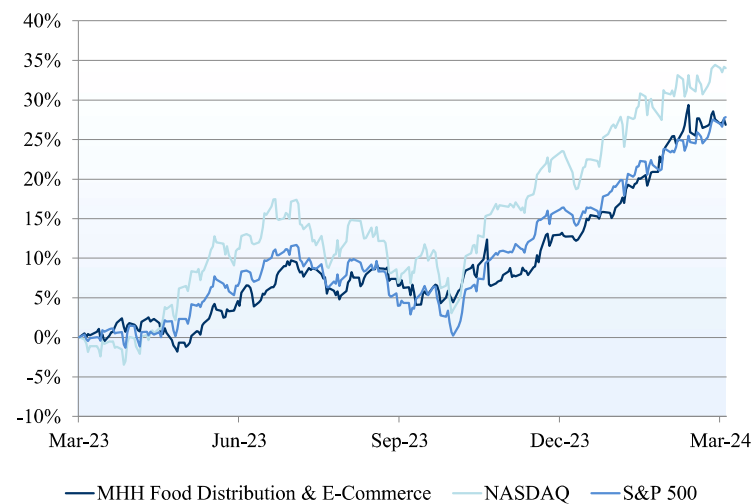
Last Three Years

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Last Twelve Months

Daily from March 31, 2023 to March 31, 2024
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Price Appreciation

	3-Year	LTM	1-Month
MHH Food Distribution & E-Commerce Index ^(a)	31.9%	26.9%	2.0%
NASDAQ	23.7%	34.0%	1.8%
S&P 500	32.3%	27.9%	3.1%

(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 – Q1 2024

Food Distribution & E-Commerce

(\$ 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
Food Retail											
Walmart Inc. (WMT)	\$60.17	\$484,957.8	\$545,077.8	\$648,125.0	\$38,865.0	\$1.91	0.84 x	14.0 x	31.5 x	24.4%	6.0%
Costco Wholesale Corporation (COST)	732.63	324,924.4	324,036.4	248,828.0	11,072.0	15.28	1.30 x	29.3 x	47.9 x	12.6%	4.4%
The Kroger Co. (KR)	57.13	41,230.0	58,699.0	150,039.0	8,153.0	2.96	0.39 x	7.2 x	19.3 x	23.0%	5.4%
Koninklijke Ahold Delhaize N.V. (ENXTAM:AD)	29.94	28,515.4	44,324.0	97,987.2	5,677.0	2.14	0.45 x	7.8 x	14.0 x	26.8%	5.8%
Tesco PLC (LSE:TSCO)	3.75	26,129.0	39,566.3	86,414.4	5,118.7	0.31	0.46 x	7.7 x	12.1 x	6.9%	5.9%
Carrefour SA (ENXTPA:CA)	17.15	11,851.9	28,719.4	93,631.0	3,988.1	1.43	0.31 x	7.2 x	12.0 x	18.5%	4.3%
Albertsons Companies, Inc. (ACI)	21.44	12,379.6	26,407.0	79,237.7	4,056.2	2.23	0.33 x	6.5 x	9.6 x	28.4%	5.1%
Sprouts Farmers Market, Inc. (SFM)	64.48	6,499.7	7,890.2	6,987.9	564.9	2.88	1.13 x	14.0 x	22.4 x	37.4%	8.1%
Ingles Markets, Incorporated (IMKT.A)	76.68	1,456.5	1,771.3	5,880.5	369.2	9.73	0.30 x	4.8 x	7.9 x	23.5%	6.3%
Weis Markets, Inc. (WMK)	64.40	1,732.3	1,505.1	4,697.0	245.6	3.86	0.32 x	6.1 x	16.7 x	25.3%	5.2%
Village Super Market, Inc. (VLGE.A)	28.61	423.0	667.1	2,195.0	101.3	3.52	0.30 x	6.6 x	8.1 x	28.6%	4.6%
Mean		\$85,463.6	\$98,060.3	\$129,456.6	\$7,110.1	\$4.21	0.56x	10.1x	18.3x	23.2%	5.6%
Median		12,379.6	28,719.4	86,414.4	4,056.2	2.88	0.39x	7.2x	14.0x	24.4%	5.4%
Food Distribution											
Sysco Corporation (SYN)	\$81.18	\$40,426.2	\$52,980.9	\$78,016.1	\$3,775.6	\$4.10	0.68 x	14.0 x	19.8 x	18.5%	4.8%
US Foods Holding Corp. (USFD)	53.97	13,237.5	18,169.5	35,597.0	1,438.0	2.02	0.51 x	12.6 x	26.7 x	17.3%	4.0%
Performance Food Group Company (PFGC)	74.64	11,612.9	16,634.9	53,970.8	1,345.6	2.74	0.31 x	12.4 x	27.2 x	11.9%	2.5%
United Natural Foods, Inc. (UNFI)	11.49	682.9	4,316.9	30,251.0	378.0	(1.95)	0.14 x	11.4 x	NM	13.3%	1.2%
The Chefs' Warehouse, Inc. (CHEF)	37.66	1,499.2	2,381.6	3,588.6	168.9	0.88	0.66 x	14.1 x	42.7 x	23.8%	4.7%
SpartanNash Company (SPTN)	20.21	696.5	1,544.4	9,729.2	223.2	1.50	0.16 x	6.9 x	13.5 x	15.3%	2.3%
Mean		\$11,359.2	\$16,004.7	\$35,192.1	\$1,221.6	\$1.6	0.41x	11.9x	26.0x	16.7%	3.3%
Median		6,556.1	10,475.9	32,924.0	861.8	1.8	0.41x	12.5x	26.7x	16.3%	3.3%
Food E-Commerce											
DoorDash, Inc. (DASH)	\$137.72	\$56,315.7	\$52,383.7	\$9,113.0	(\$195.0)	(\$1.06)	5.75 x	NM	NM	48.1%	-2.1%
Delivery Hero SE (XTRA:DHER)	28.64	7,830.8	12,229.1	10,989.2	(450.2)	(9.47)	1.11 x	NM	NM	29.9%	-4.1%
Ocado Group plc (LSE:OCDO)	5.75	4,715.3	6,107.9	3,580.7	(6.6)	(0.49)	1.71 x	NM	NM	2.5%	-0.2%
Just Eat Takeaway.com N.V. (ENXTAM:TKWY)	14.84	3,059.9	3,751.9	5,711.3	(105.0)	(9.61)	0.66 x	NM	NM	22.8%	-1.8%
HelloFresh SE (XTRA:HFG)	7.12	1,193.2	1,559.8	8,257.6	163.2	(0.26)	0.19 x	9.6 x	NM	64.2%	2.0%
Mean		\$14,623.0	\$15,206.5	\$7,530.4	(\$118.7)	(\$4.18)	1.88 x	9.6 x	NA	33.5%	-1.3%
Median		4,715.3	6,107.9	8,257.6	(105.0)	(1.06)	1.1 x	9.6 x	NA	29.9%	-1.8%

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.

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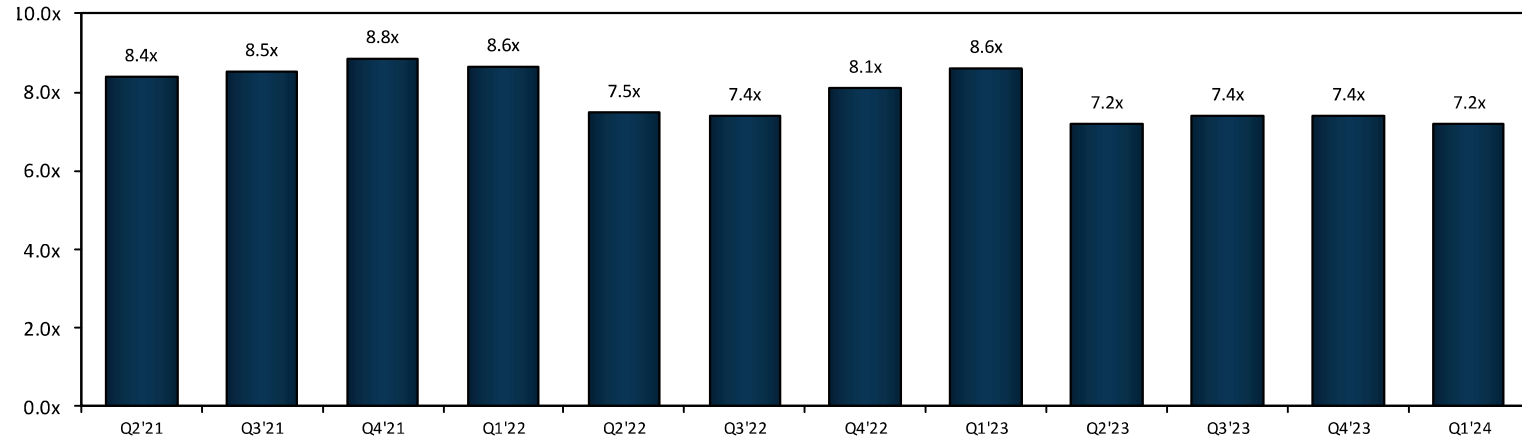
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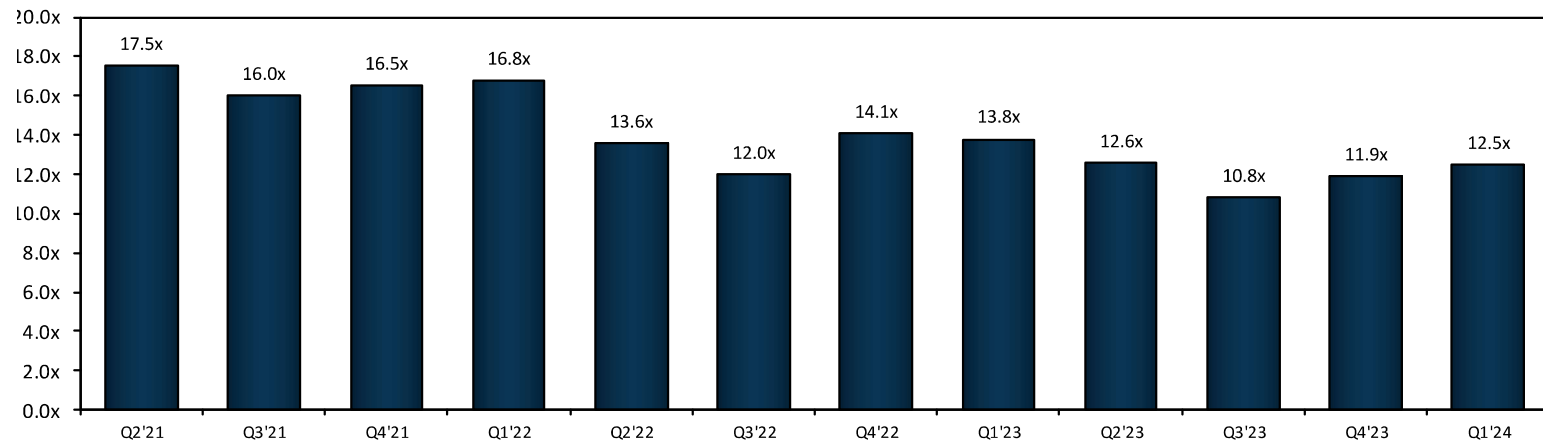
Historical Enterprise Value-to-LTM EBITDA Multiples

Food Distribution & E-Commerce

Food Retail



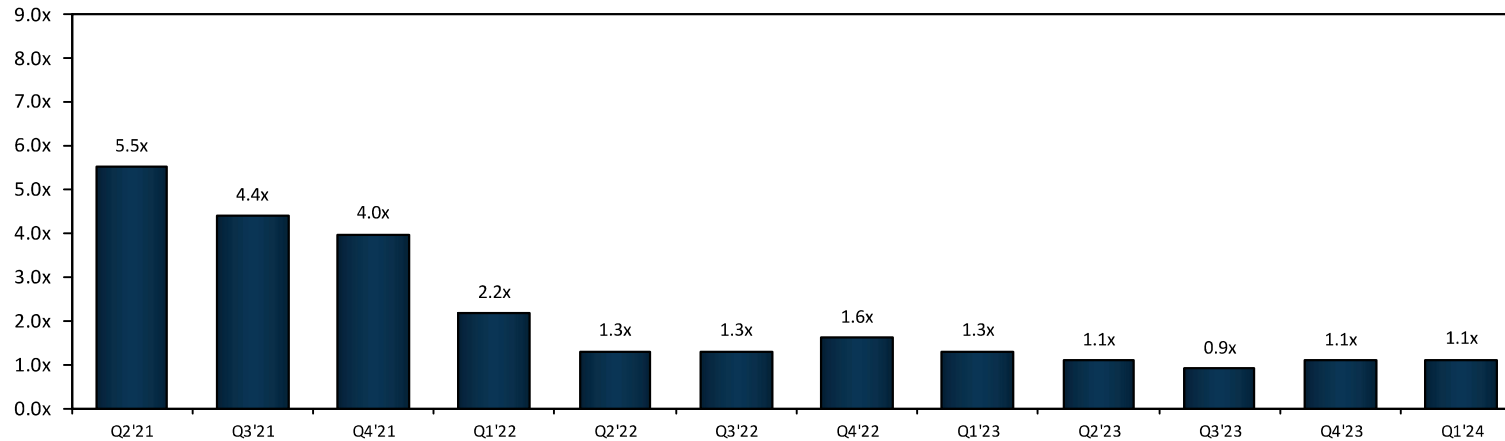
Food Distribution



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
Feb 15	Institutional Wholesale Company, Inc.	Food distribution company for food service and cleaning needs of hospitality and health-care establishments in the Southeast United States.	US Foods Holding Corp. (NYSE:USFD)	ND

ND – Not disclosed. Transaction values in millions.

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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