



Industry Update  
**Food and Beverage**  
Q2 2022

## 1

# Financial Performance

## Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

Company Name	Ticker	Size Profile			LTM Operating Data		Forward Estimates		
		Price at 06/30/22	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2022 Est. Revenue	2022 Est. EBITDA
<b>Processed Ingredients</b>									
Archer-Daniels-Midland Company	ADM	\$77.60	78.5%	\$58,240	\$61,828	\$94,364	\$4,870	\$97,632	\$6,123
McCormick & Company, Incorporated	MKC	\$83.25	77.6%	\$28,769	\$12,958	\$6,339	\$1,170	\$6,561	\$1,304
Bunge Limited	BG	\$90.69	70.6%	\$21,435	\$27,419	\$64,613	\$2,908	\$68,990	\$3,045
Darling Ingredients Inc.	DAR	\$59.80	68.3%	\$13,306	\$6,616	\$5,061	\$918	\$5,873	\$1,547
Ingredion Incorporated	INGR	\$88.16	86.5%	\$8,025	\$7,435	\$7,172	\$912	\$7,658	\$988
<b>Alcoholic Beverages</b>									
Constellation Brands, Inc.	STZ	\$233.06	89.1%	\$57,516	\$25,841	\$9,157	\$3,431	\$9,396	\$3,435
Brown-Forman Corporation	BF.B	\$70.16	92.8%	\$36,680	\$6,373	\$3,933	\$1,315	\$4,124	\$1,359
Molson Coors Beverage Company	TAP	\$54.51	94.4%	\$18,193	\$27,388	\$10,578	\$1,839	\$10,745	\$2,064
The Boston Beer Company, Inc.	SAM	\$302.97	29.8%	\$4,464	\$1,480	\$1,956	\$52	\$2,045	\$245
<b>Soft Drinks</b>									
The Coca-Cola Company	KO	\$62.91	93.6%	\$308,215	\$94,064	\$40,126	\$13,328	\$42,213	\$13,558
PepsiCo, Inc.	PEP	\$166.66	93.8%	\$275,868	\$93,103	\$81,862	\$14,816	\$83,572	\$15,081
Monster Beverage Corporation	MNST	\$92.70	92.8%	\$48,627	\$8,187	\$5,816	\$1,840	\$6,388	\$1,959
National Beverage Corp.	FIZZ	\$48.94	75.7%	\$5,051	\$468	\$1,138	\$226	\$1,188	\$234
Primo Water Corporation	PRMW	\$13.35	67.9%	\$3,687	\$3,680	\$2,121	\$355	\$2,163	\$414

Source: Capital IQ

## Financial Performance (cont.)

Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

Company Name	Ticker	Size Profile			LTM Operating Data		Forward Estimates		
		Price at 06/30/22	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2022 Est. Revenue	2022 Est. EBITDA
<b>Meat Processing</b>									
Tyson Foods, Inc.	TSN	\$86.06	85.4%	\$38,874	\$35,898	\$51,339	\$7,186	\$52,915	\$5,485
Hormel Foods Corporation	HRL	\$47.36	85.9%	\$29,411	\$13,122	\$12,459	\$1,502	\$12,403	\$1,614
Pilgrim's Pride Corporation	PPC	\$31.23	90.1%	\$10,462	\$9,323	\$16,738	\$2,020	\$17,536	\$1,823
Cal-Maine Foods, Inc.	CALM	\$49.41	82.4%	\$2,373	\$1,427	\$1,777	\$207	\$2,207	\$485
<b>Processed Branded Foods</b>									
Nestlé S.A.	NESN	\$116.71	85.9%	\$384,428	\$144,105	\$95,616	\$18,927	\$94,129	\$19,777
Mondelez International, Inc.	MDLZ	\$62.09	89.4%	\$106,451	\$66,014	\$29,878	\$6,019	\$30,553	\$5,974
General Mills, Inc.	GIS	\$75.45	99.6%	\$56,595	\$31,090	\$18,993	\$3,965	\$19,253	\$3,752
Kellogg Company	K	\$71.34	94.4%	\$33,151	\$18,612	\$14,269	\$2,546	\$14,556	\$2,287
Conagra Brands, Inc.	CAG	\$34.24	92.6%	\$25,592	\$22,435	\$11,536	\$2,015	\$11,877	\$2,225
Campbell Soup Company	CPB	\$48.05	92.5%	\$19,587	\$11,847	\$8,448	\$1,738	\$8,761	\$1,663
B&G Foods, Inc.	BGS	\$23.78	69.4%	\$4,072	\$3,839	\$2,084	\$295	\$2,134	\$349
Fresh Del Monte Produce Inc.	FDP	\$29.53	86.9%	\$2,225	\$3,502	\$4,301	\$193	\$4,368	\$201

Source: Capital IQ

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## Valuation Metrics

## Return Profile, Trading Multiples

Company Name	Ticker	Return Profile						Trading Multiples	
		Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
<b>Processed Ingredients</b>									
Archer-Daniels-Midland Company	ADM	4.3%	15.7%	25.9%	5.2%	39.9%	0.8x	0.6x	11.7x
McCormick & Company, Incorporated	MKC	4.8%	15.3%	5.2%	18.5%	-6.7%	0.5x	4.4x	23.9x
Bunge Limited	BG	6.0%	20.8%	26.4%	4.6%	20.3%	0.6x	0.3x	7.1x
Darling Ingredients Inc.	DAR	6.2%	21.3%	34.4%	18.1%	60.8%	1.2x	2.4x	13.1x
Ingredion Incorporated	INGR	6.1%	16.4%	18.4%	12.7%	3.1%	0.8x	1.1x	8.7x
	<b>Mean</b>	<b>5.5%</b>	<b>17.9%</b>	<b>22.1%</b>	<b>11.8%</b>	<b>23.5%</b>	<b>0.8x</b>	<b>1.8x</b>	<b>12.9x</b>
	<b>Median</b>	<b>6.0%</b>	<b>16.4%</b>	<b>25.9%</b>	<b>12.7%</b>	<b>20.3%</b>	<b>0.8x</b>	<b>1.1x</b>	<b>11.7x</b>
<b>Alcoholic Beverages</b>									
Constellation Brands, Inc.	STZ	7.4%	10.7%	5.5%	37.5%	3.6%	1.0x	6.3x	16.7x
Brown-Forman Corporation	BF.B	12.0%	31.1%	13.6%	33.4%	20.3%	0.7x	9.1x	27.3x
Molson Coors Beverage Company	TAP	3.7%	8.0%	12.1%	22.2%	1.4%	0.8x	1.9x	8.6x
The Boston Beer Company, Inc.	SAM	-1.1%	-5.5%	-6.9%	2.6%	-85.8%	0.9x	2.3x	86.2x
	<b>Mean</b>	<b>5.5%</b>	<b>11.1%</b>	<b>6.1%</b>	<b>23.9%</b>	<b>-15.1%</b>	<b>0.8x</b>	<b>4.9x</b>	<b>34.7x</b>
	<b>Median</b>	<b>5.5%</b>	<b>9.4%</b>	<b>8.8%</b>	<b>27.8%</b>	<b>2.5%</b>	<b>0.8x</b>	<b>4.3x</b>	<b>22.0x</b>
<b>Soft Drinks</b>									
The Coca-Cola Company	KO	8.1%	42.1%	20.0%	33.2%	12.9%	0.6x	7.6x	22.9x
PepsiCo, Inc.	PEP	8.3%	54.6%	9.8%	18.1%	3.2%	0.6x	3.3x	18.3x
Monster Beverage Corporation	MNST	15.2%	22.0%	21.7%	31.6%	6.0%	0.9x	8.4x	26.6x
National Beverage Corp.	FIZZ	25.3%	53.2%	6.1%	19.9%	-7.9%	0.8x	4.2x	21.2x
Primo Water Corporation	PRMW	2.2%	0.0%	8.3%	16.7%	8.1%	1.2x	1.7x	10.4x
	<b>Mean</b>	<b>11.8%</b>	<b>34.4%</b>	<b>13.2%</b>	<b>23.9%</b>	<b>4.4%</b>	<b>0.8x</b>	<b>5.1x</b>	<b>19.9x</b>
	<b>Median</b>	<b>8.3%</b>	<b>42.1%</b>	<b>9.8%</b>	<b>19.9%</b>	<b>6.0%</b>	<b>0.8x</b>	<b>4.2x</b>	<b>21.2x</b>

Source: Capital IQ

## Valuation Metrics (cont.)

### Return Profile, Trading Metrics

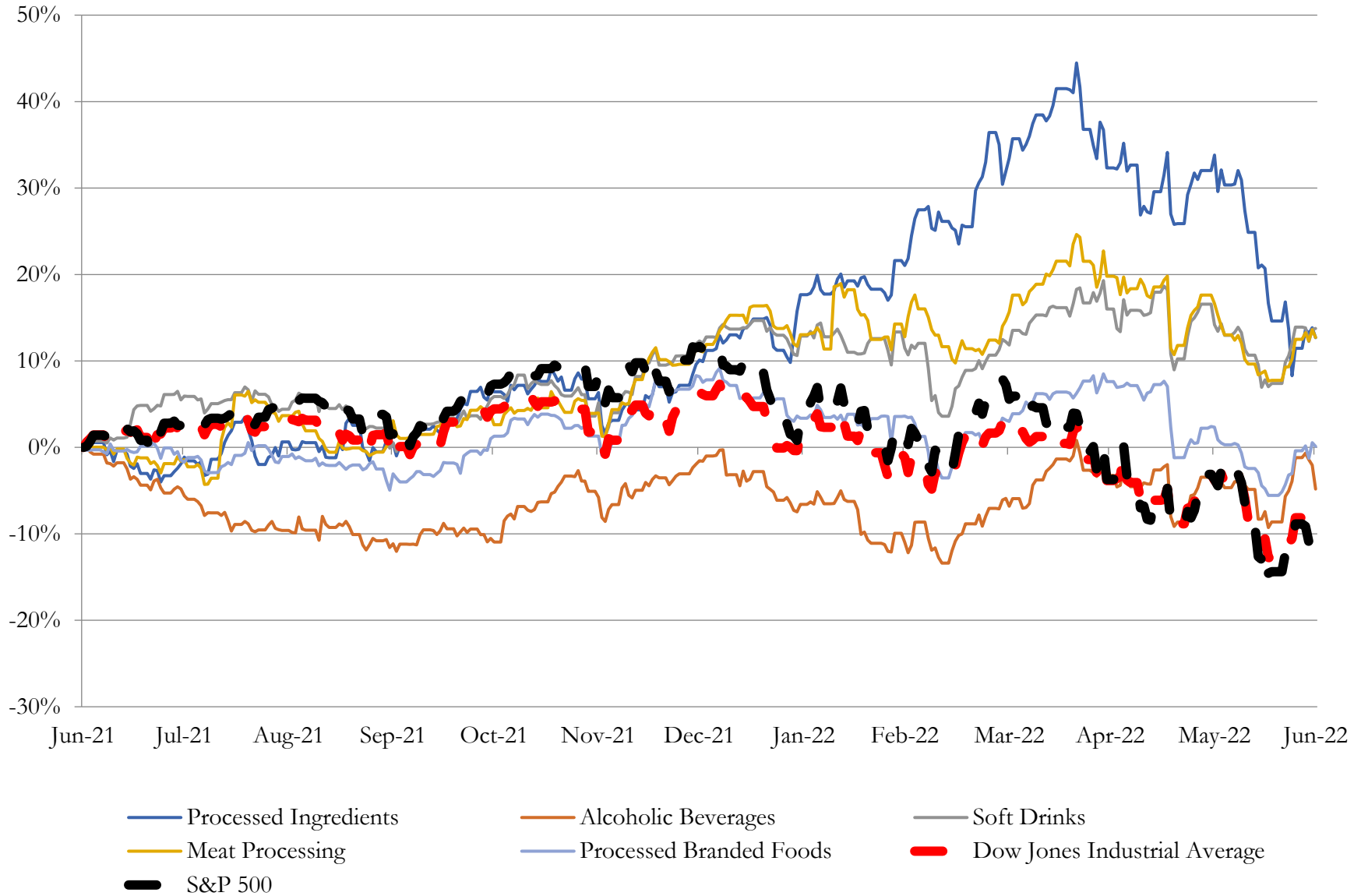
Company Name	Ticker	Return Profile						Trading Multiples	
		Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
<b>Meat Processing</b>									
Tyson Foods, Inc.	TSN	10.7%	23.1%	18.7%	14.0%	45.8%	0.7x	0.7x	5.0x
Hormel Foods Corporation	HRL	6.8%	13.7%	26.2%	12.1%	13.1%	0.1x	2.4x	19.8x
Pilgrim's Pride Corporation	PPC	11.9%	27.1%	27.7%	12.1%	170.7%	0.9x	0.6x	5.1x
Cal-Maine Foods, Inc.	CALM	6.5%	12.5%	31.7%	11.6%	471.4%	-0.1x	1.3x	11.5x
	<b>Mean</b>	<b>9.0%</b>	<b>19.1%</b>	<b>26.1%</b>	<b>12.4%</b>	<b>175.3%</b>	<b>0.4x</b>	<b>1.3x</b>	<b>10.3x</b>
	<b>Median</b>	<b>8.7%</b>	<b>18.4%</b>	<b>27.0%</b>	<b>12.1%</b>	<b>108.2%</b>	<b>0.4x</b>	<b>1.0x</b>	<b>8.3x</b>
<b>Processed Branded Foods</b>									
Nestlé S.A.	NESN	7.3%	36.1%	7.0%	19.8%	9.4%	0.3x	4.0x	20.4x
Mondelez International, Inc.	MDLZ	4.6%	14.1%	7.3%	20.1%	-2.4%	0.6x	3.5x	17.5x
General Mills, Inc.	GIS	6.7%	25.8%	4.8%	20.9%	-3.4%	0.3x	3.0x	14.5x
Kellogg Company	K	7.1%	38.9%	2.3%	17.8%	7.3%	0.4x	2.3x	13.1x
Conagra Brands, Inc.	CAG	4.8%	10.2%	3.1%	17.5%	-14.5%	0.6x	2.2x	12.7x
Campbell Soup Company	CPB	7.4%	29.7%	-3.0%	20.6%	0.7%	0.4x	2.3x	11.4x
B&G Foods, Inc.	BGS	3.5%	7.3%	3.0%	14.2%	-16.8%	0.3x	1.9x	13.4x
Fresh Del Monte Produce Inc.	FDP	1.7%	3.3%	3.1%	4.5%	-12.3%	0.5x	0.5x	10.6x
	<b>Mean</b>	<b>5.4%</b>	<b>20.7%</b>	<b>3.5%</b>	<b>16.9%</b>	<b>-4.0%</b>	<b>0.4x</b>	<b>2.5x</b>	<b>14.2x</b>
	<b>Median</b>	<b>5.8%</b>	<b>19.9%</b>	<b>3.1%</b>	<b>18.8%</b>	<b>-2.9%</b>	<b>0.4x</b>	<b>2.3x</b>	<b>13.3x</b>

Source: Capital IQ

# 3

## LTM Equity Performance

### Major Indexes



Source: Capital IQ

## 4

## Recent M&amp;A Activity

Last Twelve (12) Months as of June 30, 2022

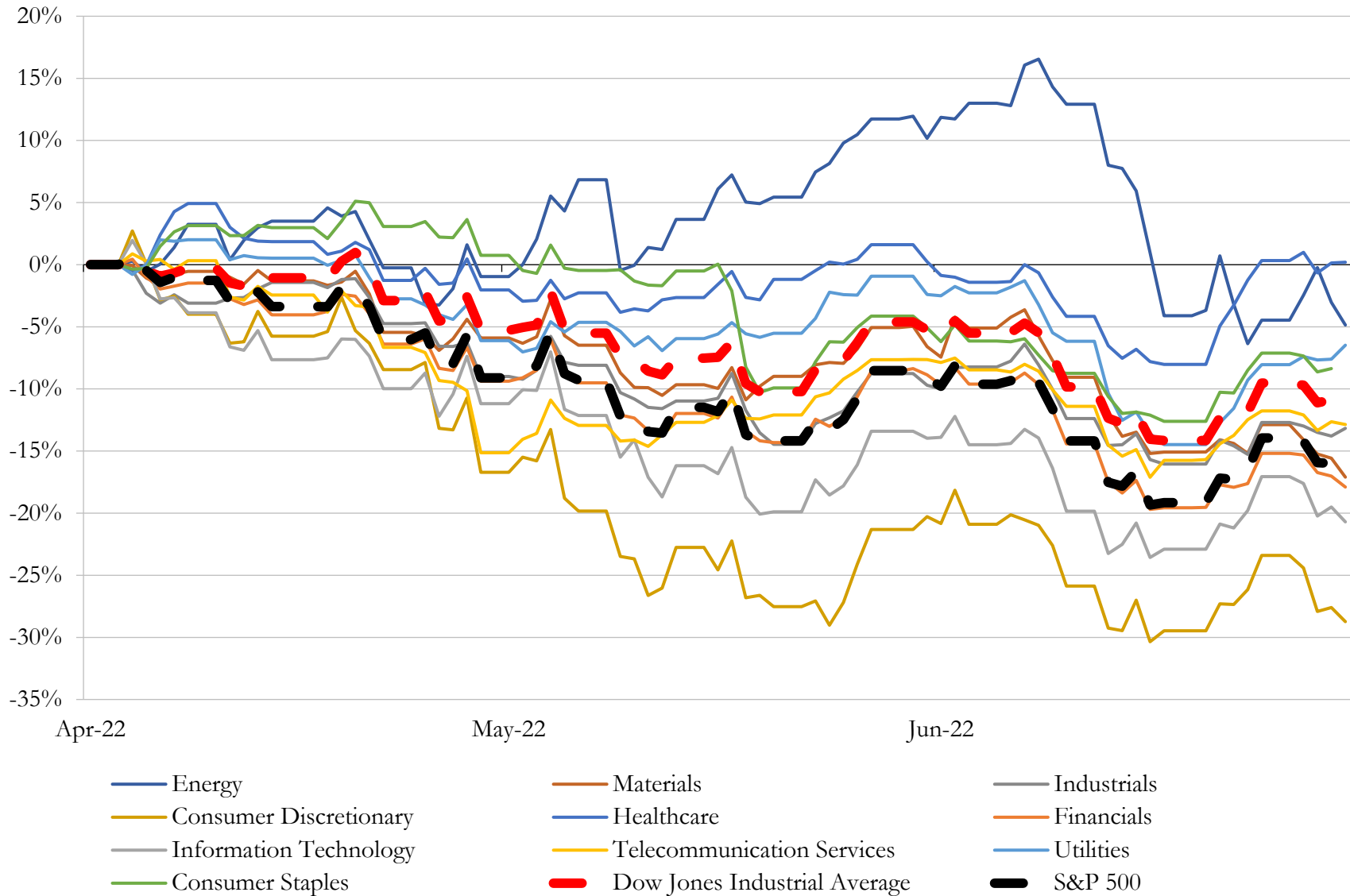
(USD in millions)

Close Date	Target	Acquirer	Implied TEV
Nov-21	BA Sports Nutrition, LLC	The Coca-Cola Company	\$6,588
Feb-22	Tropicana Products, Inc./Naked Juice Company and Other Select Juice Brands	PAI Partners; PAI Europe VII	\$5,738
Nov-21	Natural Cheese Business of The Kraft Heinz Company	Groupe Lactalis S.A.	\$3,200
Oct-21	International Wine & Spirits Ltd.	Sycamore Partners Management, L.P.	\$1,200
Jul-21	Tyson Pet Products, Inc.	General Mills, Inc.	\$1,200
Oct-21	Bettera Brands, LLC	Catalent Pharma Solutions, Inc.	\$1,000
Dec-21	Dot's Pretzels, LLC	The Hershey Company	\$894
Oct-21	First Choice Ingredients, Inc.	Koninklijke DSM N.V.	\$461
Feb-22	CANarchy	Monster Beverage Corporation	\$330
Dec-21	Frank Family Vineyards, LLC	Treasury Wine Estates Limited	\$315
Dec-21	Pretzels, Inc.	The Hershey Company	\$304
Jul-21	35 grain elevators of Bunge North America, Inc.	Zen-Noh Grain Corporation	\$300
Dec-21	That's How We Roll LLC	The Hain Celestial Group, Inc.	\$261
Feb-22	Shafer Vineyards	Starfield Properties, Inc.	\$250
Jun-22	Dippin' Dots, LLC	J&J Snack Foods Corp.	\$222
Dec-21	Clover Stornetta Farms, Inc.	Alpina Productos Alimenticios S.A.	\$200
Dec-21	Oxbow Enterprises, Inc.	Manna Pro Products, LLC	\$135
Dec-21	Double Diamond Distillery LLC	Tilray, Inc. (nka: Tilray Brands, Inc.)	\$118
Sep-21	Carolina Aseptic / Carolina Dairy	Saputo Inc.	\$118
Jun-21	D & D Commodities Ltd.	Central Garden & Pet Company	\$118
Oct-21	Shank's Extracts, Inc.	Universal Corporation	\$116
Feb-22	Kings Group and Premium Italian Charcuterie Brands	Rigamonti Salumificio S.P.A.	\$93
Dec-21	GlobalOne Pet Products LLC	Nextmune AB	\$80
Aug-21	McLovin's Pet Food, Inc.	Caduceus Software Systems Corp.	\$68
Mar-22	Charlotte, N.C. Production Facility	Coca-Cola Consolidated, Inc.	\$60
Dec-21	R.W. Garcia Co. Inc.	Utz Brands, Inc.	\$58
Apr-22	Assets of InHarvest, Inc.	Riviana Foods Inc.	\$49
Nov-21	California Cider Company, Inc.	Vintage Wine Estates, Inc.	\$47
Apr-22	Manufacturing facility of Evans Food Group in Kings Mountain	Utz Quality Foods, LLC	\$40
Jan-22	Meier's Wine Cellars, Inc.	Vintage Wine Estates, Inc.	\$35

Source: Capital IQ

# 5 Change in Market Capitalization by Sector

Last Three (3) Months as of June 30, 2022



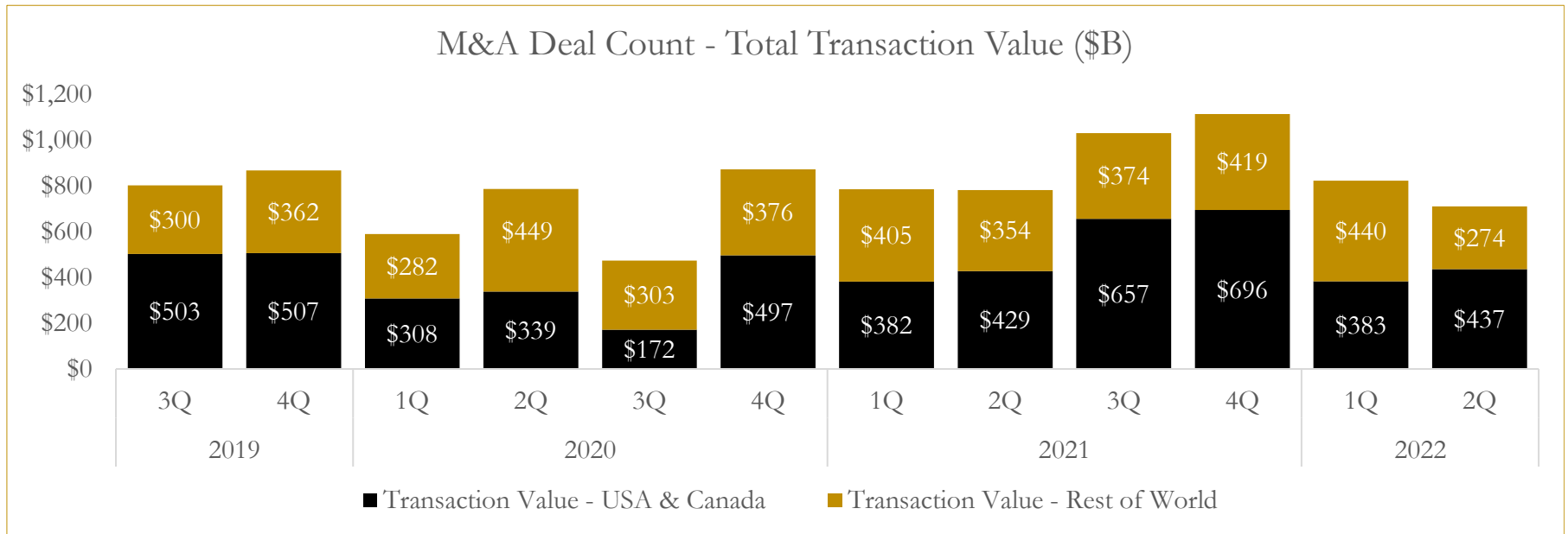
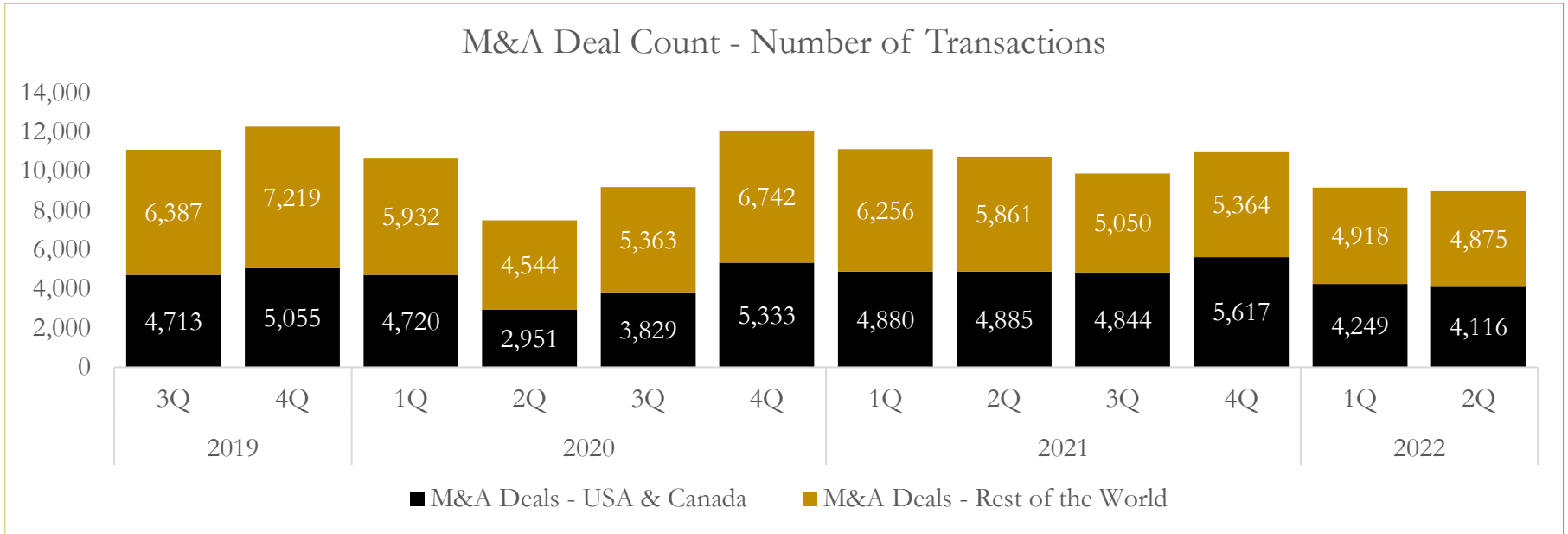
Source: Capital IQ



# 6

## M&A Deal Flow Statistics

Last Three (3) Years as of June 30, 2022



Source: Capital IQ

## About Houlihan Capital

Houlihan Capital is a leading, solutions-driven valuation, financial advisory and boutique investment banking firm. We pride ourselves on being thought leaders in an ever-changing landscape.

Houlihan Capital is SOC-compliant, a FINRA and SIPC member and committed to the highest levels of professional ethics and standards.

### Valuation & Financial Advisory

We provide an array of services that include enterprise valuations, portfolio valuation, valuation of carried interest, transaction opinions, tax and financial reporting compliance, purchase price allocations, and a wide variety of consulting services through our Financial Advisory Group.

### Investment Banking

Through our Investment Banking Group, we offer sell-side/buy-side advisory and capital raises. Through our Special Situations desk, we provide services that fit outside the archetypal verticals, including liquidity solutions, transactional advisory, and secondary market advisory and trading.

### Litigation Support

Our team provides support for a wide variety of situations including commercial and shareholder disputes, derivatives and structured finance litigation, and fraudulent conveyance.

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