

# PEAKSTONE



Food and Beverage  
Industry Insight

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June 2020

# Peakstone Is Your Partner for Food and Beverage Companies

**2008**

*Year Founded*

**\$200+ billion**

*Capital Raised by  
Peakstone MDs*

**500+**

*Transactions by  
Peakstone MDs*

**25+ years**

*Average Years of Peakstone  
MD Experience*

- ✓ Peakstone helps companies work through challenging situations and capitalize on rare opportunities
- ✓ Strong senior food and beverage banking team with significant relevant transaction experience
- ✓ Sample capabilities and service offerings include:
  - Strategic Advisory and Consulting – 13-week cash flow modeling, liquidity forecasts, business planning, and other strategic initiatives
  - Capital raising and short-term liquidity solutions
  - Sell-side and buy-side M&A advisory
- ✓ Commitment to deliver the entire resources of the firm with senior level focus and execution

## Selected Relevant Food and Beverage Transactions

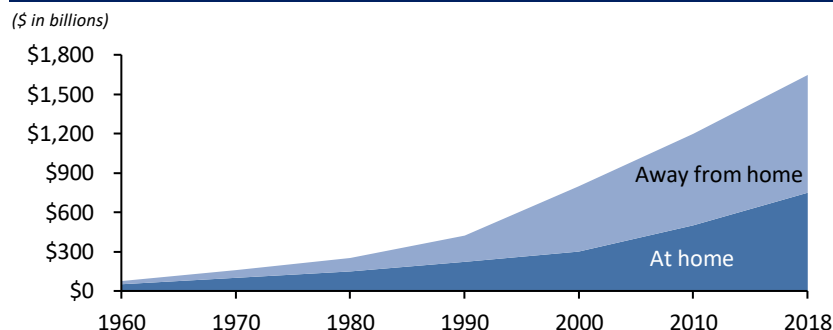
 <b>Prairie City</b> <small>BAKERY, Simplified.™</small>  <b>McKee</b> <small>A FAMILY BAKERY</small> <b>M&amp;A Advisor</b>	 <b>80 ACRES FARMS.</b> <small>truly local. honestly fresh.</small> <b>Strategic Investor &amp; Financial Investor</b> <b>M&amp;A Advisor</b>	 <b>Gourmet Gift Concepts LLC</b>  <b>HICKORY FARMS</b> <small>EST. 1951</small>  <b>module</b> <b>M&amp;A Advisor</b>	 <b>MARKET FRESH</b> <small>PRODUCE.</small>  <b>Marquette Capital Partners</b>  <b>C3 CAPITAL</b> <b>M&amp;A Advisor</b>
 <b>Terra Luna</b> <small>INC. QUALITY FOODS</small>  <b>Mitsubishi Corporation</b>  <b>TH FOODS</b> <b>M&amp;A Advisor</b>	 <b>LABRIOLA</b> <small>EST. 1993 ARTISAN BREADS</small>  <b>J&amp;J SNACK FOODS</b> <small>CORP.</small> <b>M&amp;A Advisor</b>	 <b>food evolution</b>  <b>A K O Y A</b>  <b>BALANCE POINT CAPITAL PARTNERS</b>  <b>PLEXUS CAPITAL</b> <b>M&amp;A Advisor</b>	 <b>CLEARBROOK FARMS</b>  <b>GLENCOE</b> <small>EST. 1911</small> <b>M&amp;A Advisor</b>
 <b>artizone</b>  <b>Peapod</b> <b>M&amp;A Advisor</b>	 <b>Pepperjax Grill</b> <small>PARADIS PHILLES &amp; MORE</small>  <b>TA Associates</b> <b>M&amp;A Advisor</b>	 <b>TECHNOMIC</b>  <b>Winsight</b> <b>M&amp;A Advisor</b>	 <b>Eurest</b>  <b>Raytheon</b>  <b>COMPASS GROUP</b> <b>M&amp;A Advisor</b>

# Food and Beverage – COVID-19 Impact

## Overview

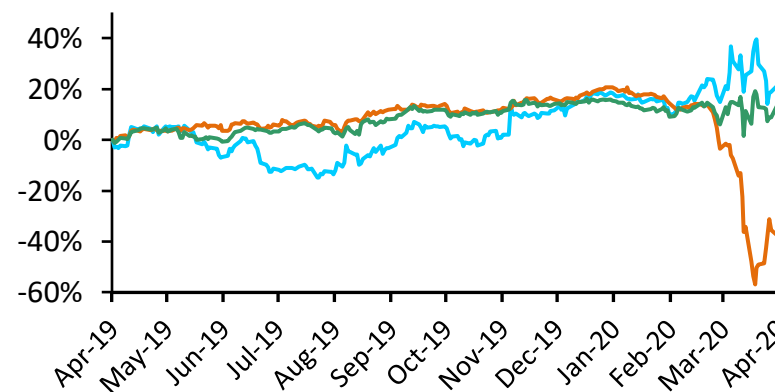
- Various government mandates to stay at home and “shelter in place” have sent shockwaves through the food industry, immediately reversing the 70 year trend towards away from home eating.
- Technomic, a U.S.-based food research firm, estimates that COVID-19’s impact on the foodservice segment’s year-over-year growth is estimated to be as severe as a 27% decline
  - “This will be the worst year by far for the foodservice industry since we started tracking it in 1969,” Joe Pawlak, managing principal at Technomic said. “The worst was in 2009, when we saw a 1% decline overall during the financial crisis.”
- Foodservice companies are adapting their business models to fit delivery or carryout options, but this represents a significant change
- Food retail and packaged food companies are faring much better as consumers are primarily eating at home
- Analysts are predicting that U.S. packaged food companies' retail sales will grow by an average of 15% to 30% from March to May 2020
- As the pandemic quickly spreads across the U.S. and consumers stockpile items for a prolonged quarantine, food companies are boosting output and adding workers to keep shelves stocked

## Food Expenditures: At Home vs. Away from Home (U.S.)



Spending on food away from home continued to outpace food-at-home spending through 2018

## Foodservice vs. Food Retail - Relative Stock Performance



S&P 500 Food Retail Index

Peakstone Foodservice Index

Peakstone Food Retail Index

SY, PFGC, ARMK, SW

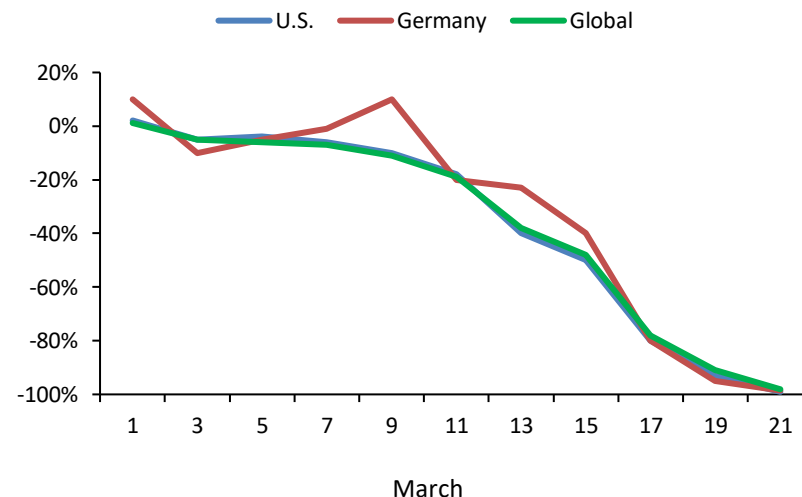
KR, SVU, WMT, WMK

# Food and Beverage – COVID-19 Impact (continued)

## Restaurant Impact Overview

- Restaurants have been hit hard by government shelter in place mandates and calls for social distancing
- Darden Restaurants, Inc.'s says same-store sales are down nearly 60% as the restaurant conglomerate scrambles to modify their business to be delivery or curbside pick-up
- Restaurants face unique challenges pivoting to carryout/delivery, according to the research firm Technomic - not all food travels well and restaurant's atmosphere competitive advantage is eliminated through delivery or takeout
- The U.S. has seen record unemployment claims in 2020 – many of these claims from furloughed restaurant employees

## YoY Change in Seated Diners (Opentable Network)



## Supply Chain and Production

- U.S. food supply chain remains in-tact and has proved capable of handling increased consumer demand for household staples
- Food companies such as Smucker, Hormel Foods, Tyson Foods and Kraft Heinz have ramped up production by as much as 40% to try to keep up with the increased consumer demand
- Many companies also are adding extra hours and adjusting their manufacturing processes to keep up











## Consumer Trends

- U.S. consumers increasingly shift towards meal kit delivery and on-line grocery delivery options
- Blue Apron is experiencing a surge in demand and recently modified recipes to meet increased orders
- Consumers are shifting towards comfort food during the COVID-19 social distancing pandemic
  - Chocolate, ice cream, popcorn, and potato chip sales increased significantly in spring 2020 according to Nielsen data

## Food and Beverage M&A Update 2020 YTD

For 2020 YTD, strategic buyers accounted for 94% of Food and Beverage M&A transactions. During 2019, strategic buyers accounted for 87% of the transactions.

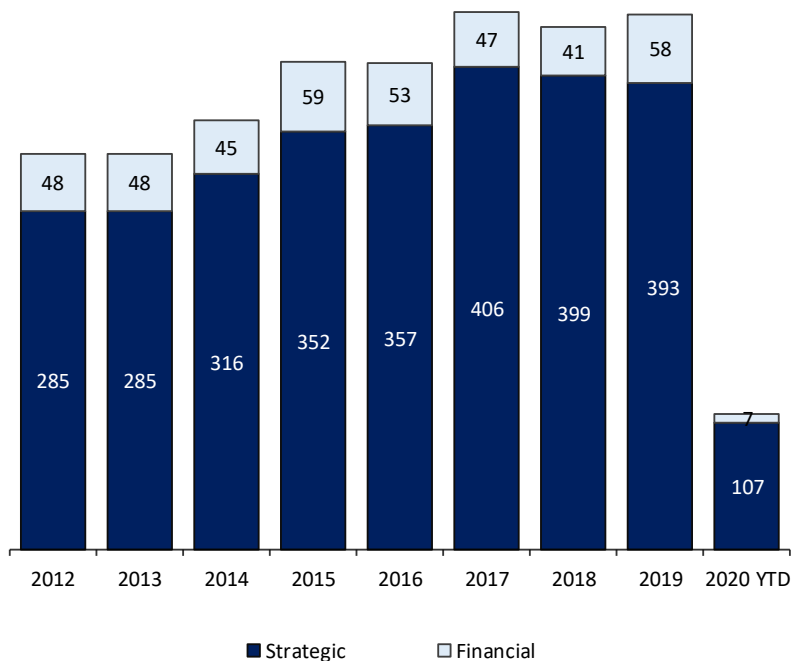
### Select Recent Notable Publicly Announced U.S. M&A Transactions

Date	Status	Target	Transaction Size	Buyer
Mar-2020	Announced		\$3.8 billion	
Mar-2020	Announced		\$970 million	
Jan-2020	Closed		\$1 billion	
Dec-2019	Announced		\$1.0 billion	
Dec-2019	Announced		\$4 billion	

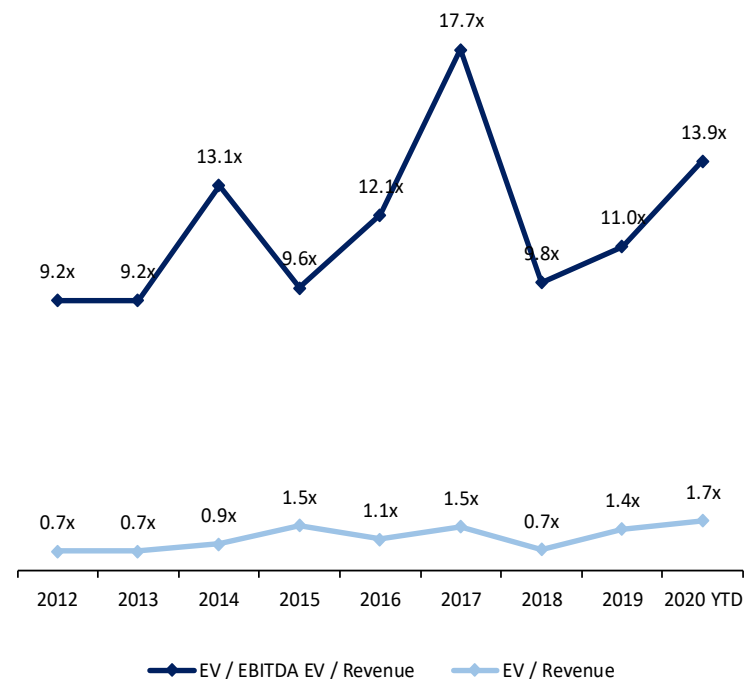
## F&B - M&A Market Overview

F&B industry M&A activity has been strong, primarily driven by strategic buyers seeking growth

2020 YTD F&B Transactions by Buyer Type



2020 YTD F&B Transaction Multiples

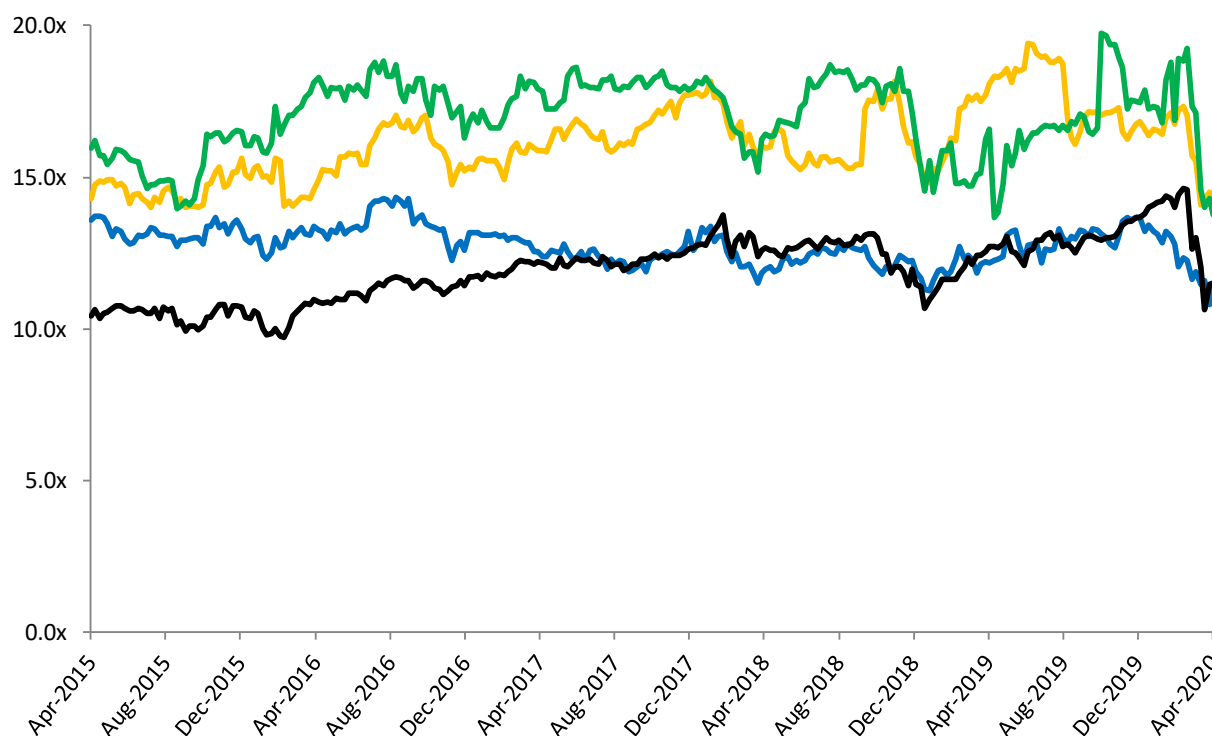


Source: Peakstone & Capital IQ. YTD data through April 2020

# Peakstone Food and Beverage Index - Trading Statistics

F&B categories have performed well compared to the S&P 500

## Comparable Valuation Trends – Enterprise Value / EBITDA



Beverage Products: 13.8x

Food Ingredients: 14.1x

S&P 500: 11.5x

Food Production: 11.5x

### Peakstone Food Production Index

ABF, ARYN, BGS, BIMBO A, BN, BRID, CAG, CALM, CPB, CVGW, FDP, FLO, GIS, HAIN, HRL, HSY, JBSS, JBSS3, JJSF, K, KHC, LANC, LNCE, LOTB, MDLZ, MKC, NESN, POST, PPC, SAFM, SAP, SENE.A, SJM, SNAK, THS, TR, TSN, UNA, WN

### Peakstone Food Ingredients Index

BARN, FRUT, GIVN, IFF, KRZ, SXT, SY1, 4914, 4958

### Peakstone Beverage Production Index

ABI, BCB, BF.B, COKE, DGE, DPS, FARM, FIZZ, JSDA, KO, LWAY, MNST, PEP, SAM, STZ, TAP

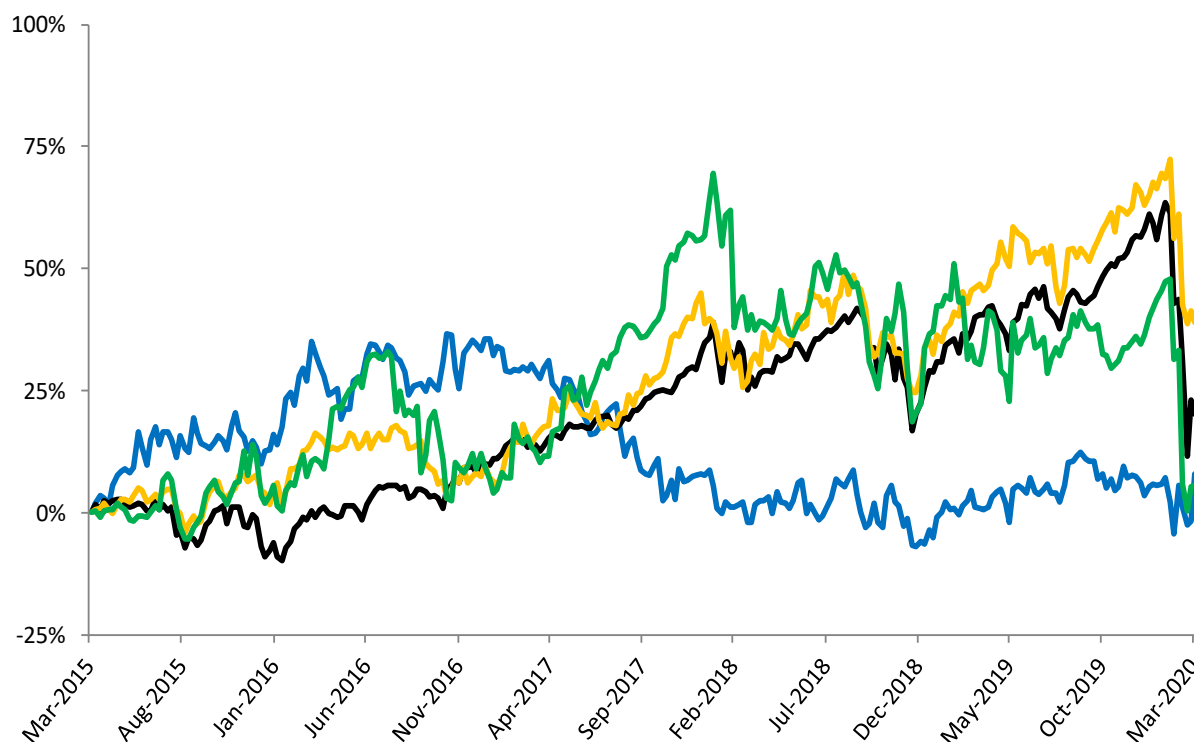
Source: Capital IQ, data as of April 2020



# Peakstone Food and Beverage Index - Trading Statistics

F&B categories have performed well compared to the S&P 500

## Relative Stock Performance



Food Ingredients: 39%

Beverage Products: 6%

S&P 500: 20%

Food Production: 8%

### Peakstone Food Production Index

ABF, ARYN, BGS, BIMBO A, BN, BRID, CAG, CALM, CPB, CVGW, FDP, FLO, GIS, HAIN, HRL, HSY, JBSS, JBSS3, JJSF, K, KHC, LANC, LNCE, LOTB, MDLZ, MKC, NESN, POST, PPC, SAFM, SAP, SENE.A, SJM, SNAK, THS, TR, TSN, UNA, WN

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ABI, BCB, BF.B, COKE, DGE, DPS, FARM, FIZZ, JSDA, KO, LWAY, MNST, PEP, SAM, STZ, TAP

Source: Capital IQ, data as of April 2020



## Selected Public Trading Comparables

Selected Public Trading Comparables										
(\$ in millions)										
Company Name	Stock Price	% of 52-week High	Market Cap	Enterprise Value	Enterprise Value /			Forward P/E Ratio	Gross Margin %	EBITDA Margin %
					Revenue	EBITDA	EBIT			
<b>Food Production</b>										
Nestlé S.A.	\$108.03	92%	\$311,128	\$340,215	3.5x	16.0x	19.4x	23.5x	50%	20%
Unilever N.V.	\$53.47	81%	\$137,133	\$163,449	2.8x	12.5x	14.6x	21.3x	44%	21%
The Kraft Heinz Company	\$30.47	91%	\$37,229	\$64,720	2.6x	10.3x	12.2x	13.4x	32%	25%
Mondelez International, Inc.	\$52.12	87%	\$74,399	\$92,715	3.6x	14.5x	20.3x	20.4x	39%	20%
Danone	\$68.44	75%	\$44,371	\$59,094	2.1x	10.3x	13.5x	16.4x	49%	21%
General Mills, Inc.	\$63.04	98%	\$38,211	\$52,466	3.1x	13.5x	16.9x	17.1x	35%	22%
Tyson Foods, Inc.	\$61.44	65%	\$22,384	\$31,010	0.8x	7.3x	11.7x	13.9x	12%	9%
Kellogg Company	\$65.31	92%	\$22,380	\$21,236	2.3x	13.3x	18.0x	17.3x	33%	16%
The Hershey Company	\$135.68	84%	\$28,223	\$32,422	4.0x	16.4x	19.7x	23.1x	45%	24%
ConAgra Foods, Inc.	\$34.79	98%	\$16,945	\$21,414	2.6x	12.5x	15.6x	14.3x	28%	20%
George Weston Limited	\$72.04	87%	\$11,052	\$27,699	0.8x	8.0x	13.4x	14.4x	32%	9%
Hormel Foods Corporation	\$48.83	95%	\$26,260	\$25,952	2.7x	19.7x	22.9x	29.0x	20%	13%
Campbell Soup Company	\$50.98	89%	\$15,383	\$27,209	2.7x	12.4x	18.4x	17.0x	34%	18%
The J. M. Smucker Company	\$113.93	91%	\$12,992	\$18,661	2.5x	10.8x	15.8x	13.2x	38%	21%
McCormick & Company, Incorporated	\$175.16	97%	\$23,283	\$12,937	5.2x	23.5x	26.8x	33.5x	40%	21%
Saputo Inc.	\$24.50	73%	\$10,016	\$13,076	1.2x	12.7x	17.6x	20.6x	10%	9%
Pilgrim's Pride Corporation	\$20.67	61%	\$5,100	\$12,611	0.6x	6.9x	11.8x	12.4x	9%	8%
Post Holdings, Inc.	\$87.06	77%	\$5,936	\$7,530	2.2x	11.5x	18.3x	22.2x	31%	19%
Flowers Foods, Inc.	\$23.59	94%	\$4,991	\$6,215	1.5x	11.7x	20.5x	22.3x	48%	10%
The Hain Celestial Group, Inc.	\$31.48	99%	\$3,210	\$5,108	1.6x	17.3x	28.5x	32.3x	22%	8%
Fresh Del Monte Produce Inc.	\$24.89	64%	\$1,188	\$3,382	0.5x	7.2x	25.8x	17.1x	6%	4%
ARYZTA AG	\$0.52	38%	\$515	\$4,073	0.4x	4.1x	44.2x	22.9x	15%	9%
Treehouse Foods, Inc.	\$52.71	87%	\$2,975	\$3,622	1.2x	10.0x	20.4x	20.1x	19%	11%
Lancaster Colony Corporation	\$153.46	92%	\$4,223	\$1,428	3.0x	18.2x	23.2x	29.1x	26%	16%
B&G Foods Inc.	\$23.22	92%	\$1,489	\$2,045	2.0x	10.6x	13.8x	11.1x	24%	18%
J&J Snack Foods Corp.	\$128.63	65%	\$2,430	\$2,286	1.9x	13.4x	22.2x	162.8x	29%	13%
Sanderson Farms, Inc.	\$132.02	74%	\$2,936	\$2,667	0.9x	6.0x	NM	29.5x	4%	3%
Cal-Maine Foods, Inc.	\$44.56	96%	\$2,173	\$2,029	1.7x	NM	NM	15.8x	6%	-4%
Calavo Growers Inc.	\$58.51	58%	\$1,031	\$1,129	0.9x	20.4x	27.3x	19.0x	9%	5%
John B Sanfilippo & Son Inc.	\$86.94	81%	\$1,003	\$1,069	1.2x	11.2x	14.1x	20.7x	20%	11%
Seneca Foods Corp.	\$36.47	87%	\$334	\$652	0.5x	7.2x	16.9x	0.0x	8%	5%
<b>Food Production Median</b>	<b>\$52.42</b>	<b>87%</b>	<b>\$8,569</b>	<b>\$13,006</b>	<b>2.0x</b>	<b>11.6x</b>	<b>18.1x</b>	<b>19.2x</b>	<b>28%</b>	<b>13%</b>

Source: Capital IQ.

## Selected Public Trading Comparables (continued)

Selected Public Trading Comparables										
(\$ in millions)	Stock Price	% of 52-week High	Market Cap	Enterprise Value	Enterprise Value /			Forward P/E Ratio	Gross Margin %	EBITDA Margin %
Company Name					Revenue	EBITDA	EBIT			
<b>Food Ingredients</b>										
Givaudan SA	\$3,585.36	99%	\$33,050	\$36,892	5.7x	28.4x	37.9x	36.6x	41%	19%
Kerry Group plc	\$123.74	88%	\$21,857	\$24,141	3.0x	20.4x	26.0x	30.8x	47%	15%
Symrise AG	\$109.39	98%	\$14,815	\$16,663	4.4x	21.6x	31.9x	36.8x	40%	20%
International Flavors & Fragrances Inc.	\$133.19	87%	\$14,232	\$18,246	3.5x	16.2x	22.6x	22.5x	41%	22%
Barry Callebaut AG	\$2,009.55	86%	\$11,007	\$13,078	1.7x	16.0x	20.4x	28.2x	16%	11%
Sensient Technologies Corporation	\$50.12	67%	\$2,123	\$2,709	2.0x	13.1x	17.8x	18.3x	31%	16%
Takasago International Corporation	\$22.95	78%	\$450	\$843	0.6x	9.7x	32.0x	16.2x	28%	6%
T. Hasegawa Co., Ltd.	\$21.76	97%	\$902	\$657	1.4x	8.7x	14.4x	21.5x	38%	16%
<b>Food Ingredients Median</b>	<b>\$116.56</b>	<b>88%</b>	<b>\$12,619</b>	<b>\$14,870</b>	<b>2.5x</b>	<b>16.1x</b>	<b>24.3x</b>	<b>25.4x</b>	<b>39%</b>	<b>16%</b>
<b>Beverage Production</b>										
Anheuser-Busch InBev SA/NV	\$46.59	45%	\$91,292	\$197,056	3.8x	10.2x	12.6x	21.3x	61%	37%
The Coca-Cola Company	\$46.68	78%	\$200,486	\$234,900	6.3x	17.8x	20.0x	24.6x	61%	33%
Pepsico, Inc.	\$131.55	89%	\$182,526	\$212,616	3.1x	16.9x	19.9x	24.3x	55%	18%
Constellation Brands Inc.	\$172.70	81%	\$33,112	\$98,660	5.5x	52.2x	NM	21.0x	51%	36%
Monster Beverage Corporation	\$71.91	100%	\$37,865	\$46,119	8.6x	24.1x	25.3x	33.6x	60%	35%
Molson Coors Brewing Company	\$37.96	61%	\$8,276	\$36,960	1.7x	8.1x	14.1x	12.0x	38%	21%
Brown-Forman Corporation	\$65.93	91%	\$30,412	\$17,801	9.6x	27.0x	29.3x	42.3x	63%	35%
National Beverage Corp.	\$56.98	96%	\$2,656	\$2,437	2.5x	13.3x	15.9x	26.8x	36%	17%
Coca-Cola Bottling Co. Consolidated	\$243.43	64%	\$1,738	\$3,039	0.6x	7.8x	16.2x	24.7x	35%	7%
Farmer Brothers Co.	\$7.71	40%	\$134	\$6,840	0.4x	10.5x	NM	NM	29%	3%
Lifeway Foods Inc.	\$2.37	50%	\$37	\$3,039	0.4x	17.5x	NM	0.0x	27%	2%
Jones Soda Co.	\$0.18	25%	\$11	\$213	0.7x	NM	NM	0.0x	21%	-19%
<b>Beverage Production Median</b>	<b>\$51.83</b>	<b>71%</b>	<b>\$19,344</b>	<b>\$27,380</b>	<b>2.8x</b>	<b>16.9x</b>	<b>18.1x</b>	<b>24.3x</b>	<b>45%</b>	<b>19%</b>
<b>Food Retail</b>										
The Kroger Co.	\$32.62	89%	\$25,645	\$46,414	0.4x	7.4x	17.7x	12.9x	23%	4%
Sprouts Farmers Market, Inc.	\$25.13	94%	\$2,960	\$4,374	0.7x	7.0x	16.3x	17.4x	34%	7%
SpartanNash Company	\$21.41	94%	\$764	\$1,647	0.2x	7.7x	24.2x	11.5x	15%	2%
United Natural Foods, Inc.	\$19.60	84%	\$1,051	\$5,200	0.2x	11.5x	30.7x	6.2x	10%	2%
Weis Markets, Inc.	\$55.73	94%	\$1,499	\$1,495	0.4x	6.1x	14.8x	0.0x	29%	5%
<b>Food Retail Median</b>	<b>\$25.13</b>	<b>94%</b>	<b>\$1,499</b>	<b>\$4,374</b>	<b>0.4x</b>	<b>7.4x</b>	<b>17.7x</b>	<b>11.5x</b>	<b>23%</b>	<b>4%</b>

Source: Capital IQ.

## Selected F&B Industry Transactions

### Selected Food and Beverage Transactions

Date	Target / Issuer	Transaction Size (\$mm)	Buyers / Investors	EV / EBITDA	Transaction Comments
03/11/2020	Rockstar, Inc.	\$3,850	PepsiCo, Inc. (NasdaqGS:PEP)	-	PepsiCo, Inc. (NasdaqGS:PEP) entered into an agreement to acquire Rockstar, Inc. for \$3.9 billion on March 11, 2020.
03/06/2020	Smart Foodservice Stores LLC	\$970	US Foods, Inc.	11.4x	US Foods, Inc. entered into definitive agreement to acquire Smart Foodservice Stores LLC from Smart & Final Stores, Inc. for \$970 million on March 5, 2020.
02/20/2020	Sadler's Smokehouse, Ltd.	\$270	Hormel Foods Corporation (NYSE:HRL)	-	Hormel Foods Corporation (NYSE:HRL) entered into agreement to acquire Sadler's Smokehouse, Ltd. from Harold J. Sadler and others for \$270 million on February 20, 2020. The transaction was structured as an asset sale.
02/18/2020	Five Production Facilities and Ledbetter Branded Retail Products of Empire Packing Company, L.P.	\$238	JBS USA Food Company, LLC	-	JBS USA Food Company, LLC entered into an agreement to acquire five production facilities and Ledbetter branded retail products from Empire Packing Company, L.P. for approximately \$240 million on February 18, 2020.
02/17/2020	Assets of Dean Foods Company	\$425	Dairy Farmers of America, Inc.	-	Dairy Farmers of America, Inc. entered into an asset purchase agreement to acquire assets of Dean Foods Company (OTCPK:DFOD.Q) and certain of its subsidiaries for approximately \$430 million on February 16, 2020.
01/31/2020	S&D Coffee, Inc.	\$405	Westrock Coffee Company, LLC	-	Westrock Coffee Company entered into a definitive agreement to acquire S&D Coffee, Inc. from Cott Corporation (TSX:BCB) for approximately \$410 million on January 30, 2020.
01/13/2020	Primo Water Corporation	\$678	Primo Water Corporation (TSX:PRMW)	16.5x	Cott Corporation (TSX:BCB) entered into a definitive agreement to acquire Primo Water Corporation (NasdaqGM:PRMW) from directors, officers and others for approximately \$570 million on January 13, 2020.

Source: Capital IQ

## Selected F&B Industry Transactions (continued)

### Selected Food and Beverage Transactions

Date	Target / Issuer	Transaction Size (\$mm)	Buyers / Investors	EV / EBITDA	Transaction Comments
01/03/2020	fairlife, LLC	\$1,000	The Coca-Cola Company (NYSE:KO)	-	The Coca-Cola Company (NYSE:KO) acquired remaining 57.5% stake in fairlife, LLC from Select Milk Producers, Inc. on January 3, 2020. fairlife will continue to operate as a stand-alone business based in Chicago.
12/19/2019	Flavors Holdings Inc.	\$511	Act II Global Acquisition Corp. (NasdaqCM:ACTT)	-	Act II Global Acquisition Corp. (NasdaqCM:ACTT) agreed to acquire Flavors Holdings Inc. from MacAndrews & Forbes Holdings, Inc. for approximately \$550 million on December 19, 2019.
12/12/2019	Wine And Spirits Portfolio Of Constellation Brands, Inc.	\$1,093	E. & J. Gallo Winery, Inc.	-	E. & J. Gallo Winery, Inc. entered into a letter agreement to acquire wine and spirits portfolio from Constellation Brands, Inc. (NYSE:STZ) for \$1.1 billion on December 11, 2019. The consideration includes a base amount of \$842.
12/11/2019	U.S. Ice Cream Business Of Nestlé S.A.	\$4,000	Froneri International Limited	-	Froneri International Limited reached an agreement to acquire U.S. ice cream business from Nestlé S.A. (SWX:NESN) for a transaction value of \$4 billion on December 11, 2019.
11/21/2019	All Assets of Bumble Bee	\$926	F.C.F. Fishery Co., Ltd.	-	F.C.F. Fishery Co., Ltd. and Melissi 4 Inc. signed an asset purchase agreement to acquire all assets of Bumble Bee from a group of sellers for approximately \$930 million on November 21, 2019.
11/17/2019	National Beef Packing Company, LLC	\$970	Marfrig Global Foods S.A. (BOVESPA:MRFG3)	4.6x	Marfrig Global Foods S.A. (BOVESPA:MRFG3) entered into a definitive agreement to acquire an additional 31.2% stake in National Beef Packing Company, LLC from Jefferies Financial Group Inc.
11/11/2019	Craft Brew Alliance, Inc. (NasdaqGS:BREW)	\$288	Anheuser-Busch Companies, LLC	48.2x	Anheuser-Busch Companies, LLC signed an agreement to acquire remaining 68.9% stake in Craft Brew Alliance, Inc. (NasdaqGS:BREW) for approximately \$230 million on November 11, 2019.

Source: Capital IQ

## Selected F&B Industry Transactions (continued)

### Selected Food and Beverage Transactions

Date	Target / Issuer	Transaction Size (\$mm)	Buyers / Investors	EV / EBITDA	Transaction Comments
11/29/2018	Primal Nutrition, LLC	\$200	The Kraft Heinz Company (NasdaqGS:KHC)	-	The Kraft Heinz Company (NasdaqGS:KHC) entered into a definitive agreement to acquire Primal Nutrition, LLC for approximately \$200 million on November 29, 2018. Primal Kitchen will join Kraft Heinz under Springboard.
11/19/2018	Blommer Chocolate Company	\$750	Fuji Oil Holdings Inc. (TSE:2607)	13.4x	Fuji Oil Holdings Inc. (TSE:2607) agreed to acquire Blommer Chocolate Company from the Bloomer family for \$750 million on November 19, 2018.
11/15/2018	The Schwan Food Company, Inc.	\$1,840	CJ Foods America Corp.	-	CJ Foods America Corp. reached an agreement to acquire 80% stake in The Schwan Food Company, Inc. from the Schwan family for \$1.8 billion on November 15, 2018.
11/07/2018	Canyon Bakehouse LLC	\$205	Flowers Foods, Inc. (NYSE:FLO)	-	Flowers Foods, Inc. (NYSE:FLO) entered into a definitive agreement to acquire Canyon Bakehouse LLC for approximately \$205 million on November 7, 2018.
10/16/2018	Advanced Fresh Concepts Corp.	\$257	Zensho Holdings Co., Ltd. (TSE:7550)	-	Zensho Holdings Co., Ltd. (TSE:7550) agreed to acquire Advanced Fresh Concepts Corp. for approximately \$260 million on October 16, 2018.
10/15/2018	Greencore Us Holdings, LLC	\$1,075	Hearthside Food Solutions LLC	-	Hearthside Food Solutions LLC signed an agreement to acquire Greencore Us Holdings, LLC from Greencore Group plc (LSE:GNC) for \$1.1 billion on October 15, 2018.
10/15/2018	Lansing Trade Group, LLC	\$494	The Andersons Grain Group	10.0x	The Andersons Grain Group entered into a merger agreement to acquire 67.5% stake in Lansing Trade Group, LLC for approximately \$490 million on October 15, 2018.

Source: Capital IQ

## Selected F&B Industry Transactions (continued)

### Selected Food and Beverage Transactions

Date	Target / Issuer	Transaction Size (\$mm)	Buyers / Investors	EV / EBITDA	Transaction Comments
08/28/2019	Castle Brands Inc.	\$277	Pernod Ricard SA (ENXTPA:RI)	61.1x	Pernod Ricard SA (ENXTPA:RI) entered into a letter of intent to acquire Castle Brands Inc.
08/27/2019	ONE Brands, LLC	\$401	The Hershey Company (NYSE:HSY)	-	The Hershey Company (NYSE:HSY) entered into a definitive agreement to acquire ONE Brands, LLC from CAVU Venture Partners and others for approximately \$400 million on August 27, 2019.
08/21/2019	Quest Nutrition, LLC	\$1,000	Atkins Nutritionals Holdings, Inc.	-	Atkins Nutritionals, Inc. entered into a definitive agreement to acquire Quest Nutrition, LLC from the founders of Quest, Ronald Penna, Thomas Bilyeu and others for \$1 billion on August 21, 2019.
08/02/2019	Arnott's Biscuits Holdings, Campbell Hong Kong and Related Business of Campbell Soup Company	\$2,200	KKR & Co. Inc. (NYSE:KKR)	6.5x	KKR & Co. Inc. signed a stock and asset purchase agreement to acquire Arnott's Biscuits Holdings Pty Limited, Campbell Hong Kong Limited and related intellectual property
07/24/2019	International Coffee & Tea, LLC	\$350	Jollibee Worldwide Pte. Ltd.	-	Jollibee Worldwide Pte. Ltd. and certain owners of Viet Thai International Joint Stock Company agreed to acquire International Coffee & Tea, LLC from Advent International Corporation and others for \$350 million on July 24, 2019.
07/01/2019	Reinhart FoodService L.L.C./Associated Real Estate Companies	\$2,000	Performance Food Group Company (NYSE:PFGC)	-	Performance Food Group Company (NYSE:PFGC) entered into an agreement to acquire Reinhart FoodService L.L.C. and certain associated real estate companies from Reyes Holdings, L.L.C. and Lone Oak Realty LLC for \$2 billion on July 1, 2019.
06/25/2019	B&R Global Holdings, Inc.	\$808	HF Foods Group Inc. (NasdaqCM:HFFG)	33.9x	HF Foods Group Inc. (NasdaqCM:HFFG) entered into an agreement to acquire B&R Global Holdings Inc. for approximately \$740 million on June 21, 2019.

Source: Capital IQ

## Highly Relevant Experience with Track Record of Outstanding Outcomes





# Peakstone Momentum

 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>	 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>	 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>	 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>	 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>	 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>	 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>	 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>
 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>	 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>	 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>	 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>	 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>	 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>	 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>	 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>
 <b>Strategic Investor &amp; Financial Investor</b> <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>	 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>	 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>	 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>	 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>	 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>	 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>	 <b>M&amp;A Advisor</b> <b>PEAKSTONE</b>
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# Established History of Delivering Exceptional Results to Clients



"The Peakstone team worked hard to find a strategic investor for the business that would build upon and leverage the company we've built. Peakstone was also a great resource for the family during the process and provided helpful counsel."

*Terri L. Schuck – Terri Lynn, President*



"I am appreciative of the efforts of The Peakstone Group to identify the ideal partners and craft a transaction that achieved the objectives of the company, management and my family, in a manner attractive to Red Oak and its co-investors."

*Jane Clarke – Clarke Group, Owner*



"It was a gut-wrenching decision to select an M&A Advisor. I had been approached by some potential buyers and wasn't sure if I needed an M&A Advisor. I ultimately picked Peakstone because of their restaurant expertise and the hustle and thoughtfulness they demonstrated. I had high expectations, and in this deal Peakstone blew them away."

*Gary Rohwer – PepperJax, Founder*



"Selling an ESOP-owned company is an incredibly complex transaction process. Peakstone negotiated a great sale price for the ESOP participants and provided thoughtful, technical and strategic advice throughout the process. Peakstone recognized the strength of the Southern Imperial management team and was able to deliver an outstanding valuation by finding a partner that could utilize the incredibly talented and dedicated Southern Imperial workforce and management team, providing everyone with great opportunities in the future"

*Steve Vandemore – Southern Imperial, CEO*



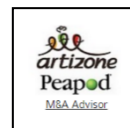
"Peakstone's dedicated Food and Beverage industry team executed a highly targeted marketing process that resulted in an outstanding outcome. They understood the baking industry and our business. They saw the opportunity presented by a combination between McKee and Prairie City, and executed an efficient transaction process."

*Bill Skeens – Prairie City, CEO and Owner*



"Without a doubt, Peakstone rocks. They found numerous potential partners that aligned with our strategic objectives. With enthusiasm & professionalism, Peakstone worked tirelessly to navigate us through the process and complete the transaction. Everyone is smiling."

*Scott Bintz – RealTruck.com, Owner and CEO*



"We selected Peakstone because they were very knowledgeable and experienced in both e-commerce and the consumer food industry. They understood our business objectives, and the opportunity we have to establish ourselves as a leader in the new online grocery community."

*Alex Zeltzer – Artizone.com, Founder*



"The Peakstone Group was an invaluable resource in conducting our rather complex strategic transaction. Not only did they develop a highly relevant initial outreach portfolio, but they also executed a successful strategy that shared in our vision of the future of the company."

*Steve Therriault – AutoAccessoriesGarage, CEO and President*



"Peakstone was essential to completing this transaction. They executed on a well thought out strategy to sell Technomic, provided great advice throughout, and guided the transaction to closing efficiently and smoothly."

*Ron Paul – Technomic, Founder, CEO & President*



"Over the past several years, Peakstone has served as a trusted strategic advisor to Erehwon, their deep understanding of our business and strategic objectives helped facilitate an efficient transaction that resulted in a great outcome for Erehwon and its valued employees."

*Rudi Mayer – Erehwon Mountain Outfitter, Owner*



"The team from Peakstone helped us identify several attractive capital partners to support the continued growth of our Company. Their thoughtful guidance and deep understanding of our business resulted in a great outcome for the Market Fresh team."

*Steve Phipps – Market Fresh, CEO*

# Contact Us

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## About Peakstone

Peakstone is an investment bank that specializes in mergers and acquisitions advisory and capital raising for middle market clients. Our team is comprised of senior investment banking professionals who have decades of experience and have executed hundreds of transactions totaling billions of dollars. For additional information, visit [www.peakstone.com](http://www.peakstone.com).

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