



Mufson Howe Hunter

Food Production, Distribution & E-Commerce Newsletter Q3 2022

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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, 2021 to September 30, 2022
Price as Percent of Base (September 30, 2021 = 0%)

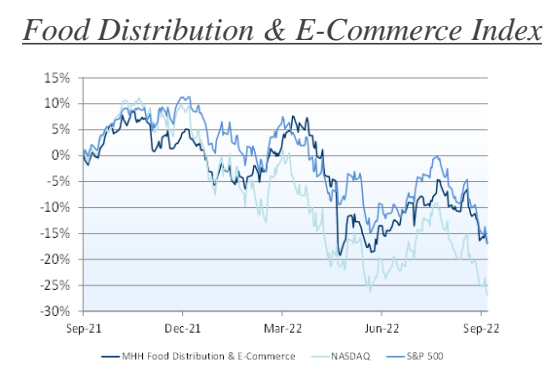
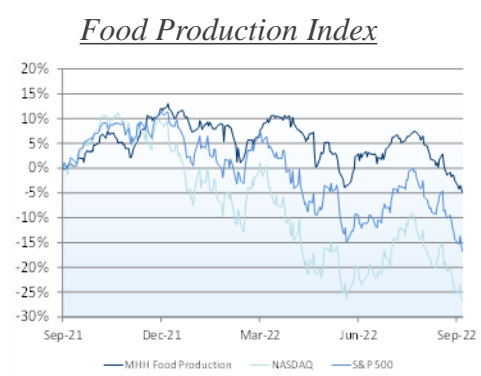


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Food Production, Distribution & E-Commerce Newsletter

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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., 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. (Sanderson Farms was acquired by Cargill and Continental Grain Company in July 2022 and has been removed from the MHH Food Distribution & E-Commerce Index.)

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.

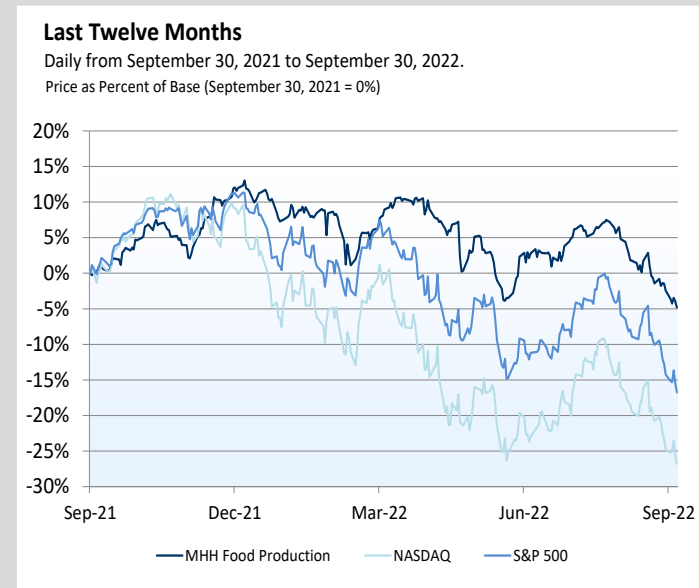
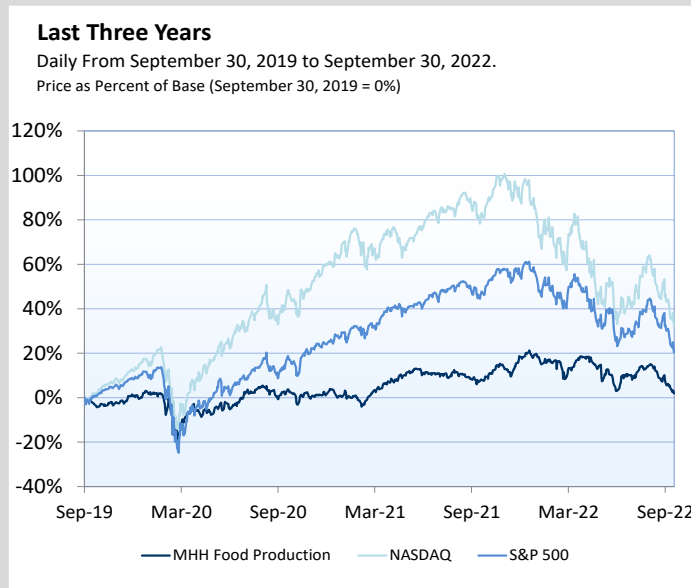
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Food Production

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) decreased by 6.5% in September of 2022.



Price Appreciation

	3-Year	LTM	1-Month
MHH Food Production Index ^(a)	1.9%	-4.8%	-6.5%
NASDAQ	32.2%	-26.8%	-10.3%
S&P 500	20.5%	-16.8%	-9.6%

(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 – Q3 2022

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	Price/ EBITDA	Price/ EPS	Gross Profit	EBITDA
Baked Goods											
George Weston Limited (TSX:WN)	\$105.34	\$15,091.9	\$33,536.3	\$41,733.1	\$4,159.5	\$6.89	0.80 x	8.1 x	15.3 x	32.5%	10.0%
Grupo Bimbo, S.A.B. de C.V. (BMV:BIMBO A)	3.53	15,663.7	21,984.8	19,644.4	2,492.3	0.24	1.12 x	8.8 x	15.0 x	51.8%	12.7%
Flowers Foods, Inc. (FLO)	24.69	5,230.1	6,265.5	4,576.3	484.2	1.02	1.37 x	12.9 x	24.2 x	48.9%	10.6%
Lancaster Colony Corporation (LANC)	150.28	4,140.7	4,095.9	1,709.9	198.2	3.50	2.40 x	20.7 x	NM	21.2%	11.6%
Hostess Brands, Inc. (TWNK)	23.24	3,111.5	3,982.0	1,315.9	268.6	1.21	3.03 x	14.8 x	19.2 x	34.5%	20.4%
ARYZTA AG (SWX:ARYN)	1.02	1,008.5	1,304.3	1,791.2	195.3	(0.04)	0.73 x	6.7 x	NM	18.3%	10.9%
Mean		\$7,374.4	\$11,861.5	\$11,795.1	\$1,299.7	\$2.1	1.6 x	12.0 x	18.4 x	34.5%	12.7%
Median		4,685.4	5,180.7	3,183.7	376.4	1.1	1.2 x	10.9 x	17.3 x	33.5%	11.2%
Branded Foods & Snacks											
Nestlé S.A. (SWX:NESN)	\$109.10	\$301,085.3	\$351,923.1	\$95,616.2	\$18,927.0	\$6.16	3.68 x	18.6 x	17.7 x	46.7%	19.8%
Mondelez International, Inc. (MDLZ)	54.83	74,876.9	94,917.9	30,459.0	5,778.0	2.25	3.12 x	16.4 x	24.4 x	36.5%	19.0%
General Mills, Inc. (GIS)	76.61	45,470.8	56,689.1	19,170.5	3,761.5	4.75	2.96 x	15.1 x	16.1 x	32.6%	19.6%
The Hershey Company (HSY)	220.47	45,192.7	45,248.7	8,985.1	2,435.4	7.11	5.04 x	18.6 x	31.0 x	45.2%	27.1%
Kellogg Company (K)	69.66	23,692.3	31,050.3	14,902.0	2,371.0	4.35	2.08 x	13.1 x	16.0 x	30.2%	15.9%
Hormel Foods Corporation (HRL)	45.44	24,819.2	27,276.4	12,630.1	1,551.6	1.82	2.16 x	17.6 x	25.0 x	17.4%	12.3%
Conagra Brands, Inc. (CAG)	32.63	15,638.1	24,685.3	11,786.9	1,833.4	1.19	2.09 x	13.5 x	27.4 x	24.8%	15.6%
McCormick & Company, Incorporated (MKC)	71.27	19,115.1	24,181.2	6,385.1	1,136.9	2.56	3.79 x	21.3 x	27.8 x	36.9%	17.8%
Campbell Soup Company (CPB)	47.12	14,124.6	19,067.6	8,562.0	1,595.0	2.51	2.23 x	12.0 x	18.8 x	30.7%	18.6%
The J. M. Smucker Company (SJM)	137.41	14,642.0	19,301.6	8,013.9	1,548.8	5.45	2.41 x	12.5 x	25.2 x	32.8%	19.3%
Associated British Foods plc (LSE: ABF)	14.06	11,109.5	13,420.7	20,420.8	2,344.3	1.33	0.66 x	5.7 x	10.6 x	22.4%	11.5%
Post Holdings, Inc. (POST)	81.91	4,894.8	10,605.0	6,874.0	998.5	11.42	1.54 x	10.6 x	7.2 x	26.1%	14.5%
Nomad Foods Limited (NOMD)	14.20	2,450.0	4,647.0	2,837.3	480.7	1.37	1.64 x	9.7 x	10.3 x	28.0%	16.9%
Premium Brands Holdings Corporation (TSX: PBH)	61.91	2,774.5	4,595.0	4,231.6	255.9	2.76	1.09 x	18.0 x	22.4 x	18.0%	6.0%
B&G Foods, Inc. (BGS)	16.49	1,181.8	3,508.0	2,098.1	260.6	0.58	1.67 x	13.5 x	28.6 x	19.0%	12.4%
J&J Snack Foods Corp. (JJSF)	129.47	2,484.8	2,584.6	1,303.3	118.9	2.55	1.98 x	21.7 x	NM	26.5%	9.1%
John B. Sanfilippo & Son, Inc. (JBSS)	75.73	872.9	926.6	982.1	97.2	5.01	0.94 x	9.5 x	15.1 x	20.2%	NM
Mean		\$35,554.4	\$43,213.4	\$15,015.2	\$2,676.2	\$3.7	2.3 x	14.5 x	20.2 x	30.6%	16.7%
Median		14,642.0	19,301.6	8,562.0	1,551.6	2.6	2.1 x	13.5 x	20.6 x	28.0%	16.4%

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 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 – Q3 2022

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	Price/ EBITDA	Price/ EPS	Gross Profit	EBITDA
Private Label Food											
Lamb Weston Holdings, Inc. (LW)	\$77.38	\$11,129.7	\$13,408.6	\$4,240.3	\$739.1	\$2.78	3.16 x	18.1 x	27.9 x	22.5%	17.4%
TreeHouse Foods, Inc. (THS)	42.42	2,377.3	4,351.9	4,655.8	312.5	(0.59)	0.93 x	13.9 x	NM	15.2%	6.7%
Seneca Foods Corporation (SENE.A)	50.44	400.0	618.3	1,415.4	105.1	4.88	0.44 x	5.9 x	10.3 x	9.7%	7.4%
Mean		\$4,635.6	\$6,126.3	\$3,437.2	\$385.6	\$2.4	1.5 x	12.7 x	19.1 x	15.8%	10.5%
Median		2,377.3	4,351.9	4,240.3	312.5	2.8	0.9 x	13.9 x	19.1 x	15.2%	7.4%
Protein Processing											
Tyson Foods, Inc. (TSN)	\$65.93	\$23,710.2	\$31,116.2	\$52,356.0	\$7,099.0	\$11.13	0.59 x	4.4 x	5.9 x	15.5%	13.6%
JBS S.A. (BOVESPA:JBSS3)	4.64	10,294.8	27,973.1	71,279.1	8,875.5	1.88	0.39 x	3.2 x	2.5 x	19.1%	12.5%
Pilgrim's Pride Corporation (PPC)	23.02	5,443.5	8,307.8	17,379.8	2,518.9	3.87	0.48 x	3.3 x	6.0 x	11.9%	14.5%
Cal-Maine Foods, Inc. (CALM)	55.59	2,720.3	2,438.2	2,110.5	410.5	5.67	1.16 x	5.9 x	9.8 x	26.0%	19.5%
Mean		\$10,542.2	\$17,458.8	\$35,781.4	\$4,726.0	\$5.6	0.7 x	4.2 x	6.0 x	18.1%	15.0%
Median		7,869.2	18,140.4	34,867.9	4,809.0	4.8	0.5 x	3.8 x	5.9 x	17.3%	14.0%

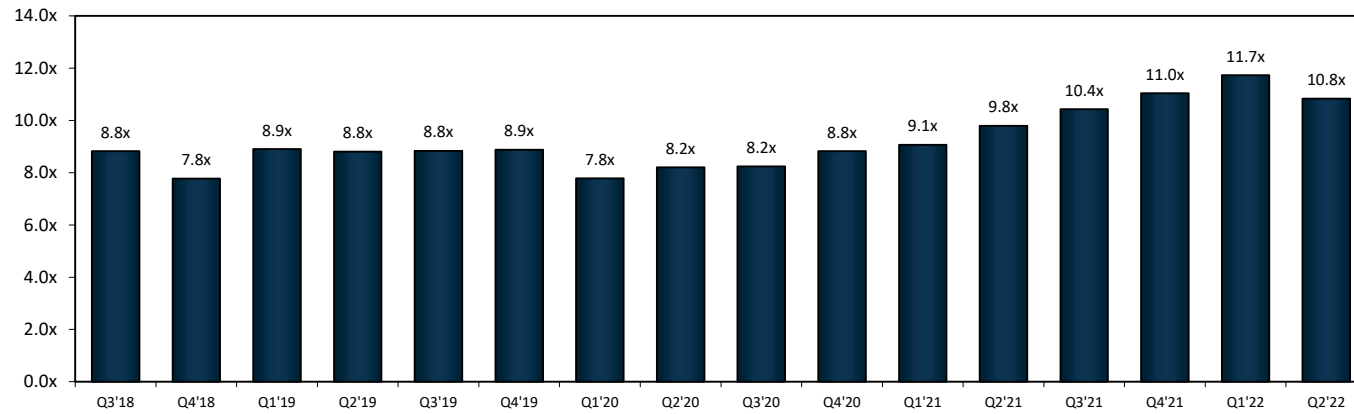
NA = Not Available; NM = Not Meaningful; LTM = Latest Twelve Months
 ‡ = excluded from Mean and Median calculations
 Source: Public Filings, Press Releases and Published Research Reports.

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- (3) Excludes non-recurring and discontinued operations.
- (4) Sanderson Farms was acquired by Cargill and Continental Grain Company in July 2022 and has been removed from the MHH Food Distribution & E-Commerce Index.

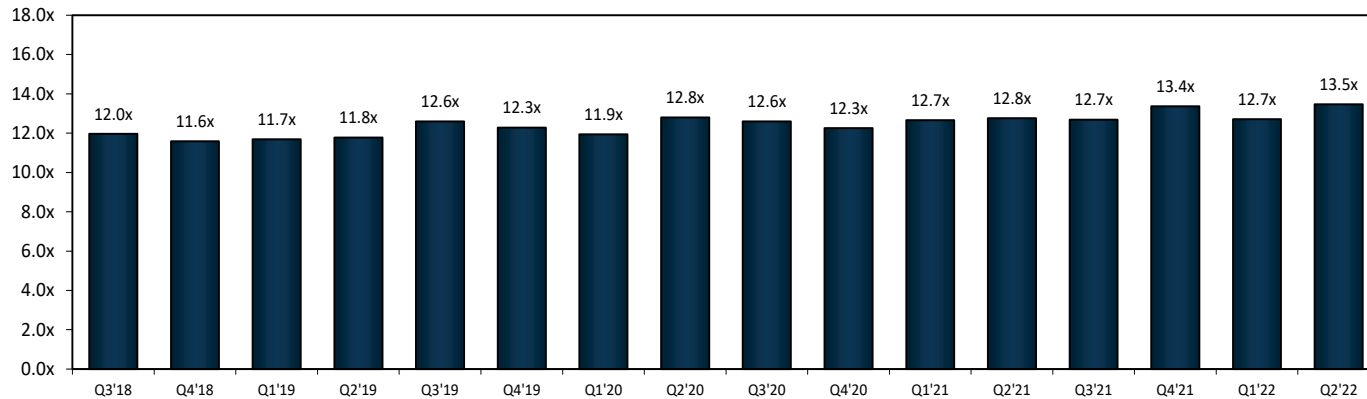
Historical Enterprise Value-to-LTM EBITDA Multiples

Food Production

Baked Goods



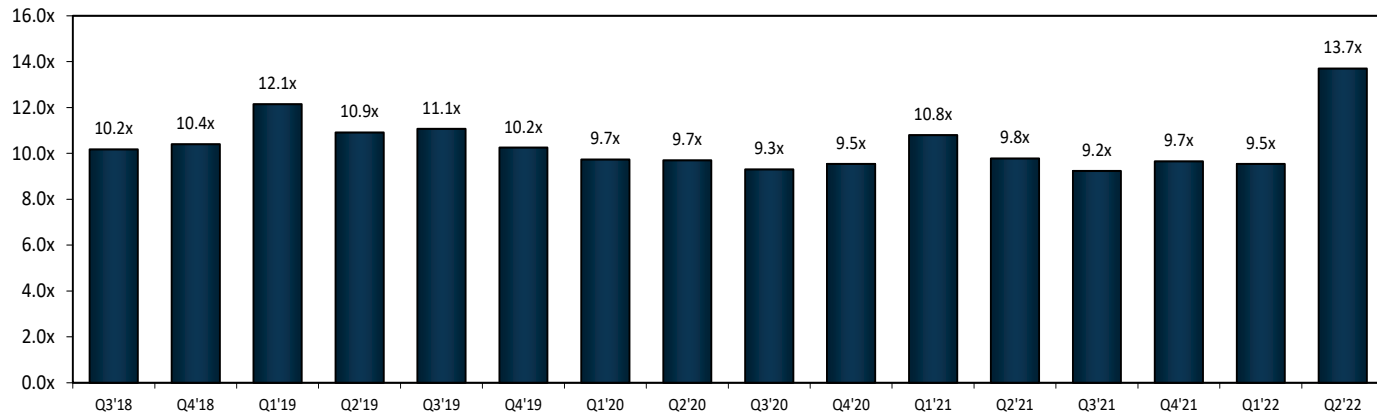
Branded Foods and Snacks



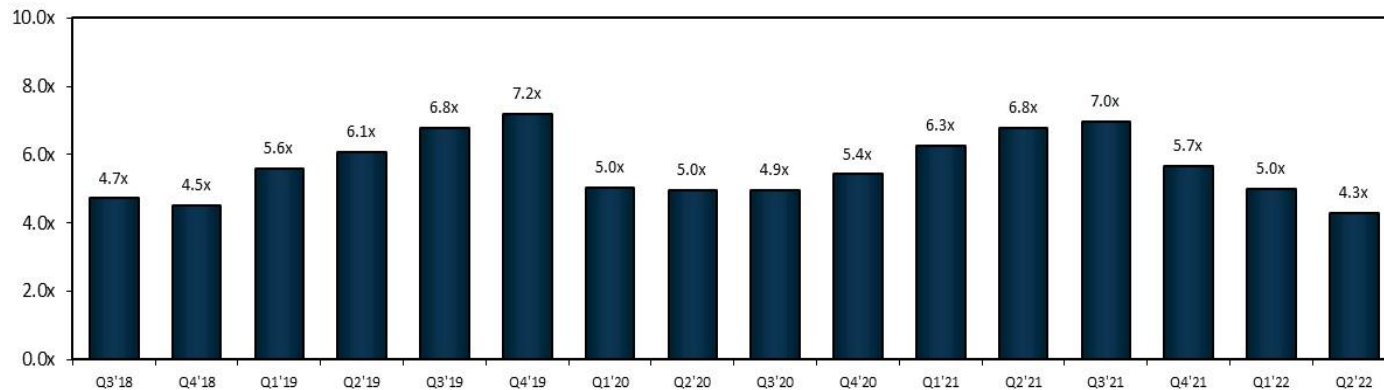
Historical Enterprise Value-to-LTM EBITDA Multiples

Food Production

Private Label Food



Protein Processing



Selected M&A Transactions

Food Production

Announced	Target	Target Description	Acquirer	Value
Sep 08	Good Catch Foods.	Produces plant based nutritious and organic meals.	Wicked Foods, Incorporated.	ND
Aug 05	American Foods Group, LLC.	Processes and supplies beef products to grocery stores, arenas, stadiums, schools, and other markets across the United States	Premium Brands Holdings Corporation. (TSX:PBH)	ND
Aug 01	Clif Bar & Company	Produces nutritious and organic foods.	Mondelez International, Inc. (NasdaqGS:MDLZ)	\$2900.0
Jul 19	Red River Cereal Brand of Smucker Foods of Canada Corporation.	Develops technology for the production of cultured meat.	Arva Flour Mills.	ND
Jul 05	Helper Main Meals and Suddenly Salad Side Dishes from General Mills, Inc. (NYSE: GIS)	Helper Main Meals and Suddenly Salad Side Dishes Businesses comprises salad side dishes businesses.	Eagle Family Foods Group LLC.	\$610.0
Jul 04	Greencoat Limited.	Produces animal supplement and care items. Greencoat Limited was formerly known as Natural Animal Feeds Limited	AB Agri Ltd.	ND

ND – Not disclosed. Transaction values in millions.

Selected News

Food Production

B&G Foods, Inc. (BGS) reported second quarter net income of \$0.3 million for fiscal year 2023 as compared to \$24.6 million for the prior year period. Earnings per share were \$0.00 versus \$0.38 for the prior year period. Revenues for the quarter increased to \$479.0 million from \$464.4 million for the same period in fiscal year 2022.

Cal-Maine Foods, Inc. (CALM) reported first quarter net income of \$125.3 million for fiscal year 2023 as compared to (\$18.0) million for the prior year period. Earnings per share were \$2.57 versus (\$0.37) for the prior year period. Revenues for the quarter increased to \$658.3 million from \$325.0 million for the same period in fiscal year 2022.

Campbell Soup Company (CPB) reported net income of \$757.0 million for fiscal year 2022 as compared to \$1,002.0 million for the prior year. Earnings per share were \$2.51 versus \$3.28 for the prior year. Revenues for the year increased to \$8,562.0 million from \$8,476.0 million for fiscal year 2021.

Flowers Foods, Inc. (FLO) reported second quarter net income of \$53.7 million for fiscal year 2023 as compared to \$56.4 million for the prior year period. Earnings per share were \$0.25 versus \$0.26 for the prior year period. Revenues for the quarter increased to \$1,129.1 million from \$1,017.3 million for the same period in fiscal year 2022.

General Mills, Inc. (GIS) reported first quarter net income of \$820.0 million for fiscal year 2023 as compared to \$627.0 million for the prior year period. Earnings per share were \$1.35 versus \$1.02 for the prior year period. Revenues for the quarter increased to \$4,717.6 million from \$4,539.9 million for the same period in fiscal year 2022.

George Weston Limited (TSX:WN) reported second quarter net income of \$493.3 million for fiscal year 2022 as compared to \$94.6 million for the prior year period. Earnings per share were \$3.31 versus \$0.56 for the prior year period. Revenues for the quarter decreased to \$9,942.2 million from \$10,129.9 million for the same period in fiscal year 2021.

Grupo Bimbo, S.A.B. de C.V. (BMV:BIMBO A) reported second quarter net income of \$304.9 million for fiscal year 2022 as compared to \$152.0 million for the prior year period. Earnings per share were \$0.07 versus \$0.03 for the prior year period. Revenues for the quarter increased to \$4,783.9 million from \$4,099.9 million for the same period in fiscal year 2021.

Hormel Foods Corporation (HRL) reported third quarter net income of \$218.9 million for fiscal year 2022 as compared to \$176.9 million for the prior year period. Earnings per share were \$0.40 versus \$0.32 for the prior year period. Revenues for the quarter increased to \$3,034.4 million from \$2,863.7 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

Hostess Brands, Inc. (TWNK) reported second quarter net income of \$30.5 million for fiscal year 2022 as compared to \$29.8 million for the prior year period. Earnings per share were \$0.22 versus \$0.21 for the prior year period. Revenues for the quarter increased to \$340.5 million from \$291.5 million for the same period in fiscal year 2021.

J&J Snack Foods Corp. (JJSF) reported third quarter net income of \$15.6 million for fiscal year 2022 as compared to \$28.9 million for the prior year period. Earnings per share were \$0.81 versus \$1.51 for the prior year period. Revenues for the quarter increased to \$380.2 million from \$324.3 million for the same period in fiscal year 2021.

JBS S.A. (BOVESPA:JBSS3) reported second quarter net income of \$755.5 million for fiscal year 2022 as compared to \$873.7 million for the prior year period. Earnings per share were \$0.34 versus \$0.35 for the prior year period. Revenues for the quarter increased to \$17,623.4 million from \$17,070.4 million for the same period in fiscal year 2021.

John B. Sanfilippo & Son, Inc. (JBSS) reported net income of \$61.8 million for fiscal year 2022 as compared to \$59.7 million for the prior year. Earnings per share were \$5.33 versus \$5.17 for the prior year. Revenues for the year increased to \$955.9 million from \$858.5 million for fiscal year 2021.

Kellogg Company (K) reported second quarter net income of \$326.0 million for fiscal year 2023 as compared to \$380.0 million for the prior year period. Earnings per share were \$0.95 versus \$1.11 for the prior year period. Revenues for the quarter increased to \$3,864.0 million from \$3,555.0 million for the same period in fiscal year 2022.

Lancaster Colony Corporation (LANC) reported net income of \$89.6 million for fiscal year 2022 as compared to \$142.3 million for the prior year. Earnings per share were \$3.25 versus \$5.16 for the prior year. Revenues for the year increased to \$1,676.4 million from \$1,467.1 million for fiscal year 2021.

Mondelez International, Inc. (MDLZ) reported second quarter net income of \$747.0 million for fiscal year 2022 as compared to \$1,078.0 million for the prior year period. Earnings per share were \$0.54 versus \$0.76 for the prior year period. Revenues for the quarter increased to \$7,274.0 million from \$6,642.0 million for the same period in fiscal year 2021.

Nomad Foods Limited (NOMD) reported second quarter net income of \$78.0 million for fiscal year 2022 as compared to \$60.7 million for the prior year period. Earnings per share were \$0.45 versus \$0.34 for the prior year period. Revenues for the quarter increased to \$728.6 million from \$706.4 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

Pilgrim's Pride Corporation (PPC) reported second quarter net income of \$362.1 million for fiscal year 2022 as compared to (\$166.7) million for the prior year period. Earnings per share were \$1.50 versus (\$0.68) for the prior year period. Revenues for the quarter increased to \$4,631.6 million from \$3,637.7 million for the same period in fiscal year 2021.

Post Holdings, Inc. (POST) reported third quarter net income of \$170.2 million for fiscal year 2022 as compared to (\$54.3) million for the prior year period. Earnings per share were \$2.72 versus (\$0.96) for the prior year period. Revenues for the quarter increased to \$1,524.9 million from \$1,247.5 million for the same period in fiscal year 2021.

Premium Brands Holdings Corporation (TSX: PBH) reported second quarter net income of \$49.0 million for fiscal year 2022 as compared to \$22.8 million for the prior year period. Earnings per share were \$1.09 versus \$0.52 for the prior year period. Revenues for the quarter increased to \$1,176.7 million from \$1,004.5 million for the same period in fiscal year 2021.

The Hershey Company (HSY) reported second quarter net income of \$315.6 million for fiscal year 2022 as compared to \$301.2 million for the prior year period. Earnings per share were \$1.53 versus \$1.45 for the prior year period. Revenues for the quarter increased to \$2,372.6 million from \$1,989.4 million for the same period in fiscal year 2021.

The J. M. Smucker Company (SJM) reported first quarter net income of \$109.8 million for fiscal year 2023 as compared to \$153.9 million for the prior year period. Earnings per share were \$1.03 versus \$1.42 for the prior year period. Revenues for the quarter increased to \$1,873.0 million from \$1,858.0 million for the same period in fiscal year 2022.

TreeHouse Foods, Inc. (THS) reported second quarter net income of (\$29.4) million for fiscal year 2022 as compared to \$8.4 million for the prior year period. Earnings per share were (\$0.53) versus \$0.15 for the prior year period. Revenues for the quarter increased to \$1,197.6 million from \$1,003.2 million for the same period in fiscal year 2021.

Tyson Foods, Inc. (TSN) reported third quarter net income of \$750.0 million for fiscal year 2022 as compared to \$749.0 million for the prior year period. Earnings per share were \$2.07 versus \$2.05 for the prior year period. Revenues for the quarter increased to \$13,495.0 million from \$12,478.0 million for the same period in fiscal year 2021.

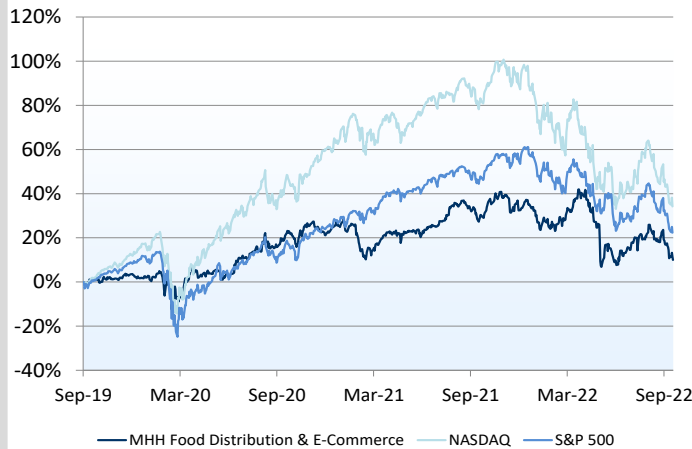
Note: All per share results are reported on a fully-diluted basis.

Comparative Index Performance

The MHH Food Distribution & E-Commerce Index^(a) decreased by 8.0% in September of 2022.

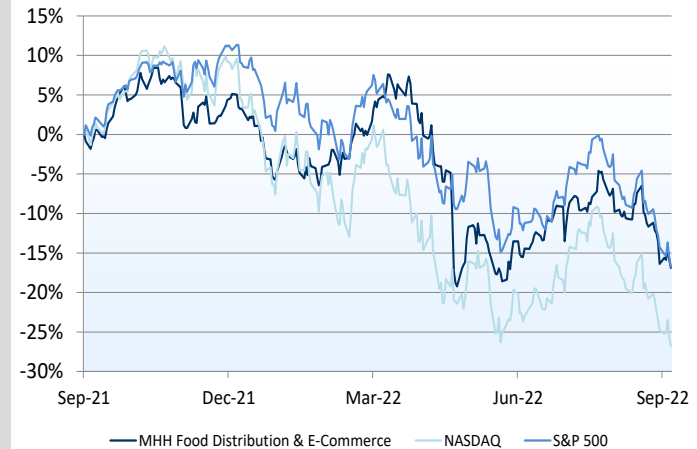
Last Three Years

Daily From September 30, 2019 to September 30, 2022.
Price as Percent of Base (September 30, 2019 = 0%)



Last Twelve Months

Daily from September 30, 2021 to September 30, 2022.
Price as Percent of Base (September 30, 2021 = 0%)



Price Appreciation

	3-Year	LTM	1-Month
MHH Food Distribution & E-Commerce Index ^(a)	10.0%	-16.9%	-8.0%
NASDAQ	32.2%	-26.8%	-10.3%
S&P 500	20.5%	-16.8%	-9.6%

(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 – Q3 2022

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)	\$129.70	\$352,036.7	\$413,599.7	\$587,824.0	\$34,586.0	\$5.00	0.70 x	12.0 x	25.9 x	24.6%	5.9%
Costco Wholesale Corporation (COST)	472.27	209,028.7	208,890.7	226,954.0	9,693.0	13.14	0.92 x	21.6 x	35.9 x	12.1%	4.3%
The Kroger Co. (KR)	43.75	31,316.5	50,578.5	144,146.0	7,331.0	3.27	0.35 x	6.9 x	13.4 x	22.3%	5.1%
Koninklijke Ahold Delhaize N.V. (ENXTAM:AD)	25.63	25,183.5	41,219.5	83,119.4	5,435.8	2.35	0.50 x	7.6 x	10.9 x	27.0%	6.5%
Tesco PLC (LSE:TSCO)	2.30	16,977.7	30,400.3	74,662.5	4,515.0	0.15	0.41 x	6.7 x	15.7 x	6.5%	6.0%
Carrefour SA (ENXTPA:CA)	13.94	10,730.9	30,264.6	82,365.7	3,858.5	1.40	0.37 x	7.8 x	9.9 x	19.1%	4.7%
Albertsons Companies, Inc. (ACI)	24.86	13,301.7	24,544.1	75,341.6	4,312.7	2.87	0.33 x	5.7 x	8.7 x	28.9%	5.7%
Sprouts Farmers Market, Inc. (SFM)	27.75	2,981.9	4,207.8	6,239.1	474.6	2.23	0.67 x	8.9 x	12.5 x	36.5%	7.6%
Ingles Markets, Incorporated (IMKT.A)	79.21	1,504.5	1,878.8	5,562.3	485.9	14.44	0.34 x	3.9 x	5.5 x	25.0%	8.7%
Village Super Market, Inc. (VLGE.A)	19.33	280.5	549.3	2,061.1	73.7	1.84	0.27 x	7.5 x	10.5 x	28.1%	3.6%
Mean		\$66,334.3	\$80,613.3	\$128,827.6	\$7,076.6	\$4.7	0.5x	8.8x	14.9x	23.0%	5.8%
Median		15,139.7	30,332.5	78,853.6	4,413.9	2.6	0.4x	7.5x	11.7x	24.8%	5.8%
Food Distribution											
Sysco Corporation (SYY)	\$70.71	\$35,833.5	\$46,969.1	\$71,306.4	\$3,416.6	\$2.82	0.66 x	13.7 x	25.1 x	18.0%	4.8%
Performance Food Group Company (PFGC)	42.95	6,686.2	11,664.5	47,194.1	790.2	0.74	0.25 x	14.8 x	58.0 x	11.1%	1.7%
US Foods Holding Corp. (USFD)	26.44	5,936.9	11,495.9	32,154.0	860.0	0.71	0.36 x	13.4 x	37.3 x	15.7%	2.7%
United Natural Foods, Inc. (UNFI)	34.37	2,004.2	5,342.2	28,928.0	692.0	4.07	0.18 x	7.7 x	8.4 x	14.5%	2.4%
SpartanNash Company (SPTN)	29.02	1,036.0	1,788.5	9,204.2	192.9	1.71	0.19 x	9.3 x	17.0 x	15.8%	2.1%
The Chefs' Warehouse, Inc. (CHEF)	28.97	1,108.7	1,611.6	2,380.3	111.9	0.91	0.68 x	14.4 x	31.7 x	23.4%	4.7%
Coreo AG (CORE)	0.87	19.6	77.5	16.0	1.4	(0.11)	4.85 x	NM	NM	25.6%	8.7%
Mean		\$7,517.9	\$11,278.5	\$27,311.9	\$866.4	\$1.6	1.0x	12.2x	29.6x	17.7%	3.9%
Median		2,004.2	5,342.2	28,928.0	692.0	0.9	0.4x	13.6x	28.4x	15.8%	2.7%
Food E-Commerce											
DoorDash, Inc. (DASH)	\$49.45	\$19,091.7	\$15,800.7	\$6,065.0	(\$653.0)	(\$2.44)	2.61 x	NM	NM	48.2%	-10.8%
Delivery Hero SE (XTRA:DHGR)	37.20	9,536.2	12,239.0	7,541.0	(1,327.5)	(6.38)	1.62 x	NM	NM	22.8%	-17.6%
Ocado Group plc (LSE:OCDO)	5.27	4,291.3	5,403.2	3,079.1	(196.0)	(0.60)	1.75 x	NM	NM	38.4%	-6.4%
Just Eat Takeaway.com N.V. (ENXTAM:TKWY)	15.86	3,425.6	5,314.6	5,757.9	(641.9)	(19.73)	0.92 x	NM	NM	16.8%	-11.1%
HelloFresh SE (XTRA:HFG)	21.33	3,659.0	3,659.9	7,170.7	269.5	0.78	0.51 x	13.5 x	NM	65.6%	3.8%
Blue Apron Holdings, Inc. (APRN)	5.78	227.8	236.9	458.6	(84.0)	(3.91)	0.52 x	NM	NM	33.9%	-18.3%
Mean		\$6,705.3	\$7,107.5	\$5,012.0	(\$438.8)	(\$5.4)	1.3 x	13.5 x	NA	37.6%	-10.1%
Median		3,975.1	5,358.9	5,911.4	(418.9)	(3.2)	1.3 x	13.5 x	NA	36.1%	-11.0%

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 30, 2022.

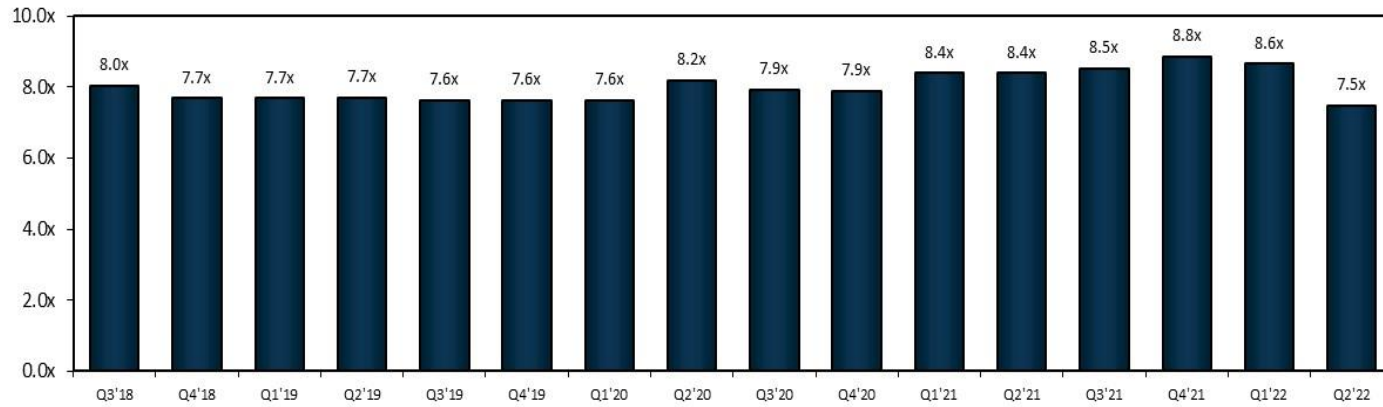
(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, postretirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) Excludes non-recurring and discontinued operations.

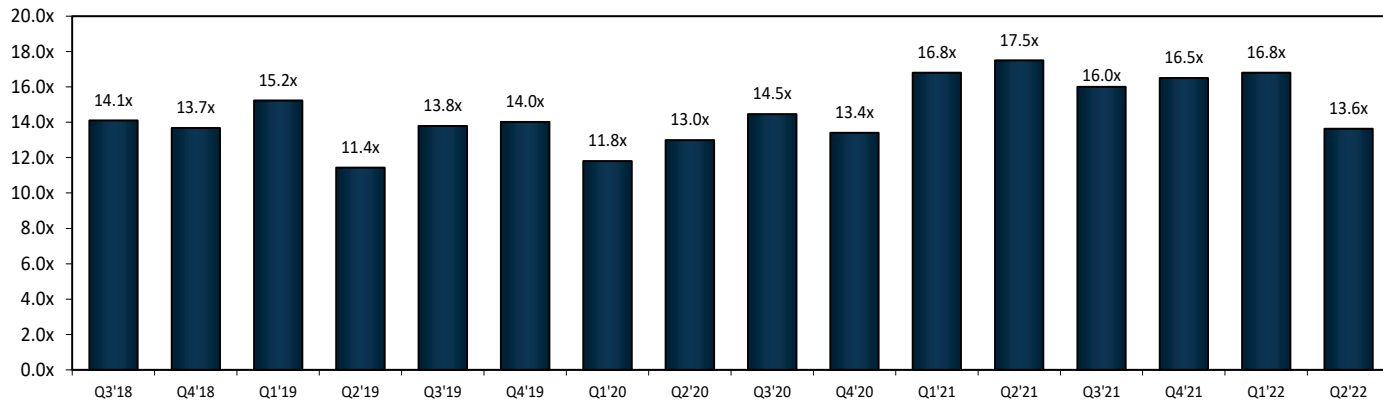
Historical Enterprise Value-to-LTM EBITDA Multiples

Food Distribution & E-Commerce

Food Retail

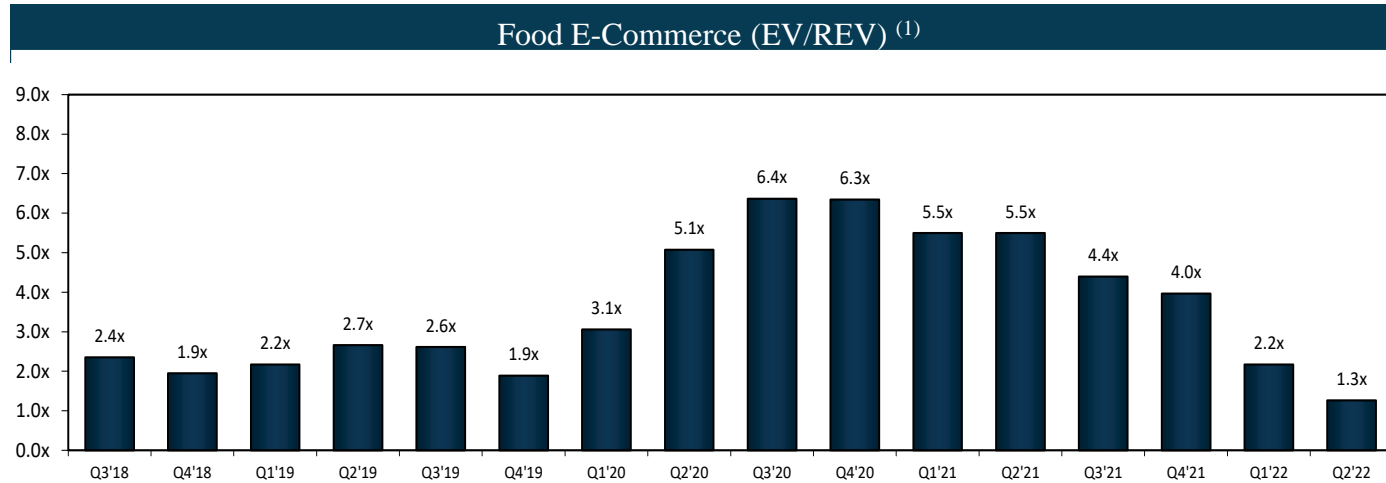


Food Distribution



Historical Enterprise Value-to-LTM Revenue Multiple

Food Distribution & E-Commerce



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

Selected M&A Transactions

Food Distribution & E-Commerce

Announced	Target	Target Description	Acquirer	Value
Aug 18	Delivery Drivers Inc.	Operates as a third-party administrator and connects businesses with independent contractors for last-mile deliveries and also provides human resources and driver management solutions..	Walmart Inc. (NYSE:WMT)	ND
Aug 05	Volt Systems LLC.	Offers consulting services. The Company provides training and certification, badging, and vendor tracking services.	Walmart Inc. (NYSE:WMT)	ND
Jul 04	Glovoapp23, S.L.	Designs and develops Glovo, a mobile application that offers to buy, pick up, and deliver food for restaurants and shops, e-commerce sites, and offices.	Delivery Hero SE (XTRA:DHGR)	ND

ND – Not disclosed. Transaction values in millions.

Selected News

Food Distribution & E-Commerce

Blue Apron Holdings, Inc. (APRN) reported second quarter net income of (\$23.1) million for fiscal year 2022 as compared to (\$18.6) million for the prior year period. Earnings per share were (\$0.68) versus (\$0.98) for the prior year period. Revenues for the quarter increased to \$124.2 million from \$124.0 million for the same period in fiscal year 2021.

Carrefour SA (ENXTPA:CA) reported second quarter net income of \$133.3 million for fiscal year 2022 as compared to \$160.7 million for the prior year period. Earnings per share were \$0.18 versus \$0.20 for the prior year period. Revenues for the quarter increased to \$20,761.6 million from \$20,755.3 million for the same period in fiscal year 2021.

Costco Wholesale Corporation (COST) reported net income of \$5,844.0 million for fiscal year 2022 as compared to \$5,007.0 million for the prior year. Earnings per share were \$13.14 versus \$11.27 for the prior year. Revenues for the year increased to \$226,954.0 million from \$195,929.0 million for fiscal year 2021.

DoorDash, Inc. (DASH) reported second quarter net income of (\$263.0) million for fiscal year 2022 as compared to (\$102.0) million for the prior year period. Earnings per share were (\$0.72) versus (\$0.30) for the prior year period. Revenues for the quarter increased to \$1,608.0 million from \$1,236.0 million for the same period in fiscal year 2021.

HelloFresh SE (XTRA:HFG) reported second quarter net income of \$65.8 million for fiscal year 2022 as compared to \$99.2 million for the prior year period. Earnings per share were \$0.37 versus \$0.55 for the prior year period. Revenues for the quarter increased to \$2,045.9 million from \$1,843.7 million for the same period in fiscal year 2021.

Just Eat Takeaway.com N.V. (ENXTAM: TKWY) reported second quarter net income of (\$1,817.4) million for fiscal year 2022 as compared to (\$288.1) million for the prior year period. Earnings per share were (\$8.54) versus (\$1.85) for the prior year period. Revenues for the quarter increased to \$1,453.6 million from \$1,048.1 million for the same period in fiscal year 2021.

Koninklijke Ahold Delhaize N.V. (ENXTAM: AD) reported second quarter net income of \$627.2 million for fiscal year 2023 as compared to \$639.5 million for the prior year period. Earnings per share were \$0.62 versus \$0.62 for the prior year period. Revenues for the quarter increased to \$22,306.0 million from \$22,080.8 million for the same period in fiscal year 2022.

Ocado Group plc (LSE: OCDO) reported second quarter net income of (\$134.0) million for fiscal year 2022 as compared to (\$58.2) million for the prior year period. Earnings per share were (\$0.18) versus (\$0.08) for the prior year period. Revenues for the quarter decreased to \$796.3 million from \$936.0 million for the same period in fiscal year 2021.

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

Selected News

Food Distribution & E-Commerce

Performance Food Group Company (PFGC) reported net income of \$112.5 million for fiscal year 2022 as compared to \$40.7 million for the prior year. Earnings per share were \$0.74 versus \$0.30 for the prior year. Revenues for the year increased to \$47,194.1 million from \$29,198.9 million for fiscal year 2021.

SpartanNash Company (SPTN) reported second quarter net income of \$5.1 million for fiscal year 2023 as compared to \$16.8 million for the prior year period. Earnings per share were \$0.14 versus \$0.47 for the prior year period. Revenues for the quarter increased to \$2,273.9 million from \$2,106.6 million for the same period in fiscal year 2022.

Sprouts Farmers Market, Inc. (SFM) reported second quarter net income of \$62.0 million for fiscal year 2023 as compared to \$61.0 million for the prior year period. Earnings per share were \$0.57 versus \$0.52 for the prior year period. Revenues for the quarter increased to \$1,595.5 million from \$1,522.0 million for the same period in fiscal year 2022.

Sysco Corporation (SYF) reported net income of \$1,358.8 million for fiscal year 2022 as compared to \$524.2 million for the prior year. Earnings per share were \$2.64 versus \$1.02 for the prior year. Revenues for the year increased to \$68,636.1 million from \$51,297.8 million for fiscal year 2021.

Delivery Hero SE (DHER) reported second quarter net income of (\$770.3) million for fiscal year 2022 as compared to (\$594.0) million for the prior year period. Earnings per share were (\$2.95) versus (\$2.50) for the prior year period. Revenues for the quarter increased to \$1,994.3 million from \$1,456.8 million for the same period in fiscal year 2021.

The Kroger Co. (KR) reported second quarter net income of \$731.0 million for fiscal year 2023 as compared to \$467.0 million for the prior year period. Earnings per share were \$1.00 versus \$0.61 for the prior year period. Revenues for the quarter increased to \$34,638.0 million from \$31,682.0 million for the same period in fiscal year 2022.

United Natural Foods, Inc. (UNFI) reported net income of \$248.0 million for fiscal year 2022 as compared to \$149.0 million for the prior year. Earnings per share were \$4.07 versus \$2.48 for the prior year. Revenues for the year increased to \$28,928.0 million from \$26,950.0 million for fiscal year 2021.

US Foods Holding Corp. (USFD) reported second quarter net income of \$70.0 million for fiscal year 2023 as compared to \$55.0 million for the prior year period. Earnings per share were \$0.27 versus \$0.20 for the prior year period. Revenues for the quarter increased to \$8,827.0 million from \$7,663.0 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

Walmart Inc. (WMT) reported second quarter net income of \$5,149.0 million for fiscal year 2023 as compared to \$4,276.0 million for the prior year period. Earnings per share were \$1.88 versus \$1.52 for the prior year period. Revenues for the quarter increased to \$152,859.0 million from \$141,048.0 million for the same period in fiscal year 2022.

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

Q3 2022 Highlighted Industry M&A

Food Production, Distribution & E-Commerce Newsletter

Ann. Date	Target	Target Business Description	Acquiror	Enterprise Value	EV / LTM EBITDA
Aug 01		Clif Bar & Company offers sports nutrition and snacks for adventurers.		\$2900.0	ND
Jul 05		Comprises salad side dishes businesses.		\$610.0	ND
Jul 04		Designs and develops Glovo, a mobile application that offers to buy, pick up, and deliver food for restaurants and shops, e-commerce sites, and offices.		ND	ND

Mufson Howe Hunter & Co. is an independent investment bank for middle-market companies. We focus on mergers and acquisitions, recapitalizations and raising capital.

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- 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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