



M&A Update

Food & Beverage

June 2021

Key Highlights

M&A in the United States

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M&A in the Food & Beverage Sector

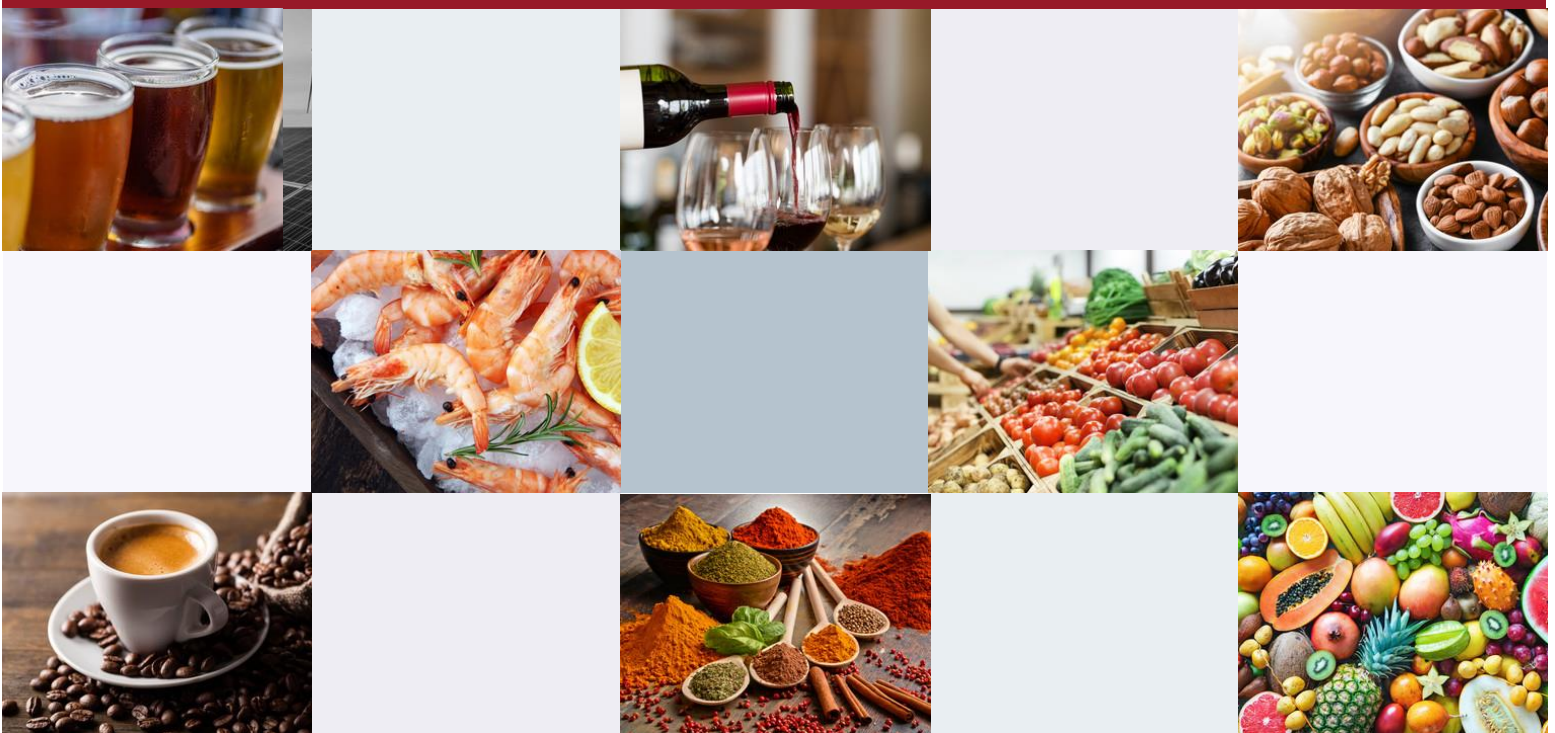
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Notable Transactions

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Public Markets

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M&A in the United States

Deal Activity & Valuations

Deal Activity

U.S. mergers and acquisitions activity in the first half of 2021 increased 36% on a year-over-year basis, reflecting a markedly different environment than the first half of 2020 when COVID-19 stalled transactions. Pent-up demand for transactions coupled with continued lower interest rates, an abundance of capital reserves and anticipated increases in tax rates resulted in a deal value record for the first six months of the year.

9,592
M&A Deals

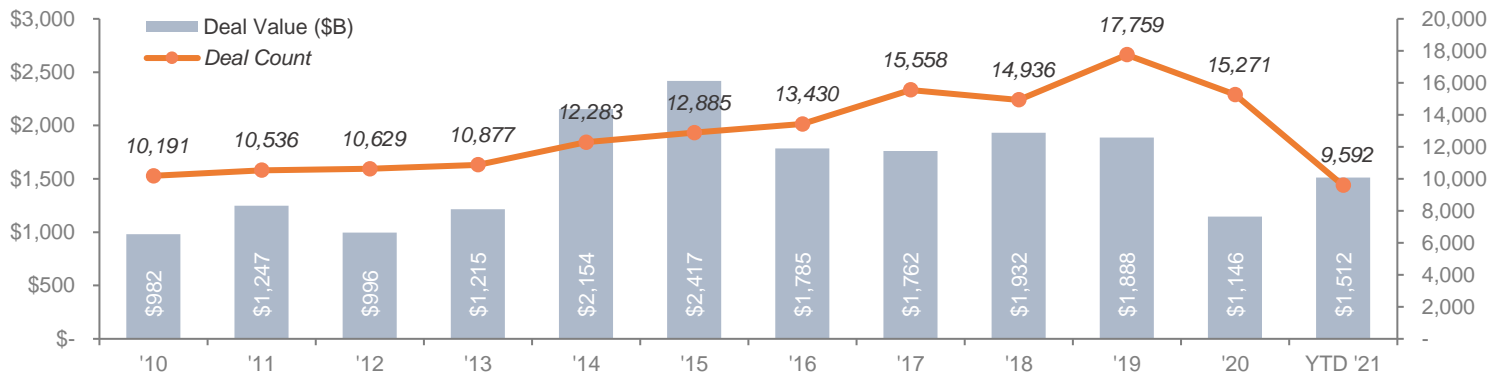
▲ 36% YoY
growth

\$1.5 Trillion
Deal Value

▲ 413% YoY
growth

Total M&A Deal Volume & Value in the United States

\$ in Billions; Year to date through June 30, 2021



Valuations

COVID-19 caused a significant drop in both M&A activity as well as overall valuations throughout 2020. However, due to a number of market factors, valuations bounced back in late 2020 and has remained elevated in 2021. Attractive assets that have been less impacted by COVID-19 or have a strong growth projection as the economy rebounds are demanding high valuations. Additionally, public market valuations have increased as more money is invested into the equity markets.

10.7x

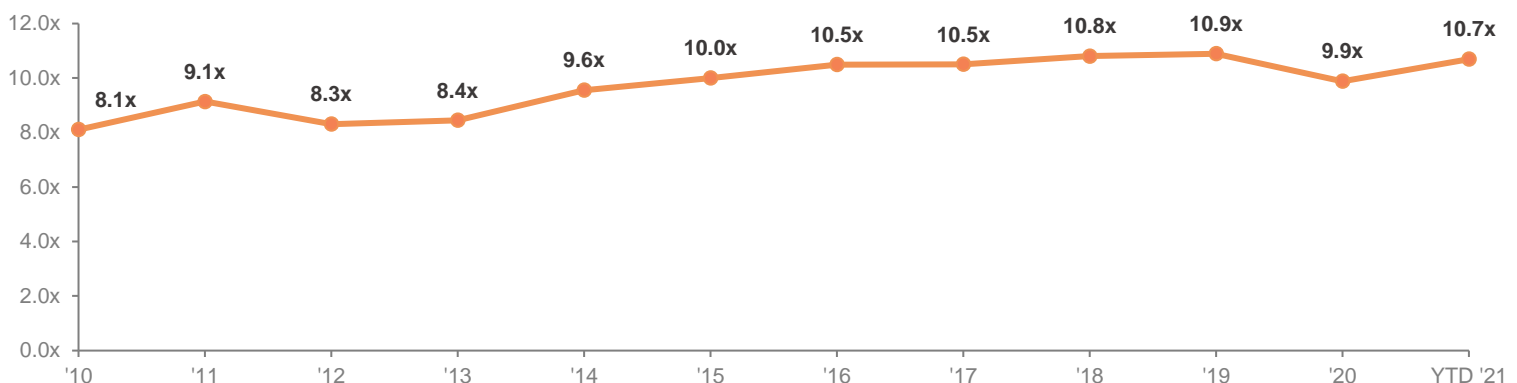
Current Median
EV / EBITDA

10.7x

5-Year Median
EV / EBITDA

Median Enterprise Value (EV) / EBITDA Valuation Multiple

Only includes transactions with disclosed financial terms; Year to date through June 30, 2021



Sources: S&P Capital IQ, Pitchbook, IMAA Institute, CCCA Research

Definitions: YoY = Year-over-year; Enterprise Value = Market Cap + Debt - Cash; EBITDA = Earnings Before Interest, Taxes, Depreciation & Amortization

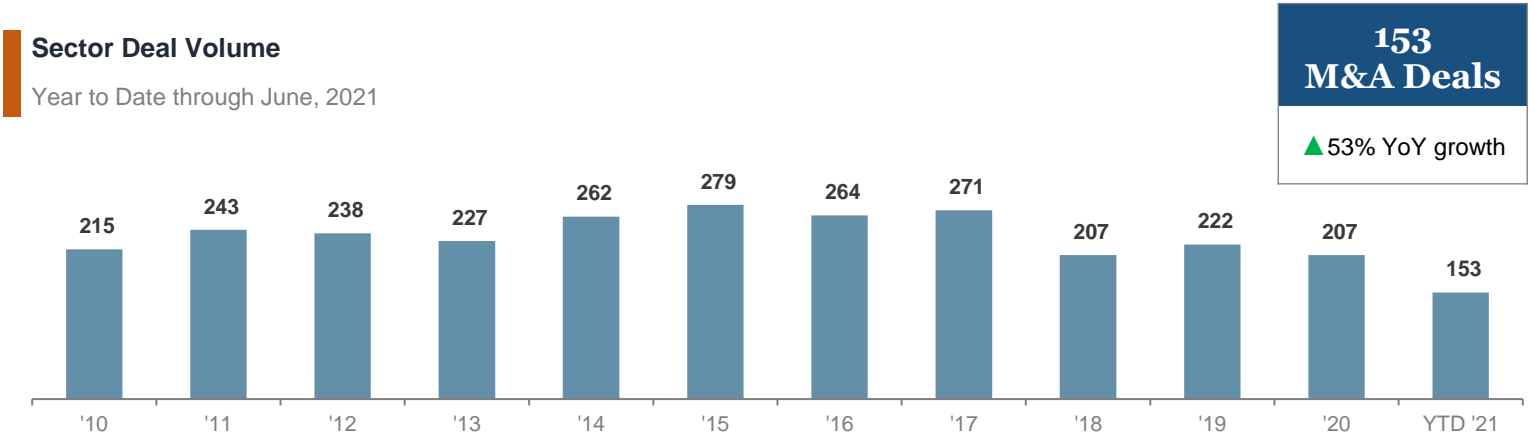
M&A in the Food & Beverage Sector

Sector Snapshot

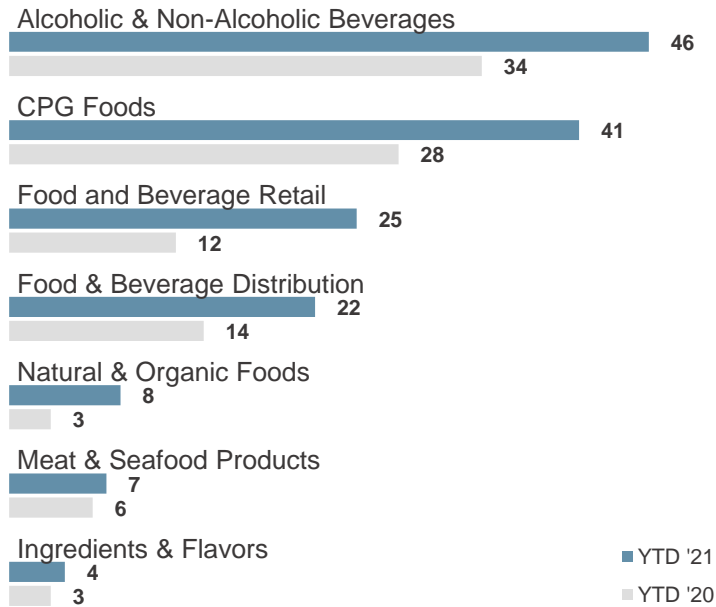
Industries in the U.S. Food & Beverage Sector

- Food & Beverage Retail
- Food & Beverage Distribution
- Meat & Seafood Products
- Ingredients & Flavors
- Alcoholic & Non-Alcoholic Beverages
- CPG Foods

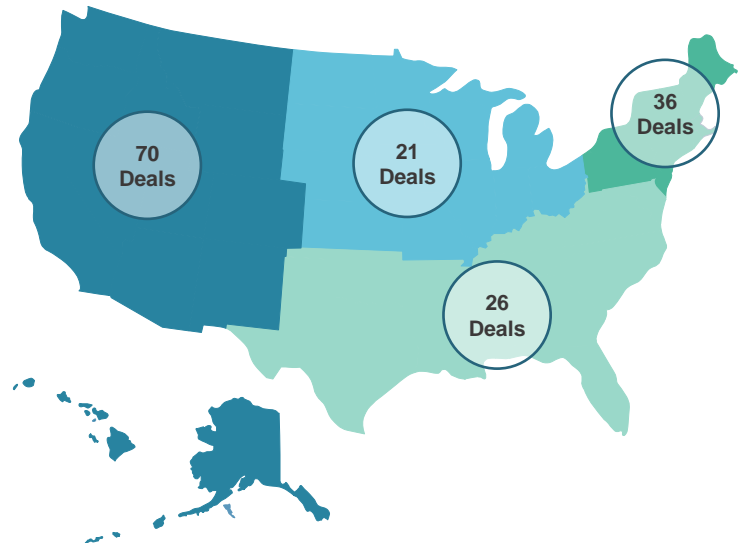
Sector M&A Deal Volume



M&A Deal Volume by Industry



M&A Deal Volume by U.S. Region



Sources: S&P Capital IQ, Pitchbook, IMAA Institute, CCCA Research
Definitions: YoY = Year-over-year

M&A in the Food & Beverage Sector

Notable Deals & Buyer Mix

Notable Deals

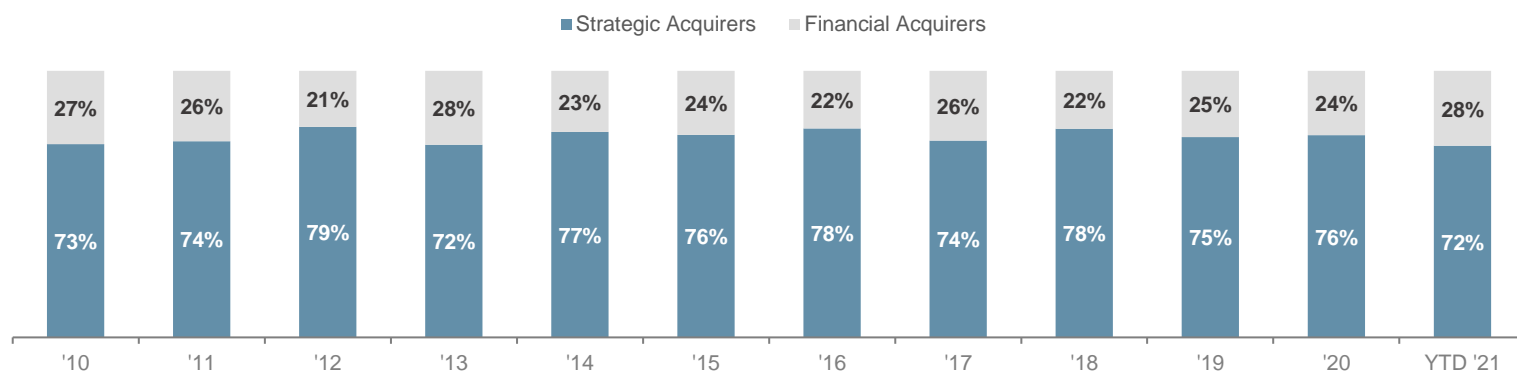
Date	Company	Acquirer	Enterprise Value (EV) (\$ in MM)	Implied EV / Revenue	Implied EV / EBITDA
Jan 2021	Hu Master Holdings, LLC	Mondelez International, Inc. (NasdaqGS:MDLZ)	\$248	-	-
Jan 2021	Wyoming Grocer LLC	Whole Foods Market, Inc.	-	-	-
Jan 2021	Luxco, Inc.	MGP Ingredients, Inc. (NasdaqGS:MGPI)	\$504	2.5x	18.0x
Feb 2021	Sprout Foods, Inc.	Neptune Wellness Solutions Inc. (TSX:NEPT)	\$57	2.0x	-
Mar 2021	Essentia Water, LLC	Nestlé USA, Inc.	-	-	-
Mar 2021	Plum, PBC	Sun-Maid Growers of California, Inc.	-	-	-
Apr 2021	Olde Thompson Inc.	Olam Holdings B.V	\$950	-	-
May 2021	Lily's Sweets, LLC	The Hershey Company (NYSE:HSY)	\$425	-	-
Jun 2021	CJ Foods America Corp.	CJ Cheiljedang Corporation (KOSE:A097950)	\$2,316	-	-
Jun 2021	Wicked Good Cupcakes, LLC	Hickory Farms, Inc.	-	-	-

Note: This table includes only a sample of relevant transactions in the context of M&A activity in the sector. It is not meant to be all-inclusive.

Buyer Mix

Share of Acquisitions

% of Acquisitions by Strategic and Financial Acquirers



Sources: S&P Capital IQ, Pitchbook, IMAA Institute, CCCA Research

Definitions: Enterprise Value = Market Cap + Debt – Cash; EBITDA = Earnings Before Interest, Taxes, Depreciation & Amortization

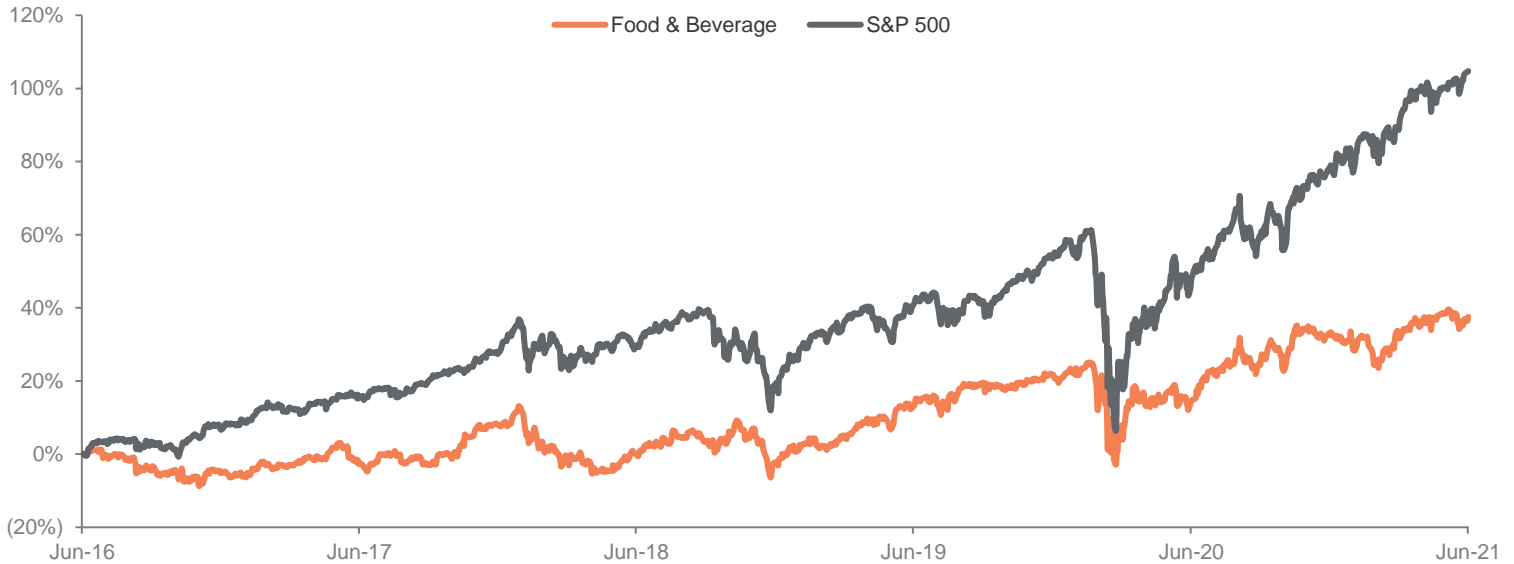
Public Companies in the Food & Beverage Sector

Performance & Valuations

Sector Performance

Return vs. S&P 500

Last 5 Years



Valuations

Enterprise Value / LTM EBITDA

Median of Publicly Traded Companies



Enterprise Value / NTM EBITDA

Median of Publicly Traded Companies



Sources: S&P Capital IQ, Pitchbook, IMAA Institute, CCCA Research

Definitions: Enterprise Value = Market Cap + Debt - Cash; EBITDA = Earnings Before Interest, Taxes, Depreciation & Amortization; LTM = Last Twelve Months; NTM = Next Twelve Months

CC Capital Advisors

Firm Overview

Who We Are

CC Capital Advisors is a boutique investment banking firm providing mergers and acquisitions, capital raising and strategic advisory services to middle market clients. Our experienced team of committed advisors combines long-standing transaction experience to provide independent and uncompromised services to achieve our clients' objectives.

Who We Serve

We tailor our services to a broad base of clients, including entrepreneurs, family-owned businesses, private and public corporations, family offices, private equity and venture capital investors. Clients have repeatedly chosen us as trusted advisors and partners because of our quality advice, ability to execute transactions and client-first philosophy.

What We Do

Mergers & Acquisitions	Capital Raising Advisory	Strategic Advisory
<ul style="list-style-type: none">Sales of privately-held companiesBuy-side acquisitionsMinority buyoutsCorporate subsidiary divestituresPrivate equity and venture capital portfolio divestitures	<ul style="list-style-type: none">Senior secured and unsecured debtMezzanine capitalGrowth equity capitalRecapitalizationsPrivate placements of institutional capital	<ul style="list-style-type: none">Business valuationsStrategic options assessmentOwnership transition planningCorporate reorganizations

Why Clients Choose Us

100+ Years	Collective investment banking experience of our team	\$7 Billion	Completed transaction experience of our team
Midwest Values	Integrity, experience and commitment are our core values	\$400+ Million	Completed transaction value in the last 12 months
Global Reach	We represent clients across the world	30+ Deals	Number of transactions closed since 2017

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The information contained in this report was compiled by CC Capital Advisors from a variety of sources including news reports, S&P Capital IQ, Pitchbook, IMAA Institute, SEC filings, company statements, and information provided by M&A professionals. Many deals did not disclose pricing, and other private transactions may not have been publicly announced. Transactions are subject to change or termination prior to closing. While CC Capital Advisors makes a good faith effort to ensure the accuracy of this report, it is intended for general information purposes only. CC Capital Advisors is not responsible for any errors or omissions in this report.

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