

The Cupboard

A Food & Beverage Industry Newsletter



Market Overview

Indices Performance (% change)

| | <u>April 2022</u> | <u>LTM</u> | | <u>April 2022</u> | <u>LTM</u> |
|------------------------------|-------------------|------------|--------------|-------------------|------------|
| S&P 500 | (8.8%) | (1.4%) | NASDAQ | (13.3%) | (11.2%) |
| Dow Jones Industrial Average | (4.9%) | (3.3%) | Russell 3000 | (9.0%) | (1.1%) |

Source: Federal Reserve; Bank of St. Louis

Food & Beverage Market Overview

Largest Beverage Movers and Losers (largest % changes)

| | <u>April 2022</u> | <u>LTM</u> | | <u>April 2022</u> | <u>LTM</u> |
|----------------------|-------------------|------------|----------------------|-------------------|------------|
| Monster Beverage | 14.6% | 3.8% | Anheuser-Busch InBev | (3.9%) | (18.4%) |
| Constellation Brands | 6.8% | 2.4% | Boston Beer Co | (3.5%) | (69.2%) |
| Coca-Cola | 4.2% | 19.7% | Diageo | (1.3%) | 10.4% |
| Pepsico | 2.6% | 19.1% | | | |
| National Beverage | 1.3% | (9.3%) | | | |

Source: PitchBook

Largest Food Producers/Distributors Movers and Losers (largest % changes)

| | <u>April 2022</u> | <u>LTM</u> | | <u>April 2022</u> | <u>LTM</u> |
|----------------------|-------------------|------------|--------------------------|-------------------|------------|
| Bridgford Foods | 15.7% | (11.4%) | Lifeway Foods | (20.8%) | 14.9% |
| Pilgrim's Pride | 12.9% | 18.3% | Kroger | (5.9%) | 47.7% |
| Weis Markets | 11.8% | 54.1% | Village Super Market | (5.3%) | (4.9%) |
| Lamb Weston Holdings | 10.3% | (17.9%) | J&J Snack Foods | (3.5%) | (9.1%) |
| Danone | 8.4% | (14.8%) | The Hain Celestial Group | (2.5%) | (18.2%) |
| Post Holdings | 7.4% | (0.1%) | Treehouse Foods | (2.4%) | (33.8%) |

Source: PitchBook

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Publicly Traded Company Performance: Beverage

(\$ in millions, except per share data)

| Company | Share Price 04/30/2022 | % of 52 Wk High | Market Capitalization | Enterprise Value | Valuation Multiples | | | PE Multiples | | LTM Operating Margins | | | Net Debt/EBITDA | |
|----------------------|---------------------------|--------------------|--------------------------|---------------------|----------------------|------------|----------|--------------|-------------|-----------------------|-------|--------|--------------------|--------|
| | | | | | TEV/Total Revenue | TEV/EBITDA | TEV/EBIT | LTM P/E | CY20 P/E | Gross | EBIT | EBITDA | | |
| Coca-Cola | KO | \$64.61 | 96.1% | \$280,086 | \$313,427 | 7.8x | 20.1x | 22.1x | 27.3x | 28.4x | 60.3% | 35.3% | 38.8% | 2.0x |
| Pepsico | PEP | \$171.71 | 96.7% | \$237,421 | \$270,684 | 3.3x | 15.1x | 18.5x | 23.5x | 29.4x | 53.2% | 18.1% | 22.1% | 1.9x |
| Anheuser-Busch InBev | BRU:A | \$58.18 | 72.9% | \$101,071 | \$188,101 | 3.5x | 11.0x | 15.0x | 25.5x | NA | 57.5% | 23.2% | 31.6% | 4.4x |
| Diageo | LSE:DEG | \$50.08 | 84.6% | \$115,489 | \$133,984 | 7.1x | 19.4x | 21.3x | 28.0x | 52.0x | 61.4% | 33.1% | 36.3% | 2.4x |
| Constellation Brands | STZ | \$246.09 | 94.1% | \$46,312 | \$57,383 | 6.5x | 56.5x | 86.1x | NA | 36.4x | 53.4% | 7.6% | 11.5% | 10.6x |
| Monster Beverage | MNST | \$85.68 | 85.8% | \$45,382 | \$42,305 | 7.6x | 22.9x | 23.5x | 33.3x | 41.7x | 56.1% | 32.4% | 33.3% | (1.7x) |
| Brown-Forman | BF.B | \$67.44 | 82.7% | \$31,453 | \$32,968 | 8.8x | 27.5x | 29.4x | 40.1x | 37.3x | 60.4% | 29.9% | 32.0% | 1.3x |
| Boston Beer Co | SAM | \$375.00 | 30.4% | \$4,606 | \$4,666 | 2.4x | 1,604.4x | NA | NA | 71.1x | 37.1% | (3.7%) | 0.1% | 20.4x |
| National Beverage | FIZZ | \$44.08 | 68.2% | \$4,114 | \$4,163 | 3.7x | 17.0x | 19.5x | 25.2x | 43.9x | 37.7% | 19.2% | 22.0% | 0.2x |
| Mean | | | | \$96,215 | \$116,409 | 5.6x | 199.3x | 29.4x | 29.0x | 42.5x | 53.0% | 21.7% | 25.3% | 4.6x |
| Median | | | | \$46,312 | \$57,383 | 6.5x | 20.1x | 21.7x | 27.3x | 39.5x | 56.1% | 23.2% | 31.6% | 2.0x |
| High | | | | \$280,086 | \$313,427 | 8.8x | 1,604.4x | 86.1x | 40.1x | 71.1x | 61.4% | 35.3% | 38.8% | 20.4x |
| Low | | | | \$4,114 | \$4,163 | 2.4x | 11.0x | 15.0x | 23.5x | 28.4x | 37.1% | -3.7% | 0.1% | (1.7x) |

Source: PitchBook

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash

LTM = Last Twelve Months

Publicly Traded Company Performance: Retail & Distribution

(\$ in millions, except per share data)

| Company | Ticker | Share Price 04/30/2022 | % of 52 Wk High | Market Capitalization | Enterprise Value | Valuation Multiples | | | PE Multiples | | Operating Margins | | | Net Debt/EBITDA |
|----------------------|--------|---------------------------|--------------------|--------------------------|---------------------|----------------------|------------|----------|--------------|-------------|-------------------|------|--------|--------------------|
| | | | | | | TEV/Total Revenue | TEV/EBITDA | TEV/EBIT | LTM P/E | CY20 P/E | Gross | EBIT | EBITDA | |
| Sysco | SY | \$85.48 | 93.4% | \$43,377 | \$53,878 | 0.9x | 19.3x | 28.0x | 56.2x | NA | 17.9% | 3.2% | 4.6% | 3.8x |
| Kroger | KR | \$53.96 | 86.0% | \$39,030 | \$56,544 | 0.4x | 9.3x | 21.6x | 24.9x | 9.2x | 22.0% | 1.9% | 4.4% | 2.9x |
| Casey's | CASY | \$201.30 | 87.8% | \$7,471 | \$9,141 | 0.8x | 11.9x | 19.3x | 23.4x | 21.3x | 22.5% | 4.0% | 6.5% | 2.2x |
| Weis Markets | WMK | \$79.88 | 92.1% | \$2,149 | \$2,031 | 0.5x | 8.1x | 13.7x | 19.7x | 10.9x | 26.4% | 3.5% | 5.9% | (0.5x) |
| SpartanNash | SPTN | \$34.28 | 91.5% | \$1,239 | \$1,949 | 0.2x | 9.5x | 17.3x | 16.7x | 9.0x | 15.7% | 1.3% | 2.3% | 3.5x |
| Ingles Markets | IMKTA | \$93.12 | 91.3% | \$1,769 | \$2,253 | 0.4x | 4.7x | 6.1x | 6.8x | 4.8x | 25.8% | 7.1% | 9.3% | 1.0x |
| Village Super Market | VLGEA | \$23.19 | 89.9% | \$337 | \$602 | 0.3x | 7.7x | 14.0x | 11.4x | 11.9x | 28.1% | 2.1% | 3.8% | 3.4x |
| Mean | | | | \$13,624 | \$18,057 | 0.5x | 10.1x | 17.2x | 22.7x | 11.2x | 22.6% | 3.3% | 5.3% | 2.3x |
| Median | | | | \$2,149 | \$2,253 | 0.4x | 9.3x | 17.3x | 19.7x | 10.0x | 22.5% | 3.2% | 4.6% | 2.9x |
| High | | | | \$43,377 | \$56,544 | 0.9x | 19.3x | 28.0x | 56.2x | 21.3x | 28.1% | 7.1% | 9.3% | 3.8x |
| Low | | | | \$337 | \$602 | 0.2x | 4.7x | 6.1x | 6.8x | 4.8x | 15.7% | 1.3% | 2.3% | (0.5x) |

Source: PitchBook

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash

LTM = Last Twelve Months

Publicly Traded Company Performance: Fruits, Vegetables & Nuts

(\$ in millions, except per share data)

| Company | Share Price 04/30/2022 | % of 52 Wk High | Market Capitalization | Enterprise Value | Valuation Multiples | | | PE Multiples | | LTM Operating Margins | | | Net Debt/EBITDA | |
|-------------------------|---------------------------|--------------------|--------------------------|---------------------|----------------------|------------|----------|--------------|-------------|-----------------------|-------|--------|--------------------|-------|
| | | | | | TEV/Total Revenue | TEV/EBITDA | TEV/EBIT | LTM P/E | CY20 P/E | Gross | EBIT | EBITDA | | |
| Calavo Growers | CVGW | \$36.24 | 45.3% | \$641 | \$769 | 0.7x | 116.0x | NA | NA | NA | 4.8% | (1.0%) | 0.6% | 19.0x |
| Fresh Del Monte Produce | FDP | \$26.05 | 71.2% | \$1,242 | \$2,000 | 0.5x | 10.1x | 19.7x | 15.5x | 50.1x | 7.1% | 2.4% | 4.7% | 3.5x |
| Seneca Foods | SENEA | \$54.25 | 95.4% | \$461 | \$647 | 0.5x | 5.5x | 7.8x | NA | 4.4x | 13.1% | 6.1% | 8.7% | 1.6x |
| Mean | | | | \$782 | \$1,139 | 0.5x | 43.8x | 13.7x | 15.5x | 27.3x | 8.3% | 2.5% | 4.7% | 8.0x |
| Median | | | | \$641 | \$769 | 0.5x | 10.1x | 13.7x | 15.5x | 27.3x | 7.1% | 2.4% | 4.7% | 3.5x |
| High | | | | \$1,242 | \$2,000 | 0.7x | 116.0x | 19.7x | 15.5x | 50.1x | 13.1% | 6.1% | 8.7% | 19.0x |
| Low | | | | \$461 | \$647 | 0.5x | 5.5x | 7.8x | 15.5x | 4.4x | 4.8% | -1.0% | 0.6% | 1.6x |

Source: Capital IQ

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash

LTM = Last Twelve Months

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Publicly Traded Company Performance: Protein Products

(\$ in millions, except per share data)

| Company | Share Price 04/30/2022 | % of 52 Wk High | Market Capitalization | Enterprise Value | Valuation Multiples | | | PE Multiples | | LTM Operating Margins | | | Net Debt/EBITDA | |
|-----------------|---------------------------|--------------------|--------------------------|---------------------|----------------------|------------|----------|--------------|-------------|-----------------------|-------|--------|--------------------|---------|
| | | | | | TEV/Total Revenue | TEV/EBITDA | TEV/EBIT | LTM P/E | CY20 P/E | Gross | EBIT | EBITDA | | |
| Tyson Foods | TSN | \$93.16 | 92.5% | \$33,767 | \$40,314 | 0.8x | 6.2x | 7.7x | 9.2x | 11.0x | 14.9% | 10.6% | 13.0% | 1.0x |
| Hormel Foods | HRL | \$52.39 | 95.1% | \$28,552 | \$31,030 | 2.6x | 21.9x | 26.4x | 31.0x | 28.2x | 16.8% | 9.8% | 11.8% | 1.7x |
| Pilgrim's Pride | PPC | \$28.35 | 95.5% | \$6,813 | \$9,856 | 0.6x | 11.5x | 21.5x | 32.6x | 26.1x | 10.5% | 2.9% | 5.4% | 3.5x |
| Sanderson Farms | SAFM | \$189.37 | 94.7% | \$4,227 | \$3,566 | 0.7x | 3.5x | 4.2x | 6.6x | 107.2x | 21.9% | 16.1% | 19.4% | (0.7x) |
| Bridgford Foods | BRID | \$12.62 | 57.9% | \$115 | \$153 | 0.6x | NA | NA | NA | 20.8x | 21.3% | (3.0%) | (0.3%) | (45.6x) |
| Mean | | | | \$14,695 | \$16,984 | 1.1x | 10.8x | 15.0x | 19.9x | 38.7x | 17.1% | 7.3% | 9.9% | -8.0x |
| Median | | | | \$6,813 | \$9,856 | 0.7x | 8.9x | 14.6x | 20.1x | 26.1x | 16.8% | 9.8% | 11.8% | 1.0x |
| High | | | | \$33,767 | \$40,314 | 2.6x | 21.9x | 26.4x | 32.6x | 107.2x | 21.9% | 16.1% | 19.4% | 3.5x |
| Low | | | | \$115 | \$153 | 0.6x | 3.5x | 4.2x | 6.6x | 11.0x | 10.5% | -3.0% | -0.3% | (45.6x) |

Source: PitchBook

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash

LTM = Last Twelve Months

Publicly Traded Company Performance: Dairy

(\$ in millions, except per share data)

| Company | Share Price 04/30/2022 | % of 52 Wk High | Market Capitalization | Enterprise Value | Valuation Multiples | | | PE Multiple | | LTM Operating Margins | | | Net Debt/EBITDA | |
|---------------|---------------------------|--------------------|--------------------------|---------------------|----------------------|------------|----------|-------------|-------------|-----------------------|-------|--------|--------------------|--------|
| | | | | | TEV/Total Revenue | TEV/EBITDA | TEV/EBIT | LTM P/E | CY20 P/E | Gross | EBIT | EBITDA | | |
| Danone | BN | \$60.53 | 78.7% | \$38,626 | \$50,463 | 1.8x | 12.5x | 19.7x | 17.4x | 20.5x | 47.4% | 8.9% | 14.1% | 2.9x |
| Saputo | SAPF | \$21.41 | 61.2% | \$8,936 | \$12,140 | 1.0x | 13.2x | 25.0x | 32.7x | 25.8x | 32.1% | 4.2% | 8.0% | 3.5x |
| Lifeway Foods | LWAY | \$5.72 | 63.6% | \$88 | \$86 | 0.8x | 9.6x | 14.3x | 23.8x | 20.8x | 25.6% | 5.3% | 7.9% | (0.3x) |
| Mean | | | | \$15,884 | \$20,896 | 1.2x | 11.8x | 19.7x | 24.7x | 22.4x | 35.1% | 6.1% | 10.0% | 2.0x |
| Median | | | | \$8,936 | \$12,140 | 1.0x | 12.5x | 19.7x | 23.8x | 20.8x | 32.1% | 5.3% | 8.0% | 2.9x |
| High | | | | \$38,626 | \$50,463 | 1.8x | 13.2x | 25.0x | 32.7x | 25.8x | 47.4% | 8.9% | 14.1% | 3.5x |
| Low | | | | \$88 | \$86 | 0.8x | 9.6x | 14.3x | 17.4x | 20.5x | 25.6% | 4.2% | 7.9% | -0.3x |

Source: PitchBook

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash

LTM = Last Twelve Months

Publicly Traded Company Performance: Organics & Healthy

(\$ in millions, except per share data)

| Company | Share Price 04/30/2022 | % of 52 Wk High | Market Capitalization | Enterprise Value | Valuation Multiples | | | PE Multiples | | LTM Operating Margins | | | Net Debt/EBITDA | |
|-------------------------------|---------------------------|--------------------|--------------------------|---------------------|----------------------|------------|----------|--------------|-------------|-----------------------|-------|--------|--------------------|------|
| | | | | | TEV/Total Revenue | TEV/EBITDA | TEV/EBIT | LTM P/E | CY20 P/E | Gross | EBIT | EBITDA | | |
| Lamb Weston Holdings | LW | \$66.10 | 77.1% | \$9,548 | \$11,872 | 3.0x | 21.7x | 29.1x | 41.3x | 31.3x | 19.6% | 10.3% | 13.8% | 4.3x |
| The Hain Celestial Group | HAIN | \$33.54 | 68.6% | \$3,063 | \$3,810 | 2.0x | 17.9x | 22.9x | 26.6x | 211.3x | 24.8% | 8.9% | 11.3% | 3.5x |
| The Simply Good Foods Company | SMPL | \$41.65 | 91.0% | \$4,180 | \$4,556 | 4.1x | 28.0x | 33.0x | 64.1x | 62.1x | 40.2% | 12.3% | 14.5% | 2.3x |
| Mean | | | | \$6,306 | \$7,841 | 2.5x | 19.8x | 26.0x | 34.0x | NM | 22.2% | 9.6% | 12.6% | 3.9x |
| Median | | | | \$6,306 | \$7,841 | 2.5x | 19.8x | 26.0x | 34.0x | NM | 22.2% | 9.6% | 12.6% | 3.9x |
| High | | | | \$9,548 | \$11,872 | 3.0x | 21.7x | 29.1x | 41.3x | 211.3x | 24.8% | 10.3% | 13.8% | 4.3x |
| Low | | | | \$3,063 | \$3,810 | 2.0x | 17.9x | 22.9x | 26.6x | 31.3x | 19.6% | 8.9% | 11.3% | 3.5x |

Source: PitchBook

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash

LTM = Last Twelve Months

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A Food & Beverage Industry Newsletter



Publicly Traded Company Performance: Food Conglomerates

(\$ in millions, except per share data)

| Company | Share Price 04/30/2022 | % of 52 Wk High | Market Capitalization | Enterprise Value | Valuation Multiples | | | PE Multiples | | LTM Operating Margins | | | Net Debt/EBITDA | |
|------------------------|---------------------------|--------------------|--------------------------|---------------------|----------------------|------------|----------|--------------|-------------|-----------------------|-------|--------|--------------------|--------|
| | | | | | TEV/Total Revenue | TEV/EBITDA | TEV/EBIT | LTM P/E | CY20 P/E | Gross | EBIT | EBITDA | | |
| Nestlé | NESN | \$129.62 | 91.1% | \$357,703 | \$393,986 | 4.1x | 23.8x | 30.8x | 19.6x | 24.7x | 48.0% | 13.3% | 17.3% | 2.2x |
| Mondelez International | MDLZ | \$64.48 | 92.8% | \$89,235 | \$107,556 | 3.7x | 18.9x | 23.5x | 21.7x | 27.1x | 38.5% | 15.7% | 19.4% | 3.2x |
| General Mills | GIS | \$70.73 | 95.8% | \$42,594 | \$54,283 | 2.9x | 14.7x | 17.4x | 18.9x | 16.3x | 33.4% | 16.8% | 19.9% | 3.1x |
| Kellogg's | K | \$68.50 | 97.6% | \$23,251 | \$31,189 | 2.2x | 11.8x | 14.3x | 15.8x | 18.0x | 32.2% | 15.4% | 18.6% | 2.8x |
| The J.M. Smucker Co. | SJM | \$136.93 | 93.9% | \$14,851 | \$19,094 | 2.4x | 13.6x | 20.3x | 25.7x | 15.1x | 35.1% | 11.9% | 17.8% | 3.0x |
| Conagra Brands | CAG | \$34.93 | 89.4% | \$16,762 | \$25,919 | 2.3x | 13.9x | 17.5x | 16.2x | 18.0x | 25.1% | 13.0% | 16.4% | 4.9x |
| Campbell Soup | CPB | \$47.22 | 93.5% | \$14,246 | \$18,920 | 2.3x | 11.1x | 13.7x | 15.5x | 20.0x | 31.4% | 16.6% | 20.6% | 2.7x |
| Post Holdings | POST | \$74.39 | 95.4% | \$4,602 | \$11,219 | 1.7x | 11.0x | 19.0x | 84.5x | 10,101.0x | 27.7% | 9.4% | 16.4% | 6.3x |
| Lancaster Colony | LANC | \$155.18 | 77.1% | \$4,273 | \$4,175 | 2.7x | 19.9x | 25.4x | 34.0x | 38.0x | 24.1% | 10.5% | 13.5% | (0.5x) |
| Trehouse Foods | THS | \$31.50 | 60.4% | \$1,764 | \$3,543 | 0.8x | 13.4x | 71.3x | NA | NA | 16.1% | 1.1% | 6.1% | 6.8x |
| J&J Snack Foods | JJSF | \$149.70 | 82.4% | \$2,861 | \$2,647 | 2.2x | 19.4x | 30.4x | 44.0x | 161.8x | 26.9% | 7.1% | 11.1% | (1.6x) |
| B&G Foods | BGS | \$26.93 | 73.7% | \$1,854 | \$4,156 | 2.0x | 14.0x | 20.7x | 26.4x | 13.7x | 21.3% | 9.8% | 14.5% | 7.7x |
| Mean | | | | \$47,833 | \$56,391 | 2.4x | 15.5x | 25.4x | 29.3x | 950.3x | 30.0% | 11.7% | 16.0% | 3.4x |
| Median | | | | \$14,549 | \$19,007 | 2.3x | 13.9x | 20.5x | 21.7x | 20.0x | 29.5% | 12.5% | 16.8% | 3.1x |
| High | | | | \$357,703 | \$393,986 | 4.1x | 23.8x | 71.3x | 84.5x | 10101.0x | 48.0% | 16.8% | 20.6% | 7.7x |
| Low | | | | \$1,764 | \$2,647 | 0.8x | 11.0x | 13.7x | 15.5x | 13.7x | 16.1% | 1.1% | 6.1% | (1.6x) |

Source: PitchBook

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash

LTM = Last Twelve Months

Select M&A and Capital Raising News

❖ Transaction Involving Tate & Lyle Now Complete

April 1, 2022 – Tate & Lyle PLC has completed the sale of a controlling stake in a new Company comprising its Primary Products business in North America and Latin America and its interests in Almidones Mexicanos SA de CV and DuPont Tate & Lyle Bio-Products Co., LLC joint ventures to KPS Capital Partners LP. The new Company previously was called NewCo and now will be called Primient. KPS holds a 50.1% interest in Primient and has board and operational control. Tate & Lyle holds a 49.9% interest in Primient.

❖ Post's Weetabix Lands Lacka Foods in UK

April 7, 2022 – Weetabix Food Co., backed by Post Holdings, Inc., has acquired Lacka Foods Ltd., owners and manufacturers of ÚFIT, the UK's number one ready-to-drink high-protein shake brand. The all-cash deal unlocks growth opportunities for Lacka Foods both in the United Kingdom and in international markets. Following the transaction, Weetabix and Lacka Foods will continue to operate separately. The Lacka Foods management team will continue to run the business and drive growth in the fast growing high-protein RTD market.

❖ Ohio Processors, Inc. to Acquire Pierre's Ice Cream

April 12, 2022 – Pierre's Ice Cream is a regional manufacturer and marketer of ice cream, frozen yogurt, sherbet, sorbet and frozen novelties sold under the Pierre's brand. Founded in 1934, Ohio Processors, Inc. is a manufacturer and distributor of dairy-related products, that is a fourth-generation business owned and operated by the Smith family. Today, Doug Smith is President of the Company. Shelley Roth, President of Pierre's Ice Cream, said the decision to sell the business was part of a succession plan that would ensure continuity for the business.

❖ Simply Better Brands to Merge with Jones Soda

April 21, 2022 – Simply Better Brands Corp. ("SBBC") has reached an agreement to merge with Seattle-based Jones Soda Co., a maker of premium craft beverages. As part of the transaction, SBBC will acquire all of the issued and outstanding common shares of Jones at a deemed value of 75¢ per share, payable in fully paid and non-assessable common shares of SBBC based on a price per share equal to \$3.65. In addition, SBBC has agreed to assume all of Jones Soda's outstanding debt. The aggregate value of the transaction is approximately \$98.9 million.

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A Food & Beverage
Industry Newsletter❖ **Mondelez to Buy Bimbo Confectionery Business**

April 25, 2022 – Private Mondelez International has reached an agreement to acquire the Ricolino confectionery business from Grupo Bimbo SAB de CV for approximately \$1.3 billion. Headquartered in Mexico City, Ricolino’s products include candy bars, truffles, panned chocolates, caramel, lollipops, marshmallows, hard and chewy candies, nougats and gum sold under such brands as Ricolino, Vero, La Corona and Coronado. Ricolino operates four manufacturing facilities and has nearly 6,000 employees with approximately \$500 million in annual sales. The acquisition will double the size of Mondelez’s business in Mexico and provide an attractive entry point into the chocolate category, while expanding the Company’s presence in snacking.

❖ **Fulfil Acquired by Ferrero, Maintains JV with Hershey**

April 29, 2022 – The Ferrero Group has acquired Fulfil Holdings Ltd., a Dublin, Ireland-based vitamin and protein bar company. Fulfil has direct sales in the UK as well as distribution in other European and Asian Pacific markets. Ferrero said it plans to retain Fulfil’s current management, distributors and employees while taking over the brand portfolio. Not included in the transaction is the North American distribution of Fulfil, which is led by The Hershey Co. The Hershey Co.’s joint venture with Fulfil will continue in North America following the Ferrero acquisition, and Hershey will cover Fulfil distribution in the United States, Canada, Mexico and associated territories, according to Hershey.

Recent Industry News

❖ **Keurig Dr Pepper CEO Stepping Down**

April 5, 2022 – Bob Gamgort, Chairman and CEO of Keurig Dr Pepper (“KDP”), is stepping down from his role this summer. He will be succeeded by Ozan Dokmecioglu, CFO and President of the Company’s international division. Mr. Gamgort and Mr. Dokmecioglu previously led Keurig Green Mountain as CEO and CFO, respectively. The pair led the Company’s take-private transaction in 2016 as well as the subsequent merger with the Dr Pepper Snapple Group in 2018. Mr. Gamgort has agreed to remain a significant investor in KDP and will maintain at least half of his shareholdings during his tenure as Executive Chairman, according to the Company. The process for recruiting a new CFO to succeed Mr. Dokmecioglu already is underway.

❖ **Philip Shaw Hired as President of Bond Bakery Brands USA**

April 5, 2022 – Bond Bakery Brands USA Ltd., a subsidiary of Bond Bakery Brands Ltd. (Canada), has hired Philip Shaw as President of the Company. Mr. Shaw joins Bond as a baking industry veteran, having most recently worked as President of Ferment Group, a Los Angeles-based Company that specializes in strategic advising for bakeries and restaurants. Earlier, Mr. Shaw worked as President of Weston Growth Capital, CEO of Ace Bakery, CEO of First Street Foods and both CEO and COO of La Brea Bakery.

❖ **Real Good Foods Doubling Manufacturing Capacity**

April 6, 2022 – The new plant, Real Good Foods’ second manufacturing facility, is expected to more than double the Company’s manufacturing capacity while reducing the cost structure to accelerate its margin improvement agenda. Real Good Foods said the plant has high-throughput, flexible production lines that will support the production of the Company’s current product portfolio as well as planned innovation such as grain-free breaded poultry and zero-sugar Asian entrees. Production capacity will be phased throughout 2022 and is expected to add \$200 million in capacity by the end of the year, the Company said.

❖ **MorningStar Moves Ahead on Sustainability Efforts**

April 8, 2022 – New recycle-ready packaging, 100% renewable electricity and a new plant-based soy ingredient will be utilized by Kellogg Co. to further sustainability efforts within its MorningStar Farms brand in 2022. MorningStar Farms’ new recycle-ready packaging for foods in flexible plastic bags will allow consumers to recycle clean and dry bags at retailers that participate in a store drop-off collection. Additionally, MorningStar Farms will begin sourcing 100% renewable electricity through a virtual power purchase agreement. The brand also will invest in renewable energy credits.

The Cupboard

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Industry Newsletter❖ **New Senior VP for IR Hired at Conagra**

April 14, 2022 – Melissa Napier has been named Senior VP of Investor Relations at Conagra Brands, Inc., effective April 25th. In her new role, Ms. Napier will lead the development and execution of Conagra’s investor relations program, including setting strategy in financial communications and quantitative benchmarking and analysis. Ms. Napier currently is Senior VP, Treasurer and Investor Relations at US Foods. Earlier, she was Senior VP of Finance at Tyson Foods. She also has held finance roles at Hillshire Brands and Sara Lee.

❖ **PepsiCo to Close Illinois R&D facility**

April 15, 2022 – PepsiCo, Inc. plans to close its research and development facility in Barrington, Illinois, later this summer. The closing will result in the layoff of 78 employees while the remaining 212 workers will be transferred to other locations. The R&D facility has been home to the Gatorade Sports Science Institute since 1985, where PepsiCo said its employees “maintain labs for exercise physiology, biochemistry and body composition for research related to sports nutrition and hydration. In addition, the team dedicates time to innovation, education and service initiatives.” The facility also conducts research and development for Quaker Oats products.

❖ **McCain Foods Elevates Jones to VP of Manufacturing**

April 18, 2022 – Chris Jones has been promoted to VP of Manufacturing at McCain Foods. Mr. Jones has been with McCain since May 2016, most recently as Senior Director of Manufacturing. Earlier he was Plant Manager. Prior to joining McCain, Mr. Jones was with General Mills, Inc. in a variety of roles, including Plant Manager, Corporate Maintenance and Reliability Manager, Senior Operations Business Manager, Logistics Manager, Site Leader and Mill Manager. He also was a Mill Manager at Cargill’s Saginaw, Texas, mill and a Mill and Elevator Manager at Cargill’s facility in Wichita, Kansas.

❖ **Oatly Adding Two to C-suite**

April 21, 2022 – Jean-Christophe Flatin has been named Global President of Oatly Ab and Daniel Ordonez has been named COO. Peter Bergh, the current COO, is transitioning to Chief Strategy Officer for the oat milk maker. Mr. Flatin joins the Company after 30 years with Mars Inc. where he most recently was President of Innovation, Science, Technology and Mars Edge. Mr. Ordonez was most recently President of Iberia for Danone SA, Paris, and prior to that Chief Growth Officer of the Company’s Dairy and Plant-Based business unit.

❖ **McDonald’s Canada Elevates Boudria to President, CEO**

April 25, 2022 – McDonald’s Canada has named Michele Boudria as the Company’s new President and CEO and the first woman to hold that title at the Company. She succeeds Jacques Mignault, who has been tapped to lead the McDonald’s business in France effective June 1st. Ms. Boudria returns to Canada from The Netherlands, where she was Managing Director of the Dutch market. She joined McDonald’s Canada as a crew member in 1984 and has since taken on progressively more senior roles in the restaurants, in the field and in the global and regional corporate offices. Ms. Boudria also played a leadership role in the Worldwide Operations team based in Chicago from 2011-15.

❖ **‘BreadBot’ Company Hires New CEO to Propel Growth**

April 28, 2022 – Paul Rhynard has been hired as CEO of Wilkinson Baking Co., the home of the world’s first fully automated bread baking robot. Mr. Rhynard most recently worked as Chief Strategy Officer at Russell Investments. Earlier, he worked as Executive VP at the Joshua Green Corp. and an Engagement Manager at McKinsey & Company. He will be taking over the role of CEO from Randall Wilkinson, Chairman of the Company. Mr. Rhynard’s experience executing growth strategies comes at a key moment for Wilkinson Baking as the Company expands and establishes its commercial presence.

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The Chicago Corporation Overview

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- Over 35 experienced professionals with broad industry experience.
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Deep Food & Beverage Experience

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Two Managing Directors on Every Engagement

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Exceptional Transaction Execution



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Additional information is available upon request.