

Specialty Foods

INDUSTRY SUMMARY

COGENT VALUATION identified **Specialty Foods** publicly traded companies, IPOs, and recent M&A transactions within the Specialty Foods industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Over the last year since June 30, 2016, the median 52-week share price return of the Specialty Foods industry was -6.9%. Between June 30, 2015 and June 30, 2017, the median EV/EBITDA multiple decreased from 13.4 to 12.6. However, the median price-to-earnings multiple increased from 23.2 to 29.9 over the same period.

Public Company Key Statistics

Median 52-Week
Return

-6.9%

Median 3-Year CAGR
Return

3.6%

Median EV/Revenue
Multiple

2.4x

Median EV/EBITDA
Multiple

12.6x

Median Price/Earnings
Multiple

29.9x

Median EV/Gross CF
Multiple

24.5x

Comparable Public Company Market Price Returns as of June 30, 2017

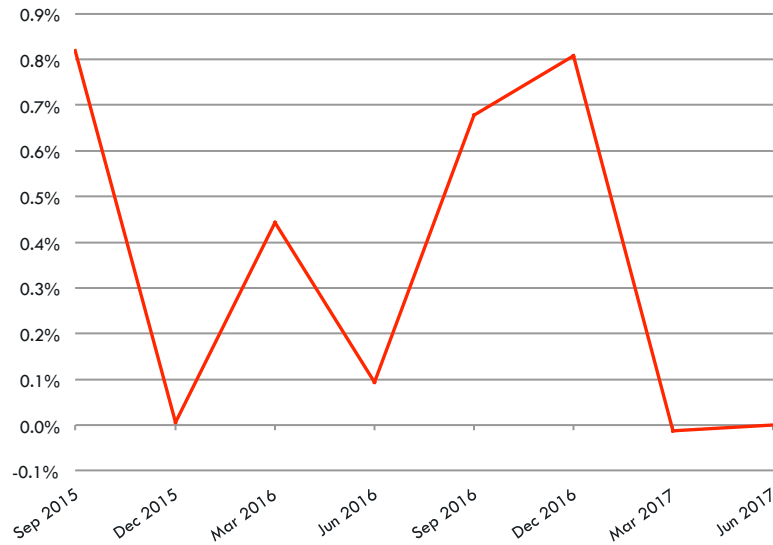
	YTD	3 Month	1 Year	2 Year	3 Year	2016	2015	2014
Amira Nature Foods Ltd.	-9.9%	3.4%	-25.1%	-30.6%	-26.0%	-32.5%	-36.5%	-8.9%
Amplify Snack Brands, Inc.	9.4%	14.8%	-34.6%	N/A	N/A	-23.5%	N/A	N/A
B&G Foods, Inc.	-18.7%	-11.6%	-26.1%	11.7%	2.9%	25.1%	17.1%	-11.8%
Bridgford Foods Corporation	18.4%	17.8%	6.3%	18.0%	18.7%	30.7%	12.3%	-19.1%
Campbell Soup Company	-13.8%	-8.9%	-21.6%	4.6%	4.4%	15.1%	19.4%	1.7%
Dean Foods Company	-21.9%	-13.5%	-6.0%	2.5%	-1.1%	27.0%	-11.5%	12.7%
Flowers Foods, Inc.	-13.3%	-10.8%	-7.7%	-9.5%	-6.4%	-7.1%	12.0%	-10.6%
General Mills, Inc.	-10.3%	-6.1%	-22.3%	-0.3%	1.8%	7.1%	8.1%	6.9%
Inventure Foods, Inc.	-56.2%	-2.5%	-44.8%	-34.8%	-27.4%	38.7%	-44.3%	-3.9%
J&J Snack Foods Corp.	-1.0%	-2.6%	10.7%	9.2%	12.0%	14.4%	7.3%	22.8%
John B. Sanfilippo & Son, Inc.	-10.3%	-13.8%	48.0%	10.3%	33.6%	30.3%	18.7%	84.4%
Kellogg Company	-5.8%	-4.3%	-14.9%	5.3%	1.9%	2.0%	10.4%	7.2%
Mondelez International, Inc.	-2.6%	0.3%	-5.1%	2.5%	4.7%	-1.1%	23.4%	2.9%
Pinnacle Foods Inc.	11.1%	2.6%	28.3%	14.2%	21.8%	25.9%	20.3%	28.6%
Snyder's-Lance, Inc.	-3.4%	-14.1%	2.2%	3.6%	9.4%	11.8%	12.3%	6.6%
The Hershey Company	-9.7%	-1.7%	-5.4%	9.9%	3.3%	15.9%	-14.1%	6.9%
The J. M. Smucker Company	3.8%	-9.7%	-22.4%	4.5%	3.6%	3.8%	22.1%	-2.5%
The Kraft Heinz Company	-7.6%	-5.7%	-3.2%	N/A	N/A	20.0%	N/A	N/A
Median of Industry Public Companies	-7.6%	-5.0%	-6.9%	4.5%	3.4%	14.7%	12.1%	4.7%

Multiple year periods are calculated as the average annual return.

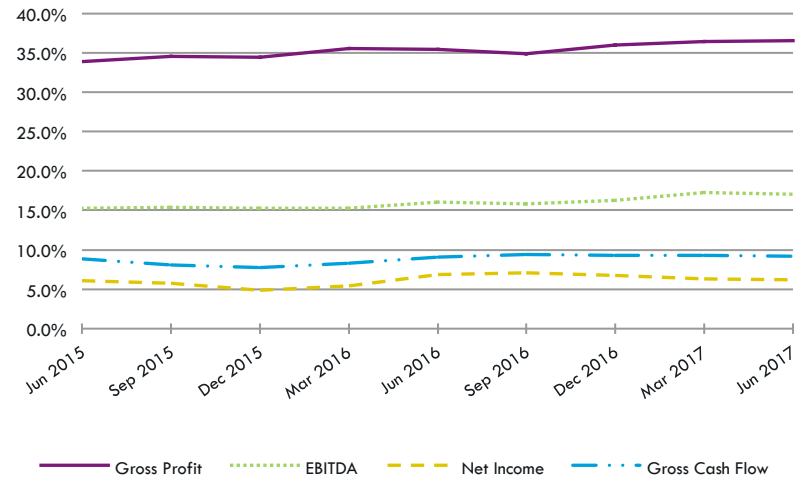
■ Highest Return
 ■ Lowest Return
 ■ Median Return

Industry Revenue Growth and Profit Margins for the Past Two Years

Median Quarterly Revenue Growth of All Specialty Foods Companies



Median Gross Profit, EBITDA, Net Income, and Gross Cash Flow Margins



Median Public Companies

The chart below illustrates Public Company Multiples.

	6/30/17	3/31/17	12/31/16	9/30/16	6/30/16	3/31/16	12/31/15	9/30/15
EV/Revenues Multiple	2.4x	2.5x	2.6x	2.5x	2.7x	2.5x	2.4x	1.9x
EV/EBITDA Multiple	12.6x	14.7x	13.8x	13.8x	15.0x	13.4x	13.8x	13.4x
Price/Earnings Multiple	29.9x	24.7x	27.1x	25.0x	26.7x	26.7x	29.2x	23.2x
EV/Gross Cash Flows Multiple	24.5x	26.7x	23.2x	23.2x	25.0x	23.0x	20.9x	21.1x

■ Highest Multiple
 ■ Lowest Multiple
 ■ Median Multiple

Industry Initial Public Offerings—Industry: Specialty Foods (dollars in millions, except share prices)

Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
7/14/16	AdvancePierre Foods Holdings, Inc.	\$21.00	18.6	\$390.6	\$1,149.4	\$1,279.3	\$1,558.4	\$231.7	\$105.0	\$260.5
8/13/15	Hostess Brands, Inc.	\$10.00	35.0	\$350.0	N/A	N/A	\$0.0	\$144.0	\$77.2	\$144.0
8/4/15	Amplify Snack Brands, Inc.	\$18.00	15.0	\$270.0	\$363.6	\$216.3	\$162.8	\$63.9	\$15.2	\$64.1
3/27/13	Pinnacle Foods Inc.	\$20.00	29.0	\$580.0	\$4,400.0	\$2,612.8	\$2,478.5	\$391.8	\$52.5	\$447.5
10/25/12	The WhiteWave Foods Company	\$17.00	23.0	\$391.0	\$2,085.9	\$440.3	\$2,222.9	\$223.3	\$114.1	\$291.3
3/27/12	Annie's, Inc.	\$19.00	5.0	\$95.0	\$68.2	\$13.3	\$134.9	\$19.1	\$12.8	\$19.8
	Median IPO	nm	nm	\$370.3	\$1,149.4	\$440.3	\$860.6	\$9.0	\$64.9	\$202.3

Multiple year periods are calculated as the average annual return.

■ Highest Return
 ■ Lowest Return
 ■ Median Return

Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/ Revenues
6/16/17	IT'SUGAR, LLC	BBX Sweet Holdings, LLC	\$57.0	93%	\$78.4	0.0x
5/30/17	Fannie May Confections	Ferrero International S.A.	\$115.0	100%	N/A	N/A
4/28/17	Candyking Holding	Cloetta AB (publ)	\$63.0	100%	\$142.6	0.4x
4/4/17	Grupo Kalise Menorquina	Lacrem S.A.	\$42.8	100%	N/A	N/A
3/21/17	Ready Pac Produce, Inc.	Bonduelle SA	\$409.0	100%	\$800.0	0.5x
3/10/17	Lightlife Foods, Inc.	Maple Leaf Foods Inc.	\$140.0	100%	\$40.0	3.5x
3/2/17	O Olive Oil, Inc.	Landec Corporation	\$10.0	100%	\$3.6	2.8x
1/30/17	Matse Holding AB (publ)	Axfood AB	\$60.4	100%	\$28.7	1.9x
1/26/17	80% stake in Four Companies	Siam Food Services Ltd.	\$79.6	80%	N/A	N/A
1/25/17	Les Ducs de Gascogne S.A.	Noblesse Gourmande SAS	\$3.2	100%	\$11.7	0.3x
12/31/16	Twelve Cupcakes Pte. Ltd.	Global Foods Pte. Ltd.	\$1.8	100%	N/A	N/A
12/22/16	Bellisio Foods, Inc.	Charoen Pokphand Foods	\$1,075.0	100%	N/A	N/A

■ USA
 ■ International
 ■ Highest
 ■ Lowest
 ■ Median

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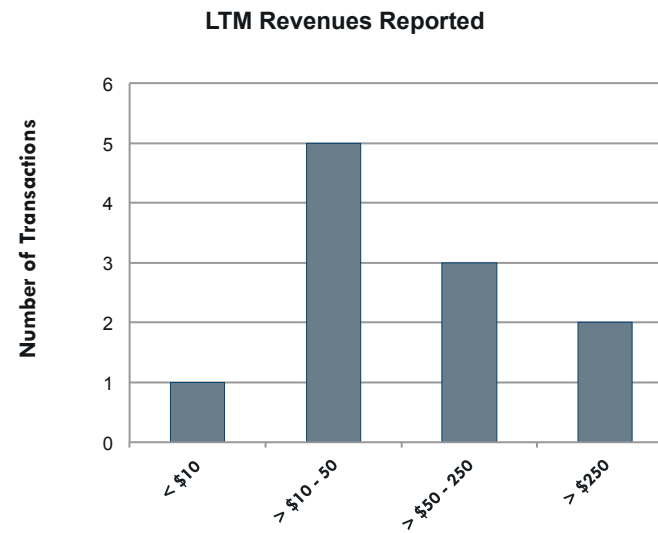
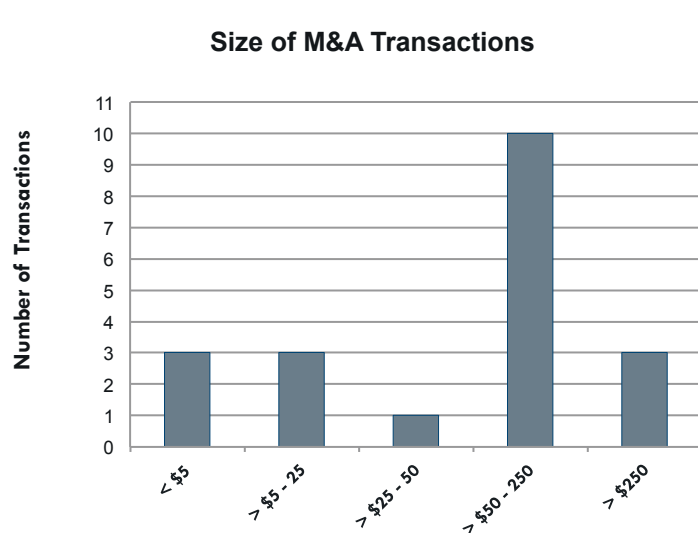
Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

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Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/ Revenues
12/18/16	PASTAI in BRIANZA S.r.l.	N/A	\$3.8	66%	\$21.7	0.3x
12/7/16	Biogran S.L.	Koninklijke Wessanen N.V.	\$71.9	100%	\$29.0	2.5x
12/6/16	Gourmet F&B Korea Co., Ltd.	Unison Capital, Inc.	\$12.8	70%	N/A	N/A
12/2/16	Victoria Fine Foods	B&G Foods, Inc.	\$70.0	100%	N/A	N/A
11/4/16	Hostess Brands, LLC	Gores Holdings, Inc.	\$2,198.4	100%	\$621.0	3.5x
11/1/16	Fresh Foods, LLC	Renaissance Food Group	\$19.4	100%	N/A	N/A
10/3/16	Fleischmann's Vinegar Co.	Green Plains II LLC	\$250.0	100%	N/A	N/A
9/30/16	Golden Enterprises Inc.	UTZ Quality Foods, Inc.	\$144.4	100%	\$135.9	1.0x
Median of the 20 M&A Transaction Targets			\$66.5	100%	\$40.0	1.0x

USA
 International
 Highest
 Lowest
 Median

Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions) as of June 30, 2017



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Definitions of Financial Terms Used in this Quarterly Industry Update: Enterprise Value (EV): Market Value of Equity + Market Value of Debt —Cash Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

Gross Cash Flows: Net Income + Depreciation and Amortization Expense Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

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