

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 December 31, 2016, the median 52-week share price return of the Specialty Foods industry was -3.7%. Between December 31, 2015 and December 31, 2017, the median EV/EBITDA multiple decreased from 13.5 to 12.0. Furthermore, the median price-to-earnings multiple decreased from 25.6 to 22.4 over the same period. The median revenue growth and EBITDA margins for the industry for the quarter were -0.2% and 18.0%, respectively.

Public Company Key Statistics

Median 52-Week
Return

-3.7%

Median 3-Year CAGR
Return

5.6%

Median EV/Revenue
Multiple

2.3x

Median EV/EBITDA
Multiple

12.0x

Median Price/Earnings
Multiple

22.4x

Median EV/Gross CF
Multiple

18.6x

Comparable Public Company Market Price Returns as of December 31, 2017

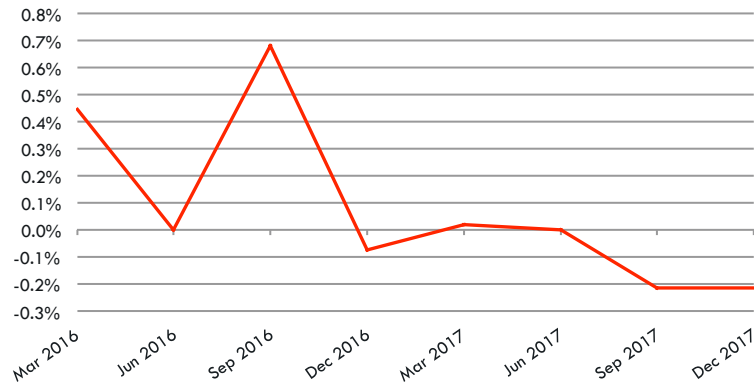
	YTD	3 Month	1 Year	2 Year	3 Year	2016	2015	2014
Amira Nature Foods Ltd.	-32.2%	-30.7%	-32.2%	-32.3%	-26.0%	-32.5%	-36.5%	-8.9%
B&G Foods, Inc.	-19.7%	10.4%	-19.7%	0.2%	N/A	-23.5%	N/A	N/A
Bridgford Foods Corporation	10.4%	4.1%	10.4%	20.1%	2.9%	25.1%	17.1%	-11.8%
Campbell Soup Company	-20.4%	2.8%	-20.4%	-4.3%	18.7%	30.7%	12.3%	-19.1%
Dean Foods Company	-46.9%	6.3%	-46.9%	-17.9%	4.4%	15.1%	19.4%	1.7%
Flowers Foods, Inc.	-3.3%	2.7%	-3.3%	-5.2%	-1.1%	27.0%	-11.5%	12.7%
General Mills, Inc.	-4.0%	14.5%	-4.0%	1.4%	-6.4%	-7.1%	12.0%	-10.6%
J&J Snack Foods Corp.	13.8%	15.6%	13.8%	14.1%	1.8%	7.1%	8.1%	6.9%
John B. Sanfilippo & Son, Inc.	-10.1%	-6.0%	-10.1%	8.2%	-27.4%	38.7%	-44.3%	-3.9%
Kellogg Company	-7.8%	9.0%	-7.8%	-3.0%	12.0%	14.4%	7.3%	22.8%
Mondelez International, Inc.	-3.5%	5.3%	-3.5%	-2.3%	33.6%	30.3%	18.7%	84.4%
Pinnacle Foods Inc.	11.3%	4.0%	11.3%	18.3%	1.9%	2.0%	10.4%	7.2%
Post Holdings, Inc.	-1.4%	-10.2%	-1.4%	13.3%	4.7%	-1.1%	23.4%	2.9%
Snyder's-Lance, Inc.	30.6%	31.3%	30.6%	20.8%	21.8%	25.9%	20.3%	28.6%
The J. M. Smucker Company	9.7%	18.4%	-3.0%	0.4%	9.4%	11.8%	12.3%	6.6%
The Kraft Heinz Company	-3.0%	0.3%	-10.9%	3.4%	3.3%	15.9%	-14.1%	6.9%
Median of Industry Public Companies	-3.4%	4.7%	-3.7%	0.9%	3.4%	14.7%	12.1%	4.7%

Multiple year periods are calculated as the average annual return.

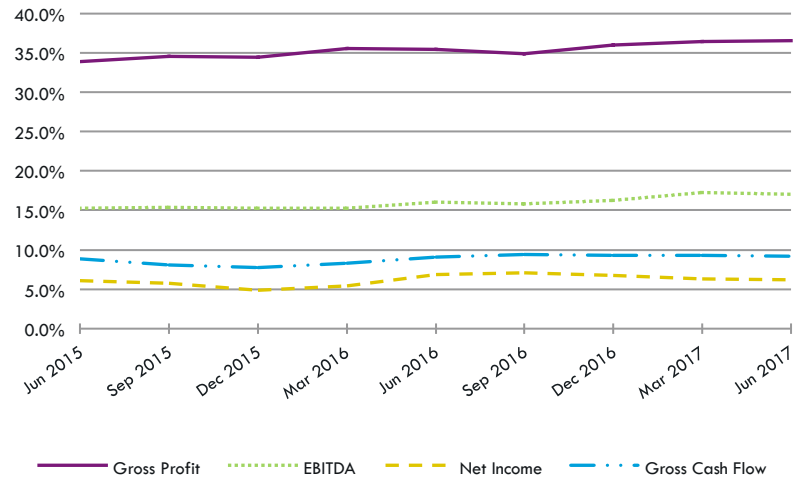
■ Highest Return
 ■ Lowest Return
 ■ Median Return

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



Public Company Median Multiples by Quarter

	12/31/17	9/30/17	6/30/17	12/31/16	9/30/16	3/31/16	12/31/15	9/30/15
EV/Revenues Multiple	2.5x	2.2x	2.4x	2.6x	2.5x	2.5x	2.4x	1.9x
EV/EBITDA Multiple	12.0x	12.1x	11.9x	13.8x	13.8x	13.4x	13.8x	13.4x
Price/Earnings Multiple	22.4x	23.5x	28.4x	27.1x	25.0x	26.7x	29.2x	23.2x
EV/Gross Cash Flows Multiple	18.6x	20.9x	24.2x	23.2x	23.2x	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
9/28/17	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
7/14/16	Hostess Brands, Inc.	\$10.00	35.0	\$350.0	N/A	N/A	\$0.0	\$144.0	\$77.2	\$144.0
8/13/15	Amplify Snack Brands, Inc.	\$18.00	15.0	\$270.0	\$363.6	\$216.3	\$162.8	\$63.9	\$15.2	\$64.1
8/4/15	Pinnacle Foods Inc.	\$20.00	29.0	\$580.0	\$4,400.0	\$2,612.8	\$2,478.5	\$391.8	\$52.5	\$447.5
3/27/13	The WhiteWave Foods Company	\$17.00	23.0	\$391.0	\$2,085.9	\$440.3	\$2,222.9	\$223.3	\$114.1	\$291.3
10/25/12	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
12/30/17	Kettle Business of Tyson Foods	N/A	\$125.0	93%	\$78.4	0.0x
12/29/17	Confectionery Division of Raisio plc	Valeo Foods Group Limited	\$118.4	100%	N/A	N/A
12/22/17	B.-d. Farm Paris Creek Pty Ltd.	Primary Opinion Limited	\$25.8	100%	\$142.6	0.4x
12/12/17	Betin, Inc	Saputo Inc.	\$263.9	100%	N/A	N/A
11/24/17	GIM Factory Inc.	Taokaenoi Food & Marketing Public Company Limited	\$2.0	100%	\$800.0	0.5x
11/18/17	9020 2292 Québec inc.	L.B. Maple Treat Corporation	\$31.3	100%	\$40.0	3.5x
10/23/17	Angie's Artisan Treats, LLC	Conagra Brands, Inc.	\$250.0	100%	\$3.6	2.8x
10/19/17	F&B Venture Holding S.A.L	N/A	\$52.1	100%	\$28.7	1.9x
10/6/17	Everest Foods PTY LTD	Allegro Funds Pty Ltd	\$23.3	80%	N/A	N/A
10/2/17	Les Ducs de Gascogne S.A.	Noblesse Gourmande SAS	\$162.5	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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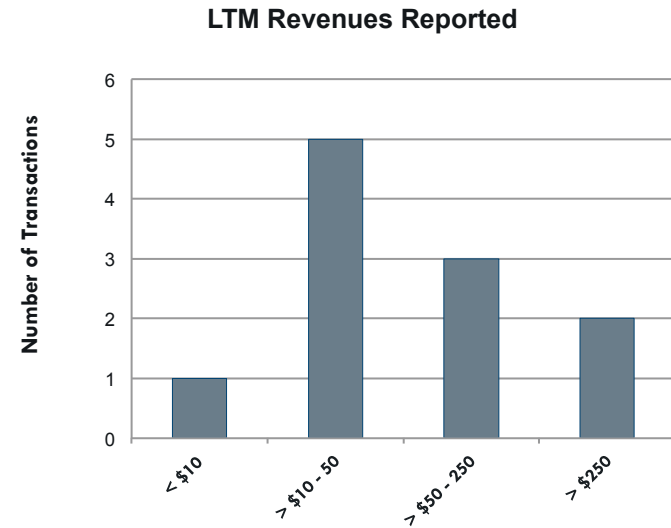
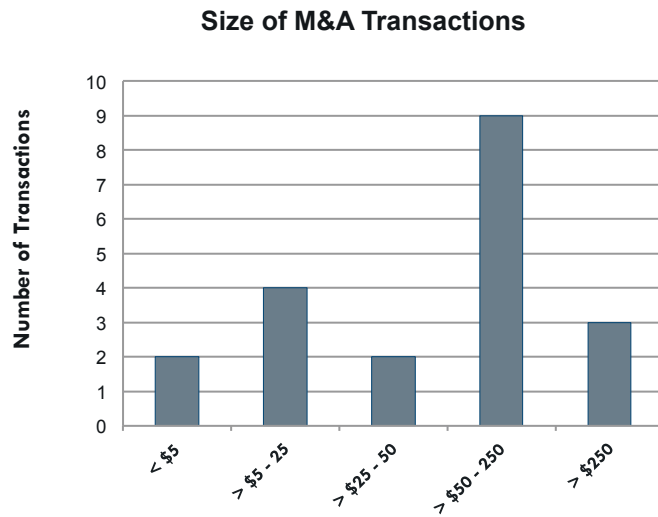
Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

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Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/ Revenues
9/29/17	Udder Delights Australia Pty	N/A	\$3.8	66%	\$21.7	0.3x
9/27/17	Steenland Chocolate BV	Koninklijke Wessanen N.V.	\$71.9	100%	\$29.0	2.5x
9/27/17	Blend and Pack Pty Ltd	Unison Capital, Inc.	\$12.8	70%	N/A	N/A
9/5/17	Cloetta Italia S.r.l	B&G Foods, Inc.	\$70.0	100%	N/A	N/A
11/4/16	Daiya Foods Inc.	Gores Holdings, Inc.	\$2,198.4	100%	\$621.0	3.5x
11/1/16	Mühlehof-Gewürze AG	Renaissance Food Group	\$19.4	100%	N/A	N/A
10/3/16	KREEK'S France Arachides	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 December 31, 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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