

# Q3: Quarterly Industry Update

AS OF September 30, 2023



## Food Distribution Industry Summary

**COGENT VALUATION** identified **Food Distribution** publicly traded companies, IPOs, and recent M&A transactions within the Food Distribution 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 September 30, 2022, the median 52-week share price return of the Food Distribution industry decreased from 2.3% to .8%, and the median YTD return increased from -12% to -9%. Between September 30, 2022 and September 30, 2023, the median EV/Revenue multiple decreased from 1.6 to 1.2 and the median EV/EBITDA multiple decreased from 13.8 to 11.4. The median price-to-earnings multiple increased from 9.3 to 13.2 and the median EV/Gross profit multiple decreased from 26.7 to 13.4 over the same period. The median MVIC/Earnings multiple increased from 1.2 to 2.3. The median Price/Revenue increased from 7.2 to 8.3 over the same period.

### Public Company Key Statistics

Median 52-Week Return	Median YTD Return	Median EV/Revenue Multiple	Median EV/EBITDA Multiple
<b>.8%</b>	<b>-9%</b>	<b>1.2x</b>	<b>11.4x</b>
Median Price/Earnings Multiple	Median EV/Gross Profit Multiple	Median MVIC/Earnings Multiple	Median Price/Revenue Multiple
<b>13.2x</b>	<b>13.4x</b>	<b>2.3x</b>	<b>8.3x</b>

## Public Company Median Multiples by Quarter

	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	6/30/22	3/31/22	12/31/21
<b>Median EV/Revenue Multiple</b>	1.2x	3.2x	3.4x	3.7x	3.1x	3.2x	2.9x	1.7x
<b>Median EV/EBITDA Multiple</b>	11.4x	18.0x	17.6x	23.4x	14.6x	14.6x	19.4x	13.4x
<b>Median Price/Earnings Multiple</b>	13.2x	30.1x	20.3x	11.2x	20.8x	19.7x	17.9x	21.2x
<b>Median EV/Gross Profit Multiple</b>	13.4x	22.2x	21.3x	13.6x	24.5x	13.3x	20.4x	23.6x
<b>Median MVIC/Earnings Multiple</b>	2.3x	11.6x	12.7x	23.7x	15.4x	16.5x	12.2x	13.7x
<b>Median Price/ Revenue Multiple</b>	8.3x	3.2x	3.4x	12.7x	10.6x	2.5x	3.2x	2.7x

■ Highest Multiple    
 ■ Median Multiple    
 ■ Lowest Multiple

## Comparable Public Company Market Price Returns as of September 30, 2023

	2023	1 Year	2 Year	3 Year	2022	2021	2020
<b>B&amp;G Foods, Inc.</b>	-32.6%	-41.1%	0.2%	5.0%	-19.7%	25.1%	17.1%
<b>Dean Foods Company</b>	-25.4%	-56.2%	-17.9%	-6.4%	-46.9%	27.0%	-11.5%
<b>Flowers Foods, Inc.</b>	13.2%	12.6%	-5.2%	0.8%	-3.3%	-7.1%	12.0%
<b>Hormel Foods Corporation</b>	-5.7%	-0.9%	-4.1%	7.7%	4.5%	-12.0%	51.8%
<b>Inventure Foods, Inc.</b>	-9%	.8%	42.5%	-28.7%	46.8%	38.4%	59.7%
<b>Koninklijke Wessanen N.V.</b>	-25.1%	-44.2%	-15.1%	45.8%	-30.5%	3.7%	-40.1%
<b>Lifeway Foods, Inc.</b>	-20.8%	9.4%	18.6%	-13.7%	63.6%	-14.0%	-32.6%
<b>Pilgrim's Pride Corporation</b>	-7.7%	2.7%	6.4%	-2.4%	8.3%	4.5%	-42.6%
<b>The Hain Celestial Group, Inc.</b>	-24.3%	-13.8%	11.9%	-7.0%	8.6%	-3.4%	-30.7%
<b>United Natural Foods, Inc.</b>	-12.8%	-0.7%	-7.4%	-12.2%	3.2%	21.2%	-49.1%
<b>Median of Industry Public Companies</b>	-9%	-0.8%	-7.4%	-6.4%	3.9%	4.1%	-21.1%

Multiple year periods are calculated as the average annual return.

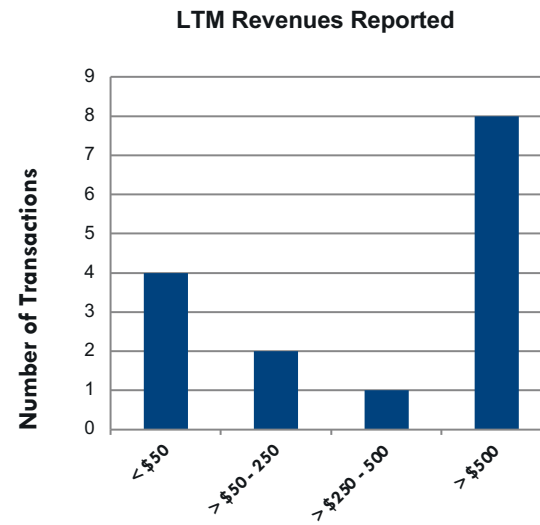
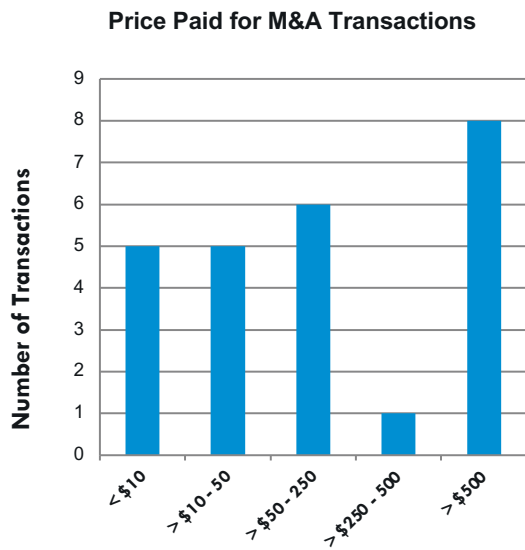
■ Highest Return   
 ■ Lowest Return   
 ■ Median Return

## Industry Initial Public Offerings—Food Distribution (dollars in millions, except share prices)

Effective Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets <sup>1</sup>	Debt <sup>1</sup>	LTM Revenue <sup>1</sup>	LTM EBITDA <sup>1</sup>	LTM Net Income <sup>1</sup>	LTM Cash Flows <sup>1</sup>
8/24/23	<b>Wide Open Agriculture Limited</b>	\$0.13	62.5	\$19.0	\$43.9	\$0.0	\$47.4	\$5.5	\$11.8	\$17.9
5/30/23	<b>Everything Fresh Limited</b>	\$0.30	1.7	\$21.6	N/A	N/A	\$65.4	\$0.0	N/A	N/A
1/13/23	<b>B &amp; S International Holdings Ltd.</b>	\$12.79	280.0	\$8.3	\$7.2	\$0.0	\$0.0	\$8.2	(\$0.2)	\$2.1
12/27/22	<b>Eagle Health Holdings Limited</b>	\$0.03	18.6	\$390.6	\$1,149.4	\$1,279.3	\$24.2	\$2.1	\$105.0	\$260.5
6/2/22	<b>BORATR CO., Ltd.</b>	\$12.79	0.4	\$3.7	N/A	\$119.0	\$1,558.4	\$231.7	N/A	\$0.0
6/15/21	<b>Asia Grocery Distribution Limited</b>	\$0.03	44.4	\$1,022.2	\$9,023.6	\$5,030.0	N/A	N/A	\$173.7	\$1,147.6
6/5/21	<b>Nousouken Corporation</b>	\$9.92	14.5	\$275.5	\$3,404.7	\$1,506.3	\$23,167.0	\$883.0	\$62.1	\$367.0
5/25/21	<b>US Foods Holding Corp.</b>	\$23.00	29.0	\$580.0	\$4,400.0	\$2,612.8	\$15,501.3	\$290.7	\$534.5	\$447.5
6/29/17	<b>Median of all IPOs</b>	nm	nm	\$185.3	\$1,149.4	\$440.3	\$959	\$223.3	\$52.5	\$17.9

[1] As of the effective date of the IPO

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



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

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues <sup>1</sup>	EV/ Revenues <sup>1</sup>
9/22/23	<b>Vegetalia, S.L.</b>	<b>Alimentation Sante SA</b>	\$15.9	100%	\$600.0	1.3x
9/21/23	<b>Caito Food Service, Inc.</b>	<b>SpartanNash Company</b>	\$229.9	100%	N/A	0.4x
8/20/23	<b>Gourmet F&amp;B Korea</b>	<b>Unison Capital, Inc.</b>	\$12.8	100%	\$135.9	N/A
7/21/23	<b>Golden Enterprises Inc.</b>	<b>UTZ Quality Foods, Inc. (nka:Utz Quality Foods, LLC)</b>	\$144.4	75%	\$73.2	1.0x
6/10/23	<b>JK International</b>	<b>EQUISnZAROO Co., Ltd. (nka:Creaplanet Co.,Ltd.)</b>	\$5.9	100%	N/A	0.2x
6/4/23	<b>Haddon House Food Products</b>	<b>United Natural Foods</b>	\$217.5	97%	N/A	N/A

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[1] As of the close of the Transaction

■ USA    ■ International

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

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues <sup>1</sup>	EV/Revenues <sup>1</sup>
3/16/23	Starbucks Corporation	Nestlé S.A.	\$7,150.0	100%	\$2,231.4	2.7x
2/14/23	Best Choice Food and Beverage	M Line Holdings, Inc.	\$0.3	100%	\$418.2	4.2x
2/1/23	China Forest Food Limited	F8 Enterprises (Holdings) Group Limited	\$1.6	100%	\$50.0	N/A
11/8/22	Riverford Organic Vegetables Ltd.	N/A	\$8.5	100%	\$16.5	5.4x
10/25/22	Siam Samut Warin Co., Ltd	The Foodsource Company Limited	\$1.3	100%	\$16.3	6.2x
4/27/22	Sunland Volonte Agency	EA Holdings Berhad	\$21.3	100%	\$418.2	0.4x
4/23/22	Green Isle Foods Ltd.	Nomad Foods Limited	\$275.2	70%	\$6.2	1.4x
3/26/21	Snyder's-Lance, Inc.	Campbell Soup Company	\$1.3	100%	\$491.2	7.3x
1/12/21	Bob Evans Farms, Inc.	Performance Food Group	\$21.3	100%	\$20.4	2.2x
9/30/20	Super Group Ltd	Jacobs Douwe Egberts	\$275.2	70%	\$140.0	1.2x
2/1/20	Ralcorp Holdings Inc.	Treehouse Foods, Inc.	\$12,511.1	100%	\$357.6	0.8x
1/15/20	Boulder Brands, Inc.	Pinnacle Foods Inc.	\$1,006.5	100%	\$4,120.9	1.9x
Median of the 25 M&A Transaction Targets			\$1,788.8	100%	\$508.2	0.9x

■ USA ■ International

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[1] As of the close of the Transaction

**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.

**Market Value of Invested Capital (MVIC):** Market Value of Equity + Market Value of Debt

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