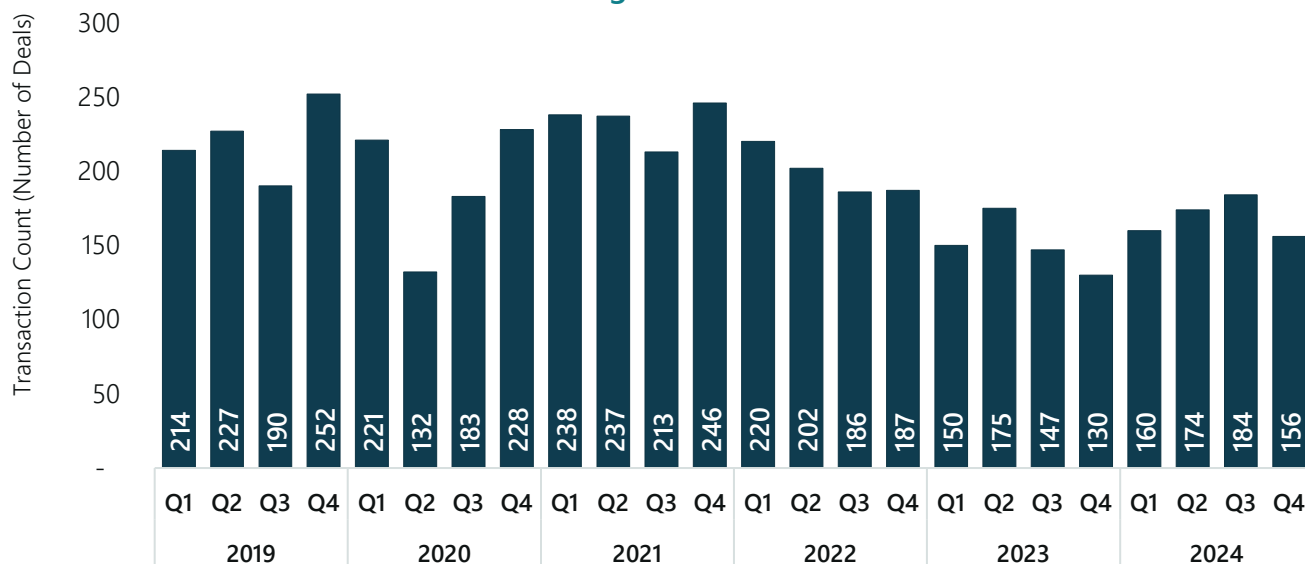


Food & Beverage

Quarterly Update | Q4 2024



North American Food & Beverage M&A Transactions¹



Q4 Transactions
(Canada)

14

(-17.6% vs. Q3 2024)

Q4 Transaction Value
(Canada)

\$228 million

(-73.2% vs. Q3 2024)

Q4 Transactions
(U.S.)

142

(-15.0% vs. Q3 2024)

Q4 Transaction Value
(U.S.)

\$5.97 billion

(-86.9% vs. Q3 2024)

M&A Market Update – Q4 2024¹

- Aggregate disclosed transaction count in the North American food and beverage industry decreased by 15.2% in Q4 2024 compared to the previous quarter, while the disclosed transaction value decreased by 86.6%. The decrease in transaction value from the preceding quarter is largely attributable to Mars Incorporated's acquisition of Kellanova for \$36.1 billion, which accounted for a significant portion of the previous quarter's disclosed transaction value in North America.
- The United States (U.S.) election in Q4 2024 led to businesses and investors anticipating potential shifts in economic policy, regulatory frameworks, and tax structures under a new administration. This anticipation created economic uncertainty, resulting in a reduced transaction count during the quarter.
- Industry M&A activity in Q4 2024 was primarily driven by strategic acquisitions, which accounted for 83.3% of the total transaction count. The transaction activity by strategic acquirers illustrates the appetite for consolidation as strategic players seek operational synergies through acquisitions.
- In Q4 2024, the packaged foods and meats, restaurants, and distillers and vintners industries accounted for 33.3%, 25.0%, and 9.6% of total transactions, respectively.
- M&A activity is expected to increase in Q1 2025, as economic uncertainty eases with greater clarity on regulatory and financial policies under the new U.S. administration, along with a stabilization of interest rates as inflationary pressures subside.

Macroeconomic Indicators

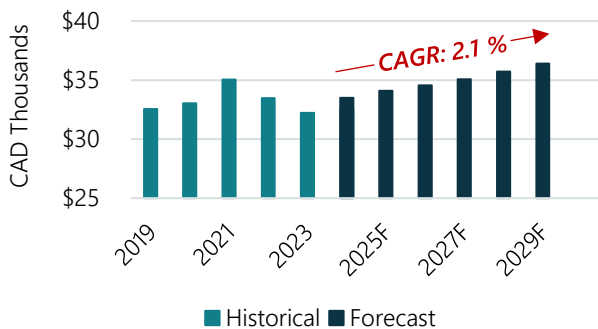
Key external factors that affect the Canadian food and beverage industry include per capita disposable income, consumer spending, the consumer price index for food, and the consumer confidence index.

Per capita disposable income grew in 2024, supported by interest rate cuts by the Bank of Canada. However, rising consumer debt, high living costs, and escalating housing prices limited further growth. Disposable income is expected to increase at an annualized rate of 2.1% through 2029, driven by easing inflation and expansionary monetary policy. This increase in disposable income is expected to fuel greater discretionary spending on food and beverage products in Canada.

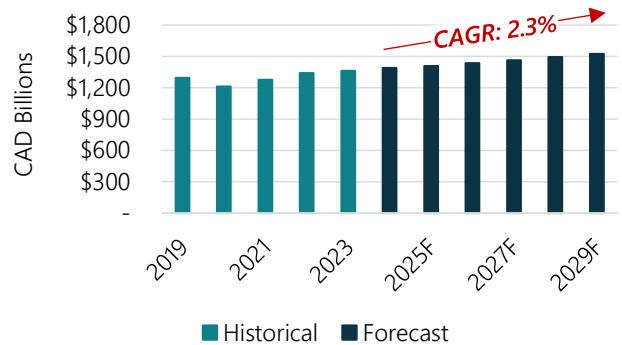
The consumer price index for food continued its upward trajectory throughout 2024. This increase was driven by volatile commodity prices stemming from geopolitical tensions and labour shortages affecting food processing, crop harvesting, and transportation. Consumer prices are expected to stabilize beginning in 2025 and are projected to grow at an annualized rate of 2.5% through 2029 as inflation approaches its target and consumer demand moderates.

The consumer confidence index is forecasted to grow at an annualized rate of 12.8% through 2029, fueled by easing inflationary pressures and a more optimistic outlook for the Canadian job market. The projected rise in consumer confidence is expected to boost demand within the food and beverage industry. Moreover, consumer spending is projected to grow at an annualized rate of 2.3%, driven by stronger consumer confidence and increases in per capita disposable income.

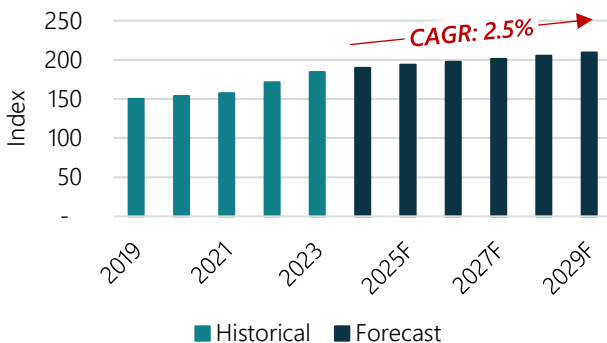
Per Capita Disposable Income



Consumer Spending



Consumer Price Index for Food



Consumer Confidence Index



Select Recent M&A Transactions

North America



Closed	Dec 30, 2024
EV	\$66.0 million
EV/EBITDA	Not Disclosed
EV/Revenue	Not Disclosed

- **Premium Brands Holdings Corporation** (Premium Brands) owns a broad range of premium food production and distribution businesses across Canada and the U.S. The company was founded in 1917 and is based in Richmond, British Columbia.
- **Casa Di Bertacchi Corporation** is a producer and distributor of meatballs. The company was founded in 1982 and is based in St. Simons Island, Georgia.
- **NSP Quality Meats** is a cooked protein and deli meat manufacturer. The company was founded in 1980 and is based in Owasso, Oklahoma.
- **Italia Salami** is a producer of dry-cured Italian salami. The company was founded in 1970 and is based in Guelph, Ontario.
- The transaction enables Premium Brands to realize continued growth in its branded cooked protein initiatives in the U.S. and mitigate tariff and border risks between Canada and the U.S.



Announced	Dec 17, 2024
EV	Not Disclosed
EV/EBITDA	Not Disclosed
EV/Revenue	Not Disclosed

- **Post Holdings, Inc.** (Post Holdings) is a consumer-packaged goods holding company, managing businesses across centre-of-the-store, refrigerated, foodservice, and food ingredient sectors. Post Holdings owns multiple well-known brands such as Bob Evans, Egg Beaters, Weetabix, and Peter Pan. The company was founded in 1895 and is based in St. Louis, Missouri.
- **Potato Products of Idaho, L.L.C.** (PPI) is a family-owned company specializing in the manufacturing and packaging of refrigerated and frozen potato products. The company was founded in 1998 and is based in Rigby, Idaho.
- The transaction enables Post Holdings to strategically expand into the high-demand, value-added potato product segment while strengthening its supply chain and production capabilities through PPI's manufacturing facility.

Select Recent M&A Transactions

North America

 Lancaster Colony

acquired select assets of



Announced	Nov 18, 2024
EV	\$75.0 million
EV/EBITDA	Not Disclosed
EV/Revenue	Not Disclosed

- **Lancaster Colony Corporation** (Lancaster Colony) manufactures and sells specialty food products for retail and foodservice industries, including sauces, dressings, dips, and dinner rolls. The company operates under several brands and is the parent company of the well-known T. Marzetti Company. The company was founded in 1961 and is based in Westerville, Ohio.
- **Winland Foods** is a manufacturer of meal preparation products, including pasta, sauces, dressings, syrups, jams, and jellies. The company operates 14 production facilities across the U.S., Canada, and Italy. The company was founded in 2022 and is based in Oak Brook, Illinois.
- Lancaster Colony acquired Winland Foods' production facility in Atlanta, Georgia. This acquisition strengthens Lancaster Colony's core sauce and dressing operations by increasing production capacity and efficiency.



acquired



Announced	Nov 12, 2024
EV	\$200.0 million
EV/EBITDA	Not Disclosed
EV/Revenue	Not Disclosed

- **Lakeview Farms** is a manufacturer of fresh and convenient dips, desserts, and specialty products in the refrigeration category. The company's extensive product portfolio includes hummus, salsa, layered dips, pudding, and parfaits. The company was founded in 1988 and is based in Delphos, Ohio.
- **Noosa Yoghurt** is a manufacturer of premium, Australian-style yogurt products in a wide variety of flavours. The company was founded in 2008 and is based in Bellvue, Colorado.
- The transaction enables Lakeview Farms to scale its refrigerated product portfolio significantly and expand its presence in the high-growth yogurt market in the U.S.

Public Comparable Analysis

Trading Multiples & Operating Statistics

(Figures in USD Millions, except percentages and ratios)

Company	Market Capitalization	Enterprise Value	LTM Operating Figures				NTM Consensus Estimates			Valuation	
			Revenue	Revenue Growth	EBITDA	EBITDA Margin	Revenue Growth	EBITDA Margin	NTM EV/EBITDA	LTM EV/EBITDA	LTM EV/REV
Processed Foods											
Nestlé S.A.	\$212,474	\$278,861	\$92,106	(3.6%)	\$20,287	22.0%	10.4%	20.3%	13.5x	13.7x	3.0x
Tyson Foods, Inc.	\$20,459	\$29,234	\$53,309	0.8%	\$3,150	5.9%	0.6%	6.2%	8.8x	9.3x	0.5x
The Campbell's Company	\$12,485	\$19,956	\$9,890	6.3%	\$1,838	18.6%	6.3%	19.4%	9.8x	10.9x	2.0x
B&G Foods, Inc.	\$545	\$2,631	\$1,959	(7.0%)	\$288	14.7%	(2.2%)	15.4%	8.9x	9.1x	1.3x
Median	\$16,472	\$24,595	\$31,600	(1.4%)	\$2,494	16.6%	3.4%	17.4%	9.4x	10.1x	1.7x
Mean	\$61,491	\$82,670	\$39,316	(0.9%)	\$6,391	15.3%	3.8%	15.3%	10.3x	10.8x	1.7x
Natural Foods											
The Hain Celestial Group, Inc.	\$555	\$1,314	\$1,706	(4.3%)	\$135	7.9%	(1.0%)	9.8%	8.0x	9.7x	0.8x
Sprouts Farmers Market, Inc.	\$12,706	\$14,050	\$7,422	10.5%	\$608	8.2%	11.6%	8.5%	20.0x	23.1x	1.9x
United Natural Foods, Inc.	\$1,636	\$5,433	\$31,299	3.3%	\$489	1.6%	(0.6%)	1.8%	9.5x	11.1x	0.2x
Median	\$1,636	\$5,433	\$7,422	3.3%	\$489	7.9%	(0.6%)	8.5%	9.5x	11.1x	0.8x
Mean	\$4,966	\$6,932	\$13,475	3.2%	\$411	5.9%	3.3%	6.7%	12.5x	14.6x	0.9x
Snacks											
General Mills	\$35,214	\$47,691	\$19,901	(1.5%)	\$4,345	21.8%	(0.4%)	20.4%	11.8x	11.0x	2.4x
The Hershey Company	\$34,269	\$39,298	\$10,972	(1.7%)	\$2,953	26.9%	3.8%	23.9%	14.4x	13.3x	3.6x
J&J Snack Foods Corp.	\$3,022	\$3,109	\$1,575	1.0%	\$193	12.3%	3.6%	13.5%	14.1x	16.1x	2.0x
Median	\$34,269	\$39,298	\$10,972	(1.5%)	\$2,953	21.8%	3.6%	20.4%	14.1x	13.3x	2.4x
Mean	\$24,168	\$30,033	\$10,816	(0.7%)	\$2,497	20.3%	2.4%	19.3%	13.4x	13.5x	2.7x
Alcoholic Beverages											
Anheuser-Busch InBev SA/NV	\$98,507	\$174,009	\$59,400	(0.3%)	\$18,413	31.0%	2.3%	35.3%	8.1x	9.5x	2.9x
Heineken N.V.	\$39,845	\$59,406	\$30,662	3.0%	\$6,296	20.5%	1.8%	22.0%	8.7x	9.4x	1.9x
Brown-Forman Corporation	\$17,903	\$20,690	\$4,079	(4.5%)	\$1,203	29.5%	2.5%	31.2%	15.9x	17.2x	5.1x
Molson Coors Beverage Company	\$11,809	\$17,635	\$11,682	1.2%	\$2,418	20.7%	(1.2%)	21.3%	7.2x	7.3x	1.5x
Median	\$28,874	\$40,048	\$21,172	0.5%	\$4,357	25.1%	2.1%	26.6%	8.4x	9.4x	2.4x
Mean	\$42,016	\$67,935	\$26,456	(0.1%)	\$7,083	25.4%	1.4%	27.5%	9.9x	10.8x	2.9x
Non-Alcoholic Beverages											
The Coca-Cola Company	\$268,203	\$298,793	\$46,366	3.0%	\$14,831	32.0%	1.8%	33.7%	18.8x	20.1x	6.4x
PepsiCo, Inc.	\$211,049	\$248,164	\$91,920	0.3%	\$16,913	18.4%	1.9%	20.0%	13.3x	14.7x	2.7x
Starbucks Corporation	\$103,459	\$125,746	\$36,176	0.6%	\$6,723	18.6%	3.1%	18.2%	18.5x	18.7x	3.5x
Monster Beverage Corporation	\$51,116	\$50,299	\$7,411	7.0%	\$2,105	28.4%	6.2%	29.5%	21.6x	23.9x	6.8x
Median	\$157,254	\$186,955	\$41,271	1.8%	\$10,777	23.5%	2.5%	24.7%	18.7x	19.4x	5.0x
Mean	\$158,457	\$180,750	\$45,468	2.7%	\$10,143	24.3%	3.2%	25.3%	18.1x	19.4x	4.9x
Fruit and Vegetable											
Lamb Weston Holdings, Inc.	\$9,533	\$13,564	\$6,325	(0.3%)	\$1,205	19.1%	1.1%	19.1%	11.1x	11.3x	2.1x
Fresh Del Monte Produce Inc.	\$1,592	\$2,003	\$4,276	(1.8%)	\$230	5.4%	2.6%	6.2%	N/A	8.7x	0.5x
Seneca Foods Corporation	\$546	\$1,087	\$1,483	(1.8%)	\$133	9.0%	N/A	N/A	N/A	8.2x	0.7x
Median	\$1,592	\$2,003	\$4,276	(1.8%)	\$230	9.0%	1.9%	12.7%	11.1x	8.7x	0.7x
Mean	\$3,890	\$5,551	\$4,028	(1.3%)	\$523	11.1%	1.9%	12.7%	11.1x	9.4x	1.1x
Fast Food											
McDonald's Corporation	\$207,741	\$259,966	\$25,939	3.7%	\$13,846	53.4%	2.6%	54.5%	17.9x	18.8x	10.0x
Chipotle Mexican Grill, Inc.	\$82,227	\$85,344	\$10,985	15.2%	\$2,234	20.3%	13.3%	20.6%	33.3x	38.2x	7.8x
Yum! Brands, Inc.	\$37,440	\$48,953	\$7,223	2.3%	\$2,631	36.4%	10.9%	35.0%	17.5x	18.6x	6.8x
Restaurant Brands International Inc.	\$21,099	\$37,697	\$7,930	15.1%	\$2,494	31.5%	16.9%	32.1%	12.7x	15.1x	4.8x
Median	\$59,834	\$67,148	\$9,457	9.4%	\$2,563	33.9%	12.1%	33.5%	17.7x	18.7x	7.3x
Mean	\$87,127	\$107,990	\$13,019	9.1%	\$5,301	35.4%	10.9%	35.5%	20.4x	22.7x	7.3x
Food Retail											
Costco Wholesale Corporation	\$406,731	\$403,034	\$258,805	5.4%	\$11,781	4.6%	6.7%	4.8%	30.6x	34.2x	1.6x
The Kroger Co.	\$44,249	\$60,665	\$149,879	1.4%	\$8,119	5.4%	(1.0%)	5.4%	7.6x	7.5x	0.4x
Loblaw Companies Limited	\$37,039	\$49,319	\$60,597	2.7%	\$4,066	6.7%	(27.9%)	11.7%	9.7x	12.1x	0.8x
Median	\$44,249	\$60,665	\$149,879	2.7%	\$8,119	5.4%	(1.0%)	5.4%	9.7x	12.1x	0.8x
Mean	\$162,673	\$171,006	\$156,427	3.2%	\$7,989	5.6%	(7.4%)	7.3%	16.0x	17.9x	0.9x

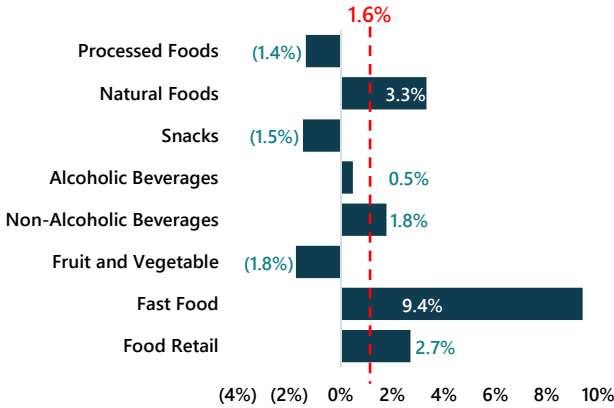
Source: Capital IQ. Data as of December 31, 2024.

"LTM" refers to last twelve months. "NTM" refers to next twelve months.

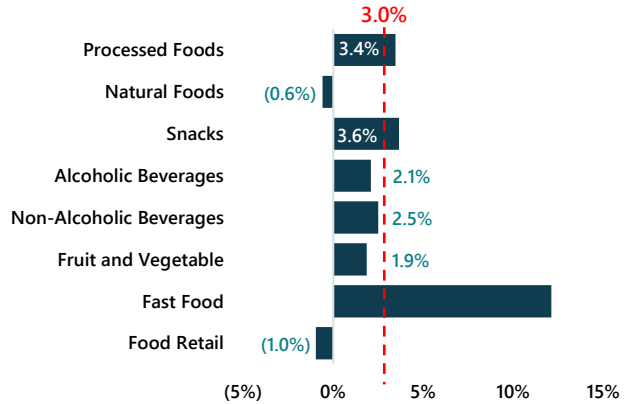
Public Comparable Analysis

Growth, Margins & Multiples

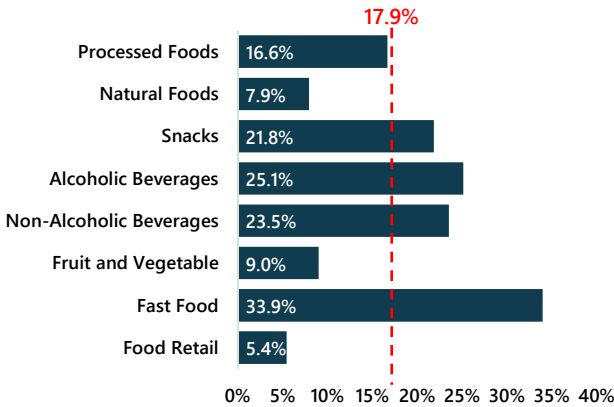
LTM Revenue Growth



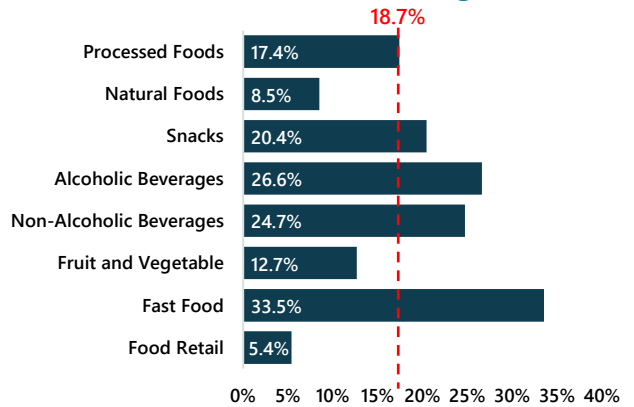
NTM Revenue Growth



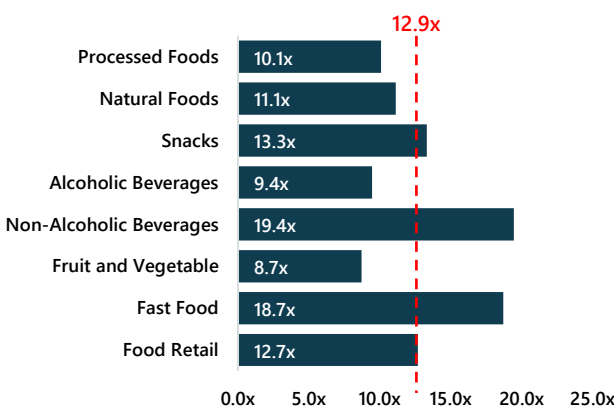
LTM EBITDA Margin



NTM EBITDA Margin



LTM EV/EBITDA



NTM EV/EBITDA

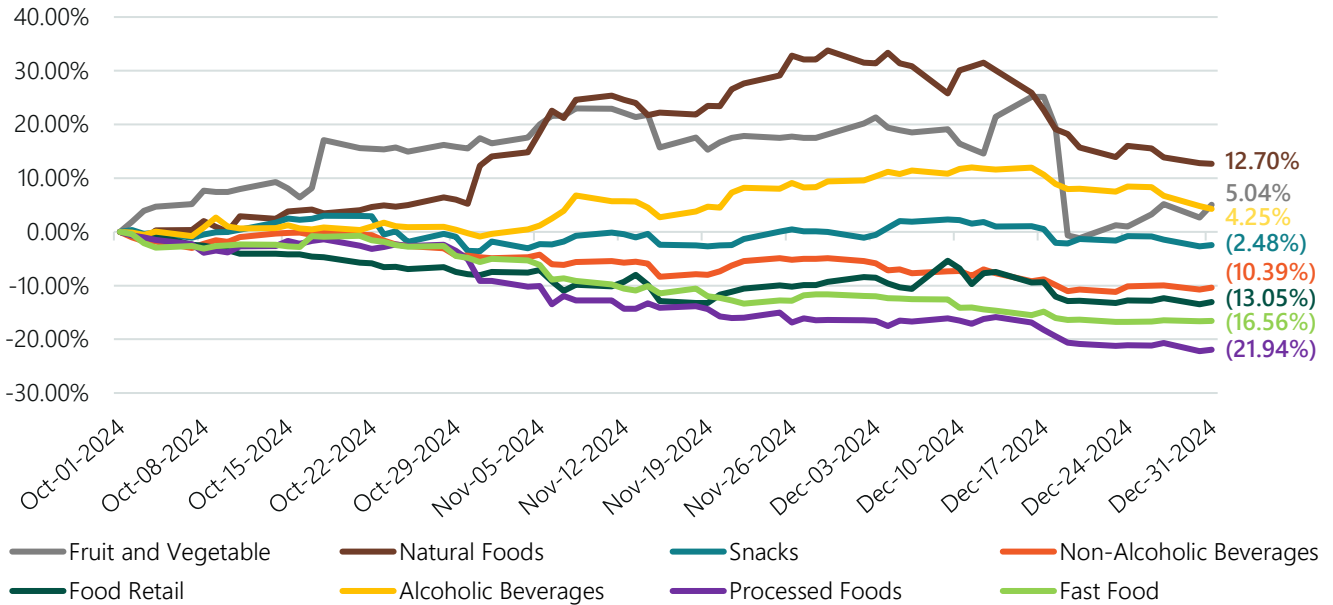


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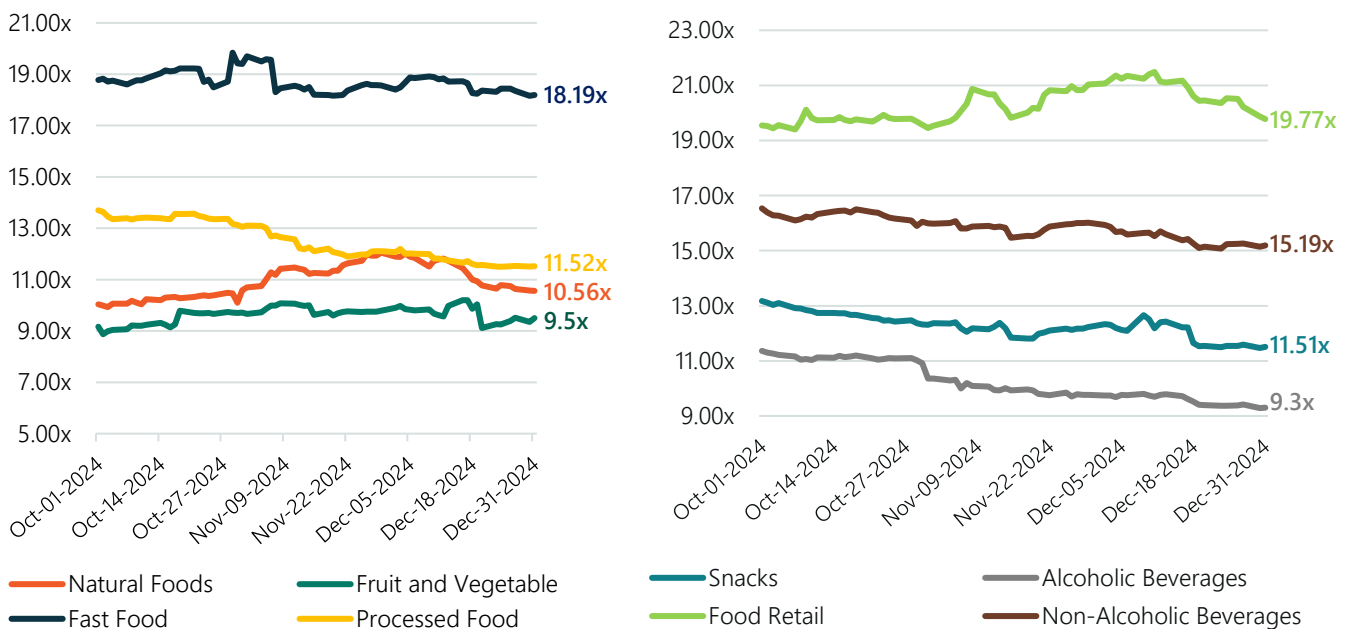
Public Comparable Analysis

Performance Analysis

Food & Beverage Peer Group Stock Performance



Food & Beverage Peer Group EV/EBITDA Multiples



About Us



MNP Corporate Finance (MNPCF) has a dedicated team of over 100 M&A, capital markets, and due diligence professionals across Canada. MNPCF works with clients in virtually all industries as they prepare, plan and execute transactions.

Our typical transactions range in value between \$3 million and \$300 million.

Deal Experience

Since our inception, our team has advised on hundreds of transactions, in a wide range of industries with diverse enterprise values. In the past 10 years alone, we have completed over 300 transactions worth more than \$5 billion (not including due diligence engagements).

Industry Experience

- Food & Beverage
- Retail & Distribution
- Manufacturing
- Agriculture
- Automotive
- Materials
- Healthcare
- Pharmaceutical
- Transportation
- Construction
- Software
- Financial Services
- Technology
- Energy
- Oilfield Services
- Real Estate

Services

- Divestitures
- Acquisitions
- Debt Financing
- Due Diligence
- Transaction Advisory Services

Recently Closed Deals (National)

MNP Corporate Finance Inc. provided financial and tax due diligence services to ATCO Structures & Logistics.

MNP Corporate Finance Inc. acted as exclusive financial advisor to The Compounding Pharmacy of Manitoba in structuring and negotiating this transaction.

MNP Corporate Finance Inc. provided financial due diligence services to Argyle Capital Partners.

MNP Corporate Finance Inc. acted as exclusive financial advisor to Collective Waste Solutions Inc. in structuring and negotiating this transaction.

MNP Corporate Finance Inc. provided financial due diligence services to Beedie Capital.

MNP Corporate Finance Inc. provided vendor due diligence services to SSR Roof Supply Ltd.

MNP Corporate Finance Inc. acted as exclusive financial advisor to Amherst Veterinary Hospital Ltd. in structuring and negotiating this transaction.

MNP Corporate Finance Inc. provided financial due diligence services to Allnorth Global Consultants Inc.

MNP Corporate Finance Inc. provided financial due diligence services to Kuzco Group.

MNP Corporate Finance Inc. acted as exclusive financial advisor to R2O Inc. in structuring and negotiating this transaction.

About Us



Hands-on Approach

Current M&A transactions require a hands-on approach from start to finish including the active engagement of senior resources. Our senior resources are dedicated to our clients and are available as necessary and appropriate. We keep our clients regularly informed of the engagement status, issues we are encountering, successes and overall progress.

Recently Closed Deals (National)

has acquired

MNP Corporate Finance Inc. provided financial and tax due diligence services to Beedie Capital.

has acquired

MNP Corporate Finance Inc. provided vendor due diligence services to Scott Springfield Mfg. Inc.

Integrated Service Offering

We draw on the vast experience and deep specialist knowledge network of our partners locally, nationally and internationally as specialty issues arise, such as pre-transaction tax planning, transaction structuring, estate planning, valuation, due diligence, performance improvement and risk management.

has invested in

MNP Corporate Finance Inc. provided financial and tax due diligence services to CAI Capital Partners.

has acquired

MNP Corporate Finance Inc. provided financial and tax due diligence services to Gestalt Capital.

Local and International Reach

MNP is a participating firm within Praxity, a unique global alliance of independent accounting/advisory firms created to answer global business needs. As a member of Praxity, we are able to offer access to corporate finance, accounting and tax advisory services worldwide.

has partnered with

MNP Corporate Finance Inc. acted as exclusive financial advisor to Figurra Institute in structuring and negotiating this transaction.

has invested in

MNP Corporate Finance Inc. acted as exclusive financial advisor to Sommers Generator Systems in structuring and negotiating this transaction and providing vendor due diligence services.



has acquired

MNP Corporate Finance Inc. acted as exclusive financial advisor to Château des Charmes Wines Ltd. in structuring and negotiating this transaction.

has acquired

MNP Corporate Finance Inc. provided financial and tax due diligence services to Uni-Select Inc.

has acquired

MNP Corporate Finance Inc. acted as exclusive financial advisor to G. Williams Paving Ltd. & Williams Hot Mix Ltd. in structuring and negotiating this transaction.

has acquired

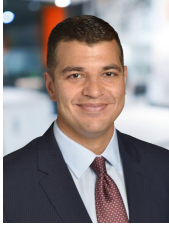
MNP Corporate Finance Inc. acted as exclusive financial advisor to Legère Invest Ltd. in structuring and negotiating this transaction.

Leadership Team

Transaction Leadership



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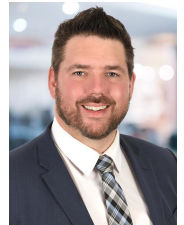
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