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FOR WHAT TRULY COUNTS



M&A Facts Quarterly Q2 – 2023

FOOD & BEVERAGE



Food & Beverage Sector – M&A-Highlights and Market Insights

Data source: S&P Capital IQ. Analysis by Proventis Partners.

- ▶ As the **Food & Beverage sector** covers a broad range of different business lines and products, the 2023 Q2 Food & Beverage M&A Facts cover the subsectors food retailing and beverage, which is divided in brewers, distillers & vintners, and soft drinks.
- ▶ **F&B Inflation** – Global consumer prices for food and beverages are still outpacing the high headline inflation, reaching double-digit percentages.
- ▶ **Valuation multiples** of listed food retail companies as well as beverage companies remained at a constant level as previous quarters, however, are valued generally below Q2 2022. As an example, listed global food retailing companies were valued at 6.3x EBITDA in Q2 2022 and are now valued at 6.1x EBITDA.
- ▶ The **number of deals** in Q2 2023 (160) decreased by 7.5% compared to Q2 2022 (172), however, increased compared to Q1 2023 (149).
- ▶ **Regional focus** – Although Asia / Pacific is the largest food and beverage market, North America is driving M&A activity in Q2 2023, accounting for 38.1% of total deals followed by Europe accounting for 36.9%. The European market displays a median EBITDA multiple of 11.3x.
- ▶ **Investor focus** – Strategic buyers continue to drive deal activity, displaying a consistent share of 77% of total transactions. Strategic buyers paid a median EBITDA multiple of 11.3x

Covered sub-sectors:

Food Retailing

Brewers

Distillers and Vintners

Soft Drinks

Beverage

Market trends:

Food Retailing

- ▶ **Protein products** – Plant-based "high protein" products are one of the fastest growing product groups and are being used in more and more products.
- ▶ **Superfoods** – "Superfoods" such as goji berries, chia seeds or matcha tea, have grown considerably in popularity and are trending healthy and immune-boosting snacks.
- ▶ **Sodium reduction** – Health-conscious consumers and government guidelines have led food manufacturers to reduce the sodium content in their products.

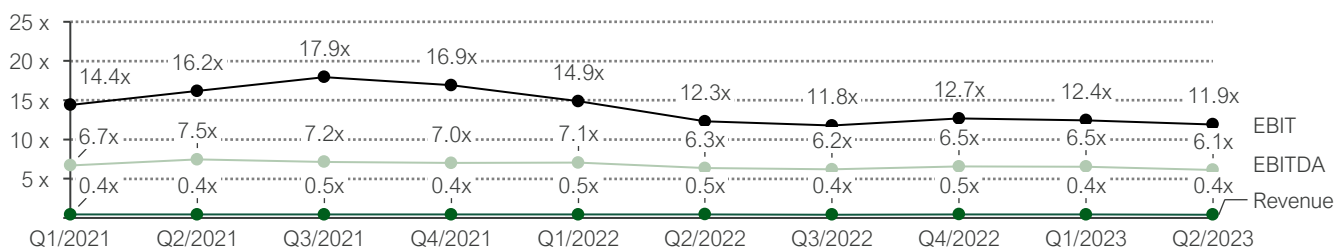
Beverages

- ▶ **Energy drinks** – Despite the high inflation, energy drinks, which are considered as affordable luxuries, continue to grow due to sustained demand and innovative products.
- ▶ **Artificial sweeteners** – The World Health Organization classified the artificial soda sweetener aspartame as a possible carcinogen elevating the risk of a consumer backlash for diet drinks.
- ▶ **Functional drinks** – Consumers are becoming increasingly health-conscious, increasing the demand for functional drinks that offer additional health-promoting benefits.

Global Food Retailing Sector Peer Group

Note: TEV = Total Enterprise Value. LTM = Last Twelve Months. Data source: S&P Capital IQ

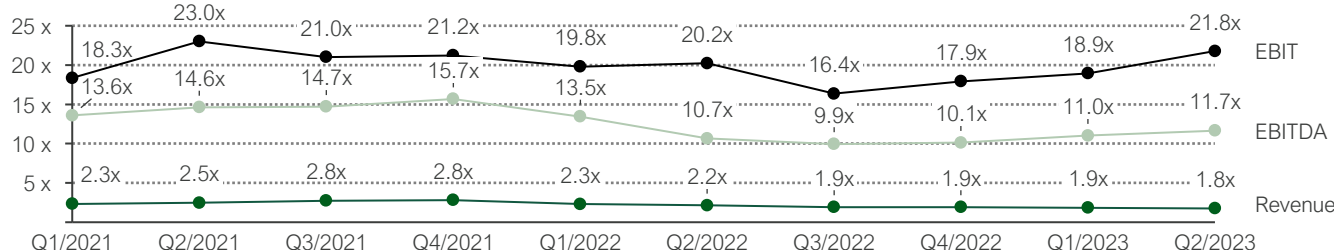
Company Name	Country	Market Cap	TEV	Total Revenue LTM	EBITDA LTM	TEV/EBITDA LTM	TEV/EBITDA prev. Quarter
The Kroger Co.	United States	30.900	47.269	137.632	7.105	6,0x	6,5x
Koninklijke Ahold Delhaize N.V.	Netherlands	30.327	45.146	88.834	5.739	6,4x	6,4x
Carrefour SA	France	12.680	28.521	80.543	3.714	6,1x	6,3x
Tesco PLC	United Kingdom	20.580	33.347	73.560	4.176	6,8x	7,0x
J Sainsbury plc	United Kingdom	7.326	14.194	34.984	1.799	5,9x	6,2x
Metro AG	Germany	2.700	6.530	30.909	1.239	4,1x	3,9x
Eurocash S.A.	Poland	538	1.182	6.821	141	5,1x	5,3x
Axfood AB (publ)	Sweden	4.181	5.107	6.662	348	11,0x	11,6x
Weis Markets, Inc.	United States	1.582	1.450	4.360	233	5,1x	6,6x
Sligro Food Group N.V.	Netherlands	696	1.061	2.483	78	10,0x	10,0x
MARR S.p.A.	Italy	928	1.209	1.976	61	16,6x	17,4x
Orsero S.p.A.	Italy	217	380	1.280	70	4,5x	4,0x
Hawesko Holding SE	Germany	342	500	675	39	9,4x	8,1x
WASGAU Produktions & Handels AG	Germany	84	265	607	26	5,9x	6,0x
Villars Holding S.A.	Switzerland	73	90	78	4	19,7x	21,0x
Median						6.1x	6.5x



Global Brewers Sector Peer Group

Note: TEV = Total Enterprise Value. LTM = Last Twelve Months. Data source: S&P Capital IQ

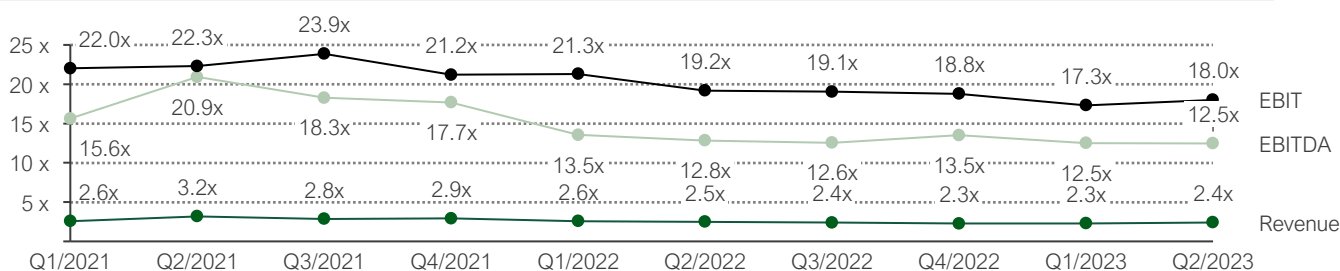
Company Name	Country	Market Cap	TEV	Total Revenue LTM	EBITDA LTM	TEV/EBITDA LTM	TEV/EBITDA prev. quarter
Anheuser-Busch InBev SA/NV	Belgium	102.820	177.367	54.086	16.873	10,0x	11,0x
Heineken N.V.	Netherlands	53.451	69.432	28.719	5.499	11,6x	12,1x
Molson Coors Beverage Company	United States	13.044	19.140	9.970	1.466	12,5x	9,9x
Carlsberg A/S	Denmark	21.696	24.824	9.446	1.758	12,9x	12,3x
The Boston Beer Company, Inc.	United States	3.436	3.371	1.905	178	18,0x	17,8x
Royal Unibrew A/S	Denmark	4.064	4.720	1.594	268	17,5x	17,0x
Ottakringer Getränke AG	Austria	338	401	238	22	18,0x	22,8x
Olvi Oyj	Finland	600	581	609	74	7,7x	6,8x
Kulmbacher Brauerei Aktien-Gesellschaft	Germany	138	164	261	29	4,5x	5,0x
Kopparbergs Bryggeri AB (publ)	Sweden	225	214	184	21	10,8x	8,9x
Shepherd Neame Limited	United Kingdom	118	280	180	20	11,7x	11,0x
Brouwerij Handelsmaatschappij NV	Belgium	192	200	112	17	12,0x	10,4x
Allgäuer Brauhaus AG	Germany	126	146	35	5	31,9x	37,2x
Park & Bellheimer AG	Germany	10	13	22	5	2,4x	3,0x
BHB Brauholding Bayern-Mitte AG	Germany	9	7	16	2	3,8x	3,4x
Median						11,7x	11,0x



Global Distillers and Vintners Sector Peer Group

Note: TEV = Total Enterprise Value. LTM = Last Twelve Months. Data source: S&P Capital IQ

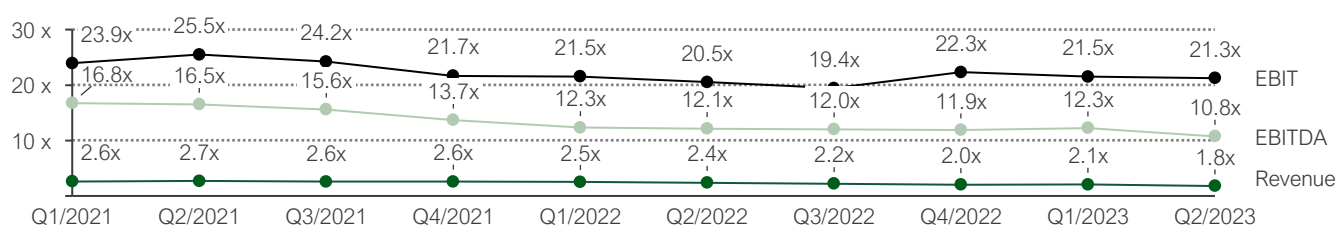
Company Name	Country	Market Cap	TEV	Total Revenue LTM	EBITDA LTM	TEV/EBITDA LTM	TEV/EBITDA prev. quarter
Diageo plc	United Kingdom	88.337	108.523	19.070	6.448	15,0x	15,9x
Pernod Ricard SA	France	51.841	61.972	11.858	3.577	16,2x	16,6x
Rémy Cointreau SA	France	7.412	7.949	1.549	461	16,6x	18,4x
MGP Ingredients, Inc.	United States	2.143	2.333	725	149	15,6x	13,4x
Schloss Wachenheim AG	Germany	130	241	416	42	5,0x	5,1x
AdVini S.A.	France	78	253	298	16	12,5x	14,8x
Andrew Peller Limited	Canada	129	286	260	21	12,0x	12,3x
Vranken-Pommery Monopole Société Anonyme	France	164	818	334	45	16,9x	20,6x
Lanson-BCC	France	262	729	289	62	11,4x	12,9x
Laurent-Perrier S.A.	France	762	968	337	97	9,8x	9,2x
Italian Wine Brands S.p.A.	Italy	201	347	391	30	11,7x	12,5x
Berentzen-Gruppe Aktiengesellschaft	Germany	57	48	174	12	3,6x	3,8x
Ambra S.A.	Poland	151	180	185	24	6,6x	6,8x
Lucas Bols N.V.	Netherlands	156	221	101	16	15,9x	9,7x
Masi Agricola S.p.A.	Italy	150	179	75	11	14,8x	12,4x
Median						12,5x	12,5x



Global Soft Drinks Sector Peer Group

Note: TEV = Total Enterprise Value. LTM = Last Twelve Months. Data source: S&P Capital IQ

Company Name	Country	Market Cap	TEV	Total Revenue LTM	EBITDA LTM	TEV/EBITDA LTM	TEV/EBITDA prev. quarter
PepsiCo, Inc.	United States	233.742	267.355	82.510	14.090	18,2x	17,8x
The Coca-Cola Company	United States	238.550	267.151	40.031	12.385	19,0x	19,6x
Keurig Dr Pepper Inc.	United States	40.209	52.850	13.191	3.290	15,4x	16,4x
Monster Beverage Corporation	United States	55.073	52.309	5.975	1.596	32,7x	32,4x
Primo Water Corporation	United States	1.827	3.384	2.058	358	8,2x	9,2x
Britvic plc	United Kingdom	2.572	3.358	1.928	293	10,8x	11,4x
National Beverage Corp.	United States	4.134	4.023	1.063	187	19,9x	22,2x
Fevtree Drinks PLC	United Kingdom	1.655	1.563	388	39	36,9x	39,0x
Spadel SA	Belgium	672	595	321	40	14,5x	12,5x
A.G. BARR p.l.c.	United Kingdom	608	552	362	61	8,6x	9,4x
Kofola CeskoSlovensko a.s.	Czech Republic	220	362	344	46	7,1x	8,0x
Nichols plc	United Kingdom	409	347	186	32	10,2x	12,3x
Mineralbrunnen Überkingen-Teinach GmbH & Co. KGaA	Germany	118	134	139	19	6,8x	5,6x
Krynica Vitamin S.A.	Poland	34	47	78	7	6,4x	5,9x
Excellence S.A.	Poland	5	9	16	1	10,1x	10,0x
Median						10,8x	12,3x



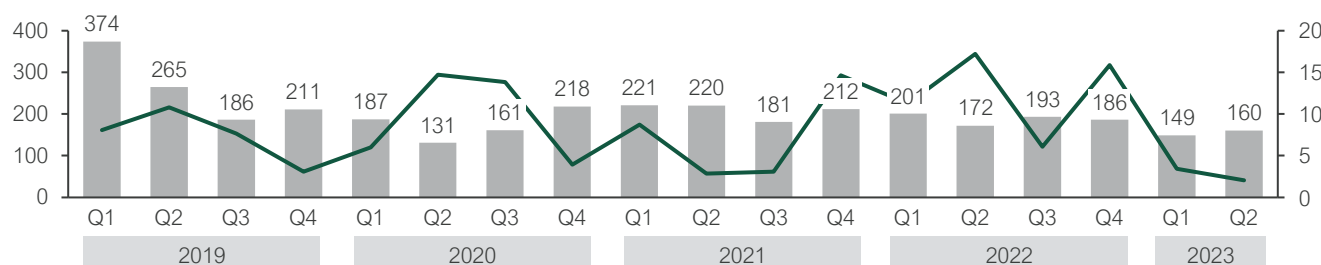
Recent Food Retailing and Beverage M&A Transactions

Note: TEV = Total Enterprise Value. TTV = Total Transaction Value in €m. Data source: S&P Capital IQ. Selection of transactions by Proventis Partners.

Announced Date	Target	Target Country	Acquirer	Acquirer Country	Acquired Stake (in %)	Total Transaction Value	Implied EV/ EBITDA
06.15.2023	BÄKO Weser-Ems-Mitte Bäcker- und Konditorengesellschaft eG	UK	CVC Capital Partners Limited	UK	-	n/a	n/a
06.06.2023	FÖRstina-Sprudel Mineral- Und Heilquelle Ehrhardt & Sohn GmbH & Co.	NL	Heineken N.V. (ENXTAM:HEIA)	NL	-	n/a	n/a
04.21.2023	Kehrwieder Kreativbrauerei GmbH	UK	Chestnut Inns Limited	UK	100	n/a	n/a
04.05.2023	basic Aktiengesellschaft Lebensmittelhandel	NL	CC Beverages Holdings II B.V.	NL	100	201	n/a
15.06.2023	BÄKO Weser-Ems-Mitte Bäcker- und Konditorengesellschaft eG	DE	Ebacko Bäcker- und Konditoren-Einkauf eG	DE	100	n/a	n/a
13.06.2023	Tropiq As / Nordic Approach Coffee Importers	DE	Neumann Gruppe GmbH	DE	-	n/a	n/a
04.05.2023	JOHBECO Group	DE	Metro AG (XTRA:B4B)	DE	100	100	n/a
26.04.2023	Chateau d'Étroys SAS	US	Chanson Père et Fils	FR	100	n/a	n/a
25.04.2023	Cuna de Reyes S.L.	ES	Vintae Luxury Wine Specialists, S.L.U.	ES	100	n/a	n/a
25.04.2023	Marley Spoon SE (ASX:MMM)	UK	Marley Spoon Group SE (XTRA:MS1)	LU	70	138	n/a

Global Food Retailing and Beverage M&A Deal Count, Recorded Transaction Volume 2019-2023

Data Source: S&P Capital IQ.

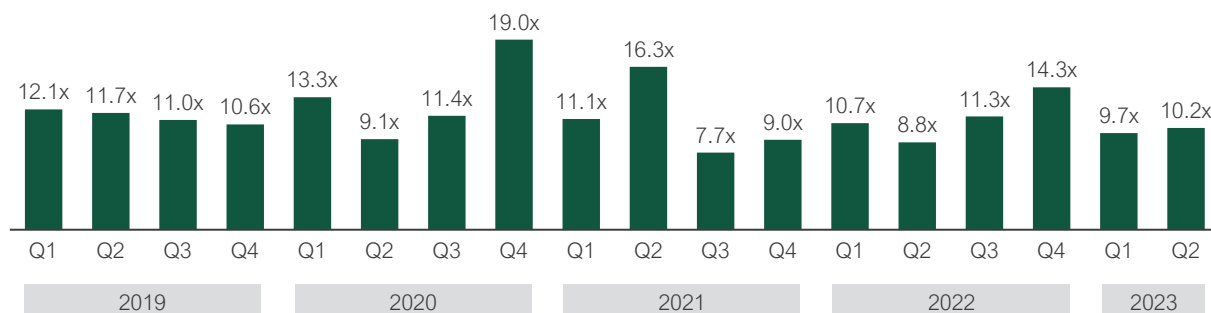


1: The transaction value is not representative due to a lack of deal value being published.

Global Food Retailing and Beverage M&A Median Transaction Multiples 2019-2023

Implied Transaction Enterprise Value / EBITDA of announced transactions with disclosed multiple.

Data Source: S&P Capital IQ.

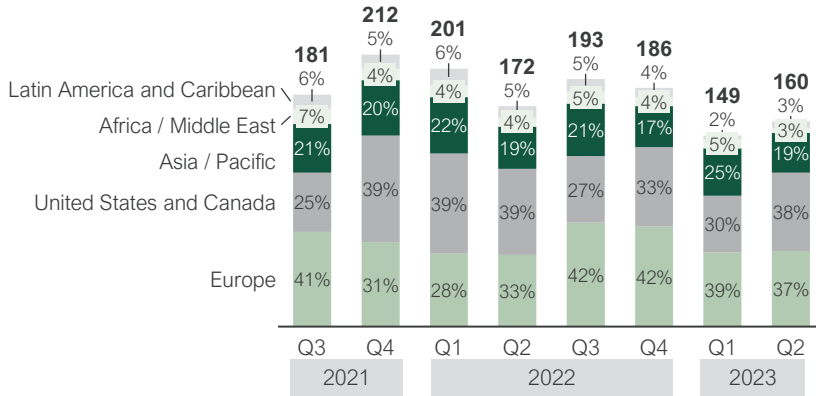


The transaction multiple for Q2 2023 is not representative due to a lack of deal value being published.

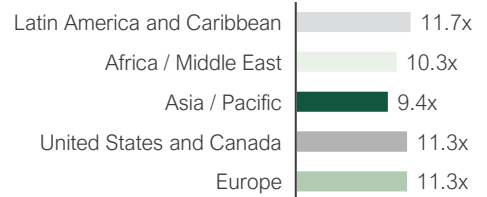
Global Food Retailing and Beverage M&A Deal Analysis

Announced transactions. Implied M&A Enterprise Value / LTM EBITDA of announced transactions with disclosed multiple.
Data Source: S&P Capital IQ

Deal Count by Target Region

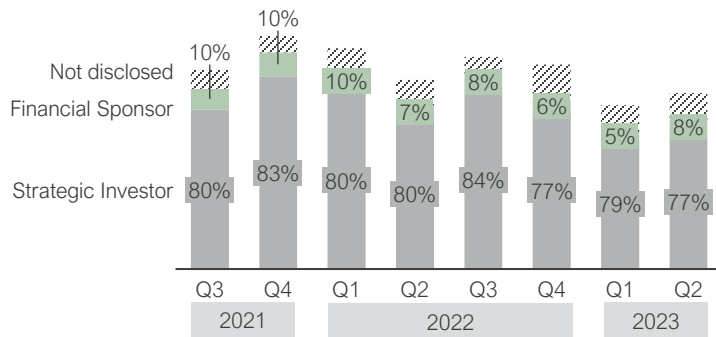


Median EBITDA Multiple by Target Region



Deal Count by Investor Type

Announced transaction with identified investors.

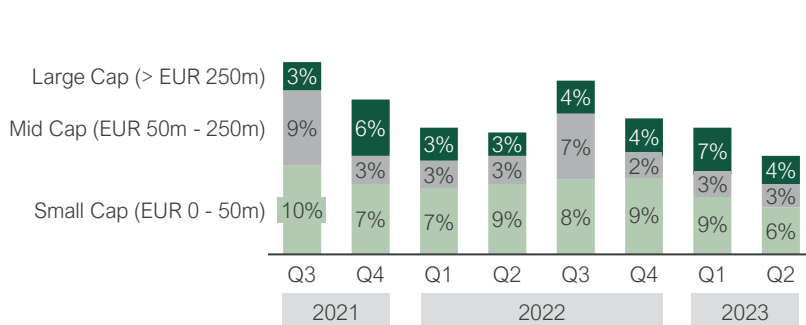


Median EBITDA Multiple by Investor Type

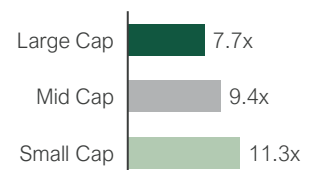


Deal Count by Company Size

Announced transactions with disclosed annual pre-transaction revenues



Median EBITDA Multiple by Company Size



Notes

The analysis considers announced transactions only. Recent Transactions and Quarterly Multiples only include transactions with available Enterprise Values (EV). As Capital IQ constantly updates its database, the values might differ from previous M&A Facts.

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