

General Market Commentary

- A total of 69 M&A transactions were announced in the North America in March across Food & Beverage, Retail, Catalog, E-Commerce and Consumer Discretionary.
- The number of announced M&A transactions in these verticals was down 5% from the prior year period and down 27% from February 2017.
- Despite high expectations going into this year, buyers have remained cautious in March given weaker equity markets and uncertainty as a result of ongoing political gridlock in Washington.
- Several large retailers have recently announced corporate restructuring or potential sales including Macy's and Staples.
- Challenging operating environments for many retailers should support ongoing industry consolidation. Meanwhile, a relatively robust economic environment should continue to support activity in the F&B and consumer discretionary sectors of the market.

March Headline Transactions

Target	Acquirer	Acquisition Summary
		<ul style="list-style-type: none"> • Darden Restaurants, Inc. (NYSE: DRI) agreed to acquire Cheddar's Casual Café, Inc. for \$780 million • The transaction represents an IEV to LTM EBITDA multiple of 10.4x
		<ul style="list-style-type: none"> • The previously provided information regarding this Headline was factually incorrect and has been retracted.
		<ul style="list-style-type: none"> • Oak Hill Capital Partners has agreed to acquire Checkers Drive-In Restaurants, Inc. from Sentinel Capital Partners for \$525 million • The transaction represents an IEV to LTM Revenue multiple of .63x • Checkers Drive-In Restaurants, which operates 840 locations across 29 states, posted 3.2% growth in same-store sales last year
		<ul style="list-style-type: none"> • JBS USA Food Company, LLC has agreed to acquire Plumrose USA, Inc. from Danish Crown A/S for \$230 million • The transaction represents an IEV to LTM Revenue multiple of .4x • JBS will take over operations of five prepared food plants and two distribution centers in the U.S.

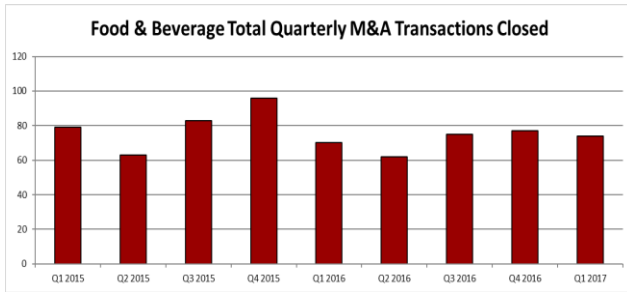
IEV = Implied Enterprise value

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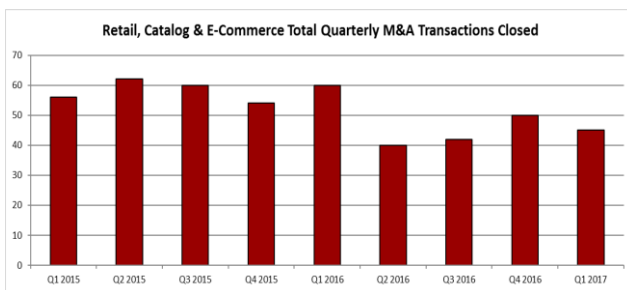
Food & Beverage Overview



Source: Capital IQ

Transaction Value	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
Not Disclosed	51	42	49	65	55	48	61	50	54
<\$10 mm	6	10	10	9	2	2	6	10	7
\$10 - 25 mm	6	1	6	5	4	4	2	4	4
\$25 - 50 mm	1	2	3	5	1	2	2	1	0
\$50 - 100 mm	8	3	5	4	1	0	0	2	3
\$100 - 500 mm	5	4	8	4	1	5	4	5	5
>\$500 mm	2	1	2	4	6	1	0	5	1
Total # Quarterly Transactions	79	63	83	96	70	62	75	77	74
% Change vs. Prior Year Period	9.7%	-25.9%	2.5%	14.3%	-11.4%	-1.6%	-9.6%	-19.8%	5.7%

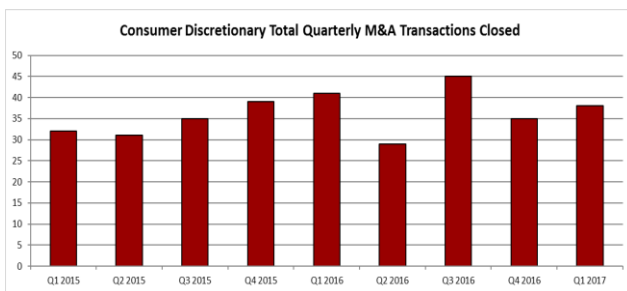
Retail, Catalog & E-Commerce Overview



Source: Capital IQ

Transaction Value	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
Not Disclosed	34	46	43	42	47	33	32	38	38
<\$10 mm	10	7	5	5	5	2	4	4	3
\$10 - 25 mm	7	4	3	2	1	2	1	2	0
\$25 - 50 mm	1	0	1	2	3	1	0	2	1
\$50 - 100 mm	0	1	1	0	0	0	1	3	2
\$100 - 500 mm	3	3	3	1	2	1	2	1	1
>\$500 mm	1	1	4	2	2	1	2	0	0
Total # Quarterly Transactions	56	62	60	54	60	40	42	50	45
% Change vs. Prior Year Period	24.4%	5.1%	-1.6%	17.4%	7.1%	-35.5%	-30.0%	-7.4%	-25.0%

Consumer Discretionary Overview¹



Source: Capital IQ

Transaction Value	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
Not Disclosed	28	25	29	31	28	25	31	27	30
<\$10 mm	1	3	1	1	5	0	4	5	2
\$10 - 25 mm	1	1	1	1	1	0	0	0	0
\$25 - 50 mm	1	0	2	1	2	0	1	1	1
\$50 - 100 mm	0	1	1	1	1	2	2	0	1
\$100 - 500 mm	1	0	1	4	4	1	3	0	3
>\$500 mm	0	1	0	0	0	1	4	2	1
Total # Quarterly Transactions	32	31	35	39	41	29	45	35	38
% Change vs. Prior Year Period	-11.1%	-13.9%	-10.3%	-4.9%	28.1%	-6.5%	28.6%	-10.3%	-7.3%

¹Consumer Discretionary transactions are comprised of Arts & Crafts, Toys, Gifts & Collectibles, Sporting Goods & Leisure Products and Home Décor

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U.S. March Food & Beverage Announced Transactions

Announced Date	Target	Acquirer	Sellers
03/29/2017	Little Caesar Enterprises, Inc., 48 Restaurants in Alabama and Louisiana	Four Foods Group Holdings, LLC	Little Caesar Enterprises, Inc.
03/29/2017	Vermont Creamery LLC	Co-op Land O'Lakes, Inc.	
03/28/2017	Tejas Pet Products Marketing, LLC	VisioCap, LLC	
03/28/2017	Equity Stakes In Fat Dog Spirits, LLC and 3R Distribution, LLC	Turbo Global Partners, Inc. (OTCPK:DIBZ)	
03/27/2017	Boyd Orchards LLC	Eckert Orchards, Inc.	
03/24/2017	Taken Wine Company, LLC	Trinchero Family Estates, Inc.	
03/23/2017	The Rancher's Grill Steakhouse	StarTexas Restaurants, Inc.	
03/23/2017	Fresh Frozen Foods, LLC	The Pictsweet Company	Inventure Foods, Inc. (NasdaqGS:SNAK)
03/22/2017	BN Ranch, LLC	Blue Apron, Inc.	
03/20/2017	Bell Fish Company LLC	Trive Capital	
03/20/2017	Colbio Inc.	QED Connect, Inc. (OTCPK:QEDN)	
03/16/2017	Thanasi Foods, LLC	Conagra Brands, Inc. (NYSE:CAG)	Encore Consumer Capital
03/16/2017	Seven Midwest Based Convenience Stores	BW Gas & Convenience Holdings, LLC	
03/14/2017	Steel City Seafood, LLC	Harvest Select Catfish, Inc.	
03/14/2017	US Foods, Inc., Facility	Channel Fish Processing Company, Inc.	US Foods, Inc.
03/14/2017	Motherlode, LLC	Eastside Distilling, Inc. (OTCPK:ESDI)	
03/08/2017	63-Property Retail Portfolio	Fortress Investment Group LLC (NYSE:FIG); Sansome Pacific Properties, Inc.	Zurich Alternative Asset Management, LLC
03/08/2017	H. R. Asbury Grocery And Meat Store	Jackie Claunch Co. of Harrodsburg	
03/08/2017	Perfect Fuel Chocolate LLC	Home Market Foods, Inc.	
03/07/2017	Bike Waiter LLC and Takeout Express	ZFBW, LLC	
03/07/2017	Ritter Agribusiness Holdings, Inc., Grain Services Business	Poinsett Rice and Grain, Inc.	Ritter Agribusiness Holdings, Inc.
03/06/2017	Joe Lasita & Sons, Inc.	Creation Gardens, Inc.	
03/06/2017	Chris Candies, Inc.	Cemoi Chocolatier SA	
03/06/2017	Bittermens LLC	Sazerac Company, Inc.	
03/02/2017	O Olive Oil, Inc.	Landec Corporation (NasdaqGS:LNDC)	
03/02/2017	Nova Microbial Technologies, LLC	Lallemand S.A.S.	
03/01/2017	Rangen, Inc.	Idaho Ground Water Appropriators, Inc.	

U.S. March Retail, Catalog & E-Commerce Announced Transactions

Announced Date	Target	Acquirer	Sellers
03/27/2017	comparehotels.online	eMedia Group Inc. (OTCPK:EMMD)	Norwest Venture Partners; Innovation Works; FLOODGATE Fund, LP.; Great Oaks Venture Capital LLC; TriplePoint Venture Growth BDC Corp. (NYSE:TPVG); TPVG Advisers LLC
03/17/2017	ModCloth, Inc.	Jet.com, Inc.	
03/16/2017	AirlineFlightSearch.com	eMedia Group Inc. (OTCPK:EMMD)	
03/15/2017	Public Auction Finder LLC And Auction Media Group	Repokar Inc.	
03/13/2017	Binswanger Enterprises, LLC	Wingate Partners, LLP	Grey Mountain Partners, LLC; Yukon Partners Management, LLC
03/09/2017	AquaFly	FlyDive, Inc.	
03/03/2017	The Wet Seal, LLC	Gordon Brothers Group, LLC	

U.S. March Consumer Discretionary Announced Transactions

Announced Date	Target	Acquirer	Sellers
03/29/2017	Armada Skis, Inc.	Amer Sports Corporation (HLSE:AMEAS)	
03/29/2017	BellaVita Group LLC	Youngevity International, Inc. (OTCPK:YGYI)	
03/17/2017	Avery Boardman, LTD. and Carlyle Custom Convertibles, LTD.	Design Furniture Holdings	
03/09/2017	California Closets Orange County	FirstService Corporation (TSX:FSV)	
03/09/2017	Vee Pak Inc.	Wind Point Partners	
03/07/2017	Krauss Craft, Inc.	PlayCore Holdings, Inc.	
03/02/2017	T Squared Kitchen & Bath, Inc.	Kitchen Art Design Center	

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Tully & Holland, Inc.

Investment Banking for Consumer Product Companies
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TULLY & HOLLAND

INCORPORATED

Tully & Holland, Inc. is a boutique investment banking firm that provides financial advisory services to the consumer sector. The firm offers services involving sales and divestitures, acquisition and debt advisory, and financings. The firm focuses on the middle market and handles merger and acquisition transactions between \$10 million and \$150 million. Tully & Holland was founded in 1992 and is a member of FINRA & SIPC.

Food & Beverage

- Food Manufacturers & Distributors
- Food Service Mfg. & Distributors
- Specialty Foods
- Beverages

Retail, Catalog & E-Commerce

- Multi-Channel Merchants
- Catalogers
- Specialty Retailers
- Direct Marketers
- E-Commerce

Consumer Discretionary

- Arts & Crafts
- Toys, Gifts & Collectibles
- Health & Beauty Aids
- Sporting Goods & Leisure Products
- Home Decor

Points of Differentiation

- Unrivaled consumer transaction experience in a host of areas including multi-channel retail, food, and consumer discretionary products.
- A unique team of senior professionals, that includes both seasoned investment bankers and former consumer industry executives.
- Longstanding, ongoing relationships with both strategic and financial buyers interested in the consumer sector.
- Significant experience with advising on cross-border transactions

Representative Clients



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