









General Market Commentary

- A total of 71 M&A transactions were announced in North America in May across Food & Beverage, Retail, Catalog, E-Commerce and Consumer Discretionary.
- The number of announced M&A transactions in May 2017 in these verticals is the same as May 2016 and up 15.5% from April 2017.
- Most of the transactions occurred in the F&B space and were predominantly small to medium-sized targets (less than \$500 million in total value).
- T&H's Market Multiple Index (see page 2) tracks consideration paid versus revenue and EBITDA. Since early 2017, the index shows declines in consideration paid for small companies (less than \$250mm) and gains for larger targets (greater than \$250mm).
- Large-cap food distributors with market caps in excess of \$5bn saw sales decline by 4.7% in May, contrasted with small-cap food distributors with market caps less than \$500mm. experiencing sales growth of more than 10% YoY. This is further evidence of large food companies losing revenue to smaller food producers that focus on natural ingredients and processes. We expect strategic buyers to become more active in recapturing market share.
- The economy continues to show strength – April unemployment reached its lowest level since May 2007 and wages climbed 2.5% YoY which should provide a supportive backdrop for 2H 2017 deal activity.

May Headline Transactions

Target	Acquirer	Acquisition Summary
		<ul style="list-style-type: none"> • KPS Capital Partners, LP has agreed to acquire Taylor Made Golf Company, Inc. from Adidas for \$425 million as Adidas moves to exit the golf business • The transaction represents an IEV to LTM Revenue of 0.47x
		<ul style="list-style-type: none"> • As Conagra Brands moves away from private label into branded only foods, J.M. Smuckers Company agreed to acquire Wesson Oils for \$285 million. • The transaction will be financed primarily with debt
		<ul style="list-style-type: none"> • Heineken acquired the remaining 50% stake in Lagunitas, after previously acquiring a 50% stake in October 2015. • Lagunitas will now become a full acting subsidiary of Heineken but will be operated independently • Lagunitas brought in \$63.9 million of revenue in 2016
		<ul style="list-style-type: none"> • Performance Food Group acquired Ohio Pizza Products (also known as Presto Foods) for \$50 million • Presto Foods provides frozen food products and equipment to universities, Italian restaurants, and pizza shop operators • The transaction represents an IEV to LTM Revenue of 0.4x

Sources: S&P Capital IQ and other public sources
IEV = Implied Enterprise value

Timothy Tully
President
(781)239-2900x14
tully@tullyandholland.com

Stuart Rose
Managing Director
(781)239-2900x17
srose@tullyandholland.com

Jon Pratt
Managing Director
(781)239-2900x15
jpratt@tullyandholland.com

Tully & Holland, Inc.

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Deal Value (\$Millions)



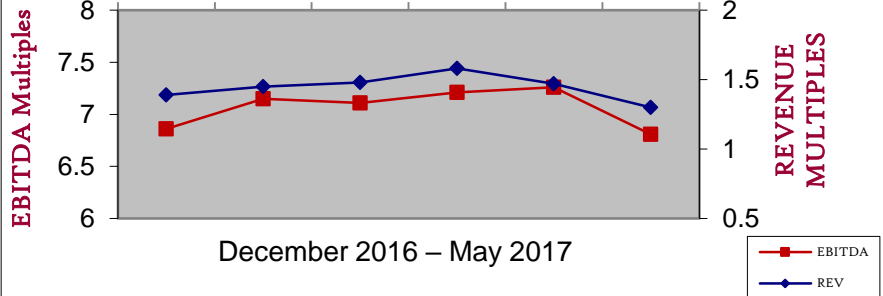
T & H Market Trends Index

As of 5/24/2017

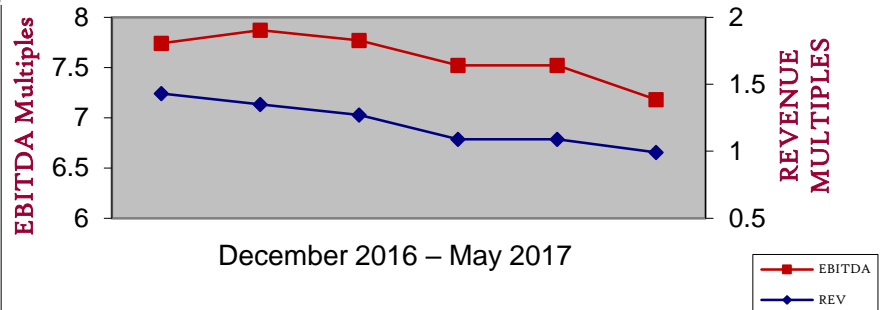
Deal Value (\$Millions)	EBITDA	REVENUE
<\$25	5.84x	0.94x
\$25 - \$100	6.81x	1.30x
\$100 - \$250	7.18x	0.99x
\$250 - \$500	7.19x	1.05x
>\$500	12.12x	3.96x

Source: Capital IQ (Data includes multiples between 3x and 20x excluding real estate and telecommunications transactions)

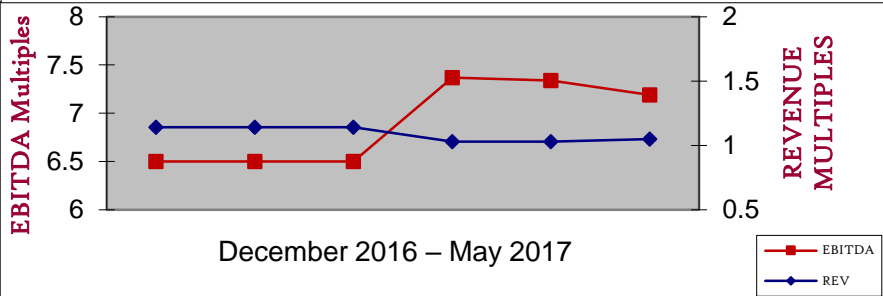
\$25mm-\$100mm



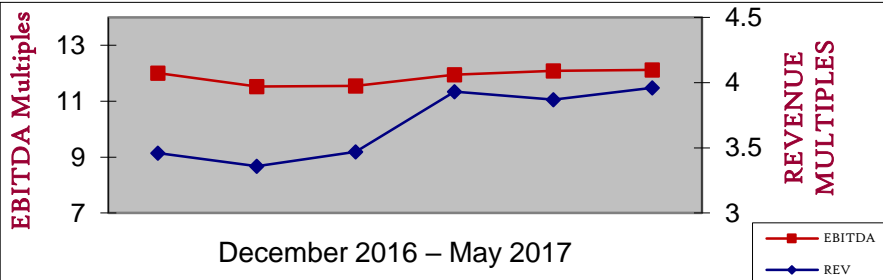
\$100mm-\$250mm



\$250mm-\$500mm



Greater than \$500mm

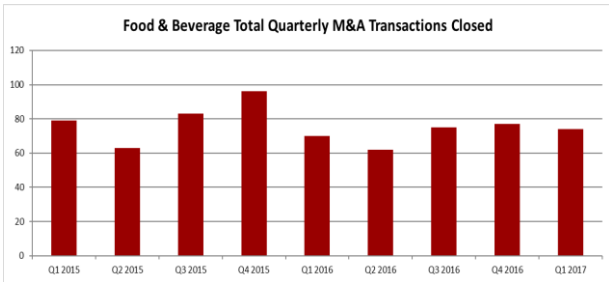


Timothy Tully
President
(781)239-2900x14
tully@tullyandholland.com

Stuart Rose
Managing Director
(781)239-2900x17
srose@tullyandholland.com

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Managing Director
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jpratt@tullyandholland.com

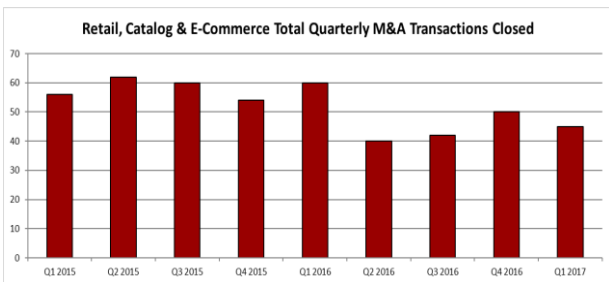
Food & Beverage Overview



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%

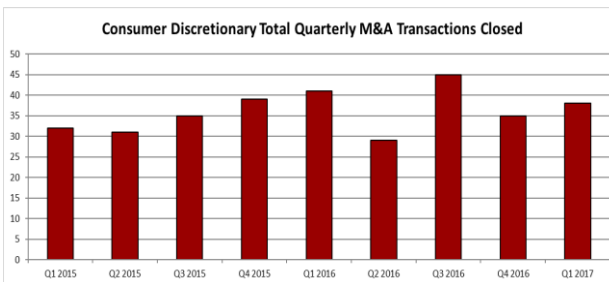
Retail, Catalog & E-Commerce Overview



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

Timothy Tully
President
(781)239-2900x14
tully@tullyandholland.com

Stuart Rose
Managing Director
(781)239-2900x17
srose@tullyandholland.com

Jon Pratt
Managing Director
(781)239-2900x15
jpratt@tullyandholland.com

U.S. May Food & Beverage Transactions

Announced Date	Target/Issuer	Acquirer	Sellers
05/31/2017	MaMa Rosa's Pizza LLC	Schwan's Shared Services, LLC	HGGC, LLC
05/31/2017	Oregon Cherry Growers, Inc.	Pacific Coast Producers, Inc.	-
05/30/2017	Conagra Brands, Inc., Wesson Oil	The J. M. Smucker Company (NYSE:SJM)	Conagra Brands, Inc. (NYSE:CAG)
05/30/2017	Pot-O-Coffee	Laguna Blends Inc.	-
05/26/2017	Wise Company, Inc.	Bruckmann, Rosser, Sherrill & Co. L.L.C.	Trivest Partners, L.P.
05/25/2017	Moorefield Creamery	Not Disclosed	Not Disclosed
05/24/2017	Max Brenner International Inc.	-	Strauss Group Ltd. (TASE:STRS)
05/23/2017	Gypsy Crunch, LLC	Hispanica International Delights of America, Inc. (OTCPK:HISP)	-
05/23/2017	Bunge Limited (NYSE:BG)	Glencore Agriculture Limited	GIC Pte. Ltd.; Fidelity Management & Research Company; T. Rowe Price Associates, Inc.
05/23/2017	Cupcake Jones LLC	-	-
05/22/2017	Famer-Booken Company	Core-Mark Holding Company, Inc. (NasdaqGS:CORE)	-
05/22/2017	BB Franchising, Inc.	FGR Food Corporation	Chalak Mitra Group LLC
05/22/2017	S.B. Restaurant Co. Inc.	SBR, LLC	Chalak Mitra Group LLC
05/22/2017	Ruby Tequila's Mexican Kitchen, LLC	-	Chalak Mitra Group LLC
05/22/2017	DDL, Inc.	B&R Stores, Inc.	-
05/21/2017	Ciros Pizza Cafe	Not Disclosed	Not Disclosed
05/19/2017	Gaucho Boteco	Equisitone	-
05/19/2017	Gus' Hot Dogs, Inc.	Not Disclosed	Not Disclosed
05/18/2017	Brewer-Clifton LLC	Jackson Family Wines, Inc.	-
05/17/2017	Darden-Leased Restaurant Property in Lakeland	-	Four Corners Property Trust, Inc. (NYSE:FCPT)
05/17/2017	The Green Bean, Inc.	Joe Van Gogh Inc.	-
05/16/2017	Pierce's Super Markets Inc., Stores in West Baraboo and Portage	Festival Foods Inc.	Pierce's Super Markets Inc.
05/15/2017	Tarantella's Ristorante	-	-
05/13/2017	Strack & Van Til Super Market Inc., 19 Strack & Van Til Stores	Jewel-Osco Inc.	Strack & Van Til Super Market Inc.
05/11/2017	Arbor Brewing Company, North American operations	Bigalora Wood Fired Cucina	Arbor Brewing Company, LLC
05/10/2017	Ohio Pizza Products, Inc.	Performance Food Group Company (NYSE:PFGC)	-
05/10/2017	Rubicon Resources, LLC	High Liner Foods Incorporated (TSX:HLF)	Wales Group Company; P.T.N. Group Co., Ltd.
05/10/2017	The Fresh Ice Cream Company LLC	DGI Ventures, Inc.	-
05/09/2017	Estancia Beef, Inc.	Verde Farms, LLC	EI Raigon Natural Beef Company
05/09/2017	Ilwaco Landing Fishermen LLC	-	-
05/08/2017	Speakeasy Ales & Lagers Inc.	-	-
05/08/2017	Bell Foods International, Inc., Operating Assets	Alkame Holdings, Inc. (OTCPK:ALKM)	Bell Foods International, Inc.
05/08/2017	16 Pizza Hut locations in Southern New Jersey	-	Capital Pizza Huts, Inc.
05/08/2017	10 Arby's Restaurants in Central Washington and Idaho	United States Beef Corporation	-
05/08/2017	Maple	Roofoods Limited	Bessemer Venture Partners; Primary Venture Partners; Colt Ventures; Thrive Capital; Momofuku 171 First Avenue, LLC; Greenoaks Capital Partners LLC
05/08/2017	Tillamook Country Smoker, Inc.	Insignia Capital Group, LLC	-
05/05/2017	XanGo, LLC	Zija International, Inc.	-
05/04/2017	Lagunitas Brewing Company	HEINEKEN USA Incorporated	-
05/04/2017	North American Cannabis Holdings, Inc. and Puration, Inc.	American Cannabis Innovations Conglomerated	-
05/04/2017	Del Taco Restaurants, Inc., three restaurants in Atlanta	-	Del Taco Restaurants, Inc. (NasdaqCM:TACO)
05/04/2017	Black Gold Customs Custom Manure Applications	-	-
05/03/2017	Wicked Weed Brewing LLC	Anheuser-Busch Companies, LLC	-
05/03/2017	Mooyah Franchise, LLC	Balmoral Funds LLC; Gala Capital Partners, LLC	-
05/03/2017	Rolling Boil, LLC	-	-
05/03/2017	Garber Bros., Inc.	Consumer Products Distributors, Inc.	-
05/02/2017	Borton & Sons, Inc.	Altafresh LLC	-
05/02/2017	Farmers Marketing Association of Houston, Texas, Inc.	-	-
05/02/2017	Karoun Dairies, Inc.	LAG Holding Inc.	-
05/01/2017	Big Bottom Distilling, LLC	Eastside Distilling, Inc. (OTCPK:ESDI)	-
05/01/2017	16 Bob Evans Restaurant Properties	Four Corners Property Trust, Inc. (NYSE:FCPT)	-

U.S. May Retail, Catalog, & E-Commerce Transactions

Announced Date	Target/Issuer	Acquirer	Sellers
05/23/2017	Into The VR World	AppSwarm, Inc. (OTCPK:SWRM)	-
05/22/2017	Seattle's Hydro Spot LLC	GrowGeneration Corp. (OTCPK:GRWG)	-
05/17/2017	DOPE LA	-	-
05/17/2017	Discount Indoor Garden Supply, Inc	SinglePoint, Inc. (OTCPK:SING)	-
05/16/2017	Cyberspace Vita, Inc., Prior to Reverse Merger With Project 1493, LLC	Cyberspace Vita, Inc. (OTCPK:CYVA)	Lockwood Advisors, Inc.; Fountainhead Capital Management Ltd.
05/16/2017	T & W Flea Market, Inc.	United Flea Markets	-
05/13/2017	Holdrege Floral Expressions, LLP	-	-
05/10/2017	Bike World	Bikes Plus, Inc.	-
05/08/2017	Fanatics, Inc.	Major League Baseball Enterprises, Inc.; National Football League, Inc.; National Football League Players Association	-
05/03/2017	Five Shopko Stores	-	Spirit Realty Capital, Inc. (NYSE:SRC)
05/02/2017	Kildare Lumber Company	Mead Lumber Company, Inc.	-
05/01/2017	Gander Mountain Company Inc.	Camping World Holdings, Inc. (NYSE:CWH)	-

U.S. May Consumer Discretionary Transactions

Announced Date	Target/Issuer	Acquirer	Sellers
05/31/2017	ME! Bath	PDC Brands	-
05/26/2017	Newell Brands Inc., Winter Sports Business	Kohlberg & Company, L.L.C.	Newell Brands Inc. (NYSE:NWL)
05/24/2017	Seguin Natural Hair Products Inc.	-	-
05/18/2017	Deva Concepts, LLC	Ares Management, L.P. (NYSE:ARES)	Tengram Capital Partners, LLC
05/10/2017	Taylor Made Golf Company, Inc.	KPS Capital Partners, LP	Adidas AG (DB:ADS)
05/08/2017	Supreme Brands L.L.C.	Roustan Capital	-
05/04/2017	Deny Designs Inc.	Leaf Group Ltd. (NYSE:LFGR)	-
05/04/2017	French Transit Ltd.	Juggernaut Management, LLC	-
05/04/2017	Saavy Naturals, Inc.	Trimax Corporation (OTCPK:TMXN)	-

Source: Capital IQ

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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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President
(781)239-2900x14
tully@tullyandholland.com

Stuart Rose
Managing Director
(781)239-2900x17
srose@tullyandholland.com

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