

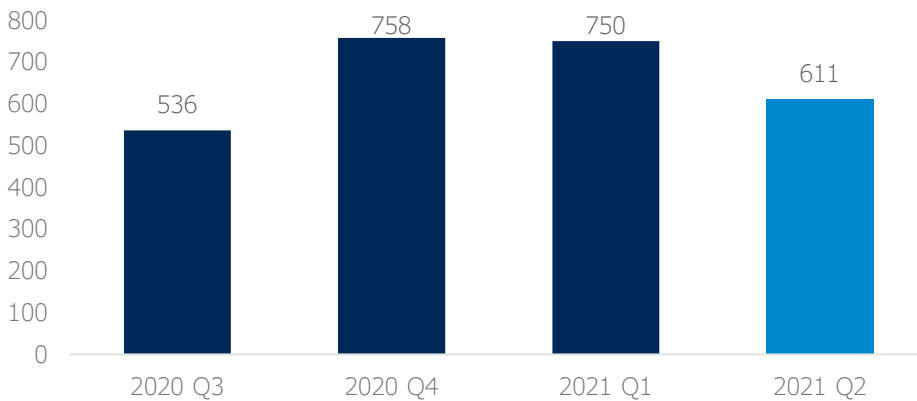
- 1 Market Overview
- 2 Sector Snapshot
- 4 Market Landscape
- 5 Public Markets
- 6 Notable Deals
- 7 About 7MA

Market Update Consumer Goods & Manufacturing

Consumer Goods Overview

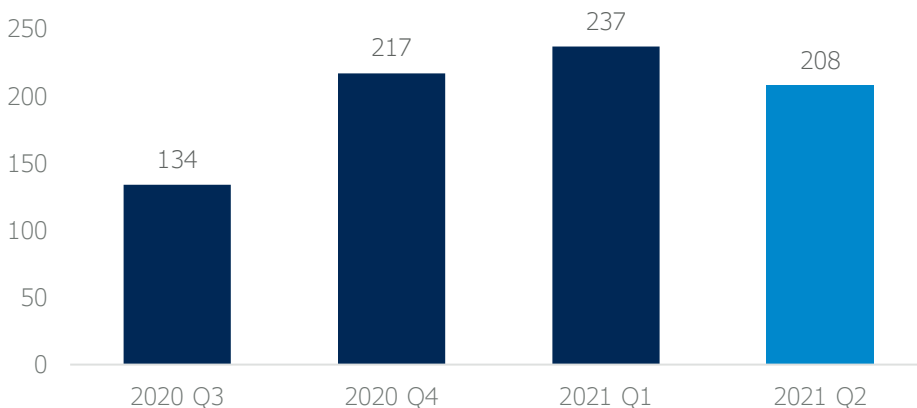
The consumer goods industry heavily relies on the economy and consumers' willingness to purchase goods. The Market update combines consumer goods into two categories: durables (longer lifespan) vs. non-durables (shorter lifespan). The decline in Q2 2021 consumer products M&A was likely the result of April's *\$3.21 trillion decrease in personal income - a decrease of 13.1% from March levels.

*BAE.gov - Personal income & outlays - April 2021

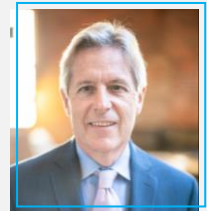


Manufacturing Overview

Recovering from COVID in early 2020, the consumer manufacturing industry has seen a 62% increase in M&A transactions from Q32020 to Q42020. 2021 M&A momentum is likely to continue as companies look to close transactions before the year-end.



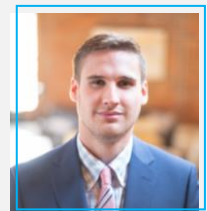
Sector Coverage Team



Mark Landry, *Managing Director*
mark@7mileadvisors.com
1.561.508.9360



Iliia Ulianchuk, *Senior Associate*
ilia.ulianchuk@7mileadvisors.com
1.704.414.8743



Tanner Lange, *Analyst*
tanner@7mileadvisors.com
1.704.672.0611

Q2 2021 Notable Consumer Goods Transactions

DECIEM acquired by The Estée Lauder Companies Inc. (NYSE:EL)

DECIEM

ESTÉE
LAUDER
COMPANIES

Estée Lauder Companies Inc. (NYSE: EL) increased its ownership from 29% to approximately 76%, the first of two phases to own 100% equity in the company. Over the last four years, Estée has built a relationship of trust with DECIEM as an industry disruptor with a consumer-focused approach. Estée Lauder believes DECIEM'S authentic brands, transparent and engaging communication style, innovation, and high-touch approach, as well as their sought-after HERO product line, will significantly expedite Estée Lauder's future success.

Kraft Heinz Planters division acquired by Hormel Foods (NYSE: HRL)

Kraft *Heinz*

PLANTERS

Hormel
Foods

The acquisition includes the Planters, Nut-rition, Planters Cheez Balls, and Corn Nuts brands. The acquisition will help Hormel Foods sharpen its focus on areas with greater growth prospects and gain a competitive advantage for their powerhouse brands, such as their Real Food Snacking Platform.

7MA Consumer Goods Transaction

Green Global Holdings, LLC acquired by \$3b Market Cap Multinational Company

 **Innovasource**
Innovation for your Personal Environment



The Company focuses on the development of a new concept for household and industrial cleaning products based upon sustainable and "Green" chemistry formulations within the Household Cleaning, Personal Care, Pet, and Institutional markets.

Green Global Holdings features four innovative technology platforms: Hydrogen Peroxide, Probiotics, Degreasers, and Personal Care - all of which have been successfully formulated, patented, and designed to achieve EPA registrations and/or comply with FDA guidelines. Importantly, the Company's Hydrogen Peroxide products meet the EPA's criteria for use against SARS-COV-2, the virus that causes COVID-19.

Q2 2021 Notable Manufacturing Transactions

United Breweries acquired by Heineken (OTCMKTS: HEINY)



In Q2021, Heineken acquired an additional 39.6m shares in United Breweries to increase ownership from 46.5% to 61.5%. According to Heineken, India offers an exciting long-term growth opportunity as per capita beer consumption is low at 2 liters per year. Meanwhile, the growing population includes a strong, emerging middle class which will enable further premiumization. Heineken believes that with increased brand identity United Breweries can continue to win market share and eventually become a top-five global brand.

Cooper Tires acquired by Goodyear (NASDAQ: GY)



IN Q2021, Goodyear completed the acquisition of Cooper Tires. The merger will strengthen the leadership position in the global tire industry by significantly growing in North America & China. Additionally, the combined companies can leverage the strength of Goodyears equipment alongside the mid-tier power of cooper brand, provide significant immediate and long-term benefits through synergies and tax benefits, create additional value from manufacturing and distribution from the addition of cooper brand to Goodyears global network, and increase scale to support investment in new mobility and fleet solutions though a broader scope of service offerings.

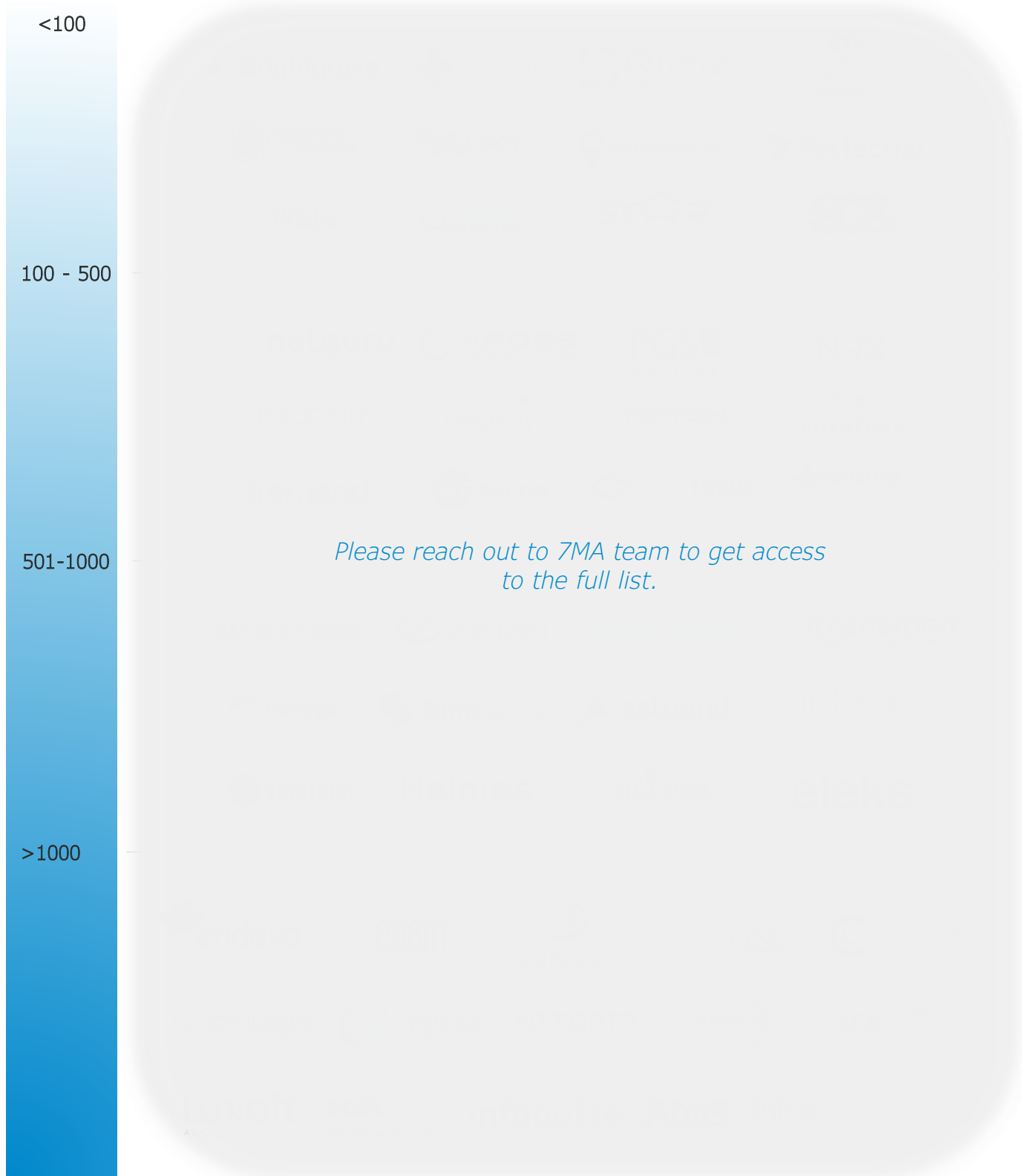
7MA Manufacturing Transaction

S&D Coffee acquired by Cott Corporation



7 Mile Advisors (7MA) acted as financial advisor to Concord, North Carolina-based S&D Coffee, Inc. (S&D) on its sale to Cott Corporation (Cott). A leading manufacturer and distributor of coffees, teas, specialty beverages, extracts and ingredients to the foodservice industry, S&D engaged 7MA to explore a strategic sale of the company. The deal closed on Aug. 11, 2016.

Number of Employees



Publicly-traded Manufacturing Companies – Q2 2021

Companies	TEV \$m	LTM EBITDA \$m	LTM Rev \$m	Rev Growth YoY	GP %	EBITDA %	TEV / Rev X	TEV / EBITDA X	# FTEs	Rev / FTE \$k
Ball	33,903	1,976	12,121	5.6%	20.8%	16.3%	2.8x	17.2x	21,500	564
Amtcor	24,091	2,031	12,550	5.2%	21.6%	16.2%	1.9x	11.9x	46,000	273
Crown Holdings	21,875	1,461	11,344	-2.8%	21.4%	12.9%	1.9x	15.0x	6,300	1,801
Avery Dennison	19,266	1,155	7,300	3.5%	27.9%	15.8%	2.6x	16.7x	32,000	228
Berry Global	18,304	1,625	12,424	15.6%	20.8%	13.1%	1.5x	11.3x	47,000	264
Smurfit Kappa Group	17,052	1,644	9,723	-5.7%	33.7%	16.9%	1.8x	10.4x	46,000	211
CCL Industries	10,935	881	4,001	0.2%	28.7%	22.0%	2.7x	12.4x	22,200	180
Silgan Holdings	7,750	810	5,130	14.2%	17.6%	15.8%	1.5x	9.6x	15,500	331
Owens-Illinois	7,291	948	6,030	-8.8%	15.7%	15.7%	1.2x	7.7x	25,000	241
Average	17,830	1,392	8,958	3.0%	23.1%	16.1%	2.0x	12.4x	29,056	455
Median	18,304	1,461	9,723	3.5%	21.4%	15.8%	1.9x	11.9x	25,000	264

Publicly-traded Consumer Product Goods Companies – Q2 2021

Companies	TEV \$m	LTM EBITDA \$m	LTM Rev \$m	Rev Growth YoY	GP %	EBITDA %	TEV / Rev X	TEV / EBITDA X	# FTEs	Rev / FTE \$k
Johnson & Johnson	442,820	23,098	84,214	1.8%	66.2%	27.4%	5.3x	19.2x	136,400	617
Procter & Gamble	351,355	21,591	74,870	6.4%	51.6%	28.8%	4.7x	16.3x	101,000	741
Unilever	181,037	13,092	58,189	-2.4%	43.5%	22.5%	3.1x	13.8x	149,000	391
Mondelez International	105,733	5,161	27,112	4.1%	40.4%	19.0%	3.9x	20.5x	79,000	343
Kimberly-Clark	53,900	4,158	18,874	0.3%	35.1%	22.0%	2.9x	13.0x	46,000	410
General Mills	49,046	3,887	18,127	2.8%	35.6%	21.4%	2.7x	12.6x	35,000	518
Kao	29,389	2,447	12,871	-8.6%	42.3%	19.0%	2.3x	12.0x	45,378	284
The Clorox	25,241	1,744	7,522	18.2%	46.0%	23.2%	3.4x	14.5x	9,000	836
Spectrum Brands	5,999	582	4,450	16.3%	35.9%	13.1%	1.3x	10.3x	12,100	368
Average	138,280	8,418	34,025	4.3%	44.1%	21.8%	3.3x	14.7x	68,098	501
Median	53,900	4,158	18,874	2.8%	42.3%	22.0%	3.1x	13.8x	46,000	410

Q2 2021 M&A Transactions – Consumer Products

Date	Target	Buyer / Investor	Target Description
May 2021			<ul style="list-style-type: none"> Coca-Cola Amatil manufactures and distributes carbonated soft drinks, water, sports and energy drinks, fruit juice, flavored milk, coffee, and packaged ready-to-eat fruit and vegetable products. It is the principal Coca-Cola licensee in Australia, and independently manufactures its own soft drinks and mineral waters. The company sells and distributes the premium spirits portfolio of Beam Global Spirits and Wines and the beer portfolio of Molson Coors. It also operates in New Zealand, Fiji, Indonesia, and Papua New Guinea.
July 2021			<ul style="list-style-type: none"> Producer of cashew nut and assorted nut snacks based in the United States. The business offers assorted flavored and non-flavored nuts in various packaging sizes.
May 2021			<ul style="list-style-type: none"> Operator of beauty brands designed to provide personalized skin and hair care to both men and women. The company's beauty brands include dermatologically tested skin and hair care products, men's grooming products, color cosmetics and health supplements made from organic and chemically proven ingredients, enabling customers to find and buy health and wellness products as per individual skin texture and sensitivity.

Q2 2021 M&A Transactions – Consumer Manufacturing

June 2021			<ul style="list-style-type: none"> Cooper Tire & Rubber Co is a manufacturer of replacement tires. It is engaged in design, manufacturing, and sales of passenger car, light truck, truck and bus radial, motorcycle and racing tires. The company has four geographical segments namely North America, Latin America, Europe, and Asia. It generates revenue from two sources Americas Tire and International Tire of which Americas Tire generates maximum revenue to the company.
May 2021			<ul style="list-style-type: none"> Manufacturer of private label and branded spices and spice related housewares intended to serve club, mass, and grocery retailers across United States. The company offers spice racks, peppermill and salt shakers, spice grinders, gourmet peppers and salts, seasonings & rubs and accessories intended to provide a total category solution of spice offerings to its customers with quality products at affordable prices.
June 2021			<ul style="list-style-type: none"> United Breweries Ltd brews and sells beer and flavored malt beverages in India. The company has dozens of production facilities in India, and it licenses its brands to be manufactured in the United Kingdom, Australia, and New Zealand for sale worldwide. The company's flagship brand is Kingfisher, which is prominent in India and is sold in dozens of countries around the world

7MA provides Investment Banking & Advisory Services to the Business Services and Technology Industries globally. We advise on M&A and private capital transactions and provide market assessments and benchmarking. As a close-knit team with a long history together and a laser focus on our target markets, we help our clients sell their companies, raise capital, grow through acquisitions, and evaluate new markets. All securities transactions are executed by 7M Securities, LLC, member FINRA / SIPC. For more information, including research on the M&A markets, visit www.7mileadvisors.com.



508 W. 5th Street,
Suites 140 & 225
Charlotte, NC 28202



+1 (704) 899-5960



www.7mileadvisors.com

Notable 7 Mile Transactions

