

Market Update

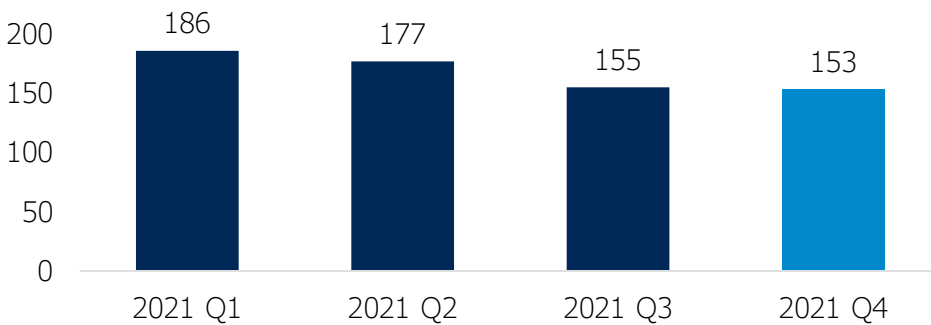
Consumer Goods & Contract Manufacturing

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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). Over the past two years, large amounts of capital were poured into the economy to fuel consumer demand, the demand in conjunction with covid implications created instability within the supply chain. The net-net is that this proved very difficult to understand consumer businesses. The underlying variables being that Investors could not get comfortable with the macro variables within the consumer industry.

of M&A Deals - Consumer Goods

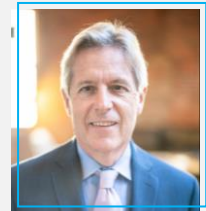


Contract Manufacturing Overview

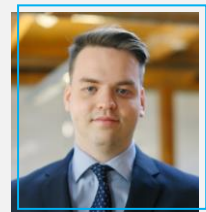
The burden of prolonged supply chain issues due to COVID-19, in addition to, onset technology advancements within the supply chain pronounced a shift towards contract manufacturing ranging from increased demand for convenient consumer packaged goods to the sheer necessity of the urgent distribution of life-saving medical devices and drugs. The consequences of supply chain interruptions will bode well for near-shore supply Contract manufacturers as CEOs will use contract manufacturers to minimize workforce, expand margin, and avoid delayed products due to backlogged ports.

However, supply shortages and unreliable logistics are forcing contract manufacturers to deviate from their manufacturing plans, shifting production to match available materials. Many contract manufacturers have initiated policies refusing to schedule production until the necessary materials are on-site, thus causing months of backlogged orders. 7MA will continue monitoring such near-term headwinds and how it all relates to the future of the contract manufacturing industry.

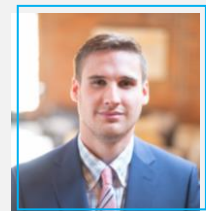
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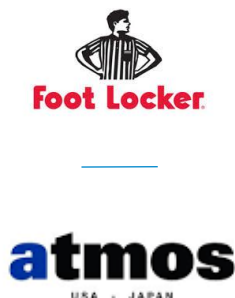
Q4 2021 Notable Consumer Goods Transactions

Atmos acquired by Foot Locker

Date: November 2021

Deal Type: M&A

Target HQ: Japan



Atmos, a digitally led, premium, global retailer headquartered in Japan sold for more than 360 million to Foot Locker. The acquisition of Atmos expands Foot Locker's global reach in the rapidly growing Asia-Pacific market, establishes a critical entry point in Japan, and allows them to benefit from immediate scale.

Igloo acquired by Dometic

Date: October 2021

Deal Type: M&A

Target HQ: U.S.



Igloo is a global provider of passive cooling boxes and drinkware products for the outdoor market. Founded in 1947, Igloo is perceived as one of the leading manufacturers in the world with an iconic brand, a wide product range and strong consumer orientation. The acquisition of Igloo is a major step in Dometic's strategy to continue grow in the attractive outdoor industry and creates a strong base for further growth offerings and distribution network for the outdoor market in North America.

7MA Consumer Goods Transaction

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



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.

Q4 2021 Contract Manufacturing Transactions

Medichem acquired by Revolution Beauty

REVOLUTION
BEAUTY LONDON

Medichem

Revolution acquired Medichem, a UK-based company that specializes in R&D laboratory, bulk manufacturing, warehousing and distribution. The purchase will enable Revolution to enhance margins, increase control of its supply chain and enhance productivity. The company expects the acquisition will be significantly earnings enhancing for the financial year ending 28 February 2023.

Date: November 2021

Deal Type: M&A

Target HQ: U.K.

Core Mark acquired by Performance Food Group

UFP
TECHNOLOGIES

CONTECH[®]
MEDICAL

Contech Medical is a global leader in the design, development, and manufacture of class III medical device packaging primarily for catheters and guidewires. UFP believes that Contech Medical will be beneficiary to continue expand its medical business due to its excellent growth potential and high barriers to entry. Additionally they expect the acquisition to enhance their manufacturing capabilities and be instantly accretive to earnings.

Date: October 2021

Deal Type: M&A

Target HQ: U.S.

7MA Contract Manufacturing Transaction

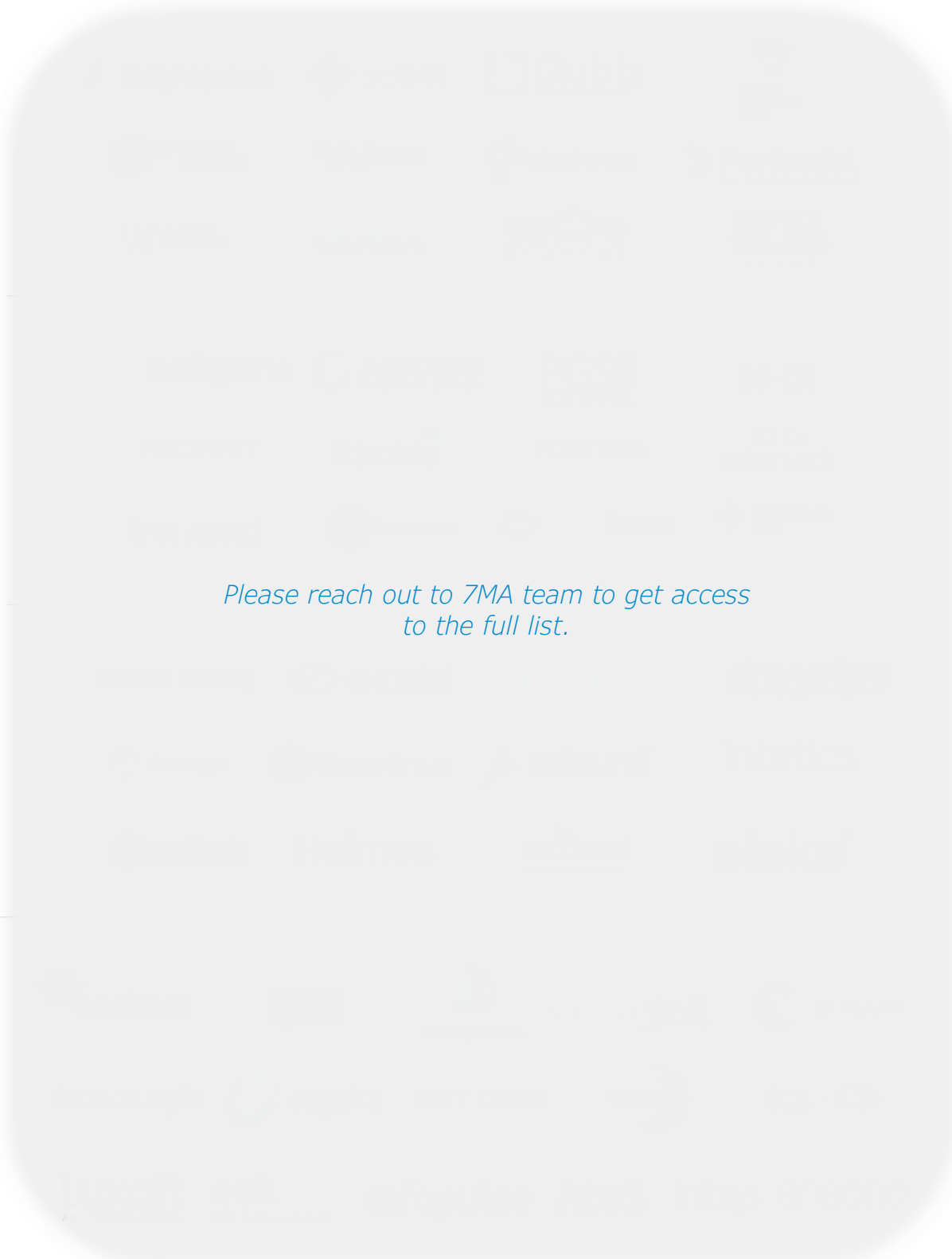
S&D Coffee acquired by Cott Corporation



Cott

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.

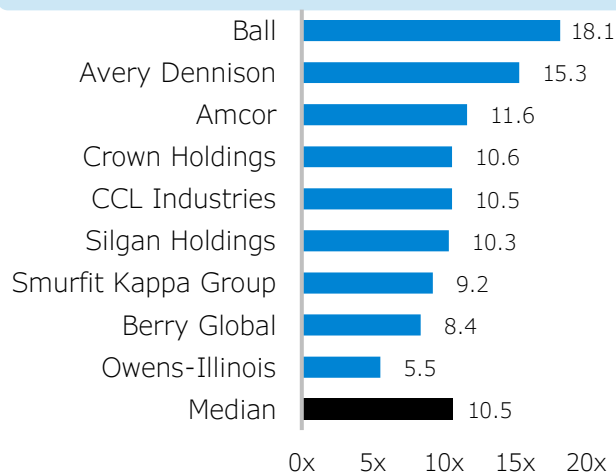
Sq. Feet



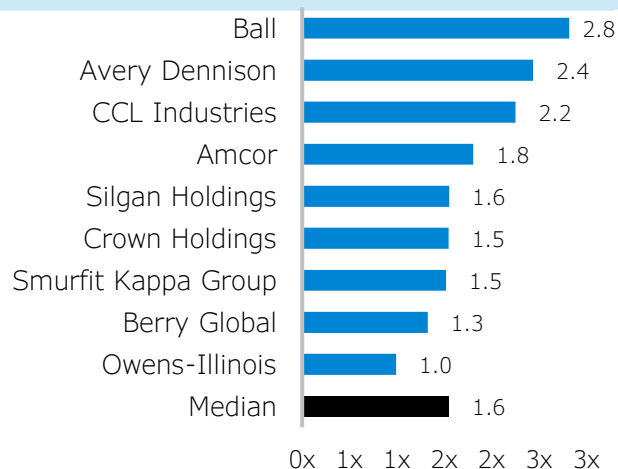
Publicly-traded Manufacturing Companies – Q4 2021

Company	TEV \$m	LTM EBITDA \$m	LTM Rev \$m	Rev Growth YoY	GP %	EBITDA %	TEV / Rev X	TEV / EBITDA X	# FTEs	Rev / FTE \$k
Ball	37,329	2,057	13,239	16.2%	20.3%	15.5%	2.8x	18.1x	21,500	616
Amcor	23,805	2,051	13,184	6.1%	20.7%	15.6%	1.8x	11.6x	46,000	287
Crown Holdings	20,067	1,901	12,983	33.5%	20.9%	14.6%	1.5x	10.6x	6,300	2,061
Avery Dennison	20,020	1,311	8,216	21.7%	28.0%	16.0%	2.4x	15.3x	32,000	257
Berry Global	18,332	2,195	13,850	18.3%	18.0%	15.8%	1.3x	8.4x	47,000	295
Smurfit Kappa Group	16,281	1,771	10,736	4.4%	32.4%	16.5%	1.5x	9.2x	46,000	233
CCL Industries	9,949	943	4,422	8.2%	28.4%	21.3%	2.2x	10.5x	22,200	199
Silgan Holdings	8,477	821	5,464	15.2%	16.6%	15.0%	1.6x	10.3x	15,500	353
Owens-Illinois	6,200	1,126	6,266	0.7%	17.8%	18.0%	1.0x	5.5x	25,000	251
Average	17,829	1,575	9,818	13.8%	22.6%	16.5%	1.8x	11.1x	29,056	506
Median	18,332	1,771	10,736	15.2%	20.7%	15.8%	1.6x	10.5x	25,000	287

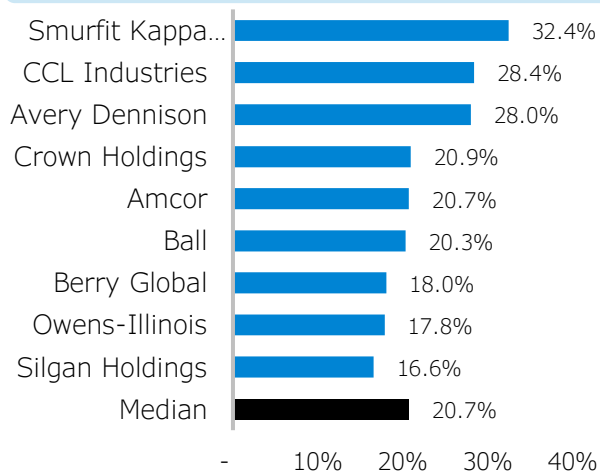
TEV / EBITDA X



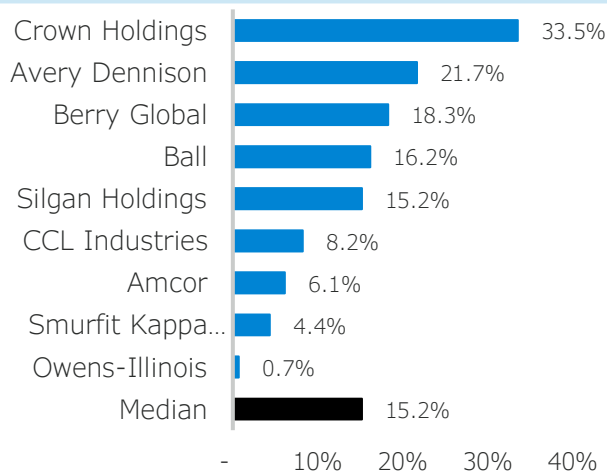
TEV / Rev X



Gross Margin %



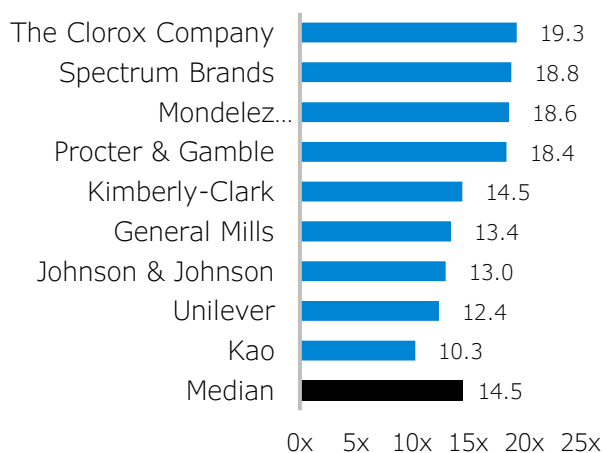
Rev Growth YoY



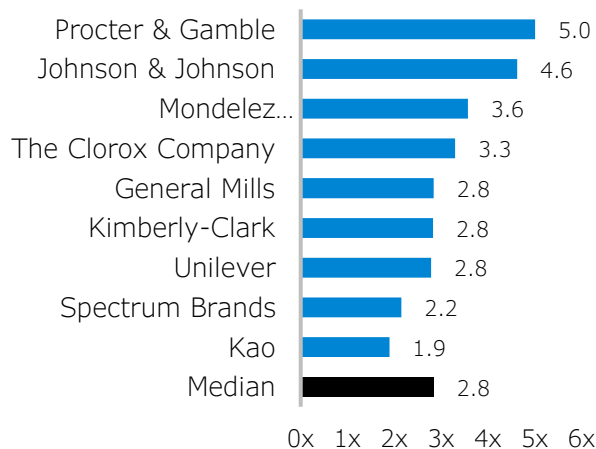
Publicly-traded Consumer Product Goods Companies – Q4 2021

Company	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	422,510	32,560	91,446	13.1%	67.5%	35.6%	4.6x	13.0x	136,400	670
Procter & Gamble	386,035	20,996	77,138	6.4%	50.3%	27.2%	5.0x	18.4x	101,000	764
Unilever	162,081	13,092	58,189	-2.4%	43.5%	22.5%	2.8x	12.4x	149,000	391
Mondelez International	101,179	5,433	28,360	8.3%	39.8%	19.2%	3.6x	18.6x	79,000	359
Kimberly-Clark	54,505	3,771	19,311	2.2%	32.2%	19.5%	2.8x	14.5x	46,000	420
General Mills	52,023	3,870	18,303	1.8%	35.3%	21.1%	2.8x	13.4x	35,000	523
Kao	24,628	2,403	13,002	0.0%	41.6%	18.5%	1.9x	10.3x	45,378	287
The Clorox Company	23,860	1,237	7,231	1.4%	40.8%	17.1%	3.3x	19.3x	9,000	803
Spectrum Brands	6,448	343	2,998	14.3%	34.5%	11.4%	2.2x	18.8x	12,100	248
Average	137,030	9,300	35,109	5.0%	42.8%	21.4%	3.2x	15.4x	68,098	496
Median	54,505	3,870	19,311	2.2%	40.8%	19.5%	2.8x	14.5x	46,000	420

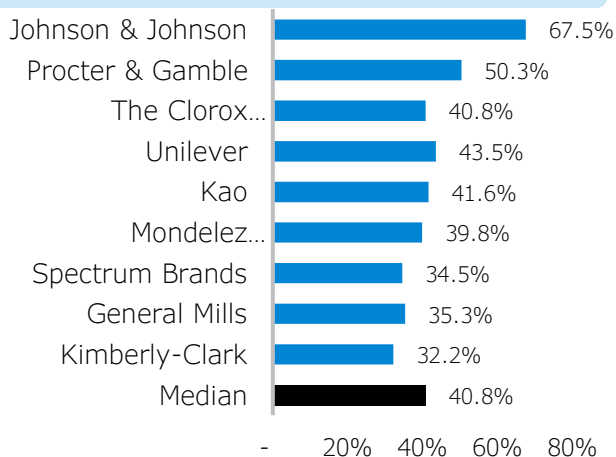
TEV / EBITDA X



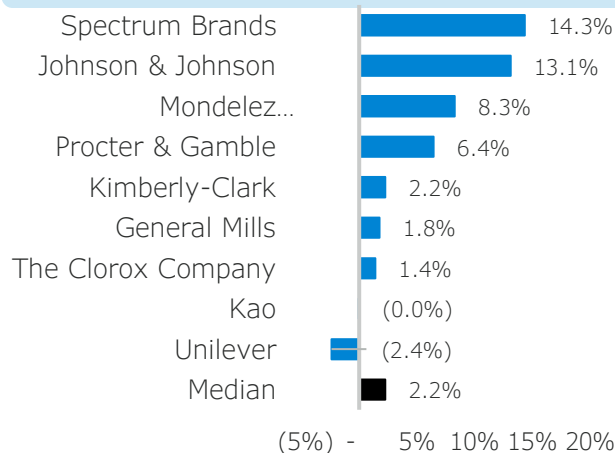
TEV / Rev X









Gross Margin %









Rev Growth YoY



Q4 2021 M&A Transactions – Contract Manufacturing

Date	Target	Buyer / Investor	Target Description
December			<ul style="list-style-type: none"> Belmont specializes in the development and manufacturing of a variety of snack bars.
November			<ul style="list-style-type: none"> Manufacturer and supplier of hair and beauty products based in Queenborough, United Kingdom. The company specializes in product development, bulk manufacturing, warehousing and distribution.
October			<ul style="list-style-type: none"> Producer of medical device packaging for catheters and guidewires based in Providence, Rhode Island. The company specializes in the production of custom plastic components, guidewire dispenser coils and packaging for catheters, thereby presenting healthcare institutes with accessories and sealing solutions for various applications.

Q4 2021 M&A Transactions – Consumer Products

December			<ul style="list-style-type: none"> A leading global designer and manufacturer of energy technology solutions and other power products
November			<ul style="list-style-type: none"> Retailer of premium streetwear and sneakers and apparel in Tokyo, Japan.
October			<ul style="list-style-type: none"> Manufacturer of passive cooling boxes and drinkware products for the outdoor market. The company designs carriers and coolers which are capable of retaining the temperature of drinks for long hours, thereby providing customers easy-to-carry coolers and bags for excursions.

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.



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Notable 7 Mile Transactions

