



LAKE SHORE

F O O D A D V I S O R S



Weekly Update

Monday, January 24th, 2022

U.S. Economy Awaits Action from the Federal Reserve. Last week, the S&P 500 suffered one of its worst weeks in over two years, with the start of 2022 being off to the worst start since 2016. Inflation, supply chain disruptions, and the Omicron variant continue to weigh on the global economic potential. Investors continue to pay close attention to the Fed's economic tools as they continue to withdraw early-COVID financial policies. Low interest rates have proven to drive up prices of food, energy, commodities, and financial assets.

The **Dow Jones Industrial Average** fell 4.6% this week, ending at 34,265.

The **S&P 500** was down 5.7% on the week, finishing at 4,398.

The **NASDAQ Composite** decreased 7.6% on the week, finishing at 13,769.

Yield on the **10-year Treasury** fell three basis points during the week, ending at 1.75%.

Crude oil was up 2.2% on the week, ending at \$85.14 per barrel.

Corn increased 3.4% on the week, ending at \$6.16 per bushel.

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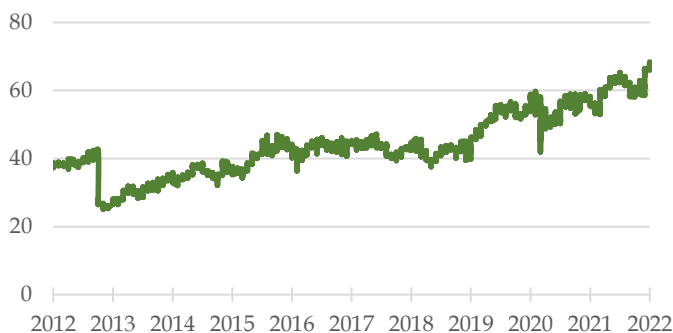
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NASDAQ Highs: Mondelez International, Inc., PepsiCo, Inc. **Lows:** The Cheesecake Factory Incorporated, Freshworks Inc., The Hain Celestial Group, Inc., Mission Produce, Inc., Nathan's Famous, Inc., Renewable Energy Group, Inc., Starbucks Corporation, SunOpta Inc.

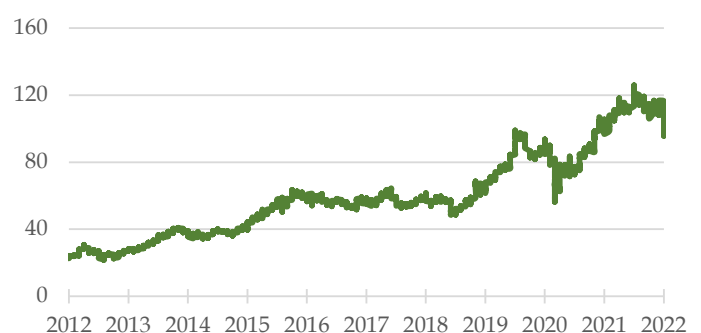
NYSE Highs: Archer-Daniels-Midland Company, Flowers Foods, Inc., The Hershey Company, Ingredion Incorporated, The J. M. Smucker Company, The Mosaic Company, Tyson Foods, Inc. **Lows:** Brinker International, Inc., Dine Brands Global, Inc., Lindsay Corporation, Shake Shack Inc.

Featured Stocks of the Week:

Mondelez Inc. (NASDAQ: MDLZ) 10-Year History



Starbucks Corp. (NASDAQ: SBUX) 10-Year History



The Lakeshore Food Chain

Company Name	Price		Price as Compared to		Price as Compared to		Forward P/E	Enterprise Value to		Total Debt to LTM EBITDA
	Price 1/21/22	Compared to 1/14/22	52-Week Range		YE:			LTM:		
			High	Low	2020	2019		Revenue	EBITDA	
Dow Jones Industrial Average	34,265	(4.6%)	36,800	29,983	12.0%	20.1%	0.0x			
S&P 500	4,398	(5.7%)	4,797	3,714	17.1%	36.1%	20.8			
NASDAQ Composite Index	13,769	(7.6%)	16,057	12,609	6.8%	53.5%				
Russell 3000 Index	2,553	(6.0%)	2,805	2,236	13.5%	34.9%	0.0			
Sector Average:					12.4%	36.1%				
AGRICULTURAL LAND HOLDINGS										
Farmland Partners Inc.	\$11.36	(6.7%)	\$14.85	\$10.03	30.6%	67.6%	113.6x	25.70x	56.0x	22.2x
Gladstone Land Corporation	30.12	(8.8%)	35.08	15.21	105.7%	132.2%	NM	24.74	31.8	13.4
Limoneira Company	15.81	4.2%	20.74	14.16	(5.0%)	(17.8%)	50.0	2.64	65.1	38.6
Sector Average:					43.8%	60.7%	81.8x	17.69x	51.0x	24.7x
INPUTS										
American Vanguard Corporation	\$15.72	(2.8%)	\$22.49	\$14.16	1.3%	(19.3%)	19.4x	1.17x	10.7x	2.7x
* BASF SE	66.18	(2.8%)	72.88	57.06	2.3%	(1.7%)	12.6	1.05	5.4	1.4
* Bayer Aktiengesellschaft	51.62	(1.8%)	57.73	43.91	7.2%	(29.1%)	8.0	1.97	4.2	2.1
CF Industries Holdings, Inc.	66.00	(0.7%)	74.77	39.87	70.5%	38.2%	5.1	3.88	8.8	1.7
Corteva, Inc.	45.44	(6.5%)	49.98	36.54	17.4%	53.7%	18.3	2.14	13.8	1.0
FMC Corporation	108.85	(4.6%)	122.50	87.27	(5.3%)	9.0%	14.6	3.56	13.3	2.8
Intrepid Potash, Inc.	37.53	(11.8%)	52.91	21.92	55.4%	38.5%	7.2	2.35	8.9	0.0
The Mosaic Company	39.31	(9.1%)	44.06	25.63	70.8%	81.7%	4.9	1.68	6.3	1.4
* Nutrien Ltd.	89.17	(1.3%)	99.10	62.80	45.6%	43.4%	6.8	2.22	10.1	2.4
S&W Seed Company	2.37	(4.4%)	4.60	2.11	(19.1%)	12.9%	NM	1.65	NM	NM
Zoetis Inc.	200.33	(2.8%)	249.27	141.41	21.0%	51.4%	40.4	12.90	30.6	2.1
Sector Average:					24.3%	25.3%	13.7x	3.14x	11.2x	1.8x
AGRICULTURAL EQUIPMENT										
* Ag Growth International Inc.	\$31.94	(1.6%)	\$48.47	\$25.85	7.1%	(31.2%)	10.7x	1.33x	14.6x	8.9x
AGCO Corporation	117.48	(6.8%)	158.62	101.69	14.0%	52.1%	12.1	0.94	7.5	1.4
Art's-Way Manufacturing Co., Inc.	3.35	(3.2%)	5.48	2.71	16.1%	89.0%	0.0	0.96	NM	NM
* Buhler Industries Inc.	3.07	(1.9%)	3.89	2.60	18.1%	4.8%	0.0	0.44	35.3	11.8
CNH Industrial N.V.	15.61	(5.5%)	19.69	12.50	21.6%	41.9%	12.1	1.18	10.1	6.4
Deere & Company	364.28	(4.0%)	400.34	278.95	35.4%	110.3%	16.4	3.50	16.6	5.3
Lindsay Corporation	130.41	(6.9%)	179.27	130.27	1.5%	35.9%	26.6	2.32	17.2	1.6
Titan Machinery Inc.	30.03	(11.8%)	38.58	20.55	53.6%	103.2%	10.8	0.55	8.2	3.0
Sector Average:					20.9%	50.7%	11.1x	1.40x	15.6x	5.5x
AGRIBUSINESS										
The Andersons, Inc.	\$37.40	(4.8%)	\$40.29	\$22.85	52.6%	47.9%	17.1x	0.19x	6.1x	2.8x
Archer-Daniels-Midland Company	68.94	(3.6%)	72.12	49.28	36.8%	48.7%	14.1	0.59	10.0	2.4
Bunge Limited	94.33	(4.4%)	99.93	62.07	43.8%	63.9%	9.3	0.37	5.7	2.0
Ingredion Incorporated	97.69	(3.3%)	101.89	73.82	24.2%	5.1%	14.1	1.26	8.0	2.2
Landec Corporation	10.80	(1.5%)	12.88	7.65	(0.5%)	(4.5%)	NM	0.94	22.5	8.3
MGP Ingredients, Inc.	76.88	(8.8%)	89.50	51.44	63.4%	58.7%	19.6	3.43	16.2	2.1
* Olam International Limited	1.73	(4.4%)	1.87	1.25	13.1%	(4.4%)	0.0	0.43	11.3	9.6
Sector Average:					33.3%	30.8%	12.4x	1.03x	11.4x	4.2x
DIVERSIFIED FOODS										
B&G Foods, Inc.	\$32.08	(4.4%)	\$47.84	\$27.21	15.7%	78.9%	16.5x	2.27x	13.1x	7.1x
Campbell Soup Company	45.30	(2.3%)	53.77	39.76	(6.3%)	(8.3%)	16.5	2.25	8.8	2.5
Conagra Brands, Inc.	\$35.25	0.4%	\$39.09	\$30.44	(2.8%)	2.9%	13.4x	2.34x	11.8x	4.4x
General Mills, Inc.	69.03	(1.2%)	69.95	54.31	17.4%	28.9%	18.0	2.91	12.7	3.1
The Hain Celestial Group, Inc.	\$36.18	(10.4%)	\$48.88	\$34.16	(9.9%)	39.4%	22.2x	1.96x	15.7x	1.8x
The J. M. Smucker Company	143.22	(1.3%)	145.82	111.59	23.9%	37.5%	16.4	2.55	11.3	2.7
Kellogg Company	\$66.61	(1.4%)	\$68.60	\$56.61	7.0%	(3.7%)	16.5x	2.17x	12.4x	3.3x
The Kraft Heinz Company	37.00	(2.7%)	44.95	32.43	6.8%	15.2%	14.6	2.56	8.2	2.9
Lancaster Colony Corporation	\$162.09	(2.3%)	\$201.31	\$145.79	(11.8%)	1.2%	27.4x	2.88x	18.6x	0.1x
Mondelez International, Inc.	68.36	0.4%	69.47	52.91	16.9%	24.1%	22.7	3.97	15.5	3.0
* Nestlé S.A.	\$121.04	0.2%	\$129.80	\$95.00	16.1%	15.5%	25.9x	4.36x	19.2x	2.6x
* Nomad Foods Limited	26.05	(1.8%)	31.85	23.18	2.5%	16.5%	13.8	2.42	13.0	4.7
Post Holdings, Inc.	\$112.80	(4.2%)	\$118.32	\$91.80	11.7%	3.4%	28.5x	2.27x	13.0x	6.7x
The Simply Good Foods Company	35.43	(9.5%)	43.17	27.00	13.0%	24.1%	25.0	3.81	18.0	2.1
Sovos Brands, Inc.	\$13.60	(3.9%)	\$17.41	\$12.64	NA	NA	21.9x	3.07x	20.0x	7.5x
SunOpta Inc.	6.32	(14.5%)	21.63	6.32	(57.5%)	95.7%	46.6	1.03	12.6	4.1
TreeHouse Foods, Inc.	\$40.64	(7.0%)	\$55.50	\$33.90	(4.4%)	(16.2%)	34.5x	0.99x	8.5x	4.1x
Unilever PLC	43.97	(6.9%)	51.05	41.71	(11.3%)	NA	0.0	2.65	12.3	2.6
Utz Brands, Inc.	\$15.64	(9.0%)	\$30.09	\$13.72	(29.1%)	52.1%	27.2x	NA	NA	NA
Sector Average:					1.6%	22.2%	21.1x	2.58x	13.6x	3.6x

Company Name	Price		52-Week Range		Price as Compared to		Forward P/E	Enterprise Value to		Total Debt to LTM EBITDA
	Price 1/21/22	Compared to 1/14/22	High	Low	YE: 2020 2019			LTM: Revenue EBITDA		
ETHANOL										
Alto Ingredients, Inc.	4.65	(10.1%)	8.34	4.39	(14.4%)	615.4%	6.3x	0.41x	11.1x	2.8x
Green Plains Inc.	30.00	(7.4%)	44.27	18.15	127.8%	94.4%	41.3	0.78	22.4	9.1
Renewable Energy Group, Inc.	39.63	(12.5%)	117.00	39.54	(44.0%)	47.1%	10.9	0.52	5.1	1.9
REX American Resources Corporation	96.75	(8.7%)	116.86	72.06	31.7%	18.0%	9.6	0.61	6.3	0.2
Sector Average:					23.1%	252.3%	19.5x	0.57x	12.9x	4.6x
FRUIT & VEGETABLE										
AppHarvest, Inc.	\$3.55	(11.7%)	\$42.90	\$3.51	(77.3%)	NA	NM	39.59x	NM	NM
Calavo Growers, Inc.	41.27	(4.1%)	85.40	33.25	(40.6%)	(54.4%)	29.1	0.79	27.7	3.4
Dole plc	13.12	(2.3%)	17.66	12.15	NA	NA	9.0	0.54	16.2	13.3
Fresh Del Monte Produce Inc.	28.08	(3.1%)	36.57	22.92	16.7%	(19.7%)	19.0	0.49	7.4	2.4
Lamb Weston Holdings, Inc.	64.81	(6.0%)	86.41	50.22	(17.7%)	(24.7%)	29.4	2.96	17.9	4.5
Mission Produce, Inc.	13.55	(2.2%)	22.93	13.31	(10.0%)	NA	16.2	1.22	11.7	2.5
Seneca Foods Corporation	45.83	(4.4%)	62.37	36.23	14.9%	12.4%	0.0	0.44	3.6	1.2
Sector Average:					(7.3%)	(21.6%)	17.1x	1.07x	14.1x	4.6x
PROTEIN										
Beyond Meat, Inc.	\$61.60	(7.5%)	\$221.00	\$58.00	(50.7%)	(18.5%)	NM	8.95x	NM	NM
Cal-Maine Foods, Inc.	40.87	(0.6%)	43.24	33.85	8.9%	(4.4%)	61.0	1.34	123.0	0.1
Darling Ingredients Inc.	62.73	(4.5%)	85.98	58.70	8.8%	123.4%	12.2	2.63	9.8	1.8
Hormel Foods Corporation	49.13	0.1%	50.86	40.48	5.4%	8.9%	24.9	2.58	14.8	1.8
Industrias Bachoco, S.A.B. de C.V.	42.21	(2.2%)	47.80	38.30	(6.5%)	(18.8%)	8.9	0.33	2.7	0.2
* JBS S.A.	36.31	(2.9%)	39.78	23.69	53.5%	40.7%	6.8	0.48	4.2	2.5
Nathan's Famous, Inc.	53.03	(5.1%)	78.89	52.69	(4.0%)	(25.2%)	0.0	2.86	9.0	4.9
Pilgrim's Pride Corporation	27.35	(2.7%)	29.70	19.14	39.5%	(16.4%)	10.8	0.70	8.0	2.9
Sanderson Farms, Inc.	187.08	(1.2%)	200.00	133.27	41.5%	6.2%	9.2	0.78	3.0	0.0
Seaboard Corporation	3731.02	(5.0%)	4400.00	3099.02	23.1%	(12.2%)	0.0	0.51	5.2	2.0
Tyson Foods, Inc.	89.93	(4.1%)	94.09	62.59	39.6%	(1.2%)	12.3	0.85	6.0	1.5
Vital Farms, Inc.	16.53	(10.1%)	31.24	15.14	(34.7%)	NA	NM	2.40	81.1	0.1
Sector Average:					10.4%	7.5%	14.6x	2.03x	24.3x	1.6x
BAKING & INGREDIENTS										
Balchem Corporation	148.62	(4.4%)	174.29	106.29	29.0%	46.2%	37.5	6.32	27.4	0.7
Flowers Foods, Inc.	28.74	(1.1%)	29.73	21.72	27.0%	32.2%	23.4	1.61	11.7	2.1
* Gruma, S.A.B. de C.V.	255.37	(1.6%)	265.99	204.97	7.8%	31.5%	16.2	1.33	8.4	2.1
* Grupo Bimbo, S.A.B. de C.V.	63.23	(4.8%)	67.44	37.07	46.2%	83.6%	21.0	1.13	7.5	2.4
J & J Snack Foods Corp.	150.09	(2.6%)	181.71	134.68	(3.4%)	(18.5%)	34.2	2.29	19.1	0.4
* Kerry Group plc	112.25	(0.3%)	130.00	97.05	(5.3%)	1.0%	27.5	3.07	21.8	2.4
Krispy Kreme, Inc.	14.37	(11.3%)	21.69	12.63	NA	NA	36.8	2.71	16.5	5.4
McCormick & Company, Incorporated	95.71	(0.7%)	98.80	77.85	0.1%	12.8%	32.3	5.01	23.4	4.4
* Tate & Lyle plc	7.30	1.6%	8.21	6.24	8.3%	(3.9%)	21.9	1.30	7.3	1.5
Sector Average:					13.7%	23.1%	27.9x	2.75x	15.9x	2.4x
CANDY, NUTS, & SNACKS										
Bridgford Foods Corporation	\$12.43	(1.7%)	\$21.80	\$11.35	(31.8%)	(49.9%)	0.0x	0.61x	37.4x	7.2x
The Hershey Company	200.35	0.4%	202.89	143.58	31.5%	36.3%	26.5	5.13	19.1	2.0
John B. Sanfilippo & Son, Inc.	86.00	(3.2%)	94.97	77.52	9.1%	(5.8%)	19.3	1.20	9.9	0.6
Laird Superfood, Inc.	8.67	(16.2%)	55.99	8.49	(81.7%)	NA	NM	1.36	NM	NM
Rocky Mountain Chocolate Factory, Inc.	7.80	(6.1%)	10.36	4.23	92.6%	(15.5%)	0.0	1.37	7.6	0.3
Tootsie Roll Industries, Inc.	34.38	(1.6%)	57.26	28.64	19.2%	6.8%	0.0	4.01	22.8	0.2
Sector Average:					6.5%	(5.6%)	9.2x	2.28x	19.4x	2.1x
PET FOOD AND PRODUCTS										
Central Garden & Pet Company	\$45.10	(7.1%)	\$62.91	\$41.34	16.8%	45.2%	14.5x	1.00x	8.4x	3.5x
Freshpet, Inc.	86.83	(4.8%)	186.98	80.08	(38.8%)	46.9%	NM	9.14	269.1	0.5
Sector Average:					(11.0%)	46.1%	14.5x	5.07x	138.8x	2.0x
WINE & BEVERAGE										
The Boston Beer Company, Inc.	\$443.44	(1.3%)	\$1,349.98	\$428.13	(55.4%)	17.4%	44.4x	2.48x	21.6x	0.3x
Brown-Forman Corporation	65.78	(3.1%)	81.57	65.54	(17.2%)	(2.7%)	36.1	8.80	27.3	2.0
The Coca-Cola Company	60.45	(1.5%)	61.45	48.11	10.2%	9.2%	25.5	7.67	19.3	3.1
Constellation Brands, Inc.	241.01	(3.1%)	258.00	207.35	10.0%	27.0%	21.7	6.42	27.2	2.9
Crimson Wine Group, Ltd.	8.20	(4.1%)	10.48	5.72	53.3%	10.8%	0.0	2.35	89.4	11.1
* Diageo plc	37.58	1.1%	41.10	28.08	30.6%	17.4%	27.6	7.95	22.6	3.7
Monster Beverage Corporation	85.62	(4.8%)	99.89	80.92	(7.4%)	34.7%	30.5	7.98	22.9	0.0
National Beverage Corp.	42.96	(4.7%)	98.22	41.62	1.2%	68.4%	22.8	3.42	14.9	0.1
PepsiCo, Inc.	174.22	(0.8%)	177.24	128.32	17.5%	27.5%	26.8	3.63	19.2	2.8
Starbucks Corporation	96.31	(3.8%)	126.32	95.47	(10.0%)	9.5%	28.0	4.47	14.2	2.7
Willamette Valley Vineyards, Inc.	8.90	(7.3%)	17.43	6.61	39.7%	28.4%	0.0	2.27	10.8	1.8
Sector Average:					6.6%	22.5%	24.0x	5.22x	26.3x	2.8x

Company Name	Price 1/21/22	Price Compared to 1/14/22	52-Week Range		Price as Compared to YE:		Forward P/E	Enterprise Value to LTM:		Total Debt to LTM EBITDA
			High	Low	2020	2019		Revenue	EBITDA	
DAIRY										
* Danone S.A.	\$57.84	(0.1%)	\$65.30	\$51.42	7.6%	(21.7%)	16.9x	2.11x	9.0x	3.8x
Lifeway Foods, Inc.	5.22	0.4%	7.20	4.51	(3.5%)	162.3%	0.0	0.69	8.4	0.8
* Saputo Inc.	26.92	(5.4%)	42.42	26.86	(24.4%)	(33.0%)	17.6	1.06	12.0	3.4
Sector Average:					(6.8%)	35.8%	11.5x	1.29x	9.8x	2.7x
WHOLESALE, FOOD SERVICE, & DISTRIBUTION										
The Chefs' Warehouse, Inc.	\$30.55	(6.5%)	\$37.85	\$25.60	18.9%	(19.8%)	47.6x	1.06x	43.1x	14.7x
Coreo AG	1.18	(1.7%)	1.72	1.15	(31.8%)	(22.4%)	19.7	13.53	NM	NM
Performance Food Group Company	43.38	(9.8%)	59.89	38.82	(8.9%)	(15.7%)	16.2	0.34	15.1	6.3
SpartanNash Company	24.48	(2.9%)	26.36	17.28	40.6%	71.9%	13.7	0.17	6.1	2.8
Sysco Corporation	77.41	(3.0%)	86.73	68.05	4.2%	(9.5%)	20.7	0.89	18.3	4.4
United Natural Foods, Inc.	37.84	(17.7%)	57.89	23.40	136.9%	332.0%	8.9	0.22	5.4	3.4
US Foods Holding Corp.	34.44	(6.8%)	42.10	30.02	3.4%	(17.8%)	15.5	0.46	16.4	7.0
Sector Average:					23.3%	45.5%	20.3x	2.38x	17.4x	6.4x
MASS MERCHANDISE, CLUB STORES, & DOLLAR STORES										
BJ's Wholesale Club	\$60.52	(0.5%)	\$74.09	\$37.15	62.3%	166.1%	18.4x	0.68x	10.0x	2.7x
Costco Wholesale Corporation	481.61	(4.3%)	571.49	307.00	27.8%	63.9%	37.2	1.04	21.3	1.0
Dollar General Corporation	210.18	(3.2%)	240.14	173.50	(0.1%)	34.7%	19.5	1.83	11.6	2.6
Dollar Tree, Inc.	126.23	(3.5%)	149.37	84.26	16.8%	34.2%	18.8	1.44	8.1	2.1
Grocery Outlet Holding Corp.	25.14	(4.9%)	46.58	21.01	(35.9%)	(22.5%)	25.5	1.19	13.0	5.1
Walmart Inc.	140.19	(3.4%)	152.57	126.28	(2.7%)	18.0%	21.1	0.77	10.1	1.3
Sector Average:					11.4%	49.1%	23.4x	1.16x	12.3x	2.5x
TRADITIONAL & SPECIALTY RETAIL										
Albertsons	\$28.28	(8.6%)	\$37.85	\$15.97	60.9%	NA	10.3x	0.38x	5.6x	2.9x
* Ahold Delhaize	29.10	(4.1%)	31.40	21.50	25.9%	30.5%	14.2	0.58	6.6	2.9
Amazon.com, Inc.	2852.86	(12.0%)	3773.08	2841.41	(12.4%)	54.4%	73.8	3.28	21.9	2.0
Ingles Markets, Incorporated	76.03	(5.6%)	92.76	42.59	78.2%	60.0%	0.0	0.40	4.3	1.3
The Kroger Co.	46.92	(4.5%)	50.15	32.00	47.7%	61.8%	13.8	0.39	8.3	3.2
Natural Grocers by Vitamin Cottage, Inc.	13.95	1.5%	18.75	9.88	1.5%	41.3%	18.6	0.66	6.0	3.5
Sprouts Farmers Market, Inc.	28.57	(2.3%)	31.31	20.52	42.1%	47.6%	14.3	0.72	5.8	2.0
* Tesco PLC	2.89	1.3%	3.18	2.17	(1.5%)	(10.7%)	13.7	0.55	8.0	3.8
Village Super Market, Inc.	21.99	(1.2%)	26.31	21.00	(0.3%)	(5.2%)	0.0	0.30	4.5	2.9
Weis Markets, Inc.	62.06	(3.2%)	68.17	46.50	29.8%	53.3%	0.0	0.38	5.2	0.7
Sector Average:					27.2%	37.0%	15.9x	0.76x	7.6x	2.5x
TRADITIONAL RESTAURANTS										
Brinker International, Inc.	\$32.80	(10.0%)	\$78.33	\$32.40	(42.0%)	(21.9%)	8.5x	1.04x	6.1x	3.7x
The Cheesecake Factory Incorporated	35.52	(5.3%)	65.81	35.40	(4.2%)	(8.6%)	12.5	1.31	9.2	4.8
Cracker Barrel Old Country Store, Inc.	115.46	(10.6%)	178.82	115.35	(12.5%)	(24.9%)	15.3	1.27	9.6	3.0
Darden Restaurants, Inc.	134.78	(5.7%)	164.28	110.89	13.1%	23.6%	16.9	2.60	13.0	3.4
Dine Brands Global, Inc.	62.75	(13.2%)	100.70	62.06	8.2%	(24.9%)	9.3	2.96	11.0	7.6
Jack in the Box Inc.	84.30	(4.2%)	124.53	77.13	(9.2%)	8.0%	12.6	3.45	7.5	4.2
McDonald's Corporation	254.59	(1.2%)	271.15	202.73	18.6%	28.8%	25.5	10.42	18.1	3.8
Papa John's International, Inc.	114.38	(3.2%)	140.68	78.41	34.8%	81.1%	33.1	2.34	18.7	2.5
Texas Roadhouse, Inc.	79.28	(9.2%)	110.75	73.20	1.4%	40.8%	24.1	1.84	13.3	1.8
The Wendy's Company	21.98	(5.7%)	29.46	18.86	0.3%	(1.0%)	26.7	5.34	16.8	8.1
Yum! Brands, Inc.	124.24	(2.2%)	139.85	101.18	14.4%	23.3%	26.5	7.40	20.2	5.2
Sector Average:					2.1%	11.3%	19.2x	3.63x	13.1x	4.4x
HIGH-GROWTH RESTAURANTS										
Chipotle Mexican Grill, Inc.	\$1,378.40	(8.0%)	\$1,958.55	\$1,256.27	(0.6%)	64.7%	46.2x	5.73x	28.8x	2.4x
El Pollo Loco Holdings, Inc.	13.02	(6.1%)	21.96	12.06	(28.1%)	(14.0%)	18.0	1.51	8.0	2.7
Noodles & Company	7.96	(6.7%)	13.55	7.90	0.8%	43.7%	20.6	1.33	8.7	3.6
Potbelly Corporation	5.66	(1.2%)	9.07	4.62	28.6%	34.1%	NM	1.05	8.3	4.9
Shake Shack Inc.	63.68	(8.1%)	138.38	63.50	(24.9%)	6.9%	NM	4.01	26.4	6.3
Wingstop Inc.	141.80	(8.5%)	187.35	112.49	7.0%	64.4%	84.1	17.03	58.3	6.0
Sector Average:					(2.9%)	33.3%	42.2x	5.11x	23.1x	4.3x
CANNABIS & CBD										
Canopy Growth Corporation	\$9.16	(13.0%)	\$71.60	\$9.01	(70.8%)	(66.5%)	NM	5.90x	NM	NM
Cronos Group Inc.	4.30	(12.4%)	20.08	4.29	(51.4%)	(56.9%)	NM	3.59	NM	NM
Jones Soda Co.	0.56	(17.2%)	1.54	0.36	140.0%	91.4%	0.0	2.37	NM	NM
The Scotts Miracle-Gro Company	149.23	(8.8%)	254.34	133.36	(25.1%)	40.5%	17.6	2.15	11.1	2.8
Tilray Brands, Inc.	5.79	(15.6%)	23.04	5.70	NA	NA	NM	5.44	NM	NM
Village Farms International, Inc.	5.22	(13.1%)	20.32	5.21	(48.5%)	(16.2%)	41.8	1.86	NM	NM
Sector Average:					(11.1%)	(1.5%)	19.8x	3.55x	11.1x	2.8x

Notes:

* Denotes local currency.

Source: Capital IQ.

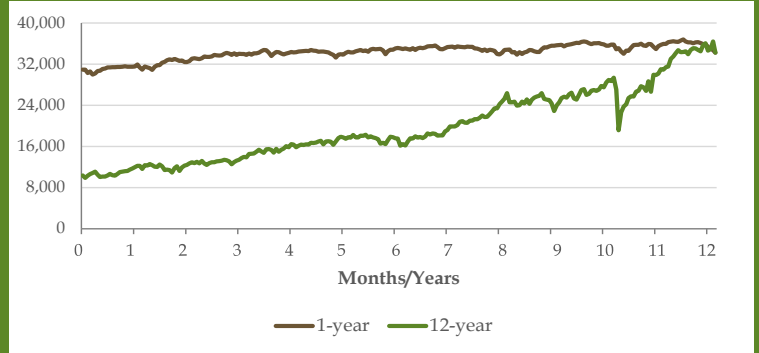
Summary multiples adjusted for extraordinary and non-recurring items; outliers excluded from mean calculation.

Major Indices (1-year & 12-year History)

S&P 500



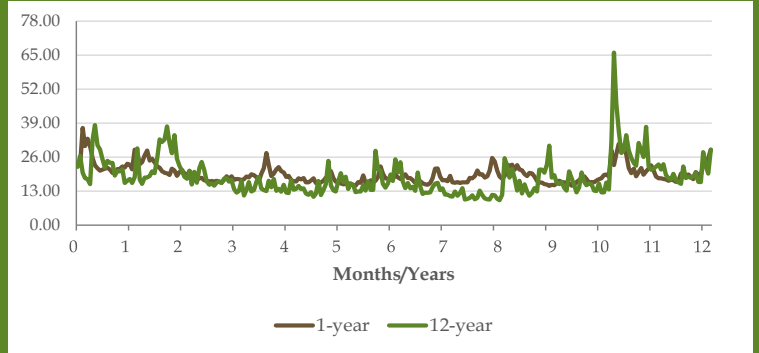
Dow Jones Industrial Average



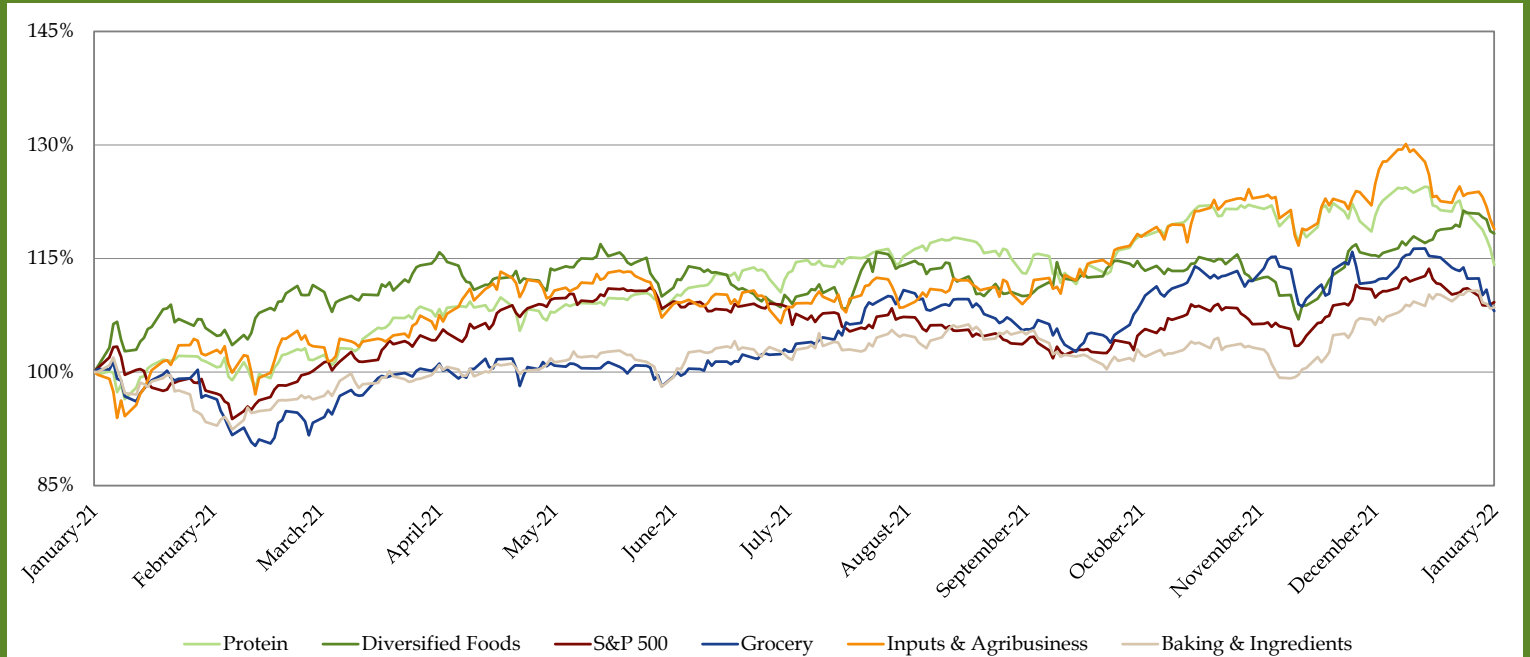
10-year Treasury



CBOE Market Volatility Index - VIX



Lakeshore Sector Indices vs. S&P 500 (1-year Only)



Food For Thought...

Partner Column

Written By Derek Bogdan

For many people, the phrase “the robots are coming” brings memories of The Terminator and various end-of-world scenarios. However, in 2022, advances in technology combined with labor challenges in many industries may make autonomous robots more common throughout food and agriculture. Here are some recent advances and how these machines could impact different parts of the industry in the near future.

Agriculture

The biggest news thus far in 2022 is John Deere’s debut of its fully autonomous tractor. Using numerous cameras, sensors, and AI the tractor can maneuver around a field on its own. The farmer controls the machine with a smart phone app. Importantly for a part of the industry that faces labor shortages and tight timeframes to complete fieldwork, Deere’s tractor can operate at night, covering more ground in less time. While the autonomous function is rolling out for use in tilling, Deere is expected to add more farming functions later this year. The autonomous features are also expected to be available as retrofit options on tractors already in use and will work in conjunction with other precision ag technologies.

Processing

Robotics have been frequently used for packaging and palletizing functions, and now new machinery is coming to market to help out with earlier processing steps. Some robots can clean and sort different types of food, others automate ingredient mixing and blending. Robots can also improve safety by operating in hot or cold temperatures and taking over more dangerous tasks such as cutting fruit and vegetables or deboning fish and certain meats.

Logistics

Following technological advances from other industries, large-scale food & beverage warehouses now have many robotic alternatives for picking and packing orders. A fully automated warehouse is usually a new build, however existing facilities can be retrofitted to accommodate self-driving forklifts, automated pickers, and order loadout. Coming and going from the warehouse, self-driving trucks are already operating on a test basis in some markets to move perishable products such as fruit and vegetables around the country quicker.

Grocery and Restaurants

The places and methods consumers purchased food has changed significantly the past two years. While more food has been purchased from grocery stores during COVID, many urban and suburban shoppers are ordering for delivery or pick-up. Many times, the “shopper” in this scenario is a store employee or is affiliated with the delivery company, but in some test stores, robots are patrolling aisles filling customer orders. Kroger recently opened its first fully automated fulfillment center.

Dine-in restaurants have been one of the most impacted sectors by COVID, first by the lack of patrons, and more recently by the lack of employees. Now, restaurants such as Denny’s and Chili’s are testing out front-of-house robots that can deliver food and drinks and bus tables.

As many businesses enter 2022 facing higher operating costs and challenges attracting and retaining employees, expect more widespread use of robots in many functions. Can they help your company?

Have a nice week!

Food For Thought...

U.S. Poultry Pricing Expected to Remain Strong Through 2022. Last week a new report by Rabobank stated that tighter supplies and export growth of U.S. produced poultry is expected to keep prices strong in North America throughout 2022.

The report states that domestic poultry supplies are expected to increase due to recovering broiler production with turkey and egg producers anticipating higher demand. U.S. chicken demand is expected to grow in 2022 as competition lessens from other key protein categories coupled with increased export and foodservice demand.

Despite higher pricing, expect labor constraints prompted by the pandemic, cost inflation, and logistical issues to partially limit returns and hamper industry expansion. The industry should be able to offset these costs through improved productivity and increased export demand.

In other news, international markets continue to struggle with the spread of highly pathogenic avian influenza (HPAI). Just last week, France announced plans to euthanize over 1.3 million birds to help curb the spread of the disease.

The French plan includes the elimination of all ducks, chickens, and turkeys in the southwestern departments of Landes, Gers, and Pyreness Atlantiques. Local farmers are expected to receive compensation for the birds while hatcheries and breeder-flocks are expected to be preserved so as to replenish farm stocks. These efforts will bring the number of total birds culled in France to 2.5 million since November 2021.

Grocers Capitalize on Pickup and Delivery Services. For supermarkets, offering both pickup and delivery has proven to bolster online performance. According to a Brick Meets Click eGrocery Performance report, weekly online grocery sales for stores providing both services were 44% higher than those who only offered delivery and 55% higher than those who only offered pickup.

Overall, delivery represented over 60% of all online grocery sales in 2021 but has since fallen to 50% as more stores enabled both delivery or click-and-collect capability. The data, which reflects online transactional data linked to non-personally identified households across 950 stores and 45 different banners, found that only 49% of stores included currently offered both services.

Additionally, the survey found that the age of the online operations did not significantly impact overall performance.

7% of the locations included in the survey had offered online grocery services for less than year and did not show significantly lower per store sales than those with longer running operations. The lack of correlation was likely driven primarily by COVID-19 as length of operation and sales historically have shown strong correlation prior to COVID-19.

Additionally, the survey found that same-store sales in less populated areas have begun to outpace those experienced by stores in more densely populated areas - a significant flip from 2019.

2021 did experience a slight deterioration in average weekly online sales per store compared to 2020. Average weekly sales, order totals, and basket value all fell (see below).



Domino's to Alter Food Deals Due to Inflation. Last week, Domino's Pizza Inc. announced that they intended to change certain deals involving carryout and chicken items to combat a high inflation environment and low chicken wing supply.

The most notable change involves their \$7.99 carryout order. While the company plans to continue to offer the basket of items at \$7.99, they will begin to only offer the promotion online and will reduce the number of chicken pieces included for ten to eight. The company is working to promote a higher proportion of online sales as they have a lower employee cost than phone orders. Online orders currently account for 75% of U.S. sales.

"I think many of you are aware of the significant inflation across the U.S. economy and how that is hitting many of the inputs that we have for our business from meats to cheese to some of the grains that go into the production of our products," said Richard E. Allison, President and CEO. "So, 8% to 10% (inflation) versus 2021. We also expect to continue to see wage inflation across the industry, and that will certainly impact us at Domino's as well."

Heard on the Street...

Foxtrot Market Raises \$100 Million for Nationwide Expansion. The tech enabled convenience store chain, Foxtrot Market, recently announced they had closed their Series C funding round for \$100 million. The round was led by D1 Capital Partners with participation from existing backers including Monogram, Imaginary, Almanac, Wittington, Fifth Wall, and Beliaide. This raise brings Foxtrot's total capital raised to \$160 million.

The company intends to utilize the capital to help expand their footprint and achieve full domestic coverage. Foxtrot plans to open 25 new stores in 2022 which will include locations in Boston, Austin, and Chicago. In 2023 and beyond, they plan to expand into the New York, Nashville, and Miami while also further expanding their presence in the regions they currently serve.

The company also plans to utilize the capital to scale its merchandising model, which focuses on the combination of products sourced from local artisans with core pantry staples, treats, and alcoholic selections. This expansion will include a further deepening of private label offerings with additional planned offerings in the mealtime, coffee, ready-to-eat, and wine categories available for both in-store and online purchases. Overall, the company plans to add over 200 items to their private label portfolio, which was started in 2021.

"As we exit the pandemic and our lives continue to normalize following a challenging and eye-opening two years, we expect that retail and hospitality will become increasingly important in creating a sense of community and driving discovery in a world that's been lacking this experience for quite some time," said Mike LaVitola, co-founder and CEO of Foxtrot. "With this new round of funding, we'll continue to accelerate the expansion of our brick-and-mortar presence, enter new and emerging markets, and double down on new store formats that answer consumer demand for immersive programming and highly curated assortment. Our investments in technology will enhance our retail experience and drive omnichannel growth. We look forward to bringing Foxtrot to new neighborhoods and highlighting the small makers that make our industry so exciting."

Alto Ingredients Acquires Eagle Alcohol Company. Last week, Alto Ingredients (NASDAQ: ALTO), announced that they had acquired Eagle Alcohol Company, a leading distributor of specialty alcohols headquartered in St. Louis, MO. The acquisition is for \$14 million plus a net-working capital adjustment of \$1.3 million with an additional \$14 million subject

to the shareholders being employed by Alto and Eagle achieving certain financial targets over the next five years. The transaction is for approximately 0.4x 2021 revenue.

Through the acquisition, Alto will acquire a company that specializes in breakbulk distribution of specialty alcohol. Eagle specializes in the purchase of bulk alcohol from suppliers, including Alto, and the storage, denaturing, packaging, and resale of said product into smaller sizes. Eagle sells products to a diverse customer portfolio across the beverage, food, pharmacy, and related-process industries.

Eagle generated over \$35 million in revenue in 2021 and is expected to contribute between \$7-\$9 million annually to EBITDA by 2023 and beyond.

"We have been aggressively diversifying our business to focus on specialty alcohols and essential ingredients. By acquiring an established leader in premium alcohol distribution, we expand our scope of offerings, customer base, and commercial opportunities as well as significantly accelerate our penetration of new high-margin markets," said Michael Kandris, Alto Ingredients' president and CEO. "Eagle's St. Louis distribution center specializes in small-packaged products preferred by a large segment of the specialty alcohol market, including beverage alcohol companies. Combining Alto's low-cost bulk production with Eagle's differentiated distribution capabilities and customer relationships is expected to lower our exposure to bulk alcohol price volatility, increase our margins, and create new opportunities for organic growth."

Continental Grain Buys Stake in Agroberries. Last week, it was announced that Continental Grain Co. had invested in Agroberries. Agroberries is a Santiago, Chile based berry grower with sales of over 50,000 tons of berries into the North American and European markets per year. The investment will be used to expand Agroberries production assets and global distribution capabilities as well as accelerate the development and commercialization of new varieties. The company currently has farms in Argentina, Chile, Mexico, Peru, and the U.S. Terms of the deal were not disclosed.

Jorge Varela, co-founder and chief executive officer of Agroberries, added, "I'm excited about the possibilities arising from our partnership with Conti and confident it will accelerate our global expansion plans, give our customers increased access to our novel proprietary varieties, and offer exciting professional development opportunities for our management team."

Recent U.S. Food & Agribusiness M&A Activity

(\$ in millions)

Date	Target	Acquirer	Enterprise Value	EV/ Revenue	EV/ EBITDA	Target Description
01/20/2022	Substantially all of the Operating Assets and Name of Seven Stars, Inc.	South Mill Mushroom Sales Inc.	-	-	-	Seven Stars, Inc. comprises a potato and onion distribution business.
12/31/2021	33 Save-A-Lot stores in metropolitan Orlando	Ascend Grocery, LLC	-	-	-	Save-A-Lot is a grocery brand.
01/19/2022	Baldinger Bakery Inc.	C.H. Guenther & Son, Inc.	-	-	-	Baldinger Bakery Inc. manufactures hamburger buns, rolls, bagels, and other bakery items.
01/19/2022	Terra Exports LLC	GrubMarket, Inc.	-	-	-	Terra Exports LLC exports and distributes fresh fruits and vegetables across the globe.
01/19/2022	Funky Fresh Spring Rolls	Palermo Villa, Inc.	-	-	-	Funky Fresh Spring Rolls produces and sells fresh and frozen spring rolls.
01/18/2022	K POP Foods, Inc.	Wooltari usa	-	-	-	K POP Foods, Inc. provides packaged seafood services.
01/18/2022	Manufacturing Facility in Missouri	Parker Products, LLC	-	-	-	The Manufacturing Facility in Missouri is a baking manufacturing facility.
01/18/2022	NomNomNow, Inc.	Mars Petcare US, Inc.	-	-	-	NomNomNow, Inc. crafts and delivers personalized fresh pet food for dogs and cats in 48 states.
01/13/2022	Mercer Foods, LLC.	Mubadala Capital; Entrepreneurial Equity Partners, L.P.	-	-	-	Mercer Foods, LLC. produces and markets freeze-dried food products through its brands, Aquafruit, and Truth in Snacks.
01/13/2022	Commercial Bakery and Muffin Plant	Gordon Brothers Group, LLC; New Mill Capital LLC	-	-	-	The Commercial Bakery and Muffin Plant comprises a 100,000 sq. ft. commercial bakery and muffin plant.
01/11/2022	Morris Distributing Company, Inc.	Five Star Food Service, Inc.	-	-	-	Morris Distributing Company, Inc. sells food products through vending machines.
12/31/2021	Talc U.S.A., LLC	BRANDT, Inc.	-	-	-	Talc U.S.A., LLC develops, manufactures, and markets talc-based and AG products that increase plant yield and improve soil health.
01/06/2022	Siegel Egg Co. Inc.	Rotunda Capital Partners, LLC	-	-	-	Siegel Egg Co. Inc. distributes egg, dairy, and bakery ingredients to restaurants, bakeries, hotels, and institutions, as well as other distributors.
01/06/2022	Palm Beach Distillery	Victor George Spirits, LLC	-	-	-	Palm Beach Distillery produces and sells distilled spirits, such as vodka, rum, gin.
01/06/2022	Readywise, LLC	Goode Partners LLC	-	-	-	Readywise, LLC operates as an omni channel manufacturer and marketer of freeze-dried and dehydrated foods.
01/05/2022	Brand Castle LLC	Signature Brands, LLC	-	-	-	Brand Castle LLC offers interactive baking kits for children and adults.
01/05/2022	Stratum Nutrition	Maxim Corporate Partners, LLC	-	-	-	Stratum Nutrition distributes nutrition ingredients to nutritional product manufacturers for human and pet health.
12/30/2021	ZFS Creston LLC	Benson Hill, Inc. (NYSE: BHIL)	\$102.00	-	-	ZFS Creston LLC provides soy processing services.
12/30/2021	Business Operations of Great Wall Group	HF Foods Group Inc. (NASDAQ: HFFG)	-	-	-	The Great Wall Group comprises a seafood supply business.
12/23/2021	North Dallas Honey Company, LP	Sweet Harvest Foods Inc.	-	-	-	North Dallas Honey Company, LP produces and markets honey and honey-based products.
01/04/2022	Doran Seafood, L.L.C.	Gulf Island Shrimp And Seafood, L.L.C.	-	-	-	Doran Seafood, L.L.C. engages in processing seafood, primarily raw wild caught American shrimp and catfish.
01/04/2022	Casper's Ice Cream, LLC	MidOcean Partners LLP	-	-	-	Casper's Ice Cream, LLC doing business as fat boy ice-cream manufactures ice creams and other frozen products.
12/31/2021	Food Ingredient Solutions, LLC	Chr. Hansen Natural Colors A/S	-	-	-	Food Ingredient Solutions, LLC manufactures and distributes organic colors and natural oxidants.
01/03/2022	Steven-Robert Originals, LLC	BCPE North Star US Holdco 2, Inc.	-	-	-	Steven-Robert Originals, LLC develops, produces, and distributes frozen desserts to restaurants, hotels, theaters, theaters, B&I, and gourmet grocery stores.
12/28/2021	Substantially all of the assets of Capital Seaboard Inc.	The Chefs' Warehouse, Inc. (NASDAQ: CHEF)	-	-	-	Capital Seaboard Inc. comprises an agricultural and dairy product distribution business.
12/28/2021	Ocean Harvest Wholesale Inc.	Fortune Fish Company Inc.	-	-	-	Ocean Harvest Wholesale Inc. operates as a distributor of seafood products.

Commodities Overview (1-year & 12-year History)

Soybeans



Sugar



Cattle



Milk



Cotton



Oil



Broiler price based off spot closing price. All other commodity prices are based off the closing price of their respective nearby futures contract.

Sources: Thompson Financial Data Securities, Capital IQ, Reuters, Edgar Online, Wall Street Journal, Barron's, New York Times, Bloomberg, Chicago Tribune, Denver Post, MarketWatch, USDA, The Economist, BusinessWeek, Food Institute, Food Business News, Supermarket News, LPC, Company Press Releases. The information contained in this publication is compiled using publicly available news/media sources and industry-specific sources that Lakeshore Food Advisors, LLC ("LFA") believes to be reliable, but the accuracy and completeness of which LFA cannot guarantee.

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