



LAKESHORE

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



Weekly Update

Monday September 13th, 2021

Inflation, Shortages, and Rising Wages Continue to be Prevalent Economic Forces.

The Federal Reserve released its most recent version of the “Beige Book”, a snapshot of the American economic picture. With safety concerns lingering due to the Delta variant, the report indicated that economic activity decelerated recently, further complicating the supply chain issues experienced in many industries. The report also outlined a 5.2% unemployment rate, 10.9 million job offerings in July, and hirings remaining mostly unchanged.

The **Dow Jones Industrial Average** decreased 2.2% on the week, finishing at 34,608.

The **S&P 500** declined 1.7% on the week, finishing at 4,459.

The **NASDAQ Composite** fell 1.6% on the week, finishing at 15,115.

Yield on the **10-year Treasury** increased two basis points on the week, ending at 1.35%.

Crude oil fell 0.3% this week, ending at \$69.47 per barrel.

Corn decreased 1.2% this week, ending at \$5.18 per bushel.

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NASDAQ Highs: Costco Wholesale Corporation, Rocky Mountain Chocolate Factory, Inc., Wingstop Inc. **Lows:** Bridgford Foods Corporation, Calavo Growers, Inc.

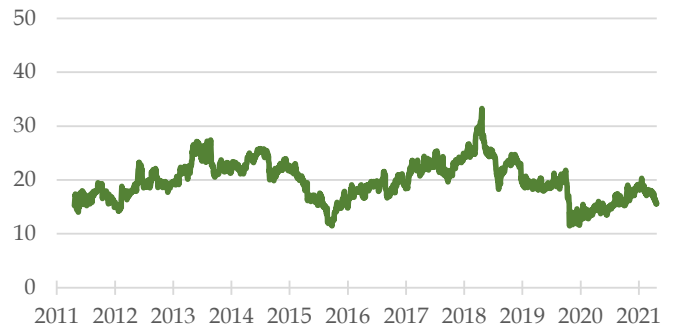
NYSE Highs: None. **Lows:** The Boston Beer Company, Inc., Hormel Foods Corporation, Lamb Weston Holdings, Inc.

Featured Stocks of the Week:

Kroger Co. (NYSE: KR) 10-Year History



Limoneira Company (NASDAQ: LMNR) 10-Year History



The Lakeshore Food Chain

Company Name	Price	Price	Price		Price as Compared to		Forward P/E	Enterprise Value to		Total Debt to LTM EBITDA
	9/10/21	Compared to 9/3/21	52-Week Range High	52-Week Range Low	YE: 2020 2019			LTM: Revenue	LTM: EBITDA	
Dow Jones Industrial Average	34,608	(2.2%)	35,625	26,502	13.1%	21.3%	0.0x			
S&P 500	4,459	(1.7%)	4,537	3,237	18.7%	38.0%	22.0			
NASDAQ Composite Index	15,115	(1.6%)	15,374	10,633	17.3%	68.5%				
Russell 3000 Index	2,645	(1.8%)	2,695	1,894	17.6%	39.8%	0.0			
Sector Average:					16.7%	41.9%				
AGRICULTURAL LAND HOLDINGS										
Farmland Partners Inc.	\$12.46	(0.6%)	\$14.85	\$6.27	43.2%	83.8%	NM	23.02x	46.1x	20.3x
Gladstone Land Corporation	22.34	(6.4%)	26.04	13.55	52.6%	72.2%	NM	21.33	27.3	14.2
Limoneira Company	15.60	(4.0%)	20.74	13.33	(6.3%)	(18.9%)	35.1	2.61	121.5	123.6
Sector Average:					29.8%	45.7%	35.1x	15.65x	65.0x	52.7x
INPUTS										
American Vanguard Corporation	\$14.99	(3.9%)	\$22.49	\$12.68	(3.4%)	(23.0%)	0.0x	1.21x	11.4x	3.2x
* BASF SE	64.56	(0.4%)	72.88	45.92	(0.2%)	(4.1%)	13.3	1.11	7.6	2.1
* Bayer Aktiengesellschaft	45.78	(3.6%)	57.73	39.91	(4.9%)	(37.1%)	7.1	1.90	8.1	4.1
CF Industries Holdings, Inc.	45.64	0.5%	57.19	25.30	17.9%	(4.4%)	8.8	3.42	8.3	2.1
Corteva, Inc.	43.42	(3.3%)	49.98	27.18	12.1%	46.9%	18.7	2.08	9.1	0.5
FMC Corporation	98.12	3.0%	123.66	87.27	(14.6%)	(1.7%)	13.5	3.40	12.8	3.2
Intrepid Potash, Inc.	29.07	(6.3%)	39.19	7.94	20.4%	7.3%	10.4	2.02	8.5	0.7
The Mosaic Company	31.78	(1.2%)	38.23	16.01	38.1%	46.9%	6.2	1.55	6.3	1.8
* Nutrien Ltd.	78.56	2.6%	80.82	49.88	28.3%	26.4%	10.8	2.10	10.8	2.7
S&W Seed Company	2.30	(15.0%)	4.36	2.15	(21.5%)	9.5%	NM	1.52	NM	NM
Zoetis Inc.	207.00	(1.3%)	210.10	141.41	25.1%	56.4%	43.7	13.73	32.3	2.3
Sector Average:					8.8%	11.2%	13.3x	3.10x	11.5x	2.3x
AGRICULTURAL EQUIPMENT										
* Ag Growth International Inc.	\$29.00	(0.9%)	\$48.47	\$25.24	(2.7%)	(37.6%)	13.0x	1.34x	21.8x	13.7x
AGCO Corporation	128.01	(7.3%)	158.62	69.68	24.2%	65.7%	12.8	1.04	8.3	1.4
Art's-Way Manufacturing Co., Inc.	3.38	0.0%	5.48	2.04	17.4%	91.0%	0.0	0.96	NM	NM
* Buhler Industries Inc.	3.23	0.0%	3.89	2.20	24.2%	10.2%	0.0	0.55	NM	NM
CNH Industrial N.V.	15.81	(4.8%)	18.49	7.34	23.1%	43.7%	11.7	1.23	11.0	7.2
Deere & Company	363.07	(6.7%)	400.34	210.18	34.9%	109.6%	17.3	3.63	17.1	5.4
Lindsay Corporation	158.12	(3.1%)	179.27	91.41	23.1%	64.7%	34.6	3.18	19.5	1.6
Titan Machinery Inc.	26.50	(4.8%)	35.24	12.50	35.5%	79.3%	11.8	0.55	8.6	3.3
Sector Average:					22.5%	53.3%	12.6x	1.56x	14.4x	5.4x
AGRIBUSINESS										
The Andersons, Inc.	\$29.56	(1.9%)	\$34.41	\$16.45	20.6%	16.9%	18.3x	0.28x	8.3x	5.1x
Archer-Daniels-Midland Company	59.89	(0.5%)	69.30	44.58	18.8%	29.2%	13.9	0.58	9.3	2.7
Bunge Limited	76.14	(1.6%)	92.38	43.41	16.1%	32.3%	10.6	0.38	5.8	2.4
Ingredion Incorporated	86.22	(2.2%)	98.05	68.71	9.6%	(7.2%)	13.6	1.19	7.2	2.2
Landec Corporation	10.60	0.5%	12.88	9.14	(2.3%)	(6.3%)	NM	0.98	18.1	7.6
MGP Ingredients, Inc.	63.94	(7.1%)	76.68	37.12	35.9%	32.0%	26.9	3.37	16.1	2.7
* Olam International Limited	1.63	0.6%	1.87	1.24	6.5%	(9.9%)	0.0	0.42	11.1	9.6
Sector Average:					15.0%	12.4%	13.9x	1.03x	10.8x	4.6x
DIVERSIFIED FOODS										
B&G Foods, Inc.	\$29.97	(1.8%)	\$47.84	\$25.26	8.1%	67.2%	14.7x	2.16x	11.7x	6.5x
Campbell Soup Company	43.15	0.2%	53.77	40.05	(10.8%)	(12.7%)	15.6	2.13	9.4	2.6
Conagra Brands, Inc.	33.09	(1.2%)	39.09	32.25	(8.7%)	(3.4%)	13.4	2.25	10.0	3.8
General Mills, Inc.	58.43	1.1%	64.65	53.96	(0.6%)	9.1%	15.6	2.62	10.8	3.0
The Hain Celestial Group, Inc.	38.02	2.0%	46.02	30.54	(5.3%)	46.5%	23.9	2.01	15.7	1.3
The J. M. Smucker Company	121.06	0.4%	140.65	108.10	4.7%	16.3%	14.0	2.25	9.7	2.6
Kellogg Company	62.74	(1.1%)	68.60	56.61	0.8%	(9.3%)	15.4	2.12	11.7	3.2
The Kraft Heinz Company	36.33	1.4%	44.95	28.56	4.8%	13.1%	14.8	2.50	7.8	3.0
Lancaster Colony Corporation	173.01	(1.3%)	201.31	162.53	(5.8%)	8.1%	27.5	3.14	19.5	0.1
Mondelez International, Inc.	60.23	(2.4%)	65.60	52.51	3.0%	9.4%	20.2	3.67	14.1	2.9
* Nestlé S.A.	114.96	(0.2%)	117.44	95.00	10.3%	9.7%	25.0	4.17	18.3	2.6
* Nomad Foods Limited	26.30	(2.4%)	31.85	22.44	3.5%	17.6%	14.2	2.15	11.6	4.5
Post Holdings, Inc.	107.09	(2.8%)	117.91	81.38	6.0%	(1.8%)	25.0	2.35	12.6	6.7
The Simply Good Foods Company	35.17	(1.1%)	38.50	18.62	12.1%	23.2%	26.3	3.93	19.5	2.7
SunOpta Inc.	12.12	0.5%	21.63	8.40	(18.5%)	275.2%	70.9	1.67	20.5	3.9
TreeHouse Foods, Inc.	38.93	2.2%	55.50	34.33	(8.4%)	(19.7%)	16.5	1.00	8.1	4.0
Unilever PLC	46.35	(0.0%)	51.89	43.00	(6.5%)	NA	0.0	2.84	13.2	2.6
Utz Brands, Inc.	19.33	(2.6%)	30.09	16.60	(12.4%)	88.0%	0.0	NA	NA	NA
Sector Average:					(0.7%)	28.0%	20.8x	2.53x	13.2x	3.3x

Company Name	Price		52-Week Range		Price as Compared to		Forward P/E	Enterprise Value to		Total Debt to LTM EBITDA
	Price	Compared to	High	Low	YE:			LTM:		
	9/10/21	9/3/21			2020	2019		Revenue	EBITDA	
ETHANOL										
Alto Ingredients, Inc.	4.58	(6.7%)	11.44	4.39	(15.7%)	604.6%	6.0x	0.42x	6.0x	1.5x
Green Plains Inc.	35.50	0.6%	38.53	11.91	169.6%	130.1%	113.3	1.07	21.9	7.5
Renewable Energy Group, Inc.	45.17	(3.3%)	117.00	40.56	(36.2%)	67.6%	11.8	0.72	6.2	2.0
REX American Resources Corporation	80.51	(0.3%)	116.86	58.41	9.6%	(1.8%)	11.5	0.59	6.0	0.2
Sector Average:					39.2%	267.4%	43.7x	0.74x	11.4x	3.6x
FRUIT & VEGETABLE										
AppHarvest, Inc.	\$7.51	(4.7%)	\$42.90	\$6.66	NA	NA	NM	102.96x	NM	NM
Calavo Growers, Inc.	38.98	(16.2%)	85.40	38.20	(43.9%)	(57.0%)	44.6	0.78	18.8	2.4
Fresh Del Monte Produce Inc.	30.31	(6.5%)	36.57	20.71	25.9%	(13.4%)	13.6	0.51	7.1	2.2
Lamb Weston Holdings, Inc.	60.49	(4.9%)	86.41	60.34	(23.2%)	(29.7%)	23.6	2.96	14.4	4.1
Mission Produce, Inc.	20.58	2.0%	22.93	11.75	36.7%	NA	21.8	1.85	16.2	2.0
Seneca Foods Corporation	48.68	(0.0%)	62.37	34.86	22.0%	19.3%	0.0	0.39	3.0	0.9
Dole plc	14.70	(6.9%)	16.53	14.50	NA	NA	10.5	0.42	10.8	5.6
Sector Average:					3.5%	(20.2%)	19.0x	1.15x	11.7x	2.9x
PROTEIN										
Beyond Meat, Inc.	\$112.90	(1.8%)	\$221.00	\$99.86	(9.7%)	49.3%	NM	16.03x	NM	NM
Cal-Maine Foods, Inc.	35.25	(3.0%)	43.24	33.85	(6.1%)	(17.5%)	54.5	1.14	37.2	0.1
Darling Ingredients Inc.	70.61	(4.2%)	79.65	31.45	22.4%	151.5%	14.3	3.17	11.6	2.2
Hormel Foods Corporation	42.31	(1.2%)	52.51	41.91	(9.2%)	(6.2%)	21.8	2.51	18.5	2.5
Industrias Bachoco, S.A.B. de C.V.	44.77	0.2%	48.47	36.00	(0.9%)	(13.9%)	9.3	0.34	2.6	0.2
* JBS S.A.	32.25	3.7%	36.12	19.03	36.3%	25.0%	7.3	0.48	4.9	2.7
Nathan's Famous, Inc.	62.83	(4.2%)	78.89	50.00	13.8%	(11.4%)	0.0	3.75	10.5	4.9
Pilgrim's Pride Corporation	28.05	0.2%	28.23	14.06	43.0%	(14.3%)	11.2	0.69	7.8	2.2
Sanderson Farms, Inc.	187.15	(4.0%)	197.25	112.73	41.6%	6.2%	9.1	0.91	3.8	0.0
Seaboard Corporation	3991.59	(4.1%)	4390.50	2750.16	31.7%	(6.1%)	0.0	0.58	6.1	2.1
Tyson Foods, Inc.	74.80	(4.4%)	82.45	55.82	16.1%	(17.8%)	11.8	0.79	7.0	2.0
Vital Farms, Inc.	17.04	0.3%	41.52	16.02	(32.7%)	NA	NM	2.56	52.9	0.1
Sector Average:					12.2%	13.2%	13.9x	2.75x	14.8x	1.7x
BAKING & INGREDIENTS										
Balchem Corporation	138.76	(1.4%)	142.46	92.60	20.4%	36.5%	34.3	6.12	26.2	0.8
Flowers Foods, Inc.	23.55	(2.0%)	25.48	21.66	4.1%	8.3%	20.5	1.37	10.3	2.2
* Gruma, S.A.B. de C.V.	231.78	2.5%	254.89	204.97	(2.2%)	19.4%	16.4	1.22	7.6	2.0
* Grupo Bimbo, S.A.B. de C.V.	50.31	1.8%	53.50	36.99	16.4%	46.1%	17.9	1.00	6.6	2.3
J & J Snack Foods Corp.	160.63	(0.1%)	181.71	124.90	3.4%	(12.8%)	34.3	2.62	23.7	0.5
* Kerry Group plc	122.85	(1.1%)	130.00	97.05	3.7%	10.6%	30.5	3.33	23.7	2.4
Krispy Kreme, Inc.	15.97	(0.9%)	21.69	12.83	NA	NA	39.0	3.38	20.4	7.6
McCormick & Company, Incorporated	85.55	(2.9%)	101.67	82.03	(10.5%)	0.8%	28.1	4.66	21.4	4.4
* Tate & Lyle plc	7.03	(2.6%)	8.21	5.87	4.2%	(7.5%)	13.0	1.31	6.9	1.6
Sector Average:					4.9%	12.7%	26.0x	2.78x	16.3x	2.6x
CANDY, NUTS, & SNACKS										
Bridgford Foods Corporation	\$11.45	(12.3%)	\$21.80	\$11.35	(37.2%)	(53.8%)	0.0x	0.57x	35.0x	7.2x
The Hershey Company	175.06	(1.6%)	182.71	134.00	14.9%	19.1%	24.0	4.62	16.7	1.9
John B. Sanfilippo & Son, Inc.	83.65	(0.7%)	94.97	71.00	6.1%	(8.4%)	18.7	1.15	9.9	0.3
Laird Superfood, Inc.	18.30	(3.9%)	60.80	17.20	(61.3%)	NA	NM	3.84	NM	NM
Rocky Mountain Chocolate Factory, Inc.	8.48	3.4%	9.00	2.55	109.4%	(8.1%)	0.0	1.71	7.8	0.4
Tootsie Roll Industries, Inc.	30.36	(3.9%)	57.26	28.15	5.3%	(5.7%)	0.0	3.88	20.7	0.2
Sector Average:					6.2%	(11.4%)	8.6x	2.63x	18.0x	2.0x
PET FOOD AND PRODUCTS										
Central Garden & Pet Company	\$43.82	(1.9%)	\$62.91	\$35.96	13.5%	41.0%	15.4x	0.95x	7.8x	3.4x
Freshpet, Inc.	133.79	0.8%	186.98	101.35	(5.8%)	126.4%	NM	14.91	NM	0.4
Sector Average:					3.9%	83.7%	15.4x	7.93x	7.8x	1.9x
WINE & BEVERAGE										
The Boston Beer Company, Inc.	\$542.82	(3.5%)	\$1,349.98	\$510.25	(45.4%)	43.7%	28.6x	3.13x	17.3x	0.2x
Brown-Forman Corporation	71.55	0.9%	82.24	67.74	(9.9%)	5.8%	40.3	9.61	29.7	2.1
The Coca-Cola Company	55.61	(2.0%)	57.56	47.30	1.4%	0.5%	23.9	7.44	18.5	3.1
Constellation Brands, Inc.	213.91	1.0%	244.75	160.63	(2.3%)	12.7%	20.4	5.91	14.8	2.9
Crimson Wine Group, Ltd.	8.69	(2.9%)	10.48	4.70	62.4%	17.4%	0.0	2.60	NM	186.4
* Diageo plc	35.12	(0.5%)	36.41	24.62	22.0%	9.7%	27.3	7.50	21.3	3.7
Monster Beverage Corporation	95.92	(1.7%)	99.89	75.45	3.7%	50.9%	34.7	9.36	25.8	0.0
National Beverage Corp.	52.55	13.2%	98.22	33.97	23.8%	106.0%	27.6	4.30	17.9	0.2
PepsiCo, Inc.	155.46	(1.0%)	159.63	128.32	4.8%	13.7%	24.3	3.37	17.6	3.0
Starbucks Corporation	119.34	1.8%	126.32	81.75	11.6%	35.7%	32.0	5.88	18.9	2.9
Willamette Valley Vineyards, Inc.	12.70	(1.7%)	16.54	6.00	99.4%	83.3%	0.0	2.98	12.8	1.7
Sector Average:					15.6%	34.5%	23.5x	5.64x	19.5x	18.7x

Company Name	Price 9/10/21	Price Compared to 9/3/21	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.	\$59.52	(3.2%)	\$65.30	\$46.03	10.7%	(19.5%)	17.5x	2.16x	9.2x	3.8x
Lifeway Foods, Inc.	5.18	(4.1%)	8.89	4.51	(4.3%)	160.3%	0.0	0.66	6.6	0.3
* Saputo Inc.	34.35	(2.4%)	42.42	32.06	(3.6%)	(14.6%)	19.0	1.27	13.4	3.1
Sector Average:					1.0%	42.1%	12.2x	1.36x	9.7x	2.4x
WHOLESALE, FOOD SERVICE, & DISTRIBUTION										
The Chefs' Warehouse, Inc.	\$27.42	(5.6%)	\$35.57	\$12.35	6.7%	(28.1%)	64.8x	1.14x	139.8x	51.4x
Coreo AG	1.53	(1.9%)	1.75	1.20	(11.6%)	0.7%	17.0	7.73	NM	NM
Performance Food Group Company	44.19	(5.7%)	59.89	31.69	(7.2%)	(14.2%)	19.8	0.29	12.6	4.2
SpartanNash Company	21.00	(1.2%)	23.45	15.75	20.6%	47.5%	11.8	0.16	5.5	2.8
Sysco Corporation	76.56	(1.0%)	86.73	53.85	3.1%	(10.5%)	21.8	0.93	19.3	4.8
United Natural Foods, Inc.	36.49	(0.4%)	42.40	14.23	128.5%	316.6%	11.5	0.21	4.9	3.1
US Foods Holding Corp.	32.37	(2.3%)	42.10	19.82	(2.8%)	(22.7%)	15.0	0.49	17.5	7.8
Sector Average:					19.6%	41.3%	23.1x	1.57x	33.3x	12.4x
MASS MERCHANDISE, CLUB STORES, & DOLLAR STORES										
BJ's Wholesale Club	\$58.25	(1.6%)	\$59.61	\$36.07	56.3%	156.2%	19.7x	0.69x	9.6x	2.6x
Costco Wholesale Corporation	465.16	0.6%	469.77	307.00	23.5%	58.3%	41.1	1.10	22.7	1.1
Dollar General Corporation	218.05	(2.0%)	239.35	173.50	3.7%	39.8%	20.5	1.92	11.8	2.6
Dollar Tree, Inc.	90.21	(2.8%)	120.37	84.41	(16.5%)	(4.1%)	16.5	1.13	6.0	2.0
Grocery Outlet Holding Corp.	25.01	(3.8%)	48.87	24.59	(36.3%)	(22.9%)	26.1	1.19	13.0	5.0
Walmart Inc.	145.89	(2.3%)	153.66	126.28	1.2%	22.8%	23.1	0.80	10.3	1.4
Sector Average:					5.3%	41.7%	24.5x	1.14x	12.2x	2.5x
TRADITIONAL & SPECIALTY RETAIL										
Albertsons	\$30.03	(10.0%)	\$34.09	\$12.91	70.8%	NA	13.9x	0.41x	6.2x	3.2x
* Ahold Delhaize	27.89	(1.4%)	29.12	21.50	20.7%	25.1%	14.9	0.56	7.0	2.8
Amazon.com, Inc.	3469.15	(0.3%)	3773.08	2871.00	6.5%	87.7%	62.1	4.04	26.8	1.8
Ingles Markets, Incorporated	67.93	(3.1%)	70.79	34.92	59.2%	43.0%	0.0	0.40	4.0	2.0
The Kroger Co.	42.67	(8.5%)	47.99	30.35	34.4%	47.2%	13.3	0.38	7.9	3.3
Natural Grocers by Vitamin Cottage, Inc.	10.87	(8.8%)	18.75	9.36	(20.9%)	10.1%	16.5	0.61	5.8	3.7
Sprouts Farmers Market, Inc.	23.15	(5.7%)	29.35	18.21	15.2%	19.6%	11.7	0.62	5.2	2.0
* Tesco PLC	2.54	(0.5%)	3.18	2.17	(13.2%)	(21.3%)	13.6	0.55	8.6	4.3
Village Super Market, Inc.	21.62	(2.3%)	26.31	21.00	(2.0%)	(6.8%)	0.0	0.30	6.0	4.0
Weis Markets, Inc.	55.77	(2.5%)	59.70	44.35	16.6%	37.7%	0.0	0.35	4.7	0.7
Sector Average:					18.7%	26.9%	14.6x	0.82x	8.2x	2.8x
TRADITIONAL RESTAURANTS										
Brinker International, Inc.	\$51.28	(0.4%)	\$78.33	\$40.66	(9.4%)	22.1%	10.9x	1.31x	7.5x	3.5x
The Cheesecake Factory Incorporated	44.42	(2.4%)	65.81	26.47	19.9%	14.3%	14.0	1.61	12.2	5.6
Cracker Barrel Old Country Store, Inc.	135.75	(5.3%)	178.82	106.92	2.9%	(11.7%)	15.8	1.69	15.2	5.1
Darden Restaurants, Inc.	148.66	0.4%	153.89	84.91	24.8%	36.4%	20.0	3.32	17.4	4.2
Dine Brands Global, Inc.	78.79	(3.3%)	100.70	49.37	35.8%	(5.7%)	11.7	3.55	13.7	8.5
Jack in the Box Inc.	100.56	(4.1%)	124.53	77.69	8.4%	28.9%	13.7	3.85	8.1	4.2
McDonald's Corporation	239.18	0.2%	247.05	202.73	11.5%	21.0%	25.3	10.34	17.8	4.0
Papa John's International, Inc.	129.40	(0.8%)	132.14	73.12	52.5%	104.9%	40.1	2.68	22.2	2.6
Texas Roadhouse, Inc.	91.94	(1.8%)	110.75	59.45	17.6%	63.2%	23.6	2.28	16.3	1.9
The Wendy's Company	22.40	(2.2%)	29.46	18.86	2.2%	0.9%	27.9	5.46	16.9	8.0
Yum! Brands, Inc.	129.89	(0.8%)	135.77	88.08	19.6%	28.9%	27.9	7.88	20.7	4.9
Sector Average:					16.9%	27.6%	21.0x	4.00x	15.3x	4.8x
HIGH-GROWTH RESTAURANTS										
Chipotle Mexican Grill, Inc.	\$1,901.03	(1.0%)	\$1,940.99	\$1,172.29	37.1%	127.1%	65.7x	8.15x	41.7x	2.5x
El Pollo Loco Holdings, Inc.	17.57	(1.7%)	21.96	13.96	(2.9%)	16.1%	19.3	1.93	10.3	2.8
Noodles & Company	12.19	(1.1%)	13.55	6.25	54.3%	120.0%	39.4	1.82	12.2	4.1
Potbelly Corporation	6.77	(5.3%)	9.07	3.30	53.9%	60.4%	NM	1.23	12.0	6.6
Shake Shack Inc.	82.16	(3.7%)	138.38	63.49	(3.1%)	37.9%	NM	5.50	36.2	6.8
Wingstop Inc.	183.89	4.5%	184.78	112.47	38.7%	113.3%	114.6	21.70	77.7	6.2
Sector Average:					29.7%	79.1%	59.8x	6.72x	31.7x	4.8x
CANNABIS & CBD										
Canopy Growth Corporation	\$19.12	(10.0%)	\$71.60	\$18.44	(39.0%)	(30.0%)	NM	12.71x	NM	NM
Cronos Group Inc.	7.78	(4.5%)	20.08	6.55	(12.0%)	(22.0%)	NM	22.10	NM	NM
Jones Soda Co.	1.07	(3.2%)	1.54	0.13	360.5%	267.2%	0.0	5.24	NM	NM
The Scotts Miracle-Gro Company	151.62	(5.0%)	254.34	143.08	(23.9%)	42.8%	17.5	2.13	11.3	2.6
Tilray, Inc.	12.41	(8.7%)	23.04	12.40	NA	NA	NM	11.75	NM	635.9
Village Farms International, Inc.	10.83	(7.2%)	25.78	5.71	(16.0%)	34.2%	43.1	3.30	NM	NM
Sector Average:					54.0%	58.5%	20.2x	9.54x	11.3x	319.3x

Notes:

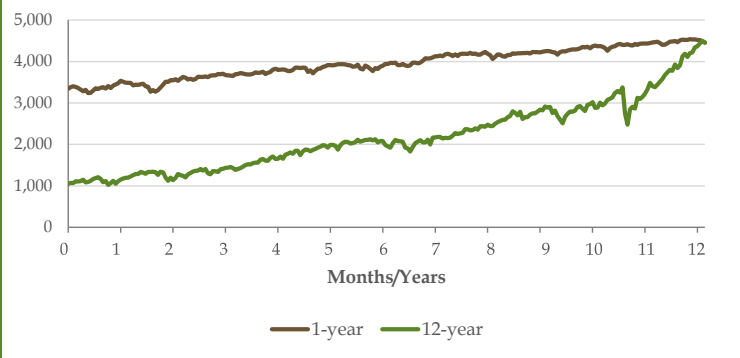
* Denotes local currency.

Source: Capital IQ.

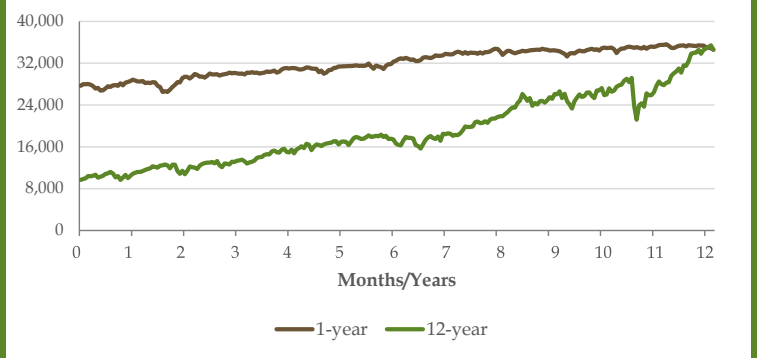
Summary multiples adjusted for extraordinary and non-recurring items; outliers excluded from mean calculation.

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

S&P 500



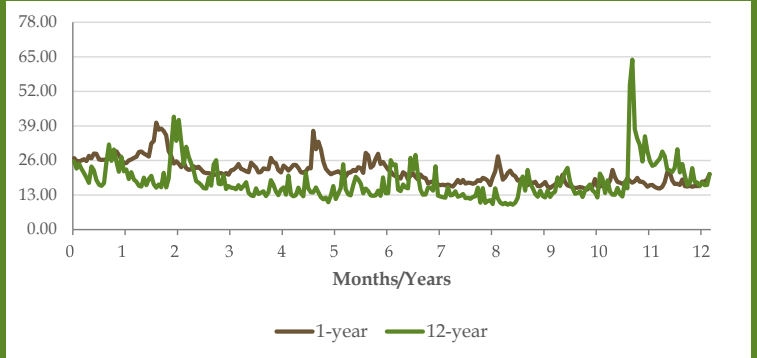
Dow Jones Industrial Average



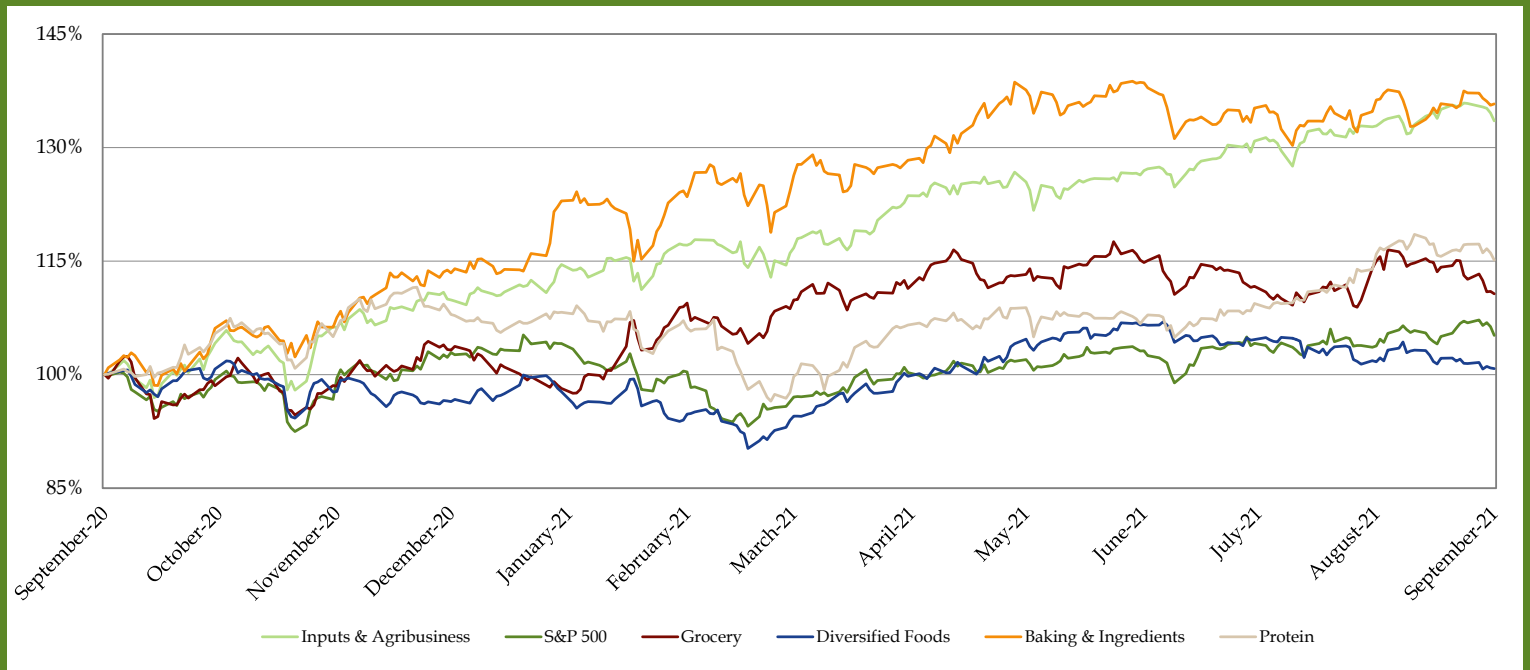
10-year Treasury



CBOE Market Volatility Index - VIX



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



Partner Column...

Partner Column
Written by Mary Burke

It is hard to believe it is September already...lots to cover today after a month of the abbreviated Weekly Updates. So, let's get at it.

Sector	7/23/21 EV/LTM EBITDA	9/11/20 EV/LTM EBITDA	7/23/21 Forward P/E	9/11/20 Forward P/E
Agricultural Land Holdings	34.2x	24.1x	52.0x	68.7x
Inputs	14.3x	12.3x	16.3x	24.9x
Agricultural Equipment	16.2x	14.9x	18.7x	22.3x
Agribusiness	12.0x	11.0x	40.4x	19.4x
Diversified Foods	13.6x	13.6x	24.5x	27.8x
Ethanol	16.85x	NM	11.0x	10.5x
Fruit & Vegetable	12.0x	10.7x	17.4x	14.7x
Protein	14.1x	9.8x	13.8x	14.8x
Baking & Ingredients	20.0x	14.6x	27.3x	37.0x
Candy, Nuts & Snacks	17.0x	18.9x	12.7x	25.8x
Pet Food & Products	145.6x	8.2x	18.8x	23.5x
Wine & Beverage	22.0x	26.8x	22.5x	24.5x
Dairy	11.3x	14.0x	13.0x	17.4x

As we know the markets are up and valuations have increased. Looking at the EV/EBITDA valuations, nine sectors are up and only three are down. This is backward looking- today's valuation based on the last twelve months results. Those with down trends are with good reason. Much has been made of the active M&A market. When thinking of selling, many buyers are factoring out the COVID impact on numbers and they are still seeing good valuations. Much has been written in the past few weeks about the bumpy fall the stock market is expecting given many unknowns: the effect of the Delta variant, the Fed easing specifics and the current legislation before the U.S. Congress. Buckle up!

The combination of the legacy Total Produce and legacy Dole Food Company is making moves that will have impacts on their categories. Watch for changes in the space and opportunities for more consolidation.

Price inflation is here to stay...are you ready?

Have a good week!

Food For Thought...

Kroger Reports Q2 2021 Earnings. Last Friday, Kroger Company, the nation's largest traditional retailer, reported strong second quarter earnings and further increased full-year profit outlook. The retailer's strong financial performance was largely attributed to the nation's rise in the Delta variant of COVID-19 and the resulting consumer stockpiling of groceries. Despite the positive results, the company's stock fell 9.1% on the release.

Kroger reported an identical store sales without fuel decline of 0.6% from the same period 2020, but an increase of 14.0% from the same period in 2019. Net sales, however, increased from \$30.5 billion in the second quarter of 2020 to \$31.7 billion in the second quarter of 2021. Aligned with other retailers, Kroger experienced an 114% growth in digital sales over the same period in 2019, driven largely by the COVID-19 pandemic. The company reported an operating profit of \$839 million with an adjusted FIFO operating profit of \$947 million.

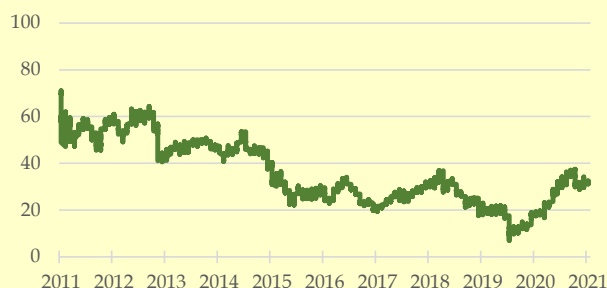
Kroger saw several successes over their new corporate initiatives including the introduction of over 140 new items within their "Leading with Fresh" objective including Big Pack items and the Simple Truth Plant Based line. Further the company grew its digital sales business through offering unlimited delivery throughout their Florida based Ocado platforms for \$79/year, expanding their pickup locations to 2,239 with 2,546 delivery location covering 98% of Kroger households, and launching new pilots with DoorDash and Google Maps.

Calavo Growers, Inc. Reports Q3 2021 Earnings. Last Wednesday, Calavo Growers, the Santa Paula, CA grower and distributor of avocados, reported results for their third fiscal period of 2021. The company reported total revenue of \$285 million, a 5% increase from the same period the year prior. This increase was driven by a 14% y-o-y increase in their Renaissance Food Group and a 12% y-o-y increase in their Foods segment, offset by flat growth in their Fresh business. The company experienced a gross profit of \$7.9 million (2.8% margin), compared to \$30.8 million (11.4% margin) in 2020.

Calavo's Fresh segment experienced flat sales of \$161.6 million due to a delay in expected avocado supply from Mexico and California coupled with sub-optimal fruit size negatively impacting sales volume which was 8% lower than the same period last year. Average selling price offset the declining volume, experiencing a 10% growth. Renaissance Food Group saw improved sales largely due to the resurgence of foodservice by lowered margins due to high labor costs, poor fruit quality, and increased freight costs. Gains in the Food segment were largely attributed to an increase in export volume.

Mosaic Details Disruptions to North American Phosphate Operations. The Mosaic Company (NYSE:MOS) announced last week that it expects third quarter phosphate production to be approximately 300,000 tons lower than historical averages. The reductions result from an August equipment failure at the company's New Wales facility in Florida and wind damage to two facilities in Louisiana from Hurricane Ida. The company also noted that navigational issues on the Mississippi River due to Ida could impact logistics during the normally busy fall application season. Fourth quarter production is expected to be higher than the third quarter, but still lower than past years.

Mosaic Company (NYSE:MOS) 10-Year History



Limoneira Volumes Fall Due to Harvest Timing and Drought. Limoneira Company (NASDAQ: LMNR) reported third quarter results last week. In the quarter, fresh lemon sales fell to \$24.4 million compared to \$35.4 million last year as a delayed harvest in Chile and Argentina along with congested ports temporarily slowed shipments. The company sold 1.144 million cartons in the quarter at an average price of \$21.34 per carton in the quarter, compared to 1.979 million cartons last year at \$17.91 per carton.

Avocado revenues declined to \$4.1 million (from \$6.1 million) as drought conditions along the West Coast impacted yields. Limoneira sold 3.5 million pounds of avocados last quarter, compared to 6.1 million pounds the same period in 2020. Average selling prices rose to \$1.16 per pound this year from \$1.00 per pound. Orange revenues declined slightly as higher volumes were offset by lower prices.

In total, Limoneira reported quarterly net revenue of \$49.1 million compared to \$53.6 million last year. Operating expenses declined to \$45.8 million in the quarter, and Adjusted EBITDA rose to \$7.8 million (up from \$6.0 million a year ago). Harold Edwards, President and CEO stated, "Lemon pricing and fresh utilization was strong for the third quarter...Our results were partially offset by the reduced sizing of our avocado fruit due to lack of rainfall. We do believe logistical challenges will improve in fiscal year 2022 and with the expectation of reduced exports we are very confident in domestic pricing improvements in fiscal year 2022."

Heard on the Street...

ADM Acquires Stake in Four Branded Pet Food Companies.

Last week, it was announced that Archer Daniels Midland, the Chicago based commodity trader, had acquired stakes in four market leading private pet food brand leading companies. The company acquired a 75% in PetDine, Pedigree Ovens, The Pound Bakery, and NutraDine. All four of these businesses are owned by P4 Companies. The transaction values the four entities in aggregate at \$600 million.

Combined the four companies employ over 300 people and serve over 650 customers across 15 countries. Their product offerings include baked treats, semi-moist treats, long goods, blends, unique proteins, soft chews, liquids and powders. The transaction also involves two 300,000 sq-ft state of the art production and innovation centers in Illinois and Colorado. As part of the transaction, ADM will receive a put/call option to acquire the remaining 25%.

“We’re continuing to advance our growth strategy and transform our company with targeted investments that expand our capabilities in large, high-growth segments, including pet nutrition – a key focus of our growing animal nutrition business,” said Vince Macciocchi, president of ADM’s nutrition business. “Annual global sales of pet food total \$110 billion, forecast to grow to \$140 billion by 2026 – with pet treats an even faster-growing category.”

“ADM’s global resources – from ingredient supply chain, transportation and their emerging pet nutrition platform – are what we were looking for in a partner,” said Kurt Stricker, owner, Pedigree Ovens, another pet treat supplier in the P4 group. “We are excited to continue our strong growth path together.”

The transaction is subject to regulatory approval and is expected to close in the next few weeks.

CHS to Expand Mankato Soybean Facility.

Last week Thursday, CHS announced plans to invest \$60 million to expand the processing capacity of their Mankato, MN soybean processing facility. Once complete, the expansion will increase annual soybean oil production by over 35%. The announcement comes as the second stage in CHS initiative to expand their oil business and capitalize on changing market dynamics and opportunities to expand soy oil market access. The initiative began with a 24-month construction project at the company’s Fairmont, MN plant to increase crush capacity by 30% in October of 2019. Both projects are focused on replacing dated equipment, expanding the refinement process, and optimizing

process flow. The Fairmont construction has already been completed and the Mankato project is expected to be fully operational by summer 2023.

“Trends in global consumption of refined oils such as soy, canola, and palm remain strong, especially in the renewable diesel sector, with projected continued tightening of stocks,” says Tom Malecha, CHS vice president, Global Grain & Processing operations. “We’re seeing tremendous opportunities to maximize our farmer-owners’ investments in high-performing assets and infrastructure.”

Local Bounti Receives \$200 Million in Debt Financing.

Last week Tuesday, Local Bounti, the Hamilton, MT based indoor leafy greens grower, announced that it had closed on a \$200 million debt facility with Cargill Financial Services, which is also a strategic investor in Local Bounti. To date, Cargill has shown significant support for the grower through its participation in the debt offer, previously closed equity offerings, and as a PIPE investor contemplated in connection with a proposed business combination with Leo Holdings III Corp, a publicly traded special purpose acquisition company.

In addition to the debt and equity funding, which will be used for the expansion of Local Bounti’s current Hamilton, MT 1-acre leafy greens greenhouse, Cargill has also expressed interest in financing the construction of all of Local Bounti’s planned indoor growing facilities in the United States through 2025. The company plans to build seven facilities throughout the western United States by 2025.

“Cargill’s financial support will help us fast-track the build out of strategically located facilities that showcase our patent pending Stack & Flow Technology™ which produces superior unit economics with high yield and low-cost operations. As we pioneer a new chapter in sustainable agriculture, we are challenging the way food is produced and delivered. The consumer benefits by enjoying delicious, locally grown, longer-lasting fresh produce, and the planet benefits because we use 90% less land and water, and no herbicides or pesticides. It’s time to turn a new leaf!” stated Local Bounti Chief Executive Officer, Craig Hurlbert.

In June 2021, Local Bounti and Leo Holdings III announced they had entered into a definitive business combination agreement. Upon the closing of the merger, which remains subject to customary closing conditions, Local Bounti will become publicly traded on the New York Stock Exchange under the new ticker symbol LOCL.

Capital

All cash transactions undergone by private equity exits for the year ending August 31, 2021 spiked roughly 90% compared to the same period last year. For stock deals, that number was roughly 64% higher than in 2020. Under President Biden's proposed Fiscal Year 2022 Budget Tax Proposal to increase the capital gains tax from 20% to 39.6%, experts believe that more and more private equity investments will continue to be exited in order to avoid realizing these gains in 2022.

"Sellers could be less likely to sell their business due to the reduction in their after-tax proceeds, and as a result, buyers will have fewer opportunities to acquire companies," said Brian McNeely, a partner at Reagan Consulting Inc.

Across the nearly 500 SPAC IPO's that have taken place this year (so far), 80 are backed by private equity or venture capital with a stake greater than or equal to 5% in the portfolio compan-

-ies. Compared to last year, this number was only 44, across roughly 300 SPACs.

KKR & Co. Inc., Blackstone Inc., Fortress Investment Group LLC, Apollo Global Management Inc., TPG Capital LP, Warburg Pincus LLC, and Trasimene Capital Management LLC have led the forefront in terms of both quantity and market capitalization in deals completed.

Although SPACs continue to be the rage in the market, interested parties of the SEC recommended last Thursday that the commission increase its regulation of future blank check companies. The proposed changes included more disclosures on the search process and financial incentives, clear descriptions of the overall SPAC process, and most importantly, better enforcement of the disclosures related to the sponsors' expertise as it relates to potential acquisitions.

Top Private Equity-Backed SPAC by Market Cap

SPAC	IPO date	Top PE stakeholder	Ownership stake of top PE holder (%)	Market Capitalization (\$M)
Austerlitz Acquisition Corp. II	02/25/21	Trasimene Capital Management LLC	26.1	1,912.3
KKR Acquisition Holdings I Corp.	03/17/21	KKR & Co. Inc.	20.0	1,680.2
Apollo Strategic Growth Capital	10/01/20	Apollo Global Management Inc.	19.9	993.4
Austerlitz Acquisition Corp. I	02/25/21	Trasimene Capital Management LLC	25.9	974.9
Apollo Strategic Growth Capital II	02/09/21	Apollo Global Management Inc.	26.0	836.6
Fortress Value Acquisition Corp. IV	03/15/21	Fortress Investment Group LLC	19.9	787.3
TWC Tech Holdings II Corp.	09/10/20	True Wind Capital Management LP	19.9	748.5
RedBall Acquisition Corp.	08/12/20	RedBird Capital Partners LLC	39.5	700.8
Spartan Acquisition Corp. III	02/08/21	Apollo Global Management Inc.	19.9	679.7
Warburg Pincus Capital Corp. I-B	03/04/21	Warburg Pincus LLC	20.0	666.7
Trebia Acquisition Corp.	06/16/20	Trasimene Capital Management LLC	11.4	637.2
TPG Pace Tech Opportunities Corp.	10/07/20	TPG Capital LP	19.7	559.7
Health Assurance Acquisition Corp.	11/12/20	Dragoneer Investment Group LLC	7.3	534.7
Dragoneer Growth Opportunities Corp. III	03/22/21	Dragoneer Investment Group LLC	20.8	528.1
Anzu Special Acquisition Corp. I	03/01/21	Anzu Partners LLC	19.6	514.3
Hedosophia European Growth	05/14/21	Hedosophia Group Ltd.	34.3	501.2
TCV Acquisition Corp.	04/13/21	Blackstone Inc.	5.4	500.8
Peridot Acquisition Corp. II	03/08/21	Carnelian Energy Capital	19.8	493.2
Fortress Capital Acquisition Corp.	01/13/21	Fortress Investment Group LLC	19.9	484.5
TPG Pace Beneficial Finance Corp.	10/07/20	TPG Capital LP	19.6	441.0
Rice Acquisition Corp.	10/21/20	Owl Rock Capital Advisors LLC	8.8	437.5
Periphos Capital Partnering Corp.	12/09/20	Apollo Global Management Inc.	5.6	430.7
Decarbonization Plus Acquisition Corp. III	03/23/21	Riverstone Holdings LLC	19.2	430.1
VectoIQ Acquisition Corp. II	01/06/21	Apollo Global Management Inc.	6.8	425.7
Lux Health Tech Acquisition Corp.	10/26/20	Lux Capital Management LLC	19.7	422.6

Exchange: ● ENXTAM ● NASDAQCM ● NYSE

Data compiled Aug. 23, 2021.

Analysis include large SPACs by market capitalization with private equity firm as one of the top stakeholders as of Aug. 23, 2021.

Source: S&P Global Market Intelligence

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

Corn



Wheat



Hogs



Broilers



Cocoa



Gold



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.

Please send your feedback and comments to Mary Burke at mlburke@lakeshorefoodadvisors.com.