



Seale & Associates

FOODSERVICE EQUIPMENT
INDUSTRY
Q1 2024
VALUATION UPDATE

25 years

Introduction

We are pleased to share our Foodservice Equipment Industry Multiples Valuation Update for Q1 2024.

At Seale & Associates, we are committed to providing process-driven solutions designed to optimize value and achieve our client's strategic objectives in a range of transactions, including **Mergers, Acquisitions, Divestitures and Carve-Outs, Business Sales, Recapitalizations, and Joint Ventures**, among other corporate finance and strategy consulting services.

Over the course of 25+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our clients who are looking to grow through acquisitions or optimize their portfolios through strategic divestitures.

Seale has extensive experience advising leading multinational companies, private equity firms, and family-owned businesses across a wide range of industries.



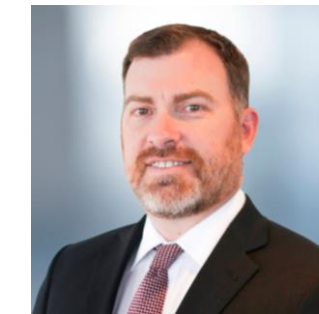
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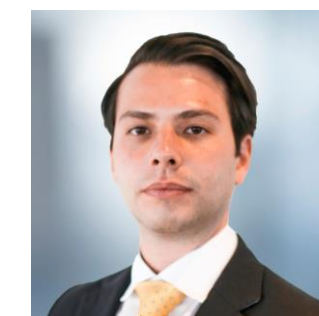
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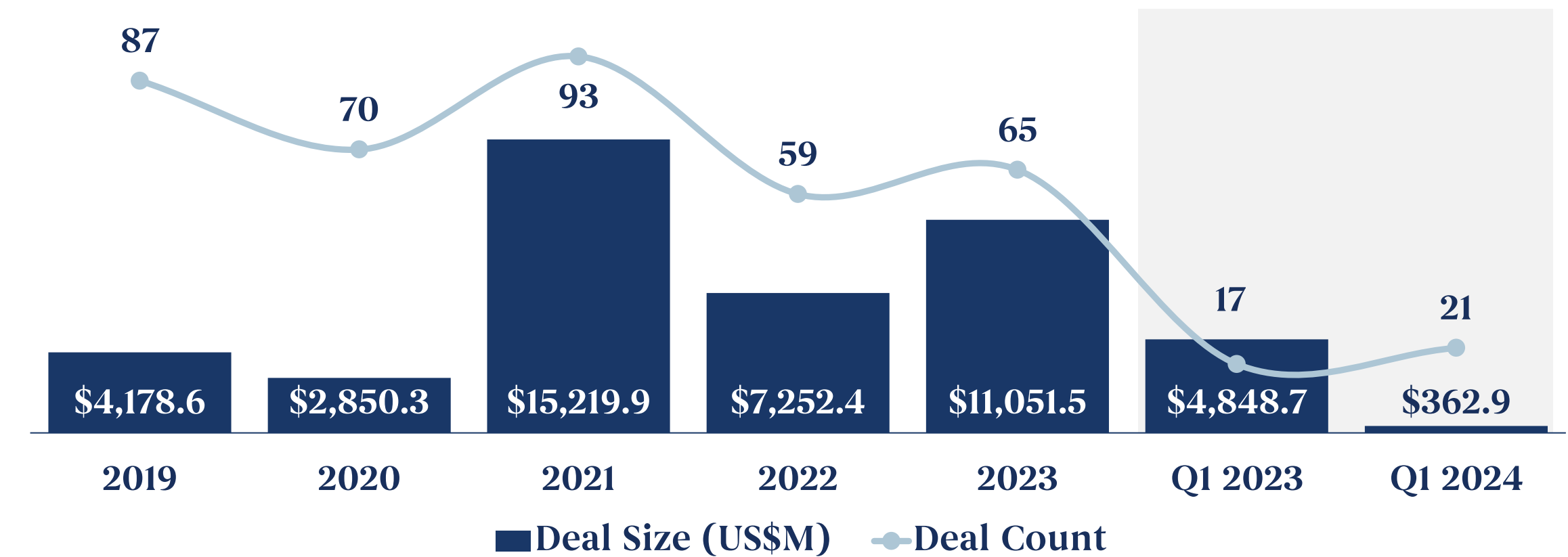
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Foodservice Equipment's Industry Overview, M&A Trends and Market Intelligence

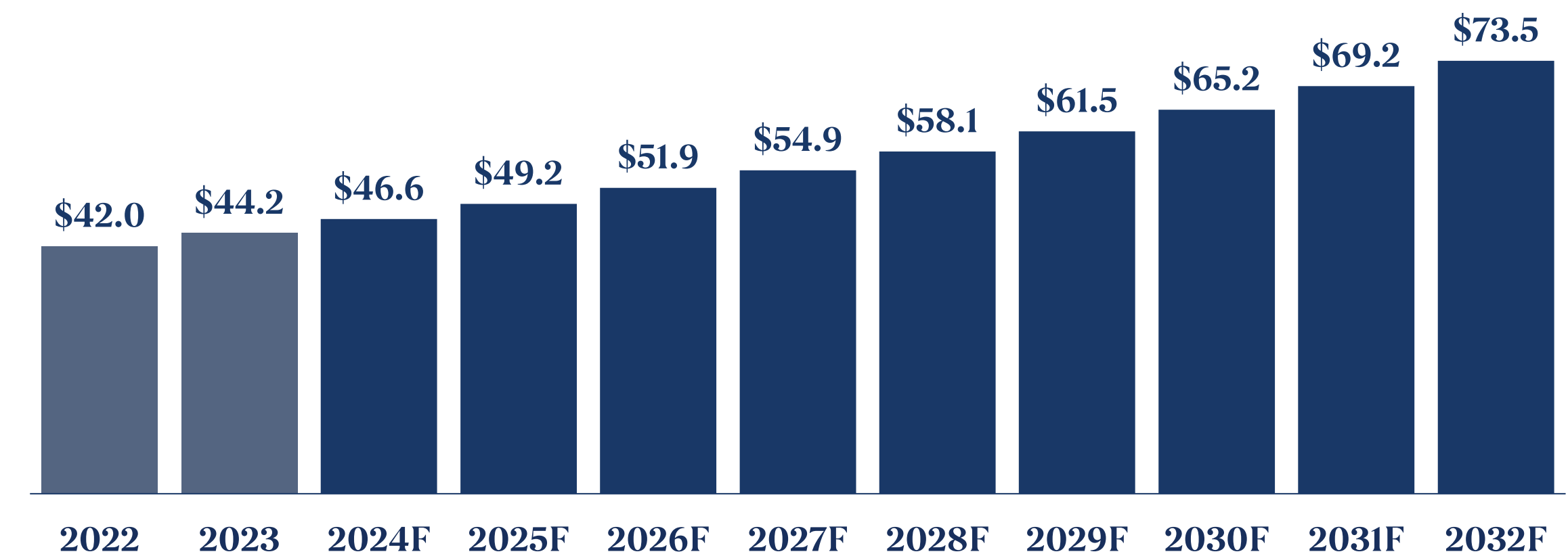
Industry Overview and M&A Trends

- The **commercial kitchen appliances** market size is estimated at **US\$46.6B** in **2024** and is expected to reach **US\$61.5B** by **2029**, growing at a **CAGR** of **5.7%**
- The demand for commercial kitchen equipment has **surged** notably over time, fueled by the rapid **growth** in foodservice **providers**, including quick-service and full-service restaurants
- Hotels and restaurants seek efficient and advanced kitchen appliances for **optimal** performance in their culinary operations. These companies prefer kitchen equipment that offers **top-notch services** swiftly
- Many establishments are investing in new kitchen equipment to **comply** with new **safety** and **sanitation** guidelines, such as touchless technologies and improved air filtration systems
- The global market for food processing machinery is expected to grow at a **CAGR** of **5.5%**
- The rising demand for frozen, fresh-cut, and exotic fruits and vegetables is anticipated to **boost** the need for fruit & vegetable **processing machinery**, seen as processing extends the shelf life of these products, which subsequently enhances trade opportunities
- The anticipated **growth** in demand for **confectionery equipment** in the coming years is expected to be **fueled** by the rising **demand** for **confectioneries** via retail stores and independent confectionery chains
- **M&A** trends in the **foodservice sector** are seeing private equity firms continuing to **invest**. These investments are driven by **strategic** needs to adapt and **transform** business models to stay **competitive** in a rapidly **evolving** market

Foodservice Equipment Industry M&A Deal Size and Volume






Foodservice Equipment Market Size (US\$B)



Source: Mordor Intelligence, Fortune Business Insights, Capital IQ, Statista, Precedence Research, and Other Industry Reports

Foodservice Equipment Global Comparable Public Companies

| Company | Country | Market Cap. US\$M | Enterprise Value US\$M | Revenue US\$M | EBITDA Margin | Annual Average EV/EBITDA | | First Quarter Mar. 31, 2024 | | |
|------------------------------------|---|-------------------|------------------------|---------------|---------------|--------------------------|-------|-----------------------------|------------|------|
| | | | | | | 2022 | 2023 | EV/EBITDA | EV/Revenue | |
| Dover Corporation |  | USA | \$24,342 | \$27,634 | \$8,453 | 21.6% | 13.6x | 12.9x | 15.1x | 3.3x |
| Electrolux Professional AB (publ) |  | SWE | \$1,882 | \$2,000 | \$1,116 | 13.2% | 16.8x | 11.9x | 13.6x | 1.8x |
| Fujimak Corporation |  | JPN | \$97 | \$70 | \$254 | 7.4% | 2.7x | 2.4x | 3.7x | 0.3x |
| Hoshizaki Corporation |  | JPN | \$5,386 | \$3,732 | \$2,470 | 13.3% | 12.3x | 12.8x | 11.3x | 1.5x |
| John Bean Technologies Corporation |  | USA | \$3,335 | \$3,539 | \$1,664 | 16.7% | 15.9x | 14.5x | 12.7x | 2.1x |
| Illinois Tool Works Inc. |  | USA | \$80,162 | \$87,468 | \$16,061 | 28.2% | 17.8x | 18.2x | 19.3x | 5.4x |
| Maruzen Co., Ltd. |  | JPN | \$308 | \$92 | \$401 | 8.6% | 0.4x | 0.6x | 2.7x | 0.2x |
| Rinnai Corporation |  | JPN | \$3,299 | \$2,711 | \$2,785 | 11.2% | 6.7x | 6.7x | 8.7x | 1.0x |
| The Middleby Corporation |  | USA | \$8,619 | \$10,908 | \$4,037 | 22.3% | 13.8x | 11.7x | 12.1x | 2.7x |
| ■ Excluded from mean and median | | | | | | Mean | 10.3x | 9.2x | 10.0x | 1.6x |
| | | | | | | Median | 13.6x | 11.9x | 12.1x | 1.8x |

Foodservice Equipment – Q1 Global Transactions

| Date | Target | Country | Description | Buyer | Seller | % Acquired | Size US\$M | EV/ EBITDA | EV/ Revenue |
|--------|--|---------|---|---|---|------------|------------|------------|-------------|
| Mar-24 |  | USA | Designs commercial catering equipment, refrigeration, and provides maintenance support to kitchens and bars |  | - | 100.0% | - | - | - |
| Feb-24 |  | USA | Installs, repairs, and maintains foodservice equipment such as commercial refrigerators, freezers, ice machines, and cooking and warming appliances |  | - | 100.0% | - | - | - |
| Jan-24 |  | USA | Manufactures food service equipment |  | - | 100.0% | - | - | - |
| Jan-24 |  | USA | Provides food preparation and foodservice equipment |  |  | 100.0% | - | - | - |
| Jan-24 |  | USA | Provides equipment, supplies and design products to the food service industry |    | - | 100.0% | \$350.0 | - | - |

Selected Transactions Commentary



“The Insight partnership provides great value in the large and growing Western market which is key as Imperial Dade expands geographically and grows nationally with our customers. We enthusiastically welcome the Insight family into Imperial Dade.”

Jason Tillis, CEO of Imperial Dade



“With the increasing pressures being applied to all operators in our sector from labour shortages, high inflation and soaring energy costs, the combined scale of Airedale Group will help not only insulate the business from some of these challenges, but more importantly, to offer an enhanced service to customers and invest in new initiatives to support sustainable growth.”

Rob Bywell, CEO of The Airedale Group



“The combination of two family-based businesses in the North East strengthens both businesses significantly. The companies both have a passion for excellent customer service and family values and are committed to sustainability and ethical trading.”


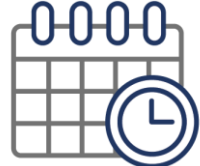







Stephen Hoey, CEO of IG Group



“This investment marks an important milestone for TriMark and our position as a leading equipment and supplies distributor in the foodservices industry. With the support of Ares, Oaktree and Bayside, we have significantly deleveraged the Company while securing substantial new capital to invest in our long-term growth strategy.”

Thomas Wienclaw, CEO of TriMark

Private Equity Transactions

| INDUSTRY CLASIFICATION | PERIOD | AVERAGE ENTERPRISE VALUE (IN USD) | REVENUE (IN USD) | TTM REVENUE GROWTH | ENTERPRISE VALUE / REVENUE | EBITDA MARGIN | ENTERPRISE VALUE /EBITDA | NUMBER OF TRANSACTIONS |
|---|---|--|---|---|--|---|--|---|
|  Cutlery and Handtool Manufacturing <i>NAICS 33221 – Cutlery and Handtool Manufacturing</i> |  2011-2021 |  \$54.1M |  \$32.3M |  15.2% |  1.7x |  22.7% |  7.1x |  5 |
| Food Product Machinery Manufacturing <i>NAICS 333241 – Food Product Machinery Manufacturing</i> | 2017-2022 | \$77.7M | \$52.3M | 7.3% | 1.2x | 16.7% | 7.5x | 3 |

Notes:

- Data obtained via GF Data, a subscription-based information platform, offering detailed information and metrics about the transactions of Private Equity funds in the U.S.
- The data is provided under a blind confidential format. Users of the data are unable to identify the exact company and transaction corresponding to the transaction details. Given this blind approach, the data submitted is less likely to be biased or manipulated.

Sector Relevant Experience

Extensive M&A transaction experience, including:

•Sale of HTPG to Monomoy Capital Partners and Starboard Capital Partners

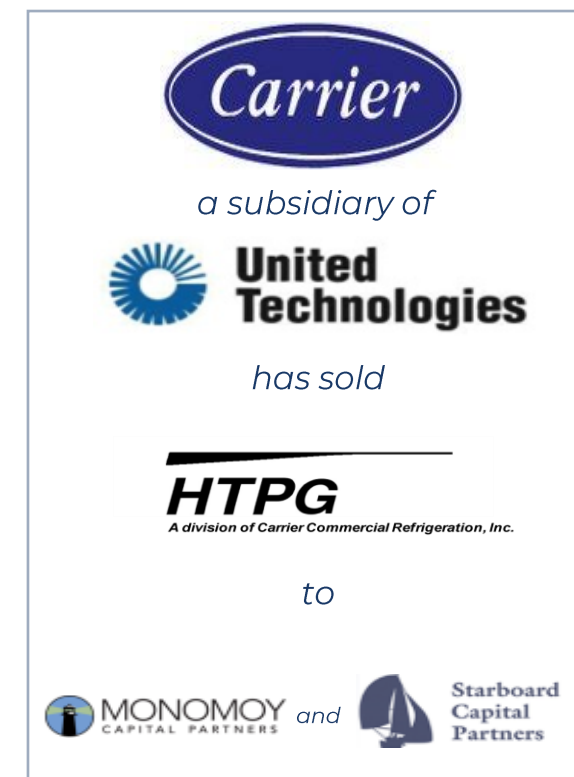
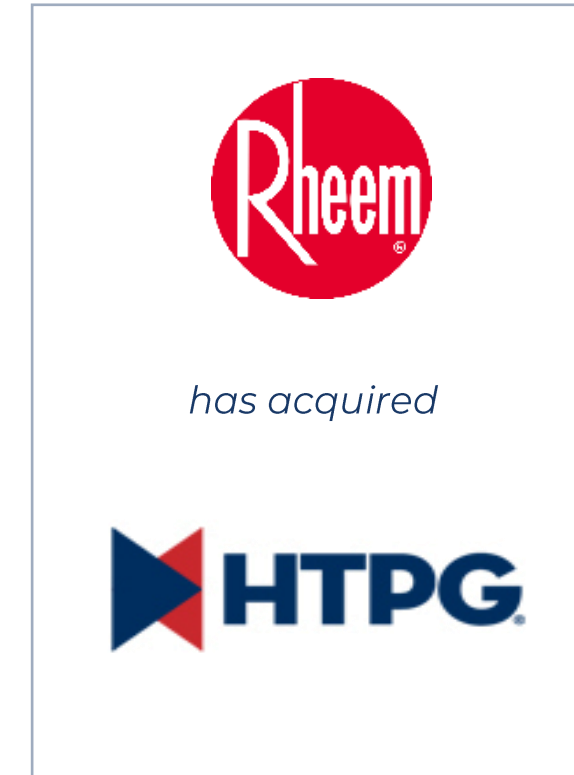
- Exclusive financial advisor to Carrier Corp., a subsidiary of United Technologies Corp., to help with the divestiture of Heat Transfer Products Group (HTPG), a manufacturer of commercial refrigeration equipment for the food service, food retail, and other non-consumable markets
- Seale assisted Carrier in preparing all deal marketing materials, researching and screening the potential buyers’ universe, confidentially prequalifying potential buyers, and negotiating the transaction

•Sale of International Cold Storage to CrownTonka and ThermalRite

- Exclusive financial advisor to Carrier Corp., a subsidiary of United Technologies Corp., to help with the divestiture of International Cold Storage, its commercial walk-in cooler business
- Seale assisted Carrier Corp. with preparing all deal-related marketing materials, researching and screening the potential buyers’ universe, confidentially prequalifying the potential buyers, and negotiating the transaction

•Acquisition of Unified Brands from Dover Corporation by Electrolux Professional

- Engaged as exclusive financial advisor to Electrolux Professional, to advise on the acquisition of Unified Brands from Dover Corporation
- Seale conducted extensive market research and prequalification to identify potential acquisition targets to strengthen their presence in the U.S. and expand their portfolio and brand offering



ELECTROLUX PROFESSIONAL

TARGET

Unified Brands

TRANSACTION TYPE

Buy-side Advisory

INDUSTRIES

Foodservice, Beverage, and Laundry

GEOGRAPHY

USA

SITUATION

Seale & Associates, Inc. announced that it acted as exclusive financial advisor to Electrolux Professional (STO: EPRO B) on the US\$244 million acquisition of Unified Brands Inc., a leading U.S.-based manufacturer of foodservice equipment, from Dover Corporation (NYSE: DOV), a diversified global manufacturer and solutions provider. Electrolux Professional is one of the leading global providers of foodservice, beverage, and laundry solutions, serving a wide range of customers globally, from restaurants and hotels to healthcare, educational, and other service facilities.

SEALE & ASSOCIATES' APPROACH

Seale professionals managed a preferred target process with Electrolux Professional. Seale's prior relevant experience in the industry ensured a smooth transaction process.

OUTCOME

The process resulted in the successful acquisition of Unified Brands from Dover, further expanding Electrolux Professional's presence in the U.S. market and enhancing its food service business with a robust portfolio of premium commercial kitchen brands.

“We appreciate the opportunity to advise Electrolux Professional on this transformational acquisition”

Electrolux Professional

has acquired



from



"We appreciate the opportunity to advise Electrolux Professional on this transformational acquisition in the foodservice industry."

Carlos Hernandez, Managing Director, Seale & Associates

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We deliver sector-specific intelligence designed specifically for industry leaders, private equity firms, and their advisors. Our industry reports and featured articles deliver real-time access to key industry data, including:



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Transaction analysis and market trends

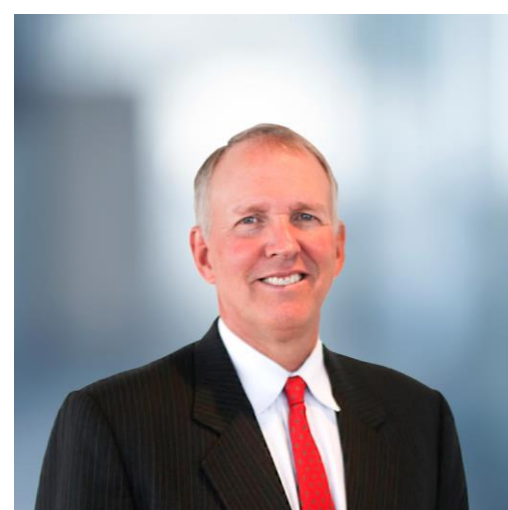
Valuable insights for industry leaders

Receive email updates with our proprietary data, reports, and insights as they are published for the industries that matter to you the most

SUBSCRIBE

Global M&A Representative Engagements

| | | | | | | |
|--|--|--|---|--|--|---|
| <p>BEIJER REF</p> <p>has been acquired by</p>  <p>HERITAGE DISTRIBUTION HOLDINGS</p> | <p>avangardinnovative MOVING THE CIRCULAR ECONOMY FORWARD</p> <p>has sold a controlling interest to</p>  <p>WASTE MANAGEMENT</p> | <p>ZN ZINC NACIONAL</p> <p>has sold</p> <p>GSDKO</p> <p>Zinc Oxide Corporation a subsidiary of</p>  <p>Korea Zinc</p> | <p>Electrolux PROFESSIONAL</p> <p>has acquired</p> <p>unified brands a DOVER company</p> <p>from</p>  <p>DOVER</p> | <p>Port Contractors STEVEDORES - TERMINAL OPERATORS</p> <p>has been acquired by</p>  <p>ENSTRUCTURE</p> | <p>Oxbow</p> <p>Oxbow's Senior Subordinated debt issued by</p>  <p>H.J. BAKER ESTABLISHED 1880</p> <p>was refinanced by</p>  <p>BMO</p> | <p>Hertz</p> <p>has acquired</p>  <p>DONLEN</p> |
| <p>Standex</p> <p>has sold</p> <p>Enginetics</p> <p>to</p>  <p>Enjet AERO</p> | <p>ITT</p> <p>has sold</p> <p>BURNY KALIBURN PLASMA CUTTING INNOVATION</p> <p>and</p> <p>CNC Cleveland Motion Controls</p> <p>to</p>  <p>LINCOLN ELECTRIC</p> | <p>Honeywell</p> <p>has sold</p> <p>TENSOR</p> <p>to</p>  <p>GE Power Systems</p> | <p>TRIUMPH™</p> <p>has sold</p> <p>Triumph Processing - Embee Division</p> <p>to</p>  <p>AMP ALL METALS PROCESSING</p> | <p>TRIUMPH™</p> <p>has sold</p> <p>Triumph Air Repair, the APU Overhaul Operations of Triumph Aviation Services - Asia, and Triumph Engines businesses</p> <p>to</p>  <p>TGG THE GORES GROUP</p> | <p>Rheem</p> <p>has acquired</p>  <p>HTPG</p> | <p>GRACE</p> <p>has sold its GRACE Membranes business</p> <p>Uop a subsidiary of</p> <p>Honeywell</p> |
| <p>convatec — forever caring —</p> <p>has sold</p> <p>SENSI CARE</p> <p>and</p> <p>ALOE VESTA™</p> <p>to</p>  <p>MEDLINE</p> | <p>United Technologies</p> <p>has sold</p> <p>MobileView</p> <p>to</p> <p>SAFE FLEET Driving Safety Forward™</p> | <p>United Technologies</p> <p>has sold</p> <p>HTPG A division of Carrier Commercial Refrigeration, Inc.</p> <p>to</p> <p>MONOMOY CAPITAL PARTNERS and Starboard Capital Partners</p> | <p>LOCKHEED MARTIN</p> <p>has sold</p> <p>Commercial Flight Training Business</p> <p>to</p> <p>ALTEON A BOEING COMPANY</p> | <p>FLOWSERVE</p> <p>has sold</p> <p>D&B</p> <p>to</p> <p>DB DaviesBaird</p> | <p>KBR</p> <p>has acquired</p> <p>Wabi Wabi Development Corporation</p> | <p>H I G HARRISON GYPSUM, LLC</p> <p>has been recapitalized by</p> <p>H. I. G. PRIVATE EQUITY</p> |



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University of Kentucky - BS in Accounting

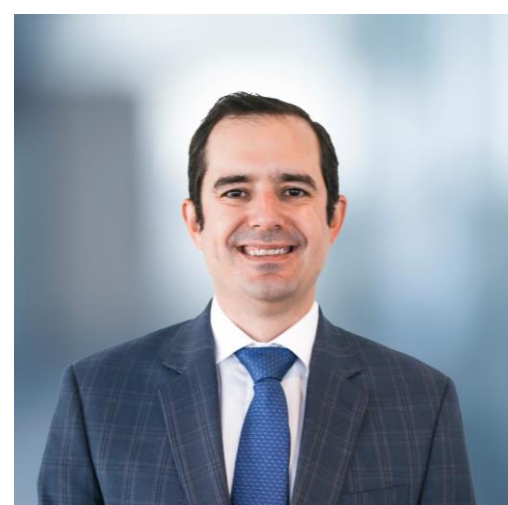


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University of Florida - BA in Political Science with High Honors

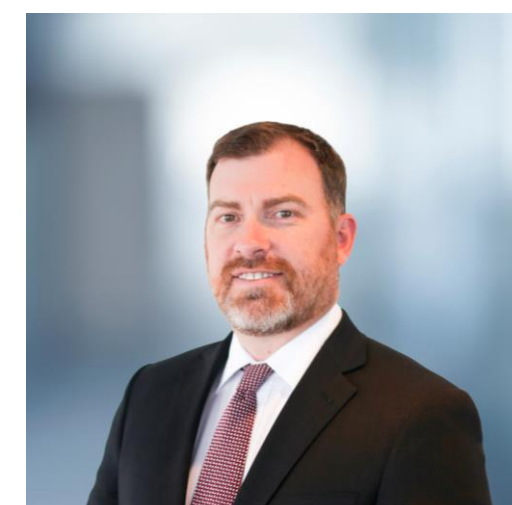


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University of Richmond - BS Business Administration in Accounting

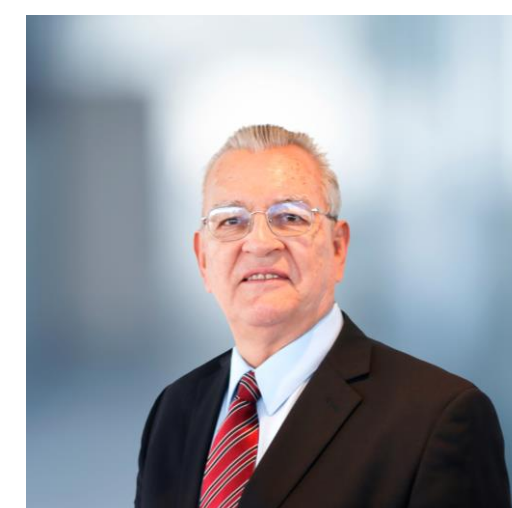


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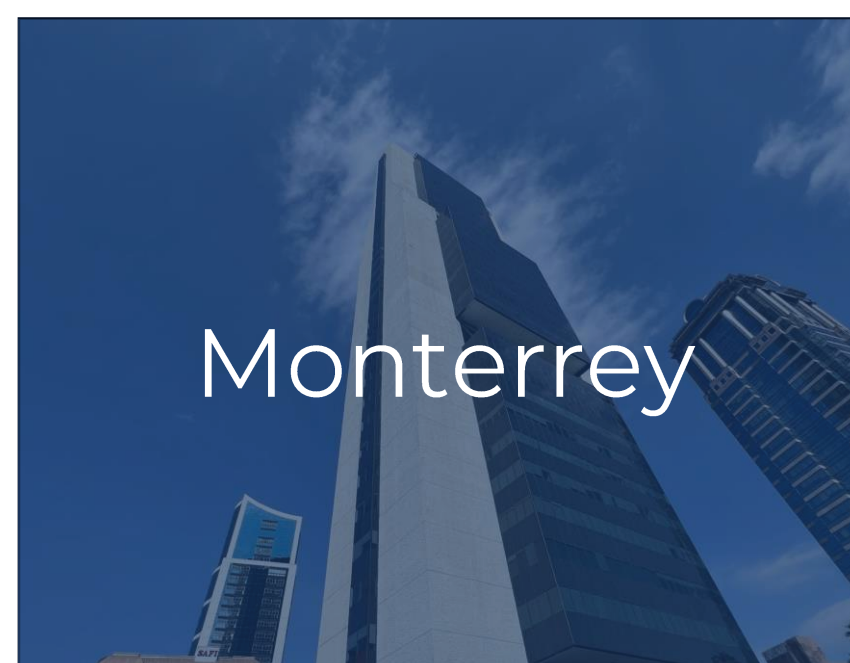
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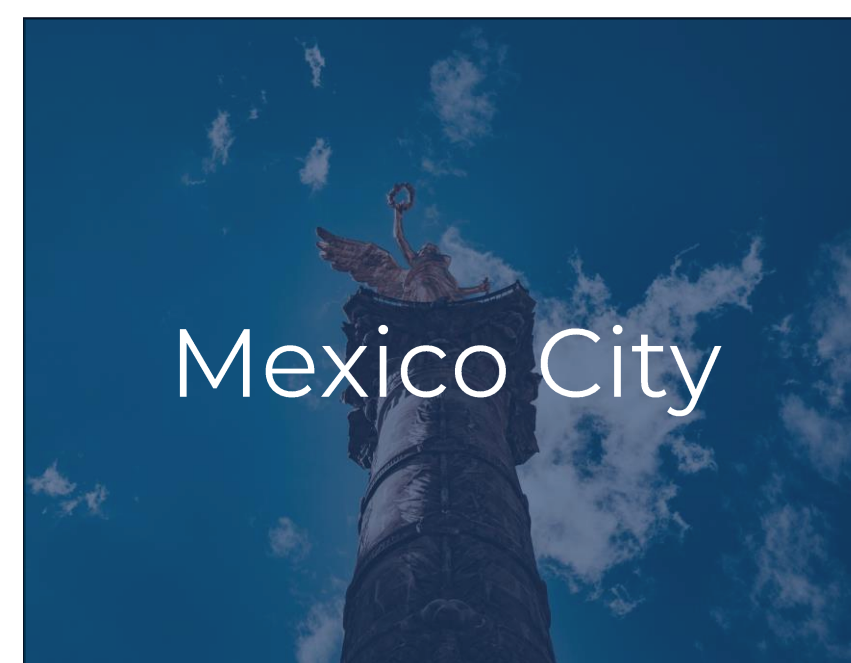
32+ years with Grupo Industrial Saltillo with experience as Director, Corp. Dev. and extensive global commercial experience
Instituto Tecnológico y de Estudios Superiores de Monterrey
MBA and BS in Industrial Engineering



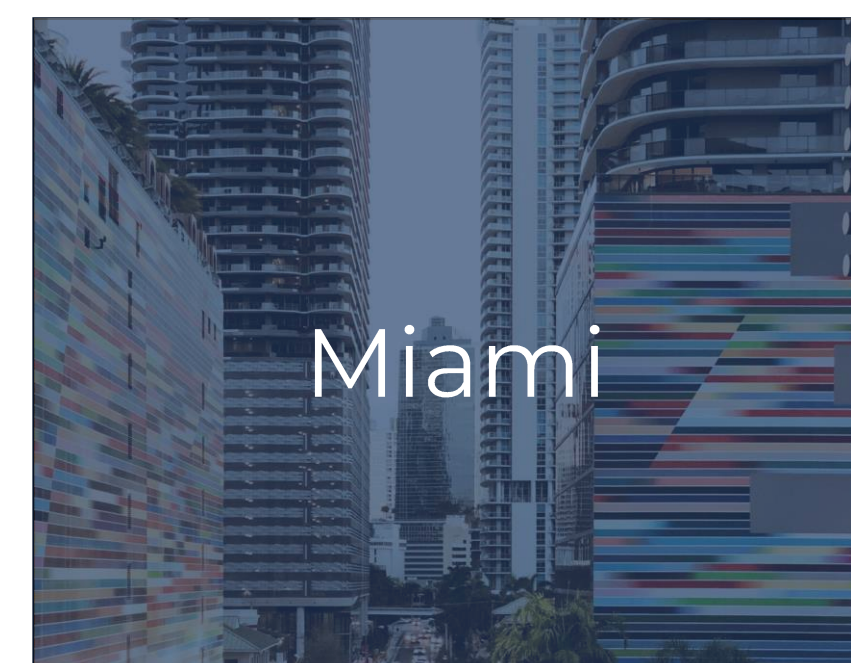
Washington D.C.



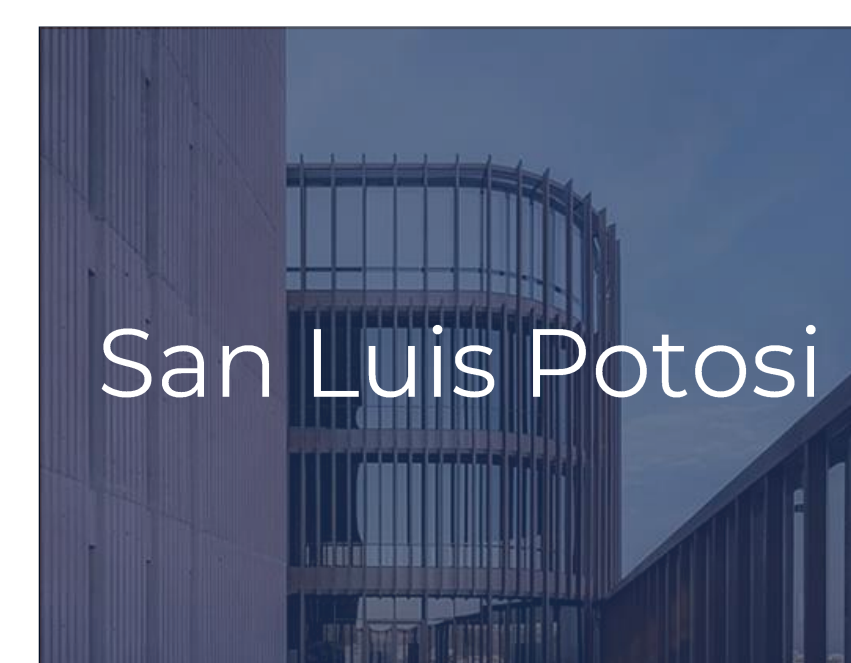
Monterrey



Mexico City



Miami



San Luis Potosi

Creative Solutions. Trusted Advice.

For over 25 years, Seale & Associates has served leading public and private companies from around the world and operating in a broad range of industries with a high level of quality, integrity and independence while presenting innovative ideas and trusted solutions to address their most complex dealings.

25

YEARS OF EXPERIENCE

\$50B+

TRANSACTIONS GLOBALLY

SERVICES AND SOLUTIONS

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Divestitures

Joint Ventures / Alliances

Recapitalizations

Due Diligence / Support

Expert Witness Testimony

Corporate Finance Advisory

Strategy Consulting

Trusted Advisor to Leading Companies Worldwide

We have worked repeatedly with many of the most well-known companies in the world...

...as well as with reputable funds, family-offices and privately held companies.





Seale & Associates

Creative Solutions. Trusted Advice.