



Seale & Associates

FOODSERVICE EQUIPMENT INDUSTRY
Q3 2023
VALUATION UPDATE

Introduction

We are pleased to share our Foodservice Equipment Industry Multiples Valuation Update for Q3 2023.

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 Foodservice Equipment Industry 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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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		Third Quarter Sep. 30, 2023		
						2021	2022	EV/EBITDA	EV/Revenue	
Dover Corporation		USA	\$19,514	\$22,651	\$8,472	21.4%	16.6x	13.6x	12.5x	2.7x
Electrolux Professional AB (publ)		SWE	\$1,489	\$1,692	\$1,093	13.5%	22.6x	16.8x	11.5x	1.5x
Fujimak Corporation		JPN	\$73	\$33	\$242	5.7%	3.0x	2.7x	2.4x	0.1x
Hoshizaki Corporation		JPN	\$5,039	\$3,401	\$2,440	12.1%	19.3x	12.3x	11.5x	1.4x
John Bean Technologies Corporation		USA	\$3,347	\$4,253	\$2,237	13.7%	18.8x	15.9x	13.9x	1.9x
Illinois Tool Works Inc.		USA	\$69,644	\$76,945	\$16,095	27.6%	20.9x	17.8x	17.3x	4.8x
RATIONAL Aktiengesellschaft		DEU	\$7,221	\$6,934	\$1,189	27.8%	52.4x	32.3x	21.0x	5.8x
Rinnai Corporation		JPN	\$2,684	\$2,103	\$2,836	11.3%	7.7x	6.7x	6.5x	0.7x
The Middleby Corporation		USA	\$6,861	\$9,455	\$4,060	21.6%	18.8x	13.8x	10.8x	2.3x
■ Excluded from mean and median						Mean	16.0x	12.5x	9.9x	1.5x
						Median	18.8x	13.8x	11.5x	1.9x

Foodservice Equipment – Q3 Global Transactions

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Aug-23		USA	Distributes cleaning supplies, foodservice equipment, packaging materials	Brady IFS	FEMSA	ND	\$1,700.0	-	-
Aug-23		ESP	Distributes foodservice and hospitality equipment	BUNZL	-	100.0%	-	-	-
Aug-23		USA	Provides repair and maintenance services for industrial and commercial foodservice equipment	TECH24	-	100.0%	-	-	-
Aug-23	Foodservice division of Ikonik Supply Co., Inc.	USA	Produces and supplies kitchen equipment	SOUTHERN CALIFORNIA RESTAURANT DESIGN GROUP	IKONIK SUPPLY CO.	100.0%	-	-	-
Jul-23		USA	Provides commercial foodservice equipment repair and maintenance services	Individual Investor, Oral Campbell	-	100.0%	-	-	-

ND: Not Disclosed

Selected Transactions Commentary



“This transformational partnership will enable us to expand our market reach and further improve our collective capabilities.”

Kenneth D. Sweder, Chairman and CEO of BradyIFS



“I am delighted to welcome these new acquisitions to the Bunzl family. It is very exciting to see the broad range of sectors and end markets represented.”

Frank van Zanten, CEO of Bunzl



“Tech24 has been on an exciting trajectory of geographic and technician growth, and we're thrilled to continue making strides to strengthen our presence.”










Dan Rodstrom, CEO of Tech24



“With IKONIK added to our portfolio, we increase the already unparalleled value we provide to SCRDC clients and gain the opportunity to work with new client-partners loyal to IKONIK.”

Michael Benson, President of IFE Group, Southern California Restaurant Design Group's Parent Company

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

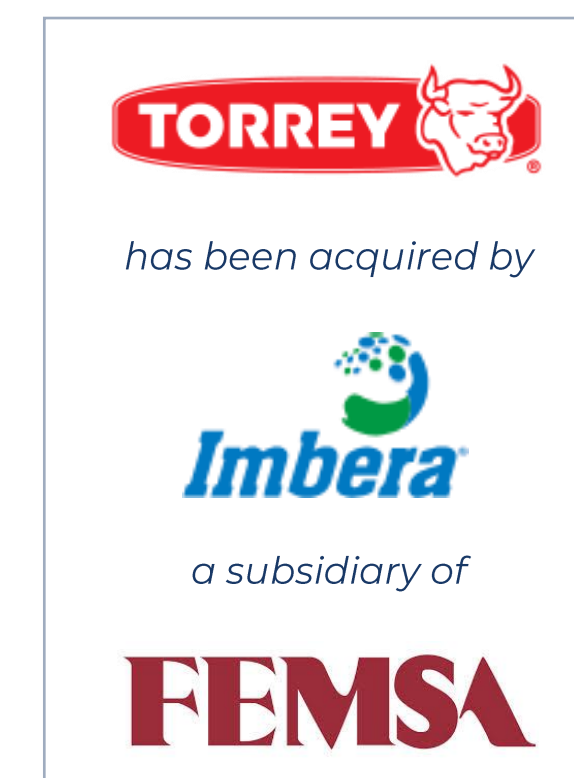
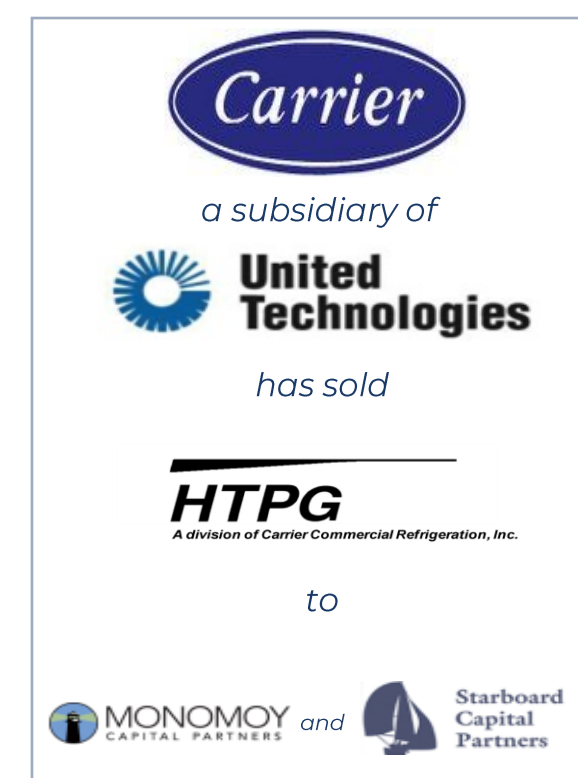
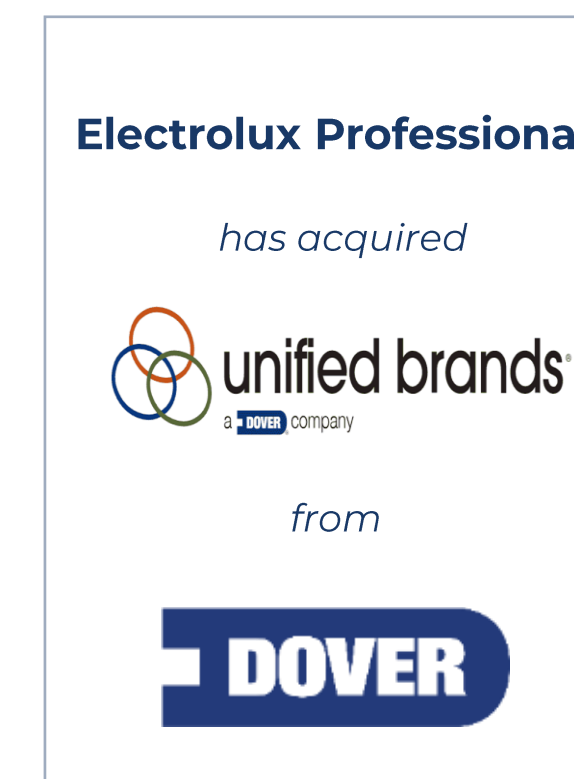
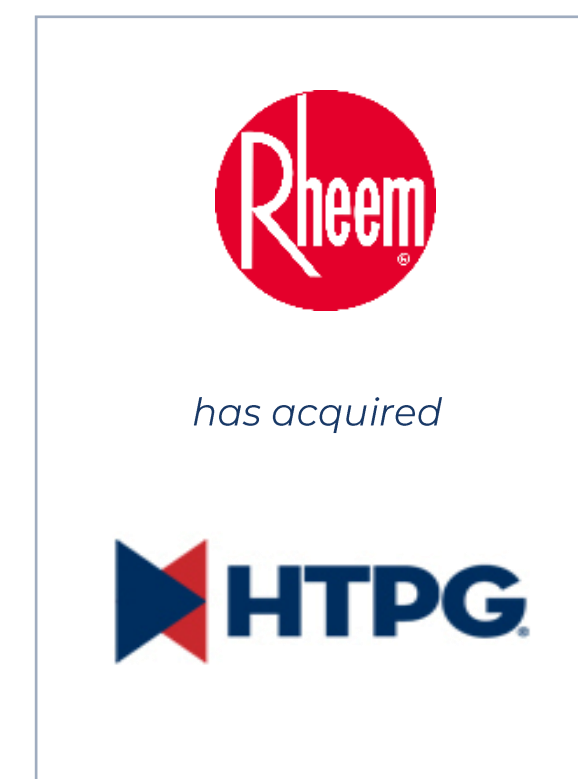
- Exclusive financial advisor to Carrier Corp., a subsidiary of United Technologies Corp., to help with the divestiture of Heat Transfer Products Group (HTPG), a manufacturer of commercial refrigeration equipment for the food service, food retail, and other non-consumable markets
- Seale assisted Carrier 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



GRUPO TORREY

TARGET

Grupo Torrey

TRANSACTION TYPE

Sell-side Advisory

INDUSTRIES

Commercial Kitchen
Equipment

GEOGRAPHY

Mexico

SITUATION

Seale & Associates was retained by the shareholders of Grupo Torrey as exclusive financial advisor on the sale of their business to Imbera, a subsidiary of FEMSA (BMV: FEMSA). Torrey was an independent commercial kitchen equipment company in Mexico. Its product line includes refrigerators, meat slicers, scales and measuring equipment, among others. The company exports products globally and serves its customers in Mexico through a strong network of distributors.

SEALE & ASSOCIATES' APPROACH

Seale professionals managed a preferred buyer process with Imbera, a subsidiary of FEMSA. Seale's prior relevant experience in the industry as well as its good relationship with FEMSA ensured a smooth transaction process.

OUTCOME

The process resulted in the successful divestiture of Grupo Torrey to Imbera, Further expanding FEMSA's capabilities in the industry.

“The involvement of a major buyer like FEMSA further underscores the importance of this deal”



has been acquired by



a subsidiary of



“We are pleased to have been able to represent Grupo Torrey in this strategic divestiture to Imbera, a subsidiary of FEMSA.

This transaction was particularly significant as the shareholders of Grupo Torrey have long been integral to the family business. The involvement of a major buyer like FEMSA further underscores the importance of this deal. We wish the new owners of Grupo Torrey every success.”

Sergio Garcia del Bosque, Managing Director, Seale & Associates

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BEIJER REF

has acquired



HERITAGE DISTRIBUTION HOLDINGS

avangardinnovative
MOVING THE CIRCULAR ECONOMY FORWARD

has sold a controlling interest to



WASTE MANAGEMENT

ZN
ZINC NACIONAL

has sold

GSDKO

to

Zinc Oxide Corporation


a subsidiary of



Korea Zinc


Electrolux
PROFESSIONAL

has acquired



unified brands

from



DOVER

Port Contractors
STEVEDORES - TERMINAL OPERATORS


has been acquired by



ENSTRUCTURE


Oxbow

Oxbow's Senior Subordinated debt issued by



H.J. BAKER
ESTABLISHED 1850

was refinanced by



BMO

Standex

has sold

Enginetics

to



Enjet AERO

ITT

has sold

BURNY **KALIBURN**
PLASMA CUTTING INNOVATION

and

EMC Cleveland Motion Controls

to



LINCOLN ELECTRIC

Honeywell

has sold

TENSOR

to



GE Power Systems

Triumph Group, Inc.

has sold

Triumph Processing - Embee Division

to



AMP All Metals Processing of Orange County, LLC

tyco

has sold the North American guarding business of



INTERCON


to



GARDA

Rheem

has acquired



HTPG

ConvaTec

has sold

SENSI CARE and ALOE VESTA

to



MEDLINE

United Technologies

has sold



mobileView


to



SAFE FLEET

Hertz


has acquired



DONLEN

Carrier

a subsidiary of

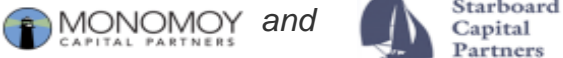


United Technologies

has sold

HTPG
A division of Carrier Commercial Refrigeration, Inc.


to



MONOMOY CAPITAL PARTNERS and Starboard Capital Partners

FLOWSERVE

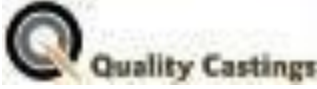
has sold



D&B

to

Daives Baird Pty Ltd
a sister company of



Quality Castings

KBR

has acquired



Wabi
Wabi Development Corporation

Advisor to Leading Companies Worldwide



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Please contact us if you would like further information about M&A trends and/or specific transaction multiples for your industry

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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

Mergers & Acquisitions

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.