



Seale & Associates

SNACKS INDUSTRY
Q1 2024
VALUATION UPDATE

25 years

Introduction

We are pleased to share our Snacks 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.



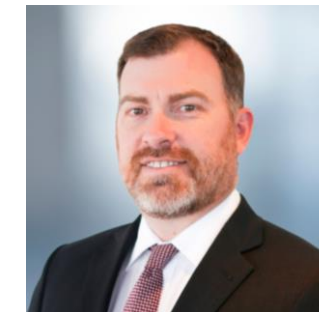
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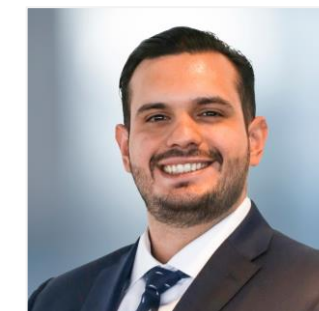
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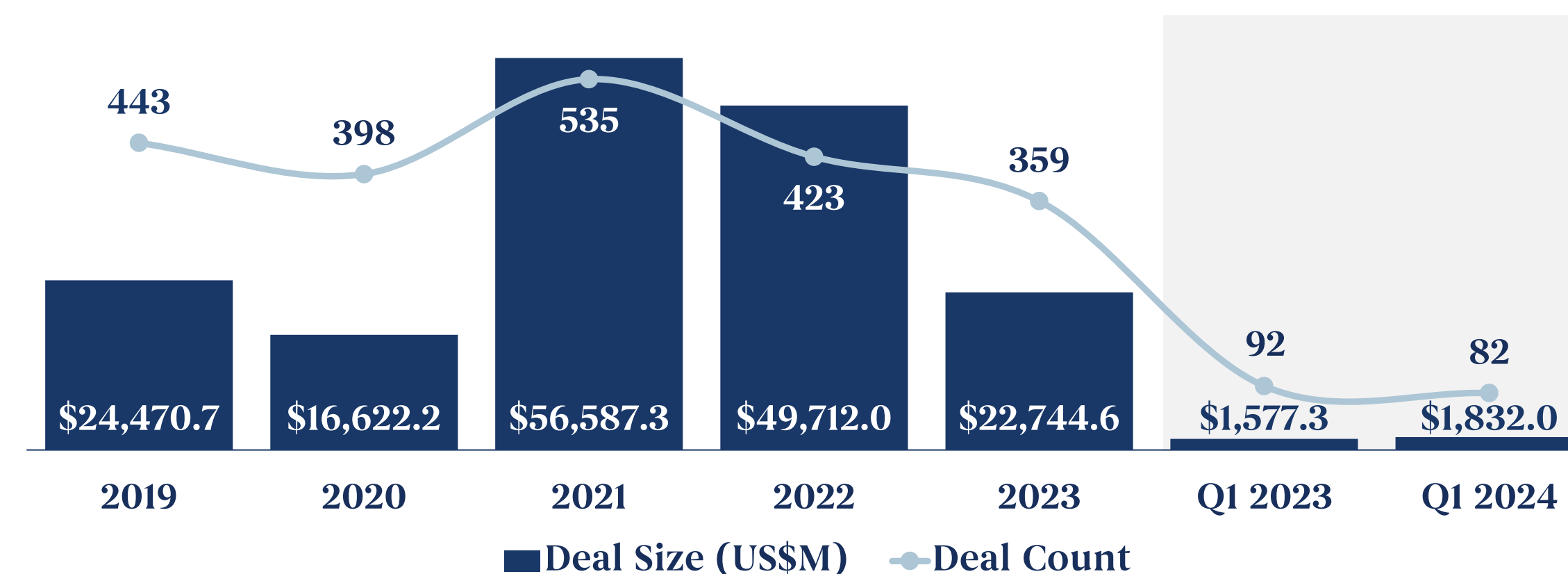
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Snacks Industry Overview, M&A Trends, and Market Intelligence

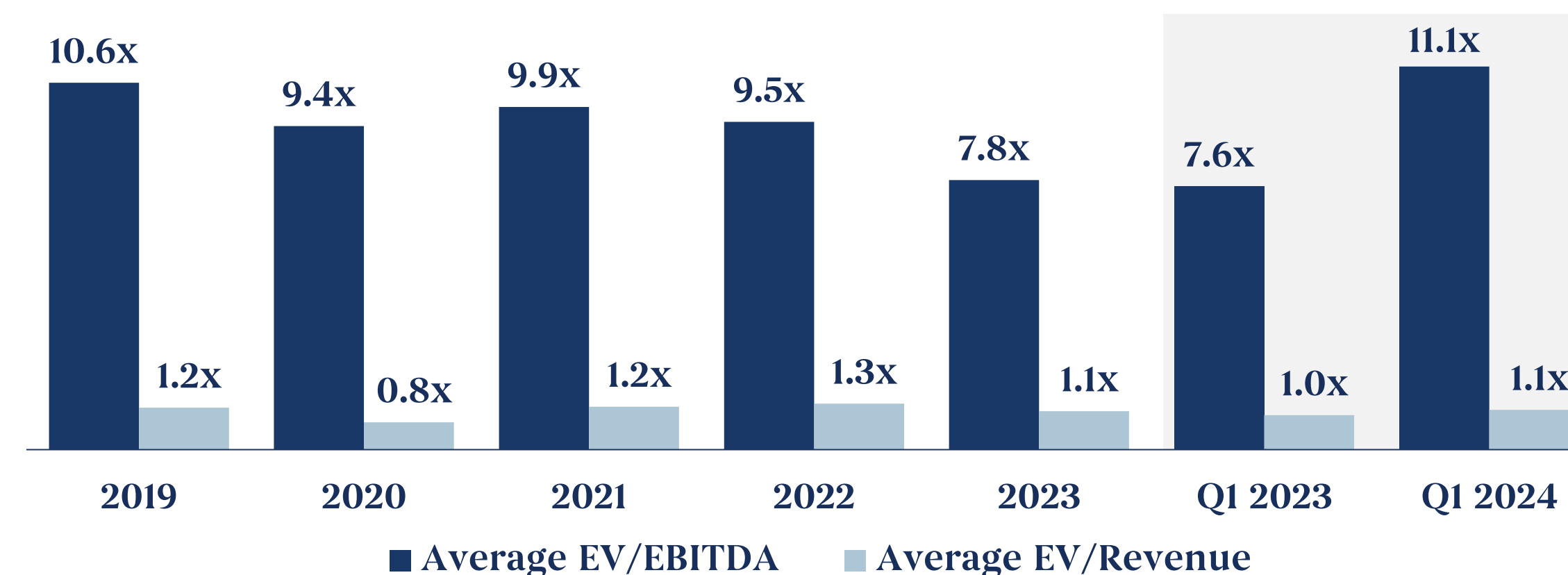
Snacks M&A Trends and Market Intelligence

- The snacks industry is **witnessing** several **M&A trends** driven by strategic considerations and **evolving** consumer preference
- The market is **adapting** to **changing** consumer **tastes** and preferences, with an increasing demand for fruity, dairy-free, convenient snacks and nutrition on the go. This shift is driving companies to **innovate** and **diversify** their product **ranges**
- Companies in this sector are becoming more **selective** in their **M&A** activities, **prioritizing** deals that strengthen their market **positions** and **introduce** them to rapidly **growing categories**
- Consumer demand for **healthier** options has driven the emergence of low-fat, low-sugar, and protein-rich snacks on the market
- **Technology**, including apps and wearable devices, is increasingly being used to monitor and enhance **health** through **nutritional** insights
- The snacks sector is seeing companies **divest non-core brands** to free up resources, which they are then using to **invest** in areas with **potential** for significant **growth**, like **better-for-you snacks** and **innovative food technologies**
- Snack companies are **leveraging** M&A, partnerships, and geographic expansions to **strengthen** their market position and take **advantage** of new consumer **trends**
- Since the pandemic, the market has been driven by technological improvements and companies are increasingly adopting **digital platforms** to **improve** sales and engage more effectively with consumers

Snacks Industry M&A Deal Size and Volume












Snacks Industry M&A Average EV/EBITDA and EV/Revenue



Source: Mordor Intelligence, Grand View Research Snacks Market Report Overview, Euromonitor International, Foley & Lardner, Clarkston Consulting

Snacks Industry 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	
Alicorp S.A.A.		PER	\$1,299	\$2,270	\$3,671	8.8%	6.5x	6.8x	7.0x	0.6x
B&G Foods, Inc.		USA	\$899	\$2,976	\$2,062	16.0%	12.1x	10.2x	9.0x	1.4x
Carozzi S.A.		CHL	\$376	\$920	\$1,501	15.5%	6.7x	5.5x	3.9x	0.6x
Cloetta AB (publ)		SWE	\$485	\$655	\$788	13.6%	9.4x	9.5x	6.1x	0.8x
Colombina S.A.		COL	\$141	\$441	\$867	12.6%	6.5x	4.8x	4.0x	0.5x
Ezaki Glico Co., Ltd.		JPN	\$1,780	\$1,339	\$2,199	10.0%	5.6x	6.8x	6.1x	0.6x
Molinos Rio de la Plata S.A.		ARG	\$761	\$776	\$505	11.8%	12.2x	41.9x	13.0x	1.5x
Morinaga&Co., Ltd.		JPN	\$1,573	\$1,441	\$1,390	14.9%	5.8x	7.3x	6.9x	1.0x
Premier Foods plc		GBR	\$1,631	\$1,976	\$1,365	18.2%	7.5x	7.8x	8.0x	1.4x
The Hain Celestial Group, Inc.		USA	\$706	\$1,552	\$1,782	8.5%	14.5x	13.0x	10.3x	0.9x





■ Excluded from mean and median

Mean 8.0x 8.0x 6.8x 1.0x
Median 7.1x 7.5x 7.0x 0.9x

Snacks Industry Global Comparable Public Companies (1/2)

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	
Calbee, Inc.		JPN	\$2,832	\$2,878	\$1,971	13.5%	8.6x	9.4x	10.8x	1.5x
Flowers Foods, Inc.		USA	\$5,001	\$6,329	\$5,091	11.6%	11.5x	11.0x	10.7x	1.2x
Glanbia plc		IRL	\$5,162	\$5,511	\$5,425	8.7%	11.5x	10.4x	11.6x	1.0x
Gruma, S.A.B. de C.V.		MEX	\$6,851	\$8,427	\$6,638	15.2%	5.0x	7.9x	8.4x	1.3x
Grupo Nutresa S. A.		COL	\$5,445	\$6,502	\$4,900	12.3%	14.5x	13.8x	10.8x	1.3x
J&J Snack Foods Corp.		USA	\$2,802	\$2,899	\$1,556	12.6%	19.2x	20.4x	14.8x	1.9x
M. Dias Branco S.A. Indústria e Comércio de Alimentos		BRA	\$2,560	\$2,630	\$2,161	13.4%	13.9x	13.9x	9.1x	1.2x
ORION Corp.		KOR	\$2,677	\$1,951	\$2,167	22.3%	6.4x	6.6x	4.0x	0.9x
Orkla ASA		NOR	\$7,051	\$8,985	\$6,260	16.3%	10.2x	9.2x	8.8x	1.4x
Premium Brands Holdings Corporation		CAN	\$2,903	\$4,828	\$4,624	6.9%	17.2x	17.1x	15.2x	1.0x




Snacks Industry Global Comparable Public Companies (2/2)

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	
The Simply Good Foods Company	 USA	\$3,397	\$3,590	\$1,266	19.1%	17.7x	17.3x	14.9x	2.8x	
TreeHouse Foods, Inc.	 USA	\$2,098	\$3,379	\$3,432	11.8%	10.6x	12.0x	8.3x	1.0x	
Tootsie Roll Industries, Inc.	 USA	\$2,260	\$2,104	\$769	17.8%	22.9x	21.7x	15.4x	2.7x	
Yamazaki Baking Co., Ltd.	 JPN	\$5,252	\$5,193	\$7,772	7.2%	5.3x	6.7x	9.3x	0.7x	
■ Excluded from mean and median						Mean	11.7x	12.0x	10.9x	1.4x
						Median	11.5x	11.5x	10.8x	1.3x



























Snacks Industry Global Comparable Public Companies (1/2)

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
Barry Callebaut AG	 CHE	\$7,943	\$9,364	\$9,903	9.8%	15.8x	12.3x	9.7x	0.9x
Campbell Soup Company	 USA	\$13,251	\$17,902	\$9,271	22.7%	9.9x	9.6x	8.5x	1.9x
Chocoladefabriken Lindt & Sprüngli AG	 CHE	\$27,719	\$28,765	\$5,800	20.6%	27.3x	24.7x	24.1x	5.0x
Conagra Brands, Inc.	 USA	\$14,168	\$23,246	\$12,118	20.4%	12.4x	10.1x	9.4x	1.9x
General Mills, Inc.	 USA	\$39,501	\$51,681	\$20,173	22.5%	13.5x	13.7x	11.4x	2.6x
Grupo Bimbo, S.A.B. de C.V.	 MEX	\$20,782	\$28,851	\$23,772	14.7%	7.9x	8.7x	8.3x	1.2x
Kellanova	 USA	\$19,579	\$26,016	\$13,122	15.0%	12.1x	13.0x	13.3x	2.0x
Mondelez International, Inc.	 USA	\$94,253	\$112,587	\$36,016	23.2%	14.6x	15.4x	13.5x	3.1x
Nestlé S.A.	 CHE	\$278,244	\$333,712	\$103,488	21.3%	14.0x	16.2x	15.1x	3.2x
PepsiCo, Inc.	 USA	\$240,553	\$277,745	\$91,875	19.3%	17.2x	17.0x	15.7x	3.0x











Snacks Industry Global Comparable Public Companies (2/2)

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	
The Hershey Company	 USA	\$39,719	\$44,443	\$11,165	26.9%	19.6x	18.4x	14.8x	4.0x	
The J. M. Smucker Company	 USA	\$13,364	\$22,069	\$8,208	23.3%	11.4x	10.9x	11.5x	2.7x	
The Kraft Heinz Company	 USA	\$44,857	\$64,302	\$26,640	26.9%	8.8x	8.6x	9.0x	2.4x	
■ Excluded from mean and median						Mean	13.1x	12.3x	11.7x	2.6x
						Median	13.5x	13.0x	11.5x	2.6x

Snacks Industry – Q1 Global Transactions (1/2)

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Mar-24		FRA	Manufactures and distributes bakery and patisserie products	  	-	100.0%	-	-	-
Mar-24		AUS	Produces frozen dough and bakery café products		Multiple Sellers	100.0%	-	-	-
Mar-24		JPN	Produces and distributes confectionery and snack products	 	-	100.0%	-	-	-
Mar-24		USA	Offers baked goods, including baguettes, croissants, and cookies		-	100.0%	-	-	-
Mar-24	Three Blue Sun Soda Shop Locations	USA	Operates craft soda shops and candy stores			100.0%	-	-	-
Mar-24	Teviotdale Bakery Limited	GBR	Offers bread, pastry and cake products		-	100.0%	-	-	-
Feb-24		USA	Produces and sells granola and granola bark		-	100.0%	-	-	-
Feb-24		URY	Produces frozen bread and pastries			100.0%	-	-	-
Feb-24		USA	Produces no-sugar and low-sugar treats, including biscuits, crackers, chocolates, and cake bites		-	100.0%	-	-	-
Feb-24		NLD	Produces fat-based coatings, almond and confectionary pastes, bakery mixes, fruit fillings as well as infused and candied fruits and decorations		-	100.0%	-	-	-
Feb-24		ITA	Produces bakery and pastry products	 		100.0%	\$1,179.9	12.9x	2.2x

Snacks Industry – Q1 Global Transactions (2/2)

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue	
Feb-24		ESP	Produces and sells salty snacks		-	100.0%	-	-	-	
Feb-24		USA	Produces and distributes meat snacks	Bansk	-	> 50%	-	-	-	
Jan-24	Assets and Brands of Utz Brands, Inc.	USA	Provide a wide variety of chips, pretzels, and snacks	Our Home		100.0%	\$180.0	-	-	
Jan-24		DEU	Manufactures hard caramels and licorice sweets	BOETTGER GRUPPE		100.0%	-	-	-	
Jan-24		ITA	Operates as a pastry shop that offers biscuits, cakes, and desserts		-	90.0%	-	-	-	
Jan-24		GBR	Produces premium organic dark chocolate bars, truffles, granola and quinoa	TREK ONE CAPITAL	-	100.0%	-	-	-	
Jan-24		EST	Supplies bakery and pastry products	Sanitex	-	100.0%	-	-	-	
								Mean	12.9x	2.2x
								Median	12.9x	2.2x

Selected Transactions Commentary



“We are honored to become Monbake's new partner, offering our experience and proven track record in the sector to support the next phase of growth. We have full confidence in the management team and we will work closely with them to implement the company's global growth strategy and strengthen its innovation capabilities to secure its position as an industry leader.”

José Antonio Torre de Silva, Partner at CVC



“Group KPS is a long-standing distributor of Goli products, and we see strong long-term potential in the company's iconic brand, exceptional product quality, and high repeat purchase rates across its loyal consumer base.”

Felipe Preciado, CEO of Group KPS



“Although Grupo Bimbo and Pagnifique are both baking companies, their portfolios are essentially complementary. Both companies compete with several other bread brands and countless bakeries throughout the country, so the transaction will not generate anticompetitive effects.”










Grupo Bimbo



“Investindustrial has clearly demonstrated its ability to take Italian-headquartered businesses and grow them internationally and sustainably while maintaining respect for their culture and heritage. We are looking forward to them repeating this success in partnership with us.”

Leonardo Bagnoli, CEO of Sammontana

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
 Snack Food Manufacturing <i>NAICS 31191 – Snack Food Manufacturing</i>	 2019-2022	 \$52.3M	 \$87.7M	 19.3%	 1.5x	 19.4%	 7.8x	 5
Bread and Bakery Product Manufacturing <i>NAICS 31181 – Bread and Bakery Product Manufacturing</i>	2023	\$99.5M	\$58.0M	32.0%	1.9x	21.6%	8.6x	4

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.

ARCA CONTINENTAL

TARGET

Wise Foods, Inc.

TRANSACTION TYPE

Acquisition advisory

INDUSTRIES

Branded Consumer Products, Food & Beverage

GEOGRAPHY

Northeastern USA

SITUATION

Seale & Associates was retained by Arca Continental (BMV:AC) with the mandate to help grow their snacks business portfolio by acquiring a platform business in the U.S. market to maximize growth opportunities.

SEALE & ASSOCIATES' APPROACH

Seale completed a thorough screening of the potential universe of snack food companies that would align with Arca Continental's strategy. Seale pre-qualified each potential target and initiated transaction discussions with the targets that best fit Arca Continental's strategy and investment criteria.

OUTCOME

The process resulted in the acquisition of Wise Foods, which was Arca Continental's first and largest snack foods acquisition in the United States. The acquisition provided Arca Continental (BMV:AC) with a platform possessing sufficient size and scale to execute an aggressive acquisition led growth strategy in the snack category.

“We are very pleased to have successfully acquired Wise Foods”



“We are very pleased to have successfully acquired Wise Foods as part of our strategy to grow our snack foods business in the United States, Mexico and throughout Latin America.

Seale was instrumental and offered invaluable guidance and support throughout the entire process to ensure we completed this strategic acquisition in a very short timeline. We look forward to working with them again in the future as part of our team.”

Francisco Garza Egloff, CEO, Arca Continental

ARCA CONTINENTAL

TARGET

Deep River Snacks

TRANSACTION TYPE

Acquisition advisory

INDUSTRIES

Branded Consumer Products, Food & Beverage

GEOGRAPHY

USA

SITUATION

Seale & Associates acted as exclusive financial advisor to Arca Continental (BMV:AC) with the mandate to capture both the conventional and growing better-for-you segment within the snack category.

SEALE & ASSOCIATES' APPROACH

Seale completed a thorough screening of the potential universe of snack food companies that would align with Arca Continental's strategy. Seale pre-qualified each potential target and initiated transaction discussions with the targets that best fit Arca Continental's strategy and investment criteria.

OUTCOME

The process resulted in the acquisition of Deep River Snacks, a leading authentic brand of premium, better-for-you snacks products distributed throughout the United States. Through this acquisition, Arca Continental (BMV:AC) became a more significant player in the salty snacks industry.

“This acquisition broadens the process of diversification and complementarity of the snacks portfolio”



“This acquisition broadens the process of diversification and complementarity of the snacks portfolio for the U.S. consumer with innovative products and in differentiated segments, allowing us to better serve our customers and enhance the development of our brands.”

Francisco Garza Egloff, CEO, Arca Continental

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M&A Representative Engagements in the Food & Beverages Industry

 <p>has merged with</p>  <p>a business of</p> 	 <p>has merged its Beverage Division with</p> 	 <p>has merged its Beverage Division with</p> 	 <p>has partnered with</p>  <p>a subsidiary of</p> 	 <p>has acquired</p> 	 <p>has acquired</p> 
 <p>has acquired</p> 	 <p>has sold</p>  <p>Sidral Mundet U.S. Brand and Dist. Rights to</p> 	 <p>has acquired</p>  <p>KFC Costa Rica from</p> 	 <p>has acquired</p> 	 <p>has partnered with</p> 	 <p>has sold</p>  <p>to</p> 
 <p>Sale of Parma Ham Business</p>	 <p>Acquisition Advisory Services</p>	 <p>Valuation Advisory Services</p>	 <p>Valuation Advisory Services</p>	 <p>Corporate Finance Advisory Services</p>	 <p>Acquisition Advisory Services</p>



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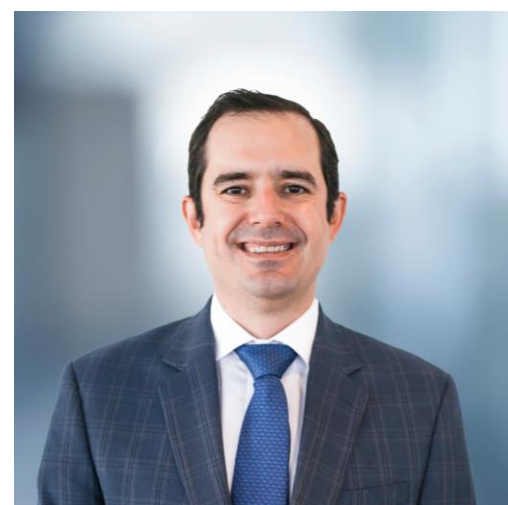


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The George Washington University - MBA International Business and MA - International Affairs
University of Florida - BA in Political Science with High Honors

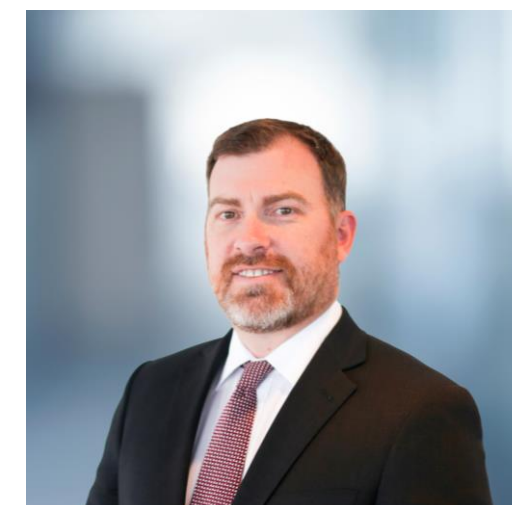


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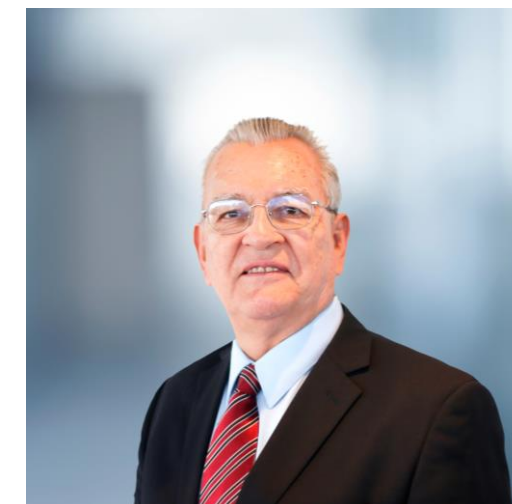


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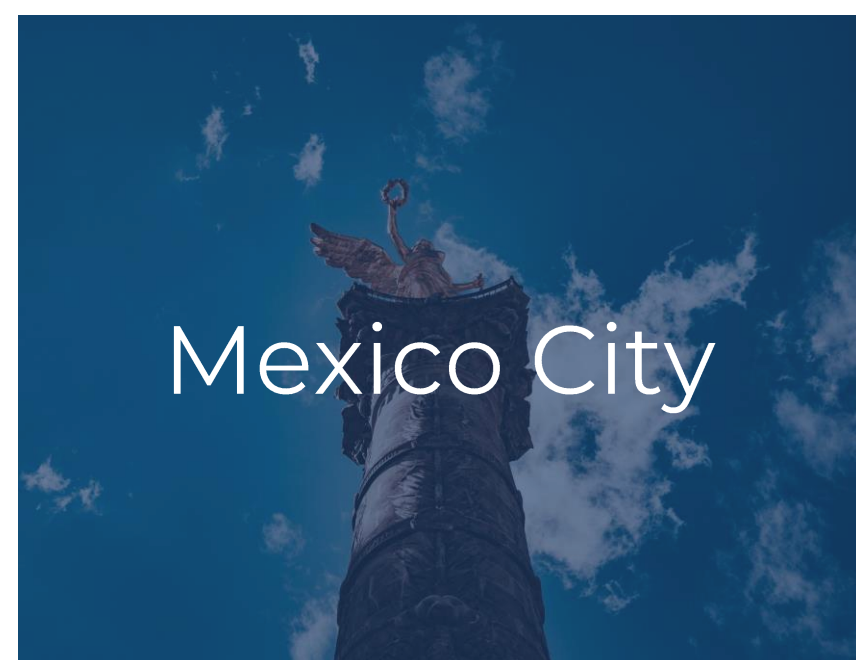
32+ years with Grupo Industrial Saltillo with experience as Director, Corp. Dev. and extensive global commercial experience
Instituto Tecnológico y de Estudios Superiores de Monterrey
MBA and BS in Industrial Engineering



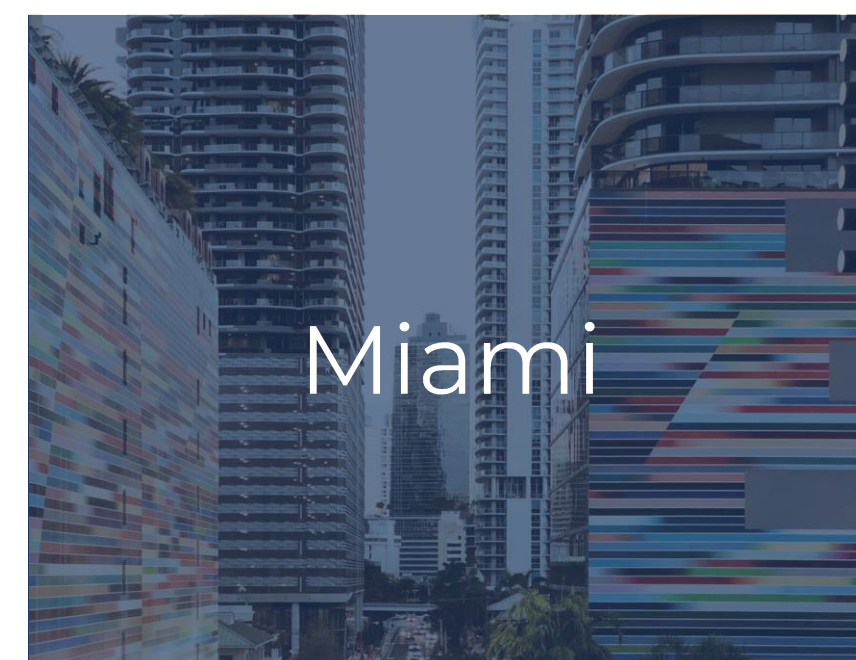
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Monterrey



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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

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.