



Seale & Associates

FOOD INDUSTRY
Q1 2023
VALUATION UPDATE

Introduction

We are pleased to share our Food Industry Multiples Valuation Update for Q1 2023.

At Seale & Associates, we are committed to providing process-driven solutions designed to optimize value and achieve our clients' 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 23+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our Food Industry clients that 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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Sector Relevant Experience

Extensive M&A transaction experience, including

- Represented Arca Continental on the acquisition of three salty snack brands in the U.S. (Wise Snacks, Deep River Snacks, and Carolina Country Snacks)
- Represented Nestlé, a worldwide food and beverage company, on the divestiture of their Parma Ham Business
- Represented the shareholders of Grupo Chen, a leading Mexican cheese company, on the sale of the company to Sigma, a division of Mexican conglomerate Grupo Alfa
- Provided corporate finance advisory services to Ragasa, a leading Mexican manufacturer and distributor of edible soybean oil
- Provided advisory services to Unifoods, a leading Mexican food and beverage consumer products company
- Provided transaction advisory services to Fonterra, New Zealand's largest dairy company
- Provided corporate finance and valuation services to a leading Mexican manufacturer of orange juice concentrates
- Provided corporate advisory services for a leading Mexican producer of bananas and avocados
- Provided advisory services to a hot sauce company looking to explore strategic alternatives for two of their retail brands
- Provided transaction advisory services to Fantis Foods, one of the oldest Greek food importers in America
- Represented the shareholders of AEP, a leading branded deli meats producer and distributor in Mexico, on a strategic alternatives assessment and divestiture assignment



SEALE & ASSOCIATES' SECTOR RELEVANT EXPERIENCE

GRUPO CHEN

TARGET: Grupo Chen
TRANSACTION TYPE: Divestiture advisory
INDUSTRIES: Food & Beverage
GEOGRAPHY: Monterrey, Mexico

SITUATION

Seale & Associates was retained by the owner of Grupo Chen to advise on a sale of the company as part of succession planning. Grupo Chen produces, markets and distributes dairy products, including cheese, yogurt, butter, and dairy cream with a market leadership position in Northern Mexico.

SEALE & ASSOCIATES' APPROACH

Seale managed a preferred buyer process with Sigma Alimentos, while maintaining the option to initiate a competitive auction process with other interested strategic buyers for Grupo Chen. Seale's disciplined approach allowed our client to maintain momentum and negotiating leverage throughout the process and ensure closing at a premium value and more favorable terms.

OUTCOME

The process resulted in a successful acquisition of Grupo Chen by Sigma Alimentos, a subsidiary of ALFA (BMV:ALFA). Grupo Chen became Sigma's branded dairy products growth platform for the Mexican market.




has merged with










a business of



"When it came time to decide on a viable succession plan for my business, I knew that none of my children were interested taking over and the last thing I wanted was to leave them a potential mess after I was gone. Seale gave me "peace of mind" as they expertly guided me through the sale process for my life's work and made certain I got the very best price and terms."




Reynaldo Villarreal, Chief Executive Officer and Owner, Grupo Chen

Bread & Bakery Products 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, 2023		
						2021	2022	EV/EBITDA	EV/Revenue	
Aryzta AG		CHE	\$1,685	\$1,951	\$2,125	10.2%	15.8x	7.7x	7.7x	0.9x
Flowers Foods, Inc.		USA	\$5,791	\$6,819	\$4,806	10.3%	10.3x	11.5x	11.5x	1.4x
Grupo Bimbo, S.A.B. de C.V.		MEX	\$22,285	\$28,073	\$20,440	16.6%	6.3x	7.9x	7.6x	1.3x
Grupo Nutresa S. A.		COL	\$4,944	\$5,868	\$3,515	10.3%	9.9x	14.5x	14.2x	1.6x
Hostess Brands, Inc.		USA	\$3,321	\$4,207	\$1,358	20.3%	12.3x	14.7x	14.7x	3.1x
J&J Snack Foods Corp.		USA	\$2,850	\$2,936	\$1,414	8.2%	32.4x	19.2x	21.9x	2.1x
Lotus Bakeries NV		BEL	\$5,683	\$5,889	\$938	18.2%	30.8x	30.7x	33.0x	6.2x
M. Dias Branco S.A. Indústria e Comércio de Alimentos		BRA	\$1,674	\$2,069	\$1,916	8.4%	12.5x	13.9x	11.5x	1.0x
						Mean	11.2x	12.8x	11.2x	1.6x
						Median	11.3x	13.9x	11.5x	1.4x

■ Excluded from mean and median











Seasonings 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, 2023		
						2021	2022	EV/EBITDA	EV/Revenue	
Atlantic Grupa d.d.		HRV	\$719	\$816	\$916	6.4%	7.5x	8.1x	11.0x	0.9x
McCormick & Company, Incorporated		USA	\$22,309	\$27,176	\$6,394	17.3%	21.9x	22.4x	22.7x	4.3x
The Kraft Heinz Company		USA	\$47,448	\$67,467	\$26,485	22.7%	8.6x	8.8x	9.1x	2.5x
■ Excluded from mean and median						Mean	8.0x	8.4x	10.1x	1.7x
						Median	8.0x	8.4x	10.1x	1.7x

Grains & Cereals 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, 2023		
						2021	2022	EV/EBITDA	EV/Revenue	
General Mills, Inc.		USA	\$50,195	\$61,413	\$19,955	19.1%	11.5x	13.5x	15.1x	3.1x
Gruma, S.A.B. de C.V.		MEX	\$5,454	\$7,283	\$5,597	14.4%	7.8x	5.0x	8.3x	1.2x
Kellogg Company		USA	\$22,945	\$30,313	\$15,315	13.7%	11.9x	12.1x	13.5x	2.0x
Post Holdings, Inc.		USA	\$5,284	\$10,928	\$6,080	14.2%	12.6x	11.2x	12.5x	1.8x
■ Excluded from mean and median						Mean	8.4x	7.9x	12.4x	1.4x
						Median	9.6x	8.3x	13.0x	1.8x

Dairy 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, 2023		
						2021	2022	EV/EBITDA	EV/Revenue	
Danone S.A.	 FRA	\$38,994	\$50,134	\$29,562	15.4%	9.8x	9.2x	10.4x	1.7x	
Emmi AG	 CHE	\$5,381	\$6,044	\$4,575	8.8%	13.4x	13.8x	14.8x	1.3x	
Fonterra Co-operative Group Limited	 NZL	\$3,105	\$6,389	\$16,279	8.6%	7.7x	6.3x	4.5x	0.4x	
Glanbia plc	 IRL	\$3,907	\$4,539	\$6,030	7.0%	12.7x	11.5x	9.7x	0.7x	
Leche Gloria S.A.	 PER	\$784	\$1,049	\$1,374	10.8%	6.1x	7.5x	6.9x	0.8x	
Meiji Holdings Co., Ltd.	 JPN	\$6,616	\$7,307	\$7,896	12.6%	7.3x	6.9x	7.4x	0.9x	
Saputo Inc.	 CAN	\$10,866	\$13,743	\$12,806	7.4%	13.2x	14.3x	13.6x	1.1x	
Savencia SA	 FRA	\$915	\$1,726	\$7,001	5.5%	4.4x	3.8x	4.4x	0.2x	
Unibel S.A.	 FRA	\$2,175	\$3,344	\$3,842	8.6%	8.1x	9.0x	9.2x	0.9x	
Yakult Honsha Co.,Ltd.	 JPN	\$11,295	\$10,375	\$3,537	19.3%	12.3x	13.1x	14.7x	3.0x	
						Mean	9.5x	9.5x	9.5x	1.1x
						Median	9.0x	9.1x	9.4x	0.9x

Meat & Seafood 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, 2023		
						2021	2022	EV/EBITDA	EV/Revenue	
Brim hf.		ISL	\$1,216	\$1,444	\$482	26.1%	15.3x	12.8x	10.9x	2.9x
BRF S.A.		BRA	\$1,322	\$5,315	\$10,178	3.9%	7.2x	7.9x	9.5x	0.5x
Floridienne S.A.		BEL	\$851	\$1,145	\$455	12.1%	19.4x	20.5x	19.1x	2.4x
Hormel Foods Corporation		USA	\$21,796	\$24,485	\$12,385	12.2%	17.4x	14.0x	12.0x	2.0x
Industrias Bachoco, S.A.B. de C.V.		MEX	\$3,309	\$2,546	\$5,070	10.0%	3.6x	3.1x	5.0x	0.5x
JBS S.A.		BRA	\$7,819	\$26,520	\$70,906	8.8%	4.7x	3.5x	3.8x	0.4x
L.D.C. S.A.		FRA	\$2,148	\$1,935	\$5,447	7.8%	4.4x	3.8x	4.1x	0.3x
Minerva S.A.		BRA	\$1,218	\$2,657	\$5,860	9.3%	4.9x	5.4x	4.7x	0.4x
Mowi ASA		NOR	\$9,561	\$11,982	\$5,280	25.2%	16.0x	10.8x	7.9x	2.4x
ORIOR AG		CHE	\$582	\$726	\$689	9.4%	15.2x	12.7x	11.0x	1.0x
Pilgrim's Pride Corporation		USA	\$5,487	\$8,602	\$17,468	9.4%	8.0x	5.6x	4.7x	0.5x
Tyson Foods, Inc.		USA	\$21,096	\$28,941	\$53,609	8.6%	6.9x	4.9x	5.4x	0.5x
■ Excluded from mean and median						Mean	9.4x	7.7x	7.2x	1.2x
						Median	7.2x	5.6x	5.4x	0.5x

Prepared & Preserved Foods 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, 2023		
						2021	2022	EV/EBITDA	EV/Revenue	
B&G Foods, Inc.		USA	\$1,117	\$3,529	\$2,163	13.1%	11.5x	12.1x	11.6x	1.6x
Bakkavor Group plc		GBR	\$743	\$1,212	\$2,578	6.3%	7.2x	6.0x	6.7x	0.5x
Camil Alimentos S.A.		BRA	\$470	\$1,079	\$1,896	7.7%	6.7x	7.0x	6.8x	0.5x
Campbell Soup Company		USA	\$16,465	\$21,110	\$9,177	17.8%	9.3x	9.9x	11.0x	2.3x
CJ Cheiljedang Corporation		KOR	\$3,833	\$14,716	\$23,918	10.2%	6.9x	6.5x	6.2x	0.6x
Conagra Brands, Inc.		USA	\$17,902	\$27,584	\$12,214	18.2%	10.4x	11.9x	11.5x	2.3x
Ebro Foods, S.A.		ESP	\$2,725	\$3,359	\$3,172	10.9%	8.9x	9.1x	9.2x	1.0x
Lamb Weston Holdings, Inc.		USA	\$15,241	\$17,588	\$4,809	20.9%	16.8x	17.6x	18.0x	3.9x
Nissin Foods Holdings Co.,Ltd.		JPN	\$9,248	\$9,235	\$4,902	11.9%	11.4x	12.7x	14.9x	1.9x
Nomad Foods Limited		GBR	\$3,265	\$5,259	\$3,142	16.4%	12.4x	11.2x	9.7x	1.7x
Orkla ASA		NOR	\$7,079	\$8,905	\$5,927	15.3%	11.2x	10.1x	9.0x	1.6x
The J. M. Smucker Company		USA	\$16,781	\$21,085	\$8,328	18.6%	9.6x	11.4x	12.7x	2.5x
TreeHouse Foods, Inc.		USA	\$2,830	\$4,352	\$3,454	6.4%	8.4x	10.6x	15.5x	1.3x
						Mean	9.5x	9.9x	11.0x	1.5x
						Median	9.4x	10.3x	11.0x	1.6x













■ Excluded from mean and median

LatAm Consumer Foods 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, 2023		
						2021	2022	EV/EBITDA	EV/Revenue	
Alicorp S.A.A.		PER	\$1,472	\$2,557	\$4,045	10.2%	7.1x	6.5x	6.1x	0.6x
BRF S.A.		BRA	\$1,322	\$5,315	\$10,178	3.9%	7.2x	7.9x	9.5x	0.5x
Grupo Bimbo, S.A.B. de C.V.		MEX	\$22,285	\$28,073	\$20,440	16.6%	6.3x	7.9x	7.6x	1.3x
Camil Alimentos S.A.		BRA	\$470	\$1,079	\$1,896	7.7%	6.7x	7.0x	6.8x	0.5x
Carozzi S.A.		CHL	\$422	\$1,272	\$1,590	13.3%	6.7x	6.7x	5.5x	0.7x
Colombina S.A.		COL	\$122	\$348	\$605	11.2%	8.0x	6.5x	4.5x	0.5x
Gruma, S.A.B. de C.V.		MEX	\$5,454	\$7,283	\$5,597	14.4%	7.8x	5.0x	8.3x	1.2x
Grupo Herdez, S.A.B. de C.V.		MEX	\$864	\$1,937	\$1,622	14.2%	7.3x	6.3x	6.6x	1.1x
Grupo Nutresa S. A.		COL	\$4,944	\$5,868	\$3,515	10.3%	9.9x	14.5x	14.2x	1.6x
M. Dias Branco S.A. Indústria e Comércio de Alimentos		BRA	\$1,674	\$2,069	\$1,916	8.4%	12.5x	13.9x	11.5x	1.0x
Molinos Rio de la Plata S.A.		ARG	\$400	\$475	\$781	5.4%	8.2x	12.2x	11.8x	0.7x
						Mean	8.0x	8.6x	8.4x	0.9x
						Median	7.3x	7.0x	7.6x	0.7x

■ Excluded from mean and median

Food – Q1 Global Transactions

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Mar-23		GBR	Operates as a poultry supplier and offers prepared raw poultry		-	100.0%	-	-	-
Mar-23		USA	Produces and markets fresh and frozen seafood products		-	100.0%	-	-	-
Mar-23		USA	Offers smoked salmon and seafood		-	100.0%	-	-	-
Mar-23		FRA	Offers specialty sweets and puff pastries		-	100.0%	-	-	-
Mar-23		GBR	Produces handmade cornish pasties		-	100.0%	-	-	-
Mar-23		USA	Process and supplies meat products		-	100.0%	-	-	-
Mar-23		GBR	Develops and produces dairy products		-	100.0%	-	-	-
Mar-23		CAN	Provides customized food products for foodservice, retail, healthcare and industrial use		-	100.0%	-	-	-
Feb-23		USA	Produces pizzas and related products			100.0%	-	-	-
Feb-23		USA	Produces and sells honey		-	100.0%	-	-	-
Feb-23		USA	Produces and distributes eggs		-	100.0%	-	-	-
Feb-23		USA	Produces and distributes fresh and fully cooked susage, bacon, and sandwiches		-	100.0%	-	-	-
Feb-23		ITA	Produces and distributes dairy products		-	100.0%	\$1.1	-	-
Feb-23		USA	Produces vegetarian food products.		-	100.0%	\$12.4	-	-

Food – Q1 Global Transactions (Continued)

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Feb-23	 QUODDY SAVOUR SEAFOOD LTD.	CAN	Produces and sells seafood products	 CADMAN CAPITAL GROUP	-	100.0%	-	-	-
Jan-23	 GORGONZOLA OIOLI	ITA	Produces dairy products	 Latteria Soresina	-	100.0%	-	-	-
Jan-23	 Backhaus	CAN	Produces breads, rolls, and pretzels	 PNC RIVERARCH CAPITAL	 SPC SWANDER PACE CAPITAL	100.0%	-	-	-
Jan-23	 BIRCH BENDERS	USA	Produces baking mixes and frostings, pancakes and waffle mixes	 Hometown FOOD COMPANY	sovos brands	100.0%	\$40.0	-	-
Jan-23	Murphy-Brown of Missouri, LLC	USA	Processes and distributes meat products	Lau Family Partners LP	 Smithfield <i>Good food. Responsibly.</i>	100.0%	-	-	-

Representative Global Engagements

 has acquired 	 has acquired 	 has sold Triumph Processing - Embee Division to 	 has sold Triumph Air Repair & Triumph Engines businesses to 	 has acquired unified brands from 	 has partnered with a company backed by 	 has acquired 	 has sold the North American guarding business of to 	 has sold to 	 has sold to 	 a subsidiary of has sold A division of Carrier Commercial Refrigeration, Inc. to
 has sold to Daives Baird Pty Ltd a sister company of 	 has acquired 	 has sold to Code Flower Inc.	 has sold its GRACE Membranes Business a subsidiary of 	 has sold and to 	 has sold a controlling interest to 	 has been acquired by 	 has sold SENSI CARE and ALOE VESTA to 	 has sold their Sanitaryware Manufacturing Plant to 	 has acquired Multiple snack companies 	 has sold SAFETY • INTEGRITY • EXPERIENCE to
 has sold Commercial Flight Training Business to 	 has been acquired by 	 has sold Oxbow Sulphur, Inc. to 	 has been acquired by 	 has sold to KPAC Holdings, Inc. A private investment group	 has acquired 	 has acquired 	 has acquired 	 has sold its SYCAR Resins business to 	 has sold to Private Equity Partners	 has been acquired by
 has agreed to sell to 	 has acquired KFC Costa Rica from 	 has been acquired by 	 has sold to 	 has sold the Films Business of to 	 has been acquired by 	 has sold to 	 Oxbow's Senior Subordinated debt issued by was refinanced by 	 has sold to 	 has acquired from THE MOORE COMPANY	 sold its concrete pumping business to

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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.

Founded in 1999, Seale & Associates is a leading global investment bank with extensive experience in mergers and acquisitions and corporate finance advisory services. Seale has an outstanding track record closing hundreds of sell-side and buy-side transactions, more than US\$50 billion in value, across a wide range of industries around the world. Our professionals are trusted advisors maintaining the highest quality and utmost integrity.

+20

YEARS OF EXPERIENCE

+\$40

BILLION CLOSED
TRANSACTIONS GLOBALLY

SERVICES AND SOLUTIONS

- Mergers & Acquisitions
- Divestitures
- Joint Ventures / Alliances
- Takeover Defense Support

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- Expert Witness Testimony
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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 many funds, family-offices and privately held companies.



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Creative Solutions. Trusted Advice.