



Seale & Associates

FOOD INDUSTRY
Q3 2024
VALUATION UPDATE

25 years

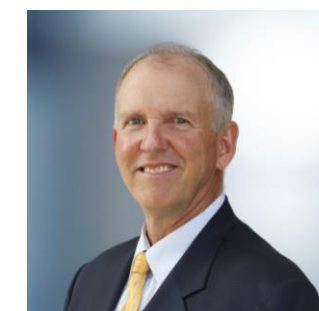
Introduction

We are pleased to share our Food Industry Multiples Valuation Update for Q3 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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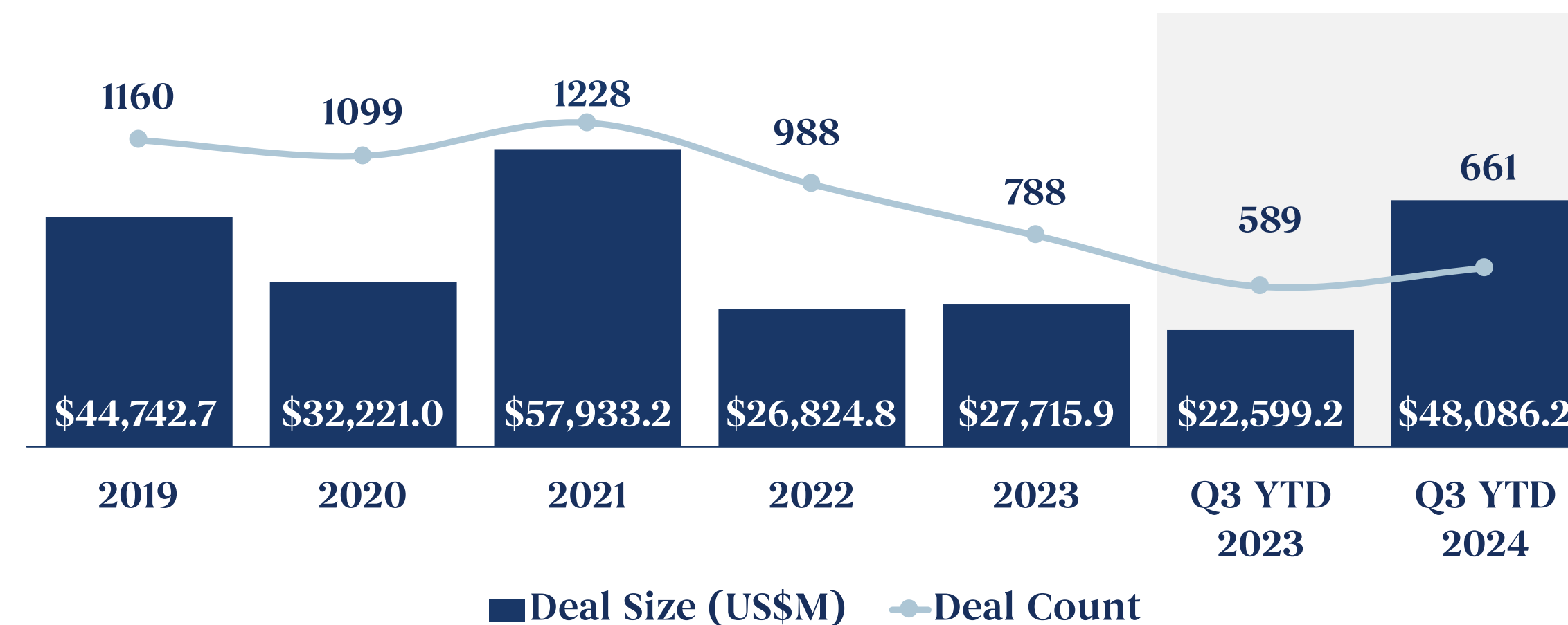


Food Industry Overview, M&A Trends and Market Intelligence

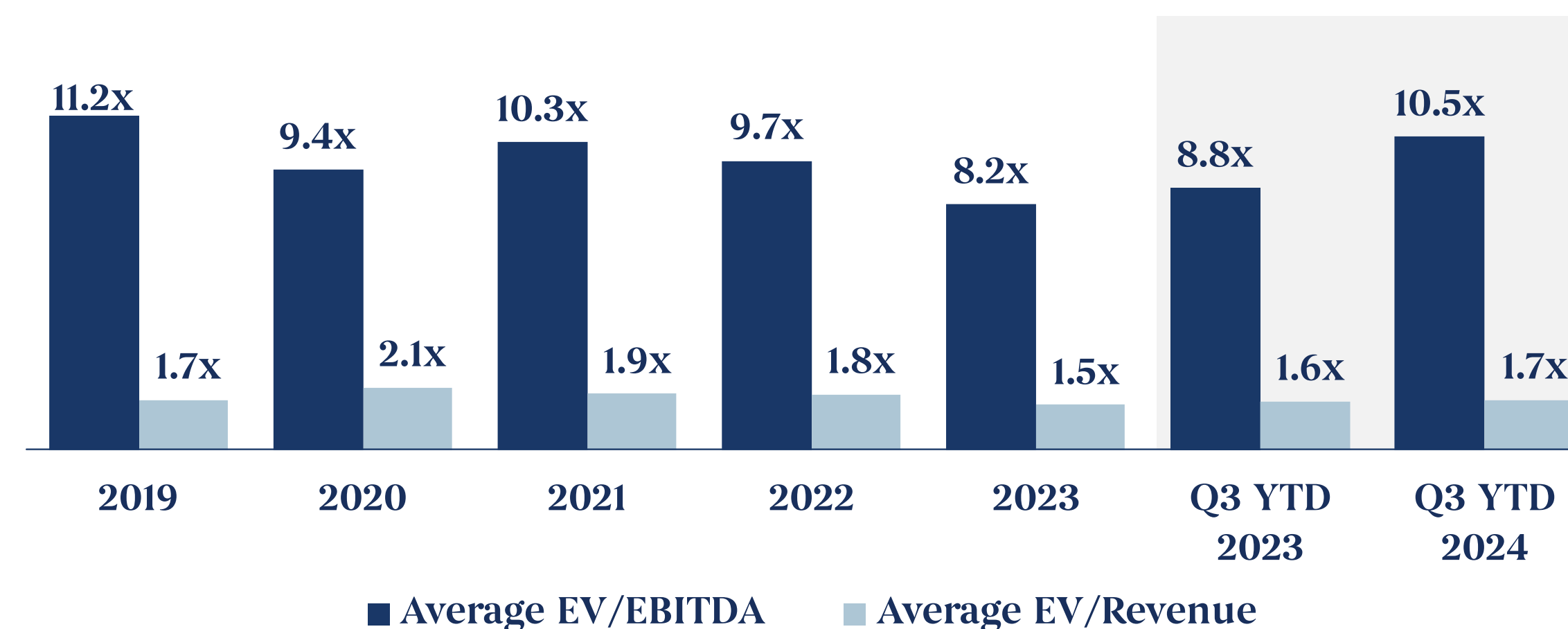
Food Industry Overview

- The global food market hit **US\$9,130.0 billion** in 2024 in terms of revenue. The market is expected to grow annually by **6.6% (CAGR 2023-2028)**
- In North America, the markets **largest segment is the segment of confectionary & snacks**. The North American food market amounts to **US\$1,408 billion** and the market is expected to grow annually by a **4.3% (CAGR 2024-2028)**
- The shift towards plant-based diets has been gaining momentum, driven by concerns over sustainability, animal welfare, and health. The global plant-based food market is expected to reach **US\$77.8 billion in 2025**
- Food inflation is expected to **moderate** in 2024, with the consumer price index for all food products projected to increase by **2.9% by year-end**, potentially influencing M&A strategies focused on volume-driven earnings growth
- Portfolio diversification** enables companies to acquire niche and premium brands, catering to consumers seeking unique, high-quality, and specialized products such as organic, gluten-free, or plant-based options. These **acquisitions** help businesses tap into **emerging market segments**, achieve **higher profit margins**, and **differentiate** themselves in increasingly competitive markets

Food Industry M&A Deal Size and Volume



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






Source: Statista, Other Industry Reports





Bread & Bakery Products 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, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
ARYZTA AG	 CHE	\$1,900	\$2,392	\$2,392	11.9%	7.7x	7.5x	8.4x	1.0x	
Flowers Foods, Inc.	 USA	\$4,858	\$6,240	\$5,130	12.0%	11.5x	11.0x	10.1x	1.2x	
Grupo Bimbo, S.A.B. de C.V.	 MEX	\$15,010	\$23,282	\$20,414	14.8%	7.9x	8.7x	7.7x	1.1x	
Grupo Nutresa S. A.	 COL	\$7,662	\$8,697	\$4,334	13.0%	14.5x	13.8x	15.4x	2.0x	
J&J Snack Foods Corp.	 USA	\$3,343	\$3,452	\$1,575	13.7%	19.2x	20.4x	16.0x	2.2x	
Lotus Bakeries NV	 BEL	\$10,906	\$11,116	\$1,295	19.4%	30.7x	34.3x	44.2x	8.6x	
M. Dias Branco S.A. Indústria e Comércio de Alimentos	 BRA	\$1,569	\$1,638	\$1,826	15.1%	13.9x	13.9x	5.9x	0.9x	
■ Excluded from mean and median						Mean	12.4x	12.6x	10.6x	1.4x
						Median	13.9x	13.8x	10.1x	1.2x

Seasonings Products 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, 2024 EV/		
						2022	2023	EBITDA	Revenue	
Atlantic Grupa d.d.	 HRV	\$741	\$982	\$1,192	8.8%	8.1x	6.7x	9.3x	0.8x	
McCormick & Company, Incorporated	 USA	\$22,112	\$26,443	\$6,679	20.6%	22.4x	21.0x	19.2x	4.0x	
The Kraft Heinz Company	 USA	\$42,451	\$61,621	\$26,130	28.0%	8.8x	8.6x	8.4x	2.4x	
■ Excluded from mean and median						Mean	8.4x	7.7x	8.9x	2.4x
						Median	8.8x	8.6x	9.3x	2.4x

Grains & Cereals Products 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, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
General Mills, Inc.		USA	\$40,998	\$54,102	\$19,801	22.6%	13.5x	13.7x	12.1x	2.7x
Gruma, S.A.B. de C.V.		MEX	\$6,787	\$8,121	\$6,572	17.0%	5.0x	7.9x	7.3x	1.2x
Kellanova		USA	\$27,820	\$34,112	\$12,799	15.9%	12.1x	13.0x	16.7x	2.7x
Post Holdings, Inc.		USA	\$6,763	\$12,835	\$7,923	17.1%	12.1x	12.0x	9.5x	1.6x
■ Excluded from mean and median						Mean	12.6x	12.9x	12.8x	2.1x
						Median	12.1x	12.5x	10.8x	2.1x

Dairy Products 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, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
Danone S.A.	 FRA	\$46,906	\$58,181	\$30,347	18.3%	9.2x	10.2x	10.5x	1.9x	
Emmi AG	 CHE	\$5,478	\$5,994	\$4,920	9.0%	13.8x	13.9x	13.5x	1.2x	
Fonterra Co-operative Group Limited	 NZL	\$4,063	\$5,951	\$14,524	9.3%	6.3x	3.8x	4.4x	0.4x	
Glanbia plc	 IRL	\$4,555	\$5,337	\$4,470	11.2%	11.5x	10.4x	10.7x	1.2x	
Leche Gloria S.A.	 PER	\$583	\$1,003	\$1,459	10.6%	7.5x	7.2x	6.5x	0.7x	
Meiji Holdings Co., Ltd.	 JPN	\$6,788	\$6,923	\$7,877	11.8%	6.9x	7.8x	7.5x	0.9x	
Saputo Inc.	 CAN	\$9,169	\$11,733	\$13,417	8.1%	14.3x	11.9x	10.8x	0.9x	
Savencia SA	 FRA	\$776	\$1,666	\$7,579	6.3%	3.8x	3.8x	3.5x	0.2x	
Unibel S.A.	 FRA	\$1,869	\$3,049	\$4,110	13.4%	9.0x	8.8x	5.5x	0.7x	
Yakult Honsha Co.,Ltd.	 JPN	\$7,023	\$6,169	\$3,527	18.5%	13.1x	12.6x	9.5x	1.7x	
						Mean	8.4x	9.4x	8.7x	1.0x
						Median	9.1x	9.5x	8.5x	0.9x

Excluded from mean and median

Meat & Seafood Products 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, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
BRF S.A.	 BRA	\$7,189	\$9,810	\$10,699	11.8%	7.9x	13.1x	7.8x	0.9x	
Floridienne S.A.	 BEL	\$683	\$1,237	\$668	10.6%	20.6x	17.3x	17.4x	1.9x	
Hormel Foods Corporation	 USA	\$17,383	\$19,691	\$11,981	16.2%	14.0x	12.0x	10.2x	1.6x	
JBS S.A.	 BRA	\$12,885	\$31,668	\$72,834	6.4%	3.5x	5.5x	6.8x	0.4x	
L.D.C. S.A.	 FRA	\$2,743	\$2,220	\$6,913	9.3%	3.8x	3.5x	3.5x	0.3x	
Minerva S.A.	 BRA	\$683	\$2,551	\$5,421	9.0%	5.4x	5.0x	5.2x	0.5x	
Mowi ASA	 NOR	\$9,318	\$12,162	\$6,168	21.8%	10.8x	7.4x	9.1x	2.0x	
ORIOR AG	 CHE	\$395	\$571	\$764	8.2%	12.7x	10.5x	9.1x	0.7x	
Pilgrim's Pride Corporation	 USA	\$10,920	\$13,075	\$18,035	10.0%	5.6x	6.8x	7.3x	0.7x	
Tyson Foods, Inc.	 USA	\$21,193	\$29,662	\$53,309	6.1%	5.0x	6.9x	9.1x	0.6x	
■ Excluded from mean and median						Mean	7.6x	7.7x	8.0x	1.0x
						Median	6.7x	7.1x	8.4x	0.7x

Preserved Products 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, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
CJ Cheiljedang Corporation	 KOR	\$3,535	\$14,253	\$22,160	10.7%	6.5x	6.5x	6.0x	0.6x	
Conagra Brands, Inc.	 USA	\$15,579	\$24,225	\$11,942	21.6%	12.4x	10.1x	9.4x	2.0x	
Ebro Foods, S.A.	 ESP	\$2,735	\$3,064	\$3,486	13.0%	9.1x	8.7x	6.7x	0.9x	
Lamb Weston Holdings, Inc.	 USA	\$9,301	\$13,198	\$6,456	23.0%	17.6x	14.7x	8.9x	2.0x	
Nissin Foods Holdings Co.,Ltd.	 JPN	\$8,370	\$8,536	\$5,309	14.0%	12.8x	14.2x	11.5x	1.6x	
Nomad Foods Limited	 GBR	\$3,091	\$5,033	\$3,421	16.0%	11.2x	9.3x	9.2x	1.5x	
Orkla ASA	 NOR	\$9,430	\$11,713	\$6,610	17.2%	10.2x	9.2x	10.3x	1.8x	
The J. M. Smucker Company	 USA	\$12,886	\$21,504	\$8,499	24.7%	11.4x	10.9x	10.3x	2.5x	
TreeHouse Foods, Inc.	 USA	\$2,179	\$3,603	\$3,359	10.6%	10.6x	12.0x	10.1x	1.1x	
■ Excluded from mean and median						Mean	11.1x	11.1x	9.9x	1.4x
						Median	11.2x	10.1x	9.4x	1.6x

LatAm Products 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, 2024 EV/		
						2022	2023	EBITDA	Revenue	
Alicorp S.A.A.		PER	\$1,253	\$2,310	\$3,367	10.6%	6.5x	6.8x	6.5x	0.7x
BRF S.A.		BRA	\$7,189	\$9,810	\$10,699	11.8%	7.9x	13.1x	7.8x	0.9x
Grupo Bimbo, S.A.B. de C.V.		MEX	\$15,010	\$23,282	\$20,414	14.8%	7.9x	8.7x	7.7x	1.1x
Camil Alimentos S.A.		BRA	\$540	\$1,173	\$2,175	8.0%	7.2x	8.4x	6.7x	0.5x
Carozzi S.A.		CHL	\$478	\$1,192	\$1,666	16.4%	6.7x	5.5x	4.4x	0.7x
Colombina S.A.		COL	\$131	\$467	\$773	12.9%	6.5x	4.8x	4.7x	0.6x
Gruma, S.A.B. de C.V.		MEX	\$6,787	\$8,121	\$6,572	17.0%	5.0x	7.9x	7.3x	1.2x
Grupo Herdez, S.A.B. de C.V.		MEX	\$902	\$1,803	\$1,907	19.2%	6.3x	5.7x	4.9x	0.9x
Grupo Nutresa S. A.		COL	\$7,662	\$8,697	\$4,334	13.0%	14.5x	13.8x	15.4x	2.0x
Molinos Rio de la Plata S.A.		ARG	\$631	\$655	\$474	10.8%	12.2x	41.9x	12.9x	1.4x
						Mean	6.8x	8.3x	6.2x	0.9x
						Median	7.0x	8.2x	7.0x	0.9x

■ Excluded from mean and median

Food Industry – Global Transactions (1/2)

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Sep-24		CAN	CDPQ , a global investment group managing public pension and insurance funds, increased its stake in Saputo , a leading dairy processor, by acquiring 13.5 million shares		-	3.2%	\$378.0	10.5x	0.8x
Sep-24*		AUS	Nissin Foods Company , a leader in instant noodles and packaged foods, agreed to acquire ABC Pastry Holdings , an Australian frozen food company, to strengthen its presence in the Asia-Pacific frozen food market		-	100.0%	\$23.3	-	2.2x
Sep-24*		ITA	Al Mada , through its portfolio company Teralys , agreed to acquire Nutmako , an Italian producer of nut-based spreads and chocolate products, to expand its presence in the global confectionery market		-	100.0%	\$503.0	-	-
Sep-24		CHN	Mondelez International , a global leader in snacks and confectionery, acquired Evirth , a Chinese food company, to strengthen its presence in the Asia-Pacific market		-	50.0%>	-	-	-
Sep-24*	U.S. Yogurt Business	USA	General Mills, a global food company, agreed to sell its U.S. yogurt business to Lactalis , a French dairy leader, and its Canadian yogurt business to Sodiaal , a French dairy leader, to streamline its operations and focus on core segments			100.0%	\$2,100.0	-	-
	Canadian Yogurt Business	CAN							

Food Industry – Global Transactions (2/2)

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Sep-24*		ZAF	Lactalis South Africa , a subsidiary of Lactalis Group, agreed to acquire the Nestlé Cremora business			100.0%	-	-	-
Aug-24	Original Gourmet Sweet Teriyaki Marinade & Cooking Sauce	USA	Yoshida Food International , a food company specializing in Asian-inspired sauces and seasonings, acquired the Original Gourmet Sweet Teriyaki Marinade & Cooking Sauce brand to expand its product portfolio		KraftHeinz	100.0%	-	-	-
Aug-24		USA	Our Home , a U.S.-based better-for-you snack company, acquired the Pop Secret popcorn brand	Our Home	THE Campbell's COMPANY	100.0%	\$75.0	-	0.6x
Aug-24		USA	Mars , manufacturer of snacking and food, agreed to acquire Kellanova, manufacturer of snacks and convenience foods, boosting its growth and capabilities	MARS	-	100.0%	\$35,900.0	16.4x	2.8x

*Announced transactions pending approval and other customary closing conditions

Mean 13.5x 1.6x
Median 13.5x 1.5x

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.

**“Seale gave me “peace of mind”
as they expertly guided me
through the sale process”**

CHEN

has merged with

Sigma

a business of

alfa

“When it came time to decide on a viable succession plan for my business, I knew that none of my children were interested in 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
CEO and Owner, Grupo Chen

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<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 1888</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 IMPROVEMENTS IN SHAPE CUTTING 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</p> <p>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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FELIPE BUENO

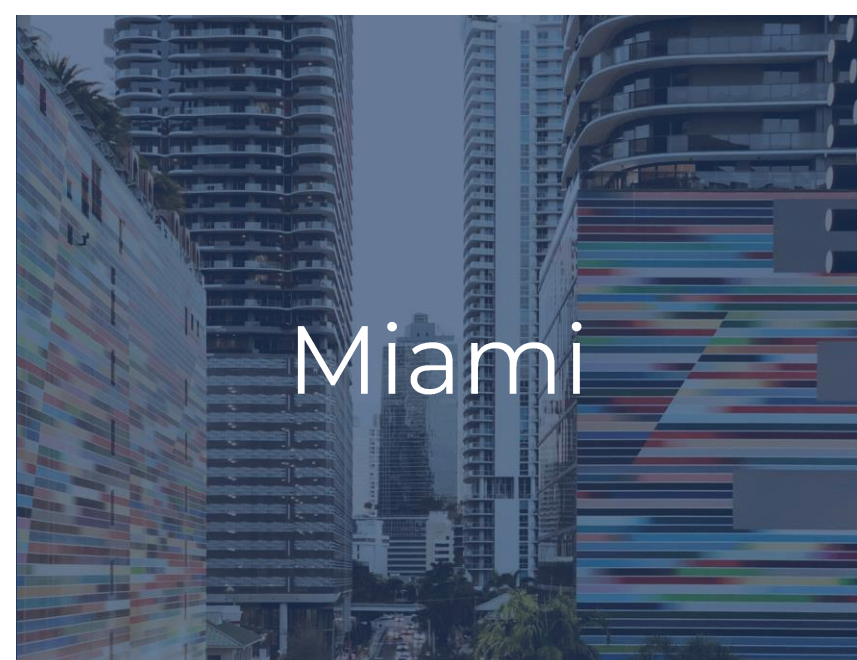
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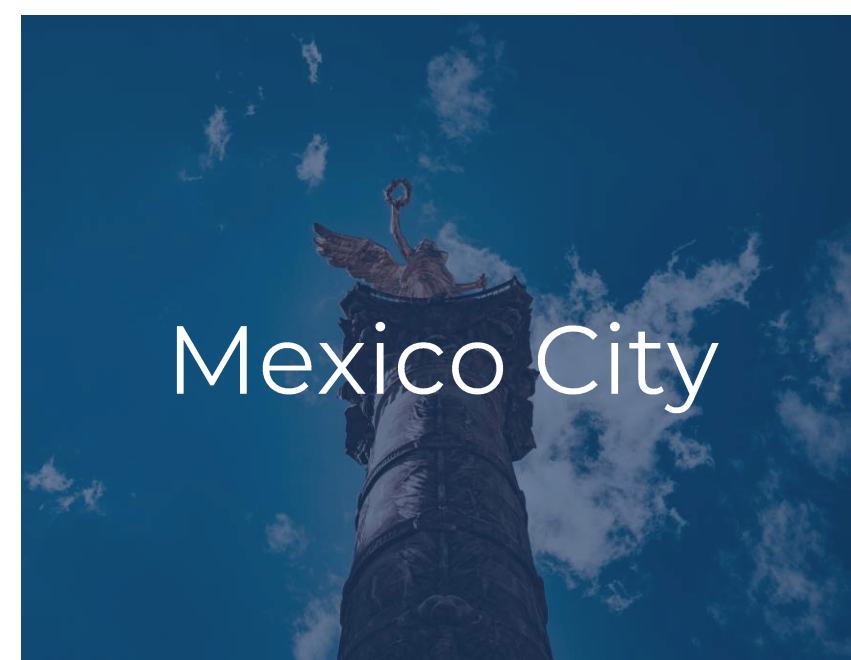
32+ years with Grupo Industrial Saltillo with experience as Director, Corp. Dev. and extensive global commercial experience
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MBA and BS in Industrial Engineering



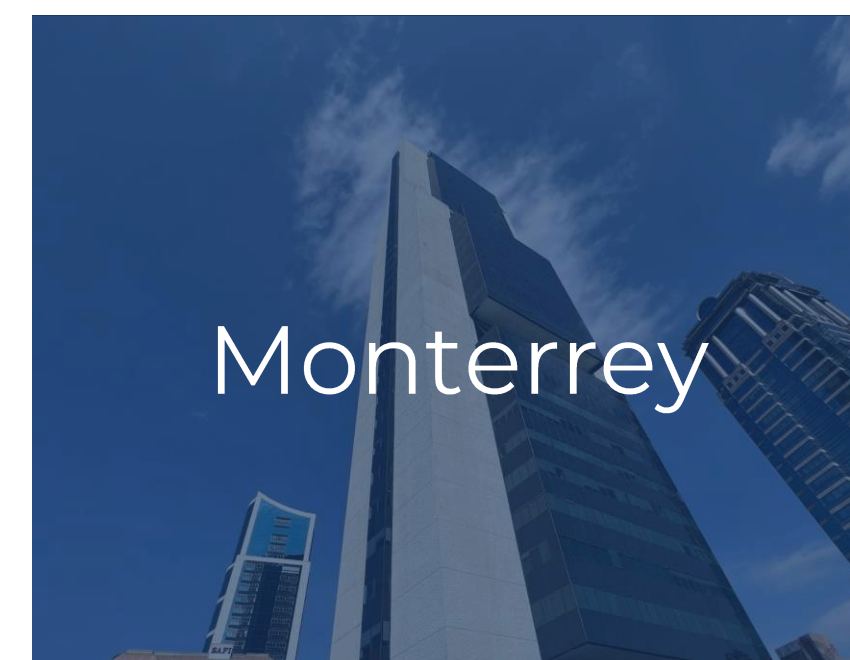
Washington D.C.



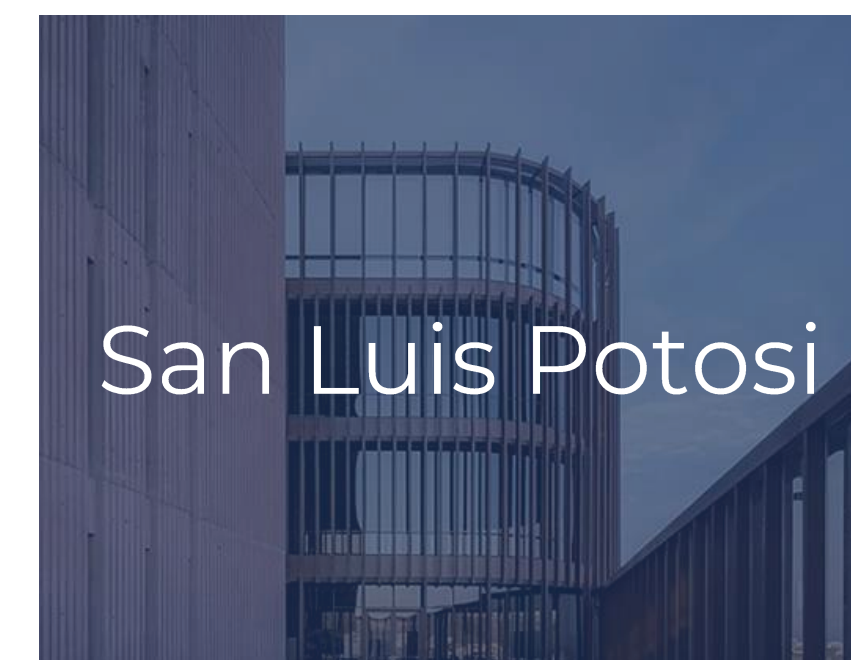
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Monterrey



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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

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