

Consumer & Retail Quarterly Update

Q4 2024



Table of contents

DCF’s Consumer & Retail practice	3
Deloitte thought leadership	4
Notable recent M&A transactions	5
Food and beverage	6
Health and personal care	7
Multi-unit and consumer services	8



DCF's Consumer & Retail practice

Deloitte Corporate Finance LLC (DCF) is a leading global middle-market M&A adviser. Our professionals have extensive transaction experience in the Consumer & Retail industry, having helped hundreds of clients achieve successful outcomes.



Consumer & Retail leadership



Matt Preece
Managing Director
Head of Consumer & Retail
Charlotte, NC
mpreece@deloitte.com
Deloitte Corporate Finance LLC



Nick Hansell
Managing Director
Consumer & Retail
Charlotte, NC
nhansell@deloitte.com
Deloitte Corporate Finance LLC



Harris Waqar
Vice President
Consumer & Retail
New York, NY
hawaqar@deloitte.com
Deloitte Corporate Finance LLC



Ran Zuo
Vice President
Consumer & Retail
Charlotte, NC
razuo@deloitte.com
Deloitte Corporate Finance LLC



Organization overview

#2 2024 Global M&A
Advisor by deals
completed. ⁽¹⁾

623 Completed deals
in 2024.

- Deep relationships in place to gain **critical strategic intelligence** and effectively market businesses.
- Worldwide, DCF has access to **2,400 Corporate Finance professionals** throughout the Deloitte Touche Tohmatsu Limited network of member firms in 60 countries that complement the North American team.
- **Second ranked global M&A advisor by deals completed** in 2023, according to Mergermarket. ⁽¹⁾



Sector focus

- Food and beverage production, processing, and distribution
- Health and personal care
- Multi-unit and consumer services
- Food supply chain and ingredients
- Pet products and services

Footnote(s): (1) Recognized by Mergermarket as the #2 Global M&A Financial Advisor for 2024. Measured by deal volume.

Deloitte thought leadership

Deloitte thought leadership

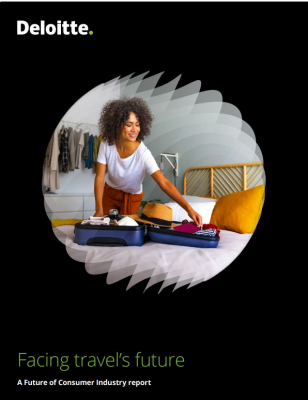
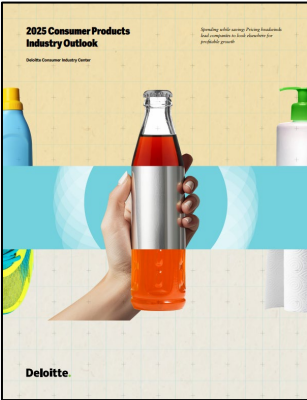
- Deloitte stays abreast of industry trends and makes significant investments in producing cutting-edge thought leadership.
- Deloitte is deeply committed to providing insights that help keep clients on the forefront of critical trends.
- Focused research on industry drivers and trends helps enable Deloitte to demonstrate eminence in the consumer & retail market by redefining the lens through which industry leaders operate.

Extensive knowledge network




DCF leverages its expansive cross-business knowledge network, extensive consulting reports, and in-depth industry research to help drive results and provide differentiated insights for our clients.



Recent insights



Notable recent M&A transactions⁽¹⁾⁽²⁾⁽³⁾

Food & beverage 	<p>Butterfly Equity LP's acquisition of The Duckhorn Portfolio, Inc.⁽⁴⁾</p> <ul style="list-style-type: none"> Based in Saint Helena, CA, The Duckhorn Portfolio produces and sells wines in North America. Butterfly Equity is a private equity firm specializing in the food industry, including food & beverage products, food service, etc. Butterfly Equity aims to expand The Duckhorn Portfolio's global reach, both organically and through strategic acquisitions, and bring its luxury wine brands to more consumers worldwide. <p>Performance Food Group's (NYSE:PFGC) ("PFG") acquisition of Cheney Bros., Inc.⁽⁵⁾</p> <ul style="list-style-type: none"> Based in Riviera Beach, FL, Cheney Bros., Inc. is a distributor and exporter of food products to the food service industry. PFG engages in the marketing and distribution of food and food-related products in North America. The acquisition strengthens PFG's presence in the Southeast and increases distribution capacity. With 3,600 employees across five distribution centers, Cheney Bros., Inc helps enables PFG to realize significant run-rate cost synergies. 	<p>Announced Date: October 2024 EV: \$1,950MM Rev: \$424MM EV/Rev: 4.6x EV/EBITDA: 14.9x</p> <p>Announced Date: October 2024 EV: \$2,095MM Rev: \$3,200MM EV/Rev: 0.7x EV/EBITDA: 13.0x</p>
Health & personal care 	<p>L'Occitane Groupe S.A.'s acquisition of L'Occitane International S.A.⁽⁶⁾</p> <ul style="list-style-type: none"> L'Occitane International S.A. is a beauty and personal care provider, manufacturer, and retailer offering cosmetics, fragrances, soaps, and other well-being products. L'Occitane Groupe S.A. is an international holding company based in Luxembourg. Its subsidiaries manufacture and sell personal care, body care, and fragrance products. L'Occitane Group S.A., the controlling shareholder, took L'Occitane International S.A. private via an offer to acquire all shares it previously didn't own. <p>USANA Health Sciences, Inc.'s acquisition of Hiya Health Products, LLC ("Hiya Health Products")</p> <ul style="list-style-type: none"> Hiya Health Products manufactures kids' vitamins supplements, including multivitamins and probiotics. USANA Health Sciences, Inc. develops, manufactures, and sells science-based nutritional, personal care, and skincare products on a global scale including the Asia-Pacific, Americas, and Europe regions. 	<p>Closed Date: October 2024 EV: \$7,327MM Rev: \$2,742MM EV/Rev: 2.7x EV/EBITDA: 15.4x</p> <p>Announced Date: December 2024 EV: \$260MM Rev: \$103MM EV/Rev: 2.5x EV/EBITDA: 11.8x</p>
Multi-unit 	<p>Blackstone, Inc.'s acquisition of Jersey Mike's Franchise Systems, Inc.⁽⁶⁾</p> <ul style="list-style-type: none"> Jersey Mike's Franchise Systems, Inc. owns and operates a national sandwich franchise with 2,226 franchised units. Blackstone, Inc. is a global investment firm specializing in alternative asset management with a private equity division. Blackstone's acquisition builds upon its extensive prior franchise experience, with recent investments from 2024 including Tropical Smoothie Café and 7 Brew Coffee. <p>Fortress Investment Group LLC's acquisition of Loungers plc (AIM: LRGS).⁽⁷⁾</p> <ul style="list-style-type: none"> Loungers plc operates 280 café-bars across England and Wales under the brands Lounge, Cosy Club, and Brightside. Fortress Investment Group LLC is a global investment firm with an industry-agnostic private equity arm. The acquisition leverages Fortress's prior experience with consumer-focused companies in the United Kingdom, including Majestic Wines and Punch Pubs & Co. 	<p>Announced Date: November 2024 EV: \$8,000MM Rev: \$247M EV/Rev: N/A EV/EBITDA: N/A</p> <p>Announced Date: November 2024 EV: \$483MM Rev: \$354MM EV/Rev: 1.4x EV/EBITDA: 9.9x</p>

Footnote(s): Refer to slide 9 for sources.

Food & beverage

Sector trends ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾

- The Producer Price Index for food & beverage retailers, measuring the average change in price that producers receive for their product, decreased slightly from 267.6 to 266.0 between October 2024 and December 2024.
- The Consumer Price Index US city average for food & beverages has increased by 2.4% from December 2023 to December 2024.
- In Q4 2024, the food & beverage industry experienced 279 M&A transactions. The median implied EV/EBITDA multiple saw a significant increase, rising from 10.3x to 11.5x.
- An RSM study forecasts an upward trend in the top-line index during the first half of 2025. In Q4 2024, 45% of middle market senior executives reported improvements in gross revenues, with the majority expecting further advancements over the next six months.

Select recent M&A activity ⁽³⁾⁽⁵⁾

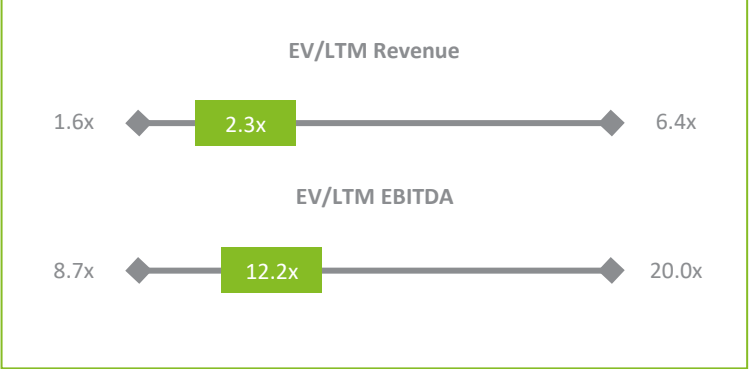
Close Date	Target	Acquiror	Implied EV (MM)
11/2024	Sabra Dipping Company	PepsiCo Inc. (NasdaqGS:PEP)	\$481.6
11/2024	ZOA Energy, LLC	Molson Coors Beverage Company (NYSE:TAP)	\$53.0
10/2024	Mademoiselle Desserts France	Emmi AG (SWX:EMMN)	\$996.2
10/2024	Siete Foods	PepsiCo Inc. (NasdaqGS:PEP)	\$1,200.0
10/2024	Voortman Cookies	Second Nature Brands	\$220.6



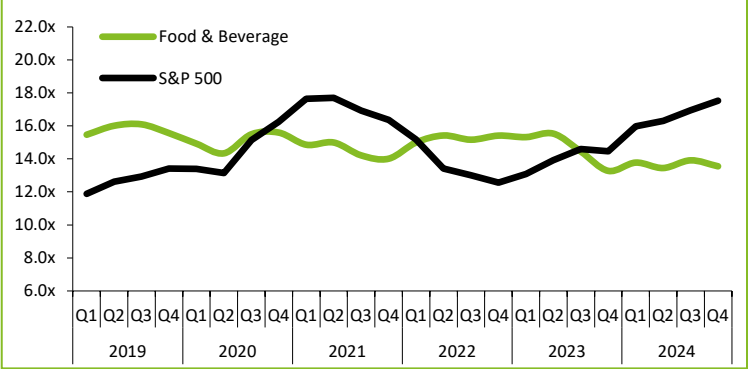
Select public comparables ⁽⁵⁾

Company name	Enterprise value (MM)
The Coca-Cola Company	\$296,596.5
Mondelez International, Inc.	\$98,989.4
The Kraft Heinz Company	\$55,960.8
General Mills, Inc.	\$47,751.8
Conagra Brands, Inc.	\$21,624.1
Hormel Foods Corp.	\$19,473.1

Median trading metrics ⁽⁵⁾



Average historical EV/EBITDA multiples ⁽⁵⁾



Footnote(s): Refer to slide 9 for sources.

Health & personal care

Sector trends ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾

- Total industry revenue for health stores in the US is projected to grow from \$47.4 billion in 2024 to \$51.9 billion in 2029.
- In 2024, 38% of US consumers reported increased spending on beauty products compared to 2023, with Gen Z leading this trend with a 46% rise in their beauty expenditures.
- Beauty holiday gift purchase expectations increased from 2023 with 29% of shoppers planning to by beauty products. Within the beauty industry, the prestige beauty market grew by 7% in the first three quarters of 2024.
- Valuation has shown an upward trend from Q2 2024 to Q4 2024, as evidenced by the average historical EV/EBITDA multiples of selected public comparables in the health and personal care sector.

Select recent M&A activity ⁽⁴⁾

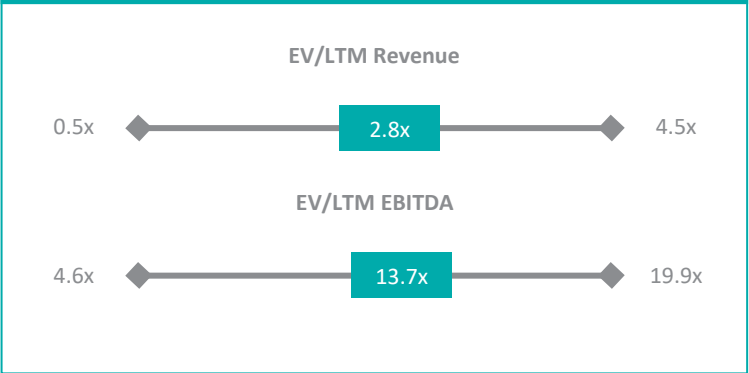
Close Date	Target	Acquiror	Implied EV (MM)
12/2024	Olive & June, LLC	Helen of Troy Ltd. (NasdaqGS:HELE)	\$240.0
12/2024	Tangle Teezer Ltd.	Société BIC SA (ENXTPA:BB)	\$209.7
11/2024	Norbel Baby Co., Ltd. (TPEX:6844)	Qisda Corporation (TWSE:2352)	\$170.5
11/2024	MSS Holdings Co., Ltd.	Asia Pulp & Paper Group PT	\$305.6
10/2024	Sharecare, Inc.	Altaris, LLC	\$517.5



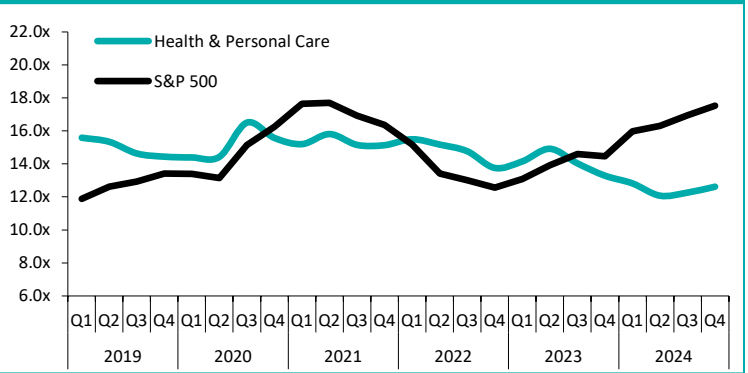
Select public comparables ⁽⁴⁾

Company name	Enterprise value (MM)
Reckitt Benckiser Group plc	\$51,613.6
Church & Dwight Co., Inc.	\$27,314.5
Glanbia plc	\$4,273.5
Simply Good Foods Company	\$4,211.4
Herbalife Ltd.	\$2,742.5
Jamieson Wellness, Inc.	\$1,387.9

Median trading metrics ⁽⁴⁾



Average historical EV/EBITDA multiples ⁽⁴⁾



Footnote(s): Refer to slide 9 for sources.
Copyright © 2025 Deloitte Development LLC. All rights reserved.

Multi-unit and consumer services

Sector trends ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾

- American consumer spending in the retail and food services sectors rose 3.9% year-over-year from December 2023 to December 2024.
- Increased demand for travel following the pandemic is revitalizing the hotel and motel industry in the U.S., with an expected CAGR of 2.3% from 2024 to 2029.
- In 2025, franchises will likely allocate more marketing resources to nano influencers as 80% of companies in 2024 reported budgeting for influencer marketing and 64% of brands prioritized smaller creators.
- Restaurant franchises are expected to face continued headwinds in 2025 as 20+ states increase minimum wage and 82% of restaurant leaders anticipate cost of food to rise.

Select recent M&A activity ⁽⁶⁾⁽⁷⁾

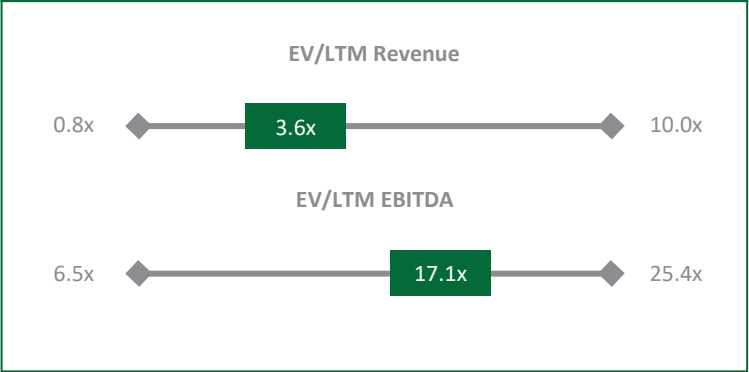
Close Date	Target	Acquiror	Implied EV (MM)
12/2024	Vacasa, Inc. (NasdaqGS: VCSA)	Casago International LLC	\$269.4
12/2024	University of St. Augustine for Health Sciences, LLC	Perdoceo Education Corporation (NAS: PRDO)	\$138.0
11/2024	OpenBet Limited & IMG Arena US, LLC	OB Global Holdings LLC	\$450.0
10/2024	One Life Fitness, LLC	26North Partners LP	\$500.0
10/2024	Standard International Management, LLC	Hyatt Hotels Corporation (NYSE: H)	\$335.0



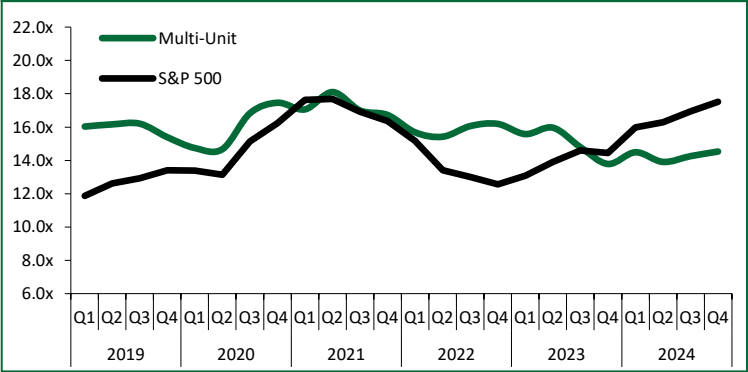
Select public comparables ⁽⁶⁾

Company name	Enterprise value (MM)
McDonald's Corporation	\$259,965.9
Dollar General Corporation	\$33,703.7
Texas Roadhouse, Inc.	\$12,694.0
Planet Fitness, Inc.	\$10,477.7
Shake Shack, Inc.	\$5,721.1
Papa Johns International, Inc.	\$2,299.8

Median trading metrics ⁽⁶⁾



Average historical EV/EBITDA multiples ⁽⁶⁾



Source(s): (1) The US Census Bureau, (2) IBIS World, (3) IFA, (4) U.S. Department of Labor, (5) Restaurant365, (6) Pitchbook, (7) S&P Capital IQ.

Appendix

Sources cited

Page 3:

1. [Mergermarket](#). Accessed January 13, 2025. Data as of January 6, 2025.

Page 5:

1. Notable recent M&A transactions (Specific to Consumer & Retail).
 - a. [Mergermarket](#). Accessed January 8, 2025. Data as of December 31, 2024.
 - b. [PitchBook](#). Accessed January 8, 2025. Data as of December 31, 2024.
 - c. [S&P Capital IQ](#). Accessed January 8, 2025. Data as of December 31, 2024.
 - d. [BusinessWire](#). *Butterfly Completes \$1.95 Billion Acquisition of The Duckhorn Portfolio*. Accessed January 13, 2025.
 - e. [Performance Food Group](#). *Performance Food Group Company Completes the Acquisition of Cheney Bros, Inc.* Accessed January 8, 2025.
 - f. [L'Occitane Groupe](#). *L'Occitane International S.A. Announces Offer from Controlling Shareholder to Take Company Private*. Accessed January 14, 2025.
 - g. [Reuters](#). *Blackstone strikes \$8-billion deal for sandwich chain Jersey Mike's Sub*. Accessed November 19, 2024.
 - h. [Fortress](#). *2.7 Announcement*. Accessed November 28, 2024.

Page 6:

1. Sector Trends.
 - a. [FRED](#). *Consumer Price Index for All Urban Consumers: Food and Beverages in U.S. City Average*. Accessed January 9, 2025.
 - b. [FRED](#). *Producer Price Index by Industry: Food and Beverage Retailers*. Accessed January 9, 2025.
 - c. [RSM](#). *Q4 2024 RSM US Middle Market Business Index*. Accessed January 9, 2024.
 - d. [PitchBook](#). Accessed January 9, 2025.
2. Relevant M&A transactions closed in Q4 2024.
 - a. [S&P Capital IQ](#). Accessed January 8, 2025. Data as of December 31, 2024.
 - b. [Mergermarket](#). Accessed January 8, 2025. Data as of December 31, 2024.
3. Select public comparables set in Q4 2024.
 - a. [S&P Capital IQ](#). Accessed January 8, 2025. Data as of December 31, 2024.
4. Expanded public comparables set in Q4 2024.
 - a. [S&P Capital IQ](#). Accessed January 8, 2025. Data as of December 31, 2024.
5. Historical EV/EBITDA multiples.
 - a. [S&P Capital IQ](#). Accessed January 8, 2025. Data as of December 31, 2024.

Page 7:

1. Sector Trends.
 - a. [Statista](#). *Share of U.S. consumers who stated that they are currently spending more on beauty items than a year ago in 2024, by generation*. Accessed January 15, 2025.
 - b. [IBISWorld](#). *Health Stores in the US*. Accessed January 7, 2025.
 - c. [Circana](#). *US Beauty Industry Continues to Thrive Heading into the Holiday Season, with Positive Expectations for Q4, Circana Reports*. Accessed January 7, 2025.
2. Relevant M&A Transactions announced and closed in Q3 2024.
 - a. [PitchBook](#). Accessed January 7, 2025. Data as of December 31, 2024.
 - b. [S&P Capital IQ](#). Accessed January 7, 2025. Data as of December 31, 2024.
3. Select public comparables set in Q3 2024.
 - a. [S&P Capital IQ](#). Accessed January 7, 2025. Data as of December 31, 2024.
4. Expanded public comparables set in Q3 2024.
 - a. [S&P Capital IQ](#). Accessed January 7, 2025. Data as of December 31, 2024.
5. Historical EV/EBITDA multiples.
 - a. [S&P Capital IQ](#). Accessed January 8, 2025. Data as of December 31, 2024.

Page 8:

1. Sector Trends.
 - a. [The U.S. Census Bureau](#). *Advance Monthly Sales for Retail and Food Services, December 2024*. Accessed January 16, 2024.
 - b. [IBIS](#). *Hotels & Motels in the US*. Accessed January 1, 2025.
 - c. [IFA](#). *Top Franchise Digital Marketing Trends for 2025*. Accessed January 10, 2025.
 - d. [U.S. Department of Labor](#). *State Minimum Wage Laws*. Accessed January 1, 2025.
 - e. [Restaurant 365](#). *The 2025 State of the Restaurant Industry Report*. Accessed January 1, 2025.
2. Relevant M&A transactions announced in Q4 2024.
 - a. [PitchBook](#). Accessed January 8, 2025. Data as of December 31, 2024.
 - b. [S&P Capital IQ](#). Accessed January 8, 2025. Data as of December 31, 2024.
3. Select public comparables set in Q4 2024.
 - a. [S&P Capital IQ](#). Accessed January 8, 2025. Data as of December 31, 2024.
4. Expanded public comparables set in Q4 2024.
 - a. [S&P Capital IQ](#). Accessed January 8, 2025. Data as of December 31, 2024.
5. Historical EV/EBITDA multiples.
 - a. [S&P Capital IQ](#). Accessed January 8, 2025. Data as of December 31, 2024.



This newsletter is a periodic compilation of certain completed and announced merger and acquisition activity. Information contained in this newsletter should not be construed as a recommendation to sell or a recommendation to buy any security. Any reference to or omission of any reference to any company in this newsletter shall not be construed as a recommendation to sell, buy or take any other action with respect to any security of any such company. We are not soliciting any action with respect to any security or company based on this newsletter. This newsletter is published solely for the general information of clients and friends of Deloitte Corporate Finance LLC. It does not take into account the particular investment objectives, financial situation, or needs of individual recipients. Certain transactions, including those involving early-stage companies, give rise to substantial risk and are not suitable for all investors. This newsletter is based on information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such. Prediction of future events is inherently subject to both known risks, uncertainties and other factors that may cause actual results to vary materially. We are under no obligation to update the information contained in this newsletter. We and our affiliates and related entities, partners, principals, directors, and employees, including persons involved in the preparation or issuance of this newsletter, may from time to time have “long” and “short” positions in, and buy or sell, the securities, or derivatives (including options) thereof, of companies mentioned herein. The companies mentioned in this newsletter may be: (i) investment banking clients of Deloitte Corporate Finance LLC; or (ii) clients of Deloitte Financial Advisory Services LLP and its related entities. The decision to include any company for mention or discussion in this newsletter is wholly unrelated to any audit or other services that Deloitte Corporate Finance LLC may provide or to any audit services or any services that any of its affiliates or related entities may provide to such company. No part of this newsletter may be copied or duplicated in any form by any means or redistributed without the prior written consent of Deloitte Corporate Finance LLC.

About Deloitte Corporate Finance

Deloitte Corporate Finance LLC (DCF), a broker-dealer registered with the U.S. Securities and Exchange Commission (SEC) and member of the Financial Industry Regulatory Authority ([FINRA](#)) and the Securities Investor Protection Corporation ([SIPC](#)), is an indirect wholly-owned subsidiary of Deloitte Financial Advisory Services LLP and affiliate of Deloitte Transactions and Business Analytics LLP. Investment banking or other services that would require registration as a broker-dealer with the SEC and membership in FINRA would be provided exclusively by DCF. For more information, visit www.investmentbanking.deloitte.com. Please see www.deloitte.com/us/about for a detailed description of the legal structure of Deloitte LLP and its subsidiaries.

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (DTTL), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as Deloitte Global) does not provide services to clients. In the United States, Deloitte refers to one or more of the US member firms of DTTL, their related entities that operate using the “Deloitte” name in the United States and their respective affiliates. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see www.deloitte.com/about to learn more about our global network of member firms.