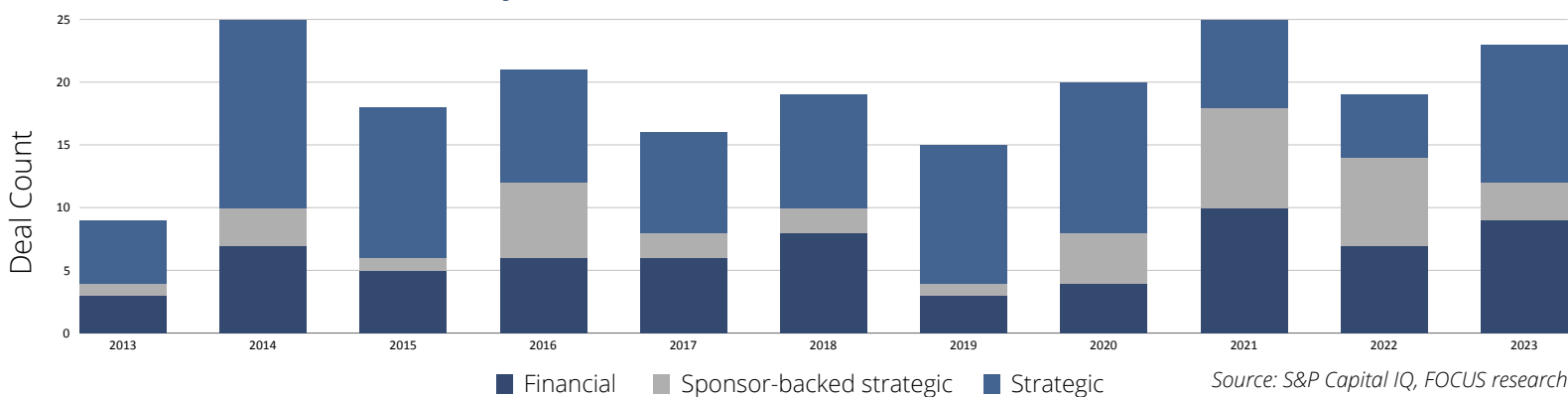




Bakery: M&A Outlook for the Bakery Market

The bakery sector is one of the most dependable performers in the Food & Beverage industry and continues to attract M&A interest from private equity firms (financial buyers) and industry competitors (strategic acquirers). Strategics are pursuing acquisitions to enter fast-growing categories and expand distribution, while financial buyers are drawn to the category's dependability and resiliency.

Bakery M&A Transactions in North America (2013 - 2023)



M&A DRIVERS

- Aging owners seeking a transition
- Operators exiting due to ongoing investments in technology, equipment, and facilities
- Large-scale bakeries pursuing M&A to drive category expansion, cost synergies, and capture adjacent customers
- Private equity seeking commercial bakeries with leading technology and presence in the growing healthier category (organic, gluten free) and the frozen and par-baked suppliers to grocery and other high-volume outlets

WHAT'S NEXT?

Investors see growth for the bakery category and are willing to pay up in price for companies with good margins and growth potential. Healthy competition for the top bakeries has increased valuations in recent years, with strong purchase price / cash flow (EBITDA) multiples for bakeries that have invested in technology and that are positioned to add new customers.



TARGET ATTRIBUTES



Differentiated products including “Better-For-You”



Value-added services and capabilities such as frozen and MAP



Diversified customer base



Proven financial performance



Multi-pronged growth strategy

GET IN TOUCH

We are always happy to have a confidential conversation or arrange an in-person visit (yes, we still do that). We can also review the bakery market, valuations, and M&A strategies that best position you to reach your goals.

Working with an experienced advisor can help prepare you for an exit and lead you through a competitive M&A process. The benefits to a seller? A disciplined process can yield the best fit in terms of securing a future for your employees as well as increasing the value in a sale.

FOOD & BEVERAGE TEAM

With over four decades of industry experience, FOCUS Investment Banking stands as a premier provider of M&A advisory services. As one of the most active M&A advisors in the middle-market, FOCUS helps clients achieve their strategic objectives whether it's building, growing, or exiting their companies.



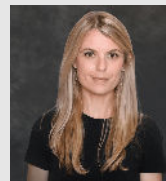
MIKE MCCRAW
Managing Director



BARRY CALOGERO
Managing Director



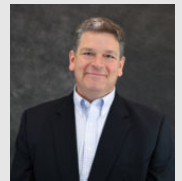
PAUL DICKSON
Managing Director



BETH JOHNSON
Associate



JIM SOWERS
Managing Director



RICK THOMAS
CEO

