



C O R P O R A T E F I N A N C E  
I N T E R N A T I O N A L



July 2024

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# Consumer Goods & Retail M&A

## Q2 2024



# Edito



**Jean-Marc Teurquetil**  
CFI Chairman  
Head of Consumer Group

We are proud and delighted to publish our first quarterly Newsletter on the Consumer Goods and Retail sector.

Over the past three years, the CFI Group has been establishing a global mid-market sector organization. A team of 16 senior professionals in 14 countries is now dedicated to this sector, providing us with exceptional visibility and intervention capacity to serve our clients.

The Consumer Goods and Retail sector is exciting and rich with great depth in all geographical areas.

Finally, on the occasion of this first Newsletter, we are proud to have successfully completed the significant transaction of delisting L'Occitane from the Hong Kong Stock Exchange with €2 billion financing.

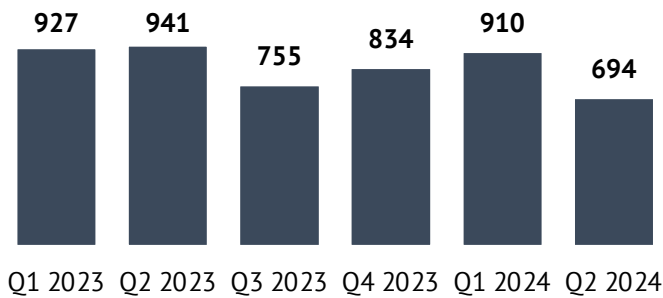
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# 1. M&A Transactions Overview

## Worldwide

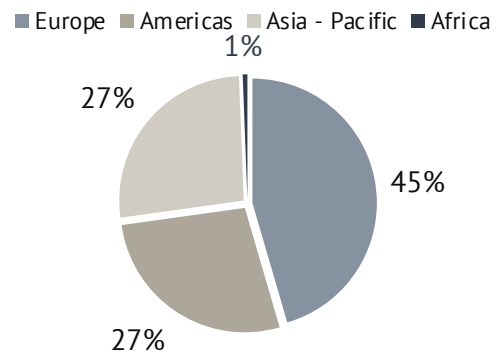


In numbers

Q2 2024 shows a significant decrease in the number of the transactions, with 649 completed compared to 755 in Q2 2023, representing a 8% drop.

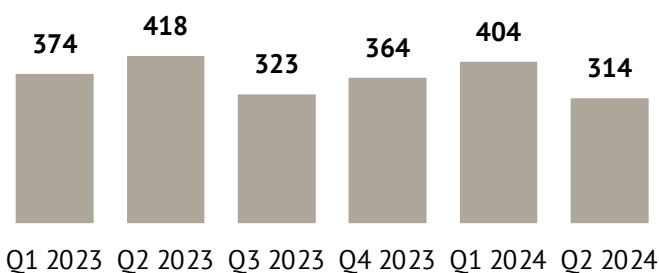
The decline over the first six months of the year is 14%.

## YTD 2024 Breakdown



Europe accounts for 45% of the total transactions compared to 27% each for Asia and the Americas.

## Europe

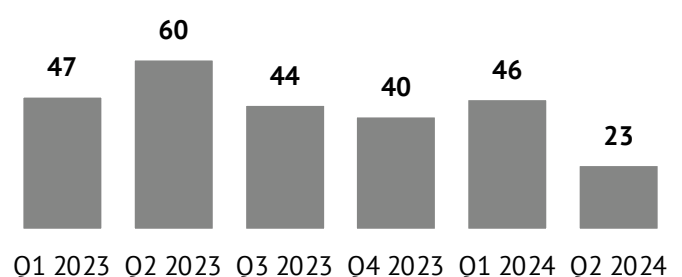


In numbers

In Europe, the number of transactions in Q2 2024 dropped by 24% compared to 2023, against a 9% decrease for the year.

This sharp decline is attributed to a deteriorating economic and political environment.

## France



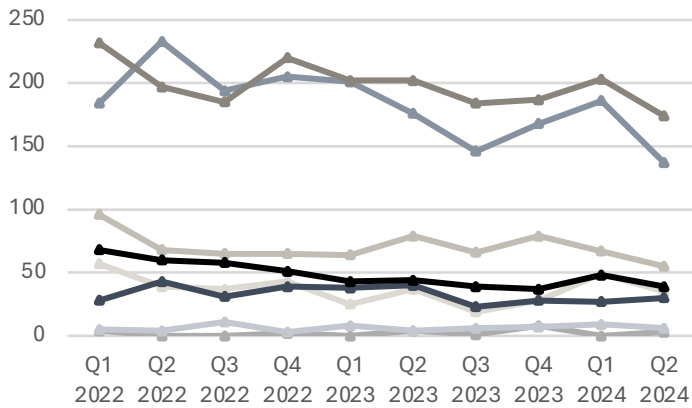
In numbers

This decline in Europe is even more pronounced in France, with a 61% drop in Q2 2024 and a 35% decrease for the year.

The political uncertainty since the European elections and the dissolution of the French National Assembly has clearly impacted investment decisions.

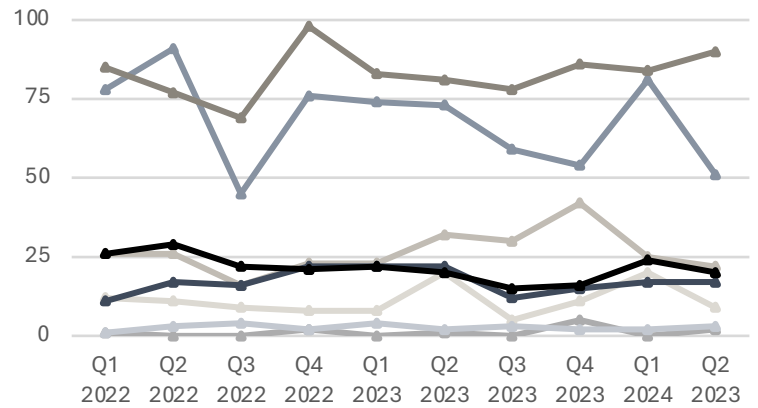
## 2. M&A Subsectors Transactions

### Worldwide



In numbers

### Europe



In numbers

- Food Brands
- Leisure
- Distribution
- Household Goods
- Textile & Apparel
- Cosmetics
- Retail Services
- Luxury Goods

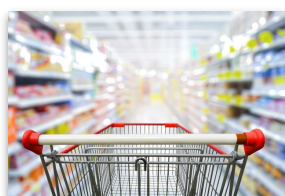
Whether on a global or European scale, the sub-sectors of Food Brands and Leisure are very dominant in terms of the number of transactions. The range of transactions is around 150-180 and 50-80, respectively. The Retail Services and Luxury Goods sectors generate the fewest transactions. In Europe, the dynamism of Food Brands is quite strong and is the only sector that has significantly increased over the past year.

#### Leisure



Entertainment  
Sport

#### Distribution



Mass retail  
Specialised retail

#### Food Brands



Restaurant chains

#### Cosmetics



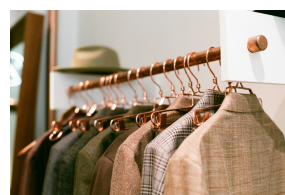
Skincare  
Bodycare  
Fragrance

#### Luxury Goods



Fashion & Jewelry  
Beauty & Personal Care

#### Textiles & Apparel



Clothing  
Footwear & Sport equipment

#### Household Goods



Home furnishing  
Household appliance

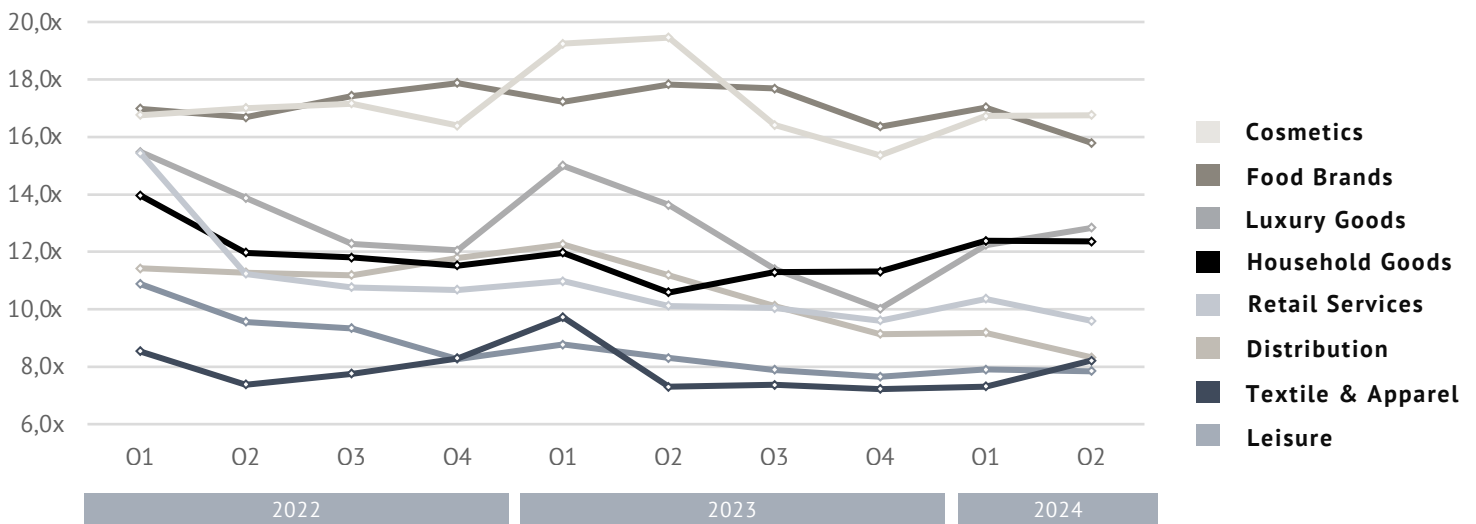
#### Retail Services



Personal services  
Good rental  
Repair services

### 3. Subsectors Valuation - Public Companies

EBITDA multiples by sub-sectors



The valuations of the Cosmetics and Food Brands sub-sectors remain high at over 16 times EBITDA, despite a decrease in the Cosmetics, which was close to 20 times a year ago. The Luxury Goods and Household Goods sub-sectors have both been recovering over the past year, reaching over 12 times EBITDA. Other sub-sectors are experiencing deteriorating valuations, hovering around 8 times EBITDA.

### Peers Public Companies

<p><b>Leisure</b></p> <p>PEARL RIVER The World's Best Selling Piano</p> <p>YAMAHA</p> <p>Compagnie des Alpes</p> <p>Roland</p> <p>HARLEY-DAVIDSON SONY POLARIS MasterCraft UNITED PARKS &amp; RESORTS</p>	<p><b>Distribution</b></p> <p>JD</p> <p>Walmart</p> <p>WH Smith</p> <p>METRO</p> <p>NORDSTROM</p> <p>ULTA BEAUTY</p> <p>Carrefour</p>	<p><b>Food Brands</b></p> <p>rbi restaurant brands international</p> <p>McDonald's</p> <p>HERBALIFE NUTRITION</p> <p>Yum!</p> <p>CHIPOTLE MEXICAN GRILL</p> <p>Starbucks</p>	<p><b>Cosmetics</b></p> <p>L'ORÉAL COTY SINCE 1904</p> <p>ESTÉE LAUDER</p> <p>Beiersdorf</p> <p>KOSÉ</p> <p>kaō</p> <p>L'OCCITANE EN PROVENCE</p> <p>SHISEIDO</p>
<p><b>Luxury Goods</b></p> <p>LVMH</p> <p>BURBERRY</p> <p>HERMÈS PARIS</p> <p>RICHEMONT</p> <p>BIRKENSTOCK</p> <p>KERING MONCLER</p> <p>PRADA</p>	<p><b>Textiles &amp; Apparel</b></p> <p>Columbia</p> <p>GAP</p> <p>crocs</p> <p>H&amp;M</p> <p>Burlington</p> <p>PANDORA</p> <p>adidas</p>	<p><b>Household Goods</b></p> <p>Haier</p> <p>Whirlpool</p> <p>P&amp;G</p> <p>Colgate</p> <p>wayfair</p> <p>Henkel</p> <p>THE HOME DEPOT</p> <p>GROUPE SEB</p>	<p><b>Retail Services</b></p> <p>Boyd GROUP</p> <p>SIXT</p> <p>AVIS</p> <p>MONRO INC.</p> <p>MONRO INC.</p> <p>Hertz</p> <p>SUNBELT RENTALS</p> <p>Herc</p> <p>A.M.A. GROUP</p>

## 4. Top CGR Deal Selection (1/2)

Date	Subsector	Deal Type	Target	Description & Investor rationale	Investor
Jun. 2024	Personal Care	De-listing		<p><b>L'OCCITANE Group raised €2 billion from Blackstone, Goldman Sachs, and Crédit Agricole CIB to delist from the Hong Kong Stock Exchange. The offer price of 34 HKD per share values L'Occitane International S.A. at approximately €6 billion. Of this €2 billion, €1.6 billion is provided as quasi-equity by Blackstone Inc. and Goldman Sachs Asset Management International, with an additional €400 million in debt from Crédit Agricole Corporate and Investment Bank (CA-CIB)</b></p>	  
Apr. 2024	Personal Care	Acquisition		<p><b>L Catterton, backed by LVMH, acquired a majority stake in Italian beauty brand Kiko Milano, valuing it at approximately €1.4 billion, including debt. This investment expands L Catterton's beauty segment portfolio while the founding Percassi family retains a significant share. Kiko Milano, with €800 million in revenue in 2023 and 1,100 stores in 66 countries, aims to reach €1.25 billion in revenue and expand to 2,000 stores by 2027</b></p>	 
Apr. 2024	Textiles & Apparel	Acquisition		<p><b>JD Sports acquired Hibbett Inc. for \$1.1 billion to boost its US expansion, increasing North American sales from 32% to 40%. The deal, funded by \$300 million in cash and a \$1 billion bank facility extension, strengthens JD Sports' US market position amid rising demand for sneakers and sportswear</b></p>	
Mar-24	Leisure	Acquisition		<p><b>The Compagnie des Alpes (CDA) announced the signing of an agreement with the shareholders of Soccer 5 France, the parent company of the Urban group (UrbanSoccer - UrbanPadel), for the acquisition of 86.5% of the capital (\$140M) of the leading 5-a-side football centers and co-leader of padel in France</b></p>	
Mar-24	Leisure	Acquisition		<p><b>MNC Capital offered \$2.9 billion to buy Vista Outdoor, challenging Vista's \$1.91 billion sale to Czechoslovak Group. The \$35 per share offer is a 17% premium over Vista's recent closing price. Vista's board is reviewing the offer but still supports the CSG deal. MNC's offer, funded by \$1.5 billion in equity and \$1.4 billion in debt, poses no national security risks</b></p>	
Mar-24	Textiles & Apparel	Acquisition		<p><b>Style Capital, a global private equity fund specializing in the lifestyle segment, acquires a majority stake in Autry International, an Italian premium sneaker company. Autry generated €110m in revenues, operating through 750 multibrand boutiques and a digital channel accounting for 20% of revenues. The transaction is valued at around €300m</b></p>	

## 4. Top CGR Deal Selection (2/2)

Date	Subsector	Deal Type	Target	Description & Investor rationale	Investor
Jun. 2024	Personal Care	De-listing	 	<p><b>Douglas is going public to raise its profile and credibility, attracting new investors.</b> The IPO funds will fuel expansion through new stores, e-commerce, and brand acquisitions. By aligning management with shareholder interests, the IPO aims to drive long-term growth for Douglas</p>	 
Apr. 2024	Personal Care	Acquisition	 	<p><b>The Home Depot announced an agreement to acquire SRS Distribution,</b> enhancing its offerings for professional customers and expanding its addressable market by \$50 billion. <b>The \$18.25 billion acquisition, funded through cash and debt,</b> leverages SRS's extensive network and capabilities to better serve trade professionals and remodelers, driving significant growth and shareholder value</p>	 
Apr. 2024	Textiles & Apparel	Acquisition	 	<p>The Japanese beauty giant Shiseido has announced that its American subsidiary has signed a definitive agreement to <b>acquire DDG Skincare Holdings for \$450M</b></p>	  <b>Bagnoli Family</b> 
Mar-24	Leisure	Acquisition	 	<p>BC Partners, a leading international investment firm, announced that it has agreed to sell Forno d'Asolo Group ("FdA Group"), the Italy-headquartered best-in-class international manufacturer and distributor of frozen bakery products, to a consortium between Investindustrial and the Bagnoli family owned Sammontana Group generated approximately <b>€500m of sales and more than €85m of EBITDA in 2023</b></p>	<b>Della Valle Family</b>   
Mar-24	Leisure	Acquisition	 	<p>L Catterton, a private equity firm backed by LVMH, has made a takeover bid for Tod's, an Italian luxury goods company. <b>The offer values Tod's at €1.4 billion (\$1.5 billion) and would delist the company from the Milan Stock Exchange.</b> L Catterton aims to invest in Tod's and support its growth</p>	 
Mar-24	Textiles & Apparel	Acquisition	 	<p>The L'OCCITANE Group has announced the acquisition of the luxury Italian home fragrance brand, Dr. Vranjes Firenze. This move contributes to the establishment of a portfolio of high-end brands with a relevant and balanced geographical distribution</p>	 



## 5. Last CFI CGR Transactions

Cosmetics

**Groupe L'OCCITANE**  
has raised capital from  
**Blackstone**  
Goldman Sachs | Asset Management

cfii capital-raise 

Leisure

EDU  NATION  
and  
 ASIA EXCHANGE  
has been acquired by  
**KEYSTONE**  
EDUCATION GROUP

cfii sell-side   

Textile & Apparel

**trofé**  
has been acquired by  
**Lotorp**  
BOLAGSGRUPPEN LOTORP AB

cfii sell-side 

Restaurant

**L'AMBROISIE**  
PARIS  
has been sold to  
 **Butler Industries**

cfii sell-side 

Leisure

 **PARIS**  
has been sold to  
 **Butler Industries**

cfii sell-side 

Retail Services

**svs**  
VISION  
has been acquired by  
 **fielmann group**

cfii sell-side  

Leisure

 **Looping**  
has acquired  
 **Aquacolors**

cfii buy-side  

Retail Services

 **The Hobbies Daycare Nursery**  
has been acquired by  
 **Happy Days**  
Where Children Shine  
a portfolio company of  
**zetland|capital**

cfii sell-side 

Leisure

 **CONEXIO**  
人をつなぐ、価値をつなぐ  
a subsidiary of  
 **ITOCHU**  
has been acquired by  
 **Nojima**

cfii sell-side 



# 6. CFI Deal of the Quarter

## Cosmetics - May 2024

## L'Occitane take private 2B€ financing

CFI France serves as advisor to the L'Occitane Group S.A. in the financing of its successful Public Tender Offer for L'Occitane International S.A., amounting to €2 billion.

**Client's Activity**

L'Occitane Group

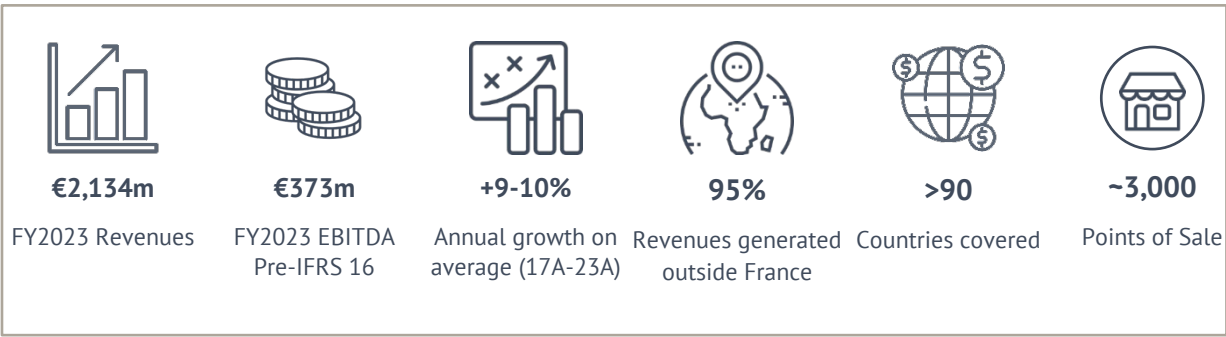
L'Occitane Group is a **global personal care group** with 8 brands offering **high-quality products, including skincare, fragrance, body & bath, haircare, gifts and travel products**

The Group operates worldwide with a strong international footprint: **95% of the total sales are generated outside France** with the Top 3 countries including China (25% of the total Sales), United States (15%), and United Kingdom (8%)

**Group's Brands**



**Financials**



**This transaction was advised by**

**Jean-Marc Teurquetil**  
Chairman





# 7. CFI CGR Team Contacts



16

Senior Investment Bankers



16

Transactions per year



70%

Sell-side M&A Advisory



14

Countries Covered



**Jean-Marc Teurquetil**  
[jmt@thecfigroup.com](mailto:jmt@thecfigroup.com)



**Jonas Brogardh**  
[jonas.brogardh@thecfigroup.com](mailto:jonas.brogardh@thecfigroup.com)



**Raj Shroff**  
[raj.shroff@thecfigroup.com](mailto:raj.shroff@thecfigroup.com)



**Emmanuel Gros**  
[emmanuel.gros@thecfigroup.com](mailto:emmanuel.gros@thecfigroup.com)



**Pasi Vainiotalo**  
[pasi.vainiotalo@thecfigroup.com](mailto:pasi.vainiotalo@thecfigroup.com)



**Carl Egerlundh**  
[carl.egerlundh@thecfigroup.com](mailto:carl.egerlundh@thecfigroup.com)



**Mikinao Ikarashi**  
[mikinao.ikarashi@thecfigroup.com](mailto:mikinao.ikarashi@thecfigroup.com)



**Feier Cheng**  
[feier.cheng@thecfigroup.com](mailto:feier.cheng@thecfigroup.com)



**Sergio Cerdán García**  
[sergio.garcia@thecfigroup.com](mailto:sergio.garcia@thecfigroup.com)



**João Santos**  
[joao.santos@thecfigroup.com](mailto:joao.santos@thecfigroup.com)



**Eduardo Vallim**  
[eduardo.vallim@thecfigroup.com](mailto:eduardo.vallim@thecfigroup.com)



**Tony Brown**  
[tony.brown@thecfigroup.com](mailto:tony.brown@thecfigroup.com)



**Samuel Forman**  
[samuel.forman@thecfigroup.com](mailto:samuel.forman@thecfigroup.com)



**Daniel Jürgenschellert**  
[daniel.juergenschellert@thecfigroup.com](mailto:daniel.juergenschellert@thecfigroup.com)



**Matt Jamison**  
[matt.jamison@thecfigroup.com](mailto:matt.jamison@thecfigroup.com)



**Jake Steslicki**  
[jake.steslicki@thecfigroup.com](mailto:jake.steslicki@thecfigroup.com)





# 8. About CFI

150 transactions/year

29 offices

250 investment bankers

## CFI Group – A specialist in Corporate Finance dedicated to mid-cap M&A

CFI is a trusted advisor, providing M&A consulting on sell-side and buy-side transactions to the worldwide middle-market. Because we understand the importance of discretion, communication and smooth transitions. Whether you want to sell your business or grow with acquisitions: we help you evolve your business onto its next stage.

## A sectorial organization



## A worldwide presence and global mid-market specialist

<b>AMERICAS</b>	<b>ASIA &amp; PACIFIC</b>
United States Brazil	Australia Japan China Singapore India Vietnam
<b>EUROPE</b>	
France United Kingdom Netherlands Belgium Italy Poland Sweden	

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