



# Swiss M&A Report – Market and valuation update

Consumer Markets



July 2024

# Content

<b>Introduction</b>	<b>3</b>
<b>Transaction environment</b>	<b>4</b>
<b>Top 10 deals since 2023</b>	<b>6</b>
<b>Consumer Markets sector overview</b>	<b>7</b>
Consumer Products: Durables and Apparel	8
Consumer Products: Food and Beverages	9
Consumer Products: Household and Personal Care	10
Education and Consumer Services	11
Hospitality and Leisure	12
Retail: Apparel	13
Retail: Food, Beverages and Drugs	14
Retail: Specialty and Other	15
<b>Why you should consider M&amp;A and how we can help you</b>	<b>17</b>
<b>Contacts</b>	<b>18</b>

## M&A sell-side

- Company sales
- Succession solutions
- Carve-outs
- Management buy-outs
- Financing solutions
- Commercial vendor assistance
- Financial vendor assistance
- SPA advice
- Tax structuring and advice
- Operational carve-outs

## M&A buy-side

- Strategic acquisitions
- Buy-and-build acquisitions
- Mergers
- Management buy-ins
- Joint ventures and strategic alliances
- Commercial due diligence
- Financial due diligence
- Legal due diligence
- Tax due diligence
- Post-merger integration

# Introduction

PwC is the leading middle-market M&A advisor trusted by more top decision-makers than any other service provider. Our clients choose us for our expertise, industry knowledge and proven ability to execute successful transactions. We are a community of experts who combine human ingenuity, experience, and technology to deliver sustained outcomes and build trust.

The 'Swiss M&A Report – Market and valuation update' gives you an overview and insights into the current Consumer Markets M&A market in Switzerland. You will find information on the overall transaction environment as well as current valuation levels of eight selected subsectors covering the entire Consumer Markets industry.

PwC offers holistic M&A advisory services covering all aspects before, during and after a transaction. As your financial advisor, we coordinate and advise you along the entire transaction process, and we can support you on specific inquiries or individual parts of the transaction. With our wider Deals practice, we can support you on any transaction-related matter.

#1

M&A mid-market advisor

>25

completed transactions in 2023 in Switzerland

>600

completed transactions globally

## Who we are...



...the **leading M&A advisor** for mid-sized transactions in Switzerland and globally.



...your **ideal partner** for all matters before, during and after a transaction.



...a very experienced **M&A team** **focused** on the **Consumer Markets** advising on local and cross-border deals supported by our **global network**.

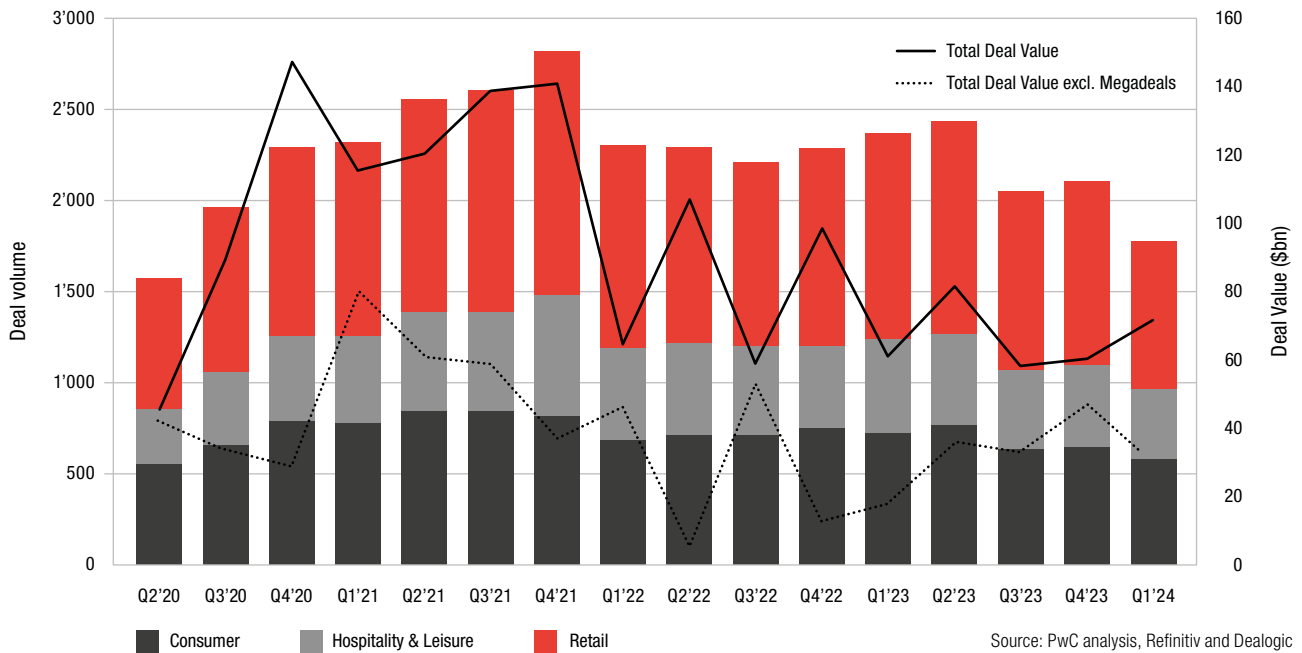


...**one-stop shop** offering additionally all other transaction-related services, e.g. legal and tax advice or due diligence and valuation services.

# Transaction environment

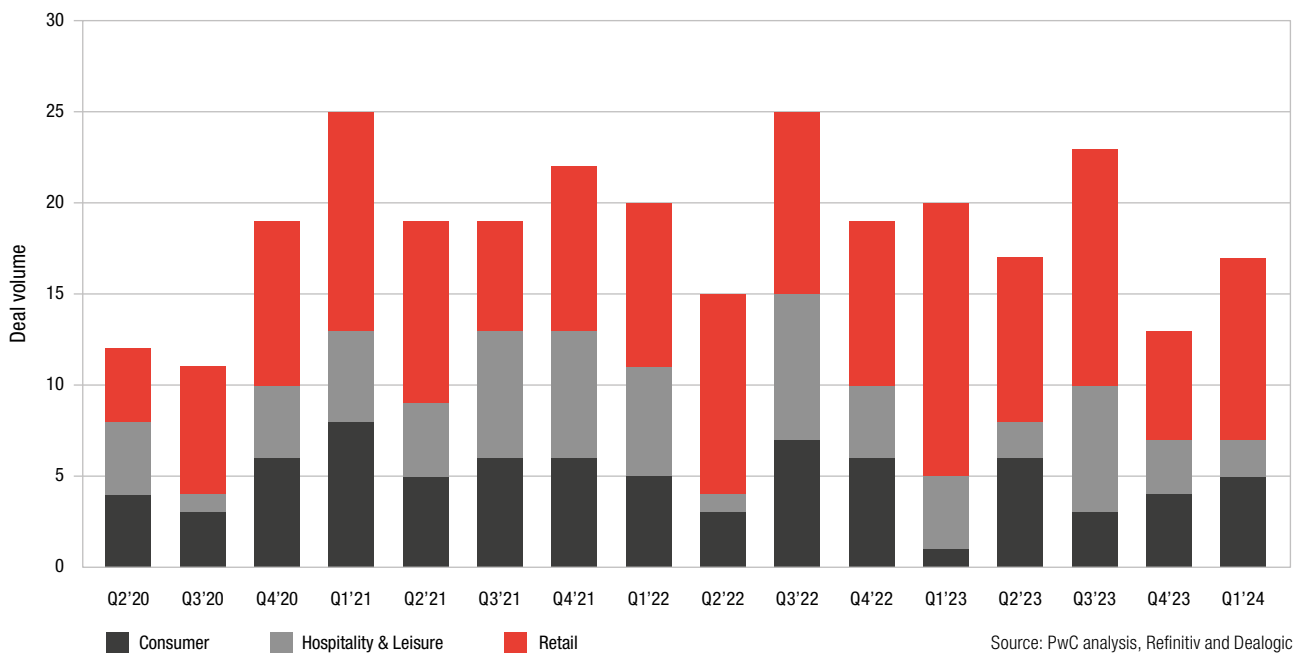
## Global Consumer Markets deal volumes and values, 2020–2024

In Consumer Markets, M&A activity between 2022 and 2023 saw a 1% decrease in volume and a 21% drop in value, reflecting the broader M&A market downturn.



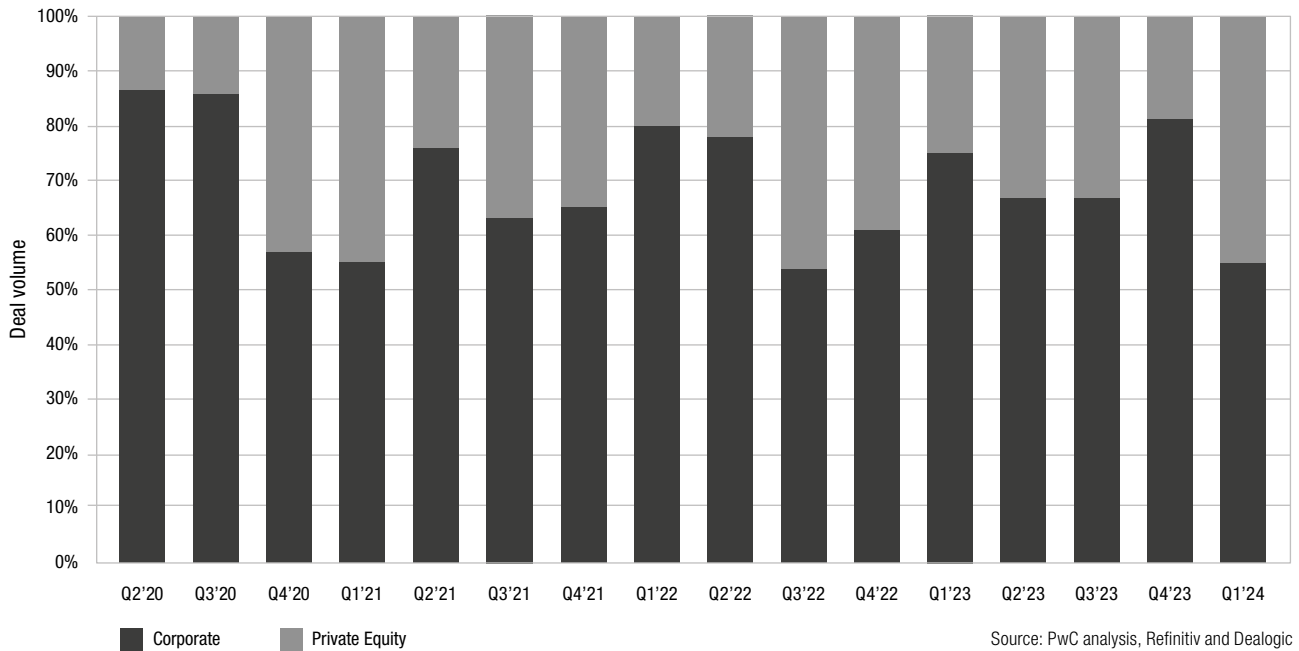
## Swiss Consumer Markets deal volumes, 2020–2024

In Switzerland, deal flow in the Consumer Markets sector has continued to slightly decline in Q1 2024 compared to the same period last year, marking the weakest start to the year in recent history.



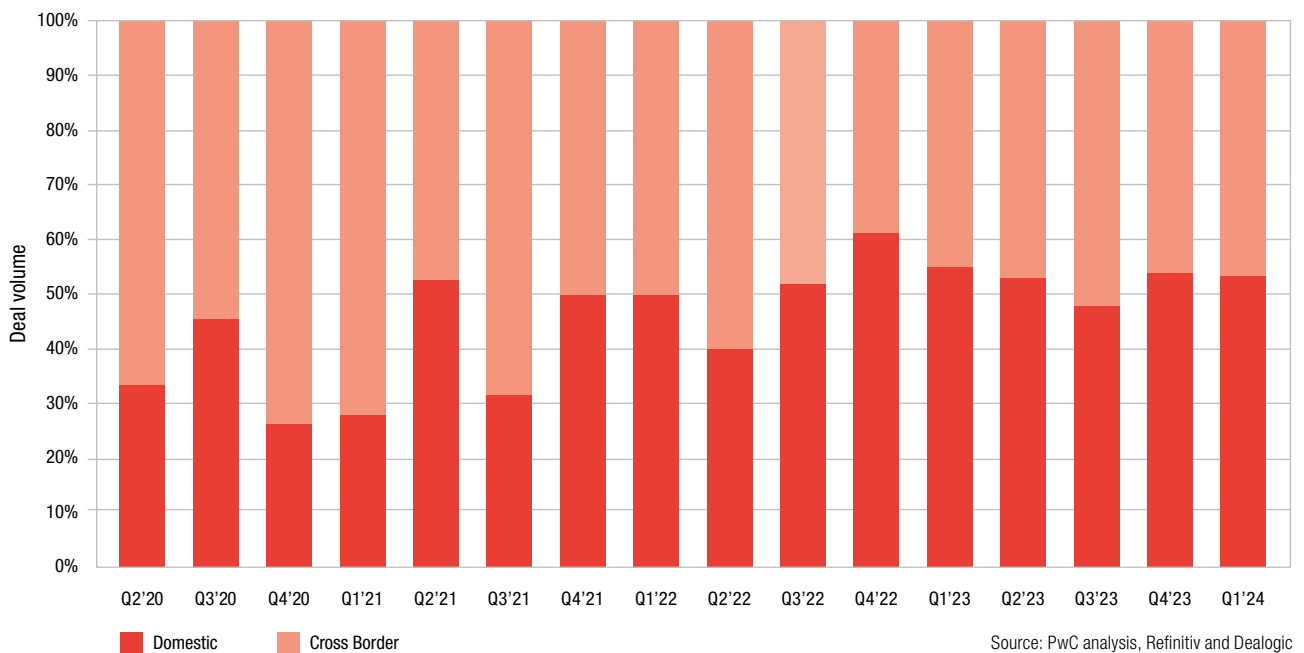
## Corporate vs. private equity activity in the Swiss Consumer Markets industry, 2020–2024

While Q1 2024 saw a relatively balanced activity level, corporate buyers have been considerably more active than private equity investors in recent years.



## Cross border vs. domestic deals in the Swiss Consumer Markets industry, 2020–2024

The historically high share of cross-border deals illustrates the attractiveness of Swiss Consumer Markets assets, while the currently lower share may be attributed to reduced global deal activity.



# Top 10 deals since 2023

## Targets with Swiss HQ by deal value

Announced date	Target	Industry	Transaction type (stake)	Buyer	Seller	Deal value (in USD m)
29.04.2024	L'Occitane International SA <sup>1</sup>	Consumer Products: Household and Personal Care	Public offer (27.62%)	L'Occitane Groupe SA	n.a.	1'776
03.02.2023	Zur Rose (Switzerland-based business)	Retail: Food, Beverages and Drugs	Sale (100%)	Migros-Genossenschafts-Bund; Medbase AG	DocMorris AG	392
30.03.2023	MediService AG	Retail: Food, Beverages and Drugs	Sale (51%)	Redcare Pharmacy NV	Galenica AG	162
30.11.2023	Ski resort and hotels (Crans-Montana Mountain Resort)	Hospitality and Leisure	Sale (100%)	Vail Resorts Inc	CPI Property Group SA	136
12.12.2023	Universal Geneve SA	Consumer: Durables and Apparel	Sale (100%)	Breitling SA	Stelux Holdings International Ltd	68
06.07.2023	Holy Cow! Gourmet Burger Co	Hospitality and Leisure	Sale (76%)	NoHo Partners Oyj, Intera Equity Partners Oy, Better Burger Society	n.a.	26
10.06.2023	Swiss E-Mobility Group (Schweiz) AG	Retail: Specialty and Other	Sale (25%)	TVS Motor Co Ltd; TVS Motor Co (Singapore) Pte Ltd	n.a.	22
31.05.2024	Lalique Group SA <sup>2</sup>	Consumer Products: Household and personal care	Public offer (5.86%)	Silvio Denz, Erwin Mueller, Claudio Denz, Dharampal Satyapal Ltd, Hansjoerg Wyss Revocable Trust	n.a.	20
24.08.2023	Bucherer AG	Retail: Specialty and Other	Sale (100%)	Rolex SA	Jürg Bucherer	n.a.
25.08.2023	Romer's Hausbaeckerei AG	Consumer Products: Food and Beverages	Sale (100%)	IDAK Holding AG	Family Romer	n.a.

Source: PwC analysis, Mergermarket, S&P Capital IQ, S&P Capital IQ Pro

Notes: Overview only includes selected deals where the target was headquartered in Switzerland; <sup>1</sup> Public offer of HKD 34 per share of L'Occitane International SA; <sup>2</sup> Public offer of CHF 40 per share of Lalique Group.

# Consumer Markets sector overview

## Overview of operational key performance indicators

	Sales growth FY22	Sales growth FY23	EBITDA margin FY22	EBITDA margin FY23
Consumer Products: Durables and Apparel	9.2%	-0.5%	11.2%	11.2%
Consumer Products: Food and Beverages	14.3%	5.7%	10.3%	10.8%
Consumer Products: Household and Personal Care	9.6%	7.3%	16.0%	16.4%
Education and Consumer Services	11.9%	7.3%	13.8%	14.5%
Hospitality and Leisure	36.3%	13.0%	18.0%	18.6%
Retail: Apparel	6.0%	-2.5%	9.6%	8.8%
Retail: Food, Beverages and Drugs	11.4%	4.5%	5.6%	5.4%
Retail: Specialty and Other	8.6%	3.1%	8.4%	7.4%

## Overview of revenue, EBITDA, and EBIT trading multiples

	EV/Revenue LTM	EV/Revenue 5y average	EV/EBITDA LTM	EV/EBITDA 5y average	EV/EBIT LTM	EV/EBIT 5y average
Consumer Products: Durables and Apparel	1.0x	1.3x	8.2x	10.0x	13.7x	16.6x
Consumer Products: Food and Beverages	1.2x	1.5x	9.7x	12.0x	14.5x	17.9x
Consumer Products: Household and Personal Care	2.1x	2.4x	11.5x	14.1x	16.1x	18.0x
Education and Consumer Services	1.9x	2.1x	9.2x	10.2x	15.1x	16.6x
Hospitality and Leisure	2.2x	3.2x	9.1x	14.2x	15.6x	23.0x
Retail: Apparel	0.8x	0.9x	5.7x	6.3x	13.7x	17.5x
Retail: Food, Beverages and Drugs	0.6x	0.7x	7.9x	9.4x	12.8x	16.2x
Retail: Specialty and Other	0.8x	0.9x	7.9x	9.0x	13.2x	14.8x

Source: PwC analysis, S&P Capital IQ, S&P Capital IQ Pro

Notes: Effective market date of 31 May 2024

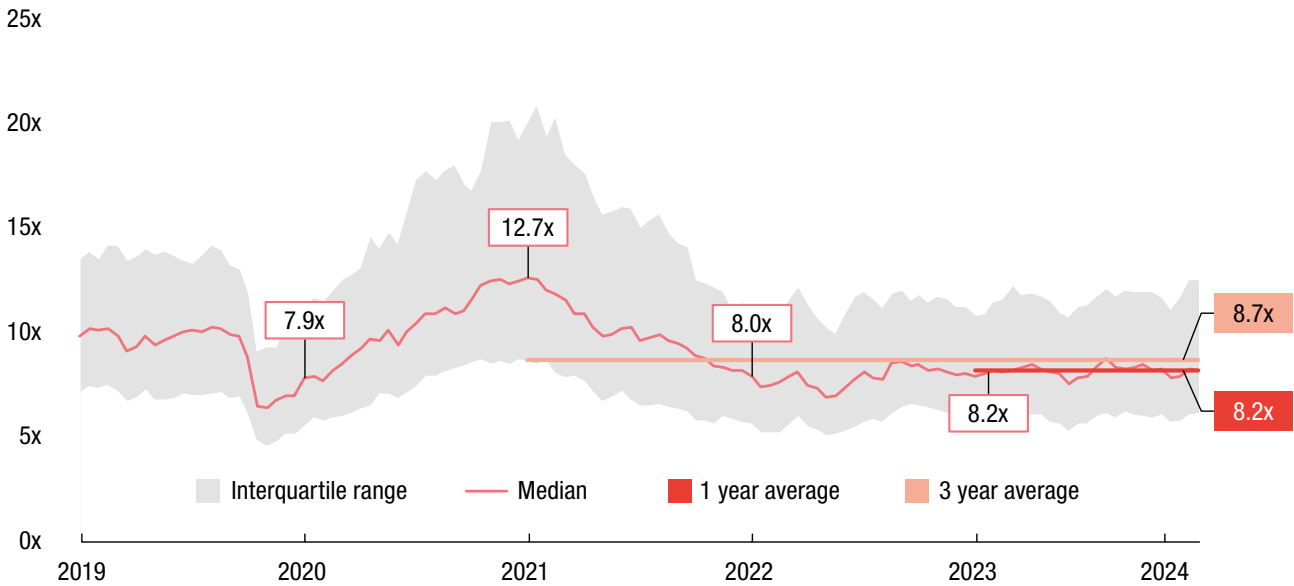


## Consumer Products: Durables and Apparel

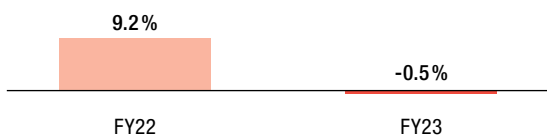


	EV/Revenue	EV/EBITDA	EV/EBIT
LTM	1.0x	8.2x	13.7x
5-year average	1.3x	10.0x	16.6x

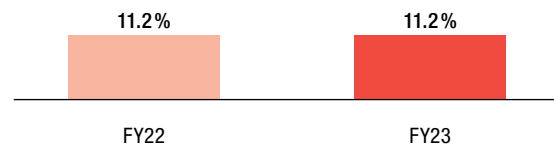
### EV/EBITDA LTM – Trading over time



### Sales growth



### EBITDA margin



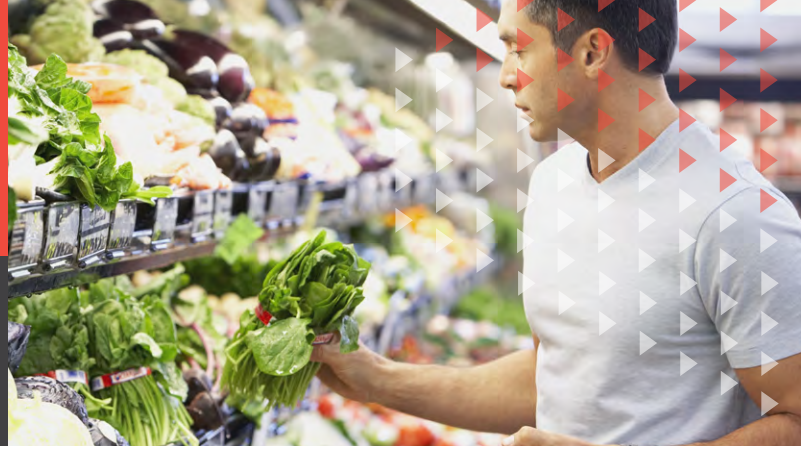
### Selected examples of the peer group





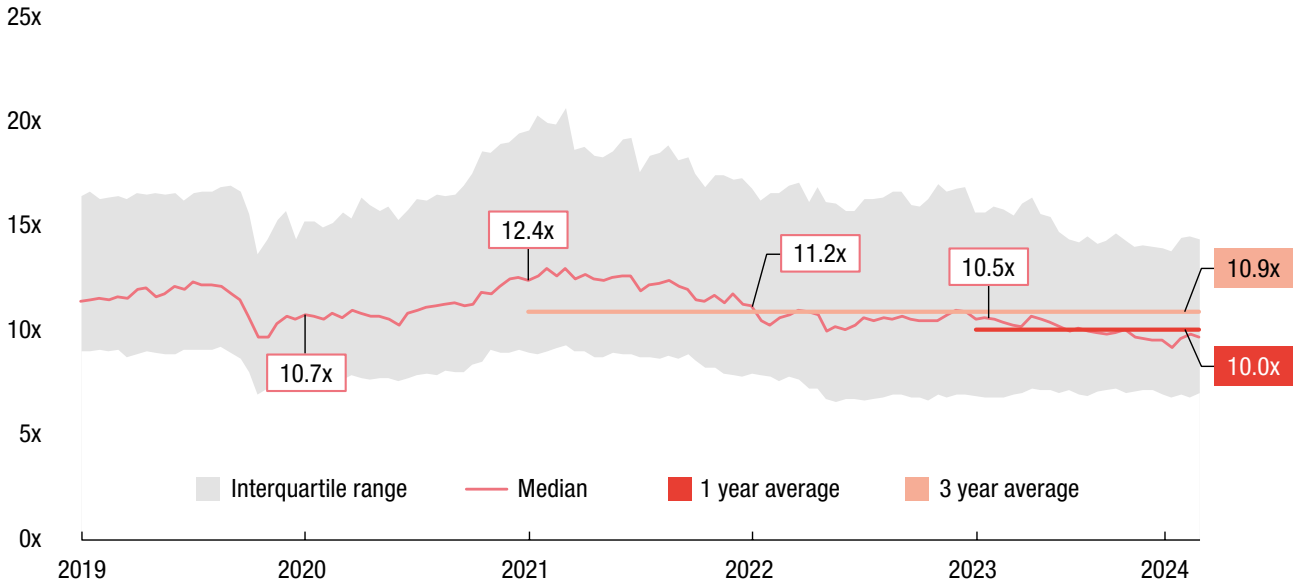


## Consumer Products: Food and Beverages

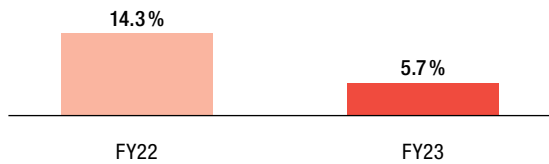


	EV/Revenue	EV/EBITDA	EV/EBIT
LTM	1.2x	9.7x	14.5x
5-year average	1.5x	12.0x	17.9x

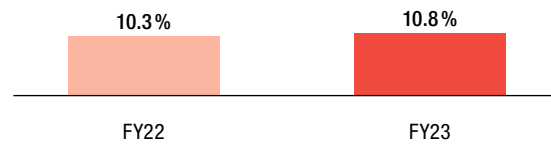
### EV/EBITDA LTM – Trading over time



### Sales growth



### EBITDA margin



### Selected examples of the peer group



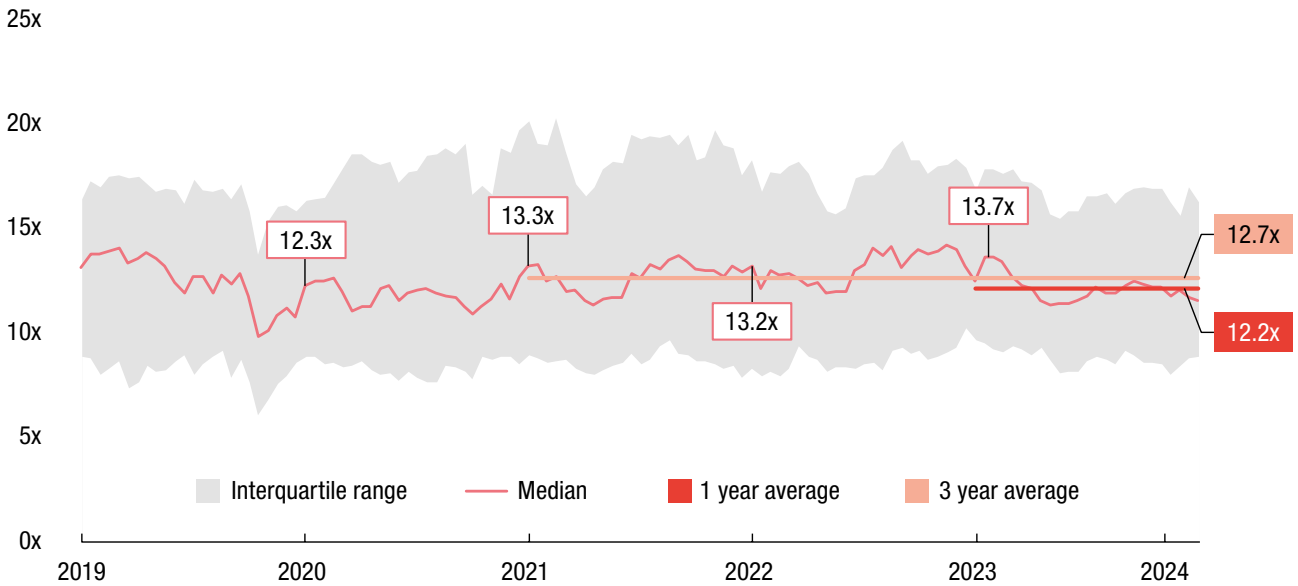


## Consumer Products: Household and Personal Care

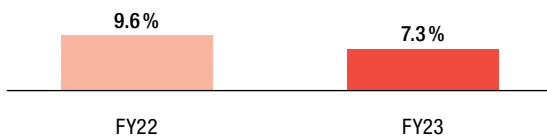
	EV/Revenue	EV/EBITDA	EV/EBIT
LTM	2.1x	11.5x	16.1x
5-year average	2.4x	14.1x	18.0x



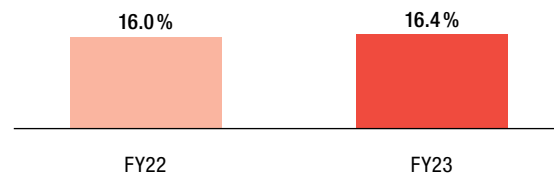
### EV/EBITDA LTM – Trading over time



### Sales growth



### EBITDA margin



### Selected examples of the peer group



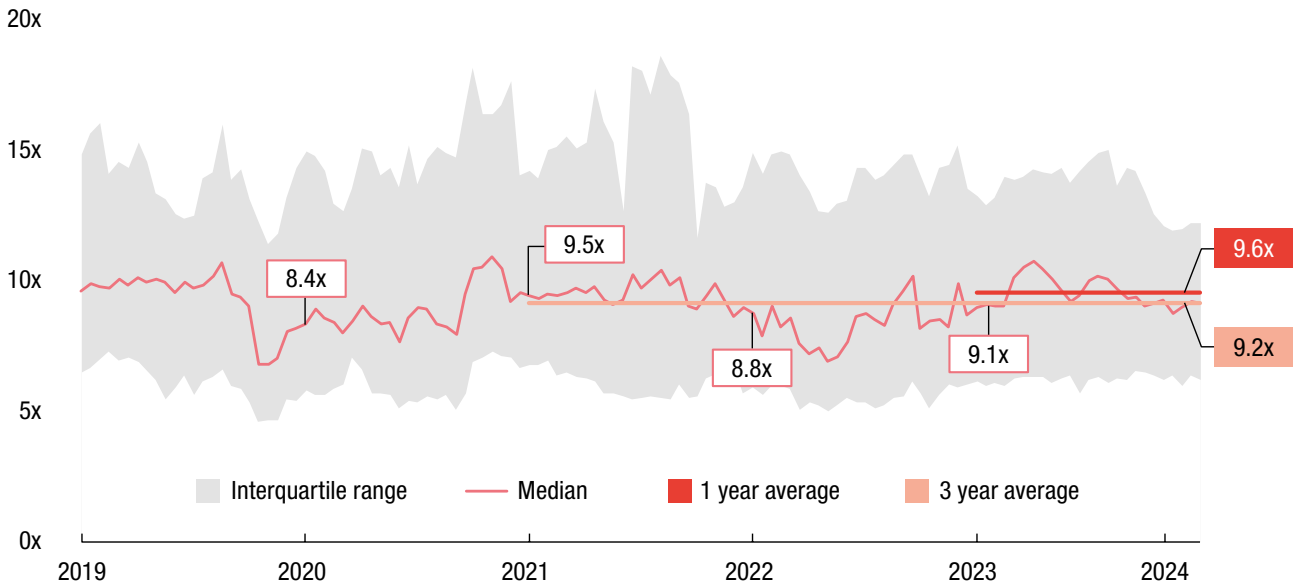


## Education and Consumer Services

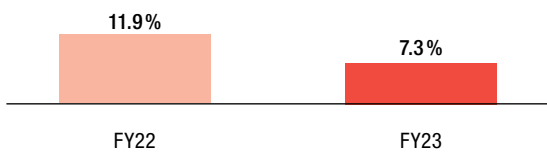


	EV/Revenue	EV/EBITDA	EV/EBIT
LTM	1.9x	9.2x	15.1x
5-year average	2.1x	10.2x	16.6x

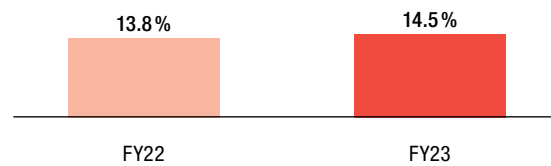
### EV/EBITDA LTM – Trading over time



### Sales growth



### EBITDA margin



### Selected examples of the peer group



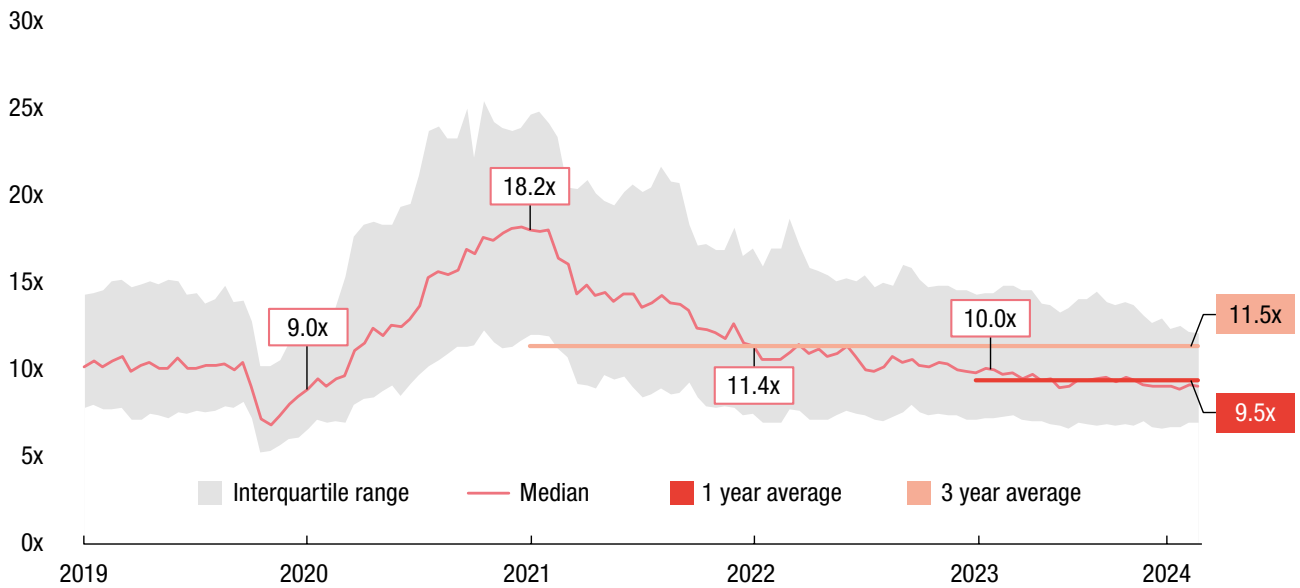


## Hospitality and Leisure

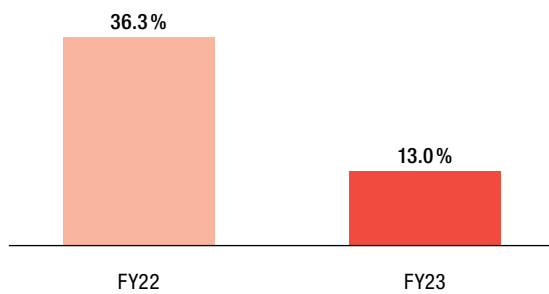


	EV/Revenue	EV/EBITDA	EV/EBIT
LTM	2.2x	9.1x	15.6x
5-year average	3.2x	14.2x	23.0x

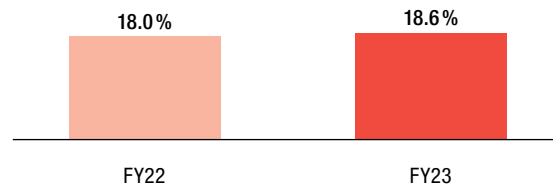
### EV/EBITDA LTM – Trading over time



### Sales growth



### EBITDA margin



### Selected examples of the peer group



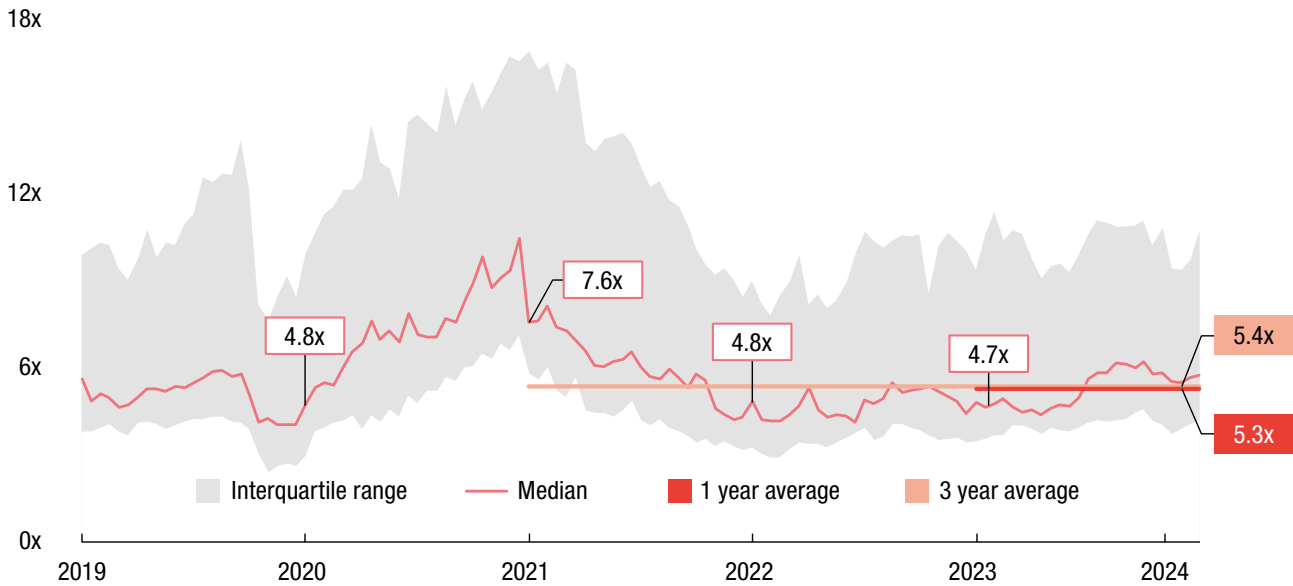


## Retail: Apparel

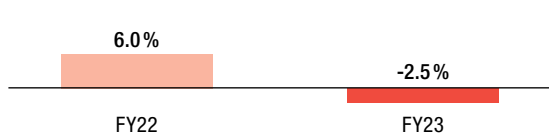


	EV/Revenue	EV/EBITDA	EV/EBIT
LTM	0.8x	5.7x	13.7x
5-year average	0.9x	6.3x	17.5x

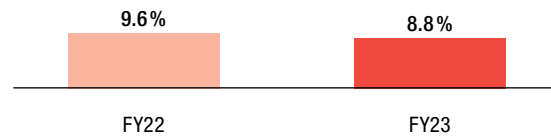
### EV/EBITDA LTM – Trading over time



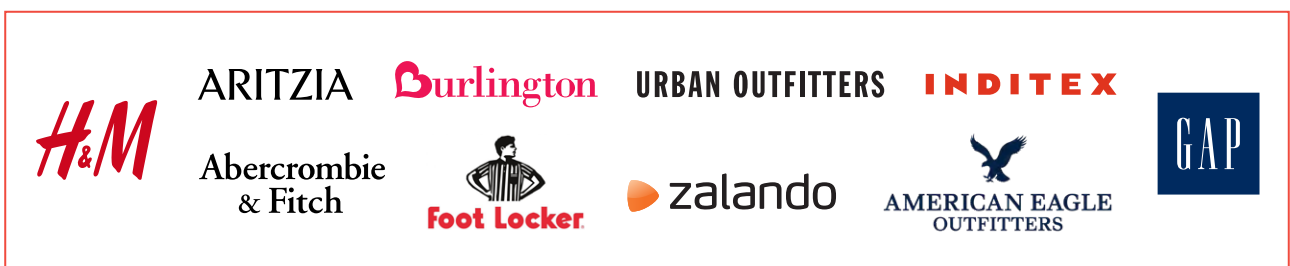
### Sales growth



### EBITDA margin



### Selected examples of the peer group



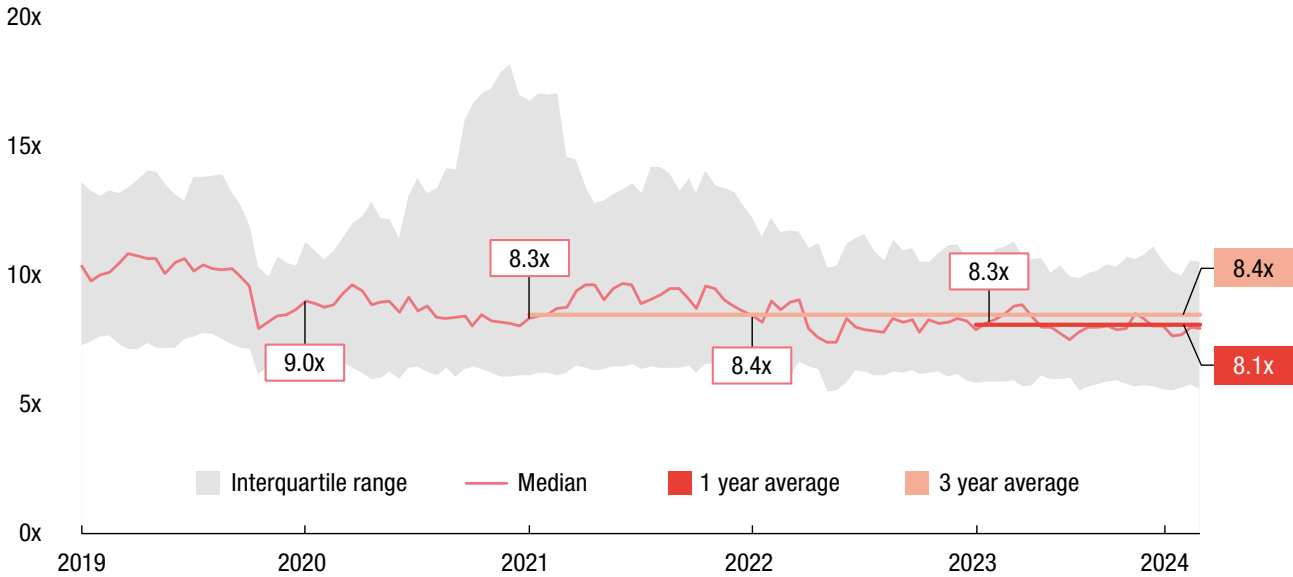


## Retail: Food, Beverages and Drugs

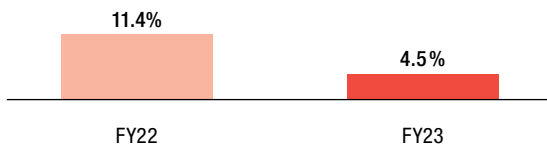


	EV/Revenue	EV/EBITDA	EV/EBIT
LTM	0.6x	7.9x	12.8x
5-year average	0.7x	9.4x	16.2x

### EV/EBITDA LTM – Trading over time



### Sales growth



### EBITDA margin



### Selected examples of the peer group



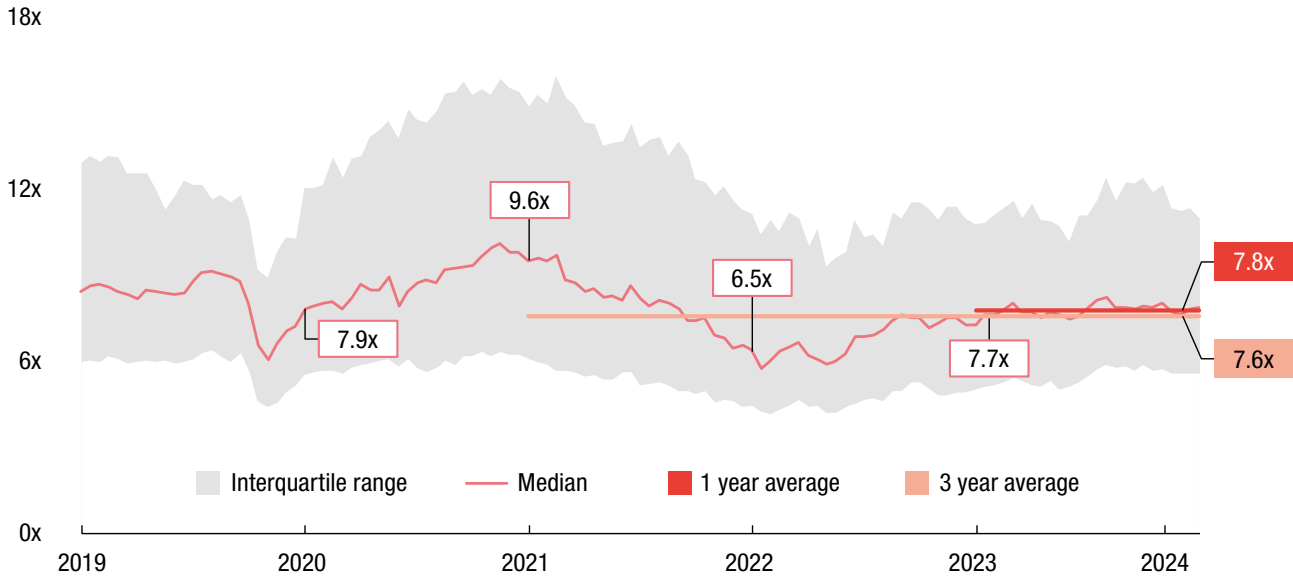


## Retail: Specialty and Other



	EV/Revenue	EV/EBITDA	EV/EBIT
LTM	0.8x	7.9x	13.2x
5-year average	0.9x	9.0x	14.8x

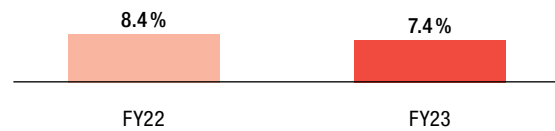
### EV/EBITDA LTM – Trading over time



### Sales growth



### EBITDA margin



### Selected examples of the peer group





“

**In response to inflation, consumers are buying less across most categories, leading companies to focus more on profitability. This is also reflected in the M&A strategies of consumer companies, with an increase in consolidation deals that aim for cost savings and improved margins and value creation through selling off non-essential assets to streamline and invest in their core business for better efficiency and growth.**

**Lasse Stünitz**  
Partner, Deals



# Why you should consider M&A and how we can help you



## Continuous disruption

According to creative destruction theory, businesses that do not keep up with current innovations and remain stuck in their status quo risk falling behind the competition and, ultimately, becoming obsolete. History has shown this to be true, including in the Consumer Markets sector.

Globalisation, e-commerce, social media, data analytics, artificial intelligence, augmented reality, user-generated content, personalisation, changing consumer preferences and behaviours, sharing economy, experience-driven consumption, health-conscious consumers, alternative proteins, sustainability and ethical consumption, regulatory changes and compliance requirements, privacy and data protection.

## How does your business stay relevant?



### ... its threats

Declining revenues, profitability pressures, new projects, lack of innovation, status quo, financial stress, critical mass, non-core assets, ongoing consolidation, intensifying competition, large platforms/one-stop shops, skills shortage, lack of motivation, increasing regulatory requirements, changing consumer behaviour, globalisation, ESG



### ... its opportunities

Product innovations, new markets, customers diversification, market share, improved market position, synergies, economies of scale, consolidation, exit, succession, expansion, bilateral offer, multiple arbitrage, portfolio diversification, technological leadership, buy and build, new partner for growth, joint venture, enhanced bargaining power, financial stress/needs

We are convinced that M&A can help your business to stay relevant for a long time, secure or monetise your

life's work and protect you from the risks resulting from the ever-increasing pressure to innovate.

## Professional M&A advice mitigates the stumbling blocks to M&A transactions



### ... and actions to succeed

Auction process, exit strategy, re-investment, tax optimisation, due diligence, integration, normalised earnings, adjusted EBITDA, small cap discount, illiquidity discount, control premium, equity story, sale preparation, acquisition strategy, SPA, information memorandum, management presentation, value drivers, value creation, net working capital target, net debt, equity value, enterprise value, multiple analysis, net present value, skilful negotiations

The market value, if professionally considered, depends on multiple factors and needs careful analysis. It is critical to define and pursue well-defined transaction goals to realise a successful and rewarding transaction.

With our highly experienced team, we can help you benefit from the numerous advantages of M&A transactions and mitigate the respective risks, whether objectives be strategic, financial or personal. The transaction process can be a bumpy ride – but with professional preparation and collaboration throughout the process, it can be the successful end of one chapter and the beginning of a new chapter that opens many new opportunities – and not only in the field of M&A!

The value of businesses is not just the EBITDA multiple times EBITDA – although this can be a good proxy.

# Contacts



**Sascha Beer**

Partner,  
Deals  
sascha.beer@pwc.ch  
+41 58 792 15 39



**Lasse Stünitz**

Partner,  
Deals  
lasse.stuenitz@pwc.ch  
+41 58 792 49 28



**Andreas Schmuckli**

Senior Manager,  
Deals  
andreas.schmuckli@pwc.ch  
+41 58 792 29 76



**Simon Malin**

Partner,  
Deals  
simon.malin@pwc.ch  
+41 58 792 15 20



**Frank Minder**

Partner,  
Deals  
frank.minder@pwc.ch  
+41 58 792 14 57



**Alain Oberhuber**

Director,  
Deals  
alain.oberhuber@pwc.ch  
+41 58 792 28 23



**Viola Hertkorn**

Senior Associate,  
Deals  
viola.hertkorn@pwc.ch  
+41 58 792 44 00



**Kay Probst**

Senior Associate,  
Deals  
kay.probst@pwc.ch  
+41 58 792 21 98



**Adrian Brügger**

Senior Associate,  
Deals  
adrian.bruegger@pwc.ch  
+41 58 792 42 13



For more information  
please visit our site



“

**To remain relevant in the dynamic Consumer Markets industry, companies must swiftly adapt to the changing economic environment, evolving consumer behaviours, the rise of new technologies and the growing importance of sustainability. M&A presents a pivotal tool to address these challenges, enabling companies to enhance scale, acquire missing capabilities, and transform their business models.**

**Andreas Schmuckli**  
Senior Manager, Deals

