



PEAPACK PRIVATE

Investment Banking

Industry Perspectives

Commercial Bakery Industry | Fall 2025



Industry Overview

The U.S. commercial bakery industry is a steadily expanding market currently valued at approximately \$38 billion, with expected continued growth due to evolving consumer preferences and industry consolidation

Stable Demand

- Baked goods remain a consistent staple in global diets
- Steady consumption trends of baked goods across retail and foodservice channels
- Ongoing investor and buyer interest supported by resilient demand

Health & Premium

- Rising demand for artisanal, clean-label, and better-for-you premium products
- Shaping of product portfolios to align with consumer preferences
- Premium categories often deliver higher margins and stronger consumer-brand loyalty



Key Operations

- Rising input costs, labor pressures, and supply chain complexities remain key challenges for management
- Improving efficiencies and protecting margin positions operators for growth and enhances acquisition appeal

Fragmented Market

- Highly fragmented industry, especially in specialty and regional categories
- Cross-category and regional brand consolidation are emerging trends for private equity investors
- Significant opportunities for consolidation to expand scale

Select New Private Equity Platforms

Private equity firms are launching new scalable platforms in commercial baking to aggregate regional and specialty bakers, modernize production, and capture fragmented market opportunities



Jun-2025



ARTISAN BAKERY

New platform via merger between Snackwerks and Specialty Bakers – no add-ons completed yet



Jun-2025



Acquisition marks Swander Pace Capital's 8th platform and 15th investment in the bakery sector



Apr-2025



Pacific Fin is Gold Coast's second PE owner (previously owned by Peak Rock Capital)



Mar-2025



As OneEquity's first investment in the commercial bakery space, CraftMark presents opportunity for growth potential in the attractive foodservice and in-store bakery segments



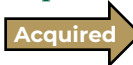
Nov-2024



ICV's first commercial bakery platform that they aim to grow into a national brand



Sep-2024



Platinum Equity and Butterfly acquired Rise Baking and its industry-leading product portfolio from Olympus Partners



Jun-2024



Stellex has realized several other investments in retail baked goods manufacturers

Source: PitchBook as of 9/15/2025

Securities offered through our affiliated broker dealer, PGB Securities LLC., member FINRA/SIPC.

Select Private Equity Add-On Activity

Private equity is accelerating consolidation in the commercial bakery sector, building scalable platforms through add-on acquisitions, driving efficiencies, and positioning companies for long-term growth



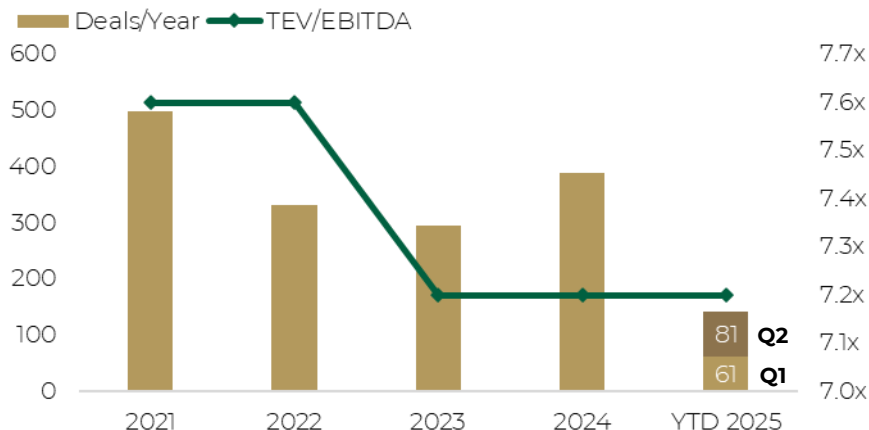
Source: PitchBook as of 9/15/2025. Select add-on logos only for illustrative purposes

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Q2 2025 Middle Market M&A Overview

Middle market M&A activity strengthened in Q2, with contributing private equity firms reporting on 81 completed deals—up nearly 33% from Q1's 61; larger transactions above \$250 million TEV held firm at 8.0x EBITDA

Average Multiples and Deal Volume



TEV / EBITDA – All Industries⁽¹⁾

| TEV (\$M) | 2021 | 2022 | 2023 | 2024 | YTD 2025 | Total | N = |
|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------|
| 10-25 | 6.1x | 6.4x | 6.0x | 6.4x | 6.3x | 5.9x | 2,054 |
| 25-50 | 7.2x | 7.0x | 7.0x | 6.8x | 6.9x | 6.7x | 1,653 |
| 50-100 | 8.3x | 8.5x | 8.0x | 8.1x | 8.0x | 7.7x | 1,143 |
| 100-250 | 9.3x | 9.1x | 9.6x | 8.5x | 10.0x | 8.5x | 648 |
| 250-500 | 10.9x | 10.1x | 10.7x | 9.8x | 8.0x | 9.9x | 100 |
| Total | 7.6x | 7.6x | 7.2x | 7.2x | 7.2x | 6.9x | - |
| N = | 500 | 333 | 295 | 388 | 142 | - | 5,598 |

TEV / EBITDA – By Industry Category⁽¹⁾⁽²⁾

| Industry Category | 2021 | 2022 | 2023 | 2024 | YTD 2025 | Total | N = |
|----------------------|-------|------|-------|------|----------|-------|--------------|
| Manufacturing | 7.1x | 7.3x | 6.5x | 6.9x | 6.5x | 6.4x | 2,181 |
| Business Services | 7.3x | 7.4x | 7.3x | 7.2x | 7.5x | 7.0x | 1,299 |
| Health Care Services | 8.1x | 8.4x | 8.9x | 7.7x | 8.3x | 7.7x | 486 |
| Retail | 8.3x | 8.0x | 6.0x | 7.4x | 7.8x | 7.1x | 146 |
| Distribution | 7.2x | 7.2x | 7.1x | 6.9x | 7.0x | 6.8x | 599 |
| Media & Telecom | 7.0x | 9.1x | 7.8x | 6.7x | NA | 7.5x | 84 |
| Technology | 10.3x | 8.1x | 10.2x | 8.1x | 5.8x | 8.5x | 189 |
| Other | 7.3x | 6.7x | 6.9x | 7.0x | 7.2x | 6.5x | 518 |
| Total | | | | | | | 5,502 |

Source: GF Data
(1) N denotes number of transactions

Quality Premium – Buyouts Only

| | 2021 | 2022 | 2023 | 2024 | YTD 2025 | Total |
|--------------------------|------|------|------|------|----------|-------|
| Above Average Financials | 8.2x | 7.9x | 8.2x | 7.7x | 7.3x | 7.2x |
| Other Buyouts | 6.5x | 6.6x | 6.4x | 6.7x | 7.0x | 6.3x |
| Premium / (Discount) | 27% | 20% | 28% | 15% | 5% | 14% |
| Incidence ⁽³⁾ | 63% | 66% | 48% | 39% | 50% | 55% |

(2) Data includes deals with Total Enterprise Values between \$10 - \$250 million
(3) Percentage of buyout deals where above-average financial performers were present

Notable Transactions – Commercial Bakeries

Recent bakery transactions highlight strong investor appetite for scale and differentiated brands, underscoring the sector's resilience and growth potential



Source: Capital IQ

Securities offered through our affiliated broker dealer, PGB Securities LLC., member FINRA/SIPC.

Peapack Private's Industry Transaction Experience

Peapack Private has extensive experience advising on transactions across the food industry, delivering tailored solutions that maximize value for clients in a dynamic and competitive sector

**FORTUNE
INTERNATIONAL**

acquired



Deal Profile

Advisor to Seller

Transaction Highlights

- Engaged by the founder and owner of D'Artagnan to explore a potential sale of the business
- Successfully closed the sale of D'Artagnan to Fortune International, a national distributor of food products, and portfolio company of Investcorp, a \$35B international alternative investment firm
- Ultimately, through a competitive process, increased the purchase price by double digits over initial offers
 - Employed a creative and favorable deal structure that provided a tax-efficient transfer of value while preserving the brand equity created over 35 years

**Highview
CAPITAL**

acquired



Deal Profile

Advisor to Seller

Transaction Highlights

- Engaged by Randall Farms to help facilitate an exit plan and find an investor capable of successfully leading the Company through its next stage of development
- Despite the burden and complications of COVID, quickly closed (LOI to close in under 75 days) the sale of Randall to Highview Capital
- Overall, increased the valuation over the pre-emptive bid by 3.0x
 - 95% of the purchase price was paid to the owners at closing and all employees were retained

KINGS
WHERE INSPIRATION STRIKES

BALDUCCI'S
FOOD LOVER'S MARKET™

awarded stalking horse bid to

TLI Bedrock

Deal Profile

Advisor to Stalking Horse

Transaction Highlights

- Engaged by a prominent family office, TLI Bedrock, interested in pursuing the potential acquisition of King's and Balducci's
- Client received the opportunity to pursue the acquisition through the 363 bankruptcy process as the stalking horse bidder
- Assisted client in preparing for the auction by conducting investment return scenario analysis, finalized financing sources, and coordinated with legal counsel to deliver court mandated documents
- Ultimately, client walked away from the process, settling for the stalking horse bid protection fee

About Peapack Private Bank & Trust

Peapack Private Bank & Trust (NASDAQ:PGC) is a 104-year-old boutique commercial bank with total assets of \$7.2 billion and AUM of \$12.3 billion as of 6/30/2025. Business segments include Commercial Banking, Wealth Management, Investment Banking, Commercial Real Estate, Peapack Capital (Equipment Finance), and Retail Banking

Industry Sector Coverage

| | | | |
|---|---|--|--|
| Business Services  | Information Technology  | Industrials  | Materials  |
| Food and Beverage  | Consumer  | Healthcare  | Building Products  |

What Makes Us Different

- ✓ Middle Market Experts
- ✓ Senior-Level Attention
- ✓ Independent, Objective Advice
- ✓ Unparalleled Resources
- ✓ Customized Solutions
- ✓ Honorable Business Practices
- ✓ One Team

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Our Capabilities

Mergers & Acquisitions



Corporate Finance Advisory



Capital Formation



Structured Finance Solutions

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