

Dutch Food Monitor 2020: market trends and an overview of the best performing companies

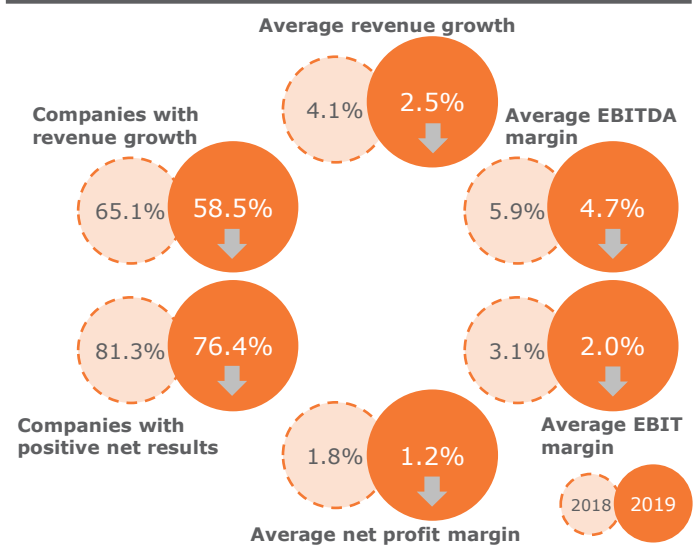
Best performing companies

This document reflects on the growth and profit margin trends in the Dutch food sector and identifies the fastest growing and most profitable companies in the sector. The research is based on publicly available information of more than 125 Dutch food companies as well as ongoing conversations with our clients. [Download the full report from our website.](#)

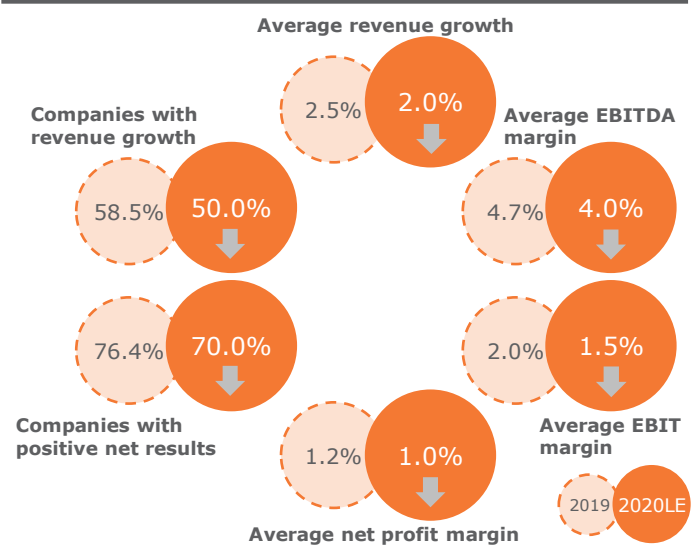
Revenue growth			EBITDA margin			Net profit margin		
Company	%		Company	%		Company	%	
1 Fruity Line	39.5%	1	1 Looye Kwekers	14.3%	1	1 King Cuisine	7.1%	
2 Tony's Factory	26.5%	2	2 Fruity Line	13.9%	2	2 Baronie de Heer	7.0%	
3 Topigs	20.6%	3	3 Roem van Yerseke	12.6%	3	3 Looye Kwekers	6.1%	

Like the top 3 companies there are numerous food businesses in the Netherlands that have performed strongly in 2019 even though the year can be characterized by declining profit margins. The 2020 outlook for Dutch food companies is mixed. Due to Covid-19, companies with a significant exposure to the food service sector are having a hard time, while companies with strong exposure to the food retail and food industry segments have been experiencing a surge in demand.

Market developments 2019



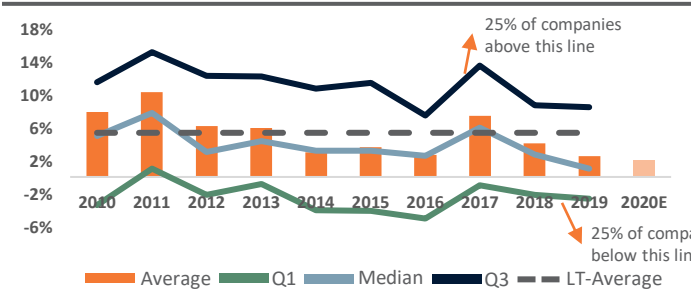
Market outlook 2020



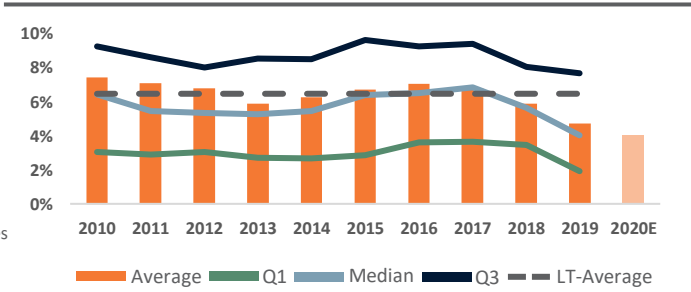
Market indicators have worsened across the board. Despite growing revenues, companies in the Dutch food market experienced (on average) their third consecutive year of declining profit margins, resulting in the lowest average profit margins in 10 years. Average EBITDA margin, EBIT margin and net profit margin declined from 5.9% to 4.7%, 3.1% to 2.0% and 1.8% to 1.2%, respectively.

Although profit margins in 2019 are at their lowest point in ten years, the average margins are expected to decline further in 2020. This decrease can be mainly attributed to the Covid-19 pandemic. However, the effect of the pandemic varies widely between subsectors with some profiting while others experience serious hardship. On average the effect is expected to be negative.

Average revenue growth (%)



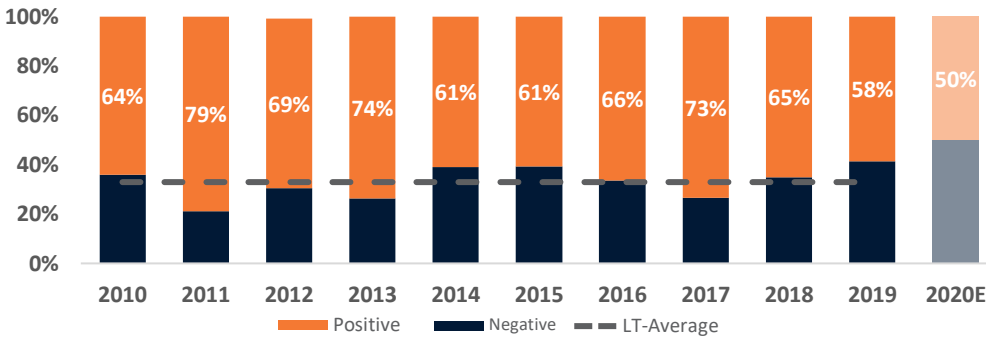
Average EBITDA margin (%)



Average revenue growth declined from 4.1% in 2018 to 2.5% in 2019, significantly below the long-term average of 5.4%. Due to the Covid-19 pandemic, reduced growth is expected in 2020. Vondel Finance outlook for 2020 is lowered to 2.0%.

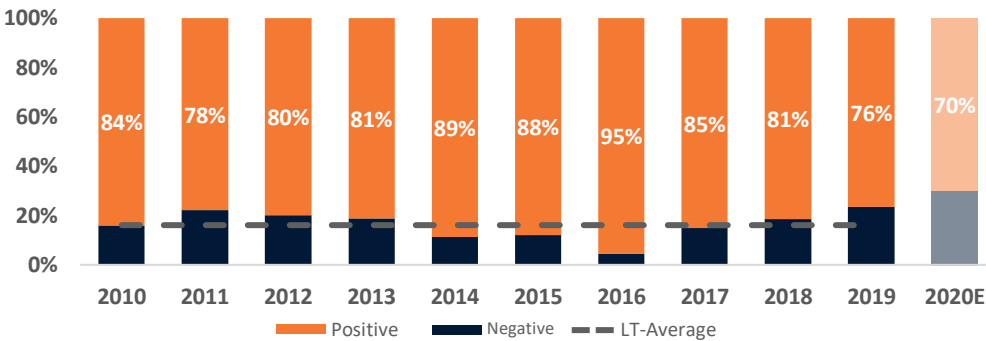
Average EBITDA margin declined from 5.9% in 2018 to 4.7% in 2019, significantly below the long-term average of 6.4%. Further deterioration is expected following the Covid-19 pandemic. Vondel Finance outlook is lowered to 4% for 2020.

% of companies with positive and negative revenue growth



Companies with growing revenues decreased from 65% in 2018 to 58% in 2019. In 2019, the number of businesses with declining revenues (42%) is above the long-term average of 33%. 2020 is expected to be the first year where as many companies experience revenue growth as revenue decline.

% of companies with positive and negative net profit



Companies with a positive net profit declined from 81% in 2018 to 76% in 2019. In 2019, the number of businesses making a loss (24%) is above the long-term average of 16%. In 2020, 30% of the companies is expected to operate at a loss.

Vondel Finance

- Vondel Finance is an **independent** and **entrepreneurial** corporate finance and private equity firm.
- Founded in **2004**.
- Vondel Finance assists clients in **mergers and acquisitions**, strategic decision making and financial matters.
- Vondel has a profound experience in assisting management teams in **MBOs** and **SBOs**.
- The partners are actively involved in every single deal. This means that we offer **senior advice** in all transactions.
- Experience in 180+ transactions, with a total transaction value of over **EUR 3.5 billion**.
- Vondel Finance focuses primarily on **midsized transactions**.

Clairfield International

- Vondel Finance is the **exclusive partner** firm of **Clairfield International** in the Netherlands.
- Clairfield International is a **global corporate-finance partnership** which offers top-tier industry knowledge and worldwide access to the midmarket segment as a trusted advisor.



Top 10 midmarket rankings



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80% of our mandates are international



Locations in all major economic and financial centers



130+ transactions closed every year

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Deal Tombstones

