

SAMPLE

BUY
NOW

2019

Seafood's Top Dealmakers Q2

M&A boom continues as Australis, Iberconsa deals close

Our second quarter report on seafood M&A shows 74 deals closed in the period, up 21% y-o-y, taking first half tally to 70, up 30% y-o-y

undercurrentnews
seafood business news from beneath the surface

Report editor**Tom Seaman****EDITOR AND CO-FOUNDER, UNDERCURRENT NEWS**

Tom is the editor of *Undercurrent News*, which he co-founded in 2015. He has been reporting on the seafood industry since 2005, including as assistant editor of *Fishing News International*, and online editor at *Intrafish Media*.

Report author**Dan Gibson****EDITORIAL ASSISTANT, UNDERCURRENT NEWS**

Dan joined the *Undercurrent News* team in October 2018, after completing with a postgraduate diploma in Journalism at the University of Exeter. Prior to this, Dan did his masters degree in Biological Sciences at Durham University, where he got a first. He updates the *Undercurrent M&A* database as well as providing coverage of the global seafood sector.

Report data**Eva Tarkenton****CO-FOUNDER, UNDERCURRENT NEWS**

As a specialist technical web programmer, Eva has worked in business development since 2006 and covered the seafood sector since 2010.

PROOFREAD BY:

Tom Seaman & Dan Gibson

DESIGN BY:

Miriam Okarimia

DISCLAIMER

While every effort has been made to ensure the accuracy of the contents of this publication, *Undercurrent News* assumes no liability or responsibility for the completeness, accuracy or usefulness of this report.

COPYRIGHT

All rights reserved. No part of this publication may be reproduced in any form or by any means electronic or mechanical, including photocopying, recording or by any information storage and retrieval system without permission in writing from *Undercurrent News Ltd*.

Links to our industry reports are specific to each report owner and may not be shared with others.

PUBLISHED IN OCTOBER 2019 BY:

Undercurrent News
E1 Studios, 7 Whitechapel Road,
London E1 1DU, United Kingdom

Table of Contents

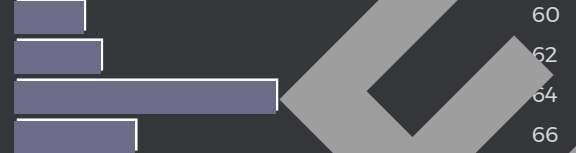
Introduction 04

- Big wild, farmed upstream deals in works 18
- Truex family seek to cash out of Sea Watch 19
- Alaskan native corporation set for entry to Pacific cod fishery 19
- Cooke, Ocean Beauty talks 20
- China Fishery trustee won't hire broker to target wealth funds 21
- 'East versus west' for SSC 22
- Diorasis to buy bulk of bass, bream farms being sold to close Amerra, Mubadala deal 24
- Bencis plans to sell shrimp importer Shore PAI eyes close to €500m for stake in Labeyrie 25
- Bolton on the charge amid Bumble Bee uncertainty 26
- Two Q2 seafood mega-deals 27
- A buyer for Young's, finally 28
- Mixed success for Chilean M&A 29
- Big cross border deal from Profand quarter for US M&A 30
- New global seafood giant revealed 31
- New name, owner for National Fish 32
- Fortune continues for National Fish 33
- Boost in shrimp sales 33
- US crab importer deal 34
- Sea Delight moves into Asia 35
- Spain target for private equity in Q2 35
- Quarter for over 100 Asian M&A 37
- Global wave of deals for north European mid-level private equity 39
- Private equity, promoting deals 39

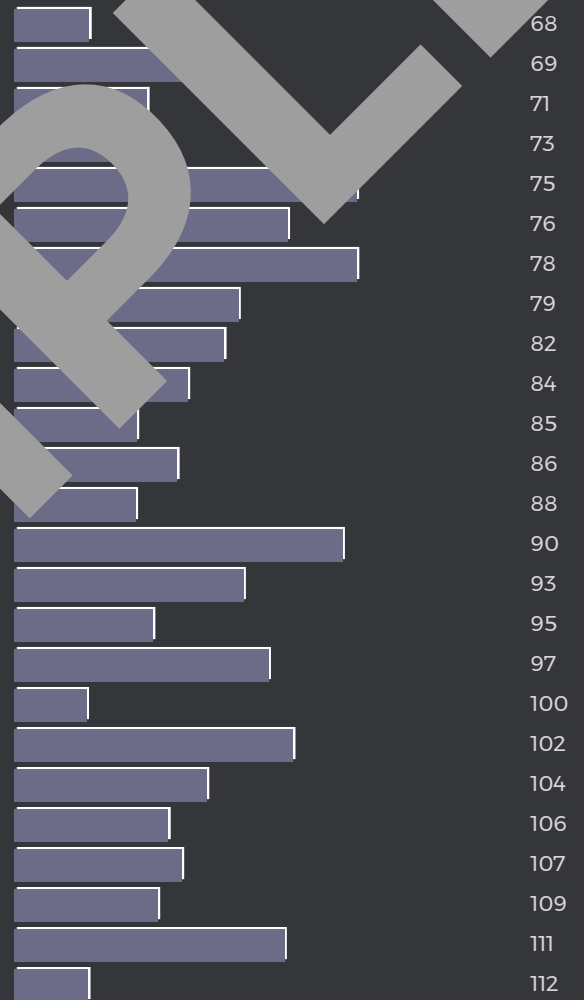
Top seafood advisors 50



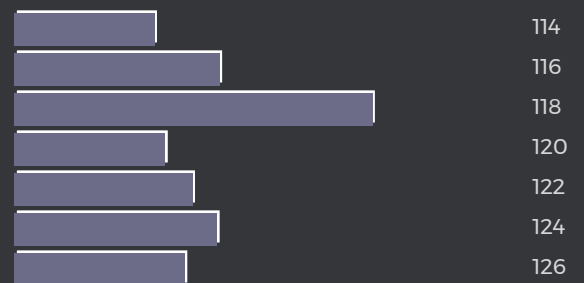
Top seafood advisors cont. 60



Top industrial consolidators 68



Top financial consolidators 113



UNDERSTANDING SEAFOOD M&A

Introduction

M&A boom continues as Australis, Iberconsa deals close

A bumper second quarter of deals following a strong Q1 means this year looks set to be even bigger than 2018 for seafood mergers and acquisitions (M&A). Just shy of ██████████ was spent on seafood M&A in 2018, which surpasses 2016 and 2017 combined, when ██████████ and ██████████ was spent, respectively, according to data compiled from transactions where the sale value was revealed or could be estimated. Last year could have even rivaled 2015 -- when ██████████

was spent on deals where the value was revealed. This year's massive buyouts of salmon farms EWOS Group and ... -- if a series of announced and open sale processes had closed in the ... These ... prosupe ... ██████████ move on Em ... e, Lega ... deal for Chile's Australis Seafoods ... latinum ... buyout of Spain's Iberica de ... ados (Iberconsa), all closed in the first half of 2019.

Table 1. Deal values 2015-2019, Q2

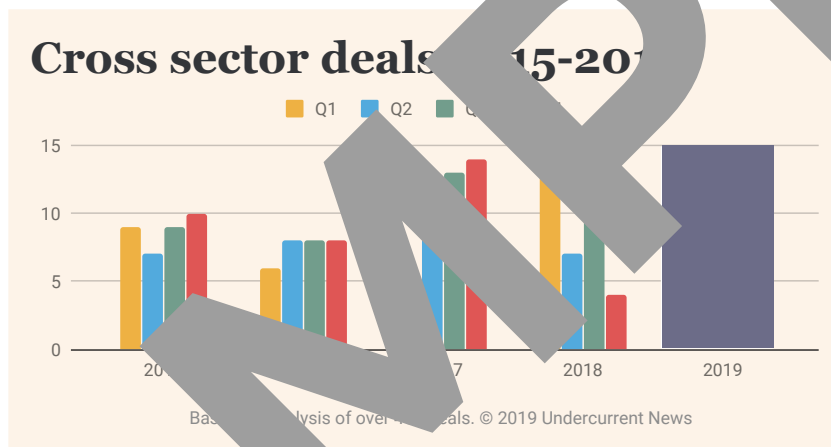
Deal values 2015-2019, Q2						
	2015	2016	2017	2018	2019	Total
Total deals	██████	██████	██████	██████	██████	██████
Deals with value details	██████	██████	██████	██████	██████	██████
	██████	██████	██████	██████	██████	██████
Average	████████████████	████████████████	████████████████	████████████████	████████████████	████████████████
Median	████████████████	████████████████	████████████████	████████████████	████████████████	████████████████
Biggest	████████████████	████████████████	████████████████	████████████████	████████████████	████████████████
Smallest	██████	██████	██████	██████	██████	██████
Total	████████████████	████████████████	████████████████	████████████████	████████████████	████████████████

Table 8. Cross sector deals by quarter 2015-2019, Q2

Cross sector deals by quarter 2015-2019, Q2					
	Q1	Q2	Q3	Q4	Total
2015	9	7	9	10	35
2016	6	8	8	8	30
2017	3	9	13	14	39
2018	14	7	15	3	39
2019					

Excludes deals by financial actors, as these are necessarily cross-sector

Chart 7: Cross sector deals by quarter 2015-2019, Q2



[Redacted text block]

[Redacted text block]

TOP ADVISORS

Clearwater International

After several years away from the *Undercurrent News* records, Clearwater International has returned to the top thanks to the role it played as sell side advisors to Boparan Holdings, the parent company of 2 Sisters Food Group, on the sale of Green Isle Brands (encompassing both Green Isle and Donegal Catch).

COUNTRY UK	ADDRESS Brookmount House, 62-65 Chandos Place, London	PHONE +44 (0)20 552 0300
KEY EXECUTIVE John Sheridan, partner, head of food and beverage	EMAIL john.sheridan@clearwateradvisors.com	
DEALS IN Q2, 2019 Maurice Hickey and investors including Ireland Strategic Investment Fund buy Green Isle Brands, June 2019, sell side		
DEALS IN 2015-2019 Portobello Capital buys majority stake in Grupo Alimentaria de los Galadros, December 2015, sell side MCH Private Equity buys majority stake in Grupo Alimentaria de los Galadros, December 2016, buy side		

Ranjit Singh Boparan, the parent of food group, which started out as a chicken supplier, eventually brought in corporate finance advisors from Clearwater International to work on the sale in early 2018. According to *The Times*, Boparan had been looking for £50 million for Donegal Catch.

On January 2, 2019, 2 Sisters announced an agreement to sell Green Isle, which owns Carlo's Pizza, to Nomad Foods, the owner of the Findus and Bird's Eye frozen food brands.

However, a spokesman for 2 Sisters confirmed to *Undercurrent* at the time that Donegal Catch is not part of the sale. According to *The Times*, Nomad had been prevented from buying Donegal Catch due to competition issues.

The deal for the rest of Green Isle netted Boparan €225m at a time when his heavily leveraged empire was under pressure.

2 Sisters -- which also owns Five Star Fish in Grimsby -- had been built up through a series of acquisitions that had left Boparan's holding company laden with debt.

One year on, and both Green Isle Brands and Donegal Catch were acquired by a consortium of investors including Maurice Hickey, the former chief executive of Largo Foods; entrepreneur and former founder of Largo, Ray Coyle; and other investors such as the Ireland Strategic Investment Fund.

Boparan Holdings, the parent company for 2 Sisters, said the sale strengthened its balance sheet and demonstrated its commitment to its core strategy.

TOP INDUSTRIAL CONSOLIDATORS

Bracamonte Convenient Kitchen

The Dutch foodservice company Bracamonte Convenient Kitchen (BCK) has attracted the attention of the wider seafood industry this June with the acquisition of Sushi Ran, a producer of Japanese specialities including sushi, based in Leimuiden, Amsterdam.

OWNERSHIP Private	TELEPHONE +31 294 41 38 23	ACTIVITY Distribution of Foodservice Products
KEY EXECUTIVE Sandrijn Poortman, managing director	EMAIL info@bracamonte.com	KEY SPECIES N/A
ACQUISITIONS IN Q2, 2019 Sushi Ran, June 2019	COUNTRY Netherlands	KEY SUBSIDIARIES Sushi Ran
ACQUISITIONS IN 2015-19 N/A	ADDRESS Gemeenschapshuis Alderw. Weesp	

With the acquisition, the two are joining forces in the areas of product development, e-commerce, said financial consultancy Squarefield, which acted as exclusive financial advisor to BCK in the deal.

BCK and Sushi Ran aim to develop new products and sales channels together, it said.

“Sushi is increasingly seen as a healthy choice for a lunch or ready-made meal. We see a growing interest in dishes inspired by Japanese cuisine, such as poke salad bowls, ramen noodles, donburi rice meals or bento lunchboxes,” said Sandrijn Poortman, CEO of BCK.

According to the BCK website, the company (formerly known as Bracamonte Daily Foods) provides catering services for a variety of clients and corporate events, although it does not specifically label any products or brands associated with the firm.

Meanwhile, Sushi Ran will remain an independent operating company and the current management will continue the day-to-day operating after the acquisition, Squarefield said.

TOP FINANCIAL CONSOLIDATORS

Kverva (Insula)

The investment fund Insula, controlled by the owners of Norwegian salmon farmer SalMar, continued its recent spate of Danish purchases in Q2 with a deal for separate canned pelagic and tuna brands.

OWNERSHIP Private	TELEPHONE +47 95 776 826	ASSETS UNDER MANAGEMENT N/A
KEY EXECUTIVE Helge Moen, CEO	EMAIL hm@kverva.no	INVESTMENT CONFIDENCE N/A
DEALS LINKED TO Nergard, March 2017	COUNTRY Norway	PREVIOUS INVESTMENTS N/A
CURRENT INVESTMENTS SalMar, 1991 Keco, July 2015 Maxmat, October 2016 Torskustfile, June 2016 Tobo Fisk, November 2016 Amanda Seafoods (68%), February 2017 Batsfjordbruket (96%), August 2017 Batsfjordbruket (83%), August 2017 Apetit Group (80%), November 2017 Sjøsvik Group and Aqualine (90%), November 2017 Knud Søndergaard Fiskeprodukter, September 2017 Famm Seafood Bornholms, October 2018 Bornholms, May 2018	ADDRESS Brattorkai 1, 0-1000, Oslo	

The first, the canned pelagic brand Bornholms, was acquired by Insula on May 3, Moen is the chief operating officer for Insula's Amanda Seafoods, told *Undercurrent*.

Insula's Bornholms deal came after the company snapped up the Danish fish canning companies, Knud Søndergaard Fiskeprodukter and Famm Seafood, in the latter part of 2018, he said. These have since been renamed Insula Hvide Sande and Insula Hanstholm, respectively, after the Danish ports in which they are based.

The company is using these two plants to produce salmon and whitefish fresh products in modified atmosphere packing and skin-packs under the Amanda brand, he told *Undercurrent*. As for Bornholms, Insula plans to keep the company's

well-known brand, but close its plant on the Danish island Bornholm and relocate the lines to the Amanda factory in Frederikshavn, in the north of Denmark, Sander said in May.

Both plants have excess space, so combining the two companies' volumes in one factory will create a more efficient, profitable operation, he said. Bornholms has a turnover of around €15m.

The deal is the latest piece of consolidation in the Danish canning sector, with only Amanda/Bornholms, Saeby Fiske-Industri, and Munkebo Seafood left now.

"Looking back 50 years, there used to be over 60 canners. Now, there are only three left," said Sander.

DEALS TIMELINE

May 2019

1 MAY 1, 2019

Nissui takes 75% stake in UK processor Flatfish

Japan's Nippon Suisan Kaisha (Nissui) acquired a majority stake in UK processor Flatfish.

2 MAY 1, 2019

Norwegian salted cod exporter buys majority in lossmaking rival

Jangaard Export, one of the largest exporters of salted cod from Norway, acquired 51% in another supplier of the same products also based in Alesund.

3 MAY 2, 2019

Dutch salmon processor acquires importer, forms €85m group

Dutch processor Het Urker Zalmhuys took over fellow Netherlands-based import/export operation Affish, the former's managing director, Harm ten Napel, told *Undercurrent News*.

4 MAY 3, 2019

PE-backed Portuguese processor buys Spanish salmon smoker

Private equity-backed Portuguese seafood processor Brasmar acquired La Balinesa, a salmon and whitefish smoker based in Spain, the company announced ahead of the Seafood Expo Global trade show.

5 MAY 7, 2019

Captain D's inks deal with franchisee for 15 new southern state locations

Tennessee, US-based seafood restaurant chain Captain D's signed a new agreement with StarChain USA, a Roswell, Georgia-based multi-unit franchise holder, to develop 15 new restaurant locations in Arkansas, North Carolina and South Carolina over the next several years.

6 MAY 8, 2019

Barbe, Leuschel JV 'a gamechanger' for Europe's mussel industry

South Africa's Sea Harvest Group made an all-cash offer to buy the 43% stake in Mareterram it didn't already own amid a challenging time for the Western Australian shrimp fishing and seafood distribution firm.

7 MAY 10, 2019

Nissui widens French portfolio with deal for brand new shrimp plant

Japan's Nippon Suisan Kaisha (Nissui) widened the reach of its French operation Cite Marine through the acquisition of Nantes-based Miti, the latter's Vincent Jaumouille told *Undercurrent News*.

8 MAY 13, 2019

Poland's Graal eyes European processor, distributor deals

Acquisitive Polish processor Graal said it was close to completing two deals in its mission to double its revenue, founder and board president Boguslaw Kowalski told *Undercurrent News*, during the Seafood Expo Global trade show.

1. Nissui takes 75% stake in UK processor Flatfish

Carried out through wholly-owned subsidiary Nissui Europe, the firm took a 75% share in the UK company. The acquisition fit with Nissui's strategy to strengthen its seafood supply chain in the UK, following its acquisition of Sealord Caistor in 2017, the pair said in a press release at the time.

Both Flatfish and Caistor Seafoods, as it is now named, supply into high-end retail chain Waitrose and Partners.

2. Broodstock Capital invests in Norwegian marine health firm

According to *Undercurrent News* sources, Jangaard has acquired 51% in West-Norway, which reported a loss in its latest financial year.

Undercurrent sources were unsure of the reason

for the deal, but pointed to the rise in raw material costs and reduced quotas for cod at the time, the main species for the likes of Jangaard Export and West-Norway.

3. Dutch salmon processor acquires importer, forms €85m group

Zalmhuys mainly deals in fresh salmon, while Affish trades a wider variety of items including shrimp, fish, surimi, squid and mussels.

"We began talks with Affish because we also wanted to build more options for our customers, not only in salmon but also other frozen products." So, the deal for Affish was driven by the desire to add more of a frozen department to Zalmhuys, he said at the time.

The combined group was looking at sales of some €85 million in 2019, he estimated, based on business to that point.

4. PE-backed Portuguese processor buys Spanish salmon smoker

Brasmar, which is currently owned by Spain's MCH Private Equity, acquired La Balinesa, a salmon and whitefish smoker based in Spain, the company announced ahead of the Seafood Expo Global trade show.

The deal gives Brasmar a foothold in the Spanish market for smoked fish, adding to its mix of cold-water cephalopods, the company said. According to La Balinesa's website, it operates a 14,000 square-meter plant in

5. Captain D's inks deal with franchisee for 15 new southern state locations

StarChain also acquired four existing Captain D's restaurants in the Greenville-Spartanburg, South Carolina, market and five in the Little Rock, Arkansas, region, according to a press release.

Captain D's said the new agreement was the first with StarChain USA, though the company also maintains franchises for Checkers & Rally's, Yogli Mogli and Which Wich in the states of Georgia and South Carolina. StarChain would open its first new Captain D's location in Gaffney, South Carolina, during the summer.

6. Barbe, Leuschel JV 'a gamechanger' for Europe's mussel industry

Netherlands-based Barbe and Germany's Leuschel, each the largest mussel breeders

in their respective countries, announced the formation of a new joint venture with a potential turnover of up to €45 million.

The new joint venture would be named Aquamossel, after a former Barbe brand, and partner on trade and processing at Barbe's facility in Yerseke. Each company produces roughly 10,000 metric tons of mussels per year, De Groot said.

7. Nissui widens French portfolio with deal for brand new shrimp plant

Cite first took a 31% stake in Miti back in June 2018, with the latter's founder, Pierre Roffino, selling the portion. A deal for full ownership was then completed in February 2019, said Jaumouille, who then moved from Cite to operate Miti. Roffino and his management team was in place at the time, but would move out of the company after being sold, he added.

Miti is a specialist in chilled, cooked farmed shrimp products; a good fit with Cite Marine's portfolio of chilled and breaded whitefish products, he said, at the 2019 Seafood Expo Global in Brussels, Belgium.

8. Poland's Graal eyes European processor, distributor deals

Between 2005 and 2008, canner and smoker Graal did eight acquisitions using the proceeds of a listing on the Warsaw stock exchange. In 2017 it then took investment and was taken private, by investor Abris Capital Partners. Since then it has been looking for opportunities to expand through acquisitions.

Kowalski was looking to France, Germany, the UK, and Italy, he said at the time. He told *Undercurrent* in 2017 the firm was looking to expand, but now, he said, deals were imminent.