

DEAL PROFILE

NESTLE | THE BOUNTIFUL COMPANY

VALUES

\$5.75bn

Transaction Size

16.8x

Implied EV / LTM EBITDA

3.1x

Implied EV / LTM Revenue



Nestle (SWX:NESN)

Nestlé Health Science, a leader in the science of nutrition, is a globally managed business unit of Nestlé. We are committed to redefining the management of health, offering an extensive portfolio of science-based consumer health, medical nutrition, pharmaceutical therapies, and vitamin and supplement brands.

TEV: \$373,039mm² LTM EBITDA: \$18,762mm² LTM Revenue: \$92,990mm²



The Bountiful Company

The Bountiful Company is a pure play branded leader in global nutrition, living at the intersection of science and nature. As a manufacturer, marketer and seller of vitamins, minerals, herbal and other specialty supplements, and active nutrition products, they are focused on enhancing the health and wellness of people's lives.

TEV: \$5,750mm¹ LTM EBITDA: \$342mm¹ LTM Revenue: \$1,870mm¹

BOURNE PARTNERS MARKET RESEARCH

Bourne Partners provides strategic and financial advisory services to clients throughout the business evolution life cycle. In order to provide the highest level of service, we routinely analyze relevant industry trends and transactions. These materials are available to our clients and partners and provide detailed insight into the pharma, pharma services, OTC, consumer health, and biotechnology sectors.

OVERVIEW

On April 30th, 2021, Nestle entered into a definitive agreement to acquire The Bountiful Company for \$5.75bn and is expected to close in the second half of 2021. Nestle Health Science will acquire the core brands from The Bountiful Company including Nature's Bounty, Solgar, Osteo Bi-Flex, and Puritan's Pride as well as the company's US private label business, creating a global leader in vitamins, minerals, and nutritional supplements. The deal does not include The Bountiful Company's sports nutrition brands or the Canadian over-the-counter business.

HIGHLIGHTS

This deal will allow Nestle's Health Science business to expand their health and supplement portfolio with additional brands and channels to sell their products. With vitamin and supplement consumption up over the duration of pandemic and into the near future, this makes a great strategic acquisition for Nestle to focus their efforts on their vitamin and supplement portfolio during a time of such great demand. "...It will establish Nestlé Health Science as the industry leader in mass retail, specialty retail, e-commerce and direct-to-consumer in the US, while offering significant opportunities for geographic growth." said Greg Behar, the CEO of Nestle Health Science. Synergies of the deal are expected to be fully realized by 2024 and although the initial impact to EBITDA will be negative, the synergies will stimulate extreme growth for the brands and company that neither company could realize alone.

¹LTM values as of 03/31/2021

²LTM Values as of 12/31/2020

Source(s): S&P CapitalIQ; Nestle; The Bountiful Company