5.1 Brand/Company Identity

Vieira de Castro remains a family-owned business, focusing on local markets while emphasizing its distinction from larger multinational corporations. It operates with a singular subsidiary in Jordan and avoids the aggressive expansion strategies of global competitors.

5.2 Product Market

Portugal’s snack market in 2024 is characterized by a growing polarization between health- conscious products and indulgent treats. Vieira de Castro, though deeply rooted in tradition, has stepped into areas of innovation with the project CLabel+ (“clean label”) to promote ongoing growth, by introducing the Bem-estar (“Wellness”) category, providing a vast choice of products, from no-sugar, to lactose-free and fibre-rich, addressing different consumer needs. The broader market sees consumers balancing indulgence with affordability, reflecting the company’s strategy of offering premium, affordable snacks under €7.50. Additionally, the trend towards eco-friendly and sustainable practices is strong, which Vieira de Castro follows by introducing more environmentally friendly packaging. In a market where consumers are cautious with spending, the snack sector, including biscuits, almonds, and chocolates, key product categories for Vieira, continues to perform well. The sweet biscuits segment, in particular, has seen positive growth in both volume and value, reflecting Vieira’s strength in this product category. In addition, almonds, part of the savoury snacks category, are continuously innovated, with a focus on sustainability, premium positioning, and new flavours. In general, Vieira de Castro aims at a continuous innovation of their product line, in order to stay competitive and not miss out on key market trends, which, this year, were: • Health and Wellness: Consumers are increasingly seeking healthier snacks, such as sugar-free or gluten-free options. • Indulgence: Indulgent treats, like chocolate biscuits, are still in demand despite the economic pressure. • Sustainability: Green packaging and eco-friendly initiatives are critical in product development.

5.3 Products

Vieira de Castro offers a diverse selection, from biscuits to coated almonds. The products answer an indulgent need, and are available at low, transparent prices, all contributing to the health trend in the Portuguese market. Their product line is divided in two different sub-categories: • Confectionery products that can be eaten right on the go (e.g.sweets, savoury and sweet crackers, biscuits, and chocolate-coated almonds ) • Products of the ”Chef” line, intended for culinary applications (as mix-ins and toppings for yogurt, as the sole fruit ingredient when baking cake/brownie mixes or other baked goods).

5.4 Target Audience

As noted from the company’s presence on LinkedIn, Vieira de Castro targets a broad consumer base that spans various age groups and socioeconomic segments. This wide ranging appeal matches the broader snack market trend where consumers, despite inflation, seek affordable indulgence, complemented by the rise in private label brands and health- conscious options.

5.5 Distribution Channels

The company sells its products both online and in supermarkets, following broader trends in Portugal where supermarkets and local grocers dominate snack sales. As snacks’ retail through e-commerce remains limited, Vieira de Castro maintains a strong presence in physical stores, a key channel for impulse buys and everyday indulgences. Internationally, the Company operates through a subsidiary in Jordan, without significant changes in the product line, while it works through other resellers in countries like Brazil and the US.

5.6 Competitors

Viera de Castro, particularly dominant in the Sweet Biscuits, Snack Bars and Fruit Snacks, and Confectionery sectors, faces direct competition from both local and international brands. Some of the company’s most formidable competitors include well-known brands such as Mondelez (with products like Oreo, Milka), Ferrero (with Kinder and Ferrero Rocher), and Nestl´ e (with Kit Kat). These brands not only boast a significant market presence but also have the advantage of strong brand recognition, vast distribution networks, and robust marketing efforts. Moreover, a number of Portuguese companies, such as Imperial and Lusiteca, produce similar products in the sweet biscuits and confectionery space, offering stiff competition on a local level. Viera de Castro holds 1.0% of the Portuguese snack market. While this market share is modest in comparison to the international giants, the company is well-positioned within the sweet biscuits and snack bars categories, going head-to-head with Mondelez’s sub-brands. Viera de Castro’s products are known for their quality and Portuguese heritage, which resonate well with local consumers. A more suitable comparison could be drawn with respect to its main Portuguese competitors, holding similar or minor share values: • Imperial Produtos Alimentares SA: Making up for 1.0% of the market, and up to 3.5% in the Confectionery section, compared to Vieira de Castro’s 1%. • Lusiteca: which registered a steady decline (from 1.2% in 2015 to 0.7% in 2024), also predominantly present in Confectionery (2.6% in 2024), although registering a considerable decline over the last 10 years. Both of them are mostly active in the Confectionery department