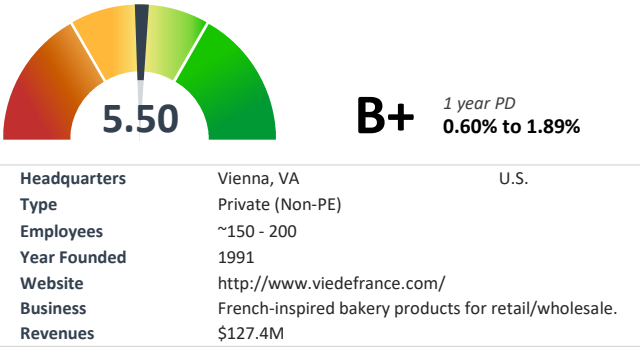


Vie De France Yamazaki, Inc. (Wholly-owned subsidiary of Yamazaki Baking Company, Ltd)



Company Overview

- Company Overview:** Vie De France Yamazaki, Inc. is a U.S.-based subsidiary of Yamazaki Baking Company, Ltd., specializing in French-inspired bakery products.
- Product:** The company offers croissants, pastries, muffins, breads, and desserts, catering to both retail and foodservice markets.
- Customers:** It serves retail consumers through bakery-cafés and wholesale foodservice clients, including restaurants and institutional providers.
- Ownership:** The company is wholly owned by Yamazaki Baking Company, Ltd., one of the largest baking corporation globally, headquartered in Tokyo, Japan. Yamazaki Baking Co. is still owned and lead by the Iijima family - 3rd generation.
- Debt Structure:** N/A - no balance sheet information was provided.
- Other (pros/cons):** Revenue grew by 40.7% in FY-24, and 72.6% since FY-22, which is far exceeding the average market growth of 3.5% (CAGR since 2019) for the US bakery industry. Although fluctuating Gross Margin (22% in FY-22, 15.9% in FY-23, and 17.4% in FY-24) and their 4.4% EBITDA margin (trails peers' 6.5%) could be seen as a concern, the firm substantially improved since FY-22 (e.g. EBITDA Margin of -1.1% in FY-22). Operational improvements and growth led to a turnaround from a negative Net Income in FY-22 (-\$1.5mn), to b/e in FY-23, and a profit of \$4.8mn in FY-24. The general market outlook for the fragmented industry is very sobering with a CAGR of +1.6% through 2029, yet this may not affect Vie de France as much given their recent growth and support by Yamazaki Baking Company.

Financial Snapshot

	Sep-22	Sep-23	Sep-24	Chg
\$ '000s	T12	T12	T12	%
Total Revenue	73,828	90,585	127,398	40.6%
Gross Profit	16,267	14,437	22,150	53.4%
Adjusted EBITDA	(832)	(5)	5,660	
Gross Profit Margin	22.0%	15.9%	17.4%	1.4 ppt
EBITDA Margin	-1.1%	0.0%	4.4%	4.4 ppt
Net Income	(1,487)	87	4,810	5416.5%

				Weight	Rating Range		
				20%	5.5	to	6.5

# of Benchmarks:		29	Industry Median	Company Metric	Percentile Rank	# of Industry Benchmarks		29
			\$122M	\$127M		Company Financials Date		Sep-24
Liquidity	Revenue					Industry Benchmarks - Primary: Packaged Foods and Meats Secondary: Restaurants Tertiary: Food Distributors		
	Current Ratio	2.00						
Leverage	Quick Ratio	1.17						
	Net Debt / EBITDA	1.46	-		62%			
Profitability	Debt to Assets	19.1%						
	EBITDA Margin	5.7%	4.4%		56%			
		ROCE %	13.4%					

Business Risk

Industry Group Risk Profile			Branded Nondurables			80%	5.0	to	6.0
Industry Risk Assessment		KPI Rating	Contribution	Industry Group Description					
Cyclicality		Low risk		Entities that derive a majority of their revenues from manufacturing, marketing, and selling branded consumer nondurable products as well as private-label nondurable consumer products manufacturers. This includes apparel, accessory stores, and related products; beverages, including spirits and soft drink bottlers; food and kindred products; personal care and cosmetics; household products; tobacco products (excluding tobacco leaf merchants/suppliers); and miscellaneous and diversified consumer products.					
Competitive Risk		Low risk							
Global Industry		Low risk							
Market Segment Outlook		Declining							
Competitive Position Profile			Cpg			50%	5.0	to	7.0
Competitive Position KPIs		KPI Rating	Contribution	Rating Guideline					
Cycle-Tested		< 2000		Navigated multiple economic down-cycles.					
Product Diversity		Strong		Multiple product categories					
Market Share		Above Average		Strong market share (15-25%) in chosen categories.					
Category Demand		Satisfactory		Operates in stable or slow growth categories (0-5% annual growth).					
Supplier Diversity		Satisfactory		Limited supplier diversity, potentially exposing to supply risks.					
Geographic Coverage		Satisfactory		Regional brand					
Innovation		Satisfactory		Occasional product innovations, mostly reactive.					
		Satisfactory							
		Satisfactory							
		Satisfactory							
Management, Governance, Sponsorship						30%	4.5	to	5.5

Anchor Modifiers

Modifiers			
Financial Transparency	Risk Flag		Minimal
Trend Analysis	Adjustment		Strong Positive
Other Modifier	Risk Flag		No notes to financials detailing debt structure / maturity profile, etc

Rating Range (Rounded)

5.0	to	5.5
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