



AGRICULTURE

Deal flash, June 2018

TRUSTED GARDEN CARE PRODUCTS PROVIDER IS NURTURED FOR GROWTH

Deal snapshot

- Pokon Naturado B.V. (Pokon), the Dutch market leader in consumer garden care products, has been acquired by Evergreen Garden Care (Evergreen), an international marketer of branded consumer products for lawn and garden care backed by private equity firm Exponent.
- Established in 1929, Pokon is a household name in the Netherlands, with proprietary consumer brands such as Pokon, Naturado and MySeasons. The company is also a distributor of Bayer Garden and Roundup. In 2007, Synergia Capital Partners acquired Pokon as a carve-out from Pokon-Chrysal and merged it with Naturado in 2008.
- Evergreen, created by Exponent after the acquisition of the European and Asia-Pacific operations of Scotts Miracle-Gro, markets garden consumables and operates primarily in the UK, France, Germany, Austria, Poland, Australia and now in the Netherlands. Its consumer brands include Evergreen, Roundup, Miracle-Gro, Weedol, KB, Substral, Nexalotte and Osmocote.



What our client and buyer said

Heleen van Benthem, CEO, Pokon Naturado B.V., Netherlands

"This is the start of an exciting new chapter for Pokon. The scale that being part of the Evergreen family brings to the company means that we will have the resources and support needed to enter our next growth phase."

Karl Kahofer, CEO, Evergreen Garden Care, UK

"We are delighted to be investing in Pokon, one of the most recognizable brands in the Dutch garden care market. The addition of Pokon to our existing garden care portfolio forms part of our overall strategy to acquire market-leading brands with strong growth potential in target markets such as the Netherlands. In addition, it brings us one step closer to achieving our ambition of becoming the largest and fastest-growing international garden care business. We look forward to working closely with Heleen and the management team to continue to capitalize on Pokon's prominent position and unlock the company's full potential."

Our role in the transaction

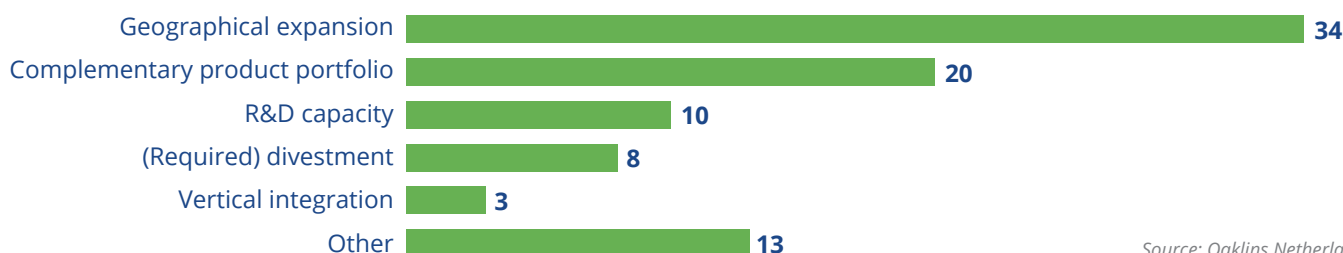
Oaklins' team in the Netherlands acted as the exclusive M&A advisor to the seller in this transaction.



Market trends and deal drivers

- The plant care market has seen significant M&A activity in the past few decades.
- The main consolidation drivers are upscaling, geographical expansion and product portfolio diversification, all geared toward gaining efficiency in operations, R&D and legislation.
- We see an increasing interest from financial investors in this market, not only because of the positive market growth prospects but also due to market consolidation, which offers opportunities for buy-and-build strategies.

Rationale of selected M&A transactions in the plant care sector



Source: Oaklins Netherlands

M&A valuation aspects



✉ **Maarten Wolleswinkel**, Horticulture Specialist, Oaklins, Netherlands

“We see the majority of smaller plant care companies being sold valued at EBITDA multiples ranging from 6x for small local players with no IP base to 8.5x for international players that are market leaders in their segment. The largest players with global activities and a strong IP portfolio tend to be valued at multiples closer to those of listed companies. A good example is the Dutch company Incotec, a world leader of innovative seed enhancement, which sold for 17.7x its audited EBITDA in 2015.”

For more information, download the plant care [Oaklins Horticulture Spot On](#).

Oaklins industry specialists



✉ **Adse de Kock**, Partner, Oaklins, Netherlands

“The acquisition of Pokon is another prime example of ongoing consolidation within the horticultural sector. This acquisition will help both Pokon and Evergreen to gain further efficiency in their operations, R&D and legislation. Oaklins’ expertise in the agriculture and horticulture sectors, combined with our international resources, contributed to achieving this outstanding deal for all parties involved.”



✉ **Frank de Hek**, Partner, Horticulture Specialist, Oaklins, Netherlands

As part of his horticultural sector focus, Frank continuously follows developments, visits major events and maintains regular contact with key players. He has a keen understanding of the market dynamics and value drivers in the sectors of breeding, growing, distribution, retail, machinery and equipment as well as consumables. Frank has completed transactions with companies such as Dümmer Orange and Olij Rozen.

OAKLINS HAS CLOSED 92 DEALS IN AGRICULTURE

Oaklins is the world's most experienced mid-market M&A advisor, with 700 professionals globally and dedicated industry teams in 40 countries worldwide. We have closed over 1,500 transactions in the past five years.