

# Monthly Market Update: Food, Beverage & Agribusiness

Mesirow All-Food Equity Composite<sup>1</sup> **3.74%**

S&P 500<sup>3</sup> **1.37%**

Mesirow All-Grain Commodity Composite<sup>2</sup> **1.66%**

NASDAQ Composite<sup>4</sup> **0.95%**

US middle market M&A activity across food, beverage, and agribusiness opened 2026 with renewed momentum. January recorded 35 announced transactions, representing a +6% increase versus December, with just under \$1 billion in disclosed deal value. Activity largely reflected the clearing of late-2025 deals rather than a broad shift in buyer selectivity. The University of Michigan Consumer Sentiment Index increased 3.5 points to 56.4, signaling improving macro confidence entering the year.

## Market observations

- Valuations for high quality assets remained elevated with average LTM EV/EBITDA multiples across all food sub-sectors (excl. restaurants and retail) approximating 13.5x vs. 12.7x one year ago
- Strategic buyers continued to emphasize synergy-adjusted returns to support pricing discipline
- Corporate carve-outs and sponsor exits remained a meaningful source of deal flow

Financing conditions improved incrementally following late-2025 Federal Reserve rate cuts and tighter credit spreads, supporting deal activity for both sponsor-backed and strategic acquirers without a material expansion in leverage tolerance.

## Notable transactions

- Smithfield Foods' \$446 million acquisition of Nathan's Famous (12.3x EV/EBITDA, ~9.9x synergy-adjusted), securing perpetual brand ownership and expanding its packaged meats and foodservice presence

- Mission Produce's \$451 million acquisition of Calavo Growers (14.4x EV/EBITDA, ~8.0x synergy-adjusted) combined two leading avocado platforms and added prepared foods capabilities with approximately \$25 million in targeted synergies
- Additional announced activity included Violet Foods' acquisition of Muir Glen from General Mills, Highlander Partners' acquisition of Tapatío Hot Sauce, and the merger of Creations Foods and Real Cookies, forming a scaled better-for-you snacking platform

## Emerging transaction themes

- Increased interest in specialty ingredient and formulation-driven platforms
- Vertical integration strategies across frozen, prepared and private label segments
- Continued buyer focus on authentic brands with demonstrated consumer loyalty and cultural resonance
- Channel diversification as a strategic lever, with buyer interest in platforms exposed to club, DTC and foodservice

## Looking ahead

The outlook for Q1 remains constructive. Buyers are expected to remain active across BFY, ingredients and branded platforms, while carve-outs and consolidations offer compelling value creation opportunities. With financing conditions improving and strategic priorities sharpening, the middle market is poised for continued activity in the months ahead.

## M&A Market Data

TABLE 1: NUMBER OF TRANSACTIONS BY STATUS

	December	January
Announced	30	32
Closed/Effective/Expired	43	41
Total Number of Transactions	73	73

TABLE 2: NUMBER OF TRANSACTIONS BY TYPE

	December	January
Private Placement	37	28
Merger/Acquisition	33	35
Public Offering	3	5
Bankruptcy	0	5
Total Number of Transactions	73	73

TABLE 3: M&amp;A STATS

Valuation Summary	December	January
Total Deal Value (\$mm)	\$1,524.3	\$993.4
Average Deal Value (\$mm)	\$217.8	\$331.1
Average EV/Revenue	1.06x	1.79x
Average EV/EBITDA	–	13.1x
Average Day Prior Premium	–	16.1%
Average Week Prior Premium	–	17.3%
Average Month Prior Premium	–	17.7%

TABLE 4: NUMBER OF M&amp;A DEALS BY RANGE OF VALUE

Valuation Summary	December	January
Greater than \$1 billion	0	0
\$500 – \$999.9mm	1	1
\$100 – \$499.9mm	2	1
Less than \$100mm	4	1
Undisclosed	26	32

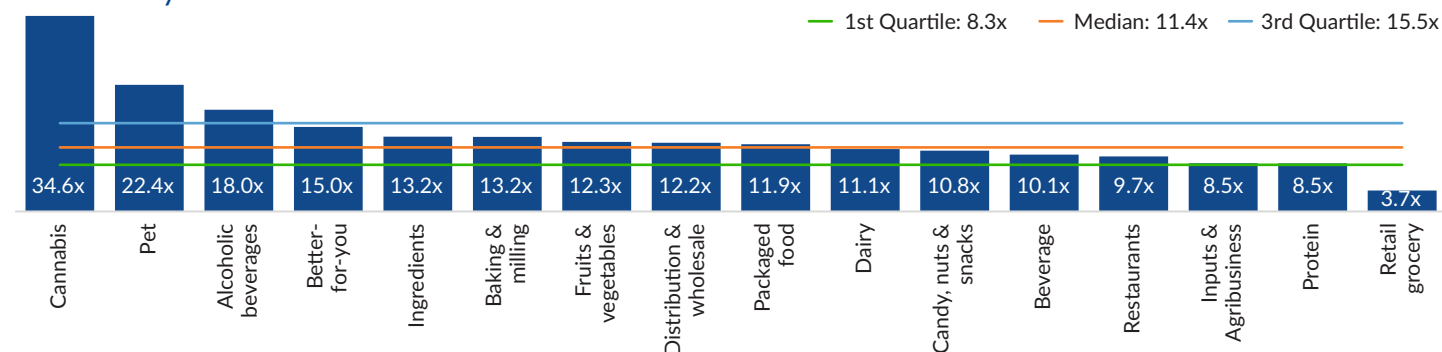
TABLE 5: ACTIVE BUYERS/INVESTORS BY TOTAL TRANSACTION SIZE (FOR MONTH ENDED 1.31.2026)

Company name	Total transaction size (\$mm)
Mission Produce, Inc. (NasdaqGS:AVO)	\$512
Smithfield Foods, Inc. (NasdaqGS:SFD)	\$478
Mubadala Investment Company PJSC	\$37
Left Lane Capital, LLC	\$11



## M&A Multiples by Sub-sector

Latest five years



S&P Capital IQ as of January 31, 2026. M&A deals with disclosed multiples over the latest five to ten years depending on sector. Past performance is not indicative of future results.

## Public Sector Valuations, Margins and Growth

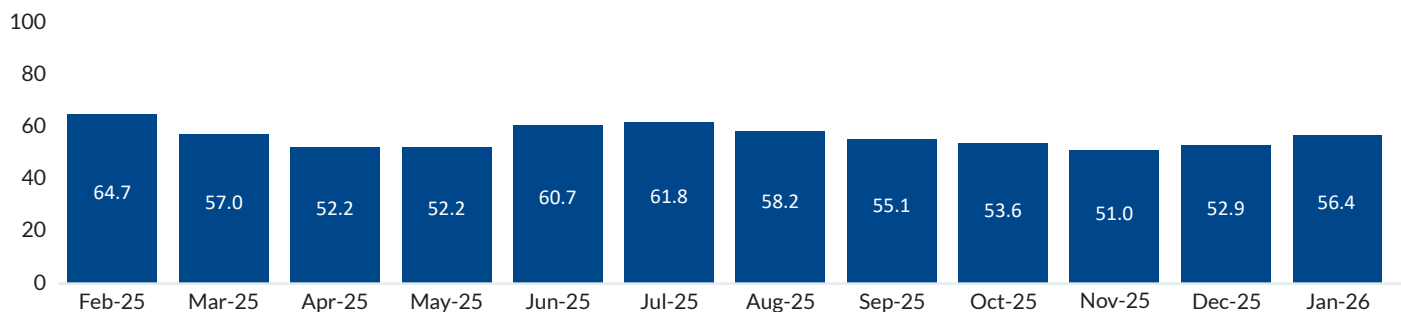
Food, beverage and agribusiness

	% of 52 week high	Enterprise value as a multiple of:				LTM gross margin	LTM EBITDA margin	LTM – NTM revenue growth	Net debt / LTM EBITDA
		Revenue		EBITDA					
		LTM	NTM	LTM	NTM				
Agribusiness	95.2%	0.63x	0.79x	9.3x	8.6x	8.3%	5.3%	5.4%	2.6x
Baking	87.8%	1.01x	1.00x	9.0x	7.1x	39.0%	11.2%	5.5%	2.7x
Beverages: Non-Alcoholic	90.0%	2.49x	2.48x	18.4x	13.8x	48.4%	18.4%	6.9%	3.8x
Better-for-you	46.3%	1.38x	1.32x	10.6x	9.3x	28.4%	7.5%	4.2%	3.1x
Biofuels	93.1%	0.52x	0.55x	13.2x	9.9x	4.7%	1.7%	(1.8%)	2.3x
Candy, Nuts and Snacks	85.6%	1.71x	1.66x	15.0x	10.8x	31.7%	12.3%	2.8%	1.1x
Cannabis	45.9%	1.14x	0.91x	15.5x	6.5x	41.5%	(5.2%)	6.3%	1.1x
Dairy	82.2%	1.53x	1.34x	13.2x	10.4x	28.4%	8.3%	3.4%	2.0x
Distribution and Wholesale	89.4%	0.34x	0.34x	12.5x	11.4x	15.2%	3.4%	4.3%	3.3x
Food Services and Facilities Management	86.2%	0.82x	0.77x	8.8x	6.2x	16.6%	7.2%	6.5%	2.1x
Fruits and Vegetables	93.5%	0.74x	0.92x	8.8x	9.4x	10.1%	4.8%	0.3%	1.8x
Ingredients	72.1%	1.52x	1.79x	12.1x	11.2x	35.8%	17.7%	2.0%	2.0x
Inputs	82.2%	1.66x	1.68x	8.0x	7.5x	28.5%	19.8%	4.2%	2.1x
Meal / Home Delivery	70.6%	3.03x	2.73x	15.2x	10.2x	56.8%	16.3%	10.7%	1.2x
Packaged Foods	71.7%	2.01x	2.02x	10.5x	9.4x	30.3%	16.1%	1.2%	3.5x
Protein	80.0%	0.71x	0.78x	7.8x	8.1x	17.1%	8.4%	2.6%	2.6x
Restaurants	64.4%	1.78x	1.62x	14.2x	13.7x	27.5%	12.0%	4.2%	4.1x
Retail Grocery	81.4%	0.46x	0.55x	8.0x	8.8x	27.4%	5.2%	1.8%	2.0x
3rd Quartile	89.9%	2.31x	2.28x	15.5x	13.3x	37.9%	17.0%	7.6%	4.3x
Median	77.5%	1.31x	1.29x	11.2x	9.6x	28.0%	10.4%	3.4%	2.8x
1st Quartile	56.7%	0.64x	0.71x	8.2x	7.6x	17.3%	5.3%	0.3%	1.8x

Source: S&P Capital IQ as of January 31, 2026.

## Consumer Sentiment Index

Latest twelve months

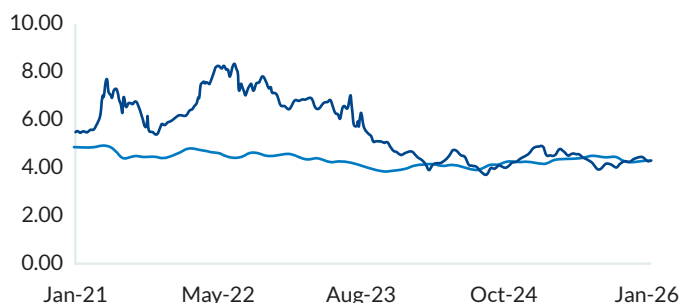


Source: Surveys of Consumers (umich.edu).

## Market Performance (1/2)

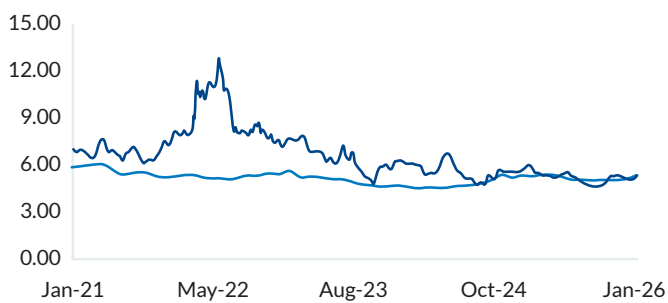
Last five years and latest twelve months

CHART 1: CORN (\$ PER BUSHEL)



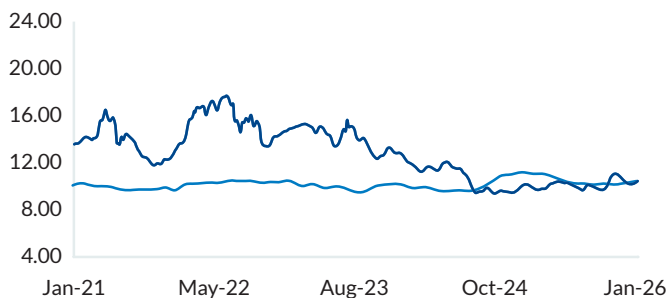
Source: S&P Capital IQ as of January 31, 2026. Past performance is not indicative of future results.

CHART 2: WHEAT (\$ PER BUSHEL)



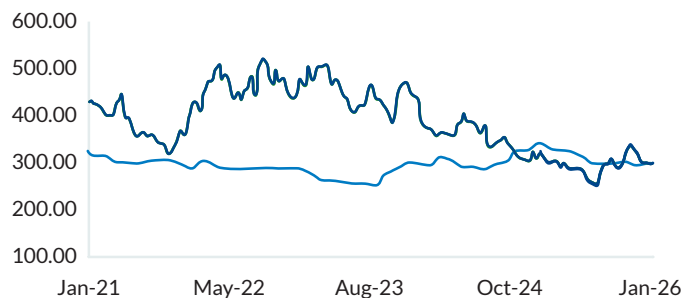
Source: S&P Capital IQ as of January 31, 2026. Past performance is not indicative of future results.

CHART 3: SOYBEANS (\$ PER BUSHEL)



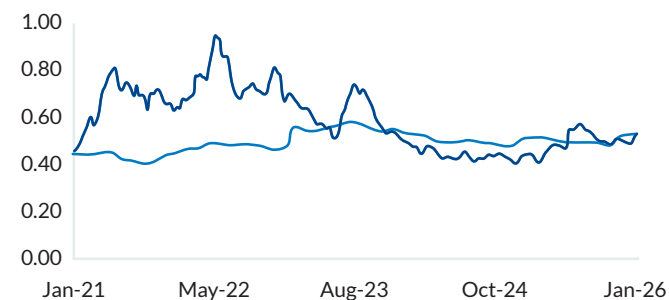
Source: S&P Capital IQ as of January 31, 2026. Past performance is not indicative of future results.

CHART 4: SOYBEAN MEAL (\$ PER TON)



Source: S&P Capital IQ as of January 31, 2026. Past performance is not indicative of future results.

CHART 5: SOYBEAN OIL (\$ PER LB)



Source: S&P Capital IQ as of January 31, 2026. Past performance is not indicative of future results.

CHART 6: MILK CLASS III (\$ PER LB)



Source: S&P Capital IQ as of January 31, 2026. Past performance is not indicative of future results.

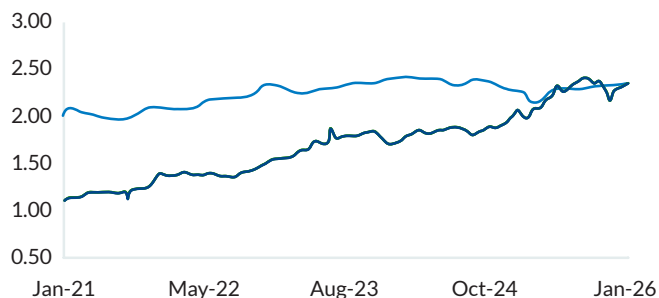


## Market Performance (2/2)

### Last five years and latest twelve months

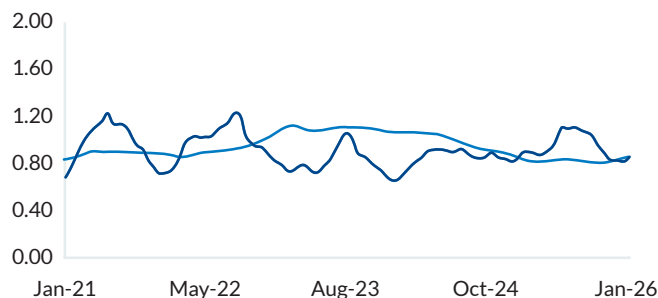
— LTM — 5 years

CHART 7: LIVE CATTLE (\$ PER LB)



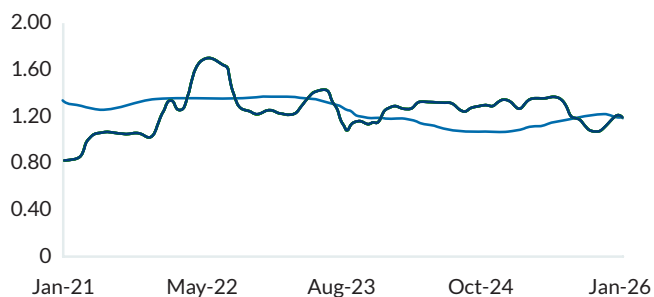
Source: S&P Capital IQ as of January 31, 2026. Past performance is not indicative of future results.

CHART 8: LEAN HOGS (\$ PER LB)



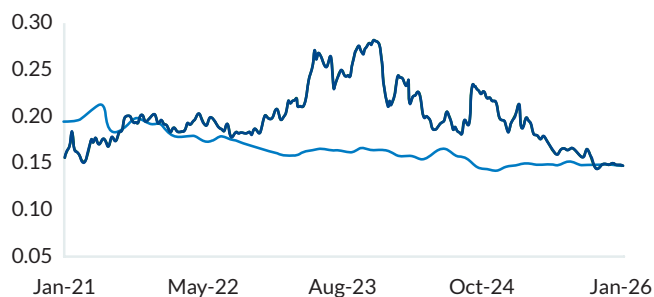
Source: S&P Capital IQ as of January 31, 2026. Past performance is not indicative of future results.

CHART 9: CHICKEN BROILERS (\$ PER LB)



Source: S&P Capital IQ as of January 31, 2026. Past performance is not indicative of future results.

CHART 10: SUGAR (\$ PER LB)



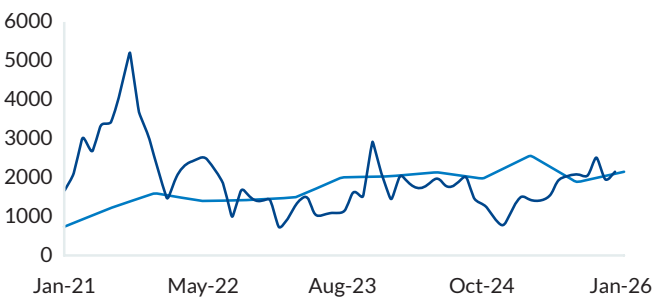
Source: S&P Capital IQ as of January 31, 2026. Past performance is not indicative of future results.

CHART 11: COFFEE (\$ PER LB)

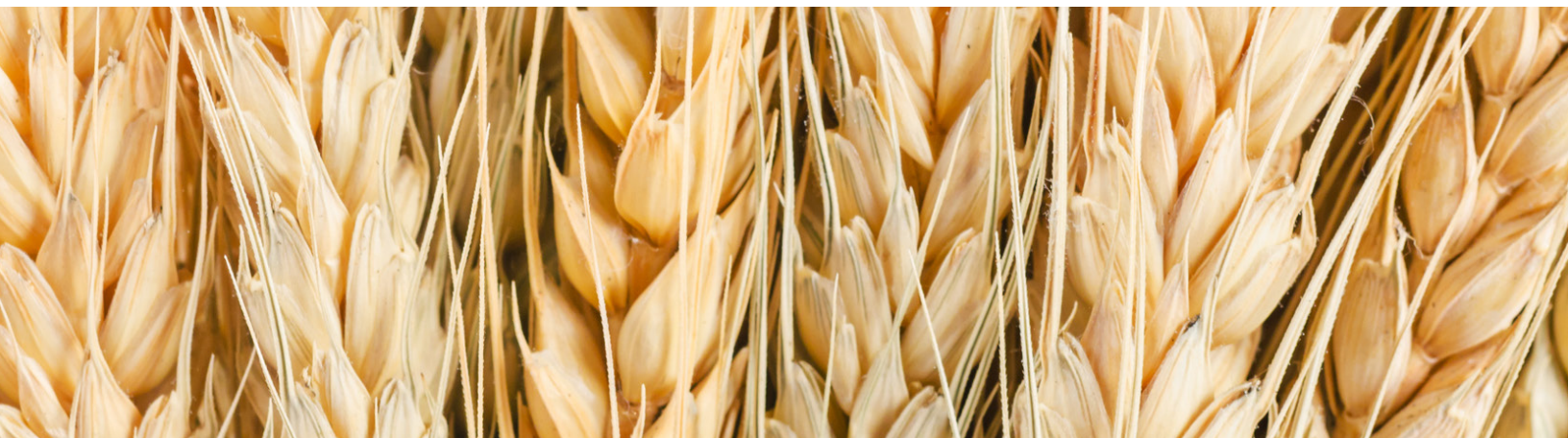


Source: S&P Capital IQ as of January 31, 2026. Past performance is not indicative of future results.

CHART 12: BALTIC DRY INDEX



Source: S&P Capital IQ as of January 31, 2026. Past performance is not indicative of future results.



Mesirow is committed to delivering an exceptional client experience through every engagement. With deep sector expertise across the food value chain and long-standing industry relationships, we offer a nuanced understanding of evolving consumer trends and category dynamics. Our exclusive focus on the middle market gives us insight into the priorities of entrepreneurial owners and private equity sponsors. Backed by decades of relevant transaction experience and a global network, our senior bankers provide tailored, hands-on advisory to enable food, beverage, and agribusiness companies achieve their strategic and financial goals.

Sector Focus

Branded & private label

- Packaged food & beverage
- Emerging brands
- Heritage brands
- Natural and organic
- Prepared foods

Distributors & wholesalers

- Foodservice
- Retail
- Re-distributors

Fruits & vegetables

- Growers
- Packers
- Shippers
- Processors

Ingredients & flavors

- Functional & sensory
- Edible oils
- Inclusions
- Sauces
- Spices & sweeteners
- Upcycled

Inputs & agribusiness

- Agronomy
- Agtech
- Biofuels
- Crop inputs
- Feed & ingredients
- Production
- Storage & distribution

Multi-unit

- Independent grocery chains
- Food services management
- Franchisors & franchisees
- Multi-unit concepts
- Multi-concept chains

Specialty beverage

- Coffee, tea & kombucha
- Beer, wine, spirits & zero proof
- Functional beverages
- Craft soda & seltzers
- Bottlers & co-packers

Other Industry Concentrations

In addition to food, beverage and agribusiness, we are a dedicated advisor to a wide array of middle-market companies and have developed an in-depth expertise in a range of industries, including:

- |                        |                               |                         |
|------------------------|-------------------------------|-------------------------|
| • Aerospace & Defense  | • Distribution & Supply Chain | • Industrial Technology |
| • Business Services    | • Healthcare                  | • Packaging             |
| • Consumer & eCommerce | • Industrials                 | • Technology & Services |

About Mesirow

Mesirow is an independent, employee-owned financial services firm founded in 1937. Headquartered in Chicago, with offices around the world, we serve clients through a personal, custom approach to reaching financial goals and acting as a force for social good. With capabilities spanning Private Capital & Currency, Capital Markets & Investment Banking, and Advisory Services, we invest in what matters: our clients, our communities and our culture. To learn more, visit [mesirov.com](https://mesirov.com), follow us on [LinkedIn](#) and subscribe to [Spark](#), our quarterly newsletter.

Contact Us

Paul Mariani

Managing Director,  
Head of Food, Beverage & Agribusiness  
312.595.7820  
[paul.mariani@mesirov.com](mailto:paul.mariani@mesirov.com)

Sam Hershman

Director  
312.595.7886  
[sam.hershman@mesirov.com](mailto:sam.hershman@mesirov.com)

Eric Markin

Director  
312.595.7887  
[eric.markin@mesirov.com](mailto:eric.markin@mesirov.com)

Joe Perozzi

Vice President  
312.595.2243  
[joe.perozzi@mesirov.com](mailto:joe.perozzi@mesirov.com)



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