

Monthly Market Update: Food, Beverage & Agribusiness

July recap

Mesirow All-Food Equity Composite **-0.87%** for the month ended 7.31¹

Mesirow All-Grain Commodity Composite **-4.6%** for the month ended 7.31²

S&P 500 **2.17%** for the month ended 7.31³

NASDAQ Composite **3.7%** for the month ended 7.31⁴

Big Food at the Head of the Table

M&A activity in the food, beverage and agribusiness industry marked another consecutive month of elevated volume, led by a continued wave of strategic buyers pursuing scale, category leadership and synergistic add-ons. The headline transactions — Mars' pending \$36 billion acquisition of Kellanova (17.5x EBITDA), Ferrero's \$3.1 billion bid for WK Kellogg Co. (9.7x EBITDA), and C&S Wholesale Grocers' unsolicited offer for SpartanNash (7.1x EBITDA) underscore a shift from portfolio rationalization to growth deployment and relevance.

MARS + KELLANOVA

Mars' pending acquisition of Kellanova, the global snacking arm of the former Kellogg Company, represents one of the largest CPG transactions in recent history. With brands like Pringles, Pop-Tarts, and Cheez-It, the acquisition enhances Mars' strong global snacking presence. While the transaction cleared US regulatory review in June, it faces deeper scrutiny in the EU, where regulators formally opened an antitrust investigation in July. The parties are working toward an August 13 deadline, with potential extensions pending the outcome of the EU review.

FERRERO + WK KELLOGG CO.

Ferrero announced its acquisition of WK Kellogg Co., the North American cereal business spun off from Kellogg in 2023. The \$3.1 billion all-cash transaction represents a 41% premium over the 30-day average stock price and marks Ferrero's expansion beyond confectionery into breakfast and meal-oriented categories. With iconic brands like Frosted Flakes, Froot Loops, and Rice Krispies, the deal gives Ferrero a foothold in a mature but stable US cereal market, while also offering WK Kellogg shareholders a premium exit amid underwhelming financial performance. The transaction is expected to close in the second half of 2025.

C&S WHOLESALE GROCERS + SPARTANNASH

In a move that could reshape US grocery distribution, C&S Wholesale Grocers submitted an unsolicited offer to acquire SpartanNash for approximately \$2.5 billion, valuing the Michigan-based distributor and retailer at a 42% premium to the 30-day average stock price. The proposed transaction combines two of the largest food distributors in the US, with significant overlap in military, independent grocer, and regional retail channels. The deal if completed, would represent the most significant consolidation move in the US broadline distribution sector since the Sysco/US Foods merger was blocked in 2015. Regulatory scrutiny is expected.

US FOODS + PFG?

US Foods is reportedly evaluating an acquisition of rival Performance Food Group. Shares of PFG jumped ~10% on the news. A merger would create a foodservice distribution giant with over \$100 billion in combined revenue and dramatically reshape the US landscape. Despite US Foods’ public overtures, PFG has declined to engage in merger discussions, offering no public comment beyond its decision to pass on the proposal.

BUTTERFLY EQUITY + HEALTH-ADE

While strategic consolidation dominates headlines, private equity remains active in driving innovation at the category level. Butterfly Equity, through its Generous Brands platform, acquired a controlling stake in Health-Ade, a leading kombucha brand, from Manna Tree and other shareholders. The move adds a high-growth, better-for-you anchor to Butterfly’s emerging CPG ecosystem and highlights continued sponsor interest in scaling lifestyle-driven health brands.




Why It Matters

Strategic Divergence, Same Endgame: Mars reinforces global snacking leadership, Ferrero diversifies into stable breakfast categories, and C&S (and potentially US Foods) are reshaping the distribution landscape. Meanwhile, Butterfly signals a long-term bet on functional wellness and brand-led consumer affinity

Regulatory Pressure: Mars and US Foods face antitrust sensitivities, while C&S/SpartanNash may invite scrutiny due to significant channel overlap

Broad-based M&A: From large-cap mega-deals to sponsored, strategic add-ons, buyers are deploying capital across the market to drive growth, category leadership, and portfolio diversification

Mid-year Key Commodity Indicators

Commodity	Key Indicators		Price Trend
 Corn	Stocks tightening (1.66B bu); price steady at \$4.20/bu; production down YoY		▶
 Soybeans	Stocks up (310M bu); price at \$10.10/bu; strong crush demand offsets export softness		▼
 Wheat	Stocks trimmed to 890M bu; price steady at \$5.40/bu; slight YoY production lift		▲
 Lean Hogs	2025 avg: \$69/cwt; Q3 forecast: \$76/cwt; spot carcass: \$104–107/cwt; supply gains temper prices		▼
 Live Cattle	Cash prices elevated (\$235–245/cwt); Q3 forecast in mid \$230s; herd rebuild underway amid multi-decade lows		▲
 Broilers	Prices holding \$1.33–1.34/lb; 2025 production up ~2% YoY; exports easing under global competition		▶

Monthly M&A Market Brief: Food, Beverage & Agribusiness

TABLE 1: NUMBER OF TRANSACTIONS BY STATUS

	June	July
Announced	51	46
Closed/Effective/Expired	48	52
Total Number of Transactions	99	98

TABLE 2: NUMBER OF TRANSACTIONS BY TYPE

	June	July
Private Placement	58	42
Merger/Acquisition	36	40
Public Offering	4	12
Bankruptcy	1	4
Total Number of Transactions	99	98

TABLE 3: M&A STATS

Valuation Summary	June	July
Total Deal Value (\$mm)	\$3,189.5	\$3,421.8
Average Deal Value (\$mm)	\$797.4	\$570.3
Average EV/Revenue	0.21x	1.05x
Average EV/EBITDA	7.1x	9.0x
Average Day Prior Premium	52.5%	31.4%
Average Week Prior Premium	49.5%	31.3%
Average Month Prior Premium	43.0%	43.6%

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

Valuation Summary	June	July
Greater than \$1 billion	1	1
\$500 – \$999.9mm	1	1
\$100 – \$499.9mm	1	0
Less than \$100mm	1	4
Undisclosed	32	34

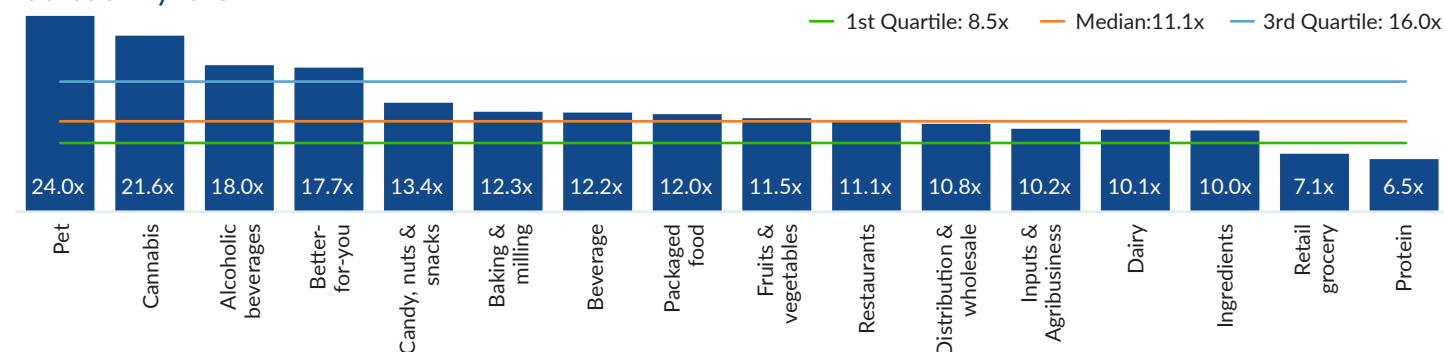
TABLE 5: ACTIVE BUYERS/INVESTORS BY TOTAL TRANSACTION SIZE (FOR MONTH ENDED 7.31.2025)

Company name	Total transaction size (\$mm)
Ferrero International S.A.	\$2,818
First Beverage Ventures	\$500
Generous Brands LLC	\$500
Manna Tree Partners, LLC	\$500
Keurig Dr Pepper Inc. (NasdaqGS:KDP)	\$98



M&A Multiples by Sub-sector

Latest ten years



M&A deals with disclosed multiples over the latest ten years. Source: S&P Capital IQ as of June 30, 2025.

Public sector valuations, margins and growth

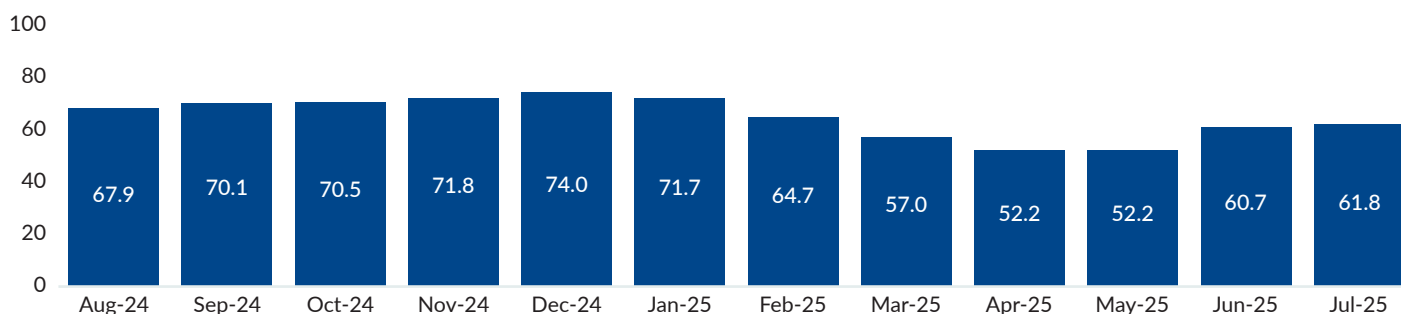
Food, beverage and agribusiness

	% 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	80.6%	0.45x	0.78x	9.5x	7.3x	8.8%	4.8%	5.0%	2.0x
Baking	76.4%	1.08x	1.02x	10.5x	8.4x	39.0%	12.4%	5.4%	2.7x
Beverages: Non-Alcoholic	89.1%	3.03x	2.73x	16.2x	15.9x	42.2%	18.3%	7.7%	3.2x
Better-for-you	67.3%	1.48x	1.70x	13.7x	14.0x	27.1%	8.2%	10.1%	3.0x
Biofuels	57.5%	0.44x	0.44x	21.4x	12.5x	5.1%	0.6%	1.6%	4.8x
Candy, Nuts and Snacks	65.7%	1.45x	1.61x	14.5x	11.9x	34.3%	11.3%	2.3%	1.4x
Cannabis	40.9%	1.07x	0.88x	12.0x	8.1x	36.6%	(4.2%)	7.7%	2.4x
Dairy	92.4%	1.93x	1.70x	12.0x	11.4x	27.1%	8.2%	7.3%	2.1x
Distribution and Wholesale	96.8%	0.30x	0.32x	11.5x	10.2x	16.1%	2.9%	3.7%	3.7x
Food Services and Facilities Management	87.1%	0.97x	0.88x	9.6x	7.1x	17.0%	6.8%	8.8%	2.7x
Fruits and Vegetables	82.0%	0.74x	0.88x	9.6x	10.9x	10.6%	5.3%	0.4%	2.5x
Ingredients	68.5%	1.97x	2.02x	12.2x	11.1x	35.8%	17.3%	0.9%	1.9x
Inputs	87.1%	1.72x	1.65x	9.2x	7.3x	27.6%	18.1%	5.9%	2.1x
Meal / Home Delivery	96.5%	3.21x	2.95x	16.0x	11.8x	50.2%	18.9%	8.7%	1.5x
Packaged Foods	81.4%	2.08x	2.08x	9.3x	10.2x	31.6%	17.2%	1.1%	3.3x
Protein	83.5%	0.77x	0.77x	7.4x	7.1x	18.9%	9.0%	5.5%	2.6x
Restaurants	72.46%	1.84x	1.73x	14.0x	12.7x	28.9%	11.5%	5.9%	4.0x
Retail Grocery	81.8%	0.50x	0.56x	8.9x	9.4x	27.7%	5.3%	4.6%	2.1x
3rd Quartile	89.2%	2.44x	2.42x	16.3x	14.4x	37.7%	17.6%	9.2%	4.5x
Median	80.1%	1.45x	1.42x	11.5x	10.5x	29.2%	10.3%	4.7%	2.8x
1st Quartile	62.0%	0.71x	0.76x	8.5x	7.7x	18.2%	5.1%	1.4%	1.8x

Source: S&P Capital IQ as of July 31, 2025.

Consumer Sentiment Index

Latest twelve months



Source: Surveys of Consumers (umich.edu).

Market data (1/2)

Last five years and latest twelve months

CHART 1: CORN (\$ PER BUSHEL)

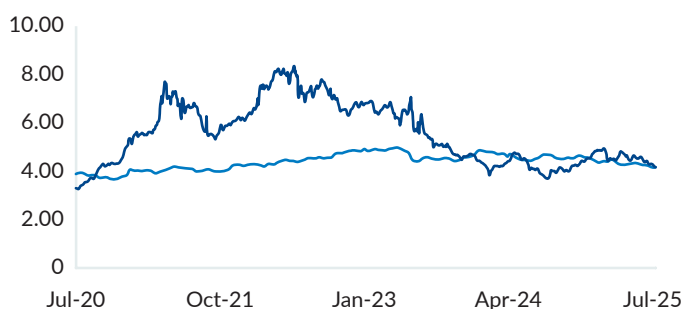


CHART 2: WHEAT (\$ PER BUSHEL)



CHART 3: SOYBEANS (\$ PER BUSHEL)

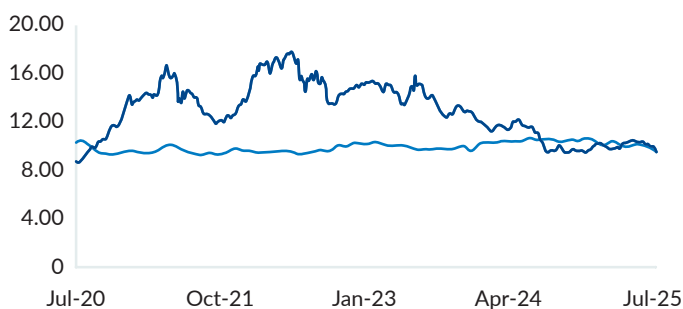


CHART 4: SOYBEAN MEAL (\$ PER TON)

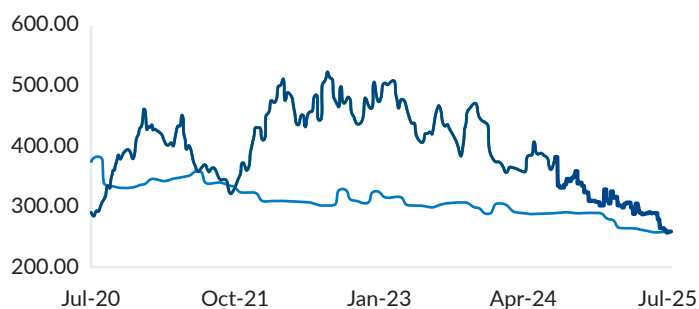
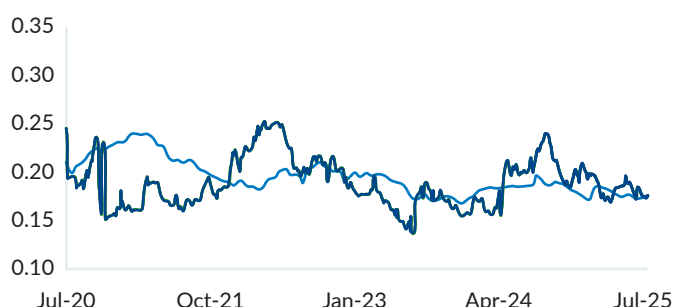


CHART 5: SOYBEAN OIL (\$ PER LB)



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



Market data (2/2)

Last five years and latest twelve months

CHART 7: LIVE CATTLE (\$ PER LB)

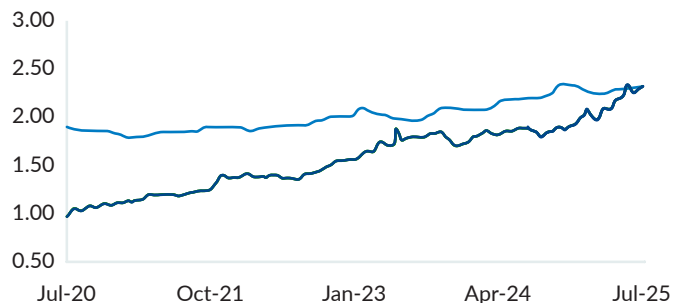


CHART 8: LEAN HOGS (\$ PER LB)

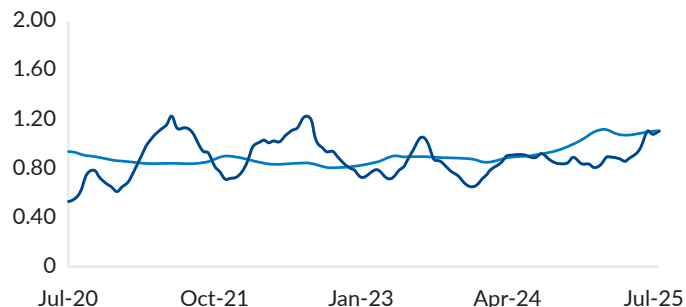


CHART 9: CHICKEN BROILERS (\$ PER LB)

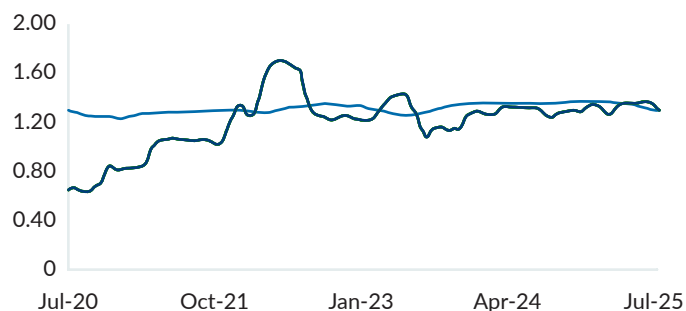


CHART 10: SUGAR (\$ PER LB)



CHART 11: COFFEE (\$ PER LB)

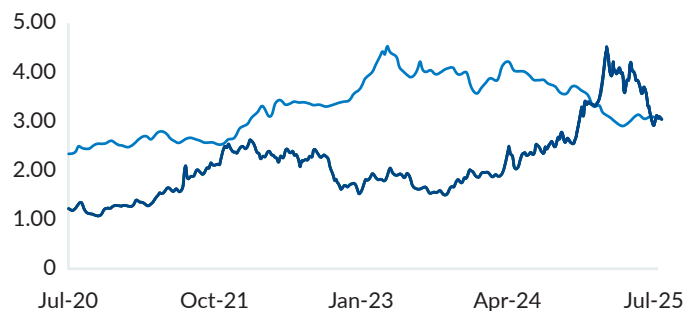
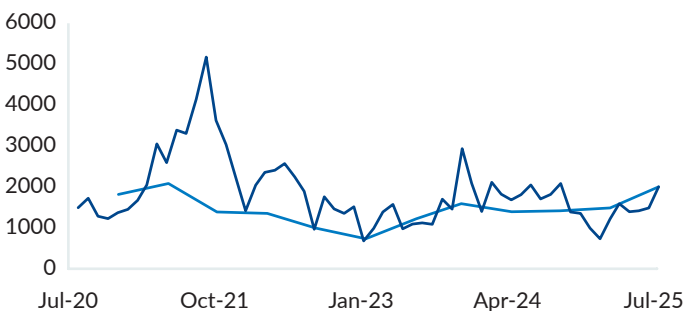


CHART 12: BALTIC DRY INDEX



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, follow us on [LinkedIn](#) and subscribe to [Spark](#), our quarterly newsletter.

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LATEST INSIGHTS

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