

Monthly Market Update: Food, Beverage & Agribusiness

Mesirow All-Food Equity Composite¹ **-7.94%**

S&P 500³ **2.27%**

Mesirow All-Grain Commodity Composite² **9.99%**

NASDAQ Composite⁴ **4.70%**

October marked a constructive month for food, beverage and agribusiness M&A. While macro conditions remained mixed, underwriting confidence improved across several defensible verticals. This came even as consumer sentiment declined for the third consecutive month, highlighting the resilience of essential categories and the willingness of buyers to lean into assets with more predictable demand, clean cost structures and strong forward visibility.

Strategics Re-Engage Across Priority Categories

Strategic acquirers were notably more active, particularly in ingredients, snacking, premium beverages and specialty distribution. Their engagement reflects renewed willingness to pursue add-ons ahead of 2026 planning cycles, with an emphasis on categories where innovation pipelines are healthy, cost structures are transparent and the demand profile is durable.

Ingredients & Functional Inputs Remain Center Stage

Ingredient manufacturers of spices, seasonings, formulation systems, functional inputs and clean-label components continue to anchor deal flow. These businesses benefit from more predictable CPG ordering patterns, better inventory discipline upstream, and the ongoing wave of 2026 reformulation initiatives. Buyers remain focused on assets with strong technical capabilities, defensible customer relationships and the ability to support BFY innovation.

Protein & Animal Nutrition Supported by Stable Grain Backdrop

Corn and soybean markets traded within a relatively tight range through October, improving underwriting visibility for livestock, dairy and feed-adjacent supply chains. Stable grain inputs, combined with a constructive outlook for milk availability, continue to support buyer confidence around margin durability and volume consistency.

Specialty Distribution Shows Consistency

Specialty food and ingredient distributors demonstrated steady order patterns and reliable fill rates heading into holiday and foodservice-driven seasonal demand. Buyers continue to reward route density, customer diversification and category expertise, with particular interest in operators supporting the fresh perimeter and premium-oriented products.

Restaurant M&A Concentrates on Efficiency and Unit Economics

Activity remains centered on concepts with strong unit-level performance, efficient labor models and value-oriented offerings. Fast-casual, breakfast-adjacent and other throughput-driven formats continue to outperform, while full-service lags more broadly, indicating an ongoing risk-off posture in that format.

Valuations: More Confident, Still Disciplined

While discipline persists, October brought clearer perspectives on what buyers are willing to underwrite. Businesses demonstrating more consistency, predictable costs and clean early-Q4 margin trends should draw the strongest interest. Companies with uneven performance or elevated perceived or actual volatility continue to see wider valuation dispersion and less competitive tension.

Looking Ahead

Momentum remains healthiest in categories exhibiting stability, visibility and defensible positioning: ingredients, animal nutrition, specialty distribution, premium beverages and value-focused foodservice. With a more predictable operating environment and increasing confidence driving buyer engagement, the deal pipeline entering Q4 appears noticeably more actionable than earlier in the year, positioning strategics and financial sponsors for a more active and consistent 2026.

M&A Market Data

TABLE 1: NUMBER OF TRANSACTIONS BY STATUS

	September	October
Announced	34	52
Closed/Effective/Expired	35	46
Total Number of Transactions	69	98

TABLE 2: NUMBER OF TRANSACTIONS BY TYPE

	September	October
Private Placement	32	54
Merger/Acquisition	28	34
Public Offering	6	9
Bankruptcy	3	1
Total Number of Transactions	69	98

TABLE 3: M&A STATS

Valuation Summary	September	October
Total Deal Value (\$mm)	\$732.7	\$115.0
Average Deal Value (\$mm)	\$146.5	\$115.0
Average EV/Revenue	1.47x	–
Average EV/EBITDA	8.6x	–
Average Day Prior Premium	32.4%	–
Average Week Prior Premium	38.4%	–
Average Month Prior Premium	35.9%	–

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

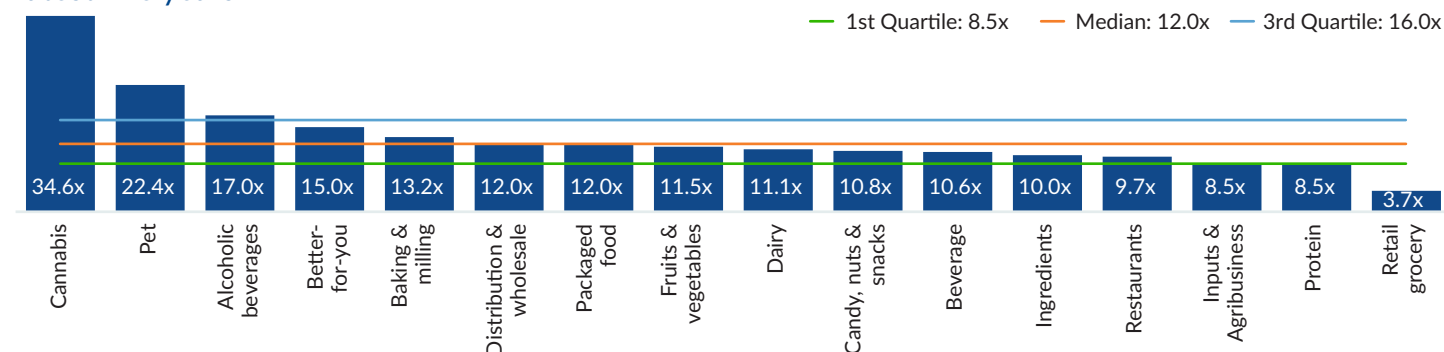
Valuation Summary	September	October
Greater than \$1 billion	0	0
\$500 – \$999.9mm	1	0
\$100 – \$499.9mm	0	1
Less than \$100mm	4	0
Undisclosed	23	33

TABLE 5: ACTIVE BUYERS/INVESTORS BY TOTAL TRANSACTION SIZE (FOR MONTH ENDED 10.31.2025)

Company name	Total transaction size (\$mm)
Apollo Global Management, Inc. (NYSE:APO)	\$3,000
KKR & Co. Inc. (NYSE:KKR)	\$3,000
Aliment Capital, LLC	\$150
JP Morgan Asset Management Holdings Inc.	\$150
PAG Pegasus Fund LP	\$124
OKG Financial Services Limited	\$124
Yadav Enterprises, Inc.	\$115
Midnight Ventures Ltd	\$30
Craig Kallman 2015 Living Trust	\$30
KAS Venture Partners	\$30

M&A Multiples by Sub-sector

Latest five years



Source: S&P Capital IQ as of October 31, 2025. M&A deals with disclosed multiples over the latest five years. Median, 1st and 3rd quartiles exclude Cannabis and Retail Grocery. Past performance is not indicative of future results.

Public Sector Valuations, Margins and Growth

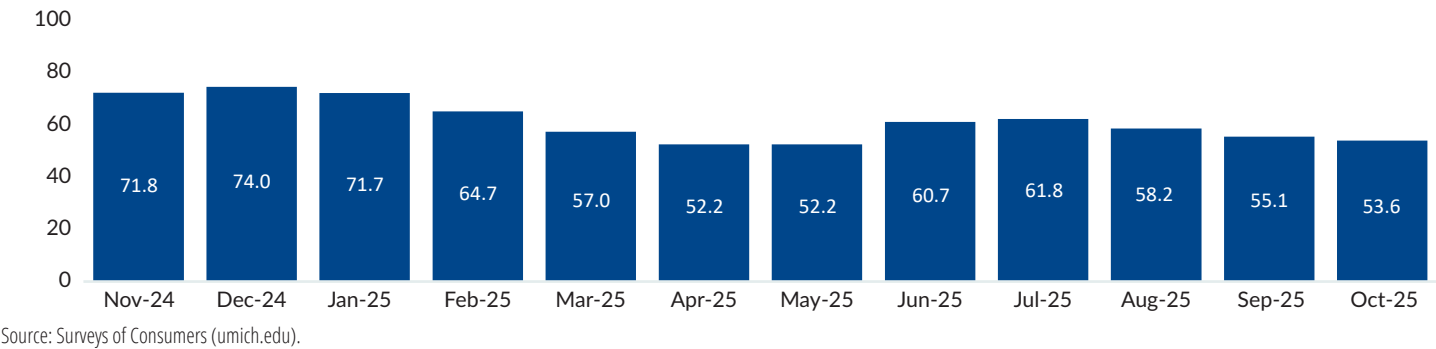
Food, beverage and agribusiness

	% 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	79.3%	0.49x	0.76x	7.7x	6.9x	8.3%	4.7%	5.2%	1.6x
Baking	61.5%	0.93x	0.94x	8.4x	7.3x	39.0%	11.2%	2.9%	2.7x
Beverages: Non-Alcoholic	84.6%	2.62x	2.53x	17.3x	12.9x	49.2%	17.8%	6.7%	4.0x
Better-for-you	49.1%	1.44x	1.49x	12.3x	9.8x	27.6%	7.4%	10.3%	3.2x
Biofuels	74.4%	0.52x	0.51x	9.7x	10.5x	5.5%	1.1%	(1.8%)	5.0x
Candy, Nuts and Snacks	73.9%	1.44x	1.53x	14.2x	10.1x	33.9%	12.3%	2.4%	1.4x
Cannabis	61.4%	1.45x	1.16x	29.9x	7.6x	42.2%	(5.2%)	4.6%	1.8x
Dairy	96.2%	1.78x	1.53x	12.8x	11.8x	27.6%	8.3%	0.6%	2.0x
Distribution and Wholesale	85.5%	0.34x	0.34x	11.8x	10.5x	15.2%	3.5%	3.9%	3.3x
Food Services and Facilities Management	78.2%	0.90x	0.82x	8.8x	6.5x	17.0%	6.9%	8.1%	2.3x
Fruits and Vegetables	75.3%	0.70x	0.78x	9.2x	9.6x	9.7%	5.0%	1.0%	2.2x
Ingredients	76.3%	1.57x	1.86x	11.9x	11.0x	35.8%	17.7%	0.3%	2.0x
Inputs	70.0%	1.35x	1.45x	7.6x	6.5x	27.9%	17.9%	6.2%	2.0x
Meal / Home Delivery	89.1%	2.35x	2.14x	16.0x	10.6x	51.0%	19.7%	9.8%	1.9x
Packaged Foods	75.9%	2.10x	2.08x	10.2x	10.2x	30.9%	17.1%	(0.8%)	3.3x
Protein	78.0%	0.68x	0.78x	6.8x	6.7x	17.2%	8.9%	2.3%	2.5x
Restaurants	63.7%	1.84x	1.73x	13.8x	13.1x	28.6%	11.8%	4.8%	4.0x
Retail Grocery	74.2%	0.47x	0.62x	8.3x	10.0x	27.5%	5.3%	2.3%	2.1x
3rd Quartile	84.9%	2.26x	2.36x	16.3x	13.2x	37.6%	17.3%	8.1%	4.3x
Median	73.6%	1.35x	1.29x	11.2x	9.9x	28.2%	10.5%	3.5%	2.7x
1st Quartile	54.7%	0.67x	0.74x	8.2x	7.4x	17.8%	5.4%	(0.6%)	1.8x

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

Consumer Sentiment Index

Latest twelve months



Market Performance (1/2)

Last five years and latest twelve months

CHART 1: CORN (\$ PER BUSHEL)



CHART 2: WHEAT (\$ PER BUSHEL)



CHART 3: SOYBEANS (\$ PER BUSHEL)

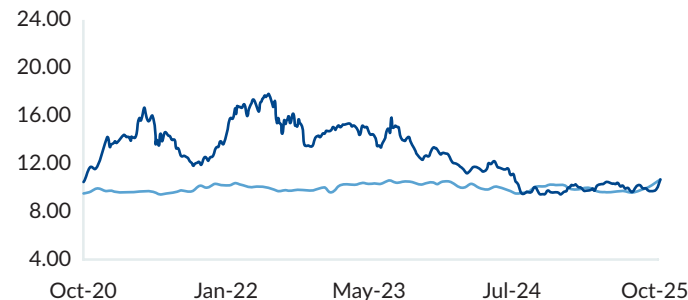


CHART 4: SOYBEAN MEAL (\$ PER TON)

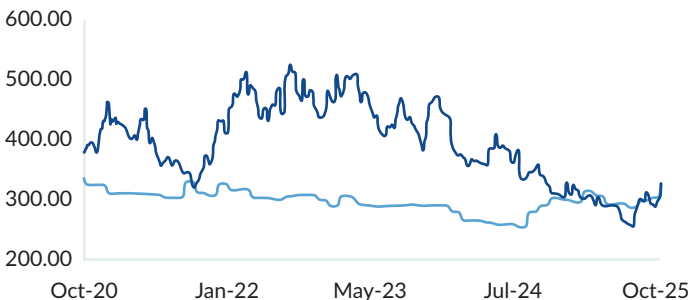


CHART 5: SOYBEAN OIL (\$ PER LB)



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



Market Performance (2/2)

Last five years and latest twelve months

CHART 7: LIVE CATTLE (\$ PER LB)

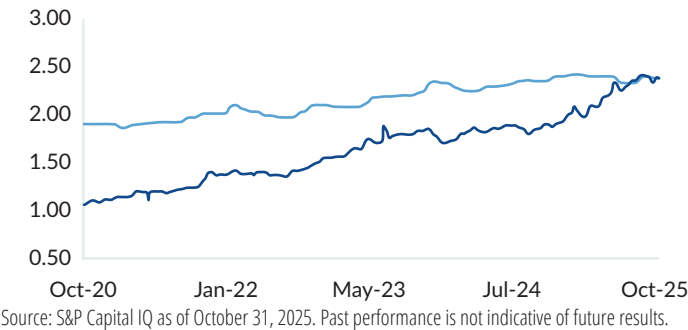


CHART 8: LEAN HOGS (\$ PER LB)

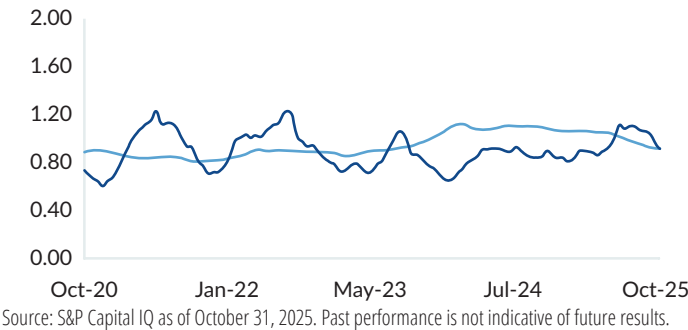


CHART 9: CHICKEN BROILERS (\$ PER LB)

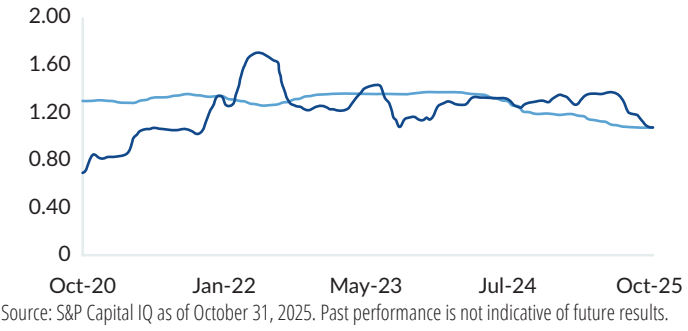


CHART 10: SUGAR (\$ PER LB)

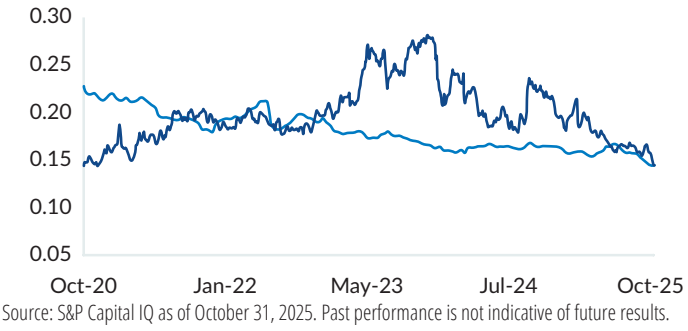


CHART 11: COFFEE (\$ PER LB)

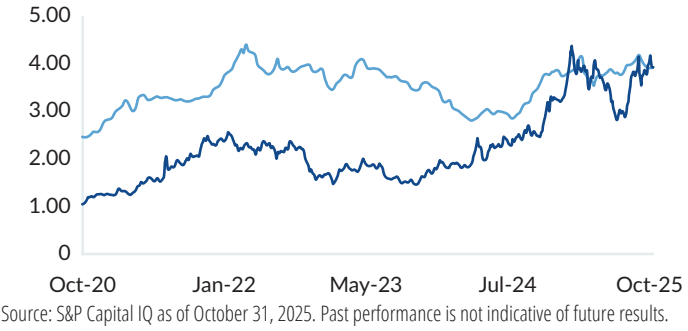
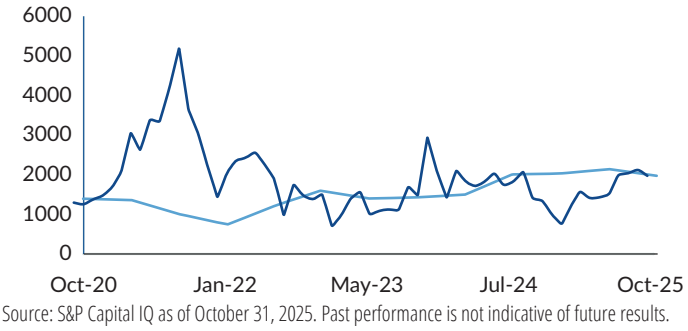


CHART 12: BALTIC DRY INDEX



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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