

Monthly Market Update: Food, Beverage & Agribusiness

October recap

Mesirow All-Food Equity Composite **-1.97%** for the month ended 10.31¹

Mesirow All-Grain Commodity Composite **-1.68%** for the month ended 10.31²

S&P 500 **+0.35%** for the month ended 10.31³

NASDAQ Composite **+1.84%** for the month ended 10.31⁴

The food, beverage, and agribusiness M&A market has remained robust despite ongoing economic challenges and pre-election uncertainties.

October deal activity implies the market is on track with 2022 levels in terms of number of deals. Dollar volume in 2024 has notably outpaced 2023 levels, driven by the resurgence of mega-deals. Activity has been particularly strong in beverages, foodservice distribution, bakery, and high-demand segments like snacking and indulgent foods.

High quality companies are commanding premiums, while the broader sector continues to show resilience, even amid economic pressures. This sustained momentum highlights the attractiveness of the sector to both strategic and private equity buyers, who see long-term value despite current market challenges.



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

TABLE 1: NUMBER OF TRANSACTIONS BY STATUS

	September	October
Announced:	69	49
Closed/Effective/Expired:	71	66
Total Number of Transactions:	140	115

TABLE 2: NUMBER OF TRANSACTIONS BY TYPE

	September	October
Private Placement	64	49
Merger/Acquisition	61	57
Public Offering	11	5
Bankruptcy	4	4
Total Number of Transactions:	140	115

TABLE 3: MERGER & ACQUISITION STATISTICS

Valuation Summary	September	October
Total Deal Value (\$mm)	\$30.7	\$3,185.1
Average Deal Value (\$mm)	\$6.1	\$1,061.7
Average EV/Revenue	0.89x	4.87x
Average EV/EBITDA	15.7x	13.8x
Average Day Prior Premium	-	105.6%
Average Week Prior Premium	-	91.1%
Average Month Prior Premium	-	82.9%

TABLE 4: NUMBER OF DEALS BY TRANSACTION RANGES

Valuation Summary	September	October
Greater than \$1 billion	0	2
\$500 – \$999.9mm	0	0
\$100 – \$499.9mm	0	0
Less than \$100mm	5	1
Undisclosed	56	54

TABLE 5: ACTIVE BUYERS/INVESTORS BY TOTAL TRANSACTION SIZE (FOR MONTH ENDED 10.31)

Company name	Total transaction size (\$mm)
Butterfly Equity LP	\$1,985.0
PepsiCo. Inc. (NasdaqGS:PEP)	\$1,200.0
Whole Foods Market, Inc.	\$20.0
The Hershey Company (NYSE:HSY)	\$20.0
Hamilton Lane Incorporated (NasdaqGS:HLNE)	\$20.0
DMG Ventures Limited	\$20.0
Zintinus GmbH	\$20.0
Praesidium S.A.	\$20.0
The Invus Group, LLC	\$10.0
7 Mile Brands LLC	\$3.0



Public sector valuations, margins and growth

Food, beverage and agribusiness

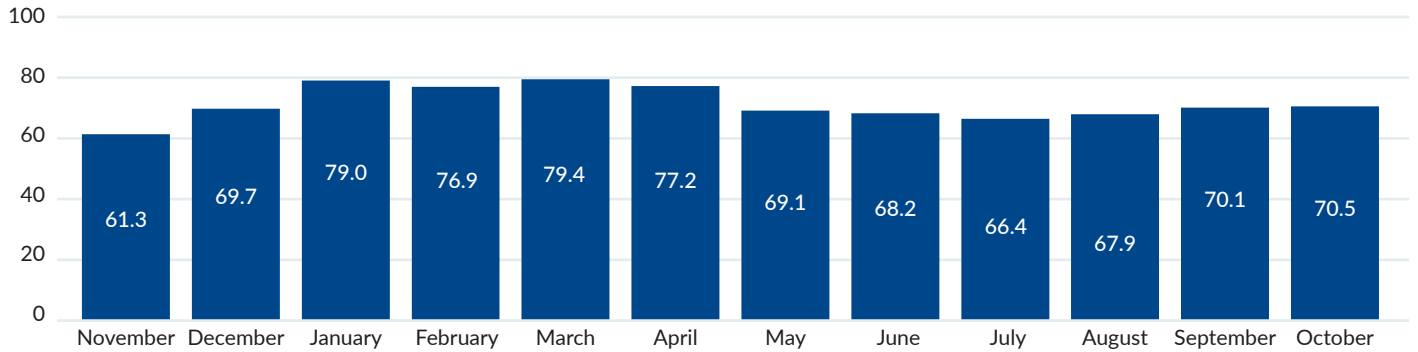
	% of 52 week high	Enterprise value as a multiple of:				LTM EBITDA margin	LTM gross margin	LTM - NTM revenue growth	Net debt / LTM EBITDA
		Revenue		EBITDA					
		LTM	NTM	LTM	NTM				
Agribusiness	76.7%	0.48x	0.78x	8.6x	7.2x	4.7%	9.8%	3.3%	1.3x
Baking	78.1%	1.02x	0.97x	8.5x	6.8x	10.1%	40.9%	3.0%	2.0x
Beverages: Non-Alcoholic	88.4%	3.35x	2.94x	16.5x	15.2x	20.5%	53.7%	5.4%	1.9x
Better-for-you	84.2%	1.84x	1.85x	17.4x	13.5x	9.9%	24.4%	9.7%	3.4x
Biofuels	55.5%	0.64x	0.40x	11.1x	7.7x	4.5%	5.8%	4.0%	1.7x
Candy, Nuts and Snacks	84.6%	1.50x	2.03x	15.5x	13.9x	10.5%	32.3%	2.3%	1.5x
Cannabis	50.0%	1.25x	1.44x	13.6x	19.7x	(9.7%)	33.5%	6.0%	3.0x
Dairy	91.1%	1.96x	1.85x	11.1x	11.1x	13.0%	28.5%	4.3%	2.2x
Distribution and Wholesale	89.6%	0.33x	0.33x	10.2x	9.3x	3.6%	15.5%	3.7%	3.1x
Food Services and Facilities Management	93.8%	0.79x	0.86x	10.6x	8.7x	7.5%	16.2%	4.9%	2.1x
Fruits and Vegetables	89.0%	0.82x	1.13x	10.0x	11.0x	4.7%	9.7%	2.6%	2.2x
Ingredients	89.1%	2.33x	2.29x	15.8x	13.6x	16.1%	34.3%	5.3%	2.3x
Inputs	85.9%	1.33x	1.29x	7.7x	7.8x	17.3%	30.4%	2.7%	2.2x
Meal / Home Delivery	94.3%	3.20x	2.92x	19.2x	11.2x	13.6%	48.8%	9.7%	1.9x
Packaged Foods	87.4%	2.32x	2.20x	11.8x	10.2x	17.5%	33.0%	2.5%	3.3x
Protein	89.9%	0.94x	0.90x	9.7x	7.5x	8.8%	18.9%	6.1%	2.7x
Restaurants	73.3%	2.42x	2.24x	16.7x	13.2x	12.8%	28.4%	4.8%	4.4x
Retail Grocery	87.9%	0.44x	0.56x	7.9x	8.9x	5.5%	27.8%	1.6%	1.9x
3rd Quartile	92.3%	2.58x	2.55x	16.6x	14.3x	17.8%	37.5%	8.9%	4.1x
Median	85.2%	1.40x	1.50x	12.1x	10.7x	10.0%	28.5%	4.1%	2.9x
1st Quartile	68.4%	0.68x	0.80x	8.9x	7.6x	5.3%	16.8%	0.2%	1.7x

Source: S&P Capital IQ as of October 31, 2024. | Past performance is not necessarily indicative of future results.



Consumer Sentiment Index

Latest twelve months



Source: Surveys of Consumers (umich.edu).

Market data (1/2)

Last five years and latest twelve months

— LTM — 5 years

CHART 1: CORN (\$ PER BUSHEL)

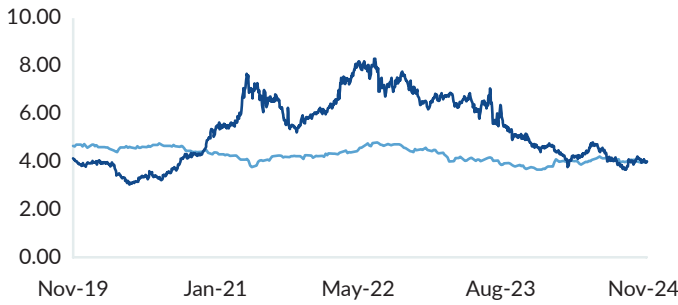


CHART 2: WHEAT (\$ PER BUSHEL)



CHART 3: SOYBEANS (\$ PER BUSHEL)

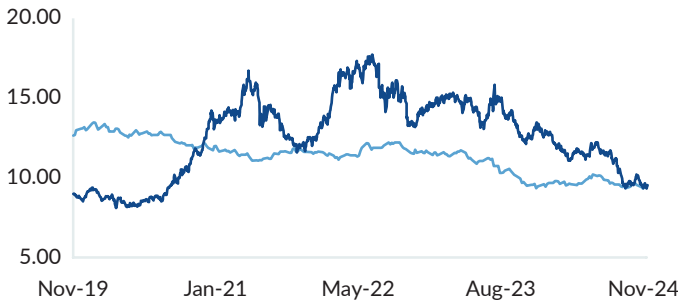


CHART 4: SOYBEAN MEAL (\$ PER TON)

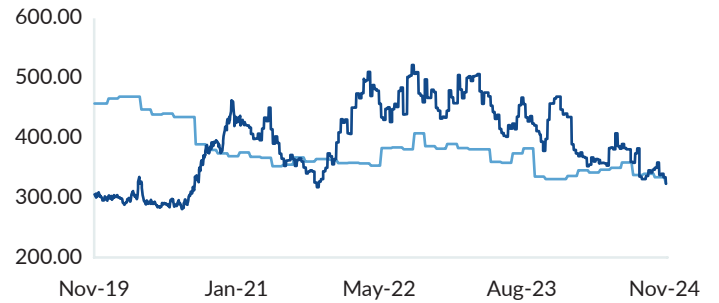


CHART 5: SOYBEAN OIL (\$ PER LB)

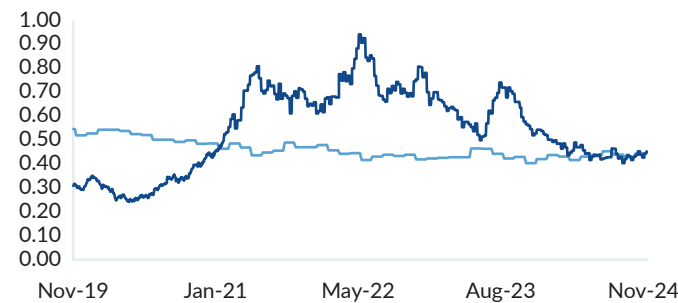
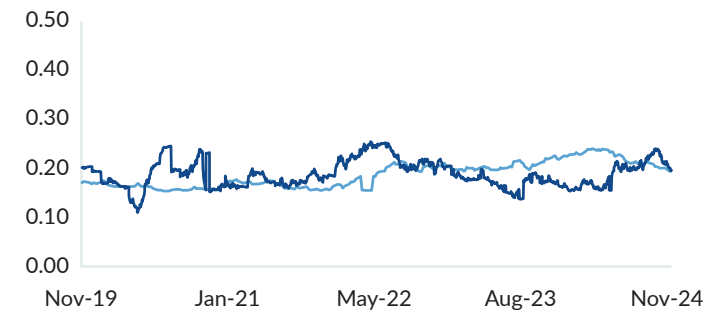


CHART 6: MILK CLASS III (\$ PER LB)



Market data (2/2)

Last five years and latest twelve months

— LTM — 5 years

CHART 7: LIVE CATTLE (\$ PER LB)

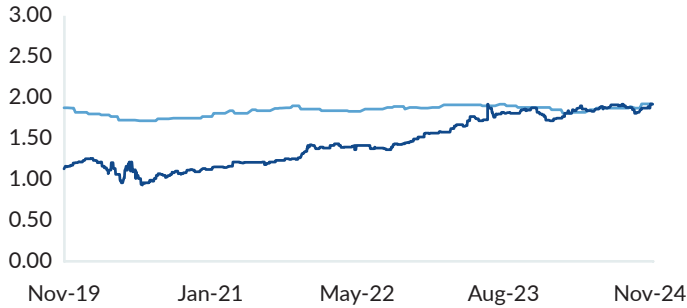


CHART 8: LEAN HOGS (\$ PER LB)

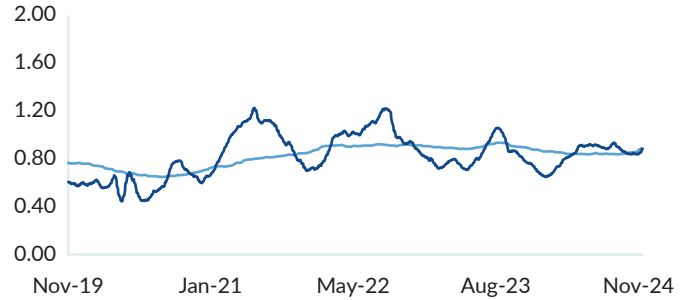


CHART 9: CHICKEN BROILERS (\$ PER LB)

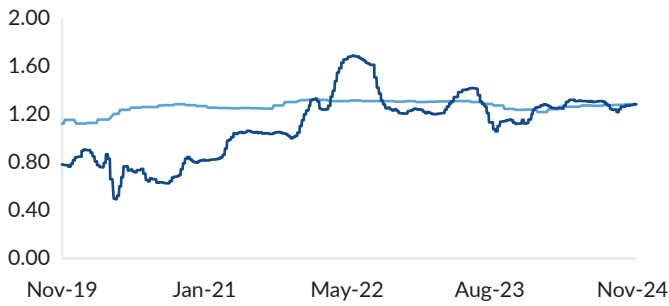


CHART 10: SUGAR (\$ PER LB)

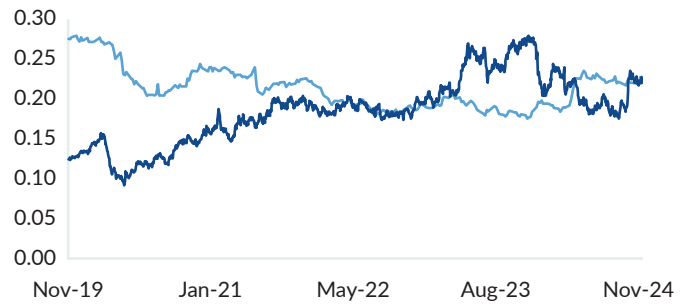


CHART 11: COFFEE (\$ PER LB)

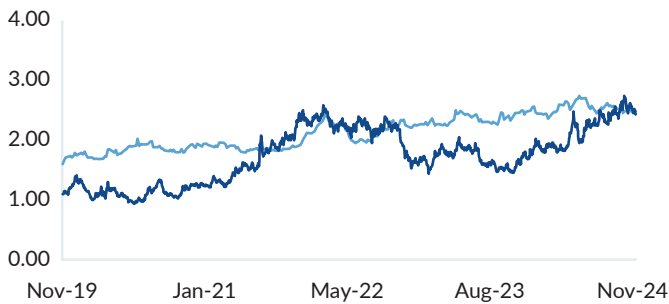
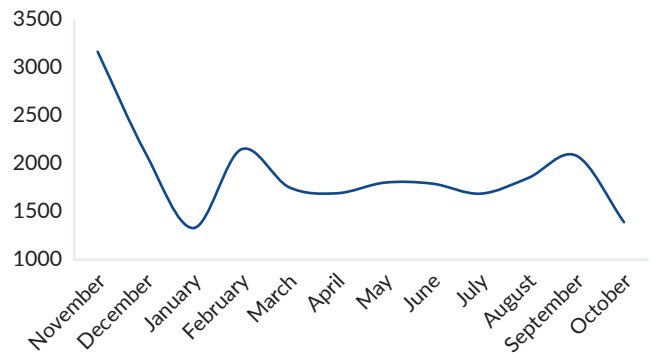


CHART 12: BALTIC DRY INDEX



Mesirow's exclusive focus on the middle market means we understand and relate to entrepreneurial business owners and their management teams. We take a long-term approach to client relationships and combine long-standing relationships with expert advisory services to provide custom solutions for leading food, beverage and agribusiness companies. With years of relevant transaction experience and a global network, our senior bankers devote a high level of attention to every transaction and ensure we meet the unique needs of our clients.

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

Restaurants & retail grocery

- Independent grocery chains
- 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
- Business Services
- Consumer & eCommerce
- Distribution & Supply Chain
- Healthcare
- Industrials
- Industrial Technology
- Packaging
- Technology & Services

About Mesirow

Mesirow is an independent, employee-owned financial services firm founded in 1937. Headquartered in Chicago, with locations 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 Global Investment Management, Capital Markets & Investment Banking, and Advisory Services, we invest in what matters: our clients, our communities and our culture. To learn more, visit mesirow.com and follow us on [LinkedIn](#).

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LATEST INSIGHTS