

# Monthly Market Update: Food, Beverage & Agribusiness

## January recap

Mesirow All-Food Equity Composite **1.87%** for the month ended 1.31<sup>1</sup>

Mesirow All-Grain Commodity Composite **3.38%** for the month ended 1.31<sup>2</sup>

S&P 500 **2.70%** for the month ended 1.31<sup>3</sup>

NASDAQ Composite **1.64%** for the month ended 1.31<sup>4</sup>

## Tariffs stir the pot: Disruptor or opportunity?

The food and beverage M&A landscape experienced mixed signals in January as geopolitical tensions and new tariffs introduced heightened uncertainty. Despite macroeconomic pressures, deal activity remained stable, with high-growth and resilient sub-sectors, such as functional and non-alcoholic beverages, distillers and vintners, restaurants, and agricultural products and services leading the way.

The latest tariffs on agricultural imports and food processing equipment are reshaping supply chains, adding cost pressures for multinational producers while benefiting domestic suppliers in more insulated categories. Volatility in the soybean, wheat, and dairy markets is driving input cost fluctuations, prompting companies to reassess cross-border M&A strategies in favor of domestic supply chain integration. More resilient brands are expected to pass on rising costs to consumers, potentially reshaping competitive dynamics.

## Key trends to watch

**Premiumization** – Investors continue to favor brands with strong pricing power in organic, functional, and specialty categories.

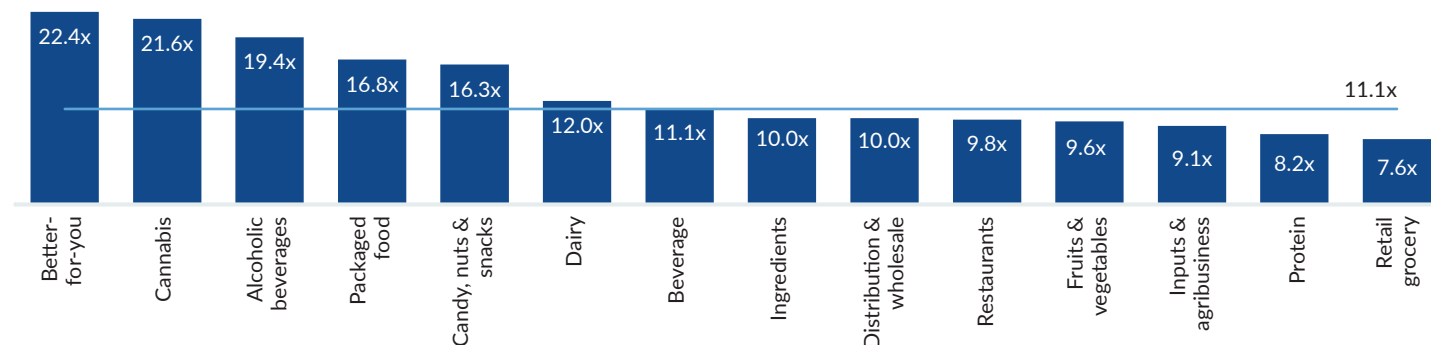
**AI & Automation in Food Tech** – Capital is flowing into AI-driven demand planning and automated food production as firms seek greater efficiencies.

**Sustainability-driven deals** – ESG considerations remain central to deal rationale, particularly in plant-based, regenerative agriculture, and waste reduction technologies.

Despite global uncertainty, strategic M&A in the food and beverage sector remains strong. As companies navigate shifting cost structures and evolving consumer preferences, expect dealmaking to prioritize resilience and innovation.

## 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 December 31, 2024.

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

TABLE 1: NUMBER OF TRANSACTIONS BY STATUS

	December	January
Announced	38	40
Closed/Effective/Expired	36	35
Total Number of Transactions	74	75

TABLE 2: NUMBER OF TRANSACTIONS BY TYPE

	December	January
Private Placement	39	38
Merger/Acquisition	29	30
Public Offering	1	4
Bankruptcy	5	3
Total Number of Transactions:	74	75

TABLE 3: M&A STATS

Valuation Summary	December	January
Total Deal Value (\$mm)	\$238.7	\$817.9
Average Deal Value (\$mm)	\$79.6	\$272.6
Average EV/Revenue	-	3.33x
Average EV/EBITDA	-	-
Average Day Prior Premium	NA	27.3%
Average Week Prior Premium	NA	88.2%
Average Month Prior Premium	NA	88.2%

TABLE 4: NUMBER OF DEALS BY RANGE OF VALUE

Valuation Summary	December	January
Greater than \$1 billion	0	0
\$500 - \$999.9mm	0	1
\$100 - \$499.9mm	1	0
Less than \$100mm	2	2
Undisclosed	26	27

TABLE 5: ACTIVE BUYERS/INVESTORS BY TOTAL TRANSACTION SIZE (FOR MONTH ENDED 1.31)

Company name	Total transaction size (\$mm)
Flowers Foods, Inc. (NYSE:FLO)	\$795.0
Safety Shot, Inc. (NasdaqCM:SHOT)	\$22.4
C/M Capital Master Fund, LP	\$15.0
Builders Bridge	\$3.8
Third Nature Ventures	\$3.8
True Wealth Ventures	\$3.8



## Public sector valuations, margins and growth

### Food, beverage and agribusiness

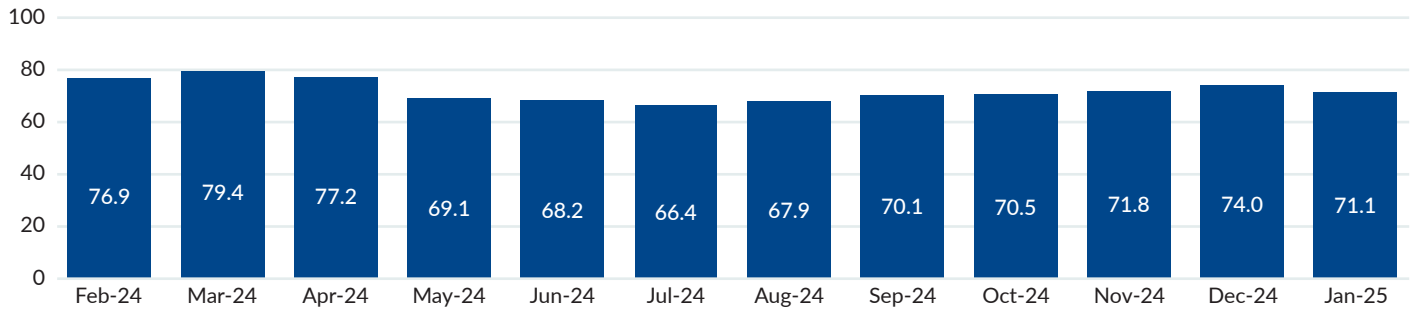
	% of 52 week high	Enterprise value as a multiple of:				LTM gross margin	LTM EBITDA margin	LTM - NTM revenue growth	Net debt / LTM EBITDA
		Revenue		EBITDA					
		LTM	NTM	LTM	NTM				
Agribusiness	77.5%	0.47x	0.78x	8.4x	7.2x	9.8%	4.7%	0.1%	1.3x
Baking	71.3%	1.01x	0.99x	8.7x	6.9x	41.0%	10.3%	1.7%	1.9x
Beverages: Non-Alcoholic	83.0%	3.32x	3.15x	17.2x	17.0x	42.1%	18.2%	5.1%	2.8x
Better-for-you	83.0%	1.76x	1.69x	17.2x	13.6x	27.4%	8.9%	8.8%	3.3x
Biofuels	69.7%	0.56x	0.39x	10.4x	8.7x	4.3%	3.3%	0.4%	2.9x
Candy, Nuts and Snacks	70.4%	1.57x	1.74x	13.2x	12.3x	33.0%	10.6%	2.8%	1.3x
Cannabis	40.8%	1.09x	1.01x	18.7x	15.1x	39.1%	(15.7%)	9.2%	2.5x
Dairy	80.5%	1.76x	1.62x	10.9x	11.2x	28.1%	12.2%	(0.2%)	2.2x
Distribution and Wholesale	88.0%	0.30x	0.30x	10.9x	10.2x	15.6%	3.4%	3.4%	3.5x
Food Services and Facilities Management	79.6%	0.87x	0.81x	9.8x	7.9x	17.0%	6.5%	0.6%	2.2x
Fruits and Vegetables	78.4%	0.77x	0.93x	9.1x	10.3x	11.3%	4.8%	1.4%	2.8x
Ingredients	81.6%	2.28x	2.29x	15.4x	13.0x	34.5%	16.6%	3.6%	2.2x
Inputs	85.9%	1.45x	1.43x	8.6x	8.5x	28.8%	17.1%	3.6%	2.4x
Meal / Home Delivery	96.5%	3.43x	3.13x	20.6x	11.7x	48.8%	13.6%	9.6%	1.9x
Packaged Foods	79.0%	2.17x	2.16x	10.4x	9.5x	33.0%	17.4%	0.2%	3.3x
Protein	82.6%	0.77x	0.76x	8.0x	7.2x	19.1%	8.6%	2.8%	2.7x
Restaurants	77.1%	2.36x	2.18x	16.9x	13.3x	28.3%	13.4%	11.9%	4.1x
Retail Grocery	94.2%	0.44x	0.58x	8.1x	9.5x	27.8%	5.3%	(1.9%)	1.8x
<b>3rd Quartile</b>	90.6%	2.50x	2.54x	17.0x	14.4x	37.6%	17.6%	6.7%	4.2x
<b>Median</b>	79.5%	1.44x	1.50x	11.1x	10.6x	28.1%	10.1%	2.6%	2.9x
<b>1st Quartile</b>	66.7%	0.71x	0.76x	8.4x	7.7x	17.3%	4.7%	(0.4%)	1.8x

Source: S&P Capital IQ as of January 31, 2025. | 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)

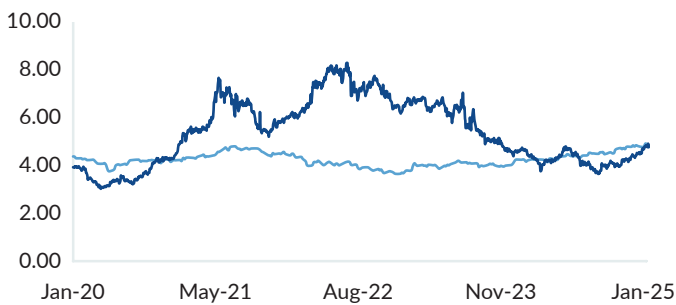


CHART 2: WHEAT (\$ PER BUSHEL)



CHART 3: SOYBEANS (\$ PER BUSHEL)

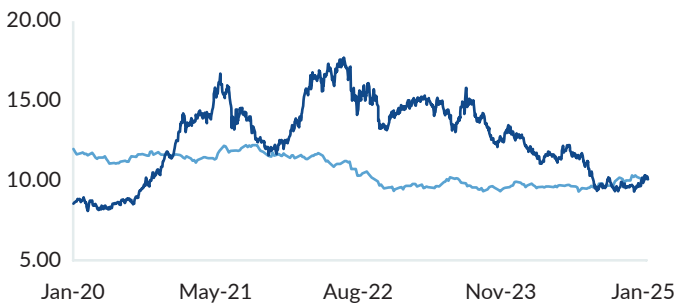


CHART 4: SOYBEAN MEAL (\$ PER TON)

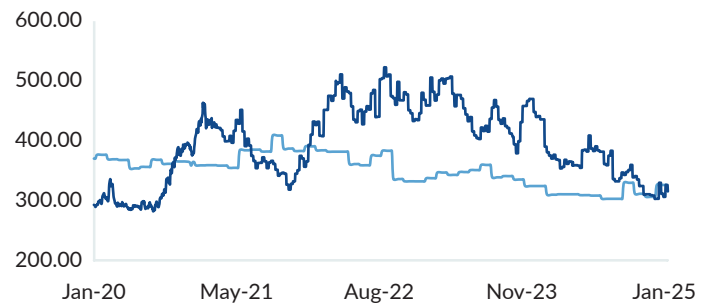


CHART 5: SOYBEAN OIL (\$ PER LB)

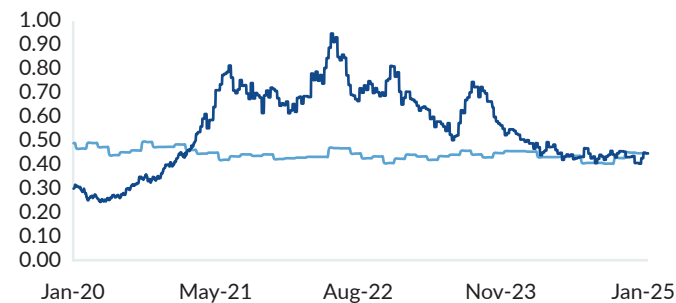
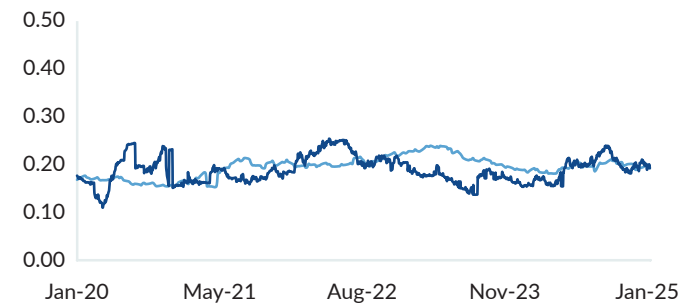


CHART 6: MILK CLASS III (\$ PER LB)



## Market data (2/2)

Last five years and latest twelve months

— LTM — 5 years

CHART 7: LIVE CATTLE (\$ PER LB)

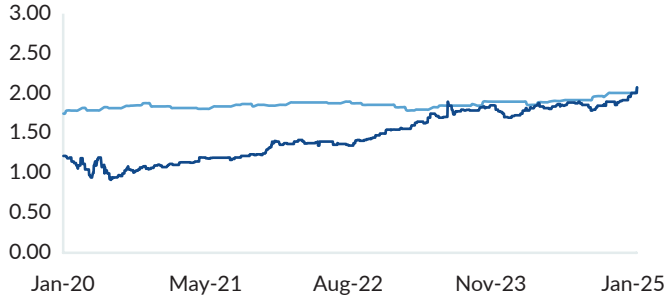


CHART 8: LEAN HOGS (\$ PER LB)

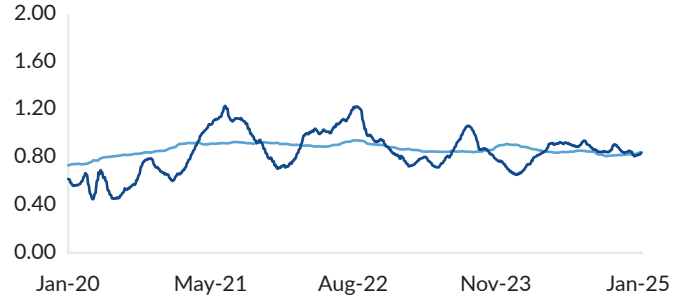


CHART 9: CHICKEN BROILERS (\$ PER LB)

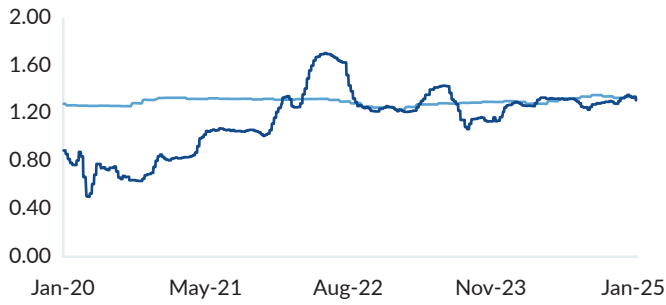


CHART 10: SUGAR (\$ PER LB)

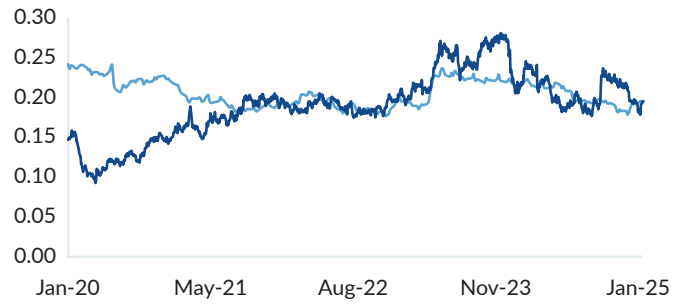


CHART 11: COFFEE (\$ PER LB)

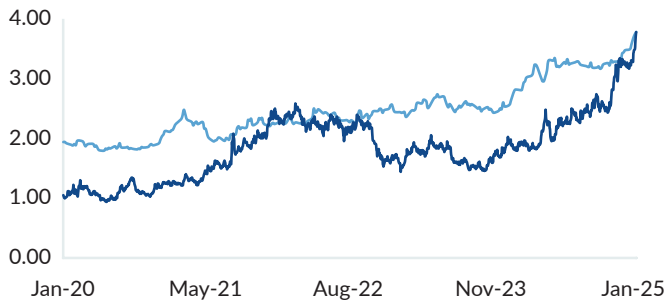
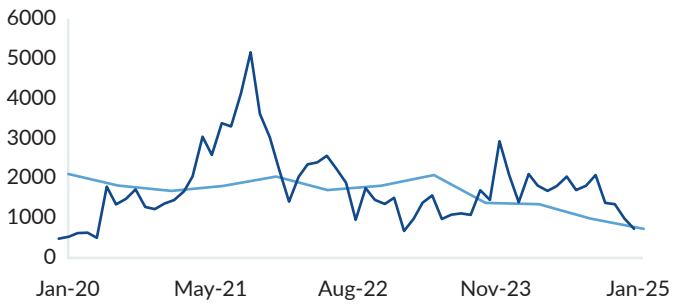


CHART 12: BALTIC DRY INDEX



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
- 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
- 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](https://mesirow.com) and follow us on [LinkedIn](#).

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