Mesirow

Monthly Market Update: Food, Beverage & Agribusiness

Mesirow All-Food Equity Composite[1]	-2.37%	S&P 500[3]	5.15%
Mesirow All-Grain Commodity Composite[2]	-2.22%	NASDAQ Composite[4]	8.36%

Monthly Activity + Mix

May food, beverage and agribusiness M&A activity was notable less for overall volume than its composition. Strategic acquirers continued to drive transaction activity with deal flow concentrated in the lower end of the middle market. Strategic buyers accounted for 85% of activity, while financial sponsors represented just 15%, including new platforms (5%) and add-ons (10%).

Transaction size remained modest across most sub-sectors, with only two announced transactions falling within the $100 million to $500 million range. The month's largest transaction was International Flavors & Fragrances' (IFF) divestiture of its Food Ingredients business to CVC Capital Partners, which stood apart from an otherwise subdued month.

Notable Transaction

IFF announced the sale of its Food Ingredients business to CVC Capital Partners for approximately $4.2 billion, implying a valuation of 9.8x estimated 2025 EBITDA. IFF will retain a 10% equity stake following the transaction.

The multiple reflects a platform weighted toward more mature ingredient categories, including texturants and emulsifiers, rather than higher-growth specialty segments such as flavors, enzymes, cultures and functional health & wellness ingredients, which have historically commanded low- to mid-teen multiples. The transaction also represents one of the largest corporate carve-outs announced in the sector this year and highlights continued portfolio optimization activity among larger food and ingredient companies.

Outlook

Looking ahead, a healthy pipeline of active sale processes supports a constructive outlook for transaction activity in the second half of the year. However, larger-scale M&A activity remains limited and will likely require broader sponsor participation and a return of more sizable strategic acquisitions to accelerate meaningfully.

All data as of 5.31.2026. | Data sources: S&P Capital IQ, Trading Economics, Pitchbook, NASDAQ exchange, S&P Dow Jones Indices. | 1. Mesirow All-Food Composite tracks 188 food and beverage companies across 18 sub-sectors. The percentage change is calculated by comparing the sum of the equal-weighted closing stock prices on the final trading day of each month. | 2. Mesirow All-Grain Composite tracks CBOT wheat, soybeans and corn pricing. The percentage change is calculated by comparing the sum of equal-weighted closing prices on the final trading day of each month. | 3. The S&P 500 includes 500 of the largest publicly traded companies in the U.S. | 4. NASDAQ Composite includes all stocks traded on the NASDAQ exchange.

M&A Market Data

TABLE 1: NUMBER OF TRANSACTIONS BY STATUS

	April	May
Announced	37	44
Closed/Effective/Expired	44	33
Total Number of Transactions	81	77

TABLE 2: NUMBER OF TRANSACTIONS BY TYPE

	April	May
Private Placement	47	49
Merger/Acquisition	27	21
Public Offering	6	7
Bankruptcy	1	0
Total Number of Transactions	81	77

TABLE 3: M&A STATS

Valuation Summary	April	May
Total Deal Value ($mm)	$53.4	$4,414.6
Average Deal Value ($mm)	$26.7	$882.9
Average EV/Revenue	–	1.36x
Average EV/EBITDA	–	9.8x
Average Day Prior Premium	–	–
Average Week Prior Premium	–	–
Average Month Prior Premium	–	–

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

Valuation Summary	April	May
Greater than $1 billion	0	1
$500 – $999.9mm	0	0
$100 – $499.9mm	0	2
Less than $100mm	2	2
Undisclosed	25	16

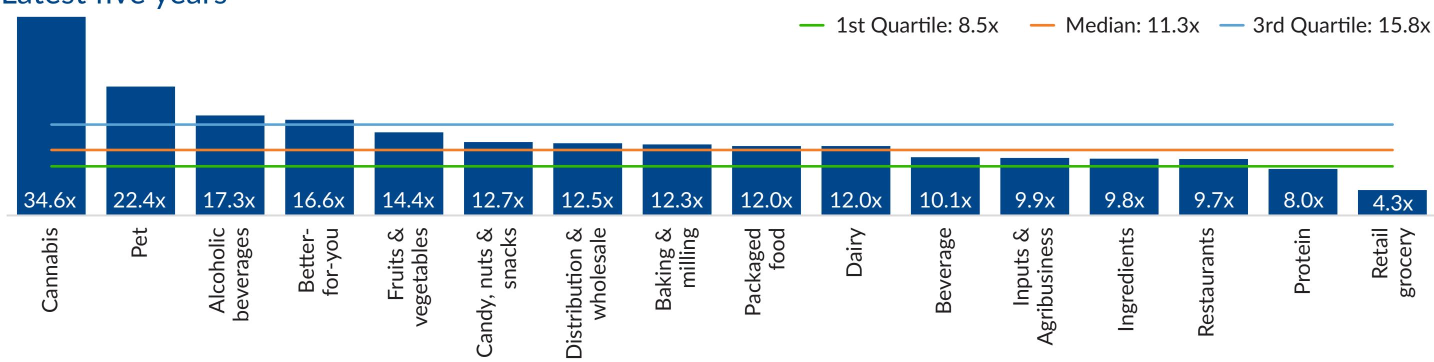
TABLE 5: ACTIVE BUYERS/INVESTORS BY TOTAL TRANSACTION SIZE (FOR MONTH ENDED 5.31.2026)

Company name	Total transaction size ($mm)
CVC Capital Partners plc	$3,800
Host Digital Infrastructure LLC	$425
Gather Ventures LLC	$33
VMG Partners	$33
Lerer Hippeau Ventures Management, LLC	$33
Pentland Ventures Ltd	$33
La Molisana	$33
Legacy Therapeutics, LLC	$30

Source: Mesirow and S&P Capital IQ for months ended April 30, 2026 and May 31, 2026.

M&A Multiples by Sub-sector

Latest five years



S&P Capital IQ as of May 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

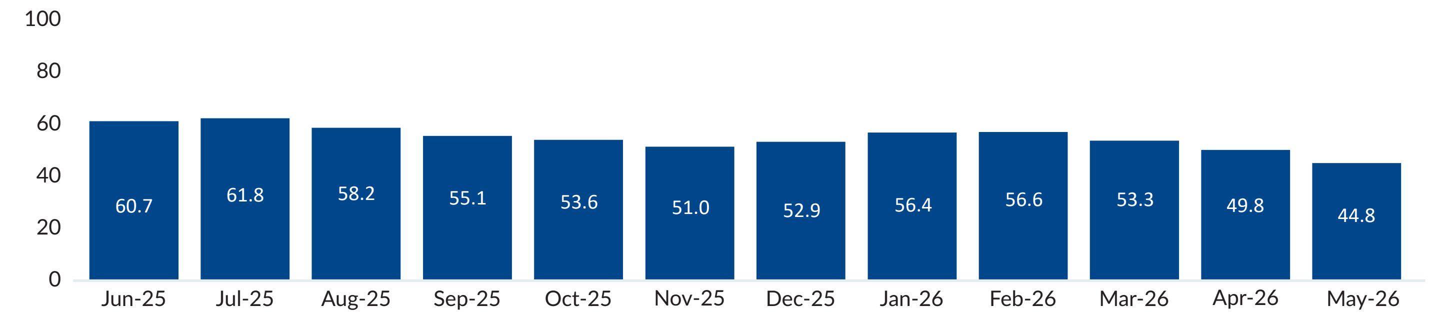
Food, beverage and agribusiness

	% of 52 week high	Enterprise value as a multiple of: Revenue LTM	Revenue NTM	EBITDA LTM	EBITDA NTM	LTM gross margin	LTM EBITDA margin	LTM – NTM revenue growth	Net debt / LTM EBITDA
Agribusiness	89.5%	0.61x	0.59x	13.2x	8.9x	10.7%	4.6%	7.3%	3.9x
Baking	85.7%	1.04x	1.00x	7.6x	7.3x	39.6%	11.4%	2.4%	2.2x
Beverages: Non-Alcoholic	85.6%	2.51x	2.40x	15.5x	12.3x	43.7%	19.6%	4.3%	2.9x
Better-for-you	35.0%	0.91x	0.91x	6.4x	7.0x	30.2%	8.1%	0.8%	1.4x
Biofuels	90.9%	0.69x	0.66x	8.6x	6.5x	11.5%	7.8%	14.2%	1.0x
Candy, Nuts and Snacks	83.7%	1.55x	1.59x	12.6x	10.1x	32.6%	12.8%	3.5%	0.8x
Cannabis	48.1%	1.24x	1.16x	17.3x	8.4x	37.8%	(5.7%)	17.7%	4.6x
Dairy	76.0%	1.60x	1.42x	12.3x	11.0x	29.7%	10.9%	3.2%	1.8x
Distribution and Wholesale	84.6%	0.32x	0.33x	11.6x	10.7x	15.1%	3.1%	3.8%	3.1x
Food Services and Facilities Management	79.2%	0.98x	0.92x	9.7x	8.1x	16.3%	7.2%	6.1%	3.0x
Fruits and Vegetables	73.7%	0.77x	0.82x	8.6x	9.1x	12.0%	6.4%	(0.8%)	2.1x
Ingredients	74.9%	2.05x	2.19x	13.5x	11.8x	36.3%	17.2%	2.5%	2.2x
Inputs	70.1%	1.73x	1.72x	8.3x	7.7x	30.9%	18.4%	2.6%	2.3x
Meal / Home Delivery	65.1%	3.16x	2.80x	13.9x	10.2x	56.4%	19.4%	12.8%	1.0x
Packaged Foods	70.0%	1.76x	1.79x	9.5x	9.0x	29.3%	17.5%	0.7%	3.5x
Protein	72.9%	0.56x	0.55x	7.0x	6.5x	17.1%	9.4%	2.6%	2.4x
Restaurants	64.2%	1.91x	1.85x	13.5x	12.2x	25.3%	11.4%	4.6%	3.8x
Retail Grocery	83.1%	0.46x	0.56x	8.3x	9.0x	27.5%	5.3%	1.3%	1.9x
3rd Quartile	86.7%	2.34x	2.27x	14.9x	12.4x	37.7%	17.6%	7.8%	4.1x
Median	76.7%	1.20x	1.29x	11.0x	9.4x	28.3%	10.8%	3.3%	2.7x
1st Quartile	56.0%	0.59x	0.67x	7.8x	7.2x	17.4%	5.8%	0.2%	1.5x

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

Consumer Sentiment Index

Latest twelve months



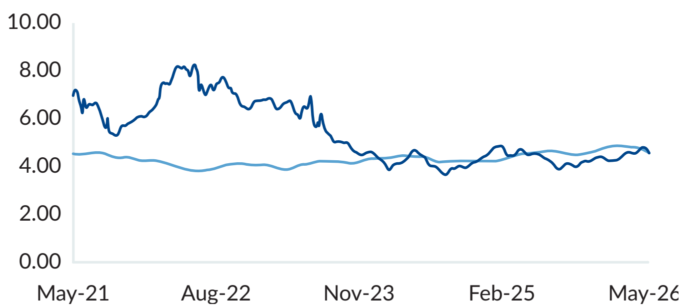
Source: Surveys of Consumers (umich.edu).

Market Performance (1/2)

Last five years and latest twelve months

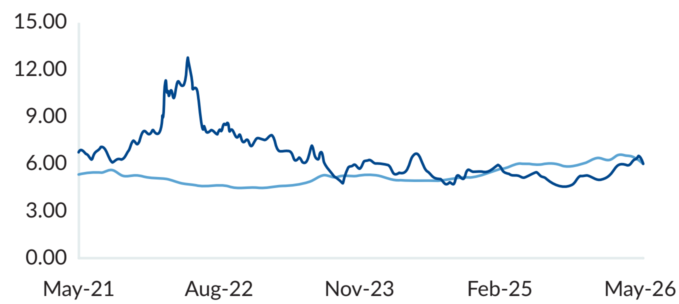
LTM 5 years

CHART 1: CORN ($ PER BUSHEL)



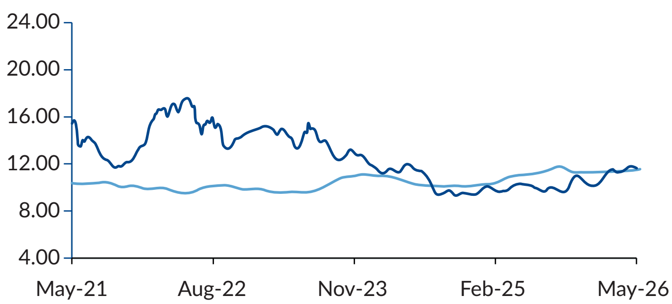
Source: S&P Capital IQ as of May 31, 2026. Past performance is not indicative of future results.

CHART 2: WHEAT ($ PER BUSHEL)



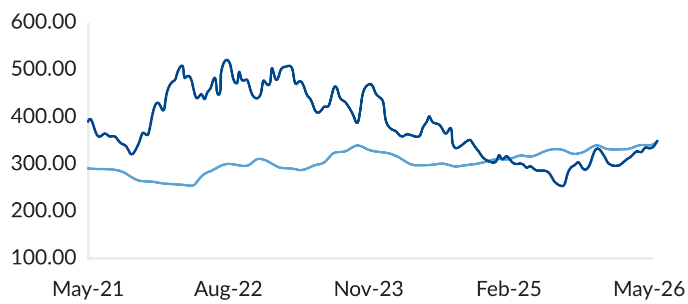
Source: S&P Capital IQ as of May 31, 2026. Past performance is not indicative of future results.

CHART 3: SOYBEANS ($ PER BUSHEL)



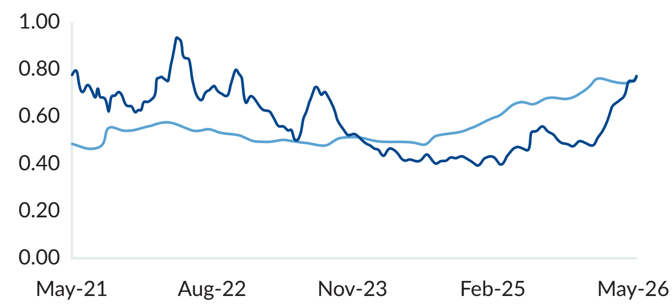
Source: S&P Capital IQ as of May 31, 2026. Past performance is not indicative of future results.

CHART 4: SOYBEAN MEAL ($ PER TON)



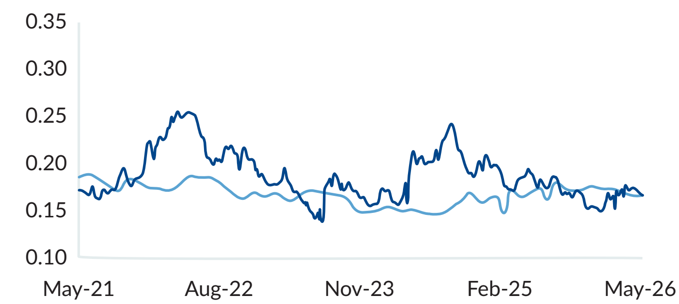
Source: S&P Capital IQ as of May 31, 2026. Past performance is not indicative of future results.

CHART 5: SOYBEAN OIL ($ PER LB)



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

CHART 6: MILK CLASS III ($ PER LB)



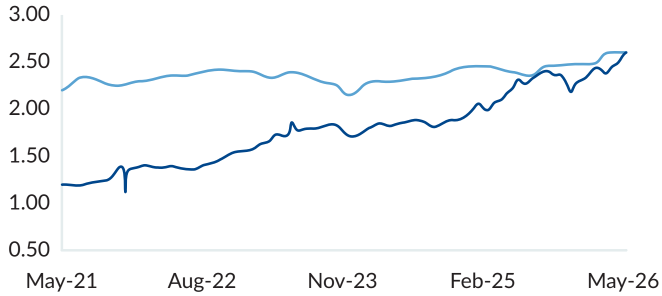
Source: S&P Capital IQ as of May 31, 2026. Past performance is not indicative of future results.

Market Performance (2/2)

Last five years and latest twelve months

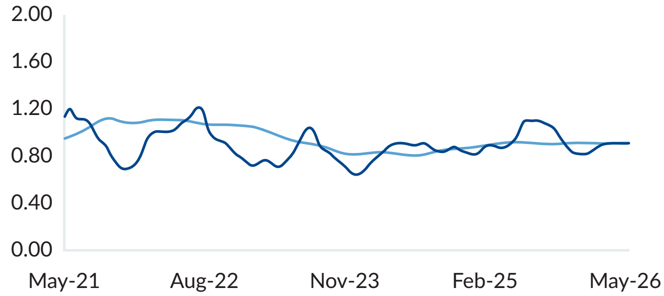
LTM — 5 years

CHART 7: LIVE CATTLE ($ PER LB)



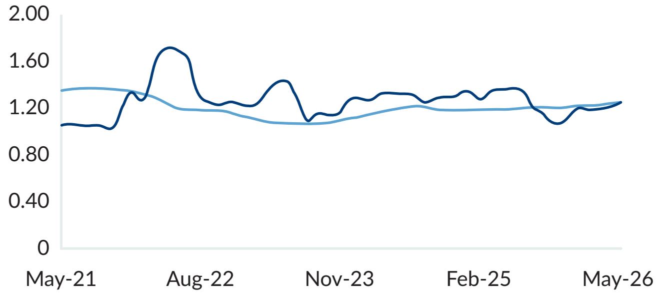
Source: S&P Capital IQ as of May 31, 2026. Past performance is not indicative of future results.

CHART 8: LEAN HOGS ($ PER LB)



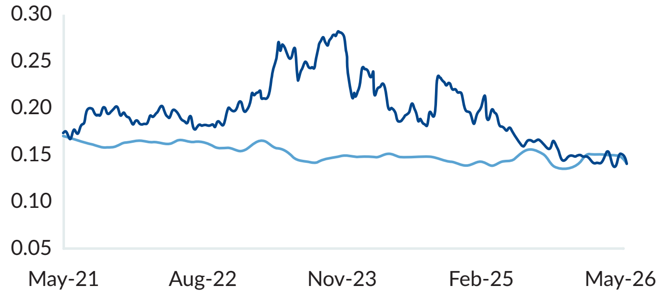
Source: S&P Capital IQ as of May 31, 2026. Past performance is not indicative of future results.

CHART 9: BROILERS ($ PER LB)



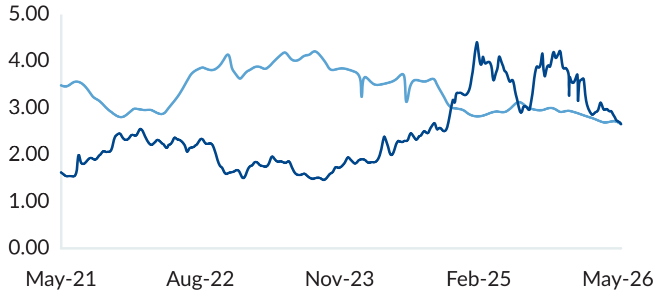
Source: S&P Capital IQ as of May 31, 2026. Past performance is not indicative of future results.

CHART 10: SUGAR ($ PER LB)



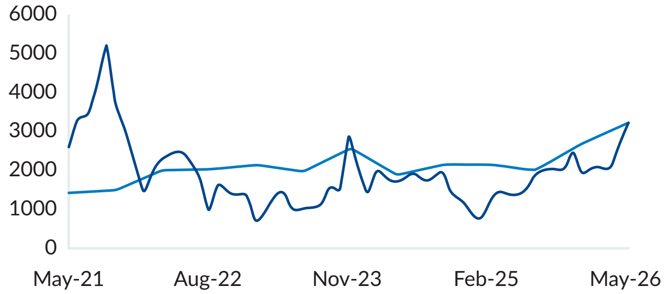
Source: S&P Capital IQ as of May 31, 2026. Past performance is not indicative of future results.

CHART 11: COFFEE ($ PER LB)



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

CHART 12: BALTIC DRY INDEX



Source: S&P Capital IQ as of May 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 Cconcentrations

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 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 mesirow.com, follow us on LinkedIn and subscribe to Spark, our quarterly newsletter.

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LATEST INSIGHTS

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