

M&A INDUSTRY REPORT

Agribusiness & Food

FOCUS is a leading national M&A brand for the lower middle market. With over 40 years of experience, a global footprint, and hundreds of successful deals across myriad industries, FOCUS continues its mission to redefine the banker/client relationship.

Q3 2025



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M&A INDUSTRY OVERVIEW

In Q3 2025, 80 transactions were announced or closed in the agribusiness and food sector, representing an 10% quarter-over-quarter uptick in deal volume.

Year to date, M&A activity has remained resilient despite macroeconomic headwinds, however volumes are down relative to peak years. Strategic acquirers remain the dominant buyers as they look to M&A to expand product lines, benefit from economies of scale, and bolster supply chains. Private equity continues to be a key player, with firms focusing on smaller, bolt-on deals in high-growth areas like snack, premium, and health & wellness categories. These buyers are looking beyond consumer brands as well, focusing on B2B providers like private label manufacturers and ingredients formulators.

Over the third quarter of 2025, several notable deals closed, specifically in the packaged foods, beverages, and restaurants segments. Sweet foods maker Ferrero Group acquired cereal company WK Kellogg Co. for \$3.1 billion (representing an 11x EBITDA multiple), giving Ferrero an expanded presence in the U.S. market. In the beverage category, Butterfly Equity-backed Generous Brands purchased kombucha brand Health-Ade for \$500 million, adding to its portfolio of functional beverages. Rounding out Q3's notable deals was c-store chain RaceTrac's announced acquisition of sandwich chain Potbelly for \$566 million (representing an approximate 16x EBITDA multiple), continuing a trend of convenience stores investing heavily in foodservice.

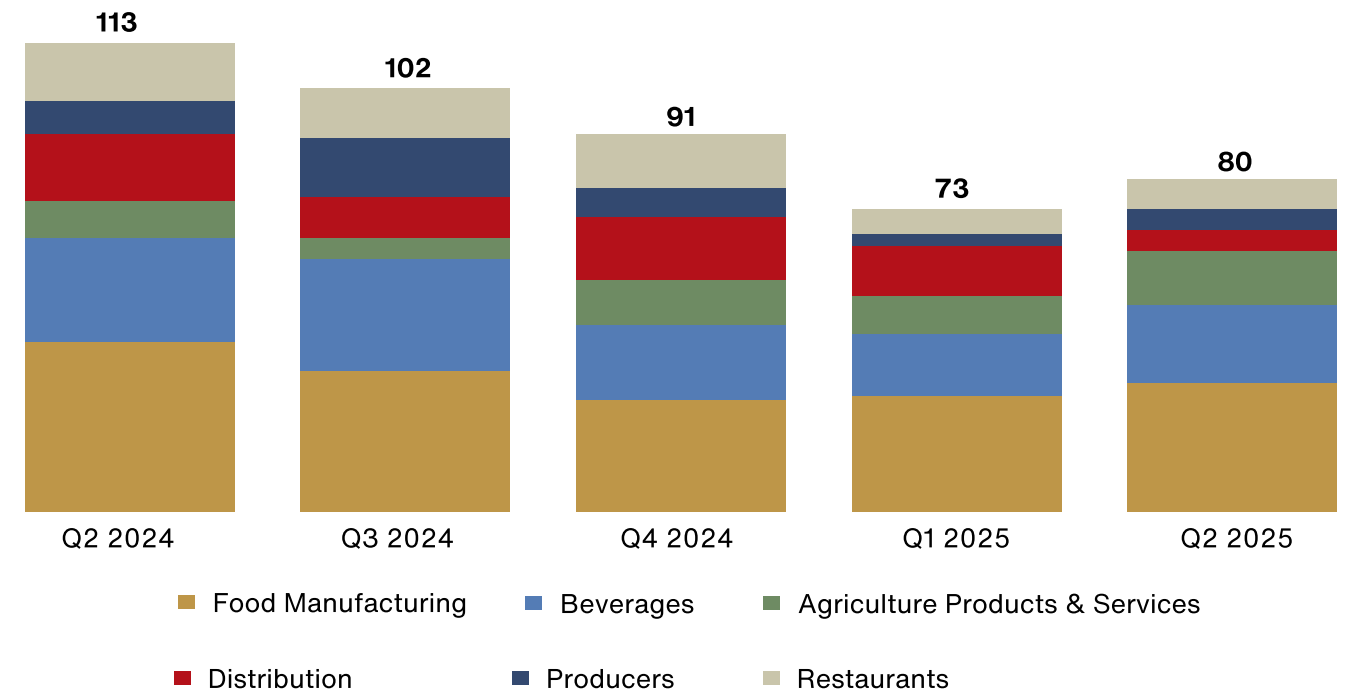
Against a mixed macroeconomic backdrop, middle market transactions are expected to sustain M&A activity as buyers concentrate on smaller, targeted deals rather than “bet-the-farm” acquisitions. Add-on opportunities that expand geographic reach, enhance manufacturing or private-label capabilities, or fill portfolio gaps are likely to see strong demand. High-growth segments—particularly functional beverages, better-for-you snacks, and specialty ingredients—continue to attract attention from both strategic and financial buyers seeking to align with changing consumer trends.

Looking ahead, middle market businesses that demonstrate strong business fundamentals—scalable operations, differentiated product portfolios, and a presence in growth-oriented categories—will be prime acquisition candidates. We've said it before: even in periods of market uncertainty, the broader food industry remains a comparatively stable and resilient area for M&A. Buyers are actively pursuing high-quality assets and business owners who evaluate their strategic options now will be well positioned to capitalize on this momentum heading into 2026.

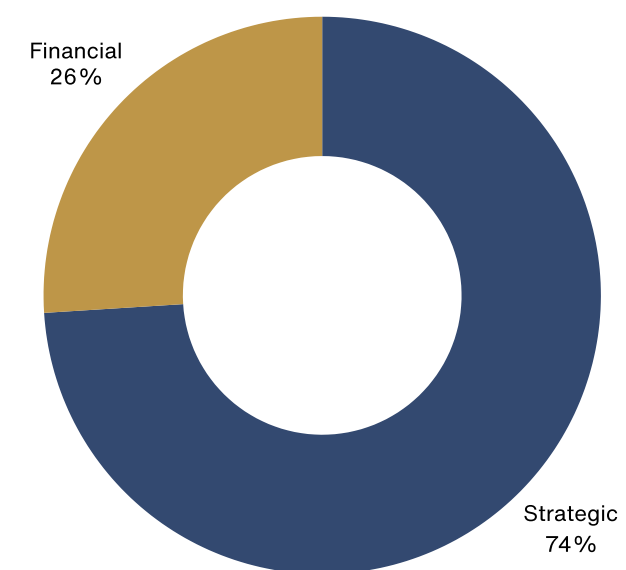
SECTOR HIGHLIGHTS

- Food manufacturing was the dominant sector for M&A in the third quarter. Activity was driven by acquisitions of brands and manufacturers aligned with health, wellness, and Better-for-You trends ([covered in a recent article by FOCUS](#)), as consumers increasingly prioritize functional, clean label, and nutritious products. Bakery continues to be a hot category for buyers. Premium pie and dessert maker Willamette Valley Pie was acquired by Bain Capital-backed Dessert Holdings and frozen pizza manufacturer Alpha Foods was purchased by MBC Companies, a portfolio company of private equity firm Entrepreneurial Equity Partners. Deal terms were not disclosed.
- Consolidation within dairy/cheese manufacturing was a driver of transactions in the producers sector, specifically in the high-growth specialty cheese category (e.g., organic, ethnic/Hispanic cheeses, or smoked varieties). These deals often involve both branded specialty cheese and private label capacity – specialty brands command premium margins, while private label gives volume. In Q3, Dairy Farmers of America acquired W&W Dairy, a manufacturer of private label dairy products that serve the Hispanic cheese market. Deal terms were not disclosed.
- Elevated production costs, policy uncertainty, and commodity pressure have dampened agribusiness dealmaking over the past few quarters. Interest rate cuts and ongoing trade negotiations should boost farmer sentiment and industry outlook going into 2026, supporting a more favorable M&A environment.

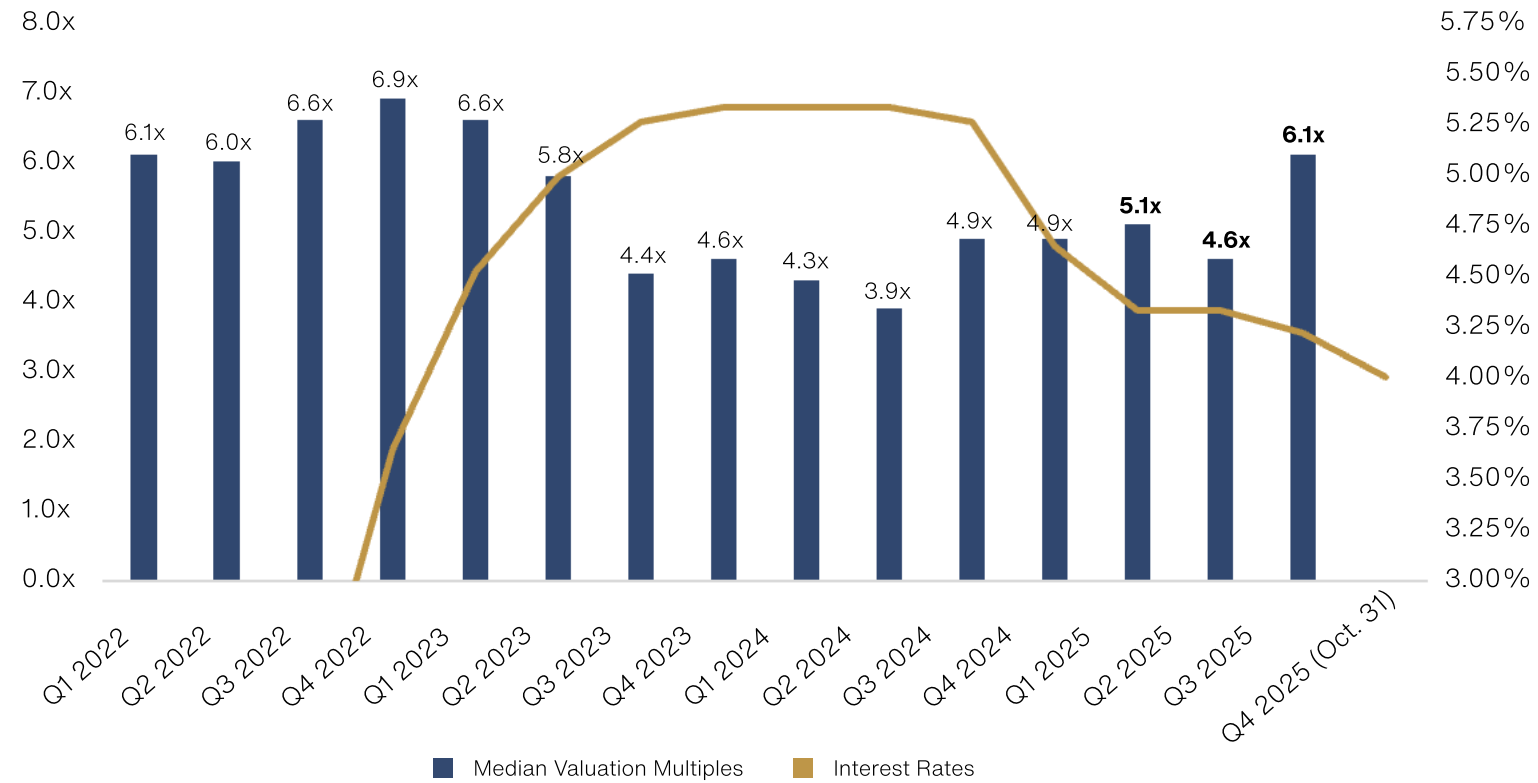
Agribusiness, Food, and Beverage M&A Activity



Strategic vs. Financial Buyer (Q3 2025)



LOWER MIDDLE MARKET VALUATION TRENDS: M&A MULTIPLES ON THE RISE



- Financing conditions (interest rates) are allowing buyers to finance acquisitions for less, which often increases the buyer pool and in turn creates greater competitive tension. Lower cost of capital and more buyers can boost valuations for sellers.
- Historically, mid-market valuations have shown sensitivity to financing costs: for roughly every 100 bps (1%) decline in rates, EV/EBITDA multiples tend to expand by about half a turn. Strong businesses with a diversified customer base, revenue visibility, and available growth opportunities are well-positioned to benefit from this dynamic.
- Owners who prepare now will be ahead of others as the M&A market heats up – as supply increases, buyers will have more choices. Being early in a demand-heavy, finance-friendly period can yield more options for sellers and better negotiating leverage.

Source: Axial Platform Data – all industries.

SECTOR SPOTLIGHT: RESTAURANTS

The restaurants segment has experienced dampened M&A activity year to date amid market volatility, persistent inflation, labor cost pressures, and consumer pullback. As of Q3 2025, 26 transactions have been announced or closed, reflecting a 35% decrease year-over-year. Many operators have hit pause on going to market, instead focusing on strategies to drive same-store sales and optimize unit economics.

Despite suppressed M&A activity, demand remains intact for well-positioned restaurant brands, especially those with strong growth prospects, scalable franchising models, or compelling unit economics. Brands that are outperforming their peers (and attracting M&A interest) are investing in menu innovation, technology, and store remodels - differentiating themselves at a time when consumers are more selective about where they spend their dining dollars.

Private equity has sustained much of the deal volume YTD, accounting for approximately 60% of transactions, and has not shied away from paying a premium for asset-light models and franchise concepts. Strategic acquirers have been less active in 2025 as they prioritize brand health over portfolio expansion, though cross-sector strategic deals could become a key M&A theme heading into 2026.

M&A THEMES

Financial buyers lead the charge

Several headline deals in 2025 underscore PE's appetite for franchise-driven brands, from emerging concepts to time-tested categories. Roark Capital, owner of Subway, acquired fast-growing hot chicken brand Dave's Hot Chicken for \$1 billion and Bain Capital acquired multi-brand restaurant platform Sizzling Platter for north of \$1 billion. Middle-market PE firm Levine Leichtman purchased donut and kolache brand Shipley Donuts (deal terms were not disclosed).

















Restaurant-retail crossover

Convenience store RaceTrac's acquisition of sandwich chain Potbelly, valued at ~\$566 million, reflects a growing convergence between quick-service restaurants and convenience retail. Convenience stores are adding fresh, higher-quality foods to drive traffic beyond fuel sales, while restaurant brands see an opportunity to accelerate footprint growth. Similar acquisitions may emerge between convenience chains, grocers, and fast-casual brands that complement each other's footprints and customer bases.

Focus on niche/growth brands

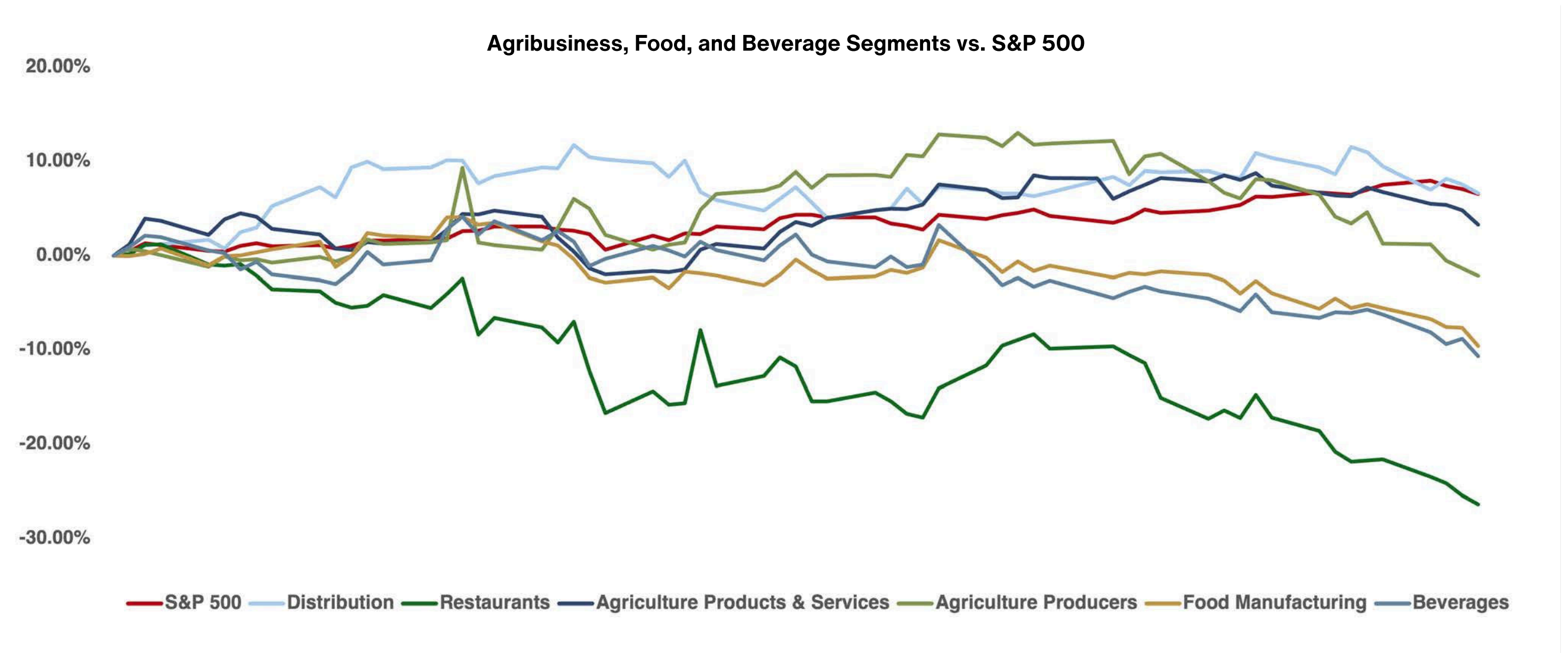
Many deals are happening in fast-casual, delivery-friendly, or fast-growing regional concepts. Franchise Equity Partners (FEP) acquired a majority stake in 7 Crew, the second-largest owner of 7 Brew Drive-Thru Coffee, the fastest-growing coffee brand in the U.S. FEP will continue to execute 7 Crew's existing development agreement with 7 Brew, which includes opening more than 200 new stands in addition to the 50 units in operation.

REPRESENTATIVE M&A TRANSACTIONS IN THE RESTAURANTS SECTOR

Date	Target	Summary	Buyer	Deal Size	Unit Count
Sep-25		Franchise Equity Partners (FEP) took a majority stake in 7 Crew, the second-largest franchise owner of 7 Brew Drive-Thru Coffee, as part of its strategy to invest in operators of fast-growing franchise brands	 FRANCHISE EQUITY PARTNERS	Undisclosed	50
Sep-25		Global investment firm Rhône Group acquired Freddy's Frozen Custard & Steakburgers, seeing an opportunity to leverage the firm's experience in consumer brands and global expansion to expand Freddy's footprint		Undisclosed	550
Aug-25		Freeman Spogli acquired coffee chain Philz Coffee, positioning the brand for national expansion		~ \$145M	77
Jul-25		Levine Leichtman, a firm with a deep history in the restaurant and franchising sectors, acquired Shipley Do-Nuts to accelerate the brand's growth	 LEVINE LEICHTMAN CAPITAL PARTNERS	Undisclosed	375
Jun-25		Verinvest and Mistral Equity Partners bought out Krispy Kreme's stake in fresh-baked cookie chain Insomnia Cookies; the owners have added to the brand's executive team and plan for both U.S. and international expansion		~ \$75M	300
May-25		FS Investors acquired nine company-owned Nothing Bundt Cakes bakeries in San Diego and signed a development agreement to build 16 additional stores in the area, making the firm a key growth partner		Undisclosed	700
Mar-25		Roark Capital acquired fast-casual brand Dave's Hot Chicken and plans to fuel national expansion, pulling from its deep restaurant and franchising experience	 CAPITAL GROUP	~ \$1B	315
Jan-25		Maple Park Capital, a firm that specializes in consumer services businesses, invested in Rita's Italian Ice, furthering the brand's growth and expansion into new regions	 PARTNERS	Undisclosed	575

Source: S&P CapIQ

PUBLIC COMPS



PUBLIC COMPS

Agriculture Products and Services

(\$US in millions)								
Company Name	Market Cap	EV	LTM		EV/LTM		LTM EBITDA Margin %	LTM Revenue Growth %
			Revenue	EBITDA	Revenue	EBITDA		
Phibro Animal Health Corporation (NasdaqGM:PAHC)	\$1,640	\$2,332	\$1,296	\$178	1.8x	12.2x	14%	27%
Neogen Corporation (NasdaqGS:NEOG)	\$1,241	\$2,026	\$887	\$101	2.3x	16.0x	11%	(3%)
ForFarmers N.V. (ENXTAM:FFARM)	\$465	\$686	\$3,440	\$124	0.2x	5.0x	4%	9%
Origin Enterprises plc (ISE:OIZ)	\$484	\$646	\$2,449	\$113	0.3x	4.3x	5%	3%
Elders Limited (ASX:ELD)	\$925	\$1,271	\$2,080	\$102	0.6x	8.4x	5%	7%
KWS SAAT SE & Co. KGaA (XTRA:KWS)	\$2,541	\$2,629	\$1,947	\$395	1.4x	7.0x	20%	(0%)
Bioceres Crop Solutions Corp. (NasdaqGS:BIOX)	\$88	\$359	\$333	\$15	1.1x	26.0x	4%	(28%)
Virbac SA (ENXTPA:VIRP)	\$3,060	\$3,277	\$1,664	\$305	2.0x	10.2x	18%	7%
Três Tentos Agroindustrial S/A (BOVESPA:TTEN3)	\$1,294	\$1,711	\$2,672	\$226	0.6x	7.5x	9%	32%
The Andersons, Inc. (NasdaqGS:ANDE)	\$1,352	\$1,990	\$11,539	\$290	0.2x	6.1x	3%	(7%)
Average	\$1,309	\$1,693	\$2,831	\$185	1.1x	8.5x	9%	5%
Median	\$1,267	\$1,851	\$2,013	\$151	0.9x	7.5x	7%	5%

Excludes Bioceres Crop Solutions EBITDA multiple (outlier)

PUBLIC COMPS

Agriculture Producers

(\$US in millions)

Company Name	Market Cap	EV	LTM		EV/LTM		LTM EBITDA Margin %	LTM Revenue Growth %
			Revenue	EBITDA	Revenue	EBITDA		
Cal-Maine Foods, Inc. (NasdaqGS:CALM)	\$4,564	\$3,177	\$4,399	\$1,710	0.7x	1.9x	39%	66%
Fresh Del Monte Produce Inc. (NYSE:FDP)	\$1,666	\$1,970	\$4,314	\$253	0.5x	5.9x	6%	1%
Calavo Growers, Inc. (NasdaqGS:CVGW)	\$460	\$422	\$694	\$32	0.6x	11.2x	5%	9%
Mission Produce, Inc. (NasdaqGS:AVO)	\$849	\$1,072	\$1,427	\$104	0.8x	8.0x	7%	25%
Vital Farms, Inc. (NasdaqGM:VITL)	\$1,839	\$1,701	\$658	\$81	2.6x	5.1x	12%	21%
Limoneira Company (NasdaqGS:LMNR)	\$268	\$353	\$161	(\$5)	2.2x	nm	(3%)	(15%)
Adecoagro S.A. (NYSE:AGRO)	\$785	\$1,888	\$1,553	\$280	1.2x	5.4x	18%	17%
Average	\$1,490	\$1,512	\$1,886	\$351	1.2x	6.3x	12%	18%
Median	\$849	\$1,701	\$1,427	\$104	0.8x	5.7x	7%	17%

PUBLIC COMPS

Beverages

(\$US in millions)								
Company Name	Market Cap	EV	LTM		EV/LTM		LTM EBITDA Margin %	LTM Revenue Growth %
			Revenue	EBITDA	Revenue	EBITDA		
MGP Ingredients, Inc. (NasdaqGS:MGPI)	\$515	\$805	\$609	\$148	1.3x	5.3x	24%	(23%)
SunOpta Inc. (NasdaqGS:STKL)	\$693	\$1,110	\$763	\$84	1.5x	10.7x	11%	11%
National Beverage Corp. (NasdaqGS:FIZZ)	\$3,457	\$3,272	\$1,202	\$258	2.7x	11.9x	21%	nm
The Boston Beer Company, Inc. (NYSE:SAM)	\$2,255	\$2,086	\$2,050	\$275	1.0x	7.3x	13%	2%
The Hain Celestial Group, Inc. (NasdaqGS:HAIN)	\$143	\$864	\$1,560	\$102	0.6x	7.5x	7%	(10%)
Lassonde Industries Inc. (TSX:LAS.A)	\$1,033	\$1,543	\$2,036	\$210	0.8x	7.2x	10%	20%
Andrew Peller Limited (TSX:ADW.A)	\$168	\$303	\$278	\$41	1.1x	6.8x	15%	1%
TreeHouse Foods, Inc. (NYSE:THS)	\$1,021	\$2,658	\$3,335	\$318	0.8x	7.1x	10%	(1%)
Average	\$1,160	\$1,580	\$1,479	\$179	1.2x	8.0x	14%	NM
Median	\$857	\$1,327	\$1,381	\$179	1.1x	7.3x	12%	1%

PUBLIC COMPS

Distributors

(\$US in millions)

Company Name	Market Cap	EV	LTM		EV/LTM		LTM EBITDA Margin %	LTM Revenue Growth %
			Revenue	EBITDA	Revenue	EBITDA		
United Natural Foods, Inc. (NYSE:UNFI)	\$2,280	\$5,690	\$31,784	\$498	0.2x	6.7x	2%	3%
Performance Food Group Company (NYSE:PFGC)	\$16,284	\$24,201	\$59,899	\$1,534	0.4x	13.7x	3%	10%
US Foods Holding Corp. (NYSE:USFD)	\$17,253	\$22,204	\$38,652	\$1,652	0.6x	12.8x	4%	5%
HF Foods Group Inc. (NasdaqCM:HFFG)	\$146	\$364	\$1,217	\$37	0.3x	8.5x	3%	5%
The Chefs' Warehouse, Inc. (NasdaqGS:CHEF)	\$2,378	\$3,211	\$3,951	\$207	0.8x	10.3x	5%	8%
Average	\$7,668	\$11,134	\$27,101	\$786	0.5x	10.4x	3%	6%
Median	\$2,378	\$5,690	\$31,784	\$498	0.4x	10.3x	3%	5%

PUBLIC COMPS

Food Manufacturing

(\$US in millions)								
Company Name	Market Cap	EV	LTM		EV/LTM		LTM EBITDA Margin %	LTM Revenue Growth %
			Revenue	EBITDA	Revenue	EBITDA		
John B. Sanfilippo & Son, Inc. (NasdaqGS:JBSS)	\$748	\$850	\$1,107	\$108	0.8x	7.3x	10%	4%
The Hain Celestial Group, Inc. (NasdaqGS:HAIN)	\$143	\$864	\$1,560	\$102	0.6x	7.5x	7%	(10%)
Premium Brands Holdings Corporation (TSX:PBH)	\$2,984	\$5,324	\$4,933	\$323	1.1x	16.1x	7%	8%
TreeHouse Foods, Inc. (NYSE:THS)	\$1,021	\$2,658	\$3,335	\$318	0.8x	7.1x	10%	(1%)
Seneca Foods Corporation (NasdaqGS:SENE.A)	\$736	\$1,039	\$1,572	\$124	0.7x	7.6x	8%	7%
High Liner Foods Incorporated (TSX:HLF)	\$354	\$606	\$972	\$90	0.6x	6.6x	9%	(2%)
B&G Foods, Inc. (NYSE:BGS)	\$354	\$2,338	\$1,863	\$262	1.3x	8.3x	14%	(7%)
The Simply Good Foods Company (NasdaqCM:SMPL)	\$2,495	\$2,702	\$1,458	\$270	1.9x	9.5x	19%	14%
Average	\$1,104	\$2,048	\$2,100	\$200	1.0x	8.8x	10%	2%
Median	\$742	\$1,689	\$1,566	\$193	0.8x	7.6x	9%	1%

PUBLIC COMPS

Restaurants













(\$US in millions)

Company Name	Market Cap	EV	LTM		EV/LTM		LTM EBITDA Margin %	LTM Revenue Growth %
			Revenue	EBITDA	Revenue	EBITDA		
Dine Brands Global, Inc. (NYSE:DIN)	\$380	\$1,826	\$845	\$191	2.2x	9.6x	23%	3%
BJ's Restaurants, Inc. (NasdaqGS:BJRI)	\$676	\$1,127	\$1,384	\$122	0.8x	6.1x	9%	4%
MTY Food Group Inc. (TSX:MTY)	\$629	\$1,434	\$837	\$140	1.7x	8.4x	17%	1%
Sweetgreen, Inc. (NYSE:SG)	\$943	\$1,114	\$686	(\$38)	1.6x	nm	(6%)	6%
Shake Shack Inc. (NYSE:SHAK)	\$3,768	\$4,304	\$1,323	\$156	3.3x	16.5x	12%	13%
Portillo's Inc. (NasdaqGS:PTLO)	\$464	\$1,106	\$728	\$85	1.5x	8.8x	12%	4%
Dutch Bros Inc. (NYSE:BROS)	\$6,645	\$7,569	\$1,452	\$249	5.2x	25.7x	17%	30%
First Watch Restaurant Group, Inc. (NasdaqGS:FWRG)	\$954	\$1,894	\$1,105	\$91	1.7x	10.0x	8%	15%
Average	\$1,807	\$2,547	\$1,045	\$124	1.8x	9.9x	11%	9%
Median	\$809	\$1,630	\$975	\$131	1.7x	9.2x	12%	5%

Excludes Dutch Bros revenue and EBITDA multiples and Sweetgreen EBITDA multiple (outliers)

DEALS

Recent Transactions

 <p>has been acquired by</p> 	 <p>has been acquired by</p> 	 <p>has acquired</p> 	 <p>received growth investment from</p> <p>Private Investors</p>	 <p>has acquired</p> 
 <p>a leading franchise of</p>  <p>has been acquired by</p> 	 <p>has been acquired by</p> <p>Private Buyer</p>	 <p>has been acquired by</p> 	 <p>Going Private Transaction</p>	 <p>has been acquired by</p> 



CURRENT ENGAGEMENTS

Project Legacy

(Sell-Side)

Project Legacy is a quick-service restaurant chain that specializes in premium subs and sandwiches.

Project Press

(Sell-Side)

Project Press is an Ireland-based company that provides processing equipment and technology for the animal feed and biomass industries.

Project Raglan

(Sell-Side)

Project Raglan is an animal nutrition business with domestic and international sales to Europe and the Middle East.

Project Golden

(Sell-Side)

Project Golden is a large-scale dairy operation and almond orchard business with significant access to water rights based in the western U.S.

Project Harvest

(Capital Raise)

Project Harvest is an independent insurance agency that specializes in solutions for pasture, rangeland, forage, ranch, farm, and personal insurance needs.

Project Sprinkler

(Sell-Side)

Project Sprinkler is a U.S.-based agtech business specializing precision spraying technologies (under LOI).

INSIGHTS



The Impact of GLP-1 on the Food Industry

GLP-1 medications are reshaping the food industry. This article explores how food makers and retailers are responding, and why emerging brands and formulators stand to benefit in a rapidly changing market.

[Click here to read](#)



The Dirty Dozen: Internal Factors Influencing Valuation

Many internal factors within an operator's control can heavily influence the value of their business. This piece covers the "Dirty Dozen" attributes both strategic and financial buyers seek when acquiring a business.

[Click here to read](#)



Better-for-You Foods Are a Hot Space for M&A: What Does It Take to Get Acquired?

The rapidly expanding Better-for-You category is fueling M&A activity across the food and beverage landscape. What does it take to get acquired? This article covers what buyers are looking for and how operators can position themselves to be an attractive acquisition candidate.

[Click here to read](#)

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ABOUT FOCUS INVESTMENT BANKING

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