Food and Beverage

Industry Insights

Summer 2026

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231 food and beverage deals were announced in the trailing 12 months (TTM) period ending June 2026

89% were completed by privately owned buyers

79% were completed by strategic buyers

M&A Market Overview

In Q2 2026, 42 transactions were announced in the food and beverage sector, beginning the year with an H1 that saw a 7% decrease in deal volume from H2 2025. For the TTM period ending June 30, 2026, 231 transactions were announced in the food and beverage sector, which marks an 11% decrease from the TTM period ending June 30, 2025.

Despite a broader slowdown in M&A activity, the beverage sector remained resilient in H1 2026, with deal volume rising 5% year over year and representing approximately 45% of total deal activity during the half. Notable deals in this category include Fairfax Financial Holdings' acquisition of Andrew Peller Ltd., Firestone Walker and Duvel USA's announced acquisition of Stone Brewing Co. and WW Partners' acquisition of Wyoming Whiskey. Other notable deals in the broader food categories include Shah Trading Co.'s acquisition of Compass Food Sales Co. Ltd., Guardian Capital Partners' acquisition of Nügredient Solutions and Europastry's acquisition of Highland Baking Co.

Over the TTM period ending June 30, 2026, food and beverage M&A volume remained predominantly driven by strategic buyers (including companies primarily owned by private equity investors), with strategic transactions representing 79% of the total deal count. Of the 231 deals announced over the TTM period, 205 (89%) were completed by privately owned buyers.

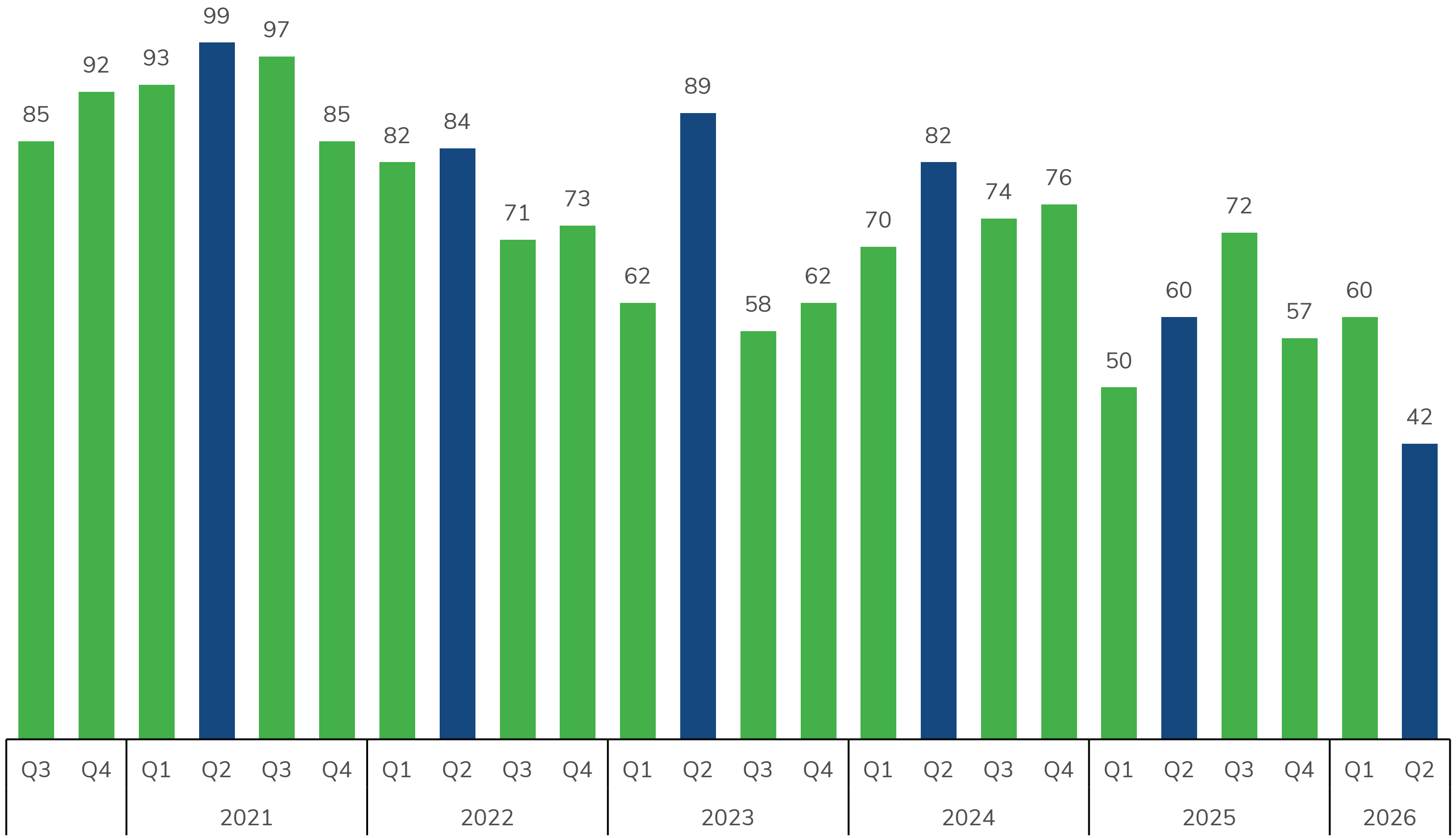
While overall deal activity in the quarter remained below historical levels, Q2 2026 demonstrated that strategic buyers are becoming increasingly willing to pursue M&A in the face of geopolitical conflicts and uncertainty. Strategic buyers are increasingly taking a longer-term view of acquisition opportunities, allowing them to weather near-term uncertainties. Further, acquisition activity among both strategic buyers and financial sponsors has become increasingly focused on high-quality assets and category-leading businesses with differentiated capabilities, resilient operating profiles and strong market positions.

Looking ahead, we remain optimistic about M&A activity in the food and beverage sector through the back half of 2026 and into 2027. Strategic buyers continue to pursue acquisitions that support long-term growth objectives, while financial sponsors are increasingly returning to the market (with near-record levels of dry powder) as pressure to deploy committed capital and generate returns continues to build. More broadly, both buyer groups are beginning to accept uncertainty as a new "normal" when considering M&A opportunities.

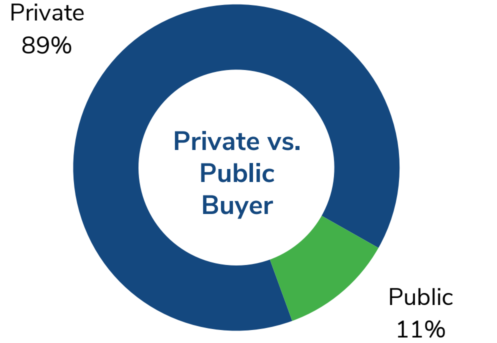
Source: S&P Global
Note: M&A deal count is defined by a list of subsectors viewed as the best representation of the industry.

M&A Market Overview—Cont'd

Number of Announced Deals (as of June 30, 2026)



By Number of Announced Deals (TTM as of June 30, 2026)



TTM = Trailing 12 months.
Note: Includes food and beverage sector deals where the target was based in the U.S. or Canada. Strategic buyers include private equity–backed strategics.
Source: S&P Capital IQ. Transactions with more than 50% of the company acquired are included in the analysis.

Select Recent Transactions[1]

Kroll Served as Financial Advisor to Compass Food Sales
Shah Trading Group Acquired Compass Food Sales Co. Ltd.

On April 2, 2026, Compass Food Sales Co. Ltd., a value-added importer and processor of dried fruits, nuts and seeds, was acquired by Shah Trading Co., a leading Canadian ethnic food manufacturer and distributor. “The acquisition of Compass Food Sales marks an exciting milestone for Shah Trading. Compass Food Sales has built an exceptional reputation for quality, innovation, and customer service in the nuts and dried fruits category… [We] look forward to building on their strong foundation,” said Baba Shah, Founder and CEO of Shah Trading Co.

Guardian Capital Partners Acquired Nügredient Solutions

On April 1, 2026, Guardian Capital Partners, an operationally focused private equity firm, acquired Nügredient Solutions, a leading developer and manufacturer of specialty nut-based and other plant-based ingredient solutions. “Nügredient is directly aligned with the investment criteria we had outlined as part of Guardian’s Food & Beverage GPS program: a founder-built business with differentiated capabilities in a growing, on-trend ingredient category. We look forward to supporting the team as they continue to invest in their R&D and manufacturing capabilities to support their customers’ growth,” said Molly Borowski, Principal at Guardian.

Laird Superfood Inc. Acquired Terrasoul Superfoods LLC

On April 21, 2026, Laird Superfood Inc., a manufacturer of award-winning, plant-based superfood products, completed the acquisition of Terrasoul Superfoods LLC, a vertically integrated, branded foods platform focused on “superfood” products, for $53 million. Jason Vieth, CEO of Laird Superfood, noted that Terrasoul's established online marketplace presence, proprietary supply chain infrastructure and high-quality product portfolio are “strongly aligned with our long-term strategic priorities” and will “meaningfully accelerate our ability to serve consumers across channels at scale.”

FlavorSum LLC Acquired Beverage Flavors International LLC

On June 10, 2026, FlavorSum, a North American flavor producer, acquired Beverage Flavors International, a U.S.-based manufacturer of proprietary beverage flavor bases and sweetener solutions. “BFI’s focus on delivering turn-key solutions for beverage companies looking for high-quality, consistent products and development expertise aligns well with FlavorSum’s mission to streamline flavor sourcing. This acquisition continues our strategy to bring a market-leading toolkit of solutions and resources to growing and disruptive food and beverage companies,” said Brian Briggs, CEO of FlavorSum.

Europastry S.A. to Acquire Highland Baking Co. Inc.

On June 23, 2026, Europastry, a global leader in the frozen bakery sector, announced that it has reached an agreement to acquire Highland Baking Co., a family-owned U.S. producer of premium breads for the foodservice channel. “This transaction is much more than an acquisition: it is the coming together of two companies that share values, a long-term vision, and the same approach to business. This is an exciting opportunity to create a broader, global bakery business, allowing Europastry and Highland Baking to both achieve their full potential,” said Jordi Galles, Executive Chairman of Europastry.

ACON Investments LLC Acquired Yummy Earth Inc. (dba YumEarth)

On June 30, 2026, ACON Investments, a D.C.-based international private equity investment firm, announced the acquisition of a controlling stake in YumEarth, a fast-growing organic confectionery brand known for its allergy-friendly candy with clean, simple ingredients. “We are thrilled to partner with Steve and the YumEarth team, who have built a differentiated brand with a loyal consumer following at the intersection of several powerful consumer trends. We believe our partnership with [The Fini Co.] will provide valuable resources to help unlock the Company's full potential,” said Anjali Jolly, Managing Partner at ACON.

[1] Deals in the U.S. and Canada announced over Q2 2026, selected subjectively based on being representative of recent market activity. All figures are denoted in US$.

Recent North American M&A Activity by Subsector

Food and Beverage Subsector Definitions

Food

Bakery:
Production and distribution of baked goods

Better-for-You:
Differentiated food products with health benefits

Confectionery/Snacks:
Chocolate, candy, nuts and other convenient snack foods

Dairy:
Production and distribution of dairy or dairy by-products, such as cheese or yogurt

General:
Conglomerates and general food businesses

Ingredients:
Goods used in the production of other food-related items

Produce:
Fresh produce or other agricultural products

Protein Producers:
Meat and seafood producers and distributors

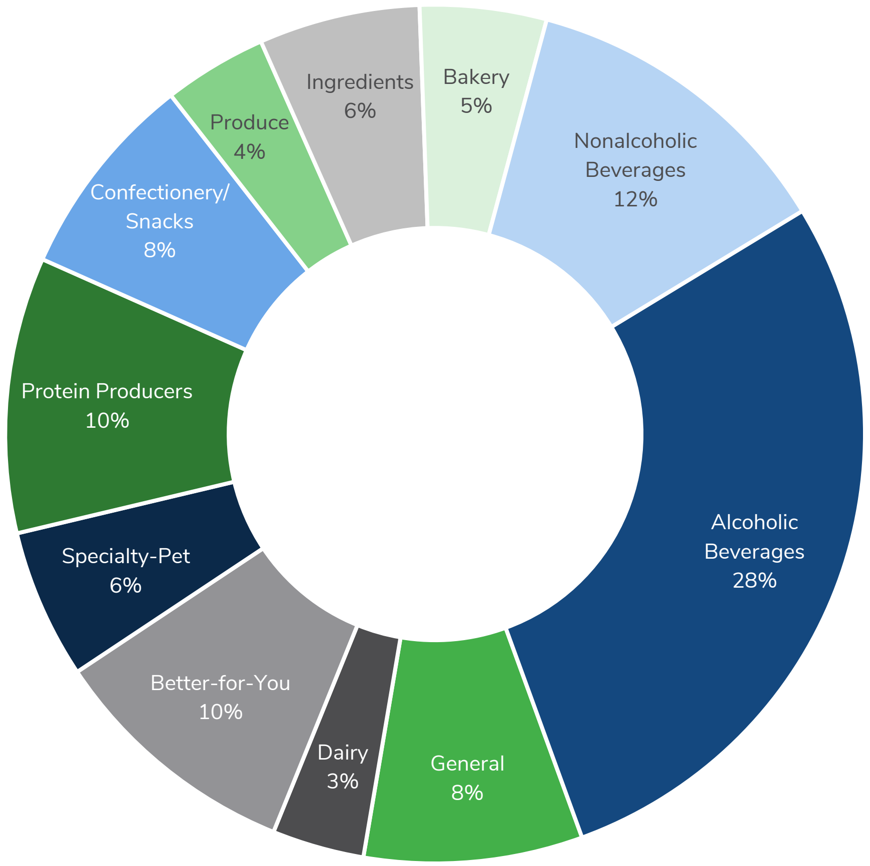
Specialty-Pet:
Producers of pet food and treats

Beverages

Alcoholic Beverages:
Wine, beer and spirits

Nonalcoholic Beverages:
Beverages that do not contain alcohol

Deals by Subsector (TTM as of June 30, 2026)



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