Global dealmakers 2026:
Mid-market food and beverage M&A data pulse

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Foreword

Global food and beverage (F&B) dealmakers are back at the table – and many are hungry for a piece of the merger and acquisitions (M&A) action. Total deal value across the sector rose 9% in 2025, reaching US$110.9bn. This marks a multi-year positive trend since the US$59.4bn in deals completed in 2022, signalling growing confidence and appetite for dealmaking in the year ahead, despite a still-cautious investment environment.

Indeed, dealmakers appear willing to write bigger cheques but only for assets with clear strategic flavour: brands with pricing power, businesses tied to health and wellness, and platforms that add scale in slow-growth markets. At the same time, portfolio restructuring remains a dominant theme, as major F&B corporations divest non-core assets. Cross-border activity has also picked up, with dealmakers looking beyond their home markets to secure supply chains and access high-growth consumer markets.

While the headline figures point to a buoyant market, the picture looks different when zoomed into the F&B mid-market (deals valued between US$15m to US$500m). Here, dealmaking followed a more measured trajectory in 2025: deal value inched up just 1% to hit US$20.4bn, while volume went down by a similar margin. This suggests financing and valuation discipline are still filtering through the market, but that solid assets continue to attract dealmaker interest. Mid-market brands with loyal customers or differentiated products remain digestible targets for both strategic buyers and private equity.

Looking ahead, the outlook for the rest of 2026 and into 2027 is cautiously optimistic. Interest rates in major economies are expected to provide a more supportive financing environment, while the ongoing need among corporations to optimise portfolios may create further deal opportunities. The convergence of food, health and technology – from new nutritional options to artificial intelligence (AI)-driven supply chains – is also opening new frontiers for investment. Regulatory scrutiny and geopolitical uncertainty remain wildcards, but the underlying fundamentals in the F&B industry continue to make it an active market for global dealmakers. Indeed, it seems the scene is being set for another promising year.

“F&B dealmaking is entering a more selective phase. Buyers are looking beyond scale to clear consumer relevance, pricing power and resilience. In the mid-market, this creates strong opportunities for brands built around health, convenience, premiumisation and supply chain resilience. As confidence improves, the most attractive assets will be businesses that sit closest to changing consumer demand and are agile enough to scale through new channels, markets and technology.”

Harsh Maheshwari
Global advisory services leader,
Baker Tilly International

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Data in this report comes from Mergermarket and was compiled on 4 February 2026. All figures are in US$ unless otherwise stated.
Value figures are approximations and have been rounded. Percentages have likewise been rounded. Within graphs, totals may not sum to 100% due to rounding.

Food and beverage M&A snapshot

US$110.9bn

Global F&B M&A value in 2025, up from US$102.1bn in 2024

1,062 deals

Global F&B M&A volume in 2025, down from 1,080 deals in 2024

2%

F&B share of all deals in the mid-market in 2025, unchanged from 2024

US$20.4bn

Mid-market F&B M&A deal value, compared to US$20.2bn in 2024

187 deals

Mid-market F&B M&A deal volume, compared to 189 in 2024

Asia Pacific was the top market for mid-market deals and accounted for **41%** of deal volume and **39%** of deal value in 2025

The food sub-sector accounted for **76%** of F&B mid-market deal value and **82%** of volume in 2025

Cross-border deal volume in the F&B mid-market decreased **27%** in 2025, with deal value down **31%**

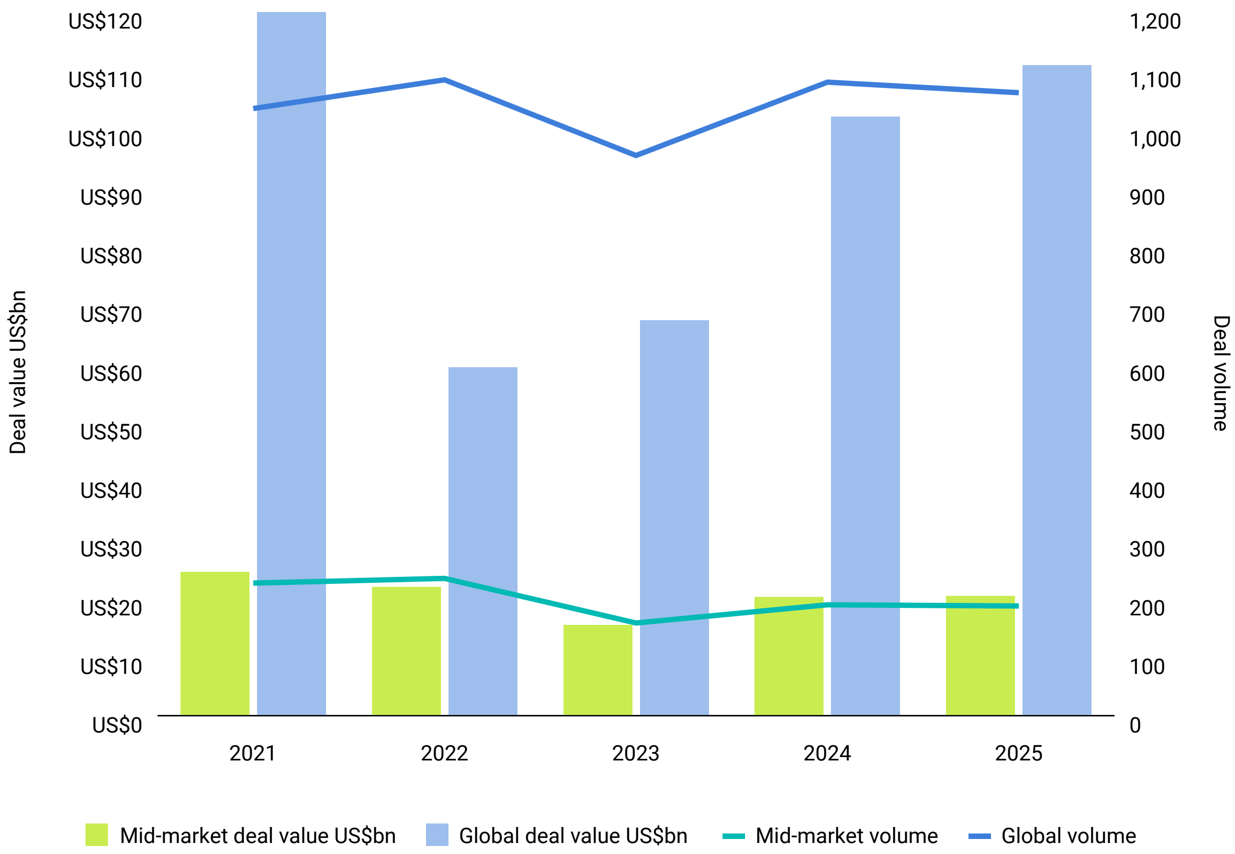
F&B dealmaking in the mid-market: Wellness trends and corporate streamlining anchor M&A

Mid-market sector value reached US$20.4bn, marking just a 1% year-on-year increase, although still largely in line with value totals over the past five years. However, this was well below the global mid-market benchmark (all sectors) where deal value rose 7% during that same time frame.

F&B deal volume declined 1%, contrasting with 4% growth in transactions across the wider mid-market (all sectors). Taken together, the data points to a cautious recovery profile. Compared with the broader mid-market, where both deal value and volume are expanding, F&B deals remain in a more gradual normalisation phase, with incremental improvements in investment but limited expansion in transactions.

Early indications from Q1 2026 suggest F&B mid-market M&A is maintaining this momentum, with the direction of travel through the rest of the year being one of cautious confidence. Mid-market dealmakers are navigating a more complex external environment, given geopolitical and economic uncertainties. Regardless, dealmaker conversations point to sustained interest in well-positioned F&B assets, with buyers continuing to favour targets that offer operational upside and loyal, established customer bases.

Figure 1. Global F&B M&A



Changing customer tastes and strategic recalibration will drive deals

The F&B industry is being reshaped by a mix of changing consumer habits and a more careful, calculated approach to growth. As a result, dealmakers are reconfiguring operations and business structures, focusing on what works best and letting go of what doesn't.

Portfolio optimisation and a pivot to premium goods: Large corporates are reallocating capital from low-growth segments towards premium, higher-margin categories, driving portfolio rationalisation and divestitures. These ongoing restructurings are generating a steady pipeline of mid-market carve-outs, while also intensifying competition for high-quality assets, as corporates seek to diversify, scale and future-proof their businesses.

Shift toward health and wellness: Consumer demand for healthier food and beverages continues to accelerate, making wellness-oriented brands and products prime acquisition targets. This will likely sustain a robust pipeline of mid-market opportunities, particularly as dealmakers focus on brands and product segments with strong and loyal customer bases and pricing power.

Supply chain resilience and control: Ongoing trade and geopolitical volatility is proving the strategic need to reinforce logistics and operational control. Acquisitions of suppliers and regional producers are helping dealmakers reduce risks, stabilise costs and improve operational readiness.

Digital integration and AI enablement: Technology is emerging as an increasingly important value driver, with dealmakers focusing on acquisition targets that enable data analytics, AI-assisted demand forecasting, inventory optimisation, supply chain efficiency and enhanced customer engagement. The mid-market offers significant untapped potential, with attractive upside through e-commerce expansion, AI-enabled marketing and data-led pricing strategies.

Cross-border strategic interests: Dealmakers continue to turn to cross-border M&A to access both developed and emerging market opportunities. Despite heightened regulatory and integration complexity, mid-market transactions remain a key driver as international assets offer clear market entry, distribution expansion and long-term scalability advantages.

Global F&B M&A: Resilient value growth signals a promising outlook

Global F&B deal activity showed measured recovery in 2025, with deal value rising 9% year-on-year to reach US$110.9bn. This recovery in deal value, however, looks more modest when benchmarked against the broader global M&A market, where deal value surged 45%. This divergence is further reflected in volumes, where sector deal count declined 2%, compared with broadly flat global activity which increased 0.3%.

Looking ahead to 2026 and early 2027, the mix of deals will matter more than the number of transactions. Larger acquisitions tied to corporations reassessing portfolios are expected to be a key driver of value growth. Likewise, external pressures will continue to shape activity through the next 18-24 months. Trade policies, including tariffs, along with ongoing regulatory scrutiny, will likely impact international deal flow, as cross-border M&A becomes more time-consuming and complex. Against this backdrop, these factors could ultimately hold back more aggressive expansion plans among dealmakers in many key global markets.

Taking a positive view, macro consumer trends around health and convenience continue to drive investment into new segments within the sector. F&B may not match headline global M&A growth rates, but for dealmakers seeking resilient cash-generative businesses and defensible consumer demand, the industry remains a compelling place to seek deal opportunities.

Strategic buyers step up as private equity pulls back

Private equity (PE) activity in the F&B mid-market softened markedly in 2025, reflecting a more challenging financing and valuations environment. Buyout value declined 35% year-on-year (US$3.6bn), while volume dropped 31% with only 37 buyouts. This contrasts sharply with the broader mid-market, where PE activity rose 14% in value terms and volume remained broadly stable (increasing just 0.3%), underscoring sector-specific caution.

PE's share of total mid-market F&B activity also narrowed, accounting for 20% of sector deals and 18% of values. For comparison, this was well below PE benchmarks across all mid-market sectors, where financial sponsors accounted for 34% of deals and 30% of values.

In contrast, strategic buyers are maintaining a more active presence, leveraging stronger balance sheets and longer-term investment horizons. Corporates are focusing on acquisitions that deliver clear synergies, scale advantages and alignment with portfolio optimisation strategies.

The pullback from traditional financial sponsors is also creating a wider opening for sovereign wealth funds and family offices. These investors are increasingly well positioned to pursue direct deals or co-investment alongside strategics – and many are less constrained by leverage and short-term return pressures.

“Within the current environment, major F&B companies are expected to continue to rationalise their portfolios, selling off slow-growth and non-core businesses. This will create a steady flow of assets coming to market, offering opportunities for operators and dealmakers looking to acquire under-invested brands and operations to re-position and scale in new (Asia Pacific) or their own respective markets.”

Andrew Feeke
Partner, MHA, United Kingdom

Mid-market hotspots: A changing menu of growth markets

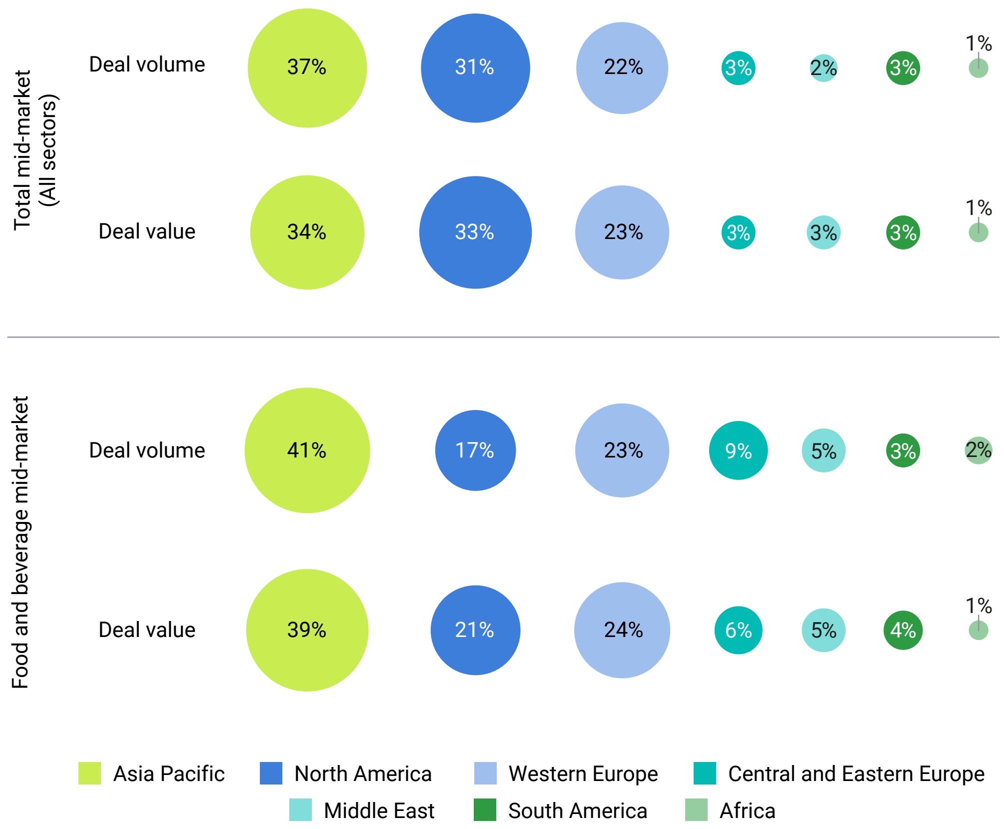
While global F&B mid-market M&A remains active, regional dynamics are diverging sharply. Growth is increasingly concentrated in Asia Pacific, while more mature markets face slowing momentum and heightened dealmaking caution.

Asia Pacific leads deal activity, reinforcing its role as a growth engine. Asia Pacific accounted for the largest share of mid-market F&B dealmaking, representing 41% of deals and 39% of mid-market value in 2025. While volume declined 5% in 2025, value increased 8%, hinting at sustained dealmaker conviction. Strong demographics, rapid urbanisation and expanding middle-class demand for premium food items continue to underpin the region's attractiveness as a key destination for capital.

North America sees interest stall amid macro and regulatory uncertainty. While North America accounted for 21% of mid-market deal value and 17% of volume in 2025, totals across the year declined sharply: year-on-year drops of 27% by value and 24% by volume since 2024. This pullback reflects a more cautious M&A environment, with dealmakers pausing activity amid tariff uncertainty and evolving regulatory dynamics.

Western Europe remains resilient with steady growth. Western Europe accounted for 24% of deal value and 23% of deal volume in 2025, broadly in line with its share of overall mid-market activity. Deal value rose 15% year-on-year and volume was up a modest 2%, which suggests a stable but measured recovery in dealmaking. Ongoing portfolio restructuring and divestitures continue to bring high-quality assets to market, supporting the overall M&A market despite persistent macro headwinds.

Figure 2. Global F&B mid-market M&A: Target geographies



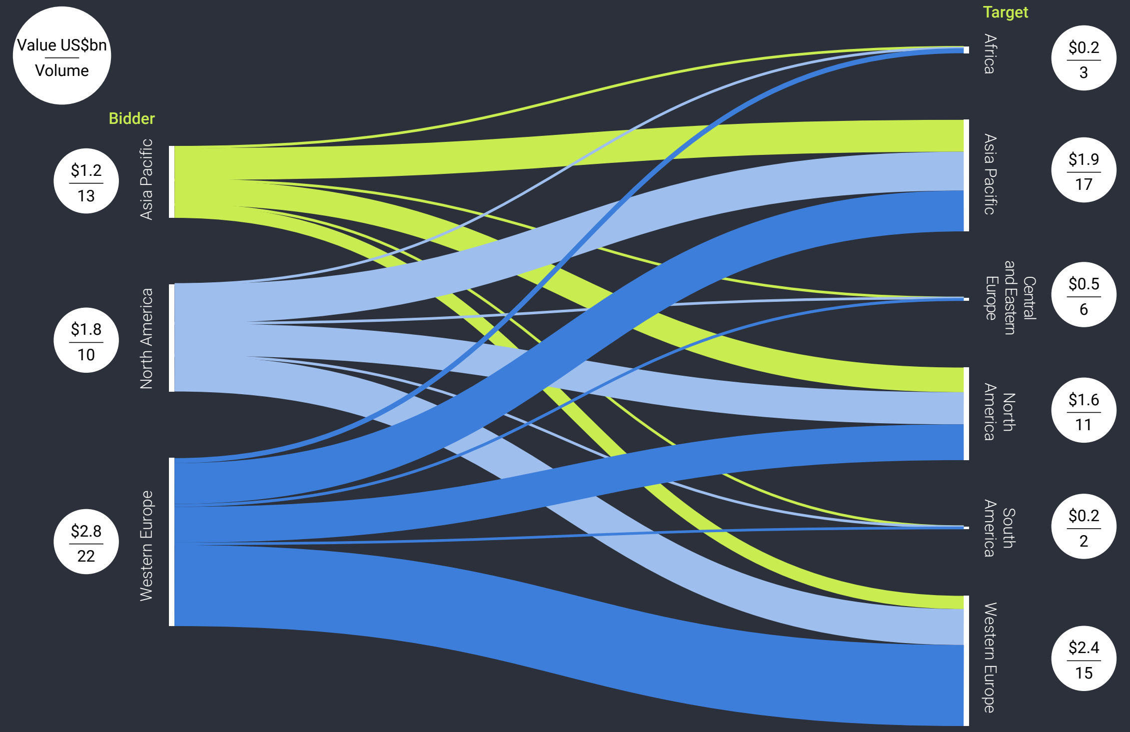
Cross-border deals drop sharply as dealmakers reassess international expansion

Dealmakers were far more selective in their cross-border mid-market ventures in 2025. Year-on-year, total cross-border F&B mid-market value dropped 31% to US$6.6bn, with volume down 27% (54 deals). This trend is driven by dealmakers adopting a more cautious approach to international M&A, prioritising strategic fit and operational resilience over aggressive overseas growth.

Despite a contraction in mid-market dealmaking, broader F&B cross-border deal trends saw a sharp upswing in value, rising 132% to reach US$74bn with deal volume up a modest 2% (311 deals). This suggests dealmakers remain willing to act but only on fewer, more strategic transactions.

Compared to global benchmarks, recent cross-border F&B trends were much deeper than those across the broader mid-market. Across all sectors, cross-border M&A in the mid-market declined 0.3% in value and 2% in volume.

Figure 3. Global F&B M&A: Cross-border mid-market deal flow by value (2025)



Note: Bidder data reflects top three regions only.

What makes mid-market F&B so compelling right now is the diversity of deal flow. Mature markets are producing carve-outs and succession-driven opportunities, while high-growth markets are surfacing younger, faster-growing targets in categories that barely existed a decade ago. Both offer real opportunities for different reasons."

Jerry Ding
Partner, Baker Tilly (China)

Western Europe continues to offer strong and diverse F&B opportunities

- Inbound mid-market F&B deal value fell 26% year-on-year to US$2.4bn in 2025. Despite this, the region remained the leading market for deal value, underpinned by mature consumer markets, strong premium brands and established regulatory and supply chain infrastructure.
- Inbound deal volume declined to just 15 deals in 2025, down 38% from 2024.
- On the outbound side, while European bidders were the most active of any other dealmaking cohort, buyers decreased deal value by 27% (US$2.8bn) and 21% by volume (22 deals) in 2025 compared to 2024.

North America becomes a challenging market for offshore dealmakers

- Inbound mid-market F&B deal value dropped 44% in 2025, hitting just US$1.6bn (down from US$2.8bn in 2024), as elevated interest rates and valuation gaps kept foreign dealmakers at bay.
- Deal volume declined 31%, down from 16 deals to just 11 in 2025.
- North American outbound activity likewise contracted in 2025. Bidders completed 44% fewer international deals (10) and value dropped 33% (US$1.8bn) from 2024.

Asia Pacific offers key strengths and unmatched growth potential

- Deal value declined 13% in 2025 to US$1.9bn. However, the region's strategic importance cannot be overlooked: strong demographics and rising middle classes are and will continue to attract international dealmakers seeking high-growth markets.
- Although deal volume declined 15% in 2025, Asia Pacific had the most cross-border deals of any region (17).
- Outbound activity by Asia Pacific buyers fell sharply in 2025, with deal value down 53% (US$1.2bn) and volume down 46% (13 deals).

Cross-border F&B momentum may gain strength through 2026 and 2027

- A sustained decline in overseas mid-market M&A in the F&B sector looks unlikely. The current drivers of deals – geographic diversification, access to new markets and the need to secure resilient supply chains – remain firmly intact. What may help reignite deal flow is a combination of greater clarity on trade policy alongside a growing pipeline of quality targets in key markets as local brands reach a scale that demands investments or acquisitions to secure growth.
- European and North American dealmakers will continue to watch markets in Asia Pacific and Latin America for targets with strong local brands and scalable operations. Likewise, buyers in Asia Pacific will keep their eyes on regional growth markets for opportunities to expand. As macro headwinds begin to ease through 2026 and into 2027, cross-border activity has potential to rebound, particularly for dealmakers with the flexibility to navigate an increasingly complex geopolitical landscape.

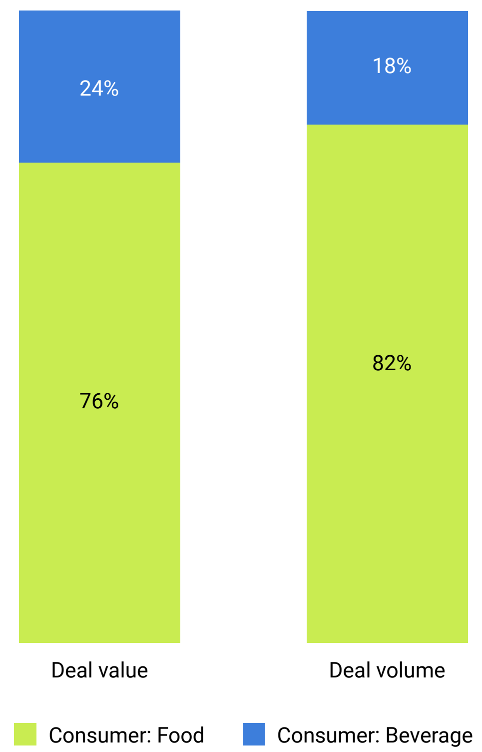
Sector signals: Healthy habits, sharper deals

As 2026 unfolds, dealmakers are expected to focus more selectively on areas in line with changing consumer preferences and where margin profiles are strongest.

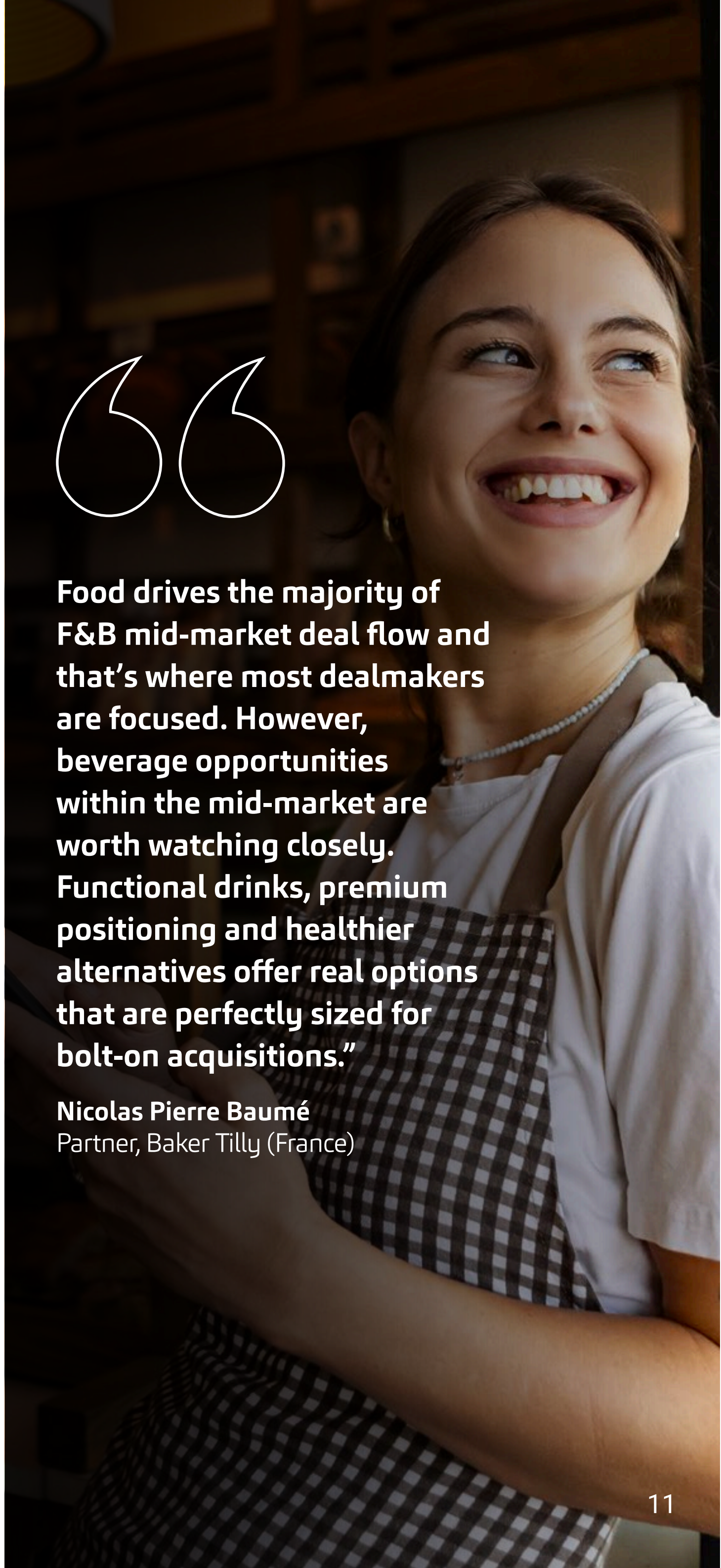
Healthy options lead M&A priorities: The food sub-sector accounted for the majority of mid-market transactions in 2025, with 82% of deal volume and 76% of deal value. Looking ahead, snacks and packaged foods are expected to remain key as global brands focus on convenience-led consumption to bolster growth. Bolt-on acquisitions in healthier snack categories are likely to drive deals as companies look to build category leadership efficiently.

Beverage sub-sector faces divergence in growth outlook: In 2025, the beverage sub-sector accounted for 24% of deal value and 18% of deal volume. The internal dynamics of the beverage sub-sector are shifting, creating new opportunities for dealmakers. Non-alcoholic and health-focused beverages are expected to see increasing investor interest as consumers lean away from traditional, sugary drinks. In the alcohol segment, shifting consumer behaviour, particularly among younger demographics, is expected to continue to drive moderation and lower consumption levels. This is likely to accelerate investment in premium, low- and no-alcohol alternatives, while traditional categories may see more consolidation than expansion.

Figure 4. Global F&B mid-market M&A: Sub-sectors* (2025)



*Note: Sub-sectors follow Mergermarket classification framework. Within Mergermarket data, beverage deals typically fall under the "Consumer: Other" category.



"Food drives the majority of F&B mid-market deal flow and that's where most dealmakers are focused. However, beverage opportunities within the mid-market are worth watching closely. Functional drinks, premium positioning and healthier alternatives offer real options that are perfectly sized for bolt-on acquisitions."

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About

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Mergermarket blends market-leading human insights, advanced machine learning and 30+ years of Dealogic data to deliver the earliest possible signals of potential M&A opportunities, deals, threats and challenges.

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