

FOOD & BEVERAGE

M&A INSIGHTS: 2025

September 2025



COOPER PARRY
DEALS



REACH

KEY M&A THEMES

KEY SECTOR TAKEAWAYS

DRIVEN BY STRATEGIC DEALMAKING, DIGITAL INNOVATION, AND SHIFTING CONSUMER PREFERENCES, THE FOOD & BEVERAGE INDUSTRY IS UNDERGOING A MAJOR TRANSFORMATION.

Global market size: Projected to reach US \$8.64 trillion in 2025.

UK activity hits multi-year highs: Q1 2025 marked the strongest UK-to-UK F&B M&A quarter since Q1 2017, featuring 11 private equity investments.

Europe Deal themes: F&B M&A deal volume surged by 51.1% in 2024 compared to 2023.

Factors fuelling dealmaking: Shifting consumer demand for rapidly expanding segments, expected interest rate cuts, strategic portfolio shifts, food-tech innovation, and strong private equity interest are creating a favourable environment.

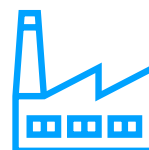
Dominating sectors: Focus remains on smaller, high-growth targets across premium snacks, health & wellness, plant-based and functional beverages, as well as key categories like alcoholic drinks, meat & fish, and ingredients.

OPPORTUNITIES AND CHALLENGES

THE FOOD & BEVERAGE SECTOR IS BEING RESHAPED BY CAPACITY PRESSURES, SHIFTING CONSUMER DEMANDS, DIGITAL TRANSFORMATION AND RISING COMPETITION FROM DIRECT-TO-CONSUMER MODELS.



Mid-market food and beverage manufacturers are increasingly feeling the squeeze as raw ingredient prices remain volatile and labour costs continue to rise, with the UK Government imposing higher National Insurance contributions for employers. With limited ability to pass these costs on to customers in an increasingly competitive marketplace, many are seeing margins come under sustained pressure.



Capacity constraints are essential for organic growth and potential exits. For smaller businesses aiming to reach their next stage of growth, there is a need to balance maximising productivity at existing sites with putting in place a clear plan for increasing capacity in the future which can help achieve a premium valuation with both strategic and financial buyers.



Consumer preferences are evolving rapidly, particularly towards better-for-you options such as low sugar, plant based or functional products. Meeting these demands requires constant innovation, agility and often costly reformulation, which presents a major challenge for manufacturers already facing financial and operational pressures.

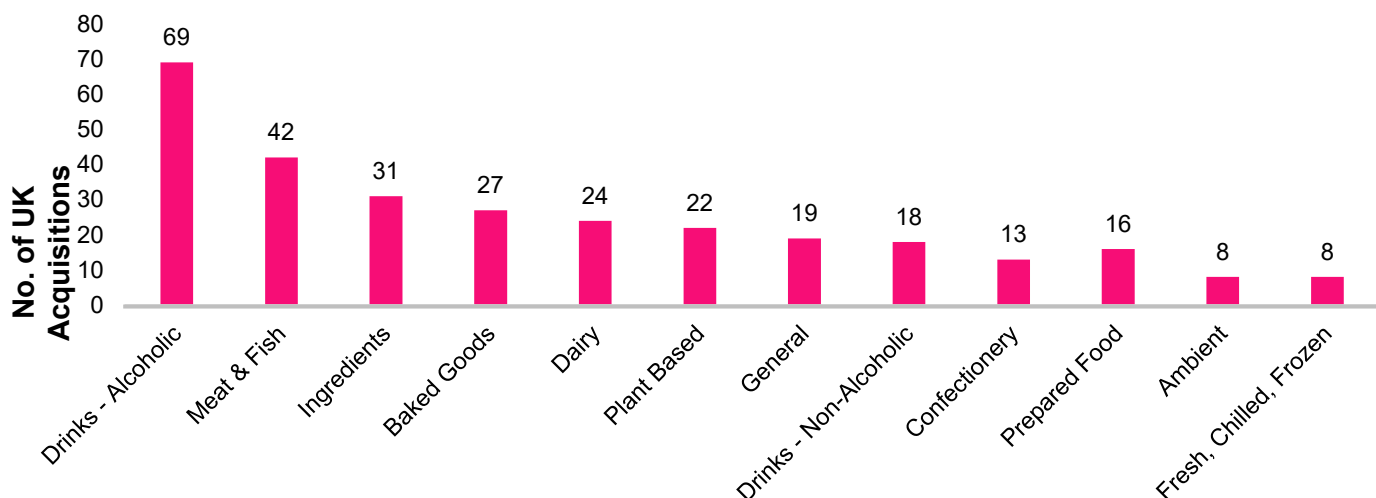


As more brands invest in direct-to-consumer or direct-to-retailer models, wholesalers must work harder to demonstrate their value. Keeping up with digital platforms, real-time ordering systems and data-driven insights is becoming essential to stay competitive and is highly sought after by acquirers.

UK M&A OVERVIEW: 2025

SUB-SECTOR M&A TRANSACTION VOLUMES

ALCOHOL BASED DRINKS CONTINUE TO BE A DRIVING FORCE IN M&A VOLUMES AS LARGE INDUSTRY PLAYERS MOVE TO CONSOLIDATE CRAFT BEER BREWERS.



Source: 1st Jan 2023 – 8th September 2025, MarketIQ, Cooper Parry analysis

KEY SUB-SECTOR M&A TRENDS

WHILE ALCOHOL REMAINS A KEY TREND, OTHER SECTORS REMAIN HIGHLY ACTIVE.

DRINKS – ALCOHOLIC

Alcoholic drinks saw strong M&A activity over the last two years thanks to strong branding, high margins, and increased consumer demand. The fragmented craft drinks space has driven many of the deals in alcoholic drinks, as larger companies look to tap into its growth. In 2024, **43.33%** of alcohol-related deals involved craft brewery acquisitions, showing the sub-sector's rising appeal.

MEAT & FISH

M&A in meat and fish often targets businesses with strong processing, import/export links, or value-added products. Buyers also look to control supply chains through vertical integration to cut costs and manage risks. Despite growth in plant-based proteins, meat and fish remain strong as protein remains a central theme to the F&B sector - reflected in a **35.71%** rise in deal volumes from 2023 to 2024.

INGREDIENTS

The ingredients sector remains a strong area for M&A thanks to its high margins, scalability, and B2B focus. Unlike consumer-facing brands, ingredients businesses often have long-term contracts, lower risk, and strong ties to high value manufacturers. **61.54%** of ingredients deals since 2023 have involved the acquisition of wholesalers or distributors, highlighting the value placed on supply chain access and reach.

PLANT-BASED

Despite a lower number of transactions when compared to other sub-sectors, plant based continues to be a major focal point for M&A. Accelerating consumer demand for healthier, sustainable, and ethical alternatives to animal-based products has driven transaction volumes. The space remains attractive due to its rapid growth trajectory, strong alignment with ESG investing, and ongoing innovation in product formats and ingredients.

UK M&A OVERVIEW: 2025

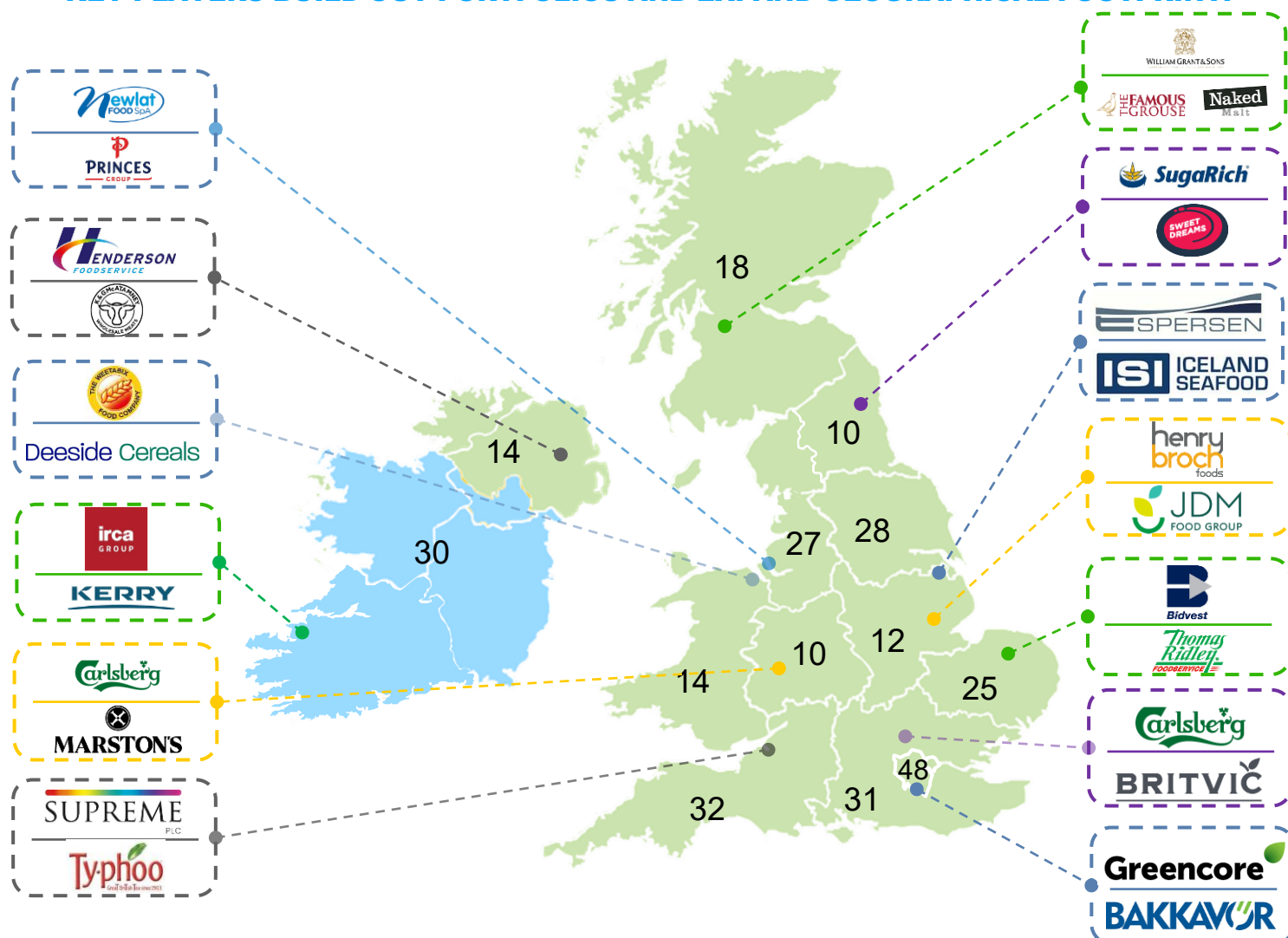
FOOD & BEVERAGE VALUATION DRIVER DIAGNOSTIC

SPECIFIC BUSINESS CHARACTERISTICS THAT DRIVE PREMIUM MARKET VALUATIONS.

	Lower multiple		Higher multiple
Digital Readiness	Limited	➡	Complex
Manufacturing Capacity	Limited	➡	Substantial
Strong Brand Identity	Low	➡	High
Product Innovation	Low	➡	High
Cash Flow-CAPEX Dynamic	Low CF/CAPEX Ratio	➡	High CF/CAPEX Ratio

UK & IRELAND M&A FOOTPRINT

KEY PLAYERS BUILD OUT PORTFOLIOS AND EXPAND GEOGRAPHICAL FOOTPRINT.



CONTACT US

WE ARE TRUSTED M&A ADVISORS IN THE FOOD & BEVERAGE SECTOR.



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Peter is head of Corporate Finance in the North and is renowned for his hands-on partner led approach to transactions. He has extensive transactional experience, and in advising clients in the consumer markets sector, including working with clients within food manufacturing.

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Fraser is an Associate Director in our Manchester team. He has worked on a range of transactions in his career, working closely with clients to deliver maximum value. Fraser qualified as a Chartered Accountant at a Top 10 firm.

SAM SISSON
Executive

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Sam joined Cooper Parry through the acquisition of UHY in September 2024. With experience dealing with both private equity and trade buyers across a range of industries, Sam has developed strong commercial skills that enable him to provide valuable insights and strategic analysis to the team.

OUR RECENT DEALS INCLUDE:

Bespoke
Your Creative Partner

TARGET COMPANY DETAILS
Company Name: Bespoke Kitchen Foods
Country: United Kingdom
Deal Type: Buy-side Lead Advisory

BUYER DETAILS
Buyer Name: LDC
Country of buyer: United Kingdom

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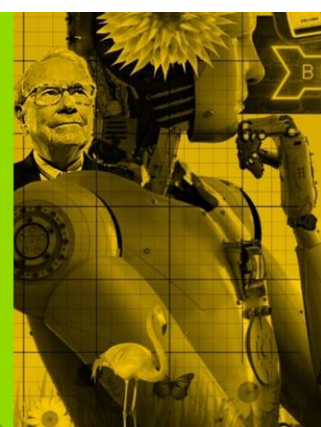


Finsbury
Food Group

TARGET COMPANY DETAILS
Company Name: Finsbury Food Group
Country: United Kingdom
Deal Type: Equity management advice

BUYER DETAILS
Buyer Name: DBAY Advisors
Country of buyer: United Kingdom

COOPER PARRY DEALS



Bramble
FOODS

TARGET COMPANY DETAILS
Company Name: Bramble Foods Ltd
Country: United Kingdom
Deal Type: Due Diligence

BUYER DETAILS
Buyer Name: LDC
Country of buyer: United Kingdom

COOPER PARRY DEALS



Deal processes can be complex. We know how to navigate the complexities and we provide clear and effective advice throughout...



Executing deals can be stressful. We manage processes proactively and diligently to minimize stress on you and your business...



We are passionate about what we do. We thrive on delivering for Shareholders and Management teams!

THANK YOU



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