

Baked Goods & Confectionery



M&A Market Snapshot

MERIDIAN CAPITAL'S FOOD,
BEVERAGE &
AGRIBUSINESS INDUSTRY TEAM

- FALL 2025 -



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Overview

[Meridian Capital's](#) Food, Beverage & Agribusiness team has extensive transaction experience in the Baked Goods & Confectionery sector. The coverage team possesses deep industry relationships with the leading strategic and financial acquirers in the space and is up-to-date on the latest sector trends and considerations. Their knowledge and appreciation for the sector is a key pillar of the practice and continues to benefit our clients today.

Meridian Capital is pleased to present its Fall 2025 Baked Goods & Confectionery M&A Market Update.



At A Glance

Industry Overview & Trends

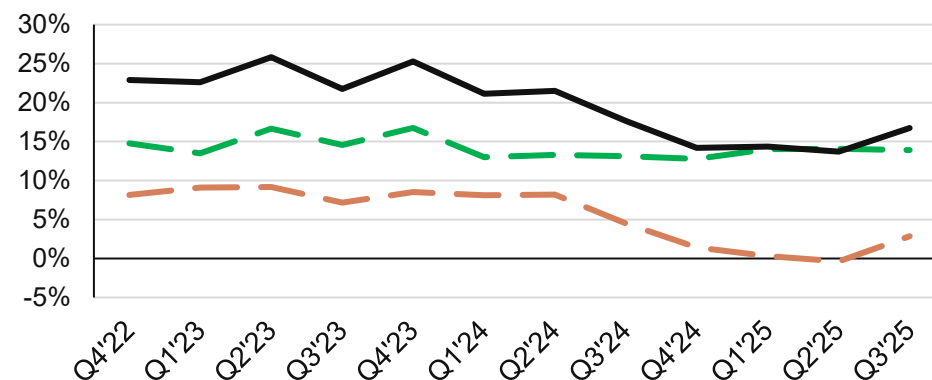
- Sustained M&A activity is expected through 2025 and early 2026, fueled by growing investor appetite to diversify product offerings and strengthen supply chains. The industry's high level of domestic production provides a degree of insulation from potential tariff impact, incentivizing investors to acquire domestic manufacturers
- The last 4 quarters saw a downturn in transaction volume but an uptick in value. Strategic and financial investors were equally active with a particular interest in, and premium value for, brands catering to health-conscious and sustainably-minded consumers
- The threat of tariffs and rising costs of inputs for producers reliant on specialty imports, such as cocoa, has resulted in additional margin pressure on brands as they struggle to pass prices onto increasingly cost-conscious consumers

By The Numbers

Last 3 Years	Last 4 Quarters (Q4 2024 – Q3 2025)	Comparison
143 Average Yearly Transaction Volume	117 Average Yearly Transaction Volume	↓
\$38.0M Median Deal Size	\$100.0M Median Deal Size	↑
1.7x Median Transaction EV / Rev Multiple	4.1x Median Transaction EV / Rev Multiple	↑

Performance Metrics Over Time

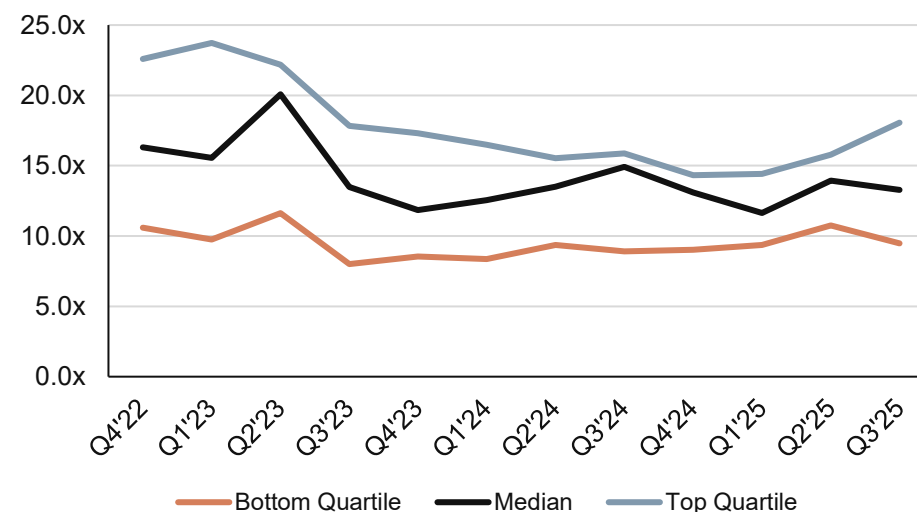
Profit Growth Ratio (PGR) – Public Companies



— Revenue Growth — EBITDA Margin — PGR

Note: Profit Growth Ratio = EBITDA Margin + Revenue Growth

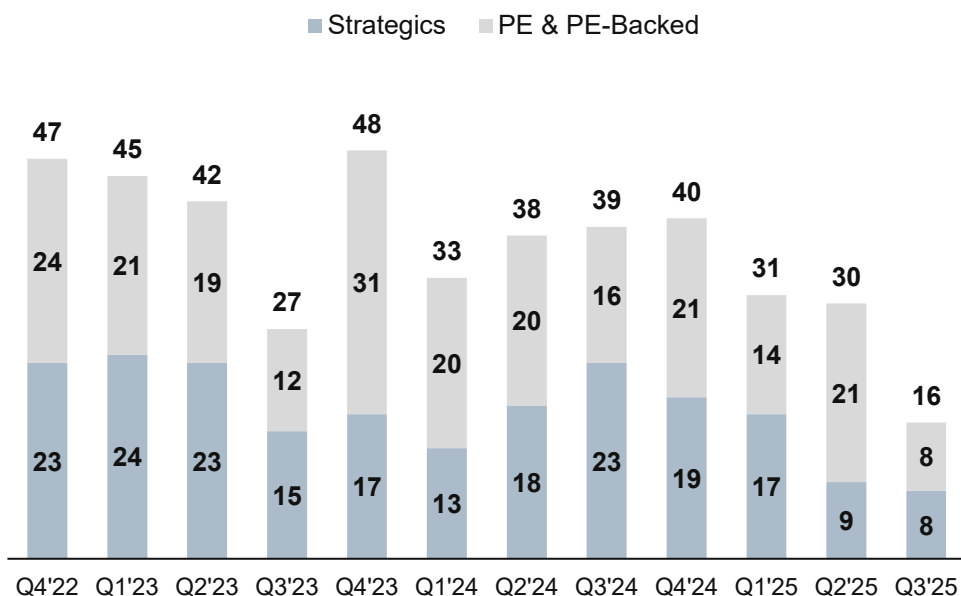
EV / EBITDA Multiple – Public Companies





Baked Goods & Confectionery M&A Trends

Breakdown of M&A Deals by Quarter



Highly Acquisitive Players

Nestlé

121 Acquisitions

Mondelēz International

62 Acquisitions

encore
consumer capital

49 Acquisitions

Flowers FOODS

24 Acquisitions

RICH'S

22 Acquisitions

C-H GUENTHER & SON

17 Acquisitions

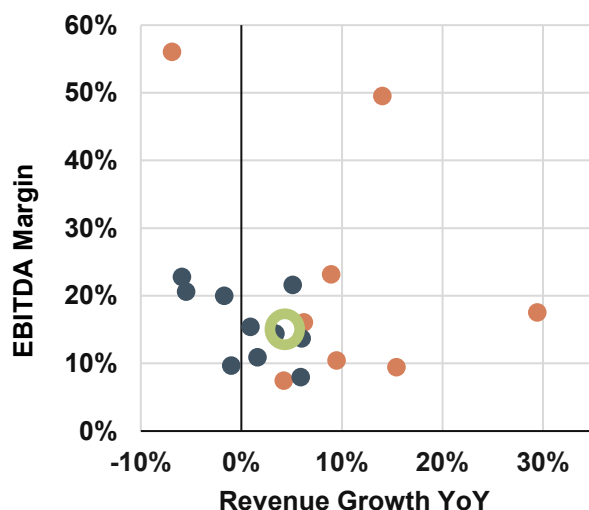
Recent M&A Transactions

Date	Target	Acquirer	Target Description
Sep-25	Sweets from the Earth	Fengate Asset Management	Vegan baked goods
Aug-25	St. Croix Chocolate	Undisclosed	Small-batch chocolates
Aug-25	Elmer Chocolate	Hoffman Family of Companies	Seasonal chocolates
Jul-25	Shipley Do-Nuts	Levine Leichtman Capital Partners	Baked goods and desserts
Jul-25	Willamette Valley Pie Co.	Dessert Holdings (Bain Capital, Ergo Partners)	Producer of pies and cobblers
Jun-25	Maple Donuts	Swander Pace Capital	Frozen bakery products
Jun-25	Snackwerks of Michigan	Artisan Bakery (HC Private Investments)	Baked snack foods
Jun-25	Specialty Bakers	Artisan Bakery (HC Private Investments)	Specialty cakes and pies
May-25	Macalat	Birmingham Chocolate	Dark chocolate brand
May-25	Thompson Chocolate	Chocolate Works (Insignia Capital Group)	Chocolate brand
Apr-25	Hollandia Bakeries	Commercial Bakeries (Graham Partners)	Handmade cookies
Mar-25	CraftMark Bakery	One Equity Partners	Frozen bakery products
Mar-25	La Rocca Creative Cakes	Sammontana North America	Cakes and desserts
Mar-25	Relais Desserts	Cerea Partners	Baked goods and desserts
Mar-25	Cloverhill Pastry-Vend	JTM Foods (Tenex Capital Management)	Fresh baked goods
Feb-25	Simple Mills	Flowers Foods (NYS: FLO)	Cookies and baking mixes
Feb-25	Classic Cookie	Legacy Bakehouse (Benford Capital Partners)	Manufacturer of baked goods

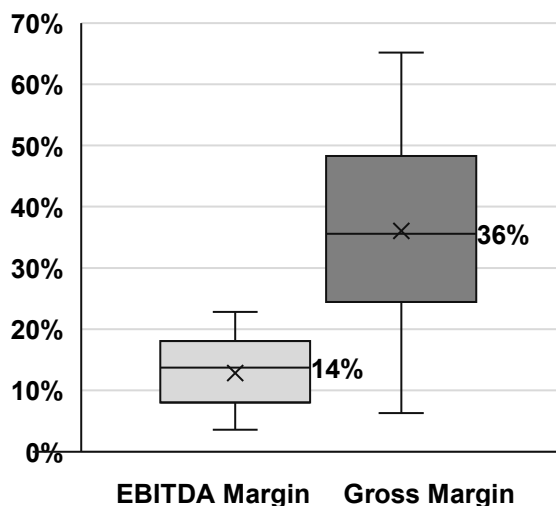


Baked Goods & Confectionery Public & Private Trends

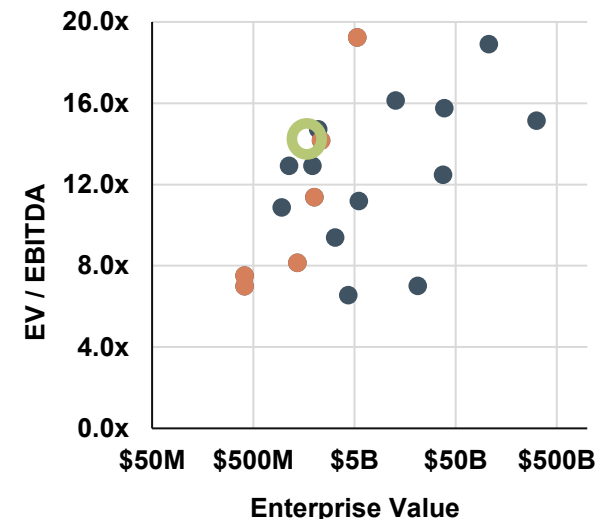
Revenue Growth & EBITDA Margin



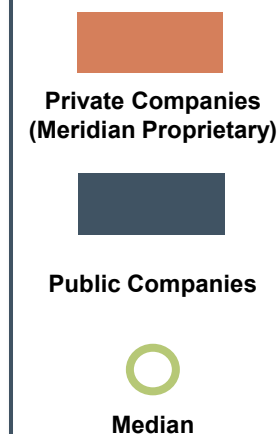
Margin Profile



Size & Valuation



Key



Select Publicly Traded Companies

(\$US in millions)

As of 10/1/25

	LTM			EV/LTM		Margins		Revenue Growth	Fwd Rev Growth
	EV	Rev	EBITDA	Rev	EBITDA	EBITDA	Gross		
Nestle	\$314,171	\$104,291	\$20,402	3.0x	15.4x	19.5%	46.7%	-1.3%	14.0%
Mondelēz Global	\$101,794	\$37,105	\$5,592	2.7x	18.2x	15.1%	32.5%	3.1%	11.9%
The Hershey	\$43,369	\$11,295	\$2,370	3.8x	18.3x	21.0%	40.1%	2.5%	6.8%
Archer Daniels Midland	\$38,276	\$82,776	\$2,863	0.5x	13.4x	3.5%	6.4%	-6.8%	16.1%
Lindt & Sprungli	\$36,207	\$6,523	\$1,337	5.6x	27.1x	20.5%	64.6%	7.4%	25.5%
Grupo Bimbo	\$24,943	\$21,651	\$2,933	1.2x	8.5x	13.5%	52.7%	8.9%	15.4%
Barry Callebaut	\$14,422	\$14,689	\$788	1.0x	18.3x	5.4%	10.5%	45.9%	20.1%
Flowers Foods	\$4,842	\$5,099	\$494	0.9x	9.8x	9.7%	49.4%	-0.6%	5.0%
Yamazaki Baking	\$4,150	\$8,529	\$677	0.5x	6.1x	7.9%	32.4%	3.9%	7.8%
Aryzta	\$2,817	\$2,418	\$345	1.2x	8.2x	14.3%	20.8%	NM	15.9%
Tootsie Roll Industries	\$1,605	\$723	\$154	2.2x	10.4x	21.3%	36.2%	-3.8%	NM
Cloetta	\$1,218	\$826	\$92	1.5x	13.2x	11.1%	35.6%	1.6%	15.1%
Median	\$19,682	\$9,912	\$1,063	1.3x	13.3x	13.9%	35.9%	2.5%	15.1%



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