

FOOD & BEVERAGE INSIGHTS

SEPTEMBER 2026

Citizens

FOOD FOR THOUGHT

We are pleased to present the Citizens September 2026 Food & Beverage Update. In this report, we discuss current trends across the food & beverage landscape, including issues facing operators and consumers, our outlook for the second half of 2026, M&A activity and notable transactions, public equity performance and select macroeconomic and commodities trends.

We look forward to discussing these points and how Citizens can help you achieve your corporate finance goals in 2026 and beyond.

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1H2026 DYNAMICS AND A LOOK AHEAD TO YEAR-END

- Consumers remain cost-conscious as restaurant / takeout inflation persists, with FAFH inflation outpacing FAH
- Premiumization continues to find success despite inflation when brands communicate a clear “why” – promising customers an elevated experience, indulgence, ethical sourcing, or key health benefits

- Protein remains a high-velocity trend across meals, snacks and beverages; buoyed by continued high rates of GLP-1 usage
- Fiber / gut health has emerged as the next major functional platform, with 60% of Gen Z interested in high-fiber food & beverage offerings

- Technology and efficiency continues to play an increasingly important role as operators and manufacturers face persistent cost pressure from labor, ingredients and rent
- Technology is also becoming part of the guest experience, supporting personalization, loyalty, waitlists, reservation optimization and AI-enabled decisioning

- Premium non-alcoholic beverages continue to take share, with the low/ no-alcohol movement evolving into a permanent category among younger consumers rather than a temporary fad

- With customers remaining value-conscious, retailers are increasingly offering premium-quality private label products

- Social media is increasingly becoming a product discovery engine, with F&B, snack and restaurant trends increasingly originating on platforms such as TikTok and Instagram rather than traditional advertising
- Emerging brands are able to scale awareness more rapidly, accelerating category disruption

- Customers continue to focus on quality ingredients, input sourcing and processing methods
- Brands with clear sourcing stories, clean labels and transparent manufacturing processes are increasingly able to command premium positioning

- Grocery, convenience and prepared foods are increasing becoming trend incubators, with consumers more likely to discover new F&B trends through packaged retail products and prepared foods sold at grocery / c-stores than through restaurants
- This trend is accelerating innovation in fresh prepared foods, grab-and-go, private label and premium convenience

Source(s): Datassential, McKinsey, Federal Reserve



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FOOD FOR THOUGHT

GLP-1S RESHAPING FOOD DEMAND

- GLP-1 usage in the U.S. continues to reach new highs, with 11% of adults now reporting using the medications for weight loss purposes, skyrocketing from 3% in 2024
- The U.S. adult obesity rate continues to inversely track with increased usage of GLP-1s, dropping from 39.9% in 2022 to 36.4% thus far in 2026
- GLP-1 usage has undoubtedly changed the way Americans think about and purchase food, with meaningful changes reported in both quantity and categories of food purchases
  - A recent study shows households reducing grocery spending by an average of 5.3% within six months of beginning a GLP-1, with lower food spending persisting for at least one year
  - Ultra-processed, high-calorie foods see the sharpest spending declines, with healthier categories such as yogurt, fresh fruit and meat snacks seeing increases
- For food manufacturers, the increased GLP-1 adoption could translate to long-term shifts in food & beverage demand
  - Changes in package sizes, ingredient quality and marketing strategies may be needed, particularly in categories such as snacks or baked goods
  - Some operators have already begun to respond, with Nestle launching brand Vital Pursuit, marketed as a line of foods that are "companions" for GLP-1 weight loss and Conagra's "On Track" badge identifying GLP-1-friendly products amongst its current offerings

AMERICANS FOCUS ON PROTEIN

- America's protein obsession has taken the food & beverage space by storm, with consumers increasingly associating the macronutrient with satiety, weight management, healthy aging and metabolic health, far past its traditional association with muscle building
- High GLP-1 adoption rates have further accelerated the craze, with consumers using weight-loss medications prioritizing high-protein foods to help preserve muscle mass
- Food & beverage manufacturers have cashed in on the trend, developing and marketing high-protein products in categories such as ice cream, cereal, yogurt, baked goods, coffee drinks and even desserts
- Protein claims have become a key premiumization level, with consumers showing a willingness to pay higher prices for items with meaningful protein content and perceived health benefits
- While protein remains the anchor benefit in F&B products, consumers are increasingly looking for products that deliver multiple outcomes simultaneously – low sugar, high-fiber, gut-healthy, clean-label and convenience
  - Winning brands have begun to position protein as part of a broader functional nutrition story, rather than standalone claim

DYNAMIC TRENDS IN BEVERAGE

- Younger consumers are causing a disruption in beverage culture, with Gen Z and Gen Alpha leading a shift toward expressive and experience-driven drink offerings
- These generations are increasingly rotating across more flavors and categories, seeking beverages that balance both function and taste
  - Younger consumers' tendency to rotate among beverages such as coffee, energy drinks, hydration products, tea and alcohol throughout the day has favored manufacturers with a portfolio of brands and product offerings
- 58% of Gen Z and Gen Alpha consumers view beverage choices as a form of self-expression, believing their drink selections reflect who they are (vs. 41% of Millennials), leading to heightened exploration across unexpected or new flavors, global-inspired trends, or limited-edition beverage
- Health benefits remain one of the most important drivers behind beverage choice, with consumers seeking attributes such as reduced sugar, sustained energy or mental focus
  - Manufacturers such as KDP have responded with expanded lines of mini-cans offering portion control, plant-based drink options and growing zero-sugar choices
- Social media continues to play a significant role in beverage discovery, with 63% of Gen A/Z drink choices influenced by social feeds and friends
  - Manufacturers have shifted their marketing strategy increasingly away from traditional ads, with the ability to achieve heightened brand awareness much faster via social media channels such as TikTok and Instagram

VALUE BIFURCATION PERSISTS

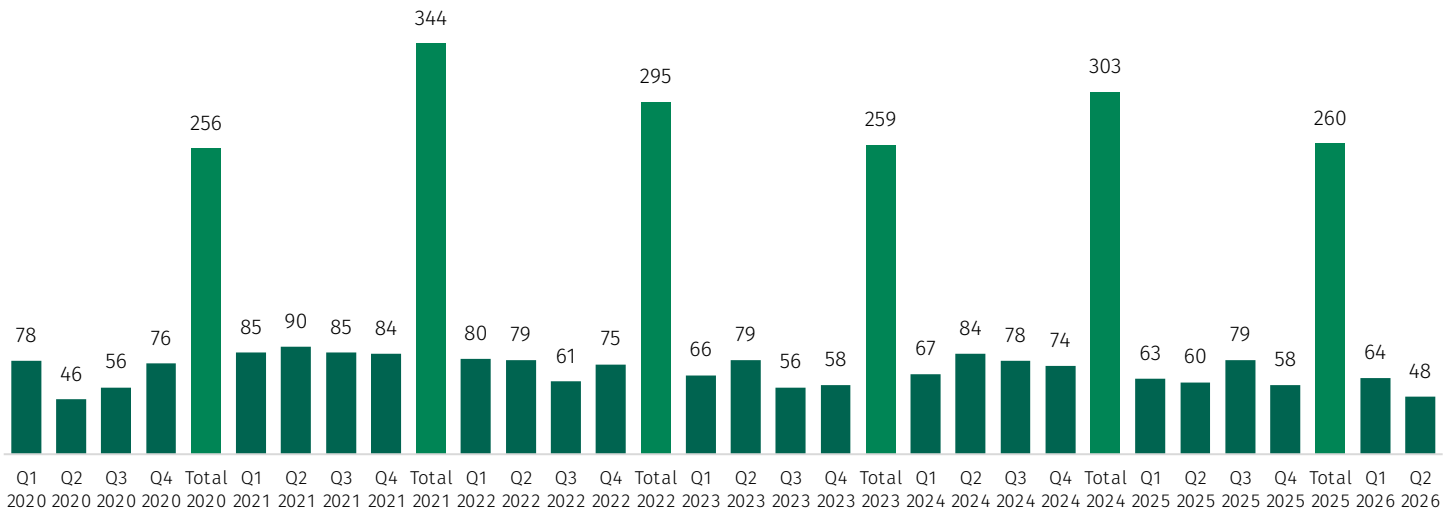
- Elevated food prices, slower wage growth and ongoing budget pressure continue to weigh on consumers, who are evaluating discretionary spending more carefully
- Consumers have become more intentional about where they spend, choosing select areas to indulge, vs. trading down across the board
- This barbell effect of selective indulgence has permeated food & beverage, with brands offering affordability and private label options winning over lower spend customers and offerings advertising clean label, premium ingredients and functional health benefits capturing those willing to spend more
- The most challenged products increasingly sit in the middle – generic branded products, undifferentiated restaurants, premium products without tangible benefits and brands lacking clear value or emotional connection are all losing market share
- Private label spending reached record highs in 2025, with store brands now accounting for more than one out of every five dollars spent on consumer packaged goods
  - Sponsors are also taking notice of the trend, with private equity firm Investindustrial acquiring private label F&B manufacturer TreeHouse Foods in late 2025
- On the other side of the spectrum, manufacturers have been forced to support higher prices with a compelling value proposition to customers
  - Simple packaging upgrades, "luxury" branding without functional benefits, minor product upgrades and legacy brands relying on heritage have failed to resonate with consumers

Source(s): Gallup National Health and Well-Being Index, American Marketing Association, Keurig Dr. Pepper, Private Label Manufacturing Association

NORTH AMERICAN FOOD & BEVERAGE M&A ACTIVITY

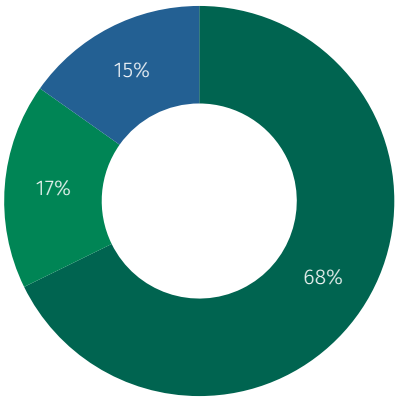
FOOD & BEVERAGE M&A DEAL VOLUME

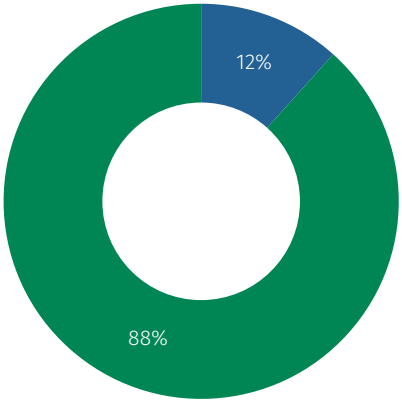
(Aggregate deal count)



YoY Change[1]	*34.4%*	*(14.2)%*	*(12.2)%*	*17.0%*	*(14.2%)*

LTM 2Q'26 FOOD & BEVERAGE M&A ACTIVITY BY BUYER TYPE[2]





Source(s): S&P Capital IQ, MergerMarket (as of June 30, 2026)
1) Represents year-over-year change in aggregate deal count
2) M&A activity by buyer type statistics are based on deal count



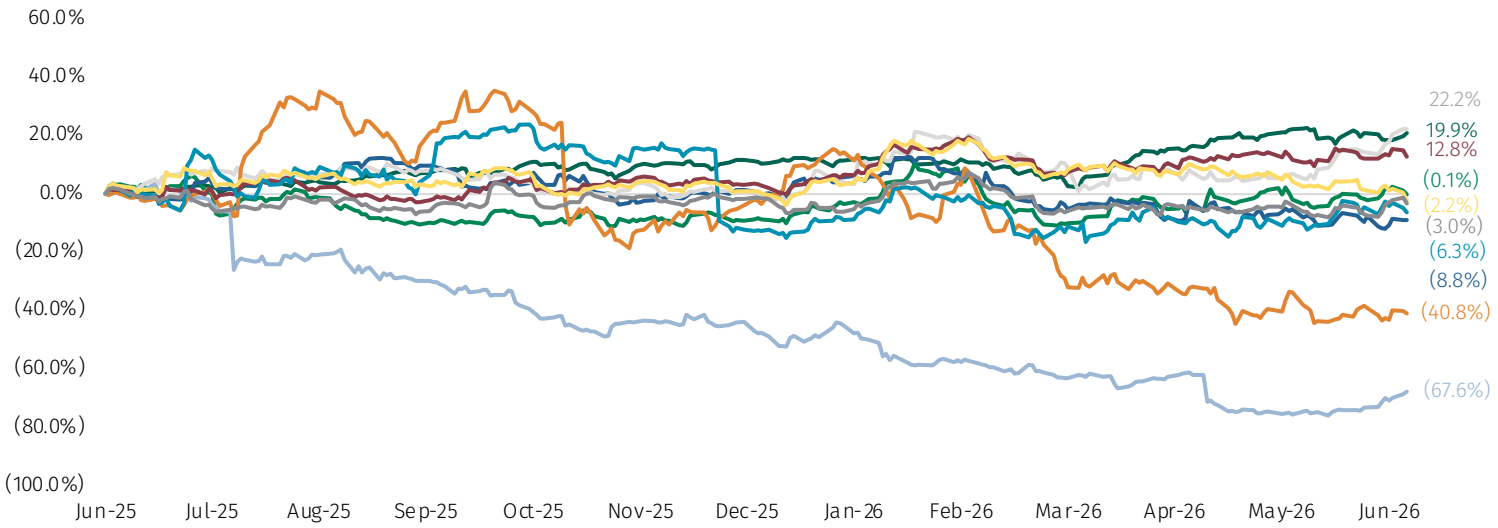
SELECT M&A TRANSACTIONS

ANN. DATE	TARGET(S)	ACQUIRER(S)	ENTERPRISE VALUE ($M)
Jul. 2026	Copra	The Vita Coco Company (NASDAQ: COCO)	$175.0
Jul. 2026	Utz Brands (NYSE: UTZ)	Intersnack Group / Rice and Lissette Families	$2,900.0
Jun. 2026	Highland Baking Company	Europastry	€700.0
Jun. 2026	Jimmy's Gourmet Bakery	Rise Baking Company	ND
Jun. 2026	Cedar Crest Ice Cream	Hoffmann Family of Companies (HF Companies)	ND
Jun. 2026	Beverage Flavors International (BFI)	FlavorSum (Warburg Pincus)	ND
Jun. 2026	Twang	Solina (Astorg Partners)	ND
Jun. 2026	Tillamook Country Smoker LLC	Second Nature Brands LLC	ND
May 2026	IFF (Food Ingredients Business)	CVC Capital Partners	$4,300.0
May 2026	Whole Earth Brands Inc	Heartland Food Products	ND
May 2026	Good Karma Foods	Trek One Capital LLC	ND
May 2026	No Cow LLC	Trek One Capital LLC	ND
May 2026	Kitchen Partners	Roskam Foods	ND
May 2026	Van's Food Business	Cal-Maine Foods (NASDAQ: CALM)	ND
May 2026	Petsource	Golden Pet Brands	ND
May 2026	Old Hickory Smokehouse	Colorado Premium	ND
Apr. 2026	Young American Food Brands	Falfurrias Management	ND
Apr. 2026	Terrasoul Superfoods	Laird Superfood	$48.0
Apr. 2026	Soulshine Farms	Kingswood Capital Management	ND
Apr. 2026	Mejicano Foods	C.H. Guenther & Son	ND
Apr. 2026	Teasdale Foods	Knighthead Capital	ND
Apr. 2026	Pearl Valley Farms	Global Eggs	ND
Apr. 2026	Nügredient Solutions	Guardian Capital Partners	ND
Mar. 2026	Unilever (LSE: ULVR) (Food Business)	McCormick & Co (NYSE: MKC)	$44,800.0
Mar. 2026	Gilman Cheese Corporation	Borgman Capital	ND
Mar. 2026	HOP WTR	Constellation Brands (NYSE: STZ)	ND
Mar. 2026	Keystone Food Products	CK Snacks	ND
Mar. 2026	So Good So You	Bansk Group	ND
Mar. 2026	Stellar Snacks(1)	Main Post Partners	ND
Mar. 2026	Waterford Whisky (core assets)	Tennessee Distilling	ND
Mar. 2026	Atomic Brands	Molson Coors (NYSE: TAP)	ND
Mar. 2026	Dirty Shirley	Sazerac	ND
Mar. 2026	Celtrade Canada	Tulkoff Foods (Graham Partners)	ND
Mar. 2026	Blue Sea Products	Captain Fresh	ND
Mar. 2026	Chauvin Coffee	Leramo Coffee Corp	ND
Mar. 2026	BUNN	Ali Group	ND
Mar. 2026	Pan American & Othello Blueberry Farms	Van Lanschot Kempen	ND
Mar. 2026	Dawn Foods	Puratos	$1,750.0
Mar. 2026	My/Mochi Ice Cream (MyMo Holdco)	Morinaga & Co	$130.0
Mar. 2026	Farmer Brothers Coffee Co. (NASDAQ: FARM)	Royal Cup Coffee & Tea	$49.1
Mar. 2026	Local Weather	Blue Monkey (Boyne Capital)	ND
Mar. 2026	Green Gaint (B&G Foods)	Seneca Foods Corporation	ND
Mar. 2026	Creighton Brothers LLC	Cal-Maine Foods (NASDAQ: CALM)	$128.5
Feb. 2026	Hormel Foods (Whole-Bird Turkey Business)	Life-Science Innovations	ND
Feb. 2026	Primal Pet Foods (Kinderhook Industries)	Pure Treats	ND
Feb. 2026	FirstMate Pet Foods	Nasta Pet Food	ND
Feb. 2026	Raeburn (Purple Brands)	Crimson Wine Group (OTCQB: CWGL)	ND
Feb. 2026	Del Monte Food (CA Assets)	Fresh Del Monte Produce (NYSE:FDP)	$285.0
Feb. 2026	Furlani Foods (Entrepreneurial Equity Partners)	Arbor Investments	ND
Feb. 2026	SunOpta (NAS: STKL)	Refresco (KKR)	$1,087.1
Feb. 2026	Ollie	Agrolimen	$600.0
Feb. 2026	Four Roses Distillery (Kirin)	E. & J. Gallo Winery	$725.0
Feb. 2026	Bachan's	Marzetti (NASDAQ: MZTI)	$400.0
Feb. 2026	Hain Celestial (Snack Business)	Snackruptors	$115.0
Jan. 2026	Oats Overnight	Asto Consumer Partners	ND
Jan. 2026	Artic Glacier (Carlyle)	Reddy Ice	ND
Jan. 2026	Muir Glen (General Mills)	Violet Foods (Amphora Equity)	ND
Jan. 2026	Great Kitchens (Brynwood Partners)	Rich Products	ND
Jan. 2026	Wonderbelly	Procter & Gamble (NYSE: PG)	ND
Jan. 2026	Crofter's Organic	Power Sustainable Lios (Power Sustainable)	ND
Jan. 2026	Nathan's Famous (NASDAQ: NATH)	Smithfield Foods (NASDAQ: SFD)	$454.6
Jan. 2026	Tapatio	Highlander Partners	ND
Jan. 2026	Good Culture	L Catterton / Manna Tree	ND

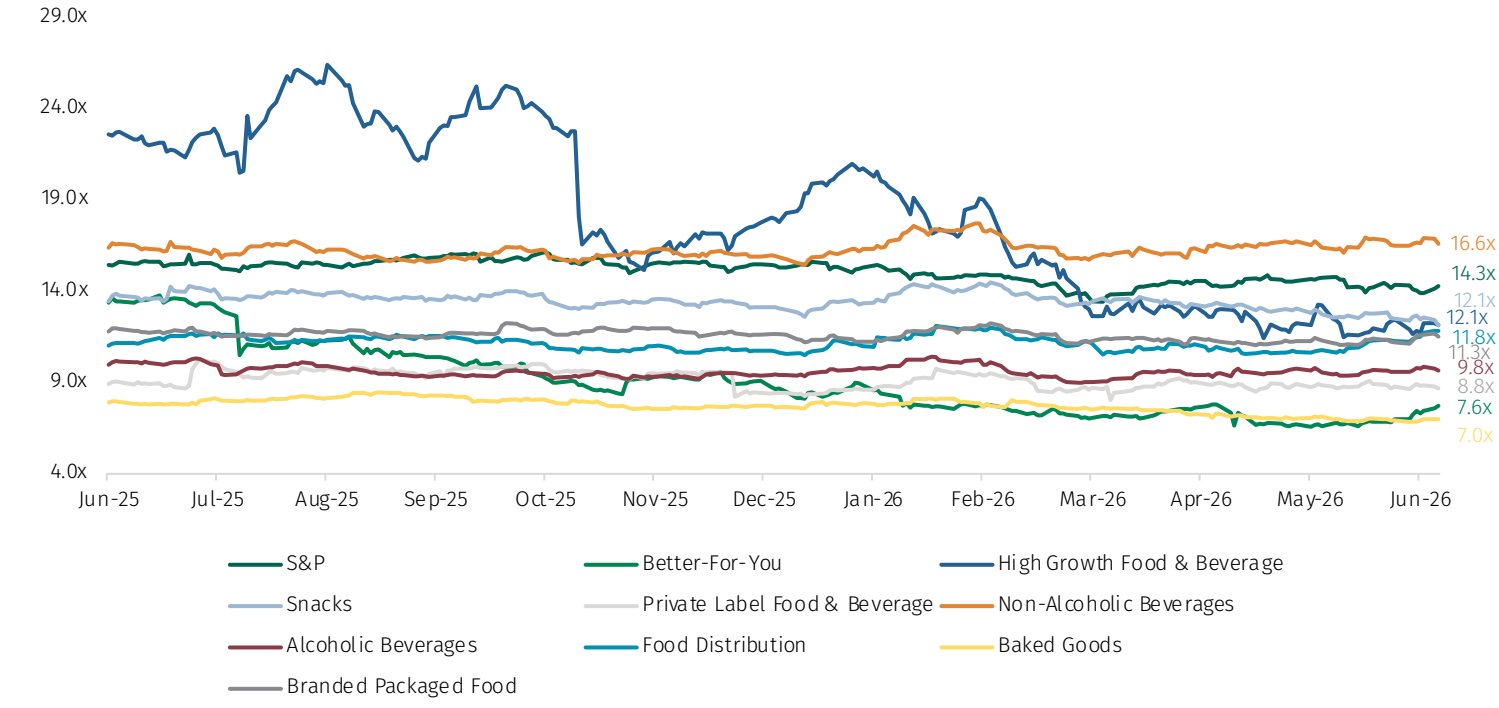
Source(s): MergerMarket; S&P Capital IQ; company filings, presentations and press releases
1) Minority investment

PUBLIC MARKETS PERFORMANCE

LTM JUNE 2026 FOOD & BEVERAGE STOCK PERFORMANCE



1-YEAR FORWARD EV / EBITDA MULTIPLES

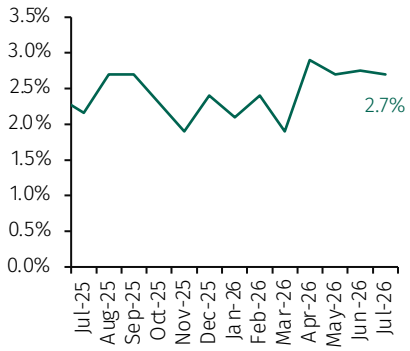


Source(s): S&P Capital IQ (as of June 30, 2026)
Note: Indices represent Market Capitalization-weighted average Enterprise Value / NTM EBITDA
Alcoholic Beverages includes ABI, BF.B, CARL B, CPR, LSE:DGE, HEIA, MGPI, NAPA, RI, RCO, SAM, STZ, TAP, TWE
Baked Goods includes SWX:ARYN, BMV:BIMBO A, FLO, LANC
Better-For-You includes BRBR, HAIN, SMPL, STKL
Branded Packaged Food includes LSE:ABF, BGS, CPB, CAG, GIS, HRL, HSY, K, KLG, KHC, MICC, MKC, SWX:NESN, POST, SFD, SJM, TSN
Food Distribution includes CHEF, PFGC, SPTN, SYY, UNFI, USFD
High Growth Food & Beverage includes BRCC, CELH, VITL
Non-Alcoholic Beverages includes BRCC, CELH, COCO, FIZZ, KDP, KO, MNST, PEP, PRMW, SUJA, WEST
Private Label Food & Beverage includes LW, PRMW, SENE.A, THS
Snacks includes HSY, JJSF, JBSS, MDLZ, PEP, UTZ

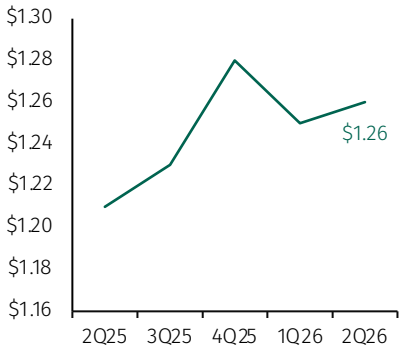
SELECT MACROECONOMIC AND COMMODITIES TRENDS

SELECT MACROECONOMIC DATA TRENDS

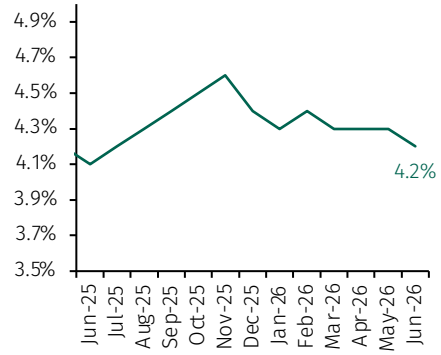
FOOD-AT-HOME CPI
(% YoY change)



U.S. CREDIT CARD BALANCES
($ trillions)

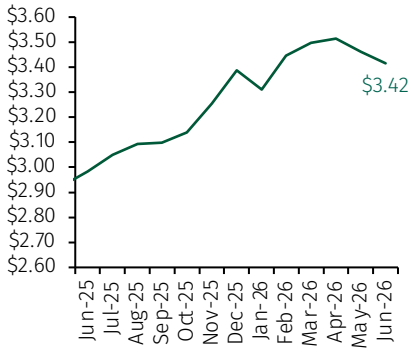


U.S. UNEMPLOYMENT RATE
(%)

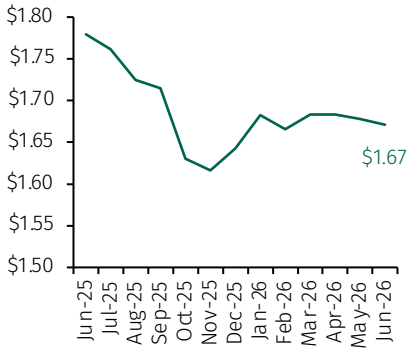


SELECT COMMODITY PRICE TRENDS

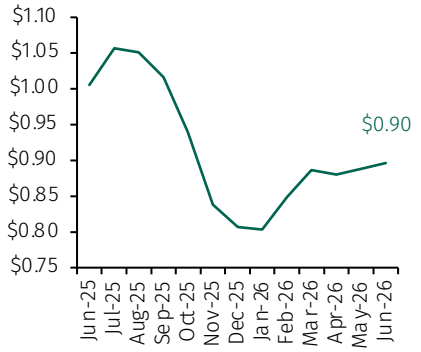
BEEF
($ per pound)



CHICKEN
($ per pound)



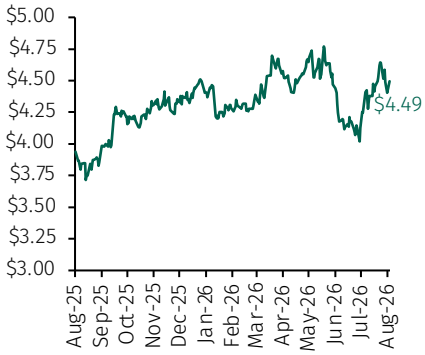
PORK
($ per pound)



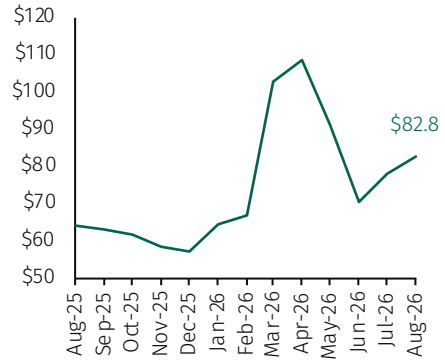
WHEAT
($ per bushel)



CORN
($ per bushel)



CRUDE OIL
($ per barrel)



Source(s): Federal Reserve Bank of St. Louis, Federal Reserve Bank of New York, Bureau of Labor Statistics, Macrotrends, Trading Economics, Market Watch
Note: Reflects latest available data



FOOD & BEVERAGE INSIGHTS

SEPTEMBER 2026

Citizens

CITIZENS DEDICATED FOOD & BEVERAGE INVESTMENT BANKING PLATFORM

WHO WE ARE

The Citizens Food & Beverage team provides deep industry knowledge and customized solutions to meet the financial and strategic needs of clients. The team's experienced bankers understand the complex needs of companies operating across the industry. As a full-service banking partner, we provide clients a full suite of financing solutions and investment banking services.

COMPREHENSIVE SECTOR COVERAGE

- FOOD & BEVERAGE MANUFACTURING
- FOOD & BEVERAGE DISTRIBUTION
- FOOD RETAIL & CONVENIENCE STORES
- FOOD SERVICE & FOODSERVICE DISTRIBUTION
- RESTAURANTS
- FOOD TECHNOLOGY

FULL-SERVICE CAPITAL MARKETS SOLUTIONS

- DEBT CAPITAL MARKETS
- FINANCIAL SPONSOR COVERAGE
- M&A ADVISORY
- CORPORATE BANKING
- EQUITY CAPITAL MARKETS

SELECT RECENT CITIZENS FOOD & BEVERAGE TRANSACTIONS

golden state foods
A PORTFOLIO COMPANY OF
LGC
$1,613,601,153
SENIOR CREDIT FACILITIES
Joint Lead Arranger and Joint Bookrunner
AUGUST 2026

Arby's
A SUBSIDIARY OF
INSPIRE
HAS SOLD 121 CORPORATE-OWNED UNITS TO
CMG COMPANIES
Financial Advisor to the Seller
JUNE 2026

ASPIRE BAKERIES
A PORTFOLIO COMPANY OF
LGC
$1,381,000,000
SENIOR CREDIT FACILITIES
Joint Lead Arranger, Joint Bookrunner and Syndication Agent
MAY 2026

KeHE
$500,000,000
SENIOR SECURED NOTES
Joint Bookrunner
APRIL 2026

Herbalife
$650,000,000
SENIOR CREDIT FACILITIES
Joint Lead Arranger, Joint Bookrunner and Co-Syndication Agent
APRIL 2026

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CORPORATE FINANCE | CAPITAL MARKETS & ADVISORY | TREASURY & RISK MANAGEMENT

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Securities and investment products are subject to risk, including principal amount invested and are: NOT FDIC INSURED · NOT BANK GUARANTEED · MAY LOSE VALUE