AlixPartners

Deal trends
Global Consumer and Retail

Dashboard

Winter 2025/26

Deal value recovery is driven by large-cap, PE-led transactions as mid-market activity remains subdued

Executive summary

- In Q4 2025, **total deal value reached £88bn, increasing 52% vs. Q3 2025 and 143% vs. Q4 2024**, despite a decline in deal volumes. This reflects a **market dynamic** increasingly **driven by larger transactions** rather than a broad-based recovery in activity.
- Private equity continues to play a central role, with **50% of large-cap deals involving a PE buyer and 40% of EMEA deals in Q4 2025 backed by private equity**, highlighting an acceleration of capital deployment into fewer, higher-value opportunities.
- **Deal activity** remains concentrated in **mature markets**, with the **Americas driving** 62% of **value** and **EMEA leading in volume** (49% of deals)**.** The **Food & Beverage** sector has been notably **active**, exemplified by strategic moves ranging from **Unilever's** portfolio simplification (**The Magnum Ice Cream spin-off)** to **Asahi's** expansion via its **acquisition** of **EABL**.
- From a **subsector perspective**, **Food & Beverage** and **Health & Beauty emerge as the most resilient categories**. Health & Beauty continues to command the highest EV/EBITDA multiples despite muted revenue growth, while **mid-market activity remains subdued** with only 42 deals announced in Q4 2025, **signalling ongoing caution in smaller transaction sizes**.

Future outlook

- **Large-cap[2] deal activity is likely to remain the main release valve for "capital overhang**," as sponsors prioritise scalable platforms and structured financing to deploy dry powder, supporting a continued skew toward >£1bn transactions.
- **Mid-market[1] momentum may remain uneven and more valuation- and quality-selective**, given a still-subdued macro growth backdrop and higher sensitivity to financing availability and consumer demand uncertainty.
- **Our Capital Advisory house view is that the supply of debt capital from lenders will continue to exceed the demand for it by investors and borrowers**, with continued competition between the broadly syndicated loan market, private credit funds and, where there is sufficient issuance size, the high yield market, driving very attractive debt terms.
- We also see **interest rate curves across major global currencies remaining broadly flat over the next five years**, which supports decision-making around the timing of debt deployment for investments and transactions.
- **Valuation dispersion should persist, favoring higher-quality/higher-margin assets**, with buyers paying for resilience while applying sharper downside protection (such as structure/earn-outs) for businesses with weaker growth or compressed margins.

Sources: MergerMarket, AlixPartners analysis | Notes: 1. Mid-market deals are defined as deals worth between £100m and £1bn;
2. Large-cap deals are defined as deals worth more than £1bn;

Capital deployment accelerates for larger deals as private equity plays a growing role, despite weaker mid-market momentum

Key quarterly statistics

Value

£88bn
Total deal value
▲ 52.7% vs. Q3 2025
▲ 143.1% vs. Q4 2024

£379m
Average deal value
▲ 88.1% vs. Q3 2025
▲ 157.7% vs. Q4 2024

Volume

711
Total deal volume
▼ 13.7% vs. Q3 2025
▼ 11.2% vs. Q4 2024

Pricing

8.9x[1]
Average. EV/EBITDA
▼ 17.6% vs. Q3 2025
▲ 11.4% vs. Q4 2024

Private equity trends

▲118
Primary deals with a PE buyer in Q4 2025

▲40%
of deals in EMEA in Q4 2025 had a PE buyer

▲50%
of large cap deals[3] involved a PE buyer in Q4 2025

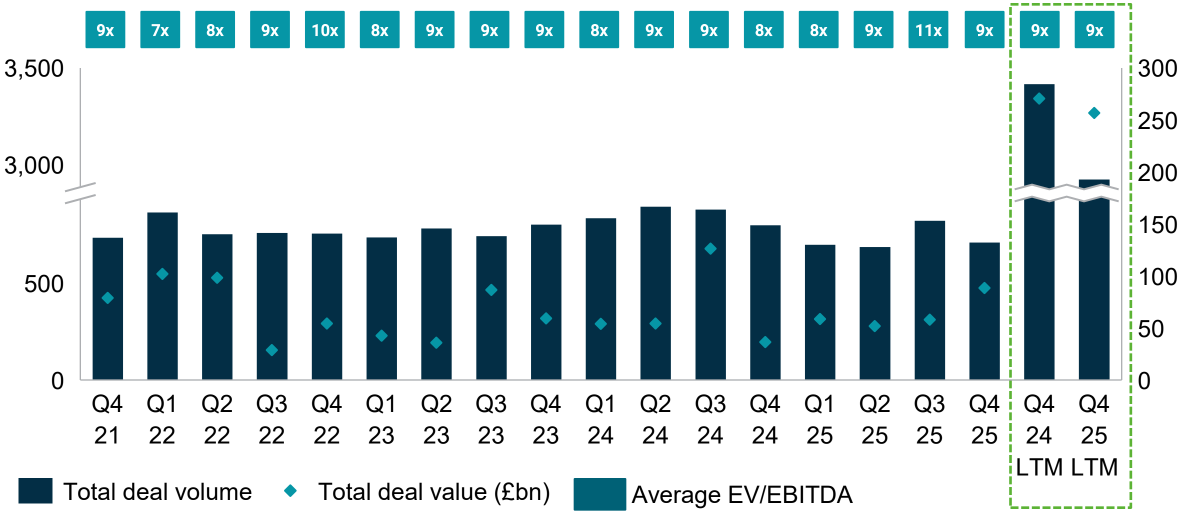
Mid-market deal trends[2]

▼42
Mid-market deals announced in Q4 2025

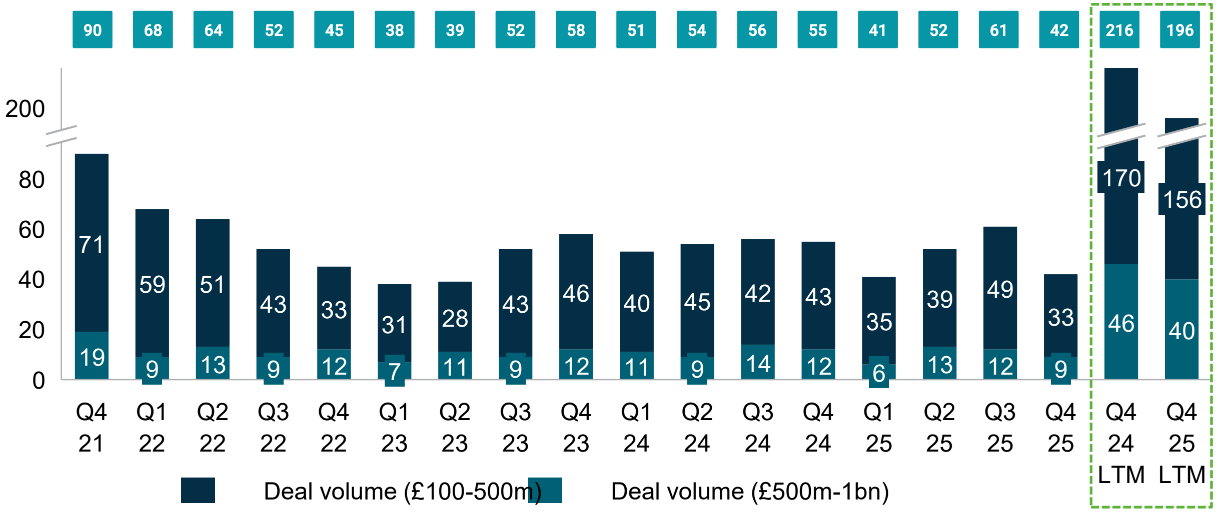
▼31%
Decrease in mid-market deals vs Q3 2025

▲14%
of mid-market deals in Q4 2025 involved a PE buyer

Quarterly deal volume, value, and multiples[1]



Quarterly mid-market deal volume[2]



Source: MergerMarket, AlixPartners analysis | Notes: 1. Outliers above 20.0x have been excluded from EV/EBITDA analysis; 2. Mid-market deals are defined as deals worth between £100m and £1bn; 3. Large-cap deals are defined as deals worth more than £1bn

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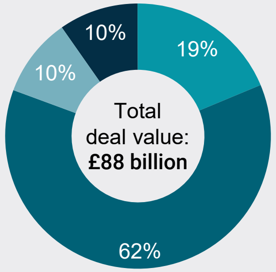
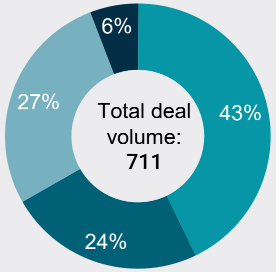
Food & Beverage leads consumer M&A cycle, offsetting discretionary weakness and reflecting resilience in essentials-focused strategies

Geographical split



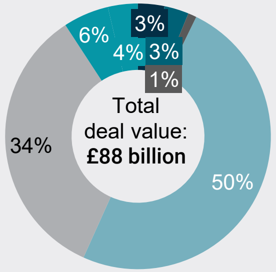


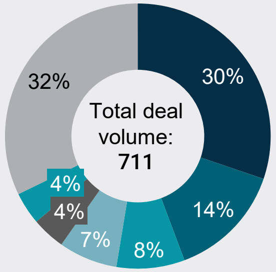
UK | Americas | EMEA exc. UK | Rest of World

62% American share of deal value in Q4 2025

49% of Q4 2025 deals took place in EMEA

Subsector split



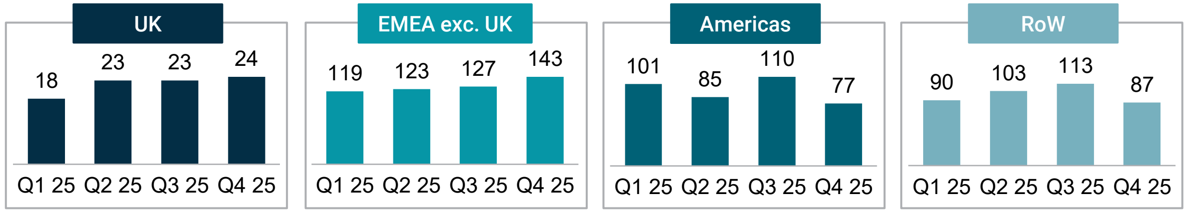


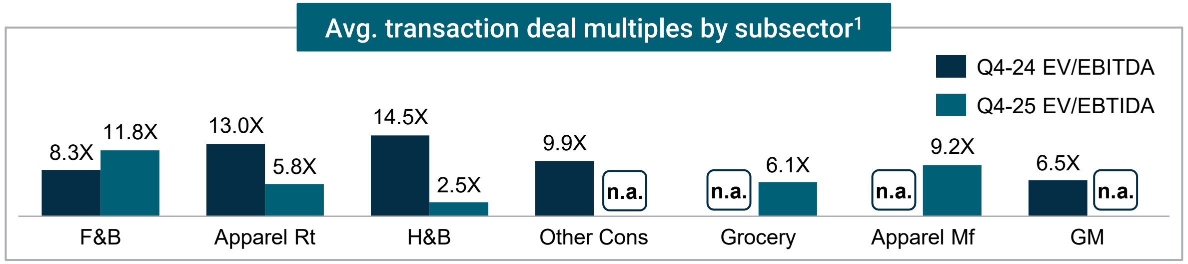
F&B | H&B | Grocery | GM | Apparel Rt | Other Cons | Apparel mf

229 deals in Food and Beverages in Q4 2025

27% Food and Beverage sub-sector experienced steepest activity increase from Q3 2025

Number of deals





Notable deals – Q4 2025

Investindustrial → TreeHouse Foods: Acquired

- Reported acquisition for an EV of 2,7736m USD
- Investindustrial is consolidating USA creating a premier private label food and beverage powerhouse
- Target specializes in private label snacking and beverages, offering significant operational synergies.

Unilever → Magnum: Demerger

- Reported demerger for an EV of 9,602m USD
- Completed the demerger of the Ice Cream division into The Magnum Ice Cream Company.The move allows TMICC to manage its distinct capital-intensive supply chain independently, while Unilever pivots to a higher-margin, lower-volatility portfolio.

Asahi → eabl: Acquired

- Reported acquisition for an EV of 2,582m USD
- Asahi acquires control of East African Breweries (65% stake) from Diageo.This transaction establishes a major African footprint, diversifying the group's geographic mix with a market-leading asset.

KKR → Keurig DrPepper: Acquired

- Reported acquisition for an EV of 8,163m USD
- Strategic JV valued where KKR, Apollo and Goldman Sachs acquire a 49% minority stake in KDP's K-Cup pod manufacturing operations
- Capital efficiency solution to fund JDE Peet's acquisition

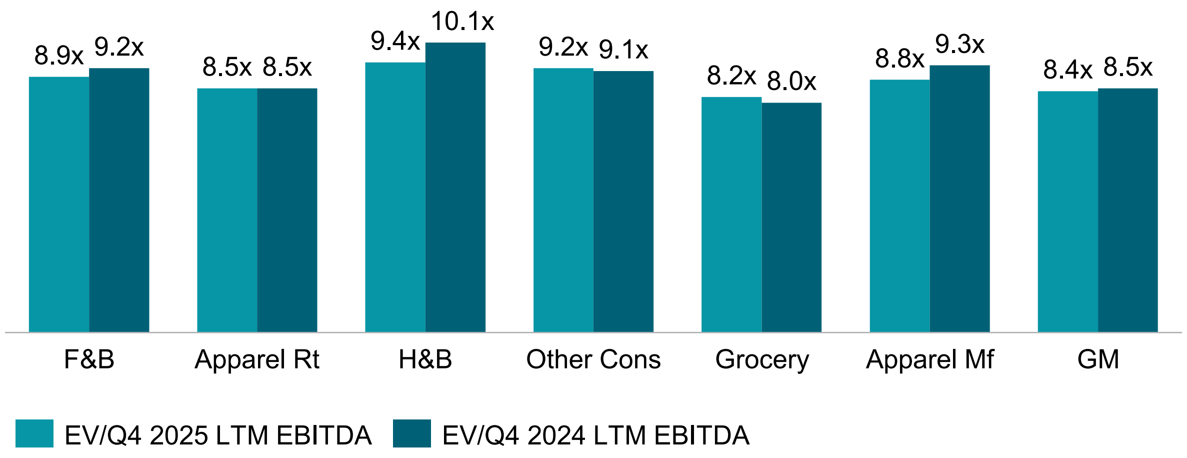
Source: MergerMarket, AlixPartners analysis; Sectors: GM: General Merchandise retail; F&B: Food and Beverage; Other Cons: includes household products and appliances, tobacco, toys, packaging and consumer electronics; Apparel Mf: Apparel Manufacturing; Apparel Rt: Apparel Retail; Grocery: Grocery retail; H&B: Health and Beauty manufacturing. | Notes: 1. Multiples above 20.0x excluded as outliers

Subsector performance diverges as higher-margin categories sustain valuation premiums despite muted revenue growth

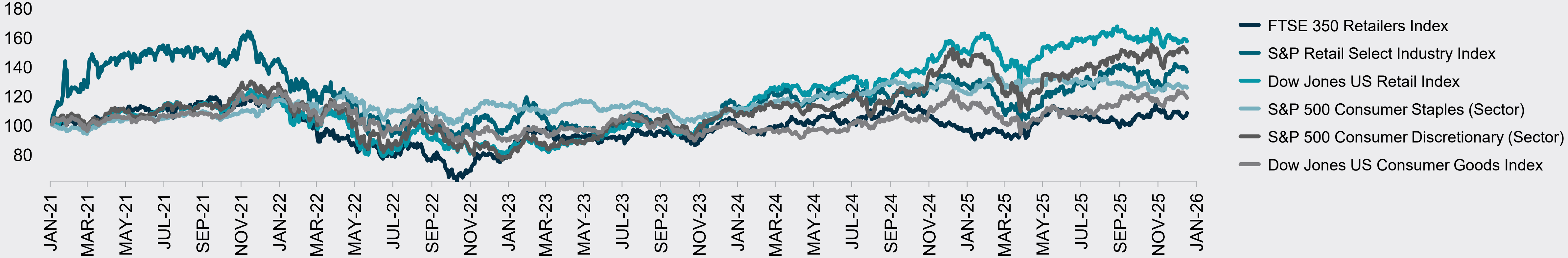
Growth indicators and EV multiples by subsector[1]

	Average trading comparisons			
Sub-sector	Rev. CAGR (2023-2025)	EBITDA % (FY 2025)	EV/Q4 2025 LTM REV.	EV/Q4 2025 LTM EBITDA
Food and Beverage	0.5%	6.7%	1.9x	8.9x
Apparel Retail	0.1%	7.9%	1.7x	8.5x
Health and Beauty	1.5%	9.5%	2.3x	9.4x
Other Consumer Sectors	-1.2%	8.8%	1.9x	9.2x
Grocery	0.1%	3.7%	1.1x	8.2x
Apparel Manufacturing	-0.4%	8.2%	1.8x	8.8x
General Merchandise	-0.7%	5.6%	1.6x	8.4x

LTM EV/EBITDA multiples by subsector[1]



Sector index performance[2]



Sources: S&P Capital IQ, FTSE 350 General Retailers, S&P Retail Select Industry Index, Dow Jones US Retail Index, S&P 500 Consumer Staples Sector, S&P 500 Consumer Discretionary Sector, Dow Jones U.S. Consumer Foods Index, AlixPartners analysis. | Notes: 1. Multiples above 20.0x excluded as outliers; (2) Rebased on 30/06/2020

AlixPartners' integrated offering delivers value to clients throughout the entire M&A deal lifecycle

Overview of M&A services: value creation along the deal lifecycle

Acquisition | **Ownership** | **Exit**

Pre-acquisition
Outside-in due diligence
Strategic and business review
M&A strategy and outside-in synergy assessment

Acquisition
Lead M&A and debt advisory
Operational and IT due diligences
Post merger integration planning
Carve-out support
Merger clearance advice

Asset ownership
Post merger integration implementation
Synergy realisation
Buy and build support

Divestment preparation
Industrial logic
Performance improvement and business planning
Exit readiness

Disposal
Lead M&A advisory
In-house M&A support
Capital advisory
Carve-out planning and execution

AlixPartners brings sector, operational, corporate finance and capital advisory execution expertise to clients

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