

## Great food, exceptional deals: M&A trends in the healthy food space

SPOT ON | HEALTHY FOOD | JULY 2025

### OAKLINS' WEBINAR EXPLORES THE GLOBAL HEALTHY FOOD SECTOR

Healthy food is an increasingly popular part of contemporary lifestyles, with consumers embracing different ways of eating while becoming ever more aware and demanding regarding diet and nutrition.

In turn, manufacturers are expanding their product lines, start-ups are developing innovative options in response to the growing market for free-from and better-for-you foods, while investors are attracted to an industry that clearly has a bright future and looks poised for significant growth at an international level.

As a result of this growing interest from all sides, Oaklins recently hosted a webinar focused on the healthy food space. Hosted by **Juan Pablo Bayter**, president of Oaklins International and a partner at Oaklins' member firm in Colombia, the event brought together experts and industry insiders from around the world for a detailed exploration of different case studies from the sector, as well as current trends and M&A opportunities.

Oaklins has been very active in the healthy food market in the past few years, advising both sellers and buyers,

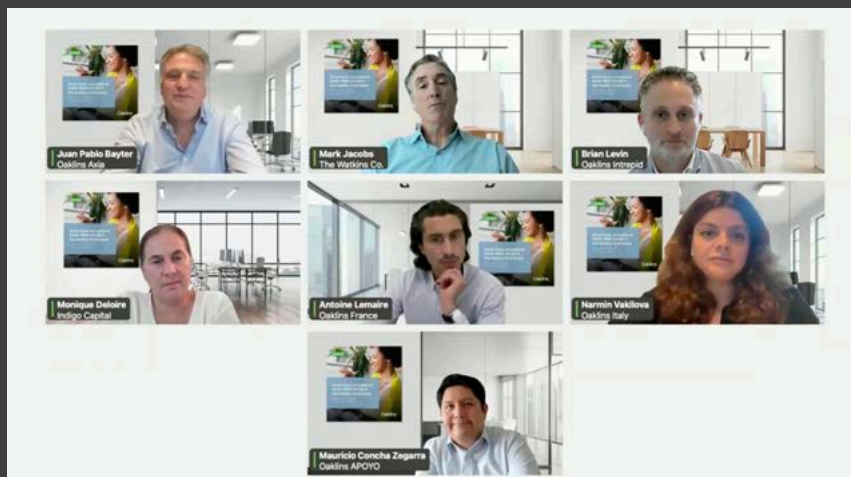
with 37 deals closed between 2020 and 2024 around the world.

**“More than 35% of Oaklins' healthy food transactions in the last few years have been cross-border.”**

– **Juan Pablo Bayter**

In this newsletter, you'll find an overview of the webinar. To watch the whole event, click [here](#).

#### Our webinar panel



Clockwise from top left:

**Juan Pablo Bayter** (President of Oaklins International, Partner at Oaklins Axia, based in Colombia), **Mark Jacobs** (Vice Chairman of The Watkins Co., based in the USA), **Brian Levin** (Managing Director of Oaklins Intrepid, based in the USA), **Narmin Vakilova** (Associate Director of Oaklins Italy), **Mauricio Concha Zegarra** (Director of Oaklins Apoyo, based in Peru), **Monique Deloire** (Managing Partner and CEO of Indigo Capital, based in France) and **Antoine Lemaire** (Partner at Oaklins France).



## THE WATKINS CO. — ESTABLISHING A SUCCESSION PLAN

The webinar started with a case study from the USA, featuring The Watkins Co. **Brian Levin**, a managing director at Oaklins Intrepid in Los Angeles, spoke with **Mark Jacobs**, vice chairman of The Watkins Co., about this deal, where Oaklins acted as the sell-side advisor.

### Overview of The Watkins Co.:

- founded in 1868
- apothecary and food business, one of the first consumer product companies in the USA
- bought by Mark Jacobs and his father in 1978
- direct selling model remained unchanged until 20 years ago, when multi-channel approach adopted
- leading brand in the premium natural and organic flavorings category

Having become the sole shareholder, Mark started to consider the future. “As I get older, what’s going to happen to the company? I really wanted a succession plan. I was looking for a partner. I still wanted to be involved, still wanted to own a chunk of the business, because we have huge growth potential.” So he turned to Oaklins for support.

The sale process started by putting out feelers to identify a good fit for Mark. As Brian noted, this long-standing heritage brand was performing very well, and Mark “had no pressure to sell, except for the fact that he was looking towards succession planning.” There was no big rush but he was thinking ahead, “making sure the business was well positioned, not just for today, but for tomorrow.”



**BRIAN LEVIN**  
Managing Director  
Oaklins Intrepid

Brian also noted the significance of the business to its local community. Watkins is based in Winona, Minnesota, about an hour and a half outside of Minneapolis, and has deep roots there.

**“The long-term succession planning was not just for the success of the business, but the success of the community as well.”**

### – Brian Levin

At one point, Mark came close to a deal with a private equity firm, but pulled out the week he was due to sign. He explained that it was a very good offer, which would have seen him staying on as a minority shareholder, but “I got less and less comfortable with how they did business, and how they would handle the company.” Oaklins Intrepid were “very supportive,” assuring him he didn’t have to sign and could wait to find the right partner.



**MARK JACOBS**  
Vice Chairman  
The Watkins Co.

Having carried out a dividend recap to be able to reward long-standing team members despite not closing the original deal, Oaklins Intrepid stayed in touch with Mark, seeking out investors who would be a positive fit both financially and personally. Some select introductions were made and by early 2024, there were “three or four groups that had differentiated themselves in having an interest in pursuing the business, as part of an off-market process,” Mark said.

In the end, he went with a new PE group called KDSA Partners. One of the founders had been the youngest CFO at Kraft, so knew the food industry well, and he had a “very specific vision in terms of how you could build Watkins to be a true number two company within the seasonings and spices space,” commented Brian.

Mark praised Oaklins Intrepid for finding KDSA, saying the latter has “been just an incredible partner. It’s exactly what I was looking for. They now own majority,

I own 40%. They haven't made any huge changes to the company, because we're doing well, and we're executing our strategic plan."

"It's been a phenomenal partnership, and taken a lot of pressure off me for the future of the company."

– Mark Jacobs

### CHEEF — EMBRACING FUTURE GROWTH AND DEVELOPMENT

The second case study moved the action to France, and featured **Monique Deloire**, managing partner and CEO of Indigo Capital, along with **Antoine Lemaire**, a partner at Oaklins France.

Antoine started with a brief description of Chief, which is a French D2C brand that delivers healthy food straight to customers' doors. "The value proposition of the company is to make French meals that help you lose weight or stay in shape."

He noted that from day one, this digital brand had been "very profitable," a fact that "the founder was really focused on." Unusually in this space, Chief had built its own factory early on, allowing it to offer "a completely personalized program solution with in-house dietitians."

Current macro trends impacting the healthy food sector:

- increasing awareness about weight concerns and rising rate of obesity
- growing interest in ready-to-eat meals
- popularity of online shopping

In terms of the deal, Antoine pointed out that the value of experts in M&A can come from preparation and anticipating problems. "We worked with our client for a few months before going to the market," to make sure they were ready to face any issues that might arise. For example, there was the development of drugs for this specific sector, and the negative image of a competitor in the French market.

"Oaklins was able to leverage its very local and deep expertise in the sector to build the right equity story."

– Antoine Lemaire

Oaklins' client, the founder and majority shareholder of Chief, had three main requirements: offer liquidity to the investors who helped him initially fund the business; find the right partner to secure growth and embark on a new buy-and-build strategy; and get personal liquidity.

Confidentiality was very important to the client in this case, said Antoine, so it helped that Oaklins' sector-focused approach helped maintain a limited number of contacts and serious bidders, without wasting time on those who didn't have a real appetite for the sector.

Oaklins was able to bring a wide range of options to its client, from a minority LBO solution to a partnership with major players. At the end of the journey, the client selected a structured financial solution, with an investor who brought both equity and private debt.

Notably, after supporting the sell-side segment of the process, Antoine commented that Oaklins is now working alongside the buyer, Indigo Capital, to continue the journey, illustrating the trust the team builds with all sides during these transactions.

Monique Deloire then spoke, explaining that Indigo Capital is a structured capital, low- to mid-market fund operating in Europe, with expertise in food, healthcare, food supplements and B2C. Although they don't specialize in healthy food, they could see that Chief was a good fit for them. "We focus mostly on growing businesses, and this one is a fast-growth business," she said.

"There was a clear alignment of interests, and I think that's how we convinced the CEO to accept our offer."

– Monique Deloire

Overall, she continued, the process was quite challenging, but Indigo liked the market and the underlying asset. "There are strong trends in the market for alternative dietary programs. We conducted market due diligence with a specialist in France to try to assess the growth of the market and of that particular niche."

While it was difficult to establish exact numbers, "we had a look at everything and all the other alternatives, and we were convinced that quality food with appropriate recipes is part of the solution to slimming." What's more, the significant growth of Chief was clear, especially in comparison to its competitors. "It's a great asset in our portfolio," Monique added.



**MONIQUE DELOIRE**  
Managing Partner and CEO  
Indigo Capital



**ANTOINE LEMAIRE**  
Partner  
Oaklins France



Next steps for Cheef include:

- recruit a CFO
- seek acquisitions both in France and outside
- support the CEO in accelerating growth

### SECTOR TRENDS AND INVESTOR APPETITE

#### The view from Europe

Following the case studies, the conversation moved on to trends and investments with input from representatives from Oaklins' offices around the world. First up was **Narmin Vakilova**, an associate director in the consumer & retail team based in Milan, Italy.

She began by looking at healthy eating as a subject that's reshaping the global food industry. "One of the first things to acknowledge is that the world is anything but homogeneous when it comes to what healthy food means — even within Europe and North America, perceptions differ widely," she noted. For example, 30% of consumers in Germany are actively reducing their meat consumption, but just 18% of those in the UK.

However, Narmin went on, some trends are being seen at a global level:

- growth of lactose-free, gluten-free and vegan options, whether out of preference or necessity (allergies and intolerances)
- today's shoppers are incredibly well-informed — e.g. terms like 'probiotics', 'prebiotics' and even 'postbiotics' are no longer confined to niche circles
- a focus on gut health has led to a boom in high-fiber products
- balanced wellness has become a response to high levels of stress, especially among Gen Z
- as awareness grows around empty calories, manufacturers are responding with nutrient-enriched products

"How are these consumer trends shaping the M&A landscape?" Narmin asked. It seems the industry is at the beginning of something big. "While many of these categories are still in the early stages, we're seeing concrete signs of movement, with strategic acquisitions and cross-border deals gaining traction."

Investors are thinking globally to identify innovation and accelerate growth. Last year saw a notable rise in deal volume, although transactions involving financial investors slowed, in large part due to high interest rates.

Trends specific to healthy food M&A in Europe:

- diverse investor base, including traditional funds, family offices and high net worth individuals
- large players are shedding non-core assets to focus on growth assets
- listed companies are being taken private, especially when undervalued
- resilience despite inflation and interest rates

Narmin finished by considering valuations, pointing out that they "vary significantly across categories, as they are driven by a mix of factors." These include value added to the supply chain, margins and consumer sentiment.

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**"It's not a one-size-fits-all market, and that's exactly what makes it so appealing to investors and operators alike."**

– **Narmin Vakilova**

#### Insights from the US landscape

Brian Levin returned at this point to discuss the outlook from the USA. He commented that "US M&A markets in general have remained pretty choppy since the peak of the post-COVID year of 2021 that saw record deal volumes" across most sub-sectors. This has been driven by various factors, such



**NARMIN VAKILOVA**

Associate Director  
Oaklins Italy

as supply chain disruptions, inflation, political uncertainty and now the tariff environment.

However, Brian stressed, food & beverage has remained one of the more active sub-sectors, partly due to what is a largely domestic supply chain. Values are still down on 2021, though. The current year got off to a strong start with several high-profile deals, such as Pepsi's announced acquisition of Poppi, the better-for-you beverage business. There is a lot of strategic activity within this sector, and private equity players are piggybacking off that — PE investment represents about 30% of aggregate deal value in food & beverage.

Key healthy eating M&A trends in the USA in recent years:

- return of the megadeal
- portfolio optimization, either through acquisitions or the divestiture of non-core assets
- pricing pressure
- diminishing margins
- government intervention, such as anti-trust enforcement

Looking ahead to the rest of 2025 and beyond, Brian pointed to some significant factors. Tariffs are clearly one of the overarching concerns in the USA currently, having been quickly brought in at the start of President Trump's second term. "I think, frankly, it took

people aback in a) how quickly he went about trying to put them in place, and b) how haphazard the approach has been to applying them. It's created a ton of uncertainty for buyers and sellers here in the US."

However, he noted that as time has gone on, the tariffs are looking less draconian than first thought — deals that were put on hold have started to re-engage and come back to market. There's now a belief that tariffs will settle at a place that "will be manageable for people on both sides of the Atlantic."

Other factors impacting healthy food M&A in the USA:

- immigration policies (for example, estimates believe that in the LA area, between 10 and 15% of the labor force is made up of illegal immigrants, including a lot in food manufacturing)
- new, stricter policies regarding food safety and ingredients
- impact of weight loss drugs, such as GLP-1, which are changing eating habits and could have a long-term impact on the food & beverage industry

### Perspectives from across LatAm

**Mauricio Concha Zegarra** was the last to speak in this section. A director at Oaklins Apoyo in Peru, he explained the different trends evident in Latin America. To begin, Mauricio pointed out the opportunities offered by healthy food in the continent, which currently has around 5% of the global market. "Distribution channels are dominated by supermarkets and convenience stores, representing nearly 50% of sales," so this offers the chance for further growth in the face of low penetration and a fragmented market, and through e-commerce.

However, a key challenge is the high cost of healthy food in LatAm — it's about 50% more expensive than elsewhere, which restricts access to it for about 130 million people.

Drivers for future growth in healthy food in LatAm:

- functional food & beverages, enriched with vitamins and probiotics, which have a projected CAGR of 6% through 2029
- free-from food, such as gluten- and dairy-free products, which has a predicted CAGR of 7% up to 2030
- organic food, whose forecast CAGR is 13% for the next four years

Next, Mauricio pointed out that fruit is a key engine for growth in the healthy foods sector, and this is already an important asset for LatAm. "We represent 20% of global fruit exports. Why? Because here in Latin America, we have year-round production." Proximity to major markets, especially the USA, is another plus, and many LatAm countries have free trade agreements in place that provide access to numerous global partners.

So what are different investors looking for in LatAm? "Strategic buyers, local or global, are looking for assets that have a diverse set of crops. Also very important, especially for fruits, is access to water and opportunities to improve different efficiencies." Financial buyers are targeting companies with EBITDA margins of 20% and above, as well as those offering the chance to enhance operations.

Mauricio went on to highlight some examples of what major LatAm players are currently doing when it comes to healthy food. For instance, Bimbo is focusing on free-from food, while Alicorp is making strong investments in functional food with products related to superfoods like quinoa and chia.

**"The same is happening with other players that are putting efforts into M&A and ventures that target this healthy food ecosystem, which is still underpenetrated and fragmented, and provides the opportunity for consolidation."**

**– Mauricio Concha Zegarra**

Global and local investors, both corporate and financial, are looking at LatAm. "In the case of financial players, we are seeing more and more of these global wealth pension funds targeting opportunities. They are looking for large farms, over 1,000 hectares."

He finished by highlighting Oaklins' strong presence in all healthy food segments — fruit and plant-based, seafood and beverages — and noted, "we are seeing more interest from Asian companies and big families in Central America" regarding opportunities in LatAm.



**MAURICIO CONCHA ZEGARRA**

Director  
Oaklins Apoyo



**JUAN PABLO BAYTER**

President of Oaklins International  
Partner at Oaklins Axia

### SELECTED Q&A HIGHLIGHTS

**What would you say are some of the key takeaways that early-stage companies or founders need to apply to grow their companies?**

They need to find the right partner, organize their corporate governance, and reinforce its structure to start growth journeys through acquisition. They also need diversification and reinforcement of the healthcare aspect of their product to accelerate growth and create more value.

**In LatAm, we have seen a lack of exits of food tech startups. How do you project potential M&A opportunities for startups in this space in the coming years?**

We have seen strong interest from big corporations in good-for-you brands. They all want to increase their portfolio with these brands, and position themselves as a strong healthy brand,

and move away from the non-healthy sector. But it is a bit of a challenge, because for big corporations to acquire a small startup is always a difficult task. We've seen a lot of our clients be a bit reluctant to buy a very small company because they think they're not going to be able to really manage it completely. So, I think in that respect, we still need a bit of time for these new startups to reach a minimum size.

**How has regulation and public policy impacted investment in this space in Europe?**

It's something we try to pre-empt in our processes, to make sure we are very clear with our clients on how policy change could impact our process. As Europe usually has some heavy regulation policies, we also see that as a driver for exits or deals, for improving the traction and liquidity of our plans.

**What is the difference between valuation multiples for healthy food and other segments of the broader consumer space?**

The devil is in the detail! So, how large your niche is and how fast it's growing, barriers to entry, and strong brand and product differentiation. Co-producers and third-party manufacturers could be appreciated for their bio certification.

Oaklins regularly hosts webinars related to a variety of subjects and sectors. To stay informed about upcoming events and insights, consider following us on [LinkedIn](#).



# Our track record

Our clients rely on us to help them prepare for their next challenge, whatever it may be. With deep-rooted sector expertise in healthy food, we are able to support you and provide the professional advice required to achieve a successful outcome.

Some of our recent deals completed in the healthy food sector include:

  
has acquired


**nutrimuscle®**


from



M&A BUY-SIDE


Consumer & Retail/Food & Beverage/Private Equity


  
has completed a minority LBO with




M&A SELL-SIDE

Food & Beverage

  
has sold



to



M&A SELL-SIDE

Food & Beverage


**JOCKO FUEL**


has been acquired by



M&A SELL-SIDE

Consumer & Retail/Food & Beverage/Private Equity

  
has acquired



M&A BUY-SIDE

Agriculture/Consumer & Retail/Food & Beverage/Private Equity

  
has been acquired by



M&A SELL-SIDE

Food & Beverage/Private Equity

  
FREEZE DRIED by Jahncke

has been acquired by

  
backed by



M&A SELL-SIDE

Food & Beverage/Private Equity

  
has acquired



M&A BUY-SIDE

Food & Beverage

  
Since 1868 TRADE MARK

has sold a majority interest to

  
and



M&A SELL-SIDE

Food & Beverage

# Deep local roots, global commitment

Oaklins brings you opportunities from across the world and we meet you with our expertise wherever you are

## OAKLINS OFFERS A COMPREHENSIVE RANGE OF SERVICES

- M&A advisory (buy- and sell-side)
- Growth equity and equity capital markets advisory
- Debt advisory
- Corporate finance services

Healthy food is one of our focus areas. Combining comprehensive sector knowledge with global execution has led Oaklins to become one of the most experienced M&A advisors in the healthy food sector, with a large network of relevant market players worldwide. This results in the best possible merger, acquisition and divestment opportunities for healthy food companies.

If mergers, acquisitions, or divestitures of businesses or business units are part of your strategy, we would welcome the opportunity to exchange ideas with you.



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**United by a strong belief that we can achieve the extraordinary.** Oaklins is a global team of 850+ financial advisory professionals in 40 countries providing M&A, growth equity, ECM, debt advisory and corporate finance services to support entrepreneurs, corporates and investors in reaching their goals.



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