



AGRIBUSINESS REPORT

Explore M&A Activity, Capital Market
Conditions and Current Trends for the
Agribusiness Industry



1H 2022

SDR*Ventures*

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AGRIBUSINESS 1H22: WHAT TO KNOW

- ❑ As much as any industry, Agribusiness was buffeted in 1H22 from all sides by factors both unexpected and unpredictable, but there are underlying opportunities and reasons for optimism.
- ❑ Rising input costs are carving out demand for a “better way” as producers seek efficiencies through robotics and precision farming.
- ❑ For the next year or so, a wildcard in United States M&A activity may be Congress. Key to any moves in the industry will be correctly predicting the outcome of legislation regarding industry consolidation, national security concerns over investment by foreign powers such as China and Russia, and the upcoming Farm Bill.

Down On The Farm, Forces In Flux

Looking back on the first half of 2022 there were many forces tugging at the Agribusiness Industry, but they all boil down to a common theme of input costs and market rewards. Whether those forces were working for or against the business of producing food for the world depends on where you stand. But wherever we see a flux, we see an opportunity to engage and maximize value.

Producers were inundated in 1H22 by rising fuel, fertilizer and input prices, drought, and disease. However, supply pressure on the commodities market offers a ray of hope as grain and other commodity prices rise. And as the federal Farm Bill is up for renewal, a tug of war looms between ethanol producers and food production, and some in the government eye both a moratorium on mergers and acquisitions and potentially an entirely new branch of government to regulate food safety. Those considering deals in the Agribusiness Industry walked a gauntlet of uncertainty.^{1,2,3,4}

If ever there were an industry with more moving parts than a game of Tetris, Agribusiness in 2022 is it. Keeping track is not an option this year when considering any merger and acquisition activities.

Inputs: Can You Afford to Sow What You Reap?

Before anyone in Agribusiness can hope to profit at market, everything starts with input costs. Seeds in the ground, food and water for livestock, and fuel in the tractor. And everything is up. At the beginning of the year, even after a profitable 2021, farmers and ranchers were eyeing all-time high input costs. Four out of ten producers surveyed at the start of the year expected input costs to rise at least 30%, and fertilizer to double. The University of Illinois estimated that 2022 input costs – including fertilizer, pesticides, seeds, drying, storage, and crop insurance – would rise to \$512 an acre, up from \$391 in 2020. Then we saw rising costs for machinery, fuel, and labor.⁵

CONTENTS

[Transaction Activity](#)

[Active Buyers](#)

[Public Basket](#)

[M&A Market Activity](#)

[About SDR Ventures](#)

ABOUT SDR

Established in 2002, SDR Ventures has developed deep M&A and capital transaction knowledge and expertise. SDR offers transaction advisory, private capital formation and business consulting services across a wide range of industries. We serve business owners and operators of privately held companies and provide them with a professional-class experience.

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AGRIBUSINESS REPORT

All those worries were just at the start of 1H22. That's when the universe said, "hold my bushel of grain and watch this." In late February, Russia invaded Ukraine, triggering natural gas woes in Europe, driving up the cost of fertilizer and threatening Ukraine's grain crop. The European Union banned the importation of Russian fertilizer and Canada imposed tariffs; and Russia makes a lot of fertilizer. By June, it was predicted the massive Ukraine grain crop would drop 40%, with corn production down a third as well, sparking fears of global shortages. Remember, Russia, too, is big global grain producer. Even what grain Ukraine is able to produce during an invasion by a world superpower is hampered. Some 80% of Ukraine grain had formerly been exported by seaports now held by Russian forces or otherwise impeded. One publication feared a "hurricane of hunger" around the world.^{6,7,8,28}

Even as grain supplies were squeezed, the elimination of Russian natural gas – a huge factor in fertilizer production – sparked a spike in global fertilizer prices, hampering food production as far away as Africa and North America.^{3,9}

And while commodity prices rose, farmers maintained a dour outlook due to rising input costs. The Farm Financial Performance Index dipped. The percentage of producers who expected their farm's financial performance to worsen in 2022 jumped nearly 10% just from May to April.¹⁰

Of course, anyone not living under a haystack knows fuel prices are rocketing. The U.S. Department of Agriculture reports the cost of fuel, lubrications, and electricity for farmers and ranchers are up 34% over last year. This while wages farmers pay field workers are up nearly 10% in the first half of the year.^{1,11}

Seeds of Hope

That's not to say it's been a manure year in Agribusiness. In 1H22 we saw soybean and grain prices on the rise. Corn hit a 9-year high this spring.^{12,13}

And while farmers traditionally make their money on the fruits of their labor, emerging carbon credit markets may promise a new revenue stream. By capturing more emissions and pulling more carbon dioxide into the soil, planting cover crops, and reducing tillage, then selling verified credits on carbon exchange markets farmers stand to make tens of thousands in new revenue while potentially improving the climate that affects them in the end. Maybe there's a long way to go, but this emerging market is starting to pay real money to real farmers.¹⁴

We're also watching the development of agricultural technologies, Ag Tech, an emerging \$5 billion field. Vertical farming, artificial intelligence, robotics and automation, and blockchain supply chain management may signal good things for agriculture as farmers operate more efficiently, use fewer resources, and spend less on labor. In the battle against input costs, we're seeing growing adoption of precision farming techniques and studying how technology can reduce the use of pesticides, tillage, seeds, and fertilizers. Think machine learning, automation, drones for pest management, robotic weed management and harvesting, precision irrigation, soil analysis, satellite imagery, and pooled data. These are indeed the days of miracles and wonderment.^{15,16}

For investors as well as agricultural producers, technology is opening new doors and showing us new ways of imagining how we'll feed the world of tomorrow.

Weather (and the Feds) Are Still the Unknown

As the saying goes, "Everybody talks about the weather, but nobody does anything about it." If someone invented a foolproof weather control device, we'd say buy. But that isn't about to happen. Farmers and ranchers remain at the mercy of the skies. California's fertile farmlands are enduring a third year of punishing drought, and it's only getting worse. The state is trying to help, adding another \$23 billion in emergency farm aid this year, but much of that will go into so-far unsuccessful conservation efforts. The Colorado River, serving the water needs of seven western states, is withering under a megadrought that's passed the two-decade mark, reshaping the way the American west uses water. In Texas, drought and the lack of hay for feed are hammering ranchers.^{17,18,19}

Poultry producers are also dealing with the unknown. Across Canada and the U.S., the H5N1 avian flu is forcing farms to euthanize entire flocks once they're infected. By the end of May, some 40 million birds were dead as a direct result of outbreaks in North America, stressing poultry and egg supplies.^{20,21}



AGRIBUSINESS REPORT

And in the U.S., there are always developments in Congress to watch. The massive 2018 Farm Bill expires next year, and between now and then there's an election that could shake up the House and Senate. Congressional committees are already holding hearings. At stake in what may be the largest Farm Bill ever are food and nutrition programs for low-income Americans such as SNAP and WIC, farm subsidies, crop insurance and lending programs, textile and conservation programs, and foreign development assistance. Up to \$1 trillion could be on the table, and we can't yet say who will control the House and Senate.²

Speaking of Congress, the business of mergers and acquisitions is also under the microscope. A collection of house and senate members in June filed the "Food and Agribusiness Merger Moratorium and Antitrust Review Act of 2022" targeting Agribusiness consolidation and seeking to slow M&A activity in the sector. Another new bill seeks to create a new agency to oversee food safety, separate from the Food and Drug Administration. The "Food Safety Administration Act" would create a new arm of government called the Food Safety Administration, a single food safety agency within Health and Human Services. A House committee is also looking to ban the sale of U.S. farmland under national security concerns to companies from Russia, China, North Korea, and Iran. It's too early to know what chance the bill has, but as with any new federal legislation, if approved, we can safely predict there will be unanticipated ramifications.^{22,23,29}

Mergers & Acquisitions

- ❑ In June, global micro irrigation leader Rivulis acquired several overseas subsidiaries of Jain Irrigation in a cash and stock deal. The acquisition creates a global leader in climate and irrigation system management with the majority owner Singapore-based investment company Temasek. Jain will receive a 22% interest in Rivulis. Completion of the deal is dependent on regulatory approvals. In the announcement, the new venture reported it will look to lead mass adoption of modern irrigation solutions and digital farming, driven by sustainability. Micro irrigation seeks the benefits of water conservation and soil protection. The venture will be dual headquartered in Singapore and Israel.²⁴
- ❑ In a deal between two Canadian agriculture companies, the manufacturing company Linamar Corporation in June completed the acquisition of the Salford Group, a global crop nutrition application and tillage company, for \$202 million. Linamar called the deal an "important milestone" in the expansion of its agriculture portfolio, MacDon. Salford Group, founded in 1978, has three manufacturing facilities in Canada and two in the United States producing products including fertilizer spreaders, cover crop seeders, and an array of tillage equipment. For the acquisition, Linamar used funds available through its existing credit lines.²⁵
- ❑ Early in the year, Viterra Limited acquired the grain and ingredients business of Gavilon Agriculture Investment from Japan's Marubeni Corporation in a stock purchase agreement valued at more than \$1 billion. Based in Nebraska, Gavilon's main business is the handling of grain and ingredients as well as fertilizer wholesaling. In the announcement, Viterra reported the acquisition adds assets in key agriculture areas in the U.S. with integrated access to vital transportation networks.²⁶
- ❑ In February, agricultural tech firms Dairy.com, EverAg, and EFC Systems merged to create a single company under the name EverAg, combining their businesses in the supply chain, agronomy, and risk management tools in dairy, livestock, and Agribusiness. EverAg's technology includes tools designed to help farmers reduce risk through financial instruments and solutions that help reduce waste in manufacturing plants and help retailers connect with growers in support of sustainability. EverAg's CEO said the venture is positioned to help transform commodities into finished goods, from farm to table. EverAg operates seven global locations serving 200,000 farms.²⁷

Wheat From the Chaff, Opportunities in a Busy Sector

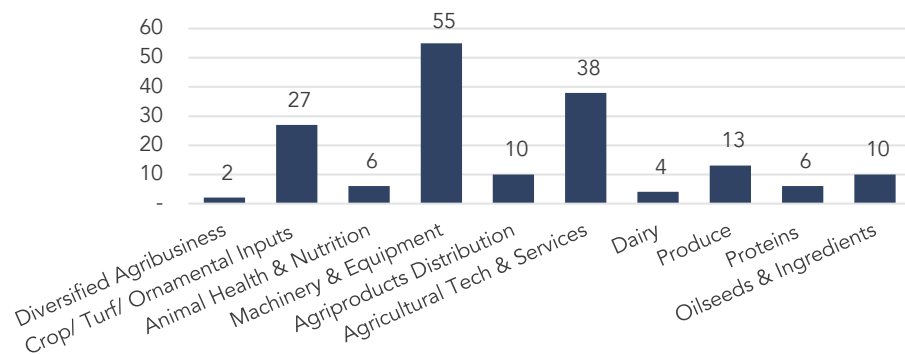
As we've seen in 1H22, there's a lot to consider in the Agribusiness space. With developments such as ag tech, we can analyze, imagine, test, and measure. It's about return on investment, new efficiencies, and, in the end, profitability. But then there are the unknowns. And in 1H22, there were a lot of them. Fickle weather, diseases, Congress, and a military invasion. Not many of us could predict all that, nor do we know what will come next. We continue to believe there are opportunities in Agribusiness around the world. We've seen exciting progress in robotics, automation, and precision farming even as climate and political shifts continue to surprise us. Innovation creates opportunities, and farmers continue to adapt. One thing we know, food isn't a fad, and demand isn't going away.



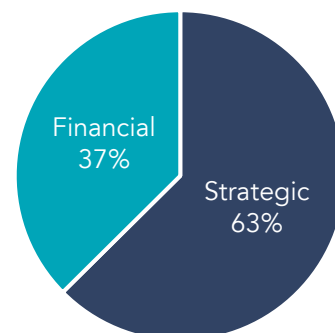
AGRIBUSINESS REPORT

1H 2022 | VOL 7 | ISSUE 1

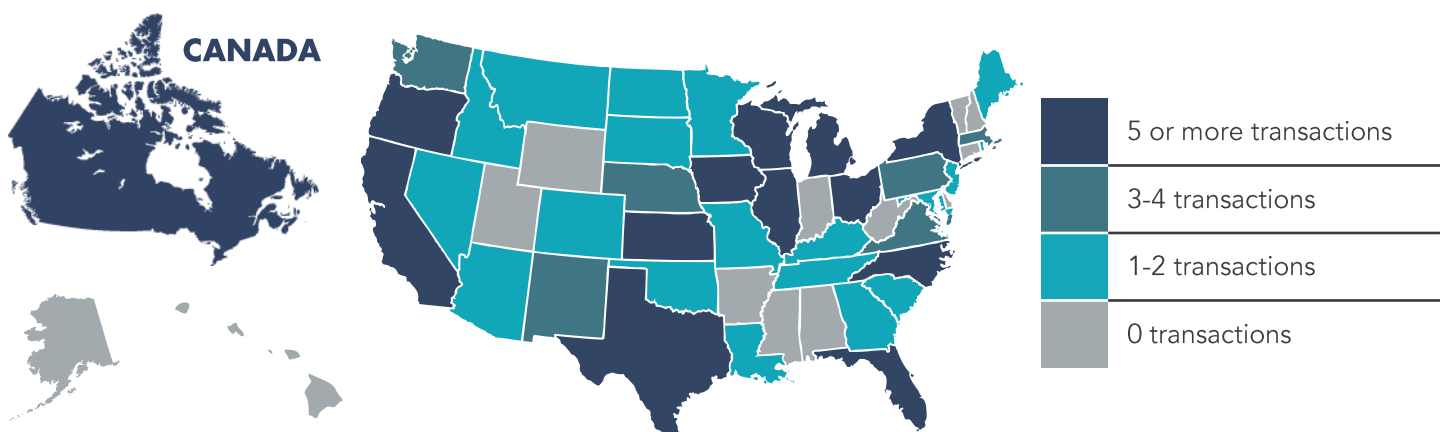
TRANSACTIONS BY SEGMENT



TRANSACTIONS BY TYPE



TRANSACTIONS BY LOCATION



TRANSACTION ACTIVITY

Date	Target	Buyer(s)	Segment	Amount (\$ in Mil)	TEV/ Rev	TEV/ EBITDA
06/09/2022	Wenger Manufacturing	Marel	Diversified Agribusiness	540.00	-	14.0x
06/03/2022	Salford Group	MacDon Industries	Agricultural Tech & Services	202.41	-	-
05/25/2022	American National Group	Brookfield Asset Management Reinsurance	Agricultural Tech & Services	5,100.00	12x	6.1x
05/02/2022	Valley Proteins	Darling Ingredients	Diversified Agribusiness	1,100.00	2.3x	-
05/02/2022	JCA Technologies	AGCO	Machinery & Equipment	-	-	-
05/02/2022	Fluence Bioengineering	Signify	Machinery & Equipment	272.00	-	-
04/14/2022	Vidler Water Resources	D.R. Horton	Agricultural Tech & Services	265.46	10.1x	20.8x
04/04/2022	Pete's	Local Bounti	Produce	122.50	-	-
04/01/2022	Findlay Implement	Ag-Pro Companies	Machinery & Equipment	-	-	-
03/18/2022	SPX Flow	Lone Star Funds	Agricultural Tech & Services	3,486.10	2.3x	19.0x

If You Are a Business Owner Looking for Additional Transaction Activity Within Your Industry, Please Call Our Offices at 720.221.9220.

Sources: S&P Global Market Intelligence; PitchBook

Note: This data represents recorded transactions only, and is not all-inclusive. Nevertheless, they are typically representative of the industry.



ACTIVE BUYERS

MOST ACTIVE STRATEGIC BUYERS

FIRM	SELECT SUBSIDIARY BRANDS			
	 EST. 1993			
				
				
				

SELECT SPONSORS WITH ACTIVE PORTFOLIO HOLDINGS

FIRM	SELECT SUBSIDIARY BRANDS				
		 			
					
					

Sources: S&P Global Market Intelligence; PitchBook; FactSet

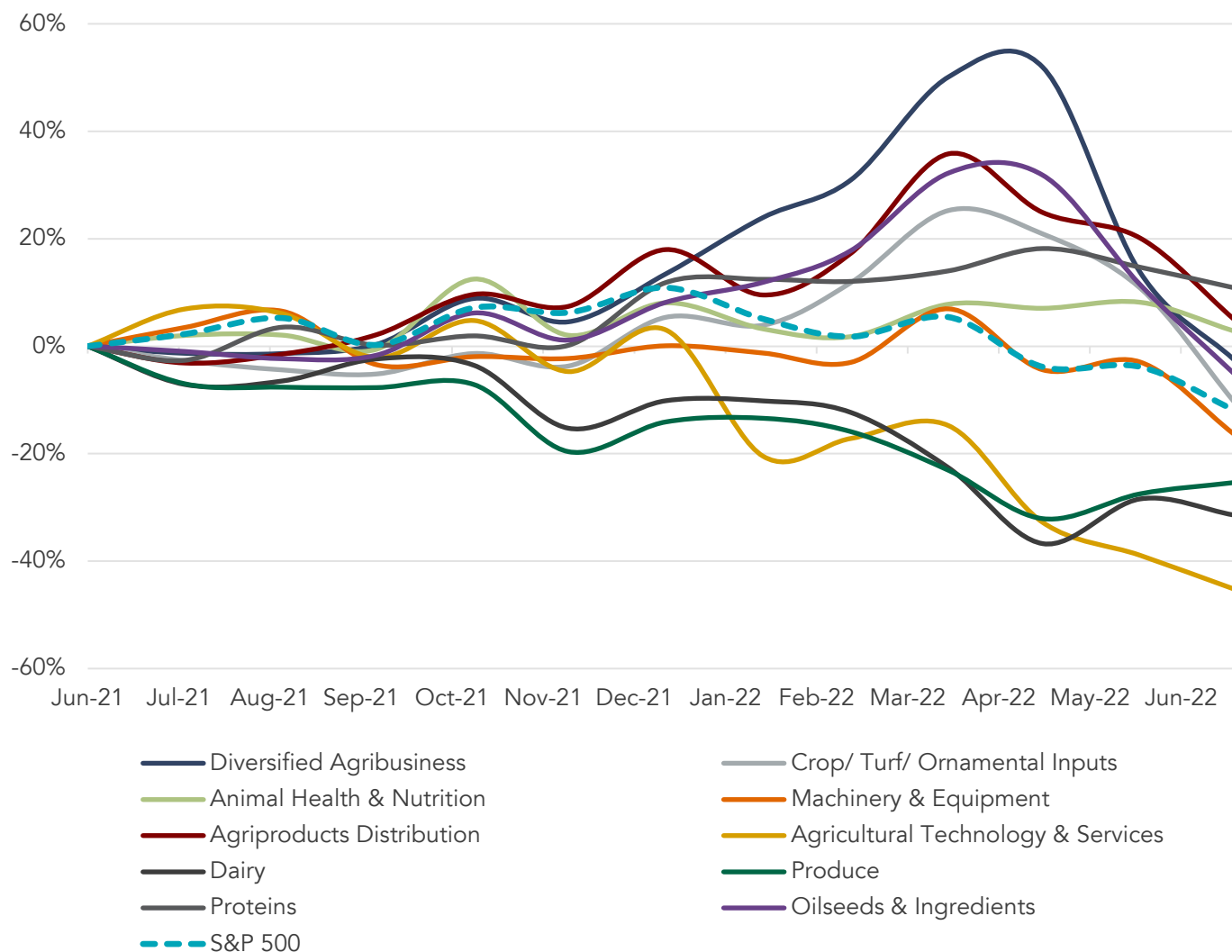
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PUBLIC BASKET

AGRIBUSINESS SEGMENTS VS. S&P 500

Segment Market Cap Performance – Running 12 Months



DIVERSIFIED AGRIBUSINESS

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	Quarter Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Archer Daniels Midland	ADM	\$ 43,666	\$ 77.60	(14.0%)	14.8%	78.5%	5.7%	5.6%	0.6x	113x	14.3x	0.6x	10.3x
Andersons	ANDE	1,116	32.99	(34.4%)	(14.8%)	55.9%	1%	2.6%	0.2x	9.3x	116x	0.2x	10.6x
Alico	ALCO	270	35.63	(5.1%)	(3.8%)	816%	5.4%	84.2%	3.6x	4.3x	4.7x	3.4x	16.5x
Limoneira	LMNR	259	14.09	(4.0%)	(6.1%)	74.2%	NM	NM	2.5x	NM	NM	2.2x	25.1x
Segment Average				(14.4%)	(2.5%)	72.6%	4.1%	30.8%	1.7x	8.3x	10.2x	1.6x	15.7x
Segment Median				(9.6%)	(4.9%)	76.4%	5.4%	5.6%	1.6x	9.3x	11.6x	1.4x	13.6x

Source: PitchBook Financial Data and Analytics



PUBLIC BASKET (CONTINUED)

CROP, TURF & ORNAMENTAL INPUTS

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	Quarter Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Nutrien	NTR	\$ 43,859	\$ 79.56	(23.1%)	6.7%	67.8%	23.4%	27.0%	18x	6.7x	10.2x	15x	3.8x
Dow	DOW	37,847	5161	(19.0%)	(9.0%)	718%	(0.0%)	212%	0.9x	4.1x	5.6x	0.9x	5.2x
CF Industries	CF	17,883	85.73	(16.8%)	21.1%	75.5%	26.1%	48.2%	2.6x	5.4x	11.1x	2.1x	4.2x
The Mosaic	MOS	17,097	47.23	(29.0%)	20.2%	59.6%	52.3%	32.3%	15x	4.6x	6.7x	10x	2.8x
FMC	FMC	13,477	107.01	(18.7%)	(2.6%)	75.9%	6.9%	23.8%	3.3x	13.6x	16.4x	3.0x	11.7x
Element Solutions Inc	ESI	4,459	17.80	(18.7%)	(26.7%)	66.1%	10.4%	17.3%	2.4x	14.1x	24.7x	2.2x	10.2x
Scotts Miracle-Gro	SMG	4,375	78.99	(35.8%)	(50.9%)	40.8%	(7.5%)	15.3%	18x	116x	110x	19x	11.7x
Central Garden & Pet	CENT	2,235	42.42	(3.5%)	(19.4%)	74.0%	3.0%	9.8%	11x	10.7x	15.4x	10x	NM
Compass Minerals	CMP	1,209	35.39	(43.6%)	(30.7%)	46.9%	NM	NM	18x	9.4x	43.7x	1.7x	8.7x
Andersens	ANDE	1,116	32.99	(34.4%)	(14.8%)	55.9%	11%	2.6%	0.2x	9.3x	116x	0.2x	10.6x
CVR Partners	UAN	1,055	99.85	(27.6%)	20.8%	55.6%	(46.9%)	47.7%	2.1x	4.4x	5.4x	4.0x	16.5x
American Vanguard	AVD	689	22.35	10.0%	36.4%	86.0%	10.2%	10.5%	13x	12.8x	26.6x	12x	NM
Intrepid Potash	IP1	617	45.29	(44.9%)	6.0%	37.2%	9.8%	38.0%	18x	NM	2.2x	1.7x	NM
Marrone Bio Innovations	MBII	212	116	7.4%	61.1%	68.2%	44.8%	(32.7%)	5.4x	NM	NM	3.7x	NM
China Green Agriculture	CGA	74	6.14	(39.2%)	(35.4%)	49.2%	NM	(35.6%)	0.3x	NM	NM	NM	NM
Origin Agritech	SEED	44	7.52	(9.9%)	4.9%	52.2%	NM	NM	4.6x	NM	NM	NM	NM
S&W Seed	SANW	42	100	(53.1%)	(63.4%)	21.7%	24.1%	(216%)	13x	NM	NM	10x	NM
Arcadia Biosciences	RKDA	22	100	(28.6%)	(3.8%)	33.3%	NM	NM	NM	NM	NM	NM	NM
Segment Average				(23.8%)	(4.4%)	57.7%	11.3%	13.6%	2.0x	8.9x	14.7x	1.8x	8.5x
Segment Median				(25.4%)	(3.2%)	57.7%	10.0%	17.3%	1.8x	9.3x	11.1x	1.7x	9.4x

ANIMAL HEALTH & NUTRITION

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	Quarter Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Merck & Co.	MRK	\$ 230,551	\$ 91.17	11.1%	19.0%	95.2%	7.2%	37.1%	4.7x	12.7x	16.6x	4.4x	10.5x
Zoetis	ZTS	80,896	17189	(8.9%)	(29.6%)	69.0%	9.1%	40.5%	10.7x	26.5x	39.4x	9.8x	NM
Archer Daniels Midland	ADM	43,666	77.60	(14.0%)	14.8%	78.5%	5.7%	5.6%	0.6x	11.3x	14.3x	0.6x	10.3x
Idexx Laboratories	IDXX	29,464	350.73	(35.9%)	(46.7%)	49.6%	8.0%	31.7%	9.3x	29.4x	41.1x	8.6x	25.6x
The Mosaic	MOS	17,097	47.23	(29.0%)	20.2%	59.6%	52.3%	32.3%	15x	4.6x	6.7x	10x	2.8x
Darling Ingredients	DAR	9,659	59.80	(25.6%)	(13.7%)	68.3%	17.3%	24.4%	2.3x	9.3x	14.5x	19x	6.5x
Ingredion	INGR	5,838	88.16	12%	(8.8%)	86.5%	10.0%	12.9%	11x	8.5x	NM	10x	7.8x
Balchem	BCPC	4,110	129.74	(5.1%)	(23.0%)	74.4%	116%	218%	5.0x	22.8x	416x	4.4x	NM
Patterson Companies	PDCO	2,931	30.30	(6.4%)	3.2%	85.9%	2.0%	5.7%	0.5x	9.2x	14.7x	0.5x	9.6x
Neogen	NEOG	2,597	24.09	(21.9%)	(47.0%)	50.4%	9.4%	16.4%	4.3x	26.3x	52.9x	3.9x	18.4x
Central Garden & Pet	CENT	2,235	42.42	(3.5%)	(19.4%)	74.0%	3.0%	9.8%	11x	10.7x	15.4x	10x	NM
Aemetis	AMTX	170	4.91	(61.2%)	(60.1%)	210%	25.7%	(10.6%)	19x	NM	NM	15x	NM
Segment Average				(16.6%)	(15.9%)	67.7%	13.5%	19.0%	3.6x	15.6x	25.7x	3.2x	11.4x
Segment Median				(11.4%)	(16.5%)	71.5%	9.3%	19.1%	2.1x	11.3x	16.0x	1.7x	10.0x

DAIRY

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	Quarter Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Nomad Foods	NOMD	\$ 3,479	\$ 19.99	(11.5%)	(21.3%)	69.1%	(2.3%)	13.6%	19x	13.7x	16.1x	19x	10.3x
Segment Average				(11.5%)	(21.3%)	69.1%	(2.3%)	13.6%	1.9x	13.7x	16.1x	1.9x	10.3x
Segment Median				(11.5%)	(21.3%)	69.1%	(2.3%)	13.6%	1.9x	13.7x	16.1x	1.9x	10.3x

Source: PitchBook Financial Data and Analytics



PUBLIC BASKET (CONTINUED)

MACHINERY & EQUIPMENT

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	Quarter Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Deere	DE	\$ 91,529	\$ 299.47	(27.9%)	(12.7%)	67.0%	12.8%	20.7%	3.0x	14.5x	16.6x	2.7x	NM
ResMed	RME	30,666	211.43	(13.7%)	(18.7%)	70.0%	NM	33.3%	8.8x	26.6x	39.9x	NM	NM
CNH Industrial	CNHI	20,000	11.59	(26.9%)	(31.3%)	67.7%	(20.4%)	8.4%	13x	11x	9.6x	18x	9.9x
The Toro	TTC	7,925	75.79	(11.3%)	(24.1%)	65.5%	17.0%	13.9%	2.1x	15.5x	22.6x	18x	12.2x
Advanced Drainage Systems	WMS	7,647	90.07	(24.2%)	(33.8%)	65.3%	16.2%	20.2%	3.2x	15.7x	28.6x	2.7x	10.5x
AGCO	AGCO	7,357	98.70	(32.4%)	(14.9%)	65.7%	13.8%	10.8%	0.8x	7.2x	8.3x	0.7x	5.4x
Valmont Industries	VMI	4,824	224.63	(5.9%)	(10.3%)	81.1%	15.0%	11.2%	16x	14.1x	23.8x	14x	10.2x
Lindsay	LNN	1,458	132.82	(15.4%)	(12.6%)	74.1%	7.2%	13.0%	2.0x	15.8x	27.4x	19x	12.7x
Alamo Group	ALG	1,392	116.43	(19.0%)	(20.9%)	72.4%	9.3%	12.0%	12x	10.1x	17.0x	11x	9.0x
Titan International	TWI	946	15.10	2.5%	37.8%	76.2%	17.1%	7.7%	0.7x	9.4x	NM	0.6x	6.0x
Titan Machinery	TITN	506	22.41	(20.7%)	(33.5%)	58.1%	20.0%	6.8%	0.4x	5.7x	6.9x	0.3x	5.6x
Segment Average				(17.7%)	(15.9%)	69.4%	10.8%	14.3%	2.3x	13.2x	20.0x	1.5x	9.1x
Segment Median				(19.0%)	(18.7%)	67.7%	14.4%	12.0%	1.6x	14.1x	19.8x	1.6x	9.9x

AGRIPRODUCTS DISTRIBUTION

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	Quarter Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Nutrien	NTR	\$ 43,859	\$ 79.56	(23.1%)	6.7%	67.8%	23.4%	27.0%	18x	6.7x	10.2x	15x	3.8x
Tractor Supply	TSCO	21,688	193.85	(16.9%)	(18.8%)	80.3%	11.8%	12.4%	19x	15.7x	22.2x	17x	13.7x
Scotts Miracle-Gro	SMG	4,375	78.99	(35.8%)	(50.9%)	40.8%	(7.5%)	15.3%	18x	11.6x	11.0x	19x	11.7x
Andersons	ANDE	1,116	32.99	(34.4%)	(14.8%)	55.9%	1.1%	2.6%	0.2x	9.3x	11.6x	0.2x	10.6x
Segment Average				(27.5%)	(19.4%)	61.2%	7.2%	14.3%	1.4x	10.8x	13.8x	1.3x	10.0x
Segment Median				(28.7%)	(16.8%)	61.9%	6.5%	13.9%	1.8x	10.4x	11.3x	1.6x	11.1x

AGRICULTURAL TECHNOLOGY & SERVICES

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	Quarter Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Idexx Laboratories	IDXX	\$ 29,464	\$ 350.73	(35.9%)	(46.7%)	49.6%	8.0%	31.7%	9.3x	29.4x	41.1x	8.6x	25.6x
Marrone Bio Innovations	MBII	212	1.16	7.4%	61.1%	68.2%	44.8%	(32.7%)	5.4x	NM	NM	3.7x	NM
Iteris	ITI	123	2.89	(3.0%)	(27.8%)	42.3%	13.5%	(2.0%)	0.8x	NM	NM	0.7x	12.2x
Origin Agritech	SEED	44	7.52	(9.9%)	4.9%	52.2%	NM	NM	4.6x	NM	NM	NM	NM
Arcadia Biosciences	RKDA	22	100	(28.6%)	(3.8%)	33.3%	73.7%	(234.0%)	0.0x	NM	NM	NM	NM
Segment Average				(14.0%)	(2.5%)	49.1%	35.0%	(59.2%)	4.0x	29.4x	41.1x	4.4x	18.9x
Segment Median				(9.9%)	(3.8%)	49.6%	29.1%	(17.3%)	4.6x	29.4x	41.1x	3.7x	18.9x

Source: PitchBook Financial Data and Analytics



PUBLIC BASKET (CONTINUED)

PRODUCE

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	Quarter Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Sysco	SYT	\$ 43,158	\$ 84.71	3.7%	7.8%	92.5%	11.8%	4.7%	0.8x	17.7x	43.7x	0.7x	13.0x
US Foods	USFD	6,869	30.68	(18.5%)	(11.9%)	77.2%	10.6%	2.6%	0.4x	15.1x	NM	0.4x	8.7x
Nomad Foods	NOMD	3,479	19.99	(11.5%)	(21.3%)	69.1%	(2.3%)	13.6%	1.9x	13.7x	16.1x	1.9x	10.3x
United Natural Foods	UNFI	2,297	39.40	(4.7%)	(19.7%)	68.1%	4.5%	2.6%	0.2x	7.9x	9.6x	0.2x	7.0x
Fresh Del Monte Produce	FDP	1,412	29.53	14.0%	7.0%	86.9%	3.4%	4.1%	0.5x	12.4x	22.4x	0.5x	NM
SpartanNash	SPTN	1,090	30.17	(8.5%)	17.1%	80.5%	2.6%	2.3%	0.2x	9.0x	14.9x	0.2x	7.9x
SunOpta	SOY	831	7.72	53.5%	12.3%	62.5%	14.2%	4.2%	14x	32.9x	NM	12x	13.5x
Calavo Growers	CVGW	740	41.72	14.5%	(16%)	65.0%	9.0%	(0.5%)	0.7x	NM	NM	0.7x	16.5x
Seneca Foods	SENEA	454	55.54	7.8%	15.8%	89.5%	NM	7.8%	0.4x	5.7x	9.6x	NM	NM
Landec	LNDC	294	9.97	(13.9%)	(10.2%)	78.9%	(64.3%)	(0.7%)	15x	NM	NM	2.2x	14.5x
Alico	ALCO	270	35.63	(5.1%)	(3.8%)	81.6%	5.4%	84.2%	3.6x	4.3x	4.7x	3.4x	16.5x
Limoneira	LMNR	259	14.09	(4.0%)	(6.1%)	74.2%	11.2%	1.4%	2.5x	NM	NM	2.2x	25.1x
Segment Average				2.3%	(1.2%)	77.2%	0.6%	10.5%	1.2x	13.2x	17.3x	1.2x	13.3x
Segment Median				(4.4%)	(2.7%)	78.0%	5.4%	3.4%	0.8x	12.4x	14.9x	0.7x	13.2x

PROTEINS

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	Quarter Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Tyson Foods	TSN	\$ 31,115	\$ 86.06	(4.0%)	(13%)	85.4%	3.9%	13.4%	0.7x	5.6x	7.7x	0.7x	7.3x
Hormel Foods	HRL	25,861	47.36	(8.1%)	(3.0%)	85.9%	0.5%	11.8%	2.3x	19.2x	27.2x	2.3x	17.3x
Pilgrim's Pride	PPC	7,505	31.23	24.4%	10.7%	90.1%	13.6%	5.4%	0.7x	12.3x	35.9x	0.6x	6.4x
Prestige Consumer Healthcare	PBH	2,935	58.80	11.1%	(3.1%)	92.1%	4.2%	33.0%	4.1x	12.3x	14.6x	3.9x	11.5x
Pingtan Marine Enterprise	PME	76	0.89	39.2%	54.7%	79.4%	NM	18.7%	2.9x	15.5x	NM	NM	NM
Segment Average				12.5%	11.6%	86.6%	5.5%	16.5%	2.1x	13.0x	21.4x	1.9x	10.6x
Segment Median				11.1%	(1.3%)	85.9%	4.0%	13.4%	2.3x	12.3x	20.9x	1.5x	9.4x

OILSEEDS & INGREDIENTS

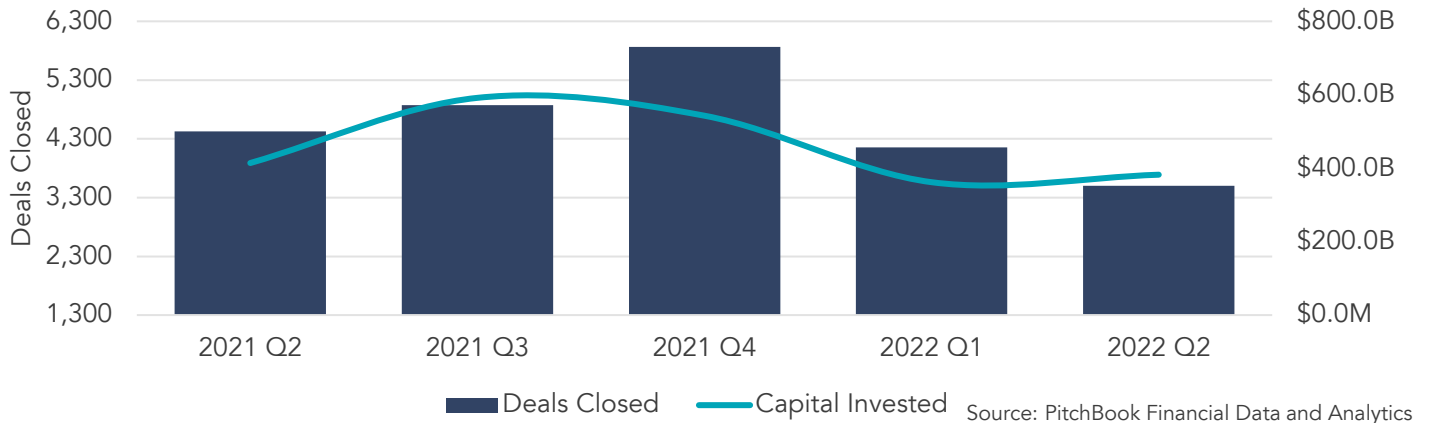
Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	Quarter Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Archer Daniels Midland	ADM	\$ 43,666	\$ 77.60	(14.0%)	14.8%	78.5%	5.7%	5.6%	0.6x	11.3x	14.3x	0.6x	10.3x
FMC	FMC	13,477	107.01	(18.7%)	(2.6%)	75.9%	6.9%	23.8%	3.3x	13.6x	16.4x	3.0x	11.7x
Darling Ingredients	DAR	9,659	59.80	(25.6%)	(13.7%)	68.3%	17.3%	24.4%	2.3x	9.3x	14.5x	1.9x	6.5x
Ingredion	INGR	5,838	88.16	12%	(8.8%)	86.5%	10.0%	12.9%	1.1x	8.5x	NM	1.0x	7.8x
Sensient Technologies	SXT	3,386	80.56	(4.0%)	(19.5%)	75.8%	7.5%	16.6%	2.8x	17.1x	27.4x	2.6x	14.8x
SunOpta	SOY	831	7.72	53.5%	12.3%	62.5%	14.2%	4.2%	14x	32.9x	NM	12x	13.5x
Aemetis	AMTX	170	4.91	(61.2%)	(60.1%)	210%	25.7%	(10.6%)	1.9x	NM	NM	1.5x	NM
Segment Average				(9.8%)	(11.1%)	66.9%	12.5%	11.0%	1.9x	15.5x	18.1x	1.7x	10.8x
Segment Median				(14.0%)	(8.8%)	75.8%	10.0%	12.9%	1.9x	12.5x	15.4x	1.5x	11.0x

Source: PitchBook Financial Data and Analytics



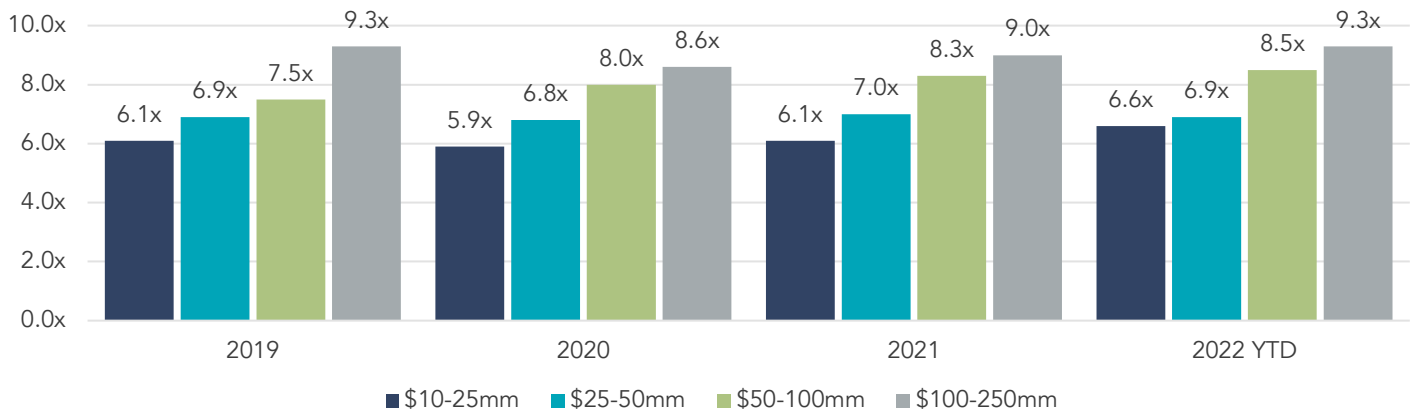
U.S. M&A ACTIVITY SNAPSHOT

OVERALL U.S. M&A ACTIVITY

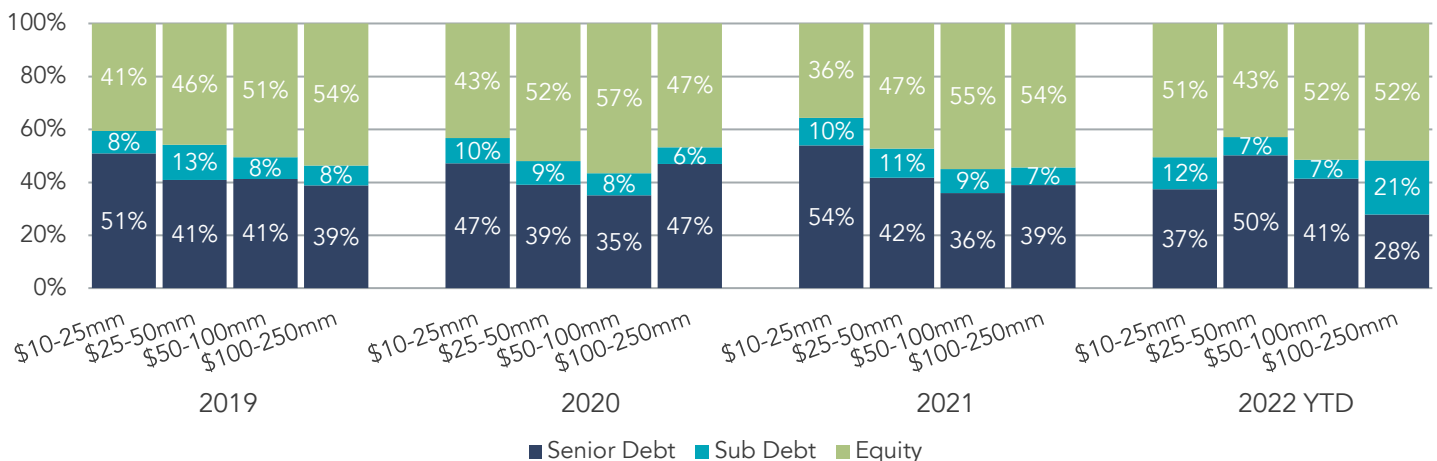


LOWER MIDDLE MARKET PRIVATE EQUITY TRANSACTION MULTIPLES

EBITDA Multiples By Transaction Size



CAPITAL BREAKDOWN – LOWER MIDDLE MARKET PRIVATE EQUITY TRANSACTIONS



Note: The most current source of GF Data is as of May 2022.



AGRIBUSINESS REPORT

COMPREHENSIVE AGRIBUSINESS EXPERTISE

Our Agribusiness Team has worked on and completed numerous M&A transactions with both strategic and financial buyers and sellers across a wide range of manufacturing, distribution and service-related businesses in the agribusiness, horticultural, agrifood and green space industries. This accumulated experience and expertise will help your company approach the market with the right strategy and resources in place.

Our Agribusiness Industry investment banking expertise includes the following segments:

- ❑ Diversified Agribusiness
- ❑ Crop Inputs
- ❑ Animal Health & Nutrition
- ❑ Machinery & Equipment
- ❑ Distribution
- ❑ Agricultural Technology & Services
- ❑ Dairy
- ❑ Produce
- ❑ Proteins
- ❑ Ingredients

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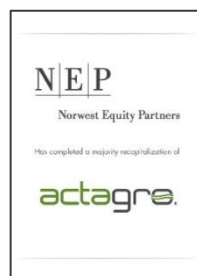
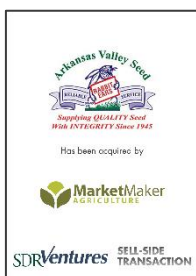
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SELECT TRANSACTION EXPERIENCE

SDR has completed numerous transactions types throughout the Agribusiness Industry, including:



*These transactions were completed by SDR Senior Advisor Eric Bosveld during his tenure at another firm.

SDR SERVICE OFFERINGS



SELL-SIDE ADVISORY



PRIVATE CAPITAL FORMATION



BUY-SIDE ADVISORY



STRATEGIC CONSULTING



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