AGRIBUSINESS REPORT

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

2H 2022

SDR Ventures

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AGRIBUSINESS REPORT

AGRIBUSINESS 2H22: WHAT TO KNOW

- Agribusiness innovation, like farming itself, is never a sure thing. In 2022 we may have seen vertical farming fall out of favor. Or maybe it just took a step back.
- Climate continues to challenge farmers. This time it's California's massive agriculture community buffeted first by drought, then by floods. Now the quest for a solution.
- Prices continue to be a story, for both inputs and crop prices. Fuel and fertilizer prices are down, that's good. Crop prices fell too, that's not.

Agribusiness Today: Is There A Tech Solution?

Sometimes the next best thing is not exactly "next." In the agribusiness industry, we're always watching for emerging fields and opportunity to get in on something new. But in at least one area, "vertical farming," enthusiasts may have gotten ahead of themselves. The industry – using robotics and controlled environments to produce leafy greens (and to a lesser degree other crops)– is learning a hard lesson: Not only do they need to produce greens, they need to make greenbacks.[1]

As California continues to shift from controlled growing environments to uncontrolled growing environments, the agricultural powerhouse is seemingly being battered by everything but fire-breathing dragons. The Colorado River is running dry, the federal government is pushing states to develop new water policies, and when it seemed things couldn't get more stressful for farmers, an "atmospheric river" of storms and downpours stated drowning fields while the state lacks capacity to collect the water for dry seasons before it all flows back into the Pacific. What a time.[2,3]

And there are other areas to mine for opportunities. As droughts and floods increasingly impact farmers, advances in agribusiness such as on-farm tech, bio-alternatives, and new ways to avoid food waste may be key to protecting what we have and producing more food for the global supply.[4]

All this as we keep an eye on some relief for farmers including lower input costs for fertilizer and fuel prices, as well as potential farm equipment help after John Deere agreed to implementing a "right to repair" measure enabling third-party shops to repair tractors instead of only dealers.[5,6]

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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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What Went Up Came Down

Vertical farming on a big scale has been all the rage. Robotic assisted, controlled environment, 24/7 production was touted as a way to grow fresh, pesticide-free produce locally and disrupt the $60 billion U.S. ag sector. The thing is, only 1% of food is grown this way. Maybe there's a reason: it's expensive. One example, Pittsburgh-based Fifth Season was built on $75 million in venture capital. The company in March announced a big expansion to Ohio. Financial news network CNBC called vertical farming a "Rust Belt boom." And then, in November, we learned the company was shutting down instead.[1,7]

Controlled environment operations that went public, or tried to, via Special Purpose Acquisition Companies (SPACs) sputtered. It's as if suddenly everyone asked, "wait, is this working?" Learning to operate a farm like this efficiently, scaling up, and training workers takes time and money. And then, these high-tech startups need to learn age-old business practices like packaging, distribution and sales. Don't confuse investors with philanthropists. This isn't charity, and somebody wants their profit. A lot of the tech whizzes behind the cool ideas simply aren't farmers. Farming is hard. Now, we're not declaring the field dead, and we'll keep watching. But there's a lot of money going in, and the fiscal harvest doesn't appear quite yet ripe.[1,8]

As famed TV detective Colombo would say, "Just one more thing." In all the excitement, it may have been lost on these startups that the sun – the light plants need to grow outside – is free. Electricity, for lighting in indoor operations is not. Is this a fatal flaw? We don't know, but it's worth noting that growing stuff indoors takes a lot of energy, and energy supplies are a vulnerability for vertical farming, just as drought and floods are to traditional farming. In the spring, European controlled environment operator Infarm, backed by $600 million in venture capital funding, opened a new facility in England with promises of growing 20 million plants a year. By November, the company announced sweeping layoffs. Turns out, the war in Ukraine led to an unexpected 58% spike in electricity prices. Couple that with an economic downturn, and consumers weren't about to eat any extra costs along with their produce. If traditional farmers have to contend with diesel prices, vertical farmers also have operational costs to contend with.[9]

But Nobody Does Anything About It

It's been attributed to Mark Twain, but who knows who actually said it. The sentiment is the same, "Everybody talks about the weather, but nobody does anything about it." Farmers in California wish they could. We saw a shellacking for California ag in 2H22. Earlier in the year, California farmers were devastated by the state's third consecutive year of drought – the driest three-year period on record. Lost usable farmland was estimated to be costing $1.7 billion in lost revenue. We're watching for potential solutions as farmers address their new reality, including the ability to trade (maybe sell?) water rights and paying farmers not to grow. But uncertainty reigns.[10,11]

Speaking of rain, while 80% of California was listed as "severe drought" in the fall of 2H22, by January a stream of soaking storms threatened to drown "the salad bowl of the world.". Not long ago farmers were grinding up almond orchards, one of the most profitable crops representing 80% of the global supply, because there was no water for them. By 2023, it was too wet to plant lettuce. As one wag wrote on social media, with tractors stuck in the mud and picking slowed, "Get ready for $10 a head for lettuce."[12,13]

The good news is some of the rainfall can be captured and stored. But a lot cannot. Once tanks and reservoirs are full, that's it. California has traditionally counted on the Sierra Nevada snowpack as a "reservoir." But California in the past treated heavy rain as a hazard and a nuisance, focusing efforts to get it out to sea quickly. Capturing the water is possible, but it's not easy. The state spent decades eliminating the river floodplains that once allowed water to seep into the aquifer during floods. Now the soil is so dry it paradoxically can't absorb water fast enough, and plans for better capture-and-store projects have languished for years. People don't think about what they don't have to think about. Now, apparently, they have to.[14,15,16]

It's interesting that while agriculture gets walloped by changing climate conditions, the industry is also in a position to do a thing or two. Advances in agricultural technologies let farmers do more with less through increased efficiencies, bio-alternative pesticides, precision farming, food waste avoidance, and carbon markets.[4]

Could all this spell a boom in water infrastructure construction? Will innovators in tech save the soil and the land? Are better agribusiness products such as modified seeds the answer? These are all avenues to monitor.[14,15,16]

And Another Thing (Or Two)

While perhaps these developments didn't dominate mainstream news as much, they are on the mind of the agricultural community and they do have potential financial implications that can shape the industry.

We'll start with a higher-level concern, prices. Both input and output. The good news is the cost of fuel and fertilizer came down, maybe offset by some spectacular prices for commodities last year, such as cooking oils and grains. Wheat, corn, and vegetable oil prices hit record highs. War and drought are bad for people but delivered strong prices for farmers. Unfortunately, America isn't the only straw hat in the farmer's market, and by the end of the year, things were changing rapidly. Global production matters, and excellent weather in South America is hammering global prices. Brazilian output overnight crashed soybean and corn prices, and those buying overseas in dollar-denominated markets (commodities) are finding willing sellers and lower prices.[6,17,18]

Now we get into an area where it will be interesting to watch which way change takes hold. One of the kings of farm equipment, John Deere, for years has been tight-lipped about its tractor tech, making it virtually impossible for anyone but authorized providers to service them. To start the new year, the company agreed in a letter of intent to stave off a push for what's been called "Right to Repair" legislation. The company says it will now provide farmers and third-party repair shops with information and allow for diagnostic tools, software, and manuals to repair and maintain today's high-tech machines. We don't know if this will create new opportunities in repair shop roll-ups, tools, and tech, but it's worth keeping an eye on. One question remains, just because someone "may" repair a Deere, can they? These aren't your grandfather's tractors. Will a farmer put his million-dollar combine in the hands of the local repair shop?[19,20]

Fertile Fields: Mergers & Acquisitions

- Like every industry, the underlying fundamentals play a huge role in M&A activity. The underlying drive to sustainability and the emerging understanding by the Agrichemical giants of the intersection between plant nutrition and plant health was an important driver behind Corteva's recent announcement of its intention to acquire the Stoller Group for $1.2 billion in cash. The deal represents an enterprise value multiple of approximately 12x Stoller's EBITDA for 2022 on a stand-alone basis. Interestingly, the deal was positioned largely as a "biologicals" acquisition, and while Stoller certainly sells several innovative biologicals, its primary product lines and revenue is derived from specialty crop nutrition, PGR's and foliar fertilizers.
- PE groups continue to demonstrate a strong affinity to the agribusiness industry. Paine Schwartz Partners (PSP) announced its planned acquisition and take-private deal for AgroFresh, a pioneer and solution provider of science-based fresh produce preservation. The deal valued at $211 MM represents a multiple of 1.25x sales and $5.2x EBITDA. In September 2022, PSP also invested in Humic Growth Solutions, an innovative manufacturer of humic and fulvic acids used to improve soils and improve "Nutrient Use Efficiency" for an undisclosed amount.

Reaping What We Sow, The Future Of Farming

In 2022, agribusiness saw a storm of events and news and conditions. In 2023, we'll be watching to see how the industry reacts. There are widespread potential opportunities in the industry and plenty of questions savvy investors and industry leaders will have to answer. No one can predict the weather, but while climate shifts have made life hard for agriculture, they may be creating opportunities in tech, carbon capture, and bio-developed products. Tangentially, if water-strained states and countries take steps to capture rainfall, a new wave of giant infrastructure projects could energize a range of sectors including engineering and design, construction, and heavy equipment. And it's interesting to note that while vertical farming stumbled on energy and operating costs, the practice also uses 95% less water than field farms. If water's the problem in deserts, and energy costs are the bane of vertical farms, might we see vertical farms in the desert, powered by solar panels? Creative thinking will continue to drive agribusiness. We all need to eat, and farmers have been through tough times before. We've already come a long way from a horse and plow. So, what's next?[24]

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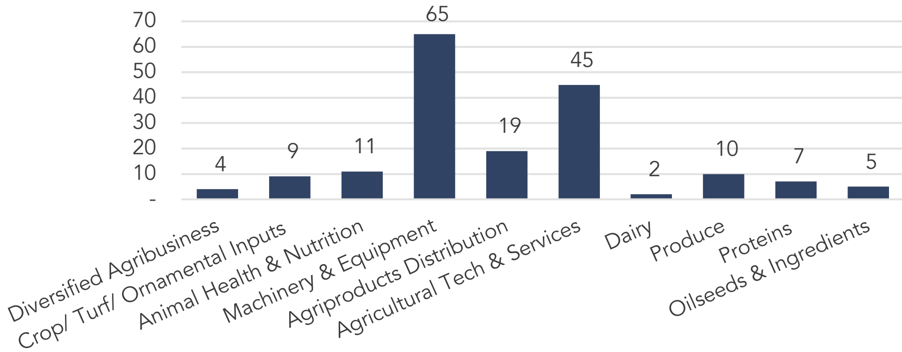
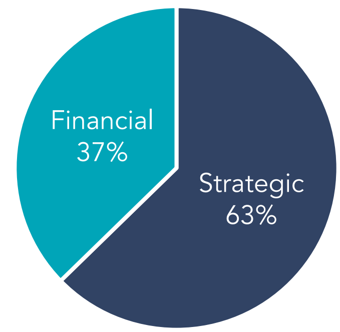
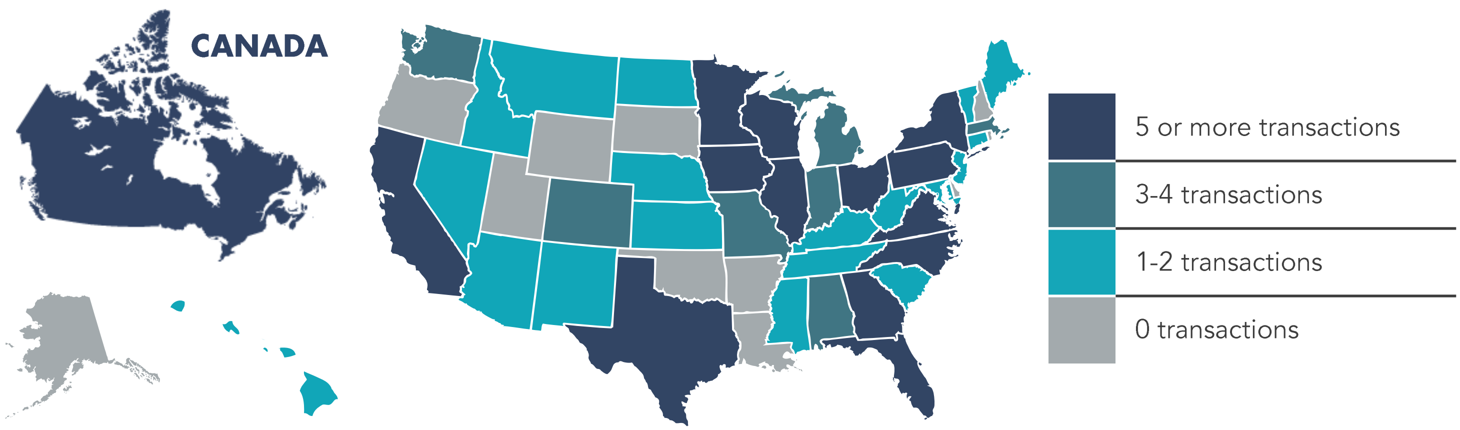
TRANSACTIONS BY SEGMENT



TRANSACTIONS BY TYPE



TRANSACTIONS BY LOCATION



TRANSACTION ACTIVITY

Date	Target	Buyer(s)	Segment	Amount ($ in Mil)	TEV/ Rev	TEV/ EBITDA
12/15/2022	AVS Bio	Arlington Capital Partners	Animal Health & Nutrition	200.00	-	-
12/01/2022	Tingo	Micronet Enertec Technologies	Agricultural Tech & Services	-	-	-
11/30/2022	Stoller Group	Corteva Agriscience	Agricultural Tech & Services	1,200.00	3.0x	-
11/28/2022	Owensboro Grain	Cargill	Oilseeds & Ingredients	-	-	-
11/07/2022	GGB	The Timken Company	Machinery & Equipment	305.00	15x	-
11/07/2022	St. Louis Hydroponic Company	GrowGeneration	Diversified Agribusiness	-	-	-
11/01/2022	Frontier Labs	Deveron	Agricultural Tech & Services	2.20	-	-
10/27/2022	Bellpark Horticulture	Adeptag, LLR Partners	Machinery & Equipment	-	-	-
10/25/2022	NaturalShrimp	Yotta Acquisition	Proteins	274.44	-	-
10/24/2022	AgroFresh Solutions	Paine Schwartz Partners	Agricultural Tech & Services	211.15	13x	5.21
10/05/2022	Envu	Cinven	Crop/ Turf/ Ornamental Inputs	2,600.00	-	-

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.

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ACTIVE BUYERS

MOST ACTIVE STRATEGIC BUYERS

FIRM	SELECT SUBSIDIARY BRANDS
GrubMarket	The Produce Connection; SunFed Perfect Produce; Sakura Green Onion Farmers; Rainfield; salix – Always in season; The Bartolotta Restaurants EST. 1993
AdeptAg	plantech control systems inc.; Bellpark Horticulture – An AdeptAg Company
GrowGeneration – Where the pros go to grow	Commercial Grow Supply; Mendocino Greenhouse Garden Supply; hoagtech hydroponics; St. Louis Hydroponic Company

SELECT SPONSORS WITH ACTIVE PORTFOLIO HOLDINGS

FIRM	SELECT SUBSIDIARY BRANDS
BCM Broadband Capital Management	way to grow; Hydrobuilder; HGV Superior Plant Nutrition; New England Hydroponics – The Indoor Gardening Experts; GreenCoast Hydroponics
CenterOak Partners	Greengroup; Turf Masters
Fonds de solidarité FTQ	AgroEnviroLab; Northwoods Organics LLC; 19 F 61 Ménard Québec Ange-Gardien; Radtech Innovation

Sources: S&P Global Market Intelligence; PitchBook; FactSet
Note: This data represents recorded transactions only, and is not all-inclusive. Nevertheless, they are typically representative of the industry.

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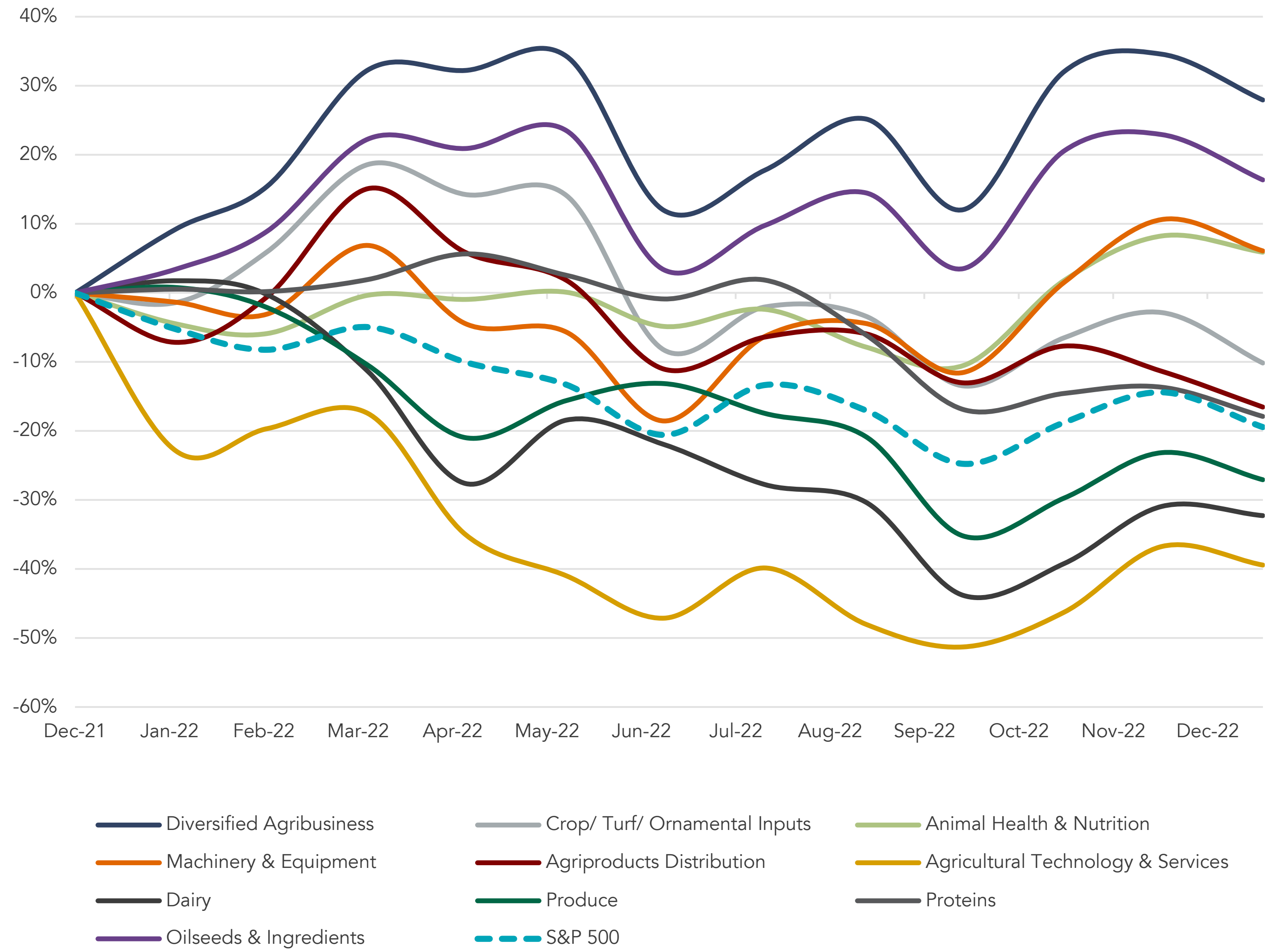
PUBLIC BASKET

AGRIBUSINESS SEGMENTS VS. S&P 500

Segment Market Cap Performance – Running 12 Months



DIVERSIFIED AGRIBUSINESS

		Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
Company Name	Symbol	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	$ 51,006	$ 92.85	15.4%	37.4%	93.9%	3.8%	6.4%	0.6x	9.6x	12.8x	0.6x	10.3x
Andersons	ANDE	1,172	34.99	12.8%	(9.6%)	59.3%	(3.8%)	2.6%	0.2x	6.0x	8.8x	0.2x	7.6x
Limoneira	LMNR	216	12.21	(7.4%)	(18.6%)	75.0%	NM	NM	1.9x	NM	NM	1.9x	23.6x
Segment Average				**6.9%**	**3.1%**	**76.1%**	**0.0%**	**4.5%**	**0.9x**	**7.8x**	**10.8x**	**0.9x**	**13.8x**
Segment Median				**12.8%**	**(9.6%)**	**75.0%**	**(0.0%)**	**4.5%**	**0.6x**	**7.8x**	**10.8x**	**0.6x**	**10.3x**

Source: PitchBook Financial Data and Analytics

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PUBLIC BASKET (CONTINUED)

CROP, TURF & ORNAMENTAL INPUTS

		Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
Company Name	Symbol	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	$ 37,933	$ 72.92	(13.4%)	(2.2%)	62.2%	(8.8%)	34.1%	1.4x	4.0x	5.2x	1.5x	4.9x
Dow	DOW	35,462	50.39	14.7%	(11.2%)	70.1%	(15.6%)	17.9%	0.8x	4.6x	6.5x	1.0x	7.6x
CF Industries	CF	16,715	85.20	(11.5%)	20.4%	71.2%	(17.4%)	55.4%	1.8x	3.3x	5.6x	2.2x	4.4x
FMC	FMC	15,721	124.80	18.1%	13.6%	88.5%	8.4%	21.1%	3.4x	16.0x	21.6x	3.1x	12.4x
The Mosaic	MOS	14,937	43.87	(9.2%)	11.7%	55.3%	(16.3%)	32.0%	1.0x	3.2x	4.3x	1.2x	3.9x
Element Solutions Inc	ESI	4,404	18.19	11.8%	(25.1%)	72.0%	(5.1%)	18.7%	2.3x	12.4x	25.3x	2.4x	12.0x
Scotts Miracle-Gro	SMG	2,695	48.59	13.7%	(69.8%)	29.1%	(16%)	(8.7%)	1.5x	NM	NM	1.5x	10.3x
Central Garden & Pet	CENT	1,958	37.45	3.9%	(28.8%)	70.1%	1.7%	10.1%	0.9x	9.4x	13.4x	0.9x	NM
Compass Minerals	CMP	1,682	41.00	6.4%	(19.7%)	60.6%	4.0%	13.4%	2.1x	15.5x	NM	2.0x	11.0x
Andersons	ANDE	1,172	34.99	12.8%	(9.6%)	59.3%	(3.8%)	2.6%	0.2x	6.0x	8.8x	0.2x	7.6x
CVR Partners	UAN	1,063	100.58	(12.1%)	21.6%	56.0%	(54.6%)	46.0%	1.8x	4.0x	4.2x	4.0x	16.8x
American Vanguard	AVD	642	21.71	16.1%	32.5%	83.5%	8.7%	10.8%	1.3x	12.1x	23.1x	1.2x	NM
Intrepid Potash	IPI	389	28.87	(27.0%)	(32.4%)	23.7%	(16.3%)	41.0%	1.0x	NM	1.3x	1.2x	3.3x
S&W Seed	SANW	64	1.49	104.1%	(45.4%)	51.4%	13.0%	(33.1%)	1.6x	NM	NM	1.4x	NM
China Green Agriculture	CGA	54	4.04	(29.6%)	(57.5%)	34.4%	NM	(42.7%)	NM	NM	NM	NM	NM
Origin Agritech	SEED	42	6.95	(19.7%)	(3.1%)	56.7%	NM	NM	4.4x	NM	NM	NM	NM
Arcadia Biosciences	RKDA	7	0.27	(48.7%)	(73.9%)	10.2%	NM	NM	NM	NM	NM	NM	NM
Segment Average				**1.8%**	**(16.4%)**	**56.1%**	**(7.4%)**	**14.6%**	**1.7x**	**8.2x**	**10.8x**	**1.7x**	**8.6x**
Segment Median				**3.9%**	**(11.2%)**	**59.3%**	**(4.4%)**	**17.9%**	**1.5x**	**6.0x**	**6.5x**	**1.4x**	**7.6x**

ANIMAL HEALTH & NUTRITION

		Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
Company Name	Symbol	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	$ 281,302	$ 110.95	28.8%	44.8%	98.3%	(1.7%)	36.6%	5.1x	13.9x	18.4x	5.2x	12.3x
Zoetis	ZTS	68,303	146.55	(1.2%)	(39.9%)	59.3%	6.3%	40.3%	9.1x	22.5x	33.5x	8.5x	19.9x
Archer Daniels Midland	ADM	51,006	92.85	15.4%	37.4%	93.9%	3.8%	6.4%	0.6x	9.6x	12.8x	0.6x	10.3x
Idexx Laboratories	IDXX	33,786	407.96	25.2%	(38.0%)	61.4%	8.6%	29.4%	10.5x	35.8x	51.9x	9.7x	28.7x
The Mosaic	MOS	14,937	43.87	(9.2%)	11.7%	55.3%	(16.3%)	32.0%	1.0x	3.2x	4.3x	1.2x	3.9x
Darling Ingredients	DAR	10,031	62.59	(5.4%)	(9.7%)	71.5%	15.7%	22.1%	2.2x	10.0x	14.0x	1.9x	7.2x
Ingredion	INGR	6,420	97.93	21.6%	1.3%	96.1%	15.0%	12.0%	1.1x	9.3x	NM	1.0x	8.0x
Balchem	BCPC	3,924	122.11	0.4%	(27.6%)	71.9%	9.1%	21.3%	4.7x	22.0x	36.5x	4.3x	18.4x
Neogen	NEOG	3,291	15.23	9.0%	(66.5%)	31.9%	76.6%	12.9%	5.5x	42.9x	44.8x	3.1x	11.7x
Patterson Companies	PDCO	2,721	28.03	16.7%	(4.5%)	79.4%	2.7%	5.7%	0.5x	9.1x	13.8x	0.5x	NM
Central Garden & Pet	CENT	1,958	37.45	3.9%	(28.8%)	70.1%	1.7%	10.1%	0.9x	9.4x	13.4x	0.9x	NM
Aemetis	AMTX	139	3.96	(35.3%)	(67.8%)	24.7%	29.8%	(24.0%)	1.4x	NM	NM	1.1x	NM
Segment Average				**5.8%**	**(15.6%)**	**67.8%**	**12.6%**	**17.1%**	**3.6x**	**17.1x**	**24.3x**	**3.2x**	**13.4x**
Segment Median				**6.5%**	**(18.6%)**	**70.8%**	**7.5%**	**17.1%**	**1.8x**	**10.0x**	**16.2x**	**1.6x**	**11.7x**

DAIRY

		Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
Company Name	Symbol	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	$ 3,001	$ 17.24	21.4%	(32.1%)	64.1%	4.5%	14.2%	1.6x	11.5x	11.5x	1.6x	8.3x
Segment Average				**21.4%**	**(32.1%)**	**64.1%**	**4.5%**	**14.2%**	**1.6x**	**11.5x**	**11.5x**	**1.6x**	**8.3x**
Segment Median				**21.4%**	**(32.1%)**	**64.1%**	**4.5%**	**14.2%**	**1.6x**	**11.5x**	**11.5x**	**1.6x**	**8.3x**

Source: PitchBook Financial Data and Analytics

AGRIBUSINESS REPORT

PUBLIC BASKET (CONTINUED)

MACHINERY & EQUIPMENT

		Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
Company Name	Symbol	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	$ 127,872	$ 428.76	28.4%	25.0%	95.6%	3.6%	21.3%	3.4x	15.8x	18.4x	3.3x	14.5x
CNH Industrial	CNHI	21,592	16.06	43.8%	(4.9%)	93.8%	(35.9%)	11.5%	1.5x	11.4x	12.5x	1.7x	13.6x
The Toro	TTC	11,774	113.20	30.9%	13.3%	97.9%	10.3%	15.4%	2.8x	18.2x	27.0x	2.5x	16.8x
AGCO	AGCO	10,346	138.69	44.2%	19.5%	92.3%	17.0%	10.5%	1.0x	9.6x	12.3x	0.9x	6.9x
Valmont Industries	VMI	7,054	330.67	23.1%	32.0%	93.6%	9.5%	11.5%	1.9x	16.8x	30.0x	1.8x	13.3x
Advanced Drainage Systems	WMS	6,792	81.97	(34.1%)	(39.8%)	53.4%	(5.2%)	25.4%	2.4x	9.5x	15.2x	2.5x	8.7x
Lindsay	LNN	1,792	162.85	13.7%	7.1%	89.0%	0.7%	14.5%	2.4x	16.2x	27.4x	2.3x	NM
Alamo Group	ALG	1,694	141.60	15.8%	(3.8%)	88.1%	7.3%	12.1%	1.4x	11.2x	18.3x	1.3x	9.8x
Titan International	TWI	963	15.32	26.2%	39.8%	77.3%	4.6%	12.6%	0.6x	4.8x	NM	0.6x	5.1x
Titan Machinery	TITN	902	39.73	40.6%	17.9%	89.6%	19.6%	7.8%	0.6x	7.7x	8.5x	0.5x	7.2x
Segment Average				**23.3%**	**10.6%**	**87.1%**	**3.1%**	**14.3%**	**1.8x**	**12.1x**	**18.8x**	**1.7x**	**10.6x**
Segment Median				**27.3%**	**15.6%**	**90.9%**	**5.9%**	**12.3%**	**1.7x**	**11.3x**	**18.3x**	**1.7x**	**9.8x**

AGRIPRODUCTS DISTRIBUTION

		Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
Company Name	Symbol	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	$ 37,933	$ 72.92	(13.4%)	(2.2%)	62.2%	(8.8%)	34.1%	1.4x	4.0x	5.2x	1.5x	4.9x
Tractor Supply	TSCO	24,851	224.97	21.0%	(5.7%)	93.1%	12.6%	12.5%	2.1x	17.0x	24.5x	1.9x	14.6x
Scotts Miracle-Gro	SMG	2,695	48.59	13.7%	(69.8%)	29.1%	(1.6%)	(8.7%)	1.5x	NM	NM	1.5x	10.3x
Andersons	ANDE	1,172	34.99	12.8%	(9.6%)	59.3%	(3.8%)	2.6%	0.2x	6.0x	8.8x	0.2x	7.6x
Segment Average				**8.5%**	**(21.8%)**	**60.9%**	**(0.4%)**	**10.1%**	**1.3x**	**9.0x**	**12.8x**	**1.3x**	**9.4x**
Segment Median				**13.2%**	**(7.7%)**	**60.7%**	**(2.7%)**	**7.6%**	**1.4x**	**6.0x**	**8.8x**	**1.5x**	**9.0x**

AGRICULTURAL TECHNOLOGY & SERVICES

		Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
Company Name	Symbol	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	$ 33,786	$ 407.96	25.2%	(38.0%)	61.4%	8.6%	29.4%	10.5x	35.8x	51.9x	9.7x	28.7x
Iteris	ITI	133	3.11	4.7%	(22.3%)	72.7%	20.0%	(9.3%)	1.0x	NM	NM	0.8x	10.0x
Origin Agritech	SEED	42	6.95	(19.7%)	(3.1%)	56.7%	NM	NM	4.4x	NM	NM	NM	NM
Arcadia Biosciences	RKDA	7	0.27	(48.7%)	(73.9%)	10.2%	6.0%	(183.0%)	NM	NM	NM	NM	1.0x
Segment Average				**(9.6%)**	**(34.3%)**	**50.2%**	**11.6%**	**(54.3%)**	**5.3x**	**35.8x**	**51.9x**	**5.2x**	**13.2x**
Segment Median				**(7.5%)**	**(30.1%)**	**59.1%**	**8.6%**	**(9.3%)**	**4.4x**	**35.8x**	**51.9x**	**5.2x**	**10.0x**

Source: PitchBook Financial Data and Analytics

AGRIBUSINESS REPORT

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	SYY	$ 38,742	$ 76.45	8.1%	(2.7%)	83.5%	9.0%	4.7%	0.7x	14.9x	27.1x	0.6x	11.8x
US Foods	USFD	7,651	34.02	28.7%	(2.3%)	85.6%	8.5%	2.8%	0.4x	14.1x	NM	0.4x	8.8x
Nomad Foods	NOMD	3,001	17.24	21.4%	(32.1%)	64.1%	4.5%	14.2%	1.6x	11.5x	11.5x	1.6x	8.3x
United Natural Foods	UNFI	2,316	38.71	12.6%	(21.1%)	75.7%	3.4%	2.5%	0.2x	8.2x	10.0x	0.2x	7.0x
Fresh Del Monte Produce	FDP	1,253	26.19	12.7%	(5.1%)	83.3%	1.9%	4.3%	0.4x	10.2x	18.2x	0.4x	NM
SpartanNash	SPTN	1,066	30.24	4.2%	17.4%	80.1%	4.8%	2.0%	0.2x	9.9x	19.6x	0.2x	7.4x
SunOpta	SOY	906	8.40	(8.8%)	22.1%	71.9%	11.4%	3.3%	1.4x	43.2x	NM	1.3x	12.9x
Calavo Growers	CVGW	521	29.40	(7.4%)	(30.7%)	64.6%	0.3%	1.3%	0.5x	39.1x	NM	0.5x	9.8x
Seneca Foods	SENEA	464	60.95	20.8%	27.1%	88.7%	NM	7.1%	0.6x	7.8x	10.9x	NM	NM
Limoneira	LMNR	216	12.21	(7.4%)	(18.6%)	75.0%	(0.2%)	6.7%	1.9x	NM	NM	1.9x	23.6x
Alico	ALCO	181	23.87	(15.5%)	(35.5%)	54.7%	(33.8%)	34.2%	3.2x	9.4x	14.5x	4.9x	17.0x
Segment Average				**6.3%**	**(7.4%)**	**75.2%**	**1.0%**	**7.6%**	**1.0x**	**16.8x**	**16.0x**	**1.2x**	**11.8x**
Segment Median				**8.1%**	**(5.1%)**	**75.7%**	**4.0%**	**4.3%**	**0.6x**	**10.9x**	**14.5x**	**0.6x**	**9.8x**

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
Hormel Foods	HRL	$ 24,890	$ 45.55	0.2%	(6.7%)	82.7%	2.4%	12.6%	2.2x	17.3x	25.0x	2.1x	16.5x
Tyson Foods	TSN	22,275	62.25	(5.6%)	(28.6%)	61.8%	4.9%	10.7%	0.6x	5.2x	7.0x	0.5x	6.4x
Pilgrim's Pride	PPC	5,611	23.73	3.1%	(15.9%)	68.5%	(2.2%)	10.0%	0.5x	4.9x	6.1x	0.5x	8.0x
Pingtan Marine Enterprise	PME	34	0.40	(52.7%)	(30.4%)	35.7%	NM	19.2%	2.4x	12.3x	20.0x	NM	NM
Segment Average				**(13.7%)**	**(20.4%)**	**62.2%**	**1.7%**	**13.1%**	**1.4x**	**9.9x**	**14.5x**	**1.1x**	**10.3x**
Segment Median				**(2.7%)**	**(22.2%)**	**65.1%**	**2.4%**	**11.7%**	**1.4x**	**8.8x**	**13.5x**	**0.5x**	**8.0x**

OILSEEDS & INGREDIENTS

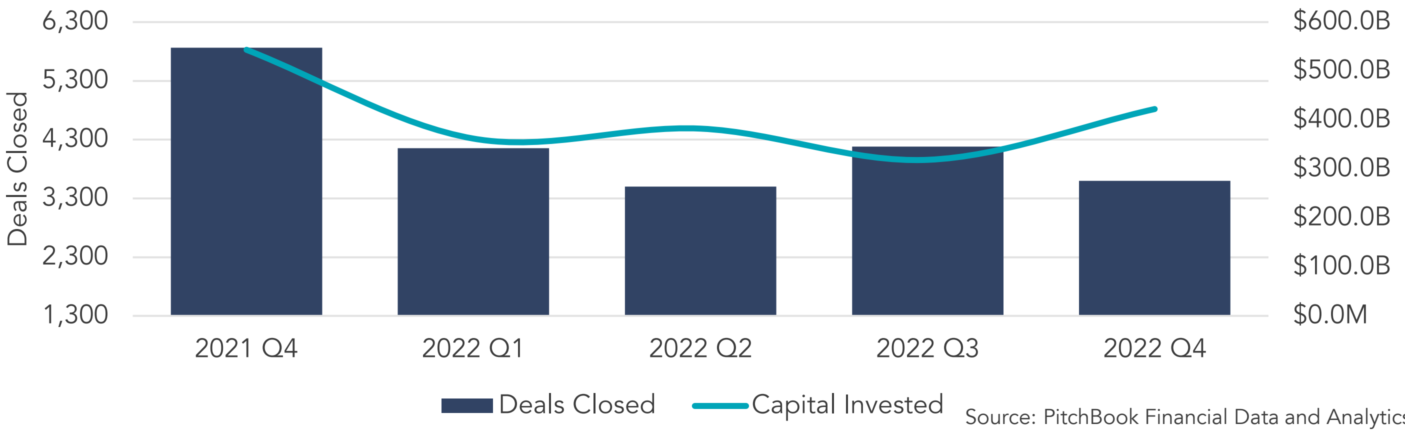
Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap ($ in Mil)	Price ($)	Quarter Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Archer Daniels Midland	ADM	$ 51,006	$ 92.85	15.4%	37.4%	93.9%	3.8%	6.4%	0.6x	9.6x	12.8x	0.6x	10.3x
FMC	FMC	15,721	124.80	18.1%	13.6%	88.5%	8.4%	21.1%	3.4x	16.0x	21.6x	3.1x	12.4x
Darling Ingredients	DAR	10,031	62.59	(5.4%)	(9.7%)	71.5%	15.7%	22.1%	2.2x	10.0x	14.0x	1.9x	7.2x
Ingredion	INGR	6,420	97.93	21.6%	1.3%	96.1%	15.0%	12.0%	1.1x	9.3x	NM	1.0x	8.0x
Sensient Technologies	SXT	3,065	72.92	5.2%	(27.1%)	71.7%	3.7%	17.4%	2.5x	14.4x	22.1x	2.4x	13.8x
SunOpta	SOY	906	8.40	(8.8%)	22.1%	71.9%	11.4%	3.3%	1.4x	43.2x	NM	1.3x	12.9x
Aemetis	AMTX	139	3.96	(35.3%)	(67.8%)	24.7%	29.8%	(24.0%)	1.4x	NM	NM	1.1x	NM
Segment Average				**1.5%**	**(4.3%)**	**74.0%**	**12.6%**	**8.3%**	**1.8x**	**17.1x**	**17.6x**	**1.6x**	**10.8x**
Segment Median				**5.2%**	**1.3%**	**71.9%**	**11.4%**	**12.0%**	**1.4x**	**12.2x**	**17.8x**	**1.3x**	**11.3x**

Source: PitchBook Financial Data and Analytics

AGRIBUSINESS REPORT

U.S. M&A ACTIVITY SNAPSHOT

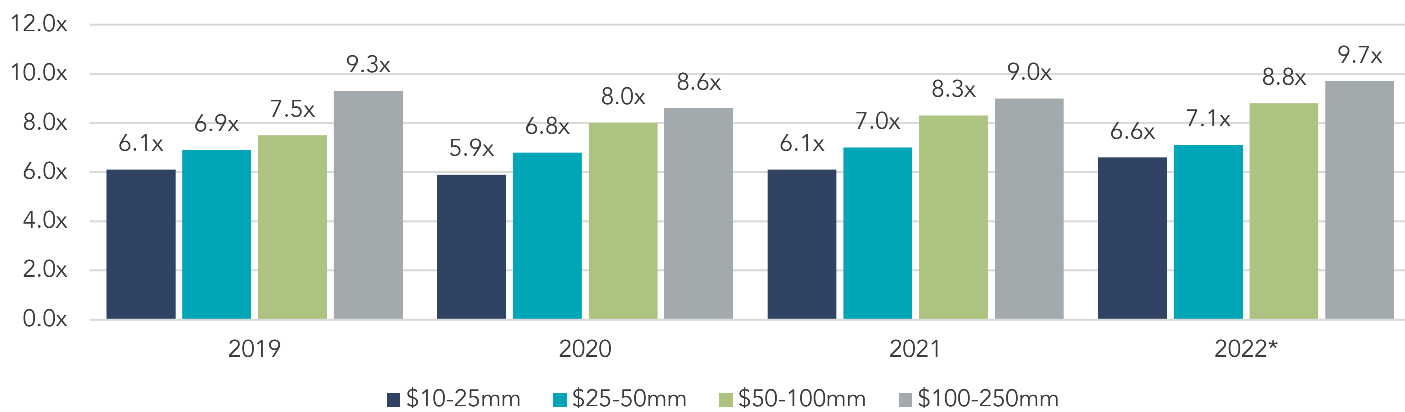
OVERALL U.S. M&A ACTIVITY



Source: PitchBook Financial Data and Analytics

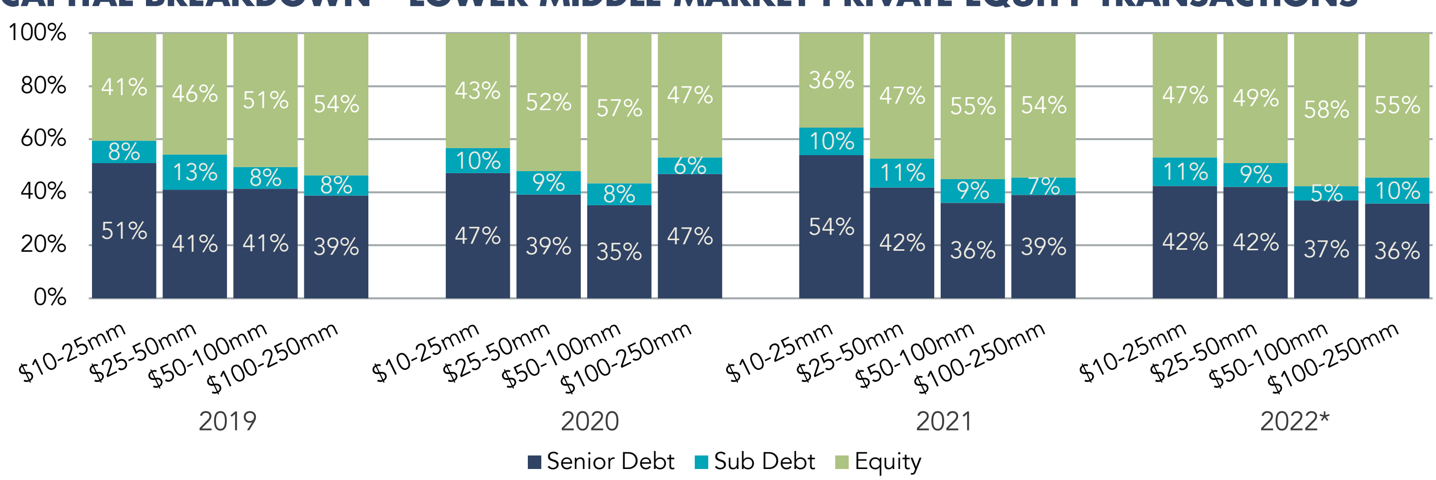
LOWER MIDDLE MARKET PRIVATE EQUITY TRANSACTION MULTIPLES

EBITDA Multiples By Transaction Size



Source: GF Data®

CAPITAL BREAKDOWN – LOWER MIDDLE MARKET PRIVATE EQUITY TRANSACTIONS



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

Source: GF Data®

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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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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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