



Tuesday, July 26th, 2022

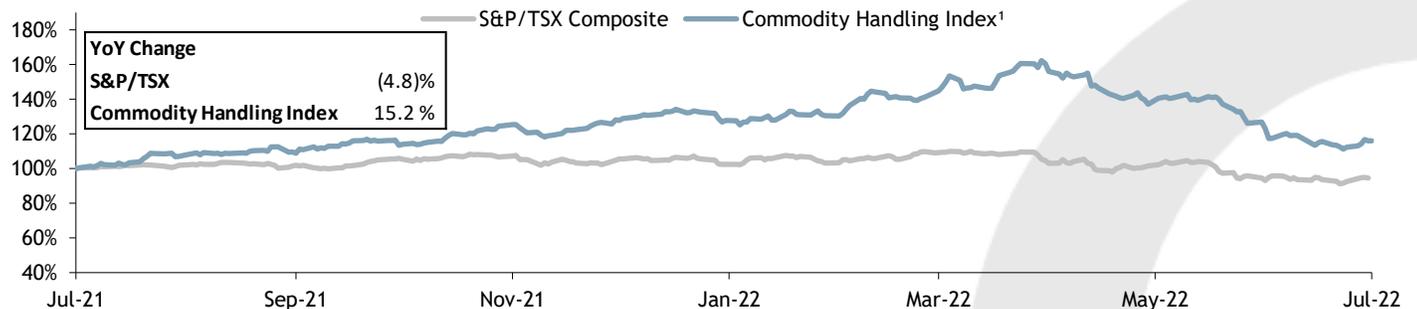


COMMODITY HANDLING

News Scan

- On July 22nd, a joint venture between US-based **Continental Grain Co. (“Continental Grain”)**, and **Cargill** finalized its acquisition of **Sanderson Farms, Inc. (“Sanderson Farms”)**, a US-based poultry processor, for US\$4.5 billion. As part of the closing, Sanderson Farms was combined with Wayne Farms, a subsidiary of Continental Grain, to form a new privately held poultry business headquartered in Georgia, US
- On July 20th, **Arva Flour Mills**, the oldest continuously operating water powered commercial flour mill in North America, announced its acquisition of **Red River**, a Canadian-based historic cereal brand, from **Smucker Foods of Canada Corp.**, a subsidiary of **The J.M. Smucker Co.**, for an undisclosed amount
- On July 15th, **Albert Lea Seed House (“Albert Lea”)**, owner of Viking Corn & Soybeans and one of the largest suppliers of organic field seed in the US, acquired **Blue River Organic Seed (“Blue River”)**, the US’s longest-established organic seed corn brand, for an undisclosed amount. The acquisition makes Albert Lea one of the largest organic field seed suppliers, producers, and commercialization experts in the US
- On July 11th, **DLF**, a global seed company dealing in forage and amenity seeds, announced its acquisition of **Premier Pacific Seeds Ltd. (“PPSL”)**, a Canadian-based seed company, for an undisclosed amount. The deal will expand DLF’s presence in British Columbia and provide a global network to PPSL customers
- On July 8th, **The Andersons Inc.** announced that it has completed the sale of its railcar repair business to **Cathcart Rail**, a US-based leading freight rail services and transportation company, for an undisclosed amount. The strategic decision will allow The Andersons to focus on and invest in their core agricultural verticals of grain and fertilizer
- On July 7th, **Grain Processing Corporation (“GPC”)**, a part of the US-based **Kent Corp.** family of companies and producer of grain-products, announced its acquisition of **Natural Products, Inc.**, a US-based manufacturer of plant-based and non-GMO grain and bean products, for an undisclosed amount. The acquisition will help GPC’s efforts to expand portfolio diversity and expand sustainable food production

Relative Performance Index



Key Indicators

All Figures in USD millions unless indicated

	Market Cap	TEV	TEV/EBITDA		Price/Earnings		Week Δ Price	Δ Price 52Wk High
			2022E	2023E	2022E	2023E		
ADM	41,550	55,486	8.7x	9.3x	11.9x	12.5x	3.0 %	(25.3)%
Bunge Limited	13,811	21,392	6.7x	7.0x	7.2x	7.8x	6.3 %	(29.1)%
The Andersons, Inc	1,070	3,406	10.9x	10.2x	12.3x	11.5x	7.7 %	(45.8)%
Graincorp Limited	1,295	2,861	6.0x	10.3x	5.9x	9.9x	0.2 %	(23.2)%
United Malt Group Limited	720	1,022	12.7x	8.0x	26.6x	14.4x	1.2 %	(25.3)%
Ceres Global Ag	81	186	na	na	na	na	9.8 %	(43.6)%
Mean			9.0x	9.0x	12.8x	11.2x	4.7 %	(32.1)%

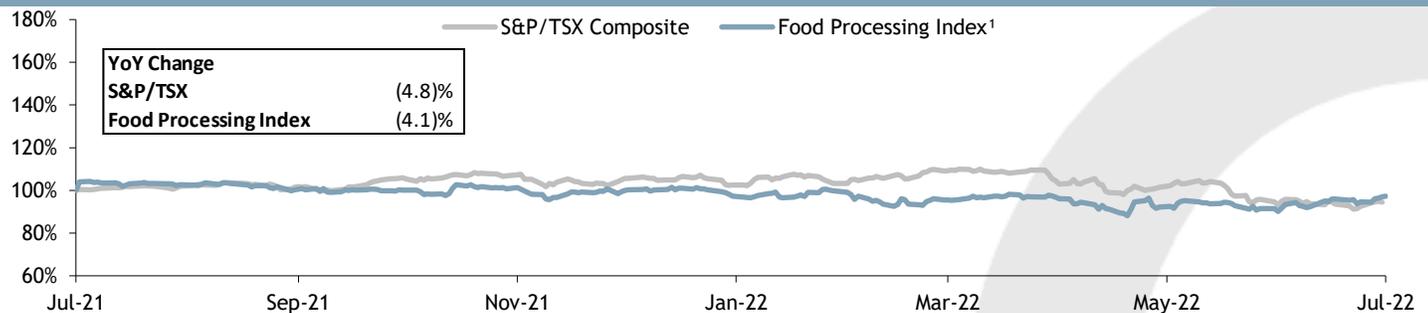


FOOD PROCESSING

News Scan

- On July 18th, **Swire Coca-Cola Limited (“Swire Coca-Cola”)**, a wholly owned subsidiary of **Swire Pacific Limited**, a Hong Kong and UK-based conglomerate, announced that it has reached a definitive agreement to acquire Coca-Cola subsidiaries, **Coca-Cola Beverages Vietnam Ltd.** and **Coca-Cola Beverages Cambodia Ltd.**, for US\$1.02 billion. The transaction will provide Swire Coca-Cola with a leading position in one of the world’s fastest growing beverage markets
- On July 13th, **Diageo**, a global beverage alcohol company announced that it has agreed to sell **Guinness Cameroon S.A.**, its brewery in Cameroon, to **Castel Group (“Castel”)**, a French beverage company, for £389 million. Castel will take over the production and nationwide distribution of Guinness in Cameroon, providing a robust platform for Guinness expansion via Castel’s five brewing sites and their national distribution network
- On July 8th, **Oterra**, the Denmark-based global provider of naturally sourced colours for the food, beverage, dietary supplements, and pet food industries, acquired India’s **Akay Group (“Akay”)**, a manufacturer of natural ingredients for the food, beverage, and nutraceutical sectors, for an undisclosed amount. The acquisition will provide Oterra with access to an extensive range of natural colour products, as well as the use of Akay’s manufacturing plants and R&D capabilities
- On July 6th, **Fomento Económico Mexicano (“FEMSA”)**, a leading retail and beverage company, announced its intent to acquire **Valora Holding AG (“Valora”)**, a leading foodvenience platform with operations in Switzerland, Germany, and other European countries. FEMSA has made an all-cash offer to purchase all publicly held shares of Valora for CHF 1.1 billion in efforts to expand its European presence
- On July 5th, **Tyson Foods, Inc. (“Tyson Foods”)**, one of the world’s leading US-based food companies, announced that it has entered into a strategic partnership with **Tanmiah Food Company (“Tanmiah”)**, a Saudi-based company with poultry subsidiaries. Through the agreement, Tyson Foods will acquire a 15% equity stake in Tanmiah subsidiary **Agriculture Development Company (“ADC”)** and a 60% stake in **Supreme Foods Processing Company**. The investment will allow Tyson Foods to access poultry supplies in Saudi Arabia to meet growing demand and expand into international markets

Relative Performance Index



Key Indicators

All Figures in USD millions unless indicated

	Market Cap	TEV	TEV/EBITDA		Price/Earnings		Week Δ Price	Δ Price 52Wk High
			2022E	2023E	2022E	2023E		
Saputo Inc.	10,068	13,205	13.0x	10.1x	23.6x	16.8x	3.7%	(15.1)%
Ingredion Incorporated	5,768	7,829	7.9x	7.5x	12.2x	11.2x	1.9%	(14.5)%
Tate & Lyle plc	3,824	4,608	11.2x	12.2x	19.1x	15.6x	2.8%	(13.0)%
Premium Brands	3,467	5,089	11.6x	10.0x	18.8x	15.5x	3.4%	(27.8)%
Maple Leaf Foods Inc.	2,553	3,761	10.5x	7.3x	23.8x	12.0x	3.5%	(18.9)%
SunOpta Inc.	892	1,169	20.7x	15.6x	n/m	n/m	(4.5)%	(19.7)%
Rogers Sugar	515	826	9.8x	9.7x	15.3x	14.3x	4.1%	(1.7)%
High Liner Foods Incorporated	325	571	7.7x	7.0x	9.9x	8.3x	16.6%	(18.7)%
Mean			11.6x	9.9x	17.5x	13.4x	4.0%	(16.2)%

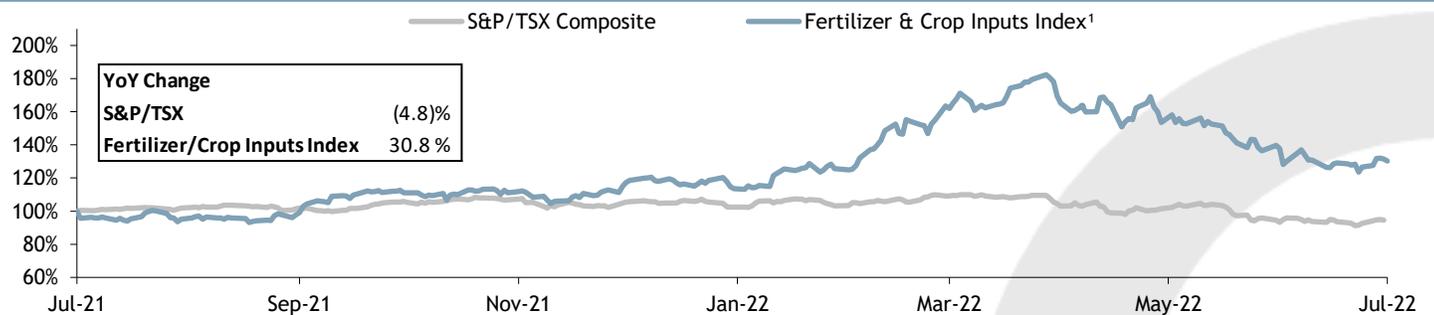


FERTILIZERS AND CROP INPUTS

News Scan

- On July 21st, **ICL**, a leading global specialty minerals company announced alongside its strategic collaborative partner, **PlantArcBio, Ltd**, an Israel-based ag-biotech company, the development of a novel bio-stimulant technology platform. This platform will aim to improve crop yields while having minimal environmental impacts. The development is a result of a multi-year research collaboration between the two companies
- On July 20th, **Nutrien Ltd. (“Nutrien”)** announced that it has entered into an agreement to acquire **Casa do Adubo S.A.**, a Brazilian retail fertilizer company, for an undisclosed amount. The acquisition includes 39 retail locations and 10 distribution centres adding roughly US\$400 million in sales. The transaction supports Nutrien’s Retail growth strategy in Brazil and will expand its South American presence
- On July 18th, **ACME Group**, **Scatec ASA** and **Yara International ASA** announced that they have signed a term sheet to develop a green ammonia renewable energy project in Oman, for export to both Europe and Asia in efforts to reduce greenhouse gas emissions. The joint venture aims to build a leading ammonia production facility to produce 100 000 metric tons of green ammonia per annum to support industry decarbonisation
- On July 14th, **Monolith Materials, Inc.**, a global leader in clean hydrogen, carbon black and ammonia, announced it has raised more than US\$300 million in its latest funding round led by **TPG Rise Climate**, part of TPG’s global impact investing platform, alongside **Decarbonisation Partners**, a partnership between **BlackRock** and **Temasek**. Funds will be used to further technological development in decarbonizing the energy and materials industry
- On July 7th, **Phospholutions Inc.** announced an additional investment from agricultural companies **Ospraie Ag Sciences** and **Bunge Ventures** to support the commercialization of RhizoSorb® in the US row crop market. RhizoSorb® is a fertilizer additive that increases crop efficiency to address rising prices and global supply constraints in the phosphatic fertilizer market

Relative Performance Index



Key Indicators

All Figures in USD millions unless indicated

	Market	Cap	TEV	TEV/EBITDA		Price/Earnings		Week Δ Price	Δ Price 52Wk High
				2022E	2023E	2022E	2023E		
Nutrien Ltd.	43,402	53,175	4.5x	5.7x	5.9x	7.2x	7.4 %	(31.6)%	
CF Industries Holdings, Inc.	17,692	21,734	3.5x	4.9x	4.6x	6.5x	5.2 %	(25.3)%	
The Mosaic Company	17,245	21,389	2.7x	3.6x	3.5x	4.6x	9.1 %	(39.9)%	
Yara International ASA	10,558	14,024	6.8x	6.4x	4.3x	6.2x	3.2 %	(19.4)%	
Nufarm Ltd.	1,329	1,844	6.0x	6.1x	15.8x	16.4x	(0.2)%	(26.8)%	
Mean			4.7x	5.3x	6.8x	8.2x	4.9 %	(28.6)%	

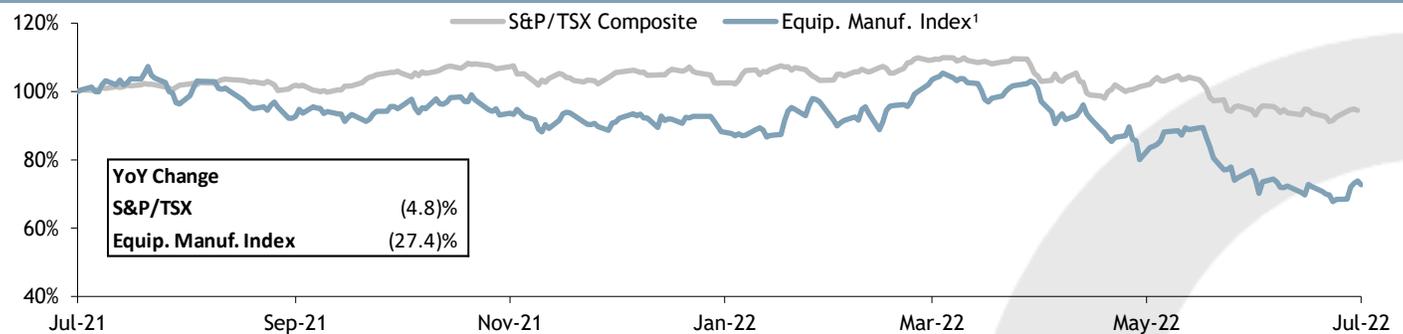


EQUIPMENT AND TECHNOLOGY

News Scan

- On July 20th, **BlackRock Inc. (“BlackRock”)** announced that it has acquired **Vanguard Renewables LLC (“Vanguard”)**, a US-based leading producer of renewable natural gas from agriculture and organic food waste, from **Vision Ridge Partners** for US\$700 million. Vanguard has changed the perception of US food waste and how it can be recycled into renewable energy. BlackRock plans to spend an additional US\$1 billion to finance the expansion, build upon the company’s market-leading track record and drive its next phase of growth to produce renewable natural gas across the country by 2026
- On July 19th, **United Ag & Turf (“United”)**, a 31 location John Deere dealership headquartered in Texas, announced its acquisition of **Fish & Still Equipment** for an undisclosed amount. This deal will further expand United’s Texas footprint and allow the company to better support its customers
- On July 12th, **Solectrac**, an US-based maker of electric tractors, announced a partnership with **Nolan Manufacturing**, a producer of equipment and landscaping trailers and attachments, with over 50 dealers along the Eastern coast of the US. This partnership will establish a production facility in Denton, NC that will allow Solectrac to meet the increase in US demand for electric tractors
- On July 11th, **Titan Machinery**, a US-based network of agriculture and construction equipment stores, announced that it has entered into a definitive purchase agreement to acquire **Heartland Ag Systems**, the largest **Case IH** application equipment distributor in North America, for US\$110 million. The acquisition is expected to create value and incremental sales opportunities through expanded access to the commercial application customer segment
- On July 5th, **Continental AG (“Continental”)**, a global developer and provider of solutions for vehicles, machines, traffic and transportation, announced its acquisition of **WCCO Belting (“WCCO”)**, a US-based manufacturer of belting equipment for the agriculture industry, for an undisclosed amount. This acquisition is complementary to Continental’s conveyor belting customer portfolio and strengthens their conveying solutions business in the agriculture industry

Relative Performance Index



Key Indicators

All Figures in USD millions unless indicated

	Market		TEV/EBITDA		Price/Earnings		Week Δ	Δ Price
	Cap	TEV	2022E	2023E	2022E	2023E	Price	52Wk High
Deere & Company	95,438	147,876	12.8x	12.6x	12.9x	11.8x	6.1 %	(30.1)%
AGCO Corporation	7,301	8,889	5.6x	5.2x	8.3x	7.6x	8.5 %	(34.8)%
Ag Growth International Inc.	475	1,217	7.6x	6.8x	11.3x	8.5x	7.3 %	(26.9)%
CNH Industrial N.V.	12,310	27,104	12.7x	11.7x	8.7x	8.0x	8.6 %	(40.6)%
Farmers Edge Inc.	49	30	neg	neg	neg	neg	4.2 %	(86.2)%
Mean			9.7x	9.1x	10.3x	9.0x	7.3 %	(30.6)%

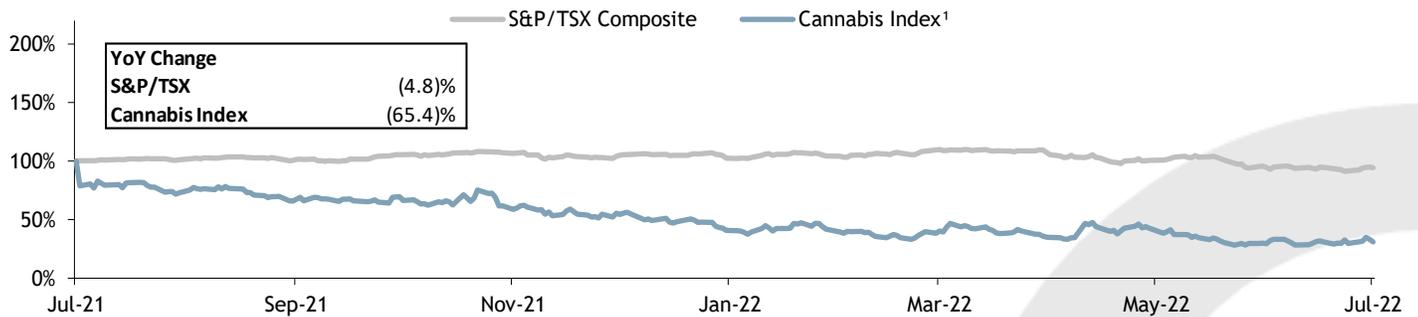


CANNABIS AND HEMP

News Scan

- On July 18th, **Canopy Growth Corp. (“Canopy”)** announced that it has closed its previously announced exchange transaction of certain 4.25% unsecured notes due in 2023. This transaction is being carried out to reduce debt obligations by approximately \$263 million
- On July 12th, **TILT Holdings (“TILT”)**, a global provider of cannabis business solutions, announced that it has broken ground on a 5,000 square foot cannabis dispensary in partnership with the **Shinnecock Indian Nation**. This dispensary will be located on Shinnecock tribal territory in Southampton, NY
- On July 8th, **Columbia Care**, one of the largest cultivators, manufacturers and providers of cannabis products in the US, announced its proposed business combination with **Cresco Labs** has been approved. This deal is valued at US\$2.0 billion and will see Cresco Labs acquire all the issued and outstanding shares of Columbia Care
- On July 7th, **High Tide**, a retail focused cannabis company, announced that it will be acquiring nine cannabis retail stores from **Choom Holdings** for \$5.1 million. High Tide will be purchasing two stores in British Columbia, six in Alberta, and one in Ontario, and establishing a new footprint in British Columbia
- On July 5th, **Aurora Cannabis Inc. (“Aurora”)**, a Canadian cannabinoid focused company, announced that it has repurchased an aggregate of \$25.3 million of its convertible senior notes. With this repurchase Aurora will strengthen its balance sheet, and will realize annual cash interest savings from Q3 2022 onward totaling \$9.5 million

Relative Performance Index



Key Indicators

All Figures in USD millions unless indicated

	Market Cap	TEV	TEV/Revenue		TEV/EBITDA		Week Δ Price	Δ Price 52Wk High
			2022E	2023E	2022E	2023E		
Canopy Growth Corporation	1,130	1,232	2.2x	2.5x	neg	neg	3.4 %	(86.9)%
Tilray, Inc.	1,747	2,250	3.7x	3.4x	40.5x	22.7x	(6.6)%	(78.2)%
Cronos Group Inc.	1,146	391	4.2x	2.5x	neg	41.3x	(4.6)%	(59.5)%
Aurora Cannabis Inc.	423	392	2.2x	2.4x	neg	neg	(6.7)%	(83.3)%
OrganiGram Holdings Inc.	332	247	3.5x	2.0x	nfm	14.6x	(2.2)%	(62.6)%
Mean			3.1x	2.5x	40.5x	26.2x	(3.3)%	(74.1)%



ADDITIONAL NEWS AND AGRICULTURE COMMODITIES UPDATE

News Scan

- On July 25th, **Food Ingredients 1st** reported that the Canadian federal government plans to reduce Canada's fertilizer use by 30% by 2030, part of an initiative to meet climate targets including reaching net-zero emissions as a country by 2050. This announcement has been met with backlash from the Saskatchewan and Alberta ministers of agriculture as it is expected this reduction in fertilizer use will reduce crop yields, drive prices up, and create economic difficulty for farmers
- On July 22nd, **Russia** and **Ukraine** signed separate agreements with **Turkey** and the **United Nations** to clear the way for the export of millions of tonnes of Ukrainian grain and Russian grain and fertilizer. This deal allows Ukraine to export 22 million tonnes of grain and other agricultural products that have been stuck in ports due to the Russian invasion and could help to stabilize global food prices. On July 23rd, however, one day after the signing of this agreement, Russian missiles struck infrastructure in Ukraine's port of Odesa compromising the agreement
- On July 21st, **Reuters** reported that Brazil has imported record volumes of potassium chloride from Canada in the first half of 2022. This is an indication that domestic farmers will have plenty of potassium chloride to nourish their crops and boost crop yields. Brazil has imported 2.291 million tonnes of the fertilizer from Canada, an annual increase of 71.2%
- On July 19th, **The Canadian Press** reported that a lack of rainfall in southwestern Ontario is leading to lower crop yields. In June the region saw only 48.6 millimeters of precipitation which is down from the long-term average of 82.4 mm for the same period. This decline in rainfall makes this the driest June in 15 years for southwestern Ontario
- On July 14th, **The Western Producer** reported that feed grain prices are set to fall in coming years. This news comes as soybean crush capacity is soaring in the US. The annual crush capacity is expected to grow by 800 million bushels and will add onto the current 2.2 billion bushels of capacity. With all this additional meal entering the market, overall prices are expected to drop
- On July 14th, **The Western Producer** reported that with Indonesia repealing its export ban on palm oil and implementing its Export Acceleration ("EA") program, vegetable oil prices are plummeting globally. The EA program reduces export taxes and levies on Indonesian exporters, resulting in lower prices for the Indonesian crop and increased global palm oil supply. This has reduced world palm oil prices to the lowest value in a year, and put downward pressure on the overall vegetable oil complex
- On July 11th, the **US Department of Agriculture ("USDA")** announced its expectation that Chinese imports of canola will surge in 2022-2023. The USDA has forecasted an import of 2.7 million tonnes of the oilseed, up from 1.9 million tonnes in the previous year. This number is still down from the 4 million tonnes that China used to import and as such, Canada and other countries that export their canola crop to China will need to sell elsewhere
- On June 29th, **Instar Asset Management Inc. ("Instar")**, a private equity firm focused on middle-market opportunities in North America primarily in the infrastructure sector, announced it invested an undisclosed amount in **Greenwood Mushrooms Development Corp. ("Greenwood")**, an agricultural producer of mushrooms located in Ashburn, Ontario, and a previous portfolio company of **Novacap**. This investment from Instar will support the expansion of Greenwood's facilities to meet growing customer demand

Commodities Futures as of July 26th, 2022

Commodities Futures	Price Unit	Latest Price (US\$)	Month to Date	Year to Date
Corn (CBOT)	\$ per bu.	\$5.64	(8.96)%	3.91 %
Wheat (CBOT)	\$ per bu.	\$7.59	(14.14)%	10.96 %
Oats (CBOT)	\$ per bu.	\$4.31	(14.14)%	(5.84)%
Rough Rice (CBOT)	\$ per cwt.	\$16.87	0.72 %	23.87 %
Rapeseed (Canola) (ICE)	CAD per T	\$802.40	(8.66)%	(9.17)%
Ethanol (CBOT)	\$ per gal.	\$2.16	-	(6.90)%



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