



Tuesday, August 30th, 2022

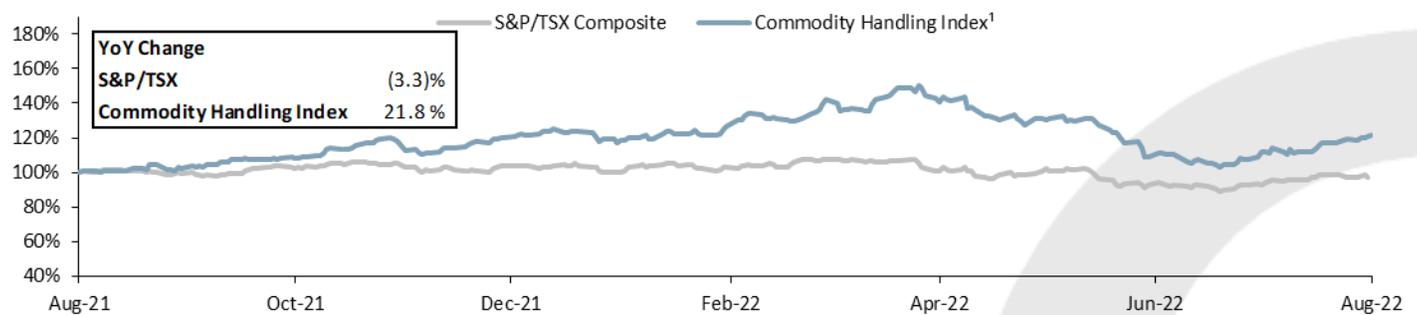


COMMODITY HANDLING

News Scan

- On August 17th, **Archer-Daniels-Midland (“ADM”)**, a global leader in sustainable human and animal nutrition, announced it has entered into a strategic partnership with **New Culture**, a pioneering animal-free dairy company, to accelerate the development and commercialization of alternative dairy products. The partnership will enable joint product development, taking advantage of New Culture’s innovations in novel ingredients and animal-free dairy products
 - On August 8th, **ADM** announced it has entered into a long-term strategic partnership with **Benson Hill**, a global soybean processing and food technology company, to scale innovative soy ingredients that will help meet the rapidly growing demand for plant-based proteins. The collaboration will scale innovative ingredients enabled by Benson Hill genetics, representing an exciting new frontier in taste, texture, nutrition, and functionality for alternative protein solutions
- On August 3rd, **POET LLC (“POET”)** announced that it has signed a purchase agreement with **Savannah Marine Terminal (“SMT”)** to acquire its rail-to-container transload facility in Savannah, Georgia, for an undisclosed amount. The acquisition will help POET strengthen its supply chain
- On August 1st, **Bayer Aktiengesellschaft (“Bayer”)** announced that it has entered into an agreement to acquire a 65% stake in **CoverCress Inc.**, a US-based developer of genetically modified and sustainable pennycress seeds, from **Chevron U.S.A. Inc.**, a subsidiary of **Chevron Corporation** and **Bunge Ventures**, the VC arm of **Bunge Limited**, for an undisclosed amount. The deal supports Bayer’s commitment to promoting sustainability in agriculture
- On July 29th, **Legacy Agripartners (“Legacy”)**, a US-based company engaged in breeding, testing, and selling seeds to dairy and beef producers, announced its acquisition of **Northern Agri Brands LLC (“Northern Agri”)**, a US-based company engaged in forage-focused research and testing services, for an undisclosed amount. Northern Agri’s TriCal Superior Forage brand will help Legacy position itself as the leading seed partner to dairy and beef producers

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	50,204	63,138	9.2x	10.6x	13.0x	14.6x	4.0 %	(8.2)%
Bunge Limited	15,542	23,301	7.2x	7.5x	8.0x	8.7x	3.8 %	(19.2)%
The Andersons, Inc	1,343	3,365	9.0x	9.7x	10.9x	13.4x	4.4 %	(31.3)%
Graincorp Limited	1,358	2,918	6.3x	10.4x	5.2x	10.5x	0.0 %	(21.3)%
United Malt Group Limited	748	1,049	16.6x	10.5x	nmf	21.0x	2.6 %	(22.3)%
Ceres Global Ag	86	190	na	na	na	na	0.3 %	(38.3)%
Mean			9.7x	9.7x	9.3x	13.6x	2.5 %	(23.4)%

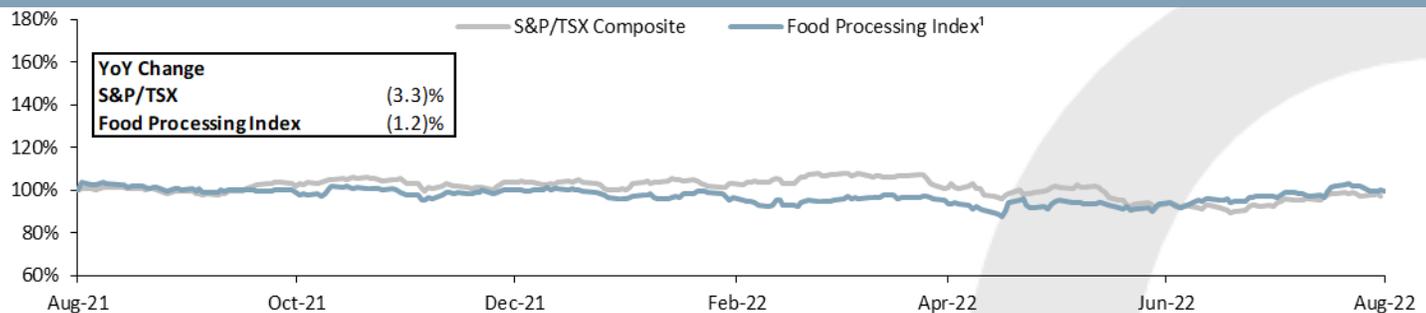


FOOD PROCESSING

News Scan

- On August 25th, **FlavorSum**, a North American flavour producer, acquired **Meridian Flavors (“Meridian”)**, a US-based flavour manufacturer specializing in natural, non-GMO, and organic flavours, for an undisclosed amount. The acquisition expands FlavorSum’s offering to small, mid-sized and emerging food and beverage companies with the addition of Meridian’s extensive portfolio of sweet and dairy flavours
- On August 12th, **Laird Superfood Inc. (“Laird”)**, a US-based protein bars and plant-based creamers manufacturer, announced that it received an unsolicited acquisition bid from **EF Hutton SPV I LLC**, for cash consideration of US\$3 per share, which represents a premium of 47.8% over the stock’s closing price for the day. Since December 2020, Laird’s share price has declined from a high of US\$57.10 to a closing price of just above US\$2 on August 12.
- On August 11th, **InvestIndustrial**, a UK-based PE-firm, announced its acquisition of **Parker Food Group (“PFG”)**, a US-based manufacturer of specialty value-added ingredients, from **The Riverside Company**, a US-based PE firm, for an undisclosed amount. InvestIndustrial also announced an agreement to acquire a significant portion of **TreeHouse Foods**, Inc.’s meal preparation business for US\$950 million
- On August 9th, **Cooke Inc. (“Cooke”)**, the major Canadian based seafood company, announced its acquisition of **Morubel NV**, a Belgium-based shrimp processor, for an undisclosed amount. The deal will help Cooke enhance its presence in the European market
- On August 5th, **Premium Brands Holdings Corporation (“Premium Brands”)**, the Canadian producer, marketer, and distributor of specialty food products in North America, announced its acquisition of **King’s Command**, a US-based cooked protein manufacturer, and **Golden Valley Farms Inc.**, a Canadian-based manufacturer of deli meats, for a combined US\$67 million. The deal will help Premium Brands expand its in-house capacity for two growth categories, namely cooked protein and dry cured meats
- On August 3rd, **Del Monte Foods Inc. (“Del Monte”)**, a US-based manufacturer and distributor of canned food products, announced the acquisition of **Kitchen Basics Inc.**, a US-based producer of cooking stocks and broths, from **McCormick & Co. Inc.**, a global leader in flavourings and specialty food products, for an undisclosed amount. The deal builds on Del Monte’s retail presence in broths and stocks
- On August 2nd, **Highview Capital LLC**, a US-based PE firm, through its portfolio company **Randall Foods Inc.**, a US-based processor and distributor of poultry and meat products, announced its acquisition of **Jobbers Meat Packing Co. Inc.**, a US-based processor and packager of meat products, for an undisclosed amount
- On August 1st, **Colgate-Palmolive (“Colgate”)** announced its acquisition of three dry pet food manufacturing plants from **Red Collar Pet Foods Inc.**, a US-based manufacturer of pet food, for US\$700 million. The deal will help Colgate support the growth of its Hill’s Pet Nutrition business

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.	10,637	13,758	13.1x	10.3x	22.7x	17.3x	(2.2)%	(7.5)%
Ingredion Incorporated	5,868	8,069	8.1x	7.6x	12.6x	11.3x	(5.7)%	(12.8)%
Tate & Lyle plc	3,665	4,430	11.0x	12.0x	18.7x	15.3x	(1.2)%	(14.4)%
Premium Brands	3,412	5,241	12.2x	10.5x	18.8x	16.0x	(2.2)%	(28.2)%
Maple Leaf Foods Inc.	2,197	3,468	12.9x	7.5x	nmf	12.7x	(3.3)%	(29.2)%
SunOpta Inc.	1,054	1,370	23.4x	17.8x	nmf	nmf	(6.4)%	(12.1)%
Rogers Sugar	507	822	9.9x	9.8x	16.6x	14.1x	0.5%	(4.4)%
High Liner Foods Incorporated	341	585	7.5x	7.0x	9.9x	8.3x	(3.3)%	(13.7)%
Mean			12.3x	10.3x	16.6x	13.6x	(2.9)%	(15.3)%

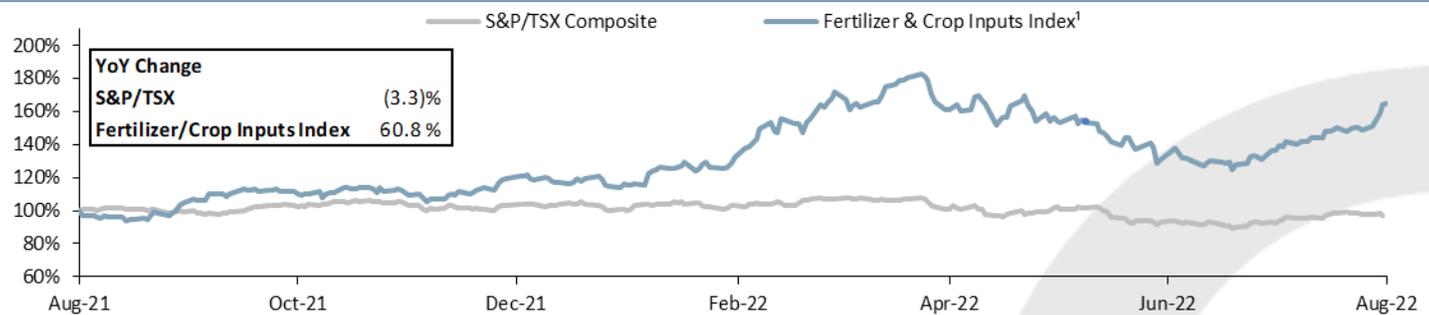


FERTILIZERS AND CROP INPUTS

News Scan

- On August 29th, **Yara International ASA (“Yara”)**, a global chemical and fertilizer company, announced it has entered into the world’s first commercial agreement with **Northern Lights**, a transportation and storage provider of CO₂, to conduct cross border CO₂ transportation and storage in Europe. This partnership is ground-breaking for the decarbonization industry and a major milestone towards achieving Yara’s net zero targets
 - On August 25th, **Yara** announced it has completed an internal demerger and triangular merger of its **Clean Ammonia business**. Following this transaction, Yara’s Clean Ammonia business will demerge from Yara and subsequently merge with **Yara Clean Ammonia Holding AS**, the world’s largest ammonia distribution company and a wholly-owned subsidiary of Yara. There will be no changes to the capital structure and nominal value of the shares in Yara
- On August 24th, **CF Fertilisers UK**, a subsidiary of CF Industries Holdings, announced its intention to temporarily halt ammonia production at its Billingham Complex due to market conditions.
- On August 15th, **Archer-Daniels-Midland (“ADM”)**, announced it has signed an agreement with **LG Chem**, a global diversified chemical company, to launch two joint ventures for the US production of lactic acid and polylactic acid to meet growing demand for a wide variety of plant-based products. The first joint venture, **GreenWise Lactic**, is expected to produce up to 150,000 tons of high-purity corn-based lactic acid annually, and the second joint venture, **LG Chem Illinois Biochem**, will use product from GreenWise Lactic to produce approximately 75,000 tons of polylactic acid annually
- On August 8th, **J.M. Huber Corporation (“JMH”)**, a US-based manufacturer of chemical additives, particularly for toothpaste, paint and paper, announced its acquisition of **Biolchim SpA**, an Italy-based producer and distributor of fertilizers and biostimulants, for an undisclosed amount. The deal will help JMH grow its Huber AgroSolutions business unit, especially in Europe

Relative Performance Index



Key Indicators

All Figures in USD millions unless indicated

	Market		TEV/EBITDA		Price/Earnings		Week Δ Price	Δ Price 52Wk High
	Cap	TEV	2022E	2023E	2022E	2023E		
Nutrien Ltd.	54,266	63,863	5.6x	6.7x	7.8x	9.1x	9.7 %	(12.9)%
CF Industries Holdings, Inc.	23,582	27,668	4.4x	6.1x	6.2x	8.6x	9.5 %	(5.2)%
The Mosaic Company	21,327	25,178	3.3x	4.2x	4.6x	5.8x	12.7 %	(23.9)%
Yara International ASA	10,907	14,373	6.8x	6.4x	4.4x	6.2x	1.1 %	(16.1)%
Nufarm Ltd.	1,435	1,947	6.3x	6.4x	17.0x	17.7x	(0.4)%	(23.8)%
Mean			5.3x	5.9x	8.0x	9.5x	6.5 %	(16.4)%

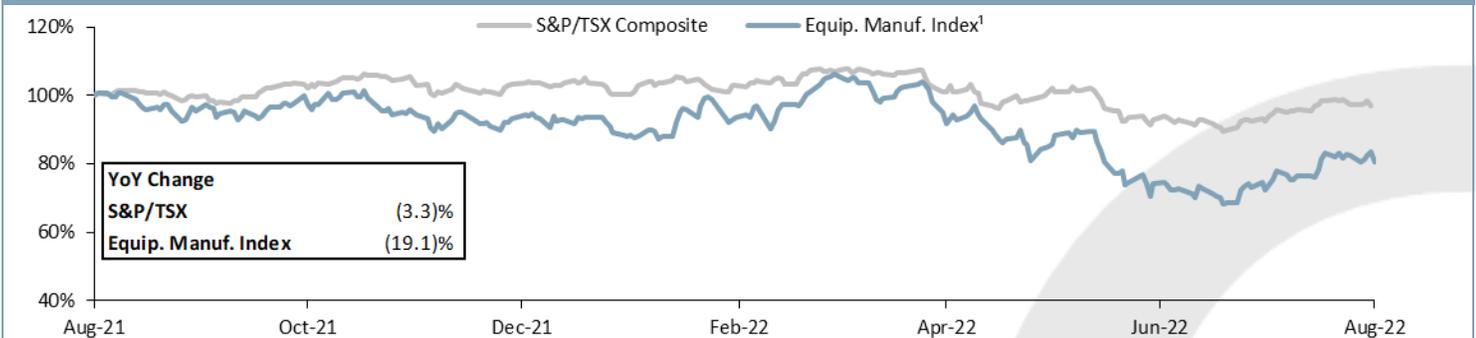


EQUIPMENT AND TECHNOLOGY

News Scan

- On August 25th, **Tate & Lyle PLC**, a global ingredient solutions provider for healthier food and beverages, announced it has jointly filed an international patent application with **APC Microbiome Ireland**, a Science Foundation Ireland Research Centre, for a synbiotic fibre technology that has shown positive preliminary results in metabolic health. This new ingredient technology is expected to lead to various positive health changes in the heart and liver
- On August 22nd, **Vive Crop Protection Inc. (“Vive”)**, a Canadian-based developer and marketer of crop protection products such as fungicides, announced the close of its US\$26 million Series C funding. The round was led by **Emmertech** with participation from the **Cibus funds**, and existing investors **Business Development Bank of Canada**, **Export Development Canada**, and **Urbana Corporation**. Vive has also secured debt financing from **Silicon Valley Bank** to provide both working and growth capital in support of their continued expansion
- On August 18th, **Yara Growth Ventures**, the venture capital arm of Yara International ASA, , announced it has acquired a minority stake in **Sabant Ag**, an innovative autonomous agricultural equipment provider. This transaction will be especially attractive for farmers that operate smaller, lightweight tractors as it not only reduces capital expenditure but also significantly reduces soil compaction
 - On August 1st, **Yara Growth Ventures** announced it has acquired a minority stake in **Jai Kisan**, an Indian-based financial services provider dedicated to rural Indian farmers and retailers. Following Yara Growth Ventures’ investment, Jai Kisan will focus on enabling more transparent and attractive financing along the agriculture value chain with its buy-now, pay-later and supply chain financing offerings
- On August 2nd, **Dairy Farmers of America Inc. (“DFA”)**, a US-based producer of milk products, announced its acquisition of two extended shelf-life (ESL) processing plants from **Smithfoods Inc.**, a US-based producer of milk products, beverages and ice cream, for an undisclosed amount. The acquisition will help DFA expand its footprint in the fast-growing ESL dairy products space

Relative Performance Index



Key Indicators

All Figures in USD millions unless indicated

	Market		TEV/EBITDA		Price/Earnings		Week Δ Price	Δ Price 52Wk High
	Cap	TEV	2022E	2023E	2022E	2023E		
Deere & Company	115,952	171,086	15.0x	14.5x	15.3x	14.1x	3.0 %	(14.8)%
AGCO Corporation	8,251	10,261	6.6x	6.1x	9.3x	8.7x	0.4 %	(25.9)%
Ag Growth International Inc.	575	1,333	7.9x	7.3x	13.7x	9.7x	(3.2)%	(11.0)%
CNH Industrial N.V.	12,815	27,308	12.9x	11.9x	8.9x	8.2x	0.5 %	(36.0)%
Farmers Edge Inc.	20	23	neg	neg	neg	neg	(33.7)%	(90.1)%
Mean			10.6x	9.9x	11.8x	10.2x	0.1 %	(17.2)%

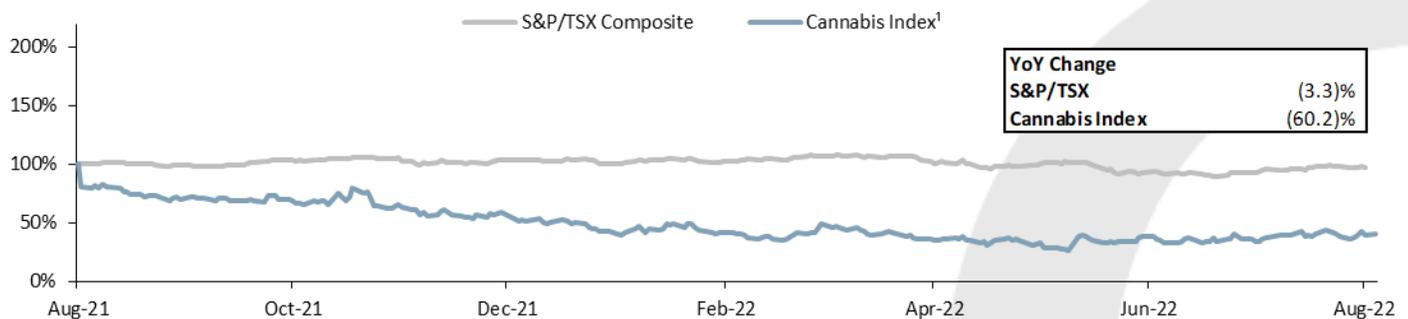


CANNABIS AND HEMP

News Scan

- On August 25th, Canadian-based company, **Aurora Cannabis Inc.**, announced a wholly-owned subsidiary of the company acquired a controlling interest in **Bevo Agtech Inc. (“Bevo”)**, the sole parent of the largest North American supplier of propagate vegetables and ornamental plants. The transaction details included an upfront cash payment of approximately \$45.0 million with an additional \$12.0 million in potential earnouts payable over three years post-close, conditional on achieving certain financial milestones at Bevo’s Site One facility in Langley, BC
- On August 24th, **TerrAscend Corp (“TerrAscend”)**, a leading North American cannabis operator, announced the completion of its acquisition of **KISA Enterprises MI, LLC**, a Michigan-based dispensary chain operator, and related real estate assets from **KISA Holdings, LLC** for total consideration of US\$28.5 million. The acquisition expands TerrAscend’s retail footprint in Michigan and is expected to be immediately accretive on both a Sales and EBITDA basis
- On August 22nd, **SNDL Inc. (“SNDL”)**, a Canadian-based liquor and cannabis retailer, announced its acquisition of the remaining 89.9% stake in **The Valens Company Inc.**, a Canadian-based developer, manufacturer, and seller of CBD-based products, for US\$106.15 million. The transaction helps SNDL position itself as one of Canada’s leading vertically integrated cannabis platforms
- On August 10th, **Galexy Holdings Inc. (“Galexy”)**, a US-based manufacturer and online marketer of CBD products, announced its acquisition of **ABC Wholesale LLC. (“ABC”)**, a US-based producer and marketer of CBD consumer products, for an undisclosed amount. The acquisition will help Galexy tap into new markets in 11 US states and will provide white labeling and cross-marketing opportunities between both ABC and WBF (see below)
 - On August 4th, **Galexy** completed its acquisition of **Wellbeing Farms LLC (“WBF”)**, a US-based producer and marketer of proprietary CBD-Mushroom combination products, for an undisclosed amount. The deal will help Galexy expand its product portfolio, and WBF’s unique marketing plan will bolster Galexy’s plan for nationwide expansion through vending machines
- On August 10th, **Auxly Cannabis Group (“Auxly”)**, a Canadian-based cannabis products company, announced the sale of its **Auxly Annapolis OG Inc.** outdoor cultivation facility located in Hortonville, Nova Scotia to a private purchaser for US\$2.63 million. The sale is a part of the Auxly’s ongoing efforts to streamline operations and become adjusted EBITDA profitable in 2022
- On August 3rd, **Fresh Hemp Foods Ltd.**, a subsidiary of **Tilray Brands Inc. (“Tilray”)**, a US-based cannabis products company, signed an agreement with **Southern Glazer’s Wine and Spirits LLC**, a US-based distributor for alcoholic beverages, giving them exclusive rights to distribute Tilray’s CBD beverage portfolio in 13 states across the US

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	1,850	2,054	4.6x	5.4x	neg	neg	3.6 %	(77.0)%
Tilray, Inc.	2,221	2,501	4.4x	4.0x	46.4x	25.5x	4.3 %	(71.8)%
Cronos Group Inc.	1,180	508	5.9x	3.9x	neg	46.3x	8.4 %	(51.1)%
Aurora Cannabis Inc.	465	434	2.5x	2.7x	neg	neg	7.1 %	(80.5)%
OrganiGram Holdings Inc.	338	254	3.6x	2.1x	nmf	15.2x	8.3 %	(58.7)%
Mean			4.2x	3.6x	46.4x	29.0x	6.3 %	(67.8)%



ADDITIONAL NEWS AND AGRICULTURE COMMODITIES UPDATE

News Scan

- On August 29th, **Statistics Canada (“StatsCan”)** released its annual crop projection report, which anticipates a promising rebound in Canada’s crop production from the severe drought that ravaged last year’s harvest. For 2022, total wheat production is estimated at 34.6 million tonnes, the second-largest Canadian wheat harvest in nine years and representing a 55.1% increase over 2021
 - The **StatsCan** report also estimates 41.7% y/y growth in canola production to 19.5 million tonnes in 2022, owing to the significant improvement in growing conditions in the Prairies, pushing yields higher by 47.8% to 40.5 bushels per acre
- On August 19th, **Reuters** reported that China has issued its first national drought alert of the year as authorities battle forest fires and mobilise specialist teams to protect crops from scorching temperatures across the Yangtze river basin
- On August 18th, **The Western Producer** reported that the Chinese government has extended its restrictions on phosphate exports through the end of 2022. The restrictions that were first imposed in October 2021 were set to expire by the end of June. Exports will be limited to 3.16 million tonnes for the second half of 2022, down from 5.5 million tonnes for the same period of 2021
- On August 17th, **Reuters** reported that, according to Turkey’s defence ministry, four more ships have left Ukrainian ports carrying sunflower meal, sunflower oil and corn, from Chornomorsk and Odesa ports, under a U.N.-brokered grain export deal
- On August 15th, **Food Ingredients 1st** reported that the Andrés Manuel López Obrador, president of Mexico, is demanding US beer producers move to the South and Southeast to preserve the country’s water resources. The move comes as the five million citizens of Monterrey, the second most populous city in Mexico, have no access to water during large parts of the day due to a severe drought
- On August 12th, **Reuters** reported that the Democratic-led U.S. House of Representatives approved a US\$430 billion bill that is seen as the biggest climate package in U.S. history, delivering a major legislative victory for President Joe Biden ahead of the Nov. 8 midterm election
- On August 9th, in an interview with **The Western Producer**, the Federal agriculture minister Marie-Claude Bibeau reiterated that fertilizer use reduction was not on the table, and that what they are targeting is reducing emissions caused by synthetic fertilizers. She also emphasized that the 30 percent reduction by 2030 is a voluntary target, not a mandate
- On August 7th, **Reuters** reported that France was bracing for a fourth heatwave this summer as its worst drought on record left parched villages without safe drinking water and farmers warned of a looming milk shortage this winter
- On August 5th, **The Western Producer** reported that APK-Inform is forecasting that Ukraine will harvest 2.73 million tonnes of rapeseed/canola in 2022-23, which is only slightly below the five-year average. They are forecasting exports of 2.43 to 2.61 million tonnes. That compares to 2.72 million tonnes in 2021-22, very similar volumes heading to market despite the war
- On August 3rd, **The Western Producer** reported that corn and soybean growers in Argentina have been cutting back on deliveries to grain elevators and crushers. The problem is that the devaluation of the peso has not kept pace with soaring inflation. Growers expect the government will eventually have to devalue the peso and are holding onto their grain and oilseeds until that happens

Commodities Futures as of August 30th, 2022

Commodities Futures	Price Unit	Latest Price (US\$)	Month to Date	Year to Date
Corn (CBOT)	\$ per bu.	\$6.83	10.16 %	25.84 %
Wheat (CBOT)	\$ per bu.	\$8.43	4.33 %	16.48 %
Oats (CBOT)	\$ per bu.	\$4.12	(7.05)%	(19.30)%
Rough Rice (CBOT)	\$ per cwt.	\$17.65	4.50 %	31.29 %
Rapeseed (Canola) (ICE)	CAD per T	\$838.50	(6.08)%	(7.00)%
Ethanol (CBOT)	\$ per gal.	\$2.16	0.05 %	(2.66)%





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