



Tuesday, Nov 1, 2022

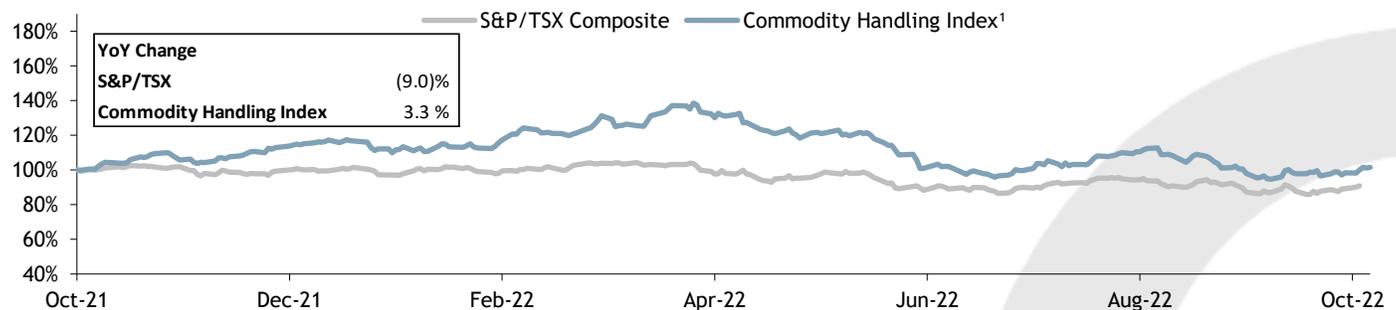


COMMODITY HANDLING

News Scan

- On October 21st, **UPL Limited (“UPL”)**, an India-based agriculture solutions provider, announced a definitive agreement that would see **KKR & Co. Inc.** invest US\$300 million for a 13.33% stake in **Advanta Enterprises Limited**, UPL’s seed business subsidiary. The deal is one of two announced as part of UPL’s corporate realignment plan aimed at simplifying group structure and creating distinct pure-play platforms that facilitate ‘fair value recognition’. See the ‘Fertilizers and Crop Inputs’ section for the second deal
- On October 13th, **Bunge Limited** (NYSE: BG), and **Olleco**, the renewables division for **ABP Food Group**, a UK-based company that produces, processes, and exports beef, lamb, frozen, and organic products, announced an agreement to form a 50/50 joint venture to create a business that encompasses the full life cycle of edible oils. The joint venture is expected to work with foodservice and food manufacturing customers in Europe - excluding UK and Ireland - to supply oils and ensure used cooking oil (UCO) is efficiently collected and used as a feedstock in the production of renewable fuels
- On October 10th, **The Andersons, Inc. (“Andersons”)** (Nasdaq: ANDE) announced that it has signed an agreement to purchase the assets of **Mote Farm Service, Inc.**, a US-based agricultural chemical wholesale company, for an undisclosed amount. The purchase supports Andersons’ strategy to be the Midwest’s premier provider of plant nutrients and agronomy services
- On October 6th, **The Scouler Company (“Scouler”)**, announced that it has reached an agreement to acquire **Walker Products’** grain handling facility in Lincoln, Kansas. The facility enhances Scouler’s presence in Kansas, providing 1 million bushels of storage for wheat, milo, soybeans and corn, with access to rail
- On October 3rd, **Viterra Limited (“Viterra** announced that it closed its acquisition of the grain and ingredients business of US-based **Gavilon Agriculture Investment, Inc.**, a wholly owned subsidiary of **Marubeni Corporation**, for US\$1.125 billion. The transaction was first announced in January this year.

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
ADM	52,121	62,142	8.5x	9.7x	12.6x	14.6x	7.4 %	(4.0)%
Bunge Limited	14,495	20,661	6.0x	6.4x	7.0x	8.0x	7.7 %	(24.6)%
The Andersons, Inc	1,171	3,186	8.8x	9.4x	9.8x	11.7x	2.8 %	(40.7)%
Graincorp Limited	1,108	2,550	5.9x	9.4x	4.6x	9.2x	(1.1)%	(28.5)%
United Malt Group Limited	584	862	14.8x	9.3x	43.7x	17.7x	5.9 %	(34.0)%
Mean			8.8x	8.9x	15.5x	12.2x	4.7 %	(31.4)%

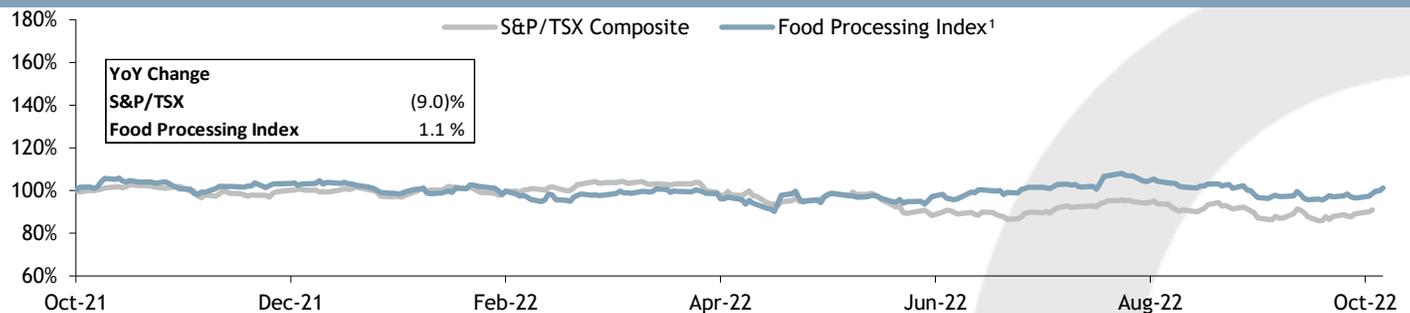


FOOD PROCESSING

News Scan

- On October 19th, **Nestlé** announced that it plans to acquire the **Seattle's Best Coffee** brand, whose products include whole bean, roast and ground packaged coffee, and K-Cup pods, from **Starbucks**, for an undisclosed amount. The deal is a part of Nestlé's focus on driving growth in the coffee category and strengthens the Global Coffee Alliance by allowing both companies to focus on their core strengths
- On October 18th, **Mubadala Capital ("MC")**, a wholly owned subsidiary of **Mubadala Investment Company**, announced that it has acquired **AOG, LLC (d/b/a TruFood Manufacturing) ("TruFood")**, a US-based snack food contract manufacturer, from US-based **AUA Private Equity Partners, LLC**, for an undisclosed amount. TruFood hopes to leverage MC's resources to drive its next phase of growth
- On October 12th, **Ruiz Food Products, Inc. ("Ruiz")**, a US-based frozen food manufacturer specializing in Mexican food products, announced that it has acquired the assets of **Culinary International, LLC**, a US-based contract manufacturer of ready-to-eat frozen and refrigerated Mexican foods, for an undisclosed amount. The acquisition expands Ruiz's manufacturing capacity on the West Coast
- On October 11th, **SunOpta Inc. ("SunOpta")** announced the sale of **Sunrich Products**, its sunflower and roasted snack division, to **Pacific Avenue Capital Partners**, a US-based PE firm, for US\$16.0 million. The divestiture further focuses SunOpta on value-added plant-based foods and beverages and lowers its commodity trading exposure
- On October 7th, **LongueVue Capital**, a US-based PE firm, announced the sale of its portfolio company **Pod Pack International**, a US-based manufacturer of single-serve coffee and tea solutions, to **Joe's Garage Coffee ("JGC")**, a US-based provider of flexible coffee sourcing, roasting, R&D, and packaging services for the specialty coffee industry, for an undisclosed amount. The deal will help JGC expand its product and service capability suite, market presence, manufacturing capacity, and geographic reach
- On October 4th, **Astorg Asset Management S A.R.L.**, through its subsidiary **Solina Group SAS ("Solina")**, a France-based producer of savoury ingredient solutions for the food industry, announced that it has signed an agreement to acquire **Saratoga Food Specialties**, a US-based manufacturer and seller of custom dry seasoning blends and liquid solutions, from **WH Group Limited**, a Hong Kong-based meat products company, for US\$587.5 million. The acquisition accelerates Solina's expansion into North America by adding liquid solutions to its existing dry seasoning capabilities, as well as providing it with B2B, foodservice and retail expertise
- On October 3rd, **Orkla Food Ingredients ("OFI")**, a Norway-based producer of the bakery and ice cream ingredients, announced that it has entered into an agreement to purchase 84% of the shares in **Denali Ingredients**, a US-based ice cream ingredients business, from **Denali Flavors, Inc.**, a US-based producer and distributor of ice cream, for US\$200 million. The transaction supports OFI's efforts to improve its presence in the US ice cream industry

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.	10,824	13,945	13.4x	10.6x	23.1x	17.6x	6.1%	(3.9)%
Ingredion Incorporated	5,814	8,062	8.2x	7.6x	12.5x	11.3x	7.6%	(12.9)%
Tate & Lyle plc	3,221	4,023	10.1x	10.8x	16.5x	13.3x	2.6%	(23.5)%
Premium Brands	2,656	4,401	10.6x	9.1x	15.4x	13.1x	(1.8)%	(41.4)%
Maple Leaf Foods Inc.	1,901	3,110	12.8x	7.3x	nmf	12.9x	4.5%	(35.7)%
SunOpta Inc.	1,135	1,424	25.5x	19.4x	nmf	nmf	11.5%	(1.1)%
Rogers Sugar	460	760	9.6x	9.5x	15.8x	13.4x	1.9%	(9.0)%
High Liner Foods Incorporated	309	541	7.4x	6.7x	9.8x	7.6x	0.4%	(17.8)%
Mean			12.2x	10.1x	15.5x	12.7x	4.1%	(18.2)%

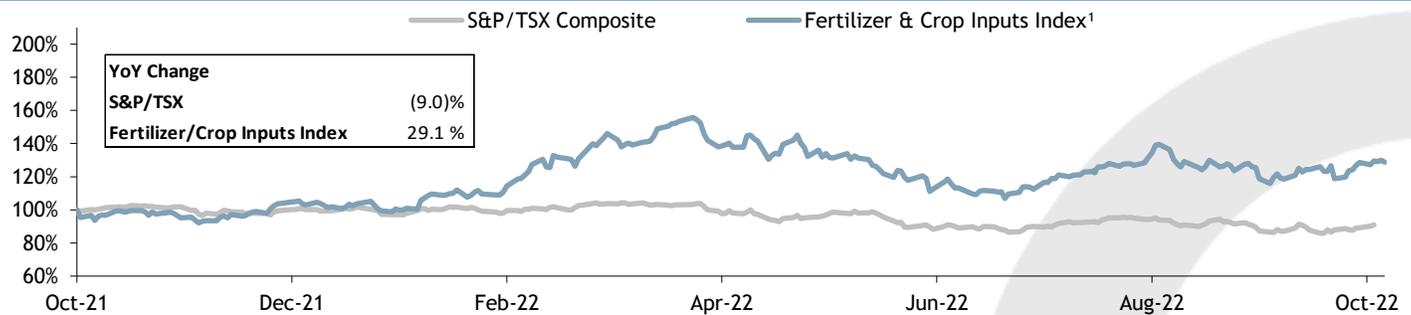


FERTILIZERS AND CROP INPUTS

News Scan

- On October 21st, **UPL Limited (“UPL”)**, an India-based agriculture solutions provider, announced a definitive agreement that would see **ADIA**, **Brookfield Asset Management**, and **TPG** invest a combined US\$200 million for a 9.09% stake in **UPL Sustainable Agri Solutions Ltd**, a UPL subsidiary that manufactures agrochemicals and formulations. This is the second deal announced as part of UPL’s corporate realignment plan to simplify group structure and create distinct pure-play platforms that facilitate ‘fair value recognition’. See the ‘Commodity Handling’ section for the first deal
- On October 18th, **Darling Ingredients Inc. (“Darling”)** (NYSE: DAR), a US-based company involved in turning edible by-products and food waste into value-added products, such as green energy, renewable diesel, collagen and fertilizer, announced that it has entered into a definitive agreement to acquire all of the shares of **Gelnex**, a Brazil-based producer of collagen products, for US\$1.2 billion. This acquisition will allow Darling to increase its production capacity for grass-fed bovine collagen in South America
- On October 14th, **Advent International Corporation**, a US-based PE firm, and **Wilbur-Ellis Company Inc.**, a US-based marketer, distributor and manufacturer of agricultural products, animal nutrients and specialty chemicals and ingredients, announced that they have reached an agreement to merge their life sciences and specialty chemicals solutions businesses, **Caldic B.V. (“Caldic”)** and **Connell**. The combination creates a platform with a substantial presence in two high-growth regions: Asia-Pacific and Latin America
- On October 4th, **Inari Agriculture, Inc. (“Inari”)**, a US-based company that develops customized seeds to grow crop using CRISPR gene editing technology, a portfolio company of **Flagship Pioneering**, a US-based VC firm, announced that it has secured US\$124 million in the successful completion of its Series E fundraise. The investment will further advance Inari’s development of multiplex gene-edited seed technology, support expansion of company product development and ultimately deliver new value in the commercial seed market

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.	44,341	53,354	4.9x	5.8x	6.8x	7.7x	(1.5)%	(24.2)%
CF Industries Holdings, Inc.	21,058	25,176	4.0x	5.1x	5.6x	7.3x	1.2 %	(11.6)%
The Mosaic Company	18,347	22,144	2.9x	3.7x	4.1x	5.0x	3.1 %	(33.0)%
Yara International ASA	11,334	14,882	6.8x	6.4x	4.2x	5.9x	1.3 %	(8.9)%
Nufarm Ltd.	1,338	1,812	6.4x	6.5x	17.3x	18.0x	5.2 %	(20.6)%
Mean			5.0x	5.5x	7.6x	8.8x	1.9 %	(19.7)%

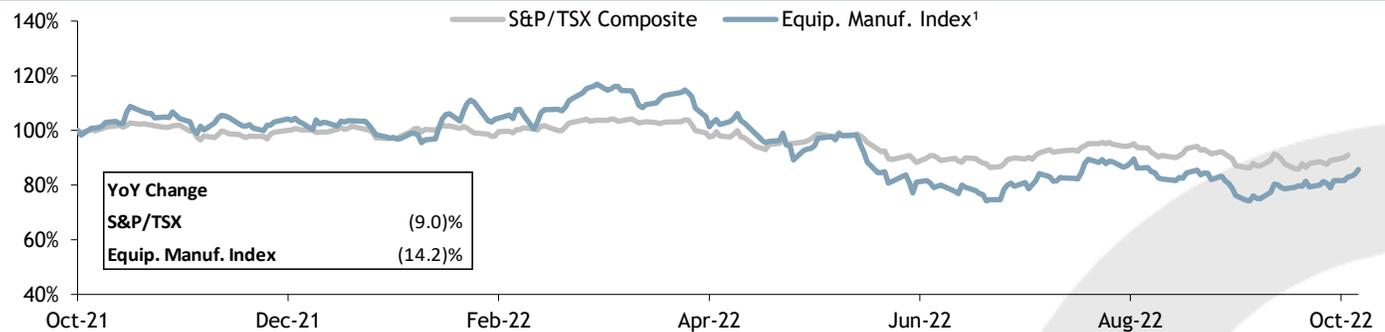


EQUIPMENT AND TECHNOLOGY

News Scan

- On October 25th, **Yotta Acquisition Corporation** (NASDAQ: YOTA), a US-based SPAC, announced the signing of a definitive agreement to acquire **NaturalShrimp, Incorporated (“NaturalShrimp”)** (OTCQB: SHMP), a US-based biotechnology aquaculture company, for US\$275 million. The deal will accelerate NaturalShrimp’s commercialization and production ramp up of farm-to-table sushi grade shrimp and fresh seafood including the planned US facility expansion
- On October 12th, **Kinderhook Industries LLC**, a US-based PE firm, through its portfolio company **All States Ag Parts, LLC (“ASAP”)**, a US-based supplier of replacement agricultural and heavy equipment parts, announced the acquisition of **Arrow Acquisition, LLC**, a US-based company that specializes in forks and attachments for a wide range of material handling equipment, for an undisclosed amount. The acquisition expands ASAP’s heavy equipment business into the adjacent category of material handling, enhancing its position as a replacement parts business diversified across agriculture and industrial markets
- On October 5th, **Emergent Cold Latin America (“ECLA”)**, a US-based refrigerated storage and logistics service provider, announced that it has signed a definitive agreement to acquire the cold storage operations of **Frigorifico Modelo (“Frimosa”)**, a Uruguay-based agro-industrial and logistics company, for an undisclosed amount. The acquisition of Frimosa’s cold storage operations will expand ECLA’s existing capabilities in Uruguay and add Paraguay to its growing regional network

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		
Deere & Company	119,777	175,537	15.2x	14.1x	16.0x	14.8x	8.6 %	(11.2)%
AGCO Corporation	9,237	11,277	7.2x	6.7x	10.4x	9.7x	12.0 %	(17.6)%
Ag Growth International Inc.	484	1,207	7.5x	6.9x	12.4x	8.9x	9.5 %	(21.0)%
CNH Industrial N.V.	12,759	26,606	13.3x	12.2x	9.3x	8.6x	5.6 %	(34.3)%
Farmers Edge Inc.	15	17	neg	neg	neg	neg	(3.0)%	(91.9)%
Mean			10.8x	10.0x	12.0x	10.5x	10.0 %	(16.6)%

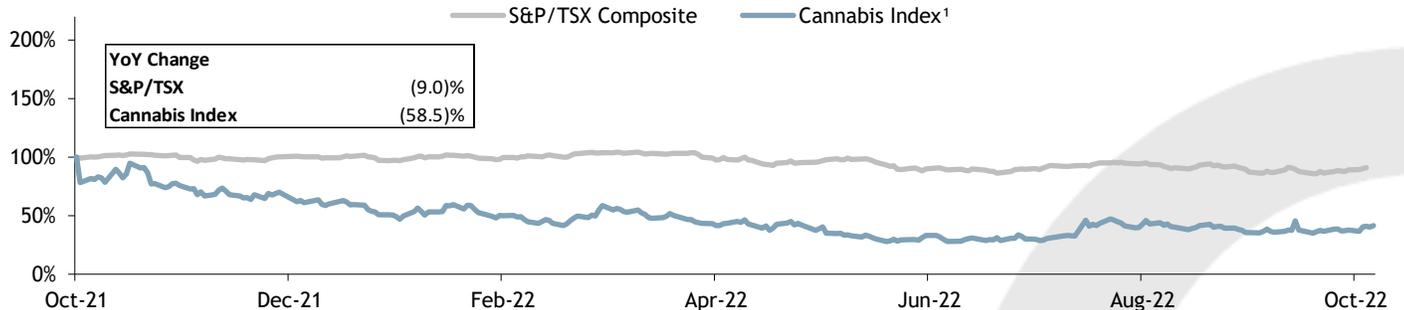


CANNABIS AND HEMP

News Scan

- On October 25th, **Canopy Growth Corporation ("Canopy")** (TSX: WEED) announced its acquisition of 3 US-based companies, **Acreege Holdings, Inc.**, a vertically integrated cannabis operator, **Wana LLC**, a cannabis edibles brand, and **Lemurian, Inc.**, a cannabis extract and vape technology company, through its newly domiciled entity **Canopy USA, LLC**, for an undisclosed amount. The deals accelerate Canopy's entry into the US market
- On October 19th, **The Green Organic Dutchman Holdings Ltd. ("TGOD")** (CSE: TGOD), a Canadian producer of organically grown cannabis, announced that it has entered into a binding agreement to acquire **BZAM Holdings ("BZAM")**, a Canadian cannabis producer focused on branded consumer goods, cultivation, and processing, for an undisclosed amount. TGOD's market strength in Quebec and Ontario complements BZAM's strength in western Canada, with opportunities to expand distribution there. The transaction also improves TGOD's debt ratios
- On October 17th, **Apple Rush Co., Inc. ("Apple Rush")** (OTC Pink: APRU), a US-based company that manufactures and sells various beverages and snacks to wholesale and retail clients, announced that it has signed a letter of intent to purchase **Elev8 Hemp, LLC ("Elev8")**, a US-based company that makes hemp and CBD coffees and teas, from **Branded Legacy, Inc.** (OTCQB: BLEG), a US-based company engaged in the commercial development of hemp and cannabinoid-infused beverages, for an undisclosed amount. Apple Rush intends to use its in-house capabilities to expand Elev8's coffee line-up
- On October 3rd, **New Leaf Ventures Inc. ("New Leaf")** (CSE: NLV), a Canadian company that processes, packages and distributes cannabis and related products, announced that it has entered into a non-binding letter of intent to acquire **High Profile Holdings Corp. ("High Profile")**, a Canadian retail-focused cannabis company, for an undisclosed amount. High Profile's well-established distribution network will serve an important piece in the New Leaf's strategic expansion plan

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	1,509	1,700	3.9x	4.7x	neg	neg	32.1 %	(78.6)%
Tilray, Inc.	2,219	2,482	4.3x	4.0x	47.6x	28.6x	10.0 %	(71.7)%
Cronos Group Inc.	1,173	500	6.1x	4.0x	neg	37.7x	7.4 %	(49.9)%
Aurora Cannabis Inc.	384	295	1.7x	1.9x	neg	neg	16.8 %	(84.0)%
OrganiGram Holdings Inc.	306	226	3.4x	1.9x	49.7x	14.5x	9.9 %	(58.3)%
Mean			3.9x	3.3x	48.6x	26.9x	15.2 %	(68.5)%



ADDITIONAL NEWS AND AGRICULTURE COMMODITIES UPDATE

News Scan

- On October 29th, **The Globe and Mail** reported that Russia will immediately suspend its implementation of a UN-brokered grain deal that has seen more than nine million tons of grain exported from Ukraine during the war. This move is expected to push up global food prices with severe consequences for poor countries already facing famine
- On October 24th, **CBC** reported that seafood processors on P.E.I. will have difficulty meeting the already high demand for their products following damage from post-tropical storm Fiona, and are exploring ways to minimize the impact from storms in the future
- On October 18th, **Reuters** reported that US farmers in economic distress have received nearly US\$800 million in loan relief from the Department of Agriculture using funds from the Inflation Reduction Act, according to Agriculture Secretary Tom Vilsack and Deputy Secretary Jewel Bronaugh
- On October 17th, **Successful Farming** reported that poultry processors could be required to test birds for salmonella bacteria before slaughter and for so-called indicator organisms during processing under a USDA proposal aimed at reducing food-borne illnesses in raw poultry. Under the framework, the Food Safety and Inspection Service might create an enforceable standard to prevent sale of poultry with high levels of the bacteria
- On October 15th, **Reuters** reported that India has allowed export-oriented units and the firms set up in Special Economic Zones to export flour made from imported wheat, according to a government order, conceding to the demands of food processors to allow shipments of value-added products
- On October 14th, **Reuters** reported that US import prices dropped for a third straight month in September, reduced, in part, by falling costs for petroleum products and a strong dollar, and suggesting that imported inflation pressures were subsiding as global supply chains improve
- On October 13th, **The Western Producer** reported that widespread rain in September has helped European farmers carry out rapeseed seeding after a severe summer drought, while boosting soil conditions for upcoming wheat and barley planting
- On October 10th, **The Globe and Mail** reported that Chicago wheat futures surged to their highest since June amid growing concerns that an escalation in the fighting between Russia and Ukraine could further disrupt grain shipments from Black Sea ports. The rally in wheat also gave a boost to corn futures, which also rose on expectations of reduced harvest forecasts in the United States and Europe
- On October 7th, **Successful Farming** reported that more than 47 million birds in domestic flocks, mostly chickens and turkeys, have died or were culled in efforts to stop the spread of highly pathogenic avian influenza since early February. By reducing the size of the US laying flock, bird flu has driven up egg prices. The price of turkey breast meat has also been affected, according to analysts
- On October 4th, **The Globe and Mail** reported that in its biannual report on sub-Saharan Africa, the World Bank warned that hunger has “sharply increased” in recent years because of economic shocks, extreme weather, and violence and conflict. An estimated 140 million people in the region are suffering from acute lack of food, compared with 120 million last year

Commodities Futures as of October 28th, 2022

Commodities Futures	Price Unit	Latest Price (US\$)	Month to Date	Year to Date
Corn (CBOT)	\$ per bu.	\$6.81	-	20.97 %
Wheat (CBOT)	\$ per bu.	\$8.29	(9.07)%	7.35 %
Oats (CBOT)	\$ per bu.	\$3.67	(8.49)%	(48.42)%
Rough Rice (CBOT)	\$ per cwt.	\$16.51	(2.54)%	21.63 %
Rapeseed (Canola) (ICE)	CAD per T	\$864.10	0.03 %	(9.55)%
Ethanol (CBOT)	\$ per gal.	\$2.16	-	(2.08)%



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