

August 2023

Industry Highlights on

Food & Agriculture

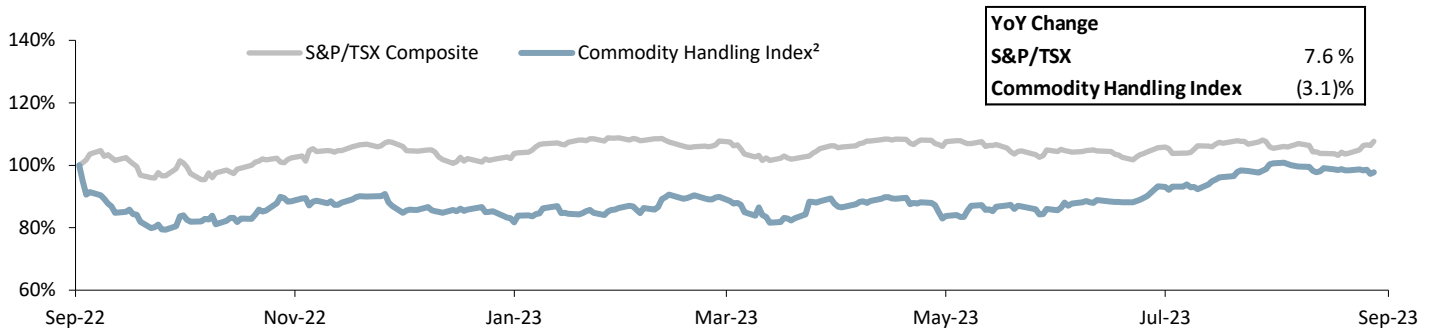


*Leading Independent North American Financial Advisor
to the Food & Agriculture Sector*

News Scan

- ▶ On August 21st, **Anchor Ingredients (“Anchor”)**, a US-based provider of ingredients for the human and pet food industries, announced its acquisition of a grain handling facility in Hatton, North Dakota, for an undisclosed amount. The facility will allow the Anchor to expand its ingredient portfolio and processing capabilities while also providing space for additional storage of soft commodities
- ▶ On August 21st, **Cargill** announced that it has submitted a binding offer to acquire three soy crushing plants and four warehouses in Brazil, from **Granol**, a Brazil-based agribusiness, for an undisclosed amount. The acquisition is in line with Cargill’s growth strategy in Brazil and Latin America and aims to boost its biodiesel production capabilities in the region
- ▶ On August 1st, **Forafri Global PLC (“Forafri”) (Nasdaq: AFRI)**, a Gibraltar-based vertically integrated agribusiness serving Africa, announced that it has acquired 90% of **Société Industrielle de Minoterie du Sud**, a soft wheat milling company with primary operations in Marrakesh, for an undisclosed amount. The transaction is a part of Forafri’s strategy to double crushing capacity in Morocco over the next two years
- ▶ On August 1st, **Kalmbach Feeds**, a US-based provider of nutritional products and services for both commercial and companion animals, announced its acquisition of **Ware Milling**, a Mississippi-based feed company, for an undisclosed amount. The acquisition will expand Kalmbach’s geographic reach

Relative Performance Index



Key Indicators

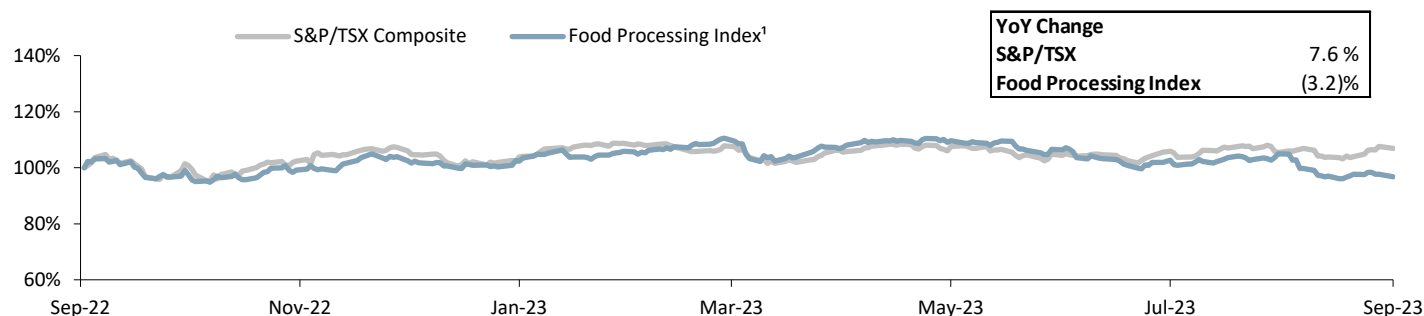
All Figures in USD millions unless indicated

Market	Cap	TEV	TEV/EBITDA		Price/Earnings		Week Δ Price	Δ Price 52Wk High
			2023E	2024E	2023E	2024E		
ADM	42,288	51,859	7.4x	7.9x	11.0x	11.9x	(2.4)%	(19.7)%
Bunge Limited	17,036	22,784	6.1x	6.5x	8.2x	8.9x	0.3 %	(3.0)%
The Andersons, Inc	1,681	2,689	7.3x	6.9x	16.5x	14.2x	(2.2)%	(6.1)%
Graincorp Limited	1,143	2,282	5.6x	na	7.8x	15.3x	(4.6)%	(18.1)%
United Malt Group Limited	1,015	1,465	14.7x	11.7x	44.7x	24.8x	0.0 %	(0.2)%
Ceres Global Ag	55	100	na	na	na	na	3.1 %	(38.1)%
Mean			8.2x	8.2x	17.6x	15.0x	(1.0)%	(14.2)%

News Scan

- ▶ On August 24th, **PAI Partners (“PAI”)**, a France-based PE firm, announced that it has agreed to acquire **Alpha, Inc. (“Alpha”)**, a US-based pet food co-manufacturer, from **J.H. Whitney Capital Partners**, a US-based PE firm, for an undisclosed amount. PAI’s expertise in pet food and contract manufacturing will help Alpha expand in North America both organically and through acquisitions
- ▶ On August 22nd, UK-based **Exponent Private Equity** announced that it has reached an agreement to sell a majority stake in **Meadow**, a UK-based provider of sustainable dairy, confectionery and plant-based ingredients, to **Fairfax Financial Holdings Limited (‘Fairfax’)**, a Canadian insurance and investment management company, for an undisclosed amount
 - On August 3rd, **Meadow** announced its acquisition of **Naked Foods Limited**, a UK-based manufacturer of fruit and confectionery sauces, for an undisclosed amount. The acquisition allows Meadow to expand its portfolio into sweet sauces
- ▶ On August 14th, **Rogers Sugar Inc. (TSX: RSI)** announced a significant investment in its wholly owned operating subsidiary Lantic, which will increase the production capacity of Lantic’s Montreal plant by approximately 20 % or 100,000 metric tonnes, and support efforts to meet increasing demand in Eastern Canada. Total investment for the project is estimated at approximately \$200 million, and includes investments in sugar refining technology and equipment, as well as logistical infrastructure at Lantic’s Montreal sugar refinery and in the Greater Toronto Area
- ▶ On August 14th, **Apax Partners**, a UK-based PE firm, announced a deal to acquire **Bazooka Candy Brands**, a US-based provider of sugar confectionary products, from **Madison Dearborn Partners**, a US-based PE firm, and **Michael Eisner**, former CEO of Disney, for US\$700 million.
- ▶ On August 7th, **Campbell Soup Company (“Campbell”)** (NYSE: CPB), a US-based food and beverage company, announced that it has entered into an agreement to acquire **Sovos Brands, Inc. (Nasdaq: SOVO)**, a US-based manufacturer of premium Italian sauces, for US\$2.7 billion. The acquisition strengthens and diversifies Campbell’s portfolio by enhancing its Meals & Beverages division with additional growth-oriented brands

Relative Performance Index



Key Indicators

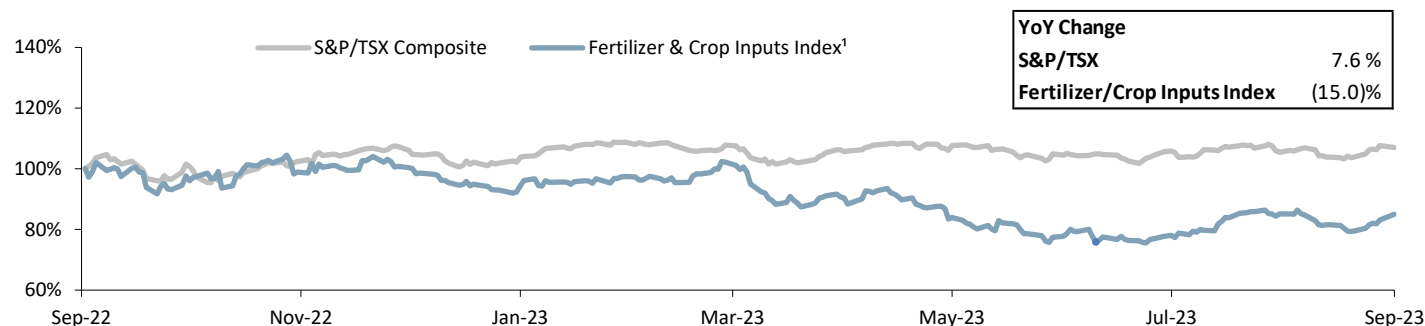
All Figures in USD millions unless indicated

	Market Cap	TEV	TEV/EBITDA		Price/Earnings		Week Δ Price	Δ Price 52Wk High
			2023E	2024E	2023E	2024E		
Saputo Inc.	9,354	12,334	10.1x	8.8x	16.3x	13.9x	0.1 %	(22.9)%
Ingredion Incorporated	6,653	9,071	7.5x	7.2x	11.2x	10.5x	(2.3)%	(11.3)%
Tate & Lyle plc	3,333	3,760	8.7x	8.2x	12.9x	11.8x	(1.6)%	(16.7)%
Premium Brands	3,444	5,495	11.5x	10.4x	22.0x	18.0x	0.3 %	(8.5)%
Maple Leaf Foods Inc.	2,641	4,195	12.2x	8.0x	nmf	14.9x	0.3 %	(7.7)%
SunOpta Inc.	478	937	10.6x	8.6x	neg	36.8x	(3.2)%	(65.3)%
Rogers Sugar	451	795	9.5x	9.1x	13.2x	12.9x	0.9 %	(10.1)%
High Liner Foods Incorporated	296	489	6.4x	6.2x	6.5x	6.4x	(2.3)%	(25.0)%
Mean			9.6x	8.3x	13.7x	15.6x	(1.0)%	(20.9)%

News Scan

- ▶ On August 30th, **SiteOne Landscape Supply, Inc. (“SiteOne”) (NYSE: SITE)**, a wholesale distributor of landscape supplies in the US and Canada, announced that it has completed its acquisition of **Regal Chemical Company**, a US-based wholesale distributor of professional agronomics products, for an undisclosed amount. The acquisition expands SiteOne’s portfolio of agronomics solutions and service capabilities throughout the Southeast US
- ▶ On August 23rd, **Botanical Solution Inc.**, a US-based provider of sustainable advanced botanical materials and biopesticides, announced that it has secured an additional US\$7 million in Series A funding, taking the total to over US\$13 million, in a round led by US-based **Otter Capital** as well as the Latin American investors **Boldo SpA** and **Quebec LP** controlled by the Casanueva and Saval family offices. Funds will be used to scale up the good manufacturing practice (GMP) production of the vaccine adjuvant, QS-21, and fulfill certain supply agreements
- ▶ On August 15th, **The Mosaic Company** announced the formation of the **Mosaic Biosciences** platform, a global initiative to bring the latest science and innovation to the agriculture market. No investment amount was disclosed. The technologies from Mosaic Biosciences enhance crop health and support the natural biology in plants and soil
- ▶ On August 14th, **Atlas Agro Holdings AG (“Atlas Agro”)**, a Switzerland-based green nitrogen fertilizer company, announced that it will receive an investment up to US\$325 million from Australia-based **Macquarie Asset Management**. The investment is a significant step towards enabling Atlas Agro’s expansion across the Americas and globally

Relative Performance Index



Key Indicators

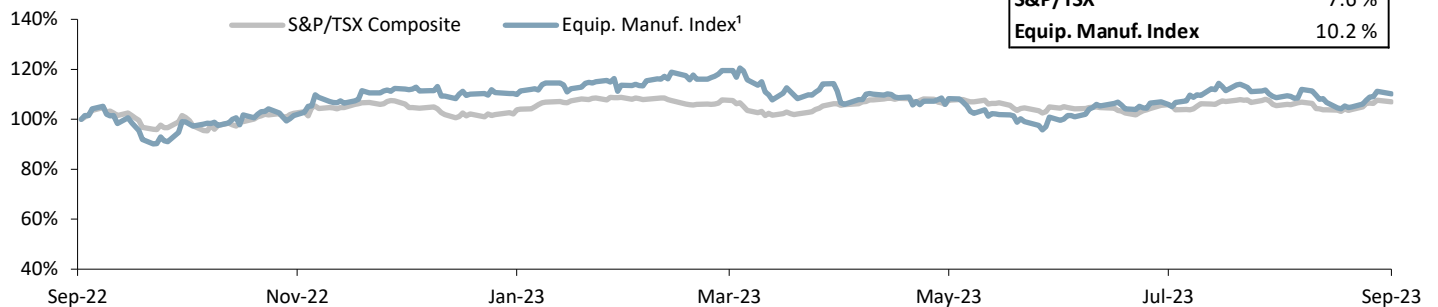
All Figures in USD millions unless indicated

	Market		TEV/EBITDA		Price/Earnings		Week Δ	Δ Price
	Cap	TEV	2023E	2024E	2023E	2024E	Price	52Wk High
Nutrien Ltd.	32,885	46,660	7.3x	7.5x	12.6x	12.6x	5.5 %	(29.6)%
CF Industries Holdings, Inc.	15,930	19,170	6.6x	7.6x	10.1x	12.5x	12.2 %	(26.6)%
The Mosaic Company	13,105	16,723	5.7x	6.2x	10.1x	11.5x	1.2 %	(31.4)%
Yara International ASA	9,757	13,626	6.9x	5.9x	nmf	nmf	7.7 %	(17.4)%
Nufarm Ltd.	1,391	2,290	7.1x	6.3x	15.7x	12.9x	7.5 %	(17.2)%
Mean			6.7x	6.7x	12.1x	12.4x	6.8 %	(24.4)%

News Scan

- ▶ On August 30th, **Ever.Ag**, a US-based developer of AgTech solutions for food and beverage supply chains, announced the acquisition of **Roger**, a US-based provider of bulk agriculture commodity trucking technology and logistics, for an undisclosed amount. The acquisition expands Ever.Ag's portfolio of software, risk management resources, and market intelligence offerings
- ▶ On August 22nd, **Bushel**, a US-based digital platform connecting farmers and agribusinesses, announced that it has successfully closed an oversubscribed US\$26 million funding round led by **The Banc Funds Company**, with further support from **50 South Capital**, **The Andersons, Inc.**, **Cargill**, **Germin8**, **Lewis & Clark AgriFood**, **The Scoular Company**, and **Conti Ventures**. The investment will support Bushel's continuing efforts to digitize paper processes and payments, fuel expansion opportunities to serve ag retailers, and develop more tools that enhance business relationships in the agricultural supply chain
- ▶ On August 17th, **Remora Robotics ("Remora")**, a Norway-based developer of an autonomous submarine cleaning robot for the aquaculture industry, announced that it has successfully raised US\$2.8 million in funding from **Grieg Capital** and **Momentum**, two Norway-based investment firms. The investment will help Remora roll out its technology and scale up sales

Relative Performance Index



Key Indicators

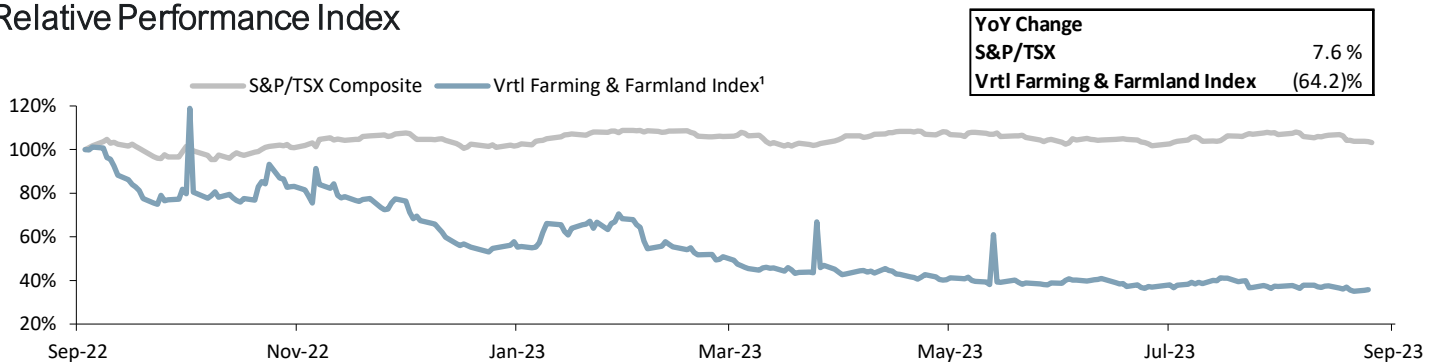
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Market	TEV		TEV/EBITDA		Price/Earnings		Week Δ Price	Δ Price High
	Cap	TEV	2023E	2024E	2023E	2024E		
Deere & Company	119,356	178,382	13.0x	13.4x	12.4x	12.5x	6.2 %	(7.9)%
AGCO Corporation	9,587	11,730	5.6x	6.2x	9.0x	8.5x	7.5 %	(12.0)%
Ag Growth International Inc.	858	1,539	6.9x	6.6x	11.2x	10.6x	4.0 %	(4.8)%
CNH Industrial N.V.	18,611	41,351	12.6x	12.5x	7.8x	7.6x	7.5 %	(22.2)%
Mean			9.5x	9.7x	10.1x	9.8x	5.9 %	(8.3)%

News Scan

- ▶ On August 31st, **Forever Feed Technologies (“Forever Feed”)**, a US-based developer of enterprise scale, automated indoor-growing feed mills, announced it has secured an undisclosed, multi-million dollar investment from a group of dairy and agriculture companies, including **River Ranch Farms, Bar 20 Dairy, and Producers Dairy Products, and De Jong Family Farms**, among others. Forever Feed intends to use the funds to build controlled environment mills
- ▶ On August 31st, **TrustBIX Inc. (TSXV: TBIX) (“TrustBIX”)**, a Canadian technology and services company in the agri-food sector, announced that it has entered into a definitive agreement to acquire **Alberta Food Security Inc.**, a company that helps set up vertical farms, for US\$0.3 million. The acquisition will help address food security and under-utilized real estate in Alberta by leveraging TrustBIX’s solutions
- ▶ On August 29th, **Leading Harvest**, an industry leader in agriculture sustainability, has announced it is piloting its third-party audited Farmland Management Standard in Canada, with plans to officially launch in the country by the end of the year. Support for the project, the amount of which is undisclosed, comes from **Manulife Investment Management, Bonnefield Financial, Farm Credit Canada, and McCain Foods**
- ▶ On August 25th, **FarmTogether**, a US-based crowdfunded farmland investment platform, announced its acquisition of the 102-acre **Hidden Oaks Organic Vineyard** in San Joaquin Valley, California, for US\$3.2 million. The turnkey, high cash-flowing asset aligns with FarmTogether’s goal of accumulating high ROI farmlands while maintaining a sustainability-first approach

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
			2023E	2024E	2023E	2024E		
AppHarvest, Inc.	8	144	na	na	na	na	(6.3)%	(97.9)%
Village Farms International, Inc.	103	162	0.4x	0.4x	21.2x	18.3x	2.9 %	(66.8)%
Hydrofarm Holdings Group, Inc.	60	226	1.0x	0.9x	nmf	18.1x	5.1 %	(68.0)%
Gladstone Land Corporation	561	1,162	12.9x	12.6x	14.0x	14.9x	4.1 %	(32.5)%
Farmland Partners Inc.	532	1,115	19.0x	18.6x	34.0x	32.8x	0.7 %	(25.4)%
Local Bounti Corporation	25	224	6.3x	2.3x	neg	neg	(2.9)%	(93.6)%
Mean			7.9x	7.0x	23.1x	21.0x	0.6 %	(64.0)%

News Scan

- ▶ On September 1st, **The Western Producer** reported that Ukraine is harvesting what analysts expect will be a record crop of canola, as farmers planted record acreage of the crop and final yields should also set a new high. Forecasts range from 4.2 million to 5.5 million tonnes of production, shattering last year's record of 3.5 million tonnes
- ▶ On August 31st, **The Western Producer** reported that Canada entered the 2023-24 crop year with the lowest combined wheat and durum stocks in history. Agriculture Canada estimates there were 3.24 million tonnes of both crops on hand as of Aug. 1, 2023, breaking the previous record low of 3.66 million tonnes set in 2021-22 following a severe drought. Analysts are also forecasting lacklustre Canadian wheat production. MarketsFarm pegged all-wheat production at 30.4 million tonnes as of the end of July, well below Agriculture Canada's current estimate of 33.2 million tonnes. Meanwhile, the U.S. Department of Agriculture is forecasting an average U.S. spring wheat yield of 41.8 bushels per acre, down from last year's 46.2 bushels per acre
- ▶ On August 30th, **Reuters** reported that an unusually dry August has taken a toll on cereal and oilseed crops in Asia as El Nino intensified, with wheat output forecasts being revised lower due to dry weather in Australia, the world's second largest exporter, and insufficient rains in Southeast Asia denting supplies of palm oil, the world's most widely used vegetable oil
- ▶ On August 25th, **The Globe and Mail** reported that Canada is siding with the United States in a burgeoning trade dispute over Mexico's restrictions on products made with genetically modified corn. Trade Minister Mary Ng and Agriculture Minister Lawrence MacAulay say Canada will take part in dispute resolution proceedings as a third party
- ▶ On August 25th, **Reuters** reported that India has imposed a 20% duty on exports of parboiled rice, with immediate effect, a move that could further reduce shipments from the world's largest exporter and lift global rice prices, which are already trading near their highest levels in 12 years
- ▶ On August 21st, **FoodBev** reported that officials from Ukraine and Romania have signed a deal that would allow Kyiv to transit its grains through its neighbor's land. Romania has now become Ukraine's third largest trading partner in Europe, and around 60% of Ukraine's grains would be transported through that country
- ▶ On August 4th, **Food Ingredients 1st** reported that China's Customs Tariff Commission has decided to end the anti-dumping and countervailing duties on Australian barley, starting August 5th, as relations between the two countries start to warm back up
- ▶ On August 1st, **Food Ingredients 1st** reported that The Peas, Legumes and Nuts Today (PLANT) Act, a legislative move that would provide more opportunities for farmers to produce ingredients used in plant-based foods and help grow the sector, has been introduced in US Congress. The bill would also enhance the USDA's efforts to promote the export of plant-based foods and foster innovation

Commodities Futures as of September 5, 2023

Commodities Futures	Price Unit	Latest Price (US\$)	Month to Date	Year to Date
Corn (CBOT)	\$ per bu.	\$4.86	(2.26)%	(28.11)%
Wheat (CBOT)	\$ per bu.	\$5.99	(5.33)%	(26.65)%
Oats (CBOT)	\$ per bu.	\$4.88	11.05 %	27.04 %
Rough Rice (CBOT)	\$ per cwt.	\$16.79	5.27 %	(1.98)%
Rapeseed (Canola) (ICE)	CAD per T	\$797.50	-	(0.14)%
Ethanol (CBOT)	\$ per gal.	\$2.16	-	0.00 %



About Us

Origin Merchant Partners is the leading Independent North American Financial Advisor to the Food & Agriculture Sector.

To learn more about our active food & agriculture practice, please reach out to any of our team members below.

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