

June 2024

Industry Highlights on

Food & Agriculture

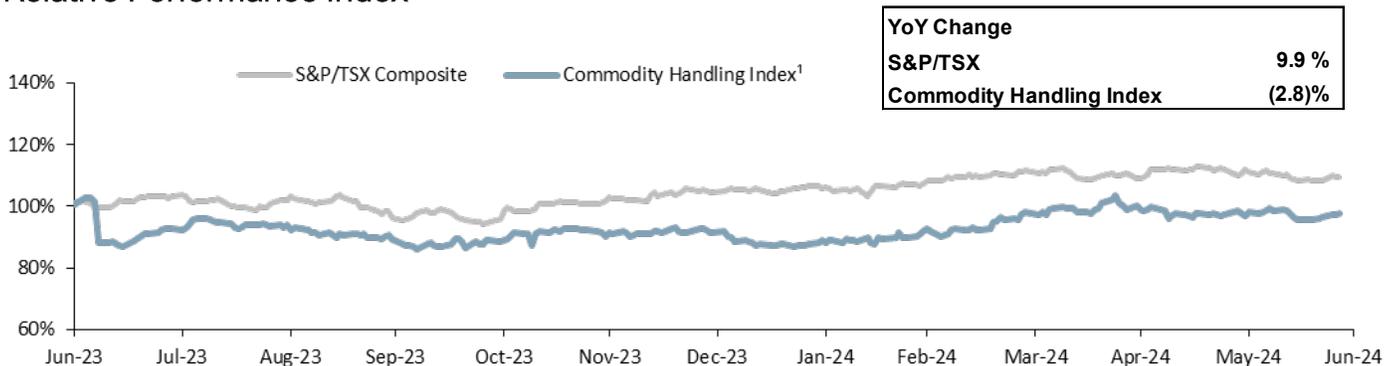


*Leading Independent North American Financial Advisor
to the Food & Agriculture Sector*

News Scan

- ▶ On June 22nd, **BP (NYSE: BP)**, the global energy company, announced that it has entered into an agreement with **Bunge Limited** to acquire the remaining 50% stake in **BP Bunge Bioenergia**, their Brazil-based joint venture focused on producing biofuels, for US\$1.4 billion. The transaction aligns with BP's strategic focus on expanding its bioenergy business and advancing its plans for new biofuels projects to support the transition to a low-carbon energy future
- ▶ On June 20th, **COFCO International, Ltd. ("COFCO International")**, a China-based agriculture and food company, and **GROWMARK, Inc. ("GROWMARK")**, a US-based agricultural cooperative, announced that they have entered into definitive agreements whereby COFCO International will purchase GROWMARK's minority stake in the Cahokia transloading facility in Illinois, while GROWMARK will acquire COFCO International's ownership in the Chicago grain warehouse facility, known as B-House, for undisclosed amounts. These transactions aim to enhance COFCO International's export strategy through the US Gulf and Pacific Northwest and enable GROWMARK to provide enhanced returns to its farmer members by integrating the B-House facility into its grain asset portfolio
- ▶ On June 18th, **Cargill**, a global food and agriculture leader, announced that it is opening a new office hub in Atlanta, Georgia. The company will be hiring immediately and plans to fill up to 400 roles with highly skilled tech and engineering talent. This facility underscores Cargill's strategic commitment to expanding its footprint in key geographies to better serve customers, attract top talent, and advance the company's growth
- ▶ On June 13th, **ADM (NYSE: ADM)** and **Bayer (XTRA:BAYN)** announced an extension of their collaboration to drive the adoption of regenerative agricultural practices in Europe. Building on a 2023 feasibility study with oilseed rape farmers in Poland, the expanded program will include crops such as corn, wheat, and barley, and extend across Eastern Europe
- ▶ On June 6th, **The Andersons, Inc. ("The Andersons") (NASDAQ: ANDE)**, a US-based diversified agriculture company, announced that it has signed a non-binding letter of intent to purchase an ownership interest in **Skyland Grain LLC ("Skyland")**, a US-based operator of grain storage and handling facilities across Kansas, Colorado, Oklahoma, and Texas, for an undisclosed amount. The proposed transaction aims to enhance The Andersons' core grain and fertilizer businesses by leveraging Skyland's asset footprint and strong grower relationships

Relative Performance Index



Key Indicators

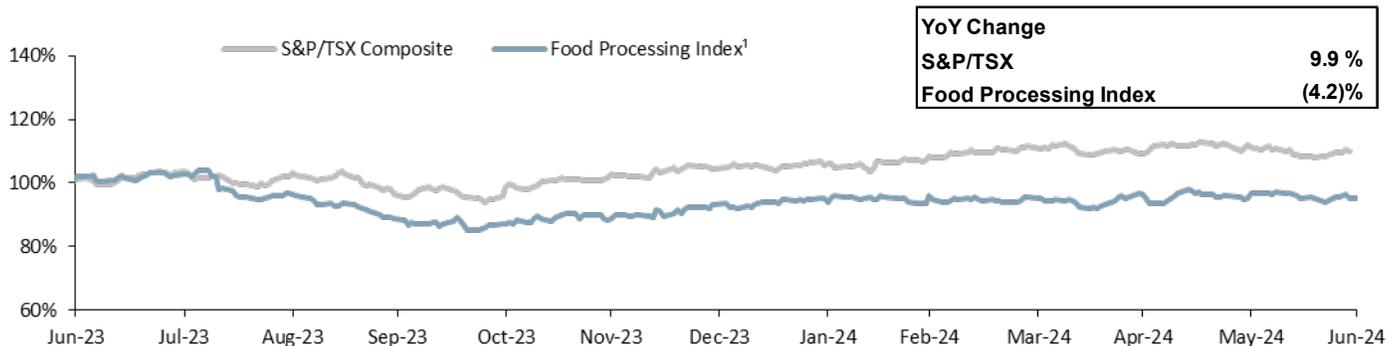
All Figures in USD millions unless indicated

	Market		TEV/EBITDA		Price/Earnings		Week Δ	Δ Price
	Cap	TEV	2024E	2025E	2024E	2025E	Price	52Wk High
ADM	29,889	41,274	7.1x	7.2x	11.0x	11.0x	0.0 %	(28.8)%
Bunge Limited	15,118	19,607	6.1x	6.5x	8.2x	8.9x	2.0 %	(5.3)%
The Andersons, Inc	1,677	2,313	6.8x	6.1x	15.7x	12.6x	(1.7)%	(20.5)%
Graincorp Limited	1,318	2,006	11.5x	9.3x	24.1x	17.5x	0.8 %	(5.0)%
Ceres Global Ag	63	111	na	na	na	na	(3.5)%	(16.1)%
Mean			7.9x	7.3x	14.7x	12.5x	(0.5)%	(15.1)%

News Scan

- ▶ On June 28th, **Cal-Maine Foods, Inc. ("Cal-Maine") (NASDAQ: CALM)**, a US-based producer and distributor of fresh shell eggs, announced that it has completed the acquisition of substantially all the assets of **ISE America, Inc. ("ISE")**, a US-based egg producer and distributor, for US\$110 million. The acquisition will significantly enhance Cal-Maine's market reach in the Northeast and Mid-Atlantic states, expand production capacity and integrate ISE's well-established customer distribution network
- ▶ On June 21st, **Lassonde Industries Inc. ("Lassonde") (TSX: LAS.A)**, a Canada-based manufacturer of food and beverages, announced that it has entered into a definitive agreement to acquire **Summer Garden Food Manufacturing**, a US-based producer of specialty food products, for up to US\$280 million, including contingent consideration. The acquisition is expected to strengthen Lassonde's position in the specialty food segment, expand its product offerings, and enhance its footprint in the US market
- ▶ On June 20th, **Tate & Lyle PLC ("Tate & Lyle") (LSE: TATE.L)**, a UK-based global provider of ingredients and solutions for the food and beverage industry, announced that it has entered into an agreement to acquire **CP Kelco**, a US-based leader in pectin, specialty gums, and other nature-based ingredients, from **J.M. Huber Corporation**, a US-based specialty ingredients and engineered materials company, for US\$1.8 billion. This strategic combination will significantly enhance Tate & Lyle's Sweetening, Mouthfeel, and Fortification platforms
- ▶ On June 17th, **Nexus Capital Management LP ("Nexus")**, a US-based alternative asset management firm, announced that it has acquired **Cheeze Kurls, LLC ("CK Snacks")**, a US-based manufacturer of salty snack foods, for an undisclosed amount. The acquisition aims to support CK Snacks in its next phase of growth by leveraging Nexus's extensive experience in the food and beverage sector
- ▶ On June 14th, **Rise Baking Company ("Rise Baking")**, a US-based bakery manufacturer, a portfolio company of US-based **Olympus Partners**, announced that it has acquired **Table Talk Pies, Inc. ("Table Talk")**, a US-based producer of pies, for an undisclosed amount. The acquisition will expand Rise Baking's product offerings in the pie category, leveraging Table Talk's expertise in producing 4-inch snack pies and 8-inch to 10-inch dessert pies to enhance their market presence and operational capabilities
- ▶ On June 6th, **United Petfood**, a Belgium-based international pet food manufacturer, announced that it has purchased a production facility in Mishawaka, Indiana from **Wellness Pet Company**, a US-based provider of natural and premium pet food products, for an undisclosed amount. The acquisition is expected to establish United Petfood's manufacturing presence in the US

Relative Performance Index



Key Indicators

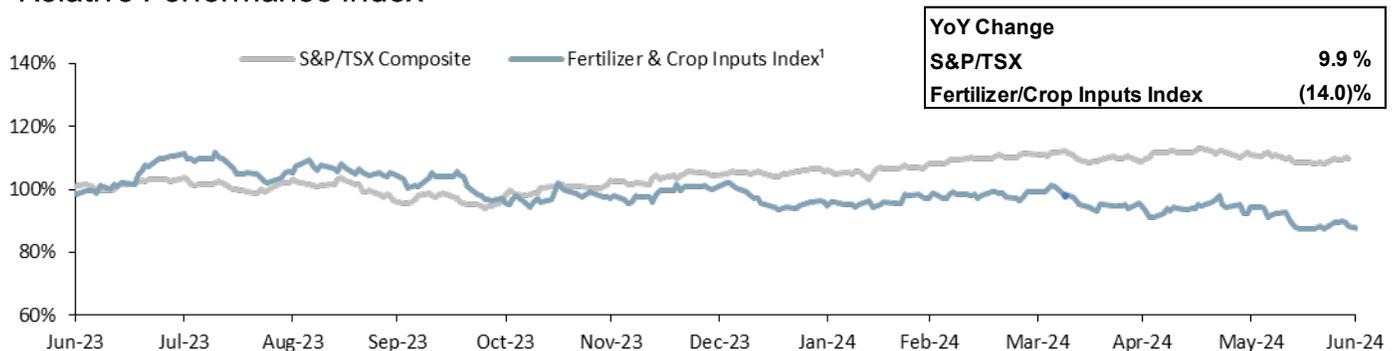
All Figures in USD millions unless indicated

	Market		TEV/EBITDA		Price/Earnings		Week Δ	Δ Price
	Cap	TEV	2024E	2025E	2024E	2025E	Price	52Wk High
Saputo Inc.	9,524	12,176	9.9x	8.4x	18.0x	14.0x	4.7 %	(0.1)%
Ingredion Incorporated	7,530	9,119	7.5x	7.2x	11.9x	11.1x	(3.0)%	(7.7)%
Premium Brands	3,058	5,073	10.2x	9.1x	19.2x	14.9x	4.8 %	(16.0)%
Tate & Lyle plc	2,976	2,971	6.2x	5.6x	10.7x	9.9x	(4.8)%	(22.6)%
Maple Leaf Foods Inc.	2,058	3,528	8.8x	7.3x	30.0x	13.8x	0.5 %	(27.4)%
SunOpta Inc.	644	1,090	12.1x	10.2x	n/m	25.0x	2.5 %	(27.9)%
Rogers Sugar	522	798	8.1x	na	10.6x	na	(3.6)%	(6.0)%
High Liner Foods Incorporated	298	411	5.8x	5.3x	7.7x	6.8x	1.1 %	(9.3)%
Mean			8.6x	7.6x	15.4x	13.6x	0.3 %	(14.6)%

News Scan

- ▶ On June 27th, **Benson Hill, Inc. ("Benson Hill")** (NYSE: BHIL), a US-based seed innovation company, confirmed that it has received a preliminary, non-binding indication of interest from **Argonautic Ventures**, a US-based investment firm, to acquire the remaining 84% stake in Benson Hill, for US\$99 million. Benson Hill's Board of Directors has formed a special committee of independent directors to evaluate the proposal and review certain strategic alternatives
- ▶ On June 25th, **PI Industries Ltd. ("PI")**, an India-based provider of agricultural inputs, announced that it has entered into an agreement to acquire **Plant Health Care plc ("PHC")**, a UK-based company specializing in peptide-based agricultural solutions, for £32.8 million. This acquisition will enable PI to integrate PHC's innovative biostimulant and biological crop protection technologies, enhancing PI's product portfolio and offering a balanced mix of chemical and biological solutions
- ▶ On June 5th, **Crescentia Capital**, a US-based PE firm, announced that its portfolio company, **Synsus Private Label Partners, LLC ("Synsus")**, a US-based chemical manufacturer providing R&D, specialty chemical manufacturing, and private-label custom packaging for the agricultural and turf & ornamental markets, has completed its acquisition of **AmegA Sciences, LLC** and **React Industries, LLC** (collectively "**AmegA**"), a US-based global private label manufacturer serving the agriculture, turf and ornamental, and direct-to-consumer markets, for an undisclosed amount. The acquisition is expected to enhance Synsus' strategic position by adding AmegA's complementary capabilities and expanding its manufacturing footprint to over 500,000 square feet
- ▶ On June 4th, **GROWMARK, Inc. ("GROWMARK")**, a US-based agricultural cooperative, announced that it has signed a letter of intent to acquire **AgraForm, LLC**, a US-based agrichemical manufacturer, for an undisclosed amount. The acquisition aims to expand GROWMARK's production capabilities in agrichemicals, allowing the company to grow efficiently in these product lines and produce proprietary offerings while strengthening relationships with key suppliers
- ▶ On June 3rd, **Frontier Agriculture**, a UK-based crop production and grain marketing company, announced that it has acquired an undisclosed stake in **CCm Technologies**, a UK-based company that produces carbon-negative fertilizer by combining captured carbon dioxide with recycled nutrients from agricultural waste, for an undisclosed amount. The investment will support the development and distribution of CCm's novel fertilizer product, CCm Growth, which enhances soil health while reducing Scope 3 emissions

Relative Performance Index



Key Indicators

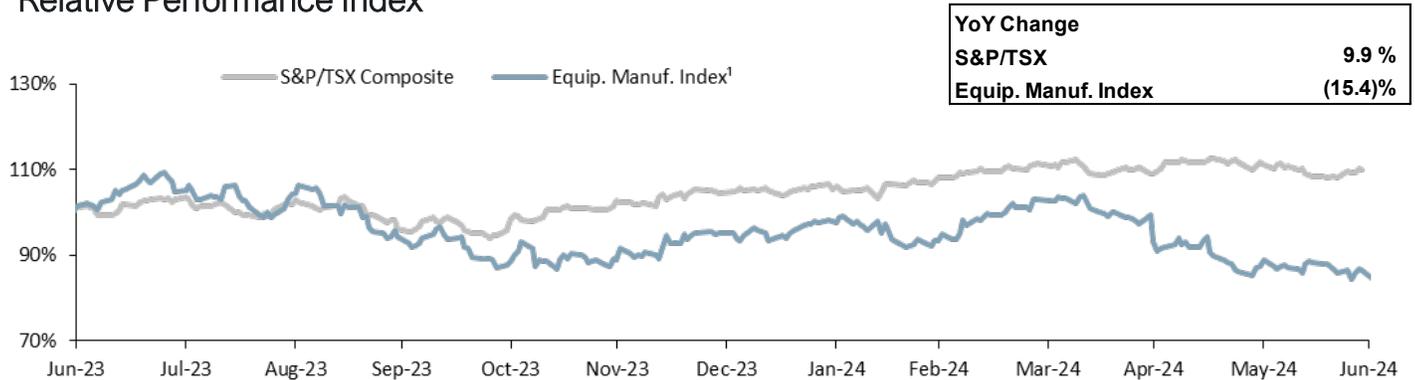
All Figures in USD millions unless indicated

	Market		TEV/EBITDA		Price/Earnings		Week Δ Price	Δ Price 52Wk High
	Cap	TEV	2024E	2025E	2024E	2025E		
Nutrien Ltd.	25,174	38,557	6.8x	6.7x	13.0x	11.9x	(5.0)%	(26.1)%
CF Industries Holdings, Inc.	13,548	17,617	7.7x	7.7x	12.6x	12.8x	(6.3)%	(19.4)%
The Mosaic Company	9,288	14,027	5.7x	5.8x	10.7x	11.1x	(4.6)%	(35.1)%
Yara International ASA	7,353	11,319	5.9x	5.3x	nmf	nmf	(0.8)%	(27.6)%
Nufarm Ltd.	1,173	2,167	7.3x	6.2x	14.2x	11.0x	(2.6)%	(24.2)%
Mean			6.7x	6.4x	12.6x	11.7x	(3.8)%	(26.5)%

News Scan

- On June 20th, **Stotz Equipment**, a US-based family-owned John Deere dealership with 25 locations across 8 western states, and **Premier Equipment**, a Canada-based John Deere dealership with 8 locations in southwest Ontario, announced that they have entered into a cross-border partnership to strengthen their capabilities and position both companies for growth. This partnership is expected to help the two companies expand in their regions by gaining unique insights about other markets and leveraging shared resources to better serve their communities' evolving needs
- On June 10th, **Kinperium Industries Inc. ("Kinperium")**, a US-based family office focused on manufacturing, distribution, and select service businesses, announced that it has acquired **Hiniker Company**, a US-based manufacturer of agricultural attachments and snow and ice management products, for an undisclosed amount. The acquisition will allow Kinperium to expand its portfolio and enhance its offerings in both the agricultural sector as well as the airport and road services markets
- On June 10th, **CVC Capital Partners ("CVC")**, a UK-based PE firm, announced that it has acquired an undisclosed minority stake in **URUS Group ("URUS")**, a US-based specialist in dairy and beef artificial insemination genetics, reproduction, and farm management data systems, for an undisclosed amount. This deal aims to leverage CVC's broad networks, deep expertise, and financial resources to support URUS's ambitious growth plan and enhance its business and product portfolio
- On June 13th, **Downforce Technologies ("Downforce")**, a UK-based company specializing in soil organic carbon measurement and prediction, announced that it has raised US\$4.2 million in a funding round led by Kenya-based **Equator VC**, with participation from **Tiverton Agriculture Impact Fund**, **Dragonfly Enviro Capital**, **Perivoli Innovations**, and the **Clean Energy Finance Corporation (CEFC)**, managed by **Virescent Ventures**. The funding will support Downforce's international expansion and further product development, enabling farmers, landowners, and corporations to track progress towards sustainability goals
- On June 6th, **Inverness Graham Green Light Fund ("Inverness Graham")**, a US-based PE firm focused on environmentally sustainable businesses, announced a majority recapitalization of **My Yield**, a US-based specialty seed treatment equipment provider, for an undisclosed amount. This investment will support My Yield's growth and expansion in the AgTech sector by expanding its product offerings, improving operational efficiency, and reaching new markets

Relative Performance Index



Key Indicators

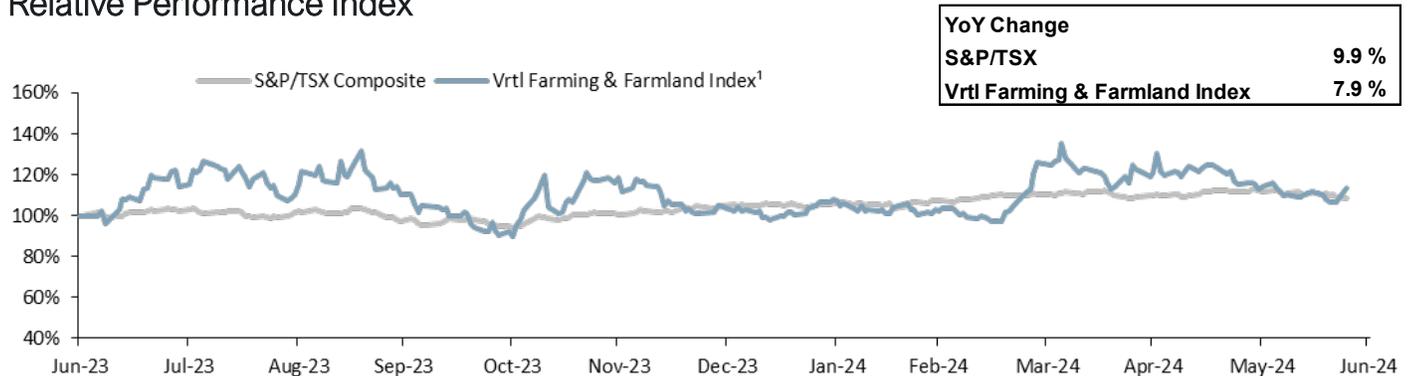
All Figures in USD millions unless indicated

	Market		TEV/EBITDA		Price/Earnings		Week Δ	Δ Price
	Cap	TEV	2024E	2025E	2024E	2025E	Price	52Wk High
Deere & Company	102,961	166,286	16.4x	15.6x	15.3x	14.7x	(3.5)%	(18.9)%
CNH Industrial N.V.	12,738	38,548	14.5x	14.4x	6.8x	6.9x	(4.4)%	(38.1)%
AGCO Corporation	7,304	8,877	4.9x	4.6x	6.9x	8.5x	(5.7)%	(31.6)%
Ag Growth International Inc.	732	1,381	6.2x	5.8x	8.7x	7.7x	3.3%	(19.5)%
Mean			10.5x	10.1x	9.4x	9.4x	(4.5)%	(29.5)%

News Scan

- ▶ On June 27th, **ACCESS Pool**, a collaboration of eleven Local Government Pension Scheme (LGPS) Administering Authorities in the UK managing assets totaling approximately £40 billion, announced the appointment of **Stafford Capital Partners ("Stafford")** and **J.P. Morgan Asset Management ("JPMAM")** as its global timberland managers. The initial mandate, valued at approximately £300 million, will be split between Stafford and JPMAM, focusing on core and impact timberland investments
- ▶ On June 20th, **GreenState AG ("GreenState")**, a Switzerland-based vertical farming company, announced its acquisition of **Yasai AG ("Yasai")**, a Switzerland-based vertical farming company, spun-off from ETH Zurich, for an undisclosed amount. The acquisition is expected to enhance GreenState's production capacity and market reach through Yasai's established sales channels and secure a leading role in Switzerland's vertical farming sector
- ▶ On June 20th, **Nature's Miracle Holdings Inc. ("Nature's Miracle") (NASDAQ: NMHI)**, a US-based leader in vertical farming technology and infrastructure, announced an agreement with **BeGrow Sera Limited Sti ("BeGrow")**, a Turkey-based producer of stone wool substrates for hydroponic fruit and vegetable production, to distribute BeGrow's products in the US. The three-year agreement will allow Nature's Miracle to expand its product portfolio by offering complementary products to its LED lighting solutions, enhancing its offerings in controlled environment agriculture
- ▶ On June 18th, **Ever.Ag**, a US-based prominent player in agricultural and food technology solutions, announced that it has completed its integration of **Austin Data Labs**, a US-based award-winning AI and data science firm known for pioneering innovative data solutions. The acquisition, originally announced in October 2023 for an undisclosed amount, has now been rebranded as Ever.Ag Data Labs. This strategic move is set to significantly boost Ever.Ag's technological capabilities by incorporating advanced AI, data science, and predictive forecasting into its suite of products
- ▶ On June 13th, **FARM Capital**, a Mexico-based private agro-industrial real estate fund, announced that it has completed its first round of acquisitions, including 18.5 hectares of high-tech greenhouses producing specialty cucumbers and tomatoes, and a packing facility for figs, avocados, lemons, and prickly pears, for US\$26.7 million. The investment, part of a US\$200 million portfolio, is expected to enhance the productive capacity of Mexico's agro-industrial sector by integrating advanced technologies, creating jobs, and supporting small producers in meeting higher market standards

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
			2024E	2025E	2024E	2025E		
Farmland Partners Inc.	551	na	na	na	na	na	(1.2)%	(13.1)%
Gladstone Land Corporation	491	1,066	12.5x	11.7x	14.9x	14.6x	3.7 %	(21.5)%
Local Bounti Corporation	24	397	7.1x	4.1x	neg	nmf	6.1 %	(55.9)%
Hydrofarm Holdings Group, Inc.	32	188	1.0x	0.9x	44.6x	16.2x	(6.0)%	(57.9)%
Village Farms International, Inc.	114	166	0.5x	0.5x	11.8x	7.5x	3.1 %	(37.0)%
Mean			5.3x	4.3x	23.7x	12.8x	1.1 %	(37.1)%



News Scan

- ▶ On June 28th, **Successful Farming** reported that the US government will compensate farmers for 90% of the value of milk lost as a result of H5N1 avian flu infections in their dairy cows, according to Agriculture Secretary Tom Vilsack. In the three months since scientists confirmed the first appearance of the H5N1 virus in dairy cattle in Texas, bird flu has been identified in 132 dairy herds in 12 states, and three workers on dairy farms have contracted mild cases of bird flu from infected cows
- ▶ On June 27th, **The Globe and Mail** reported that Canadian farmers planted less wheat and more canola than previously expected, according to government agency Statistics Canada. Less wheat from the fourth-largest exporter could contribute to a drop in world wheat stocks that are forecast to decline to a nine-year low in 2024-25, after adverse weather hurt crop estimates in top-supplier Russia
- ▶ On June 26th, **The Globe and Mail** reported that Denmark will tax livestock farmers for the greenhouse gases emitted by their cows, sheep and pigs from 2030, the first country to do so as it targets a major source of methane emissions, one of the most potent gases contributing to global warming. The goal is to reduce Danish greenhouse gas emissions by 70% from 1990 levels by 2030
- ▶ On June 19th, **Reuters** reported that the European Commission will introduce tariffs on Ukrainian egg imports into the European Union (EU) within the next two weeks after a previously agreed annual threshold for those imports has been reached. The EU has set limits for certain agricultural imports from Ukraine after free-trade access, granted to help the country's economy following Russia's invasion in 2022, angered farmers in the EU and contributed to a wave of rural protests this year
- ▶ On June 19th, **Reuters** reported that Canada will ban open-net salmon farms off the coast of British Columbia by the middle of 2029 in order to help protect dwindling wild Pacific salmon populations, according to the federal government. Salmon are a culturally and ecologically significant species on Canada's west coast, but more than half of the 9,000 distinct populations in British Columbia are in a state of decline
- ▶ On June 18th, **Food Ingredients 1st** reported that Chinese authorities have launched an anti-dumping probe into the EU's pork exports, which experts fear could impact European food producers. The move follows previous week's conclusion of the European Commission's investigation into imports of Chinese electric vehicles, which said that the battery electric vehicles (BEV) value chain in China benefits from unfair subsidization, which is causing a threat of economic injury to EU BEV producers
- ▶ On June 14th, **Food Ingredients 1st** reported that the UN Food and Agriculture Organization (FAO) projects that the world's major food commodities will be in "adequate supply" in 2024 and 2025. The agency, however, warns that factors such as bad weather conditions, geopolitical conflicts and sudden policy changes can disrupt the global demand-supply balance, impacting prices and food security globally
- ▶ On June 7th, **The Globe and Mail** reported that the total global volume of fish, shrimp, clams, and other aquatic animals harvested by farming has topped the amount fished in the wild from the world's waters for the first time ever, according to the United Nations. The total amount of aquatic animals captured in the wild fell from 91.6 million tons in 2021 to 91 million tons the following year, the FAO said in its latest State of the World's Fisheries and Aquaculture report. Global production rose to 94.4 million in 2022, up from 91.1 million a year earlier
- ▶ On June 7th, **Just Food** reported that global food commodity prices rose for a third consecutive month in May due to increases in the prices of cereals and dairy products. The FAO Food Price Index, which tracks monthly changes in the international prices of a set of globally-traded food commodities, rose 0.9% in May compared to the previous month, reaching 120.4 points. The index level for May remained 3.4% below its level from the same time a year ago, and was also 24.9% below its peak in March 2022

Commodities Futures as of June 28, 2024

Commodities Futures	Price Unit	Latest Price (US\$)	Month to Date	Year to Date
Corn (CBOT)	\$ per bu.	\$4.21	(9.03)%	(20.39)%
Wheat (CBOT)	\$ per bu.	\$5.74	(18.10)%	(14.08)%
Oats (CBOT)	\$ per bu.	\$3.23	(14.26)%	(19.54)%
Rough Rice (CBOT)	\$ per cwt.	\$15.39	(14.93)%	2.87 %
Rapeseed (Canola) (ICE)	CAD per T	\$627.10	(6.22)%	(11.80)%
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.

Origin Merchant Partners
Chicago | Montreal | Toronto
www.originmerchant.com

OMP Agri Food Team

ANDREW MUIRHEAD
MANAGING DIRECTOR
andrew.muirhead@originmerchant.com

JIM OSLER
MANAGING DIRECTOR
jim.osler@originmerchant.com

ROB PENTELIUK
MANAGING DIRECTOR
rob.penteliuk@originmerchant.com

GREG MARTIN
MANAGING DIRECTOR
greg.martin@originmerchant.com

CHRISTOPHER SOLDA
DIRECTOR
christopher.solda@originmerchant.com