

November 2024

Industry Highlights on

Food & Agriculture

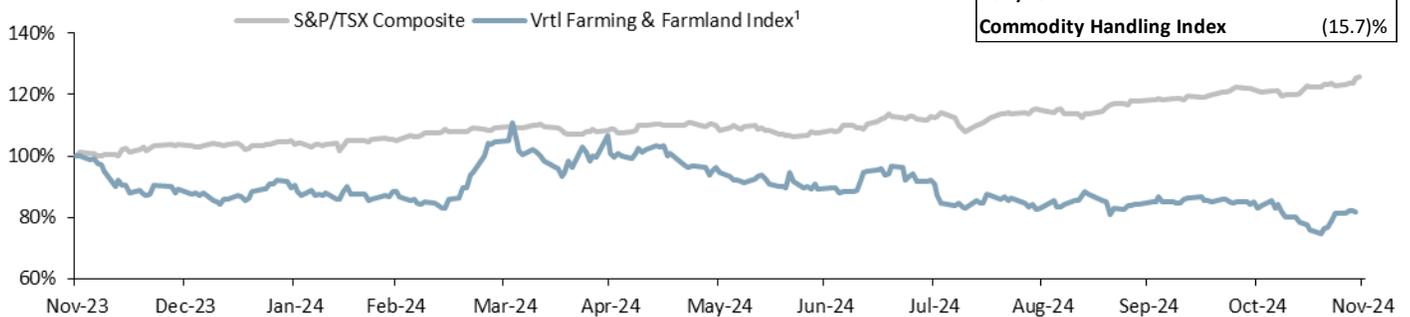


*Leading Independent North American Financial Advisor
to the Food & Agriculture Sector*

News Scan

- ▶ On November 20th, **AGT Food and Ingredients Inc. ("AGT")**, a Canada-based supplier of pulses, staple foods, and food ingredients, announced that it has sold its shortline rail and bulk handling infrastructure, comprising **Mobil Grain Ltd**, to **GCM Grosvenor Inc. ("GCM") (NASDAQ: GCMG)**, a US-based alternative asset management firm, for an undisclosed amount. The sale allows AGT to focus on its core food processing and global supply chain business while ensuring continued investment in agricultural infrastructure through GCM's stewardship
- ▶ On November 19th, **UPL Limited ("UPL") (NSE: UPL)**, an India-based global agriculture solutions provider, announced that **Alpha Wave Global**, a US-based investment firm, will invest US\$350 million in **Advanta Enterprises Limited ("Advanta")**, UPL's seeds platform, for a 12.5% stake. This investment enhances Advanta's market positions in key crops like corn, sunflower, and sorghum
- ▶ On November 4th, **Andersons Inc ("The Andersons") (Nasdaq: ANDE)**, the US-based grain merchandiser and agricultural products distributor, announced that they have finalized the acquisition of 65% in **Skyland Grain LLC ("Skyland")**, a US-based provider of grain storage and handling facilities, cotton ginning, grain marketing and agronomy services, for US\$85m. The transaction enables The Andersons to expand its core grain and fertilizer businesses across strategic markets, including Kansas, Oklahoma, Colorado, and Texas, with Skyland also benefitting from access to The Andersons extensive portfolio of assets and capabilities
- ▶ On November 4th, **Ulusoy Un Sanayi ve Ticaret A.S. ("Ulusoy Un") (IBSE:ULUUN)**, a Turkey-based flour miller, announced that it has entered into an agreement to acquire an 85% stake in **Pastificio Mediterranea ("Pastificio")**, an Italy-based pasta company, for US\$5.8 million. This strategic investment allows Ulusoy Un to enter the high-quality, value-added pasta production sector, leveraging its raw material supply capabilities and extensive customer network to contribute to Pastificio's growth and expand its geographical reach
- ▶ On November 1st, **AGCO Corp. ("AGCO")**, a global leader in the design, manufacture, and distribution of agricultural machinery and precision ag technology, announced that it has completed the sale of the majority of its **Grain & Protein** business to **American Industrial Partners ("AIP")**, a US-based PE-firm, for US\$700 million. The deal allows AGCO to streamline its operations and focus on its core agricultural machinery and precision ag technology products, while AIP expands its portfolio in industrial sectors with strong cash flow potential

Relative Performance Index



Key Indicators

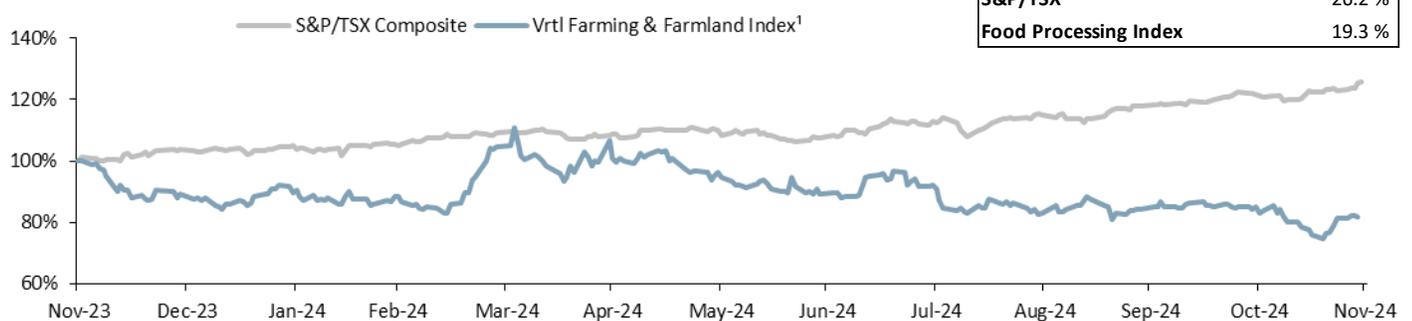
All Figures in USD millions unless indicated

	Market		TEV/EBITDA		Price/Earnings		Week Δ	Δ Price
	Cap	TEV	2024E	2025E	2024E	2025E	Price	52Wk High
ADM	25,444	36,611	6.8x	7.0x	11.3x	11.1x	0.1 %	(31.3)%
Bunge Limited	12,323	17,630	6.5x	6.7x	9.4x	9.6x	0.7 %	(23.2)%
The Andersons, Inc	1,619	2,032	5.9x	5.4x	16.1x	12.9x	(0.7)%	(22.1)%
Graincorp Limited	1,119	1,347	7.6x	6.2x	20.4x	15.4x	(1.5)%	(16.5)%
Ceres Global Ag	73	117	na	na	na	na	6.1 %	(9.9)%
Mean			6.7x	6.3x	14.3x	12.2x	0.9 %	(20.6)%

News Scan

- ▶ On November 21st, **PepsiCo, Inc. ("PepsiCo") (NASDAQ: PEP)**, a US-based global food and beverage company, announced that it has agreed to acquire the remaining 50% interest in **Sabra Dipping Company, LLC** and **PepsiCo-Strauss Fresh Dips & Spreads International GmbH**, from **Strauss Group**, an Israel-based food manufacturer, for a combined US\$243.8 million. This acquisition enables PepsiCo to accelerate innovation in refrigerated fresh dips and spreads, meeting the growing consumer demand for nutritious, simple foods, and expanding its positive choice portfolio
- ▶ On November 19th, **Morgan Stanley Capital Partners ("MSCP")**, the middle-market PE team within **Morgan Stanley Investment Management**, announced that it has acquired **FoodScience**, a US-based provider of pet and human nutritional supplements, from **Wind Point Partners**, a US-based PE firm, for an undisclosed amount. The acquisition builds on MSCP's experience in the pet and animal health sectors, enhancing its portfolio with FoodScience's brands as well as its private label and custom formulation capabilities
- ▶ On November 14th, **Kingswood Capital Management, LP ("Kingswood")**, a US-based PE firm, announced that it has acquired **Branding Iron Holdings ("Branding Iron")**, a US-based provider of branded and private label protein products, including beef and pork, with a focus on frozen and refrigerated ground meats, for an undisclosed amount. This acquisition aims to leverage Kingswood's experience in the food and beverage industry to support Branding Iron's growth across food service, retail, and chain restaurant channels, enhancing its manufacturing capabilities and customer relationships
- ▶ On November 14th, **General Mills, Inc. ("General Mills") (NYSE:GIS)**, a US-based food company, announced that it has entered into a definitive agreement to acquire the North American premium cat feeding and pet treating business of **Whitebridge Pet Brands**, a US-based pet food company, from **NXMH**, a Belgium-based investment firm, for US\$1.45 billion. This acquisition complements General Mills' Blue Buffalo portfolio and supports incremental growth in the cat feeding and pet treats segments
- ▶ On November 8th, **The Hershey Company ("Hershey")**, the US-based manufacturer of chocolate and nonchocolate confectionery and grocery products, has acquired Sour Strips, a brand of **Actual Candy LLC ("Sour Strips")**, which is a local manufacturer of sour candy, for an undisclosed amount. The acquisition of Sour Strips expands Hershey's offerings within its growing sweets portfolio, supporting Hershey's continued focus on accelerating its sweets category

Relative Performance Index



Key Indicators

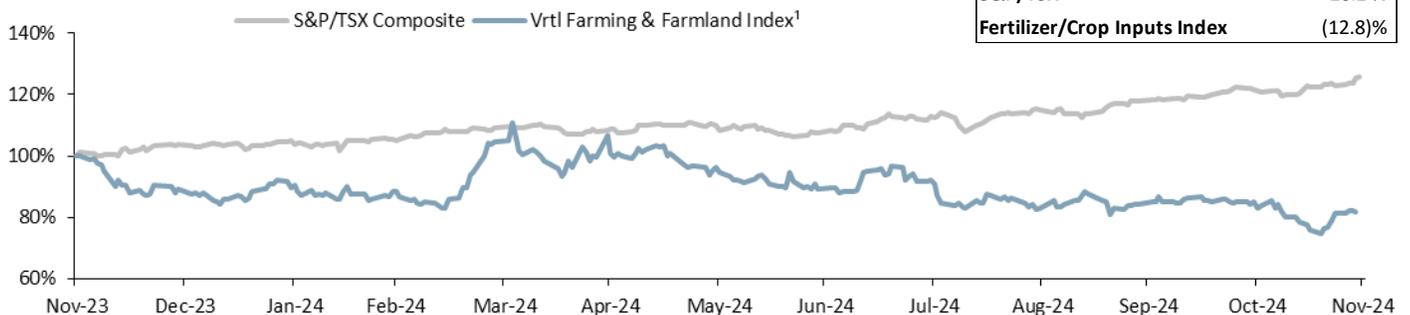
All Figures in USD millions unless indicated

	Market		TEV/EBITDA		Price/Earnings		Week Δ	Δ Price
	Cap	TEV	2024E	2025E	2024E	2025E	Price	52Wk High
Saputo Inc.	7,899	10,469	9.4x	7.8x	16.9x	13.1x	0.4 %	(18.8)%
Ingredion Incorporated	9,600	10,748	8.8x	8.3x	14.0x	13.2x	3.5 %	(5.2)%
Premium Brands	2,492	4,428	9.7x	8.6x	20.2x	15.0x	(2.2)%	(19.2)%
Tate & Lyle plc	4,155	4,194	8.9x	6.9x	14.4x	13.4x	0.5 %	(13.1)%
Maple Leaf Foods Inc.	2,004	3,336	8.6x	7.3x	35.5x	17.2x	0.6 %	(17.4)%
Lassonde Industries Inc.	875	1,435	7.5x	6.5x	7.3x	7.0x	4.5 %	(2.6)%
SunOpta Inc.	906	1,363	15.1x	12.6x	nmf	31.6x	6.1 %	(1.3)%
Rogers Sugar	557	818	7.7x	7.5x	10.3x	10.7x	6.3 %	(5.7)%
Mean			9.5x	8.2x	16.9x	15.2x	2.5 %	(10.4)%

News Scan

- ▶ On November 27th, **MustGrow Biologics Corp.**, a Canada-based agricultural biotechnology company, announced that it has signed a non-binding term sheet to acquire **NexusBioAg**, a Canada-based provider of biological and regenerative agriculture solutions, from **Univar Solutions Canada Ltd.**, a US-based chemical and ingredient distributor, for an undisclosed amount. This acquisition would position MustGrow as a fully integrated provider of biological and regenerative agriculture solutions
- ▶ On November 20th, **BW Fusion**, a US-based innovator in agricultural crop and soil nutrition and a portfolio company of **Bain Capital**, announced that it has acquired **Biodyne**, a US-based environmental microbiology company, and **Agronomy 365**, a US-based provider of tech-enabled crop analytics and management tools, for an undisclosed amount. This acquisition combines Biodyne's expertise in biological research, Agronomy 365's data-driven analytics, and BW Fusion's product development capabilities
- ▶ On November 19th, **FertigHy**, a Spain-based producer of low-carbon nitrogen-based fertilizers, announced an additional capital raise unanimously subscribed by its existing shareholders **EIT InnoEnergy**, **RIC Energy**, **MAIRE**, **Siemens Financial Services**, **InVivo**, and **HEINEKEN**, for an undisclosed amount. This investment will support the advancement of FertigHy's first facility in Hauts-de-France
- ▶ On November 13th, **NitroVolt ApS**, a Denmark-based startup focused on green ammonia technology, announced that it has secured US\$3.7 million in seed funding, in a round led by **BackingMinds**, a Sweden-based venture capital firm, with participation from **EIFO**, **EQT Foundation**, **Satgana**, and **DivisionM**. This funding will accelerate NitroVolt's efforts to scale up sustainable and decentralized ammonia production by allowing the company to expand its team and build its first on-site demonstration unit
- ▶ On November 6th, **Tessenderlo Kerley, Inc. ("TKI")**, a US-based subsidiary of **Tessenderlo Group (Euronext: TESB)**, a Belgium-based industrial group, announced that it has acquired **Tiger-Sul Products, LLC ("Tiger-Sul")**, a US-based provider of sulfur-based fertilizers, from **Platte River Equity**, a US-based PE firm, for an undisclosed amount. This acquisition strengthens TKI's specialty fertilizer portfolio, enabling it to offer complementary crop nutrition and soil enhancement products
- ▶ On November 5th, **H.I.G. Capital ("H.I.G.")**, a US-based global alternative investment firm, announced that it has acquired a majority stake in **Life Agro**, a Brazil-based producer of specialty agricultural inputs, for an undisclosed amount. The deal marks H.I.G.'s first venture into the Latin American agricultural sector and the investment aims to help Life Agro expand its eco-friendly crop protection products

Relative Performance Index



Key Indicators

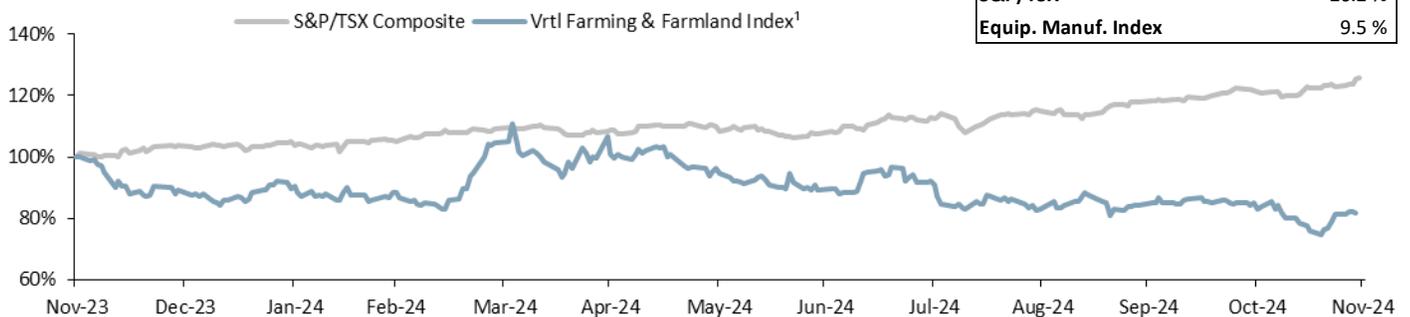
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	Market		TEV/EBITDA		Price/Earnings		Week Δ Price	Δ Price 52Wk High
	Cap	TEV	2024E	2025E	2024E	2025E		
Nutrien Ltd.	23,056	37,513	7.0x	6.9x	13.0x	12.7x	1.9 %	(21.3)%
CF Industries Holdings, Inc.	15,603	19,603	8.4x	8.5x	14.5x	15.3x	(0.3)%	(6.1)%
The Mosaic Company	8,405	12,608	5.3x	5.3x	12.0x	11.4x	4.0 %	(32.8)%
Yara International ASA	7,156	10,778	5.2x	5.1x	nfm	nfm	(2.0)%	(15.8)%
Nufarm Ltd.	948	1,529	7.4x	6.1x	nfm	11.3x	(7.3)%	(35.4)%
Mean			6.7x	6.4x	13.2x	12.7x	(0.7)%	(22.3)%

News Scan

- ▶ On November 22nd, **Almanac**, a Canada-based provider of farm data analytics and precision agriculture, announced that it has acquired the intellectual property and assets of **Gro Intelligence**, a US-based agricultural data platform developer, for an undisclosed amount. The acquisition bolsters Almanac's platform with AI-powered tools and extends its reach into new areas, including agricultural insurance, lending, trading, and CPG procurement
- ▶ On November 19th, **TRACT**, a Netherlands-based SaaS platform focused on sustainability in agricultural supply chains, announced that it has secured US\$11.2 million in funding, in a round which included participation from existing investors **Archer Daniels Midland Company (ADM)**, **Cargill**, **Louis Dreyfus Company (LDC)**, and **Olam**, along with new investors **The Working Capital Fund** and **Rabo Investments**, the investment arm of **Rabobank**. This funding will accelerate the development and scaling of TRACT's platform
- ▶ On November 14th, **FarmQA**, a US-based provider of digital agronomy solutions, announced that it has acquired **Farm Dog**, a US-based agricultural data platform and wholly owned subsidiary of **Deveron Corporation**, a Canada-based provider of data acquisition services for agriculture, for an undisclosed amount. This acquisition integrates Farm Dog's field scouting and pest management tools into FarmQA's agronomy platform, enhancing precision agriculture capabilities for real-time decision-making and crop optimization
- ▶ On November 12th, **Klim**, a Germany-based AgriTech company specializing in regenerative agriculture solutions, announced that it has raised US\$22 million in a Series A funding round, led by **BNP Paribas**, with participation from investors including **Earthshot Ventures**, **Rabobank**, **Agfunder**, **Norinchukin Bank**, **Achmea Innovation Fund**, **Ananda Impact Ventures**, and **Elevator Ventures**. This funding will support Klim's international expansion and the development of its digital platform
- ▶ On November 7th, **Premier Tech Ltd. ("Premier Tech")**, a Canada-based provider of packaging and processing equipment for the agricultural and farm sectors, announced the acquisition of the technological portfolio, products, and brand of **IMECO**, an Italy-based manufacturer of weighing, dosing, bagging, and palletizing solutions for bulk products, for an undisclosed amount. This acquisition allows Premier Tech to expand its European footprint and enhances its product offerings

Relative Performance Index



Key Indicators

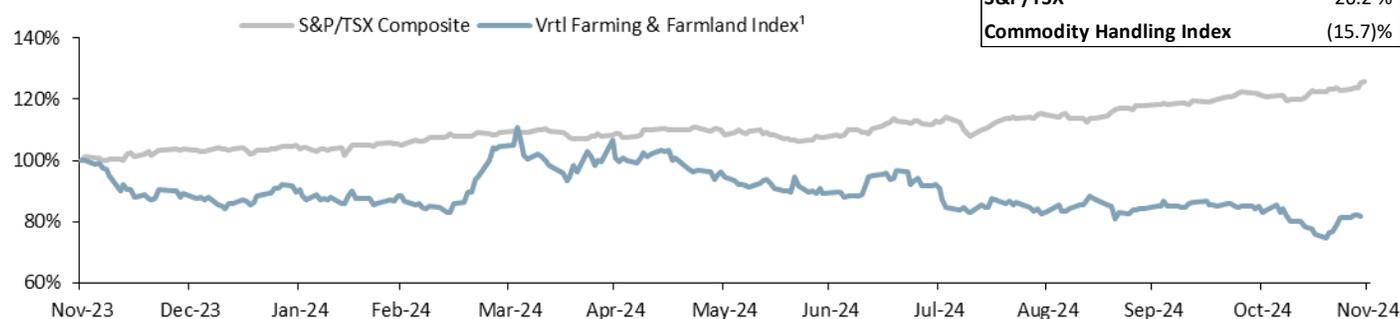
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	Market		TEV/EBITDA		Price/Earnings		Week Δ	Δ Price
	Cap	TEV	2024E	2025E	2024E	2025E	Price	52Wk High
Deere & Company	127,470	187,641	20.7x	22.4x	20.7x	22.9x	15.0 %	(0.7)%
CNH Industrial N.V.	15,687	42,266	20.6x	24.1x	11.3x	13.8x	10.2 %	(5.7)%
AGCO Corporation	7,555	11,611	8.3x	6.2x	7.1x	15.8x	10.0 %	(22.1)%
Ag Growth International Inc.	718	1,314	6.6x	6.0x	10.2x	9.1x	1.0 %	(20.2)%
Mean			14.0x	14.7x	12.3x	15.4x	11.8 %	(9.5)%

News Scan

- ▶ On November 26th, **Crysp Farms** (“Crysp”), a UAE-based provider of turnkey vertical farming solutions for the hospitality industry, announced a strategic partnership with **Alesca Technologies** (“Alesca”), a Beijing-based agritech company specializing in AI-powered farming systems, to deploy 500 modular vertical farms across the Middle East over the next five years. The terms of the deal were not disclosed. This collaboration aims to enhance the efficiency of vertical farming by integrating Alesca's AI-driven monitoring and automation systems into Crysp's existing and future farms, enabling the year-round production of over 130 varieties of fresh produce for hospitality clients
- ▶ On November 21st, **Oishii**, a US-based vertical farming startup specializing in premium strawberries, announced the extension of its Series B funding round to US\$150 million, in a round led by **Resilience Reserve**, with participation from **Miyako Capital**, **NTT**, and other prominent investors. The funding will support Oishii's expansion into new markets, scale its production capabilities, and advance research and development efforts
- ▶ On November 14th, **New Forests Pty Ltd.** (“New Forests”), an Australia-based investment manager specializing in sustainable forestry and natural capital strategies, announced that it has acquired a 90,791-acre forestry estate in Oklahoma from **Rayonier Inc.**, a US-based timberland real estate investment trust, for an undisclosed amount. This acquisition marks New Forests' first forestry investment in the US South, a region accounting for over half of the nation's timber production
- ▶ On November 13th, **Mucci Farms**, a Canada-based grower and marketer of fresh produce, announced the acquisition of **Greenhill Produce**, a 150-acre greenhouse facility in Kent Bridge, Ontario, for an undisclosed amount. This acquisition increases Mucci Farms' total greenhouse acreage to over 650 acres across Canada and the US, enhancing its capacity to supply fresh fruits and vegetables to retail, wholesale, and food service sectors

Relative Performance Index



Key Indicators

All Figures in USD millions unless indicated

	Market Cap	TEV	TEV/EBITDA		Price/Earnings		Week Δ	Δ Price
			2024E	2025E	2024E	2025E	Price	52Wk High
Farmland Partners Inc.	608	1,105	31.4x	nmf	nmf	nmf	2.9 %	(3.1)%
Gladstone Land Corporation	435	1,007	14.7x	14.2x	neg	neg	1.6 %	(21.8)%
Village Farms International, Inc.	88	130	14.7x	5.9x	neg	39.3x	2.2 %	(51.4)%
Hydrofarm Holdings Group, Inc.	38	186	nmf	27.0x	neg	neg	27.7 %	(32.0)%
Local Bounti Corporation	15	466	neg	nmf	neg	neg	0.0 %	(48.1)%
Mean			20.3x	15.7x	neg	39.3x	6.9 %	(31.3)%



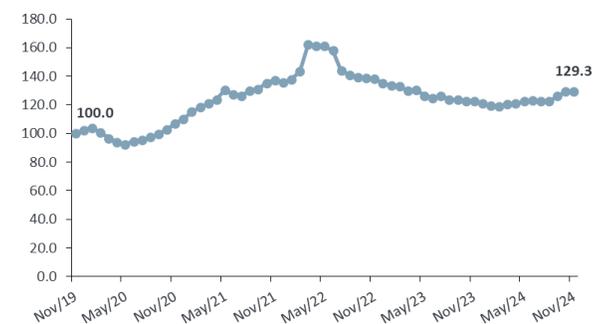
News Scan

- ▶ On December 3rd, **Global News** reported that Cargill, one of the world’s largest agricultural companies, is cutting 5% of its global workforce, around 8,000 jobs, as part of cost-saving measures amid challenging market conditions. The company emphasized that the job reductions aim to streamline operations and maintain competitiveness in a difficult economic environment
- ▶ On November 29th, **Reuters** announced that president-elect Donald Trump nominated Brooke Rollins, president of the America First Policy Institute, for Secretary of Agriculture, completing his Cabinet selections pending Senate approval. If confirmed, she will oversee USDA programs in farming, food quality, and nutrition
- ▶ On November 29th, the **Globe and Mail** reported that world wine output is on course to hit another 60-year low in 2024 as vineyards in both the northern and southern hemispheres endured adverse weather as they did last year, according to the International Organisation of Vine and Wine (OIV). In its first global projections for 2024, the OIV provided a mid-range estimate of 231 million hectolitres (mhl), which was 2% lower than last year’s output and the smallest since 1961
- ▶ On November 26th, **Reuters** reported that the US has temporarily halted imports of Mexican cattle following the detection of New World screwworm (NWS) in a cow at a checkpoint near Catazajá, Chiapas, close to Mexico's border with Guatemala. NWS larvae infest the living tissue of warm-blooded animals, including livestock and, in rare cases, humans, leading to severe infections
- ▶ On November 22nd, **Reuters** reported that the US banned food, metals and other imports from about 30 more Chinese companies over alleged forced labor involving the Uyghurs. The new restrictions, covering a range of products from tomato paste and walnuts to gold and iron ore, are part of the federal government's effort to prevent goods made with forced labor from entering the US
- ▶ On November 21st, **Foodbev Media** reported that Denmark has enacted a pioneering tax on agricultural greenhouse gas emissions, marking a significant step in its climate policy. Agriculture accounts for roughly 22.4% of Denmark's total carbon emissions, a proportion that has risen over the past decade as other sectors have reduced their outputs
- ▶ On November 18th, **The Globe and Mail** reported that thousands of British farmers marched to Parliament to protest the end of an inheritance tax exemption that has helped family farms pass down the generations, saying the move will threaten food production
- ▶ On November 15th, **Successful Farming** reported that U.S. agricultural groups warn that President-elect Donald Trump's mass deportation plans could disrupt the food supply, as nearly half of the nation’s 2.4 million agricultural workers lack legal status, with some areas like California reaching 70%
- ▶ On November 15th **Food Ingredients 1st** announced that the UN Food and Agriculture Organization (FAO) projects that the global food import bill could increase by 2.2% from 2023 to more than US\$2 trillion this year due to higher prices for cocoa, coffee and tea. Higher import costs for fruits and vegetables could also buoy these figures. Meanwhile, import bills for cereals and oilseeds are in decline, offering respite to lower-income countries
- ▶ On November 11th, **Food Ingredients 1st** announced that the Food and Agriculture Organization of the United Nations (FAO) has revealed that the benchmark for world food commodity prices surged to its highest level in 18 months in October, led by a sharp increase in vegetable oil quotations. The FAO Food Price Index, which tracks monthly changes in the international prices of a set of globally traded food commodities, averaged 127.4 points in October, up 2% from September and 5.5% from its value a year ago. The index remained 20.5% below its March 2022 peak
- ▶ On November 7th, **The Western Producer** reported that major US fast-food chains were temporarily scrubbing fresh onions off their menus after the vegetable was named as the likely source of an E. coli outbreak at McDonald’s. The incident laid bare the recurring nightmare for restaurants of produce being a bigger problem for them to keep free of contamination than beef

Commodities Futures as of November 30, 2024

Commodities Futures	Price Unit	Latest Price (US\$)	Month to Date	Year to Date
Corn (CBOT)	\$ per bu.	\$4.33	5.22 %	(8.99)%
Wheat (CBOT)	\$ per bu.	\$5.48	(4.40)%	(6.44)%
Oats (CBOT)	\$ per bu.	\$3.58	(8.38)%	(1.10)%
Rough Rice (CBOT)	\$ per cwt.	\$15.22	3.43 %	(12.61)%
Rapeseed (Canola)(ICE)	CAD per T	\$574.10	(10.32)%	(18.25)%
Ethanol (CBOT)	\$ per gal.	\$2.16	-	0.00 %

FAO Food Price Index



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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