



Seale & Associates

FARMING INDUSTRY
Q1 2024
VALUATION MULTIPLE UPDATE

25 years

Introduction

We are pleased to share our Farming Industry Multiples Valuation Update for Q1 2024.

At Seale & Associates, we are committed to providing process-driven solutions designed to optimize value and achieve our client's strategic objectives in a range of transactions, including **Mergers, Acquisitions, Divestitures and Carve-Outs, Business Sales, Recapitalizations, and Joint Ventures**, among other corporate finance and strategy consulting services.

Over the course of 25+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our clients who are looking to grow through acquisitions or optimize their portfolios through strategic divestitures.

Seale has extensive experience advising leading multinational companies, private equity firms, and family-owned businesses across a wide range of industries.



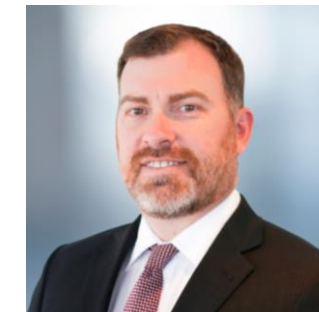
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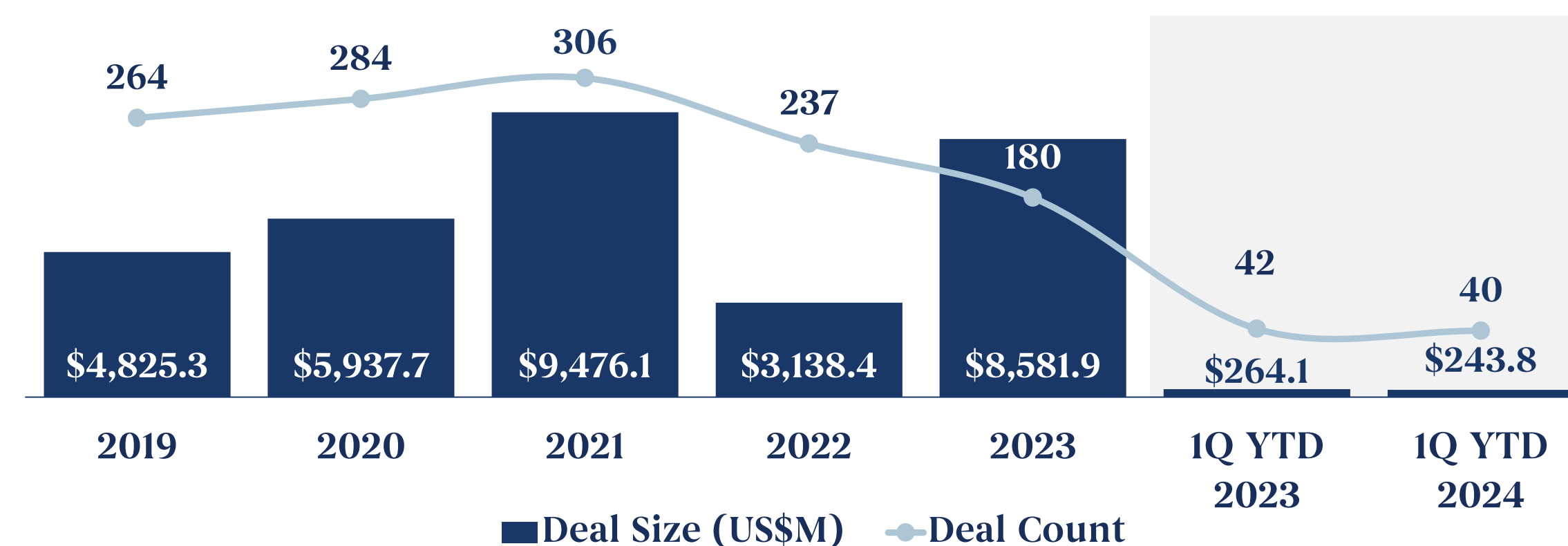
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Farming Industry Overview, M&A Trends and Market Intelligence

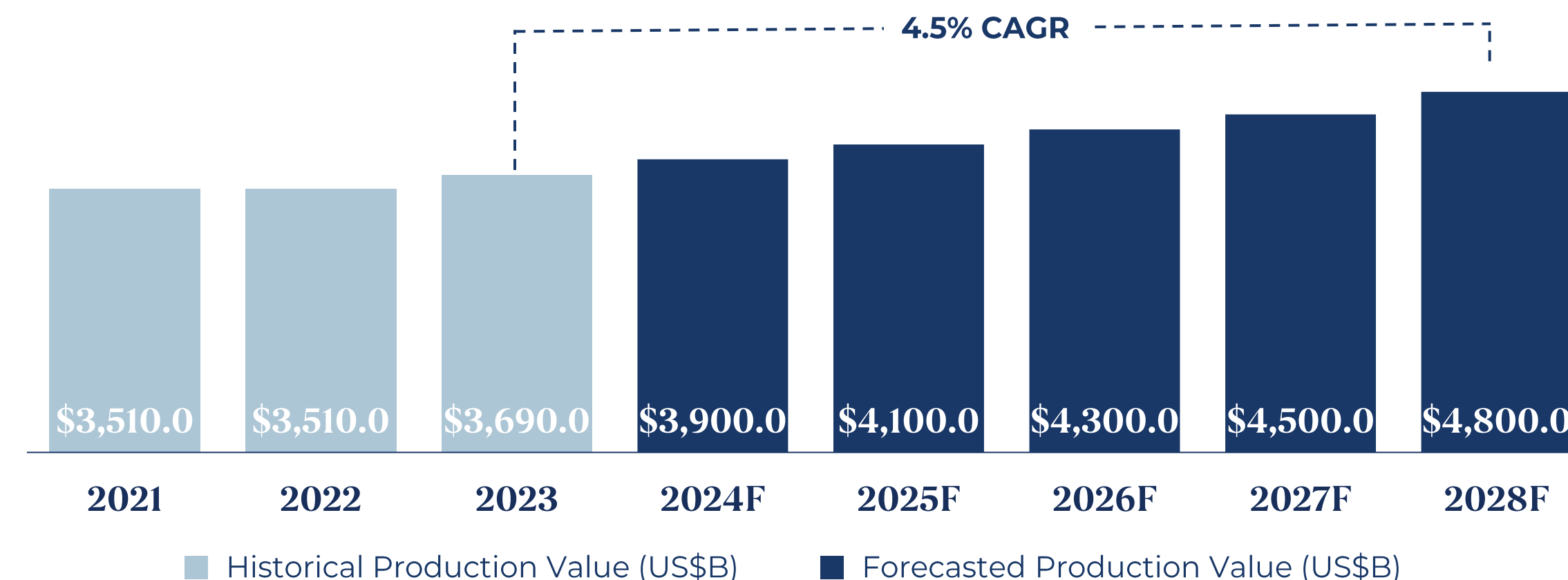
Farming Industry

- The shift towards **plant-based diets** and **sustainable farming practices** is influencing **M&A activity**. Companies are increasingly acquiring businesses that **align with these environmental and health-centric consumer preferences**, positioning themselves at the forefront of market trends
- With **valuations stabilizing**, strategic players are actively realigning their **capital allocation strategies**. This includes acquiring companies that offer **synergistic benefits and diversification** of product portfolios in response to shifting market demands
- Latin America, a leading exporter of grains and high-value crops, is a **significant focus for M&A activities**. Companies are **strategically acquiring** local businesses to enhance their product portfolios with biological solutions that meet export standards and reduce chemical loads in agriculture
- North America is a **dominant force** in agriculture analytics, with key players focusing on partnerships and acquisitions to innovate and expand
- In the **United States**, the agriculture market is experiencing consolidation, with **larger farms acquiring smaller ones**. This trend is driven by the high costs of equipment and land, which are making it difficult for smaller farms to compete









Farming Industry M&A Deal Size and Volume









Agriculture Gross Production Value
























Farming Industry Global Comparable Public Companies

| Company | Country | Market Cap. US\$M | Enterprise Value US\$M | Revenue US\$M | EBITDA Margin | Annual Average EV/EBITDA | | First Quarter Mar. 31, 2024 | | |
|---|---|-------------------|------------------------|---------------|---------------|--------------------------|--------|-----------------------------|------------|------|
| | | | | | | 2022 | 2023 | EV/EBITDA | EV/Revenue | |
| Alico, Inc. |  | USA | \$223 | \$294 | \$43 | 3.9% | 29.5x | 35.3x | 175.5x | 6.8x |
| Cresud Sociedad Anónima, Comercial, Inmobiliaria, Financiera y Agropecuaria |  | ARG | \$639 | \$2,109 | \$216 | 32.0% | 141.2x | 30.4x | 30.4x | 9.7x |
| Fresh Del Monte Produce Inc. |  | CYM | \$1,234 | \$1,813 | \$4,321 | 7.7% | 7.6x | 6.0x | 5.4x | 0.4x |
| KWS SAAT SE & Co. KGaA |  | DEU | \$1,762 | \$2,625 | \$1,915 | 17.1% | 10.7x | 8.3x | 8.0x | 1.4x |
| Limoneira Company |  | USA | \$352 | \$430 | \$182 | 0.3% | 88.7x | 136.4x | 838.0x | 2.4x |
| SLC Agrícola S.A. |  | BRA | \$1,736 | \$3,009 | \$1,442 | 33.3% | 6.2x | 5.7x | 6.3x | 2.1x |
| Três Tentos Agroindustrial S/A |  | BRA | \$1,045 | \$1,059 | \$1,794 | 5.5% | 12.1x | 10.9x | 10.6x | 0.6x |
| UIE Plc |  | MLT | \$1,015 | \$1,129 | \$439 | 49.6% | 6.1x | 4.6x | 5.2x | 2.6x |
| ■ Excluded from mean and median | | | | | | Mean | 8.5x | 7.1x | 7.1x | 1.6x |
| | | | | | | Median | 11.4x | 9.6x | 9.3x | 2.2x |

Farming Industry Global Comparable Public Companies

| Company | Country | Market Cap. US\$M | Enterprise Value US\$M | Revenue US\$M | EBITDA Margin | Annual Average EV/EBITDA | | First Quarter Mar. 31, 2024 | | |
|---------------------------------|---|-------------------|------------------------|---------------|---------------|--------------------------|-------|-----------------------------|------------|------|
| | | | | | | 2022 | 2023 | EV/EBITDA | EV/Revenue | |
| Archer-Daniels-Midland Company |  | USA | \$32,024 | \$40,585 | \$93,935 | 6.4% | 10.5x | 8.0x | 6.7x | 0.4x |
| Bunge Global SA |  | USA | \$14,703 | \$18,716 | \$59,540 | 8.7% | 4.8x | 4.1x | 3.6x | 0.3x |
| Darling Ingredients Inc. |  | USA | \$7,431 | \$12,030 | \$6,788 | 23.1% | 10.4x | 8.5x | 7.7x | 1.8x |
| Gruma, S.A.B. de C.V. |  | MEX | \$6,851 | \$8,427 | \$6,638 | 15.2% | 5.0x | 7.9x | 8.4x | 1.3x |
| Ingredion Incorporated |  | USA | \$7,661 | \$9,710 | \$8,160 | 15.6% | 8.5x | 8.1x | 7.6x | 1.2x |
| Wilmar International Limited |  | SGP | \$15,882 | \$42,135 | \$67,155 | 5.5% | 10.6x | 9.8x | 11.4x | 0.6x |
| ■ Excluded from mean and median | | | | | | Mean | 6.1x | 7.7x | 6.8x | 0.9x |
| | | | | | | Median | 9.5x | 8.1x | 7.7x | 0.9x |

Industry – Global Transactions

| Date | Target | Country | Description | Buyer | Seller | % Acquired | Size US\$M | EV/ EBITDA | EV/ Revenue |
|--------|---|---------|--|---|--|------------|------------|------------|-------------|
| Mar-24 |  | GBR | Cultivates and distributes potatoes |  |  | 100.0% | - | - | - |
| Mar-24 |  | PER | Produces and distributes avocado |  |  | 100.0% | - | - | - |
| Mar-24 |  | PER | Produces and distributes blueberry fruits |  |  | 100.0% | - | - | - |
| Mar-24 |  | CAN | Develops and supplies forage seed products |  | - | 100.0% | - | - | - |
| Feb-24 |  | USA | Distributes a wide variety of fresh, conventional, and organic produce | PTF Holdings |  | 65.0% | \$120.3 | - | 0.3x |
| Feb-24 |  | NLD | Cultivates and supplies fresh-cut tulips |  | Botman Bloembollen | 100.0% | \$47.5 | - | - |
| Feb-24 |  | USA | Develops agricultural products, including apples, blueberries, and other crops |  | - | 100.0% | - | - | - |
| Feb-24 |  | NLD | Produces tomatoes, cucumber, and sweet pepper seeds |  | - | 100.0% | - | - | - |
| Jan-24 |  | USA | Provides agricultural products and services including farm supplies |  | - | 100.0% | - | - | - |

Selected Transactions Commentary



“We would like to thank the current and former management teams for their dedication, passion, and significant contributions to the growth of this business over the time that we have been partners. We wish the executive team and their new majority owners continued success for the future.”

Carl McCann, Executive Chairman of Dole plc



“Millborn’s goal is to create an integrated seed supply chain and provide the highest quality products for our customers. Union Forage’s established dealer network and product offering is top-tier and allows us to reach even more producers in Canada.”

Matt Fenske, CEO of Millborn



“We have enjoyed working with Balk Wervershoof for a long time. The company produces high quality seeds and employs highly experienced and skilled employees. We are proud that we can now add this expertise to our company, and we extend a warm welcome to all the employees of Balk Wervershoof.”










Jaap Mazereeuw, CEO of Enza Zaden



“As we look forward to this new era of service for Monticello area customers, we also greatly appreciate the past leadership that has built this business into the success it is today. We’re honored these leaders have put their trust in the Ceres team, and we’re committed to the success of our new customers.”

Jeff Troike, CEO of Ceres Solutions

Private Equity Transactions

| INDUSTRY CLASIFICATION | PERIOD | AVERAGE ENTERPRISE VALUE (IN USD) | REVENUE (IN USD) | TTM REVENUE GROWTH | ENTERPRISE VALUE / REVENUE | EBITDA MARGIN | ENTERPRISE VALUE /EBITDA | NUMBER OF TRANSACTIONS |
|---|--|---|--|--|---|--|---|--|
|  Support Activities for Agriculture and Forestry <small>NAICS 115 – Support Activities for Agriculture and Forestry</small> |  2018-2024 |  \$68.6M |  \$61.8M |  25.8% |  1.2x |  17.7% |  7.0x |  4 |
| Support Activities for Crop Production <small>NAICS 11511 – Support Activities for Crop Production</small> | 2018-2024 | \$76.4M | \$74.7M | 14.4% | 1.0x | 15.6% | 6.6x | 3 |

Notes:

- Data obtained via GF Data, a subscription-based information platform, offering detailed information and metrics about the transactions of Private Equity funds in the U.S.
- The data is provided under a blind confidential format. Users of the data are unable to identify the exact company and transaction corresponding to the transaction details. Given this blind approach, the data submitted is less likely to be biased or manipulated.

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| | | | | | | |
|--|--|--|--|---|---|---|
| <p>BEIJER REF</p> <p>has been acquired by</p>  <p>HERITAGE DISTRIBUTION HOLDINGS</p> | <p>avangardinnovative MOVING THE CIRCULAR ECONOMY FORWARD</p> <p>has sold a controlling interest to</p>  <p>WASTE MANAGEMENT</p> | <p>ZN ZINC NACIONAL</p> <p>has sold</p> <p>GSDKO</p> <p>Zinc Oxide Corporation a subsidiary of</p> <p>Korea Zinc</p> | <p>Electrolux PROFESSIONAL</p> <p>has acquired</p> <p>unified brands a DOVER company</p> <p>from</p> <p>DOVER</p> | <p>Port Contractors STEVEDORES - TERMINAL OPERATORS</p> <p>has been acquired by</p>  <p>ENSTRUCTURE</p> | <p>Oxbow</p> <p>Oxbow's Senior Subordinated debt issued by</p>  <p>H.J. BAKER ESTABLISHED 1880</p> <p>was refinanced by</p> <p>BMO </p> | <p>Hertz</p> <p>has acquired</p>  <p>DONLEN</p> |
| <p>Standex</p> <p>has sold</p> <p>Enginetics</p> <p>to</p> <p>Enjet AERO</p> | <p>ITT</p> <p>has sold</p> <p>BURNY KALIBURN PLASMA CUTTING INNOVATION</p> <p>and</p> <p>CNC Cleveland Motion Controls</p> <p>to</p> <p>LINCOLN ELECTRIC</p> | <p>Honeywell</p> <p>has sold</p> <p>SENSOR</p> <p>to</p>  <p>GE Power Systems</p> | <p>TRIUMPH™</p> <p>has sold</p> <p>Triumph Processing - Embee Division</p> <p>to</p> <p>AMP ALL METALS PROCESSING</p> | <p>TRIUMPH™</p> <p>has sold</p> <p>Triumph Air Repair, the APU Overhaul Operations of Triumph Aviation Services - Asia, and Triumph Engines businesses</p> <p>to</p> <p>TGG THE GORES GROUP</p> | <p>Rheem</p> <p>has acquired</p> <p>HTPG</p> | <p>GRACE</p> <p>has sold its GRACE Membranes business</p> <p>Uop a subsidiary of</p> <p>Honeywell</p> |
| <p>convatec - forever caring -</p> <p>has sold</p> <p>SENSI CARE</p> <p>and</p> <p>ALOE VESTA™</p> <p>to</p> <p>MEDLINE</p> | <p>United Technologies</p> <p>has sold</p> <p>MobileView</p> <p>to</p> <p>SAFE FLEET Driving Safety Forward™</p> | <p>United Technologies</p> <p>has sold</p> <p>HTPG A division of Carrier Commercial Refrigeration, Inc.</p> <p>to</p> <p>MONOMOY CAPITAL PARTNERS and Starboard Capital Partners</p> | <p>LOCKHEED MARTIN</p> <p>has sold</p> <p>Commercial Flight Training Business</p> <p>to</p> <p>ALTEON A BOEING COMPANY</p> | <p>FLOWSERVE</p> <p>has sold</p> <p>D&B</p> <p>to</p> <p>DB DaviesBaird</p> | <p>KBR</p> <p>has acquired</p> <p>Wabi Wabi Development Corporation</p> | <p>H G HARRISON GYPSUM, LLC</p> <p>has been recapitalized by</p> <p>H. I. G. PRIVATE EQUITY</p> |



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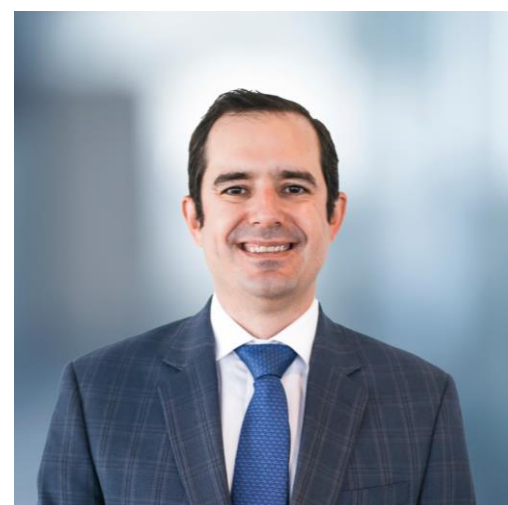


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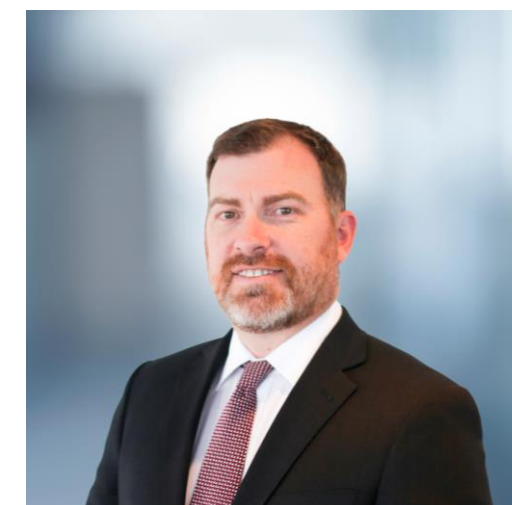


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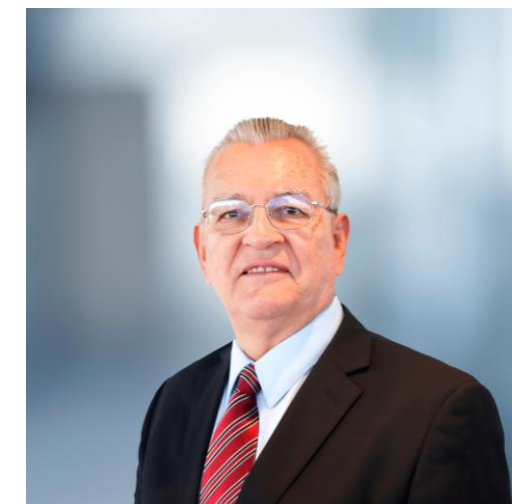


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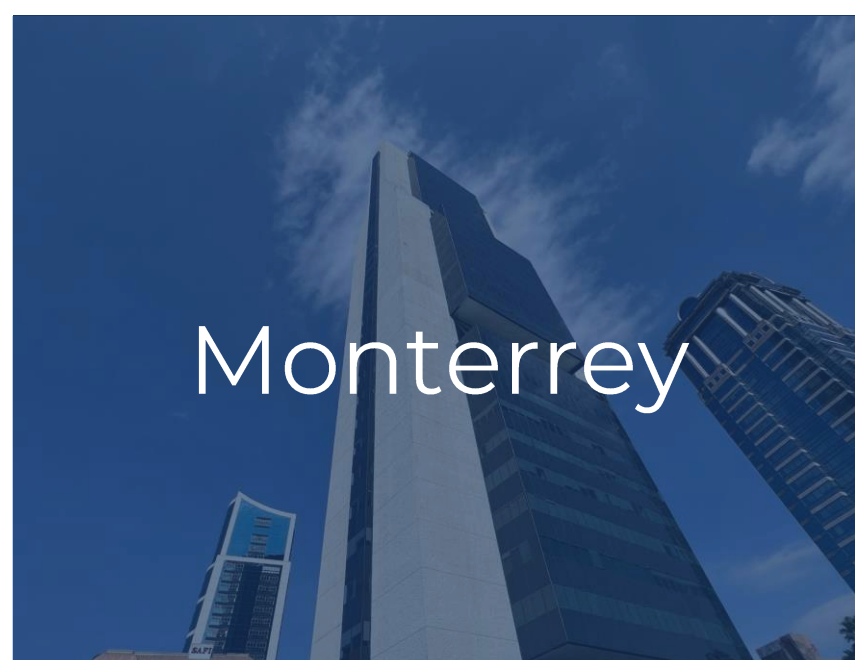
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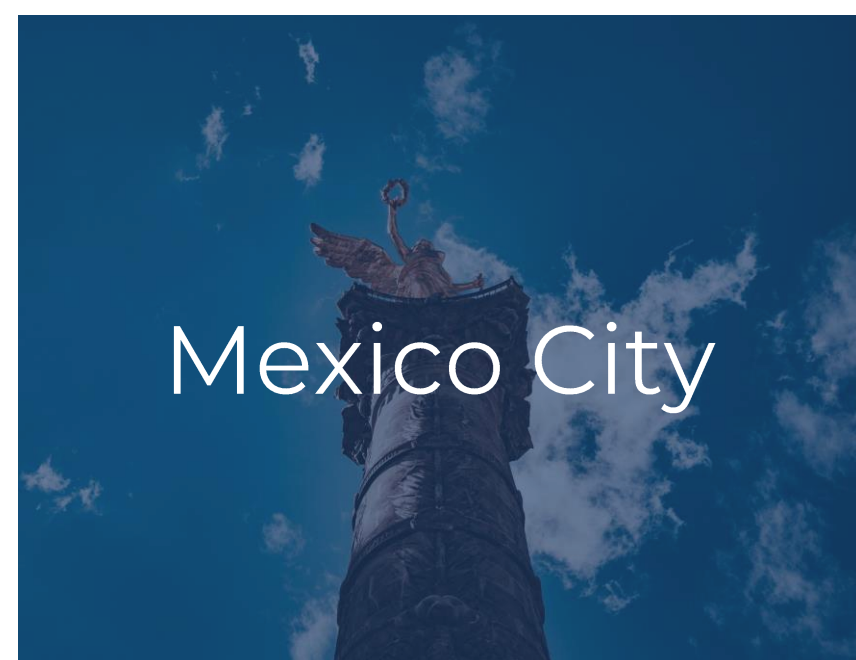
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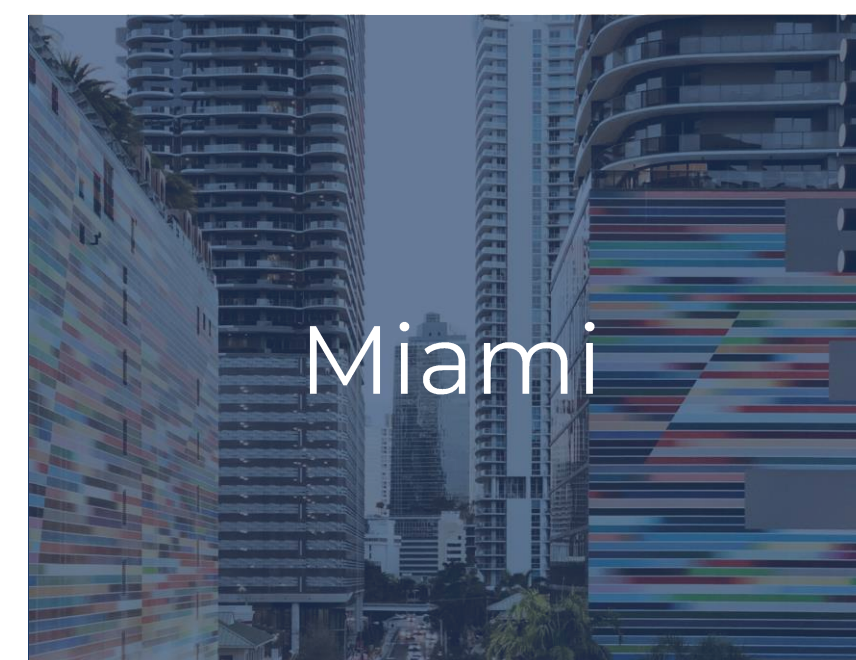
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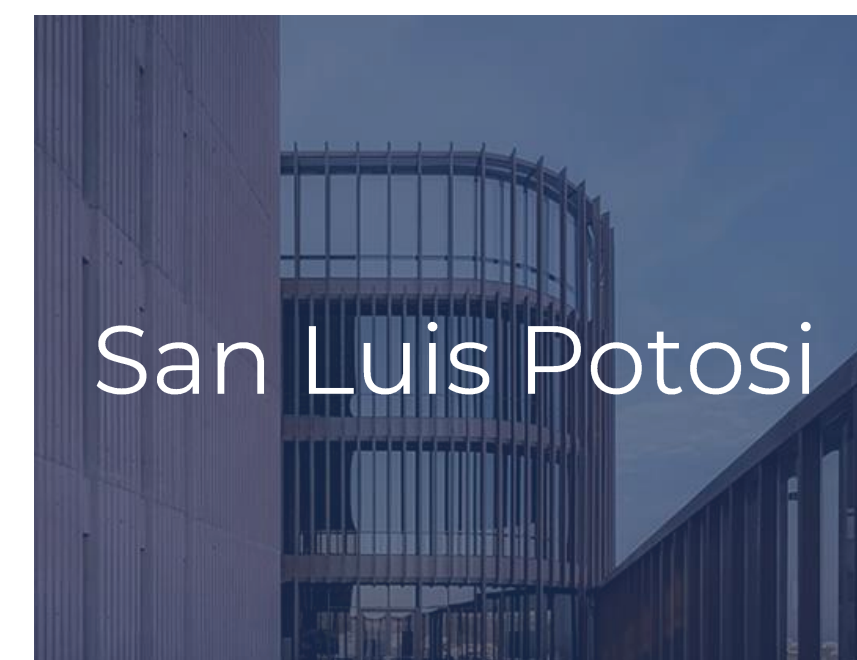
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San Luis Potosi

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For over 25 years, Seale & Associates has served leading public and private companies from around the world and operating in a broad range of industries with a high level of quality, integrity and independence while presenting innovative ideas and trusted solutions to address their most complex dealings.

25

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