



Seale & Associates

FARMING INDUSTRY
Q3 2023
VALUATION UPDATE

Introduction

We are pleased to share our Farming Industry Multiples Valuation Update for Q3 2023.

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 Farming Industry 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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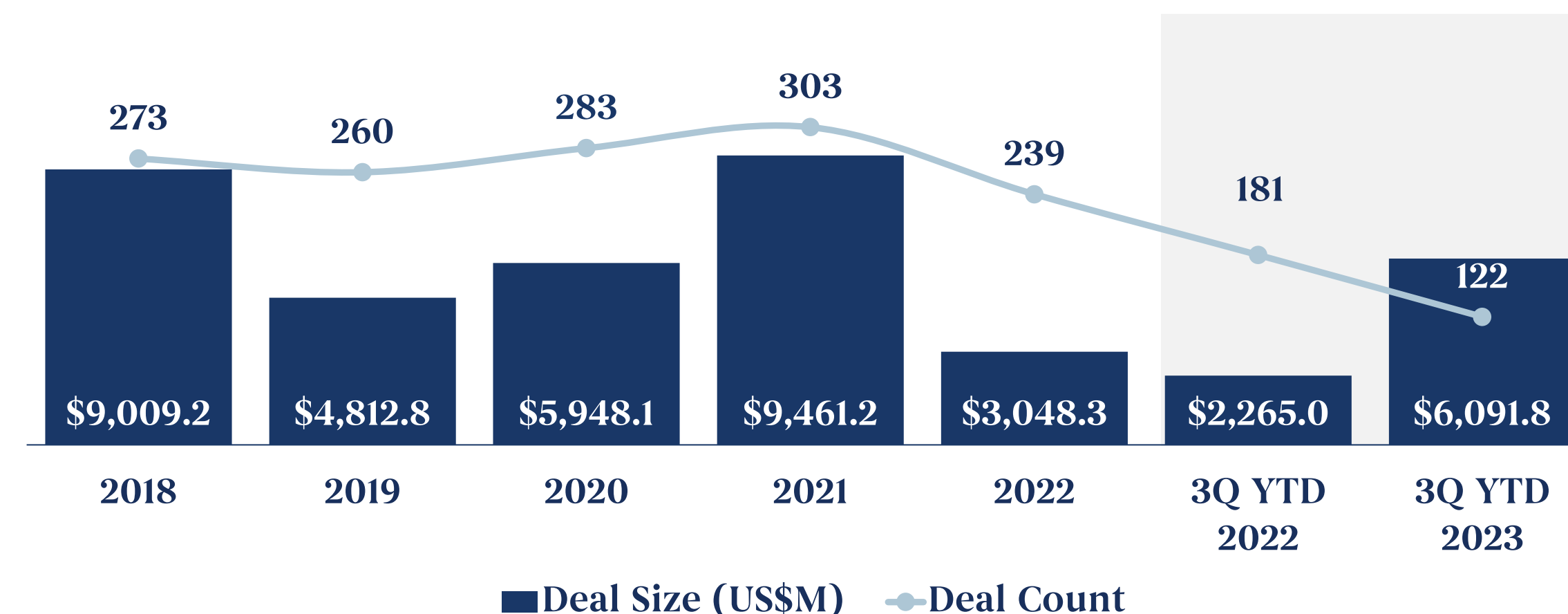
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Farming Industry Overview, M&A Trends and Market Intelligence

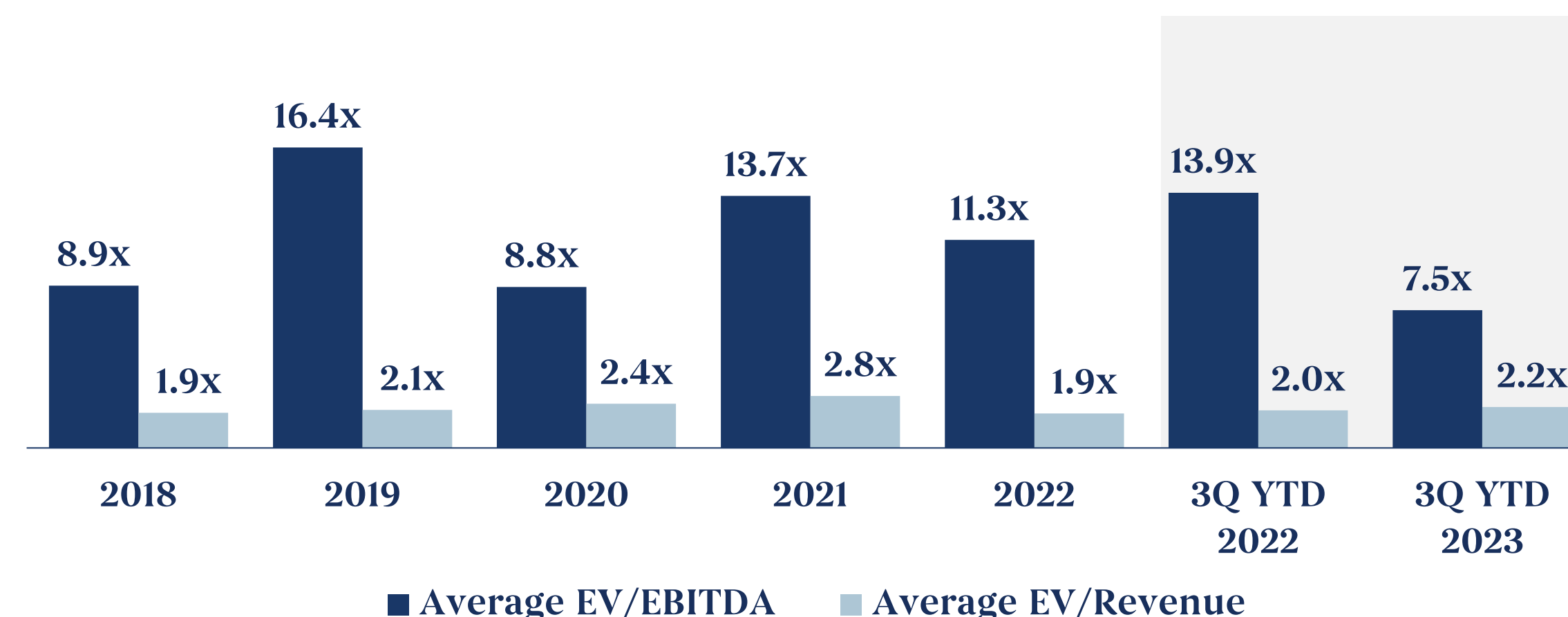
Farming Industry

- The global farming industry is a massive and complex sector, worth trillions of dollars and employing millions of people. It is facing a number of challenges, including climate change, population growth, and rising input costs
- **M&A activity in the farming industry is strong, driven by a number of factors. Some key M&A trends include:**
 - **Vertical integration:** Companies are acquiring companies in different parts of the value chain, from seed production to food processing
 - **Cross-border M&A:** This is driven by the growing global demand for food and agricultural products, and the need to find new sources of supply
 - **Private equity investment:** They are attracted to the industry's long-term growth potential and the opportunity to consolidate the industry
 - **E-commerce:** This allows companies to bypass traditional retailers and reduce costs
- A number of other factors that are shaping the M&A landscape in the farming industry. These include; the rise of new technologies, the growing demand for sustainable food products, and the changing demographics of the global population
- The **M&A landscape in the farming industry is dynamic and evolving.** Companies are acquiring in order to consolidate their positions, expand into new markets, invest in new technologies, and meet the changing demands of consumers







Farming Industry M&A Deal Size and Volume










Farming Industry M&A Average EV/EBITDA and EV/Revenue

























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		Third Quarter Sep. 30, 2023	
						2021	2022	EV/EBITDA	EV/Revenue
Fresh Del Monte Produce Inc.	 CYM	\$1,243	\$1,824	\$4,402	8.1%	7.5x	7.6x	5.1x	0.4x
Hortifrut S.A.	 CHL	\$848	\$1,590	\$1,005	20.6%	7.3x	7.0x	7.7x	1.6x
Molinos Agro S.A.	 ARG	\$1,667	\$1,828	\$1,744	0.9%	12.4x	20.4x	111.3x	1.0x
SLC Agrícola S.A.	 BRA	\$1,746	\$3,075	\$1,394	34.9%	8.8x	6.3x	6.3x	2.2x
Três Tentos Agroindustrial S/A	 BRA	\$1,277	\$1,389	\$1,538	7.0%	12.4x	12.1x	13.0x	0.9x
UIE Plc	 MLT	\$806	\$879	\$468	44.7%	7.8x	6.1x	4.2x	1.9x
					Mean	9.4x	7.8x	7.3x	1.2x
					Median	8.3x	7.3x	7.0x	1.3x

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		Third Quarter Sep. 30, 2023 EV/		
						2021	2022	EBITDA	Revenue	
Archer-Daniels-Midland Company		USA	\$40,433	\$49,172	\$96,896	6.6%	10.5x	10.5x	7.7x	0.5x
Bunge Limited		USA	\$16,307	\$21,539	\$61,264	8.5%	5.9x	4.8x	4.1x	0.4x
Darling Ingredients Inc.		USA	\$8,325	\$13,041	\$7,064	24.2%	12.7x	10.4x	7.6x	1.8x
Gruma, S.A.B. de C.V.		MEX	\$6,340	\$8,170	\$6,493	14.0%	7.8x	5.0x	9.0x	1.3x
Ingredion Incorporated		USA	\$6,508	\$8,757	\$8,216	14.4%	7.9x	8.5x	7.4x	1.1x
KWS SAAT SE & Co. KGaA		DEU	\$1,942	\$2,522	\$1,926	18.3%	12.5x	10.7x	7.1x	1.3x
Wilmar International Limited		SGP	\$17,053	\$40,941	\$69,803	5.8%	12.1x	10.6x	10.0x	0.6x
						Mean	9.9x	8.7x	7.6x	1.0x
						Median	10.5x	10.4x	7.6x	1.1x

Farming Industry – Global Transactions

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Sep-23		JPN	Produces and sells strawberries			65.0%	\$0.7	-	-
Sep-23	Owens Nutrition Ltd	GBR	Offers molassed farming concentrates		-	100.0%	-	-	-
Sep-23		USA	Grows tomatoes, peppers and cucumbers across five greenhouses in Mexico			100.0%	-	-	-
Sep-23		ESP	Specializes in the breeding of the new generation of berry varieties		Cinven Limited; Alpireva Investments S.L.	100.0%	-	-	-
Sep-23		PER	Cultivates, packages, and exports avocados, asparagus, table grapes, and blueberries		-	100.0%	-	-	-
Aug-23		USA	Operates as a nursery that grows and sells various types of plants for homes, gardens, and permacultures		-	100.0%	-	-	-
Aug-23		USA	Provides grapes and berries breeding services	Multiple Buyers	-	100.0%	-	-	-
Jul-23		ISR	Grows and exports citrus, fruits, and vegetables		-	44.5%	\$68.7	-	0.7x
Jul-23		ARG	Cultivates camelina sativa and camelina oil	Bunge Limited; Renewable Energy Group, Inc.		100.0%	-	-	-
Jul-23		CAN	Operates a crop processing facility specializing in lentils and canary seed		-	100.0%	-	-	-
Jul-23		AUS	Produces, packages, and markets fruits and vegetables to food retailers		-	85.2%	\$1,588.8	7.1x	1.8x

Mean 1.2x
Median 1.2x

Selected Transactions Commentary



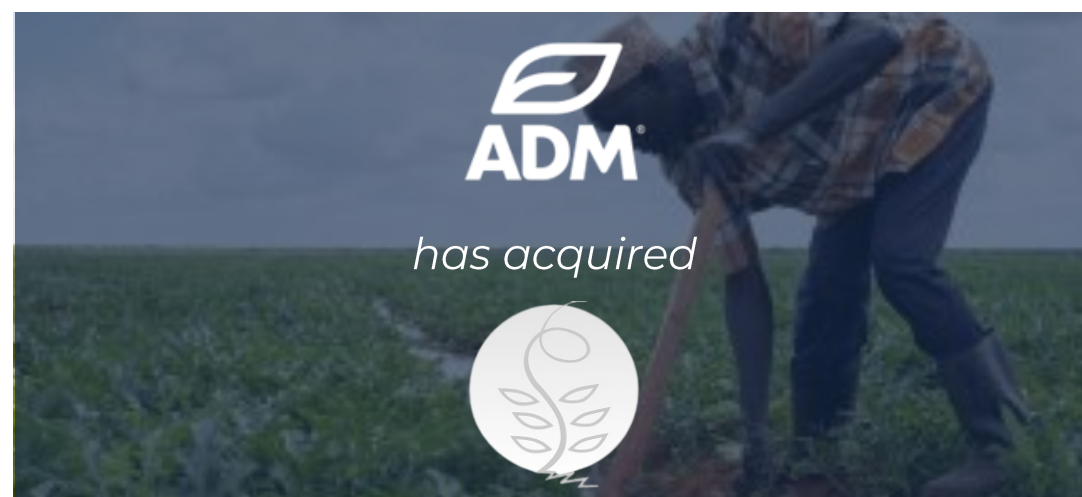
“The acquisition of Planasa will be a milestone for our family group, as it allows us to strategically expand our breeding activities into the area of plant breeding.”

Dirk Wesjohann, Managing Director of EW Group



“Today signifies a pivotal moment, uniting two global breeding forces. Our journey transforms competition into collaboration, uniting our stakeholders. Our goal remains steadfast: to serve our growers, retailers, and consumers with excellence, backed by an unwavering commitment to innovation and sustainability.”

Alvaro Muñoz, CEO of AMFRESH



“Their success is our success, and we're excited to strengthen our relationships with Canadian pulse growers through the acquisition of Prairie Pulse. We'll be reaching out to producers about ADM's unique array of tools and resources to help them manage and grow their businesses.”










Aaron Brown, Commercial Manager of ADM



“We see Mehadrin as a company with significant enhancement potential due to the enormous scale of fields and land reserves in its possession, which are owned and under long-term lease agreements and located in areas of demand in the State of Israel.”

Idan Wallace, CEO of Dalek Group

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 <i>NAICS 115 – Support Activities for Agriculture and Forestry</i>	 2020-2022	 \$68.6M	 \$61.8M	 25.8%	 1.2x	 17.7%	 7.0x	 4
Support Activities for Crop Production <i>NAICS 11511– Support Activities for Crop Production</i>	2020-2022	\$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.

Sign up for M&A insights

One of our core capabilities is to deliver sector-specific intelligence designed specifically for industry leaders, private equity firms, and their advisors. Our industry reports and featured articles deliver real-time access to key industry data, including:



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S U S C R I B E

Mandatos Representativos



INMAGUSA
Grupo Galaz, S.A de C.V.

has been acquired by




has sold



to




has sold its

Sanitaryware business units

ST. THOMAS CREATIONS
SAFARIROOMS THAT WORK BEAUTIFULLY

and



to




has sold



to




has sold



to




has been acquired by





acquired

The Zinc Recycling Business

of




acquired



Automotive dealerships from




has sold



to




has sold

Kidde de Mexico, S.A. de C.V.

Fire Safety Solutions Business

to an affiliate of




has sold its concrete pumping business

to



CORPORACION



has sold




to





has been acquired by




has been acquired by

has been acquired by



intelectiva®

has acquired



KFC Costa Rica from




Multiple acquisitions







has partnered with




a subsidiary of





has been acquired by




has merged its Beverage Division with

has merged its Beverage Division with



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Please contact us if you would like further information about M&A trends and/or specific transaction multiples for your industry

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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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\$50B+

TRANSACTIONS GLOBALLY

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Recapitalizations

Due Diligence / Support

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We have worked repeatedly with many of the most well-known companies in the world...

...as well as with reputable funds, family-offices and privately held companies.



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Creative Solutions. Trusted Advice.