



Seale & Associates

FARMING INDUSTRY
Q4 2023
VALUATION UPDATE

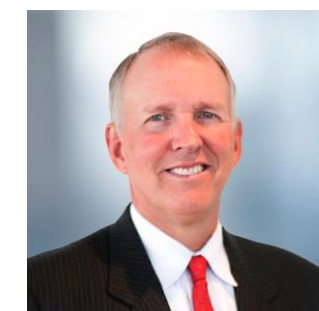
Introduction

We are pleased to share our Farming Industry Multiples Valuation Update for Q4 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.

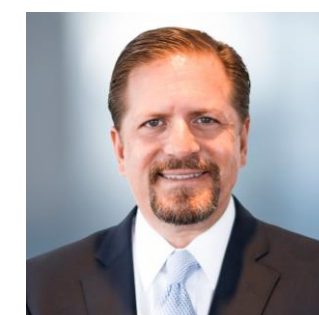
Over the course of 25+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our Farming Industry clients who are looking to grow through acquisitions or optimize their portfolios through strategic divestitures.

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



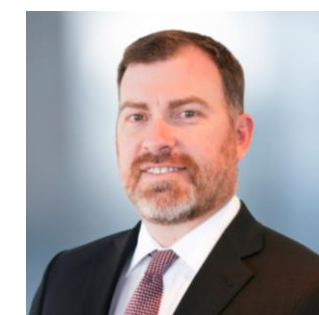
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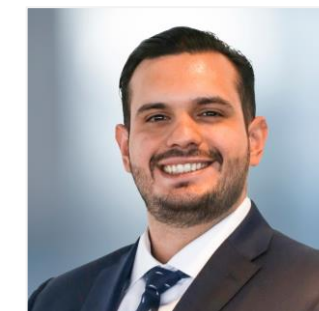
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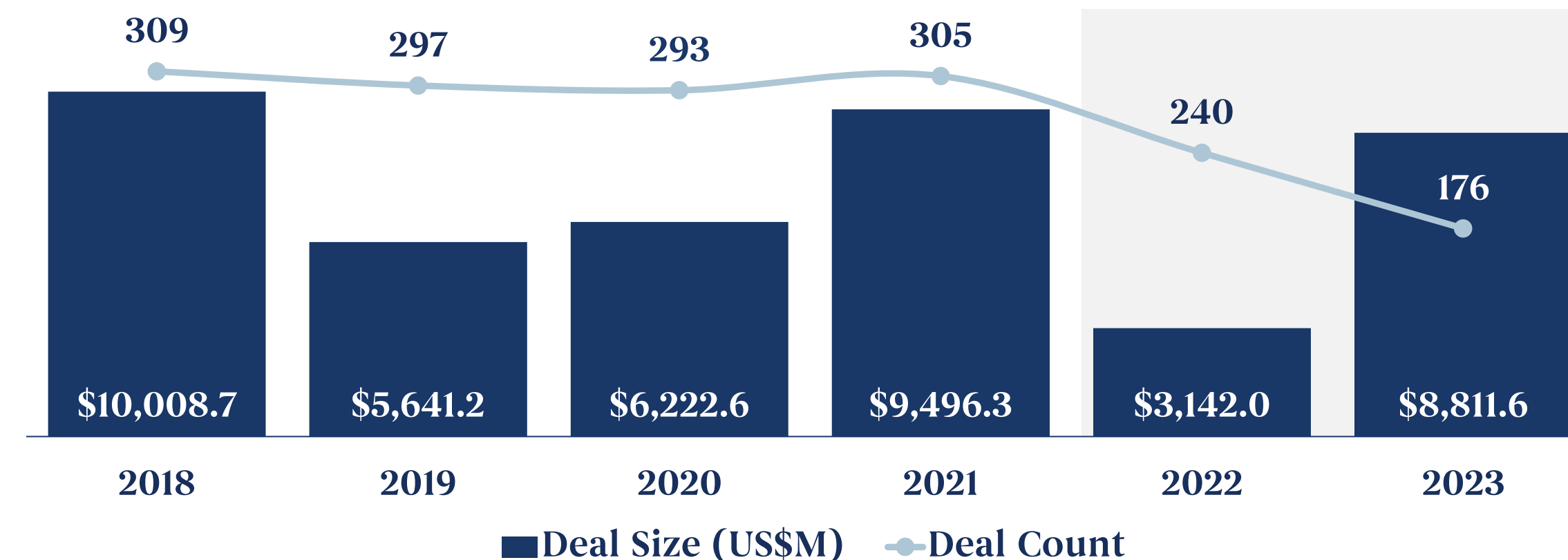
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Farming Industry Overview, M&A Trends and Market Intelligence

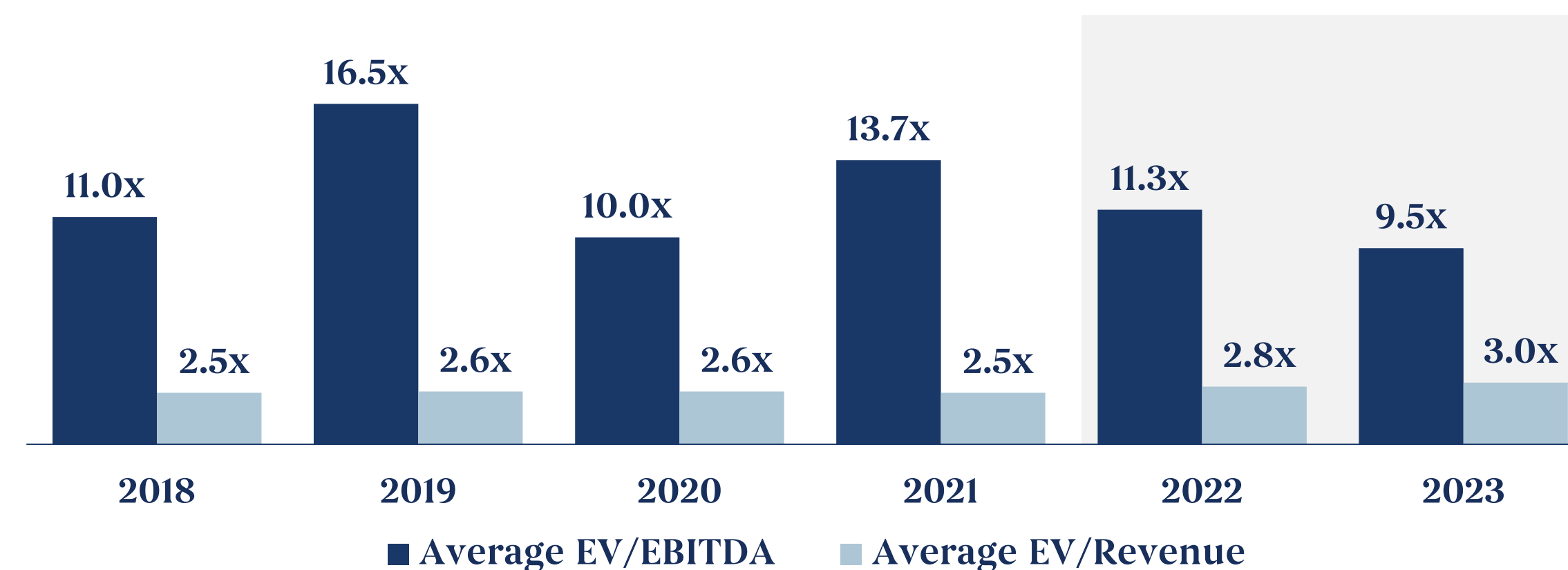
Farming Industry

- The global farming industry size is estimated at **US\$3.90 trillion** in **2024**, and is expected to grow **US\$4.86 trillion by 2028**, growing at a **CAGR of 5.6%**
- The import value and export value is projected to amount to **US\$949.7bn** and **US\$841.7bn** respectively, in 2024
- Climate change, population growth, growing demand for food, the increasing adoption of smart technologies in the global agriculture sector are some of the **major factors** driving the farming industry
- Consumers are becoming more **health-conscious**, seeking products **free from** pesticides and harmful chemicals. This trend is **driving** the growth of the organic agriculture market, which is expected to continue to expand in the coming years
- Government initiatives, like Canada's **investment in precision tree farming** and India's Kisan Drones project, along with **increased IoT connectivity** in European agriculture, are pivotal in accelerating the adoption of precision farming technologies globally
- 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






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		Fourth Quarter Dec. 31, 2023		
						2021	2022	EV/EBITDA	EV/Revenue	
Fresh Del Monte Produce Inc.		CYM	\$1,263	\$1,805	\$4,352	7.8%	7.5x	7.6x	5.3x	0.4x
KWS SAAT SE & Co. KGaA		DEU	\$1,959	\$2,733	\$1,962	18.0%	12.5x	10.7x	7.7x	1.4x
Molinos Agro S.A.		ARG	\$1,170	\$1,224	\$441	NM	12.4x	20.4x	NM	2.8x
SLC Agrícola S.A.		BRA	\$1,707	\$3,152	\$1,496	38.9%	8.8x	6.2x	5.4x	2.1x
Três Tentos Agroindustrial S/A		BRA	\$1,236	\$1,265	\$1,675	7.4%	12.4x	12.1x	10.2x	0.8x
UIE Plc		MLT	\$898	\$1,065	\$440	47.1%	7.8x	6.1x	5.1x	2.4x
						Mean	10.3x	8.5x	5.9x	0.9x
						Median	10.6x	9.2x	5.4x	1.8x

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		Fourth Quarter Dec. 31, 2023		
						2021	2022	EV/EBITDA	EV/Revenue	
Archer-Daniels-Midland Company		USA	\$38,521	\$46,876	\$96,896	6.4%	10.5x	10.5x	7.5x	0.5x
Bunge Global SA		USA	\$14,667	\$19,261	\$59,540	8.9%	5.9x	4.8x	3.6x	0.3x
Darling Ingredients Inc.		USA	\$7,951	\$12,538	\$6,942	23.6%	12.7x	10.4x	7.7x	1.8x
Gruma, S.A.B. de C.V.		MEX	\$6,794	\$8,492	\$6,493	15.1%	7.8x	5.0x	8.7x	1.3x
Ingredion Incorporated		USA	\$7,075	\$9,194	\$8,160	15.0%	7.9x	8.5x	7.5x	1.1x
Wilmar International Limited		SGP	\$16,885	\$41,597	\$69,803	5.8%	12.1x	10.6x	10.2x	0.6x
						Mean	8.0x	6.1x	7.0x	0.8x
						Median	9.2x	9.5x	7.6x	0.9x

Farming Industry – Global Transactions

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Dec-23		CAN	Manufactures global seeding and tillage equipment		-	100.0%	\$480.5	-	-
Dec-23		CAN	Manufactures agricultural equipment in North America			96.7%	\$45.4	-	-
Nov-23		USA	Wholesales grains, petroleum products, and farm supplies		-	100.0%	-	-	-
Nov-23		USA	Produces organic citrus, apples, pears, and kiwi fruits		-	100.0%	-	-	-
Nov-23		ITA	Manufactures and distributes farm vehicles and tower cranes	Magni Holdings Limited		20.0%	\$66.9	-	-
Nov-23		USA	Manufactures and distributes canned vegetables			100.0%	\$55.6	-	-
Nov-23		GBR	Develops and distributes a wide variety of seeds		-	100.0%	-	-	-
Oct-23		BRA	Cultivates camelina sativa and camelina oil		-	100.0%	\$12.7	-	5.6x
Oct-23	Soya Crush Plant	ESP	Operates a crop processing facility specializing in lentils and canary seed			100.0%	-	-	-
								Mean	5.6x
								Median	5.6x

Selected Transactions Commentary



“The Bourgault family is incredibly proud of the legacy we have created both here in St. Brieux, Saskatchewan, but also around the world. We are excited to have our team of over nine hundred people in Saskatchewan, and over one thousand worldwide, join the Linamar family.”

Gerry Bourgault, President of Bourgault



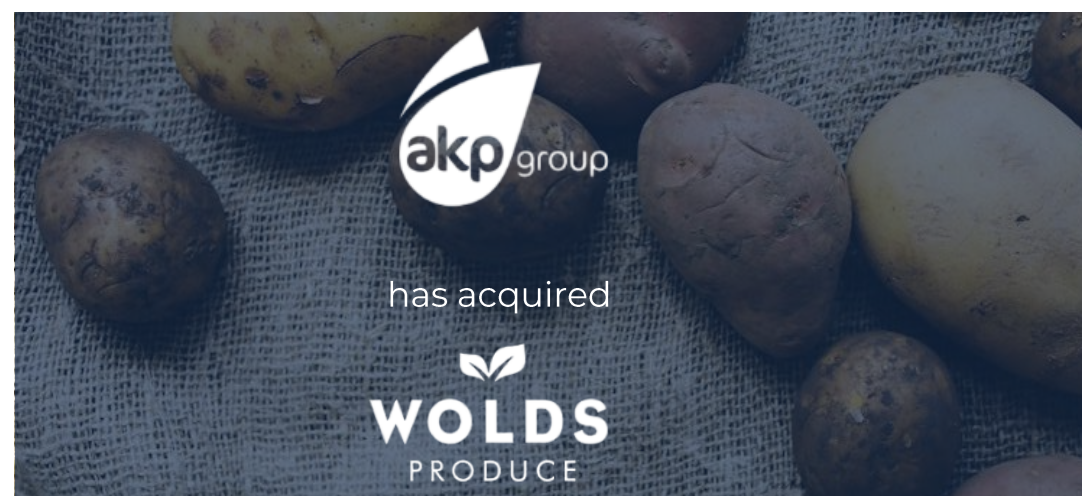
“This investment in Buhler Industries is the next step forward for ASKO Holding's expansion into the North American market. Buhler Industries and its iconic brands, Versatile and Farm King, have a deep history and legacy in the agricultural industry and we are enthusiastic about working with Buhler Industries to take the next steps in the evolution of its business.”

Sami Konukoglu, Chairman of ASKO Holding



“Our goal has always been to provide top-notch specialty products and services to our customers...With World Fresh Produce now part of the South Mill Champs family, we are even better positioned to meet the diverse needs of customers across North America.”










Michel Matouk, Founder of World Fresh Produce



“This acquisition represents a strategic step towards realising our vision of becoming the go-to partner within the UK’s potato industry. We are excited that Wolds Produce shares this focus and we are excited about the opportunities this partnership will bring to our network of growers and customers.”

Richard Arundel, Managing Director of AKP 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>	 2018-2023	 \$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>	2018-2023	\$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>TENSOR</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>HARRISON GYPSUM, LLC</p> <p>has been recapitalized by</p> <p>H. I. G. PRIVATE EQUITY</p>



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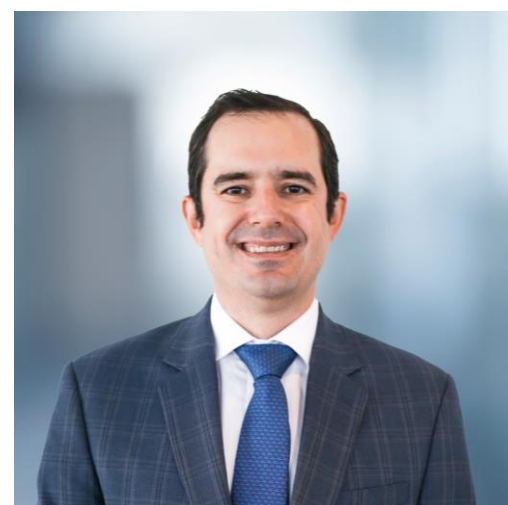


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University of Florida - BA in Political Science with High Honors

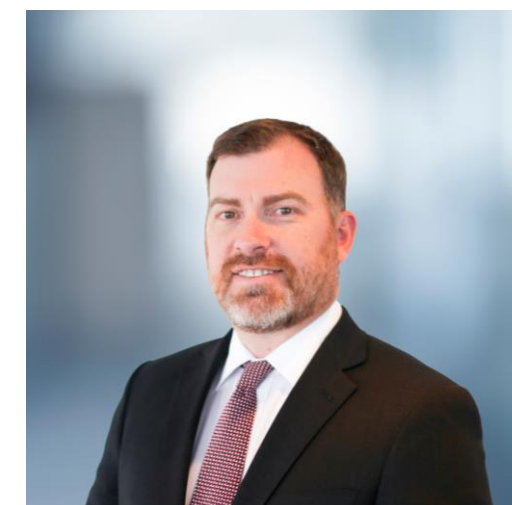


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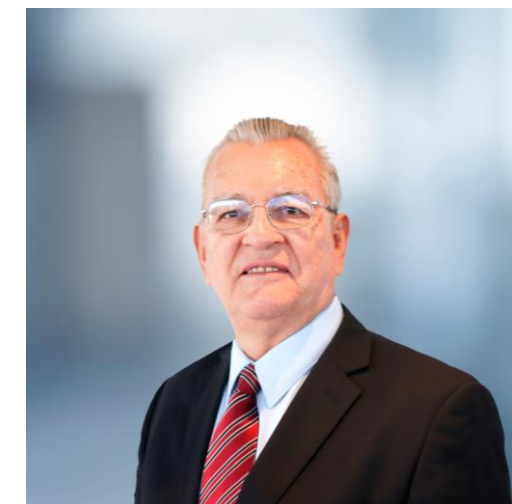


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Please contact us if you would like further information about M&A trends and/or specific transaction multiples for your industry.

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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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