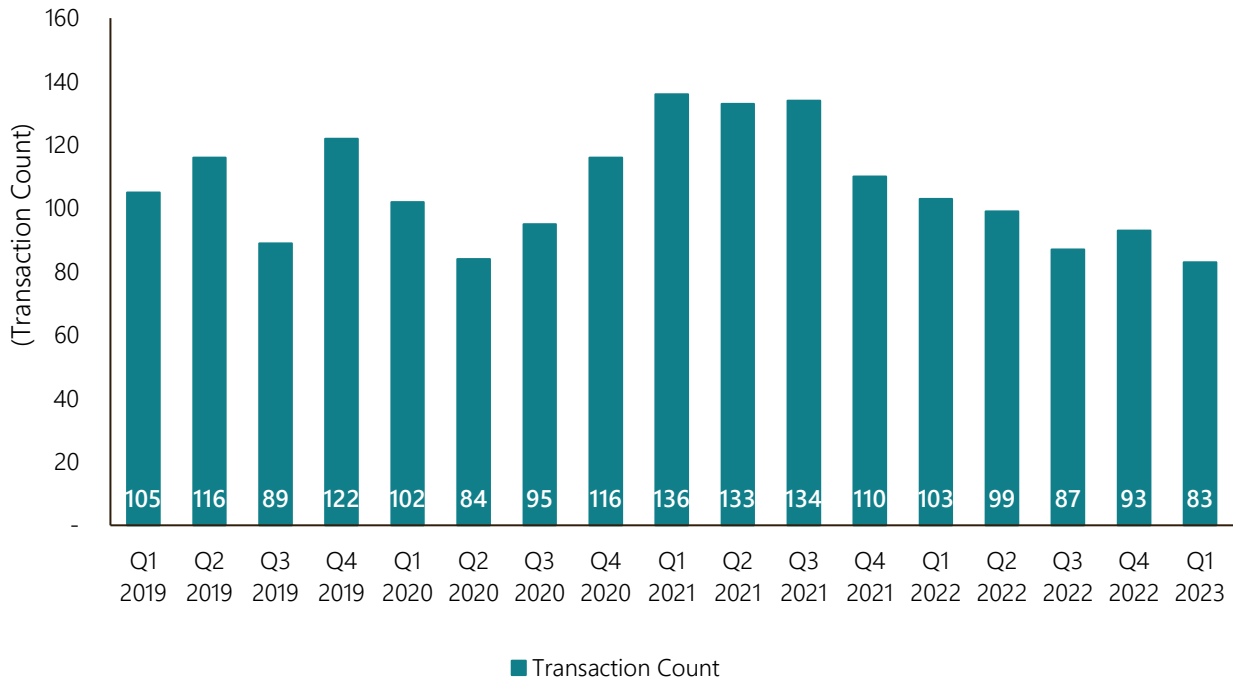


Agriculture

Quarterly Update | Q1 2023



Agriculture M&A Transactions



M&A Market Update – Q1 2023

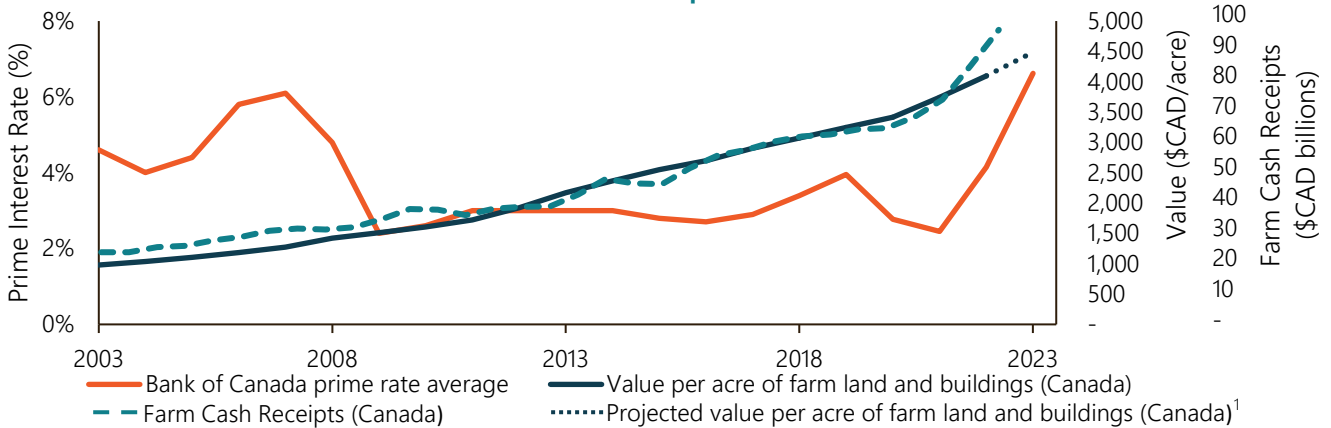
- M&A volume in the North American agriculture industry decreased slightly in Q1 2023 from Q4 2022, with 83 total transactions, compared to 93 transactions in Q4 2022. Total transaction value of publicly disclosed transactions also decreased over this same period, with total disclosed transaction value of \$2.6 billion in Q1 2023, compared to disclosed transaction value of \$50.2 billion in Q4 2022. Transaction multiples have maintained strong since 2019 with an enterprise value to earnings median multiple of 11.4x.
- The majority of transactions in the agriculture landscape in Q1 2023 were in the food products sub-sector, which comprised 68.7% of the disclosed transactions. There was also notable deal volume in the agricultural services and agricultural machinery distribution sub-sectors.
- M&A activity in Q1 2023 was predominantly driven by industry operators (i.e. strategic buyers) who accounted for the vast majority of total deal volume during the period. However, private equity buyers still remain active and are closing deals with ample capital to deploy. Private equity also backs a significant portion of strategic buyers in the industry.
- The largest disclosed transaction in Q1 2023 was Malteries Soufflet’s announcement of its agreement to acquire United Malt Group Limited for \$1.99 billion, accounting for 75.5% of the total publicly disclosed transaction value in the quarter.
- According to the most recent available data, farmland values increased through 2021, with a national average increase of 8.3%. While land values have continued their upward trend, increases in interest rates in 2022 and 2023 could slow growth throughout the remainder of the year.

Key Drivers

Key drivers affecting farmland values in Canada include farm cash receipts, interest rates, and agriculture industry performance, which is impacted by commodity prices, growing season conditions, and macro-economic factors.

Farm cash receipts grew 15.9% year-over-year from Q4 2021 to Q4 2022, which represents the most recent quarterly information available. The Bank of Canada prime rate averaged 4.1% throughout 2022, and 6.6% in Q1 2023. Strong farm cash receipts continue to support healthy land prices, however, higher interest rates may factor into decreased demand moving forward. There is not enough data yet to assess the impact of land values given the strength of cash receipts relative to higher interest rates.

Farm Values vs. Farm Cash Receipts and Interest Rates

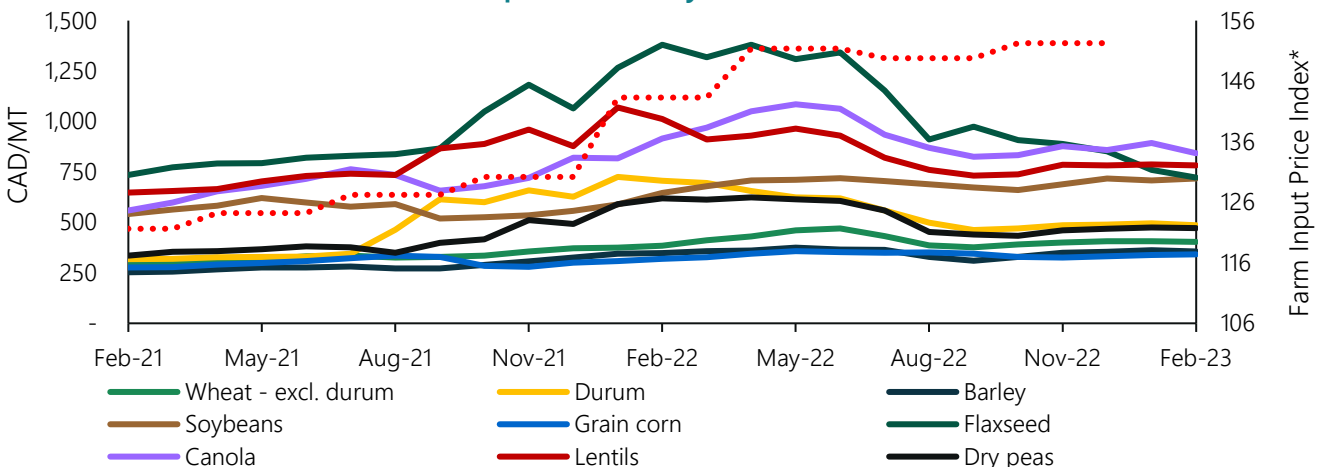


Commodity Price Changes and Farm Input Price Index Costs

Average commodity prices have stabilized through Q1 2023.

The Statistics Canada Farm Input Price Index (FIPI) estimates the change in price that farmers pay for inputs in their farming operation through time. The FIPI has continued to increase in recent months, displaying a year-over-year increase of 17% from Q4 2021 to Q4 2022.

Crop Commodity Prices



*December 2022 is the most recent data available at the time of this report's preparation.

Source: Stats Canada. Farm cash receipts information is not available for Q1 2023.

1: Based on historical growth from 2021 to 2022.

Inputs and Commodity Markets

Market Pressure, Futures & Exports

Commodity Price Highlights

The majority of commodity prices have been relatively stable over the last three months, with the exception of flaxseed which has declined by 18.7% over the last quarter.

In the last 12 months, commodity prices have decreased overall with some exceptions. Peas, flaxseed, durum, and lentils have experienced the largest commodity price declines over this period.

Commodity Price Changes

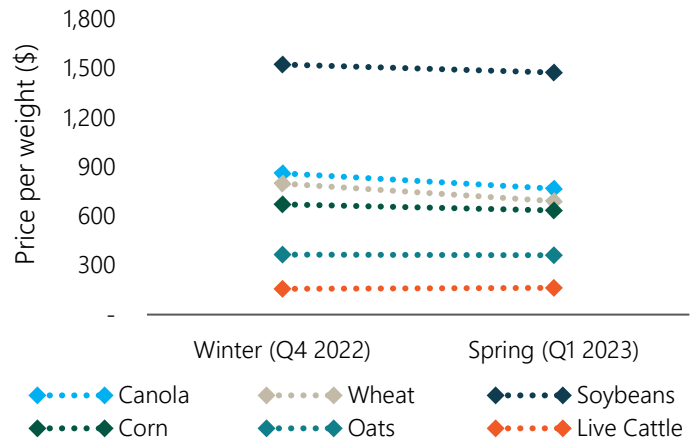
	Last 12 Months	Last 3 Months
Dry peas	-23.8%	+2.2%
Barley	+2.3%	+1.6%
Canola	-8.1%	-4.0%
Soybeans	+11.1%	+4.3%
Flaxseed	-47.7%	-18.7%
Durum	-31.2%	-0.1%
Grain corn	+7.2%	+5.1%
Lentils	-22.7%	-0.3%

Commodity Price Futures

Quoted prices for spring 2023 futures contracts have been relatively stable in comparison to the previous quarter.

The futures prices for wheat, canola, corn, soybeans, and oats decreased by 13%, 11%, 6%, 3% and 1% respectively, from Q4 2022 to Q1 2023. The futures price for live cattle increased by 3% over the same period.

Commodity Pricing¹

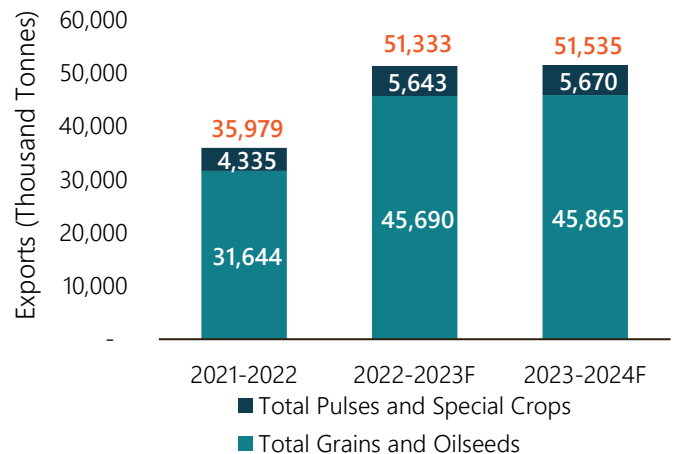


Crop Exports

Canadian principal field crop exports in the 2023-2024F period are forecasted to increase 0.4% over the 2022-2023F total, compared to a 42.7% increase from the 2021-2022 period to the 2022-2023F period.

Grains and oilseeds exports are forecasted to increase 0.4%, while pulses and special crops are forecasted to increase 0.5% between the 2022-2023F and 2023-2024F periods.

Canada's Principal Crops Exports²



¹"F" indicates Forecast.

Source 1: Capital IQ. Data as of March 31, 2023.

Source 2: Agriculture and Agri-Food Canada, Outlook for Principal Field Crops. March 21, 2023 update.

Select Recent M&A Transactions



has acquired



Announced	December 2022
TEV	Not disclosed
TEV/EBITDA	Not disclosed
TEV/Revenue	Not disclosed



- **Rocky Mountain Equipment (RME)** is a consolidator of agriculture and construction equipment dealerships, primarily focused around the CNH brands. With the acquisition of Robertson Implements, RME now operates 47 dealerships across Alberta, Saskatchewan, and Manitoba.
- **Robertson Implements (Robertson)** is one of the largest New Holland agricultural equipment dealers in Canada, with eight dealerships in Saskatchewan and Alberta.
- **MNP Corporate Finance Inc.** acted as exclusive financial advisor to Robertson Implements in structuring and negotiating this transaction.



has acquired



Closed	March 2023
TEV	Not disclosed
TEV/EBITDA	Not disclosed
TEV/Revenue	Not disclosed



- **J.E.B Transport Ltd. (JEB)** provides first-class, CFIA-approved transportation and freight services across Canada and the United States, specializing in the transportation of produce.
- **Prairie Gold Produce Ltd. (Prairie)** is a potato processing facility located in Northern America where potatoes are washed, graded, and packaged for sale to end customers including grocery stores and restaurants.
- **MNP Corporate Finance Inc.** acted as exclusive financial advisor to Prairie Gold in structuring and negotiating this transaction.



and



has acquired



Closed	January 2023
TEV	Not disclosed
TEV/EBITDA	Not disclosed
TEV/Revenue	Not disclosed

- **Green Acres Machinery (GAM)** is an agriculture and construction equipment dealership complex that distributes a variety of agricultural equipment, power equipment, utility vehicles, and related accessories in select markets within Central and South Texas.
- **Twain Capital (Twain)** is a family office and independent sponsor based in central Mississippi, focusing on long-term investments in agriculture, energy, manufacturing, and other industries.
- **Williamson County Equipment Co (WCEC)** is a full-service farm equipment and implements dealer representing multiple leading brand names in agriculture.
- The acquisition of WCEC will enable GAM to expand its footprint and strengthen its ability to provide preeminent parts, service, and equipment to customers.

Public Comparable Analysis

Trading Multiples & Operating Statistics

(Figures In \$CAD Millions, except percentages and ratios)

Company	Market Capitalization	Enterprise Value	LTM Operating Figures			
			Revenue	Revenue Growth	EBITDA	EBITDA Margin
Nutrien Ltd.	\$49,785	\$64,770	\$50,093	37.8%	\$16,375	32.7%
Archer-Daniels-Midland (ADM) Company	\$58,896	\$71,715	\$137,448	19.1%	\$8,907	6.5%
Bunge Limited	\$19,378	\$26,327	\$90,993	13.7%	\$6,373	7.0%
The Andersons, Inc.	\$1,874	\$3,300	\$23,449	37.4%	\$522	2.2%
The Mosaic Company	\$20,888	\$25,234	\$25,884	54.8%	\$8,522	32.9%
Ceres Global Ag Corp.	\$78	\$201	\$1,476	19.4%	\$13	0.9%
Seaboard Corporation	\$5,921	\$6,685	\$15,217	21.8%	\$1,693	11.1%
Median	\$19,378	\$25,234	\$25,884	21.8%	\$6,373	7.0%
Mean	\$22,403	\$28,319	\$49,223	29.1%	\$6,058	13.3%

(Figures In \$CAD Millions, except percentages and ratios)

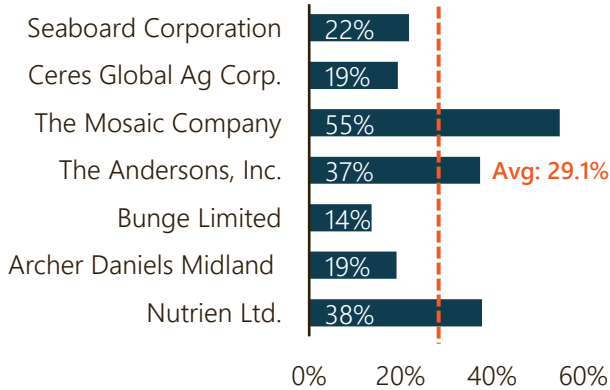
Company	NTM Consensus Estimates				Valuation		
	Revenue Growth	EBITDA Margin	NTM EV	NTM EV/EBITDA	LTM EV	LTM EV/EBITDA	LTM EV/REV
Nutrien Ltd.	-15.4%	27.0%	\$64,077	5.6x	\$64,770	4.0x	1.3x
Archer-Daniels-Midland (ADM) Company	-1.6%	5.9%	\$73,046	9.1x	\$71,715	8.1x	.5x
Bunge Limited	-5.9%	4.8%	\$26,446	6.4x	\$26,327	4.1x	.3x
The Andersons, Inc.	-3.3%	2.0%	\$3,403	7.3x	\$3,300	6.3x	.1x
The Mosaic Company	-24.1%	26.3%	\$24,642	4.8x	\$25,234	3.0x	1.0x
Ceres Global Ag Corp.	N/A	N/A	N/A	N/A	\$201	15.2x	.1x
Seaboard Corporation	N/A	N/A	N/A	N/A	\$6,685	3.9x	.4x
Median	-5.9%	5.9%	\$26,446	6.4x	\$25,234	4.1x	.4x
Mean	-10.0%	13.2%	\$38,323	6.7x	\$28,319	6.4x	.5x



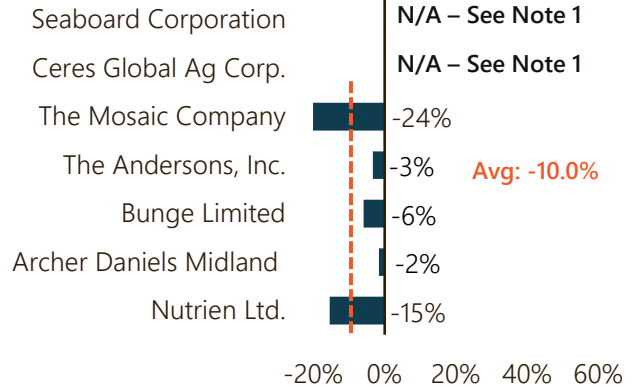
Public Comparable Analysis

Growth, Margins & Multiples

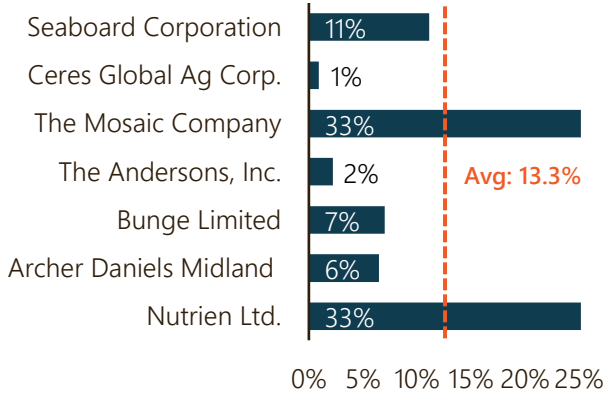
LTM Revenue Growth



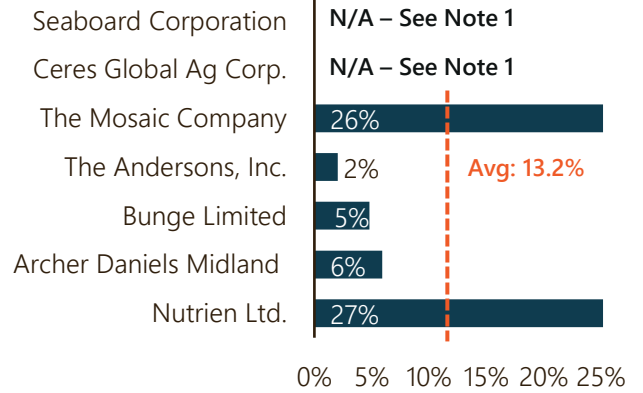
NTM Revenue Growth



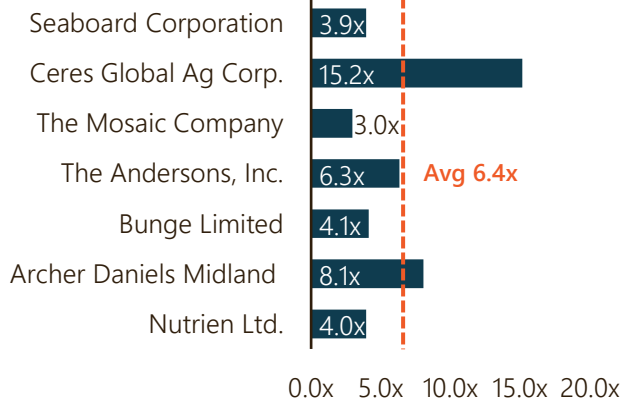
LTM EBITDA Margin



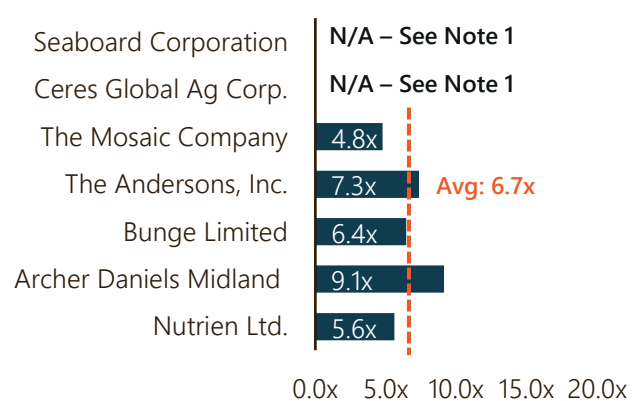
NTM EBITDA Margin



LTM EV/EBITDA



NTM EV/EBITDA



Source: Capital IQ. Data as of March 31, 2023.

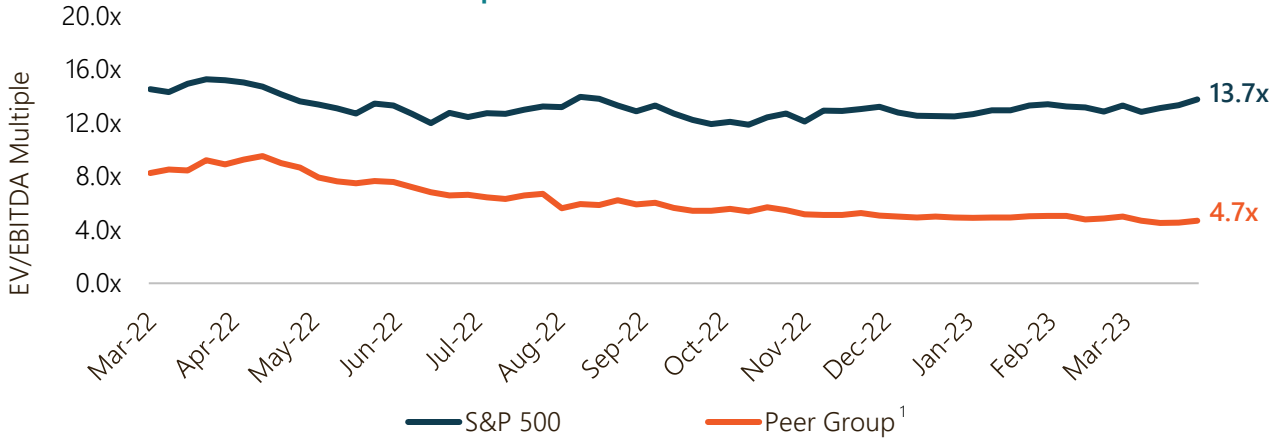
"LTM" refers to last twelve months. "NTM" refers to next twelve months.

Note 1: Projected information for Seaboard Corporation and Ceres Global Ag Corp. has been labelled as "N/A" as limited information is available for those companies. Valuation details provided on page 6.

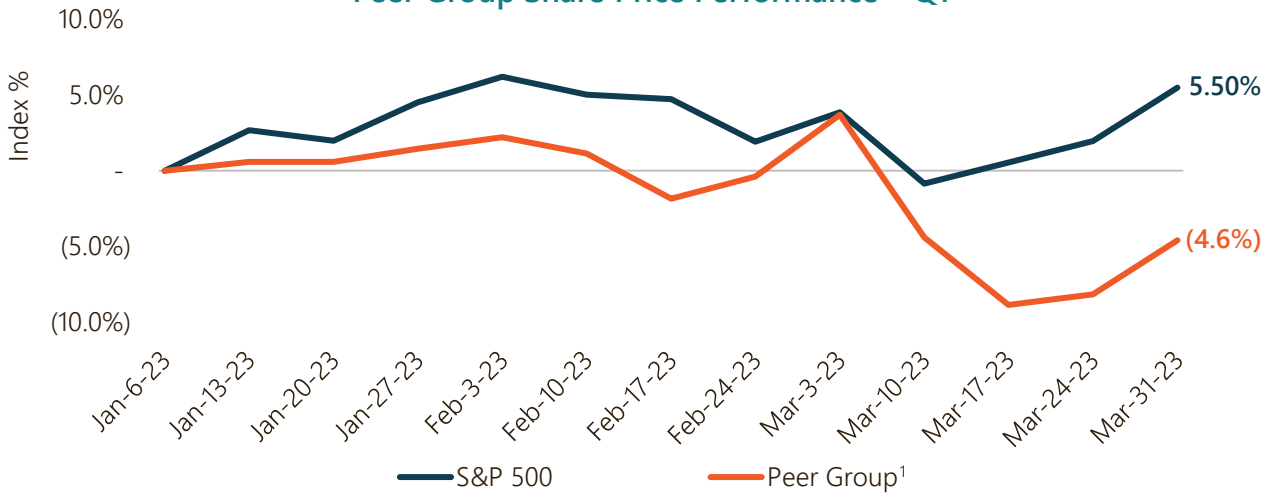
Public Comparable Analysis

Performance Analysis

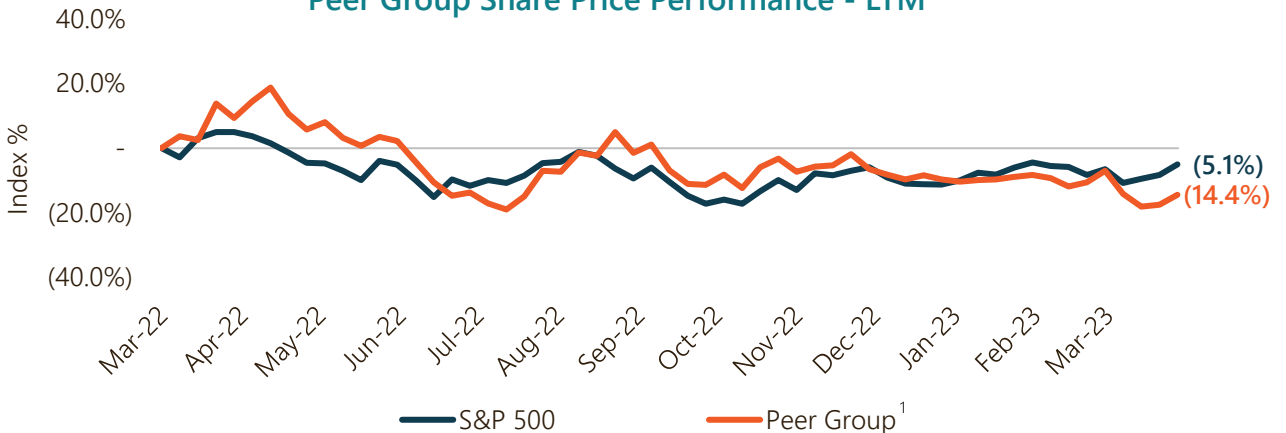
Peer Group EV/EBITDA Performance - LTM



Peer Group Share Price Performance - Q1



Peer Group Share Price Performance - LTM



Source: Capital IQ. Data as of March 31, 2023.

1: Peer Group: Nutrien Ltd., ADM Company, Bunge Limited, The Andersons, Inc., The Mosaic Company, Ceres Global Ag Corp, Seaboard Corporation.
"LTM" refers to last twelve months.

About Us

MNP Corporate Finance (MNPCF) has a dedicated team of over 100 M&A, capital markets, and due diligence professionals across Canada. MNPCF works with clients in virtually all industries as they prepare, plan, and execute transactions.

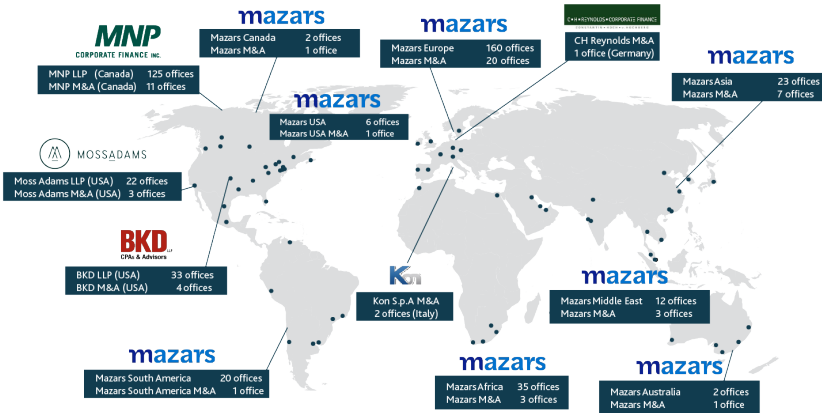
Our typical transactions range in value between \$3 million and \$300 million.

Local and International Reach

MNP is a participating firm within Praxity, a unique global alliance of independent accounting/advisory firms created to answer global business needs. As a member of Praxity, we are able to offer access to corporate finance, accounting and tax advisory services worldwide. We are also affiliated with Corporate Finance Cross Border, which consists of 250+ M&A professionals in more than 30 countries.



CFxBorder - Global reach with local relationships
 Our corporate finance team through CFxBorder consists of 250 plus M&A professionals in more than 30 countries



Services

- Divestitures
- Acquisitions
- Debt Financing
- Due Diligence
- Transaction Advisory Services

Recently Closed Deals (National)

MNP Corporate Finance Inc. acted as exclusive financial advisor to Prairie Gold Produce Ltd. in structuring and negotiating this transaction.

MNP Corporate Finance Inc. provided due diligence services to York Analytical Laboratories Inc.

MNP Corporate Finance Inc. acted as exclusive financial advisor to Enviro-Works Inc. in structuring and negotiating this transaction.

MNP Corporate Finance Inc. provided financial and tax due diligence services to Danilee Capital.

MNP Corporate Finance Inc. acted as exclusive financial advisor to Compagnie Motoparts Inc. in structuring and negotiating this transaction.

MNP Corporate Finance Inc. acted as exclusive financial advisor to Kost Fire Equipment Ltd. in structuring and negotiating this transaction.

MNP Corporate Finance Inc. acted as exclusive financial advisor to Les Quais Bertrand Inc. in structuring and negotiating this transaction.

MNP Corporate Finance Inc. acted as exclusive financial advisor to Esteem Medical Esthetics in structuring and negotiating this transaction.

MNP Corporate Finance Inc. acted as exclusive financial advisor to Simpson Seeds Inc. in structuring and negotiating this transaction.

MNP Corporate Finance Inc. acted as exclusive financial advisor to Convertus Group in structuring and negotiating this transaction.

About Us

Deal Experience

Since our inception, our team has advised on hundreds of transactions, in a wide range of industries with diverse enterprise values. In the past 10 years alone, we have completed over 250 transactions worth over \$4.5 billion (not including due diligence engagements).

Industry Experience

- Food & Beverage
- Retail & Distribution
- Manufacturing
- Agriculture
- Automotive
- Materials
- Health Care
- Pharmaceutical
- Transportation
- Construction
- Software
- Financial Services
- Technology
- Energy
- Oilfield Services
- Real Estate

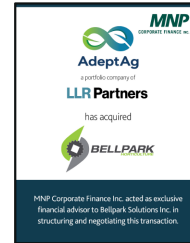
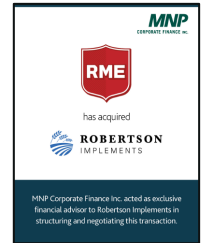
Hands-on Approach

Current M&A transactions require a hands-on approach from start to finish including the active engagement of senior resources. Our senior resources are dedicated to our clients and are available as necessary and appropriate. We keep our clients regularly informed of the engagement status, issues we are encountering, successes, and overall progress.

Integrated Service Offering

We draw on the vast experience and deep specialist knowledge network of our partners locally, nationally and internationally as specialty issues arise, such as pre-transaction tax planning, transaction structuring, estate planning, valuation, due diligence, performance improvement, and risk management.

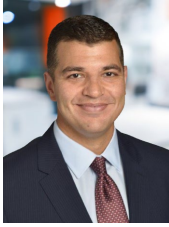
Recently Closed Deals (National)



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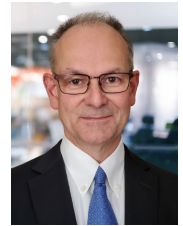
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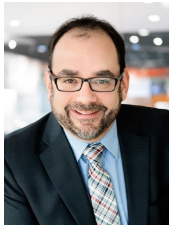
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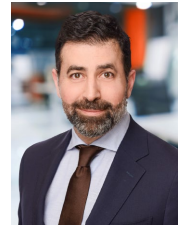
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