

M&A Update

Agribusiness

June 2020

Key Highlights

M&A in the United States

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M&A in the Agribusiness Sector

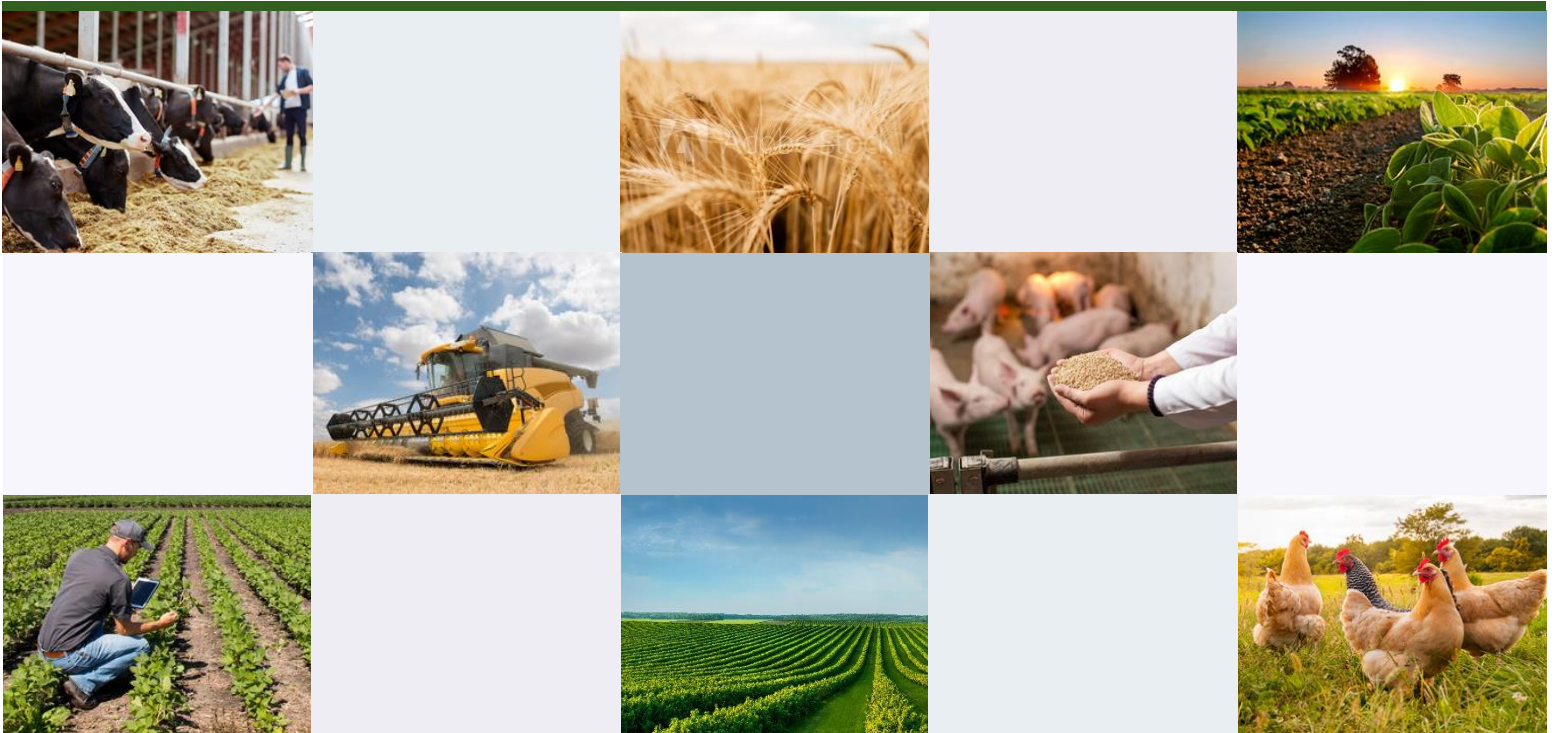
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Notable Transactions

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Public Markets

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M&A in the United States

Deal Activity & Valuations

Deal Activity

Mergers and acquisitions activity through the end of the second quarter of 2020 fell 17% on a year-over-year basis as the continued economic effects of the coronavirus pandemic drastically impact deal activity in the United States. Additionally, total deal value continues to decline as acquirers have developed a more cautious approach to the deployment of capital, given the vast uncertainties surrounding the pandemic.

5,329
M&A Deals

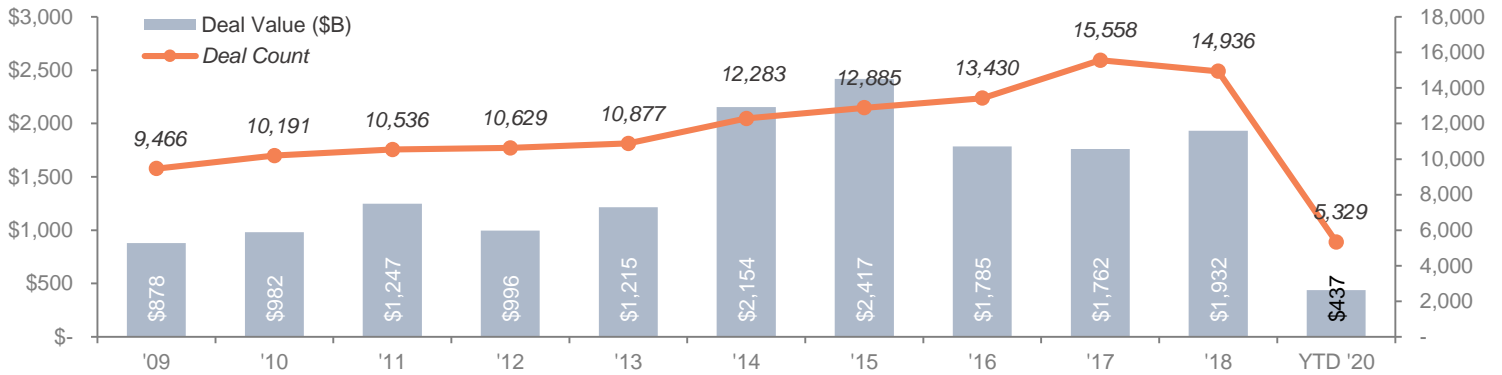
▼ 17% YoY
decline

\$0.4 Trillion
Deal Value

▼ 60% YoY
decline

Total M&A Deal Volume & Value in the United States

\$ in Billions; Year to date through June 30, 2020



Valuations

Valuation multiples remained flat for Q2 2020 in comparison to Q1 2020. After reaching a high of 10.9x in 2019, the median Enterprise Value (EV) to EBITDA multiple declined by one full turn to 9.9x in 2020. While this still represents a high level by historical standards – a 34% increase compared to 2009 – valuation multiples may contract further for the remainder of 2020 given frequent fluctuations as presented in the stock market.

9.9x

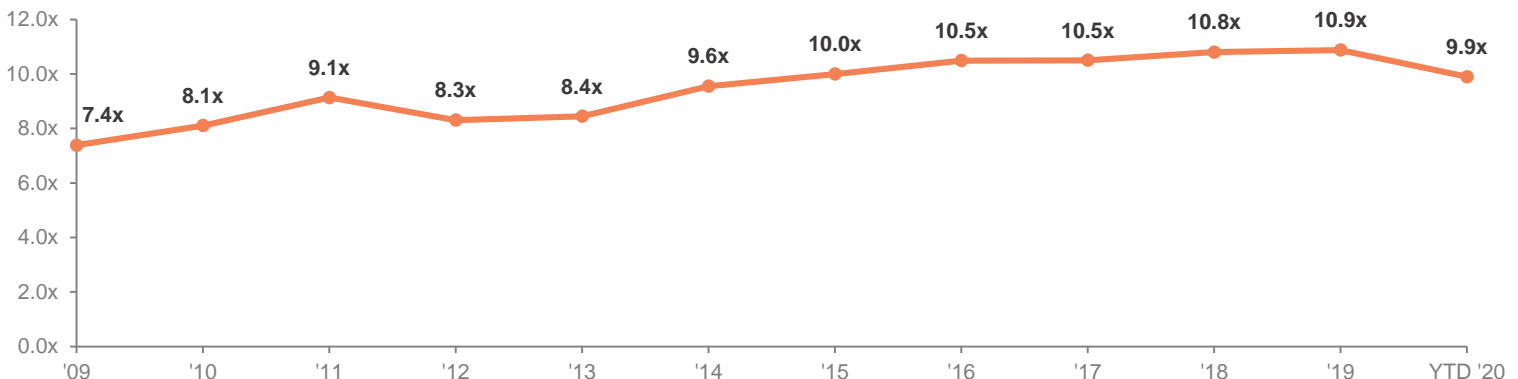
Current Median
EV / EBITDA

10.5x

5-Year Median
EV / EBITDA

Median Enterprise Value (EV) / EBITDA Valuation Multiple

Only includes transactions with disclosed financial terms; Year to date through June 30, 2020



Sources: S&P Capital IQ, Pitchbook, IMAA Institute, CCCA Research

Definitions: YoY = Year-over-year; Enterprise Value = Market Cap + Debt – Cash; EBITDA = Earnings Before Interest, Taxes, Depreciation & Amortization

M&A in the Agribusiness Sector

Sector Snapshot

Industries in the U.S. Agribusiness Sector

Agricultural Products & Services

- Dairy
- Grains
- Crop Inputs
- Machinery & Equipment Manufacturing
- Machinery & Equipment Distribution
- Agricultural Services

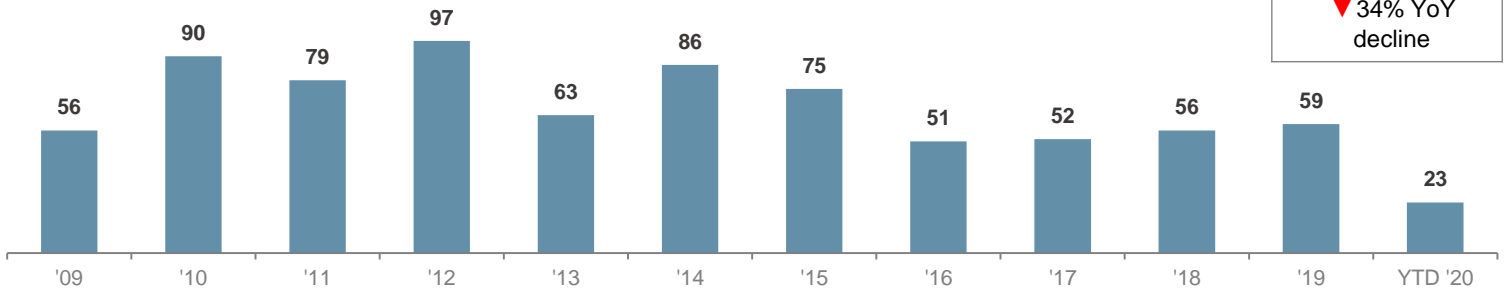
Livestock

- Livestock Feed
- Livestock & Animal Specialties

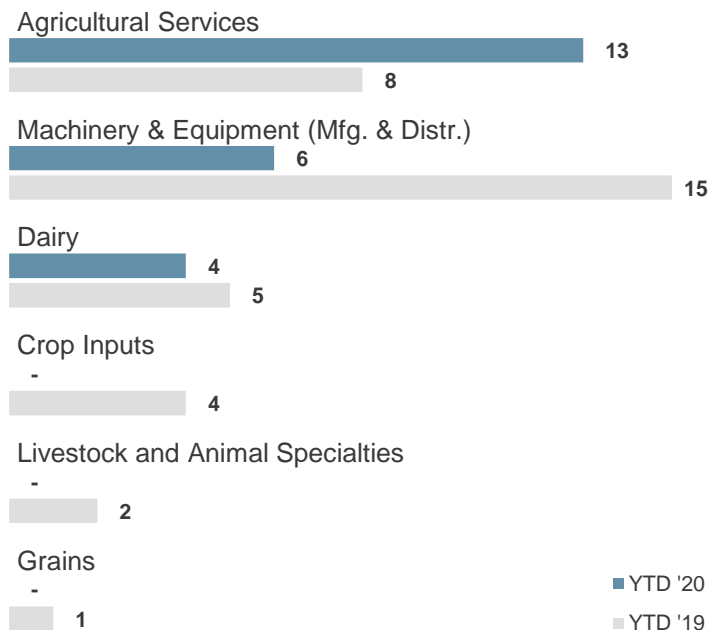
Sector M&A Deal Volume

Sector Deal Volume

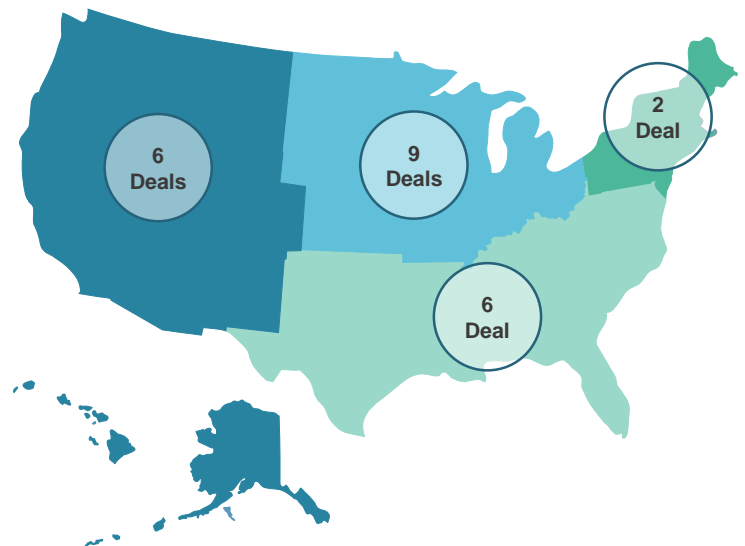
Year to date through June 30, 2020



M&A Deal Volume by Industry



M&A Deal Volume by U.S. Region



Sources: S&P Capital IQ, Pitchbook, IMAA Institute, CCCA Research
 Definitions: YoY = Year-over-year

M&A in the Agribusiness Sector

Notable Deals & Buyer Mix

Notable Deals

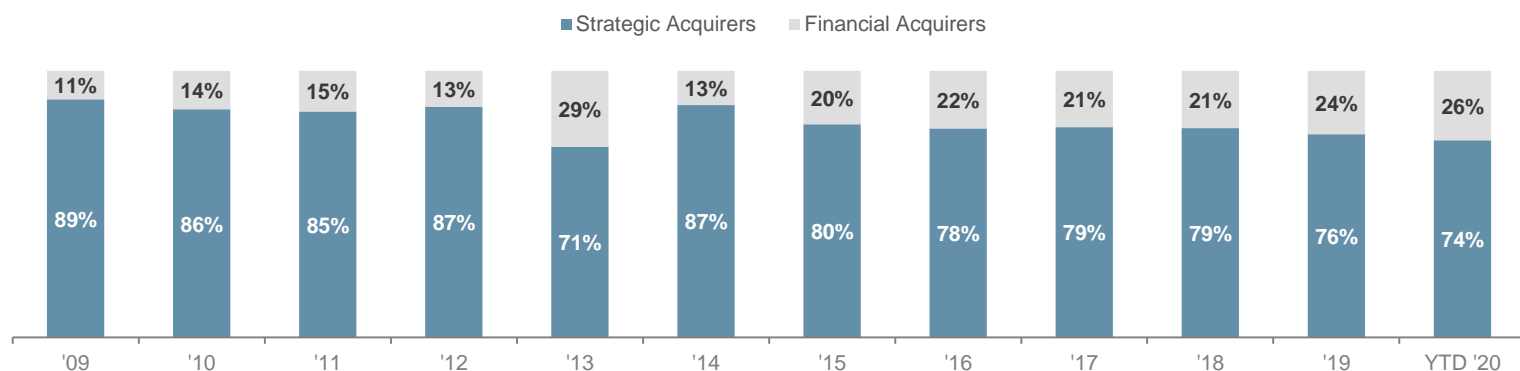
Date	Company	Acquirer	Enterprise Value (EV) (\$ in MM)	Implied EV / Revenue	Implied EV / EBITDA
Jun 2020	Downey Trees INC.	SavATree	-	-	-
May 2020	Kent Greenhouse & Gardens	Hoffman Landscapes, Inc.	-	-	-
Apr 2020	Fairway Lawns, Inc.	Daniels and King Management Company & Rising Point Capital	-	-	-
Mar 2020	Ashland Industries, Inc.	K-Tec Earthmovers Inc.	-	-	-
Mar 2020	Finney Implement, Inc.	Ritchie Implement, Inc.	-	-	-
Feb 2020	Apex Curb & Turf LLC	Selby's Soil Erosion Control Co., Inc.	\$2	-	-
Jan 2020	Marroquin Organic International, Inc.	AGRANA Beteiligungs-Aktiengesellschaft (WBAG:AGR)	-	-	-
Jan 2020	Reynolds Farm Equipment, Inc.	Greenville Turf & Tractor Inc	-	-	-
Jan 2020	Signature Coast Holdings, LLC	BrightView Holdings, Inc. (NYSE:BV)	-	-	-
Jan 2020	fairlife, LLC	The Coca-Cola Company (NYSE:KO)	\$1,739	-	-

Note: This table includes only a sample of relevant transactions in the context of M&A activity in the sector. It is not meant to be all-inclusive.

Buyer Mix

Share of Acquisitions

% of Acquisitions by Strategic and Financial Acquirers



Sources: S&P Capital IQ, Pitchbook, IMAA Institute, CCCA Research

Definitions: Enterprise Value = Market Cap + Debt – Cash; EBITDA = Earnings Before Interest, Taxes, Depreciation & Amortization

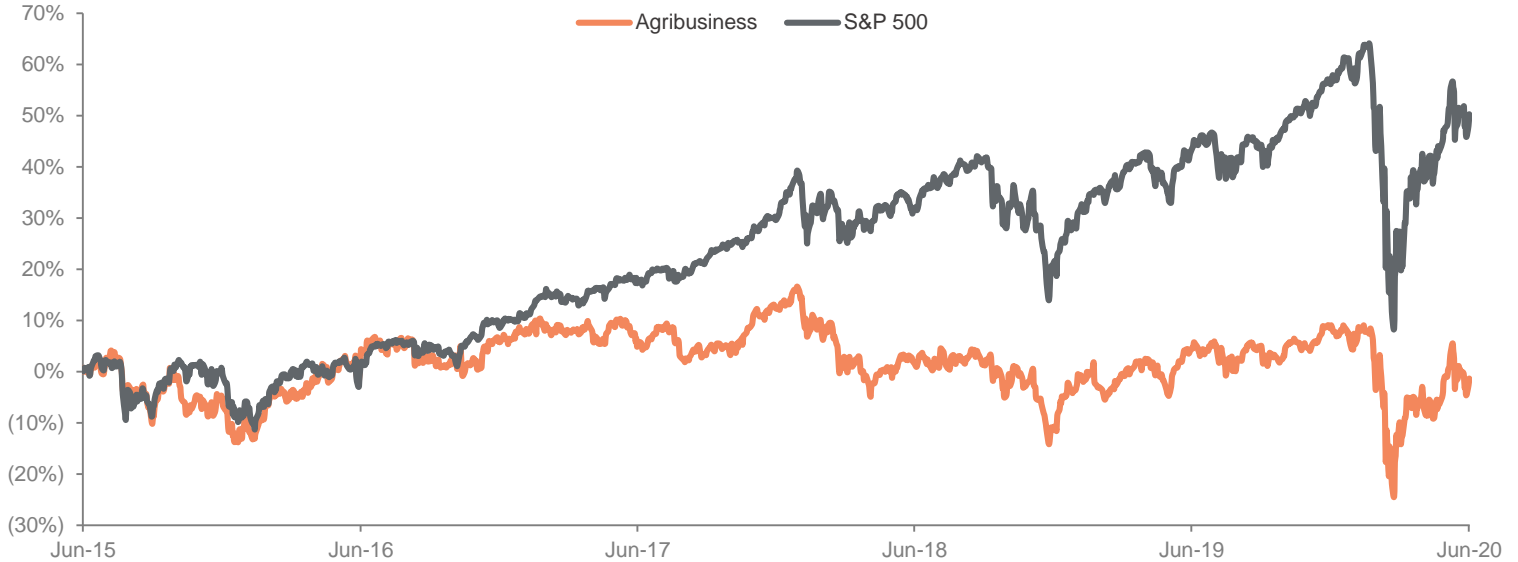
Public Companies in the Agribusiness Sector

Performance & Valuations

Sector Performance

Return vs. S&P 500

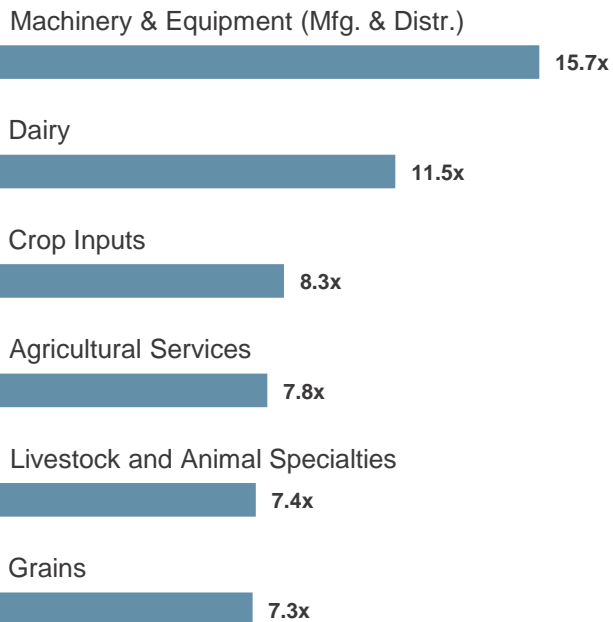
Last 5 Years



Valuations

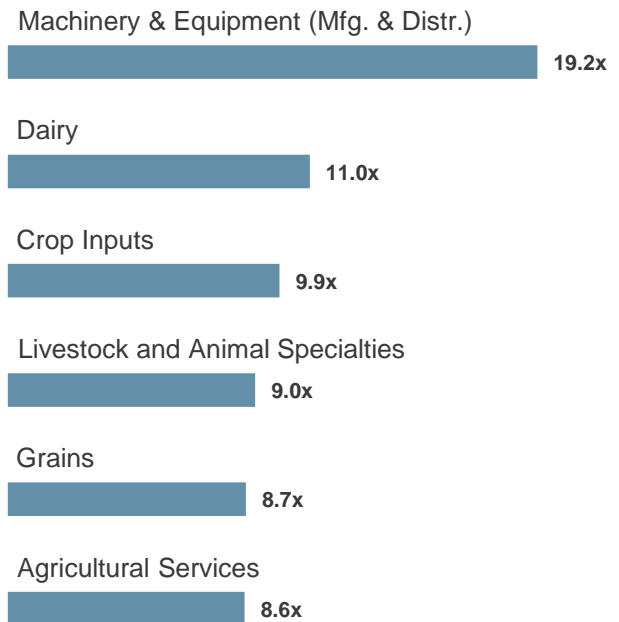
Enterprise Value / LTM EBITDA

Median of Publicly Traded Companies



Enterprise Value / NTM EBITDA

Median of Publicly Traded Companies



Sources: S&P Capital IQ, Pitchbook, IMAA Institute, CCCA Research

Definitions: Enterprise Value = Market Cap + Debt - Cash; EBITDA = Earnings Before Interest, Taxes, Depreciation & Amortization; LTM = Last Twelve Months; NTM = Next Twelve Months

CC Capital Advisors

Firm Overview

Who We Are

CC Capital Advisors is a boutique investment banking firm providing mergers and acquisitions, capital raising and strategic advisory services to middle market clients. Our experienced team of committed advisors combines long-standing transaction experience to provide independent and uncompromised services to achieve our clients' objectives.

Who We Serve

We tailor our services to a broad base of clients, including entrepreneurs, family-owned businesses, private and public corporations, family offices, private equity and venture capital investors. Clients have repeatedly chosen us as trusted advisors and partners because of our quality advice, ability to execute transactions and client-first philosophy.

What We Do

Mergers & Acquisitions	Capital Raising Advisory	Strategic Advisory
<ul style="list-style-type: none">Sales of privately-held companiesBuy-side acquisitionsMinority buyoutsCorporate subsidiary divestituresPrivate equity and venture capital portfolio divestitures	<ul style="list-style-type: none">Senior secured and unsecured debtMezzanine capitalGrowth equity capitalRecapitalizationsPrivate placements of institutional capital	<ul style="list-style-type: none">Business valuationsFairness opinionsStrategic options assessmentOwnership transition planningCorporate reorganizations

Why Clients Choose Us

100+ Years	Collective investment banking experience of our team	\$7 Billion	Completed transaction experience of our team
Midwest Values	Integrity, experience and commitment are our core values	\$1 Billion	Completed transaction value in the last five years
Global Reach	We represent clients across the world	20+ Deals	Number of transactions closed since 2017

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The information contained in this report was compiled by CC Capital Advisors from a variety of sources including news reports, S&P Capital IQ, Pitchbook, IMAA Institute, SEC filings, company statements, and information provided by M&A professionals. Many deals did not disclose pricing, and other private transactions may not have been publicly announced. Transactions are subject to change or termination prior to closing. While CC Capital Advisors makes a good faith effort to ensure the accuracy of this report, it is intended for general information purposes only. CC Capital Advisors is not responsible for any errors or omissions in this report.

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