

PRODUCE REPORT

Spring/Summer 2019

SDR*Ventures*

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Investment Banking & Securities Offered Through SDR Capital Markets, Inc., Member FINRA & SIPC.



Introduction

OVERVIEW

The North American Produce Industry continues to operate under a cloud of uncertainty from a range of trade related issues. With USMCA now signed, some uncertainty has been alleviated, however the deal still needs to be ratified. Canada and Mexico signaled their plans to proceed with ratification after the lifting of U.S. imposed tariffs on steel and aluminum, with Canada introducing legislation to parliament on May 29th and Mexico following suit on May 30th. However, ratification in the U.S. may prove to be more complicated with the Democrats holding a majority in the House, and with a diverse group of special interest groups opposing the deal; not the least of which are Produce industry advocates for tariff protection in Georgia and Florida.

Even if the USMCA deal is ratified by all three governments, the trade irritations in the Produce Industry remain and will continue to impact Produce-related businesses, their value and the M&A market. Earlier in May the U.S. imposed a 17.5% tariff on Mexican tomatoes and on May 30th it threatened further tariffs on all Mexican imports of 5% per month, up to a total of 25%, if Mexico doesn't take concrete steps to curb illegal immigration and asylum seekers.

Meanwhile, the ongoing trade war between the U.S. and China remains in full force, with recurring and escalating rounds of tariff announcements; many on trade in fruits and vegetables. The tariffs obviously have a financial impact, directly or indirectly and positively or negatively, on Produce industry participants and thereby affect company valuations.

However, even when protectionist measures help a business financially, there remains a level of uncertainty on the duration and sustainability of the protection, and hence its value should the owner decide to sell. Astute buyers are reluctant to pay based on artificially elevated earnings driven by trade policy, as those policies are just as easily rescinded as imposed.

MERGERS AND ACQUISITIONS

In January, Church Bros and Growers Express announced a deal whereby Church Bros. would acquire and assume the growing, harvesting and selling of the Green Giant Fresh brand field-packed vegetable commodities business under Growers Express' license.

According to Brian Church, Church Bros., CEO, the business "is positioned to align this new business into an existing vertically integrated program, which helps make the shift in business a seamless change for Growers Express customers in terms of the consistency of the field-packed vegetable product line."

Growers Express CEO, Jamie Strachan added that the deal "gives us bandwidth to deliver more new products, consumer-focused innovation and value-added products to advance the business of our customers." The transaction is expected to add 15-20% capacity the Church Bros. operations.

In the first quarter of 2019, there were some notable consolidations and acquisitions announced in the fruit sector. In January, North Carolina based International Farming Corp. (IFC) outlined its plans to finance the merger between three, Washington-based fruit growing and packing businesses, owned by two families to form Columbia River Orchards.



M&A and Capital Market Trends

The Larson and Verbrugge families sold a majority interest in Legacy Fruit Packers, Valley Fruit and Larson Fruit, all based in Washington's Yakima Valley, for an undisclosed amount, with the families maintaining an ongoing investment and a governance role on the board of the new company. The deal includes about 4,000 acres of orchards, two packing facilities and equity interests in Sage Fruit and Pacific Coast Cherry Packers. IFC has a long history of investing in fully integrated food and agribusiness companies.

Also, in January, Michigan-based Riveridge Produce Marketing acquired the sales operations of Jack Brown Produce, adding a fruit packing facility to its existing seven facilities, a complimentary grower base, an additional 50% in volume and access to new varieties.

In February, the Ontario Teachers Pension Plan (OTPP) announced it had acquired Broetje Orchards, one of the largest privately-owned vertically-integrated apple orchard operations in the U.S.; farming 6,000 acres and employing approximately 2,800 people. While the terms were not disclosed, the real estate portion alone was estimated to be \$288 MM. The business will be part of OTPP's natural resources that includes investments in aquaculture, almond production and avocado assets amongst others.



In other produce-related transactions, PE-backed Saco Foods recently announced that it had acquired California Sun Dry Foods, a leading supplier of sun-dried tomato products, for an undisclosed amount. Saco Foods was acquired by Benford Capital Partners in late 2016, and California Sun Dry Foods, significantly expands its presence in the Produce section.

In an April, Campbell's announced the sale of Bolthouse Farms and Danone announced the sale of Earthbound Farms. You can read our blog article outlining our perspective on the transaction [here](#).

Last week, Seattle-based Charlies Produce announced it had acquired Los Angeles-based Better Life Organics for an undisclosed amount. This adds to Charlies Produce geographic expansion in recent years after the acquisition of Boise, Idaho-based Northwest Produce.

Since we began tracking M&A transactions in the produce industry, the median multiple has been 0.7x revenue and 7.9x EBITDA.

In spite of the trade headwinds outlined in our Introduction, average enterprise values for publicly traded produce companies have risen slightly since the end of 2018 and now have a median current multiple of 11.5x EBITDA, up from 11.2x EBITDA. For comparison purposes, private companies should use a discount to compare multiples with publicly traded industry peers, given the illiquidity of private company shares. We normally use a discount of 30%, and with this discount applied, the median EBITDA multiple of our publicly-traded Produce Industry basket is 8.1x.

The following pages of this report include a trend analysis of public companies participating in the produce industry and a data-driven analysis of M&A and private placement activity over the past several years. While this information is not intended to be all-inclusive, it is meant to offer a picture of key trends and M&A activity in the industry that may be relevant to your business.

Public Company Analysis

Company	Stock Price Performance			Capitalization		2016-2018 CAGR		2018	Valuation Metrics				
	Current Stock Price	% of 52 Week High	% Change 1 Year	Market Capitalization	Enterprise Value	Revenue	EBITDA	EBITDA Margin	EV/Revenue		EV/EBITDA		
									2017	2018	2017	2018	Current ¹
Calavo Growers, Inc.	\$ 87.5	81.0%	-0.6%	\$ 1,538.9	\$ 1,575.9	7.9%	0.4%	6.5%	1.2x	1.6x	22.7x	16.4x	20.9x
Alico, Inc.	\$ 25.8	74.4%	-17.9%	\$ 192.5	\$ 389.7	(24.9%)	(15.7%)	32.6%	3.6x	5.4x	15.4x	9.3x	6.3x
Nomad Foods Ltd.	\$ 21.2	93.6%	22.0%	\$ 4,158.1	\$ 5,400.4	9.6%	9.7%	16.5%	2.0x	1.7x	12.4x	11.8x	12.6x
Total Produce Plc	€ 1.6	70.3%	-26.8%	€ 695.8	€ 1,033.7	9.6%	10.9%	2.3%	0.3x	0.2x	13.4x	7.2x	10.7x
Limoneira Company	\$ 19.0	56.7%	-21.8%	\$ 336.8	\$ 443.8	7.6%	12.7%	14.3%	3.7x	3.8x	17.4x	18.7x	19.1x
Bonduelle SCA	€ 27.8	80.1%	-15.1%	€ 994.7	€ 2,023.2	18.8%	9.7%	7.5%	0.8x	0.6x	11.3x	7.4x	8.7x
Landec Corporation	\$ 9.9	63.6%	-29.6%	\$ 289.5	\$ 434.8	7.4%	(11.0%)	4.1%	0.8x	0.9x	12.7x	14.4x	19.9x
Fresh Del Monte Produce Inc.	\$ 25.0	55.2%	-44.3%	\$ 1,217.5	\$ 1,974.4	5.9%	(27.9%)	4.0%	0.7x	0.5x	10.8x	11.0x	12.0x
Seneca Foods Corporation	\$ 24.7	68.8%	-8.9%	\$ 236.5	\$ 585.4	(1.0%)	NM	-0.4%	0.6x	0.5x	7.7x	NM	NM
CALBEE, Inc.	¥ 3,080.0	72.2%	-22.4%	¥ 3,791.4	¥ 3,493.2	(0.7%)	(1.3%)	14.3%	1.8x	1.7x	13.7x	11.4x	10.6x
United Natural Foods, Inc.	\$ 10.2	21.6%	-77.7%	\$ 515.8	\$ 3,697.8	9.9%	4.4%	3.2%	0.2x	0.2x	9.0x	2.7x	11.0x
Village Farms International, Inc.	C\$ 16.5	68.0%	187.6%	C\$ 598.7	C\$ 636.9	(2.9%)	(64.5%)	0.8%	1.7x	1.2x	32.3x	NM	NM
SunOpta Inc.	C\$ 5.2	43.0%	-51.6%	C\$ 333.6	C\$ 864.9	(4.3%)	(19.1%)	2.8%	0.9x	0.8x	29.3x	20.8x	27.0x
US Foods Holding Corp.	\$ 34.6	100.0%	-3.1%	\$ 7,551.2	\$ 10,840.2	2.7%	6.0%	4.1%	0.4x	0.4x	11.2x	10.3x	10.6x
Sysco Corporation	\$ 68.8	100.0%	5.8%	\$ 35,371.8	\$ 43,562.6	8.0%	8.6%	5.3%	0.6x	0.7x	12.7x	12.6x	13.6x
SpartanNash Company	\$ 11.5	42.8%	-53.4%	\$ 419.1	\$ 1,168.8	2.1%	(6.8%)	2.4%	0.2x	0.2x	7.1x	6.6x	6.4x

Financial Metrics

Mean						3.5%	(5.6%)	7.5%	1.2x	1.3x	15.0x	11.5x	13.5x
Median						6.7%	0.4%	4.1%	0.8x	0.8x	12.7x	11.2x	11.5x

Metrics with 30.0% DLOM ²

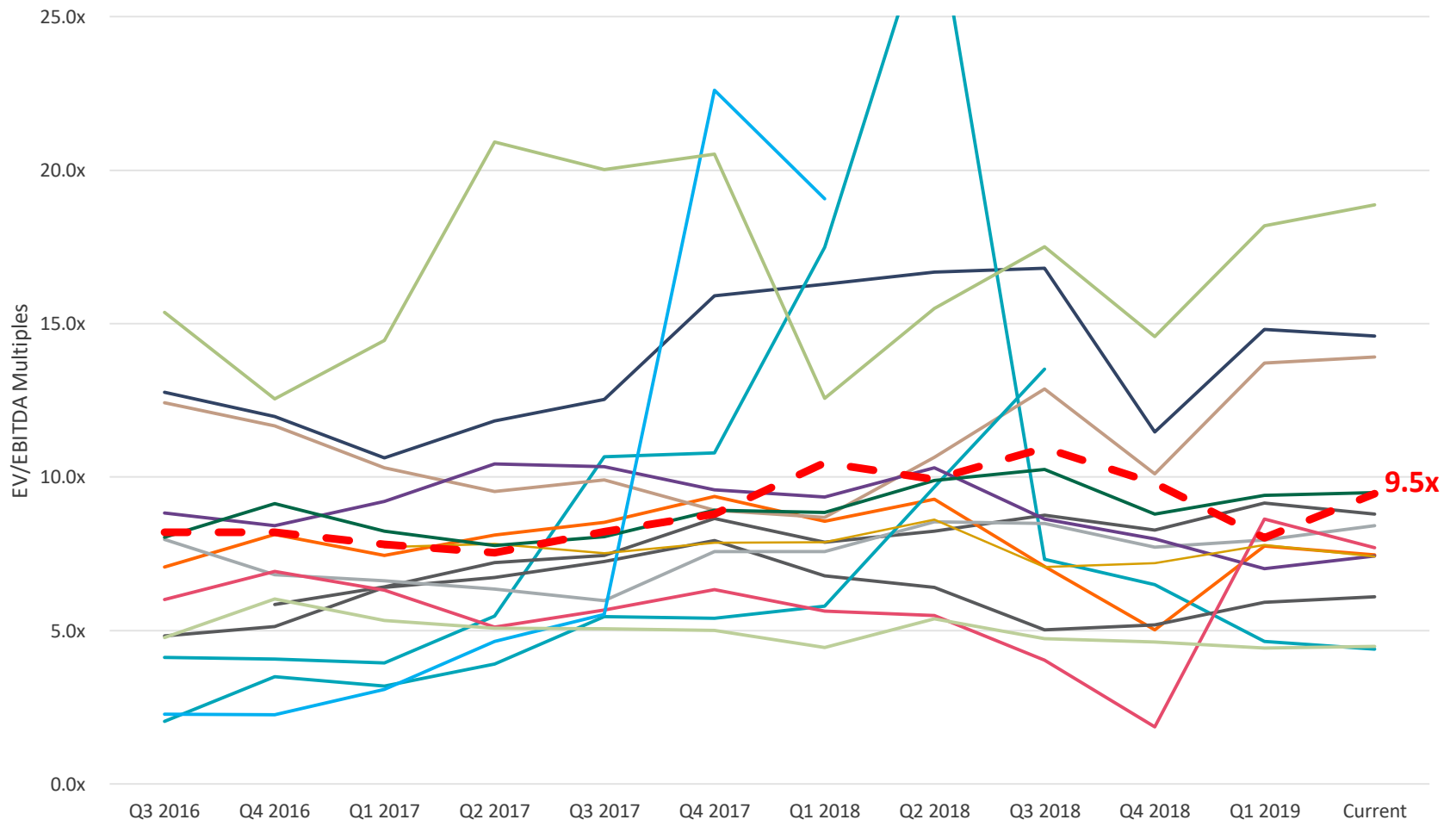
Mean						3.5%	(5.6%)	7.5%	0.9x	0.9x	10.5x	8.0x	9.5x
Median						6.7%	0.4%	4.1%	0.5x	0.5x	8.9x	7.9x	8.1x

Notes: 1. As of 5/31/2019. 2. Uses a 30% DLOM (Discount for Lack of Marketability) which tends to align public companies closer to typical valuations of private

companies. 3. NM = Not Material

Source: FactSet financial data and analytics

Historical Enterprise Value/EBITDA Multiples With a 30% DLOM



- Calavo Growers, Inc.
- Bonduelle SA
- CALBEE, Inc.
- US Foods Holding Corp.
- Alico, Inc.
- Landec Corporation
- United Natural Foods, Inc.
- Sysco Corporation
- Nomad Foods Ltd.
- Fresh Del Monte Produce Inc.
- Village Farms International, Inc.
- SpartanNash Company
- Total Produce Plc
- Seneca Foods Corporation
- Average

Note: Uses a 30% DLOM (Discount for Lack of Marketability) which tends to align public companies closer to typical valuations of private companies
 Source: FactSet financial data and analytics

Select Global Produce M&A Transactions

Date	Target	Buyer	Target's Business Description	Enterprise Value (mm)	EV / Revenue	EV / EBITDA	DLOM	Adjusted EV/Rev.	Adjusted EV/EBITDA
5/28/2019	Better Life Organics	Charlie's Produce	Better Life Organics is a Los Angeles-based distributor of organic produce and food products.	Undisclosed	Undisclosed	Undisclosed		Undisclosed	Undisclosed
5/27/2019	Frio Puerto Valencia SL	Oaktree Capital Management; AGRO Merchants Group LLC	Frio Puerto Valencia SL is a Spanish private company. The firm provides refrigerated warehousing services.	Undisclosed	Undisclosed	Undisclosed		Undisclosed	Undisclosed
5/23/2019	Sky Valley Foods, Inc.	Litehouse, Inc.	Sky Valley Foods, Inc. manufactures organic condiments, dressings, sauces and marinades.	46.0	Undisclosed	Undisclosed		Undisclosed	Undisclosed
5/22/2019	H. Brooks & Co.; J&J Distributing	The Dragonfly Group	Twin City produce companies H. Brooks & Co. and J&J Distributing are being acquired and consolidated by The Dragonfly Group.	Undisclosed	Undisclosed	Undisclosed		Undisclosed	Undisclosed
5/07/2019	Cool-Pak Solutions LP	AGRO Merchants Group LLC	Cool-Pak Solutions LP engages in the provision of warehousing, storage and cold chain solutions.	Undisclosed	Undisclosed	Undisclosed		Undisclosed	Undisclosed
5/07/2019	A. Vassallo, Inc.	Procacci Holdings LLC	A. Vassallo, Inc. wholesales fruits and vegetables.	Undisclosed	Undisclosed	Undisclosed		Undisclosed	Undisclosed
4/15/2019	Paradise, Inc. (Fruit Business)	Seneca Foods Corp.	Paradise, Inc. processes and distributes canned fruits and vegetables.	10.9	Undisclosed	Undisclosed		Undisclosed	Undisclosed
4/12/2019	J & M Wholesale Meat Inc.	Sysco Corp.	J & M Wholesale Meat Inc. engages in the distribution of meat products. The company is headquartered in Modesto, CA.	Undisclosed	Undisclosed	Undisclosed		Undisclosed	Undisclosed
4/12/2019	Wm. Bolthouse Farms, Inc.	Butterfly Equity LP	Wm. Bolthouse Farms, Inc. engages in vegetable farming and distribution. The company was founded in 1915 and is headquartered in Bakersfield, CA.	510.0	Undisclosed	Undisclosed		Undisclosed	Undisclosed
4/11/2019	Earthbound Farm, Inc.	Taylor Fresh Foods, Inc.	Earthbound Farm, Inc. grows and markets organic salads, fruits and vegetables.	Undisclosed	Undisclosed	Undisclosed		Undisclosed	Undisclosed
4/11/2019	Restaurangakademien AB	Menigo Foodservice AB	Restaurangakademien AB offers courses for restaurant owners, executive chefs, and food service professionals.	Undisclosed	Undisclosed	Undisclosed		Undisclosed	Undisclosed
4/01/2019	DVFlora	Sunburst Farms	Delaware Valley Floral Group is one of the largest floral distribution companies in the United States.	Undisclosed	Undisclosed	Undisclosed		Undisclosed	Undisclosed
3/27/2019	Trinity Logistics, Inc.	Burris Logistics, Inc.	Trinity Logistics, Inc. provides freight arrangement and supply chain solutions.	Undisclosed	Undisclosed	Undisclosed		Undisclosed	Undisclosed
2/08/2019	Broetje's orchard, FirstFruits, Snake River Housing Inc	Ontario Teachers' Pension Plan	Broetje grows and processes apples and cherries on 6,175 acres. It is one of the largest privately owned orchards in the U.S.	Undisclosed	Undisclosed	Undisclosed		Undisclosed	Undisclosed
2/04/2019	California Sun Dry Foods, Inc.	Benford Capital Partners LLC; SACO Foods LLC	California Sun Dry Foods, Inc. provides packaged foods. It supplies sun-dried food products through supermarkets and ware house club stores.	Undisclosed	Undisclosed	Undisclosed		Undisclosed	Undisclosed
1/31/2019	PortFresh Logistics LLC	Americold Realty Trust, Inc.	PortFresh Logistics LLC provides cold storage, frozen storage, repacking and transportation services.	35.0	Undisclosed	Undisclosed		Undisclosed	Undisclosed
1/29/2019	Growers Express LLC (Commodity Vegetable Business)	Church Brothers LLC	Assets related to the commodity vegetable business of Growers Express LLC.	Undisclosed	Undisclosed	Undisclosed		Undisclosed	Undisclosed
1/28/2019	Waugh Foods, Inc.	Sysco Corp.	Waugh Foods, Inc. operates as a food service distributor. The company is headquartered in Washington, IL.	Undisclosed	Undisclosed	Undisclosed		Undisclosed	Undisclosed
1/22/2019	Legacy Fruit Packers LLC	International Farming Corp. LLC	Legacy Fruit Packers LLC provides crop services. The company is headquartered in Kinston, NC.	Undisclosed	Undisclosed	Undisclosed		Undisclosed	Undisclosed
1/08/2019	Jack Brown Produce Sales Org	Riverridge Produce Marketing	Jack Brown is a Michigan based apple distributor.	Undisclosed	Undisclosed	Undisclosed		Undisclosed	Undisclosed
12/10/2018	Fresh Direct Produce Ltd.	Hammond, Kennedy, Whitney & Co., ll	Fresh Direct Produce Ltd. operates as a wholesale distributor of fruits and vegetables.	Undisclosed	Undisclosed	Undisclosed		Undisclosed	Undisclosed
12/03/2018	Yucatan Foods LP	Apio, Inc.	Yucatan Foods LP manufactures and distributes guacamole food products.	80.0	1.3x	Undisclosed		1.3x	Undisclosed
10/24/2018	Morley Candy Makers, Inc.	Palladium Equity Partners; Kar Nut Products Co. LLC	Morley Candy Makers LLC manufactures and sells candy and other confectionery products.	Undisclosed	Undisclosed	Undisclosed		Undisclosed	Undisclosed
8/01/2018	Transmode Express, Inc.	Oaktree Capital Management; AGRO Merchants Group LLC	Transmode Express, Inc. is a company headquartered in the United States that engages in agribusiness logistic sector.	Undisclosed	Undisclosed	Undisclosed		Undisclosed	Undisclosed
5/25/2018	Bare Foods Co.	PepsiCo, Inc.	Bare Foods Co. offers organic apple chips, natural apple chips, organic dried fruits, such as apricots, mangos, and pears, and apple chips and fruit chunks.	200.0	Undisclosed	Undisclosed		Undisclosed	Undisclosed
4/26/2018	Old Orchard Brands LLC	Lassonde Industries, Inc.	Old Orchard Brands produces fruit juices and blends. It offers premium and organic juices, fruit juice cocktails and low-sugar fruit juice cocktails.	156.0	1.5x	9.9x		1.5x	9.9x
2/20/2018	Del Monte Canada, Inc.	Bonduelle SA	Del Monte Canada, Inc. produces and distributes food products.	34.2	0.7x	Undisclosed		0.7x	Undisclosed
2/06/2018	Mann Packing Co., Inc.	Del Monte Fresh Produce N.A., Inc.	Mann Packing Co., Inc. produces and distributes vegetables.	361.0	0.7x	Undisclosed		0.7x	Undisclosed
2/01/2018	Dole Food Co., Inc.	Total Produce Plc	Dole Food Co., Inc. produces, markets, and distributes fruits and vegetables.	666.7	0.1x	2.8x	30%	0.1x	2.0x
9/25/2017	Feronia, Inc.	Straight KKM 2 Ltd.	Feronia's services include producing rice, edible beans, and crops.	90.4	Undisclosed	Undisclosed		Undisclosed	Undisclosed
7/17/2017	Agricola Hoja Redonda SA	SA San Miguel	Agricola Hoja Redonda SA produces and markets mandarin or tangerine fruit and well as its derived products such as juice, oil, peel, and pulp.	64.0	Undisclosed	Undisclosed		Undisclosed	Undisclosed

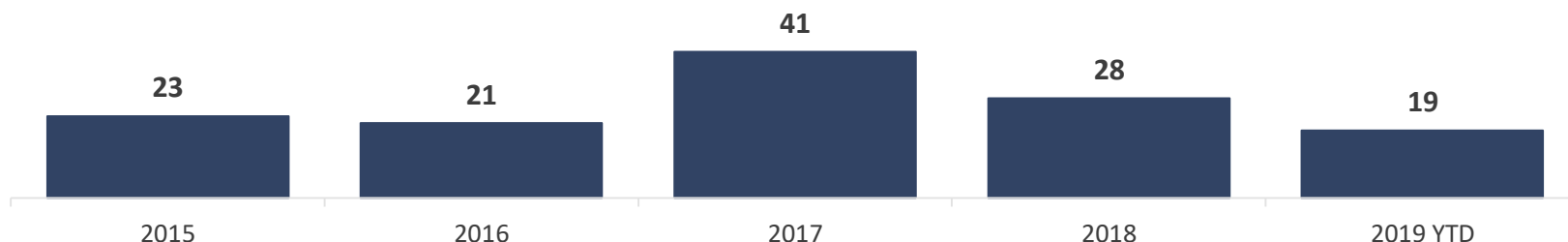
Sources: FactSet financial data and analytics; *The Packer*; *AndNowUKnow*

Select Global Produce M&A Transactions (Cont.) & Historical Trends

Date	Target	Buyer	Target's Business Description	Enterprise Value (mm)	EV / Revenue	EV / EBITDA	DLOM	Adjusted EV/Rev.	Adjusted EV/EBITDA
2/23/2017	Ready Pac Foods, Inc.	Bonduelle SA	Markets healthy food products. Its products include salad blends, snacks, single-serve salads and fresh-cut fruit and vegetables.	409.0	0.5x	10.8x	30%	0.4x	7.6x
2/01/2017	Keystone Fruit Marketing, Inc.	Progressive Produce LLC (California)	Provides sweet, hybrid, and red onions; asparagus; apples; peaches; watermelons; and citrus.	Undisclosed	Undisclosed	Undisclosed		Undisclosed	Undisclosed
1/06/2017	Caito Foods Service, Inc	SpartanNash Co.	Offers dairy products, organic juices, organic salad dressings, nuts, dried fruits, candies, in-shell peanuts, seasonal nuts, snacks, chocolates, and bird foods.	229.9*	Undisclosed	Undisclosed		Undisclosed	Undisclosed
9/30/2016	Moyca	ProA Capital	Produces, handles and markets seedless table grapes.	224.6	2.9x	12.0x		2.9x	12.0x
3/16/2016	Village Farms International, Inc.	Mastronardi Holdings Ltd.	Engages in the management and operation of agricultural greenhouse facilities.	85.5	0.6x	8.2x		0.6x	8.2x
12/31/2015	Hollandia Produce, L.P.	Mosaic Capital Partners and The SEAM Fund	Engages in the production of root vegetables.	Undisclosed	Undisclosed	Undisclosed		Undisclosed	Undisclosed
8/11/2014	Chiquita Brands International	Sucocitrico Cutrale, Banco Safra	Grows, procures, markets, and sells bananas and other fresh fruits and offers pineapples and freight services.	1,321.7	0.4x	11.8x	30%	0.3x	8.3x
12/09/2013	Earthbound Farms	WhiteWave Foods	Grows and markets organic salads, fruits and vegetables. Its products include chopped salad kits, all things kale, half and half and flavor blends.	604.0	1.3x	8.1x	30%	0.9x	5.7x
6/11/2013	Dole Food Company Inc.	DFC Holdings LLC	Produces, markets and distributes fruits and vegetables.	2,757.9	0.8x	20.1x	30%	0.5x	14.1x
3/28/2013	Continental Farmers Group PLC	Almarai, Saudi Agricultural Invest. Co.	Engages in the cultivation and distribution of arable crops. It produces various arable crops, including oil seed rape, sugar beet, potatoes, wheat, and maize.	78.6	3.0x	13.7x		3.0x	13.7x
9/17/2012	Dole Food Co. Asia Fresh Produce	ITOCHU Corporation	British company located in Feltham that distributes frozen food products.	1,685.0	0.7x	8.9x		0.7x	8.9x
8/01/2012	BF Bolthouse Holdco, LLC	Campbell Soup Co.	Engages in vegetable farming and distribution. It offers carrots; carrot, orange, strawberry banana, mango lemonade, berry boost, and other beverages.	1,550.0	2.3x	10.2x	30%	1.6x	7.1x
4/23/2012	GreenLine Foods, Inc.	Apio Inc. (Landec Corp)	Farms and distributes green beans. The company produces thousands of bushels and markets trimmed green beans to wholesalers and its distributors.	69.9	0.7x	6.3x		0.7x	6.3x
11/10/2011	Turners & Growers Ltd.	BayWa Ag	Distributes and exports fresh agricultural products.	299.6	0.5x	7.2x		0.5x	7.2x
10/11/2011	HCE Corporation	Dole Food Company, Inc.	Primarily engaged in producing, packing, and shipping blueberries.	91.5	1.5x	6.6x		1.5x	6.6x
7/17/2011	Clement Pappas & Co.	Lassonde Industries Inc.	Produces fruit juices and sauces. It specializes in processing crops of cranberries, blueberries, tomatoes, peaches, asparagus, and vegetables.	400.9	1.0x	6.7x	30%	0.7x	4.7x
1/07/2011	Vitacress Salads	RAR Holdings	Grows and packages watercress, rocket, and young leaf spinach. Produces and distributes vegetables such as potatoes, beets, onions, and tiny peas.	104.5	0.6x	8.2x		0.6x	8.2x
11/19/2009	Birds Eye Foods	Pinnacle Foods Inc.	Manufactures and distributes processed and frozen foods.	1,349.0	1.4x	8.9x	30%	1.0x	6.2x
5/17/2007	Rader Farms, Inc.	Inventure Foods, Inc.	Engages in farming and growing berries. Its products include raspberries, blueberries, marionberries, dark sweet cherries, and cranberries.	25.2	0.7x	6.9x		0.7x	6.9x
2/23/2005	Fresh Express Incorporated	Chiquita Brands International	Provides and distributes fresh-cut products. Its salad products include salad blends, garden salads, salad kits, cabbage and cole slaw.	895.5	0.9x	12.2x	30%	0.6x	8.5x
8/09/2001	Fresh Express Incorporated	Performance Food Group Co	Provides and distributes fresh-cut products. Its salad products include salad blends, garden salads, salad kits, cabbage and cole slaw.	364.7	0.7x	8.7x		0.7x	8.7x

Valuation Summary		
Average	1.0x	8.0x
Median	0.7x	7.9x

HISTORICAL TRANSACTION COUNT



Note: *Total compensation is contingent on two earn-out opportunities equivalent to \$12.4mm

Sources: FactSet financial data and analytics; *The Packer*

Active Buyers in the Food and Produce Industry

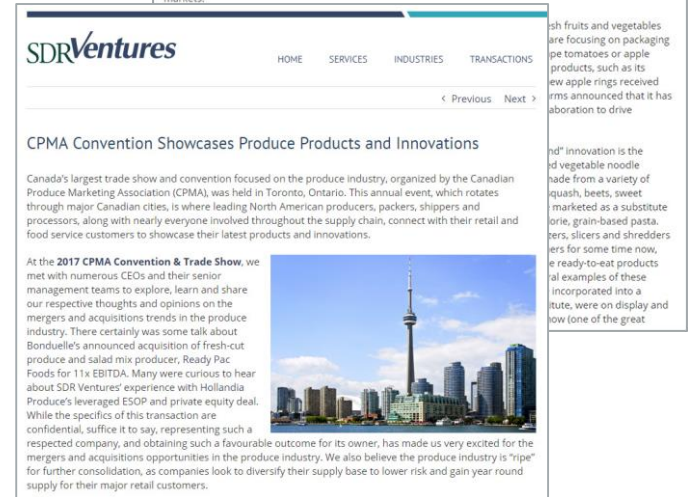
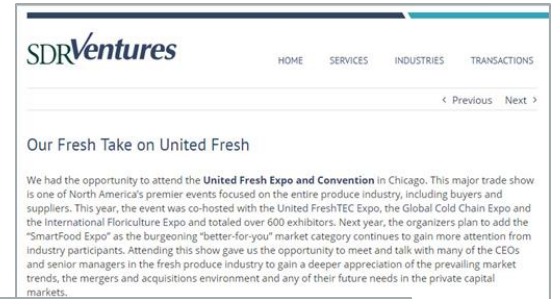
Buyer Name	Inv. Date	Select Corporate Acquisitions
AGRO Merchants Group LLC	05/27/2019	▪ Frio Puerto Valencia SL
	08/01/2018	▪ Transmode Express, Inc.
	07/03/2017	▪ PSTL Sp zoo
	03/07/2017	▪ Cold Land SGPS SA
	11/30/2016	▪ Doboy Cold Stores Pty Ltd.
	03/08/2016	▪ DRS SRL (Spanish Subsidiaries)
	10/02/2015	▪ Nordic Logistics & Warehousing LLC
Seneca Foods Corp.	04/15/2019	▪ Paradise, Inc. (Fruit Business)
	02/02/2018	▪ Burnette Foods, Inc. (Maraschino Cherry Business)
	04/03/2017	▪ Truitt Bros., Inc.
	10/30/2015	▪ Gray & Co (Michigan)
Sysco Corp.	04/12/2019	▪ J & M Wholesale Meat Inc.
	01/28/2019	▪ Waugh Foods, Inc.
	02/19/2018	▪ Doerle Food Services LLC
	11/06/2017	▪ Kent Frozen Foods Ltd.
	11/06/2017	▪ MAYCA Distribuidores S.A.
	10/17/2017	▪ HFM FoodService, Inc.
	07/05/2016	▪ Brake Bros Ltd.
	07/01/2016	▪ Supplies On The Fly
	02/25/2016	▪ North Star Seafood LLC
Lipman Produce, Inc.	03/15/2018	▪ Huron Produce Ltd.
	11/02/2015	▪ Sam's Produce, Inc.
	12/02/2014	▪ Legend Distributing LLC
	06/17/2014	▪ The Produce Exchange
Limoneira Co. (LMNR-US)	07/26/2018	▪ Oxnard Lemon Associates, Ltd.
	06/20/2018	▪ Frutícola San Pablo SA
	07/02/2014	▪ Marlin Ranching Co.
	09/09/2013	▪ Associated Citrus Packers, Inc.
Gladstone Land Corporation	03/14/2018	▪ Blueberry Farm in Michigan
	12/19/2017	▪ Almond Orchard in California
Gordon Food Service, Inc.	10/04/2017	▪ Ettline Foods Corporation
	06/08/2017	▪ Red Diamond, Inc. (Foodservice Business)
	01/07/2015	▪ Halperns' Steak & Seafood Co.
The Wonderful Company	09/12/2017	▪ Ruby Fresh, Inc.
	02/02/2017	▪ DNE World Fruit LLC
	04/08/2016	▪ B&S Grupo Exportador SA de CV
	04/08/2016	▪ I. Kunik Co.
	08/04/2015	▪ Texas Citrus Exchange

Note: As of 9/30/18

Source: FactSet financial data and analytics

Networked in the Produce and Agribusiness Industries

The SDR team regularly meets with 100s of Agribusiness/Produce business owners and senior executives participating in the fruit and vegetable production, packing and processing industries.



Transactional Expertise

ERIC BOSVELD

Eric Bosveld is the Director of Food and Agribusiness at SDR Ventures. Eric is also President and Founder of Bosveld and Associates, an independent management consulting firm that helps clients prepare for an eventual sale by increasing the marketability of the business and its enterprise value. He is a member of FreshXperts, a small group of highly qualified produce and fresh food industry consultants with specific areas of expertise.



Prior to joining SDR and founding Bosveld and Associates, Eric held a senior operating role at the Agronomy Company of Canada (ACC) and served on the boards of numerous agribusiness companies, some for terms of over 10 years.

He was also president of two Agromart-owned businesses. Eric has extensive experience in business development, strategic planning, risk management and operational improvement.

Eric has worked on and completed numerous M&A transactions with both strategic and financial buyers and sellers across a wide range of manufacturing, distribution and service-related businesses in the agribusiness, horticultural, agrifood and green space industries. During his tenure at ACC, he was extensively involved in leading the integration process of two mergers and has had considerable experience in attaining synergies post-merger.

Eric's family grows commercial strawberries and apples as well greenhouse cucumbers and tomatoes in Eastern Canada. He started his career as an agronomist and holds a B.Sc., and M.Sc. in Plant Science from Dalhousie and McGill Universities, respectively.

LOWER MIDDLE MARKET & CAPITAL MARKET EXECUTION

PROPRIETARY PROCESS

- Proven to generate interest, narrow down buyers and close deals quickly
- Customized database for each process that collects and analyzes data from preliminary research to discussions with acquirers

MAXIMIZING VALUE

- Let our professional networks work for you
- We are in the market daily, identifying companies that are not actively acquiring
- We help maximize value by engaging with the right financial and strategic buyers

NEGOTIATE FAVORABLE DEAL TERMS

- From execution of LOI to close, we are here to help produce outsized results
- Our experience closing deals will help you navigate complicated deal terms

OUTSOURCED BUSINESS DEVELOPMENT TEAM

- Save time and money involved in hiring a full-time business development team
- Our principals & processes help open doors often not available in corporate-led transactions

SELECT TRANSACTIONS

Chlorophyll
Has been acquired by
GrowGeneration
SELL-SIDE TRANSACTION

Arkansas Valley Seed
Has been acquired by
MarketMaker
SELL-SIDE TRANSACTION

Hollandia
Has been acquired by
MOSAC CAPITAL PARTNERS
SELL-SIDE TRANSACTION

Waterman
Has been acquired by
CVE CVC CAPITAL PARTNERS
SELL-SIDE TRANSACTION

Ultra Yield
Has acquired
KRONOS
SELL-SIDE TRANSACTION

N|E|P
Norwest Equity Partners
Has completed a majority recapitalization of
actagre.

Rural American Fund
Has completed a majority recapitalization of
Aquatrols

Vformation
Has made a minority growth investment in
Growstone

Investment Banking and Securities Offered Through SDR Capital Markets, Inc., Member FINRA and SIPC.

Industry Coverage Areas

The SDR team serves business owners and operators across a variety of industries. We operate beyond the confines of a traditional investment bank. Through our long-lasting client relationships, solutions-oriented approach and ability to close deals, we are reinventing the way business owners approach the market.

 Health & Wellness	 Pet Industry
 Food & Beverage	 Agribusiness
 Manufacturing	 Distribution & Logistics
 Business Services	 Healthcare
 Technology	 Oil & Gas

THOUGHT LEADERSHIP

SDR Ventures is proud to be a thought leader in middle-market M&A in several industries including Food and Agriculture.



The collage features several key pieces of thought leadership:

- M&A INSIGHTS PRODUCE INDUSTRY**: A report cover with a focus on trends and market activity in the produce sector.
- PRODUCE REPORT Winter 2017-2018**: A report cover featuring a photograph of produce in a grocery store.
- FOOD & BEVERAGE REPORT Q4 2017**: A report cover featuring a photograph of a person using a smartphone.
- HISTORICAL ENTERPRISE VALUE-ADDED ANALYSIS**: A chart showing performance metrics from Q4 2014 to Q4 2017, with a table below it.

Q4	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Current*
Revenue	100	100	100	100	100	100	100	100	100	100	100	100
EBITDA	100	100	100	100	100	100	100	100	100	100	100	100
EBIT	100	100	100	100	100	100	100	100	100	100	100	100
Net Income	100	100	100	100	100	100	100	100	100	100	100	100

PE Coverage & Debt Origination

**4,200+ PE AND FAMILY OFFICE RELATIONSHIPS;
MANY WITH AGRIBUSINESS MANDATES**



850+ LENDER RELATIONSHIPS



Case Study – Hollandia Produce

SALE OF HOLLANDIA

Hollandia Produce engaged the services of SDR Ventures to facilitate a sell-side transaction.

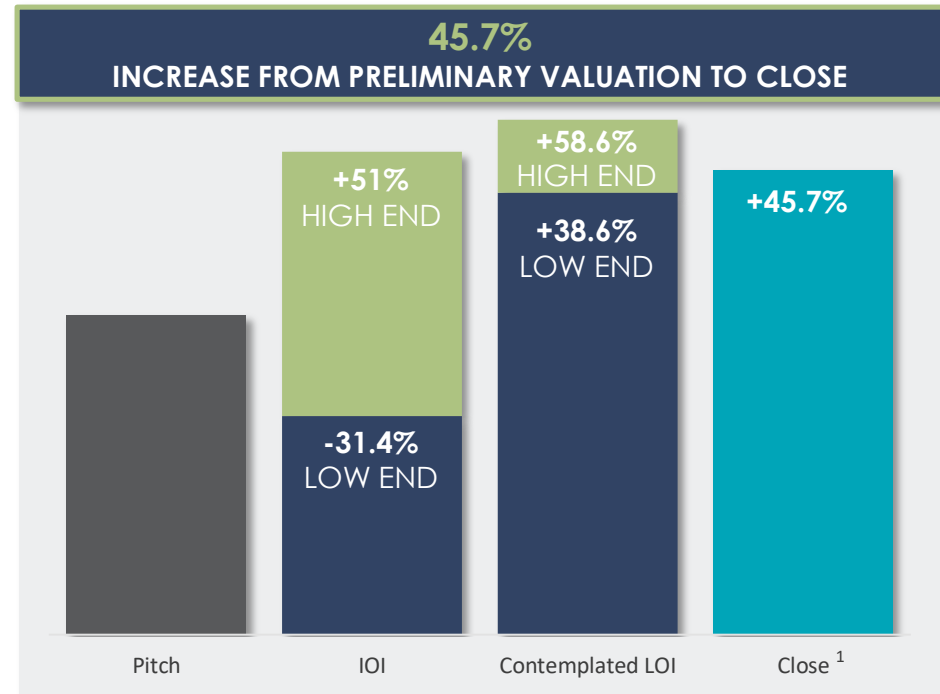
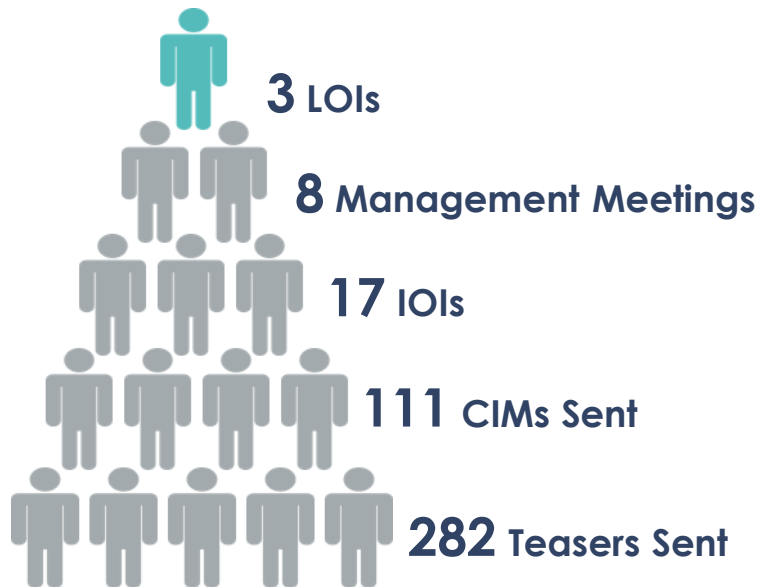
SDR Ventures ran a broad process and identified a unique opportunity that resulted in the ideal transaction for Hollandia and its employees. The ESOP structure of the transaction not only created an ownership opportunity for Hollandia’s 150 employees best positioning the company for future success, it also maximized cash consideration to the sellers.

From SDR’s perspective, this one-of-a-kind transaction helped ensure that Hollandia is in great hands and that the goals were met for Hollandia’s management team.



“The SDR team was able to locate and engage the perfect partners for us and smoothly guide this complex transaction. SDR’s commitment to our goals never wavered. We’re proud to know that our employees can now say they hold an even deeper stake in our company.”

– PETE OVERGAAG, 2ND GENERATION CEO & OWNER



¹Note: Seller did not select highest offer