

MPG | MADISON PARK GROUP

Insights

Market Primer
Agriculture & Food Technology
Q1 2023

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Executive Summary

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Market and Industry Dynamics Support Strong Appetite for Top Decile AgTech Companies

Notable Market News Garnering Attention

Betting on Technology: How Governments can Achieve Climate Equity
December 2022

Forbes

"Soaring" input costs accelerating AgTech Adoption
September 2022

AFN

Biden's executive order supports the AgTech Industry
September 2022

THE
NATIONAL LAW REVIEW

Agtech & geospatial tech can strengthen food security
August 2022

AFN

Amid a climate-threatened food supply, AgTech is more important than ever
June 2022

dot.LA

Influential Strategic Themes



Late-stage venture markets remained highly active in 2022 with +200 raises exceeding \$100m in proceeds, though Q3 represented a notable decrease in transaction volume



Elevated input costs - fertilizer, crop protection, and labor - are driving farmers to seek technology solutions to improve efficiency and fight tightening margins



Data-centric "AgTech 3.0" solutions are emerging as the ag value chain shifts focus to centralization and efficiency



Food supply chains integrated into a global ecosystem are influenced by conflict, inflation, and geopolitical uncertainty, forcing businesses to reassess operations and optimization plans



Given the enhanced demand and a competitive market, dynamics have shifted to incorporate smaller farmers into a market once dominated by large producers

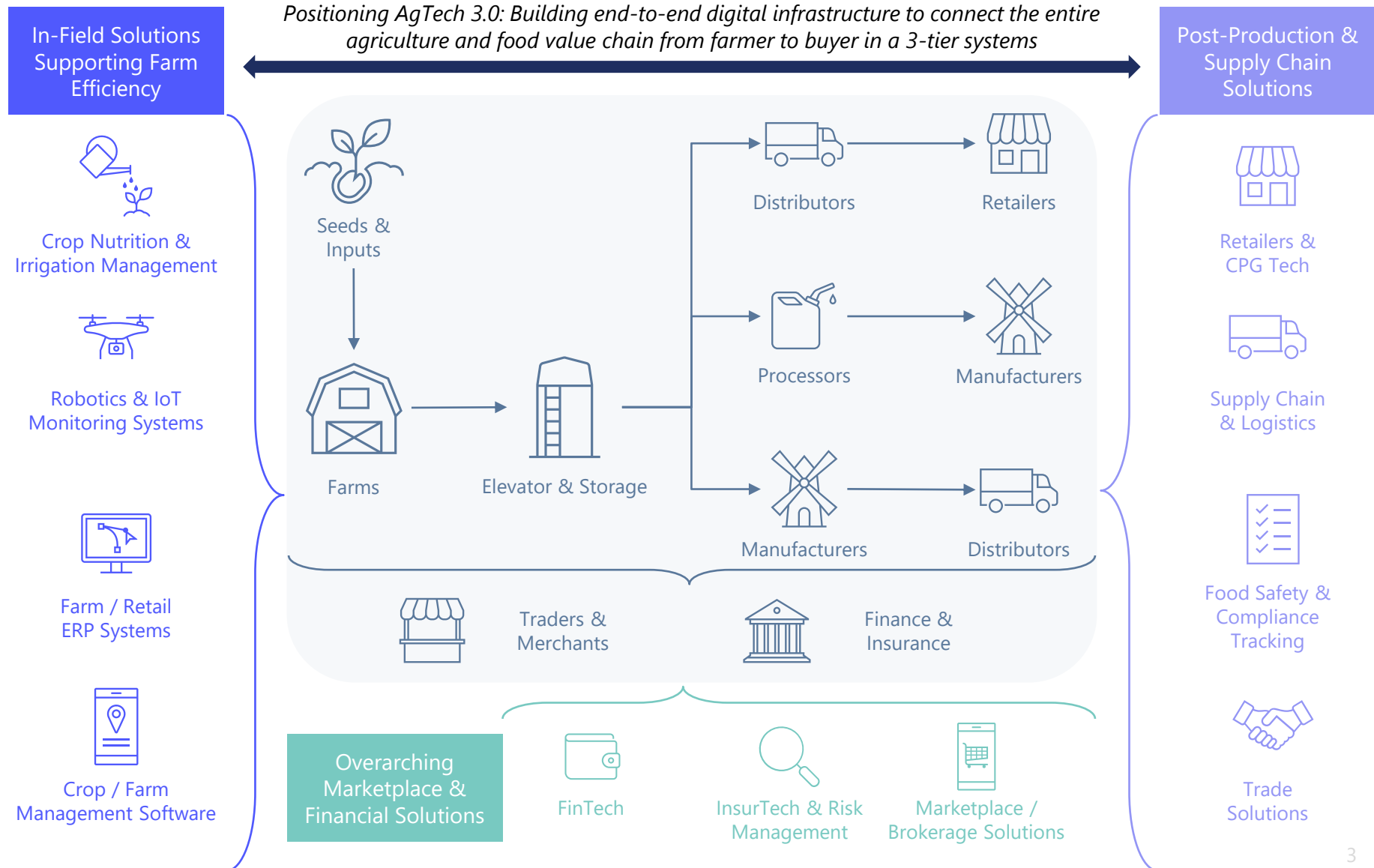


Regulatory and social pressures have established a new urgency for climate-focused investments and the collection and usage of weather data

Competitive Ecosystem with Range of Touchpoints

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The AgTech Landscape is Stratified, Opening Significant Opportunity for Data-Centric Integration to Dominate the Highly Complex Market



Strategic Themes

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Areas of Focus for Disruptive Technologies within the AgTech Sphere

Digital infrastructure encompassing the agriculture value chain helps move products, data, and money. With numerous key touchpoints, advanced technologies are poised to disrupt and improve many facets of the food and commodities journey.



Field Solutions

Driving efficiencies on the farm, improving yields, and reducing production risk



Water Management

Solutions to manage utility bills, track water usage, and ensure efficient irrigation systems



Integrated Digital Infrastructure

Provide connections between farmers, grain producers and buyers helping accelerate flow of goods, capital and payments



Finance & Insurance Solutions

Finance and risk management tools focus on protecting profitability and simplifying claims management



Sustainability & Supply Chain

Connecting farms to the table with product sourcing visibility and ESG assurance capabilities























Milestone Capital Raises

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Relevant Growth-Stage Benchmarks Continue to Exhibit Robust Pricing Dynamics for Top Quality Business

(\$ in Millions)





















Company	Investor(s)	Date	Round	Description	Amount Raised
 Agriconomie.com	 ALIMENT CAPITAL	Nov-22	Series B	<ul style="list-style-type: none"> Agricultural marketplace offering fertilizers, seeds, and equipment 	\$60.4
 iFoodDS	 INSIGHT PARTNERS	Oct-22	Series A	<ul style="list-style-type: none"> Cloud based analytics software for agriculture supply chains 	\$22.3
 GROWERS EDGE	 FINISTERE VENTURES	Oct-22	Late-Stage VC	<ul style="list-style-type: none"> Software creating warranty-backed crop management plans 	\$15.1
 AgVend	 FJ LABS	Oct-22	Series A	<ul style="list-style-type: none"> Agricultural e-commerce platform to simplify ordering input products 	\$14.6
 TARANIS	 INVIE/CAPITAL CEZ GROUP	Sep-22	Series D	<ul style="list-style-type: none"> Crop analytics platform which increases crop yields 	\$40.0
 TRIDGE	 DS ASSET	Aug-22	Series D	<ul style="list-style-type: none"> Agriculture tech trading platform providing actionable business insights 	\$37.2
 ARABLE	 GALVANIZE CLIMATE SOLUTIONS	Jul-22	Series C	<ul style="list-style-type: none"> Crop analytics platform to manage risks & crop health 	\$40.0
 regrow	 Cargill	Apr-22	Series B	<ul style="list-style-type: none"> Regenerative agriculture SaaS using remote sensing imagery 	\$38.0
 SOLINFTEC	 The Lightsmith Group	Apr-22	Late-Stage VC	<ul style="list-style-type: none"> Agriculture platform offering crop management solutions 	\$60.0
 PICKTRACE	 IG SB	Jan-22	Series B	<ul style="list-style-type: none"> Agriculture analytics platform to optimize productivity 	\$33.0

Relevant M&A Transactions

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Strategics & Global Funds Have Placed Bets Across the Entire Ag Value Chain

(\$ in Millions)

Target	Buyer	Date	Target Description	Implied Enterprise Value
 GAVILON	 VITERRA	Oct-22	<ul style="list-style-type: none"> Gavilon specializes in offering basic commodities enabling customers access to multiple products 	\$1,125
 VENCE	 MERCK Animal Health	Sep-22	<ul style="list-style-type: none"> Livestock management platform offering virtual fencing and autonomous animal control for livestock breeders 	n/a
 Dairy One Precision Farming Business	 Linco Precision LLC Ag Technology Solutions	Sep-22	<ul style="list-style-type: none"> Precision farming company to optimize agricultural operations and nutrition 	n/a
 TELESENSE	 DECCO	Aug-22	<ul style="list-style-type: none"> AgTech business providing grain storage and transportation monitoring technology through IOT devices 	\$19.4
 Descartes Labs	 Antarctica Capital	Aug-22	<ul style="list-style-type: none"> SaaS-based image analysis technology platform that applies advanced ML to support business applications in agriculture 	n/a
 format solutions	 DATA CORE	Mar-22	<ul style="list-style-type: none"> Feed formulation software to serve feed mills and animal producers to optimize nutrition and ingredient analysis 	\$36.0
 EFC SYSTEMS™	 Ever.Ag	Feb-22	<ul style="list-style-type: none"> Business management software for the agriculture sector which offers field mapping and crop compliance 	n/a
 GrainBridge	 BUSHEL	Oct-21	<ul style="list-style-type: none"> E-commerce and account management software and provider of grain marketing decisions 	n/a
 AgJunction	 Kubota	Oct-21	<ul style="list-style-type: none"> Precision agriculture developer that enhances the efficiency and productivity of agricultural businesses 	\$71.7
 Soil Metrics	 indigo	Oct-21	<ul style="list-style-type: none"> Soil modeling software to estimate carbon content and the impact of associated greenhouse gas emissions 	n/a

Growth Stage

FOCUSED ON TRANSACTIONS WITH \$100-500 MILLION ENTERPRISE VALUE

220+

COMPLETED TRANSACTIONS

\$30+

BILLION IN DEAL VALUE

~30%

CROSS-BORDER DEALS ⁽¹⁾

40%+

SPONSOR-BACKED CLIENTS

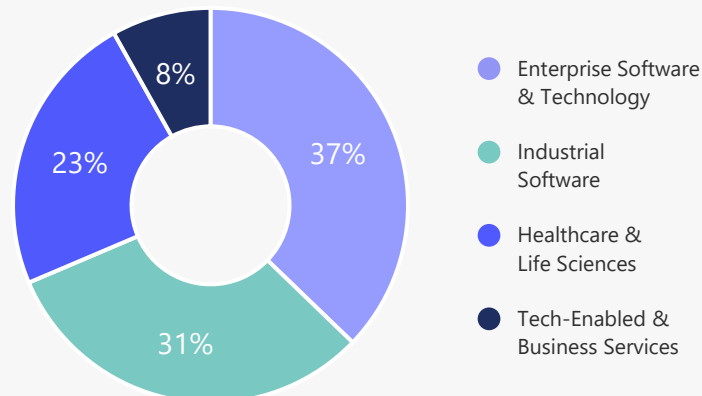
30%+

REPEAT CLIENTS ⁽¹⁾

22

DEDICATED ADVISORS

Our Deep Sector Expertise Drives Better Outcomes ⁽²⁾



(1) Calculated as total clients divided by clients completing more than one transaction with MPG over client relationship, inclusive of investor relationships

(2) Select deals completed in the last ten years



FOCUS

We partner with global technology clients across North America and Europe



EXPERTISE

We specialize in impacting growth strategies to optimize shareholder value creation



STRATEGY

We marry thoughtful corporate strategy planning with stalwart transactional execution



RESOURCES

Domain experts with active relationships across +1,500 global investors

Strategy-First Advisory

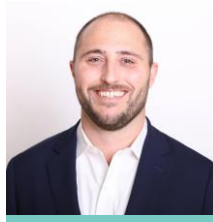
High Quality Deal Execution Supported by Dedicated Knowledge Base

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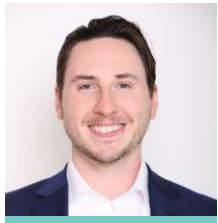
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Unparalleled Market Knowledge With Deep History Of Thought Leadership

"Madison Park Group delivered amazing, high-quality deal execution with industry knowledge and professionalism, resulting in an incredible outcome for AgileAssets. The MPG deal team brought a tremendous breadth and depth of knowledge across both strategic and financial markets and helped us navigate the perfect storm to get outstanding results with an ideal acquirer."

- Stuart Hudson, AgileAssets



"We are extremely excited about our recent acquisitions and growth potential. Madison Park Group continues to be a great partner driving our M&A initiatives and has been an excellent resource for us to navigate the food and beverage solutions ecosystem."

- Lisa Whinnie, Andavi Solutions



High Quality Deal Execution Which Leads To Premium Client Outcomes

PE-Backed



Acquisitions Of



VC-Backed



Financial Sale



Founding Team



Strategic Sale



PE-Backed



Minority Investment



PE-Backed



Financial Sale



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Sources & Notes

Data Sources

1. Pitchbook
2. S&P Capital IQ
3. LinkedIn
4. Public company releases, filings, and earnings transcripts

Journals & Other Media

1. Forbes
2. AFN
3. National Law Review
4. Dot.LA

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