

OCTOBER 2018 Industry snapshot

AGRIBUSINESS

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HIGHLIGHTS



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Agribusiness is a historical segment that is greatly impacted by market and environmental instability. New services have emerged to address these issues, particularly in agritech, and traditional subsegments have growth opportunities.

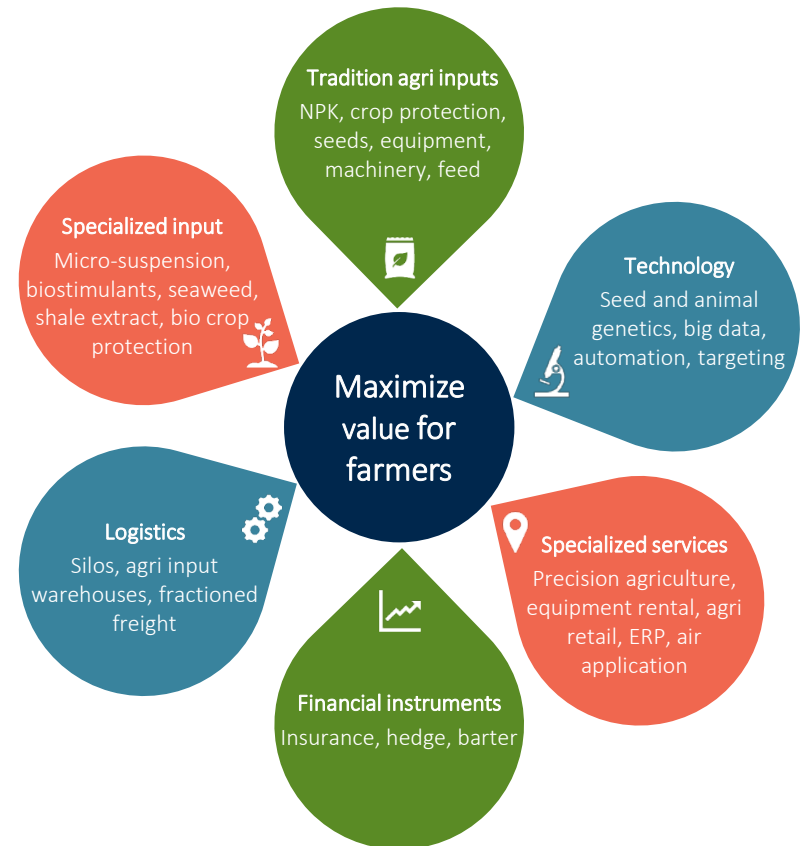
The world faces a challenge: food demand is expected to grow by 70% in 2050 with limited arable land. Therefore, the usage of technology – seed genetics, efficient crop protection and fertilizers, animal feed and pro- and prebiotics – will be crucial in coming years.

Consolidations in this segment are due to a challenging environment where financial results, expiration of patents, regulatory issues, and the ascension of generic-product players are adding to company struggles.

The M&A process has already reached technology companies, where the large input players are acquiring small and mid-sized players that can aggregate more technology to the product portfolio. The consolidation wave will soon reach other segments, including agri retail and commodity traders.

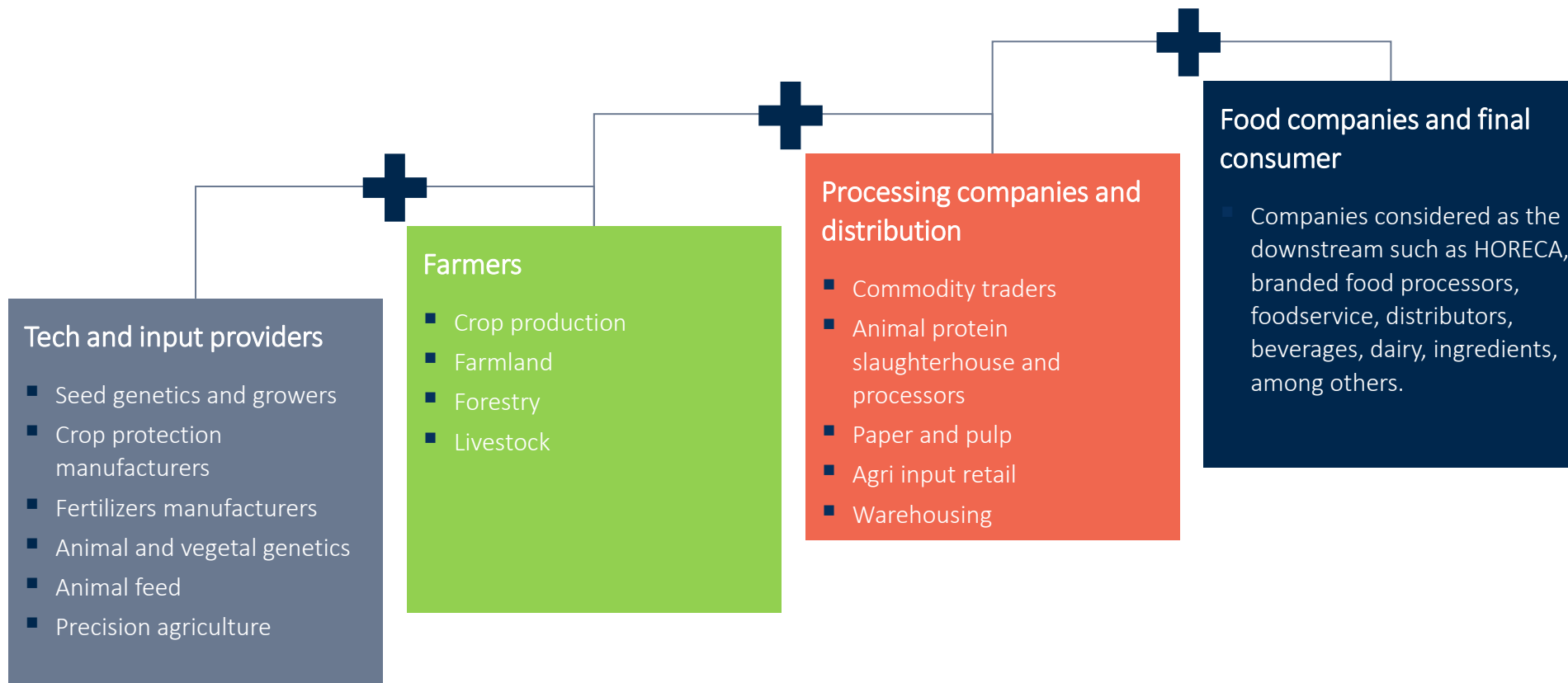
We see three main opportunities in agribusiness M&A: input, which is seeking more technology, and channel and regional consolidation; retail, which needs to strengthen its brands, aggregated services, channel and regional consolidation; and services, which seek agritech, financial products, insurance, and other services that aggregate value to the farm industry.

Clairfield’s agribusiness sector team allies sector knowledge and M&A experience to provide value in buy-side and sell-side processes, including relationships with the major global players and local knowledge of regional players.



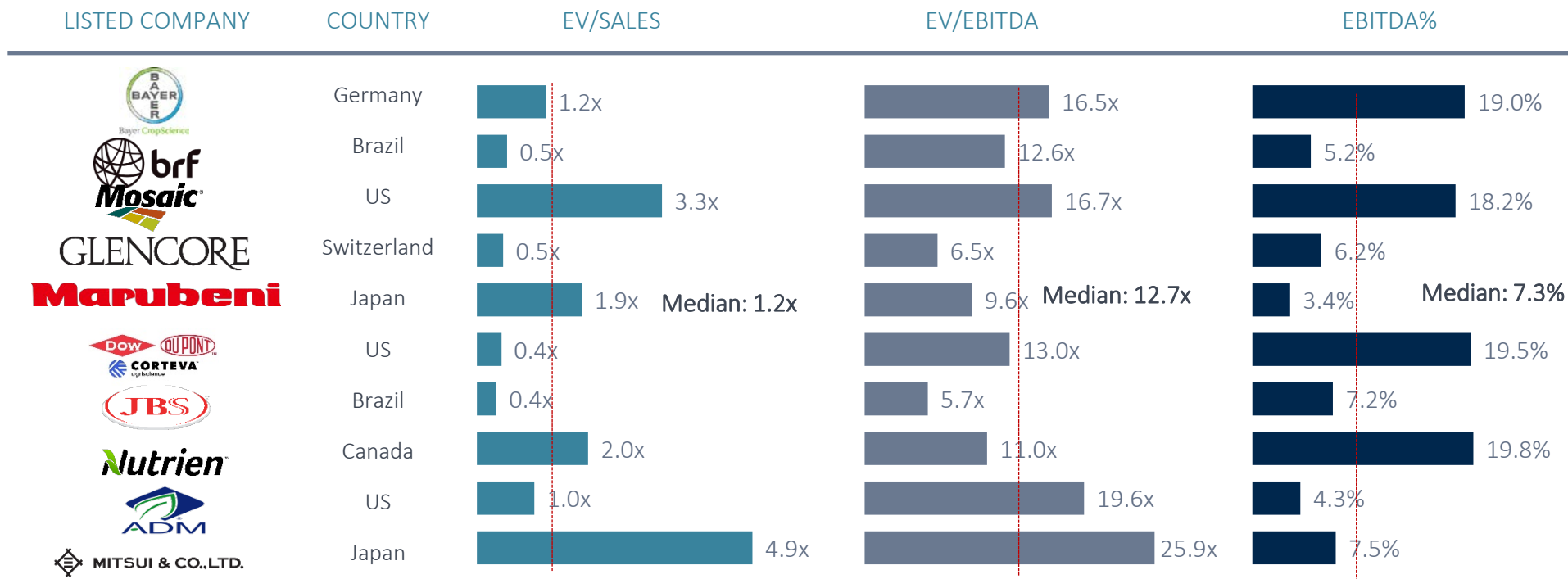
Agribusiness is affected by complex factors.

AGRICULTURE INDUSTRY OVERVIEW



← Other business enablers, including AgriTech →

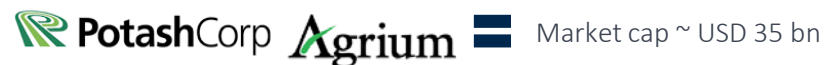
KEY PLAYERS AND MAJOR TRANSACTIONS



MAJOR TRANSACTIONS



MAJOR MERGERS



CLAIRFIELD TRACK RECORD IN AGRIBUSINESS

Deal spotlight

Japan/Spain/Belgium

AJINOMOTO.

acquired through its subsidiary



a majority stake in Agro2Agri, the consortium comprising



Ajinomoto Co is a global manufacturer of quality seasonings, processed foods, beverages, amino acids, pharmaceuticals and speciality chemicals. Ajinomoto OmniChem manufactures and sells pharmaceutical intermediates and APIs globally.

Ajinomoto OmniChem aimed to expand its agro business by entering the rapidly growing bio stimulants market. Additionally, the European market proved to be a valuable fit as it represents 40% of the global market and is the fastest-growing region. Ajinomoto OmniChem will take advantage of the joint development of new products and customers, and will further establish its speciality division in the European agrochemicals market. The transaction was advised by Clairfield International in Belgium.

Recent transactions

Brazil/Germany



was sold to



Mexico



was sold to

Mexico Development Partners

South Africa/US



acquired



Brazil



was sold to Investment Fund Solo Corp

Australia



was sold to



Norway



was sold to



Denmark/Poland



sold a production subsidiary to



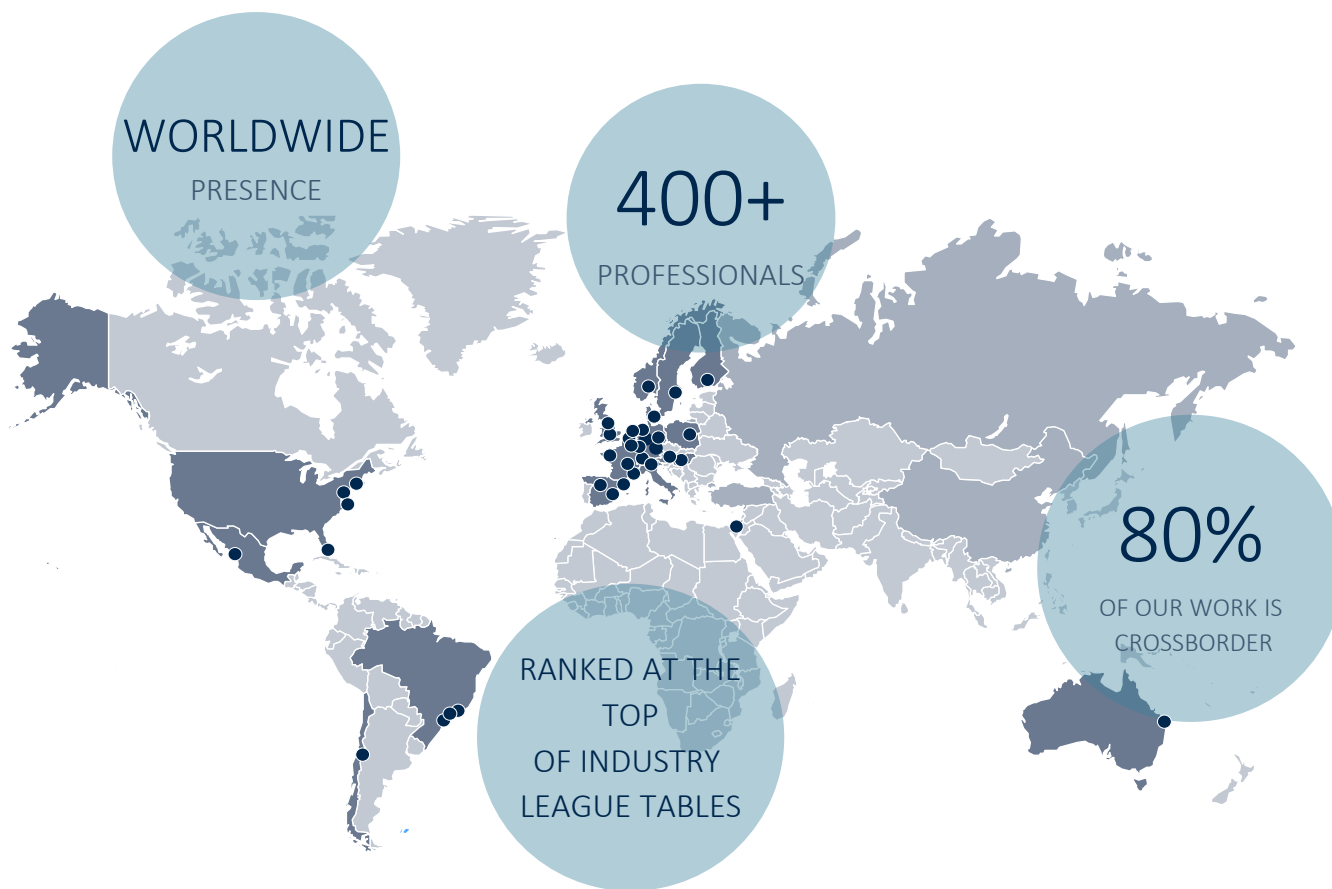
Australia/Switzerland



negotiated acquisition financing with



CLAIRFIELD – A GLOBAL PARTNERSHIP OF M&A SPECIALISTS



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