7th Seed Congress of the Americas

How Consolidation has Reshaped the Seed Industry & Opportunities for Medium and Small Size Companies

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VERDANT PARTNERS INTRODUCTION

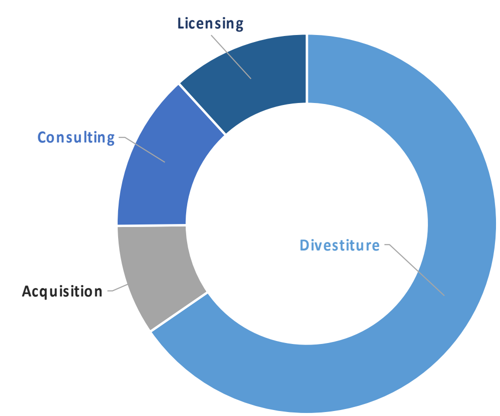
Who we are, what we do, and who we represent

Our Company and Services

- **Verdant Partners is a leading middle-market transaction advisory and strategic consulting firm focused on the global crop agribusiness industry**
  - We represent clients across the global agribusiness value chain

- **Verdant works with privately held businesses, multinationals, private equity investors, and technology companies throughout the world**
  - We have executed transactions and alliances valued in excess of U.S. $2.5 billion

- **We have 20+ years of professional service experience focused on:**
  - Transaction Advisory
    - Divestitures, mergers, acquisitions, joint ventures, strategic alliances, and technology licensing
  - Strategic Consulting
    - Business development, feasibility studies, financial valuations, and industry analysis



Exclusive Focus on Agribusiness

Pre-Farmgate

Seed Treatments & Enhancements

Crop Genetics & Gene Editing

Biotechnology & Traits

Crop Protection

Soil Amendments & Biologicals

Precision & Digital Ag Technology

Post-Farmgate

Grain Origination & Processing

Food & Feed Ingredients

Permanent Crops

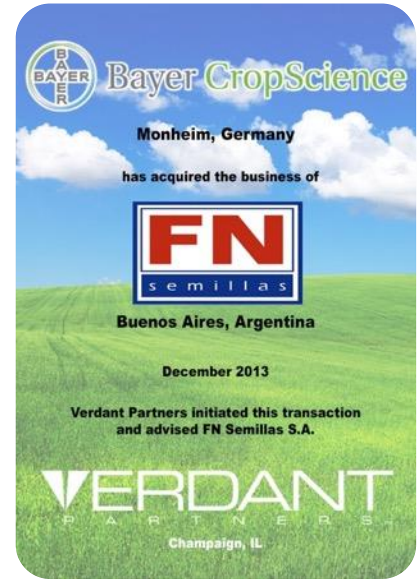
Floriculture

Fresh Produce & Tree Crops

Non-Recreational Cannabis

Verdant's focus covers the span of crop-based agriculture, with expertise and a track record of done deals on both sides of the farmgate

Representative Transactions



In 2013, Verdant represented the shareholders of FN Semillas and sold the business to Bayer CropScience. These assets have subsequently been sold to BASF as of late 2018.

Earlier this year, Verdant assisted GDM in the acquisition of Mustang Seeds, a corn, soybean and small grain marketer based in South Dakota.

First a Historical Reflection

What happened and how did we get where we are?

Consolidation Drivers in Agriculture

1. **Weak commodity prices and low farm-level profitability**
   - With less money to spend on crop inputs, farmers choose lower-cost options
   - Cost-cutting measures start with "peripheral" products, trickle down to seed

2. **Unsustainable performance expectations from shareholders**
   - Weakened price to earnings ratios signal a bleak outlook for future growth
   - Limited growth expectations put pressure on R&D spending

3. **Reduction in the new product/technology adoption**
   - Consumer preference trends do not favor farm-gate technology adoption
   - Neither does weak commodity prices – a finite limit to the cost of seed

4. **The "hangover effect" of unprecedented times in agriculture**
   - For a period from 2006 to 2014, times were good… maybe too good
   - The unintended consequence of $7/bu corn and $15/bu soybeans

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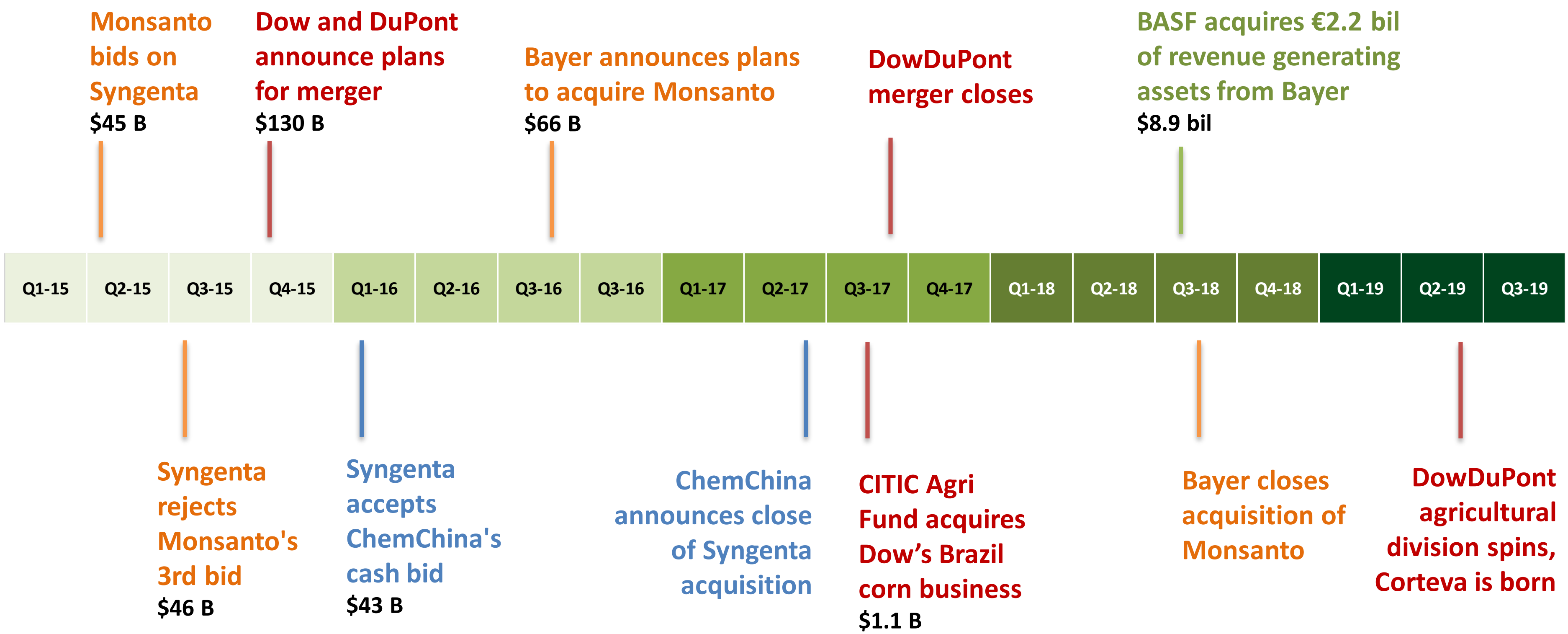
OVER A FOUR YEAR PERIOD…



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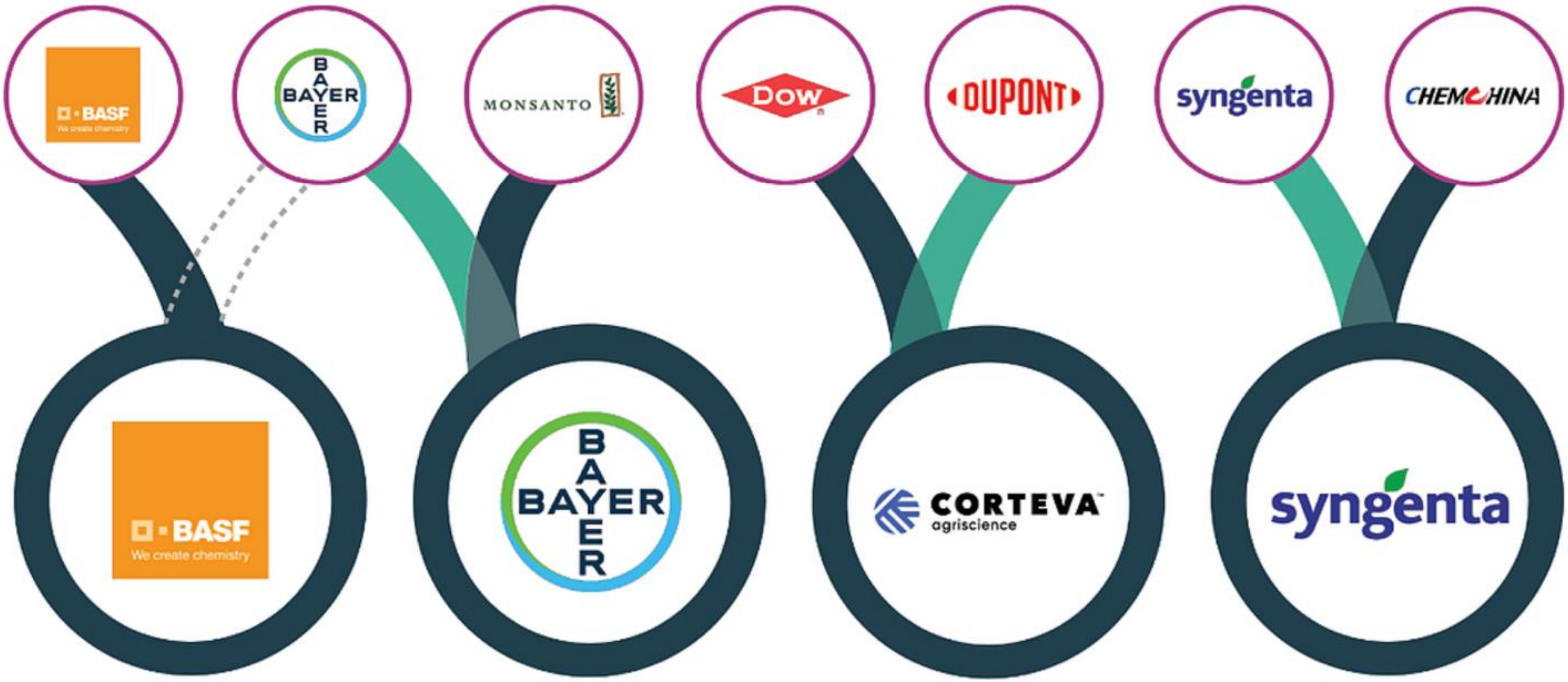
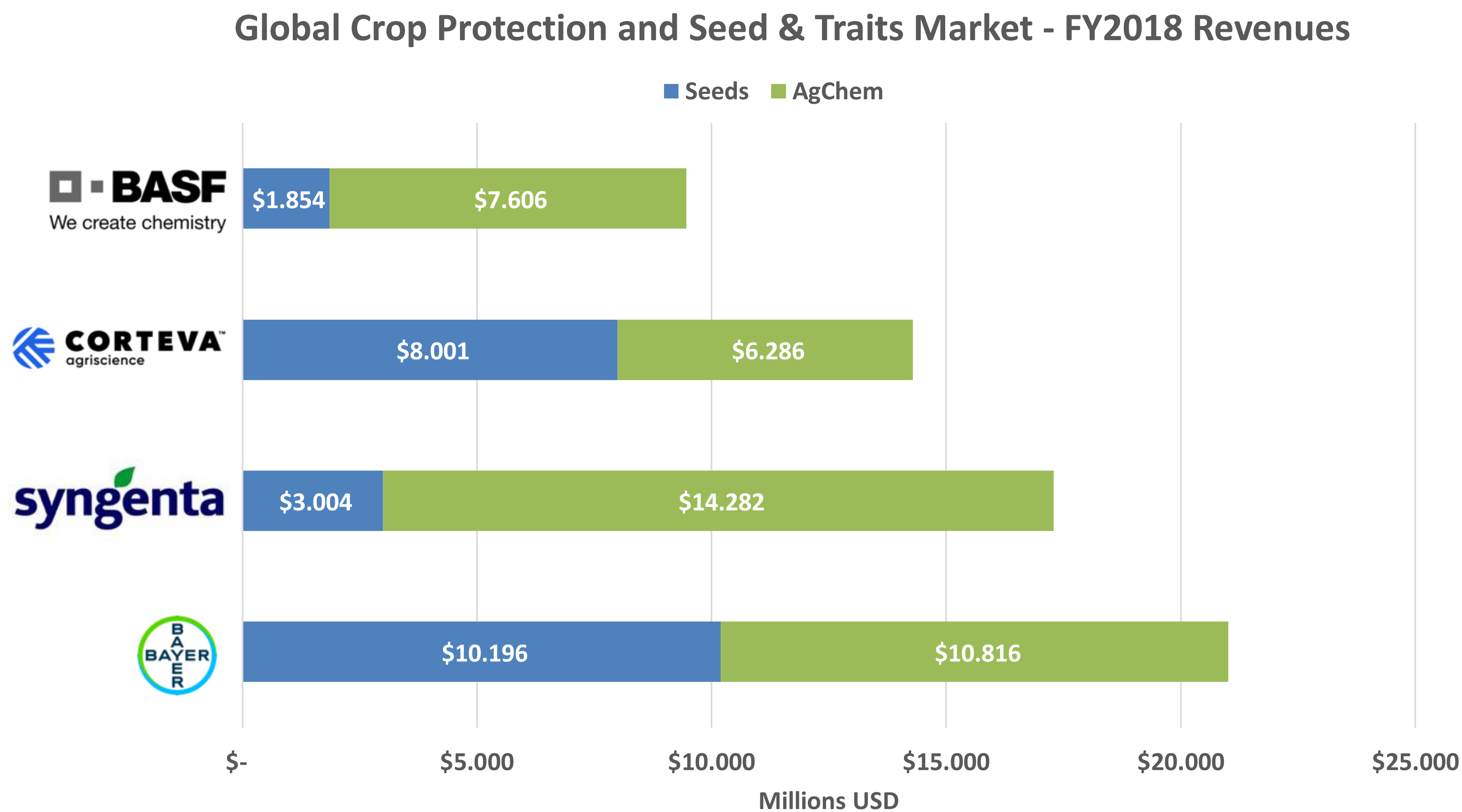
…The Industry Went From Six to Four…

The Big Six (circa 2016)



The Big Four (circa 2019)

…With a Reshuffling of Market Leaders



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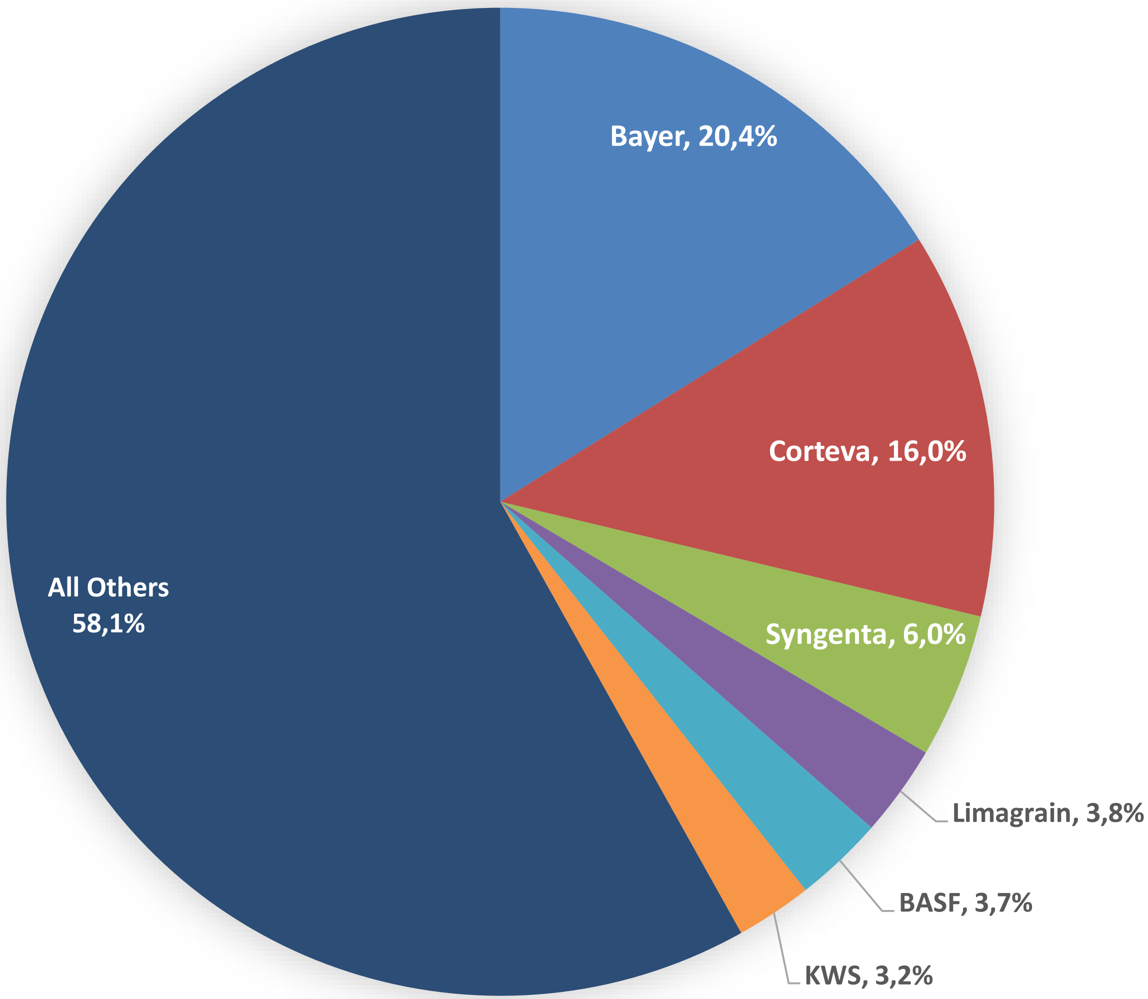
GLOBAL SEED & TRAITS MARKET SHARE



Estimated global seeds & traits market value of

$50 billion

Market share calculated based upon

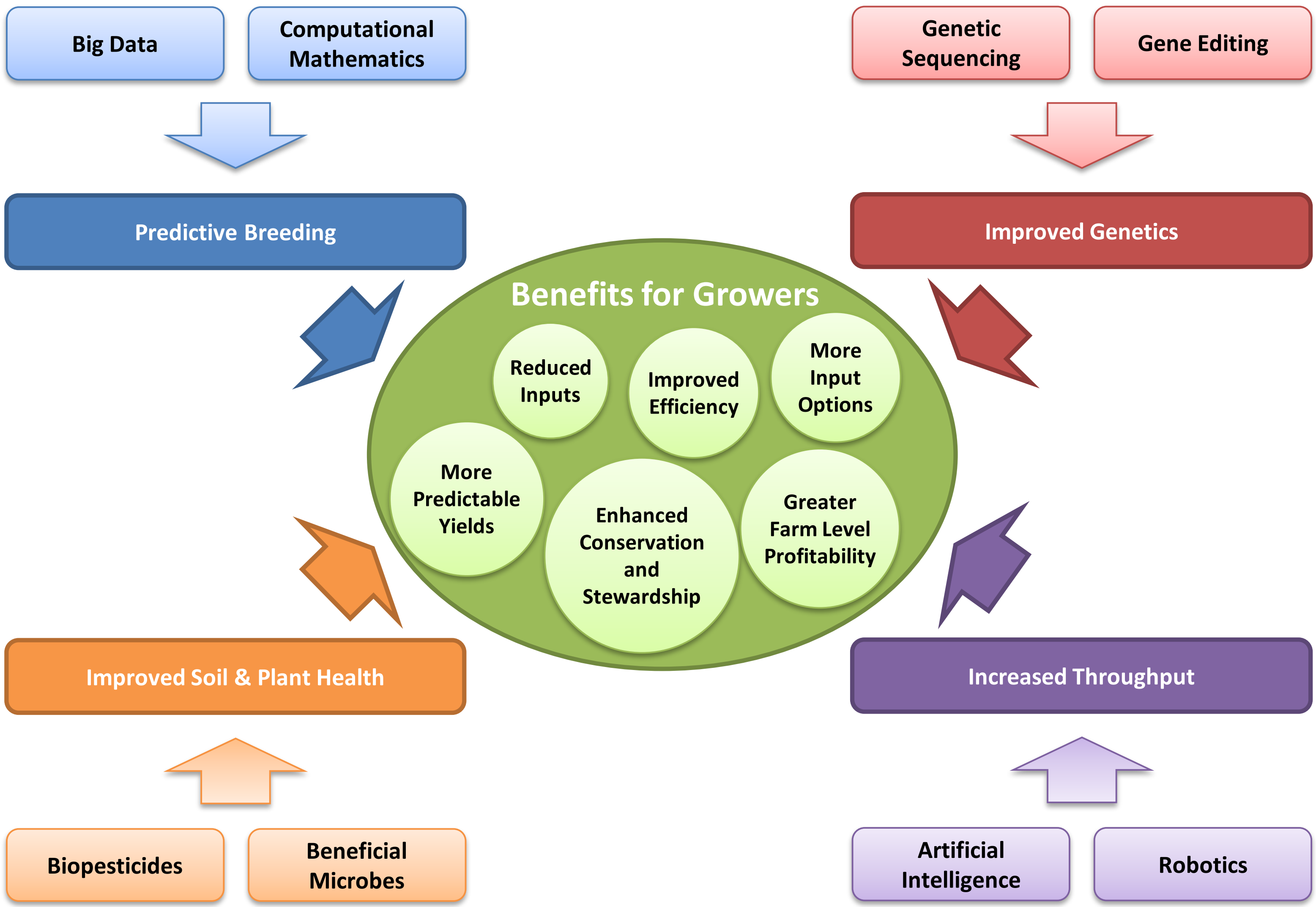
2018 Seed & Trait Revenues

WHAT IS THE FUTURE FOR SEED?

And why should medium & small companies be excited?




The Impact of Technology Advancement



And Do Not Forget About Consumers!

Who Will Bring About Innovation?

calyxt®

CIBUS™

Arcadia
BIOSCIENCES

PAIRWISE

AGBIOME™

PIVOT BIO

indigo™

PRECISION
BIOSCIENCES

BENSON•HILL
BIOSYSTEMS™

FARMERS℠
BUSINESS NETWORK

INARI

SMEs Capitalize on Market Opportunities

- **Consolidation results in market distraction, so deliver additional value**
  - Exceptional customer service tailored to each grower
  - Deliver the right product for the right acre

- **Build a strategy that stands up to challenging market conditions**
  - Continued low commodity prices and increased competition
  - Evolving operator demographics and changing product mix

- **Do not only pick off low hanging fruit, opportunities exists elsewhere**
  - Large farms are limited in number and everyone's target
  - Become an indispensable resource to your customers

Utilizing the Following Advantages

- **Location** – leverage the capabilities of being local
- **Strategy** – unique products and personalized approach
- **Specialization** – do fewer things, but do them very well
- **Adaptability** – remain nimble and able to develop a flexible approach
- **Budget** – with less to spend, focus on wiser allocation of dollars
- **Human Resources** – be a world class employer, employees are your lifeblood
- **Independence** – the basis of your identity, not wed to any one supplier
- **Bureaucracy** – easy to navigate for employees and understand for customers

¡Gracias!