



Agribusiness Advisory Services

**ASSISTING CLIENTS TO SEIZE OPPORTUNITIES
AND OVERCOME BARRIERS**



EXPERTS WITH IMPACT™

Our experience

FTI Consulting's Agribusiness Practice covers all key agricultural sectors across the global supply chain. Our dedicated team offer genuine industry knowledge developed from involvement in their own personal agricultural operations.



No two situations are the same

Outlined below are some of the key questions our Agribusiness team frequently answer for clients.

What is the optimal capital structure for my business?

We review the existing capital structure of the business (including the overall debt to equity ratio) in the context of a range of key factors, including; sector, size, financial performance and overall strategy. We then provide advice regarding the most appropriate capital structure.

What agribusiness sector and/or geography should I invest in?

We assist international and local investors through the investment process by developing a detailed understanding of their motivation, timeframe, risk profile and amount of funds available to invest. Once we establish a customised investment strategy we can assist with asset identification, due diligence, asset management and performance reporting.

How can I better understand and manage cash flow and working capital?

Managing cash flow effectively is one of the greatest challenges facing agribusinesses. The working capital cycle is dependent on the sector and often geography of the business.

We have extensive experience working with all levels of management in reviewing and improving processes for monitoring and managing cash flow. By implementing effective cash flow management, we can help identify future working capital gaps well in advance.

How can I prepare for investment?

Being 'investment ready' is critical to raising additional capital (debt or equity), however, too many agricultural enterprises are not set up to allow effective due diligence. We work closely with the key people within the organisation to provide advice regarding the best strategies, operating activities and financial reporting methods to maximise the chance of successfully raising capital or selling the business.

How do you link strategy, operations and finance?

Many agribusinesses have strong operational capabilities,

although often lack experience and/or time to develop sound strategies.

We assist both corporate agribusiness and family farms in developing a clear link from the strategy of the business through to its key operational drivers. We then help develop an understanding of what drives financial performance and how this can be monitored and measured for success.

How can you maximise profitability and return for investors?

Given the inherent volatility in both commodity prices and weather, we understand that returns generated from operating activities in agriculture will vary. We assist our clients in reducing the risks associated with financial loss and maximise the opportunities for financial gain by undertaking a detailed review of their business in the context of their operating environment. We provide recommendations on how to improve the financial return, assist with implementation and track the progress of all initiatives.

What is my business worth?

Stakeholders often need to know the value of their business in order to guide a range of strategic and financial decisions. Historically, many farm gate agribusinesses have been valued simplistically on the value of the land, rather than on the basis of their production or earning capacity.

We take an analytical approach to determining the value of an agricultural enterprise, including developing a detailed understanding of its current and projected financial performance.

How do you best manage the expectations of investors and other fund providers (including lenders)?

In order for the industry to continue to grow and progress, the standards around investor reporting need to improve in line with increasing investor expectations. We assist agribusinesses of all sectors, sizes and complexity to develop reporting tools that will allow them to better communicate with their investors (including banks) and to ensure a positive and productive working relationship.

Seizing opportunities for growth

We help companies, funds, families and individuals to take advantage of the broader opportunities within agriculture and to identify specific opportunities for growth or improvement in their business.

The global macro-economic forces in agriculture and food production are stronger than ever.

This shift is being driven by:

- A growing and increasingly affluent population in highly populated regions like China, India and South East Asia;
- Changing diets;
- Urbanisation;
- Current and forecast food shortages; and
- A greater awareness from consumers around the health benefits and provenance of the products they consume.

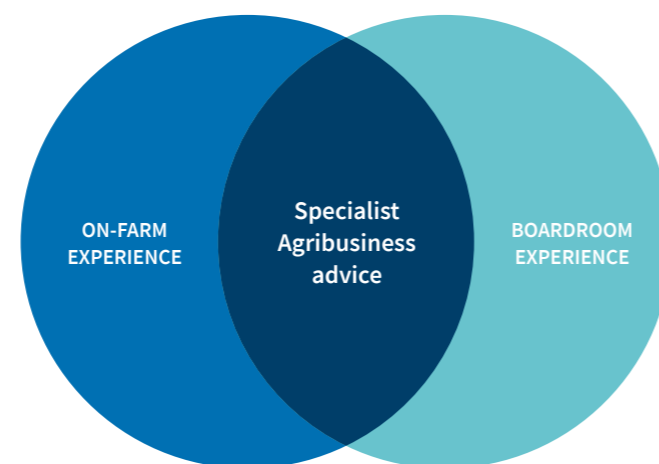
The impact of the above forces is best evidenced by the upward trend in agricultural commodity prices, appreciation in land values, and increasing investment activity in the sector. The goal of our Agribusiness team is to help our clients to identify what this means for them, where the opportunities are and to ensure that they are in a position to take on investment, improve performance and/or deploy capital.

Our approach

We combine our genuine on-farm experience with that of the boardroom to provide expert agribusiness advice to our clients.

Corporate finance services

- Making businesses / opportunities 'investment-ready'
- Due diligence reports
- Transaction advisory (buy and sell side)
- Equity and debt raising
- Agricultural investment strategies
- Strategic planning
- Bespoke solutions based on our client's requirements



— The goal of our Agribusiness team is to help our clients identify what this means for them, where the opportunities are, and ensure that they are in a position to take on investment.

Our Agribusiness team provides bespoke advice to distressed or underperforming companies, families and individuals and their key stakeholders (investors, creditors, lawyers etc.) to identify the key issues facing their business.

Overcoming barriers to success

We apply our skills, experience and industry knowledge to strive for a positive outcome for businesses and their stakeholders as they navigate challenges or uncertainty.

Our dedicated Agribusiness team has vast experience in assisting clients to address a range of issues, many of which materialise in the form of financial under-performance.

We work closely with our clients to identify the key drivers of current or forecast under-performance and to establish the best way forward in any set of circumstances. Our objective is to help businesses under pressure to establish, evaluate and implement successful turnaround strategies, however if this cannot be achieved, we work with all stakeholders to best preserve the value of the business in a divestment scenario.

We assist our clients by providing an industry specialised team that understands the broader challenges of agriculture and can quickly understand the issues facing any agricultural business across a range of geographies, sectors and sizes.

Our approach

We provide bespoke advice to distressed or underperforming companies, families and individuals and their key stakeholders (investors, creditors, lawyers etc.) to identify the key issues facing their business. We then provide practical, hands-on solutions as to the best approach to move forward and achieve a mutually positive outcome.

Corporate restructuring services

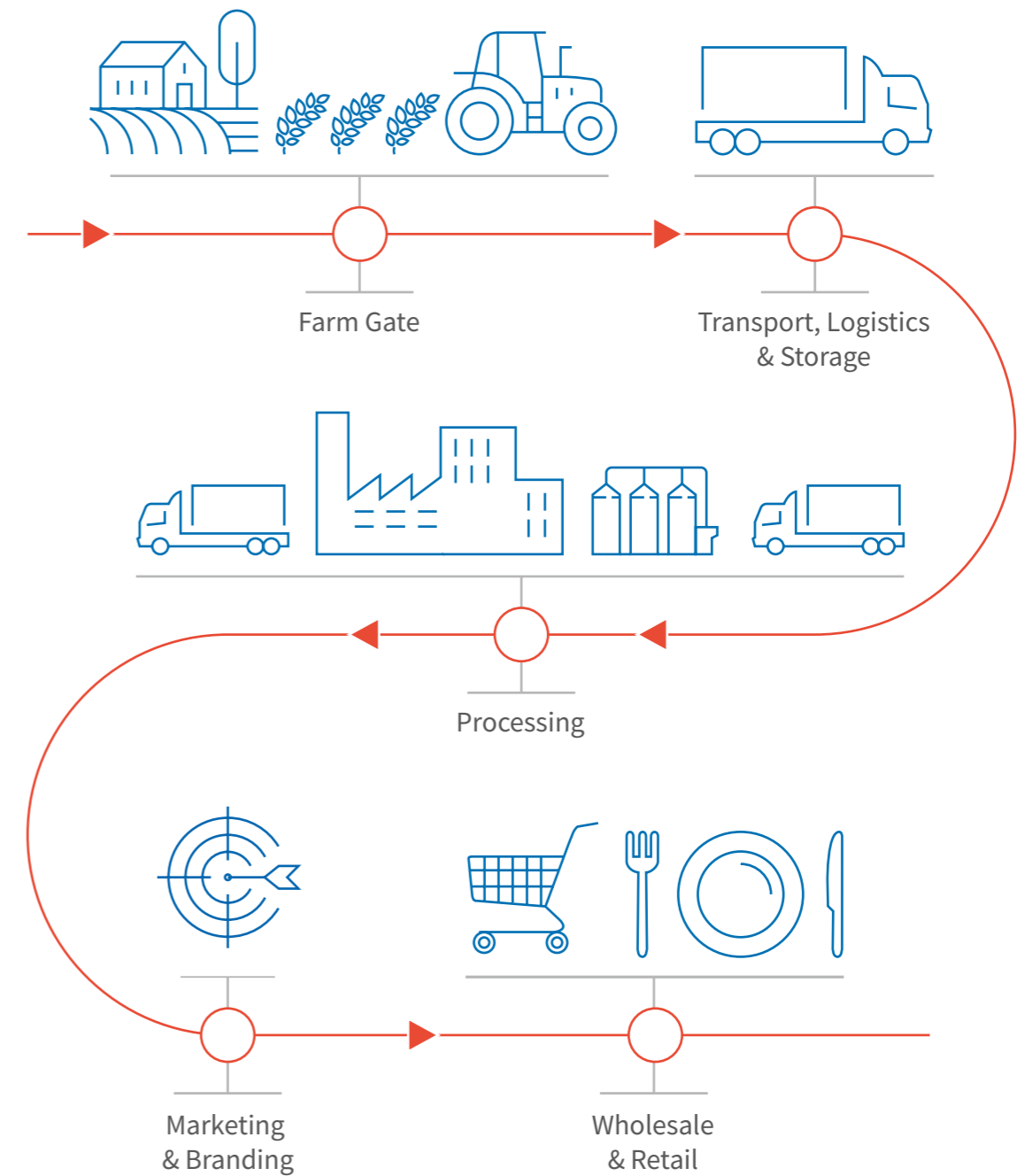
- Independent business reviews
- Performance and profitability improvement
- Cash flow analysis and working capital advice
- Turnaround management
- Ongoing business monitoring
- Restructuring services
- Expert witness reports





We work across the entire supply chain

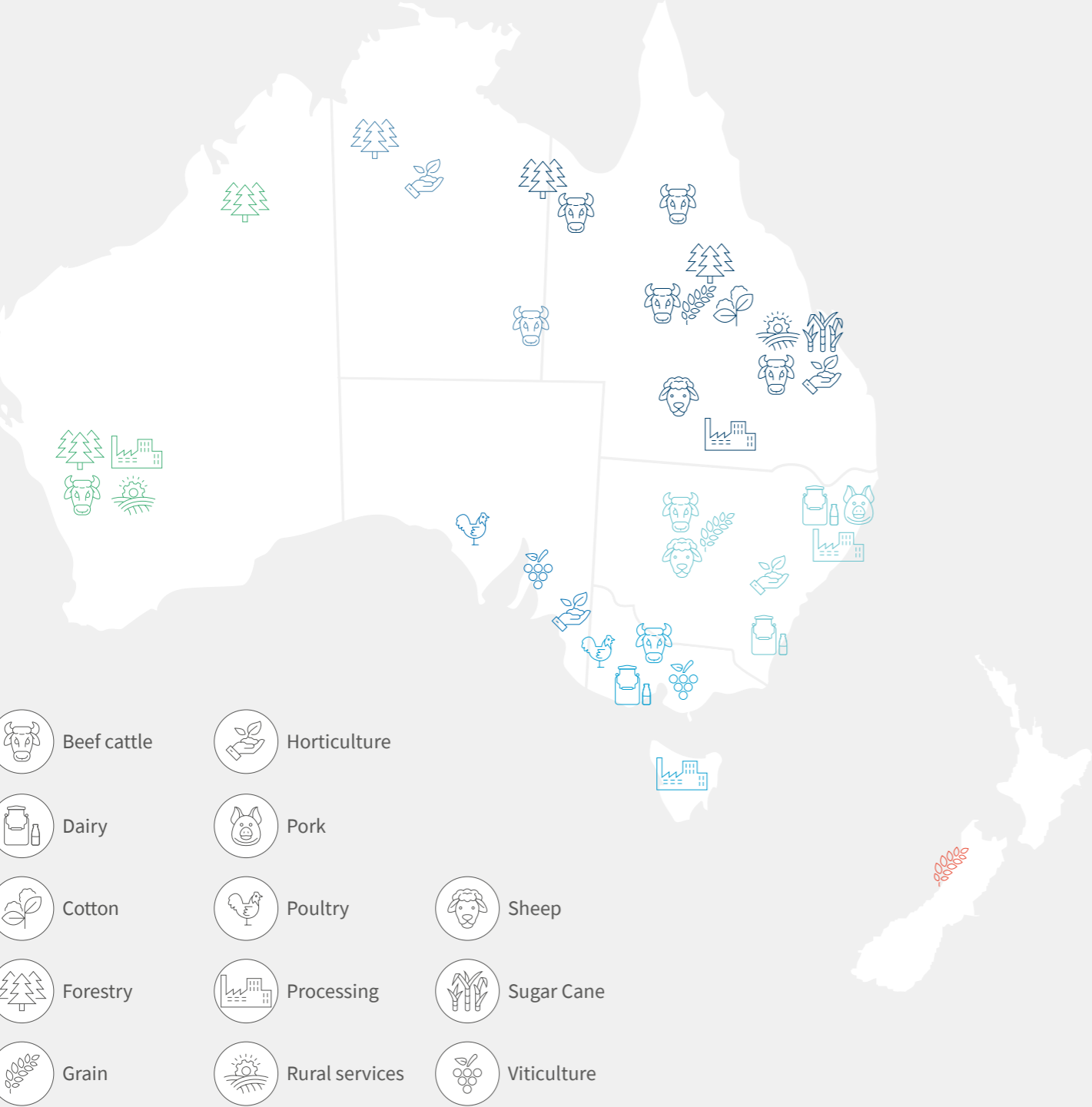
Understanding the agricultural supply chain is critical to success in the industry. We have the skills and experience to provide high quality advice across the entire supply chain.



FTI Consulting have hands-on skills and experience in advising agricultural businesses across the entire supply chain.

Our local knowledge and experience

Our dedicated Agribusiness team is uniquely placed to provide a range of advisory, transaction and turnaround services to small, medium and large businesses, as well as to their key stakeholders.



— We apply our skills, experience and industry knowledge to ensure a positive outcome for all stakeholders involved.



Select recent experience



PROJECT CUBA

Lead sell-side & capital raise advisor

Our Agribusiness team was engaged as Lead Adviser to assist with the part-sale/part-capital raise of one of Australia's largest stone fruit producers. We spent considerable time working with management to understand the requirements of equity capital and to prepare them for the process. Once the client was 'investor ready,' we took steps to prepare the marketing material (including 60-page IM), a detailed data-room and commenced a two-staged discreet sale campaign. During phase 1 of the sale campaign, approximately 40 parties were targeted, of which 6 expressed interest in the investment opportunity. One of these parties (an Australian-based investment manager) was selected to conduct confirmatory due diligence. Following this, our team managed the contract negotiation and the transaction documents, resulting in the investor taking a majority stake in the business.



CONFIDENTIAL DISPUTE

Quantification of loss from livestock deaths

Ben Waters was engaged as a jointly appointed expert witness to provide an expert report assessing the losses of an ACT-based livestock business due to water infrastructure issues that resulted in abnormal volumes of livestock deaths. The applicant to the dispute claimed they suffered loss by way of wasted interest on debt facilities and a loss of livestock related revenue (meat and wool). FTI Consulting prepared a loss model which calculated the interest incurred on the debt facilities and the lost livestock related revenue that could have been achieved over the loss period, factoring in weather conditions, specific livestock breeds and the available operational land. Our expert report was provided to both the parties for the purposes of mediation.



PROJECT APRICOT

Commercial & financial due diligence

FTI Consulting was engaged to provide commercial and financial due diligence services to a Canadian pension fund looking to invest in five large-scale orchard businesses in the Goulburn Valley, Victoria. As part of the commercial review, we assessed the underlying assets associated with the transaction and provided advice on the key considerations for integrating the five businesses (focusing on the management and organisational structure, offtake arrangements and determining post-merger efficiencies). Our due diligence covered the historical financial performance of the underlying businesses and critiqued the assumptions driving the financial forecasts. FTI Consulting assisted our client in getting comfortable with the fundamentals of the transaction and successfully negotiating and executing a terms sheet. This transaction created one of the largest vertically integrated apple and pear-growing businesses in Australia.



PROJECT MATRIX

Pre-lend assessment of the business

A large mixed irrigated cropping business based in Southern QLD and Northern NSW engaged FTI Consulting to assist with completing a pre-lending due diligence report for a property acquisition and debt funding request for \$80m. During the engagement, the incumbent financier determined the facility size would require syndication with an additional financing partner. Our experts assisted with developing a financial model and supported discussions with financiers to conduct the refinancing, syndication and property acquisition for a facility of \$260m. Our work provided financiers with the confidence to proceed with the financing request. The client secured the additional funding (and property) and refinanced their long-term debt facilities with a syndicated facility between two of the big 4 Australian banks.



FAR NORTH QUEENSLAND REGIONAL ORGANISATION OF COUNCILS

Assessing the long-run impacts of water infrastructure

The Far North Queensland Regional Organisation of Councils engaged FTI Consulting to provide an expert view on the limitations of cost benefit analysis when applied to investment proposals in large scale water infrastructure, particularly dams. Our experts used a case study approach to investigate the longer-term benefits realised for dams that have been in operation for 30 years or more. In particular, the case studies looked for longer-term benefits the dams had delivered to regions and their communities. These benefits would be in addition to those considered in the original business cases that formed part of the dam approval process. The benefits were identified by comparison with a base case where a dam has been considered but not developed.



WELLARD LIMITED/ WELLARD RURAL EXPORTS

Media, Government & Shareholder relations advisory

For the past 20 years, FTI Consulting has provided Media, Government and Shareholder relations advice to Wellard. During this period Wellard has undergone significant change including an IPO, a transition from Australia's largest livestock exporter to vessel charterer, balance sheet restructuring and various changes in personnel. As Wellard operates in a highly contentious industry, it has regularly sought counsel from our Strategic Communications experts on various issues including intensive media exposure, government inquiries, vessel issues and animal welfare incidents. Our team also assisted the Company in its efforts to increase transparency in the live export industry, including proactive engagement with a range of important stakeholders.

Select recent experience



FORENSIC INVESTIGATION

Livestock reporting discrepancies

A large grain and livestock business with operations in QLD, NSW and VIC engaged FTI Consulting to conduct an independent investigation into a stock record variance of approximately 16,000 sheep at one its NSW properties which was identified after a manager left the company. FTI Consulting conducted an investigation into the financial records, culture and the processes of the business, and conducted interviews with relevant staff. Our investigation identified deficiencies in supporting financial information for transactions, a poor company culture that was dismissive of staff reporting issues, failure of staff to follow company procedures and a remuneration structure that encouraged dishonest behaviour and inaccurate reporting. Our report was provided to the board of the company.



PROJECT NECTAR

Independent business review

A privately owned grain storage and trading business was placed into voluntary administration, driven by liquidity restrictions and ongoing shareholder disputes. Our client, a secured creditor, engaged FTI Consulting to provide an independent business review of the group's five-year strategy and to advise on their refinancing proposal. Our experts conducted detailed due diligence on the group's historical financial statements and projections and assessed the group's ability to repay the debt and potential risks involved in the proposal. Furthermore, a Deed of Company Arrangement was voted in favour, resulting in a proposal to fully repay our client's debt facility balance. To support the continuity of the business and advised by FTI Consulting, our client provided a new trading facility to the group of \$20m.



PROJECT ANCIENT HISTORY

Succession planning & valuations

FTI Consulting was appointed by a family farming business to assist with succession planning which included valuing the business and quantifying the capital gains tax costs. The valuation was dated back to 1998 and entailed the valuation of farming property, livestock, grain inventory and an operating business. Our team researched government archives and title deeds to recalculate the size of the properties at the valuation dates and establish the values of each property. We also researched auction records to establish auction prices of livestock at that time. The valuation report FTI Consulting prepared, along with our valuation opinion, was accepted by the family members and the ATO.



PROJECT INTERIM

Interim executive management

A leading Australian bovine reproduction company engaged FTI Consulting as strategic advisers and interim management to assist with core operations after the departure of their CEO. Our experts carried out a business transformation, focusing on the core business operations. As strategic advisers, we worked with the shareholders and staff to understand pain points regarding the existing strategic and operational structures to identify operational and governance improvements for the company. As interim management, FTI Consulting assumed responsibility for the day-to-day management of operations for the company for four months; furthermore, we assisted with the transition to the new General Manager. The engagement resulted in the renewed confidence of shareholders, customers and staff in the business and its future.



HARVEY FRESH

Media, Government & Shareholder relations advisory

As one of Western Australia's three largest dairy processors, Harvey Fresh maintains an important role with both dairy farmers and consumers. FTI Consulting has assisted Harvey Fresh across a range of communications activities related to their mergers and acquisitions, dairy farmer liaison, supermarket milk price wars and contractual changes, media relations and an onsite fatality. Our work has helped Harvey Fresh to manage the narrative, and safeguard its reputation, around these issues.



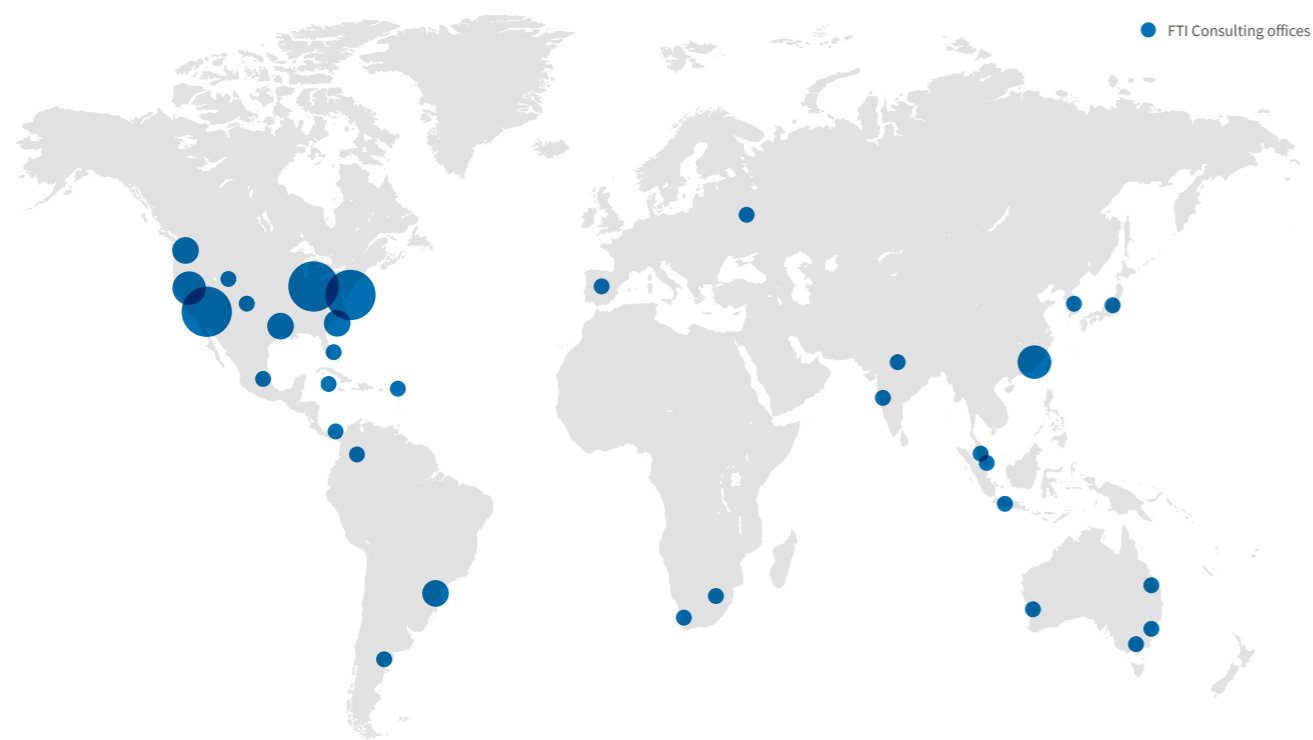
PROJECT ALDERMAN

Commercial due diligence & business valuation

FTI Consulting was engaged by an overseas investor to value and conduct commercial due diligence on an Australian start-up plant-based food and precision fermentation business. FTI Consulting's role included assessing the strength of its long-term strategic plan and where the business sat along the supply chain, assessing its ability to transition from a pilot plant protein business to a synthetic biological business, reviewing the appropriateness of sales forecasts, including gross margin projections and carrying out a valuation using the DCF approach. FTI Consulting assisted our client in getting comfortable with the sector's fundamentals and presenting an informed, non-binding offer. The client submitted a non-binding offer based on the guidance provided by FTI Consulting; however, it did not proceed with the transaction due to the inflated expectations of the vendor.

Combined global network and local knowledge

The combination of our global network and our dedicated local Agribusiness team makes FTI Consulting's Agribusiness offering unique both within Asia Pacific and beyond.



INBOUND INVESTMENT FROM ASIA, THE US, EUROPE & MIDDLE EAST

Asia, North America, Europe and the Middle East remain important sources of capital for Australian Agribusiness. We utilise our internal relationships across these continents to expand our reach and to provide unique access and insight for our clients.

EMERGING MARKETS

Through our international offices, we have direct access to a broad range of emerging markets relevant to the growth and development of Agribusiness globally including; China, India, Africa and Latin America.

DEMAND FOR AUSTRALIAN AGRICULTURE PRODUCTS FROM ASIA

As Asia becomes increasingly important in driving Australian Agribusiness forward, our offices in China, Indonesia, Japan, Korea, Malaysia, the Philippines and Singapore give us direct access to a range of professionals and third party relationships we can leverage to benefit our clients.



We service clients of all sizes and structures from across the agriculture industry, including family farming operations, private agribusiness and institutional clients.

Meet our Agribusiness team

Led by Ben Waters, the team has a broad range of skills and experiences advising agribusinesses across different geographies, sectors and sizes.



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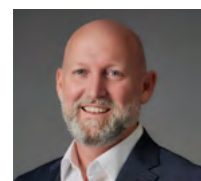
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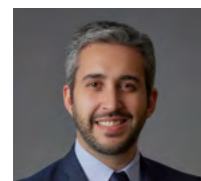
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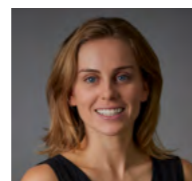
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Local & global recognition



2022
Top Ranked Among Best
Management Consulting Firms
Forbes



2023
Restructuring Deal
of the Year 2023
Basslink Pty Ltd



2021 - 2022
Communications
Firm of the Year
The M&A Advisor



2021
Mid-Size Turnaround
of the Year 2021
Gascoyne Resources Limited



2015 - 2021
WWL AWARDS: Arbitration
Expert Firm of the Year
Who's Who Legal



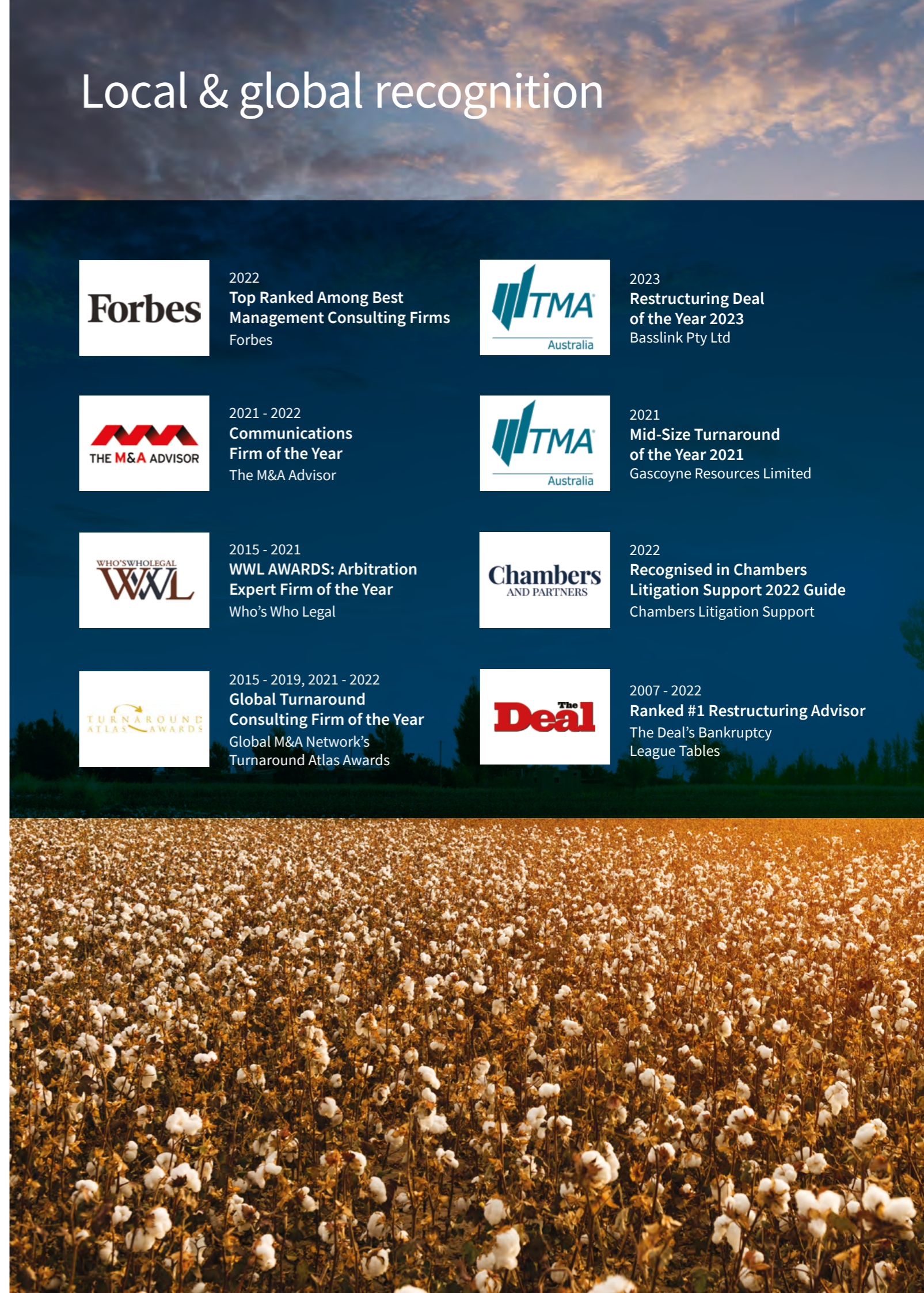
2022
Recognised in Chambers
Litigation Support 2022 Guide
Chambers Litigation Support



2015 - 2019, 2021 - 2022
Global Turnaround
Consulting Firm of the Year
Global M&A Network's
Turnaround Atlas Awards



2007 - 2022
Ranked #1 Restructuring Advisor
The Deal's Bankruptcy
League Tables



EXPERTS WITH IMPACT™

FTI Consulting is an independent global business advisory firm dedicated to helping organizations manage change, mitigate risk and resolve disputes: financial, legal, operational, political & regulatory, reputational and transactional. FTI Consulting professionals, located in all major business centers throughout the world, work closely with clients to anticipate, illuminate and overcome complex business challenges and opportunities.

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