CASCADIA
CAPITAL LLC

Trust. Experience. Independence. Results.

Washington Tree Fruit Industry

Mid-Year Update 2020

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MEMBER FINRA / SIPC

Executive Summary

Cascadia Capital is pleased to provide a mid-year update to our Washington Tree Fruit Industry Market Trends & Analysis report for 2020. The WA Tree Fruit sector continues to experience a final wave of consolidation that began roughly twenty years ago. Institutional Capital is continuing to enter the space at an accelerated pace, and we expect this trend to continue throughout the next one to three years as more growers and packers seek equity for growth, succession planning, balance sheet recapitalization, and scale.

Shortly after distribution of our prior 2020 report, COVID-19 began to take a foothold in the United States. COVID-19 has further intensified industry headwinds, and in particular, meaningfully impacted lenders' willingness and ability to lend into the tree fruit sector, resulting in cash constrained balance sheets and accelerating the tree fruit consolidation process and search for outside capital. Cascadia expects the process of consolidation to further accelerate again post-harvest 2020 as lenders apply increased pressure to portfolio companies to pay down debt, recapitalize balance sheets and/or find new lenders.

Industry headwinds remain at an all-time high. While challenging in the interim, we believe opportunities will emerge for certain players, and industry consolidation will lead to improved supply/demand dynamics, better pricing power, and more efficient and profitable industry participants.

Institutional investor interest in the industry remains high despite today's challenges. However, the type of investor is changing – short-term investors will not succeed in today's market. The right investor for the industry are those that will take a long-term (10-year plus) approach given these current challenges and nuances of the sector. Cascadia has unique relationships with long-term family office and institutional capital that are waiting to invest capital in market leading platforms that have good assets and strong management teams.

Tree Fruit Industry Update

Key Observations for 1H 2020

1 Headwinds Persist

Industry headwinds including weak pricing, trade tensions, rising labor costs and labor shortages, and increasing capital intensity are weakening balance sheets and putting pressure on land values.

COVID-19 represents a new headwind, albeit temporary in nature. The virus has rippled through the broader agricultural industry and the tree fruit sector is no exception. Operational challenges such as labor health and supply chain disruptions are felt by all industry participants.

COVID aside, the numerous challenges industry participants are facing today are largely part of a broader industry downcycle spurred on by overplanting, oversupply of low-quality fruit, excess capacity in the packing shed and overly-levered balance sheets. While we expect headwinds to moderate, **ultimately industry challenges will not be resolved until consolidation removes the oversupply, excess capacity, and weaker industry participants**. This will lead to fewer, stronger, more profitable industry players capable of combating these headwinds.

2 COVID-19 Changing Lender Behavior

In addition to the operational and supply chain challenges brought on by COVID-19, its influence on lender behavior has been most impactful.

History shows many lenders tend to operate on a pendulum – becoming overly aggressive in the upcycles and overly conservative in the downcycles. We believe lenders have swung the pendulum to the downcycle, becoming exceptionally conservative and wary of over-levered balance sheets, particularly as pressures mount on orchard and asset values.

Lenders have become more thoughtful about their portfolio and new business. We are witnessing increased upfront diligence, higher credit standards, tighter covenants and increased borrowing rates. **Cascadia also expects lenders to take additional steps to reign in portfolio risk and performance metrics post-harvest season 2020**. We believe lenders will apply more pressure on clients to seek outside capital solutions and take formal action against those in violation of covenants where applicable. We believe this will be a catalyst for further consolidation.

3 A Shift in Industry Investor Dynamics

Through numerous discussions with industry investors and multiple industry transactions in market, Cascadia is witnessing a shift in industry investor dynamics. Two themes are particularly relevant to the industry:

1) **A flight to quality**. Believing only the strong and differentiated will survive, industry investors are fleeing towards those companies with above industry assets and management teams as their platform investments. Those deemed to not have above industry assets or management teams either won't receive capital or will experience a significant discount in valuations relative to their peers.

2) Long-term investment horizon. The type of capital necessary for this industry is changing. Traditional private equity with a 5-year time horizon will not succeed in this environment and is generally less interested in investing in a downcycle. Those that have 10-year plus time horizons are the right type of investor for the industry.

4 A Capital Supply / Demand Imbalance has Emerged

Cascadia is witnessing a supply / demand imbalance emerge as a result of these trends. As lenders push borrowers with strained balance sheets to seek outside capital, more industry participants than ever before are trying to access alternative forms of capital. At the same time, there are fewer long-term focused investors today to meet the needs of all parties seeking capital. Many investors will place only one bet or investment in the industry, choosing to invest in a leading participant ("platform") and then make full acquisitions through that platform.

Industry participants seeking capital should position themselves as a platform opportunity to investors. Additionally, we believe success will favor those that move swiftly as the few good investors will seek to find their partners sooner rather than later.

1) Agricultural Headwinds Persist as Industry Rebalances

State of the Industry

Key Challenges

Costs — *Minimum wage is increasing, and orchards/facilities are requiring more capital than ever to stay competitive*

Pricing — *Pricing continues its industry-wide decline. Trade tensions and over-supply continue to add downward pressures*

Debt — *Many participants are highly-levered, causing consternation for lenders who reassessing the risk in their portfolios*

Asset Values — *Asset values are stagnating or declining due to an oversupply of fruit and excess capacity in the packing sheds*

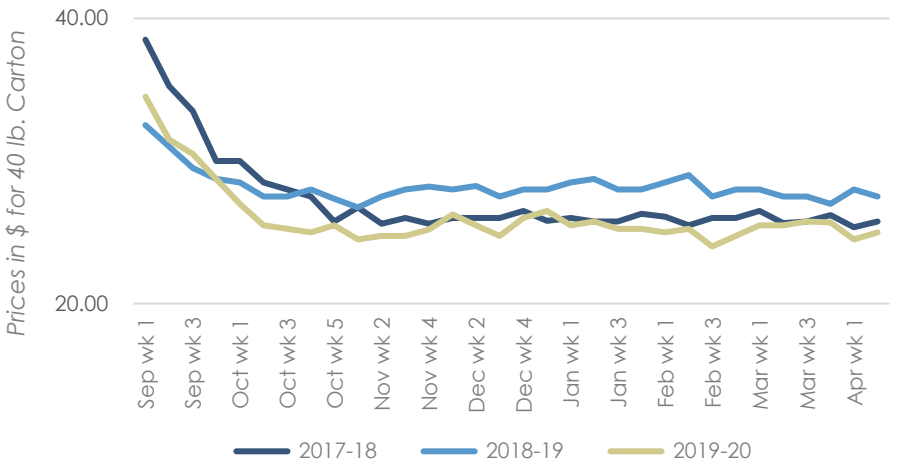
Supply Chain — *A consolidating supply chain at both the crop input and retailer levels continues to add pressure to the grower*

COVID — *COVID-19, while temporary in nature, has exacerbated labor, inventory, lender pressure and debt challenges*

Rebalancing in Progress

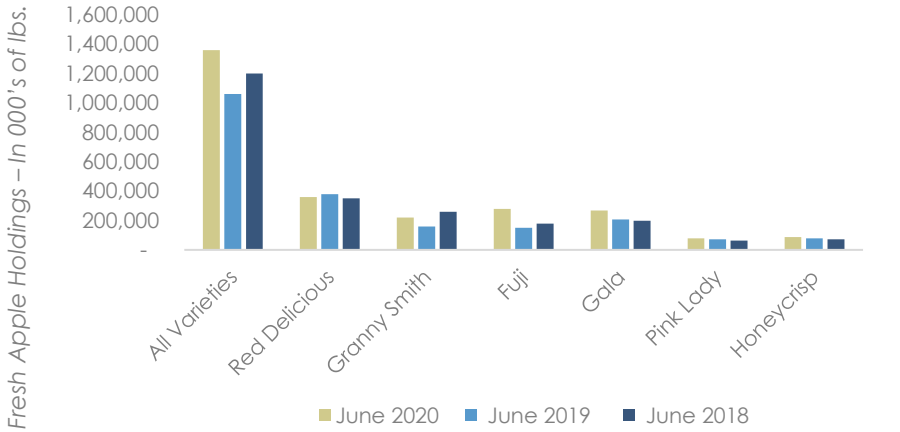
Industry Shift — *In response to its challenges, the industry has begun to consolidate at an accelerated pace and seek alternative forms of capital. Multiple industry participants have 1) merged parts of their operation with larger industry players, 2) accepted institutional capital, or 3) begun the search for a junior debt, sale-leaseback options and/or an equity partner.*

Apple Weekly FOB Price 3-Year Comparison



Weekly FOB Pricing at Multi-Year Lows

Washington State Apple Inventory 3-Year Comparison



Industry Inventory at 3-Year High

Sources: Washington State Tree Fruit Association, USDA

2) New Norms in Agribusiness Lending

Recent Agribusiness Lending Findings

Lenders are in "Triage Mode." The COVID-19 disruption has caused lenders to focus on monitoring their existing portfolio rather than pursue new opportunities. Lenders in the tree fruit sub-sector are treating new investment opportunities with an increased level of conservatism and in many cases are looking to reduce their exposure

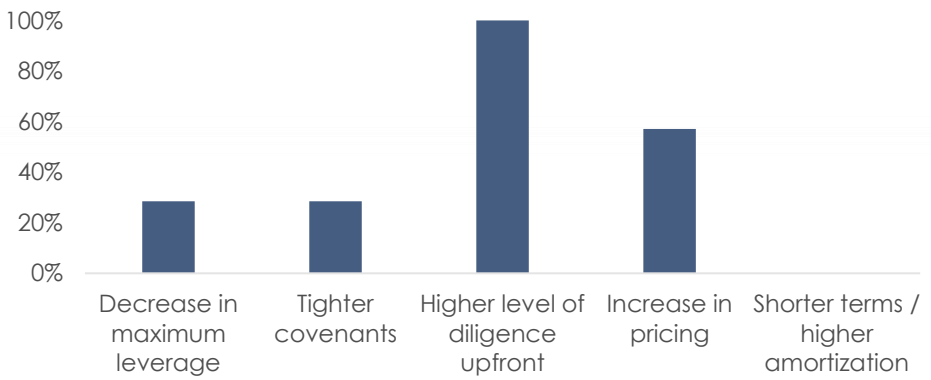
The Risk Rating Domino Effect: The COVID-19 disruption will cause lenders to apply a higher credit risk rating to businesses in the Tree Fruit sub-sector even if the business had a high preforming credit. As lenders update their risk ratings across their portfolio, they will be required to increase their capital reserves ultimately reducing profitability on loans across their portfolio. Cascadia believes lenders will be forced to account higher risk and higher reserves in their pricing across their portfolio, even for performing borrowers. In general, increased cost of capital across the bank will force many lenders to increase pricing across their entire portfolio.

- ***Key takeaway****: Expect a median spread increase in the range of 50 bps to 300 bps, with performing credits on the lower end of the range and at-risk credits on the higher end of the range.*

Distraction & Limitations Impacting Loan Origination: All lenders have shifted priorities away from loan origination and portfolio monitoring towards government loan programs and assisting the request of their current portfolio. Additionally, constraints on travel and in-person due diligence present challenges in loan origination. Lenders shifting priorities and new challenges to due diligence has elongated the loan origination process.

- ***Key Takeaway:*** *Lenders shifting priorities will mean an elongated loan origination process. Seek capital familiar with your business for the quickest source of financing.*

Cascadia Capital Lender Survey Respondents



Lender Survey Findings: In a recent lender survey conducted by Cascadia Capital, roughly 50% of survey respondents indicated they are becoming more stringent with their lending standards. 100% of lenders in the survey responded that they are performing a higher level of diligence up front and increasing the level of scrutiny for renewals and loan origination. Additionally, nearly 60% of lenders are indicating they expect an increase in pricing across the board with nearly one-third of respondents indicating they expect to see lower leverage and tighter covenants in their portfolio.

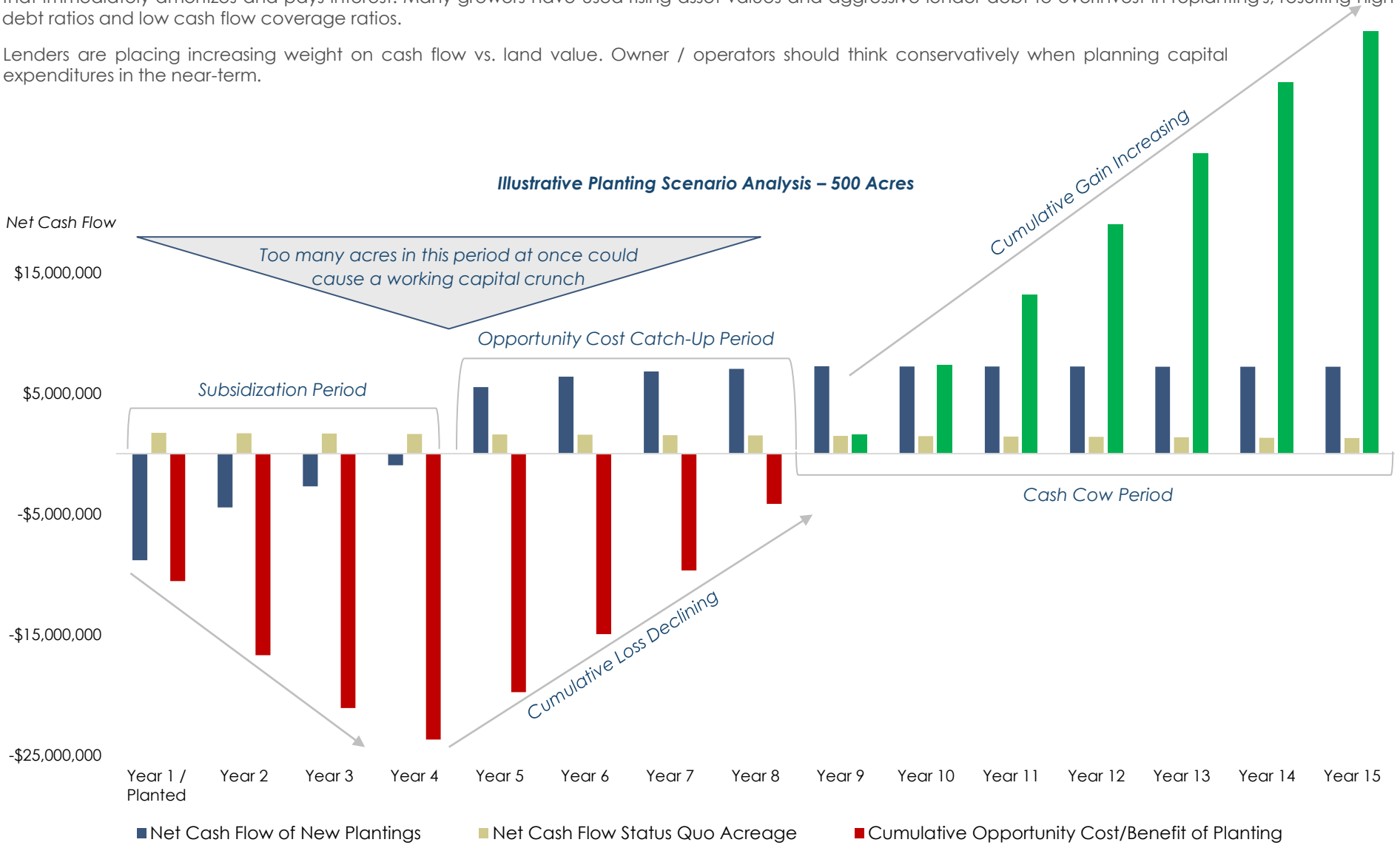
- ***Key Takeaway:*** *Expect higher level of diligence upfront, increased pricing, and likely more conservative leverage and tighter covenants.*

Lenders will become significantly more active post-harvest 2020 in taking steps to reign in their current portfolios and bring their metrics in-line. Expect to see lenders taking formal actions against growers in breach of covenants at an accelerated pace

2) The Financing Gap - Focus on Cash Flows over Land Value

The financing gap, or the period between negative net cumulative and positive net cumulative cash flows in an orchard development or rejuvenation project, is becoming increasingly important to pay attention to. Growers will often find themselves in a working capital crunch having financed long-term assets with debt that immediately amortizes and pays interest. Many growers have used rising asset values and aggressive lender debt to overinvest in replanting's, resulting high debt ratios and low cash flow coverage ratios.

Lenders are placing increasing weight on cash flow vs. land value. Owner / operators should think conservatively when planning capital expenditures in the near-term.



3) A Shift in Industry Investor Dynamics

Changing Investor Dynamics & A Bifurcation in Market Valuations

In light of the industry dynamics, Cascadia is witnessing two investor trends emerge: 1) **A flight to quality**. Investors are viewing assets in one of two ways as demonstrated below. "Platform Investments" are still receiving significant investor interest and strong market valuations from the investor community while "Add-On Investments" are receiving meaningfully less investor interest and lower valuations. 2) **Long-term investment horizon**. Fewer short-term investors interested in the tree-fruit sector given industry challenges. The right investors emerging for this industry are those that can make long-term bets (10-years plus) over the course of an industry cycle. This is resulting in fewer capital providers that are better aligned with owner/operators.

Add-On Investments

Less Investor Interest
-
Less Access to Capital

Institutionalization

- Management team manages business through experience pattern recognition
- IT & Data Infrastructure is lacking

Orchard Quality & Varieties

- Weighted too heavily in legacy varieties (Reds, Goldens, etc.)
- Lack of investment in orchards (small % are V-trellised, older trees)

Assets & Efficiency

- A significant amount of captive acreage is leased
- Packing house has too much capacity
- Packing house relies too heavily on 3rd party bins
- Lack of scale in the orchard & packing house without the ability to achieve scale in an efficient manner

Market Power

- Sales desk is subpar and without enough scale
- Pricing is below market average

Valuation

Lower ⟷ ***Higher***

Platform Investments

More Investor Interest
-
Easier Access to Capital

Institutionalization

- Strong management teams utilizing real time data for decision making
- Has sophisticated IT & Data systems in place

Orchard Quality & Varieties

- Meaningful exposure to club varieties such as Cosmic Crisp, Honeycrisp, or has proprietary varieties
- Large % of farm is trellised, high density and relatively young
- Meaningful exposure to cherries and other fruit diversity

Assets & Efficiency

- Majority of acreage is owned
- Strong packing house utilization or clear path to utilization
- Scale in the orchard & packing house or the ability to achieve scale and operating leverage over time

Market Power

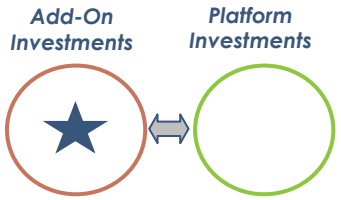
- Membership with leading sales desk
- Commands premium pricing

4) A Capital Supply / Demand Imbalance has Emerged

Different Valuation Methodologies Depending on Quality of Asset

Cascadia is witnessing a supply / demand imbalance for capital emerge, which is causing investor to be more selective with their investments and thoughtful about how they value assets. While investors will use a variety of approaches to value a business, Cascadia is witnessing a bifurcation of valuations applied to business demonstrated by the chart below.

Quality of Assets → **Illustrative Enterprise Value**



Lowest Value

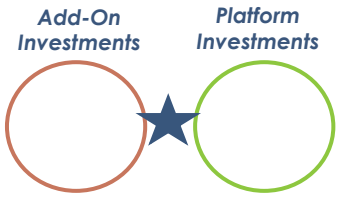
Asset Value Approach

The market value of individual assets on a standalone basis, not accounting for scale, synergies between assets, future growth or high-quality management teams

➢ ***Note:*** *In the event the appraised asset value of an enterprise exceeds its multiple of EBITDA value, the investor will typically limit the valuation by the cash flow generation capabilities of the assets. This results in a discount to appraised value due*

Add-On Investment

Investors see assets in this category as potential add-ons it would acquire through an existing platform investment to help the platform scale



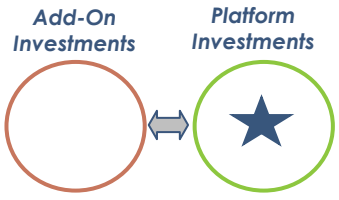
Average - Above Average Value

Standard Enterprise Approach (Multiple of Current EBITDA)

The standard approach across most industries. It gives credit to the enterprises efficiency (margins) and cash flow generation ability on a historical performance basis only

Add-On or Platform Investment

Investors see assets in this category as either potential add-ons or standalone platform investments in which it would partner with at an average valuation



Best Value (Scarcity Value)

Platform Investment

Investors see assets in this category as standalone platform investments which it would seek to partner with at a premium valuation to the owner/operator

Platform Enterprise Value Approach (Multiple of Pro Forma Platform EBITDA)

Platform EBITDA is calculated by an average historical EBITDA margin and applies to the projected revenue once all pre-productive acres are fully online, to fully capture the EBITDA generation profile of the platform in a go-forward state

Summary & Key Takeaways

WA Growers & Packers at an Inflection Point

Downcycle: 2018-2020

- WA tree fruit grower/shippers have gone through a perfect storm of black swan events and rapidly shifting industry dynamics
- Headwinds combined with overplanting and oversupply, excess packing capacity and over-levered balance sheets are straining industry participants

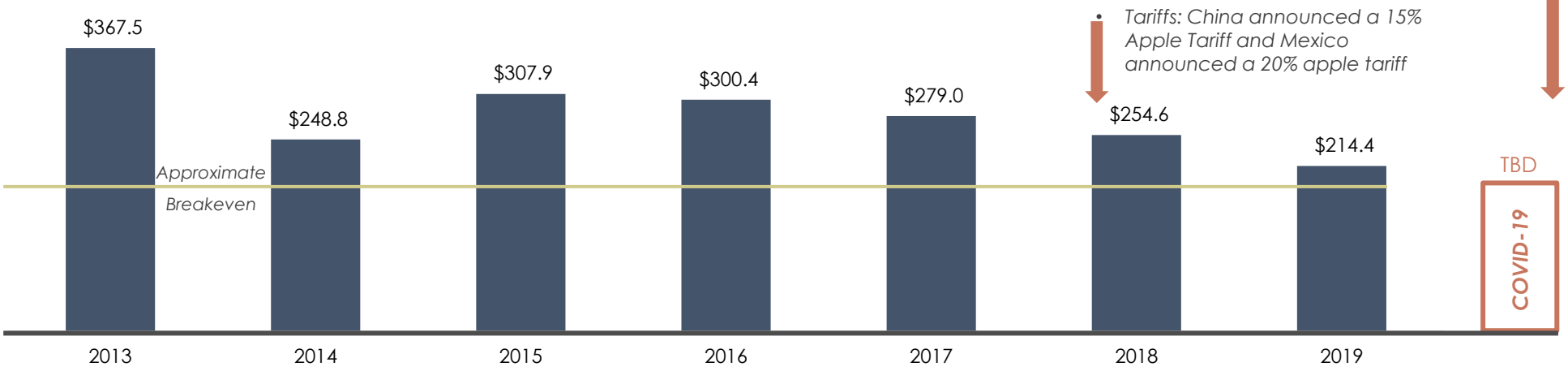
Peak Headwinds: 1-3 Year Window

- COVID-19, lender conservative, and multiple years of a downcycle will force industry players to access outside capital or merge/dissolve if unable to
- Expect a wave of mergers, consolidations and bankruptcies in the industry
- Expect fewer new plantings and an increase in bare ground int the interim

Upcycle: 2023 and Beyond

- Consolidation will rebalance supply/demand dynamics, recapitalize balance sheets and lead to fewer, strong, more profitable players with increased pricing power
- Fewer small –mid size platforms will continue to exist only though brand differentiation and ultra high quality that command a significant price premium
- Previous capital investments will pay off as new highly profitable orchards come online. Pricing will stabilize and the industry will enter a long-term upcycle

Expect the process of consolidation to accelerate post-harvest 2020. This will mark another event that further highlights industry participants in need of capital and scale



Average Revenue Per Bin of All Apple Varieties Based on Proprietary Data from Multiple WA Grower/Shippers

Consistent Pricing Pressure

- *Retailers becoming larger, demand wider varietal offerings and exercise greater pricing power over growers*
- *Consumer taste shifting towards premium, club varieties – The larger WA Tree Fruit Industry needs 2-5 more years to satisfy demand as new acres come online*

Cascadia's View of the Industry Today and Tomorrow – Recent Updates

Current State of Sales Desks (Sample)

More Consolidation to Come

20+ Total Sales Desks Today, of which 10-12 have Scale

There will be roughly 4-5 Sales Desks with 80% - 90%+ Market Share in the Coming Years

Sales Desk 1	Sales Desk 2	Sales Desk 3	Sales Desk 4
CMI orchards *McDougall & Sons* *Columbia Fruit* *Highland Fruit* *Double Diamond* ***Yakima Fruit (New)***	Stemilt *Stemilt* *Douglas Fruit* *Hansen Fruit* *Peshastin Hi-Up*	Rainier Fruit *Zirkle Fruit* *Allan Bros* *Matson Fruit* *Earl Brown & Sons* *Price Cold Storage* *Blue Star Growers*	Domex superfresh growers *Kershaw Fruit* *CPC International* *Cowiche Growers* *Monson Fruit* *Blue Bird* *Quincy Fresh Fruit* *Jack Frost*	Chelan Fresh *Borton Fruit* *Gebbers Farms* *Chelan Fruit Co-op* *Columbia Valley* *Crane & Crane*	Oneonta Starr Ranch Growers *Custom Apple* *Columbia Reach* *Gilbert Orchards* *Davis Orchards* *Prentice* *Diamond Fruit Growers* *G&G* ***Stadelman Fruit (New)***
Ex. Independents *Evans Fruit* *Auvil Fruit Company* *Northern Fruit*	Washington Sage Fruit *Legacy Fruit* *Olympic Fruit* *Valicoff Fruit* *Oregon Cherry*	Washington Fruit & Produce Co. *Washington Fruit* *Underwood Fruit* ***Roche Fruit (New)***	Yakima Fresh – Dissolved ***Yakima Fruit (Previous)*** ***Roche Fruit (Previous)*** ***Stadelman Fruit (Previous)***	L&M Well Grounded *Apple King* *Strand Apples* *Conrad & Adams* *Andrus & Roberts*	First Fruits *Broetje Orchards* *Congdon Orchards*

Update since previous industry report (Feb 2020) - *Growers under the Yakima Fresh banner have consolidated into CMI Orchards (Yakima Fruit), Starr Ranch (Stadelman Fruit), and Washington Fruit (Roche Fruit)*

Key Takeaways for Owners / Operators

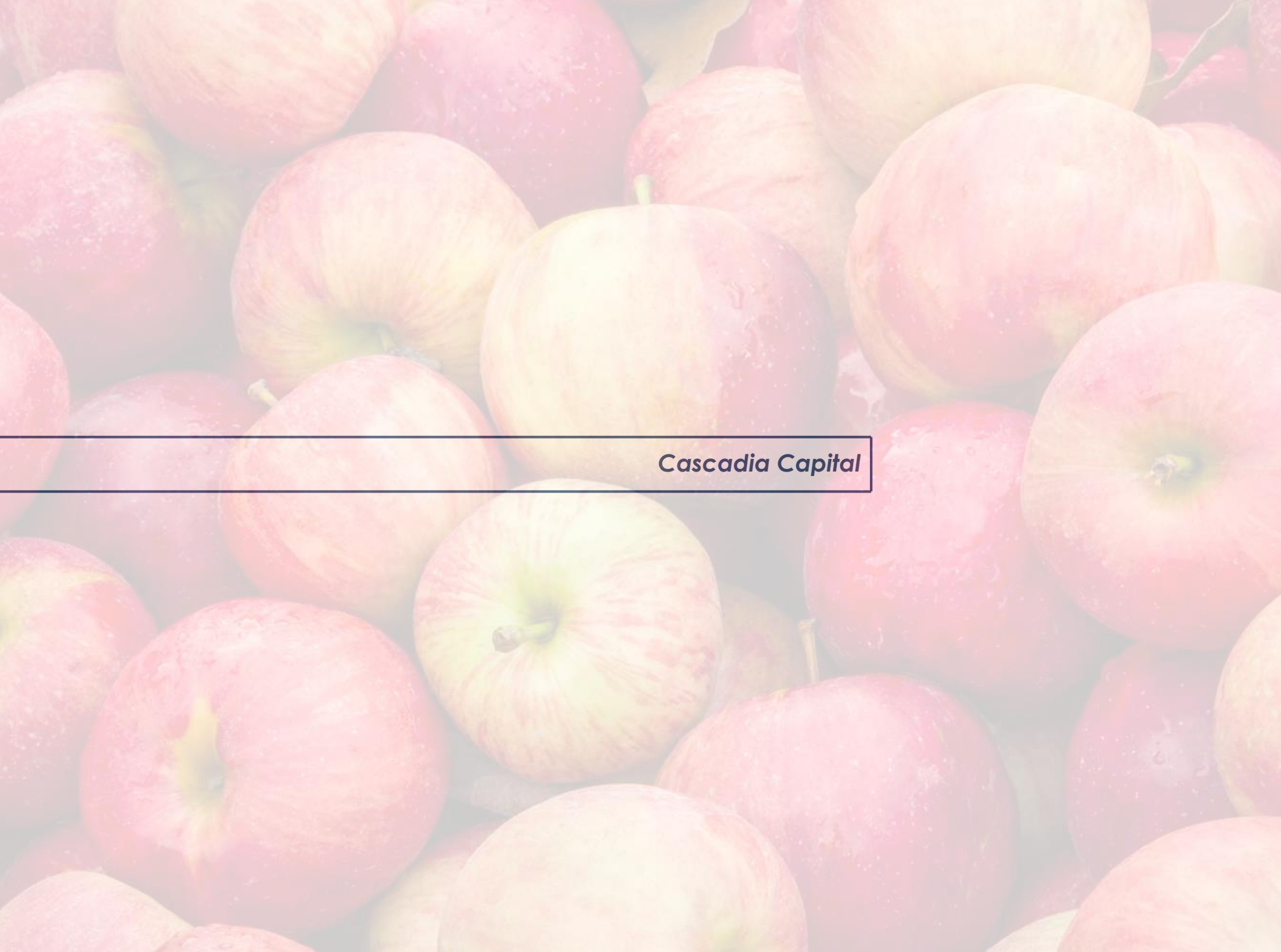
- The industry is in the midst of a wave of consolidation accelerated by COVID-19. Various factors such as declining pricing, plateauing land values, and rising costs have put a spotlight on weaker balance sheets in the industry and further highlighted the need for scale – both at the orchard and at the sales desk. Since our last report in February, we've seen a major sales desk consolidate into three competing banners, a strong indication of the acceleration in consolidation we see taking place.
- Institutional capital sees a bifurcation in asset quality which will carry heavy implications for the owner / operator's ability to receive investor interest and achieve a favorable valuation. Institutional capital remains interested in the industry and hold a positive long-term outlook. Those that do receive investment from institutional capital will be able to weather the storm and emerge stronger and more productive once the commodity pricing cycle begins to reverse.
- As a result of COVID, lenders are more actively advocating for equity capital solutions and pushing many down that path. This will also accelerate the consolidation process. Based on recent discussions with lenders active in the sector, we believe many lenders will apply increased pressure on non-performing borrowers post-harvest 2020 season.
- Picking the right type of investment and capital partner is essential to a successful outcome and long-term partnership, particularly within the agriculture sector. Different strategic alternatives will likely yield different valuations, however, will be dependent whether investors view the asset as a Platform asset or Add-On asset.
- Despite today's challenges, long-term outlook remains very favorable for the sector. Investors looking at the Tree Fruit industry see a bright future for the below reasons. Many opportunities remain for tree fruit owner/operators who can successfully navigate the industry's current headwinds.

Region Factors	*WA State is one of the best and most versatile growing regions in the world. Strong investor interest in farmland in the region*
Water Rights	*WA State farmland has strong water rights, making it more valuable in the long-term, particularly as CA has its challenges*
Macro Trends	*Limited arable land, a growing middle class, and a societal shift to healthy foods will ensure long-term growth for the industry*
Micro Trends	*Higher yielding orchards, more efficient packing plants and industry consolidation will improve profitability going forward*
AgTech	*AgTech adoption rates have hit an inflection point and will have a significant positive impact on the industry's profitability*
Better Varieties	*The new generation of club and proprietary varieties will meaningfully grow both the top and bottom line*

Strategic Alternatives for Owners / Operators

Owners and operators have a number of options at their disposal to combat industry challenges. Cascadia works with business owners to assess the considerations and viability of each strategic alternative in light of the circumstances

	Debt Refinance/ Recapitalization	Sale Leaseback	Minority Recapitalization	Majority Recapitalization	Full Sale	Merger
BENEFITS	• In a recapitalization, Shareholders receive liquidity without bringing new ownership • In a refinance, renegotiate covenants and terms with existing lenders to more favorable conditions • Retain full control of the company	• Gain liquidity while also maintaining an interest in the upside of the business. • Preserves flexibility for future strategic decisions • Could allow for land development / rejuvenation cost coverage	• Provides access to growth capital and / or shareholder liquidity • Opportunity to benefit from prevailing industry trends • Enables shareholders to maintain economic control • May provide path to ultimate sale of company	• Creates liquidity and potential source of growth capital • Control premium factored into valuation • Opportunity to benefit from prevailing industry trends • Ability to retain upside in future	• Change of control premium • Capitalizes on potential synergies and cost reductions • Right buyer with synergies could pay a "spike" multiple • Ability to stay involved with the business and build equity overtime if desired	• Can be done with or without outside capital • Immediate realization of additional scale and market power • Various day 1 benefits to the balance sheet as well as leverage capacity • Strong synergies create premium valuations for both parties
RISKS	• Risk of a downturn could be amplified with new credit terms • Debt has been added improvement to operational performance • Has the potential to reduce credit quality of the company • Lender could advocate for other means of achieving short-term liquidity	• Loss of control of land • Potentially significant lease expense can put more strain on the Company • Reduces upside in the good years	• Dilution may reduce shareholders' potential to realize upside • Expectation that management will remain with the company • New influence at the Board level and with key corporate decisions • Potential minority valuation discount	• Loss of control • Dilution may reduce potential to maximize upside • Significant level of due diligence, disclosure of confidential information • Expectation that management will remain with the company • Buyer may leverage business, increasing operating risk	• Limits participation in potential upside • Is now the best time to maximize value? • Significant level of due diligence, disclosure of confidential information • Depending on buyer, integration and cultural issues	• Loss of control will vary and has potential for a complete loss of control • You are now tied to the performance and eventual success of another enterprise • Integration of enterprises can be difficult depending on the circumstance


Cascadia Capital

Cascadia Capital Overview

CASCADIA CAPITAL LLC

Founded in 1999

Cascadia has a successful 20-year history

55+ Investment Banking Professionals

16 Managing Directors in Four Cities

OVER 365 Transactions Completed, with more than $12.7 Billion in Aggregate Value

Headquartered in Seattle, with Managing Directors in Los Angeles, Minneapolis and New York

MERGERS & ACQUISITIONS

We have completed hundreds of M&A transactions ranging in size from $20-$500 million. Our thorough and disciplined process, in combination with our deep industry expertise, has resulted in a proven track record of delivering successful outcomes for our clients.

CORPORATE FINANCE

We have extensive experience placing equity and debt capital ranging from $10-$250 million. We leverage our deep relationships with institutional investors; including private equity, growth equity, venture capital, family office, mezzanine and venture debt, hedge funds and BDCs.

STRATEGIC ADVISORY SERVICES

We provide our clients with analytical data and insights to facilitate strategic decision-making. We advise our clients on how to maximize shareholder value and then provide support for transaction implementation.

PRIVATE CAPITAL

We listen carefully to business owners and managers and then work closely with them to custom design long-term and flexible capital solutions. Our approach resonates particularly well with family-owned and closely-held companies.

$9.5+ billion in total M&A transactions closed in the firm's history

$3.1+ billion in total capital raised in the firm's history

ENGAGEMENTS INCLUDE:

- *Mergers & Acquisitions (Buy & Sell Side)*
- *Corporate Divestitures*
- *Management Buyouts*
- *Leveraged Buyouts*
- *Recapitalizations*
- *Partial Liquidity Events*
- *Private Equity Capital Raises*
- *Public Company Capital Raises*
- *Debt Financings & Restructurings*
- *Project Finance*
- *Valuations*
- *Fairness Opinions*
- *Shareholder Rights Planning*
- *Shareholder Value Analysis*
- *Strategic Alternatives Reviews*
- *Strategic Partnerships & Joint Ventures*
- *Special Situations*

Agribusiness Advisory Team – Select Members

Michael Butler
Co-Founder and CEO
Food and Agribusiness

Experience:
30+ years banking
20+ years with Cascadia

Industry Focus:
AgTech, Food & Agriculture, Agribusiness Inputs and Production, Equipment Manufacturing

Selected Client Work:

AFC Auvil Fruit Company, Inc.
Western Polymer Corporation
SK Food Group
FruitSmart
Specialty Sales LLC
Tree Top
AquaBounty Technologies
DN2K
ALC American Legend Cooperative
Phytelligence
GreenVenus

George Sent
Managing Director
Food and Agribusiness

Experience:
15+ years banking
1+ years with Cascadia
4+ years Executive at Smucker's

Industry Focus:
Branded Food & Nutrition, Ingredients, Agribusiness Inputs and Production

Selected Client Work:

Kerr Concentrates
Project Milano
Firestone
FruitSmart
Project Yield
Vitasoy
Western Polymer Corporation
Vegetable Juices, Inc.

Scott Porter
Senior Vice President
Food and Agribusiness

Experience:
10+ years banking
3+ years with Cascadia

Industry Focus:
AgTech, Ingredients, Agribusiness Inputs and Production, Food Processing & Manufacturing

Selected Client Work:

Firestone
FruitSmart
Western Polymer Corporation
AFC Auvil Fruit Company, Inc.
dv Diablo Valley Packaging
ALC American Legend Cooperative
AquaBounty Technologies
wilson Orchard & Vineyard Supply
Earl Brown & Sons
Specialty Sales LLC
GreenVenus

Jim Munyon
Senior Advisor
Food and Agribusiness

Experience:
30+ years food operating exp. at Nestle, Simplot, and AIB Intl.
3+ years with Cascadia

Industry Focus:
AgTech, Ingredients, Food & Agriculture, Agribusiness Inputs and Production, Equipment Manufacturing

Selected Client Work:

Specialty Sales LLC
Firestone
Western Polymer Corporation
AFC Auvil Fruit Company, Inc.
FruitSmart
Project Yield
Project Frontier

Andrew Raphaelson
Associate
Food and Agribusiness

Experience:
3+ years finance
1+ year with Cascadia

Industry Focus:
AgTech, Agribusiness Inputs and Production, Food Processing & Manufacturing

Selected Client Work:

AFC Auvil Fruit Company, Inc.
AquaBounty Technologies
intrexon better DNA
Project Yield
Third Security, LLC
Project Eden
Orangetheory Fitness
Project Apollo
World Fuel Services
APP
GreenVenus
Pacific Coast Energy

Sam Brar
Associate
Food and Agribusiness

Experience:
3+ years banking
1+ year with Cascadia

Industry Focus:
AgTech, Agribusiness Inputs and Production, Food Processing & Manufacturing

Selected Client Work:

Project Kind
The Lion Brewery
Project Apollo
AFC Auvil Fruit Company, Inc.
Project Rain
Firestone
FruitSmart
Project Yield
VIVONET

Asher Nelson
Analyst
Food and Agribusiness

Experience:
2+ years banking
1+ year with Cascadia

Industry Focus:
AgTech, Agribusiness Inputs and Production, Food Processing & Manufacturing

Selected Client Work:

Project Abodo
AquaBounty Technologies
Project Frontier
GreenVenus
Harry's
Project Frontier
intrexon better DNA
Project Earth
Project Rain
Third Security, LLC

National Leader in Food, Beverage & Agribusiness

Cascade Coffee has been acquired by Westward Partners — July 2020	LiveAquaria a subsidiary of petco has been acquired by Tropical Fish International — July 2020	Persea Bio a portfolio company of Third Security, LLC strategic advisory services — May 2020	GreenVenus a portfolio company of Third Security, LLC strategic advisory services — May 2020	Precigen has sold GreenVenus to Third Security, LLC — February 2020	FruitSmart has been acquired by Universal Universal Corporation — January 2020	Wet Noses has been recapitalized by VisioCap Beach Point — December 2019	The Lion Brewery a portfolio company of Bluepoint Capital Partners has been acquired by encore consumer capital — December 2019	intrexon better DNA Fairness Opinion AquaBounty Technologies — October 2019
intrexon better DNA has sold stake in AquaBounty Technologies to TS Aquaculture, LLC managed by Third Security, LLC — October 2019	Phoenix Lab has been acquired by zoetis — October 2019	Firestone has been aquired by Agriculture Capital Management — September 2019	AFC Auvil Fruit Company, Inc. Gee Whiz has received an equity investment from Fiera Comox — September 2019	More Than Gourmet has sold a majority interest to Ajinomoto — August 2019	Ss 304 brewtech has been acquired by The Middleby Corporation — June 2019	Winc has received an investment from Cool Japan Fund — April 2019	WE Western Polymer Corporation has been acquired by Ingredion — February 2019	Flowater has received an investment from BLUE — December 2018
Sundial has completed a convertible debt financing with Private Investors — November 2018	cisco brewers has been acquired by CB craft brew alliance — October 2018	LMR Long Meadow Ranch has completed a debt financing with Goldman Sachs — September 2018	Brazi Bites has been recapitalized by SFEP San Francisco Equity Partners — July 2018	nulo healthier together has received an investment from Main Post Partners — June 2018	fruitables has been acquired by MannaPro a portfolio company of Morgan Stanley Capital Partners — May 2018	Rogue Creamery has been acquired by Savencia Fromage & Dairy — May 2018	Carolina a portfolio company of SunTx Capital Partners has been acquired by Cold Spring Brewing Co a portfolio company of Brynwood Partners — May 2018	ALC American Legend Cooperative has been acquired by NAFA — March 2018
Specialty Sales LLC has been acquired by Benford Capital Partners, LLC — March 2018	California Natural Products has been acquired by GehlFoods a portfolio company of Wind Point Partners — January 2018	MannaPro has been acquired by Morgan Stanley Capital Partners — December 2017	Boyd's Coffee has been acquired by Farmer Brothers — October 2017	Anchor Brewing San Francisco has been acquired by Sapporo — August 2017	Cold Spring Brewing Co has been acquired by Brynwood Partners — August 2017	21st Amendment Brewery Celebrating the Original has received a minority investment from Brooklyn Brewery — July 2017	Tillamook Country Smoker has been acquired by Insignia Capital Group — May 2017	Bubbies has been acquired by KENEX Holdings — December 2016

*Completed by a Cascadia banker at a prior firm

Proven Results – Most Recent Transactions

W.I.S. has been acquired by Exchange Income Corporation — July 2020	CASCADE COFFEE has been acquired by WESTWARD PARTNERS — July 2020	LiveAquaria a subsidiary of petco has been acquired by Tropical Fish International — July 2020	Persea Bio a portfolio company of Third Security, LLC strategic advisory services — May 2020	GreenVenus a portfolio company of Third Security, LLC strategic advisory services — May 2020	Applied Technical Services Corporation has been acquired by creation technologies — May 2020	Lucidyne has been acquired by MICROTEC — April 2020	Airbrake.io has received an investment from ELSEWHERE PARTNERS — April 2020	IOXUS has been acquired by XS POWER BATTERIES — March 2020
NORTHWEST MOTORSPORT has been acquired by RFJ AUTO — March 2020	Northern California-based Franchisee of orangetheory FITNESS has been acquired by CASTANEA — February 2020	JohnRyan has been acquired by ComQi — February 2020	PRECIGEN has sold blue marble agBio to Third Security, LLC — February 2020	FruitSmart The Smart Choice...Naturally has been acquired by Universal Universal Corporation — January 2020	WET NOSES has been recapitalized by VISIOCAP BEACH POINT — December 2019	The Lion Brewery a portfolio company of BLUEPOINT Capital Partners has been acquired by encore consumer capital — December 2019	F.W. SPENCER & SON, INC MECHANICAL CONTRACTORS has been acquired by HARRIS — December 2019	FragilePAK has received a growth investment from COLUMBIA PACIFIC ADVISORS — November 2019
World Fuel Services / APP has divested one of its propane business units (APP Propane) to THOMPSON GAS — November 2019	PHOENIX LAB has been acquired by zoetis — October 2019	intrexon better DNA Fairness Opinion — October 2019	intrexon better DNA has sold stake in AquaBounty TECHNOLOGIES to TS Aquaculture, LLC managed by Third Security, LLC — October 2019	RJHealth has been acquired by MMIT a portfolio company of WCAS — September 2019	2nd Ave and GreenDrop have been acquired by BRS and ROSSER CAPITAL PARTNERS — September 2019	Firestone has been acquired by Agriculture Capital Management — September 2019	MOVERE has been acquired by Microsoft — September 2019	AFC Auvil Fruit Company, Inc. GEE WHIZ has received an equity investment from FIERA COMOX — August 2019
influenster has been acquired by bazaarvoice — August 2019	MORE THAN GOURMET has sold a majority interest to Aj AJINOMOTO — August 2019	bluetree NETWORK has been acquired by Providence St.Joseph Health — July 2019	Ss 304 brewtech has been acquired by THE MIDDLEBY CORPORATION — June 2019	Q2 has received a growth equity investment from A leading energy private equity firm — May 2019	Winc has received an investment from COOL JAPAN FUND — April 2019	AbsenceSoft has been recapitalized by BØWRIVER CAPITAL PARTNERS — April 2019	PACIFIC COAST ENERGY THE PROPANE EXPERTS has been acquired by DCC PROPANE, LLC — April 2019	EMERGENCY REPORTING has been recapitalized by polarispartners — April 2019