

# Adana, LLC

Valuation of Certain Personal Property as of December 30, 2022

Issued: March 30, 2023

PRIVILEGED AND CONFIDENTIAL



# Contact Information



For more information, please contact one of the following members of the engagement team:

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# I. Executive Summary



March 30, 2023

Mr. Donald Lewis  
Chief Executive Officer  
Adana LLC, dba Volcanic Safeguard Holdings  
10885 State Street, Suite B2  
Sandy, Utah 84070

Dear Mr. Lewis:

Stout Risius Ross, LLC (“Stout”) has been engaged by Adana LLC, dba Volcanic Safeguard Holdings, to render an opinion with respect to the Fair Market Value of certain personal property assets (the “Subject Personal Property”) of Adana, LLC (“Adana” or the “Company”) as of December 30, 2022 (the “Valuation Date”). It is our understanding that the results of our analysis will be used by Adana for federal tax reporting purposes with respect to a charitable gift of the personal property. It is not intended to be used by any other parties or for any other purpose.

Adana LLC is a limited liability company pursuant to the Utah Limited Liability Company Act originally organized with the office of the Utah Secretary of State on October 10th, 2017. Adana made a gift of 300,000 tons<sup>1</sup> of volcanic minerals on December 30, 2022 to Followers of Christ, Inc., a charity organized under section 501 (c) (3) of the Internal Revenue Code. Contributions to Followers of Christ, Inc. are deductible under section 170 of the Code.

The scope of our work was limited to an analysis and valuation of certain specific personal property assets identified by Company personnel as being owned by Adana. All other assets, such as real property, leased assets and

property of others, materials and supplies, and any intangible assets that might exist, are outside the scope of this analysis.

## Definition and Premise of Value

In performing our analysis, the term “Fair Market Value” is defined as the price at which property would exchange between a willing buyer and a willing seller, when the former is not under any compulsion to buy and the latter is not under any compulsion to sell, both having reasonable knowledge of the relevant facts. (Treas. Regs §20.2031-1(b) and §25.2512-1; Rev. Rul. 59-60, 1959-1 C.B. 237).

The buyer and seller discussed above refer to hypothetical parties, and therefore specific incentives or attributes of particular buyers and sellers may not be the same as the hypothetical buyer and seller from which Fair Market Value is determined.

To determine the Fair Market Value of the Subject Personal Property, it is necessary to establish the appropriate premise of value. The results of applying different value premises can vary widely. We separate the general Fair Market Value concept into two fundamental categories: Value in Continued Use and Value in Exchange.

Value in Continued Use is the worth of an asset used in an operating business and reflects the extent to which the underlying asset contributes to the profitability of the business enterprise. Value in Exchange is the price at which an asset would sell on a piecemeal basis. Adopting one or the other

<sup>1</sup> Tons refers to U.S. standard tons (2,000 pounds per ton) throughout this report.

# I. Executive Summary

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of these value premises can have a marked effect on the valuation of an asset.

The scope of our engagement has been to determine the Fair Market Value in Exchange of the Subject Personal Property. We have assumed the Subject Personal Property will be gifted and used by the ultimate recipient as a mineral-rich soil amendment.

Under the premise of Fair Market Value in Exchange, no consideration has been given to the expenses of conducting a sale, such as broker fees, storage or warehouse costs, accounting or legal fees, or any other expenses associated with the cost of selling the assets.

## Conclusion

As further described in this report and presented in Exhibit A, we determine the Fair Market Value of the Subject Personal Property, as of the Valuation Date, to be:

***ONE HUNDRED NINETY-SIX MILLION FOUR HUNDRED THOUSAND DOLLARS***

***\$196,400,000***

This valuation is subject to the assumptions and limiting conditions outlined in the exhibits of this report.

Regards,

A handwritten signature in black ink that reads "Stout Risius Ross, LLC".

**STOUT RISIUS ROSS, LLC**

# II. Personal Property Overview

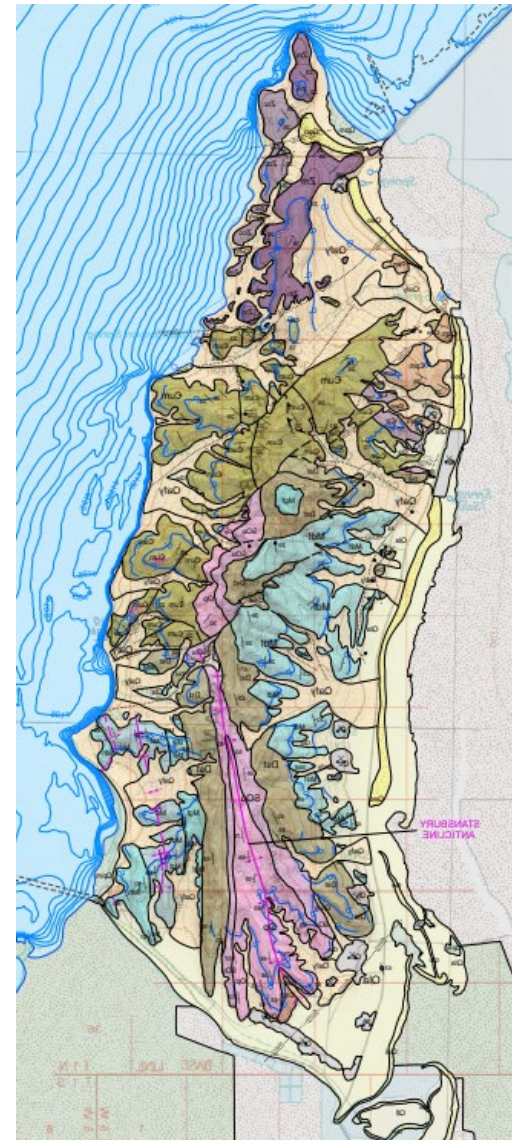
## Personal Property Overview

The tangible assets appraised in our analysis include the Subject Personal Property owned by Adana. The Subject Personal Property is part of the Stansbury Island mineral reserves, located near Grantsville, Utah, as of the Valuation Date.

The graphic presented<sup>2</sup> shows the Stansbury Island location, as well as the extinct volcanoes which created the minerals being considered in this appraisal.

The quantity of volcanic ash being gifted by Adana to Followers of Christ, Inc. (EIN #45-5118649), is 300,000 tons of mineral-rich soil amendments. This mineral rich volcanic ash is expected to help farmers in Haiti to develop healthy soil microbial life by increasing bioavailability of plants' root systems and to enhance the soil's quality and improve its ability to withstand droughts, temperature fluctuations, and other harsh conditions.<sup>3</sup>

This volcanic ash is being provided for delivery; the charitable organization does not have to pay for the product, nor any expenses associated with mining of the volcanic ash.



<sup>2</sup> [https://ugspub.nr.utah.gov/publications/open\\_file\\_reports/ofr-656.pdf](https://ugspub.nr.utah.gov/publications/open_file_reports/ofr-656.pdf)

<sup>3</sup> Donor Acceptance Letter between Adana, LLC and Followers of Christ, Inc.



## II. Personal Property Overview

### Scope of the Personal Property Appraisal

The scope of the personal property analysis included the following:

- interviews and discussions with Company personnel regarding the business environment in which the Subject Personal Property is used, as well as the quantity, quality, condition, and utility of these assets;
- interviews and discussions with Mr. Jacques Jonassaint, Founder and CEO of Haitian Development Network and agent with Followers of Christ, Inc., regarding the anticipated use and estimated timeline of the Subject Personal Property;
- a review of the 2022 Mineral Market Analysis Stansbury Island report produced by Nathan Whiting;
- an analysis of the current cost to acquire the Subject Personal Property;
- research and analysis of current market sales data; and
- estimation of the Fair Market Value of the Subject Personal Property.

The principal sources of information used in performing our valuation of the Subject Personal Property included, but were not limited to:

- Donor Acceptance Letter between Adana, LLC and Followers of Christ, Incorporated, dated January 27, 2023;
- S&P Capital IQ database resources;
- maps and satellite photos of the site (presented)<sup>4</sup>; and
- other pertinent market information reviewed.

<sup>4</sup> [https://earth.google.com/web/search/Stansbury+Island,+Utah/@40.80617738,-112.47691954,1298.41221186a,19675.51823938d,35y,26.50667633h,43.95741307t,0r/data=CigiJgokCfxeZW-UAi9AEfteZW-UAi\\_AGQBJ7CjOREJAlcJAN\\_HVUUzA](https://earth.google.com/web/search/Stansbury+Island,+Utah/@40.80617738,-112.47691954,1298.41221186a,19675.51823938d,35y,26.50667633h,43.95741307t,0r/data=CigiJgokCfxeZW-UAi9AEfteZW-UAi_AGQBJ7CjOREJAlcJAN_HVUUzA)



For additional information regarding the personal property appraisal, please refer to the *Assumptions and Limiting Conditions* presented in Exhibit C. Additionally, refer to Exhibit B for relevant *Appraisal Definitions*.



## II. Personal Property Overview

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### Personal Property Inspection

We valued the Subject Personal Property utilizing a “desktop” technique, whereby no physical inspection of the Subject Personal Property was performed. Instead, we relied solely on written and verbal information provided to us by the Company and its representatives. This information consisted of asset records, mineral analyses, and other documents.

Based on discussions with Company management, the Subject Personal Property is assumed to be in good condition, requiring little additional processes or enhancements for its use as a soil amendment as of the Valuation Date.

# III. Approaches to Value



## Approaches to Value

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In estimating the Fair Market Value of the Subject Personal Property, the applicable approaches are the Cost Approach, the Market (or Sales Comparison) Approach, and the Income Approach. These three general approaches are discussed below.

### Cost Approach

The Cost Approach is based on the *Principle of Substitution*, which states that a prudent buyer will not pay more for a property than the cost of acquiring a substitute property of equivalent utility. Therefore, under the Cost Approach, reproduction cost new or replacement cost new is generally the starting point for developing an opinion of value.

The first step of the Cost Approach is the estimation of Reproduction Cost New or Replacement Cost New ("RCN"). RCN is estimated using either an indirect or direct approach. The indirect approach applies specific indices to the historical cost of an asset to estimate current reproduction cost. The direct approach involves using published sources, cost estimating techniques, and input from dealers and manufacturers to estimate current replacement cost.

Since the Subject Personal Property is typically not new, accrued depreciation, or loss in value, needs to be deducted to arrive at an indication of value. There are three forms of depreciation to be considered, including physical deterioration, functional obsolescence, and economic obsolescence (defined in Exhibit B).

### Market Approach

The Market Approach relies on the assumption that the value of an asset can be measured by the selling or asking prices of similar assets, either individually or collectively, in the used market. The best evidence of the marketability of the Subject Personal Property would be market sales of identical assets. Unfortunately, few such sales exist. Therefore, sales and asking prices of similar assets must be utilized and adjustments made for any differences. Examples of possible adjustments include those for the age, condition, and capacity of the assets; the location, date, and type of sale (e.g., retail sale, auction sale, or asking price).

### Income Approach

The Income Approach requires that the earning capacity of the Subject Personal Property be investigated and that the indication of expected capacity, whether it is derived from a past, current, or projected earnings stream, be capitalized at a rate sufficient to satisfy the investment requirements associated with ownership.

### Reconciliation of Valuation Approaches

The Cost and Market Approaches were considered, but not utilized in our analysis. In forming our conclusion of value, we relied upon the Income Approach which captures the unique type of property being considered in this appraisal. Although our income approach relies on certain market pricing inputs that would be common to a Market Approach, a Market Approach would not adequately capture the time value of money required for the recipient to actually collect, transport, and apply these soil amendments to Haitian crops.

# IV. Valuation Process



## Valuation Process

In preparing this appraisal, we reviewed information provided by Company personnel, investigated market conditions, and gathered pertinent data relative to the Subject Personal Property. In arriving at our opinion of value, we considered the following:

- the assumed physical condition, character, highest and best use, and utility of the Subject Personal Property;
- where applicable, the estimated cost to purchase soil amendments similar to the Subject Personal Property, adjusted to reflect known differences in mineral composition, packaging, sales and marketing expenses, etc. between the property being appraised and its market comparable. This information formed key inputs for our income approach; and
- the cost associated with removing the Subject Personal Property.

The valuation of personal property requires a listing of the Subject Personal Property, in this case 300,000 tons of volcanic ash from the Stansbury Island mineral reserves.

## Income Approach

We developed an income approach considering the timing of the gift and its value to a fair market value participant, a hypothetical recipient of this gift.

## DISCOUNTED CASH FLOW (“DCF”) METHOD

The DCF method is based on the premise that the value of an asset is equal to the present value of the future economic benefits that accrue to its owners, using an appropriate discount rate that adequately considers the risk related to an investment in the assets. Generally, application of the DCF method involves first projecting the net cash flows to be generated by the assets then discounting them to present value. The sum of the present value of the net cash flows during the projection period represents the fair market value of the assets.

- **Projection Periods:** Based on discussions with Company personnel and Mr. Jacques Jonassaint, we utilized three projection periods to be used in a DCF method: a 5-year period (Schedule 2), a 10-year period (Schedule 3), and a 15-year period (Schedule 4).
- **Cash Flows:** Yearly cash flows were estimated assuming the assets were sold evenly over the different projection periods at an appropriate price per ton.

Pricing analysis was performed on soil amendment products to estimate the price per ton to apply to the Subject Personal Property, as presented in Schedule 2, Page 2. First, we screened for retail prices of soil amendment products on the market and calculated their retail prices per ton. We then applied a cost of goods sold (“COGS”) factor of 60.0 percent based on publicly available margin data of guideline public companies (“GPCs”) along with estimated shipping costs of 15.0 percent to estimate wholesale prices per ton of the screened soil amendment products.<sup>5</sup> GPC data is generally presented in the Appendices, with margin data presented in Appendix D.

<sup>5</sup> The GPC margin data used to estimate the COGS factor includes shipping expenses. We have chosen to be more conservative in our analysis by applying additional shipping costs.

# IV. Valuation Process



Based on market research and discussions with Company personnel, we determined that Azomite Micronized Organic Trace Mineral Powder (“Azomite”) is chemically similar to the Subject Personal Property. Therefore, we relied on Azomite’s estimated wholesale price per ton in our DCF methods. It should be noted that Azomite, along with other soil amendment products on the market, generally contain only one or two main mineral benefits, whereas the Subject Personal Property has been naturally mixed to create much greater benefits. As such, we believe the selected price per ton based on Azomite is a conservative estimate.

Since the recipient of the gift is not a taxable entity, we have excluded the effects of income taxes from our projected cash flows.

- **Discount Rate:** We estimated a discount rate of 17.2 percent as represented by the Company’s weighted average cost of capital (“WACC”). The “Discount Rate” section below describes our assumptions and inputs used in estimating the WACC.

## DISCOUNT RATE

We used the weighted average cost of capital (“WACC”) to discount the cash flows estimated from the DCF methods. Schedule 2, Page 3 shows our estimated pre-tax WACC of 17.2 percent (rounded). The WACC estimates the weighted average of the cost of equity ( $K_e$ ) and the cost of debt ( $K_d$ ). The weight of equity ( $W_e$ ) and weight of debt ( $W_d$ ) are determined by the capital structure. Applying a tax rate ( $t$ ) yields an after-tax cost of debt. The formula for the WACC is arithmetically expressed by the following equation:

$$WACC = [K_e \times W_e] + [K_d \times W_d \times (1 - t)]$$

This formula calculates an after-tax WACC. In order to determine a pre-tax WACC to apply to the pre-tax projections used in our analysis, the after-tax WACC must be divided by  $(1 - t)$ .

- **Cost of Equity ( $K_e$ ):** We estimated  $K_e$  using a modification of the capital asset pricing model (“CAPM”). The general idea behind CAPM is that investors need to be compensated in two ways: time value of money and risk. The time value of money is represented by the risk-free ( $R_f$ ) rate in the formula and compensates the investors for placing money in any investment over a period of time. The other half of the formula represents risk and estimates the amount of compensation the investor needs for taking on additional risk. This is estimated by taking a risk measure ( $\beta$ ) that compares the returns of the asset to the market over a period of time and to the market equity risk premium ( $R_{pm}$ ). Our modifications include a size premium ( $R_s$ ).

The modified CAPM is expressed arithmetically through the following equation:

$$K_e = R_f + (\beta \times R_{pm}) + R_s + \alpha$$

- **Risk-free Rate ( $R_f$ ):** We used a risk-free rate of 4.1 percent based on the nominal 20-year U.S. Treasury bonds as of the Valuation Date.
- **Beta ( $\beta$ ):** We estimated a relevered beta of 0.95 (rounded) based on the median GPC unlevered beta of 0.78 (rounded) and the target capital structure that is referenced below. See Schedule 2, Page 4 for details.
- **Market Equity Risk Premium ( $R_m$ ):** We selected a market equity risk premium of 6.4 percent based on the long-horizon (supply side) equity risk premium calculated in the *Kroll Cost of Capital Navigator*.
- **Size Premium ( $R_s$ ):** We selected a size premium of 4.8 percent based on the 10<sup>th</sup> decile companies shown in the *Kroll Cost of Capital Navigator*.
- **Cost of Debt ( $K_d$ ):** We estimated the cost of debt based on the yields of Moody’s seasoned Baa-rated bonds as of the Valuation Date
- **Capital Structure:** We used a target capital structure of 20.0 percent debt and 80.0 percent equity based on the observed median debt as a percentage of total capitalization from the GPCs.

# IV. Valuation Process

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## Market Approach

The Market Approach estimates value based on market prices in actual transactions and on asking prices for similar assets available as of the Valuation Date. Similar assets recently sold or offered for sale in the current market were analyzed and compared with the assets being valued. Adjustments were made for differences in factors such as time of sale, location, packaging, and prospective use.

Although we did not conclude a value using a market approach, market pricing inputs provided key inputs to our income approach.

# V. Conclusion of Value



## Conclusion of Value

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Based on the foregoing and as we present in Exhibit A, we determine the Fair Market Value of the Subject Personal Property, as of December 30, 2022, to be:

***ONE HUNDRED NINETY-SIX MILLION FOUR HUNDRED THOUSAND DOLLARS***

***\$196,400,000***

\* \* \* \* \*

Our conclusion of value is applicable only for the stated date and purpose and may not be appropriate for any other date or purpose. Reference should be made to the exhibits for assumptions and limiting conditions that apply to this valuation and report.

# A. Summary of Value



## Adana, LLC

## Schedule 1

Subject Personal Property

(Values as presented)

Valuation as of December 30, 2022

<b>(1) Subject Personal Property</b>	<b>Estimated Value</b>
<b>Income Approach</b>	
(2) Discounted cash flow method (5-year period)	\$247,188,586
(3) Discounted cash flow method (10-year period)	\$192,180,345
(4) Discounted cash flow method (15-year period)	\$153,493,821
<b>(5) Estimated value of Subject Personal Property</b>	<b>\$196,375,774</b>
<b>Concluded FMV of Subject Personal Property, rounded</b>	<b>\$196,400,000</b>

### Notes:

- (1) The Subject Personal Property consists of 300,000 tons (U.S. standard tons - 2,000 pounds per ton) of volcanic ash from the Stansbury Island mineral reserves.
- (2) See Schedule 2, Page 1.
- (3) See Schedule 3.
- (4) See Schedule 4.
- (5) The various valuation methods were weighted 25.0%, 50.0%, and 25.0%, respectively.



## B. Appraisal Definitions



The following terms and definitions are specifically related to our appraisal of the Subject Personal Property:

- **Reproduction Cost New**: The cost of reproducing a new replica of a property on the basis of current prices with the same or closely similar materials, as of a specific date.<sup>6</sup>
- **Replacement Cost New**: The current cost of a similar new property having the nearest equivalent utility to the property being appraised, as of a specific date.<sup>7</sup>
- **Highest and Best Use**: The most probable and legal use of a property (including machinery and equipment), that is physically possible, appropriately supported, and financially feasible and that results in the highest value.<sup>8</sup>
- **Chronological Age**: The number of years that have elapsed since an item or property was originally built or placed in service for the first time.<sup>9</sup>
- **Effective Age**: Apparent age of a property in comparison with a new property of like kind; that is, the age indicated by the actual condition of a property. In estimating effective age, the appraiser considers the effect that overhauls, rebuilds, and above-average or below-average maintenance may have on the property's current condition.<sup>10</sup>
- **Remaining Useful Life**: The estimated period, usually measured in terms of years, during which a property of a certain effective age is expected to actually be used before it is retired from service.<sup>11</sup>
- **Historical Cost**: The cost of a property when it was first placed into service by its first owner.<sup>12</sup>
- **Original Cost**: The initial capitalized cost of an asset in the hands of its present owner who may not be the first owner and who may have purchased at a price greater or less than the historical cost – may be the used cost of the property.<sup>13</sup>
- **Depreciation**: The estimated loss in value of an asset when compared with a new asset; appraisal depreciation measures value inferiority caused by a combination of physical deterioration, functional obsolescence, and economic obsolescence.<sup>14</sup>
- **Physical Deterioration**: Loss in value or usefulness of a property due to the using up or expiration of its useful life caused by wear and tear, deterioration, exposure to various elements, physical stresses, and similar factors.<sup>15</sup>
- **Functional Obsolescence**: A form of depreciation in which the loss in value or usefulness of a property is caused by inefficiencies or inadequacies of the property itself when compared to a more efficient or less costly replacement property that new technology might now allow.<sup>16</sup>
- **Economic Obsolescence**: A form of depreciation where the loss in value or usefulness of a property is caused by factors external to the property. These may include such things as the economics of the industry; availability of financing; loss of material and/or labor sources; new legislation or ordinances; increased cost of raw material, labor, or utilities without a compensatory increase in product price; reduced demand; increased competition; inflation or high interest rates; or similar factors.<sup>17</sup>

<sup>6</sup> Machinery and Technical Specialties Committee, Valuing Machinery and Equipment: The Fundamentals of Appraising Machinery and Technical Assets - Fourth Edition (Washington, DC: American Society of Appraisers, 2020), p. 548.

<sup>7</sup> Ibid, p. 548.

<sup>8</sup> Ibid, p. 537.

<sup>9</sup> Ibid, p. 528.

<sup>10</sup> Ibid, p. 533.

<sup>11</sup> Ibid, p. 548.

<sup>12</sup> Ibid, p. 537.

<sup>13</sup> Ibid, p. 545.

<sup>14</sup> Ibid, p. 531.

<sup>15</sup> Ibid, p. 546.

<sup>16</sup> Ibid, p. 536.

<sup>17</sup> Ibid, p. 532.

## C. Assumptions and Limiting Conditions



This valuation report is subject to the following assumptions and limiting conditions:

- In performing our analysis, we used various financial and other information provided to us by management or obtained from other private and public sources and relied on the accuracy and completeness of this information. We have not been engaged to compile, review, or examine such information in accordance with standards established by the American Institute of Certified Public Accountants. Accordingly, we do not express an opinion or any other form of assurance thereon.
- For the purpose of this engagement and report, we have made no investigation of, and assume no responsibility for, the titles to, or liabilities against, the assets or equity of the Company, including but not limited to, any contingent or environmental liabilities.
- Our conclusion of value is applicable for the stated date and purpose only and may not be appropriate for any other date or purpose.
- The opinions expressed herein are not intended to be investment advice and should in no way be construed as such. Furthermore, this report does not constitute a “fairness opinion” or a “solvency opinion” regarding any contemplated present or future transaction.
- None of our employees who worked on this engagement has any known financial interest in the assets or equity of the Company or the outcome of this valuation. Further, our compensation is neither based nor contingent on the results of our analysis.
- Stout Risius Ross, LLC is not required to give testimony in court, or be in attendance during any hearings or depositions, unless previous arrangements have been made. We are committed to supporting the valuation report provided compensation arrangements for such additional services have been made.
- No opinion is intended to be expressed for matters that require legal or specialized expertise, investigation, or knowledge beyond that customarily employed by appraisers. This report does not address issues of law, engineering, code conformance, insect or rodent infestation, or toxic contamination, discharge, or inter alia, unless specifically identified in the body of the report.
- At the client’s request, the scope of this assignment was limited to the Subject Personal Property stated in the body and exhibits of the report. No consideration was given to any other assets.
- This report and supporting notes are confidential. Neither all nor any part of the contents of this appraisal shall be copied or disclosed to any party, or conveyed to the public orally or in writing through advertising, public relations, news, sales, or in any other manner without the prior written consent and approval of both Stout Risius Ross, LLC and the client.
- This appraisal report presents only limited discussions of the data, reasoning, and analysis that were used in the appraisal process to develop our opinion of value. A copy of this report and the data, reasoning, and analysis supporting it will remain in our files for review upon request.
- This appraisal has been made in conformance with, and is subject to, the requirements of the Code of Professional Ethics and Standards of Professional Conduct of the American Society of Appraisers and the Uniform Standards of Professional Appraisal Practice Standards 7 and 8 that establish requirements for the development and reporting of personal property appraisals published by the Appraisal Standards Board.
- Due to the nature and scope of this engagement, we did not inspect all of the Subject Personal Property. This analysis applies the extraordinary assumption that the data provided by management is complete and accurate, as it could not be verified by physical inspection.
- Hazardous substances, if present within a facility, can introduce an actual or potential liability that will adversely affect the marketability and value of the facility. Such liability may be in the form of immediate recognition of existing hazardous conditions. Future

## C. Assumptions and Limiting Conditions

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liability could stem from the release of currently nonhazardous contaminants, such as asbestos fibers or toxic vapors from urea formaldehyde foam insulation, through aging, or building renovations. In the development of our opinion of value, no consideration was given to such liability or its impact on value.

## D. Certification



We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report, upon which the analysis, opinions, and conclusions expressed herein are based, are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- The data used in this report was obtained from sources believed to be reliable. All facts known to us that have bearing on the values presented in this report have been considered, and no facts of importance have been intentionally omitted herein.
- We have no present or prospective interest in the business or property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved.
- We have no bias with respect to the business or property that is the subject of this report or the parties involved with this assignment.
- We understand that our appraisal will be used in connection with a return or claim for refund. We also understand that, if there is a substantial or gross valuation misstatement of the value of the property claimed on the return or claim for refund that is based on our appraisal, we may be subject to a penalty under section 6695A of the Internal Revenue Code, as well as other applicable penalties. We affirm that we have not been barred from presenting evidence or testimony before the Department of the Treasury or the Internal Revenue Service pursuant to 31 U.S.C. 330(c).
- We are employees of Stout Risius Ross, LLC (EIN 87-3592543) with a principal place of business at 150 W. Second Street, Suite 400, Royal Oak, MI, 48067.
- Our compensation for completing this assignment is fee-based and is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Our analyses, opinions, and conclusions were developed, and this report was prepared, in conformity with the Uniform Standards of Professional Appraisal Practice of The Appraisal Foundation and the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers.
- We have not performed any services, as an appraiser or in any other capacity, regarding the Subject Personal Property within the three-year period immediately preceding the agreement to perform this assignment.
- No inspection of the Subject Personal Property has been made at any time. This analysis applies the extraordinary assumption that the data provided by management is complete and accurate, as it could not be verified by physical inspection.
- No one provided significant professional assistance to the persons signing this report except as indicated below.

A handwritten signature in black ink, appearing to read "G. Scheig".

Gregory E. Scheig, CFA, CPA/ABV/CFF, CMA  
Managing Director

A handwritten signature in black ink, appearing to read "Brandon James".

Brandon James, CFA  
Vice President

# E. Statement of Qualifications



Greg Scheig is a Managing Director in the Business Valuation practice of the Valuation Advisory group, and is a Certified Mineral Appraiser by the International Institute of Mineral Appraisers.

Over his 30-year consulting career, Mr. Scheig has performed hundreds of valuations involving common stock shares, partnership units, and financial derivatives. As an expert witness, Mr. Scheig has provided deposition and courtroom testimony in matters relating to tax valuations, bankruptcy, economic damages, and utility regulatory matters in a variety of legal settings.

Mr. Scheig previously worked with Vantage Point Advisors, Inc. as a Managing Director working on valuations, expert testimony, and financial advisory services with a focus on energy related companies. Mr. Scheig was employed at several other valuation firms that include ValueScope, Inc., Kroll Associates, Inc., and CBIZ Valuation Group, where he led their Dallas practices. Preceding his valuation-focused roles, he was a Senior Manager with both Deloitte Consulting and FINANCO, Inc. in Austin.

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**Education**

M.B.A, Finance  
University of Texas at Austin  
B.A., Petroleum Engineering  
University of Texas at Austin

## Designations

Certified Mineral Appraiser (CMA)

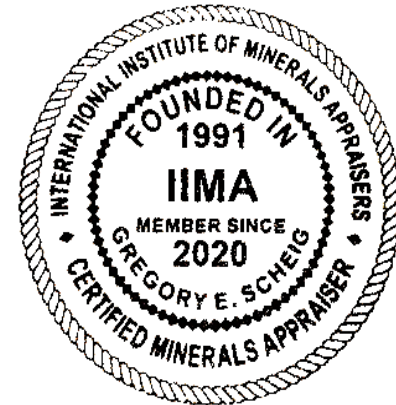
Chartered Financial Analyst (CFA)  
Certified Public Accountant (CPA)  
Accredited in Business Valuation (ABV)  
Certified in Financial Forensics (CFF)  
Chartered Global Management Accountant (CGMA)

## Practice Areas

Oil & Gas Valuation  
Trust & Estate Valuation  
Bankruptcy Matters  
Complex Business Litigation  
High-Stakes Marital Dissolution

## Professional Memberships

- American Institute of Certified Public Accountants (AICPA)
- Texas Society of Certified Public Accountants
- CFA Institute
- CFA Society of Dallas/Fort Worth
- Appraisal Issues Task Force (AITF)
- American Society of Appraisers
- International Institute of Minerals Appraisers
- Society of Petroleum Engineers (SPE)



# E. Statement of Qualifications



Brandon James is a Vice President in the Business Valuation practice of the Valuation Advisory group. He has nearly ten years of experience providing valuation services to both public- and private-sector clients. He has extensive expertise across a broad range of industries, including healthcare, oil and gas, construction, transportation, trucking, restaurants, professional services, and financial services.

Brandon advises both publicly traded and privately owned companies on valuation-related matters including intangible assets, financial instruments for financial and tax reporting, merger and acquisition planning, reorganizations, restructurings, financing, and litigation.

He has provided valuation services to a broad client base, including boards of directors, private equity funds and hedge funds, law firms, accounting firms, government agencies, and high-net-worth individuals.

Prior to joining Stout, Brandon was a Vice President at Vantage Point Advisors, Inc. and a Manager at ValueScope, Inc.

Dallas, TX USA

Office: +1.214.254.4810

[bjames@stout.com](mailto:bjames@stout.com)

## Education

B.S., Finance, The University of Texas at Dallas (*summa cum laude*)

## Designations

Chartered Financial Analyst (CFA)

## Practice Areas

Trust & Estate

Healthcare Fair Market Value

Oil & Gas Valuation

Valuation Disputes

## Professional Memberships

- CFA Institute
- CFA Society of Dallas-Forth Worth
- Turnaround Management Association
- Secured Finance Network Southwest
- Exit Planning Institute – North Texas Chapter

# F. Valuation Schedules



## **Schedules**

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Schedule 1	Subject Personal Property
Schedule 2	Income Approach - DCF Method (5-Year Period)
Schedule 3	Income Approach - DCF Method (10-Year Period)
Schedule 4	Income Approach - DCF Method (15-Year Period)

## **Appendices**

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Appendix A	Guideline Public Company Data - Business Descriptions
Appendix B	Guideline Public Company Data - Business Enterprise Value
Appendix C	Guideline Public Company Data - Operating Metrics
Appendix D	Guideline Public Company Data - Operating Margins



**Adana, LLC****Schedule 1**

Subject Personal Property

(Values as presented)

Valuation as of December 30, 2022

<b>(1) Subject Personal Property</b>	<b>Estimated Value</b>
<b>Income Approach</b>	
(2) Discounted cash flow method (5-year period)	\$247,188,586
(3) Discounted cash flow method (10-year period)	\$192,180,345
(4) Discounted cash flow method (15-year period)	\$153,493,821
<b>(5) Estimated value of Subject Personal Property</b>	<b>\$196,375,774</b>

<b>Concluded FMV of Subject Personal Property, rounded</b>	<b>\$196,400,000</b>
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**Notes:**

- (1) The Subject Personal Property consists of 300,000 tons (U.S. standard tons - 2,000 pounds per ton) of volcanic ash from the Stansbury Island mineral reserves.
- (2) See Schedule 2, Page 1.
- (3) See Schedule 3.
- (4) See Schedule 4.
- (5) The various valuation methods were weighted 25.0%, 50.0%, and 25.0%, respectively.

## **Income Approach - DCF Method (5-Year Period)**

Discounted Cash Flow Method (5-Year Period)

(Values as presented)

Valuation as of December 30, 2022

**Discounted Cash Flow Analysis**

	<i>Fiscal years ending:</i>				
	<b>Dec-31-2023</b>	<b>Dec-31-2024</b>	<b>Dec-31-2025</b>	<b>Dec-31-2026</b>	<b>Dec-31-2027</b>
(1) Quantity sold (tons)	60,000	60,000	60,000	60,000	60,000
(2) Price per ton	\$1,112	\$1,157	\$1,203	\$1,251	\$1,301
Net cash flow	\$66,749,727	\$69,419,716	\$72,196,505	\$75,084,365	\$78,087,740
Partial period adjustment	1.0000	1.0000	1.0000	1.0000	1.0000
Discount period (mid-period convention)	0.5000	1.5000	2.5000	3.5000	4.5000
(3) Present value (PV) factor	17.0%	0.9245	0.7902	0.6754	0.5772
PV of net cash flow	\$61,710,145	\$54,853,462	\$48,758,633	\$43,341,007	\$38,525,340

<b>Estimated value of assets</b>	<b>\$247,188,586</b>
----------------------------------	----------------------

## Notes:

- (1) Forecast assumes 300,000 ton volcanic ash reserve is sold over the years ending December 31, 2023 through December 31, 2027.
- (2) See Schedule 2, Page 2. Price per ton is estimated to increase 4.0 percent each year based on the Consumer Price Index from the U.S. Bureau of Labor Statistics.
- (3) See Schedule 2, Page 3.

**Adana, LLC**

Discounted Cash Flow Method - Pricing Analysis

Valuation as of December 30, 2022

(Values as presented)

(1) Product	Largest retail amount weight (lbs.)	Largest retail amount price	Retail price per pound	Retail price per ton (2)	COGS factor (3)	Estimated Shipping Cost (4)	Wholesale price per ton (2)
(5) Azomite Micronized Organic Trace Mineral Powder	44	\$47.99	\$1.09	\$2,181	60.0%	15.0%	\$1,112
(6) Kelzyme Micronized CaFe Soil Amendment	35	\$159.95	\$4.57	\$9,140	60.0%	15.0%	\$4,661
(6) Kelzyme Granular CaFe Soil Amendment	35	\$139.75	\$3.99	\$7,986	60.0%	15.0%	\$4,073
(5) The Andersons BioChar DG Organic Soil Amendment	30	\$71.00	\$2.37	\$4,733	60.0%	15.0%	\$2,414
(5) Wakefield BioChar Soil Conditioner	25	\$39.99	\$1.60	\$3,199	60.0%	15.0%	\$1,632

Minimum:	\$1,112
Lower (First) Quartile:	\$1,632
Median:	\$2,414
Average:	\$2,778
Upper (Third) Quartile:	\$4,073
Maximum:	\$4,661

(7) **Selected price per ton** **\$1,112**

Notes:

- (1) Soil amendment products on the retail market were screened to determine retail prices per ton. A COGS factor was then applied to calculated wholesale prices per ton.
- (2) U.S. standard tons (2,000 per ton).
- (3) The COGS factor was based on publicly available gross profit data from guideline public companies. See Appendix D.
- (4) Estimated shipping costs were applied to account for the expenses necessary to transport the assets.
- (5) Source: <https://www.amazon.com/>
- (6) Source: <https://kelzyme.com/>
- (7) Per discussions with Adana personnel, Azomite is the most comparable retail product to the subject mineral assets of this valuation.

**Adana, LLC**

## Weighted Average Cost of Capital

(Values as presented)

Valuation as of December 30, 2022

	<b>Cost of Capital</b>	<b>% in Capital Structure</b>	<b>Weighted Cost</b>
<b>Weighted Average Cost of Capital (WACC)</b>			
(1) Debt	4.4%	20.0%	0.9%
Equity	14.8%	80.0%	11.9%
Weighted average cost of capital			<u>12.8%</u>
<b>Estimated WACC (rounded) - after-tax</b>			<b>12.8%</b>
<b>(2) Estimated WACC (rounded) - pre-tax</b>			<b>17.0%</b>
<b>Cost of Equity - Modified Capital Asset Pricing Model (MCAPM)</b>			
(3) Risk-free rate			4.1%
(4) Market equity risk premium		6.2%	
(5) Relevered beta	x	<u>0.95</u>	
Beta adjusted equity risk premium			5.9%
(6) Size premium			4.8%
<b>Estimated cost of equity</b>			<u><b>14.8%</b></u>
<b>Cost of Debt</b>			
(7) Pre-tax cost of debt			5.9%
(8) Income tax rate (combined Federal and Utah corporate income tax rates)			24.8%
<b>Estimated after-tax cost of debt</b>			<u><b>4.4%</b></u>

## Notes:

- (1) Based on the Company's target capital structure.
- (2) The after-tax WACC was increased based on the effective tax rate to account for the pre-tax projections used in the analysis. The formula is: pre-tax WACC = after-tax WACC / (1 - tax rate).
- (3) Based on the nominal 20-year U.S. Treasury bond as of December 30, 2022. Source: The Federal Reserve Board.
- (4) Source: 2022 Kroll Cost of Capital Navigator. Reflects long-horizon equity risk premium (supply side) for the period 1926 - 2021.
- (5) See Schedule 2, Page 4 for the estimation of beta.
- (6) Source: 2022 Kroll Cost of Capital Navigator. Size premium (return in excess of CAPM) for companies in size decile 10 from 1926 to 2021. Decile 10 includes companies with market capitalizations of \$10.588 to \$289.007 million.
- (7) The Company's cost of borrowing was estimated using the Moody's Seasoned Baa Corporate Bond Yield as of the Valuation Date.
- (8) Estimated effective tax rate for the subject company which reflects the combined effects of federal and state income tax payments at a C Corporation level.

# Adana, LLC

## Weighted Average Cost of Capital - Beta

(Values as presented)

Valuation as of December 30, 2022

Guideline Company	Ticker Symbol	Levered Beta	Interest-bearing Debt (\$mil)	Market Capitalization (\$mil)	Market Value of Invested Capital (\$mil)	Debt	Equity	Unlevered Beta (1)
American Vanguard Corporation	NYSE:AVD	0.933	\$148.4	\$642.2	\$790.6	18.8%	81.2%	0.795
Bioceres Crop Solutions Corp.	NasdaqGS:BIOX	0.417	\$242.2	\$755.9	\$998.1	24.3%	75.7%	0.336
CF Industries Holdings, Inc.	NYSE:CF	0.993	\$2,965.0	\$16,715.3	\$19,680.3	15.1%	84.9%	0.876
Corteva, Inc.	NYSE:CTVA	0.728	\$2,853.0	\$41,997.8	\$44,850.8	6.4%	93.6%	0.693
CVR Partners, LP	NYSE:UAN	1.450	\$546.7	\$1,063.1	\$1,609.8	34.0%	66.0%	1.046
FMC Corporation	NYSE:FMC	0.841	\$3,558.8	\$15,608.2	\$19,167.0	18.6%	81.4%	0.718
Nutrien Ltd.	TSX:NTR	0.827	\$13,677.0	\$37,992.8	\$51,669.8	26.5%	73.5%	0.651
The Mosaic Company	NYSE:MOS	1.514	\$4,160.0	\$14,936.9	\$19,096.9	21.8%	78.2%	1.252
The Scotts Miracle-Gro Company	NYSE:SMG	1.467	\$2,970.5	\$2,695.0	\$5,665.5	52.4%	47.6%	0.802

<b>Minimum:</b>	0.417	\$148.4	\$642.2	\$790.6	6.4%	47.6%	0.336
<b>Lower (First) Quartile:</b>	0.827	\$546.7	\$1,063.1	\$1,609.8	18.6%	73.5%	0.693
<b>Median:</b>	0.933	\$2,965.0	\$14,936.9	\$19,096.9	21.8%	78.2%	0.795
<b>Upper (Third) Quartile:</b>	1.450	\$3,558.8	\$16,715.3	\$19,680.3	26.5%	81.4%	0.876
<b>Maximum:</b>	1.514	\$13,677.0	\$41,997.8	\$51,669.8	52.4%	93.6%	1.252

**Selected unlevered beta: 0.80**

Subject Company	Unlevered Beta	Target Cap Structure		Relevered Beta
		Debt	Equity	
Adana, LLC	0.80	20.0%	80.0%	0.95

**Concluded levered beta: 0.95**

### Notes:

Source: S&P Capital IQ.

$$(1) BU = BL \div [1 + (1-T) \times (Wd \div We)]; BL = BU \times [1 + (1-T) \times (Wd \div We)].$$

#### Definitions:

BU = Beta unlevered;

BL = Beta levered;

T = Estimated tax rate of 24.8%

Wd = Percentage of debt capital in the capital structure; debt capital is comprised of interest-bearing debt; and

We = Percentage of equity capital in the capital structure; equity capital is comprised of the market value of common equity.

## **Income Approach - DCF Method (10-Year Period)**



**Adana, LLC****Schedule 3**

Discounted Cash Flow Method (10-Year Period)

(Values as presented)

Valuation as of December 30, 2022

**Discounted Cash Flow Analysis**

	<i>Fiscal years ending:</i>									
	<b>Dec-31-2023</b>	<b>Dec-31-2024</b>	<b>Dec-31-2025</b>	<b>Dec-31-2026</b>	<b>Dec-31-2027</b>	<b>Dec-31-2028</b>	<b>Dec-31-2029</b>	<b>Dec-31-2030</b>	<b>Dec-31-2031</b>	<b>Dec-31-2032</b>
(1) Quantity sold (tons)	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
(2) Price per ton	\$1,112	\$1,157	\$1,203	\$1,251	\$1,301	\$1,354	\$1,408	\$1,464	\$1,523	\$1,583
Net cash flow	\$33,374,864	\$34,709,858	\$36,098,253	\$37,542,183	\$39,043,870	\$40,605,625	\$42,229,850	\$43,919,044	\$45,675,805	\$47,502,838
Partial period adjustment	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Discount period (mid-period convention)	0.5000	1.5000	2.5000	3.5000	4.5000	5.5000	6.5000	7.5000	8.5000	9.5000
(3) Present value (PV) factor	17.0%	0.9245	0.7902	0.6754	0.5772	0.4934	0.4217	0.3604	0.3080	0.2633
PV of net cash flow	\$30,855,072	\$27,426,731	\$24,379,316	\$21,670,503	\$19,262,670	\$17,122,373	\$15,219,887	\$13,528,789	\$12,025,590	\$10,689,413

**Estimated value of assets** **\$192,180,345**

## Notes:

- (1) Forecast assumes 300,000 ton volcanic ash reserve is sold over the years ending December 31, 2023 through December 31, 2032.  
(2) See Schedule 2, Page 2. Price per ton is estimated to increase 4.0 percent each year based on the Consumer Price Index from the U.S. Bureau of Labor Statistics.  
(3) See Schedule 2, Page 3.

## **Income Approach - DCF Method (15-Year Period)**

**Adana, LLC**

**Schedule 4**

Discounted Cash Flow Method (15-Year Period)

Valuation as of December 30, 2022

(Values as presented)

**Discounted Cash Flow Analysis**

	<i>Fiscal years ending:</i>														
	<b>Dec-31-2023</b>	<b>Dec-31-2024</b>	<b>Dec-31-2025</b>	<b>Dec-31-2026</b>	<b>Dec-31-2027</b>	<b>Dec-31-2028</b>	<b>Dec-31-2029</b>	<b>Dec-31-2030</b>	<b>Dec-31-2031</b>	<b>Dec-31-2032</b>	<b>Dec-31-2033</b>	<b>Dec-31-2034</b>	<b>Dec-31-2035</b>	<b>Dec-31-2036</b>	<b>Dec-31-2037</b>
(1) Quantity sold (tons)	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
(2) Price per ton	\$1,112	\$1,157	\$1,203	\$1,251	\$1,301	\$1,354	\$1,408	\$1,464	\$1,523	\$1,583	\$1,647	\$1,713	\$1,781	\$1,852	\$1,926
Net cash flow	\$22,249,909	\$23,139,905	\$24,065,502	\$25,028,122	\$26,029,247	\$27,070,416	\$28,153,233	\$29,279,362	\$30,450,537	\$31,668,558	\$32,935,301	\$34,252,713	\$35,622,821	\$37,047,734	\$38,529,644
Partial period adjustment	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Discount period (mid-period convention)	0.5000	1.5000	2.5000	3.5000	4.5000	5.5000	6.5000	7.5000	8.5000	9.5000	10.5000	11.5000	12.5000	13.5000	14.5000
(3) Present value (PV) factor	17.0%	0.9245	0.7902	0.6754	0.5772	0.4934	0.4217	0.3604	0.3080	0.2633	0.2250	0.1923	0.1644	0.1405	0.1201
PV of net cash flow	\$20,570,048	\$18,284,487	\$16,252,878	\$14,447,002	\$12,841,780	\$11,414,915	\$10,146,591	\$9,019,192	\$8,017,060	\$7,126,275	\$6,334,467	\$5,630,637	\$5,005,011	\$4,448,899	\$3,954,577

**Estimated value of assets \$153,493,821**

**Notes:**

- (1) Forecast assumes 300,000 ton volcanic ash reserve is sold over the years ending December 31, 2023 through December 31, 2037.
- (2) See Schedule 2, Page 2. Price per ton is estimated to increase 4.0 percent each year based on the Consumer Price Index from the U.S. Bureau of Labor Statistics.
- (3) See Schedule 2, Page 3.

## Appendices

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Guideline Company	Ticker	Description
American Vanguard Corporation	NYSE:AVD	American Vanguard Corporation, through its subsidiaries, develops, manufactures, and markets specialty chemicals for agricultural, commercial, and consumer uses in the United States and internationally.
Bioceres Crop Solutions Corp.	NasdaqGS:BIOX	Bioceres Crop Solutions Corp., together with its subsidiaries, provides crop productivity solutions.
CF Industries Holdings, Inc.	NYSE:CF	CF Industries Holdings, Inc. manufactures and sells hydrogen and nitrogen products for energy, fertilizer, emissions abatement, and other industrial activities worldwide.
Corteva, Inc.	NYSE:CTVA	Corteva, Inc. operates in the agriculture business.
CVR Partners, LP	NYSE:UAN	CVR Partners, LP, together with its subsidiaries, engages in the production and sale of nitrogen fertilizer products in the United States.
FMC Corporation	NYSE:FMC	FMC Corporation, an agricultural sciences company, provides crop protection, plant health, and professional pest and turf management products.
Nutrien Ltd.	TSX:NTR	Nutrien Ltd. provides crop inputs and services.
The Mosaic Company	NYSE:MOS	The Mosaic Company, through its subsidiaries, produces and markets concentrated phosphate and potash crop nutrients in North America and internationally.
The Scotts Miracle-Gro Company	NYSE:SMG	The Scotts Miracle-Gro Company is involved in the manufacture, marketing, and sale of products for lawn, garden care, and indoor and hydroponic gardening in the United States and internationally.

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Source: S&P Capital IQ.

# Adana, LLC

# Appendix B

Guideline Public Company Data - Business Enterprise Value  
(USD millions) excluding trading and price data

Valuation as of December 30, 2022

Guideline Company	Ticker	Shares Outstanding (mil)	Closing Price Dec-30-2022	Daily Trade Volume	52-Week Low	52-Week High
American Vanguard Corporation	NYSE:AVD	29.58	\$21.71	68,440	\$13.82	\$25.99
Bioceres Crop Solutions Corp.	NasdaqGS:BIOX	62.83	\$12.03	120,990	\$9.27	\$16.00
CF Industries Holdings, Inc.	NYSE:CF	196.19	\$85.20	1,673,440	\$63.10	\$119.60
Corteva, Inc.	NYSE:CTVA	714.49	\$58.78	1,858,250	\$43.74	\$68.43
CVR Partners, LP	NYSE:UAN	10.57	\$100.58	118,710	\$80.30	\$179.74
FMC Corporation	NYSE:FMC	125.07	\$124.80	591,560	\$98.24	\$140.99
Nutrien Ltd.	TSX:NTR	520.18	\$73.04	1,012,430	\$63.01	\$109.30
The Mosaic Company	NYSE:MOS	340.48	\$43.87	3,684,020	\$37.08	\$79.28
The Scotts Miracle-Gro Company	NYSE:SMG	55.46	\$48.59	965,800	\$39.06	\$167.09

Guideline Company	Last Fiscal Year End (LFY)	Latest Filing Period Date (1)	Market Capitalization	Net Debt (2)	Preferred Stock	Minority Interest	Business Enterprise Value
American Vanguard Corporation	12/31/2021	9/30/2022	\$642.2	\$127.6	N/A	N/A	\$769.8
Bioceres Crop Solutions Corp.	6/30/2022	9/30/2022	\$755.9	\$191.0	N/A	\$34.3	\$981.2
CF Industries Holdings, Inc.	12/31/2021	9/30/2022	\$16,715.3	\$773.0	N/A	\$2,653.0	\$20,141.3
Corteva, Inc.	12/31/2021	9/30/2022	\$41,997.8	\$535.0	N/A	\$240.0	\$42,772.8
CVR Partners, LP	12/31/2021	9/30/2022	\$1,063.1	\$427.6	N/A	\$0.0	\$1,490.7
FMC Corporation	12/31/2021	9/30/2022	\$15,608.2	\$3,166.4	N/A	\$15.4	\$18,790.0
Nutrien Ltd.	12/31/2021	9/30/2022	\$37,992.8	\$12,854.0	N/A	\$48.0	\$50,894.8
The Mosaic Company	12/31/2021	9/30/2022	\$14,936.9	\$3,457.2	N/A	\$154.7	\$18,548.8
The Scotts Miracle-Gro Company	9/30/2022	9/30/2022	\$2,695.0	\$2,870.9	N/A	N/A	\$5,565.9

Minimum:	\$769.8
Lower (First) Quartile:	\$1,490.7
Median:	\$18,548.8
Upper (Third) Quartile:	\$20,141.3
Maximum:	\$50,894.8

## Notes:

Source: S&P Capital IQ.

(1) Guideline company data is taken from the most recent quarterly or annual report filed nearest the Valuation Date.

(2) Net debt is equal to total debt minus total cash and short-term investments.

# Adana, LLC

# Appendix C

## Guideline Public Company Data - Operating Metrics

(USD millions)

Valuation as of December 30, 2022

Guideline Company	Last Fiscal Year (LFY) End	Revenue			Gross Profit			EBITDA		
		LTM	LFY	3-Year Avg.	LTM	LFY	3-Year Avg.	LTM	LFY	3-Year Avg.
American Vanguard Corporation	Dec-31-2021	\$608.4	\$556.9	\$494.6	\$241.3	\$213.2	\$187.7	\$72.4	\$57.7	\$49.6
Bioceres Crop Solutions Corp.	Jun-30-2022	\$388.9	\$328.5	\$235.8	\$146.4	\$124.9	\$98.0	\$54.0	\$46.1	\$43.1
CF Industries Holdings, Inc.	Dec-31-2021	\$11,118.0	\$6,538.0	\$5,084.0	\$5,760.0	\$2,387.0	\$1,462.7	\$6,390.0	\$3,068.0	\$2,134.7
Corteva, Inc.	Dec-31-2021	\$17,109.0	\$15,655.0	\$14,572.7	\$6,951.0	\$6,435.0	\$5,896.0	\$3,574.0	\$3,878.0	\$2,771.0
CVR Partners, LP	Dec-31-2021	\$812.3	\$532.6	\$428.9	\$407.1	\$236.1	\$158.1	\$374.2	\$208.9	\$134.1
FMC Corporation	Dec-31-2021	\$5,593.9	\$5,045.2	\$4,765.7	\$2,259.7	\$2,171.7	\$2,102.4	\$1,355.8	\$1,324.2	\$1,265.0
Nutrien Ltd.	Dec-31-2021	\$36,792.0	\$26,861.0	\$22,076.7	\$15,724.0	\$9,409.0	\$6,716.7	\$11,781.0	\$6,490.0	\$4,442.7
The Mosaic Company	Dec-31-2021	\$18,484.9	\$12,357.4	\$9,981.8	\$6,013.6	\$3,233.9	\$1,729.0	\$6,307.1	\$3,519.7	\$2,062.3
The Scotts Miracle-Gro Company	Sep-30-2022	\$3,924.1	\$3,924.1	\$4,326.9	\$1,033.1	\$1,033.1	\$1,296.6	\$525.7	\$525.7	\$689.1
<b>Minimum:</b>		\$388.9	\$328.5	\$235.8	\$146.4	\$124.9	\$98.0	\$54.0	\$46.1	\$43.1
<b>Lower (First) Quartile:</b>		\$812.3	\$556.9	\$494.6	\$407.1	\$236.1	\$187.7	\$374.2	\$208.9	\$134.1
<b>Median:</b>		\$5,593.9	\$5,045.2	\$4,765.7	\$2,259.7	\$2,171.7	\$1,462.7	\$1,355.8	\$1,324.2	\$1,265.0
<b>Upper (Third) Quartile:</b>		\$17,109.0	\$12,357.4	\$9,981.8	\$6,013.6	\$3,233.9	\$2,102.4	\$6,307.1	\$3,519.7	\$2,134.7
<b>Maximum:</b>		\$36,792.0	\$26,861.0	\$22,076.7	\$15,724.0	\$9,409.0	\$6,716.7	\$11,781.0	\$6,490.0	\$4,442.7

Notes:

Source: S&P Capital IQ.

**Adana, LLC****Appendix D**

## Guideline Public Company Data - Operating Margins

(Values as presented)

Valuation as of December 30, 2022

<b>Guideline Company</b>	<b>Gross Profit</b>			<b>EBITDA</b>		
	<b>LTM</b>	<b>LFY</b>	<b>3-Year Avg.</b>	<b>LTM</b>	<b>LFY</b>	<b>3-Year Avg.</b>
American Vanguard Corporation	39.7%	38.3%	38.0%	11.9%	10.4%	10.0%
Bioceres Crop Solutions Corp.	37.6%	38.0%	41.6%	13.9%	14.0%	18.3%
CF Industries Holdings, Inc.	51.8%	36.5%	28.8%	57.5%	46.9%	42.0%
Corteva, Inc.	40.6%	41.1%	40.5%	20.9%	24.8%	19.0%
CVR Partners, LP	50.1%	44.3%	36.9%	46.1%	39.2%	31.3%
FMC Corporation	40.4%	43.0%	44.1%	24.2%	26.2%	26.5%
Nutrien Ltd.	42.7%	35.0%	30.4%	32.0%	24.2%	20.1%
The Mosaic Company	32.5%	26.2%	17.3%	34.1%	28.5%	20.7%
The Scotts Miracle-Gro Company	26.3%	26.3%	30.0%	13.4%	13.4%	15.9%
<b>Minimum:</b>	26.3%	26.2%	17.3%	11.9%	10.4%	10.0%
<b>Lower (First) Quartile:</b>	37.6%	35.0%	30.0%	13.9%	14.0%	18.3%
<b>Median:</b>	40.4%	38.0%	36.9%	24.2%	24.8%	20.1%
<b>Upper (Third) Quartile:</b>	42.7%	41.1%	40.5%	34.1%	28.5%	26.5%
<b>Maximum:</b>	51.8%	44.3%	44.1%	57.5%	46.9%	42.0%

## Notes:

Source: S&amp;P Capital IQ.