

Insights Into Ag Investment

Trends in global capital attraction

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Key Trends In Ag Investment

1. The Landscape of Investors Is Changing

- Who is Investing in Agriculture:
 - Institutional, Sovereign and Wealth Funds – PSP, QIC, NZ Super
 - Private Equity & Hedge Funds – Terra Firma, Insight
 - High Net Worth Individuals
 - Family Office Investors
 - Industry & Market Stakeholder Investors
 - Venture Capitalists, Seed Capital Investors – Silicon Valley



Key Trends In Ag Investment

2. The Structure of Capital is changing

- Fund Structures
- Asset Management, MITs, Operational Funds
- Capital Cooperation Models
 - Asset Management
 - Co-investment
 - Joint Ventures
 - Passive (Lease-back) Partnerships
- Alternative Debt



Key Trends In Ag Investment

3. The Appetite of Investors Is Changing

- Ag Tech Start Ups
- Data Mining, Big Data, Blockchain
- Infastructure, Processing, Logistics



4. Emerging Markets

- Significant growth in **transition-economy** markets
- Key opportunities in SE Asia
 - Inter-linking demand drivers for Australian Exports



Source: Deutsche Asset Management



Key Trends In Ag Investment

5. The Focus on Key Investment Criteria is Changing

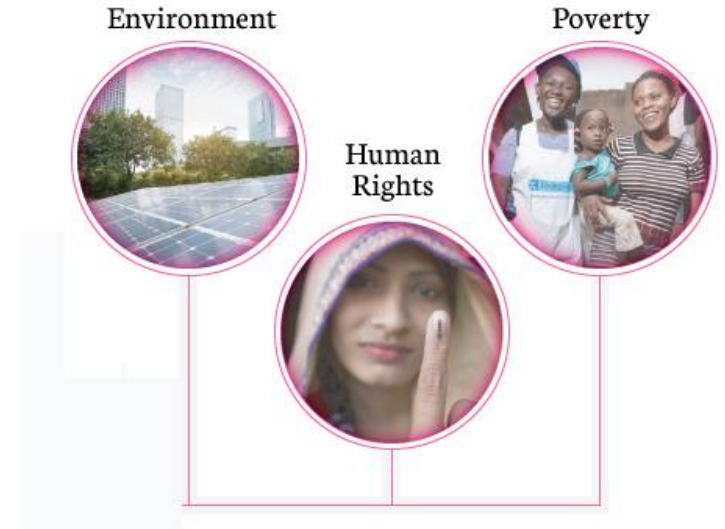
- Investors are increasingly under pressure on ethical investment
- Responsible Investment now a significant consideration

ESG is the fastest growing and most significant influencer on current investment trends



Focus on Responsible Investing

- Environmental, Social, Governance (**ESG**), Corporate Social Responsibility (CSR), Ethical & Sustainable Investments
- **Reputational Focus** – ethical investing now primary criteria
- Millennials to further drive shifts to sustainable, impact and responsible investing



86%

are "very interested" or "interested" in sustainable investing



61%

have made at least one sustainable investment action in the last year



75%

think their investments can influence climate change



84%

think their investments can help fight poverty

Morgan Stanley estimate **\$30 trillion** in wealth to transfer to the Millennial Generation





Acuacultrua Araujo Shrimp Operations – Choloteca, Honduras



Capital Matching?

Desires

- Returns
- Capital Preservation
- Participation in hard global trends of future growth
- Off Take and supply security
- Real, un-correlated assets (risk management)
- Stability
- Supply chain alignment

Needs

- Management
- Structure
- Synergy
- Story



THIS IS A GREAT TIME TO ATTRACT CAPITAL TO AGRICULTURE & RELATED INDUSTRIES

Questions?

