



# AGI

INVESTOR PRESENTATION

April 2018



Certain statements contained herein constitute forward-looking statements that reflect our expectations regarding the future growth, results of operations, performance, business prospects, and opportunities of the Company. Forward-looking statements may contain such words as “anticipate”, “believe”, “continue”, “could”, “expects”, “intend”, “plans”, “will” or similar expressions suggesting future conditions or events. Such forward-looking statements reflect our current beliefs and are based on information currently available to us. Forward-looking statements involve significant risks and uncertainties. A number of factors could cause actual results to differ materially from results discussed in the forward-looking statements, including changes in national and local business conditions, crop yields, crop conditions, seasonality, industry cyclicality, volatility of production costs, commodity prices, foreign exchange rates, and competition. These risks and uncertainties are described under “Risks and Uncertainties” in our Annual Report and our Annual Information Form. Although the forward-looking statements contained herein are based on what we believe to be reasonable assumptions, we cannot assure readers that actual results will be consistent with these forward-looking statements and we undertake no obligation to update such statements except as expressly required by law.

## The AGI Advantage



- System Solutions
- Platform perspective
- Farm + Commercial segments
- Global platform
- Focus on the customer

## Leading Brands & Operations



- 30 market-leading brands
- 2,500+ employees
- 25 global manufacturing facilities
- Lean operations  
Focus on margins

## Financial Strength



- \$900M market cap
- \$750M+ annual sales
- Dividend of \$2.40 per annum
- Strong balance sheet

## Our Growth Strategy



- Field to Consumer
- Diversification  
Product offering  
Geography  
Customer/end user
- Growth drivers in place
- Investment in our people

## Innovation & Future



- Positive market outlook
- Leverage new technologies and geographies
- New and expanded platforms
- Entrepreneurial spirit

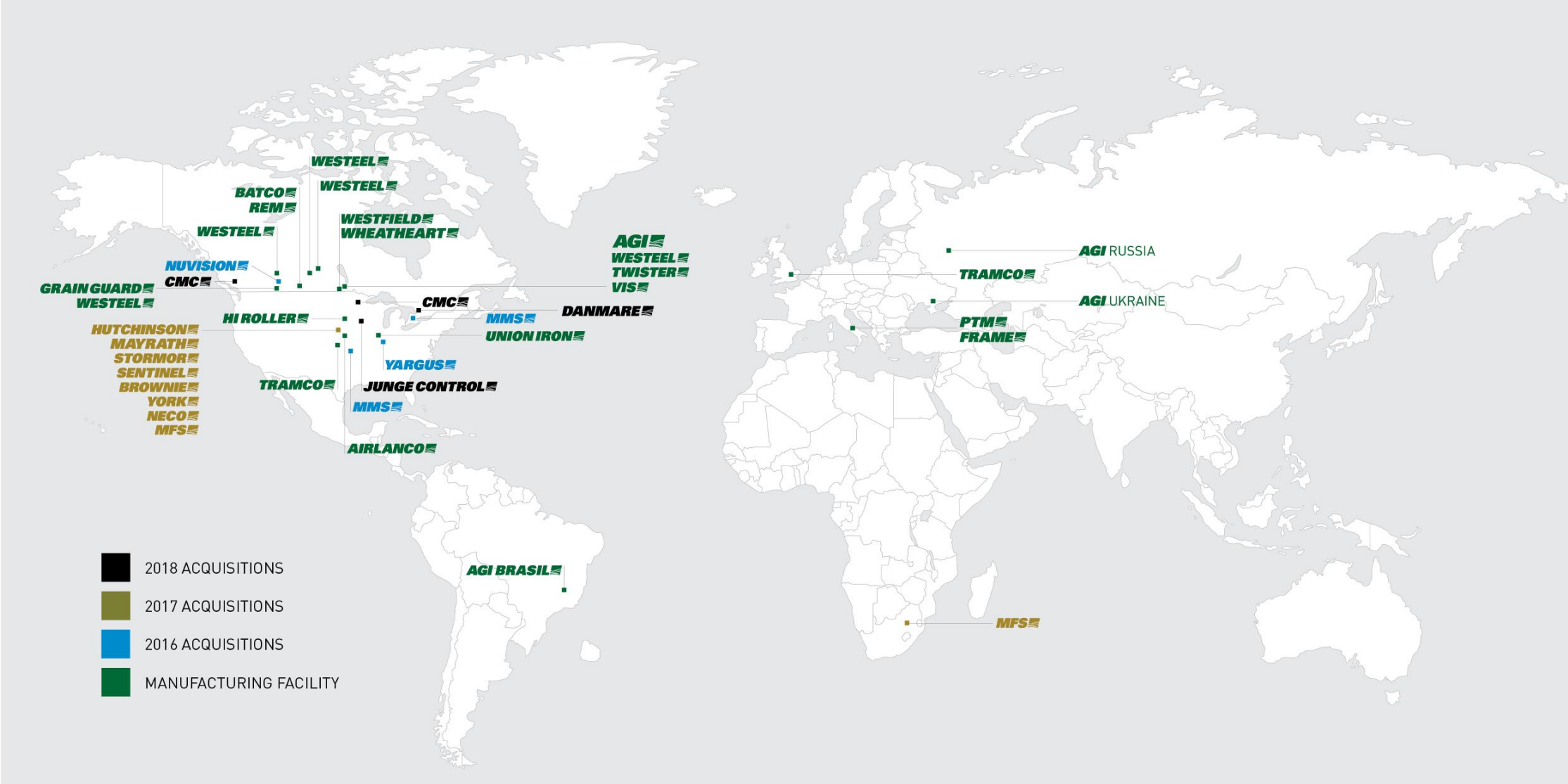


# THE AGI ADVANTAGE













# FARM AND COMMERCIAL DIVISIONS



## FARM

Distribution: Farm Equipment Dealers

Standardized Product Portfolio

Key Demand Drivers: Crop Volume  
& Replacement Cycle

**WESTFIELD** **WHEATHEART** **WESTEEL** **BATCO**  
**REM** **GRAINGUARD** **TWISTER** **ENTRINGER**  
**MFS** **YORK** **STORMOR** **BROWNIE** **HUTCHINSON**  
**MAYRATH** **NECO**

## COMMERCIAL

Distribution: Direct to Customers and Contractors  
with turnkey project capabilities

Key Demand Drivers: Crop Volume  
& Global Infrastructure Gap

**HI ROLLER** **TRAMCO** **UNION IRON** **AIRLANCO**  
**PTM** **VIS** **WESTEEL** **FRAME** **AGI BRASIL**  
**NUVISION** **MMS** **YARGUS** **MFS** **SENTINEL**  
**CMC** **JUNGE CONTROL** **DANMARE**



# FINANCIAL STRENGTH



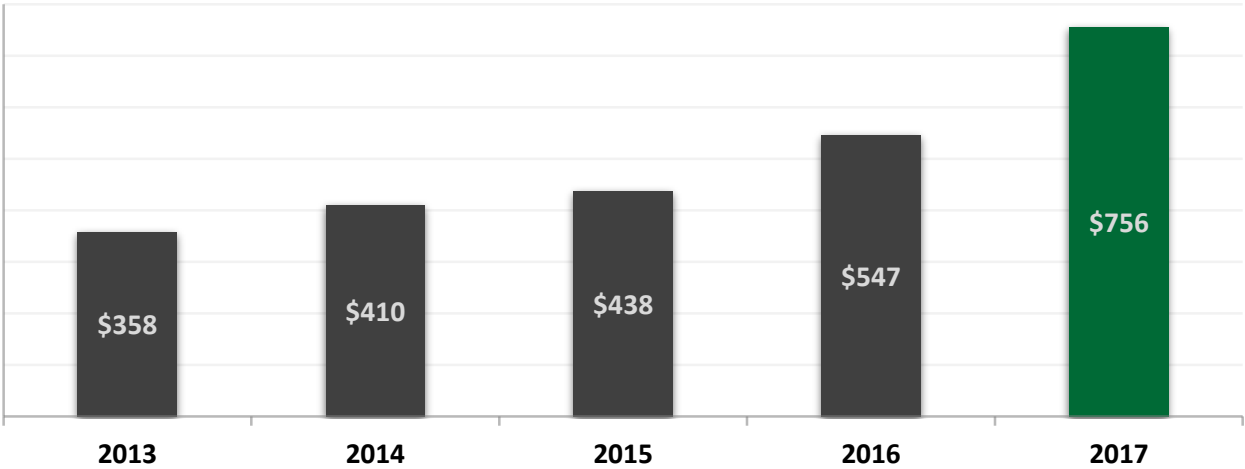




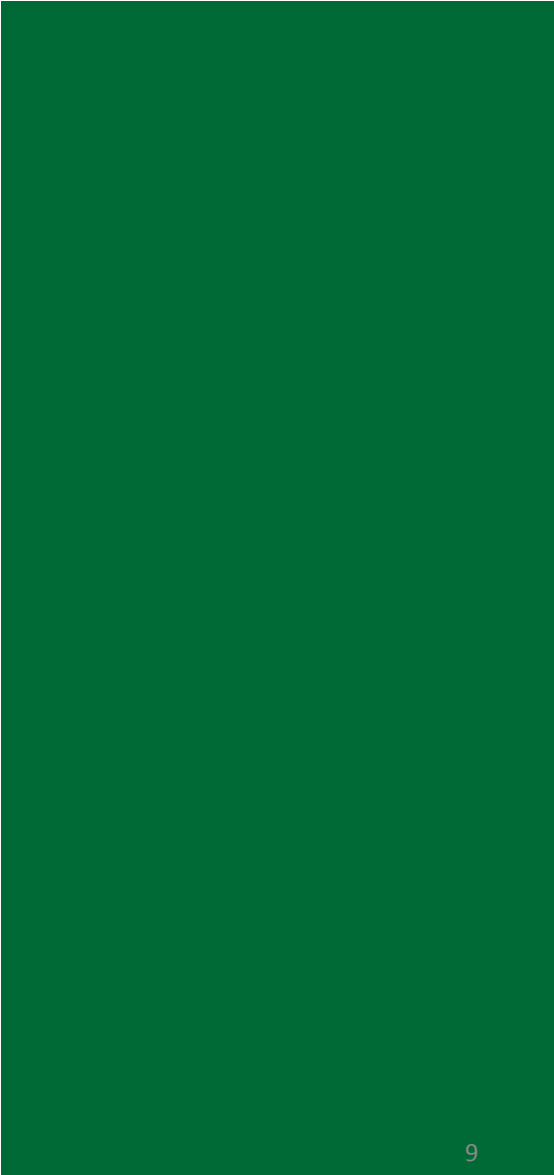
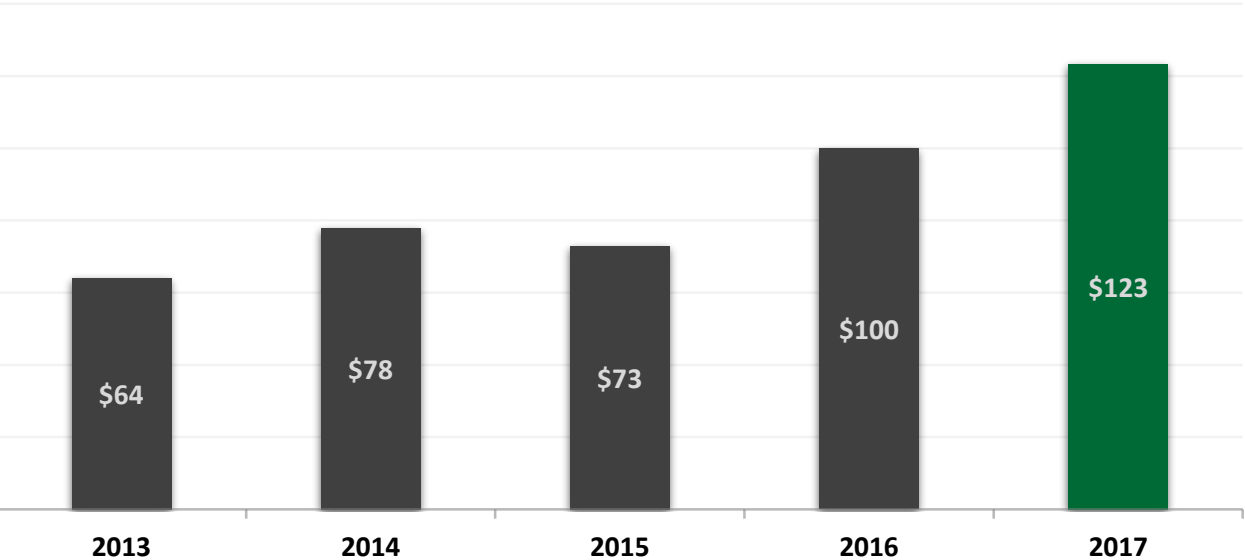
# ANNUAL TRADE SALES AND EBITDA



## ANNUAL TRADE SALES (In C\$ Millions)

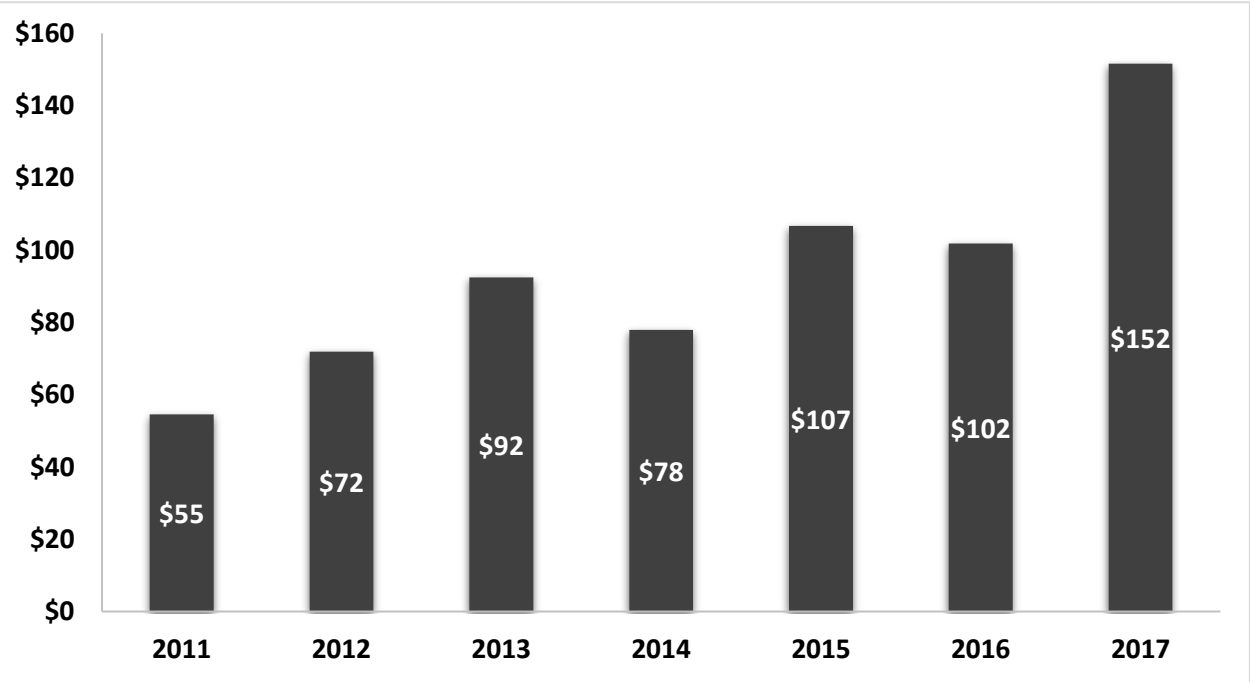


## ANNUAL ADJUSTED EBITDA (In C\$ Millions)



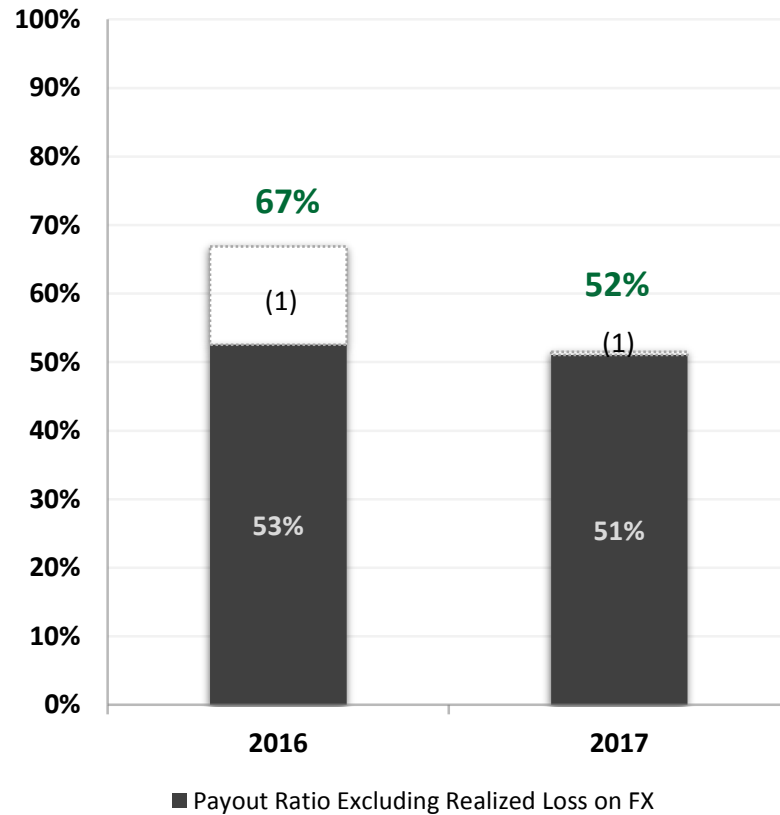


# INTERNATIONAL SALES



- International sales strengthened in 2017, driven by the conversion of a strong backlog into sales, the contribution from Global, and AGI’s broadening geographic reach in EMEA, South America, and SE Asia & Australia
- AGI’s international sales backlog is currently at record levels, with significant projects underway in EMEA and South America





(1) Realized loss on foreign exchange contracts.

- Dividend \$2.40 per annum
- Current yield ~ 4%
- Senior Debt to EBITDA, net of cash = 2.0x
- Total Debt to EBITDA, net of cash = 4.4x

Note: Payout ratio and debt ratios are as at December 31, 2017. Debt ratios exclude pro forma EBITDA contributions from recent acquisitions.

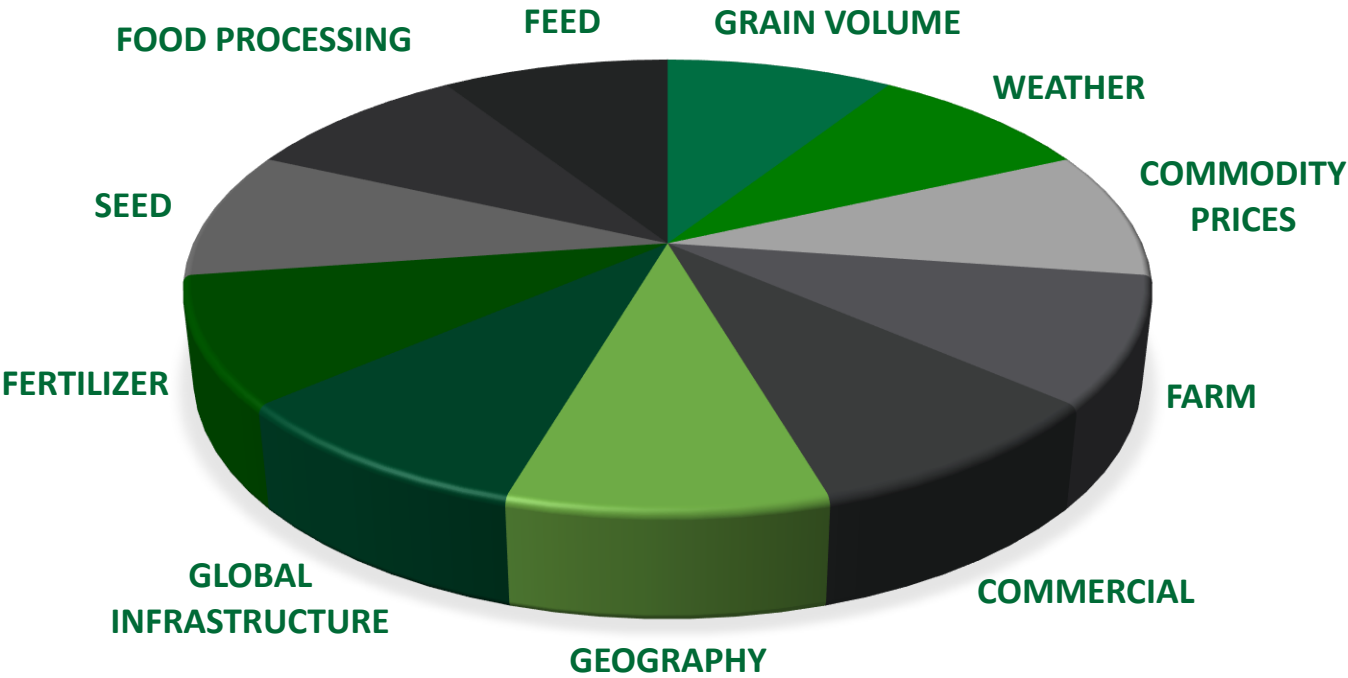


# GROWTH STRATEGY



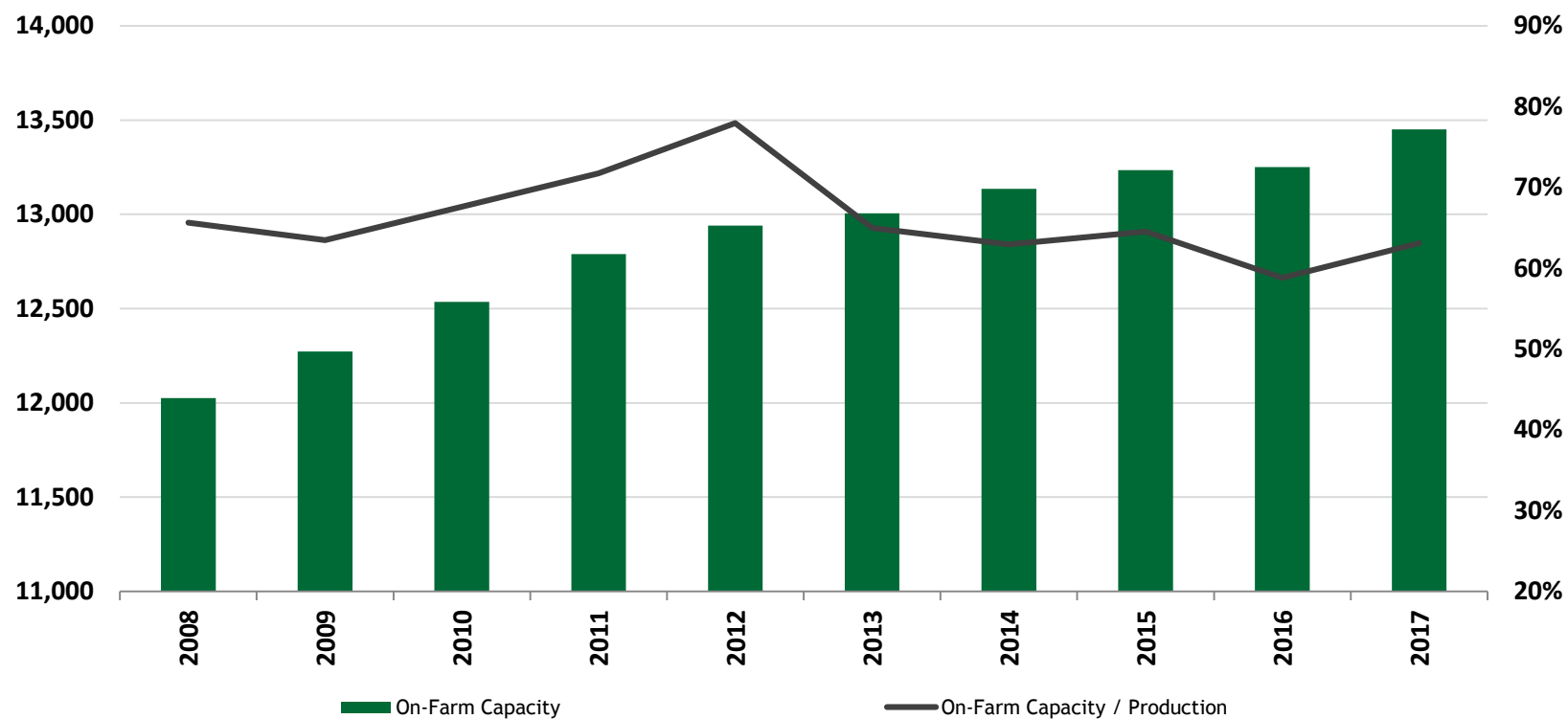




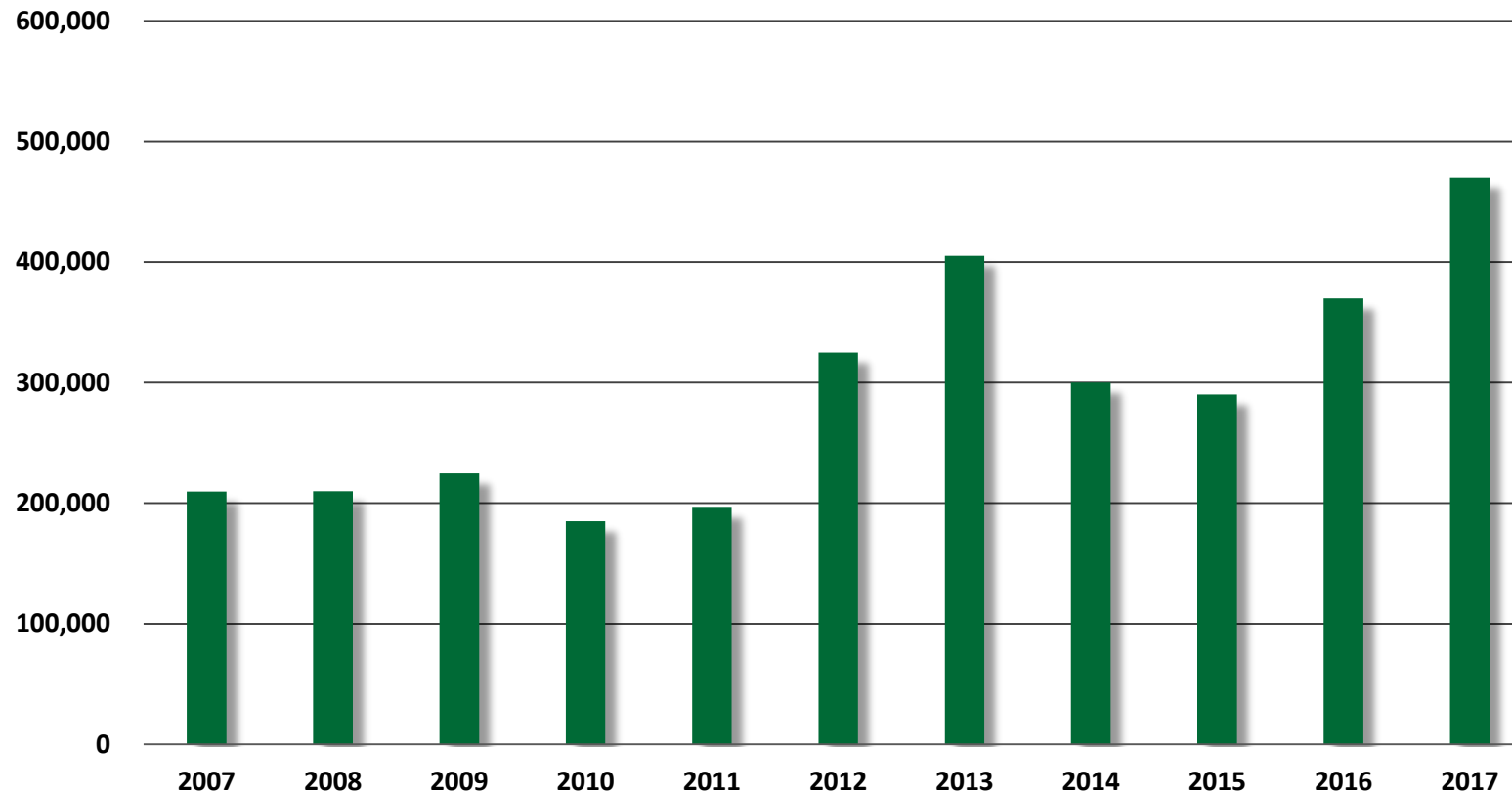




# U.S. ON-FARM STORAGE CAPACITY vs. TOTAL PRODUCTION



Source: USDA, million bushels



Source: StatsCan, acres

## CMC Industrial Electronics

- Founded in 1997
- Office and manufacturing facility in Burnaby, BC, and sales office in Minneapolis, MN
- Supplier of hazard monitoring sensors and systems used in agricultural material handling applications
- Manufacturer and supplier of bin monitoring sensors and systems
- Strong relationships with domestic and multinational customers

## Junge Control Inc.

- Founded in 1979
- Based in Cedar Rapids, IA
- Supplier of precision blending and measurement systems
- Products focused primarily on liquid fertilizer blending, which is highly complementary to AGI's existing fertilizer handling offering

- ✓ Strengthens AGI's applied technology, control system, and fertilizer platforms
- ✓ Combined Sales and adjusted EBITDA for the two entities in their most recently completed fiscal years were approximately \$15 million and \$4 million respectively







## RECENT ACQUISITIONS



### **Danmare Group Inc.**

- Founded in 2004
- Head office in Vaughan, ON, and recently opened U.S. office in Minneapolis, MN
- Provides engineering solutions and project management to the food industry
- Specializes in automated systems for pet food, rice & pasta, confectionary, ready-to-eat foods, sauces, and meat processing
- Strong relationships with large multinational food companies

- ✓ Further evolves AGI's ability to provide complete solutions to a broad customer base
- ✓ Sales and adjusted EBITDA in its most recently completed fiscal year were \$6.4 million and \$1.7 million respectively

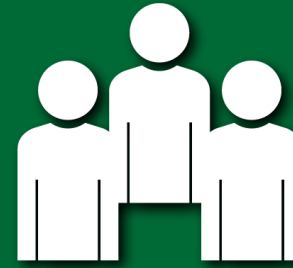




**24% of US Corn Production**



**95% of US Soybean Production**



**150+ Employees**



**242,000 sq. ft. Manufacturing Facility**



**Farm & Commercial  
Product Lines**



- ✓ Construction Complete
- ✓ Technology Transfer Underway
- ✓ Capable of Producing All AGI Commercial & Farm Products

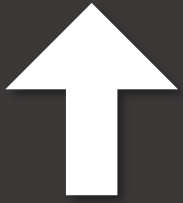


- ✓ Investment in Sales Team
- ✓ Brazilian Economy and Ag Sector Improving
- ✓ Backlogs Reflect Increasing Farmer Spending

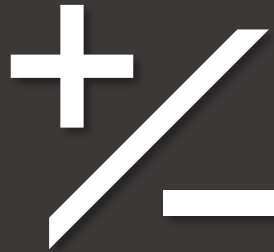


# SUMMARY

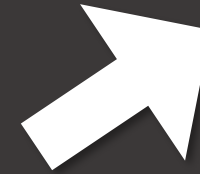




**Canadian Farm Market  
Outlook: Stable/Positive**



**U.S. Farm Market  
Outlook: Improving**



**Crop Volumes  
Outlook: Long Term  
Growth**



**North American Commercial Business  
Outlook: Stable**



**International Commercial Business  
Outlook: Strengthening**



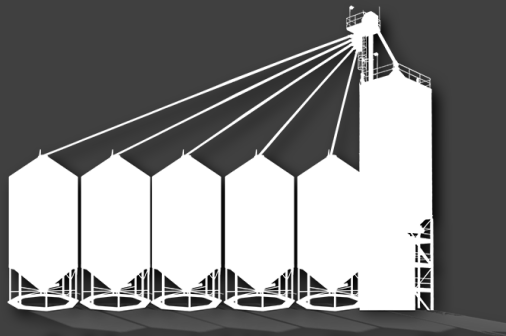
Global Grain & Fertilizer Infrastructure



Investment in Brazil

# M&A

Continued Consolidation



Fertilizer & Material Handling Platform



Field to Consumer



Operational Efficiencies





# AGI

System Solutions from Farm to Consumer