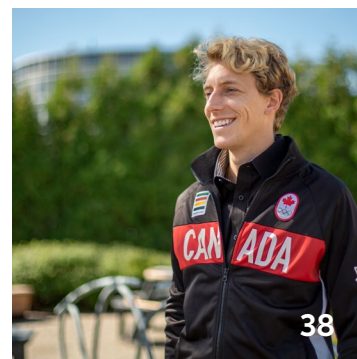
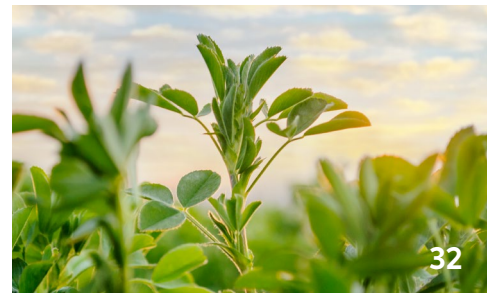




**2021**

**PREMIER TECH REPORT**

We are Premier Tech



Contents

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**PEOPLE AND  
TECHNOLOGIES**

**MAKING A  
DIFFERENCE**

A man and a woman are working in a garden. The man is kneeling on the grass, tending to a raised garden bed filled with various green plants. The woman is standing in the background, also working in a garden bed. A blue shed is visible in the background. The scene is set in a lush, green environment with trees and a clear sky.

One team driven  
by a shared passion  
to deliver solutions that help

**FEED  
PROTECT  
IMPROVE  
OUR WORLD**



# A Year Where Our Passion Made All the Difference

## Being passionate. Giving our best day after day.

At Premier Tech, our passion is the driving force that pushes us to excel and give our all in everything we do, from start to finish.

Last year was hard for many people. It was a long year, with many challenges, yet it didn't get the best of our resilience and resolve.

With the firm intent to keep our team members, clients, and partners safe, we found new ways of connecting. We had to self-isolate and accept the fact that we couldn't get together and bond the way we love to do. It was a necessary sacrifice, but one that will soon be behind us.

From Montijo to Bécancour, from Mèze to Rivière-du-Loup, we stayed the course and overcame this crisis by working even more together, but never have we so deeply missed the power of human connection — the locus of our Culture.

Human connections are an essential part of our DNA. They shape who we are as a company, as team members, as a community, and as people. Virtual connections have protected us, but they are a poor substitute for genuine connection, the emotional impact of meeting in person, the power of interpersonal relationships, and the full potential of human cooperation.

Once this crisis subsides, companies everywhere will have the opportunity to choose how they reengage. That's why this past year plays a decisive role in our future. Because we are choosing to come back with an even stronger focus on people.

It's clearer than ever that our community culture, with its strong, long-term relationships, thrives on spontaneity and the everyday interactions that happen when people who share the same passion and interests spend time with each other. The best ideas emerge when we're together. And it's in these moments that we truly get to know each other and lay the foundations for the meaningful connections that sustain us going forward.

Never has the importance of human connection been so crystal clear. Our Culture and Values are rooted in the idea of a team, the unique synergy we have as a group, the inspiration that multiplies our power to act and create.

Our ability to make a difference depends on the lasting relationships we have built over time and will continue to forge in the future. No matter what tomorrow holds, we will be united, connected, and ready to move forward together. Just as we have been doing now for almost a century, and this year especially.

— The Premier Tech Team

# Message from the Leadership Team

At Premier Tech, everything we do stems from a genuine desire to build lasting relationships — with our suppliers, partners, clients, team members, and the communities we call home. This longstanding commitment to balance the short and long term has always been a big part of our success. Driving this ambition is a desire to grow globally while strengthening our local footprint. This opens up a world of possibilities for our products and services while positioning Premier Tech as a world-class

partner for our clients. The strength of our deep local roots puts us at an advantage to help our clients succeed in whatever they set out to do.

Our acquisitions and investments in fiscal 2021 are a further step in this direction. Close proximity to markets and extensive brand reach allowed us to take an increasingly glocal, agile, and proactive approach to build on our proven track record of performance and profitable growth.

**“Being glocal is about growing globally while making a difference locally.”**

In fiscal 2021, Premier Tech grew by 6.3% over the previous year, with \$982 million in sales. This \$58 million increase — comprised of 4.9% organic growth and of which 1.4% is driven by fiscal 2020 and 2021 acquisitions — confirms our connection with our clients and the relevance of our products and services, and shows that our businesses are in tune with leading technological, economic, and societal trends.

Along with sales growth, Premier Tech posted operational earnings before interest, taxes, depreciation and amortization (operational EBITDA) of \$105 million in 2021, or 10.7% of sales for the period. Once again, this new record is an improvement in operational EBITDA in absolute figure as well as a 1.5% improvement as a percentage of revenue over the previous fiscal year.

Such results show that Premier Tech is resilient and able to nimbly and proactively adapt to the most unexpected, volatile, and complex situations.

These results also underscore the value of our strategic approach and our discipline in envisioning and paving the company’s future by rigorously mapping out our Innovation, Research and Development activities and broadening the scope of our Strategic Planning Model. Our drive to master our destiny and build a lasting enterprise is delivering results in line with our expectations both now and as we move forward. Since going private in February 2007, Premier Tech has posted a compound annual growth rate (CAGR) of 11.1% in sales and 10.9% in operating EBITDA. Over this period, our sales have risen from \$250 million to \$982 million, and our operating EBITDA from \$27.5 million to \$105 million, which represents an increase of \$732 million and \$77.5 million, respectively.

“More than just a ripe opportunity, each acquisition is backed by a rigorous selection process and disciplined execution and integration.”

#### Five Criteria to a Successful Acquisition

- 1** Our entry criterion is that it is a winning company. One that is profitable, well positioned in its markets, and its Leadership is looking to grow and work even more closely with its clients.
- 2** The acquisition allows us to integrate or accelerate the development of a new technological platform, to add key products and brands with potential to grow internationally.
- 3** The transaction enables us to enter a new territory or country, or a new market sector.
- 4** Through this integration we can consolidate our supply chain, increase our manufacturing footprint or increase our market share.
- 5** Our exit criterion — if things are not delivering the expected results, under no circumstances can it slow down our development and growth. The situation would need to be contained and taken care of, so we can keep on investing on opportunities brought forward by our other business groups.

Then we need at least one of the following strategic criteria:

At Premier Tech, we have always viewed periods of external upheaval and instability as opportunities to accelerate our positioning and development. Fiscal 2021 is a perfect example of that philosophy. We started actively pursuing acquisitions again in June and have since completed seven transactions: EPARCO, ArdTIC, AMI Assainissement, AQUA Assainissement, NEVE Environnement, and H2PRO as well as strategic peat moss reserves in Manitoba.

These transactions allowed us to add new brands to our solid portfolio, specifically EPARCO®, which is already well established in the French market for residential on-site wastewater treatment. These acquisitions also position us in new market segments and contribute greatly to our efforts to diversify our distribution channels and interactions with clients. Six of these acquisitions were completed outside Canada, which is squarely in line with our global vision of growth and development.

Our digital strategy, which is gaining momentum, was core to our efforts in fiscal 2021. The acquisition of French company ArdTIC marks our Digital business group's first foray into Europe. Together with acquisitions by Premier Tech Water and Environment, the ArdTIC acquisition bolsters our presence in the French market as well as our

commitment to France, which accounts for a significant percentage of overall sales — France being the country with the third most important sales..

Our digital acceleration was further amplified at the start of fiscal 2022 when we joined forces with Mirego and its team. This strategic move adds depth and a range of new skills to our digital technology teams and will be greatly accretive as we diversify our offerings. With this acquisition, Premier Tech Digital has become one of the few international players to provide clients with complete end-to-end support in their digital transformation.

We are approaching the next 24 months with the same agility and strength we demonstrated after the recession and financial crisis of 2008. The structuring transactions we executed during that period allowed us to significantly streamline efforts to diversify our lineup of products and services and strengthen our global presence. The next two years will also present key opportunities for acquisitions that will serve as springboards to organic growth for Premier Tech and its business groups for years to come. We're therefore always on the lookout for transactions meeting our criteria and continuously cultivate ties with key players so we can be proactive whenever opportunities arise.



## Investing for the Future

As we begin strategic planning for VISION 2027, we are more determined than ever to gain a deeper understanding of the major trends driving our markets. This includes looking at our external and internal environments, as well as the intuition, experience, and ambition of Premier Tech team members. Digital, glocal growth, scaling up our client solutions strategy, and growing the recognition around the Premier Tech brand were all key priorities of VISION 2023 and they will remain vital as we pivot towards 2027.

Alongside strategic planning, our latest Innovation, Research and Development results have once again allowed us to position ourselves at the forefront of market trends and better deploy our various technology platforms. In the coming year, we will continue to leverage the agility of our teams and the business velocity of our products and services to achieve profitable growth, while accelerating our digital transformation and investments.

Fiscal 2021 saw significant investments in manufacturing, team training, as well as Innovation, Research and Development. By 2027, these investments will represent over \$350 million and will have led to the creation of some 1 200 new jobs around the world. The goal of this financial commitment is to support the strategies and actions set in motion in our current strategic plan and guide us as we look further ahead to 2027. In addition, a significant portion of these investments — over \$100 million — will go towards enhancing our current products and developing new commercial offers to shore up our technological leadership in various market sectors.

## Fiscal 2022: On the Road to a Billion Dollars

With our long-term vision and track record of profitable growth, Premier Tech is poised to achieve a major milestone by the end of the 2022 fiscal year: one billion dollars in revenues. It is a big achievement that highlights the full scope of our promise to our clients, and our ability to continuously and sustainably deliver value to them. This watershed moment in our nearly 100-year history is a testament to our clients' loyalty to our brands and our tireless commitment to always doing more to help them succeed. We extend a heartfelt thank you to all our clients, partners, and team members. We will always pursue our efforts to make a difference by doing the right thing at the right time to help feed, protect, and improve our world.

Making a difference together.

## WE ARE PT

— Leadership Team

# Our Digital Journey

This year only, technology has taken a huge step forward, playing an ever more important role in our everyday life. In such a fast-paced digital world, technologies and trends constantly evolve. That's why all businesses must embrace change in a timely manner and make digitalization front and centre to their business strategies and investment priorities.

## Entering the Digital World

Back in 2016, we decided to set our sights on a new goal: gain a deeper understanding of digital technologies and transform our daily operations at a much faster pace.

First, we decided that our digital journey would be centred around two core elements that needed to work together, but still have their own set of objectives and metrics. We wanted to transform ourselves and make the digitalization of our business a reality. Today, across various projects and teams worldwide, we have close to 100 team members fully dedicated to this effort — up from fewer than ten just five years ago.

We also decided that not only our journey would be internal, but that we would launch a new business group, Premier Tech Digital. It was officially announced in 2017 and now only four years down the road we have almost 200 team members leading the effort of bringing digital products and services to our worldwide customers in order to help them accelerate their own digital transformation.



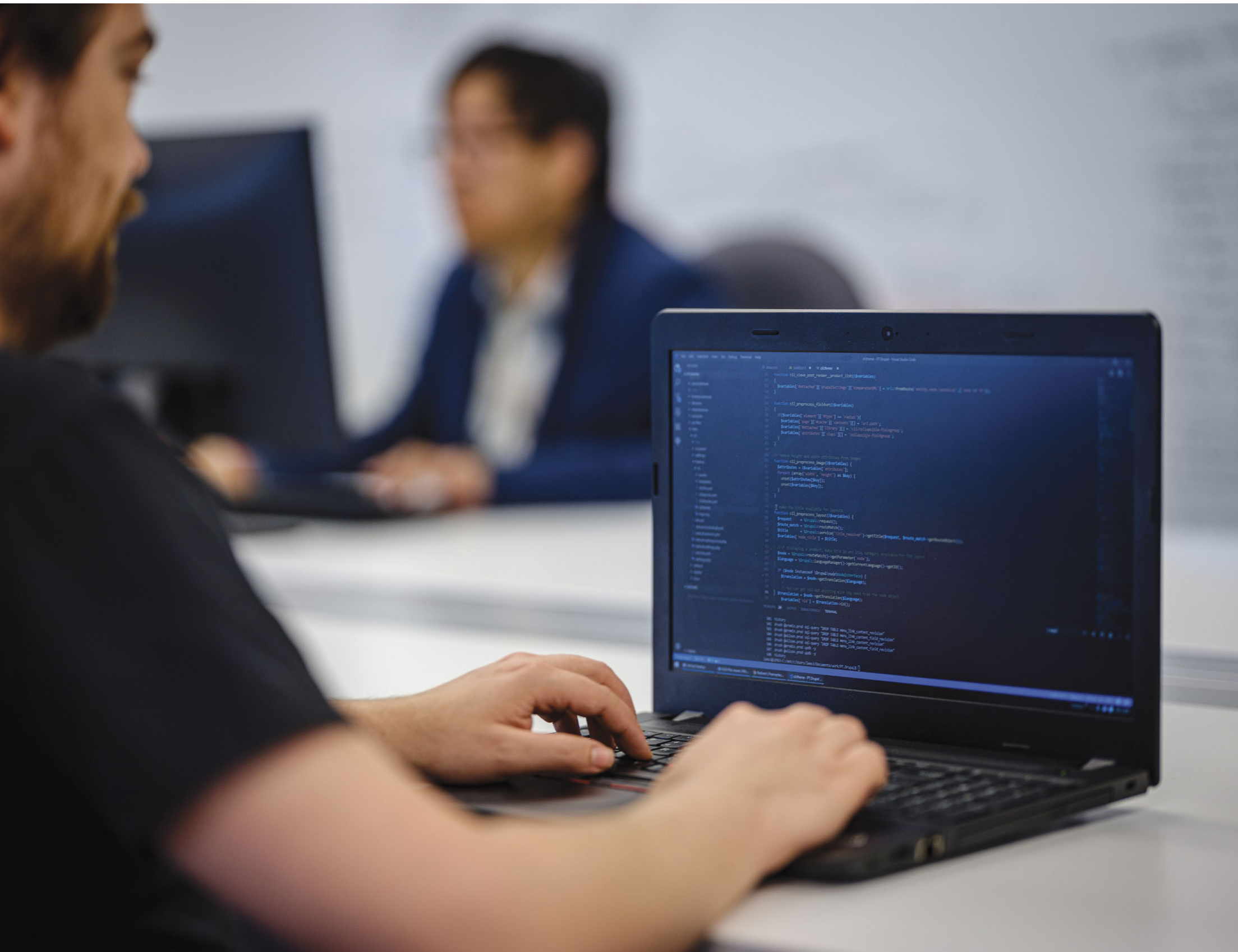
## The Story of Our First Digital Product

People today can hardly spend more than a few minutes without looking at their phones. Why? Because there is an app for everything. This desire for easily and rapidly accessible solutions was soon reflected into our clients' visions of their own digital transformation.

The launch of Liveline™, in March 2021, is a landmark moment for our Digital business group. A true innovation, Liveline™ is aimed at helping original equipment manufacturers digitalize their commercial processes and create a better customer experience. This cloud-based software enables real-time quick and intuitive production line configuration for both sales force and customers.

During its development, our team tapped into the potential of video game technologies to create a highly visual, immersive and unique experience for all. Transforming a traditional commercial approach into a valuable 4.0 experience across all users.

Perfectly highlighting the synergy and collaboration between our various business groups, this new digital product was created with Premier Tech Systems and Automation as the development and launch customer. This proximity enabled an intimate feedback loop between the users and the development team, allowing us to deliver significant value to all our stakeholders.



## Think Big, Start Small

Our team of consultants and experts is all about leveraging innovative digital technologies to empower our customers in their own process of digital transformation. Their journey can start with a simple overall equipment efficiency (OEE) or go all the way to the implementation of a complete manufacturing execution system (MES) or advanced planning and scheduling systems (APS). As an official integrator for GE Digital — or through our own applications — we can work hand in hand with our clients and allow them to think big but start small in the digitalization of their processes.

With a strong foothold in North America — and now in Europe — we can better support our clients in their industry 4.0 projects. Deploying and adapting innovative end-to-end solutions to enable their goals of higher assets utilization and increased efficiency, while improving customer satisfaction and engagement.

## The Future Is Digital

At Premier Tech, digital transformation is at the forefront of our vision for the future. Driven by a unique passion for innovation and digital technologies, we will keep on adding to our portfolio of skills and our expertise, while exploring new market spaces to help transform companies and industries. In such a fast-moving technological environment, we are committed to investing in future digital products, pursuing strategic acquisitions as we see fit and expanding our team capabilities through training and hiring in order to deliver upon our strategic goals and ambitions.



## Celebrating 25 Years of Passion

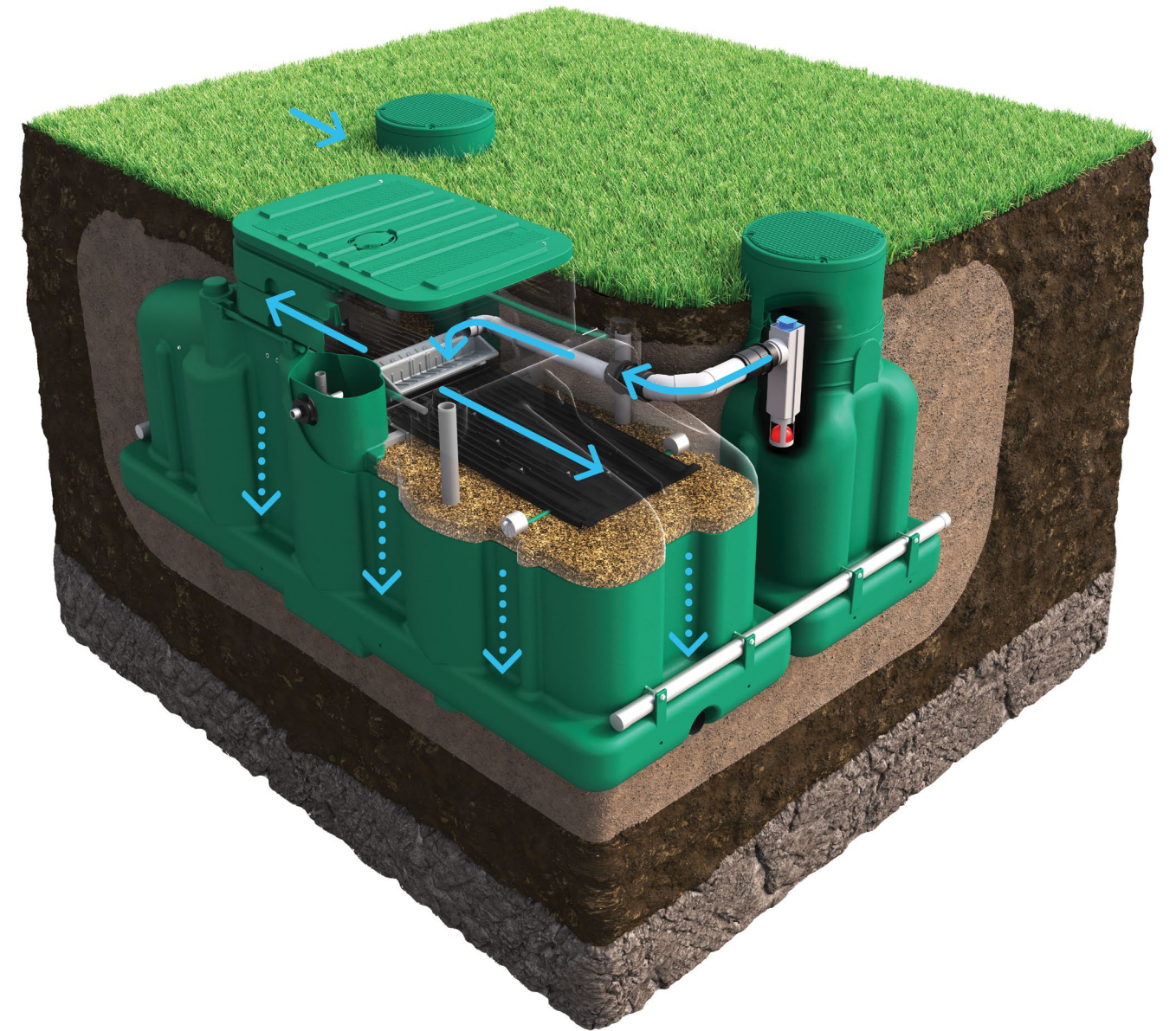
As the Ecoflo® biofilter celebrates its 25th anniversary, we look to the future and celebrate the incredible potential the brand still has to offer. Twenty-five years of passion and innovation at Premier Tech Water and Environment have only strengthened our drive to create sustainable solutions. Because that's how we make a difference: by making sure today is all about protecting tomorrow.



## Sustainability Matters

Innovating for the long term requires a vision, a transformative drive to bring to life ideas that will stand the test of time. It means looking beyond product development to imagine innovative solutions that will have a real impact on our planet and significantly transform an industry.

Ecoflo® brand was born of such an innovative idea: to leverage the full potential of peat moss and create a technology with a genuine impact. This venture gave rise to a brand-new industry, sparked 25 years ago by the commercial launch of the onsite wastewater treatment system with the smallest environmental footprint. As a company that cares about the impact we have on the world around us, we are more determined than ever to create greener solutions rooted in a sustainable life-cycle approach. From inception to commercialization, the Ecoflo® biofilter is a testament to our longstanding commitment to protecting our health and improving the quality of our water resources. With its natural, renewable, and compostable filtering medium now available in a 100% coconut husk fragments version, the Ecoflo® biofilter gives a second life to a valuable resource while upholding its promise of sustainability.



# Arvès: The Story of a Brand

Our commitment to the rainwater harvesting industry isn't anything new — we've been active in this field since 2010. When we started, our Water and Environment business group was largely focused on deploying the Ecoflo® biofilter in France, and our product portfolio was rather limited. Four years later, we made our first incursion into the German market and acquired Rewatec, thereby adding a range of rainwater harvesting products to our lineup. Although most of the solutions at that time were mainly inground products, it was becoming increasingly clear that decorative harvesting solutions had real market potential, and we took notice. This led to the acquisition, in 2016, of 3P Technik which added a complete line-up of products aligned with our vision for this market sector.

With the launch of Premier Tech's new brand image, nearly a decade on, we made the strategic decision to endorse our product brands with the Premier Tech brand. But we needed a flagship brand for our products and services in aboveground

rainwater harvesting. This brought us to create Arvès®, a whole new brand perfectly in line with our vision and ambitions for this promising sector.

## Inspired by the Beauty of Water

For so many, design refers to something trendy, stylish, merely pretty. Yet design comes from an idea that is so well conceived, it appeals to both our senses and our intellect. Because creating purposeful, aesthetically pleasing and sustainable solutions is a natural extension of who we are and allows our clients to, in turn, make a difference. By harvesting rainwater in their own backyard, our clients then contribute to protecting the world's water resources.



# Making a Difference Through a Successful Partnership

When two international leaders pool their similarities and common vision to work together in complete synergy, the result is a thriving and sustainable partnership.

Partnerships like these owe their success to an undeniable chemistry, or a natural symbiosis, between the parties. For Bühler and Premier Tech, it was clear from the moment discussions first began that this was a perfect fit. That compatibility is clearly reflected in two similar cultures forged by a rich company history.

But chemistry aside, what else drives a company to associate its name with that of another? Several fundamental questions come into play here. Do we have common values? Do we share similar goals? How could this partnership contribute to the success of our respective clients? Could it lead to the creation of sustainable solutions?

In our case, the answers spoke for themselves.

Not only are we active in complementary markets, we also share a commitment to creating value for

our clients through innovative and tailored solutions. Bühler and Premier Tech have a lot in common in other areas, too. Like our mutual drive to feed and protect our world, to foster safety and security for all, and to promote sustainable development. And most of all, our shared belief in nurturing our team members' talents and working together as one to make a difference.

A partnership isn't something you simply venture into. It takes serious thought and a willingness to go all in. We believe that a partnership's long-term credibility and success are closely tied to the level of commitment on both sides and an open approach where each entity maintains its own identity and image, while at the same time elevating each other's brand.

That way — as with a positive chemical reaction — our individual impact is multiplied many times over. We now offer a new range of technology, as well as advanced and cost-effective equipment — something that simply wasn't available in certain markets before. Together, we're making an even bigger difference.



# Together We Go Further

Building on our shared passion for innovative technologies, we joined forces with Bühler to create unique solutions perfectly in line with our commitment to creating value for our clients.

What began as a close collaboration and joint venture in China quickly evolved into a global partnership. The goal? To develop flexible, advanced packaging equipment and solutions for

emerging markets — while optimizing the deployment of our state-of-the-art technologies around the globe.

This nearly three-year-old partnership has enabled us to fulfill incredible things and holds out great promise for the future.



## 2018

Talks of cooperation regarding packaging and palletizing systems get underway in 2018 after a promising initial contact with Bühler.

## August 2019

Negotiations culminate in August 2019 with the conclusion of a **strategic cooperation** agreement on flexible industrial packaging systems aimed at developing competitively priced technologies — tailored to the requirements of clients in emerging markets — as well as a joint venture in China. These solutions are greatly inspired by high-performance technologies of the Premier Tech portfolio.

## May 2020

This successful collaboration paves the way for a new phase. In May 2020, a **global partnership** establishes Premier Tech as Bühler's strategic partner for all its clients' palletization and flexible industrial packaging equipment needs worldwide. With this partnership, Bühler gains access to our advanced technologies and benefits from our global manufacturing presence and service teams.

## July 2020

In July 2020, the Chinese joint venture is launched with the opening of a **design and manufacturing centre** built to provide clients in emerging markets with modern, cost-effective packaging technologies.





And that's only the beginning! Our teams are developing and expanding the product portfolio to support our clients and meet their needs in the various market sectors and segments Premier Tech and Bühler are committed to.

Our goal is to make sure our clients feel the difference of working with two industry leaders — two companies joining their strengths to provide top-level expertise and ultimately make a difference.

### March 2021

In March 2021, the joint venture launches its first product, the **CHRONOS OML-1060**. This fully automatic bagging station for the food, grain, and animal feed industries is a cost-effective version inspired by our top-of-the-line solutions.

- p.28 Talks start in 2018
- p.28 **Inking a strategic cooperation agreement.** Johannes Wick, CEO Grains and Food at Bühler, and André Noreau, President and CEO of Premier Tech Systems and Automation.
- p.29 **From strategic cooperation to global partnership.** Mark Macus, CFO at Bühler, Martin Noël, Senior Vice-President and CFO at Premier Tech, the late Dieter Vögtli, former President of International Operations at Bühler — we take this opportunity to pay tribute and honor Dieter Vögtli, an outstanding leader, who sadly passed away before the Chinese joint venture was opened — André Noreau, President and CEO of Premier Tech Systems and Automation, and Stefan Scheiber, CEO of Bühler.
- p.29 **The joint venture takes shape with the opening of the Chinese design and manufacturing centre.** The Premier Tech – Bühler team in China.
- p.30 **Launch of the first system manufactured by the joint venture.** The CHRONOS OML-1060.



# Stepping Up to Protect Our World

When you merge intrapreneurial spirit with a burning desire to innovate, everything becomes possible. That's how we came up with a transformative idea: leveraging our know-how, our 30 years of expertise and our deep knowledge of biotechnology to better our world. This also inspired us to create a whole new business group, our fifth: Premier Tech Life Sciences.

At Premier Tech, we're convinced that our potential as a company and the extent of our commitment to build a better world are as boundless as our imagination and our collective spirit of entrepreneurship. That's why we've continually invested in innovation — particularly in biotechnology — for over 40 years. Through these investments and our many years in horticulture and agriculture, we've built a large portfolio and an in-depth knowledge of natural active ingredients with much larger properties and applications than that of the horticultural market. Thanks to this special access to raw materials — in the form of microorganisms and molecules — and to the strength of our production and formulation processes, we're ideally positioned to develop sustainable innovations and harness the full potential of biotechnology.

We're driven by the desire to create value by delivering a unique, innovative and targeted offering. We're also determined to meet the ever-growing

needs of the human and animal food sectors. We now see our markets differently, which lets us broaden our offering and horizons.

The creation of Premier Tech Life Sciences is the natural evolution of an almost century-old company. A business that, while deeply rooted in its markets and stable, is still young and vibrant with dynamism, innovation and ambition. Bold moves like these allow us to fuel our growth and development for years to come — while staying true to our long-term vision.

## Powered by Nature

Our strategic partnership with Virentia — a Québec startup in biotechnology — is integral to this development. Virentia uses a scientific and environmental approach to extract high-value components in alfalfa and turn them into vegetable protein and other high-value byproducts.

In March 2021, Virentia announced the start of the Phase 1 construction of its Québec plant. A 45-million investment that will lead to the creation of some 50 jobs. The complementarity of our technological platforms will also allow Premier Tech Life Sciences to rapidly enter the market with a credible and structured offer.

# Fostering Talent

At Premier Tech, we are constantly pushing our limits to reach new heights. To do so, we mainly focus on developing our professional skills and technical knowledge.

In 2015 — in the midst of our strategic planning for 2020 — we created our very own in-house university. Since five years, the contribution of the 14 team members of the University of Premier Tech (UPT) has allowed each team member to develop their skills and professional career.

UPT aims to empower team members to improve their knowledge and expand their skills in order to deploy their talents, fuel their passion and fulfil their ambitions. This all takes meaning with the different career paths offered to those who wish to grow their expertise or become managers. With 250 trainings, courses and programs offered online — through its mobile learning platform launched in 2018 — UPT supports the technical and technological development of team members and contributes to growing our expertise on a daily basis.



“The innovative training programs offered by UPT are part of our increasing investments in training since 2010 and demonstrate our long-standing desire to help team members grow. UPT represents a yearly \$7M investment.”

— Yvan Pelletier • PELY2



We believe that the strength of the Premier Tech Team is built on its diversity and collective know-how. That's why we created UPT, which allows us to develop our expertise according to our preferences and aspirations. It enables each of us to contribute to our clients' success, while supporting the growth and long-term success of the company.

### **Lasting Partnerships to Drive Innovation**

We constantly invest the time and energy needed to master the science behind our commercial offers and extend the use and reach of our technologies. This thirst for excellence allows us to create timeless products and services, and offer technological solutions perfectly adapted to our clients' needs. To drive this desire to constantly achieve more and offer trainings that are relevant to the markets' realities, we have built solid partnerships with academic institutions. One of the ways of bringing this collaboration to life is through a scholarship program for graduate students in engineering at Université du Québec à Rimouski. Since 2017, \$150 000 have been given to five students. Selected applicants have been working on innovative projects in flexible and rigid industrial packaging. With such lasting and tangible results on our technical offer, our commitment to these institutions truly comes to life.

Constant collaboration between stakeholders in the surrounding technological ecosystem helps us develop innovative, environmentally friendly technologies — a symbol of our meaningful commitment to the academic world.

# Athletes Who Embody Premier Tech

We firmly believe our involvement in sports has a bigger impact when we're there for the long run. When we commit to young, driven athletes, we support them through their whole journey. Over the years, we have sponsored some 20 athletes with whom we have built such lasting bonds of trust that, in their own way, they too become members of the Premier Tech Team.

We don't believe in status quo. We believe in always doing better. In raising the bar. In being an inspiration to each other. We surround ourselves with the best, with partners who share our deep desire to succeed and aim for the greatest goals. Every day,

Premier Tech athletes devote time and energy to unlocking their full potential. In their tireless pursuit of excellence, they stop at nothing to achieve their lifelong dreams.

Together, we are stronger. We go further. Fueled by a shared passion for excellence, we can accomplish great things. We leverage the synergy of the team to succeed together, with each team member playing a key role and contributing in their own way. We believe that, in sports as well as in business, tapping into the power of the team allows everyone to truly bring their best to the table.



**Hugo Houle**  
Cycling

“The strength of the Astana – Premier Tech team comes from our diversity. We each bring our own skill sets that propel us further. We are a big, close-knit family ready for any challenge.”



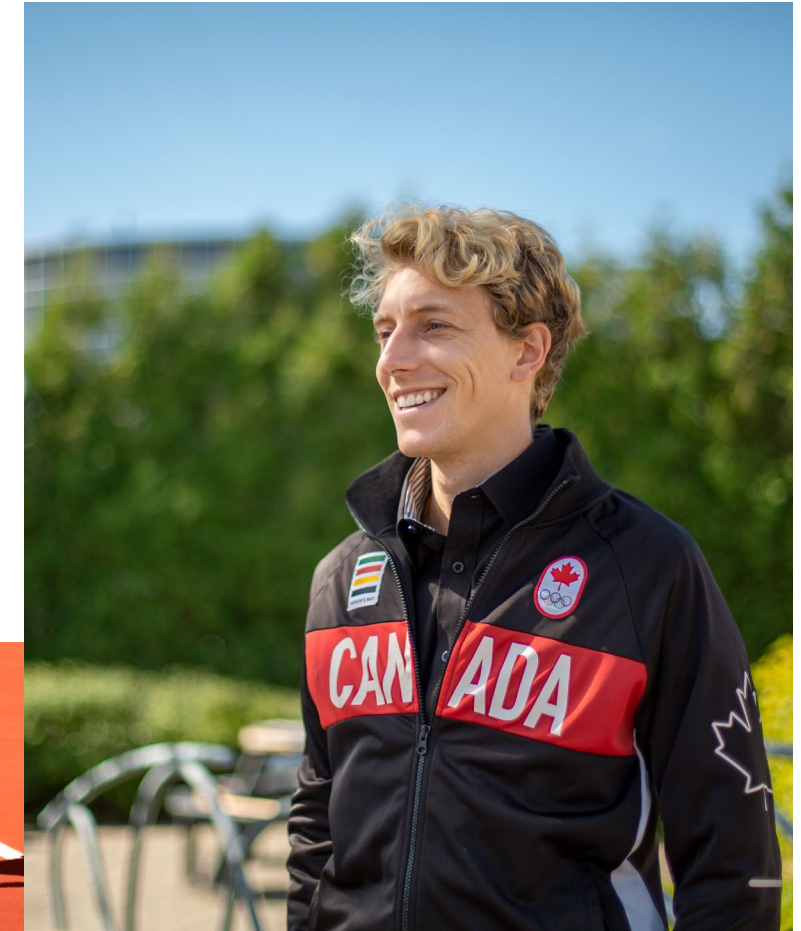
**Laurence Côté**  
Track and Field

"I'm fully committed to being the best version of myself, on and off the race track. That's why I work hard every day — to improve and up my performance."



**Charles Philibert-Thiboutot**  
Track and Field

"In sports as in life, mindset makes all the difference. That's why it is so important to team up with motivated, determined players like Premier Tech."



**Alexis Marceau**  
Short Track Speed Skating

“Being able to train with elite Canadian athletes allows me to push my limits every single day. Teamwork is a huge motivator for me.”



We look forward to following the finals of the 56th Québec Winter Games, which will be held in 2022 in Rivière-du-Loup. As a partner and contributor to the event, we are proud to help young athletes shine. Watching these young people achieve their dreams makes our support all worth it.

With the 2021 and 2022 Olympic Games fast approaching, Premier Tech athletes will get to experience some pretty exciting moments in the coming months. While many are eagerly awaiting their official invitations, Hugo Houle has already secured a spot in the next Olympic Games, where

he will compete for the second time in his career. And he is not the first Premier Tech athlete to make it to the Olympics. Our support for athletes is part of our longstanding commitment to health and sports, and some of our athletes — including short-track speed skater Guillaume Bastille and cyclist Joanie Caron — have also competed in the Olympics during their partnership with Premier Tech. We are proud to support our athletes as they strive for this major milestone in their career.

Good luck to all Premier Tech athletes!  
**The Premier Tech Team has your back.**



# Astana – Premier Tech

## United, We Race

Behind every winner stands a strong and diverse team working towards a common goal. One team setting the pace and building on the momentum to create an unparalleled synergy. In both sports and business, teamwork, strategy and consistency are the cornerstones of success.

That's why there are such strong similarities between Premier Tech and cycling. Every day, our team leverages the strong bond that unites us in order to make a difference, as a business and as athletes. After all, cycling is the embodiment of teamwork — and so are we.

## United, We Cheer

Sport brings us together — team members, clients and partners alike. We are all united behind this one team, the Astana – Premier Tech team. Because no other sport brings us as close to the action as cycling. This creates a strong wave of pride and support that transforms entire nations into stadiums. This is our team.

## United, We Inspire

We believe the road to becoming a professional athlete is a journey. And as the first Canadian flag on the WorldTour circuit, we are paving the way for the young Canadians of tomorrow. Those aspiring to become professional riders or to work as mechanics, sports directors, trainers or health specialists within a cycling team. Driven by a genuine passion for cycling, we make sure to expand our involvement at every step of the sport, from development teams to the UCI WorldTour level.



Michiel van der Meer

Chris Auld (@cauldphoto)





## Making Our Brands Shine

Endorsing our brands means bringing to life our promise of making a difference through all our products, in harmony with our leading market brands. It's all about connecting people and technologies to create products and services that help feed, protect and improve our world.

PT Growers and Consumers

**PROMIX**



COMPRESSED PACK

These compressed packs contain two cubic feet of high-quality, ready-to-use garden and potting soil and come in recyclable packaging — an ecological choice using 50% less plastic.



## PT Systems and Automation

CHRONOS™

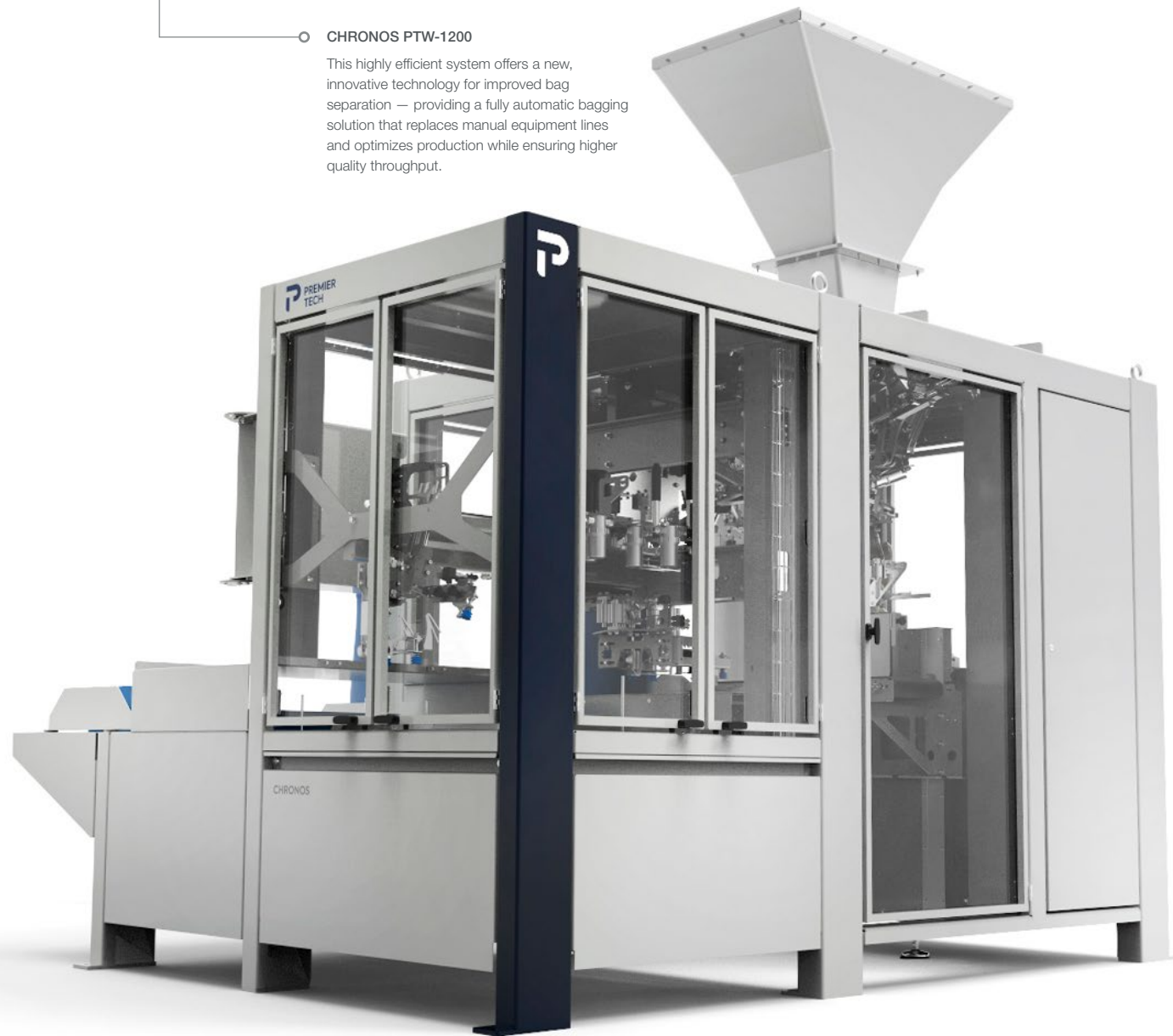
KOCKUMS™

SLOOTWEG™

PRAIRIE™

○ CHRONOS PTW-1200

This highly efficient system offers a new, innovative technology for improved bag separation — providing a fully automatic bagging solution that replaces manual equipment lines and optimizes production while ensuring higher quality throughput.



## PT Water and Environment

ECOFLO® REWATEC® ARVÈS® ECOPROCESS® CALONA®

○ ECOFLO®

The Ecoflo® biofilter is the most sustainable wastewater treatment system available on the market and the best way to protect properties and the environment for the future.





○ **LIVELINE®**

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**Bernard Bélanger**  
Chairman of the Board



**Germain Ouellet**  
Senior Vice-President  
Human Resources  
*Corporate Secretary*



**Martin Noël**  
Senior Vice-President  
Chief Financial Officer

**Jean Bélanger**  
President  
Chief Executive Officer





**André Noreau**

President and Chief Executive Officer  
Premier Tech Systems and Automation



**Martin Pelletier**

President  
Premier Tech Growers and Consumers



**Henri Ouellet**

President  
Premier Tech Water and Environment



**Michel Noreau**  
Senior Vice-President  
Information Systems and Procurement



**Yves Goudreau**  
Vice-President  
Corporate Development



**Wilhelm Bielert**  
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Chief Digital Officer



**Pierre Talbot**  
Senior Vice-President  
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**Jean-Pierre Bérubé**  
Vice-President  
Infrastructure



**Yvan Pelletier**  
Senior Vice-President  
Organizational Development

Board of Directors



**Bernard Bélanger** ▲  
Chairman of the Board  
Premier Tech



**Germain Ouellet**  
Senior Vice-President  
Human Resources Premier Tech  
  
*Corporate Secretary*



**Jean-Yves Leblanc** ■  
Corporate Director  
  
*Lead Independent Director  
Chairman, Audit and Corporate  
Governance Committee*



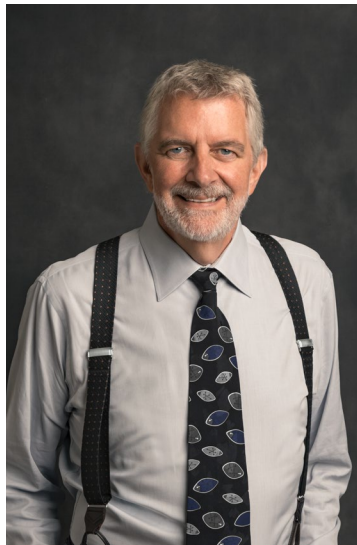
**Jean Bélanger**  
President  
Chief Executive Officer  
Premier Tech



**Anne Darche** ▲  
Corporate Director



**Hon. Martin Cauchon** ▲  
Lawyer  
DS Lawyers Canada  
  
*Chairman, Human Resources Committee*



**Pierre Alary** ■  
Corporate Director



**Louis Hébert** ▲  
Professor of Strategy  
HEC Montréal  
Corporate Director



**Pierre Racine** ■  
Corporate Director

▲ Human Resources Committee member

■ Audit and Corporate Governance Committee member

Financial Review

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# Fiscal Year 2021 at a Glance

## Sales

**\$982<sup>M</sup>**

Our company experienced phenomenal growth in the past year, despite the global pandemic.

## Sales growth in the past 5 years

**\$309<sup>M</sup>**

**62%** Organic

**38%** By acquisition

We make multiple acquisitions over the course of a year. Yet few people know that most of our growth is organic. Indeed, our impressive growth in the past decade is due mostly to the sale of our own products and services as well as our ongoing investments in Innovation, Research and Development. The acquisitions fuel our growth, of course, but their essential role is to accelerate our organic growth.

## Operating EBITDA

**\$105<sup>M</sup>**

Operational EBITDA is an indicator of our performance and ability to generate profitable growth. Yes, increasing income, but enhancing the profitability accordingly. The improvement seen in our latest fiscal year is a testament to the efforts put forth over the last years and to the entire Premier Tech Team's resilience and determination in what was, to say the least, a very unusual year.

## Operating EBITDA growth in the past 5 years

**\$41<sup>M</sup>**

This performance represents a 64% growth over this period. Again, it reflects the ongoing efforts and the investments made over the years.



# Forward-Looking Statements

## Fiscal Year Ended February 27, 2021

The Premier Tech Report includes forward-looking statements regarding the objectives, projections, estimates, expectations and forecasts of the Company or management. These statements are indicated by positive or negative verbs such as believe, plan, estimate, expect and assess, or by related expressions.

The Company cautions that, by their very nature, forward-looking statements involve major risks and uncertainties, which means that the Company's activities or results could differ substantially from what is indicated, whether explicitly or implicitly, in such statements.

Operating earnings before interest on the long-term debt, interest and bank charges, income taxes on earnings, depreciation and amortization — operating earnings before interest, tax, depreciation and amortization: operating EBITDA — is a measurement that has no standardized definition under the Canadian Accounting Standards for Private Enterprises (ASPE). It is included in this Premier Tech Report to provide readers with additional information about the evolution of the results of the Company's operations.

Unless otherwise indicated, all amounts are expressed in Canadian dollars.

# External Factors to Consider

As a business operating in several different sectors, Premier Tech is subject to many external factors that must be taken into consideration to ensure that the Company continues to grow and to generate a satisfactory financial performance. These external factors include credit risk management, exchange rates, interest rates, weather conditions, general economic factors, competition, and various other operational and financial risks.

As such, the Company must not only be forward-looking and proactive, but also adapt to the conditions — whether economic, climatic, operational or competitive — in the markets it services.

# Operating Results

## Evolution of Sales

Consolidated sales for the fiscal year ended February 27, 2021 reached \$982 million, which represents an increase of \$58 million, or 6.3% of sales, compared to the \$924 million reported for the preceding 12-month period. This growth was generated by business acquisitions made during fiscal years 2020 and 2021 in the amount of \$13 million, and by organic growth in the amount of \$45 million, or 4.9% of organic growth compared to the previous fiscal year's sales. This performance

follows a growth of 4.6% in fiscal year 2020, yielding compounded annual growth of 5.5% over the past two years.

In fiscal year 2021, the Company reported a 20.8% increase in sales (7.3% in 2020) for Premier Tech Growers and Consumers (PTGC), a 10.1% increase — following a 4.5% drop in 2020 — for Premier Tech Water and Environment (PTWE), and a 8.1% decrease — following a 6.4% growth in 2020 — for Premier Tech Systems and Automation (PTSA).

## Evolution of Assets to Sales Ratio

From \$0.83 in total assets at year-end for each dollar of sales reported in fiscal year 2016, the Company has progressively improved asset use, reporting \$0.78 in total assets for each dollar generated in 2021. The \$0.05 per sales dollar drop came from an increase of approximately \$0.01 in the working capital asset ratio and a decrease of \$0.06 in the long-term asset ratio, reflecting better use of the production capacity and assets available to the Company. The \$0.01 increase in the working capital asset ratio per sales dollar resulted from an

increase of approximately \$0.03 in cash balance and a decrease of \$0.02 in inventories per sales dollar, showing an improvement in inventory turnover ratio. Moreover, total assets as a percentage of sales at the end of fiscal year 2021 remained the same in comparison to fiscal year 2020 — \$0.78.

Sales growth

\$ **58**<sup>M</sup>

↑ **6.3**%

\$ **0.78**

Total assets per sales dollar  
2021

\$ **0.83**

Total assets per sales dollar  
2016

\$ **0.05**

Improvement in the use  
of assets per sales dollar

### Geographic Distribution of Sales

PTGC generated nearly 89% of its sales from North America (87% in 2020), including approximately 47% in the United States and 42% in Canada, and nearly 11% of its sales in the European Union in 2021 (13% in 2020). As most of PTGC's North American manufacturing operations are in Canada, this means that PTGC is primarily exposed to fluctuations in the exchange rate of the US dollar against the Canadian dollar, and to a much lesser extent, of the euro against the Canadian dollar.

PTSA generated approximately 68% of its sales in North America (70% in 2020), and is therefore exposed to variations in the exchange rate of the US dollar against the Canadian dollar, since most of its manufacturing takes place in Canada whereas the majority of its sales are made in US dollars. Europe represented approximately 18% of PTSA's sales (18% in 2020), whereas Asia and Oceania accounted for about 14% (12% in 2020).

PTWE, which generated some 29% of its sales in North America (28% in 2020), about 63% in Europe (60% in 2020) and approximately 8% in Asia (12% in 2020), had relatively few exchange rate variations to deal with since its revenues, expenses and investments were almost in balance in each of the four main currencies in which it operates. It should be noted that PTWE is the only business group that has larger sales and manufacturing operations in Europe than in North America.



## Operating Earnings Before Interest, Tax, Depreciation and Amortization

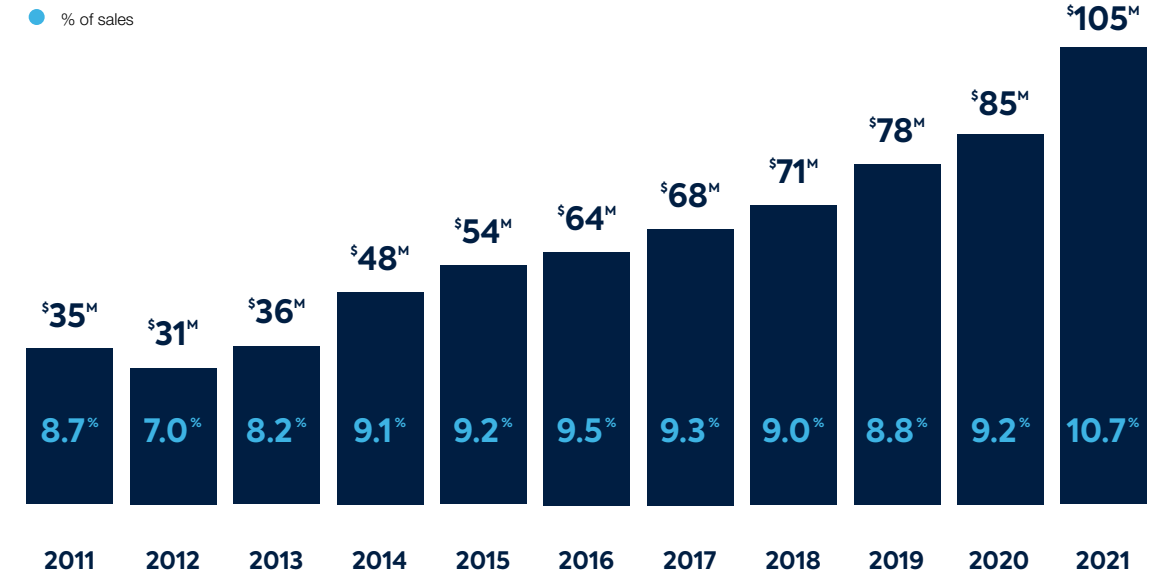
With respect to its financial performance, Premier Tech recorded operational earnings before interest, tax, depreciation, and amortization (EBITDA) of \$105 million for fiscal 2021, which corresponds to 10.7% of sales generated. This new record represents a \$20 million (23.5%) increase in operating EBITDA in absolute figures, as well as a 1.5% improvement in operating EBITDA as a percentage of sales over the previous year.

Operating EBITDA increased by \$20 million to \$105 million as of February 27, 2021, compared with \$85 million for the previous year and \$78 million for fiscal year 2019.

The Company has seen operating EBITDA grow by some \$27 million (34.6%) over the past two years, and \$34 million (47.9%) over the past three years.

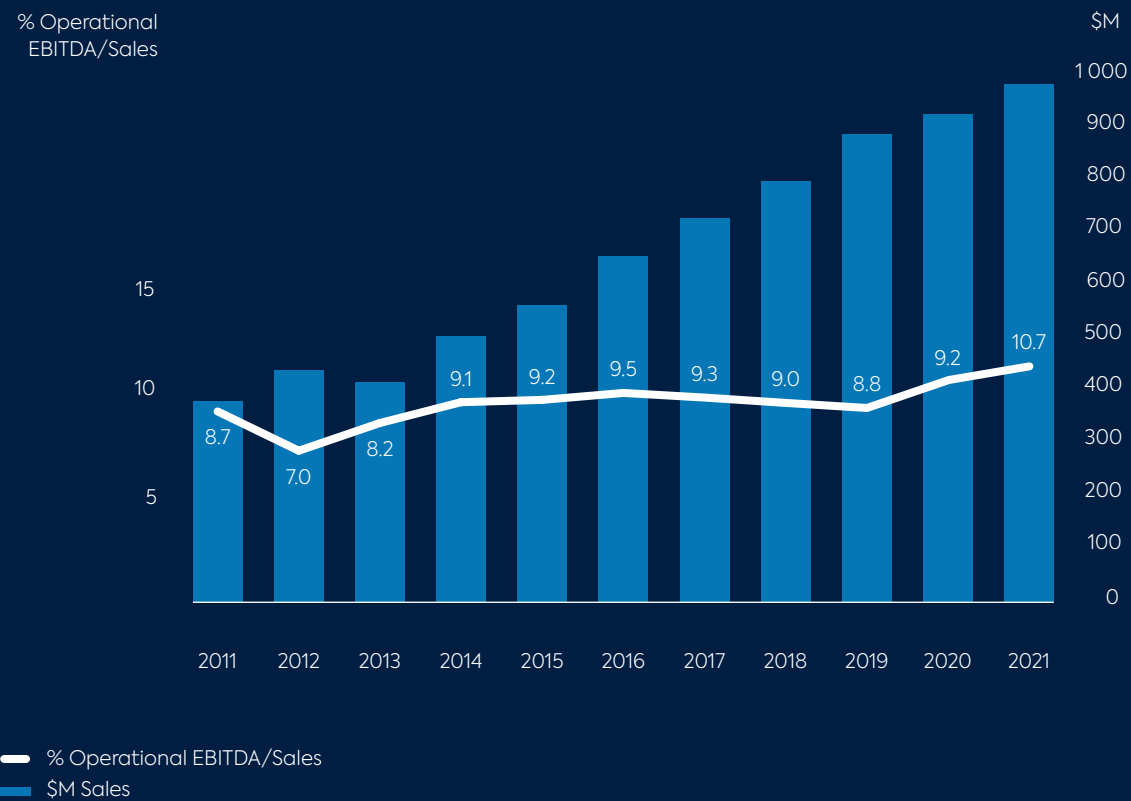
Over the 2011-2021 period, operating EBITDA as a percentage of sales fluctuated from 8.7% in 2011 to a low of 7% in 2012 before rising steadily from 2013 to 2016, when it reached 9.5%. This percentage then slightly dropped to 9.3% in 2017 and stabilized around 9% between 2018 and 2020, to then reach a high of 10.7% in 2021. The operating EBITDA as a percentage of sales went from 9.2% in 2020 to 10.7% in 2021 — Premier Tech's strongest annual improvement in operating EBITDA to this day.

## Operating EBITDA



Operating EBITDA  
**10.7%**

## Sales and Operating EBITDA



## Working Capital and Total Assets

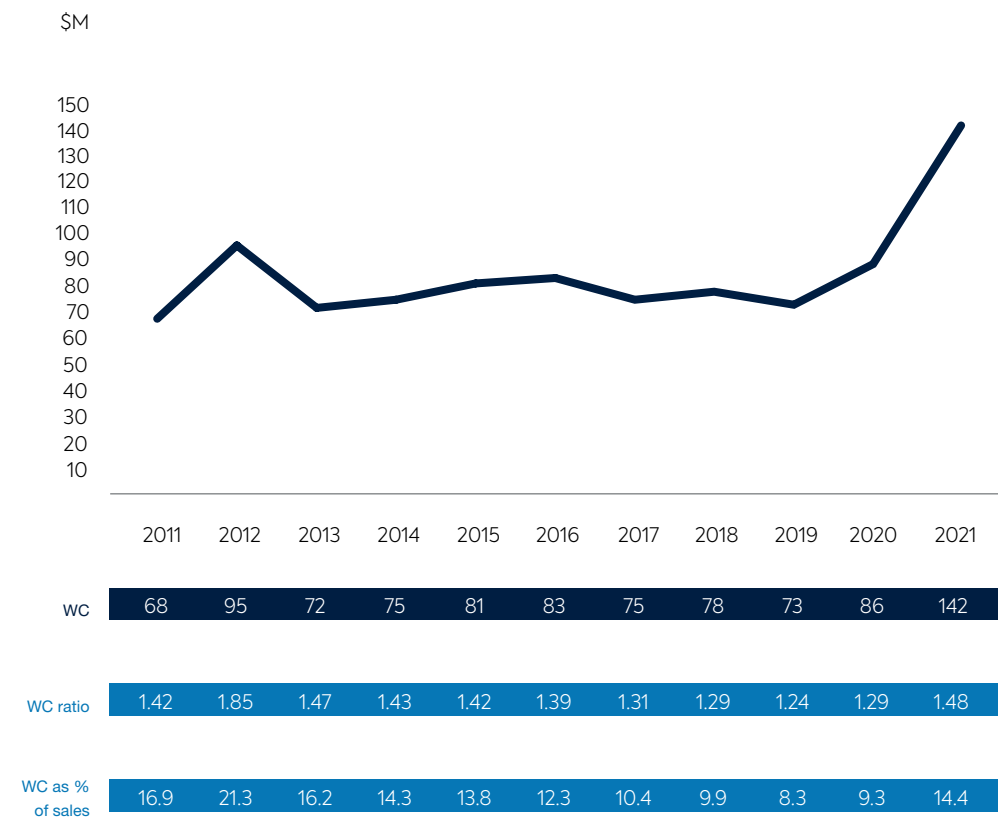
Working capital grew steadily from 2011 to 2012 and has since remained fairly stable in dollars until 2020, varying between \$72 million and \$86 million. It then hit a peak in 2021, reaching \$142 million.

Working capital as a percentage of annual sales fluctuated between 8.3% and 16.9% between 2011 and 2021, with an exceptional peak of 21.3% in 2012, following a refinancing operation that saw \$42 million in term loans put in place, leading to an equivalent working capital injection. The significant increase in net working capital from \$86 million to \$142 million between 2020 and 2021 was due to

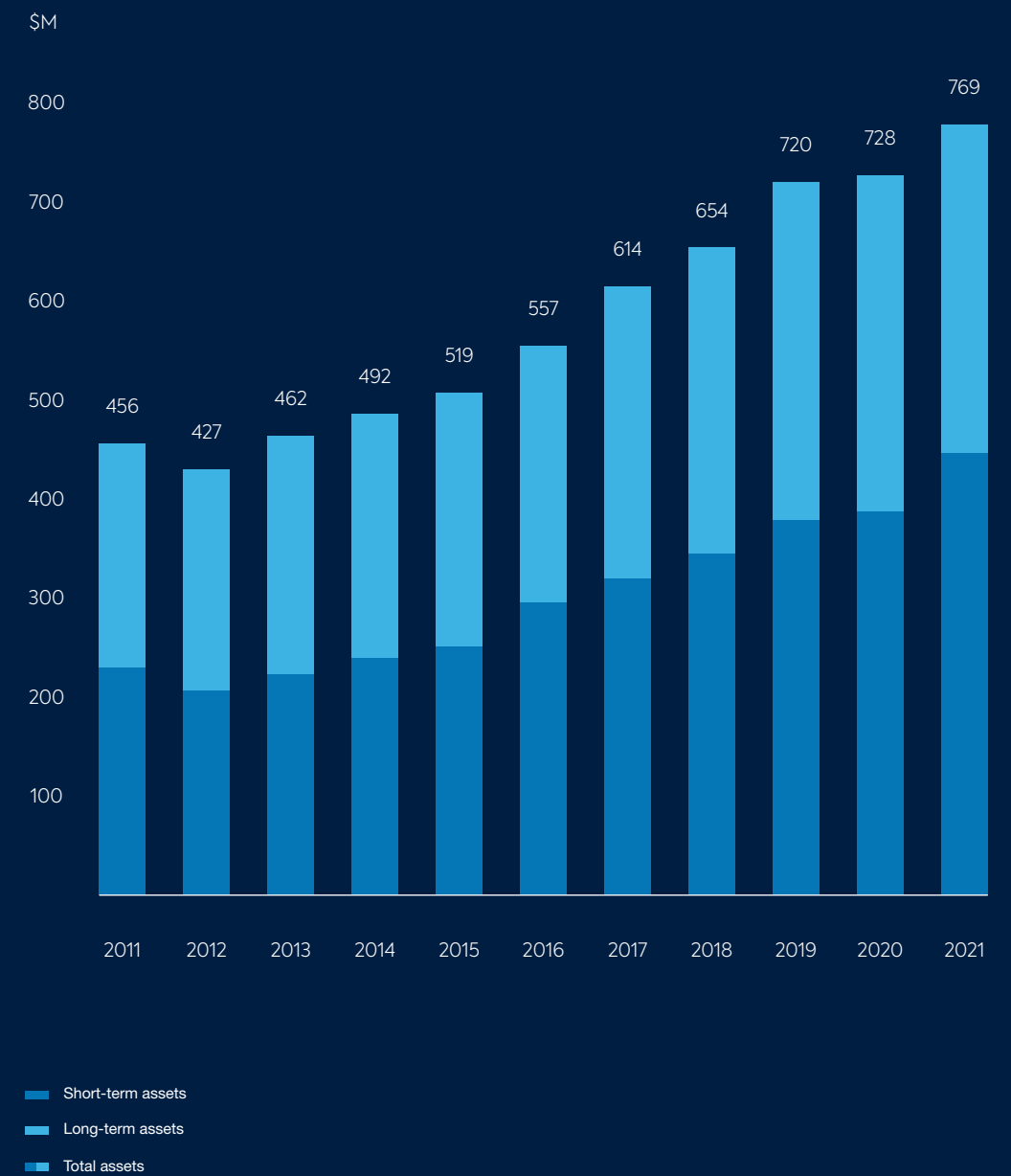
the improvement in profitability, the call for capital repayment moratoriums and the delay of some fixed asset acquisition projects — outcomes of the COVID-19 pandemic. The increase in working capital as a percentage of sales, going from 9.3% in 2020 to 14.4% in 2021, were mainly caused by the factors aforementioned, which impeded the use of the operating credit line at the end of fiscal year 2021, as opposed to previous fiscal years. Had these factors not occurred, the working capital as a percentage of sales would have been of 9.5% at the end of 2021.

Sales  
\$ **982**<sup>M</sup>

## Working Capital



## Total Assets



# Financing and Outlook

During fiscal year 2021, the Company's overall financial performance exceeded the expectations of its shareholders and financial partners, considering the particular context of fiscal year 2021. As of February 27, 2021, and all along fiscal year 2021, the Company met all ratios applicable under its financing agreements. Management also expects that it will continue to meet these, and other obligations related to its financing agreements, throughout the next fiscal year ending February 26, 2022. Management also believes that the Company's existing and future sources of financing will allow it to pursue its operations, investment, and Innovation,

Research and Development activities in accordance with its VISION 2023. Furthermore, the Company launched a financing initiative at the beginning of fiscal year 2022 to meet the goals of its business groups as part of VISION 2027, which will be launched in March 2022. This initiative should be put forth in fall 2021.

## Line of Credit Financing

In fiscal year 2021, the average use of the operating lines of credit stood at \$25 million (\$63 million in 2020). The significant decrease between 2020 and 2021 (\$38 million) resulted mainly from a combination of the following factors: the improvement of profitability, the call of capital repayment moratoriums by the Company's financial partners for a total of about \$12 million and the delay of some fixed asset acquisition projects. As of February 27, 2021, the Company had an authorized operating line of credit with a limit varying between \$80 million and \$105 million, depending on the time of year, from the Canadian Imperial Bank of Commerce and BMO Bank of Montreal. This operating line of credit was renewed for a five-year term on January 31, 2018. This line of credit also includes the option of increasing the authorized limit to \$150 million, provided there are sufficient securities with regard to inventories and accounts receivable. The operating line of credit thus has the necessary features to allow the Company to cover

its financial needs in a context of sustained growth and the pursuit of its operations and investment activities.

Considering its expected growth, various business acquisitions, and other investment projects financed in whole or in part using the net availability from the line of credit during fiscal years 2020 and 2021, and absent any additional business acquisitions funded through the line of credit in 2022, the Company foresees that average use of its operating line of credit will amount to approximately \$24 million in fiscal year 2022. Net availability from the operating line of credit in fiscal year 2022 is expected to average \$80 million (\$75 million in 2021), which provides the Company with ample leeway to meet the seasonal needs of its various business groups, and still have sufficient financial resources at its disposal to take advantage of any business opportunities that may come its way.

## Long-Term Debt Financing

On February 28, 2018, the Company put in place an enhanced \$165 million credit facility with its principal term lenders — Farm Credit Canada, Roynat Capital and Business Development Bank of Canada — and received \$16.5 million, thus bringing the total amount disbursed to the Company by these lenders to \$100 million.

Additional sums of \$25 million, \$12 million and \$28 million were disbursed to the Company during fiscal years 2019, 2020 and 2021 respectively. These amounts were allocated to working capital in order to refinance business and fixed asset acquisitions transacted in fiscal years 2018 to 2021. A \$25 million tranche of these loans is subject to a four-year moratorium on capital repayment and will subsequently be repayable annually based on the excess cash flows generated by the Company, with any remaining balance on the \$25 million being due on the 12th anniversary of the disbursement. The \$140 million balance of the loan is repayable monthly in equal capital instalments over a twelve-year period from the date of disbursement. As of February 27, 2021, the balance due with respect to this credit facility amounted to \$143 million out of the \$165 million cashed by the Company.

On February 14, 2018, the Company and Fonds de solidarité FTQ agreed to consolidate outstanding unsecured debentures totalling \$46.9 million to allow for repayment over a seven-year period through monthly capital instalments of \$400 000 plus interest, with the balance of \$13.3 million being repayable in February 2025. On the same date, the Company concluded an additional \$25 million pre-authorized financing agreement with Fonds de solidarité FTQ in the form of unsecured debentures to finance, in part, business acquisitions the Company would realize by February 2021. On February 27, 2019, \$6 million has been disbursed. On February 27, 2021, the Company had already carried out projects using the entirety of the \$19 million available on this credit facility and it will make the payout request on this loan during fiscal year 2022.

In fiscal year 2016, the Company secured a loan of €6 million (±\$8.5 million) from HSBC Bank and the Banque publique d'investissement from France to facilitate the development of Premier Tech Water and Environment in France, both through working capital support and financing additional production capacity. Additionally, in fiscal year 2021, the

Company took out a loan agreement of €4.6 million (±\$7 million) with HSBC Bank to refinance the purchase price of a business acquisition made in France in 2019. The transaction was also designed to help the Company develop local sources of financing in jurisdictions where it is active, thereby diversifying its financing base and creating a natural hedge for cash flows generated in euros.

The company also signed two interest-free term financing agreements with the Government of Québec. The first agreement of \$18 million will finance the fixed asset investments made in Québec as part of the Company's AVENIR program. The second agreement of up to \$45 million, will finance the fixed asset investments and the Innovation, Research and Development investments made in Québec until August 2025. The documentation supporting the first payout request for the \$18 million loan is being prepared — the loan will be disbursed during the Company's fiscal year 2022.

In fiscal years 2019 and 2020, the Company collected \$12 million out of a loan granted by Caisse centrale Desjardins for the construction of an office building that the Company is occupying since September 2018.



**\$234<sup>M</sup>**

Long-term loans balance

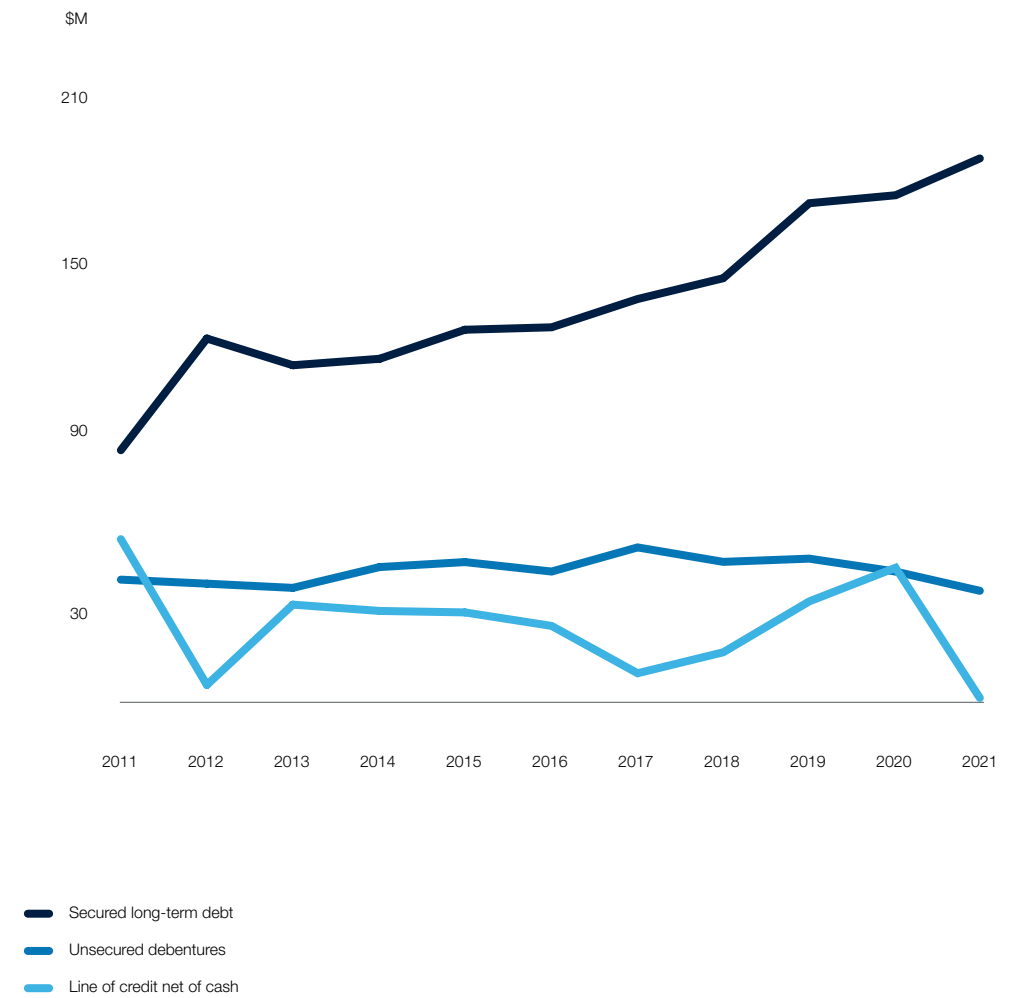
**\$37<sup>M</sup>**

New loans

**\$18<sup>M</sup>**

Repayments completed

Evolution of the Interest-Bearing Debt



# Main Financial Partners

BANQUE PUBLIQUE D'INVESTISSEMENT (FRANCE)

BMO BANK OF MONTREAL

BUSINESS DEVELOPMENT BANK OF CANADA

CAISSE CENTRALE DESJARDINS

CANADA ECONOMIC DEVELOPMENT

CANADIAN IMPERIAL BANK OF COMMERCE

EXPORT DEVELOPMENT CANADA

FARM CREDIT CANADA

FONDS DE SOLIDARITÉ FTQ

HSBC BANK

INVESTISSEMENT QUÉBEC

RABOBANK

ROYNAT CAPITAL

# Auditors

ERNST & YOUNG LLP

QUÉBEC (QUÉBEC)

CANADA

# Moving Forward Together

## It was a different year, one nobody could have predicted

We were without our friends and families  
We were without celebrations and traditions  
We were without in-person connections  
We were without a normal life

## It was a long year, but we showed resilience

It was difficult, but we faced it  
It was challenging, but we stayed focused  
It was ever-changing, but we stayed agile  
It was hard, but we showed strength

## Because together, we are stronger

We've learned that human connection is something so precious, yet taken for granted  
We've learned new ways to connect and help people around us  
We've learned to adapt to a transforming world  
We've learned that, as a team, we are unstoppable

## Together, we have a stronger impact

We can build relationships and teams that will adapt over time  
We can build great products that help improve the lives of billions  
We can build a better world  
We can build the future

## This is our time, so let's move forward together

For our families and friends  
For our clients and colleagues  
For our communities  
For our future

**WE ARE PT**



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