

2024  
PREMIER TECH REPORT

# Beyond 100



**People and Technologies**  
**making a difference**





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# Message from the Leadership Team

Premier Tech’s fiscal year 2024 was marked by a sustained effort to adapt to a changing global economic environment. Continued market volatility, inflation, and rising interest rates kept on testing the robustness of our strategy and the resilience of our teams around the world.

For the fourth consecutive year, we have had to deal with the complexity and unpredictability of a constantly evolving economic environment. The diversity of our industries, the strength of our global team and our ability to have a strong global presence while maintaining deep local roots were key factors in our ability to cope. Our thorough strategic planning has allowed us to remain firmly focused on our long-term objectives, while balancing out and meeting short-term commitments with agility.

Premier Tech navigated the last 12 months with confidence, leveraging the strength and adaptability of its business model. After a slight increase in our revenues from \$1 095 million in 2022 to \$1 118 million in 2023, fiscal year 2024 ended with a slight decrease to \$1 113 million. This relative stability in our revenues reflects our ongoing commitment to protecting our position and consolidating our foundation for future growth through these difficult economic conditions. This operational discipline, combined with the control of the technological platforms behind our products and services as well as our long-term relationships in the market, positions us strongly for the future.

## Impact of external factors

This year’s financial results were significantly affected by rising interest rates, which influenced consumer buying habits and led our clients to invest less, moderating demand for our products and services. At the same time, higher financing costs impacted our cost structure and, by extension, our profit margins. In response to these economic conditions, we adjusted our financial and operational strategies, enabling us to maintain a leading position in our markets and to retain, and even grow, market shares despite the contraction of certain sectors.

Premier Tech Growers and Consumers felt the impact of the economic climate even more strongly, as it was combined with unfavourable weather conditions in North America. A rainy, cold spring, followed by a relatively wet summer for the second year running, greatly reduced consumer engagement in gardening activities and disrupted the peat moss harvesting cycle. The combination of these two situations had a strong negative impact on our sales volumes and cost structure. These events, which had a widespread impact on the entire industry in North America, not only affected the consumer market, but also had a domino effect on the greenhouse growers’ professional market. The mild winter of 2023–2024 also significantly influenced market dynamics for some seasonal products, especially in our winter defense line.

## Investing to secure the long term

Our teams saw these challenges as opportunities to generate lasting, profitable transformations. As such, we maintained our strategic investment program begun in 2021, aligned with our VISION 2027 strategic plan. These investments are aimed at improving our overall efficiency and proximity to our clients, accelerating our digital transformation and increasing our manufacturing capacity to support our growth and improve delivery times. By strengthening our global competitiveness, we are laying the foundation to gain market share and consolidate our leadership in our industries.

During fiscal 2023, we have amplified our local presence while extending our global reach through substantial investments in fixed assets totalling \$111 million. Close to \$75 million of that amount went toward increasing our manufacturing capacity, reducing our manufacturing costs, or supporting the launch of new commercial offers. This intensification of our investments in 2023 was supported by fixed assets acquisitions totalling \$47 million during fiscal year 2024, of which 40% was for projects in Canada and 30% for projects in the United States. In the U.S. market in particular, our expansion was marked by the opening, in March 2024, of Premier Tech Water and Environment’s very first U.S. manufacturing facility, which is located in Williamsport, Pennsylvania. This initiative not only brings us closer to our clients, but also improves delivery times and accelerates our growth in the North American market.

This expansion comes in addition to two other major U.S. projects undertaken by Premier Tech Systems and Automation over the last two fiscal years. The first of these major projects was the opening in June 2023 of a new U.S. headquarters in Montgomery, Alabama, alongside a significant expansion of our manufacturing facility. The business group also moved and expanded its manufacturing site in Salt Lake City, Utah. The two new sites, which opened in spring 2023, represent significant investments, with \$40 million for Montgomery and \$15 million for Salt Lake City.

Both projects, as well as the one for Premier Tech Water and Environment, further affirm our commitment to the U.S. market as a strategic development hub for our operations. These investments to increase our manufacturing capacity also optimize our operational efficiency and lay the groundwork for launching new products in the coming fiscal years.

As we embark on our second century, our teams have set the stage to leverage the full potential of our products and services. Our rigorous strategic planning and innovation processes help us accurately identify opportunities and remain resolutely focused on seizing them. The foundations we have laid will drive our continued profitable growth for years to come. With a solid history and these strong new foundations, Premier Tech is ready to accelerate its development and seize new opportunities, while remaining committed to delivering value to clients and partners around the world.

Strategic acquisitions for sustained growth

Acquisitions remain instrumental in our development strategy. Not only do they bring us geographically closer to our clients and enable us to integrate cutting-edge technology platforms or strong product brands, they are also a real driver of organic growth. That is because they amplify the presence and reach of our existing brands, commercial offers, and client relationships.

Over the past fiscal year, we analyzed a number of businesses in light of our selection criteria, which favour winning companies with a strong market position and a leadership team eager to go the extra mile and build long-term relationships with clients. In our selection process, we systematically look for at least one of the following strategic criteria: integration or acceleration of the development of a new technological platform; addition of product range, services or brands with strong international growth potential; access to a sales territory or market sector; or consolidation of both our supply chain and market access, — thereby increasing our business footprint and our ability to support clients.

Although we looked at a fair number of companies during the fiscal year, valuation expectations are still high and often incompatible with our financial return requirements. Two transactions we worked on in 2024 were completed at the very beginning of fiscal year 2025. The first was Premier Tech Water and Environment’s acquisition of Aquatreat in Spain, which will enable the business group to pursue its European expansion strategy and strengthen its proximity and presence in the Spanish market. The second transaction saw Premier Tech Systems and Automation take a strong minority position in the shareholding of MG Tech group in France, which will lead to its complete integration over the next years. The objective is to strengthen our portfolio of technological platforms in the rigid secondary packaging sector and broaden our offer for our North American and international clients, adding to our strong European presence.

Meaningful partnerships

It has always been core to Premier Tech to develop and maintain relationships of trust with clients and partners. In the global context of recent years, it has become all the more important to maintain strong partnerships with the different stakeholders in our supply chain to fulfill our promise to our clients.

In an interconnected world, the supply chain is not just about buying and delivering raw materials, components, or finished products — it is pivotal to a company’s operations. We understand and value this and are constantly working to move our partnerships with suppliers from a tactical level to a strategic relationship.

Our partnerships are the result of careful selection and a mutual commitment to excellence, innovation, and sustainability. Each partner is chosen not only for the quality of its products, but also for its ability to align with our Culture and strategic objectives. Together, we form a resilient network that responds with agility to changing market dynamics and needs.

Competitive advantage

A robust supply chain means greater operational efficiency. It sharpens our logistics and operational efficiency while enhancing our competitive advantage. Accurate and efficient supply chain management has a direct impact on delivery times and finished product quality, increasing our responsiveness to fluctuating market demands. A well-orchestrated supply chain does not just meet expectations, it anticipates them.

Building on transparency

Transparency is central to our values and must be reflected in our partnerships through open and honest communication and clear expectations for how the parties will collaborate. By being upfront about our objectives and needs, we give our suppliers the visibility they need to proactively adjust their actions and align their strategies with ours. This helps sync our needs with the ability of our suppliers to support them, making us more agile and responsive in constantly changing markets.

In it for the long haul

A stable supply chain is critical to the continuity and quality of our services. That is why we seek out and foster long-term relationships with our supply chain partners. Once again, our approach is rooted in long-term viability and stability, not just in arbitrary criteria. We are proud to say that we have relationships stretching back decades with many of our supply chain partners.

# A vision in motion

Strategic planning has been core to our business model for more than 30 years. It is a fundamental process that unites our teams, channels their talent and ambitions, and fuels our growth. The intent behind such focused effort is to identify the opportunities and challenges ahead and determine how to tackle them in a thorough, structured and disciplined way to have control over our destiny. The result is a shared vision that guides our actions, based on carefully developed objectives and strategies. This ensures profitable, sustainable growth over time and enables us to balance our short-, medium-, and long-term objectives.

Throughout the process, we are constantly exploring new ways to encourage all-encompassing strategic thinking, rich and inclusive conversations, and immersive collaboration. The value of our approach lies as much in the process and its consistency as in the unity and agility it brings to our teams. Ultimately, the process is far more valuable than the plan itself.



## VISION 2027: setting the pace as we grow forward

VISION 2027 deployment, which began two years ago, carries forward the velocity from previous strategic plans. The main objective is to ensure, through turbulent times, that our actions are relevant and consistent both inside and outside the organization. More than 500 team members were involved in numerous forums and conversations to define our objectives and strategies for the coming years. The result is a solid and inspiring plan for the future, which is the fruit of thousands of hours of conversations and challenges fuelled by data and facts on various topics, combined with our team members' experience, expertise, and business intuition.

In addition to in-person interactions, we extended the conversation to over 1 000 team members across all our home bases via an online collaborative platform. This extensive process allowed us to transform words, numbers, ideas, and ambitions into concrete strategies and objectives.

Looking toward 2027, our strategic plan is built around several well-defined and complementary objectives. Our commitment to delivering value to our clients is central to our strategies and guides our decisions and actions.

Exploring new business models and keeping on innovating our processes and tools are key to our future development. At the same time, our commitment to sustainability and to the continuous improvement of the Team Member Experience continues to guide our intentional approach to initiatives we have always pursued intuitively.

In addition, our glocal presence requires strong strategic alignment for our teams around the world. This framework ensures consistent actions across Premier Tech as a whole, providing our teams with both autonomy and alignment while fostering the intrapreneurial spirit that drives our company culture.

Achieving our vision through key strategies

By fully integrating these multiple facets, we not only monitor market developments, we anticipate them and seek to shape them. To achieve our objectives and translate them into tangible results, we have identified and implemented strategies specific to VISION 2027, enabling us to strengthen our competitiveness and relevance across our various markets.

Sustainability and beyond

Our sustainability strategy is structured around a dynamic collaboration between horizontal teams, spanning our various business groups in order to speed up our progress and be agile in learning from each other. This ensures that our actions are guided by company-wide interactions and are fully aligned with our intent.

Through a maturity analysis of our operational practices across all our groups, we have identified the key elements underlying our commitment as well as our past, present, and future actions. A concrete action plan specific to each group, targeting the priority impact areas in our approach, was drawn up in collaboration with the sustainability horizontal team.

By learning from each other’s realities, we can develop cross-disciplinary skills and expertise and create tools that meet the concrete needs of our business groups.

Investing in our teams

In our view, team member development is a shared responsibility where both the organization and individual team members play a role.

To facilitate such engagement and make sure that team members take an active part in their own development, we have been investing for many years in training programs and tools to help them reach their potential while strengthening our collective expertise. For example, since 2015, the University of Premier Tech (UPT) has been providing team members with personalized support to help them grow their skills. With more than 250 courses available on our mobile platform or in person, team members have the opportunity to learn, share, grow, and expand their knowledge.

As part of VISION 2027 strategic plan, UPT is focusing on four key areas: talent visibility to optimize each person’s skills, knowledge management to encourage the sharing and continuity of expertise, career opportunities, as well as team member empowerment to promote autonomy within the team. Over the past fiscal year, the company continued to support training and development, investing nearly \$6.75 million. As a result, team members worldwide spent more than 104 000 hours training in the UPT ecosystem during the year.

Innovative offers

For more than 30 years, Innovation, Research and Development has been driving Premier Tech’s growth and development. It is the very definition of how we have established our presence, not only in our original industry since 1923, but also of how we have articulated our diversification since 1990.

It is in this spirit that we are accelerating strategies we believe will transform and have a strong impact on the industries in which we operate. These strategies involve new business models and innovative business offers aligned with our goal of diversifying the nature and origin of our revenues. Over the past two years, our teams have worked on multiple projects, the first of which are expected to be launched in the next fiscal year.

We are also ramping up our efforts in artificial intelligence. At the start of fiscal year 2025, we developed a strategic partnership with Hectiq.AI, of which we became a minority shareholder. This is in addition to our partnership with the start-up Extend AI, which was announced in 2022.

These efforts reflect our deep commitment to staying on the cutting edge of technologies relevant to our industries, anticipating our clients’ future requirements to strengthen our position as a market leader.

Fiscal year 2025 will see the beginning of a new strategic planning cycle that will lead, over the next 18 months, to the development of VISION 2031. This approach where strategic plans overlap each other drives us forward and is key to ensuring Premier Tech’s relevance and footprint.

**Building the future together**

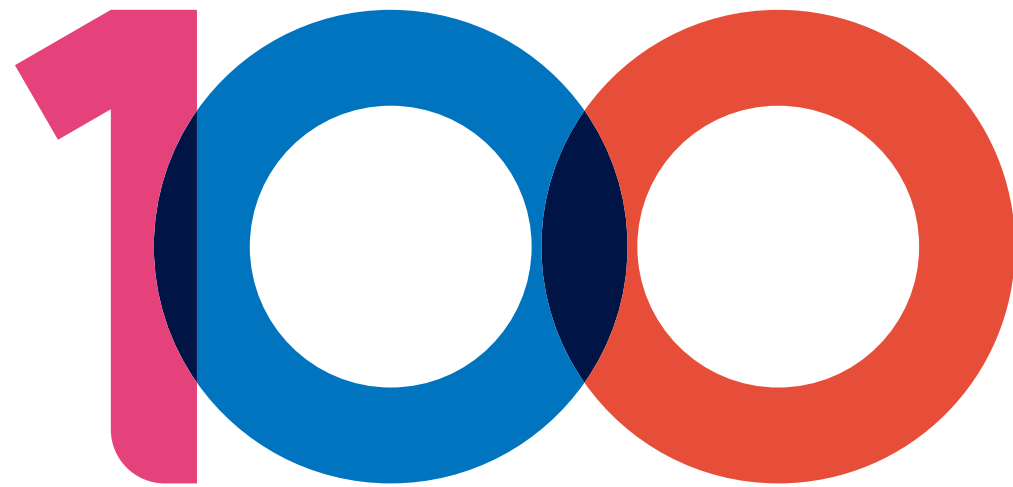
Year after year, team members are a fundamental pillar of Premier Tech's development. Their creativity, their resilience as well as the diversity and extent of their talents are key to delivering on our promise to make a difference for our clients and partners.

Together, we celebrated turning 100 years young in 2023, a milestone year for all Premier Tech team members around the world. Most of all, it was an opportunity to thank each and every one of us, to acknowledge the commitment and enthusiasm we all show every day. Together, we are moving forward in our second century, because it is with a strong and united team that Premier Tech ensures its long-term longevity and relevance.

Thanks to the determination and collaboration of every member of our team and the trust of our partners and clients, we are reaffirming our commitment to making a difference. New opportunities lie ahead, and with them the promise of continuing to feed, protect, and improve our world.

— **Leadership Team**

**WE ARE PT**



## Beyond 100

100 years young and still making a difference in a big way.

We are beyond excited to reach such a milestone, but even more so to keep shaping tomorrow as one team — the Premier Tech Team.

Bold in moving forward, Ingenious in how we make it happen, while remaining ever Genuine. Here's to the next one hundred of feeding, protecting, and improving our world.



# The greatest celebration is saying thank you

Celebrating a century of milestones, moving forward

2023 will have been marked by the 100th anniversary of Premier Tech. As we blew out our 100 candles, we continued to move forward — inspired by our potential, driven by our ambition to make a difference and always fuelled to go beyond, reaching for greater heights. Drawing from that spirit and filled with energy, we celebrated being 100 years young, eagerly embracing the future.

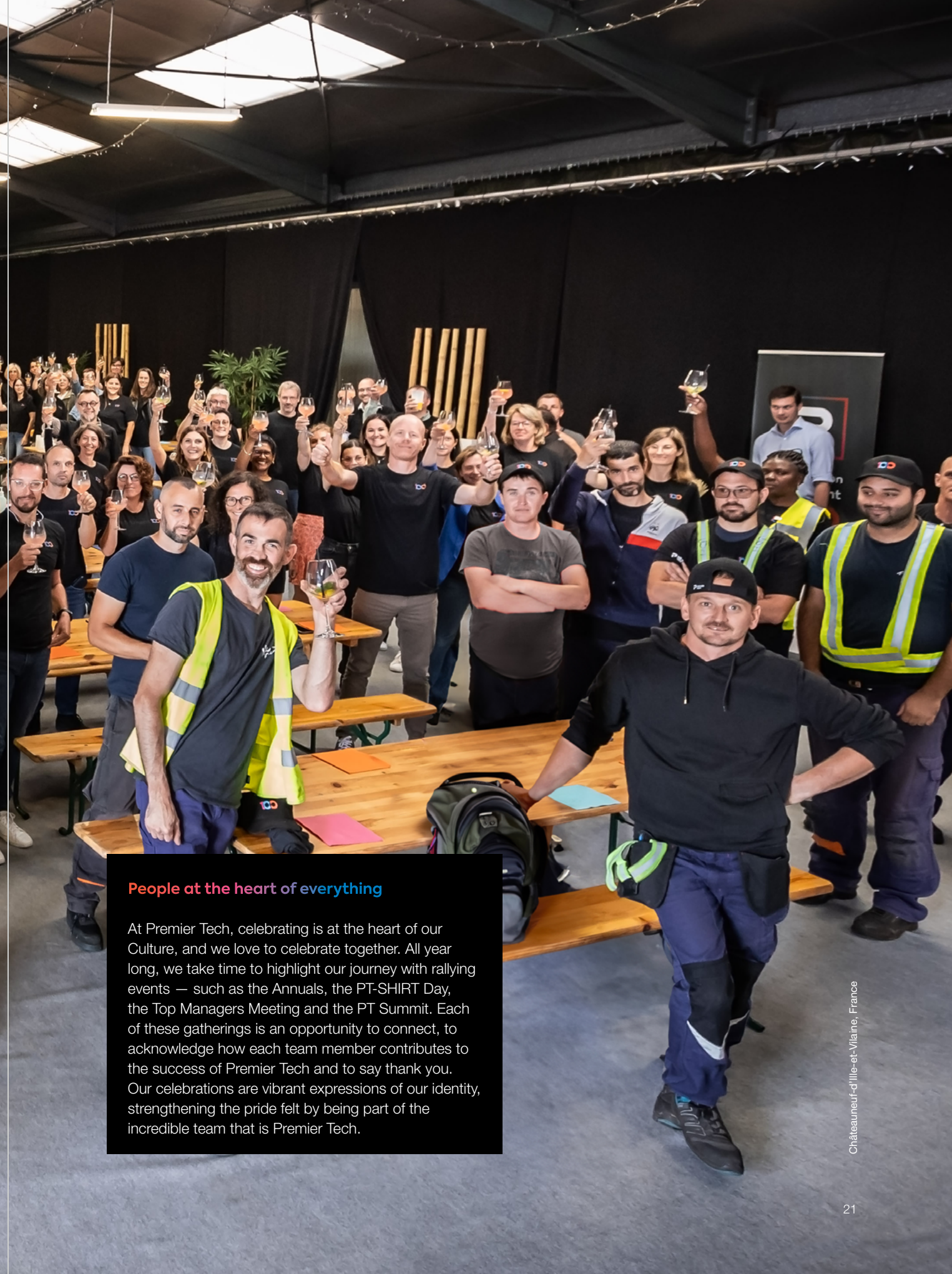


Great moments of complicity for our team members in Eersel, Netherlands.



Team members in Vivy, France, capture the celebrations.





**People at the heart of everything**

At Premier Tech, celebrating is at the heart of our Culture, and we love to celebrate together. All year long, we take time to highlight our journey with rallying events — such as the Annuals, the PT-SHIRT Day, the Top Managers Meeting and the PT Summit. Each of these gatherings is an opportunity to connect, to acknowledge how each team member contributes to the success of Premier Tech and to say thank you. Our celebrations are vibrant expressions of our identity, strengthening the pride felt by being part of the incredible team that is Premier Tech.





The greatest celebration is saying thank you

### The Beyond 100 Celebrations — a true testament to our diversity, unity and uniqueness

There was no doubt in our minds that the 5 200 Premier Tech team members around the world would have the opportunity to take part in the festivities, highlighting this significant milestone in an unforgettable way.

Each team from our home bases was invited to create its own version of the celebration while incorporating carefully chosen elements to broaden and harmonize the experience: gathering around a meal, creating a festive and musical atmosphere, and taking a moment to raise our glasses.

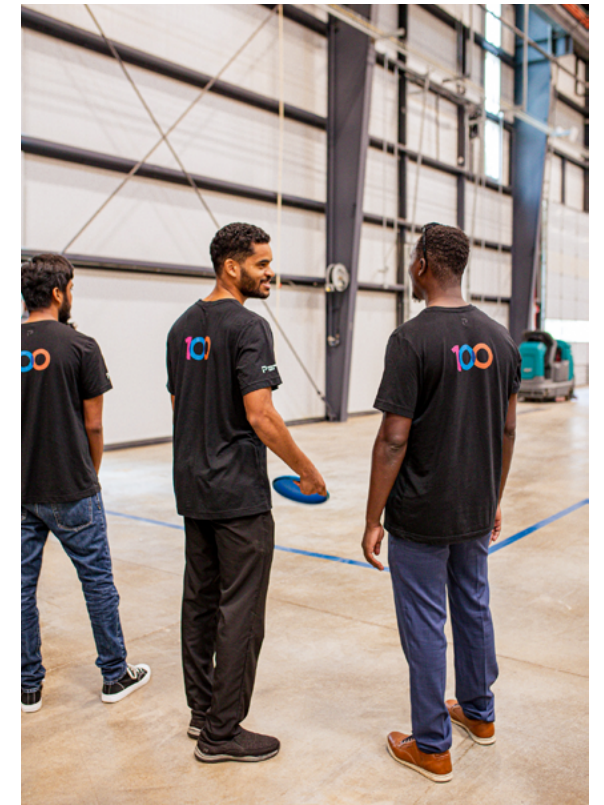
Throughout the year, festivities offered a glimpse into the unique culture and characteristics of all the teams around the world, celebrating their diversity and creativity in the most beautiful way.







All celebrations around the world featured the colours of the 100th anniversary.



From Johnston to Montgomery in the United States, through Châteauneuf-d'Ille-et-Vilaine in France, team members enjoyed a friendly atmosphere.



Vibrant festivities at the Premier Tech Campus in Rivière-du-Loup

Our World Headquarters in Rivière-du-Loup hosted the 29th of 35 Beyond 100 Celebrations, during which some 4 000 team members, their families and many partners gathered for a memorable day and evening of festivities.



During the day, circus performers presented an amazing show on an impressive structure, pleasing the crowd with their performances.



An outstanding synergy

This event came to life through the meticulous planning and dedication from many teams — Marketing, Infrastructure, Health and Safety, Organizational Development, Administration and many others — who demonstrated creativity, commitment and collaboration. We were also able to count on the support of key partners who joined this collective effort to create an exceptional celebration.

Thanks to BADANG, key partner and creative ideator of the Beyond 100 Celebration. And thanks to Rockwell Automation and Lumen, our presenting partners, as well as to our prestige partners — Salesforce, Wulftec, DLF Pickseed, SEW Eurodrive, Fonds de solidarité FTQ and Fanuc —, and to all other partners who took part in making this celebration a success.

As the sun sets on the Campus in Rivière-du-Loup, the celebrations are still going strong.





The greatest celebration is saying thank you



# 400

drones created a nighttime  
show full of colours



Collective impact

The event was also an opportunity to showcase our region and to generate a positive economic impact in the Bas-Saint-Laurent by highlighting our local partners, which enhanced the participants' experience while promoting the diversity and the quality of regional products and services. By offering exposure, the event provided a great platform for local restaurant owners and producers to shine.



25

businesses contributed to creating a unique experience







50

artists livened up the celebration for over 12 hours





# 940

children took part in the celebration



# 77

team members were at work during the festivities



# 55

volunteers helped make the event a success



# Art at the heart of what we do

Celebrating the creativity of artists from Québec, Canada, and all around the world has always been important to us and is driven by our desire to provide creative, inspiring and beautiful environments. It is also a way to engage with team members and the communities around us. In 2023, year when we celebrated being 100 years young, a unique occasion came our way.

We had the amazing opportunity to contribute to the recognition of the internationally renowned Québec painter Jean Paul Riopelle, who was also celebrating his 100th anniversary. Drawing from that opportunity, a natural collaboration was formed with our long-time partner, the Musée du Bas-Saint-Laurent, to put together a unique art exhibit around Premier Tech's private collection of works by Riopelle.

From October 27, 2023, to March 4, 2024, the *Riopelle. Regards croisés* exhibition gathered art pieces from the museum and the Premier Tech collection, some of which had rarely been shown to the public. The exhibit also allowed local artists to showcase their creations alongside those of a great master, bringing together a diverse body of work and giving the entire community privileged access to inspiring works of art.

“ Regional access to culture can be challenging. The exhibition presented the work of a renowned artist while promoting the artistic practices present here in the Bas-Saint-Laurent region. By partnering with companies, like Premier Tech, we want to be a museum close to its community. We want to be a place of possibilities for the residents of the region. It was a real honour for us to work with Premier Tech in creating this exhibit,” says **Oriane Asselin Van Coppenolle**, custodian of the museum.

The exhibit was a great success and exceeded all expectations. By joining forces for the community, we put in place an engaging project that shows the importance of investing in the region's artistic scene, empowering our joint actions to make a real and meaningful impact.



View from the exhibit *Riopelle. Regards croisés*  
Photo credit: Jean-François Lalonde

# Delivering value with innovation

For Premier Tech, the development of innovative commercial offers relies inherently on creating value, whether with or without new technology. We are convinced that client-perceived value is the cornerstone of true innovation, which lies at the heart of our approach.

That is why we favour an approach that breaks down value into tangible and intangible aspects — namely utility, or function, and desirability, or emotion. This deep understanding of value allows us to come up with even more innovative and high-performance solutions, ensuring a unique, immersive and meaningful experience for our clients through the life cycle of our products.

Our innovation approach stems from over 40 years of continuous and sustained commitment. Drawing from this journey, we continue to leverage this approach — a key element driving our diversification and supporting the long-term growth of Premier Tech. We have always fostered a structured approach to innovation, anchored in a well-defined framework and foundation, engaging all teams around a shared vision and clear objectives.

## Innovation types

Two types of innovation, both fundamental to the development of value-added commercial offers, are part of the Innovation Model of Premier Tech.

### Evolving our existing commercial offers

It is important to invest in innovation projects aimed at strengthening the competitiveness of technological platforms and their related products and services. This type of innovation, namely evolution innovation, can involve the improvement of offers, processes or business models. It is also aimed at adding new features or functionalities to existing products. By enhancing the client-perceived value and therefore their satisfaction, these projects support the development of the company while securing its market relevance.

### Exploring new commercial offers

Devoting effort to innovations focused on exploring and identifying opportunities in new markets and technological fields is equally important. This type of innovation, namely exploration innovation, can lead to significant progress regarding products, services, processes, and business models. It aims to support the organic growth of the company with new commercial offers, enhancing our capacity to serve both existing and future clients.

## Concrete examples of innovation

Three innovations launched over the past year highlight some of the core concepts behind the philosophy of the innovation approach of Premier Tech.

The new PRO-MIX® HP® open top grow bags developed by Premier Tech Growers and Consumers are a good example of evolution innovation, as they allow the group to strengthen its current market position by addressing issues clearly identified by clients with an innovative and ingenious solution.

For its part, the Ecoflo® linear biofilter of Premier Tech Water and Environment, for which two patents have been filed, rather results from exploration innovation and opens the door to enter new markets with a unique and innovative approach.

At Premier Tech Systems and Automation, the launch of a training offer allowing clients to enhance the performance and profitability of their Chronos™ equipment also stems from an exploration innovation approach. It is based, in that case, on a combination of new and existing trainings integrated into a unique commercial offer and support for the group's clients.

These new commercial offers clearly show how the creation of value, based on both tangible and intangible aspects, is the very foundation of our innovation approach.



# Value-added packaging for our clients

PRO-MIX® has been the global reference brand for performance and yield among greenhouse growers since its launch in 1967. It has also led the way in bringing technological innovations to market throughout the years.

Since the beginning, the key factor driving this approach has always been the group's resolute focus on providing value and utility to its clients, beyond technology, and has been core to the reflections of the Premier Tech Growers and Consumers teams.

PRO-MIX® became the first growing media brand in the world to incorporate biostimulants and biocontrols into its product offerings, providing a more ecoresponsible option to flower, plant, vegetable and cannabis growers. This long-term approach of Premier Tech Growers and Consumers since 1983 to biotechnology investment has paved the way for the many innovations that allow the group to set the pace in the market.

In the same spirit of continuity, sustainability and leadership, the group set to work a few years ago to develop the PRO-MIX® HP® commercial offer for the cannabis market sector.

Through multiple visits, observations and interactions with clients, team members identified a new value niche that challenged the predominant industry paradigm. It completely redefined the function of product packaging by transforming the polyethylene bag used for transport and handling into a true commercial offer — a container in which each plant could grow to maturity. This innovation turned our growing media offer into a production system tailored to greenhouse cannabis production. The benefits to

the grower are substantial, including savings in time and growing space, thus improving its financial performance.

With its built-in tear-off opening, the open-top grow bag is ready to use from the moment the client receives it. Each bag has eight premade drip holes to facilitate drainage and promote optimal plant growth. In addition, the light blue colour used on the inside of the bag prevents heat buildup, which helps protect the root system.

The PRO-MIX® HP® growing system is based on the Premier Tech Growers and Consumers biotechnology platform. The growing medium in the bag contains

the same active biological ingredients that promote root growth as well as water and nutrient absorption. The growing medium also has characteristics that reduce transplant shock and increase resistance to environmental stresses such as drought, compaction and salinity. This optimizes plant growth and value creation for the grower.





**The product of careful analysis**

This growing system was years in the making and its development was carried out in collaboration with various partners, including bag suppliers, Université Laval, and clients in the medicinal cannabis production market.

To ensure the new product met industry needs, special attention was paid to the following features.



**Strong but flexible**

Developing a bag with a tear-off top presented several challenges. The bag had to be easy to tear, but not fragile. It also had to be sized to suit industry needs and practices. And it needed to be stable enough to be handled and placed on greenhouse tables without tipping over or losing its shape.

**Optimized drainage, maximum growth**

Each drip hole had to be strategically positioned and sized to provide the kind of drainage plants need to stay healthy while effectively keeping the growing medium in the bag at the same time.

**A colour with thermoregulatory properties**

The PRO-MIX® HP® growing system bag is lighter in colour than most common growing containers, which prevents additional heat from building up around the root system. This ensures better root development and distribution, a crucial aspect of cannabis plant growth. With its distinctive colour, the open top grow bag is also visually appealing, another differentiator for the PRO-MIX® brand.

**The all-in-one solution**

The open top grow bag has been designed to reduce handling to the minimum. Cannabis growers no longer have to transfer the growing medium to a growing container or sterilize containers after use to prevent disease. All that needs to be done now is transplant the plant in the open top grow bag, then dispose of it once harvesting is complete. This also reduces the amount of labour and potting space required.



“Using the PRO-MIX® HP® growing system reduces our labour requirements by 25 % to 50% and saves us a lot of prep time. Since the open top grow bag is already filled with growing media, there's less handling. That makes the transplant process cleaner and more efficient, without sacrificing any of the performance of the original PRO-MIX® HP® growing media.”

— **Mitchell Alswiti**, head grower and CEO of Purplefarm Genetics



# Using ecodesign to innovate and stand out

Over the past 18 months, the Premier Tech Water and Environment team has developed an innovative new product offer. It combines wastewater treatment and dispersal in a single system, expanding the line-up of products marketed under the Ecoflo® brand.

After establishing itself as a leading player in the field of autonomous wastewater treatment, namely with the Ecoflo® compact biofilter, the business group saw an opportunity to diversify and expand its technology portfolio, while leveraging the expertise developed over the past 28 years. The goal was to strengthen the group's leadership in its main markets and enter new ones.

Wastewater systems that combine treatment and dispersal are known for their reliability, their adaptability and their compatibility with different soil types and topographies. The group conducted an in-depth

analysis of the available technologies on the market but found out that these solutions fall short of its vision for sustainability. This finding drove Premier Tech Water and Environment to develop an innovative and competitive new product offer whose distinct features reflect the commitment of Premier Tech to sustainability.



## Innovation and ecodesign

Our Innovation Model draws not only on our skill set and various technological platforms but also, and even more importantly, on our ability to align solutions with real market needs and provide genuine value to the end client. During the analysis phase, the Premier Tech Water and Environment team worked closely with septic system installers to understand the logistical and technical challenges they face on the ground. It quickly became clear that available systems did not meet installers' needs and expectations. These systems are complex to install, require extensive piping, and do not allow for preventive maintenance or repair if required.

Observations resulting from the analysis phase were crucial in defining the criteria for the project and helped guide the product ideation and development phases of this new commercial offer.

The goal was to design a system that met market needs while embedding sustainability goals in the process. An ecodesign approach was therefore undertaken to assess the environmental, economic, and social impacts of the Ecoflo® linear biofilter at each stage of its life cycle.





**Distinctive and sustainable features**

The Ecoflo® linear biofilter is made up of a set of modular components so that the system can be sized according to the needs of each project. The compact modular design facilitates transport and handling during installation, and allows for tool-free maintenance, considerably reducing the system’s environmental impact.

At the core of the Ecoflo® linear biofilter is the main filter element, a coco filtration pad that can be easily replaced when it reaches the end of its life cycle. This material eliminates the need for C-33 septic sand, a non-renewable and increasingly scarce resource. Developed by the teams at Premier Tech Water and Environment, the filtration pads not only preserve the underlying natural soil, but are also compostable, renewable and entirely natural.

All structural components of the Ecoflo® linear biofilter are reusable and made from 95% recycled plastic. Thanks to the system’s patent-pending wastewater distribution system, the amount of piping required is significantly lower than competing products.

A built-in distribution box and patented dosing device can also be installed upstream of the system, extending its lifespan even further. The dosing system is gravity based — i.e., with no electromechanical parts —, thus generating important energy savings.

All these features make the Ecoflo® linear biofilter an efficient, repairable and renewable product with minimal operating costs for the end user.

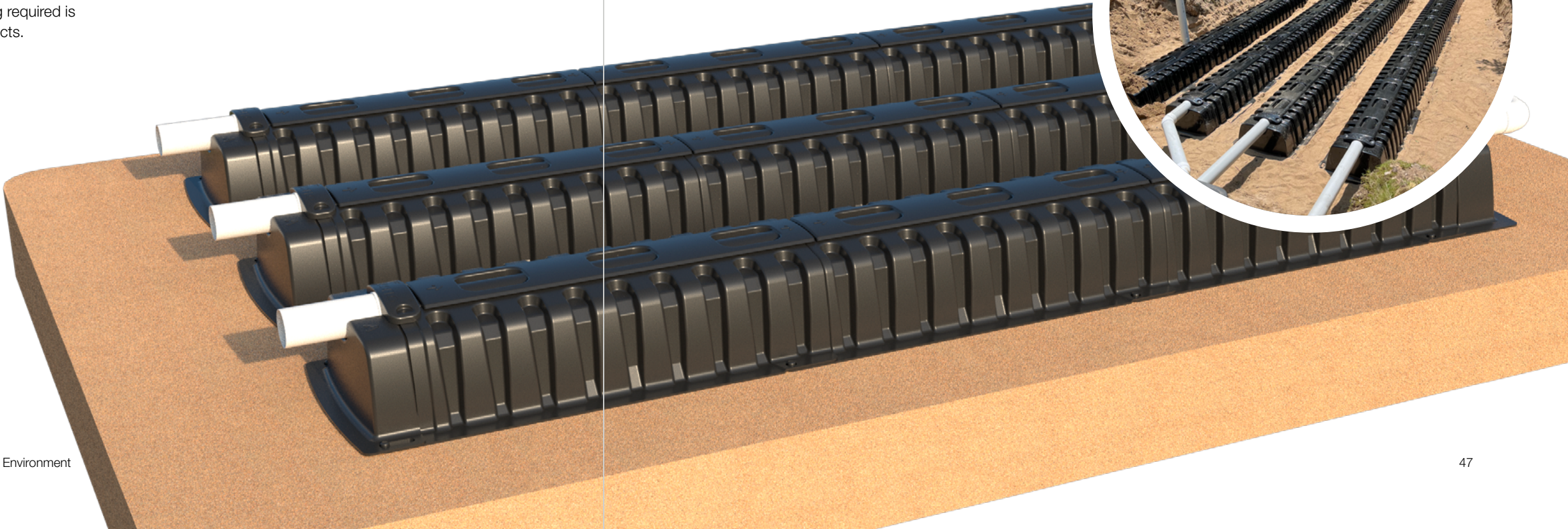
By using ecodesign to assess the upstream and downstream impact of each system component, Premier Tech Water and Environment differentiated itself from the competition and transformed the market for treatment and dispersal systems with a unique innovation in sustainable septic solutions.

**Rolling out to new markets**

The onsite wastewater treatment market is a highly regulated environment. Each province and state have their own specific certification requirements. Premier Tech Water and Environment is therefore planning to progressively roll out the Ecoflo® linear biofilter across North America as it obtains the necessary accreditations. The potential of the new biofilter is right in line with the expansion strategies of Premier Tech Water and Environment, both in the business group’s existing markets and in many others where it is not yet present.

The initial launch of the Ecoflo® linear biofilter took place in early 2024 in Ontario, Canada. The response has been extremely positive, translating into gains in market share for the group. The substantial growth in the group’s sales in Ontario testifies to the relevance of this innovation.

Over the coming year, the Ecoflo® linear biofilter will be launched in several U.S. markets after having received its National Sanitation Foundation certification. The creation of new distribution centres and supply partnerships will provide Premier Tech Water and Environment with interesting expansion opportunities to new territories, broadening its market reach across North America.





# Training to get the most out of your equipment

Premier Tech Systems and Automation has always given priority to efficiency across the life cycle of its equipment.

This philosophy ensures that each client can make optimal use of the systems and equipment Premier Tech delivers, allowing them to achieve their objectives while taking into account their reality, their operational practices and their industry's specific requirements. This commitment to delivering unmatched after-sales support is made possible thanks to a team of highly qualified technical experts.

To serve its portfolio of global clients, Premier Tech Systems and Automation can count on technical experts ready to intervene quickly across North America, Latin America, Europe, Asia, and Oceania. Its team members must be well versed in the operation and maintenance of the various platforms and equipment the business group provides. They also need to have a wide range of specialized expertise on the modules and components they are required to work on. Such expertise requires rigorous, comprehensive and appropriate training that must be regularly updated. To meet these needs, the Client Solutions team at Premier Tech Systems and Automation, in collaboration with the University of Premier Tech (UPT) — our internal university — came up with a variety of training and skill development programs tailored to the needs of its field service team.

In light of the significant efficiency gains training provides and of the many calls received by the technical support team — indicating a lack of training or knowledge of equipment at the clients' facilities —, the group's Client Solutions team saw a business

opportunity, and more importantly, the possibility to make a difference by delivering value to its clients. As a result, it decided to turn its training programs into a new commercial offer adapted to the market needs.

### Bespoke offers

The team at Premier Tech Systems and Automation developed five different training offers in close collaboration with long-standing clients to ensure they align with their respective context.

Clients operating Chronos™ or Sloodweg™ brand equipment can choose from on-site training to customized coaching sessions designed to meet their specific needs. The approach uses small group sessions to allow for optimal learning. Premier Tech's expert trainers provide immediate, personalized feedback to participants and provide them with tips as well as how-to guides. The sessions also help clients identify areas of improvement and boost productivity by optimizing the use of their Premier Tech Systems and Automation equipment.

Virtual training and coaching sessions are also available, making it easy to adapt to client schedules and provide flexible upgrade training to operators and maintenance teams so that they can quickly gain autonomy.

In addition to these, Premier Tech Systems and Automation offers off-site training in controlled,



non-production environments, including test halls, laboratories and application centres. This approach is of particular interest to clients as it allows their teams to deepen their knowledge and consolidate their expertise in a safe environment without impacting plant operations. This is a significant benefit, as each hour of downtime has financial implications. Once again, this training commercial offer set Premier Tech Systems and Automation apart from the competition.

### Meeting market needs

These trainings have quickly gained popularity because they answer important challenges faced by the group's clients. They allow equipment operators to be trained faster and at a lower cost, which not only helps clients retain their workforce and reduce turnover, but also provides an attractive solution to the challenge of recruiting skilled workers in advanced technology fields.

The training programs enable clients to optimize equipment operation faster and standardize employee training, reducing the time required to become self-sufficient at the operational level.

“What I like about Premier Tech training is that it's multifaceted — from hands-on training and classroom sessions to e-learning and skills acquisition. I really believe in different forms of training. Operating a robotic system is like driving a car. If you don't have anyone to teach you how to drive, you will make mistakes. But if you have someone explaining what to do, you will be more confident. It is just the same with equipment. You can't just expect team members to perform without giving them training.”

— **Regan Morrison**, leader at Granger facility in Washington, Cargill Animal Nutrition

# Strategic partnership and recognition of innovative mindset

At Premier Tech Systems and Automation, addressing the challenges posed by disruptions in the global supply chain is critical for maintaining the high standards that customers have come to expect from the group toward support and delivery time.

The team in Montgomery, Alabama, recently faced a significant hurdle with extended lead times for a specific component, a rodless pneumatic cylinder, which is critical and essential for the APH series palletizer, as well as for our delivery and service promise.

Identifying a viable alternative became a priority when lead times unpredictably stretched to as much as 30 weeks. In response, Southern Controls, partner of Premier Tech Systems and Automation specialized in automation, in collaboration with SMC, a leader in pneumatic technology and also partner of the group, provided a solution that not only met but exceeded requirements. Following rigorous testing, the business group’s team confirmed the suitability of a new component, which effectively reduces the procurement time to six to eight weeks, thereby improving delivery time and ensuring customer satisfaction.

**Highlighting partnership excellence**

This successful collaboration through innovative thinking demonstrates the power of effective supplier-customer teamwork. At Premier Tech, we seek to celebrate and encourage such innovative solutions, as well as the willingness to tackle challenges head-on.

The PT Summit, which is held yearly, serves as a platform to foster these values and innovate collectively. Every other year, it focuses on the supply chain, bringing together global suppliers. During PT Summit<sup>5</sup>, we shared insights and strategies for moving forward, and recognized outstanding contributions through our Celebration Night. Last October, we awarded Southern Controls with the Innovation prize, a recognition of their pivotal role in not just solving a critical supply issue but also setting a new standard in component sourcing.

This award symbolizes our appreciation for groundbreaking solutions that significantly support and propel our promise to our customers. It reinforces the importance of nurturing partnerships that lead to shared success and underscores our commitment to innovation as a cornerstone of how we deliver value to our clients.





# The power of conversations

Drawing on our Culture, where being genuine and showing openness support everything we do, we are fully committed to building strong and trusting relationships with our clients, partners, and team members. We believe in the power of meaningful conversations and in being bold, challenging the status quo through passionate debate, which fuels and deepens our vision for the future.

We are convinced that dialogue and discussion add depth to our actions and decisions. And because we do, we foster an environment where creative ideas can readily sprout, and where everyone feels free to share thoughts, challenge ideas, ask questions, as well as understand and reach out to one another, moving forward together. When we fully engage in these straightforward and authentic conversations, we make things happen and shape the future.

## Team members are at the core of our strategic planning

Our focus on conversations is fully captured in our Strategic Planning Model. This iterative model has been systematically part of our process since 1991, drawing on alternate conversations between the various stakeholders within the company — from the Leadership Team, through leaders of business groups and team members, to the board of directors — to help us define our strategies and objectives. Sharing our views on the company’s goals, as well as on the challenges and opportunities we face, allows us to develop a common understanding of our reality, from market trends to clients needs. This enables us to focus our efforts, move forward in step with one another, and stay relevant for both our current and future clients.

As we were elaborating VISION 2027 — our current strategic plan —, our goal was to engage as many team members as possible in these discussions. More than 1 000 team members worldwide have contributed to the conversation either through our collaborative online platform or team workshops, thus helping shape the strategic direction of Premier Tech. This dynamic of ongoing dialogue across the organization generates debates of ideas that fuel reflections, encourage us to challenge ourselves, and give our planning process its full value.

VISION 2027 includes, among its goals, the improvement of our occupational health and safety (OHS) performance by implementing a proactive approach that helps anticipate, prevent and manage risks on a systematic and ongoing basis. Conversations between leadership teams, production team members, and health and safety experts from our business groups are central to this process. By engaging with team members who have first-hand experience on the ground — and a thorough understanding of their work environment and practices —, we identified risks and developed solutions based on the best OHS practices of our business units. We draw on these discussions to make observations and build action plans based on the needs and realities at our various sites while also remaining aligned with Premier Tech’s goals. This approach not only delivers tangible improvements in the workplace, but also yields compelling results with respect to training and change management. By being an active part of the solution, teams retain information more readily and are more naturally inclined to adopt new practices.





Sharing skills and expertise

Our global reach and diverse operations across multiple industries have enabled us to build talent density and diversity within the organization. To capitalize on this wealth of knowledge and broaden our horizons, we develop cross-functional synergies between teams, encouraging dialogue and discussion among experts in different fields in the interest of mutual learning and growth. By improving our collective intelligence, we can fully leverage our potential and support long-term growth.

Within the horizontal sustainability team, for example, leaders from the various business groups bring expertise specific to their field. It leads to meaningful conversations which allow pursuing innovative solutions and implementing concrete initiatives. This horizontal approach promotes a broad vision while at the same time leaving each group free to adapt its undertakings and actions to the needs of its industries and markets.

This collaboration philosophy is also part of how the University of Premier Tech has created a training program to help managers develop and acquire new management and team leadership skills. This nearly two-year program has been in place since 2015. Through training modules and workshops, managers in different fields can talk over their respective reality and challenges and learn from best practices within the company. The program also gives them an opportunity to build strong relationships and grow their network. Once the program finishes, peer coaching sessions are planned to keep the conversations going daily and identify opportunities to work together.





Creating a common vision

In addition to encouraging ongoing informal conversations, Premier Tech sets aside times throughout the year for team members to get together and deepen their understanding of strategic decisions. This helps them better understand the company's direction while always keeping the focus on our objectives.

Every February, Premier Tech business leaders from around the world gather for the Top Managers Meeting to give themselves perspective on the evolution of the markets and industries in which the company operates and engage in conversations on subjects of common interest. This event is an occasion for these leaders to connect and contribute to the company's collective intelligence while helping build a shared vision and strategy. They then relay these business strategies to their teams so that they, in turn, can align their goals with the company's objectives and implement concrete action plans.

In the spring, each business group gathers their teams for a series of annual meetings. During these meetings, which are held at various home bases and webcast around the world, our leaders share information on topics such as the fiscal year that just ended, strategic planning, launch of new products and services,

and market development projects. Team members participate in the discussion, openly asking questions about current and upcoming initiatives. The meetings also provide a unique opportunity to highlight and celebrate our collective successes and recognize team members who stood out for their commitment over the past year.

In the fall, we gather horizontal teams for the PT Summit, an annual event where we share knowledge about specific topics and explore new opportunities for synergies and the acceleration of our strategic plan. The PT Summit reinforces horizontal collaboration between managers and professionals across Premier Tech, helping us align our practices and learn from each another. Our supply chain business partners also join in this event every other year so that they can meet with our teams and discuss about various subjects. These gatherings foster lasting relationships and pave the way for innovative solutions that meet industry needs and create value for our clients.

In addition to these key moments, we have also developed other ways to nurture our conversations and help team members stay connected and informed about the latest developments at Premier Tech.

Team members can learn more about the status of current projects and about technological advances in our areas of expertise through, for example, podcasts and videos featuring Premier Tech leaders and experts. All team members are also invited to take part in discussions on sustainability through an online community where they can fuel our thoughts on the matter and develop a shared understanding of the latest developments in the field.

Improving collaboration and performance

We believe that cohesion between teams and individuals is key to ensuring the longevity of Premier Tech and delivering on our strategic plans. Time is set aside to meet throughout the year to maintain an ongoing conversation between managers and their team members and ensure everyone stays aligned with their business goals and is supported in their professional development.

The Collaboration and Performance Approach annual cycle starts with a meeting between a team member and their manager to discuss individual development, goals and performance, and set objectives for the coming year. Team members are then invited to two informal meetings, known as Walk and Talks, with

their manager. These meetings can take many forms, the idea being to create an environment that fosters open communication in a less formal space. Walk and Talks are an opportunity for team members to take a step back from ongoing projects and identify the main challenges they are facing in relation to their annual objectives. These meetings let managers check in with team members and ensure they have the resources they need to achieve their objectives and contribute to the team's success.





# In pursuit of excellence

In our view, sport is a collective endeavour. Working together with cities, families, coaches and mentors, we seek to empower young athletes from the outset of their careers. By supporting permanent sports infrastructure that benefit entire communities, we wish to drive healthy and active living habits in parallel with developing young athletes.

While our involvement spans across many disciplines, cycling holds a special place in our hearts. It embodies values that resonate deep within our team — the essence of teamwork and the pursuit of excellence. We are committed to building bridges between every level of the sport, supporting cyclists across all tiers and paving the way from early-age development teams to road cycling's grandest stage. In this effort, we work hand in hand with all stakeholders and bring our input, understanding that to have a lasting impact, teamwork is paramount.



## A dynamic collaboration

At Israel – Premier Tech (IPT), each pedal stroke is fuelled by the knowhow of about a hundred experienced specialists in their own fields. Without their dedication, passion, and work ethics, our professional riders could not go out there and perform to the maximum of their abilities. Sports directors, coaches, performance managers, nutritionists, mechanics, physicians, physical therapists, osteopaths and soigneurs transform their individual capabilities into a collective effort to enable the success of our team through the riders' performance on roads around the world.

“ There may only be one rider crossing the line first, but cycling undoubtedly remains a team sport. A rider could never win without the support of its teammates and staff members.”

— **Steve Bauer**, IPT Head Sports Director and first-ever Canadian to win a Tour de France stage

On course, each rider fulfills a particular role. The team leader for a specific race aims for the finish line while support riders set the pace, shielding the leader, fetching water bottles and nutrition as well as chasing down breakaways. Sprinters, climbers, time-trialists and all-rounders play a crucial role in shaping the race strategy, while experienced road captains guide the team through the race and lead-out riders position sprinters strategically.

Together, they form a finely tuned unit, where each individual's contribution and expertise bring the whole team closer to a win.



“ You have six to eight riders working in support of the common goal at any particular race — sacrificing their own chances to put their leader in the best possible position to win.”

— **Steve Bauer**



July 2023 — Stage 9 of the Tour de France

With particularly challenging — but very scenic — climbs, the mythic Puy-de-Dôme stage made its way back to the 2023 Tour de France after a hiatus of 35 years. When the route for the 2023 Tour was unveiled in Paris by tour organizer ASO on October 27, 2022, rider Michael Woods put an asterisk in his agenda. He knew that it was a stage cut out for him! In a meticulously planned strategy for that day, Canadian support rider Guillaume Boivin skillfully navigated Woods through the thick of the race, shielding him from many attacks within the peloton and setting the stage for an epic finale.

As the peloton approached the final four kilometres, the race leader maintained a significant advantage, still leading the race by a little over two minutes. Making up for this deficit in the last few kilometres, Woods caught sight of the race leader 800 metres from the finish line.



In pursuit of excellence



“ There is a massive team of staff — technical, medical, media — , all working toward the goal of having a victory. What’s illustrative is how important trusting relationships and teamwork are to building a team’s capacity for winning and pushing each other to new heights.”

— Jon Adams, IPT soigneur

Between Michael Woods’ recognition of his team’s race-day efforts and his detailed acknowledgment of their everyday support, there is a clear understanding that effective teamwork extends far beyond the race itself. It involves continuous preparation and support from the whole staff where everyone plays a crucial part in building toward success. This preparation is a day-to-day process involving everyone from the chef to the mechanics, ensuring that everything from nutrition to bike performance is managed.

“ The sports directors keeping me cool, the team chef providing great food, the team nutritionist giving me great guidance, the mechanics making sure my bike was optimal, having Steve Bauer, behind just encouraging me, all those things make a great difference.”

— Michael Woods



Photo credit: Sprint Cycling Agency

“ When I saw him, I said to myself: OK, I’m capable of winning. It was an incredible moment.”

— Michael Woods, IPT rider

The road then pitched to a challenging 12% incline. Woods proceeded through a spectacular climb as he surged past the race leader and soloed to cross the finish line. Although this win consists in an impressive display of individual strength, teamwork and strategy were at the forefront of the breathtaking achievement.

“ The riders, sports directors and the whole team were instrumental. Encouraging me, keeping me positive and making sure I was at the top of my game. All those things make a great difference. This win is a product of not just an individual effort but also that of a team, and winning alongside them was just perfect.”

— Michael Woods



Photo credit: Luca Bettini

These elements come together as a stitch in the tapestry of victory, meticulously woven long before the race begins. Woods’ victory is not just a testament to his physical prowess but a celebration of the sustained collective effort that propels him, and the team, across the finish line.

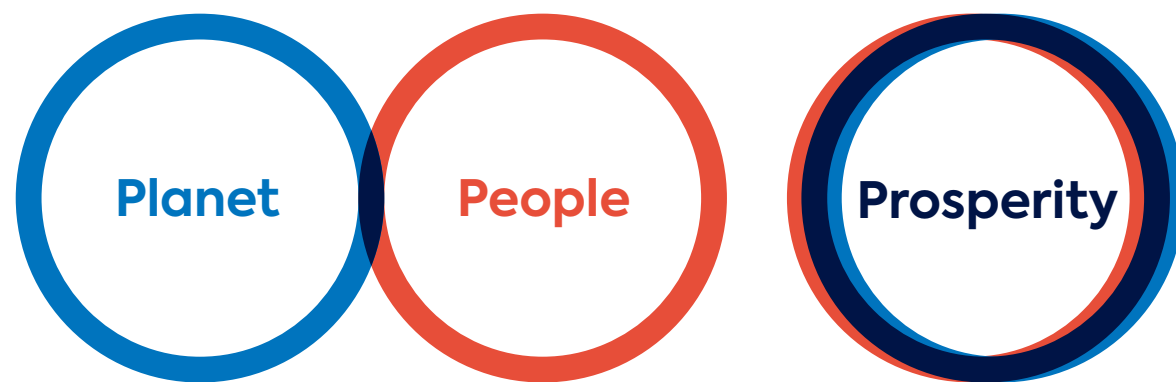
“ I’m really proud of this victory, it is a career-defining moment for me.”

— Michael Woods



# Sustainability and beyond

Connecting planet and people  
for prosperity



## Toward greater positive impact

Over the past two years, Premier Tech has brought its approach to sustainability from intuitive to intentional and structured. As part of our strategic plan VISION 2027, we have outlined our intentions and refined our ambition through our commitment to sustainability and beyond. It allowed us to implement concrete actions in line with a clear strategy as well as targeted spheres and impact areas. Drawing from this strategic focus, our teams can now contribute actively to the sustainability objectives.

## Horizontality and collaboration

Our sustainability horizontal work structure led to a proactive and engaged internal network fostering communication, collaboration and monitoring. By sharing ideas, experiences and various perspectives, we fuelled each other's reflections. Over the past year, we also created tools to better track and analyze the progress of our initiatives, thereby increasing their maturity level. The horizontal team is responsible for implementing these tools and overseeing their integration across the various groups. Their effort contributed to strengthening our internal alignment, enhancing our agility and accelerating the development of new strategies.



# Planet

Climate action is a collective challenge that extends to companies, individuals and communities alike. Premier Tech has therefore initiated the process of reducing its green house gas (GHG) emissions as part of the joint worldwide effort to limit global warming to 1.5°C.

## FY22 – FY23

### Laying a strong foundation

With the ambition to take part in climate action and set a reduction target, we must first get a precise and complete overview of our global GHG emissions. By conducting our first global inventory on scopes 1, 2 and 3, we identified the various emission sources and hotspots related to our activities. It gave us the required information to set a target and develop an action plan to reduce our GHG emissions.

## FY24

### Establishing our ambition

Over the past year, we have identified the various reduction scenarios for each of the business groups, then defined a consolidated objective. Following these efforts, Premier Tech sets its ambition to reduce its scope 1<sup>1</sup> and 2 emissions by 42% and scope 3 emissions by 25%, and to consume 90% of renewable electricity by 2030, compared with the baseline year of 2022. From this date, our emissions will be measured on a yearly basis.

## FY25 – FY31

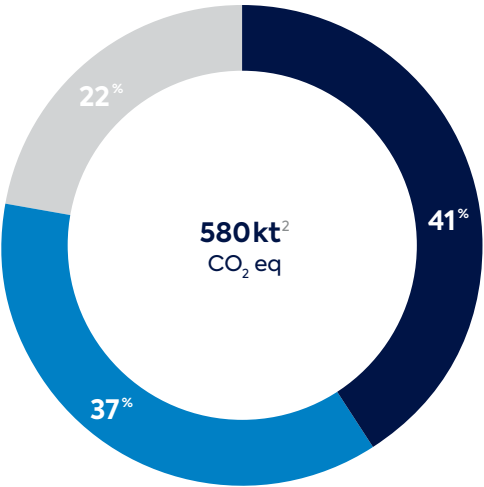
### Accelerating

Fiscal year 2025 started with the implementation of software for conducting GHG inventories and following up on the results of our reduction plan. Some decarbonization initiatives are already underway and will be amplified gradually over the coming years. In order to accelerate their implementation, we have initiated a process to determine the percentage of our investments that will be allocated toward these decarbonization initiatives. At the same time, we have also identified the key technological advancements that must be integrated into our technological watch and innovation activities to meet our target.

### Moving beyond

We also are fully committed to continue our GHG reduction efforts beyond 2030. We aim to develop sustainably, focusing on the development of impactful offers while limiting the footprint of our activities.

Emissions by group<sup>1</sup>

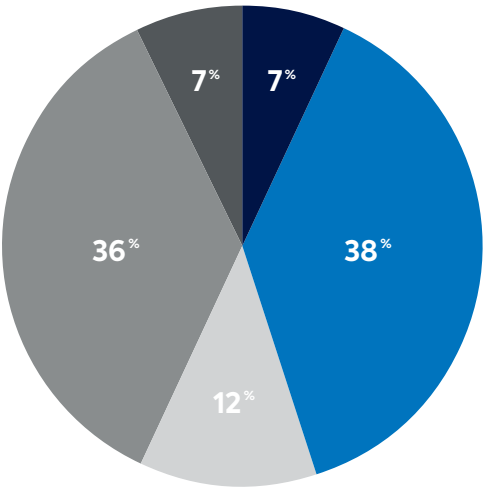


PT Systems and Automation PT Growers and Consumers PT Water and Environment

<sup>1</sup> Excluding the biogenic emissions of peat bogs management

<sup>2</sup> Expressed in thousand tonnes of CO<sub>2</sub> equivalent

Source of emissions by operations<sup>1</sup>



Manufacturing of our products (scope 1, 2 and 3 — category 3)  
Purchase of goods and services (scope 3 — categories 1 and 2)  
Transportation of our products (scope 3 — category 9)  
Customer use of our products (scope 3 — category 11)  
Other activities (scope 3 — category 4, 5, 6, 7 and 12)

## Change and innovation related to the carbon flux in lands

Even though scientifically recognized reduction targets — namely those of the Science Based Target Initiative (SBTi) — have been established for several years, they did not account for natural biogenic emissions, such as land-based emissions. The calculation and identification of reduction targets focused on fossil emissions, overlooking the specific emissions related to land use as well as the forestry and agriculture industries. The lack of a precise calculation methodology and tailored models for establishing reduction targets made it more challenging for companies in these industries to effectively participate in these reduction efforts. The Forest, Land and Agriculture (FLAG) methodology for establishing reduction targets has been developed in the past year to bridge the gap with the existing SBTi standards. The calculation methodology for these GHG flux has been clarified through the Greenhouse Gas Protocol framework, which should be adopted by the end of 2024.

Moreover, given the new results from academic scientific research, the Canadian Sphagnum Peat Moss Association (CSPMA) has undertaken a study to reassess the GHG flux exchanges in peat bogs. This study is expected to yield in a significant improvement in the relevance and precision of the calculation tool for peat bog emissions.

We take an active part in these developments and monitor them while ensuring that they are suited for our industry. We aim to set a target and develop action plans for our peat bog operations within the upcoming fiscal year. Meanwhile, we maintain our Innovation, Research and Development efforts and our collaboration with the industry to improve our harvesting and restoration methods. It also helps us identify and enhance complementary material to peat moss.



# Integrating life cycle thinking to prioritize our actions

Premier Tech has identified life cycle thinking and ecodesign as key to making sustainability intentional and integrated into our products and services portfolio. Thus, we have implemented initiatives to structure and deepen our understanding of the life cycle mindset, developed a maturity index to track and measure our progress, and collaborated with external consultants to launch multiple new life cycle analyses (LCAs). These initiatives will allow us to draw conclusions on many of our commercial offers and open avenues for strategic actions.

It has been decided to conduct simplified LCAs on products that account for a significant share of our portfolio. The simplified LCAs allow us to reach conclusions more efficiently, which can be applied to a large part of our sales and commercial offers. They provide a thorough understanding of our products' footprint and enable us to identify elements that otherwise would not have undergone such examination and proactive analysis. They also help our teams identify key improvement targets and partnership opportunities for the procurement of raw material.



## Ecodesign through our business groups

Three members of the horizontal team share insights into the integration of ecodesign within their respective group over the past year.

### A well-established ecodesign process

Premier Tech Water and Environment has been integrating ecodesign into its business model for many years. Innovative concepts have been core to the research and development work that led to the conception of the Ecoflo® biofilter in the late '80s. The members of the team responsible for this innovation were precursors, integrating life cycle thinking concepts such as life span, compactness, repairability and energy-less gravitational system. Recent LCAs confirmed the relevance of these elements, bringing the reflection on the Ecoflo® biofilter even further.

Supported by the International Reference Center for Life Cycle Assessment and Sustainable Transition (CIRAIG), the group conducted about fifteen LCAs on three products and many components in three distinct regions — namely Pennsylvania and Iowa, in the United States, and Québec, Canada. These LCAs will allow us to compare the different versions of these products and identify the design elements that could reduce their footprint.

“ We aim to fully integrate ecodesign into our daily workflow while enhancing the processes behind product development through ecodesign concepts,” says **Colin Côté**, senior industrial designer for the group.



### Express life cycle analyses

Premier Tech Growers and Consumers has undertaken its first ecodesign initiatives this year. The team has familiarized itself with life cycle analyses and built a unit to oversee the integration of these practices in their Innovation, Research and Development process.

The group has adopted two strategies to get an overview of its commercial offers. The first strategy was applied to the professional growing media offer and has been executed with the support of external experts. The goal was to conduct a simplified LCA on various components of the media, acting as a decision-making aid in developing the optimal composition. The second strategy resulted in the development and implementation of an internal express LCA tool, which provides a brief analysis outlining the most relevant environmental and social aspects to consider. This tool enables the group to better assess the impact of the wide range of its consumer products and integrate these takeaways into the product development roadmaps.

“ The life cycle analyses allowed us to identify the specific elements we aim to improve. As we are in an exploratory stage, there are still strategic decisions ahead, but it is part of our continuous improvement,” says **Sophie Deschênes**, application director for the group.

### Focusing efforts where it counts

For Premier Tech Systems and Automation, which manages highly complex and specialized technological platforms and equipment, the challenges with its first steps in ecodesign lie in the breadth of its offers and the specificity of its components. The first life cycle analysis, just like the group's GHG footprint, showed that the use on the client's premises has the highest footprint of the life cycle.

“ Contrary to what we expected, the use of steel in the equipment manufacturing has a very limited impact on the full life cycle of the product. Prior to conducting the LCA, our areas for improvement mostly aimed to reduce the use of steel,” says **Alexis Darisse**, innovation manager for the group.

The results of this first LCA demonstrated the importance of focusing efforts where they yield the most value relative to the required effort. As an example, the energy consumed by the equipment over its 15 to 20 years of useful life has a greater impact than all the operations related to its manufacturing.



# Overview of the initiatives implemented this year

As part of the continuous improvement of our business and production practices, we are committed to reducing our footprint, including our GHG emissions and the management of raw and residual materials. This commitment fostered collective engagement and raised awareness of ecoresponsibility, leading to the launch of many initiatives across our home bases throughout the year.

## Ecoresponsible practices at events

Premier Tech

The 100th anniversary celebrations on the Premier Tech Campus in Rivière-du-Loup were a great opportunity to take concrete actions aligned with our commitment to ecoresponsible practices. A particular attention was given to reducing waste at source and controlling the use of single-use plastic. We have selected reusable, recyclable or compostable food containers, installed recycling and composting stations across the site, and redistributed the extra food to local food security organizations. Supported by Desjardins, we have also offset transportation emissions through the purchase of educational Scol'ERE carbon credits, which aim to raise awareness of climate change among primary and secondary students in Québec.



## A plastic circularity pilot project

PT Growers and Consumers

A plastic recycling pilot project has been implemented in collaboration with Modix Plastique, a high-quality post-consumer resins recycling and manufacturing company, and PolyExpert, a polyethylene film manufacturer. This initiative has a three-step circular economy target: recycling bags from mega bales packaging used for inter-site transports, transforming these bags into post-consumer reprocessed resins, and integrating these resins into a plastic film used for the production of new growing media bags. This pilot project allowed the plant in Rivière-du-Loup to recycle over 45 tons of plastic this year.

## Energy savings

PT Water and Environment

To enhance energy efficiency and reliability of compressed air generation equipment, our team in Châteauneuf-d'Ille-et-Vilaine, France, replaced three air compressors that had reached the end of their life cycle by two 15 kW variable speed drive (VSD) compressors and one 5.5 kW reciprocating compressor. It led to significant energy savings of 50% while also optimizing our production.

## Impactful IR&D actions

PT Water and Environment

To support the group's partners in wastewater treatment maintenance services and address the challenges they face — the significant growth of activities and the labour shortage in the North American market —, the Innovation, Research and Development (IR&D) team focused its efforts on finding solutions. The team conducted a service offer analysis for standard industrial equipment — the vacuum truck —, which highlighted energy waste. So, an innovative solution was found through the integration of a new aspiration method using an air compressor. This compact, efficient and easy-to-transport solution represents a significant cost saving for our service partners and optimizes their operations. It also cuts diesel consumption by approximately 32%, thus mitigating the environmental footprint of service operations.



## Introduction of recycled plastic material

PT Water and Environment

Among its ecoresponsible production practices, the business group has introduced recycled plastic material (RPM) into its products. This commitment to reducing the utilization of virgin resins and offering more ecoresponsible products takes two forms: the introduction of recycled polyethylene in the rotomolded products and the purchase of recycled plastic parts. For example, all the PVC tubes used in our solutions are now made from recycled PVC. In 2023, our business unit in France received the MORE label — MOBilised for REcycling — from Polyvia, the Federation of Plastics Processing and Composites. This label recognizes the integration of post-consumer waste and post-industrial RPM, demonstrating the best practices that have been implemented in this regard.



## Integration of new ecoresponsible practices

PT Systems and Automation

This year, the business group has integrated a new aspect to its well-established active management process, which aims to cover various subjects such as health and safety, productivity improvement or any other improvement opportunities identified by manufacturing teams. Environmental initiatives are now fully part of these weekly meetings, allowing everyone to suggest environmental improvements.

# People

At Premier Tech, we value human potential. It has been at the heart of our Values, along with teamwork, since day one. It is with that in mind and following the implementation of our strategic plan VISION 2017 that we have created, in 2015, our own training centre, the University of Premier Tech (UPT) which features a team focused on the development and training of team members. As part of VISION 2027, we wanted to strengthen the scope and alignment of our commitment to team members’ development. We have therefore developed a three-year strategy considering both Premier Tech and team members’ ambitions.

“ We gathered the key elements of VISION 2027 and initiated conversations with our teams, which gave us various perspectives. We analyzed the conversations from the collaborative platform used in the strategic planning process. We also collected responses to a development and training survey from some 900 team members. Moreover, the annual survey allowed team members across the world to share their experience on various aspects, including workplace wellness,” says **Sylvie Massé**, vice-president organizational development.

These conversations have deepened our reflection and our strategy toward 2025. We have built our strategy on this solid foundation, focusing on four key areas.

**The visibility on our talents** is essential as it gives us an overview of the potential and talent diversity of our team members. It also ensures that our strategic orientations align with the knowledge and skills required to meet those goals.

**Knowledge management** is important within a company with roles as diverse and specialized as ours. We have implemented initiatives to better identify fundamental knowledge related to our industries and, most importantly, to transfer it to the next generation of team members, securing it for the long term.

**Career opportunities** must be visible. By supporting our team members in better identifying and understanding their interests, as well as their professional goals, and offering them visibility into career and development opportunities at Premier Tech, we will help them to better align with their aspirations.

**Team member empowerment** is fundamental at Premier Tech. Every team member is accountable for their own professional development. Premier Tech is committed to providing everyone with an overview of the learning ecosystem, as well as the tools and resources available, empowering team members in that process. Each team member is then responsible for seizing opportunities that align with both their professional ambitions and the strategic objectives of the company.

## Development and beyond

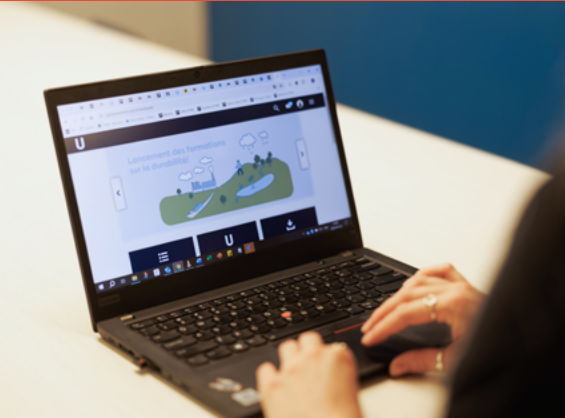


“ These key areas have all been identified as promising, supported by action plans either already implemented this year or planned for the year ahead. We are confident that this strategy will support the growth and ambitions of the company, while contributing to the professional fulfillment of the members of the Premier Tech Team.”

— Sylvie Massé

## Launch of sustainability training courses

This year, Premier Tech expanded the digital offer of UPT with two new sustainability training courses, namely “Sustainability” and “Planet”. Two other trainings, “People” and “Prosperity”, will be launched in the near future. The sustainability training path offers insights into our three sustainability spheres and our main impact areas. The Planet training focuses on specific environmental aspects such as green house gas, ecodesign and residual material management. These interactive trainings are designed to strengthen understanding, foster engagement and provide team members with a shared vocabulary on sustainability.





# A global implementation of our health and wellness initiatives

At the heart of Premier Tech’s social initiatives is the commitment to caring for team members’ health and wellness, supported by dynamic resources and tools that meet the needs of all team members.

## The value of listening

Given the vast ecosystem of Premier Tech, it was instrumental to create an efficient tool to hear as many voices as possible and stay connected with the teams. So, every year, team members have the opportunity to give their perspectives on various subjects through the Team Member Experience Survey. This generates a great feedback loop from which arise the comments and impressions of team members on professional development, recognition, work-life balance, collaboration, and engagement. Premier Tech guides its actions on the analysis of the information and feedback collected from this survey, ensuring that the team members’ needs and the specific local contexts are considered.

In 2023, the survey, available in 10 languages, has been conducted across 25 countries and 60 home bases. Nearly 3 500 team members completed it, for a participation rate of 85%. One of the main goals of the survey is to enable managers to talk with their teams about improvement opportunities and implement concrete actions that directly impact their daily work life.

## At the heart of the Team Member Experience

For nearly 30 years, Premier Tech has provided team members at the World Headquarters with on-site access to a doctor on the Campus in Rivière-du-Loup for quick and individualized healthcare services. Over the years, the offer expanded — from basic medical examinations to yearly vaccination campaigns. In the last few years, Premier Tech brought these services to team members worldwide, providing them and their families with free 24/7 access to telemedicine. This enables them to consult with a multidisciplinary medical team via video or phone, ensuring prompt care for various health needs, along with personalized follow-up after each consultation.

To complement this offer, Premier Tech has also implemented a Team Member and Family Assistance Program (TMFAP) covering various wellness aspects, such as mental health, work, financial and legal well-being.



# The SAFE model, a measuring tool for OHS management

Organizational health and safety (OHS) is key at Premier Tech. This year, we have taken further steps to empower our teams, fostering their autonomy and leadership regarding health and safety. Drawing on the industry’s best practices, inspiring one another and identifying our best internal practices, we came up with SAFE, an organizational health and safety model suited to our various workplace realities. This model can be adapted to the specific context of each team, supporting the implementation of targeted action plans and tailored key performance indicators for each home base.

## Mobilization workshops

To foster engagement and root our health and safety action plans in our daily activities, we have conducted many sessions called mobilization workshops. These workshops are offered in two formats — one designed for the leadership teams of groups or business units, and one intended for the management teams of each home base as well as their teams. Their shared objective is to gather participants for meaningful conversations aimed at having a positive impact on health and safety within our work environment and identifying each person’s role. Each workshop results in the development of an action plan, followed by the identification of priorities that will be integrated into the OHS global action plan. These workshops will be renewed every other year to track progress and ensure the continuous improvement of OHS performance at Premier Tech.

“ The mobilization workshops gave me a better understanding of where the team is at health-and-safety-wise. They also allow us to deepen our knowledge on the matter and quickly turn these conversations into tangible actions. For us, this led to the planification of specific trainings for our daily tasks.”

— **Simon Dubé-Morin**, industrial electrician, Operations and Maintenance, Rivière-du-Loup

“ The mobilization workshop brought team members from various teams together — whether from leadership, management or production teams, or from the joint committee. We had open and meaningful conversations that fostered a common understanding, ensuring that we were all on the same page at the end of the workshop. We now have everything we need to quickly carry out targeted actions for tangible results on the identified opportunities.”

— **Steve Pelletier**, production director — integration, Premier Tech Systems and Automation, Rivière-du-Loup





# Connecting with our communities

For Premier Tech, being committed to the communities in which we operate means identifying opportunities and genuine ways of amplifying our support and impact. This is why we are dedicated to contributing to keeping our communities dynamic and vibrant through initiatives in health, sport and education — all areas that fully align with who we are and what we stand for. To expand the reach of its impact, Premier Tech also implements initiatives to foster team members engagement and the importance of giving back. By promoting a caring culture and actively participating in causes team members value, we collectively contribute to the social and economic continuity of communities.

This is how Premier Tech partnered with Nooé, a Québec non-profit organization dedicated to increasing the average donation in the province by encouraging companies and their people to support causes meaningful to them. Donations are collected through a free and user-friendly mobile platform, created by Premier Tech Digital — Mirego, featuring over 3 000 registered Québec organizations. For Nooé, companies should act as community keystones.

“ We have a great social safety net in Québec and we want to support it, while giving people the opportunity to experience the pride of giving as a team. Nooé can bridge the gap between a company and organizations, making donations more accessible. By mobilizing their teams, companies can have a real impact on Québec organizations, and mostly on those who benefit from them and, consequently, on our entire community.”

— **Florence Petit-Gagnon,**  
co-founder of Nooé

## Engaging donation campaigns

This partnership with Nooé came naturally as soon as the project was thought of by its founders. Supporting forward-looking initiatives that bring people together and whose mission aligns with its promise of making a difference is important for Premier Tech. Team members had the opportunity to use Nooé for the 2023 end-of-year fundraiser, a tradition that has been growing since its beginnings in 1997. Last December, team members across our home bases in Québec were invited to support families and people experiencing food insecurity. The Nooé platform facilitated generosity and enabled team members to see the amounts donated to selected organizations grow in real time. In total, nearly \$30 000 was raised to help those in need.

Last May, Premier Tech launched a generosity movement to encourage team members to give to causes of their choice, empowering them to make a positive impact on their communities. As part of this movement, Premier Tech invited team members across Québec to donate to organizations registered on the Nooé platform. Premier Tech then matched the donations of team members to support them.

During this first annual donation campaign, the generosity of team members, supported by Premier Tech, extended to nearly 55 organizations — distributed across 10 regions of Québec — active in more than 15 fields of action including health; children youth and family; mental health and addictions; international development and environment.



# Prosperity

Premier Tech operates in industries in which there is a tangible potential to generate a positive impact and contribute to solving social and environmental challenges related to feeding, protecting and improving our world.

As a stepping stone to creating more of those offers and communicating in an open and factual manner about those already in our portfolio, we have determined what an impactful offer truly means to us and identified specific qualification criteria. These criteria allow us to measure the positive impact of our products, services or business models more adequately as well as to better define and assess those we aim to develop.

We will present our three criteria and how they apply to one of our impactful offers — the natural active ingredients from the AGTIV® product line.

1

The offer addresses a social or environmental challenge in a precise and tangible manner


Criterion

We assess the purpose of a product to determine if it addresses a recognized and documented environmental or social challenge. To do so, we refer to the established international framework for documenting these challenges: the Sustainable Development Goals (SDGs) of the United Nations. As for our key performance indicators, we base them on the IRIS+ system, a positive impact measuring tool designed for businesses.

Our offer

2


ZERO HUNGER



The natural active ingredients of our AGTIV® product line help contribute to some of the specific targets of Sustainable Development Goal 2, which aims for sustainable agricultural practices. Specifically, these practices aim to ensure the viability of food production systems and the implementation of resilient agricultural practices that increase productivity, strengthen adaptive capacity to climate change, and gradually improve land and soil quality.

13

CLIMATE ACTION



Some of our active ingredients enable the optimization of fertilizer use, reducing the GHG emissions associated with their production and the impact of their use. Improving yields also promotes optimization of all resources used for agricultural production.

The natural active ingredients — mycorrhizae, rhizobium, Bacillus and Serendipita — of our AGTIV® product line address certain environmental challenges in a specific and tangible way by increasing crop productivity, enhancing their resistance to drought and improving soil health as well as stability.



2

The offer is integrated and designed for a long-term impact

Criterion

We assess whether a product or service is embedded and established as part of the commercial offer of our business groups. We aim to qualify offers and models that have a significant impact in terms of scale and lasting positive impact.

Our offer

Premier Tech has been developing innovative solutions leveraging the potential of microorganisms for over 40 years. Research and development started as early as 1983, drawing from the idea of developing a new generation of growing media. This commitment to biotechnological innovation with natural active ingredients is still relevant today as we are determined to bring back life into soils. Premier Tech has invested more than \$75 million to diversify its natural active ingredients and build autonomy in its production, making it the only company able to produce mycorrhizae on such scale.

3

The offer is verifiable and quantifiable

Criterion

We ensure that the positive impact of our offer is quantifiable and verifiable. We aim to demonstrate, with appropriate context and supporting evidence, how our products and services have a positive impact on the environment or address a social challenge. Committed to transparency, we seek to provide reliable and detailed evidence to all our stakeholders.

Our offer

Many studies have shown the positive impact of our active ingredients. We have conducted tests experimentations with partners, measuring and demonstrating productivity gains. We have also worked directly with producers, in their fields, to understand their situation and enable them to measure their yields. In the coming year, we aim to carry on with new studies to assess other benefits such as additional carbon sequestration or reduction in fertilizer use. We work on these initiatives with agricultural stakeholders — governments, scientists, agronomists, agri-retailers and certification bodies — to confirm the accuracy of our data.





# Feed, protect and improve our world

We always seek new ways to create value for our clients while having a positive impact on the planet and people, relying on the strong synergy of our knowledge, skills and resources.

## Protecting water resources

This year, we have put significant efforts in identifying the best qualification criteria and applying them to our various existing impactful offers. The AGTIV® product line is a great example of such impactful offers, but we have also updated and documented our commercial offers marketed under the Ecoflo® brand — onsite wastewater treatment systems whose filtering performance exceeds market requirements —, as well as our Rewatec® rainwater harvesting offer, which helps protect water resources and optimize their use.

## Biotechnology and active natural ingredients

Over the coming year, we plan to extend our research on our natural active ingredients offer for biostimulation and biocontrol. Given that scientific research mainly focuses on agriculture, we will collaborate with external research partners to measure and document the positive impact of these ingredients on horticulture. Our goal is to provide more precise information about how our products can have a positive impact on horticulture.

## Bettering health and well-being

There is a huge potential to develop and implement impactful commercial offers within Premier Tech Life Sciences. Our teams actively work on the development of such offers for human and animal nutrition based on innovative products to better their health and well-being.





# Creating synergies and leveraging expertise for greater impact

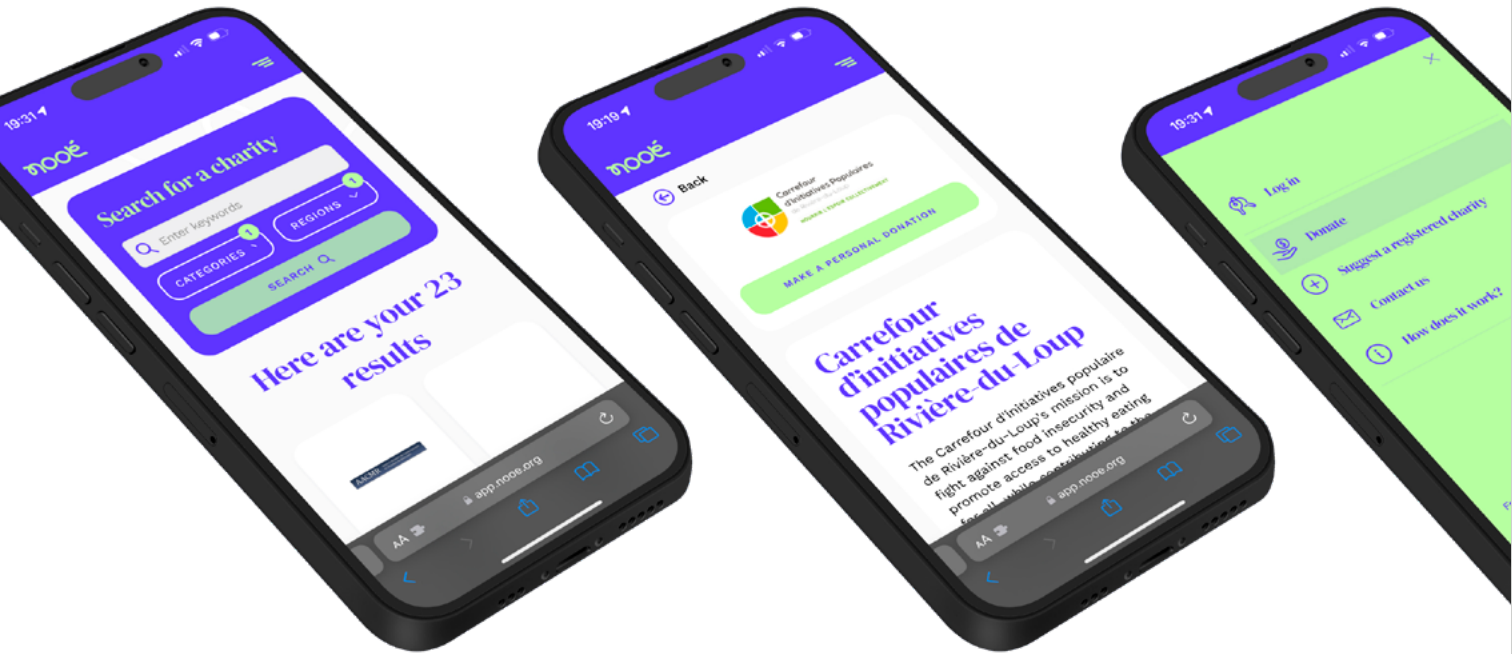
Tackling complex societal challenges often requires collective action. We believe that our positive impact is significantly strengthened when we join forces to address sustainability challenges specific to our industries.

## Nooé, a partnership to foster a culture of giving back

Premier Tech and Mirego, which is part of our Digital business group, have formed an impactful partnership with the foundation Nooé. Mirego has leveraged its digital application development expertise for a major social movement: bringing people closer to giving as well as building bridges between a company and its teams, enabling both to contribute to causes dear to the hearts of individuals.

The Québec non-profit organization Nooé has the ambition to develop an entirely free digital application to encourage donation and help showcase over 3 000 organizations across the province. The main mission of Nooé is to increase the average annual donation in Québec while enhancing how we value philanthropy in the province.

It is by joining forces that we aim to create a true movement of generosity and have a lasting social impact.



## HIFA, a strong partnership for innovation and training

Premier Tech was among the ideators of the Innovation and Advanced Training Halls (Halles d'innovation et de formation avancée — HIFA) with the Université du Québec à Chicoutimi Entrepreneurship and Spin-Off Centre (CEE-UQAC), and is one of the founding members — alongside the Fonds de solidarité FTQ, Desjardins Capital and Cascades.

HIFA is a non-profit organization whose goal is to support Québec manufacturers in improving their efficiency and productivity through the automatization and robotization of their operations, as well as the acceleration of their digital transformation. HIFA supports them throughout the process, which requires innovation and training of office and production staff.

Premier Tech leveraged its expertise in automation and smart manufacturing for this innovation centre, aiming to offer Québec manufacturers support beyond its own network of subcontractors and suppliers. It was therefore natural for Premier Tech to help HIFA in its effort to offer training to personnel and support individuals in improving operational efficiency of manufacturers.

As June 2024 marks the opening of HIFA, it has already been granted a project by the Labour Market Partners Board (Commission des partenaires du marché du travail — CPMT). This project aims to develop a training model designed for the specific realities of a manufacturing environment and is centred on the needs of people working in plants. This training model seeks to support Québec manufacturers, as well as their personnel, in the acceleration of their automatization and digital transformation.





**Leadership Team**



From left to right

**Bernard Bélanger**  
Chairman of the Board

**André Noreau**  
President and Chief Executive Officer  
Premier Tech Systems and Automation

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

**Yves Goudreau**  
Senior Vice-President  
Corporate Development

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

**Pierre Talbot**  
Senior Vice-President  
Innovation

**Nadine Leclerc**  
Vice-President  
Marketing and Brands

**Martin Pelletier**  
President  
Premier Tech Growers and Consumers

From left to right

**Henri Ouellet**  
President  
Premier Tech Water and Environment

**Albert Dang-Vu**  
President  
Premier Tech Digital

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

**Michel Noreau**  
Senior Vice-President  
Operational Excellence and  
Property Management

**Jean Bélanger**  
President  
Chief Executive Officer

**Wilhelm Bielert**  
Senior Vice-President  
Chief Information Officer

**Jean-Pierre Bérubé**  
Senior Vice-President  
Special Project



**Board of directors**



From left to right

**Bernard Bélanger** ▲

Chairman of the Board  
Premier Tech

**Anne Darche** ▲

Corporate Director

**Germain Ouellet**

Senior Vice-President  
Corporate Secretary  
Premier Tech

**Hon. Martin Cauchon** ▲■

PC., LL.M., ICD.D, Ad.E.  
Legal Advisor  
DS Lawyers Canada LLP

*Chairman, Human Resources Committee*

**Jean Bélanger**

President  
Chief Executive Officer  
Premier Tech

**Pierre Alary** ■

Corporate Director

*Chairman, Audit and  
Corporate Governance Committee*

**Jean-Yves Leblanc** ■

Corporate Director

*Lead Independant Director*

**Louis Hébert** ▲

*Professor of Strategy  
HEC Montréal*

*Corporate Director*



▲ Human Resources Committee member  
■ Audit and Corporate Governance Committee member



**Financial review**



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# Fiscal year 2024 at a glance

Although Premier Tech makes business acquisitions on a regular basis, our growth is mostly organic. Indeed, our growth over the past five years, and that of the last three decades, is due mostly to the sale of our own products and services as well as to our ongoing investments in our brands and in Innovation, Research and Development. Even though business acquisitions fuel our growth, their role is to accelerate our organic growth.

In the past year, our company experienced a slight decrease of our sales of \$5M, or of -0.4%, as the volume of business declined in our Growers and Consumers as well as Water and Environment groups. This decrease was not fully offset by the growth experienced in the Systems and Automation as well as Digital groups.

The growth in operating EBITDA, indicator of our performance and ability to generate profitable growth, amounted to 19.2% over the past five years, while we experienced a 26% increase in sales for the same period. This performance bears witness to our ongoing efforts and investments made over the years.

This year was impacted by the significant increase of interest rates that arose from summer 2022, leading to a different economic volatility in each of our business sectors. For a second year in a row, spring was cold and rainy, and summer was marked by challenging weather, having a strong negative impact on our sales volumes and on our cost structure.

In this challenging economic and meteorological context, we managed our production with discipline, aiming to reduce our inventories of finished goods and raw materials, which accumulated following COVID — resulting from:

- our financial capacity to secure and have available components and products to meet the needs of our clients across our business sectors despite the challenging context of the supply chain
- excess inventory at the end of the spring 2023 season for our Growers and Consumers group.

With this disciplined management of our production, our structure costs have been absorbed by a lower production volume than usual, as was also the case in fiscal year 2023, leading to a significant increase of our production unit costs. Given that the inventories are now back to usual levels and assuming a standard peat moss harvesting season, we expect the production volume of our Growers and Consumers group to return to its average track record during fiscal year 2025, and production unit costs to revert to their normal level.

## Sales

\$1 113<sup>M</sup>

## Sales growth in the past 5 years

\$230<sup>M</sup>

78% Organic  
22% By acquisition

## Operating EBITDA<sup>1</sup>

\$93<sup>M</sup>

## Operating EBITDA growth in the past 5 years<sup>1</sup>

\$15<sup>M</sup>

<sup>1</sup> It is important to note that the operating EBITDA commented in this Premier Tech Report represents the financial performance achieved by all our business groups, excluding our Life Sciences group, which is in a start-up period and had no contribution to sales in fiscal year 2024 nor in previous fiscal years.



# Forward-looking statements

Fiscal year ended March 2, 2024

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, either explicitly or implicitly, in such statements.

Earnings before interest on the long-term debt, interest and bank charges, income taxes on earnings, depreciation and amortization, and nonoperational elements — 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 and cybersecurity 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 must also adapt to the conditions — whether economic, climatic, operational or competitive — in the markets it services.



# Operational results

## Evolution of sales

Consolidated sales for the fiscal year ended March 2, 2024, reached \$1 113 million, which represents a slight decrease of \$5 million, or of -0.4% of sales, compared to the \$1 118 million reported for the preceding fiscal year.

For fiscal year 2024, the Company reported a 6.0% decrease in sales (still showing a growth of 16.9% over the past five years) for Premier Tech Growers and Consumers (PTGC), a 6.7% decrease (still showing a growth of 33.1% over the past five years) for Premier Tech Water and Environment (PTWE), and a 5.2% increase (showing a growth of 23.5% over the past five years) for Premier Tech Systems and Automation (PTSA), while Premier Tech Digital (PTD) reported an increase of 5.4% in 2024 and of 30.6% in 2023 — the year following the acquisition of Mirego. Our Life Sciences business group was in a start-up mode and has not contributed to the consolidated sales during fiscal year 2024 nor in the preceding fiscal years.

## Evolution of assets to sales ratio

At year-end of fiscal year 2023, the Company reported \$1.01 in total assets for each dollar of sales, and now reports \$0.98 in total assets for each dollar of sales generated in fiscal year 2024. The \$0.03 decrease per sales dollar comes from an approximately \$0.05 decrease in the working capital asset ratio and a \$0.02 increase in the long-term asset ratio. The \$0.05 reduction in working capital assets arose from the efforts invested in reducing the finished products inventories in PTGC and PTWE as well as the raw materials inventories in PTSA, PTGC and PTWE. The \$0.02 increase in the ratio of long-term assets per dollar of sales reflects the Company’s significant investments in fixed assets during fiscal years 2022, 2023 and 2024 of \$74 million, \$111 million and \$47 million, respectively.

## Total assets per sales dollar



## Decrease per sales dollar





Geographic distribution of sales

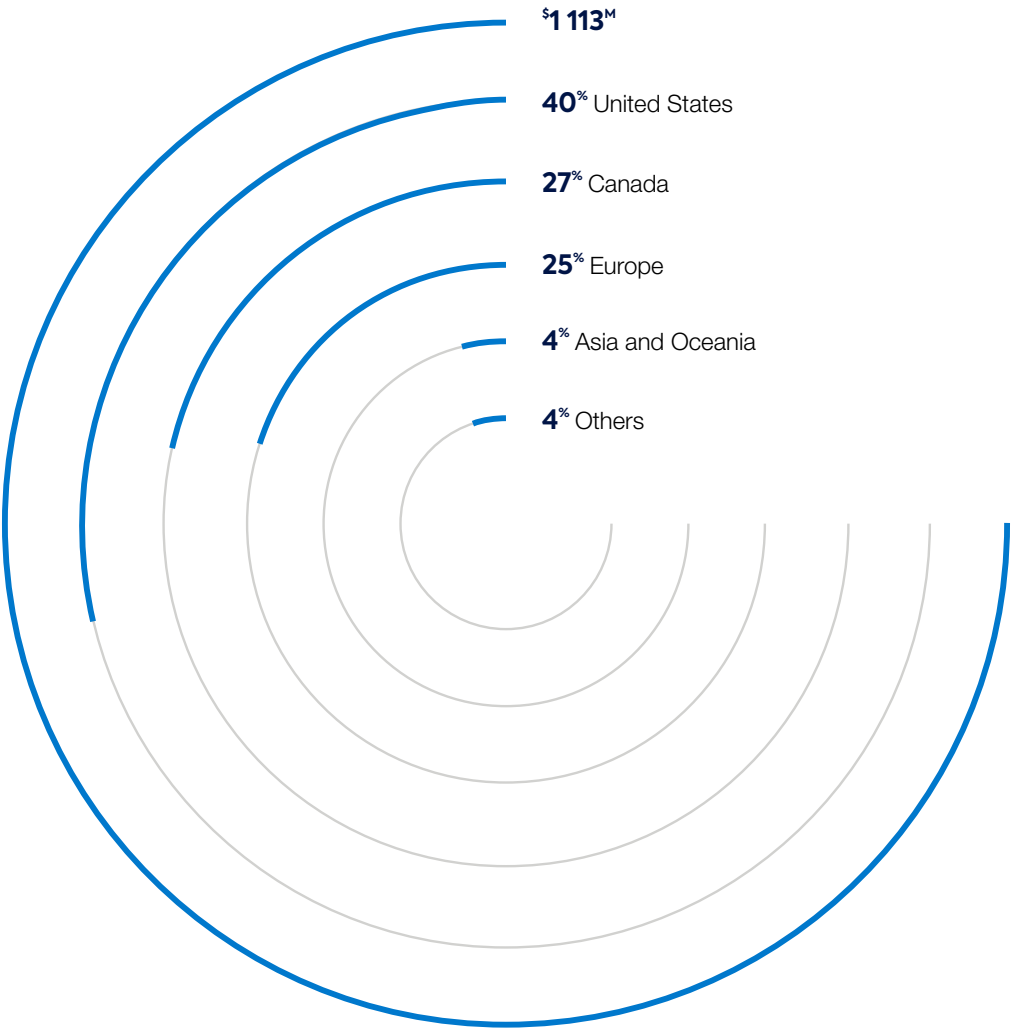
For fiscal year 2024, PTGC generated nearly 88% of its sales in North America (88% for fiscal 2023), including approximately 46% in the United States and 42% in Canada, and nearly 12% of its sales in the European Union (12% for fiscal 2023). As most of PTGC’s North American manufacturing operations are in Canada, 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 72% of its sales in North America (70% for fiscal 2023). Europe represented approximately 20% of its sales (20% for fiscal 2023), whereas Asia and Oceania accounted for about 8% (10% for fiscal 2023). As most of its manufacturing operations take place in Canada whereas most of its sales are made in US dollars, PTSA is exposed to variations in the exchange rate of the US dollar against the Canadian dollar.

PTWE generated some 32% of its sales in North America (29% for fiscal 2023), about 62% in Europe (59% for fiscal 2023) and approximately 6% in Asia (12% for fiscal 2023). It 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.

PTD generated approximately 90% of its sales in North America and 10% of its sales in Europe, for both fiscal 2024 and 2023.

Geographic distribution of consolidated sales





Operating earnings before interest, tax, depreciation and amortization

With respect to its financial performance, Premier Tech recorded operating earnings before interest, tax, depreciation, and amortization (operating EBITDA) of \$93 million, which corresponds to 8.4% of sales generated (\$92 million and 8.2% in fiscal 2023), — excluding the start-up costs of Premier Tech Life Sciences for fiscal 2023 and 2024. This performance represents a small improvement over the previous year of \$1 million increase (+ 1.1%) in operating EBITDA in absolute figures and of 0.2 percentage point in operating EBITDA as a percentage of sales.

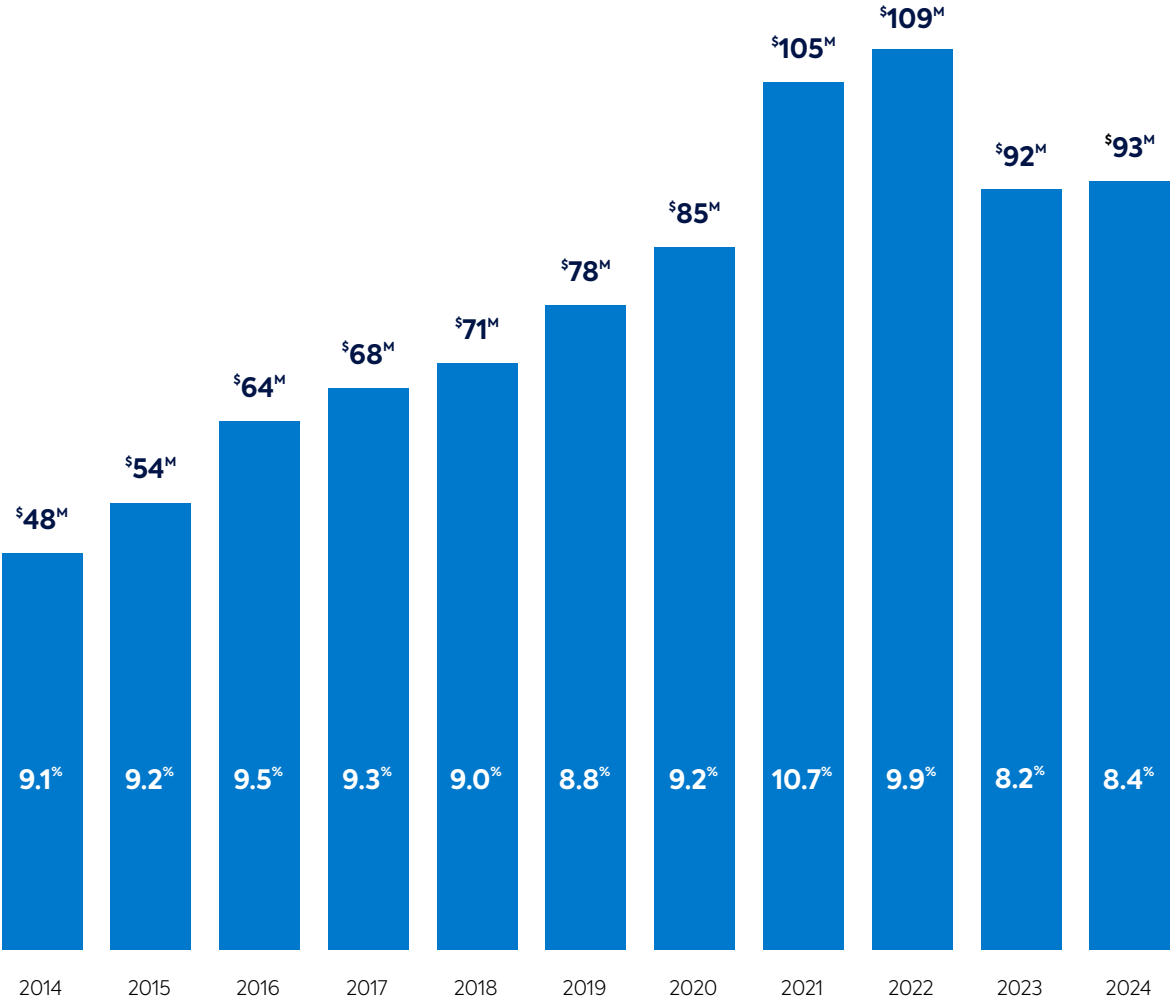
The Company has seen operating EBITDA decrease by \$16 million over the past two years and increase by \$15 million over the past five years. This performance shows the growth opportunities captured over the past five years and the challenges posed by the unique economic context of the past two years for our Growers and Consumers as well as Water

and Environment business groups. But above all, it highlights the agility of the Company in a constantly changing environment. Despite the challenging economic context, Premier Tech maintains its fixed-asset investment strategy and its sustained Innovation, Research and Development efforts, allowing the Company to seize the daily available opportunities to gain market shares as well as the ones that will present upon return to a more favourable economic environment, while ensuring to remain competitive on the market.

It is important to note that the operating EBITDA commented in this Premier Tech Report represents the financial performance achieved by all our business groups excluding our Life Sciences group, which is in a start-up period and had no contribution to sales in fiscal year 2024 nor in previous fiscal years.

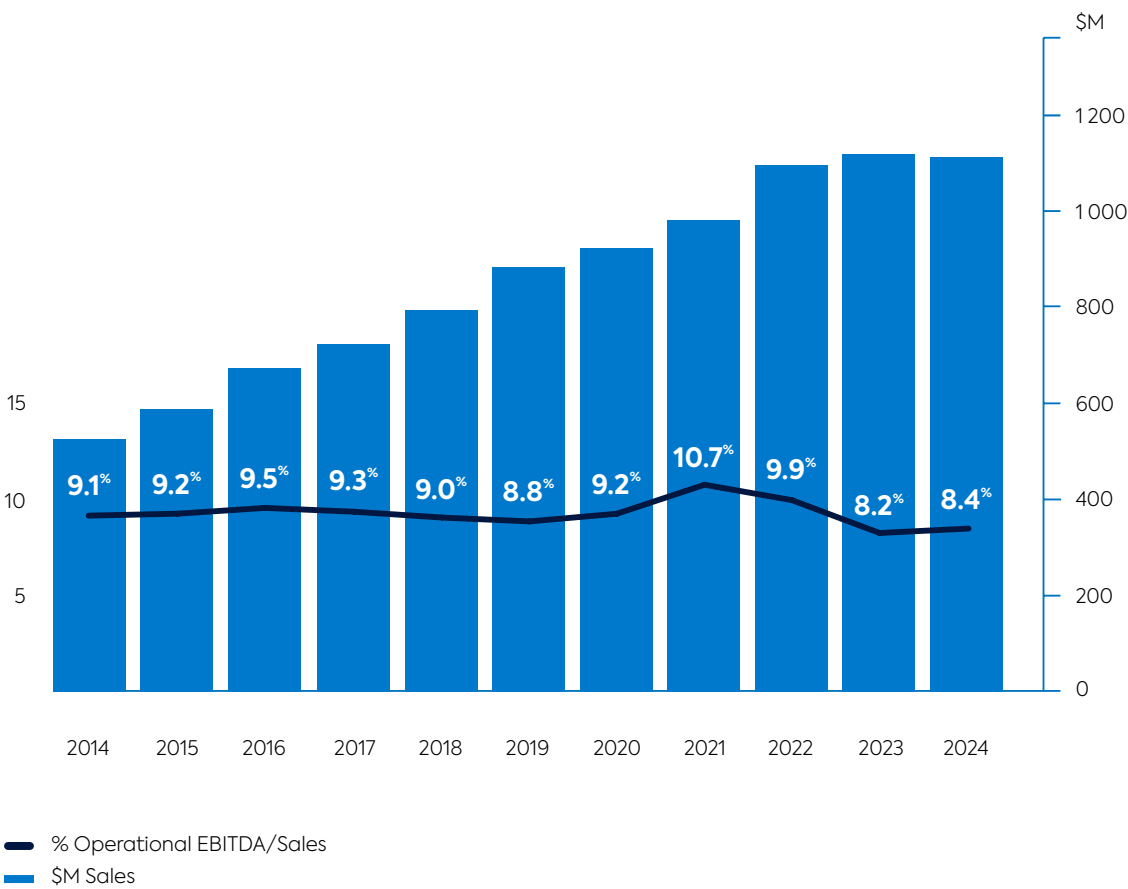
Operating EBITDA

% of sales





Sales and operating EBITDA



Working capital and total assets

The working capital of the Company saw a slight decrease of \$3 million in 2024, reaching \$123 million, representing 11.1% as working capital as a percentage of annual sales. This decrease is mainly due to investments in fixed assets again financed in 2024 by the operating line of credit. It is also important to note that the Company cashed out \$39 million of long-term financing in March 2024, which represents the long-term financing of fixed assets acquisitions completed during fiscal year 2024. If these financings had been received in February, the Company would have presented \$159 million of working capital, which represents 14.3% of its sales, and a working capital ratio of 1.45, placing the Company at a historic peak in working capital and at a very comfortable working capital ratio.

The working capital of the Company saw an increase of \$36 million in 2023, reaching \$126 million, representing 11.3% as working capital as a percentage of annual sales. This increase is mostly due to the refinancing transaction completed in April 2022, which contributed to \$45 million, partially offset by investments in fixed assets that were funded by the operating line of credit in 2023. It is also important to note that the Company cashed out \$33 million of long-term financing in March 2023, which represents the long-term financing of fixed assets acquisitions completed during fiscal year 2023. If these financings had been received in February 2023, the Company would have presented \$156 million of working capital,

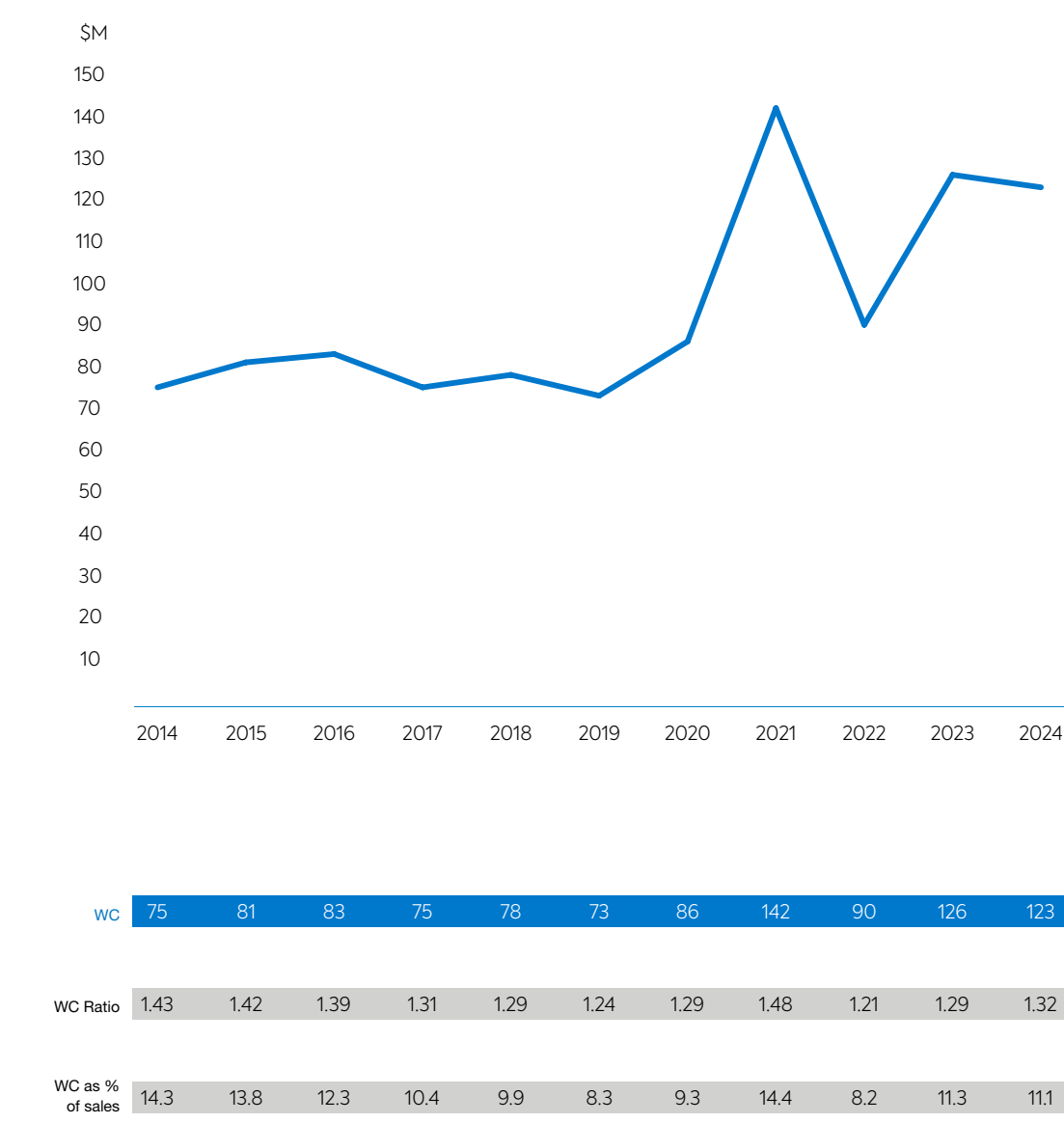
which represents 13.9% of its sales, and a working capital ratio of 1.38, then placing the Company at a historic peak in working capital and at a very comfortable working capital ratio.

Working capital as a percentage of annual sales hit a floor in 2022 at 8.2% of sales since the financing operation that had generated an injection of \$45 million in the working capital was only completed in April 2022. If the financing operation had been completed before the end of fiscal year 2022, the Company would have presented a working capital of \$135 million, or of 12.3% of sales, placing it in the middle range of fiscal years 2014 to 2021, which is considered standard. The strong decrease of the working capital in 2022 is related to the Company's choice to temporarily finance most of its fixed assets acquisitions straight from its operating line of credit while it was in the process of refinancing its long-term debt.

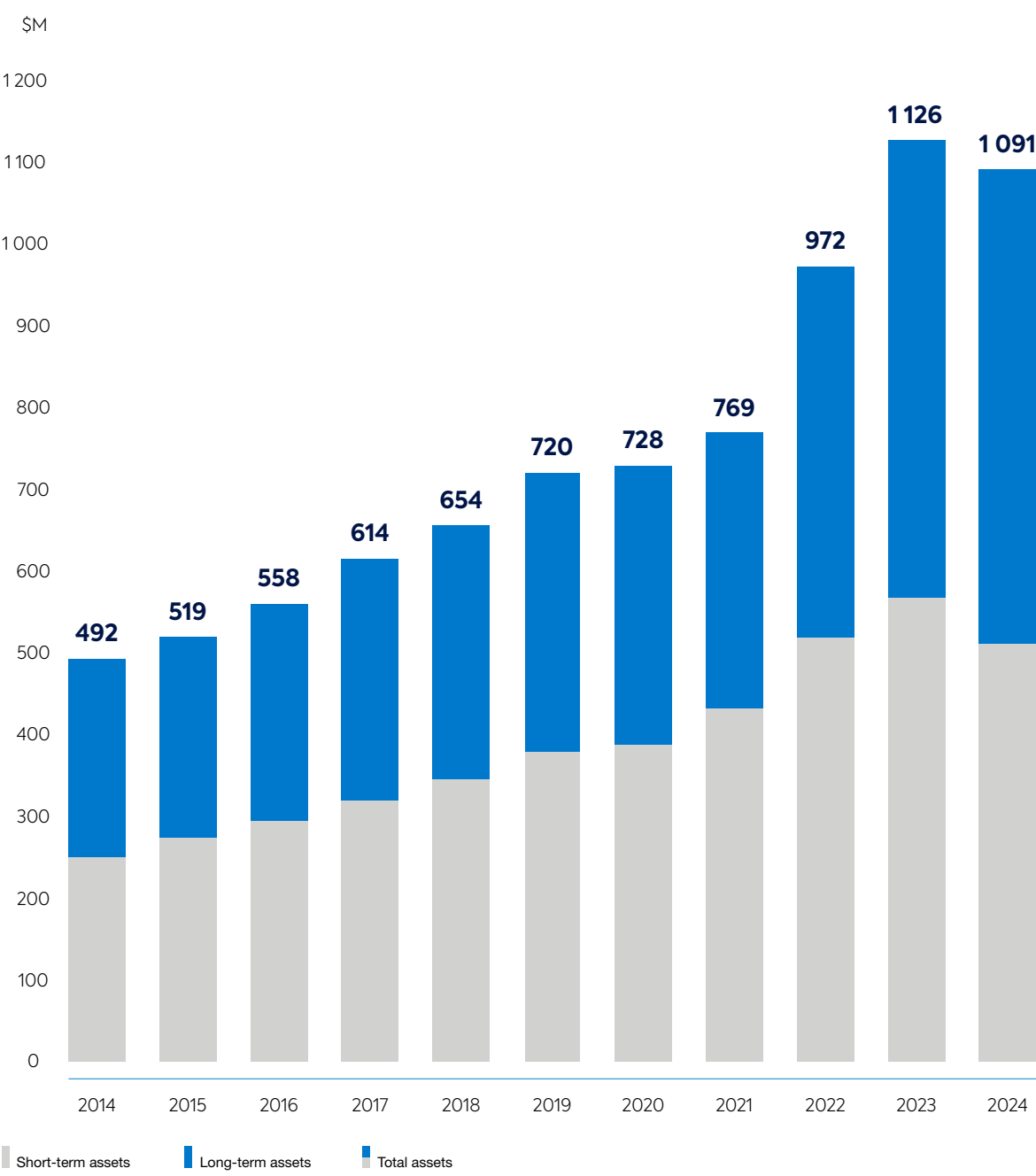
During the COVID-19 pandemic, the significant increase in net working capital from \$86 million to \$142 million between 2020 and 2021, or from 9.3% to 14.4%, was due to the improvement in profitability, the call for capital repayment moratoriums and the delay of some fixed asset acquisition projects. These factors reduced to nil 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 in the range of 9.5% at the end of 2021.



Working capital



Total assets





# Financing and outlook

As of March 2, 2024, and all along fiscal year 2024, 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 fiscal year 2025. 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 2027.

Given that the previous financing operation took place over two years ago and that the Company has utilized a significant portion of its pre-authorized financing implemented during spring 2022 for business acquisitions and fixed assets investments, a new financing process will be initiated during fiscal year 2025.

## Line of credit financing

During fiscal year 2024, the average utilization of the operating lines of credit stood at \$91 million, compared to \$97 million in fiscal 2023.

The higher average utilization during fiscal year 2023 is mainly associated with the acquisition of over \$111 million of fixed assets mainly financed straight from the operating line of credit.

As of March 2, 2024, the Company had an authorized operating line of credit with a limit of \$125 million 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 April 6, 2022. This line of credit also includes the option to increase the authorized limit up to \$200 million, provided there are sufficient securities with regard to inventories and accounts receivable. During fiscal year 2024, the average borrowing base amounted to \$147 million (\$142 million in fiscal 2023). The operating line of credit thus has the necessary features to allow the Company to face its financial needs in a context of growth and continuity of its operations and investment activities.

Considering the financing operation completed on April 6, 2022, the expected growth, and the absence of any additional business acquisitions to be funded through the line of credit in 2025, the Company foresees that the average utilization of its operating line of credit will amount to approximately \$75 million in fiscal year 2025.

Net availability from the operating line of credit in fiscal year 2025 is expected to average \$60 million, which provides the Company with ample leeway to meet the seasonal needs of its various business groups and with sufficient financial resources to take advantage of any business opportunities that may come its way.

Long-term debt financing

On March 31, 2022, the Company put in place a \$300 million credit facility with its principal term lenders — Farm Credit Canada, Roynat Inc — Bank of Nova Scotia, Business Development Bank of Canada, Royal Bank of Canada (as successor of HSBC Bank), Toronto Dominion Bank and the Fédération des Caisses Desjardins du Québec. On March 2, 2024, the balance due with respect to this credit facility amounted to \$234 million, out of the \$262.5 million cashed by the Company to this date. This 5-year credit facility includes a \$175 million tranche with an amortization period of 15 years, which was entirely disbursed on April 6, 2022. Of this amount, \$130 million was used to repay the then existing term loans and \$45 million was injected in the working capital to refinance fixed assets acquisitions as well as some business acquisitions completed during fiscal year 2022. An additional \$125 million tranche is available for the Company to finance some of the fixed assets and business acquisitions that will be completed during fiscal years 2023 to 2025. Any disbursement under this second tranche is repayable over a 12-year period starting from the date of each disbursement. The Company received \$30 million in two disbursements (March and September 2023) during fiscal year 2024 (\$58 million in three disbursements during fiscal year 2023)

— mainly associated with the fixed assets acquisitions completed during fiscal year 2023. The Company also received an additional disbursement of \$24 million in March 2024 for the fixed assets acquisitions completed during fiscal year 2024.

On July 20, 2022, the Company and Fonds de solidarité FTQ agreed to consolidate outstanding unsecured debentures totalling \$50.5 million to allow for repayment over a five-year period through monthly capital instalments of \$440 000 plus interest. The balance of this credit facility amounted to \$42.2 million on March 2, 2024, the residual balance of \$24.1 million will therefore be repaid in July 2027.

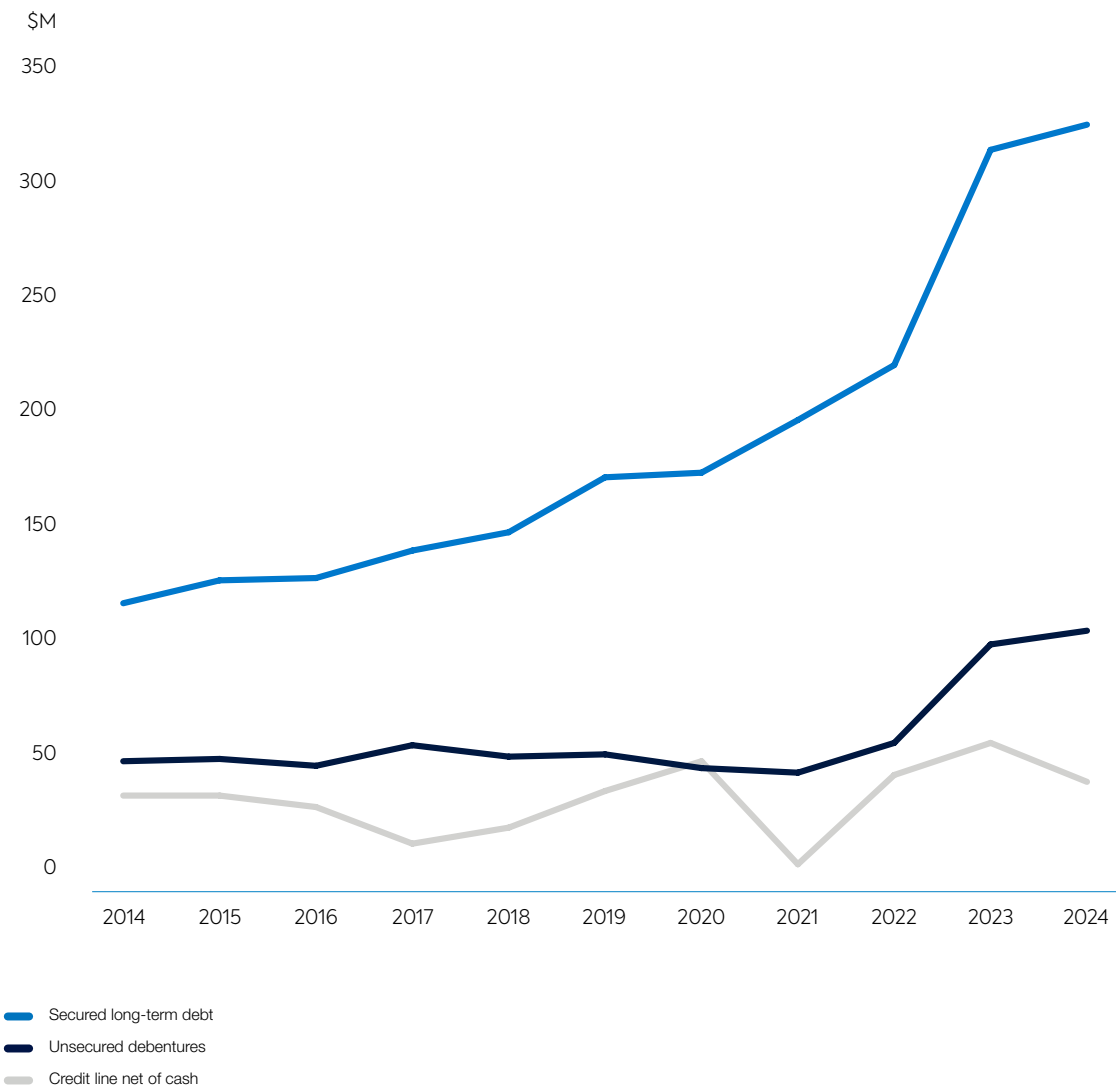
On March 31, 2022, the Company concluded an additional \$110 million pre-authorized financing agreement with Fonds de solidarité FTQ and Capital Régional et Coopératif Desjardins in the form of unsecured debentures to finance, in part, business acquisitions and some fixed assets acquisitions the Company will realize by February 2025. An amount of \$17.6 million has been disbursed during fiscal year 2024 (\$51.3 million in fiscal 2023), and \$15 million — out of the \$41.1 million available under this credit facility at the end of fiscal year 2024 — were banked in March 2024, hence bringing the balance available

under this credit facility to \$26.1 million. Monthly repayments will be based on a 10-year amortization period starting from the date of each disbursement and any remaining balance due will be repayable on the 8th anniversary of the disbursement.

The Company also has access to pre-authorized financing in accordance with two interest-free term financing agreements signed with the Government of Québec. The first agreement of up to \$45 million will finance the fixed asset investments and the Innovation, Research and Development investments made in Québec from September 2020 until August 2025. The second agreement of \$25.5 million aims to support the digital development of the Company from 2022 to 2027. The first request for disbursement under the \$45 million loan will be submitted during the Company's fiscal year 2025 and it will likely be the same for the \$25.5 million loan.



Evolution of the interest-bearing debt



\$425<sup>M</sup>

Long-term loans balance

\$60<sup>M</sup>

New loans

\$44<sup>M</sup>

Repayments effected

# Main financial partners

- BANK OF NOVA SCOTIA
- BMO BANK OF MONTREAL
- BUSINESS DEVELOPMENT BANK OF CANADA
- CANADA ECONOMIC DEVELOPMENT
- CANADIAN IMPERIAL BANK OF COMMERCE
- CAPITAL RÉGIONAL ET COOPÉRATIF DESJARDINS
- EXPORT DEVELOPMENT CANADA
- FARM CREDIT CANADA
- FÉDÉRATION DES CAISSES POPULAIRES DESJARDINS DU QUÉBEC
- FONDS DE SOLIDARITÉ FTQ
- INVESTISSEMENT QUÉBEC
- ROYAL BANK OF CANADA
- ROYNAT INC.
- TORONTO-DOMINION BANK

# Auditors

- ERNST & YOUNG LLP
- QUÉBEC (QUÉBEC)
- CANADA





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