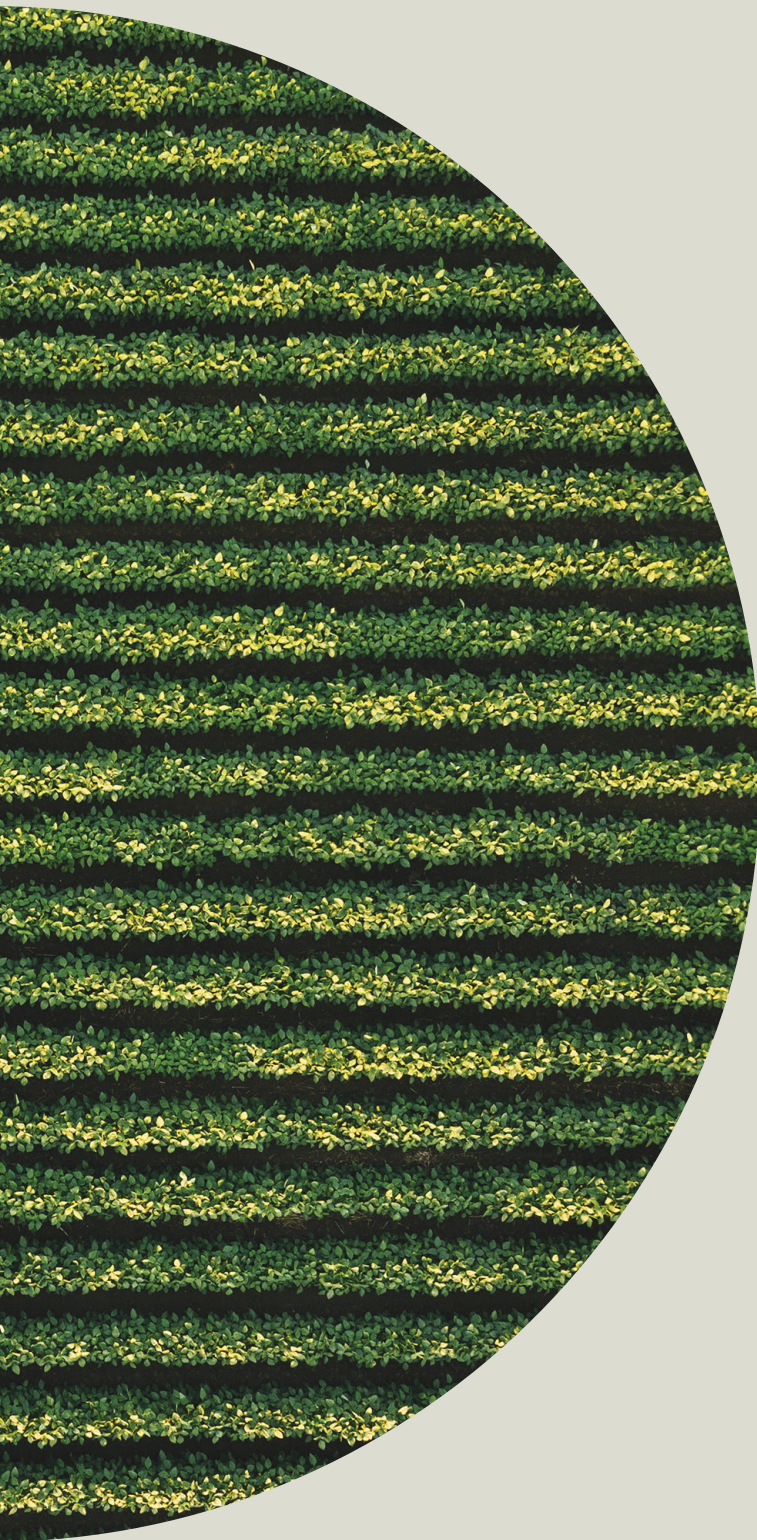




A division of Sollio Cooperative Group



Management Team

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General Manager, Livestock Production

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General Manager, Crop Production

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General Manager, Grains

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Vice-President, Digital, Information Technology and Projects

BENOÎT BESSETTE

Vice-President, Marketing, Communications and Strategy



SÉBASTIEN LÉVEILLÉ, agr., MBA
Chief Executive Officer

For Sollio Agriculture, fiscal 2019 saw the completion of the strategic plan launched in 2016 when the Agri-business Division was created. This plan yielded numerous achievements, including growth to extend the value chain.

In fiscal 2019, Sollio Agriculture's sales amounted to \$2.577 billion, compared with \$2.125 billion for the previous year. This near \$450 million increase stemmed mainly from multiple acquisitions carried out in fiscal 2018 and 2019, particularly in the Grain and Crop Production sectors.

The Livestock Production Sector generated growth in sales driven by Standard Nutrition Canada's first full year of operations of since its acquisition in 2018. Sales prices were comparable to the previous fiscal year, in spite of greater volatility. Declining dairy supply volumes had a negative impact on sales and profitability.

Crop Production Sector sales have known an increase of more than 15%. Fertilizer sales volumes grew in Québec and Western Canada. Difficult weather conditions in Ontario reined in volume growth, despite the acquisition of Cargill's crop production

assets. The price of inputs rose sharply in the spring, contributing to increased revenues. Favourable investments generated additional margins.

The Grain Sector saw its sales grow by more than 30% after our deployment in Ontario, following the acquisition of Cargill's grain assets. Corn and wheat volumes more than offset the lower transactions in the soybean market caused by geopolitical conflicts.

Sollio Agriculture saw the completion of the strategic plan launched when the Agri-business Division was created in 2016 and our achievements speak for themselves: growth to extend the value chain, support for our network of retailers to meet the needs of tomorrow's farmers, strong organizational performance and the digital shift.

La Ferme Belflamme inc.
La Coop Establishment & Farm Transfer Award finalist
2019-2020



We need to listen more closely to consumers and more deeply embed the principles of sustainable development in our practices.

As part of Vision 2020, we worked with the cooperative network, particularly with Avantis and Unifrontières, to put in place our one-step business model and the new Sollio & Grains Québec Agriculture cooperative partnership to consolidate the grain marketing business and offer farmers the best possible conditions.

Our trademark was rolled out at a number of our sites across Canada, replacing Standard Nutrition Canada (SNC) in Western Canada and Atlantic Farm Services in the Maritimes. It was also adopted by the Grain Sector in Ontario and the Agronomy Company of Canada team.

Phase 1 of our grain export maritime terminal at the Port of Québec City has been completed, opening up new markets for farmers from Québec and the rest of Canada.

As for Livestock Production, we announced the acquisition of two mills and a grain centre from F. Ménard, to be operated independently. This transaction will enable Sollio Agriculture to serve clients from a variety of market segments, thereby strengthening its footprint in Québec.

A number of technological projects supported Sollio Agriculture's strategic objectives. The new ERP was delivered to SNC and Finance for all Sollio Agriculture sectors. AgConnexion currently has 35 retail partners and over 13,000 connected farms benefiting from the platform's various new features and enhancements.

While Sollio Agriculture has started its strategic planning for 2025, our orientations are driven by the business context which dictates that we develop our knowledge as we optimize our operations.

The social context is also clear: we need to listen more closely to consumers and more deeply embed the principles of sustainable development in our practices. This will ensure that our agricultural expertise becomes an asset to be showcased.

As a caring organization, Sollio Agriculture will be kept busy by the challenge of positioning itself in the coming years as a partner to farmers to promote agricultural outputs as well as supply them with inputs, thereby contributing to the prosperity of farming families.



Sébastien Léveillé, agr., MBA
Chief Executive Officer

Our Distribution Network

