



*Q2 2023 Earnings Call
August 8, 2023*

Participants

- | | |
|--------------------------------|--|
| <i>Eric Wintemute</i> | <i>Chairman & Chief Executive Officer</i> |
| <i>David Johnson</i> | <i>Chief Financial Officer</i> |
| <i>Shayne Wetherall</i> | <i>AMGUARD Environmental Technologies CEO</i> |
| <i>Jim Thompson</i> | <i>Director, Portfolio Strategy & Business Development</i> |
| <i>William Kuser</i> | <i>Director, Investor Communications</i> |

Safe Harbor

The Company, from time to time, may discuss forward-looking information. Except for the historical information contained in this release, all forward-looking statements are estimates by the Company's management and are subject to various risks and uncertainties that may cause results to differ from management's current expectations. Such factors include weather conditions, changes in regulatory policy and other risks as detailed from time-to-time in the Company's SEC reports and filings. All forward-looking statements, if any, in this release represent the Company's judgment as of the date of this release.

Q2 2023 & Full Year Highlights

- Q2 Sales Decreased \$15M (\$148M - \$133M)
- Industrywide In-Channel Destocking
- Second Half Rebound Expected
 - Stable Commodity Pricing
 - Strong Farm Economy
 - Low Channel Inventories
- Restated Full Year Targets
 - Net Sales \$615M - \$625M
 - EBITDA \$70M - \$75M
 - Net Income \$20M - \$24M

Q2 Net Sales

Ag Industry vs AVD

- Industry Peers Average Down \approx 20%
- AVD Down 10%
 - US Crop 11%
 - In-Channel Working Capital Mandates
 - Non-Crop 20%
 - “Full Barn” Shrinks by \approx 80%
 - International 6%
 - Low Price Generic Products

2023 YTD Accomplishments

- Supply Chain Challenges Solved
 - Aztec
 - Dacthal
- Green Solutions Sales Up 21%
 - U.S. Biowake & Agrinos Product Growth
 - Strong Performance Green Plant Specialty Nutrition Products
- Share Repurchase
 - Q2 \$15M Authorized
 - Q3 Additional \$7.5M Authorized
- SIMPAS Brazil
 - First Installation of 49-Row SIMPAS System

SIMPAS Brazil 49 Row Unit

Bom Futuro 500,000 Hectares Annual Soy, Corn & Cotton



Brazil SIMPAS Counter Market Potential

2023 & 2024 Forecasts	Planted Area (M Acres)	Nematode Damage (Estimated)
Soybean	108.1	10%
Maize	55.0	15%
Cotton	4.0	20%
Sugar Cane	24.0	20%
Coffee	5.7	15%
Banana	1.2	20%
Grand Total	198 Million Acres	

5% Treated Acres = 10M Acres = \$400M opportunity

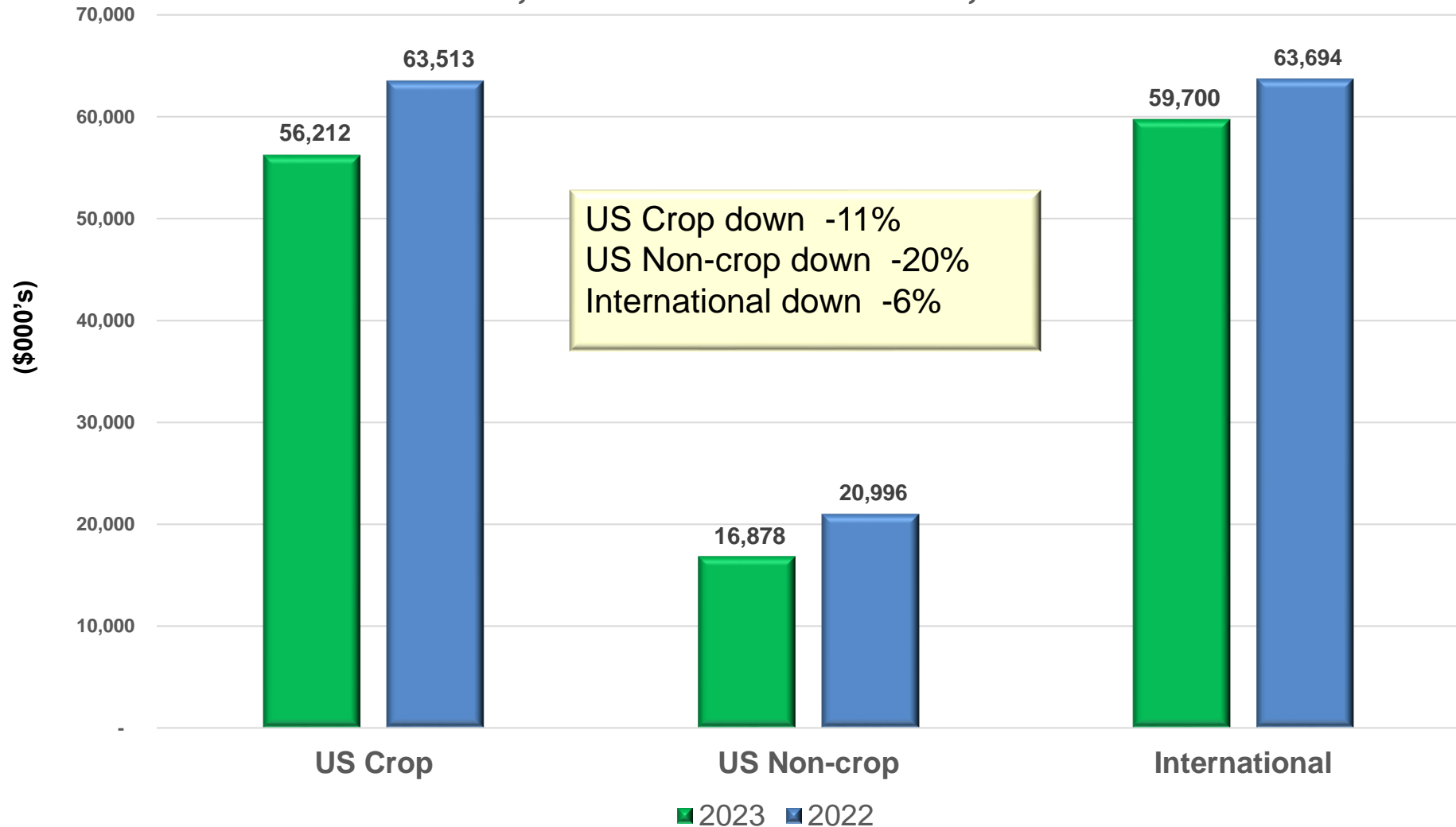
Financial Review

David Johnson *Chief Financial Officer*

Q2 2023 Sales

Overall sales Q2 2023 \$133m vs \$148m in 2022 (down 10%)
 International 45% of total in 2023 vs 43% of total in 2022

Net Sales, 3 months Ended Jun 30, 2023 & 2022



Q2 2023 Gross Profit Performance

(\$000's)

3-months Ended Jun 30,

Gross Profit

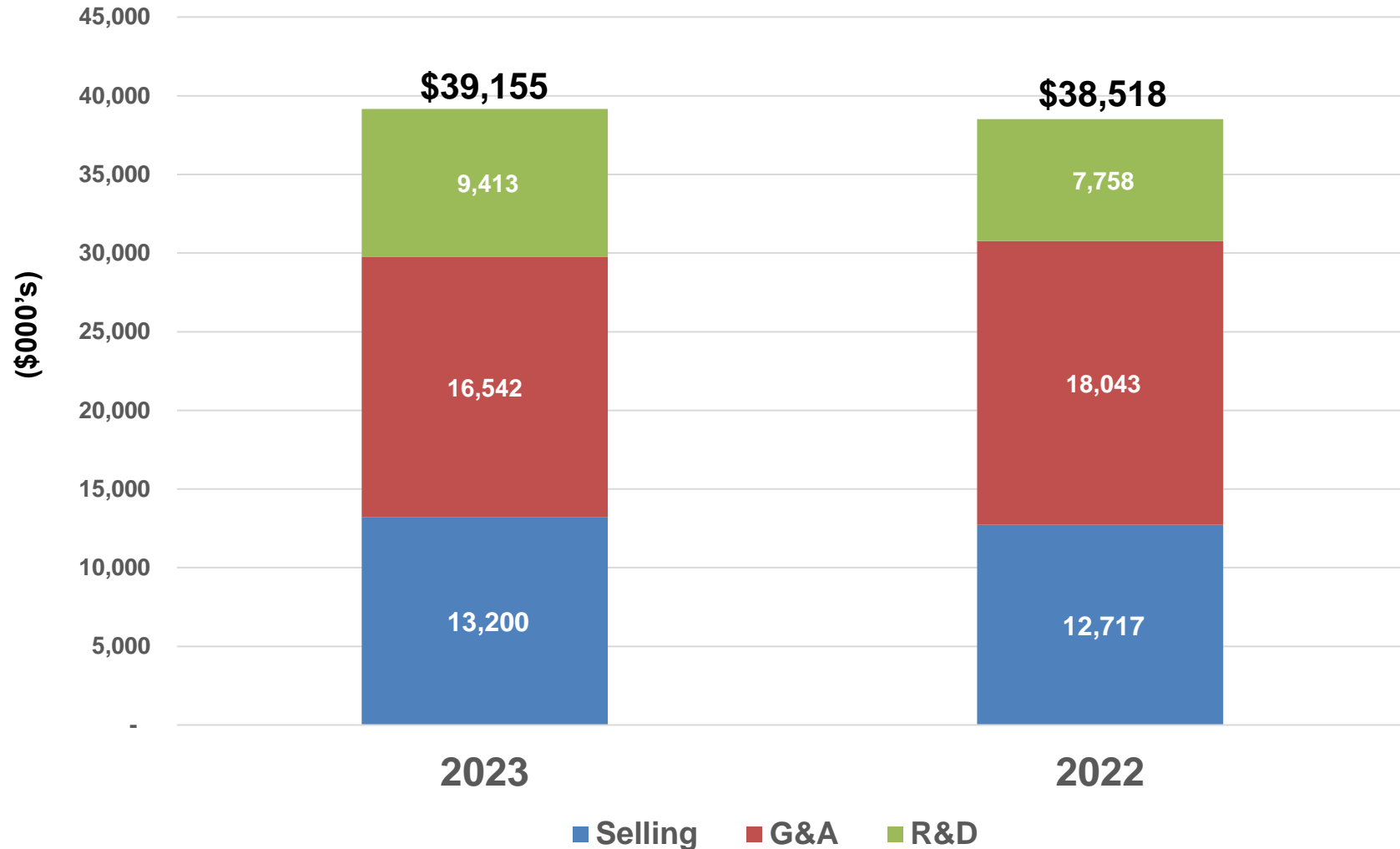
	<u>2023</u>	<u>2022</u>	<u>Change</u>
US Crop	21,703	23,913	-9%
US Non-crop	7,109	9,244	-23%
US	28,812	33,157	-13%
International	14,097	16,174	-13%
Total	42,909	49,331	-13%

Gross Margin %

	2023	2022
US Crop	39%	38%
US Non-crop	42%	44%
US	39%	39%
International	24%	25%
Total	32%	33%

Q2 2023 Operating Expenses

Operating expenses are 29% of sales in 2023 vs 26% in 2022

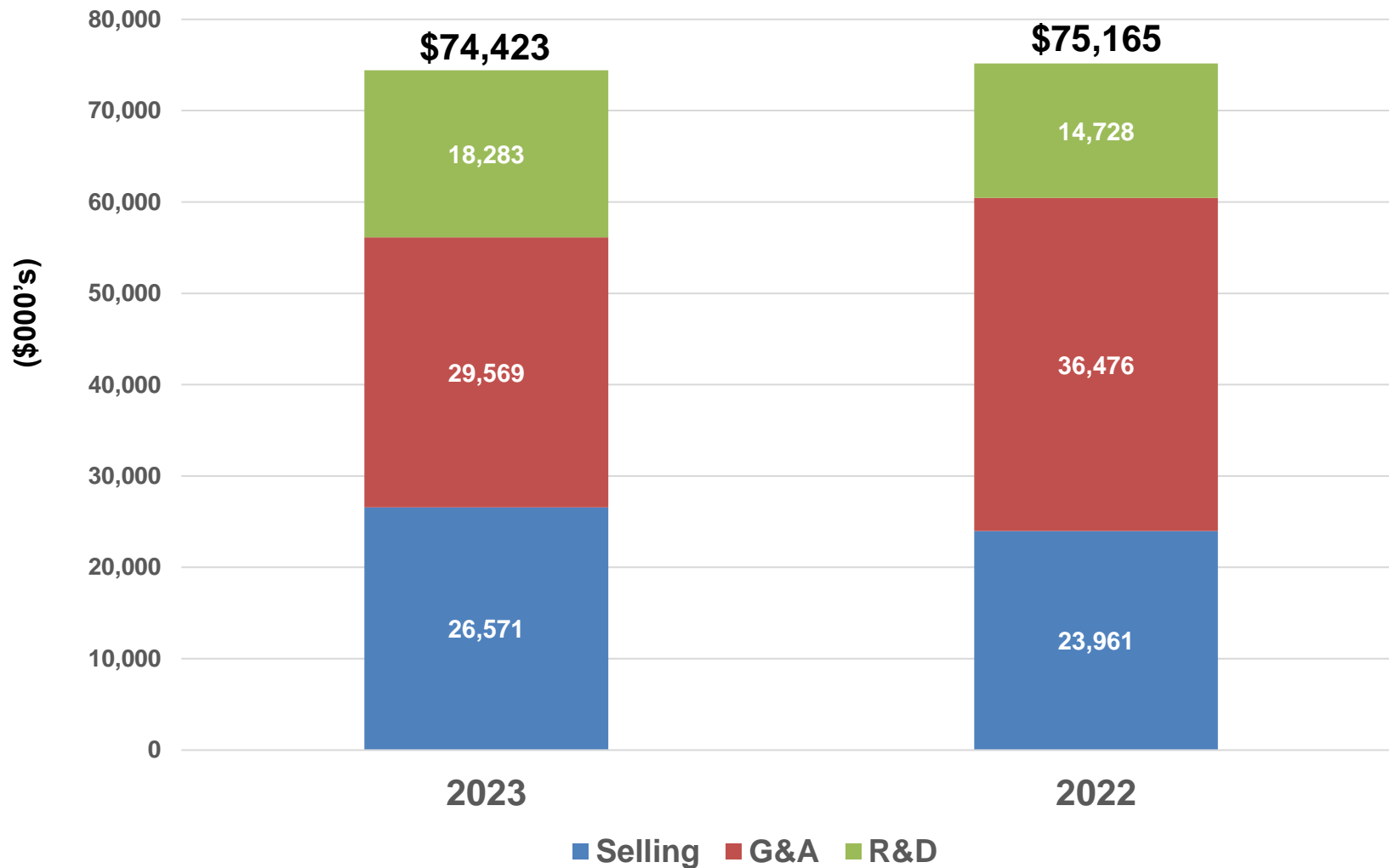


Q2 2023 Statements of Operations, 3 months

	(\$000's)		
	3 months Ended Jun 30,		
Statements of Operations	2023	2022	Change
Net Sales	\$132,790	\$148,203	(\$15,413)
Gross profit	42,909	49,331	(6,422)
Operating costs	(39,155)	(38,518)	(637)
Operating Income	3,754	10,813	(7,059)
Equity investment MTM	(55)	(486)	431
Interest Expense	(3,211)	(772)	(2,439)
Income before Tax	488	9,555	(9,067)
Tax	(1,541)	(2,725)	1,184
Net income for AVD	(\$1,053)	\$6,830	(\$7,883)
Diluted shares	28,428	30,225	
EPS	(\$0.04)	\$0.23	

H1 2023 Operating Expenses

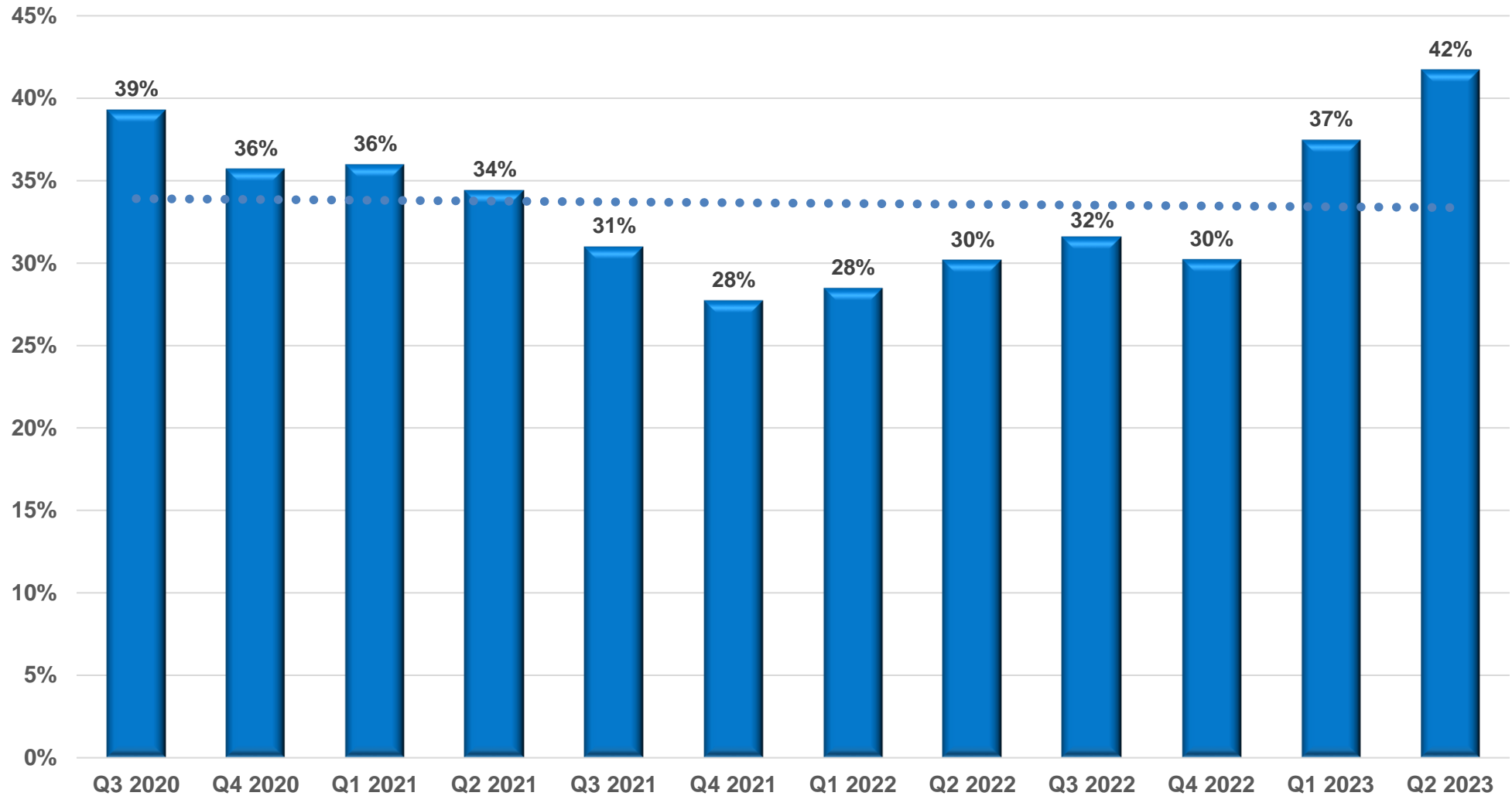
Operating expenses are 29% of sales in 2023 vs 25% in 2022



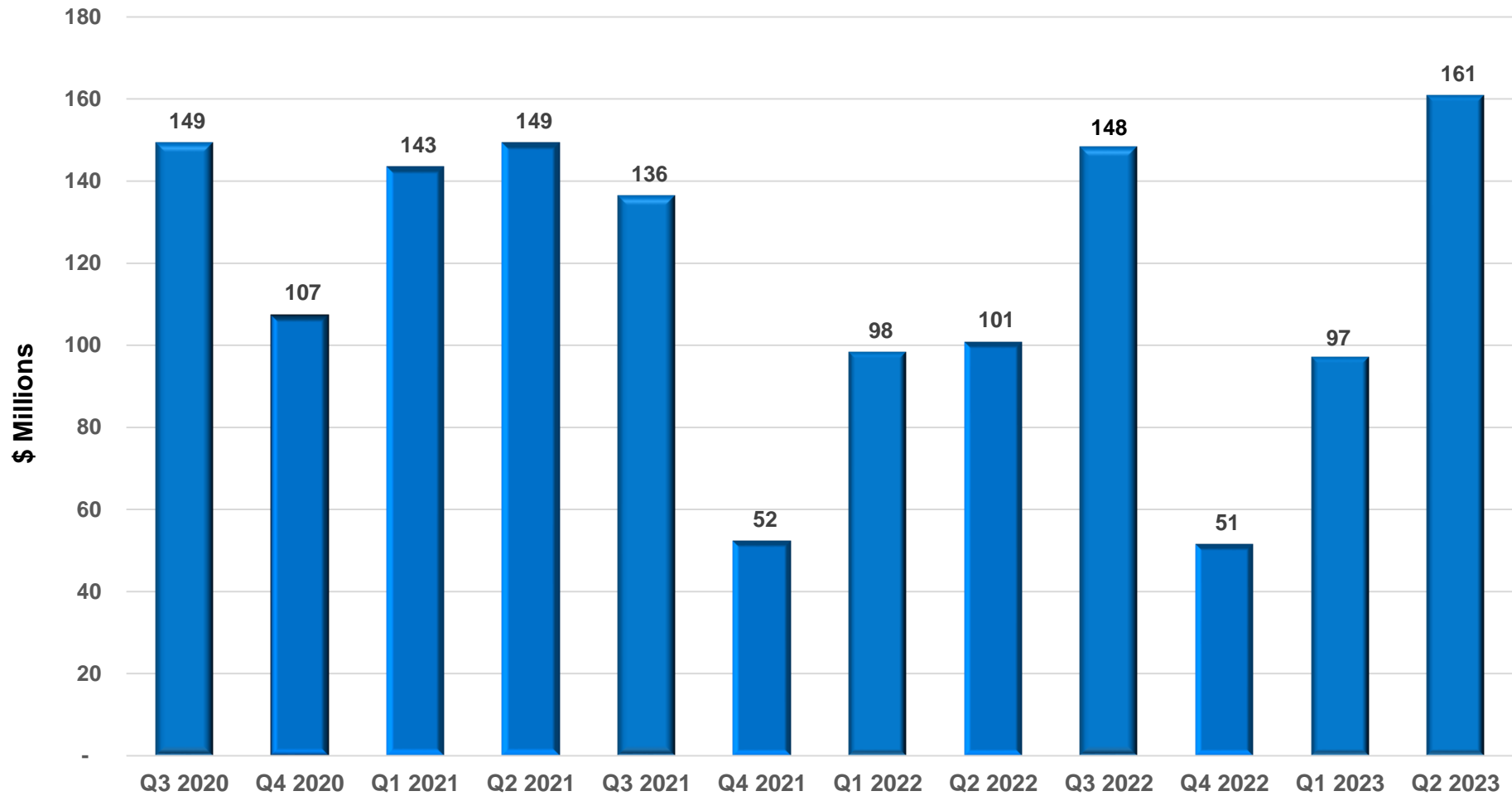
H1 2023 Statements of Operations

	(\$000's)		
	6 months Ended Jun 30,		
Statements of Operations	2023	2022	Change
Net Sales	\$257,674	\$297,797	(\$40,123)
Gross profit	81,444	100,727	(19,283)
Operating costs	(74,423)	(75,165)	742
Operating Income	7,021	25,562	(18,541)
Equity investment MTM	(77)	(403)	326
Interest Expense	(4,898)	(1,170)	(3,728)
Income before Tax	2,046	23,989	(21,943)
Tax	(1,181)	(7,224)	6,043
Net income for AVD	\$865	\$16,765	(\$15,900)
Diluted shares	28,985	30,289	
EPS	\$0.03	\$0.55	

Inventory as a Percentage of Sales (TTM)



Debt



H2 2023 Market Conditions

- Low Channel Inventory
 - Aztec 7.5%
 - CSI 12.5%
 - Dacthal \approx 0%
 - IMPACT 35%
- Strong Farm Economy
 - Stable Commodity Prices
- Key Account Relationships
 - Seasonal Procurement Plans
 - Pre-Payment Programs

2023 Performance Targets *updated*

Net Sales \$615M - \$625M

Gross Profit Margin % 32%

Operating Expenses* 25-27%
As a percent of net sales

EBITDA \$70M - \$75M**

Net Income \$20M - \$24M

Interest Expense \$9M - 11M

Tax Rate 27-29%

**Debt-to-EBITDA Target < 1.0 without Acquisitions
 < 2.5 with Acquisitions**

**2023 reflects outbound freight in Cost of Goods instead of OPEX
 **Adjusted EBITDA includes earnings before interest, taxes, depreciation, amortization, non-cash stock compensation and proxy contest activities*

Cost Reduction Initiatives

- Cost of Raws
- Inventory Days-on-Hand
- AR/AP Timing
- Plant Efficiency
- Discretionary Spending
- Cost of Sales