

AGCO A/S
Dronningborg Alle 2
8930 Randers NØ

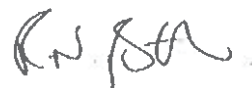
(Central Company Register Number 16 58 54 91)

Annual Report 2019

(financial year 2019)

**Presented and approved at the ordinary
shareholders' meeting
on 5th June 2020**

Chairman:

A handwritten signature in black ink, appearing to be 'K. N. Jørgensen', written over a light blue horizontal line.

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STATEMENT BY THE BOARD OF DIRECTORS & THE MANAGEMENT - 1 -

The Board of Directors and the Management have today reviewed and approved the Annual Report of AGCO A/S for the financial year 1 January – 31 December 2019.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

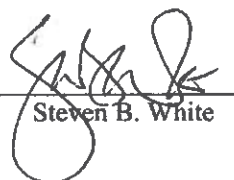
It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019.

In our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

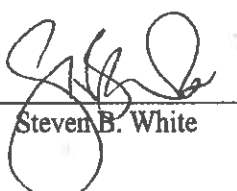
We recommend that the annual report be approved at the annual general meeting.

Randers, 5th June 2020

The Management of AGCO A/S


Steven B. White

The Board of Directors in AGCO A/S


Frédéric Devienne
(Chairman)
Steven B. White
Roger Batkin
Morten Leth Bilde



Independent auditor's report

To the shareholders of AGCO A/S

Opinion

We have audited the financial statements of AGCO A/S for the financial year 1 January – 31 December 2019, comprising income statement, balance sheet and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



Independent auditor's report

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of financial statement users made on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Independent auditor's report

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

5 June 2020

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

A blue ink signature of Steffen S. Hansen, written in a cursive style.

Steffen S. Hansen
State Authorised
Public Accountant
mne32737

A blue ink signature of Kristoffer A. Staun, written in a cursive style.

Kristoffer A. Staun
State Authorised
Public Accountant
mne45106

COMPANY INFORMATION

- 5 -

Company name and address: AGCO A/S
Dronningborg Alle 2, 8930 Randers NØ

Board of Directors: Elected by the shareholders:
Frédéric Devienne
Steven B. White
Roger Batkin
Morten Leth Bilde

Management: Steven B. White, Managing Director

Central Company Register Number: 16 58 54 91

Subsidiaries: AGCO Danmark A/S (100% owned)
Stationsparken 37, 2
2600 Glostrup, Denmark

Auditors: KPMG
State Authorized Public Accountants
Østre Havnegade 18
9000 Aalborg

Core business area

The combine production facility in Randers stopped on July 9, 2010 and all production activities have now moved to Breganze, Italy. Sales to professional farmers and agricultural contractors are handled through the global distribution channels of AGCO Corporation.

The company supports this production in the form of research and development into combines and their parts aiming to improve the technology and performance of combines.

Results for the year

The net income amounted to TDKK 21,116 compared to TDKK 22,083 in 2018.

The net result for the year was a profit of TDKK 11,164 against a profit of TDKK 14,100 the previous year. Subsidiaries contributed positively to the result of the year with TDKK 9,358 compared to TDKK 12,157 profit the year before.

Referring to the result before net result in subsidiaries and income tax, the Management considers the result to be satisfactory.

Balance sheet

Total assets for the company as of December 31, 2019 were TDKK 189,897 compared to TDKK 174,927 as at December 31, 2018, an increase of TDKK 14,970.

The 2019 annual report for AGCO A/S was prepared in accordance with the Danish Financial Statements Act's provisions for class B companies with opt-in from higher reporting classes.

With reference to §112 of the Danish Financial Statements Act, no consolidated financial statements were prepared for AGCO A/S.

The ultimate parent company is AGCO Corporation, 4205 River Green Parkway, Duluth, Georgia U.S. The company is listed on the New York Stock exchange.

The accounting policies applied on a basis consistent with that of the preceding year are mainly as follows:

General information on recognition and measurement

Assets are recognized in the balance sheet if future economic benefits are likely to flow to the company and if a reliable measurement can be made of the asset value.

Liabilities are recognized in the balance sheet if an outflow of future economic is probable and if a reliable measurement can be made of the liability value.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

Certain financial assets and liabilities are measured at amortised cost implying the recognition of a constant effective interest rate to maturity. Amortised cost is calculated as initial cost less any repayments plus addition/deduction of the cumulative amortization of the difference between cost and nominal amount.

Recognition and measurement make allowance for gains, losses and risks occurring prior to the presentation of the annual report, confirming or invalidating conditions which existed at the balance sheet date.

Income is recognized in the income statement as it is incurred, including recognition of value adjustments of financial assets and liabilities measured at fair value or amortized cost. Equally, costs incurred to achieve the earnings of the year are recognized, including depreciation, impairment, and provisions as well as reversals resulting from changes in accounting estimates of amounts previously recognized in the income statement.

Net income

Other operating expenses are deducted from net turnover to give the net income for the year.

Net turnover from the provision of services, including research & development and engineering, is measured at the fair value of consideration received or receivable.

In accordance with section 32 of the Danish Financial Statements Act, revenue and other external costs are aggregated in the financial statements caption "Net income." Other operating income and expenses are also included in this caption and comprises items secondary to the activities of the Company, including losses on disposal of plant and equipment.

Other Operating expenses

Other operating expenses comprise indirect expenses such as professional fees, tooling and prototype costs, insurance costs and other administrative expenses.

Personnel expenses

Personnel expenses comprise wages and salaries paid to all employees.

Financial income and expenses

Financial income and expenses comprise interest on intercompany loans and bank charges.

Tangible fixed assets

Land is included at cost and not depreciated. Buildings are recognized at cost less depreciation. Depreciation is made on a straight line basis over their expected service period of 35 years.

Machinery and equipment are recognized at cost less depreciation. Depreciation is made on a straight line basis over their expected service period of 3 to 10 years.

Other tangible fixed assets are recognized at cost less depreciation. Depreciation is made on a straight line basis over their expected service period of 3 to 10 years.

Improvement and acquisition costs below 10 thousand DKK are recognized in the income statement as they are incurred.

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Financial fixed assets

The company's investments in subsidiaries are recognized according to the equity method to the effect that the parent company currently includes the results of the subsidiaries in the income statement. Consequently, the book value of the investments equals the equity of the subsidiaries.

Receivables

Provision of reserves to cover potential losses is based on an individual assessment of each debtor.

Cash and cash equivalents

Bank deposits and drawings on group cash pool are recognised as balances with group companies.

Provisions

Provisions are recognised, when as a result of past events, the Group has a legal or constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation. Provisions are measured as the best estimate of the expenses required to settle the obligation at the balance sheet date.

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised costs, corresponding to the capitalized value using the effective interest rate. Accordingly the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Foreign currency translation

Receivables and payables in foreign currency are recognized at the official exchange rate as of the balance sheet date.

Exchange gains/losses are recognized in the financial statements under the activities they relate to.

Income tax

Taxes related to the joint taxable income of the year and the deferred income tax resulting from the difference between tax and accounting values are recognized in the income statement. The deferred income tax is calculated at financial year end according to current tax laws and tax rates and is provided for in the balance sheet as provision under liabilities.

In case of changes to the tax rate, the deferred income tax is adjusted to correspond at all times to the tax liable if the net assets of the company were sold at book values on the balance sheet date.

Additions and allowances in connection with payment of taxes are recognized as financial items and are not included in the calculated or payable income taxes.

INCOME STATEMENT
January 1 to December 31, 2019
(DKK 1,000)

Notes		2019	2018
	Gross recharge income	53,417	52,558
	Costs:		
	Other operating and Admin costs	(32,301)	(30,475)
1	Personnel expenses	(15,947)	(16,528)
	Depreciation	(2,590)	(3,052)
		<hr/>	<hr/>
	Result of operations	2,579	2,503
	Net result in subsidiaries	9,358	12,157
2	Financial Income	191	365
	Financial Expenses	(10)	(15)
		<hr/>	<hr/>
	Result before income tax	12,118	15,010
3	Tax on profit for the year	(954)	(910)
		<hr/>	<hr/>
	NET RESULT OF THE YEAR	11,164	14,100
	Proposed appropriation of the result		
	Retained earnings	(23,194)	1,943
	Proposed dividends	25,000	-
	Net revaluation according to equity method	9,358	12,157
		<hr/>	<hr/>
		11,164	14,100

BALANCE SHEET
As of December 31, 2019
(DKK 1,000)

ASSETS			
Notes		2019	2018
4	Tangible fixed assets:		
	Land and buildings	8,467	6,084
	Machinery and equipment	16,077	15,261
	Other tangible fixed assets	94	101
	Total tangible fixed assets	24,638	21,446
	Financial fixed assets:		
5	Investments in subsidiaries	67,003	57,645
	Total fixed assets	91,641	79,091
	Receivables:		
	Trade receivables	112	-
	Receivables from intercompany	73,305	71,891
	Other receivables	16,305	10,936
	Prepayments	80	89
	Prepaid tax	8,454	2,373
	Total receivables	98,256	85,289
	Cash and cash equivalents	-	10,547
	Total current assets	98,256	95,836
	TOTAL ASSETS	189,897	174,927

BALANCE SHEET
As of December 31, 2019
(DKK 1,000)

LIABILITIES			
Notes		2019	2018
	Equity:		
	Share capital	47,600	47,600
	Net revaluation according to equity method	25,003	15,645
	Retained earnings	73,126	96,320
	Proposed dividends for the year	25,000	-
	Total equity	170,729	159,565
	Provisions		
6	Building re-establishment provision	4,781	1,860
7	Deferred Tax Liability	1,013	26
		5,794	1,886
	Short-term liabilities:		
	Payables to credit institutions	59	-
	Suppliers of goods and services	608	2,068
	Payables to associated companies	-	3,160
	Other liabilities	12,707	8,248
	Total short-term liabilities	13,374	13,476
	Total liabilities	19,168	15,362
	TOTAL EQUITY AND LIABILITIES	189,897	174,927

STATEMENT OF CHANGES IN EQUITY

January 1 to December 31, 2019

(DKK 1,000)

	Share Capital	Net Revaluati on according to equity	Retained earnings	Proposed dividends	Total equity
Shareholders' equity 1 January 2019	47,600	15,645	96,320	-	159,565
Transferred over the profit appropriation	-	9,358	1,806	-	11,164
Dividend proposed during the year	-	-	(25,000)	25,000	-
Shareholders' equity 31 December 2019	47,600	25,003	73,126	25,000	170,729

The share capital consists of 476 shares of DKK 100 each.

None of the shares have special rights.

1 Personnel expenses

	<u>2019</u>	<u>2018</u>
Salary and wages	14,354	15,320
Pensions	1,468	1,128
Social security	125	80
Total personnel expenses	<u>15,947</u>	<u>16,528</u>
Average number of employees during the year	23	19

2 Financial Income

	<u>2019</u>	<u>2018</u>
Associated companies	191	365
Total financial income	<u>191</u>	<u>365</u>

3 Tax on profit for the year

	<u>2019</u>	<u>2018</u>
Current tax for the year	(33)	97
Deferred tax for the year	1,283	554
Adjustment relating to prior year deferred tax	(296)	-
Adjustment relating to prior year current tax	-	259
Total income tax	<u>954</u>	<u>910</u>

The company is jointly taxed with other Danish companies within the AGCO group. As the administrative company, together with the other companies included in the joint taxation (AGCO Danmark A/S, Danish Cimbria entities and Sparex Limited ApS), the company has joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends and interest. Any subsequent corrections of income subject to joint taxation or withholding taxes may entail that the company's liability will increase.

4 Tangible fixed assets

	<u>Land and buildings</u>	<u>Machinery and equipment</u>	<u>Tangible fixed assets</u>	<u>Totals</u>
<u>Acquisition cost:</u>				
Balance as of 1 January 2019	22,645	31,922	2,776	57,344
Additions	-	2,862	-	2,862
Revaluation	2,921	-	-	2,921
Disposals	-	-	-	-
Acquisition cost 31 st December 2019	25,566	34,784	2,776	63,127
<u>Impairment and depreciation:</u>				
Balance as of 1 January 2019	(16,562)	(16,661)	(2,675)	(35,898)
Depreciation	(537)	(2,046)	(7)	(2,590)
Disposals	-	-	-	-
Depreciation as of 31 st December 2019	(17,099)	(18,707)	(2,682)	(38,488)
Net book value 31 st December 2019	8,467	16,077	94	24,639
Net book value 31 st December 2018	6,084	15,261	101	21,446

5 Investments in subsidiaries

<u>Name/Legal Form</u>	<u>Registered Office</u>	<u>Voting rights and Ownership interest</u>
AGCO Danmark A/S	Stationsparken 37,2 DK – 2600 Glostrup	100%
	<u>2019</u>	<u>2018</u>
<u>Acquisition cost:</u>		
Balance as of 1 January 2019	42,000	42,000
Disposal	-	-
Balance as of 31 st December 2019	42,000	42,000
<u>Revaluation and depreciation:</u>		
Balance as of 1 January 2019	15,645	3,488
Extraordinary distributed dividends	-	-
Net result	9,358	12,157
Balance as of 31 st December 2019	25,003	15,645
Net book value as of 31 st December 2019	67,003	57,645

	<u>2019</u>	<u>2018</u>
6 Provisions		
Balance as at 1 January 2019	1,860	1,860
Revaluation	2,921	-
Balance as at 31 December 2019	<u>4,781</u>	<u>1,860</u>

During the year, a revaluation of the Environmental reserve liability was performed by COWI resulting in an increase of the provision to DKK 4,781,667. This movement has been recognized as revaluation in the Land and Buildings as shown in note 5.

	<u>2019</u>	<u>2018</u>
7 Deferred Tax Liability/Asset		
Deferred Tax at 1 January	(26)	528
Adjustment of deferred tax	(987)	(554)
	<u>(1,013)</u>	<u>(26)</u>
Deferred tax relates to:		
Property, plant and equipment	(1,100)	(253)
Provisions	87	227
	<u>(1,013)</u>	<u>(26)</u>

8 Related parties

AGCO A/S is part of the consolidated financial statements of AGCO Corporation, registered office: 4205 River Green Parkway, Duluth, Georgia, 30096, U.S, which is the smallest group in which the Company is included as a subsidiary.

The consolidated financial statements of AGCO Corporation can be obtained by contacting the Company or at the following website: www.AGCOcorp.com

The Company has chosen only to disclose transactions that are not carried out on an arm's length basis in accordance with section 98c (7) of the Danish Financial Statements Act.

9 Subsequent events

At the date of finalisation of the annual financial statements, the COVID-19 outbreak is a material subsequent non-adjusting event that requires disclosure in the financial statements.

On March 11, 2020, the World Health Organisation declared the COVID-19 outbreak to be a pandemic. Many governments are taking increasingly stringent steps to help contain the spread of the virus, including requiring self-isolation/quarantine by those potentially affected, implementing social distancing measures, and controlling or closing borders and "locking-down" cities/regions or even entire countries. There has also been a significant increase in economic uncertainty, evidenced by more volatile asset prices and currency exchange rates, and a significant decline in long-term interest rates in developed economies.