

## AG GROWTH INTERNATIONAL INC. MANAGEMENT'S DISCUSSION AND ANALYSIS

Dated: July 31, 2025

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the audited consolidated financial statements and accompanying notes of Ag Growth International Inc. ("AGI", the "Company", "we", "our" or "us") for the year ended December 31, 2024, the MD&A of the Company for the year ended December 31, 2024 and the unaudited interim condensed consolidated comparative financial statements of the Company and accompanying notes for the three- and six-month periods ended June 30, 2025. Results are reported in Canadian dollars unless otherwise stated.

This MD&A is based on the Company's unaudited interim condensed consolidated comparative financial statements for the three- and six-month periods ended June 30, 2025 ("consolidated financial statements") based on International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), unless otherwise noted.

This MD&A makes reference to certain specified financial measures, including non-IFRS financial measures, non-IFRS ratios and supplementary financial measures. These specified financial measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement our financial information reported under IFRS by providing further understanding of our results of operations from management's perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. Please refer to the "NON-IFRS AND OTHER FINANCIAL MEASURES" section of this MD&A for more information on each specified financial measure.

This MD&A contains forward-looking information. Please refer to the cautionary language under the headings "Risks and Uncertainties", "Forward-Looking Information" and "Financial Outlook" in this MD&A and in our most recently filed Annual Information Form, which is available under the Company's profile on SEDAR+ [[www.sedarplus.ca](http://www.sedarplus.ca)].

### Description of Business Segments

#### *Farm Segment*

AGI's Farm segment focuses on the needs of on-farm customers through its farm permanent and farm portable solutions. Farm permanent products are designed to be installed in place and include storage bins, tanks, grain dryers, aeration products, bucket conveyors, chain elevators, and related material handling equipment. Farm portable products are designed to facilitate commodity transfer between transport vehicles and permanent storage sites and include augers, conveyors, grain vacs, post pounders, and seed treaters.

#### *Commercial Segment*

AGI's Commercial segment focuses on commercial customers such as port facility operators, food processors and elevators. Its product offerings include: larger diameter grain storage bins and high-capacity grain handling equipment; high-capacity seed and fertilizer storage and handling systems;

food and feed handling storage and processing equipment; aeration products; automated blending systems and control systems; and project management services and food engineering solutions.

## SUMMARY OF RESULTS

[thousands of dollars except per share amounts, percentages and basis points ("bps")]	Three-months ended June 30			
	2025	2024	Change	Change
	\$	\$	\$	%
Revenue	348,560	351,781	(3,221)	(1%)
Adjusted EBITDA <sup>[1][2]</sup>	54,244	68,042	(13,798)	(20%)
Adjusted EBITDA Margin % <sup>[3]</sup>	15.6%	19.3%	(378) bps	(20%)
Profit (loss) before income taxes	36,646	(7,650)	44,296	N/A
Profit (loss)	24,512	(7,394)	31,906	N/A
Diluted profit (loss) per share	1.21	(0.39)	1.60	N/A
Adjusted profit <sup>[1][4]</sup>	5,088	30,164	(25,076)	(83%)
Diluted adjusted profit per share <sup>[3][4]</sup>	0.26	1.42	(1.16)	(82%)

[thousands of dollars except per share amounts, percentages and basis points ("bps")]	Six-months ended June 30			
	2025	2024	Change	Change
	\$	\$	\$	%
Revenue	635,306	666,377	(31,071)	(5%)
Adjusted EBITDA <sup>[1][2]</sup>	85,509	118,106	(32,597)	(28%)
Adjusted EBITDA Margin % <sup>[3]</sup>	13.5%	17.7%	(426) bps	(24%)
Profit (loss) before income taxes	20,075	(3,801)	23,876	N/A
Profit (loss)	7,719	(5,455)	13,174	N/A
Diluted profit (loss) per share	0.40	(0.29)	0.69	N/A
Adjusted profit <sup>[1][4]</sup>	277	37,806	(37,529)	(99%)
Diluted adjusted profit per share <sup>[3][4]</sup>	0.01	1.87	(1.86)	(99%)

[1] This is a non-IFRS measure and is used throughout this MD&A. See "NON-IFRS AND OTHER FINANCIAL MEASURES" for more information on each non-IFRS measure.

[2] See "DETAILED OPERATING RESULTS – Profit (loss) before income taxes and Adjusted EBITDA".

[3] This is a non-IFRS ratio and is used throughout this MD&A. See "NON-IFRS AND OTHER FINANCIAL MEASURES" for more information on each non-IFRS ratio.

[4] See "DETAILED OPERATING RESULTS – Diluted profit (loss) per share and diluted adjusted profit per share".

## Consolidated Operating Segment Results Summary

	2025	2024	Three-months ended June 30	
[thousands of dollars except percentages]	\$	\$	Change	Change
			\$	%
<b>Revenue</b> <sup>[1]</sup>				
Farm	126,825	194,455	(67,630)	(35%)
Commercial	221,735	157,326	64,409	41%
<b>Total</b>	<b>348,560</b>	<b>351,781</b>	<b>(3,221)</b>	<b>(1%)</b>

	2025	2024	Six-months ended June 30	
[thousands of dollars except percentages]	\$	\$	Change	Change
			\$	%
<b>Revenue</b> <sup>[1]</sup>				
Farm	221,920	383,441	(161,521)	(42%)
Commercial	413,386	282,936	130,450	46%
<b>Total</b>	<b>635,306</b>	<b>666,377</b>	<b>(31,071)</b>	<b>(5%)</b>

[1] The revenue information in this table are supplementary financial measures and are used throughout this MD&A. See "NON-IFRS AND OTHER FINANCIAL MEASURES" for more information on these supplementary financial measures.

	2025	2024	Three-months ended June 30	
[thousands of dollars except percentages]	\$	\$	Change	Change
			\$	%
<b>Adjusted EBITDA</b> <sup>[1] [2]</sup>				
Farm	29,297	53,236	(23,939)	(45%)
Commercial	36,803	23,248	13,555	58%
Other <sup>[3]</sup>	(11,856)	(8,442)	(3,414)	N/A
<b>Total</b>	<b>54,244</b>	<b>68,042</b>	<b>(13,798)</b>	<b>(20%)</b>

	2025	2024	Six-months ended June 30	
[thousands of dollars except percentages]	\$	\$	Change	Change
			\$	%
<b>Adjusted EBITDA</b> <sup>[1] [2]</sup>				
Farm	48,474	98,244	(49,770)	(51%)
Commercial	61,289	36,466	24,823	68%
Other <sup>[3]</sup>	(24,254)	(16,604)	(7,650)	N/A
<b>Total</b>	<b>85,509</b>	<b>118,106</b>	<b>(32,597)</b>	<b>(28%)</b>

[1] This is a non-IFRS measure and is used throughout this MD&A. See "NON-IFRS AND OTHER FINANCIAL MEASURES" for more information on each non-IFRS measure.

[2] See "DETAILED OPERATING RESULTS – Profit (loss) before income taxes and Adjusted EBITDA" and "DETAILED OPERATING RESULTS – Profit (loss) before income taxes and Adjusted EBITDA by Segment".

[3] Included in Other is the corporate office, which is not a reportable segment, and which provides finance, treasury, legal, human resources and other administrative support to the segments.

	2025	2024	Three-months ended June 30	
	%	%	Change basis points ("bps")	Change %
<b>Adjusted EBITDA Margin %</b> <sup>[1]</sup>				
Farm	23.1%	27.4%	(428) bps	(16%)
Commercial	16.6%	14.8%	182 bps	12%
Other <sup>[2]</sup>	(3.4%)	(2.4%)	(100) bps	N/A
<b>Consolidated</b>	15.6%	19.3%	(378) bps	(20%)

	2025	2024	Six-months ended June 30	
	%	%	Change basis points ("bps")	Change %
<b>Adjusted EBITDA Margin %</b> <sup>[1]</sup>				
Farm	21.8%	25.6%	(378) bps	(15%)
Commercial	14.8%	12.9%	194 bps	15%
Other <sup>[2]</sup>	(3.8%)	(2.5%)	(133) bps	N/A
<b>Consolidated</b>	13.5%	17.7%	(426) bps	(24%)

[1] This is a non-IFRS ratio and is used throughout this MD&A. See "NON-IFRS AND OTHER FINANCIAL MEASURES" for more information on each non-IFRS ratio.

[2] Included in Other is the corporate office, which is not a reportable segment, and which provides finance, treasury, legal, human resources and other administrative support to the segments. The Adjusted EBITDA Margin % for Other is calculated based on total revenue since it does not generate revenue without the segments.

### *Consolidated Results Summary*

AGI reported consolidated revenue and Adjusted EBITDA of \$349 million and \$54 million, respectively, for the second quarter ("Q2") of 2025. With revenue near Q2 2024 levels and Adjusted EBITDA towards the high-end of our Q2 2025 guidance, our business continues to demonstrate resilience in managing the challenging conditions facing our Farm segment. The Commercial segment maintains its strong growth trajectory with delivery of a number of sizable projects in addition to winning new work in the Brazilian and Europe, Middle East and Africa ("EMEA") regions. Demand remains strong for long-term projects in both of these regions, providing support to our consolidated results. Cautious farmer sentiment persisted in the quarter, particularly in North America, as a result of soft commodity prices, subsidy program uncertainty, and shifting tariff policies, which have all combined to keep dealer channel inventory levels elevated. Adjusted EBITDA Margin % in the quarter contracted year-over-year ("YOY") due to lower Farm volume and higher Commercial contribution.

### *Farm Segment Summary*

As anticipated, challenging conditions persisted across our Farm segment. U.S. and Canada, in particular, continue to face soft farmer demand given commodity prices below long-term averages and elevated dealer channel inventory levels which have yet to fully decline. These factors are compounded by tariff policy and government subsidy uncertainty which created additional cautiousness across the broad Farm equipment sector. Overall, Adjusted EBITDA Margin % remains compressed in the Farm segment relative to last year primarily due to lower volumes and, to a lesser extent, tariff impacts.

Looking ahead, we anticipate near-term uncertainty for the North American Farm market to remain into the second half of the year.

### *Commercial Segment Summary*

Our Commercial segment delivered sizeable YOY revenue growth, continuing the trend from recent quarters. We are executing several long-term projects across various international regions in addition to stable U.S. activity, creating a strong overall growth profile for the Commercial segment. Brazil and EMEA remain the growth engines for our international Commercial business. Brazil continues to successfully progress several large, comprehensive projects won in the second half of 2024 and the first half of 2025. The scale of the projects we are winning and the overall momentum in our international Commercial business highlight the broadening of our differentiated capabilities. Enabled by our product transfer program, we are able to deliver on nearly every aspect of these projects including a full scope of engineering, design, equipment supply, and installation services. We occasionally leverage third-party partners with expertise in specific project areas when necessary. Our comprehensive project offerings, overall volume, and cost containment initiatives helped our Commercial segment Adjusted EBITDA Margin % profile expand to 16.6% versus 14.8% in Q2 2024.

### *Order Book Summary*

Consolidated order book<sup>1</sup> increased more than 4% YOY to \$660 million as the Commercial segment continued to benefit from strong demand for large-scale projects and engineered solutions in Brazil. Order intake in other international regions, such as EMEA, was steady throughout the quarter. In addition, the U.S. and Latin America also contributed to growth in the Commercial segment order book, benefitting from a consistent uptrend in project work and a strategic focus on key accounts. Subsequent to the end of the quarter, significant momentum in our international Commercial regions continued with several notable order commitments secured across a mix of geographies with aggregate value in excess of \$100 million. As expected, the North American Farm order book remains soft as low farmer demand trends persisted through the first half of 2025. Overall, our order book is at very healthy levels. In particular, the strength of our Commercial order book provides visibility for the remainder of 2025 and into 2026.

### *Outlook<sup>2</sup>*

We maintain our full year Adjusted EBITDA outlook of at least \$225 million<sup>3</sup>. The continued momentum in our Commercial segment from a strong international order book, and an uptrend in North America Commercial, are the key supports to our outlook. Our guidance accounts for the Commercial segment growth to be offset by industry-wide softness impacting the Farm segment, particularly in North America. The timing of a meaningful recovery in our Farm business remains unclear. Overall, our order book and outlook demonstrate the merits of our strategy to diversify the Commercial segment across international markets.

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<sup>1</sup> This is a supplementary financial measure and is used throughout this MD&A. See "OPERATING RESULTS – Order Book" and "NON-IFRS AND OTHER FINANCIAL MEASURES" for more information on this supplementary financial measure.

<sup>2</sup> See "RISKS AND UNCERTAINTIES", "FORWARD-LOOKING INFORMATION", "FINANCIAL OUTLOOK" AND "NON-IFRS AND OTHER FINANCIAL MEASURES".

<sup>3</sup> Adjusted EBITDA for the year ended December 31, 2024, was \$265 million. See "Reconciliation of Adjusted EBITDA to profit (loss) before income taxes for the years ended December 31, 2024, and 2023".

## OPERATING RESULTS

### Revenue by Geography <sup>4</sup>

[thousands of dollars except percentages]	Three-months ended June 30			
	2025	2024	Change	Change
	\$	\$	\$	%
Canada	65,450	94,364	(28,914)	(31%)
U.S.	112,824	146,366	(33,542)	(23%)
International	170,286	111,051	59,235	53%
<b>Total Revenue</b>	<b>348,560</b>	<b>351,781</b>	<b>(3,221)</b>	<b>(1%)</b>

[thousands of dollars except percentages]	Six-months ended June 30			
	2025	2024	Change	Change
	\$	\$	\$	%
Canada	100,277	173,328	(73,051)	(42%)
U.S.	220,209	294,685	(74,476)	(25%)
International	314,820	198,364	116,456	59%
<b>Total Revenue</b>	<b>635,306</b>	<b>666,377</b>	<b>(31,071)</b>	<b>(5%)</b>

### Revenue by Segment and Geography <sup>4</sup>

#### Farm Segment

[thousands of dollars except percentages]	Three-months ended June 30			
	2025	2024	Change	Change
	\$	\$	\$	%
Canada	53,068	77,796	(24,728)	(32%)
U.S.	59,752	94,312	(34,560)	(37%)
International	14,005	22,347	(8,342)	(37%)
<b>Total Revenue</b>	<b>126,825</b>	<b>194,455</b>	<b>(67,630)</b>	<b>(35%)</b>

[thousands of dollars except percentages]	Six-months ended June 30			
	2025	2024	Change	Change
	\$	\$	\$	%
Canada	76,615	144,516	(67,901)	(47%)
U.S.	118,616	188,857	(70,241)	(37%)
International	26,689	50,068	(23,379)	(47%)
<b>Total Revenue</b>	<b>221,920</b>	<b>383,441</b>	<b>(161,521)</b>	<b>(42%)</b>

<sup>4</sup>The revenue information in this section are supplementary financial measures and are used throughout this MD&A. See "NON-IFRS AND OTHER FINANCIAL MEASURES" for more information on these supplementary financial measures.

## Commercial Segment

[thousands of dollars except percentages]	Three-months ended June 30			
	2025 \$	2024 \$	Change \$	Change %
Canada	12,382	16,568	(4,186)	(25%)
U.S.	53,072	52,054	1,018	2%
International	156,281	88,704	67,577	76%
<b>Total Revenue</b>	<b>221,735</b>	<b>157,326</b>	<b>64,409</b>	<b>41%</b>

[thousands of dollars except percentages]	Six-months ended June 30			
	2025 \$	2024 \$	Change \$	Change %
Canada	23,662	28,812	(5,150)	(18%)
U.S.	101,593	105,828	(4,235)	(4%)
International	288,131	148,296	139,835	94%
<b>Total Revenue</b>	<b>413,386</b>	<b>282,936</b>	<b>130,450</b>	<b>46%</b>

## Order Book

The following table presents YOY changes in the Company's order book<sup>[1]</sup> as at June 30, 2025:

[thousands of dollars except percentages]	As at June 30			
	2025 \$	2024 <sup>[2]</sup> \$	Change \$	Change %
Order book	659,809	632,389	27,420	4%

[1] This is a supplementary financial measure and is used throughout this MD&A. See "NON-IFRS AND OTHER FINANCIAL MEASURES" for more information on this supplementary financial measure.

[2] The order book as at June 30, 2024 has been revised to reflect orders that were outstanding at June 30, 2024 but that were subsequently cancelled. AGI originally reported an order book as at June 30, 2024 of \$651.4 million. Revisions of this nature occur from time-to-time as part of normal business operations.

## Farm Segment

Farm segment's financial performance by separate geographic region is detailed below. For a summary of Farm segment's performance overall see "Farm Segment Summary".

### Canada

Farm segment revenue from our Canada region in Q2 2025 decreased YOY as demand for both portable and permanent grain handling equipment remained soft relative to the prior year. Based on the slowing order intake in late 2024 and into 2025, we anticipated the first half softness in Canada Farm and have yet to observe a sustained uptrend in order intake. As a result, we expect challenging market conditions to persist through the remainder of 2025.

### *United States*

Our U.S Farm revenue in Q2 2025 decreased YOY as the region continued to face industry-wide headwinds which collectively impact customer demand. These challenges include soft crop prices, shifting tariff policies, uncertainty on government subsidies, and elevated dealer channel inventory levels. The persistence of crop prices staying below long-term averages has had an impact to farmer sentiment and is reflected within our U.S. Farm order book. Our customers remain cautious on capital equipment purchases and instead continue to monitor crop activities and potential subsidy initiatives. Similar to Canada, these market conditions create limited visibility for the remainder of 2025.

### *International*

Farm segment revenue from our international regions was lower versus the prior year in the second quarter primarily due to soft demand in Brazil and our Asia Pacific ("APAC") region. APAC's order book activity increased YOY and sequentially, while Brazil's order book also grew sequentially. We continue to remain cautious on the full year outlook for our international Farm business, while encouraged with these recent trends.

## **Commercial Segment**

Commercial segment's financial performance by separate geographic region is detailed further below. For a summary of Commercial segment's performance overall see "Commercial Segment Summary".

### *Canada*

Revenue from our Canada Commercial business decreased in the quarter YOY. However, we have seen growth in our feed handling and storage equipment offerings. We continue to focus on building the sales pipeline to grow Canada's order book for Commercial projects and we anticipate existing projects will be delivered throughout 2025. While we navigate the market and build the sales pipeline, we have operational efficiency programs in motion to help maintain and potentially expand our Adjusted EBITDA margin %.

### *United States*

Our U.S. region's Commercial business improved YOY in the second quarter as we progress several significant projects won in late 2024 and the first half of 2025. These projects are currently in various stages of production, and our order book is at healthy levels, positioning us to maintain momentum through the remainder of 2025. As the U.S. Commercial business grows, we continue to be vigilant on containing costs allowing us to be flexible and efficient as market dynamics fluctuate.

### *International*

Commercial segment revenue from our International operations continued to increase significantly YOY. Consistent with last quarter, international regions grew YOY with particular strength in Brazil and EMEA. Several project wins in late 2024 and the first half of 2025 contributed directly to our results as we executed on significant project orders. We expect to maintain healthy momentum through the rest of 2025 as we have seen sizable growth in our international Commercial order book YOY, including some notable project commitments received subsequent to the end of the quarter. Further pipeline



and quoting activity is supported by several of our larger Commercial customers planning new greenfield projects or expanding the scope of projects currently underway. Our EMEA region continues to execute large project wins in the Middle East and Africa as the general trend for net-importing grain nations to meaningfully expand food storage capacity to enhance food security continues. Our Brazil business continues to capitalize on the long-term food infrastructure build-out across the region. Overall, we remain focused on our long-term strategy to diversify and grow our international operations through the execution of large-scale projects as well as the expansion of our offerings through product transfers.

## DETAILED OPERATING RESULTS

[thousands of dollars except per share amounts]	Three-months ended June 30		Six-months ended June 30	
	2025 \$	2024 \$	2025 \$	2024 \$
<b>Revenue</b>	348,560	351,781	635,306	666,377
<b>Cost of goods sold</b>				
Cost of inventories	241,826	226,166	439,526	430,677
Depreciation and amortization	9,073	10,004	18,507	18,974
	250,899	236,170	458,033	449,651
<b>Selling, general and administrative expenses</b>				
Selling, general & administrative expenses	57,972	63,269	120,187	130,698
Transaction, transitional and other costs (recovery) <sup>[1]</sup>	(6,284)	11,929	(2,567)	16,379
Enterprise Resource Planning ("ERP") system transformation costs <sup>[2]</sup>	4,208	4,925	7,005	9,050
Accounts receivable recovery for Russia/Ukraine conflict ("RUK")	—	—	—	(268)
Depreciation and amortization	7,178	8,302	15,003	16,477
	63,074	88,425	139,628	172,336
<b>Other operating expense (income)</b>				
Net loss (gain) on sale of long-lived assets <sup>[3]</sup>	88	10	80	(196)
Net loss (gain) on financial instruments <sup>[4]</sup>	(3,181)	3,812	3,426	(4,004)
Other	(1,898)	(2,844)	(4,250)	(5,686)
	(4,991)	978	(744)	(9,886)
Finance costs	17,213	17,060	33,806	36,011
Finance expense (income)	(13,744)	13,707	(15,017)	18,975
Impairment charge	103	3,091	23	3,091
Share of associate's net income <sup>[5]</sup>	(640)	—	(498)	—
Profit (loss) before income taxes	36,646	(7,650)	20,075	(3,801)
Income tax expense (recovery)	12,134	(256)	12,356	1,654
<b>Profit (loss) for the period</b>	24,512	(7,394)	7,719	(5,455)
<b>Profit (loss) per share</b>				
Basic	1.30	(0.39)	0.41	(0.29)
Diluted	1.21	(0.39)	0.40	(0.29)

[1] Includes legal and advisory fees, legal provision, transitional costs related to reorganizations, and other acquisition related transition costs as well as the accretion and other movement in amounts due to vendors.

- [2] Expenses incurred in connection with a global multi-year ERP transformation project.  
[3] Includes gain/loss on sale of property, plant, equipment, assets held for sale, and settlement of lease liabilities.  
[4] See “Equity swap”.  
[5] See “Note 6 – Brazil investments” in our consolidated financial statements.

## Gross Profit and Adjusted Gross Margin

	Three-months ended June 30		Six-months ended June 30	
	2025	2024	2025	2024
[thousands of dollars except percentages]	\$	\$	\$	\$
Revenue	348,560	351,781	635,306	666,377
Cost of goods sold	250,899	236,170	458,033	449,651
<b>Gross Profit</b>	<b>97,661</b>	<b>115,611</b>	<b>177,273</b>	<b>216,726</b>
Gross Profit as a % of Revenue <sup>[1]</sup>	28.0%	32.9%	27.9%	32.5%
Depreciation and amortization	9,073	10,004	18,507	18,974
<b>Adjusted Gross Margin <sup>[2]</sup></b>	<b>106,734</b>	<b>125,615</b>	<b>195,780</b>	<b>235,700</b>
Adjusted Gross Margin as a % of Revenue <sup>[3]</sup>	30.6%	35.7%	30.8%	35.4%

- [1] This is a supplementary financial measure and is used throughout this MD&A. See “NON-IFRS AND OTHER FINANCIAL MEASURES” for more information on each supplementary financial measure.  
[2] This is a non-IFRS measure and is used throughout this MD&A. See “NON-IFRS AND OTHER FINANCIAL MEASURES” for more information on each non-IFRS measure.  
[3] This is a non-IFRS ratio and is used throughout this MD&A. See “NON-IFRS AND OTHER FINANCIAL MEASURES” for more information on each non-IFRS ratio.

AGI's adjusted gross margin as a percentage of revenue for the three-month period ended June 30, 2025 decreased YOY due to lower Farm volume and higher Commercial volume. Our multi-year strategic focus on diversifying revenue by focusing on Commercial projects and international channels has allowed us to mitigate some of the impact from the decline in the Farm segment.

## Impact of Foreign Exchange

### *Gains and Losses on Foreign Exchange*

The gain and loss on foreign exchange for the three- and six-month periods ended June 30, 2025 was a gain of \$13.7 million and \$14.9 million, respectively [2024 – loss of \$13.8 million and \$19.2 million]. The change is primarily due to the effect of non-cash translation of the Company's U.S. dollar denominated long-term debt as the exchange rate decreased from 1.4389 at December 31, 2024 to 1.3643 at June 30, 2025. See also “Financial Instruments – Foreign exchange contracts”.

### *Revenue and Adjusted EBITDA*

The average U.S. dollar rate of exchange for the three- and six-month periods ended June 30, 2025, was \$1.38 and \$1.41 [2024 – \$1.35 and \$1.36]. A weaker Canadian dollar relative to the U.S. dollar results in higher reported revenue for AGI, as U.S. dollar denominated revenue are translated into Canadian dollars at a higher rate. Similarly, a weaker Canadian dollar results in higher costs for U.S. dollar denominated inputs and SG&A expenses. In addition, a weaker Canadian dollar may result in

higher input costs of certain Canadian dollar denominated inputs, including steel. On balance, Adjusted EBITDA increases when the Canadian dollar weakens relative to the U.S. dollar.

### **Selling, General and Administrative Expenses (“SG&A”)**

SG&A expenses for the three-month period ended June 30, 2025, excluding transaction, transitional and other costs, ERP system transformation costs, and depreciation and amortization, were \$58.0 million [16.6% of revenue] [Q2 2024 – \$63.3 million [18.0% of revenue]]. YOY variances are primarily the result of a \$3.2 million decrease in sales and marketing expenses and \$1.0 million decrease in professional fees. These reductions were offset by an increase of \$1.0 million in salaries and wages and \$1.4 million in corporate governance-related expenses. The change in corporate governance-related expenses are due to an increase in AGI's share price during the quarter resulting in an increase in the Board of Director's Deferred Share Unit (“DSU”) liability relative to a decrease in share price in Q2 2024 that reduced the value of the DSU liability. All remaining changes were comprised of individual variances of less than \$1.0 million.

Transaction, transitional and other costs (recovery) are comprised of 1) transitional costs related to reorganizations; 2) legal and other advisory fees related to certain matters, including an approximate \$9.0 million reduction in fees in Q2 2025 associated with the strategic review process conducted in 2024; and 3) accretion and other movement in amounts due to vendors related to past acquisitions.

### **Other operating expense (income)**

Other operating expense (income) for the three- and six-month periods ended June 30, 2025, was income of \$5.0 million and \$0.7 million, respectively [2024 – expense of \$1.0 million and income of \$9.9 million] and was driven primarily by mark-to-market adjustments on financial instruments [see “Equity swap”]. Interest income from customer financing arrangements is also reflected in Other operating expense (income).

### **Finance costs**

Finance costs, which represent interest incurred, including non-cash interest, on all debt for the three- and six-month periods ended June 30, 2025 were \$17.2 million and \$33.8 million, respectively [2024 – \$17.1 million and \$36.0 million].

### **Finance expense (income)**

Finance expense (income), which represents interest income earned and foreign exchange on long term debt for the three- and six-month periods ended June 30, 2025, was income of \$13.7 million and \$15.0 million, respectively [2024 – expense of \$13.7 million and \$19.0 million]. The change in finance expense (income) relates primarily to the effect of non-cash translation of the Company's U.S. dollar denominated long-term debt as the exchange rate decreased from 1.4389 at December 31, 2024 and 1.4376 at March 31, 2025 to 1.3643 at June 30, 2025.

## Profit (loss) before income taxes and Adjusted EBITDA

The following tables reconcile profit (loss) before income taxes to Adjusted EBITDA.

	Three-months ended June 30		Six-months ended June 30	
	2025	2024	2025	2024
[thousands of dollars]	\$	\$	\$	\$
<b>Profit (loss) before income taxes</b>	36,646	(7,650)	20,075	(3,801)
Finance costs	17,213	17,060	33,806	36,011
Depreciation and amortization	16,251	18,306	33,510	35,451
Share of associate's net income <sup>[1]</sup>	(640)	—	(498)	—
Loss (gain) on foreign exchange <sup>[2]</sup>	(13,718)	13,791	(14,911)	19,209
Share-based compensation <sup>[3]</sup>	3,558	2,768	5,560	7,184
Net loss (gain) on financial instruments <sup>[4]</sup>	(3,181)	3,812	3,426	(4,004)
Transaction, transitional and other costs (recovery) <sup>[5]</sup>	(6,284)	11,929	(2,567)	16,379
ERP system transformation costs <sup>[6]</sup>	4,208	4,925	7,005	9,050
Net loss (gain) on sale of long-lived assets <sup>[7]</sup>	88	10	80	(196)
Accounts receivable recovery for RUK	—	—	—	(268)
Impairment charge	103	3,091	23	3,091
<b>Adjusted EBITDA <sup>[8]</sup></b>	<b>54,244</b>	<b>68,042</b>	<b>85,509</b>	<b>118,106</b>

[1] See "Note 6 – Brazil investments" in our consolidated financial statements.

[2] See "Note 13[e] – Finance expense (income)" in our consolidated financial statements.

[3] The Company's share-based compensation expense pertains to our equity incentive award plan ("EIAP") and directors' deferred compensation plan ("DDCP"). See "Note 12 – Share-based compensation plans" in our consolidated financial statements.

[4] See "Equity swap".

[5] Includes legal and advisory fees, legal provision, transitional costs related to reorganizations, and other acquisition related transition costs as well as accretion and other movement in amounts due to vendors.

[6] Expenses incurred in connection with a global multi-year ERP transformation project.

[7] Includes gain/loss on sale of property, plant, equipment, assets held for sale, and settlement of lease liabilities.

[8] This is a non-IFRS measure and is used throughout this MD&A. See "NON-IFRS AND OTHER FINANCIAL MEASURES" for more information on each non-IFRS measure.

Profit (loss) before income taxes and Adjusted EBITDA by Segment

	Three-months ended June 30, 2025			
	Farm	Commercial	Other <sup>[10]</sup>	Total
[thousands of dollars]	\$	\$	\$	\$
<b>Profit (loss) before income taxes</b>	22,329	29,812	(15,495)	36,646
Finance costs	—	—	17,213	17,213
Depreciation and amortization <sup>[1]</sup>	6,475	7,640	2,136	16,251
Share of associate's net income <sup>[2]</sup>	—	(640)	—	(640)
Gain on foreign exchange <sup>[3]</sup>	—	—	(13,718)	(13,718)
Share-based compensation <sup>[4]</sup>	—	—	3,558	3,558
Net gain on financial instruments <sup>[5]</sup>	—	—	(3,181)	(3,181)
Transaction, transitional and other costs (recovery) <sup>[6]</sup>	428	—	(6,712)	(6,284)
ERP system transformation costs <sup>[7]</sup>	—	—	4,208	4,208
Net loss (gain) on sale of long-lived assets <sup>[1][8]</sup>	(38)	(9)	135	88
Impairment charge	103	—	—	103
<b>Adjusted EBITDA <sup>[9]</sup></b>	<b>29,297</b>	<b>36,803</b>	<b>(11,856)</b>	<b>54,244</b>

	Three-months ended June 30, 2024			
	Farm	Commercial	Other <sup>[10]</sup>	Total
[thousands of dollars]	\$	\$	\$	\$
<b>Profit (loss) before income taxes</b>	38,193	14,910	(60,753)	(7,650)
Finance costs	—	—	17,060	17,060
Depreciation and amortization <sup>[1]</sup>	7,889	8,581	1,836	18,306
Loss on foreign exchange <sup>[3]</sup>	—	—	13,791	13,791
Share-based compensation <sup>[4]</sup>	—	—	2,768	2,768
Net loss on financial instruments <sup>[5]</sup>	—	—	3,812	3,812
Transaction, transitional and other costs <sup>[6]</sup>	3,785	—	8,144	11,929
ERP system transformation costs <sup>[7]</sup>	—	—	4,925	4,925
Net loss (gain) on sale of long-lived assets <sup>[1][8]</sup>	355	(320)	(25)	10
Impairment charge	3,014	77	—	3,091
<b>Adjusted EBITDA <sup>[9]</sup></b>	<b>53,236</b>	<b>23,248</b>	<b>(8,442)</b>	<b>68,042</b>

Six-months ended June 30, 2025				
	Farm	Commercial	Other <sup>[10]</sup>	Total
[thousands of dollars]	\$	\$	\$	\$
<b>Profit (loss) before income taxes</b>	32,884	46,304	(59,113)	20,075
Finance costs	—	—	33,806	33,806
Depreciation and amortization <sup>[1]</sup>	13,981	15,505	4,024	33,510
Share of associate's net income <sup>[2]</sup>	—	(498)	—	(498)
Gain on foreign exchange <sup>[3]</sup>	—	—	(14,911)	(14,911)
Share-based compensation <sup>[4]</sup>	—	—	5,560	5,560
Net loss on financial instruments <sup>[5]</sup>	—	—	3,426	3,426
Transaction, transitional and other costs (recovery) <sup>[6]</sup>	1,607	—	(4,174)	(2,567)
ERP system transformation costs <sup>[7]</sup>	—	—	7,005	7,005
Net loss (gain) on sale of long-lived assets <sup>[1] [8]</sup>	(21)	(22)	123	80
Impairment charge	23	—	—	23
<b>Adjusted EBITDA <sup>[9]</sup></b>	<b>48,474</b>	<b>61,289</b>	<b>(24,254)</b>	<b>85,509</b>

  

Six-months ended June 30, 2024				
	Farm	Commercial	Other <sup>[10]</sup>	Total
[thousands of dollars]	\$	\$	\$	\$
<b>Profit (loss) before income taxes</b>	76,451	20,064	(100,316)	(3,801)
Finance costs	—	—	36,011	36,011
Depreciation and amortization <sup>[1]</sup>	14,853	16,907	3,691	35,451
Loss on foreign exchange <sup>[3]</sup>	—	—	19,209	19,209
Share-based compensation <sup>[4]</sup>	—	—	7,184	7,184
Net gain on financial instruments <sup>[5]</sup>	—	—	(4,004)	(4,004)
Transaction, transitional and other costs <sup>[6]</sup>	3,785	—	12,594	16,379
ERP system transformation costs <sup>[7]</sup>	—	—	9,050	9,050
Net loss (gain) on sale of long-lived assets <sup>[1] [8]</sup>	141	(314)	(23)	(196)
Accounts receivable recovery for RUK	—	(268)	—	(268)
Impairment charge	3,014	77	—	3,091
<b>Adjusted EBITDA <sup>[9]</sup></b>	<b>98,244</b>	<b>36,466</b>	<b>(16,604)</b>	<b>118,106</b>

[1] Allocated based on the segment of the underlying asset's cash generating unit ("CGU").

[2] See "Note 6 – Brazil investments" in our consolidated financial statements.

[3] See "Note 13[e] – Finance expense (income)" in our consolidated financial statements.

[4] The Company's share-based compensation expense pertains to our EIAP and DDCP. See "Note 12 – Share-based compensation plans" in our consolidated financial statements.

[5] See "Equity swap".

[6] Includes legal and advisory fees, legal provision, transitional costs related to reorganizations, and other acquisition related transition costs as well as the accretion and other movement in amounts due to vendors.

[7] Expenses incurred in connection with a global multi-year ERP transformation project.

[8] Includes gain/loss on sale of property, plant, equipment, assets held for sale, and settlement of lease liabilities.

[9] This is a non-IFRS measure and is used throughout this MD&A. See "NON-IFRS AND OTHER FINANCIAL MEASURES" for more information on each non-IFRS measure.

[10] Included in Other is the corporate office, which is not a reportable segment, and which provides finance, treasury, legal, human resources and other administrative support to the segments.

### Profit (loss) before income taxes and Adjusted EBITDA by Geography

[thousands of dollars]	Three-months ended June 30, 2025				
	Canada	US	International	Other <sup>[10]</sup>	Total
	\$	\$	\$	\$	\$
<b>Profit (loss) before income taxes</b>	9,026	19,516	23,592	(15,488)	<b>36,646</b>
Finance costs	—	—	—	17,213	<b>17,213</b>
Depreciation and amortization <sup>[1]</sup>	4,256	5,544	4,323	2,128	<b>16,251</b>
Share of associate's net income <sup>[2]</sup>	—	—	(640)	—	<b>(640)</b>
Gain on foreign exchange <sup>[3]</sup>	—	—	—	(13,718)	<b>(13,718)</b>
Share-based compensation <sup>[4]</sup>	—	—	—	3,558	<b>3,558</b>
Net gain on financial instruments <sup>[5]</sup>	—	—	—	(3,181)	<b>(3,181)</b>
Transaction, transitional and other costs (recovery) <sup>[6]</sup>	—	428	—	(6,712)	<b>(6,284)</b>
ERP system transformation costs <sup>[7]</sup>	—	—	—	4,208	<b>4,208</b>
Net loss (gain) on sale of long-lived assets <sup>[1][8]</sup>	(290)	253	(11)	136	<b>88</b>
Impairment charge	—	103	—	—	<b>103</b>
<b>Adjusted EBITDA <sup>[9]</sup></b>	<b>12,992</b>	<b>25,844</b>	<b>27,264</b>	<b>(11,856)</b>	<b>54,244</b>

[thousands of dollars]	Three-months ended June 30, 2024				
	Canada	US	International	Other <sup>[10]</sup>	Total
	\$	\$	\$	\$	\$
<b>Profit (loss) before income taxes</b>	17,481	25,563	10,051	(60,745)	<b>(7,650)</b>
Finance costs	—	—	—	17,060	<b>17,060</b>
Depreciation and amortization <sup>[1]</sup>	5,718	6,287	4,473	1,828	<b>18,306</b>
Loss on foreign exchange <sup>[3]</sup>	—	—	—	13,791	<b>13,791</b>
Share-based compensation <sup>[4]</sup>	—	—	—	2,768	<b>2,768</b>
Net loss on financial instruments <sup>[5]</sup>	—	—	—	3,812	<b>3,812</b>
Transaction, transitional and other costs <sup>[6]</sup>	—	3,785	—	8,144	<b>11,929</b>
ERP system transformation costs <sup>[7]</sup>	—	—	—	4,925	<b>4,925</b>
Net loss (gain) on sale of long-lived assets <sup>[1][8]</sup>	(31)	201	(135)	(25)	<b>10</b>
Impairment charge	77	3,014	—	—	<b>3,091</b>
<b>Adjusted EBITDA <sup>[9]</sup></b>	<b>23,245</b>	<b>38,850</b>	<b>14,389</b>	<b>(8,442)</b>	<b>68,042</b>

	Six-months ended June 30, 2025				
	Canada	US	International	Other <sup>[10]</sup>	Total
[thousands of dollars]	\$	\$	\$	\$	\$
<b>Profit (loss) before income taxes</b>	4,860	31,519	42,791	(59,095)	<b>20,075</b>
Finance costs	—	—	—	33,806	<b>33,806</b>
Depreciation and amortization <sup>[1]</sup>	9,320	11,665	8,519	4,006	<b>33,510</b>
Share of associate's net income <sup>[2]</sup>	—	—	(498)	—	<b>(498)</b>
Gain on foreign exchange <sup>[3]</sup>	—	—	—	(14,911)	<b>(14,911)</b>
Share-based compensation <sup>[4]</sup>	—	—	—	5,560	<b>5,560</b>
Net loss on financial instruments <sup>[5]</sup>	—	—	—	3,426	<b>3,426</b>
Transaction, transitional and other costs (recovery) <sup>[6]</sup>	—	1,607	—	(4,174)	<b>(2,567)</b>
ERP system transformation costs <sup>[7]</sup>	—	—	—	7,005	<b>7,005</b>
Net loss (gain) on sale of long-lived assets <sup>[1][8]</sup>	(274)	241	(11)	124	<b>80</b>
Impairment charge (recovery)	142	(118)	—	(1)	<b>23</b>
<b>Adjusted EBITDA <sup>[9]</sup></b>	<b>14,048</b>	<b>44,914</b>	<b>50,801</b>	<b>(24,254)</b>	<b>85,509</b>

  

	Six-months ended June 30, 2024				
	Canada	US	International	Other <sup>[10]</sup>	Total
[thousands of dollars]	\$	\$	\$	\$	\$
<b>Profit (loss) before income taxes</b>	29,633	55,674	11,191	(100,299)	<b>(3,801)</b>
Finance costs	—	—	—	36,011	<b>36,011</b>
Depreciation and amortization <sup>[1]</sup>	10,564	12,405	8,808	3,674	<b>35,451</b>
Loss on foreign exchange <sup>[3]</sup>	—	—	—	19,209	<b>19,209</b>
Share-based compensation <sup>[4]</sup>	—	—	—	7,184	<b>7,184</b>
Net gain on financial instruments <sup>[5]</sup>	—	—	—	(4,004)	<b>(4,004)</b>
Transaction, transitional and other costs <sup>[6]</sup>	—	3,785	—	12,594	<b>16,379</b>
ERP system transformation costs <sup>[7]</sup>	—	—	—	9,050	<b>9,050</b>
Net gain on sale of long-lived assets <sup>[1][8]</sup>	(3)	(45)	(125)	(23)	<b>(196)</b>
Accounts receivable recovery for RUK	—	—	(268)	—	<b>(268)</b>
Impairment charge	77	3,014	—	—	<b>3,091</b>
<b>Adjusted EBITDA <sup>[9]</sup></b>	<b>40,271</b>	<b>74,833</b>	<b>19,606</b>	<b>(16,604)</b>	<b>118,106</b>

[1] Allocated based on the geographical region of the facilities with the exception of expenses noted in Other.

[2] See "Note 6 – Brazil investments" in our consolidated financial statements.

[3] See "Note 13[e] – Finance expense (income)" in our consolidated financial statements.

[4] The Company's share-based compensation expense pertains to our EIAP and DDCP. See "Note 12 – Share-based compensation plans" in our consolidated financial statements.

[5] See "Equity swap".

[6] Includes legal and advisory fees, legal provision, transitional costs related to reorganizations, and other acquisition related transition costs as well as the accretion and other movement in amounts due to vendors.

[7] Expenses incurred in connection with a global multi-year ERP transformation project.

[8] Includes gain/loss on sale of property, plant, equipment, assets held for sale, and settlement of lease liabilities.

[9] This is a non-IFRS measure and is used throughout this MD&A. See "NON-IFRS AND OTHER FINANCIAL MEASURES" for more information on each non-IFRS measure.



[10] Included in Other is the corporate office which provides finance, treasury, legal, human resources and other administrative support to the geographical regions.

AGI's Adjusted EBITDA for the three-month period ended June 30, 2025, decreased to \$54.2 million from \$68.0 million for the same period in 2024. North America Farm continues to face soft farmer demand given commodity prices are below long-term averages and elevated dealer channel inventory levels across the segment have yet to fully decline. These factors are compounded by uncertainty surrounding tariff policy and government subsidy, which created additional cautiousness across the broader Farm equipment sector. Strength in our Commercial segment, anchored primarily by momentum in Brazil and long-term projects in our EMEA region, partially offset the impact of the ongoing softness in the Farm Segment.

### Depreciation and amortization

Depreciation of property, plant and equipment, depreciation of right-of-use assets and amortization of intangible assets are categorized in the income statement in accordance with the function to which the underlying asset is related. Depreciation and amortization expense for the three- and six-month periods ended June 30, 2025, was expense of \$16.3 million and \$33.5 million, respectively [2024 – \$17.8 million and \$34.4 million].

### Income tax expense

#### *Current income tax expense*

Current income tax expense for the three- and six-month periods ended June 30, 2025 was \$4.3 million and \$6.9 million, respectively [2024 – \$3.2 million and \$5.2 million].

#### *Deferred income tax expense (recovery)*

Deferred income tax expense (recovery) for the three- and six-month periods ended June 30, 2025 was an expense of \$7.8 million and \$5.5 million, respectively [2024 – recovery of \$3.4 million and \$3.5 million]. The deferred income tax expense (recovery) in 2025 relates to the recognition of temporary differences between the accounting and tax treatment of property, plant and equipment, accruals and long-term provisions and tax loss carry forwards.

[thousands of dollars except percentages]	Three-months ended June 30		Six-months ended June 30	
	2025	2024	2025	2024
	\$	\$	\$	\$
Current tax expense	4,311	3,180	6,884	5,196
Deferred tax expense (recovery)	7,823	(3,436)	5,472	(3,542)
<b>Total tax expense (recovery)</b>	<b>12,134</b>	<b>(256)</b>	<b>12,356</b>	<b>1,654</b>
Profit (loss) before income taxes	36,646	(7,650)	20,075	(3,801)
Effective income tax rate	33.1%	3.3%	61.5%	(43.5%)

The effective tax rate in Q2 2025 was impacted by items that were included in the calculation of profit (loss) before income taxes for accounting purposes but were not included or deducted for tax

purposes. The increased effective tax rate from the statutory rate of 26.6% for the three-month period ended June 30, 2025 was primarily attributable to unrealized foreign exchange gains (losses), tax losses not recognized, non-deductible expenses and differences in tax rates and deductions allowed in foreign tax jurisdictions.

### Diluted profit (loss) per share and diluted adjusted profit per share

The Company's diluted adjusted profit per share for the three- and six-month periods ended June 30, 2025, was a profit of \$0.26 and \$0.01 per share, respectively [2024 – profit of \$1.42 and \$1.87 per share]. Diluted adjusted profit per share has been impacted by the items enumerated in the table below, which reconciles profit (loss) to adjusted profit.

[thousands of dollars except per share amounts]	Three-months ended June 30		Six-months ended June 30	
	2025	2024	2025	2024
	\$	\$	\$	\$
Profit (loss)	24,512	(7,394)	7,719	(5,455)
Diluted profit (loss) per share	1.21	(0.39)	0.40	(0.29)
Share of associate's net income <sup>[1]</sup>	(640)	—	(498)	—
Loss (gain) on foreign exchange <sup>[2]</sup>	(13,718)	13,791	(14,911)	19,209
Net loss (gain) on financial instruments <sup>[3]</sup>	(3,181)	3,812	3,426	(4,004)
Transaction, transitional and other costs (recovery) <sup>[4]</sup>	(6,284)	11,929	(2,567)	16,379
ERP system transformation costs <sup>[5]</sup>	4,208	4,925	7,005	9,050
Net loss (gain) on sale of long-lived assets <sup>[6]</sup>	88	10	80	(196)
Accounts receivable recovery for RUK	—	—	—	(268)
Impairment charge	103	3,091	23	3,091
<b>Adjusted profit <sup>[7]</sup></b>	<b>5,088</b>	<b>30,164</b>	<b>277</b>	<b>37,806</b>
<b>Diluted adjusted profit per share <sup>[8]</sup></b>	<b>0.26</b>	<b>1.42</b>	<b>0.01</b>	<b>1.87</b>

[1] See "Note 6 – Brazil investments" in our consolidated financial statements.

[2] See "Note 13[e] – Finance expense (income)" in our consolidated financial statements.

[3] See "Equity swap".

[4] Includes legal and advisory fees, legal provision, transitional costs related to reorganizations, and other acquisition related transition costs as well as the accretion and other movement in amounts due to vendors.

[5] Expenses incurred in connection with a global multi-year ERP transformation project.

[6] Includes gain/loss on sale of property, plant, equipment, assets held for sale, and settlement of lease liabilities.

[7] This is a non-IFRS measure and is used throughout this MD&A. See "NON-IFRS AND OTHER FINANCIAL MEASURES" for more information on each non-IFRS measure.

[8] This is a non-IFRS ratio and is used throughout this MD&A. See "NON-IFRS AND OTHER FINANCIAL MEASURES" for more information on each non-IFRS ratio.

## QUARTERLY FINANCIAL INFORMATION

[thousands of dollars other than per share amounts and exchange rates]:

2025					
	Average USD/CAD Exchange Rate	Revenue \$	Profit (Loss) \$	Basic Profit (Loss) per Share \$	Diluted Profit (Loss) per Share \$
Q1	1.44	286,746	(16,793)	(0.90)	(0.90)
Q2	1.38	348,560	24,512	1.30	1.21
<b>YTD</b>	<b>1.41</b>	<b>635,306</b>	<b>7,719</b>	<b>0.41</b>	<b>0.40</b>

  

2024					
	Average USD/CAD Exchange Rate	Revenue \$	Profit (Loss) \$	Basic Profit (Loss) per Share \$	Diluted Profit (Loss) per Share \$
Q1	1.35	314,596	1,939	0.10	0.10
Q2	1.35	351,781	(7,394)	(0.39)	(0.39)
Q3	1.36	357,173	18,012	0.94	0.89
Q4	1.40	381,157	(32,639)	(1.71)	(1.71)
<b>FY 2024</b>	<b>1.37</b>	<b>1,404,707</b>	<b>(20,082)</b>	<b>(1.05)</b>	<b>(1.05)</b>

  

2023					
	Average USD/CAD Exchange Rate	Revenue \$	Profit \$	Basic Profit per Share \$	Diluted Profit per Share \$
Q3	1.35	410,067	25,059	1.32	1.21
Q4	1.36	379,317	11,378	0.60	0.58
<b>FY 2023</b>	<b>1.35</b>	<b>1,526,669</b>	<b>68,889</b>	<b>3.63</b>	<b>3.44</b>

The following factors impact the comparison between periods in the table above:

- Revenue, gain (loss) on foreign exchange, profit (loss), and basic and diluted profit (loss) per share in all periods are impacted by the rate of exchange between the Canadian and U.S. dollars.
- Certain quarters include items that management believes do not necessarily arise as part of the Company's day-to-day operations; see "Profit (loss) before income taxes and Adjusted EBITDA" for such items.

## LIQUIDITY AND CAPITAL RESOURCES

AGI's financing requirements are subject to variations due to the seasonal and cyclical nature of its business. Revenues historically have been higher in the second and third calendar quarters compared with the first and fourth quarters and cash flow has been lower in the first half of each calendar year. However, the Company's geographic diversity has increased over time leading to a more balanced distribution of revenue and corresponding collections throughout the year. Internally generated funds are supplemented, when necessary, from external sources, primarily the Company's senior credit facilities, to fund the Company's working capital requirements, capital expenditures, acquisitions, dividends and other items. The Company believes that the senior credit facilities and debentures described under "Capital Resources", together with available cash and internally generated funds, are sufficient to support its working capital, capital expenditure, dividend and debt service requirements.

### CASH FLOW AND LIQUIDITY

	Three-months ended June 30		Six-months ended June 30	
	2025	2024	2025	2024
[thousands of dollars]	\$	\$	\$	\$
Profit (loss) before tax	36,646	(7,650)	20,075	(3,801)
Items not involving current cash flows	(5,939)	34,776	32,540	55,791
Cash flows provided by operations	30,707	27,126	52,615	51,990
Net change in working capital balances related to operations	(9,875)	1,675	(48,718)	(34,637)
Transfer from (to) restricted cash	(2)	(4,255)	51	(4,336)
Proceeds from settlement of financial instrument	—	—	—	7,008
Change in non-current accounts receivable	(29,321)	6,872	(63,526)	2,259
Change in other assets	—	1,819	—	—
Change in note receivable	6,038	—	6,038	—
Change in other financial liabilities	312	33	418	118
Settlement of equity incentive award plan obligation	(2,366)	(2,745)	(5,757)	(6,947)
Post-combination payments	—	—	(1,699)	(1,699)
Income tax refunded (paid)	(5,842)	1,801	(5,357)	395
Cash provided by (used in) operating activities	(10,349)	32,326	(65,935)	14,151
Cash used in investing activities	(7,185)	(9,765)	(16,830)	(14,472)
Cash provided by (used in) financing activities	(11,890)	(25,963)	50,399	(1,812)
Net decrease in cash during the period	(29,424)	(3,402)	(32,366)	(2,133)
Cash, beginning of period	76,951	89,311	79,893	88,042
<b>Cash, end of period</b>	<b>47,527</b>	<b>85,909</b>	<b>47,527</b>	<b>85,909</b>

Cash used by operating activities for the three- and six-month periods ended June 30, 2025 as compared to the 2024 periods increased due to net changes in working capital balances and larger non-current accounts receivable balances primarily relating to the progression of Brazil's large Commercial projects. Cash used by operating activities was partially offset by cash collection of \$6.0 million on long-term notes receivable related to a promissory note due from a third party.

Cash used in investing activities for the three- and six-month periods ended June 30, 2025 was primarily due to our investments through capital expenditures and development of internally generated intangibles. For the three- and six-month periods ended June 30, 2025 an investment in associate of \$0.5 million and \$4.1 million related to the credit rights investment fund (“FIDC”) was included as a cash use [See Note 6 in our consolidated financial statements].

Cash provided by (used in) financing activities for the three- and six-month periods ended June 30, 2025, excluding the impact of foreign exchange, relates primarily to a net decrease in the balance outstanding on our senior credit facilities of \$96.1 million and \$22.4 million, respectively [2024 – net increase of \$71.8 million and \$94.5 million], net of fees, and changes in interest accrual, offset by proceeds of \$97.8 million from the Company’s senior subordinated unsecured debenture offering in Q2 2025. In Q1 2025, \$9.0 million was paid for the repurchase of common shares pursuant to our normal course issuer bid (“NCIB”).

### Free Cash Flow

Free cash flow demonstrates AGI’s cash generation capabilities. Free cash flow is defined as cash provided by (used in) operating activities, less capital expenditures (or acquisition of property, plant and equipment) and intangible asset investments (or development and acquisition of intangible assets). This measure represents cash generated by AGI’s business that could be directed to fund ongoing and prospective strategic initiatives, reduce debt, or pursue other initiatives to enhance shareholder value after investing in capital expenditures that are required to maintain and grow the Company. Management monitors and discloses free cash flow to highlight AGI’s operational efficiency and financial flexibility.

	Three-months ended June 30		Last Twelve-months ended June 30	
	2025	2024	2025	2024
[thousands of dollars]	\$	\$	\$	\$
Cash provided by (used in) operating activities	(10,349)	32,326	30,737	118,510
Less: acquisition of property, plant and equipment	(4,583)	(7,952)	(20,110)	(44,970)
Less: development and acquisition of intangible assets	(3,663)	(2,088)	(10,293)	(8,681)
<b>Free cash flows <sup>[1]</sup></b>	<b>(18,595)</b>	<b>22,286</b>	<b>334</b>	<b>64,859</b>

[1] This is a non-IFRS measure and is used throughout this MD&A. See “NON-IFRS AND OTHER FINANCIAL MEASURES” for more information on each non-IFRS measure.

For the three-month period ended June 30, 2025, free cash flow was \$(18.6) million [Q1 2024 – \$22.3 million]. The decrease in free cash flow was driven by cash used by operations of \$(10.3) million as a result of increased working capital requirements primarily due to the growth in Brazil’s large and comprehensive Commercial projects. This compares to cash provided by operations of \$32.3 million in Q2 2024 as discussed further above.

For the twelve-month period ended June 30, 2025, free cash flow decreased to \$0.3 million from \$64.9 million in the prior year. This decline is attributed to lower cash provided by operations in the current

period, which decreased to \$30.7 million from \$118.5 million, coupled with an increase in intangible asset development and offset by a reduction in investment in property, plant, and equipment in the current period.

### Working Capital Requirements

Interim period working capital requirements typically reflect the seasonality of the business. AGI's collections of accounts receivable in North America are weighted towards the third and fourth quarters. This collection pattern, combined with historically high revenue in the second and third quarters that result from seasonality, typically lead to accounts receivable levels in North America increasing throughout the year and peaking in the third quarter. Inventory levels in North America typically increase in the first and second quarters and then begin to decline in the third or fourth quarter as revenue levels exceed production offset by the seasonality of our operations in India that is opposite of that described above. In addition, our business in Brazil is less seasonal due to the existence of two growing seasons in the country and the increasing importance of Commercial business in the region. Growth in the overall international business, including the recent large Commercial projects in Brazil, which typically has longer payment terms than North America, may result in an increase in the number of days accounts receivable remain outstanding and may result in increased usage of working capital in certain quarters.

### Capital Expenditures

	Three-months ended June 30		Six-months ended June 30	
	2025	2024	2025	2024
[thousands of dollars except percentages]	\$	\$	\$	\$
Maintenance capital expenditures <sup>[1]</sup>	1,375	4,313	3,207	5,939
Non-maintenance capital expenditures <sup>[1]</sup>	3,208	3,639	5,323	5,526
<b>Acquisition of property plant and equipment</b>	<b>4,583</b>	<b>7,952</b>	<b>8,530</b>	<b>11,465</b>
Maintenance capital expenditures as % of Revenue <sup>[1]</sup>	0.4%	1.2%	0.5%	0.9%

[1] This is a supplementary financial measure and is used throughout this MD&A. See "NON-IFRS AND OTHER FINANCIAL MEASURES" for more information on each non-IFRS measure.

The acquisition of property, plant and equipment in the three- and six-month periods ended June 30, 2025, was \$4.6 million and \$8.5 million, respectively [2024 – \$8.0 million and \$11.5 million].

Maintenance capital expenditures in the three- and six-month periods ended June 30, 2025, were \$1.4 million and \$3.2 million, respectively; 0.4% and 0.5% of revenue [2024 – \$4.3 million and \$5.9 million; 1.2% and 0.9% of revenue]. Maintenance capital expenditures relate primarily to purchases of manufacturing equipment and building repairs and historically have approximated 1.0% - 1.5% of revenue.

AGI had non-maintenance capital expenditures in the three- and six-month periods ended June 30, 2025, of \$3.2 million and \$5.3 million, respectively [2024 – \$3.6 million and \$5.5 million].

The acquisition of property, plant and equipment and its components of maintenance and non-maintenance capital expenditures were financed through equipment financing programs, cash on hand, or through the Company's senior credit facilities [see "Capital Resources"].

## CONTRACTUAL OBLIGATIONS

The following table shows, as at June 30, 2025, the Company's contractual obligations for the periods indicated:

[thousands of dollars]	Total \$	2025 \$	2026 \$	2027 \$	2028 \$	2029+ \$
2020 Debentures	85,000	—	85,000	—	—	—
2021 Convertible Debentures	114,995	—	—	114,995	—	—
2022 Convertible Debentures	103,900	—	—	103,900	—	—
2025 Debentures	97,750	—	—	—	—	97,750
Long-term Debt <sup>[1]</sup>	532,171	131	236	232	531,572	—
Lease liability <sup>[1]</sup>	54,130	7,275	11,612	9,336	6,568	19,339
Due to vendor <sup>[1]</sup>	2,862	2,834	28	—	—	—
Purchase obligations <sup>[2]</sup>	4,948	4,948	—	—	—	—
<b>Total obligations</b>	<b>995,756</b>	<b>15,188</b>	<b>96,876</b>	<b>228,463</b>	<b>538,140</b>	<b>117,089</b>

[1] Undiscounted.

[2] Net of deposit.

The debentures relate to the aggregate principal amount of the debentures [see "Capital Resources – Debentures"] and long-term debt is comprised of the Company's senior credit facilities [see "Capital Resources – Debt Facilities"].

## CAPITAL RESOURCES

### Assets and Liabilities

[thousands of dollars]	June 30, 2025 \$	June 30, 2024 \$
Total assets	1,660,174	1,647,979
Total liabilities	1,371,220	1,355,318

### Cash

The Company's cash balance as at June 30, 2025, was \$47.5 million [June 30, 2024 – \$85.9 million].

## Debt Facilities

As at June 30, 2025:

[thousands of dollars except interest rate]	Currency	Maturity	Total Facility [CAD] <sup>[1][2]</sup> \$	Amount Drawn <sup>[1]</sup> \$	Effective Interest Rate
Senior Credit Facilities	CAD / USD	2028	825,183	531,350	5.66%
Equipment Financing	various	various	811	811	various
<b>Total</b>			<b>825,994</b>	<b>532,161</b>	

[1] USD denominated amounts translated to CAD at the rate of exchange in effect on June 30, 2025 of 1.3643.

[2] Excludes the \$200 million accordion available under AGI's credit facility.

AGI's senior credit facilities of \$450 million and U.S. \$275 million are inclusive of amounts that may be allocated to the Company's swingline facilities and can be drawn in Canadian or U.S. funds. AGI has swing-line facilities of \$50 million and U.S. \$10 million. The senior credit facilities bear interest at Canadian Overnight Repo Rate Average or the Secured Overnight Financing Rate plus 1.2% – 2.75% and prime plus 0.2% – 1.75% per annum based on performance calculations. As at June 30, 2025, there is \$241.0 million [June 30, 2024 – \$228.9 million] and U.S. \$212.8 million [June 30, 2024 – U.S. \$217.8 million] outstanding under the facilities. As at June 30, 2025, the portion of drawings from the senior credit facilities recorded on the swingline is \$4.4 million [June 30, 2025 – \$11.2 million].

## Debentures

### *Convertible Unsecured Subordinated Debentures*

The following table summarizes the key terms of the convertible unsecured subordinated debentures [the "Convertible Debentures"] of the Company that were outstanding as at June 30, 2025:

Year Issued / TSX Symbol	Aggregate Principal Amount \$	Coupon	Conversion Price \$	Maturity Date	Redeemable at Par <sup>[1]</sup>
2021 [AFN.DB.I]	114,995,000	5.00%	45.14	Jun 30, 2027	Jun 30, 2025 <sup>[2]</sup>
2022 [AFN.DB.J]	103,900,000	5.20%	70.50	Dec 31, 2027	Dec 31, 2025 <sup>[3]</sup>

[1] At the option of the Company, at par plus accrued and unpaid interest.

[2] On and after June 30, 2025 and prior to June 30, 2026, the 2021 Convertible Debentures may be redeemed in whole or in part from time to time at AGI's option at a price equal to their principal amount plus accrued and unpaid interest, provided that the volume weighted average trading price of the Common Shares on the Toronto Stock Exchange (the "TSX") for the 20 consecutive trading days ending on the fifth trading day preceding the date on which the notice of the redemption is given is not less than 125% of the conversion price. On and after June 30, 2026, the 2021 Convertible Debentures may be redeemed in whole or in part from time to time at AGI's option at a price equal to their principal amount, plus accrued and unpaid interest, regardless of the trading price of the Common Shares.



[3] On and after December 31, 2025 and prior to December 31, 2026, the 2022 Convertible Debentures may be redeemed in whole or in part from time to time at AGI's option at a price equal to their principal amount plus accrued and unpaid interest, provided that the volume weighted average trading price of the Common Shares on the TSX for the 20 consecutive trading days ending on the fifth trading day preceding the date on which the notice of the redemption is given is not less than 125% of the conversion price. On and after December 31, 2026, the 2022 Convertible Debentures may be redeemed in whole or in part from time to time at AGI's option at a price equal to their principal amount plus accrued and unpaid interest regardless of the trading price of the Common Shares.

On redemption or at maturity, the Company may, at its option, elect to satisfy its obligation to pay the principal amount of the Convertible Debentures by issuing and delivering Common Shares. The Company may also elect to satisfy its obligation to pay interest on the Convertible Debentures by delivering sufficient Common Shares to the trustee of the Convertible Debentures to be sold, with the proceeds used to satisfy the obligation to pay interest. The Company does not expect to exercise the option to satisfy its obligations to pay the principal amount or interest by delivering Common Shares. The number of Common Shares issued would be determined based on market prices at the time of issuance.

#### *Senior Unsecured Subordinated Debentures*

On June 9, 2025, the Company closed the offering of \$85 million aggregate principal amount of senior subordinated unsecured debentures at a price of \$1,000 per debenture. On June 12, 2025, AGI closed the issue of an additional \$12.75 million aggregate principal amount of debentures at the same price pursuant to the exercise of the underwriters' over-allotment option. The net proceeds of the offering of \$93.7 million, net of fees, were used to repay existing indebtedness and for general corporate purpose.

The following table summarizes the key terms of the Senior Unsecured Subordinated Debentures [the "Senior Debentures"] that were outstanding as at June 30, 2025:

	Aggregate Principal Amount		
Year Issued / TSX Symbol	\$	Coupon	Maturity Date
2020 [AFN.DB.H]	85,000,000	5.25%	December 31, 2026
2025 [AFN.DB.K]	97,750,000	7.50%	June 30, 2030

On redemption or at maturity, the Company may, at its option, elect to satisfy its obligation to pay the principal amount of the Senior Debentures by issuing and delivering Common Shares. The Company may also elect to satisfy its obligation to pay interest on the Senior Debentures by delivering sufficient Common Shares to the trustee of the Senior Debentures to be sold, with the proceeds used to satisfy the obligation to pay interest. The number of Common Shares issued would be determined based on market prices at the time of issuance.

## COMMON SHARES

The following number of Common Shares were issued and outstanding at the dates indicated:

	# Common Shares
<b>December 31, 2024</b>	<b>18,880,925</b>
Settlement of EIAP obligations	144,165
Normal course issuer bid – shares repurchased and cancelled	(224,900)
<b>June 30, 2025 and July 31, 2025</b>	<b>18,800,190</b>

At July 31, 2025:

- 18,800,190 Common Shares are outstanding;
- 2,265,000 Common Shares are available for issuance under the Company's equity-settled Equity Incentive Award Plan [the "EIAP"], of which 1,264,005 Common Shares have been issued under the EIAP, 694,636 Common Shares are issuable on the settlement of outstanding awards and 306,359 Common Shares are reserved for issuance on the settlement of awards that are available for grant;
- 120,000 deferred grants of Common Shares have been granted under the Company's Directors' Deferred Compensation Plan, of which 98,836 Common Shares have been issued;
- 4,021,279 Common Shares are issuable on conversion of the outstanding Convertible Debentures, of which there are an aggregate principal amount of \$218.9 million outstanding; and
- In 2024, the board of directors authorized the Company to initiate a normal course issuer bid ("NCIB"), in accordance with the requirements of the TSX. The NCIB allows AGI to purchase up to 1,888,505 common shares over a period of 12 months commencing on November 11, 2024. In 2024, the Company repurchased and cancelled 201,400 Common Shares for total cash consideration of \$11.0 million. In Q1 2025, the Company repurchased and cancelled 224,900 Common Shares for total cash consideration of \$9.0 million.

AGI's Common Shares trade on the TSX under the symbol AFN.

## DIVIDENDS

AGI declared dividends of \$2.8 million or \$0.15 per Common Share [Q2 2024 – \$2.9 million or \$0.15 per Common Share] in the three-month period ended June 30, 2025. The dividend declared in Q2 2025 was paid on July 15, 2025 to common shareholders of record at the close of business on June 30, 2025. In the three-month period ended June 30, 2025, dividends paid to common shareholders was \$2.8 million [Q2 2024 – \$2.9 million].

## FINANCIAL INSTRUMENTS

### Interest rate swaps contracts

The Company has entered into interest rate swap contracts to manage its exposure to fluctuations in interest rates.

	Currency	Effective	Maturity	Amount of Swap [000's] \$	Fixed Rate <sup>[1]</sup>
Interest rate hedge – CORRA	CAD	June 11, 2023	2026	75,000	3.707 %

[1] Excludes performance adjustment.

The Company entered into a forward interest rate swap contract effective June 11, 2023 and expiring on May 11, 2026. The Company receives interest based on the variable rates from the counterparty and pays interest based on a fixed rate of 3.707%. The notional amounts are \$75 million in aggregate, resetting each month. The Company has elected to apply hedge accounting for this contract and, therefore, unrealized gains (losses) are recognized in other comprehensive income (loss) to the extent that it has been assessed to be effective. During the three- and six-month periods ended June 30, 2025, an unrealized gain of \$0.1 million and loss of \$0.2 million, respectively [2024 – nil and an unrealized gain of \$0.9 million] was recorded in other comprehensive income (loss) and a realized loss of \$0.2 million and \$0.3 million, respectively [2024 – realized gain of \$0.2 million and \$0.5 million] was recorded in finance costs. As at June 30, 2025, the fair value of the interest rate swap was a liability of \$0.8 million [June 30, 2024 – asset of \$0.4 million].

### Equity swap

The Company has an equity swap agreement with a financial institution to manage the cash flow exposure due to fluctuations in its share price related to the EIAP. As at June 30, 2025, the equity swap agreement covered 422,000 Common Shares at a price of \$38.76 and the agreement matures on May 5, 2026. During the three- and six-month periods ended June 30, 2025, an unrealized gain of \$2.9 million and loss of \$3.8 million, respectively [2024 – loss of \$3.7 million and gain of \$0.8 million] was recorded in loss (gain) on financial instruments in other operating expense (income). As at June 30, 2025, the fair value of the equity swap is an asset of \$1.3 million [June 30, 2024 – asset of \$5.8 million].

## **Foreign exchange contracts**

Risk from foreign exchange arises as a result of variations in exchange rates between the Canadian and the U.S. dollars and to a lesser extent to variations in exchange rates between the Euro and the Canadian dollar. AGI may enter into foreign exchange contracts to partially mitigate its foreign exchange risk.

In 2023, the Company entered into a series of forward contracts with notional amounts of U.S. \$10.8 million in aggregate with maturities up to May 30, 2025. During the three- and six-month periods ended June 30, 2025, a gain of \$0.04 million and \$0.5 million, respectively [2024 – loss of \$0.09 million and \$0.3 million] was recorded in loss (gain) on financial instruments. As at June 30, 2025, the fair value of the forward contracts is nil [June 30, 2024 – liability of \$0.2 million].

## **Debenture put options**

On March 5, 2020, the Company issued \$85 million of senior unsecured subordinated debentures with an option of early redemption beginning December 31, 2022. At the time of issuance, the Company's redemption option resulted in an embedded derivative with a fair value of \$0.8 million. During the three- and six-month periods ended June 30, 2025, an unrealized gain of \$0.3 million and loss of \$0.05 million, respectively were recorded in loss (gain) on financial instruments in other operating expense (income). During the three- and six-month periods ended June 30, 2024, there were no material unrealized gains and losses. As at June 30, 2025, the fair value of the embedded derivative is an asset of \$1.4 million [June 30, 2024 – asset of \$0.6 million].

## **OTHER RELATIONSHIPS**

A law firm in which a former Director of AGI is a partner provides legal services to the Company. The Director retired from AGI's board of directors on May 21, 2025. During the three- and six-month periods ended June 30, 2025, the total cost of legal services provided by related parties was nil and \$1.4 million, respectively [2024 – \$0.06 million and \$0.5 million]. Accounts payable and accrued liabilities due to related parties as at June 30, 2025 is nil [June 30, 2024 – \$0.3 million].

## **CRITICAL ACCOUNTING ESTIMATES**

Described in the notes to the Company's 2024 consolidated financial statements are the accounting policies and estimates that AGI believes are critical to its business. Please refer to note 4 to the 2024 consolidated financial statements for a discussion of the critical accounting judgments, estimates and assumptions. No changes to the accounting policies and estimates have been made as of June 30, 2025.

## **RISKS AND UNCERTAINTIES**

The Company and its business are subject to numerous risks and uncertainties which are described in this MD&A and the Company's most recent Annual Information Form, which is available under the Company's profile on SEDAR+ [[www.sedarplus.ca](http://www.sedarplus.ca)]. These risks and uncertainties include but are not limited to the following: the risk that (i) the tariffs that are currently in effect on goods exported from or

imported into Canada continue in effect for an extended period of time, the tariffs that have been threatened are implemented, that tariffs that are currently suspended are reactivated, the rate or scope of tariffs are increased, or new tariffs are imposed, including on products that AGI exports or imports, (ii) the U.S., China and/or Canada imposes any other form of tax, restriction or prohibition on the import or export of products from one country to the other, including on products that AGI exports or imports, and (iii) the tariffs imposed or threatened to be imposed by the U.S. on other countries and retaliatory tariffs imposed or threatened to be imposed by other countries on the U.S., will trigger a broader global trade war which could have a material adverse effect on the Canadian, U.S. and global economies, and by extension the Canadian, U.S. and international agricultural industry and AGI, including by decreasing demand for (and the price of) AGI's products, disrupting supply chains, increasing costs, causing volatility in global financial markets, and limiting access to financing; general economic and business conditions and changes in international, national and local macroeconomic and business conditions, as well as sociopolitical conditions in certain local or regional markets, including as a result of conflicts in the Middle East and the conflict between Russia and Ukraine and the responses thereto from other countries and institutions (including trade sanctions and financial controls), which has created volatility in the global economy and could continue to adversely impact economic and trade activity; the effects of global outbreaks of pandemics or contagious diseases or the fear of such outbreaks, such as the coronavirus (COVID-19) pandemic; the ability of management to execute the Company's business plan; fluctuations in agricultural and other commodity prices, interest rates, inflation rates and currency exchange rates; crop planting, crop conditions and crop yields; weather patterns; the timing of harvest and conditions during harvest; volatility of production costs, including the risk of production cost increases that may arise as a result of elevated inflation rates and/or supply chain disruptions and/or labour actions, and the risk that we may not be able to pass along all or any portion of increased costs to customers; governmental regulation of the agriculture and manufacturing industries, including environmental and climate change regulation; actions taken by governmental authorities, including increases in taxes, changes in government regulations and incentive programs, and actions taken in connection with local or global outbreaks of pandemics or contagious diseases or the fear of such outbreaks, such as the COVID-19 pandemic; risks inherent in marketing operations; credit risk; the availability of credit for customers; seasonality and industry cyclicality; potential delays or changes in plans with respect to capital expenditures; the cost and availability of sufficient financial resources to fund the Company's capital expenditures; failure of the Company to realize the benefits of its operational excellence initiatives; incorrect assessments of the value of acquisitions, failure of the Company to realize the anticipated benefits of acquisitions, including to realize anticipated synergies and margin improvements, and the assumption of liabilities associated with acquisitions and/or the provision of indemnities to vendors in respect of any such assumed liabilities or otherwise; volatility in the stock markets including the market price of the Common Shares; competition for, among other things, customers, supplies, acquisitions, capital and skilled personnel; the availability of capital on acceptable terms; dependence on suppliers; changes in labour costs and the labour market, including the risk of labour cost increases that may arise as a result of elevated inflation rates and/or a scarcity of labour and/or labour activities; the impact of climate change and related laws and regulations; changes in trade relations between the countries in which the Company does business, including between Canada and the United States, including as a result of the tariffs imposed by the United States and Canada on one another; cyber security risks; adjustments to and delays or cancellation of one or more orders comprising our order book; the requirement to re-supply equipment or re-complete work previously supplied or completed at AGI's cost, and the risk that AGI's assumptions and estimates made in respect of such costs and underlying the provision for warranty accrual in our consolidated financial statements related thereto and insurance coverage therefor will prove to be incorrect as

further information becomes available to AGI; and the risk of litigation or unsuccessful defense of litigation in respect of equipment or work previously supplied or completed or in respect of other matters and the risk that AGI incurs material liabilities in connection with such litigation that are not covered by insurance in whole or in part. These risks and uncertainties are not the only risks and uncertainties we face. Additional risks and uncertainties not currently known to us or that we currently consider immaterial also may impair operations. If any of these risks actually occur, our business, results of operations and financial condition, and the amount of cash available for dividends and the repurchase of Common Shares for cancellation under our NCIB, could be materially adversely affected.

## **FUTURE ACCOUNTING CHANGES**

### ***Standards issued but not yet effective***

#### *IFRS 18, Presentation and Disclosure in Financial Statements ["IFRS 18"]*

In April 2024, IFRS 18 was issued. IFRS 18 replaces IAS 1, *Presentation of Financial Statements*. This new standard:

- Introduces new categories and subtotals in the statement of profit or loss where all income and expenses are categorized into one of five categories: operating, investing, financing, income taxes and discontinued operations.
- Requires disclosure of management-defined performance measures ["MPM"]. MPM is a subtotal of income and expenses that a company uses in public communications outside financial statements. IFRS 18 requires disclosure of information for all of the company's MPMs within a single note to the financial statements that includes a description of each MPM, how the measure is calculated and a reconciliation to the most comparable line item in the statement of profit or loss.
- Introduces a principle for presentation of information in the primary financial statements versus the financial statement notes including the aggregation and disaggregation of such information.

IFRS 18 is effective for annual periods beginning on or after January 1, 2027 and must be applied retrospectively. Early adoption is permitted. The Company is assessing the impact of adopting IFRS 18 and does not expect to early adopt.

## **INTERNAL CONTROLS OVER FINANCIAL REPORTING**

There have been no changes in AGI's internal controls over financial reporting that occurred in the three-month period ended June 30, 2025, that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

## **NON-IFRS AND OTHER FINANCIAL MEASURES**

This MD&A makes reference to certain specified financial measures, including non-IFRS financial measures, non-IFRS ratios and supplementary financial measures. Management uses these financial measures for purposes of comparison to prior periods and development of future projections and earnings growth prospects. This information is also used by management to measure the profitability of ongoing operations and in analyzing our business performance and trends. These specified financial

measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement our financial information reported under IFRS by providing further understanding of our results of operations from management's perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS.

We use the following (i) non-IFRS financial measures: "adjusted earnings before interest, taxes, depreciation, and amortization ("Adjusted EBITDA")", "adjusted gross margin", "free cash flow", and "adjusted profit (loss)"; (ii) non-IFRS ratios: "Adjusted EBITDA margin %", "adjusted gross margin as a % of revenue", "gross profit as a % of revenue", and "diluted adjusted profit (loss) per share"; and (iii) supplementary financial measures: "order book", "revenue by geography", "revenue by segment and geography", "maintenance capital expenditures", "maintenance capital expenditures as % of revenue", and "non-maintenance capital expenditures"; to provide supplemental measures of our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS financial measures. Management also uses non-IFRS financial measures, non-IFRS ratios and supplementary financial measures in order to prepare annual operating budgets and to determine components of management compensation. We strongly encourage investors to review our consolidated financial statements and publicly filed reports in their entirety and not to rely on any single financial measure or ratio.

We use these specified financial measures in addition to, and in conjunction with, results presented in accordance with IFRS. These specified financial measures reflect an additional way of viewing aspects of our operations that, when viewed with our IFRS results and, in the case of non-IFRS financial measures, the accompanying reconciliations to the most directly comparable IFRS financial measures may provide a more complete understanding of factors and trends affecting our business.

In this MD&A, we discuss the specified financial measures, including the reasons that we believe that these measures provide useful information regarding our financial condition, results of operations, cash flows and financial position, as applicable, and, to the extent material, the additional purposes, if any, for which these measures are used. Reconciliations of non-IFRS financial measures to the most directly comparable IFRS financial measures are contained in this MD&A.

The following is a list of non-IFRS financial measures, non-IFRS ratios and supplementary financial measures that are referenced throughout this MD&A:

"Adjusted EBITDA" is defined as profit (loss) before income taxes before finance costs, depreciation and amortization, share of associate's net income (loss), gain or loss on foreign exchange, non-cash share-based compensation expenses, net gain or loss on financial instruments, transaction, transitional and other costs (recovery), ERP system transformation costs, net gain or loss on sale of long lived assets, equipment rework and remediation, accounts receivable reserve (recovery) for Russia/Ukraine conflict, and impairment charge (recovery). Adjusted EBITDA is a non-IFRS financial measure and its most directly comparable financial measure that is disclosed in our consolidated financial statements is profit (loss) before income taxes. Management believes Adjusted EBITDA is a useful measure to assess the performance and cash flow of the Company as it excludes the effects of interest, taxes, depreciation, amortization and expenses that management believes are not reflective of the Company's underlying business performance. Management cautions investors that Adjusted EBITDA

should not replace profit or loss as indicators of performance, or cash flows from operating, investing, and financing activities as a measure of the Company's liquidity and cash flows. See "Detailed Operating Results – Profit (loss) before income taxes and Adjusted EBITDA" for the reconciliation of Adjusted EBITDA to profit (loss) before income taxes for the current and comparative periods. Adjusted EBITDA guidance is a forward-looking non-IFRS financial measure. We do not provide a reconciliation of such forward-looking measure to the most directly comparable financial measure calculated and presented in accordance with IFRS due to unknown variables and the uncertainty related to future results. These unknown variables may include unpredictable transactions of significant value that may be inherently difficult to determine without unreasonable efforts. Guidance for Adjusted EBITDA is calculated in the same manner as described above for historical Adjusted EBITDA, as applicable.

"Adjusted EBITDA margin %" is defined as Adjusted EBITDA divided by revenue. Adjusted EBITDA margin % is a non-IFRS ratio because one of its components, Adjusted EBITDA, is a non-IFRS financial measure. Management believes Adjusted EBITDA margin % is a useful measure to assess the performance and cash flow of the Company.

"Adjusted gross margin" is defined as gross profit before depreciation and amortization. Adjusted gross margin is a non-IFRS financial measure and its most directly comparable financial measure that is disclosed in our consolidated financial statements is gross profit. Management believes that adjusted gross margin is a useful measure to assess the performance of the Company as it excludes the effects of non-cash expenses related to depreciation and amortization. See "Detailed Operating Results – Gross Profit and Adjusted Gross Margin" for the reconciliation of adjusted gross margin to gross profit for the current and comparative periods.

"Adjusted Gross Margin as a % of revenue" is defined as adjusted gross margin divided by revenue. Adjusted gross margin as a % of revenue is a non-IFRS ratio because one of its components, adjusted gross margin, is a non-IFRS financial measure. Management believes adjusted gross margin as a % of revenue is a useful measure to assess the performance of the Company.

"Adjusted profit (loss)" is defined as profit or loss adjusted for share of associate's net income, gain or loss on foreign exchange, net gain or loss on financial instruments, transaction, transitional and other costs (recovery), ERP system transformation costs, net gain or loss on sale of long lived assets, accounts receivable reserve (recovery) for Russia/Ukraine conflict, and impairment charge (recovery). Adjusted profit (loss) is a non-IFRS financial measure and its most directly comparable financial measure that is disclosed in our consolidated financial statements is profit or loss. Management believes adjusted profit (loss) is a useful measure to assess the performance of the Company as it provides more meaningful operating results by excluding the effects of expenses that are not reflective of our underlying business performances. See "Detailed Operating Results – Diluted profit (loss) per share and diluted adjusted profit per share" for the reconciliation of adjusted profit (loss) to profit (loss) for the current and comparative periods.

"Diluted adjusted profit (loss) per share" is defined as adjusted profit (loss) divided by the total weighted average number of outstanding diluted shares of AGI at the end of the most recently completed quarter for the relevant period. Diluted adjusted profit (loss) per share is a non-IFRS ratio because one of its components, adjusted profit (loss), is a non-IFRS financial measure. Management believes diluted adjusted profit (loss) per share is a useful measure to assess the performance of the Company.



“Free cash flow” is defined as cash provided (used) by operating activities less acquisition of property, plant and equipment and less development and acquisition of intangible assets. Free cash flow is a non-IFRS financial measure and its most directly comparable financial measure that is disclosed in our consolidated financial statements is cash provided (used) by operating activities. Management believes that free cash flow provides useful information about the Company’s ability to generate available cash that can be used to fund ongoing and prospective strategic initiatives, reduce debt, or pursue other initiatives to enhance shareholder value after investing in capital expenditures that are required to maintain and grow the Company. Management uses free cash flow to help monitor the operational efficiency and financial flexibility of the Company. See “Free Cash Flow” above for a reconciliation of free cash flow to cash provided (used) by operating activities for the current and comparative periods.

“Gross Profit as a % of revenue” is defined as gross profit divided by revenue. Gross profit as a % of revenue is a supplementary financial measure.

“Maintenance capital expenditures” and “non-maintenance capital expenditures” are both components of the Company’s “Acquisition of property, plant and equipment”. Management defines maintenance capital expenditures as cash outlays required to maintain plant and equipment at current operating capacity and efficiency levels and non-maintenance capital expenditures as other investments, including cash outlays required to increase operating capacity or improve operating efficiency. Both “maintenance capital expenditures” and “non-maintenance capital expenditures” are supplementary financial measures. Management believes that in addition to acquisition of property, plant and equipment, maintenance capital expenditures and non-maintenance capital expenditures provide a useful supplemental measure in evaluating the Company’s performance. See “Cash Flow and Liquidity – Capital Expenditures” for the reconciliation of maintenance capital expenditures and non-maintenance capital expenditures to acquisition of property plant and equipment for the current and comparative periods. “Maintenance capital expenditures as % of revenue” is a supplementary financial measure that is calculated by dividing maintenance capital expenditures for the period by revenue for the period.

“Order book” is defined as the total value of committed sales orders that have not yet been fulfilled that: (a) have a high certainty of being performed as a result of the existence of a purchase order, an executed contract or work order specifying job scope, value and timing; or (b) has been awarded to the Company or its divisions, as evidenced by an executed binding letter of intent or agreement, describing the general job scope, value and timing of such work, and where the finalization of a formal contract in respect of such work is reasonably assured. Order book is a supplementary financial measure.

“Revenue by Geography” and “Revenue by Segment and Geography”: The revenue information presented under “Revenue by Geography” and “Revenue by Segment and Geography” are supplementary financial measures used to present the Company’s revenue by geography and by segment and geography.

## RECONCILIATION OF ADJUSTED EBITDA TO PROFIT (LOSS) BEFORE INCOME TAXES FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

The following table reconciles profit (loss) before income taxes to Adjusted EBITDA for the years ended December 31, 2024 and 2023:

	Year ended December 31	
	2024	2023
[thousands of dollars]	\$	\$
<b>Profit (loss) before income taxes</b>	(5,326)	86,067
Finance costs	70,242	73,667
Depreciation and amortization	70,798	65,316
Share of associate's net income <sup>[1]</sup>	(109)	—
Loss (gain) on foreign exchange <sup>[2]</sup>	43,119	(7,571)
Share-based compensation <sup>[3]</sup>	13,758	12,159
Net loss (gain) on financial instruments <sup>[4]</sup>	(3,812)	(5,369)
Transaction, transitional and other costs <sup>[5]</sup>	56,148	27,174
ERP system transformation costs <sup>[6]</sup>	17,271	14,001
Net loss on sale of long-lived assets <sup>[7]</sup>	23	454
Equipment rework and remediation	—	24,108
Accounts receivable reserve (recovery) for RUK	(268)	1,651
Impairment charge <sup>[8]</sup>	2,944	2,237
<b>Adjusted EBITDA <sup>[9]</sup></b>	<b>264,788</b>	<b>293,894</b>

[1] See "Note 7 – Brazil investments" in our audited annual consolidated financial statements for the years ended December 31, 2024 and 2023 (the "2024 consolidated financial statements").

[2] See "Note 25[e] – Finance expense (income)" in our 2024 consolidated financial statements.

[3] The Company's share-based compensation expense pertains to our EIAP and DDCP. See "Note 24 – Share-based compensation plans" in our 2024 consolidated financial statements.

[4] See "Equity swap" in "Note 30 – Financial instruments and financial risk management" in our 2024 consolidated financial statements.

[5] Includes legal and advisory fees, legal provision, transitional costs related to reorganizations and other acquisition related transition costs, as well as the accretion and other movement in amounts due to vendors in our 2024 consolidated financial statements.

[6] Expenses incurred in connection with a global multi-year ERP transformation project.

[7] See "Note 11 – Property, plant and equipment" and "Note 16 – Assets held for sale" in our 2024 consolidated financial statements.

[8] See "Impairment charge" in our 2024 consolidated financial statements.

[9] This is a non-IFRS measure and is used throughout this MD&A. See "NON-IFRS AND OTHER FINANCIAL MEASURES" for more information on each non-IFRS measure.

## FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking statements and information [collectively, “forward-looking information”] within the meaning of applicable securities laws that reflect our expectations regarding the future growth, results of operations, performance, business prospects, and opportunities of the Company. All information and statements contained herein that are not clearly historical in nature constitute forward-looking information, and the words “anticipate”, “estimate”, “believe”, “continue”, “could”, “expects”, “intend”, “trend”, “plans”, “will”, “may” or similar expressions suggesting future conditions or events or the negative of these terms are generally intended to identify forward-looking information. Forward-looking information involves known or unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. In addition, this MD&A may contain forward-looking information attributed to third party industry sources. Undue reliance should not be placed on forward-looking information, as there can be no assurance that the plans, intentions or expectations upon which it is based will occur. In particular, the forward-looking information in this MD&A includes information relating to: our business continues to demonstrate resilience in managing the challenging conditions facing the Farm segment; our expectations regarding the Commercial segment's strong growth trajectory with delivery of a number of sizable projects in addition to winning new work in the Brazilian and EMEA regions; our expectations regarding demand for long term projects in the Brazilian and EMEA regions and the anticipated benefits therefrom; our expectations regarding farmer sentiment, particularly in North America; our expectations regarding the challenging conditions in our Farm segment, particularly in the U.S. and Canada, with respect to soft farmer demand given commodity prices below long-term averages putting pressure on farmer income; our beliefs regarding soft commodity prices, subsidy program uncertainty and shifting tariff policies resulting in elevated dealer channel inventory levels; our expectations regarding Adjusted EBITDA Margin % in the Farm segment; our expectations that near-term uncertainty for the North American Farm market to remain into the second half of the year; our expectations regarding near-term outlook uncertainties for the North American Farm market, including that such will contribute to weakness for the second half of 2025; our expectations regarding several large and comprehensive projects in Brazil, including that such project wins underscore the broadening of our capabilities to be able to execute the construction of large and dynamic facilities; our expectations regarding the overall momentum in our international Commercial business; our belief that we are able to deliver on nearly every aspect of these projects including a full scope of engineering, design, equipment supply, and installation services; our expectations regarding trends in the Commercial segment and our Commercial order book; our belief that our current Commercial order book provides visibility for the remainder of 2025 and into 2026; our expectations regarding the North American order book, namely that it remains soft as low farmer demand trends persisted through the first half of 2025; our 2025 full year Adjusted EBITDA outlook; our expectations of continued momentum in our Commercial segment from a strong international order book and uptrend in North America are the key supports to our outlook; our expectations that challenging market conditions in the Farm segment will persist through the remainder of 2025; our belief that the persistence of crop prices staying below long-term averages has had an impact on farmer sentiment which is reflected in our U.S. Farm order book; our expectations regarding recent trends in APAC's order activity and the potential impact on our full year outlook for our international Farm business; our expectations that existing projects in our Canadian Commercial business will be delivered throughout 2025; our expectations regarding our operational efficiency programs and the anticipated benefits therefrom; our belief that we will continue to remain cautious on the full year outlook for our international Farm business; our expectations with respect to our order book for the U.S. Commercial business, including with respect to certain project wins late in 2024 and the first half of 2025, positioning us to maintain momentum through the remainder of 2025; our expectations that staying vigilant on containing costs will allow us to be flexible and efficient as market dynamics fluctuate; our expectations regarding our international Commercial segment, including that as a result of sizeable growth in our international Commercial order book, we expect to maintain healthy momentum through the rest of 2025; our expectations with respect to projects with several of our larger Commercial customers; our beliefs

regarding the general trend for net-importing grain nations, including that such is to meaningfully expand storage capacity to increase food security; our expectation that we will remain focused on our long-term strategy to diversify and grow our international operations; our expectation that a weaker Canadian dollar may result in higher input costs of certain Canadian dollar denominated inputs, including steel; our belief that our senior credit facilities and debentures, together with available cash and internally generated funds, are sufficient to support our working capital, capital expenditure, dividend and debt service requirements; our expectation that growth in our overall international business may result in an increase in the number of days accounts receivable remain outstanding and may result in increased usage of working capital in certain quarters; our expectations with respect to the Convertible Debentures; our expectations regarding the factors that may impact our working capital requirements; our dividend policy and how dividend payments may be funded; our outlook for our financial and operating performance for 2025, including by segment, product type and geographic region, and including our expectations for our future financial results, industry demand, market conditions, and industry and market trends; our business strategies and strategic priorities; and the long-term fundamentals and growth drivers of our business. Such forward-looking information reflects our current beliefs and is based on information currently available to us, including certain key expectations and assumptions concerning: the duration and impact of tariffs that are currently in effect on goods exported from or imported into Canada, and that other than the tariffs that are currently in effect, neither the U.S., China nor Canada (i) increases the rate or scope of such tariffs, reenacts tariffs that are currently suspended, or imposes new tariffs, on the import of goods from one country to the other, including on the products that AGI imports or exports and/or (ii) imposes any other form of tax, restriction, or prohibition on the import or export of products from one country to the other, including on the products that AGI imports or exports; anticipated crop yields and production in our market areas; the financial and operating attributes of acquired businesses and the anticipated future performance thereof; the value of acquired businesses and assets and the liabilities assumed (and indemnities provided) by AGI in connection therewith; anticipated financial performance; future debt levels; business prospects and strategies, including the success of our operational excellence initiatives; product and input pricing; the scope, nature, timing and cost of re-supplying certain equipment and re-completing certain work that has previously been supplied or completed pursuant to warranty obligations or otherwise; regulatory developments; tax laws; the sufficiency of budgeted capital expenditures in carrying out planned activities; currency exchange rates, inflation rates and interest rates; the cost of materials, labour and services and the impact of inflation rates and/or supply chain disruptions and/or labour activity thereon; the impact of competition; the general stability of the economic and regulatory environments in which the Company operates; the timely receipt of any required regulatory and third party approvals; the ability of the Company to obtain and retain qualified staff and services in a timely and cost efficient manner; the amount and timing of the dividends that we expect to pay; the amount of funds that we expect to invest in the repurchase of our Common Shares under our NCIB and the timing thereof; the ability of the Company to obtain financing on acceptable terms; the regulatory framework in the jurisdictions in which the Company operates; the ability of the Company to successfully market its products and services; and that a pandemic or other public health emergency will not have a material impact on our business, operations, and financial results going forward.

Forward-looking information involves significant risks and uncertainties. A number of factors could cause actual results to differ materially from results discussed in the forward-looking information. These risks and uncertainties are described under “Risks and Uncertainties” in this MD&A and in our most recently filed Annual Information Form, which is available under the Company’s profile on SEDAR+ [www.sedarplus.ca]. These factors should be considered carefully, and readers should not place undue reliance on the Company’s forward-looking information. We cannot assure readers that actual results will be consistent with this forward-looking information. Further, AGI cannot guarantee that the anticipated revenue from its order book will be realized or, if realized, will result in profits or Adjusted EBITDA. Delays, cancellations and scope adjustments occur from time-to-time with respect to contracts reflected in AGI’s order book, which can adversely affect the revenue and profit that AGI

actually receives from its order book. Readers are further cautioned that the preparation of financial statements in accordance with IFRS requires management to make certain judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities. These estimates and related assumptions may change, having either a negative or positive effect on profit or loss, as further information becomes available and as the economic environment changes. Without limitation of the foregoing, the provisions for warranties disclosed herein required significant estimates, judgments and assumptions about the scope, nature, timing and cost of work that will be required. It is based on management's estimates, judgments and assumptions at the current date and is subject to revision in the future as further information becomes available to the Company. The forward-looking information contained herein is expressly qualified in its entirety by this cautionary statement. The forward-looking information included in this MD&A is made as of the date of this MD&A and AGI undertakes no obligation to publicly update such forward-looking information to reflect new information, subsequent events or otherwise unless so required by applicable securities laws.

## **FINANCIAL OUTLOOK**

Also included in this MD&A is an estimate of AGI's full-year 2025 Adjusted EBITDA, which is based on, among other things, the various assumptions disclosed in this MD&A including under "Forward-Looking Information" and including our assumptions regarding the ability of AGI to convert AGI's order book as of June 30, 2025 to revenue and Adjusted EBITDA during 2025 and the benefits of our operational excellence initiatives. To the extent such estimate constitutes a financial outlook, it was approved by management on July 31, 2025, and is included to provide readers with an understanding of AGI's anticipated full-year 2025 Adjusted EBITDA based on the assumptions described herein and readers are cautioned that the information may not be appropriate for other purposes. The financial outlook disclosed herein does not include the potential impact of any tariff or other trade-related regulations enacted by the U.S., China, Canada or other countries other than those in effect as of July 31, 2025.

## **DIVIDEND ADVISORY**

Future dividend payments by AGI, if any, and the level thereof, are uncertain, as AGI's dividend policy and the funds available for the payment of dividends from time to time are dependent upon, among other things, operating cash flow generated by AGI and its subsidiaries, financial requirements for AGI's operations and the execution of its growth strategy, the amount of funds used to repurchase Common Shares under our NCIB, fluctuations in working capital, the timing and amount of capital expenditures, debt service requirements, operating costs, the terms of our credit facilities, the satisfaction of the liquidity and solvency tests imposed by applicable corporate law for the declaration and payment of dividends, and other factors beyond AGI's control. Depending on these and various other factors, many of which will be beyond the control of AGI, the dividend policy of AGI and, as a result, future cash dividends could be reduced or suspended entirely. The market value of the Common Shares may decline if cash dividends are reduced or suspended.

## **ADDITIONAL INFORMATION**

Additional information relating to AGI, including AGI's most recent Annual Information Form, is available under the Company's profile on SEDAR+ [[www.sedarplus.ca](http://www.sedarplus.ca)].

Unaudited interim condensed consolidated financial statements

**Ag Growth International Inc.**

June 30, 2025

Ag Growth International Inc.

Unaudited interim condensed consolidated  
statements of financial position

[in thousands of Canadian dollars]

As at

	June 30, 2025 \$	December 31, 2024 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	47,527	79,893
Restricted cash	5,863	6,247
Accounts receivable	285,500	283,951
Inventory	211,646	187,509
Prepaid expenses and other assets	70,171	89,854
Notes receivable	225	6,248
Current portion of derivative instruments [note 17 [c]]	1,256	—
Income taxes recoverable	3,417	11,301
	<b>625,605</b>	<b>665,003</b>
<b>Non-current assets</b>		
Property, plant and equipment, net	326,306	338,927
Right-of-use assets, net	34,922	38,701
Goodwill	342,828	348,924
Intangible assets, net	185,443	193,647
Non-current accounts receivable [note 6]	127,358	63,832
Investment in associate [note 6]	12,304	6,998
Derivative instruments [note 17[c]]	1,384	6,550
Deferred income tax asset	71	2,530
	<b>1,030,616</b>	<b>1,000,109</b>
Assets held for sale [note 7]	<b>3,953</b>	<b>1,518</b>
<b>Total assets</b>	<b>1,660,174</b>	<b>1,666,630</b>
<b>Liabilities and shareholders' equity</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	240,914	264,337
Customer deposits	102,298	108,516
Dividends payable	2,819	2,833
Income taxes payable	11,209	10,718
Financial liability [note 6]	546	1,206
Current portion of derivative instruments [note 17[c]]	809	485
Current portion of EIAP liability	470	240
Current portion of due to vendor	2,834	4,689
Current portion of lease liability	10,318	12,218
Current portion of long-term debt [note 9]	239	281
Provisions [note 8]	9,272	26,989
	<b>381,728</b>	<b>432,512</b>
<b>Non-current liabilities</b>		
Other financial liabilities	1,530	1,061
Derivative instruments [note 17[c]]	—	919
EIAP liability	201	468
Due to vendor	28	29
Lease liability	34,906	36,061
Long-term debt [note 9]	528,546	565,612
Convertible unsecured subordinated debentures [note 17]	200,688	197,019
Senior unsecured subordinated debentures [note 10]	177,392	83,965
Deferred income tax liability	46,201	50,546
	<b>989,492</b>	<b>935,680</b>
<b>Total liabilities</b>	<b>1,371,220</b>	<b>1,368,192</b>
<b>Shareholders' equity [note 11]</b>		
Common shares	17,188	12,985
Accumulated other comprehensive income	31,384	33,436
Equity component of convertible debentures	22,868	22,868
Contributed surplus	497,754	502,182
Deficit	(280,240)	(273,033)
<b>Total shareholders' equity</b>	<b>288,954</b>	<b>298,438</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,660,174</b>	<b>1,666,630</b>

See accompanying notes

On behalf of the Board of Directors:

(signed) Dan Halyk  
Director

(signed) Rohit Bhardwaj, CGA  
Director

Ag Growth International Inc.

Unaudited interim condensed consolidated  
statements of income (loss)

[in thousands of Canadian dollars, except per share amounts]

	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$	\$	\$	\$
<b>Revenue</b> [note 5]	<b>348,560</b>	351,781	<b>635,306</b>	666,377
Cost of goods sold [note 13[a]]	250,899	236,170	458,033	449,651
<b>Gross profit</b>	<b>97,661</b>	115,611	<b>177,273</b>	216,726
<b>Expenses</b>				
Selling, general and administrative [note 13[b]]	63,074	88,425	139,628	172,336
Other operating expense (income) [note 13[c]]	(4,991)	978	(744)	(9,886)
Impairment	103	3,091	23	3,091
Finance costs [note 13[d]]	17,213	17,060	33,806	36,011
Finance expense (income) [note 13[e]]	(13,744)	13,707	(15,017)	18,975
Share of associate's net income [note 6]	(640)	—	(498)	—
	<b>61,015</b>	123,261	<b>157,198</b>	220,527
Profit (loss) before income taxes	<b>36,646</b>	(7,650)	<b>20,075</b>	(3,801)
Income tax expense (recovery) [note 14]				
Current	4,311	3,180	6,884	5,196
Deferred	7,823	(3,436)	5,472	(3,542)
	<b>12,134</b>	(256)	<b>12,356</b>	1,654
<b>Profit (loss) for the period</b>	<b>24,512</b>	(7,394)	<b>7,719</b>	(5,455)
Profit (loss) per share [note 15]				
Basic	<b>1.30</b>	(0.39)	<b>0.41</b>	(0.29)
Diluted	<b>1.21</b>	(0.39)	<b>0.40</b>	(0.29)

See accompanying notes



Ag Growth International Inc.

Unaudited interim condensed consolidated  
statements of comprehensive income(loss)

[in thousands of Canadian dollars]

	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$	\$	\$	\$
Profit (loss) for the period	24,512	(7,394)	7,719	(5,455)
Other comprehensive income (loss)				
Items that may be reclassified subsequently to profit or loss				
Change in fair value of derivatives designated as cash flow hedges gain (loss) [note 17[c]]	133	—	(150)	872
Realized loss (gain) on derivatives designated as cash flow hedges recognized in net earnings [note 17[c]]	174	(249)	260	(514)
Income tax effect on cash flow hedges	(82)	67	(29)	(96)
Exchange differences on translation of foreign operations	(20,932)	(5,978)	(2,030)	4,592
	(20,707)	(6,160)	(1,949)	4,854
Items that will not be reclassified to profit or loss				
Actuarial gain (loss) on defined benefit plans	(248)	(25)	(140)	694
Income tax effect on defined benefit plans	66	7	37	(186)
	(182)	(18)	(103)	508
Other comprehensive income (loss) for the period	(20,889)	(6,178)	(2,052)	5,362
Comprehensive income (loss) for the period	3,623	(13,572)	5,667	(93)

See accompanying notes

Ag Growth International Inc.

Unaudited interim condensed consolidated statements of changes in shareholders' equity

[in thousands of Canadian dollars]

Six-month period ended June 30, 2025

	Common shares \$	Equity component of convertible debentures \$	Contributed surplus \$	Deficit \$	Foreign currency translation reserve \$	Cash flow hedge reserve \$	Defined benefit plan reserve \$	Equity investment \$	Total shareholders' equity \$
<b>As at January 1, 2025</b>	12,985	22,868	502,182	(273,033)	31,735	(674)	3,275	(900)	298,438
Profit for the period	—	—	—	7,719	—	—	—	—	7,719
Other comprehensive income (loss)	—	—	—	—	(2,030)	81	(103)	—	(2,052)
Share-based payment transactions <i>[notes 11[a] and [b]]</i>	4,353	—	(4,428)	—	—	—	—	—	(75)
Dividends paid and payable to shareholders <i>[note 11[c]]</i>	—	—	—	(5,631)	—	—	—	—	(5,631)
Dividends on share-based compensation awards <i>[note 11[c]]</i>	—	—	—	(210)	—	—	—	—	(210)
Share repurchase under normal course issuer bid <i>[note 11[a]]</i>	(150)	—	—	(9,085)	—	—	—	—	(9,235)
<b>As at June 30, 2025</b>	<b>17,188</b>	<b>22,868</b>	<b>497,754</b>	<b>(280,240)</b>	<b>29,705</b>	<b>(593)</b>	<b>3,172</b>	<b>(900)</b>	<b>288,954</b>

See accompanying notes

Ag Growth International Inc.

Unaudited interim condensed consolidated statements of changes in shareholders' equity

[in thousands of Canadian dollars]

Six-month period ended June 30, 2024

	Common shares \$	Equity component of convertible debentures \$	Contributed surplus \$	Deficit \$	Foreign currency translation reserve \$	Cash flow hedge reserve \$	Defined benefit plan reserve \$	Equity investment \$	Total shareholders' equity \$
<b>As at January 1, 2024</b>	10,303	22,868	499,217	(226,633)	10,352	41	2,736	(900)	317,984
Profit for the period	—	—	—	(5,455)	—	—	—	—	(5,455)
Other comprehensive income	—	—	—	—	4,592	262	508	—	5,362
Share-based payment transactions [notes 11[a] and [b]]	2,044	—	(1,345)	—	—	—	—	—	699
Dividends paid and payable to shareholders [note 11[c]]	—	—	—	(5,720)	—	—	—	—	(5,720)
Dividends on share-based compensation awards [note 11[c]]	—	—	—	(209)	—	—	—	—	(209)
<b>As at June 30, 2024</b>	<b>12,347</b>	<b>22,868</b>	<b>497,872</b>	<b>(238,017)</b>	<b>14,944</b>	<b>303</b>	<b>3,244</b>	<b>(900)</b>	<b>312,661</b>

See accompanying notes

Ag Growth International Inc.

Unaudited interim condensed consolidated statements of cash flows

[in thousands of Canadian dollars]

	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$	\$	\$	\$
<b>Operating activities</b>				
Profit (loss) before income taxes	36,646	(7,650)	20,075	(3,801)
Add (deduct) items not affecting cash				
Depreciation of property, plant and equipment	6,981	7,109	14,088	14,325
Depreciation of right-of-use assets	3,018	2,453	5,800	4,435
Amortization of intangible assets	5,709	8,227	12,518	15,667
Loss (gain) on sale of property, plant and equipment	(34)	198	(31)	323
Loss (gain) on sale of assets held for sale	8	—	8	(325)
Loss (gain) on settlement of lease liability	114	(188)	103	(194)
Impairment	103	3,091	23	3,091
Share of associate's net income <i>[note 6]</i>	(640)	—	(498)	—
Non-cash component of interest expense	2,506	2,559	4,941	5,075
Non-cash movement in derivative instruments	(3,181)	3,812	3,426	(4,004)
Non-cash investment tax credits	(261)	(62)	(276)	(73)
Share-based compensation expense	3,558	2,768	5,560	7,184
Defined benefit plan expense	89	70	161	111
Other	(3,378)	4,789	(4,603)	1,011
Translation loss (gain) on foreign exchange	(20,531)	(50)	(8,680)	9,165
	30,707	27,126	52,615	51,990
Net change in working capital balances related to operations <i>[note 16]</i>	(9,875)	1,675	(48,718)	(34,637)
Change in:				
Note receivable	6,038	—	6,038	—
Non-current accounts receivable	(29,321)	6,872	(63,526)	2,259
Other assets	—	1,819	—	—
Other financial liabilities	312	33	418	118
Transfer from (to) restricted cash	(2)	(4,255)	51	(4,336)
Proceeds from settlement of financial instruments	—	—	—	7,008
Settlement of EIAP obligation	(2,366)	(2,745)	(5,757)	(6,947)
Post-combination payments	—	—	(1,699)	(1,699)
Income taxes refunded (paid)	(5,842)	1,801	(5,357)	395
<b>Cash provided by (used in) operating activities</b>	<b>(10,349)</b>	<b>32,326</b>	<b>(65,935)</b>	<b>14,151</b>
<b>Investing activities</b>				
Investment in associate <i>[note 6]</i>	(502)	—	(4,071)	—
Acquisition of property, plant and equipment	(4,583)	(7,952)	(8,530)	(11,465)
Proceeds from sale of property, plant and equipment	778	257	866	501
Proceeds from sale of assets held for sale	704	—	704	778
Development and acquisition of intangible assets	(3,663)	(2,088)	(5,923)	(4,256)
Sublease income, net of costs	81	18	124	(30)
<b>Cash used in investing activities</b>	<b>(7,185)</b>	<b>(9,765)</b>	<b>(16,830)</b>	<b>(14,472)</b>
<b>Financing activities</b>				
Increase (decrease) in senior credit facilities, net of costs	(96,135)	71,795	(22,385)	94,487
Repayment of senior unsecured subordinated debentures, net of costs	—	(86,250)	—	(86,250)
Repayment of financial liability <i>[note 6]</i>	—	—	(737)	—
Repayment of obligation under lease liability	(3,079)	(2,449)	(5,849)	(4,339)
Change in interest accrued	(3,537)	(6,200)	367	—
Issuance of senior unsecured subordinated debentures, net of costs	93,672	—	93,672	—
Share repurchase under normal course issuer bid <i>[note 11[a]]</i>	—	—	(9,026)	—
Dividends paid <i>[note 11[c]]</i>	(2,811)	(2,859)	(5,643)	(5,710)
<b>Cash provided by (used in) financing activities</b>	<b>(11,890)</b>	<b>(25,963)</b>	<b>50,399</b>	<b>(1,812)</b>
<b>Net decrease in cash during the period</b>	<b>(29,424)</b>	<b>(3,402)</b>	<b>(32,366)</b>	<b>(2,133)</b>
Cash and cash equivalents, beginning of period	76,951	89,311	79,893	88,042
<b>Cash and cash equivalents, end of period</b>	<b>47,527</b>	<b>85,909</b>	<b>47,527</b>	<b>85,909</b>
<b>Supplemental cash flow information</b>				
Interest paid	18,149	22,701	28,297	30,055

See accompanying notes

## Ag Growth International Inc.

### Notes to unaudited interim condensed consolidated financial statements

[in thousands of Canadian dollars, except where otherwise noted and per share data]

June 30, 2025

#### 1. Organization

Ag Growth International Inc. ["AGI" or the "Company"] and its subsidiaries are providers of equipment solutions for bulk agriculture commodities, including seed, fertilizer, grain, rice, feed and food processing systems. AGI has manufacturing facilities in Canada, the United States, Brazil, Italy, France and India, and distributes its product globally. AGI is a listed company incorporated and domiciled in Canada, whose shares are publicly traded on the Toronto Stock Exchange. The registered office is located at 198 Commerce Drive, Winnipeg, Manitoba, Canada.

#### 2. Statement of compliance and basis of presentation

These unaudited interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard ["IAS"] 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board and using the same accounting policies and methods as were used for the Company's consolidated financial statements and the notes thereto for the year ended December 31, 2024.

The unaudited interim condensed consolidated financial statements are presented in Canadian dollars, which is also the functional currency of the parent company, AGI. All subsidiaries under AGI are 100% consolidated. Entities in which AGI retains less than 50% interest and has significant influence are accounted for as an investment in associate. All values, rounded to the nearest thousand, are prepared on the historical cost basis, except for derivative financial instruments and assets held for sale, which are measured at fair value.

These unaudited interim condensed consolidated financial statements do not include all the information and notes required by International Financial Reporting Standards ["IFRS"] for annual financial statements and, therefore, should be read in conjunction with the audited annual consolidated financial statements and notes for the Company's fiscal year ended December 31, 2024, which are available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

In management's opinion, the unaudited interim condensed consolidated financial statements include all adjustments necessary to fairly present such information in all material respects. Interim results are not necessarily indicative of the results expected for any other interim period or the fiscal year. These unaudited interim condensed consolidated financial statements of AGI for the six-month period ended June 30, 2025 were authorized for issuance in accordance with a resolution of the Directors on July 31, 2025.

## Notes to unaudited interim condensed consolidated financial statements

[in thousands of Canadian dollars, except where otherwise noted and per share data]

June 30, 2025

### 3. Seasonality of business

Interim period revenues and earnings historically reflect some seasonality as the agricultural equipment business is highly seasonal, which causes the Company's quarterly results and its cash flow to fluctuate during the year. Farmers generally purchase agricultural equipment in the spring and fall in conjunction with the major planting and harvesting seasons. As a result, revenues in the second and third quarters are typically higher primarily due to the timing of construction projects and higher in-season demand at the farm level. The Company's collections of accounts receivable are weighed towards the third and fourth quarters. This collection pattern, combined with seasonally high revenues in the second and third quarters, results in accounts receivable peaking, typically, in the second and third quarters. In addition, the Company's products include various materials and components purchases, some or all of which may be subject to wide price variation. Consistent with industry practice, the Company seeks to manage its exposure to material and component price volatility by planning and negotiating significant purchases on an annual basis, resulting in significant working capital requirements in the first and second quarters. Historically, the Company's use of its senior credit facilities is typically highest in the first and second quarters and declines in the third and fourth quarters as collections of accounts receivable increase.

### 4. Standards issued but not yet effective

*IFRS 18, Presentation and Disclosure in Financial Statements* ["IFRS 18"]

In April 2024, IFRS 18 was issued. IFRS 18 replaces IAS 1, *Presentation of Financial Statements*. This new standard:

- Introduces new categories and subtotals in the statement of profit or loss where all income and expenses are categorized into one of five categories: operating, investing, financing, income taxes and discontinued operations.
- Requires disclosure of management-defined performance measures ["MPM"]. MPM is a subtotal of income and expenses that a company uses in public communications outside financial statements. IFRS 18 requires disclosure of information for all of the company's MPMs within a single note to the financial statements that includes a description of each MPM, how the measure is calculated and a reconciliation to the most comparable line item in the statement of profit or loss.
- Introduces a principle for presentation of information in the primary financial statements versus the financial statement notes including the aggregation and disaggregation of such information.

IFRS 18 is effective for annual periods beginning on or after January 1, 2027 and must be applied retrospectively. Early adoption is permitted. The Company is assessing the impact of adopting IFRS 18 and does not expect to early adopt.

## Notes to unaudited interim condensed consolidated financial statements

[in thousands of Canadian dollars, except where otherwise noted and per share data]

June 30, 2025

### 5. Reportable business segments

The Company has identified its reportable segments as Farm and Commercial, the same as its operating segments, each of which is supported by the corporate office. These segments are strategic business units that offer different products and services, and each is managed separately. The operating segments are being reported based on the financial information provided to the Chief Executive Officer, who has been identified as the Chief Operating Decision Maker ["CODM"] in monitoring segment performance and allocating resources between segments. Discrete financial information, which includes revenue, operating expenses, and assets, is only available at the segments level to the CODM for the purpose of reviewing performance and determining how resources should be allocated. Certain corporate overhead costs are included in the segments based on revenue. Taxes and certain other expenses are managed at a consolidated level and are not allocated to the reportable operating segments. The CODM assesses segment performance based on adjusted earnings before interest, taxes, depreciation, and amortization ["Adjusted EBITDA"], a non-IFRS measure, which is measured differently than profit (loss) from operations in the unaudited interim condensed consolidated financial statements.

The Company's reportable segments can be described as follows:

- Farm: AGI's Farm segment focuses on the needs of on-farm customers through its farm permanent and farm portable solutions. Farm permanent products are designed to be installed in place and include storage bins, tanks, grain dryers, aeration products, bucket conveyors, chain elevators, and related material handling equipment. Farm portable products are designed to facilitate commodity transfer between transport vehicles and permanent storage sites and include augers, conveyors, grain vacs, post pounders, and seed treaters.
- Commercial: AGI's Commercial segment focuses on commercial customers such as port facility operators, food processors, elevators and large-scale solutions. Its product offerings include: larger diameter grain storage bins and high-capacity grain handling equipment; high-capacity seed and fertilizer storage and handling systems; food and feed handling storage and processing equipment; aeration products; automated blending systems and control systems; and project management services and food engineering solutions.

Ag Growth International Inc.

Notes to unaudited interim condensed consolidated financial statements

[in thousands of Canadian dollars, except where otherwise noted and per share data]

June 30, 2025

The following tables set forth information by segment:

	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$	\$	\$	\$
Farm	126,825	194,455	221,920	383,441
Commercial	221,735	157,326	413,386	282,936
<b>Revenue</b>	<b>348,560</b>	<b>351,781</b>	<b>635,306</b>	<b>666,377</b>

During the three- and six-month periods ended June 30, 2025, revenue of \$126 million and \$242 million, respectively [2024 – \$65 million and \$125 million], was recognized over time, the majority of which was in the Commercial segment.

	Three-month period ended June 30, 2025			
	Farm	Commercial	Other <sup>[1]</sup>	Total
	\$	\$	\$	\$
<b>Profit (loss) before income taxes</b>	<b>22,329</b>	<b>29,812</b>	<b>(15,495)</b>	<b>36,646</b>
Finance costs	—	—	17,213	17,213
Depreciation and amortization	6,475	7,640	2,136	16,251
Share of associate's net income <i>[note 6]</i>	—	(640)	—	(640)
Gain on foreign exchange <i>[note 13[e]]</i>	—	—	(13,718)	(13,718)
Share-based compensation <i>[note 12]</i>	—	—	3,558	3,558
Gain on financial instruments <i>[note 17[c]]</i>	—	—	(3,181)	(3,181)
Transaction, transitional and other costs (recovery) <sup>[2]</sup>	428	—	(6,712)	(6,284)
Enterprise Resource Planning ["ERP"] system transformation costs <sup>[3]</sup>	—	—	4,208	4,208
Net loss (gain) on sale of long-lived assets <sup>[4]</sup>	(38)	(9)	135	88
Impairment charge	103	—	—	103
<b>Adjusted EBITDA<sup>[5]</sup></b>	<b>29,297</b>	<b>36,803</b>	<b>(11,856)</b>	<b>54,244</b>



Ag Growth International Inc.

Notes to unaudited interim condensed consolidated financial statements

[in thousands of Canadian dollars, except where otherwise noted and per share data]

June 30, 2025

	Three-month period ended June 30, 2024			
	Farm	Commercial	Other <sup>[1]</sup>	Total
	\$	\$	\$	\$
<b>Profit (loss) before income taxes</b>	38,193	14,910	(60,753)	(7,650)
Finance costs	—	—	17,060	17,060
Depreciation and amortization	7,889	8,581	1,836	18,306
Loss on foreign exchange <i>[note 13[e]]</i>	—	—	13,791	13,791
Share-based compensation <i>[note 12]</i>	—	—	2,768	2,768
Loss on financial instruments <i>[note 17[c]]</i>	—	—	3,812	3,812
Transaction, transitional and other costs <sup>[2]</sup>	3,785	—	8,144	11,929
ERP system transformation costs <sup>[3]</sup>	—	—	4,925	4,925
Net loss (gain) on sale of long-lived assets <sup>[4]</sup>	355	(320)	(25)	10
Impairment charge	3,014	77	—	3,091
<b>Adjusted EBITDA<sup>[5]</sup></b>	<b>53,236</b>	<b>23,248</b>	<b>(8,442)</b>	<b>68,042</b>

	Six-month period ended June 30, 2025			
	Farm	Commercial	Other <sup>[1]</sup>	Total
	\$	\$	\$	\$
<b>Profit (loss) before income taxes</b>	32,884	46,304	(59,113)	20,075
Finance costs	—	—	33,806	33,806
Depreciation and amortization	13,981	15,505	4,024	33,510
Share of associate's net income <i>[note 6]</i>	—	(498)	—	(498)
Gain on foreign exchange <i>[note 13[e]]</i>	—	—	(14,911)	(14,911)
Share-based compensation <i>[note 12]</i>	—	—	5,560	5,560
Loss on financial instruments <i>[note 17[c]]</i>	—	—	3,426	3,426
Transaction, transitional and other costs (recovery) <sup>[2]</sup>	1,607	—	(4,174)	(2,567)
ERP system transformation costs <sup>[3]</sup>	—	—	7,005	7,005
Net loss (gain) on sale of long-lived assets <sup>[4]</sup>	(21)	(22)	123	80
Impairment charge	23	—	—	23
<b>Adjusted EBITDA<sup>[5]</sup></b>	<b>48,474</b>	<b>61,289</b>	<b>(24,254)</b>	<b>85,509</b>

Ag Growth International Inc.

Notes to unaudited interim condensed consolidated financial statements

[in thousands of Canadian dollars, except where otherwise noted and per share data]

June 30, 2025

	Six-month period ended June 30, 2024			
	Farm	Commercial	Other <sup>[1]</sup>	Total
	\$	\$	\$	\$
<b>Profit (loss) before income taxes</b>	76,451	20,064	(100,316)	(3,801)
Finance costs	—	—	36,011	36,011
Depreciation and amortization	14,853	16,907	3,691	35,451
Loss on foreign exchange <i>[note 13[e]]</i>	—	—	19,209	19,209
Share-based compensation <i>[note 12]</i>	—	—	7,184	7,184
Gain on financial instruments <i>[note 17[c]]</i>	—	—	(4,004)	(4,004)
Transaction, transitional and other costs <sup>[2]</sup>	3,785	—	12,594	16,379
ERP system transformation costs <sup>[3]</sup>	—	—	9,050	9,050
Net loss (gain) on sale of long-lived assets <sup>[4]</sup>	141	(314)	(23)	(196)
Accounts receivable reserve for Russia and Ukraine	—	(268)	—	(268)
Impairment charge	3,014	77	—	3,091
<b>Adjusted EBITDA<sup>[5]</sup></b>	<b>98,244</b>	<b>36,466</b>	<b>(16,604)</b>	<b>118,106</b>

[1] Included in Other is the corporate office, which is not a reportable segment under IFRS and which provides finance, treasury, legal, human resources and other administrative support to the segments.

[2] Includes legal and advisory fees, legal provision, transitional costs related to reorganizations, and other acquisition related transition costs as well as the accretion and other movement in amounts due to vendors.

[3] Expenses incurred in connection with a global multi-year ERP transformation project.

[4] Includes loss (gain) on sale of property, plant and equipment, assets held for sale and settlement of lease liabilities.

[5] The CODM uses Adjusted EBITDA as a measure of financial performance for assessing the performance of each of the Company's segments. Adjusted EBITDA is defined as profit (loss) before income taxes before finance costs, depreciation and amortization, financial expenses, transaction, transitional and other costs, operational non-routine costs and other. Adjusted EBITDA as defined above is not a measure of results that is consistent with IFRS.

## Ag Growth International Inc.

### Notes to unaudited interim condensed consolidated financial statements

[in thousands of Canadian dollars, except where otherwise noted and per share data]

June 30, 2025

The Company operates within three geographical areas: Canada, the United States and International. The following table details revenues by geographical area, reconciled to the Company's unaudited interim condensed consolidated financial statements:

	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$	\$	\$	\$
Canada	65,450	94,364	100,277	173,328
United States	112,824	146,366	220,209	294,685
International	170,286	111,051	314,820	198,364
<b>Revenue</b>	<b>348,560</b>	<b>351,781</b>	<b>635,306</b>	<b>666,377</b>

The revenue information above is based on the location of the customer. The Company has no single customer that represents 10% or more of the Company's revenue.

#### 6. Brazil investments

In 2024, AGI, through its Brazil subsidiary, entered into agreements with civil construction companies to partner with and leverage their industrial construction project experience for the development and sale of large-scale agriculture projects.

One agreement included a call option allowing AGI to purchase shares held by the partner. During the six-month period ended June 30, 2025, the Company purchased additional shares held by the partner for \$0.7 million, as allowed by the terms of the call option. As of June 30, 2025, \$0.5 million remains as a financial liability.

Non-current accounts receivable includes large-scale projects and the present value of asset-backed receivables. The asset-backed receivables are backed by customers' crop pledge and/or property, plant and equipment.

Additionally, AGI's Brazilian subsidiary and two third-parties launched a credit rights investment fund ["FIDC"] in 2024. The FIDC provides AGI customers access to the credit required to finance the purchase of grain handling and storage equipment. AGI has a 29.5% interest in the FIDC. As at June 30, 2025, the carrying value of the investment in associate was \$12.3 million, net of \$0.7 million foreign exchange [December 31, 2024 – \$7.0 million]. During the three- and six-month periods ended June 30, 2025, AGI's investment into the FIDC was \$0.5 million and \$4.1 million, respectively and share of associate's net income was \$0.6 and \$0.5 million, respectively.

## Ag Growth International Inc.

### Notes to unaudited interim condensed consolidated financial statements

[in thousands of Canadian dollars, except where otherwise noted and per share data]

June 30, 2025

#### 7. Assets held for sale

In the Farm segment, buildings, land, grounds, and equipment in Alberta relating to a facility that closed in 2025 met the definition of assets held for sale and were recorded at the lower of cost and fair value less cost to sell.

#### 8. Provisions

Provisions consist of the Company's warranty and other provisions. A warranty provision is recognized for expected claims on products sold based on past experience of the level of repairs and returns. It is expected that these costs will be paid within the next 12 months. Assumptions used to calculate the provision for warranties are based on current revenue levels and current information available about repairs and returns.

	June 30, 2025 \$	December 31, 2024 \$
Balance, beginning of period	26,989	16,813
Additional provisions recognized	5,577	20,080
Amounts utilized [note 18]	(23,294)	(9,904)
Balance, end of period	9,272	26,989

#### 9. Long-term debt

	Maturity	June 30, 2025 \$	December 31, 2024 \$
<b>Current portion of long-term debt</b>			
Equipment financing	Various	239	281
<b>Non-current portion of long-term debt</b>			
Equipment financing	Various	572	639
Senior credit facilities	2028	531,350	568,904
		531,922	569,543
Less deferred financing costs		(3,376)	(3,931)
		528,546	565,612
Long-term debt		528,785	565,893

## Ag Growth International Inc.

### Notes to unaudited interim condensed consolidated financial statements

[in thousands of Canadian dollars, except where otherwise noted and per share data]

June 30, 2025

AGI's senior credit facilities of \$450 million and U.S. \$275 million are inclusive of amounts that may be allocated to the Company's swing-line facilities and can be drawn in Canadian or U.S. funds. AGI has swing-line facilities of \$50 million and U.S. \$10 million. The senior credit facilities bear interest at Canadian Overnight Repo Rate Average or the Secured Overnight Financing Rate plus 1.2%–2.75% and prime plus 0.2%–1.75% per annum based on performance calculations. As at June 30, 2025, there is \$241 million [December 31, 2024 – \$262.7 million] and U.S. \$212.8 million [December 31, 2024 – U.S. \$212.8 million] outstanding under the facilities. As at June 30, 2025, the portion of drawings from the senior credit facilities recorded on the swingline is \$4.4 million [December 31, 2024 – \$18.1 million].

#### 10. Senior unsecured subordinated debentures

	June 30, 2025 \$	December 31, 2024 \$
Principal amount	182,750	85,000
Remaining unamortized discount and fees	(5,358)	(1,035)
<b>Senior unsecured subordinated debentures</b>	<b>177,392</b>	<b>83,965</b>

Year issued / TSX Symbol	Aggregate principal amount \$	Coupon %	Maturity date	Redeemable
2020 [AFN.DB.H]	85,000	5.25%	31-Dec 26	31-Dec-22 <sup>[1]</sup> <sup>[2]</sup>
2025 [AFN.DB.K]	97,750	7.50%	30-Jun-30	30-Jun-28 <sup>[3]</sup>

[1] On and after December 31, 2022 and prior to December 31, 2023, the 2020 Debentures may be redeemed at the Company's option at a price equal to 103.9375% of their principal amount plus accrued and unpaid interest. On and after December 31, 2023 and prior to December 31, 2024, the 2020 Debentures may be redeemed at the Company's option at a price equal to 102.625% of their principal amount plus accrued and unpaid interest. On and after December 31, 2024 and prior to December 31, 2025, the 2020 Debentures may be redeemed at the Company's option at a price equal to 101.3125% of their principal amount plus accrued and unpaid interest. On and after December 31, 2025 and prior to maturity, the 2020 Debentures will be redeemable at the Company's option at a price equal to their principal amount plus accrued and unpaid interest. The 2020 Debentures will not be convertible into Common Shares of the Company at the option of the holders at any time.

[2] The Company will have the option to satisfy its obligation to repay the principal amount of the Debentures due at redemption or maturity by issuing and delivering that number of freely tradeable Common Shares in accordance with the terms of the Indenture.

[3] On and after June 30, 2028, and prior to June 30, 2029, the Debentures may be redeemed by the Company, in whole or in part, at a redemption price equal to 103.75% of the principal amount thereof plus accrued and unpaid interest, if any, up to but excluding the date of redemption. On and after June 30, 2029, and prior to maturity, the Debentures may be redeemed by the Company, in whole or in part, at a redemption price equal to the principal amount thereof plus accrued and unpaid interest, if any, up to but excluding the date of redemption.

## Ag Growth International Inc.

### Notes to unaudited interim condensed consolidated financial statements

[in thousands of Canadian dollars, except where otherwise noted and per share data]

June 30, 2025

During the six-month period ended June 30, 2025, the Company recorded non-cash interest expense related to the amortization of deferred financing costs of \$0.3 million [2024 – \$1.1 million] and coupon interest expense of \$2.2 million [2024 – \$6.8 million], offset by amortization of the embedded derivative of \$0.06 million [2024 – \$0.06 million].

On June 9, 2025, the Company closed the offering of \$85 million aggregate principal amount of senior subordinated unsecured debentures at a price of \$1,000 per debenture. On June 12, 2025, AGI closed the issue of an additional \$12.75 million aggregate principal amount of debentures at the same price pursuant of the exercise of the underwriters' over-allotment option. The net proceeds of the Offering of \$93.7 million, net of fees, were used to repay existing indebtedness and for general corporate purposes.

#### 11. Shareholders' equity

##### [a] Common Shares

	Shares #	Amount \$
Balance, January 1, 2024	19,005,846	10,303
Settlement of EIAP obligation	76,479	2,816
Normal course issuer bid – shares repurchased and cancelled	(201,400)	(134)
Balance, December 31, 2024	18,880,925	12,985
Settlement of EIAP obligation	144,165	4,353
Normal course issuer bid – shares repurchased and cancelled	(224,900)	(150)
Balance, June 30, 2025	18,800,190	17,188

##### *Normal course issuer bid ["NCIB"]*

The Board of Directors has authorized the Company to initiate an NCIB, in accordance with the requirements of the Toronto Stock Exchange, to purchase up to 1,888,505 Common Shares over the 12-month period between November 11, 2024 and November 10, 2025. Common Shares purchased under the NCIB will be cancelled.

In connection with the NCIB, the Company also entered an automatic share purchase plan ["ASPP"] in which a designated broker may purchase Common Shares under the NCIB during the regularly scheduled quarterly trading blackout periods of the Company. The repurchases made under the ASPP will be made in accordance with certain purchasing parameters and will continue until the earlier of the date in which the Company has acquired the maximum limit of Common Shares pursuant to the ASPP or upon the date of expiry of the NCIB.

## Ag Growth International Inc.

### Notes to unaudited interim condensed consolidated financial statements

[in thousands of Canadian dollars, except where otherwise noted and per share data]

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During the six-month period ended June 30, 2025, the Company repurchased 224,900 Common Shares, which were cancelled, for total cash consideration of \$9.0 million. The \$9.1 million excess of the consideration over the carrying amount of the cancelled common shares was charged to deficit.

#### [b] Contributed surplus

	June 30, 2025 \$	December 31, 2024 \$
Balance, beginning of period	502,182	499,217
Dividends on EIAP	210	414
Obligation under EIAP [note 12[a]]	5,600	12,755
Settlement of EIAP obligation	(10,238)	(10,204)
Balance, end of period	497,754	502,182

#### [c] Dividends paid and payable

During the three-month period ended June 30, 2025, the Company declared dividends of \$2.8 million or \$0.15 per common share [2024 – \$2.9 million or \$0.15 per common share] and dividends on share compensation awards of \$0.1 million [2024 – \$0.1 million]. The dividend was paid on July 15, 2025, to common shareholders of record at the close of business on June 30, 2025.

During the six-month period ended June 30, 2025, the Company declared dividends of \$5.6 million or \$0.30 per common share [2024 – \$5.7 million or \$0.30 per common share] and dividends on share compensation awards of \$0.2 million [2024 – \$0.2 million].

In the three- and six-month period ended June 30, 2025, dividends paid to common shareholders were \$2.8 million and \$5.6 million, respectively [2024 – \$2.9 million and \$5.7 million].

## 12. Share-based compensation plans

#### [a] Equity Incentive Award Plan ["EIAP"]

During the six-month period ended June 30, 2025, 168,073 [2024 – 128,202] Restricted Awards ["RSUs"] were granted and 117,439 [2024 – 82,753] Performance Awards ["PSUs"] were granted. The fair values of the RSUs and the PSUs were based on the share price as at the grant date. As at June 30, 2025, 694,636 awards have been granted and are outstanding under the EIAP.

During the three- and six-month periods ended June 30, 2025, AGI expensed \$2.4 million and \$5.6 million for the EIAP [2024 – \$3.2 million and \$6.3 million].

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A summary of the status of the options under the EIAP is presented below:

	EIAP	
	Restricted Awards	Performance Awards
	#	#
Balance, beginning of period	345,220	278,869
Granted	168,073	117,439
Vested	(88,405)	(102,854)
Forfeited	(23,706)	—
Balance, end of period	401,182	293,454

There is no exercise price on the EIAP awards.

#### [b] Directors' deferred compensation plan ["DDCP"]

For the three- and six-month periods ended June 30, 2025, (recovery) expenses of \$1.1 million and \$(0.1) million, respectively [2024 – \$(0.4) million and \$0.9 million], were recorded for the cash-settled DDCP for non-employee directors in selling, general and administrative expenses and accounts payable and accrued liabilities. The share grants were measured with the contractual agreed amount of service fees for the respective period.

#### 13. Disaggregated expenses (income)

	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$	\$	\$	\$
<b>[a] Cost of goods sold</b>				
Depreciation of property, plant and equipment	6,574	6,624	13,308	13,297
Depreciation of right-of-use assets	1,352	1,103	2,609	1,892
Amortization of intangible assets	1,147	2,277	2,590	3,785
Warranty expense	3,108	3,989	5,577	6,231
Cost of inventory recognized as an expense	238,718	222,177	433,949	424,446
	250,899	236,170	458,033	449,651



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	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$	\$	\$	\$
<b>[b] Selling, general and administrative expenses</b>				
Depreciation of property, plant and equipment	950	1,002	1,884	2,052
Depreciation of right-of-use assets	1,666	1,350	3,191	2,543
Amortization of intangible assets	4,562	5,950	9,928	11,882
Transaction, transitional and other costs (recovery)	(6,284)	11,929	(2,567)	16,379
ERP system transformation costs	4,208	4,925	7,005	9,050
Selling, general and administrative	57,972	63,269	120,187	130,430
	63,074	88,425	139,628	172,336
<b>[c] Other operating expense (income)</b>				
Net loss (gain) on sale of long-lived assets <sup>[1]</sup>	88	10	80	(196)
Loss (gain) on financial instruments	(3,181)	3,812	3,426	(4,004)
Other	(1,898)	(2,844)	(4,250)	(5,686)
	(4,991)	978	(744)	(9,886)
<b>[d] Finance costs</b>				
Interest on overdrafts and other finance costs (recovery)	612	(193)	1,245	1,801
Effective interest, including non-cash interest, on leases	1,098	862	2,058	1,631
Effective interest, including non-cash interest, on debts and borrowings	9,214	7,936	18,372	15,710
Effective interest, including non-cash interest, on senior and convertible unsecured subordinated debentures	6,289	8,455	12,131	16,869
	17,213	17,060	33,806	36,011
<b>[e] Finance expense (income)</b>				
Interest income	(26)	(84)	(106)	(234)
Loss (gain) on foreign exchange	(13,718)	13,791	(14,911)	19,209
	(13,744)	13,707	(15,017)	18,975

[1] Includes loss (gain) on sale of property, plant and equipment, assets held for sale and settlement of lease liabilities.

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### 14. Income taxes

The Company's effective tax rate for the six-month period ended June 30, 2025 was 61.5% [2024 – (43.5)%]. The difference between the effective tax rate and the Company's domestic statutory tax rate of 26.6% [2024 – 26.7%] is primarily attributable to unrealized foreign exchanges gains (losses), tax losses not recognized, non-deductible expenses, as well as differences in tax rates and deductions allowed in foreign tax jurisdictions.

### 15. Profit (loss) per share

The following reflects the income and share data used in the basic and diluted profit (loss) per share computations:

	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$	\$	\$	\$
<b>Profit (loss) attributable to shareholders for basic profit (loss) per share</b>	<b>24,512</b>	<b>(7,394)</b>	<b>7,719</b>	<b>(5,455)</b>
Convertible debentures – 2021	1,756	—	—	—
<b>Profit (loss) attributable to shareholders for diluted profit (loss) per share</b>	<b>26,268</b>	<b>(7,394)</b>	<b>7,719</b>	<b>(5,455)</b>
<b>Basic weighted average number of shares</b>	<b>18,783,511</b>	<b>19,065,404</b>	<b>18,754,322</b>	<b>19,043,233</b>
Dilutive effect of DDCP	38,801	—	69,337	—
Dilutive effect of RSUs	417,598	—	417,037	—
Dilutive effects of convertible debentures	2,547,630	—	—	—
<b>Diluted weighted average number of shares</b>	<b>21,787,540</b>	<b>19,065,404</b>	<b>19,240,696</b>	<b>19,043,233</b>
<b>Profit (loss) per share</b>				
Basic	1.30	(0.39)	0.41	(0.29)
Diluted	1.21	(0.39)	0.40	(0.29)

The 2021 convertible debentures were excluded from the calculation of diluted profit (loss) per share in the six-month period ended June 30, 2025 and the three- and six-month periods ended June 30, 2024 because their effect is anti-dilutive.

The 2022 convertible debentures were excluded from the calculation of diluted profit (loss) per share in the three- and six-month period ended June 30, 2025 and June 30, 2024, because their effect is anti-dilutive.

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#### 16. Statement of cash flows

##### Net change in working capital

The net change in the working capital balances related to continuing operations is calculated as follows:

	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$	\$	\$	\$
Accounts receivable	(1,960)	2,633	(1,549)	5,449
Inventory	9,237	6,520	(24,194)	(18,322)
Prepaid expenses and other assets	26,204	4,610	22,880	6,906
Accounts payable and accrued liabilities	(26,198)	(4,538)	(21,955)	(29,137)
Customer deposits	(16,953)	(7,132)	(6,219)	3,563
Provisions	(205)	(418)	(17,681)	(3,096)
	(9,875)	1,675	(48,718)	(34,637)

#### 17. Financial instruments and financial risk management

The Company's financial assets and liabilities recorded at fair value in the unaudited interim condensed consolidated financial statements have been categorized into three categories based on a fair value hierarchy. Financial assets and liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Assets and liabilities in Level 2 include valuations using inputs other than quoted prices for which all significant inputs are based on observable market data, either directly or indirectly. Level 3 valuations are based on inputs that are not based on observable market data. During the six-month period ended June 30, 2025 and year ended December 31, 2024, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

The following methods and assumptions were used to estimate the fair value of financial instruments:

##### [a] Short-term financial instruments

Cash and cash equivalents, restricted cash, accounts receivable, notes receivable, dividends payable, accounts payable and accrued liabilities, due to vendor and financial liability approximate their carrying amounts largely due to the short-term maturities of these instruments.

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#### [b] Long-term financial instruments

The fair value of unquoted instruments and loans from banks is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation is determined using Level 2 inputs, which are observable inputs or inputs that can be corroborated by observable market data for substantially the full term of the liability. The carrying amount and fair value of the Company's long-term debt are as follows:

	June 30, 2025		December 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$	\$	\$	\$
Interest-bearing loans and borrowings	528,785	524,629	565,893	559,071
Convertible unsecured subordinated debentures <sup>[1]</sup>	200,688	222,636	197,019	220,786
Senior unsecured subordinated debentures	177,392	167,185	83,965	83,331

[1] Convertible unsecured subordinated debentures, net of deferred fees and equity component.

#### [c] Derivative financial instruments

Derivatives are marked-to-market at each reporting period and changes in fair value are recognized as a loss (gain) on financial instruments in other operating expense (income). The fair values of interest rate swaps, equity swaps and foreign exchange contracts are determined using discounted cash flow techniques, using Level 2 inputs, including interest rate swap curves, the Company's stock price and foreign exchange rates, respectively. The fair value of the embedded derivative related to the senior unsecured subordinated debentures is determined by the Company's consultants using valuations models, which incorporate various Level 2 inputs including the contractual contract terms, market interest rates and volatility.

##### *Interest rate swap contracts*

The Company enters into interest rate swap contracts to manage its exposure to fluctuations in interest rates on its core borrowings. The Company receives interest based on the variable rates from the counterparty and pays interest based on a fixed rate of 3.707%. The notional amounts are \$75 million in aggregate, resetting each month. The contracts expire on May 11, 2026. The Company has elected to apply hedge accounting for this contract and, therefore, unrealized gains (losses) are recognized in other comprehensive income (loss) to the extent that it has been assessed to be effective. During the three- and six-month periods ended June 30, 2025, an unrealized gain of \$0.1 million and loss of \$0.2 million, respectively, [2024 – nil and an unrealized gain of \$0.9 million], was recorded in other comprehensive

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income (loss) and a realized loss of \$0.2 million and \$0.3 million, respectively [2024 – realized gain of \$0.2 million and \$0.5 million], was recorded in finance costs. As at June 30, 2025, the fair value of the interest rate swap is a liability of \$0.8 million [December 31, 2024 – liability of \$0.9 million].

#### *Equity swap*

The Company has an equity swap agreement with a financial institution to manage the cash flow exposure due to fluctuations in its share price related to the EIAP. As at June 30, 2025, the equity swap agreement covered 422,000 Common Shares of the Company at a price of \$38.76 and the agreement matures on May 5, 2026. During the three- and six-month periods ended June 30, 2025, an unrealized gain of \$2.9 million and loss of \$3.8 million, respectively [2024 – loss of \$3.7 million and gain of \$0.8 million], was recorded in loss (gain) on financial instruments in other operating expense (income). As at June 30, 2025, the fair value of the equity swap is an asset of \$1.3 million [December 31, 2024 – asset of \$5.1 million].

#### *Foreign exchange contracts*

To mitigate exposure to foreign currency exchange rates, AGI may enter into foreign exchange forward contracts and denominate a portion of its debt in U.S. dollars. As at June 30, 2025, AGI's U.S. dollar denominated debt totalled U.S. \$213 million [December 31, 2024 – U.S. \$213 million].

In 2023, the Company entered into a series of forward contracts with notional amounts of U.S. \$10.8 million in aggregate with maturities up to May 30, 2025. During the three- and six-month periods ended June 30, 2025, an unrealized gain of \$0.04 million and \$0.5 million, respectively [2024 – loss of \$0.09 million and \$0.3 million], was recorded in loss (gain) on financial instruments. As at June 30, 2025, the fair value of the forward contracts is nil [December 31, 2024 – liability of \$0.5 million].

#### *Debenture put options*

On March 5, 2020, the Company issued \$85 million of senior unsecured subordinated debentures with an option of early redemption beginning on and after December 31, 2022. At the time of issuance, the Company's redemption option resulted in an embedded derivative with a fair value of \$0.8 million. During the three- and six-month periods ended June 30, 2025, an unrealized gain of \$0.3 million and loss of \$0.05 million, respectively [2024 – nil], was recorded in loss (gain) on financial instruments in other operating expense (income). As at June 30, 2025, the fair value of the embedded derivative was an asset of \$1.4 million [December 31, 2024 – asset of \$1.4 million].

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### 18. Related party disclosures

A law firm in which a former Director of AGI is a partner provides legal services to the Company. The Director retired from AGI's board of directors on May 21, 2025. During the three- and six-month periods ended June 30, 2025, the total cost of legal services provided by related parties was nil and \$1.4 million, respectively [2024 – \$0.06 million and \$0.5 million]. Accounts payable and accrued liabilities due to related parties as at June 30, 2025 is nil [June 30, 2024 – \$0.3 million].

### 19. Commitments and contingencies

#### [a] Contractual commitment for the purchase of property, plant and equipment

As at June 30, 2025, the Company has commitments to purchase property, plant and equipment of \$4.9 million [December 31, 2024 – \$5.0 million].

#### [b] Letters of credit

As at June 30, 2025, the Company has outstanding letters of credit in the amount of \$37.8 million [December 31, 2024 – \$42.5 million].

#### [c] Legal actions

From time to time, the Company is involved in various legal matters due to the size, complexity and nature of its operations. Exposure to these claims is mitigated through levels of insurance coverage considered appropriate by management and by active management of these matters. The Company has considered the advice of legal counsel in assessing the likely outcome of these matters, recognizing provisions where appropriate. The timing of cash outflows related to these provisions is uncertain and will depend on the progress of legal proceedings. While the Company believes that these provisions are adequate based on currently available information, the final amounts required to settle these matters may differ.

In addition, the Company has insurance coverage for these legal matters. As at December 31, 2024, the Company recognized a reimbursement asset of \$7.2 million in other assets on the consolidated statements of financial position. During the six-month period ended June 30, 2025, the Company fully utilized this reimbursement.

The resolution of any remaining matters is not expected to have a material adverse effect on the Company's financial position, results of operations or cash flows.