

AG GROWTH INTERNATIONAL INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
Dated: May 5, 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-month period ended March 31, 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-month period ended March 31, 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].

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 March 31			
	2025	2024	Change	Change
	\$	\$	\$	%
Revenue	286,746	314,596	(27,850)	(9%)
Adjusted EBITDA ^{[1][2]}	31,265	50,064	(18,799)	(38%)
Adjusted EBITDA Margin % ^[3]	10.9%	15.9%	(501) bps	(31%)
Profit (loss) before income taxes	(16,571)	3,849	(20,420)	(531%)
Profit (loss)	(16,793)	1,939	(18,732)	(966%)
Diluted profit (loss) per share	(0.90)	0.10	(1.00)	(1000%)
Adjusted profit (loss) ^{[1][4]}	(4,811)	7,642	(12,453)	(163%)
Diluted adjusted profit (loss) per share ^{[3][4]}	(0.26)	0.39	(0.65)	(167%)

[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 (loss) per share".

Consolidated Operating Segment Results Summary

[thousands of dollars except percentages]	Three-months ended March 31			
	2025	2024	Change	Change
	\$	\$	\$	%
Revenue ^[1]				
Farm	95,095	188,986	(93,891)	(50%)
Commercial	191,651	125,610	66,041	53%
Total	286,746	314,596	(27,850)	(9%)

[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 March 31	
			Change	Change
[thousands of dollars except percentages]	\$	\$	\$	%
Adjusted EBITDA ^[1] ^[2]				
Farm	19,177	45,008	(25,831)	(57%)
Commercial	24,486	13,218	11,268	85%
Other ^[3]	(12,398)	(8,162)	(4,236)	N/A
Total	31,265	50,064	(18,799)	(38%)

[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 March 31	
	%	%	Change bps	Change %
Adjusted EBITDA Margin % ^[1]				
Farm	20.2%	23.8%	(365) bps	(15%)
Commercial	12.8%	10.5%	225 bps	21%
Other ^[2]	(4.3%)	(2.6%)	(173) bps	N/A
Consolidated	10.9%	15.9%	(501) bps	(31%)

[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

In the first quarter ("Q1") of 2025, AGI reported consolidated revenue and Adjusted EBITDA of \$287 million and \$31 million, respectively. Anchored primarily by momentum in Brazil and long-term projects in our EMEA (Europe, Middle East and Africa) region, the continued success in growing our Commercial segment remained strong with results above expectations. The industry-wide slowdown in the Farm segment also continued as expected, with results driven by soft crop prices, subsidy program uncertainty, and overall cautious farmer sentiment. Our multi-year strategic focus on diversifying into Commercial projects and international channels has allowed us to mitigate some of the impact the cyclical downturn is having on our Farm segment. Our presence in several agriculture markets is a core strength of our business model, allowing us to benefit from the strength of one sector or region when there is weakness in another. Adjusted EBITDA Margin % in the quarter decreased year-over-year ("YOY") mostly due to business mix with a higher weighting of Commercial revenue relative to Farm (which has higher margins), and timing of higher corporate-related costs relative to the prior year.

Farm Segment Summary

Across all geographies, particularly in the U.S. and Canada, we continued to observe low farmer demand given soft commodity prices and elevated yet improving dealer inventory levels, compounded by uncertainty on tariffs and government subsidies. First quarter sales reflect these challenges with revenue from all geographies down YOY. Q1 2024 results included a more normalized demand pattern, which magnifies the extent of the drop in the YOY comparison. In Brazil, farmer behavior remains cautious as this region is broadly impacted by similar factors as North America, though some early signs of improvement have begun to emerge. Overall, Adjusted EBITDA Margin % compressed in the Farm segment relative to last year primarily due to lower volumes. Looking ahead, we anticipate near-term outlook uncertainties for the North American Farm market to contribute to weakness for at least the first half of 2025, with limited visibility to the second half of 2025.

Commercial Segment Summary

Our Commercial segment continues to perform extremely well, with revenue growth of 53% YOY, as we execute several long-term projects across various international regions. While all our major international regions delivered positive growth, Brazil and EMEA remained extremely strong. Brazil continues to successfully progress several large-scale turn-key projects won in the third and fourth quarters of 2024. These wins underscore the broadening of our capabilities to be able to execute the construction of complex and dynamic facilities. We are involved in every aspect of these projects including a full scope of engineering, design, equipment supply, and installation services. In some instances, we leverage third-party partners with specific expertise in project installation and commissioning. This integrated turn-key offering is a key driver of our recent successes and momentum across our international regions. Our turn-key offerings and cost containment initiatives helped our Commercial segment Adjusted EBITDA Margin % profile increase to 12.8% versus 10.5% YOY.

Order Book Summary

Our consolidated order book¹ increased nearly 5% YOY to \$725 million. The Commercial segment component of our order book continued to be strong as demand for large-scale projects and engineered solutions remains high, particularly in Brazil. The U.S. and Canada were also key contributors to the Commercial segment order book, benefitting from a consistent uptrend in project work and a strategic focus on key accounts. The cautious sentiment in the Farm segment persists with generally slow purchasing behavior, though we did observe a 25% quarter-over-quarter sequential increase in our Farm order book. Overall, the current order book positions AGI well for the remainder of 2025.

¹ 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.

Outlook²

We maintain our full year outlook for Adjusted EBITDA of at least \$225 million³. As observed in the first quarter, we continue to see strength in the Commercial segment measured by an extremely strong order book, robust international pipeline, and an uptrend in North American Commercial activity. Strong execution against our compelling and differentiated strategy to accelerate diversification across international markets underscores our performance. Conditions in our Farm segment remain uncertain as we navigate through a trough in the farm market cycle and the ongoing industry-wide slowdown. The timing for a meaningful North America Farm market recovery remains unclear, and we continue to focus on elements within our control including operational efficiency and cost containment.

For Q2 2025, we are targeting Adjusted EBITDA in the range of \$50 million to \$55 million⁴. This guidance accounts for continued strength in the Commercial segment, offset by the ongoing softness in North America Farm.

Relative to tariffs, we note that a majority of the products that AGI sells between Canada and the United States are compliant goods under the United States-Mexico-Canada Agreement (the “USCMA”) to which tariffs do not currently apply. That said, some of our products are subject to U.S. tariffs on steel derivatives. Based on current tariff and trade policies, we estimate a relatively minor direct cost impact to AGI in 2025. This cost impact has been factored into our full year and second quarter outlook. Tariff and trade policies could ultimately impact our current financial outlook should they hamper farmer sentiment, aggregate equipment demand, and the global economy more broadly. We continue to monitor the situation closely and have several contingency plans under review in the event of significant changes to current tariff policies.

OPERATING RESULTS

Revenue by Geography ⁵

[thousands of dollars except percentages]	Three-months ended March 31			
	2025 \$	2024 \$	Change \$	Change %
Canada	34,827	78,964	(44,137)	(56%)
U.S.	107,385	148,319	(40,934)	(28%)
International	144,534	87,313	57,221	66%
Total Revenue	286,746	314,596	(27,850)	(9%)

² See “RISKS AND UNCERTAINTIES”, “FORWARD-LOOKING INFORMATION”, “FINANCIAL OUTLOOK” AND “NON-IFRS AND OTHER FINANCIAL MEASURES”.

³ 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”.

⁴ Adjusted EBITDA for the three months ended June 30, 2024, was \$68 million. See “Reconciliation of Adjusted EBITDA to profit (loss) before income taxes for the three and six months ended June 30, 2024, and 2023”.

⁵ 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.

Revenue by Segment and Geography ⁵

Farm Segment

[thousands of dollars except percentages]	Three-months ended March 31			
	2025	2024	Change	Change
	\$	\$	\$	%
Canada	23,547	66,720	(43,173)	(65%)
U.S.	58,864	94,545	(35,681)	(38%)
International	12,684	27,721	(15,037)	(54%)
Total Revenue	95,095	188,986	(93,891)	(50%)

Commercial Segment

[thousands of dollars except percentages]	Three-months ended March 31			
	2025	2024	Change	Change
	\$	\$	\$	%
Canada	11,280	12,244	(964)	(8%)
U.S.	48,521	53,774	(5,253)	(10%)
International	131,850	59,592	72,258	121%
Total Revenue	191,651	125,610	66,041	53%

Order Book

The following table presents YOY changes in the Company's order book^[1] as at March 31, 2025:

[thousands of dollars except percentages]	As at March 31			
	2025	2024 ^[2]	Change	Change
	\$	\$	\$	%
Order book	724,543	692,191	32,352	5%

[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 March 31, 2024 has been revised to reflect orders that were outstanding at March 31, 2024 but that were subsequently cancelled. AGI originally reported an order book as at March 31, 2024 of \$729.0 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 Q1 2025 decreased YOY as demand for both portable and permanent grain handling equipment declined relative to prior year. In late 2024, we began observing the same market headwinds in Canada that our U.S. region faced earlier in the year.

Given the softening of our Canada Farm order book, we expect these market conditions will persist through at least the second quarter of 2025 with limited current visibility into the second half of the year.

United States

Our U.S. Farm revenue in Q1 2025 decreased YOY as the region continued to face multiple industry-wide headwinds. Lower farmer demand persisted as a result of soft commodity prices, uncertainty on tariffs and government subsidies, and elevated yet improving dealer inventory levels. The U.S. Farm segment order book is notably lower than last year as our customers remain cautious on capital equipment purchases and instead focus attention on early crop activities. Similar to Canada, we believe these market conditions will remain through at least the second quarter of 2025 with limited current visibility into the second half of the year.

International

Our Farm segment revenue, in Q1 2025, from international regions decreased YOY in the first quarter primarily due to soft demand in Brazil. Encouragingly, we did observe an increase in quotation activity throughout the quarter, a potentially positive sign for the second half of the year. While we are seeing early indications of improvement, we continue to remain cautious on the full year outlook for our international Farm business.

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 in Q1 2025 was down slightly YOY. That said, our focus on building the sales pipeline has translated into meaningful growth in Canada's order book for Commercial projects, positioning this business well for the upcoming quarters. Project deliveries will continue throughout 2025, and we anticipate results from this region to maintain a stable growth trajectory.

United States

Revenue from the Commercial segment in our U.S. region in Q1 2025 saw a slight YOY decline in the first quarter, primarily due to softer performance in our U.S. food platform. However, this was partially offset by growth in our core grain-focused Commercial business. Notably, our U.S. Commercial business secured several significant project wins in late 2024, which are currently in various stages of production and positions us to maintain momentum through 2025.

International

Commercial segment revenue, in Q1 2025, from our International operations increased meaningfully YOY, continuing to show strength across all regions. In particular, Brazil and EMEA were the primary engines for growth as several project wins from last year contributed directly to our results. Based on

additional turn-key project orders received from large industrial customers in late 2024 and early 2025, we anticipate a strong growth trajectory through the rest of 2025. Pipeline 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 is to meaningfully expand storage capacity to increase food security. Overall, we remain focused on our long-term strategy to diversify and grow our international operations through the execution of complex projects and the expansion of offerings through product transfers.

DETAILED OPERATING RESULTS

	Three-months ended March 31	
	2025	2024
[thousands of dollars except per share amounts]	\$	\$
Revenue	286,746	314,596
Cost of goods sold		
Cost of inventories	197,700	204,511
Depreciation and amortization	9,434	8,970
	207,134	213,481
Selling, general and administrative expenses		
Selling, general & administrative expenses	62,215	67,429
Transaction, transitional and other costs ^[1]	3,717	4,450
Enterprise Resource Planning ("ERP") system transformation costs ^[2]	2,797	4,125
Accounts receivable recovery for Russia/Ukraine conflict ("RUK")	—	(268)
Depreciation and amortization	7,825	8,175
	76,554	83,911
Other operating expense (income)		
Net gain on sale of long-lived assets ^[3]	(8)	(206)
Net loss (gain) on financial instruments ^[4]	6,607	(7,816)
Other	(2,352)	(2,842)
	4,247	(10,864)
Finance costs	16,593	18,951
Finance expense (income)	(1,273)	5,268
Impairment recovery	(80)	—
Share of associate's net loss ^[5]	142	—
Profit (loss) before income taxes	(16,571)	3,849
Income tax expense	222	1,910
Profit (loss) for the period	(16,793)	1,939
Profit (loss) per share		
Basic	(0.90)	0.10
Diluted	(0.90)	0.10

[1] Includes legal expense, 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 March 31	
	2025	2024
[thousands of dollars except percentages]	\$	\$
Revenue	286,746	314,596
Cost of goods sold	207,134	213,481
Gross Profit	79,612	101,115
Gross Profit as a % of Revenue ^[1]	27.8%	32.1%
Depreciation and amortization	9,434	8,970
Adjusted Gross Margin ^[2]	89,046	110,085
Adjusted Gross Margin as a % of Revenue ^[3]	31.1%	35.0%

- [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 March 31, 2025 decreased YOY as Farm segment volume slowed. Our multi-year strategic focus on diversifying revenue from Commercial projects and international channels has allowed us to mitigate some of the impact that the uncertainty is having on our Farm segment.

Impact of Foreign Exchange

Gains and Losses on Foreign Exchange

The gain and loss on foreign exchange for the three-month period ended March 31, 2025, was a gain of \$1.2 million [Q1 2024 – loss of \$5.4 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 1.4376 at March 31, 2025. See also “Financial Instruments – Foreign exchange contracts”.

Revenue and Adjusted EBITDA

The average U.S. dollar rate of exchange for the three-month period ended March 31, 2025, was \$1.44 [Q1 2024 – \$1.35]. 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 March 31, 2025, excluding transaction, transitional and other costs, ERP system transformation costs, accounts receivable reserve for the conflict between Russia and Ukraine (“RUK”), and depreciation and amortization, were \$62.2 million [21.7% of revenue] [Q1 2024 – \$67.4 million [21.4% of revenue]]. YOY variances are primarily the result of a \$3.1 million decrease in sales and marketing expenses and a \$2.5 million decrease in corporate governance-related expenses. These reductions were offset by a \$2.3 million increase in professional fees. No other individual variance was greater than \$1.0 million.

Transaction, transitional and other costs are comprised of 1) transitional costs related to reorganizations; 2) legal costs related to certain litigation matters; 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-month period ended March 31, 2025, was expense of \$4.2 million [Q1 2024 – income of \$10.9 million]. Other operating expense (income) includes non-cash gains and losses on financial instruments [see “Equity swap”] and interest income from customer financing arrangements.

Finance costs

Finance costs, which represent interest incurred, including non-cash interest, on all debt for the three-month period ended March 31, 2025 were \$16.6 million [Q1 2024 – \$19.0 million].

Finance expense (income)

Finance expense (income), which represents interest income earned and foreign exchange on long term debt for the three-month period ended March 31, 2025, was income of \$1.3 million [Q1 2024 – expense of \$5.3 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 to 1.4376 at March 31, 2025.

Profit (loss) before income taxes and Adjusted EBITDA

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

[thousands of dollars]	Three-months ended March 31	
	2025	2024
	\$	\$
Profit (loss) before income taxes	(16,571)	3,849
Finance costs	16,593	18,951
Depreciation and amortization	17,259	17,145
Share of associate's net loss ^[1]	142	—
Loss (gain) on foreign exchange ^[2]	(1,193)	5,418
Share-based compensation ^[3]	2,002	4,416
Net loss (gain) on financial instruments ^[4]	6,607	(7,816)
Transaction, transitional and other costs ^[5]	3,717	4,450
ERP system transformation costs ^[6]	2,797	4,125
Net gain on sale of long-lived assets ^[7]	(8)	(206)
Accounts receivable recovery for RUK	—	(268)
Impairment recovery	(80)	—
Adjusted EBITDA ^[8]	31,265	50,064

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

[2] See "Note 12[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 11 – Share-based compensation plans" in our consolidated financial statements.

[4] See "Equity swap".

[5] Includes legal expense, 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.

[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 March 31, 2025			
	Farm	Commercial	Other ^[10]	Total
[thousands of dollars]	\$	\$	\$	\$
Profit (loss) before income taxes	10,555	16,492	(43,618)	(16,571)
Finance costs	—	—	16,593	16,593
Depreciation and amortization ^[1]	7,506	7,865	1,888	17,259
Share of associate's net loss ^[2]	—	142	—	142
Gain on foreign exchange ^[3]	—	—	(1,193)	(1,193)
Share-based compensation ^[4]	—	—	2,002	2,002
Net loss on financial instruments ^[5]	—	—	6,607	6,607
Transaction, transitional and other costs ^[6]	1,179	—	2,538	3,717
ERP system transformation costs ^[7]	—	—	2,797	2,797
Net loss (gain) on sale of long-lived assets ^{[1] [8]}	17	(13)	(12)	(8)
Impairment recovery	(80)	—	—	(80)
Adjusted EBITDA ^[9]	19,177	24,486	(12,398)	31,265

	Three-months ended March 31, 2024			
	Farm	Commercial	Other ^[10]	Total
[thousands of dollars]	\$	\$	\$	\$
Profit (loss) before income taxes	38,258	5,154	(39,563)	3,849
Finance costs	—	—	18,951	18,951
Depreciation and amortization ^[1]	6,964	8,326	1,855	17,145
Loss on foreign exchange ^[3]	—	—	5,418	5,418
Share-based compensation ^[4]	—	—	4,416	4,416
Net gain on financial instruments ^[5]	—	—	(7,816)	(7,816)
Transaction, transitional and other costs ^[6]	—	—	4,450	4,450
ERP system transformation costs ^[7]	—	—	4,125	4,125
Net loss (gain) on sale of long-lived assets ^{[1] [8]}	(214)	6	2	(206)
Accounts receivable recovery for RUK	—	(268)	—	(268)
Adjusted EBITDA ^[9]	45,008	13,218	(8,162)	50,064

[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 12[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 11 – Share-based compensation plans" in our consolidated financial statements.

[5] See "Equity swap".

[6] Includes legal expense, 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

	Three-months ended March 31, 2025				
	Canada	US	International	Other ^[10]	Total
[thousands of dollars]	\$	\$	\$	\$	\$
Profit (loss) before income taxes	(4,166)	12,003	19,199	(43,607)	(16,571)
Finance costs	—	—	—	16,593	16,593
Depreciation and amortization ^[1]	5,064	6,121	4,196	1,878	17,259
Share of associate's net loss ^[2]	—	—	142	—	142
Gain on foreign exchange ^[3]	—	—	—	(1,193)	(1,193)
Share-based compensation ^[4]	—	—	—	2,002	2,002
Net loss on financial instruments ^[5]	—	—	—	6,607	6,607
Transaction, transitional and other costs ^[6]	—	1,179	—	2,538	3,717
ERP system transformation costs ^[7]	—	—	—	2,797	2,797
Net loss (gain) on sale of long-lived assets ^{[1] [8]}	16	(12)	—	(12)	(8)
Impairment charge (recovery)	142	(221)	—	(1)	(80)
Adjusted EBITDA ^[9]	1,056	19,070	23,537	(12,398)	31,265

	Three-months ended March 31, 2024				
	Canada	US	International	Other ^[10]	Total
[thousands of dollars]	\$	\$	\$	\$	\$
Profit (loss) before income taxes	12,152	30,111	1,140	(39,554)	3,849
Finance costs	—	—	—	18,951	18,951
Depreciation and amortization ^[1]	4,846	6,118	4,335	1,846	17,145
Loss on foreign exchange ^[3]	—	—	—	5,418	5,418
Share-based compensation ^[4]	—	—	—	4,416	4,416
Net gain on financial instruments ^[5]	—	—	—	(7,816)	(7,816)
Transaction, transitional and other costs ^[6]	—	—	—	4,450	4,450
ERP system transformation costs ^[7]	—	—	—	4,125	4,125
Net loss (gain) on sale of long-lived assets ^{[1] [8]}	28	(246)	10	2	(206)
Accounts receivable recovery for RUK	—	—	(268)	—	(268)
Adjusted EBITDA ^[9]	17,026	35,983	5,217	(8,162)	50,064

[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 12[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 11 – Share-based compensation plans” in our consolidated financial statements.

- [5] See “Equity swap”.
- [6] Includes legal expense, 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 March 31, 2025, decreased to \$31.3 million from \$50.1 million for the same period in 2024. This was largely due to ongoing softness in the Farm segment as farmer demand decreased due to crop price uncertainties, farm income, subsidy programs, global tariffs, and interest rates. Strength in our Commercial segment, anchored primarily by momentum in Brazil and long-term projects in our EMEA region, mitigated 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-month period ended March 31, 2025, was expense of \$17.3 million [Q1 2024 – \$17.1 million].

Income tax expense

Current income tax expense

Current income tax expense for the three-month period ended March 31, 2025 was \$2.6 million [Q1 2024– \$2.0 million].

Deferred income tax expense (recovery)

Deferred income tax expense (recovery) for the three-month period ended March 31, 2025, was a recovery of \$2.4 million [Q1 2024 – recovery of \$0.1 million]. The deferred income tax recovery in 2025 relates to the recognition of temporary differences between the accounting and tax treatment of property, plant and equipment, equity swap and tax loss carry forwards.

	Three-months ended March 31	
	2025	2024
[thousands of dollars except percentages]	\$	\$
Current tax expense	2,573	2,016
Deferred tax recovery	(2,351)	(106)
Total tax expense	222	1,910
Profit (loss) before income taxes	(16,571)	3,849
Effective income tax rate	(1.3%)	49.6%

The effective tax rate in Q1 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 decreased effective tax rate from the statutory rate of 26.7% for the three-month period ended March 31, 2025 was primarily attributable to unrealized foreign exchange gains and (losses) and non-deductible expenses.

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

The Company's diluted adjusted loss per share for the three-month period ended March 31, 2025, was a loss of \$0.26 per share [Q1 2024 – profit of \$0.39 per share]. Diluted adjusted loss per share has been impacted by the items enumerated in the table below, which reconciles profit (loss) to adjusted profit (loss).

	Three-months ended March 31	
	2025	2024
[thousands of dollars except per share amounts]	\$	\$
Profit (loss)	(16,793)	1,939
Diluted profit (loss) per share	(0.90)	0.10
Share of associate's net loss ^[1]	142	—
Loss (gain) on foreign exchange ^[2]	(1,193)	5,418
Net loss (gain) on financial instruments ^[3]	6,607	(7,816)
Transaction, transitional and other costs ^[4]	3,717	4,450
ERP system transformation costs ^[5]	2,797	4,125
Net gain on sale of long-lived assets ^[6]	(8)	(206)
Accounts receivable recovery for RUK	—	(268)
Impairment recovery	(80)	—
Adjusted profit (loss) ^[7]	(4,811)	7,642
Diluted adjusted profit (loss) per share ^[8]	(0.26)	0.39

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

[2] See "Note 12[e] – Finance expense (income)" in our consolidated financial statements.

[3] See "Equity swap".

[4] Includes legal expense, 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 rate]:

2025					
	Average USD/CAD Exchange Rate	Revenue \$	Loss \$	Basic Loss per Share \$	Diluted Loss per Share \$
Q1	1.44	286,746	(16,793)	(0.90)	(0.90)
YTD	1.44	286,746	(16,793)	(0.90)	(0.90)
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)
FY 2024	1.37	1,404,707	(20,082)	(1.05)	(1.05)
2023					
	Average USD/CAD Exchange Rate	Revenue \$	Profit \$	Basic Profit per Share \$	Diluted Profit per Share \$
Q2	1.36	390,269	16,095	0.85	0.81
Q3	1.35	410,067	25,059	1.32	1.21
Q4	1.36	379,317	11,378	0.60	0.58
FY 2023	1.35	1,526,669	68,889	3.63	3.44

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 March 31	
	2025	2024
[thousands of dollars]	\$	\$
Profit (loss) before tax	(16,571)	3,849
Items not involving current cash flows	38,479	21,015
Cash flows provided by operations	21,908	24,864
Net change in working capital balances related to operations	(38,843)	(36,312)
Transfer from (to) restricted cash	53	(81)
Proceeds from settlement of financial instrument	—	7,008
Change in non-current accounts receivable	(34,205)	(4,613)
Other assets	—	(1,819)
Change in long-term payables	106	85
Settlement of equity incentive award plan obligation	(3,391)	(4,202)
Post-combination payments	(1,699)	(1,699)
Income tax refunded (paid)	485	(1,406)
Cash used in operating activities	(55,586)	(18,175)
Cash used in investing activities	(9,645)	(4,707)
Cash provided by financing activities	62,289	24,151
Net increase (decrease) in cash during the period	(2,942)	1,269
Cash, beginning of period	79,893	88,042
Cash, end of period	76,951	89,311

Cash used by operating activities for the three-month period ended March 31, 2025 as compared to the Q1 2024 period increased due to net changes in working capital balances and larger non-current accounts receivable balance primarily relating to Brazil turnkey projects.

Cash used in investing activities for the three-month period ended March 31, 2025 increased primarily due to our investments through capital expenditures and development of internally generated intangibles. For the three-month period ended March 31, 2025 an investment in associate of \$3.6

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 financing activities for the three-month period ended March 31, 2025, excluding the impact of foreign exchange, relates primarily to a net increase in the balance outstanding on our senior credit facilities of \$73.8 million [Q1 2024 – net increase of \$22.7 million], net of fees, and changes in interest accrual. Cash provided by financing activities for the three-month period ended March 31, 2025 includes \$9.0 million paid related 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 (used) by operating activities, less capital expenditures (or acquisition of property, plant and equipment) and intangible asset investments (or development and purchase 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 March 31		Last Twelve-months ended March 31	
	2025	2024	2025	2024
[thousands of dollars]	\$	\$	\$	\$
Cash provided (used) in operating activities	(55,586)	(18,175)	73,412	100,149
Less: acquisition of property, plant and equipment	(3,947)	(3,513)	(23,479)	(39,906)
Less: development and purchase of intangibles	(2,260)	(2,168)	(8,718)	(9,944)
Free cash flows ^[1]	(61,793)	(23,856)	41,215	50,299

[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 March 31, 2025, free cash flow was \$(61.8) million [Q1 2024 – \$(23.9) million]. The decrease in free cash flow was primarily driven by cash used by operations of \$(55.6) million as compared to cash used by operations of \$(18.2) million in Q1 2024 as discussed further above.

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 overall international business 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 March 31	
	2025	2024
[thousands of dollars except percentages]	\$	\$
Maintenance capital expenditures ^[1]	1,832	1,626
Non-maintenance capital expenditures ^[1]	2,115	1,887
Acquisition of property plant and equipment	3,947	3,513

Maintenance capital expenditures as % of Revenue ^[1]	0.6%	0.5%
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[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-month period ended March 31, 2025, was \$3.9 million [Q1 2024 – \$3.5 million].

Maintenance capital expenditures in the three-month period ended March 31, 2025, were \$1.8 million; 0.6% of revenue [Q1 2024 – \$1.6 million; 0.5% 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-month period ended March 31, 2025, of \$2.1 million [Q1 2024 – \$1.9 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 March 31, 2025, the Company's contractual obligations for the periods indicated:

	Total	2025	2026	2027	2028	2029+
[thousands of dollars]	\$	\$	\$	\$	\$	\$
2020 Debentures	85,000	—	85,000	—	—	—
2021 Convertible Debentures ^[1]	114,995	—	—	114,995	—	—
2022 Convertible Debentures	103,900	—	—	103,900	—	—
Long-term Debt ^{[2][3]}	643,899	197	229	225	643,248	—
Lease liability ^[2]	56,412	10,440	11,264	9,113	6,599	18,996
Due to vendor ^[2]	3,016	2,987	29	—	—	—
Purchase obligations ^[4]	3,857	3,857	—	—	—	—
Total obligations	1,011,079	17,481	96,522	228,233	649,847	18,996

[1] During the year ended December 31, 2023, a holder of the 2021 Convertible Debentures converted \$0.005 million of the principal amount outstanding into common shares of AGI ("Common Shares").

[2] Undiscounted.

[3] On July 3, 2024, the maturity date of the senior credit facilities was extended from May 11, 2026 to July 3, 2028 [see "Debt Facilities"].

[4] 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

	March 31, 2025	March 31, 2024
[thousands of dollars]	\$	\$
Total assets	1,727,804	1,683,618
Total liabilities	1,440,056	1,355,817

Cash

The Company's cash balance as at March 31, 2025, was \$77.0 million [March 31, 2024 – \$89.3 million].

Debt Facilities

As at March 31, 2025:

[thousands of dollars except interest rate]	Currency	Maturity	Total Facility [CAD] ^{[1][2]} \$	Amount Drawn ^[1] \$	Effective Interest Rate
Senior Credit Facilities	CAD / USD	2028 ^[3]	845,340	643,032	5.73%
Equipment Financing	various	various	862	862	various
Total			846,202	643,894	

[1] USD denominated amounts translated to CAD at the rate of exchange in effect on March 31, 2025 of 1.4376.

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

[3] On July 3, 2024, the maturity date of the senior credit facilities was extended from May 11, 2026 to July 3, 2028 [see "Debt Facilities"].

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 average Rate 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 March 31, 2025, there is \$337.1 million [March 31, 2024 – \$156.9 million] and U.S. \$212.8 million [March 31, 2024 – U.S. \$217.8 million] outstanding under the facilities. As at March 31, 2025, the portion of drawings from the senior credit facilities recorded on the swingline is \$37.5 million [March 31, 2024 – \$25.5 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 March 31, 2025:

Year Issued / TSX Symbol	Aggregate Principal Amount \$	Coupon	Conversion Price \$	Maturity Date	Redeemable at Par ^[1]
2021 [AFN.DB.I]	114,995,000 ^[2]	5.00%	45.14	Jun 30, 2027	Jun 30, 2025 ^[3]
2022 [AFN.DB.J]	103,900,000	5.20%	70.50	Dec 31, 2027	Dec 31, 2025 ^[4]

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

[2] During the year ended December 31, 2023, a holder of the 2021 Convertible Debentures converted \$0.005 million of the principal amount outstanding into Common Shares.

[3] 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.

- [4] 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

The following table summarizes the key terms of the Senior Unsecured Subordinated Debentures [the "Senior Debentures"] that were outstanding as at March 31, 2025:

Year Issued / TSX Symbol	Aggregate Principal Amount \$	Coupon	Maturity Date
2020 March [AFN.DB.H]	85,000,000	5.25 %	December 31, 2026

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:

December 31, 2024	# Common Shares
Settlement of EIAP obligations	18,880,925
Normal course issuer bid – shares repurchased and cancelled	82,300
	(224,900)
March 31, 2025	18,738,325
Settlement of EIAP and DDCP obligations	52,225
May 5, 2025	18,790,550

At May 5, 2025:

- 18,790,550 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 1,263,644 Common Shares have been issued under the EIAP, 714,198 Common Shares are issuable on the settlement of outstanding awards and 287,158 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 78,866 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 [Q1 2024 – \$2.9 million or \$0.15 per Common Share] in the three-month period ended March 31, 2025. The dividend declared in Q1 2025 was paid on April 15, 2025 to common shareholders of record at the close of business on March 31, 2025. In the three-month period ended March 31, 2025, dividends paid to common shareholders was \$2.8 million [Q1 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	Fixed Rate ^[1]
				[000's] \$	
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-month period ended March 31, 2025, an unrealized loss of \$0.3 million [Q1 2024 – gain of \$0.9 million] was recorded in other comprehensive income (loss) and a realized loss of \$0.09 million [Q1 2024 – gain of \$0.3 million] was recorded in finance costs. As at March 31, 2025, the fair value of the interest rate swap was a liability of \$1.1 million [March 31, 2024 – asset of \$0.7 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 March 31, 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-month period ended March 31, 2025, an unrealized loss of \$6.7 million [Q1 2024 – gain of \$4.6 million] was recorded in loss (gain) on financial instruments in other operating expense (income). As at March 31, 2025, the fair value of the equity swap is a liability of \$1.6 million [March 31, 2024 – asset of \$9.6 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-month period ended March 31, 2025, an unrealized gain of \$0.4 million [Q1 2024 – loss of \$0.2 million] was recorded in loss (gain) on financial instruments. As at March 31, 2025, the fair value of the forward contracts is a liability of \$0.04 million [March 31, 2024 – liability of \$0.1 million].

Debenture put options

In March 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-month period ended March 31, 2025, an unrealized loss of \$0.3 million [Q1 2024 – loss of \$0.02 million] were recorded in loss (gain) on financial instruments in other operating expense (income). As at March 31, 2025, the fair value of the embedded derivative is an asset of \$1.1 million [March 31, 2024 – asset of \$0.6 million].

OTHER RELATIONSHIPS

A law firm in which a Director of AGI is a partner provides legal services to the Company. During the three-month period ended March 31, 2025, the total cost of these legal services was \$1.4 million [Q1 2024 – \$0.4 million], and included in accounts payable and accrued liabilities as at March 31, 2025 is \$1.7 million [March 31, 2024 – \$0.8 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 significant accounting judgments, estimates and assumptions. No changes to the accounting policies and estimates have been made as of March 31, 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]. 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 March 31, 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 profit (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, 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 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 profit, gain or loss on foreign exchange, net gain or loss on financial instruments, transaction, transitional and other costs, 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 (loss) 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 purchase 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]	\$	\$
Profit (loss) before income taxes	(5,326)	86,067
Finance costs	70,242	73,667
Depreciation and amortization	70,798	65,316
Share of associate’s net profit ^[1]	(109)	—
Loss (gain) on foreign exchange ^[2]	43,119	(7,571)
Share-based compensation ^[3]	13,758	12,159
Net loss (gain) on financial instruments ^[4]	(3,812)	(5,369)
Transaction, transitional and other costs ^[5]	56,148	27,174
ERP system transformation costs ^[6]	17,271	14,001
Net loss on sale of long-lived assets ^[7]	23	454
Equipment rework and remediation	—	24,108
Accounts receivable reserve (recovery) for RUK	(268)	1,651
Impairment charge ^[8]	2,944	2,237
Adjusted EBITDA ^[9]	264,788	293,894

[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 expense, 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.

[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.

RECONCILIATION OF ADJUSTED EBITDA TO PROFIT (LOSS) BEFORE INCOME TAXES FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024 AND 2023

The following table reconciles profit (loss) before income taxes to Adjusted EBITDA for the three and six months ended June 30, 2024 and 2023:

	Three-months ended June 30		Six-months ended June 30	
	2024	2023	2024	2023
[thousands of dollars]	\$	\$	\$	\$
Profit (loss) before income taxes	(7,650)	18,068	(3,801)	39,694
Finance costs	17,060	18,337	36,011	36,018
Depreciation and amortization	18,306	16,431	35,451	32,471
Loss (gain) on foreign exchange ^[1]	13,791	(6,533)	19,209	(9,150)
Share-based compensation ^[2]	2,768	2,038	7,184	6,306
Loss (gain) on financial instruments ^[3]	3,812	8,184	(4,004)	(5,020)
Mergers and acquisition expense ^[4]	—	—	—	50
Transaction, transitional and other costs ^[5]	11,929	8,795	16,379	12,674
ERP system transformation costs ^[6]	4,925	—	9,050	—
Net loss on disposal of property, plant and equipment	198	19	323	193
Net loss (gain) on assets held for sale ^[7]	—	—	(325)	25
Net gain on settlement of lease liability	(188)	(7)	(194)	(7)
Equipment rework ^[8]	—	4,900	—	4,900
Remediation ^[8]	—	15,608	—	15,608
Accounts receivable reserve (recovery) for RUK	—	1,733	(268)	1,733
Impairment charge ^[9]	3,091	601	3,091	791
Adjusted EBITDA ^[10]	68,042	88,174	118,106	136,286

- [1] See “Note 13[e] – Finance expenses (income)” in our unaudited interim condensed consolidated financial statements for the three- and six-month periods ended June 30, 2024, and 2023 (the “2024 Q2 consolidated financial statements”).
- [2] The Company’s share-based compensation expense pertains to our EIAP and DDCP. See “Note 12 – Share-based compensation plans” in our 2024 Q2 consolidated financial statements.
- [3] See “Equity swap” in our 2024 Q2 consolidated financial statements.
- [4] Transaction costs associated with completed and ongoing mergers and acquisitions activities.
- [5] Includes legal expense, 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.
- [6] Expenses incurred in connection with a global multi-year ERP transformation project.
- [7] See “Note 7 – Assets held for sale” in our 2024 Q2 consolidated financial statements.
- [8] See “Remediation costs” and “Equipment rework” in “Note 9 – Provisions” in our 2024 Q2 consolidated financial statements.
- [9] See “Note 8 – Impairment charge” in our 2024 Q2 consolidated financial statements.
- [10] 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 expectations regarding the uncertainties for the Farm segment, including with respect to the industry-wide slowdown; our expectations regarding our multi-year strategic focus on diversifying into Commercial projects and international channels; our expectations regarding our presence in several agriculture markets, including that such is a core strength of our business model, allowing us to benefit from the strength of one sector or region when there is weakness in another; our expectations regarding farmer behavior, including that such remains cautious, though we believe some early signs of improvement have begun to emerge; our expectations regarding near-term outlook uncertainties for the North American Farm market, including that such will contribute to weakness for at least the first half of 2025; our expectations regarding several large-scale turn-key projects in Brazil, including that such project wins underscore the broadening of our capabilities to be able to execute the construction of complex and dynamic facilities and our belief that we will remain involved in every aspect of these projects; our belief that our integrated turn-key offering will continue to be a key driver of our recent successes and momentum across our major international regions; our expectations regarding trends in the Commercial segment and our Commercial order book, including that demand for large-scale projects and engineered solutions will remain high, particularly in Brazil; our belief that our current Commercial order book positions us well for the remainder of 2025; our 2025 full year Adjusted EBITDA outlook; our belief that strong execution against our compelling and differentiated strategy to accelerate diversification across international markets underscores our performance; our belief that timing for a meaningful North America Farm market recovery remains unclear and our expectation that we will continue to focus on elements within our control, including operational efficiency and cost control; our targeted Adjusted EBITDA for Q2 2025 and our belief that such guidance accounts for continued strength in the Commercial segment, offset by the ongoing softness in North America Farm; our expectations with respect to the impact of tariffs, including that a majority of the products we sell between Canada and the United States are and will continue to be compliant goods under the USCMA and the anticipated benefits of such and our estimate that there will be a relatively minor direct cost impact to us in 2025, based on current tariff and trade policies; our belief that tariff and trade policies could ultimately impact our current financial outlook should they hamper farmer sentiment, aggregate equipment demand, and the global economy more broadly; our belief that we will continue to monitor the tariff situation closely; our expectations regarding Farm segment market conditions, including our belief that such will persist through at least the second quarter of 2025 with limited current visibility into the second half of the year; our expectations regarding the observed increase in quotation activity during Q1 2025 and the anticipated benefits of such; 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 Canada Commercial business, including that the meaningful growth in Canada’s order book for Commercial projects positions this business well for the upcoming quarters; our expectation that project deliveries will continue throughout 2025 and our anticipated results from Canada to maintain a stable growth trajectory; our expectations with respect to our order book for the U.S. Commercial business, including with respect to certain project wins late in 2024 positioning us to maintain

momentum through 2025; our expectations regarding our international Commercial segment, including that based on additional turn-key projects orders received from large industrial customers in late 2024 and early 2025, we anticipate a strong growth trajectory 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 its working capital, capital expenditure, dividend and debt service requirements; our expectation that growth in 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 are estimates of AGI's Q2 and full-year 2025 Adjusted EBITDA and the potential impact that the tariffs imposed by the U.S., China and Canada on one another could have on our operations and financial results (including the estimated direct cost impact of such tariffs on AGI in 2025), which are based on, among other things, the various assumptions disclosed in this MD&A including under "Forward-Looking Information" and including our assumptions regarding the Adjusted EBITDA contribution that AGI anticipates receiving from revenue growth in 2025 in part as a result of the 5% YOY increase in AGI's order book as of March 31, 2025 and the benefits of operational excellence initiatives, and our anticipation that near-term outlook uncertainties for the North American Farm market will contribute to weakness for at least the first half of 2025, with limited visibility to the second half of 2025. To the extent such estimates constitute financial outlooks, they were approved by management on May 5, 2025, and are included to provide readers with an understanding of AGI's anticipated Q2 and full-year 2025 Adjusted EBITDA and the potential impact that the tariffs could have on our operations and financial results based on the assumptions described herein and readers are cautioned that the information may not be appropriate for other purposes. The financial outlooks disclosed herein do 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 May 5, 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].

Unaudited interim condensed consolidated financial statements

Ag Growth International Inc.

March 31, 2025

Ag Growth International Inc.

**Unaudited interim condensed consolidated
statements of financial position**
[in thousands of Canadian dollars]

As at

	March 31, 2025 \$	December 31, 2024 \$
Assets		
Current assets		
Cash and cash equivalents	76,951	79,893
Restricted cash	6,197	6,247
Accounts receivable	283,540	283,951
Inventory	220,914	187,509
Prepaid expenses and other assets	93,247	89,854
Notes receivable	6,251	6,248
Income taxes recoverable	11,541	11,301
	698,641	665,003
Non-current assets		
Property, plant and equipment, net	336,895	338,927
Right-of-use assets, net	37,154	38,701
Goodwill	350,005	348,924
Intangible assets, net	190,128	193,647
Non-current accounts receivable	98,037	63,832
Investment in associate [note 6]	11,179	6,998
Derivative instruments [note 16[c]]	1,082	6,550
Deferred income tax asset	17	2,530
	1,024,497	1,000,109
Assets held for sale [note 7]	4,666	1,518
Total assets	1,727,804	1,666,630
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued liabilities	270,116	264,337
Customer deposits	119,250	108,516
Dividends payable	2,812	2,833
Income taxes payable	14,174	10,718
Financial liability [note 6]	547	1,206
Current portion of derivative instruments [note 16[c]]	44	485
Current portion of EIAP liability	444	240
Current portion of due to vendor	2,987	4,689
Current portion of lease liability	12,669	12,218
Current portion of long-term debt [note 9]	253	281
Provisions [note 8]	9,489	26,989
	432,785	432,512
Non-current liabilities		
Other financial liabilities	1,169	1,061
Derivative instruments [note 16[c]]	2,696	919
EIAP liability	157	468
Due to vendor	29	29
Lease liability	34,036	36,061
Long-term debt [note 9]	639,643	565,612
Convertible unsecured subordinated debentures [note 16]	198,837	197,019
Senior unsecured subordinated debentures [note 16]	84,085	83,965
Deferred income tax liability	46,619	50,546
	1,007,271	935,680
Total liabilities	1,440,056	1,368,192
Shareholders' equity [note 10]		
Common shares	18,964	12,985
Accumulated other comprehensive income	52,273	33,436
Equity component of convertible debentures	22,868	22,868
Contributed surplus	495,350	502,182
Deficit	(301,707)	(273,033)
Total shareholders' equity	287,748	298,438
Total liabilities and shareholders' equity	1,727,804	1,666,630

See accompanying notes

On behalf of the Board of Directors:

(signed) Janet Giesselman
Director

(signed) David A. White, CA, ICD.D
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	
	March 31, 2025	March 31, 2024
	\$	\$
Revenue [note 5]	286,746	314,596
Cost of goods sold [note 12[a]]	207,134	213,481
Gross profit	79,612	101,115
Expenses		
Selling, general and administrative [note 12[b]]	76,554	83,911
Other operating expense (income) [note 12[c]]	4,247	(10,864)
Impairment recovery	(80)	—
Finance costs [note 12[d]]	16,593	18,951
Finance expense (income) [note 12[e]]	(1,273)	5,268
Share of associate's net loss [note 6]	142	—
	96,183	97,266
Profit (loss) before income taxes	(16,571)	3,849
Income tax expense (recovery) [note 13]		
Current	2,573	2,016
Deferred	(2,351)	(106)
	222	1,910
Profit (loss) for the period	(16,793)	1,939
Profit (loss) per share [note 14]		
Basic	(0.90)	0.10
Diluted	(0.90)	0.10

See accompanying notes

Ag Growth International Inc.

Unaudited interim condensed consolidated
statements of comprehensive income

[in thousands of Canadian dollars]

	Three-month period ended	
	March 31, 2025	March 31, 2024
	\$	\$
Profit (loss) for the period	(16,793)	1,939
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Change in fair value of derivatives designated as cash flow hedges gain (loss) [note 16[c]]	(283)	872
Realized loss (gain) on derivatives designated as cash flow hedges recognized in net earnings [note 16[c]]	86	(265)
Income tax effect on cash flow hedges	53	(163)
Exchange differences on translation of foreign operations	18,902	10,570
	18,758	11,014
Items that will not be reclassified to profit or loss		
Actuarial gain on defined benefit plans	108	719
Income tax effect on defined benefit plans	(29)	(193)
	79	526
Other comprehensive income for the period	18,837	11,540
Total comprehensive income for the period	2,044	13,479

See accompanying notes

Ag Growth International Inc.

Unaudited interim condensed consolidated statements of changes in shareholders' equity

[in thousands of Canadian dollars]

Three-month period ended March 31, 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 \$
As at January 1, 2025	12,985	22,868	502,182	(273,033)	31,735	(674)	3,275	(900)	298,438
Loss for the period	—	—	—	(16,793)	—	—	—	—	(16,793)
Other comprehensive income (loss)	—	—	—	—	18,902	(144)	79	—	18,837
Share-based payment transactions <i>[notes 10[a] and [b]]</i>	6,129	—	(6,832)	—	—	—	—	—	(703)
Dividends paid and payable to shareholders <i>[note 10[c]]</i>	—	—	—	(2,812)	—	—	—	—	(2,812)
Dividends on share-based compensation awards <i>[note 10[c]]</i>	—	—	—	(117)	—	—	—	—	(117)
Share repurchase under normal course issuer bid <i>[note 10[a]]</i>	(150)	—	—	(8,952)	—	—	—	—	(9,102)
As at March 31, 2025	18,964	22,868	495,350	(301,707)	50,637	(818)	3,354	(900)	287,748

See accompanying notes

Ag Growth International Inc.

Unaudited interim condensed consolidated statements of changes in shareholders' equity

[in thousands of Canadian dollars]

Three-month period ended March 31, 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 \$
As at January 1, 2024	10,303	22,868	499,217	(226,633)	10,352	41	2,736	(900)	317,984
Profit for the period	—	—	—	1,939	—	—	—	—	1,939
Other comprehensive income	—	—	—	—	10,570	444	526	—	11,540
Share-based payment transactions [notes 10[a] and [b]]	1,812	—	(2,527)	—	—	—	—	—	(715)
Dividends paid and payable to shareholders [note 10[c]]	—	—	—	(2,859)	—	—	—	—	(2,859)
Dividends on share-based compensation awards [note 10[c]]	—	—	—	(88)	—	—	—	—	(88)
As at March 31, 2024	12,115	22,868	496,690	(227,641)	20,922	485	3,262	(900)	327,801

See accompanying notes

Ag Growth International Inc.

Unaudited interim condensed consolidated statements of cash flows

[in thousands of Canadian dollars]

	Three-month period ended	
	March 31, 2025	March 31, 2024
	\$	\$
Operating activities		
Profit (loss) before income taxes	(16,571)	3,849
Add (deduct) items not affecting cash		
Depreciation of property, plant and equipment	7,107	7,216
Depreciation of right-of-use assets	2,782	1,982
Amortization of intangible assets	6,809	7,440
Loss on sale of property, plant and equipment	3	125
Gain on sale of assets held for sale	—	(325)
Gain on settlement of lease liability	(11)	(6)
Impairment recovery	(80)	—
Share of associate's net loss	142	—
Non-cash component of interest expense	2,435	2,516
Non-cash movement in derivative instruments	6,607	(7,816)
Non-cash investment tax credits	(15)	(11)
Share-based compensation expense	2,002	4,416
Defined benefit plan expense	72	41
Other	(1,225)	(3,778)
Translation loss on foreign exchange	11,851	9,215
	21,908	24,864
Net change in working capital balances related to operations <i>[note 15]</i>	(38,843)	(36,312)
Change in:		
Non-current accounts receivable	(34,205)	(4,613)
Other assets	—	(1,819)
Other financial liabilities	106	85
Transfer from (to) restricted cash	53	(81)
Proceeds from settlement of financial instruments	—	7,008
Settlement of EIAP obligation	(3,391)	(4,202)
Post-combination payments	(1,699)	(1,699)
Income taxes refunded (paid)	485	(1,406)
Cash used in operating activities	(55,586)	(18,175)
Investing activities		
Investment in associate <i>[note 6]</i>	(3,569)	—
Acquisition of property, plant and equipment	(3,947)	(3,513)
Proceeds from sale of property, plant and equipment	88	244
Proceeds from sale of assets held for sale	—	778
Development and acquisition of intangible assets	(2,260)	(2,168)
Sublease income, net of costs	43	(48)
Cash used in investing activities	(9,645)	(4,707)
Financing activities		
Increase in senior credit facilities, net of costs	73,750	22,692
Repayment of financial liability <i>[note 6]</i>	(737)	—
Repayment of obligation under lease liability	(2,770)	(1,890)
Change in interest accrued	3,904	6,200
Share repurchase under normal course issuer bid <i>[note 10[a]]</i>	(9,026)	—
Dividends paid in cash <i>[note 10[c]]</i>	(2,832)	(2,851)
Cash provided by financing activities	62,289	24,151
Net increase (decrease) in cash during the period	(2,942)	1,269
Cash and cash equivalents, beginning of period	79,893	88,042
Cash and cash equivalents, end of period	76,951	89,311
Supplemental cash flow information		
Interest paid	10,148	7,354

See accompanying notes

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.

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 three-month period ended March 31, 2025 were authorized for issuance in accordance with a resolution of the Directors on May 5, 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.

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 in determining how resources should be allocated. Certain corporate overheads 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 business includes the sale of grain and fertilizer handling equipment, aeration products and storage bins, primarily to farmers where on-farm storage practices are conducive to the

sale of portable handling equipment and smaller diameter storage bins for grain and fertilizer. Included in Farm are grain, seed, and fertilizer handling equipment; aeration products; grain and fuel storage solutions; and grain management technologies.

- Commercial: AGI's Commercial business includes the sale of larger diameter storage bins, high-capacity stationary grain handling equipment, fertilizer storage and handling systems, feed handling and storage equipment, aeration products, hazard monitoring systems, automated blending systems, control systems and food processing solutions. AGI's Commercial customers include large multi-national agri-businesses, grain handlers, regional cooperatives, contractors, food and animal feed manufacturers, and fertilizer blenders and distributors. Commercial equipment is used at port facilities for both the import and export of grains and other agricultural commodities, inland grain terminals, corporate farms, fertilizer distribution sites, ethanol production, oilseed crushing, commercial feed mills, rice mills and flour mills.

The following tables set forth information by segment:

	Three-month period ended	
	March 31, 2025	March 31, 2024
	\$	\$
Farm	95,095	188,986
Commercial	191,651	125,610
Revenue	286,746	314,596

During the three-month period ended March 31, 2025, revenue of \$116 million [2024 – \$61 million] was recognized over time in the Commercial segment.

	Three-month period ended March 31, 2025			
	Farm	Commercial	Other ^[1]	Total
	\$	\$	\$	\$
Profit (loss) before income taxes	10,555	16,492	(43,618)	(16,571)
Finance costs	—	—	16,593	16,593
Depreciation and amortization	7,506	7,865	1,888	17,259
Share of associate's net loss <i>[note 6]</i>	—	142	—	142
Gain on foreign exchange <i>[note 12[e]]</i>	—	—	(1,193)	(1,193)
Share-based compensation <i>[note 11]</i>	—	—	2,002	2,002
Loss on financial instruments <i>[note 16[c]]</i>	—	—	6,607	6,607
Transaction, transitional and other costs ^[2]	1,179	—	2,538	3,717
Enterprise Resource Planning ["ERP"] system transformation costs ^[3]	—	—	2,797	2,797
Net loss (gain) on sale of long-lived assets ^[4]	17	(13)	(12)	(8)
Impairment recovery	(80)	—	—	(80)
Adjusted EBITDA^[5]	19,177	24,486	(12,398)	31,265

	Three-month period ended March 31, 2024			
	Farm	Commercial	Other ^[1]	Total
	\$	\$	\$	\$
Profit (loss) before income taxes	38,258	5,154	(39,563)	3,849
Finance costs	—	—	18,951	18,951
Depreciation and amortization	6,964	8,326	1,855	17,145
Loss on foreign exchange	—	—	5,418	5,418
Share-based compensation	—	—	4,416	4,416
Gain on financial instruments	—	—	(7,816)	(7,816)
Transaction, transitional and other costs ^[2]	—	—	4,450	4,450
ERP system transformation costs ^[3]	—	—	4,125	4,125
Net loss (gain) on sale of long-lived assets ^[4]	(214)	6	2	(206)
Accounts receivable recovery for Russia and Ukraine	—	(268)	—	(268)
Adjusted EBITDA^[5]	45,008	13,218	(8,162)	50,064

[1] 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.

[2] Includes legal expense, 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 depreciation and amortization, financial expenses, operational restructuring costs and other, and income taxes. Adjusted EBITDA as defined above is not a measure of results that is consistent with IFRS.

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	
	March 31, 2025	March 31, 2024
	\$	\$
Canada	34,827	78,964
United States	107,385	148,319
International	144,534	87,313
	286,746	314,596

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 leverage their industrial construction project experience for the development and sale of turnkey, large-scale agriculture projects.

One of the agreements included a call option whereby AGI had the ability to purchase the shares held by the partner. During the three-month period ended March 31, 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 March 31, 2025, \$0.5 million remains as a financial liability.

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 March 31, 2025, the carrying value of the investment in associate was \$11.2 million, net of \$0.7 million foreign exchange [December 31, 2024 – \$7.0 million]. During the three-month period ended March 31, 2025, AGI's investment in the FIDC was \$3.6 million and share of associate's net loss was \$0.1 million.

7. Assets held for sale

In the Farm segment, buildings, land, grounds, and equipment in Saskatchewan relating to a facility that closed in 2022 met the definition of assets held for sale and were recorded at the lower of cost and fair value less cost to sell. During the three-month period ended March 31, 2025, an impairment charge of \$141 was recorded resulting in a carrying amount of the assets held for sale of \$1,377. Subsequent to March 31, 2025, a portion of these assets, with a carrying value of \$713, were sold, resulting in a loss of \$8.

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. As at March 31, 2025, the carrying amount of the assets held for sale is \$3,289.

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.

	March 31, 2025 \$	December 31, 2024 \$
Balance, beginning of period	26,989	16,813
Additional provisions recognized	2,469	20,080
Amounts utilized [note 18]	(19,969)	(9,904)
Balance, end of period	9,489	26,989

9. Long-term debt

	Maturity	March 31, 2025 \$	December 31, 2024 \$
Current portion of long-term debt			
Equipment financing	Various	253	281
Non-current portion of long-term debt			
Equipment financing	Various	609	639
Senior credit facilities	2028	643,032	568,904
		643,641	569,543
Less deferred financing costs		(3,998)	(3,931)
		639,643	565,612
Long-term debt		639,896	565,893

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 March 31, 2025, there is \$337.1 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 March 31, 2025, the portion of drawings from the senior credit facilities recorded on the swingline is \$37.5 million [December 31, 2024 – \$18.1 million].

10. 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	82,300	6,129
Normal course issuer bid – shares repurchased and cancelled	(224,900)	(150)
Balance, March 31, 2025	18,738,325	18,964

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.

During the three-month period ended March 31, 2025, under the ASPP, the Company repurchased 224,900 Common Shares, which were cancelled, for total cash consideration of \$9.0 million. The \$8.9 million excess of the consideration over the carrying amount of the cancelled common shares was charged to deficit.

Under the ASPP, the non-cancellable conditions do not exist at the reporting date, and therefore no liability due to the designated broker was recorded as at March 31, 2025.

[b] Contributed surplus

	March 31, 2025 \$	December 31, 2024 \$
Balance, beginning of period	502,182	499,217
Dividends on EIAP	117	414
Obligation under EIAP <i>[note 11[a]]</i>	3,234	12,755
Settlement of EIAP obligation	(10,183)	(10,204)
Balance, end of period	495,350	502,182

[c] Dividends paid and payable

In the three-month period ended March 31, 2025, the Company declared dividends of \$2,812 or \$0.15 per common share [2024 – \$2,859 or \$0.15 per common share] and dividends on share compensation awards of \$117 [2024 – \$88]. The dividend was paid on April 15, 2025 to common shareholders of record at the close of business on March 31, 2025. In the three-month period ended March 31, 2025, dividends paid to common shareholders was \$2,832 [2024 – \$2,851].

11. Share-based compensation plans

[a] Equity Incentive Award Plan [“EIAP”]

During the three-month period ended March 31, 2025, 165,306 [2024 – 126,490] 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 March 31, 2025, 714,198 awards have been granted and outstanding under the EIAP.

During the three-month period ended March 31, 2025, AGI expensed \$3,211 for the EIAP [2024 – \$3,106].

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	165,306	117,439
Vested	(87,806)	(102,854)
Forfeited	(1,976)	-
Balance, end of period	420,744	293,454

There is no exercise price on the EIAP awards.

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

For the three-month period ended March 31, 2025, (recovery) expenses of \$(1,209) [2024 – \$1,310] 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.

12. Disaggregated expenses (income)

	Three-month period ended	
	March 31, 2025	March 31, 2024
	\$	\$
[a] Cost of goods sold		
Depreciation of property, plant and equipment	6,734	6,673
Depreciation of right-of-use assets	1,257	789
Amortization of intangible assets	1,443	1,508
Warranty expense	2,469	2,242
Cost of inventory recognized as an expense	195,231	202,269
	207,134	213,481
[b] Selling, general and administrative expenses		
Depreciation of property, plant and equipment	934	1,050
Depreciation of right-of-use assets	1,525	1,193
Amortization of intangible assets	5,366	5,932
Transaction, transitional and other costs	3,717	4,450
ERP system transformation costs	2,797	4,125
Selling, general and administrative	62,215	67,161
	76,554	83,911
[c] Other operating expense (income)		
Net gain on sale of long-lived assets ^[1]	(8)	(206)
Loss (gain) on financial instruments	6,607	(7,816)
Other	(2,352)	(2,842)
	4,247	(10,864)

	Three-month period ended	
	March 31, 2025	March 31, 2024
	\$	\$
[d] Finance costs		
Interest on overdrafts and other finance costs	633	1,994
Effective interest, including non-cash interest, on leases	960	769
Effective interest, including non-cash interest, on debts and borrowings	9,158	7,774
Effective interest, including non-cash interest, on senior and convertible unsecured subordinated debentures	5,842	8,414
	<u>16,593</u>	<u>18,951</u>
[e] Finance expense (income)		
Interest income	(80)	(150)
Loss (gain) on foreign exchange	(1,193)	5,418
	<u>(1,273)</u>	<u>5,268</u>

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

13. Income taxes

The Company's effective tax rate for the three-month period ended March 31, 2025 was (1.34%) [2024 – 49.6%]. The difference between the effective tax rate and the Company's domestic statutory tax rate of 26.7% [2024 – 26.8%] is attributable to unrealized foreign exchanges gains (losses), non-deductible expenses, as well as differences in tax rates and deductions allowed in foreign tax jurisdictions.

14. 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	
	March 31, 2025	March 31, 2024
	\$	\$
Profit (loss) attributable to shareholders for basic and diluted profit (loss) per share	<u>(16,793)</u>	<u>1,939</u>
Basic weighted average number of shares	18,723,513	19,021,062
Dilutive effect of DDCP	—	100,042
Dilutive effect of RSUs	—	358,208
Diluted weighted average number of shares	<u>18,723,513</u>	<u>19,479,312</u>
Profit (loss) per share		
Basic	(0.90)	0.10
Diluted	<u>(0.90)</u>	<u>0.10</u>

The DDCP, RSUs, 2021 convertible debentures and 2022 convertible debentures were excluded from the calculation of diluted profit (loss) per share in the three-month period ended March 31, 2025, because their effect is anti-dilutive.

The 2021 and 2022 convertible debentures were excluded from the calculation of diluted profit (loss) per share in the three-month period ended March 31, 2024, because their effect is anti-dilutive.

15. 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	
	March 31, 2025 \$	March 31, 2024 \$
Accounts receivable	411	2,816
Inventory	(33,431)	(24,842)
Prepaid expenses and other assets	(3,324)	2,296
Accounts payable and accrued liabilities	4,243	(24,599)
Customer deposits	10,734	10,695
Provisions	(17,476)	(2,678)
	<u>(38,843)</u>	<u>(36,312)</u>

16. 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 three-month period ended March 31, 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.

[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:

	March 31, 2025		December 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$	\$	\$	\$
Interest-bearing loans and borrowings	639,896	633,020	565,893	559,071
Convertible unsecured subordinated debentures ^[1]	198,837	219,744	197,019	220,786
Senior unsecured subordinated debentures	84,085	83,017	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.

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 March 31, 2025, AGI's U.S. dollar denominated debt totaled 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. \$10,832 in aggregate with maturities up to May 30, 2025. During the three-month period ended March 31, 2025, an unrealized gain of \$447 [2024 – loss of \$217] was recorded in loss (gain) on financial instruments. As at March 31, 2025, the fair value of the forward contracts is a liability of \$44 [December 31, 2024 – liability of \$485].

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. On June 16, 2022, the Company entered into a forward interest rate swap contract starting 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 \$75,000 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-month period ended March 31, 2025, an unrealized loss of \$283 [2024 – gain of \$872] was recorded in other comprehensive income (loss) and a realized loss of \$86 [2024 – gain of \$265] was recorded in finance costs. As at March 31, 2025, the fair value of the interest rate swap is a liability of \$1,116 [December 31, 2024 – liability of \$919].

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 March 31, 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-month period ended March 31, 2025, an unrealized loss of \$6,706 [2024 – gain of \$4,575] was recorded in loss (gain) on financial instruments in other operating expense (income). As at March 31, 2025, the fair value of the equity swap is a liability of \$1,580 [December 31, 2024 – asset of \$5,120].

Debenture put options

On March 5, 2020, the Company issued the 2020 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 \$754. During the three-month period ended March 31, 2025, an unrealized loss of \$348 [2024 – loss of \$23] was recorded in loss (gain) on financial instruments in other operating expense (income). As at March 31, 2025, the fair value of the embedded derivative was an asset of \$1,082 [December 31, 2024 – asset of \$1,430].

17. Related party disclosures

Burnet, Duckworth & Palmer LLP provides legal services to the Company, and a Director of AGI is a partner of Burnet, Duckworth & Palmer LLP. During the three-month period ended March 31, 2025, the total cost of these legal services related to general matters was \$1,371 [2024 – \$404] and included in accounts payable and accrued liabilities and provisions as at March 31, 2025 is \$1,692 [December 31, 2024 – \$797].

These transactions are measured at the exchange amount and were incurred during the normal course of business.

18. Commitments and contingencies

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

As at March 31, 2025, the Company has commitments to purchase property, plant and equipment of \$3,857 [December 31, 2024 – \$5,007].

[b] Letters of credit

As at March 31, 2025, the Company has outstanding letters of credit in the amount of \$40,260 [December 31, 2024 – \$42,467].

[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 three-month period ended March 31, 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.