

AG GROWTH INTERNATIONAL INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
Dated: May 6, 2026

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, 2025, the MD&A of the Company for the year ended December 31, 2025 and the unaudited interim condensed consolidated financial statements of the Company and accompanying notes for the three-month period ended March 31, 2026. Results are reported in Canadian dollars unless otherwise stated.

This MD&A is based on the Company's unaudited interim condensed consolidated financial statements for the three-month period ended March 31, 2026 ("consolidated financial statements") based on International Financial Reporting Standards ("IFRS"), 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, grain elevator operators, and ethanol producers. 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 data, percentages, basis points ("bps")]	Three-month ended March 31			
	2026 \$	2025 \$	Change \$	Change %
Revenue	282,167	286,746	(4,579)	(2%)
Adjusted EBITDA ^{[1][2]}	25,200	31,265	(6,065)	(19%)
Adjusted EBITDA Margin % ^[3]	8.9%	10.9%	(197) bps	(18%)
Loss before income taxes	(43,626)	(16,571)	(27,055)	N/A
Loss attributable to shareholders	(44,244)	(16,793)	(27,451)	N/A
Diluted loss per share attributable to shareholders	(2.35)	(0.90)	(1.45)	N/A
Adjusted loss ^{[1][4]}	(5,389)	(4,811)	(578)	N/A
Diluted adjusted loss per share ^{[3][4]}	(0.29)	(0.26)	(0.03)	N/A

[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 – 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 loss per share attributable to shareholders and diluted adjusted loss per share".

Consolidated Operating Segment Results Summary

[thousands of dollars except percentages]	Three-month ended March 31			
	2026 \$	2025 \$	Change \$	Change %
Revenue ^[1]				
Farm	102,003	95,095	6,908	7%
Commercial	180,164	191,651	(11,487)	(6%)
Total	282,167	286,746	(4,579)	(2%)

[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.

[thousands of dollars except percentages]	Three-month ended March 31			
	2026 \$	2025 \$	Change \$	Change %
Adjusted EBITDA ^{[1][2]}				
Farm	18,921	19,177	(256)	(1%)
Commercial	13,606	24,486	(10,880)	(44%)
Other ^[3]	(7,327)	(12,398)	5,071	N/A
Total	25,200	31,265	(6,065)	(19%)

- [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 – 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.

	Three-month ended March 31			
	2026	2025	Change	Change
	%	%	basis points ("bps")	%
Adjusted EBITDA Margin % ^[1]				
Farm	18.5%	20.2%	(162) bps	(8%)
Commercial	7.6%	12.8%	(522) bps	(41%)
Other ^[2]	(2.6%)	(4.3%)	173 bps	N/A
Consolidated	8.9%	10.9%	(197) bps	(18%)

- [1] This is a non-IFRS ratio and is used throughout this MD&A. See “NON-IFRS AND OTHER FINANCIAL MEASURES” for more information on each non-IFRS ratio.
- [2] Included in Other is the corporate office, which is not a reportable segment, and which provides finance, treasury, legal, human resources and other administrative support to the segments. The Adjusted EBITDA Margin % for Other is calculated based on total revenue since it does not generate revenue without the segments.

Consolidated Results Summary

AGI reported consolidated revenue and Adjusted EBITDA of \$282 million and \$25 million, respectively, for the first quarter (“Q1”) of 2026, representing year-over-year (“YOY”) declines of 2% and 19%, respectively, as margin pressure in the Commercial segment persisted amid challenging market conditions.

Farm segment performance reflected meaningful timing-related impacts. Canada Farm delivered a stronger YOY result largely due to an unusually weak prior year comparable driven by tariff-related pre-shipments into the U.S. in Q1 2025. These same dynamics created an offsetting headwind in U.S. Farm for Q1 2026, which benefited from elevated pre-tariff activity in the prior year. Farm segment margins softened slightly due to product mix with a higher weighting of storage products. Excluding the tariff-related timing effects, underlying conditions across the North American Farm market remain tepid.

Commercial revenue declined YOY, reflecting continued softness in North America and mixed international performance, partially offset by the progression of legacy projects in Brazil. Commercial Adjusted EBITDA margins compressed due to lower permanent material handling volumes in North America and market-driven volume softness in India, partially offset by cost containment and workforce actions. With mitigation measures in place, we expect gradual improvement in Commercial segment margins as volumes recover, though a full margin recovery will require stronger demand across key Commercial markets.

Selling, general and administrative expenses, excluding transaction, transitional and other costs (recovery), Enterprise Resource Planning (“ERP”) system transformation costs, and depreciation and amortization, were \$9.7 million lower than in Q1 2025, largely due to a decrease in salaries and wages that resulted from recent restructuring initiatives.

Farm Segment Summary

Farm segment results improved YOY, with revenue increasing 7% YOY to \$102 million as higher sales in Canada were partially offset by lower U.S. sales.

The prior year period included tariff-driven pre-shipments into the U.S. that would otherwise have been directed to Canadian customers, resulting in an unusually weak comparable period for Canada Farm and an unusually strong comparable period for U.S. Farm as demand was effectively pulled forward in Q1 2025. While these timing-related factors affected the geographic distribution of sales between Canada and the U.S., the overall increase in North America Farm sales reflects some early signs of improvement in underlying demand as dealers continue to make progress towards normalization of overall inventory levels.

Adjusted EBITDA for the Farm segment was flat YOY, with margins decreasing to 18.5% in Q1 2026 from 20.2% in the prior period, primarily due to an overall higher mix of lower-margin storage equipment, partially offset by cost-saving initiatives.

Commercial Segment Summary

Commercial segment revenue declined 6% YOY to \$180 million, with performance varying by region, as soft conditions in North America persisted and international results were broadly flat amid mixed regional dynamics.

Brazil delivered higher revenue driven by the continued progression of legacy large-scale comprehensive projects, which will be completed throughout 2026 but are not expected to be backfilled with similar contracts that include general contractor services and financing terms. Elsewhere, conditions remained challenging. EMEA (Europe, Middle East and Africa) results declined YOY as the prior year benefited from large contract wins in the Middle East. In India, regional conflict, low rice prices, and evolving government policies created near-term revenue and margin headwinds. North America Commercial also faced ongoing pressure from a challenging market environment, as well as lower volumes in its permanent material handling business.

Adjusted EBITDA for the Commercial segment declined from \$24.5 million in Q1 2025 to \$13.6 million in Q1 2026, with margins compressing from 12.8% to 7.6%, a contraction of approximately 520 basis points. Approximately half of this margin compression is attributable to North America Commercial, with the balance driven primarily by India and, to a lesser extent, EMEA.

In North America, lower volumes in the permanent material handling business were the primary driver of margin pressure. Given limited near-term workforce flexibility at our flagship North America permanent material handling facility, we absorbed the cost of maintaining skilled labour and focused on increasing the order book going into the second quarter (“Q2”) of 2026. This impacted margins in Q1, but more aggressive pricing in a challenging market enabled us to build our Q2 order book to levels that will improve labour force utilization. While this decision contributed to margin compression in Q1, the Company recognizes the difficulty and cost of rebuilding this talent base and views workforce preservation as a critical investment in the business. In parallel, short-term pricing actions are being taken to improve our competitive positioning and drive additional volumes through a challenging market backdrop. These actions are expected to help mitigate some of the margin pressure experienced by our North America Commercial business as volumes recover.

In India, revenue and margin headwinds were driven by market-related volume softness both domestically within India as well as in export markets. Export demand weakened due to ongoing regional conflicts, while persistently low rice prices pressured core rice miller customer operations. In addition, evolving government policies, particularly on tighter rice content requirements, further constrained demand. In response, the Company took significant workforce reduction actions in early Q2, which will help mitigate some of the margin pressure experienced in Q1 until demand begins to strengthen.

With the above actions in motion, the Company expects to see some sequential improvement in Q2 Commercial segment margins, even against a continued soft volume backdrop. That said, a more fulsome recovery to typical margin levels will require a corresponding recovery in volumes across our key Commercial markets.

Outlook

The consolidated order book¹ totaled \$589 million at March 31, 2026, down 19% YOY, reflecting softness in Commercial, partially offset by a modest improvement in the Farm order book.

The Farm order book increased YOY, supported by early signs of improvement in both Canada and U.S. Farm. While recent ordering activity provides some encouraging near-term signals in select areas, the order book remains below historic levels and it is too early to indicate any meaningful shift in broader market conditions. Farmers continue to face significant headwinds, including elevated input costs and ongoing uncertainty across the agriculture sector.

The Commercial order book declined YOY, primarily reflecting skewed comparables from large project wins included in the prior year order book, particularly in EMEA, as well as continued softness in North American Commercial as well as India. This was partially offset by meaningful growth in equipment-only Commercial project wins in Brazil, where the opportunity pipeline remains active despite the strategic shift away from capital-intensive large-scale projects.

Business Updates

After quarter end, approximately \$105 million related to long-term accounts receivable in Brazil was released from escrow. Of this amount, approximately \$55 million has been received into AGI-controlled accounts, with the remaining balance in the final stages of administrative transfer, which is expected to be completed in May 2026. These proceeds will be applied towards the outstanding debt on our senior credit facilities.

In addition, management continued to execute a series of restructuring and simplification initiatives focused on improving operating efficiency and permanently lowering the Company's structural cost base. These actions include workforce reductions and organizational delayering, consolidation of overlapping corporate and regional functions, footprint rationalization across selected facilities, and the decision to halt the multi-year ERP transformation to preserve cash and reduce costs as well as complexity. As a result, management now expects annualized savings to exceed the previously disclosed expectation of at least \$20 million, with a refined figure of at least \$30 million in annualized

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.

cost savings as actions are fully implemented. Non-recurring restructuring charges of \$12 million, related primarily to severance and termination of the ERP project, were incurred in the first quarter.

Subsequent to the end of the first quarter, a change to AGI's executive management team was made with the resignation of Jim Rudyk as the Chief Financial Officer ("CFO") and the appointment of Nicolle Parker as Interim CFO. Throughout this transition, management and the Board remain focused on maintaining continuity in financial reporting, governance, and internal control processes, while minimizing disruption to the business and supporting the continued execution of the Company's strategic priorities. The Board of Directors has initiated a search process to identify a permanent CFO.

OPERATING RESULTS

Revenue by Geography²

[thousands of dollars except percentages]	Three-month ended March 31			
	2026 \$	2025 \$	Change \$	Change %
Canada	55,222	34,827	20,395	59%
U.S.	84,489	107,385	(22,896)	(21%)
International	142,456	144,534	(2,078)	(1%)
Total Revenue	282,167	286,746	(4,579)	(2%)

Revenue by Segment and Geography³

Farm Segment

[thousands of dollars except percentages]	Three-month ended March 31			
	2026 \$	2025 \$	Change \$	Change %
Canada	45,696	23,547	22,149	94%
U.S.	44,624	58,864	(14,240)	(24%)
International	11,683	12,684	(1,001)	(8%)
Total Revenue	102,003	95,095	6,908	7%

Commercial Segment

[thousands of dollars except percentages]	Three-month ended March 31			
	2026 \$	2025 \$	Change \$	Change %
Canada	9,526	11,280	(1,754)	(16%)
U.S.	39,865	48,521	(8,656)	(18%)
International	130,773	131,850	(1,077)	(1%)
Total Revenue	180,164	191,651	(11,487)	(6%)

² 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.

³ 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.

Order Book

The following table presents YOY changes in the Company's order book^[1] as at March 31, 2026:

[thousands of dollars except percentages]	2026	2025	Change	As at March 31 Change
	\$	\$	\$	%
Order book	588,900	724,543	(135,643)	(19%)

[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.

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

Canada Farm delivered a meaningful YOY improvement in the first quarter of 2026, reflecting a combination of improved underlying demand and a favorable prior-year comparable. The prior year period was impacted by tariff-related pre-shipments into the U.S. that would otherwise have been directed to Canadian customers, resulting in a weaker comparable period for Canada Farm. While this timing effect contributed to the YOY improvement, results also reflect early signs of dealer inventory normalization.

The Q1 result was driven by activity across both permanent and portable grain handling solutions, with permanent equipment predominately contributing to revenue and overall results. Margin performance for Canada Farm increased significantly YOY reflecting improved operating leverage from higher overall volume on a more streamlined cost structure.

The Canada Farm order book increased YOY, providing improved near-term visibility, but remains below levels achieved in prior years and should be viewed cautiously. While recent order activity suggests some stabilization, customer purchasing behavior continues to be influenced by elevated input costs and broader macroeconomic uncertainty. Management remains focused on execution initiatives aimed at improving the customer experience, including faster quoting, improved on-time delivery, and pricing actions.

United States

U.S. Farm financial performance declined YOY in the first quarter of 2026, driven by lower volumes across both portable and permanent grain handling equipment as Q1 2025 benefited from elevated pre-buy activity ahead of the implementation of U.S. trade tariffs, pulling demand forward and creating a difficult YOY comparison. Lower shipment volumes in Q1 2026 pressured manufacturing absorption and hampered margins.

Excluding these timing effects, underlying market conditions still remain challenging. Customer purchasing behavior continued to be influenced by soft commodity prices, uncertainty around trade and tariff dynamics, and broader macroeconomic and geopolitical pressures, weighing on farmer sentiment and near-term capital spending.

Despite weaker results, the U.S. Farm order book increased YOY, supported by improved customer engagement and early-order program participation. As some sales were pulled forward from Q2 2025 into Q1 2025, we anticipate our Q2 2026 results to demonstrate some incremental growth given a softer comparable period. However, once tariff-driven timing impacts are removed, the outlook for growth in the second half of 2026 (“H2 2026”) in U.S. Farm is guarded given ongoing market challenges.

Management remains focused on disciplined improvement of customer-critical metrics, consistent with the approach in Canada Farm, and enabled by a more efficient and integrated North American Farm operating structure with unified senior leadership.

International

International Farm segment results declined modestly YOY in the first quarter of 2026. The decline was driven primarily by softer performance in Brazil following a period of stronger activity, partially offset by improved results in Australia driven by stable customer demand for portable grain handling products. While international markets continue to demonstrate pockets of resilience, International Farm remains a relatively small contributor to consolidated Farm segment results.

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

Canada Commercial revenue declined modestly YOY in the first quarter of 2026, reflecting continued softness in customer capital spending directly contributing to fewer project awards. Prior year results also benefited from higher levels of large project activity, particularly in our fertilizer and food equipment product lines, as well as some contributions from operations that have since been divested, creating a more challenging comparable. Consistent with these conditions, order book levels declined YOY, driven by fewer near-term project awards and cautious customer decision-making.

United States

U.S. Commercial financial performance declined YOY in Q1 2026 primarily reflecting reduced volumes following the completion of several projects in 2025, alongside softer demand across portions of the U.S. Commercial Food platform. Lower volumes, combined with production efficiency challenges at certain key facilities, resulted in margin compression during the quarter, as described above. Margin saving initiatives for underperforming U.S. Commercial facilities have been initiated across the first half of 2026 and will help mitigate margin compression through H2 2026. In parallel, the Company is taking steps to sharpen its competitive positioning in the permanent material handling business by implementing more competitive pricing strategies in the near term to support volume recovery while accelerating investment in product innovation over the medium term to strengthen the competitiveness of its product offerings. The overall outlook for this business remains guarded as order book levels declined YOY, driven by fewer large project awards and continued customer caution amid an uncertain macroeconomic environment. However, the Company believes that the pricing and innovation

initiatives underway will better position the business to compete for available opportunities as market conditions stabilize.

International

International Commercial revenue was relatively stable YOY in the first quarter of 2026, though results varied meaningfully by region. Brazil delivered higher revenue driven by the continued progression of legacy large-scale comprehensive projects secured in prior periods. This strength was largely offset by softer volumes in India and EMEA.

In India, conditions deteriorated meaningfully, as domestic market headwinds and geopolitical events weighed on both domestic and export demand. Excess rice inventories across the country have reduced near-term demand for new rice milling equipment while ongoing regional conflict has curtailed order flow from key export markets that have historically been significant customers. Evolving government policy related to rice fortification requirements has added a further layer of uncertainty, causing customers to defer investment decisions. These dynamics collectively drove a meaningful reduction in India volumes during the quarter. Results in EMEA also reflected a challenging YOY comparison, as the prior period benefited from large contract wins in the Middle East. As a result, while top-line results were broadly flat, underlying demand conditions across International Commercial remain uneven, with the recovery path for India in particular dependent on a gradual normalization of the market forces described above.

The International Commercial order book declined YOY, driven by lower order intake in EMEA and India, partially offset by growth in Brazil. The increase in Brazil order book reflects success in securing traditional, equipment-only Commercial projects under standard terms and was achieved despite the strategic decision to pause new large-scale comprehensive projects that require general contractor services and customer financing. While this strategic reset limits the Company's ability to fully replenish the elevated order book levels achieved in 2025, it represents a deliberate shift toward lower-risk, capital-light opportunities with improved cash conversion and risk-adjusted returns. Going forward, management remains focused on expanding the pipeline of traditional Commercial projects in Brazil, though we note that a heavier weighting of traditional equipment-only projects presents a moderate headwind to margin performance for the Brazilian business as well as the overall International Commercial segment.

DETAILED OPERATING RESULTS

	Three-month ended March 31	
	2026	2025
[thousands of dollars except per share data]	\$	\$
Revenue	282,167	286,746
Cost of goods sold		
Cost of inventories	202,693	197,700
Depreciation and amortization	9,036	9,434
	211,729	207,134
Selling, general and administrative expenses		
Selling, general & administrative expenses	52,507	62,215
Transaction, transitional and other costs ^[1]	7,752	3,717
Enterprise Resource Planning ("ERP") system transformation costs ^[2]	8,652	2,797
Depreciation and amortization	7,108	7,825
	76,019	76,554
Other operating expense (income)		
Net loss (gain) on sale of long-lived assets ^[3]	1,260	(8)
Net loss on financial instruments ^[4]	1,775	6,607
Other	(2,603)	(2,352)
	432	4,247
Finance costs	18,208	16,593
Finance expense (income)	3,750	(1,273)
Impairment charge (recovery)	10,383	(80)
Share of associate's net loss ^[5]	5,272	142
Loss before income taxes	(43,626)	(16,571)
Income tax expense (recovery)	(3,537)	222
Loss for the quarter	(40,089)	(16,793)
Loss per share attributable to shareholders		
Basic	(2.35)	(0.90)
Diluted	(2.35)	(0.90)

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

[2] Expenses incurred in connection with a global multi-year ERP transformation project, which was terminated in the first quarter of 2026.

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

[4] See "Equity swap".

[5] See "Note 6 – Brazil operations" in our consolidated financial statements.

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, 2026 was a loss of \$3.8 million [Q1 2025 – gain of \$1.2 million]. The change is primarily due to the effect of non-cash translation of the Company's U.S. dollar denominated long-term debt as the exchange rate decreased

from 1.3706 at December 31, 2025 to 1.3939 at March 31, 2026. 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, 2026, was \$1.37 [Q1 2025 – \$1.44]. 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, 2026, excluding transaction, transitional and other costs (recovery), ERP system transformation costs, and depreciation and amortization, were \$52.5 million [18.6% of revenue] [Q1 2025 – \$62.2 million [21.7% of revenue]]. The decrease is primarily the result of a \$10.6 million decrease in salaries and wages that resulted from recent restructuring initiatives. All remaining changes were comprised of individual variances of less than \$2.0 million.

Transaction, transitional and other costs (recovery) are typically comprised of: 1) transitional costs related to reorganizations; 2) legal and other advisory fees related to various matters; and 3) accretion and other movement in amounts due to vendors related to past acquisitions.

In Q1 2026, transaction, transitional and other costs increased YOY from \$3.7 million to \$7.8 million. The increase was primarily driven by restructuring costs of \$6.6 million as the Company significantly reduced its executive leadership team and consolidated corporate functions to its corporate headquarters in Winnipeg as announced in March 2026. The increase in transaction, transitional and other costs YOY was partially offset by the absence of litigation-related costs and reduced expenditures associated with facility closures during Q1 2026.

Other operating expense (income)

Other operating expense (income) for the three-month period ended March 31, 2026, was an expense of \$0.4 million [Q1 2025 – expense of \$4.2 million] and was driven primarily by mark-to-market adjustments on financial instruments [see “Equity swap”]. Interest income from customer financing arrangements is also reflected in Other operating expense (income).

Finance costs

Finance costs, which represent interest incurred, including non-cash interest, on all debt for the three-month period ended March 31, 2026 were \$18.2 million [Q1 2025 – \$16.6 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, 2026, was an expense of \$3.8 million [Q1 2025 – income of \$1.3 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 1.3706 at December 31, 2025 to 1.3939 at March 31, 2026.

Impairment Charge

During the first quarter of 2026, the Company recorded impairment charges related to certain assets as part of its strategic actions to simplify the business, reduce costs, and preserve balance sheet flexibility. This included a \$5.1 million impairment of a right-of-use asset following the decision to close the Naperville, Illinois corporate office, effective June 30, 2026. The impairment assessment reflects management's current assumptions regarding the timing and expected level of sublease income based on available market data, and these assumptions will be reassessed on a quarterly basis.

In addition, the Company recorded approximately \$5.0 million of impairment related to prepaid amounts associated with a terminated business transaction in Brazil, reflecting management's focus on exiting non-strategic activities and discontinuing investments that are not expected to generate future economic benefits.

Loss before income taxes and Adjusted EBITDA

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

[thousands of dollars]	Three-month ended March 31	
	2026	2025
	\$	\$
Loss before income taxes	(43,626)	(16,571)
Finance costs	18,208	16,593
Depreciation and amortization	16,144	17,259
Share of associate's net loss ^[1]	5,272	142
Loss (gain) on foreign exchange ^[2]	3,761	(1,193)
Share-based compensation expense (recovery) ^[3]	(4,381)	2,002
Net loss on financial instruments ^[4]	1,775	6,607
Transaction, transitional and other costs ^[5]	7,752	3,717
ERP system transformation costs ^[6]	8,652	2,797
Net loss (gain) on sale of long-lived assets ^[7]	1,260	(8)
Impairment charge (recovery)	10,383	(80)
Adjusted EBITDA ^[8]	25,200	31,265

[1] See "Note 6 – Brazil operations" 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 and advisory fees, legal provision, transitional costs related to reorganizations, other acquisition related transition costs, and accretion and other movement in amounts due to vendors.

[6] Expenses incurred in connection with a global multi-year ERP transformation project, which was terminated in the first quarter of 2026.

[7] Includes gain/loss on sale of property, plant, and 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

[thousands of dollars]	Three-month ended March 31, 2026			
	Farm \$	Commercial \$	Other ^[10] \$	Total \$
Profit (loss) before income taxes	11,732	(5,679)	(49,679)	(43,626)
Finance costs	—	—	18,208	18,208
Depreciation and amortization ^[1]	6,650	7,677	1,817	16,144
Share of associate's net loss ^[2]	—	5,272	—	5,272
Loss on foreign exchange ^[3]	—	—	3,761	3,761
Share-based compensation recovery ^[4]	—	—	(4,381)	(4,381)
Net loss on financial instruments ^[5]	—	—	1,775	1,775
Transaction, transitional and other costs ^[6]	354	—	7,398	7,752
ERP system transformation costs ^[7]	—	—	8,652	8,652
Net loss (gain) on sale of long-lived assets ^{[1][8]}	(28)	1,293	(5)	1,260
Impairment charge	213	5,043	5,127	10,383
Adjusted EBITDA^[9]	18,921	13,606	(7,327)	25,200

[thousands of dollars]	Three-month ended March 31, 2025			
	Farm \$	Commercial \$	Other ^[10] \$	Total \$
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 expense ^[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

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

[2] See "Note 6 – Brazil operations" 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 and advisory fees, legal provision, transitional costs related to reorganizations, other acquisition related transition costs, and accretion and other movement in amounts due to vendors.

[7] Expenses incurred in connection with a global multi-year ERP transformation project, which was terminated in the first quarter of 2026.

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

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

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

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

[thousands of dollars]	Three-month ended March 31, 2026				
	Canada	US	International	Other ^[10]	Total
	\$	\$	\$	\$	\$
Profit (loss) before income taxes	4,191	1,677	175	(49,669)	(43,626)
Finance costs	—	—	—	18,208	18,208
Depreciation and amortization ^[1]	4,395	5,342	4,599	1,808	16,144
Share of associate's net loss ^[2]	—	—	5,272	—	5,272
Loss on foreign exchange ^[3]	—	—	—	3,761	3,761
Share-based compensation recovery ^[4]	—	—	—	(4,381)	(4,381)
Net loss on financial instruments ^[5]	—	—	—	1,775	1,775
Transaction, transitional and other costs ^[6]	—	354	—	7,398	7,752
ERP system transformation costs ^[7]	—	—	—	8,652	8,652
Net loss (gain) on sale of long-lived assets ^{[1][8]}	(25)	(6)	1,297	(6)	1,260
Impairment charge	213	—	5,043	5,127	10,383
Adjusted EBITDA ^[9]	8,774	7,367	16,386	(7,327)	25,200

[thousands of dollars]	Three-month ended March 31, 2025				
	Canada	US	International	Other ^[10]	Total
	\$	\$	\$	\$	\$
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 expense ^[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

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

[2] See "Note 6 – Brazil operations" 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 and advisory fees, legal provision, transitional costs related to reorganizations, other acquisition related transition costs, and accretion and other movement in amounts due to vendors.

[7] Expenses incurred in connection with a global multi-year ERP transformation project, which was terminated in the first quarter of 2026.

[8] Includes gain/loss on sale of property, plant, and 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, 2026 decreased to \$25.2 million from \$31.3 million for the same period last year. Results were driven primarily by lower profitability in the Commercial segment amid softness in North America and India as discussed above.

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, 2026 was \$16.1 million [Q1 2025 – \$17.3 million].

Income tax expense

Current income tax expense

Current income tax expense for the three-month period ended March 31, 2026 was \$2.4 million [Q1 2025 – \$2.6 million].

Deferred income tax expense (recovery)

Deferred income tax expense (recovery) for the three-month period ended March 31, 2026 was a recovery of \$5.9 million [Q1 2025 – recovery of \$2.4 million]. The deferred income tax recovery in 2026 relates to the recognition of temporary differences between the accounting and tax treatment of the property, plant and equipment and tax loss carryforwards.

	Three-month ended March 31	
	2026	2025
[thousands of dollars except percentages]	\$	\$
Current tax expense	2,394	2,573
Deferred tax recovery	(5,931)	(2,351)
Total tax expense (recovery)	(3,537)	222
Loss before income taxes	(43,626)	(16,571)
Effective income tax rate	8.1%	(1.3%)

The effective tax rate in Q1 2026 was impacted by items that were included in the calculation of loss before income taxes for accounting purposes but were not included or deducted for tax purposes. The difference in effective tax rates from the statutory rate of 26.6% for the three-month ended March 31, 2026 was primarily attributable to tax losses not recognized and non-deductible expenses.

Diluted loss per share attributable to shareholders and diluted adjusted loss per share

The Company's diluted adjusted loss per share for the three-month period ended March 31, 2026, was a loss of \$0.29 [Q1 2025 – loss of \$0.26]. Diluted adjusted loss per share has been impacted by the items enumerated in the table below, which reconciles loss attributable to shareholders to adjusted loss.

	Three-month ended March 31	
	2026	2025
[thousands of dollars except per share data]	\$	\$
Loss attributable to shareholders	(44,244)	(16,793)
Diluted loss per share attributable to shareholders	(2.35)	(0.90)
Share of associate's net loss ^[1]	5,272	142
Loss (gain) on foreign exchange ^[2]	3,761	(1,193)
Net loss on financial instruments ^[3]	1,775	6,607
Transaction, transitional and other costs ^[4]	7,752	3,717
ERP system transformation costs ^[5]	8,652	2,797
Net loss (gain) on sale of long-lived assets ^[6]	1,260	(8)
Impairment charge (recovery)	10,383	(80)
Adjusted loss ^[7]	(5,389)	(4,811)
Diluted adjusted loss per share ^[8]	(0.29)	(0.26)

[1] See "Note 6 – Brazil operations" 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 and advisory fees, legal provision, transitional costs related to reorganizations, other acquisition related transition costs, and the accretion and other movement in amounts due to vendors.

[5] Expenses incurred in connection with a global multi-year ERP transformation project, which was terminated in the first quarter of 2026.

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

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

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

QUARTERLY FINANCIAL INFORMATION

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

2026					
	Average USD/CAD Exchange Rate	Revenue \$	Loss \$	Basic Loss per Share Attributable to Shareholders \$	Diluted Loss per Share Attributable to Shareholders \$
Q1	1.37	282,167	(40,089)	(2.35)	(2.35)
YTD	1.37	282,167	(40,089)	(2.35)	(2.35)

2025					
	Average USD/CAD Exchange Rate	Revenue \$	Profit (Loss) \$	Basic Profit (Loss) per Share Attributable to Shareholders \$	Diluted Profit (Loss) per Share Attributable to Shareholders \$
Q1	1.44	286,746	(16,793)	(0.90)	(0.90)
Q2	1.38	348,560	24,512	1.30	1.21
Q3	1.38	389,434	15,599	0.83	0.80
Q4	1.39	395,770	(47,283)	(2.64)	(2.64)
FY 2025	1.40	1,420,510	(23,965)	(1.41)	(1.41)

2024					
	Average USD/CAD Exchange Rate	Revenue \$	Profit (Loss) \$	Basic Profit (Loss) per Share \$	Diluted Profit (Loss) per Share \$
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)

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

- Revenue, profit (loss), and basic and diluted profit (loss) per share attributable to shareholders 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 "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, 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 and debt service requirements.

CASH FLOW AND LIQUIDITY

	Three-month ended March 31	
	2026	2025
[thousands of dollars]	\$	\$
Loss before income taxes	(43,626)	(16,571)
Items not involving current cash flows	64,739	42,383
Cash flows provided by operations	21,113	25,812
Net change in working capital balances related to operations	(40,008)	(38,843)
Transfer from (to) restricted cash	(110)	53
Change in non-current accounts receivable	(42,574)	(34,205)
Change in other financial liabilities	114	106
Settlement of equity incentive award plan obligation	(3,211)	(3,391)
Post-combination payments	—	(1,699)
Income taxes recovered (paid)	(1,420)	485
Cash used in operating activities	(66,096)	(51,682)
Cash used in investing activities	(3,243)	(9,645)
Cash provided by financing activities	51,854	58,385
Net decrease in cash during the period	(17,485)	(2,942)
Balance beginning of period, prior to restatement for IFRS 9 amendments	45,659	79,893
Adjustment on adoption of IFRS 9 amendments	2,463	—
Cash, beginning of period	48,122	79,893
Cash, end of period	30,637	76,951

The increase in cash used in operating activities for the three-month period ended March 31, 2026 of \$66.1 million as compared to \$51.7 million for the same period in 2025 was primarily due to net changes in working capital balances related to our operations in Brazil as well as larger non-current accounts receivable balances relating to the progression of Brazil's large-scale comprehensive projects.

As part of our efforts to improve financial flexibility, we have paused offering general contractor and financing solutions in Brazil for new large-scale comprehensive project opportunities until balance sheet conditions strengthen. While we will continue to execute on existing large-scale comprehensive project commitments, we intend to participate in the Brazil market primarily as an equipment supplier under normal commercial terms.

Subsequent to March 31, 2026, approximately \$105 million related to long-term accounts receivable in Brazil was released from escrow. Of this amount, approximately \$55 million has been received into AGI-controlled accounts, with the remaining balance in the final stages of administrative transfer, which is expected to be completed in May 2026. These proceeds will be applied towards the outstanding debt on our senior credit facilities.

The decrease in cash used in investing activities for the three-month period ended March 31, 2026 of \$3.2 million as compared to \$9.6 million for the same period in 2025 was primarily due to reduced capital expenditures and development of internally generated intangible assets.

The decrease in cash provided by financing activities for the three-month period ended March 31, 2026 of \$51.9 million as compared to \$58.4 million for the same period in 2025 primarily relates to a YOY decrease in borrowing of our senior credit facilities, net of costs. During Q1 2026, the net increase of the senior credit facilities was \$54.3 million as compared to a net increase of \$73.8 million in 2025. Also included in financing activities in the current quarter are cash contributions of \$3.8 million received in Q1 2026 from non-controlling interests related to our large-scale comprehensive projects in Brazil (see Note 6 in our consolidated financial statements).

Free Cash Flow

Free cash flow is defined as cash provided by (used in) operating activities, less capital expenditures (or acquisition of property, plant and equipment) and intangible asset investments (or development and purchase of intangibles). This measure represents cash generated by AGI's business that could be directed to fund strategic initiatives or reduce debt 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-month ended March 31		Last Twelve-months ended March 31	
	2026	2025	2026	2025
[thousands of dollars]	\$	\$	\$	\$
Cash provided by (used in) operating activities	(66,096)	(51,682)	(94,048)	71,116
Less: acquisition of property, plant and equipment	(2,287)	(3,947)	(19,258)	(23,479)
Less: development and purchase of intangibles	(1,089)	(2,260)	(9,687)	(8,718)
Free cash flow ^[1]	(69,472)	(57,889)	(122,993)	38,919

[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, 2026, free cash flow was \$(69.5) million [Q1 2025 – \$(57.9) million]. The decrease in free cash flow was driven by cash used by operations of \$66.1 million

as a result of increased working capital requirements primarily due to our operations in Brazil. This compares to cash used by operations of \$51.7 million in Q1 2025. The approximately \$105 million released from escrow, of which approximately \$55 million was received by AGI subsequent to March 31, 2026, will contribute to free cash flow.

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 Q3. Inventory levels in North America typically increase in the first and second quarters and then begin to decline in the third or fourth quarter as revenue levels exceed production offset by the seasonality of our operations in India that is opposite of that described above. In addition, our business in Brazil is less seasonal due to the existence of two growing seasons in the country and the increasing importance of Commercial business in the region. Growth in the overall international business, including the recent large-scale comprehensive projects in Brazil, which typically has longer payment terms than North America, may result in an increase in the number of days accounts receivable remain outstanding and may result in increased usage of working capital in certain quarters.

Capital Expenditures

	Three-month ended March 31	
	2026	2025
[thousands of dollars except percentages]	\$	\$
Maintenance capital expenditures ^[1]	2,287	1,832
Non-maintenance capital expenditures ^[1]	—	2,115
Acquisition of property plant and equipment	2,287	3,947
Maintenance capital expenditures as % of Revenue ^[1]	0.8%	0.6%

[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, 2026, was \$2.3 million [Q1 2025 – \$3.9 million].

Maintenance capital expenditures in the three-month period ended March 31, 2026, were \$2.3 million; 0.8% of revenue [Q1 2025 – \$1.8 million; 0.6% 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, 2026, of nil [Q1 2025 – \$2.1 million]. The decrease YOY primarily reflects a more selective and disciplined approach to capital allocation as the Company prioritizes prudence in evaluating discretionary investment opportunities.

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, 2026, the Company's contractual obligations for the periods indicated:

[thousands of dollars]	Total \$	2026 \$	2027 \$	2028 \$	2029 \$	2030+ \$
2020 Debentures	85,000	85,000	—	—	—	—
2021 Convertible Debentures	114,995	—	114,995	—	—	—
2022 Convertible Debentures	103,900	—	103,900	—	—	—
2025 Debentures	97,750	—	—	—	—	97,750
Long-term Debt ^[1]	642,150	195	232	32,580	—	609,143
Lease liability ^[1]	57,647	10,417	11,891	8,912	5,982	20,445
Due to vendor ^[1]	4,391	4,391	—	—	—	—
Purchase obligations ^[2]	2,049	2,049	—	—	—	—
Total obligations	1,107,882	102,052	231,018	41,492	5,982	727,338

[1] Undiscounted.

[2] Net of deposit.

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

CAPITAL RESOURCES

Assets and Liabilities

[thousands of dollars]	March 31, 2026 \$	March 31, 2025 \$
Total assets	1,764,818	1,727,804
Total liabilities	1,512,474	1,440,056

Cash

The Company's cash balance as at March 31, 2026, was \$30.6 million [March 31, 2025 – \$77.0 million].

Debt Facilities

As at March 31, 2026:

[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 / 2030	833,323	641,500	5.28%
Equipment Financing	various	various	628	628	various
Total			833,951	642,128	

[1] USD denominated amounts translated to CAD at the rate of exchange in effect on March 31, 2026 of 1.3939.

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

AGI's senior credit facilities of \$450 million and U.S. \$275 million are inclusive of amounts that may be allocated to the Company's 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, 2026, there is \$344.9 million [March 31, 2025 – \$337.1 million] and U.S. \$212.8 million [March 31, 2025 – U.S. \$212.8 million] outstanding under the facilities. As at March 31, 2026, the portion of drawings from the senior credit facilities recorded on the swing-line is \$17.2 million [March 31, 2025 – \$37.5 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, 2026:

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

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

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

[3] 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, 2026:

Year Issued / TSX Symbol	Aggregate Principal Amount \$	Coupon	Maturity Date
2020 [AFN.DB.H]	85,000,000	5.25%	Dec 31, 2026 ^{[1][2]}
2025 [AFN.DB.K]	97,750,000	7.50%	Jun 30, 2030 ^{[2][3]}

[1] The 2020 Senior Debentures are redeemable at the Company's option at a price equal to their principal amount plus accrued and unpaid interest. The 2020 Debentures are not convertible into Common Shares of the Company at the option of the holders at any time.

[2] The Company has the option to satisfy its obligation to repay the principal amount of the Senior Debentures due at redemption or maturity by issuing and delivering that number of freely tradeable Common Shares in accordance with the terms of the trust indenture governing the Senior Debentures. 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 the market prices at the time of issuance.

[3] On and after June 30, 2028, and prior to June 30, 2029, the 2025 Senior Debentures may be redeemed by the Company, in whole or in part, at a redemption price equal to 103.75% of the principal amount thereof plus accrued and unpaid interest, if any, up to but excluding the date of redemption. On and after June 30, 2029, and prior to maturity, the 2025 Senior Debentures may be redeemed by the Company, in whole or in part, at a redemption price equal to the principal amount thereof plus accrued and unpaid interest, if any, up to but excluding the date of redemption.

COMMON SHARES

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

	# Common Shares
December 31, 2025	18,809,214
Settlement of EIAP obligations	50,983
March 31, 2025	18,860,197
Settlement of EIAP obligations	1,100
May 6, 2026	18,861,297

At May 6, 2026:

- 18,861,297 Common Shares are outstanding;
- 2,265,000 Common Shares are available for issuance under the Company's EIAP, of which 1,322,900 Common Shares have been issued under the EIAP, 340,790 Common Shares are issuable on the settlement of outstanding awards and 601,310 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 DDCP, of which 98,836 Common Shares have been issued; and
- 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.

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

DIVIDENDS

During the three-month period ended March 31, 2026, AGI announced the suspension of its quarterly cash dividend, as part of its strategic review of capital allocation priorities and increased focus on managing cash flow. No dividend has been declared for the first quarter ending March 31, 2026.

FINANCIAL INSTRUMENTS

Interest rate swaps contracts

	Currency	Maturity	Amount of Swap [000's] \$	Fixed Rate ^[1]
Interest rate hedge – CORRA	CAD	May 11, 2026	75,000	3.707 %

[1] Excludes performance adjustment.

The Company enters into interest rate swap contracts from time to time to manage its exposure to fluctuations in interest rates on its core borrowings. The Company receives interest based on the variable rates from the counterparty and pays interest based on a fixed rate of 3.707%. The notional amounts are \$75 million in aggregate, resetting each month. The contracts expire on May 11, 2026. The Company has elected to apply hedge accounting for this contract and, therefore, unrealized gains (losses) are recognized in other comprehensive income (loss) to the extent that it has been assessed to be effective. During the three-month period ended March 31, 2026, there were no material unrealized gains and losses [Q1 2025 – an unrealized loss of \$0.3 million] recorded in other comprehensive income (loss) and a realized loss of \$0.3 million [Q1 2025 – realized loss of \$0.09 million] was recorded in finance costs. As at March 31, 2026, the fair value of the interest rate swap was a liability of \$0.2 million [March 31, 2025 – liability of \$1.1 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, 2026, the equity swap agreement covered 422,000 Common Shares at a price of \$38.76. During the quarter, the Company extended the maturity date of the swap agreement by one year to May 5, 2027.

During the three-month period ended March 31, 2026, an unrealized loss of \$1.8 million [Q1 2025 – loss of \$6.7 million] was recorded in loss (gain) on financial instruments in other operating expense (income). As at March 31, 2026, the fair value of the equity swap is a liability of \$8.4 million [March 31, 2025 – liability of \$1.6 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 variations in exchange rates between the Euro, Brazilian Reals, Indian Rupee and the Canadian dollar. AGI may enter into foreign exchange contracts to partially mitigate its foreign exchange risk. As at March 31, 2026, AGI did not have any material foreign exchange contracts in place.

Debenture put options

On March 5, 2020, the Company issued \$85 million of senior unsecured subordinated debentures with an option of early redemption beginning December 31, 2022. At the time of issuance, the Company's redemption option resulted in an embedded derivative with a fair value of \$0.8 million. During the three-

month period ended March 31, 2026, an unrealized gain of \$0.01 million [Q1 2025 – loss of \$0.3 million] was recorded in loss (gain) on financial instruments in other operating expense (income). As at March 31, 2026, the fair value of the embedded derivative is nil [March 31, 2025 – asset of \$1.1 million].

OTHER RELATIONSHIPS

The Company is a party to a joint venture. During the three-month period ended March 31, 2026, a loss of \$0.8 million [Q1 2025 – nil] was recorded in share of associate's net loss. As at March 31, 2026, the carrying value of the investment in the joint venture is \$5.2 million [March 31, 2025 – nil].

The Company has an investment in a Credit Rights Investment Fund (an "FIDC"), which is considered a related party of the Company. During the three-month period ended March 31, 2026, a loss of \$4.5 million [Q1 2025 – loss of \$0.1 million] was recorded in share of associate's net loss. As at March 31, 2026, the carrying value of the investment in associate is \$2.1 million [March 31, 2025 – \$11.2 million].

CRITICAL ACCOUNTING ESTIMATES

Described in the notes to the Company's audited consolidated financial statements for the year ended December 31, 2025 are the accounting policies and estimates that AGI believes are critical to its business. Please refer to Note 3 to the audited consolidated financial statements for the year ended December 31, 2025 for a discussion of the critical accounting judgments, estimates and assumptions. No material changes to the accounting policies and estimates have been made as of March 31, 2026.

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; risks associated with the mandatory joint review of the Canada-United States-Mexico Agreement ("CUSMA") on July 1, 2026, including the risk that the members ultimately withdrawing from CUSMA, which could result in a significant increase in trade barriers, which could in turn have a material adverse effect on the Canadian and U.S. economies, and by extension the Canadian and U.S. agricultural industries and the Company; that our quarterly dividend will remain suspended for an extended period of time and/or is ultimately terminated; general economic and business conditions and changes in international, national

and local macroeconomic and business conditions, sociopolitical and geopolitical conditions in certain local or regional markets, including as a result of conflicts in the Middle East (most recently between the U.S., Israel and Iran) and the conflicts between Russia and Ukraine and the U.S. and Venezuela and the responses thereto from other countries and institutions (including trade sanctions and financial controls), and their potential impact on, among other things, global market conditions and supply and demand fundamentals (including for agricultural products), crop nutrient prices, energy and commodity prices, inflation rates, interest rates, supply chains and the global economy generally, all of which has created volatility in the global economy and could continue to adversely impact economic and trade activity, including in the agriculture industry; the effects of global outbreaks of pandemics or contagious diseases or the fear of such outbreaks; 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; 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; 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 cancellations 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 could be materially adversely affected.

CHANGES IN ACCOUNTING STANDARDS AND FUTURE ACCOUNTING CHANGES

Adoption of new accounting standards

Amendments to IFRS 9, Financial Instruments [“IFRS 9”] and IFRS 7, Financial Instruments: Disclosures [“IFRS 7”]

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7, relating to the classification and measurement requirements of financial instruments recognized with those standards. These amendments:

- Clarify that a financial liability is to be derecognized on the ‘settlement day’ and introduce an accounting policy to derecognize financial liabilities settled through an electronic payment system before settlement date if certain conditions are met;
- Clarify how to assess the contractual cash flow characteristics of financial assets that include “environmental, social and governance” linked features and other similar contingent features;
- Clarify the treatment of non-recourse assets and contractually linked instruments; and
- Require additional disclosures for financial assets and liabilities with contractual terms that reference a contingent event and equity instruments classified at fair value through other comprehensive income (“FVOCI”)

The new guidance to annual periods beginning on or after January 1, 2026, is to be applied retrospectively. The Company adopted the IFRS amendments in 2026, which resulted in an increase of \$2.5 million to the opening balance of cash and cash equivalents in the unaudited interim condensed consolidated statement of cash flows.

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.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

AGI's Chief Executive Officer and Chief Financial Officer (the "Certifying Officers") are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR") (as those terms are defined in National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109")) for the Company.

Disclosure Controls and Procedures

The Certifying Officers are responsible for designing DC&P, or causing it to be designed under their supervision, to provide reasonable assurance that (i) material information relating to the Company is made known to them by others, particularly during the period in which the annual filings are being prepared, and (ii) information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by AGI under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation.

The Certifying Officers evaluated, or caused to be evaluated under their supervision, the effectiveness of the Company's DC&P as at December 31, 2025. Based on that evaluation, the Certifying Officers have concluded that the DC&P was not effective as at December 31, 2025 due to the material weakness described below.

Internal Control over Financial Reporting

The Certifying Officers are responsible for designing ICFR, or causing it to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The Certifying Officers evaluated, or caused to be evaluated under their supervision, the effectiveness of the Company's ICFR as at December 31, 2025. Based on that evaluation, the Certifying Officers concluded that the ICFR was not effective as at December 31, 2025 due to the material weakness described below.

Background to Identification of Material Weakness

For the period ending September 30, 2025, the Company experienced a delay in filing its third quarter ("Q3") financial statements, along with the related MD&A and CEO/CFO certifications (collectively, the "Required Filings"). While the Company had initially believed that the Q3 financial statements, together with the auditors' review thereof, would be completed by November 14, 2025, the Company later concluded that further time would be required to finalize the Company's accounting treatment of its operations in Brazil and that the Company would be unable to file the Required Filings by that date.

Our Audit Committee performed an independent review of various matters relating to our financial reporting and internal controls with respect to our operations in Brazil for the period ended September

30, 2025. Upon the conclusion of this review, although the Audit Committee did not identify any material concerns with compliance with laws or regulations, the integrity of management, or the Company's historical financial reporting, the review did identify certain deficiencies in our financial reporting processes and internal controls with respect to Brazil. These findings of deficiencies were determined to constitute a material weakness in our ICFR, for which we have remediation measures in process. A material weakness is a deficiency, or a combination of deficiencies, in ICFR, such that there is a reasonable possibility that a material misstatement of our annual financial statements or interim financial reports will not be prevented or detected on a timely basis.

This material weakness was initially disclosed in our MD&A for the period ended September 30, 2025 and resulted in our Certifying Officers concluding that the Company's DC&P and ICFR were not effective as at September 30, 2025 and December 31, 2025. The Company has determined that the material weakness continued to exist as at March 31, 2026.

Material Weakness Description

The Certifying Officers identified an entity-level (i.e., Company-level) material weakness in the design and operation of our ICFR, primarily related to our rapidly expanding operations in Brazil. Specifically, the Company did not sufficiently maintain the components of the COSO framework (being the control framework that was used to design the Company's ICFR, being the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission), including the (i) control environment, (ii) risk assessment, (iii) control activities, (iv) information and communication, and (v) monitoring activities components. The Company's failure to sufficiently maintain these components of the COSO framework resulted in the Company's failure (a) to perform timely, sufficient and comprehensive accounting treatment analysis for large project sale contracts, (b) to maintain appropriate segregation of duties between operations and finance personnel as it pertains to financial reporting, (c) to maintain sufficient coordinated understanding of accounting application by accounting staff, and (d) to implement sufficient revenue and cost recognition financial review controls for large projects.

Impact of the Material Weakness on AGI's Financial Reporting and ICFR

This material weakness created a reasonable possibility that a material misstatement of the Company's annual financial statements or interim financial reports would not be prevented or detected on a timely basis, particularly relating to the revenues and related costs of AGI's operations in Brazil ("AGI Brazil"), which has increasingly engaged in large-scale projects.

Material Weakness Remediation

The Company has substantially completed the implementation of a remediation plan, which includes:

- More proactively and timely performing sufficient analyses to determine the appropriate technical accounting treatment of certain matters in Brazil, such as large-scale projects, including the preparation of sufficient documentation and the engagement of third-party support as applicable. The Company has improved the analysis of applicable technical accounting treatments and has been identifying technical accounting treatment consideration needs for timely application.

- Improving the structure of AGI Brazil's finance department and related individual responsibilities, including with respect to the segregation of duties. Reporting structure changes at AGI Brazil have been implemented and increased oversight and direct support from AGI's corporate finance department has been put in place.
- AGI Brazil has enhanced the documentation of large-scale project processes, including accounting, cash flow, tax and financial reporting structures. In addition, communication and information sharing related to large-scale projects have been strengthened to support consistent application of accounting and financial reporting requirements.
- Improving revenue and cost recognition financial review controls for large projects. Management is now applying additional review procedures for its large-scale projects to ensure that revenue and related costs reported are valid and accurate.

In addition, the Company will be more proactively monitoring and identifying changes in its business, such as was experienced in fiscal 2025 with the rapidly growing AGI Brazil large-scale projects operations. The Company has been actively assessing whether AGI's structure, employee resources and related competencies, processes and information technology systems are sufficient to support business objectives, including financial reporting. The Company made a series of changes in the first quarter of 2026 to make its operating structure more effective. Of note, AGI Brazil has not entered into similar large-scale projects since September 30, 2025.

While the Company has substantially implemented the above-noted remediation steps, the material weakness cannot be considered fully remediated until the improved controls have been in place and have operated for a sufficient period of time. The Company will be assessing the effectiveness of the improved controls during Q2 2026.

Changes in Internal Control over Financial Reporting

Other than as described above, there have been no changes in AGI's ICFR that occurred during the three-month period ended March 31, 2026, that have materially affected, or are reasonably likely to materially affect, the Company's ICFR.

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

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

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

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

“Adjusted EBITDA” is defined as profit (loss) before income taxes before finance costs, depreciation and amortization, share of associate’s net income (loss), gain or loss on foreign exchange, non-cash share-based compensation expense (recovery), net gain or loss on financial instruments, transaction, transitional and other costs (recovery), ERP system transformation costs, loss or gain on disposal of operation, 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 – Loss before income taxes and Adjusted EBITDA” for the reconciliation of Adjusted EBITDA to loss before income taxes for the current and comparative periods.

“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 profit (loss)” is defined as profit or loss attributable to shareholders, adjusted for share of associate’s net income (loss), gain or loss on foreign exchange, net gain or loss on financial instruments, transaction, transitional and other costs (recovery), ERP system transformation costs, gain or loss on disposal of operation, 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 attributable to shareholders. 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 loss per share attributable to shareholders and diluted adjusted loss per share” for the reconciliation of adjusted profit (loss) to profit (loss) attributable to shareholders 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 by (used in) operating activities less acquisition of property, plant and equipment and less development and purchase of intangibles. 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 by (used in) operating activities. Management believes that free cash flow provides useful information about cash generated by AGI’s business that could be used to fund strategic initiatives or reduce debt, 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 by (used in) operating activities for the current and comparative periods.

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

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 belief that conditions in the North American Farm market remain tepid; our expectation that there will be gradual improvement in Commercial segment margins as volumes recover; that a full margin recovery will require stronger demand across key Commercial markets; that North America Farm segment dealers continue to make progress towards normalization of overall inventory levels; the anticipated timing for completion of legacy large-scale projects in Brazil and expectations related to projects and contracts in Brazil; that the short-term pricing actions will help mitigate margin pressure experienced by the North America Commercial business; the Company's expectations regarding sequential improvement in Q2 Commercial segment margins; that farmers continue to face significant headwinds, including elevated input costs and ongoing uncertainty across the agricultural sector; the anticipated timing of transferring the remaining approximately \$50 million of previously escrowed funds to AGI-controlled accounts and the anticipated use of such funds; the anticipated annualized cost savings as a result of completing the restructuring; our belief that market conditions in our Canada Farm segment remain generally soft; the belief that Canadian customer purchasing behavior continues to be influenced by elevated input costs and broader macroeconomic uncertainty; that management remains focused on execution initiatives aimed at improving the customer experience, including faster quoting, improved on-time delivery, and pricing actions; the belief that U.S. customer purchasing behavior continues to be influenced by soft commodity prices, uncertainty around trade and tariff dynamics, and broader macroeconomic and geopolitical pressures; that our anticipated Q2 2026 results in the U.S. Farm segment will demonstrate incremental growth; our expectations regarding outlook for growth in the U.S. Farm segment in the second half of 2026; expectations regarding the margin saving initiatives in the U.S. Commercial segment and the anticipated benefits therefrom; the Company's plans to sharpen its competitive positioning in the permanent material handling business and the anticipated timing and benefits therefrom; our belief that the pricing and innovation initiatives underway in the U.S. Commercial segment will better position the business to compete for available opportunities as market conditions stabilize; management's focus and plans regarding Commercial projects in Brazil and the anticipated benefits therefrom; the expectation that the \$105 million released from escrow will contribute to free cash flow; our expectations regarding our International Commercial segment; our material weakness remediation plan and the anticipated implementation and benefits therefrom; our expectation that a weaker Canadian dollar may result in higher input costs of certain Canadian dollar denominated inputs, including steel; our belief that our senior credit facilities and debentures, together with available cash and internally generated funds, are sufficient to support our working capital, capital expenditure and debt service requirements; our expectation that growth in our overall international business may result in an increase in the number of days accounts receivable remain outstanding and may result in increased usage of working capital in certain quarters; our expectations regarding the factors that may impact our working capital requirements; that our dividend will remain suspended; 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; 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; that our dividend will remain suspended; 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 in our consolidated financial statements 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: the amount of long-term accounts receivable in Brazil that we expect to receive, the timing thereof, and that it will be applied to outstanding debt on our senior credit facilities; and the amount of annualized cost savings that we expect to realize once our restructuring initiatives are fully implemented; which are based on, among other things, the various assumptions disclosed in this MD&A including under “Forward-Looking Information”. To the extent such estimates constitute a financial outlook, it was approved by management on May 6, 2026, and is included to provide readers with an understanding of AGI's expectations for debt reduction and the financial impact of its restructuring plans and other cost saving measures being taken based on the assumptions described herein and readers are cautioned that the information may not be appropriate for other purposes.

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, 2026

Ag Growth International Inc.

Unaudited interim condensed consolidated
statements of financial position

[in thousands of Canadian dollars]

As at

	March 31, 2026 \$	December 31, 2025 \$
Assets		
Current assets		
Cash and cash equivalents	30,637	45,659
Restricted cash	5,328	5,352
Accounts receivable	296,556	301,720
Inventory	215,472	194,129
Prepaid expenses and other assets <i>[note 6]</i>	101,527	80,568
Current portion of notes receivable	1,041	1,015
Current portion of derivative instruments <i>[note 16[c]]</i>	3	6
Income taxes recoverable	2,879	4,636
	653,443	633,085
Non-current assets		
Property, plant and equipment, net	329,079	328,893
Right-of-use assets, net <i>[note 7]</i>	31,773	35,563
Goodwill	337,776	338,081
Intangible assets, net	166,114	170,184
Non-current accounts receivable <i>[note 6]</i>	225,703	183,129
Investment in associate <i>[note 17]</i>	2,146	6,215
Investment in joint venture <i>[note 17]</i>	5,184	5,603
Notes receivable	3,186	3,095
Other assets	6,608	4,692
Deferred income tax asset	66	67
	1,107,635	1,075,522
Assets held for sale	3,740	5,142
Total assets	1,764,818	1,713,749
Liabilities and equity		
Current liabilities		
Accounts payable and accrued liabilities	268,439	264,449
Customer deposits	81,245	84,461
Dividends payable	—	2,821
Income taxes payable	16,416	15,714
Financial liability <i>[note 6]</i>	8,073	7,542
Current portion of derivative instruments <i>[note 16[c]]</i>	179	6,975
Current portion of EIAP liability	162	223
Current portion of due to vendor	4,391	4,045
Current portion of lease liability	11,396	10,801
Current portion of long-term debt <i>[note 9]</i>	232	235
Current portion of senior unsecured subordinated debentures	84,588	84,459
Provisions <i>[note 8]</i>	10,811	14,786
	485,932	496,511
Non-current liabilities		
Other financial liabilities	1,440	1,360
Derivative instruments <i>[note 16[c]]</i>	8,366	—
EIAP liability	75	241
Lease liability	35,587	34,786
Other non-current liabilities	92	92
Long-term debt <i>[note 9]</i>	638,609	579,074
Convertible unsecured subordinated debentures <i>[note 16]</i>	206,447	204,493
Senior unsecured subordinated debentures	93,816	93,627
Deferred income tax liability	42,110	47,821
	1,026,542	961,494
Total liabilities	1,512,474	1,458,005
Equity <i>[note 10]</i>		
Common shares	23,055	17,678
Accumulated other comprehensive income	53,329	28,844
Equity component of convertible debentures	22,868	22,868
Contributed surplus	487,099	500,015
Deficit	(371,271)	(322,510)
Total equity attributable to shareholders of the Company	215,080	246,895
Non-controlling interest <i>[note 6]</i>	37,264	8,849
Total equity	252,344	255,744
Total liabilities and equity	1,764,818	1,713,749

See accompanying notes

On behalf of the Board of Directors:

(signed) Dan Halyk
Director

(signed) Steve Sommerfeld, CPA
Director

Ag Growth International Inc.

Unaudited interim condensed consolidated
statements of loss

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

	Three-month period ended	
	March 31, 2026	March 31, 2025
	\$	\$
Revenue [note 5]	282,167	286,746
Cost of goods sold [note 12[a]]	211,729	207,134
Gross profit	70,438	79,612
Expenses		
Selling, general and administrative [note 12[b]]	76,019	76,554
Other operating expense [note 12[c]]	432	4,247
Impairment charge (recovery) [notes 6 and 7]	10,383	(80)
Finance costs [note 12[d]]	18,208	16,593
Finance expense (income) [note 12[e]]	3,750	(1,273)
Share of associate's net loss [note 17]	5,272	142
	114,064	96,183
Loss before income taxes	(43,626)	(16,571)
Income tax expense (recovery) [note 13]		
Current	2,394	2,573
Deferred	(5,931)	(2,351)
	(3,537)	222
Loss for the period	(40,089)	(16,793)
Attributable to:		
Shareholders of the Company	(44,244)	(16,793)
Non-controlling interest [note 6]	4,155	—
Loss for the period	(40,089)	(16,793)
Loss per share attributable to shareholders of the Company [note 14]		
Basic	(2.35)	(0.90)
Diluted	(2.35)	(0.90)

See accompanying notes

Ag Growth International Inc.

Unaudited interim condensed consolidated
statements of comprehensive income (loss)

[in thousands of Canadian dollars]

	Three-month period ended	
	March 31, 2026 \$	March 31, 2025 \$
Loss for the period	<u>(40,089)</u>	<u>(16,793)</u>
Other comprehensive income (loss)		
Items that may be reclassified subsequently to profit or loss		
Change in fair value of derivatives designated as cash flow hedges loss <i>[note 16[c]]</i>	1	(283)
Realized loss on derivatives designated as cash flow hedges recognized in net earnings <i>[note 16[c]]</i>	265	86
Income tax effect on cash flow hedges	(71)	53
Exchange differences on translation of foreign operations	<u>24,236</u>	<u>18,902</u>
	<u>24,431</u>	<u>18,758</u>
Items that will not be reclassified to profit or loss		
Actuarial gain on defined benefit plans	74	108
Income tax effect on defined benefit plans	<u>(20)</u>	<u>(29)</u>
	54	79
Other comprehensive income for the period	<u>24,485</u>	<u>18,837</u>
Comprehensive income (loss) for the period	<u>(15,604)</u>	<u>2,044</u>
Attributable to:		
Equity holders of the Company	(20,491)	2,044
Non-controlling interest <i>[note 6]</i>	<u>4,887</u>	<u>—</u>
Comprehensive income (loss) for the period	<u>(15,604)</u>	<u>2,044</u>

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, 2026

	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 equity attributable to shareholders of the Company \$	Non-controlling interest \$	Total equity \$
As at January 1, 2026	17,678	22,868	500,015	(322,510)	27,129	(327)	2,942	(900)	246,895	8,849	255,744
Profit (loss) for the period	—	—	—	(44,244)	—	—	—	—	(44,244)	4,155	(40,089)
Other comprehensive income	—	—	—	—	24,236	195	54	—	24,485	—	24,485
Share-based payment transactions [notes 10[a] and [b]]	5,377	—	(12,916)	—	—	—	—	—	(7,539)	—	(7,539)
Dividends on share-based compensation awards [note 10[c]]	—	—	—	202	—	—	—	—	202	—	202
Transactions with non-controlling interest [note 6]	—	—	—	(4,719)	—	—	—	—	(4,719)	24,260	19,541
As at March 31, 2026	23,055	22,868	487,099	(371,271)	51,365	(132)	2,996	(900)	215,080	37,264	252,344

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 equity attributable to shareholders of the Company
	\$	\$	\$	\$	\$	\$	\$	\$	\$
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	—	—	—	(2,812)	—	—	—	—	(2,812)
Dividends on share-based compensation awards	—	—	—	(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 cash flows

[in thousands of Canadian dollars]

	Three-month period ended	
	March 31, 2026 \$	March 31, 2025 \$
Operating activities		
Loss before income taxes	(43,626)	(16,571)
Add (deduct) items not affecting cash		
Depreciation of property, plant and equipment	6,761	7,107
Depreciation of right-of-use assets	3,202	2,782
Amortization of intangible assets	5,628	6,809
Loss (gain) on sale of long-lived assets	1,260	(8)
Bad debt expense	1,673	—
Impairment charge (recovery) [notes 6 and 7]	10,383	(80)
Share of associate's net loss [note 6]	5,272	142
Non-cash component of interest expense	8,536	6,339
Non-cash movement in derivative instruments	1,775	6,607
Share-based compensation expense (recovery)	(4,381)	2,002
Other	202	(1,168)
Translation loss on foreign exchange	24,428	11,851
	21,113	25,812
Net change in working capital balances related to operations [note 15]	(40,008)	(38,843)
Change in:		
Non-current accounts receivable	(42,574)	(34,205)
Other financial liabilities	114	106
Transfer from (to) restricted cash	(110)	53
Settlement of EIAP obligation	(3,211)	(3,391)
Post-combination payments	—	(1,699)
Income taxes recovered (paid)	(1,420)	485
Cash used in operating activities	(66,096)	(51,682)
Investing activities		
Investment in associate [note 6]	—	(3,569)
Acquisition of property, plant and equipment	(2,287)	(3,947)
Proceeds from sale of property, plant and equipment	26	88
Development and acquisition of intangible assets	(1,089)	(2,260)
Sublease income, net of costs	107	43
Cash used in investing activities	(3,243)	(9,645)
Financing activities		
Borrowings on senior credit facilities, net of costs	54,301	73,750
Repayment of financial liability [note 6]	—	(737)
Investment contribution from non-controlling interest [note 6]	3,817	—
Repayment of obligation under lease liability	(3,443)	(2,770)
Share repurchase under normal course issuer bid [note 10[a]]	—	(9,026)
Dividends paid [note 10[c]]	(2,821)	(2,832)
Cash provided by financing activities	51,854	58,385
Net decrease in cash during the period	(17,485)	(2,942)
Balance beginning of period, prior to restatement for IFRS 9 amendments	45,659	79,893
Adjustment on adoption of IFRS 9 amendments [Note 4]	2,463	—
Cash and cash equivalents, beginning of period	48,122	79,893
Cash and cash equivalents, end of period	30,637	76,951
Supplemental cash flow information		
Interest paid	9,534	10,148

See accompanying notes

Ag Growth International Inc.

Notes to unaudited interim condensed consolidated financial statements

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

March 31, 2026

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 products 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, 2025.

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, 2025, 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 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, 2026 were authorized for issuance in accordance with a resolution of the Directors on May 6, 2026.

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

Notes to unaudited interim condensed consolidated financial statements

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

March 31, 2026

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. Accounting Standards

Adoption of new accounting standards

Amendments to IFRS 9, Financial Instruments ["IFRS 9"] and IFRS 7, Financial Instruments: Disclosures ["IFRS 7"]

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7, relating to the classification and measurement requirements of financial instruments recognized with those standards. These amendments:

- Clarify that a financial liability is to be derecognized on the 'settlement day' and introduce an accounting policy to derecognize financial liabilities settled through an electronic payment system before settlement date if certain conditions are met;
- Clarify how to assess the contractual cash flow characteristics of financial assets that include "environmental, social and governance" linked features and other similar contingent features;
- Clarify the treatment of non-recourse assets and contractually linked instruments; and
- Require additional disclosures for financial assets and liabilities with contractual terms that reference a contingent event and equity instruments classified at fair value through other comprehensive income ("FVOCI")

The new guidance to annual periods beginning on or after January 1, 2026, is to be applied retrospectively. The Company adopted the IFRS amendments in 2026, which resulted in an increase of \$2.5 million to the opening balance of cash and cash equivalents in the unaudited interim condensed consolidated statement of cash flows.

Ag Growth International Inc.

Notes to unaudited interim condensed consolidated financial statements

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

March 31, 2026

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 ["MPMs"]. MPM is a subtotal of income and expenses that a company uses in public communications outside financial statements. IFRS 18 requires disclosure of information for all of the company's MPMs within a single note to the financial statements that includes a description of each MPM, how the measure is calculated and a reconciliation to the most comparable line item in the statement of profit or loss.
- Introduces a principle for presentation of information in the primary financial statements versus the financial statement notes including the aggregation and disaggregation of such information.

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

Notes to unaudited interim condensed consolidated financial statements

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

March 31, 2026

5. Reportable business segments

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

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

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

Ag Growth International Inc.

Notes to unaudited interim condensed consolidated financial statements

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

March 31, 2026

The following tables set forth information by segment:

	Three-month period ended	
	March 31, 2026	March 31, 2025
	\$	\$
Farm	102,003	95,095
Commercial	180,164	191,651
Revenue	282,167	286,746

During the three-month period ended March 31, 2026, revenue of \$115 million [2025 – \$116 million] was recognized over time, the majority of which was in the Commercial segment. The following table summarizes the Company's contract asset and liability balances as at period end:

	March 31, 2026	December 31, 2025
	\$	\$
Contract assets	315,387	277,531
Contract liabilities	45,282	46,621

	Three-month period ended March 31, 2026			
	Farm	Commercial	Other ^[1]	Total
	\$	\$	\$	\$
Profit (loss) before income taxes	11,732	(5,679)	(49,679)	(43,626)
Finance costs <i>[note 12[d]]</i>	—	—	18,208	18,208
Depreciation and amortization	6,650	7,677	1,817	16,144
Share of associate's net loss <i>[note 6]</i>	—	5,272	—	5,272
Loss on foreign exchange <i>[note 12[e]]</i>	—	—	3,761	3,761
Share-based compensation recovery <i>[note 11]</i>	—	—	(4,381)	(4,381)
Net loss on financial instruments <i>[note 16[c]]</i>	—	—	1,775	1,775
Transaction, transitional and other costs ^[2]	354	—	7,398	7,752
Enterprise Resource Planning ["ERP"] system transformation costs ^[3]	—	—	8,652	8,652
Net loss (gain) on sale of long-lived assets ^[4]	(28)	1,293	(5)	1,260
Impairment charge <i>[notes 6 and 7]</i>	213	5,043	5,127	10,383
Adjusted EBITDA^[5]	18,921	13,606	(7,327)	25,200

Ag Growth International Inc.

Notes to unaudited interim condensed consolidated financial statements

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

March 31, 2026

	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 <i>[note 12[d]]</i>	—	—	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
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

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

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

[3] Expenses incurred in connection with a global multi-year ERP transformation project, which was terminated in the first quarter of 2026.

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

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

Ag Growth International Inc.

Notes to unaudited interim condensed consolidated financial statements

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

March 31, 2026

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, 2026 \$	March 31, 2025 \$
Canada	55,222	34,827
United States	84,489	107,385
International	142,456	144,534
	282,167	286,746

The revenue information above is based on the location of the customer.

6. Brazil activities

Investments in large-scale comprehensive projects

In 2024 and 2025, AGI entered into five large-scale comprehensive agricultural projects in Brazil (individually refer to as Projects A, B, C, D, and E) with a civil construction partner. For further information regarding the structure and nature of these projects, refer to the annual financial statements for the period ending December 31, 2025.

Subsequent to March 31, 2026, approximately \$55 million has been received related to long-term accounts receivable for certain Projects. These proceeds will be applied towards the outstanding debt on our senior credit facilities.

Non-controlling interest

During the three-month period ended March 31, 2026, the civil construction company increased its economic interest in Project E from 22% as at December 31, 2025 to 39% as at March 31, 2026. The increase occurred with their contribution of \$19.3 million, representing a combination of cash, equipment, and services provided directly to Project E. AGI's ownership interest decreased from 78% to 61% without a loss of control as a result of the additional ownership acquisition. The resulting NCI's share of net assets of \$37.3 million and net income of \$4.1 million is presented in the unaudited interim condensed consolidated financial statements as at and for the three-month period ended March 31, 2026.

Ag Growth International Inc.

Notes to unaudited interim condensed consolidated financial statements

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

March 31, 2026

Non-current accounts receivable

Receivables related to Projects B, C, D, and E are included in current and non-current accounts receivable. Payment terms are generally five years, but the largest agreement (Project E) has a 15-year payment term. In the unaudited interim condensed consolidated statements of loss, the impact of significant financing components related to non-current accounts receivable is presented as a reduction of revenue recognized for these Projects. For the three-month period ended March 31, 2026, revenue from large-scale comprehensive projects was \$39.9 million. Revenue is recognized over the construction period as the related performance obligations are satisfied.

Impairment of other assets

During the period, the Company recorded an impairment charge of approximately \$5.0 million related to certain prepaid amounts for a terminated transaction in Brazil. The charge reflects the write-down of amounts no longer recoverable following termination, as no future economic benefits are expected.

7. Right-of-use assets

	March 31, 2026 \$	December 31, 2025 \$
Balance, beginning of period	35,563	38,701
Additions	4,278	11,915
Transfer to sublease	—	(1,020)
Transfer to property, plant and equipment	—	(925)
Termination	(40)	(254)
Impairment	(5,127)	—
Depreciation	(3,202)	(12,220)
Exchange differences	301	(634)
Balance, end of period	31,773	35,563

During the three-month period ended March 31, 2026, the Company announced the closing of its Naperville, Illinois corporate office, effective June 30, 2026. Using assumptions as at March 31, 2026, an impairment charge of \$5.1 million was recorded to right-of-use assets. The impairment assessment reflects management's current assumptions regarding the timing and expected level of sublease income based on available market data, and these assumptions will be reassessed on a quarterly basis.

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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, 2026 \$	December 31, 2025 \$
Balance, beginning of period	14,786	26,989
Additional provisions recognized	3,033	16,477
Amounts utilized	(7,008)	(28,680)
Balance, end of period	10,811	14,786

9. Long-term debt

	Maturity	March 31, 2026 \$	December 31, 2025 \$
Current portion of long-term debt			
Equipment financing	Various	232	235
Non-current portion of long-term debt			
Equipment financing	Various	396	454
Senior credit facilities	2028 / 2030	641,500	580,986
		641,896	581,440
Less deferred financing costs		(3,287)	(2,366)
		638,609	579,074
Long-term debt		638,841	579,309

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, 2026, there is \$344.9 million [December 31, 2025 – \$289.3 million] and U.S. \$212.8 million [December 31, 2025 –

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U.S. \$212.8 million] outstanding under the facilities. As at March 31, 2026, the portion of drawings from the senior credit facilities recorded on the swing-line is \$17.2 million [December 31, 2025 – \$24.7 million].

During the three-month period ended March 31, 2026, the Company and its lenders completed an amendment to the senior credit facilities to extend the maturity date of the senior credit facilities from July 3, 2028 to March 20, 2030. The size of the senior credit facilities will reduce from \$450 million and U.S. \$275 million to \$428.6 million and U.S. \$261.8 million on July 3, 2028. In addition, the amendment increased the Company's leverage ratio covenant from 3.75x to 4.0x, reverting to 3.75x after December 31, 2026.

10. Shareholders' equity

[a] Common Shares

	Shares #	Amount \$
Balance, January 1, 2025	18,880,925	12,985
Settlement of equity incentive award plan [the "EIAP"] obligation	153,189	4,843
Normal course issuer bid – shares repurchased and cancelled	(224,900)	(150)
Balance, December 31, 2025	18,809,214	17,678
Settlement of EIAP obligation	50,983	5,377
Balance, March 31, 2026	18,860,197	23,055

[b] Contributed surplus

	March 31, 2026 \$	December 31, 2025 \$
Balance, beginning of period	500,015	502,182
Dividends on EIAP	(202)	331
Obligation under EIAP [note 11[a]]	(4,389)	8,547
Settlement of EIAP obligation	(8,325)	(11,045)
Balance, end of period	487,099	500,015

[c] Dividends paid and payable

During the three-month period ended March 31, 2026, AGI announced the suspension of its quarterly cash dividend, and thus no dividend has been declared for the first quarter ended March 31, 2026.

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11. Share-based compensation plans

[a] Equity incentive award plan

During the three-month period ended March 31, 2026, nil [2025 – 165,306] Restricted Awards [“RSUs”] were granted and nil [2025 – 117,439] 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, 2026, 340,789 awards have been granted and outstanding under the EIAP.

During the three-month period ended March 31, 2026, AGI had a recovery of \$4.4 million for the EIAP [2025 – expense of \$3.2 million].

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

	EIAP	
	RSUs #	PSUs #
Balance, January 1, 2026	387,829	207,250
Vested	(91,003)	—
Forfeited	(69,643)	(93,644)
Balance, March 31, 2026	227,183	113,606

There is no exercise price on the EIAP awards.

[b] Directors' deferred compensation plan [“DDCP”]

For the three-month period ended March 31, 2026, recoveries of \$0.1 million [2025 – \$1.2 million] were recorded for the cash-settled DDCP for non-employee directors in selling, general and administrative expenses and accounts payable and accrued liabilities. The share grants were measured with the contractual agreed amount of service fees for the respective period.

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12. Disaggregated expenses (income)

	Three-month period ended	
	March 31, 2026	March 31, 2025
	\$	\$
[a] Cost of goods sold		
Depreciation of property, plant and equipment	6,415	6,734
Depreciation of right-of-use assets	1,325	1,257
Amortization of intangible assets	1,296	1,443
Warranty expense	3,033	2,469
Cost of inventory recognized as an expense	199,660	195,231
	<u>211,729</u>	<u>207,134</u>
[b] Selling, general and administrative expenses		
Depreciation of property, plant and equipment	899	934
Depreciation of right-of-use assets	1,877	1,525
Amortization of intangible assets	4,332	5,366
Transaction, transitional and other costs	7,752	3,717
ERP system transformation costs	8,652	2,797
Selling, general and administrative	52,507	62,215
	<u>76,019</u>	<u>76,554</u>
[c] Other operating expense (income)		
Net loss (gain) on sale of long-lived assets ^[1]	1,260	(8)
Net loss on financial instruments	1,775	6,607
Other	(2,603)	(2,352)
	<u>432</u>	<u>4,247</u>
[d] Finance costs		
Interest on overdrafts and other finance costs	760	633
Effective interest, including non-cash interest, on leases	922	960
Effective interest, including non-cash interest, on debts and borrowings	8,516	9,158
Effective interest, including non-cash interest, on senior and convertible unsecured subordinated debentures	8,010	5,842
	<u>18,208</u>	<u>16,593</u>
[e] Finance expense (income)		
Interest income	(11)	(80)
Loss (gain) on foreign exchange	3,761	(1,193)
	<u>3,750</u>	<u>(1,273)</u>

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

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13. Income taxes

The Company's effective tax rate for the three-month period ended March 31, 2026 was 8.1% [2025 – (1.3%)]. The difference between the effective tax rate and the Company's domestic statutory tax rate of 26.6% [2025 – 26.7%] is primarily attributable to tax losses not recognized and non-deductible expenses.

14. Loss per share

The following reflects the loss and share data used in the basic and diluted loss per share computations:

	Three-month period ended	
	March 31, 2026	March 31, 2025
	\$	\$
Loss attributable to shareholders for basic and diluted loss per share	(44,244)	(16,793)
Basic and diluted weighted average number of shares	18,814,972	18,723,513
Loss per share attributable to shareholders		
Basic	(2.35)	(0.90)
Diluted	(2.35)	(0.90)

The DDCP, RSUs, 2021 and 2022 convertible debentures were excluded from the calculation of diluted loss per share in the three-month periods ended March 31, 2026 and 2025 because their effect is anti-dilutive.

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15. Statements of cash flows

Net change in working capital

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

	Three-month period ended	
	March 31, 2026	March 31, 2025
	\$	\$
Accounts receivable	3,491	411
Inventory	(21,343)	(33,431)
Prepaid expenses and other assets	(26,043)	(3,324)
Accounts payable and accrued liabilities	11,079	4,243
Customer deposits	(3,216)	10,734
Provisions	(3,976)	(17,476)
	<u>(40,008)</u>	<u>(38,843)</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, 2026 and year ended December 31, 2025, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

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

[a] Short-term financial instruments

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

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[b] Long-term financial instruments

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

	March 31, 2026		December 31, 2025	
	Carrying amount \$	Fair value \$	Carrying amount \$	Fair value \$
Interest-bearing loans and borrowings	638,841	638,841	579,309	576,869
Convertible unsecured subordinated debentures ^[1]	206,447	230,403	204,493	226,274
Senior unsecured subordinated debentures ^[2]	178,404	167,691	178,086	166,427

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

[2] Net of deferred fees.

[c] Derivative financial instruments

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

Interest rate swap contracts

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

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month period ended March 31, 2026, there were no material unrealized gains and losses [2025 – an unrealized loss of \$0.3 million] recorded in other comprehensive income (loss) and a realized loss of \$0.3 million [2025 – realized loss of \$0.09 million] was recorded in finance costs. As at March 31, 2026, the fair value of the interest rate swap was a liability of \$0.2 million [December 31, 2025 – liability of \$0.5 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, 2026, the equity swap agreement covered 422,000 Common Shares of the Company at a price of \$38.76. In Q1 2026, the Company extended the maturity date of the swap agreement by one year to May 5, 2027. During the three-month period ended March 31, 2026, an unrealized loss of \$1.8 million [2025 – loss of \$6.7 million] was recorded in loss (gain) on financial instruments in other operating expense (income). As at March 31, 2026, the fair value of the equity swap is a liability of \$8.4 million [December 31, 2025 – liability of \$6.5 million].

Foreign exchange contracts

To mitigate exposure to foreign currency exchange rates, AGI may enter into foreign exchange forward contracts and denominate a portion of its debt in U.S. dollars. As at March 31, 2026, AGI's U.S. dollar denominated debt totaled U.S. \$213 million [December 31, 2025 – U.S. \$213 million].

Debenture put options

On March 5, 2020, the Company issued \$85 million of senior unsecured subordinated debentures with an option of early redemption beginning December 31, 2022. At the time of issuance, the Company's redemption option resulted in an embedded derivative with a fair value of \$0.8 million. During the three-month period ended March 31, 2026, an unrealized gain of \$0.01 million [2025 – loss of \$0.3 million] was recorded in loss (gain) on financial instruments in other operating expense (income). As at March 31, 2026, the fair value of the embedded derivative is nil [December 31, 2025 – asset of \$0.01 million].

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17. Related party disclosures

The Company is a party to a joint venture. In accordance with IAS 24, *Related Party Disclosures* ["IAS 24"], the joint venture is considered a related party of the Company. During the three-month period ended March 31, 2026, a loss of \$0.8 million [2025 – nil] was recorded in share of associate's net loss. As at March 31, 2026, the carrying value of the investment in joint venture is \$5.2 million [December 31, 2025 – \$5.6 million].

The Company has an investment in the Credit rights investment fund ["FIDC"], which is considered a related party of the Company in accordance with IAS 24. During the three-month period ended March 31, 2026, a loss of \$4.5 million [2025 – loss of \$0.1 million] was recorded in share of associate's net loss. As at March 31, 2026, the carrying value of the investment in associate is \$2.1 million [December 31, 2025 – \$6.2 million].

18. Commitments and contingencies

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

As at March 31, 2026, the Company has commitments to purchase property, plant and equipment of \$2.0 million [December 31, 2025 – \$2.9 million].

[b] Letters of credit

As at March 31, 2026, the Company has outstanding letters of credit in the amount of \$38.4 million [December 31, 2025 – \$37.1 million].

[c] Legal actions

From time to time, the Company is involved in various legal matters due to the size, complexity and nature of its operations. Exposure to these claims is mitigated through levels of insurance coverage considered appropriate by management and by active management of these matters. The Company has considered the advice of legal counsel in assessing the likely outcome of these matters, recognizing provisions where appropriate. The resolution of these matters is not expected to have a material adverse effect on the Company's financial position, results of operations or cash flows.