AG GROWTH INTERNATIONAL INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
Dated: July 29, 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- and six-month periods ended June 30, 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- and six-month periods ended June 30, 2026 ("consolidated financial statements") based on International Financial Reporting Standards ("IFRS"), unless otherwise noted.

Beginning in Q2 2026, AGI has updated its geographic commentary to present Canada and U.S. results on a North America basis. Canada and U.S. results continue to be disclosed separately within various tables and will be discussed where it is necessary to explain period-over-period performance.

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

	Three-month ended June 30			
[thousands of dollars except per share data, percentages, basis points ("bps")]	2026 $	2025 $	Change $	Change %
Revenue	323,184	348,560	(25,376)	(7%)
Adjusted EBITDA [1][2]	43,278	54,244	(10,966)	(20%)
Adjusted EBITDA Margin % [3]	13.4%	15.6%	(217) bps	(14%)
Profit (loss) before income taxes	(30,993)	36,646	(67,639)	N/M [5]
Profit (loss) attributable to shareholders	(38,886)	24,512	(63,398)	N/M
Diluted profit (loss) per share attributable to shareholders	(2.06)	1.21	(3.27)	N/M
Adjusted profit [1][4]	3,728	5,088	(1,360)	(27%)
Diluted adjusted profit per share [3][4]	0.20	0.26	(0.06)	(23%)

	Six-month ended June 30			
[thousands of dollars except per share data, percentages, basis points ("bps")]	2026 $	2025 $	Change $	Change %
Revenue	605,351	635,306	(29,955)	(5%)
Adjusted EBITDA [1][2]	68,478	85,509	(17,031)	(20%)
Adjusted EBITDA Margin % [3]	11.3%	13.5%	(215) bps	(16%)
Profit (loss) before income taxes	(74,619)	20,075	(94,694)	N/M [5]
Profit (loss) attributable to shareholders	(83,130)	7,719	(90,849)	N/M
Diluted profit (loss) per share attributable to shareholders	(4.41)	0.40	(4.81)	N/M
Adjusted profit (loss) [1][4]	(1,661)	277	(1,938)	N/M
Diluted adjusted profit (loss) per share [3][4]	(0.09)	0.01	(0.10)	N/M

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

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

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

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

[5] Not meaningful ["N/M"] – a percentage charge that is mathematically incorrect or misleading.

Consolidated Operating Segment Results Summary

[thousands of dollars except percentages]	2026 $	2025 $	Three-month ended June 30 Change $	Change %
Revenue [1]				
Farm	139,730	126,825	12,905	10%
Commercial	183,454	221,735	(38,281)	(17%)
Total	**323,184**	**348,560**	**(25,376)**	**(7%)**

[thousands of dollars except percentages]	2026 $	2025 $	Six-month ended June 30 Change $	Change %
Revenue [1]				
Farm	241,733	221,920	19,813	9%
Commercial	363,618	413,386	(49,768)	(12%)
Total	**605,351**	**635,306**	**(29,955)**	**(5%)**

[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]	2026 $	2025 $	Three-month ended June 30 Change $	Change %
Adjusted EBITDA [1] [2]				
Farm	32,933	29,297	3,636	12%
Commercial	19,400	36,803	(17,403)	(47%)
Other [3]	(9,055)	(11,856)	2,801	24%
Total	**43,278**	**54,244**	**(10,966)**	**(20%)**

[thousands of dollars except percentages]	2026 $	2025 $	Six-month ended June 30 Change $	Change %
Adjusted EBITDA [1] [2]				
Farm	51,854	48,474	3,380	7%
Commercial	33,006	61,289	(28,283)	(46%)
Other [3]	(16,382)	(24,254)	7,872	32%
Total	**68,478**	**85,509**	**(17,031)**	**(20%)**

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

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

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

			Three-month ended June 30	
	2026	2025	Change	Change
	%	%	basis points ("bps")	%
Adjusted EBITDA Margin % [1]				
Farm	23.6%	23.1%	47 bps	2%
Commercial	10.6%	16.6%	(602) bps	(36%)
Other [2]	(2.8%)	(3.4%)	60 bps	182%
Consolidated	13.4%	15.6%	(217) bps	(14%)

			Six-month ended June 30	
	2026	2025	Change	Change
	%	%	basis points ("bps")	%
Adjusted EBITDA Margin % [1]				
Farm	21.5%	21.8%	(39) bps	(2%)
Commercial	9.1%	14.8%	(575) bps	(39%)
Other [2]	(2.7%)	(3.8%)	111 bps	171%
Consolidated	11.3%	13.5%	(215) bps	(16%)

[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 $323 million and $43 million, respectively, for the second quarter ("Q2") of 2026, representing year-over-year ("YOY") declines of 7% and 20%, respectively, as continued softness in Commercial markets and International performance more than offset a solid quarter for the North American Farm segment and corporate cost savings.

Farm segment revenue increased 10% YOY, driven by growth in both the U.S. and Canada. Adjusted EBITDA improvement in the Farm segment was driven by both regions, with the U.S. contributing more favorably YOY. While farm customers remain focused on preserving cash, these results reflect some incremental improvement in demand conditions for portable equipment in the U.S. and permanent storage and handling equipment in Canada. International performance dampened overall Farm segment gains, reflecting softer demand in certain global markets.

Commercial revenue declined YOY, reflecting continued softness in North America and across most International markets, particularly EMEA (Europe, Middle East and Africa). International performance was primarily impacted by declines in EMEA and Asia Pacific that in part relates to ongoing conflicts in Russia and Ukraine ("RUK") and Iran. Commercial Adjusted EBITDA margins compressed due to lower volumes in North America and margin pressure in EMEA and Asia Pacific, partially offset by improved profitability due to cost containment and workforce realignment actions.

Farm Segment Summary

Farm segment results improved YOY, with revenue increasing 10% YOY to $140 million as higher sales in North America were partially offset by lower International sales.

The increase in North America Farm sales reflects an incremental improvement in demand conditions relative to the prior year period. While slow market conditions have begun to show signs of stabilization, cautious spending behavior persists as commodity prices remain low relative to historic levels. We continue to evaluate market dynamics as we observe some signs of improvement across key product categories. International performance tempered overall Farm segment gains, reflecting softer demand across several global markets such as generally higher input costs and lower commodity prices.

Adjusted EBITDA for the Farm segment increased 12% YOY, with margins improving modestly to 23.6% compared to 23.1% in the prior year period. Margin performance reflects higher volume and cost savings initiatives.

Commercial Segment Summary

Commercial segment revenue declined 17% YOY to $184 million, reflecting continued softness in North America and across most International markets, particularly EMEA, where prior period's results included contributions from several project wins in late 2024 and the first half of 2025. North America revenue decreased 19%, with declines in both Canada and the U.S., while international revenue decreased 17%, driven by reductions in EMEA and Asia Pacific, partially offset by stable performance in South America.

In North America, lower volumes continued to impact performance, particularly in the permanent material handling and food equipment businesses, as customers continue to exhibit cautiousness around investment decisions within an uncertain operating environment. Internationally, South America remained a relative area of strength, supported by the continued progression of legacy large-scale projects in Brazil and YOY growth in LATAM (Latin America). In contrast, EMEA and Asia Pacific experienced declines compared to the prior year period due to large projects in the prior year comparable period, and more challenging market conditions that relate in part to geopolitical events in RUK and Iran. In India, demand remained constrained due to excessive rice inventories held by Food Corporation of India ("FCI"). As existing rice inventories reduced demand for milling activity, profitability across the rice milling sector remained under pressure, leading customers to defer capital expenditures and reducing demand for rice milling equipment.

Adjusted EBITDA for the Commercial segment declined to $19.4 million from $36.8 million in Q2 2025, with margins compressing to 10.6% from 16.6%, a decrease of 602 basis points. Margin compression was driven primarily by lower volumes in North America, as well as reduced profitability in EMEA and Asia Pacific, partially offset by improved profitability in South America and the benefit of cost containment actions.

Outlook

The consolidated order book[1] totaled $516 million at June 30, 2026, down 22% YOY.

Order book softness remains concentrated in the Commercial segment, reflecting softer customer purchasing patterns, notably in North America and EMEA, and the absence of new large-scale comprehensive project contributions in Brazil, consistent with our deliberate strategic shift toward lower-risk, capital-light, equipment-only opportunities. The order backlog related to AGI-financed large-scale projects in Brazil decreased $38 million YOY. In Farm, conditions are showing early signs of stabilization. However, the pick-up in activity remains modest and is measured against a low base. It remains too early to call a definitive turn in the cycle.

Taken together, the combination of a still-guarded Farm recovery, continued Commercial softness, and the strategy shift in Brazil are expected to weigh on second-half and full-year results relative to the prior year.

Business Updates

We have now completed approximately $106 million of non-current accounts receivable monetization relating to contracts in Brazil, with proceeds applied to reduce outstanding borrowings under our senior credit facilities and to fund the final stages of certain contracts in Brazil. This represents the substantial majority of anticipated proceeds from our monetization initiatives for 2026.

With many of our structural cost reduction initiatives either complete or in-progress, we continue to track to plan with an annualized savings target of greater than $30 million. Importantly, the savings are largely structural and tied to permanent changes in organizational design and footprint rather than temporary spending deferrals. As a result, volume recovery will drive additional margin recovery in the future.

In the second quarter of 2026, we initiated a strategic facility consolidation plan aimed at regaining historical storage and material handling volumes in the U.S. market. We are consolidating fragmented U.S. operations into a single facility with upgraded equipment and a modest capital outlay. We will introduce a standardized North American bin design at a competitive price point, while adding capacity and manufacturing equipment redundancy across our total North American network.

As we consolidate facilities and rationalize the business, a number of unused assets are in the process of being sold. We expect to monetize more than $20 million of assets in the second half of 2026, more than covering the capital requirements for the U.S. consolidation initiative and furthering our objective of debt reduction.

We are also strengthening our leadership team with the appointment of Haaris Uddin as Chief Financial Officer, effective August 4, 2026. Mr. Uddin brings public-company finance, capital markets, and international operating experience, having most recently served as CFO of Medicure Inc. Interim CFO Nicolle Parker will continue to lead the finance function through the transition and return to her previous

[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.

role as Senior Vice President of Finance & Information Systems to ensure continuity in financial reporting and governance.

Governance Update

Reflecting the Board's continued focus on maximizing shareholder value, on June 18, 2026 the Board of Directors formally established a Strategic Review Committee (the "SRC"), comprised of independent directors Gary Anderson (Chair), George Armoyan, and Mick MacBean, to oversee a formal review of the strategic alternatives available to the Company. The SRC is reviewing the full range of options and, to support the process, the Company is engaging financial and legal advisors as appropriate.

OPERATING RESULTS

Revenue by Geography[2]

[thousands of dollars except percentages]	2026 $	2025 $	Three-month ended June 30 Change $	Change %
North America				
Canada	67,480	65,450	2,030	3%
U.S.	116,732	112,824	3,908	3%
Total North America	184,212	178,274	5,938	3%
International	138,972	170,286	(31,314)	(18%)
Total Revenue	**323,184**	**348,560**	**(25,376)**	**(7%)**

[thousands of dollars except percentages]	2026 $	2025 $	Six-month ended June 30 Change $	Change %
North America				
Canada	122,702	100,277	22,425	22%
U.S.	201,221	220,209	(18,988)	(9%)
Total North America	323,923	320,486	3,437	1%
International	281,428	314,820	(33,392)	(11%)
Total Revenue	**605,351**	**635,306**	**(29,955)**	**(5%)**

[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.

Revenue by Segment and Geography[3]

Farm Segment

[thousands of dollars except percentages]	2026 $	2025 $	Three-month ended June 30 Change $	Change %
North America				
Canada	58,434	53,068	5,366	10%
U.S.	72,802	59,752	13,050	22%
Total North America	131,236	112,820	18,416	16%
International	8,494	14,005	(5,511)	(39%)
Total Revenue	**139,730**	**126,825**	**12,905**	**10%**

[thousands of dollars except percentages]	2026 $	2025 $	Six-month ended June 30 Change $	Change %
North America				
Canada	104,130	76,615	27,515	36%
U.S.	117,426	118,616	(1,190)	(1%)
Total North America	221,556	195,231	26,325	13%
International	20,177	26,689	(6,512)	(24%)
Total Revenue	**241,733**	**221,920**	**19,813**	**9%**

Commercial Segment

[thousands of dollars except percentages]	2026 $	2025 $	Three-month ended June 30 Change $	Change %
North America				
Canada	9,046	12,382	(3,336)	(27%)
U.S.	43,930	53,072	(9,142)	(17%)
Total North America	52,976	65,454	(12,478)	(19%)
International	130,478	156,281	(25,803)	(17%)
Total Revenue	**183,454**	**221,735**	**(38,281)**	**(17%)**

[thousands of dollars except percentages]	2026 $	2025 $	Six-month ended June 30 Change $	Change %
North America				
Canada	18,572	23,662	(5,090)	(22%)
U.S.	83,795	101,593	(17,798)	(18%)
Total North America	102,367	125,255	(22,888)	(18%)
International	261,251	288,131	(26,880)	(9%)
Total Revenue	**363,618**	**413,386**	**(49,768)**	**(12%)**

[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 June 30, 2026:

[thousands of dollars except percentages]	2026 $	2025 $	Change $	As at June 30 Change %
Order book	516,008	659,806	(143,798)	(22%)

[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".

North America

Farm North America delivered solid second quarter results, with revenue increasing 16% compared to the prior year period. Performance reflects an incremental improvement in demand conditions across the region, supported by increased customer activity and continued progress toward normalization of dealer inventory levels. However, these demand levels remain subdued relative to historic trends, and it is still premature to definitively comment on cycle timing or the pace and shape of a more fulsome recovery. Farmers continue to focus on cash preservation, generally opting to delay capital investments and expansion efforts amidst sustained economic uncertainties. Growth was driven by activity across both permanent and portable grain handling solutions. In Canada, permanent storage and handling equipment contributed to revenue growth while portable equipment remained a key driver of growth in the U.S. market.

Margin performance improved from the prior year period, reflecting higher volumes, particularly in the U.S., which was partially offset by product mix and relatively stable margins in Canada. The overall margin profile also benefited from a more streamlined cost structure.

The Farm North America order book increased YOY, providing greater visibility into near-term revenue. While recent order activity suggests continued stabilization in demand, customer purchasing behaviour remains influenced by input cost pressures and broader macroeconomic uncertainty. Management remains focused on initiatives aimed at improving the customer experience, including faster quoting, improved on-time delivery, and disciplined pricing actions.

International

International Farm segment results declined YOY in the second quarter of 2026, with revenue decreasing 39% compared to the prior year period. The decline was broad-based across regions, with lower sales in EMEA, Asia Pacific and South America, reflecting softer demand and reduced customer activity across key International markets because of generally higher input costs, lower commodity prices, and in certain instances, lower shipping activity due to geopolitical events. As a result, margins were impacted due to lower volumes across the International platform. International Farm remains a relatively small contributor to consolidated Farm segment results and continues to exhibit variability based on project timing and regional demand conditions.

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".

North America

North America Commercial performance declined YOY in the second quarter of 2026, with revenue decreasing 19% compared to the prior year period which benefitted from the completion of several large projects. Fundamentally, the decline also reflects continued softness in customer capital spending amid an uncertain operating environment, resulting in fewer project awards and lower overall volumes across the region, particularly for our material handling and food equipment businesses.

As anticipated, lower volumes resulted in margin compression during the quarter. While the Company maintained its skilled workforce through this period, consistent with its strategy to preserve critical capabilities, the combination of lower production volumes and fixed cost absorption weighed on profitability. In response to these conditions, the Company continued to implement targeted pricing actions and operational initiatives aimed at rebuilding the order book and improving competitiveness in a challenging market.

The outlook for North America Commercial remains cautious. While recent order activity reflects some improvement relative to earlier in the year, overall demand conditions remain soft, and a more sustained recovery in volumes will be required to meaningfully improve margins.

International

International Commercial revenue declined YOY in the second quarter of 2026, reflecting continued weakness across most regions. While South America remained flat, primarily supported by the progression of legacy large-scale projects in Brazil, this was more than offset by declines in EMEA and Asia Pacific. In the prior period, both EMEA and Asia Pacific benefited from higher activity levels and larger projects in Q2 2025, particularly in the Middle East, while the current period reflects lower project volumes and a more cautious customer environment across these regions. In addition, demand has been negatively impacted by regional conflicts in RUK and Iran.

Asia Pacific also faced persistent challenging conditions in India, where policy changes are hampering domestic demand and regional conflicts are interrupting key export markets. As a result, excess rice inventories have reduced demand for milling activity and profitability across the rice milling sector remains under pressure, leading customers to defer capital expenditures and reducing demand for rice milling equipment.

The International Commercial order book declined YOY, driven by lower order intake in EMEA and South America. In Brazil, the Company remains focused on traditional equipment-only projects, including montage and contractor services, following its strategic decision to step back from large-scale comprehensive contracts that include general contractor services and customer financing. While this shift supports improved risk management and capital efficiency, it also limits the ability to fully replenish the elevated order book levels achieved in prior periods and creates a modest headwind to margin performance. Overall, International Commercial performance reflects a more challenging demand environment, with recovery dependent on improved market conditions across key regions, particularly in India and EMEA.

DETAILED OPERATING RESULTS

	Three-month ended June 30		Six-month ended June 30	
	2026	2025	2026	2025
[thousands of dollars except per share data]	$	$	$	$
Revenue	323,184	348,560	605,351	635,306
Cost of goods sold				
Cost of inventories	229,194	241,826	431,887	439,526
Depreciation and amortization	8,818	9,073	17,854	18,507
	238,012	250,899	449,741	458,033
Selling, general and administrative expenses				
Selling, general & administrative expenses	49,211	57,972	101,718	120,187
Transaction, transitional and other costs (recovery) [1]	11,377	(6,284)	19,129	(2,567)
Enterprise Resource Planning ("ERP") system transformation costs [2]	2,081	4,208	10,733	7,005
Depreciation and amortization	6,062	7,178	13,170	15,003
	68,731	63,074	144,750	139,628
Other operating expense (income)				
Net loss (gain) on sale of long-lived assets [3]	(272)	88	988	80
Net loss (gain) on financial instruments [4]	(507)	(3,181)	1,268	3,426
Other	(191)	(1,898)	(2,794)	(4,250)
	(970)	(4,991)	(538)	(744)
Finance costs [5]	18,496	17,213	36,704	33,806
Finance expense (income) [6]	(729)	(13,744)	3,021	(15,017)
Impairment charge	18,007	103	28,390	23
Share of associate's net loss (income) [7]	12,630	(640)	17,902	(498)
Profit (loss) before income taxes	(30,993)	36,646	(74,619)	20,075
Income tax expense (recovery)	2,396	12,134	(1,141)	12,356
Profit (loss) for the period	(33,389)	24,512	(73,478)	7,719
Profit (loss) per share attributable to shareholders				
Basic	(2.06)	1.30	(4.41)	0.41
Diluted	(2.06)	1.21	(4.41)	0.40

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

[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 13[d] – Finance costs" in our consolidated financial statements.

[6] See “Note 13[e] – Finance expense (income)” in our consolidated financial statements.
[7] See “Note 6 – Brazil activities” 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- and six-month periods ended June 30, 2026 was a gain of $0.7 million and loss $3.1 million, respectively [2025 – gain of $13.7 million and $14.9 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 increased from 1.3706 at December 31, 2025 to 1.4210 at June 30, 2026. See also “Financial Instruments – Foreign exchange contracts”.

Revenue and Adjusted EBITDA

The average U.S. dollar rate of exchange for both the three and six-month periods ended June 30, 2026, was $1.38 [Q2 2025 – $1.38 and $1.41, respectively]. A weaker Canadian dollar relative to the U.S. dollar results in higher reported revenue for AGI, as U.S. dollar denominated revenue are translated into Canadian dollars at a higher rate. Similarly, a weaker Canadian dollar results in higher costs for U.S. dollar denominated inputs and SG&A expenses. In addition, a weaker Canadian dollar may result in higher input costs of certain Canadian dollar denominated inputs, including steel. On balance, Adjusted EBITDA increases when the Canadian dollar weakens relative to the U.S. dollar.

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

SG&A expenses for the three-month period ended June 30, 2026, excluding transaction, transitional and other costs (recovery), ERP system transformation costs, and depreciation and amortization, were $49.2 million [15.2% of revenue] [Q2 2025 – $58.0 million [16.6% of revenue]]. The decrease is primarily the result of a $7.4 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 Q2 2026, costs of approximately $5.9 million were included related to severance and restructuring activities. Included in Q2 2025 was an approximate $9.0 million reduction in previously accrued fees related to a strategic review process conducted in 2024.

Other operating expense (income)

Other operating expense (income) for the three- and six-month periods ended June 30, 2026, were income of $1.0 million and $0.5 million, respectively [Q2 2025 – income of $5.0 million and $0.7 million] and was driven primarily by mark-to-market adjustments on financial instruments [see “Equity swap”]. Interest income from customer financing arrangements is also reflected in Other operating expense (income).

Finance costs

Finance costs, which represent interest incurred, including non-cash interest, on all debt for the three- and six-month periods ended June 30, 2026 were $18.5 million and $36.7 million, respectively [Q2 2025 – $17.2 million and $33.8 million].

Finance expense (income)

Finance expense (income), which represents interest income earned and foreign exchange on long-term debt for the three- and six-month periods ended June 30, 2026, was an income of $0.7 million and expense of $3.0 million, respectively [Q2 2025 – income of $13.7 million and $15.0 million]. The change in finance expense (income) relates primarily to the effect of non-cash translation of the Company's U.S. dollar denominated long-term debt as the exchange rate increased from 1.3706 at December 31, 2025 to 1.4210 at June 30, 2026.

Impairment Charge

During the second quarter of 2026, the Company identified impairment indicators for certain operations in its Commercial segment in North America and its Brazil operations. As a result, the Company recorded impairment charges of $18.0 million, which is primarily related to operations in these two regions, in accordance with International Accounting Standards ("IAS 36"), *Impairment of Assets*. The impairment charge consist of $9.6 million related to capital assets and $8.4 million related to identifiable intangible assets.

The impairment charges in our Brazil operations reflects the Company's strategic shift away from large-scale, capital-intensive projects toward a more equipment-focused business model, which has reduced projected long-term cash flows and the recoverable value of certain capital assets and identifiable intangible assets. Total impairment related to our Brazil operations was $12.1 million.

Additionally, impairment charges were identified at certain Commercial operations in North America, including the Company's Food platform, where updated forecasts reflect near-term operating underperformance, reduced cash flows and limited near-term visibility to recovery. As a result, the expected future economic benefits associated with certain identifiable intangible assets, including customer relationships and capitalized development costs, were reduced, resulting in write-downs to their recoverable amounts. Total impairment related to our North America operations was $5.7 million.

Profit (loss) before income taxes and Adjusted EBITDA

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

[thousands of dollars]	Three-month ended June 30 2026 $	Three-month ended June 30 2025 $	Six-month ended June 30 2026 $	Six-month ended June 30 2025 $
Profit (loss) for the period before income taxes	(30,993)	36,646	(74,619)	20,075
Finance costs [1]	18,496	17,213	36,704	33,806
Depreciation and amortization	14,880	16,251	31,024	33,510
Share of associate's net loss (income) [2]	12,630	(640)	17,902	(498)
Loss (gain) on foreign exchange [3]	(702)	(13,718)	3,059	(14,911)
Share-based compensation expense (recovery) [4]	(1,719)	3,558	(6,100)	5,560
Net loss (gain) on financial instruments [5]	(507)	(3,181)	1,268	3,426
Transaction, transitional and other costs (recovery) [6]	11,377	(6,284)	19,129	(2,567)
ERP system transformation costs [7]	2,081	4,208	10,733	7,005
Net loss (gain) on sale of long-lived assets [8]	(272)	88	988	80
Impairment charge	18,007	103	28,390	23
Adjusted EBITDA [9]	**43,278**	**54,244**	**68,478**	**85,509**

[1] See “Note 13[d] – Finance costs” in our consolidated financial statements
[2] See “Note 6 – Brazil activities” in our consolidated financial statements.
[3] See “Note 13[e] – Finance expense (income)” in our consolidated financial statements.
[4] The Company’s share-based compensation expense (recovery) pertains to our equity incentive award plan (“EIAP”) and directors’ deferred compensation plan (“DDCP”). See “Note 12 – Share-based compensation plans” in our consolidated financial statements.
[5] See “Equity swap”.
[6] Includes legal and advisory fees, legal provision, transitional costs related to reorganizations, 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.

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

	Three-month ended June 30, 2026			
	Farm	Commercial	Other [11]	Total
[thousands of dollars]	$	$	$	$
Profit (loss) before income taxes	26,546	(17,748)	(39,791)	**(30,993)**
Finance costs [1]	—	—	18,496	**18,496**
Depreciation and amortization [2]	6,501	6,681	1,698	**14,880**
Share of associate's net loss [3]	—	12,630	—	**12,630**
Gain on foreign exchange [4]	—	—	(702)	**(702)**
Share-based compensation recovery [5]	—	—	(1,719)	**(1,719)**
Net gain on financial instruments [6]	—	—	(507)	**(507)**
Transaction, transitional and other costs [7]	—	—	11,377	**11,377**
ERP system transformation costs [8]	—	—	2,081	**2,081**
Net loss (gain) on sale of long-lived assets [2] [9]	(114)	(170)	12	**(272)**
Impairment charge	—	18,007	—	**18,007**
Adjusted EBITDA [10]	**32,933**	**19,400**	**(9,055)**	**43,278**

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

				Six-month ended June 30, 2026
	Farm	Commercial	Other [11]	Total
[thousands of dollars]	$	$	$	$
Profit (loss) before income taxes	38,278	(23,427)	(89,470)	**(74,619)**
Finance costs [1]	—	—	36,704	**36,704**
Depreciation and amortization [2]	13,151	14,358	3,515	**31,024**
Share of associate's net loss [3]	—	17,902	—	**17,902**
Loss on foreign exchange [4]	—	—	3,059	**3,059**
Share-based compensation recovery [5]	—	—	(6,100)	**(6,100)**
Net loss on financial instruments [6]	—	—	1,268	**1,268**
Transaction, transitional and other costs [7]	354	—	18,775	**19,129**
ERP system transformation costs [8]	—	—	10,733	**10,733**
Net loss (gain) on sale of long-lived assets [2] [9]	(142)	1,123	7	**988**
Impairment charge	213	23,050	5,127	**28,390**
Adjusted EBITDA [10]	**51,854**	**33,006**	**(16,382)**	**68,478**

				Six-month ended June 30, 2025
	Farm	Commercial	Other [11]	Total
[thousands of dollars]	$	$	$	$
Profit (loss) before income taxes	32,884	46,304	(59,113)	**20,075**
Finance costs [1]	—	—	33,806	**33,806**
Depreciation and amortization [2]	13,981	15,505	4,024	**33,510**
Share of associate's net income [3]	—	(498)	—	**(498)**
Gain on foreign exchange [4]	—	—	(14,911)	**(14,911)**
Share-based compensation expense [5]	—	—	5,560	**5,560**
Net loss on financial instruments [6]	—	—	3,426	**3,426**
Transaction, transitional and other costs (recovery) [7]	1,607	—	(4,174)	**(2,567)**
ERP system transformation costs [8]	—	—	7,005	**7,005**
Net loss (gain) on sale of long-lived assets [2] [9]	(21)	(22)	123	**80**
Impairment charge	23	—	—	**23**
Adjusted EBITDA [10]	**48,474**	**61,289**	**(24,254)**	**85,509**

[1] See “Note 13[d] – Finance costs” in our consolidated financial statements.
[2] Allocated based on the segment of the underlying asset’s cash generating unit.
[3] See “Note 6 – Brazil activities” in our consolidated financial statements.
[4] See “Note 13[e] – Finance expense (income)” in our consolidated financial statements.
[5] The Company’s share-based compensation expense (recovery) pertains to our EIAP and DDCP. See “Note 12 – Share-based compensation plans” in our consolidated financial statements.
[6] See “Equity swap”.
[7] Includes legal and advisory fees, legal provision, transitional costs related to reorganizations, acquisition related transition costs and accretion and other movement in amounts due to vendors.
[8] Expenses incurred in connection with a global multi-year ERP transformation project, which was terminated in the first quarter of 2026.
[9] Includes gain/loss on sale of property, plant, and equipment, assets held for sale, and settlement of lease liabilities.
[10] This is a non-IFRS measure and is used throughout this MD&A. See “NON-IFRS AND OTHER FINANCIAL MEASURES” for more information on each non-IFRS measure.
[11] Included in Other is the corporate office, which is not a reportable segment, and which provides finance, treasury, legal, human resources and other administrative support to the segments.

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

	Three-month ended June 30, 2026			
[thousands of dollars]	North America $	International $	Other [11] $	Total $
Profit (loss) before income taxes	19,817	(11,029)	(39,781)	**(30,993)**
Finance costs [1]	—	—	18,496	**18,496**
Depreciation and amortization [2]	9,473	3,718	1,689	**14,880**
Share of associate's net loss [3]	—	12,630	—	**12,630**
Gain on foreign exchange [4]	—	—	(702)	**(702)**
Share-based compensation recovery [5]	—	—	(1,719)	**(1,719)**
Net gain on financial instruments [6]	—	—	(507)	**(507)**
Transaction, transitional and other costs [7]	—	—	11,377	**11,377**
ERP system transformation costs [8]	—	—	2,081	**2,081**
Net loss (gain) on sale of long-lived assets [2] [9]	(152)	(131)	11	**(272)**
Impairment charge	5,676	12,331	—	**18,007**
Adjusted EBITDA [10]	**34,814**	**17,519**	**(9,055)**	**43,278**

	Three-month ended June 30, 2025			
[thousands of dollars]	North America $	International $	Other [11] $	Total $
Profit (loss) before income taxes	28,542	23,592	(15,488)	**36,646**
Finance costs [1]	—	—	17,213	**17,213**
Depreciation and amortization [2]	9,800	4,323	2,128	**16,251**
Share of associate's net income [3]	—	(640)	—	**(640)**
Gain on foreign exchange [4]	—	—	(13,718)	**(13,718)**
Share-based compensation expense [5]	—	—	3,558	**3,558**
Net gain on financial instruments [6]	—	—	(3,181)	**(3,181)**
Transaction, transitional and other costs (recovery) [7]	428	—	(6,712)	**(6,284)**
ERP system transformation costs [8]	—	—	4,208	**4,208**
Net loss (gain) on sale of long-lived assets [2] [9]	(37)	(11)	136	**88**
Impairment charge	103	—	—	**103**
Adjusted EBITDA [10]	**38,836**	**27,264**	**(11,856)**	**54,244**

	Six-month ended June 30, 2026			
[thousands of dollars]	North America $	International $	Other [11] $	Total $
Profit (loss) before income taxes	25,685	(10,854)	(89,450)	**(74,619)**
Finance costs [1]	—	—	36,704	**36,704**
Depreciation and amortization [2]	19,210	8,317	3,497	**31,024**
Share of associate's net loss [3]	—	17,902	—	**17,902**
Loss on foreign exchange [4]	—	—	3,059	**3,059**
Share-based compensation recovery [5]	—	—	(6,100)	**(6,100)**

Net loss on financial instruments [6]	—	—	1,268	**1,268**
Transaction, transitional and other costs [7]	354	—	18,775	**19,129**
ERP system transformation costs [8]	—	—	10,733	**10,733**
Net loss (gain) on sale of long-lived assets [2] [9]	(183)	1,166	5	**988**
Impairment charge	5,889	17,374	5,127	**28,390**
Adjusted EBITDA [10]	**50,955**	**33,905**	**(16,382)**	**68,478**

				Six-month ended June 30, 2025
	North America	International	Other [11]	Total
[thousands of dollars]	$	$	$	$
Profit (loss) before income taxes	36,379	42,791	(59,095)	**20,075**
Finance costs [1]	—	—	33,806	**33,806**
Depreciation and amortization [2]	20,985	8,519	4,006	**33,510**
Share of associate's net income [3]	—	(498)	—	**(498)**
Gain on foreign exchange [4]	—	—	(14,911)	**(14,911)**
Share-based compensation expense [5]	—	—	5,560	**5,560**
Net loss on financial instruments [6]	—	—	3,426	**3,426**
Transaction, transitional and other costs (recovery) [7]	1,607	—	(4,174)	**(2,567)**
ERP system transformation costs [8]	—	—	7,005	**7,005**
Net loss (gain) on sale of long-lived assets [2] [9]	(33)	(11)	124	**80**
Impairment charge (recovery)	24	—	(1)	**23**
Adjusted EBITDA [10]	**58,962**	**50,801**	**(24,254)**	**85,509**

[1] See "Note 13[d] – Finance costs" in our consolidated financial statements.
[2] Allocated based on the geographical region of the facilities with the exception of expenses noted in Other.
[3] See "Note 6 – Brazil activities" in our consolidated financial statements.
[4] See "Note 13[e] – Finance expense (income)" in our consolidated financial statements.
[5] The Company's share-based compensation expense (recovery) pertains to our EIAP and DDCP. See "Note 12 – Share-based compensation plans" in our consolidated financial statements.
[6] See "Equity swap".
[7] Includes legal and advisory fees, legal provision, transitional costs related to reorganizations, acquisition related transition costs and accretion and other movement in amounts due to vendors.
[8] Expenses incurred in connection with a global multi-year ERP transformation project, which was terminated in the first quarter of 2026.
[9] Includes gain/loss on sale of property, plant, and equipment, assets held for sale, and settlement of lease liabilities.
[10] This is a non-IFRS measure and is used throughout this MD&A. See "NON-IFRS AND OTHER FINANCIAL MEASURES" for more information on each non-IFRS measure.
[11] Included in Other is the corporate office which provides finance, treasury, legal, human resources and other administrative support to the geographical regions.

AGI's Adjusted EBITDA for the three-month period ended June 30, 2026 decreased to $43.3 million from $54.2 million for the same period last year. Results were driven primarily by lower profitability in the Commercial segment amid softness in North America and EMEA 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- and six-month periods ended June 30, 2026 was $14.9 million and $31.0 million [Q2 2025 – $16.3 million and $33.5 million].

Income tax expense

Current income tax expense

Current income tax expense for the three- and six-month periods ended June 30, 2026 was $0.9 million and $3.3 million, respectively [Q2 2025 – $4.3 million and $6.9 million].

Deferred income tax expense (recovery)

Deferred income tax expense (recovery) for the three- and six-month periods ended June 30, 2026 was an expense $1.5 million and a recovery of $4.5 million [Q2 2025 – expense of $7.8 million and $5.5 million]. The deferred income tax recovery in the first six months of 2026 relates to the recognition of temporary differences between the accounting and tax treatment of the right-of-use assets and tax loss carryforwards.

[thousands of dollars except percentages]	Three-month ended June 30 2026 $	Three-month ended June 30 2025 $	Six-month ended June 30 2026 $	Six-month ended June 30 2025 $
Current tax expense	925	4,311	3,319	6,884
Deferred tax expense (recovery)	1,471	7,823	(4,460)	5,472
Total tax expense (recovery)	**2,396**	**12,134**	**(1,141)**	**12,356**
Profit (loss) before income taxes	(30,993)	36,646	(74,619)	20,075
Effective income tax rate	(7.7%)	33.1%	1.5%	61.5%

The effective tax rate in Q2 2026 and all periods presented 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 and by the mix of taxable income and losses generated across multiple tax jurisdictions. The difference in effective tax rates from the statutory rate of 26.5% for the three-month ended June 30, 2026 was primarily attributable to tax losses not recognized and non-deductible expenses.

Diluted profit (loss) per share attributable to shareholders and diluted adjusted profit (loss) per share

The Company's diluted adjusted profit (loss) per share for the three- and six-month periods ended June 30, 2026, was a profit of $0.20 per share and a loss of $0.09 per share [2025 – profit of $0.26 and $0.01 per share]. Diluted adjusted profit (loss) per share has been impacted by the items enumerated in the table below, which reconciles profit (loss) attributable to shareholders to adjusted profit (loss).

	Three-month ended June 30		Six-month ended June 30	
	2026	2025	2026	2025
[thousands of dollars except per share data]	$	$	$	$
Profit (loss) attributable to shareholders	(38,886)	24,512	(83,130)	7,719
Diluted profit (loss) per share attributable to shareholders	(2.06)	1.21	(4.41)	0.40
Share of associate's net loss (income) [1]	12,630	(640)	17,902	(498)
Loss (gain) on foreign exchange [2]	(702)	(13,718)	3,059	(14,911)
Net loss (gain) on financial instruments [3]	(507)	(3,181)	1,268	3,426
Transaction, transitional and other costs (recovery) [4]	11,377	(6,284)	19,129	(2,567)
ERP system transformation costs [5]	2,081	4,208	10,733	7,005
Net loss (gain) on sale of long-lived assets [6]	(272)	88	988	80
Impairment charge	18,007	103	28,390	23
Adjusted profit (loss) [7]	3,728	5,088	(1,661)	277
Diluted adjusted profit (loss) per share [8]	0.20	0.26	(0.09)	0.01

[1] See "Note 6 – Brazil activities" in our consolidated financial statements.
[2] See "Note 13[e] – Finance expense (income)" in our consolidated financial statements.
[3] See "Equity swap".
[4] Includes legal and advisory fees, legal provision, transitional costs related to reorganizations, 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)
Q2	1.38	323,184	(33,389)	(2.06)	(2.06)
YTD	**1.38**	**605,351**	**(73,478)**	**(4.41)**	**(4.41)**

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 $
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 “Profit (loss) before income taxes and Adjusted EBITDA” for such items.

LIQUIDITY AND CAPITAL RESOURCES

AGI's financing requirements are subject to variations due to the seasonal and cyclical nature of its business. Revenues historically have been higher in the second and third calendar quarters compared with the first and fourth quarters and cash flow has been lower in the first half of each calendar year. However, the Company's geographic diversity has increased over time leading to a more balanced distribution of revenue and corresponding collections throughout the year. Internally generated funds are supplemented, when necessary, from external sources, primarily the Company's senior credit facilities, to fund the Company's working capital requirements, capital expenditures, acquisitions, 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 June 30		Six-month ended June 30	
	2026	2025	2026	2025
[thousands of dollars]	$	$	$	$
Profit (loss) before income tax	(30,993)	36,646	(74,619)	20,075
Items not involving current cash flows	52,857	(9,476)	117,560	32,907
Cash flows provided by operations	21,864	27,170	42,941	52,982
Net change in working capital balances related to operations	(10,185)	(9,875)	(50,193)	(48,718)
Transfer from (to) restricted cash	(94)	(2)	(204)	51
Change in non-current accounts receivable	(42,923)	(29,321)	(85,497)	(63,526)
Change in note receivable	—	6,038	—	6,038
Change in other financial liabilities	78	312	192	418
Settlement of equity incentive award plan obligation	(1,818)	(2,366)	(5,029)	(5,757)
Distribution from joint venture	106,412	—	106,412	—
Post-combination payments	(6,358)	—	(6,322)	(1,699)
Income taxes paid	(1,117)	(5,842)	(2,537)	(5,357)
Cash provided by (used in) operating activities	65,859	(13,886)	(237)	(65,568)
Cash used in investing activities	(2,562)	(7,185)	(5,805)	(16,830)
Cash provided by (used in) financing activities	(62,896)	(8,353)	(11,042)	50,032
Net increase (decrease) in cash during the period	401	(29,424)	(17,084)	(32,366)
Balance beginning of period, prior to restatement for IFRS 9 amendments	30,637	76,951	45,659	79,893
Adjustment on adoption of IFRS 9 amendments	—	—	2,463	—
Cash, beginning of period	30,637	76,951	48,122	79,893
Cash, end of period	**31,038**	**47,527**	**31,038**	**47,527**

The increase in cash provided by (used in) operating activities for the three- and six-month periods ended June 30, 2026 as compared to the 2025 periods is primarily the result of a $106.4 million distribution received for the monetization of Brazil's legacy large-scale comprehensive projects. This large cash inflow was not present in the prior year period. Additionally, for both the three- and six-month periods, operating cash flows were offset by net changes in working capital balances, increase in non-current accounts receivable, and post-combination payments.

Cash used in investing activities for the three- and six-month periods ended June 30, 2026 decreased compared to the same periods in 2025, primarily due to lower capital expenditures and reduced investment in the development of internally generated intangible assets. Investing activities in both periods continued to reflect disciplined capital allocation, with no significant investments in associates in the current year compared to the prior year period

Cash provided by (used in) financing activities for the three- and six-month periods ended June 30, 2026 reflects an increase in cash used compared to the same periods in 2025. This was primarily driven by net repayments of the Company's senior credit facilities in the current year, compared to net borrowings in the prior year period. The repayments were largely funded by the $106.4 million monetization of the Brazil legacy large-scale comprehensive projects during the quarter, enabling the Company to reduce outstanding debt. In addition, the prior year period included the proceeds received from the Company's senior subordinated unsecured debenture offering completed in the second quarter of 2025.

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 June 30		Last Twelve-months ended June 30	
	2026	2025	2026	2025
[thousands of dollars]	$	$	$	$
Cash provided by (used in) operating activities	65,859	(13,886)	(14,303)	31,104
Less: acquisition of property, plant and equipment	(1,125)	(4,583)	(15,800)	(20,110)
Less: development and purchase of intangibles	(1,705)	(3,663)	(7,729)	(10,293)
Free cash flow [1]	**63,029**	**(22,132)**	**(37,832)**	**701**

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

For the three-month period ended June 30, 2026, free cash flow was $63.0 million [Q2 2025 – $(22.1) million]. The increase in free cash flow was primarily driven by cash provided by operating activities of $65.9 million, compared to cash used by operating activities of $13.9 million in the prior year period. This improvement reflects the receipt of $106.4 million from the monetization of legacy long-term comprehensive projects in Brazil. Lower capital expenditures and reduced investment in internally generated intangible assets also contributed to the increase in free cash flow.

For the twelve-month period ended June 30, 2026, free cash flow decreased to $(37.8) million from $0.7 million in the prior year period, primarily due to lower cash provided by operating activities over the period as a result of working capital requirements related to Brazil's legacy long-term comprehensive projects, partially offset by the monetization of these project in the second quarter of 2026 as described above.

Working Capital Requirements

Interim period working capital requirements typically reflect the seasonality of the business. AGI's collections of accounts receivable in North America are weighted towards the third and fourth quarters. This collection pattern, combined with historically high revenue in the second and third quarters that result from seasonality, typically lead to accounts receivable levels in North America increasing throughout the year and peaking in 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 June 30		Six-month ended June 30	
[thousands of dollars except percentages]	2026 $	2025 $	2026 $	2025 $
Maintenance capital expenditures [1]	1,052	1,375	3,274	3,207
Non-maintenance capital expenditures [1]	73	3,208	138	5,323
Acquisition of property plant and equipment	**1,125**	**4,583**	**3,412**	**8,530**
Maintenance capital expenditures as % of Revenue [1]	0.3%	0.4%	0.5%	0.5%

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

The acquisition of property, plant and equipment in the three- and six-month period ended June 30, 2026, was $1.1 million and $3.4 million, respectively [2025 – $4.6 million and $8.5 million].

Maintenance capital expenditures in the three- and six-month period ended June 30, 2026, were $1.1 million and $3.3 million, respectively; 0.3% and 0.5% of revenue, respectively [2025 – $1.4 million and $3.2 million; 0.4% and 0.5% of revenue]. Maintenance capital expenditures relate primarily to purchases of manufacturing equipment and building repairs and historically have approximated 1.0% - 1.5% of revenue.

AGI had non-maintenance capital expenditures in both the three and six-month periods ended June 30, 2026, of $0.1 million [2025 – $3.2 million and $5.3 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 June 30, 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]	**576,139**	137	235	29,820	—	545,947
Lease liability [1]	**58,012**	7,353	13,158	9,497	6,593	21,411
Due to vendor [1]	**165**	165	—	—	—	—
Purchase obligations [2]	**2,172**	2,172	—	—	—	—
Total obligations	**1,038,133**	**94,827**	**232,288**	**39,317**	**6,593**	**665,108**

[1] Undiscounted.
[2] Net of deposit.

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

CAPITAL RESOURCES

Assets and Liabilities

[thousands of dollars]	June 30, 2026 $	June 30, 2025 $
Total assets	1,633,767	1,660,174
Total liabilities	1,428,422	1,371,220

Cash

The Company's cash balance as at June 30, 2026, was $31.0 million [June 30, 2025 – $47.5 million].

Debt Facilities

As at June 30, 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	840,775	575,543	5.34%
Equipment Financing	various	various	574	574	Various
Total			**841,349**	**576,117**	

[1] USD denominated amounts translated to CAD at the rate of exchange in effect on June 30, 2026 of 1.4210.
[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 June 30, 2026, there is $372.6 million [June 30, 2025 – $241.0 million] and U.S. $142.8 million [June 30, 2025 – U.S. $212.8 million] outstanding under the facilities. As at June 30, 2026, the portion of drawings from the senior credit facilities recorded on the swing-line is $10.0 million [June 30, 2025 – $4.4 million].

The Company's senior credit facilities mature on March 20, 2030 and have committed borrowing capacities of $450.0 million and U.S. $275.0 million, which reduce to $428.6 million and U.S. $261.8 million, respectively, on July 3, 2028. In Q1 2026, AGI's senior debt leverage ratio covenant was increased from 3.75x to 4.0x through December 31, 2026. In Q2 2026, it was further increased to 4.75x on a temporary, one quarter-basis, for the period ended June 30, 2026, however the incremental flexibility was not utilized as AGI's senior debt leverage remained below 4.0x at June 30, 2026. The leverage ratio covenant reverts to 4.0x after June 30, 2026, to 3.75x after December 31, 2026 and to 3.5x after June 30,2027.

Debentures

Convertible Unsecured Subordinated Debentures

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

[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 Company's common shares ("Common Shares") on the Toronto Stock Exchange ("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 June 30, 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	70,265
June 30, 2026	**18,879,479**
Settlement of EIAP obligations	1,011
July 29, 2026	**18,880,490**

At July 29, 2026:

- 18,880,490 Common Shares are outstanding;
- 2,265,000 Common Shares are available for issuance under the Company's EIAP, of which 1,341,082 Common Shares have been issued under the EIAP, 200,116 Common Shares are issuable on the settlement of outstanding awards and 723,802 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 99,847 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.

On June 4, 2026, shareholders approved of the Company's new Share Option Plan. No options were granted or outstanding under the plan as at June 30, 2026.

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

DIVIDENDS

As part of its strategic review of capital allocation priorities and increased focus on managing cash flow, no dividend has been declared for or during the quarter ending June 30, 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 (expired)	75,000	3.707 %

[1] Excludes performance adjustment.

The Company enters into interest rate swap contracts to manage its exposure to fluctuations in interest rates on its core borrowings. One such contract expired on May 11, 2026. As such, no balance remains as at June 30, 2026. Prior to expiration, the Company received interest based on the variable rates from the counterparty and paid interest based on a fixed rate of 3.707%. The notional amounts were $75 million in aggregate, resetting each month. The Company had elected to apply hedge accounting for this contract and, therefore, unrealized gains (losses) were recognized in other comprehensive income (loss) to the extent that it had been assessed to be effective. During the three- and six-month periods ended June 30, 2026 and its comparable periods, there were no material unrealized gains and losses recorded in other comprehensive income (loss) or in finance costs.

Equity swap

The Company has an equity swap agreement with a financial institution to manage the cash flow exposure due to fluctuations in its share price related to the EIAP. As at June 30, 2026, the equity swap agreement covered 422,000 Common Shares at a price of $38.76. During the first quarter of 2026, the Company extended the maturity date of the swap agreement by one year to May 5, 2027.

During the three- and six-month periods ended June 30, 2026, an unrealized gain of $0.5 million and an unrealized loss of $1.3 million [Q2 2025 – unrealized gain of $2.9 million and loss of $3.8 million] was recorded in loss (gain) on financial instruments in other operating expense (income). As at June 30, 2026, the fair value of the equity swap is an asset of $7.9 million [June 30, 2025 – asset of $1.3 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 June 30, 2026, AGI did not have any material foreign exchange contracts in place.

OTHER RELATIONSHIPS

The Company is a party to a joint venture, which is considered a related party of the Company. The transactions and balances entered into between the Company and the joint venture are described in Note 6 of our consolidated financial statements.

The Company has an investment in the FIDC, which is considered a related party of the Company. The transactions and balances entered into between the Company and the FIDC are described in Note 19 of our consolidated financial statements.

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 June 30, 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 refusal of the U.S. to renew the Canada-United States-Mexico Agreement ("CUSMA") by the July 1, 2026 deadline, including the risk that the U.S. 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 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 International Accounting Standards Board 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 the 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.

The new guidance applies to annual periods beginning on or after January 1, 2026, and 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 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. 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, December 31, 2025 and 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 had increasingly become engaged in large-scale projects.

Material Weakness Remediation

The Certifying Officers have assessed the effectiveness of the improved controls implemented as a part of AGI's remediation plan and determined the improved controls to be effective as of June 30, 2026. As a result, the Certifying Officers have determined that the material weakness described above no longer existed as at June 30, 2026.

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

- More proactively and timely performing sufficient analyses to determine the appropriate technical accounting treatment of certain matters in Brazil and Company-wide, 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 is 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 assessed 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 and second quarters 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.

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 June 30, 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, net gain or loss on sale of long-lived assets, and impairment charge (recovery). Adjusted EBITDA is a non-IFRS financial measure and its most directly comparable financial measure that is disclosed in our consolidated financial statements is profit (loss) before income taxes. Management believes Adjusted EBITDA is a useful measure to assess the performance and cash flow of the Company as it excludes the effects of interest, taxes, depreciation, amortization and expenses that management believes are not reflective of the Company’s underlying business performance. Management cautions investors that Adjusted EBITDA should not replace profit or loss as indicators of performance, or cash flows from operating, investing, and financing activities as a measure of the Company’s liquidity and cash flows. See “Detailed Operating Results – Profit (loss) before income taxes and Adjusted EBITDA” for the reconciliation of Adjusted EBITDA to profit (loss) before income taxes for the current and comparative periods.

“Adjusted EBITDA 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, net gain or loss on sale of long-lived assets, 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 profit (loss) per share attributable to shareholders and diluted adjusted profit (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 there is incremental improvement in demand conditions for portable equipment in the U.S. and permanent storage and handling equipment in Canada; our belief that cautious spending behavior persists in the North America Farm market as commodity prices remain low relative to historic levels; our evaluation of market dynamics; that customers in the Commercial segment continue to exhibit cautiousness around investment decisions in an uncertain operating environment; our belief that the Farm order book is showing early signs of stabilization; our expectations that the combination of a still-guarded Farm recovery and continued Commercial softness will weigh on second-half and full-year results relative to the prior year and the anticipated impacts thereof; that incremental amounts may be received in the future from the monetization of non-current accounts receivable in Brazil; our cost reduction initiatives and anticipated annualized savings target of $30 million; our belief that volume recovery will drive additional margin recovery in the future; our strategic facility consolidation plan and the anticipated benefits therefrom; the sales process of certain locations and assets and anticipated timing and benefits therefrom, including anticipated monetization of more than $30 million in the third and fourth quarters of 2026; that we will continue to focus on debt reduction; the anticipated leadership changes and the timing thereof; that farmers continue to focus on cash preservation and are delaying capital investments and expansion efforts as a result of sustained economic uncertainties; that management remains focused on execution initiatives aimed at improving the customer experience, including faster quoting, improved on-time delivery, and disciplined pricing actions; that the outlook for North America Commercial segment remains cautious and that overall demand conditions remain soft; our belief that more sustained recovery in volumes will be required to meaningfully improve margins; that the Company remains focused on traditional equipment-only projects, including montage and contractor services; our belief that the overall International Commercial performance reflects a more challenging demand environment, with recovery dependent on improved market conditions across key regions, particularly in India and EMEA; 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 annualized cost savings that we expect to realize from our structural cost reduction initiatives; and our expectation to monetize more than $20 million of facilities and assets in the third and fourth quarters of 2026; 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 July 29, 2026, and is included to provide readers with an understanding of AGI's expectations for 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.

June 30, 2026

Ag Growth International Inc.

Unaudited interim condensed consolidated statements of financial position

[in thousands of Canadian dollars]

As at

	June 30, 2026 $	December 31, 2025 $
Assets		
Current assets		
Cash and cash equivalents	31,038	45,659
Restricted cash	5,476	5,352
Accounts receivable	284,092	301,720
Inventory	208,853	194,129
Prepaid expenses and other assets *[note 6]*	84,322	80,568
Current portion of notes receivable	1,068	1,015
Current portion of derivative instruments *[note 18[c]]*	—	6
Income taxes recoverable	3,937	4,636
	618,786	633,085
Non-current assets		
Property, plant and equipment, net *[notes 6 and 14]*	283,642	328,893
Right-of-use assets, net *[note 7]*	32,075	35,563
Goodwill	340,005	338,081
Intangible assets, net *[notes 6 and 14]*	155,521	170,184
Non-current accounts receivable *[note 6]*	117,151	183,129
Investment in associate *[note 19]*	—	6,215
Investment in joint venture *[note 19]*	39,178	5,603
Notes receivable	3,277	3,095
Other assets	6,534	4,692
Deferred income tax asset	438	67
	977,821	1,075,522
Assets held for sale *[note 8]*	37,160	5,142
Total assets	1,633,767	1,713,749
Liabilities and equity		
Current liabilities		
Accounts payable and accrued liabilities	261,139	264,449
Customer deposits	71,405	84,461
Dividends payable	—	2,821
Income taxes payable	16,383	15,714
Financial liability *[note 6]*	8,278	7,542
Current portion of derivative instruments *[note 18[c]]*	7,864	6,975
Current portion of EIAP liability	142	223
Current portion of due to vendor	165	4,045
Current portion of lease liability	11,701	10,801
Current portion of long-term debt *[note 10]*	233	235
Current portion of senior unsecured subordinated debentures	84,720	84,459
Provisions *[note 9]*	12,150	14,786
	474,180	496,511
Non-current liabilities		
Other financial liabilities	1,534	1,360
EIAP liability	82	241
Lease liability	36,096	34,786
Other non-current liabilities	106	92
Long-term debt *[note 10]*	572,322	579,074
Convertible unsecured subordinated debentures *[note 18]*	208,436	204,493
Senior unsecured subordinated debentures	94,211	93,627
Deferred income tax liability	41,455	47,821
	954,242	961,494
Total liabilities	1,428,422	1,458,005
Equity *[note 11]*		
Common shares	23,505	17,678
Accumulated other comprehensive income	67,677	28,844
Equity component of convertible debentures	22,868	22,868
Contributed surplus	482,516	500,015
Deficit	(410,443)	(322,510)
Total equity attributable to shareholders of the Company	186,123	246,895
Non-controlling interest *[note 6]*	19,222	8,849
Total equity	205,345	255,744
Total liabilities and equity	1,633,767	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 income (loss)

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

	Three-month period ended		Six-month period ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
	$	$	$	$
Revenue *[note 5]*	323,184	348,560	605,351	635,306
Cost of goods sold *[note 13[a]]*	238,012	250,899	449,741	458,033
Gross profit	85,172	97,661	155,610	177,273
Expenses				
Selling, general and administrative *[note 13[b]]*	68,731	63,074	144,750	139,628
Other operating income *[note 13[c]]*	(970)	(4,991)	(538)	(744)
Impairment charge *[notes 6, 7 and 14]*	18,007	103	28,390	23
Finance costs *[note 13[d]]*	18,496	17,213	36,704	33,806
Finance expense (income) *[note 13[e]]*	(729)	(13,744)	3,021	(15,017)
Share of associate's net loss (income) *[note 19]*	12,630	(640)	17,902	(498)
	116,165	61,015	230,229	157,198
Profit (loss) before income taxes	(30,993)	36,646	(74,619)	20,075
Income tax expense (recovery) *[note 15]*				
Current	925	4,311	3,319	6,884
Deferred	1,471	7,823	(4,460)	5,472
	2,396	12,134	(1,141)	12,356
Profit (loss) for the period	(33,389)	24,512	(73,478)	7,719
Attributable to:				
Shareholders of the Company	(38,886)	24,512	(83,130)	7,719
Non-controlling interest *[note 6]*	5,497	—	9,652	—
Profit (loss) for the period	(33,389)	24,512	(73,478)	7,719
Profit (loss) per share attributable to shareholders of the Company *[note 16]*				
Basic	(2.06)	1.30	(4.41)	0.41
Diluted	(2.06)	1.21	(4.41)	0.40

See accompanying notes

Ag Growth International Inc.

Unaudited interim condensed consolidated statements of comprehensive income (loss)

[in thousands of Canadian dollars]

	Three-month period ended		Six-month period ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
	$	$	$	$
Profit (loss) for the period	(33,389)	24,512	(73,478)	7,719
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 *[note 18[c]]*	1	133	2	(150)
Realized loss on derivatives designated as cash flow hedges recognized in profit or loss *[note 18[c]]*	180	174	445	260
Income tax effect on cash flow hedges	(47)	(82)	(118)	(29)
Exchange differences on translation of foreign operations	14,265	(20,932)	38,501	(2,030)
	14,399	(20,707)	38,830	(1,949)
Items that will not be reclassified to profit or loss				
Actuarial gain (loss) on defined benefit plans	(70)	(248)	4	(140)
Income tax effect on defined benefit plans	19	66	(1)	37
	(51)	(182)	3	(103)
Other comprehensive income (loss) for the period	14,348	(20,889)	38,833	(2,052)
Comprehensive income (loss) for the period	(19,041)	3,623	(34,645)	5,667
Attributable to:				
Equity holders of the Company	(24,914)	3,623	(45,405)	5,667
Non-controlling interest *[note 6]*	5,873	—	10,760	—
Comprehensive income (loss) for the period	(19,041)	3,623	(34,645)	5,667

See accompanying notes

Unaudited interim condensed consolidated statements of changes in shareholders' equity

[in thousands of Canadian dollars]

Six-month period ended June 30, 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	—	—	—	(83,130)	—	—	—	—	(83,130)	9,652	(73,478)
Other comprehensive income	—	—	—	—	38,501	329	3	—	38,833	—	38,833
Share-based payment transactions *[notes 11[a] and [b]]*	5,827	—	(17,499)	—	—	—	—	—	(11,672)	—	(11,672)
Dividends on share-based compensation awards *[note 11[c]]*	—	—	—	294	—	—	—	—	294	—	294
Transactions with non-controlling interest *[note 6]*	—	—	—	(5,097)	—	—	—	—	(5,097)	721	(4,376)
As at June 30, 2026	23,505	22,868	482,516	(410,443)	65,630	2	2,945	(900)	186,123	19,222	205,345

See accompanying notes

Unaudited interim condensed consolidated statements of changes in shareholders' equity

[in thousands of Canadian dollars]

Six-month period ended June 30, 2025

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

See accompanying notes

Ag Growth International Inc.

Unaudited interim condensed consolidated statements of cash flows

[in thousands of Canadian dollars]

	Three-month period ended		Six-month period ended	
	June 30, 2026 $	June 30, 2025 $	June 30, 2026 $	June 30, 2025 $
Operating activities				
Profit (loss) before income taxes	(30,993)	36,646	(74,619)	20,075
Add (deduct) items not affecting cash				
Depreciation of property, plant and equipment	6,676	6,981	13,437	14,088
Depreciation of right-of-use assets	2,899	3,018	6,101	5,800
Amortization of intangible assets	4,757	5,709	10,385	12,518
Loss (gain) on sale of long-lived assets	(272)	88	988	80
Bad debt expense	492	—	2,165	—
Impairment charge *[notes 6, 7 and 14]*	18,007	103	28,390	23
Share of associate's net loss *[note 6]*	12,630	(640)	17,902	(498)
Non-cash component of interest expense (recovery)	(2,990)	2,506	5,546	4,941
Non-cash movement in derivative instruments	(507)	(6,718)	1,268	3,793
Share-based compensation expense (recovery)	(1,719)	3,558	(6,100)	5,560
Other	2,320	(3,550)	2,486	(4,718)
Translation loss (gain) on foreign exchange	10,564	(20,531)	34,992	(8,680)
	21,864	27,170	42,941	52,982
Net change in working capital balances related to operations *[note 17]*	(10,185)	(9,875)	(50,193)	(48,718)
Change in:				
Note receivable	—	6,038	—	6,038
Non-current accounts receivable	(42,923)	(29,321)	(85,497)	(63,526)
Other financial liabilities	78	312	192	418
Transfer from (to) restricted cash	(94)	(2)	(204)	51
Settlement of EIAP obligation	(1,818)	(2,366)	(5,029)	(5,757)
Distribution from joint venture *[note 6]*	106,412	—	106,412	—
Post-combination payments	(6,358)	—	(6,322)	(1,699)
Income taxes paid	(1,117)	(5,842)	(2,537)	(5,357)
Cash provided by (used in) operating activities	65,859	(13,886)	(237)	(65,568)
Investing activities				
Investment in associate *[note 6]*	—	(502)	—	(4,071)
Acquisition of property, plant and equipment	(1,125)	(4,583)	(3,412)	(8,530)
Proceeds from sale of long-lived assets	172	1,482	198	1,570
Development and acquisition of intangible assets	(1,705)	(3,663)	(2,794)	(5,923)
Sublease income, net of costs	96	81	203	124
Cash used in investing activities	(2,562)	(7,185)	(5,805)	(16,830)
Financing activities				
Borrowings on senior credit facilities, net of costs	(68,910)	(96,135)	(14,609)	(22,385)
Repayment of financial liability *[note 6]*	—	—	—	(737)
Investment contribution from non-controlling interest *[note 6]*	9,343	—	13,160	—
Repayment of obligation under lease liability	(3,123)	(3,079)	(6,566)	(5,849)
Issuance of senior unsecured subordinated debentures, net of costs	(206)	93,672	(206)	93,672
Share repurchase under normal course issuer bid *[note 11[a]]*	—	—	—	(9,026)
Dividends paid *[note 11[c]]*	—	(2,811)	(2,821)	(5,643)
Cash provided by financing activities	(62,896)	(8,353)	(11,042)	50,032
Net increase (decrease) in cash during the period	401	(29,424)	(17,084)	(32,366)
Balance beginning of period, prior to restatement for IFRS 9 amendments	30,637	76,951	45,659	79,893
Adjustment on adoption of IFRS 9 amendments *[note 4]*	—	—	2,463	—
Cash and cash equivalents, beginning of period	30,637	76,951	48,122	79,893
Cash and cash equivalents, end of period	31,038	47,527	31,038	47,527
Supplemental cash flow information				
Interest paid	21,124	18,149	30,658	28,297

See accompanying notes

Notes to unaudited interim condensed consolidated financial statements

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

June 30, 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 ["IASB"] 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. Subsidiaries controlled by AGI are fully consolidated, with non-controlling interests presented separately where applicable. 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 six-month period ended June 30, 2026 were authorized for issuance in accordance with a resolution of the Directors on July 29, 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 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.

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.

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.

June 30, 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.

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.

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

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.

The following tables set forth information by segment:

	Three-month period ended		Six-month period ended	
	June 30, 2026 $	June 30, 2025 $	June 30, 2026 $	June 30, 2025 $
Farm	**139,730**	126,825	**241,733**	221,920
Commercial	**183,454**	221,735	**363,618**	413,386
Revenue	**323,184**	348,560	**605,351**	635,306

During the three- and six-month periods ended June 30, 2026, revenue of $111.1 million and $225.7 million, respectively [2025 – $126.2 million and $242.2 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:

	June 30, 2026 $	December 31, 2025 $
Contract assets	**158,451**	277,531
Contract liabilities	**39,385**	46,621

Notes to unaudited interim condensed consolidated financial statements

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

June 30, 2026

	Three-month period ended June 30, 2026			
	Farm	Commercial	Other[1]	Total
	$	$	$	$
Profit (loss) before income taxes	26,546	(17,748)	(39,791)	(30,993)
Finance costs *[note 13[d]]*	—	—	18,496	18,496
Depreciation and amortization	6,501	6,681	1,698	14,880
Share of associate's net loss *[note 6]*	—	12,630	—	12,630
Gain on foreign exchange *[note 13[e]]*	—	—	(702)	(702)
Share-based compensation recovery *[note 12]*	—	—	(1,719)	(1,719)
Net gain on financial instruments *[note 18[c]]*	—	—	(507)	(507)
Transaction, transitional and other costs[2]	—	—	11,377	11,377
Enterprise Resource Planning ["ERP"] system transformation costs[3]	—	—	2,081	2,081
Net loss (gain) on sale of long-lived assets[4]	(114)	(170)	12	(272)
Impairment charge *[notes 6, 7 and 14]*	—	18,007	—	18,007
Adjusted EBITDA[5]	32,933	19,400	(9,055)	43,278

	Three-month period ended June 30, 2025			
	Farm	Commercial	Other[1]	Total
	$	$	$	$
Profit (loss) before income taxes	22,329	29,812	(15,495)	36,646
Finance costs *[note 13[d]]*	—	—	17,213	17,213
Depreciation and amortization	6,475	7,640	2,136	16,251
Share of associate's net income *[note 6]*	—	(640)	—	(640)
Gain on foreign exchange *[note 13[e]]*	—	—	(13,718)	(13,718)
Share-based compensation expense *[note 12]*	—	—	3,558	3,558
Gain on financial instruments *[note 18[c]]*	—	—	(3,181)	(3,181)
Transaction, transitional and other costs (recovery)[2]	428	—	(6,712)	(6,284)
ERP system transformation costs[3]	—	—	4,208	4,208
Net loss (gain) on sale of long-lived assets[4]	(38)	(9)	135	88
Impairment charge	103	—	—	103
Adjusted EBITDA[5]	29,297	36,803	(11,856)	54,244

Notes to unaudited interim condensed consolidated financial statements

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

June 30, 2026

	Six-month period ended June 30, 2026			
	Farm	Commercial	Other[1]	Total
	$	$	$	$
Profit (loss) before income taxes	38,278	(23,427)	(89,470)	(74,619)
Finance costs *[note 13[d]]*	—	—	36,704	36,704
Depreciation and amortization	13,151	14,358	3,515	31,024
Share of associate's net loss *[note 6]*	—	17,902	—	17,902
Loss on foreign exchange *[note 13[e]]*	—	—	3,059	3,059
Share-based compensation recovery *[note 12]*	—	—	(6,100)	(6,100)
Net loss on financial instruments *[note 18[c]]*	—	—	1,268	1,268
Transaction, transitional and other costs[2]	354	—	18,775	19,129
Enterprise Resource Planning ["ERP"] system transformation costs[3]	—	—	10,733	10,733
Net loss (gain) on sale of long-lived assets[4]	(142)	1,123	7	988
Impairment charge *[notes 6, 7 and 14]*	213	23,050	5,127	28,390
Adjusted EBITDA[5]	51,854	33,006	(16,382)	68,478

	Six-month period ended June 30, 2025			
	Farm	Commercial	Other[1]	Total
	$	$	$	$
Profit (loss) before income taxes	32,884	46,304	(59,113)	20,075
Finance costs *[note 13[d]]*	—	—	33,806	33,806
Depreciation and amortization	13,981	15,505	4,024	33,510
Share of associate's net income *[note 6]*	—	(498)	—	(498)
Gain on foreign exchange *[note 13[e]]*	—	—	(14,911)	(14,911)
Share-based compensation expense *[note 12]*	—	—	5,560	5,560
Loss on financial instruments *[note 18[c]]*	—	—	3,426	3,426
Transaction, transitional and other costs (recovery)[2]	1,607	—	(4,174)	(2,567)
ERP system transformation costs[3]	—	—	7,005	7,005
Net loss (gain) on sale of long-lived assets[4]	(21)	(22)	123	80
Impairment charge	23	—	—	23
Adjusted EBITDA[5]	48,474	61,289	(24,254)	85,509

[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.

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

[2] Includes legal and advisory fees, legal provision, transitional costs related to reorganizations, 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.

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

	Three-month period ended		Six-month period ended	
	June 30, 2026 $	June 30, 2025 $	June 30, 2026 $	June 30, 2025 $
North America				
Canada	**67,480**	65,450	**122,702**	100,277
United States	**116,732**	112,824	**201,221**	220,209
Total North America	**184,212**	178,274	**323,923**	320,486
International	**138,972**	170,286	**281,428**	314,820
Revenue	**323,184**	348,560	**605,351**	635,306

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 referred 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 consolidated financial statements for the year ended December 31, 2025.

Non-controlling interest

During the six-month period ended June 30, 2026, the civil construction company increased its economic interest in Project E from 22% as at December 31, 2025 to 39% as at June 30, 2026. The increase occurred with its cash contribution of $13.2 million and equipment and services of $16.7 million 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. As at June 30, 2026, the non-controlling interest's share of net assets is $19.2 million [December 31, 2025 – $8.8 million]. The non-controlling interest's share of net income for the three- and six-month period ended June 30, 2026 was $5.5 million and $9.7 million, respectively.

Joint venture

In 2025, the Company established an investment fund with its civil construction company partner to monetize receivables arising from the Projects. AGI's interest in the investment fund is held indirectly through a joint venture with the civil construction company partner, which provides for joint control through equal voting rights. During the three-month period ended June 30, 2026, the Company transferred $142.6 million, which represents the carrying value of its equity interest in Project C and D and a portion of Project E's non-current receivables, to the joint venture in exchange for an equity interest in the joint venture. Included in the transfer was the net investment in finance leases related to Project C, D, and E of $178.9 million [December 31, 2025 – $139.5 million], which includes NCI's 39% share of Project E. In turn, the joint venture transferred its equity interest in this Project to the investment fund in exchange for an equity interest in the fund.

During the three- and six-month periods ended June 30, 2026, a loss of $2.7 million and $3.5 million, respectively [2025 – nil] were recorded in share of associate's net loss. Additionally, in Q2 2026, AGI received approximately $106.4 million, net of fees, in distributions from the joint venture, representing partial monetization of receivables related to these Projects. As at June 30, 2026, the carrying amount of AGI's investment in the joint venture was $39.2 million [December 31, 2025 – $5.6 million], net of foreign exchange.

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

Non-current accounts receivable

Receivables related to the Projects are included in current and non-current accounts receivable with payment terms generally of five years. The largest agreement (Project E) has a 15-year payment term. In the unaudited interim condensed consolidated statements of income (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- and six-month periods ended June 30, 2026, revenue from large-scale comprehensive projects was $45.8 million and $85.7 million, respectively [2025 – $44.6 million and $75.8 million]. Revenue is recognized over the construction period as the related performance obligations are satisfied. As at June 30, 2026, $85.7 million of non-current accounts receivable remains related to Projects B and E.

Impairment charges

In Q1 2026, 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.

In Q2 2026, the Company recorded impairment charges of $3.6 million on Brazil's intangible assets and $8.5 million on capital assets. See note 14.

7. Right-of-use assets

	June 30, 2026 $	December 31, 2025 $
Balance, beginning of period	**35,563**	38,701
Additions	9,171	11,915
Transfer to sublease	(650)	(1,020)
Transfer to property, plant and equipment	—	(925)
Termination	(1,501)	(254)
Impairment	(5,127)	—
Depreciation	(6,101)	(12,220)
Exchange differences	720	(634)
Balance, end of period	**32,075**	35,563

In Q1 2026, the Company announced the closing of its Naperville, Illinois, corporate office, effective June 30, 2026, and 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.

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

8. Assets held for sale

As at June 30, 2026, certain buildings, land, and equipment met the definition of assets held for sale and were recorded at the lower of cost and fair value less cost to sell. The carrying amount of the assets held for sale is $12.6 million and $24.6 million in the Farm and Commercial segments, respectively. During the six-month period ended June 30, 2026, an impairment charge of $0.2 million was recorded related to these assets held for sale.

9. Provisions

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

	June 30, 2026 $	December 31, 2025 $
Balance, beginning of period	**14,786**	26,989
Additional provisions recognized	**7,030**	16,477
Amounts utilized	**(9,666)**	(28,680)
Balance, end of period	**12,150**	14,786

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

June 30, 2026

10. Long-term debt

	Maturity	June 30, 2026 $	December 31, 2025 $
Current portion of long-term debt			
Equipment financing	Various	233	235
Non-current portion of long-term debt			
Equipment financing	Various	341	454
Senior credit facilities	2028 / 2030	575,543	580,986
		575,884	581,440
Less deferred financing costs		(3,562)	(2,366)
		572,322	579,074
Long-term debt		572,555	579,309

AGI's senior credit facilities of $450.0 million and U.S. $275.0 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 $50.0 million and U.S. $10.0 million. The senior credit facilities bear interest at the Canadian Overnight Repo Rate Average or the Secured Overnight Financing Rate plus 1.2%–2.75% and prime plus 0.2%–1.75% per annum based on performance calculations. As at June 30, 2026, there is $372.6 million [December 31, 2025 – $289.3 million] and U.S. $142.8 million [December 31, 2025 – U.S. $212.8 million] outstanding under the facilities. As at June 30, 2026, the portion of drawings from the senior credit facilities recorded on the swing-line is $10.0 million [December 31, 2025 – $24.7 million].

The Company's senior credit facilities mature on March 20, 2030 and have committed borrowing capacities of $450.0 million and U.S. $275.0 million, which reduce to $428.6 million and U.S. $261.8 million, respectively, on July 3, 2028. In Q1 2026, the leverage ratio covenant was increased from 3.75x to 4.0x through December 31, 2026. In Q2 2026, it was further increased to 4.75x on a temporary, one quarter-basis, for the period ended June 30, 2026. The leverage ratio covenant reverts to 4.0x after June 30, 2026, to 3.75x after December 31, 2026 and to 3.5x after June 30, 2027.

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

11. 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	**70,265**	**5,827**
Balance, June 30, 2026	**18,879,479**	**23,505**

[b] Contributed surplus

	June 30, 2026 $	December 31, 2025 $
Balance, beginning of period	**500,015**	502,182
Dividends on EIAP	**(294)**	331
Obligation under EIAP *[note 12[a]]*	**(6,622)**	8,547
Settlement of EIAP obligation	**(10,583)**	(11,045)
Balance, end of period	**482,516**	500,015

[c] Dividends paid and payable

In Q1 2026, AGI announced the suspension of its quarterly cash dividend, and thus no dividend has been declared during the six-month period ended June 30, 2026.

12. Share-based compensation plans

[a] Equity incentive award plan

During the six-month period ended June 30, 2026, nil [2025 – 168,073] 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 June 30, 2026, 200,114 awards have been granted and are outstanding under the EIAP.

During the three- and six-month periods ended June 30, 2026, AGI had a recovery of $2.2 million and $6.6 million for the EIAP [2025 – expense of $2.4 million and $5.6 million].

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

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	(90,303)	(35,199)
Forfeited	(135,289)	(134,174)
Balance, June 30, 2026	162,237	37,877

There is no exercise price on the EIAP awards.

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

For the three and six-month periods ended June 30, 2026, expenses (recoveries) of $0.5 million and $0.4 million, respectively [2025 – $1.1 million and $(0.1) 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.

[c] Share option plan

On June 4, 2026, shareholders approved of the Company's new Share Option Plan. No options were granted or outstanding under the plan as at June 30, 2026.

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

13. Disaggregated expenses (income)

		Three-month period ended		Six-month period ended	
		June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
		$	$	$	$
[a]	**Cost of goods sold**				
	Depreciation of property, plant and equipment	**6,333**	6,574	**12,748**	13,308
	Depreciation of right-of-use assets	**1,457**	1,352	**2,782**	2,609
	Amortization of intangible assets	**1,028**	1,147	**2,324**	2,590
	Warranty expense	**3,997**	3,108	**7,030**	5,577
	Cost of inventory recognized as an expense	**225,197**	238,718	**424,857**	433,949
		238,012	250,899	**449,741**	458,033
[b]	**Selling, general and administrative expenses**				
	Depreciation of property, plant and equipment	**891**	950	**1,790**	1,884
	Depreciation of right-of-use assets	**1,442**	1,666	**3,319**	3,191
	Amortization of intangible assets	**3,729**	4,562	**8,061**	9,928
	Transaction, transitional and other costs (recovery)	**11,377**	(6,284)	**19,129**	(2,567)
	ERP system transformation costs	**2,081**	4,208	**10,733**	7,005
	Selling, general and administrative	**49,211**	57,972	**101,718**	120,187
		68,731	63,074	**144,750**	139,628
[c]	**Other operating expense (income)**				
	Net loss (gain) on sale of long-lived assets[1]	**(272)**	88	**988**	80
	Loss (gain) on financial instruments	**(507)**	(3,181)	**1,268**	3,426
	Other	**(191)**	(1,898)	**(2,794)**	(4,250)
		(970)	(4,991)	**(538)**	(744)
[d]	**Finance costs**				
	Interest on overdrafts and other finance costs	**514**	612	**1,274**	1,245
	Effective interest, including non-cash interest, on leases	**877**	1,098	**1,799**	2,058
	Effective interest, including non-cash interest, on debts and borrowings	**9,096**	9,214	**17,612**	18,372
	Effective interest, including non-cash interest, on senior and convertible unsecured subordinated debentures	**8,009**	6,289	**16,019**	12,131
		18,496	17,213	**36,704**	33,806
[e]	**Finance expense (income)**				
	Interest income	**(27)**	(26)	**(38)**	(106)
	Loss (gain) on foreign exchange	**(702)**	(13,718)	**3,059**	(14,911)
		(729)	(13,744)	**3,021**	(15,017)

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

14. Impairment charge

During the three- and six-month periods ended June 30, 2026, the Company identified impairment indicators for certain cash generating units ["CGUs"] in its Commercial segment in North America and its Brazil CGU. As a result, the Company recorded impairment charges of $18.0 million in accordance with the IAS 36, *Impairment of Assets*, consisting of $9.6 million related to capital assets and $8.4 million related to identifiable intangible assets. The recoverable amounts were determined based on the higher of value in use and fair value less costs of disposal, as applicable. Value-in-use calculations were based on cash flow projections prepared using management's most recent forecasts covering a five-year period and a terminal growth rate of 3%. The key assumptions used in determining the recoverable amounts were revenue growth, EBITDA margin, terminal growth rate, discount rate, market demand, capital expenditures and working capital requirements, consistent with the Company's most recent annual impairment assessment.

15. Income taxes

The Company's effective tax rate for the six-month period ended June 30, 2026 was 1.5% [2025 – 61.5%]. The difference between the effective tax rate and the Company's domestic statutory tax rate of 26.5% [2025 – 26.6%] is primarily attributable to tax losses not recognized and non-deductible expenses.

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

16. Profit (loss) per share

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

	Three-month period ended		Six-month period ended	
	June 30, 2026 $	June 30, 2025 $	June 30, 2026 $	June 30, 2025 $
Profit (loss) attributable to shareholders for basic profit (loss) per share	**(38,886)**	24,512	**(83,130)**	7,719
Convertible debentures – 2021	—	1,756	—	—
Profit (loss) attributable to shareholders for diluted profit (loss) per share	**(38,886)**	26,268	**(83,130)**	7,719
Basic weighted average number of shares	**18,871,169**	18,783,511	**18,843,225**	18,754,322
Dilutive effect of DDCP	—	38,801	—	69,337
Dilutive effect of RSUs	—	417,598	—	417,037
Dilutive effects of convertible debentures	—	2,547,630	—	—
Diluted weighted average number of shares	**18,871,169**	21,787,540	**18,843,225**	19,240,696
Profit (loss) per share attributable to shareholders				
Basic	**(2.06)**	1.30	**(4.41)**	0.41
Diluted	**(2.06)**	1.21	**(4.41)**	0.40

The DDCP, RSUs, 2021 and 2022 convertible debentures were excluded from the calculation of diluted loss per share in the three-month and six-month periods ended June 30, 2026 because their effect is anti-dilutive.

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

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

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

17. 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		Six-month period ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
	$	$	$	$
Accounts receivable	(15,437)	(1,960)	(11,946)	(1,549)
Inventory	6,615	9,237	(14,728)	(24,194)
Prepaid expenses and other assets	8,278	26,204	(17,765)	22,880
Accounts payable and accrued liabilities	(1,141)	(26,198)	9,938	(21,955)
Customer deposits	(9,839)	(16,953)	(13,055)	(6,219)
Provisions	1,339	(205)	(2,637)	(17,681)
	(10,185)	(9,875)	(50,193)	(48,718)

18. Financial instruments and financial risk management

The Company's financial assets and liabilities recorded at fair value in the unaudited interim condensed consolidated financial statements have been categorized into three categories based on a fair value hierarchy. Financial assets and liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Assets and liabilities in Level 2 include valuations using inputs other than quoted prices for which all significant inputs are based on observable market data, either directly or indirectly. Level 3 valuations are based on inputs that are not based on observable market data. During the six-month period ended June 30, 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, 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.

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

[b] Long-term financial instruments

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

	June 30, 2026		December 31, 2025	
	Carrying amount $	Fair value $	Carrying amount $	Fair value $
Interest-bearing loans and borrowings	**572,555**	**572,555**	579,309	576,869
Convertible unsecured subordinated debentures[1]	**208,436**	**233,735**	204,493	226,274
Senior unsecured subordinated debentures[2]	**178,931**	**168,255**	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 $75.0 million in aggregate, resetting each month. The contracts expired on May 11, 2026. The Company elected to apply hedge accounting for these contracts and, therefore, unrealized gains (losses) are recognized in other comprehensive income (loss) to the extent that it has been assessed to be effective. During the three- and six-month periods ended June 30, 2026, there were no material unrealized gains and losses [2025 – an unrealized gain of $0.1 million and loss of $0.2 million] recorded in other comprehensive income (loss) and a realized loss of $0.2 million and $0.4 million, respectively [2025 – realized loss of $0.2 million and $0.3 million] were recorded in finance costs. As at June 30, 2026, the fair value of the interest rate swap is nil [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 June 30, 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- and six-month periods ended June 30, 2026, an unrealized gain of $0.5 million and loss of $1.3 million, respectively [2025 – gain of $2.9 million and loss of $3.8 million] were recorded in loss (gain) on financial instruments in other operating expense (income). As at June 30, 2026, the fair value of the equity swap is a liability of $7.9 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 June 30, 2026, AGI's U.S. dollar denominated debt totals U.S. $142.8 million [December 31, 2025 – U.S. $213.0 million].

Debenture put options

On March 5, 2020, the Company issued $85.0 million of senior unsecured subordinated debentures with an option of early redemption beginning December 31, 2022. At the time of issuance, the Company's redemption option resulted in an embedded derivative with a fair value of $0.8 million. During the three- and six-month periods ended June 30, 2026 and 2025, there were no material unrealized gains and losses. As at June 30, 2026, the fair value of the embedded derivative is nil [December 31, 2025 – asset of $0.01 million].

19. 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. The transactions and balances entered into between the Company and the joint venture are described in note 6.

The Company has an investment in the Credit rights investment fund, which is considered a related party of the Company in accordance with IAS 24. During the three- and six-month periods ended June 30, 2026, losses of $9.6 million and $14.1 million, respectively [2025 – income of $0.6 million and $0.5 million] were recorded in share of associate's net loss. As at June 30, 2026, the carrying value of the investment in associate is nil [December 31, 2025 – $6.2 million]. In addition, included in accounts payable and accrued liabilities is a liability of $7.4 million, representing AGI's outstanding capital commitment to the fund.

20. Commitments and contingencies

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

As at June 30, 2026, the Company has commitments to purchase property, plant and equipment of $2.2 million [December 31, 2025 – $2.9 million].

[b] Letters of credit

As at June 30, 2026, the Company has outstanding letters of credit in the amount of $38.5 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.