

Condensed interim consolidated financial statements

CMI Terminal Ltd.

[Unaudited]

For the six months ended June 30, 2025

CMI Terminal Ltd.

Condensed interim consolidated statements of financial position
[Unaudited]

	June 30, 2025	December 31, 2024
	\$	\$
Assets		
Current		
Cash <i>[note 4]</i>	2,345,939	3,461,104
Accounts receivable <i>[notes 5 & 12]</i>	1,368,667	511,032
Inventory <i>[note 6]</i>	2,173,801	2,354,916
Deposits	1,275,219	9,241
Income taxes receivable	10,072	93,887
Due from related party <i>[note 12]</i>	16,253	40,531
Total current assets	7,189,951	6,470,711
Investments	505,848	518,105
Property, plant and equipment <i>[note 7]</i>	3,660,396	3,828,047
	11,356,195	10,816,863
Liabilities and shareholders' equity		
Current		
Accounts payable and accrued liabilities	3,353,895	857,232
Customer prepayments	34,014	2,439,410
Deferred revenue	70,590	51,648
Current portion of term loans <i>[note 8]</i>	35,301	28,200
Total current liabilities	3,493,800	3,376,490
Term loans <i>[note 8]</i>	141,185	152,953
Deferred income taxes <i>[note 11]</i>	43,778	43,778
Total liabilities	3,678,763	3,573,221
Commitments and contingencies <i>[note 15]</i>		
Shareholders' equity		
Share capital <i>[note 9]</i>	476,276	476,276
Retained earnings	7,201,156	6,767,366
Total shareholders' equity	7,677,432	7,243,642
	11,356,195	10,816,863

See accompanying notes

On behalf of the Board:

(Lance Stockbrugger) Director

(Mark Fohse) Director

CMI Terminal Ltd.

Condensed interim consolidated statements of comprehensive income
[Unaudited]

Six months ended June 30

	June 30, 2025	June 30, 2024
	\$	\$
Sales [notes 10 & 12]	15,886,557	13,062,654
Cost of sales [note 6]	13,528,471	10,732,617
Gross profit	2,358,086	2,330,037
Costs and expenses		
Premiums and delivery costs [note 12]	134,753	65,220
Depreciation [note 7]	197,779	190,877
Interest and bank charges	49,532	86,815
Office and administration	677,411	718,732
Rent	3,300	9,028
Repairs and maintenance	192,868	262,075
Wages and benefits [note 12]	660,619	902,964
	1,916,262	2,235,711
Income before the following:	441,824	94,326
Other income [expenses]		
Interest on term loans	(4,411)	(6,007)
Inventory impairment reversal (loss)	33,833	(104,337)
Other income	10,743	52,422
	40,165	(57,922)
Income before income taxes	481,989	36,404
Income tax [note 11]		
Current	48,199	3,640
Total comprehensive income for the periods	433,790	32,764
Basic and diluted total comprehensive income per share	21.61	1.62
Average weighted number of common shares	20,078	20,168

See accompanying notes

CMI Terminal Ltd.

**Condensed interim consolidated statements of changes in equity
[Unaudited]**

Six months ended June 30

	Share Capital	Retained Earnings	Total
	\$	\$	\$
Balance at December 31, 2023	478,411	7,137,508	7,615,919
Total comprehensive income for 6 months ended June 30, 2024	-	32,764	32,764
Balance at June 30, 2024	478,411	7,170,272	7,648,683
Total comprehensive income for 6 months to December 31, 2024	-	133,145	133,145
Share cancellation <i>[note 9]</i>	(2,135)	(31,851)	(33,986)
Dividends	-	(504,200)	(504,200)
Balance at December 31, 2024	476,276	6,767,366	7,243,642
Total comprehensive income for 6 months ended June 30, 2025	-	433,790	433,790
Balance at June 30, 2025	476,276	7,201,156	7,677,432

See accompanying notes

CMI Terminal Ltd.

Condensed interim consolidated statements of cash flows
[Unaudited]

Six months ended June 30

	June 30, 2025	June 30, 2024
	\$	\$
Operating activities		
Total comprehensive income for the periods	433,790	32,764
Add [deduct] items not involving cash		
Depreciation	197,779	190,877
Gain on sale of property, plant and equipment	(5,931)	(1,450)
Increase (decrease) in investments	12,257	(20,853)
Net change in non-cash working capital balances		
Accounts receivable	(857,635)	(624,841)
Inventory	181,115	1,911,755
Deposits	(1,265,978)	(879,899)
Income taxes	83,815	(147,245)
Accounts payable and accrued liabilities	2,496,663	278,271
Customer prepayments	(2,405,396)	(1,191,899)
Deferred revenue	18,942	-
Cash used in operating activities	(1,110,579)	(452,520)
Investing activities		
Purchase of property, plant and equipment	(48,397)	(43,460)
Proceeds on disposal of property, plant and equipment	24,200	1,450
Cash used in investing activities	(24,197)	(42,010)
Financing activities		
Repayment of advances to related party	24,278	3,386
Repayment of term loans	(4,667)	(40,609)
Cash provided by [used in] financing activities	19,611	(37,223)
Net decrease in cash during the periods	(1,115,165)	(531,753)
Cash, beginning of periods	3,461,104	2,575,183
Cash, end of periods	2,345,939	2,043,430
Cash consists of:		
Cash	1,621,675	1,398,158
Cash [joint venture]	724,264	645,272
	2,345,939	2,043,430
Supplemental disclosure of cash flow information		
Interest paid	53,943	92,822
Income taxes paid	58,271	150,885

See accompanying notes

CMI Terminal Ltd.

Notes to the condensed interim consolidated financial statements [Unaudited]

June 30, 2025

1. Nature of operations

CMI Terminal Ltd. [the "Company"] was incorporated on June 4, 1998 under the laws of the Province of Saskatchewan, Canada. The Company is domiciled in Canada near Naicam, Saskatchewan. The address of the Company's registered office is P.O. Box 43, Naicam, Saskatchewan, S0K 2Z0.

The Company was formed for the purpose of entering into a joint venture agreement [the "Agreement"] with Viterra Inc. ["Viterra Inc."] to construct and operate an inland grain terminal near Naicam, Saskatchewan. The joint venture's name is CMI Terminal Joint Venture [the "Joint Venture"]. The Joint Venture partners, CMI Terminal Ltd. and Viterra Inc. are 50% participants in the Joint Venture.

Under the terms of the Agreement, all export-bound shipments from the Joint Venture facility are exclusively consigned to Viterra Inc. The ownership of grain transfers directly from each producer to Viterra Inc. at the time of purchase. The Joint Venture, therefore, does not record grain inventory in its accounting records.

The Company's subsidiary, CMI Ag Ltd., is in the business of selling crop input products and as a 100% subsidiary, all amounts are consolidated into the financial statements.

Due to the nature of operations, the Company experiences the effects of seasonality. The business is affected by changes in the agriculture sector, including the impact of weather upon crop yields and fluctuating commodity market prices. The Company's second and third quarters generally have the highest amount of sales given the larger amount of crop input sales through the subsidiary during these time frames.

2. Basis of preparation and statement of compliance

The financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. The condensed interim financial statements may not include all of the disclosures that will be required in the Company's annual audited financial statements.

The condensed interim consolidated financial statements were approved by the Board of Directors on August 15, 2025.

The financial statements have been prepared on the historical cost basis, except for certain items which are measured at fair value, as explained in note 3.

The financial statements are presented in Canadian dollars, which is the Company's functional currency.

3. Material accounting policy information

The significant accounting policies are as follows:

Basis of consolidation

These consolidated financial statements include the accounts of CMI Terminal Ltd., its wholly owned subsidiary CMI Ag Ltd., and its investment in CMI Terminal Joint Venture.

**Notes to the condensed interim consolidated financial statements
[Unaudited]**

June 30, 2025

3. Material accounting policy information [continued]

Basis of consolidation [continued]

The Company's grain handling activities are regarded as joint operations and are conducted under a joint operating agreement, whereby the two parties jointly control the assets. The consolidated financial statements reflect only the Company's 50% share of these jointly controlled assets, liabilities, revenues and costs.

Inventory

Inventories are valued at the lower of cost and net realizable value. Cost is determined using a first-in, first-out ["FIFO"] basis. Cost comprises all costs of purchases, costs of conversion and other costs incurred in bringing inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

Vendors may offer various incentives to purchase products for resale. Vendor rebates and prepayment discounts are accounted for as a reduction of the prices of the suppliers' products. Rebates based on the amount of materials purchased reduce cost of goods sold as inventory is sold. Rebates earned based on sales volumes of products are offset to cost of goods sold.

Property, plant and equipment

Property, plant and equipment ["PP&E"] is stated at cost, less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset.

The cost of major inspections, overhauls and replacement parts of an item of PP&E is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The cost of day-to-day maintenance on PP&E is recognized immediately in profit or loss as incurred.

All assets having limited useful lives are depreciated using the straight-line method over their estimated useful lives. Land has an unlimited useful life and is, therefore, not depreciated.

Assets are depreciated from the date of acquisition, or at the date they become available for use. Internally constructed assets are depreciated from the date an asset is available for use.

The useful life and depreciation method applied to each class of assets are reassessed at each reporting date. The useful life applicable to each class of asset during the current and comparative period are as follows:

Buildings	5 - 40 years
Computer equipment	10 years
Crop protection equipment	40 years
Equipment	8 - 40 years
NH3 equipment	3 - 10 years
Rail siding	3 - 40 years
Vehicles	5 - 40 years

Notes to the condensed interim consolidated financial statements
[Unaudited]

June 30, 2025

3. Material accounting policy information [continued]

Property, plant and equipment [continued]

On an annual basis, the Company reviews the carrying amounts of its PP&E to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating business unit to which the asset belongs. Cash generating business units are determined by management based on locations of facilities.

Where an impairment loss subsequently reverses for assets with a finite useful life, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior periods. A reversal of an impairment loss is recognized immediately in net income and comprehensive income.

To date, the Company has recognized no impairments.

Where the components of an item of PP&E have different useful lives, the cost of that item is allocated on a reasonable basis among the components and each component is amortized separately.

The residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate, at each reporting date.

Revenue recognition

The Company principally generates revenue through two main streams; crop production products and services and grain handling.

Crop production products and services consists of the sale of crop input products and servicing the application of fertilizer to farmers' fields. Each promised good or service is accounted for separately as a performance obligation if it is distinct and revenue is recognized when performance obligations are fulfilled. For the sale of crop input products, revenue is recognized at the point in time when the goods are transferred to the customer which is upon delivery of goods. For fertilizer application revenue, the revenue is recognized over the time that the service is provided to the customer. Revenue is measured based on the transaction price specified in the contract with the customer.

Notes to the condensed interim consolidated financial statements
[Unaudited]

June 30, 2025

3. Material accounting policy information [continued]

Revenue recognition [continued]

Grain handling services are comprised of various activities including grain elevation, drying and storage. Although each activity is capable of being distinct, the activities are not distinct within the context of the contract with the customer and are therefore considered one overall service or performance obligation. The customer benefits from the services as activities are performed and therefore revenue recognition over time is appropriate. However, as the timing, sequence and duration of activities during the process varies and thus there is no reasonable basis to measure progress of the satisfaction of the performance obligation, revenue is not recognized until the point of shipment as that is when progress can be reasonably measured as all of the required activities are complete. The transaction price for grain handling includes variable components specified in the contract with the customer including grade blending adjustments and shared marketing fees which are recognized in conjunction with the processing revenue for the related grain.

Borrowing costs

Borrowing costs are expensed as incurred except to the extent that they are directly attributable to the construction of a qualifying asset. Qualifying assets are assets that necessarily take a substantial period of time to reach the stage of their intended use or sale.

Borrowing costs are capitalized into the cost of qualifying assets until they are ready for their intended use or sale.

When the Company borrows funds specifically for the construction of a qualifying asset, the borrowing costs capitalized are the actual borrowing costs incurred, net of any interest earned on those borrowings. When funds borrowed for general purposes are used for the construction of a qualifying asset, borrowing costs are capitalized using a weighted average of the borrowing costs. All other borrowing costs are recognized in profit and loss as incurred.

Foreign currency translation

Transactions denominated in foreign currencies are translated into the functional currency of the Company at the exchange rates prevailing at the transaction dates [spot exchange rate]. Monetary assets and liabilities are retranslated at the exchange rates at the consolidated statement of financial position date. Exchange gains and losses on translation or settlement are recognized in profit or loss for the current period.

Non-monetary items are translated using the exchange rates at the date of transaction. Transaction gains and losses are included in comprehensive income.

Government assistance

Government assistance is recognized where there is reasonable assurance the assistance will be received and all attached conditions will be complied with. When the assistance relates to an expense item it is deducted from the related employee expense on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Notes to the condensed interim consolidated financial statements **[Unaudited]**

June 30, 2025

3. Material accounting policy information [continued]

Income tax

Income tax expense comprises current and deferred income tax. Income taxes are recognized in net income and comprehensive income, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

Current income tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date and any adjustments to tax payable in respect of previous years.

Deferred income tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between financial statement carrying amounts and amounts used for tax purposes. These amounts are measured using enacted or substantially enacted tax rates at the reporting date and remeasured annually for rate changes. Deferred income tax assets are recognized for the benefit of deductions available to be carried forward to future periods for tax purposes to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. Deferred income tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Any effects of the remeasurement or reassessment are recognized in the period of change, except when they relate to items recognized directly in other comprehensive income. The Company is taxed at an effective rate of 27% [2024 - 27%] on taxable earnings.

Deferred taxes are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on the same taxable entity or for different tax entities where the company intends to settle its current tax assets and liabilities on a net basis or simultaneously.

Earnings per share

Basic earnings per share is calculated by dividing earnings available to common shareholders by the weighted average number of common shares. There are no dilutive instruments outstanding, such as warrants, rights or future conversion options of shares as of period-end.

Financial asset impairment

The Company recognizes an allowance for expected credit losses ["ECLs"] for all debt instruments not held at fair value through profit or loss. ECLS are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months [a 12-month ECL]. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default [a lifetime ECL].

Notes to the condensed interim consolidated financial statements
[Unaudited]

June 30, 2025

3. Material accounting policy information [continued]

Financial asset impairment [continued]

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Fair value hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values of financial assets traded in active markets is based on quoted market prices at the close of trading on the reporting date. In the absence of an active market, the Company determines fair value based on internal or external valuation techniques, such as discounted cash flow analysis or using observable market-based inputs [bid and ask prices] for instruments with similar characteristics and risk profiles.

The Company classifies fair value measurement recognized in the statements of financial position using a three tier fair value hierarchy, which reflects the significance of inputs used in measuring fair value as follows:

- Level 1: Quoted prices [unadjusted] are available in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices in active markets [from Level 1] that are observable for the assets or liability, either directly or indirectly; and,
- Level 3: Valuation techniques that include significant unobservable inputs.

Fair value measurements are classified in the fair value hierarchy based on the lowest level input that is significant to that fair value measurement. The assessment requires judgment, considering factors specific to an asset or liability and may affect placement within the fair value hierarchy. Cash, accounts receivable, deposits, due from related party, accounts payable and accrued liabilities and term loans are classified as Level 1 instruments. Investments are classified as Level 3 instruments.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Notes to the condensed interim consolidated financial statements [Unaudited]

June 30, 2025

3. Material accounting policy information [continued]

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income ["OCI"], and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' ["SPPI"] on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that required delivery of assets within a time frame established by regulation or convention in the marketplace are recognized on the trade date.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost
- Financial assets at fair value through OCI with recycling of cumulative gains and losses [debt instrument]
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition [equity instrument]
- Financial assets at fair value through profit or loss ["FVTPL"]

Financial assets at amortized cost

The Company has classified cash, accounts receivable, and due from related party at amortized cost.

The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and,
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount owing.

Notes to the condensed interim consolidated financial statements
[Unaudited]

June 30, 2025

3. Material accounting policy information [continued]

Financial assets [continued]

Financial assets at amortized cost are subsequently measured using the effective interest ["EIR"] method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Financial assets at fair value through profit or loss

The Company classified deposits and investments at fair value through profit or loss.

Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition as FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near-term. Financial assets with cash flows that are not SPPI are classified and measured at FVTPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

This category includes equity investments which the Company has not irrevocably elected to classify at fair value through OCI. Dividends on equity instruments are recognized as other income in the statement of profit and loss when the right of payment has been established.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include accounts payable and accrued liabilities and term loans.

Subsequent measurement

The measurement of financial liabilities depends on their classification as described below:

Financial liabilities at fair value through profit or loss

The Company has not designated any financial liabilities at fair value through profit or loss.

Notes to the condensed interim consolidated financial statements
[Unaudited]

June 30, 2025

3. Material accounting policy information [continued]

Financial liabilities [continued]

Financial liabilities measured at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near-term.

Gains or losses on liabilities held for trading are recognized in the statement of profit or loss. Financial liabilities designated upon initial recognition at FVTPL are designated at the initial date or recognition, and only if the criteria in IFRS 9 are satisfied.

Loans and borrowings

The Company has designated accounts payable and accrued liabilities, and term loans as loans and borrowings.

After initial recognition, loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates, and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainties about these assumptions and estimates could result in outcomes that would require a material adjustment to the carrying amount of the asset or liability affected in the future.

Notes to the condensed interim consolidated financial statements
[Unaudited]

June 30, 2025

3. Material accounting policy information [continued]

Use of estimates and judgments [continued]

The most significant uses of judgments and estimates are as follows:

[a] The fair value of financial instruments is the amount at which the instrument could be exchanged in a current transaction between willing parties. The methods and assumptions used by management in estimating fair value of the Company's financial instruments are outlined in the fair value hierarchy section of note 3, significant accounting policies. Wherever possible, the Company uses observable inputs, such as quoted prices in active markets, in determining the fair value of financial instruments. Management must also determine whether a financial asset is impaired. Management evaluates the extent that fair value declines and makes assumptions about the decline in value in order to determine if an impairment adjustment is necessary.

[b] Inventory values are based on the lower of cost and net realizable value. Net realizable values are estimates based on the knowledge of the markets at the end of the period as well as consideration of the amount that a producer would purchase the product for.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

4. Cash

	June 30, 2025	December 31, 2024
	\$	\$
Cash held in bank accounts	1,621,675	2,851,746
Cash held in business investment account [Joint venture]	692,056	542,061
Cash held in bank accounts [Joint venture]	32,208	67,297
	2,345,939	3,461,104

Cash held in the Scotiabank business investment account bears interest at 1.0% [December 31, 2024 - 1.55%]. Cash held in the Scotiabank business account bears interest at the Scotiabank treasury rate less .65%. As of June 30, 2025, the Scotiabank treasury rate was 2.25% [December 31, 2024 - 3.15%].

The Company is subject to certain borrowing conditions and debt covenants, relating to having sufficient levels of inventory and accounts receivable. The Company is in compliance with all covenants for the period ended June 30, 2025. The Company has no indication that it will have difficulty complying with these covenants in the next 12-month period. Security on the operating line is a general security agreement and a guarantee given by the parent company to an unlimited amount. Bank indebtedness is authorized to a maximum of \$10,000,000 [June 30, 2024 - \$10,000,000]. During the period, the maximum amount drawn on this facility was \$4,315,000 [six months ended June 30, 2024 - \$4,207,000]. As of June 30, 2025, the prime rate was 4.95% [December 31, 2024 - 5.45%].

CMI Terminal Ltd.

**Notes to the condensed interim consolidated financial statements
[Unaudited]**

June 30, 2025

5. Accounts receivable

	June 30, 2025	December 31, 2024
	\$	\$
Trade receivable	881,597	27,771
Supplier rebates	389,236	262,578
Viterra Inc.	92,826	212,840
Goods and Services Tax receivable	5,008	7,843
	<u>1,368,667</u>	<u>511,032</u>

All amounts are considered collectible and all balances are less than 60 days old.

6. Inventory

	June 30, 2025	December 31, 2024
	\$	\$
Chemical	1,414,397	1,072,794
Fertilizer	461,626	1,081,372
NH3	202,318	198,913
Seed	94,451	828
Agricultural equipment	1,009	1,009
	<u>2,173,801</u>	<u>2,354,916</u>

The cost of inventories recognized as an expense and included in cost of sales amounted to \$13,528,471 [June 30, 2024 - \$10,732,617]. Inventory is presented net of an obsolescence provision of \$70,272 [June 30, 2024 - \$153,618].

CMI Terminal Ltd.

Notes to the condensed interim consolidated financial statements
[Unaudited]

June 30, 2025

7. Property, plant and equipment

Cost

	Balance at December 31, 2023	Net additions and disposals	Balance at December 31, 2024	Net additions and disposals	Balance at June 30, 2025
	\$	\$	\$	\$	\$
Buildings	5,745,246	(7,500)	5,737,746	-	5,737,746
Computer equip.	87,151	-	87,151	-	87,151
Crop prot. equip.	1,934,620	-	1,934,620	4,159	1,938,779
Equipment	1,979,223	62,726	2,041,949	44,238	2,086,187
NH3 equipment	1,143,658	-	1,143,658	-	1,143,658
Rail siding	189,843	75,144	264,987	-	264,987
Vehicles	455,775	43,460	499,235	(47,657)	451,578
Land	83,845	-	83,845	-	83,845
	<u>11,619,361</u>	<u>173,830</u>	<u>11,793,191</u>	<u>740</u>	<u>11,793,931</u>

Accumulated depreciation

	Balance at December 31, 2023	Depreciation and disposals	Balance at December 31, 2024	Depreciation and disposals	Balance at June 30, 2025
	\$	\$	\$	\$	\$
Buildings	3,644,839	123,652	3,768,491	65,575	3,834,066
Computer equip.	85,821	1,330	87,151	-	87,151
Crop prot. equip.	841,249	124,778	966,027	67,246	1,033,273
Equipment	1,572,571	57,612	1,630,183	30,858	1,661,041
NH3 equipment	1,058,080	20,954	1,079,034	10,459	1,089,493
Rail siding	56,626	5,528	62,154	3,313	65,467
Vehicles	332,169	39,935	372,104	(9,060)	363,044
	<u>7,591,355</u>	<u>373,789</u>	<u>7,965,144</u>	<u>168,391</u>	<u>8,133,535</u>

CMI Terminal Ltd.

**Notes to the condensed interim consolidated financial statements
[Unaudited]**

June 30, 2025

7. Property, plant and equipment [continued]

Net book value

	June 30, 2025	December 31, 2024
	\$	\$
Buildings	1,903,680	1,969,255
Crop prot. equip.	905,506	968,593
Equipment	425,146	411,766
NH3 equipment	54,165	64,624
Rail siding	199,520	202,833
Vehicles	88,534	127,131
Land	83,845	83,845
	<u>3,660,396</u>	<u>3,828,047</u>

8. Term loans

	June 30, 2025	December 31, 2024
	\$	\$
4.95% Bank of Nova Scotia revolving term loan, payable in semi-annual instalments of \$11,767, plus interest, secured by equipment and a general security agreement, due June 2027	176,486	176,486
Prime plus 0.25% Bank of Nova Scotia revolving term loan, payable in monthly instalments of \$933, plus interest, secured by equipment and a general security agreement, due May 2025	-	4,667
	<u>176,486</u>	<u>181,153</u>
Less current portion	35,301	28,200
	<u>141,185</u>	<u>152,953</u>

The revolving term loan is subject to the same covenants noted in Note 4.

Principal payments due in each of the next two years are as follows:

	<u>\$</u>
2026	35,301
2027	141,185
	<u>176,486</u>

**Notes to the condensed interim consolidated financial statements
[Unaudited]**

June 30, 2025

9. Share capital

Authorized an unlimited number of

Class A voting, common shares which may be issued in series
 Class B non-voting, shares which may be issued in series. The Class B shares may be converted into Class A Series 1 shares as follows:
 [i] Class A Shareholders may convert their Class B Series 1 shares for Class A Series shares on a one-to-one basis; and
 [ii] Class B [only] shareholders may convert their Class B Series 1 shares to Class A Series 1 shares on a one-to-one basis provided that such conversion rights may only be exercised in lots of 10 Class B Series 1 shares
 Unlimited Class C non-voting, preferred shares, redeemable by the Company, retractable by the holder
 Unlimited Class D non-voting, preferred shares, redeemable by the Company, retractable by the holder. Each Class D share may be converted into three Class A Series 1 shares at the option of the Company

During the six months ended June 30, 2025, there were no transactions affecting the outstanding number of shares.

9. Share capital [continued]

Issued

	June 30, 2025	December 31, 2024
	\$	\$
20,078 Class A shares [December 31, 2024 - 20,078]	<u>476,276</u>	<u>476,276</u>

On December 30, 2024, the Company repurchased and cancelled 90 Class A shares [0.45% of total shares] by way of cash payment, to shareholders in the amount of \$377.63 per share for a total of \$33,986. As a result, the stated capital on the Class A shares was reduced by \$2,135. The excess of redemption value over the carrying value has been recorded as an adjustment to retained earnings.

10. Revenue

The Company principally generates revenue through two main streams; crop production products and services and grain handling.

Crop production products and services include the sale of crop input products and servicing the application of fertilizer to farmers' fields. Ancillary revenue is also earned through equipment sales, equipment rentals and through storage services.

For crop input revenue, revenue is recognized at the point in time when the goods are transferred to the customer which is upon delivery of goods to the farmer. For application revenue, the revenue is recognized over the time that the service is provided to the customer.

Grain handling includes grain elevation, cleaning, drying, and storage.

Notes to the condensed interim consolidated financial statements
[Unaudited]

June 30, 2025

10. Revenue [continued]

All of the Company's crop production products and services and grain handling revenue is earned within the region of Saskatchewan, Canada and therefore, the Company does not disaggregate revenue geographically. The Company disaggregates revenue by category as follows:

	June 30, 2025	June 30, 2024
	\$	\$
Crop input sales	14,795,372	11,947,669
Grain handling	1,023,292	1,016,671
Application of fertilizer	62,161	89,969
Rental and storage sales	5,732	7,356
Equipment sales	-	989
	15,886,557	13,062,654

11. Income taxes

The income tax expense differs from the amount computed by applying Canadian statutory rates to income before taxes for the following reasons:

	June 30, 2025	June 30, 2024
	\$	\$
	27%	27%
Anticipated income tax	130,137	9,829
Tax effect of the following:		
Effect of small business deduction rates	(81,938)	(6,189)
Income tax expense	48,199	3,640

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Differences relating to property, plant and equipment make up the majority of the Company's deferred liability.

12. Related party transactions

All export-bound shipments from the Joint Venture are consigned to Viterra Inc., a joint venturer; therefore, the Joint Venture receives its grain handling revenues through Viterra Inc. All related party transactions are recorded at the exchange amount agreed upon by both parties, which approximates the fair value.

CMI Terminal Ltd.

**Notes to the condensed interim consolidated financial statements
[Unaudited]**

June 30, 2025

12. Related party transactions [continued]

Of the total revenue of \$1,023,292 [six months ended June 30, 2024 - \$1,016,671] consisting of transactions with Viterra, \$92,826 [December 31, 2024 - \$212,840] is receivable. The balance receivable bears no interest and is payable upon invoicing. No provision for doubtful debts has been recognized in relation to the outstanding balance.

All intercompany transactions have been eliminated upon consolidation between CMI Terminal Ltd. and CMI Ag Ltd.

Key management personnel

Key management personnel consists of the general manager, controller, terminal operations manager, manager of grain marketing and logistics, and the sales manager.

Compensation shown includes [where applicable] wages and salaries, paid annual and paid sick leave, bonuses and value of benefits received, but excludes out-of-pocket reimbursements.

Compensation paid during the six months ended June 30, 2025, to key management personnel totals \$134,828 [six months ended June 30, 2024 - \$292,455].

Other transactions with directors

During the six month period ended June 30, 2025, the Company made (\$988) [six months ended June 30, 2024 - \$143,732] in sales of crop inputs to directors or corporations controlled by directors.

During the six months ended June 30, 2025, the Company purchased grain from the directors or corporations controlled by directors. Of the total revenue reported, \$29,417 [six months ended June 30, 2024 - \$8,705] was generated as a result of transactions with directors. The sales and purchases were made on the same terms and conditions available to all other customers. Of these amounts, \$nil is receivable on June 30, 2025 [December 31, 2024 - \$nil].

	June 30, 2025	December 31, 2024
	\$	\$
Due from CMI Joint Venture	<u>16,253</u>	<u>40,531</u>

The transactions are in the normal course of operations and are measured at amounts, which approximated fair value, as established and agreed by the related parties. The balances outstanding are unsecured, bear no interest, and have no set terms of repayment.

Notes to the condensed interim consolidated financial statements
[Unaudited]

June 30, 2025

13. Capital management

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for the shareholders.

The Company sets the amount of capital in proportion to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions, growth and the risk characteristics of the underlying assets. There have been no changes in the monitoring of capital or strategy from the prior period.

The Company manages the following as capital:

	June 30, 2025	December 31, 2024
	\$	\$
Term loans	176,486	181,153
Share capital	476,276	476,276
Retained earnings	7,201,156	6,767,366
	7,853,918	7,424,795

14. Segmented information

The company's business operations are grouped into two reportable segments as follows:

[a] Grain Handling

This segment provides the following services for grain commodities: elevation, cleaning, drying, storage, procurement and shipping logistics. The grain handling segment's operations are carried out entirely in the Joint Venture.

[b] Crop production products and services

This segment consists of sales of fertilizer, crop protection products, seed, seed treatments, and agricultural equipment. The crop production products and services segment's operations are carried out entirely in CMI Ag Ltd.

The Chair of the Board of Directors is the Chief Operating Decision Maker [CODM] and monitors the operating results of the Company separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

CMI Terminal Ltd.

Notes to the condensed interim consolidated financial statements
[Unaudited]

June 30, 2025

14. Segmented information [continued]

Total comprehensive income, June 30, 2025

	Grain handling	Crop production products and services	Total
	\$	\$	\$
Sales	1,023,292	14,863,265	15,886,557
Cost of sales	-	(13,528,471)	(13,528,471)
Gross profit	1,023,292	1,334,794	2,358,086
Premiums and delivery costs			(134,753)
Operating expenses			(1,781,509)
Interest on term loans			(4,411)
Inventory impairment reversal			33,833
Other income			10,743
Income taxes			(48,199)
Total comprehensive income			433,790
Depreciation	86,676	111,103	197,779
Asset additions	20,909	27,488	48,397
Total assets	3,286,001	8,070,194	11,356,195

CMI Terminal Ltd.

**Notes to the condensed interim consolidated financial statements
[Unaudited]**

June 30, 2025

14. Segmented information [continued]

Total comprehensive income, June 30, 2024

	Grain handling \$	Crop production products and services \$	Total \$
Sales	1,016,671	12,045,983	13,062,654
Cost of sales	-	(10,732,617)	(10,732,617)
Gross profit	1,016,671	1,313,366	2,330,037
Premiums and delivery costs			(65,220)
Operating expenses			(2,170,491)
Interest on term loans			(6,007)
Inventory impairment loss			(104,337)
Other income			52,422
Income taxes			(3,640)
Total comprehensive income			32,764
Depreciation	86,506	104,371	190,877
Asset additions	-	43,460	43,460
Total assets	3,357,899	7,300,284	10,658,183

15. Commitments and contingencies

The Joint Venture has arranged a joint bonding with two other corporations. Under the terms of the contract the Joint Venture and the other corporations are jointly and severally liable for any claims made against the bonding company of this grain if losses in quality or quantity occur. This grain is not included in the Company's inventory.

At period-end, the Joint Venture held 12,474 [December 31, 2024 - 11,216] tonnes of grain inventory with a market value of \$3,063,034 [December 31, 2024 - \$2,484,132] on behalf of Viterra Inc. and area producers. The Company is contingently liable for 50% of the value of this grain if losses in quality or quantity occur.

16. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

Notes to the condensed interim consolidated financial statements
[Unaudited]

June 30, 2025

16. Financial instruments [continued]

Risk management policy

The Company, as part of operations, has established avoidance of undue concentrations of risk as a risk management objective. In seeking to meet this objective, the Company follows a risk management policy approved by its Board of Directors.

Financial instruments carrying values and fair values

The carrying amounts of cash, accounts receivable, deposits, due from related party, investments, accounts payable and accrued liabilities and term loans approximate their fair value due to the short-term maturities of these items.

Fair values are based on management's best estimates after consideration of current market conditions. The estimates are subjective and involve considerable judgment and as such, are not necessarily indicative of the amounts that the Company may incur in actual market transactions. The fair value of the investments is based on the amount that would be received through patronage refunds in the normal course of operations.

	June 30, 2025	December 31, 2024
	Fair value	Fair value
	\$	\$
Financial assets		
Cash	2,345,939	3,461,104
Accounts receivable	1,368,667	511,032
Deposits	1,275,219	9,241
Due from related party	16,253	40,531
Investments	505,848	518,105
Financial liabilities		
Accounts payable and accrued liabilities	3,353,895	857,232
Term loans	176,486	181,153

CMI Terminal Ltd.

Notes to the condensed interim consolidated financial statements
[Unaudited]

June 30, 2025

16. Financial instruments [continued]

	June 30, 2025	December 31, 2024
	Carrying value	Carrying value
	\$	\$
Financial assets		
Cash	2,345,939	3,461,104
Accounts receivable	1,368,667	511,032
Deposits	1,275,219	9,241
Due from related party	16,253	40,531
Investments	505,848	518,105
Financial liabilities		
Accounts payable and accrued liabilities	3,353,895	857,232
Term loans	176,486	181,153

Foreign exchange risk

Foreign exchange risk is the risk that the value of the Canadian dollar in relation to other currencies changes. Foreign exchange risk arises primarily from purchase transactions. The crop production products segment purchased approximately 88% [six months ended June 30, 2024 - 75%] of the inventory sold during the year from a supplier based in the United States.

Credit risk

The Company does have credit risk in accounts receivable of \$1,368,667 [December 31, 2024 - \$511,032]. Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Company reduces its exposure to credit risk by performing credit evaluations on a regular basis; granting credit upon a review of the credit history of the applicant and creating an allowance for bad debts when applicable. The Company maintains strict credit policies and limits in respect to counterparties. In the opinion of management the credit risk exposure to the Company is low and is not material.

The Company's maximum credit exposure at the financial statements date consists primarily of the carrying amount of accounts receivable. Amounts receivable from Viterra Inc., a venturer described in note 1, as of June 30, 2025, represents 7% [December 31, 2024 - 42%] of total accounts receivable.

Liquidity risk

The Company does have a liquidity risk in the accounts payable and accrued liabilities of \$3,353,895 [December 31, 2024 - \$857,232] and term loans of \$176,486 [December 31, 2024 - \$181,153]. Liquidity risk is the risk that the Company cannot repay its obligations when they become due to its creditors. The Company reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due, maintaining an adequate line of credit to repay trade creditors and repaying term loan interest and principal as they become due. In the opinion of management the liquidity risk exposure to the Company is low and is not material.

Notes to the condensed interim consolidated financial statements [Unaudited]

June 30, 2025

16. Financial instruments [continued]

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. In seeking to minimize the risks from interest rate fluctuations, the Company manages exposure through renewal of debt on a regular basis.

The Company is exposed to interest rate risks with respect to its floating rate operating line of credit. A 1.0% change in interest rates relating to the Company's operating line of credit would impact the Company's comprehensive income by \$9,921 [June 30, 2024 - \$12,494].

The Company is exposed to interest rate risks with respect to its fixed and variable-rate term loans. A 1.0% increase in interest rates relating to the Company's term loans would reduce the Company's comprehensive income by \$1,589 [June 30, 2024 - \$1,875].

Price risk

Price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices [other than those arising from interest rate risk or foreign currency risk], whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company enters into transactions to purchase crop production products, for which the market prices fluctuate. The nature of the Company's activities exposes it to risks of changes in commodity prices related to crop inputs that may occur between the time products are received from the supplier and the actual date of sale to customers. The Company quotes spring prices to many of its customers, which may or may not be higher than the price at which was paid by the Company. To mitigate a portion of this risk, the Company attempts to buy a portion of the product it expects to sell in advance of the normal purchasing window to take advantage of available discounts.

Climate and environmental risk

Our financial reporting, consistent with IFRS guidelines, reflects significant judgments and uncertainties related to environmental and climate risks. Based on the preliminary assessment of the global climate changes, the Company does not identify climate changes that materially changed the evaluation of the material assets or liabilities, nor critical accounting judgments, in the six months ended June 30, 2025.

17. Economic dependence

The Company markets substantially all of its grain product through an arrangement with Viterra Inc. The ability of the Company to sustain operations is dependent upon the continued operation of this arrangement.

CMI Terminal Ltd.

**Notes to the condensed interim consolidated financial statements
[Unaudited]**

June 30, 2025

18. Reclassification of comparative figures

Certain comparative figures in the statement of comprehensive income have been reclassified to match the presentation used in the current period. This change does not impact the prior period earnings.

19. Subsequent event - sale of business assets

On July 14, 2025, subsequent to the reporting date of June 30, 2025, the Company completed the sale of substantially all the operating assets of its crop production products and services business unit, CMI Ag Ltd. Additional information regarding the sale will be released as it becomes available. Readers are urged to check the Company's website for the most up-to-date information.