2024 Annual Report

Sollio
Cooperative Group

Sollio Cooperative Group: it’s you, it’s us.

Producers, processors, hardware dealers, employees.
People dedicated to developing our practices to continue building a prosperous future for our local farming families and consumers.

We are the largest agri-food cooperative in Canada, with strong roots in Québec. We are people of the land, forward thinkers with our feet planted in the present, our sights set on the future. We are resilient and determined to preserve farming and food resources and transform them into collective wealth.

At Sollio, we grow, raise, produce and process locally to do our part every day to build the economy of tomorrow. We are present, from Farm to Table, throughout the Nation. Our three divisions, Sollio Agriculture, BMR Group and Olymel, serve as lead economic drivers in the agriculture, retail and food sectors. Our network of cooperatives actively contributes to the vitality of all Québec regions.

For you, for us, the plan is clear: ensure the prosperity of locals and future generations for centuries to come.

Table of contents

Together, we're building a better future

In 2025, we're celebrating the International Year of Cooperatives!

The UN declared 2025 the International Year of Cooperatives, highlighting their contribution to building a better world. By encouraging sustainable development, creating quality jobs and supporting communities, cooperatives play a critical role in transforming our society. At Sollio, we believe in collective strength! Cooperation has always been a core part of our DNA. For us, it's more than a business model; it's our driving purpose. A development model for the future, based on strong values of honesty, equity, responsibility and solidarity, is what sets us apart.

Together, we have built a strong and committed business. Together, we have grown, innovated and overcome challenges, by always putting people at the heart of our actions. In this International Year of Cooperatives, we are wholeheartedly reaffirming our commitment to these principles that drive us.

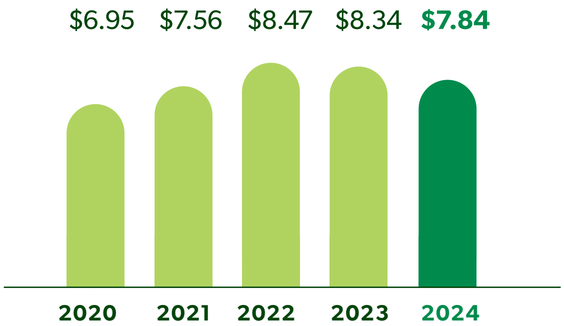
Cooperating is building a fairer, stronger and more sustainable future for our farming families and future generations.

Happy International Year of Cooperatives!

Highlights

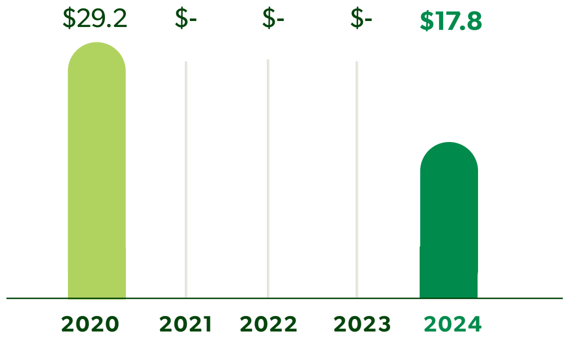
Revenues

(in billions of dollars)



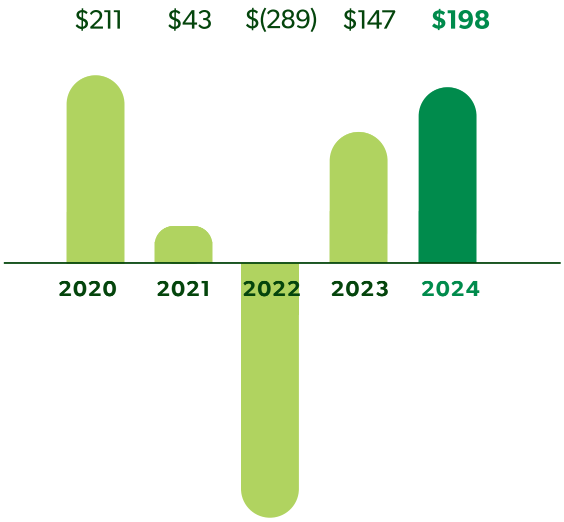
Patronage refunds

(in millions of dollars)



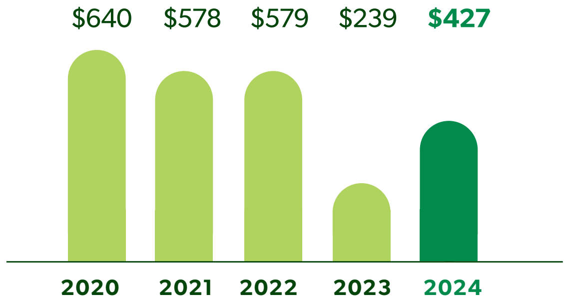
Earnings (loss) before patronage refunds, income taxes and discontinued operations

(in millions of dollars)



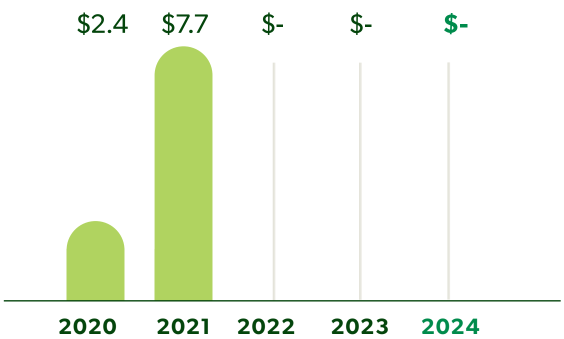
Working capital

(in millions of dollars)



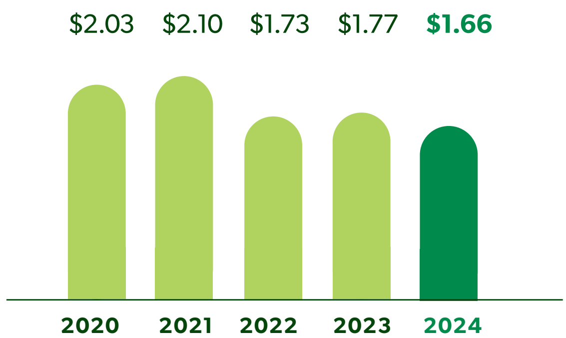
Dividends paid to the cooperative pork chain*

(in millions of dollars)



Preferred shares and equity of the Cooperative

(in billions of dollars)



* The dividend attributable to the pork chain for the current fiscal year is declared and paid during the subsequent fiscal year.

2024

(In thousands of dollars)

$7,843,601
Revenues

$146,805
Operating earnings

$197,606
Earnings before patronage refunds, income taxes and discontinued operations

$17,790
Patronage refunds

$5,209
Dividend declared and paid out in 2025 to the cooperative pork chain

$270,716
Net earnings

$1,378,332
Accounts receivable and inventories

$1,535,365
Current assets

$427,320
Working capital

$2,294,871
Property, plant and equipment and productive biological assets - Cost

$1,099,232
Property, plant and equipment and productive biological assets - Net carrying amount

$3,783,473
Total assets

$807,511
Long-term debt and obligations under capital leases including current portion

$1,655,237
Preferred shares and equity of the Cooperative

14,862
Number of employees

President's message
Richard Ferland

Solid results, a promising future

Board of Directors

* **Richard Ferland**
President

David Mercier
Vice-President

* **Jean Bissonnette,** ASC
Vice-President

Cathy Fraser
Director

Adrien Pitre, ASC
Director

* **Marc-André Roy,** ASC
Director

Patrick Soucy
Director

* **Normand Lapointe**
Director

Sophie Gendron
Director

* **Lucie Boies**
Director

* **Guy Labrecque**
Director

Denis Lévesque
Director

Jeannine Chartrand
Director

Jean-François Roy
Director

Alain Laflamme
Director

* **François R. Roy,** ASC
Guest director

Paule Têtu
Guest director

* Audit Committee Members

For the second consecutive year, Sollio Cooperative Group's results have significantly improved. Even more importantly, these very encouraging results were driven by a set of structuring actions, which will continue to generate positive impacts in the years to come. This is not the transient effect of favourable circumstances, but rather a lasting impact.

Earnings growth resulted from consolidation, operational efficiency, asset optimization, and debt reduction efforts. Operations were turned around and the financial balance sheet is in a better position. The next challenge is to maintain growth.

To do so, our teams have developed an ambitious EBITDA growth plan, as part of a strategic planning exercise, which is in its implementation phase. Growth is based on our commitment to generating long-term earnings, not only for the organization but also for our members and partners.

Sollio's vision has been renewed to better reflect our ambitions, which are aligned with the strategic plan: "To be a driving force for our members and divisions and serve as responsible stewards of our cooperative agricultural heritage as we strive for sustainable, impactful growth."

Strength of the network

As you know, our ambition is to be a driving force for our members. The cooperatives answered the call when Sollio asked for their support to weather the storm. It was the silver lining in the crisis. The network emerged from the storms of recent years even stronger and more united.

Today, the situation has reversed, and some cooperatives are experiencing more difficult times. Now, it's Sollio's turn to contribute to the network's economic development, with a monetary return to the owners. We're family, we support each other. We're a cooperative.

The United Nations declared 2025 the International Year of Cooperatives, under the theme "Cooperatives Building a Better World." This is a promising theme that captures well the mission of our collective enterprises. Because cooperatives, through their missions and values, have always been rooted in and directed by their communities, and been receptive to the needs of their members.

There is no reason for us not to be the best. We have a strong, organized and firmly established network across the region. Our people are competent, trained and dedicated. Our governance system ensures that our members' interests are represented, fosters a sense of belonging and supports courageous and necessary decision-making.

The cooperative model is one solution for generating wealth. We have to perform well because we are in a very competitive environment. Our business model makes sense, and it's up to us to make it known and encourage the next generation to adopt and engage with it.

We can also use our collective strength to make known our expectations and needs to our governments. Some of the issues we are concerned about are the Biofood Policy that will take effect this year and the importance of using foreign workers in our sector.

The previous version of the policy focused on consumer expectations and health. We are campaigning for the new version to reposition agricultural producers at the centre of the policy.

We do not want to merely occupy the land; we want to thrive. Every entrepreneur wants to ensure their business's prosperity. It's a must, if we want to attract the new generation to agriculture.

Thinking about the future of agriculture and the network

This year, I had the honour of consulting with agriculture and agri-food leaders from various backgrounds, including companies in processing, cooperatives, education, agricultural production, government and finance. The goal of these conversations was to discuss the issues, challenges and future of our sector and our network.

The thoughts and vision of these key individuals have informed and enhanced my own thinking. This thinking continued with members of the Board of Directors, as well as with the presidents and vice presidents of the cooperatives.

Certain trends are emerging. Among other things, consolidation of the agricultural environment is continuing and even accelerating. Today, 10% of Québec farms are generating 70% of agricultural revenue. We predict that within the next 10 years, these farms will generate 85% of revenue. Management models need to change. Agricultural producers' requirements and expectations will be increasingly demanding.

Our business model has been strong for over a hundred years. This was mainly because it was able to adapt and seize opportunities. Resting on the laurels of a hundred years' work is not enough. Our challenges are many and require deep thinking from which new ideas will emerge.

The current environment allows us to further concentrate our efforts on continuously improving our network. Preparing to meet these challenges will enable our cooperative model to maintain its leading position. We have to keep innovating in order to continue being the best and to serve as a model that attracts young people by generating wealth in a sustainable and responsible way.

To conclude, I would first like to thank my colleagues on the Board of Directors for their trust, unwavering support and determination on a daily basis, which are essential to ensuring the success of our cooperative and the sustainability of our cooperative heritage.

I would also like to express my gratitude, on my behalf and on behalf of the Board of Directors, to Pascal Houle, our Chief Executive Officer, as well as to his teams and to all our employees for their efforts and dedication and the excellent results they succeeded in delivering.

I particularly want to thank the network for its support. It is through our commitment and participation that we will achieve our objectives and prioritize our promising projects for the future of our network.

Message from the Chief Executive Officer

Pascal Houle, CPA

The plan is paying off and Sollio has regained momentum

Management Committee

Pascal Houle, CPA
Chief Executive Officer

Alexandre St-Jacques Burke, FRM
Chief Financial Officer

Me Josée Létourneau, ASC
General Secretary
Legal Affairs

Casper Kaastra
Executive Vice-President
Chief Executive Officer

Yanick Gervais, M. Fisc., CPA
President and Chief
Executive Officer Olymel

Alexandre Lefebvre, MBA
Executive Vice-President
Chief Executive Officer
BMR Group

Stéphane Forget, MBA, ASC
Senior Vice-President,
Public Affairs, Cooperation
& Corporate Responsibility

Saad Chafki
Senior Vice-President,
Information Technology

Marc Gauthier, MBA, CRHA
Senior Vice-President,
Human resources

Sollio Cooperative Group has regained its momentum. During the financial year ended October 26, 2024, the progress attributable to our recovery plan accelerated. The strategic and orderly approach we adopted three years ago is bearing fruit. Our organization is now stronger, more efficient, and better adapted to meet the needs of its clients as well as members expectations. The journey was demanding. There are still challenges to overcome. But we have demonstrated the strength of our solidarity, the breadth of our expertise, and the resilience of our organization.

At the end of fiscal 2024, the Sollio Cooperative Group's financial position had clearly improved. Consolidated sales reached $7.8 billion with net earnings of $270.7 million, including a loss from discontinued operations. In 2023, sales amounted to $8.3 billion with net earnings of $115.4 million. The decline in sales was due in particular to the significant decrease in grain prices, leading to lower selling prices for animal feed, and to the decline in agricultural input prices. The strong year for consolidated results was reflected in the $56.8 million increase in operating EBITDA to $418.4 million. This performance was driven by consolidation efforts, operational efficiency and asset optimization.

We are staying the course with the same discipline and determination. We have the plan that is needed to return to growth. We have reorganized and revamped our organization by protecting the marketing tools we have developed over the past 100 years and by preserving the elements at the heart of our businesses. We will not do away with anything that defines us. We will be proud to have maintained the strategic capabilities of the organization and to have benefited from our three divisions that are now stronger and more robust and look to the future with confidence.

Our three divisions are at the heart of our success

During the last fiscal year, the three divisions of our large cooperative contributed to our success.

For Sollio Food, it was certainly a milestone year. Lower prices for grain and therefore for feed helped Olymel record one of the best years for operating performance in its history. Olymel recorded net earnings of $196.9 million, up 38.7% from net earnings of $142.0 million in 2023. In addition to the exceptional results of hog production activities, the fresh pork sector's results improved thanks to optimization initiatives in the plants and the advent of new customers and products was demanding. However, the situation remains difficult for this sector. The poultry sector recorded very favourable results in fiscal 2024 although down compared with 2023, which had generated exceptional results.

Sollio Agriculture reported a net loss of $3.9 million, including the loss from discontinued operations of $3.1 million, a strong improvement from the $59.0 million net loss reported in 2023. This result was achieved despite a decline in sales mainly due to lower fertilizer and grain prices across Canada. Against this background, Sollio Agriculture performed very well, with its operating income boosted by the performance of the animal production sector and the completion of the grain sector repositioning plan. The crop production sector, meanwhile, saw a decrease, and fell short of expectations, given the return to more normal market conditions after three exceptional years.

Lastly, BMR Group performed well despite a very challenging business environment. Housing starts were at an all-time low at the beginning of the fiscal year, due, among other things, to the high interest rates put in place to control inflation and high household indebtedness. This trend continued in fiscal 2024 with a cautious economic recovery in recent months. Against this background, Sollio Retail generated net earnings of $30.5 million, down $4 million. Conditions improved at fiscal year-end with interest rate cuts giving a shot in the arm to the market. The trend is more favourable for the new fiscal year.

Performance and sustainable growth

In the coming months, we will continue to roll out our strategic plan with operational excellence at the heart of our priorities. This key driver has not only guided all our initiatives, but has also structured our approach to maximize the efficiency of our operations and strengthen our foundations. By optimizing our execution and the quality of our operations, we will increase our margins, strengthen our EBITDA, stabilize our financial position and create space to reinvest in growth. I am confident that this plan will lead us to sustainable success, while delivering on our ambitions and creating value for all our members.

As part of our ongoing efforts, we have focused our energy on high-value initiatives to maintain our leadership and respond effectively to the challenges of our time. These include the launch of our *L'Accélérateur IA* program, which aims not only to strengthen value creation within our cooperative but also to develop tools that, using artificial intelligence, will enable us to accelerate our development and boost efficiency. Our continued commitment to corporate and cooperative responsibility is a testament to our core values and societal footprint.

Regarding the environment, we are committed to reducing our greenhouse gas emissions by 25% by 2030, targeting scope 1 and 2 emissions, an additional step towards sustainable and responsible management of our group. We also continue to invest in the development, leadership and well-being of our employees, who are key to our success and will continue to shape the future of our organization.

Working for our people

We can be proud of our progress, our passion, our profession We work for our people, for our regions, for our families, to feed our world. We do so in the spirit of solidarity and in keeping with our cooperative values. We do so with strength and courage, remembering that our future success depends on our day-to-day determination and that vigilance and discipline are essential pillars.

In closing, I would like to extend my sincere thanks to the members of Sollio Cooperative Group's Board of Directors, including our President, Richard Ferland, for their constant support. Many thanks also to the elected representatives and managers of the cooperatives in our network for their solidarity and trust over the years. Special thanks to my colleagues on the Executive Committee, and to our divisional managers, who have demonstrated leadership and vision amid challenging conditions. I conclude with a special thought for all the employees of Sollio Cooperative Group and its divisions who, every day, enable us to fulfill our mission and achieve our objectives. Thank you for your dedication and commitment.

Ferme Rose Haven
Finalist
Sollio Next Generation Award
2024-2025

Sollio
Agriculture™

Casper Kaastra
Executive Vice-President and Chief Executive Officer of Sollio Agriculture

Highlights of the year

$2.510 billion in sales

Financial results exceeded expectations

Growth in livestock production, stability in crop production

Sollio Agriculture closed the 2023-2024 fiscal year with a performance surpassing its objectives. Sales reached $2.510 billion, excluding discontinued operations. This decrease of $333 million (11.7%) year over year was primarily due to lower commodity prices in all business sectors across Canada, and to the exit from direct grain merchandizing activities.

Despite the drop in sales, we saw growth in operating EBITDA, underpinned by remarkable performance in the poultry sector, particularly at our breeding farms and hatcheries. In Western Canada, we saw a significant uptick in crops, both with our joint ventures and in supply to independent customers. We also saw gains on feed mill ingredients, which strengthened our competitiveness in the feed sector. Our regional partnerships for livestock production in Québec were another strong pillar of our success this year, as was the growth of livestock production in Atlantic Canada.

Overview by sector

Livestock production

Our livestock production business units performed well across the country.

In Québec, the results of our joint ventures and regional partnerships were much stronger than in 2023. The impressive performance of our breeding farms and hatcheries also drove growth in the sector. In pork, there was a predictable drop in feed volumes due to lower livestock numbers, but results were better than expected. The single-ingredient trend had an impact on all productions, but thanks to our competitive offer, we've been able to maintain volumes and increase margins.

In Western Canada, after a challenging year in 2023, we ended 2024 with a sizable margin increase, despite a slight decrease in total tonnes sold. This was the result of better inventory control and our favourable purchasing positions. And we saw strong performance in the pork sector thanks to operational improvements and new major accounts.

In Atlantic Canada, a combination of careful cost management and further position gains with our procurement strategy resulted in significant growth. In poultry, the decision to focus on the layer market improved performance. In ruminants, our focus on value-added inputs and sales revenue per cow offset the drop in volumes of complete feed.

Crop production

In crop production, 2024 brought a return to normal in Québec, strong growth in Western Canada, and a decline in Ontario and Atlantic Canada.

In Québec, seed demand was influenced by an early spring in some regions and a late one in others. Working with retailers, we were able to meet the needs of producers and increase our sales volumes. In fertilizers, we made positive gains despite some order delays, and in crop protection, we were able to meet customer needs. The results of certain joint ventures were down due to lower volumes and margins compared with the previous year.

In Western Canada, results exceeded expectations, thanks in particular to an effective fertilizer supply strategy that ensured we were able to keep product available at an affordable cost. Wetter-than-usual weather conditions also drove increased demand for fungicides, resulting in higher volumes in crop protection products. A similar effect was seen in Ontario and Atlantic Canada. In both regions, the fertilizer market has calmed down after two record years of higher operating expenses and financial pressure on farms. In contrast, the Agrico network achieved very good results in wholesale, with volumes on the rise.

The seed sector performed very well, and we maintained our market share. Our biggest success this year was corn seed sales, with record volumes. In soybeans, growth in volumes was mainly driven by favourable markets in Ontario and Atlantic Canada. In forage, volumes were up in Québec thanks to a more focused product offering, which allowed us to be more competitive.

Exit from direct grain merchandizing

Our exit from direct grain merchandizing is ongoing. From an operational standpoint, we recorded an increase in volumes transshipped at the export terminal, and expenses are well under control.

The grain business unit was affected by the Sollio & Grains Québec investment, which underperformed—a predictable outcome given the decision to end the provincial grain partnership. We implemented the new grain merchandizing model this year and we remain involved in the grain value chain along with the cooperatives to support sales to major customers.

Clear priorities

Much of the 2023–2024 fiscal year was dominated by the strategic planning exercise. The goal was to improve our financial health, grow our EBITDA, and reduce our debt level in order to ensure Sollio Agriculture's viability over the long term. We identified a series of value-creating initiatives in three areas, all focused on our core business.

For the first area, we continued to pursue operational excellence by kicking off the transition to a cost optimization model in our plants, improving our supply risk management, and using our distribution assets to their fullest.

In our second area, we made further progress in improving the relevance of our offering by repatriating all our cereal and forage products to Maizex, thus transitioning to a single seed brand. On the technological front, the use of AgConnexion continued to grow across our networks, resulting in additional revenue.

And our third area involved refocusing on activities that are more closely aligned with our core business, with the goal of crafting a relevant and competitive product and service offering that sets us apart and creates value for farmers. We did this by fully acquiring the shares in Entreprise Couvoir Côté, which consolidated our position as Canada's second-largest hatchery operator, and by deploying our new grain merchandizing model.

With these initiatives and the continuous improvement of our operations, Sollio Agriculture is now in a strong financial position. We're working hard together to achieve our operational goals and hit our targets for financial performance and debt reduction, both of which will take us into our next phase of growth.

Other highlights

There were a number of cross-functional achievements that contributed to Sollio Agriculture's 2024 performance. We made progress in occupational health and safety, with a drop in indicators for the frequency, severity and number of incidents. We also adopted new technologies, including new hiring management software to facilitate recruitment, and continued to emphasize the importance of strong cybersecurity practices. We moved ahead with our corporate responsibility action plan and kept working to set our greenhouse gas reduction target.

Conclusion

We had a good year in 2024. We worked as a team with our cooperative and partner networks to deliver better results and surpass our financial targets. We launched several of the initiatives from our strategic plan, which contributed directly to our improved performance.

Our efforts remain focused on activities that create value for farmers. We're moving forward with drive, determination and a solid plan to get the organization financially healthy and then reorient towards growth in a business landscape that's sure to bring many more challenges.

To all our employees, thank you. You're the reason we achieved everything we did this year and enjoyed such satisfying results. Thanks also to Pascal Houle, CEO of Sollio Cooperative Group, for your unwavering support. And thanks to the Board of Directors for the invaluable link you provide to our farmers and their families.

Our Distribution Network

Sollio Agriculture · AGRO CENTRE · The Agromart Group · AGRICO Our Purpose. Your Success. · CO-OP Country Store · maizex

Sollio Retail

BMR GROUP

Alexandre Lefebvre, MBA
Executive Vice-President and
Chief Executive Officer of
BMR Group

BMR GROUP

Highlights of the year

Sales of $1.449 billion

Results surpassing expectations, though lower than in 2023

Accelerated product development under exclusive brands

In 2024, BMR Group reported positive results, with total sales of $1.449 billion, shrugging off the constantly shifting economic conditions. An excellent performance marked by complex challenges.

Since 2023, the retail industry has been operating in a volatile environment. Housing starts reached an all-time low due, among other things, to high interest rates implemented to control inflation and a high household debt rate. This trend continued in 2024, with a cautious economic recovery in recent months. Despite interest rate cuts initiated in 2024, household debt levels have remained high. In addition to the uncertain economic conditions, increased competition in the industry continues to push players to adopt more aggressive strategies for increasing their market share.

Despite weaker results than in 2023, which was the second-best year in BMR's history, BMR ended fiscal 2024 with results that exceeded expectations. This performance was mainly due to several key strategic actions that boosted our competitiveness and efficiency. We actively recruited new vendors, expanding our network and market influence. We continued to manage our spending and operational optimization initiatives with discipline, enabling us to maintain financial stability, increase our productivity and improve the quality of our customer service offering. Finally, the accelerated development of our products under exclusive brands due, among other things, to our partnership with the A.R.E.N.A. Alliance, played a key role in our growth strategy.

As part of its commitment to responsible corporate citizenship, BMR Group developed a rigorous three-year action plan to ensure sustainable management of its operations and to reduce its environmental footprint. A number of concrete initiatives have already been launched, including a pilot project for managing residual packaging materials from distribution centre shipments, and several other actions will be taken in the coming months to achieve the objectives set.

Renewed strategy, attractive network

While operating efficiently on a daily basis, BMR Group has given serious thought to the future of its network in an industry where consolidation and competition are intensifying. A strategic plan to improve performance and profitability has been developed, in collaboration with the vendors in our extensive network. This plan is based on five major projects: strengthening the value proposition for PRO customers, increasing our vendors' performance and serving consumers in a more profitable way, optimizing forest product costs and sales through team synergies, reducing operating costs while adjusting on-demand service, and aligning the marketing strategy with the needs of professionals and consumers.

BMR Group is constantly strengthening its presence in the construction and renovation industry in Eastern Canada. Our network continues to grow. In 2024, two new vendors representing three stores joined our extended family, while two network vendors each acquired a store outside the network, bringing them under the BMR banner.

The Agrizone brand remained a key pillar in BMR Group's growth strategy in 2024. With Agrizone celebrating its 15th anniversary in 2025, the banner is at the heart of the organization's new strategic plan, which promotes the group's growth outside Québec by offering a unique experience to vendor-owners.

The organization has begun in-depth work on significantly rethinking its market positioning. To distinguish itself from the competition and be a destination for PRO customers, while flawlessly serving retail customers, BMR Group is focusing on three key objectives: strengthening its reputation, increasing store traffic and adopting a multi-platform, digital and traditional approach to optimize its outreach. Development of the new positioning will continue in 2025, and consumers will soon see concrete results across the entire network, in stores and on the ground.

Accelerated development of products under exclusive brands

Fiscal 2024 was the first full year of the strategic partnership with the A.R.E.N.A. Alliance, which enables us to offer our customers products under exclusive brands that are of comparable quality to major national brands at very competitive prices.

In 2024, no fewer than 600 new products were developed, delivered or were in the process of being delivered, under the exclusive BMR, Fixel, Torkk, Architek, Opaz, Splendi, Botaflora, Agrizone and Atika brands. This strategy is very promising, as it appeals to our customers, contributes to our growth and strengthens our competitiveness. For 2025, BMR Group plans to develop nearly 800 new products under its exclusive brands.

Favourable trend for 2025

Our business has a solid foundation and a strong financial position and is well positioned for the future with a clear and rigorous strategic plan while economic indicators are pointing to a recovery in the construction and renovation industry. At the end of 2024, housing starts in Québec and the Atlantic provinces were already increasing. This trend seemed less robust in Ontario but is expected to improve in 2025.

Interest rate decreases are expected to continue in the new year, bolstering household confidence and completion of construction and renovation projects. Various government programs intended to accelerate the construction of rental and social housing are also expected to encourage completion of a number of housing projects.

I would like to thank our vendors and network cooperatives for making possible what we achieved last year. Thank you, too, to Pascal Houle, Chief Executive Officer of Sollio Cooperative Group, to Richard Ferland, President, and the Board of Directors. I also extend my warmest thanks to all members of our team. Together, we are making BMR Group a large and successful organization.

Our Distribution Network

BMR agrizone Potvin & Bouchard GROUPE LEFEBVRE

Ferme Karona
Finalist
Sollio Next Generation Award
2024-2025

Sollio Food

OLYMEL

Feeding the world

Yanick Gervais, M. Fisc., CPA
President and Chief Executive Officer of Olymel

OLYMEL

Highlights of the year

Net sales of $4.566 billion

Higher-than-expected results generated through optimization plan effectiveness

New strategic centre in Boucherville

Olymel recorded net sales of $4.566 billion in fiscal 2024, its third best performance ever. These impressive financial results stemmed mainly from sustained optimization efforts in recent years, the benefits of which we are now reaping.

Cleaning up our balance sheet, optimizing our operations and logistics, and modernizing our systems have resulted in deep transformations. Olymel has become more resilient, strengthened its foundations and is now well positioned for the future. Fiscal 2024 was also highlighted by an un precedented almost equal breakdown of our operating profit between our pork and poultry operations. This balanced diversification marks an important milestone in our business model and significantly reduces our exposure to market risks.

Hog sector

Fresh pork and hog production

Overall, the hog sector showed exceptional improvement in 2024, mainly due to lower grain prices that reduced hog production costs. In the fresh pork sector, the situation remains more difficult, and while results have improved greatly with the completion of the turnaround plan launched in 2021, the Eastern fresh pork sector is still making losses. The devaluation of the yen, which fell to its lowest level since 1990 during the year, had a negative impact on the sector's results.

On the upside, we benefitted from a growth in sales of chilled pork products. These value-added products are in high demand in the domestic and Asian markets, and we are looking to further develop them by leveraging the Olymel brand's reputation and the recognized quality of local pork.

In both the hog production and fresh pork sectors, we focused this year on increasing the efficiency of our operations and the performance of our facilities. Olymel has come a long way in this regard in recent years and aims to strengthen its competitiveness and create significant benefits for all players in the chain.

In 2024, 6.3 million hogs were slaughtered, a predictable decrease of 0.8 million due to the closure of the Vallée-Jonction slaughterhouse and the decision to close breeding facilities in Western Canada in 2023.

Further processed pork

The further processed pork sector reported slightly lower results in fiscal 2024 than last year. Volumes remained stable year over year, with a significant increase in fresh sausage sales and a corresponding repositioning to our ham portfolio. Optimization measures were also made to enhance sector performance. As a result, the Saint-Jean-sur-Richelieu plant was closed during the fiscal year and its production volumes were transferred to the Trois-Rivières and Saint-Henri plants. Bacon plant operations were also reorganized with the transfer of certain production lines to the Cornwall plant.

Poultry sector

Fresh poultry

The fresh poultry sector performed well despite more difficult market conditions this year. Volumes were higher than in 2023, but selling prices declined due to higher product offerings and heightened competition.

Sector results were also affected by turkey operations that incurred a significant net loss. Lower consumption recorded in Canada and elsewhere in the world resulted in a market surplus compared to client demand.

Lastly, certain revenues associated with shares of projects carried out in partnership with Giannone are no longer included in the fresh poultry results, as this business was sold in 2023.

Further processed poultry

In further processed poultry, the profit margin as a percentage of sales increased, but lower volumes had a greater impact on total revenues, which decreased. As with further processed pork, the difficult year in the restaurant industry impacted our results.

Poultry processing operations in plants were optimized in 2024 with a more judicious relocation within our various facilities. Unfortunately, the Oakville plant, which had benefited from this optimization strategy, caught fire at the end of the year, which created significant logistical challenges for the organization.

A fertile year with several promising projects

In addition to strong financial results, Olymel made progress in all aspects of its operations, making 2024 a pivotal year in its history.

The year's highlights include the development of the new strategic centre. Olymel began centralizing in Boucherville a large portion of its warehousing and distribution operations, which had been spread over a dozen sites. In September, we moved our head office and essential administrative activities to an adjacent building, after more than 30 years in Saint-Hyacinthe.

At the same time, we enhanced our strategic management tools. Olymel adopted a new ERP (integrated management software package) platform and laid the foundations for the adoption in 2025 of a new information and human resources management system. We also began integration of artificial intelligence with the creation of a dedicated team and the implementation of some promising pilot projects. Lastly, we also continued our cybersecurity enhancement program throughout the year.

We also made progress with several marketing initiatives. We revamped our brand portfolio and came up with a new image for Olymel, with the goal of further highlighting the high quality of our products and reflecting the evolution of our organization. We also had great success in marketing with a new line of fresh chicken under the Olymel brand sold exclusively in Walmart stores in Québec and developments in our partnerships with restaurant leaders.

Feeding our world with solidarity and responsibility

For Olymel, feeding the world with tomorrow in mind means ensuring at the same time the quality of our food, our environmental footprint, animal welfare, the health and safety of our employees and community relations.

In 2024, on top of our efforts to reduce greenhouse gases, we launched a climate impact analysis to improve value chain resilience. Also, to promote a healthier diet, we undertook to revisit the recipes of nearly 50 products to reduce saturated fat, sugar and/or sodium content, while maintaining product quality. From a social standpoint, we supported the communities in which we operate, with $1.9 million in donations in cash and products in 2024, mainly to combat food insecurity. In addition, regarding animal health, we continued to prevent and prepare for African swine fever, as the disease continued to ravage various parts of the world.

Conclusion

Fiscal 2024 was a year of significant progress and results that reflect our ability to meet challenges. Despite major transformations in our industry, we delivered some of the best financial results in our history.

We look to the future with confidence, with pride in the progress we have made, with enthusiasm for the projects that are driving us to do even better, to innovate more in methods and technologies to feed our world in the future. Our work will never be finished: we will continue to do everything we can to continuously improve for the benefit of our members, partners and communities.

The success of fiscal 2024 is a testament to the unwavering resilience and commitment of our teams. I know that the many changes in recent years have been destabilizing, sometimes trying for our employees. Together, we have got through this intense period and today, we can envision the future of an organization that creates value and is market-friendly.

Many thanks to all our employees for their dedication. I would like to thank Pascal Houle, Chief Executive Officer of Sollio Cooperative Group, and Richard Ferland, President of the Board of Directors, and all the directors, for their unwavering support.

Our Brands

OLYMEL PINTY'S LA FERNANDIÈRE Lafleur FLAMINGO

Ferme Avicole Brybec
Finalist
Sollio Next Generation Award
2024-2025

Ferme Gillubert
Finalist
Sollio Next Generation Award
2024-2025

Financial position

Sollio
Cooperative Group

Alexandre St-Jacques Burke, FRM
Chief Financial Officer

Sollio Cooperative Group

Ready for what lies ahead

Sollio Cooperative Group ended fiscal 2024 with confidence and robustness. The balance sheet reflects the disciplined and surgical actions carried out in recent years and the financial results attest to a remarkable turnaround, while significantly reducing total assets to $3.8 billion as at October 26, 2024, compared to nearly $5 billion three years ago. We can already see the favourable impacts of all completed projects on the cooperative's debt burden and the associated cost of funds.

Market trends

In accordance with its risk management strategy, the cooperative uses derivative financial instruments to manage different market risks. However, our results can still experience volatility when financial and market conditions are as turbulent as they have been in recent years.

Foreign exchange and interest rates

In fiscal 2024, the U.S. dollar exchange rate was favourable for exports, remaining above 1.3205 throughout the year, with an average of 1.3612 compared with 1.3485 in fiscal 2023. The Japanese yen exchange rate had the opposite effect with the average for fiscal 2024 lower than in fiscal 2023 by 7%.

Interest rates remained high for the first half of 2024. Specifically, the Bank of Canada's key interest rate held steady at 5% until June 2024 and gradually declined to 3.75% at the end of October 2024.

Commodity prices

Despite some volatility in fiscal 2024, the average price of pork was stable compared with 2023. While the price of pork has held up, grain prices have fallen sharply, particularly for corn, down 26% from 2023. The decrease in the cost of feed, combined with a diligent hedging strategy, allowed us to take full advantage of this market opportunity, while mitigating the cooperative's risks. This is reflected in the results of the hog production sector, which shows a significant turnaround in its results, while the average gross margin per hog produced in the Canadian market for 2024 increased by $26/hog compared with the previous year.

Housing starts

Lastly, the average number of housing starts in Québec increased by 23% in 2024, but remains below historical levels. This situation continues to significantly affect Sollio Retail with sales falling short of expectations in 2024.

Review of fiscal 2024 financial results

Sollio Cooperative Group's consolidated sales totalled $7.8 billion in 2024, down $498 million or 6.0% from fiscal 2023. This decrease was mainly due to Sollio Agriculture and stemmed primarily from lower grain prices and the prolongation of low fertilizer prices following the significant reductions in fiscal 2023. Sollio Food's sales also declined in fiscal 2024, but to a lesser extent, due to the reduction in slaughtering capacity implemented by the cooperative to better match the supply of our slaughterhouses with the domestic market and lower-risk export opportunities. Finally, Sollio Retail was hit by high market interest rates, which began to decline late in the year, negatively impacting demand for building materials and hardware products.

Cost of sales and selling and administrative expenses totalled $7.6 billion compared with $8.2 billion for the previous year. This $588 million decrease is consistent with lower sales, as market factors also affect our procurement costs.

Net financial expenses decreased from $90.7 million in fiscal 2023 to $69.3 million in fiscal 2024. This decrease stemmed primarily from lower average debt levels coupled with lower interest rates compared to the prior year, driven by more favourable debt ratios as well as successive decreases in the Bank of Canada's key interest rate during the second half of the year.

Based on the results of its divisions, Sollio Cooperative Group reported consolidated operating earnings of $146.8 million, compared with $35.5 million in fiscal 2023.

Other income and expenses include the share of results of joint arrangements, namely businesses in which Sollio has joint control. This share totalled $54.2 million in 2024 compared with $63.5 million in the previous fiscal year. The decrease resulted primarily from the disposal of shares of a joint arrangement operating in the oil sector in August 2023, now considered to be an entity subject to significant influence, as well as the disposal in 2023 of the Sollio Food division's interest in an entity operating in poultry processing.

Net gains (losses) on disposal and write-down of assets amounted to a net loss of $14.0 million in fiscal 2024 compared with a net gain of $24.7 million in 2023. The 2024 loss was the result of certain asset write-downs, including losses incurred in a fire at a plant. However, these losses were mitigated by the sale of an investment in a building materials distribution business. The 2023 gain was mostly generated by the disposal of an investment held by Sollio Food in the poultry processing sector.

Gains (losses) on revaluation of interest rate swaps represented a loss of $5.1 million in 2024 compared with a $9.4 million gain for the previous fiscal year. The decrease in long-term rates had a negative impact on the value of positions taken at the beginning of the year. These interest rate swaps are used to fix the interest rates of a portion of the debt. The financial instruments presented on the cooperative's balance sheet as at October 26, 2024 cover a debt of $445.0 million, compared with $250.0 million at the same time last year, an increase due to the opportunities created by decreases in long-term rates.

Balance sheet

As at October 26, 2024, the consolidated balance sheet of Sollio Cooperative Group showed assets totalling $3.8 billion, the same as at October 28, 2023. As the cooperative had substantially completed its non-strategic asset disposals under the repositioning plan in fiscal 2023 and maintained a high level of discipline for capital spending, total assets remained stable.

Sollio continues to reap the benefits of all strategic initiatives completed in recent years. While disposing the financing needed for the smooth functioning of its operations, these initiatives have made it possible to significantly reduce use of the consolidated credit facility in recent years and thus improve the cooperative's debt-to-equity ratio and reduce the cost of borrowing. Our main agreement with a syndicate of financial institutions, amended on December 23, 2023, consists of a $1.1 billion overall credit facility maturing in December 2026, in addition to a $270 million term loan, which was closed and is due to mature on the same date. This facility replaced a term loan maturing in 2024 for Sollio Food and generated the excess borrowing capacity needed to repurchase $242.5 million of preferred investment shares in 2024.

Average debt decreased to $930.1 million in fiscal 2024, compared with $1.1 billion in 2023, despite the significant redemption of preferred shares. The average cost of funds for fiscal 2024 decreased by more than 100 basis points compared with 2023.

Fiscal 2024 faithfully reflects the ongoing, determined efforts we have made in recent years. With its significantly improved financial position, Sollio Cooperative Group is ready to meet its future capital needs to ensure the competitiveness of our facilities as well as our divisions' relevance and ability to compete at the national and international levels for years to come.

Risks and uncertainties

Sollio Cooperative Group identifies and manages its principal risks and uncertainties, which are regularly analyzed by management and the Board of Directors. The cooperative's operations expose it to various risks, which may impact its results, financial position and cash flows. As a result, measures are implemented to mitigate each type of risk.

Economic conditions and competition

Sollio contends with competition, inflation, interest rate changes and various political issues. Fluctuations in raw materials prices and transportation costs and availability also impact its results. To overcome these challenges, Sollio relies on the diversification of its operations, a deep understanding of markets, operational and cost optimization and the strengthening or its strategic partnerships.

Human resources

The cooperative's success depends, among other things, on its employees. Labour shortages, the hiring of foreign workers and strikes may impact its operations. Sollio Cooperative Group is committed to attracting, training and retaining its employees by constantly adapting its programs and human resources to meet their specific needs, while making employee safety and well-being a top priority.

Information technology, cybersecurity and data protection

With pervasive cyber threats and increased dependence on digital systems, Sollio faces major risks. These systems are essential to its operations and can be compromised by cyber attacks or fraud. To address these risks, the cooperative continuously improves its security tools, methods and measures to protect its data, ensure business continuity and maintain stakeholder trust.

Crisis and business continuity

Supply chain or site disruptions can severely disrupt Sollio's operations and results. To address these issues, the cooperative has implemented an integrated risk management and business continuity policy.

Food security

Sollio faces food safety risks, which can lead to costs, lost sales and negative impacts on its reputation. To remedy such risks, the cooperative purchases tailored insurance, strictly complies with in-force regulations and implements rigorous processes to obtain the most recognized certifications in the industry.

Animal health

Sollio prioritizes livestock health and well-being through disease prevention and adapted breeding methods. Diseases such as African swine fever and avian flu are serious threats to livestock production and supply chains. The cooperative works with the industry and authorities to monitor risks, prevent outbreaks, limit their spreading, and reduce economic and operational impacts.

Environmental and climate change

Sollio recognizes the risks posed by climate change and the loss of biodiversity, since they directly impact its operations and supply chain. To meet these challenges, the cooperative applies an integrated environmental policy and implements initiatives to reduce greenhouse gas emissions, optimize the use of resources and reduce water consumption.

Compliance and regulatory changes

Sollio has to comply with a constantly changing regulatory framework, where laws and policies are changing rapidly. In the face of uncertainty, in particular regarding trade relations with the United States and supply management, the cooperative adjusts its actions, keeps abreast of developments and works with authorities to influence government decisions.

Reputation

Sollio's reputation is based on its ethical practices, its code of conduct and its corporate responsibility initiatives. It can be impacted by regulatory non-compliance or unethical behaviour. To limit these risks, Sollio relies on strict governance and trains its employees on ethical standards and managing conflicts of interest. An anonymous and confidential hotline is available for reporting behaviour that goes against company values.

Ferme Avicole Brybec
Finalist
Sollio Next Generation Award
2024-2025

Consolidated financial statements

As at October 26, 2024

Sollio
Cooperative Group

Management report

The consolidated financial statements and other financial information included in the Annual Report of Sollio Cooperative Group for the year ended October 26, 2024 are management's responsibility and have been approved by the Board of Directors. This responsibility involves the selection of appropriate accounting policies as well as the use of sound judgment in the establishment of reasonable and fair estimates in accordance with Canadian Accounting Standards for Private Enterprises.

Management maintains accounting and internal control systems designed to provide reasonable assurance regarding the accuracy, relevance and reliability of financial information, as well as the efficient and orderly conduct of the Cooperative's affairs. The internal auditors evaluate all its systems on an ongoing basis and regularly report their findings and recommendations to management and the Audit Committee.

The Board of Directors ensures that management assumes its responsibilities with respect to financial reporting and the review of the consolidated financial statements and Annual Report, mainly through its Audit Committee consisting of independent directors. The Audit Committee holds regular meetings with the internal and external auditors and with management representatives to discuss the application of internal controls and reviews the consolidated financial statements and other matters related to financial reporting. The Audit Committee reports and submits its recommendations to the Board of Directors. Ernst & Young LLP, the auditors appointed by the members, have audited the consolidated financial statements and their report appearing hereinafter indicates the scope of their audit and their opinion thereon.

Chief Executive Officer

Pascal HOULE, CPA

Chief Financial Officer

Alexandre ST-JACQUES BURKE, FRM

Montréal, January 22, 2025

Independent auditor's report

To the members of
Sollio Cooperative Group

Opinion

We have audited the accompanying consolidated financial statements of **Sollio Cooperative Group** and its subsidiaries [the «Cooperative»], which comprise the consolidated balance sheet as at October 26, 2024, and the consolidated statements of earnings (loss), reserve and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Cooperative as at October 26, 2024, and its consolidated results of operations and consolidated cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Cooperative in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian accounting standards for private enterprises, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Cooperative's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Cooperative or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Cooperative's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Cooperative's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Cooperative's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Cooperative to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Cooperative to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Cooperative's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Montreal, Canada

January 22, 2025

Ernst & Young LLP [1]

[1] CPA auditor, public accountancy permit no. A122471

A member firm of Ernst & Young Global Limited

Consolidated balance sheet

As at October 26, 2024 and October 28, 2023

[in thousands of dollars]	Notes	**2024** **$**	2023 $
ASSETS	21		
Current assets			
Cash and cash equivalents	8	**16,429**	7,305
Accounts receivable	9, 28	**509,105**	484,243
Inventories	10	**677,768**	700,828
Agricultural inventories	11	**191,459**	148,678
Income taxes receivable		**42,693**	33,386
Prepaid expenses		**64,236**	57,153
Derivative financial instruments	27, 28	**8,206**	7,653
Government assistance receivable – current portion		**1,074**	1,346
Investments – current portion	13, 14, 28	**12,112**	5,917
Property, plant and equipment held for sale	15	**12,283**	7,158
		1,535,365	1,453,667
Non-current assets			
Interests in joint arrangements	12	**230,025**	239,718
Investments in entities subject to significant influence	13	**175,637**	183,176
Investments	13, 14, 28	**54,313**	56,140
Government assistance receivable		**17,081**	18,161
Productive biological assets	11	**19,222**	16,125
Property, plant and equipment	15	**1,049,372**	1,118,579
Property, plant and equipment held for sale	15	**18,355**	20,880
Derivative financial instruments	27	**2,178**	8,279
Defined benefit asset	23	**60,265**	41,788
Intangible assets	16	**302,678**	341,109
Future income tax asset	6	**66,557**	746
Goodwill		**252,425**	252,150
		2,248,108	2,296,851
		3,783,473	3,750,518
LIABILITIES AND EQUITY			
Current liabilities			
Bank borrowings	18	**23,653**	12,190
Accounts payable and accrued liabilities	19, 28	**873,424**	790,122
Deferred revenues	28	**77,691**	242,756
Income taxes payable		**3,138**	9,396
Derivative financial instruments	27	**9,756**	1,187
Redeemable preferred shares – current portion	24	**8,037**	7,607
Patronage refunds payable	7	**17,790**	–
Obligations under capital leases – current portion	20	**12,376**	10,803
Long-term debt – current portion	4, 21	**82,180**	140,297
		1,108,045	1,214,358
Non-current liabilities			
Obligations under capital leases	20	**6,022**	14,395
Long-term debt	21, 28	**706,933**	431,177
Deferred credit	22	**27,940**	31,307
Other liabilities	12, 13	**5,939**	33,643
Defined benefit liability	23	**65,344**	59,882
Derivative financial instruments	27	**5,027**	–
Future income tax liability	6	**17,936**	58,679
		835,141	629,083
Total liabilities		**1,943,186**	1,843,441
EQUITY			
Share capital	24	**885,053**	1,153,577
Contributed surplus	4	**19,360**	20,039
Reserve	3, 4, 12	**742,787**	586,129
Equity of the Cooperative		**1,647,200**	1,759,745
Non-controlling interests	3, 4,12,13	**193,087**	147,332
Total equity		**1,840,287**	1,907,077
		3,783,473	3,750,518

Commitments and contingencies *[note 25]*
Subsequent events *[note 29]*

The notes are an integral part of the consolidated financial statements.

On behalf of the Board,
Richard FERLAND, Director

Guy LABRECQUE, Director

Consolidated statement of earnings

Years ended October 26, 2024 and October 28, 2023

[in thousands of dollars]	Notes	2024 $	2023 $
Revenues	28	**7,843,601**	8,342,344
Operating expenses	5		
Cost of sales and selling and administrative expenses	28	**7,627,461**	8,216,169
Net financial expenses		**69,335**	90,719
		7,696,796	8,306,888
Operating income		**146,805**	35,456
Other income and expenses			
Share of results of joint arrangements		**54,195**	63,459
Share of results of entities subject to significant influence		**6,108**	7,371
Investment income	28	**941**	2,739
Net gains (losses) on disposal and write-down of assets	11, 12, 13, 15, 16, 22	**(13,962)**	24,663
Gains (losses) on revaluation of interest rate swaps	27	**(5,058)**	9,355
Gains arising from insurance benefits		**8,577**	3,772
		50,801	111,359
Earnings before patronage refunds, income taxes and discontinued operations		**197,606**	146,815
Patronage refunds	7	**17,790**	–
Earnings before income taxes and discontinued operations		**179,816**	146,815
Income taxes (recovery)	6	**(93,982)**	29,804
Earnings before discontinued operations		**273,798**	117,011
Net loss related to discontinued operations	17	**(3,082)**	(1,641)
Net earnings		**270,716**	115,370
Attributable to:			
Members of the Cooperative		**230,323**	101,938
Non-controlling interests		**40,393**	13,432
		270,716	115,370

The notes are an integral part of the consolidated financial statements.

Consolidated statement of reserve

Years ended October 26, 2024 and October 28, 2023

[in thousands of dollars]	Notes	2024 $	2023 $
Reserve, beginning of year		**586,129**	551,939
Premium on redemption of a non-controlling interest	4, 12	**(216)**	(2,243)
Premium on issuance of non-controlling interests	3	**618**	–
Related party transaction adjustment	3	**(25,296)**	–
Adjustment - future income taxes of joint arrangements		**(4,401)**	–
Dividends on preferred investment shares		**(42,745)**	(65,505)
Refundable dividend tax on hand		**(1,625)**	–
Net earnings attributable to members of the Cooperative		**230,323**	101,938
Reserve, end of year		**742,787**	586,129

The notes are an integral part of the consolidated financial statements.

Consolidated statement of cash flows

Years ended October 26, 2024 and October 28, 2023

[in thousands of dollars]	Notes	2024 $	2023 $
OPERATING ACTIVITIES			
Earnings before discontinued operations		273,798	117,011
Non-cash items:			
Amortization	5	142,506	160,267
Amortization of transaction costs	5	2,024	2,823
Net losses (gains) on disposal and write-down of assets		13,962	(24,663)
Unrealized losses (gains) on derivative financial instruments		19,270	(23,442)
Future income taxes	6	(106,553)	(8,949)
Change in defined benefits		(13,015)	(18,629)
Share of results of joint arrangements		(54,195)	(63,459)
Share of results of entities subject to significant influence		(6,108)	(7,371)
		271,689	133,588
Net change in non-cash working capital items		(170,930)	324,014
Cash flows related to operating activities		100,759	457,602
INVESTING ACTIVITIES			
Disposals of subsidiaries	12	–	2,251
Acquisitions of units from a subsidiary's non-controlling interest	4, 12	(8,542)	(12,477)
Acquisitions of investments		(1,699)	(2,667)
Acquisitions of interests in joint arrangements		–	(909)
Acquisitions of investments in entities subject to significant influence		–	(7,623)
Proceeds from disposal of investments	12	8,442	28,976
Proceeds from disposal of interests in joint arrangements	12	–	190,678
Proceeds from disposal of investments in entities subject to significant influence	13	21,733	336
Dividends received from joint arrangements		65,059	67,262
Dividends received from entities subject to significant influence		3,837	7,000
Net change in government assistance		1,352	1,047
Additions to property, plant and equipment		(94,046)	(59,402)
Proceeds from disposal of property, plant and equipment	22	32,456	92,670
Acquisition of productive biological assets		(11,768)	(12,082)
Proceeds from disposal of productive biological assets		4,652	9,951
Additions to intangible assets	16	(16,898)	(29,325)
Proceeds from disposal of intangible assets	16	6,352	150
Cash flows related to investing activities		10,930	275,836
FINANCING ACTIVITIES			
Net change in bank borrowings		13,946	(4,494)
Repayment of obligations under capital leases		(12,021)	(10,170)
Proceeds from issuance of long-term debt		341,227	8,128
Repayment of long-term debt		(110,660)	(583,193)
Transaction costs		(4,251)	(1,932)
Proceeds from issuance of preferred shares	24	6,129	5,427
Redemption of preferred shares	24	(246,527)	(92,228)
Dividends and interest on preferred investment shares		(42,745)	(48,408)
Proceeds from issuance of common shares		11	12
Redemption of common shares	24	(27,707)	(21)
Dividends paid to non-controlling interests		(16,534)	(1,963)
Cash flows related to financing activities		(99,132)	(728,842)
Increase in cash and cash equivalents		12,557	4,596
Net decrease in cash and cash equivalents related to discontinued operations		(3,433)	(3,412)
Cash and cash equivalents, beginning of year		7,305	6,121
Cash and cash equivalents, end of year		16,429	7,305

The notes are an integral part of the consolidated financial statements.

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

[All amounts are in thousands of dollars.]

1) Business description

Sollio Cooperative Group [the "Cooperative"] was established under a special act of the Province of Québec. It operates through three divisions: Food, Agriculture and Retail. The Food Division focuses on pork production and the processing and marketing of pork and poultry products. The Agriculture Division provides farmers with goods and services to support their farming operations. The Retail Division brings together distribution and marketing operations for hardware products, construction materials as well as services related to these product lines.

2) Significant accounting policies

These consolidated financial statements have been prepared in accordance with Part II of the *CPA Canada Handbook – Accounting*, "Accounting Standards for Private Enterprises," which sets out the generally accepted accounting principles for Canadian non-publicly accountable entities and include the significant accounting policies described below.

Principles of consolidation

The Cooperative consolidates all the subsidiaries for which it has the continuing power to determine the strategic operating, investing and financing policies without the co-operation of others. The consolidated financial statements comprise the financial statements of Sollio Cooperative Group and its subsidiaries, the most significant of which are as follows:

Consolidated subsidiaries

Name	Description	Interest
Olymel L.P.[1]	Production, processing and marketing of pork and poultry	81.4%
Agrico Canada Limited	Distribution and marketing of agricultural inputs	100%
Agrico Canada L.P.	Distribution and marketing of agricultural inputs	100%
Agronomy Company of Canada Ltd.	Distribution and marketing of agricultural inputs	100%
Entreprise Agricole AMQ s.e.c.	Distribution and marketing of animal nutrition products	100%
Maizex Seeds Inc.[2]	Production and marketing of seeds	95.8%
Sollio Agriculture L.P.	Supply of agriculture-related goods and services	100%
Standard Nutrition Inc.	Distribution and marketing of animal nutrition products	100%
TerminalGrains.Ag s.e.c.	Operation of a grain terminal	80%
Groupe BMR inc.	Distribution and marketing of hardware products and construction materials	100%
Énergies RC, s.e.c.	Ownership of an interest in a joint arrangement for the distribution and marketing of petroleum products	100%

1 84.2% as at October 28, 2023
2 93.8% as at October 28, 2023

Interests in joint arrangements

The Cooperative uses the equity method to account for its interests in jointly controlled enterprises.

Investments in entities subject to significant influence

The Cooperative uses the equity method to account for all entities in which it exercises significant influence over the strategic operating, investing and financing policies.

When the value of investments subject to significant influence or interests in joint arrangements is negative, the Cooperative recognizes the excess of its share of losses of the entity over the value of the investment when one of the following conditions is met:

i. The Cooperative has guaranteed the obligations of the investee;

ii. The Cooperative is otherwise committed to provide further financial support to the investee; or

iii. The investee seems assured of imminently returning to profitability.

Non-controlling interests

Non-controlling interests represent the portion of the combined net earnings and net assets of a subsidiary that is not wholly owned by the Cooperative. Non-controlling interests are presented in equity, separately from the Cooperative's equity. Any change in the ownership interest in a subsidiary that does not affect the control of the Cooperative gives rise to an adjustment between the Cooperative and the non-controlling interests to reflect their respective interests. Any difference between the adjustment and the consideration paid is presented separately in the Cooperative's equity.

Business combinations

Business combinations are accounted for using the acquisition method. Under this method, the assets acquired and liabilities assumed are measured at their fair values at the date of acquisition and the excess of the purchase price over the fair value of the net assets acquired is recorded as goodwill. If the fair value of the net assets acquired exceeds the consideration paid, the excess is recognized immediately as net gains on disposal and write-down of assets in the consolidated statement of earnings.

Acquisition-related costs are recognized in earnings as incurred.

The results of businesses acquired are included in the consolidated financial statements as of their respective date of acquisition.

When options to purchase all or part of the non-acquired shares of the target company are held by the Cooperative or options to sell the same shares are held by third parties, the Cooperative recognizes a liability when such options are exercised.

The Cooperative measures non-controlling interests in acquired businesses at fair value as at the date of acquisition.

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

2) Significant accounting policies

Cash and cash equivalents

Cash and cash equivalents include bank account balances as well as cash used to secure positions in derivative financial instruments and are recorded at fair value.

Inventories

Raw materials and supply inventories are valued at the lower of cost under the first in, first out or average cost method and net realizable value.

Goods in process and finished goods inventories are valued at the lower of cost under the first in, first out or average cost method and net realizable value.

The Cooperative recognizes amounts received under agreements with suppliers as a reduction in the price of the suppliers' products and presents them as a reduction of cost of sales in the consolidated statement of earnings and of related inventories in the consolidated balance sheet when it is probable that such discounts will be received.

Biological assets

Agricultural inventories

Agricultural inventories comprise live hog and poultry, laying hens and eggs. Laying hens are classified as agricultural inventories since they are held for use in a productive capacity and have a short productive life. Agricultural inventories are measured using the cost model, under which inventories are measured at the lower of cost and net realizable value, with cost determined using full cost and the first in, first out or average cost methods. The full cost of agricultural inventories comprises all input costs, such as purchase price and direct handling costs, and other costs of agricultural production incurred in bringing the agricultural inventories to their present location and condition, such as direct agricultural production overheads. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Productive biological assets

Productive biological assets comprise sows used in the hog breeding process. Productive biological assets are measured at cost less accumulated amortization and impairment, if any. They are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Recoverability is assessed by comparing the carrying amount of a productive biological asset with the total of the undiscounted cash flows expected from its use and disposition. If the carrying amount of the productive biological asset is not recoverable, the impairment loss to be recognized is measured as the amount by which the carrying amount of the asset exceeds its fair value. An impairment loss is not reversed if the fair value of the related asset subsequently increases.

Productive biological assets are amortized over their estimated useful lives using the straight-line method. Breeding livestock, namely sows, have an estimated useful life evaluated at six litters.

Investments

Investments include shares and other securities of cooperatives measured at cost since they have no quoted market price in an active market. Notes receivable, also included in investments, are initially recognized at fair value and subsequently at amortized cost.

Property, plant and equipment

Property, buildings and equipment

Property, plant and equipment are initially recognized at cost or at fair value if acquired as part of a business combination. Grants related to property, plant and equipment are recognized as a reduction of those assets.

Assets under capital leases are capitalized when substantially all the benefits and risks incident to ownership of the leased property have been transferred to the Cooperative. The cost of assets under capital leases represents the lower of the present value of minimum lease payments and the fair value of the leased asset.

Property, plant and equipment held for sale are measured at the lower of carrying amount or fair value less costs to sell and are not amortized.

The cost of property, plant and equipment is amortized on a straight-line basis over their estimated useful life or the lease term:

Pavement	10 to 15 years
Buildings	10 to 30 years
Machinery and equipment	3 to 20 years
Automotive equipment	3 to 15 years
Leasehold improvements	Lease term
Assets under capital leases	Lease term

Intangible assets

Intangible assets subject to amortization are initially recognized at cost, or at fair value if acquired as part of a business combination and amortized on a straight-line basis over their estimated useful life.

Trademarks

Trademarks with finite lives are amortized over periods of 10 to 20 years. The Cooperative also has trademarks with indefinite useful lives, which are not amortized.

Client lists

Client lists are amortized over periods of 10 to 21 years.

Rights

Rights consist of production rights and exclusive supply rights. Production rights are not amortized since they have indefinite useful lives while exclusive supply rights are amortized over a period of 10 years.

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

2) Significant accounting policies

Intangible assets [cont'd]

Software and information technology development projects

Certain software and information technology development project costs are capitalized and amortized on a straight-line basis over periods of three to nine years. Amortization of information technology development projects begins at project completion.

Certain software and information technology development projects are developed internally. The related costs are capitalized under intangible assets when the costs incurred allow for the use of the asset according to management's expectations.

The Cooperative analyzes its cloud computing arrangements to determine if a software component in such an arrangement is a software intangible asset. However, if the software component is not an asset, the Cooperative accounts for it as a software service and expenses related expenditures as incurred. Expenditures on implementation activities that are directly attributable to preparing the software service for its intended use that do not give rise to a separate intangible asset are capitalized as an asset for implementation of software services. The asset for implementation of software services is expensed using the straight-line method over the expected period of access to the software service, which is estimated at 10 years.

Financial support

The different types of financial support are amortized over the terms of the related agreements of five to 10 years.

Research and development

Research costs are expensed in the consolidated statement of earnings in the year in which they are incurred. Development costs are capitalized under intangible assets when the costs incurred will result in future economic benefits.

Impairment of assets

Accounts receivable and notes receivable

Accounts receivable and notes receivable are subject to continuous impairment review and are classified as impaired when, in the opinion of the Cooperative, there is reasonable doubt that losses on accounts receivable and notes receivable have occurred taking into consideration all circumstances known at the review date, or there is a reasonable doubt as to the ultimate collectability of a portion of the principal and interest. When there are indications of possible impairment, the Cooperative determines if there has been a significant adverse change to the expected timing or amounts of future cash flows expected from the financial asset. The amount of any impairment loss is determined by comparing the carrying amount of the financial asset with the greatest of three amounts:

i. The present value of the cash flows expected to be generated from the asset, discounted using a current market rate of interest appropriate to the asset;

ii. The amount that could be realized by selling the asset at the consolidated balance sheet date;

iii. The amount the Cooperative expects to realize by exercising its right to any collateral held to secure repayment of the asset, net of all costs necessary to exercise those rights.

Reversals are permitted but the adjusted carrying amount of the financial asset shall be no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously.

Investments, interests in joint arrangements and investments in entities subject to significant influence

Investments in the form of shares and other securities of cooperatives, interests in joint arrangements and investments in entities subject to significant influence are written down if analyses of entities' financial reports show they are experiencing financial difficulties. At the end of each reporting period, the Cooperative assesses whether there are any indications that an investment may be impaired. When there are indications of possible impairment, the Cooperative determines if there has been, during the period, a significant adverse change to the expected timing or amounts of future cash flows expected from the investment. If the investment is impaired, the Cooperative reduces the carrying amount of the investment to the higher of the following:

i. The present value of the cash flows expected to be generated by holding the investment, discounted using a current market rate of interest appropriate to the asset; and

ii. The amount that could be realized by selling the financial asset at the consolidated balance sheet date.

Reversals are permitted but the adjusted carrying amount of the financial asset shall be no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously.

Long-lived assets subject to amortization

Property, plant and equipment and intangible assets subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Impairment is assessed by comparing the carrying amount of an asset to be held and used with its future net undiscounted cash flows expected from use together with its residual value. If the asset is considered to be impaired, the impairment charge is measured by the amount by which the carrying amount of the asset exceeds its fair value generally determined on a discounted cash flow basis. An impairment loss is recognized and presented in the consolidated statement of earnings and the carrying amount of the asset is adjusted to its fair value. An impairment loss may not be reversed if the fair value of the long-lived asset in question subsequently increases.

Intangible assets with indefinite lives

Production rights and certain trademarks must be reviewed for impairment if events or changes in circumstances indicate that their carrying amount may not be recoverable. The impairment charge is calculated by comparing the carrying amount of the intangible asset with its fair value generally determined on a discounted cash flow basis. When the carrying amount of an intangible asset exceeds its fair value, an impairment loss is recognized in an amount equal to such excess. An impairment loss may not be reversed if the fair value of the intangible asset in question subsequently increases.

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

2) Significant accounting policies

Impairment of assets [cont'd]

Goodwill

Goodwill represents the excess of the purchase price over the fair value of net assets acquired as part of a business combination. Goodwill is not amortized but is tested for impairment if events or changes in circumstances indicate a possible impairment. The impairment test consists in comparing the carrying amount of the reporting unit to which goodwill is assigned with its fair value. When the carrying amount of a reporting unit exceeds its fair value, a goodwill impairment loss is recognized in an amount that may not exceed the carrying amount of goodwill related to the reporting unit. Any impairment of the carrying amount in relation to the fair value is charged to consolidated earnings in the year in which the loss is incurred. Impairment losses on goodwill may not be reversed.

Disposal of assets and discontinued operations

The assets or groups of assets and liabilities that make up the disposal groups are classified as held for sale when they are available for immediate sale in their current condition and their sale is highly probable. The Cooperative classifies an asset or disposal group as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. To that end, management must be actively engaged in a plan to sell the assets or disposal groups and must expect the sale to occur within 12 months of the date they are classified as held for sale. Liabilities are classified as held for sale and are presented separately as such in the consolidated balance sheet if they are directly associated with a disposal group. Assets or disposal groups classified as held for sale are presented separately in the consolidated balance sheet and are measured at the lower of fair value less costs to sell and carrying amount.

Assets classified as held for sale are not reclassified as current assets, unless the Cooperative has sold the assets prior to the date of completion of the financial statements and the proceeds of the sale will be realized within a year of the balance sheet date. If the assets have been classified as current assets due to the subsequent sale, any liabilities to be assumed by the purchaser or required to be discharged on disposal of the assets are classified as current liabilities.

Assets and disposal groups are classified as discontinued operations if the operations and cash flows can be clearly distinguishable, operationally and for financial reporting purposes, from the rest of the Cooperative and they represent a separate major line of business or geographical area of operations, are part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or are a subsidiary acquired exclusively for resale.

Net earnings (loss) from discontinued operations, including the components of prior year net earnings (loss), is presented as a single amount in the consolidated statement of earnings. This amount includes net earnings (loss) after tax from discontinued operations as well as net earnings (loss) after tax from the measurement and disposal of assets classified as held for sale.

Information on discontinued operations for the prior year relates to all operations that were discontinued as of the closing date of the most recent period presented.

If a long-lived asset no longer meets the criteria to be classified as held for sale, it shall be reclassified as held and used. A long-lived asset that is reclassified shall be measured individually at the lower of:

i. The carrying amount before it was classified as held for sale, adjusted for any amortization expense that would have been recognized had it been continuously classified as held and used; or

ii. The fair value at the date of the subsequent decision not to sell.

Any required adjustment to the carrying amount of a long-lived asset that is reclassified as held and used is included in net gains (losses) on disposal and write-down of assets in earnings before discontinued operations in the period of the subsequent decision not to sell. If a component of the Cooperative is reclassified as held and used, the results of operations of the component previously reported under discontinued operations are reclassified and included in earnings before discontinued operations for all periods presented.

Deferred revenues

Deferred revenues are amounts invoiced for goods whose sale has not yet been recognized. Certain prepayment agreements between the Cooperative and its clients bear interest.

Revenue recognition

Revenues are recognized when the significant risks and rewards of ownership of the goods sold are transferred to the buyer, revenues can be reasonably estimated and collection is reasonably assured. This usually coincides with the time of receipt of goods by the buyer. Revenues correspond to the amount of consideration received net of discounts.

When recognizing revenue from the sale of goods, the Cooperative must consider whether such revenue should be reported on a gross or a net basis, which is based upon an assessment of whether the Cooperative is acting as an agent or a principal. When the Cooperative assumes the main risks and has the discretion to set prices, revenue is recognized on a gross basis. When these criteria are not met, the Cooperative recognizes revenue on a net basis.

Foreign currency translation

Transactions in foreign currencies are translated into Canadian dollars using the temporal method. Under this method, monetary items in the consolidated balance sheet are translated at the rates of exchange prevailing at year-end while non-monetary items are translated at the rates of exchange prevailing on the transaction dates. Revenues and expenses are translated at the exchange rates in effect on the transaction dates. Gains and losses on translation of foreign currencies are recognized in consolidated earnings under cost of sales and selling and administrative expenses.

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

2) Significant accounting policies

Employee future benefits

The Cooperative has a number of defined benefit and defined contribution plans providing pension and other post-retirement benefits to most of its employees. Defined benefit pension plans are based on either average career earnings, average final earnings or a flat pension. Certain pension benefits are indexed according to economic conditions.

The cost of pension and other post-retirement benefits earned by employees is determined using actuarial calculations based on the most recent funding valuations. The calculations are based on long-term assumptions relating to salary escalation, retirement and termination ages of employees and estimated health care cost growth.

The Cooperative uses insurance contracts for the payment of certain employee future benefits. These contracts are excluded from plan assets and the amount of benefits provided under these contracts is deducted from the defined benefit liability when there is a transfer of significant risks to the Cooperative.

Remeasurements of the net defined benefit asset or liability are recognized immediately in the consolidated statement of earnings. Remeasurements comprise the difference between the actual return on plan assets and the return calculated using the discount rate used to determine the interest cost of the plans, actuarial gains and losses and gains and losses arising from settlements and curtailments.

Plan assets are measured at fair value. Obligations for funded plans are calculated using the most recent actuarial valuations prepared for funding purposes. Obligations for unfunded plans are calculated using separate actuarial valuations prepared for accounting purposes, and the discount rates are determined by reference to market interest rates on high-quality debt instruments with cash flows that match the timing and amount of expected benefit payments for these plans.

The Cooperative also offers other post-retirement benefits to certain retired employees. Other post-retirement benefits offered by the Cooperative to these retired employees include health care benefits and life insurance. The cost of other post-retirement benefits is calculated using the same accounting policies as used for unfunded defined benefit pension plans. The related expenses are settled by the Cooperative as they become due.

The cost of defined benefit pension plans and the cost of other post-retirement benefits are recognized in the consolidated statement of earnings under cost of sales and selling and administrative expenses.

Patronage refunds

The amount and terms of payment of patronage refunds are determined by the Board of Directors. Patronage refunds are calculated based on members' purchased volume and are accounted for in the year to which they relate. Where patronage refunds are paid in shares, such shares are considered to be issued at the year-end preceding the Board of Directors' resolution.

Financial instruments

The Cooperative initially records a financial instrument that was originated, acquired, issued or assumed in an arm's length transaction at fair value. Related party debt or equity instruments that are quoted in an active market, debt instruments with observable inputs that are significant to the determination of their fair value, and derivative instruments are also initially recorded at fair value.

Related party financial instruments that have repayment terms are initially recorded at cost, representing the undiscounted cash flows of that instrument, excluding interest and dividend payments. Related party financial instruments that do not have repayment terms are recorded at cost, determined using the consideration transferred or received by the Cooperative. A consideration with repayment terms is measured as described above while consideration without repayment terms is recorded at the carrying or exchange amount, depending on the circumstances.

Subsequently, the Cooperative measures its financial instruments as follows:

Accounts receivable (excluding government receivables) and notes receivable are measured at amortized cost.

Shares and other securities of cooperatives included under investments are measured at cost since they have no quoted price in an active market.

Bank borrowings, accounts payable and accrued liabilities (excluding government remittances), dividends payable, redeemable preferred shares and long-term debt are measured at amortized cost.

Interest income and expense from financial assets and liabilities are recognized under net financial expenses in the consolidated statement of earnings. When related to disposals, these gains and losses are recognized under net gains (losses) on disposal and write-down of assets.

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

2) Significant accounting policies

Derivative financial instruments

In accordance with its risk management strategy, the Cooperative uses derivative financial instruments to manage foreign exchange risk, and risks related to purchase and selling prices for certain commodities, as well as debt-related foreign exchange and interest-rate risk. The Cooperative also trades derivative financial instruments with entities it does not control or with members, to enable them to hedge these same risks.

Derivative financial instruments consist of foreign exchange contracts, currency swaps, interest rate swaps as well as commodity and currency forward contracts, swaps and options. The Cooperative does not use derivative financial instruments for speculative purposes.

Hedge accounting is used where the Cooperative documents its hedging relationships, risk management objectives and strategy, and demonstrates that they are highly effective at hedge inception and throughout the hedge period.

The derivative financial instruments that the Cooperative chose to designate as hedging items are not recognized before their maturity. Gains and losses arising from the hedging item are recognized when the hedged item affects consolidated earnings. The gain or loss portion of a hedging item is reported as an adjustment to the revenues from or the expenses of the related hedged item. Where derivative financial instruments are used to hedge commodity price risks, the portion of gains and losses on the hedging item is recognized as an adjustment to the carrying amount of the hedged item. Realized gains and losses on these contracts are presented in cost of sales and selling and administrative expenses.

Foreign exchange contracts

The Cooperative often sells and buys commodities outside Canada, mainly in US dollars, Japanese yen, Australian dollars and euros. To mitigate foreign exchange risk, the Cooperative uses foreign exchange forward contracts.

Currency swaps on debt

The Cooperative draws down a portion of its credit facility in the form of SOFR advances and uses currency swaps to manage the risk of changes in foreign exchange rates for this debt.

A hedging relationship is terminated if the hedge ceases to be effective, and the loss or gain on discontinuation of the hedge is recognized in a separate component of equity until the future transaction occurs, at which time the loss or gain is removed from equity and recognized as an adjustment to the carrying amount of the hedged item or recorded in the consolidated statement of earnings. If the occurrence of a hedged future transaction ceases to be probable or if the hedged item ceases to exist, any gain or loss is recognized in the consolidated statement of earnings.

Derivative financial instruments that are not designated as hedges are measured at fair value, which is the approximate amount that might be obtained in the settlement of such instruments at prevailing market rates. Gains and losses resulting from revaluation at year-end are recognized in the consolidated statement of earnings.

Commodity and currency forward contracts and swaps

The Cooperative often buys grain and fertilizer and sells hog products and uses foreign exchange contracts to cover certain future price risks for these commodities. The Cooperative does not use hedge accounting for commodity and currency forward contracts and swaps. Therefore, gains and losses on these contracts, realized or not, are presented in cost of sales and selling and administrative expenses.

Commodity and currency options

The Cooperative also uses options to manage commodity price and currency risk. The options give the Cooperative the right but not the obligation to exercise them at a predetermined price before the option expiry date. The Cooperative does not use hedge accounting for commodity and currency options. Therefore, gains and losses on these contracts, realized or not, are presented in cost of sales and selling and administrative expenses.

Interest rate swaps

The Cooperative uses interest rate swaps to manage the risk of changes in interest rates on debt. The Cooperative does not use hedge accounting for interest rate swaps. Therefore, gains and losses on these contracts, realized or not, are presented in gains (losses) on revaluation of interest rate swaps.

Income taxes (recovery)

The Cooperative follows the future income tax method of accounting for income taxes. Future income tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying value and tax bases of assets and liabilities. Future income tax assets and liabilities are measured using substantively enacted income tax rates expected to apply to taxable income in the years during which temporary differences are expected to reverse. The effect on future income tax assets and liabilities of a change in tax rates is recognized in earnings during the period that includes the date of enactment. A valuation allowance is provided to the extent that, in the opinion of management, it is more likely than not that future income tax assets will not be realized.

Year-end

The Cooperative's year-end is the last Saturday of October. The years ended October 26, 2024 and October 28, 2023 included 52 weeks.

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

3) Business acquisition

On May 13, 2024, a subsidiary of the Cooperative acquired an additional 50% interest in one of its joint arrangements, which it held jointly with a group of related minority shareholders. As its interest in this entity operating in the slaughtering and marketing of hogs is now 100%, the subsidiary has control over the entity. As the parties were related prior to the transaction, the Cooperative must apply the requirements of Section 3840 of Part II of the *CPA Canada Handbook – Accounting*, "Related Party Transactions." The Cooperative concluded that the appropriate basis for measurement in the context of the transaction was the carrying amount.

This acquisition was made in connection with the exercise of a stock exchange option set out in the partnership agreement of the Cooperative's subsidiary. In exchange for the additional interest, the Cooperative's subsidiary issued units of its capital to the group of minority shareholders, based on a contractually pre-determined value in the agreement. As a result, 5,105,310 units of the subsidiary's capital were issued, with a carrying amount of $23,865, granting an additional interest of 3.2% to the group of minority shareholders. A $23,247 increase in the carrying amount of the non-controlling interest and a $618 increase in the reserve were recorded as a result of this exchange.

The total value of net assets acquired and the consideration paid are as follows:

	Total $
Net assets acquired	
Current assets	7,905
Property, plant and equipment	5,496
Total assets acquired	13,401
Note payable	9,744
Note payable to the Cooperative's subsidiary	8,256
Other current liabilities	4,380
Total liabilities assumed	22,380
Total net assets acquired	**(8,979)**
Consideration paid	
Issuance of units of the capital of the Cooperative's subsidiary	23,865

In addition to recognizing the net assets acquired in the new subsidiary, the Cooperative's subsidiary had to derecognize the interest it held in the entity prior to the transaction, which had a negative carrying amount of $7,548. This carrying amount reflects an adjustment of $30,133 recognized in connection with the partial write-off of a note payable by the acquired entity to the Cooperative's subsidiary. Accordingly, this acquisition resulted in a $25,296 decrease in the reserve.

4) Adjustments relating to non-controlling interests

On July 3, 2023, a non-controlling shareholder holding 12.5% of the shares of a subsidiary of the Agriculture Division exercised its option to sell its interests in that subsidiary, resulting in a repurchase of 6.25% of its interests in the amount of $6,296 and the grant of a new put option for the remaining interest. This transaction resulted in a $3,430 decrease in the carrying amount of the non-controlling interest, an $826 decrease in the reserve and a $2,040 decrease in contributed surplus. This amount was paid by the Cooperative during fiscal 2024 and was presented under long-term debt as at October 28, 2023.

On June 13, 2024, this same non-controlling shareholder exercised the first instalment of its new option to sell its interests in the subsidiary, resulting in a repurchase of 2.08% of its interests for the amount of $2,246. This transaction resulted in a $1,351 decrease in the carrying amount of the non-controlling interest, a $216 decrease in the reserve and a $679 decrease in contributed surplus.

On July 19, 2023, the Cooperative repurchased the entire interest of a group of non-controlling shareholders, holding 22.5% of the shares of a subsidiary of the Agriculture Division for a negligible amount. This transaction resulted in decreases of $4,121 in the carrying amounts of the non-controlling interest and the reserve.

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

5) Operating expenses

Operating expenses include the following items:

	2024 $	2023 $
Cost of sales and selling and administrative expenses		
Cost of inventories	4,825,179	5,406,491
Cost of agricultural inventories	697,562	783,832
Salaries and employee benefits	1,119,897	1,108,631
Research and development tax credits	(483)	(1,124)
Amortization of property, plant and equipment	101,719	112,468
Amortization of productive biological assets	3,291	8,531
Amortization of intangible assets	37,496	39,268
Other expenses	842,800	758,072
	7,627,461	8,216,169
Net financial expenses		
Interest on obligations under capital leases	1,639	2,279
Interest on long-term debt	64,409	77,536
Interest on preferred shares	1,716	2,060
Interest on deferred revenues	3,169	8,220
Amortization of transaction costs	2,024	2,823
Interest income	(3,622)	(2,199)
	69,335	90,719

6) Income taxes (recovery)

The significant components of the income taxes (recovery) recorded in the consolidated statement of earnings are as follows:

	2024 $	2023 $
Current	12,535	34,664
Future	(106,517)	(4,860)
Income taxes (recovery)	(93,982)	29,804

The significant components of future income tax assets and liabilities are as follows:

	2024 $	2023 $
Property, plant and equipment	(44,820)	(72,528)
Investments	(27,070)	(21,409)
Intangible assets	19,307	5,432
Losses carried forward	75,623	14,489
Non-deductible provisions and reserves for tax purposes	11,844	6,217
Employee future benefits	1,784	4,701
Research and development costs carried forward	12,288	(289)
Other	(335)	5,454
	48,620	(57,933)
Future income tax asset	66,557	746
Future income tax liability	(17,936)	(58,679)
	48,620	(57,933)

As at October 26, 2024, non-capital losses amounting to $262,758 for federal purposes ($327,734 for provincial purposes) had been accumulated in the Cooperative and certain subsidiaries. These losses expire between 2035 and 2044. As at October 28, 2023, non-capital losses amounting to $313,575 for federal purposes ($372,456 for provincial purposes) were accumulated. Of these losses, an amount of $269,879 for federal purposes ($328,760 for provincial purposes) was not recognized as a future income tax asset.

Tax credits of $16,425 were recognized during fiscal 2024. Of this amount, $11,148 was recognized as a reduction of the related property, plant and equipment.

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

7) Patronage refunds

In accordance with the provisions of the legislation governing the Cooperative, the directors declared during their meeting on November 13, 2024 that patronage refunds of $ 17,790 will be paid in full in cash in fiscal 2025 from fiscal 2024 earnings.

8) Cash and cash equivalents

Cash and cash equivalents included an amount of $ 12,772 used to secure positions relating to derivative financial instruments as at October 26, 2024 [$0 in 2023].

9) Accounts receivable

	2024 **$**	2023 $
Trade receivables	**487,992**	468,502
Allowance for doubtful accounts	**(10,264)**	(13,818)
	477,728	454,684
Government receivables	**31,377**	29,559
	509,105	484,243

On September 23, 2024, a subsidiary of the Cooperative renewed an agreement for the assignment of a portion of the accounts receivable portfolio for a period of one year. As at October 26, 2024, in accordance with the agreement, accounts receivable in the amount of $146,758 [$146,949 in 2023] were sold for a consideration, net of the reserve, of $115,000 [$115,000 in 2023] without recourse or collateral and therefore derecognized from the consolidated balance sheet.

10) Inventories

Inventories, excluding agricultural inventories, are as follows:

	2024 **$**	2023 $
Inventories – Food Division	**304,612**	314,880
Inventories – Agriculture Division	**215,633**	215,326
Inventories – Retail Division	**157,523**	170,622
	677,768	700,828

11) Biological assets

Agricultural inventories

		Quantity		**Amount**
	2024	2023	**2024** **$**	2023 $
Eggs	**3,680,376**	3,895,977	**2,174**	2,204
Livestock – poultry	**188,500**	316,400	**383**	659
Livestock – hogs	**1,294,102**	1,238,050	**183,744**	140,811
Breeding livestock - poultry	**390,307**	381,603	**5,158**	5,004
			191,459	148,678

Productive biological assets

As at October 26, 2024, the Cooperative held 66,503 sows [68,593 in 2023].

		2024	
	Cost **$**	**Accumulated amortization** **$**	**Net carrying amount** **$**
Breeding livestock - hogs	**22,116**	**2,894**	**19,222**

		2023	
	Cost $	Accumulated amortization $	Net carrying amount $
Breeding livestock - hogs	20,746	4,621	16,125

In July 2024, breeding livestock in the amount of $728 was written off as the result of a fire at a farm in the Food Division and was recognized under net gains (losses) on disposal and write-down of assets in the consolidated statement of earnings.

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

12) Interests in joint arrangements

	2024 $	2023 $
Food Division - 50% interests [50% and 67.7% in 2023]	**39,537**	43,713
Agriculture Division - 50% interests	**189,077**	194,739
Retail Division - 50% interests	**1,411**	1,266
	230,025	239,718
Other liabilities *(note 3)*	**1,534**	33,643

The Cooperative does not hold any interests in a joint arrangement whose share of results exceeds 10% of the Cooperative's results before the share of results of joint arrangements, income taxes and patronage refunds [two joint arrangements held at 50% by the Cooperative with a carrying amount of $42,613 and a negative carrying amount of $31,606, respectively, recorded under other liabilities in 2023].

For the period ended October 26, 2024, an interest in a joint arrangement held by two subsidiaries of the Cooperative recorded a negative share of results exceeding its carrying amount at that same date. As the Cooperative has committed to provide financial support to this entity, the excess of its share of losses over the carrying amount of $1,534 [two interests in joint arrangements held by subsidiaries in the total amount of $33,643 in 2023] was recorded in other liabilities.

Food Division

On February 23, 2023, a subsidiary of the Cooperative sold its entire interest in a joint arrangement for a consideration of $124,843. This transaction resulted in a gain of $108,651 which was recorded as net gains (losses) on disposal and write-down of assets in the consolidated statement of earnings. A note receivable of $5,171 was also repaid as part of the transaction.

Agriculture Division

On April 1, 2023, a subsidiary of the Cooperative sold 50% of the shares of one of its subsidiaries, reducing its interest to 50% and leading to a loss in control over it, for a selling price of $1,051. Following this transaction, $8,036 in current assets, $2,658 in non-current assets, $5,426 in current liabilities and $2,234 in non-current liabilities were derecognized. The retained interest, now considered as an interest in a joint arrangement, was accounted for using the equity method. A loss on sale of the shares and a loss on remeasurement of the remaining interest, totalling $932, were recorded as net loss on disposal and write-down of assets in the consolidated statement of earnings.

Oil sector

On July 31, 2023, a subsidiary of the Cooperative sold 42.45% of the common shares of one of its joint arrangements, for a total cash consideration of $65,835, reducing its interest to 7.55%. A loss on sale of shares of $16,819 was recorded as net loss on disposal and write-down of assets in the consolidated statement of earnings. The retained interest consists of $15,000 of non-voting, non-participating preferred shares, redeemable in 15 years and accounted for in investments, as well as $10,000 of voting and participating common shares, recognized as an interest in an entity subject to significant influence. Also on July 31, 2023, the Cooperative sold non-participating shares held in this joint arrangement for an amount of $11,665. This transaction resulted in a gain of $1,665 which was recorded as net gains (losses) on disposal and write-down of assets in the consolidated statement of earnings. Following this transaction, on September 29, 2023, this subsidiary of the Cooperative repurchased all the units of a group of non-controlling unitholders for a total consideration of $11,387. The amount by which the fair value of the consideration paid exceeded the carrying amount of the non-controlling interest was recorded as an increase in the reserve of $2,704 and the non-controlling interest was decreased by $14,092.

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

13) Investments in entities subject to significant influence

	2024 $	2023 $
Food Division - 6.8%–47.2% interests [8.9% and 39.4% in 2023]	**114,191**	114,210
Agriculture Division - 16.5%–46% interests	**21,743**	23,500
Retail Division - 40% interests [20%–40% in 2023]	**28,413**	35,074
Oil sector company - 7.6% interest	**11,290**	10,392
	175,637	183,176
Other liabilities	**137**	–

Over the last two fiscal years, the Cooperative held no interests in entities subject to significant influence whose share exceeded the threshold of 10% of the Cooperative's results before the share of results of entities subject to significant influence, income taxes and patronage refunds.

A note receivable of $1,750 was converted into an interest in an entity subject to significant influence during fiscal 2024.

Agriculture Division

On November 1, 2022, the Cooperative sold 21% of the shares of one of its subsidiaries, reducing its interest to 30.2% and leading to a loss in control over it, for a selling price of $11,765. Following this transaction, $2,343 in current assets, $58,945 in non-current assets, $7,029 in current liabilities, $4,363 in non-current liabilities, and a $23,189 non-controlling interest were derecognized. The retained interest is now considered as an investment in an entity subject to significant influence of 16.5% held by the Agriculture Division, while the residual interest is held by a joint arrangement of the Food Division. These investments were accounted for using the equity method in the amount of $15,060. A gain of $118 resulting from the sale of shares was recorded as net gains (losses) on disposal and write-down of assets in the consolidated statement of earnings.

Retail Division

On July 2, 2024, a subsidiary of the Cooperative sold all of its shares held in an entity subject to significant influence for a consideration of $31,733. The consideration includes a balance of sale of $10,000, receivable in annual instalments of $2,000 over a five-year period, representing a present value of $8,393. The sale contract provides for a contingent consideration payable that may result in a maximum annual repayment to the acquirer of $2,000 for the subsidiary if certain partner vendors do not maintain a minimum purchase volume from the acquirer in each of the five years following the transaction. The Cooperative estimated the fair value of the contingent consideration payable related to this contingency to be $4,196 and recorded it under other liabilities in the consolidated balance sheet. This transaction resulted in a net gain of $15,840, which was recorded under net gains (losses) on disposal and write-down of assets in the consolidated statement of earnings.

14) Investments

	2024 $	2023 $
Shares and other securities of cooperatives	**27,201**	25,882
Notes receivable, non-interest bearing, with no maturity	**17,309**	16,868
Note receivable, bearing interest at 6.95% [5.91% in 2023], with no maturity	**1,577**	2,187
Note receivable, non-interest bearing, repayable in annual instalments of $3,000 and a final payment of $4,000, maturing in October 2024	**4,000**	6,846
Balance of sale price receivable, non-interest bearing, repayable by annual instalments of $2,000, maturing in July 2029	**8,393**	–
Other notes receivable, bearing interest at rates varying from 0% to 8.0% [0% to 8.7% in 2023], with no maturity or maturing on demand, between October 2024 and October 2037	**7,945**	10,274
	66,425	62,057
Investments – current portion	**12,112**	5,917
	54,313	56,140

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

15) Property, plant and equipment

	2024		
	Cost $	**Accumulated amortization** $	**Net carrying amount** $
Land	**135,575**	**–**	**135,575**
Pavement	**46,809**	**24,878**	**21,931**
Buildings	**901,249**	**336,038**	**565,211**
Machinery and equipment	**1,037,729**	**766,994**	**270,735**
Automotive equipment	**63,301**	**49,604**	**13,697**
Leasehold improvements	**18,766**	**8,324**	**10,442**
Assets under capital leases			
Buildings	**6,335**	**674**	**5,661**
Machinery and equipment	**32,353**	**6,233**	**26,120**
	2,242,117	**1,192,745**	**1,049,372**
Property, plant and equipment held for sale			
Current	**–**	**–**	**12,283**
Non-current	**–**	**–**	**18,355**

	2023		
	Cost $	Accumulated amortization $	Net carrying amount $
Land	141,816	–	141,816
Pavement	45,834	22,583	23,251
Buildings	945,228	333,730	611,498
Machinery and equipment	1,111,481	832,625	278,856
Automotive equipment	58,272	47,361	10,911
Leasehold improvements	25,638	6,873	18,765
Assets under capital leases			
Buildings	6,896	765	6,131
Machinery and equipment	31,342	3,991	27,351
	2,366,507	1,247,928	1,118,579
Property, plant and equipment held for sale			
Current	–	–	7,158
Non-current	–	–	20,880

In the normal course of operations, to optimize its business locations, the Cooperative decided to sell property, plant and equipment with a total net carrying amount of $30,638 [$28,038 in 2023]. Of this amount, $12,283 [$7,158 in 2023] was presented as current property, plant and equipment held for sale and $18,355 [$20,880 in 2023], as non-current property, plant and equipment held for sale.

The infrastructure related to grain export activities resulted in negative cash flows again this year. As a result, the Cooperative determined that there were indicators that the carrying amount of the asset was no longer recoverable and that it exceeded its fair value and therefore conducted an impairment test. Based on the results of the impairment test, the Cooperative determined that the estimated fair value was less than the carrying amount. As a result, an impairment loss of $8,250 was recorded by the subsidiary of the Cooperative as net loss on disposal and write-down of assets in the consolidated statement of earnings [$46,396 in 2023].

During the fiscal year, the Food Division decided to terminate a project for which certain costs were capitalized. An impairment loss of $5,948 was recognized and reported under net gains (losses) on disposal and write-down of assets in the consolidated statement of earnings as at October 26, 2024.

On October 1, 2024, there was a fire at a plant in the Food Division. An impairment loss of $12,257 was recognized and reported under net gains (losses) on disposal and write-down of assets in the consolidated statement of earnings in connection with the damage caused by the fire. The underlying insurance recovery procedures have ben initiated.

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

15) Property, plant and equipment

On June 28, 2023, the Food Division announced the closure of one of its plants, planned for the beginning of 2024. On July 1, 2023, a valuation of the building and land was carried out by an independent valuator. An impairment of $19,205 was recorded for these assets. The Cooperative measured the fair value of the other assets related to this plant based on historical data. An impairment loss of $10,113 was recorded for these assets. On October 28, 2023, a total impairment loss of $29,318 was therefore recorded and presented as net loss on disposal and write-down of assets in the consolidated statement of earnings. As at October 26, 2024, an additional impairment loss of $1,214 was recorded.

As at October 28, 2023, a plan of sale was approved by the Board of Directors for another Food Division plant. An impairment loss of $6,495 was recorded and presented under net gains (losses) on disposal and write-down of assets in the consolidated statement of earnings related to the closure of this plant. These assets were still presented as property, plant and equipment held for sale as of October 26, 2024.

The Cooperative's property, plant and equipment under construction are not subject to amortization. Their net carrying amount totalled $40,632 [$39,280 in 2023].

16) Intangible assets

	2024		
	Cost **$**	**Accumulated amortization** **$**	**Net carrying amount** **$**
Trademarks	**99,481**	**15,542**	**83,939**
Client lists	**250,984**	**117,115**	**133,869**
Exclusive supply rights	**81,288**	**42,571**	**38,717**
Production rights	**2,079**	**–**	**2,079**
Software and information technology development projects	**76,854**	**43,233**	**33,621**
Financial support	**16,070**	**5,617**	**10,453**
	526,756	**224,078**	**302,678**

	2023		
	Cost $	Accumulated amortization $	Net carrying amount $
Trademarks	113,598	14,236	99,362
Client lists	250,984	99,773	151,211
Exclusive supply rights	99,846	52,688	47,158
Production rights	2,079	–	2,079
Software and information technology development projects	69,790	35,724	34,066
Financial support	11,227	3,994	7,233
	547,524	206,415	341,109

The carrying amount of trademarks with indefinite lives, not subject to amortization, was $80,175 in 2024 [$94,292 in 2023].

On May 6, 2024, the Cooperative, via a subsidiary in its Agriculture Division, sold production rights with a negligible carrying amount for a consideration of $6,352. As a result, a gain of the corresponding amount was recorded under net gains (losses) on disposal and write-down of assets.

During the fiscal 2024, a review of the Food Division's trademarks was conducted, resulting in an impairment test based on a discounted cash flow analysis. Based on the results of this impairment test, the Cooperative determined that the fair value of the trademark was less than the carrying amount of $11,613. An impairment loss corresponding to this amount was recognized and reported under net gains (losses) on disposal and write-down of assets in the consolidated statement of earnings. The Food Division also made the strategic decision to discontinue use of another trademark with a carrying amount of $2,504. An impairment loss corresponding to this amount was recognized and reported under net gains (losses) on disposal and write-down of assets in the consolidated statement of earnings.

On October 27, 2023, through the acquisition of all the shares of a company, a subsidiary of the Food Division acquired exclusive supply rights for $12,510.

In fiscal 2023, the Food Division decided to discontinue the use of certain client lists and trademarks of one of its subsidiaries. Thus, the Cooperative determined that there were indicators that the carrying amount of the related client lists and trademarks of the subsidiary exceeded their fair value. As a result, the Cooperative undertook impairment testing and recognized an impairment loss of $7,360, which was presented under net gains (losses) on disposal and write-down of assets in the consolidated statement of earnings.

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

17) Disposal of assets and discontinued operations

On August 31, 2022, the Board of Directors approved the discontinuation of the operations of a subsidiary in the Agriculture Division operating in the grain marketing business in Ontario. The non-current assets were part of an active plan of sale, which also includes the sale of infrastructure relating to these operations, which was completed during fiscal 2023. The current assets, current liabilities and financial obligations were collected or settled in the normal course of business until full discontinuation of these operations, mostly during the third quarter of fiscal 2023. The final expenses related to these operations were incurred during fiscal 2024.

The following table provides a breakdown of the net loss relating to discontinued operations:

	2024 $	2023 $
Revenues	**312**	258,593
Operating expenses		
Cost of sales and selling and administrative expenses	**3,423**	257,595
Net financial expenses	**–**	2,883
	3,423	260,478
Operating loss	**(3,111)**	(1,885)
Other income and expenses		
Net gain on disposal and write-down of assets	**29**	244
Loss before income taxes	**(3,082)**	(1,641)

18) Bank borrowings

Bank borrowings consist of a subsidiary's demand credit facility.

The demand credit facility, renewable annually, authorized for bank borrowings, advances, letters of credit and standby letters of credit, totalled $30,000, subject to a maximum of $6,000 for letters of credit and standby letters of credit. An amount of $23,653 was drawn as at October 26, 2024 [$12,190 as at October 28, 2023]. The credit facility bears interest at the prime rate of 5.95% as at October 26, 2024 [7.20% in 2023]. The Cooperative is joint and several guarantor for all amounts owing under this agreement.

19) Accounts payable and accrued liabilities

	2024 $	2023 $
Trade payables and accrued liabilities	**861,957**	767,903
Government remittances	**8,819**	11,596
Other accrued interest	**2,648**	10,623
	873,424	790,122

During fiscal 2023, the Food Division announced the closure of plants. The total amount of termination benefits was estimated and recorded in 2023 as accrued liabilities in the amount of $6,935 and was paid in fiscal 2024.

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

20) Obligations under capital leases

	2024 $	2023 $
Obligation under a capital lease bearing interest at a fixed rate of 6.84%, repayable in blended monthly instalments of $505, maturing in October 2025	**5,356**	10,853
Obligations under capital leases, bearing interest at rates varying from 6.55% to 8.84% [6.55% in 2023], repayable in blended monthly instalments ranging from $20 to $116 [$20 to $131 in 2023], maturing from March 2025 to August 2026	**4,569**	8,448
Obligation under a capital lease bearing interest at the prime rate plus 1%, repayable in monthly principal instalments of $45, maturing in December 2030	**3,225**	3,763
Obligation under a capital lease bearing interest at a fixed rate of 7.42%, repayable in blended monthly instalments of $83, maturing in January 2027	**2,057**	–
Obligation under a capital lease bearing interest at a fixed rate of 6.57%, repayable in blended monthly instalments of $68, maturing in May 2027	**1,863**	–
Obligation under a capital lease bearing interest at a fixed rate of 6.99%, repayable in blended monthly instalments of $99, maturing in October 2025	**1,056**	2,134
Obligation under a capital lease bearing interest at a fixed rate of 6.57%, repayable in blended monthly instalments of $10, maturing in May 2027	**272**	–
	18,398	25,198
Obligations under capital leases – current portion	**12,376**	10,803
	6,022	14,395

Minimum lease payments in upcoming fiscal years are as follows:

	$
2025	**12,376**
2026	**3,172**
2027	**1,239**
2028	**537**
2029	**537**
2030	**537**

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

21) Long-term debt

	2024 $	2023 $
Credit facility[1] drawn under margin loans and under SOFR advances at rates ranging from 5.78% to 6.10% as at October 26, 2024 [6.64% to 6.70% in 2023], maturing in December 2026	**367,335**	302,168
Term credit[2] of subsidiaries, secured by movable and immovable hypothecs on certain agricultural assets with a carrying amount of $146,877, maturing in December 2026. As the agreement required that interest rate risk be 100% hedged using derivative financial instruments, the net effective fixed rate, including the impact of interest rate swaps, ranging from 4.84% to 5.30% as at October 26, 2024	**270,000**	–
Term credit, secured by movable and immovable hypothecs on most of the assets, comprising two instalments bearing interest at a fixed rates of 6.50% for a notional amount of $60,000 and 4.64% for a notional amount of $40,000, repayable in seven annual principal payments of $8,571 and $5,714	**85,715**	100,000
Term credit of a subsidiary, secured by an immovable hypothec on certain assets with a carrying amount of $133,395 in 2023, drawn as margin loans at the prime rate plus 1%, representing a rate of 8.20%, repaid on December 22, 2023	–	95,151
Term credit of a subsidiary, secured by an immovable hypothec on the universality of the property of this subsidiary with a carrying amount of $39,822 [$47,249 in 2023], bearing interest at a fixed rate of 12.0% for an instalment of $24,900 and at a fixed rate of 13% for an instalment of $3,000. The principal and interest will be repayable in full on May 31, 2025	**48,909**	42,623
Loan, bearing interest at the fixed rate of 5.25%, repayable on demand	**19,512**	17,220
Note payable of a subsidiary, without interest or repayment terms	–	7,000
Note payable of a subsidiary, bearing interest at the fixed rate of 6%, paid in November 2023	–	6,296
Other borrowings, bearing interest at rates ranging from 5.25% to 5.95% in 2024 [from 0% to 7.20% in 2023], without maturity [maturing in January 2026 in 2023]	**775**	1,922
	792,246	572,380
Transaction costs	**(3,133)**	(906)
	789,113	571,474
Long-term debt – current portion	**82,180**	140,297
	706,933	431,177

1. The Cooperative had an overall revolving credit facility of $1,100,000 in 2024 and 2023, secured by movable and immovable hypothecs on most of the assets. The Cooperative can use this credit as follows: Canadian-dollar margin loans [$139,020 and $83,117 used in 2024 and 2023, respectively] and/or US-dollar margin loans [US$2,720 and US$2,925 used in 2024 and 2023, respectively], SOFR advances in US dollars [US$161,395 and US$157,054 used in 2024 and 2023, respectively] and standby letters of credit. The interest rate is based on a rate schedule that varies based on a financial ratio calculated quarterly on a consolidated basis. On December 22, 2023, the Cooperative amended and renewed its overall credit facility agreement for a period of 3 years.
2. The term credit was issued on December 22, 2023, with an initial instalment of $95,000, and included a portion whose issuance could be deferred pending certain events specified in the agreement. A second instalment of $80,500 was issued on January 19, 2024, and the final instalment of $94,500 was issued on May 31, 2024.

The Cooperative's long-term debt is subject to compliance with certain financial ratios based on the Cooperative's consolidated financial statements. As at October 26, 2024, the Cooperative was in compliance with these financial ratios. The principal repayments required over the next five fiscal years are as follows: 2025 – $83,483; 2026 – $14,286; 2027 – $651,620; 2028 – $14,286; 2029 – $14,286; 2030 – $14,285.

22) Deferred credit

During the fiscal year, the Food Division took part in a sale-leaseback transaction for a total consideration of $2,384 [$71,935 in 2023]. The excess of the gain from the sale over the present value of the minimum lease payments, totalling $866 [$13,626 in 2023], was recorded under net gains (losses) on disposal and write-down of assets and the present value of the minimum lease payments of $1,381 [$27,594 in 2023] was deferred and amortized over the term of the lease. As at October 26, 2024, the balance of deferred credit amounted to $27,940 [$31,307 in 2023] and the amount of amortization of the gain deferred under net gains (losses) on disposal and write-down of assets was $4,748 [$1,968 in 2023].

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

23) Employee future benefits

The Cooperative measures its defined benefit plan obligations and the fair value of plan assets at each year-end.

The most recent actuarial valuations of the pension plans for funding purposes were made as at October 29, 2022 for one plan, as at December 31, 2022 for two plans, as at December 31, 2023 for three plans and as at October 26, 2024 for two plans. The next required actuarial valuations will be as at October 25, 2025 for three plans, as at December 31, 2024 for one plan and as at December 31, 2025 for four plans.

The most recent actuarial valuations of the other post-retirement benefit plans were made as at October 26, 2024 for two plans and as at October 28, 2023 for the two others. The next required actuarial valuations will be as at October 25, 2025 and as at October 31, 2026.

Information on the Cooperative's pension plans and other post-retirement benefits is as follows:

2024	**Pension plans $**	**Other post-retirement benefits $**	**Total $**
Defined benefit obligations	**178,368**	**18,714**	**197,082**
Fair value of plan assets	**192,003**	**—**	**192,003**
Net defined benefit asset (liability)	**13,635**	**(18,714)**	**(5,079)**

2023	Pension plans $	Other post-retirement benefits $	Total $
Defined benefit obligations	168,216	16,105	184,321
Fair value of plan assets	166,227	—	166,227
Net defined benefit liability	(1,989)	(16,105)	(18,094)

The net defined benefit asset and liability presented in the Cooperative's consolidated balance sheet are as follows:

2024	**Pension plans $**	**Other post-retirement benefits $**	**Total $**
Defined benefit asset	**60,265**	**—**	**60,265**
Defined benefit liability	**(46,630)**	**(18,714)**	**(65,344)**
Net defined benefit asset (liability)	**13,635**	**(18,714)**	**(5,079)**

2023	Pension plans $	Other post-retirement benefits $	Total $
Defined benefit asset	41,788	—	41,788
Defined benefit liability	(43,777)	(16,105)	(59,882)
Net defined benefit liability	(1,989)	(16,105)	(18,094)

The cost of defined benefit pension plans is as follows:

2024	**Pension plans $**	**Other post-retirement benefits $**	**Total $**
Current service cost	**6,142**	**1,045**	**7,187**
Interest cost	**219**	**927**	**1,146**
Remeasurements and other items	**(15,063)**	**1,685**	**(13,378)**
Employee future benefit cost (income)	**(8,702)**	**3,657**	**(5,045)**

2023	Pension plans $	Other post-retirement benefits $	Total $
Current service cost	5,839	1,665	7,504
Interest cost	638	1,461	2,099
Remeasurements and other items	(5,782)	(12,722)	(18,504)
Employee future benefit cost (income)	695	(9,596)	(8,901)

On May 16, 2023, the Cooperative and one of its subsidiaries purchased annuities for some of their pension plans. The obligations relating to retired plan members were therefore transferred as a result of this transaction, resulting in a loss of $2,125 presented under remeasurements and other items

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

24) Share capital

[The amounts in the description of share capital are in dollars.]

The Cooperative's share capital is variable and unlimited with regard to the number of shares issuable. The rights, restrictions and conditions relating to each type of share are determined by the Board of Directors. The share capital consists of:

Class A preferred shares

Class A preferred shares, with a par value of $1, non-voting and redeemable at their par value upon a decision of the Board of Directors. These shares are issued upon the conversion of common shares held by members who do not fulfill the commitments of their contracts with the Cooperative or if the contract commitments are not renewed.

Preferred investment shares

Series 1 – FSTQ preferred investment shares with a par value of $100, non-voting and redeemable at their par value upon a decision of the Board of Directors on or after October 24, 2022. They carry an annual dividend, payable semiannually, cumulative and preferential except for the interest on Cooperative Investment Plan shares.

Series 2 – CRCD preferred investment shares with a par value of $100, non-voting and redeemable at their par value upon a decision of the Board of Directors on or after October 24, 2022. They carry an annual dividend, payable semiannually, cumulative and preferential except for the interest on Cooperative Investment Plan shares.

Series 3 – ESSOR preferred investment shares with a par value of $100, non-voting and redeemable at their par value upon a decision of the Board of Directors on or after October 24, 2022. They carry an annual dividend, payable semiannually, cumulative and preferential except for the interest on Cooperative Investment Plan shares.

Series 4 – FONDACTION preferred investment shares with a par value of $100, non-voting and redeemable at their par value upon a decision of the Board of Directors on or after October 24, 2022. They carry an annual dividend, payable semiannually, cumulative and preferential except for the interest on Cooperative Investment Plan shares.

Series 5 – FSTQ preferred investment shares with a par value of $100, non-voting and redeemable at their par value upon a decision of the Board of Directors on are after October 24, 2022. They carry an annual dividend, payable semiannually, cumulative and preferential except for the interest on Cooperative Investment Plan shares.

Series 6 – 2017 preferred investment shares with a par value of $100, non-voting and redeemable at their par value upon a decision of the Board of Directors on or after June 1, 2020. They carry an annual dividend, payable semiannually, cumulative and preferential except for the interest on Cooperative Investment Plan shares.

Series 7 – 2019 preferred investment shares with a par value of $100, non-voting and redeemable at their par value upon a decision of the Board of Directors on or after November 1, 2022. They carry an annual dividend, payable semiannually, cumulative and preferential except for the interest on Cooperative Investment Plan shares.

Series 8 – 2020 preferred investment shares with a par value of $100, non-voting and redeemable at their par value upon a decision of the Board of Directors on or after October 1, 2023. They carry an annual dividend, payable semiannually, cumulative and preferential except for the interest on Cooperative Investment Plan shares.

Series 9 – 2022 preferred investment shares with a par value of $100, non-voting and redeemable at their par value upon a decision of the Board of Directors starting the day of their issuance. They carry an annual dividend, payable semiannually, cumulative and preferential except for the interest on Cooperative Investment Plan shares. On August 1, 2023, the Cooperative's Board of Directors resolved to redeem all the shares in this Series.

Cooperative Investment Plan preferred shares

Preferred shares with a par value of $10, issued to employees of the Cooperative in accordance with the Cooperative Investment Plan, bearing interest at a rate determined by the Board of Directors, redeemable at their par value by the Cooperative upon a decision of the Board of Directors on or after the fifth anniversary of their issuance.

Common shares

Class A common shares, with a par value of $25. Holding such shares is an essential condition to qualify as a member and obtain voting rights. These shares are redeemable at their par value upon a decision of the Board of Directors.

Class AA common shares, with a par value of $25. Holding such shares is an essential condition to qualify as a member of the pork chain and obtain voting rights. These shares are redeemable at their par value upon a decision of the Board of Directors.

Class B-1 common shares, with a par value of $1, non-voting and redeemable at their par value upon a decision of the Board of Directors, starting the day after the fifth anniversary of their issuance. However, the Board of Directors may not redeem Class B-1 common shares if there are any outstanding Class D-1 common shares. These shares were issued to members as partial payment of patronage refunds.

Class D-1 common shares, with a par value of $1, non-voting and redeemable at their par value upon a decision of the Board of Directors, starting the day after the fifth anniversary of their issuance. These shares were issued to members as partial payment of patronage refunds.

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

24) Share capital

Common shares [cont'd]

Class P-1 common shares, with a par value of $1, non-voting and redeemable at their par value upon a decision of the Board of Directors, starting the day after the fifth anniversary of their issuance. The redemption date must also coincide with that for Class D-1 common shares issued during the same year. These shares were issued to members as partial payment of patronage refunds.

Class P-2, Series 1–289 common shares, with a par value of $25, non-voting and redeemable at their par value upon a decision of the Board of Directors. However, the Board of Directors may not redeem Class P-2 common shares if there are any common shares outstanding other than Class B-1, D-1 or P-1 common shares. These shares were issued to members as Class AA common share dividends.

Class P-100 common shares, with a par value of $1, non-voting and redeemable at their par value upon a decision of the Board of Directors. These shares were issued to members as discretionary eligible dividends.

Class P-200 common shares, with a par value of $1, non-voting and redeemable at their par value upon a decision of the Board of Directors.

Class AUXILIARY MEMBERS common shares, with a par value of $25, non-voting and redeemable at their par value upon a decision of the Board of Directors.

At year-end, the issued and fully paid shares were as follows:

	Number		Amount	
	2024	2023	**2024** **$**	2023 $
Preferred shares				
Class A	**379,629**	436,318	**380**	437
Series 1 – FSTQ investment shares	**450,000**	500,000	**45,000**	50,000
Series 2 – CRCD investment shares	**450,000**	500,000	**45,000**	50,000
Series 3 – ESSOR investment shares	**45,000**	50,000	**4,500**	5,000
Series 4 – FONDACTION investment shares	**225,000**	250,000	**22,500**	25,000
Series 5 – FSTQ investment shares	**225,000**	250,000	**22,500**	25,000
Series 6 – 2017 investment shares	**180,000**	2,000,000	**18,000**	200,000
Series 7 – 2019 investment shares	**2,700,000**	3,000,000	**270,000**	300,000
Series 8 – 2020 investment shares	**1,350,000**	1,500,000	**135,000**	150,000
Cooperative Investment Plan				
Series 2018, redeemable as of 2024, 3.75%	**–**	760,655	**–**	7,607
Series 2019, redeemable as of 2025, 3.5%	**803,734**	803,934	**8,037**	8,039
Series 2020, redeemable as of 2026, 3.5%	**985,230**	985,530	**9,852**	9,855
Series 2021, redeemable as of 2027, 4.0%	**1,002,754**	1,002,954	**10,028**	10,030
Series 2022, redeemable as of 2028, 4.5%	**896,241**	896,441	**8,962**	8,964
Series 2023, redeemable as of 2029, 5.0%	**973,445**	–	**9,734**	–
	10,666,033	12,935,832	**609,493**	849,932
Transaction costs	**–**	–	**(7,406)**	(7,447)
	10,666,033	12,935,832	**602,087**	842,485
Preferred shares reported as a financial liability	**(803,734)**	(760,655)	**(8,037)**	(7,607)
	9,862,299	12,175,177	**594,050**	834,878
Common shares				
Class A	**30,852**	30,735	**772**	769
Class AA	**2,630**	2,640	**66**	66
Class B-1	**41,488,346**	42,321,752	**41,489**	42,322
Class D-1	**216,422,287**	243,220,438	**216,421**	243,220
Class P-1	**4,781,508**	4,788,356	**4,781**	4,788
Class P-2	**257**	258	**7**	7
Class P-100	**22,724,135**	22,776,775	**22,724**	22,777
Class P-200	**4,729,221**	4,737,281	**4,729**	4,737
AUXILIARY MEMBERS	**560**	530	**14**	13
	290,179,796	317,878,765	**291,003**	318,699
	300,042,095	330,053,942	**885,053**	1,153,577

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

24) Share capital

Transactions during the year were as follows:

	Number		Amount	
	2024	2023	**2024** $	2023 $
Preferred shares				
Balance, beginning of year	**12,935,832**	12,751,901	**842,485**	840,790
Issued:				
Cooperative Investment Plan – Series 2023 [Series 2022 in 2023]	**973,445**	896,441	**9,734**	8,964
Series 9 – 2022 investment shares	**–**	886,405	**–**	88,641
Transaction costs	**–**	–	**41**	(145)
	973,445	1,782,846	**9,775**	97,460
Redeemed:				
Class A	**(56,689)**	–	**(57)**	–
Cooperative Investment Plan – Series 2017	**–**	(709,610)	**–**	(7,096)
Cooperative Investment Plan – Series 2018	**(760,655)**	(1,600)	**(7,607)**	(15)
Cooperative Investment Plan – Series 2019	**(200)**	(1,300)	**(2)**	(13)
Cooperative Investment Plan – Series 2020	**(300)**	–	**(3)**	–
Cooperative Investment Plan – Series 2021	**(200)**	–	**(2)**	–
Cooperative Investment Plan – Series 2022	**(200)**	–	**(2)**	–
Series 1 – FSTQ investment shares	**(50,000)**	–	**(5,000)**	–
Series 2 – CRCD investment shares	**(50,000)**	–	**(5,000)**	–
Series 3 – ESSOR investment shares	**(5,000)**	–	**(500)**	–
Series 4 – FONDACTION investment shares	**(25,000)**	–	**(2,500)**	–
Series 5 – FSTQ investment shares	**(25,000)**	–	**(2,500)**	–
Series 6 – 2017 investment shares	**(1,820,000)**	–	**(182,000)**	–
Series 7 – 2019 investment shares	**(300,000)**	–	**(30,000)**	–
Series 8 – 2020 investment shares	**(150,000)**	–	**(15,000)**	–
Series 9 – 2022 investment shares	**–**	(886,405)	**–**	(88,641)
	(3,243,244)	(1,598,915)	**(250,173)**	(95,765)
	10,666,033	12,935,832	**602,087**	842,485
Cooperative Investment Plan – Series 2019 [Series 2018 in 2023] – current portion	**(803,734)**	(760,655)	**(8,037)**	(7,607)
Balance, end of year	**9,862,299**	12,175,177	**594,050**	834,878

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

24) Share capital

	Number		Amount	
	2024	2023	**2024** $	2023 $
Common shares				
Balance, beginning of year	**317,878,765**	317,887,696	**318,699**	318,708
Issued:				
Class A	**359**	449	**9**	12
Class AA	**30**	–	**1**	–
Class P-2	**3**	–	**–**	–
AUXILIARY MEMBERS	**30**	20	**1**	–
	422	469	**11**	12
Transferred:				
Class B-1	**(833,406)**	–	**(833)**	–
Class D-1	**833,406**	–	**833**	–
	–	–	**–**	–
Redeemed:				
Class A	**(242)**	(456)	**(6)**	(12)
Class AA	**(40)**	(40)	**(1)**	(1)
Class D-1	**(27,631,557)**	(4,450)	**(27,632)**	(4)
Class P-1	**(6,848)**	–	**(7)**	–
Class P-2	**(4)**	(4)	**–**	–
Class P-100	**(52,640)**	(4,450)	**(53)**	(4)
Class P-200	**(8,060)**	–	**(8)**	–
	(27,699,391)	(9,400)	**(27,707)**	(21)
Balance, end of year	**290,179,796**	317,878,765	**291,003**	318,699

On September 5, 2024, the Board of Directors authorized a preferred share issue pursuant to the Cooperative Investment Plan, Series 2024, as of November 30, 2024, under which 993,500 preferred shares were issued for a total consideration of $9,935. On September 5, 2024, the Board of Directors also resolved to redeem, on or after November 30, 2024, 803,734 preferred shares issued under the Cooperative Investment Plan, Series 2019, for a cash consideration of $8,037.

On April 24, 2024, the Cooperative's Board of Directors resolved to redeem 1,620,000 Series 6 – 2017 preferred investment shares for a cash consideration of $162,000. On May 31, 2024, $1,485 in dividends was declared on Series 6 – 2017 investment shares and paid in cash before their redemption.

On January 16, 2024, the Board of Directors resolved to repurchase 27,629,237 Class D-1 common shares issued in 2012 and 2013, and 56,689 Class A preferred shares, with the same reference years, for a cash consideration of $27,686. The payment was made on August 7, 2024.

On December 14, 2023, the Cooperative's Board of Directors resolved to redeem 10% of each series of preferred investment shares, or 805,000 shares, for a cash consideration of $80,500. On January 19, 2024, $1,494 in dividends was declared on investment shares and paid in cash before their redemption.

On September 6, 2023, the Board of Directors authorized a preferred share issue pursuant to the Cooperative Investment Plan, Series 2023, as of November 30, 2023, under which 973,445 preferred shares were issued for a total consideration of $9,734. On September 6, 2023, the Board of Directors also resolved to redeem, on or after November 30, 2023, 760,655 preferred shares issued under the Cooperative Investment Plan, Series 2018, for a consideration of $7,607. Of the share issuance proceeds, an amount of $6,129 was received in cash and $3,605 from the redemption of matured shares, and their related amounts were reinvested in the plan.

On August 1, 2023, the Cooperative's Board of Directors resolved to redeem all 886,405 of Series 9 – 2022 preferred investment shares for a cash consideration of $88,641. On July 31, 2023, $2,465 in dividends were declared on Series 9 – 2022 investment shares and paid in cash before their redemption.

On March 31, 2023, dividends declared on the preferred investment shares were settled by the issuance of Series 9 – 2022 investment shares for an amount of $26,871 and a cash payment of $7,500. On September 6, 2023, all dividends declared on the preferred investment shares were settled by a cash payment of $28,670.

Fiscal 2022 dividends on the preferred investment shares were declared on November 30, 2022 in the form of an issuance of a new series of preferred investment shares, namely Series 9 – 2022 investment shares, for an amount of $61,770 and a cash payment of $7,500.

Notes to consolidated financial statements
Years ended October 26, 2024 and October 28, 2023

25) Commitments and contingencies

a) Contracts related to operations

The Cooperative has entered into long-term operating leases for buildings and equipment. The future minimum lease payments of the Cooperative under these operating leases totalled $331,673 and are as follows for the coming fiscal years: 2025 – $59,929; 2026 – $49,515; 2027 – $43,744; 2028 – $35,019; 2029 – $27,880; 2030 and thereafter – $115,586.

The Cooperative also has commitments under computer equipment and software leases. The future minimum lease payments of the Cooperative under these operating leases totalled $23,014 and are as follows for the coming fiscal years: 2025 – $9,256; 2026 – $7,522; 2027 – $3,797; 2028 – $1,276; 2029 – $1,163.

In the normal course of business, the Cooperative commits to suppliers through supply agreements. The Cooperative's commitments under these contracts do not exceed one year in duration.

b) Repurchase of the units of non-controlling unitholders

Food Division

A non-controlling unitholder of one of the Cooperative's subsidiaries, holding 5.6% [5.8% in 2023] of the units of said subsidiary has an option to sell, on or after April 30, 2028, all of its units to the Cooperative's subsidiary, which is obligated to repurchase such units or transfer this obligation to its limited partners. The Cooperative is ultimately responsible for the total repurchase of units in the event of refusal by the other limited partners. The sale of the units and the payment of their sale price may be made in a maximum of three equal and consecutive annual instalments or sooner, according to the terms of the agreement.

Another non-controlling unitholder of one of the Cooperative's subsidiaries, holding 2.8% [2.9% in 2023] of the units of said subsidiary, has an option to sell, on or after December 31, 2027, all of its units to the Cooperative, which is obligated to repurchase or require its subsidiary to repurchase such units. The sale of the units and the payment of their sale price may be made in a maximum of three equal and consecutive annual instalments or sooner, according to the terms of the agreement.

A group of non-controlling unitholders of one of the Cooperative's subsidiaries, holding 5.8% [2.6% in 2023] of the units of said subsidiary, has an option to sell, since December 31, 2023, 2.5% of its units to the Cooperative, which is obligated to repurchase or require its subsidiary to repurchase such units. The sale of the units and the payment of their sale price may be made in a maximum of four equal and consecutive annual instalments or sooner, according to the terms of the agreement. This group also has an option to sell, on or after October 28, 2030, 3.3% of its units to the Cooperative, which is subject to the same repayment terms.

Another group of non-controlling unitholders of one of the Cooperative's subsidiaries, holding 4.4% [4.6% in 2023] of the units of said subsidiary, has an option to sell all or 50% of its units to the Cooperative, which is obligated, to repurchase or require its subsidiary to repurchase such units. In the event the option is partially exercised, the redemption of the remaining units may be exercised on or after the fifth anniversary of the date of the first notice of partial exercise of the units. The sale of the units and the payment of their selling price may be made in a maximum of two equal and consecutive annual instalments, or sooner, according to the terms of the agreement, if the options are exercised on or before October 30, 2026, whereas they will be exercised in a maximum of three equal and consecutive annual instalments, or sooner if the options are exercised after October 30, 2026.

Agriculture Division

A group of non-controlling shareholders holding 4.17% [6.25% in 2023] of the shares of a subsidiary, has an option to sell all of its shares to the Cooperative, as of July 3, 2023 up to the option expiry date of July 3, 2026. The sale of the units and the payment of their sale price could be made in a maximum of three annual instalments or sooner, according to the terms of the agreement. An initial instalment representing one third of the remaining interest was exercised in June 2024. The repurchase price is based on the value of the subsidiary, with a floor price.

Retail Division

A group of non-controlling shareholders holding 30% of the shares of a subsidiary has an option to sell, after the fiscal year ending in 2026, all or a portion of its interests to the Cooperative via a subsidiary. In the event the option is partially exercised, the repurchase of the remaining interests may be carried out over several fiscal years up to a maximum of three times.

Via its subsidiary, the Cooperative has an option to purchase all or a portion of the interests, on or after October 31, 2026, under the terms of the agreement.

c) Claims and lawsuits

In the normal course of business, various claims and lawsuits are brought against the Cooperative. Legal proceedings are often subject to numerous uncertainties, and it is not possible to predict the outcome of individual cases. In management's opinion, the Cooperative has made adequate provision for or has adequate insurance to cover all claims and lawsuits, and their settlement should not have a significant negative impact on the Cooperative's financial position.

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

26) Guarantees

In the normal course of business, the Cooperative has entered into agreements that contain features which meet the definition of a guarantee.

These agreements may require the Cooperative to compensate third parties for costs and losses incurred as a result of various events including breaches of representations and warranties, loss of or damages to property, and claims that may arise while providing services.

Guarantee contracts

The Cooperative is committed under comfort letters with financial institutions, regarding guarantees for interests in joint arrangements and third parties. The balance of amounts due as at October 26, 2024 totalled $90,230 [$55,637 in 2023]. The Cooperative's commitment under these guarantee contracts is limited to the repurchase of inventory.

The Cooperative is also committed under comfort letters with financial institutions, regarding guarantees for interests in joint arrangements and members of the Cooperative totalling $43,570 as at October 26, 2024 [$39,761 in 2023].

27) Financial instruments

a) Derivative financial instruments

In the normal course of business, the Cooperative uses a number of derivative financial instruments, such as foreign exchange contracts, forward contracts, interest rate swaps and commodity and currency swaps and options to reduce its exposure to exchange rate, interest rate and commodity price fluctuations. These instruments are used exclusively for risk management purposes.

Derivative financial instruments for which hedge accounting is applied

Foreign exchange contracts

The following table sets out the amounts relating to foreign exchange contracts with maturities of less than one year:

Type	Country	Foreign currency notional	Average exchange rate	
			2024	2023
Sale	United States	**US$570,750** [US$600,000 in 2023]	**1.3556**	1.3508
Sale	Japan	**¥10,675,924** [¥5,166,342 in 2023]	**0.009595**	0.009264
Sale	Australia	**A$2,415** [A$2,553 in 2023]	**0.9178**	0.8708

Currency swaps on debt

To manage risks related to changes in foreign exchange rates, the Cooperative uses derivative financial instruments to set the Canadian-dollar amount of instalments on debt denominated in U.S. dollars. As at October 26, 2024, a debt amounting to US$161,395 [US$157,054 in 2023] was hedged using foreign currency debt agreements. These financial instruments serve to hedge the impact of changes in foreign exchange rates of this debt on the equivalent Canadian dollar amount of $220,000 [$215,000 in 2023].

Derivative financial instruments for which hedge accounting is not applied

Commodity and currency forward contracts, swaps

The Cooperative entered into forward contracts for various grains and currencies as well as currency and commodity swaps with financial institutions and in the markets to reduce its exposure to fluctuations in grain prices for supplying livestock production operations.

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

27) Financial instruments

a) Derivative financial instruments [cont'd]

The following table shows the amounts relating to these contracts:

	2024		2023	
	Notional $	**Gain (loss) $**	Notional $	Gain (loss) $
Commodity sale contracts	**7,987**	**345**	16,763	615
Commodity purchase contracts	**14,340**	**(770)**	10,731	739
Foreign currency sale contracts	**1,238**	**(37)**	12,674	(191)
Foreign currency purchase contracts	**32,658**	**717**	24,284	503
Net position – Purchase	**37,773**	**255**	5,578	1,666

The Cooperative also trades derivative financial instruments with members, to enable them to hedge the market risks related to grain marketing operations. As consideration, the Cooperative entered into forward contracts for various grains and currencies with financial institutions and in the markets. The following table shows the amounts relating to these contracts:

	2024		2023	
	Notional $	**Gain (loss) $**	Notional $	Gain (loss) $
Commodity sale contracts	**31,316**	**40**	–	–
Commodity purchase swaps	**31,293**	**(7)**	–	–
Foreign currency sale contracts	**105,826**	**(2,131)**	–	–
Foreign currency purchase swaps	**106,411**	**2,717**	–	–
Net position – Purchase	**562**	**619**	–	–

The Cooperative has also entered into commodity and foreign currency forward contracts and swaps to hedge the risk of fluctuations in hog, feed, fertilizer and construction material prices. The following table shows the amounts relating to these contracts:

	2024		2023	
	Notional $	**Gain (loss) $**	Notional $	Gain (loss) $
Commodity sale contracts	**224,019**	**(2,932)**	37,289	3,562
Commodity purchase contracts	**79,065**	**(2,083)**	27,422	(1,497)
Foreign currency sale contracts	**143,588**	**(1,534)**	140,806	(359)
Foreign currency purchase contracts	**174,468**	**3,877**	100,516	3,159
Net position – Sale	**114,074**	**(2,672)**	50,157	4,865

The Cooperative also trades derivative financial instruments with entities it does not control, to enable them to hedge market risks related to hog production operations. As consideration, the Cooperative entered into financial instruments with financial institutions and in the markets to hedge the risk of fluctuations in hog and feed prices. The following table shows the amounts relating to these contracts:

	2024		2023	
	Notional $	**Gain (loss) $**	Notional $	Gain (loss) $
Commodity swaps and sale contracts	**50,991**	**1,041**	–	–
Commodity swaps and purchase contracts	**50,775**	**(825)**	–	–
Currency swaps and sale contracts	**23,818**	**(211)**	–	–
Currency swaps and purchase contracts	**23,851**	**244**	–	–
Net position – Sale	**183**	**249**	–	–

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

27) Financial instruments

a) Derivative financial instruments [cont'd]

The tables in this note show the notional amounts of the derivative financial instruments. These amounts correspond to the contractual amount used as a reference to calculate payment amounts. Notional amounts are generally not exchanged by counterparties and do not reflect the Cooperative's exposure in the event of default.

Interest rate swaps

To manage risks related to changes in interest rates, the Cooperative uses derivative financial instruments to set the initial variable interest rates as fixed interest rates. As at October 26, 2024, interest rate swaps under which the Cooperative receives interest at the variable one-month CORRA rate of 3.81% in 2024 [variable one-month CDOR rate of 5.42% in 2023] on a notional of $445,000 [$250,000 in 2023] were in effect. The Cooperative pays interest at fixed rates ranging from 2.83% to 4.06% [3.08% to 4.69% 2023]. These swaps provide for monthly net settlement of interest received and paid. These swaps mature from December 2026 to September 2034 [May 2026 to March 2028 in 2023].

A loss of $5,058 [gain of $9,355 in 2023] was recognized under Gains (losses) on revaluation of interest rate swaps in the consolidated statement of earnings.

b) Fair value of derivative financial instruments

The fair value of the derivative financial instruments reflects the estimated amounts the Cooperative would receive (or pay) to terminate open contracts at year-end. The prices obtained by the Cooperative's brokers are compared with closing capital market prices.

The fair value of derivative financial instruments was as follows:

Derivatives	**2024** **$**	2023 $
Commodity and currency forward contracts, options and swaps – asset	**8,206**	7,653
Commodity and currency forward contracts, options and swaps – liability	**(9,756)**	(1,187)
Interest rate swaps – asset	**2,178**	8,279
Interest rate swaps – liability	**(5,027)**	–
	(4,399)	14,745

In fiscal 2024 and 2023, no amounts were recognized in the consolidated statement of earnings for the ineffective portion of hedging relationships for foreign exchange contracts and currency swaps on debt.

c) Nature and extent of risks arising from financial instruments and related risk management

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the Cooperative by failing to discharge its obligations. The maximum exposure to credit risk for the Cooperative is equal to the carrying amount of the following financial instruments:

Trade receivables and notes receivable

In the normal course of business, the Cooperative evaluates the financial position of its clients on a regular basis and examines the credit history of new clients. To protect itself against financial losses related to credit risk, the Cooperative has a policy that sets out credit conditions for various areas of operations. Specific credit limits are set for each sector and client and reviewed periodically. The allowance for doubtful accounts is based on the client's specific credit risk and historical trends. Moreover, the Cooperative holds security on the assets and investments of certain clients in the event of default. The Cooperative believes its credit risk exposure to trade receivables and notes receivable to be minimal due to client and sector diversification.

Derivatives

Credit risk related to derivative financial instruments is limited to unrealized gains, if any. The Cooperative is likely to incur losses if parties fail to meet their commitments related to these instruments. However, the Cooperative views this risk as minimal or non-existent, as it deals only with highly rated financial institutions, or members or entities in which it holds an interest.

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

27) Financial instruments

c) Nature and extent of risks arising from financial instruments and related risk management [cont'd]

Liquidity risk

Liquidity risk is the risk that the Cooperative will encounter difficulty in meeting its obligations associated with financial liabilities. This mainly consists of bank borrowings, accounts payable and accrued liabilities, lease liabilities, long-term debt, commodity and currency forward contracts and other liabilities.

The Cooperative manages this risk by drawing up detailed financial projections and developing a long-term acquisition strategy. Treasury management at the consolidated level requires constant monitoring of expected cash inflows and outflows based on the Cooperative's consolidated financial position projections. Liquidity risk is evaluated using historical volatility, seasonal needs, current financial obligations and long-term debt obligations.

Market risk

Foreign exchange risk

Currency risk is the risk that the value of a financial instrument or cash flows related to sales or purchases made abroad will fluctuate because of changes in foreign exchange rates. To protect its transactions against foreign exchange risk, the Cooperative uses foreign exchange forward contracts, currency swaps and currency options.

The Cooperative's main foreign exchange risks are covered by a centralized treasury department. Foreign exchange risk is managed in accordance with the foreign exchange risk management policy. The policy aims to protect the Cooperative's operating income by eliminating the exposure to currency fluctuations.

Interest rate risk

Interest rate risk relating to financial assets and liabilities results from changes in interest rates that the Cooperative may experience. The Cooperative believes that notes receivable, bank borrowings and obligations under variable-rate long-term debt give rise to cash flow risk, as the Cooperative could be adversely affected in the event of changes in interest rates.

Centralized treasury management aims to match and bring about an appropriate combination of fixed- and variable-rate borrowings to minimize the impact of interest rate fluctuations. Furthermore, to protect its long-term debt against interest rate fluctuations, the Cooperative uses interest rate swaps.

Other price risk

Commodity price risk

Input prices are determined by several external factors. Extreme price volatility results from constant changes in supply markets. To reduce its exposure to price risk, the Cooperative uses commodity forward contracts, swaps and options.

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

28) Related party transactions

The Cooperative enters into transactions with its joint arrangements in the normal course of business. Those transactions, measured at the exchange amount, are summarized as follows:

	2024 $	2023 $
Consolidated statement of earnings		
Revenues	**1,282,022**	1,533,123
Cost of sales and selling and administrative expenses	**325,800**	375,723
Investment income	**49**	677

	2024 $	2023 $
Consolidated balance sheet		
Assets		
Accounts receivable	**82,508**	109,574
Investments	**14,554**	12,488
Liabilities		
Accounts payable and accrued liabilities	**26,230**	10,281
Deferred revenues	**40,154**	108,260
Note payable of a subsidiary, without interest or repayment terms	**–**	7,000

The investments with the joint arrangements are as follows:

	2024 $	2023 $
Notes receivable, non-interest bearing, with no maturity	**13,279**	11,088
Note receivable, non-interest bearing, repayable under the terms of the agreement	**600**	800
Note receivable, bearing interest at the prime rate plus 0.5%	**675**	600
	14,554	12,488

The Cooperative enters into transactions with its entities subject to significant influence in the normal course of business. Those transactions, measured at the exchange amount, are summarized as follows:

	2024 $	2023 $
Consolidated statement of earnings		
Revenues	**122,558**	162,429
Cost of sales and selling and administrative expenses	**239,607**	376,733

	2024 $	2023 $
Consolidated balance sheet		
Assets		
Accounts receivable	**5,543**	7,776
Derivative financial instruments	**1,286**	—
Note receivable, bearing interest at 6.95% [5.91% in 2023], with no maturity	**1,577**	2,187
Note receivable, non-interest bearing, with no maturity	**—**	1,750
Preferred shares	**15,000**	15,000
Liabilities		
Accounts payable and accrued liabilities	**1,417**	4,528

Notes to consolidated financial statements

Years ended October 26, 2024 and October 28, 2023

29) Subsequent events

On October 31, 2024, the Cooperative acquired 54% of the shares of a company in the poultry sector for a consideration of $9,112 and repaid its long-term debt of $23,110. The Cooperative already held a 46% interest in this company. As a result, on that same date, control of that entity was obtained, and it will be consolidated in the financial statements.

On November 30, 2024, the Board of Directors resolved to repurchase 27,335,607 Class D-1 common shares, 2,621,682 Class P-1 common shares and 42,711 Class A preferred shares, all issued in 2015 and 2016, for a cash consideration of $30,000.

On January 22, 2025, the Board of Directors declared an eligible dividend of $5,209. This dividend will be paid entirely in cash.

Financial review – Unaudited

	2024	2023	2022	2021	2020
Operations *[in thousands of dollars]*					
Revenues	**$7,843,601**	$8,342,344	$8,469,716	$7,563,153	$6,952,829
Net financial expenses	**69,335**	90,719	84,030	35,734	53,796
Amortization (excluding transaction costs)	**142,506**	160,267	164,096	158,183	168,511
Earnings (loss) before patronage refunds, income taxes (recovery) and discontinued operations	**197,606**	146,815	(289,362)	42,839	211,124
Patronage refunds	**17,790**	–	–	–	29,200
Income taxes (recovery)	**(93,982)**	29,804	(666)	(11,138)	30,850
Net earnings (loss) attributable to members of the Cooperative	**230,323**	101,938	(278,379)	(4,292)	117,664
Operating earnings before interest, taxes, depreciation, and amortization (Operating EBITDA)	**418,403**	361,647	44,153	147,708	467,077
Financial position *[in thousands of dollars]*					
Working capital	**$427,320**	$239,309	$579,177	$577,715	$639,904
Property, plant and equipment and productive biological assets, net carrying amount	**1,099,232**	1,162,742	1,358,174	1,464,378	1,567,259
Total assets	**3,783,473**	3,750,518	4,577,368	4,969,460	4,728,182
Preferred shares and equity of the Cooperative	**1,655,237**	1,767,352	1,733,516	2,099,983	2,032,586
Financial ratios					
Working capital ratio	**1.4**	1.2	1.4	1.4	1.6
Interest coverage*	**3.9**	2.6	(2.4)	2.2	4.9
Debt/equity ratio	**33:67**	26:74	41:59	35:65	38:62
Earnings (loss) before patronage refunds, income taxes (recovery) and discontinued operations*/revenues	**2.5%**	1.8%	(3.4)%	0.5%	2.9%
Reserve and contributed surplus/preferred shares and equity of the Cooperative	**46.0%**	34.3%	33.1%	44.9%	42.4%
Preferred shares and equity of the Cooperative/total assets	**43.7%**	47.1%	37.9%	42.3%	43.0%
Number of employees	**14,862**	15,960	15,930	15,850	16,150

* For the purposes of ratio calculations, non-controlling interests are included in earnings before patronage refunds and income taxes.

Sollio
Cooperative Group

Affiliated Cooperatives

Agiska Coopérative
Saint-Hyacinthe

Agro Co-operative Assoc Ltd
Charlottetown (Île-du-Prince-Édouard)

Antigonish Farm & Garden Co-op
Antigonish (Nouvelle-Écosse)

Atlantic Co-operative Country Stores Moncton
(Nouveau-Brunswick)

Avantis Coopérative
Sainte-Marie

La Coop Chambord
Chambord

Citadelle, coopérative de producteurs de sirop d'érable
Plessisville

Covris Coopérative
Baie-du-Fèbvre

La Coop Dupuy et Sainte-Jeanne d'Arc
Dupuy

Eastern Farmers Co-op Society
Mount Pearl (Terre-Neuve)

Fermes du Nord Coopérative
Mont-Tremblant

Filière porcine coopérative
Montréal

La Coop Gracefield
Gracefield

Magasin Co-op de Havre-aux-Maisons
Havre-aux-Maisons

Co-op Home & Farm Supply Fredericton
(Nouveau-Brunswick)

Kensington Co-operative Association Limited
Kensington (Île-du-Prince-Édouard)

La Coop La Patrie
La Patrie

Société coopérative de Lamèque Ltée
Lamèque (Nouveau-Brunswick)

Nutrinor coopérative
Saint-Bruno-Lac-Saint-Jean

Novago Coopérative
Joliette

O'Leary Farmers Co-op Assn.
O'Leary (Île-du-Prince-Édouard)

Magasin CO-OP de Plessisville
Plessisville

Scotian Gold Co-operative Limited
Coldbrook (Nouvelle-Écosse)

South Eastern Farmers Co-op
Moncton (Nouveau-Brunswick)

La Coop Squatec
Squatec

La Coop Saint-Adrien-d'Irlande
Saint-Adrien-d'Irlande

La Fromagerie coopérative Saint-Albert inc.
Saint-Albert (Ontario)

La Coop Saint-Côme-Linière
Saint-Côme-Linière

La Coop Sainte-Justine
Sainte-Justine

La Coop Sainte-Marthe
Sainte-Marthe

Magasin CO-OP de Sainte-Perpétue
Sainte-Perpétue-de-L'Islet

La Coop St-Fabien
Saint-Fabien

La Coop Saint-Hubert
Saint-Hubert-de-Rivière-du-Loup

La Coop Saint-Méthode
Adstock

La Coop Saint-Pamphile
Saint-Pamphile

La Coop Saint-Patrice
Saint-Patrice-de-Beaurivage

Coopérative de Saint-Quentin ltée
Saint-Quentin (Nouveau-Brunswick)

La Coop Saint-Ubald
Saint-Ubalde

Magasin CO-OP de Saint-Victor
Saint-Victor

Section des marchands indépendants BMR
Montréal

Section des producteurs de porc de l'ouest
Montréal

Sussex & Studholm Agricultural Society No. 21
Sussex (Nouveau-Brunswick)

Uniag Coopérative
Napierville

Unoria Coopérative
Rimouski

VIVACO groupe coopératif
Victoriaville

Auxiliary Members

Coop de services agricoles Le Partage Lotbinière
Lotbinière

Coopérative des producteurs de pommes de terre de Péribonka-Ste-Marguerite-Marie
Péribonka

Coopérative d'utilisation de matériel agricole des Basses-Laurentides
Mirabel

Coopérative d'utilisation de matériel agricole de la Matapédia
Saint-Léon-le-Grand

Coopérative d'utilisation de matériel agricole de la Rivière du Bic
Rimouski (Le Bic)

Coopérative d'utilisation de matériel agricole de La Rocaille
Sainte-Hélène-de-Kamouraska

Coopérative d'utilisation de matériel agricole de Laurierville
Laurierville

Coopérative d'utilisation de matériel agricole de l'Érable
Plessisville

Coopérative d'utilisation de matériel agricole de l'Érablière
Saint-Félix-de-Valois

Coopérative d'utilisation de matériel agricole de l'Or Blanc
Saint-Georges-de-Windsor

Coopérative d'utilisation de matériel agricole de Saint-Fabien
Saint-Fabien

Coopérative d'utilisation de matériel agricole de St-Cyprien
Saint-Cyprien

Coopérative d'utilisation de matériel agricole de Ste-Croix
Saint-Édouard-de-Lotbinière

Coopérative d'utilisation de matériel agricole de St-Jean-de-Dieu
Saint-Jean-de-Dieu

Coopérative d'utilisation de matériel agricole de Weedon
Weedon

Coopérative d'utilisation de matériel agricole des Rivières
Sainte-Anne-de-la-Pérade

Coopérative d'utilisation de matériel agricole du Coteau
Isle-Verte

Coopérative d'utilisation de matériel agricole du Haut-Saint-Laurent
Saint-Anicet

Coopérative d'utilisation de matériel agricole du Saguenay
Saguenay

Coopérative d'utilisation de matériel agricole Estrie-Mont
Saint-Joachim-de-Shefford

Coopérative d'utilisation de matériel agricole et forestière du Lac
Alma

Coopérative d'utilisation de matériel agricole Franco-Agri
Sainte-Anne-de-Prescott (Ontario)

Coopérative d'utilisation de matériel agricole Jeannoise
Saint-Gédéon

Coopérative d'utilisation de matériel agricole l'Achigan
L'Épiphanie

Coopérative d'utilisation de matériel agricole Lamy
Saint-Hubert

Coopérative d'utilisation de matériel agricole Les Ressources
Yamachiche

Coopérative d'utilisation de matériel agricole Petite Montagne
Saint-Joseph-de-Beauce

Coopérative d'utilisation de matériel agricole Porte de la Beauce
Saint-Isidore

Coopérative d'utilisation de matériel agricole Tournesol
Sainte-Marie

Coopérative d'utilisation de matériel agricole de Bellechasse
Saint-Gervais

Coopérative d'utilisation de matériel agricole de La Durantaye
La Durantaye

Coopérative d'utilisation de matériel agricole de la Montagne du diable
Mont-Saint-Michel

Coopérative d'utilisation de matériel agricole de la Petite-Nation et de la Lièvre
Plaisance

Coopérative d'utilisation de matériel agricole de la région de l'Estrie
Coaticook

Coopérative d'utilisation de matériel agricole de Leclercville
Leclercville

Coopérative d'utilisation de matériel agricole de Matane
Saint-Luc

Coopérative d'utilisation de matériel agricole de St-Éloi
Saint-Éloi

Coopérative d'utilisation de matériel agricole Boréale
Saint-Isidore Hébertville

Coopérative d'utilisation de matériel agricole Saint-Vallier
Saint-Vallier

Coopérative d'utilisation de matériel agricole de St-Sylvère
Deschaillons

Coopérative d'utilisation de matériel agricole des Aulnaies
Saint-Jean-Port-Joli

Coopérative d'utilisation de matériel agricole du Haut du Lac
Normandin

Coopérative d'utilisation de matériel agricole Duncan
Saint-Nazaire-d'Acton

Coopérative d'utilisation de matériel agricole Kamouraska-Ouest
Rivière-Ouelle

Coopérative d'utilisation de matériel agricole l'Oie Blanche
Saint-Pierre

Coopérative d'utilisation de matériel agricole de Rouville
Carignan

Coopérative d'utilisation de matériel agricole de la Horton
Saint-Michel-du-Squatec

Coopérative d'utilisation de matériel agricole Les Rameaux de la Baie-des-Chaleurs
New Richmond

Coopérative d'utilisation de matériel agricole des Hauts-reliefs
Saint-Adrien

Coopérative d'utilisation de matériel agricole de St-Norbert
St-Norbert

Coopérative d'utilisation de matériel agricole de Warwick
Warwick

Birnam Orchards
Finalist
Sollio Next Generation Award
2024-2025

Sollio
Cooperative Group