

LINAMAR CORPORATION

Consolidated Interim Statements of Financial Position

As at September 30, 2022 with comparatives as at December 31, 2021 (Unaudited)
(in thousands of Canadian dollars)

	September 30 2022 \$	December 31 2021 \$
ASSETS		
Cash and cash equivalents	856,033	928,428
Accounts and other receivables	1,309,332	870,551
Inventories	1,423,979	1,066,456
Income taxes recoverable	24,031	23,188
Current portion of long-term receivables (Note 6)	26,020	43,883
Current portion of derivative financial instruments (Note 6)	47,190	9,099
Prepaid expenses and other current assets	53,056	40,588
Current Assets	3,739,641	2,982,193
Long-term receivables (Note 6)	49,845	186,186
Derivative financial instruments (Note 6)	1,368	1,031
Property, plant and equipment	2,672,190	2,415,916
Investments	18,202	14,375
Deferred tax assets	150,848	130,925
Intangible assets	905,607	806,476
Goodwill	893,688	853,288
Assets	8,431,389	7,390,390
LIABILITIES		
Accounts payable and accrued liabilities	2,075,968	1,603,466
Provisions	36,011	35,910
Income taxes payable	48,244	77,390
Current portion of long-term debt (Notes 6, 7)	749,859	21,055
Current portion of derivative financial instruments (Note 6)	52,556	7,299
Current Liabilities	2,962,638	1,745,120
Long-term debt (Notes 6, 7)	558,911	770,490
Derivative financial instruments (Note 6)	8,737	1,044
Deferred tax liabilities	256,861	274,940
Liabilities	3,787,147	2,791,594
EQUITY		
Capital stock	138,836	146,204
Retained earnings	4,558,538	4,449,643
Contributed surplus	31,110	28,816
Accumulated other comprehensive earnings (loss)	(84,242)	(25,867)
Equity	4,644,242	4,598,796
Liabilities and Equity	8,431,389	7,390,390

The accompanying notes are an integral part of these consolidated interim financial statements.

On behalf of the Board of Directors:

(Signed) "Linda Hasenfratz"

Linda Hasenfratz
Director

(Signed) "Jim Jarrell"

Jim Jarrell
Director

LINAMAR CORPORATION

Consolidated Interim Statements of Earnings

For the nine months ended September 30, 2022 and September 30, 2021 (Unaudited)

(in thousands of Canadian dollars, except per share figures)

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2022	2021	2022	2021
	\$	\$	\$	\$
Sales	2,098,143	1,645,005	5,857,872	5,002,132
Cost of sales	1,820,236	1,409,488	5,131,907	4,225,377
Gross Margin	277,907	235,517	725,965	776,755
Selling, general and administrative	108,707	85,016	301,059	253,554
Other income and (expenses) (Note 9)	16,205	5,704	38,432	7,924
Operating Earnings (Loss)	185,405	156,205	463,338	531,125
Share of net earnings (loss) of investments accounted for using the equity method	-	(7,698)	(6,086)	(21,207)
Finance income and (expenses) (Note 10)	(8,900)	(1,926)	(14,295)	(10,262)
Net Earnings (Loss) before Income Taxes	176,505	146,581	442,957	499,656
Provision for (recovery of) income taxes	43,267	37,742	108,959	129,328
Net Earnings (Loss) for the Period	133,238	108,839	333,998	370,328
Net Earnings (Loss) per Share:				
Basic	2.10	1.66	5.17	5.66
Diluted	2.10	1.66	5.17	5.65

The accompanying notes are an integral part of these consolidated interim financial statements.

LINAMAR CORPORATION**Consolidated Interim Statements of Comprehensive Earnings**

For the nine months ended September 30, 2022 and September 30, 2021 (Unaudited)

(in thousands of Canadian dollars)

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2022	2021	2022	2021
	\$	\$	\$	\$
Net Earnings (Loss) for the Period	133,238	108,839	333,998	370,328
Items that may be reclassified subsequently to net income				
Unrealized gains (losses) on translating financial statements of foreign operations	61,791	3,159	(57,425)	(126,020)
Change in unrealized gains (losses) on net investment hedges	(1,408)	1,440	26,944	36,662
Change in unrealized gains (losses) on cash flow hedges	(48,624)	(13,305)	(50,344)	(10,200)
Change in cost of hedging	4,149	(173)	7,219	(2,558)
Reclassification to earnings of gains (losses) on cash flow hedges	8,829	(6,830)	11,935	(14,610)
Tax impact of above	9,664	5,091	9,298	3,617
Other Comprehensive Earnings (Loss)	34,401	(10,618)	(52,373)	(113,109)
Comprehensive Earnings (Loss) for the Period	167,639	98,221	281,625	257,219

The accompanying notes are an integral part of these consolidated interim financial statements.

LINAMAR CORPORATION

Consolidated Interim Statements of Changes in Equity

For the nine months ended September 30, 2022 and September 30, 2021 (Unaudited)

(in thousands of Canadian dollars)

	Capital stock \$	Retained earnings \$	Contributed surplus \$	Cumulative translation adjustment \$	Hedging reserves \$	Total Equity \$
Balance at January 1, 2022	146,204	4,449,643	28,816	(21,284)	(4,583)	4,598,796
Net Earnings (Loss)	-	333,998	-	-	-	333,998
Other comprehensive earnings (loss)	-	-	-	(30,481)	(21,892)	(52,373)
Comprehensive Earnings (Loss)	-	333,998	-	(30,481)	(21,892)	281,625
Hedging transferred to the carrying value of inventory	-	-	-	-	(6,002)	(6,002)
Share-based compensation	-	-	2,294	-	-	2,294
Common shares repurchased and cancelled (Note 8)	(7,368)	(186,327)	-	-	-	(193,695)
Dividends	-	(38,776)	-	-	-	(38,776)
Balance at September 30, 2022	138,836	4,558,538	31,110	(51,765)	(32,477)	4,644,242
	Capital stock \$	Retained earnings \$	Contributed surplus \$	Cumulative translation adjustment \$	Hedging reserves \$	Total Equity \$
Balance at January 1, 2021	146,204	4,073,591	25,546	91,598	16,559	4,353,498
Net Earnings (Loss)	-	370,328	-	-	-	370,328
Other comprehensive earnings (loss)	-	-	-	(92,586)	(20,523)	(113,109)
Comprehensive Earnings (Loss)	-	370,328	-	(92,586)	(20,523)	257,219
Hedging transferred to the carrying value of inventory	-	-	-	-	53	53
Share-based compensation	-	-	2,118	-	-	2,118
Dividends	-	(31,416)	-	-	-	(31,416)
Balance at September 30, 2021	146,204	4,412,503	27,664	(988)	(3,911)	4,581,472

The accompanying notes are an integral part of these consolidated interim financial statements.

LINAMAR CORPORATION

Consolidated Interim Statements of Cash Flows

For the nine months ended September 30, 2022 and September 30, 2021 (Unaudited)

(in thousands of Canadian dollars)

	Three Months Ended		Nine Months Ended	
	2022	2021	2022	2021
	\$	\$	\$	\$
Cash generated from (used in)				
Operating Activities				
Net Earnings (Loss) for the Period	133,238	108,839	333,998	370,328
Adjustments for:				
Amortization of property, plant and equipment	95,684	96,009	285,198	301,157
Amortization of other intangible assets	14,996	12,667	42,537	36,765
Deferred income taxes	(7,119)	1,564	(25,333)	(12,023)
Asset impairment provision, net of reversals	-	109	139	1,749
Share-based compensation	765	706	2,294	2,118
Equity investment (earnings) loss	-	7,698	6,086	21,207
Finance (income) and expenses	8,900	1,926	14,295	10,262
Other	3,718	(16,485)	(20,397)	(33,008)
	250,182	213,033	638,817	698,555
Changes in operating assets and liabilities:				
(Increase) decrease in accounts and other receivables	(164,263)	21,026	(389,506)	(79,582)
(Increase) decrease in inventories	(77,269)	(28,759)	(295,185)	(132,064)
(Increase) decrease in prepaid expenses and other current assets	(17,959)	(11,805)	(11,416)	(9,049)
(Increase) decrease in long-term receivables	3,918	(1,791)	14,583	121,815
Increase (decrease) in income taxes	8,677	14,024	(32,284)	(5,094)
Increase (decrease) in accounts payable and accrued liabilities	113,626	76,625	322,876	99,418
Increase (decrease) in provisions	1,349	(1,124)	(776)	(2,870)
	(131,921)	68,196	(391,708)	(7,426)
Cash generated from (used in) operating activities	118,261	281,229	247,109	691,129
Financing Activities				
Proceeds from (repayments of) long-term debt	56,250	(130,972)	469,583	(976,666)
Proceeds from senior unsecured notes	-	-	-	493,952
Repurchase of shares (Note 8)	(110,525)	-	(193,695)	-
Dividends	(12,718)	(10,472)	(38,776)	(31,416)
Finance income received (expenses paid)	(9,410)	(2,494)	(13,036)	(374)
Settlement of derivative contracts	-	-	-	(40,470)
Cash generated from (used in) financing activities	(76,403)	(143,938)	224,076	(554,974)
Investing Activities				
Payments for purchase of property, plant and equipment	(83,430)	(58,632)	(256,280)	(168,983)
Proceeds on disposal of property, plant and equipment	1,777	1,303	34,765	5,708
Payments for purchase of intangible assets	(4,443)	(2,991)	(8,754)	(8,262)
Business acquisitions, net of cash acquired (Note 14)	-	-	(328,352)	-
Other	(1,841)	(7,487)	(2,744)	(13,468)
Cash generated from (used in) investing activities	(87,937)	(67,807)	(561,365)	(185,005)
Effect of translation adjustment on cash	(46,079)	69,484	(90,180)	(48,850)
	24,629	4,941	17,785	(6,254)
Increase (decrease) in cash and cash equivalents	(21,450)	74,425	(72,395)	(55,104)
Cash and cash equivalents - Beginning of Period	877,483	731,571	928,428	861,100
Cash and cash equivalents - End of Period	856,033	805,996	856,033	805,996
Comprised of:				
Cash in bank	422,010	449,550	422,010	449,550
Short-term deposits	440,076	375,466	440,076	375,466
Unpresented cheques	(6,053)	(19,020)	(6,053)	(19,020)
	856,033	805,996	856,033	805,996

The accompanying notes are an integral part of these consolidated interim financial statements.

LINAMAR CORPORATION

Notes to Consolidated Interim Financial Statements

For the nine months ended September 30, 2022 and September 30, 2021 (Unaudited)
(in thousands of Canadian dollars, except where otherwise noted)

1 General Information

Linamar Corporation and its subsidiaries, including jointly controlled entities, (together, the “Company”) is a diversified global manufacturing company of highly engineered products. The Company is incorporated in Ontario, Canada with common shares listed on the Toronto Stock Exchange (“TSX”). The Company is domiciled in Canada and its registered office is 287 Speedvale Avenue West, Guelph, Ontario, Canada.

The consolidated interim financial statements of the Company for the period ended September 30, 2022 were authorized for issue in accordance with a resolution of the Company’s Board of Directors on November 9, 2022.

2 Basis of Preparation and Significant Accounting Policies

The Company has prepared its consolidated interim financial statements in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and with interpretations of the International Financial Reporting Issues Committee.

These interim financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial statements, including International Accounting Standards (“IAS”) 34, Interim Financial Reporting. Accordingly, certain information and footnotes as required in the annual financial statements have been omitted or condensed and as such these interim financial statements should be read in conjunction with the Company’s annual financial statements for the year ended December 31, 2021. These interim financial statements and the notes thereto have not been reviewed by the Company’s external auditors pursuant to a review engagement applying review standards set out in the Canadian Chartered Professional Accountants handbook.

These interim financial statements were prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value.

The Company has prepared these unaudited consolidated interim financial statements using the same accounting policies and methods as those used in the Company’s audited consolidated annual financial statements for the year ended December 31, 2021. These policies have been consistently applied to all periods presented, unless otherwise stated.

3 Changes in Accounting Policies

New Standards and Amendments Adopted

Certain new standards and amendments became effective during the current period; however the adoption of these new standards and amendments did not significantly impact the Company’s net earnings or financial position.

New Standards and Interpretations Not Yet Adopted

All pronouncements will be adopted in the Company’s accounting policies after the effective date of the pronouncement. At the date of authorization of these interim financial statements, there were no new standards, amendments and interpretations to existing standards that were relevant to the Company.

4 Critical Accounting Estimates and Judgements

The preparation of financial statements in conformity with IFRS requires management to make estimates and judgements about the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from those estimates under different assumptions or conditions. Due to the uncertainty of COVID-19, the following discussion sets forth an update to management’s most critical estimates and assumptions in determining the value of assets and liabilities and most critical judgements in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year.

Impact of COVID-19 on Results and Risk Management Practices

During 2020, the outbreak of the novel strain of coronavirus, specifically identified as COVID-19, spread across the globe impacting worldwide economic activity. The extent to which the financial results and condition of the Company in future periods may be affected by COVID-19 depends on future developments and cannot be reliably determined at the date of these financial statements. The Company has not changed its fundamental risk management practices. The Company will continue to evaluate the situation and monitor any impacts or potential impacts to its business.

Purchase Price Allocations

The determination of the purchase price is a critical estimate until finalized. The purchase price related to a business combination is allocated to the underlying acquired assets and liabilities based on their estimated fair values at the time of acquisition. The determination

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Notes to Consolidated Interim Financial Statements

For the nine months ended September 30, 2022 and September 30, 2021 (Unaudited)
(in thousands of Canadian dollars, except where otherwise noted)

of fair value requires the Company to make assumptions, estimates and judgements regarding future events. The allocation process is inherently subjective and impacts the amounts assigned to individually identifiable assets and liabilities. As a result, the purchase price allocation impacts the Company's reported assets and liabilities and future net earnings due to the impact on future depreciation and amortization expense and impairment tests.

Please refer to the "Critical Accounting Estimates and Judgements" section of the Company's December 31, 2021 consolidated annual financial statements for additional information.

5 Seasonality

Historically, earnings in the second quarter for the Industrial segment are positively impacted by the high selling season for both the access equipment and agricultural businesses. For the Mobility segment, vehicle production is typically at its lowest level during the third and fourth quarters due to lower original equipment manufacturers' production schedules resulting from shutdowns related to summer and winter maintenance and model changeovers. The Company takes advantage of summer and winter shutdowns for maintenance activities that would otherwise disrupt normal production schedules.

6 Composition of Financial Instruments

The comparison of fair values to carrying amounts of financial assets and financial liabilities along with their fair value hierarchy for financial assets and financial liabilities carried at fair value on a recurring basis is as follows:

		September 30, 2022		December 31, 2021	
	Subsequent Measurement	Carrying Value Asset (Liability) \$	Fair Value \$	Carrying Value Asset (Liability) \$	Fair Value \$
Long-term receivables	Amortized cost (Level 2)	75,865	75,440	230,069	240,456
Derivative financial instruments (hedge relationships)					
USD sales forwards – CAD functional entities	Fair value (Level 2)	(59,485)	(59,485)	(3,880)	(3,880)
USD sales forwards – MXN functional entities	Fair value (Level 2)	6,779	6,779	3,323	3,323
USD sales forwards – CNY functional entities	Fair value (Level 2)	(1,679)	(1,679)	1,045	1,045
CAD purchase forwards – GBP functional entities	Fair value (Level 2)	9,785	9,785	1,299	1,299
Derivative financial instruments (held for trading)					
USD foreign currency forwards	Fair value (Level 2)	31,865	31,865	-	-
Investment designated at fair value through other comprehensive income	Fair value (Level 3)	7,693	7,693	6,794	6,794
Long-term debt, excluding lease liabilities	Amortized cost (Level 2)	(1,226,652)	(1,116,855)	(732,249)	(700,197)

During 2022, the Company entered into foreign exchange derivative contracts as part of its risk management program to mitigate variability associated with foreign exchange on foreign denominated borrowings. The derivatives are not designated in a hedge accounting relationship and the net impact was a gain included in finance income of \$31,575 for the three months ended September 30, 2022 and a net gain of \$31,865 for the nine months ended September 30, 2022. The gain on the derivatives mitigated the losses associated with foreign exchange on foreign denominated borrowings also included in finance income of \$31,962 for the three months ended September 30, 2022 and a loss of \$33,261 for the nine months ended September 30, 2022.

7 Long-Term Debt

	September 30 2022 \$	December 31 2021 \$
Senior unsecured notes	431,719	458,521
Bank borrowings	723,153	198,007
Lease liabilities	82,118	59,296
Government borrowings	71,780	75,721
	1,308,770	791,545
Less: current portion	749,859	21,055
	558,911	770,490

As of September 30, 2022, \$434,970 was available under the revolving credit facility.

LINAMAR CORPORATION

Notes to Consolidated Interim Financial Statements

For the nine months ended September 30, 2022 and September 30, 2021 (Unaudited)
(in thousands of Canadian dollars, except where otherwise noted)

8 Capital Stock

In November 2021, the Company announced TSX approval to commence a new normal course issuer bid. This bid permits the Company to acquire for cancellation up to 4,421,507 common shares between November 30, 2021 and November 29, 2022. This bid is subject to daily limits and blackout periods. For the nine months ended September 30, 2022, the Company repurchased and cancelled 3,298,162 common shares under its bid for a total amount of \$193,695. Subsequent to the period end and before entering into the next blackout period, the Company has repurchased and cancelled 201,838 common shares under its bid for a total amount of \$11,387.

9 Other Income and (Expenses)

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2022	2021	2022	2021
	\$	\$	\$	\$
Foreign exchange gain (loss)	16,957	5,459	16,974	6,818
Gain on sale of unused land	-	-	22,157	-
Other income (expense)	(752)	245	(699)	1,106
	16,205	5,704	38,432	7,924

10 Finance Income and (Expenses)

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2022	2021	2022	2021
	\$	\$	\$	\$
Finance costs	(8,614)	(4,453)	(17,449)	(14,575)
Foreign exchange gain (loss) on debt and derivatives	(699)	-	(1,266)	(6,324)
Interest earned	4,637	4,524	13,555	16,292
Other	(4,224)	(1,997)	(9,135)	(5,655)
	(8,900)	(1,926)	(14,295)	(10,262)

11 Commitments

As at September 30, 2022, outstanding commitments for capital expenditures under purchase orders and contracts amounted to \$362,563 (September 30, 2021 - \$177,456). Of this amount \$345,051 (September 30, 2021 - \$156,069) relates to the purchase of manufacturing equipment and \$17,512 (September 30, 2021 - \$21,387) relates to general contracting and construction costs in respect of plant construction. Of the commitments for plant construction, \$4,837 (September 30, 2021 - \$18,091) were commitments to a related party, a company owned by the spouse of an officer and director. The majority of these commitments are due within the next twelve months.

12 Related Party Transactions

Related party transactions include long-term receivables due from an investee accounted for using the equity method at September 30, 2022 of \$Nil (September 30, 2021 - \$125,735). Interest earned on the receivable included in finance income was \$Nil for the three months ended September 30, 2022 and \$1,470 for the nine months ended September 30, 2022 (\$1,317 for the three months ended September 30, 2021 and \$3,650 for the nine months ended September 30, 2021). Included in the cost of sales are material purchases from the same related party of \$Nil for the three months ended September 30, 2022 and \$7,458 for the nine months ended September 30, 2022 (\$9,652 for the three months ended September 30, 2021 and \$20,455 for the nine months ended September 30, 2021), with amounts payable at September 30, 2022 of \$Nil (September 30, 2021 of \$11,029). Please see Note 14 regarding the business acquisition of the remaining 50% interest in the equity accounted investment on April 1, 2022.

Building additions made by a related party, a company owned by the spouse of an officer and director, were \$1,685 for the three months ended September 30, 2022 and \$11,613 for the nine months ended September 30, 2022 (\$1,033 for the three months ended September 30, 2021 and \$1,295 for the nine months ended September 30, 2021).

13 Segmented Information

Management has determined the operating segments based on the reports reviewed by the Senior Executive Group that are used to make strategic decisions.

LINAMAR CORPORATION

Notes to Consolidated Interim Financial Statements

For the nine months ended September 30, 2022 and September 30, 2021 (Unaudited)
(in thousands of Canadian dollars, except where otherwise noted)

Mobility: The Mobility segment derives revenues primarily from the collaborative design, development and manufacture of both systems and components for new energy powertrains, body and chassis, driveline, engine, and transmission systems for both the global electrified and traditionally powered on and off highway vehicle markets.

Industrial: The Industrial segment is a world leader in the design and production of innovative mobile industrial equipment, notably its class-leading aerial work platforms, telehandlers and agricultural equipment.

The segments are differentiated by the products that each produces and reflects how the Senior Executive Group manages the business. Corporate headquarters and other small operating entities are allocated to the Mobility and Industrial operating segments accordingly.

The Company accounts for inter-segment sales and transfers as arm's length transactions at current market rates. The Company ensures that the measurement and policies are consistently followed among the Company's reportable segments for sales, operating earnings, net earnings and assets.

The Company derives revenue from the transfer of goods and services at a point in time and over time in the following operating segments. These segments best depict how economic factors affect the nature, amount, timing and uncertainty of revenue and cash flows.

	Three Months Ended September 30, 2022			Nine Months Ended September 30, 2022		
	Sales to external customers	Inter-segment sales	Operating earnings (loss)	Sales to external customers	Inter-segment sales	Operating earnings (loss)
	\$	\$	\$	\$	\$	\$
Mobility	1,564,687	8,602	100,705	4,451,652	27,465	317,431
Industrial	533,456	2,553	84,700	1,406,220	7,791	145,907
Total	2,098,143	11,155	185,405	5,857,872	35,256	463,338

	Three Months Ended September 30, 2021			Nine Months Ended September 30, 2021		
	Sales to external customers	Inter-segment sales	Operating earnings (loss)	Sales to external customers	Inter-segment sales	Operating earnings (loss)
	\$	\$	\$	\$	\$	\$
Mobility	1,211,050	7,899	86,189	3,826,392	21,846	351,733
Industrial	433,955	2,462	70,016	1,175,740	6,910	179,392
Total	1,645,005	10,361	156,205	5,002,132	28,756	531,125

The Company operates in four geographic segments. The sales to external customers in Canada, Rest of North America, Asia Pacific and Europe are as follows:

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2022	2021	2022	2021
	\$	\$	\$	\$
Canada	1,124,491	864,190	3,053,891	2,526,822
Rest of North America	287,488	187,622	784,577	591,777
Asia Pacific	178,661	182,037	455,923	456,440
Europe	507,503	411,156	1,563,481	1,427,093
Total	2,098,143	1,645,005	5,857,872	5,002,132

14 Business Acquisitions

(i) GF Linamar LLC

On April 1, 2022, the Company acquired the remaining 50% interest in the joint venture, GF Linamar LLC ("GFL"), from GF Casting Solutions, a division of Georg Fischer AG thereby assuming 100% ownership and operational control. The ownership change will help secure the Company's long-term growth plan in lightweight structural castings; a critical component in electrified vehicles. The preliminary purchase price is USD \$73,000 plus an earn out of up to a maximum of USD \$24,000, for a total in CAD of \$121,316.

Due to the timing of the close and complexities associated with these transactions, the determination of the fair value of the purchase price, including the earn out, assets acquired and liabilities assumed, is not yet complete and are subject to further adjustments. The Company will disclose the finalized purchase price allocation when the determination of the fair value is complete. The following table summarizes the \$121,316 consideration paid or payable for the remaining 50% interest paid for GFL's acquired net assets, recognized at the acquisition date, which has been accounted for as a step business combination.

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For the nine months ended September 30, 2022 and September 30, 2021 (Unaudited)
(in thousands of Canadian dollars, except where otherwise noted)

Preliminary summary of identifiable assets acquired and liabilities assumed after step acquisition completed on April 1, 2022:

	\$
Current assets	83,829
Non-current assets	206,760
Total assets acquired	290,589
Current liabilities	45,594
Non-current liabilities	2,862
Total liabilities assumed	48,456
Net assets	242,133
Less: Net assets of original 50% equity investment in joint venture	120,817
Preliminary net identifiable assets acquired	121,316

The sales included in the consolidated statement of earnings from April 1, 2022 to September 30, 2022 contributed by GFL were \$94,139, which does not include sales to another Linamar facility of \$29,542. GFL also contributed net losses of \$27,078 over the same period.

(ii) Salford Group of Companies

On June 3, 2022, the Company acquired 100% of the issued and outstanding equity of the Salford Group of Companies ("Salford"). The ownership will expand the Company's agricultural portfolio into crop nutrition application and tillage products. The preliminary purchase price is CAD \$248,474.

Due to the timing of the close and complexities associated with these transactions, the determination of the fair value of the purchase price, assets acquired and liabilities assumed, is not yet complete and are subject to further adjustments. The Company has recorded a provisional amount of \$66,758 to goodwill as the current unallocated portion of the purchase price. The Company will update this balance and disclose the finalized purchase price allocation when the determination of the fair value is complete. The following table summarizes the \$248,474 consideration paid for Salford's acquired net assets, recognized at the acquisition date, which has been accounted for as a business combination.

Preliminary summary of identifiable assets acquired and liabilities assumed after acquisition completed on June 3, 2022:

	\$
Current assets	57,700
Non-current assets	166,569
Goodwill	66,758
Total assets acquired	291,027
Current liabilities	42,553
Non-current liabilities	-
Total liabilities assumed	42,553
Preliminary net identifiable assets acquired	248,474

The sales included in the consolidated statement of earnings from June 3, 2022 to September 30, 2022 contributed by Salford were \$58,847. Salford also contributed net earnings of \$3,154 over the same period.

(iii) Consolidated Pro-forma Sales and Earnings

If both acquisitions had occurred on January 1, 2022, the Company's consolidated pro-forma sales and net earnings for the nine month period ended September 30, 2022 would have been \$5,985,970 and \$338,132 respectively. These amounts have been calculated using GFL and Salford's results adjusted for the additional depreciation and amortization that would have been charged assuming the preliminary fair value adjustments to property, plant and equipment and intangible assets had applied from January 1, 2022, together with the consequential tax effects.