

LINAMAR CORPORATION

Consolidated Interim Statements of Financial Position

As at June 30, 2025 with comparatives as at December 31, 2024 (Unaudited)

(in thousands of Canadian dollars)

| | June 30 2025 \$ | December 31 2024 \$ |
|---|-----------------------|---------------------------|
| ASSETS | | |
| Cash and cash equivalents | 1,004,267 | 1,054,598 |
| Accounts and other receivables | 1,626,085 | 1,312,281 |
| Inventories | 2,062,253 | 2,062,358 |
| Income taxes recoverable | 84,184 | 76,612 |
| Current portion of long-term receivables (Note 12) | 23,131 | 21,656 |
| Current portion of derivative financial instruments (Note 12) | 25,768 | - |
| Prepaid expenses and other current assets | 52,962 | 78,062 |
| Current Assets | 4,878,650 | 4,605,567 |
| Long-term receivables (Note 12) | 38,499 | 32,023 |
| Derivative financial instruments (Note 12) | 8,677 | - |
| Property, plant and equipment | 3,637,872 | 3,642,618 |
| Investments | 1,803 | 1,419 |
| Deferred tax assets | 259,813 | 250,601 |
| Intangible assets | 1,113,367 | 1,135,042 |
| Goodwill | 841,146 | 832,572 |
| Assets | 10,779,827 | 10,499,842 |
| LIABILITIES | | |
| Accounts payable and accrued liabilities | 2,313,790 | 2,247,695 |
| Provisions | 64,902 | 74,925 |
| Income taxes payable | 53,101 | 54,633 |
| Current portion of long-term debt (Notes 6, 12) | 273,024 | 45,658 |
| Current portion of derivative financial instruments (Note 12) | 4,179 | 64,125 |
| Current Liabilities | 2,708,996 | 2,487,036 |
| Long-term debt (Notes 6, 12) | 1,938,639 | 2,246,861 |
| Derivative financial instruments (Note 12) | 11 | 9,020 |
| Deferred tax liabilities | 327,723 | 328,979 |
| Liabilities | 4,975,369 | 5,071,896 |
| EQUITY | | |
| Capital stock | 138,019 | 140,521 |
| Retained earnings | 5,417,588 | 5,201,851 |
| Contributed surplus | 39,220 | 37,669 |
| Accumulated other comprehensive earnings (loss) | 209,631 | 47,905 |
| Equity | 5,804,458 | 5,427,946 |
| Liabilities and Equity | 10,779,827 | 10,499,842 |

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 six months ended June 30, 2025 and June 30, 2024 (Unaudited)

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

| | Three Months Ended | | Six Months Ended | |
|--|--------------------|-----------------|------------------|-----------------|
| | 2025 | June 30 2024 | 2025 | June 30 2024 |
| | \$ | \$ | \$ | \$ |
| Sales | 2,642,693 | 2,848,656 | 5,174,770 | 5,570,552 |
| Cost of sales | 2,244,492 | 2,423,835 | 4,374,124 | 4,752,539 |
| Gross Margin | 398,201 | 424,821 | 800,646 | 818,013 |
| Selling, general and administrative | 143,838 | 153,030 | 295,915 | 304,752 |
| Other income and (expenses) (Note 7) | (48,151) | (246) | (32,222) | 27,509 |
| Operating Earnings (Loss) | 206,212 | 271,545 | 472,509 | 540,770 |
| Finance income and (expenses) (Note 8) | (23,688) | (37,304) | (48,421) | (70,248) |
| Net Earnings (Loss) before Income Taxes | 182,524 | 234,241 | 424,088 | 470,522 |
| Provision for (recovery of) income taxes | 55,610 | 60,135 | 119,475 | 117,904 |
| Net Earnings (Loss) for the Period | 126,914 | 174,106 | 304,613 | 352,618 |
| Net Earnings (Loss) per Share: | | | | |
| Basic | 2.12 | 2.83 | 5.07 | 5.73 |
| Diluted | 2.12 | 2.82 | 5.06 | 5.72 |

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

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

For the six months ended June 30, 2025 and June 30, 2024 (Unaudited)

(in thousands of Canadian dollars)

| | Three Months Ended | | Six Months Ended | |
|---|--------------------|-----------------|------------------|-----------------|
| | 2025 | June 30 2024 | 2025 | June 30 2024 |
| | \$ | \$ | \$ | \$ |
| Net Earnings (Loss) for the Period | 126,914 | 174,106 | 304,613 | 352,618 |
| Items that may be reclassified subsequently to net income | | | | |
| Unrealized gains (losses) on translating financial statements of foreign operations | 35,002 | (18,245) | 133,827 | (10,119) |
| Change in unrealized gains (losses) on net investment hedges | (16,064) | (1,600) | (36,960) | (1,280) |
| Change in unrealized gains (losses) on cash flow hedges | 66,615 | (28,505) | 69,342 | (46,028) |
| Change in cost of hedging | (4,223) | 1,979 | (4,751) | 3,588 |
| Reclassification to earnings of gains (losses) on cash flow hedges | 1,220 | 4,419 | 21,888 | (1,425) |
| Tax impact of above | (15,903) | 5,526 | (21,620) | 10,966 |
| Other Comprehensive Earnings (Loss) | 66,647 | (36,426) | 161,726 | (44,298) |
| Comprehensive Earnings (Loss) for the Period | 193,561 | 137,680 | 466,339 | 308,320 |

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

LINAMAR CORPORATION

Consolidated Interim Statements of Changes in Equity

For the six months ended June 30, 2025 and June 30, 2024 (Unaudited)

(in thousands of Canadian dollars)

| | Capital stock \$ | Retained earnings \$ | Contributed surplus \$ | Cumulative translation adjustment \$ | Hedging reserves \$ | Total Equity \$ |
|--------------------------------------|------------------------|----------------------------|------------------------------|---|---------------------------|--------------------|
| Balance at January 1, 2024 | 142,100 | 5,046,422 | 34,177 | 82,446 | 16,958 | 5,322,103 |
| Net Earnings (Loss) | - | 352,618 | - | - | - | 352,618 |
| Other comprehensive earnings (loss) | - | - | - | (11,399) | (32,899) | (44,298) |
| Comprehensive Earnings (Loss) | - | 352,618 | - | (11,399) | (32,899) | 308,320 |
| Share-based compensation | - | - | 1,552 | - | - | 1,552 |
| Dividends | - | (30,789) | - | - | - | (30,789) |
| Balance at June 30, 2024 | 142,100 | 5,368,251 | 35,729 | 71,047 | (15,941) | 5,601,186 |

| | Capital stock \$ | Retained earnings \$ | Contributed surplus \$ | Cumulative translation adjustment \$ | Hedging reserves \$ | Total Equity \$ |
|---|------------------------|----------------------------|------------------------------|---|---------------------------|--------------------|
| Balance at January 1, 2025 | 140,521 | 5,201,851 | 37,669 | 99,245 | (51,340) | 5,427,946 |
| Net Earnings (Loss) | - | 304,613 | - | - | - | 304,613 |
| Other comprehensive earnings (loss) | - | - | - | 96,867 | 64,859 | 161,726 |
| Comprehensive Earnings (Loss) | - | 304,613 | - | 96,867 | 64,859 | 466,339 |
| Share-based compensation | - | - | 1,551 | - | - | 1,551 |
| Common shares repurchased and cancelled | (2,502) | (56,554) | - | - | - | (59,056) |
| Dividends | - | (32,322) | - | - | - | (32,322) |
| Balance at June 30, 2025 | 138,019 | 5,417,588 | 39,220 | 196,112 | 13,519 | 5,804,458 |

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

LINAMAR CORPORATION

Consolidated Interim Statements of Cash Flows

For the six months ended June 30, 2025 and June 30, 2024 (Unaudited)

(in thousands of Canadian dollars)

| | Three Months Ended | | Six Months Ended | |
|--|--------------------|------------------|------------------|------------------|
| | June 30 | | June 30 | |
| | 2025 | 2024 | 2025 | 2024 |
| | \$ | \$ | \$ | \$ |
| Cash generated from (used in) | | | | |
| Operating Activities | | | | |
| Net Earnings (Loss) for the Period | 126,914 | 174,106 | 304,613 | 352,618 |
| Adjustments for: | | | | |
| Amortization of property, plant and equipment | 131,569 | 128,705 | 266,604 | 251,342 |
| Amortization of other intangible assets | 19,910 | 20,192 | 39,904 | 37,755 |
| Deferred income taxes | (22,065) | (13,140) | (30,186) | (29,513) |
| Asset impairment provision, net of reversals | 139 | 146 | (781) | 303 |
| Share-based compensation | 776 | 776 | 1,551 | 1,552 |
| Finance (income) and expenses | 23,688 | 37,304 | 48,421 | 70,248 |
| Other | (3,077) | 3,149 | 16,820 | (8,020) |
| | 277,854 | 351,238 | 646,946 | 676,285 |
| Changes in operating assets and liabilities | | | | |
| (Increase) decrease in accounts and other receivables | (73,795) | (49,803) | (318,341) | (234,450) |
| (Increase) decrease in inventories | 62,690 | (72,222) | 24,625 | (181,618) |
| (Increase) decrease in prepaid expenses and other current assets | 8,828 | 6,112 | 25,854 | 3,053 |
| (Increase) decrease in long-term receivables | (5,775) | (3,206) | (7,521) | 2,641 |
| Increase (decrease) in income taxes | 13,303 | (2,859) | (11,377) | (48,878) |
| Increase (decrease) in accounts payable and accrued liabilities | 26,160 | 5,103 | 119,911 | 167,486 |
| Increase (decrease) in provisions | (3,934) | 1,603 | (10,466) | 1,514 |
| | 27,477 | (115,272) | (177,315) | (290,252) |
| Cash generated from (used in) operating activities | 305,331 | 235,966 | 469,631 | 386,033 |
| Financing Activities | | | | |
| Proceeds from (repayments of) long-term debt | (1,659) | (31,501) | (139,154) | 98,161 |
| Proceeds from term credit agreement | - | - | - | 700,000 |
| Repurchase of shares (Note 13) | (4,390) | - | (57,902) | - |
| Dividends | (32,322) | (30,789) | (32,322) | (30,789) |
| Finance income received (expenses paid) | (13,547) | (26,517) | (47,173) | (63,673) |
| Cash generated from (used in) financing activities | (51,918) | (88,807) | (276,551) | 703,699 |
| Investing Activities | | | | |
| Payments for purchase of property, plant and equipment | (133,233) | (173,965) | (221,998) | (363,807) |
| Proceeds on disposal of property, plant and equipment | 5,454 | 5,102 | 6,305 | 5,562 |
| Payments for purchase of intangible assets | (6,253) | (5,754) | (12,083) | (12,648) |
| Business acquisition, net of cash acquired | - | - | - | (617,301) |
| Other | (45) | (1) | (283) | (81) |
| Cash generated from (used in) investing activities | (134,077) | (174,618) | (228,059) | (988,275) |
| Effect of translation adjustment on cash | 119,336 | (27,459) | (34,979) | 101,457 |
| | (24,303) | 153 | (15,352) | 5,099 |
| Increase (decrease) in cash and cash equivalents | 95,033 | (27,306) | (50,331) | 106,556 |
| Cash and cash equivalents - Beginning of Period | 909,234 | 787,189 | 1,054,598 | 653,327 |
| Cash and cash equivalents - End of Period | 1,004,267 | 759,883 | 1,004,267 | 759,883 |
| Comprised of: | | | | |
| Cash in bank | 667,332 | 442,606 | 667,332 | 442,606 |
| Short-term deposits | 336,935 | 317,277 | 336,935 | 317,277 |
| | 1,004,267 | 759,883 | 1,004,267 | 759,883 |

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

LINAMAR CORPORATION

Notes to Consolidated Interim Financial Statements

For the six months ended June 30, 2025 and June 30, 2024 (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 June 30, 2025 were authorized for issue in accordance with a resolution of the Company’s Board of Directors on August 13, 2025.

2 Basis of Preparation and Material Accounting Policies

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

These interim financial statements have been prepared in accordance with IFRS Accounting Standards 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, 2024. 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.

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, 2024. 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 nor would significantly impact the Company’s net earnings or financial position.

4 Critical Accounting Estimates and Judgements

The preparation of financial statements in conformity with IFRS Accounting Standards 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. 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 have been set out in the Company’s annual financial statements for the year ended December 31, 2024.

5 Seasonality

Historically, earnings in the second and third 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.

LINAMAR CORPORATION

Notes to Consolidated Interim Financial Statements

For the six months ended June 30, 2025 and June 30, 2024 (Unaudited)

(in thousands of Canadian dollars, except where otherwise noted)

6 Long-Term Debt

| | June 30 2025 \$ | December 31 2024 \$ |
|-------------------------|-----------------------|---------------------------|
| Private placement notes | 1,061,371 | 1,024,245 |
| Bank borrowings | 866,737 | 979,628 |
| Lease liabilities | 209,506 | 209,477 |
| Government borrowings | 74,049 | 79,169 |
| | 2,211,663 | 2,292,519 |
| Less: current portion | 273,024 | 45,658 |
| | 1,938,639 | 2,246,861 |

As of June 30, 2025, \$914,648 was available under the Company's credit facility.

7 Other Income and (Expenses)

| | Three Months Ended June 30 | | Six Months Ended June 30 | |
|------------------------------|-------------------------------|------------|-----------------------------|------------|
| | 2025 \$ | 2024 \$ | 2025 \$ | 2024 \$ |
| Foreign exchange gain (loss) | (47,993) | (3,131) | (33,690) | 22,301 |
| Other income (expense) | (158) | 2,885 | 1,468 | 5,208 |
| | (48,151) | (246) | (32,222) | 27,509 |

8 Finance Income and (Expenses)

| | Three Months Ended June 30 | | Six Months Ended June 30 | |
|--|-------------------------------|------------|-----------------------------|------------|
| | 2025 \$ | 2024 \$ | 2025 \$ | 2024 \$ |
| Interest expense | (23,036) | (34,901) | (47,522) | (64,962) |
| Foreign exchange gain (loss) on debt and derivatives | (87) | (162) | (125) | (620) |
| Interest earned | 5,689 | 5,312 | 11,413 | 9,443 |
| Other | (6,254) | (7,553) | (12,187) | (14,109) |
| | (23,688) | (37,304) | (48,421) | (70,248) |

9 Commitments

As at June 30, 2025, outstanding commitments for capital expenditures under purchase orders and contracts amounted to \$135,756 (June 30, 2024 - \$333,328). Of this amount \$132,826 (June 30, 2024 - \$307,011) relates to the purchase of manufacturing equipment and \$2,930 (June 30, 2024 - \$26,317) relates to general contracting and construction costs in respect of plant construction. Of the commitments for plant construction, \$617 (June 30, 2024 - \$22,478) 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.

10 Related Party Transactions

Building additions made by a related party, a company owned by the spouse of an officer and director, were \$53 for the three months ended June 30, 2025 and \$6,075 for the six months ended June 30, 2025 (\$22,377 for the three months ended June 30, 2024 and \$40,354 for the six months ended June 30, 2024).

11 Segmented Information

LINAMAR CORPORATION

Notes to Consolidated Interim Financial Statements

For the six months ended June 30, 2025 and June 30, 2024 (Unaudited)

(in thousands of Canadian dollars, except where otherwise noted)

Management has determined the operating segments based on the reports reviewed by senior management that are used to make strategic decisions.

Mobility: The Mobility segment derives revenues from the collaborative design, development and manufacture of propulsion systems, structural and chassis systems, energy storage and power generation for both the global electrified and traditionally powered markets.

Industrial: The Industrial segment is a world leader in the design and production of innovative 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 senior management 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 June 30, 2025 | | | Six Months Ended June 30, 2025 | | |
|--------------|----------------------------------|---------------------|---------------------------|--------------------------------|---------------------|---------------------------|
| | Sales to external customers | Inter-segment sales | Operating earnings (loss) | Sales to external customers | Inter-segment sales | Operating earnings (loss) |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Mobility | 1,954,516 | 9,095 | 152,374 | 3,853,242 | 20,743 | 275,782 |
| Industrial | 688,177 | 3,702 | 53,838 | 1,321,528 | 7,766 | 196,727 |
| Total | 2,642,693 | 12,797 | 206,212 | 5,174,770 | 28,509 | 472,509 |

| | Three Months Ended June 30, 2024 | | | Six Months Ended June 30, 2024 | | |
|--------------|----------------------------------|---------------------|---------------------------|--------------------------------|---------------------|---------------------------|
| | Sales to external customers | Inter-segment sales | Operating earnings (loss) | Sales to external customers | Inter-segment sales | Operating earnings (loss) |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Mobility | 1,962,049 | 12,521 | 116,794 | 3,955,343 | 26,046 | 246,285 |
| Industrial | 886,607 | 3,181 | 154,751 | 1,615,209 | 6,307 | 294,485 |
| Total | 2,848,656 | 15,702 | 271,545 | 5,570,552 | 32,353 | 540,770 |

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 | | Six Months Ended | |
|-----------------------|--------------------|------------------|------------------|------------------|
| | 2025 | June 30 2024 | 2025 | June 30 2024 |
| | \$ | \$ | \$ | \$ |
| Canada | 1,372,689 | 1,587,243 | 2,659,252 | 3,026,204 |
| Rest of North America | 488,924 | 516,856 | 977,952 | 1,045,920 |
| Asia Pacific | 169,426 | 131,476 | 335,273 | 264,369 |
| Europe | 611,654 | 613,081 | 1,202,293 | 1,234,059 |
| Total | 2,642,693 | 2,848,656 | 5,174,770 | 5,570,552 |

LINAMAR CORPORATION

Notes to Consolidated Interim Financial Statements

For the six months ended June 30, 2025 and June 30, 2024 (Unaudited)

(in thousands of Canadian dollars, except where otherwise noted)

12 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:

| | | June 30, 2025 | | December 31, 2024 | |
|--|--------------------------|-------------------------------------|---------------|-------------------------------------|---------------|
| | Subsequent Measurement | Carrying Value Asset (Liability) \$ | Fair Value \$ | Carrying Value Asset (Liability) \$ | Fair Value \$ |
| Long-term receivables | Amortized cost (Level 2) | 61,630 | 63,377 | 53,679 | 52,425 |
| Derivative financial instruments (hedge relationships) | | | | | |
| USD sales forwards – CAD functional entities | Fair value (Level 2) | 15,749 | 15,749 | (52,043) | (52,043) |
| USD sales forwards – MXN functional entities | Fair value (Level 2) | 14,886 | 14,886 | (19,657) | (19,657) |
| USD sales forwards – CNY functional entities | Fair value (Level 2) | (380) | (380) | (1,445) | (1,445) |
| Investment designated at fair value through other comprehensive income | Fair value (Level 3) | 1,803 | 1,803 | 1,419 | 1,419 |
| Long-term debt, excluding lease liabilities | Amortized cost (Level 2) | (2,002,157) | (1,924,425) | (2,083,042) | (1,994,979) |

13 Capital Stock

In November 2024, the Company announced Toronto Stock Exchange approval to commence a normal course issuer bid. This bid permitted the Company to acquire for cancellation up to 4,021,282 common shares between November 15, 2024 and November 14, 2025. This bid is subject to daily limits. For the three months ended June 30, 2025, the Company repurchased and cancelled 87,520 common shares under its bid for a total of \$4,390. For the six months ended June 30, 2025, the Company repurchased and cancelled 1,084,459 common shares under its bid for a total of \$57,902.

14 Subsequent Event

During 2025, the United States ("U.S.") administration announced certain tariffs, and although some have now been implemented, the amounts imposed and effective dates on others continue to change. The effect of these tariffs and potential tariffs on our business and financial condition is influenced by several unknown factors, including the effective dates and durations of tariffs, their scope and nature, the amount imposed, and any retaliatory measures by the target countries.

Given these uncertainties, the Company cannot assure that any mitigating actions available to us, such as passing along some or all of the tariff costs to our customers, will be successful. Any further escalation of trade tensions, additional tariffs, retaliatory measures, or shifts in Canadian or international trade policies could adversely impact our business. The United States-Mexico-Canada Agreement (USMCA) is up for renewal in 2026, and there is no assurance that renegotiated terms will not adversely affect our business. It remains unclear what specific actions the current U.S. administration may take to address trade-related issues, and the U.S. and other governments could impose additional sanctions or export controls that might restrict our ability to conduct business directly or indirectly with certain countries or parties.