MANAGEMENT'S DISCUSSION AND ANALYSIS

Table of Contents

This Management's Discussion and Analysis ("MD&A") dated September 8, 2022 should be read in conjunction with the audited Consolidated Financial Statements for the year ended June 30, 2022 of Ceres Global Ag Corp. ("Ceres", the "Corporation", "we", "our", and "us"), and the Corporation's audited Consolidated Financial Statements for the year ended June 30, 2021 (the "Annual Consolidated Financial Statements"). Additional information about Ceres filed with Canadian securities regulatory authorities, including the quarterly financial statements and MD&A, and the annual information form, is available online at www.sedar.com.

Basis of Presentation

Unless otherwise noted, all financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Unless otherwise indicated, dollar amounts are expressed in United States dollars ("$" and "USD") and references to "CAD" and "C$" are to Canadian dollars.

Non-IFRS Financial Measures

This MD&A contains references to certain financial measures that are non-IFRS measures, also known as non-GAAP financial measures, non-GAAP ratios, or supplementary financial measures pursuant to National Instrument 52-112 – *Non-GAAP and other Financial Measures Disclosure*. Earnings before interest, income tax, depreciation and amortization ("EBITDA") is a non-GAAP financial measure, EBITDA per share is a non-GAAP ratio, and return on shareholders' equity is a supplementary financial measure. None of such measures or ratios has a standardized meaning under IFRS. See "Non-IFRS and Other Financial Measures and Reconciliations."

Risks and Forward-Looking Information

The Corporation's financial and operational performance is potentially affected by a number of factors, including, but not limited to, the factors described in "Key Assumptions & Advisories".

This MD&A contains forward-looking information based on the Corporation's current expectations, estimates, projections, and assumptions. This information is subject to a number of risks and uncertainties, including those discussed in this MD&A and the Corporation's other disclosure documents, including the Corporation's Annual Information Form for the year ended June 30, 2022, which is available under the Corporation's SEDAR profile at www.sedar.com, many of which are beyond the Corporation's control. Users of this information are cautioned that actual results may differ materially. See "Key Assumptions & Advisories" for information on material risk factors and assumptions underlying the Corporation's forward-looking information.

Who We Are

Through its network of commodity logistics centers and team of industry experts, Ceres merchandises high-quality North American agricultural commodities and value-added products and provides reliable supply chain logistics services to agricultural, energy, and industrial customers worldwide.

Ceres is headquartered in Golden Valley, MN and together with its wholly owned affiliates operates 13 facilities across Saskatchewan, Manitoba, Ontario, and Minnesota. These facilities throughout North America have an aggregate grain and oilseed storage capacity of approximately 31 million bushels.

Ceres also has a 50% interest in Savage Riverport, LLC, a joint venture with Consolidated Grain and Barge Co., a 50% interest in Farmers Grain, LLC, a joint venture with Farmer's Cooperative Grain and Seed Association, a 50% interest in Berthold Farmers Elevator, LLC, a joint venture with The Berthold Farmers Elevator Company, a 50% interest in Gateway Energy Terminal, an unincorporated joint operation with Steel Reef Infrastructure Corp., a 25% interest in Stewart Southern Railway Inc., a short-line railway located in southeast Saskatchewan with a range of 130 kilometers, and a 17% interest in Canterra Seed Holdings Ltd., a Canadian-based seed development company.

Grain Segment

The Corporation's Grain segment is engaged in the procurement, storage, handling, trading, and merchandising of commodity and specialty grains and oilseeds such as hard red spring wheat, durum wheat, oats, barley, rye, canola, and pulses through its grain storage and handling facilities in Saskatchewan, Manitoba, Ontario, and Minnesota. These facilities are strategically located, either close to where Ceres' core products are grown and sourced, or, at key supply chain locations to effectively serve customers and markets. Eight of Ceres' grain storage facilities are located on major rail lines across North America, two are located at deep-water ports on the Great Lakes allowing access to vessels, and another facility is located on the Minnesota River with capacity to load barges for shipment down the Mississippi River to export terminals in New Orleans. These facilities combine to provide Ceres with efficient access to export and import flows of our core grains and oilseeds to North America and global markets. Approximately 25 million bushels of the Corporation's facilities are "regular" for delivery for both spring wheat against the Minneapolis Grain Exchange futures contract and oats against the Chicago Board of Trade futures contract. In addition, spring wheat and oats sourced by the Corporation out of Canada are eligible for delivery against respective futures contracts.

Supply Chain Services Segment

The Supply Chain Services segment provides logistics services, storage, and transloading for non-agricultural commodities and industrial products. Ceres efficiently manages its supply chains and assets to ensure the optimization of storage and handling capacity and transportation costs and that high quality and value adding products are delivered to key customers and markets served.

One of Ceres' key Supply Chain Services assets is its terminal at Northgate, Saskatchewan ("Northgate"). Northgate sits on approximately 1,300 acres of land, and is designed to utilize two rail loops, each capable of handling unit trains of up to 120 railcars and two ladder tracks capable of handling up to 65 railcars. Northgate is an approximately $75 million state-of-the-art grain, oil, natural gas liquids and fertilizer terminal and is connected to the Burlington Northern Santa Fe Railway (the "BNSF"). The Corporation intends to further build out its infrastructure to support handling of other industrial products and equipment.

Ceres commenced its initial grain operations at Northgate in October 2014 and its grain elevator was fully operational in May 2016. As part of its grain operations, Ceres contracts grain and oilseed purchases from Western Canadian producers that are delivered by truck and unloaded at Northgate. Ceres has the option of storing the grain on-site, loading it into outbound railcars to end-users, or shipping to the Corporations' other facilities to take advantage of the value and strategic location of its current asset base.

In June 2019, Ceres established Gateway Energy Terminal, a 50/50 unincorporated joint operation with Steel Reef Infrastructure Corp. located at Northgate ("Gateway"). Gateway began operations on July 1, 2019 and handles the transloading of hydrocarbons at Northgate on an exclusive basis. Ceres' existing hydrocarbon transload contracts were transferred to Gateway as of July 1, 2019. Gateway's operations at Northgate provide a direct link for hydrocarbons to enter the US market.

In November 2015, Ceres entered into an agreement with Koch Fertilizer Canada, ULC for the storage and handling of dry fertilizer products at Northgate's state-of-the-art, 26,000-ton fertilizer storage terminal (the "Koch Agreement"). The fertilizer is loaded out by Ceres into trucks and distributed to Canadian retailers. The fertilizer operation commenced on April 30, 2017. On April 1, 2022, the Koch Agreement was renewed for an additional five-year term.

The Corporation continues to expand products transloaded at the Northgate facility including but not limited to barite, bentonite, solvents, drilling pipe, lumber, oriented strand board, and magnesium chloride.

Seed and Processing Segment

The Corporation's Seed and Processing segment was created through the acquisition of Delmar Commodities Ltd. ("Delmar") in August, 2019 and consists of a soybean crush facility, located in a strong soybean producing region with low-cost origination driven by export economics, and a seed production and distribution business focused on western Canada under the trade name "Ceres Global Seeds." This segment's operations are primarily located in Manitoba, Canada.

Delmar has entered into long-term agreements with Sevita International Corporation ("Sevita") for the production and distribution of soybean seed in Western Canada, and with Horizon Seeds Canada Inc. ("Horizon") for the distribution of corn seed in Western Canada. Partnering with these highly specialized seed companies enables Ceres to diversify its agriculture-related businesses in regions that it knows and understands well, and to continue delivering high-quality products and superior value to its seed dealer and grower network.

1. FINANCIAL AND OPERATING SUMMARY

For the year ended June 30, 2022, 2021, and 2020

	Year ended June 30,		
(in thousands of USD except per share)	2022	2021	2020
Revenues	$ 1,060,941	$ 748,204	$ 581,713
Gross profit (loss)	$ 55,875	$ 24,918	$ 27,318
Income (loss) from operations	$ 23,973	$ 8,865	$ 9,615
Net income (loss)	$ (8,823)	$ 12,044	$ 4,337
Weighted average common shares outstanding	30,793,602	30,772,845	30,041,801
Diluted weighted average common shares outstanding	30,793,602	32,719,775	31,822,571
Income (loss) per share – Basic	$ (0.29)	$ 0.39	$ 0.14
Income (loss) per share – Diluted	$ (0.29)	$ 0.37	$ 0.14
Adjusted Net Income [1]	$ 21,824	$ 12,378	$ 4,337
EBITDA [1]	$ 32,038	$ 14,808	$ 16,906
As at:			
Total assets	$ 333,948	$ 338,590	$ 254,987
Total bank indebtedness, current	$ 54,676	$ 80,760	$ 31,702
Term loan [2]	$ 47,506	$ 28,877	$ 29,721
Shareholders' equity	$ 149,505	$ 156,918	$ 144,989
Return on shareholders' equity [3]	(5.9%)	7.7%	3.0%

(1) Non-IFRS measures. See Non-IFRS Financial Measures and Reconciliations section.

(2) Includes current portion of term loan.

(3) Supplementary financial measure. See “Non-IFRS Financial and Other Measures and Reconciliations”.

HIGHLIGHTS FOR THE YEAR ENDED June 30, 2022

- The Corporation has decided to impair the crush plant project at Northgate (“**Crush Project**”) and incurred a $25.9 million loss in the write-off of the associated expenditures incurred to date;

- Gross Profit increased by $31.0 million compared to the year ended June 30, 2021. The increase was driven by the Corporation’s ability to successfully navigate the volatile grain markets and position itself to best serve the needs of its customers;

- Income from operations grew 170% to $24.0 million compared to $8.9 million the previous year;

- Net loss for the year ended June 30, 2022 was $8.8 million compared to net income of $12.0 for the previous year;

- On June 3, 2022, Ceres Global Ag Corp., through its wholly owned subsidiary, Riverland Ag, completed the $12.0 million purchase of Columbia Grain International, LLC’s 50% membership interest in Berthold Farmers Elevator, LLC, a grain originator and merchandiser with locations in Berthold, ND and Carpio, ND.

- On June 20, 2022, the Corporation closed on the sale of its Ste. Agathe bird food processing facility for $6.0 million and recognized a gain of $3.7 million.

Overall Performance

The Corporation's net loss was $8.8 million for the year ended June 30, 2022, compared to net income of $12.0 million for the year ended June 30, 2021. The decrease in net income was driven by the $25.9 million loss on the write-off of the Crush Project. In addition, during the year ended June 30, 2021, the Corporation recognized a $9.7 million tax gain on previously unrecognized deferred tax. Gross profit was $55.9 million for the year ended June 30, 2022, compared to a gross profit of $24.9 million for the year ended June 30, 2021, a result of higher merchandising margins compared to the previous year. Furthermore, income from operations was $23.5 million for the year ended June 30, 2022, compared to $8.9 million for the year ended June 30, 2021.

Revenues and Gross Profit

Total revenue increased by $312.7 million, driven by a significant increase in commodity prices, offset by a decrease in grain and oilseed bushels handled of 11.7 million bushels compared to the same period in the previous year. The Corporation handled and traded 95.2 million bushels of grain and oilseeds during the year ended June 30, 2022 compared to 106.9 million bushels for the year ended June 30, 2021. In agriculture commodity markets, cost of sales generally follow increases or decreases in gross revenues. Ceres' management believes it is more important to focus on changes in gross profits and volume handled rather than changes in revenue dollars.

The table below represents a summary of the components of gross profit for the year ended June 30, 2022 and 2021:

	2022				
(in thousands of USD)	Grain	Supply Chain Services	Seed and Processing	Corporate*	Total
Net trading margin	$ 62,858	$ -	$ -	$ -	$ 62,858
Supply Chain Services revenue	4,409	3,584	-	-	7,993
Net Seed and Processing margin	-	-	8,330	-	8,330
Operating expenses included in cost of sales	(9,044)	(2,563)	(5,326)	-	(16,933)
Depreciation expense included in cost of sales	(4,415)	(1,081)	(585)	(292)	(6,373)
Gross profit (loss)	$ 53,808	$ (60)	$ 2,419	$ (292)	$ 55,875

(in thousands of USD)	2021 Grain	Supply Chain Services	Seed and Processing	Corporate*	Total
Net trading margin	$ 31,761	$ -	$ -	$ -	$ 31,761
Supply Chain Services revenue	3,346	3,155	-	-	6,501
Net Seed and Processing margin	-	-	8,650	-	8,650
Operating expenses included in cost of sales	(10,329)	(2,321)	(3,300)	-	(15,950)
Depreciation expense included in cost of sales	(4,341)	(1,113)	(299)	(291)	(6,044)
Gross profit (loss)	$ 20,437	$ (279)	$ 5,051	$ (291)	$ 24,918

* The $292 thousand of depreciation expense included in cost of sales for fiscal year 2022 is due to depreciation taken at the Corporate level related to a step-up in asset values acquired from Delmar. For fiscal year 2021, Corporate depreciation was $291 thousand.

Gross profit increased by $31.0 million for the year ended June 30, 2022, compared to the year ended June 30, 2021. The year over year increase in gross profit was driven by an increase in net trading margins as a result of the Corporation's strategic positioning for the 2022 crop year.

Net Trading Margin

Net trading margin increased by $31.1 million for the year ended June 30, 2022, compared to the year ended June 30, 2021, due to higher trading margins and increased trading opportunities across multiple commodities.

Supply Chain Services Revenue

Supply Chain Services revenue increased by $1.5 million for the year ended June 30, 2022, compared to the year ended June 30, 2021. The Corporation's grain-related Supply Chain Services revenue increased due to higher third-party storage and elevations. For the year ended June 30, 2022, the non-grain supply chain service revenue increased by $429 thousand due to higher volumes and increased revenue related to Gateway as well as increased revenue related to industrial products at Northgate compared to the same period in the prior year.

Net Seed and Processing Margin

Net Seed and Processing margin was $8.3 million for the year ended June 30, 2022 compared to $8.7 million for the year end June 30, 2021. The decrease in Seed and Processing margin is mainly due to a decrease in bird feed and soybean crush margins as well as the selling of our bird food facility in June, 2022.

Operating Expenses and Depreciation

For the year ended June 30, 2022, operating and depreciation expense included in cost of sales totaled $23.3 million compared to $22.0 million for the year ended June 30, 2021. The higher expenses are driven by increased volumes and depreciation related to the crush plant expansion at Delmar.

General and Administrative Expenses

For the year ended June 30, 2022, general and administrative expenses totaled $31.9 million compared to $16.1 million in the year ended June 30, 2021. General and administrative expenses increased due to higher incentive accruals related the Corporation's core operations as well as legal expenses related to the regulatory investigations (refer to note 21 of the Consolidated Financial Statements).

Finance Loss

For the year ended June 30, 2022, finance loss totaled $195 thousand compared to a finance loss of $357 thousand during the year ended June 30, 2021. Finance loss is composed of realized and unrealized gains and losses on foreign exchange transactions and currency hedging transactions along with revaluation gains of portfolio investments.

Interest Expense

	Year ended June 30,	
(in thousands of USD except per share)	2022	2021
Interest on bank indebtedness	$ (2,490)	$ (2,114)
Interest on term loan	(1,272)	(1,867)
Interest on repurchase obligations	(121)	(115)
Interest attributable to leases	(197)	(210)
Amortization of financing costs paid	(705)	(961)
Other interest income	15	24
Total interest expense	$ (4,770)	$ (5,243)

For the year ended June 30, 2022, interest expense totaled $4.8 million compared to $5.2 million for the year ended June 30, 2021. Interest expense decreased period over period due to decreased term loan interest expense which had a significantly lower rate year over year. In addition, interest related to the delayed draw portion of the term loan was capitalized as a part of the Crush Project for most of fiscal year 2022. On June 11, 2021, the Corporation entered into a term loan with the Bank of Montreal, which replaced the Corporation's previous term loan, and significantly reduced the interest rate (refer to the "Available Sources of Liquidity" section below for more information).

Amortization of Intangible Assets

Amortization of intangible assets totaled $263 thousand for the year ended June 30, 2022 and $262 thousand for the year ended June 30, 2021. Amortization for fiscal year 2022 was comprised solely of the amortization of intangible assets related to the Delmar acquisition including customer relationships, producer relationships, and trademarks/tradenames.

Share of Net Income (Loss) in Investments in Associates

For the year ended June 30, 2022, the Corporation's share in investments in associates was a loss of $802 thousand compared to a $369 thousand loss for the year ended June 30, 2021. The increased loss in investments in associates is driven by a loss at Farmers Grain, LLC ("**Farmers Grain**"), Berthold Farmers Elevator, LLC ("**BFE**"), and Savage Riverport, LLC ("**Savage**") for the year ended June 30, 2022.

For the year ended June 30, 2022, the Corporation's share in Savage Riverport, LLC was a loss of $780 thousand compared to a loss of $429 thousand for the year ended June 30, 2021. On April 30, 2018, the Corporation formed Savage Riverport, LLC and transferred the grain elevator and related assets at its Savage, Minnesota facility, which had net book value of $9.3 million as at April 30, 2018, to the newly formed entity. Subsequent to the transaction, Ceres received cash of $8.5 million from Consolidated Grain and Barge Co. in exchange for 50% of the equity in Savage Riverport, LLC, of which, $2.0 million was utilized to pay down the term debt. The sale of the equity in Savage Riverport, LLC net of transaction fees resulted in a gain of $3.7 million. The Corporation has been and will continue to recognize the remaining gain of $3.8 million over the useful life of the contributed assets. For both years ended, June 30, 2022 and June 30, 2021, the Corporation recognized a deferred gain of $347 thousand, under share of net income (loss) of associates.

For the year ended June 30, 2022, the Corporations share in Stewart Southern Railway Inc. ("**SSR**") was a loss of $97 thousand compared to a $123 thousand loss for the year ended June 30, 2021.

For the year ended June 30, 2022, the Corporation's share in Farmers Grain, LLC was a loss of $168 thousand compared to a $160 thousand loss for the year ended June 30, 2021.

For the year ended June 30, 2022, the Corporation's share in BFE was a loss of $102 thousand. As the Corporation purchased the ownership interest in June 2022, the Corporation's share in the joint venture was nil for the year ended June 30, 2021.

Income Tax (Expense) Recovery

The following table presents income tax (expense) recovery for the year ended June 30, 2022, and 2021:

(in thousands of USD)	June 30, 2022	June 30, 2021
Current income tax (expense) recovery	$ (51)	$ 44
Deferred income tax expense	(5,855)	9,724
Income tax (expense) recovery	$ (5,906)	$ 9,768

During the year ended June 30, 2022, the Corporation recorded income tax expense of $5.9 million compared to a recovery of $9.8 million for the year ended June 30, 2021. During the year ended June 30, 2022, Ceres recognized deferred income tax expense of $5.9 million with the expected utilization of net operating losses in a subsidiary based in the United States.

2. QUARTERLY FINANCIAL DATA

	3 months	3 months	3 months	3 months	3 months	3 months	3 months	3 months
Reporting dates	6/30/2022	3/31/2022	12/31/2021	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020
(in thousands of USD except per share)	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Revenue	$ 278,150	$ 269,625	$ 304,795	$ 208,371	$ 196,929	$ 203,911	$ 175,267	$ 172,097
Gross profit (loss)	$ 3,693	$ 12,265	$ 16,058	$ 23,859	$ 8,756	$ 5,858	$ 6,494	$ 3,810
Income (loss) from operations	$ (329)	$ 3,597	$ 7,046	$ 13,659	$ 3,875	$ 2,215	$ 2,733	$ 42
Net income (loss)	$ (22,537)	$ 912	$ 4,033	$ 8,769	$ 11,733	$ (78)	$ 1,325	$ (936)
Adjusted net income (loss)[1]	$ 5,028	$ 2,457	$ 4,579	$ 9,760	$ 12,067	$ (78)	$ 1,325	$ (936)
Return on shareholders' equity [1]	(15.1%)	0.5%	2.4%	5.3%	7.5%	(0.1%)	1.0%	(0.6%)
Basic weighted-average number of common shares for the quarter	30,801	30,801	30,801	30,773	30,773	30,773	30,773	30,739
Dilutive weighted-average number of common shares for the quarter	30,801	32,400	32,439	32,093	32,765	30,773	32,820	30,739
Basic earnings (loss) per share	$ (0.73)	$ 0.03	$ 0.13	$ 0.28	$ 0.38	$ -	$ 0.04	$ (0.03)
Fully diluted earnings (loss) per share	$ (0.73)	$ 0.03	$ 0.12	$ 0.27	$ 0.36	$ -	$ 0.04	$ (0.03)
EBITDA [1]	$ 2,724	$ 5,389	$ 8,524	$ 15,401	$ 5,477	$ 3,469	$ 4,244	$ 1,618
EBITDA per share	$ 0.33	$ 0.18	$ 0.28	$ 0.50	$ 0.18	$ 0.12	$ 0.14	$ 0.05
Shareholders' equity, as at reporting date	$149,505	$172,160	$170,134	$165,713	$156,918	$145,344	$145,478	$ 144,124
Shareholders' equity per common share, as at reporting date	$ 4.85	$ 5.59	$ 5.52	$ 5.39	$ 5.10	$ 4.72	$ 4.73	$ 4.69
Volumes (in thousands of tonnes)								
Total Product Handled and Traded	503	563	709	875	629	781	756	782

(1) Non-IFRS financial measure. See "Non-Financial Measures and Reconciliations".

(2) Non-IFRS ratio. See "Non-IFRS Financial and Other Measures and Reconciliations".

Fourth Quarter

The Corporation recognized a net loss for the quarter ended June 30, 2022 of $22.5 million compared to net income of $11.7 million in the same quarter of the prior year. The decrease in net income was driven by the $25.9 million loss on the write-off of the crush plant project. In addition, during the year ended June 30, 2021, the Corporation recognized a $9.7 million tax gain on previously unrecognized deferred tax. Gross profit for the quarter ended June 30, 2022 decreased $5.1 million compared to the quarter ended June 30, 2021. The decrease in gross profit was driven by fewer margin opportunities in core commodities.

3. LIQUIDITY & CASH FLOW

	Year ended June 30,	
(in thousands of USD)	2022	2021
Net cash provided by (used in)		
Operating activities	$ 54,462	$ (25,938)
Investing activities	(33,298)	(18,029)
Net cash provided (used) before financing activities	21,164	(43,967)
Financing activities	(8,160)	47,485
Increase (decrease) in cash	$ 13,004	$ 3,518

Operating Activities

Cash provided by operating activities was $54.5 million for the year ended June 30, 2022 compared to cash used in operating activities of $25.9 million in the prior year. The decrease in cash used is attributable to decreased inventory volumes.

Investing Activities

During the year ended June 30, 2022, the Corporation used $33.3 million in investing activities, a $15.3 million increase compared to the $18.0 million in cash used in investing activities in the prior year. The increase in cash used in investing activities was driven by the acquisition of BFE for $12.0 million, and the development of the crush plant totalling $25.9 million in the current year. These increases in cash used for investing activities were offset by $6.2 million in cash received for the disposition of property, plant, and equipment.

Financing Activities

During the year ended June 30, 2022, the Corporation had $8.2 million in cash used in financing activities compared to cash provided by financing activities of $47.5 million in the prior year. The Corporation decreased its cash from its revolving line of credit by $26.1 million in tandem with decreased inventory. In addition, the Corporation used $12.0 million to acquire 50% of the membership units in BFE in June 2022.

Available Sources of Liquidity

Bank Indebtedness

The Corporation's sources of liquidity as at June 30, 2022 include available funds under its revolving credit facility (the "2022 Credit Facility"). Management believes that cash flow from operations will be adequate to fund operating expenditures, maintenance capital, interest, and any income tax obligations. Capital expenditures in the next fiscal year are expected to be funded by working capital on hand and borrowing against the 2022 Credit Facility. Any additional debt incurred is expected to be serviced by the anticipated increases in cash flow and will only be borrowed within the Corporation's debt covenant and borrowing base limits.

In addition, the 2022 Credit Facility, as at June 30, 2022 contains certain covenants, including a covenant that the Corporation maintain minimum working capital of not less than $30.0 million. As at June 30, 2022 the Corporation's working capital – defined as current assets less current liabilities – totaled $54.1 million. The covenants also include the maintenance of "consolidated debt" to "consolidated EBITDA" (as defined in the agreement) and consolidated tangible net worth of not less than $120.0 million. As at and for the year ended June 30, 2022 and June 30, 2021, the Corporation was in compliance with all of the above-mentioned financial covenants.

As at June 30, 2022 and June 30, 2021, the Corporation had $28.6 million and $19.0 million in availability, respectively, on its revolving credit facility.

Term Loan

On June 11, 2021, the Corporation entered into a five-year senior secured $50 million term debt credit facility with the Bank of Montreal (the "BMO Loan") that includes a $30 million term loan draw that was used to retire the Bixby Loan along with an additional $20 million delayed draw committed term loan that was used to fund the development of the Northgate crush plant project. Undrawn amounts on the delayed draw term loan are subject to a 0.25% commitment Interest.

Liquidity Risk

As at June 30, 2022 and June 30, 2021, the following are the contractual maturities of financial liabilities, excluding interest payments:

June 30, 2022

(in thousands of USD)	Carrying Amount	Contractual Cash Flows	1 year	2 years	3 to 5 Years	More than 5 years
Bank indebtedness	$ 54,676	$ 55,000	$ 55,000	$ -	$ -	$ -
Accounts payable and accrued liabilities	51,600	51,600	51,600	-	-	-
Accounts payable - related parties	1,597	1,597	1,597	-	-	-
Unrealized losses on open cash contracts	24,668	24,668	24,668	-	-	-
Term loan	47,506	48,125	2,500	2,500	43,125	-
Lease commitments	3,141	4,383	645	635	1,336	1,767
	$ 183,188	$ 185,373	$ 136,010	$ 3,151	$ 44,461	$ 1,767

June 30, 2021

(in thousands of USD)	Carrying Amount	Contractual Cash Flows	1 year	2 years	3 to 5 Years	More than 5 years
Bank indebtedness	$ 80,760	$ 81,000	$ 81,000	$ -	$ -	$ -
Accounts payable and accrued liabilities	41,336	41,336	41,336	-	-	-
Accounts payable - related parties	136	136	136	-	-	-
Unrealized losses on open cash contracts	25,112	25,112	25,112	-	-	-
Term loan	28,877	29,625	1,500	1,500	26,625	-
Lease commitments	3,856	5,346	882	653	1,745	2,066
	$ 180,077	$ 182,555	$ 149,966	$ 2,153	$ 28,370	$ 2,066

Future expected operational cash flows and sufficient assets are available to fund the settlement of these obligations in the normal course of business. In addition, the following factors allow for the substantial mitigation of liquidity risk: the prompt settlement of amounts due from brokers, the active management of trade accounts receivable and the lack of concentration risk related thereto. The Corporation's cash flow management activities and the continued likelihood of its operations further minimize liquidity risk.

4. CAPITAL RESOURCES

The Corporation utilizes the 2022 Credit Facility to finance its grain trading operations, which primarily consist of purchases of grain inventories, financing of accounts receivable, and hedging activities, less accounts payable. Levels of short-term debt fluctuate based on changes in underlying commodity prices, inventories on hand and the timing of grain purchases.

Revolving Credit Facility

Renewal of Credit Facility

On February 10, 2021, the Corporation amended its revolving credit facility, resulting in a new credit facility (the "2021 Credit Facility"). Under the 2021 Credit Facility, the amount of the revolving facility available to Ceres remained at $100 million, with the potential to access an accordion feature that would provide an additional $20 million. The revolving facility matured on February 9, 2022.

On September 17, 2021, the Corporation executed a Commitment to Increase Agreement to access the accordion feature of the 2021 Credit Facility, providing an additional $20.0 million in availability. To do so, the Corporation incurred fees of $79 thousand that were amortized over the remaining life of the 2021 Credit Facility.

The interest rate under the 2021 Credit Facility was a tiered annual interest rate based on the utilization as follows:

Revolver Facility Utilization	Applicable Margin
≤ 30%	2.75%
> 30%	2.50%

The total interest rate is calculated by adding the applicable margins above plus one-week LIBOR. In the event the one-week LIBOR does not adequately reflect the cost to the lenders, the adjusted base rate shall be a rate equal to the average of the lender's cost of funding the borrowings. The interest rate is calculated and paid on a monthly basis.

On February 8, 2022, the Corporation amended the 2021 Credit Facility. Under the new amended credit facility (the "2022 Credit Facility") the maximum facility amount increased from $100 million to $150 million, with the potential to access an accordion feature that would provide an additional $20 million. The 2022 Credit Facility matures on February 8, 2023.

The interest rate under the 2022 Credit Facility is a tiered annual interest rate based on utilization and is as follows:

Revolver Facility Utilization	Applicable Margin
≤ 30%	2.50%
> 30%	2.25%

The total interest rate is calculated by adding the applicable margins above plus SOFR plus 10 basis points. The 2022 Credit Facility is subject to borrowing base limitations. Amounts under the agreement that remain undrawn are not subject to a commitment fee.

Term Loan

On November 15, 2018, the Corporation entered into a $20.0 million term loan agreement with Bixby Bridge Fund IV, LLC (the "Bixby Loan"). On August 16, 2019, the Bixby Loan was amended in conjunction with the Corporation's acquisition of Delmar which increased the amount of the loan by $15.0 million to a total of $35.0 million. On February 28, 2020, the Corporation elected to pay the $5.0 million scheduled payment due November 15, 2020 early. Additionally, the annual interest rate increased to 6.00% plus one-month LIBOR.

On June 11, 2021, the Corporation entered BMO Loan, a five-year senior secured $50 million term debt credit facility that includes a $30 million term loan draw that was used to retire the Bixby Loan along with an additional $20 million delayed draw committed term ("BMO Delayed Draw") that will be used to fund future growth projects and initiatives. Repayment of the BMO loan will be in the form of quarterly payments of $375 thousand over the 5-year term, with the remaining balance of $22.5 million due on the maturity date of June 11, 2026. Undrawn amounts on the delayed draw term loan are subject to a 0.25% commitment fee. Interest is paid monthly and at the Corporation's option, the BMO Loan will bear interest equal to:

- 3.5% plus one-month LIBOR; or
- 2.5% plus the greater of (i) Lender's prime commercial rate as in effect on such day, (ii) the sum of the Fed Funds plus 0.5%, and (iii) the one-month LIBOR plus 1.0%

On September 14, 2021, the Corporation entered into a floating-to-fixed interest rate swap to lock in the interest rate on the BMO Loan. The amount of the floating-to-fixed interest rate swap will reduce in tandem with the quarterly principal repayments on the loan. The swap locks in the variable LIBOR portion of the interest rate at 0.721%.

The notional balance outstanding on the swap as at June 30, 2022, is $28.1 million. The interest rate on the BMO Loan is expected to be approximately 4.2% per annum through the swap maturity date of September 29, 2025. Settlement of both the fixed and variable portions of the interest rate swap occurs on a monthly basis. The Corporation has applied hedge accounting to this relationship whereby the change in fair value of the effective portion of the hedging derivative is recognized in accumulated other comprehensive income. The full amount of the hedge was determined to be effective as at June 30, 2022. The Corporation has classified this financial instrument as a cash flow hedge and the fair value of the hedging instrument is recorded as an asset of $1.8 million on the consolidated balance sheet.

On October 15, 2021 the Corporation borrowed $10.0 million on the BMO Delayed Draw. Repayment of the BMO Delayed Draw will be in the form of quarterly payments of $125 thousand over the 5-year term, with the remaining balance of $7.9 million due on the maturity date of June 11, 2026. Interest on the BMO Delayed Draw follows the rates set forth for the BMO Term Loan.

On March 29, 2022 the Corporation borrowed the remaining $10.0 million on the BMO Delayed Draw. Repayment of the BMO Delayed Draw will be in the form of quarterly payments of $125 thousand over the 5-year term, with the remaining balance of $8.0 million due on the maturity date of June 11, 2026. Interest on the BMO Delayed Draw follows the rates set forth for the BMO Term Loan.

In connection with the origination of term loans, the Corporation paid transaction costs relating to the loan closure in the amount of $36 thousand during fiscal year 2022 and $748 thousand during fiscal year 2021, which included legal fees and other related borrowing costs. Transaction costs directly attributable to the issuance of the loan are recognized as a reduction in the balance of the loan and are amortized over the term of the loan using the effective interest method.

5. ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

Changes in Accounting Policies and Standards Issued but not yet Effective

For the year ended June 30, 2022, there were no changes in accounting policies, and no standards issued but not yet effective which are expected to have a material impact to the Corporation's Financial Statements. Refer to note 3 of the Annual Consolidated Financial Statements for information pertaining to the significant accounting policies for the year ended June 30, 2022.

Critical Accounting Judgments, Estimates, and Assumptions

The discussion and analysis of Ceres' financial condition and results of operations are based upon the Corporation's Annual Consolidated Financial Statements, which have been prepared in accordance with IFRS. Ceres' significant accounting policies and accounting judgments, estimates, and assumptions are contained in the Annual Consolidated Financial Statements (see note 3 for the description of policies or references to notes where such policies are contained). The critical accounting estimates are valuation of investments, valuation of inventories and commodity derivatives, and measurement of deferred tax. Valuation of investments and valuation of deferred tax impact the corporate segment. Valuation of inventories and commodity derivatives impact the grain segment. The chief operating decision maker focuses on revenues and costs by operating segment but manages assets and liabilities on a global basis. The critical accounting judgments are measurement of deferred tax and determination of joint arrangements; because they require Ceres to make assumptions about matters that are potentially uncertain at the time the accounting estimate is made and due to the likelihood that materially different amounts could be reported under different conditions or using different assumptions.

Current Events

COVID-19

The outbreak of COVID-19 has resulted in governments worldwide enacting measures to combat the spread of the virus. These measures, which include the implementation of travel bans, non-essential business closures, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Although the Corporation has managed through this crisis without material impacts to its business, COVID-19 and any other future pandemic or public health crisis may have impacts on the Corporation's business, affairs, operations, financial condition, liquidity, availability of credit and results of operations that will depend on future developments that are highly uncertain and cannot be predicted with any meaningful precision. Management has considered the impact of COVID-19 on significant accounting judgments, estimates and assumptions, used in the preparation of the Annual Consolidated Financial Statements and did not identify any material changes for the current year.

War in Ukraine

In late February 2022, Russia invaded Ukraine. The Black Sea region is a key international grain, oilseed, and fertilizer export market and the conflict between Russia and Ukraine could continue to disrupt supply and logistics, cause volatility in prices, and impact global margins due to increased commodity, energy, and input costs. While the Corporation does not actively trade in the region, the war has put a strain on the global commodities market as a whole. Management will continue to monitor the situation and address the possible risks accordingly.

6. OUTLOOK

Grain Segment

Prices were volatile at the start of the quarter (April – June 2022) as planting for the 2022-2023 crop was delayed due to wet conditions, and the war in Ukraine continued to create uncertainty around available supply. By late May weather conditions improved and access to Ukraine supply appeared more likely, causing prices to significantly drop through the balance of May and June. Meanwhile, end users consumed as little as possible through the end of the 2021-2022 crop year in order to wait for lower priced new crop bushels. The Corporation effectively anticipated price changes and maximized opportunities in what was otherwise a very low volume quarter as industry inventories were low and purchases were light. Overall, the team continued to effectively navigate through challenging markets, positioning Ceres for its best annual operating financial performance in Corporation history.

Looking forward, inconsistent an unclear weather patterns are creating challenges with respect to anticipating harvest conditions and total supply. At a high level, late rains have been sufficient to support larger crops than last year, which likely leads to an opportunity to merchandize more volume during harvest. However, crop quality is less clear at this point and something the Corporation is watching very closely. Irrespective of the ultimate crop quality, Ceres, with its network of assets and talented team, is well positioned to manage whatever quality mix this crop delivers. Overall, uncertainty early on in the 2022-2023 crop year limits risk taking opportunities and likely leads to a slow start to the 2023 fiscal year, and once crop conditions become clearer the gameplan will also become clearer and the Corporation expects to continue realizing opportunities as it has done over the past several years.

Regarding growth and development, on February 10th, 2021 Ceres formed a joint venture with Farmers Co-op Grain and Seed Association from Thief River Falls, MN, which enables Ceres to continue to work directly with growers to deliver value-added solutions for its customers. A major investment and initiative from this joint venture, which was recently completed early and on budget, was to add storage and unit train loading capabilities to the grain operation in Thief River Falls. Since completion, the joint venture has loaded several Canadian Pacific unit trains. In addition, in March the Corporation announced it had entered into a letter of intent to acquire Columbia Grain International's 50% membership interest in BFE, a grain originator and merchandiser with locations in Berthold, N.D. and Carpio, N.D, and in May Ceres closed on that acquisition. The Corporation paid cash for the investment, coming from working capital and available debt capacity. The other 50% membership interest in BFE is owned by Berthold Farmers Elevator Company ("BFEC"), a farmer cooperative also based in Berthold, N.D. Partnering in BFE with BFEC advances the Corporation's strategy to partner with growers and increase origination of our core products. The deal closed on June 3, 2022. These investments provide critical origination directly from growers in critical areas of Minnesota and North Dakota, and further enable the Corporation to leverage the value of its terminal assets and deliver unique value to its customers.

Going forward, the Corporation will focus on realizing the full value of the assets in Farmers Grain and BFE joint ventures and other acquisitions made over the past several years. While growth through acquisitions has been a primary focus over the several years, much of those growth objectives have been achieved and near-term the Corporation will focus on maximizing trading and merchandizing opportunities, and organically developing regenerative agriculture and supply chain solutions for strategic customers.

Supply Chain Services Segment

Industrial product volumes continued their trend higher and were greater than the same quarter a year ago as demand for oriented strand board ("OSB") remains strong because of continued strength in new home building in the U.S. Meanwhile, fertilizer volumes were solid despite a significant increase in prices and natural gas liquid ("NGL") volumes through Gateway were significantly higher than the same quarter a year ago. Overall, gross margins for the segment were slightly higher than expected.

Looking forward, OSB and fertilizer volumes are expected to remain flat compared to last fiscal year while NGL volumes have the potential to improve as crude oil prices remain high and the gateway business has increased in size and scope.

Seed and Processing Segment

Soybean crush volumes were lower than the same quarter a year ago due to operational issues that prevented the plant from running at full capacity. Meanwhile, local margins contracted during the quarter as soybean inventories were low and soybean and soybean oil values were under pressure. However, that picture looks far more attractive going forward as new crop soybeans are on the way and meal and oil values have strengthened.

On June 20, 2022, the Corporation closed on the sale of its specialty crop blending and bird food facility in St. Agathe, MB for $6.0 million and recognized a gain of $3.7 million within gain (loss) on property, plant and equipment in the consolidated statements of comprehensive income. While this was a successful business, it was not strategic for Ceres, and this sale allows for management to focus on its vision to partner with growers to enable the Corporation's end use customers to do great things in the food and agriculture markets.

Ceres Global Seed realized attractive revenues in Q4 due to the seasonality of that operation. Corn sales were consistent with last year while soybean volumes were lower. This was the Corporation's second year working with new partners Sevita (soybeans) and Horizon (corn), and the business has made significant progress developing those brands in Western Canada. One limiting factor regarding soybeans has been the lack of access to a mid-season variety; however, seed growers are developing that seed this year and it will be in the portfolio next year.

On June 24th, 2022, the Corporation announced that it had suspended its previously announced Crush Project. The Corporation continues to explore avenues to pursue a canola crush project of some form at Northgate and will provide updates if/when material progress is made to that end.

7. OTHER

CONTROLS ENVIRONMENT

Disclosure Controls and Procedures

Ceres maintains appropriate information systems, procedures, and controls to ensure that new information disclosed externally is complete, reliable, and timely. National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* ("NI 52-109") requires the Chief Executive Officer and the Chief Financial Officer to certify that they are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and that they have, as at June 30, 2022, designed the DC&P (or have caused such DC&P to be designed under their supervision) to provide reasonable assurance that material information relating to Ceres is made known to them by others, particularly during the period in which Ceres' annual filings are being prepared, and that information required to be disclosed by Ceres in its annual filings, interim filings or other reports filed or submitted by Ceres under applicable securities legislation is recorded, processed, summarized, and reported within the time periods specified in applicable securities legislation.

Internal Controls over Financial Reporting

NI 52-109 also requires the Chief Executive Officer and the Chief Financial Officer to certify that they are responsible for establishing and maintaining internal control over financial reporting ("ICFR") and that they have, as at June 30, 2022, designed ICFR to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Annual Consolidated Financial Statements for external purposes in accordance with International Financial Reporting Standards ("IFRS"). The control framework used by the Chief Executive Officer and the Chief Financial Officer to design Ceres' ICFR is the *Risk Management and Governance: Guidance on Control* (COCO Framework) published by CPA Canada. There have been no material changes in the Corporation's internal control over financial reporting during the year ended June 30, 2022 that materially affected, or are reasonably likely to materially affect, the Corporation's internal control over financial reporting.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Corporation's financial instruments and other instruments, including a discussion of risks and relevant risk sensitivities, can be found in note 7 of the Annual Consolidated Financial Statements.

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation does not currently have any off-balance sheet arrangements.

RELATED-PARTY TRANSACTIONS

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director, whether executive or otherwise, of that entity). Below is the remuneration of key management personnel of the Corporation for the fiscal years ended:

	For the Year Ended June 30,	
(in thousands of USD)	2022	2021
Salary and short-term employee and director benefits	$ 6,251	$ 2,001
Share-based compensation	606	608
	$ 6,857	$ 2,609

CEO Departure

Effective August 23, 2022, Robert Day is stepping down as President and Chief Executive Officer of the Corporation. Carlos Paz, VP and Commercial Director, has been appointed as Mr. Day's replacement. Mr. Day will continue to support Ceres on a consulting basis through the second quarter of fiscal year 2023.

Ownership

The Corporation’s majority shareholder, VN Capital Management, LLC, beneficially owns and controls, directly and indirectly, through VN Capital Fund C, L.P., a total of 16,843,457 common shares, representing 54.7% of Ceres’ outstanding shares (16,782,557 common shares, 54.5% as at June 30, 2021).

Savage

As at June 30, 2022 and June 30, 2021, Ceres owns a 50% interest in Savage. Ceres routinely transacts business directly with Savage. Such transactions are in the ordinary course of business and include storage and elevation fees for grain storage, as well as management fees.

Farmers Grain

As at June 30, 2022 and June 30, 2021, Ceres owns a 50% interest in Farmers Grain. Ceres routinely transacts business directly with Farmers Grain. Such transactions are in the ordinary course of business and include the purchase of grain as well as management fees.

BFE

As at June 30, 2022 and June 30, 2021, Ceres owns a 50% interest in BFE. Ceres routinely transacts business directly with BFE. Such transactions are in the ordinary course of business and include the purchase of grain.

Gateway

As at June 30, 2022 and June 30, 2021, Ceres owned a 50% interest in Gateway.

SSR

As at June 30, 2022 and June 30, 2021, Ceres owns 25% in SSR.

The following table summarizes the information for related parties.

(in thousands of USD)	June 30, 2022	June 30, 2021
Accounts receivable due from associates		
(Recorded in Accounts receivable – related parties)		
Savage	$ 173	$ 212
Farmers Grain	370	147
BFE	2	-
Gateway	94	85
Total accounts receivable due from associates	639	444
Accounts payable due to associates		
(Recorded in Accounts payable – related parties)		
Savage	-	39
Farmers Grain	13	97
BFE	1,584	-
Gateway	-	-
Total accounts payable due to associates	1,597	136
Gain on open cash contracts – Related Party		
(Recorded in Unrealized gains on open cash contracts)		
Farmers Grain	444	-
BFE	989	-
Total gain on related party open cash contracts	1,433	-
Loss on open cash contracts – Related Party		
(Recorded in unrealized losses on open cash contracts)		
Farmers Grain	13	-
BFE	2,850	-
Total loss on related party open cash contracts	2,863	-

Related party revenues	June 30, 2022	June 30, 2021
(Recorded in Revenues)		
Savage	$ 92	$ 80
Farmers Grain	1,363	162
BFE	-	-
Gateway	1,021	737
Total related party revenues	2,476	979

<u>Related party expense</u>		
(Recorded in Cost of Sales)		
Savage	1,393	1,798
Farmers Grain	5,842	456
BFE	11,545	-
Gateway	-	-
Total related party expense	18,779	2,254

SHARES OUTSTANDING

As at September 8, 2022, the issued and outstanding equity securities of the Corporation consisted of 30,965,385 common shares. In addition, the Corporation has 1,443,375 stock options outstanding with a weighted-average exercise price of C$4.13 per common share, 456,718 restricted stock units outstanding, 343,650 equity-settled deferred share units outstanding, and 103,775 cash-settled deferred share units outstanding.

CONTINGENCIES

Regulatory Investigations

The Corporation and certain of its current and former personnel have received subpoenas from the U.S. Department of Justice ("DOJ") to produce documents and other records regarding the Corporation's trading and other related activities, with a particular focus on the Corporation's oat market trades from 2016 to 2019. The Corporation also received a voluntary document request from the U.S. Commodities Futures Trading Commission ("CFTC") seeking similar information. The Corporation is cooperating with both investigations. The Board has established a special committee to oversee the Corporation's response to these investigations.

The outcome of the investigations is difficult to assess or quantify. The existence, timing and amount of any future financial obligations (such as fines, penalties or damages) or other consequences arising from the DOJ and CFTC investigations and any potential related litigation are unable to be determined at this time and no liability has been recognized in relation to these matters in the Annual Consolidated Balance Sheet at the end of the reporting period. The cost to cooperate with the investigations has been significant, ($4.7 million for the year ended June 30, 2022 and $334 thousand for the year ended June 30, 2021). In addition, if the DOJ and/or the CFTC decide to pursue an enforcement action against the Corporation as a result of the investigations, that may result in liability material to the Corporation's financial statements as a whole or may materially and adversely affect the Corporation's business, financial position, cash flow, and/or results of operations, and the magnitude of the potential loss may remain unknown for substantial periods of time.

8. NON-IFRS FINANCIAL MEASURES AND RECONCILIATIONS

Certain financial measures in this annual MD&A and discussed below are not prescribed by and do not have a standardized meaning under IFRS. As such, they are unlikely to be comparable to similar measures presented by other issuers. These non-IFRS financial measures and ratios and supplementary financial measure are included because management uses the information to analyze leverage, liquidity, and operating performance and believes that investors may find such information useful.

Earnings Before Interest, Income Taxes, Depreciation, and Amortization

The Corporation believes the presentation of EBITDA and EBITDA per share can provide useful information to investors and shareholders as it provides increased transparency. EBITDA is one metric that is used by management to determine the Corporation's ability to service its debt and finance capital. EBITDA excludes gains and losses on property, plant and equipment, assets held for sale, and gains and losses on equity investments.

The following table is a reconciliation of EBITDA for Ceres on a consolidated basis for the three months and year ended June 30, 2022 and 2021:

	Three months ended June 30,		Year ended June 30,	
(in thousands of USD)	2022	2021	2022	2021
Net income (loss) for the period	$ (22,537)	$ 11,733	$ (8,823)	$ 12,044
Interest expense	1,126	1,596	4,770	5,243
Amortization of intangible assets	66	65	263	262
Income tax (recovery)	(345)	(9,712)	5,906	(9,768)
Share of net (Income) loss in investment in associates [1]	577	67	802	369
Depreciation and amortization	1,658	1,728	6,960	6,695
Gain (loss) on property, plant and equipment	(3,725)	-	(3,744)	(37)
Crush plant impairment	25,904	-	25,904	-
	$ 2,724	$ 5,477	$ 32,038	$ 14,808

EBITDA per share is the quotient obtained by dividing EBITDA for the period by the weighted average number of shares outstanding for the period.

Adjusted Net Income

The Corporation believes the presentation of Adjusted Net Income can provide useful information to investors and shareholders as it can be used to evaluate the performance of the business. Adjusted Net Income excludes major one-time write offs as well as legal fees that relate to special matters.

	Three months ended June 30,		Year ended June 30,	
(in thousands of USD)	2022	2021	2022	2021
Net income (loss) for the period	$ (22,537)	$ 11,733	$ (8,823)	$ 12,044
Crush plant impairment	25,904	-	25,904	-
Special matters legal expense	1,661	334	4,743	334
	$ 5,028	$ 12,067	$ 21,824	$ 12,378

Return on Shareholders' Equity

Ceres believes that the return on shareholders' equity can be an effective measure used to evaluate the performance of the business over time. Management uses this metric to analyze performance and set targets. Return on shareholders' equity is the quotient of the net income (loss) for the period and the total shareholders' equity as at the reporting date. The following table is a calculation of return on shareholders' equity for the three months and year ended June 30, 2022 and 2021:

	Three months ended June 30,		Year ended June 30,	
(in thousands of USD)	2022	2021	2022	2021
Net income (loss) for the period	$ (22,537)	$ 11,733	$ (8,823)	$ 12,044
Total shareholder's equity as at reporting date	149,505	156,918	149,505	156,918
	(15.1%)	7.5%	(5.9%)	7.7%

9. KEY ASSUMPTIONS & ADVISORIES

FORWARD-LOOKING STATEMENTS

This annual MD&A contains information that is "forward-looking information", "forward-looking statements" and "future oriented financial information" (collectively herein referred to as "forward-looking statements") within the meaning of applicable securities laws. Forward-looking statements in this document may include, among others, statements regarding future operations and results, anticipated business prospects and financial performance of Ceres and its subsidiaries, expectations or projections about the future, strategies and goals for growth, expected and future cash flows, costs, planned capital expenditures, additional anticipated capital projects, construction and completion dates, including plans to further develop Northgate, operating and financial results, critical accounting estimates and the expected financial and operational consequences of future commitments.

Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "outlook", "likely", "probably", "going forward", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "believes", "may have implications" or similar words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking statements in this document are intended to provide Ceres' shareholders and potential investors with information regarding Ceres and its subsidiaries, including Management's assessment of future financial and operational plans and outlook for Ceres and its subsidiaries.

Forward-looking statements are based on the opinions and estimates of management at the date the information is made and are based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Actual results or events may differ from those predicted in these forward-looking statements. All of the Corporation's forward-looking statements are qualified by the assumptions that are stated or inherent therein, including the assumptions listed below. Although Ceres believes these assumptions are reasonable, this list is not exhaustive of factors that may affect any of the forward-looking statements.

KEY ASSUMPTIONS

Key assumptions have been made in connection with the forward-looking statements in this annual MD&A. These assumptions include, but are not limited to, the following:

- No material change in the regulatory environment in Canada and the United States;
- Supply and demand factors as well as the pricing environment for grains and other agricultural commodities;
- Fluctuation of currency and interest rates;
- General financial conditions for Western Canadian and American agricultural producers;
- Market share that will be achieved by the Corporation;
- Adequate and timely service from the railroads, and in particular from the BNSF at Northgate;
- The Corporation's ability to maintain existing customer contracts and relationships coupled with its ability to increase its customer portfolio; and
- COVID-19 does not significantly impact the Corporation's operations and the markets it serves.

The preceding list is not an exhaustive list of all possible factors. All factors should be considered carefully when making decisions with respect to Ceres. Many such factors and events are not within the control of Ceres. Factors that could cause actual results or events to differ materially from current expectations include, among others, risks related to weather, politics and governments, changes in environmental and other laws and regulations, competitive factors in the agricultural, food processing and feed sectors, construction and completion of capital projects, labour, equipment and material costs, access to capital markets, interest and currency exchange rates, technological developments, global and local economic conditions, the ability of Ceres to successfully implement strategic initiatives and whether such strategic initiatives will yield the expected benefits, the operating performance of the Corporation's assets, the availability and price of commodities, and the regulatory environment, processes and decisions. Ceres has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements. However, there may be other factors that might cause actions, events or results that are not anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements or information.

By their nature, forward-looking statements are subject to various risks and uncertainties, including those risks discussed in other sections of this MD&A and in other filings and communications, any of which could cause Ceres' actual results and experience to differ materially from the anticipated results or published expectations. Additional information on these and other factors is available in the reports filed by Ceres with Canadian securities regulators. Readers are cautioned not to place undue reliance on the forward-looking statements herein, which are given as of the date of this MD&A or otherwise, and not to use future-oriented information or financial outlooks for anything other than their intended purpose. Ceres undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, change in management's estimates or opinions, future events or otherwise, except as required by law.