

# INVESTOR PRESENTATION

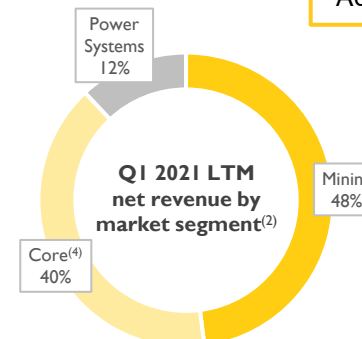
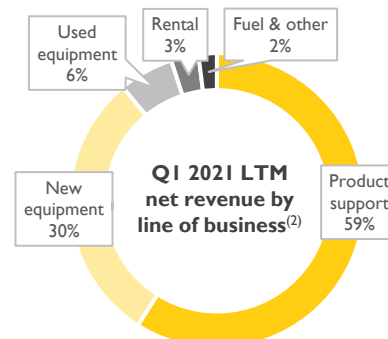
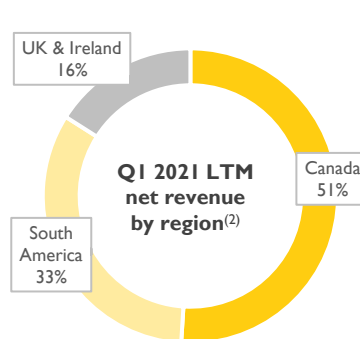
Greg Palaschuk, EVP & CFO

Juan Pablo Amar, President, Finning South America

May 28, 2021

## Finning Overview

- Largest Caterpillar dealer
- Unrivalled service since 1933
- Diversified by geography, customer base, product, and sector
- ~12,000 employees at March 31, 2021



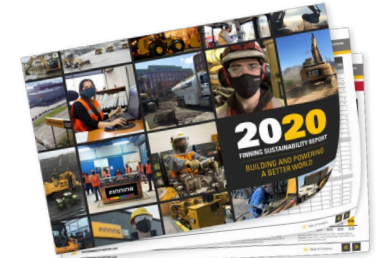
### Market Statistics<sup>(1)</sup> - FTT (TSX)

Share price	32.40
Market Cap	5.3B
S&P/DBRS rating	BBB+/high
Annual dividend / share	0.82
Dividend yield	2.5%

### 2021 Q1 LTM Financial Statistics<sup>(2)</sup>

Revenue	6.2B
Net revenue <sup>(3)</sup>	5.8B
EBIT	406M
EBITDA <sup>(3)</sup>	715M
Adjusted EBITDA <sup>(3)</sup>	636M
EPS	1.53
Adjusted EPS <sup>(3)</sup>	1.16
Invested capital <sup>(3)</sup>	3.2B
ROIC <sup>(3)</sup>	12.5%
Adjusted ROIC <sup>(3)</sup>	10.0%

### Focus on Sustainability



Visit our website for our 2020 Sustainability Report, which describes our alignment with GRI, SASB and TCFD frameworks and our target to reduce our absolute GHG emissions by 20% by 2027 from our 2017 baseline<sup>(5)</sup>



<sup>(1)</sup> At May 21, 2021

<sup>(2)</sup> Last 12 months ended March 31, 2021

<sup>(3)</sup> This is a non-GAAP financial measure. See slide 9 for more information

<sup>(4)</sup> Core market segment includes construction, forestry, pipeline, quarrying, waste management, industrial services, public services, and agriculture

<sup>(5)</sup> This is forward-looking information. See slide 9 for more information.

# 2021 Outlook and Profitability Drivers

## Equipment Backlog<sup>(1)</sup>

Q1 2021 vs Q4 2020



## Codelco Order

797 trucks



Subsequent to Q1 2021

## Construction Rebuilds

Canada, certified rebuilds



Q1 2021 FY 2020

## GHG Emissions

Q1 2021 vs Q1 2020



### Positive 2021 Outlook<sup>(2)</sup>

- Expect revenue growth in 2021 underpinned by strong backlog, however, remaining below 2019 levels
- Expect 2021 earnings to exceed 2019, despite slower than anticipated vaccine rollout in Canada and challenges related to COVID-19
- Expect strong annual free cash flow<sup>(1)</sup> in 2021; EBITDA to free cash flow conversion<sup>(1)</sup> modestly below 50% due to increased inventory purchases

### 2021 Profitability Drivers

- Operating leverage in a recovering market
- Product support growth in all regions
- Significant progress towards SG&A target
- Effective allocation of capital

### Product Support Growth



Construction market share gains



Mining upcycle capture

### SG&A as % of Net Revenue<sup>(1)(2)</sup>



Mid-cycle target

### EBITDA to Free Cash Flow Conversion<sup>(2)</sup>



2013 - 2020 average  
Mid-cycle target

<sup>(1)</sup> This is a non-GAAP financial measure. See slide 9 for more information.

<sup>(2)</sup> This is forward-looking information. See slide 9 for more information.

# South America Overview

## Business Overview

- Operating in Chile, Argentina, and Bolivia
- 38 branches and 3 parts distribution centres
- Leading capabilities to serve global copper producers
- Diversified construction and power systems markets across all countries

**Revenue**  
Q1 2021 LTM <sup>(1)</sup>  
**~\$1.9B**

**Employees**  
March 31, 2021  
**~5,280**

## Strong Growth Prospects<sup>(6)</sup>



Chile GDP forecast to grow 6.5% in 2021 vs 2020<sup>(2)</sup>



US\$34B Chile infrastructure investment for 2020-2022<sup>(4)</sup>

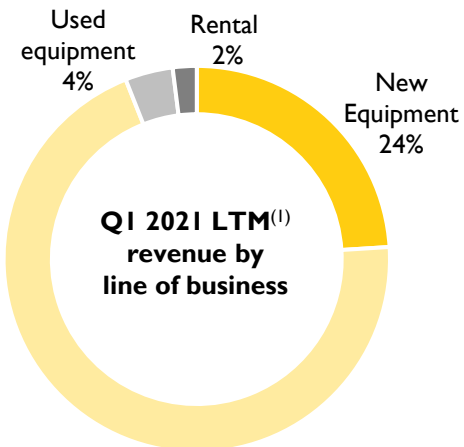
**Cu**  
**7.2**  
2027  
**5.7**  
2020

Chile copper production forecast<sup>(3)</sup>  
million tons

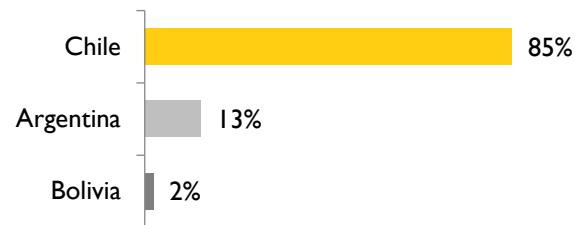
**Li**  
**~25%**  
2020 – 2025

Global lithium production forecast<sup>(5)</sup>  
average annual growth rate

## Key Markets and Revenue Drivers



Q1 2021 LTM<sup>(1)</sup> revenue by country



### Mining

**~70%**  
of revenue<sup>(1)</sup>



Open Pit Copper



Underground Copper



Gold / Iron Ore / Silver / Lithium

### Construction

**~25%**  
of revenue<sup>(1)</sup>

### Power Systems

**~5%**  
of revenue<sup>(1)</sup>



Mining Infrastructure



Public/Private Infrastructure



Forestry



Electric Power



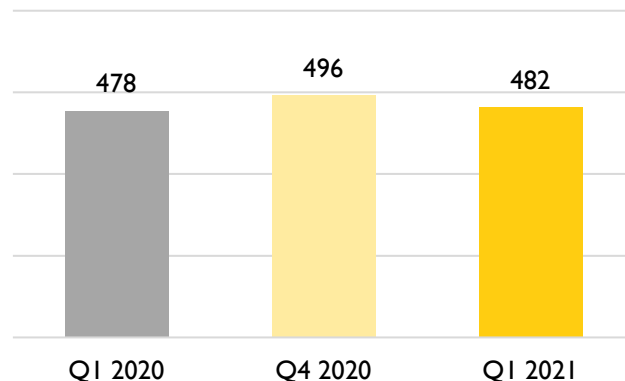
Energy/ Oil & Gas

<sup>(1)</sup> Last 12 months ended March 31, 2021 <sup>(2)</sup> Bloomberg

<sup>(3)</sup> Cochilco. See slide 10 for more information. <sup>(4)</sup> Chile Ministry of Public Works. See slide 10 for more information. <sup>(5)</sup> Goldman Sachs Equity Research. See slide 10 for more information. <sup>(6)</sup> This is forward-looking information. See slide 9 for more information.

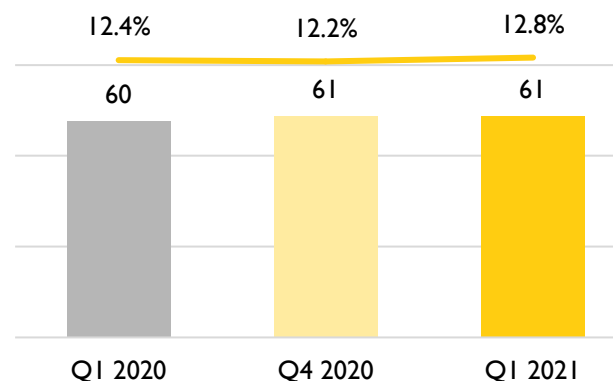
# South America - Q1 2021 Financial Results

## Net Revenue \$ Millions



## EBITDA

Adjusted, \$ Millions, as % of Net Revenue<sup>(1)</sup>

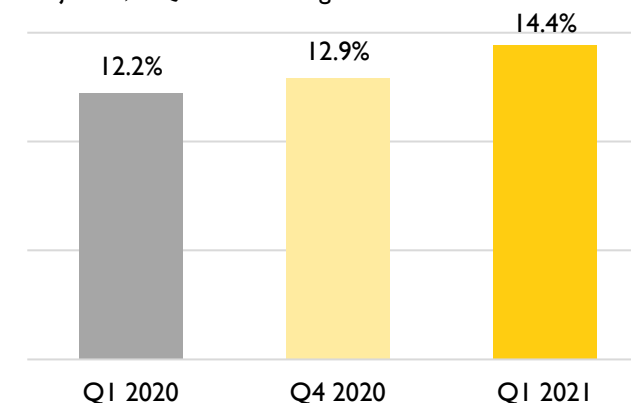


7.8%      8.3%      8.6%

Adjusted EBIT as % of Net Revenue<sup>(1)</sup>

## Return on Invested Capital

Adjusted, 4 Quarter Average



### Q1 2021 Commentary

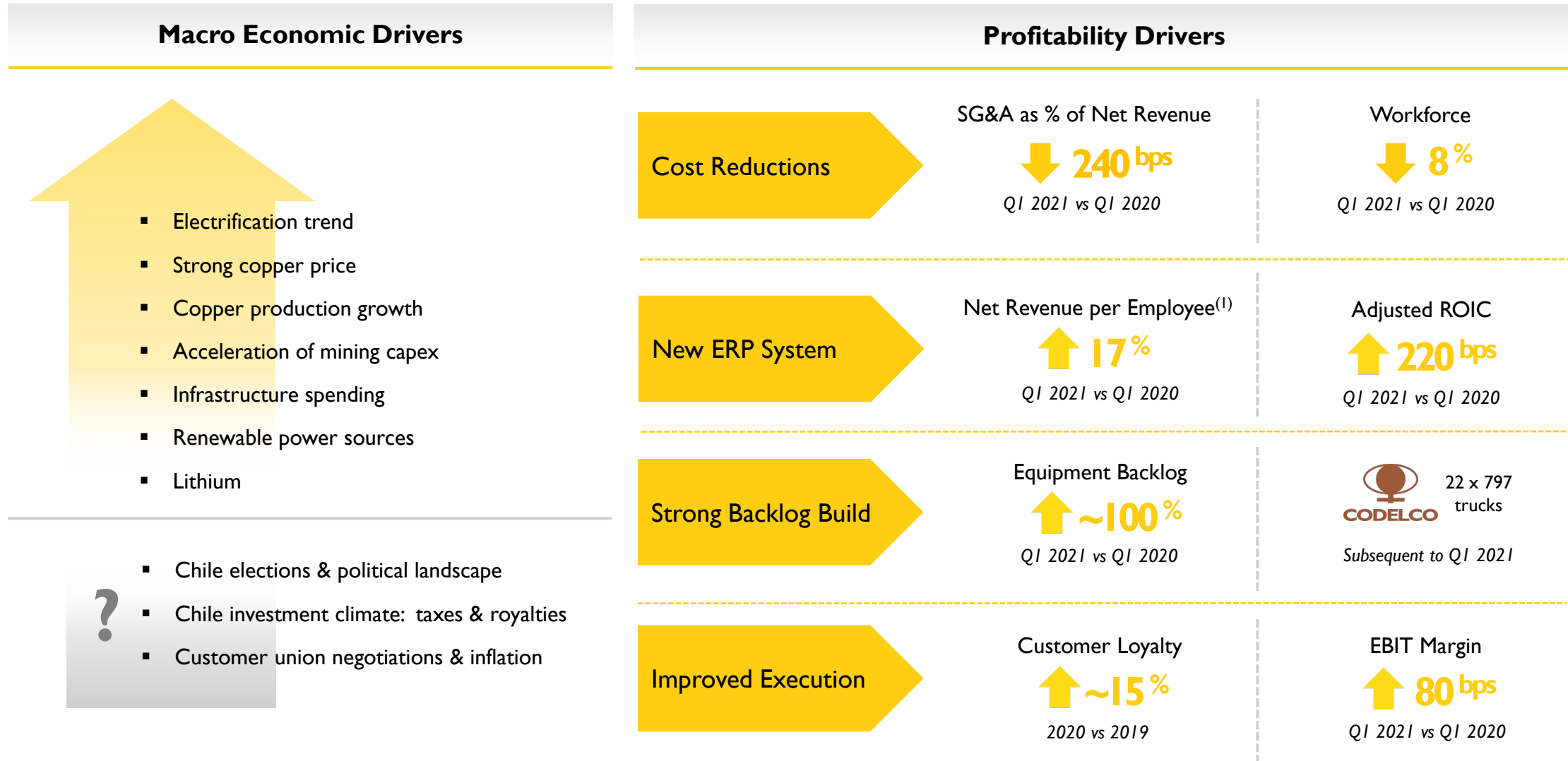
- COVID-19 restrictions continued to impact mining operations and product support revenue; Chile copper production down 2% from Q1/20, down 7% from Q4/20
- New equipment sales up 58% from Q1 2020 in functional currency, driven by improved market activity and QB2 deliveries
- Higher profitability driven by improved execution to capture growth and increased efficiencies
- Highest ROIC since Q3 2018

### Market Outlook<sup>(2)</sup>

- Optimistic about mining recovery in Chile; actively quoting on multiple RFPs for brownfield expansions and greenfield projects
- Expect mining product support to recover in the second half of 2021
- Improved outlook for construction and power systems in Chile supported by infrastructure stimulus
- Monitoring political and economic reform process, and upcoming customer union negotiations

<sup>(1)</sup> This is a non-GAAP financial measure. See slide 9 for more information. <sup>(2)</sup> This outlook information is forward-looking information. See slide 9 for more information.

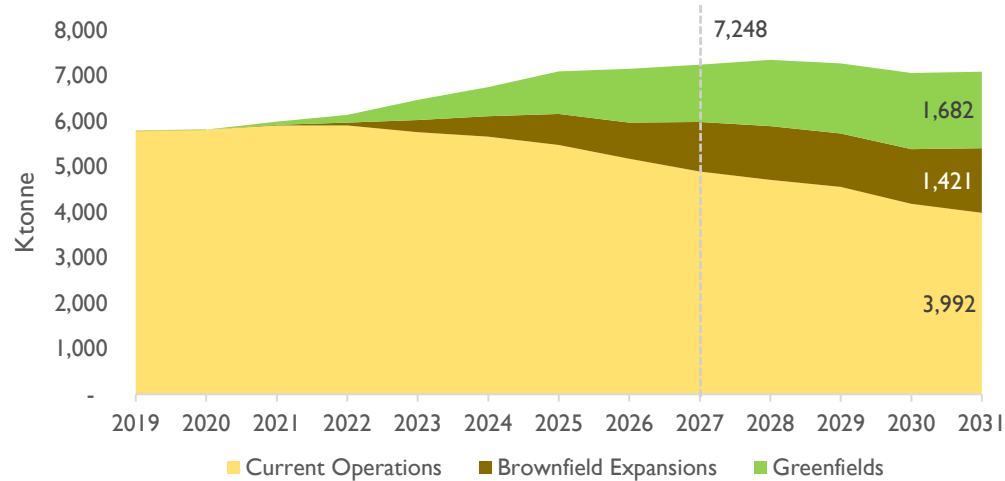
# South America - Strong Growth Potential, Monitoring Uncertainty



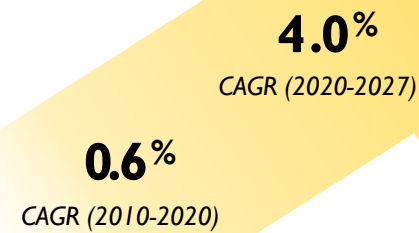
<sup>(1)</sup> This is a non-GAAP financial measure with no directly comparable IFRS measure. It is calculated as net revenue for the last three months / total number of employees at the period end. See slide 9 for more information.

## Next Phase of Mining Growth<sup>(1)</sup>

Chile Copper Production Profile<sup>(2)</sup>



Chile Copper Production Growth<sup>(2)</sup>



CAT Ultra Class Trucks

Population  
Trucks

**228**

Average Age  
Years

**~11**

Includes 797, 795, 794, and 798 trucks

### Greenfield Projects – Opportunities<sup>(1)(3)</sup>

<b>Teck</b>	QB2 / QB3		<b>FIRST QUANTUM MINERALS</b>	Taca Taca	
<b>capstone MINING CORP</b>	Santo Domingo		<b>YAMANAGOLD</b>	Agua Rica	
<b>Teck</b> / <b>Newmont</b>	Nueva Union		<b>FILO MINING</b>	Filo Del Sol	

### Brownfield Projects - Opportunities<sup>(1)(3)</sup>

<b>CODELCO</b>	Multiple Projects	
<b>ANTOFAGASTA PLC</b>	Los Pelambres	
<b>AngloAmerican</b>	Los Bronces	
<b>MANTOS COPPER</b>	Mantoverde	

<sup>(1)</sup> This is forward-looking information. See slide 9 for more information.

<sup>(2)</sup> Cochilco. See slide 10 for more information.

<sup>(3)</sup> Company reports. See slide 10 for more information.

## Winning Equipment Replacement and Greenfield Opportunities

### Codelco - Radomiro Tomic (Replacement)

22 New Trucks



797F 400 Ton  
Mechanical Drive

5-year Product  
Support Agreement



### Teck - QB2 (Greenfiled / Autonomy)

Full Fleet



794AC 320 Ton  
Electric Drive

Support  
Equipment



5-year Product  
Support Agreement



### Codelco - Ministro Hales (Autonomy Pilot)

Product Support Agreement  
5-Year Extension

Ultra Class  
Trucks



39

Shovels



6

Support  
Equipment



Multiple  
units

Autonomy Pilot



In partnership with  
Caterpillar

### Caterpillar Autonomous Haulage System

20%+ Productivity Improvement vs Conventional Fleet



**SCALABLE**

~100 trucks and 250+ auxiliary  
vs limited scalability of  
competitors' offering



**INTEROPERABLE**

with conventional and  
competitors' fleets



**RETROFITTABLE**

Caterpillar 789D, 793D,  
793F, 794, 797F  
Komatsu 930E-4



**FASTER**

uses Lidar and Predictive  
Path to travel faster than  
competitors' trucks



# Disclosures

## Forward-looking information

This presentation includes “forward-looking information” (as defined in applicable Canadian securities legislation) that is based on expectations, estimates and projections that we believe are reasonable as of the date of this presentation, but may ultimately turn out to be incorrect. Forward looking information in this presentation includes our target to reduce our absolute GHG emissions by 20% by 2027 from our 2017 baseline on slide 2; our outlook for 2021 and our targets to achieve 17% SG&A as a percentage of net revenue and EBITDA to FCF conversion of ~50% in the mid-cycle on slide 3; the information under “Strong Growth Prospects” on slide 4; the information under “Market Outlook” on slide 5; the information on slide 7 regarding the next phase of mining growth in Chile, including the copper production profile for 2021 to 2031, CAGR for 2020-2027 and opportunities related to greenfield and brownfield projects. No assurances can be given that the information in this presentation will result in sustained or improved financial or sustainability performance. This information has been provided to give information about our current expectations and plans and is accurate at the time of presentation, but may later be superseded by more current information. Except as required by law, we do not undertake any obligation to update the information.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors, and is based on a number of assumptions that we believe are reasonable as of the date of this presentation, which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Assumptions on which the forward-looking information is based include but are not limited to assumptions that: we will be able to execute on our strategic plans, take advantage of growth opportunities, including those that may come from the growth prospects listed on slide 4 and the greenfield and brownfield projects listed on slide 7, control our costs, drive continuous cost efficiency in a recovering market, respond to climate change-related risks and opportunities, and manage the impacts of COVID-19, and successfully execute on our profitability drivers listed on slides 3 and 6, and we are assuming an undisrupted market recovery, for example, undisrupted by COVID-19 impacts, commodity price volatility or social or political unrest, especially in Chile. Additional important information identifying and describing these and other risks, uncertainties, assumptions and other factors is contained in our most recently filed annual information form (AIF) and in our most recent annual and quarterly management’s discussion and analysis of financial results (MD&A), which are available on our website ([www.finning.com](http://www.finning.com)) or under our profile on SEDAR ([www.sedar.com](http://www.sedar.com)).

We caution readers that the risks described in the AIF and MD&A are not the only risks that could impact the company. We cannot accurately predict the full impact that COVID-19 will have on our business, results of operations, financial condition or the demand for our services, due in part to the uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, the steps our customers or suppliers may take in current circumstances, including slowing or halting operations, the duration of travel and quarantine restrictions imposed by governments of affected countries and other steps that may be taken by such governments to respond to the pandemic. Additional risks and uncertainties not currently known to us or that are currently deemed to be immaterial may also have a material adverse effect on our business, financial condition, or results of operations.

## Currency

Monetary amounts referred to in this presentation are in Canadian dollars unless noted otherwise. All variances and ratios in this presentation are based on the functional currency of each operation (Canada: CAD, South America: USD, UK & Ireland: GBP).

## Non-GAAP financial measures

This presentation includes certain “non-GAAP financial measures”, which are called out the first time they are used. The non-GAAP financial measures do not have a standardized meaning under International Financial Reporting Standards (IFRS) and therefore may not be comparable to similar measures presented by other issuers. For additional information regarding these financial metrics, including definitions and reconciliations from each of these non-GAAP financial measures to their most directly comparable measure under Generally Accepted Accounting Principles, where available, see the heading “Description of Non-GAAP Financial Measures and Reconciliations” in our most recent MD&A. We believe that providing certain non-GAAP financial measures provides users of our consolidated financial statements with important information regarding the operational performance and related trends of our business. By considering these measures in combination with the comparable IFRS measures set out in the MD&A, we believe that users are provided a better overall understanding of our business and financial performance during the relevant period than if they simply considered the IFRS measures alone.

Reported financial metrics may be impacted by significant items we do not consider indicative of operational and financial trends either by nature or amount. Financial metrics that have been adjusted to take into account these items are referred to as “Adjusted” metrics. For a description of these significant items, please refer to our quarterly and annual MD&A for the period to which the relevant Adjusted metric relates.

## Footnotes

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### Slide 4

Footnote 4: <https://www.mop.cl/Prensa/Paginas/DetalleDestacadas-portadillanoticias.aspx?item=3247>

Footnote 5: Goldman Sachs Equity Research, China Metals & Mining Lithium - look beyond disruption; initiate Ganfeng H/A at Buy; August 21, 2020

### Slide 7

Footnote 2: Comisión Chilena del Cobre; Proyección de la producción de cobre en Chile 2020 – 2031; Depp 29/2020.

Footnote 3: Company reports

- Teck, QB2/QB3 – <https://www.teck.com/operations/chile/projects/quebrada-blanca-phase-2/>
- Capstone, Santo Domingo – <https://capstonemining.com/operations/santo-domingo/default.aspx>
- Teck / Newmont, Nueva Union – <https://www.teck.com/operations/chile/projects/nuevaunion/>
- First Quantum, Taca Taca – <https://www.first-quantum.com/English/our-operations/default.aspx>
- Yamanagold, Agua Rica – <https://www.yamana.com/portfolio/advancing-projects/default.aspx>
- Filo Mining, Filo Del Sol - <https://filo-mining.com/operations/overview/>
- Codelco – [https://www.codelco.com/prontus\\_codelco/site/edic/base/port/operaciones.html](https://www.codelco.com/prontus_codelco/site/edic/base/port/operaciones.html)
- AngloAmerican, Los Bronces – <https://www.angloamerican.com/products/copper>
- Antofagasta, Los Pelambres – <https://www.antofagasta.co.uk/our-business/mining-division/los-pelambres/>
- Mantos Copper, Mantoverde – <https://www.mantoscopper.org/mantoverde>