

# Investor Presentation

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EVP and CFO

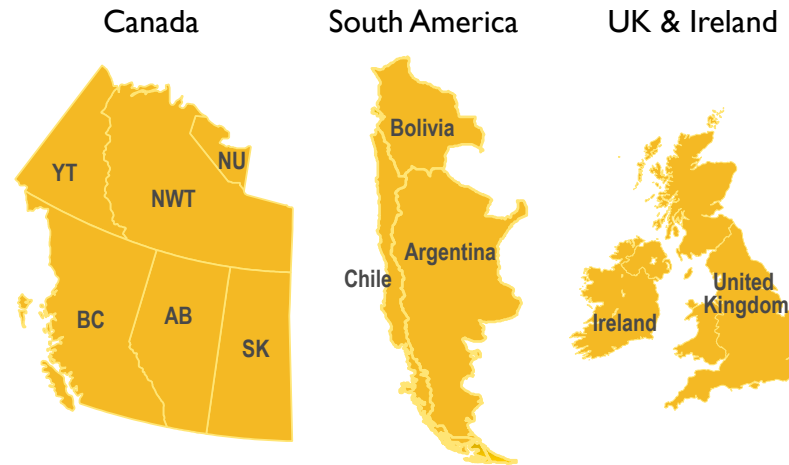
East Coast

September 17-19, 2024

See slides 8 and 9 for important information on forward-looking information, currency, and specified financial measures, including non-GAAP financial measures

# Finning Overview

- Largest Caterpillar dealer in attractive territories
- ‘Servicing what we sell’ for over 90 years
- Diversified by geography, customer base, product, and sector
- Large installed base of highly utilized equipment
- ~14,900 employees as at Dec 31, 2023



### 2023 Investor Day

Scan to view video  
webcast and slides

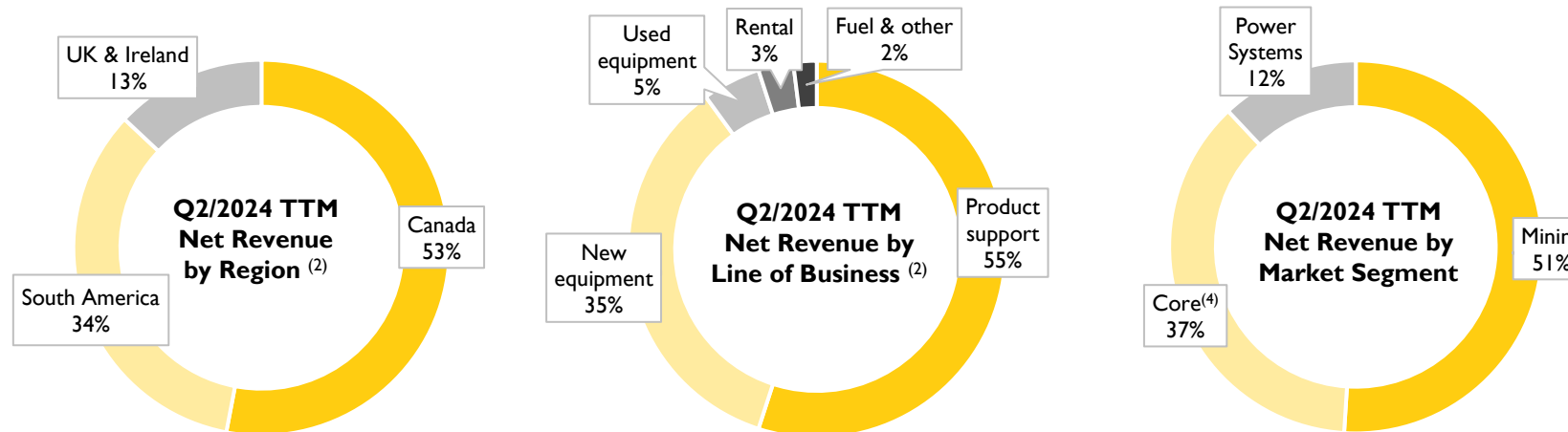


### Market Statistics <sup>(1)</sup> - FTT (TSX)

Share Price	37.24
Market Cap.	5.2B
S&P / DBRS Rating	BBB+ / BBB (high)
Annualized Dividend / Share	1.10
Dividend Yield	3.0%

### Q2/2024 TTM <sup>(5)</sup> Financial Statistics

Revenue	10.9B
Net Revenue <sup>(2)</sup>	9.8B
EBIT	859M
Adjusted EBIT <sup>(3)</sup>	914M
EPS	3.51
Adjusted EPS <sup>(2)</sup>	3.88
Invested Capital <sup>(2)</sup>	5.0B
Adjusted ROIC <sup>(2)</sup>	18.5%



### Consecutive Dividend Growth



S&P/TSX Canadian Dividend  
Aristocrats Index Constituent

<sup>(1)</sup> At Sept. 6, 2024

<sup>(2)</sup> This is a specified financial measure. See slide 9 for more information.

<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> TTM: Trailing Twelve Months as of end of Q2 2024

## Go-Forward Strategic Priorities

✓ Our people are our biggest competitive advantage

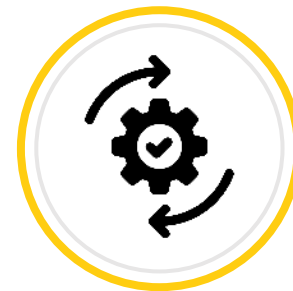
✓ Fostering a safe, secure, and prosperous place to work

✓ Empowering our people to build customer loyalty

Drive Product Support

Full Cycle Resilience

Sustainable Growth



Continued profitable growth of core value driver

Earnings consistency

Targeted addressable market growth in used, rental, and power

**Focus on delivering strong return on invested capital through all market conditions**

# Executing our Strategy and Building on Positive Momentum

## Drive Product Support

Largest driver of value and source of continued earnings growth



### Premium Business | Mobilizing

Significant growth opportunities in mining and beyond

## Full Cycle Resilience

Disciplined execution with added focus on capital velocity



### Resilient | Agile

Sharing cost and capital efficiency practices

## Sustainable Growth

Building capabilities to drive growth from the core out



### Largest Business | Steady Growth

Largest addressable market in rental, used, and power

# Diligently Executing our Strategy – Q2 2024 Summary

Drive Product Support	Full Cycle Resilience		Sustainable Growth	
<p align="center"><b>Product Support</b> Revenue</p> <p align="center"> <b>0.4%</b>       <b>8%</b> </p> <p align="center">           Q2 2024 vs Q2 2023      Q2 2024 vs Q1 2024         </p>	<p align="center"><b>SG&amp;A</b> as % of Net Revenue <sup>(1)</sup></p> <p align="center"><b>16.2%</b></p> <p align="center">Q2 2024</p>	<p align="center"><b>Free Cash Flow</b> <sup>(2)</sup></p> <p align="center"><b>\$330<sup>M</sup></b></p> <p align="center">Q2 2024</p>	<p align="center"><b>Used Equipment</b> Revenue</p> <p align="center"> <b>57%</b> </p> <p align="center">Q2 2024 vs Q2 2023</p>	<p align="center"><b>Power Systems</b> Revenue</p> <p align="center"> <b>11%</b> </p> <p align="center">Q2 2024 vs Q2 2023</p>
<ul style="list-style-type: none"> <li>Product support revenue CAGR from Q2 2022 to Q2 2024 was 14%</li> <li>Continue to book and execute rebuilds, and grow CVAs</li> <li>Expect improving product support growth rates in H2 2024 <sup>(3)</sup></li> </ul>	<ul style="list-style-type: none"> <li>Finalizing plans to reduce fixed cost base and further reduce SG&amp;A as a percentage of net revenue <sup>(3)</sup></li> <li>Expect improving working capital velocity and substantial free cash flow generation in H2 2024 <sup>(3)</sup></li> </ul>		<ul style="list-style-type: none"> <li>Successful execution of used equipment strategy through multiple channels</li> <li>Capturing strong demand in oil &amp; gas and power generation markets</li> </ul>	

**Delivered record EPS and free cash flow for Q2**

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

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

<sup>(3)</sup> This is forward-looking information. See slide 8 for more information.

# Full Cycle Resilience – Earnings Consistency

## Mid-Cycle Cost and Capital Model 2019 - 2022

- ✓ 15% flexibility in service costs
- ✓ 25% reduction in corporate overhead
- ✓ Significantly improved operating leverage

### Continuous Improvement Initiatives<sup>(1)</sup>

#### Cost Flexibility | Contracted Revenue | Resilient Segments

- Continue lowering fixed overhead costs
- Greater penetration of product support contracts
- Resilient growth in product support, used, and power

**SG&A as % of  
Net Revenue**

**<17%**

*In a steady growth environment*

### Top Go-Forward Opportunity<sup>(1)</sup>

#### Invested Capital Velocity Improvement

- Systematically increase working capital velocity to improve customer service levels and drive efficiency
- Optimize low-ROIC activities

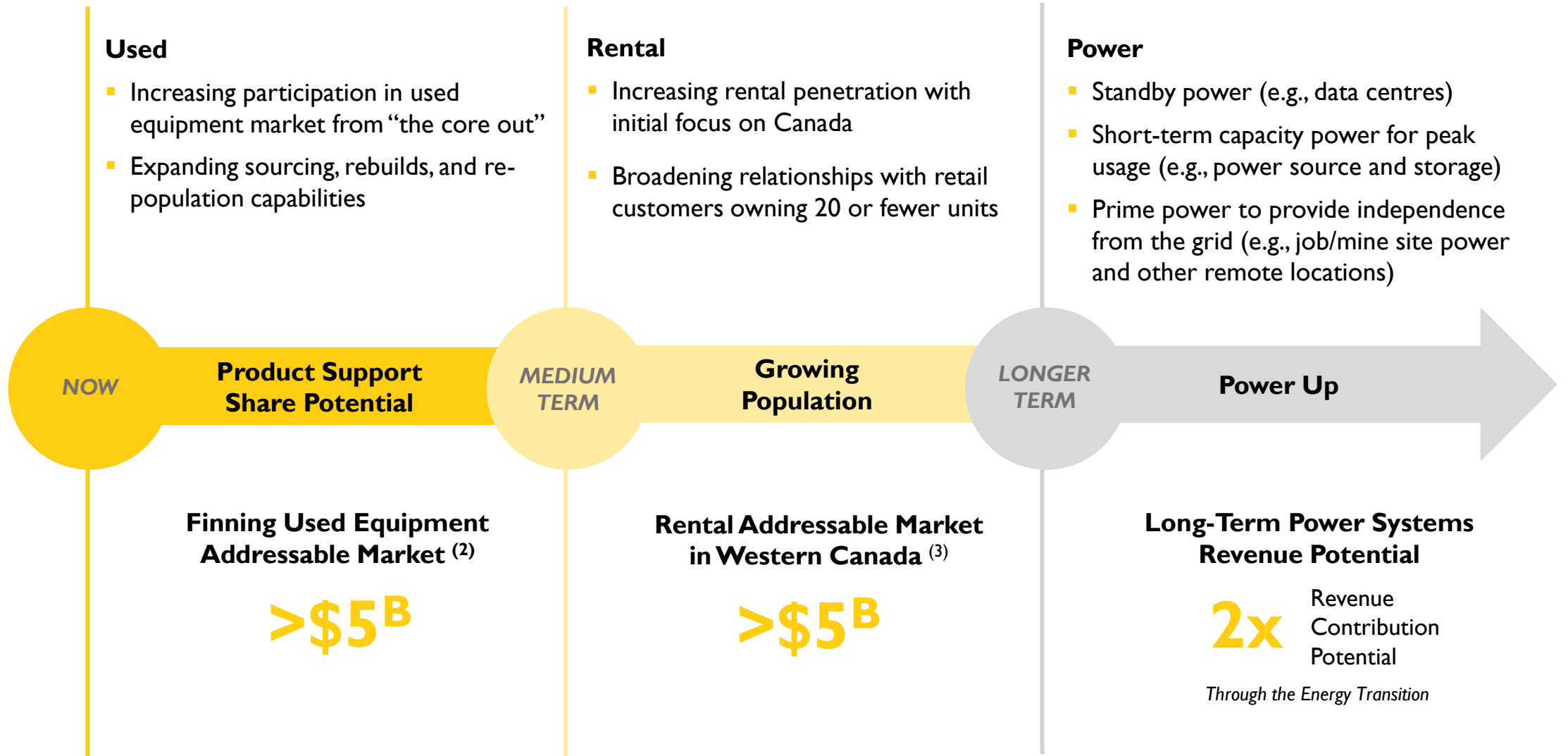
**Working Capital**

Invested  
Capital Turns

*Significant opportunity to increase invested capital turns while continuing to improve cost structure and resiliency*

<sup>(1)</sup> This is forward-looking information. See slide 8 for more information.

# Sustainable Growth – Targeted Addressable Market Growth <sup>(1)</sup>



<sup>(1)</sup> This slide contains forward-looking information. See slide 8 for more information.

<sup>(2)</sup> Finning estimate based on RBA public disclosures and Finning market exposure

<sup>(3)</sup> IBISWorld Heavy Equipment Rental In Canada Report, October 2022

# 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 plans and expectations for executing on our strategy, and for improving product support growth rates, working capital velocity and substantial free cash flow generation in H2 2024, and expectation that we will reduce our fixed cost base and further reduce our SG&A as a percentage of net revenue going forward on slide 5; our target of below 17% SG&A as a percentage of net revenue in a steady growth environment, and our plans for full cycle resilience, including to increase invested capital turns through our invested capital velocity improvement plans, and through our continuous improvement initiatives listed on slide 6; our plans for targeted addressable market growth in used equipment, rental and power, including long-term power systems revenue contribution potential on slides 6 and 7. No assurances can be given that the information in this presentation will result in sustained or improved financial performance, or that past performance is indicative of future results. Information in this presentation has been furnished for information only 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. Our actual results, performance or achievements may 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 those mentioned above and that: we will be able to execute on our strategic plans (including our strategic priorities outlined at our 2023 Investor Day), successfully manage our business through volatile commodity prices, high inflation, increasing interest rates, and supply chain challenges, successfully execute our strategies to win customers, achieve full cycle resilience (based on assumptions that steps to reduce corporate overhead, drive productivity and optimize working capital while supporting strong business growth, including execution of our invested capital improvement plan as outlined at our 2023 Investor Day, which targets selling and optimizing real estate and exiting low-ROIC activities, will be successful and sustainable) and continue business momentum (based on assumptions that we will be able to continue to source and hire technicians, build capabilities and capacity and successfully and sustainably improve workshop efficiencies); that commodity prices will remain at constructive levels; that our customers will not curtail their activities; that general economic and market conditions will be supportive; that the level of customer confidence and spending, and the demand for, and prices of, our products and services will be maintained; that support and demand for renewable energy will continue to grow; that present supply chain and inflationary challenges will not materially impact large project deliveries in our equipment backlog; that we will successfully execute initiatives to reduce our GHG emissions and support our customers on their individual GHG reduction pathways; our ability to attract and retain skilled staff; market competition will remain at similar levels; the products and technology offered by our competitors will be as expected; identified opportunities for growth will result in revenue; that we have sufficient liquidity to meet operational needs; consistent and stable legislation in the various countries in which we operate; no disruptive changes in the technology environment; our current good relationships with Caterpillar, our customers and our suppliers, service providers and other third parties will be maintained and that Caterpillar and such other suppliers will deliver quality, competitive products with supply chain continuity; sustainment of strengthened oil prices; completion of major pipelines and the resulting increased activity in the energy sector; that demand for sustainable electric power solutions in Western Canada will continue to grow; quoting activity for requests for proposals for equipment and product support is reflective of opportunities; and strong recoveries in the regions that we operate. 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)) and under our profile on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)).



# Disclosures

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## 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). These variances and ratios for South America and UK & Ireland exclude the foreign currency translation impact from the CAD relative to the USD and GBP, respectively, and are therefore, considered to be specified financial measures. We believe the variances and ratios in functional currency provide meaningful information about operational performance of the reporting segment.

## Specified financial measures

This presentation includes certain specified financial measures, including non-GAAP financial measures, which are identified as such the first time they are used. The specified financial measures we use do not have any standardized meaning under Generally Accepted Accounting Principles (GAAP) and therefore may not be comparable to similar measures presented by other issuers. For additional information regarding these financial measures, including descriptions, composition, and where applicable, reconciliations from certain specified financial measures to their most directly comparable measure under GAAP see the heading “Description of Specified Financial Measures and Reconciliations” in our Q2 2024 MD&A. We believe that providing certain specified financial measures, including non-GAAP financial measures, provides users of our MD&A and consolidated financial statements with important information regarding the operational performance and related trends of our business. By considering these specified financial measures in combination with the comparable GAAP measures (where available), 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 GAAP measures alone.

Reported financial measures may be impacted by significant items we do not consider indicative of operational and financial trends either by nature or amount. Financial measures that have been adjusted to take these items into account are referred to as “Adjusted” measures. For a description of these significant items, please refer to our Q2 2024 MD&A.