

ITEM 2: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Cautionary Note Regarding Forward-Looking Statements

Forward-looking statements may appear throughout this Quarterly Report on Form 10-Q, including the following section "Management's Discussion and Analysis of Financial Condition and Results of Operations." Forward-looking statements are typically identified by such words as "aim", "anticipate", "believe", "could", "confident", "continue", "estimate", "expect", "intend", "may", "remain", "ongoing", "plan", "potential", "predict", "will", "should", "would", "could", "likely", "generally", "future", "long-term", or the negative of these terms, and similar expressions intended to identify forward-looking statements. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties that may cause actual results to differ materially, and may include, among others, statements relating to:

- our future strategy, objectives, targets, projections and performance;
- potential growth and market opportunities;
- potential future mergers and acquisitions;
- our ability to integrate acquisitions, including the recently acquired J.M. Wood Auction Co., Inc. ("J.M. Wood");
- the impact of our new initiatives, services, investments, and acquisitions on us and our customers;
- our future capital expenditures and returns on those expenditures;
- the effect of any current, proposed or future tariffs on our results of operations; and
- financing available to us from our credit facilities or other sources, our ability to refinance borrowings, and the sufficiency of our working capital to meet our financial needs.

While we have not described all potential risks related to our business and owning our common shares, the important factors discussed in Part I, Item 1A: Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2024, which are available on our website at <https://investor.rbglobal.com>, on EDGAR at www.sec.gov, or on SEDAR+ at www.sedarplus.ca, are among those that we consider may affect our performance materially or could cause our actual financial and operational results to differ significantly from our expectations. Except as required by applicable securities law and regulations of relevant securities exchanges, we do not intend to update publicly any forward-looking statements, even if our expectations have been affected by new information, future events or other developments.

Unless otherwise indicated, all amounts in the following tables are in millions, except per share amounts.

Overview

RB Global, Inc. and its subsidiaries (collectively referred to as "RB Global", the "Company", "our", "us", or "we") (NYSE & TSX: RBA) is a leading global marketplace that connects sellers and buyers of commercial assets and vehicles. Through our omnichannel platform, we facilitate transactions for customers primarily in our automotive and commercial construction and transportation ("CC&T") sectors. We also provide our customers value-added marketplace services, technology solutions for vehicle merchandising, platforms for lifecycle management of assets, and a market data intelligence platform to help customers make more informed business decisions.

For a complete overview of our business and a list of our branded solutions, please refer to Part I, Item 1: Business of our Annual Report on Form 10-K for the year ended December 31, 2024, which is available on our website at <https://investor.rbglobal.com>, on EDGAR at www.sec.gov, or on SEDAR+ at www.sedarplus.ca.

Key Operating Metrics

We regularly review a number of metrics, including the following key operating metrics, to evaluate our business, measure our performance, identify trends affecting our business, and make operating decisions. We believe these key operating metrics are useful to investors because management uses these metrics to assess the growth of our business and the effectiveness of our operational strategies.

Gross Transaction Value ("GTV"): Represents total proceeds from all items sold on our auctions and online marketplaces, third-party online marketplaces, private brokerage services and other disposition channels. GTV is not a measure of financial performance, liquidity, or revenue, and is not presented in the Company's consolidated financial statements.

Inventory return: Inventory sales revenue less cost of inventory sold.

Inventory rate: Inventory return divided by inventory sales revenue.

Total lots sold: A single asset to be sold or a group of assets bundled for sale as one unit. Low value assets are sometimes bundled into a single lot, collectively referred to as “small value lots.”

Revenue Mix Fluctuations

Our revenue is comprised of service revenue and inventory sales revenue. Service revenue includes transactional buyer and seller revenue and marketplace services revenue.

Transactional seller revenue includes pre-negotiated and fixed commissions, as well as certain auction-related fees earned from sellers to complete the sale of an asset, such as towing to our yards, liens search, title processing and online listing and inspection fees.

Transactional buyer revenue includes buyer transaction fees based on a tiered structure earned from buyers upon purchase of an asset, as well as other auction-related fees earned from buyers to complete the purchase of an asset, such as title processing, late-pick up fees, salvage buyer platform registration and other administrative processing charges.

Marketplace services revenue includes fees earned from various optional value-added services provided to buyers, sellers or other third parties, and includes transportation, buyer towing, refurbishment, financing, parts procurement, data and appraisal, and other ancillary services.

Our revenue can fluctuate significantly each period, depending on the mix of service GTV and inventory GTV. Completed straight commission, fixed commission, and guarantee commission contracts are recognized as service revenue based on a percentage of GTV or on a fixed value, while inventory sales result in the full GTV of the assets sold being recorded as inventory sales revenue. As a result, a change in the mix of service and inventory sales transactions can have a significant impact on our revenue growth percentages.

Recent Developments

On October 28, 2025, an Australian subsidiary of the Company entered into a definitive agreement to purchase all of the outstanding shares of Smith Broughton Pty Ltd, an Australia based auction company for A\$57.5 million (\$38.0 million), subject to adjustments for working capital, inventory, and other items. The transaction is subject to customary closing conditions and is expected to close in the fourth quarter of 2025.

Macroeconomic Conditions and Trends

Various macroeconomic conditions and trends, such as continued inflationary pressures, the potential impact of current, proposed or future tariffs, and interest rate volatility, impact our business, GTV and operating costs. Our GTV is also impacted by the combination of unit volume growth and fluctuations in average selling prices from changes in market conditions.

In the CC&T sector, our customers are continuing to delay decisions over disposition of assets as they evaluate the current business conditions in the face of an uncertain macro environment and shifting trade policies. Our customers and partners continue to experience lower equipment utilization rates, weaker end market demand, a higher interest rate environment, and higher costs to acquire new assets, resulting in delays in replacing or adding assets to their existing asset base. These trends are contributing to a lower need for our customers to transact equipment and machinery.

In the automotive sector, the total number of accidents and the number of accidents deemed a total loss influence unit volume growth in the industry. The total number of accidents is a function of the number of vehicles in service and the aggregate number of miles driven. Used automotive prices, age, and the complexity of the design and technology content of vehicles, in combination with the cost of repair, are some of the factors that influence if a vehicle is deemed a total loss. The current inflation spread between automotive repair and used vehicles is providing a productive environment for a higher number of vehicles deemed a total loss as a percent of total accidents, driving a favorable environment for salvage.

Performance Overview and Consolidated Results

For the third quarter of 2025, as compared to the third quarter of 2024:

- Total GTV increased 7% to \$3.9 billion
- Total revenue increased 11% to \$1.1 billion
 - Service revenue increased 8% to \$845.0 million
 - Inventory sales revenue increased 23% to \$247.7 million
- Net income increased 25% to \$95.2 million
- Net income available to common stockholders increased 21% to \$80.7 million
- Diluted earnings per share (“EPS”) available to common stockholders increased 19% to \$0.43 per share
- Diluted adjusted EPS available to common stockholders increased 31% to \$0.93 per share
- Adjusted earnings before interest, taxes, depreciation and amortization (“EBITDA”) increased 16% to \$327.7 million

Results of Operations

The following table presents the key components of our results of operations for the periods indicated.

(in millions, except percentages)	Three months ended September 30,			Nine months ended September 30,		
	2025	2024	% Change	2025	2024	% Change
Service revenue	\$ 845.0	\$ 779.9	8%	\$ 2,584.7	\$ 2,488.1	4%
Inventory sales revenue	247.7	201.9	23%	802.6	654.5	23%
Total revenue	\$ 1,092.7	\$ 981.8	11%	\$ 3,387.3	\$ 3,142.6	8%
Costs of services	353.0	339.7	4%	1,068.8	1,041.5	3%
Cost of inventory sold	236.1	193.5	22%	757.5	612.8	24%
Selling, general and administrative	217.8	177.8	22%	645.0	584.5	10%
Acquisition-related and integration costs	4.0	6.0	(33)%	9.8	22.9	(57)%
Depreciation and amortization	124.7	111.9	11%	355.9	329.9	8%
Total operating expenses	\$ 935.6	\$ 828.9	13%	\$ 2,837.0	\$ 2,591.6	9%
Gain on disposition of property, plant and equipment	1.2	0.5	140%	1.6	3.2	(50)%
Loss on deconsolidation	—	—	NM	(15.5)	—	NM
Operating income	\$ 158.3	\$ 153.4	3%	\$ 536.4	\$ 554.2	(3)%
Net income	95.2	76.0	25%	318.2	294.4	8%
Net income available to common stockholders	80.7	66.9	21%	283.1	264.7	7%
Effective tax rate	14.8%	25.6%	(1,080)bps	20.5%	24.5%	(400)bps
Total GTV	\$ 3,893.8	\$ 3,622.2	7%	\$ 11,920.8	\$ 11,803.6	1%
Service GTV	3,646.1	3,420.3	7%	11,118.2	11,149.1	—%
Inventory GTV	247.7	201.9	23%	802.6	654.5	23%
Inventory return	\$ 11.6	\$ 8.4	38%	\$ 45.1	\$ 41.7	8%
Inventory rate	4.7%	4.2%	50bps	5.6%	6.4%	(80)bps

NM = Not meaningful

Total GTV

The following tables present total GTV by geography and by sector for the periods indicated:

(in millions, except percentages)	Three months ended September 30,			Nine months ended September 30,		
	2025	2024	% Change	2025	2024	% Change
United States	\$ 2,961.0	\$ 2,822.8	5 %	\$ 8,977.3	\$ 9,015.8	— %
Canada	609.5	520.4	17 %	2,004.5	1,917.5	5 %
International	323.3	279.0	16 %	939.0	870.3	8 %
Total GTV	<u>\$ 3,893.8</u>	<u>\$ 3,622.2</u>	<u>7 %</u>	<u>\$ 11,920.8</u>	<u>\$ 11,803.6</u>	<u>1 %</u>

(in millions, except percentages)	Three months ended September 30,			Nine months ended September 30,		
	2025	2024	% Change	2025	2024	% Change
Automotive	\$ 2,152.2	\$ 2,031.1	6 %	\$ 6,458.4	\$ 6,143.7	5 %
Commercial construction and transportation	1,328.9	1,217.6	9 %	4,128.9	4,392.1	(6)%
Other ¹	412.7	373.5	10 %	1,333.5	1,267.8	5 %
Total GTV	<u>\$ 3,893.8</u>	<u>\$ 3,622.2</u>	<u>7 %</u>	<u>\$ 11,920.8</u>	<u>\$ 11,803.6</u>	<u>1 %</u>

The following table presents total lots sold by sector for the periods indicated:

(in '000's of lots sold, except percentages)	Three months ended September 30,			Nine months ended September 30,		
	2025	2024	% Change	2025	2024	% Change
Automotive	601.7	553.8	9 %	1,823.2	1,686.1	8 %
Commercial construction and transportation	87.8	103.1	(15)%	272.9	330.1	(17)%
Other ¹	126.7	140.8	(10)%	422.4	459.9	(8)%
Total lots sold	<u>816.2</u>	<u>797.7</u>	<u>2 %</u>	<u>2,518.5</u>	<u>2,476.1</u>	<u>2 %</u>

GTV increased 7% in the third quarter of 2025, driven by growth in all regions and sectors.

Automotive sector GTV increased 6% in the third quarter of 2025 primarily due to market share gains and higher volume from existing partners, partially offset by a decrease in average price per lot sold due to a shift in customer mix, with a greater proportion of remarketed vehicles relative to insurance vehicles.

CC&T sector GTV increased 9% in the third quarter of 2025 partially due to by the inclusion of J.M. Wood following its acquisition by the Company on July 14, 2025. Excluding the impact of this acquisition, CC&T sector GTV increased due to a higher average price per lot sold, attributable to improved mix. CC&T sector GTV also increased due to higher volumes in Canada and International, partially offset by lower volume in the United States, primarily due to the non-repeat of certain significant customer contracts.

GTV increased 1% in the first nine months of 2025, primarily due to higher GTV in the automotive sector for the same reasons discussed above, partially offset by lower GTV in the CC&T sector due to lower volumes in the United States and Canada. The decline in CC&T sector GTV was primarily due to lower unit volume and the non-repeat of certain significant customer contracts.

¹ Total GTV and total lots sold in the other sector exclude the results from LKQ SYNETIQ from June 21, 2025, the date of its deconsolidation from the Company.

Service Revenue

The following table presents service revenue disaggregated by type for the periods indicated:

(in millions, except percentages)	Three months ended September 30,			Nine months ended September 30,		
	2025	2024	% Change	2025	2024	% Change
Transactional seller revenue	\$ 215.8	\$ 206.6	4 %	\$ 673.6	\$ 695.9	(3)%
Transactional buyer revenue	543.8	486.9	12 %	1,661.1	1,522.3	9 %
Marketplace services revenue	85.4	86.4	(1)%	250.0	269.9	(7)%
Total service revenue	<u>\$ 845.0</u>	<u>\$ 779.9</u>	<u>8 %</u>	<u>\$ 2,584.7</u>	<u>\$ 2,488.1</u>	<u>4 %</u>

Transactional seller revenue increased 4% in the third quarter of 2025, primarily due to service GTV growth in the automotive and CC&T sectors, as discussed above, partially offset by a slightly lower average seller commission rate.

Transactional buyer revenue increased 12% in the third quarter of 2025, while total GTV increased 7%, primarily due to changes to our buyer fee rate structures implemented in late-2024 and early-2025.

Marketplace services revenue decreased 1% in the third quarter of 2025, primarily due to the non-repeat of transportation fees related to a significant customer contract in the United States, partially offset by increased value-added services revenue.

Transactional seller revenue decreased 3% in the first nine months of 2025, primarily due to a slightly lower average seller commission rate and slightly lower GTV.

Transactional buyer revenue increased 9% in the first nine months of 2025, despite an increase in total GTV of 1%, primarily due to changes to our buyer fee rate structures implemented in late-2024 and early-2025.

Marketplace services revenue decreased 7% in the first nine months of 2025, primarily due to the non-repeat of transportation fees related to a significant customer contract in the United States.

Inventory Sales Revenue

Inventory sales revenue increased 23% in the third quarter of 2025, primarily due to the inclusion of J.M. Wood and a large customer in the CC&T sector in the United States. These increases were partially offset by a decline in automotive sector inventory sales revenue as result of the deconsolidation of LKQ SYNETIQ in the second quarter of 2025.

Inventory sales revenue increased 23% in the first nine months of 2025, primarily due to a shift in contract mix within our CC&T sector, in addition to the reasons discussed above.

Costs of Services

Costs of services increased 4% in the third quarter of 2025, primarily due to automotive sector volume growth resulting in higher tow and employee compensation expenses and higher property costs as a result of an increase in properties under lease. These increases were partially offset by decreasing CC&T sector costs, mainly as a result of lower transportation and third-party profit-sharing costs associated with a significant customer contract in the prior year.

Costs of services increased 3% in the first nine months of 2025, primarily due to the same reasons discussed above. In addition, we saw higher employee compensation expenses as a result of changes to our employee benefit plans implemented in the second quarter of 2024.

Cost of Inventory Sold

Cost of inventory sold increased 22% in the third quarter of 2025, in line with the 23% increase in inventory sales revenue.

Inventory rate expanded 50bps to 4.7% in the third quarter of 2025, attributable to stronger performance in the CC&T sector, primarily in the United States.

Cost of inventory sold increased 24% in the first nine months of 2025, in line with the 23% increase in inventory sales revenue.

Inventory rate declined 80bps to 5.6% in the first nine months of 2025, attributable to softer performance in all sectors.

Selling, General and Administrative

Selling, general and administrative expenses increased 22% in the third quarter of 2025, primarily due to increases in employee compensation costs, professional fees, restructuring costs, technology expenses, and the inclusion of J.M. Wood. Employee compensation and restructuring costs increased primarily due to increased share-based payment expense and severance costs associated with the leadership and organizational changes announced in the third quarter of 2025. Professional fees increased primarily due to increased legal costs and increased consulting expenses related to strategic initiatives, including the organizational changes discussed above. Technology expenses increased primarily due to higher cloud service costs and increased amortization of cloud computing implementation costs associated with recently implemented payroll and finance systems. These increases were partially offset by lower expense from the termination of the Bolton lease arrangement in Ontario, Canada, at the beginning of the year.

Selling, general and administrative expenses increased 10% in the first nine months of 2025 for the same reasons discussed above, partially offset by the non-repeat of the initial accrual for Canadian digital services tax for the period of January 1, 2022 to June 30, 2024.

Acquisition-related and Integration Costs

Acquisition-related and integration costs decreased 33% and 57% in the third quarter of 2025 and the first nine months of 2025, respectively, primarily due to a decrease in integration and severance costs related to the IAA acquisition, offset by an increase in acquisition-related costs related to the J.M. Wood acquisition completed in the third quarter of 2025.

Operating Income

Operating income increased 3% in the third quarter of 2025, primarily due to higher flow-through of service and inventory revenue, as discussed above. These increases were partially offset by the increase in selling, general, and administrative expenses, as discussed above, and higher depreciation and amortization expense related to increase in internally developed software and technology assets and acquired intangible assets.

Operating income decreased 3% in the first nine months of 2025, primarily due to higher selling, general and administrative expenses and depreciation and amortization expense, as discussed above, and the loss on deconsolidation and related costs in connection with the LKQ SYNETIQ transaction which occurred in the second quarter of 2025. These decreases were partially offset by a higher flow-through of service revenue and lower acquisition-related and integration costs, as discussed above.

Income Tax Expense and Effective Tax Rate

At the end of each interim period, we estimate the effective tax rate expected to be applicable for the full fiscal year. The estimate reflects, among other items, management's best estimate of operating results. It does not include the estimated impact of foreign exchange rates or unusual and/or infrequent discrete items, which may cause significant variations in the customary relationship between income tax expense and income before income taxes.

Income tax expense decreased 37% and the effective tax rate decreased 1,080 bps in the third quarter of 2025.

Income tax expense decreased 14% and the effective tax rate decreased 400 bps in the first nine months of 2025.

The decrease in the effective tax rate for the third quarter of 2025 and for the first nine months of 2025 was primarily due to certain discrete items, a change in estimate regarding certain deductions, and a higher estimate of income taxed in jurisdictions with lower tax rates. Partially offsetting these decreases was an increase in valuation allowance for certain deferred tax assets relating to the transaction described in Item 1 – Financial Statements: Note. 14 Loss on Deconsolidation and Recognition of Equity Method Investment.

Net Income Available to Common Stockholders

Net income available to common stockholders increased 21% in the third quarter of 2025, primarily due to the decrease in income tax expense, as discussed above, and lower interest expense due to principal repayments and lower interest rates, due in-part to the Credit Agreement amendment completed in the second quarter of 2025. These increases were partially offset by the adjustment of redeemable non-controlling interests described in Item 1 – Financial Statements: Note. 16 Temporary Equity, Equity and Dividends.

Net income available to common stockholders increased 7% in the first nine months of 2025, primarily due to lower interest expense and income tax expense, partially offset by a decrease in operating income and the adjustment of redeemable non-controlling interest, as discussed above, as well as lower interest income from lower rates.

U.S. Dollar Exchange Rate Comparison

We conduct global operations in various currencies, with our presentation currency being the U.S. dollar. The following table presents the variance in select foreign exchange rates over the comparative reporting periods:

Value of one local currency to U.S. dollar	2025	2024	% Change
Period-end exchange rate - September 30,			
Canadian dollar	0.7183	0.7394	(3)%
Euro	1.1735	1.1142	5 %
British pound sterling	1.3444	1.3380	— %
Australian dollar	0.6613	0.6917	(4)%
Average exchange rate - Three months ended September 30,			
Canadian dollar	0.7263	0.7329	(1)%
Euro	1.1691	1.0990	6 %
British pound sterling	1.3485	1.3001	4 %
Australian dollar	0.6543	0.6696	(2)%
Average exchange rate - Year ended September 30,			
Canadian dollar	0.7151	0.7353	(3)%
Euro	1.1182	1.0873	3 %
British pound sterling	1.3140	1.2767	3 %
Australian dollar	0.6406	0.6622	(3)%

Foreign exchange did not have a material impact on total revenue and expenses in the third quarter of 2025, when compared to the prior year quarter.

Debt

Our Credit Agreement is comprised of multi-currency revolving credit facilities (the "Revolving Facility") and the Term Loan A facility (the "TLA Facility"). The TLA Facility is comprised of a facility denominated in U.S. dollars (the "USD TLA Facility"), and a facility denominated in Canadian dollars (the "CAD TLA Facility").

On April 3, 2025, we amended the Credit Agreement to, among other things, increase the aggregate principal amount of the Revolving Facility from \$750.0 million to \$1.3 billion, reduce the USD TLA Facility from \$1.2 billion to \$950.0 million, reduce certain loan margins and fees, adjust certain covenants for more financial flexibility, and extend the maturity of the Credit Agreement from September 21, 2026 to April 3, 2030. The Revolving Facility and TLA Facility loans bear interest at a benchmark rate plus an applicable margin. The TLA Facility loans are subject to quarterly installment payments of 1.25% of principal, which began on September 30, 2025, with the balance payable at maturity.

At September 30, 2025, the Company also had \$550.0 million aggregate principal amount of 6.750% senior secured notes due March 15, 2028 (the "Senior Secured Notes"), and (ii) \$800.0 million aggregate principal amount of 7.750% senior unsecured notes due March 15, 2031 (the "Senior Unsecured Notes") (collectively, the "Notes"). Interest on the Notes is payable in cash semi-annually in arrears on March 15 and September 15 of each year. The Senior Secured Notes are jointly and severally guaranteed on a senior secured basis and the Senior Unsecured Notes are jointly and severally guaranteed on a senior unsecured basis by certain of the Company's subsidiaries. The below were our committed and uncommitted revolving credit facilities at September 30, 2025 and December 31, 2024:

(in millions)	September 30, 2025	December 31, 2024
<i>Committed</i>		
Multicurrency revolving credit facilities	\$ 1,300.0	\$ 750.0
<i>Uncommitted</i>		
Foreign demand revolving credit facilities	15.0	15.0
Total revolving credit facilities	\$ 1,315.0	\$ 765.0
<i>Unused</i>		
Multicurrency revolving credit facilities	\$ 985.0	\$ 705.9
Foreign demand revolving credit facilities	15.0	15.0
Total revolving credit facilities unused	\$ 1,000.0	\$ 720.9

Debt Covenants

The Company was in compliance with all financial and other covenants applicable to its debt agreements at September 30, 2025.

Our ability to borrow under the Credit Agreement is subject to compliance with financial covenants of a consolidated leverage ratio and a consolidated interest coverage ratio. In the event of sustained deterioration of global markets and economies, we expect the covenants pertaining to our leverage ratio would be the most restrictive to our ability to access funding under our Credit Agreement. We continue to evaluate courses of action to maintain current levels of liquidity and compliance with our debt covenants.

For more information on our debt, see Item 1 – Financial Statements: Note. 15 Debt in our consolidated financial statements.

Liquidity and Capital Resources

Our liquidity is primarily affected by fluctuations in cash provided by operating activities, significant acquisitions of businesses, payment of dividends, net capital spending¹, and repayments of debt. We are also committed under various letters of credit and provide certain guarantees in the normal course of business. We believe our principal sources of liquidity, which include cash and cash equivalents, cash flow from operations, and unused capacity under our revolving credit facilities of \$1.0 billion, is sufficient to fund our current and planned operating activities. In the current interest rate environment, we will continue to evaluate and pursue the most financially beneficial arrangements to fund future capital expenditures, which may include lease agreements or cash purchases.

Our short-term cash requirements include, among others, (i) payment of quarterly dividends to common shareholders on an as-declared basis, and payment of participating dividends and preferential dividends to preferred equity holders, (ii) settlement of contracts with consignors, partners and other suppliers, (iii) personnel expenditures, with a majority of short-term incentive compensation paid annually in the first quarter following each fiscal year, (iv) income tax installments, (v) payments of principal and interest on our short-term and long-term debt, (vi) payment of amounts committed under certain service agreements to build our modern IT architecture, (vii) payments on our operating and finance lease obligations, (viii) other capital expenditures and working capital needs, and (ix) advances.

Our long-term cash requirements include, among others, (i) scheduled principal and interest payments on long-term debt, (ii) scheduled repayments of operating lease, finance lease, and equipment financing obligations, and (iii) deferred consideration related to the J.M. Wood acquisition. In the event the Company is not successful in its appeal with the Canada Revenue Agency, as described in Item 1 – Financial Statements: Note. 7 Income Taxes, the Company may be required to pay the remaining assessed amounts with interest. For more information on our debt and leases, see Item 1 – Financial Statements: Note. 15 Debt and Item 1 – Financial Statements: Note. 18 Leases, respectively, in our consolidated financial statements, as well as in our audited consolidated financial statements for the year ended December 31, 2024.

If we were to consider further acquisitions to deliver on our strategic growth drivers, we may seek financing through the equity or debt markets. The issuance of additional equity securities may result in dilution to existing shareholders. Issuance of preferred equity securities could provide for rights, preferences or privileges senior to those of our common stock. Further, this additional capital may not be available on reasonable terms, or at all.

¹ We calculate net capital spending as property, plant and equipment additions plus intangible asset additions less proceeds on disposition of property, plant and equipment.

Cash Flows

(in millions)	Nine months ended September 30,		
	2025	2024	Change
Cash provided by (used in):			
Operating activities	\$ 723.0	\$ 747.5	\$ (24.5)
Investing activities	(465.3)	(209.6)	(255.7)
Financing activities	(226.5)	(491.6)	265.1
Effect of changes in foreign currency rates	19.3	(4.1)	23.4
Cash and cash equivalents classified as assets held for sale	(6.0)	—	(6.0)
Net decrease in cash, cash equivalents, and restricted cash	<u>\$ 44.5</u>	<u>\$ 42.2</u>	<u>\$ 2.3</u>

The decrease in net cash provided by operating activities was primarily due to higher cash outflows from the net change in operating assets and liabilities of \$148.5 million, partially offset by higher net income from operations. The higher cash outflow from the net change in operating assets and liabilities was primarily due to the timing of book overdrafts and income tax installment payments, the deposit paid to the CRA, and the timing of advance payments to customers. These increases were partially offset by lower cash outflows related to the timing and size of auctions, and less incentive-based employee compensation costs paid.

The increase in net cash used in investing activities was primarily due to the acquisition of J.M. Wood and increased property, plant and equipment expenditures mainly relating to the purchase of property and real estate improvements to support IAA operations, including the expansion of IAA to Australia.

The decrease in net cash used in financing activities was primarily due to lower net principal repayments on our long-term debt and an increase in net proceeds from short-term debt, primarily used to finance the expansion of IAA to Australia. The decrease in cash outflows was partially offset by lower proceeds from the exercise of stock options and higher dividend payments to common stockholders.

Dividend Information

We declared a dividend of \$0.31 per common share for the quarter ended June 30, 2025, and \$0.29 per common share for each of the quarters ended March 31, 2025, December 31, 2024, and September 30, 2024. We have declared, but not yet paid, a dividend of \$0.31 per common share for the quarter ended September 30, 2025. All dividends that we pay are “eligible dividends” for Canadian income tax purposes unless indicated otherwise.

Debt over Net Income

Debt represented 6.1 times net income at and for the trailing twelve months ended September 30, 2025, compared to 7.3 times net income at and for the trailing twelve months ended September 30, 2024. The decrease was primarily due to lower levels of debt from principal repayments, and higher net income. The adjusted net debt/adjusted EBITDA was 1.4 times at and for the trailing twelve months ended September 30, 2025, compared to 1.7 times at and for the trailing twelve months ended September 30, 2024. The decrease was due to the same reasons as discussed above, as well as a higher cash balance at the end of the current quarter.

Critical Accounting Policies, Judgments, Estimates and Assumptions

In preparing consolidated financial statements in conformity with U.S. GAAP, we must make decisions that impact the reported amounts and related disclosures. Such decisions include the selection of the appropriate accounting principles to be applied and the assumptions on which to base accounting estimates. In reaching such decisions, we apply judgments based on our understanding and analysis of the relevant circumstances and historical experience.

At September 30, 2025, there were no material changes in our critical accounting policies, judgments, estimates and assumptions from those disclosed in Part I, Item 7: Management’s Discussion and Analysis of Financial Condition and Results of Operations of our Annual Report on Form 10-K for the year ended December 31, 2024.

Non-GAAP Measures

We reference various non-GAAP measures throughout this Quarterly Report on Form 10-Q. These measures do not have a standardized meaning and are, therefore, unlikely to be comparable to similar measures presented by other companies. The presentation of this financial information, which is not prepared under any comprehensive set of accounting rules or principles, is not intended to be considered in isolation of, or as a substitute for, the financial information prepared and presented in accordance with U.S. GAAP.

Adjusted Net Income Available to Common Stockholders and Diluted Adjusted EPS Available to Common Stockholders

We believe that adjusted net income available to common stockholders provides useful information about the growth or decline of our net income available to common stockholders for the relevant financial period and eliminates the financial impact of adjusting items we do not consider to be part of our normal operating results. Diluted adjusted EPS available to common stockholders eliminates the financial impact of adjusting items from net income available to common stockholders that we do not consider to be part of our normal operating results. Please refer to page [36](#) for a summary of adjusting items.

Adjusted net income available to common stockholders is calculated as net income available to common stockholders, excluding the effects of adjusting items that we do not consider to be part of our normal operating results, such as share-based payments expense, acquisition-related and integration costs, restructuring costs, amortization of acquired intangible assets, executive transition costs and certain other items.

Net income available to common stockholders is calculated as net income attributable to controlling interests, less cumulative dividends on Series A Senior Preferred Shares, allocated earnings to Series A Senior Preferred Shares, and adjustments to redeemable non-controlling interest.

Diluted adjusted EPS available to common stockholders is calculated by dividing adjusted net income available to common stockholders by the weighted average number of dilutive shares outstanding, except that it is computed based upon the lower of the two-class method or the if-converted method, which includes the effects of the assumed conversion of the Series A Senior Preferred Shares and the effect of shares issuable under the Company's stock-based incentive plans, if such effect is dilutive.

The following table reconciles adjusted net income available to common stockholders and diluted adjusted EPS available to common stockholders to net income available to common stockholders and diluted EPS available to common stockholders, which are the most directly comparable GAAP measures in our consolidated financial statements:

(in millions, except percentages and per share amounts)	Three months ended September 30,			Nine months ended September 30,		
	2025	2024	% Change	2025	2024	% Change
Net income available to common stockholders	\$ 80.7	\$ 66.9	21 %	\$ 283.1	\$ 264.7	7 %
Share-based payments expense	21.6	9.7	123 %	61.2	41.1	49 %
Acquisition-related and integration costs	4.0	6.0	(33)%	9.8	22.9	(57)%
Restructuring costs	10.2	—	NM	13.1	—	NM
Amortization of acquired intangible assets	72.7	67.9	7 %	209.3	206.5	1 %
(Gain) loss on disposition of property, plant and equipment and related costs	(1.2)	0.2	NM	(1.4)	(1.2)	17 %
Prepaid consigned vehicles charges	—	(0.6)	NM	(0.5)	(4.0)	(88)%
Executive transition costs	4.7	0.6	683 %	10.5	4.3	144 %
Loss on deconsolidation and related costs	—	—	NM	19.7	—	NM
Debt refinancing costs	—	—	NM	3.9	—	NM
Remeasurements in connection with business combinations	—	1.2	NM	0.1	1.2	(92)%
Other legal, advisory and non-income tax expenses	7.4	2.2	236 %	12.7	12.1	5 %
Accretion of deferred consideration	0.7	—	NM	0.7	—	NM
Related tax effects of the above	(28.6)	(21.0)	36 %	(78.3)	(69.8)	12 %
Related allocation of the above to participating securities	(3.2)	(2.3)	39 %	(9.2)	(7.6)	21 %
Adjustment of redeemable non-controlling interest	5.0	—	NM	5.0	—	NM
Adjusted net income available to common stockholders	\$ 174.0	\$ 130.8	33 %	\$ 539.7	\$ 470.2	15 %
Weighted average number of dilutive shares outstanding	187.1	185.5	1 %	186.7	185.0	1 %
Diluted earnings per share available to common stockholders	\$ 0.43	\$ 0.36	19 %	\$ 1.52	\$ 1.43	6 %
Diluted adjusted earnings per share available to common stockholders	\$ 0.93	\$ 0.71	31 %	\$ 2.89	\$ 2.54	14 %

NM = Not meaningful

Adjusted EBITDA

We believe adjusted EBITDA provides useful information and is a key performance measure because it facilitates operating performance comparisons from period to period and it provides management with the ability to monitor its controllable incremental revenues and costs.

Adjusted EBITDA is calculated by adding depreciation and amortization, interest expense, and income tax expense, and subtracting interest income from net income, as well as adding back the adjusting items as described on page 36.

The following table reconciles adjusted EBITDA to net income, which is the most directly comparable GAAP measure in, or calculated from, our consolidated financial statements:

(in millions, except percentages)	Three months ended September 30,			Nine months ended September 30,		
	2025	2024	% Change	2025	2024	% Change
Net income	\$ 95.2	\$ 76.0	25 %	\$ 318.2	\$ 294.4	8 %
Add: depreciation and amortization	124.7	111.9	11 %	355.9	329.9	8 %
Add: interest expense	48.2	57.2	(16)%	145.6	181.0	(20)%
Less: interest income	(3.6)	(6.9)	(48)%	(10.6)	(20.3)	(48)%
Add: income tax expense	16.5	26.2	(37)%	81.9	95.3	(14)%
EBITDA	281.0	264.4	6 %	891.0	880.3	1 %
Share-based payments expense	21.6	9.7	123 %	61.2	41.1	49 %
Acquisition-related and integration costs	4.0	6.0	(33)%	9.8	22.9	(57)%
Restructuring costs	10.2	—	NM	13.1	—	NM
(Gain) loss on disposition of property, plant and equipment and related costs	(1.2)	0.2	NM	(1.4)	(1.2)	17 %
Prepaid consigned vehicles charges	—	(0.6)	NM	(0.5)	(4.0)	(88)%
Executive transition costs	4.7	0.6	683 %	10.5	4.3	144 %
Loss on deconsolidation and related costs	—	—	NM	19.7	—	NM
Debt refinancing costs	—	—	NM	3.9	—	NM
Remeasurements in connection with business combinations	—	1.2	NM	0.1	1.2	(92)%
Other legal, advisory and non-income tax expenses	7.4	2.2	236 %	12.7	12.1	5 %
Adjusted EBITDA	<u>\$ 327.7</u>	<u>\$ 283.7</u>	<u>16 %</u>	<u>\$ 1,020.1</u>	<u>\$ 956.7</u>	<u>7 %</u>

NM = Not meaningful

Adjusted Net Debt and Adjusted Net Debt/Adjusted EBITDA

We believe that comparing adjusted net debt to adjusted EBITDA on a trailing twelve-month basis, across different periods, provides useful information to investors about our operational performance and financial flexibility. This ratio indicates the period of time it would take to repay both our short- and long-term debt from operating earnings. We do not consider this to be a measure of liquidity, which is our ability to meet short-term obligations, but rather a measure of how well we manage our liquidity position. Measures of liquidity are noted under “Liquidity and Capital Resources.”

Adjusted net debt is calculated by subtracting cash and cash equivalents from short and long-term debt. Adjusted net debt/adjusted EBITDA is calculated by dividing adjusted net debt by adjusted EBITDA.

The following table reconciles adjusted net debt to debt, adjusted EBITDA to net income, and adjusted net debt/ adjusted EBITDA to debt/ net income, respectively, which are the most directly comparable GAAP measures in, or calculated from, our consolidated financial statements.

	At and for the twelve months ended September 30,		
(in millions, except percentages)	2025	2024	% Change
Short-term debt	\$ 73.6	\$ 31.4	134 %
Long-term debt	2,568.6	2,729.3	(6)%
Debt	2,642.2	2,760.7	(4)%
Less: cash and cash equivalents	(674.7)	(650.7)	4 %
Adjusted net debt	1,967.5	2,110.0	(7)%
Net income	\$ 436.6	\$ 378.6	15 %
Add: depreciation and amortization	470.4	435.2	8 %
Add: interest expense	198.3	245.2	(19)%
Less: interest income	(16.5)	(26.5)	(38)%
Add: income tax expense	123.9	125.2	(1)%
EBITDA	1,212.7	1,157.7	5 %
Share-based payments expense	76.4	54.8	39 %
Acquisition-related and integration costs	15.9	43.4	(63)%
Restructuring costs	13.1	—	NM
Gain on disposition of property, plant and equipment and related costs	(1.4)	(1.1)	27 %
Prepaid consigned vehicles charges	(1.2)	(11.3)	(89)%
Executive transition costs	12.9	6.5	98 %
Loss on deconsolidation and related costs	19.7	—	NM
Debt refinancing costs	3.9	—	NM
Remeasurements in connection with business combinations	0.1	1.3	(92)%
Other legal, advisory and non-income tax expenses	14.0	12.9	9 %
Adjusted EBITDA	\$ 1,366.1	\$ 1,264.2	8 %
Debt/net income	6.1 x	7.3 x	(16)%
Adjusted net debt/adjusted EBITDA	1.4 x	1.7 x	(18)%

NM = Not meaningful

Adjusted Return and Adjusted ROIC

We believe that comparing adjusted ROIC on a trailing twelve-month basis across different periods provides useful information about the after-tax return generated by our investments. Adjusted ROIC is a measure used by management to determine how productively the Company uses its long-term capital to gauge investment decisions.

ROIC is calculated as reported return divided by average invested capital. Reported return is defined as net income attributable to controlling interests excluding the impact of net interest expense and tax effected at the Company’s adjusted annualized effective tax rate. Adjusted ROIC is calculated as adjusted return divided by adjusted average invested capital. Adjusted return is defined as reported return and adjusted for items that we do not consider to be part of our normal operating results and tax effected at the

applicable tax rate. Adjusted average invested capital is calculated as average invested capital but excludes any long-term debt in escrow.

The following table reconciles adjusted return and adjusted ROIC to net income attributable to controlling interests and adjusted average invested capital to average invested capital, which are the most directly comparable GAAP measures in, or calculated from, our consolidated financial statements:

	At and for the twelve months ended September 30,		
(in millions, except percentages)	2025	2024	% Change
Net income attributable to controlling interests	\$ 437.2	\$ 378.9	15 %
Add:			
Interest expense	198.3	245.2	(19)%
Interest income	(16.5)	(26.5)	(38)%
Interest, net	181.8	218.7	(17)%
Tax on interest, net	(43.3)	(53.3)	(19)%
Reported return	\$ 575.7	\$ 544.3	6 %
Add:			
Share-based payments expense	76.4	54.8	39 %
Acquisition-related and integration costs	15.9	43.4	(63)%
Restructuring costs	13.1	—	NM
Amortization of acquired intangible assets	277.8	276.2	1 %
Gain on disposition of property, plant and equipment and related costs	(1.4)	(1.1)	27 %
Prepaid consigned vehicles charges	(1.2)	(11.3)	(89)%
Executive transition costs	12.9	6.5	98 %
Loss on deconsolidation and related costs	19.7	—	NM
Debt refinancing costs	3.9	—	NM
Remeasurements in connection with business combinations	0.1	1.3	(92)%
Other legal, advisory and non-income tax expenses	14.0	12.9	9 %
Related tax effects of the above	(99.6)	(90.8)	10 %
Adjusted return	\$ 907.3	\$ 836.2	9 %
Short-term debt - opening balance	\$ 31.4	\$ 4.7	568 %
Short-term debt - ending balance	73.6	31.4	134 %
Average short-term debt	52.5	18.1	190 %
Long-term debt - opening balance	2,729.3	3,122.2	(13)%
Long-term debt - ending balance	2,568.6	2,729.3	(6)%
Average long-term debt	2,649.0	2,925.8	(9)%
Preferred equity - opening balance	482.0	482.0	— %
Preferred equity - ending balance	482.0	482.0	— %
Average preferred equity	482.0	482.0	— %
Stockholders' equity - opening balance	5,209.1	4,911.8	6 %
Stockholders' equity - ending balance	5,483.5	5,209.1	5 %
Average stockholders' equity	5,346.3	5,060.5	6 %
Average invested capital	\$ 8,529.8	\$ 8,486.4	1 %
ROIC	6.7 %	6.4 %	30bps
Adjusted ROIC	10.6 %	9.9 %	70bps

NM = Not meaningful

Adjusting Items

Recognized in the third quarter of 2025

- \$21.6 million share-based payments expense.
- \$4.0 million of acquisition-related and integration costs, primarily relating to costs associated with the acquisition of J.M. Wood.
- \$10.2 million of restructuring costs, primarily severance relating to organizational changes.
- \$72.7 million amortization of acquired intangible assets from completed acquisitions, primarily IAA.
- \$1.2 million gain on disposition of property, plant and equipment and related costs.
- \$4.7 million of executive transition costs, primarily legal costs associated with the departure of our former CEO in August 2023.
- \$7.4 million of other legal, advisory and non-income tax expenses, which primarily includes certain legal costs, consulting fees in connection with strategic initiatives and settlements of unusual legal claims.
- \$0.7 million accretion of the deferred consideration liability relating to the J.M Wood acquisition.
- \$5.0 million adjustment of redeemable non-controlling interest to its estimated redemption value relating to a put/call agreement with one of the minority unitholders of VeriTread.

Recognized in the second quarter of 2025

- \$25.2 million share-based payments expense.
- \$2.7 million of acquisition-related and integration costs, primarily relating to costs associated with the acquisition of J.M. Wood and integration activities in connection with the acquisition of IAA.
- \$1.1 million of restructuring costs, primarily severance relating to organizational changes and the wind-down of our Xcira business.
- \$68.3 million amortization of acquired intangible assets from completed acquisitions, primarily IAA.
- \$0.2 million relating to a fair value adjustment made to the prepaid consigned vehicle charges on the opening balance sheet of IAA at acquisition.
- \$3.1 million of executive transition costs, primarily legal costs associated with the departure of our former CEO in August 2023.
- \$19.7 million relating to the completed agreement with LKQ Europe to jointly provide vehicle parts dismantling and distribution services through LKQ SYNETIQ, and primarily includes the loss on deconsolidation of \$15.5 million and \$1.7 million write down of inventory included in cost of goods sold, and \$2.5 million of related transaction costs.
- \$3.9 million of debt refinancing costs incurred in connection with the amendment of our Credit Agreement in April 2025.
- \$0.1 million relating to the remeasurements in connection with business combinations, which includes the remeasurement of a contingent consideration liability for IAA's acquisition of Marisat, Inc. in 2021.
- \$3.2 million of other legal, advisory and non-income tax expenses, which primarily includes consulting fees in connection with strategic initiatives and certain legal costs, partially offset by lower non-income tax related expenses.

Recognized in the first quarter of 2025

- \$14.4 million share-based payments expense.
- \$3.1 million of acquisition-related and integration costs, primarily relating to integration activities in connection with the acquisition of IAA and acquisition-related costs associated with the potential acquisition of J.M. Wood.
- \$1.8 million of restructuring costs, primarily severance relating to organizational changes and the wind-down of our Xcira business.
- \$68.3 million amortization of acquired intangible assets from completed acquisitions, primarily IAA.
- \$0.2 million gain on disposition of property, plant and equipment and related costs.
- \$0.3 million relating to a fair value adjustment made to the prepaid consigned vehicle charges on the opening balance sheet of IAA at acquisition.
- \$2.7 million of executive transition costs, primarily legal costs, associated with the departure of our former CEO in August 2023.
- \$2.1 million of other legal, advisory and non-income tax expenses, which primarily includes costs incurred for the settlement of remediation costs in connection with a fire at one of our branches, which occurred prior to the acquisition of IAA, as well as costs in connection with the CRA dispute.

The adjusting items recognized in prior quarters are discussed in Part I, Item 7: Management's Discussion and Analysis of Financial Condition and Results of Operations of our Annual Report on Form 10-K for the year ended December 31, 2024.

ITEM 3: QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes to our market risk during the three and nine months ended September 30, 2025 from those disclosed in Item 7A in our Annual Report on Form 10-K for the year ended December 31, 2024, which is available on our website at <https://investor.rbglobal.com>, on EDGAR at www.sec.gov, or on SEDAR+ at www.sedarplus.ca.

ITEM 4: CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Management of the Company, including the Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”), evaluated the effectiveness of the Company’s disclosure controls and procedures pursuant to Rule 13a-15 of the Exchange Act as of September 30, 2025. Based on this evaluation, the CEO and CFO concluded that, as of that date, the disclosure controls are effective to provide reasonable assurance that information required to be disclosed in the Company’s reports filed under the Exchange Act is accumulated, communicated to management as appropriate, and recorded, processed, summarized, and reported within the time periods specified by SEC rules and forms.

The Company, including its CEO and CFO, does not expect that its internal controls and procedures will prevent or detect all error and all fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Changes in Internal Control over Financial Reporting

During the third quarter of 2025, the Company continued its implementation of a new digital payment platform (“DPP”) within the Ritchie Bros. business in the United States. The DPP system replaces certain legacy payment systems and is being deployed in stages across regions. Implementation of the DPP system materially affected the Company’s internal control over financial reporting during the quarter. The Company has updated its internal controls as appropriate and will continue to monitor and enhance controls as the system is further implemented.

Except as described above, there were no other material changes to our internal control over financial reporting during the third quarter of 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.