



## Element Reports Fourth Quarter and Full-Year Results, Having Achieved 2021 Strategic Growth Objectives and Returned \$644 Million Cash to Common Shareholders

Amounts in \$CAD unless otherwise noted

- Element grew 2021 net revenue 1.1% year-over-year as reported and 5.8% in constant currency to \$974 million
- 2021 income before taxes grew 37.4% year-over-year; and adjusted operating income grew 2.1% year-over-year as reported and 7.2% in constant currency, highlighting the profitability of net revenue growth atop the Company's scalable operating platform
- Q4 EPS was \$0.21; and Q4 adjusted EPS was also \$0.21, down 2 cents per share from Q4 2020 as reported and 1 cent in constant currency. Q4 2021 adjusted EPS was flat quarter-over-quarter both as reported and in constant currency
- Q4 free cash flow per share was \$0.29, up 5 cents per share from Q4 2020 and 2 cents quarter-over-quarter, each in constant currency
- Element received the highest quarterly volume of Orders in its history in Q4, growing the Company's global Order backlog 46% from Q3 to a record \$2.9 billion at year's end
- Element returned \$644 million cash to common shareholders in 2021 through dividends and share buybacks

TORONTO, March 01, 2022 -- Element Fleet Management Corp. (TSX:EFN) ("Element" or the "Company"), the largest pure-play automotive fleet manager in the world, today announced financial and operating results for the three and twelve months ended December 31, 2021 reflecting achievement of the Company's 2021 strategic growth objectives and the return of \$644 million cash to common shareholders.

Element grew 2021 net revenue 1.1% year-over-year as reported and 5.8% in constant currency, to \$973.8 million. 2021 income before taxes grew 37.4% year-over-year; and adjusted operating income<sup>1</sup> ("AOI") of \$512.0 million constitutes 2.1% growth year-over-year as reported and 7.2% in constant currency, highlighting the profitability of net revenue growth atop Element's scalable operating platform.

The Company's Q4 EPS was \$0.21; and Q4 adjusted EPS was also \$0.21, down 2 cents per share from Q4 2020 as reported and 1 cent in constant currency. Q4 2021 adjusted EPS was flat quarter-over-quarter both as reported and in constant currency.

Element's Q4 free cash flow per share<sup>2</sup> was \$0.29, up 5 cents per share from Q4 2020 and 2 cents quarter-over-quarter, each in constant currency.

"Element as a whole continues to perform better than ever," said Jay Forbes, President and Chief Executive Officer of the Company. "We comfortably achieved all our 2021 growth objectives despite an industry-first global vehicle shortage. Our Q4 and full-year results speak to the determination, agility and accountability of our people, the resilience of our business model and the vital role we play for our clients and their businesses."

"We are making significant progress in our pivot to profitable growth," Mr. Forbes continued. "We generated \$40-65 million of additional revenue, operating income and cash flow in 2021 that has been deferred by OEM production delays but is preserved in our record global Order backlog at year end. We continue to expect 2022 and 2023 to unfold as set out in our November disclosures, and we look forward to the exciting opportunities ahead. We have never been better positioned to sustain Element's momentum and build on our success."

<sup>1</sup> Please refer to the Descriptions of Non-GAAP Measures section of Element's Management Discussion & Analysis for the year ended December 31, 2021 (the "MD&A") for a description of this non-GAAP measure.

<sup>2</sup> Please refer to the Glossary of Terms section of the MD&A for a description of this non-GAAP measure.

### Global Order backlog<sup>3</sup>

Element received \$2.1 billion of Orders in Q4 – the highest quarterly volume in the Company's history by over \$400 million – growing the Company's global Order backlog 46% from Q3 to a record \$2.9 billion at year's end. This is approximately 200% more than the Company's 2018-2020 average year-end backlog.

The \$1.9 billion above-average volume, or “excess” Order backlog, represents \$45 to \$55 million of deferred net revenue, \$40 to \$50 million of deferred adjusted operating income and \$55 to \$65 million of deferred free cash flow for Element. The Company expects its global Order backlog to grow further - especially in the second half of 2022 and first half of 2023 - until global OEM production capacity has returned to 100% by mid-2023 and vehicle manufacturers begin clearing Element’s excess backlog in the second half of 2023.

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<sup>3</sup> The volumes in this section exclude Armada assets.

### **Profitable revenue growth**

Element achieved 5.8% annual net revenue growth in constant currency in 2021 – at the high end of the Company’s 4-6% target range – by generating \$53.8 million of new net revenue. Due to the adverse impacts of a strengthening Canadian dollar on the Company’s annual results, 2021 net revenue grew 1.1% or \$10.7 million as reported.

Net revenue growth in 2021 was driven by net financing revenue growth of 7.7% or \$31.3 million year-over-year as reported and 11.6% or \$45.5 million in constant currency, to \$436.9 million. Services revenue declined 1.9% or \$9.4 million year-over-year as reported but grew 3.3% or \$14.9 million in constant currency to \$472.5 million. Excluding the Q3 2020 one-time services revenue benefit of \$8.8 million as reported (\$8.5 million in constant currency) from full-year 2020 results, 2021 services revenue was essentially flat (down 0.1%) year-over-year as reported and grew 5.2% or \$23.5 million in constant currency.

Element’s 2021 net revenue growth was demonstrably profitable as income before taxes and AOI growth both outpaced net revenue growth for the year. Element grew income before taxes 37.4% or \$124.6 million in 2021, to \$457.7 million; and grew AOI 2.1% or \$10.5 million year-over-year as reported and 7.2% or \$34.3 million in constant currency, to \$512.0 million -- highlighting the scalability of the Company’s market-leading operating platform.

Element’s 2021 pre-tax income margin expanded 124 bps year-over-year to 47.0% and adjusted operating margin<sup>1</sup> expanded 51 bps year-over-year as reported and 66 bps in constant currency, to 52.6%.

### **A capital-lighter business model**

Syndication - the non-recourse sale of Element fleet assets to a third party - and services revenue growth are the two main thrusts of the Company’s capital-lighter business model. Both revenue streams made significant contributions to Element’s 2021 performance.

The Company’s sale of fleet assets to financial buyers with a lower cost of capital advances several aspects of Element’s profitable growth strategy:

- Syndication generates a highly profitable, recurring revenue stream for the Company. In 2021, Syndication contributed \$64.4 million in revenue (6.6% of net revenue), the vast preponderance of which falls to AOI;
- Syndication also accelerates revenue recognition (without compromising economics), improving the velocity of cash flow; and
- Syndication facilitates a capital-lighter business model. Selling these assets alleviates the need for Element to take on additional leverage – and set aside additional equity – to fund the assets on the Company’s balance sheet. This has allowed Element to significantly lower its tangible leverage ratio<sup>4</sup> and – at the same time – return \$644 million cash to shareholders in 2021.

Element advanced its capital-lighter business model in Q4 by transacting on \$504 million of fleet assets with the Company’s robust pool of syndication investors, generating \$14.5 million of revenue. Element syndicated \$2.7 billion of fleet assets in 2021, achieving its volume and revenue targets as modified in H1 to account for OEM production delays.

Individual syndication transactions are predominantly in respect of fleet assets leased by a single Element client. Over the course of 2021, Element added 68 client names to its syndication program, meaning certain fleet assets leased to each such client were syndicated for the first time in 2021. The Company also completed 3 portfolio transactions in 2021; multiple clients’ assets were pooled and syndicated en bloc to a single buyer. This portfolio approach has had a positive impact on syndication revenue yield and efficiencies.

The second pillar of Element’s capital-lighter strategy is growing services revenue, which has a relatively low funding requirement – the net working capital position of procured services such as fuel and maintenance – compared to net financing revenue.

As noted above, the Company’s 2021 services revenue declined 1.9% or \$9.4 million year-over-year as reported but grew 3.3% or \$14.9 million in constant currency to \$472.5 million. Element clients’ vehicle activity is only now back at or approximating pre-pandemic levels, having recovered more gradually than anticipated in 2021. The Company expects healthy services revenue growth over the course of 2022.

Q4 services revenue of \$123.7 million was a 6.0% or \$7.0 million increase from Q4 2020 services revenue as reported and a 9.2% or \$10.5 million increase in constant currency. Q4 2021 services revenue grew 2.2% or \$2.6 million from Q3 2021

services revenue as reported and virtually the same amount in constant currency.

Healthy services revenue growth is attributable in part to Element's commercial team's success improving service penetration and utilization ("share of wallet") among existing clients in 2021 and, in part, to the gradual increase in client vehicle activity over the course of 2021 – now at or approximating pre-pandemic levels across the Company's global footprint.

Element's return on equity improved 440 basis points year-over-year to 10.4% and pre-tax return on common equity<sup>5</sup> improved 140 basis points year-over-year to 15.4% for 2021.

<sup>4</sup> Please refer to the Descriptions of Non-GAAP Measures section of the MD&A for a description of this non-GAAP measure.

<sup>5</sup> Please refer to the Glossary of Terms section of the MD&A for a description of this non-GAAP measure.

### Growing free cash flow per share and the return of capital to shareholders

Element generated \$1.05 of free cash flow per share for 2021 – an 8 cent per share or 7.9% improvement over 2020 results in constant currency.

Element generated \$0.29 of free cash flow per share in Q4 alone – a 5 cent or 23.9% improvement over Q4 2020 in constant currency. Free cash flow per share improved 2 cents or 10.0% in Q4 2021 versus Q3 2021 in constant currency.

Per share growth is aided by Element's repurchasing of its common shares for cancellation pursuant to the Company's NCIB. As previously disclosed, the Toronto Stock Exchange ("TSX") approved Element's November 10, 2021 notice of intention to renew its NCIB.

Also as previously disclosed, the Company announced on November 10, 2021 a 19% increase to its common dividend, from \$0.26 to \$0.31 annually per share, which was reflected in the Q4 2021 common dividend authorized and declared on November 10, 2021 and paid on January 14, 2022. With this increase, Element's annual common dividend represents approximately 30% of the Company's last twelve months' free cash flow per share, which is the mid-point of the 25% to 35% payout range the Company plans to maintain going forward.

Element returned \$644 million in cash to common shareholders in 2021 by repurchasing 39,002,033 common shares for cancellation pursuant to the Company's NCIB and paying \$111 million in common dividends.

### Adjusted Operating Results as reported

	Three-month periods ended			Twelve-month periods ended	
	December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020
(in \$000's for stated values, except per share amounts)	\$	\$	\$	\$	\$
<b>Net revenue</b>					
Servicing income, net	123,716	121,075	116,758	472,465	481,854
Net financing revenue	107,245	109,328	106,455	436,945	405,687
Syndication revenue, net	14,521	13,937	23,886	64,412	75,552
<b>Net revenue</b>	<b>245,482</b>	<b>244,340</b>	<b>247,099</b>	<b>973,822</b>	<b>963,093</b>
<b>Adjusted operating expenses<sup>6</sup></b>					
Salaries, wages and benefits	82,112	78,493	77,518	306,884	302,757
General and administrative expenses	27,074	24,355	27,166	104,401	116,336
Depreciation and amortization	13,735	15,866	10,357	50,537	42,491
<b>Adjusted operating expenses</b>	<b>122,921</b>	<b>118,714</b>	<b>115,041</b>	<b>461,822</b>	<b>461,584</b>
<b>Adjusted operating income</b>	<b>122,561</b>	<b>125,626</b>	<b>132,058</b>	<b>512,000</b>	<b>501,509</b>
Provision for taxes applicable to adjusted operating income	28,189	31,419	23,969	124,313	87,604
Cumulative preferred share dividends	8,103	8,103	8,103	32,412	40,820
After-tax adjusted operating income attributable to common shareholders <sup>6</sup>	86,269	86,104	99,986	355,275	373,085
Weighted average number of shares outstanding [basic]	409,175	416,353	440,253	423,070	438,571
<b>After-tax adjusted operating income per share<sup>6</sup> [basic]</b>	<b>0.21</b>	<b>0.21</b>	<b>0.23</b>	<b>0.84</b>	<b>0.85</b>
Net income	94,664	84,941	78,362	356,006	287,092
Earnings per share [basic]	0.21	0.18	0.16	0.76	0.56

<sup>6</sup> Please refer to the Descriptions of Non-GAAP Measures section of the MD&A for a description of this non-GAAP measure.

## Adjusted Operating Results in constant currency<sup>7</sup>

	Three-month periods ended			Twelve-month periods ended	
	December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020
(in \$000's for stated values, except per share amounts)	\$	\$	\$	\$	\$
<b>Net revenue</b>					
Servicing income, net	123,716	121,008	113,265	472,465	457,527
Net financing revenue	107,245	108,386	103,106	436,945	391,449
Syndication revenue, net	14,521	13,952	23,112	64,412	71,026
<b>Net revenue</b>	<b>245,482</b>	<b>243,346</b>	<b>239,483</b>	<b>973,822</b>	<b>920,002</b>
Salaries, wages and benefits	82,112	78,275	75,323	306,884	290,082
General and administrative expenses	27,074	24,396	26,463	104,401	111,447
Depreciation and amortization	13,735	15,797	10,040	50,537	40,819
<b>Adjusted operating expenses</b>	<b>122,921</b>	<b>118,468</b>	<b>111,826</b>	<b>461,822</b>	<b>442,348</b>
<b>Adjusted operating income</b>	<b>122,561</b>	<b>124,878</b>	<b>127,657</b>	<b>512,000</b>	<b>477,654</b>
Provision for taxes applicable to adjusted operating income	28,189	31,231	23,170	124,313	83,446
Cumulative preferred share dividends	8,103	8,103	8,103	32,412	40,820
After-tax adjusted operating income attributable to common shareholders	86,269	85,544	96,384	355,275	353,388
Weighted average number of shares outstanding [basic]	409,175	416,353	440,253	423,070	438,571
<b>After-tax adjusted operating income per share [basic]</b>	<b>0.21</b>	<b>0.21</b>	<b>0.22</b>	<b>0.84</b>	<b>0.81</b>

<sup>7</sup> Please refer to the Effect of Foreign Currency Exchange Rate Changes section of the MD&A for reconciliations of certain non-GAAP "constant currency" measures to their counterpart IFRS measures as reported.

## CEO LETTER TO SHAREHOLDERS

My fellow shareholders,

Element as a whole is performing better than ever and, importantly, we have never been better positioned to sustain and build on this success.

Against the backdrop of COVID-19 and the unprecedented global vehicle shortage, our 2021 financial and operating results underscore Element's resilient business model and the significant progress we are making in our pivot to profitable growth.<sup>8</sup>

- 5.8% net revenue growth;
- 7.2% adjusted operating income growth; and
- 7.9% free cash flow per share growth.

We continue to advance a capital-lighter strategy that maintains our investment grade balance sheet while reducing our equity requirement, enabling the return of \$644 million to common shareholders in 2021 and generating a 15.4% pre-tax adjusted return on equity.

What headwinds we currently face are atypical, temporary, and gradually beginning to wane.

- Client vehicle activity is at or approximating pre-pandemic levels notwithstanding the Omicron variant, and we continue to expect healthy services revenue growth over the course of this year.
- Unusually low origination volumes are a supply, not a demand issue. OEM production is slowly increasing, and everything we see reaffirms our confidence in a return to normal vehicle availability by mid-2023.
- Having amassed a record Order backlog of nearly \$3 billion (including \$1.9 billion in excess Order backlog, representing \$40-65 million of deferred revenue, operating income, and cash flow), we have line-of-sight to our best financial and operating results ever beginning in the second half of next year.

What's more, inflation impacting vehicle prices will benefit our net financing and syndication revenue streams, while higher parts and labour costs will add to services revenue growth.

<sup>8</sup> Growth rates over 2020 results in constant currency.

## Our Clients

Our clients remain the focal point of everything we do and every decision we make at Element.

Our highly engaged and experienced workforce, coupled with our transformed business systems, policies and processes have allowed us to:

- sharpen our value proposition in innovative ways to deliver incremental value for our clients, especially during the most complicated and uncertain periods of the pandemic (the value of which is evidenced by our best-ever Net Promoter Scores); and
- close deals at a rate we have never before experienced – particularly share of wallet wins – and onboard new clients seamlessly, whether they are
  - self-managed fleets outsourcing for the first time, or
  - clients leaving our competitors for Element's industry-leading scale advantages and service experience.

On the topic of competitors, we view the recent consolidation activities in our industry as a substantial opportunity for us to strengthen our market-leading shares while these fleet management companies labour to integrate disparate operations.

Lastly, our clients and prospects are increasingly interested in electric vehicles. We believe our basic value proposition - "making the complex simple for our clients" - is innately responsive to the challenges of electrification. We recently announced the launch of *Arc by Element* - our comprehensive, integrated end-to-end EV offering - which builds on our established success in all the markets we serve. As the leader in those markets, Element is best positioned to support our clients and lead our industry through the gradual electrification of automotive fleets. We are excited to bring our full service EV offering to our clients under the single *Arc by Element* banner, ensuring consistency for our global clients and developing our offering to be seamless across our geographies.

## Our Business

We are delivering a consistent, superior client experience every day with the help of our industry-leading operating platform. Our business enjoys streamlined and harmonized systems, policies, and processes that we are continuously improving – through our agility as an organization as we respond to the unforeseen challenges of the pandemic, and through best practice sharing across our global footprint.

Element has also become a more socially and environmentally responsible business by virtue of our commitment to a thoughtful long-term ESG strategy. We introduced the foundations of this strategy in our inaugural ESG report last year and will update you on its evolution in this year's report, scheduled for publication in Q2.

The Board of Directors' exceptional stewardship of our business was recognized by the Globe and Mail in December 2021, where Element finished #1 in the national newspaper's 20<sup>th</sup> annual corporate governance rankings of Canada's largest public companies. This achievement is one of many examples of Element's steadfast commitment to a culture of transparency contributing to the fulfillment of our potential as a great company.

## Our People

Over 92% of our employees completed our annual engagement survey in November 2021, and the results are laudable:

- Deep employee engagement, with our global score putting Element in the top quartile of comparable companies.
- Top marks for managerial effectiveness and strategic clarity, which reflects the breadth and tenure of our leadership talent and the continuing maturation of capabilities across our senior leadership team.
- Similar outperformance on measures of diversity, equity, and inclusion. We are especially proud of our progress on these fronts.

Throughout the organization, our people now conduct themselves with a quiet confidence forged over the last three years as we transformed our business and overcame the challenges brought by successive waves of the pandemic. We have the proven ability to ensure continuity of care for our clients come what may, and we are deepening those client relationships in the process.

In sum, our people and our business are firing on all cylinders for our clients (and prospects), and we are committed to translating that performance into growing value for you, our shareholders.

Until next quarter,

Jay

## Conference Call and Webcast

A conference call to discuss these results will be held on Wednesday, March 2, 2022 at 8:00 a.m. Eastern Time.

The conference call and webcast can be accessed as follows:

**Webcast:** <https://services.choruscall.ca/links/elementfleet20220302.html>

**Telephone:** [Click here](#) to join the call most efficiently,  
or dial one of the following numbers to speak with an operator:

Canada/USA toll-free: 1-800-319-4610

International: +1-604-638-5340

The webcast will be available on the Company's website for three months thereafter. A taped recording of the conference call may be accessed through April 2, 2022 by dialing 1-800-319-6413 or +1-604-638-9010 and entering the access code 8315.

### Dividends Declared

The Company's Board of Directors has authorized and declared a quarterly dividend of \$0.0775 per outstanding common share of Element for the fourth quarter of 2021. The dividend will be paid on April 15, 2022 to shareholders of record as at the close of business on March 31, 2022.

Element's Board of Directors also declared the following dividends on Element's preferred shares:

Series	TSX Ticker	Amount	Record Date	Payment Date
Series A	EFN.PR.A	\$0.4333125	March 15, 2022	March 31, 2022
Series C	EFN.PR.C	\$0.3881300	March 15, 2022	March 31, 2022
Series E	EFN.PR.E	\$0.3689380	March 15, 2022	March 31, 2022
Series I	EFN.PR.I	\$0.3593750	March 15, 2022	March 31, 2022

The Company's common and preferred share dividends are designated to be eligible dividends for purposes of section 89(1) of the Income Tax Act (Canada).

### Normal Course Issuer Bids

On November 4, 2020, the TSX approved Element's notice of intention to commence a Normal Course Issuer Bid (the "2020 NCIB"). The 2020 NCIB allowed the Company to repurchase on the open market (or as otherwise permitted), at its discretion during the period commencing on November 10, 2020 and ending on the earlier of November 9, 2021 or the completion of purchases under the NCIB, up to 43,929,594 common shares of the Company, subject to the normal terms and limitations of such bids. The Company repurchased 34,420,833 common shares for cancellation under the 2020 NCIB for an aggregate amount of approximately \$474.5 million at a volume weighted average price of \$13.78 per common share.

On November 10, 2021, the TSX approved Element's notice of intention to renew its Normal Course Issuer Bid (the "2021 NCIB"). The 2021 NCIB allows the Company to repurchase on the open market (or as otherwise permitted), at its discretion during the period commencing on November 15, 2021 and ending on the earlier of November 14, 2022 or the completion of purchases under the NCIB, up to 40,968,811 common shares, subject to the normal terms and limitations of such bids, which include the number of common shares purchased in any 12 month period being limited to 10% of the common shares outstanding at the commencement of such period. As of December 31, 2021, under the 2021 NCIB, 5,343,300 common shares were repurchased for cancellation for an aggregate amount of approximately \$68.6 million at a volume weighted average price of \$12.85 per common share.

The Company applies trade date accounting in determining the date on which a share repurchase is reflected in the consolidated financial statements. Trade date accounting is the date on which the Company commits itself to purchase the shares.

### Non-IFRS Measures

The Company's condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and the accounting policies Element adopted in accordance with IFRS.

The Company believes that certain non-IFRS measures can be useful to investors because they provide a means by which investors can evaluate the Company's underlying key drivers and operating performance of the business, exclusive of certain adjustments and activities that investors may consider to be unrelated to the underlying economic performance of the business of a given period. Throughout this News Release, management used a number of terms and ratios which do not have a standardized meaning under IFRS and are unlikely to be comparable to similar measures presented by other organizations. A full description of these measures can be found in the Management Discussion & Analysis that accompanies the financial statements for the quarter ended December 31, 2021.

Element's consolidated financial statements and related management discussion and analysis as at and for the year ended

December 31, 2021 have been filed on SEDAR ([www.sedar.com](http://www.sedar.com)).

## **About Element Fleet Management**

Element Fleet Management (TSX: EFN) is the largest pure-play automotive fleet manager in the world, providing the full range of fleet services and solutions to a growing base of loyal, world-class clients – corporates, governments and not-for-profits – across North America, Australia and New Zealand. Element enjoys proven resilient cash flow, a significant proportion of which is returned to shareholders in the form of dividends and share buybacks; a scalable operating platform that magnifies revenue growth into earnings growth; and an evolving capital-lighter business model that enhances return on equity. Element's services address every aspect of clients' fleet requirements, from vehicle acquisition, maintenance, accidents and remarketing, to integrating EVs and managing the complexity of gradual fleet electrification. Clients benefit from Element's expertise as the largest fleet solutions provider in its markets, offering unmatched economies of scale and insight used to reduce fleet operating costs and improve productivity and performance. For more information, visit [www.elementfleet.com/investors](http://www.elementfleet.com/investors).

*This press release includes forward-looking statements regarding Element and its business. Such statements are based on the current expectations and views of future events of Element's management. In some cases the forward-looking statements can be identified by words or phrases such as "may", "will", "expect", "plan", "anticipate", "intend", "potential", "estimate", "believe" or the negative of these terms, or other similar expressions intended to identify forward-looking statements, including, among others, statements regarding Element's enhancements to clients' service experience and service levels; enhancement of financial performance; improvements to client retention trends; reduction of operating expenses; increases in efficiency; EV strategy and capabilities; global EV adoption rates; dividend policy and the payment of future dividends; creation of value for all stakeholders; expectations regarding syndication; growth prospects and expected revenue growth; level of workforce engagement; improvements to magnitude and quality of earnings; executive hiring and retention; focus and discipline in investing; balance sheet management and plans to reduce leverage ratios; anticipated benefits of the balanced scorecard initiative; Element's proposed share purchases, including the number of common shares to be repurchased, the timing thereof and TSX acceptance of the NCIB and any renewal thereof; and expectations regarding financial performance. No forward-looking statement can be guaranteed. Forward-looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause Element's actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statement or information. Accordingly, readers should not place undue reliance on any forward-looking statements or information. Such risks and uncertainties include those regarding the ongoing COVID-19 pandemic, risks regarding the fleet management and finance industries, economic factors and many other factors beyond the control of Element. A discussion of the material risks and assumptions associated with this outlook can be found in Element's annual MD&A, and Annual Information Form for the year ended December 31, 2021, each of which has been filed on SEDAR and can be accessed at [www.sedar.com](http://www.sedar.com). Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Element undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.*

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