

MANAGEMENT'S DISCUSSION AND ANALYSIS

November 12, 2024

This **MD&A** should be read in conjunction with our **Interim Financial Statements** and the accompanying notes thereto for the three and nine months ended September 30, 2024, which have been prepared in accordance with **IAS 34, Interim Financial Reporting**, and our **Annual Financial Statements** and the accompanying notes thereto for the year ended December 31, 2023. In this MD&A, unless context otherwise requires, the terms we, us, our, and **Finning** refer to Finning International Inc. and/or its subsidiaries. All dollar amounts presented in this MD&A are expressed in **CAD**, unless otherwise stated. Additional information relating to Finning, including our **AIF** and annual MD&A, can be found under our profile on the **SEDAR+** website at www.sedarplus.ca and in the investors section of our website at www.finning.com.

Following a detailed review of our remanufacturing business in Canada, we determined that the correct classification of certain costs in **SG&A** should be cost of sales. Effective Q3 2024, the comparative figures for 2023 and Q1 2024 and Q2 2024 include an immaterial adjustment for a change in classification of certain expenses. For more information on the impact to financial statements, please refer to note 11 of our Interim Financial Statements.

A glossary of defined terms is included on page 36. The first time a defined term is used in this MD&A, it is shown in bold italics.

Overview

(\$ millions, except per share amounts)	3 months ended September 30			9 months ended September 30		
	2024	2023 (Restated)	% change	2024	2023 (Restated)	% change
			<i>fav</i> (<i>unfav</i>)			<i>fav</i> (<i>unfav</i>)
Revenue	2,829	2,704	5%	8,333	7,863	6%
Net revenue ⁽¹⁾	2,539	2,437	4%	7,517	7,140	5%
Gross profit	615	640	(4)%	1,847	1,882	(2)%
SG&A	(426)	(392)	(9)%	(1,233)	(1,180)	(4)%
Equity earnings of joint ventures	—	4		5	8	
Other income	—	—		—	41	
Other expenses	(19)	—		(19)	(18)	
EBIT	170	252	(33)%	600	733	(18)%
Net income attributable to shareholders of Finning	103	156	(33)%	368	438	(16)%
EPS	0.75	1.07	(30)%	2.60	2.95	(12)%
Free cash flow ⁽²⁾	346	—	<i>n/m</i>	466	(214)	<i>n/m</i>
Adjusted EBIT ⁽²⁾⁽³⁾	203	252	(19)%	633	710	(11)%
Adjusted EPS ⁽¹⁾⁽³⁾	0.93	1.07	(13)%	2.78	2.95	(6)%
Gross profit as a percentage of net revenue ⁽¹⁾	24.2%	26.3%		24.6%	26.4%	
SG&A as a percentage of net revenue ⁽¹⁾	(16.8)%	(16.1)%		(16.4)%	(16.5)%	
EBIT as a percentage of net revenue ⁽¹⁾	6.7%	10.3%		8.0%	10.3%	
Adjusted EBIT as a percentage of net revenue ⁽¹⁾⁽³⁾	8.0%	10.3%		8.4%	9.9%	
Adjusted ROIC ⁽¹⁾⁽³⁾	17.6%	20.2%		17.6%	20.2%	

(1) See "Description of **Specified Financial Measures** and Reconciliations" in this MD&A.

(2) These are non-**GAAP** financial measures. See "Description of Specified Financial Measures and Reconciliations" in this MD&A.

(3) Reported financial measures may be impacted by significant items described on pages 5, 9, and 25 - 27 of this MD&A. Financial measures that have been adjusted to take these items into account are referred to as "Adjusted" measures. See "Description of Specified Financial Measures and Reconciliations" in this MD&A.

Highlights

- Q3 2024 revenue was \$2.8 billion. Net revenue in Q3 2024 of \$2.5 billion was up 4% from Q3 2023, driven primarily by higher new equipment revenue in South America and Canada. Product support revenue in Q3 2024 was up 2% from Q3 2023, mainly due to product support revenue in South America partially offset by Canada.
- Gross profit and gross profit as a percentage of net revenue in Q3 2024 were lower than Q3 2023 mainly due to a lower gross profit as a percentage of net revenue in Canada. Q3 2024 SG&A and SG&A as a percentage of net revenue were higher than Q3 2023. Q3 2024 SG&A included an estimated loss for receivables from a customer in Canada that was placed into receivership. Excluding this item, the increase in SG&A was in line with net revenue growth.
- Q3 2024 EBIT was \$170 million and EBIT as a percentage of net revenue was 6.7%. Excluding significant items described on page 5, Q3 2024 Adjusted EBIT and Adjusted EBIT as a percentage of net revenue were \$203 million and 8.0%, respectively. Q3 2023 EBIT and EBIT as a percentage of net revenue were \$252 million and 10.3%, respectively. Adjusted EBIT as a percentage of net revenue was 10.9% in South America, 7.5% in Canada, and 6.3% in the **UK & Ireland**.
- Excluding significant items described on page 5, Q3 2024 Adjusted EPS of \$0.93 was down 13% from Q3 2023 EPS reflecting lower earnings from Canada.
- Q3 2024 free cash flow of \$346 million, up from Q3 2023, was driven by invested capital velocity improvement. September 30, 2024 net debt to Adjusted **EBITDA**⁽¹⁾⁽²⁾ remains unchanged from 1.7 times at December 31, 2023.
- September 30, 2024 Adjusted ROIC of 17.6% decreased 240 basis points from Adjusted ROIC at December 31, 2023, down in all regions. Invested capital turnover⁽¹⁾ was 2.02 times, comparable to December 31, 2023.
- Consolidated equipment backlog⁽¹⁾ of \$2.3 billion at September 30, 2024 increased from \$2.0 billion at December 31, 2023, mainly due to higher order intake in South America and the UK & Ireland outpacing deliveries in the first nine months of 2024.

⁽¹⁾ See “Description of Specified Financial Measures and Reconciliations” in this MD&A.

⁽²⁾ Reported financial measures may be impacted by significant items described on pages 5, 9, and 25 - 27 of this MD&A. Financial measures that have been adjusted to take these items into account are referred to as “Adjusted” measures. See “Description of Specified Financial Measures and Reconciliations” in this MD&A.

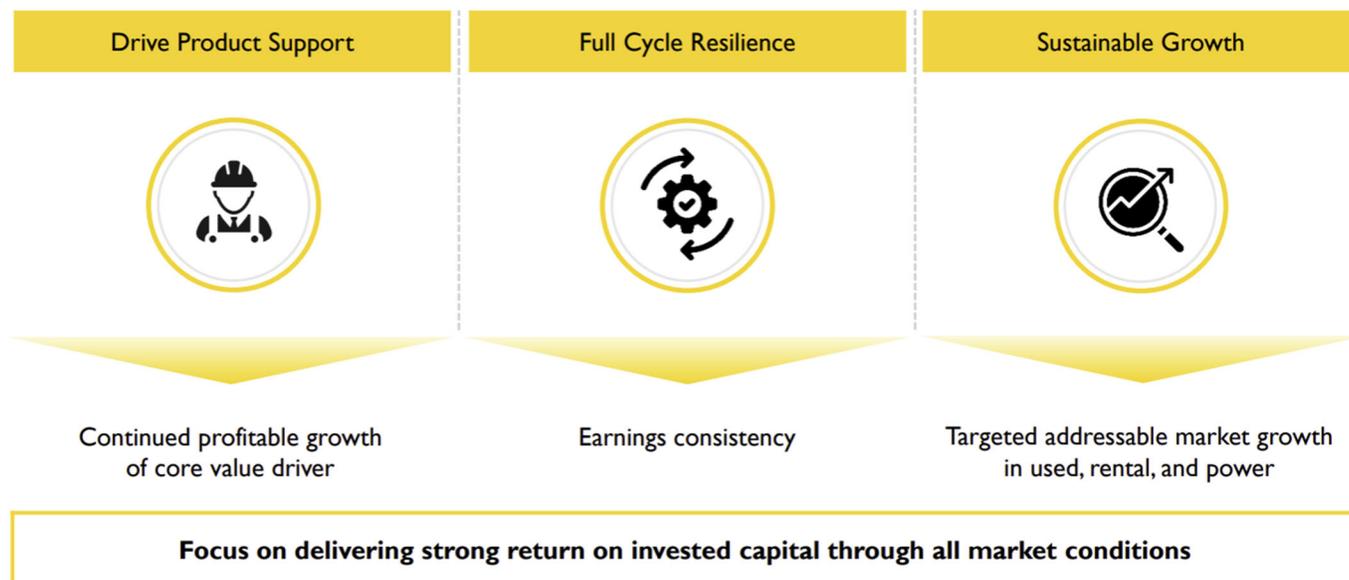
Table of Contents

Overview	1
Highlights	2
Strategic Priorities.....	4
Third Quarter Adjusted Measures	5
Quarterly Key Performance Measures	6
Third Quarter Results	7
Year-to-Date Adjusted Measures	9
Year-to-Date Results	10
Selected Key Performance Measures – Balance Sheet	12
Results by Reportable Segment.....	13
Market Update and Business Outlook.....	18
Liquidity and Capital Resources	20
Accounting Policies and Pronouncements	22
Risk Factors and Management.....	22
Outstanding Share Data	22
Controls and Procedures Certification.....	23
Description of Specified Financial Measures and Reconciliations	24
Selected Quarterly Information.....	32
Forward-Looking Information Disclaimer.....	33
Glossary of Defined Terms.....	36

Strategic Priorities

Our strategy builds on our success and focuses on the following priorities: drive product support, full-cycle resilience, and sustainable growth.

We are committed to providing a safe and secure place to work, and empowering our people to build long-term customer loyalty. Our strategy is focused on generating long-term value for our customers, employees, and shareholders.



Driving product support remains our primary strategic objective. Product support is our key value driver and remains by far our largest opportunity for resilient, profitable growth. We are working to capture a greater share of product support across the full asset life cycle through further growth in customer value agreements, expanding our rebuild business, and continuing to strategically grow our equipment population.

Full cycle resilience will enable us to deliver more reliable and consistent earnings through all market conditions. We are continuing to optimize and variabilize our cost structure. We are also implementing initiatives that increase our invested capital velocity while concurrently improving customer service levels. These initiatives include an increased focus on inventory management as well as review and exit of lower ROIC activities and investments.

We are building a sustainable growth platform from our core business and expanding our addressable market in used equipment, rental, and power systems. These segments are resilient and strategically important, and growing them will increase our equipment population and help us drive additional product support growth.

All three elements of our strategy are integrated and designed to drive a fundamentally improved range of ROIC and earnings capacity through all market conditions.

Sustainability

Sustainability is integral to our everyday operations, strategies, and long-term plans. We work to continuously improve our sustainability performance and help our customers enhance theirs. We continue to work towards achieving our **GHG** emissions reduction target to reduce our absolute GHG emissions by 40% by 2027 (from a 2017 baseline). Additionally, we continue to provide customers with equipment and solutions to improve safety and enhance performance by combining leading technology with data-driven insights, all while helping them to reduce their environmental footprint. This includes low carbon equipment and power solutions, low carbon alternative fuels, extension of equipment life through remanufacturing, and our CUBIQ™ Sustainability Dashboard, which enables the monitoring, benchmarking and tracking of fuel consumption and emissions. For more information, please review our Sustainability Report, which can be found in the sustainability section of www.finning.com.

Third Quarter Adjusted Measures

Reported financial measures may be impacted by significant items we do not consider indicative of operational and financial trends either by nature or amount. We exclude these significant items when evaluating the operational performance and related trends of our business. Financial measures that have been adjusted to take into account these significant items are referred to as “Adjusted” measures. Adjusted measures are considered non-GAAP financial measures, do not have a standardized meaning under *IFRS*, and therefore may not be comparable to similar measures presented by other issuers. For additional information regarding these financial measures, including definitions and reconciliations from each of these Adjusted measures to their most directly comparable measure under GAAP, where available, see “Description of Specified Financial Measures and Reconciliations” on pages 24 - 31 of this MD&A.

Q3 2024 significant items:

- Severance costs related to headcount reductions and consolidation efforts focused on non-revenue generating positions, including selected technology and supply chain roles as well as some financial support functions, as we simplify our business activities in each of our operations.
- Our Canadian operations recorded an estimated loss for receivables from Victoria Gold, a mining customer that was placed into receivership following a landslide at its mine.

The significant items are noted below together with a reconciliation of the Adjusted measures to their most directly comparable **GAAP financial measures**:

3 months ended September 30, 2024 (\$ millions, except per share amounts)					EBIT	EPS
	Canada	South America	UK & Ireland	Other	Consol	Consol
EBIT and EPS	71	101	16	(18)	170	0.75
Significant items:						
Severance costs	9	3	4	3	19	0.10
Estimated loss for a customer receivable	14	—	—	—	14	0.08
Adjusted EBIT and Adjusted EPS	94	104	20	(15)	203	0.93

There were no significant items identified by management that affected our results for the three months ended September 30, 2023.

Quarterly Key Performance Measures

We utilize the following **KPIs** to enable consistent measurement of performance across the organization. KPIs may be impacted by significant items described on pages 5, 9, and 25 - 27 of this MD&A. KPIs that have been adjusted to take these items into account are referred to as “Adjusted” measures.

	2024 (Restated) ⁽¹⁾			2023 (Restated) ⁽¹⁾⁽²⁾			2022		
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
EBIT (\$ millions)	170	228	202	177	252	242	239	214	224
Adjusted EBIT (\$ millions)	203	228	202	232	252	242	216	214	224
EBIT as a % of net revenue									
Consolidated	6.7%	8.6%	8.7%	7.4%	10.3%	9.4%	11.2%	9.0%	10.7%
Canada	5.6%	9.2%	8.9%	9.3%	10.8%	9.9%	11.0%	11.0%	11.7%
South America	10.6%	10.4%	11.0%	6.7%	12.3%	12.1%	10.5%	11.4%	12.3%
UK & Ireland	4.9%	4.6%	4.5%	1.8%	5.9%	5.5%	5.1%	4.4%	6.2%
Adjusted EBIT as a % of net revenue									
Consolidated	8.0%	8.6%	8.7%	9.6%	10.3%	9.4%	10.1%	9.0%	10.7%
Canada	7.5%	9.2%	8.9%	9.7%	10.8%	9.9%	11.3%	11.0%	11.7%
South America	10.9%	10.4%	11.0%	12.6%	12.3%	12.1%	11.5%	11.4%	12.3%
UK & Ireland	6.3%	4.6%	4.5%	2.7%	5.9%	5.5%	5.7%	4.4%	6.2%
EPS	0.75	1.02	0.84	0.59	1.07	1.00	0.89	0.89	0.97
Adjusted EPS	0.93	1.02	0.84	0.96	1.07	1.00	0.89	0.89	0.97
Invested capital ⁽³⁾ (\$ millions)	4,774	4,969	5,128	4,765	4,897	4,630	4,545	4,170	4,358
ROIC ⁽³⁾ (%)									
Consolidated	15.8%	17.4%	18.0%	19.3%	20.7%	20.8%	20.2%	18.7%	18.3%
Canada	14.6%	16.8%	17.4%	18.6%	19.8%	20.1%	19.4%	18.7%	18.2%
South America	23.1%	23.3%	24.2%	23.8%	27.1%	25.9%	24.0%	24.5%	22.7%
UK & Ireland	10.0%	10.4%	10.9%	11.3%	13.7%	15.5%	17.0%	17.0%	16.6%
Adjusted ROIC									
Consolidated	17.6%	18.5%	19.1%	20.0%	20.2%	20.2%	19.7%	18.7%	18.3%
Canada	15.5%	16.9%	17.6%	19.0%	19.9%	20.2%	19.6%	18.7%	18.2%
South America	26.5%	26.5%	27.4%	27.6%	27.6%	26.4%	24.6%	24.5%	22.7%
UK & Ireland	11.5%	11.0%	11.5%	12.3%	14.1%	15.9%	17.4%	17.0%	16.6%
Invested capital turnover (times)	2.02	1.99	2.00	2.03	2.08	2.07	2.01	2.01	1.96
Inventory (\$ millions)	2,881	2,974	3,073	2,844	2,919	2,764	2,710	2,461	2,526
Inventory turns (dealership) ⁽³⁾ (times)	2.67	2.46	2.36	2.47	2.61	2.52	2.52	2.61	2.52
Working capital to net revenue ⁽³⁾	28.9%	29.5%	29.0%	28.4%	27.3%	27.3%	27.8%	27.4%	27.1%
Free cash flow (\$ millions)	346	330	(210)	280	—	31	(245)	332	(57)
Net debt to Adjusted EBITDA ratio (times)	1.7	1.8	1.9	1.7	1.8	1.8	1.7	1.6	1.8

⁽¹⁾ Following a detailed review of our remanufacturing business in Canada, we determined that the correct classification of certain costs in SG&A should be cost of sales. Effective Q3 2024, the comparative figures for 2023 and Q1 2024 and Q2 2024 include an immaterial adjustment for a change in classification of certain expenses. For more information on the impact to financial statements, please refer to note 11 of our Interim Financial Statements.

⁽²⁾ Comparative results for 2023 have been restated for our adoption of the amendments to IAS 1, *Presentation of Financial Statements* effective for the financial year beginning January 1, 2024.

⁽³⁾ See “Description of Specified Financial Measures and Reconciliations” in this MD&A.

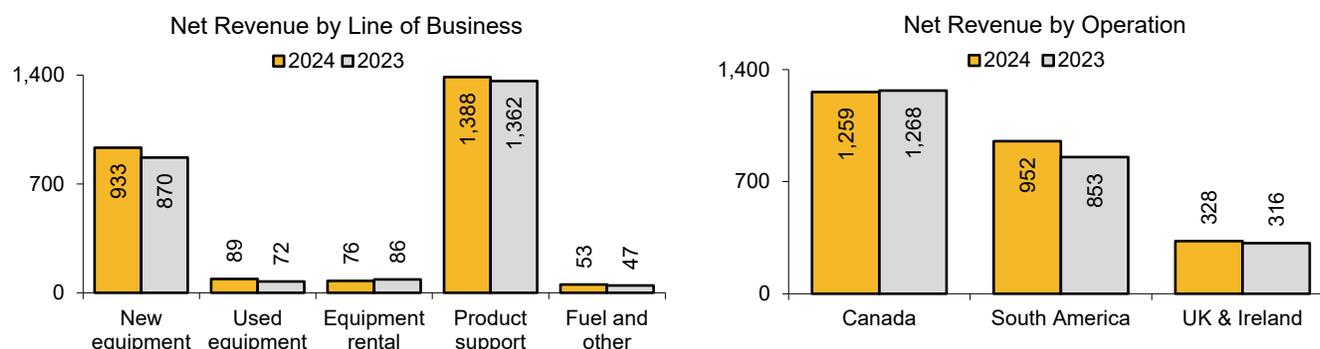
Third Quarter Results

Revenue

Net Revenue by Line of Business and by Operation

3 months ended September 30

(\$ millions)



Q3 2024 revenue was \$2.8 billion. Net revenue of \$2.5 billion in Q3 2024 was up 4% from Q3 2023, primarily driven by higher new equipment revenue in South America and Canada and product support revenue in South America.

Q3 2024 new equipment revenue was 7% higher than the same prior year period, led by demand in the mining sectors in Canada and South America. Equipment backlog of \$2.3 billion at September 30, 2024 was up from \$2.2 billion at June 30, 2024 mainly due to strong order intake in the power systems sector in UK & Ireland.

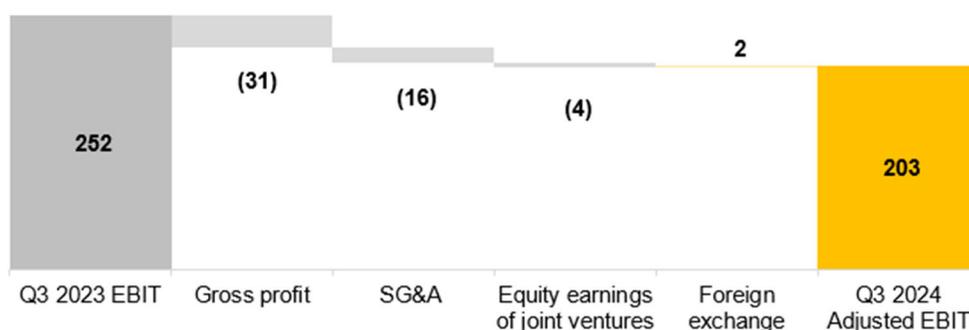
Product support revenue in Q3 2024 was up 2% from the prior year period, mainly driven by all sectors in South America, partially offset by lower product support revenue in mining and construction sectors in Canada.

Q3 2024 used equipment revenue was 24% higher than Q3 2023, up in all regions, primarily in the construction sectors in South America and UK & Ireland.

In addition, the weaker CAD relative to the **GBP** and **USD** on average in Q3 2024 compared to Q3 2023 had a favourable foreign currency translation impact of approximately \$30 million on net revenue in our UK & Ireland and South American operations.

EBIT

Q3 2024 gross profit of \$615 million was down from the same period in the prior year. Overall gross profit as a percentage of net revenue of 24.2% in Q3 2024 was 210 basis points lower than Q3 2023, mainly due to a lower gross profit as a percentage of net revenue in Canada, as well as a higher proportion of new equipment in the revenue mix.



SG&A in Q3 2024 of \$426 million was up 9% from the same period in the prior year. Q3 2024 included \$14 million for an estimated loss for receivables from Victoria Gold. Also, Q3 2024 SG&A included costs related to acquiring USD through the official exchange market in Argentina. SG&A as a percentage of net revenue in Q3 2024 was 16.8%, up 70 basis points from the prior year period. Excluding the loss for receivables from a customer, Q3 2024 SG&A as a percentage of net revenue would have been comparable to Q3 2023.

Q3 2024 EBIT and EBIT as a percentage of net revenue were \$170 million and 6.7%, respectively. Excluding significant items described on page 5, Q3 2024 Adjusted EBIT and Adjusted EBIT as a percentage of net revenue were \$203 million and 8.0%, respectively. Q3 2023 EBIT was \$252 million and EBIT as a percentage of net revenue was 10.3%. The decrease in Adjusted EBIT as a percentage of net revenue in Q3 2024 from the same prior year period was mainly due to lower profitability in Canada.

Finance Costs

Finance costs in Q3 2024 were \$44 million, up from \$40 million in Q3 2023, in part due to higher average debt levels partially offset by lower interest rates.

Provision for Income Taxes

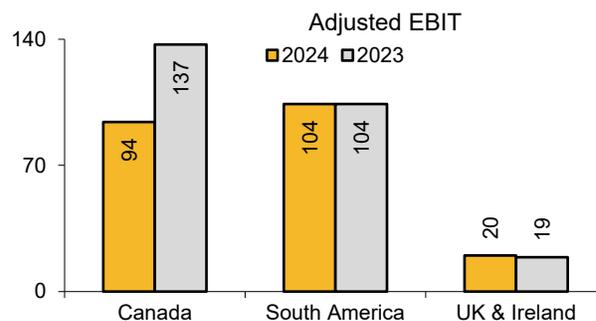
The effective income tax rate in Q3 2024 was 18.9%. Excluding the significant items described on page 5, the effective income tax rate would have been 20.1% in Q3 2024, lower than 27.1% in Q3 2023, primarily due to unrecognized losses utilized in Argentina.

We expect our effective tax rate generally to be within the 25%-30% range on an annual basis. The rate may fluctuate from period to period as a result of changes in relative income from the various jurisdictions in which we carry on business, sources of income, changes in the estimation of tax reserves, outcomes of any tax audits, or changes in tax rates and tax legislation.

Net Income Attributable to Shareholders of Finning and EPS

Q3 2024 net income attributable to shareholders of Finning was \$103 million, down from \$156 million in Q3 2023. Q3 2024 EPS of \$0.75 and Adjusted EPS of \$0.93 were lower than Q3 2023 of \$1.07, mainly in Canada.

Adjusted EBIT by Operation ⁽¹⁾ 3 months ended September 30 (\$ millions)



(1) Excluding Other operations

Year-to-Date Adjusted Measures

Year-to-date 2024 significant items:

- Severance costs related to headcount reductions and consolidation efforts focused on non-revenue generating positions, including selected technology and supply chain roles as well as some financial support functions, as we simplify our business activities in each of our operations.
- Our Canadian operations recorded an estimated loss for receivables from a customer that was placed into receivership following a landslide at its mine.

Year-to-date 2023 significant items:

In Q1 2023, we executed various transactions to simplify and adjust our organizational structure. We wound up two wholly owned subsidiaries, recapitalized and repatriated \$170 million of profits from our South American operations, and incurred severance costs in each region as we reduced corporate overhead costs and simplified our operating model. As a result of these activities, our year-to-date 2023 financial results were impacted by significant items that we do not consider indicative of operational and financial trends:

- Net foreign currency translation gain and income tax expense were reclassified to net income on the wind up of foreign subsidiaries;
- Withholding tax payable related to the repatriation of profits; and,
- Severance costs incurred in all of our operations.

The significant items are noted below together with a reconciliation of the Adjusted measures to their most directly comparable GAAP financial measures:

9 months ended September 30, 2024 (\$ millions, except for per share amounts)					EBIT	EPS
	Canada	South America	UK & Ireland	Other	Consol	Consol
EBIT and EPS	314	278	45	(37)	600	2.60
Significant items:						
Severance costs	9	3	4	3	19	0.10
Estimated loss for a customer receivable	14	—	—	—	14	0.08
Adjusted EBIT and Adjusted EPS	337	281	49	(34)	633	2.78

9 months ended September 30, 2023 (\$ millions, except for per share amounts)					EBIT	EPS
	Canada	South America	UK & Ireland	Other	Consol	Consol
EBIT and EPS	399	282	52	—	733	2.95
Significant items:						
Gain on wind up of foreign subsidiaries	—	—	—	(41)	(41)	(0.21)
Severance costs	4	7	2	5	18	0.09
Withholding tax on repatriation of profits	—	—	—	—	—	0.12
Adjusted EBIT and Adjusted EPS	403	289	54	(36)	710	2.95

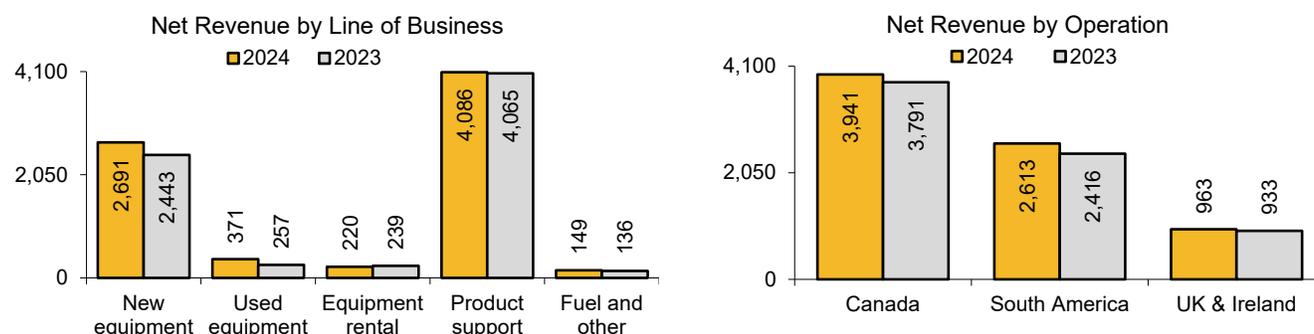
Year-to-Date Results

Revenue

Net Revenue by Line of Business and by Operation

9 months ended September 30

(\$ millions)



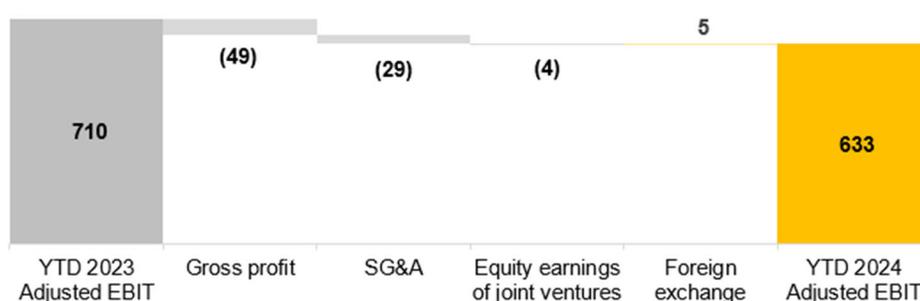
Revenue was \$8.3 billion in the nine months ended September 30, 2024. Net revenue of \$7.5 billion increased 5% from the same period last year, mainly driven by higher new and used equipment revenue. Product support revenue in the nine months ended September 30, 2024 was comparable to the first nine months of 2023, with higher product support revenue in South America being offset by a decline in Canada and UK & Ireland.

Consolidated equipment backlog of \$2.3 billion at September 30, 2024 increased from \$2.0 billion at December 31, 2023. Order intake in South America and the UK & Ireland outpaced deliveries in the first nine months of 2024, driven by mining in South America and power systems in the UK & Ireland. In Canada, deliveries outpaced order intake in all sectors.

In addition, the weaker CAD relative to the GBP and USD on average in the first nine months of 2024 compared to 2023 had a favourable foreign currency translation impact of approximately \$65 million on net revenue in our UK & Ireland and South American operations.

EBIT

Gross profit in the first nine months of 2024 of \$1.8 billion was down 2% from the comparative prior year period. Overall gross profit as a percentage of net revenue of 24.6% was down 180 basis points from the first nine months of 2023, mainly due to lower gross profit as a percentage of net revenue in Canada as well as South America, and a higher proportion of new and used equipment in the revenue mix.



SG&A in the first nine months of 2024 was \$1.2 billion, 4% higher than the same prior year period on 5% net revenue growth. 2024 year-to-date SG&A included an estimated loss for receivables from Victoria Gold. Excluding this item, the increase in SG&A was mainly due to \$37 million of costs to access USD in Argentina. This increase was partially offset by lower spend from focused cost control. For the first nine months of 2024, SG&A as a percentage of net revenue of 16.4% was comparable to the same prior year period.

EBIT was \$600 million and EBIT as a percentage of net revenue was 8.0% in the first nine months of 2024. Excluding significant items not considered indicative of financial and operational trends as described on page 9, Adjusted EBIT for the first nine months of 2024 was \$633 million and Adjusted EBIT as a percentage of net revenue was 8.4%.

Finance Costs

Finance costs for the nine months ended September 30, 2024 of \$127 million were higher than the \$117 million in the same period in 2023 primarily due to an increase in average net debt levels.

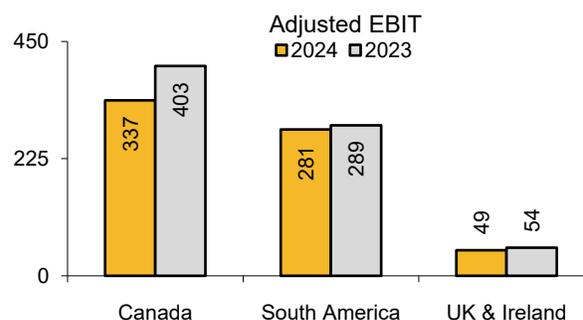
Provision for Income Taxes

The effective income tax rate for the first nine months of 2024 and 2023 were 22.6% and 29.2%, respectively, and included the impact of significant items not considered indicative of financial and operational trends as described on page 9. Excluding these significant items, the effective income tax rate would have been 22.7% in the first nine months of 2024 and 26.5% in the first nine months of 2023. The lower rate in the first nine months of 2024 was mainly due to unrecognized losses utilized in Argentina.

Net Income Attributable to Shareholders of Finning and EPS

In the first nine months of 2024, net income attributable to shareholders of Finning was \$368 million, down from \$438 million in the first nine months of 2023. EPS and Adjusted EPS for the nine months ended September 30, 2024 were \$2.60 and \$2.78, respectively, down from EPS earned in the comparable period in 2023, reflecting lower EBIT in all regions, primarily in Canada.

Adjusted EBIT by Operation ⁽¹⁾ 9 months ended September 30 (\$ millions)



(1) Excluding Other operations

Selected Key Performance Measures – Balance Sheet

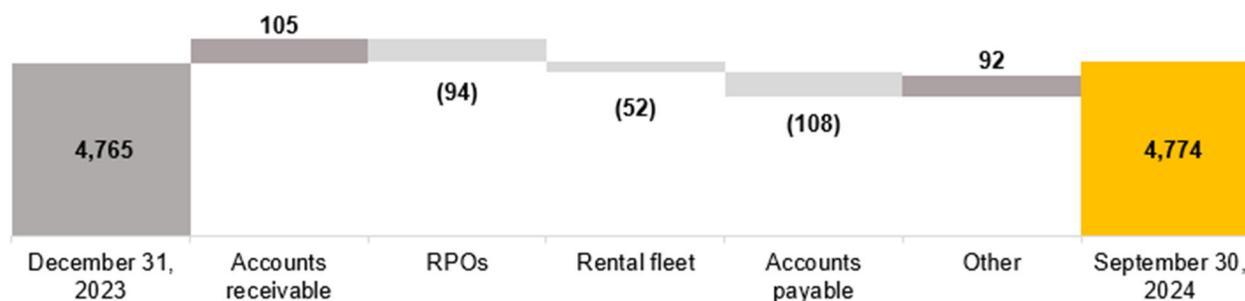
(\$ millions, unless otherwise stated)	September 30, 2024	December 31, 2023
Invested capital		
Consolidated	4,774	4,765
Canada	2,795	2,852
South America	1,443	1,381
UK & Ireland	541	510
South America (USD)	1,069	1,044
UK & Ireland (GBP)	299	303
Adjusted ROIC		
Consolidated	17.6%	20.0%
Canada	15.5%	19.0%
South America	26.5%	27.6%
UK & Ireland	11.5%	12.3%
Invested capital turnover (times)		
Consolidated	2.02	2.03
Canada	1.77	1.83
South America	2.37	2.27
UK & Ireland	2.55	2.51
Inventory turns (dealership) (times) ⁽¹⁾	2.67	2.47
Working capital to net revenue ⁽²⁾	28.9%	28.4%

(1) Following a detailed review of our remanufacturing business in Canada, we determined that the correct classification of certain costs in SG&A should be cost of sales. Effective Q3 2024, the comparative figures for 2023 and Q1 2024 and Q2 2024 include an immaterial adjustment for a change in classification of certain expenses. For more information on the impact to financial statements, please refer to note 11 of our Interim Financial Statements.

(2) Comparative results for 2023 have been restated for our adoption of the amendments to IAS 1, *Presentation of Financial Statements* effective for the financial year beginning January 1, 2024.

Compared to December 31, 2023:

The \$9 million increase in consolidated invested capital from December 31, 2023 to September 30, 2024 includes a foreign exchange impact of \$66 million in translating the invested capital balances of our UK & Ireland and South American operations. The foreign exchange impact was the result of the weaker CAD relative to the GBP and USD compared to December 31, 2023.



Excluding the impact of foreign exchange, consolidated invested capital decreased by \$57 million from December 31, 2023 to September 30, 2024 reflecting:

- lower rental equipment in all regions, driven by increased rental rollouts and conversions of **RPOs** to sales, mainly in our Canadian operations; and,
- higher accounts payable in all regions related to inventory purchases, as well as deferral of supplier payments; and,
- partially offset by higher accounts receivable in all regions, driven by an increase in sales activity.

On a consolidated basis, Adjusted ROIC of 17.6% at September 30, 2024 was 240 basis points lower than Adjusted ROIC at December 31, 2023, largely driven by lower Adjusted EBIT in the last twelve months and higher average invested capital levels, mainly in Canada. Consolidated invested capital turnover of 2.02 at September 30, 2024 was down slightly from December 31, 2023, mainly due to higher invested capital levels in Canada outpacing net revenue growth.

Inventory turns (dealership) at September 30, 2024 were higher than December 31, 2023, partially due to faster equipment throughput and RPO conversions. Working capital to net revenue of 28.9% at September 30, 2024 was up slightly from December 31, 2023.

Results by Reportable Segment

We operate primarily in one principal business: the sale, service, and rental of heavy equipment, engines, and related products in various markets on three continents. Our reportable segments are Canada, South America, UK & Ireland, and Other.

The table below provides details of net revenue by lines of business and results by operation.

3 months ended September 30, 2024 (\$ millions)	South				Consol	Net Revenue % (1)
	Canada	America	UK & Ireland	Other		
New equipment	422	333	178	—	933	37%
Used equipment	47	21	21	—	89	3%
Equipment rental	47	18	11	—	76	3%
Product support	690	580	118	—	1,388	55%
Fuel and other	53	—	—	—	53	2%
Net revenue	1,259	952	328	—	2,539	100%
Operating costs	(1,123)	(818)	(296)	(13)	(2,250)	
Depreciation and amortization	(56)	(30)	(12)	(2)	(100)	
Other expenses	(9)	(3)	(4)	(3)	(19)	
EBIT	71	101	16	(18)	170	
Net revenue percentage by operation	50%	37%	13%	—	100%	
Adjusted EBIT	94	104	20	(15)	203	
<i>EBIT as a % of net revenue</i>	5.6%	10.6%	4.9%		6.7%	
<i>Adjusted EBIT as a % of net revenue</i>	7.5%	10.9%	6.3%		8.0%	

3 months ended September 30, 2023 (\$ millions)	South				Consol	Net Revenue %
	Canada	America	UK & Ireland	Other		
New equipment	407	288	175	—	870	36%
Used equipment	45	13	14	—	72	3%
Equipment rental	55	19	12	—	86	3%
Product support	714	533	115	—	1,362	56%
Fuel and other	47	—	—	—	47	2%
Net revenue	1,268	853	316	—	2,437	100%
Operating costs	(1,084)	(717)	(287)	(7)	(2,095)	
Depreciation and amortization	(51)	(32)	(10)	(1)	(94)	
Equity earnings of joint ventures	4	—	—	—	4	
EBIT	137	104	19	(8)	252	
Net revenue percentage by operation	52%	35%	13%	—	100%	
<i>EBIT as a % of net revenue</i>	10.8%	12.3%	5.9%		10.3%	

(1) See "Description of Specified Financial Measures and Reconciliations" in this MD&A.

9 months ended September 30, 2024					Net Revenue	
(\$ millions)	Canada	South America	UK & Ireland	Other	Consol	%
New equipment	1,303	870	518	—	2,691	36%
Used equipment	244	49	78	—	371	5%
Equipment rental	136	53	31	—	220	3%
Product support	2,110	1,640	336	—	4,086	54%
Fuel and other	148	1	—	—	149	2%
Net revenue	3,941	2,613	963	—	7,517	100%
Operating costs	(3,456)	(2,239)	(882)	(29)	(6,606)	
Depreciation and amortization	(167)	(93)	(32)	(5)	(297)	
Equity earnings of joint ventures	5	—	—	—	5	
Other expenses	(9)	(3)	(4)	(3)	(19)	
EBIT	314	278	45	(37)	600	
Net revenue percentage by operation	52%	35%	13%	—	100%	
Adjusted EBIT	337	281	49	(34)	633	
<i>EBIT as a % of net revenue</i>	8.0%	10.6%	4.7%		8.0%	
<i>Adjusted EBIT as a % of net revenue</i>	8.6%	10.7%	5.1%		8.4%	

9 months ended September 30, 2023					Net Revenue	
(\$ millions)	Canada	South America	UK & Ireland	Other	Consol	%
New equipment	1,146	782	515	—	2,443	34%
Used equipment	177	33	47	—	257	4%
Equipment rental	148	57	34	—	239	3%
Product support	2,184	1,544	337	—	4,065	57%
Fuel and other	136	—	—	—	136	2%
Net revenue	3,791	2,416	933	—	7,140	100%
Operating costs	(3,245)	(2,034)	(847)	(32)	(6,158)	
Depreciation and amortization	(151)	(93)	(32)	(4)	(280)	
Equity earnings of joint ventures	8	—	—	—	8	
Other income	—	—	—	41	41	
Other expenses	(4)	(7)	(2)	(5)	(18)	
EBIT	399	282	52	—	733	
Net revenue percentage by operation	53%	34%	13%	—	100%	
Adjusted EBIT	403	289	54	(36)	710	
<i>EBIT as a % of net revenue</i>	10.5%	11.7%	5.5%		10.3%	
<i>Adjusted EBIT as a % of net revenue</i>	10.6%	12.0%	5.7%		9.9%	

South America Operations

The weaker CAD relative to the USD on average in Q3 2024 compared to Q3 2023 had a favourable foreign currency translation impact on Q3 2024 net revenue of approximately \$15 million and did not have a significant impact at the EBIT level.

All \$ figures in this section are in CAD as this is our reporting currency. All variances and ratios in this section are based on the functional currency of our South American operations, which is the USD. These variances and ratios exclude the foreign currency translation impact from the CAD relative to the USD and are therefore considered to be specified financial measures. We believe the variances and ratios in functional currency provide meaningful information about the operational performance of the reporting segment.

Third Quarter Overview

Q3 2024 net revenue was 10% higher than Q3 2023, led by new equipment and product support.

Q3 2024 new equipment revenue was 14% higher than Q3 2023, driven by strong demand from mining customers and mining contractors.

Product support revenue in Q3 2024 was up 7% from Q3 2023, up in all market sectors, primarily due to strong demand from mining contractors in Chile and mining and power systems customers in Argentina. Service revenue was up in all market segments, despite a weaker CLP, and reflects strong technician headcount growth. Excluding the impact of a weaker CLP on service revenue, product support revenue would have been 8% higher compared to Q3 2023.

Used equipment was up 68% on strong demand from construction customers and the execution of our strategy.

Gross profit in Q3 2024 was up from the same period in the prior year. Gross profit as a percentage of net revenue in Q3 2024 was down from Q3 2023 reflecting a mix shift to new and used equipment as well as a higher mix of mining equipment sales, and lower equipment and rental margins, partially offset by higher product support margins.

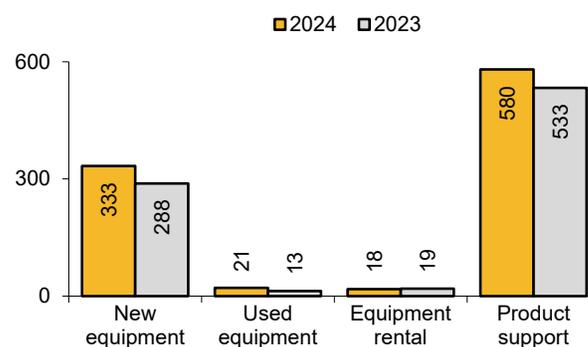
Q3 2024 SG&A and SG&A as a percentage of net revenue were up from Q3 2023, primarily due to \$11 million of costs owing as a result of re-entering the official exchange market in Argentina.

Q3 2024 EBIT was \$101 million and EBIT as a percentage of net revenue was 10.6%. Excluding the severance costs as described on page 5, Adjusted EBIT for Q3 2024 of \$104 million was down slightly from the same prior year period. Adjusted EBIT as a percentage of net revenue of 10.9% was down from Q3 2023.

Discussion of our South American operation's year-to-date results is included in the Year-to-Date Results section of this MD&A on pages 10 - 11. The weaker CAD relative to the USD on average in the nine months ended September 30, 2024 compared to 2023 had a favourable foreign currency translation impact on year-to-date 2024 net revenue of approximately \$30 million and was not significant at the EBIT level.

Net Revenue by Line of Business South America Operations

3 months ended September 30
(\$ millions)



Canada Operations

Third Quarter Overview

Q3 2024 net revenue decreased 1% from Q3 2023, mainly due to lower product support revenues and lower rental utilization, partially offset by increased new equipment deliveries.

Product support revenue in Q3 2024 was down 3% from Q3 2023, mainly due to lower activity in the mining and construction sectors.

New equipment sales were up 4% in Q3 2024 from Q3 2023 and included significant RPO conversions in the mining sector.

Q3 2024 gross profit and gross profit as a percentage of net revenue were lower than Q3 2023 mainly due to lower gross profit as a percentage of net revenue in all lines of business. New equipment sales had a higher proportion of mining equipment. Used equipment pricing was lower as we managed our inventory levels considering higher inventories in the used market. To manage our equipment inventory health, we took action to improve invested capital by selling \$150 million of inventory at low margins. The rental equipment market remained challenged as fleet utilization was below what would be expected in a normalized environment. A lower product support mix and smaller sized equipment rebuild activity also impacted gross profit as a percentage of net revenue.

In June 2024, Victoria Gold experienced a heap leach pad landslide failure at their Eagle Gold mine site in the Yukon Territory. In Q3 2024, this customer was placed in receivership on application by the Yukon government. We recorded an estimated loss for receivables of \$14 million from this customer.

Q3 2024 SG&A was up from the prior year period. Excluding the estimated loss for receivables from Victoria Gold, Q3 2024 SG&A was down 2% and SG&A as a percentage of net revenue was comparable to Q3 2023 reflecting a focus on cost containment.

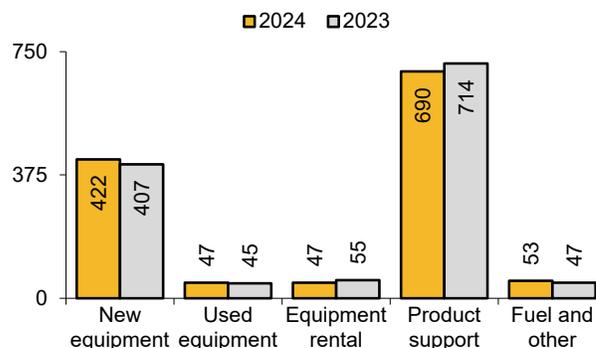
Q3 2024 EBIT was \$71 million and EBIT as a percentage of net revenue was 5.6%. Excluding the significant items not considered indicative of financial and operational trends as described on page 5, Adjusted EBIT for Q3 2024 was \$94 million and Adjusted EBIT as a percentage of net revenue was 7.5%, down from \$137 million and 10.8%, respectively, in Q3 2023.

Other developments

On August 16, 2024, hourly employees of **OEM** represented by **CLAC** Local 56 voted in support of a new collective agreement. CLAC Local 56 represents approximately 750 hourly employees of OEM in Edmonton, Alberta. The new three-year collective agreement will expire on December 31, 2026.

Discussion of our Canadian operation's year-to-date results is included in the Year-to-Date Results section of this MD&A on pages 10 - 11.

**Net Revenue by Line of Business
Canada Operations**
3 months ended September 30
(\$ millions)



UK & Ireland Operations

The weaker CAD relative to the GBP on average in Q3 2024 compared to Q3 2023 had a favourable foreign currency translation impact on Q3 2024 net revenue of approximately \$15 million and did not have a significant impact at the EBIT level.

All \$ figures in this section are in CAD as this is our reporting currency. All variances and ratios in this section are based on the functional currency of our UK & Ireland operations, which is the GBP. These variances and ratios exclude the foreign currency translation impact from the CAD relative to the GBP and are therefore considered to be specified financial measures. We believe the variances and ratios in functional currency provide meaningful information about the operational performance of the reporting segment.

Third Quarter Overview

Q3 2024 net revenue was comparable to Q3 2023.

New equipment revenue in Q3 2024 was down from Q3 2023 due to slower demand from certain industrial customers partially offset by higher revenue in the construction sector.

Q3 2024 product support revenue was down slightly from Q3 2023, reflecting lower activity levels relative to a record in Q3 2023, which had strong activity in the power sector.

Used equipment revenue was up 49% from the same prior year period, reflecting the execution of our strategy, mainly from increased volumes in the construction sector.

Gross profit and gross profit as a percentage of net revenue in Q3 2024 were down from Q3 2023, mainly due to lower gross profit as a percentage of net revenue in product support and new equipment.

Q3 2024 SG&A was down 10% and SG&A as a percentage of net revenue was lower than the prior year period reflecting the focus on cost control.

Q3 2024 EBIT was \$16 million and EBIT as a percentage of net revenue was 4.9%. Excluding the significant item not considered indicative of financial and operational trends as described on page 5, Adjusted EBIT for Q3 2024 was \$20 million and Adjusted EBIT as a percentage of net revenue was 6.3%, higher than Q3 2023 mainly due to the leverage of SG&A on comparable net revenue levels.

Discussion of our UK & Ireland operation's year-to-date results is included in the Year-to-Date Results section of this MD&A on pages 10 - 11. The weaker CAD relative to the GBP on average in the nine months ended September 30, 2024 compared to 2023 had a favourable foreign currency translation impact on year-to-date 2024 net revenue of approximately \$35 million and was not significant at the EBIT level.

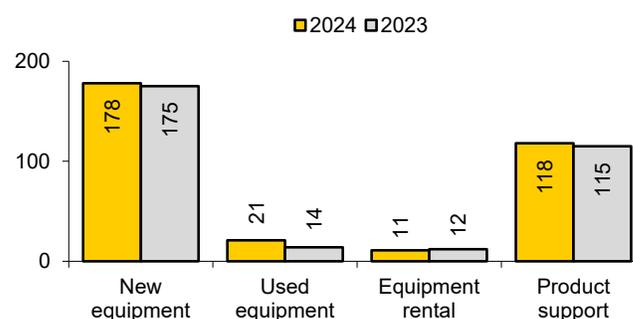
Other Operations

Our Other operations includes corporate operating costs.

Q3 2024 EBIT was a loss of \$18 million. Excluding the significant item not considered indicative of financial and operational trends as described on page 5, Q3 2024 Adjusted EBIT was a loss of \$15 million, higher than an EBIT loss of \$8 million in the same prior year period, and included higher **LTIP** costs.

Discussion of year-to-date results is included in the Year-to-Date Results section of this MD&A on pages 10 - 11.

**Net Revenue by Line of Business
UK & Ireland Operations**
3 months ended September 30
(\$ millions)



Market Update and Business Outlook

The discussion of our expectations relating to the market and business outlook in this section is forward-looking information that is based upon the assumptions and subject to the material risks discussed under the heading “Forward-Looking Information Disclaimer” beginning on page 33 of this MD&A. Actual outcomes and results may vary significantly.

South America Operations

In Chile, our outlook is underpinned by growing global demand for copper, strong copper prices, capital deployment into large-scale brownfield expansions, and customer confidence to invest in brownfield and greenfield projects. We are seeing a broad-based level of quoting, tender, and award activity for mining equipment, product support, and technology solutions. While activity levels and outlook remain positive, we also expect a more challenging environment in attracting and retaining qualified labour.

In the Chilean construction sector, we continue to see demand from large contractors supporting mining operations, and we expect infrastructure construction activity to remain steady. In the power systems sector, activity remains strong in the industrial and data centre markets, driving growing demand for electric power solutions.

In Argentina, steps are being taken by the new government to address the fiscal imbalances in the country with the goal of ultimately stabilizing inflation and opening the economy for free import and export of goods in the long-term. However, devaluing the currency, containing public spending, reducing subsidies, and lowering spending on public works are driving continued challenging market and operating conditions. We are actively monitoring the new rules and policies. While we anticipate near-term pockets of strong activity in the oil & gas sector, and the new government programs are helping drive large-scale investment by global miners, we continue to take a low-risk approach in Argentina.

Canada Operations

Our outlook for Western Canada is mixed. We expect continued spending discipline from our large customers as they work to achieve operating cost targets and in some cases fund and integrate acquisitions. Certain oil sands customers continue to optimize mine plans, adjust scopes of contractor work and defer maintenance spending. Going forward, we expect these customers to deploy capital to renew, maintain, and rebuild aging fleets. Based on customer commitments and discussions, we anticipate more consistent demand for product support, including component remanufacturing and rebuilds.

We expect ongoing commitments from federal and provincial governments as well as private sector projects for infrastructure development to support activity in the construction sector, but we expect these projects will take time to advance. In addition, growing demand for reliable, efficient, and sustainable electric power solutions across communities in Western Canada creates opportunities for our power systems business.

With a slower market environment, we are focused on managing our cost and working capital levels and continue to see additional opportunities to unlock invested capital in the near term.

We expect headwinds in the used and rental markets to continue following a period of strong sector activity and limited equipment supply. We saw pricing and utilization in these markets begin to normalize through the quarter but expect the normalization period to last for the next several quarters. While new equipment pricing has remained relatively stable, we expect a high proportion of mining deliveries in Q4 2024.

UK & Ireland Operations

With low **GDP** growth projected in the UK to continue, we expect demand in the construction sector to remain soft. We expect a growing contribution from used equipment and power systems as we continue to execute on our strategy. In power systems, quoting activity remains strong, driven by healthy demand for primary and backup power generation, particularly in the data centre market. We expect our product support business in the UK & Ireland to remain resilient.

Sustaining a Higher Level of Return on Invested Capital

To support our strategy and to continue the simplification of our organization and empowerment of our regional teams, we are further reducing our SG&A to ensure resilience and continued demonstration of our improved earnings capacity. Our continued resilience journey includes a reduced number of senior management and an overall reduced proportion of non-revenue generating employee base. The headcount reductions related to the severance costs incurred in the quarter are expected to result in lower annual SG&A in 2025 by approximately \$25 million and serve to offset lower near-term margins and reposition the business for future operating leverage. We are also optimizing our UK pension, which is expected to complete in Q4. This improves our UK & Ireland ROIC by approximately 260 basis points and our consolidated ROIC by approximately 30 basis points as well as reduces our ongoing SG&A in the UK.

Since last year, our product support growth rates in Canada and the UK & Ireland have remained lower than expected due to slower infrastructure spending and extended deferral of mining equipment maintenance work in Canada, and lower activity levels in the UK & Ireland given a more challenging growth environment. In South America, we remain optimistic for strong product support growth. As our product support growth rates for the last year have been below our expectations, we are withdrawing our product support growth targets to the end of 2025, as outlined at our 2023 Investor Day. We will continue to focus on maximizing product support growth as a key strategic value driver going forward. We remain committed to improving our invested capital, cost base and inventory velocity targets as well as making progress to achieve our consolidated Adjusted ROIC within our range of 18% – 25% in all market conditions.

We believe the results this quarter in Canada are largely transitory in nature and will start to improve as we move through the balance of the year and into 2025. We are well positioned to continue to execute on our strategy to maximize product support, continuously improve our cost and capital position to drive full cycle resilience and grow prudently in used, rental and power – all with the objective of achieving a sustainably higher Adjusted ROIC going forward.

Liquidity and Capital Resources

We assess liquidity in terms of our ability to generate sufficient cash flow, along with other sources of liquidity including cash and borrowings, to fund operations and growth. Liquidity is affected by operating, investing, and financing activities.

Cash flows provided by (used in) each of these activities and free cash flow were as follows:

(\$ millions)	3 months ended		9 months ended	
	September 30		September 30	
	2024	2023	2024	2023
Operating activities	383	37	570	(63)
Investing activities	(37)	(49)	(85)	(176)
Financing activities	(268)	88	(362)	136
Operating activities	383	37	570	(63)
Additions to property, plant, and equipment and intangible assets	(38)	(50)	(109)	(169)
Proceeds on disposal of property, plant, and equipment	1	13	5	18
Free cash flow	346	—	466	(214)

The most significant contributors to the changes in cash flows for 2024 over 2023 were as follows (all events described were in the current quarter or year-to-date period, unless otherwise stated):

	Quarter over Quarter	Year-to-date over Year-to-date
Free cash flow	<ul style="list-style-type: none"> • higher collections mainly in South America and Canada; • lower payments for inventory in Canada and UK & Ireland; • lower net spend on rental equipment; • partially offset by higher payments for inventory in South America 	<ul style="list-style-type: none"> • higher collections primarily in South America and Canada; • lower net spend on rental equipment and capital; • lower payments for inventory in Canada and UK & Ireland; • partially offset by higher payments for inventory in South America
Investing activities (excluding net spend on property, plant, and equipment)	<ul style="list-style-type: none"> • Q3 2024 was slightly lower than Q3 2023 which included an increase in short-term investments in South America 	<ul style="list-style-type: none"> • \$27 million decrease in short-term investments in 2024 compared with a \$12 million increase in short-term investments in 2023 in South America
Financing activities	<ul style="list-style-type: none"> • \$116 million repayment of short-term borrowings in Q3 2024 compared with \$209 million provided by short-term debt in Q3 2023 	<ul style="list-style-type: none"> • \$162 million repayment of short-term borrowings in the first nine months of 2024 compared with \$313 million cash provided by short-term debt in the same prior year period; • \$85 million higher repayment of long-term debt in the current year period; • partially offset by \$79 million higher cash provided by long-term debt in the current year period

Capital Resources and Management

Our cash and cash equivalents balance at September 30, 2024 was \$298 million (December 31, 2023: \$152 million). In April 2024, we settled USD 50 million of 4.28% notes which were due on April 3, 2024. In February 2024, we issued \$425 million of 4.778% senior unsecured notes due February 13, 2029 and in January 2024, we settled USD 100 million of 4.08% notes which were due on January 19, 2024. At September 30, 2024, to complement internally generated funds from operating and investing activities, we had approximately \$3.1 billion in unsecured committed and uncommitted credit facilities. Included in this amount is a committed sustainability-linked revolving credit facility totaling \$1.3 billion with various Canadian and global financial institutions, which is set to mature in June 2029, and an additional \$300 million committed revolving credit facility previously set to mature in October 2024, which has now been extended to October 2025. At September 30, 2024, \$608 million was available collectively under these committed revolving credit facilities. We are subject to certain covenants under our committed revolving credit facilities and were in compliance with these covenants at September 30, 2024.

We continuously monitor actual and forecasted cash flows, manage the maturity profiles of our financial liabilities, and maintain committed and uncommitted credit facilities. We believe that based on cash on hand, available credit facilities, and the discretionary nature of certain cash flows, such as rental and capital expenditures, we have sufficient liquidity to meet operational needs.

Finning is rated ⁽¹⁾ by both **DBRS** and **S&P**:

	Long-term debt		Short-term debt	
	Sep 30, 2024	Dec 31, 2023	Sep 30, 2024	Dec 31, 2023
DBRS	BBB (high)	BBB (high)	R-2 (high)	R-2 (high)
S&P	BBB+	BBB+	n/a	n/a

In April 2024, DBRS affirmed our BBB (high) long-term rating and R-2 (high) commercial paper rating both with stable trends. In May 2024, S&P affirmed our BBB+ rating with stable outlook.

During the nine months ended September 30, 2024, we repurchased 6,127,190 common shares for cancellation for \$244 million, at an average cost of \$39.87 per share (including a 2% share buyback tax, effective January 1, 2024), through our **NCIB** ⁽²⁾. During the nine months ended September 30, 2023, we repurchased 5,967,044 common shares for cancellation for \$227 million, at an average cost of \$38.12 per share.

In connection with our NCIB, we implemented an automatic share purchase plan with a designated broker to enable share repurchases for cancellation during selected blackout periods. At September 30, 2024, we recorded an estimated obligation of \$19 million for the repurchase of shares from October 1, 2024 to November 13, 2024, under this automatic share purchase plan.

Net Debt to Adjusted EBITDA

We monitor net debt to Adjusted EBITDA to assess our operating leverage and ability to repay debt. This ratio approximates the length of time, in years, that it would take us to repay our debt, with net debt and Adjusted EBITDA held constant.

	Finning long-term target	Sep 30, 2024	Dec 31, 2023
Net debt to Adjusted EBITDA (times)	< 3.0	1.7	1.7

⁽¹⁾ A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the rating organization.

⁽²⁾ A copy of the NCIB notice is available on request directed to the Corporate Secretary, 19100 94 Avenue, Surrey, BC V4N 5C3.

Accounting Policies and Pronouncements

New Accounting Pronouncements

Effective January 1, 2024, we adopted the amendments to IAS 1, *Presentation of Financial Statements* which resulted in the restatement of the 2023 comparative results for current liabilities and non-current liabilities. No other recent amendments to accounting standards had an impact on our financial statements. For more details on amendments to IFRS that were effective January 1, 2024 as well as future accounting pronouncements and effective dates, please refer to note 1 of our Interim Financial Statements.

Risk Factors and Management

We are exposed to market, credit, liquidity, and other risks in the normal course of our business activities. Our **ERM** process is designed to ensure that such risks are identified, managed, and reported. This framework assists us in managing business activities and risks across the organization to achieve our strategic objectives.

We maintain a strong risk management culture to protect and enhance shareholder value. On a quarterly basis, **Board** level committees review our business risk assessment and the management of key business risks, any changes to key risk exposures, and the steps taken to monitor and control such exposures, and report their review to the Board. The Board reviews all material risks on an annual basis. The Board also reviews the adequacy of disclosures of key risks in our AIF, MD&A, and financial statements on a quarterly and annual basis. All key financial risks are disclosed in our annual MD&A and other key business risks are disclosed in our AIF.

Foreign Exchange Risk

Key exchange rates that impacted our results were as follows:

Exchange rate	September 30			December 31			3 months ended			9 months ended		
	2024	2023	Change	2023	Change	September 30 – average	September 30 – average	Change	September 30 – average	September 30 – average	Change	
						2024	2023		2024	2023		
USD/CAD	1.3499	1.3520	0%	1.3226	(2)%	1.3641	1.3414	(2)%	1.3604	1.3456	(1)%	
GBP/CAD	1.8080	1.6510	(10)%	1.6837	(7)%	1.7735	1.6978	(4)%	1.7367	1.6744	(4)%	
USD/CLP	896.25	895.60	(0)%	877.12	(2)%	930.13	852.83	(9)%	936.74	820.62	(14)%	
USD/ARS	970.00	349.95	(177)%	808.45	(20)%	941.65	309.62	(204)%	884.90	235.11	(276)%	

The impact of foreign exchange due to fluctuations in the value of CAD relative to USD, GBP, CLP, and ARS is expected to continue to affect our results.

Outstanding Share Data

November 6, 2024

Common shares outstanding	137,696,023
Options outstanding	1,069,433

Controls and Procedures Certification

Disclosure Controls and Procedures

We are responsible for establishing and maintaining a system of controls and procedures over the public disclosure of our financial and non-financial information. Such controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the **CEO** and **CFO**, on a timely basis so that appropriate decisions can be made regarding public disclosure.

The CEO and the CFO, together with other members of management, have designed our disclosure controls and procedures in order to provide reasonable assurance that material information relating to Finning and its consolidated subsidiaries is made known to them in a timely manner.

We have a Corporate Disclosure Policy and a Disclosure Committee in place to mitigate risks associated with the disclosure of inaccurate or incomplete information, or failure to disclose required information.

- The Corporate Disclosure Policy sets out accountabilities, authorized spokespersons, and our approach to the determination, preparation, and dissemination of material information. The policy also defines restrictions on insider trading and the handling of confidential information.
- The Disclosure Committee, consisting of senior management, including legal counsel, reviews all financial information prepared for communication to the public to ensure it meets all regulatory requirements. The Disclosure Committee is responsible for raising any outstanding issues it believes require the attention or approval of the **Audit Committee** prior to recommending disclosure, subject to legal requirements applicable to disclosure of material information.

Internal Control over Financial Reporting

We are responsible for establishing and maintaining adequate internal control over financial reporting. We have designed internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. There has been no change in the design of our internal controls over financial reporting during the three months ended September 30, 2024 that would materially affect, or is reasonably likely to materially affect, our internal control over financial reporting.

Regular involvement of our internal audit function and quarterly reporting to the Audit Committee assist in providing reasonable assurance that the objectives of the control system are met. While our officers have designed our disclosure controls and procedures and internal control over financial reporting to provide reasonable assurance that the objectives of the control systems are met, they are aware that these controls and procedures may not prevent all errors and fraud. A control system, no matter how well conceived or operated, can only provide reasonable, not absolute, assurance that the objectives of the control system are met.

Description of Specified Financial Measures and Reconciliations

Specified Financial Measures

We believe that certain specified financial measures, including non-GAAP financial measures, provide users of our MD&A and consolidated financial statements with important information regarding the operational performance and related trends of our business. The specified financial measures we use do not have any standardized meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other issuers. Accordingly, specified financial measures should not be considered as a substitute or alternative for financial measures determined in accordance with GAAP (GAAP financial measures). By considering these specified financial measures in combination with the comparable GAAP financial 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 financial measures alone.

We use KPIs to consistently measure performance against our priorities across the organization. Some of our KPIs are specified financial measures.

There may be significant items that we do not consider indicative of our operational and financial trends, either by nature or amount. We exclude these items when evaluating our operating financial performance. These items may not be non-recurring, but we believe that excluding these significant items from GAAP financial measures provides a better understanding of our financial performance when considered in conjunction with the GAAP financial measures. Financial measures that have been adjusted to take these significant items into account are referred to as "Adjusted" measures. Adjusted measures are specified financial measures and are intended to provide additional information to readers of the MD&A.

Descriptions and components of the specified financial measures we use in this MD&A are set out below. Where applicable, quantitative reconciliations from certain specified financial measures to their most directly comparable GAAP financial measures (specified, defined, or determined under GAAP and used in our consolidated financial statements) are also set out below.

Adjusted EPS

Adjusted EPS excludes the after-tax per share impact of significant items that we do not consider to be indicative of operational and financial trends either by nature or amount to provide a better overall understanding of our underlying business performance. The tax impact of each significant item is calculated by applying the relevant applicable tax rate for the jurisdiction in which the significant item occurred. The after-tax per share impact of significant items is calculated by dividing the after-tax amount of significant items by the weighted average number of common shares outstanding during the period.

A reconciliation between EPS (the most directly comparable GAAP financial measure) and Adjusted EPS can be found on page 26 of this MD&A.

Adjusted EBIT and Adjusted EBITDA

Adjusted EBIT and Adjusted EBITDA exclude items that we do not consider to be indicative of operational and financial trends, either by nature or amount, to provide a better overall understanding of our underlying business performance.

Adjusted EBITDA is calculated by adding depreciation and amortization to Adjusted EBIT.

The most directly comparable GAAP financial measure to Adjusted EBITDA and Adjusted EBIT is EBIT.

Significant items identified by management that affected our results were as follows:

- Severance costs related to the headcount reductions and consolidation efforts focused on non-revenue generating positions, including selected technology and supply chain roles as well as some financial support functions as we simplify our business activities in each of our operations.
- Our Canadian operations recorded an estimated loss for receivables from Victoria Gold, a mining customer that was placed into receivership following a landslide at its mine.
- On December 13, 2023, the newly-elected Argentine government devalued the ARS official exchange rate by 118% from 366.5 ARS to 800 ARS for USD 1. As a result of prolonged government currency restrictions, including no material access to USD starting in late August 2023, our ARS exposure increased and during this period economic hedges were not available. As a result of the growth in our ARS exposure and the significant devaluation of the ARS in the fourth quarter, our South American operations incurred a foreign exchange loss of \$56 million which exceeds the typical foreign exchange impact in the region.
- We began to implement our invested capital improvement plan as outlined at our 2023 Investor Day, which targets selling and optimizing real estate and exiting low-ROIC activities. In Q4 2023:
 - Our South American operations sold a property in Chile and recorded a gain of \$13 million on the sale; and,
 - Following an evaluation of the business needs of our operations and related intangible assets, several software and technology assets have been or will be decommissioned, and as a result, we derecognized previously capitalized costs of \$12 million.
- In Q1 2023, we executed various transactions to simplify and adjust our organizational structure. We wound up two wholly owned subsidiaries, recapitalized and repatriated \$170 million of profits from our South American operations, and incurred severance costs in each region as we reduced corporate overhead costs and simplified our operating model. As a result of these activities, our Q1 2023 financial results were impacted by significant items that we do not consider indicative of operational and financial trends:
 - Net foreign currency translation gain and income tax expense were reclassified to net income on the wind up of foreign subsidiaries;
 - Withholding tax payable related to the repatriation of profits; and,
 - Severance costs incurred in all of our operations.

A reconciliation from EBIT to Adjusted EBIT and Adjusted EBITDA for our consolidated operations is as follows:

3 months ended (\$ millions)	2024				2023				2022		2021	
	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31
EBIT	170	228	202	177	252	242	239	214	224	190	140	157
Significant items:												
Severance costs	19	—	—	—	—	—	18	—	—	—	—	—
Estimated loss for a customer receivable	14	—	—	—	—	—	—	—	—	—	—	—
Foreign exchange and tax impact of devaluation of ARS	—	—	—	56	—	—	—	—	—	—	—	—
Gain on sale of property, plant, and equipment	—	—	—	(13)	—	—	—	—	—	—	—	—
Write-off of intangible assets	—	—	—	12	—	—	—	—	—	—	—	—
Gain on wind up of foreign subsidiaries	—	—	—	—	—	—	(41)	—	—	—	—	—
Adjusted EBIT	203	228	202	232	252	242	216	214	224	190	140	157
Depreciation and amortization	100	98	99	99	94	94	92	87	84	81	81	84
Adjusted EBITDA ⁽¹⁾	303	326	301	331	346	336	308	301	308	271	221	241

⁽¹⁾ These are non-GAAP financial measures. See “Description of Specified Financial Measures and Reconciliations” in this MD&A.

The income tax impact of the significant items was as follows:

3 months ended (\$ millions)	2024				2023			2022	
	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30
Significant items:									
Severance costs	(4)	—	—	—	—	—	(5)	—	—
Estimated loss for a customer receivable	(4)	—	—	—	—	—	—	—	—
Foreign exchange and tax impact of devaluation of ARS	—	—	—	(3)	—	—	—	—	—
Gain on sale of property, plant, and equipment	—	—	—	4	—	—	—	—	—
Write-off of intangible assets	—	—	—	(3)	—	—	—	—	—
Gain on wind up of foreign subsidiaries	—	—	—	—	—	—	9	—	—
Withholding tax on repatriation of profits	—	—	—	—	—	—	19	—	—
(Recovery of) provision for income taxes on the significant items	(8)	—	—	(2)	—	—	23	—	—

A reconciliation from EPS to Adjusted EPS for our consolidated operations is as follows:

3 months ended (\$)	2024				2023			2022	
	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30
EPS ⁽¹⁾	0.75	1.02	0.84	0.59	1.07	1.00	0.89	0.89	0.97
Significant items:									
Severance costs	0.10	—	—	—	—	—	0.09	—	—
Estimated loss for a customer receivable	0.08	—	—	—	—	—	—	—	—
Foreign exchange and tax impact of devaluation of ARS	—	—	—	0.37	—	—	—	—	—
Gain on sale of property, plant, and equipment	—	—	—	(0.06)	—	—	—	—	—
Write-off of intangible assets	—	—	—	0.06	—	—	—	—	—
Gain on wind up of foreign subsidiaries	—	—	—	—	—	—	(0.21)	—	—
Withholding tax on repatriation of profits	—	—	—	—	—	—	0.12	—	—
Adjusted EPS	0.93	1.02	0.84	0.96	1.07	1.00	0.89	0.89	0.97

⁽¹⁾ The per share impact for each quarter has been calculated using the weighted average number of common shares outstanding during the respective quarters; therefore, quarterly amounts may not add to the annual or year-to-date total.

A reconciliation from EBIT to Adjusted EBIT for our Canadian operations is as follows:

3 months ended (\$ millions)	2024				2023				2022		2021	
	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31
EBIT	71	131	112	117	137	136	126	128	125	102	80	92
Significant items:												
Estimated loss for a customer receivable	14	—	—	—	—	—	—	—	—	—	—	—
Severance costs	9	—	—	—	—	—	4	—	—	—	—	—
Write-off of intangible assets	—	—	—	5	—	—	—	—	—	—	—	—
Adjusted EBIT	94	131	112	122	137	136	130	128	125	102	80	92

A reconciliation from EBIT to Adjusted EBIT for our South American operations is as follows:

3 months ended (\$ millions)	2024				2023				2022			2021
	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31
EBIT	101	93	84	55	104	104	74	96	85	64	65	59
Significant items:												
Severance costs	3	—	—	—	—	—	7	—	—	—	—	—
Foreign exchange and tax impact of devaluation of ARS	—	—	—	56	—	—	—	—	—	—	—	—
Gain on sale of property, plant, and equipment	—	—	—	(13)	—	—	—	—	—	—	—	—
Write-off of intangible assets	—	—	—	4	—	—	—	—	—	—	—	—
Adjusted EBIT	104	93	84	102	104	104	81	96	85	64	65	59

A reconciliation from EBIT to Adjusted EBIT for our UK & Ireland operations is as follows:

3 months ended (\$ millions)	2024				2023				2022			2021
	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31
EBIT	16	15	14	6	19	18	15	16	21	23	14	12
Significant items:												
Severance costs	4	—	—	—	—	—	2	—	—	—	—	—
Write-off of intangible assets	—	—	—	3	—	—	—	—	—	—	—	—
Adjusted EBIT	20	15	14	9	19	18	17	16	21	23	14	12

A reconciliation from EBIT to Adjusted EBIT for our Other operations is as follows:

3 months ended (\$ millions)	2024				2023				2022			2021
	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31
EBIT	(18)	(11)	(8)	(1)	(8)	(16)	24	(26)	(7)	1	(19)	(6)
Significant items:												
Severance costs	3	—	—	—	—	—	5	—	—	—	—	—
Gain on wind up of foreign subsidiaries	—	—	—	—	—	—	(41)	—	—	—	—	—
Adjusted EBIT	(15)	(11)	(8)	(1)	(8)	(16)	(12)	(26)	(7)	1	(19)	(6)

Equipment Backlog

Equipment backlog is defined as the retail value of new equipment units ordered by customers for future deliveries. We use equipment backlog as a measure of projecting future new equipment deliveries. There is no directly comparable GAAP financial measure for equipment backlog.

Free Cash Flow

Free cash flow is defined as cash flow provided by or used in operating activities less net additions to property, plant, and equipment and intangible assets, as disclosed in our financial statements. We use free cash flow to assess cash operating performance, including working capital efficiency. Consistent positive free cash flow generation enables us to re-invest capital to grow our business and return capital to shareholders. A reconciliation from cash flow used in or provided by operating activities to free cash flow is as follows:

3 months ended (\$ millions)	2024				2023			2022	
	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30
Cash flow provided by (used in) operating activities	383	364	(177)	291	37	66	(166)	410	(24)
Additions to property, plant, and equipment and intangible assets	(38)	(34)	(37)	(51)	(50)	(40)	(79)	(78)	(33)
Proceeds on disposal of property, plant, and equipment	1	—	4	40	13	5	—	—	—
Free cash flow	346	330	(210)	280	—	31	(245)	332	(57)

Inventory Turns (Dealership)

Inventory turns (dealership) is the number of times our dealership inventory is sold and replaced over a period. We use inventory turns (dealership) to measure asset utilization. Inventory turns (dealership) is calculated as annualized cost of sales (excluding cost of sales related to the mobile refuelling operations) for the last six months divided by average inventory (excluding inventory related to the mobile refuelling operations), based on an average of the last two quarters. Cost of sales related to the dealership and inventory related to the dealership are calculated as follows:

3 months ended (\$ millions)	2024 (Restated) ⁽¹⁾				2023 (Restated) ⁽¹⁾				2022	
	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30
Cost of sales	2,214	2,285	1,987	2,042	2,064	2,142	1,775	2,025	1,807	1,761
Cost of sales related to the mobile refuelling operations	(308)	(292)	(269)	(278)	(283)	(237)	(253)	(302)	(293)	(300)
Cost of sales related to the dealership ⁽²⁾	1,906	1,993	1,718	1,764	1,781	1,905	1,522	1,723	1,514	1,461

(\$ millions)	2024				2023			2022		
	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30
Inventory	2,881	2,974	3,073	2,844	2,919	2,764	2,710	2,461	2,526	2,228
Inventory related to the mobile refuelling operations	(8)	(11)	(9)	(12)	(17)	(14)	(12)	(12)	(12)	(13)
Inventory related to the dealership ⁽²⁾	2,873	2,963	3,064	2,832	2,902	2,750	2,698	2,449	2,514	2,215

⁽¹⁾ Following a detailed review of our remanufacturing business in Canada, we determined that the correct classification of certain costs in SG&A should be cost of sales. Effective Q3 2024, the comparative figures for 2023 and Q1 2024 and Q2 2024 include an immaterial adjustment for a change in classification of certain expenses. For more information on the impact to financial statements, please refer to note 11 of our Interim Financial Statements.

⁽²⁾ These are non-GAAP financial measures. See "Description of Specified Financial Measures and Reconciliations" in this MD&A.

Invested Capital

Invested capital is calculated as net debt plus total equity. Invested capital is also calculated as total assets less total liabilities, excluding net debt. Net debt is calculated as short-term and long-term debt, net of cash and cash equivalents. We use invested capital as a measure of the total cash investment made in Finning and each reportable segment. Invested capital is used in a number of different measurements (ROIC, Adjusted ROIC, invested capital turnover) to assess financial performance against other companies and between reportable segments. Invested capital is calculated as follows:

(\$ millions)	2024				2023				2022				2021
	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Dec 31
Cash and cash equivalents	(298)	(233)	(215)	(152)	(168)	(74)	(129)	(288)	(120)	(170)	(295)	(502)	
Short-term debt	1,103	1,234	1,322	1,239	1,372	1,142	1,266	1,068	1,087	992	804	374	
Long-term debt													
Current	—	—	68	199	203	199	253	114	106	110	63	190	
Non-current	1,378	1,378	1,379	949	955	949	675	815	836	807	909	921	
Net debt ⁽¹⁾	2,183	2,379	2,554	2,235	2,362	2,216	2,065	1,709	1,909	1,739	1,481	983	
Total equity	2,591	2,590	2,574	2,530	2,535	2,414	2,480	2,461	2,449	2,337	2,296	2,343	
Invested capital	4,774	4,969	5,128	4,765	4,897	4,630	4,545	4,170	4,358	4,076	3,777	3,326	

⁽¹⁾ These are non-GAAP financial measures. See "Description of Specified Financial Measures and Reconciliations" in this MD&A.

Invested Capital Turnover

We use invested capital turnover to measure capital efficiency. Invested capital turnover is calculated as net revenue for the last twelve months divided by average invested capital of the last four quarters.

Net Debt to Adjusted EBITDA Ratio

This ratio is calculated as net debt at the reporting date divided by Adjusted EBITDA for the last twelve months. We use this ratio to assess operating leverage and ability to repay debt. This ratio approximates the length of time, in years, that it would take us to repay debt, with net debt and Adjusted EBITDA held constant.

Net Revenue, Gross Profit as a % of Net Revenue, SG&A as a % of Net Revenue, EBIT as a % of Net Revenue, Net Revenue by Line of Business as a % of Net Revenue, and Net Revenue by Operation as a % of Net Revenue

Net revenue is defined as total revenue less the cost of fuel related to the mobile refuelling operations in our Canadian operations. As these fuel costs are pass-through in nature for this business, we view net revenue as more representative than revenue in assessing the performance of the business because the rack price for the cost of fuel is fully passed through to the customer and is not in our control. For our South American and UK & Ireland operations, net revenue is the same as total revenue.

We use these specified financial measures to assess and evaluate the financial performance or profitability of our reportable segments. We may also calculate EBIT as a % of net revenue using Adjusted EBIT to exclude significant items we do not consider to be indicative of operational and financial trends either by nature or amount to provide a better overall understanding of our underlying business performance.

The ratios are calculated, respectively, as gross profit divided by net revenue, SG&A divided by net revenue, EBIT divided by net revenue, net revenue by line of business divided by net revenue, and net revenue by operation divided by net revenue. The most directly comparable GAAP financial measure to net revenue is total revenue. Net revenue is calculated as follows:

3 months ended (\$ millions)	2024				2023				2022				2021
	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Dec 31
Total revenue	2,829	2,920	2,584	2,664	2,704	2,779	2,380	2,653	2,384	2,289	1,953	1,949	
Cost of fuel	(290)	(274)	(252)	(261)	(267)	(220)	(236)	(285)	(277)	(285)	(217)	(175)	
Net revenue	2,539	2,646	2,332	2,403	2,437	2,559	2,144	2,368	2,107	2,004	1,736	1,774	

ROIC and Adjusted ROIC

ROIC is defined as EBIT for the last twelve months divided by average invested capital of the last four quarters, expressed as a percentage. We view ROIC as a useful measure for capital allocation decisions that drive profitable growth and attractive returns to shareholders. We also calculate Adjusted ROIC using Adjusted EBIT to exclude significant items that we do not consider to be indicative of operational and financial trends either by nature or amount to provide a better overall understanding of our underlying business performance.

Working Capital & Working Capital to Net Revenue Ratio

Working capital is defined as total current assets (excluding cash and cash equivalents) less total current liabilities (excluding short-term debt and current portion of long-term debt). We view working capital as a measure for assessing overall liquidity. The working capital to net revenue ratio is calculated as average working capital of the last four quarters, divided by net revenue for the last twelve months. We use this KPI to assess the efficiency in our use of working capital to generate net revenue. Working capital is calculated as follows:

(\$ millions)	2024				2023				2022		2021	
	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31
Total current assets	5,355	5,431	5,432	4,930	5,217	4,985	4,974	4,781	4,652	4,098	4,030	3,619
Cash and cash equivalents	(298)	(233)	(215)	(152)	(168)	(74)	(129)	(288)	(120)	(170)	(295)	(502)
Total current assets in working capital	5,057	5,198	5,217	4,778	5,049	4,911	4,845	4,493	4,532	3,928	3,735	3,117
Total current liabilities ⁽¹⁾	3,383	3,503	3,561	3,516	3,722	3,600	3,788	3,401	3,196	2,789	2,647	2,155
Short-term debt	(1,103)	(1,234)	(1,322)	(1,239)	(1,372)	(1,142)	(1,266)	(1,068)	(1,087)	(992)	(804)	(374)
Current portion of long-term debt	—	—	(68)	(199)	(203)	(199)	(253)	(114)	(106)	(110)	(63)	(190)
Total current liabilities in working capital ⁽¹⁾	2,280	2,269	2,171	2,078	2,147	2,259	2,269	2,219	2,003	1,687	1,780	1,591
Working capital ⁽¹⁾⁽²⁾	2,777	2,929	3,046	2,700	2,902	2,652	2,576	2,274	2,529	2,241	1,955	1,526

⁽¹⁾ Comparative results for 2023 have been restated for our adoption of the amendments to IAS 1, *Presentation of Financial Statements* effective for the financial year beginning January 1, 2024.

⁽²⁾ These are non-GAAP financial measures. See "Description of Specified Financial Measures and Reconciliations" in this MD&A.

Selected Quarterly Information

(\$ millions, except for share, per share, and option amounts)	2024			2023			2022	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Revenue								
Canada	1,549	1,698	1,510	1,515	1,535	1,593	1,386	1,452
South America	952	894	767	805	853	856	707	840
UK & Ireland	328	328	307	344	316	330	287	361
Total revenue	2,829	2,920	2,584	2,664	2,704	2,779	2,380	2,653
Net income attributable to shareholders of Finning ⁽¹⁾	103	144	121	85	156	148	134	136
Earnings per share ⁽¹⁾								
EPS	0.75	1.02	0.84	0.59	1.07	1.00	0.89	0.89
Diluted earnings per share	0.74	1.01	0.84	0.59	1.06	1.00	0.89	0.89
Total assets	7,925	8,033	8,059	7,557	7,738	7,508	7,512	7,269
Long-term debt								
Current	—	—	68	199	203	199	253	114
Non-current	1,378	1,378	1,379	949	955	949	675	815
Total long-term debt ⁽²⁾	1,378	1,378	1,447	1,148	1,158	1,148	928	929
Cash dividends paid per common share	27.5¢	27.5¢	25.0¢	25.0¢	25.0¢	25.0¢	23.6¢	23.6¢
Common shares outstanding (000's)	137,961	140,384	142,407	144,007	145,256	146,704	149,584	151,041
Options outstanding (000's)	1,094	1,132	1,150	1,150	1,191	1,240	1,281	1,567

⁽¹⁾ These reported financial measures in Q3 2024, Q4 2023, and Q1 2023 have been impacted by significant items management does not consider indicative of operational and financial trends either by nature of amount. These significant items are summarized on pages 25 - 27 of this MD&A.

⁽²⁾ In June 2024, we extended the term of our \$1.3 billion committed sustainability-linked revolving credit facility, which was set to mature in September 2026, to June 2029.

In April 2024, we settled USD 50 million of 4.28% notes which were due on April 3, 2024.

In February 2024, we issued \$425 million of 4.778% senior unsecured notes due February 13, 2029.

In January 2024, we settled USD 100 million of 4.08% notes which were due January 19, 2024.

In October 2022, we secured an additional \$300 million committed revolving credit facility; in September 2024, we extended the term of this facility to fully mature in October 2025 (previously set to mature in October 2024).

In May 2023, we issued \$350 million of 4.445% senior unsecured notes due May 16, 2028.

In May 2023, we settled £70 million of 3.40% senior notes which were due May 22, 2023.

Forward-Looking Information Disclaimer

This report contains information about our business outlook, objectives, plans, strategic priorities and other information that is not historical fact. Information is forward-looking when we use what we know and expect today to give information about the future. Forward-looking information may include terminology such as aim, anticipate, assumption, believe, could, expect, goal, guidance, intend, may, objective, outlook, plan, project, seek, should, strategy, strive, target, and will, and variations of such terminology. All forward-looking information in this MD&A is subject to this disclaimer including the assumptions and material risk factors discussed and referred to below. Forward-looking information in this report also includes, but is not limited to, the following: our expectations with respect to the economy, markets and activities and the associated impact on our financial results; the expected benefits of our strategic plan on generating long-term value for our customers, employees, and shareholders; our expectation that driving product support is our largest opportunity for resilient, profitable growth; our expectation that further growth in customer value agreements, expanding our rebuild business, and continuing to strategically grow our equipment population will capture a greater share of product support across the full asset life cycle; our belief that full cycle resilience will enable us to deliver more reliable and consistent earnings through all market conditions; our expectation that we will continue to optimize and variabilize our cost structure; our expectation that growing our addressable market in used equipment, rental and power systems will increase our equipment population and help us drive additional product support growth; our expectation that we will continue to work towards meeting our commitment to reduce our absolute GHG emissions by 40% by 2027 from our 2017 baseline; our expectation that we will continue to provide customers with equipment and solutions to improve safety and enhance performance by combining leading technology with data driven insights, while helping them to reduce their environmental footprint; our expectation that our effective tax rate generally be within the 25%-30% range on an annual basis; our expectation that the impact of foreign exchange due to fluctuations in the value of CAD relative to USD, GBP, CLP, and ARS will continue to affect our results; our ability to execute on our strategic priorities; all information in the section entitled "Market Update and Business Outlook" starting on page 18 of this MD&A, including for our South America operations: in Chile, our outlook based on growing global demand for copper, strong copper prices, capital deployment into large-scale brownfield expansions and customer confidence to invest in brownfield and greenfield projects; our expectation of a broad-based level of quoting, tender and award activity for mining equipment, product support and technology solutions; our expectation of a more challenging environment in attracting and retaining qualified labour; our expectation that infrastructure construction in Chile will remain steady (based on assumptions of continued demand from large contractors supporting mining operations); in the power systems sector, our expectation regarding growing demand for electric power solutions from strong activity in the industrial and data centre markets; in Argentina, our expected continued low-risk approach in Argentina; our expectation that steps are being taken by the new government to address the fiscal imbalances in the country with the goal of ultimately stabilizing inflation and opening the economy for free import and export of goods in the long-term; our expectation that devaluing the currency, containing public spending, reducing subsidies, and lowering spending on public works will continue to drive challenging market and operating conditions; continued monitoring of new rules and policies; our expectation that there will be near-term pockets of strong activity in the oil & gas sector, and our expectation that new government programs are helping drive large-scale investment by global miners; for our Canada operations: our outlook for Western Canada being mixed; our expectation of continued spending discipline from our large customers (based on assumptions of achieving operating cost targets and in some cases, funding and integrating acquisitions); our expectation that certain oil sands customers will deploy capital to renew, maintain and rebuild aging fleets (based on assumptions of optimized mine plans, scopes of contractor work and maintenance spending); our expectation for more consistent demand for product support, including component remanufacturing and rebuilds; our expectation regarding ongoing commitments from federal and provincial governments, as well as private sector projects, for infrastructure development to support activity in the construction sector; our expectation that these infrastructure development activities will take time to advance; our expectations of growing demand for reliable, efficient, and sustainable electric power solutions across communities in Western Canada creating opportunities for our power systems business; our expectations of headwinds in the used and rental markets to continue (based on assumptions of pricing and utilization starting to normalize and that the normalization period will last for the next several quarters); our expectation of a high proportion of mining deliveries in Q4 2024; our focus on managing our cost and working capital levels and continuing to see additional opportunities to unlock invested capital in the near term; for our UK & Ireland operations: our expectation for demand in the construction sector to remain soft; our expectation of a growing contribution from used equipment and power systems as we continue to execute on our strategy; in power systems, our expectation of continued strong quoting activity (based on assumptions of healthy demand for primary and backup power generation, particularly in the data centre market); our expectation of our product support business to remain resilient; and overall: our plan to further reduce our SG&A to ensure resilience and continued demonstration of our improved earnings capacity; our expectation for a reduced number of senior management and reduced proportion of non-revenue generating employees; our expectation that the headcount reductions related to the severance costs incurred in Q3 2024 will result in lower annual SG&A in 2025 by approximately \$25 million and serve to offset lower near-term margins and reposition the business for future

operating leverage; our expectation that the optimization of our UK pension will be completed in Q4 and will improve our UK & Ireland ROIC by approximately 260 basis points, our consolidated ROIC by approximately 30 basis points, as well as reduce our ongoing SG&A in the UK; our continued optimism for strong product support growth in South America; our continued focus on maximizing product support growth as a key strategic value driver going forward; our commitment to improving our invested capital, cost base and inventory velocity targets as well as making progress to achieve our consolidated adjusted ROIC within our range of 18% to 25% in all market conditions; our expectation that the results this quarter in Canada are largely transitory in nature and will start to improve as we move through the balance of the year and into 2025; our expectation that we are well positioned to continue to execute on our strategy to maximize product support, continuously improve our cost and capital position to drive full cycle resilience and grow prudently in used, rental and power, all with the objective of achieving a sustainably higher adjusted ROIC going forward; and our expectation that we will have sufficient liquidity to meet operational needs (based on cash on hand, available credit facilities and the discretionary nature of certain cash flows, such as rental and capital expenditures).

All such forward-looking information is provided pursuant to the 'safe harbour' provisions of applicable Canadian securities laws. Unless we indicate otherwise, forward-looking information in this report reflects our expectations at the date of this MD&A. Except as may be required by Canadian securities laws, we do not undertake any obligation to update or revise any forward-looking information, whether as a result of new information, future events, or otherwise.

Forward-looking information, by its very nature, is subject to numerous risks and uncertainties and is based on a number of assumptions. This gives rise to the possibility that actual results could differ materially from the expectations expressed in or implied by such forward-looking information and that our business outlook, objectives, plans, strategic priorities and other information that is not historical fact may not be achieved. As a result, we cannot guarantee that any forward-looking information will materialize.

Factors that could cause actual results or events to differ materially from those expressed in or implied by this forward-looking information include: the specific factors stated above; the impact and duration of, and our ability to respond to and manage, high inflation, changing interest rates, and supply chain challenges; general economic and market conditions, including increasing inflationary cost pressure, and economic and market conditions in the regions where we operate; perspectives of investments in the oil and gas and mining projects in Argentina; capital deployment into large-scale brownfield expansions; support and commitment by Canadian federal and provincial governments in infrastructure development; foreign exchange rates; commodity prices; interest rates; the level of customer confidence and spending, and the demand for, and prices of, our products and services; our dependence on the continued market acceptance of our products, and the timely supply of parts and equipment; our ability to continue to improve productivity and operational efficiencies while continuing to maintain customer service; our ability to manage cost pressures as growth in revenue occurs; our ability to effectively integrate and realize expected synergies from businesses that we acquire; our ability to deliver our equipment backlog; our ability to negotiate satisfactory purchase or investment terms and prices, obtain necessary regulatory or other approvals, and secure financing on attractive terms or at all; our ability to manage our growth strategy effectively; our ability to effectively price and manage long-term product support contracts with our customers; our ability to drive continuous cost efficiency; our ability to attract sufficient skilled labour resources as market conditions, business strategy or technologies change; our ability to negotiate and renew collective bargaining agreements with satisfactory terms for our employees and us; the intensity of competitive activity; our ability to maintain a safe and healthy work environment across all regions; our ability to raise the capital needed to implement our business plan; business disruption resulting from business process change, systems change and organizational change; regulatory initiatives or proceedings, litigation and changes in laws, regulations or policies, including with respect to environmental protection and/or energy transition; stock market volatility; changes in political and economic environments in the regions where we carry on business; our ability to respond to climate change-related risks; the availability of carbon neutral technology or renewable power; the cost of climate change initiatives; the occurrence of one or more natural disasters, pandemic outbreaks, geo-political events, acts of terrorism, social unrest or similar disruptions; the availability of insurance at commercially reasonable rates and whether the amount of insurance coverage will be adequate to cover all liability or loss that we incur; the potential of warranty claims being greater than we anticipate; and the integrity, reliability and availability of, and benefits from, information technology and the data processed by that technology; and our ability to protect our business from cybersecurity threats or incidents.

Forward-looking information is provided in this report to give information about our current expectations and plans and allow investors and others to get a better understanding of our operating environment. However, readers are cautioned that it may not be appropriate to use such forward-looking information for any other purpose.

Forward-looking information provided in this report is based on a number of assumptions that we believed were reasonable on the day the information was given, including but not limited to: the specific assumptions and expectations stated above; that we will be able to successfully manage our business through volatile commodity

prices, high inflation, changing interest rates, and supply chain challenges, and successfully execute our strategies to win customers, achieve full cycle resilience and continue business momentum; 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 continue to 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; our ability to successfully execute our plans and intentions, including our strategic priorities; that we will successfully execute initiatives to reduce our GHG emissions and to 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 our customers and our suppliers, service providers and other third parties will be maintained and that such suppliers will deliver quality, competitive products with supply chain continuity; sustainment of oil prices; the timing of completion of major pipelines and the resulting increased activity in the energy sector; that demand for reliable and sustainable electric power solutions in Western Canada will continue to create opportunities for our power systems business; that maximizing product support growth will positively affect our strategic priorities going forward; quoting activity for requests for proposals for equipment and product support is reflective of opportunities; and market recoveries in the regions that we operate.

Some of the assumptions, risks, and other factors that could cause results to differ materially from those expressed in the forward-looking information contained in this report are discussed in our current AIF and in our annual and most recent quarterly MD&A for the financial risks. We caution readers that the risks described in the annual and most recent quarterly MD&A and in the AIF are not the only ones that could impact us. Additional risks and uncertainties not currently known to us or that are currently deemed to be immaterial may also have a material adverse effect on our business, financial condition, or results of operation.

Except as otherwise indicated, forward-looking information does not reflect the potential impact of any non-recurring or other unusual items or of any dispositions, mergers, acquisitions, other business combinations or other transactions that may be announced or that may occur after the date of this report. The financial impact of these transactions and non-recurring and other unusual items can be complex and depends on the facts particular to each of them. We therefore cannot describe the expected impact in a meaningful way or in the same manner we present known risks affecting our business.

Glossary of Defined Terms

AIF	Annual Information Form
Annual Financial Statements	Annual consolidated financial statements
ARS	Argentine peso
Audit Committee	Audit Committee of the Board of Directors of Finning
Board	Board of Directors of Finning
CAD	Canadian dollar
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CLAC	Christian Labour Association of Canada
CLP	Chilean peso
Consol	Consolidated
DBRS	Dominion Bond Rating Service
EBIT	Earnings (loss) before finance costs and income tax
EBITDA	Earnings (loss) before finance costs, income tax, depreciation, and amortization
EPS	Basic earnings per share
ERM	Enterprise risk management
fav	Favourable
Finning	Finning International Inc.
GAAP	Generally accepted accounting principles
GAAP financial measures	A financial measure determined in accordance with GAAP
GBP	UK pound sterling
GDP	Gross domestic product
GHG	Greenhouse gas
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
Interim Financial Statements	Condensed interim consolidated financial statements
KPI	Key performance indicator
LTIP	Long-term incentive plan (also referred to as share-based payment)
MD&A	Management's Discussion and Analysis
n/a	not applicable
n/m	% change not meaningful
NCIB	Normal course issuer bid
OEM	OEM Remanufacturing Company Inc.
ROIC	Return on invested capital
RPO	Rental equipment with purchase options
S&P	Standard and Poor's
SEDAR+	System for Electronic Document Analysis +
SG&A	Selling, general, and administrative expenses
Specified Financial Measures	As defined in National Instruments 52-112
UK	United Kingdom
unfav	Unfavourable
US	United States of America
USD	US dollar