

## UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

|                                                                      | June 30,<br>2024 | December 31,<br>2023 | January 1,<br>2023   |
|----------------------------------------------------------------------|------------------|----------------------|----------------------|
| <b>(Canadian \$ millions)</b>                                        |                  | (Restated - Note 1a) | (Restated - Note 1a) |
| <b>ASSETS</b>                                                        |                  |                      |                      |
| Current assets                                                       |                  |                      |                      |
| Cash and cash equivalents                                            | 233              | 152                  | 288                  |
| Accounts receivable                                                  | 1,203            | 1,012                | 1,129                |
| Unbilled receivables                                                 | 494              | 496                  | 422                  |
| Inventory (Note 9)                                                   | 2,974            | 2,844                | 2,461                |
| Other assets                                                         | 527              | 426                  | 481                  |
| Total current assets                                                 | 5,431            | 4,930                | 4,781                |
| Property, plant, and equipment                                       | 1,028            | 976                  | 973                  |
| Rental equipment                                                     | 537              | 608                  | 469                  |
| Goodwill                                                             | 333              | 329                  | 325                  |
| Intangible assets                                                    | 280              | 309                  | 333                  |
| Net post-employment assets                                           | 110              | 109                  | 98                   |
| Distribution network                                                 | 100              | 100                  | 100                  |
| Investment in joint ventures                                         | 92               | 87                   | 83                   |
| Other assets                                                         | 122              | 109                  | 107                  |
| <b>Total assets</b>                                                  | <b>8,033</b>     | <b>7,557</b>         | <b>7,269</b>         |
| <b>LIABILITIES</b>                                                   |                  |                      |                      |
| Current liabilities                                                  |                  |                      |                      |
| Short-term debt                                                      | 1,234            | 1,239                | 1,068                |
| Accounts payable and accruals (Note 1a)                              | 1,397            | 1,299                | 1,337                |
| Deferred revenue                                                     | 598              | 507                  | 544                  |
| Current portion of long-term debt                                    | —                | 199                  | 114                  |
| Other liabilities (Note 1a)                                          | 274              | 272                  | 362                  |
| Total current liabilities                                            | 3,503            | 3,516                | 3,425                |
| Long-term debt (Note 5)                                              | 1,378            | 949                  | 815                  |
| Long-term lease liabilities                                          | 256              | 235                  | 255                  |
| Deferred tax liabilities                                             | 153              | 160                  | 153                  |
| Other liabilities (Note 1a)                                          | 153              | 167                  | 160                  |
| <b>Total liabilities</b>                                             | <b>5,443</b>     | <b>5,027</b>         | <b>4,808</b>         |
| <b>EQUITY</b>                                                        |                  |                      |                      |
| Share capital                                                        | 500              | 516                  | 536                  |
| Accumulated other comprehensive income                               | 274              | 220                  | 273                  |
| Retained earnings                                                    | 1,801            | 1,778                | 1,634                |
| Equity attributable to shareholders<br>of Finning International Inc. | 2,575            | 2,514                | 2,443                |
| Non-controlling interests                                            | 15               | 16                   | 18                   |
| <b>Total equity</b>                                                  | <b>2,590</b>     | <b>2,530</b>         | <b>2,461</b>         |
| <b>Total liabilities and equity</b>                                  | <b>8,033</b>     | <b>7,557</b>         | <b>7,269</b>         |

The accompanying Notes to the Condensed Interim Consolidated Financial Statements are an integral part of these statements.

## UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF NET INCOME

| (Canadian \$ millions, except per share amounts)      | 3 months ended |              | 6 months ended |              |
|-------------------------------------------------------|----------------|--------------|----------------|--------------|
|                                                       | June 30        |              | June 30        |              |
|                                                       | 2024           | 2023         | 2024           | 2023         |
| Revenue                                               |                |              |                |              |
| New equipment                                         | 979            | 949          | 1,758          | 1,573        |
| Used equipment                                        | 146            | 93           | 282            | 185          |
| Equipment rental                                      | 70             | 78           | 144            | 153          |
| Product support                                       | 1,401          | 1,395        | 2,698          | 2,703        |
| Fuel and other                                        | 324            | 264          | 622            | 545          |
| <b>Total revenue</b>                                  | <b>2,920</b>   | <b>2,779</b> | <b>5,504</b>   | <b>5,159</b> |
| Cost of sales                                         | (2,268)        | (2,125)      | (4,237)        | (3,883)      |
| <b>Gross profit</b>                                   | <b>652</b>     | <b>654</b>   | <b>1,267</b>   | <b>1,276</b> |
| Selling, general, and administrative expenses         | (429)          | (415)        | (842)          | (822)        |
| Equity earnings of joint ventures                     | 5              | 3            | 5              | 4            |
| Other income (Note 4)                                 | —              | —            | —              | 41           |
| Other expense (Note 4)                                | —              | —            | —              | (18)         |
| <b>Earnings before finance costs and income taxes</b> | <b>228</b>     | <b>242</b>   | <b>430</b>     | <b>481</b>   |
| Finance costs (Note 5)                                | (43)           | (42)         | (83)           | (77)         |
| <b>Income before provision for income taxes</b>       | <b>185</b>     | <b>200</b>   | <b>347</b>     | <b>404</b>   |
| Provision for income taxes (Note 6)                   | (41)           | (52)         | (83)           | (123)        |
| <b>Net income</b>                                     | <b>144</b>     | <b>148</b>   | <b>264</b>     | <b>281</b>   |
| Net income (loss) attributable to:                    |                |              |                |              |
| Shareholders of Finning International Inc.            | 144            | 148          | 265            | 282          |
| Non-controlling interests                             | —              | —            | (1)            | (1)          |
| Earnings per share (Note 3)                           |                |              |                |              |
| Basic                                                 | 1.02           | 1.00         | 1.85           | 1.89         |
| Diluted                                               | 1.01           | 1.00         | 1.85           | 1.88         |

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## UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

| (Canadian \$ millions)                                                                                            | 3 months ended |            | 6 months ended |            |
|-------------------------------------------------------------------------------------------------------------------|----------------|------------|----------------|------------|
|                                                                                                                   | June 30        |            | June 30        |            |
|                                                                                                                   | 2024           | 2023       | 2024           | 2023       |
| Net income                                                                                                        | 144            | 148        | 264            | 281        |
| Other comprehensive income (loss), net of income tax                                                              |                |            |                |            |
| Items that may be subsequently reclassified to net income:                                                        |                |            |                |            |
| Foreign currency translation adjustments                                                                          | 21             | (31)       | 66             | (21)       |
| (Loss) gain on net investment hedges                                                                              | (3)            | 10         | (14)           | 8          |
| Foreign currency translation adjustments, net of net investment hedges, reclassified to net income (Note 4)       | —              | —          | —              | (41)       |
| Provision for income taxes on foreign currency translation adjustments, reclassified to net income (Note 4)       | —              | —          | —              | 9          |
| Impact of foreign currency translation and net investment hedges, net of income tax                               | 18             | (21)       | 52             | (45)       |
| Gain (loss) on cash flow hedges                                                                                   | 2              | (5)        | 6              | (5)        |
| Gain on cash flow hedges, reclassified to net income (Provision for) recovery of income taxes on cash flow hedges | (1)            | 1          | (2)            | 1          |
| Impact of cash flow hedges, net of income tax                                                                     | 1              | (5)        | 4              | (4)        |
| Items that will not be subsequently reclassified to net income:                                                   |                |            |                |            |
| Actuarial gain (loss)                                                                                             | 2              | (18)       | 7              | (17)       |
| (Provision for) recovery of income taxes on actuarial gain (loss)                                                 | —              | 4          | (2)            | 4          |
| Actuarial gain (loss), net of income tax                                                                          | 2              | (14)       | 5              | (13)       |
| <b>Total comprehensive income</b>                                                                                 | <b>165</b>     | <b>108</b> | <b>325</b>     | <b>219</b> |
| Total comprehensive income (loss) attributable to:                                                                |                |            |                |            |
| Shareholders of Finning International Inc.                                                                        | 165            | 108        | 326            | 220        |
| Non-controlling interests                                                                                         | —              | —          | (1)            | (1)        |

The accompanying Notes to the Condensed Interim Consolidated Financial Statements are an integral part of these statements.

## UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

| (Canadian \$ millions)                                              | Attributable to Shareholders of Finning International Inc. |                        |                                                 |                      |              |                                  |              |
|---------------------------------------------------------------------|------------------------------------------------------------|------------------------|-------------------------------------------------|----------------------|--------------|----------------------------------|--------------|
|                                                                     | Share<br>Capital                                           | Contributed<br>Surplus | Accumulated<br>Other<br>Comprehensive<br>Income | Retained<br>Earnings | Total        | Non-<br>controlling<br>Interests | Total        |
| Balance, January 1, 2023                                            | 536                                                        | —                      | 273                                             | 1,634                | 2,443        | 18                               | 2,461        |
| Net income (loss)                                                   | —                                                          | —                      | —                                               | 282                  | 282          | (1)                              | 281          |
| Other comprehensive loss                                            | —                                                          | —                      | (49)                                            | (13)                 | (62)         | —                                | (62)         |
| Total comprehensive<br>(loss) income                                | —                                                          | —                      | (49)                                            | 269                  | 220          | (1)                              | 219          |
| Exercise of share options                                           | 3                                                          | (1)                    | —                                               | (2)                  | —            | —                                | —            |
| Share option expense                                                | —                                                          | 1                      | —                                               | —                    | 1            | —                                | 1            |
| Hedging gain transferred to<br>statement of financial position      | —                                                          | —                      | (5)                                             | —                    | (5)          | —                                | (5)          |
| Repurchase of common<br>shares (Note 7)                             | (16)                                                       | —                      | —                                               | (149)                | (165)        | —                                | (165)        |
| Increase in automatic<br>share purchase plan<br>commitment (Note 7) | (2)                                                        | —                      | —                                               | (22)                 | (24)         | —                                | (24)         |
| Dividends on common shares                                          | —                                                          | —                      | —                                               | (73)                 | (73)         | —                                | (73)         |
| Balance, June 30, 2023                                              | 521                                                        | —                      | 219                                             | 1,657                | 2,397        | 17                               | 2,414        |
| Balance, January 1, 2024                                            | <b>516</b>                                                 | <b>—</b>               | <b>220</b>                                      | <b>1,778</b>         | <b>2,514</b> | <b>16</b>                        | <b>2,530</b> |
| Net income (loss)                                                   | —                                                          | —                      | —                                               | 265                  | 265          | (1)                              | 264          |
| Other comprehensive income                                          | —                                                          | —                      | 56                                              | 5                    | 61           | —                                | 61           |
| Total comprehensive<br>income (loss)                                | —                                                          | —                      | 56                                              | 270                  | 326          | (1)                              | 325          |
| Exercise of share options                                           | 1                                                          | (1)                    | —                                               | —                    | —            | —                                | —            |
| Share option expense                                                | —                                                          | 1                      | —                                               | —                    | 1            | —                                | 1            |
| Hedging gain transferred to<br>statement of financial position      | —                                                          | —                      | (2)                                             | —                    | (2)          | —                                | (2)          |
| Repurchase of common<br>shares (Note 7)                             | (13)                                                       | —                      | —                                               | (134)                | (147)        | —                                | (147)        |
| Increase in automatic<br>share purchase plan<br>commitment (Note 7) | (4)                                                        | —                      | —                                               | (38)                 | (42)         | —                                | (42)         |
| Dividends on common shares                                          | —                                                          | —                      | —                                               | (75)                 | (75)         | —                                | (75)         |
| Balance, June 30, 2024                                              | <b>500</b>                                                 | <b>—</b>               | <b>274</b>                                      | <b>1,801</b>         | <b>2,575</b> | <b>15</b>                        | <b>2,590</b> |

The accompanying Notes to the Condensed Interim Consolidated Financial Statements are an integral part of these statements.

## UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW

| (Canadian \$ millions)                                                                    | 3 months ended |       | 6 months ended |       |
|-------------------------------------------------------------------------------------------|----------------|-------|----------------|-------|
|                                                                                           | June 30        |       | June 30        |       |
|                                                                                           | 2024           | 2023  | 2024           | 2023  |
| <b>OPERATING ACTIVITIES</b>                                                               |                |       |                |       |
| Net income                                                                                | 144            | 148   | 264            | 281   |
| Adjusting for:                                                                            |                |       |                |       |
| Depreciation and amortization                                                             | 98             | 94    | 197            | 186   |
| Loss (gain) on disposal of property, plant, and equipment                                 | 1              | (2)   | (1)            | (2)   |
| Equity earnings of joint ventures                                                         | (5)            | (3)   | (5)            | (4)   |
| Share-based payment expense                                                               | 8              | 14    | 14             | 19    |
| Provision for income taxes                                                                | 41             | 52    | 83             | 123   |
| Finance costs                                                                             | 43             | 42    | 83             | 77    |
| Net benefit cost of defined benefit pension plans and other post-employment benefit plans | 4              | 4     | 8              | 8     |
| Gain on wind up of foreign subsidiaries (Note 4)                                          | —              | —     | —              | (41)  |
| Changes in operating assets and liabilities (Note 10)                                     | 97             | (97)  | (272)          | (418) |
| Additions to rental fleet                                                                 | (35)           | (59)  | (51)           | (92)  |
| Additions to rental equipment with purchase options                                       | (22)           | (24)  | (79)           | (46)  |
| Proceeds on disposal of rental fleet                                                      | 40             | 15    | 58             | 28    |
| Proceeds on disposal of rental equipment with purchase options                            | 44             | 23    | 81             | 27    |
| Interest paid                                                                             | (47)           | (48)  | (82)           | (78)  |
| Income tax paid                                                                           | (47)           | (93)  | (111)          | (168) |
| Cash flow provided by (used in) operating activities                                      | 364            | 66    | 187            | (100) |
| <b>INVESTING ACTIVITIES</b>                                                               |                |       |                |       |
| Additions to property, plant, and equipment and intangible assets                         | (34)           | (40)  | (71)           | (119) |
| Proceeds on disposal of property, plant, and equipment                                    | —              | 5     | 4              | 5     |
| Consideration paid for business acquisitions, net of cash acquired                        | (8)            | (11)  | (8)            | (13)  |
| Decrease in short-term and long-term investments                                          | —              | —     | 27             | —     |
| Cash flow used in investing activities                                                    | (42)           | (46)  | (48)           | (127) |
| <b>FINANCING ACTIVITIES</b>                                                               |                |       |                |       |
| (Decrease) increase in short-term debt (Note 10)                                          | (102)          | (97)  | (46)           | 104   |
| Issuance of long-term debt, net of issue costs (Notes 5 and 10)                           | —              | 348   | 423            | 348   |
| Repayment of long-term debt (Note 10)                                                     | (72)           | (118) | (207)          | (122) |
| Decrease in lease liabilities (Note 10)                                                   | (22)           | (22)  | (44)           | (44)  |
| Credit facility fee                                                                       | (2)            | —     | (2)            | —     |
| Repurchase of common shares                                                               | (87)           | (114) | (143)          | (165) |
| Dividends paid                                                                            | (39)           | (37)  | (75)           | (73)  |
| Cash flow (used in) provided by financing activities                                      | (324)          | (40)  | (94)           | 48    |
| Effect of currency translation on cash balances                                           | 20             | (35)  | 36             | (35)  |
| Increase (decrease) in cash and cash equivalents                                          | 18             | (55)  | 81             | (214) |
| Cash and cash equivalents, beginning of period                                            | 215            | 129   | 152            | 288   |
| Cash and cash equivalents, end of period (Note 10)                                        | 233            | 74    | 233            | 74    |

The accompanying Notes to the Condensed Interim Consolidated Financial Statements are an integral part of these statements.

## 1. MATERIAL ACCOUNTING POLICY INFORMATION, KEY ASSUMPTIONS, AND SIGNIFICANT JUDGMENTS

These unaudited condensed interim consolidated financial statements (Interim Financial Statements) of Finning International Inc. and its subsidiaries (together, Finning or the Company) have been prepared in accordance with International Accounting Standard (IAS) 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board (IASB). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards (IFRS) have been omitted or condensed, and therefore these Interim Financial Statements should be read in conjunction with the December 31, 2023 audited annual consolidated financial statements and the notes to such financial statements.

These Interim Financial Statements are based on the IFRS issued and effective for the current year. The Interim Financial Statements were authorized for issuance by the Company's Board of Directors (Board) on August 6, 2024. The Company has applied the same accounting policies and methods of computation as the most recent annual consolidated financial statements, except for the impact of the changes in accounting policies disclosed below:

### a) Amendments to Standards

The Company has adopted the following amendments to IFRS:

- Amendments to IAS 1, *Presentation of Financial Statements* (effective January 1, 2024):
  - Clarify the classification of liabilities as current or non-current based on contractual rights that are in existence at the end of the reporting period and is unaffected by expectations about whether an entity will exercise its right to defer or accelerate settlement. A liability not due over the next twelve months is classified as non-current even if management intends or expects to settle the liability within twelve months. The amendments also introduce a definition of 'settlement' to make clear that settlement refers to the transfer of cash, equity instruments, other assets, or services to the counterparty.

Management determined the amendment impacted the presentation of certain of the Company's share-based payment arrangements. Deferred Share Units (DSUs) are cash-settled share-based payment arrangements. DSUs are issued to certain executives and Board members, vest at the time of issuance, and are redeemable by December of the year following the year in which cessation of employment or service on the Board occurs. The Company does not have the ability to defer settlement of its vested DSUs for a period of twelve months after cessation of employment or service on the Board. As a result, the Company reclassified its vested DSU liabilities as current liabilities. These amendments were applied retrospectively. The impact of the amendments to IAS 1 are shown in the table below. In addition, to align with this presentation, the Company also reclassified the current portion of its share-based payment liability from accounts payable and accruals to other current liabilities (current).

| (\$ millions)                               | December 31,<br>2023 | January 1,<br>2023 |
|---------------------------------------------|----------------------|--------------------|
| Increase in other liabilities (current)     | 47                   | 60                 |
| Decrease in accounts payable and accruals   | (16)                 | (36)               |
| Decrease in other liabilities (non-current) | (31)                 | (24)               |

Except as outlined in the table above, the adoption of these amendments did not result in any other changes to the condensed interim consolidated statement of financial position.

- Clarify that only covenants with which an entity must comply on or before the reporting date will affect the classification of a liability as current or non-current. In addition, the amendments require a company to disclose information in the notes to the financial statements when liabilities are classified as non-current when the right to defer settlement of those liabilities is subject to complying with covenants within twelve months after the reporting date. No changes were required to the Company's classification upon adoption of these amendments.
- Amendments to IAS 7, *Statement of Cash Flows* and IFRS 7, *Financial Instruments: Disclosures* (effective January 1, 2024) add disclosure requirements that require companies to provide qualitative and quantitative information about supplier finance arrangements that will assist users of financial statements to assess the effects of the company's supplier finance arrangements on its liabilities and cash flows. Management will continue to assess the impact on the disclosures of all supplier finance arrangements in scope of these amendments for the Company's December 31, 2024 annual financial statements.

- Amendments to IFRS 16, *Leases* (effective January 1, 2024) explain how an entity accounts for a sale and leaseback after the transaction date. The amendments clarify how a seller-lessee should subsequently measure lease liabilities and when it is appropriate to record a gain or loss on these transactions. The amendments apply to all sale and leaseback transactions entered since the effective date of IFRS 16 (January 1, 2019). Adoption of these amendments did not have a material impact on the Company's financial statements.

#### **b) Future Accounting Pronouncements**

The Company has not applied the following amendments to IFRS and new standard that have been issued but are not yet effective:

- Amendments to IFRS 9, *Financial Instruments* and IFRS 7, *Financial Instruments: Disclosures* (effective January 1, 2026):
  - clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic payment system;
  - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion;
  - add new disclosures for certain instruments with contractual terms that can change cash flows (such as instruments with features linked to the achievement of environment, social and governance (ESG) targets); and,
  - update the disclosure requirements for equity instruments designated at fair value through other comprehensive income and add disclosure requirements for financial instruments with contingent features that are not related directly to basic lending risks and costs, such as loans subject to ESG targets.

Management is currently assessing the impact of these amendments.

- IFRS 18, *Presentation and Disclosure in the Financial Statements* (effective for periods on or after January 1, 2027) replaces IAS 1, *Presentation of Financial Statements*. IFRS 18 carries forward many requirements from IAS 1 but introduces significant changes to the structure of a company's income statement, more discipline and transparency in presentation of management-defined performance measures, and less aggregation of items into large, single numbers. IFRS 18 promotes a more structured income statement, including a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories (operating, investing, and financing) based on the Company's main business activities. Management is currently assessing the impacts of the new standard but expects the adoption of IFRS 18 will have a material impact on the Company's financial statements.

## 2. SEGMENTED INFORMATION

The Company's revenue, results, and other information by reportable segment were as follows:

| 3 months ended June 30, 2024<br>(\$ millions)         | Canada  | South<br>America | UK &<br>Ireland | Other | Total   |
|-------------------------------------------------------|---------|------------------|-----------------|-------|---------|
| Revenue                                               |         |                  |                 |       |         |
| New equipment                                         | 489     | 305              | 185             | —     | 979     |
| Used equipment                                        | 110     | 15               | 21              | —     | 146     |
| Equipment rental                                      | 42      | 18               | 10              | —     | 70      |
| Product support                                       | 734     | 555              | 112             | —     | 1,401   |
| Fuel and other                                        | 323     | 1                | —               | —     | 324     |
| Total revenue                                         | 1,698   | 894              | 328             | —     | 2,920   |
| Cost of fuel                                          | (274)   | —                | —               | —     | (274)   |
| Net revenue                                           | 1,424   | 894              | 328             | —     | 2,646   |
| Operating costs <sup>(1)</sup>                        | (1,244) | (769)            | (303)           | (9)   | (2,325) |
| Depreciation and amortization                         | (54)    | (32)             | (10)            | (2)   | (98)    |
| Equity earnings of joint ventures                     | 5       | —                | —               | —     | 5       |
| Earnings (loss) before finance costs and income taxes | 131     | 93               | 15              | (11)  | 228     |
| Finance costs                                         |         |                  |                 |       | (43)    |
| Provision for income taxes                            |         |                  |                 |       | (41)    |
| Net income                                            |         |                  |                 |       | 144     |
| Invested capital <sup>(2)</sup>                       | 3,006   | 1,477            | 496             | (10)  | 4,969   |
| Gross capital expenditures <sup>(3)(4)</sup>          | 28      | 26               | 9               | 4     | 67      |
| Gross rental equipment spend <sup>(4)</sup>           | 42      | 11               | 3               | —     | 56      |
| <b>3 months ended June 30, 2023</b>                   |         |                  |                 |       |         |
| (\$ millions)                                         | Canada  | South<br>America | UK &<br>Ireland | Other | Total   |
| Revenue                                               |         |                  |                 |       |         |
| New equipment                                         | 458     | 300              | 191             | —     | 949     |
| Used equipment                                        | 68      | 9                | 16              | —     | 93      |
| Equipment rental                                      | 46      | 21               | 11              | —     | 78      |
| Product support                                       | 757     | 526              | 112             | —     | 1,395   |
| Fuel and other                                        | 264     | —                | —               | —     | 264     |
| Total revenue                                         | 1,593   | 856              | 330             | —     | 2,779   |
| Cost of fuel                                          | (220)   | —                | —               | —     | (220)   |
| Net revenue                                           | 1,373   | 856              | 330             | —     | 2,559   |
| Operating costs <sup>(1)</sup>                        | (1,190) | (722)            | (300)           | (14)  | (2,226) |
| Depreciation and amortization                         | (50)    | (30)             | (12)            | (2)   | (94)    |
| Equity earnings of joint ventures                     | 3       | —                | —               | —     | 3       |
| Earnings (loss) before finance costs and income taxes | 136     | 104              | 18              | (16)  | 242     |
| Finance costs                                         |         |                  |                 |       | (42)    |
| Provision for income taxes                            |         |                  |                 |       | (52)    |
| Net income                                            |         |                  |                 |       | 148     |
| Invested capital <sup>(2)</sup>                       | 2,681   | 1,428            | 510             | 11    | 4,630   |
| Gross capital expenditures <sup>(3)(4)</sup>          | 31      | 15               | 2               | 8     | 56      |
| Gross rental equipment spend <sup>(4)</sup>           | 60      | 20               | 7               | —     | 87      |

<sup>(1)</sup> Operating costs are calculated as cost of sales less cost of fuel plus selling, general, and administrative expenses less depreciation and amortization.

<sup>(2)</sup> Invested capital is calculated as total assets less total liabilities, excluding net debt. Net debt is calculated as short-term debt and long-term debt, net of cash and cash equivalents.

<sup>(3)</sup> Capital includes property, plant, and equipment and intangible assets.

<sup>(4)</sup> Includes leases and borrowing costs capitalized and excludes additions through business acquisitions.

The Company's revenue, results, and other segment information was as follows:

| 6 months ended June 30, 2024<br>(\$ millions)                | Canada       | South<br>America | UK &<br>Ireland | Other       | Total        |
|--------------------------------------------------------------|--------------|------------------|-----------------|-------------|--------------|
| Revenue                                                      |              |                  |                 |             |              |
| New equipment                                                | 881          | 537              | 340             | —           | 1,758        |
| Used equipment                                               | 197          | 28               | 57              | —           | 282          |
| Equipment rental                                             | 89           | 35               | 20              | —           | 144          |
| Product support                                              | 1,420        | 1,060            | 218             | —           | 2,698        |
| Fuel and other                                               | 621          | 1                | —               | —           | 622          |
| <b>Total revenue</b>                                         | <b>3,208</b> | <b>1,661</b>     | <b>635</b>      | <b>—</b>    | <b>5,504</b> |
| Cost of fuel                                                 | (526)        | —                | —               | —           | (526)        |
| <b>Net revenue</b>                                           | <b>2,682</b> | <b>1,661</b>     | <b>635</b>      | <b>—</b>    | <b>4,978</b> |
| Operating costs <sup>(1)</sup>                               | (2,333)      | (1,421)          | (586)           | (16)        | (4,356)      |
| Depreciation and amortization                                | (111)        | (63)             | (20)            | (3)         | (197)        |
| Equity earnings of joint ventures                            | 5            | —                | —               | —           | 5            |
| <b>Earnings (loss) before finance costs and income taxes</b> | <b>243</b>   | <b>177</b>       | <b>29</b>       | <b>(19)</b> | <b>430</b>   |
| Finance costs                                                |              |                  |                 |             | (83)         |
| Provision for income taxes                                   |              |                  |                 |             | (83)         |
| <b>Net income</b>                                            |              |                  |                 |             | <b>264</b>   |
| <br>                                                         |              |                  |                 |             |              |
| Invested capital <sup>(2)</sup>                              | 3,006        | 1,477            | 496             | (10)        | 4,969        |
| Gross capital expenditures <sup>(3)(4)</sup>                 | 61           | 51               | 15              | 7           | 134          |
| Gross rental equipment spend <sup>(4)</sup>                  | 108          | 14               | 8               | —           | 130          |
| <br>                                                         |              |                  |                 |             |              |
| 6 months ended June 30, 2023<br>(\$ millions)                | Canada       | South<br>America | UK &<br>Ireland | Other       | Total        |
| Revenue                                                      |              |                  |                 |             |              |
| New equipment                                                | 739          | 494              | 340             | —           | 1,573        |
| Used equipment                                               | 132          | 20               | 33              | —           | 185          |
| Equipment rental                                             | 93           | 38               | 22              | —           | 153          |
| Product support                                              | 1,470        | 1,011            | 222             | —           | 2,703        |
| Fuel and other                                               | 545          | —                | —               | —           | 545          |
| <b>Total revenue</b>                                         | <b>2,979</b> | <b>1,563</b>     | <b>617</b>      | <b>—</b>    | <b>5,159</b> |
| Cost of fuel                                                 | (456)        | —                | —               | —           | (456)        |
| <b>Net revenue</b>                                           | <b>2,523</b> | <b>1,563</b>     | <b>617</b>      | <b>—</b>    | <b>4,703</b> |
| Operating costs <sup>(1)</sup>                               | (2,161)      | (1,317)          | (560)           | (25)        | (4,063)      |
| Depreciation and amortization                                | (100)        | (61)             | (22)            | (3)         | (186)        |
| Equity earnings of joint ventures                            | 4            | —                | —               | —           | 4            |
| Other income                                                 | —            | —                | —               | 41          | 41           |
| Other expense                                                | (4)          | (7)              | (2)             | (5)         | (18)         |
| <b>Earnings before finance costs and income taxes</b>        | <b>262</b>   | <b>178</b>       | <b>33</b>       | <b>8</b>    | <b>481</b>   |
| Finance costs                                                |              |                  |                 |             | (77)         |
| Provision for income taxes                                   |              |                  |                 |             | (123)        |
| <b>Net income</b>                                            |              |                  |                 |             | <b>281</b>   |
| <br>                                                         |              |                  |                 |             |              |
| Invested capital <sup>(2)</sup>                              | 2,681        | 1,428            | 510             | 11          | 4,630        |
| Gross capital expenditures <sup>(3)(4)</sup>                 | 73           | 55               | 6               | 13          | 147          |
| Gross rental equipment spend <sup>(4)</sup>                  | 93           | 39               | 10              | —           | 142          |

(1) Operating costs are calculated as cost of sales less cost of fuel plus selling, general, and administrative expenses less depreciation and amortization.

(2) Invested capital is calculated as total assets less total liabilities, excluding net debt. Net debt is calculated as short-term debt and long-term debt, net of cash and cash equivalents.

(3) Capital includes property, plant, and equipment and intangible assets.

(4) Includes leases and borrowing costs capitalized and excludes additions through business acquisitions.

### 3. EARNINGS PER SHARE

| 3 months ended<br>(\$ millions, except share and per share amounts) | June 30, 2024 |             | June 30, 2023 |             |
|---------------------------------------------------------------------|---------------|-------------|---------------|-------------|
|                                                                     | Basic         | Diluted     | Basic         | Diluted     |
| Net income attributable to shareholders of Finning                  | 144           | 144         | 148           | 148         |
| Weighted average shares outstanding (WASO)                          | 141,791,909   | 141,791,909 | 148,675,911   | 148,675,911 |
| Effect of dilutive share options                                    |               | 252,062     |               | 265,632     |
| WASO with assumed conversions                                       |               | 142,043,971 |               | 148,941,543 |
| Earnings per share                                                  | 1.02          | 1.01        | 1.00          | 1.00        |

| 6 months ended<br>(\$ millions, except share and per share amounts) | June 30, 2024 |             | June 30, 2023 |             |
|---------------------------------------------------------------------|---------------|-------------|---------------|-------------|
|                                                                     | Basic         | Diluted     | Basic         | Diluted     |
| Net income attributable to shareholders of Finning                  | 265           | 265         | 282           | 282         |
| WASO                                                                | 142,670,305   | 142,670,305 | 149,655,946   | 149,655,946 |
| Effect of dilutive share options                                    |               | 219,516     |               | 277,438     |
| WASO with assumed conversions                                       |               | 142,889,821 |               | 149,933,384 |
| Earnings per share                                                  | 1.85          | 1.85        | 1.89          | 1.88        |

Share options granted to employees that were anti-dilutive were excluded from the weighted average number of shares for the purpose of calculating diluted earnings per share. Anti-dilutive share options were not significant for the three and six months ended June 30, 2024 and 2023.

### 4. OTHER INCOME AND OTHER EXPENSE

In the three months ended March 31, 2023, the Company executed various transactions to simplify and adjust its organizational structure. The Company wound up two wholly owned subsidiaries, and incurred severance costs in each region as the Company reduced corporate overhead costs and simplified its operating model. As a result of these activities, the Company recorded the following:

- Net foreign currency translation gain of \$41 million and income tax expense of \$9 million (Note 6) were reclassified to net income on the wind up of foreign subsidiaries; and
- Severance costs.

| (\$ millions)                           | 3 months ended<br>June 30 |      | 6 months ended<br>June 30 |      |
|-----------------------------------------|---------------------------|------|---------------------------|------|
|                                         | 2024                      | 2023 | 2024                      | 2023 |
| Gain on wind up of foreign subsidiaries | —                         | —    | —                         | 41   |
| Other income                            | —                         | —    | —                         | 41   |

| (\$ millions)   | 3 months ended<br>June 30 |      | 6 months ended<br>June 30 |      |
|-----------------|---------------------------|------|---------------------------|------|
|                 | 2024                      | 2023 | 2024                      | 2023 |
| Severance costs | —                         | —    | —                         | (18) |
| Other expense   | —                         | —    | —                         | (18) |

## 5. DEBT AND FINANCE COSTS

In June 2024, the Company extended its \$1.3 billion committed sustainability-linked revolving credit facility, which was set to fully mature in September 2026, to June 2029.

In April 2024, the Company repaid its 4.28%, USD 50 million note due April 3, 2024.

In February 2024, the Company issued \$425 million of 4.778% senior unsecured notes due February 13, 2029. Proceeds of this issuance were used to repay existing debt and for general corporate purposes.

The components of finance costs were as follows:

| (\$ millions)                  | 3 months ended |      | 6 months ended |      |
|--------------------------------|----------------|------|----------------|------|
|                                | 2024           | 2023 | 2024           | 2023 |
| Interest on short-term debt    | 23             | 24   | 46             | 43   |
| Interest on long-term debt     | 15             | 11   | 29             | 21   |
| Interest on debt               | 38             | 35   | 75             | 64   |
| Interest on lease liabilities  | 4              | 3    | 7              | 6    |
| Other finance related expenses | 1              | 4    | 1              | 7    |
| Finance costs                  | 43             | 42   | 83             | 77   |

## 6. INCOME TAXES

As part of the organizational restructuring described in Note 4, the provision for income taxes in the three months ended March 31, 2023 included a \$9 million expense related to the wind up of foreign subsidiaries and a \$19 million expense for withholding taxes on the repatriation of \$170 million of profits from the Company's South American operations.

### Pillar Two income taxes

The Company is within scope of the Pillar Two model rules published by the Organization for Economic Co-operation and Development, and it has applied the IAS 12, *Income Taxes* exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

In June 2024, Pillar Two legislation was enacted in Canada, the jurisdiction where Finning's ultimate parent resides, effective January 1, 2024. Applying Pillar Two legislation to the Company for the six months ended June 30, 2024 resulted in a current tax expense of \$3 million related to Pillar Two income taxes.

## 7. SHARE CAPITAL

During the six months ended June 30, 2024, the Company repurchased 3,700,000 Finning common shares for cancellation for \$147 million, at an average cost of \$39.72 per share (including a 2% share buyback tax effective January 1, 2024), through the Company's normal course issuer bid. During the six months ended June 30, 2023, the Company repurchased 4,500,000 common shares for cancellation for \$165 million, at an average cost of \$36.77 per share.

In connection with the normal course issuer bid, the Company implemented an automatic share purchase plan (ASPP) with a designated broker to enable share repurchases for cancellation during selected blackout periods. At June 30, 2024, an estimated obligation of \$42 million was recorded for the repurchase of shares from July 1, 2024 to August 7, 2024 under this ASPP. At June 30, 2023, an estimated obligation of \$45 million was recorded for the repurchase of shares under the ASPP.

## 8. SHARE-BASED PAYMENTS

The Company has a number of share-based compensation plans in the form of share options and other share-based payment plans noted below.

### Share Options

Details of the share option plan was as follows:

|                                                | June 30, 2024 |                                 | June 30, 2023 |                                 |
|------------------------------------------------|---------------|---------------------------------|---------------|---------------------------------|
|                                                | Options       | Weighted Average Exercise Price | Options       | Weighted Average Exercise Price |
| <b>6 months ended</b>                          |               |                                 |               |                                 |
| Share options outstanding, beginning of period | 1,149,866     | 30.06                           | 1,567,168     | 27.63                           |
| Granted                                        | 224,188       | 42.64                           | 278,878       | 35.63                           |
| Exercised                                      | (238,787)     | 28.99                           | (536,279)     | 25.91                           |
| Forfeited                                      | (3,387)       | 35.63                           | (69,371)      | 28.95                           |
| Share options outstanding, end of period       | 1,131,880     | 32.76                           | 1,240,396     | 30.10                           |
| Share options exercisable, end of period       | 631,850       | 28.28                           | 649,400       | 26.03                           |

The fair value of the share options granted was estimated on the date of grant using the following weighted-average assumptions:

| 3 and 6 months ended June 30           | 2024     | 2023     |
|----------------------------------------|----------|----------|
| Dividend yield                         | 3.09%    | 3.17%    |
| Expected volatility <sup>(1)</sup>     | 34.12%   | 33.91%   |
| Risk-free interest rate                | 3.63%    | 3.29%    |
| Expected life (in years)               | 4.97     | 5.02     |
| Grant date fair value of share options | \$ 11.17 | \$ 9.05  |
| Share price                            | \$ 42.64 | \$ 35.63 |

<sup>(1)</sup> Expected volatility is based on historical share price volatility of Finning shares listed on the Toronto Stock Exchange.

Grants under these plans were as follows:

| (Share units granted)                      | 3 months ended June 30 |         | 6 months ended June 30 |         |
|--------------------------------------------|------------------------|---------|------------------------|---------|
|                                            | 2024                   | 2023    | 2024                   | 2023    |
| Executive Deferred Share Unit Plan         | —                      | —       | —                      | 6,025   |
| Directors' Deferred Share Unit Plan A      | 11,926                 | 11,539  | 24,847                 | 25,630  |
| Performance Share Unit Plan <sup>(2)</sup> | 239,635                | 307,822 | 239,635                | 307,822 |
| Restricted Share Unit Plan                 | 185,386                | 193,235 | 185,386                | 193,235 |

<sup>(2)</sup> Based on 100% vesting.

## 9. INVENTORY

| (\$ millions)                     | June 30, 2024 | December 31, 2023 | January 1, 2023 |
|-----------------------------------|---------------|-------------------|-----------------|
| On-hand equipment                 | 1,331         | 1,266             | 919             |
| Parts and supplies                | 1,166         | 1,110             | 1,030           |
| Internal service work in progress | 477           | 468               | 512             |
| Total inventory                   | 2,974         | 2,844             | 2,461           |

## 10. SUPPLEMENTAL CASH FLOW INFORMATION

The components of cash and cash equivalents were as follows:

| <b>June 30</b><br><b>(\$ millions)</b> | <b>2024</b> | <b>2023</b> |
|----------------------------------------|-------------|-------------|
| Cash                                   | 225         | 74          |
| Cash equivalents                       | 8           | —           |
| <b>Cash and cash equivalents</b>       | <b>233</b>  | <b>74</b>   |

The changes in operating assets and liabilities were as follows:

| <b>(\$ millions)</b>                               | <b>3 months ended</b><br><b>June 30</b> |                                        | <b>6 months ended</b><br><b>June 30</b> |                                        |
|----------------------------------------------------|-----------------------------------------|----------------------------------------|-----------------------------------------|----------------------------------------|
|                                                    | <b>2024</b>                             | <b>2023</b><br>(Restated<br>- Note 1a) | <b>2024</b>                             | <b>2023</b><br>(Restated<br>- Note 1a) |
| Accounts receivable                                | (57)                                    | (70)                                   | (176)                                   | (103)                                  |
| Unbilled receivables                               | 3                                       | —                                      | 12                                      | (35)                                   |
| Inventory                                          | 112                                     | (77)                                   | (86)                                    | (321)                                  |
| Other assets                                       | (15)                                    | 27                                     | (110)                                   | (26)                                   |
| Accounts payable and accruals                      | (22)                                    | (5)                                    | 42                                      | 14                                     |
| Other liabilities                                  | 76                                      | 28                                     | 46                                      | 53                                     |
| <b>Changes in operating assets and liabilities</b> | <b>97</b>                               | <b>(97)</b>                            | <b>(272)</b>                            | <b>(418)</b>                           |

The changes in liabilities arising from financing and operating activities were as follows:

| <b>(\$ millions)</b>                     | <b>Short-term</b><br><b>debt</b> | <b>Long-term</b><br><b>debt</b> | <b>Lease</b><br><b>liabilities</b> | <b>Total</b> |
|------------------------------------------|----------------------------------|---------------------------------|------------------------------------|--------------|
| Balance, January 1, 2024                 | 1,239                            | 1,148                           | 309                                | 2,696        |
| Cash flows provided by (used in)         |                                  |                                 |                                    |              |
| Financing activities                     | (46)                             | 216                             | (44)                               | 126          |
| Operating activities                     | —                                | —                               | (7)                                | (7)          |
| <b>Total cash movements</b>              | <b>(46)</b>                      | <b>216</b>                      | <b>(51)</b>                        | <b>119</b>   |
| Non-cash changes                         |                                  |                                 |                                    |              |
| Additions                                | —                                | —                               | 64                                 | 64           |
| Remeasurement of liability and disposals | —                                | —                               | 4                                  | 4            |
| Interest expense                         | —                                | —                               | 7                                  | 7            |
| Foreign exchange rate changes            | 41                               | 14                              | —                                  | 55           |
| <b>Total non-cash movements</b>          | <b>41</b>                        | <b>14</b>                       | <b>75</b>                          | <b>130</b>   |
| <b>Balance, June 30, 2024</b>            | <b>1,234</b>                     | <b>1,378</b>                    | <b>333</b>                         | <b>2,945</b> |

| <b>(\$ millions)</b>                     | <b>Short-term</b><br><b>debt</b> | <b>Long-term</b><br><b>debt</b> | <b>Lease</b><br><b>liabilities</b> | <b>Total</b> |
|------------------------------------------|----------------------------------|---------------------------------|------------------------------------|--------------|
| Balance, January 1, 2023                 | 1,068                            | 929                             | 331                                | 2,328        |
| Cash flows provided by (used in)         |                                  |                                 |                                    |              |
| Financing activities                     | 104                              | 226                             | (44)                               | 286          |
| Operating activities                     | —                                | —                               | (6)                                | (6)          |
| <b>Total cash movements</b>              | <b>104</b>                       | <b>226</b>                      | <b>(50)</b>                        | <b>280</b>   |
| Non-cash changes                         |                                  |                                 |                                    |              |
| Additions                                | —                                | —                               | 32                                 | 32           |
| Remeasurement of liability and disposals | —                                | —                               | 5                                  | 5            |
| Interest expense                         | —                                | —                               | 6                                  | 6            |
| Foreign exchange rate changes            | (30)                             | (7)                             | 4                                  | (33)         |
| <b>Total non-cash movements</b>          | <b>(30)</b>                      | <b>(7)</b>                      | <b>47</b>                          | <b>10</b>    |
| <b>Balance, June 30, 2023</b>            | <b>1,142</b>                     | <b>1,148</b>                    | <b>328</b>                         | <b>2,618</b> |