

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Canadian \$ millions)	March 31, 2025	December 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents	433	316
Accounts receivable	1,197	1,221
Unbilled receivables	525	492
Inventory (Note 7)	2,914	2,646
Other assets	506	531
Total current assets	5,575	5,206
Property, plant, and equipment	1,085	1,085
Rental equipment	526	488
Goodwill	317	339
Intangible assets	219	245
Distribution network	100	100
Investment in joint ventures	96	100
Other assets	186	168
Total assets	8,104	7,731
LIABILITIES		
Current liabilities		
Short-term debt	939	844
Accounts payable and accruals	1,654	1,413
Deferred revenue	583	567
Current portion of long-term debt	6	6
Other liabilities	305	320
Total current liabilities	3,487	3,150
Long-term debt	1,390	1,390
Long-term lease liabilities	277	262
Deferred tax liabilities	128	138
Other liabilities	146	149
Total liabilities	5,428	5,089
EQUITY		
Share capital	484	487
Accumulated other comprehensive income	384	375
Retained earnings	1,809	1,767
Equity attributable to shareholders of Finning International Inc.	2,677	2,629
Non-controlling interests	(1)	13
Total equity	2,676	2,642
Total liabilities and equity	8,104	7,731

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

3 months ended March 31	2025	2024
(Canadian \$ millions, except per share amounts)		(Restated - Note 9)
Revenue		
New equipment	835	779
Used equipment	100	136
Equipment rental	72	74
Product support	1,441	1,297
Fuel and other	370	298
Total revenue	2,818	2,584
Cost of sales (Note 9)	(2,194)	(1,987)
Gross profit (Note 9)	624	597
Selling, general, and administrative expenses (Note 9)	(410)	(395)
Equity loss of joint ventures	(1)	—
Other expense (Note 4)	(45)	—
Earnings before finance costs and income taxes	168	202
Finance costs (Note 5)	(36)	(40)
Income before provision for income taxes	132	162
Provision for income taxes	(42)	(42)
Net income	90	120
Net income (loss) attributable to:		
Shareholders of Finning International Inc.	104	121
Non-controlling interests	(14)	(1)
Earnings per share (Note 3)		
Basic	0.77	0.84
Diluted	0.77	0.84

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UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

3 months ended March 31		
(Canadian \$ millions)	2025	2024
Net income	90	120
Other comprehensive income, net of income tax		
Items that may be subsequently reclassified to net income:		
Foreign currency translation adjustments	13	45
Share of foreign currency translation adjustments of joint ventures	(1)	—
Gain (loss) on net investment hedges	1	(11)
Impact of foreign currency translation and net investment hedges, net of income tax	13	34
Gain on cash flow hedges	1	4
Provision for income taxes on cash flow hedges	—	(1)
Impact of cash flow hedges, net of income tax	1	3
Items that will not be subsequently reclassified to net income:		
Actuarial gain	10	5
Provision for income taxes on actuarial gain	(3)	(2)
Actuarial gain, net of income tax	7	3
Total comprehensive income	111	160
Total comprehensive income (loss) attributable to:		
Shareholders of Finning International Inc.	125	161
Non-controlling interests	(14)	(1)

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UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Canadian \$ millions)	Attributable to Shareholders of Finning International Inc.						
	Share Capital	Contributed Surplus	Accumulated Comprehensive Income	Other Retained Earnings	Total	Non- controlling Interests	Total
Balance, January 1, 2024	516	—	220	1,778	2,514	16	2,530
Net income (loss)	—	—	—	121	121	(1)	120
Other comprehensive income	—	—	37	3	40	—	40
Total comprehensive income (loss)	—	—	37	124	161	(1)	160
Share option expense	—	1	—	—	1	—	1
Hedging gain transferred to statement of financial position	—	—	(1)	—	(1)	—	(1)
Repurchase of common shares (Note 6)	(6)	(1)	—	(51)	(58)	—	(58)
Increase in automatic share purchase plan commitment (Note 6)	(2)	—	—	(20)	(22)	—	(22)
Dividends on common shares	—	—	—	(36)	(36)	—	(36)
Balance, March 31, 2024	508	—	256	1,795	2,559	15	2,574
Balance, January 1, 2025	487	—	375	1,767	2,629	13	2,642
Net income (loss)	—	—	—	104	104	(14)	90
Other comprehensive income	—	—	14	7	21	—	21
Total comprehensive income (loss)	—	—	14	111	125	(14)	111
Hedging gain transferred to statement of financial position	—	—	(5)	—	(5)	—	(5)
Repurchase of common shares (Note 6)	(5)	—	—	(53)	(58)	—	(58)
Decrease in automatic share purchase plan commitment (Note 6)	2	—	—	21	23	—	23
Dividends on common shares	—	—	—	(37)	(37)	—	(37)
Balance, March 31, 2025	484	—	384	1,809	2,677	(1)	2,676

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UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW

3 months ended March 31 (Canadian \$ millions)	2025	2024
OPERATING ACTIVITIES		
Net income	90	120
Adjusting for:		
Depreciation and amortization	100	99
Gain on disposal of property, plant, and equipment	(1)	(2)
Write-down of Compression Technology Corporation assets (Note 4)	45	—
Equity loss of joint ventures	1	—
Share-based payment expense	7	6
Provision for income taxes	42	42
Finance costs	36	40
Net benefit cost of defined benefit pension plans and other post-employment benefit plans	4	4
Changes in operating assets and liabilities (Note 8)	(21)	(369)
Additions to rental fleet	(30)	(16)
Additions to rental equipment with purchase options	(84)	(57)
Proceeds on disposal of rental fleet	14	18
Proceeds on disposal of rental equipment with purchase options	33	37
Interest paid	(39)	(35)
Income tax paid	(48)	(64)
Cash flow provided by (used in) operating activities	149	(177)
INVESTING ACTIVITIES		
Additions to property, plant, and equipment and intangible assets	(26)	(37)
Proceeds on disposal of property, plant, and equipment	12	4
Decrease in short-term investments	—	27
Cash flow used in investing activities	(14)	(6)
FINANCING ACTIVITIES		
Increase in short-term debt (Note 8)	94	56
Issuance of long-term debt, net of issue costs (Note 8)	—	423
Repayment of long-term debt (Note 8)	—	(135)
Decrease in lease liabilities (Note 8)	(22)	(22)
Repurchase of common shares	(66)	(56)
Dividends paid	(37)	(36)
Cash flow (used in) provided by financing activities	(31)	230
Effect of currency translation on cash balances	13	16
Increase in cash and cash equivalents	117	63
Cash and cash equivalents, beginning of period	316	152
Cash and cash equivalents, end of period (Note 8)	433	215

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 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 IFRS® Accounting Standards as issued by the IASB (Accounting Standards) have been omitted or condensed, and therefore these Interim Financial Statements should be read in conjunction with the December 31, 2024 audited annual consolidated financial statements and the notes to such financial statements.

These Interim Financial Statements are based on the Accounting Standards issued and effective for the current year. The Interim Financial Statements were authorized for issuance by the Company's Board of Directors (Board) on May 12, 2025. The Company has applied the same accounting policies and methods of computation as the most recent annual consolidated financial statements.

a) Future Accounting Pronouncements

The Company has not applied the following accounting pronouncements that have been issued but are not yet effective:

- Classification and measurement of financial instruments – 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.

- Contracts referencing nature-dependent electricity – amendments to IFRS 9, *Financial Instruments* and IFRS 7, *Financial Instruments: Disclosures* (effective January 1, 2026) aim to ensure that financial statements more faithfully reflect the financial effects of nature-dependent contracts, which are often structured as power purchase agreements. The amendments:
 - address how the 'own-use' requirements would apply to contracts to buy and take delivery of renewable electricity for which the source of production of the electricity is nature-dependent;
 - permit hedge accounting if these contracts are used as hedging instruments;
 - add disclosure requirements to enable investors to understand the effects of these contracts on a company's financial performance and cash flows.

Management is currently assessing the impact of these amendments.

- Derecognition of lease liabilities – amendments to IFRS 9, *Financial Instruments* (effective January 1, 2026) clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to recognize any resulting gain or loss in profit or loss. Management is currently assessing the impact of these amendments on the Company's financial statements.
- IFRS 18, *Presentation and Disclosure in the Financial Statements* (effective 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 March 31, 2025 (\$ millions)	Canada	South America	UK & Ireland	Other	Total
Revenue					
New equipment	336	351	148	—	835
Used equipment	60	12	28	—	100
Equipment rental	47	17	8	—	72
Product support	754	571	116	—	1,441
Fuel and other	369	1	—	—	370
Total revenue	1,566	952	300	—	2,818
Cost of fuel	(317)	—	—	—	(317)
Net revenue	1,249	952	300	—	2,501
Operating costs ⁽¹⁾	(1,084)	(818)	(275)	(10)	(2,187)
Depreciation and amortization	(55)	(33)	(11)	(1)	(100)
Equity loss of joint ventures	(1)	—	—	—	(1)
Other expense	(45)	—	—	—	(45)
Earnings (loss) before finance costs and income taxes	64	101	14	(11)	168
Finance costs					(36)
Provision for income taxes					(42)
Net income					90
Invested capital ⁽²⁾	2,639	1,616	297	26	4,578
Gross capital expenditures ⁽³⁾⁽⁴⁾	38	18	3	2	61
Gross rental equipment spend ⁽⁴⁾	104	6	4	—	114

3 months ended March 31, 2024 (\$ millions)	Canada	South America	UK & Ireland	Other	Total
Revenue					
New equipment	392	232	155	—	779
Used equipment	87	13	36	—	136
Equipment rental	47	17	10	—	74
Product support	686	505	106	—	1,297
Fuel and other	298	—	—	—	298
Total revenue	1,510	767	307	—	2,584
Cost of fuel	(252)	—	—	—	(252)
Net revenue	1,258	767	307	—	2,332
Operating costs ⁽¹⁾	(1,089)	(652)	(283)	(7)	(2,031)
Depreciation and amortization	(57)	(31)	(10)	(1)	(99)
Earnings (loss) before finance costs and income taxes	112	84	14	(8)	202
Finance costs					(40)
Provision for income taxes					(42)
Net income					120
Invested capital ⁽²⁾	3,158	1,461	504	5	5,128
Gross capital expenditures ⁽³⁾⁽⁴⁾	33	25	6	3	67
Gross rental equipment spend ⁽⁴⁾	66	3	5	—	74

⁽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 March 31 (\$ millions, except share and per share amounts)	2025		2024	
	Basic	Diluted	Basic	Diluted
Net income attributable to shareholders of Finning	104	104	121	121
Weighted average shares outstanding (WASO)	135,167,476	135,167,476	143,548,700	143,548,700
Effect of dilutive share options		196,451		189,719
WASO with assumed conversions		135,363,927		143,738,419
Earnings per share	0.77	0.77	0.84	0.84

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 months ended March 31, 2025 and 2024.

4. OTHER EXPENSE

3 months ended March 31 (\$ millions)	2025	2024
Write-down of assets in Compression Technology Corporation (a)	45	—
Other expense	45	—

(a) During the three months ended March 31, 2025, the Company performed a review and determined the operations of Compression Technology Corporation (ComTech), of which it owned a 54.5% controlling ownership interest, no longer represented a core part of its business. Consequently, the Company assessed the recoverable value of ComTech's assets, which was determined using fair value less costs of disposal based on unobservable inputs (Level 3 inputs) using the best information available in the circumstances, including management's knowledge and estimated cash flows from the sale or disposal of tangible assets. As a result, the Company recorded an impairment loss of \$45 million representing the write-down of assets (comprising \$25 million of goodwill, \$6 million of intangible assets, and \$14 million of other assets) which were allocated to the Canada group of cash-generating units. Of the total impairment loss, \$29 million after-tax was attributable to the shareholders of Finning International Inc.

5. FINANCE COSTS

The components of finance costs were as follows:

3 months ended March 31 (\$ millions)	2025	2024
Interest on short-term debt	13	23
Interest on long-term debt	15	14
Interest on debt	28	37
Interest on lease liabilities	4	3
Other finance related expenses	4	—
Finance costs	36	40

6. SHARE CAPITAL

During the three months ended March 31, 2025, the Company repurchased 1,408,605 Finning common shares for cancellation for \$58 million, at an average cost of \$41.51 per share, through the Company's normal course issuer bid. During the three months ended March 31, 2024, the Company repurchased 1,600,000 common shares for cancellation for \$58 million, at an average cost of \$36.33 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 March 31, 2025, the Company did not enter into an ASPP and therefore, no obligation was recorded for the repurchase of shares (March 31, 2024: \$22 million).

7. INVENTORY

(\$ millions)	March 31, 2025	December 31, 2024
On-hand equipment	1,129	1,000
Parts and supplies	1,215	1,127
Internal service work in progress	570	519
Total inventory	2,914	2,646

8. SUPPLEMENTAL CASH FLOW INFORMATION

The components of cash and cash equivalents were as follows:

March 31 (\$ millions)	2025	2024
Cash	417	177
Cash equivalents	16	38
Cash and cash equivalents	433	215

The changes in operating assets and liabilities were as follows:

3 months ended March 31 (\$ millions)	2025	2024
Accounts receivable	26	(119)
Unbilled receivables	(31)	9
Inventory	(265)	(198)
Other assets	4	(95)
Accounts payable and accruals	256	64
Other liabilities	(11)	(30)
Changes in operating assets and liabilities	(21)	(369)

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

(\$ millions)	Short-term debt	Long-term debt	Lease liabilities	Total
Balance, January 1, 2025	844	1,396	340	2,580
Cash flows (used in) provided by				
Financing activities	94	—	(22)	72
Operating activities	—	—	(4)	(4)
Total cash movements	94	—	(26)	68
Non-cash changes				
Additions	—	—	35	35
Remeasurement of liability and disposals	—	—	5	5
Interest expense	—	—	4	4
Foreign exchange rate changes	1	—	3	4
Total non-cash movements	1	—	47	48
Balance, March 31, 2025	939	1,396	361	2,696

(\$ millions)	Short-term debt	Long-term debt	Lease liabilities	Total
Balance, January 1, 2024	1,239	1,148	309	2,696
Cash flows provided by (used in)				
Financing activities	56	288	(22)	322
Operating activities	—	—	(3)	(3)
Total cash movements	56	288	(25)	319
Non-cash changes				
Additions	—	—	31	31
Remeasurement of liability and disposals	—	—	9	9
Interest expense	—	—	3	3
Foreign exchange rate changes	27	11	(2)	36
Total non-cash movements	27	11	41	79
Balance, March 31, 2024	1,322	1,447	325	3,094

9. RESTATEMENT

Following a detailed review of Finning's remanufacturing business in Canada in 2024, management determined that the correct classification of certain costs in selling, general, and administrative expenses 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. The impact of these reclassifications on each respective line item for the Q1 2024 comparative period is as follows:

3 months ended March 31, 2024 (\$ millions)	Previously reported	Adjustment	Restated
Cost of sales	(1,969)	(18)	(1,987)
Gross profit	615	(18)	597
Selling, general, and administrative expenses	(413)	18	(395)
Earnings before finance costs and income taxes	202	—	202
Net income	120	—	120

This change in presentation did not affect the Company's consolidated statement of financial position, cash flow, or earnings per share.

10. SUBSEQUENT EVENTS

As announced on May 8, 2025, the Company entered into an agreement to sell 100% of its mobile on-site refueling business, operating through 4Refuel Canada and 4Refuel US (4Refuel). The purchase price, subject to customary closing adjustments, comprises \$330 million cash, a \$50 million note receivable bearing escalating interest, and contingent consideration (up to \$20 million based on 4Refuel achieving certain financial performance metrics over a two-year period). The purchaser is expected to assume lease liabilities and other indebtedness of approximately \$50 million.

Separately, Finning and the other shareholders of ComTech entered into a series of agreements to sell ComTech for cash consideration of approximately \$10 million. The purchaser is expected to assume lease liabilities and indebtedness of approximately \$30 million.

Finning's Board of Directors approved the sales of 4Refuel and ComTech subsequent to the end of the first quarter of 2025.

The carrying amounts of assets and liabilities related to 4Refuel and ComTech as at March 31, 2025, were as follows:

March 31, 2025 (\$ millions)	Total
Total assets	457
Total liabilities	172