

MANAGEMENT'S DISCUSSION AND ANALYSIS

February 10, 2026

This **MD&A** should be read in conjunction with our **Annual Financial Statements** and the accompanying notes thereto for the year ended December 31, 2025, which have been prepared in accordance with **Accounting Standards**. 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 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.

Finning (**TSX: FTT**) is the largest dealer of **Caterpillar** products in the world, serving customers for more than 90 years. We sell, rent, and provide parts and service for Caterpillar equipment and engines and complementary equipment on three continents to customers in various industries, including mining, construction, petroleum, forestry, and a wide range of power & energy applications. We aim to consistently deliver solutions that enable customers to achieve the lowest equipment owning and operating costs while maximizing uptime.

Results of Operations

We sold our interests in **ComTech** and **4Refuel** on May 15, 2025 and June 30, 2025, respectively. The results of operations of ComTech and 4Refuel up to their respective sale dates, have been restated as discontinued operations in the consolidated statements of net income and comprehensive income. For the purpose of this MD&A, balance sheet key performance measures have been restated as continuing operations and assets and liabilities of ComTech and 4Refuel have been excluded in the comparative periods accordingly. Results from ComTech and 4Refuel were previously included as part of our Canada reportable segment. For more information on the impact to financial statements, please refer to Note 3 of our Annual Financial Statements.

A glossary of defined terms is included on page 48. The first time a defined term is used in this MD&A, it is shown in bold italics.

Highlights

- 2025 revenue was \$10.6 billion, up 7% from 2024 and up in all regions. Product support revenue was 8% higher, and new equipment sales were up 7% compared to the prior year.
- Gross profit in 2025 was higher than 2024 due to increased sales volumes. Gross profit margin ⁽¹⁾ in 2025 was down from the same prior year period, primarily driven by lower product support gross profit margins.
- 2025 **SG&A** of \$1.6 billion increased 2% from 2024 and included \$44 million higher **LTIP** expense, driven by the rise in the Company's share price. 2025 SG&A margin ⁽¹⁾ was 15.0% compared to 15.8% in 2024.
- 2025 **EBIT** was \$835 million and EBIT margin ⁽¹⁾ was 7.9%. Excluding significant items not considered indicative of operational and financial trends as described on page 5, 2025 Adjusted EBIT ⁽²⁾⁽³⁾ was \$869 million, and Adjusted EBIT margin ⁽¹⁾⁽³⁾ was 8.2%. Adjusted EBIT margin was 10.2% in South America, 8.7% in Canada, and 5.2% in the **UK & Ireland**.
- **EPS** was \$3.93 in 2025. Excluding significant items not considered indicative of operational and financial trends as described on page 5, Adjusted EPS ⁽¹⁾⁽³⁾⁽⁴⁾ of \$4.12 in 2025 was up from \$3.61 in 2024, primarily reflecting higher earnings in Canada.
- 2025 free cash flow from continuing operations ⁽²⁾⁽⁴⁾ was \$546 million, down from \$828 million in 2024, reflecting higher investment in inventory along with increased payments to suppliers and payroll, partially offset by increased collections.
- Consolidated equipment backlog ⁽¹⁾ was \$3.1 billion at December 31, 2025, an increase of 20% compared to December 31, 2024, driven by order intake outpacing deliveries across all sectors.
- Adjusted **ROIC** from continuing operations ⁽¹⁾⁽³⁾⁽⁴⁾ of 19.2% increased 130 basis points from December 31, 2024. Invested capital turnover from continuing operations ⁽¹⁾⁽⁴⁾ was 2.34 times, up from 2.16 times at December 31, 2024.

⁽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 and 35-39 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.

⁽⁴⁾ As a result of the sales of our interests in 4Refuel and ComTech, these businesses qualified as discontinued operations. Effective Q2 2025, the comparative figures have been restated to exclude the results of discontinued operations. For more information on the impact to the financial statements, please refer to Note 3 of our Annual Financial Statements.

Quarterly and Annual Overview from Continuing Operations

	3 months ended December 31			Years ended December 31		
	2025	2024 (Restated) ⁽¹⁾	% change <i>fav</i> (<i>unfav</i>)	2025	2024 (Restated) ⁽¹⁾	% change <i>fav</i> (<i>unfav</i>)
(\$ millions, except per share amounts)						
Revenue	2,690	2,528	6%	10,591	9,903	7%
Gross profit	617	599	3%	2,444	2,357	4%
SG&A	(413)	(391)	(6)%	(1,585)	(1,560)	(2)%
Equity earnings of joint ventures	5	4		10	9	
Other expenses	(22)	—		(34)	(19)	
EBIT	187	212	(12)%	835	787	6%
Net income from continuing operations	115	133	(14)%	523	482	9%
EPS	0.88	0.97	(9)%	3.93	3.43	14%
Free cash flow from continuing operations	642	399	61%	546	828	(33)%
Adjusted EBIT	209	212	(2)%	869	820	6%
Adjusted EPS	1.00	0.97	3%	4.12	3.61	14%
<i>Gross profit margin</i>	23.0%	23.7%		23.1%	23.8%	
<i>SG&A margin</i>	(15.4)%	(15.5)%		(15.0)%	(15.8)%	
<i>EBIT margin</i>	6.9%	8.4%		7.9%	7.9%	
<i>Adjusted EBIT margin</i>	7.8%	8.4%		8.2%	8.3%	
<i>Adjusted ROIC from continuing operations</i>	19.2%	17.9%		19.2%	17.9%	

⁽¹⁾ As a result of the sales of our interests in 4Refuel and ComTech, these businesses qualified as discontinued operations. Effective Q2 2025, the comparative figures have been restated to exclude the results of discontinued operations. For more information on the impact to the financial statements, please refer to Note 3 of our Annual Financial Statements.

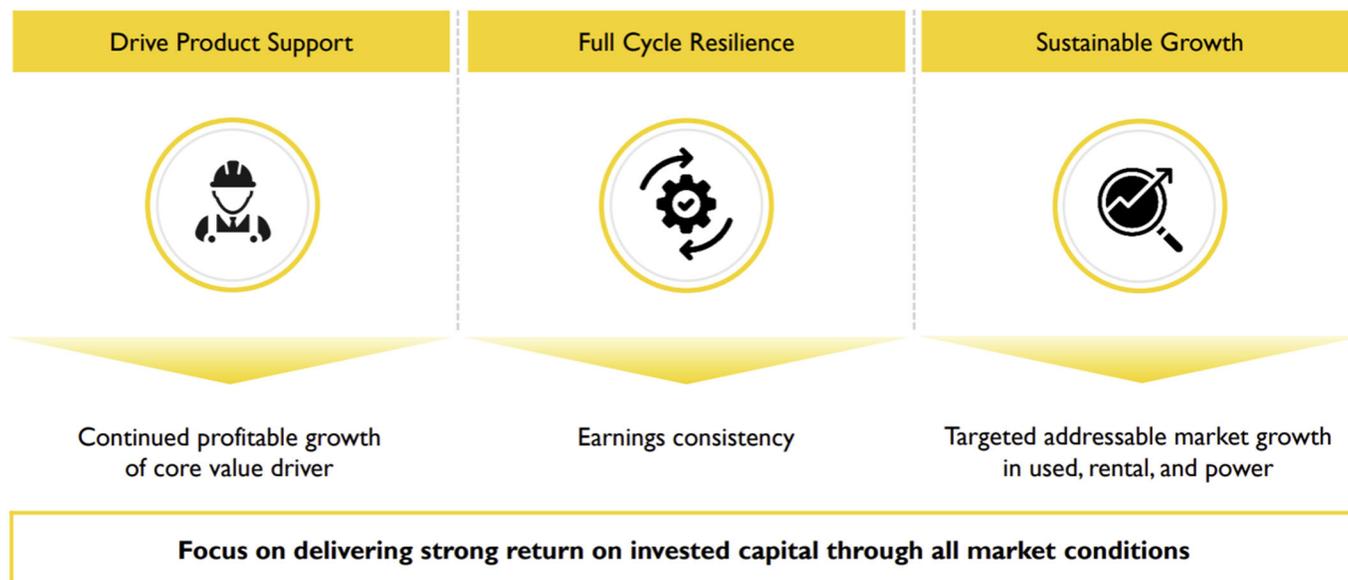
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Strategic Priorities

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 safe and secure environments, and empowering our people to make decisions that drive long-term customer loyalty. Our strategy is focused on generating 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 & energy. 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 part of our everyday operations, strategies, and long-term plans. We continue to work towards achieving our **GHG** emissions reduction target to reduce our absolute Scope 1 and Scope 2 GHG emissions by 40% by the end of 2027 (from a 2017 baseline). Finning offers customers a range of CAT® products and technologies to help with some of the most complex challenges of the energy transition – emissions reductions and energy management – while maintaining productivity and helping to keep operators safe. Examples include: Caterpillar's battery-electric equipment offerings, machine automation systems, power solutions, CAT digital solutions, operator training, remanufacturing and rebuilds and Finning digital solutions. For more information, please review our Sustainability Report, which can be found in the sustainability section of www.finning.com.

Annual Adjusted Measures from Continuing Operations

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 Accounting Standards, 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 34-42 of this MD&A.

2025 significant items:

- Following an evaluation of the business needs of our operations, including an alignment with Caterpillar’s digital and technology strategy, several technology assets have been or are being decommissioned; as a result, we derecognized previously capitalized costs.
- Severance costs for headcount reductions related to consolidation efforts and changes to our organizational structure focused on non-revenue generating positions, primarily in selected back office and technology roles.

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 worked to 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**:

Year ended December 31, 2025 (\$ millions, except for per share amounts)					EBIT	EPS
	Canada	South America	UK & Ireland	Other	Consol	Consol
EBIT and EPS	430	404	72	(71)	835	3.93
Significant items:						
Write-off of intangible assets	5	5	3	9	22	0.12
Severance costs	11	—	—	1	12	0.07
Adjusted EBIT and Adjusted EPS	446	409	75	(61)	869	4.12

Year ended December 31, 2024 (\$ millions, except for per share amounts)					EBIT	EPS
	Canada	South America	UK & Ireland	Other	Consol	Consol
EBIT and EPS	379	381	67	(40)	787	3.43
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	402	384	71	(37)	820	3.61

Annual Key Performance Measures from Continuing Operations

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, and 35-39 of this MD&A. KPIs that have been adjusted to take these items into account are referred to as “Adjusted” measures.

	2025	2024 (Restated) ⁽¹⁾	2023 (Restated) ⁽¹⁾⁽²⁾	2022 (Restated) ⁽¹⁾	2021 (Restated) ⁽¹⁾
EBIT (\$ millions)	835	787	882	744	539
Adjusted EBIT (\$ millions)	869	820	914	744	524
EBIT margin					
Consolidated	7.9%	7.9%	9.4%	9.2%	8.2%
Canada	8.3%	7.6%	10.0%	10.4%	9.7%
South America	10.1%	10.7%	10.5%	11.3%	9.4%
UK & Ireland	5.0%	5.0%	4.5%	5.5%	4.7%
Adjusted EBIT margin					
Consolidated	8.2%	8.3%	9.8%	9.2%	8.0%
Canada	8.7%	8.0%	10.2%	10.4%	9.4%
South America	10.2%	10.8%	12.1%	11.3%	9.4%
UK & Ireland	5.2%	5.3%	4.9%	5.5%	4.7%
EPS	3.93	3.43	3.41	3.14	2.20
Adjusted EPS	4.12	3.61	3.77	3.14	2.12
Invested capital from continuing operations ⁽³⁾ (\$ millions)	4,313	4,275	4,473	3,860	3,074
Adjusted ROIC from continuing operations					
Consolidated	19.2%	17.9%	20.7%	19.5%	17.3%
Canada	18.2%	15.4%	20.1%	20.0%	18.8%
South America	24.5%	25.9%	27.6%	24.5%	20.3%
UK & Ireland	20.1%	15.0%	12.3%	17.0%	14.8%
Invested capital turnover from continuing operations (times)	2.34	2.16	2.12	2.11	2.17
Free cash flow from continuing operations (\$ millions)	546	828	19	(171)	294
Net debt to Adjusted EBITDA ratio from continuing operations ⁽⁴⁾ (times)	1.2	1.7	1.8	1.6	1.2

⁽¹⁾ As a result of the sales of our interests in 4Refuel and ComTech, these businesses qualified as discontinued operations. Effective Q2 2025, the comparative figures have been restated to exclude the results of discontinued operations. For more information on the impact to the financial statements, please refer to Note 3 of our Annual 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⁾ These are non-GAAP financial measures. See “Description of Specified Financial Measures and Reconciliations” in this MD&A.

⁽⁴⁾ See “Description of Specified Financial Measures and Reconciliations” in this MD&A.

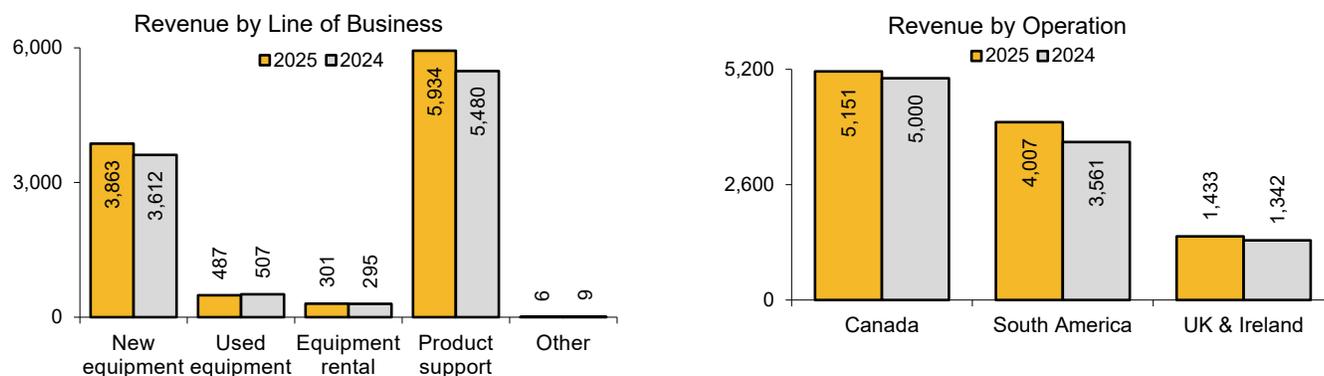
Annual Results from Continuing Operations

Revenue

Revenue by Line of Business and by Operation

Years ended December 31

(\$ millions)



Revenue of \$10.6 billion in 2025 increased 7% from the prior year reflecting higher product support revenue and new equipment sales.

Product support revenue in 2025 was 8% higher than 2024, driven by Canada and South America.

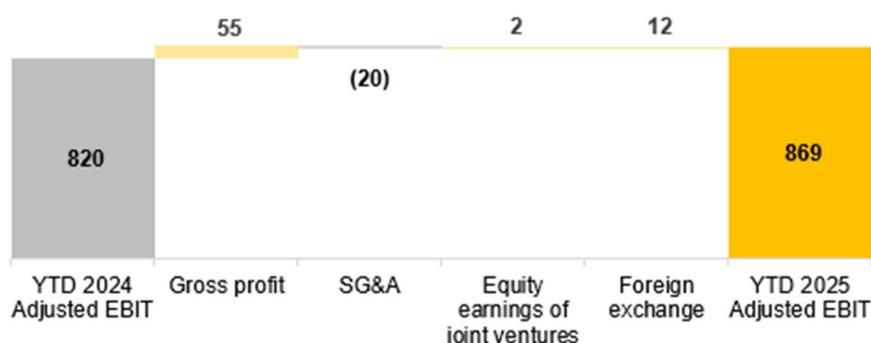
New equipment revenue in 2025 was up 7% from 2024, primarily from South America and the UK & Ireland.

Equipment backlog at December 31, 2025, of \$3.1 billion was up from \$2.6 billion at December 31, 2024, with strong order intake in all sectors.

EBIT

2025 gross profit of \$2.4 billion was up 4% from 2024. Gross profit margin of 23.1% in 2025 was 70 basis points lower than 2024, primarily due to lower product support gross profit margins.

SG&A in 2025 of \$1.6 billion was 2% higher than 2024 on 7% revenue growth. SG&A margin was 15.0%, down 80 basis points from 2024. The higher SG&A was mainly due to higher LTIP expense driven by the significant increase in the Company's share price, people-related costs, and variable costs to support volumes. In addition, 2024 SG&A included higher costs to access **USD** in Argentina and an estimated loss for receivables from a customer in Canada that was placed into receivership.



EBIT was \$835 million, and EBIT margin was 7.9% in 2025. Excluding significant items not considered indicative of financial and operational trends as described on page 5, Adjusted EBIT in 2025 was \$869 million and Adjusted EBIT margin was 8.2%, compared to \$820 million and 8.3%, respectively in 2024.

Finance Costs

Finance costs for 2025 were \$137 million, down from \$155 million in 2024, mainly due to lower interest rates and lower average debt levels.

Provision for Income Taxes

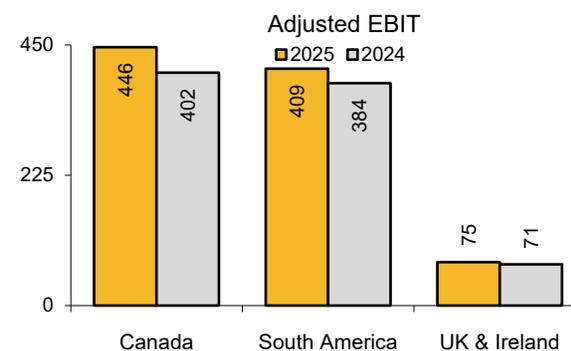
The effective income tax rate for 2025 was 25.0%, compared to 23.7% in 2024, which included unrecognized tax losses utilized in Argentina.

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 the relative income from the various jurisdictions in which we carry on business, sources of income, changes in the estimation of tax reserves, outcomes of tax audits, or tax rates and tax legislation.

Net Income from Continuing Operations and EPS

Net income from continuing operations was \$523 million and EPS was \$3.93 in 2025, compared to \$482 million and \$3.43, respectively, in 2024. Excluding the significant items not considered indicative of financial and operational trends described on page 5, Adjusted EPS was \$4.12 in 2025, 14% higher than Adjusted EPS of \$3.61 in 2024.

Adjusted EBIT by Operation ⁽¹⁾
Years ended December 31
(\$ millions)



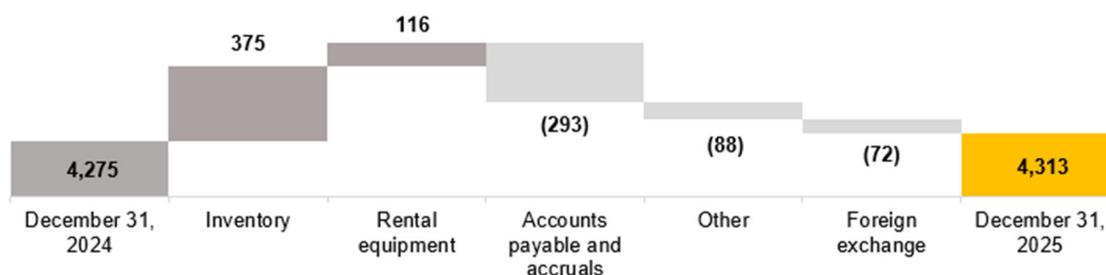
⁽¹⁾ Excluding Other operations

Selected Key Performance Measures – Balance Sheet from Continuing Operations

(\$ millions, unless otherwise stated)	December 31, 2025	December 31, 2024
Invested capital from continuing operations		
Consolidated	4,313	4,275
Canada	2,345	2,357
South America	1,586	1,552
UK & Ireland	349	367
South America (USD)	1,157	1,078
UK & Ireland (GBP)	189	203
Adjusted ROIC from continuing operations		
Consolidated	19.2%	17.9%
Canada	18.2%	15.4%
South America	24.5%	25.9%
UK & Ireland	20.1%	15.0%
Invested capital turnover from continuing operations (times)		
Consolidated	2.34	2.16
Canada	2.10	1.91
South America	2.40	2.40
UK & Ireland	3.83	2.81

Compared to December 31, 2024:

Invested capital from continuing operations increased \$38 million from December 31, 2024 to December 31, 2025. This change includes a foreign exchange impact from translating the invested capital balances of our South American and UK & Ireland operations. The foreign exchange impact was primarily the result of the stronger CAD relative to the USD, partially offset by the weaker CAD relative to the GBP, compared to December 31, 2024.



Excluding the impact of foreign exchange, consolidated invested capital from continuing operations increased by \$110 million from December 31, 2024, to December 31, 2025, reflecting:

- higher inventory, largely driven by new equipment and parts inventory in all regions to support anticipated demand in 2026; and
- higher rental equipment in Canada, including an increase in *RPOs*;
- partially offset by higher accounts payable and accruals in all regions.

On a consolidated basis, Adjusted ROIC from continuing operations of 19.2% at December 31, 2025, was 130 basis points higher than December 31, 2024; up in the UK & Ireland and Canada, due to lower average invested capital levels as well as higher earnings. This was partially offset by South America, where the growth in Adjusted EBIT was outpaced by the growth in average invested capital levels in 2025.

On a consolidated basis, invested capital turnover from continuing operations of 2.34 times at December 31, 2025, was higher than December 31, 2024; up primarily in the UK & Ireland, reflecting the decrease in average invested capital from the pension asset optimization and higher revenues.

Results from Continuing Operations 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 revenue by lines of business and results by operation.

Year ended December 31, 2025 (\$ millions)	Canada	South America	UK & Ireland	Other	Consol	Revenue % ⁽¹⁾
New equipment	1,610	1,417	836	—	3,863	36%
Used equipment	259	136	92	—	487	5%
Equipment rental	201	62	38	—	301	3%
Product support	3,077	2,390	467	—	5,934	56%
Other	4	2	—	—	6	—
Revenue	5,151	4,007	1,433	—	10,591	100%
Operating costs ⁽²⁾	(4,518)	(3,467)	(1,315)	(58)	(9,358)	
Depreciation and amortization	(197)	(131)	(43)	(3)	(374)	
Equity earnings of joint ventures	10	—	—	—	10	
Other expenses	(16)	(5)	(3)	(10)	(34)	
EBIT	430	404	72	(71)	835	
Revenue percentage by operation	49%	38%	13%	—	100%	
Adjusted EBIT	446	409	75	(61)	869	
<i>EBIT margin</i>	8.3%	10.1%	5.0%		7.9%	
<i>Adjusted EBIT margin</i>	8.7%	10.2%	5.2%		8.2%	

Year ended December 31, 2024 (Restated) ⁽³⁾ (\$ millions)	Canada	South America	UK & Ireland	Other	Consol	Revenue %
New equipment	1,667	1,186	759	—	3,612	37%
Used equipment	341	69	97	—	507	5%
Equipment rental	184	70	41	—	295	3%
Product support	2,801	2,234	445	—	5,480	55%
Other	7	2	—	—	9	—
Revenue	5,000	3,561	1,342	—	9,903	100%
Operating costs ⁽²⁾	(4,437)	(3,052)	(1,230)	(31)	(8,750)	
Depreciation and amortization	(184)	(125)	(41)	(6)	(356)	
Equity earnings of joint ventures	9	—	—	—	9	
Other expense	(9)	(3)	(4)	(3)	(19)	
EBIT	379	381	67	(40)	787	
Revenue percentage by operation	50%	36%	14%	—	100%	
Adjusted EBIT	402	384	71	(37)	820	
<i>EBIT margin</i>	7.6%	10.7%	5.0%		7.9%	
<i>Adjusted EBIT margin</i>	8.0%	10.8%	5.3%		8.3%	

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

(2) Operating costs is a non-GAAP financial measure. It is calculated as cost of sales plus selling, general, and administrative expenses less depreciation and amortization.

(3) As a result of the sales of our interests in 4Refuel and ComTech, these businesses qualified as discontinued operations. Effective Q2 2025, the comparative figures have been restated to exclude the results of discontinued operations. For more information on the impact to the financial statements, please refer to Note 3 of our Annual Financial Statements.

South America Operations

Our South American operations sell, service, and rent mainly Caterpillar equipment and engines in Chile, Argentina, and Bolivia. Our South American operations' markets include mining, construction, forestry, and power & energy.

The weaker CAD relative to the USD on average in 2025 compared to 2024 had a favourable foreign currency translation impact on 2025 revenue of approximately \$75 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.

2025 Annual Overview

2025 revenue was 10% higher than 2024, largely driven by new equipment, product support, and used equipment.

New equipment revenue in 2025 was 17% higher than the same prior year period, up in all sectors. Equipment backlog at December 31, 2025, was down from December 31, 2024, with deliveries outpacing order intake, primarily in the mining sector.

Product support revenue in 2025 increased 5% from 2024, primarily in the mining and construction sectors in Chile.

Used equipment revenue in 2025 was nearly double compared to the prior year, primarily due to the sale of a fleet of large mining trucks in Chile.

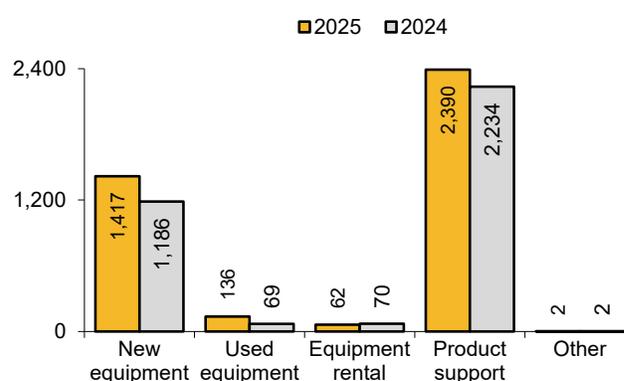
Gross profit in 2025 increased from 2024 mainly due to increased volumes. Gross profit margin in 2025 was lower than 2024 mainly due to lower product support gross profit margins and a number of low-margin used equipment sales.

2025 SG&A costs were down slightly from 2024, which included higher costs to access USD in Argentina. Excluding these costs, SG&A would have been higher than the prior year from higher people-related costs including higher LTIP expense, cost of accessing USD in Bolivia, and variable costs. 2025 SG&A margin improved over the prior year.

2025 EBIT was \$404 million, and EBIT margin was 10.1%. Excluding the significant item not considered indicative of financial and operational trends as described on page 5, Adjusted EBIT in 2025 was \$409 million and Adjusted EBIT margin was 10.2% compared to \$384 million and 10.8%, respectively, in 2024.

Revenue by Line of Business South America Operations

Years ended December 31
(\$ millions)



Canada Operations from Continuing Operations

Our Canadian reporting segment includes **Finning (Canada)**, **OEM**, and a 25% interest in **PLM**. Our Canadian operations sell, service, and rent mainly Caterpillar equipment and engines in British Columbia, Alberta, Saskatchewan, the Yukon Territory, the Northwest Territories, and a portion of Nunavut. Our Canadian operations' markets include mining (including the oil sands), construction, conventional oil and gas, forestry, and power & energy.

2025 Annual Overview

2025 revenue of \$5.2 billion was 3% higher than 2024, driven by higher product support, partially offset by lower used and new equipment sales.

Product support revenue in 2025 was up 10% from 2024 driven by increased demand for parts in the mining sector.

Used equipment sales in 2025 were 24% lower than 2024, down in all market sectors, as well as being impacted by lower sales due to the tariffs imposed by the **US**.

2025 new equipment revenue was 3% lower than 2024, due to a decrease in construction and power & energy sectors, partially offset by an increase in mining. Equipment backlog at December 31, 2025 was higher than December 31, 2024, as order intake outpaced deliveries across all market sectors, led by mining.

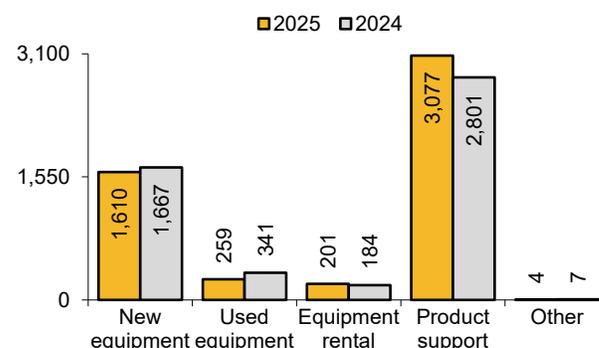
Gross profit in 2025 increased from 2024 due to higher volumes, including higher product support. Gross profit margin in 2025 was up slightly from 2024.

2025 SG&A was down compared to the prior year, which included an estimated loss for customer receivables described on page 5. Excluding the estimated loss for receivables in 2024, 2025 SG&A and SG&A margin were down from the prior year, reflecting lower SG&A costs despite product support growth and higher people-related costs, including LTIP and short-term incentive plan expenses.

2025 EBIT from our Canadian operations was \$430 million and EBIT margin was 8.3%. Excluding significant items not considered indicative of financial and operational trends as described on page 5, Adjusted EBIT in 2025 was \$446 million and Adjusted EBIT margin was 8.7% compared to \$402 million and 8.0%, respectively, in 2024.

Revenue by Line of Business Canada Operations

Years ended December 31
(\$ millions)



UK & Ireland Operations

Our UK & Ireland operations sell, service, and rent mainly Caterpillar equipment and engines in England, Scotland, Wales, Northern Ireland, and the Republic of Ireland. Our UK & Ireland operations' markets include construction, power & energy, and quarrying.

The weaker CAD relative to the GBP on average in 2025 compared to 2024 had a favourable foreign currency translation impact on 2025 revenue of approximately \$70 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.

2025 Annual Overview

2025 revenue was up slightly from 2024, primarily driven by higher new equipment sales.

New equipment revenue in 2025 was up 5% from 2024 due to strong sales in construction. Equipment backlog at December 31, 2025, was down from December 31, 2024, mainly due to deliveries outpacing order intake in the construction sector during the year.

2025 used equipment sales were 11% lower than the prior year, primarily due to decreased volumes in the construction sector.

Gross profit in 2025 was comparable to 2024. Gross profit margin was lower than the prior year, reflecting the mix shift to higher new equipment revenue.

2025 SG&A and SG&A margin were comparable to 2024.

2025 EBIT was \$72 million, and EBIT margin was 5.0%. Excluding the significant item not considered indicative of financial and operational trends as described on page 5, Adjusted EBIT and Adjusted EBIT margin in 2025 was \$75 million and 5.2%, respectively, compared to Adjusted EBIT and Adjusted EBIT margin of \$71 million and 5.3%, respectively, in 2024.

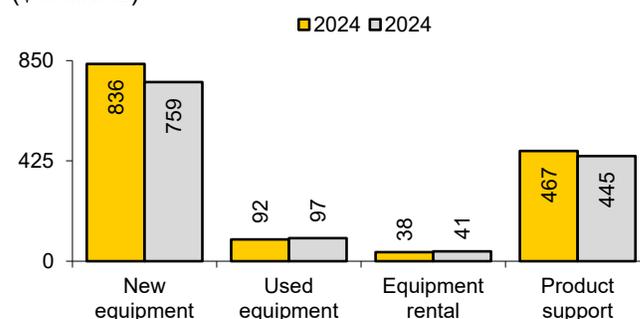
Other Operations

Our Other operations include corporate operating costs.

2025 EBIT loss was \$71 million. Excluding the significant items not considered indicative of financial and operational trends as described on page 5, 2025 Adjusted EBIT loss of \$61 million compared to 2024 Adjusted EBIT loss of \$37 million, primarily due to higher LTIP expense driven by the significant increase in the Company's share price.

Revenue by Line of Business UK & Ireland Operations

Years ended December 31
(\$ millions)



Discontinued Operations

On June 30, 2025, our Canadian operations sold our mobile on-site refuelling business, operating through 4Refuel, for a total purchase price of up to \$400 million. The purchase price comprised approximately \$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). Including leases and other indebtedness of approximately \$50 million, the total implied transaction value is up to approximately \$450 million.

On May 15, 2025, our Canadian operations sold our interest in ComTech through a series of transactions for cash consideration of \$10 million. The purchaser assumed lease liabilities and indebtedness of approximately \$30 million. ComTech is an early-stage developer of alternative energy infrastructure and provider of proprietary mobile fueling solutions for low-carbon fuels in North America, including compressed natural gas, renewable natural gas, and hydrogen. In Q1 2025, we determined that ComTech no longer represented a core part of our business.

The gain on sales (net of tax) of 4Refuel and ComTech was \$152 million and was presented as discontinued operations in the consolidated statements of net income. In addition, the results of operations of ComTech and 4Refuel up to their respective sale dates have been restated as discontinued operations. For the purpose of this MD&A, balance sheet key performance measures have been restated as continuing operations and assets and liabilities of ComTech and 4Refuel have been excluded in the comparative periods accordingly. Results from ComTech and 4Refuel were previously included as part of our Canada reportable segment. For more information on the impact to financial statements, please refer to Note 3 of our Annual Financial Statements.

The results of the Company's discontinued operations up to their respective dates of disposition and for the year ended December 31, 2024, are summarized as follows:

(\$ millions)	2025	2024
Fuel and other revenue	703	1,303
Cost of fuel	(600)	(1,110)
Net revenue (a)	103	193
Operating costs (b)	(66)	(121)
Depreciation and amortization	(18)	(36)
Write-down of assets in ComTech (c)	(45)	—
EBIT	(26)	36

- (a) Net revenue is a non-GAAP financial measure and is defined as total revenue less the cost of fuel related to the mobile refuelling operations. As these fuel costs were pass-through in nature for this business, we viewed net revenue as more representative than revenue in assessing the performance of the business because the rack price for the cost of fuel was fully passed through to the customer and was not in our control.
- (b) Operating costs are calculated as cost of sales less cost of fuel plus selling, general, and administrative expenses less depreciation and amortization.
- (c) During the three months ended March 31, 2025, we determined the operations of ComTech no longer represented a core part of the business and recorded an impairment loss of \$45 million, of which \$29 million after-tax was attributable to the shareholders of Finning, representing a write-down of assets.

The major classes of assets and liabilities, non-controlling interests, and related balance sheet key performance measures of discontinued operations at their dates of disposition are summarized as follows:

(\$ millions)	Total
Cash and cash equivalents	23
Other current assets	140
Current assets	163
Non-current assets	265
Total assets	428
Short-term debt	(5)
Current portion of long-term debt	(6)
Other current liabilities	(104)
Current liabilities	(115)
Other non-current liabilities	(71)
Total liabilities	(186)
Non-controlling interests	3
Net debt from discontinued operations ⁽¹⁾	(12)
Invested capital from discontinued operations ⁽¹⁾	230

The free cash flow from discontinued operations ⁽¹⁾ up to their dates of disposition and for the year ended December 31, 2024, are summarized as follows:

(\$ millions)	2025	2024
Cash flow provided by operating activities	37	60
Additions to property, plant, and equipment and intangible assets	(7)	(23)
Proceeds on disposal of property, plant, and equipment	2	—
Free cash flow from discontinued operations	32	37

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

Fourth Quarter Adjusted Measures from Continuing Operations

Significant items affecting our reported results for the three months ended December 31, 2025, which we do not consider to be indicative of operational and financial trends, either by nature or amount, are detailed below.

Q4 2025 significant item:

- Following an evaluation of the business needs of our operations, including an alignment with Caterpillar's digital and technology strategy, several technology assets have been or are being decommissioned; as a result, we derecognized previously capitalized costs.

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

3 months ended December 31, 2025 (\$ millions, except per share amounts)					EBIT	EPS
	Canada	South America	UK & Ireland	Other	Consol	Consol
EBIT and EPS	98	98	17	(26)	187	0.88
Significant item:						
Write-off of intangible assets	5	5	3	9	22	0.12
Adjusted EBIT and Adjusted EPS	103	103	20	(17)	209	1.00

There were no significant items identified by management for adjustment in the three months ended December 31, 2024.

Quarterly Key Performance Measures from Continuing Operations

KPIs may be impacted by significant items described on pages 16 and 35-39 of this MD&A. KPIs that have been adjusted to take these items into account are referred to as “Adjusted” measures.

	2025 (Restated) ⁽¹⁾				2024 (Restated) ⁽¹⁾				2023
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4 ⁽¹⁾⁽²⁾
EBIT (\$ millions)	187	240	203	205	212	160	220	195	168
Adjusted EBIT (\$ millions)	209	240	215	205	212	193	220	195	223
EBIT margin									
Consolidated	6.9%	8.5%	7.8%	8.4%	8.4%	6.4%	8.5%	8.5%	7.2%
Canada	7.7%	8.7%	8.5%	8.4%	7.5%	5.0%	8.9%	8.7%	8.9%
South America	9.9%	9.7%	10.1%	10.6%	10.9%	10.6%	10.4%	11.0%	6.7%
UK & Ireland	4.0%	6.5%	5.2%	4.7%	5.8%	4.9%	4.6%	4.5%	1.8%
Adjusted EBIT margin									
Consolidated	7.8%	8.5%	8.3%	8.4%	8.4%	7.8%	8.5%	8.5%	9.5%
Canada	8.1%	8.7%	9.4%	8.4%	7.5%	6.9%	8.9%	8.7%	9.4%
South America	10.4%	9.7%	10.1%	10.6%	10.9%	10.9%	10.4%	11.0%	12.6%
UK & Ireland	4.6%	6.5%	5.2%	4.7%	5.8%	6.3%	4.6%	4.5%	2.7%
EPS	0.88	1.17	0.94	0.95	0.97	0.69	0.97	0.81	0.55
Adjusted EPS	1.00	1.17	1.01	0.95	0.97	0.88	0.97	0.81	0.92
Invested capital from									
continuing operations (\$ millions)	4,313	4,876	4,580	4,333	4,275	4,495	4,683	4,843	4,473
Adjusted ROIC from continuing operations									
Consolidated	19.2%	19.3%	18.7%	18.7%	17.9%	18.0%	19.0%	19.7%	20.7%
Canada	18.2%	17.6%	16.3%	15.9%	15.4%	15.9%	17.7%	18.5%	20.1%
South America	24.5%	24.6%	25.9%	26.3%	25.9%	26.5%	26.5%	27.4%	27.6%
UK & Ireland	20.1%	20.2%	18.4%	16.9%	15.0%	11.5%	11.0%	11.5%	12.3%
Invested capital turnover from									
continuing operations (times)	2.34	2.31	2.28	2.26	2.16	2.10	2.07	2.09	2.12
Free cash flow from									
continuing operations (\$ millions)	642	(56)	(164)	124	399	330	323	(224)	260
Net debt to Adjusted EBITDA ratio from									
continuing operations (times)	1.2	1.7	1.6	1.6	1.7	1.9	1.9	2.0	1.8

⁽¹⁾ As a result of the sales of our interests in 4Refuel and ComTech, these businesses qualified as discontinued operations. Effective Q2 2025, the comparative figures have been restated to exclude the results of discontinued operations. For more information on the impact to the financial statements, please refer to Note 3 of our Annual 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.

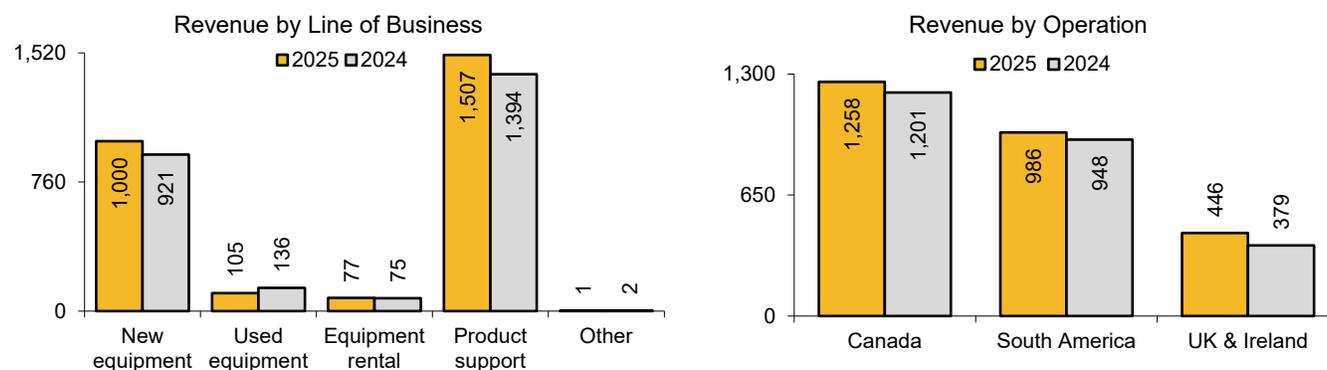
Fourth Quarter Results from Continuing Operations

Revenue

Revenue by Line of Business and by Operation

3 months ended December 31

(\$ millions)



Q4 2025 revenue of \$2.7 billion was up 6% from Q4 2024, with growth in all regions.

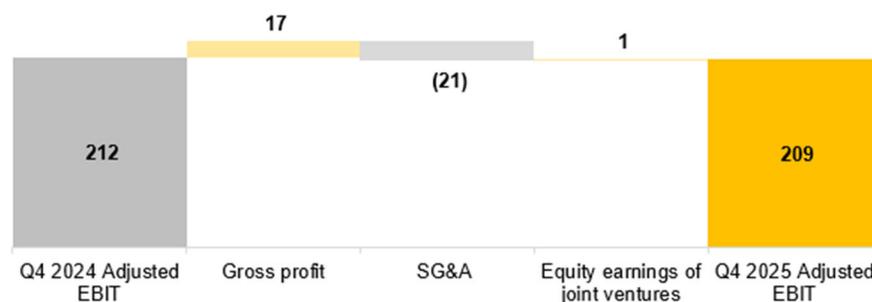
Product support revenue was up 8% in Q4 2025 from the same prior year period, reflecting higher activity in Canada and South America.

Q4 2025 new equipment revenue was 9% higher than the same prior year period with increases in all regions. Equipment backlog at December 31, 2025, of \$3.1 billion was up from \$2.9 billion at September 30, 2025, driven by strong order intake in Canada.

Q4 2025 used equipment sales were down 23% from Q4 2024. Q4 2024 had large conversions of mining rental equipment with purchase options in Canada that did not repeat this quarter.

EBIT

Q4 2025 gross profit of \$617 million was up 3% from the same period in the prior year, reflecting the higher volumes in product support and new equipment. Gross profit margin of 23.0% in Q4 2025 was 70 basis points lower than Q4 2024 mainly due to lower gross profit margins in product support and rental.



SG&A in Q4 2025 of \$413 million was 6% higher than Q4 2024. This was mainly due to \$21 million LTIP expense in Q4 2025 compared to \$3 million LTIP recovery in Q4 2024 from a significant share price increase in 2025 compared to a decrease in the prior year.

Q4 2025 EBIT was \$187 million, and EBIT margin was 6.9%. Excluding the significant item not considered indicative of financial and operational trends as described on page 16, Adjusted EBIT in Q4 2025 was \$209 million and Adjusted EBIT margin was 7.8% compared to Adjusted EBIT of \$212 million and Adjusted EBIT margin of 8.4% in Q4 2024.

Finance Costs

Finance costs in Q4 2025 were \$35 million, up from \$32 million in Q4 2024 primarily due higher other finance costs, including higher net interest costs on the defined benefit pension plans and higher interest expense from new lease contracts in 2025, partially offset by lower interest costs on short-term debt.

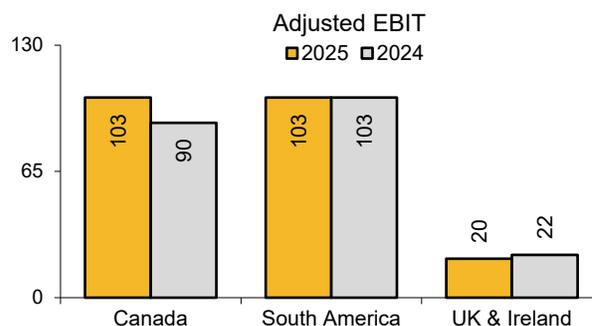
Provision for Income Taxes

The effective income tax rate in Q4 2025 was 24.3%, compared to 25.9% in Q4 2024. The Q4 2025 rate was lower primarily due to a higher proportion of earnings from lower tax jurisdictions.

Net Income from Continuing Operations and EPS

Q4 2025 net income from continuing operations was \$115 million and EPS was \$0.88. Excluding the significant item not considered indicative of financial and operational trends as described on page 16, Q4 2025 Adjusted EPS was \$1.00 compared to \$0.97 in Q4 2024. The higher Adjusted EPS in Q4 2025 primarily reflected the higher earnings in Canada and the benefit of our share repurchases, partially offset by higher LTIP costs.

Adjusted EBIT by Operation ⁽¹⁾ 3 months ended December 31 (\$ millions)



Excluding Other operations

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

3 months ended December 31, 2025					Revenue	
(\$ millions)	Canada	South America	UK & Ireland	Other	Consol	%
New equipment	372	328	300	—	1,000	37%
Used equipment	56	23	26	—	105	4%
Equipment rental	53	14	10	—	77	3%
Product support	776	621	110	—	1,507	56%
Other	1	—	—	—	1	—
Revenue	1,258	986	446	—	2,690	100%
Operating costs ⁽¹⁾	(1,110)	(851)	(415)	(16)	(2,392)	
Depreciation and amortization	(50)	(32)	(11)	(1)	(94)	
Equity earnings of joint ventures	5	—	—	—	5	
Other expenses	(5)	(5)	(3)	(9)	(22)	
EBIT	98	98	17	(26)	187	
Revenue percentage by operation	47%	37%	16%	—	100%	
Adjusted EBIT	103	103	20	(17)	209	
<i>EBIT margin</i>	7.7%	9.9%	4.0%		6.9%	
<i>Adjusted EBIT margin</i>	8.1%	10.4%	4.6%		7.8%	

3 months ended December 31, 2024					Revenue	
(Restated) ⁽²⁾ (\$ millions)	Canada	South America	UK & Ireland	Other	Consol	%
New equipment	364	316	241	—	921	37%
Used equipment	97	20	19	—	136	5%
Equipment rental	48	17	10	—	75	3%
Product support	691	594	109	—	1,394	55%
Other	1	1	—	—	2	—
Revenue	1,201	948	379	—	2,528	100%
Operating costs ⁽¹⁾	(1,071)	(813)	(348)	(2)	(2,234)	
Depreciation and amortization	(44)	(32)	(9)	(1)	(86)	
Equity earnings of joint ventures	4	—	—	—	4	
EBIT	90	103	22	(3)	212	
Revenue percentage by operation	48%	37%	15%	—	100%	
<i>EBIT margin</i>	7.5%	10.9%	5.8%		8.4%	

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

⁽²⁾ As a result of the sales of our interests in 4Refuel and ComTech, these businesses qualified as discontinued operations. Effective Q2 2025, the comparative figures have been restated to exclude the results of discontinued operations. For more information on the impact to the financial statements, please refer to Note 3 of our Annual Financial Statements.

All variances and ratios in this section are based on the functional currency of each operation (South America: USD, Canada: CAD, UK & Ireland: GBP).

South America Operations

The stronger CAD relative to the USD on average in Q4 2025 compared to Q4 2024 did not have a significant impact on revenue or at the EBIT level.

Q4 2025 revenue was up 5% from Q4 2024. Product support revenue in Q4 2025 was up 5% from Q4 2024, led by the construction sector. New equipment revenue in Q4 2025 was 4% higher than the prior year quarter, reflecting increased sales in the construction and power & energy sectors, partially offset by a decrease in the mining sector.

Gross profit in Q4 2025 was comparable to Q4 2024. Q4 2025 gross profit margin was lower than Q4 2024 reflecting lower product support margins. Q4 2025 SG&A reflected cost saving initiatives, partially offset by higher people-related costs and higher variable costs compared to Q4 2024.

Q4 2025 EBIT was \$98 million, and EBIT margin was 9.9%. Excluding the significant item not considered indicative of financial and operational trends described on page 16, Adjusted EBIT in Q4 2025 was \$103 million and Adjusted EBIT margin was 10.4% compared to \$103 million and 10.9%, respectively, in Q4 2024.

Canada Operations from Continuing Operations

Q4 2025 revenue of \$1.3 billion was up 5% from Q4 2024. Product support revenue was up 12% compared to Q4 2024 mainly due to higher activity from mining customers. New equipment sales were up 2%, reflecting strong demand in the construction sector. Rental revenue was up 10% on improved market conditions in the construction sector. Used equipment sales were down 42% from Q4 2024, which included higher RPO conversions in mining. In addition, Q4 2025 revenue was impacted by lower used equipment sales due to the tariffs imposed by the US.

Gross profit and gross profit margin in Q4 2025 were higher than Q4 2024. The increase in gross profit margin was driven by a higher proportion of product support in the revenue mix, partially offset by lower product support gross profit margins.

Q4 2025 SG&A was higher compared to Q4 2024 mainly due to higher LTIP and other people costs, including higher technician headcount, partially offset by lower provisions for customer receivables. Q4 2025 SG&A margin improved over Q4 2024.

Q4 2025 EBIT was \$98 million, and EBIT margin was 7.7%. Excluding the significant item not considered indicative of financial and operational trends described on page 16, Adjusted EBIT in Q4 2025 was \$103 million and Adjusted EBIT margin was 8.1%, higher than \$90 million and 7.5%, respectively, in Q4 2024.

UK & Ireland Operations

The weaker CAD relative to the GBP on average in Q4 2025 compared to Q4 2024 did not have a significant impact on revenue or at the EBIT level.

Fourth quarter 2025 revenue was up 14% from the same period in 2024. Q4 2025 new equipment revenue increased 21% from Q4 2024, mainly in the power & energy sector. In addition, there was a 25% increase in used equipment sales primarily in the construction sector.

Q4 2025 gross profit was comparable from the same prior year period. Q4 2025 gross profit margin was down compared to Q4 2024 primarily due to a mix shift to higher new equipment and lower product support gross profit margins. SG&A in Q4 2025 was up from Q4 2024, largely due to higher LTIP expense. Q4 2025 SG&A margin improved over Q4 2024.

Q4 2025 EBIT was \$17 million, and EBIT margin was 4.0%. Excluding the significant item not considered indicative of financial and operational trends described on page 16, Adjusted EBIT in Q4 2025 was \$20 million and Adjusted EBIT margin was 4.6%, down from \$22 million and 5.8%, respectively, in Q4 2024.

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 45 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. In the near term, we expect some moderation in activity levels as customers adjust their mine plans and existing equipment fleets. We also continue to expect some challenges in the labour market as the demand for skilled labour remains high.

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 & energy sector, activity remains strong in the industrial and data centre markets, driving growing demand for electric power solutions.

In Argentina, we are carefully positioning our business to capture opportunities, particularly in the oil & gas and mining sectors. The operating environment remains dynamic, and we continue to closely monitor the government's rules and policies, some of which are helping drive large-scale investment. We have recently seen an increase in quoting activity for equipment and expect activity levels to improve in the coming years, subject to an improving investment environment.

Canada Operations

Our outlook for Western Canada is improving. We are encouraged by announcements regarding the potential to accelerate resource development and infrastructure project activity, but we remain cautious with respect to the timing and magnitude of such potential activity.

We expect steady activity levels in our mining business as customers renew, maintain and rebuild aging equipment. In the power & energy sector, activity remains steady in the oil and gas market, with longer term potential in the data centre market. Construction sector activity, including resource development and infrastructure project activity, is moderate but showing signs of potential for increased activity.

We remain focused on building resilience by managing our cost and invested capital levels. We are also continuing to leverage the structural changes and overhead reductions strategy demonstrated in our UK and Ireland operations to continue driving productivity improvements.

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 power & energy as we continue to execute our strategy. In power & energy, 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 stable.

Global Trade

Ongoing tariff related announcements by the US, Canada and other countries globally has introduced a higher level of uncertainty, cost and complexity to operating for many businesses. To date, the direct impact of announced and implemented tariffs to Finning has been limited and largely centered on our Canadian operations. The indirect impact through reduced economic activity, changes to inflation as well as deferred, delayed or cancelled investment decisions across our customer base remains unknown and difficult to predict. We have not seen major shifts in customer purchasing decisions, major supply chain changes or changes in the competitive dynamics in the markets we serve as a result of the global tariff landscape, however we remain cautious given the evolution of announcements over the past year.

Strategy and Capital Expenditure Update

We plan to continue to execute our strategy in 2026: maximize product support, improve our cost and capital position to drive full-cycle resilience, and grow prudently in used, rental and power & energy. Consistent execution will enable us to continue to meet our objective of achieving a sustainably higher Adjusted ROIC in the range of 18-25% in all market conditions.

We expect our 2026 net capital and net rental fleet expenditures to be greater than \$350 million. Following a slower than expected construction market in Canada in 2024 and 2025, we expect to build our rental fleet to capture opportunities as the market improves. We also expect to make selected investments in our capacity and capabilities, such as improving our warehouse operations in Edmonton, and focused investments in South America and the UK and Ireland to better serve our customers.

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 from continuing and discontinued operations provided by (used in) each of these activities and free cash flow from continuing operations were as follows:

(\$ millions)	3 months ended		Years ended	
	December 31		December 31	
	2025	2024	2025	2024
Operating activities	724	441	688	1,011
Investing activities	(56)	(43)	217	(128)
Financing activities	(604)	(456)	(817)	(818)
Operating activities	724	441	688	1,011
Additions to property, plant, and equipment and intangible assets	(93)	(44)	(208)	(153)
Proceeds on disposal of property, plant, and equipment	11	2	98	7
Less free cash flow from discontinued operations	—	—	(32)	(37)
Free cash flow from continuing operations	642	399	546	828

The most significant contributors to the changes in cash flows for 2025 over 2024 were as follows (all events described were in the current quarter or annual period, unless otherwise stated):

	Quarter over Quarter	Year over Year
Free cash flow from continuing operations	<ul style="list-style-type: none"> • higher collections in all regions, • partially offset by higher trade payments in Canada 	<ul style="list-style-type: none"> • higher payments for inventory in all regions; and, • higher trade and other payments in South America and Canada; • partially offset by higher collections in all regions
Investing activities (excluding net spend on property, plant, and equipment)	<ul style="list-style-type: none"> • \$18 million dividend received from our joint venture 	<ul style="list-style-type: none"> • \$330 million net cash proceeds on the sales of 4Refuel and ComTech; and, • \$18 million dividend received from our joint venture; • partially offset by a \$13 million increase in short-term investments in 2025 compared to \$27 million decrease in short-term investments in 2024
Financing activities	<ul style="list-style-type: none"> • \$494 million short-term debt repayment in Q4 2025 compared to \$320 million short-term debt repayment in Q4 2024 	<ul style="list-style-type: none"> • \$284 million short-term debt repayment in 2025 compared to \$482 million short-term debt repayment in 2024; and, • \$427 million cash provided by long-term debt in 2024; • partially offset by \$207 million long-term debt repayment in 2024

Capital Resources and Management

Our cash and cash equivalents balance at December 31, 2025, was \$369 million (December 31, 2024: \$316 million). At December 31, 2025, to complement internally generated funds from operating and investing activities, we had approximately \$3.3 billion of 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. At December 31, 2025, \$0.9 billion was available under the \$1.3 billion committed sustainability-linked revolving credit facility. We are subject to certain covenants under our committed sustainability-linked revolving credit facility and were in compliance with these covenants at December 31, 2025.

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**:

December 31	Long-term debt		Short-term debt	
	2025	2024	2025	2024
DBRS	BBB (high)	BBB (high)	R-2 (high)	R-2 (high)
S&P	BBB+	BBB+	n/a	n/a

In April 2025, DBRS affirmed our BBB (high) long-term rating and R-2 (high) commercial paper rating both with stable trends. In June 2025, S&P affirmed our BBB+ rating with stable outlook.

During the year ended December 31, 2025, we repurchased 5,293,033 common shares for cancellation for \$288 million, at an average cost of \$54.33 per share, through our **NCIB** ⁽²⁾. During the year ended December 31, 2024, we repurchased 8,127,190 common shares for cancellation for \$322 million, at an average cost of \$39.68 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 December 31, 2025, we recorded an estimated obligation of \$27 million for the repurchase of shares from January 1, 2026 to February 11, 2026, under this automatic share purchase plan.

Net Debt to Adjusted EBITDA from Continuing Operations

We monitor net debt to Adjusted EBITDA from continuing operations 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.

December 31	Finning long-term target	2025	2024 ⁽³⁾
Net debt to Adjusted EBITDA ratio from continuing operations (times)	< 3.0	1.2	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.

⁽³⁾ As a result of the sales of our interests in 4Refuel and ComTech, these businesses qualified as discontinued operations. Effective Q2 2025, the comparative figures have been restated to exclude the results of discontinued operations. For more information on the impact to the financial statements, please refer to Note 3 of our Annual Financial Statements.

Contractual Obligations

Payments on contractual obligations in each of the next five years are shown in the table below. The amounts presented represent the future undiscounted principal and interest cash flows, and therefore, do not necessarily equal the carrying amount on the consolidated statement of financial position.

(\$ millions)	2026	2027	2028	2029	2030	Thereafter	Total
Short-term debt	518	—	—	—	—	—	518
Long-term debt	241	324	386	443	8	237	1,639
Lease liabilities	104	91	80	68	54	57	454
Total contractual obligations	863	415	466	511	62	294	2,611

The above table does not include obligations to fund pension benefits. We make regular contributions to our registered defined benefit pension plans in Canada in order to fund the pension obligations as required. Funding levels are monitored regularly and reset with new actuarial funding valuations at least every three years. In 2025, we contributed \$3 million towards the defined benefit pension plans. Based on the most recently completed valuations, we expect to contribute approximately \$2 million to the defined benefit pension plans during the year ended December 31, 2026.

Capital and Rental Expenditures

We expect our 2026 net capital and net rental fleet expenditures to be greater than \$350 million. These planned expenditures are expected to include regular maintenance capital as well as expenditures to add capabilities and capacity to serve the growing markets in South America and reposition and build our rental fleet in Canada as the market recovers.

Employee Share Purchase Plans

We have employee share purchase plans for our Canadian and South American employees. Under the terms of these plans, eligible employees may purchase common shares of Finning in the open market at the then current market price. We pay a portion of the purchase price to a maximum of 2% of employee earnings. At December 31, 2025, 73%, 71% and 4% of eligible employees in our Corporate, Canadian, and South American operations, respectively, were contributing to these plans.

We also have an All Employee Share Purchase Ownership Plan for our employees in Finning UK & Ireland. Under the terms of this plan, we provide one common share, purchased in the open market, for every three shares purchased by Finning (UK) employees and for every one share purchased by Finning (Ireland) employees. Finning (UK) employees may contribute from £10 to £150 of their salary per month. At December 31, 2025, 43% of eligible employees in Finning (UK) were contributing to this plan. Finning (Ireland) employees may contribute from €10 to €70 of their salary per month. At December 31, 2025, 15% of eligible employees in Finning (Ireland) were contributing to this plan.

We may cancel these plans at any time.

Accounting and Estimates

We employ professionally qualified accountants throughout our finance group globally and all of our operating unit financial officers report directly to our **CFO**. Senior financial representatives are assigned to all significant projects that impact financial accounting and reporting. Policies are in place to ensure completeness and accuracy of reported transactions. Key transaction controls are in place, and there is a segregation of duties between transaction initiation, processing, and cash receipt or disbursement. Accounting, measurement, valuation, and reporting of accounts, which involve estimates and/or valuations, are reviewed quarterly by the CFO, the Vice President, Corporate Controller, and the **Audit Committee**. Significant accounting and financial topics and issues are presented to and discussed with the Audit Committee.

Management's discussion and analysis of our financial condition and results of operations is based on our Annual Financial Statements, which have been prepared in accordance with Accounting Standards. Our significant accounting policies are included in the notes to the Annual Financial Statements for the year ended December 31, 2025. Certain policies require management to make judgments, estimates, and assumptions in respect of the application of accounting policies and the reported amounts of assets, liabilities, revenues, expenses, and disclosure of contingent assets and liabilities. These policies may require particularly subjective and complex judgments to be made as they relate to matters that are inherently uncertain and because there is a likelihood that materially different amounts could be reported under different conditions or using different assumptions. We have discussed the development, selection, and application of our key accounting policies, and the critical accounting estimates and assumptions involved, with the Audit Committee.

The areas of estimation uncertainty and significant judgments involved in preparing our Annual Financial Statements for the year ended December 31, 2025, were:

- determination of the functional currency of each Finning subsidiary;
- estimation of revenues and costs associated with long-term product support contracts and complex power & energy systems;
- determination of when control transfers to customers for revenue contracts;
- determination of whether a significant economic incentive exists for sales of assets with repurchase commitments;
- identification of performance obligations in revenue contracts with customers where long-term contracts are sold bundled together with the sale of equipment;
- estimation of allowance for doubtful accounts;
- estimation of fair value of derivative financial instruments;
- inputs to the models to measure the fair value of certain share-based payments;
- estimation of provisions for slow-moving and obsolete inventory;
- estimation of provisions for income tax;
- estimation of useful lives and residual values of property, plant, and equipment and rental equipment;
- estimation of useful lives of intangible assets;
- determination of lease terms;
- identification of the **CGU** to which assets should be allocated for impairment testing;
- estimation of recoverable values for goodwill and other indefinite-lived intangible assets;
- estimation of provisions for warranty; and
- assumptions in the actuarial valuation models to measure post-employment benefits.

For additional information on the above judgments, estimates, and assumptions made, please refer to the notes to the Annual Financial Statements for the year ended December 31, 2025.

Revenue Recognition from Long-Term Product Support Contracts and Sales of Complex Power & Energy Systems

Where the outcome of performance obligations for long-term product support contracts and sales of complex power & energy systems can be estimated reliably, revenue is recognized. Revenue is measured primarily based on the proportion of contract costs incurred for work performed to-date relative to the estimated total contract costs. Variations in contract work, claims, and incentive payments are included to the extent that they have been agreed with the customer. Where the outcome of performance obligations cannot be reliably measured, contract revenue is recognized in the current period to the extent that costs have been incurred until such time that the outcome of the performance obligations can be reasonably measured. Significant assumptions are required to estimate total contract costs, which are recognized as expenses in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is immediately recognized in the consolidated statement of net income.

Determination of When Control Transfers to Customers for Revenue Contracts

The Company is required to make judgments when determining when control is transferred to the customer. For the sale of new and used equipment and parts inventory, generally, control passes to the customer at the time of shipment of the equipment or parts to the customer or when commissioning of equipment is complete. In certain circumstances, management must determine if control transfers before or after the goods are shipped to the customer (for example, bill-and-hold arrangements). In making this determination, management considers whether the Company has transferred significant risks and rewards related to the product, legal title has transferred, the Company has the ability to direct or sell the product to another customer, the product is ready for physical transfer, or the product is in a condition of being capable of operating in the manner intended.

Revenue Recognition for Sales of Equipment with Repurchase Commitments

In certain circumstances, the Company enters into contracts with rights of return, at the customer's discretion, for the repurchase of equipment sold to customers for an amount which is generally based on a discount from the estimated future fair value of that equipment. At the inception of the contract, the Company is required to make judgments as to whether the customer has a significant economic incentive to exercise its right of return. When no such incentive is expected, revenue is recognized upon the sale of equipment but when a significant economic incentive is expected, revenue is recognized over the term of the contract. Significant assumptions are made in estimating residual values, which are assessed based on experience and taking into account expected future market conditions and projected disposal values.

Identifying Performance Obligations in Revenue Contracts

The Company is required to make judgments when identifying the performance obligations in contracts with customers. When the sales of parts and labour for servicing equipment under a long-term contract are sold bundled together with the sale of equipment to a customer, management typically concludes that these are two separate performance obligations as each of the promises to transfer equipment and provide services is capable of being distinct and separately identifiable.

Allowance for Doubtful Accounts

The Company records allowance for doubtful accounts that represents management's best estimate of potential losses in respect of accounts receivable and unbilled receivables. The main components of these allowances are a specific loss component that relates to individually significant exposures and a collective loss component established for groups of similar assets in respect of losses that are expected to occur.

The collective loss allowance is estimated based on historical data of payment statistics for similar financial assets, adjusted for current and forecasted future economic conditions.

Expected credit losses related to the current economic environment have been incorporated in management's estimate of its allowance for doubtful accounts. No assurance can be given that this will be sufficient or that the Company will not suffer material credit losses that will adversely affect its results. The Company allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of loss (including but not limited to aging of receivable balances, external credit ratings, publicly available information about customers, expectation of customer bankruptcies, and the impact of inflation and interest rate increases on customers ability to pay) and applying experienced credit judgment. Exposures within each credit risk grade are segmented by geographic region, industry classification, and risk categorization. An expected credit loss rate is calculated for each segment.

Provisions for Slow-Moving and Obsolete Inventory

The Company makes estimates of the provision required to reflect net realizable value of slow-moving and obsolete inventory. These estimates are determined on the basis of age, redundancy, and stock levels. For equipment inventory, estimates are determined on a specific item basis. Management reviews equipment values with equipment specialists taking into account current market demand, market supply of equipment, market prices, and the age and condition of equipment. Management reviews parts inventory estimates based on market demand, parts turns, discontinued items, ability to return to the vendor, and surplus/excess items.

Provisions for Income Tax

Estimations of tax assets or liabilities require assessments to be made based on the potential tax treatment of certain items that will only be resolved once finally agreed with the relevant tax authorities.

Assumptions underlying the composition of deferred tax assets and liabilities include estimates of future results of operations and the timing of reversal of temporary differences as well as the substantively enacted tax rates and laws in each jurisdiction where we operate at the time of the expected reversal. The composition of deferred tax assets and liabilities changes from period to period due to the uncertainties surrounding these assumptions and changes in tax rates or regimes which could have a material effect on expected results.

Judgment is required as income tax laws and regulations can be complex and are potentially subject to a different interpretation between us and the respective tax authority. Due to the number of variables associated with the differing tax laws and regulations across the multiple jurisdictions where we operate, the precision and reliability of the resulting estimates are subject to uncertainties and may change as additional information becomes known. Net income in subsequent periods may be impacted by the amount that estimates differ from the final tax return or from any subsequent re-assessment.

Goodwill and Intangible Assets with Indefinite Lives

The recoverable value of each CGU or group of CGUs is estimated using a discounted cash flow model. The process of determining these recoverable values requires estimates and assumptions including, but not limited to, future cash flows, growth projections, associated economic risk assumptions and estimates of key operating metrics and drivers, and **WACC** rates. Cash flow projections are based on financial budgets approved by our **Board**. Projected cash flows are discounted using WACC rates. These estimates are subject to change due to uncertain competitive and economic market conditions or changes in business strategies.

Judgment is used to identify the CGUs to which intangible assets should be allocated, and the CGU or group of CGUs at which goodwill is monitored for management purposes.

The recoverable value of CGUs or group of CGUs requires the use of estimates related to the future operating results, cash-generating ability of the assets, discount rates, and growth rates.

Related Party Transactions

Related party transactions incurred in the normal course of business between us and our subsidiaries have been eliminated on consolidation and are not considered material for disclosure. Information on our wholly-owned subsidiaries and the main countries in which they operate is contained in Note 2 of the Annual Financial Statements. Compensation of key management personnel is disclosed in Note 25 of the Annual Financial Statements.

New Accounting Pronouncements

No recent amendments to accounting standards had an impact on our financial statements. For more details on future accounting pronouncements and effective dates, please refer to Note 2 of our Annual 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 MD&A and other key business risks are disclosed in our AIF. For more information on our financial instruments, including accounting policies, description of financial risks, and relevant financial risk sensitivities, please refer to Note 9 of the Annual Financial Statements.

Commodity Prices

We are affected by fluctuations in the prices of commodities, such as copper, gold, and other metals, metallurgical coal, natural gas, oil, and lumber. We provide equipment and parts and service to customers in resource and construction industries. In the resource sector, fluctuations in commodity prices and changes in the long-term outlook for commodities impact customer decisions regarding capital expenditures and production levels, which determine demand for equipment, parts and service. In the construction sector, publicly funded infrastructure spending is indirectly impacted by fluctuations in commodity prices, particularly in regions with resource-based economies. In Canada, our customers, mostly in the oil sands in Northern Alberta, are exposed to the price of oil. In South America, our customers are primarily exposed to the price of copper and, to a much lesser extent, the prices of gold, other metals, and natural gas. In the UK & Ireland, our resource sector customers operate in offshore oil & gas. Significant fluctuations in these commodity prices could have a material impact on our financial results.

In periods of significantly lower commodity prices, demand is reduced as development of new projects is slowed or stopped and production from existing projects can be curtailed, leading to less demand for equipment. However, product support growth has been, and is expected to continue to be, important in mitigating the effects of downturns in the business cycle. Alternatively, if commodity prices rapidly increase, customer demand for our products and services could increase and apply pressure on our ability to supply the products or skilled technicians on a timely and cost-efficient basis. To assist in mitigating the impacts of fluctuations in demand for our products and services, we work closely with Caterpillar to achieve an adequate and timely supply of product and have implemented human resources recruiting and workforce management strategies to achieve adequate staffing levels.

Financial Instruments Risk

We are exposed to risks through our operations that arise from the use of financial instruments, which include credit risk and liquidity risk. Under the normal course of operations, we have mitigation strategies to minimize these risks. In the current economic climate, we have heightened exposure to these risks.

Credit Risk

Credit risk is the risk of financial loss to us if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This risk arises principally in respect of our cash and cash equivalents, receivables from customers, receivables from suppliers, and derivative assets.

Credit risk associated with cash and cash equivalents is managed by ensuring that these financial assets are held with major financial institutions with strong investment grade ratings and by monitoring the exposures with any single institution. An ongoing review is performed to evaluate the changes in the credit rating of counterparties.

Credit risk associated with accounts receivable and unbilled receivables from customers is minimized because of the diversification of our operations as well as the diversified customer base and geographical dispersion. We limit our exposure to credit risk from accounts receivable by establishing a maximum payment period for customers. We also have policies in place to manage credit risk, including maintaining credit limits for customers taking into account factors such as projected purchase values, credit worthiness of the customer, and payment performance.

We are exposed to risk on supplier claims receivable, primarily from Caterpillar, with whom we have had an ongoing relationship since 1933.

Liquidity Risk

Liquidity risk is the risk that we will not be able to meet our financial obligations as they fall due. Our approach to managing liquidity is to ensure, as far as possible, that we will have sufficient liquid financial resources to fund operations and meet commitments and obligations. We maintain bilateral and syndicated credit facilities, continuously monitor actual and forecast cash flows, and manage maturity profiles of financial liabilities. Based on the availability of credit facilities, our business operating plans, and the discretionary nature of some cash outflows, such as rental and capital expenditures, we believe we continue to have sufficient liquidity to meet operational needs.

We will require capital to finance future growth and to refinance outstanding debt obligations as they come due for repayment. If the cash generated from our operations is not sufficient to fund future growth, capital, and debt repayment requirements, we will require additional debt or equity financing. Our ability to access capital markets for additional debt or equity on terms that are acceptable will be dependent upon prevailing market conditions, as well as our financial condition. Further, our ability to increase the level of debt financing may be limited by financial covenants or credit rating objectives. The ability to raise additional financing for future activities may be impaired, or such financing may not be available on favourable terms, due to conditions beyond our control, such as uncertainty in the capital markets, depressed commodity prices or country risk factors.

In Argentina, we have experienced government currency restrictions in the past that have impacted our ability to meet our USD financial obligations as they fall due. Recent market conditions have improved, allowing for access to USD and an improved ability to pay suppliers. We continue to monitor market conditions and actively reduce local currency exposure. While our access to USD in Argentina has improved since Q4 2023, government rules and policies as well as economic conditions are subject to change, and may impact our ability to manage our liquidity risk.

Market Risk and Hedging

Market risk is the risk that changes in the market, such as foreign exchange rates and interest rates, will affect our net income or the fair value of our financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

We utilize foreign currency debt, derivative financial instruments, and short-term investments in order to manage our foreign currency and interest rate exposures. We use derivative financial instruments only in connection with managing related risk positions and do not use them for trading or speculative purposes. All such transactions are carried out within the guidelines set by us and approved by the Audit Committee. For more information on our accounting policy on financial instruments, please refer to Note 9 of the Annual Financial Statements.

Foreign Exchange Risk

We are geographically diversified, with significant investments in several different countries. We transact business in multiple currencies, the most significant of which are the CAD, USD, GBP, **CLP**, and **ARS**. The functional currency of our South American operations is USD and the functional currency of our UK & Ireland operations is primarily GBP (Finning's Ireland operations functional currency is the Euro). As a result, we have foreign currency exposure with respect to items denominated in foreign currencies. Our main types of foreign exchange risk are translation and transaction exposure.

Translation Exposure

The most significant foreign exchange impact on our net income and other comprehensive income is the translation of foreign currency-based earnings and net assets or liabilities into CAD, which is our presentation currency. Our South American and UK & Ireland operations have functional currencies other than CAD and, as a result, exchange rate movements between the USD/CAD and GBP/CAD will impact the consolidated results of the South American and UK & Ireland operations in CAD terms. We do not hedge our exposure to foreign exchange risk with regard to foreign currency earnings.

Assets and liabilities of our South American and UK & Ireland operations are translated into CAD using the exchange rates in effect at the consolidated statement of financial position dates. Any translation gains and losses are recorded as foreign currency translation adjustments in other comprehensive income. To the extent practical, it is our objective to manage this exposure by hedging a portion of our foreign investments with loans denominated in foreign currencies. The 5% stronger CAD relative to the USD and 2% weaker CAD relative to the GBP at December 31, 2025, compared to December 31, 2024, resulted in a foreign currency translation loss of \$73 million recorded in 2025. This was partially offset by a \$14 million foreign exchange gain on net investment hedges.

Transaction Exposure

Many of our operations purchase, sell, rent, and lease assets and incur costs in currencies other than their functional currency. This mismatch of currencies creates transactional exposure, which may affect our profitability as exchange rates fluctuate. For example, our Canadian operating results are exposed to volatility in USD/CAD rates between the timing of equipment and parts purchases that are made in USD and the ultimate sale to customers made in CAD. A portion of this exposure is hedged through the use of forward exchange contracts as well as managed through pricing practices. We apply hedge accounting to hedges of certain inventory purchases in our Canadian operations.

The results of our operations are impacted by the translation of foreign-denominated transactions; the results of our Canadian operations are most impacted by USD based revenue and costs, and the results of our South American operations are most impacted by CLP and ARS based revenues and costs.

We are also exposed to foreign currency risks related to the future cash flows on our foreign-denominated financial assets and financial liabilities and foreign-denominated net asset or net liability positions on our consolidated statement of financial position, primarily the USD/CAD in Canada and USD/CLP and USD/ARS in South America. We enter into forward exchange contracts, short-term investments, and short-term borrowings to manage some mismatches in foreign currency cash flows but do not fully hedge balance sheet exposure, so this may result in unrealized foreign exchange gains or losses until the financial assets and financial liabilities are settled. Continued government currency restrictions may impact the foreign currency risk and exposure of our South American operations.

The CAD has historically been positively correlated to certain commodity prices. In a scenario of declining commodity prices, our resource industry customers may curtail capital expenditures and decrease production which can result in reduced demand for equipment, parts, and services. In this scenario, a weaker CAD to USD positively impacts our financial results when USD based revenues and earnings are translated into CAD reported revenues and earnings, although lags may occur.

The results of our South American operations are affected by changes in the USD/CLP and USD/ARS relationships. Historically, the CLP has been positively correlated to the price of copper. As the price of copper declines, the value of the CLP weakens against the USD and our revenue may be impacted as mining customers curtail their equipment and product support spend. In South America, our SG&A is largely denominated in local currency. A weaker CLP to USD or ARS to USD positively impacts our financial results when local currency-based costs are translated into USD reported SG&A, partly offsetting the impact on revenue. The reverse holds true in an environment where the copper price strengthens, although generally there is a lag between the increase in SG&A and the improvement in revenue. These impacts are partially offset by our hedging programs.

Our competitive position may also be impacted as relative currency movements affect the business practices and/or pricing strategies of our competitors.

Key exchange rates that impacted our results were as follows:

Exchange rate	3 months ended						Years ended		
	December 31			December 31 – average			December 31 – average		
	2025	2024	Change	2025	2024	Change	2025	2024	Change
USD/CAD	1.3706	1.4389	5%	1.3947	1.3982	0%	1.3978	1.3698	(2)%
GBP/CAD	1.8428	1.8029	(2)%	1.8545	1.7922	(3)%	1.8420	1.7504	(5)%
USD/CLP	907.13	996.46	9%	934.32	962.94	3%	950.74	943.23	(1)%
USD/ARS	1,455.00	1,032.00	(41)%	1,438.25	1,000.71	(44)%	1,223.34	911.61	(34)%

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.

Interest Rate Risk

Changes in market interest rates can cause fluctuations in the fair value or future cash flows of financial instruments.

We are exposed to changes in interest rates on some of our interest-bearing financial assets. Our floating-rate financial assets comprise cash and cash equivalents and short-term investments. Due to the short-term nature of these financial assets, the impact of fluctuations in fair value is limited but interest income earned can be impacted. Notes receivable bear interest at a fixed rate thus their fair value will fluctuate prior to maturity but, absent monetization, future cash flows do not change.

We are exposed to changes in interest rates on our variable interest-bearing financial liabilities, primarily from short-term debt. Our debt portfolio comprises both fixed and floating rate debt instruments, with terms to maturity ranging up to 2042. Our floating rate debt is short term in nature and as a result, we are exposed to limited fluctuations in changes to fair value, but finance costs and cash flows will increase or decrease as interest rates change.

The fair value of our fixed rate debt obligations fluctuates with changes in interest rates, but absent early settlement, related cash flows do not change. We are exposed to changes in future interest rates upon refinancing of any debt prior to or at maturity.

We manage our interest rate risk by balancing our portfolio with fixed and floating rate debt, as well as managing the term to maturity of our debt portfolio, but no assurance can be given that these efforts will fully offset all risk.

Share-Based Payment Risk

Share-based payment plans are an integral part of our employee compensation program and can be in the form of our common shares or cash payments that reflect the value of our shares and the extent we are able to achieve or exceed specified performance levels. Share-based payment plans are accounted for at fair value, and the expense associated with these plans can therefore vary as our share price, share price volatility, performance, and employee exercise behaviour change. For further details on our share-based payment plans, please refer to Note 12 of the Annual Financial Statements.

Contingencies and Guarantees

Due to the size, complexity, and nature of our operations, various legal, customs, and tax matters are pending. It is not currently possible to predict the outcome of such matters due to various factors, including the preliminary nature of some claims, an incomplete factual record, and uncertainty concerning procedures and their resolution by the courts, customs, or tax authorities. However, subject to these limitations, we are of the opinion, based on legal assessments and information presently available, that, except as stated below, it is not likely that any liability would have a material effect on our financial position or results of operations.

Our subsidiary, **FASA**, began to export an agricultural animal feed product from Argentina in the third quarter of 2012 in response to the Argentina government's efforts to balance imports and exports and to manage access to foreign currency. These exports enabled us to import goods into Argentina to satisfy customer demand, while meeting the government's requirements. FASA has not exported agricultural animal feed product since the third quarter of 2013. The **ACA** has made a number of claims against FASA associated with the export of this agricultural animal feed product over this period and has also issued an order that could result in up to a one-year suspension of imports into Argentina by a portion of the business. The essence of these claims relates to the tariff classification of this product and therefore the export duty payable. FASA has appealed these claims and the order, believes they are without merit, and is confident in their position. In 2024, the Argentina government abolished the industry-wide import registration requirement, which is the basis for the license the government has purported to suspend (the suspension is currently not in force) and FASA has applied to have the suspension cancelled on this ground. Mitigation measures are available to FASA in the unlikely event the import suspension order is not cancelled and the appeal of the potential imports suspension order is not successful. These pending matters may take a number of years to resolve. In response to an application by the Canadian government, in April 2021, in September 2022, and in September 2023 in a final vote, the member states of the **WCO** voted by a significant margin in favour of the tariff classification used by FASA. These results have been filed in FASA's appeals of the ACA claims. During 2025, the Argentina Tax Court continued to issue decisions in favour of the tariff classification used by FASA. We expect the ACA will appeal these decisions to the Federal Court of Appeal, and by the end of 2025, the ACA had appealed fourteen decisions. In 2025, the Court of Appeal ruled on five of these appealed cases, all in favour of FASA. The ACA has commenced the process to appeal three of the five Court of Appeal decisions to the Supreme Court. We are confident the Courts in Argentina will follow the decision of the WCO. Should the ultimate resolution of these matters differ from our assessment and, in the case of the potential suspension of imports into Argentina by a portion of the business, the order could not be cancelled and the mitigation measures not be effective, this could have a material negative impact on our financial position.

In certain circumstances we enter into contracts with rights of return, at the customer's discretion, for the repurchase or trade-in of equipment sold to customers for an amount which is generally based on a discount from the estimated future fair value of that equipment. At December 31, 2025, the total estimated value of these contracts outstanding was \$82 million (2024: \$68 million) coming due at periods ranging from 2026 to 2033. Our experience to date has been that the estimated fair value of the equipment at the exercise date of the contract is generally greater than the repurchase price or trade-in amount, however, there can be no assurance that this experience will continue in the future. The total amount recognized as a provision against these contracts at December 31, 2025, was \$1 million (2024: \$1 million).

For further information on our commitments, contingencies, guarantees, and indemnifications, refer to Notes 26 and 27 of the Annual Financial Statements.

Outstanding Share Data

February 5, 2026

Common shares outstanding	130,822,472
Options outstanding	733,631

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 Accounting Standards. There has been no change in the design of our internal controls over financial reporting during the year ended December 31, 2025, 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.

Evaluation of Effectiveness

As required by National Instrument 52-109, *Certification of Disclosure in Issuers' Annual and Interim Filings* issued by the Canadian securities regulatory authorities, an evaluation of the design and testing of the effectiveness of the operation of the Company's disclosure controls and procedures and internal control over financial reporting was conducted as of December 31, 2025, by and under the supervision of management. In making the assessment of the effectiveness of the Company's disclosure controls and procedures and internal control over financial reporting, we used the criteria set forth by the **COSO** in *Internal Control – Integrated Framework (2013 edition)*. The evaluation included documentation review, enquiries, testing, and other procedures considered by us to be appropriate in the circumstances.

Based on that evaluation, the CEO and CFO have concluded that the Company's disclosure controls and procedures and internal control over financial reporting were effective as of December 31, 2025.

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 38 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 from continuing operations were as follows:

- In Q4 2025, following an evaluation of the business needs of our operations, including an alignment with Caterpillar's digital and technology strategy, several technology assets have been or are being decommissioned; as a result, we derecognized previously capitalized costs.
- In Q2 2025, we recorded severance costs for headcount reductions related to consolidation efforts and changes to our organizational structure focused on non-revenue generating positions, primarily in selected back office and technology roles.
- In Q3 2024, we recorded 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 worked to simplify our business activities in each of our operations.
- In Q3 2024, 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 then 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 had been or were planned to 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 our operations.
- Finning qualified for and recorded a benefit from Q2 2020 to Q1 2021 related to **CEWS**, which was introduced by the Government of Canada in response to the **COVID-19** pandemic for eligible entities that met specific criteria.
- In December 2020, the shareholders of **Energyst**, which included Finning, decided to restructure the company. A plan was put in place to sell any remaining assets and wind up Energyst, with net proceeds from the sale to be distributed to Energyst's shareholders. In Q1 2021, we recorded a return on our investment in Energyst.

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

(Restated) (\$ millions)	2025				2024				3 months ended 2023				Years ended	
	Dec 31	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
EBIT ⁽¹⁾	187	240	203	205	212	160	220	195	168	246	235	233	744	539
Significant items:														
Write-off of intangible assets	22	—	—	—	—	—	—	—	12	—	—	—	—	—
Severance costs	—	—	12	—	—	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)	—	—	—	—	—
Gain on wind up of foreign subsidiaries	—	—	—	—	—	—	—	—	—	—	—	(41)	—	—
CEWS support	—	—	—	—	—	—	—	—	—	—	—	—	—	(10)
Return on Energyst investment	—	—	—	—	—	—	—	—	—	—	—	—	—	(5)
Adjusted EBIT ⁽¹⁾	209	240	215	205	212	193	220	195	223	246	235	210	744	524
Depreciation and amortization ⁽¹⁾	94	95	95	90	86	91	89	90	90	86	86	84	301	291
Adjusted EBITDA ⁽¹⁾⁽²⁾⁽³⁾	303	335	310	295	298	284	309	285	313	332	321	294	1,045	815

⁽¹⁾ As a result of the sales of our interests in 4Refuel and ComTech, these businesses qualified as discontinued operations. Effective Q2 2025, the comparative figures have been restated to exclude the results of discontinued operations. For more information on the impact to the financial statements, please refer to Note 3 of our Annual Financial Statements.

⁽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 35-39 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.

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

(\$ millions)	2025				2024				3 months ended 2023				Years ended	
	Dec 31	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
Significant items:														
Write-off of intangible assets	(6)	—	—	—	—	—	—	—	(3)	—	—	—	—	—
Severance costs	—	—	(3)	—	—	(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	—	—	—	—	—
Gain on wind up of foreign														
subsidiaries	—	—	—	—	—	—	—	—	—	—	—	9	—	—
Withholding tax on repatriation														
of profits	—	—	—	—	—	—	—	—	—	—	—	19	—	—
CEWS support	—	—	—	—	—	—	—	—	—	—	—	—	—	2
(Recovery of) provision for taxes														
on the significant items	(6)	—	(3)	—	—	(8)	—	—	(2)	—	—	23	—	2

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

(Restated) (\$)	2025				2024				3 months ended 2023				Years ended	
	Dec 31	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
EPS ⁽¹⁾⁽²⁾	0.88	1.17	0.94	0.95	0.97	0.69	0.97	0.81	0.55	1.03	0.96	0.86	3.14	2.20
Significant items:														
Write-off of intangible assets	0.12	—	—	—	—	—	—	—	0.06	—	—	—	—	—
Severance costs	—	—	0.07	—	—	0.11	—	—	—	—	—	0.09	—	—
Estimated loss for a customer receivable	—	—	—	—	—	0.08	—	—	—	—	—	—	—	—
Foreign exchange and tax of devaluation of ARS	—	—	—	—	—	—	—	—	0.37	—	—	—	—	—
Gain on sale of property, plant, and equipment	—	—	—	—	—	—	—	—	(0.06)	—	—	—	—	—
Gain on wind up of foreign subsidiaries	—	—	—	—	—	—	—	—	—	—	—	(0.21)	—	—
Withholding tax on repatriation of profits	—	—	—	—	—	—	—	—	—	—	—	0.12	—	—
CEWS support	—	—	—	—	—	—	—	—	—	—	—	—	—	(0.05)
Return on Energyst investment	—	—	—	—	—	—	—	—	—	—	—	—	—	(0.03)
Adjusted EPS ⁽¹⁾⁽²⁾	1.00	1.17	1.01	0.95	0.97	0.88	0.97	0.81	0.92	1.03	0.96	0.86	3.14	2.12

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

(Restated) (\$ millions)	2025				2024				3 months ended 2023				Years ended	
	Dec 31	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
EBIT ⁽¹⁾	98	117	114	101	90	61	123	105	108	131	129	120	411	314
Significant items:														
Write-off of intangible assets	5	—	—	—	—	—	—	—	5	—	—	—	—	—
Severance costs	—	—	11	—	—	9	—	—	—	—	—	4	—	—
Estimated loss for a customer receivable	—	—	—	—	—	14	—	—	—	—	—	—	—	—
CEWS support	—	—	—	—	—	—	—	—	—	—	—	—	—	(10)
Adjusted EBIT ⁽¹⁾	103	117	125	101	90	84	123	105	113	131	129	124	411	304

(1) As a result of the sales of our interests in 4Refuel and ComTech, these businesses qualified as discontinued operations. Effective Q2 2025, the comparative figures have been restated to exclude the results of discontinued operations. For more information on the impact to the financial statements, please refer to Note 3 of our Annual Financial Statements.

(2) 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 South American operations is as follows:

(\$ millions)	2025				2024				3 months ended 2023				Years ended	
	Dec 31	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
EBIT	98	109	96	101	103	101	93	84	55	104	104	74	310	209
Significant items:														
Write-off of intangible assets	5	—	—	—	—	—	—	—	4	—	—	—	—	—
Severance costs	—	—	—	—	—	3	—	—	—	—	—	7	—	—
Foreign exchange and tax impact of devaluation of ARS	—	—	—	—	—	—	—	—	56	—	—	—	—	—
Gain on sale of property, plant, and equipment	—	—	—	—	—	—	—	—	(13)	—	—	—	—	—
Adjusted EBIT	103	109	96	101	103	104	93	84	102	104	104	81	310	209

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

(\$ millions)	2025				2024				3 months ended 2023				Years ended	
	Dec 31	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
EBIT	17	24	17	14	22	16	15	14	6	19	18	15	74	53
Significant items:														
Write-off of intangible assets	3	—	—	—	—	—	—	—	3	—	—	—	—	—
Severance costs	—	—	—	—	—	4	—	—	—	—	—	2	—	—
Adjusted EBIT	20	24	17	14	22	20	15	14	9	19	18	17	74	53

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

(\$ millions)	2025				2024				3 months ended 2023				Years ended	
	Dec 31	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
EBIT	(26)	(10)	(24)	(11)	(3)	(18)	(11)	(8)	(1)	(8)	(16)	24	(51)	(37)
Significant items:														
Write-off of intangible assets	9	—	—	—	—	—	—	—	—	—	—	—	—	—
Severance costs	—	—	1	—	—	3	—	—	—	—	—	5	—	—
Gain on wind up of foreign subsidiaries	—	—	—	—	—	—	—	—	—	—	—	(41)	—	—
Return on Energyst investment	—	—	—	—	—	—	—	—	—	—	—	—	—	(5)
Adjusted EBIT	(17)	(10)	(23)	(11)	(3)	(15)	(11)	(8)	(1)	(8)	(16)	(12)	(51)	(42)

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 from Continuing Operations

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. Free cash flow from continuing operations excludes free cash flow from discontinued operations. We use free cash flow from continuing operations to assess cash operating performance, including working capital efficiency. Positive free cash flow generation enables us to re-invest capital to grow our business, repay debt, and return capital to shareholders. A reconciliation from cash flow used in or provided by operating activities to free cash flow from continuing operations is as follows:

(\$ millions)	2025				2024				3 months ended				Years ended	
	Dec 31	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 flow provided by (used in) operating activities	724	(58)	(127)	149	441	383	364	(177)	291	37	66	(166)	1	425
Additions to property, plant, and equipment and intangible assets	(93)	(59)	(30)	(26)	(44)	(38)	(34)	(37)	(51)	(50)	(40)	(79)	(171)	(133)
Proceeds on disposal of property, plant, and equipment	11	61	14	12	2	1	—	4	40	13	5	—	—	8
Less free cash flow from discontinued operations	—	—	(21)	(11)	—	(16)	(7)	(14)	(20)	2	(8)	(21)	(1)	(6)
Free cash flow from continuing operations	642	(56)	(164)	124	399	330	323	(224)	260	2	23	(266)	(171)	294

Invested Capital from Continuing Operations

Invested capital is defined 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 from continuing operations as a measure of the total cash investment made in Finning and each reportable segment. Invested capital from continuing operations is used in a number of different measurements (ROIC from continuing operations, Adjusted ROIC from continuing operations, invested capital turnover from continuing operations) to assess financial performance against other companies and between reportable segments. Invested capital from continuing operations is calculated as follows:

(\$ millions)	2025				2024				2023				2022	2021
	Dec 31	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	(369)	(312)	(431)	(433)	(316)	(298)	(233)	(215)	(152)	(168)	(74)	(129)	(288)	(502)
Short-term debt	518	1,022	944	939	844	1,103	1,234	1,322	1,239	1,372	1,142	1,266	1,068	374
Long-term debt														
Current	180	181	—	6	6	—	—	68	199	203	199	253	114	190
Non-current	1,196	1,200	1,375	1,390	1,390	1,378	1,378	1,379	949	955	949	675	815	921
Net debt ⁽¹⁾	1,525	2,091	1,888	1,902	1,924	2,183	2,379	2,554	2,235	2,362	2,216	2,065	1,709	983
Total equity	2,788	2,785	2,692	2,676	2,642	2,591	2,590	2,574	2,530	2,535	2,414	2,480	2,461	2,343
Invested capital ⁽²⁾	4,313	4,876	4,580	4,578	4,566	4,774	4,969	5,128	4,765	4,897	4,630	4,545	4,170	3,326
Less invested capital from discontinued operations	—	—	—	(245)	(291)	(279)	(286)	(285)	(292)	(305)	(296)	(294)	(310)	(252)
Invested capital from continuing operations	4,313	4,876	4,580	4,333	4,275	4,495	4,683	4,843	4,473	4,592	4,334	4,251	3,860	3,074

Invested Capital Turnover from Continuing Operations

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

Net Debt to Adjusted EBITDA Ratio from Continuing Operations

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. This ratio is calculated as net debt from continuing operations at the reporting date divided by Adjusted EBITDA for the last twelve months. Net debt from continuing operations is calculated as follows:

(\$ millions)	2025				2024				2023				2022	2021
	Dec 31	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
Net debt	1,525	2,091	1,888	1,902	1,924	2,183	2,379	2,554	2,235	2,362	2,216	2,065	1,709	983
Less net debt from discontinued operations	—	—	—	39	31	35	5	(1)	(11)	(30)	(26)	(29)	(48)	(5)
Net debt from continuing operations ⁽¹⁾	1,525	2,091	1,888	1,941	1,955	2,218	2,384	2,553	2,224	2,332	2,190	2,036	1,661	978

⁽¹⁾ This is a non-GAAP financial measure. See "Description of Specified Financial Measures and Reconciliations" in this MD&A.

⁽²⁾ See "Description of Specified Financial Measures and Reconciliations" in this MD&A.

Gross Profit Margin, SG&A Margin, EBIT Margin, Revenue by Line of Business as a % of Revenue, and Revenue by Operation as a % of 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 margin 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 revenue, SG&A divided by revenue, EBIT divided by revenue, revenue by line of business divided by revenue, and revenue by operation divided by revenue.

Adjusted ROIC from Continuing Operations

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 also calculate Adjusted ROIC from continuing operations 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 and invested capital from continuing operations. We use Adjusted ROIC from continuing operations as a useful measure for capital allocation decisions that drive profitable growth and attractive returns to shareholders.

Selected Annual Information

	2025	2024	2023
(\$ millions, except for per share amounts)		(Restated)	(Restated)
Revenue from operations			
Canada ⁽¹⁾	5,151	5,000	4,866
South America	4,007	3,561	3,221
UK & Ireland	1,433	1,342	1,277
Total revenue ⁽¹⁾	10,591	9,903	9,364
Net income from continuing operations ⁽¹⁾⁽²⁾	523	482	503
Earnings per share			
EPS ⁽¹⁾⁽²⁾	3.93	3.43	3.41
Diluted earnings per share from continuing operations ⁽¹⁾	3.92	3.43	3.41
Net income attributable to shareholders of Finning ⁽³⁾	658	509	523
Earnings per share			
Basic earnings per share ⁽³⁾	4.95	3.62	3.55
Diluted earnings per share ⁽³⁾	4.94	3.62	3.54
Total assets ⁽³⁾	7,800	7,731	7,557
Total non-current financial liabilities ⁽³⁾⁽⁴⁾⁽⁵⁾	1,520	1,652	1,184
Cash dividends declared per common share	1.1825	1.075	0.986

- (1) As a result of the sales of our interests in 4Refuel and ComTech, these businesses qualified as discontinued operations. Effective Q2 2025, the comparative figures have been restated to exclude the results of discontinued operations. For more information on the impact to the financial statements, please refer to Note 3 of our Annual Financial Statements.
- (2) These reported financial measures in 2025, 2024, and 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 described on pages 35-39 of this MD&A.
- (3) Includes amounts related to discontinued operations up to May 15, 2025 for ComTech and June 30, 2025 for 4Refuel.
- (4) Non-current financial liabilities comprise the non-current portions of long-term debt and lease liabilities.
- (5) In April 2024, we settled our 4.28% USD 50 million notes which were due 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 our 4.08% USD 100 million notes which were due January 19, 2024.

Selected Quarterly Information

(\$ millions, except for share, per share, and option amounts)	2025 (Restated)				2024 (Restated)			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenue								
Canada ⁽¹⁾	1,258	1,362	1,333	1,198	1,201	1,209	1,377	1,213
South America	986	1,122	947	952	948	952	894	767
UK & Ireland	446	358	329	300	379	328	328	307
Total revenue ⁽¹⁾	2,690	2,842	2,609	2,450	2,528	2,489	2,599	2,287
Net income from continuing operations ⁽¹⁾⁽²⁾	115	154	126	128	133	96	137	116
Earnings per share								
EPS ⁽¹⁾⁽²⁾	0.88	1.17	0.94	0.95	0.97	0.69	0.97	0.81
Diluted earnings per share from continuing operations ⁽¹⁾	0.88	1.16	0.94	0.94	0.97	0.69	0.97	0.80
Net income attributable to shareholders of Finning ⁽³⁾	115	154	285	104	141	103	144	121
Earnings per share								
Basic earnings per share ⁽³⁾	0.88	1.17	2.12	0.77	1.02	0.75	1.02	0.84
Diluted earnings per share ⁽³⁾	0.88	1.16	2.12	0.77	1.02	0.74	1.01	0.84

- ⁽¹⁾ As a result of the sales of our interests in 4Refuel and ComTech, these businesses qualified as discontinued operations. Effective Q2 2025, the comparative figures have been restated to exclude the results of discontinued operations. For more information on the impact to the financial statements, please refer to Note 3 of our Annual Financial Statements.
- ⁽²⁾ These reported financial measures in Q4 2025, Q2 2025, and Q3 2024 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 described on pages 35-39 of this MD&A.
- ⁽³⁾ Includes amounts related to discontinued operations up to May 15, 2025 for ComTech and June 30, 2025 for 4Refuel.

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 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 belief that our strategy is designed to drive a fundamentally improved range of ROIC and earnings capacity through all market conditions; our expectation that we will continue to optimize and variabilize our cost structure; our expectation that our implemented initiatives will increase our invested capital velocity while concurrently improving customer service levels; our expectation that growing our addressable market in used equipment, rental and power & energy 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 Scope 1 and Scope 2 GHG emissions by 40% by the end of 2027 from our 2017 baseline; 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; the expected decommissioning of several technology assets; all information in the section entitled “Market Update and Business Outlook” starting on page 22 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 in the near term of some moderation in activity levels as customers adjust their mine plans and existing equipment fleets; our continued expectation of some challenges in the labour market as the demand for skilled labour remains high; 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 & energy sector, our expectation regarding growing demand for electric power solutions from strong activity in the industrial and data centre markets; in Argentina, our belief that the operating environment remains dynamic and our careful business positioning to capture opportunities, particularly in the oil & gas and mining sectors; our continued monitoring of rules and policies, some of which are helping drive large-scale investment; and our expectation that activity levels will improve in the coming years, subject to an improving investment environment; for our Canada operations: our outlook for Western Canada improving; our expectations regarding the potential to accelerate resource development and infrastructure project activity and our cautious approach with respect to timing and magnitude of such potential activity; our expectation of steady activity levels in our mining business as customers renew, maintain and rebuild aging equipment; our belief that in the power & energy sector, activity remains steady in the oil and gas market, with longer term potential in the data centre market; our belief that construction sector activity, including resource development and infrastructure project activity, is moderate but showing signs of potential for increased activity; our continued focus on building our resilience by managing our cost and invested capital levels; and our leveraging the structural changes and overhead reductions strategy demonstrated in our UK operations to continue driving productivity improvements; for our UK & Ireland operations: our expectation for demand in the construction sector to remain soft (based on assumptions that the low GDP growth projected in the UK will continue); our expectation of a growing contribution from power & energy as we continue to execute our strategy; in power & energy, 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); and our expectation of our product support business to remain stable; for global trade, our belief that ongoing tariff related announcements by the US, Canada and other countries globally has introduced a higher level of uncertainty, cost and complexity to operating for many businesses; the anticipated impact of announced and implemented tariffs, including our belief that the indirect impact of announced and implemented tariffs through reduced economic activity, changes to inflation as well as deferred, delayed or cancelled investment decisions across our customer base remains unknown and difficult to predict; and our expectation of remaining cautious given the evolution of announcements over the past year; and overall: our expectation to continue to execute our strategy in 2026 to maximize product support, improve our cost and capital position to drive full-cycle resilience, and grow prudently in used, rental and power & energy; our expectation that consistent execution will enable us to continue to meet our objective of achieving a sustainably higher Adjusted ROIC in the range of 18-25% in all market conditions;

our expectation that our 2026 net capital and net rental fleet expenditures will be greater than \$350 million and that we will build our rental fleet to capture opportunities as the market improves; our expectation of making selected investments in our capacity and capabilities, such as improving our warehouse operations in Edmonton and focused investments in South America and the UK & Ireland to better serve our customers; 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, geopolitical and trade uncertainty, changing tariffs and 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 ability to maintain our relationship with Caterpillar; 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 access capital markets for additional debt or equity, to finance future growth and to refinance outstanding debt obligations, on terms that are acceptable will be dependent upon prevailing market conditions, as well as our financial condition; 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; 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, environmental disclosures, 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; 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 tariffs and 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 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, commitments and obligations; consistent and stable legislation in the various countries in which we operate; no disruptive changes in the technology environment; our current good relationship with Caterpillar, our customers and our suppliers, service providers and other third parties will be maintained and that Caterpillar and such other suppliers will deliver quality, competitive products with supply chain continuity; sustainment of oil prices; 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

4Refuel	4Refuel Canada and 4Refuel US
ACA	Argentina Customs Authority
Accounting Standards	IFRS [®] Accounting Standards as issued by the International Accounting Standards Board
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
Caterpillar	Caterpillar Inc.
CEO	Chief Executive Officer
CEWS	Canadian Emergency Wage Subsidy
CFO	Chief Financial Officer
CGU	Cash-generating unit
CLP	Chilean peso
ComTech	Compression Technology Corporation
Consol	Consolidated
COSO	Commission of Sponsoring Organizations of the Treadway Commission
COVID-19	Novel Coronavirus
DBRS	Dominion Bond Rating Service
EBIT	Earnings (loss) before finance costs and income tax (from continuing operations)
EBITDA	Earnings (loss) before finance costs, income tax, depreciation, and amortization (from continuing operations)
Energyst	Energyst B.V.
EPS	Basic earnings per share from continuing operations
ERM	Enterprise risk management
FASA	Finning Argentina S.A.
fav	Favourable
Finning	Finning International Inc.
Finning (Canada)	A division of Finning, with dealer territories in British Columbia, Alberta, Saskatchewan, the Yukon Territory, the Northwest Territories, and a portion of Nunavut
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	IAS [®] Standards
KPI	Key performance indicator
LTIP	Long-term incentive plan
MD&A	Management's Discussion and Analysis
n/a	not applicable
NCIB	Normal course issuer bid
OEM	OEM Remanufacturing Company Inc.
PLM	PipeLine Machinery International
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 Instrument 52-112
TSX	Toronto Stock Exchange
UK	United Kingdom
unfav	Unfavourable
US	United States of America
USD	US dollar
WACC	Weighted average cost of capital
WCO	World Customs Organization, an independent intergovernmental body that maintains the international Harmonized System goods nomenclature used in international trade