DISCIPLINED. DEDICATED. DRIVEN.

Q2 2025 Results

Wednesday, July 30, 2025

TOROMONT

Advisory

Information in this presentation that is not a historical fact is "forward-looking information". Words such as "plans", "intends", "outlook", "expects", "anticipates", "estimates", "believes", "likely", "should", "could", "would", "will", "may" and similar expressions are intended to identify statements containing forward-looking information. Forward-looking information in this presentation reflects current estimates, beliefs, and assumptions, which are based on Toromont's perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. Toromont's estimates, beliefs and assumptions are inherently subject to significant business, economic, competitive and other uncertainties and contingencies regarding future events and as such, are subject to change. Toromont can give no assurance that such estimates, beliefs and assumptions will prove to be correct. Toromont's assumptions underpinning forward-looking information include but are not limited to the following: none of the risks identified below materialize; there are no unforeseen changes to economic and market conditions; and, no significant events occur outside the ordinary course of business.

Numerous risks and uncertainties could cause the actual results to differ materially from the estimates, beliefs and assumptions expressed or implied in the forward-looking statements, including, but not limited to: business cycles, including general economic conditions in the countries in which Toromont operates; new tariffs and counter-tariffs imposed on cross-border trade, commodity price changes, including changes in the price of precious and base metals; inflationary pressures; potential risks and uncertainties relating to a potential new world health issue; increased regulation of or restrictions placed on our businesses; changes in foreign exchange rates, including the Cdn$/US$ exchange rate; the termination of distribution or original equipment manufacturer agreements; equipment product acceptance and availability of supply, including reduction or disruption in supply or demand for our products stemming from external factors; increased competition; credit of third parties; additional costs associated with warranties and maintenance contracts; changes in interest rates; the availability and cost of financing; level and volatility of price and liquidity of Toromont's common shares; potential environmental liabilities and changes to environmental regulation; information technology failures, including data or cybersecurity breaches; failure to attract and retain key employees as well as the general workforce; damage to the reputation of Caterpillar, product quality and product safety risks which could expose Toromont to product liability claims and negative publicity; new, or changes to current, federal and provincial laws, rules and regulations including changes in infrastructure spending; any requirement to make contributions or other payments in respect of registered defined benefit pension plans or postemployment benefit plans in excess of those currently contemplated; increased insurance premiums; and risk related to integration of acquired operations including cost of integration and ability to achieve the expected benefits. Readers are cautioned that the foregoing list of factors is not exhaustive.

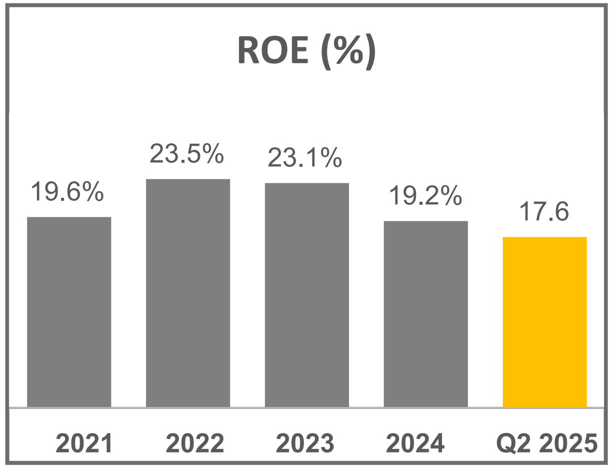
Any of the above mentioned risks and uncertainties could cause or contribute to actual results that are materially different from those expressed or implied in the forward-looking information and statements included herein. For a further description of certain risks and uncertainties and other factors that could cause or contribute to actual results that are materially different, see the risks and uncertainties set out under the heading "Risks and Risk Management" and "Outlook" sections of Toromont's annual Management Discussion and Analysis dated February 11, 2025, as filed with Canadian securities regulators at www.sedar.com or at our website www.toromont.com Other factors, risks and uncertainties not presently known to Toromont or that Toromont currently believes are not material could also cause actual results or events to differ materially from those expressed or implied by statements containing forward-looking information.

Q2 Highlights

- **Q2 results** – Revenue was up 1% in the second quarter of 2025, in part due to revenues from the acquisition. Bottom line results were 8% lower, dampened as expected by lower interest income and non-cash costs related to the acquisition. The current economic environment leads to end market uncertainty.
- **Equipment Group** – **Prime product delivery** was lower as expected on good mining deliveries last year not repeated, partially offset by higher power deliveries from the acquired company. **Rental** improved largely on good activity RPO and light rentals and **product support** reported higher market activity in parts and service revenue.
- **CIMCO** – **Package revenues** increased reflecting good progression and execution on order backlog. **Product support** activity continued to demonstrate growth in both Canada and the US region.
- **Backlog of $1.4 billion up slightly from $1.3 billion Y/Y**, remaining healthy, reflecting moderate order intake, progress on construction and delivery schedules, and the recent acquisition.
- **Q2 Bookings up 14% and YTD Bookings up 1%**, compared to the respective periods last year, with higher bookings at both CIMCO and the Equipment Group in both periods.
- **AVL Manufacturing Inc. ("AVL")** - production has been expanding since acquisition supporting the healthy order backlog and building demand. US expansion underway, first phase production is planned for Q4.
- **Financial position remains strong** - liquidity well-positioned to support activity levels & growth opportunities.
- **Team** continues to execute safely in support of customer needs.

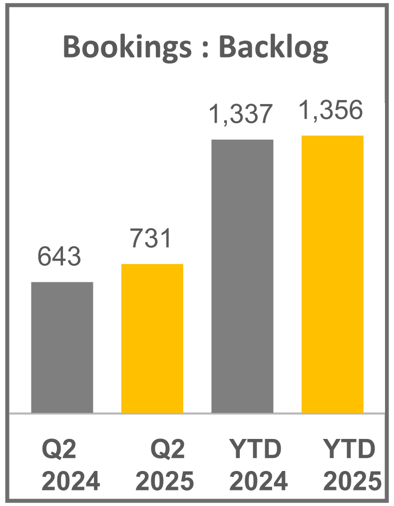
Financial Highlights

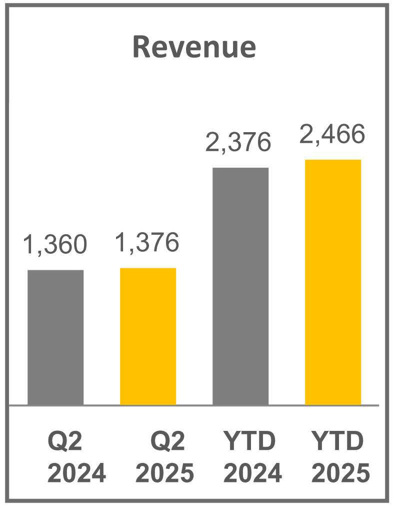
- **Non-cash Working Capital –** increased 4% compared to Q2 2025; the team continues to exercise discipline and focus on customer requirements, market conditions and activity levels.
  - **Inventories** – decreased in both the Q2 and YTD periods, due to executed deliveries against order backlog and inventory reduction initiatives.
  - **AR** – **Q2** increased, in part reflecting the increase in revenue in the quarter, slower collection activity, and $48.6 million receivables acquired as a result of the acquisition of AVL. **YTD** increased primarily reflecting higher trailing revenue and the acquisition.
- **Strong financial position** with **$1 billion** cash on hand, $456 million in additional liquidity available through existing Credit Facilities. $150 million debentures redeemed in early July 2025.
- **Net Debt to Total Capitalization ratio** of -3% versus -6% as at Q2 2024.
- **NCIB** repurchased and cancelled 337,500 shares YTD (approximately $40.3 million) (2024 – repurchased and cancelled 608,000 shares, approximately $75.0 million).
- **Quarterly dividend** of $0.52 cents per share.
- **ROE at 17.6%**, slightly lower than our long-term target of 18%.
- **ROCE at 23.1%** (2024 – 27.9%).

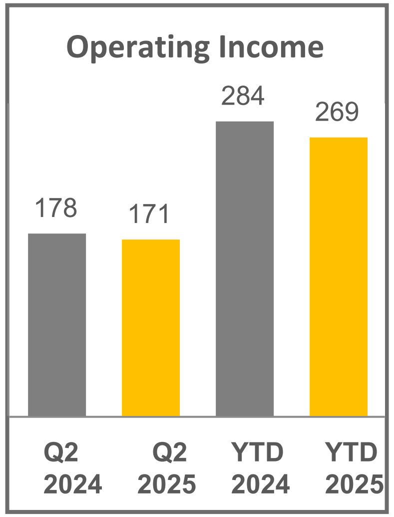


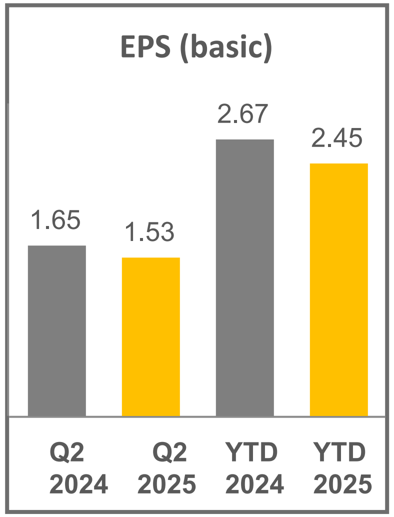
Financial Summary

Financial Data in $ million, EPS in $ per share





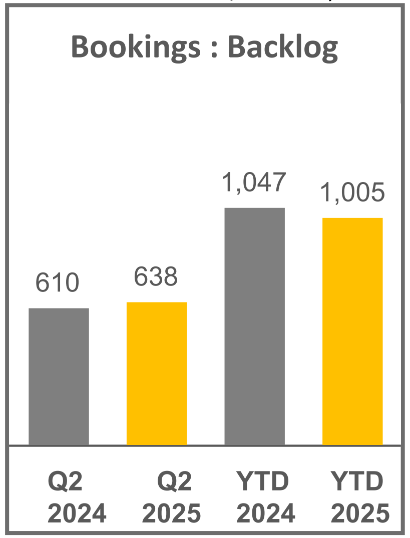


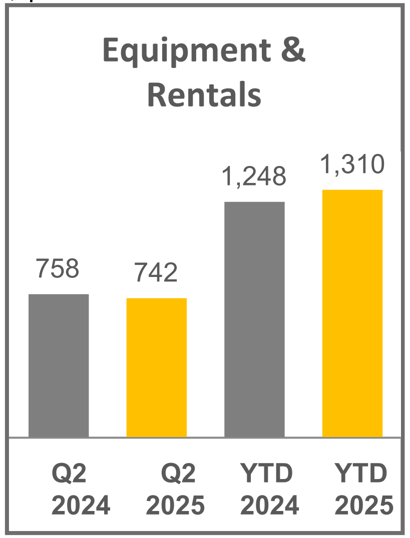


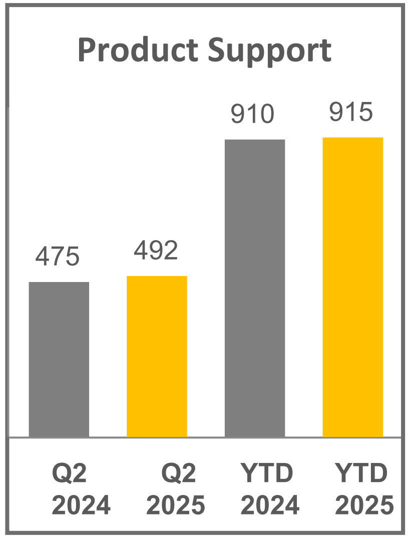
- **Bookings** up 14% in Q2 (YTD +1%), higher orders at both the Equipment Group & CIMCO (YTD, higher bookings: Equipment Group +1% & CIMCO +4%)
- **Backlog** remains healthy at $1.4 billion – Equipment Group down 4% and CIMCO up 21%
- **Revenue** +1% in Q2 (YTD +4%)
  - **Equipment sales** down 2% in Q2 (YTD +5%)
  - **Product Support** +3% in Q2 (YTD +1%)
  - **Rental revenue** +15% in Q2 (YTD +13%)
- **Expenses** were +11% in Q2 (YTD +6%)
  - AVL added $12.9 million to expenses in Q2, excluding AVL expenses increased 3% YoY
  - Compensation costs reflect annual increases, more than offset by lower profit sharing accruals on lower income
  - Other SG&A increased to support higher activity levels and future growth
  - Allowance for doubtful debt expenses down $2.9 million on improvements on certain exposures and good collections
  - DSU MTM adjustments increased expense $2.8 million, on the slightly higher share price
- **Operating Income** down 4% in Q2 & down 5% YTD, as the higher revenue was more than offset by higher expenses including acquired business expenses and purchase price adjustments
- **Net Interest expense** up $8.7M in Q2 & up $13.7M YTD, reflecting lower rates
- **Net Earnings** down 8% in Q2 or $11.0M (YTD down 9% to $198.8M)
- **Basic EPS** of $1.53 down 7% in Q2 (YTD $2.45 down 8%)

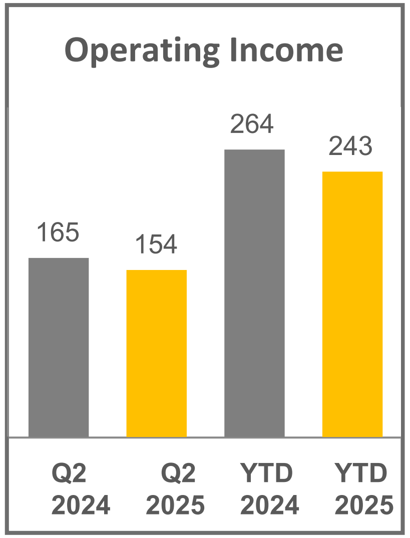
Equipment Group

Financial Data in $ million, EPS in $ per share





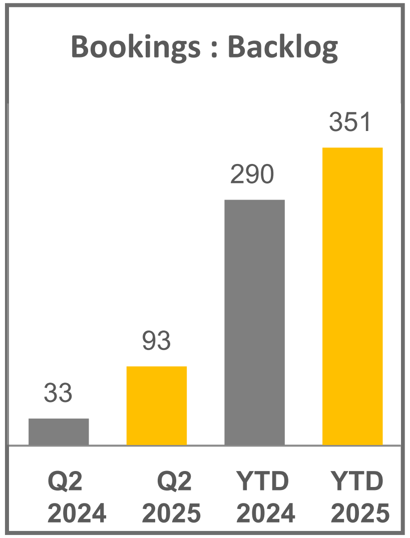


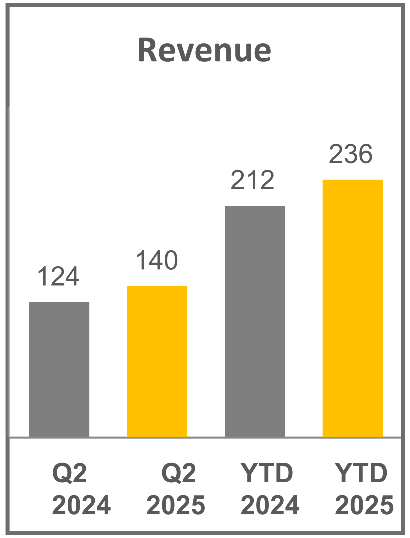


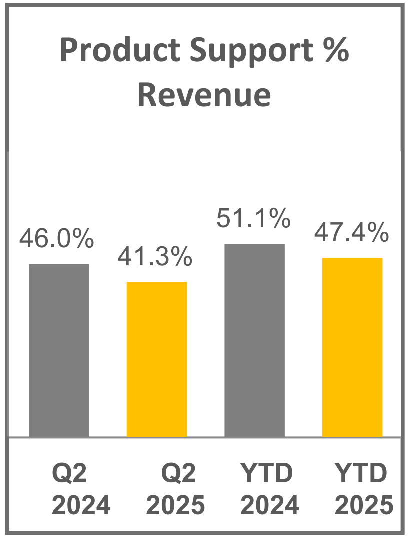
- **Bookings** up 5% in Q2 (YTD up 1%) with strong bookings in construction, power systems & material handling being partially offset with lower mining orders in Q2 and YTD
- **Backlog** 4% lower YoY reflecting deliveries against customer orders from the opening backlog, partially offset by good new bookings and the recently acquired AVL operation
- **Revenue** unchanged in Q2 (YTD +3%)
  - Total equipment revenue down 5% in Q2 (YTD +3%)
  - Rental up 15% in Q2 (YTD +13%)
  - Product Support up 4% in Q2 (YTD +1%)
- **Gross profit margins** up 40 basis points in Q2 (down 90 bps YTD) - QTD largely on higher equipment and favourable sales mix. YTD - largely on lower rental, product support margin and unfavourable sales mix
- **Expenses** +12% QTD (YTD +6%)
  - AVL added $12.9 million to expenses in Q2
  - Compensation costs were largely unchanged and reflect annual increases, more than offset by lower profit sharing accruals on lower income
  - Other SG&A increased to support higher activity levels and future growth
- **Operating Income** down 7% in Q2 (YTD down 8%), reflecting lower activity levels, and slightly higher expenses

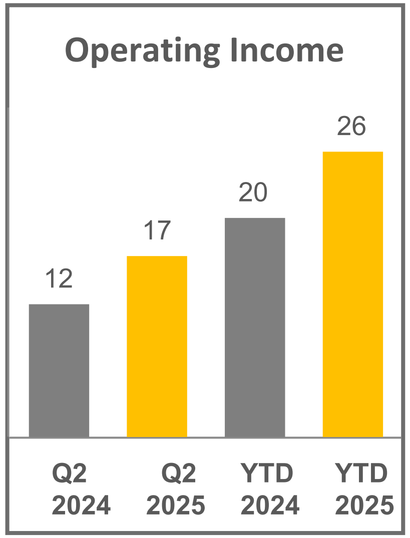
CIMCO

Financial Data in $ million, EPS in $ per share









- **Bookings** up 185% in Q2 (YTD +4%)
  - Industrial market up 752%, with strong activity in Canada & weaker in the US (YTD up 18%, higher in Canada, on strong Q2 bookings, partially offset by lower US bookings
  - Recreational market +27% (YTD -10%) stronger in the US & lower in Canada
- **Backlog** up 21% reflecting good order intake in the recreational market (+31%) and the industrial market (+14%) in both Canada & the US
- **Revenue** up 13% in Q2 (YTD +11%)
  - **Package Sales** +22% QTD (YTD +20%) with good execution on package project construction and improvements in equipment delivery schedules
  - **Product Support** +1% QTD (YTD +3%) activity levels continued to improve and increased technician workforce
- **Gross profit margins** up 60 basis points in Q2 (YTD +70 bps) vs 2024
  - QTD higher package margins +60bps & higher product support margins +50 bps
  - YTD higher package margin +90 bps & higher product support margins +20 bps
  - Unfavourable sales mix in both the QTD (-50 bps) and YTD (-40 bps)
- **Expenses** up 2% in Q2 (YTD +5%)
  - Higher planned compensation costs/staffing levels, annual increases and higher profit sharing accruals on higher earnings
  - Higher travel and training expenses to support activity
- **Operating Income** up $4.4M in Q2 (YTD +$6.1M)
  - QTD & YTD higher revenue & improved gross margins slightly offset by higher expenses

Key Takeaways Leading into Q2

- **Our key focus areas**:
  - Execute safely
  - Serve and support our customer requirements
  - Disciplined focus on building our business for the future (leverage operating model & managing risks)
- **Expecting the business environment** to be influenced buy a number of factors, some of which are:
  - Trade tensions create uncertainty, are being closely monitored
  - Economic factors - inflation stabilizing , declining interest rates, FX rates and volatile macro-economic trends & geopolitical developments
  - Balancing customer credit risk while supporting growth and operational requirements
- **Backlogs** remain healthy and well positioned
- **Technician hiring** is a key priority and it remains an essential focus to support the growing customer demand for our products and services
- **Operationally and Financially, we are well positioned** with ample liquidity and our strong leadership teams, disciplined culture and focused operating models
- **Thank-you** to our customers, our people, our supply partners and our shareholders for your continued support

2025 Schedule

All dates and times are preliminary and subject to change

Quarter	Release Date *After market close*	Investor Call Date	Investor Call Time *Eastern*
Q3 2025	October 30, 2025	October 31, 2025	8:00 AM
Fiscal 2025	February 10, 2026	February 11, 2026	8:00 AM

THANK YOU

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