



Leading the **ZE**volution™

NFI Group Inc. Third Quarter Results

November 6, 2024

Cautionary Statement

Certain statements in this presentation are “forward looking statements,” which reflect the expectations of management regarding the Company's future growth, results of operations, performance and business prospects and opportunities.

These forward-looking statements are made as of the date of this presentation and NFI assumes no obligation to update or revise them to reflect new events or circumstances, except as required by applicable securities laws. See the Appendix to this presentation for more details about the forward-looking statements.

In addition, certain financial measures used in this presentation, including but not limited to, backlog, Liquidity, Adjusted EBITDA, Adjusted Net Earnings (Loss) and Free Cash Flow are not recognized earnings measures and do not have standardized meanings prescribed by International Financial Reporting Standards (“IFRS”). Therefore, they may not be comparable to similar measures presented by other issuers. See the Appendix to this presentation and the Company’s related Management Discussion & Analysis (“MD&A”), available on SEDAR (www.sedarplus.ca) for more information and detailed reconciliation to the applicable IFRS measures.

All figures in U.S. dollars unless otherwise noted.



Key Terms

- ✓ Buses manufactured by New Flyer and Alexander Dennis' single and double deck buses are classified as "**transit buses**". ARBOC manufactures body on-chassis or "**cutaway**" and "**medium-duty**" buses that service transit, paratransit, and shuttle applications. Collectively, transit buses, medium-duty buses and cutaways, are referred to as "**buses**".
- ✓ A "**motorcoach**" or "**coach**" is a 35-foot to 45-foot over-the-highway bus typically used for intercity transportation and travel over longer distances than heavy-duty transit buses and is typically characterized by (i) high deck floor, (ii) baggage compartment under the floor, (iii) high-backed seats with a coach-style interior (often including a lavatory), and (iv) no accommodation for standing passengers.
- ✓ **Zero-emission buses ("ZEBs")** refers to vehicles that do not have internal combustion engines. ZEBs include trolley-electric, hydrogen fuel cell-electric, and battery-electric buses and coaches.
- ✓ One **equivalent unit** (or "**EU**") represents one production "slot", being one 30-foot, 35-foot, 40-foot, 45-foot heavy-duty transit bus, one double deck bus, one medium-duty bus, one cutaway bus or one motorcoach, whereas one articulated transit bus represents two equivalent units. An articulated transit bus is an extra-long transit bus (approximately 60-feet in length), composed of two passenger compartments connected by a joint mechanism. The joint mechanism allows the vehicle to bend when the bus turns a corner yet have a continuous interior.
- ✓ Many public customer contracts include options to purchase transit buses and motor coaches in the future, and a large portion of the Company's order book is represented by "**options**" as opposed to "**firm orders**."

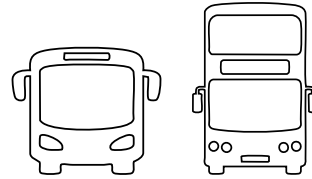




A global independent bus and coach solution provider that is leading the evolution to zero-emission mobility.



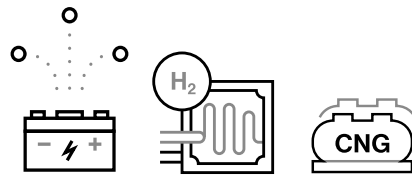
We Move People



Offer a mix of heavy-duty buses and coaches, and medium-duty and cutaway buses

>100,000

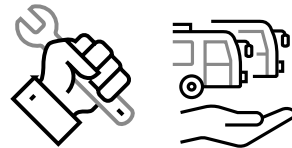
Vehicles in Service



Provide battery electric, hydrogen, hybrid, CNG, and diesel propulsion

12 countries

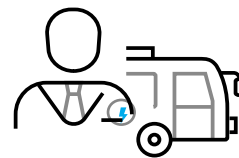
Have an NFI vehicle in service



Access to world class parts & aftermarket Specialists

44

Facilities across the Group



Market and technology leaders in all of our core markets

~9,000

Team members around the world

Our Values and Our Stakeholders Drive Our Decisions



Safety

The health and wellbeing of our team members and the safety of our products are our top priorities.



Quality

We strive for excellence in our products, services, and all that we do.



Integrity

We act with honesty, transparency, and integrity, treating each other with respect in a diverse, equitable, and inclusive workplace.



Accountability

We take responsibility for our actions, seeking to build trust and earn a reputation for excellence and reliability.



Teamwork

We work with our team members, our supplier partners, and our customers to pursue mutual benefits.



Sustainability

We seek long-term success for our business, our communities, and the environment through responsible sourcing, lean manufacturing, and sustainable operations.

Leader in Zero-Emission Transportation

220M+

Electric service miles driven

4,331

ZEB EUs delivered since 2015

\$12B

Value of total backlog¹ (14,590 EUs)

51%

of North American Public Bid Universe is ZEBs

24%

of 2024 Q3 deliveries were ZEB EUs (243 EUs)

41%

of total backlog¹ is ZEB EUs (5,987 EUs)

150+

Cities have NFI ZEBs in service or on order

6

Countries have NFI ZEBs in service or on order

540+

EV chargers delivered via Infrastructure Solutions™ since 2018 (87+ megawatts of charging capacity)



1. Represents a non-IFRS measure, meaning it is not a defined term under IFRS and does not have a standard meaning, so it may not be a reliable way to compare NFI to other companies. See Non-IFRS and Other Financial Measures section of the Appendix of this presentation and the MD&A available on SEDAR at www.sedarplus.ca



Third Quarter 2024 Results



Leading the **ZE**volution™

2024 Q3 Financial Summary



Significant Demand Growth

29,015

EUs in North American Total Bid Universe

115%

Book-to-Bill² for LTM 2024 Q3

+8%

Increase in new orders (2024 Q3 vs. 2023 Q3)

+57%

Increase in new orders (LTM 2024 Q3 vs. LTM 2023 Q3)

70%

Option conversion rate for 2024 Q3



Financial Performance

+11%

YoY increase in average Transit EU sale price

12%

Gross margin, up from 7% in 2023 Q3

+375%

YoY increase in NFI's Adjusted EBITDA¹

\$15M

Net Loss, improved by 62.4% YoY

5.3%

ROIC¹, improvement of 6.3% YoY



Strong Backlog

\$12B

Total value of backlog¹

+19%

YoY increase in average selling price (ASP) (backlog¹)

127

EUs in bid award pending at end of 2024 Q3

3,226

EUs of bids submitted in 2024 Q3

38%/62%

Split of Firm and Option orders in backlog

Supply Chain + Labour



Significant disruption from North American seat supplier

Production ramp up continues - impacted by labour efficiency and supply disruption

\$144M

Ending liquidity³

53

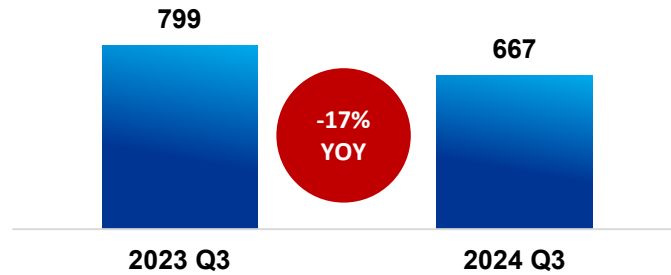
Working Capital days³ (down from 63 days as of end of 2023 Q3)

\$480M

Net Working Capital remains elevated, reflecting delivery timing and impact of seat supply disruption

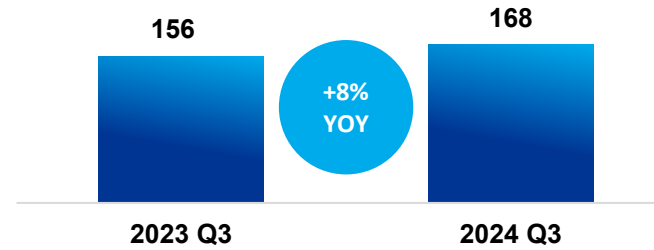
2024 Q3: Deliveries

Heavy-Duty Transit Bus



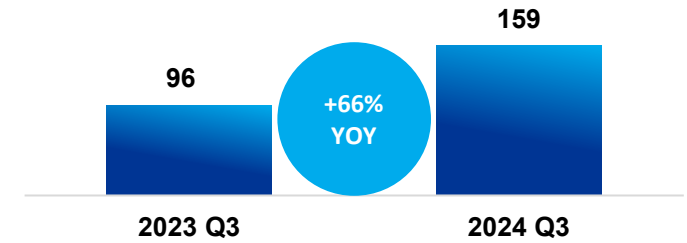
- North American transit deliveries disrupted by customer specified seat supply issues (reduction of approximately 79 EUs)
- Labour production efficiency impacted by seat disruption and continued ramp-up of ZEBs
- Average selling price of \$626k/EU, an 11.1% year-over-year improvement

Motorcoach



- Improvement driven by private market demand for commuter, and tour and charter services
- Anticipate additional growth in the fourth quarter, coach's seasonally busiest period
- Average selling price of \$649k/EU, a 5.2% year-over-year improvement

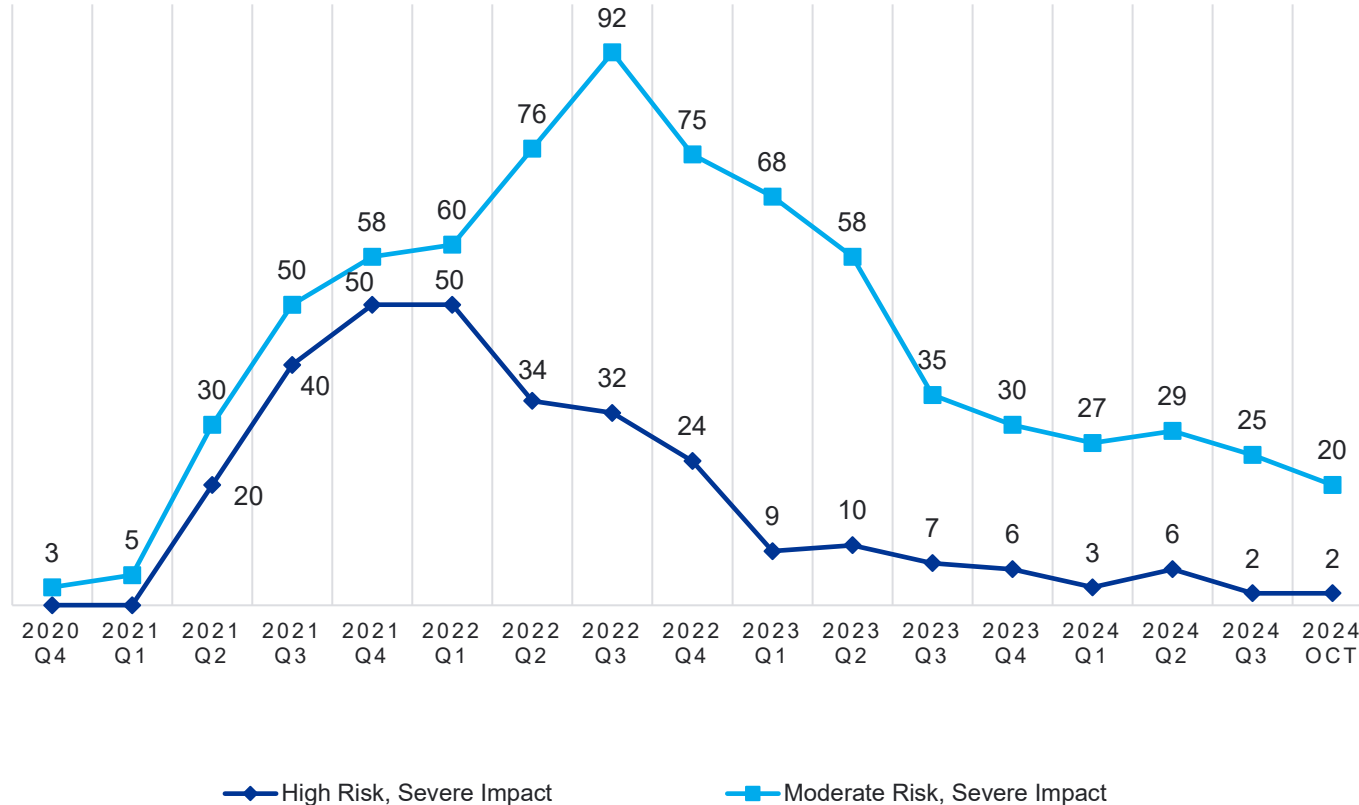
Low-Floor Cutaway + Medium-Duty Bus



- Highest delivery quarter ever for ARBOC
- Driven by increased demand for low-floor cutaway buses, that provide increased accessibility for all riders
- Average selling price of \$118k/EU, decrease of 11.1% reflecting lower medium-duty bus sales

NFI High and Moderate Risk Suppliers

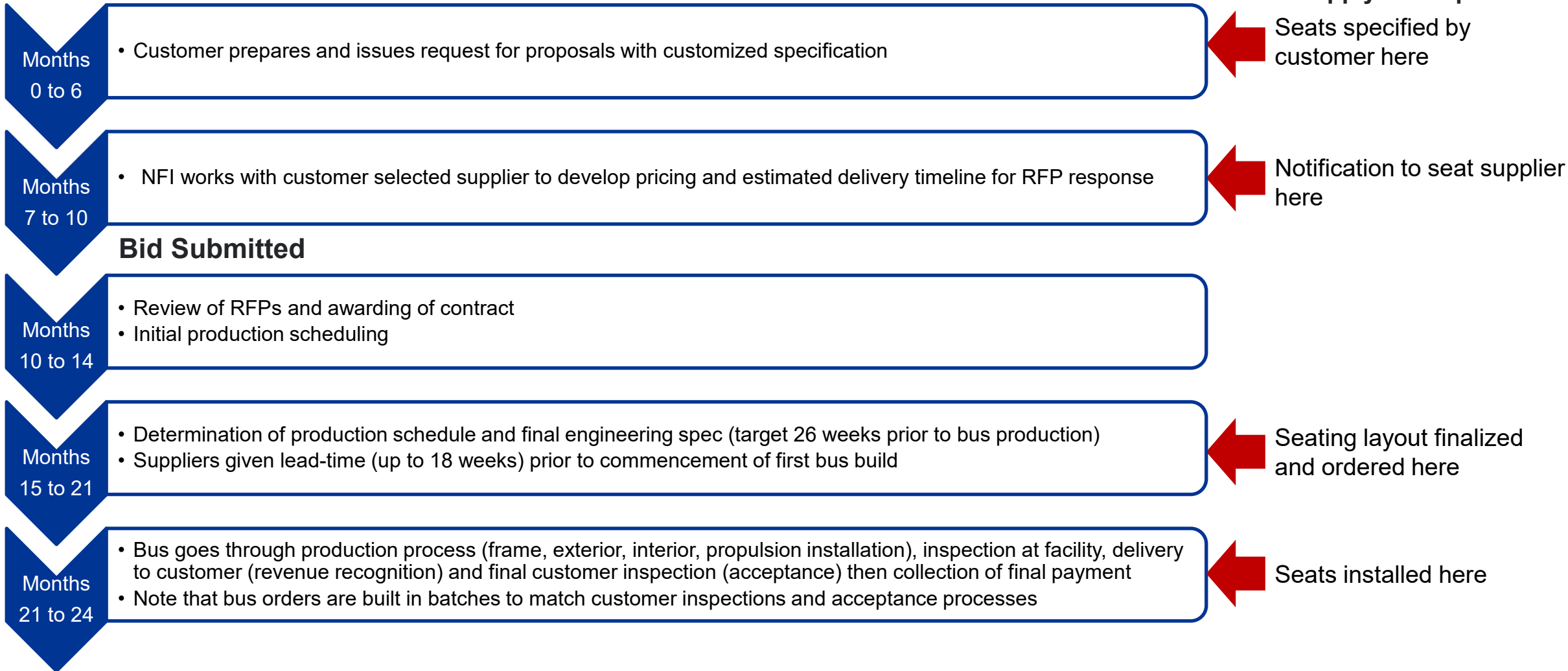
Currently 2 High Risk Suppliers in NFI top 750



- Suppliers remain on risk register until on-time delivery is sustained for 90 days and no other concerns remain
- Significant reduction in high and moderate risk suppliers from 2022 through 2024
- Slight increase in June reflecting wiring harnesses and seat supply
- Current high-risk suppliers include seat supply plus a general parts provider
- Moderate risk suppliers include certain EV component providers, including high voltage cables, wiring harnesses

Seat Disruption Impacts

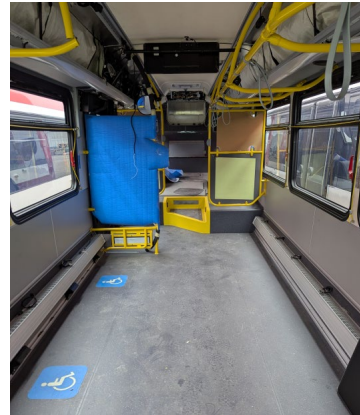
Key Steps in North American Transit Bus Procurement and Manufacturing Process¹



Seat Disruption Impact

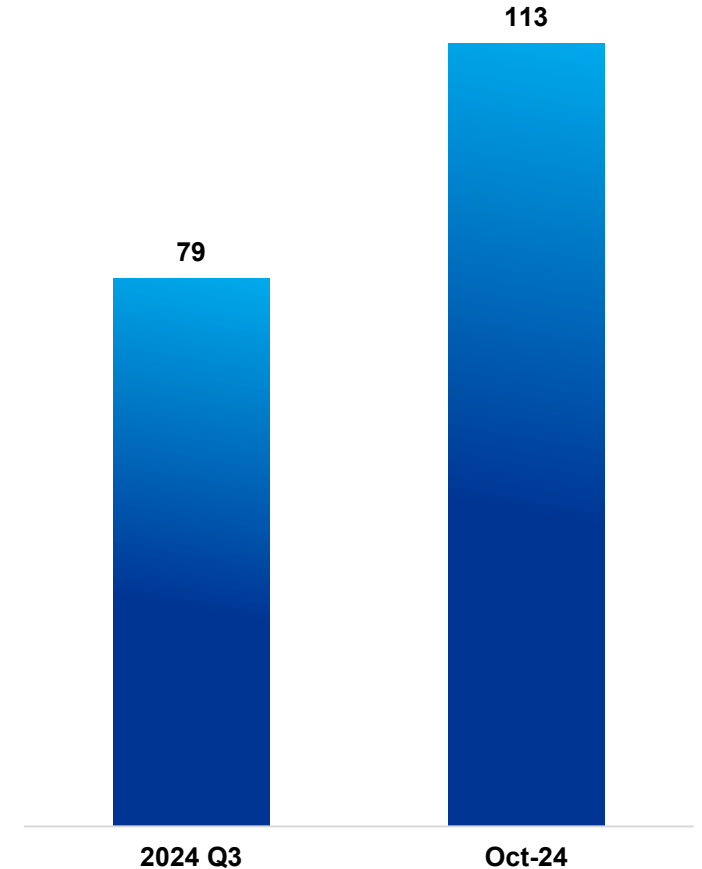
Seat Recovery Action Plan

- ✓ NFI and competitor resources on site with daily/weekly calls
- ✓ NFI intervention led to engagement of third-party operational consultant to develop and execute recovery plan
- ✓ Supplier engaged third-party labour to assist recovery who has developed a triage and action plan to lower open production hours by end 2024
- ✓ NFI working with an alternate seat supplier (successful European company) to establish Buy America production for 2025
- ✓ Actively pursuing advance payments from impacted customers to offset inventory



Essentially complete buses awaiting seats

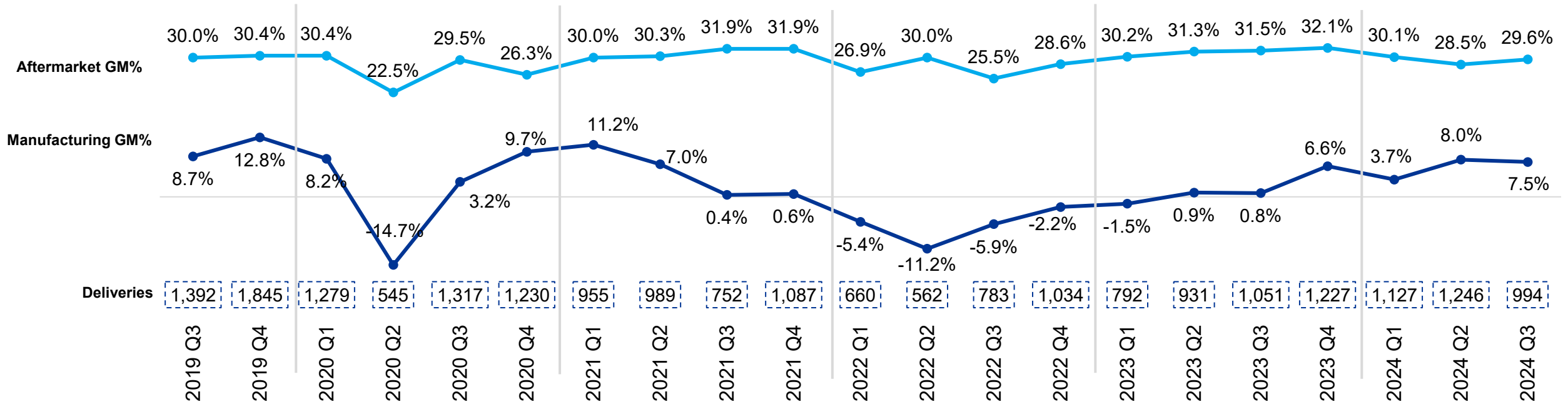
Bus EUs Missing Seats in Inventory¹



¹. Total includes buses that are essentially complete except for missing seats that need to be installed. Additional buses currently in production that are missing seats

Quarterly Gross Margins

NFI Segment Quarterly Gross Margins (includes Depreciation and Amortization)



Primarily impacts of COVID-19 and initial global supply disruption

Primarily impacts of global supply disruption and heightened inflation.

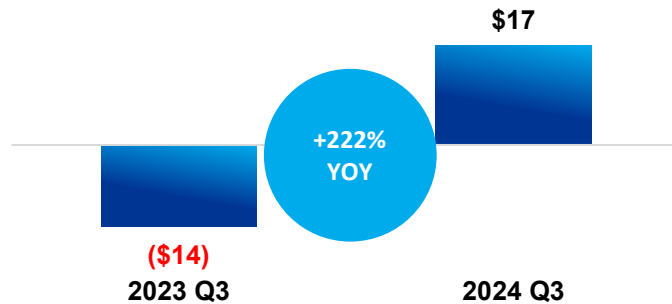
Increase in volumes and lower inflation impacted contracts help increase manufacturing margins

Aftermarket pricing actions and retrofit programs help drive margin increases

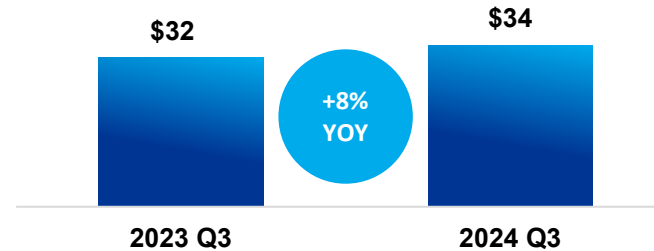
Aftermarket sales mix leads to slightly lower gross margins

Adj. EBITDA¹ Year-over-Year

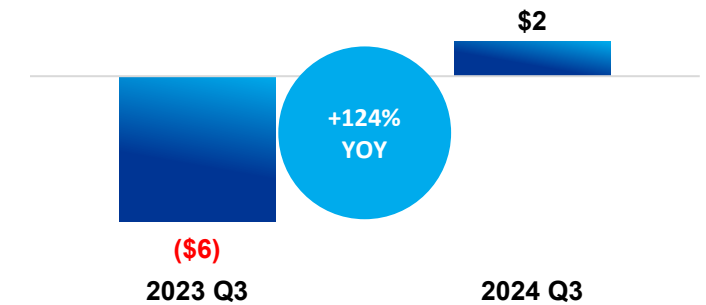
Manufacturing



Aftermarket



Corporate



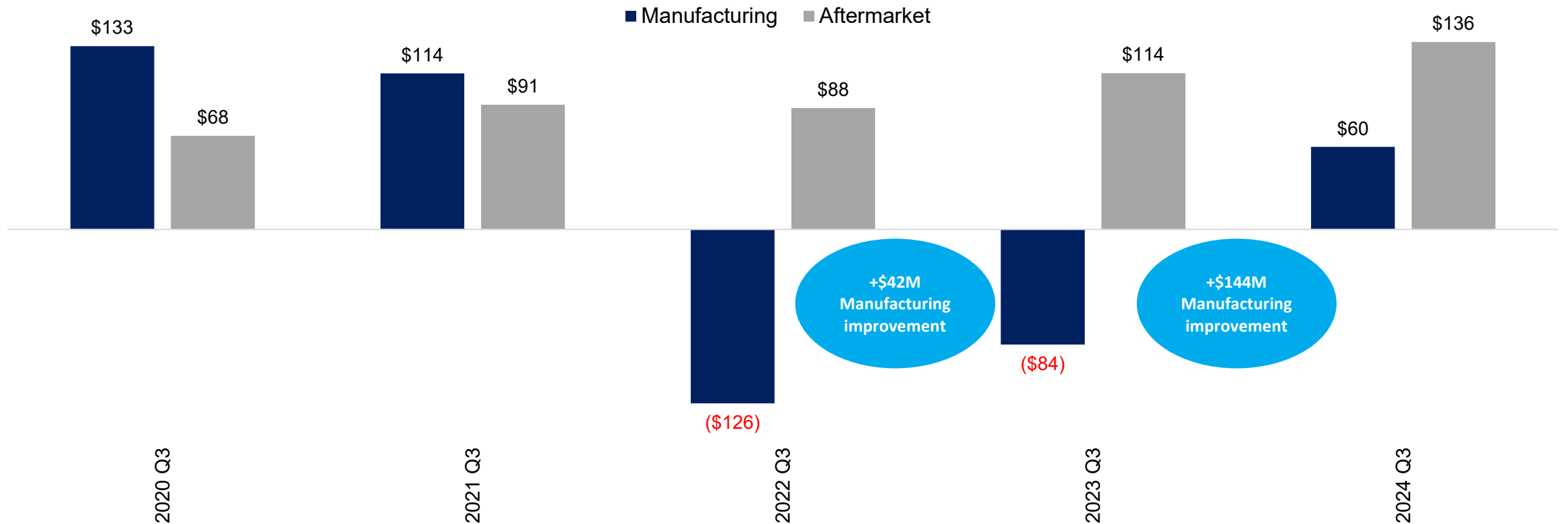
- Significant improvement driven by improved gross margins with roll-off of legacy inflation impacted contracts
- Improved overhead and administrative cost absorption and benefits of higher deliveries within coach and low-floor cutaway

- Higher sales volumes and improved gross margins

- Positive impacts of realized foreign exchange gains
- Contribution from captive insurance provider

LTM Adjusted EBITDA

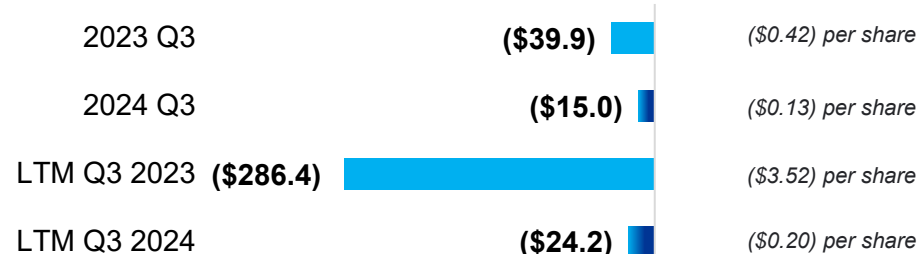
NFI Segment LTM Adjusted EBITDA¹ \$M



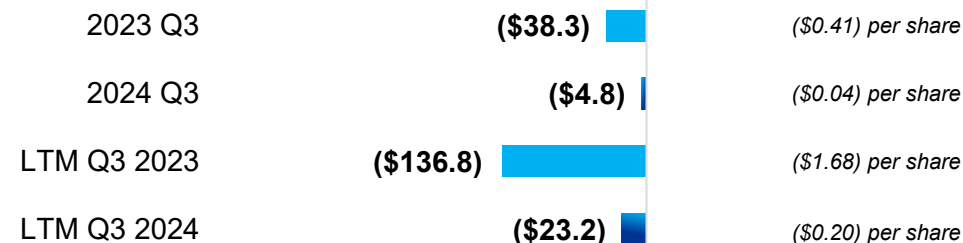
Note: Corporate segment results are not included in the above. Corporate segment would need to be added to Manufacturing and Aftermarket to obtain NFI's Consolidated Adjusted EBITDA results.

Q3 2024 Net Loss and Adjusted Net Loss

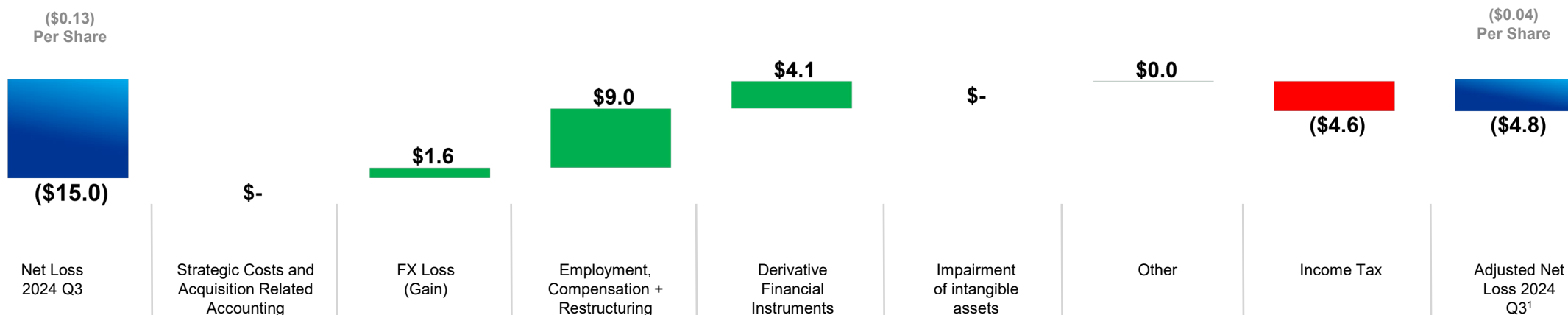
Net Loss (\$M)



Adjusted Net Loss (\$M)¹



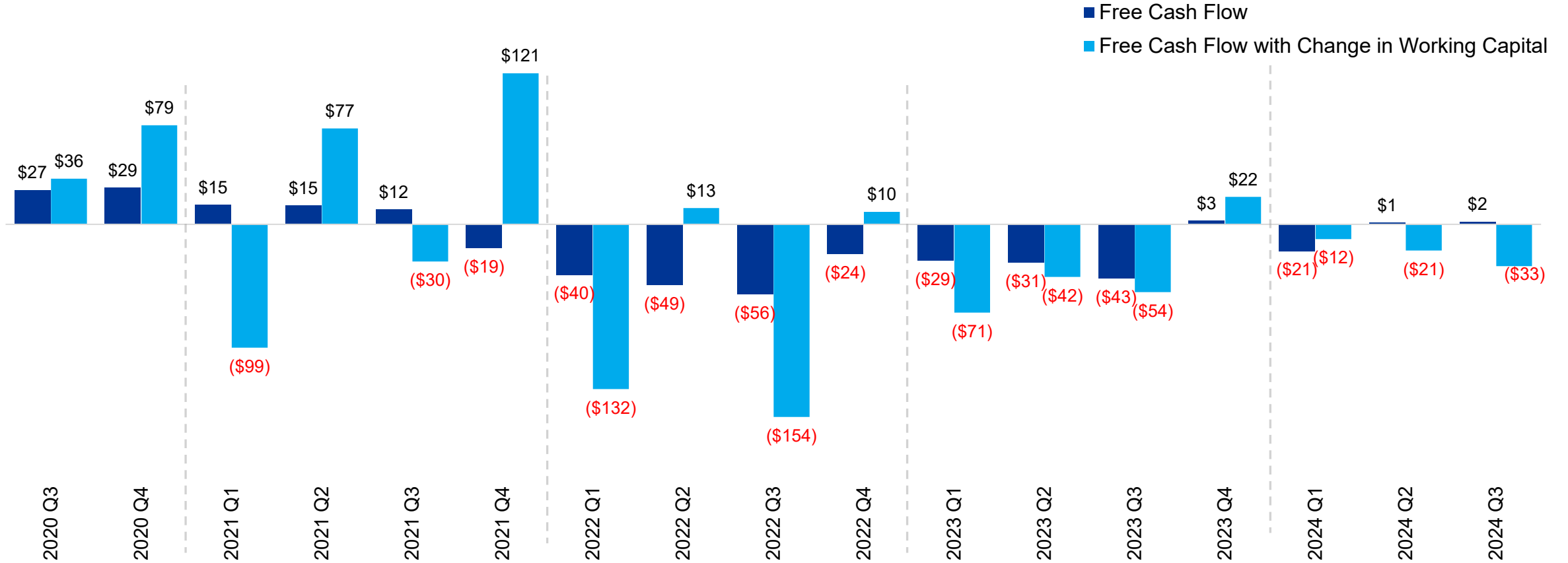
Reconciliation – Net Loss to Adjusted Net Loss Q3 2024 (\$M)¹



1. Adjusted Net Earnings (Loss) represents a non-IFRS measure, meaning it is not a defined term under IFRS and does not have a standard meaning, so it may not be a reliable way to compare NFI to other companies. See Cautionary Statement. See Non-IFRS and Other Financial Measures section of the Appendix of this presentation and the MD&A available on SEDAR at www.sedarplus.ca

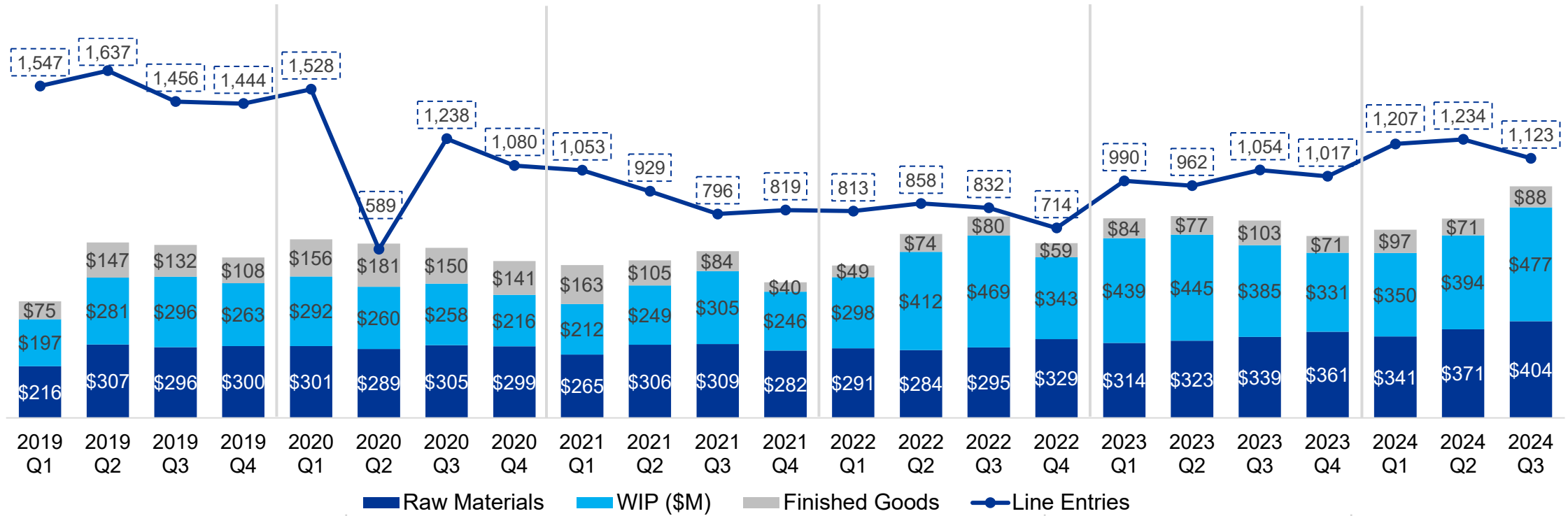
Quarterly Free Cash Flow

NFI Free Cash Flow and Free Cash Flow Plus the Change in Working Capital
(2020 Q1 – 2024 Q3) \$M



Increasing Production Rates yet managing Working Capital

Total NFI Inventory US\$M (Raw Materials, WIP and Finished Goods \$M) vs Quarterly Vehicle Line Entries¹



Raw Materials **WIP (\$M)** **Finished Goods** **Line Entries**

Idled facilities in response to initial COVID-19 wave

Followed by completing and shipping buses from inventory and idling private coach manufacturing

Major supply disruption experienced in 2021 Q3 and continued through 2022

Production improvements with improving supply chain performance

Extensive Hiring for ramp-up

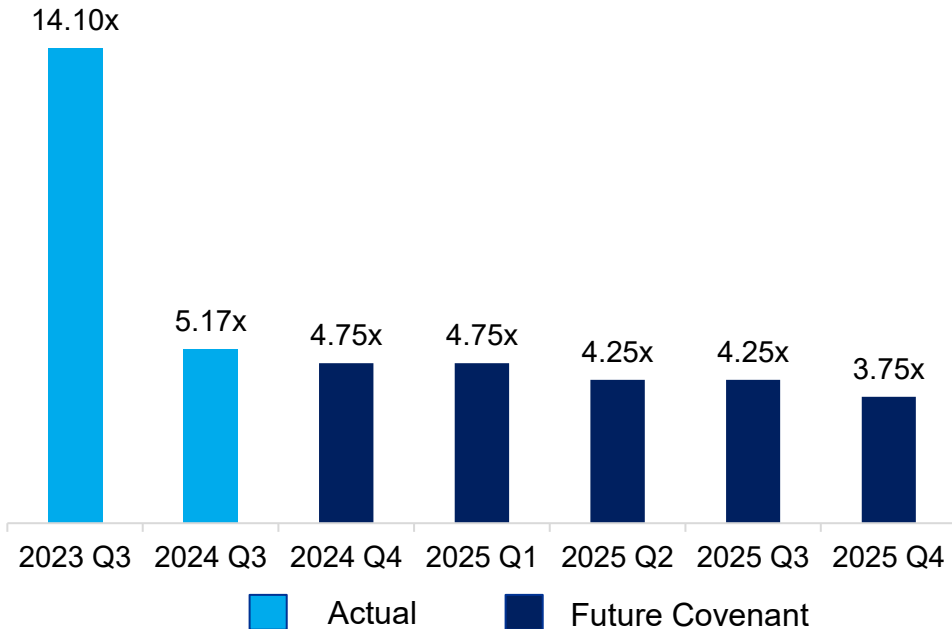
H1 2024 improvements in supply and labour supporting production increases

Q3 impact of seat supply disruption

¹ Raw materials includes components not yet installed on a vehicle, work-in-process includes vehicles on the production line or offline awaiting parts and final completion/commissioning, finished goods includes completed vehicles and vehicles in transition to customers/final inspection sites

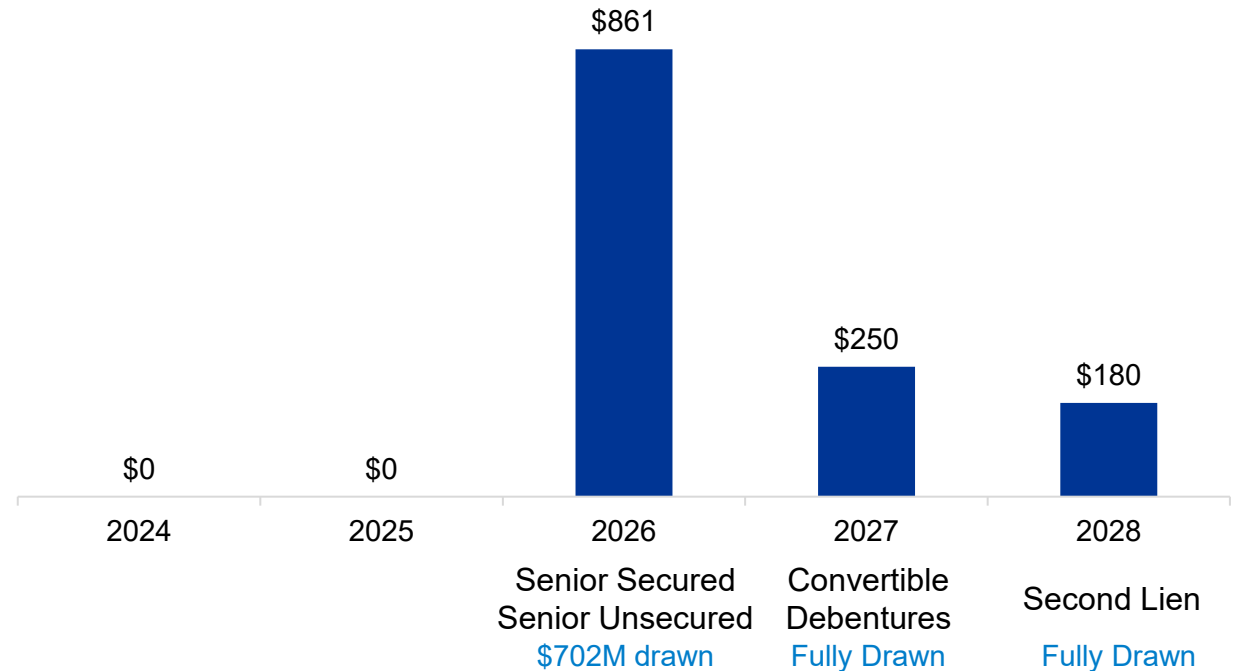
Leverage and Debt Maturities

Total Leverage Ratio and Forward Covenant¹



- ✓ Expect to achieve target leverage below 2.5x by the end of 2025


Debt Maturities 2025 – 2028 (\$M) – total capacity and current borrowings



- ✓ Investigating options to reposition certain debt balances to other debt instruments
- ✓ Opportunity to lower overall interest expenses and increase liquidity – likely in 2025, will provide update with 2024 Q4 results

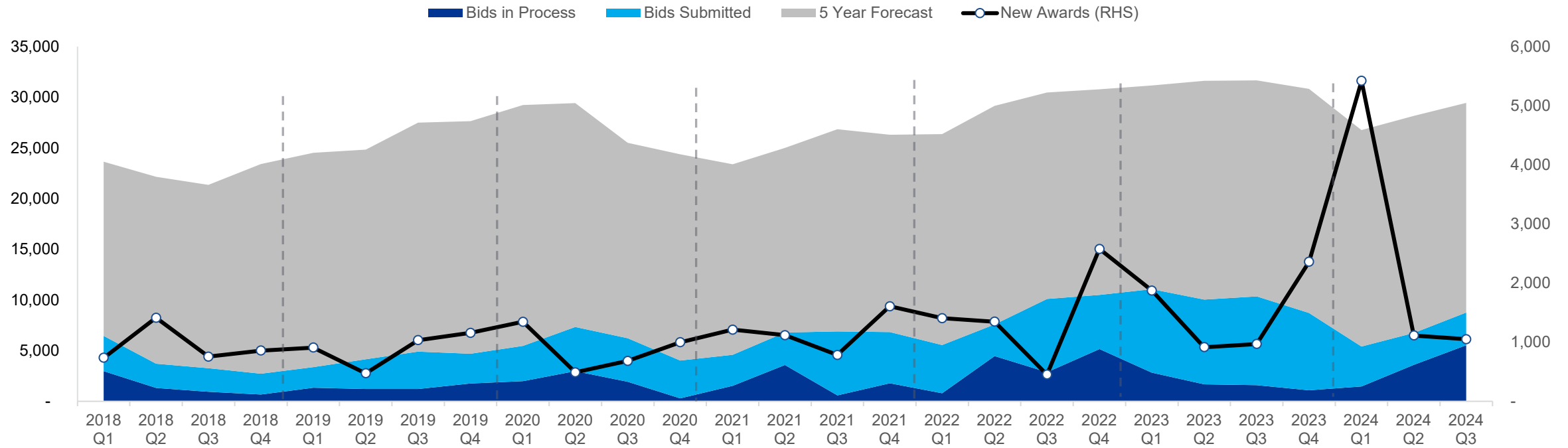
An aerial photograph of a city intersection, showing multiple lanes of traffic, buildings, and green spaces. A white rectangular text box is overlaid on the left side of the image. The text box contains a blue horizontal line, the title "Poised for Recovery", the NFI logo, and the tagline "Leading the ZEvolution™".

Poised for Recovery

 Leading the **ZEvolution**™

Canadian/US Public Market Bid Universe remain Strong

Avg. timeline from bid release to production = 12 to 18 months



3,226 EUs

Bids Submitted

127 EUs

Bid Award Pending

5,533 EUs

Bids in Process

20,690 EUs

Five-Year Procurement Outlook
compiled from customer fleet
replacements plans

NFI Benefiting from Customer Purchasing Schedules:

40+

Purchasing Schedules with NFI

1,900+ EUs

Awards from Purchasing Schedules

Since inception, **NFI Infrastructure Solutions™** has been responsible for the delivery of **490** plug-in and **54** overhead charger projects, with **28** active projects under contract.

2024 Q3 Market Updates

Government Funding Announcements

- ✓ **\$1.1B 2024 Low or No Emission (Low-No) Grant Awards Announced**– NFI was named partner on over **\$338M** of Low-No grants in 2024; part of the \$108 billion being invested in U.S. public transit through the Infrastructure Investment and Jobs Act
- ✓ **C\$30B Canadian Public Transit Fund** – largest public transit investment in Canadian history. Ten-year program starting in 2026
- ✓ **New UK administration increasing focus on regional investments** – increasing focus on ensuring positive benefits maintained in UK

NFI's All Canadian Build (Project True North)

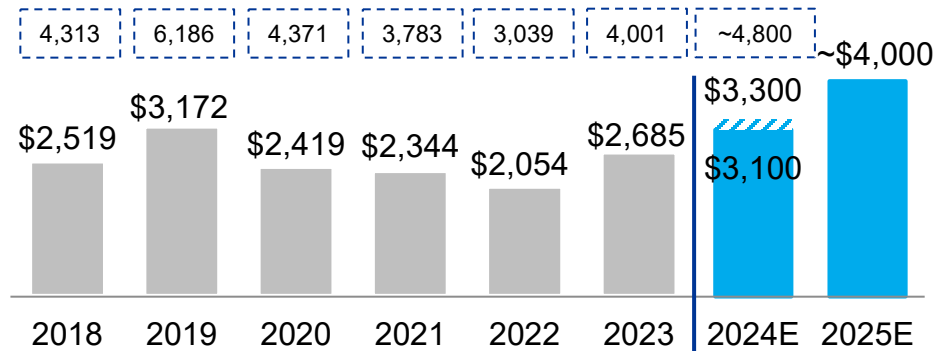
- ✓ **Will expand New Flyer's North American production by up to 240 EU**
 - ✓ Construction starts in Q4 2024 and will be complete in Q4 2025
 - ✓ Will ramp-up NFI's production rates through 2026, reaching full run rate in 2027
 - ✓ Project is supported by the Provincial and Federal governments with C\$38.4M in total funding
 - ✓ Will support U.S. capacity to focus on Buy America production



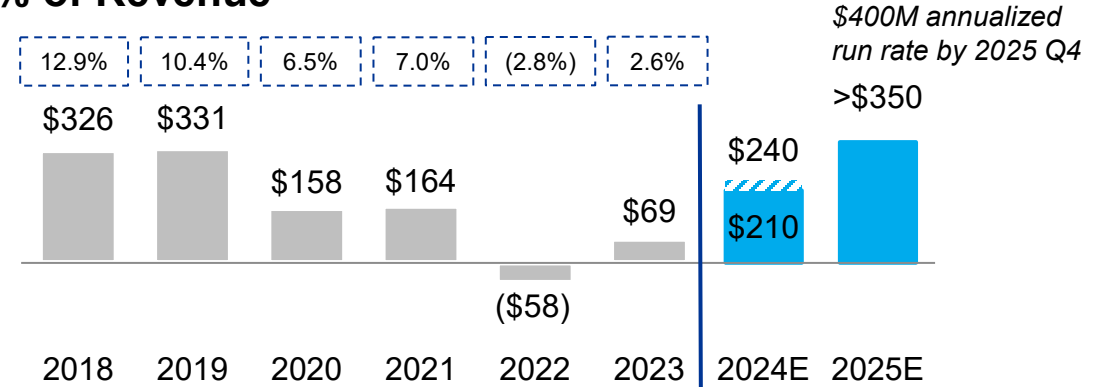
Strong government funding in key markets continues to drive robust demand and backlog, supporting expansion of New Flyer capacity

Reiterate Forward Guidance and Targets

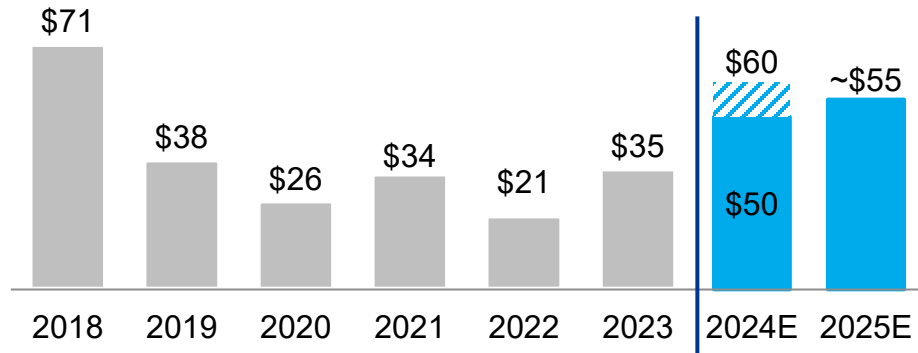
Revenue (\$M) and Units Delivered (EUs)²



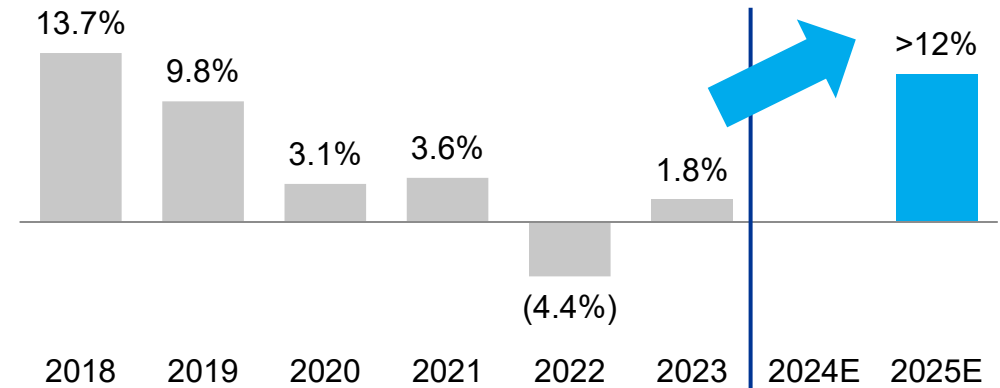
Adjusted EBITDA^{1,2} (\$M) and Adjusted EBITDA as % of Revenue^{1,2}



Capex (\$M)



Return on Invested Capital¹



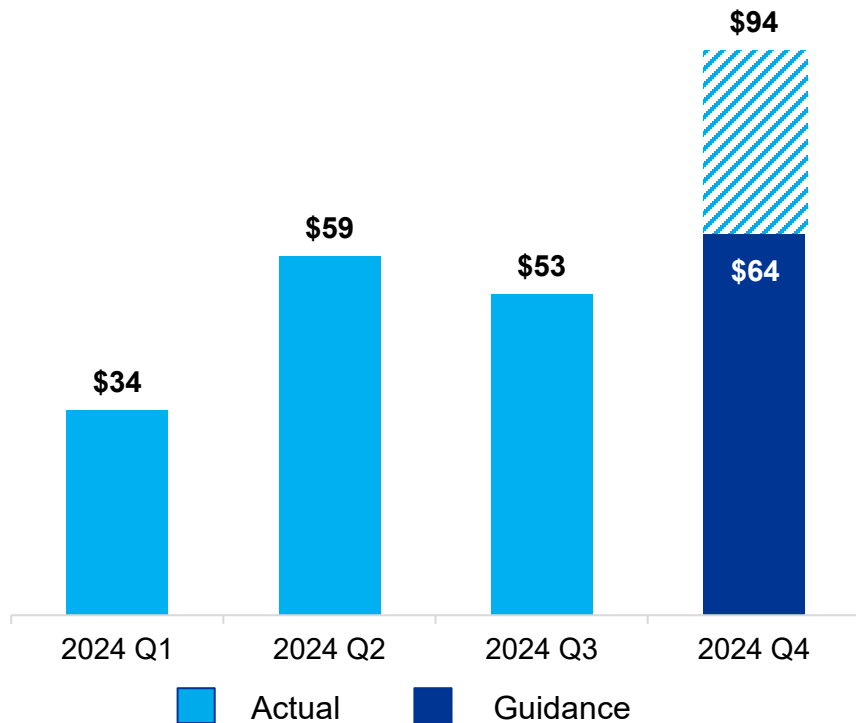
Updated guidance for 2024 reflecting seat supply disruption; reaffirmed targets for 2025

1. Adjusted EBITDA and Return on Invested Capital (ROIC) represent non-IFRS measures, meaning they are not defined terms under IFRS and do not have a standard meaning, so it may not be a reliable way to compare NFI to other companies. See Non-IFRS and Other Financial Measures section of the Appendix of this presentation and the MD&A available on SEDAR at www.sedarplus.ca.

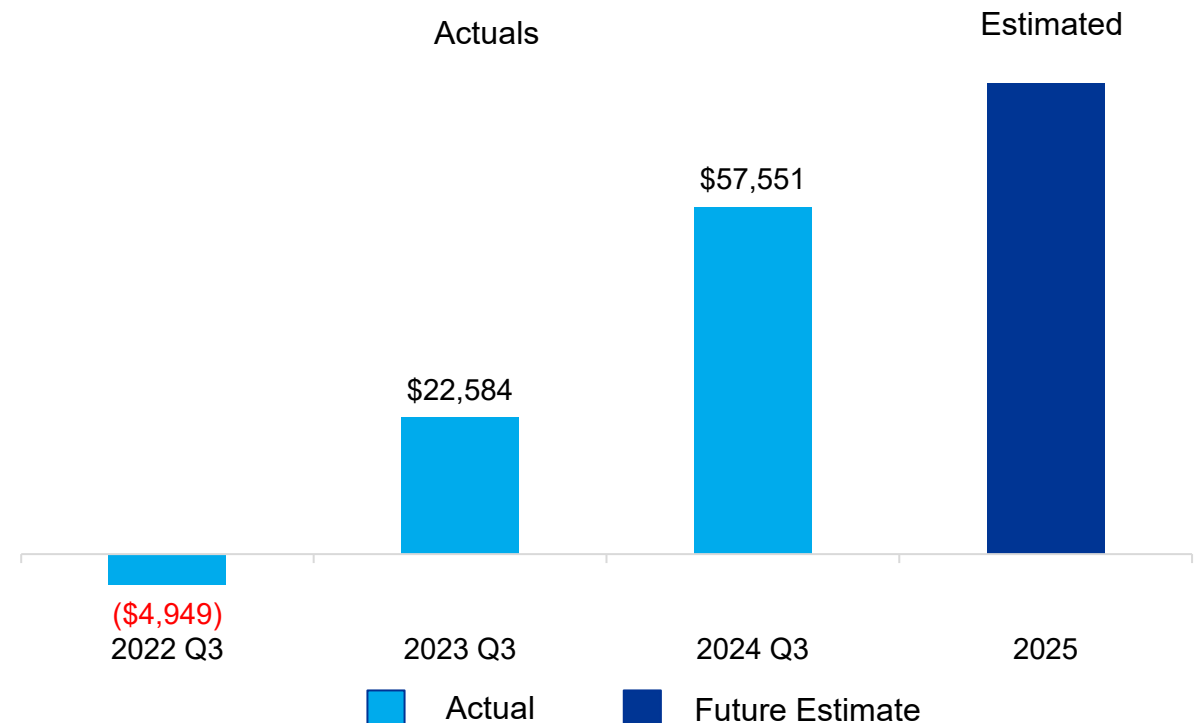
2. See the Company's 2023 Q4 and 2024 Q3 MD&A for the assumptions that drive 2024 guidance and 2025 targets, as well as certain applicable risks.

Fiscal 2024 Seasonality and Margin Enhancement

Adjusted EBITDA¹ by Quarter 2024



Gross Profit (excl. D&A) per EU Manufacturing \$

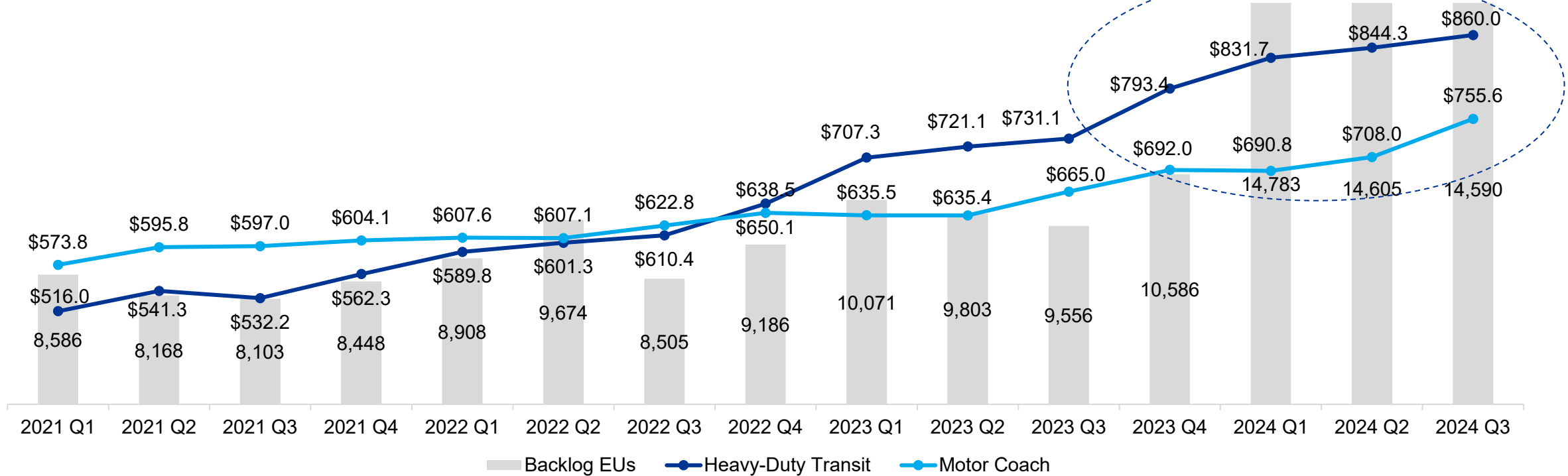


ZEB sales mix and private market seasonality, drive increased Adj. EBITDA in 2024 Q4. Significant margin improvement with move away from legacy priced contracts and deliver more ZEBs.

Average Backlog Price Continues to Increase

Increasing transit sale prices driven by pricing improvements, increased number of ZEBs and competitive factors; expected to drive higher \$\$/EU contribution

Average Sales Price per EU of NFI Backlog



ZEBs, on average, command a price premium to ICE vehicles and include a dollar margin uplift. ZEB backlog growth positions NFI on its path to achieve 2025 targets.

Recap



Financial recovery continues with sale price and margin growth



Backlog of \$12B, represents almost 3 years of production



Competitive dynamics in North America significantly improved



Aftermarket underpins recurring revenue and financial strength



UK competition increased, responding with cost reduction



Seat disruption will continue through 2024; focused on supplier health and shipping EUs

An aerial photograph of a city intersection, showing multiple lanes of traffic, buildings, and green spaces. A white rectangular text box is overlaid on the left side of the image. The text box contains a blue horizontal line, the word "Appendix" in a large, bold, black font, and the NFI logo followed by the slogan "Leading the ZEvolution™".

Appendix



Leading the **ZE**volution™

Non-IFRS Reconciliation: 2024 Q3

Reconciliation of IFRS to non-IFRS As of September 29, 2024

In '000	First Quarter	Second Quarter	Third Quarter	39-Weeks Ended Sept. 29, 2024
Net Sales	\$ 722,749	\$ 851,233	\$ 711,344	\$ 2,285,326
Net Earnings (Loss)	\$ (9,414)	\$ 2,547	\$ (14,993)	\$ (21,859)
<i>% of net sales</i>	-1.3%	0.3%	-2.1%	-1.0%
Adjustment, Gross				
Restructuring and Other Corporate Initiatives	\$ 1,515	\$ 1,589	\$ 8,056	\$ 11,160
Derivative related	\$ (6,460)	\$ 688	\$ 4,133	\$ (1,639)
Foreign exchange loss/gain	\$ (5,492)	\$ (2,625)	\$ 1,585	\$ (6,532)
Equity settled stock-based compensation	\$ 389	\$ 877	\$ 925	\$ 2,191
Debt related	\$ -	\$ 234	\$ -	\$ 234
Asset related	\$ (97)	\$ 54	\$ 11	\$ (32)
Employment related (past service costs)	\$ -	\$ -	\$ -	\$ -
Impairment loss on intangible assets	\$ 1,028	\$ -	\$ -	\$ 1,028
Other tax adjustment	\$ -	\$ -	\$ -	\$ -
Other	\$ 144	\$ (28)	\$ -	\$ 116
Income taxes	\$ 2,780	\$ (246)	\$ (4,558)	\$ (2,024)
Net Adjusted Earnings (Loss)¹	\$ (15,607)	\$ 3,090	\$ (4,841)	\$ (17,357)
<i>% of sales</i>	-2.2%	0.4%	-0.7%	-0.8%
Adjustments:				
Income taxes	\$ (8,809)	\$ 2,463	\$ 4,918	\$ (1,428)
Finance costs	\$ 37,115	\$ 33,247	\$ 34,421	\$ 104,783
Amortization	\$ 21,237	\$ 20,611	\$ 18,708	\$ 60,556
Adjusted EBITDA¹	\$ 33,936	\$ 59,411	\$ 53,205	\$ 146,552
<i>% of net sales</i>	4.7%	7.0%	7.5%	6.4%

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Non-IFRS Reconciliation: 2023 Q3

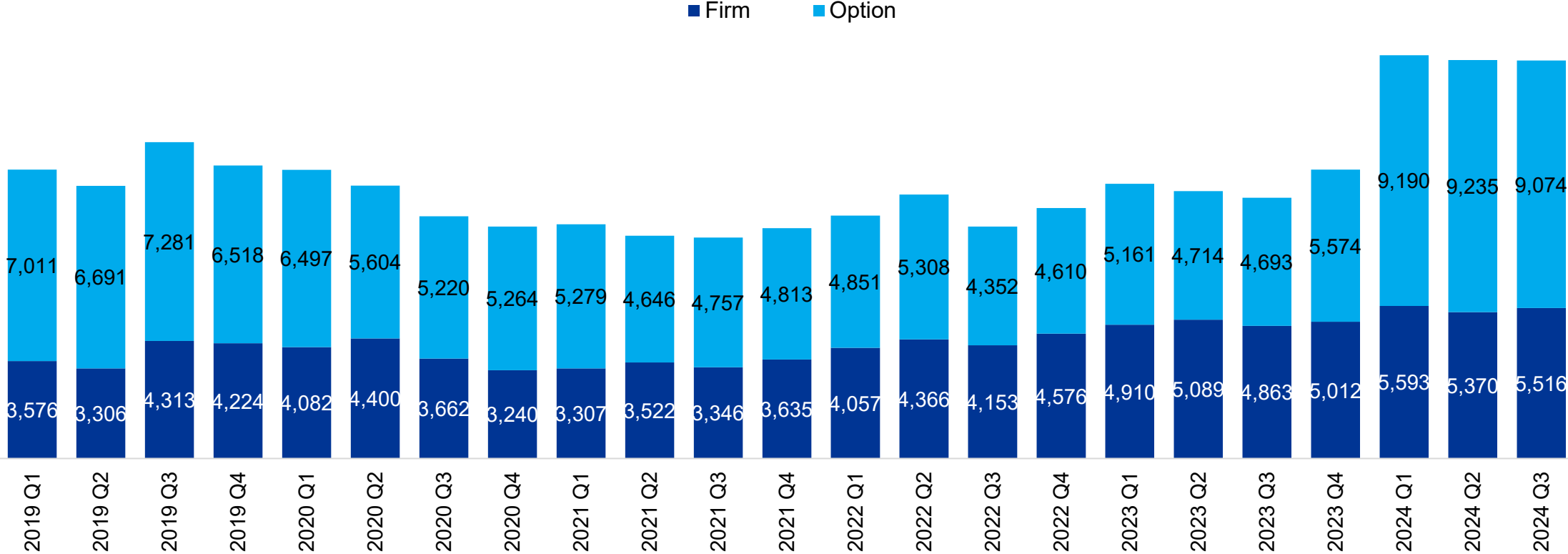
Reconciliation of IFRS to non-IFRS As of October 1, 2023

In '000	39-Weeks Ended			
	First Quarter	Second Quarter	Third Quarter	Oct. 1, 2023
Net Sales	\$ 525,134	\$ 660,292	\$ 710,343	\$ 1,895,769
Net Loss	\$ (45,808)	\$ (48,101)	\$ (39,926)	\$ (133,835)
<i>% of net sales</i>	-8.7%	-7.3%	-5.6%	-7.1%
Adjustment, Gross				
Restructuring and Other Corporate Initiatives	\$ 1,838	\$ 3,433	\$ 2,410	\$ 7,681
Derivative related	\$ 4,787	\$ 8,388	\$ 266	\$ 13,441
Foreign exchange loss/gain	\$ (424)	\$ 4,471	\$ (1,611)	\$ 2,436
Equity settled stock-based compensation	\$ 409	\$ 831	\$ 678	\$ 1,918
Unrecoverable insurance costs	\$ -	\$ -	\$ -	\$ -
Asset related	\$ (17)	\$ 969	\$ (102)	\$ 850
Employment related (past service costs)	\$ 4,764	\$ -	\$ -	\$ 4,764
Impairment loss on goodwill	\$ -	\$ -	\$ -	\$ -
Other tax adjustment	\$ (246)	\$ 45	\$ 201	\$ -
Other	\$ 1,246	\$ 480	\$ 368	\$ 2,094
Income taxes	\$ (3,909)	\$ (5,757)	\$ (619)	\$ (10,285)
Net Loss - Adjusted¹	\$ (37,360)	\$ (35,241)	\$ (38,335)	\$ (110,936)
<i>% of sales</i>	-7.1%	-5.3%	-5.4%	-5.9%
Adjustments:				
Income taxes	\$ (3,407)	\$ (2,894)	\$ (4,127)	\$ (10,428)
Finance costs	\$ 27,275	\$ 31,582	\$ 32,158	\$ 91,015
Amortization	\$ 20,901	\$ 18,731	\$ 21,471	\$ 61,103
Adjusted EBITDA¹	\$ 7,409	\$ 12,178	\$ 11,167	\$ 30,754
<i>% of net sales</i>	1.4%	1.8%	1.6%	1.6%

1. Represents a non-IFRS measure, meaning it is not a defined term under IFRS and does not have a standard meaning, so it may not be a reliable way to compare NFI to other companies. See Non-IFRS and Other Financial Measures section of the MD&A available on SEDAR at www.sedarplus.ca

Quarterly Backlog: 2019 Q1 to 2024 Q3

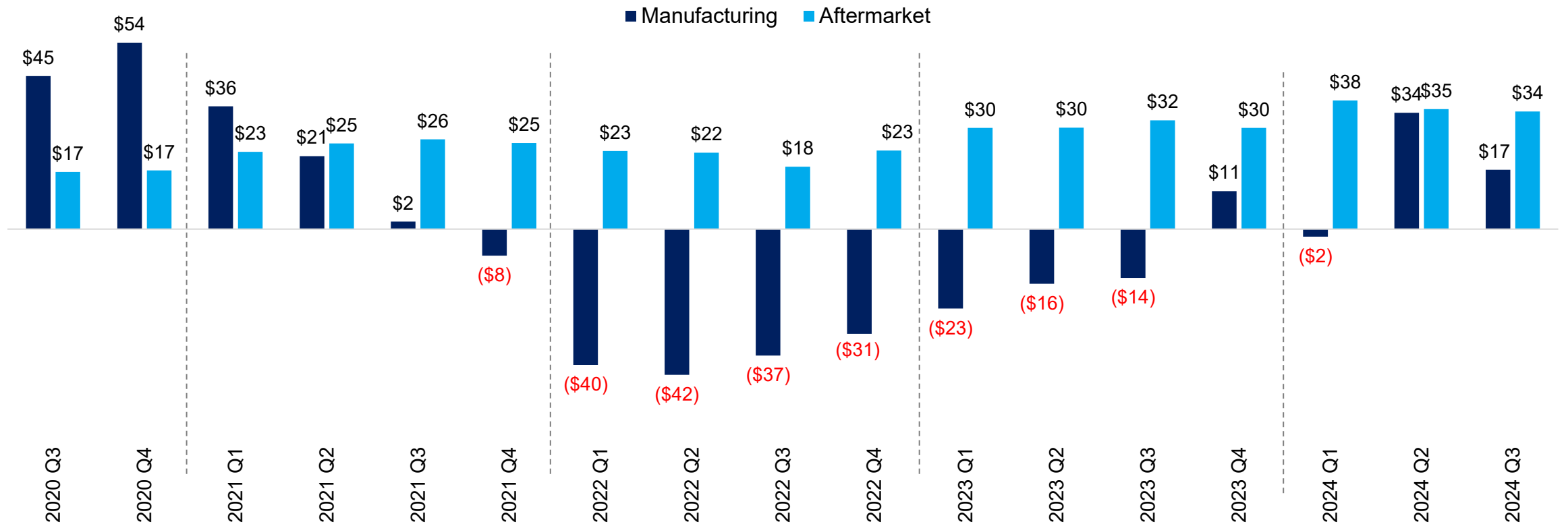
NFI Quarterly Backlog¹ in EUs (2019 Q1 – 2024 Q3)



¹ Represents a non-IFRS measure, meaning it is not a defined term under IFRS and does not have a standard meaning, so it may not be a reliable way to compare NFI to other companies. See Non-IFRS and Other Financial Measures section of the MD&A available on SEDAR at www.sedarplus.ca

Quarterly Adjusted EBITDA

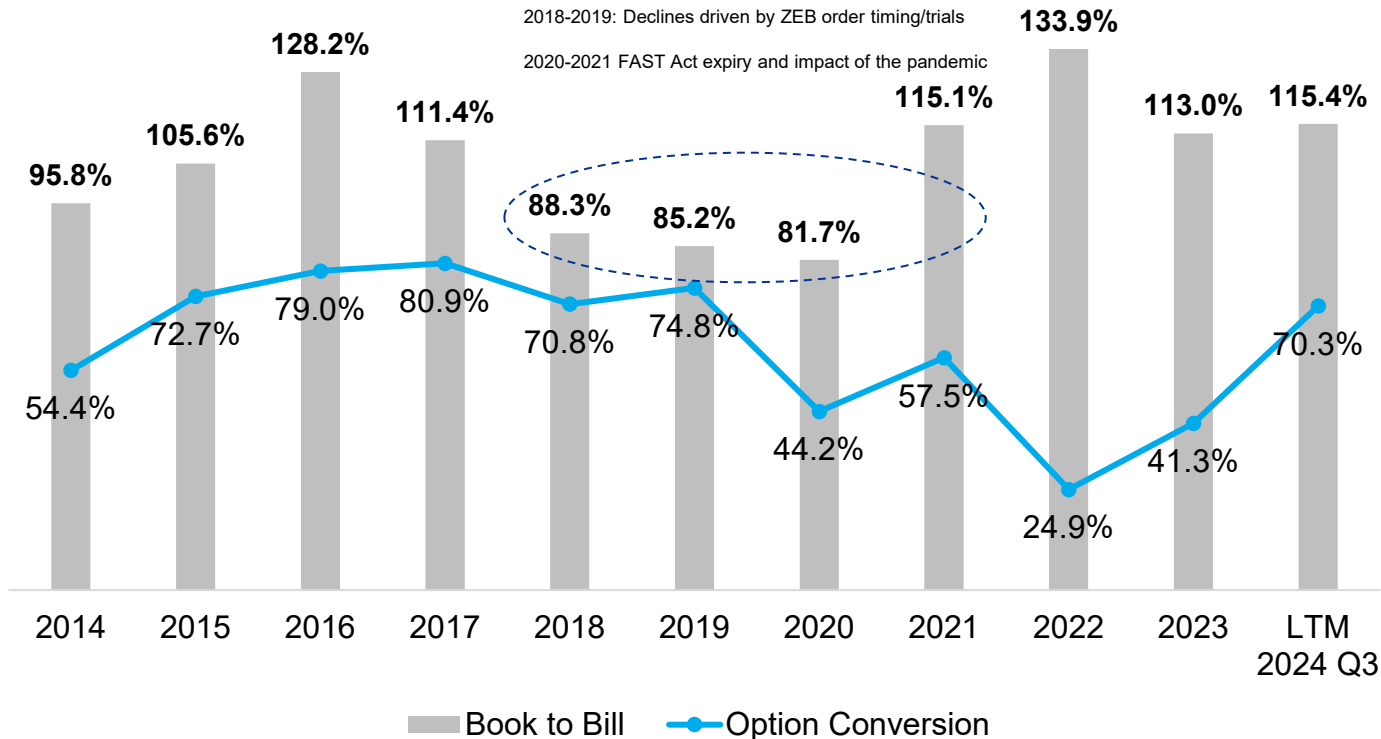
NFI Segment Quarterly Adjusted EBITDA¹ \$M



Note: Corporate segment results are not included in the above. Corporate segment would need to be added to Manufacturing and Aftermarket to obtain NFI's Consolidated Adjusted EBITDA results.

Book-to-Bill Recovery Continues Above 100%

Book-to-Bill¹ and Option Conversion¹ (2014 – 2023, + LTM 2024 Q3)

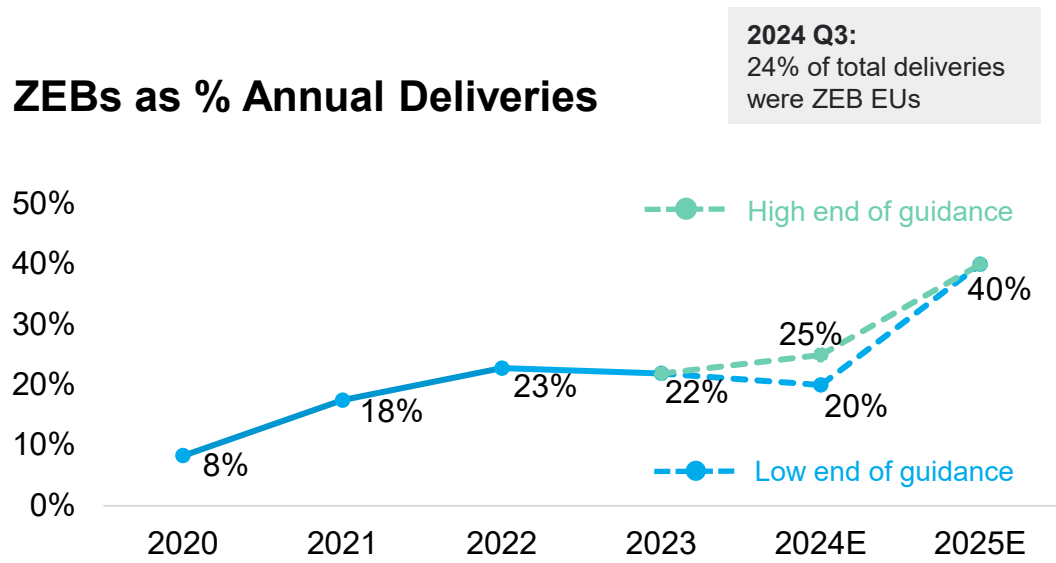


- ✓ Bid volume driving order increase
- ✓ Book-to-Bill¹ anticipated to remain strong in 2024
- ↻ Lower option conversion in 2022 and 2023 as fleets allow older options to expire in transition to **ZE**
- ↻ Starting to see overall conversion rate improve; anticipate continued improvement through 2024 and 2025 with more ZEB orders

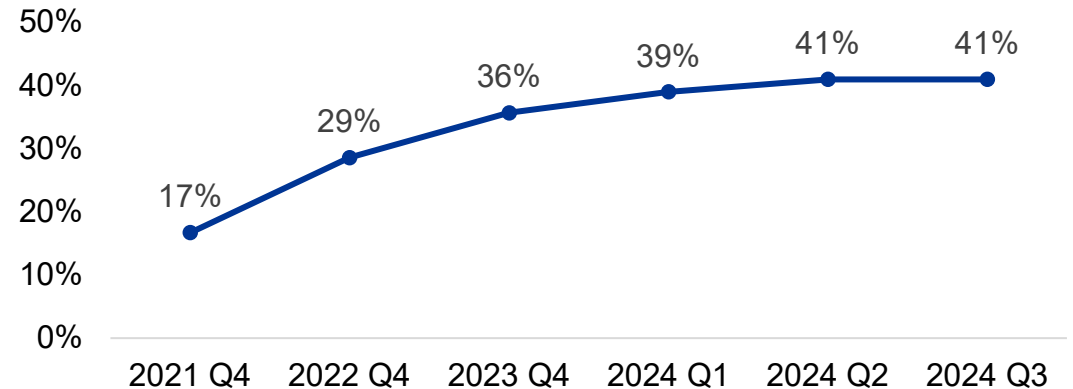
Book-to-Bill recovery to 100%+ driven by increased bid and award activity. Anticipated to remain strong throughout 2024. Option conversion continued to show expected to recover with new multi-year orders.

Transition to *ZE* Accelerating

Increasing demand for electric vehicles (battery- and fuel cell-electric) in NFI's core markets, driven by government funding and the drive to zero-emission



ZEB as % of Backlog¹



***ZE* transition accelerating, growing NFI's ZEB backlog with higher dollar revenue and margin vehicles**

2024 Q3: Income Statement, Cash Flow, Liquidity

2024 Q3 Performance

	2024 Q3	2023 Q3
Sales	\$711.3M	\$710.3M
	7.5% ROS	1.6% ROS
Adjusted EBITDA (\$M) ¹	\$53.2	\$11.2
EPS (reported)	(\$0.13)	(\$0.42)
EPS (Adjusted) ¹	(\$0.04)	(\$0.41)

2024 Q3	Revenue	Adjusted EBITDA ¹
Manufacturing	\$558.6M	\$17.3M
Aftermarket	\$152.8M	\$34.3M
Corporate	—	\$1.5M

2024 Q3 Free Cash Flow¹ & Liquidity¹

Free Cash Flow ¹ (\$M)		
	2024 Q3	2023 Q3
Adjusted EBITDA ¹	\$53.2	\$11.2
Interest Expense	(\$30.8)	(\$36.4)
Current Income Tax	(\$6.2)	(\$3.0)
Cash Capital Expenditures plus Lease	(\$11.2)	(\$12.6)
Acquisition of Intangibles	(\$3.1)	(\$3.4)
Proceeds from disposition of property	\$0.1	\$1.0
Free Cash Flow (USD)¹	\$2.0	(\$43.2)
FX Rate	1.3516	1.3580
Free Cash Flow (CAD)¹	\$2.6	(\$58.6)
Dividends (CAD)	-	-
Payout Ratio	- %	- %

Liquidity¹ & Working Capital (\$M)

	2024 Q3	2023 Q3
Total Liquidity ¹	\$145.8	\$169.8
Working Capital \$	\$480	\$464
Working Capital Days ²	53 days	63 days

1. Represents a non-IFRS measure, meaning it is not a defined term under IFRS and does not have a standard meaning, so it may not be a reliable way to compare NFI to other companies. See Non-IFRS and Other Financial Measures section of the MD&A available on SEDAR at www.sedarplus.ca.

2. Represents a non-IFRS ratio, which is derived from a non-IFRS measure, which does not have a standard meaning, so they may not be a reliable way to compare NFI to other companies. See Non-IFRS and Other Financial Measures section of the MD&A available on SEDAR at www.sedarplus.ca. 3. Represents a supplementary financial measure.

Forward-Looking Statements

Certain statements in this presentation are “forward-looking statements”, which reflect the expectations of management regarding the Company’s future growth, financial performance, and liquidity and objectives and the Company’s strategic initiatives, plans, business prospects and opportunities, including the impact of and recovery from the COVID-19 pandemic, supply chain disruptions and plans to address them. A number of factors and risks may cause actual results to differ materially from the results discussed in the forward-looking statements (including the aftermath and ongoing effects of COVID-19 pandemic and related supply chain and operational challenges, inflationary effects and labour supply and labour rate challenges). For more detail regarding the assumptions, factors and risks relating to these “forward looking statements”, please refer to the Company’s financial materials dated February 29, 2024, and May 2, 2024, and the factors and risks contained in its Annual Information Form and other materials filed with the Canadian securities regulatory authorities which are available on SEDAR at www.sedarplus.ca. These forward-looking statements are made as of the date of this presentation and the Company assumes no obligation to update or revise them to reflect new events or circumstances, except as required by applicable securities laws. *All figures in U.S. dollars unless otherwise noted.*

Factors relating to the Company’s financial guidance for 2024 and targets for 2025 include, in addition to the factors referred to above, the degree to which actual future events accord with, or vary from, the expectations of, and assumptions used by, the Company’s management in preparing the financial guidance and targets and the Company’s ability to successfully execute the “NFI Forward” initiatives and to generate the planned savings in the expected time frame or at all. For more detail regarding the assumptions, factors and risks relating to the Company’s guidance and targets, please refer to the Company’s management’s discussion and analysis dated February 29, 2024.

Notes to Readers

The Company retrospectively adopted IFRS 17 - Insurance Contracts on January 2, 2023. Refer to the section, "new and amended standards adopted by the Company" for details of the impact of the adoption on the Company’s financial statements. NFI’s financial statements were prepared on a going concern basis in accordance with IFRS. Readers are recommended to read the section, "capital allocation policy" regarding the basis of preparation, the impact of upcoming financial covenants and the determination of application of the going concern assumption.

Specific references and definitions are used throughout this presentation; please see the Non-IFRS and Other Financial Measures section in the MD&A. References to LTM mean last-twelve months (“LTM”). Adjusted earnings before interest, taxes, depreciation and amortization (“Adjusted EBITDA”), Invested Capital, net operating profit after taxes (“NOPAT”), return on invested capital (“ROIC”), Free Cash Flow, Free Cash Flow per Share, Adjusted Net Loss, Adjusted Net Loss per Share, Liquidity, Working Capital Days, Payout Ratio, Book-to-Bill and Backlog are non-IFRS measures and should not be considered substitutes or alternatives for IFRS measures. These are not defined terms under IFRS and do not have standard meanings, so may not be a reliable way to compare NFI to other companies.

Key Financial Definitions

Non-IFRS Measures – see *NON-IFRS AND OTHER FINANCIAL MEASURES* section of the MD&A Dated May 2, 2024

- ✓ **Adjusted EBITDA^{NG}**: Earnings before interest, income tax, depreciation and amortization after adjusting for the effects of certain non-recurring, non-operating, and items occurring outside of normal operations that do not reflect the current ongoing cash operations of the Company. These adjustments include gains or losses on disposal of property, plant and equipment, gain on debt modification, unrealized foreign exchange losses or gains on non-current monetary items and forward foreign exchange contracts, past service costs and other pension costs or recovery, equity settled stock-based compensation, unrecoverable insurance costs, prior year sales tax provision, out of period costs, impairment loss on goodwill, impairment loss on intangible assets, and non-recurring restructuring costs.
- ✓ **Free Cash Flow**: Defined as net cash generated by or used in operating activities adjusted for changes in non-cash working capital items, interest paid, interest expense, income taxes recovered, current income tax recovery, repayment of obligation under lease, cash capital expenditures, acquisition of intangible assets, proceeds from disposition of property, plant and equipment, defined benefit funding, defined benefit recovery, past service costs and other pension costs, expenses incurred outside of normal operations, equity hedge, unrecoverable insurance costs and other, out of period costs, prior year sales tax provision, restructuring costs, and foreign exchange gain or loss on cash held in foreign currency.
- ✓ **Return on Invested Capital (“ROIC”)**: Defined as net operating profit after taxes (NOPAT, calculated as Adjusted EBITDA^{NG} less depreciation of plant and equipment, depreciation of right-of-use assets, and income taxes at a rate of 31%) divided by average invested capital for the last 12-month period (defined as total interest-bearing debt plus derivative liabilities plus equity less cash on hand).
- ✓ **Adjusted Net Earnings (Loss)**: Defined as net earnings (loss) after adjusting for the after tax effects of certain non-recurring, non-operating and items occurring outside of normal operation, that do not reflect the current ongoing cash operations of the Company including: unrealized foreign exchange gain, unrealized gain or loss on the interest rate swap, unrealized gain or loss on Cash Conversion Option, unrealized gain on prepayment option of second lien debt, accretion in carrying value of long-term debt associated with debt modification, gain on debt modification, accretion associated with gain on debt modification, equity swap settlement fee, equity settled stock-based compensation, gain or loss on disposition of property, plant and equipment, past service costs and other pension costs, unrecoverable insurance costs and other, expenses incurred outside of normal operations, other tax adjustments, out of period costs, accretion in carrying value of convertible debt and cash conversion option, prior year sales tax provision, impairment loss on goodwill, impairment loss on intangible assets, and restructuring costs.
- ✓ **Adjusted Earnings (Loss) per Share**: Defined as Adjusted Net Earnings (Loss) divided by the average number of Shares outstanding



Leading the **ZE**volution™

