



Leading the **ZE**volution™

2023 Q3 Financial Results

November 8, 2023

Today's Speakers



Paul Soubry

President & Chief
Executive Officer



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Chief Financial
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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 "**motor coach**" 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**") consist of 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 motor coach, 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**."



Who is NFI?

Market and technology leader in each of our major markets.

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

 Leading the **ZE**volution™

 A better product.
A better workplace.
A better world.



NFI's Mobility Solutions



Our Values + 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

140M+

Electric service miles driven

238

ZEB EUs delivered in 2023 Q3

23%

of 2023 Q3 deliveries were ZEB EUs

52%

of NA Public Bid Universe is ZEBs

3,361

ZEB EUs delivered since 2015

150+

Cities have NFI ZEBs in service or on order

36%

of total backlog¹ is ZEB EUs

3,456

ZEB EUs in the backlog¹

6

Countries have NFI ZEBs in service or on order

~8,000

EUs annual ZEB production capacity

425+

EV chargers delivered via Infrastructure Solutions™ since 2018

82

Megawatts of charging capacity delivered via Infrastructure Solutions™ since 2018



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

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 text '2023 Q3 Results', the NFI logo, and the slogan 'Leading the ZEvolution™'.

2023 Q3 Results



Leading the **ZEvolution**™

2023 Q3 Financial Summary



Significant Demand Growth

Record

North American Total Bid Universe

122%

Book-to-Bill² for LTM 2023 Q3

+114%

Increase in total orders (YoY)

+93%

Increase in orders for ARBOC vehicles (YoY)

+47%

Increase in orders for MCI vehicles (YoY)



Financial Performance

+38%

YoY increase in revenue

+43%

YoY increase in manufacturing revenue

7%

Gross Margin, up from 1% in 2022 Q3

+184%

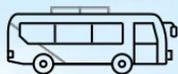
YoY increase in NFI's Adjusted EBITDA¹

(\$39.9)M

Net Loss decreased slightly (1%) YoY

Record

Adjusted EBITDA¹ for Aftermarket



Strong Backlog

\$6.6B

Total value of backlog¹

+20%

Increase in backlog average selling price (ASP) (YoY)

1,834

EUs in bid award pending at quarter end

+21%

Bids submitted in the quarter (YoY)

Supply Chain + Labour



Sustained improvement in overall supply chain health and performance, but challenges remain on select items (such as high voltage cables).

Labour markets remain tight, but manageable with production ramp-up underway.

Other Items

\$170M

Ending liquidity³

63

Working capital days³

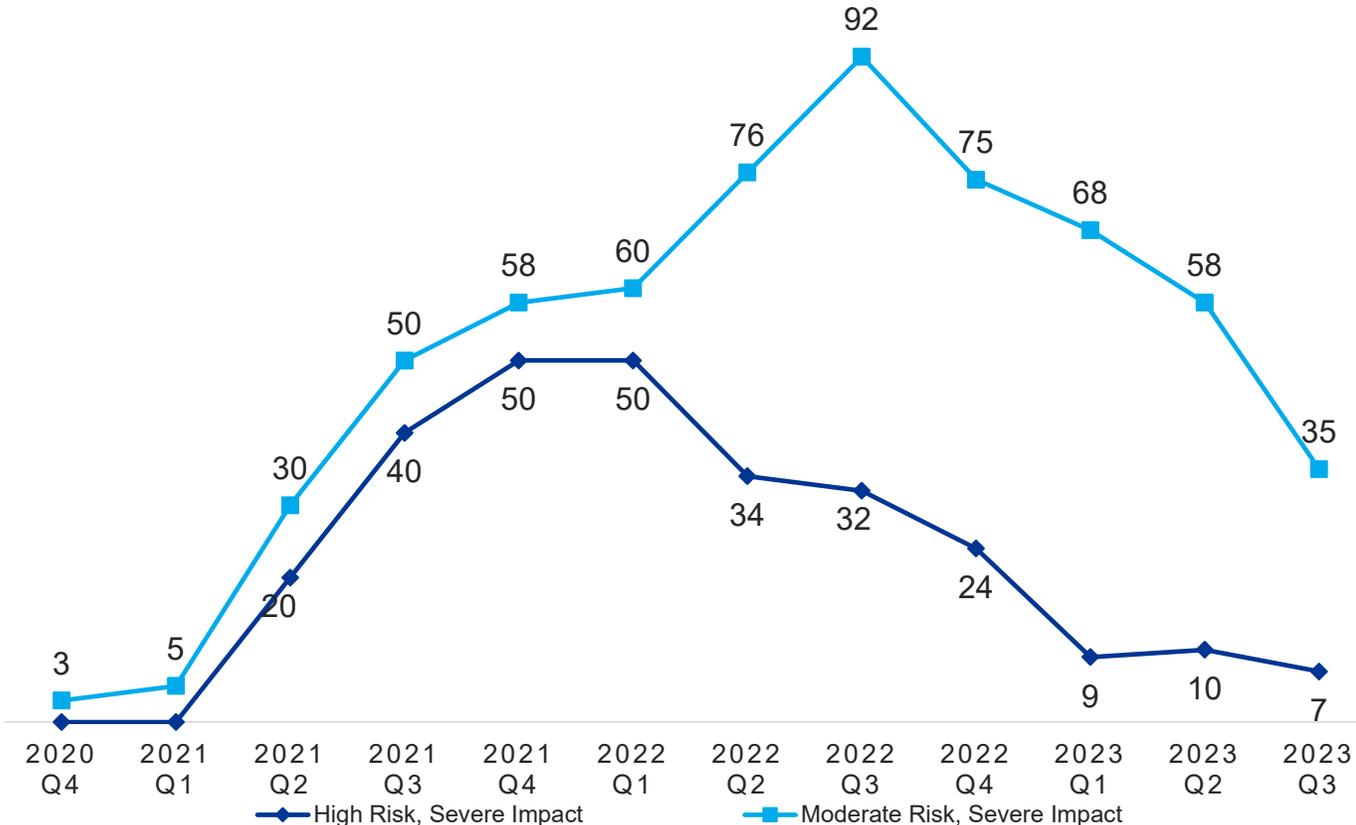
\$462M

Net working capital elevated by Finished Goods, Raw Materials and AR

Significant Supply Chain Improvements in 2023

NFI Group Consolidated High and Moderate Risk Suppliers (Q4 2020 – Q3 2023)

Note: 7 High Risk Suppliers in NFI top 750



2023 Update

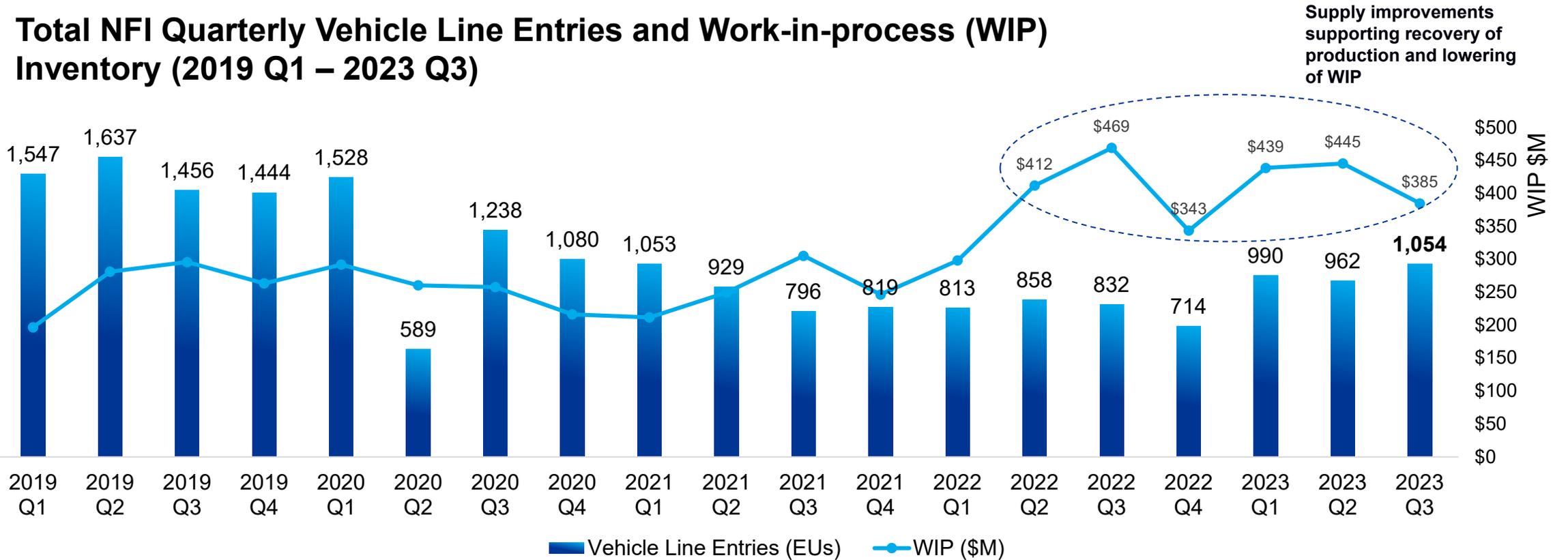
- Supplier performance has seen some challenges as production rates increase
- At-risk suppliers continue to be mitigated through increased inventory buffers, NFI carrying higher raw material balances
- Suppliers being removed from moderate risk once on-time delivery sustained for 90 days and no other known risk concerns
- High risk suppliers continue to impact efficiency and throughput and remain a risk to full schedule attainment

Forward Outlook

- While overall supply chains are in much better position, anticipate some continued pressure in North America as production ramps up in 2024
- Additional raw material inventories are successfully supporting parts availability in-station, meeting production targets
- Teams working closely with suppliers to ensure consistent capacity for zero emission supply (batteries, electric motors, cables, fuel-cells) with volume ramps in 2024

Supply Chain Impacts On Production & WIP Improving

Total NFI Quarterly Vehicle Line Entries and Work-in-process (WIP) Inventory (2019 Q1 – 2023 Q3)



Supply improvements supporting recovery of production and lowering of WIP

Idled facilities in response to initial COVID-19 wave

First major supply disruption experienced in Q3 2021

Improvements in 2022 Q2 offset by further erosion in supply consistency in 2022 Q4

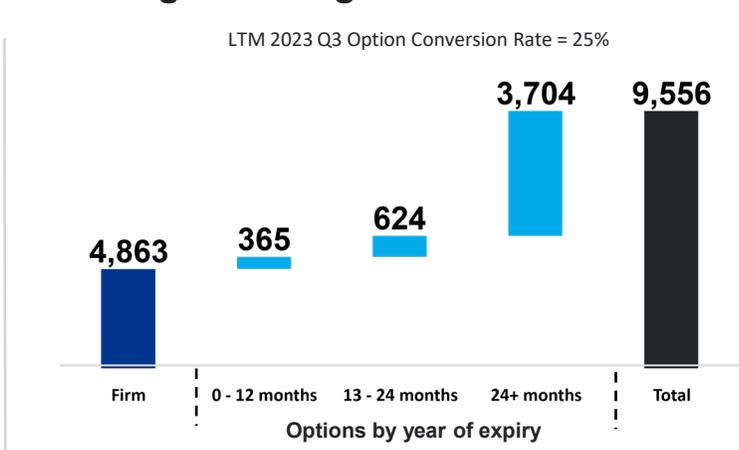
2023 Q3: Backlog and Deliveries

Backlog¹: 2023 Q3 EUs

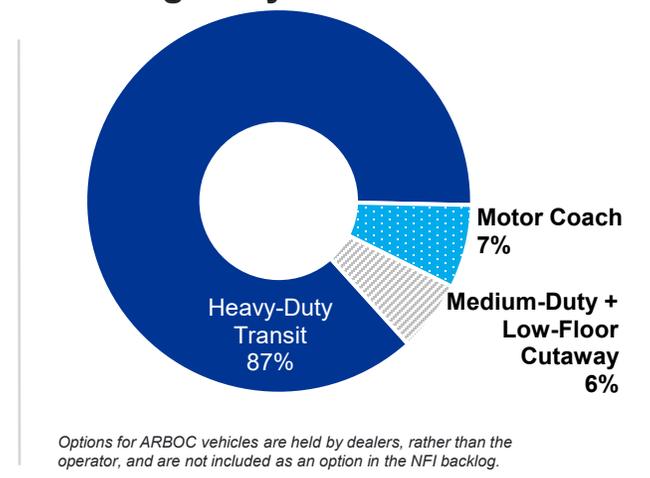
Backlog¹ – Firm and Option



Backlog¹ – Timing

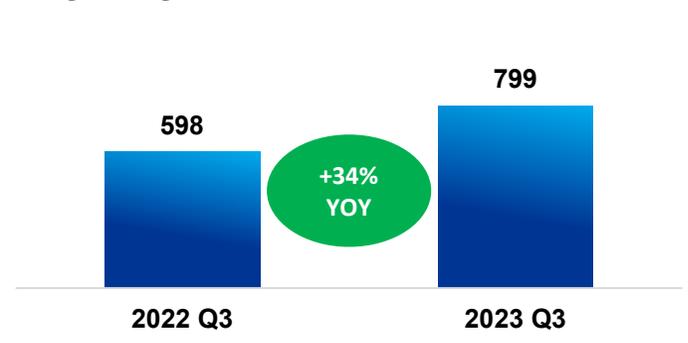


Backlog¹ – By Product

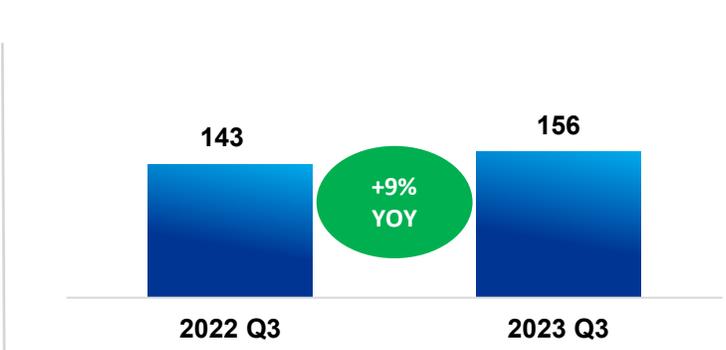


Deliveries: 2023 Q3 EUs

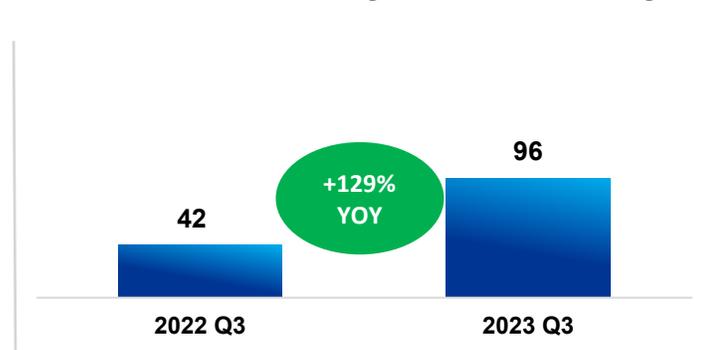
Heavy-Duty Transit



Coach



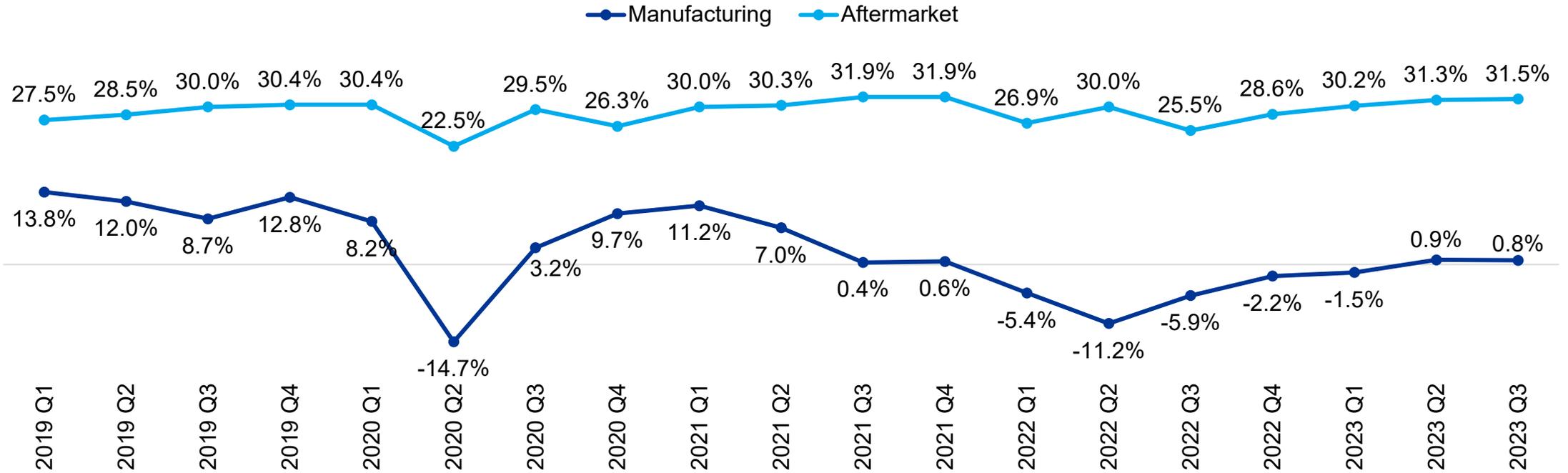
Low-Floor Cutaway + Medium-Duty



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Quarterly Gross Margins: 2019 Q1 to 2023 Q3

NFI Segment Quarterly Gross Margins including Depreciation and Amortization (2019 Q1 – 2023 Q3)



Primarily impacts of COVID-19 and initial supply disruption

Primarily impacts of global supply disruption and heightened inflation

2023 Q3: Income Statement, Cash Flow, Liquidity

2023 Q3 Performance

	2023 Q3	2022 Q3
Sales	\$709.6M	\$514.0M
	1.6% ROS	(2.6%) ROS
Adjusted EBITDA (\$M) ¹	\$11.2	(\$13.3)
EPS (reported)	(\$0.42)	(\$0.53)
EPS (Adjusted) ¹	(\$0.41)	(\$0.60)

2023 Q3	Revenue	Adjusted EBITDA ¹
Manufacturing	\$567.0M	(\$14.2M)
Aftermarket	\$142.6M	\$31.7M
Corporate	—	(\$6.3M)

2023 Q3 Free Cash Flow¹ & Liquidity¹

Free Cash Flow ¹ (\$M)		
	2023 Q3	2022 Q3
Adjusted EBITDA ¹	\$11.2	(\$13.3)
Interest Expense	(\$36.4)	(\$18.8)
Current Income Tax	(\$3.0)	(\$7.2)
Cash Capital Expenditures plus Lease	(\$12.6)	(\$14.2)
Acquisition of Intangibles	(\$3.4)	(\$2.9)
Proceeds from disposition of property	\$1.0	\$0.4
Free Cash Flow (USD)¹	(\$43.2)	(\$56.1)
FX Rate	1.3580	1.3826
Free Cash Flow (CAD)¹	(\$58.6)	(\$77.6)
Dividends (CAD)	-	\$4.1
Payout Ratio	- %	(5.3%)

Liquidity¹ & Working Capital

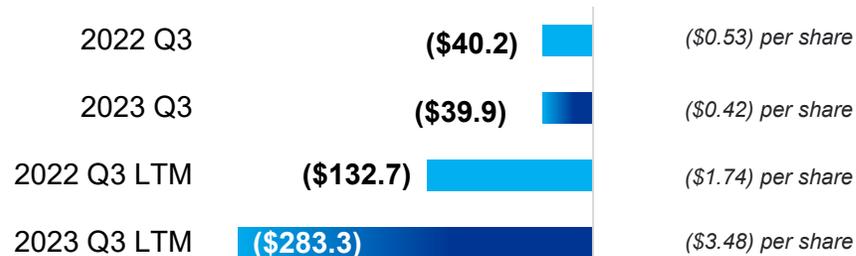
	2023 Q3	2022 Q3
Liquidity ¹	\$169.8	\$471.4
Working Capital \$	\$461.6	\$422.1
Working Capital Days ²	63 days	70 days

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2023 Q3: Net Earnings and Adjusted Net Earnings

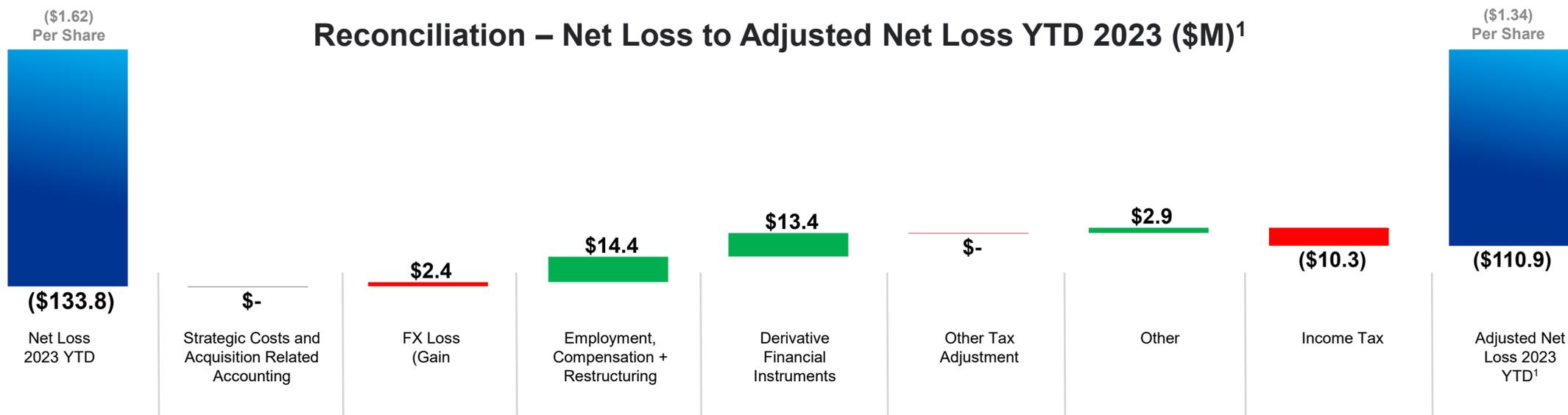
Net Earnings (Loss) (\$M)



Adjusted Net Earnings (Loss) (\$M)¹



Reconciliation – Net Loss to Adjusted Net Loss YTD 2023 (\$M)¹



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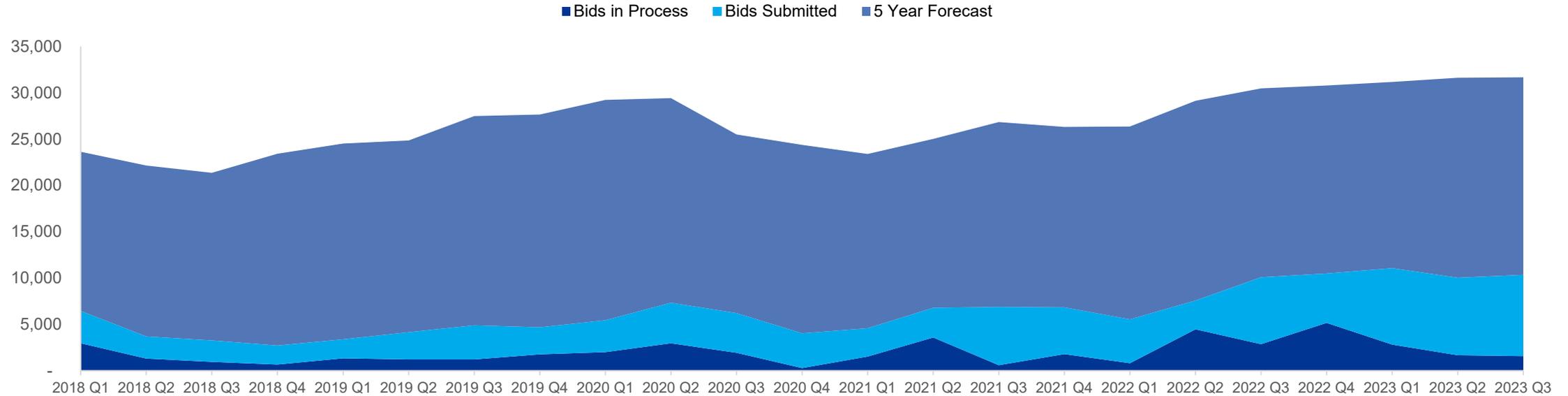
Strong Demand Environment

NFI Leading the *ZE*volution™

Record Public Market Bid Universe

Canada and U.S. Public Market Bid Universe

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



8,770 EUs

Bids Submitted

1,834

EUs in Bid Award Pending

1,591 EUs

Bids in Process

21,321 EUs

Five-Year Procurement Outlook
compiled from customer fleet
replacements plans

NFI Benefiting from Purchasing Schedules:

40+

Purchasing Schedules with NFI
named

1,130+

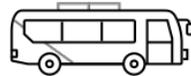
Vehicle awards from Purchasing
Schedules¹

Since inception, **Infrastructure Solutions™** has been responsible for the delivery of **391** plug-in and **35** overhead charger projects for **60** different customers, with projects under contract with **12** customers for 2023-2025.

Strong Award and Delivery Activity in 2023 Q3



Select customer wins announced in 2023 Q3:



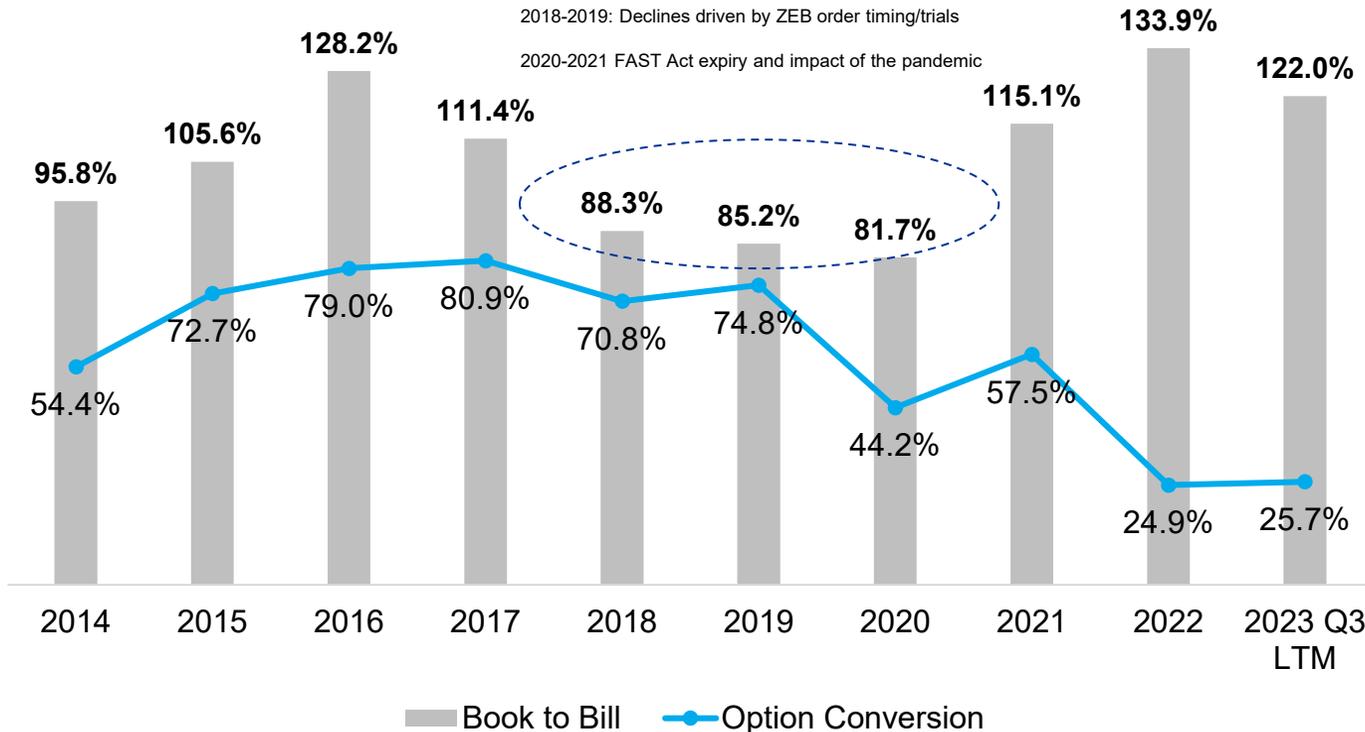
Houston's Metropolitan Transit Authority ordered up to 210 high-performance Xcelsior buses



Transdev Blazefield ordered 19 next-generation double-deck ZEBs, partially funded from the UK government's ZEBRA scheme

Book-to-Bill Recovery Continues Above 100%

Book-to-Bill¹ and Option Conversion¹ (2014 – 2023 Q3)



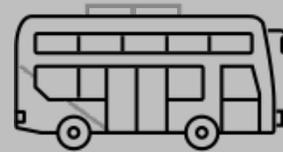
- ✓ Bid volume driving order increase
- ✓ Book-to-Bill¹ expected to remain above 100% throughout 2023 and into 2024
- ↻ Lower option conversion in 2022 and 2023 Q3 LTM as fleets allow older options to expire in transition to **ZE**
- ↻ Overall conversion rate should improve in the fourth quarter of 2023 through 2025 with more ZEB orders

Book-to-Bill recovery to 100%+ driven by increased bid and award activity. Anticipated to remain above 100% throughout 2023. Option conversion expected to recover with new multi-year orders.

Developments in North America



NFI announced a battery pack supply agreement with American Battery Solutions to increase resiliency of NFI's North American battery supply chain



Alexander Dennis appointed Big Rig Manufacturing as its contract manufacturing partner to meet increased interest in the Enviro500 double-deck bus in North America



New Flyer redesigned the 60-foot zero-emission, battery-electric Xcelsior CHARGE NG™ to include additional battery strings, increasing the range of the bus by ~30%



NFI's U.S. subsidiaries New Flyer, Motor Coach Industries, ARBOC, and Alexander Dennis are now qualified manufacturers for the commercial clean vehicle credit, for up to \$40,000 USD in tax credits per vehicle

Alexander Dennis New EV Platform (UK and Ireland)



Alexander Dennis launched its next generation of battery-electric buses for the UK and Ireland, unveiling the new Enviro100EV midibus and Enviro400EV double-deck bus. The new buses have been designed fully in house in coordination with leading partners.



260-mile range

Potential on the
Enviro400EV
Double Deck

285-mile range

Potential on the
Enviro100EV
Single Deck



“We’re giving authorities and operators more choice, more flexibility, and more value with our next generation of battery-electric buses”

Paul Davies, President & Managing Director, Alexander Dennis

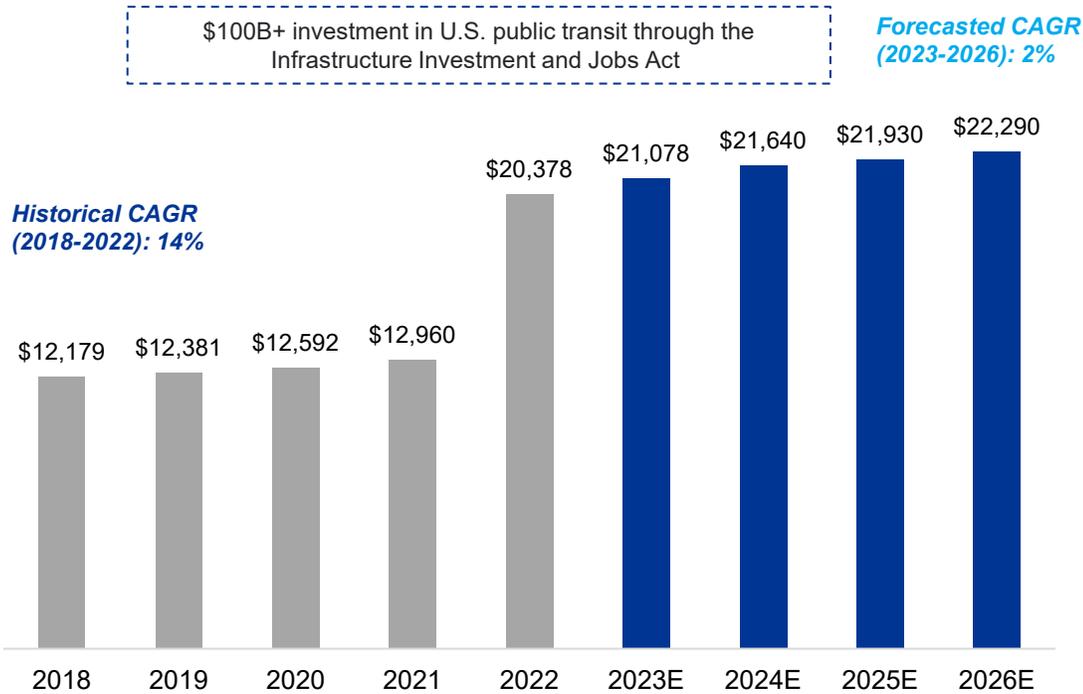
An aerial photograph of a city intersection, showing multiple lanes of traffic, buildings, and green spaces. A white rectangular text box is overlaid on the left side of the image, containing the title and logo. The background shows a complex urban layout with various road markings and vehicles.

Poised for Recovery

 Leading the **ZE**volution™

Strong Government Funding Environment

U.S. Federal FTA Funding (\$M)¹



Dedicated Canadian Federal Government Transit Funding²

- ✓ **C\$17.6B** Green Recovery Funding
- ✓ **C\$14.9B** Transit Funding Program
- ✓ **C\$1.5B** Canadian Infrastructure Bank

Programs underway in Ottawa, Brampton, Quebec, Winnipeg, Toronto and Calgary, British Columbia, York region, and Durham region

Broad UK Programs to Support Fleet Replacements³

- ✓ National bus strategy launched in 2021 for the replacement of 4,000 buses with zero-emission vehicles by 2025
- ✓ Bus funding through a variety of programs including ZEBRA, ZEBRA2, ScotZEB, Levelling Up Fund, City Region Sustainable Transport Settlements – potential funding of over £10 billion to 2025

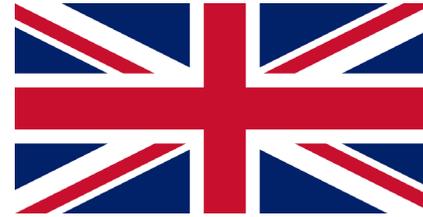
Strong government funding in key markets continues to drive robust backlog

New Funding: Low-No and ZEBRA 2



NFI delivers strongest FTA Low-No and Buses and Bus Facilities grant performance ever, as named partner on more than \$207M in grants

- ✓ New Flyer named partner of choice in over \$207 million in competitive grant awards through the Federal Transit Administration's (FTA) 2023 Low- or No-Emission (Low-No) and Buses and Bus Facilities (BBF) programs
- ✓ Significant improvement over the \$41 million in grants from 2021 and the nearly \$200 million in grants from 2022

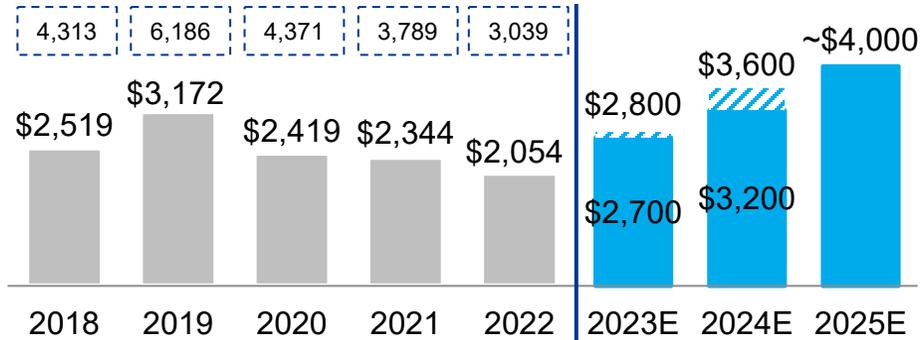


Alexander Dennis hosted the UK government announcement of a new £129M funding program, ZEBRA 2

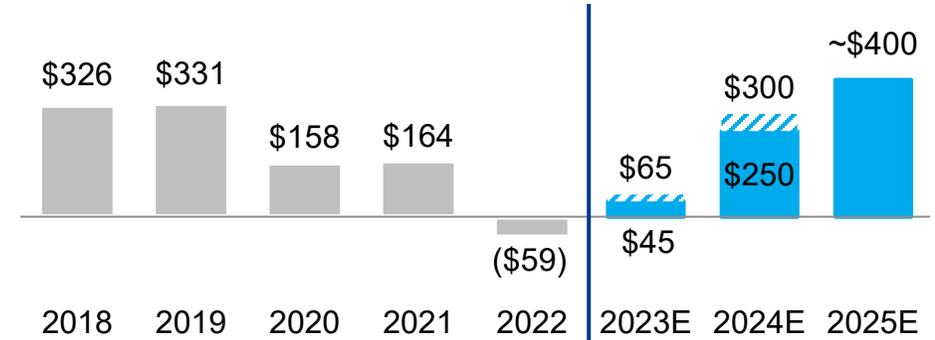
- ✓ Zero Emission Bus Regional Areas (ZEBRA) 2 scheme is open for bids from all local authorities in England (outside London), with applications to be prioritized from those that did not receive funding in previous funding rounds
- ✓ Will provide £129 million to support procurement of ZEBs in financial years 2023 to 2024 and 2024 to 2025.
- ✓ Single-stage funding competition to award funding over both financial years

Poised for Recovery: Forward Guidance and Targets

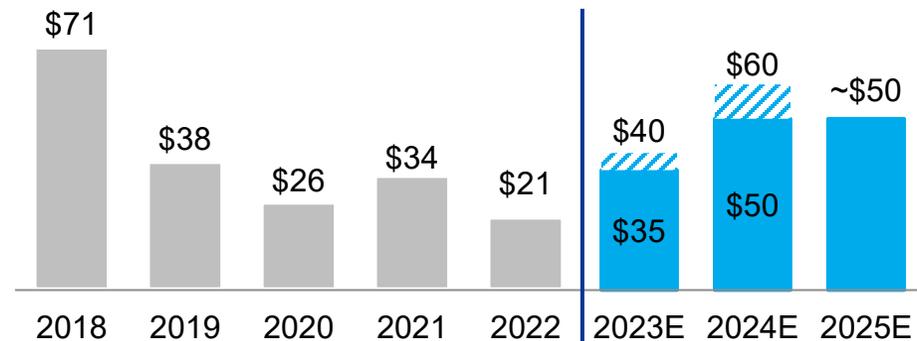
Revenue (\$M) and Units Delivered (EUs)



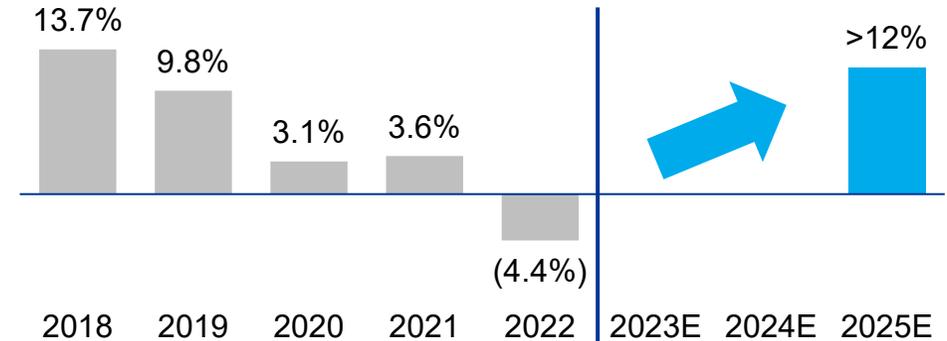
Adjusted EBITDA¹ (\$M)



Capex (\$M)



Return on Invested Capital¹



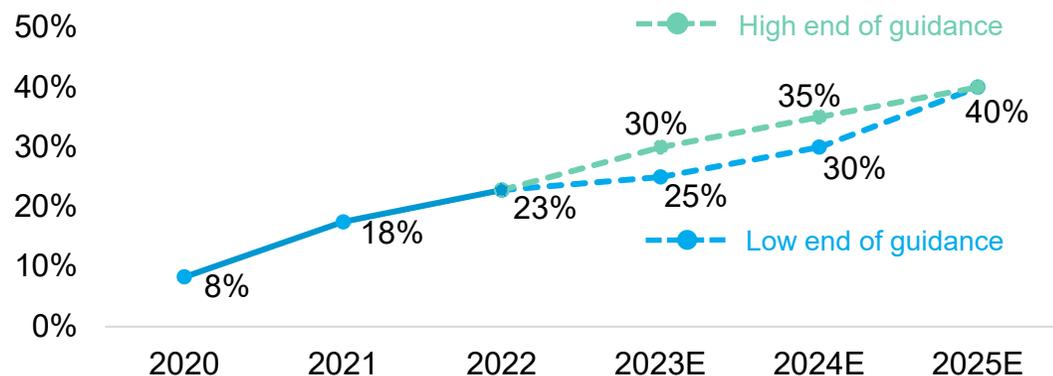
Brought up bottom end of 2023 guidance for revenue, and increased bottom and top end of Adj EBITDA¹ guidance by \$5M respectively, based on 2023 Q3 year-to-date results

Transition to ZE Accelerating

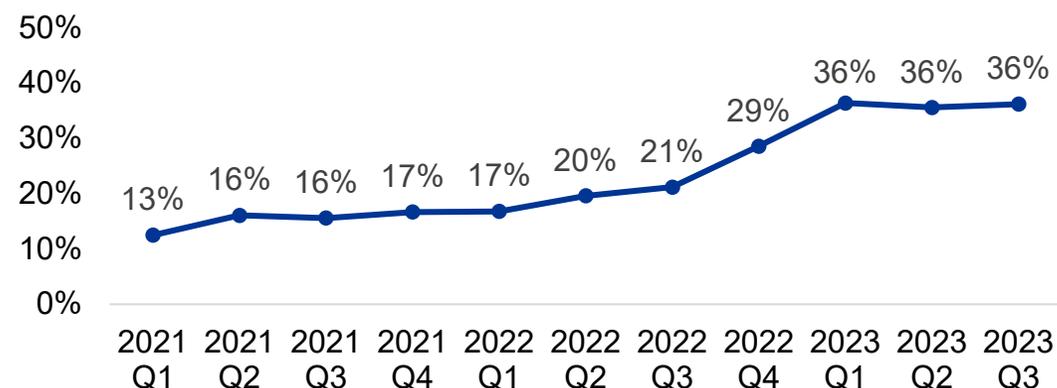
Increasing demand for electric vehicles (battery- and fuel cell-electric) in NFI's core markets, driven by government funding and the drive to zero-emission

ZEBs as % Annual Deliveries

2023 Q3:
23% of total deliveries
were ZEB EUs



ZEB as % of Backlog¹

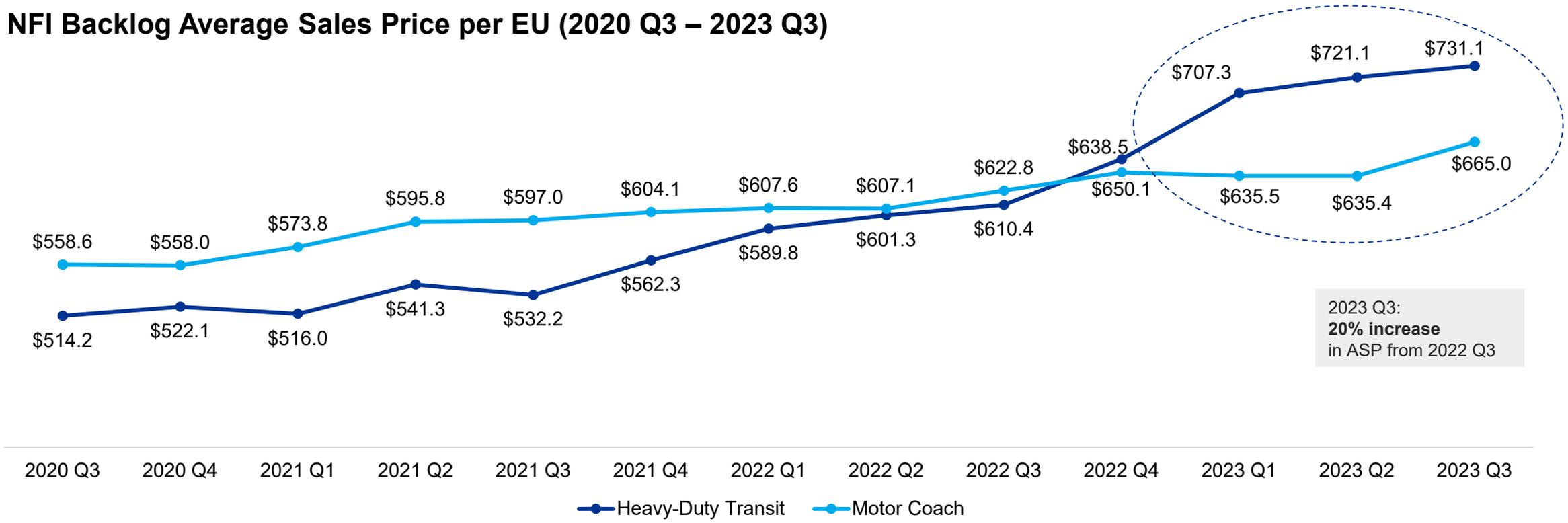


ZE transition accelerating, growing NFI's ZEB backlog with higher dollar revenue and margin vehicles

Average Backlog Price Continues to Increase

Increasing transit and coach sale prices driven by increased number of ZEBs in backlog; will drive higher \$\$/EU contribution

NFI Backlog Average Sales Price per EU (2020 Q3 – 2023 Q3)

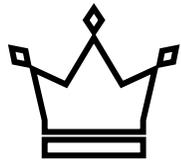


ZEBs, on average, command a price premium to ICE vehicles and a dollar margin uplift. ZEB backlog growth positions NFI on its path to achieve 2025 targets.

Summary: Why Invest in NFI

With 450 years of combined bus and coach experience across its portfolio companies, NFI has a proven track record of innovation, customized vehicle manufacturing expertise, a diversified product offering and strong aftermarket support and service.

As market leader in share, technology and reputation, NFI is well positioned to deliver compelling financial returns as it continues to Lead the **ZEvolution™** and provide a full suite of solutions to its customers.



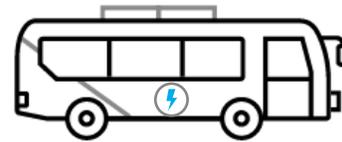
Leader in Core Markets With Focus on Bus & Coach Solutions



Best in Class Aftermarket Business



Strong End Market Demand Driving Robust Backlog



Leading Zero Emission Bus (ZEB) Innovation



Poised for Recovery



Experienced Management Team

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 word "Appendix" is written in a large, bold, black sans-serif font. Above the text is a short blue horizontal line. Below the text is the NFI logo, which consists of the letters "NFI" in white on a blue square background, followed by the text "Leading the ZEvolution™" in a smaller black font.

Appendix

NFI Leading the **ZE**volution™

Financial Highlights: 2023 Q3 & YTD

\$ M

(except EU and EPS)

	Q3			YTD		
	2023	2022	Change	2023	2022	Change
Deliveries (EUs)	1,051	783	34.2%	2,774	2,005	38.4%
Revenue	\$709.6	\$514.0	38.1%	\$1,893.6	\$1,371.3	38.1%
Gross Profit	\$49.7	\$6.8	630.8%	\$133.8	\$27.2	391.9%
Gross Profit %	7.0%	1.3%	42935bps	7.1%	2.0%	25623bps
Adjusted EBITDA ¹	\$11.2	(\$13.3)	184.1%	\$30.8	(\$50.6)	160.8%
Adjusted EBITDA Margin % ²	1.6%	-2.6%	16090bps	1.6%	-3.7%	14405bps
Earnings from operations	(\$13.8)	(\$41.1)	66.5%	(\$46.8)	(\$146.0)	68.0%
Net earnings (loss)	(\$39.9)	(\$40.2)	0.6%	(\$133.8)	(\$124.0)	(8.0%)
Net earnings (loss) per share	(\$0.42)	(\$0.53)	20.8%	(\$1.61)	(\$1.61)	0.0%
Adjusted Net Earnings ¹	(\$38.3)	(\$45.6)	16.0%	(\$110.9)	(\$134.5)	17.5%
Adjusted Net Earnings per Share ¹	(\$0.41)	(\$0.60)	31.7%	(\$1.34)	(\$1.74)	23.0%
Orders – Firm (EUs)	846	388	118.0%	2,806	2060	36.2%
Orders – Options (EUs)	71	65	9.2%	953	1148	(17.0%)
Total Backlog ¹	9,556	8,505	12.4%	9,556	8,505	12.4%

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Non-IFRS Reconciliation: 2023

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

In '000	First Quarter	Second Quarter	Third Quarter	Full Year
Net Sales	\$ 524,411	\$ 659,569	\$ 709,620	\$ 1,893,600
Net Earnings	\$ (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)	\$ (5,756)	\$ (620)	\$ (10,285)
Net Earnings - Adjusted¹	\$ (37,360)	\$ (35,240)	\$ (38,336)	\$ (110,936)
<i>% of sales</i>	-7.1%	-5.3%	-5.4%	-5.9%
Adjustments:				
Income taxes	\$ (3,407)	\$ (2,895)	\$ (4,126)	\$ (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

Non-IFRS Reconciliation: 2022

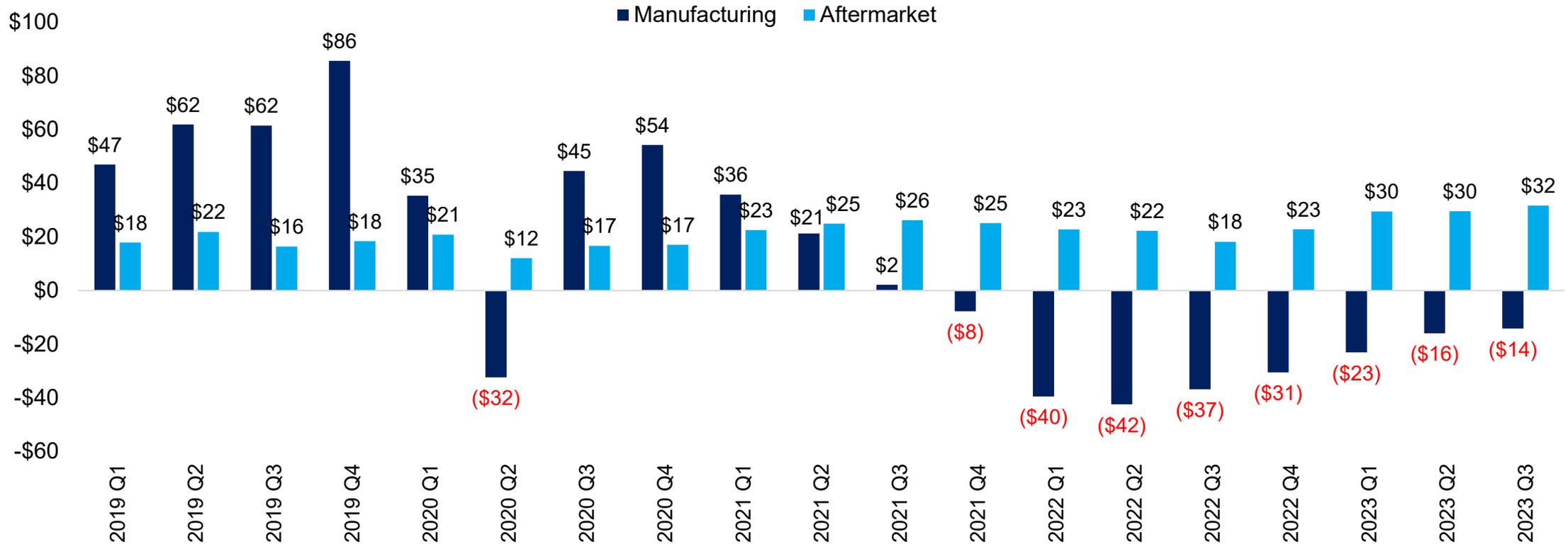
Reconciliation of IFRS to non-IFRS As of January 1, 2023

In '000	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
Net Sales	\$ 459,330	\$ 397,952	\$ 514,047	\$ 682,604	\$ 2,053,933
Net Earnings	\$ (27,795)	\$ (56,009)	\$ (40,167)	\$ (149,444)	\$ (273,415)
<i>% of net sales</i>	-6.1%	-14.1%	-7.8%	-21.9%	-13.3%
Adjustment, Gross					
Restructuring and Other Corporate Initiatives	\$ 96	\$ 7,435	\$ 3,672	\$ 7,240	\$ 18,443
Derivative related	\$ (25,317)	\$ (9,888)	\$ (19,702)	\$ (2,455)	\$ (57,362)
Foreign exchange loss/gain	\$ 4,768	\$ 1,045	\$ (2,482)	\$ (3,929)	\$ (598)
Equity settled stock-based compensation	\$ 285	\$ 243	\$ 421	\$ 397	\$ 1,346
Unrecoverable insurance costs	\$ 411	\$ 7,913	\$ -	\$ 164	\$ 8,488
Asset related	\$ (373)	\$ (58)	\$ (544)	\$ 410	\$ (565)
Employment related (past service costs)	\$ -	\$ 7,000	\$ -	\$ -	\$ 7,000
Impairment loss on goodwill	\$ -	\$ -	\$ -	\$ 103,900	\$ 103,900
Other tax adjustment	\$ (180)	\$ (1,700)	\$ (1,428)	\$ 22,292	\$ 18,984
Other	\$ -	\$ -	\$ 130	\$ 770	\$ 900
Income taxes	\$ 7,504	\$ (4,243)	\$ 14,470	\$ (2,068)	\$ 15,662
Net Earnings - Adjusted¹	\$ (40,601)	\$ (48,262)	\$ (45,630)	\$ (22,723)	\$ (157,217)
<i>% of sales</i>	-8.8%	-12.1%	-8.9%	-3.3%	-7.7%
Adjustments:					
Income taxes	\$ (16,069)	\$ (11,652)	\$ (23,173)	\$ (31,172)	\$ (82,065)
Finance costs	\$ 16,659	\$ 19,008	\$ 33,240	\$ 27,159	\$ 96,066
Amortization	\$ 23,351	\$ 20,282	\$ 22,282	\$ 22,580	\$ 88,495
Adjusted EBITDA¹	\$ (16,660)	\$ (20,624)	\$ (13,281)	\$ (4,156)	\$ (54,721)
<i>% of net sales</i>	-3.6%	-5.2%	-2.6%	-0.6%	-2.7%

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: 2019 Q1 to 2023 Q3

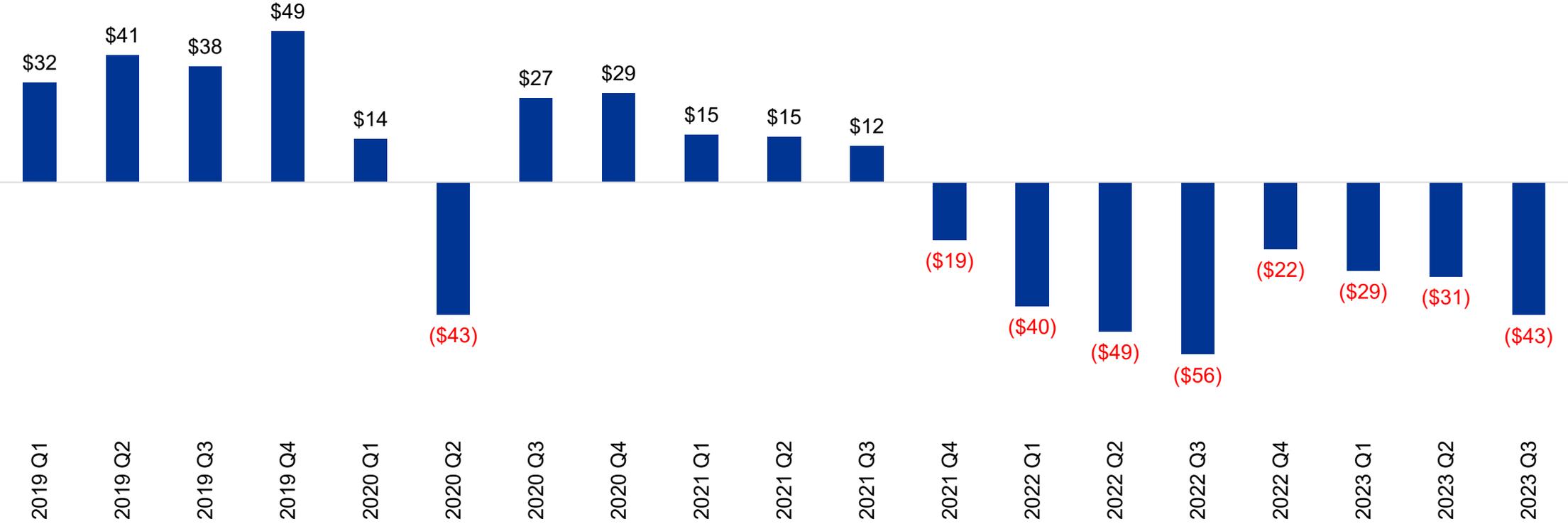
NFI Segment Quarterly Adjusted EBITDA¹ (2019 Q1 – 2023 Q3) \$M



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.

Quarterly Free Cash Flow: 2019 Q1 to 2023 Q3

NFI Free Cash Flow Results by Quarter (2019 Q1 – 2023 Q3) \$M



1. Free Cash Flow 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.

Quarterly Backlog: 2019 Q1 to 2023 Q3

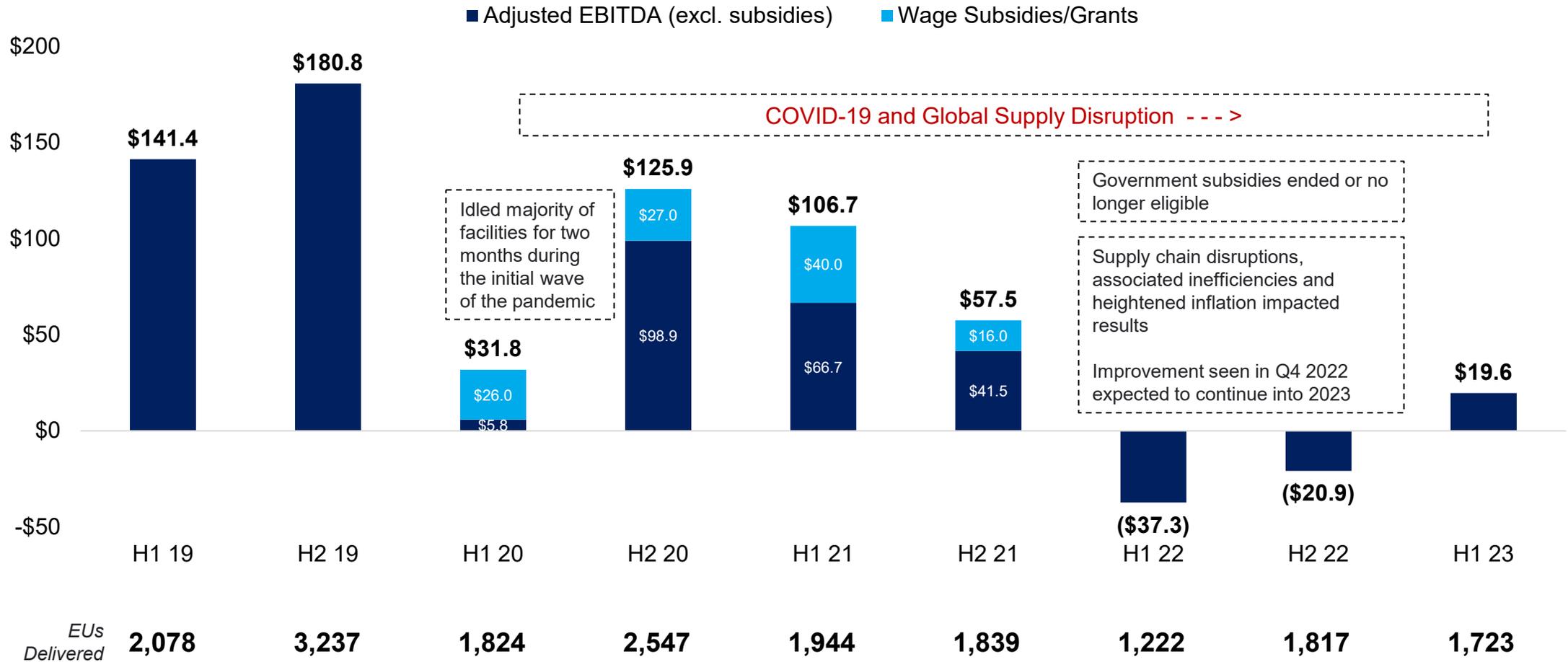
NFI Quarterly Backlog¹ in EUs (2019 Q1 – 2023 Q3)



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

Half Year Adjusted EBITDA: 2019 to H1 2023

NFI Adjusted EBITDA¹ Results by Half Year (2019 – H1 2023) \$M



1. Adjusted EBITDA 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.

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 duration, 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, and the Company’s March 1, 2023 financial guidance (the “Guidance”) which was updated on November 7, 2023). For more detail regarding the assumptions, factors and risks relating to these “forward looking statements”, please refer to the Company’s press release dated March 1, 2023 and financial materials dated February 28, 2023, May 3, 2023, August 15, 2023 and November 7, 2023, 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.*

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 this MD&A. 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 MD&A, please see the Non-IFRS and Other Financial Measures section. 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 3, 2023

- ✓ **Adjusted EBITDA:** Earnings before interest, income taxes, depreciation and amortization after adjusting for the effects of certain non-recurring and/or non-operations related items 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, fair value adjustment for total return swap, unrealized foreign exchange losses or gains on non-current monetary items and forward foreign exchange contracts, costs associated with assessing strategic and corporate initiatives, past service costs and other pension costs or recovery, non-recurring costs or recoveries relating to business acquisition, fair value adjustment to acquired subsidiary company's inventory and deferred revenue, proportion of the total return swap realized, proportion of the total return swap realized, equity settled stock-based compensation, unrecoverable insurance costs, prior year sales tax provision, extraordinary COVID-19 costs, impairment loss on goodwill 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 paid, current income tax expense, repayment of obligation under lease, cash capital expenditures, acquisition of intangible assets, proceeds from disposition of property, plant and equipment, costs associated with assessing strategic and corporate initiatives, fair value adjustment to acquired subsidiary company's inventory and deferred revenue, defined benefit funding, defined benefit expense, past service costs and other pension costs or recovery, proportion of total return swap, unrecoverable insurance costs, prior year sales tax provision, non-recurring restructuring costs, extraordinary COVID-19 costs, foreign exchange gain or loss on cash held in foreign currency.
- ✓ **Return on Invested Capital (“ROIC”):** Defined as net operating profit after taxes (calculated as Adjusted EBITDA 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 (calculated as to shareholders' equity plus long-term debt, obligations under leases, other long-term liabilities and derivative financial instrument liabilities less cash).
- ✓ **Adjusted Net Earnings (Loss):** Defined as net earnings (loss) after adjusting for the after tax effects of certain non-recurring and/or non-operational related items that do not reflect the current ongoing cash operations of the Company including: fair value adjustments of total return swap, unrealized foreign exchange loss or gain, unrealized gain or loss on the interest rate swap, impairment loss on goodwill, portion of the total return swap realized, costs associated with assessing strategic and corporate initiatives, fair value adjustment to acquired subsidiary company's inventory and deferred revenue, equity settled stock-based compensation, gain or loss on disposal of property, plant and equipment, past service costs and other pension costs or recovery, unrecoverable insurance costs, recovery on currency transactions, prior year sales tax provision, other tax adjustments, extraordinary COVID-19 costs and non-recurring restructuring costs.
- ✓ **Adjusted Earnings (Loss) per Share:** Defined as Adjusted Net Earnings (Loss) divided by the average number of Shares outstanding



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