

**TOROMONT INDUSTRIES LTD.**  
**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
(Unaudited)

(\$ thousands)	Note	March 31 2026	December 31 2025	March 31 2025
<b>Assets</b>				
Current assets				
Cash and cash equivalents		\$ 1,161,606	\$ 1,325,466	\$ 977,461
Accounts receivable		671,907	693,102	617,869
Inventories		1,288,320	1,190,987	1,392,626
Income taxes recoverable		50,910	31,704	29,270
Derivative financial instruments	7	9,117	3,916	6,766
Other current assets		30,053	21,458	19,410
<b>Total current assets</b>		<b>3,211,913</b>	<b>3,266,633</b>	<b>3,043,402</b>
Property, plant and equipment	4	812,450	790,183	631,199
Rental equipment	4	768,836	767,745	797,655
Right-of-use assets		56,063	51,699	54,976
Other assets		72,614	67,912	56,556
Deferred tax assets		3,699	3,437	1,208
Goodwill		114,533	114,533	114,533
Intangible assets		404,090	408,177	484,617
<b>Total assets</b>		<b>\$ 5,444,198</b>	<b>\$ 5,470,319</b>	<b>\$ 5,184,146</b>
<b>Liabilities</b>				
Current liabilities				
Accounts payable and accrued liabilities	10	\$ 637,231	\$ 701,153	\$ 602,779
Provisions		32,853	34,216	30,271
Deferred revenue and contract liabilities		338,509	359,154	352,689
Current portion of long-term debt	5, 7	—	—	149,941
Derivative financial instruments	7	1,251	6,920	—
Income taxes payable		4,583	11,931	990
<b>Total current liabilities</b>		<b>1,014,427</b>	<b>1,113,374</b>	<b>1,136,670</b>
Deferred revenue and contract liabilities		27,946	26,651	23,908
Long-term lease liabilities		48,604	44,687	46,435
Long-term debt	5, 7	796,676	796,428	795,683
Post-employment obligations	11	29,100	28,427	30,138
Other long-term liabilities	3	51,852	50,000	43,292
Deferred tax liabilities		119,680	120,257	135,459
<b>Total liabilities</b>		<b>2,088,285</b>	<b>2,179,824</b>	<b>2,211,585</b>
<b>Shareholders' equity</b>				
Share capital	6	648,047	639,521	613,260
Contributed surplus		40,166	40,334	35,887
Retained earnings		2,659,112	2,608,647	2,315,170
Accumulated other comprehensive income		8,588	1,993	8,244
<b>Total shareholders' equity</b>		<b>3,355,913</b>	<b>3,290,495</b>	<b>2,972,561</b>
<b>Total liabilities and shareholders' equity</b>		<b>\$ 5,444,198</b>	<b>\$ 5,470,319</b>	<b>\$ 5,184,146</b>

See accompanying notes

**TOROMONT INDUSTRIES LTD.**  
**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
(Unaudited)

(\$ thousands, except share amounts)	Note	Three months ended March 31	
		2026	2025
<b>Revenue</b>	13	\$ 1,228,072	\$ 1,089,622
Cost of goods sold	4	910,733	846,047
Gross profit		317,339	243,575
Selling and administrative expenses		174,309	143,994
<b>Operating income</b>		143,030	99,581
Interest expense	8	8,925	7,446
Interest and investment income	8	(11,400)	(11,179)
Purchase commitment expenses	3	13,852	1,096
Income before income taxes		131,653	102,218
Income taxes		38,955	27,782
<b>Net earnings</b>		\$ 92,698	\$ 74,436
<b>Earnings per share</b>			
Basic	9	\$ 1.14	\$ 0.92
Diluted	9	\$ 1.13	\$ 0.91
<b>Weighted average number of shares outstanding</b>			
Basic	9	81,484,075	81,311,867
Diluted	9	82,269,150	81,852,574

See accompanying notes

**TOROMONT INDUSTRIES LTD.**  
**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
(Unaudited)

(\$ thousands)	2026	2025
<b>Net earnings</b>	<b>\$ 92,698</b>	<b>\$ 74,436</b>
<b>Other comprehensive income (loss), net of income taxes:</b>		
<i>Items that may be reclassified subsequently to net earnings:</i>		
Foreign currency translation adjustments	763	(32)
Unrealized gains (losses) on derivatives designated as cash flow hedges	5,111	(1,327)
Income tax (expense) recovery	(1,307)	345
Unrealized gains (losses) on cash flow hedges, net of income taxes	3,804	(982)
Realized losses (gains) on derivatives designated as cash flow hedges	2,741	(5,516)
Income tax (recovery) expense	(713)	1,434
Realized losses (gains) on cash flow hedges, net of income taxes	2,028	(4,082)
<i>Items that will not be reclassified subsequently to net earnings:</i>		
Remeasurement gain (loss) on defined benefit plans	4,647	(4,200)
Income tax (expense) recovery	(1,231)	1,113
Remeasurement gain (loss) on defined benefit plans, net of income taxes	3,416	(3,087)
<b>Other comprehensive income (loss)</b>	<b>10,011</b>	<b>(8,183)</b>
<b>Total comprehensive income</b>	<b>\$ 102,709</b>	<b>\$ 66,253</b>

See accompanying notes

**TOROMONT INDUSTRIES LTD.**  
**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
(Unaudited)

(\$ thousands, except share amounts)	Share capital			Accumulated other comprehensive income (loss)				Total shareholders' equity
	Number	Amount	Contributed surplus	Retained earnings	Foreign currency translation adjustments	Cash flow hedges	Total	
<b>At January 1, 2026</b>	<b>81,449,458</b>	<b>\$ 639,521</b>	<b>\$ 40,334</b>	<b>\$ 2,608,647</b>	<b>\$ 3,243</b>	<b>\$ (1,250)</b>	<b>\$ 1,993</b>	<b>\$ 3,290,495</b>
Net earnings	—	—	—	92,698	—	—	—	92,698
Other comprehensive income	—	—	—	3,416	763	5,832	6,595	10,011
Total comprehensive income	—	—	—	96,114	763	5,832	6,595	102,709
Exercise of share options	70,368	6,757	(1,075)	—	—	—	—	5,682
Share-based compensation plans	—	—	5,579	—	—	—	—	5,579
Settlement of RSUs and PSUs	12,669	1,769	(4,672)	—	—	—	—	(2,903)
Effect of share compensation plans	83,037	8,526	(168)	—	—	—	—	8,358
Dividends declared	—	—	—	(45,649)	—	—	—	(45,649)
<b>At March 31, 2026</b>	<b>81,532,495</b>	<b>\$ 648,047</b>	<b>\$ 40,166</b>	<b>\$ 2,659,112</b>	<b>\$ 4,006</b>	<b>\$ 4,582</b>	<b>\$ 8,588</b>	<b>\$ 3,355,913</b>
<b>At January 1, 2025</b>	<b>81,300,574</b>	<b>\$ 597,976</b>	<b>\$ 34,293</b>	<b>\$ 2,309,784</b>	<b>\$ 4,988</b>	<b>\$ 8,352</b>	<b>\$ 13,340</b>	<b>\$ 2,955,393</b>
Net earnings	—	—	—	74,436	—	—	—	74,436
Other comprehensive loss	—	—	—	(3,087)	(32)	(5,064)	(5,096)	(8,183)
Total comprehensive income (loss)	—	—	—	71,349	(32)	(5,064)	(5,096)	66,253
Exercise of share options	45,366	3,107	(498)	—	—	—	—	2,609
Share-based compensation plans	—	—	4,597	—	—	—	—	4,597
Settlement of RSUs and PSUs	11,280	915	(2,505)	—	—	—	—	(1,590)
Effect of share compensation plans	56,646	4,022	1,594	—	—	—	—	5,616
Business acquisition	110,447	12,800	—	—	—	—	—	12,800
Shares purchased for cancellation	(204,900)	(1,538)	—	(23,710)	—	—	—	(25,248)
Dividends declared	—	—	—	(42,253)	—	—	—	(42,253)
<b>At March 31, 2025</b>	<b>81,262,767</b>	<b>\$ 613,260</b>	<b>\$ 35,887</b>	<b>\$ 2,315,170</b>	<b>\$ 4,956</b>	<b>\$ 3,288</b>	<b>\$ 8,244</b>	<b>\$ 2,972,561</b>

See accompanying notes

**TOROMONT INDUSTRIES LTD.**  
**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)

(\$ thousands)	Note	Three months ended March 31	
		2026	2025
<b>Operating activities</b>			
Income from operations		\$ 92,698	\$ 74,436
Items not requiring cash:			
Depreciation and amortization		63,960	63,279
Share-based compensation		3,575	2,971
Post-employment obligations		604	1,225
Deferred income taxes		(4,090)	(4,041)
Non-cash purchase commitment expenses		1,852	1,096
Gain on sale of rental equipment and property, plant and equipment		(3,545)	(5,315)
		<b>155,054</b>	133,651
Net change in non-cash working capital and other	12	(215,011)	(170,702)
Additions to rental equipment	4	(49,246)	(59,963)
Proceeds on disposal of rental equipment		14,008	13,933
<b>Cash used in operating activities</b>		<b>(95,195)</b>	(83,081)
<b>Investing activities</b>			
Additions to property, plant and equipment	4	(41,578)	(17,256)
Proceeds on disposal of property, plant and equipment		2,237	1,544
Business acquisition, net of cash acquired	3	—	(45,450)
Additions (disposals) in other assets		5	(27)
<b>Cash used in investing activities</b>		<b>(39,336)</b>	(61,189)
<b>Financing activities</b>			
Issuance of long-term senior debentures		—	300,000
Financing fees	12	—	(2,996)
Dividends paid	6	(42,347)	(39,127)
Net cash received on long-term incentive plan exercise/settlements		2,779	1,019
Shares purchased for cancellation	6	—	(25,248)
Payment of lease liabilities		(3,086)	(2,708)
<b>Cash provided by (used in) financing activities</b>		<b>(42,654)</b>	230,940
Effect of currency translation on cash balances		725	(24)
(Decrease) increase in cash and cash equivalents during the period		(176,460)	86,646
Cash and cash equivalents, at beginning of the period		1,325,466	890,815
Adjustment on adoption of IFRS 9 amendments for 2025 on January 1, 2026	2	12,600	—
<b>Cash and cash equivalents, at end of the period</b>		<b>\$ 1,161,606</b>	\$ 977,461

**Supplemental cash flow information (note 12)**

See accompanying notes

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three months ended March 31, 2026

(\$ thousands, except where otherwise indicated) (Unaudited)

## 1. DESCRIPTION OF BUSINESS

### Corporate Information

Toromont Industries Ltd. (the "Company" or "Toromont") is a Canada Business Corporations Act company incorporated and domiciled in Canada. Toromont's shares are publicly traded on the Toronto Stock Exchange ("TSX") under the symbol TIH. The registered office is located at 3131 Highway 7 West, Concord, Ontario, Canada.

The Company operates through two business segments: the Equipment Group and CIMCO. The Equipment Group includes one of the larger Caterpillar dealerships by revenue and geographic territory, spanning the Canadian provinces of Newfoundland and Labrador, Nova Scotia, New Brunswick, Prince Edward Island, Québec, Ontario and Manitoba, in addition to most of the territory of Nunavut. The Equipment Group includes industry-leading rental operations, a material handling business and a power generation enclosure manufacturer. CIMCO is one of North America's leading suppliers of thermal management solutions that enable customers to reduce energy consumption and emissions, use natural refrigerants, and monitor and control their operating environments autonomously. Both segments offer comprehensive product support capabilities.

## 2. MATERIAL ACCOUNTING POLICIES

### Basis of Preparation

#### a) Statement of Compliance

These interim condensed consolidated financial statements were prepared in accordance with International Accounting Standard 34 – *Interim Financial Reporting*. Accordingly, these interim condensed consolidated financial statements do not include all disclosures required for annual financial statements and should be read in conjunction with the audited annual consolidated financial statements of the Company as at and for the year ended December 31, 2025.

These interim condensed consolidated financial statements were authorized for issue by the Board of Directors on April 28, 2026.

#### b) Basis of Presentation

These interim condensed consolidated financial statements were prepared on a historical cost basis, except for derivative instruments that have been measured at fair value. These interim condensed consolidated financial statements are presented in Canadian dollars, which is Toromont's functional currency, and all values are rounded to the nearest thousands, except where otherwise indicated.

Certain comparative figures have been reclassified to conform to the current period's presentation.

#### c) Material Accounting Policies

The material accounting policies used in the preparation of these interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company's audited annual consolidated financial statements as at and for the year ended December 31, 2025.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three months ended March 31, 2026

(\$ thousands, except where otherwise indicated) (Unaudited)

The Company has applied the following amendments for the first time effective January 1, 2026:

Amendments to IFRS Accounting Standards ("IFRS") 9 and IFRS 7 – *Classification and Measurement of Financial Instruments*:

- Recognition and derecognition of financial assets and liabilities are required to be recorded at settlement date.
- The Company has elected to use the exception allowed for regular-way transactions settled using an electronic payment system.
- As a result, cheques issued to suppliers but not settled at the reporting date continue to be recognised within accounts payable, with no corresponding reduction in cash and cash equivalents.
- The adoption of the amendments did not have an impact on profit or loss. As at March 31, 2026, outstanding cheques amounted to \$9.8 million.
- The Company has restated cash and cash equivalents as at January 1, 2026 by \$12.6 million, the amount of outstanding cheques on that date.

Several other amendments apply for the first time in 2026, but do not have a material impact on the interim condensed consolidated financial statements of the Company.

The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

### d) Use of Significant Accounting Estimates and Judgments

The preparation of interim condensed consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenue, expenses, assets, liabilities and accompanying disclosures. Significant estimates and judgments used in the preparation of these interim condensed consolidated financial statements are described in the Company's audited annual consolidated financial statements as at and for the year ended December 31, 2025. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

## 3. BUSINESS COMBINATION

### AVL Manufacturing Inc. ("AVL")

On January 31, 2025, the Company acquired 60% of the shares of AVL for consideration of \$67.5 million cash plus the issuance of 110.4 thousand Toromont shares. In addition, the Company has committed to purchase the remaining 40% at various dates through to 2031. The initial purchase price was funded with cash on hand. AVL designs and fabricates power generation and storage enclosures. At the time of acquisition AVL had operations in Hamilton, Ontario, which has subsequently expanded to the US. AVL currently serves the data centre market across eastern North America.

The acquisition is accounted for as a business combination with Toromont as the acquirer of AVL. The acquisition has been accounted for using the anticipated-acquisition method of accounting, whereby the underlying non-controlling interests ("NCI") are presented as owned by Toromont, both in the consolidated statements of financial position and in the statements of income and other comprehensive income ("OCI"), even though legally they are still NCI. This is because the recognition of the financial liability implies that the

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three months ended March 31, 2026

(\$ thousands, except where otherwise indicated) (Unaudited)

NCI subject to the future purchase commitments are deemed to have been acquired already. Results from AVL have been included in the interim condensed consolidated statements of income and interim condensed consolidated statements of comprehensive income since the date of acquisition and are included in the Equipment Group.

The following table summarizes the fair value of consideration paid on the acquisition date.

### Purchase Price

	2025
Cash consideration	\$ 67,500
Issue of Toromont common shares	12,800
Future purchase commitment consideration (included in other long-term liabilities)	42,109
<b>Total</b>	<b>\$ 122,409</b>

The purchase price allocation was finalized in the fourth quarter of 2025. The difference between the preliminary and final allocation was an increase of \$7.6 million to both goodwill and future purchase commitment liability. The prior period comparatives have been restated to reflect the final purchase price allocation.

The Company has also entered into an agreement to purchase the remaining 40% of outstanding shares at various dates through 2031. Under the agreement, the Company is obligated to purchase shares from the non-controlling interest holders at a price determined in reference to future earnings and cash flows. The Company has assessed the terms of the transaction to determine that the purchase commitment gives it a present ownership interest in the remaining shares outstanding. The Company has recognized a financial liability measured as the present value of the expected future purchase price of the remaining 40% shares outstanding.

Purchase commitment expenses of \$13.9 million were recorded in the three months ended March 31, 2026 (2025 – \$1.1 million). Expenses in the first quarter of 2026, included a dividend declared and paid by AVL of \$30.0 million, of which \$12.0 million represents the NCI allocation.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three months ended March 31, 2026

(\$ thousands, except where otherwise indicated) (Unaudited)

### 4. PROPERTY, PLANT AND EQUIPMENT AND RENTAL EQUIPMENT

	Property, plant and equipment					Rental equipment
	Land	Buildings	Equipment	Power generation	Total	
<b>Cost</b>						
January 1, 2026	\$ 221,507	\$ 556,363	\$ 478,818	\$ 40,460	\$ 1,297,148	\$ 1,497,076
Additions	8,492	16,054	16,870	162	41,578	49,246
Disposals	(175)	(2,708)	(6,116)	—	(8,999)	(28,121)
Foreign currency translation adjustments	171	1,142	391	—	1,704	—
<b>March 31, 2026</b>	<b>\$ 229,995</b>	<b>\$ 570,851</b>	<b>\$ 489,963</b>	<b>\$ 40,622</b>	<b>\$ 1,331,431</b>	<b>\$ 1,518,201</b>
<b>Accumulated depreciation</b>						
January 1, 2026	\$ —	\$ 180,820	\$ 286,556	\$ 39,589	\$ 506,965	\$ 729,331
Depreciation expense	—	5,678	13,047	22	18,747	37,552
Depreciation of disposals	—	(889)	(6,012)	—	(6,901)	(17,518)
Foreign currency translation adjustments	—	34	136	—	170	—
<b>March 31, 2026</b>	<b>\$ —</b>	<b>\$ 185,643</b>	<b>\$ 293,727</b>	<b>\$ 39,611</b>	<b>\$ 518,981</b>	<b>\$ 749,365</b>
<b>Net book value – March 31, 2026</b>	<b>\$ 229,995</b>	<b>\$ 385,208</b>	<b>\$ 196,236</b>	<b>\$ 1,011</b>	<b>\$ 812,450</b>	<b>\$ 768,836</b>

	Property, plant and equipment					Rental equipment
	Land	Buildings	Equipment	Power generation	Total	
<b>Cost</b>						
January 1, 2025	\$ 196,768	\$ 426,138	\$ 420,737	\$ 40,460	\$ 1,084,103	\$ 1,423,468
Additions	3,380	6,635	7,241	—	17,256	59,963
Business combination (note 3)	—	2,700	3,768	—	6,468	—
Disposals	(901)	(937)	(3,006)	—	(4,844)	(24,763)
Foreign currency translation adjustments	—	(4)	(10)	—	(14)	—
March 31, 2025	\$ 199,247	\$ 434,532	\$ 428,730	\$ 40,460	\$ 1,102,969	\$ 1,458,668
<b>Accumulated depreciation</b>						
January 1, 2025	\$ —	\$ 164,010	\$ 256,096	\$ 39,445	\$ 459,551	\$ 640,388
Depreciation expense	—	4,549	10,896	75	15,520	36,777
Depreciation of disposals	—	(611)	(2,683)	—	(3,294)	(16,152)
Foreign currency translation adjustments	—	(1)	(6)	—	(7)	—
March 31, 2025	\$ —	\$ 167,947	\$ 264,303	\$ 39,520	\$ 471,770	\$ 661,013
<b>Net book value – March 31, 2025</b>	<b>\$ 199,247</b>	<b>\$ 266,585</b>	<b>\$ 164,427</b>	<b>\$ 940</b>	<b>\$ 631,199</b>	<b>\$ 797,655</b>

During the three months ended March 31, 2026, depreciation expense of \$48.4 million was charged to cost of goods sold (2025 – \$46.7 million), and \$7.9 million was charged to selling and administrative expenses (2025 – \$5.6 million).

As at March 31, 2026, the balance of assets under construction or not yet available for use and not subject to depreciation was \$58.0 million (2025 – \$13.9 million).

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**As at and for the three months ended March 31, 2026**

(\$ thousands, except where otherwise indicated) (Unaudited)

### 5. LONG-TERM DEBT

	March 31 2026	December 31 2025	March 31 2025
<b>Senior debentures</b>			
3.71%, \$150.0 million, due September 30, 2025 <sup>(1)</sup>	\$ —	\$ —	\$ 150,000
3.84%, \$500.0 million, due October 27, 2027 <sup>(1)</sup>	500,000	500,000	500,000
3.76%, \$300.0 million, due March 28, 2030 <sup>(1)</sup>	300,000	300,000	300,000
	<b>800,000</b>	800,000	950,000
Debt issuance costs, net of amortization	(3,324)	(3,572)	(4,376)
<b>Total long-term debt</b>	<b>\$ 796,676</b>	\$ 796,428	\$ 945,624
Less: current portion of long-term debt	—	—	(149,941)
<b>Non-current portion of long-term debt</b>	<b>\$ 796,676</b>	\$ 796,428	\$ 795,683

<sup>(1)</sup> Interest payable semi-annually, principal due on maturity.

The Company has a \$500.0 million committed revolving credit facility maturing in March 2030, with a syndicate of financial institutions. Debt under this facility is unsecured and ranks pari passu with debt outstanding under Toromont's existing debentures. Interest is based on a floating rate, primarily bankers' acceptances and prime, plus applicable margins and fees based on the terms of the credit facility.

No amounts have been drawn on the revolving credit facility as at March 31, 2026, December 31, 2025 and March 31, 2025.

Standby letters of credit issued utilized \$47.9 million of the facility as at March 31, 2026 (December 31, 2025 – \$47.3 million; March 31, 2025 – \$43.7 million).

### 6. SHARE CAPITAL

#### Normal Course Issuer Bid ("NCIB")

The Company's NCIB program was renewed in September 2025. Under the NCIB, the Company may purchase for cancellation up to a maximum of 8,128,838 common shares during the 12-month period ending September 22, 2026.

The Company did not purchase and cancelled any common shares during the three months ended March 31, 2026.

The Company maintains an Automatic Share Purchase Plan ("ASPP") with a broker to enable the purchase of common shares under the NCIB during regular trading blackout periods. The volume of the purchases are determined by the broker based on share price and maximum volume parameters established by the Company prior to the commencement of each blackout period.

The Company purchased and cancelled 204,900 common shares for \$25.2 million (average cost of \$123.22 per share, including transaction costs) during the three months ended March 31, 2025.

As at March 31 2026 and 2025 there were no obligations for the repurchase of shares under the ASPP.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**As at and for the three months ended March 31, 2026**

(\$ thousands, except where otherwise indicated) (Unaudited)

### Dividends Declared

Dividend	2026				2025			
	Record date	Dividend amount per share	Payment date	Total dividends declared (\$ millions)	Record date	Dividend amount per share	Payment date	Total dividends declared (\$ millions)
Quarter 1	Mar. 6, 2026	\$ 0.56	Apr. 2, 2026	\$ 45.6	Mar. 7, 2025	\$ 0.52	Apr. 4, 2025	\$ 42.3

On April 28, 2026, the Board declared a quarterly dividend of \$0.56 per common share, payable on July 2, 2026, to shareholders of record at the close of business on June 5, 2026.

## 7. FINANCIAL INSTRUMENTS

### Financial Assets and Liabilities – Classification and Measurement

The following table highlights the carrying amounts and classifications of certain financial assets and liabilities:

	March 31 2026	December 31 2025	March 31 2025
<b>Other financial liabilities:</b>			
Current portion of long-term debt	\$ —	\$ —	149,941
Long-term debt	796,676	796,428	795,683
<b>Derivative financial instruments:</b>			
Derivative financial instrument assets	\$ 9,117	\$ 3,916	6,766
Derivative financial instrument liabilities	(1,251)	(6,920)	—
	\$ 7,866	\$ (3,004)	6,766

### Fair Value of Financial Instruments

The fair value of derivative financial instruments is measured using the discounted value of the difference between the contract's value at maturity based on the contracted foreign exchange rate and the contract's value at maturity based on the comparable foreign exchange rate as at year-end under the same conditions. The financial institution's credit risk is also taken into consideration in determining fair value. The valuation is determined using Level 2 inputs, which are observable inputs or inputs that can be corroborated by observable market data for substantially the full term of the asset or liability, most significantly foreign exchange spot and forward rates.

The fair value and carrying value of total long-term debt were as follows:

	March 31 2026	December 31 2025	March 31 2025
<b>Total long-term debt:</b>			
Fair value	\$ 802,741	\$ 807,343	958,911
Carrying value	\$ 796,676	\$ 796,428	945,624

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three months ended March 31, 2026

(\$ thousands, except where otherwise indicated) (Unaudited)

The fair value was determined using the discounted cash flow method, a generally accepted valuation technique. The discounted factor is based on market rates for debt with similar terms and remaining maturities, and based on Toromont's credit risk. The Company has no plans to prepay these instruments prior to maturity.

During the three months ended March 31, 2026 and 2025, there were no transfers between Level 1 and Level 2 fair value measurements.

### Derivative Financial Instruments and Hedge Accounting

Foreign exchange contracts and options are transacted with financial institutions to hedge foreign-currency-denominated obligations related to purchases of inventory and sales of products. As at March 31, 2026, the Company was committed to the following contracts all maturing between April 2026 and March 2027:

- (i) US dollar purchase contracts with a notional amount of \$487.5 million at an average exchange rate of \$1.3669;
- (ii) US dollar sale contracts with a notional amount of \$224.9 million at an average exchange rate of \$1.3740;
- (iii) GBP sale contracts with a notional amount of £0.5 million at an average exchange rate of \$1.8313; and
- (iv) EUR purchase contracts with a notional amount of €0.1 million at an average exchange rate of \$1.6136.

Management estimates that a gain of \$7.9 million (December 31, 2025 – loss of \$3.0 million; March 31, 2025 – gain of \$6.8 million) would be realized if the contracts were terminated on March 31, 2026. Certain of these forward contracts are designated as cash flow hedges and, accordingly, an unrealized gain of \$6.9 million (December 31, 2025 – unrealized loss of \$1.4 million; March 31, 2025 – unrealized gain of \$4.1 million) has been included in other comprehensive income (loss). These gains and losses are not expected to affect net earnings as the amounts will be reclassified to net earnings within the next 12 months and will offset losses recorded on the underlying hedged items, namely foreign-currency-denominated accounts payable and accrued liabilities. Certain of these forward contracts are not designated as cash flow hedges but are entered into for periods consistent with foreign currency exposure of the underlying transactions. A gain of \$1.0 million (December 31, 2025 – loss of \$1.6 million; March 31, 2025 – gain of \$2.7 million) on forward contracts not designated as hedges is included in net earnings, which offsets gains recorded on the foreign-currency-denominated items, namely accounts payable and accrued liabilities.

## 8. INTEREST INCOME AND EXPENSE

The components of interest expense were as follows:

	Three months ended March 31	
	2026	2025
Credit facilities	\$ 594	\$ 564
Senior debentures	7,717	6,335
Interest on lease liabilities	614	547
	<b>\$ 8,925</b>	<b>\$ 7,446</b>

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**As at and for the three months ended March 31, 2026**

(\$ thousands, except where otherwise indicated) (Unaudited)

The components of interest and investment income were as follows:

	Three months ended March 31	
	2026	2025
Interest on conversion of rental equipment	\$ 1,635	\$ 1,579
Interest income	9,765	9,600
	<b>\$ 11,400</b>	<b>\$ 11,179</b>

### 9. EARNINGS PER SHARE

<i>(\$ 000's except share and per share amounts)</i>	Three months ended March 31	
	2026	2025
Net earnings available to common shareholders	\$ 92,698	\$ 74,436
Weighted average common shares outstanding	81,484,075	81,311,867
Effect of dilutive securities	785,075	540,707
Weighted average common shares outstanding – diluted	82,269,150	81,852,574
<b>Earnings per share:</b>		
Basic	\$ 1.14	\$ 0.92
Diluted	\$ 1.13	\$ 0.91

For the three months ended March 31, 2026, 162,138 outstanding share options with an average exercise price of \$203.06 were considered anti-dilutive (exercise price in excess of average market price) and were excluded from the calculation.

For the comparative period in 2025, 348,508 outstanding share options with an average exercise price of \$123.57 were considered anti-dilutive and were excluded from the calculation.

### 10. SHARE-BASED COMPENSATION

#### Share Option Plan

A reconciliation of the outstanding options for the three months ended March 31, 2026 and 2025 was as follows:

	2026		2025	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, January 1	1,268,788	\$ 95.05	1,458,651	\$ 85.61
Granted	162,138	203.06	192,443	122.02
Exercised <sup>(1)</sup>	(70,368)	80.74	(45,366)	57.50
Forfeited	(2,620)	117.46	(5,211)	107.56
<b>Options outstanding, March 31</b>	<b>1,357,938</b>	<b>\$ 108.65</b>	<b>1,600,517</b>	<b>\$ 90.71</b>
<b>Options exercisable, March 31</b>	<b>799,198</b>	<b>\$ 85.25</b>	<b>931,299</b>	<b>\$ 76.19</b>

<sup>(1)</sup> The weighted average share price at the date of exercise for the three months ended March 31, 2026 was \$202.39 (2025 – \$119.36).

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**As at and for the three months ended March 31, 2026**

(\$ thousands, except where otherwise indicated) (Unaudited)

The following table summarizes share options outstanding and exercisable as at March 31, 2026:

Range of exercise prices	Options outstanding			Options exercisable	
	Number	Weighted average remaining life (years)	Weighted average exercise price	Number	Weighted average exercise price
\$36.65 – \$53.88	86,200	1.2	\$ 50.61	86,200	\$ 50.61
\$65.72 – \$72.95	377,158	3.6	69.58	377,158	69.58
\$104.91 – \$125.11	732,442	7.1	114.69	335,840	111.73
\$203.06	162,138	9.9	203.06	—	—
	<b>1,357,938</b>	<b>6.1</b>	<b>\$ 108.65</b>	<b>799,198</b>	<b>\$ 85.25</b>

The fair values of the share options granted during 2026 and 2025 were determined at the time of grant using the Black-Scholes option pricing model with the following weighted average assumptions:

	2026	2025
Fair value price per option	\$ 43.14	\$ 24.52
Share price	\$ 203.06	\$ 122.02
Expected life of options (years)	5.00	5.00
Expected share price volatility	21.5%	22.0%
Expected dividend yield	1.10%	1.70%
Risk-free interest rate	2.74%	2.89%

### Long-term Incentive Plan ("LTIP")

A reconciliation of the outstanding Restricted Share Units ("RSUs") and Performance Share Units ("PSUs") for the three months ended March 31, 2026 and 2025 was as follows:

	2026		2025	
	RSUs	PSUs	RSUs	PSUs
Units outstanding, January 1	24,300	78,690	27,544	73,420
Granted	6,303	28,142	9,641	30,429
Reinvested dividends	76	245	118	310
LTIP settlement	(7,112)	(22,171)	(7,002)	(21,810)
Forfeited	(518)	—	(2)	(692)
<b>Units outstanding, March 31</b>	<b>23,049</b>	<b>84,906</b>	<b>30,299</b>	<b>81,657</b>

LTIP expense of \$1.8 million (2025 – \$1.4 million) was included in selling and administrative expenses with a credit to contributed surplus.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**As at and for the three months ended March 31, 2026**

(\$ thousands, except where otherwise indicated) (Unaudited)

### Deferred Share Unit ("DSU") Plans

A reconciliation of the cash-settled DSU plan for the three months ended March 31, 2026 and 2025 was as follows:

	2026		2025	
	Number of DSUs	Value	Number of DSUs	Value
Outstanding, January 1	149,594	\$ 24,869	177,706	\$ 20,266
Dividend credits	467	78	750	85
Redemptions	(2,452)	(499)	—	—
Fair market value adjustments	—	3,956	—	47
<b>Outstanding, March 31</b>	<b>147,609</b>	<b>\$ 28,404</b>	<b>178,456</b>	<b>\$ 20,398</b>

The cost of the cash-settled DSU plan is recorded in selling and administrative expenses with the liability recorded in accounts payable and accrued liabilities.

A reconciliation of the outstanding units of the equity-settled DSU plan for the three months ended March 31, 2026 and 2025 was as follows:

	2026	2025
	Number of DSUs	Number of DSUs
Outstanding, January 1	104,331	62,674
Units issued or taken in lieu and dividends	12,768	17,759
Redemptions	(487)	—
Units transferred on settlement of RSUs and PSUs	16,276	13,283
<b>Outstanding, March 31</b>	<b>132,888</b>	<b>93,716</b>

The cost of the equity-settled DSU plan is recorded in selling and administrative expenses with a credit to contributed surplus.

### 11. EMPLOYEE FUTURE BENEFITS

Employee future benefits expense includes the following components:

	Three months ended March 31	
	2026	2025
Defined benefit plans	\$ 1,322	\$ 1,876
Defined contribution plans	5,304	5,066
401(k) matched saving plans	222	116
	<b>\$ 6,848</b>	<b>\$ 7,058</b>

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**As at and for the three months ended March 31, 2026**

(\$ thousands, except where otherwise indicated) (Unaudited)

### 12. SUPPLEMENTAL CASH FLOW INFORMATION

	Three months ended March 31	
	2026	2025
<b>Net change in non-cash working capital and other:</b>		
Accounts receivable	\$ 21,195	\$ 41,723
Inventories	(97,333)	(65,900)
Accounts payable and accrued liabilities	(78,514)	(116,437)
Provisions	(1,363)	(404)
Deferred revenue and contract liabilities	(19,350)	(14,859)
Income taxes	(26,554)	(23,874)
Derivative financial instruments	(3,019)	5,742
Other	(10,073)	3,307
	<b>\$ (215,011)</b>	<b>\$ (170,702)</b>
<b>Cash paid during the period for:</b>		
Interest	\$ 5,640	\$ 2,783
Income taxes	\$ 69,706	\$ 58,355
<b>Cash received during the period for:</b>		
Interest	\$ 6,583	\$ 10,161

### 13. SEGMENTED INFORMATION

The Company has two reportable segments: the Equipment Group and CIMCO as described in note 1, each supported by the corporate office. These segments are strategic business units that offer different products and services, and each is managed separately. The corporate office provides finance, treasury, legal, human resources and other administrative support to the segments and does not meet the definition of a reportable operating segment as defined in IFRS 8 – *Operating Segments*, as it does not earn revenue.

The accounting policies of each of the reportable segments are the same as the material accounting policies described in the most recent annual audited consolidated financial statements.

Segment performance is assessed based on operating income, which is measured differently than income from operations in the interim condensed consolidated financial statements. Corporate overheads are allocated to the segments based on revenue. Income taxes, interest expense, interest and investment income, and purchase commitment expenses are managed at a consolidated level and are not allocated to the reportable operating segments. Current income taxes, deferred income taxes and certain financial assets and liabilities are not allocated to the segments as they are also managed on a consolidated level.

The aggregation of the operating segments is based on the economic characteristics of the business units. These business units are considered to have similar economic characteristics including nature of products and services, class of customers and markets served and similar distribution models.

No reportable segment is reliant on any single external customer.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**As at and for the three months ended March 31, 2026**

(\$ thousands, except where otherwise indicated) (Unaudited)

The following tables set forth information by segment for the three months ended March 31, 2026 and 2025:

Three months ended March 31	Equipment Group		CIMCO		Consolidated	
	2026	2025	2026	2025	2026	2025
Equipment/package sales	\$ 543,834	\$ 460,995	\$ 46,299	\$ 42,126	\$ 590,133	\$ 503,121
Rentals	117,757	106,390	—	—	117,757	106,390
Product support	464,949	423,563	52,654	54,196	517,603	477,759
Power generation	2,579	2,352	—	—	2,579	2,352
<b>Total revenue</b>	<b>\$ 1,129,119</b>	<b>\$ 993,300</b>	<b>\$ 98,953</b>	<b>\$ 96,322</b>	<b>\$ 1,228,072</b>	<b>\$ 1,089,622</b>
<b>Operating income</b>	<b>\$ 136,878</b>	<b>\$ 89,984</b>	<b>\$ 6,152</b>	<b>\$ 9,597</b>	<b>\$ 143,030</b>	<b>\$ 99,581</b>
Interest expense					8,925	7,446
Interest and investment income					(11,400)	(11,179)
Purchase commitment expenses					13,852	1,096
Income taxes					38,955	27,782
<b>Net earnings</b>					<b>\$ 92,698</b>	<b>\$ 74,436</b>

Operating income from rental operations for the three months ended March 31, 2026 was \$2.8 million (2025 – operating loss \$0.7 million).

### 14. BUSINESS SEASONALITY

Interim period revenue and earnings historically reflect variability from quarter to quarter due to seasonality.

The Equipment Group has historically had a distinct seasonal trend in activity levels. Lower revenue is recorded during the first quarter due to winter shutdowns in the construction industry. The fourth quarter has typically been the strongest due in part to the timing of customers' capital investment decisions, delivery of equipment from suppliers for customer-specific orders and conversions of equipment on rent with a purchase option. This pattern is impacted by the timing of significant sales to mining and other customers, resulting from the timing of mine site development and access, and construction project schedules. This trend can also be impacted during periods of equipment supply constraints from suppliers.

CIMCO has historically also had a distinct seasonal trend in results, as the timing of construction activity impacts revenue recognition under percentage-of-completion accounting. Revenue is typically lower during the first quarter as winter weather slows down construction schedules. Revenue increases in subsequent quarters as construction schedules ramp up. This trend can be impacted by governmental funding initiatives, supply constraints and the customer's timing of significant industrial projects. Sequential comparisons are also impacted by CIMCO's relatively high fixed-cost structure.

Historically, inventories have increased through the year to meet the expected demand for higher deliveries in the third and fourth quarter. This trend can be impacted by equipment and parts availability. These seasonal sales trends also typically lead to accounts receivable to be at their highest level at year-end.

Market and economic factors, local and global economic factors, and supply chain issues have affected and may continue to impact these trends. There can be no certainty that this historical seasonal pattern will recur in the future.

## **NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**As at and for the three months ended March 31, 2026**

(\$ thousands, except where otherwise indicated) (Unaudited)

### **15. SUBSEQUENT EVENTS**

In April 2026, the Company accelerated the purchase of an additional 20% of the outstanding shares of AVL from a minority shareholder. This transaction increased Toromont's ownership of AVL to 80%. The purchase price of the additional shares was \$71.0 million, paid in cash, and will result in a non-tax deductible expense of approximately \$45.0 million in the second quarter of 2026.