

# Investor Presentation

November 2022



A Diversified Global Powerhouse in Advanced Manufacturing

# Forward Looking Information, Risk and Uncertainties

Certain information regarding Linamar set forth in this presentation and oral summary, including management's assessment of the Company's future plans and operations may constitute forward-looking statements. This information is based on current expectations that are subject to significant risks and uncertainties that are difficult to predict. Actual results may differ materially from these anticipated in the forward-looking statements due to factors such as customer demand and timing of buying decisions, product mix, competitive products and pricing pressure. In addition, uncertainties and difficulties in domestic and foreign financial markets and economies could adversely affect demand from customers. These factors, as well as general economic and political conditions and public health threats, may in turn have a material adverse effect on the Company's financial results. Please also refer to Linamar's most current Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") and Annual Information Form ("AIF"), as replaced or updated by any of Linamar's subsequent regulatory filings, which set out the cautionary disclaimers, including the risk factors that could cause actual events to differ materially from these indicated by such forward looking statements. These documents are available at <https://www.linamar.com/investors>. The Company assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward-looking statements. Content is protected by copyright and may not be reproduced or repurposed without express written consent by the Company.

# Company Overview





# Linamar - A Leading Global Advanced Manufacturing Company



Leading Edge  
AI Enabled  
Technology

SOLUTIONS TO POWER  
THE FUTURE OF VEHICLES,  
MOTION, WORK & LIVES

Deep  
Manufacturing  
Expertise

## **Mobility**

Carbon Efficient  
Electrified  
Lightweight  
Connected & Autonomous  
New Mobility

## **Infrastructure**

Safe & Efficient Man  
& Work to Height

## **Agriculture**

Optimized Harvest Yield  
& Availability of Food



# Linamar 2100: Market Focus Addresses Key Global Trends

Mobility



Infrastructure



Food



MedTech



Power



Water



Rapid Technology  
Evolution

Growing Intensity  
to Address  
Environmental  
Concerns

Urbanization

Aging Global  
Population

Growing Global  
Population

# Core Brands and Diverse Markets

Diversified Manufactured Products that Power Vehicles, Motion, Work and Lives

Infrastructure



SKYJACK

Food



MacDon

SALFORD

Mobility



LINAMAR

# Diverse Key Products

## INDUSTRIAL



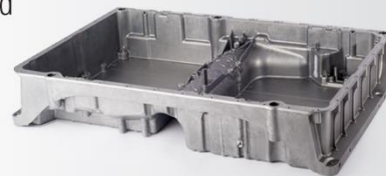
## MOBILITY



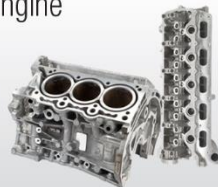
Electrified  
Products



Structural and  
Chassis



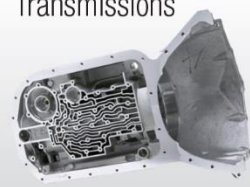
Engine



Driveline



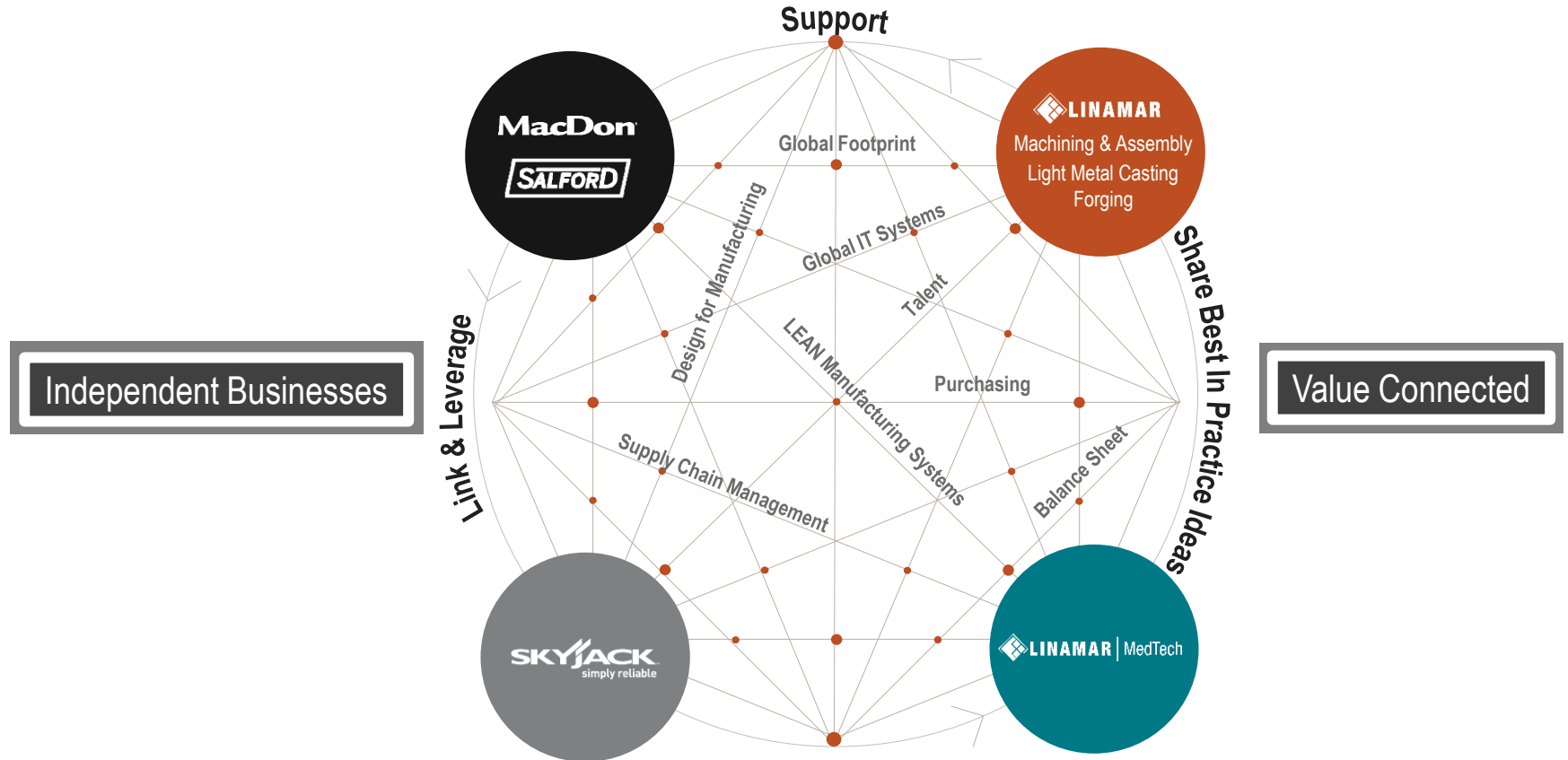
Transmissions





# Linamar's Unique Value Creation Model

Deeply Interconnected Businesses Driving Value Across Multiple Vectors



# Key Drivers of Market Opportunity



# Key Business Strategies

## Mobility



- Increase electrified content through the eLIN strategy:
  - Power Generation
  - Energy Storage
  - Propulsion Systems
  - Structural & Chassis
- Grow product lineup outside of propulsion
- Mine opportunistic ICE market as volumes decline but addressable market increases with an eye to mitigate risk

## Skyjack



- Globalize operations and production capacity
- Focus on growth in growing China market
- Expand product lineup in all 3 regions

## MacDon & Salford



- Maintain leading market position in Harvesting
- Expand product lineup
  - Diversify into crop nutrition and tillage with the addition of Salford brand to the portfolio
- Global growth

## Linamar MedTech



- Focus on contract manufacturing for precision medical components and medical devices
  - Orthopedics
  - Prosthesis
  - Surgical
  - Respiratory
  - Imaging devices



# Market Concentration Balance

## Industrial

Mobile Industrial Equipment | Fabricated Assemblies

Sales  
24%

## Mobility

Engine | Transmission | Driveline | Body

Sales  
76%

### ACCESS



12.9

### AGRICULTURAL



11.1

### AUTOMOTIVE



70.6

### OFF HIGHWAY



2.0

### COMMERCIAL



3.4

# Diverse Core Manufacturing Capabilities

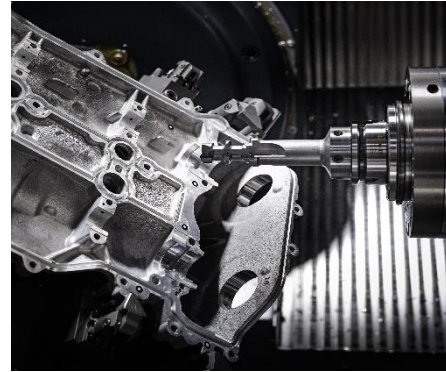
## Metal Forming

- Robotic Welding
- Laser cutting
- Metal Forming
- Stamping
- Painting
- Assembly



## Forging

- Hatebur High Speed Hot Horizontal Forging
- Conventional Vertical Forging
- Cold Forming
- Ring Rolling
- Radial Forging



## Machining & Assembly

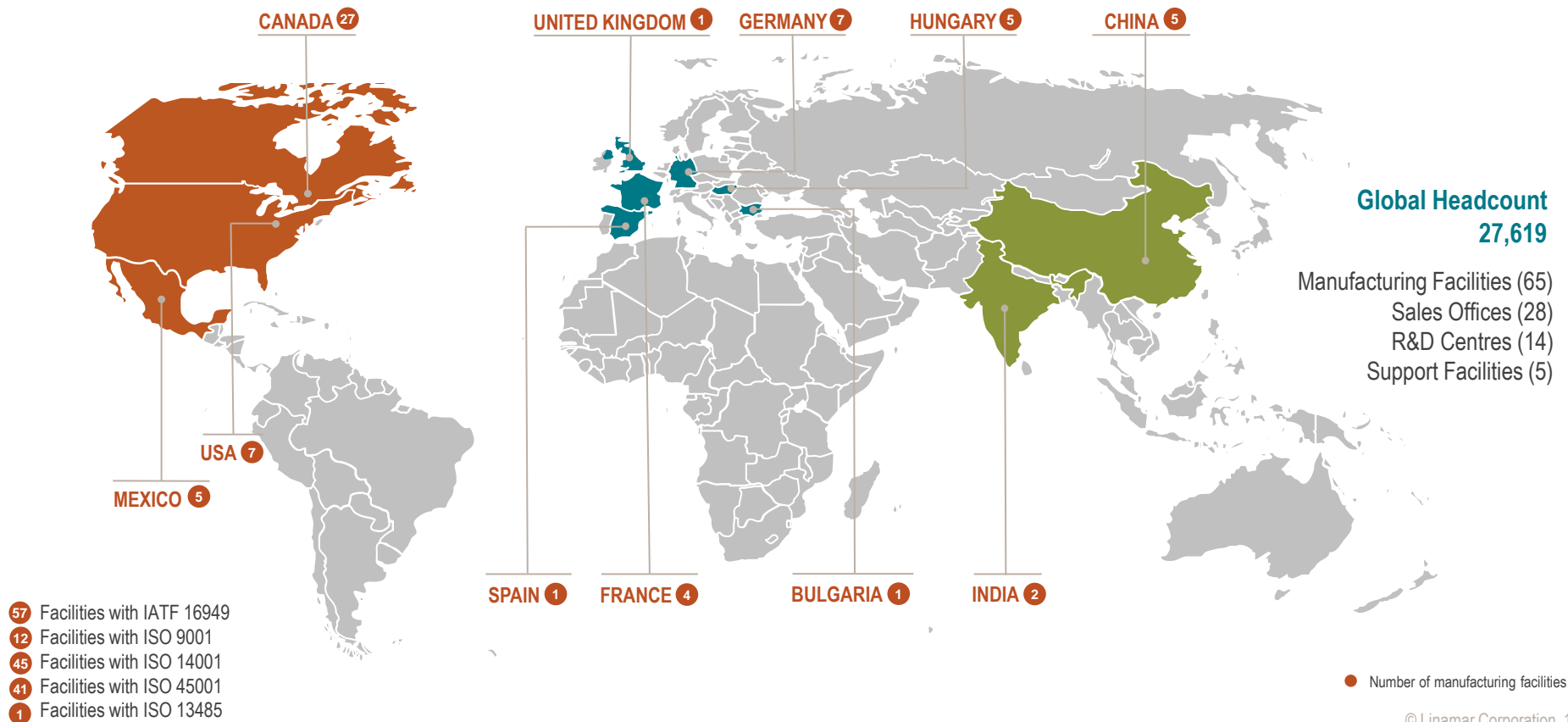
- Advanced Automation & Robotics
- CNC Expertise
- Complex Assemblies
- Hydroforming
- Heat Treatment



## Light Metal Casting

- Gravity & Low Pressure Aluminum Die Casting
- High Pressure Aluminum & Magnesium Die Casting

# Strong Global Footprint





# ESG is a Long-held Priority



## Environment

- Green technology is a key growth strategy driving product innovation in all business
- Energy and water conservation programs running in all facilities
- **Energy and water usage per dollar sales trending down**
- Rooftop solar power on nearly 40% of global facilities
- Investing in off grid co-gen projects
- Low energy lighting installed in all global facilities
- 85% of global plants ISO 14001 (environmental standard) certified
- Sustainability Council created in 2021, creating recommendations, rolling out awareness and implementing priorities globally



## Social

- Diversity Drives Results Initiative
  - 18% female leaders vs 19% female workforce
  - Strong ethnic diversity in leadership
  - Recognized by the Globe & Mail in their Women Lead Here list of companies
  - Unconscious Bias Training Completed Globally by leaders
  - **Diversity Council initial recommendations underway**
- Supplier Diversity Program & Conflict Minerals Policy
- Signatory to BlackNorth Initiative
- Significant external promotion of women in Leadership, STEM & Trades – **See it, Be It, Stem for 2023 underway**
- Charitable Giving – arts, education, healthcare, youth and community key focus involving broad leadership
  - Scholarships in Engineering (UG), Accounting (WLU), Dual Eng/Business (UWO, Women)
  - GG Hospital \$5 mill (with family)
  - **Covid Support – Ventilators, Testing, Vaccine Clinic**



## Governance

- Detailed review of every governance policy conducted yearly with Board of Directors
- [Contactyourboard@Linamar.com](mailto:Contactyourboard@Linamar.com) direct contact to Board established to facilitate shareholder interaction
- Process established to allow key shareholder interaction with Independent Board members
- Significant enhancement to disclosure around compensation and governance policies in MIC this year
- 33% Female Composition
- Annual integrity and anti-corruption training
- Whistleblower policy to ensure good conduct
- Skill matrix to ensure comprehensive board capabilities
- Diversity Policy Implemented

# Linamar Long Term Sustainability Roadmap & Goals



We commit to being a net zero emissions organization inclusive of the operation of our facilities, our supply base and the products we supply to by 2050.

## Our Goal:



Net zero emissions  
by **2050**

## Our Commitment:

Net Zero Facilities  
Net Zero Supply Chain  
Net Zero Customer Products





# Linamar Long Term Sustainability Roadmap & Goals



We commit to being a net zero emissions organization inclusive of the operation of our facilities, our supply base and the products we supply to by 2050.



**Clean Energy is Energy that is produced without negative impact to the environment**  
Hydro, Wind, Solar, Green Hydrogen, Geo-Thermal, Nuclear

## Why?

1. What we do **today** determines the **future** of our planet
2. The future of our planet **matters to us**; it also matters to our Employees, our Customers and our Shareholders
3. Addressing environmental challenges is a global imperative which will create massive **market opportunity** for those with the solutions

## How?

1. **Maximize utilization of clean energy** globally, **implement offsets** for any energy that is not clean
2. **Minimize utilization of energy & production of emissions** in our facilities and activities
3. **Track critical metrics** in every facility and push for continuous **improvement every day**

## Principles

1. Environmental Sustainability needs to be something **each and every one of us commit to** – we each play a part in this large connected puzzle, **what each of us does matters and counts**
2. What we do impacts others – we need to **lead by example by doing what we do better for the benefit of all our stakeholders**
3. Find **balanced** solutions that optimize impact for the Environment as well as our Employees, our Customers and our Financial performance





## Diversity: 4 Key Principles



Opportunity for Everyone



Proportionate Representation



Advance on Merit

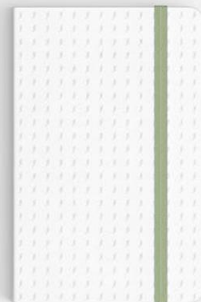


No Quotas

Maximizes Talent Pool

Why?  
Logical

Optimizes Performance



## Women in STEM Website and Calendar

We are featuring nearly **300** female  
role models in STEM on our Website

We have distributed nearly **70,000**  
**calendars** in the past 4 years

2023 Launch Event recently held

<https://www.seeitbeitstemit.com/about-the-calendars>



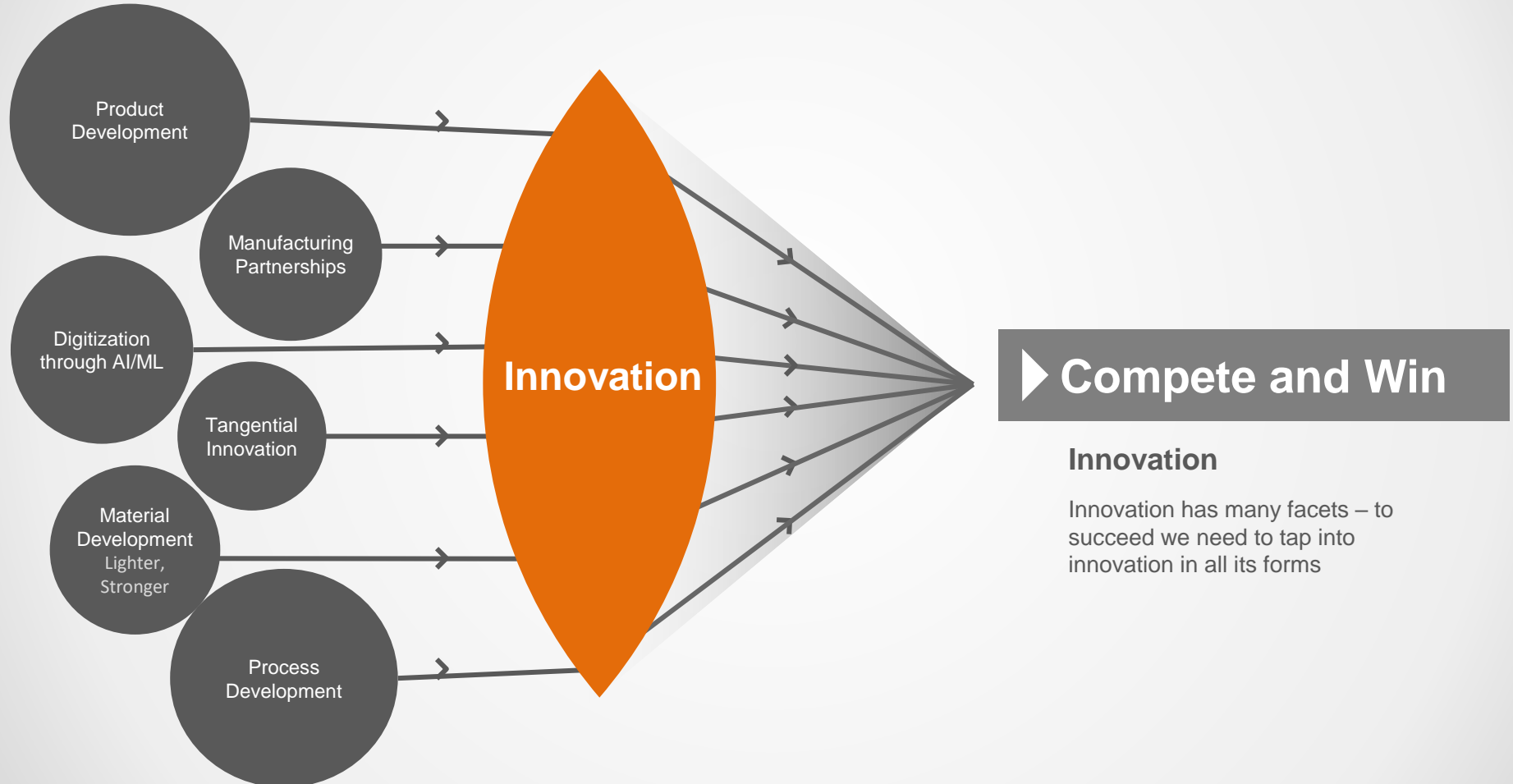
# Innovation

Driving the Advanced Manufacturing Agenda





# Broad Innovation Strategy



# Innovation Driving Green Technologies, Digitization & Operational Efficiency Underpinning Strategy in Each Business

Green Technologies



Digitization



Operational Efficiency



# Business Strategies Impact Product Design & Facility Function

## Green Technologies









## Digitization & Operational Efficiency



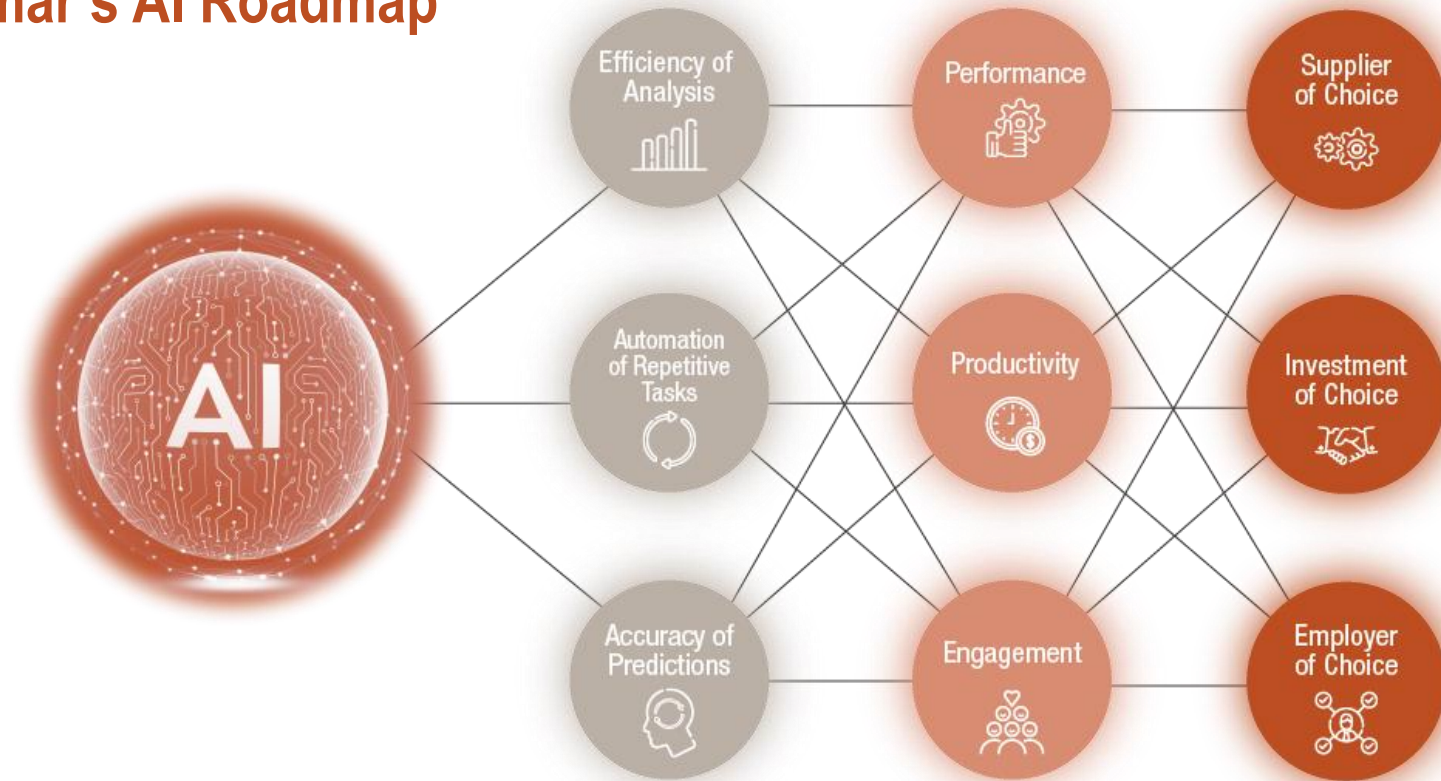
|  |          | Mobility   | SKYJACK<br>simply reliable | MacDon                | LINAMAR   MedTech          |
|--|----------|--|----------------------------|-----------------------|----------------------------|
|  | PRODUCT  | Electrification & Emission Reduction                       | Electrification            | Precision Agriculture | Compact & Energy Efficient |
|  | FACILITY | Technology Investments to Reduce Facility Carbon Footprint |                            |                       |                            |
|  | PRODUCT  | Lighter & Quieter  | Digitization & Telematics  | Optimize Harvest      | Digitized & Autonomous     |
|  | FACILITY | Industry 4.0 Investments to Improve Facility Efficiency    |                            |                       |                            |



# Joint Technology Development Initiatives and Manufacturing Partnerships

|   | Who   | Focus   | Technology  | Equity   |
|---|---|---|---|--|
| <b>Green Technologies</b><br>     | <b>Ballard</b><br>Joint Development & Selling                 | <b>Fuel Cell Electrification</b><br>Pass Car<br>Class 1 and 2 Truck | <b>“Plug &amp; Play” FCEV Powertrain Rolling Chassis Solutions</b>  |   |
|   | <b>Exro</b><br>Joint Development & Selling                    | <b>Electrification</b><br><b>MD Commercial Vehicle</b>              | Gear Box & Inverter E-axle Solutions for High Speed Low Torque AND Low Speed High Torque Applications     |  |
|   | <b>E-Matrix</b><br>Joint Development, Selling & Manufacturing | <b>Electrification</b><br>Broad Based Mobility Applications         | Battery Pack Innovation & Battery Management Systems Technology – Flexible, Lower Cost, Better Efficiency |  |
|   | <b>Marel Power Systems</b><br>Manufacturing                   | <b>Electrification</b><br>EV Power Electronics                      | Technologies for DC to AC switching with significant power density improvements                           |  |
| <b>Operational Efficiency</b><br> | <b>IM Systems</b><br>Manufacturing                            | <b>Robotics</b><br>Industrial                                       | <b>Faster, More Precise, Lower Cost Tractive Contact Driven Robotics Solutions</b>                        |   |
| <b>Digitization</b><br>          | <b>Synaptive</b><br>Manufacturing                             | <b>Robotics</b><br>Medical  | <b>Faster, More Precise, Lower Cost Automated Microscopy &amp; Medical Imaging</b>                        |  |

# Linamar's AI Roadmap



Improve quality of production, enhance product life and functionality to improve performance, make more accurate forecasts and estimates, better predictions around promotions.

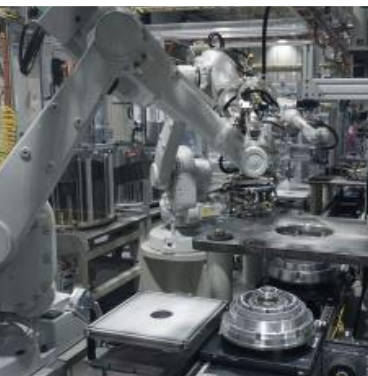


Reduce cycle times, improve uptime to lower costs, improve productivity, drive faster analysis and number crunching.



Eliminate routine tasks to enable focus on more interesting work driving career and wage growth opportunities to improve employee engagement on the floor and in the office.

# AI/ML Driving Innovation & Efficiencies



## ADVANCED ROBOTICS

Development of advanced collaborative robots to drive more efficient and safer automation



## DATA COLLECTION

1. Improve equipment uptime & tool life & reduce cycle times
2. Sensors in products track performance, drive design improvements
3. Enable operational improvements through telematics



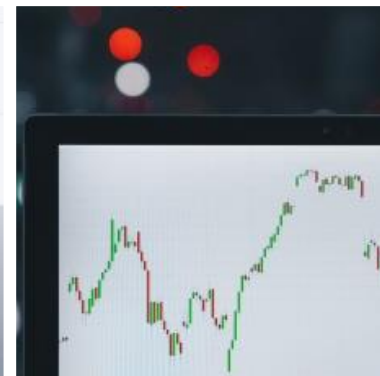
## VISION SYSTEMS

Evolving vision systems to more accurately gauge & inspect products for better product integrity



## ADDITIVE MANUFACTURING (3D PRINTING)

Identify applications today (proto, tooling), develop for future production potential



## PREDICTION & ANALYSIS

Assessing other processes of analysis & prediction that can be more efficiently & accurately done by machine



# Digitization with AI/ML – November 2022

65

Plants



5,268

LMMS Data  
Collection Connections



3,467

Robots



1,036

Traceability  
Marking  
Stations



2,975

Connected Machines



2,051

RFID Stations



2,704

Traceability Read Stations



1,202

Vision Systems



6

AGVs



# Quarter Highlights



# Q3 2022: Performance Highlights

## Focus on Customers



### 2022 Theme: Sustainable Growth

- Continuation of the strong underlying market demand in all businesses, although still a constraint the global supply chain headwinds have improved
- Continued discussions on pricing offsets with key customers to address rising inflationary input cost pressures
- Strong execution of NBWs, particularly in Electrified applications, 51% of the 2026 forecasted mobility business will come from "Non-ICE Powertrains"
- Skyjack Global capacity expansion continues, first machines off the line in the China factory, Mexican management team in place with staff hiring underway
- Recently acquired Salford integration progress going well

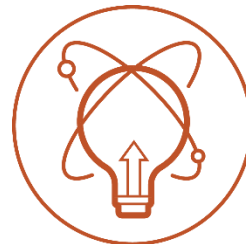
## Focus on Employees



### 2022 Theme: Diversity

- Key initiatives launched from Diversity Council
- Unconscious Bias training completed by leadership globally
- Sustainability Council making progress on key emissions and energy initiatives
- Focus on People through new attraction and retention efforts in order to offset the macro issue of a shrinking labor force
- Internal promotions trending up

## Focus on Financial



### 2022 Theme: AI Adoption

- Double digit top and bottom-line growth in Q3
- Liquidity<sup>1</sup> remains strong at \$1.3 billion.
- Very active in Q3 on share buyback program through the current Normal Course Issuer Bid (NCIB), returning cash to shareholders



# Sales, Normalized Earnings<sup>1</sup>, and Margins (in millions CAD)

|  | Q3 2022 | Q3 2021 | % Δ   |
|--|---------|---------|-------|
| Sales  | 2,098.1 | 1,645.0 | 27.5% |
| Industrial Sales                               | 533.4   | 433.9   | 22.9% |
| Mobility Sales                                 | 1,564.7 | 1,211.1 | 29.2% |
| EBITDA – Normalized <sup>1</sup>               | 282.5   | 255.2   | 10.7% |
| EBITDA – Normalized Margin <sup>1</sup>        | 13.5%   | 15.5%   |       |
| Industrial OE – Normalized <sup>1</sup>        | 74.3    | 72.9    | 1.9%  |
| Industrial OE – Normalized Margin <sup>1</sup> | 13.9%   | 16.8%   |       |
| Mobility OE – Normalized <sup>1</sup>          | 94.1    | 77.8    | 21.0% |
| Mobility OE – Normalized Margin <sup>1</sup>   | 6.0%    | 6.4%    |       |
| OE – Normalized <sup>1</sup>                   | 168.4   | 150.7   | 11.7% |
| OE – Normalized Margin <sup>1</sup>            | 8.0%    | 9.2%    |       |
| NE – Normalized <sup>1</sup>                   | 121.0   | 104.8   | 15.5% |
| NE – Normalized Margin <sup>1</sup>            | 5.8%    | 6.4%    |       |
| EPS – Normalized <sup>1</sup>                  | 1.91    | 1.60    | 19.4% |

## Q3 2022

The key factors impacting results in the quarter are:

- Growth in both segments, amplified by market share growth in automotive and agricultural;
- Customer pricing agreements helping to partially offset dramatically higher costs; partially offset by
- No government subsidies in 2022 vs 2021;
- The net impact of our two acquisitions; and
- Higher SGA and fixed costs supporting growth in both segments.

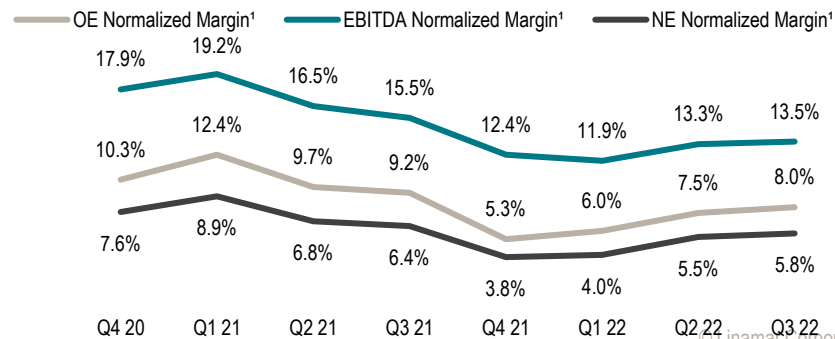
The key impacts to the segments vs prior year are:

### Mobility

- Markets up 24.1% in NA , 20.1% in EU, and 29.8% in AP;
- Market recovery enhanced by launches;
- Increased pricing related to cost recovery partially offsetting associated material, utility and freight costs; and
- Impact of Mills River acquisition.








### Industrial

- An increase in both access and ag market sales enhanced by market share growth and the Salford acquisition; and
- Significant cost issues related to material, labour, freight and utilities challenges.



1 - EBITDA – Normalized, Operating Earnings (OE) – Normalized, and Net Earnings (NE) – Normalized are Non-GAAP Financial Measures. EBITDA – Normalized Margin, Operating Earnings – Normalized Margin, Net Earnings – Normalized Margin, (representing their respective measures as a percentage of sales) and Net Earnings (Loss) per Share – Diluted – Normalized (EPS) are non-GAAP financial ratios. Please refer to "Non-GAAP and Other Financial Measures" in the separately released Q3 2022 MD&A.

# Market Snapshot

|               |  |  |  |  |               |  |  |  |
|---------------|---|---|---|---|---------------|---|---|---|
| 2022          | Light Vehicle   | Commercial Truck  | Agriculture   | Access  | 2023          | Light Vehicle   | Commercial Truck  | Access  |
| North America | ▲ 10.9%   | ▲ 9.7%  | ▲ 5-10%   | ▲ 20.3%   | North America | ▲ 6.4%  | ▲ 1.3%  | ▲ 9.7%  |
| Europe        | ▼ -1.6%   | ▼ -5.9%   | 0%  | ▲ 35.0%   | Europe        | ▲ 6.5%  | ▲ 5.3%  | ▲ 9.3%  |
| Asia          | ▲ 6.8%  | ▼ -34.6%  | n/a   | ▲ 10.5%   | Asia          | ▲ 2.9%  | ▲ 11.5%   | ▲ 12.9%   |
| Rest of World | ▲ 11.1%   | n/a   | ▲ 5.0%  | n/a   | Rest of World | ▲ 3.2%  | n/a   | n/a   |

Above projections are external industry expert estimates for total market % unit change as a whole vs. prior year in each of the respective market segments. They are not internal expectations of Linamar's results.

# Outlook

## Q4 2022 Expectations

### ▪ Mobility

- Sales at best flat to Q3 2022 but meaningfully up from prior year
- Margins flat to Q3 2022 but down from prior year
  - Sales growth should still drive some earnings growth in the segment vs prior year

### ▪ Industrial

- Sales seasonally down from Q3 2022 but significantly up from prior year
- Margins seasonally down vs Q3 2022 but significantly better than prior year which was a loss

### ▪ General

- Sales down vs Q3 2022 but meaningfully up from prior year
- Normalized Net Margins down from Q3 2022 but up from prior year
- Normalized Net Earnings down vs Q3 2022 but up significantly from prior year
- The situation is very dynamic and impacts not fully determinable in terms of their impact at this point

| Consolidated                       | Normal Ranges | 2021 Actuals | Expectations 2022                                     | Expectations 2023                   |
|------------------------------------|---------------|--------------|---|-------------------------------------|
| Sales Growth                       |               | 12.4%        | Double Digit Growth                                   | Double Digit Growth                 |
| Normalized EPS Growth <sup>1</sup> |               | 35.8%        | Flat  | Double Digit Growth                 |
| Normalized Net Margin <sup>1</sup> | 7.0% - 9.0%   | 6.6%         | Contraction   | Expansion                           |
| Capex (% of Sales)                 | 6.0% - 8.0%   | 243m<br>3.7% | Significantly Up From 2021<br>Just Under Normal Range | Up from 2022<br>Within Normal Range |
| Leverage Net Debt: EBITDA          |               | (0.13x)      | Continued Strong Balance Sheet                        | Continued Strong Balance Sheet      |
| Free Cash Flow <sup>1</sup>        |               | \$ 673 m     | Solidly Positive                                      | Solidly Positive                    |

| Industrial                               |               |       |                     |                             |
|--|---------------|-------|---------------------|-----------------------------|
| Sales Growth                             |               |       |                     |                             |
| Skyjack                                  |               |       | Double Digit Growth | Double Digit Growth         |
| Agriculture                              |               |       | Double Digit Growth | Double Digit Growth         |
| Normalized Operating Margin <sup>1</sup> | 14.0% - 18.0% | 12.3% | Contraction         | Expansion into Normal Range |

| Mobility  |              |        |                         |                         |
|---|--------------|--------|-------------------------|-------------------------|
| Sales Growth  |              |        | Double Digit Growth     | Double Digit Growth     |
| Factors Influencing Sales Growth                                  |              |        |                         |                         |
| Launch Book More than \$5.0 Billion Driving Incremental Sales Of: |              | \$421m | \$500 to \$600 million  | \$800 to \$900 million  |
| Business Leaving (% Consolidated Sales)                           | 5.0% - 10.0% |        | Low End of Normal Range | Low End of Normal Range |
| Normalized Operating Margin <sup>1</sup>                          | 7.0% - 10.0% | 8.4%   | Contraction             | Expansion               |

1 - Free Cash Flow in a non-GAAP financial measure. Normalized Earnings per Share (EPS) Growth (representing year-over-year growth of Net Earnings (Loss) per Share - Diluted - Normalized), Normalized Net Margin, and Normalized Operating Margin (representing the respective measures as a percentage of sales) are non-GAAP financial ratios. Please refer to "Non-GAAP and Other Financial Measures" in the separately released Q3 2022 MD&A.



# Infrastructure





Skyjack focuses on maximizing customer utilization and return on investment by proudly providing them quality-engineered, simple and reliable access & material handling solutions on a global basis.



# Global Manufacturing Expansion Underway



## Mexico:

A North America capacity expansion with a new site in Saltillo area



## Hungary:

Increased production capacity at the OROS site.



## China:

Launching Electric DC Scissor lift models initially in existing Linamar Tianjin facility, to be followed by new Greenfield site constructed.





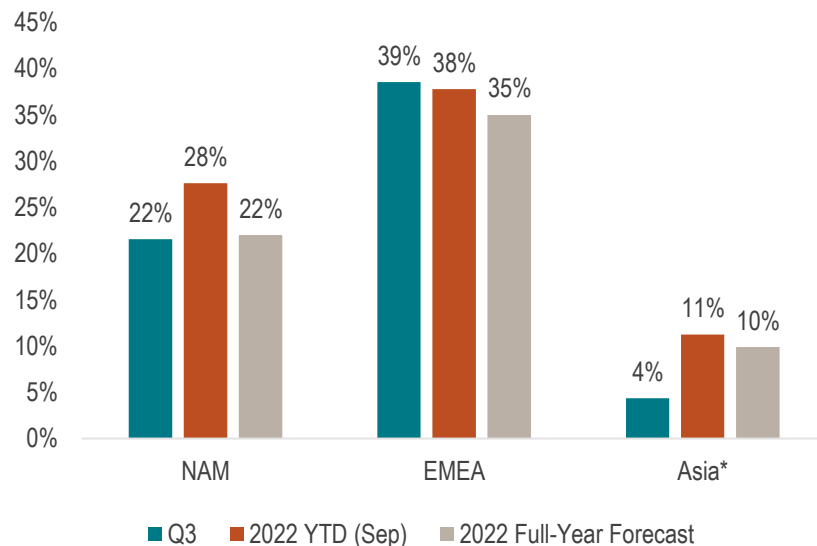
# Industrial Segment - Access

## Access Equipment Market Commentary

- Supply chain shortages and higher commodity prices are continuing to limit production and shipments as well as negatively impact costs in 2022
- Energy surcharges having negative impact on costs in Europe
- Stable end market demand activity with equipment utilization levels expected to be within 4% on average of peak 2019 levels
  - NAM access market up 28% Sep YTD, up 22% Q3
  - EMEA access market up 38% Sep YTD, up 39% Q3
  - Asia access market up 11% Sep YTD, up 4% Q3
- CY2022 still expected to see double digit growth in all regions globally (NAM, EMEA, Asia)

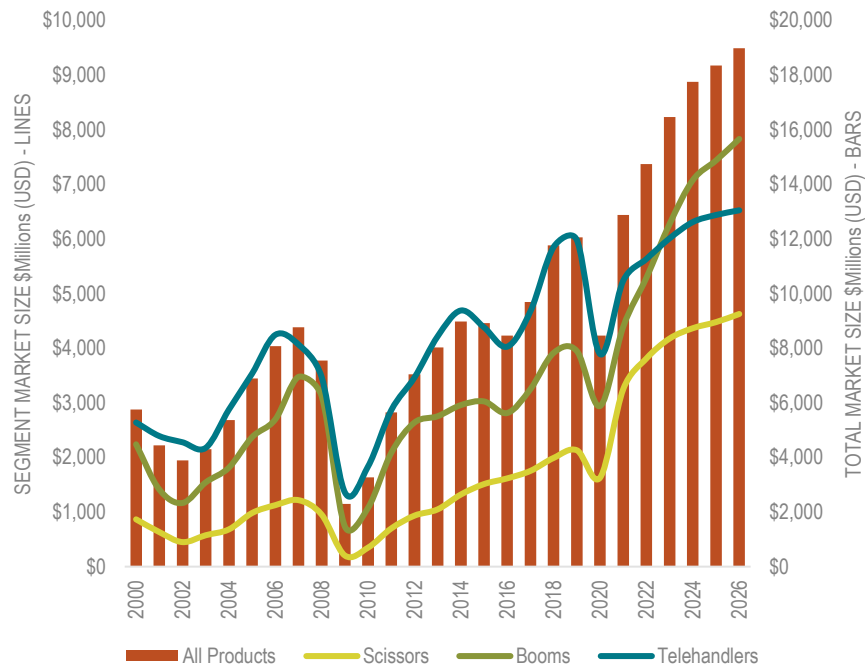


## 2022 Access Industry YTD Results & Forecast % Change vs. Prior Year

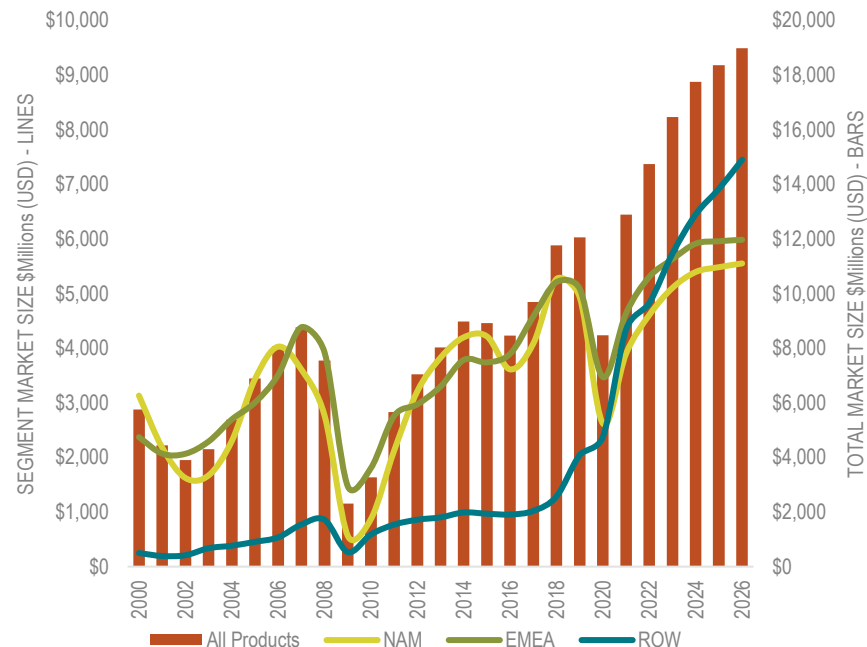


# Access & Material Handling Equipment

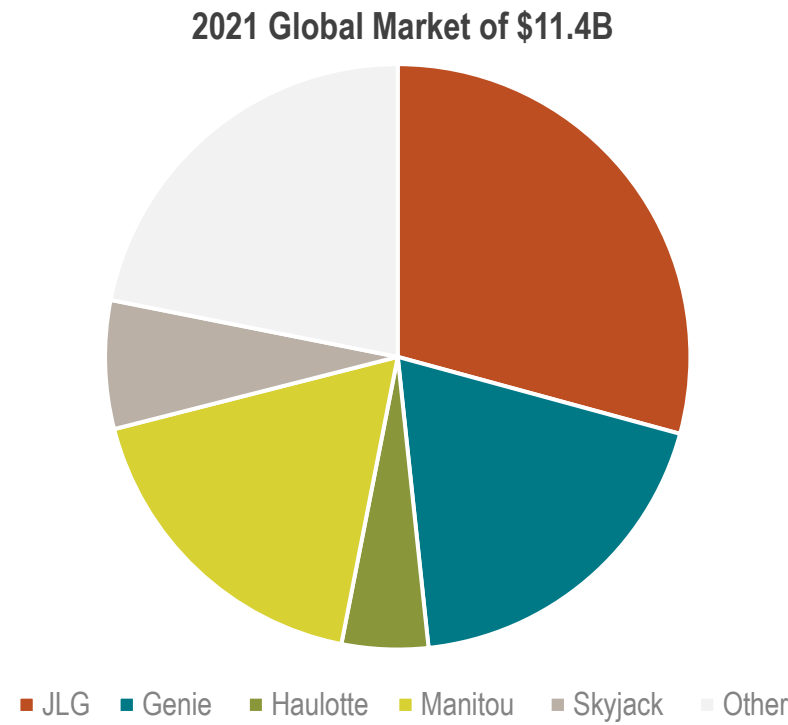
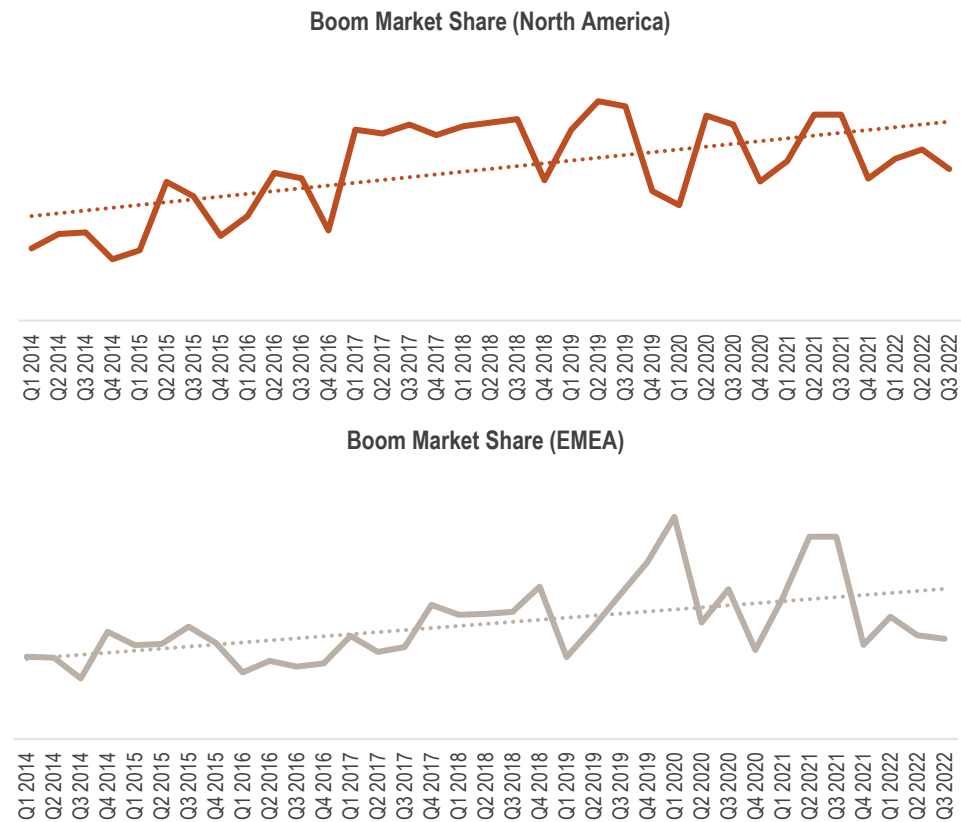
MOBILE EQUIPMENT MARKET PRODUCT MIX



MOBILE EQUIPMENT MARKET GEOGRAPHIC MIX

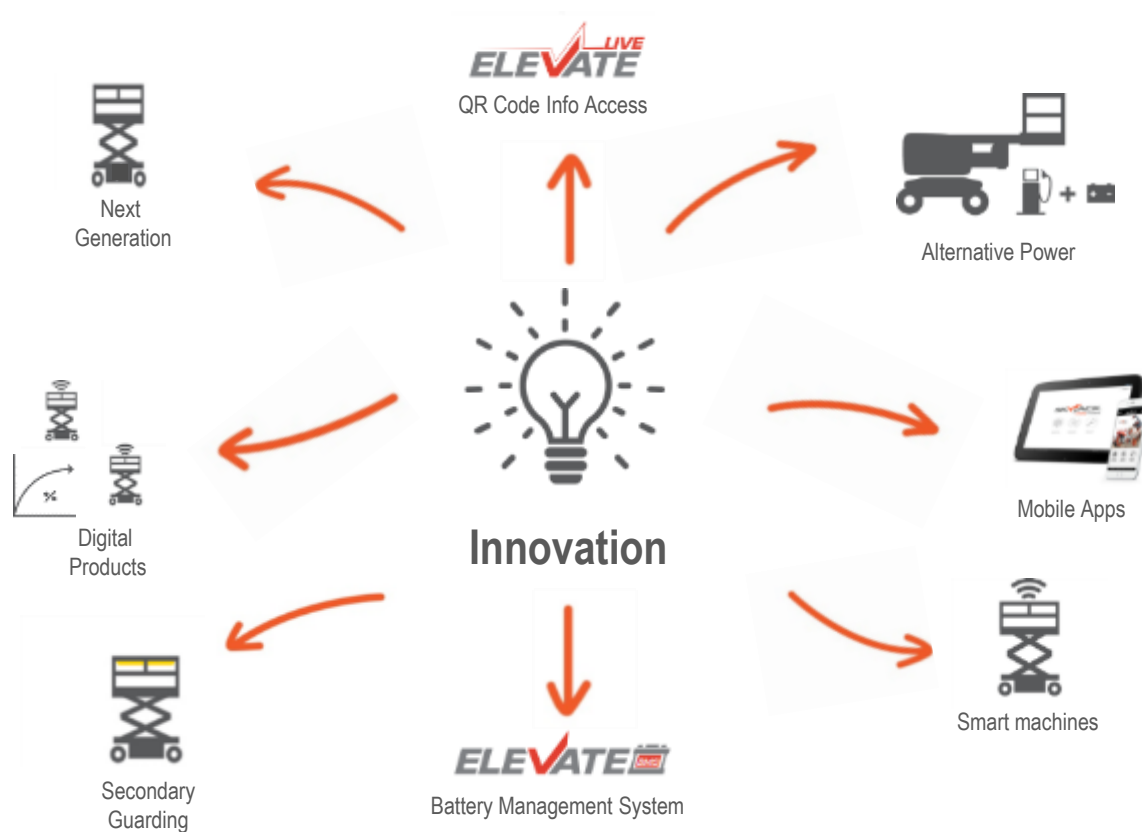


# Skyjack Market Share





# Skyjack's Innovation Strategy



# Food & Agriculture





MacDon is the world leader in technology, innovation, and manufacturing of high-performance harvesting equipment.



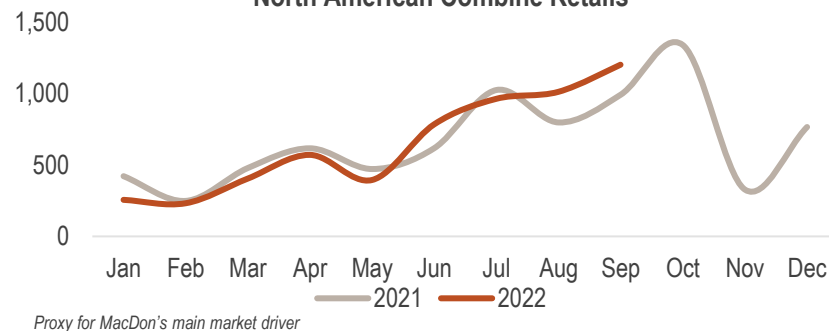


# Industrial Segment - Agriculture

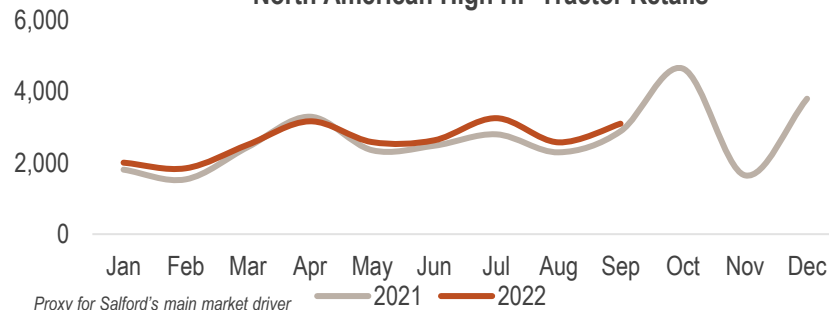
## Agriculture Market Commentary

- Supply chain issues continue to persist, and although moderating to some degree, they continue to act as a ceiling to market upside
- Commodity pricing and higher input costs pressures continue to hamper business
- Agriculture equipment retailers are seeing very lean inventory indicating retail demand is high.
  - North America combine retails up 3% Sep. YTD, Q3 up 13%
  - North American High HP tractor retails up 8% Sep. YTD, Q3 up 12%
- 2022 combine retails expected to be up 5% in NA and ROW, flat in EU.
  - Supply chain constraints may pose risk to this expectation
- North American High HP tractor retails expected to be up 10% in 2022, ROW up 5%, EU flat versus last year
- Tillage and crop nutrition equipment expected to be up 6-10% this year, continued growth at a more muted level next year

North American Combine Retails



North American High HP Tractor Retails



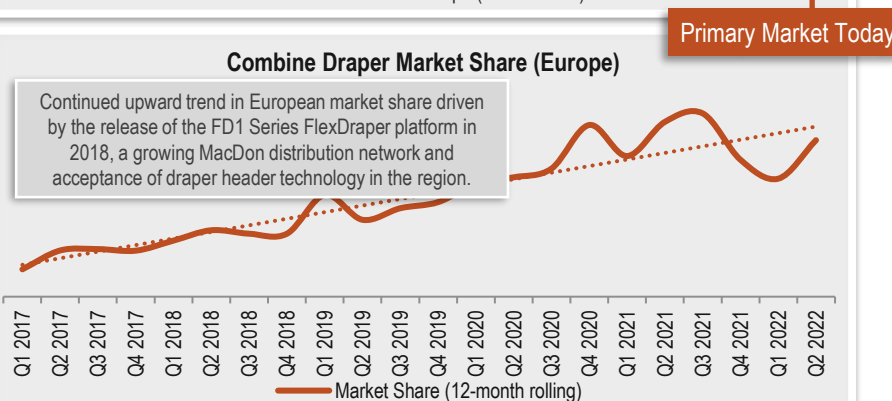
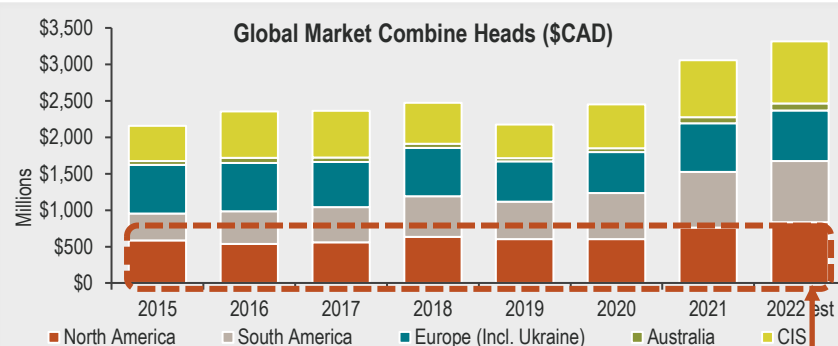
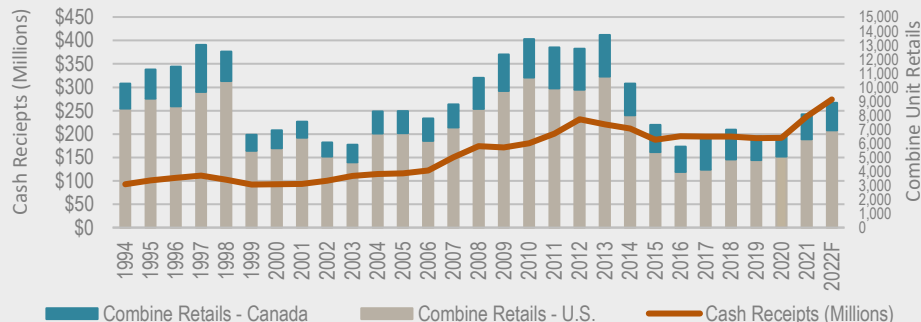
# Key Market Strategies and Growth

Farming income, cash receipts, and combine retails indicate a positive outlook for 2022 farming equipment orders.



## Food

- Build on MacDon acquisition as the foundation from which to expand global ag business overall
- Regional growth initiatives
- Advanced and disruptive technologies
- Global parts distribution
- Laser focus on operations
- Product line diversification



# MacDon Strategy



Portfolio Expansion | Advanced Technologies | Geographic Expansion | World-class Product Support | Laser Focused Operations

Technology supported by over 110 unique patents with an additional 50 patents pending



Focusing on innovation in product, services and technology



120 Global technology resources focused on innovation



**MacDon**<sup>®</sup>



Salford Group manufactures high-quality tillage and application equipment with a performance advantage.

Salford strives to create outstanding customer experiences and maintain product leadership through innovation.



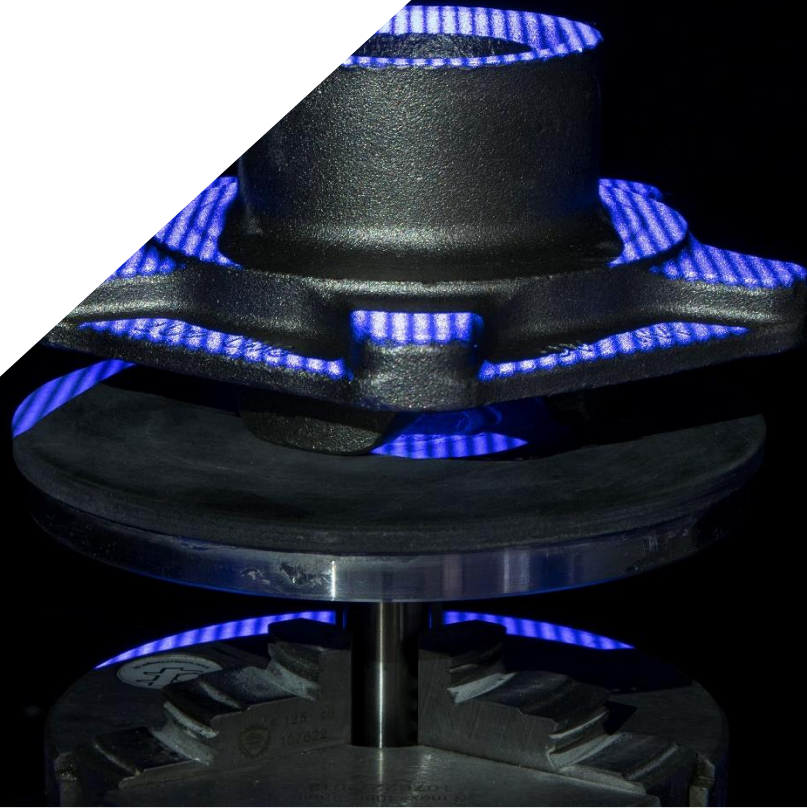


# Acquisition of Salford Group to Expand Agricultural Portfolio

- June 2022, Linamar closed the acquisition of the Salford Group of companies for \$260M CAD
- Salford is a global leader in crop nutrition application and tillage products
- This acquisition expands Linamar's agriculture portfolio as an excellent compliment to MacDon Industries
- Strong alignment with 2100 strategic plan
- Integration underway of Salford into the Linamar Global Operations



# Mobility



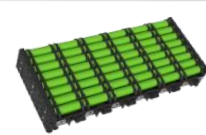
# Mobility Products Portfolio



Power  
Generation



Energy  
Storage



Propulsion



Structural  
and Chassis



## Advance Driveline

Power  
Transfer Units



Rear Drive  
Unit



Disconnect

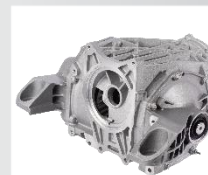


## Propulsion

Engine



Driveline



Transmission

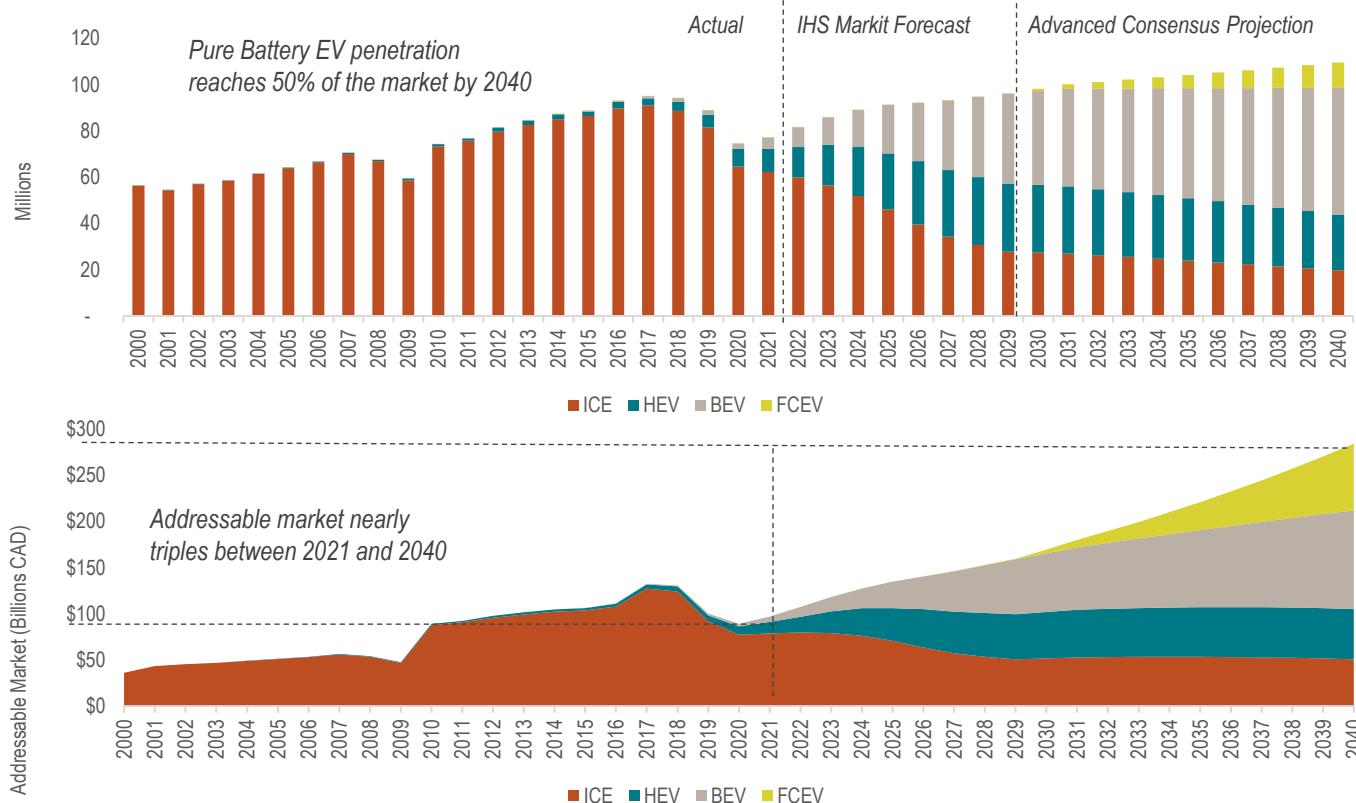


# Key Market Strategies - Flexible & Opportunistic



## Mobility

- Increase CPV in BEV, HEV, FCV
- Mine opportunistic ICE market as volumes decline but addressable market increases
- Grow integrated casting and forging business
- Carbon efficiency, light weighting, noise reduction



Source

IHS Forecasting 2000-2029. Advanced Consensus Projection 2030-2040

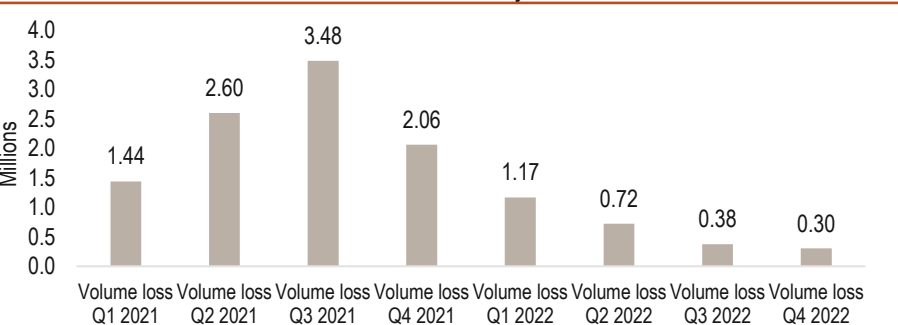
ii) Production Share of Technologies by 2040 of ICE 18%, HEV 22%, BEV 50%, Fuel Cell 10%. (Based on Consensus Average of External Industry Expert Forecasts for BEV adoption, Updated November 10, 2022)



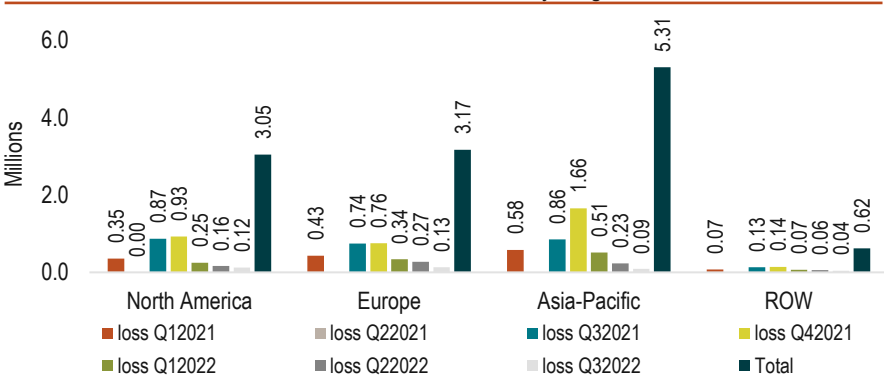
# Semiconductor Chip Shortage – Light Vehicle Production Impact

Announced volume loss of 2.6M units 2022 YTD. Supply disruption expected to continue into 2023.

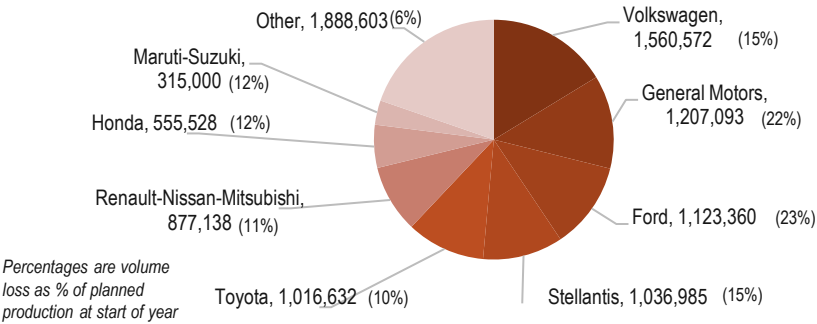
Announced Volume Loss by Quarter



Announced Volume Loss by Region

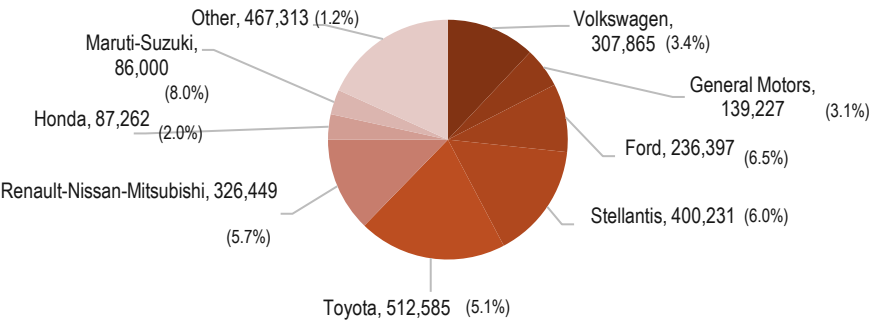


Announced Volume Loss by OEM  
Total Q1-2021 to Q4 2021



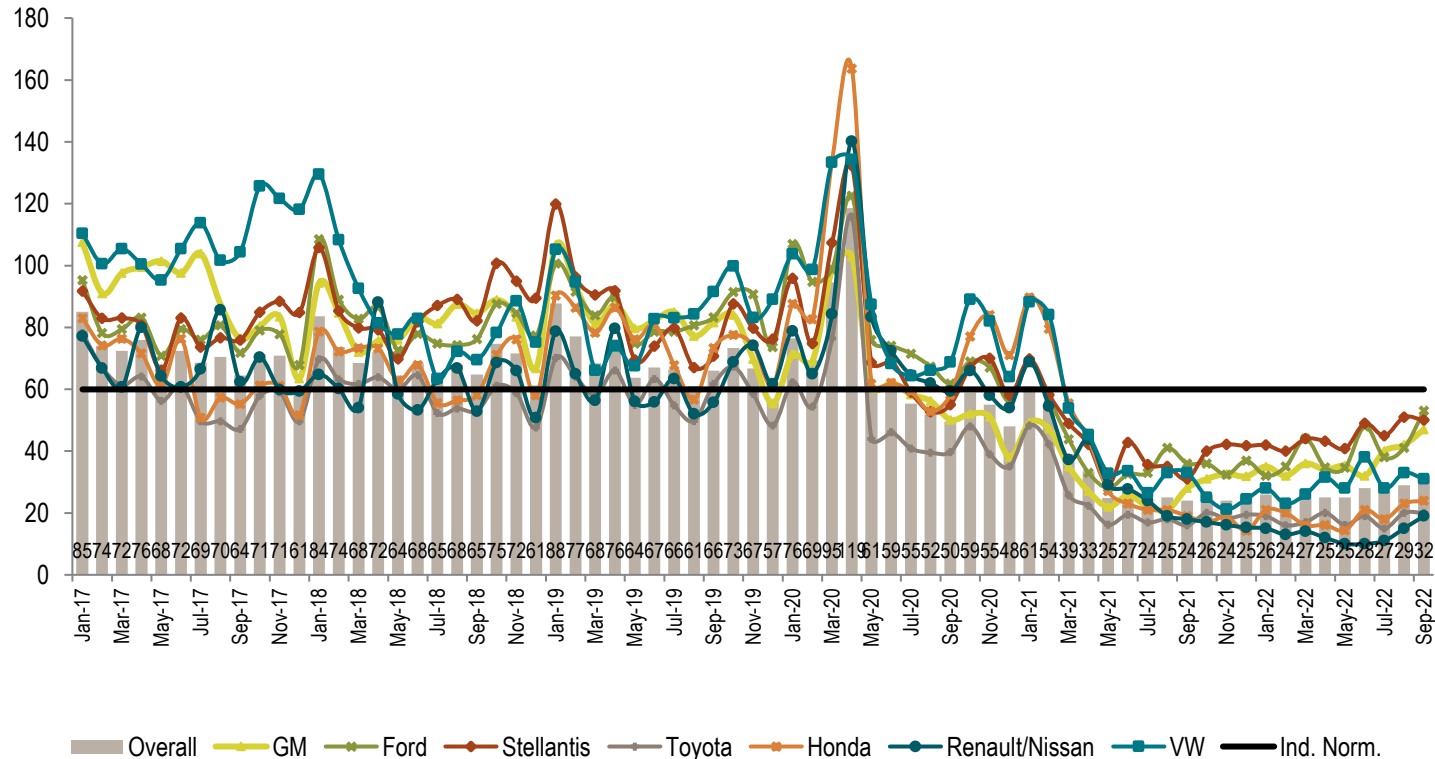
Percentages are volume loss as % of planned production at start of year

Announced Volume Loss by OEM  
Total 2022 YTD

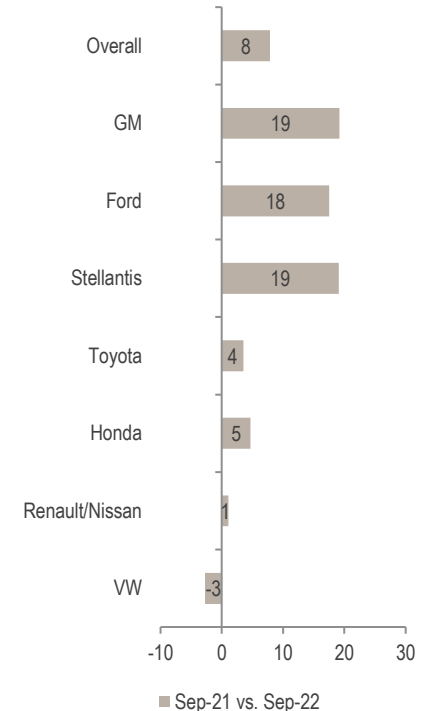


# US Light Vehicle Inventory – Days' Supply

Will Take Years To Replenish Inventory Levels Regardless of Demand...



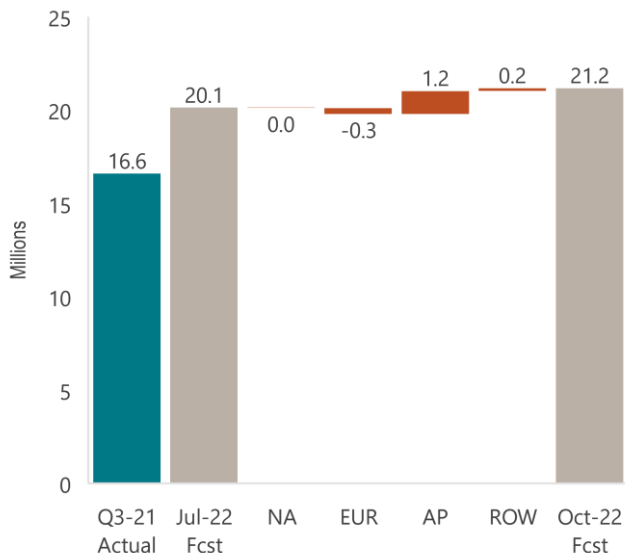
## Change vs Same Period Last Year



# Global Light Vehicle Market: Q3 2022, Q4 2022, and 2022

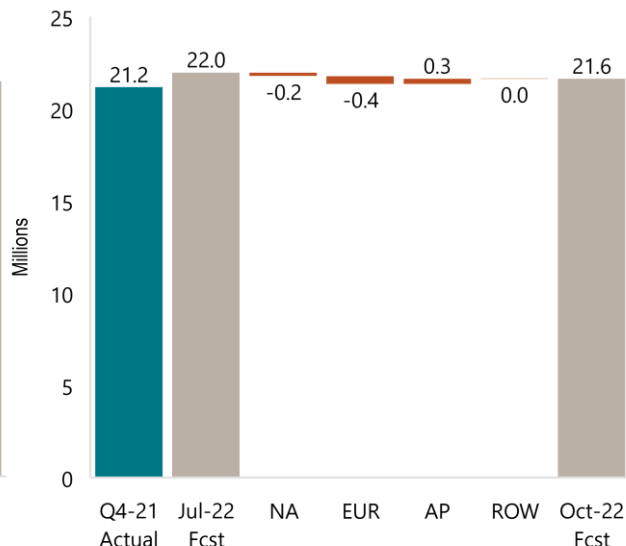
Q3 2022 production increased by 1.1M units. Q4 2022 forecast decreased by 400,000 units. 2022 full-year forecast increased by 1M.

**Q3-2022 Global Vehicle Production Forecast By Region**  
Change in Forecast Oct-2022 vs. Jul-2022



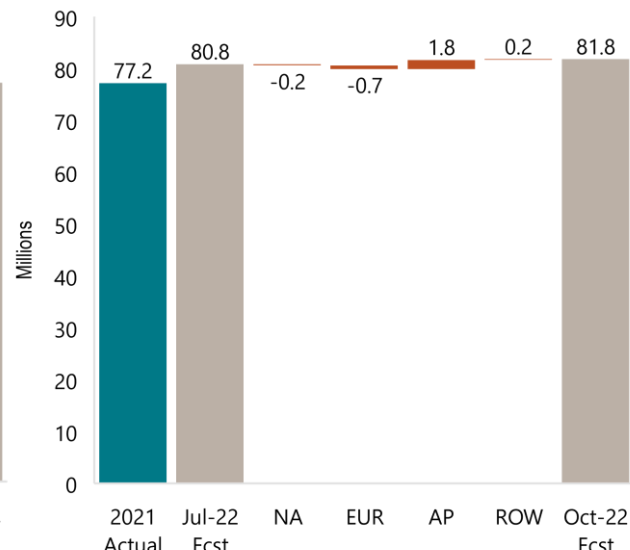
- Q3 2022 production increased by 1.1M on faster than expected recovery from COVID lockdowns
- Q3 2022 production increased 27% versus Q3 2021

**Q4-2022 Global Vehicle Production Forecast By Region**  
Change in Forecast Oct-2022 vs. Jul-2022



- Q4 2022 decreased by 400,000, mostly due to deteriorating economic outlook in Europe
- Q4 2022 production expected to be up 2% versus prior year

**2022 Global Vehicle Production Forecast By Region**  
Change in Forecast Oct-2022 vs. Jul-2022



- 2022 full-year outlook increased by 1M. Upgrade centered in Asia-Pacific (China) where recovery from COVID lockdowns has been faster than expected
- 2022 production expected to be up 6% versus prior year

Leverage  
Existing  
Resources



## Electrification Product Solutions

Develop new electrification product  
solutions leveraging existing resources



## Electrification Strategies

Develop electrification strategies



## Win New Business

Win new business for our  
existing plants and groups



Support All  
Existing  
Groups &  
Plants

Support  
Customers  
Globally

Product Engineering | Application Engineering | Program Management | Product Sales | Business Development & Strategy

### Propulsion Systems



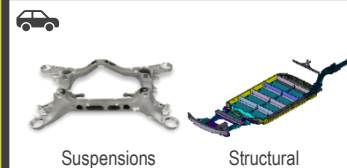
### Power Generation



### Energy Storage



### Structural & Chassis



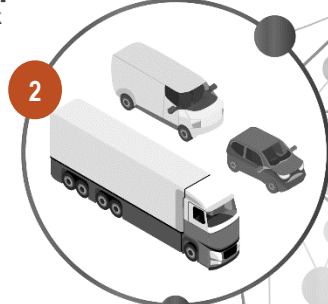


# Diverse Electrification Strategy Maximizes Potential

## Diverse Vehicle Types

- Pass car, CUV/SUV, Light truck
- Commercial vehicles
- Trucks Class 1-8
- Off road vehicles

2



## Diverse Propulsion Types

- BEV
- Hybrid
- FCEV

3



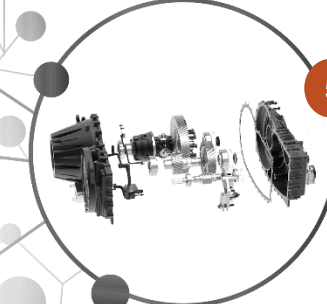
1



## Diverse Products

- Propulsion System
- Structural and Chassis
- Power Generation
- Power Storage

5



## Scalable Solutions

- Individual components
- Sub-assemblies
- Integrated systems
- Full system solutions.

## Maximizing Electrification Opportunities

5



## Diverse & Growing Customer Base

- Traditional OEM's
- New Entrants

# eLIN Innovation: Rolling Chassis Demonstrator



- A significant showcase of Linamar's Electrified Mobility Capabilities on displayed at the ACT Expo in California, May 2022
- Continuing promotion at EV events and shows in Detroit, Germany, etc throughout Q3
- Linamar's eLIN Product Solutions Group exhibiting systems solutions in;
  - Full Scale Hydrogen Fuel Cell Powered Class 2 Truck Chassis Concept – a joint project with strategic partner Ballard Power Systems
  - eLIN Utility Duty eAxle
  - eLIN FlexForm conformable hydrogen storage tank
  - High voltage battery Enclosure systems through our technology partnership with eMatrix Energy Systems



# Strategic Alliance with Ballard Power Systems

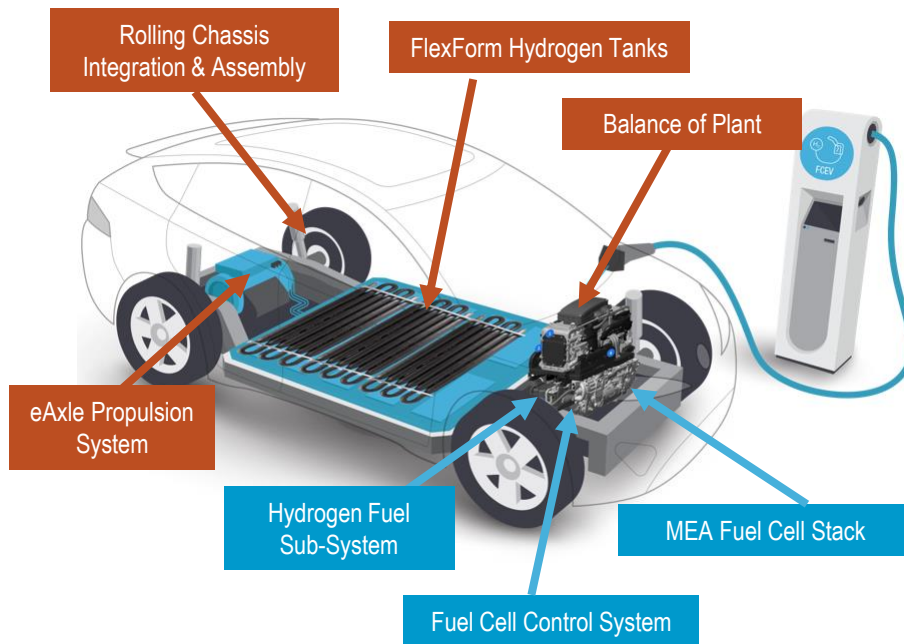
## *A Partnership to Develop Fuel Cell Solutions for Light-Duty Vehicles*

- Framework Agreement to initially co-develop a fuel cell powertrain solution demonstration platform
- In a secondary phase, the parties will move towards a formal Joint Venture focused on light duty Class 1 and 2 vehicles



Linamar leveraging its global manufacturing expertise and Automotive supply experience to provide:

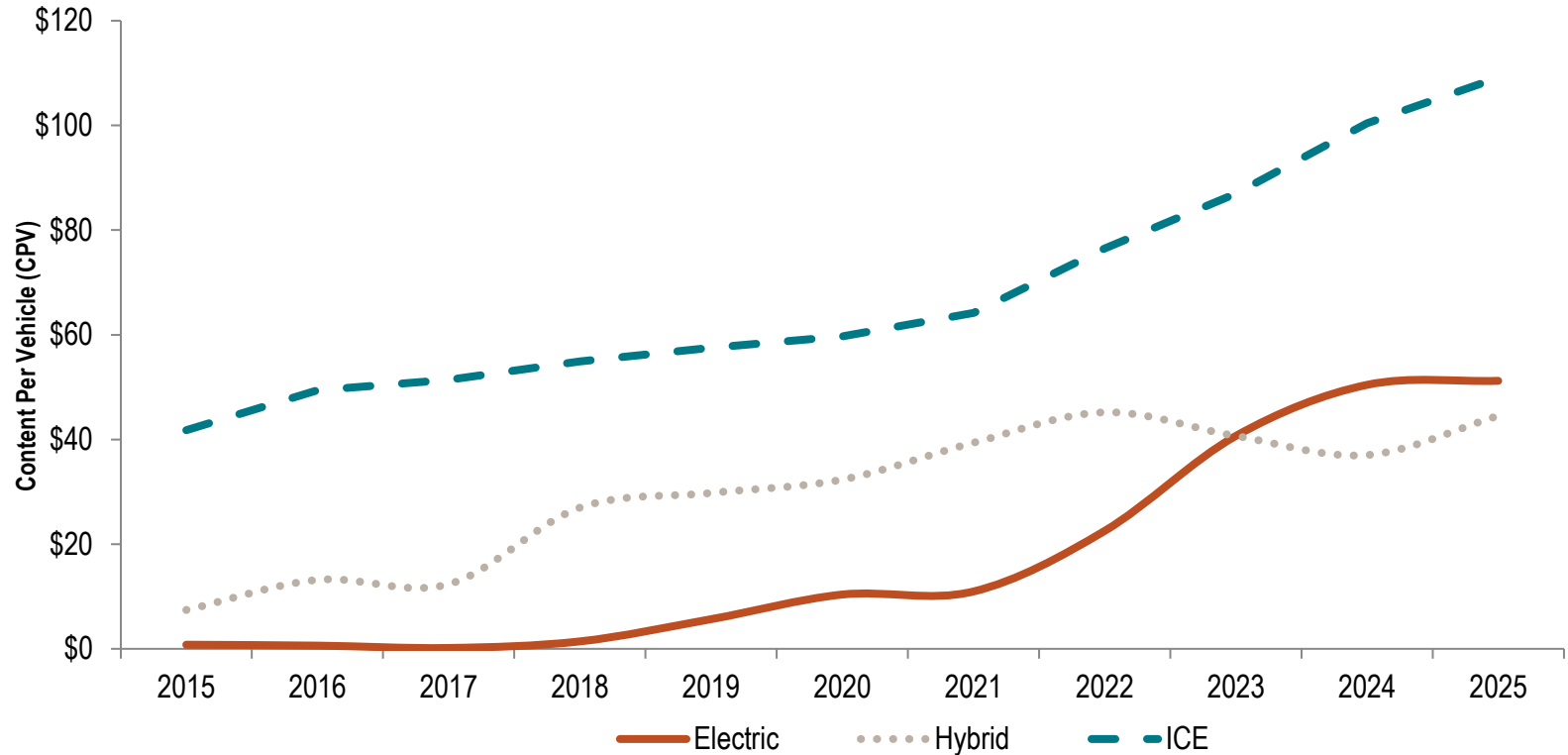
- eAxle Propulsion System
- Rolling Chassis
  - Frame
  - Steering
  - Wheel corners
- FlexForm Hydrogen Tanks
- Full Balance of Plant including
  - Air Flow & Filtration
  - Hydrogen Control & Recirculation
  - Coolant
  - Humidification
  - Structure Enclosure



Ballard drawing on their decade's long expertise in Fuel Cell Technology development to provide:

- MEA Fuel Cell Stack
- Hydrogen Fuel Sub-System
- Fuel Cell Control System

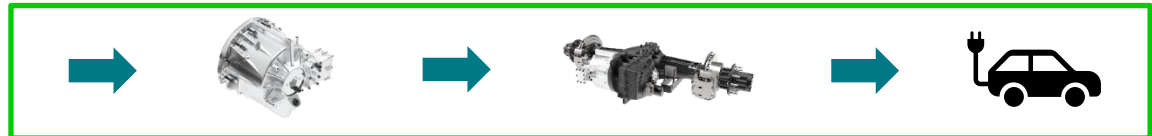
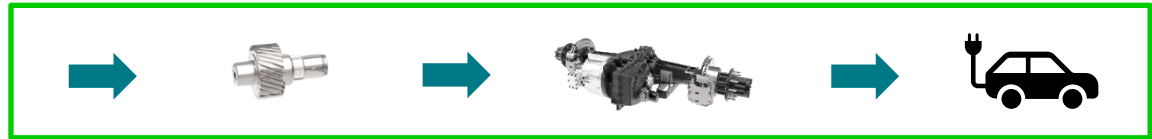
# Electrified Vehicles Key Growth Opportunity for Linamar





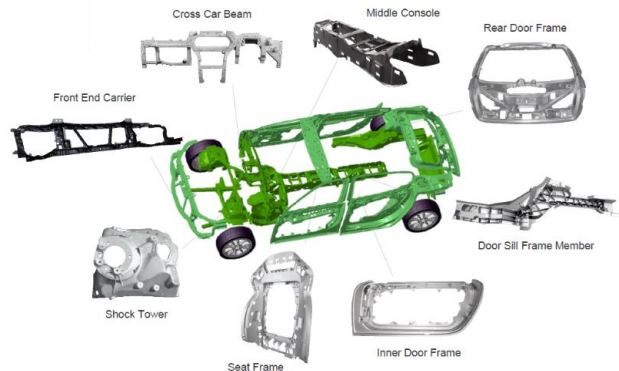
# Flexible Manufacturing Strategy

- Capital assets currently employed in Linamar's operations can be adapted to manufacture electrified components at little to no incremental CAPEX
- For instance, the same gear grinding equipment can produce gears for eAxes and ICE powertrains alike
- This advantage is present across Linamar in many types of equipment (lathes, machining centres, heat treat equipment, straighteners, spline rolling equipment, broaches, polishers, and more)



# Structural Portfolio Expanding

- 1 of the 4 Key Pillars of the eLIN Electrification Strategy
- Acquired 100% of High Pressure Die Casting (HDPC) Light Metals operation from prior JV partner in Q2 2022
- Conversion of existing Low Pressure Die Casting Light Metals capabilities from ICE components to Structural & Chassis



*Structural Opportunities in Light Metals*



**Crossmembers**



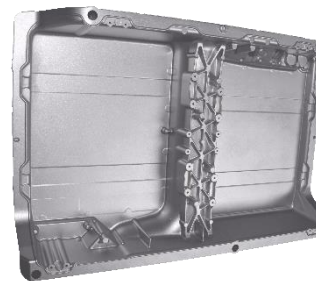
**Subframe**



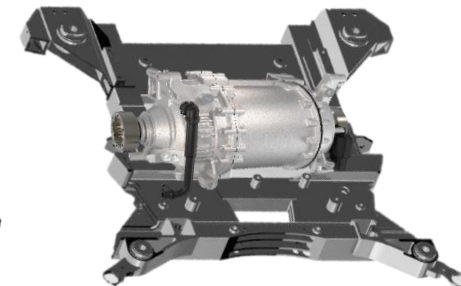
**Side members**



**Subframe Components**



**Battery Trays**



**Full eAxle Cradle Integration**

## Linamar 2100: *MedTech*



# Strategy & Recent Developments

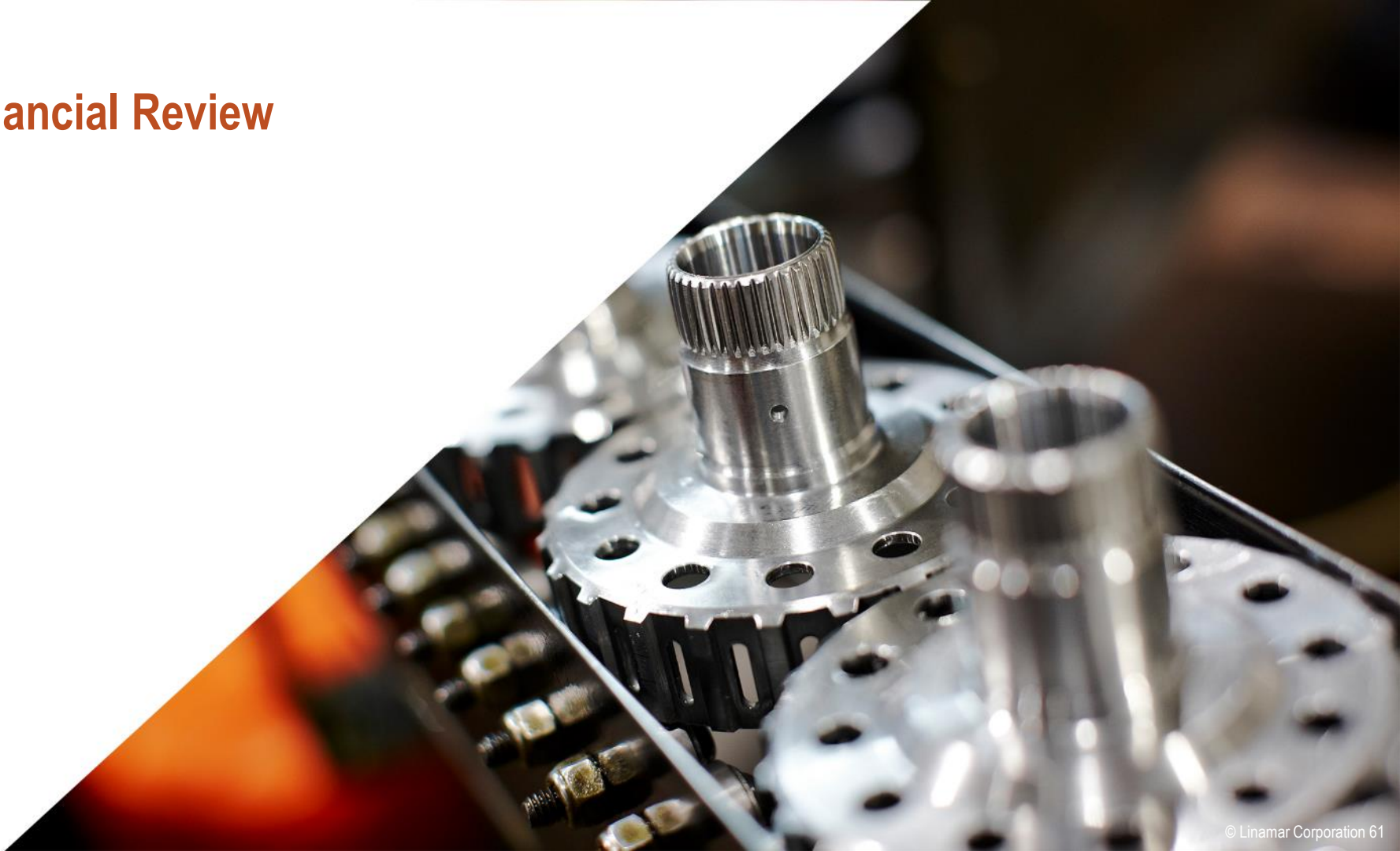


- As a global diversified manufacturer, Linamar's 2100-year plan identifies Age Management & Medical Devices as a long-term strategic market of which to enter
- In Q2 2022 the formation of the Linamar MedTech Group was formally announced
- Business Development & Strategy team is in place to pursue new customers, building on the Ventilator and previous assembly/program management experience during COVID-19
- Focus on new business pursuit will be on Precision Medical Components and Medical Device Assemblies
- Required ISO13485 Certification for Medical Device manufacturing expected to be achieved by end of summer 2022

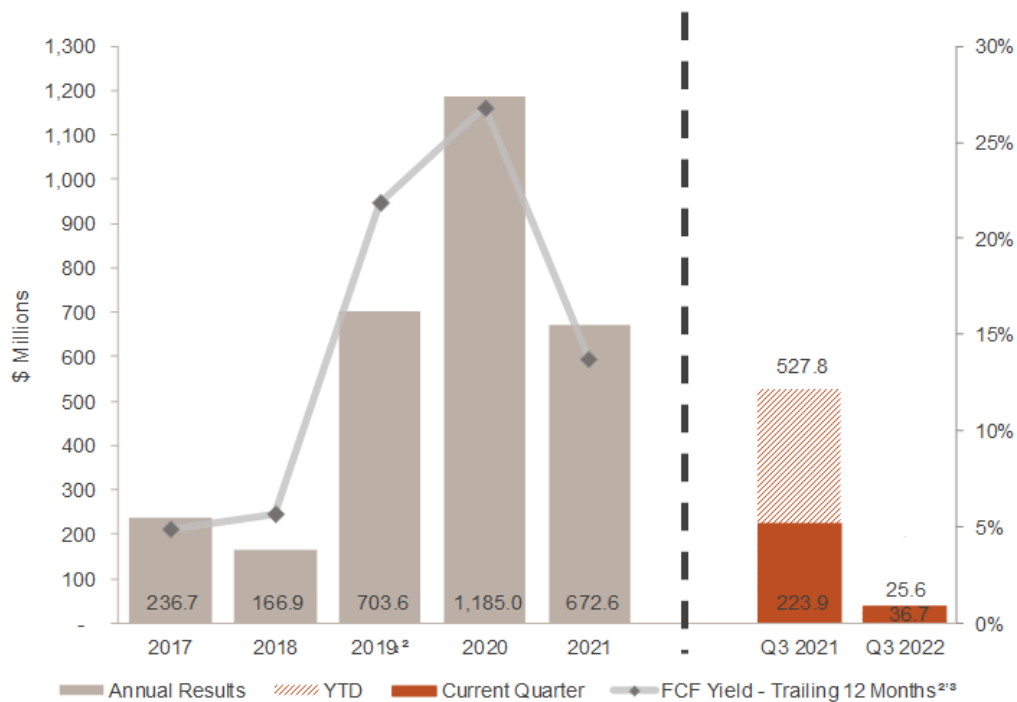




# Financial Review



# Cash Flow Continues to be a Key Priority



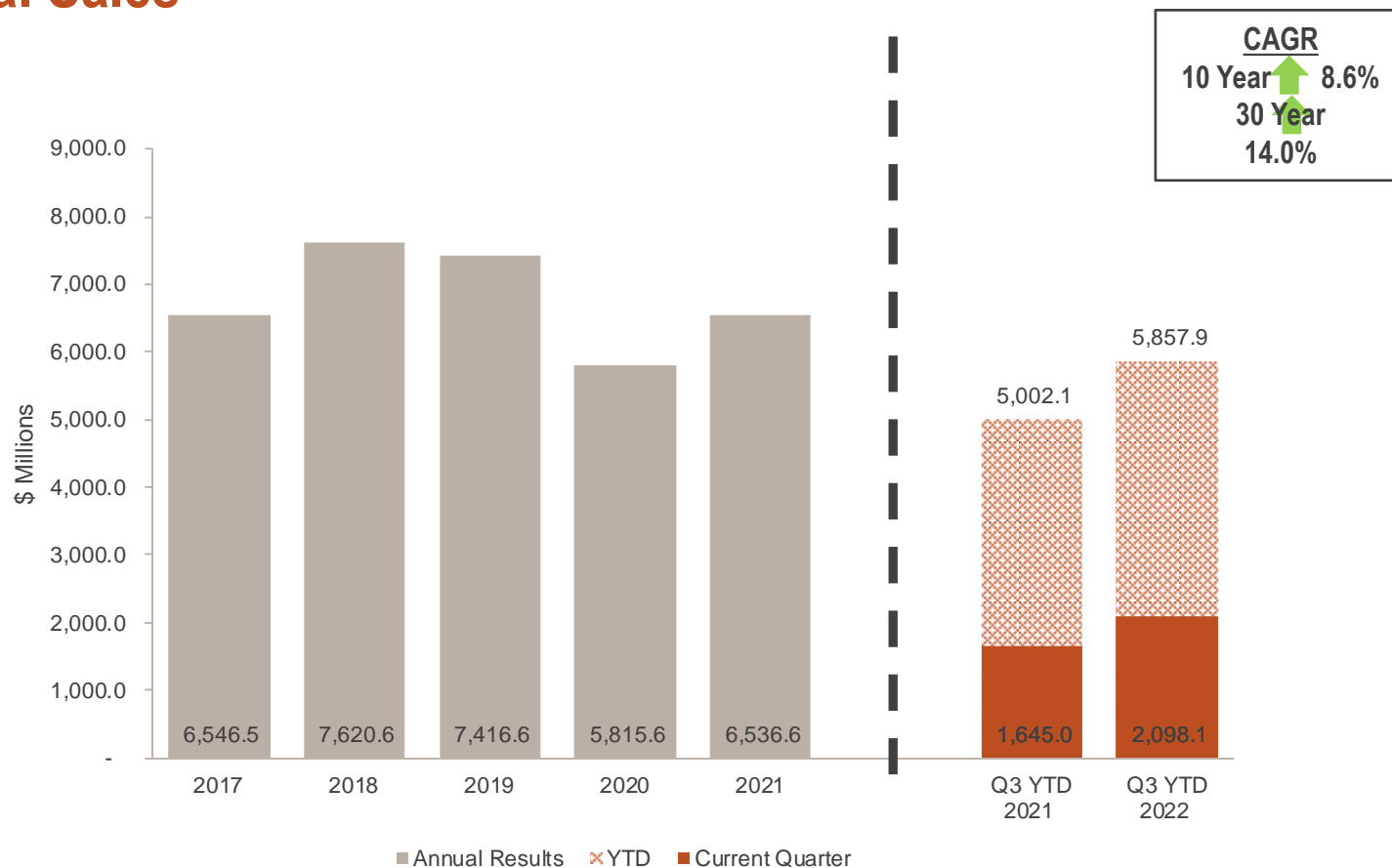
- FCF<sup>1</sup> positive on strong earnings;
- Liquidity<sup>1</sup> remains excellent with \$1.3 billion of cash available at quarter end.

1 - Free Cash Flow and Liquidity are non-GAAP financial measures. Please refer to "Non-GAAP and Other Financial Measures" in the separately released Q3 2022 MD&A.

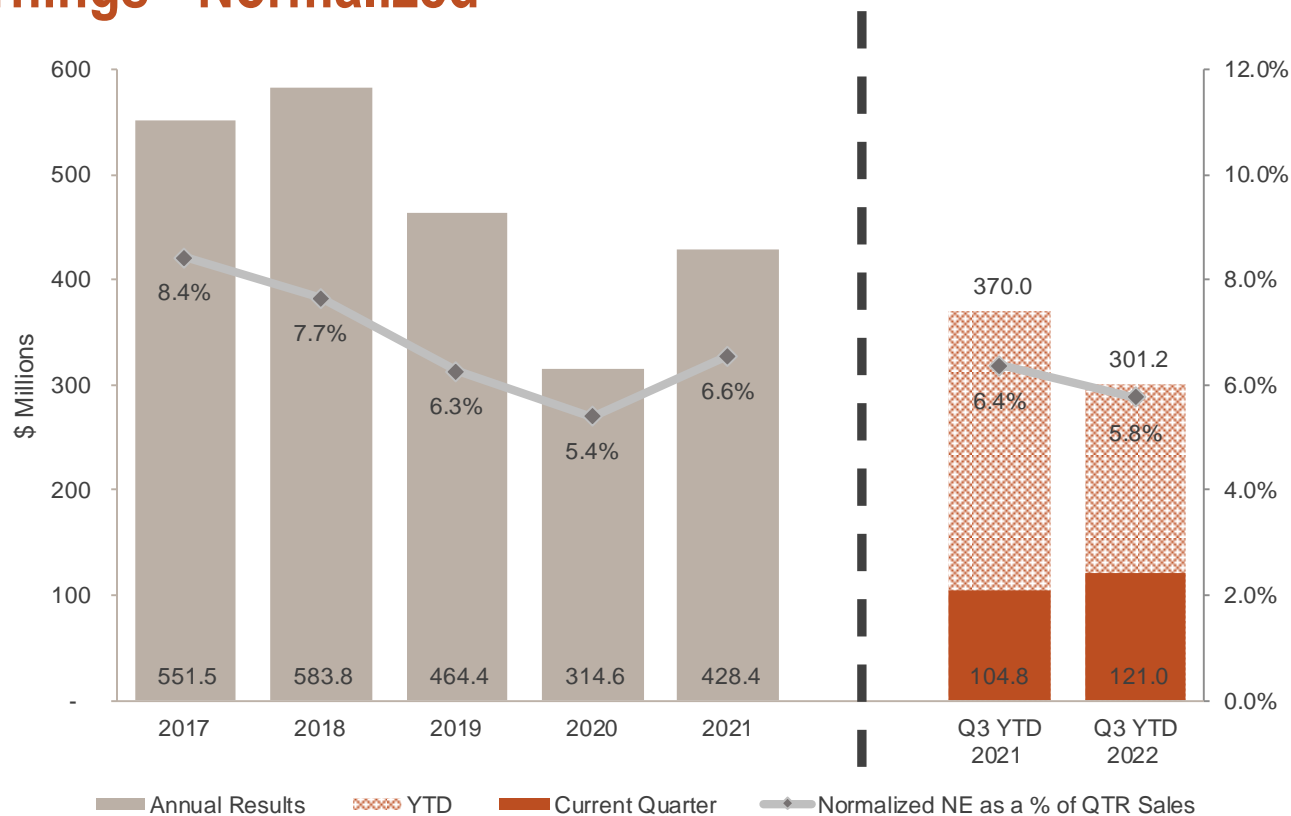
2 - Free Cash Flow in 2019 has been adjusted for additions of property, plant and equipment related to the dissolution of a joint venture.

3 - Free Cash Flow Yield is a non-GAAP financial ratio and the Company believes it is useful in assessing the Company's ability to generate cash. Free Cash Flow Yield is calculated as the trailing twelve months (TTM) Free Cash Flow divided by fully diluted shares divided by share price. For Q3 2022 this calculation is TTM FCF of \$170 million (Q3 2021 - \$950 million) divided by fully diluted shares of 63 million (Q3 2021 - 65 million) divided by share price of \$53.81 (Q3 2021 - \$65.77).

# Annual Sales

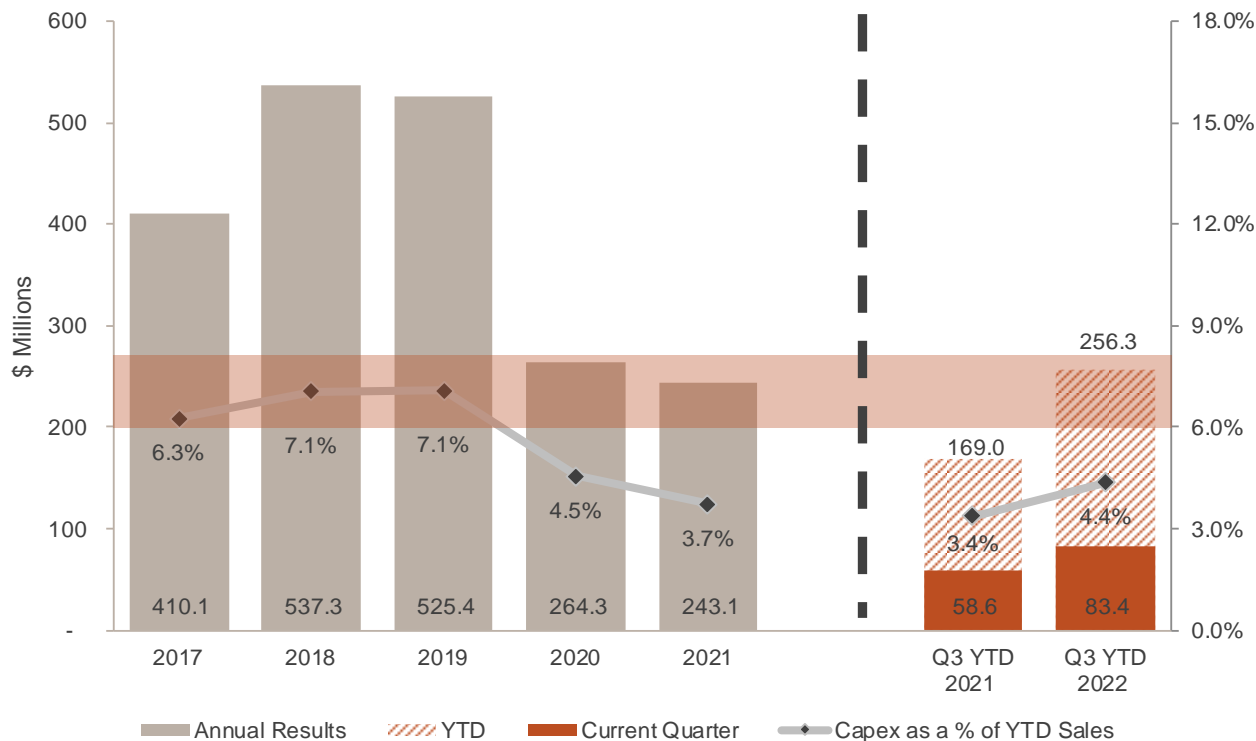


# Net Earnings - Normalized<sup>1</sup>



1 - Net Earnings - Normalized is a non-GAAP financial measure. Please refer to "Non-GAAP and Other Financial Measures" in the separately released Q3 2022 MD&A.

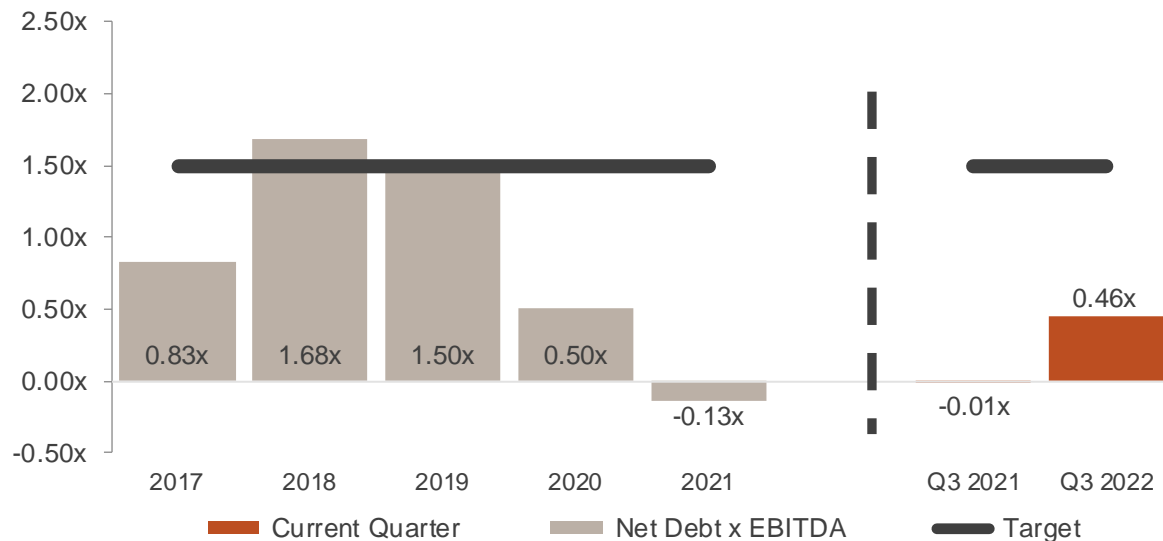
# Operational Capital Expenditures



Capex as % of Sales – Normal Zone to Drive Double Digit Growth 6-8% of Sales



# Net Debt to EBITDA<sup>1</sup>



*Emphasis on a strong balance sheet with the Corporations' debt target set at 1.5x, currently well below that threshold. Well positioned to continue investment in future growth, pursue strategic M&A opportunities, etc.*

<sup>1</sup> - EBITDA includes trailing twelve months EBITDA on acquisitions, when applicable. 2020 Net Debt to EBITDA was restated in Q1 2021.

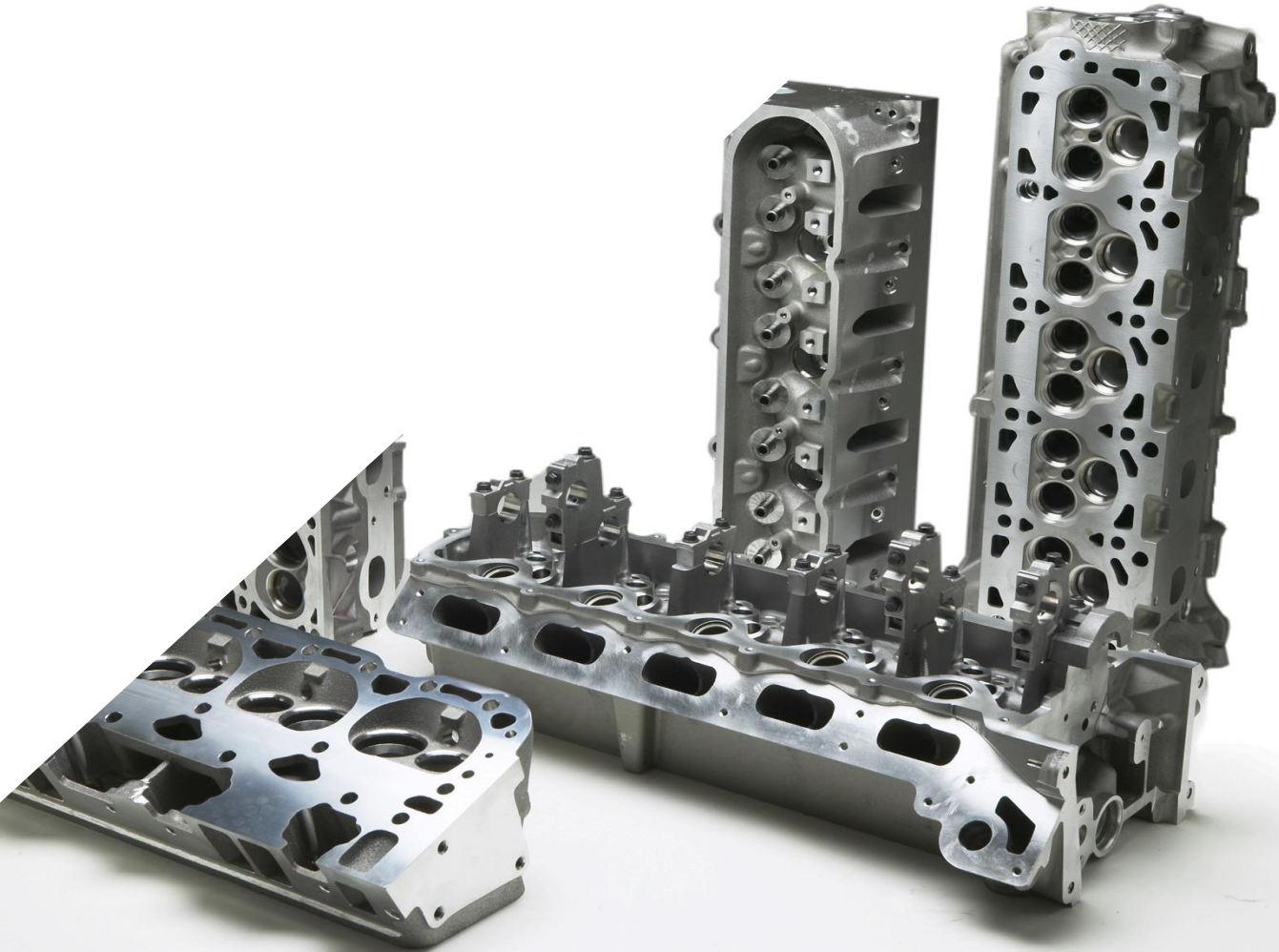


# Thank You

[www.linamar.com](http://www.linamar.com)

  @linamarcorp  
  Linamar Corporation

# Appendix



# Skyjack Products

## Vertical Mast Lifts

Vertical mast lifts with platform heights from 12' (3.6m) up to 20' (5.9m)



## DC Scissor Lifts

DC and micro scissor lifts with platform heights from 13' (3.9m) to 40' (12m)



## RT Scissor Lifts

Rough terrain scissor lifts with platform heights from 26' (7.92m) to 64' (19.5m)



## Telescopic Booms

Telescopic booms with platform heights from 40' (12.3m) to 86' (26.2m)



## Articulating Booms

Articulating booms with platform heights from 30' (9.0m) to 85' (25.9m)



## Telehandlers

TH Series telehandlers with lifting capacities from 5,500 lbs (2,494 kg) up to 12,000 lbs (5,443 kg) and a ZB model with a lifting capacity of 20,000 lbs (9,071 kg)





# MacDon Products

R2 Series Rotary Disc Header



C Series Corn Headers



D1 & FD1 Series



Pick-Up Headers



R1 Series Pull-Type



M1 Series Windrower





# Salford Products

## TILLAGE

INDEPENDENT SERIES



5200 ENFORCER



HALO



FIELD CULTIVATORS



AerWay



## APPLICATION



SPINNER SPREADERS



AIR BOOM APPLICATORS



GRANULAR APPLICATORS



CHASSIS/TRUCK MOUNT  
SPINNER SPREADERS



CHASSIS MOUNT AIR  
BOOM APPLICATORS