

LINAMAR CORPORATION

Notes to Consolidated Interim Financial Statements

For the three months ended March 31, 2023 and March 31, 2022 (Unaudited)
(in thousands of Canadian dollars, except where otherwise noted)

The Company derives revenue from the transfer of goods and services at a point in time and over time in the following operating segments. These segments best depict how economic factors affect the nature, amount, timing and uncertainty of revenue and cash flows.

| | Three Months Ended March 31, 2023 | | |
|------------|-----------------------------------|---------------------|---------------------------|
| | Sales to external customers | Inter-segment sales | Operating earnings (loss) |
| | \$ | \$ | \$ |
| Mobility | 1,707,681 | 13,472 | 72,049 |
| Industrial | 584,981 | 2,840 | 104,890 |
| Total | 2,292,662 | 16,312 | 176,939 |

| | Three Months Ended March 31, 2022 | | |
|------------|-----------------------------------|---------------------|---------------------------|
| | Sales to external customers | Inter-segment sales | Operating earnings (loss) |
| | \$ | \$ | \$ |
| Mobility | 1,409,934 | 9,511 | 112,626 |
| Industrial | 368,155 | 2,538 | 21,515 |
| Total | 1,778,089 | 12,049 | 134,141 |

The Company operates in four geographic segments. The sales to external customers in Canada, Rest of North America, Asia Pacific and Europe are as follows:

| | Three Months Ended March 31 | |
|-----------------------|-----------------------------|-----------|
| | 2023 | 2022 |
| | \$ | \$ |
| Canada | 1,265,309 | 892,604 |
| Rest of North America | 315,579 | 223,776 |
| Asia Pacific | 121,678 | 148,947 |
| Europe | 590,096 | 512,762 |
| Total | 2,292,662 | 1,778,089 |

13 Business Acquisitions

(i) GF Linamar LLC

On April 1, 2022, the Company acquired the remaining 50% interest in the joint venture, GF Linamar LLC ("GFL"), from GF Casting Solutions, a division of Georg Fischer AG thereby assuming 100% ownership and operational control. GFL will continue operations as LLM Mills River ("Mills River"). As at March 31, 2023 the determination of the fair value of the purchase price, including the earn-out, assets acquired and liabilities assumed, has been completed and is unchanged from December 31, 2022.

(ii) Salford Group of Companies

On June 3, 2022, the Company acquired 100% of the issued and outstanding equity of the Salford Group of Companies ("Salford"). The preliminary purchase price is CAD \$245,174. Due to the timing of the close and complexities associated with this transaction, the determination of the fair value of the purchase price, assets acquired and liabilities assumed, is not yet complete and are subject to further adjustments. As at March 31, 2023, all details remain unchanged from December 31, 2022.