



Cervus Equipment

Investor Presentation – December 2019



FORWARD-LOOKING STATEMENTS



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This presentation contains forward-looking statements and forward-looking information within the meaning of applicable securities laws, and are subject to risks and uncertainties that could cause actual results to differ. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends", "potential", "target" and similar expressions are intended to identify forward-looking information or statements. The forward-looking statements and information are based on certain key expectations and assumptions made by Cervus, including expectations and assumptions concerning the results of its due diligence review of the businesses proposed to be acquired by Cervus and the ability to the various approvals required. Additional detail about the material factors and/or assumptions employed to arrive at forward-looking information, as well as the material risk factors that may affect actual results, are contained in the MD&A section of our most recent quarterly filing which is available on the SEDAR website at www.sedar.com. Although Cervus believes that the expectations and assumptions on which such forward-looking statements and information are reasonable, undue reliance should not be placed on the forward-looking statements and information as Cervus can give no assurance that they will prove to be correct. By its nature, such forward-looking information is subject to various risks and uncertainties, which could cause the actual results and expectations to differ materially from the anticipated results or expectations expressed. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date hereof, and to not use such forward-looking information for anything other than its intended purpose. Cervus undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

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NON-GAAP MEASURES



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In this presentation, Cervus has used the terms Absorption, Gross Profit Dollar Growth, Return on Invested Capital (ROIC) and free cash flow, which do not have any standardized meaning under IFRS ("Non-GAAP Measures"). Since Non-GAAP financial measures do not have a standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other companies, securities regulations require that Non-GAAP financial measures are clearly defined, qualified and reconciled to their nearest GAAP measure. These Non-GAAP measures are calculated and disclosed on a consistent basis from period to period. Such measures have been defined in the accompanying slides. Specific adjusting items may only be relevant in certain periods. The intent of Non-GAAP measures is to provide additional useful information respecting Cervus' financial and operational performance to investors and analysts and the measures do not have any standardized meaning under IFRS. The measures should not, therefore, be considered in isolation or used in substitute for measures of performance prepared in accordance with IFRS.

Other issuers may calculate these Non-GAAP measures differently. Investors should be cautioned that these measures should not be construed as alternatives to revenue, earnings, cash flow from operating activities, gross profit or other measures of financial results determined in accordance with GAAP as an indicator of Cervus's performance. For additional information regarding Non-GAAP measures, including reconciliations to measures recognized by GAAP, please refer to Cervus' management's discussion and analysis for the upcoming annual report for the period ended December 31, 2019 which will be available online at www.sedar.com and through Cervus' website at www.cervusequipment.com

WHO WE ARE



People. Power. Service.™

VISION

To be the leading **full-service** equipment solutions provider.

MISSION

To advance our customers success by providing **practical** and **intelligent** equipment solutions and support.

STRATEGIC GOAL

Cervus Equipment is a **solutions provider** – 50/50 Equipment Sales and Product Support

FOUNDING PRINCIPLES

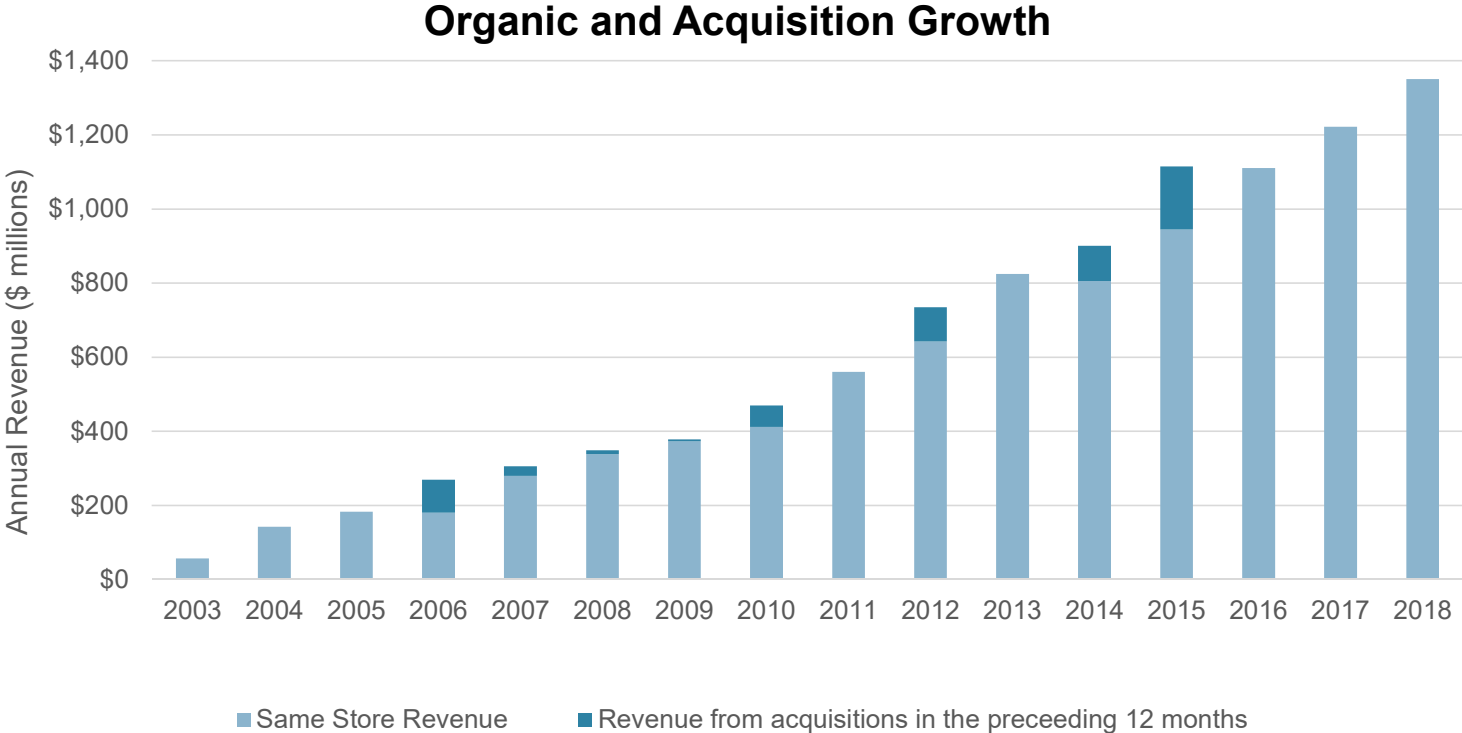


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- We succeed when our customers' business thrives
- We are focused on business to business solutions
- Our employees are owners
- Our scale enables superior customer experience
- Our leading original equipment manufacturers are trusted partners



A HISTORY OF GROWTH



SCALE IS CRITICAL FOR OUR CUSTOMERS



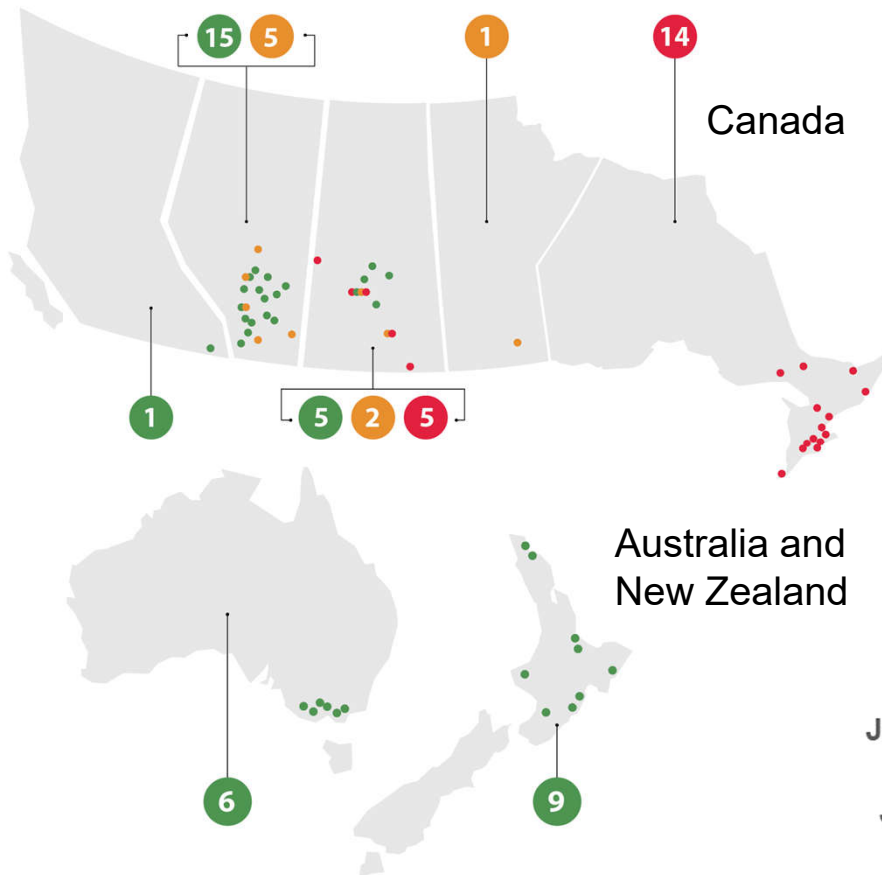
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- Larger farms, larger fleets value larger dealers
- Our Scale allows us to invest in meeting emerging customer expectations
- Organic growth and Acquisitive Growth
 - Our Customers value the services that our scale provides
 - Our OEMs value the customer support scale enables
- Equipment continues to increase in complexity and productivity
 - Our scale allows us to lead in delivering capability

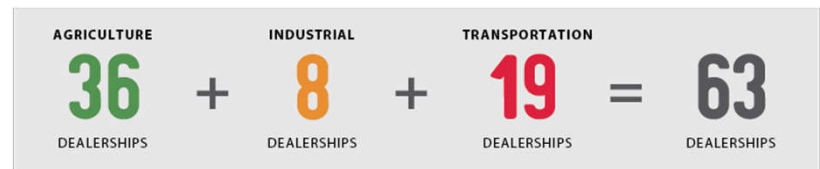
WHY CERVUS: LEADING INTERNATIONAL DIVERSIFIED EQUIPMENT SOLUTIONS PROVIDER



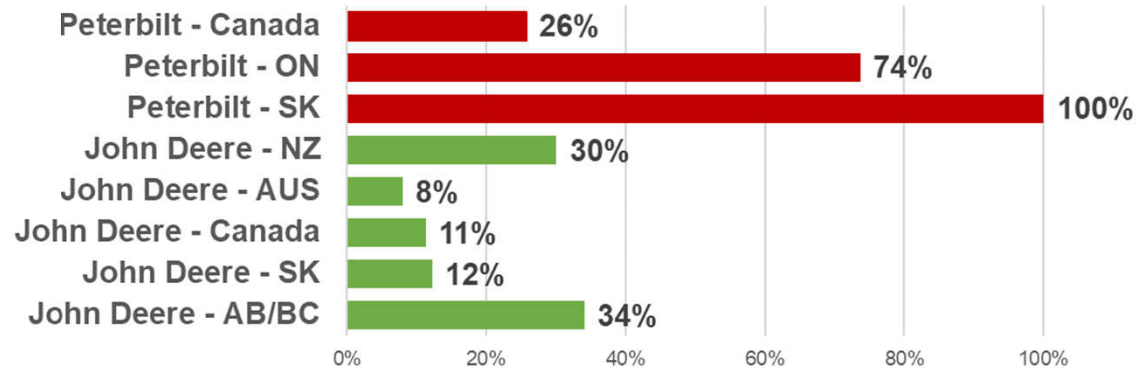
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 The largest John Deere, Peterbilt Truck and Clark Forklift dealers in Canada



Cervus Representation of OEM brands



WHY CERVUS: BEST POSITIONED DEALERSHIP IN OUR SECTOR



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LARGEST DIVERSIFIED DEALER

Size and scale - People, Customer Base, Capabilities, Locations, Inventories (equipment/parts), Cycles



WORLD-LEADING BRANDS

John Deere and Peterbilt Motors
Quality, Performance and Technology Leaders



INVESTED EMPLOYEES AND MANAGEMENT

~28% Employee/Director owned
Transitioned from founders to broad experienced-based management

63 Locations

549 Service Bays

521 Technicians

188 Mobile Service Trucks

>\$50M In-stock Parts

Stability & Resilience of Product Support – 55% - 70% of GP

FIVE YEAR OBJECTIVE: TARGETING 50/50

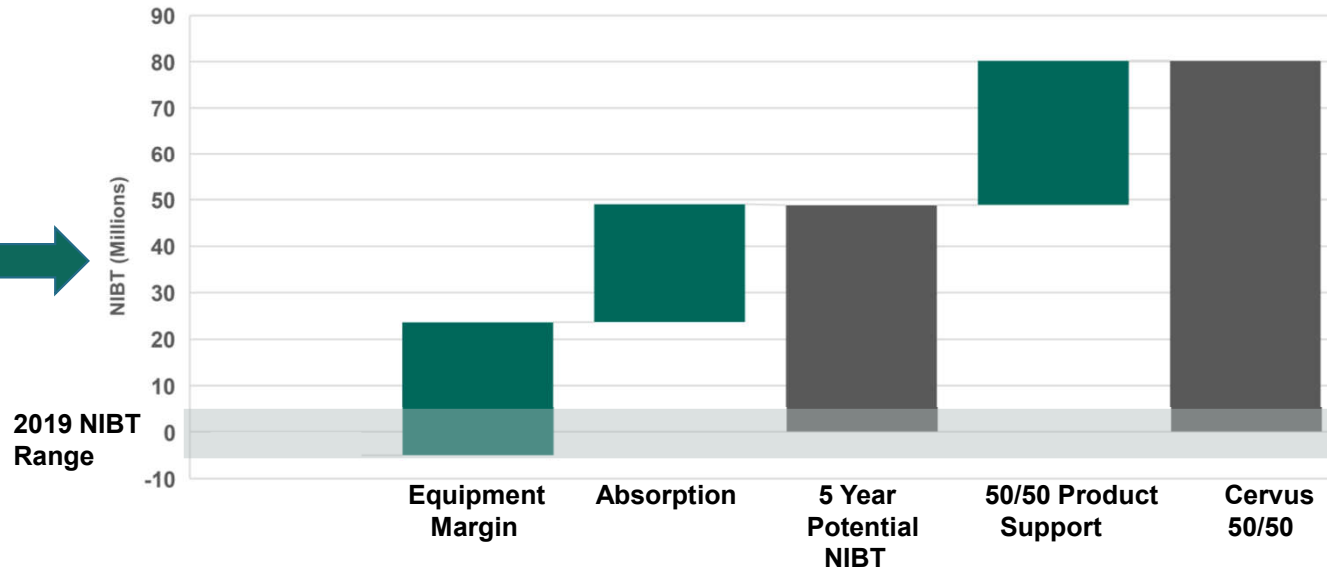
Developing our Product Support Delivery



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Most Of Our Potential Lies Within



- Wholegoods sales growth is based on organic growth
- Achieving our 2024 potential increases NIBIT by \$53 million

- Acquisitions turbocharge existing high performance
- By achieving internal potential, Acquisition growth is limited to NIBIT of \$30 million to attain 50/50

2024 FINANCIAL AND OPERATIONAL TARGETS



ROIC

>20%



Product Support
GP Dollar CAGR

~10%



Absorption Across
Businesses

100-115%

FINANCIAL PERFORMANCE: ABSORPTION

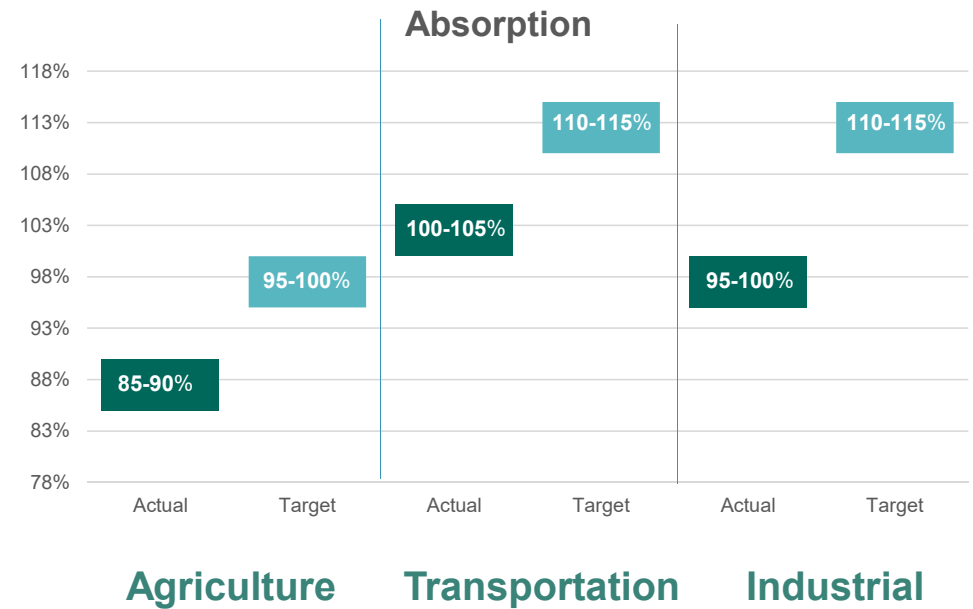
Sustained profitability through market cycles.



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Definition of Absorption:

$$\frac{\text{Product Support gross profit dollars}^*}{\text{Dealership Operating Costs}^{**}}$$



* Includes Product Support benefiting Wholegoods

** Excludes corporate costs, commission expense on equipment sales, and interest on FP debt

FINANCIAL PERFORMANCE: PRODUCT SUPPORT GROSS PROFIT DOLLARS

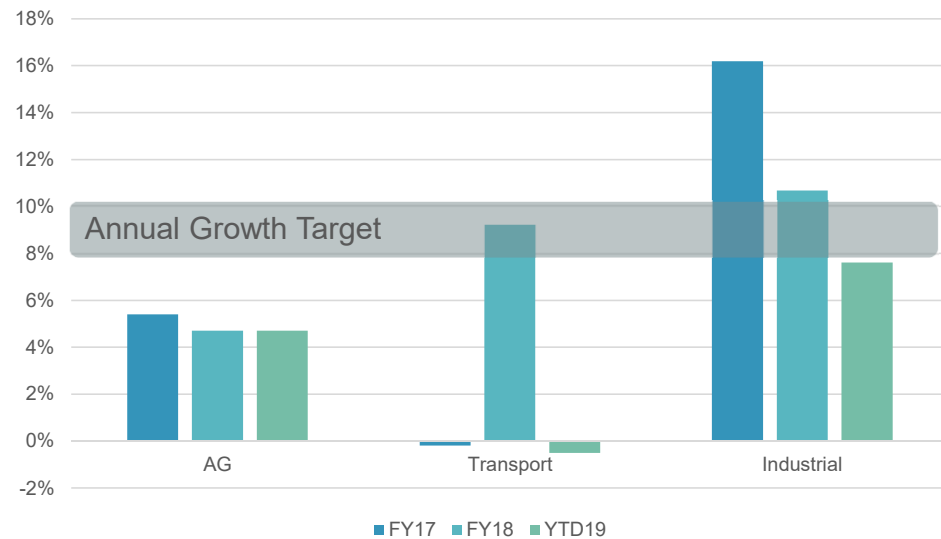
Growing consistent cash flow across cycles



Definition of Product Support Growth Target:

▲ in Product Support Gross Profit \$

- Measures period over period change
- Includes Product Support benefiting Wholegoods



FINANCIAL PERFORMANCE: ROIC AND INVENTORY TURNS



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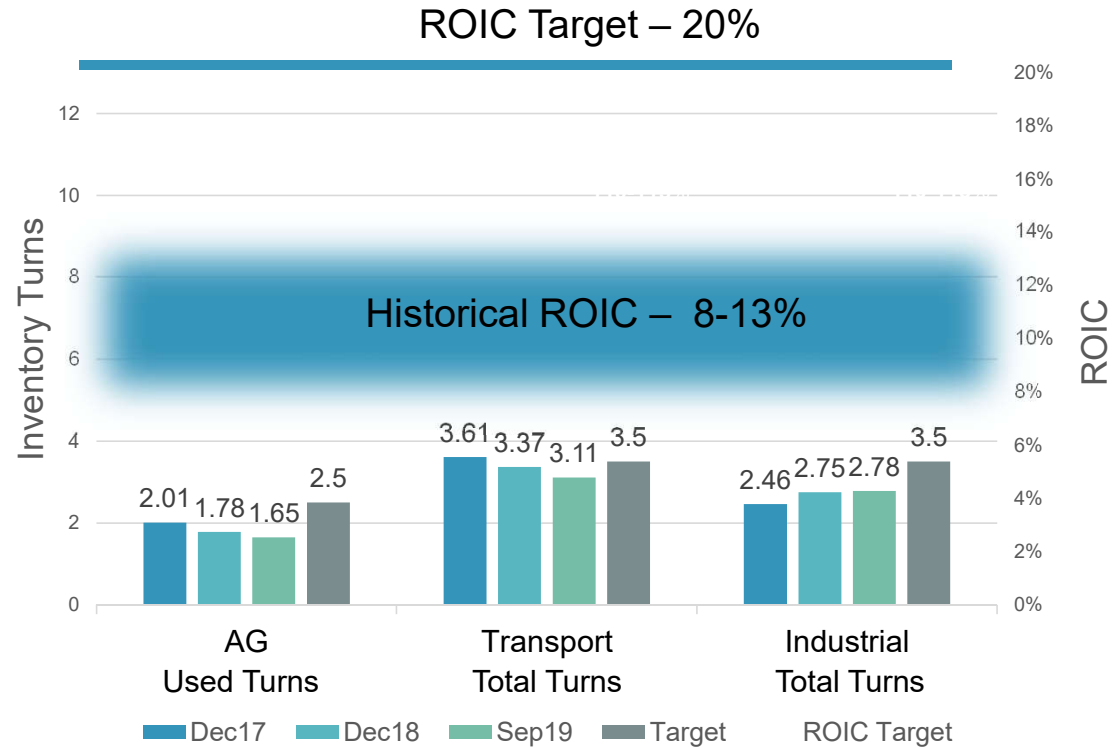
Growing the consistent cash flow across cycles

Inventory Turns:

$$\frac{\text{TTM COGS}}{\text{Avg. Inventory}}$$

ROIC:

$$\frac{\text{TTM EBIT} - \text{FP Interest}}{\text{Avg. Net Debt}^* + \text{Equity}^{**}}$$



* Excludes Floorplan Debt

** Book Value of Equity

AGRICULTURE

Mix and Margin



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85%

Whole Goods Revenue

Percentage of total revenue represented by Whole Goods sales

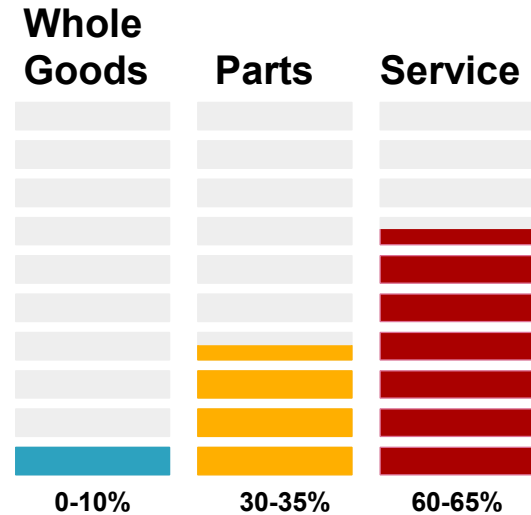


15%

Product Support Revenue

Percentage of total revenue represented by Parts, Services and Rental sales

Gross Margin by Revenue Type



Overall Pre-Tax Return on Sales

2018 YE 3.1%

High Performance 3.5-5%

TRANSPORTATION

Mix and Margin



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63%

Whole Goods Revenue

Percentage of total revenue represented by Whole Goods sales

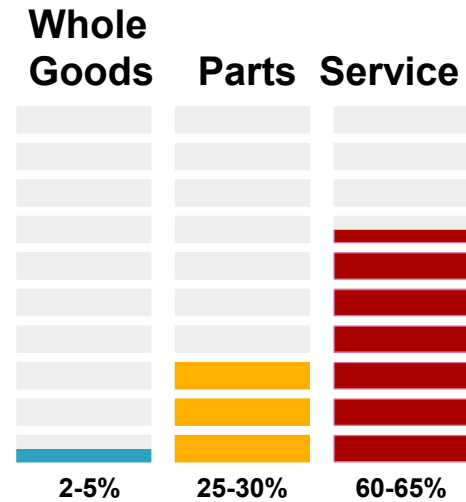


37%

Product Support Revenue

Percentage of total revenue represented by Parts, Services and Rental sales

Gross Margin by Revenue Type



Overall Pre-Tax Return on Sales

2018 YE	1.1%
High Performance	2.5-3.0%

INDUSTRIAL

Mix and Margin



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48%

Whole Goods Revenue

Percentage of total revenue represented by Whole Goods sales

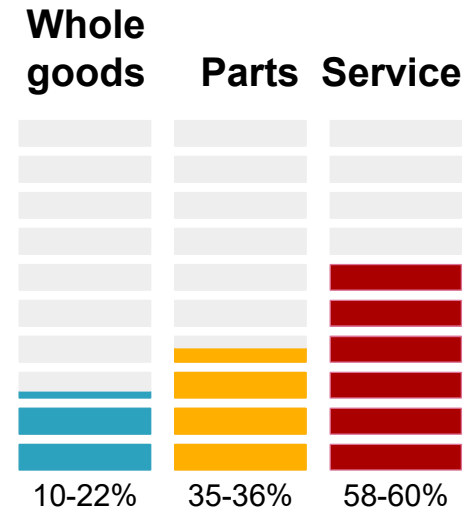


52%

Product Support Revenue

Percentage of total revenue represented by Parts, Services and Rental sales

Gross Margin by Revenue Type



Overall Pre-Tax Return on Sales

2018 YE

2.1%

High Performance

4.0-5.0%

WHAT MAKES A SUCCESSFUL DEALERSHIP

Key Success Factors



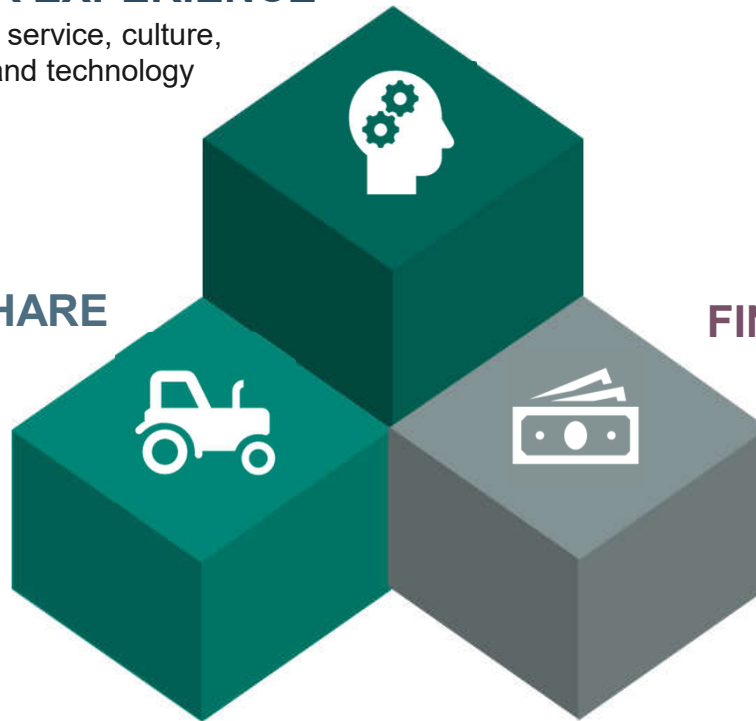
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CUSTOMER EXPERIENCE

Employees, service, culture,
innovation and technology

BALANCED MARKET SHARE & PRODUCT SUPPORT

Build Machine Population to drive
growth in annuity of product support



FINANCIAL SUSTAINABILITY

Absorption sustains operations
through the bottom of the cycle.

Balance sheet strength - Disciplined
management of Used inventory

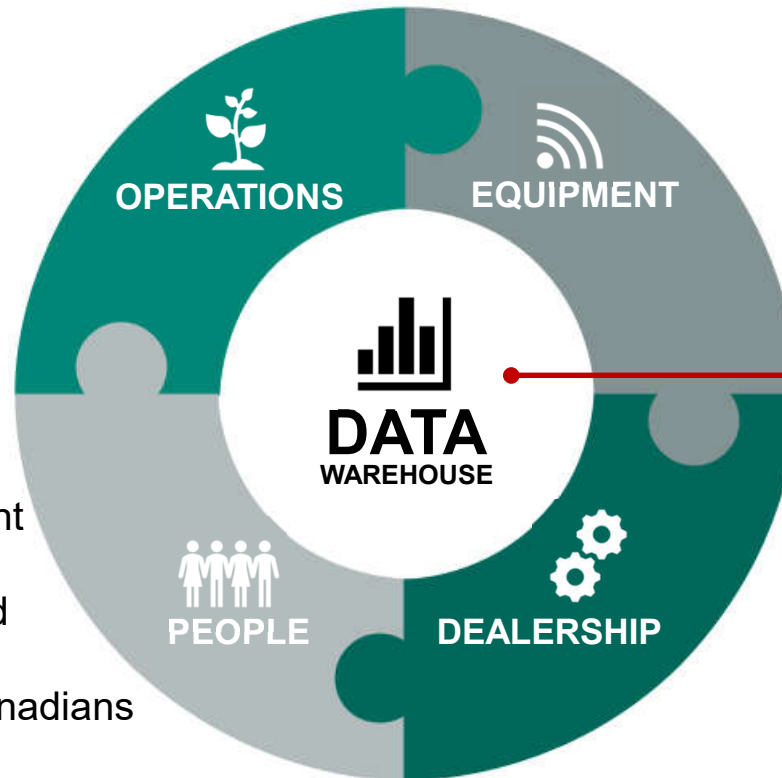
INNOVATION AND TECHNOLOGY: KEY TO OUR SUCCESS

Intelligent Equipment Solutions



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- Data in-motion
- In-field/on-site data
- Productivity/Quality
- Yield/Logistics
- Conditions/Climate



- Machine Integration
- Performance data
- Health Monitoring
- Diagnostics/Alerts
- Remote Programming

Data compiled and translated allowing real-time decisions to optimize productivity and profitability

- Business Management Partners
- Certified/Fully-Trained
- Industry Experience
- Millennials & New Canadians

- Connected Support
- Mobile & Virtual Support
- Parts and Service
- Account Information
- Shipping/Delivery

The Customer of Tomorrow expects improved uptime and efficiency based on data and technology.

WHY INVEST IN CERVUS?



Market Upside as Cycles Turn

- Ag is experiencing lowest demand in 10 years. Upside as cycle turns.

Operational Opportunities as We Drive Organic Performance

- Delivering performance of existing operations by targeting absorption and Product Support growth.

Conservative Balance Sheet Positioned for Growth

- \$60M of dry powder available debt while remaining below 37% LTD to Total Capital