

# Mining Truck Market Overview

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Tribolt Equipment Corporation

January 1<sup>st</sup>



# Tribolt Mining Division Overview

## Overview

- Tribolt has just completed its acquisition of JemStOrr, a market leader in the global \$1B off highway mining truck market at roughly 3x revenue
- Tribolt services customers globally with specialized, local on-site assembly and aftermarket support.
- Unmatched solutions based on differentiated offerings provide Tribolt with unique solutions to meet its customer needs.
- Exposure to diverse & attractive customer segments
- Prior year revenue of ~\$110MM in a heavily competitive truck market
  - Identified additional room to grow through successful responses and fulfillment of RFQs

## Current Offerings

### T1000

*Payload: 150 tons*

*Fuel Economy: 27 gph*

*Availability: 97.3%*

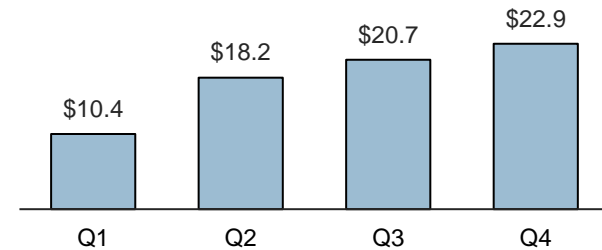
*Stall Grade: 12 degrees*

*Forward Speed: 36 mph*

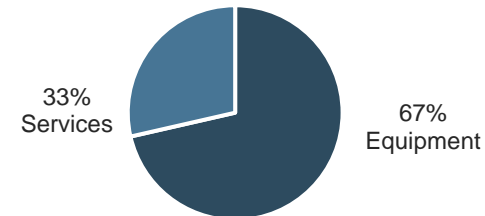
*List Price: \$2.6 MM*



## Prior Year Equipment Revenue



## Revenue by Product Category

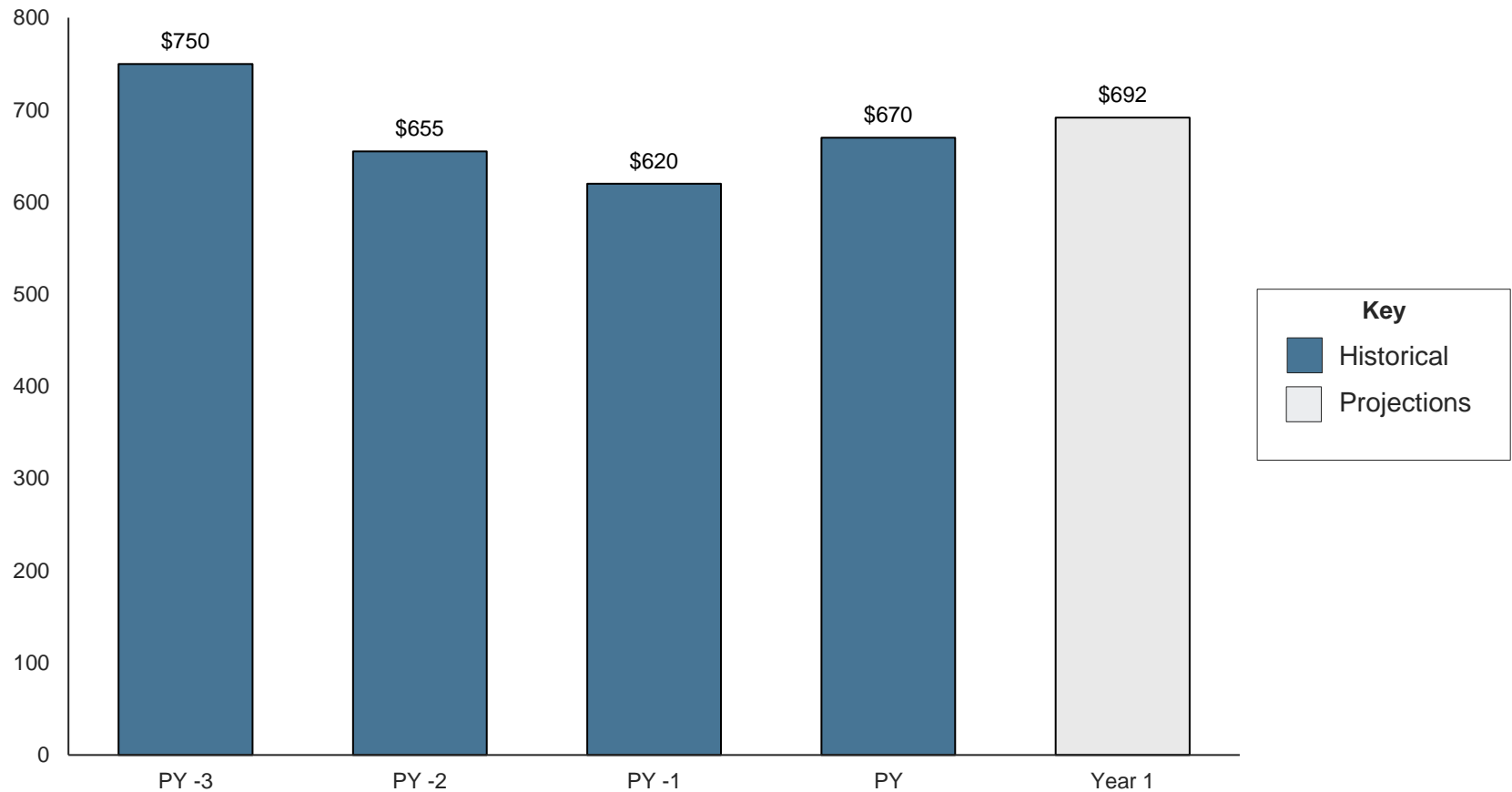


## Key Customers

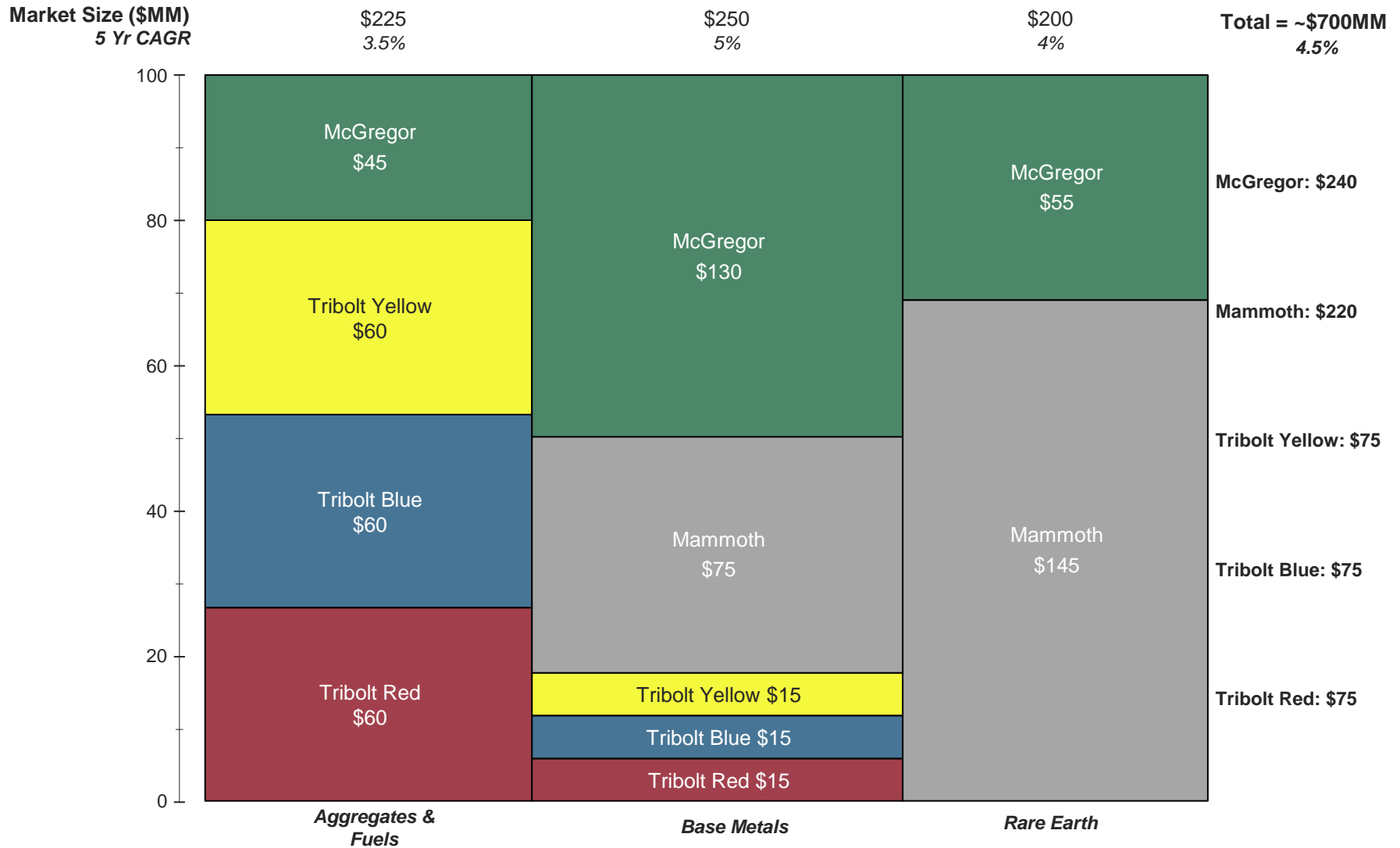


# Today, the mining truck *equipment* market is roughly \$700MM, rebounding from its bottom two years ago

Global Mining Truck Market (\$MM)



# Tribolt holds an 11% share of the mining truck equipment market



# There are six major CTQs that customer evaluate when choosing between competitors

CTQs	Measurement Unit	Definition
<b><i>Payload Capacity</i></b>	Tons	<ul style="list-style-type: none"><li>• The carrying capacity of the truck. Payload was coined from the load in which revenue was derived.</li></ul>
<b><i>Stall Grade</i></b>	% Slope	<ul style="list-style-type: none"><li>• The maximum grade that can be climbed by a fully loaded haul truck.</li></ul>
<b><i>Availability</i></b>	% Uptime	<ul style="list-style-type: none"><li>• A measure of system reliability, expressed as the percentage of time the truck has been working and available.</li><li>• Uptime is the opposite of downtime.</li></ul>
<b><i>Fuel Consumption</i></b>	Gal / Hour	<ul style="list-style-type: none"><li>• The average amount of fuel the truck consumes per hour.</li><li>• Actual consumption differs depending on operating conditions, including speed, payload, and grade.</li></ul>
<b><i>Forward Speed</i></b>	Miles Per Hour (mph)	<ul style="list-style-type: none"><li>• As it sounds, the maximum rate the truck is able to travel on a flat surface.</li></ul>
<b><i>Price</i></b>	\$ USD	<ul style="list-style-type: none"><li>• The purchase price of truck, excluding aftermarket service contracts.</li></ul>

We differentiate from competitors by improving on the CTQs that matter most to customers

## T1000 CTQ improvements

CTQs	5 Years Ago	Today	Percent Improvement
<b><i>Payload</i></b> (tons)	100	150	50%
<b><i>Stall Grade</i></b> (% slope)	10%	12%	20%
<b><i>Availability</i></b> (% Uptime)	95.0%	97.3%	46%
<b><i>Fuel Consumption</i></b> (Gal/hour)	31.0	26.9	13%
<b><i>Forward Speed</i></b> (mph)	25.0	35.5	42%

# Drucker Labs Competitive Intelligence

## BLUE T1000

Payload	150
Stall Grade	12%
Availability	97.3%
Fuel Efficiency	26.9
Forward Speed	35.5
Price	\$2.6

## RED T1000

Payload	150
Stall Grade	12%
Availability	97.3%
Fuel Efficiency	26.9
Forward Speed	35.5
Price	\$2.6

## YELLOW T1000

Payload	150
Stall Grade	12%
Availability	97.3%
Fuel Efficiency	26.9
Forward Speed	35.5
Price	\$2.6

## McGregor Titanium

Payload	250
Stall Grade	32%
Availability	97.2%
Fuel Efficiency	27.1
Forward Speed	25.1
Price	\$3.32

## McGregor Granite

Payload	100
Stall Grade	12%
Availability	97.0%
Fuel Efficiency	17.9
Forward Speed	33.0
Price	\$2.51

## McGregor Thor

Payload	350
Stall Grade	19%
Availability	97.8%
Fuel Efficiency	24.9
Forward Speed	20.6
Price	\$3.50

## Mammoth Thunder

Payload	400
Stall Grade	19%
Availability	96.1%
Fuel Efficiency	24.9
Forward Speed	18.8
Price	\$3.74

## Mammoth Lightning

Payload	300
Stall Grade	27%
Availability	97.2%
Fuel Efficiency	27.1
Forward Speed	22.2
Price	\$3.36

# Financial Snapshot

<i>\$Millions</i>	<i>PY-Q1</i>	<i>PY-Q2</i>	<i>PY-Q3</i>	<i>PY-Q4</i>	<i>PY</i>
<b>Revenue</b>	<b>\$18.9</b>	<b>\$26.8</b>	<b>\$29.6</b>	<b>\$32.9</b>	<b>\$108.3</b>
Truck	\$10.4	\$18.2	\$20.6	\$22.9	<b>\$72.1</b>
Service	\$8.5	\$8.6	\$9.0	\$10.0	<b>\$36.2</b>
<b>Variable Cost</b>	<b>\$13.2</b>	<b>\$19.6</b>	<b>\$22.1</b>	<b>\$25.2</b>	<b>\$80.0</b>
Equipment: COGS	\$8.4	\$14.8	\$17.2	\$19.2	<b>\$60.4</b>
Service: COGS	\$4.7	\$4.8	\$4.9	\$5.3	<b>\$19.7</b>
<b>Contribution Margin (CM)</b>	<b>\$5.7</b>	<b>\$7.2</b>	<b>\$7.6</b>	<b>\$7.7</b>	<b>\$28.3</b>
<b>CM %</b>	<b>30%</b>	<b>27%</b>	<b>26%</b>	<b>\$23%</b>	<b>26%</b>
<b>Base Costs</b>	<b>\$8.0</b>	<b>\$7.7</b>	<b>\$7.7</b>	<b>\$7.7</b>	<b>\$31.2</b>
SG&A	\$6.1	\$6.1	\$6.1	\$6.1	<b>\$24.6</b>
Other Base Costs	\$0.9	\$0.6	\$0.6	\$0.5	<b>\$2.6</b>
Services Overhead	\$1.0	\$1.0	\$1.0	\$1.0	<b>\$4.0</b>
<b>Operating Profit</b>	<b>(\$2.3)</b>	<b>(\$0.7)</b>	<b>(\$0.3)</b>	<b>(\$0.2)</b>	<b>(\$2.9)</b>
<i>Operating Margin %</i>	<i>(13%)</i>	<i>(3%)</i>	<i>(1%)</i>	<i>(1%)</i>	<i>(2.7%)</i>

# Aftermarket service accounts for a third of revenue today



Revenue Stream	Revenue (Share)	CM%
Aftermarket Service	\$36.2 (33%)	45%
Equipment	\$72.1 (67%)	16%