

Q1 2024 Results

Analyst & Investor Call
May 15, 2024

dexterra
GROUP



Cautionary Statement

In this presentation, all amounts are in Canadian dollars, unless otherwise indicated. Any graphs, tables or other information in this presentation demonstrating the historical performance of Dexterra Group Inc. (“Dexterra” or “Dexterra Group”) or of any of its business units contained in this presentation are intended only to illustrate past performance and are not necessarily indicative of future performance of Dexterra Group or any of its business units.

Forward-Looking Statements

Certain statements contained herein may constitute forward-looking information under applicable securities law. Forward-looking information may relate to Dexterra’s future outlook and anticipated events, business, operations, financial performance, financial condition or results and, in some cases, can be identified by terminology such as “continue”; “forecast”; “may”; “will”; “project”; “could”; “should”; “expect”; “plan”; “anticipate”; “believe”; “outlook”; “target”; “intend”; “estimate”; “predict”; “might”; “potential”; “continue”; “foresee”; “ensure” or other similar expressions concerning matters that are not historical facts. In particular, statements regarding Dexterra’s future operating results and economic performance; its capital light model management market and inflationary environment expectations, lodge occupancy levels, its leverage, Discontinued Operations, Free Cash Flow from continuing operations, NRB Modular Solutions backlog and revenue, wildfire activity expectations and its objectives and strategies are forward-looking statements. These statements are based on certain factors and assumptions, including expected growth, market recovery, results of operations, performance and business prospects and opportunities regarding Dexterra, a reasonable valuation and other satisfactory terms being finalized for the sale of the Modular business which Dexterra believes are reasonable as of the current date. While management considers these assumptions to be reasonable based on information currently available to Dexterra, they may prove to be incorrect. Forward-looking information is also subject to certain known and unknown risks, uncertainties and other factors that could cause Dexterra’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information, including, but not limited to: the ability to retain clients, renew existing contracts and obtain new business; an outbreak of contagious disease that could disrupt its business; the highly competitive nature of the industries in which Dexterra operates; reliance on suppliers and subcontractors; cost inflation; volatility of industry conditions could impact demand for its services; a reduction in the availability of credit could reduce demand for Dexterra’s products and services; Dexterra’s significant shareholder may substantially influence its direction and operations and its interests may not align with other shareholders; its significant shareholder’s 49% ownership interest may impact the liquidity of the common shares; cash flow may not be sufficient to fund its ongoing activities at all times; loss of key personnel; the failure to receive or renew permits or security clearances; significant legal proceedings or regulatory proceedings/changes; environmental damage and liability is an operating risk in the industries in which Dexterra operates; climate changes could increase Dexterra’s operating costs and reduce demand for its services; liabilities for failure to comply with public procurement laws and regulations; any deterioration in safety performance could result in a decline in the demand for its products and services; failure to realize anticipated benefits of acquisitions and dispositions; inability to develop and maintain relationships with Indigenous communities; the seasonality of Dexterra’s business; inability to restore or replace critical capacity in a timely manner; reputational, competitive and financial risk related to cyber-attacks and breaches; failure to effectively identify and manage disruptive technology; economic downturns can reduce demand for Dexterra’s services; its insurance program may not fully cover losses. Additional risks and uncertainties are described in Note 22 of the Corporation’s Consolidated Financial Statements for the year ended December 31, 2023 and 2022 contained in its most recent Annual Report filed with securities regulatory authorities in Canada and available on SEDAR at sedarplus.ca. The reader should not place undue importance on forward-looking information and should not rely upon this information as of any other date. Dexterra is under no obligation and does not undertake to update or alter this information at any time, except as may be required by applicable securities law.

Non-GAAP Measures

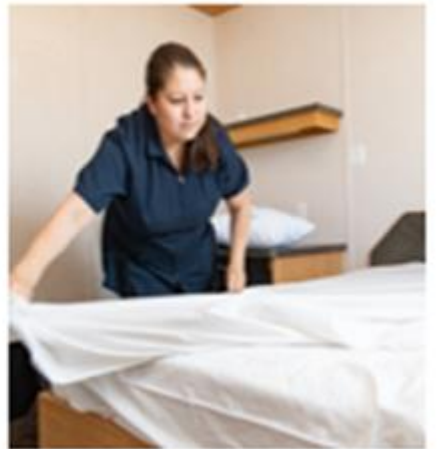
Certain measures and ratios contained herein do not have any standardized meaning as prescribed by GAAP and, therefore, are considered non-GAAP measures. Non-GAAP measures include “Adjusted EBITDA”, calculated as earnings before interest, taxes, depreciation, amortization, equity investment depreciation, share based compensation, gain/loss on disposal of property, plant and equipment, net loss from discontinued operations, net of taxes, and non-recurring items; “Adjusted EBITDA as a percentage of revenue”, calculated as Adjusted EBITDA divided by revenue; “Free Cash Flow from continuing operations”, calculated as net cash flows from (used in) operating activities from continuing operations, less sustaining capital expenditures, lease payments and finance costs from continuing operations plus proceeds on the sale of property, plant and equipment from continuing operations; and “backlog” which is the total value of modular work that has not yet been completed that: (a) has a high certainty of being performed based on the existence of an executed contract or work order specifying job scope, value and timing; or (b) has been awarded to Dexterra, as evidenced by an executed letter of award or agreement, describing the general job scope, value and timing of such work, and where the finalization of a formal contract in respect of such work is reasonably assured and expects to be recognized in the next 12 months. Sustaining capital expenditures included in the definition of Free Cash Flow from continuing operations are replacement expenditures and/or leases necessary to maintain existing business from continuing operations.

These measures and ratios provide investors with supplemental measures of Dexterra’s operating performance and highlight trends in its core businesses that may not otherwise be apparent when relying solely on GAAP financial measures. Dexterra also believes that securities analysts, investors and other interested parties frequently use non-GAAP measures in the evaluation of issuers. Dexterra’s management also uses non-GAAP measures in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets, and to determine components of management compensation.

These measures are regularly reviewed by the Chief Operating Decision Makers and provide investors with an alternative method for assessing the Corporation’s operating results in a manner that is focused on the performance of the Corporation’s ongoing operations and to provide a consistent basis for comparison between periods. These measures should not be construed as alternatives to net earnings and total comprehensive income or operating cash flows as determined in accordance with GAAP as indicators of the Corporation’s performance. The method of calculating these measures may differ from other entities and accordingly, may not be comparable to measures used by other entities. For a reconciliation of these non-GAAP measures to their nearest measure under GAAP please refer to “Reconciliation of non-GAAP measures” in the Management’s Discussion and Analysis for the period ended March 31, 2024

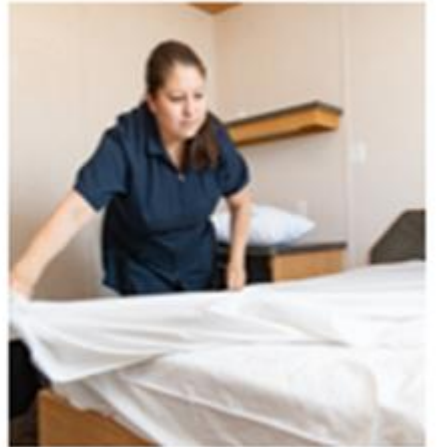
Bill McFarland

Board of Directors Chair



Mark Becker

Chief Executive Officer



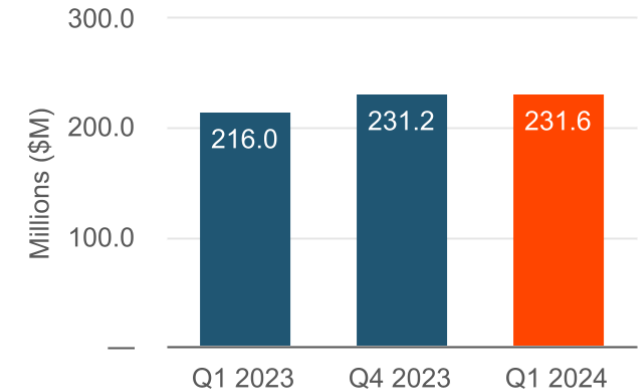
Q1 Progress on the 2024 Business Plan

Q1 Highlights

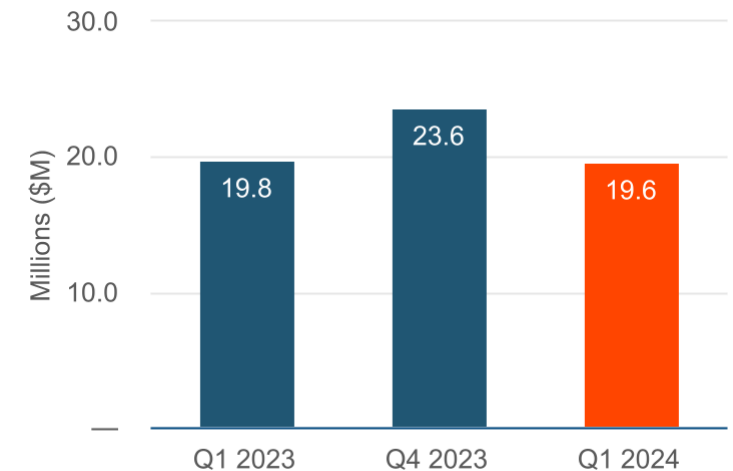
- Strong organic growth
- Robust WAFES market activity
- US IFM expansion with CMI acquisition
- Final stages of the Modular business sale
- Share buy-back program renewed to complete original NCIB



Revenue Trend



Adjusted EBITDA Trend

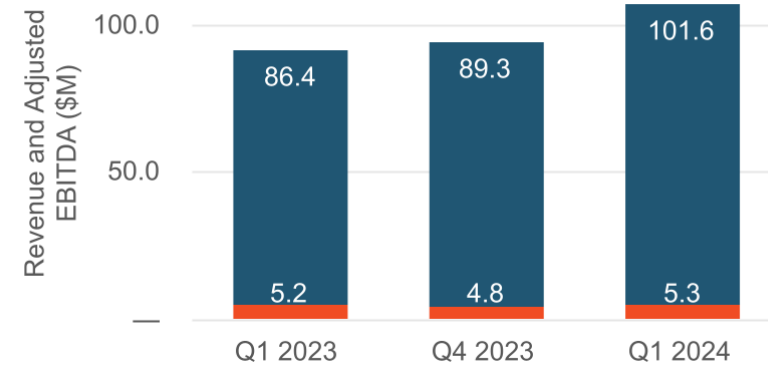


Integrated Facilities Management

A growing Support Services business with an expanding footprint and diversified client base

- Strong organic revenue growth of 11%
- New contracts and additional project work
- Inflation and labour cost management
- Expecting over 6% margins in the back half of 2024
- Strong IFM new sales pipeline
- Active on strategic IFM acquisitions

Q1 Trend



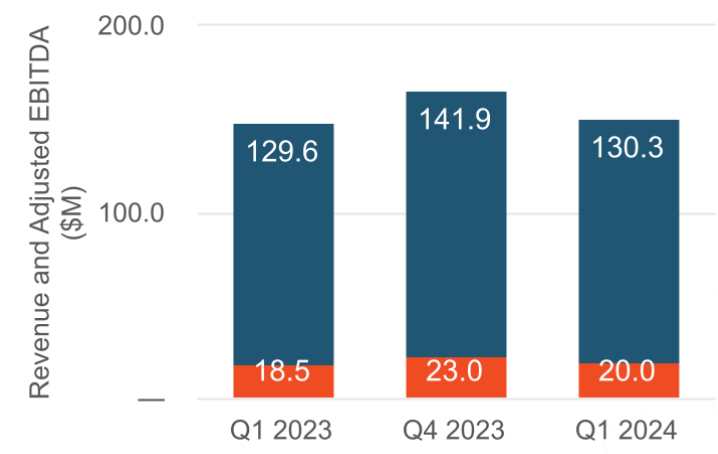
Workforce Accommodations, Forestry, Energy Services



A strong business with a natural resource foundation

- Mobilization of new major projects in 1H 2024
- Strong high margin camp occupancy and access matting utilization
- Robust natural resource and infrastructure market activity
- Continued strong margins of over 15%
- Well-prepared for 2024 wildfire support season

Q1 Trend

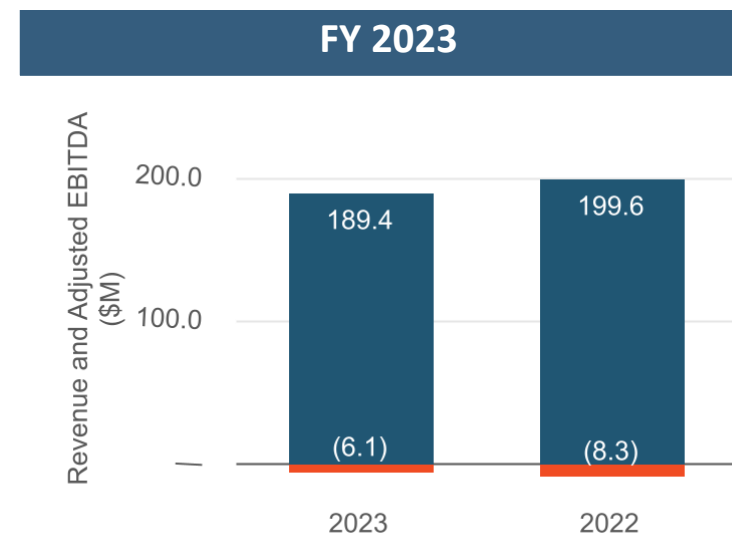
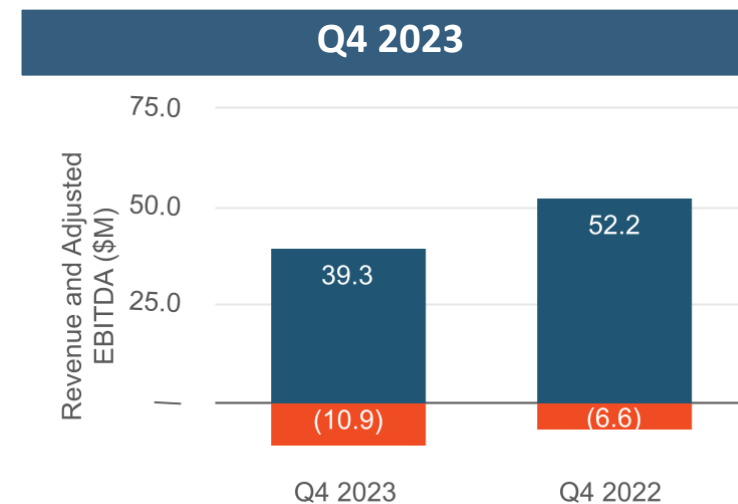


Discontinued Operations - Modular Solutions



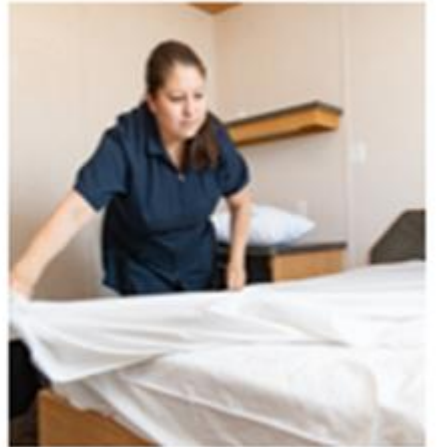
A manufacturing & services business

- Early Q3 sale close anticipated
- Rework on social affordable housing projects 75%-90% complete
- Sales activity rebounding
- Education, commercial / industrial business strong



Denise Achonu

Chief Financial Officer



Financial Position

- Strong financial position and liquidity
- Sustaining capital 1.0%- 1.5% of revenue for 2024
- Sale proceeds from Modular to reduce debt
- FCF conversion approximately 50% of Adjusted EBITDA for 2024
- Original NCIB renewed
- Declared Q2 2024 dividend

Path Forward

- Continued focus on execution and profitability
- Finalize Modular sale
- Deliver strong profitable organic growth
- Accretive M&A opportunities
- Maintain a strong balance sheet

Question & Answer Period

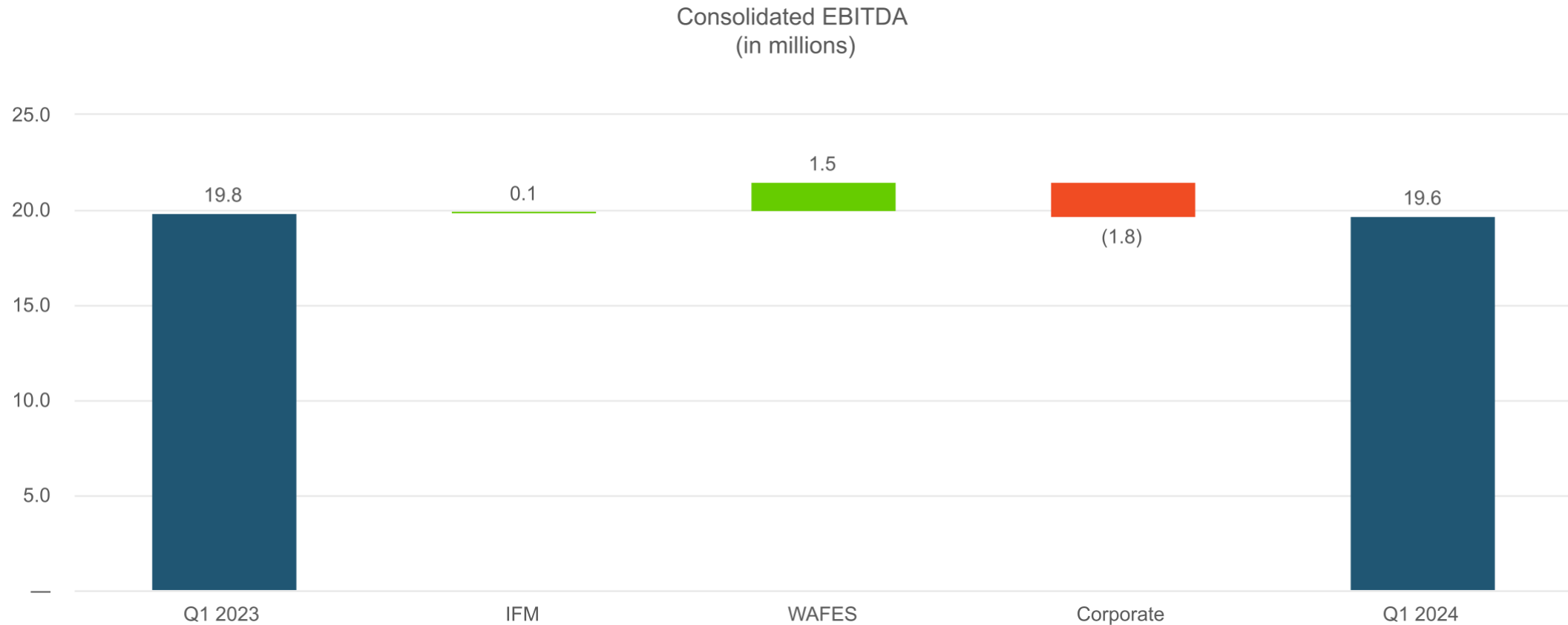
Questions 

APPENDIX I - Supporting Charts

Revenue Reconciliation Q1 2023 vs Q1 2024



Adjusted EBITDA Q1 2023 vs Q1 2024



Revenue Reconciliation Q4 2023 to Q1 2024



Adjusted EBITDA Q4 2023 to Q1 2024

