Unaudited Consolidated Interim Report to the shareholders for the three months ended March 31, 2025

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The following Management's Discussion and Analysis ("MD&A"), prepared as at May 6, 2025 for Dexterra Group Inc. ("Dexterra" or the "Corporation") provides information concerning Dexterra's financial condition and results of operations. This MD&A is based on unaudited condensed consolidated interim financial statements ("Financial Statements") for the three months ended March 31, 2025 ("Q1 2025") and March 31, 2024 ("Q1 2024"), respectively. Readers should also refer to Dexterra's most recent audited annual consolidated financial statements and MD&A for the years ended December 31, 2024 and 2023 and the Annual Information Form ("AIF") available on SEDAR at sedarplus.ca and Dexterra's website at dexterra.com. Some of the information contained in this MD&A contains forward-looking statements that involve risks and uncertainties. See "Forward-Looking Information" for a discussion of the uncertainties, risks and assumptions associated with these statements. Actual results may differ materially from those indicated or underlying forward-looking information as a result of various factors including those described elsewhere in this MD&A and AIF.

Business Overview

Dexterra Group Inc. ("Dexterra" or the "Corporation") is a corporation registered and domiciled in Canada and its common shares are listed on the Toronto Stock Exchange ("TSX") under the symbol DXT. Dexterra is a diversified services organization delivering quality solutions for the management and operation of infrastructure across North America.

The Corporation operates through two segments: Support Services and Asset Based Services ("ABS"). The Support Services business delivers a suite of operation, maintenance, and hospitality solutions for a diverse range of public and private sector clients, including remote operations, governments, aviation, education, industrial, transit, healthcare, and leisure. The ABS business provides workforce accommodation structures, access solutions, and space solutions to clients in the natural resources and infrastructure sectors among others. These businesses includes the supply and installation of workforce accommodation facilities, access matting and soil stabilization that allow clients to access and move equipment in remote locations, and includes the rental of modular space units. These assets are owned by the Corporation and rented or sold to clients. The Corporation sold the Modular Solutions ("Modular") business in 2024. The 2024 operating results for Modular have been presented as discontinued operations in the condensed consolidated interim statement of comprehensive income and cash flows.

The accompanying Financial Statements of Dexterra are the responsibility of Dexterra's management and have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standard Board ("IFRS Accounting Standards") and all amounts presented are in thousands of Canadian dollars unless otherwise indicated.

Financial Summary

	Three months ended March 31,	
(000's except per share amounts)	2025	2024
Revenue	$ 239,731	$ 231,896
Adjusted EBITDA(1)	25,174	19,579
Adjusted EBITDA as a % of revenue(1)	10.5%	8.4%
Net earnings from continuing operations(2)	8,622	4,437
Net earnings (loss)(2)(3)	8,622	(3,566)
Earnings (loss) per share:		
Net earnings from continuing operations per share, basic and diluted	0.14	0.07
Total net earnings (loss) per share, basic and diluted(3)	0.14	(0.06)
Total assets	546,671	656,086
Total loans and borrowings ("Net Debt")	81,506	132,656
Free Cash Flow(1)	1,180	10,642

(1) Please refer to the "Non-GAAP measures" section for the definition of Adjusted EBITDA, Adjusted EBITDA as a % of revenue, and Free Cash Flow and to the "Reconciliation of non-GAAP measures" section for the related calculations.

(2) Acquisition costs in pre-tax earnings for the three months ended March 31, 2024 was $0.4 million. Please see "Non-GAAP measures" section for additional details.

(3) Net earnings (loss) for the three-months ended March 31, 2024 included net loss from discontinued operations of $8.0 million (2025 - $nil).

Non-GAAP measures

Certain measures and ratios in this MD&A 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 from continuing operations before interest, taxes, depreciation, amortization, equity investment depreciation, share based compensation, gain/loss on disposal of property, plant and equipment, and non-recurring items; "Adjusted EBITDA as a % of revenue", calculated as Adjusted EBITDA divided by revenue; "Free Cash Flow" ("FCF"), 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 and intangible assets from continuing operations; and "Return on Equity", calculated as net earnings from continuing operations divided by average total shareholders' equity. Sustaining capital expenditures included in the definition of FCF are replacement expenditures and/or leases necessary to maintain the 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. 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 the "Reconciliation of non-GAAP measures".

Management's Discussion and Analysis

First Quarter Overview

Highlights

- The Corporation generated strong results for the three months ended March 31, 2025 with consolidated revenue of $239.7 million, an increase of 3.4% compared to $231.9 million for the same period in 2024. The increase in revenue was due to continued strong activity levels in Support Services including a full quarter contribution from CMI Management LLC ("CMI"), partly offset by lower access matting activity in ABS due to cold weather early in the quarter.
- Adjusted EBITDA for the three months ended March 31, 2025 was $25.2 million (2024 - $19.6 million), an increase of 29% over Q1 2024. The increase in Adjusted EBITDA is primarily due to high occupancy at camps mobilized in the second quarter of 2024 and a full quarter of CMI results in Support Services, and the mix of business in ABS.
- FCF for the three months ended March 31, 2025 was $1.2 million, compared to $10.6 million for the same period in 2024. The decrease was due to the delayed receipt of a customer receivable of $20.3 million being funded by the Canadian federal government which is expected to be collected in May. The Adjusted EBITDA conversion to FCF is expected to exceed 50% on an annual basis.
- Net earnings from continuing operations for the three months ended March 31, 2025 were $8.6 million, compared to $4.4 million for the same period in 2024 due to the same factors mentioned above. Our continuing operations delivered a return on equity of 15.1%. Earnings per share from continuing operations was $0.14 in Q1 2025 compared to $0.07 in Q1 2024.
- In connection with the ongoing Normal Course Issuer Bid ("NCIB"), Dexterra purchased and cancelled 989,000 common shares in Q1 2025 at a weighted average price of $7.69 per share for a total consideration of $7.6 million. The Board has approved the extension of the NCIB program as of May 6, 2025, subject to TSX approval. This will allow the Corporation to repurchase up to approximately 3 million shares in the period from May 23, 2025 to May 22, 2026. Dexterra plans to remain opportunistic with share buybacks in 2025 as we believe our shares are undervalued.
- Dexterra declared a dividend for Q2 2025 of $0.0875 per share for shareholders of record at June 30, 2025, to be paid on July 15, 2025.

Operational Analysis

	Three months ended March 31,			
(000's)		2025		2024
Revenue:				
Support Services	$	198,775	$	185,540
Asset Based Services		40,956		46,356
Total Revenue	$	239,731	$	231,896
Adjusted EBITDA:				
Support Services	$	18,879	$	15,274
Asset Based Services		13,458		10,023
Corporate, Other and Inter-segment eliminations		(7,163)		(5,718)
Total Adjusted EBITDA	$	25,174	$	19,579
Adjusted EBITDA as a % of Revenue				
Support Services		9.5%		8.2%
Asset Based Services		32.9%		21.6%

Support Services

Revenue for Q1 2025 was $198.8 million, an increase of 7.1% over Q1 2024, primarily driven by high occupancy at camps that were mobilized in the second quarter of 2024 and increased revenue of $10.6 million from the inclusion of CMI for a full quarter in 2025.

Adjusted EBITDA for Q1 2025 was $18.9 million, an increase of 23.6% over Q1 2024. Adjusted EBITDA margin for Q1 2025 was 9.5% compared to 8.2% in Q1 2024 and 8.8% for fiscal 2024. The increase in Adjusted EBITDA and margin is due to the factors mentioned above, continued improvement of Facilities Management margins above 6%, and the mix of business including the contribution of higher margin project work in Q1 2025. Adjusted EBITDA margins are expected to exceed 8% over the long term.

Direct Costs

Direct costs are comprised of labour, food costs, materials, supplies and transportation, which vary directly with revenues, and have a relatively low fixed component that includes leases and utilities. Direct costs for Q1 2025 were $172.4 million compared to $164.4 million for the same period in 2024. This increase in costs is primarily due to the increased volume of work from CMI and the organic growth of the business. Direct costs as a percentage of revenue for Q1 2025 were 86.7% compared to 88.6% for the same period in 2024. The improvement reflects management's focus on managing costs, as well as higher camp occupancy that improves margins as fixed costs are spread over higher volumes.

Asset Based Services

Revenue for Q1 2025 was $40.9 million, a decrease of 11.6% over Q1 2024. This decline is primarily driven by lower access matting sales and rentals which were impacted by lower demand due to cold regional temperatures during January and February. Demand for access matting is higher in milder temperatures, which occurred in Q1 2024. We expect demand to return to historically higher levels in Q2 2025.

Adjusted EBITDA for Q1 2025 was $13.5 million, an increase of 34.3% over Q1 2024. Adjusted EBITDA margin for Q1 2025 was 32.9% compared to 21.6% in Q1 2024. Adjusted EBITDA and margins were higher in Q1 2025 as a result of business mix, specifically the margin differential between higher camp asset utilization in Q1 2025 and project mobilization related work in Q1 2024. Adjusted EBITDA margins in this business in the future are expected to fluctuate between 30% to 40% depending on the mix of business.

Direct Costs

Direct costs are comprised of labour, materials, supplies and transportation, which vary with revenues, and have a relatively fixed component, which includes land leases and camp utilities. Direct costs for Q1 2025 were $26.3 million compared to $35.6 million for the same period in 2024. This decrease in costs is primarily due to the lower activity levels during the period as mentioned above. Direct costs as a percentage of revenue for Q1 2025 were 64.3% which is lower compared to 76.7% for the same period in 2024 as a result of change in product and business mix.

Corporate

Corporate costs for Q1 2025 were $7.2 million and represented 3.0% of revenue compared to 2.5% for the same period in 2024. The cost increase compared to Q1 2024 represents the additional investments in growing the sales and operational support teams, expenditures on developing our enterprise information technology strategy, and certain one-time costs. These investments are crucial foundation pieces to allow the Corporation to meet its objective of delivering sustainable and profitable growth.

Other Items

Selling, general and administrative expense ("SG&A")

SG&A expenses are comprised of head and corporate office costs including the executive officers and directors of the Corporation, and shared services, including sales, information technology, corporate accounting staff and the associated costs of supporting a public company.

SG&A expenses for the three months ended March 31, 2025 were $16.2 million compared to $13.3 million for Q1 2024. The increase was mainly related to the items discussed under Corporate above and the addition of a full quarter of CMI operations.

Depreciation and amortization

	Three months ended March 31,	
(000's)	2025	2024
Depreciation	$ 8,385	$ 6,890
Amortization of intangible assets	1,192	1,213
Total depreciation and amortization	$ 9,577	$ 8,103

Depreciation and amortization for the three months ended March 31, 2025 was $9.6 million compared to $8.1 million for Q1 2024. This increase is mainly attributable to additions associated with high return investment opportunities in ABS such as camp equipment.

Share based compensation

Accrued share based compensation expense for the three months ended March 31, 2025 was $2.0 million, an increase of $1.3 million compared to the same period in 2024. Compensation expense increased given the Corporation's stronger share price which increased over 40% from Q1 2024 to Q1 2025. The long-term incentive plan, including performance share units ("PSUs"), is linked to total shareholder returns. Cash payments for PSUs are only made if the share price and shareholder returns on the vesting date meet the performance criteria. The expired PSUs granted in 2022 did not meet the minimum vesting criteria and no cash payments were made in Q1 2025 related to this grant. In addition, Deferred share units ("DSUs") elections were made by certain Directors and officers of the Corporation to be compensated in lieu of other short-term incentives.

Finance costs

Finance costs include interest on loans and borrowings, interest on lease liabilities, and accretion of debt financing costs.

The effective interest rate on loans and borrowings for the three months ended March 31, 2025 was 6.0% compared to 8.3% for the same period in 2024, including amortization of financing costs. Costs are expected to decline in 2025 absent acquisitions due a decreasing debt level. Amounts drawn on the credit facility incur interest at bank prime rate plus 0.5% to 1.75% or the Canadian Overnight Repo Rate Average ("CORRA") rate plus 1.50% to 2.75%. The CORRA rate as at March 31, 2025 was 4.69% and our current leverage ratio equates to an interest rate at the bottom of the range.

Goodwill

Goodwill as at March 31, 2025 was $146.7 million which is consistent with the balance as at December 31, 2024. The insignificant fluctuations in balances were due to the foreign currency translation of U.S. operations.

Intangible assets

Intangible assets as at March 31, 2025 were $36.4 million, a decrease of $1.2 million compared to $37.6 million as at December 31, 2024. The decrease includes amortization in the normal course of business of $1.2 million during Q1 2025 and foreign currency translation adjustments related to CMI's intangible assets which have a U.S. functional currency.

Non-controlling interest

Dexterra owns 49% of Tangmaarvik Inland Camp Services Inc. ("Tangmaarvik") and controls its operations. As a result, the results of Tangmaarvik are consolidated with the results of Dexterra and a non-controlling interest is recognized. For the three months ended March 31, 2025, earnings of $0.05 million, compared to $0.05 million for the same period in 2024, were attributed to the non-controlling interest.

Joint ventures

Dexterra holds a 49% ownership interest in Gitxaala Horizon North Services Limited Partnership ("Gitxaala"), Big Spring Lodging Limited Partnership ("BSL LP"), and Cree Horizon Limited Partnership ("Cree Horizon LP"). These equity investments generate earnings from providing workforce accommodations, maintenance of relocatable structures, and catering and janitorial services. For the three months ended March 31, 2025, earnings from equity investments was $0.2 million which is consistent with the same period in 2024.

Income taxes

For Q1 2025, the Corporation's effective income tax rate was 24%, compared to 27% in Q1 2024. The effective tax rates for the three months ended March 31, 2025 and 2024 were generally consistent with the combined federal and provincial income tax rates. The Corporation has utilized most of its tax loss carryforwards and expects to pay cash taxes starting in 2026. On an annualized basis, the effective income tax rate is expected to approximate 25% of earnings before income taxes.

Outlook

Strategic Outlook

Dexterra's strategic focus is to deliver reliable and predictable results, strong profitability and growth, and a return on equity to shareholders of 15%. The Corporation remains focused on organic growth and accretive acquisitions that will add critical Integrated Facilities Management ("IFM") capability, technology, and scale. Our capital allocation priorities include: 1) maintaining the dividend; 2) supporting selective high-return capital investments in our existing business; 3) remaining opportunistic on share buybacks; and 4) completing accretive acquisitions while remaining focused on maintaining a strong balance sheet. Additionally, we expect to make strategic technology investments to drive innovation, operational efficiency and support organic IFM growth.

Operations Outlook

Overall

Key components of our business plan include driving strong execution and operational excellence to deliver predictability in our business results and win new sales opportunities that meet margin profitability targets.

Support Services

The focus of the Support Services business is continued profitable organic growth and margin management. This includes a strategic focus on growing IFM services profitably and by taking advantage of the large North American outsourced services market.

ABS

Current indications of market activity suggest the strong utilization of our existing fleet of camp equipment and access matting to continue through 2025. We will continue to explore opportunities that offer high returns on capital in the natural resources and infrastructure sectors.

Economy

Dexterra as a service provider is to a large degree naturally insulated from a direct impact of trade tariffs as our labour and large majority of our supply commodities are domestically sourced. For food, chemicals, and other commodities that have historically been sourced cross-border, we have been active over the last few months addressing our supply chain with an aim to mitigate the potential impact of trade tariffs. We expect to be able to substantially mitigate the direct impact of tariffs on our business.

The recent trade actions by the U.S. government and retaliatory policies pose risks to the Canadian and U.S. economies which could impact the Corporation. These uncertainties could have broader economic implications such as impacting client demand and new sales opportunities, disrupting supply chains, or causing inflationary pressures. We are closely monitoring these developments and will adapt our strategies to mitigate any adverse effects on our business.

Liquidity and Capital Resources

The Corporation has a very strong balance sheet and a credit facility with an available limit of up to $260 million plus an uncommitted accordion of $150 million. The facility matures on September 7, 2026. See Note 10 of the Financial Statements for more details. The Corporation expects to renegotiate its credit facility agreement on favourable terms in the coming months.

Net debt was $81.5 million at March 31, 2025 compared to $67.9 million at December 31, 2024. The increase in debt from Q4 2024 was due to the delayed collection of a customer receivable described earlier. Adjusted EBITDA conversion to FCF is expected to exceed 50% on an annual basis over the medium-term, with Q3 and Q4 experiencing the highest conversions to FCF as a result of the seasonality of the Support Services business.

Capital Spending

For the three months ended March 31, 2025, capital spending for property, plant and equipment was $3.4 million compared to $2.3 million for the same period of 2024. This includes investments in growth and sustaining capital, and intangible assets, partially offset by proceeds from the sale of property, plant and equipment. Sustaining capital expenditures are replacement expenditures necessary to maintain the existing business and are expected to continue to be approximately 1% to 1.5% of revenue on an annualized basis. Actual amounts may vary depending on the timing of expenditures.

For the three months ended March 31, 2025, capital expenditures included a $2.2 million investment in growth capital associated with high return opportunities in workforce accommodation structures and operational technologies. Growth capital expenditures are incurred when accretive and advantageous opportunities are identified.

Quarterly Summary of Results

	Three months ended			
(000's except per share amounts)	2025 March	2024 December	2024 September	2024 June
Revenue	$ 239,731	$ 247,758	$ 269,749	$ 253,624
Adjusted EBITDA	25,174	26,558	32,024	29,277
Adjusted EBITDA as a % of revenue	10.5%	10.7%	11.9%	11.5%
Net earnings from continuing operations	8,622	7,584	13,359	12,162
Net earnings	8,622	6,915	7,666	9,080
Net earnings from continuing operations per share, basic and diluted	0.14	0.11	0.21	0.19
Total net earnings per share, basic and diluted	0.14	0.11	0.12	0.14

	Three months ended			
(000's except per share amounts)	2024 March	2023 December	2023 September	2023 June
Revenue(1)	$ 231,896	$ 231,196	$ 265,842	$ 214,709
Adjusted EBITDA(1)	19,579	23,567	38,204	25,239
Adjusted EBITDA as a % of revenue(1)	8.4%	10.2%	14.4%	11.8%
Net earnings from continuing operations	4,437	8,291	13,900	8,935
Net earnings (loss)	(3,566)	(303)	13,875	8,494
Net earnings from continuing operations per share, basic and diluted	0.07	0.13	0.21	0.14
Total net earnings (loss) per share, basic and diluted	(0.06)	0.00	0.21	0.13

(1) Revenue and Adjusted EBITDA for the 2023 comparatives as presented above have been restated to exclude discontinued operations.

Reconciliation of non-GAAP measures

The following provides a reconciliation of non-GAAP measures to the nearest measure under GAAP for items presented throughout the MD&A:

Adjusted EBITDA

	Three months ended March 31,	
(000's)	2025	2024
Net earnings from continuing operations	$ 8,622	$ 4,437
Add:		
Share based compensation	1,978	713
Depreciation and amortization	9,577	8,103
Equity investment depreciation	151	438
Finance costs	2,059	3,830
Loss on disposal of property, plant and equipment	29	20
Income tax expense	2,758	1,677
Restructuring and other costs(1)	—	361
Adjusted EBITDA	$ 25,174	$ 19,579

(1) Restructuring and other costs for the three months ended March 31, 2024 of $0.4 million includes expenses related to the acquisition of CMI.

Free Cash Flow

	Three months ended March 31,	
(000's)	2025	2024
Net cash flows from continuing operating activities	$ 5,643	$ 16,773
Sustaining capital expenditures, net of proceeds from the sale of property, plant and equipment and intangible assets	(470)	(667)
Finance costs paid	(1,903)	(3,932)
Lease payments	(2,090)	(1,532)
Free Cash Flow	$ 1,180	$ 10,642

Return on Equity

	Trailing twelve months ended March 31,	
(000's)	2025	2024
Net earnings from continuing operations	$ 41,727	$ 35,563
Average total shareholders' equity(1)	276,477	281,350
Return on Equity	15.1%	12.6%

(1) Average total shareholders' equity is calculated as the average of beginning total shareholders' equity and ending total shareholders' equity over the period from March 31, 2024 to March 31, 2025.

Accounting Policies

Dexterra's IFRS Accounting Standards policies are provided in Note 3 to the audited annual consolidated financial statements for the year ended December 31, 2024.

Outstanding Shares

Dexterra had 62,343,972 voting common shares issued and outstanding as at April 30, 2025, of which 51.3% or 31,957,781 are owned by subsidiaries of Fairfax Financial Holdings Limited.

See Note 12 of the Financial Statements for details on the NCIB.

The Board has approved the renewal of the share buy-back program as of May 6, 2025, subject to TSX approval, as we believe that the Dexterra share price continues to be undervalued and we will be opportunistic in repurchasing shares.

Off-Balance Sheet Financing

Dexterra has no off-balance sheet financing.

Management's Report on Disclosure Controls and Procedures and Internal Controls over Financial Reporting

Disclosure Controls and Procedures

The Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") have designed, or caused to be designed under their supervision, disclosure controls and procedures ("DC&P") as defined in National Instrument 52-109 - *Certification of Disclosure in Issuers' Annual and Interim Filings* ("NI 52-109") of the Canadian Securities Administrators, to provide reasonable assurance that: (i) material information relating to the Corporation is made known to the CEO and the CFO by others, particularly during the period in which the interim filings are being prepared; and (ii) information required to be disclosed by the Corporation in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation.

Internal Controls over Financial Reporting

The CEO and the CFO have designed, or caused to be designed under their supervision, internal controls over financial reporting ("ICFR") as defined in NI 52-109 of the Canadian Securities Administrators, in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards.

Based on the evaluation of the design and operating effectiveness of the Corporation's DC&P and ICFR, the CEO and the CFO concluded that the Corporation's DC&P and ICFR were effective as at March 31, 2025. There have been no changes in Dexterra's DC&P or ICFR that occurred during the three months ended March 31, 2025 that have materially affected, or are reasonably likely to materially affect, Dexterra's DC&P or ICFR.

Limitations on the Effectiveness of Disclosure Controls and Procedures and Internal Control over Financial Reporting

Because of their inherent limitations, DC&P and ICFR may not prevent or detect misstatements, errors or fraud. Control systems, no matter how well conceived or implemented, can provide only reasonable, not absolute, assurance that the objectives of the control systems are met.

Risks and Uncertainties

The financial risks, critical accounting estimates and judgements, and risk factors related to Dexterra and its business, which should be carefully considered, are disclosed in the AIF dated March 6, 2025 under "Risk Factors", and this MD&A should be read in conjunction with them. Such risks may not be the only risks facing Dexterra. Additional risks not currently known may also impair Dexterra's business operations and results of operations.

Critical Accounting Estimates and Judgements

This MD&A of Dexterra's financial condition and results of operations is based on its Financial Statements, which are prepared in accordance with IFRS Accounting Standards. The preparation of the Financial Statements requires management to make estimates and judgements about the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The MD&A should be read in conjunction with the Financial Statements.

Financial Instruments and Risk Management

In the normal course of business, the Corporation is exposed to a number of financial risks that can affect its operating performance. These risks are: geopolitical risk, credit risk, liquidity risk, and interest rate risk. The Corporation's overall risk management program and prudent business practices seek to minimize any potential adverse effects on the Corporation's financial performance. The MD&A should be read in conjunction with the Financial Statements.

Forward-Looking Information

Certain statements contained in this MD&A 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, including return on equity and Adjusted EBITDA margins; capital allocation priorities, acquisition strategy; its capital light model, market and inflationary environment expectations, asset utilization, camp occupancy levels, its leverage, FCF, wildfire activity expectations, U.S. tariff impacts, 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. 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; outsourcing of services trends; reliance on suppliers and subcontractors; cost inflation; U.S. tariff impacts; 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 51% 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 23 to the Financial Statements 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.

Condensed consolidated statement of financial position
(Unaudited)

(000's)	Note		March 31, 2025		December 31, 2024
Assets					
Current assets					
Trade and other receivables	4	$	172,281	$	153,574
Inventories	5		18,811		18,129
Prepaid expenses and other			9,034		7,444
Total current assets			200,126		179,147
Non-current assets					
Property, plant and equipment	6		146,084		144,177
Right-of-use assets	7		15,371		16,379
Intangible assets	8		36,403		37,581
Goodwill	8		146,740		146,757
Other assets	9		1,947		849
Total non-current assets			346,545		345,743
Total assets		$	546,671	$	524,890
Liabilities					
Current liabilities					
Trade and other payables	12	$	129,319	$	124,786
Deferred revenue			6,284		7,884
Income tax payable			2,135		1,078
Asset retirement obligations	11		4,675		4,831
Lease liabilities	7		6,783		6,365
Total current liabilities			149,196		144,944
Non-current liabilities					
Lease liabilities	7		10,918		10,901
Contingent consideration			755		755
Asset retirement obligations	11		5,987		586
Loans and borrowings	10		81,506		67,859
Other long term liabilities	12		4,238		3,683
Deferred income tax liabilities	15		17,576		17,209
Non-current liabilities			120,980		100,993
Total liabilities			270,176		245,937
Shareholders' Equity					
Share capital	12		223,584		226,610
Contributed surplus			4,554		4,316
Accumulated other comprehensive income			2,392		1,161
Retained earnings			45,507		46,463
Non-controlling interest			458		403
Total shareholders' equity			276,495		278,953
Total liabilities and shareholders' equity		$	546,671	$	524,890

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

Condensed consolidated statement of comprehensive income (loss)
(Unaudited)

		Three months ended March 31,			
(000's except per share amounts)	Note		2025		2024
Revenue					
Revenue from operations		$	239,731	$	231,896
Operating expenses					
Direct costs	13		198,796		199,983
Selling, general and administrative expenses	14		16,154		13,345
Depreciation	6,7		8,385		6,890
Amortization of intangible assets	8		1,192		1,213
Share based compensation	12		1,978		713
Loss on disposal of property, plant and equipment			29		20
Operating income			13,197		9,732
Finance costs			2,059		3,830
Earnings from equity investments			(242)		(212)
Earnings before income taxes			11,380		6,114
Income tax					
Income tax expense	15		2,758		1,677
Net earnings from continuing operations			8,622		4,437
Net loss from discontinued operations, net of income taxes	1		—		(8,003)
Net earnings (loss) for the period			8,622		(3,566)
Other comprehensive income (loss)					
Translation of foreign operations			1,231		33
Total comprehensive income (loss) for the period		$	9,853	$	(3,533)
Net earnings (loss) attributable to:					
Net earnings from continuing operations		$	8,567	$	4,388
Net loss from discontinued operations			—		(8,003)
Net earnings (loss) attributed to shareholders			8,567		(3,615)
Net earnings attributed to non-controlling interest			55		49
Earnings (loss) per common share					
Net earnings from continuing operations per share, basic and diluted	17	$	0.14	$	0.07
Net loss from discontinued operations per share, basic and diluted	17		—		(0.12)
Total net earnings (loss) per share, basic and diluted	17	$	0.14	$	(0.06)
Weighted average common shares outstanding:					
Basic	17		62,866		64,268
Diluted	17		63,635		64,505

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

Condensed consolidated statement of changes in equity (Unaudited)

(000's)	Note	Share capital - Number of Shares	Share capital	Contributed surplus	Accumulated other comprehensive income	Retained earnings	Non-controlling interest	Total
Balance as at December 31, 2023		64,427	$ 231,071	$ 3,268	$ 174	$ 52,322	$ 180	$ 287,015
Dividends declared		—	—	—	—	(5,613)	—	(5,613)
Share based compensation	12	—	—	240	—	—	—	240
Shares repurchased and cancelled	12	(279)	(1,003)	—	—	(647)	—	(1,650)
Total comprehensive income		—	—	—	33	(3,615)	49	(3,533)
Balance as at March 31, 2024		**64,147**	**230,068**	**3,508**	**207**	**42,447**	**229**	**276,459**
Balance as at December 31, 2024		63,264	226,610	4,316	1,161	46,463	403	278,953
Dividends declared	18	—	—	—	—	(5,466)	—	(5,466)
Exercise of stock options	12	194	525	(42)	—	—	—	483
Share based compensation	12	—	—	280	—	—	—	280
Shares purchased and cancelled	12	(989)	(3,551)	—	—	(4,057)	—	(7,608)
Total comprehensive income		—	—	—	1,231	8,567	55	9,853
Balance as at March 31, 2025		**62,469**	**$ 223,584**	**$ 4,554**	**$ 2,392**	**$ 45,507**	**$ 458**	**$ 276,495**

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

Condensed consolidated statement of cash flows (Unaudited)

		Three months ended March 31,	
(000's)	Note	2025	2024
Cash provided by (used in):			
Operating activities:			
Net earnings from continuing operations		$ 8,622	$ 4,437
Adjustments for:			
Depreciation	6,7	8,385	6,890
Amortization of intangible assets	8	1,192	1,213
Share based compensation	12	1,978	713
Loss on disposal of property, plant and equipment		29	20
Net transfers between inventory and rental fleet	6	379	(3,087)
Earnings on equity investments		(242)	(212)
Asset retirement obligations settled	11	(119)	(54)
Finance costs		2,059	3,830
Income tax expense	15	2,758	1,677
Changes in non-cash working capital	16	(17,942)	2,340
Income taxes paid		(1,456)	(994)
Net cash flows from continuing operating activities		5,643	16,773
Net cash flows used in discontinued operating activities		—	(20,109)
Investing activities:			
Purchase of property, plant and equipment	6	(3,560)	(2,338)
Proceeds on sale of property, plant and equipment		140	75
Purchase of intangible assets	8	(28)	—
Cash paid for acquisitions, net of cash acquired		—	(24,499)
Proceeds from divestiture of the Modular Solutions business		1,487	—
Cash (contributions to) distributions from equity investments	9	(667)	660
Net cash flows used in continuing investing activities		(2,628)	(26,102)
Net cash flows used in discontinued investing activities		—	(89)
Financing activities:			
Exercise of stock options	12	483	—
Shares purchased and cancelled	12	(7,488)	(1,650)
Payments for lease liabilities		(2,090)	(1,532)
Advances on loans and borrowings	10	13,519	42,928
Finance costs paid		(1,903)	(3,932)
Dividends paid to shareholders	18	(5,536)	(5,637)
Net cash flows from continuing financing activities		(3,015)	30,177
Net cash flows used in discontinued financing activities		—	(650)
Changes in continuing operations cash position		—	20,848
Changes in discontinued operations cash position		—	(20,848)
Change in cash position		—	—
Cash, beginning of period		—	—
Cash, end of period		$ —	$ —

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

1. Reporting entity

Dexterra Group Inc. ("Dexterra" or the "Corporation") is a corporation registered and domiciled in Canada and its common shares are listed on the Toronto Stock Exchange ("TSX") under the symbol DXT. Dexterra is a diversified support services organization delivering quality solutions for the management and operation of infrastructure across North America.

In the fourth quarter of 2024, Dexterra completed the repositioning of its business from an operational and external reporting perspective. This repositioning aligned our businesses with similar characteristics and realigned the segment reporting, taking into consideration how management assesses performance of its business and makes decisions. The Corporation operates through two segments: Support Services and Asset Based Services. The Support Services business delivers a suite of operation, maintenance, and hospitality solutions for a diverse range of public and private sector clients, including remote operations, governments, aviation, education, industrial, transit, healthcare, and leisure. The Asset Based Services business provides workforce accommodation structures, access solutions, and space rentals to clients in the natural resources and infrastructure sectors among others. The 2024 comparatives have been restated to reflect the change in reportable segments. The change in segment reporting does not have an impact on consolidated results.

In the first quarter of 2024, Dexterra classified its Modular Solutions ("Modular") business as discontinued operations. On August 30, 2024, the Corporation closed the sale of Modular. The operating results for 2024 have been presented as discontinued operations in the condensed consolidated interim statement of comprehensive income and cash flows.

On February 29, 2024, Dexterra acquired 100% of the issued and outstanding shares of CMI Management LLC ("CMI"). CMI is based in Alexandria, Virginia and provides integrated facilities management services to a number of federal government agencies and commercial clients across the United States. The acquisition is reported as part of the Support Services segment.

2. Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") applicable to the preparation of interim financial statements, under International Accounting Standard 34, Interim Financial Reporting and using the accounting policies the Corporation adopted in its consolidated financial statements for the year ended December 31, 2024. The condensed consolidated interim financial statements do not include all of the information required for annual financial statements. These financial statements were approved by the Board of Directors of Dexterra on May 6, 2025.

3. Basis of presentation

The basis of preparation, accounting policies and methods of their application, and critical accounting estimates and judgements in these condensed consolidated interim financial statements, including comparatives, are consistent with those used in Dexterra's audited annual consolidated financial statements for the year ended December 31, 2024, and should be read in conjunction with those consolidated financial statements. The Corporation's functional currency, and the preparation currency of the condensed consolidated interim financial statements is the Canadian dollar.

Adoption of new standards and interpretations

The new standards, amendments to standards and interpretations effective on January 1, 2025 and applied in preparing these condensed consolidated interim financial statements are disclosed below.

i. Amendments to the Lack of Exchangeability (Amendments to IAS 21)

   In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to add requirements to help entities in determining whether a currency is exchangeable into another currency and the spot exchange rate to use when it is not. The amendments are effective for annual periods beginning on or after January 1, 2025 and have no impact on the Corporation's consolidated financial statements.

ii. There have been no changes to the adoption of Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 17) and Presentation and Disclosure in Financial Statements (IFRS 8) as disclosed in the consolidated financial statements for the year ended December 31, 2024.

4. Trade and other receivables

(000's)	March 31, 2025	December 31, 2024
Trade receivables	$ 134,051	$ 118,157
Deferred trade receivables	5,741	6,208
Total trade receivables	139,792	124,365
Accrued trade receivables	23,139	22,775
Other receivables	12,493	9,974
Allowance for expected credit losses	(3,143)	(3,540)
Total trade and other receivables	$ 172,281	$ 153,574

Deferred trade receivables of $5.7 million (December 31, 2024 - $6.2 million) represent amounts billed on contracts which are not due until the contract work is substantially complete and any lien period has expired. All deferred trade receivables are expected to be collected within 12 months.

5. Inventories

(000's)	March 31, 2025	December 31, 2024
Raw materials	$ 2,009	$ 1,782
Food inventory	7,134	7,853
Work-in-progress	936	936
Finished goods and supplies	8,732	7,557
Inventories	$ 18,811	$ 18,129

6. Property, plant and equipment

(000's)	Camp equipment & mats	Land & buildings	Automotive & trucking equipment	Manufacturing & other equipment	Total
Cost					
Balance as at December 31, 2024	$ 186,264	$ 25,592	$ 15,428	$ 10,626	$ 237,910
Additions	2,489	10	346	715	3,560
Change in asset retirement obligations (Note 11)	5,316	—	—	—	5,316
Net transfers to inventory	(591)	—	—	—	(591)
Disposals	(1,104)	(4)	(49)	(109)	(1,266)
Balance as at March 31, 2025	$ 192,374	$ 25,598	$ 15,725	$ 11,232	$ 244,929
Accumulated Depreciation					
Balance as at December 31, 2024	$ 67,629	$ 5,232	$ 13,754	$ 7,118	$ 93,733
Depreciation	5,380	371	310	360	6,421
Net transfers to inventory	(212)	—	—	—	(212)
Disposals	(935)	(4)	(49)	(109)	(1,097)
Balance as at March 31, 2025	$ 71,862	$ 5,599	$ 14,015	$ 7,369	$ 98,845
Net book value					
Balance as at December 31, 2024	$ 118,635	$ 20,360	$ 1,674	$ 3,508	$ 144,177
Balance as at March 31, 2025	$ 120,512	$ 19,999	$ 1,710	$ 3,863	$ 146,084

7. Leases

(i) Right-of-use assets

(000's)	Camp equipment & mats	Land & buildings	Automotive & trucking equipment	Manufacturing & other equipment	Total
Cost					
Balance as at December 31, 2024	$ 4,085	$ 11,465	$ 12,970	$ 203	$ 28,723
Additions	1,822	186	442	—	2,450
Disposals	(1,494)	(25)	—	—	(1,519)
Balance as at March 31, 2025	$ 4,413	$ 11,626	$ 13,412	$ 203	$ 29,654
Accumulated Depreciation					
Balance as at December 31, 2024	$ 2,665	$ 3,882	$ 5,727	$ 70	$ 12,344
Depreciation	497	697	758	12	1,964
Disposals	—	(25)	—	—	(25)
Balance as at March 31, 2025	$ 3,162	$ 4,554	$ 6,485	$ 82	$ 14,283
Net book value					
Balance as at December 31, 2024	$ 1,420	$ 7,583	$ 7,243	$ 133	$ 16,379
Balance as at March 31, 2025	$ 1,251	$ 7,072	$ 6,927	$ 121	$ 15,371

(ii) Lease liabilities

	(000's)
Maturity Analysis – contractual undiscounted cash flows:	
Year 1	$ 7,758
Year 2	5,639
Year 3	2,644
Year 4	1,334
Year 5 and beyond	2,673
Total undiscounted lease payable as at March 31, 2025	$ 20,048
Lease liabilities included in the statement of financial position as at March 31, 2025	$ 17,701
Current	6,783
Non-current	10,918

As at March 31, 2025, the Corporation had a $1.7 million lease receivable related to sublet leased equipment (December 31, 2024 - $0.1 million). The underlying lease and sub-lease expire in 2026. There were no restrictions or covenants imposed by leases of a material nature and there were no sale and leaseback transactions.

The amount of lease interest expense recognized for the three months ended March 31, 2025 was $0.3 million (2024 - $0.4 million).

8. Intangible assets and goodwill

Intangible assets at the consolidated statement of financial position date are as follows:

(000's)	Trade Names	Customer Relationships	Computer software and other	Total
Cost				
Balance as at December 31, 2024	$ 880	$ 55,308	$ 4,707	$ 60,895
Additions	28	—	—	28
Foreign currency translation(1)	—	(14)	—	(14)
Balance as at March 31, 2025	$ 908	$ 55,294	$ 4,707	$ 60,909
Accumulated Amortization				
Balance as at December 31, 2024	$ 770	$ 17,943	$ 4,601	$ 23,314
Amortization	7	1,162	23	1,192
Balance as at March 31, 2025	$ 777	$ 19,105	$ 4,624	$ 24,506
Net book value				
Balance as at December 31, 2024	$ 110	$ 37,365	$ 106	$ 37,581
Balance as at March 31, 2025	$ 131	$ 36,189	$ 83	$ 36,403

Goodwill at the consolidated statement of financial position date is as follows:

(000's)	March 31, 2025	December 31, 2024
Goodwill allocated to:		
Support Services		
Remote & Hospitality Services	$ 58,541	$ 58,541
Facilities Management(1)	20,548	20,565
Asset Based Services	67,651	67,651
Total goodwill	$ 146,740	$ 146,757

(1) Foreign currency translation in intangibles and fluctuations in goodwill balances are from assets held in Dexterra Services LLC and CMI entities which have a functional currency of USD.

9. Other assets

Other assets at March 31, 2025 include equity accounted investments in Gitxaala Horizon North Services Limited Partnership ("Gitxaala"), Big Spring Lodging Limited Partnership ("BSL LP"), and Cree Horizon Limited Partnership ("Cree Horizon LP"). These joint ventures are 49% owned by the Corporation with a carrying value of $0.1 million, $0.8 million, and $1.1 million, respectively (December 31, 2024 - $nil, $0.8 million, and $nil, respectively). During the three months ended March 31, 2025, the Corporation contributed assets to Cree Horizon LP with a carrying value of $0.9 million comprised of $0.7 million in cash and $0.2 million in in-kind transfers of camp equipment. These equity investments represent operations which generate earnings from providing workforce accommodations, rentals, maintenance of relocatable structures, and catering and janitorial services.

10. Loans and borrowings

(000's)	March 31, 2025	December 31, 2024
Committed credit facility	$ 82,242	$ 68,723
Unamortized financing costs	(736)	(864)
Total loans and borrowings	$ 81,506	$ 67,859

The credit facility matures on September 7, 2026, has an available limit of $260 million plus an uncommitted accordion of $150 million, and is secured by a $400 million first fixed and floating charge debenture over all assets of the Corporation and its wholly-owned subsidiaries. The interest rate is calculated on a grid pricing structure based on the Corporation's debt to EBITDA ratio. Amounts drawn on the credit facility incur interest at bank prime rate plus 0.50% to 1.75% or the Canadian Overnight Repo Rate Average plus 1.50% to 2.75%. The credit facility has a standby fee on the committed available limit ranging from 0.30% to 0.55% per annum.

As at March 31, 2025, the Corporation was in compliance with all financial and non-financial covenants related to the credit facility and had letters of credit outstanding in the amount of $12.8 million (December 31, 2024 - $13.0 million). For the three months ended March 31, 2025, the Corporation incurred finance costs relating to the loans and borrowings of $1.7 million (2024 - $2.9 million).

11. Asset retirement obligations

Provisions include constructive site restoration obligations for company owned camp projects to restore lands to previous condition when camp facilities are dismantled and removed.

(000's)	March 31, 2025	December 31, 2024
Balance - beginning of period	$ 5,417	$ 6,354
Additions	5,363	—
Asset retirement obligations settled	(119)	(1,078)
Change in estimate	(47)	(43)
Accretion of provisions	48	184
Balance - end of period	$ 10,662	$ 5,417
Current	$ 4,675	$ 4,831
Non-current	5,987	586

The Corporation has estimated the net present value of its asset retirement obligations at March 31, 2025 to be $10.7 million (December 31, 2024 - $5.4 million) based on a total future liability of $12.1 million (December 31, 2024 - $5.5 million). The Corporation used an average risk free interest rate of 2.65% and inflation rate of 1.47% (December 31, 2024 - 3.01% and 1.47%, respectively) to calculate the net present value of its asset retirement obligations as at March 31, 2025. The timing of these payments is dependent on various factors such as the estimated and industry activity in the region but is anticipated to occur up to 2034.

12. Share capital

(a) Authorized and issued

The Corporation is authorized to issue an unlimited number of voting common shares without nominal or par value and an unlimited number of preferred shares issuable in series, of which no preferred shares are outstanding. The number of common shares and share capital are presented in the table below:

(000's, other than number of shares)	Total number of shares	Total share capital
Balance as at December 31, 2024	63,264,429	$ 226,610
Shares purchased and cancelled	(989,000)	(3,551)
Options exercised	194,400	525
Balance as at March 31, 2025	62,469,829	$ 223,584

The Corporation's NCIB program allows it to repurchase, subject to certain restrictions under securities laws, up to 3,207,361 of Dexterra's issued and outstanding common shares in the period from May 23, 2024 to May 22, 2025.

For the three months ended March 31, 2025, the Corporation purchased and cancelled 989,000 common shares (March 2024 - 279,300 common shares) at a weighted average price of $7.69 per share (2024 - $5.91 per share) for a total consideration of $7.6 million (2024 - $1.7 million) under the terms of the NCIB. For the period from May 23, 2024 to March 31, 2025, the Corporation had purchased and cancelled 1,886,800 common shares. Since the inception of the NCIB program in 2023, as at March 31, 2025, the Corporation had cumulatively purchased and cancelled 3,021,200 common shares at a weighted average share price of $6.76 and total consideration of $20.4 million.

(b) Long-term incentive plans

(i) Share option plan

	Number of units	Weighted average exercise price
Balance as at December 31, 2024	3,167,672	$ 5.73
Granted	1,043,705	7.71
Exercised and forfeited	(249,558)	3.32
Balance as at March 31, 2025	3,961,819	$ 6.40

The exercise prices for options outstanding and exercisable at March 31, 2025 are as follows:

	Total options outstanding			Exercisable options	
Exercise price per share	Number	Weighted average exercise price per share	Weighted average remaining contractual life in years	Number	Weighted average exercise price per share
$3.05 to $5.95	2,132,672	$ 5.37	3.0	1,105,432	$ 5.06
$5.96 to $6.53	398,194	6.49	0.8	398,194	6.49
$6.54 to $8.50	1,430,953	7.92	4.0	387,248	8.48
	3,961,819	$ 6.40	3.1	1,890,874	$ 6.06

The Corporation calculated the fair value of the share options granted using the Black-Scholes pricing model at the date of grant. The weighted average fair value of all options granted during the period and the assumptions used in their determination are as follows:

	March 31, 2025	December 31, 2024
Fair value per option	$1.09	$1.07
Forfeiture rate	9.08 %	9.58 %
Grant price	$7.71	$5.84
Expected life	3.0 years	3.0 years
Risk free interest rate	2.90 %	3.78 %
Dividend yield rate	4.54 %	6.03 %
Volatility	26.83 %	35.85 %

For the three months ended March 31, 2025, share based compensation for share options included in net earnings amounted to $0.3 million (2024 - $0.2 million).

(ii) Restricted Share Units (“RSU”), Performance Share Units (“PSU”), and Deferred Share Units (“DSU”) incentive award plan

(a) RSUs

The Corporation has a RSU Plan whereby RSUs may be granted, subject to certain terms and conditions.

Under the terms of the RSU Plan, the awarded units vest in three equal portions on the first, second and third anniversary from the grant date, and will be settled in cash in the amount equal to the fair market value of the Corporation's share price on that date. RSUs were granted to members of the Board of Directors, as well as Officers and key employees.

The following table summarizes the RSUs outstanding:

	Number of units
Balance as at December 31, 2024	309,052
Granted	153,878
Vested and exercised	(119,258)
Balance as at March 31, 2025	343,672

As at March 31, 2025, trade and other payables and other long term liabilities included $0.7 million and $0.3 million, respectively, for outstanding RSUs (December 31, 2024 - $0.9 million and $0.7 million, respectively). For the three months ended March 31, 2025, share based compensation for RSUs included in net earnings amounted to $0.3 million (2024 - $0.2 million), and vested units were cash settled for $0.9 million (2024 - $0.3 million).

(b) PSUs

The Corporation has a PSU Plan whereby PSUs may be granted, subject to certain terms and conditions.

Under the terms of the PSU Plan, the awarded units vest no later than the third anniversary of the grant date according to the vesting criteria, and the vested units will be settled in cash in the amount equal to the fair market value of the Corporation's share price on that date. The vesting criteria is fixed by the Board. Performance Criteria set by the Board at the time of the grant of PSUs, may include i) total shareholder return, including dividends; ii) the participant’s satisfactory individual performance; and (iii) any other terms and conditions the Board may in its discretion determine with respect to vesting. The PSUs have been issued to the Corporation’s officers and key employees and will be settled in cash upon vesting, if the performance criteria are met.

The following table summarizes the PSUs outstanding:

	Number of units
Balance as at December 31, 2024	1,022,669
Granted	261,746
Expired	(210,534)
Balance as at March 31, 2025	1,073,881

As at March 31, 2025, other long term liabilities included $3.9 million for outstanding PSUs (December 31, 2024 - $3.0 million). For the three months ended March 31, 2025, share based compensation for PSUs included in net earnings amounted to $0.9 million (2024 - $0.3 million). The expired PSUs granted in 2022 did not meet the minimum vesting criteria and no cash payments were made in respect to these units.

(c) DSUs

The Corporation has a DSU Plan whereby DSUs may be granted, subject to certain terms and conditions.

Under the terms of the DSU Plan, the awarded units vest immediately at the grant date. The fair value of the DSUs granted, and any subsequent revaluations of the award, including reinvested dividends, are expensed to net earnings in the respective reporting periods. The DSUs may be issued to members of the Board of Directors or Officers. DSU grants will be settled in cash in the amount equal to the volume-weighted-average trading price of the common shares of the Corporation for the twenty trading days preceding the date the Director or Officer tenders their resignation.

The following table summarizes the DSUs outstanding:

	Number of units
Balance as at December 31, 2024	—
Granted	25,160
Balance as at March 31, 2025	25,160

As at March 31, 2025, trade and other payables included $0.4 million for obligations related to DSUs (December 31, 2024 - $nil). For the three months ended March 31, 2025, share based compensation for DSUs included in net earnings amounted to $0.4 million (2024 - $nil). The expense and liability reflect DSUs issued and elections made by Directors or Officers of the Corporation to be compensated in DSUs in lieu of other short-term incentives or Directors fees.

13. Direct costs

	Three months ended March 31,	
(000's)	2025	2024[(1)]
Wages and benefits	$ 101,271	$ 92,343
Subcontracting	22,863	33,949
Product cost	47,128	50,172
Equipment and repairs	2,735	3,115
Transportation and travel	4,780	3,889
Partnership profit sharing	4,187	2,611
Utilities and occupancy costs	8,968	8,772
Other operating expense	6,864	5,132
Direct costs related to continuing operations	198,796	199,983
Direct costs related to discontinued operations	—	35,683
Total direct costs	$ 198,796	$ 235,666

(1) Comparative information has been recast to conform with the current year presentation.

14. Selling, general and administrative expenses

	Three months ended March 31,	
(000's)	2025	2024[2]
Wages and benefits	$ 9,428	$ 9,376
Other selling and administrative expenses[1]	6,726	3,969
Selling, general and administrative expenses related to continuing operations	16,154	13,345
Selling, general and administrative expenses related to discontinued operations	—	1,547
Total selling, general and administrative expenses	$ 16,154	$ 14,892

(1) Other selling and administrative expenses for the three months ended March 31, 2025 includes $nil related to acquisition costs (2024 - $0.4 million).

(2) Comparative information has been recast to conform with the current year presentation.

15. Income taxes

For the three months ended March 31, 2025, the Corporation's effective income tax rate was 24% (2024 - 27%). The effective tax rates for the three months ended March 31, 2025 and 2024 were generally consistent with the combined federal and provincial income tax rates.

The Corporation has non-capital losses for Canadian tax purposes of $6.5 million as at March 31, 2025 (December 31, 2024 - $6.9 million) available to reduce future taxable income in Canada. The Corporation believes that it is probable that the results of future operations will generate sufficient taxable income to fully utilize these losses before their expiry.

The current and deferred tax expense breakdown is as follows:

	Three months ended March 31,	
(000's)	2025	2024
Current	$ 2,394	$ 211
Deferred	364	(1,311)
Less: Income tax recovery related to discontinued operations	—	2,777
Income tax expense related to continuing operations	$ 2,758	$ 1,677

16. Cash flow information

The details of the changes in non-cash working capital are as follows, and excludes the opening balance sheet impact related to the acquisition:

	Three months ended March 31,	
(000's)	2025	2024
Trade and other receivables	$ (20,195)	$ (9,700)
Inventories	(683)	1,206
Prepaid expenses and other	(1,590)	148
Trade and other payables	6,126	(238)
Deferred revenue	(1,600)	10,924
Change in non-cash working capital related to continuing operations	$ (17,942)	$ 2,340
Change in non-cash working capital related to discontinued operations	—	(10,535)
Total change in non-cash working capital	$ (17,942)	$ (8,195)

17. Net earnings per share

A summary of the common shares used in calculating earnings per share is as follows:

	Three months ended March 31,	
	2025	2024
Number of common shares - beginning of period	63,264,429	64,426,529
Common shares issued, weighted average	88,812	—
Shares cancelled under NCIB, weighted average	(486,820)	(158,482)
Weighted average common shares outstanding - basic	62,866,421	64,268,047
Effect of share purchase options[1]	768,413	236,470
Weighted average common shares outstanding - diluted	63,634,834	64,504,517

(1) The Corporation utilizes the treasury stock method for calculating the dilutive effect of share purchase options when the average market price of the Corporation's common stock during the period exceeds the exercise price of the option.

18. Dividends

A dividend of $0.0875 per share was declared for the three months ended March 31, 2025 and has been accrued in trade and other payables as at March 31, 2025. The dividend was paid to shareholders of record at the close of business on April 15, 2025. A dividend of $0.0875 per share was declared for the three months ended December 31, 2024, and was paid on January 15, 2025. Subsequent to March 31, 2025, Dexterra declared a dividend of $0.0875 per share for shareholders of record at June 30, 2025, to be paid on July 15, 2025.

19. Reportable segment information

The Corporation operates through two operating segments: Support Services and Asset Based Services, as described above in Note 1. Segmented revenue, operating income (loss), earnings (loss) before income taxes, and total assets for the three months ended March 31, 2025 and 2024 are as follows:

Three months ended March 31, 2025 *(000's)*	Support Services	Asset Based Services	Corporate, Other, and Inter-segment Eliminations	Total
Revenue	$ 198,775	$ 40,956	$ —	$ 239,731
Operating expenses:				
Direct costs	172,368	26,344	84	198,796
Selling, general and administrative expenses	7,848	1,227	7,079	16,154
Depreciation and amortization	2,525	6,912	140	9,577
Share based compensation	249	72	1,657	1,978
Loss (gain) on disposal of property, plant and equipment	151	(122)	—	29
Operating income (loss)	15,634	6,523	(8,960)	13,197
Finance costs	(82)	(164)	(1,813)	(2,059)
Earnings (loss) from equity investments(1)	320	(78)	—	242
Earnings (loss) before income taxes	$ 15,872	$ 6,281	$ (10,773)	11,380
Total assets excluding goodwill	203,367	182,982	13,582	399,931
Goodwill	79,089	67,651	—	146,740
Total assets	$ 282,456	$ 250,633	$ 13,582	$ 546,671

(1) Earnings (loss) from equity investments for the three-months ended March 31, 2025 included equity investment depreciation of $0.2 million.

Three months ended March 31, 2024 *(000's)*	Support Services	Asset Based Services	Discontinued Operations	Corporate, Other, and Inter-segment Eliminations	Total
Revenue	$ 185,540	$ 46,356	$ —	$ —	$ 231,896
Operating expenses:					
Direct costs	164,407	35,576	—	—	199,983
Selling, general and administrative expenses	6,010	1,259	—	6,076	13,345
Depreciation and amortization	2,347	5,493	—	263	8,103
Share based compensation	70	29	—	614	713
(Gain) loss on disposal of property, plant and equipment	(23)	43	—	—	20
Operating income (loss)	12,729	3,956	—	(6,953)	9,732
Finance costs	(129)	(95)	—	(3,606)	(3,830)
Earnings from equity investments(1)	150	62	—	—	212
Earnings (loss) before income taxes	$ 12,750	$ 3,923	$ —	$ (10,559)	6,114
Total assets excluding goodwill	$ 199,596	$ 184,101	$ 101,538	$ 24,391	$ 509,626
Goodwill(2)	—	—	—	—	146,460
Total assets	$ 199,596	$ 184,101	$ 101,538	$ 24,391	$ 656,086

(1) Earnings from equity investments for the three-months ended March 31, 2024 included equity investment depreciation of $0.4 million.

(2) Goodwill was allocated to the Corporation's new CGUs at December 31, 2024. There was no such allocation at March 31, 2024.

20. Financial risk management

There were no significant changes to the Corporation's risk exposures, including geopolitical risk, credit risk, liquidity risk, and market risk, or the processes used by the Corporation for managing those risk exposures at March 31, 2025 compared to those identified and discussed in the Corporation's consolidated financial statements for the year ended December 31, 2024.

21. Related parties

For the three months ended March 31, 2025, the Corporation charged $nil (2024 - $0.2 million) in management fees for administrative overhead related to accounting and management services to Gitxaala. As at March 31, 2025, Gitxaala owed $1.7 million (December 31, 2024 - $1.0 million) to the Corporation which comprised of flow-through revenue generated from providing catering and workforce accommodation services to third parties through Gitxaala. The amount is paid to the Corporation as Gitxaala billings to customers are collected.

For the three months ended March 31, 2025, the Corporation earned revenue of $0.2 million (2024 - $0.3 million) for catering services and equipment rentals provided to BSL LP. As at March 31, 2025, BSL LP owed $0.3 million (December 31, 2024 - $0.6 million) to the Corporation which are considered to be part of normal course of operations.

Dexterra has certain property insurance policies with Northbridge Financial Corporation. The premiums paid in the three months ended March 31, 2025 are approximately $0.1 million (2024 - $0.1 million) at normal commercial rates.

22. Comparative Information

For the three months ended March 31, 2025, certain prior year amounts on the statement of comprehensive income have been amended to conform to the current period's presentation.