

# INVESTOR FACT SHEET

**Q2 2025**  
ENDED JUNE 30

**TSX: SJ** (as at August 5, 2025)

Price: **\$79.66**

High: **\$94.32**

Low: **\$63.07**  
(52 weeks ended August 5, 2025)

Number of Shares Outstanding:  
**55,240,960** (August 5, 2025)

## SECOND QUARTER HIGHLIGHTS

- Sales of \$1,034 million, down 1% from Q2 2024
- Operating income of \$155 million vs \$168 million in Q2 2024
- Strong EBITDA<sup>(1)</sup> of \$189 million, or 18.3% margin<sup>(1)</sup>
- Completed acquisition of a steel transmission structure manufacturer
- Available liquidity of almost \$700 million
- Updated revenue outlook for the year

**Stella-Jones Inc. (TSX: SJ)** is a leading North American manufacturer of products focused on supporting infrastructure that are essential to the delivery of electrical distribution and transmission, and the operation and maintenance of railway transportation systems. It supplies the continent's major electrical utilities companies with treated wood and steel utility poles and steel lattice towers, as well as North America's Class 1, short line and commercial railroad operators with treated wood railway ties and timbers. It also supports infrastructure with industrial products. Additionally, the Company manufactures and distributes premium treated residential lumber and accessories. The Company's common shares are listed on the Toronto Stock Exchange.

## A WORD FROM MANAGEMENT

Our second quarter results reflect the resilience of our business and the disciplined execution of our strategy for value creation as we continued to deliver a robust EBITDA margin and solid cashflows during a quarter of softer volumes. We anticipate maintaining healthy profitability levels, despite a revised revenue outlook for the year, and are encouraged by the progressive improvement in utility poles volumes. The breadth of our network provides a distinct advantage, allowing us to pivot capacity when necessary, and will enable us to support our customers from a position of strength as they execute on their long-term maintenance and capital investment plans.

We are also pleased to have completed the Locweld acquisition during the quarter, which establishes our presence in the steel transmission structure market, providing a platform to further expand our reach as we continue to execute on our strategy to broaden Stella-Jones' infrastructure offering. With this acquisition, we are better positioned to capitalize on new investment opportunities.

Eric Vachon  
President and Chief Executive Officer  
August 7, 2025

Financial Highlights (in millions of Canadian dollars, except ratios and per share data)	Three-month periods ended June 30,		Six-month periods ended June 30,	
	2025	2024	2025	2024
Sales	1,034	1,049	1,807	1,824
Gross profit <sup>(1)</sup>	206	226	374	398
Gross profit margin <sup>(1)</sup>	19.9%	21.5%	20.7%	21.8%
Operating income	155	168	298	292
Operating income margin <sup>(1)</sup>	15.0%	16.0%	16.5%	16.0%
EBITDA <sup>(1)</sup>	189	200	368	356
EBITDA margin <sup>(1)</sup>	18.3%	19.1%	20.4%	19.5%
Net income	106	110	199	187
Earnings per share ("EPS") – basic and diluted	1.91	1.94	3.58	3.30
<b>As at</b>	<b>June 30, 2025</b>		<b>December 31, 2024</b>	
Net debt-to-EBITDA <sup>(1)</sup>	2.4x		2.6x	

<sup>(1)</sup> These indicated terms have no standardized meaning under GAAP and are not likely to be comparable to similar measures presented by other issuers. For more information, please refer to the section entitled "Non-GAAP and Other Financial Measures" in the Company's latest Management's Discussion and Analysis ("MD&A") for an explanation of the non-GAAP and other financial measures used and presented by the Company and a reconciliation of non-GAAP financial measures to the most directly comparable GAAP measures.

## RECENT EVENTS

August 6, 2025 — The Board of Directors declared a quarterly dividend of \$0.31 per common share payable on September 25, 2025 to shareholders of record at the close of business on September 2, 2025. This dividend is designated to be an eligible dividend.

## 5-YEAR FINANCIAL REVIEW

(in millions of Canadian dollars, except per share data and margins)	Trailing 12- month Q2 2025	2024	2023	2022	2021
Sales	<b>3,452</b>	3,469	3,319	3,065	2,750
Operating income	<b>509</b>	503	499	359	326
Operating income margin	<b>14.7%</b>	14.5%	15.0%	11.7%	11.9%
EBITDA	<b>645</b>	633	608	448	400
EBITDA margin	<b>18.7%</b>	18.2%	18.3%	14.6%	14.5%
Net income	<b>331</b>	319	326	241	227
EPS – basic and diluted	<b>5.93</b>	5.66	5.62	3.93	3.49

## 2023-2025 FINANCIAL OBJECTIVES

(in millions of dollars, except percentages and ratios)	2023-2025 Objectives <sup>(2)</sup>	2023-2025 Revised Objectives
Sales	approx. \$3,600	approx. \$3,500
EBITDA margin	> 17%	> 17%
Return to Shareholders: cumulative	> \$500	> \$500
Net Debt-to-EBITDA <sup>(1)</sup>	2.0x-2.5x	2.0x-2.5x

<sup>(1)</sup> The Company may deviate from its leverage target to pursue acquisitions and other strategic opportunities, and/or fund its seasonal working capital requirements.

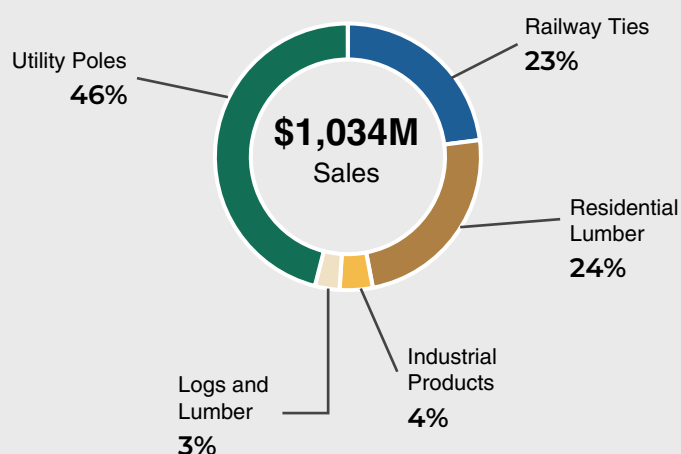
<sup>(2)</sup> Refer to the 2024 Annual MD&A for further details.

### Key Highlights:

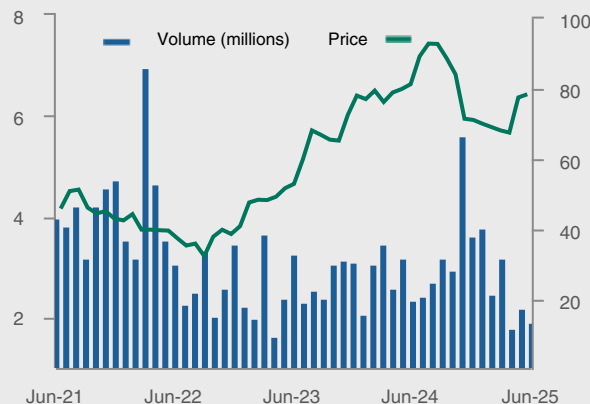
The Company has updated its sales objective and now expects sales to be approximately \$3.5 billion in 2025, including the acquisition of Locweld Inc., compared to the previous sales objective of approximately \$3.6 billion. This change is attributable to:

- Utility poles: largely influenced by ongoing macroeconomic challenges, lower-than expected organic sales growth in the first half of the year and a projected low single-digit growth for the remainder of the year, with a return to mid-single digit growth anticipated towards the end of 2025;
- Railway ties: lower-than expected sales growth in 2025, as the reduction in sales resulting from a Class 1 railroad customer's shift to treating railway ties in-house is not expected to be recovered by year-end. The Company now expects a modest year-over-year decline in railway ties sales, in the low single-digit range.

## PRODUCT CATEGORIES (in % of Q2 2025 sales)



## STOCK PERFORMANCE



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### ANALYST COVERAGE

Jim Byrne	Acumen Capital Finance Partners Limited
Hamir Patel	CIBC Capital Markets
Benoit Poirier	Desjardins Securities
Maxim Sytchev	National Bank Financial
Jonathan Goldman	Scotia Capital
James McGarragle	RBC Capital Markets
Michael Tupholme	TD Securities
Martin Pradier	Veritas Investment Research