

**STELLA
JONES**

Investor Presentation

February 2026



Cautionary Statement

This presentation contains forward-looking information within the meaning of applicable securities laws (“forward-looking statements”). The words “may”, “could”, “should”, “would”, “assumptions”, “plan”, “strategy”, “believe”, “anticipate”, “estimate”, “expect”, “intend”, “objective”, the use of the future and conditional tenses, and words and expressions of similar nature are intended to identify forward-looking statements. Forward-looking statements include, among others, statements about our current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments, including the statements regarding the Company’s plans to expand its steel lattice structure business in the U.S. with the construction of a new manufacturing facility (including the anticipated benefits from the project and expected timing for full commissioning of the project) and statements regarding the Company’s three-year targets (including its targeted annual sales, EBITDA margin and earnings per share growth), the Company’s capital allocation (including the EBITDA-to-free cash flow conversation, the maintenance capital expenditures, the strategic growth opportunities, the dividend payout and the share repurchases), and the net debt-to-EBITDA, and are provided for the purpose of assisting the reader in understanding the Company’s financial position, operating results and cash flows and management’s current expectations and plans (and may not be appropriate for other purposes). Such statements are based upon a number of estimates and assumptions and are made by the Company in light of the experience of management and their perception of historical trends, current conditions and expected future developments, as well as other factors believed to be appropriate and reasonable in the circumstances. However, there can be no assurance that such estimates and assumptions will prove to be correct. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Such risks and uncertainties may relate to, among other things, the Company’s dependence on major customers, the availability and cost of raw materials, operational disruption, climate change, reliance on key personnel, information technology, cybersecurity and data protection incidents, global economic conditions, geopolitical uncertainty, the Company’s acquisition strategy, the Company’s future plant expansion, the Company’s ability to raise capital, environmental compliance and litigation, and factors and assumptions referenced herein and in the Company’s continuous disclosure filings. These and other risks and uncertainties related to the business of the Company are described in greater detail in the section entitled “Risks and Uncertainties” of the Company’s Management’s Discussion and Analysis for the year ended December 31, 2025. Many of these risks are beyond the Company’s ability to control or predict. Because of these risks, uncertainties and assumptions, readers should not place undue reliance on these forward-looking statements. Furthermore, forward-looking statements speak only as of the date they are made. This presentation reflects information available to the Company as of February 25, 2026, the date of this presentation. Unless required to do so under applicable securities legislation, the Company’s management does not assume any obligation to update or revise forward-looking statements to reflect new information, future events or other changes after the date hereof.

All figures are in Canadian dollars unless otherwise stated.

This presentation contains non-GAAP financial measures and non-GAAP ratios. Readers are advised to read this presentation in conjunction with the section entitled “Non-GAAP and Other Financial Measures” in the end of this presentation.

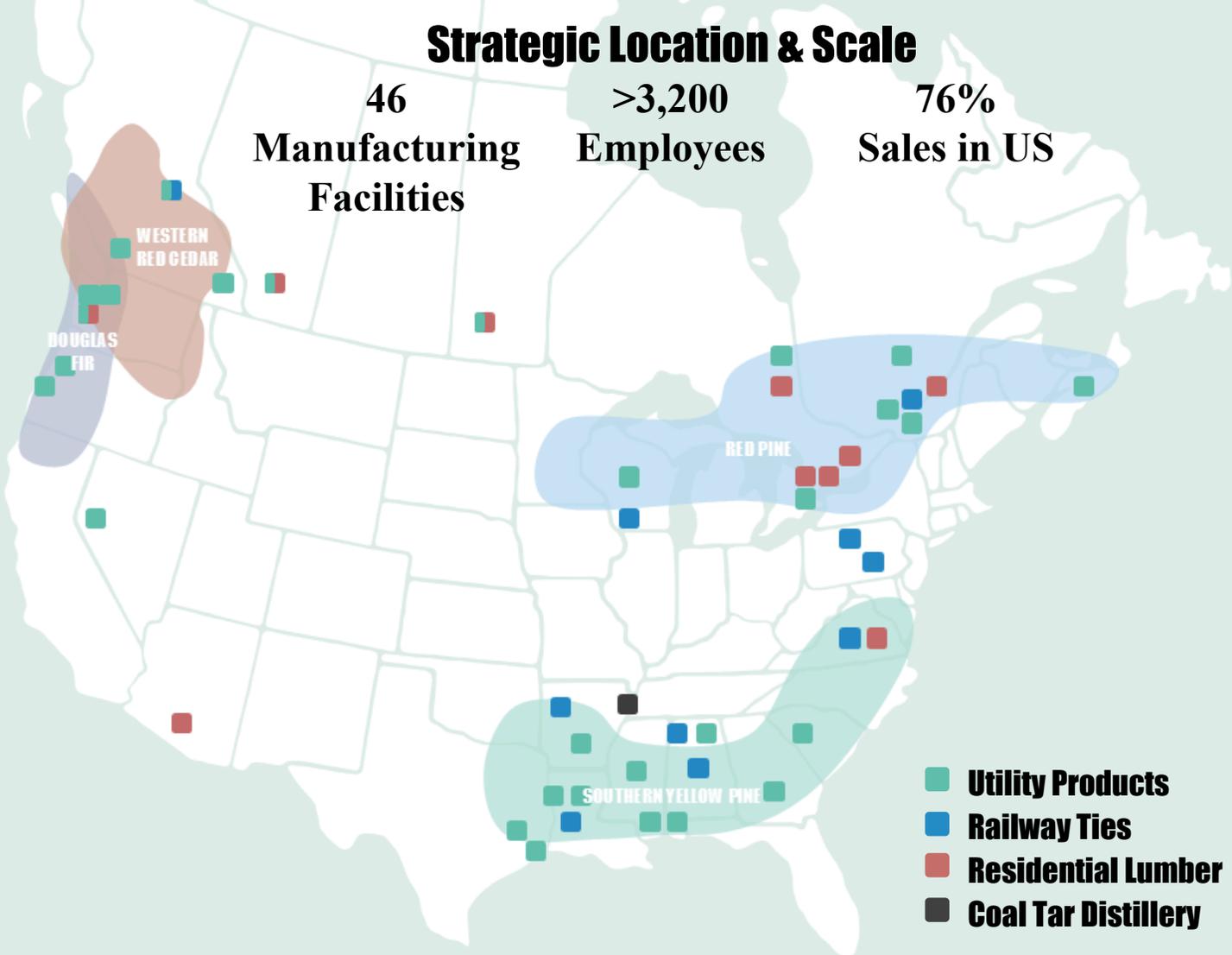
Stella-Jones at a Glance

Strategic Location & Scale

46
Manufacturing
Facilities

>3,200
Employees

76%
Sales in US



\$3.5B Sales (TTM)⁽¹⁾

4.4%
3-yr Avg.
Sales CAGR⁽²⁾

\$506M
3-yr Capital Returned
to Shareholders

12.2%⁽³⁾
3-yr Avg. EBITDA⁽⁴⁾
CAGR⁽²⁾

18.1%⁽³⁾
EBITDA margin⁽⁴⁾
(TTM)⁽¹⁾

13.3%⁽³⁾
3-yr Avg. EPS
CAGR⁽²⁾

65% to 75%
Contractual or Committed
Sales

52%

24%

18%

5%

1%

Utility products Railway ties Residential lumber Industrial products
Logs and lumber

(1) Trailing Twelve Months

(2) Compound Annual Growth Rate

(3) Calculation excludes a pre-tax insurance settlement gain of \$28M in 2025 (\$21M net of tax)

(4) This is a non-GAAP financial measure or non-GAAP ratio. Refer to "Non-GAAP and Other Financial Measures" at the end of this presentation.

Focused on Large, Attractive End Markets

Utility Products

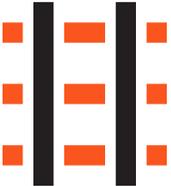
- Treated wood utility poles and crossarms
- Steel lattice towers
- Steel transmission poles



Sales (TTM)
\$1,822M

Railway Ties

- Treated wood railway ties, timbers



Sales (TTM)
\$821M

Industrial Products

- Timbers for railway bridges, crossings and construction, marine and foundation pilings



Sales (TTM)
\$160M

Residential Lumber

- Premium treated residential lumber and accessories for outdoor applications



Sales (TTM)
\$615M

Logs & Lumber

- Reselling logs harvested during procurement that are deemed unsuitable for use as a utility wood pole and excess lumber into local home-building markets



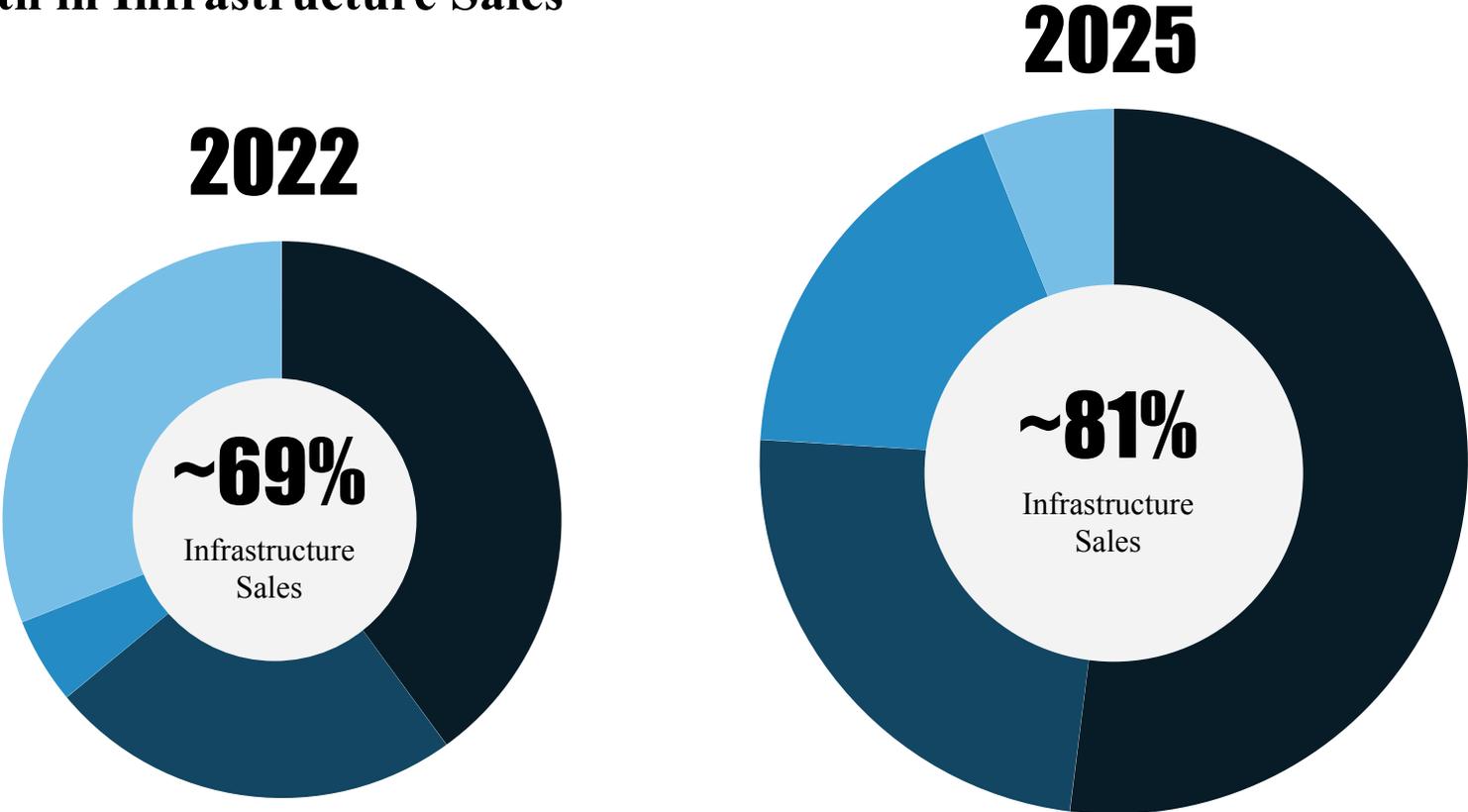
Sales (TTM)
\$74M

Infrastructure Products

Rooted in Infrastructure

High-value, strategically-located, strong cash generating asset base

Growth in Infrastructure Sales



Utility Products

- Replacing aging infrastructure, meet growing demand and increasing utility grid resiliency

Railway Ties

- Continued strong position and market share

Supplier of Choice to Infrastructure Customers

Utility Products

- Suite of products for electrical distribution and transmission markets
 - Wood utility poles
 - Distribution crossarms and transmission framing components
 - Steel lattice towers and steel transmission poles
 - Utility product accessories and value-added services
- Reliable supply and quality
- Extensive and strategically located network
- Unique agility and logistic

Railway Ties

- Broad and strategically located operations
- Extensive procurement capacity
- High-value solutions



Our Disciplined Capital Allocation Priorities



Maintenance Capex

Invest to maintain the network

- ~2.5% of sales
- \$85-\$95M of per year capital expenditures

Free Cash Flow⁽¹⁾

Strategic Growth Opportunities

Investing in growth capex
Expand infrastructure offering

Consistent Dividend

Target: 20%-30% of prior year basic EPS

Share Repurchases

Based on M&A activity & leverage

Target Leverage: 2x-2.5x Net debt/EBITDA⁽¹⁾

(1) This is a non-GAAP financial measure or non-GAAP ratio. Refer to “Non-GAAP and Other Financial Measures” at the end of this presentation.



Strategic Approach to M&A

Our Proven and Consistent Set of Criteria:



Strategic Value

- Build on existing portfolio
- Leverage deep customer relationships
- Leverage extensive distribution network



Market Dynamics

- Favourable tailwinds
- Significant investments required to build and maintain infrastructure



Operational Fit

- Strong leadership teams
- Cultural alignment
- Cost and revenue synergies
- Operational enhancement opportunities



Financial Returns

- ROCE > WACC
- EPS accretion
- Strong margins
- Sustained FCF generation

Recent Accretive Investments



Acquired: November 2025
Price: ~US\$140 million

End Market Exposure

- Distribution Wood Crossarms
- Transmission Framing Components



Acquired: May 2025
Price: ~\$58 million

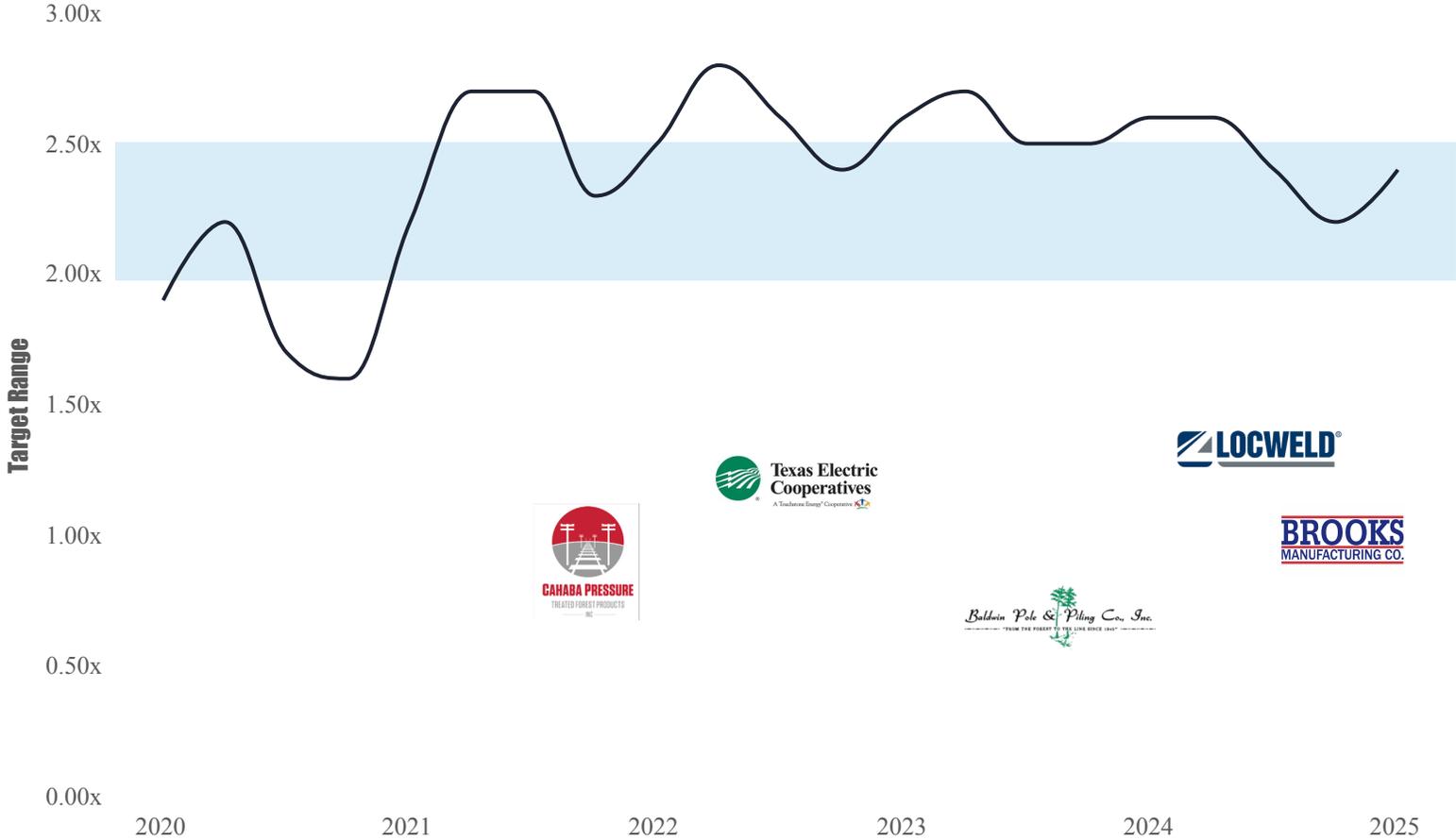
End Market Exposure

- Steel Lattice Towers
- Steel Transmission Poles

Dedicated to a Strong Return on Capital Employed

M&A Supported by Strong Balance Sheet

Net Debt-to-EBITDA (1) Trend



Leverage Framework

- Willing to temporarily exceed for M&A or short term working capital investments
- Acquisition must meet Stella-Jones' strict acquisition criteria
- Demonstrated history of effective use of balance sheet

Balance Sheet

- \$634 million available liquidity⁽²⁾
- Leverage target 2.0 - 2.5x

(1) This is a non-GAAP financial measure or non-GAAP ratio. Refer to “Non-GAAP and Other Financial Measures” at the end of this presentation.

(2) Sum of cash and cash equivalents and undrawn credit facilities net of outstanding letters of credit and certain guarantees.

ROCE is Key to Driving Shareholder Value

Return on Average Capital Employed (ROCE)⁽¹⁾ Attributes

- Directly tied to value creation strategy
- Key measure of efficiency of Stella-Jones' invested capital
- Utilized to evaluate Senior Management performance

Return on Average Capital Employed (ROCE) Calculation

$$\text{ROCE} = \frac{\text{Trailing 12-months Operating Income}}{\text{Average Capital Employed}}$$

Profitable Growth has Driven ROCE Performance



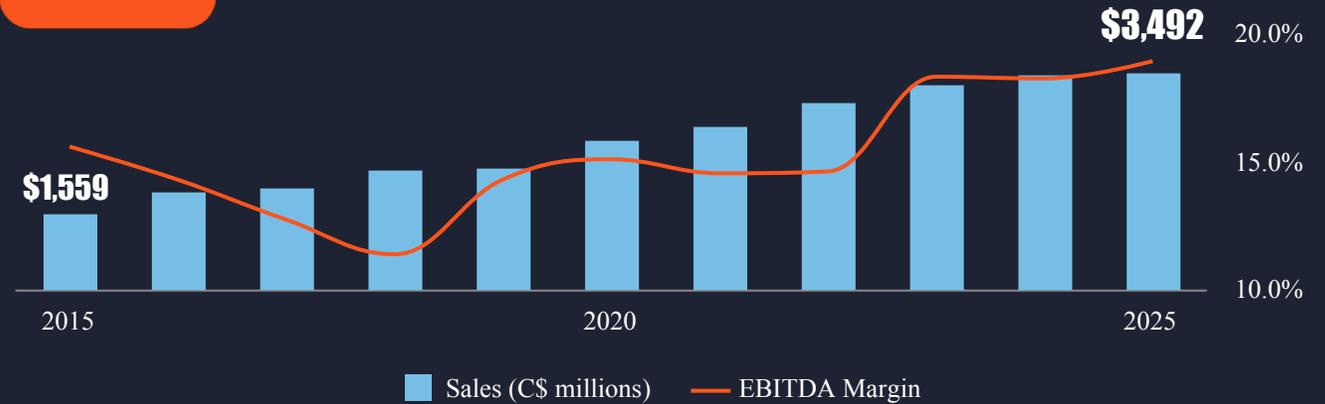
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Delivering Strong Profitable Growth



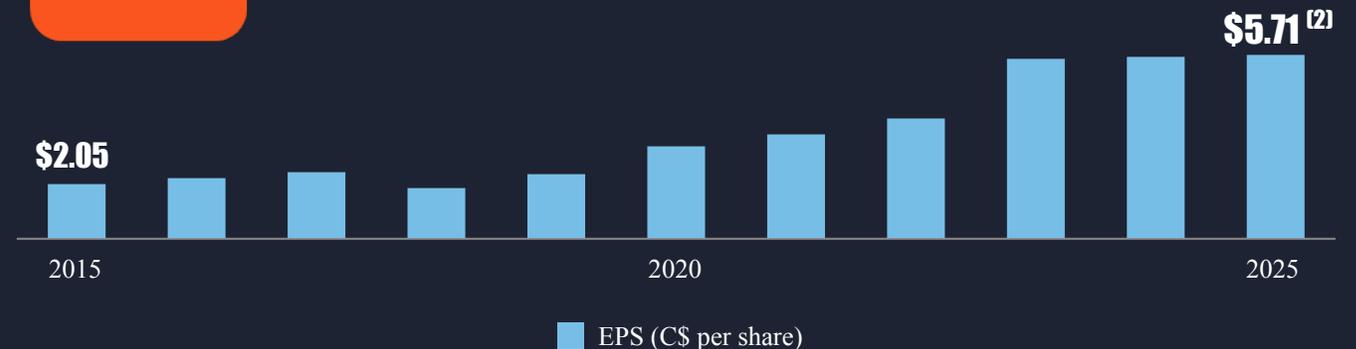
+8.4% CAGR

Sales & EBITDA Margin (1)



+10.8% CAGR

Earnings Per Share - Basic



Driven by:

- Strength in higher margin utility products
- Scale and efficiencies
- Share repurchases

(1) This is a non-GAAP financial measure or non-GAAP ratio. Refer to “Non-GAAP and Other Financial Measures” at the end of this presentation

(2) Excluding a pre-tax insurance settlement gain of \$28M (\$21M net of tax)



Meaningful Cash Flow Generation

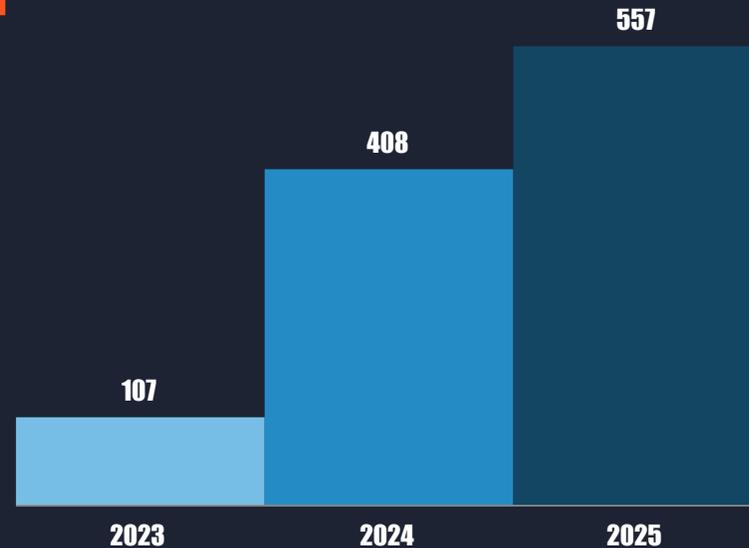
Free Cash Flow⁽¹⁾

>\$600M

since 2023

Cash Flows from Operating Activities

(C\$Millions)



Financial Flexibility to Capitalize on Growth Opportunities

50%

Target EBITDA/Free Cash Flow Conversion Rate⁽¹⁾

(1) This is a non-GAAP financial measure or non-GAAP ratio. Refer to “Non-GAAP and Other Financial Measures” at the end of this presentation.

Three-Year Targets - 2026-2028



Sales

4-5%

Wood Utility Poles

~50% of sales,
mid-single digit growth

Locweld & Brooks

~\$225M of annual revenue

Railway Ties

Low-single digit growth

Residential Lumber

~\$600-650M annually

EBITDA MARGIN⁽¹⁾

17.5-18.5%

**Driven in part by operational
efficiency initiatives and
enhanced supply chain processes**

EPS - basic

↑10%+

**Supported by multiple
profitability levers and share
buyback activity**

(1) This is a non-GAAP financial measure or non-GAAP ratio. Refer to “Non-GAAP and Other Financial Measures” at the end of this presentation.



Stand Tall, Reach Wide.

1

Infrastructure Focused

Leveraging scale, customer relationships and network to expand into higher value infrastructure markets

2

Strategically Located

Extensive and strategically located operations supported by diversity of supply and an expanding high-value product portfolio

3

Strong Cash Generation

Strong cash generation and prudent capital allocation to focus on the next phase of growth, both organic and M&A

4

Positioned for Continued Strong Performance

Long runway to grow organically and through acquisitions supported by favourable industry tailwinds

Appendix

Non-GAAP and Other Financial Measures

The below-described non-GAAP financial measures, non-GAAP ratios and other financial measures used throughout this presentation have no standardized meaning under GAAP and are not likely to be comparable to similar measures presented by other issuers. The Company's method of calculating these measures may differ from the methods used by others, and, accordingly, the definition of these measures may not be comparable to similar measures presented by other issuers. In addition, non-GAAP financial measures, non-GAAP ratios and other financial measures should not be viewed as a substitute for the related financial information prepared in accordance with GAAP.

Non-GAAP financial measures include:

- **EBITDA:** Operating income before depreciation of property, plant and equipment, depreciation of right-of-use assets and amortization of intangible assets (also referred to as earnings before interest, taxes, depreciation and amortization).
- **Capital employed:** Total assets, excluding cash and cash equivalents, less current non-interest bearing liabilities
- **Average capital employed:** 12-month average of the capital employed balance at the beginning of the 12-month period and the quarter-end capital employed balances throughout the remainder of the 12-month period
- **Net debt:** Sum of long-term debt and lease liabilities (including, in each case, the current portion) less cash and cash equivalents
- **Maintenance and Growth Capital Expenditures:** Sum of maintenance capital expenditures and growth capital expenditures represents total purchases of property, plant and equipment
- **Free Cash Flow ("FCF"):** Cash flows from operating activities less lease payment in financing activities, maintenance capital expenditures, net of property insurance proceeds, and additions of intangible assets

Non-GAAP ratios include:

- **EBITDA margin:** EBITDA divided by sales for the corresponding period
- **Return on average capital employed ("ROCE"):** Trailing 12-month ("TTM") operating income divided by the average capital employed
- **Net debt-to-EBITDA:** Net debt divided by TTM EBITDA
- **EBITDA-to-FCF Conversion:** Free cash flow for the period divided by EBITDA for the period

Management considers these non-GAAP and specified financial measures to be useful information to assist knowledgeable investors to understand the Company's financial position, operating results and cash flows as they provide a supplemental measure of its performance. Management uses non-GAAP financial measures, non-GAAP financial ratios and other financial measures in order to facilitate operating and financial performance comparisons from period to period, to prepare annual budgets, to assess the Company's ability to meet future debt service, capital expenditure and working capital requirements, and to evaluate senior management's performance. More specifically:

- **EBITDA and EBITDA margin:** The Company believes these measures provide investors with useful information because they are common industry measures used by investors and analysts to measure a company's ability to service debt and to meet other payment obligations, or as a common valuation measurement. These measures are also key metrics of the Company's operational and financial performance and are used to evaluate senior management's performance.
- **Average capital employed:** The Company uses the average capital employed to evaluate and monitor how much it is investing in its business.
- **ROCE:** The Company uses ROCE as a performance indicator to measure the efficiency of its invested capital and to evaluate senior management's performance.
- **Net debt and net debt-to-EBITDA:** The Company believes these measures are indicators of the financial leverage of the Company.
- **Maintenance and Growth Capital Expenditures:** The Company uses maintenance capital expenditures and growth capital expenditures to calculate the investment needed to sustain the current level of economic activity and to calculate the investment needed to increase the current level of economic activity respectively.
- **FCF and EBITDA-to-FCF Conversion:** The Company uses these measures as an indicator of the efficiency and liquidity of the Company's business by measuring its cash available to settle outstanding debt and obligations, invest in growth opportunities and potentially return capital to shareholders by paying dividends or buying back common shares.

Non-GAAP and Other Financial Measures

The following tables present the reconciliations of non-GAAP financial measures to their most comparable GAAP measures.

| Reconciliation of Operating Income to EBITDA (in millions of dollars) | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|-------------|-------------|-------------|-------------|-------------|
| Operating income | 516 | 503 | 499 | 359 | 326 |
| Depreciation and amortization | 145 | 130 | 109 | 89 | 74 |
| EBITDA | 661 | 633 | 608 | 448 | 400 |
| Less: | | | | | |
| Gain on insurance settlement | 28 | — | — | — | — |
| EBITDA excluding the gain on insurance settlement | 633 | 633 | 608 | 448 | 400 |

| Reconciliation of Average Capital Employed (in millions of dollars) | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|--------------|--------------|--------------|--------------|--------------|
| Average total assets | 4,122 | 3,940 | 3,407 | 2,885 | 2,579 |
| Less: | | | | | |
| Average cash and cash equivalents | 62 | 10 | — | — | — |
| Average current liabilities | 293 | 328 | 376 | 254 | 313 |
| Add: | | | | | |
| Average current portion of lease liabilities | 63 | 58 | 46 | 38 | 34 |
| Average current portion of long-term debt | 17 | 21 | 82 | 7 | 45 |
| Average short-term debt | — | — | — | — | 27 |
| Average capital employed | 3,847 | 3,681 | 3,159 | 2,676 | 2,372 |
| Operating income (TTM) | 516 | 503 | 499 | 359 | 326 |
| ROCE | 13.4% | 13.7% | 15.8% | 13.4% | 13.7% |

Non-GAAP and Other Financial Measures

Reconciliation of Long-Term Debt to Net Debt

(in millions of dollars)

| | 2025 | 2024 | 2023 | 2022 | 2021 |
|--|--------------|--------------|--------------|--------------|-------------|
| Long-term debt, including current portion | 1,339 | 1,380 | 1,316 | 941 | 734 |
| Add: | | | | | |
| Lease liabilities, including current portion | 303 | 323 | 294 | 167 | 144 |
| Less: | | | | | |
| Cash and cash equivalents | 44 | 50 | — | — | — |
| Net Debt | 1,598 | 1,653 | 1,610 | 1,108 | 878 |
| EBITDA (TTM) | 661 | 633 | 608 | 448 | 400 |
| Net Debt-to-EBITDA | 2.4x | 2.6x | 2.6x | 2.5x | 2.2x |

Reconciliation of Cash Flows From Operating Activities to Free Cash Flow

(in millions of dollars)

| | 2025 | 2024 | 2023 | 2022 | 2021 |
|---------------------------------------|------------|------------|-------------|------------|------------|
| Cash flows from operating activities | 557 | 408 | 107 | 255 | 251 |
| Less: | | | | | |
| Lease payment in financing activities | 66 | 62 | 50 | 41 | 35 |
| Maintenance capital expenditures | 96 | 98 | 95 | 64 | 48 |
| Property insurance proceeds | (28) | (10) | — | — | — |
| Additions of intangible assets | 9 | 11 | 10 | 11 | 16 |
| Free Cash Flow | 414 | 247 | (48) | 139 | 152 |

**STELLA
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