



May 7, 2025

Q1 2025 Financial Results

CAUTION REGARDING FORWARD LOOKING INFORMATION & NON-GAAP MEASURES

This presentation contains certain statements that are forward-looking, including comments with respect to the Company's objectives, strategies, targets and expectations. The reader is cautioned not to place undue reliance on these statements since a number of known and unknown risks and uncertainties may cause actual results to be materially different from those expressed or implied by such forward-looking statements. Such items include, among others: general political, economic and business conditions, evolution in customer demand for the Company's products and services, product selling prices, availability and cost of raw materials, climate change, failure to recruit and retain qualified workforce, information security breaches or other cyber-security threats, changes in foreign currency rates, the ability of the Company to raise capital, regulatory and environmental compliance and factors and assumptions referenced herein and in the Company's, most recent Annual Management's Discussion and Analysis ("MD&A") and Annual Information Form. 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.

Gross profit, gross profit margin, operating income before depreciation and amortization (herein referred to as earnings before interest, taxes, depreciation and amortization ["EBITDA"]), EBITDA margin, operating income margin and net debt-to-EBITDA are non-GAAP and other financial measures which do not have a standardized prescribed by International Financial Reporting Standards as issued by the International Accounting Standards Board and may therefore not be comparable to similar measures presented by other issuers.

Management considers these non-GAAP and other financial measures to be useful information to assist knowledgeable investors to understand the Company's operating results, financial position and cash flows as they provide a supplemental measure of its performance. Management uses non-GAAP 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.

Please refer to the section "Non-GAAP and other financial measures" of the Company's latest MD&A, available at www.sedarplus.ca.

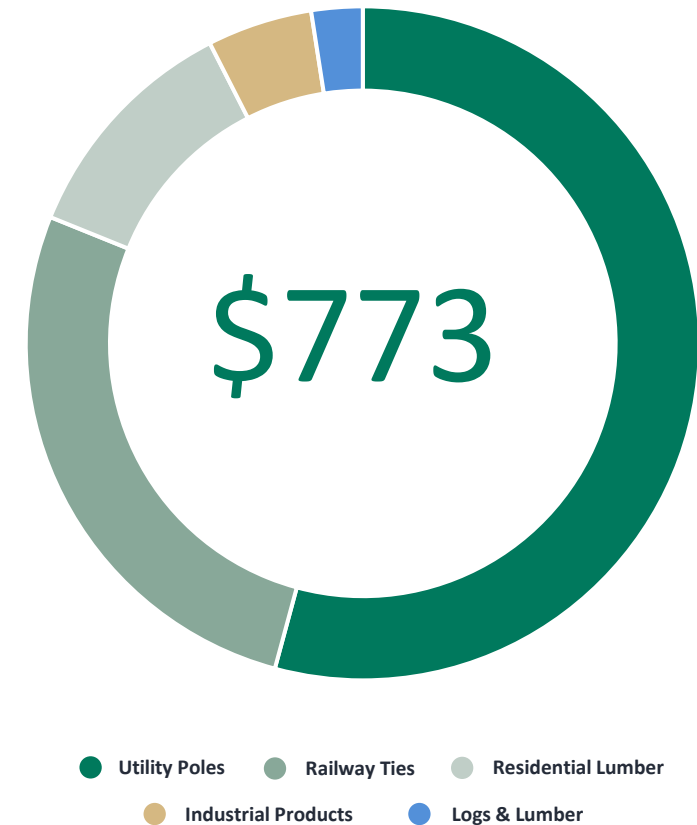
Q1 2025 HIGHLIGHTS

Highlights:

- Sales of \$773 million, relatively unchanged from Q1 2024
- Operating income of \$143 million, including insurance settlement of \$38 million
- Strong EBITDA⁽¹⁾ of \$179 million, or 23.2% margin⁽¹⁾, including 5% from insurance settlement
- Robust available liquidity of \$691 million at quarter-end
- Acquisition post-quarter of a steel transmission structure manufacturer, aligned with strategy to support North American infrastructure

SALES BY PRODUCT CATEGORY

(in millions of \$)



¹These 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 on these financial measures, please refer to the section entitled "Non-GAAP and Other Financial Measures" of the Company's latest 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.

PRODUCT CATEGORY OVERVIEW

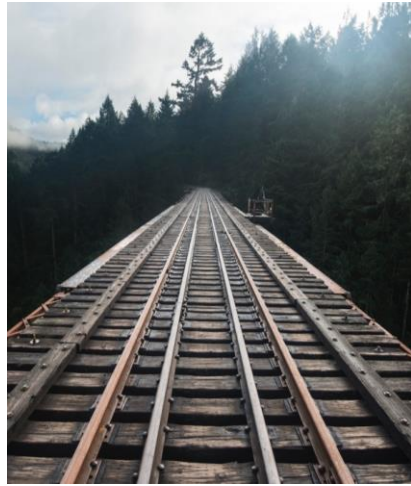
UTILITY POLES



54% of Sales

- Sales of **\$419** million
- Stronger volumes anticipated in second half of 2025

RAILWAY TIES



27% of Sales

- Sales of **\$208** million
- Strategic shift aimed at prioritizing margin growth

INDUSTRIAL PRODUCTS



5% of Sales

- Sales of **\$39** million

RESIDENTIAL LUMBER



11% of Sales

- Sales of **\$88** million
- Customers expressed confidence in demand outlook

LOGS & LUMBER

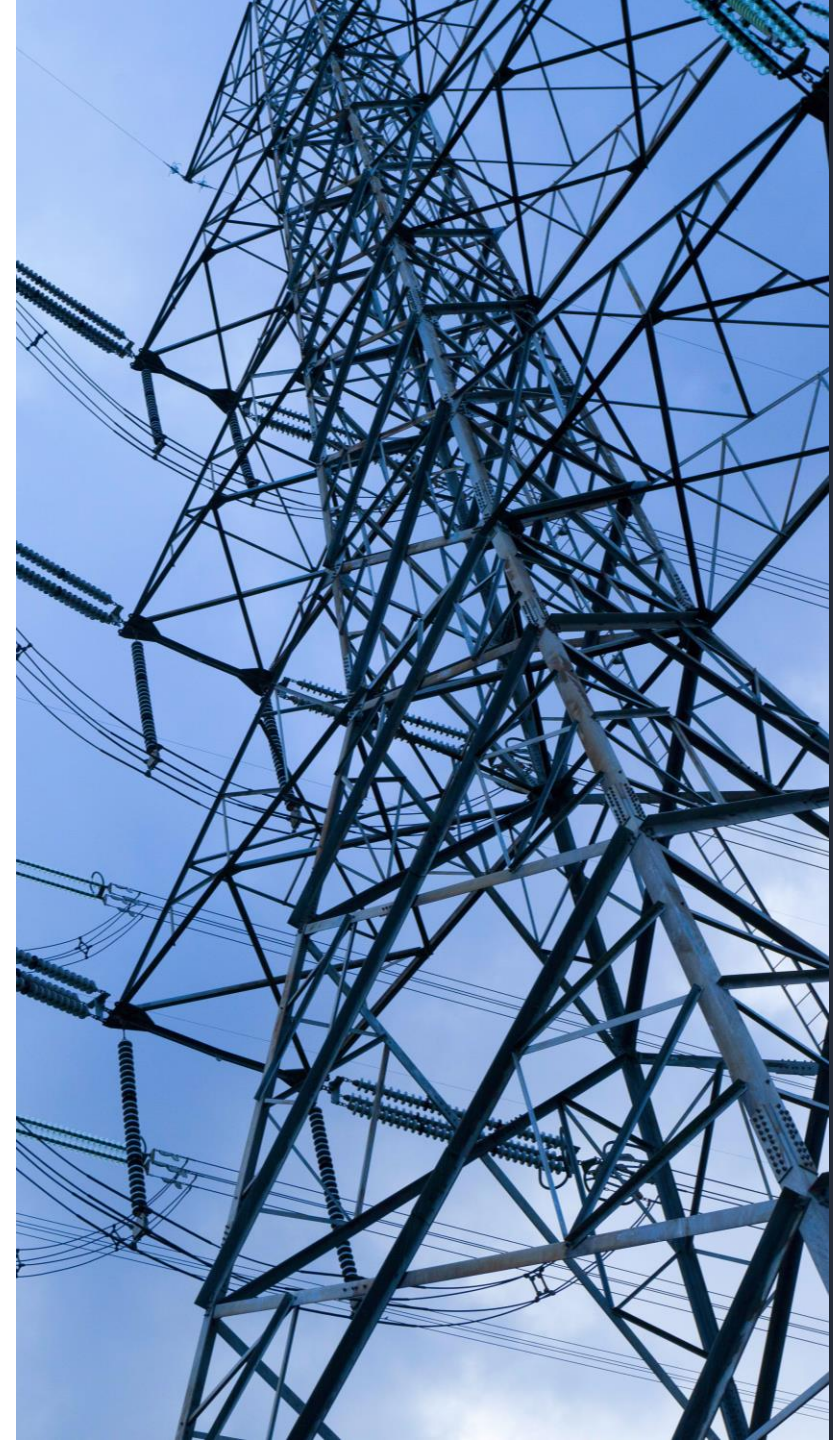


3% of Sales

- Sales of **\$19** million

GROWING INTO STEEL TRANSMISSION STRUCTURES

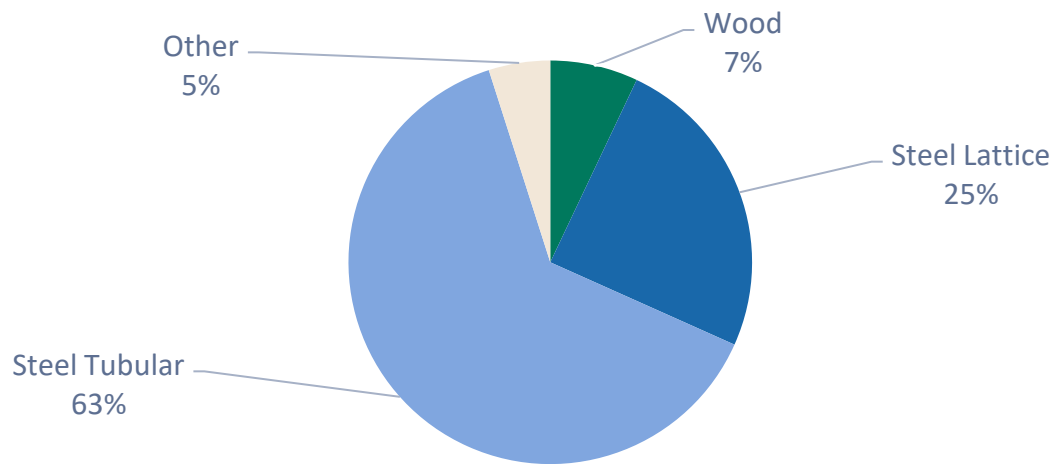
- Leading designer and manufacturer of steel electrical transmission lattice towers and poles;
- Marks entry into the steel structures space to better support utility customers across North America;
- Based in Candiac, Quebec, with over 75 years of experience and approximately 220 employees;
- Expected capital expenditure investments of \$15 million to augment output;
- Company delivering on strategy to expand its infrastructure offering.



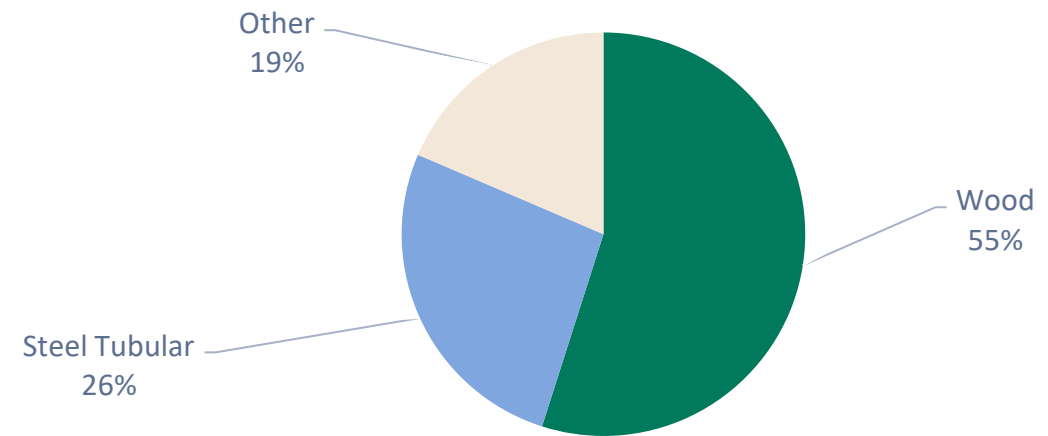
ADDRESSABLE NORTH AMERICAN TRANSMISSION & DISTRIBUTION MARKET

Opportunity for Stella-Jones to capitalize on growing electrical transmission & distribution market, underpinned by a combination of maintenance-driven demand and new projects.

TRANSMISSION ADDRESSABLE MARKET
\$5.7B PER YEAR



DISTRIBUTION ADDRESSABLE MARKET
\$5.3B PER YEAR



Q1 2025

FINANCIAL PERFORMANCE

(in millions of Canadian dollars, except per share data and margins)	Q1-25	Q1-24
Sales	773	775
Gross Profit ⁽¹⁾	168	172
Gross Profit margin ⁽¹⁾	21.7%	22.2%
Operating income	143	124
Operating income margin ⁽¹⁾	18.5%	16.0%
EBITDA ⁽¹⁾	179	156
EBITDA Margin ⁽¹⁾	23.2%	20.1%
Net income	93	77
Earnings per share – basic and diluted	1.67	1.36

(1) Please refer to the section “Non-GAAP and other financial measures” in Stella-Jones’ MD&A for the three-months ended March 31, 2025 for an explanation of the non-GAAP and other financial measures used and presented by Stella-Jones and a reconciliation of non-GAAP financial measures to the most directly comparable GAAP measures

DISCIPLINED CAPITAL ALLOCATION STRATEGY

\$380M

Returned to
Shareholders out of
\$500 M committed

As at March 31, 2025

\$691M

Available Liquidity

As at March 31, 2025

2.6x

Net debt-to-EBITDA⁽¹⁾

As at March 31, 2025

Investment-grade capital allocation strategy allows pursuit of growth opportunities while returning capital to shareholders.



NCIB Program

- \$15M shares repurchased



Return to
Shareholders
Commitment

- Returned \$380M out of the \$500M committed for 2023-2025
- Announced quarterly dividend of \$0.31 per share



Strategic
Acquisition

- Definitive agreement for the acquisition of Locweld for \$58M
- Expected capital expenditure program of ~ \$15M to increase output

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POSITIVE FUTURE OUTLOOK

Well Positioned for Balance of 2025:

- Q1 2025 largely within expectations
- 2025 total sales expected to benefit from Locweld acquisition

Acquisitions Remain Cornerstone of Growth

- Prioritizing opportunities that are accretive and are complementary to existing infrastructure portfolio
 - Locweld adheres to all these criteria





Stella-Jones



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