Fourth Quarter 2022 Results Presentation

March 1, 2023

AECON GROUP INC. (TSX: ARE)

Forward-Looking Information

The information in this presentation includes certain forward-looking statements which may constitute forward-looking information under applicable securities laws. These forward-looking statements are based on currently available competitive, financial and economic data and operating plans but are subject to risks and uncertainties. Forward-looking statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, ongoing objectives, strategies and outlook for Aecon, including statements regarding its strategic focus on clean energy and other projects linked to sustainability and the opportunities arising therefrom, statements regarding the impact of Aecon's recurring revenue base; statements regarding potential value creation options, statements regarding estimated costs and timelines for projects, statements regarding Aecon 's equity interest in Oneida Energy Storage L.P., statements regarding the various phases of projects for Aecon, Aecon's greenhouse gas emission reduction targets and means to accomplish such targets, statements regarding government investment, expectations regarding strong private sector end market demand due to, among other things, aging electrical and gas infrastructure and North American 5G adoption rate, expectations regarding ongoing recovery in travel through Bermuda International Airport in 2023, opportunities to add to the existing portfolio of Canadian and international concessions in the next 12 to 24 months, expectations regarding the repayment of the outstanding convertible debentures at or before maturity and other debt obligations in 2023, expectations regarding the continued impact of inflation, interest rates and supply chain efficiency, expectations regarding the pipeline of opportunities available to Aecon and project pursuits, expectations regarding future revenue growth and the impact therefrom, expectations regarding the impact of the four fixed price legacy projects, its sale of Aecon Transportation East (“ATE”) to Green Infrastructure Partners Inc. (“GIP”), including strategic rationale for such transaction, and expected results therefrom, use of proceeds from the sale of ATE and related transaction timeline, Aecon’s strategic partnership agreement with GIP and the results therefrom and future dividends. Forward-looking statements may in some cases be identified by words such as "will," "believes," "target," "expects," "anticipates," "estimates," "towards," "opportunity," "projects," "intends," "schedule," "outlook," "can," "may," “to be,” “upon,” "should" or the negative of these terms, or similar expressions.

In addition to events beyond Aecon's control, there are factors which could cause actual or future results, performance or achievements to differ materially from those expressed or inferred herein including, but not limited to: the risk of not being able to drive a higher margin mix of business by participating in more complex projects, achieving operational efficiencies and synergies, and improving margins; the risk of not being able to meet contractual schedules and other performance requirements on large, fixed priced contracts; the risk of not being able to meet its labour needs at reasonable costs; the risk of not being able to address any supply chain issues which may arise and pass on costs of supply increases to customers; the risk of not being able, through its joint ventures, to enter into implementation phases of certain projects following the successful completion of the relevant development phase; the risk of not being able to execute its strategy of building strong partnerships and alliances; the risk of not being able to execute its risk management strategy; the risk of not being able to grow backlog across the organization by winning major projects; the risk of not being able to maintain a number of open, recurring and repeat contracts; the risk of not being able to accurately assess the risks and opportunities related to its industry's transition to a lower-carbon economy; the risk of not being able to oversee, and where appropriate, respond to known and unknown environmental and climate change-related risks, including the ability to recognize and adequately respond to climate change concerns or public, governmental and other stakeholders' expectations on climate matters; the risk of not being able to meet its commitment to meeting its greenhouse gas emissions reduction targets; the risks associated with the strategy of differentiating its service offerings in key end markets; the risks associated with undertaking initiatives to train employees; the risks associated with the seasonal nature of its business; the risks associated with being able to participate in large projects; the risks associated with legal proceedings to which it is a party; the ability to successfully respond to shareholder activism; the risk that Aecon’s sale of ATE will not close; the risk that the strategic partnership with GIP will not realize the expected results and may negatively impact Aecon’s existing business; the risk that Aecon will not realize the strategic rationale for the sale of ATE; the risk that Aecon will not realize the opportunities presented by a transition to a net-zero economy; the risk that Aecon will not realize the anticipated balance sheet flexibility with the completion of the sale of ATE; and risks associated with the COVID-19 pandemic and future pandemics and Aecon's ability to respond to and implement measures to mitigate the impact of COVID-19 and future pandemics.

These forward-looking statements are based on a variety of factors and assumptions including, but not limited to that: none of the risks identified above materialize, there are no unforeseen changes to economic and market conditions and no significant events occur outside the ordinary course of business. These assumptions are based on information currently available to Aecon, including information obtained from third-party sources. While Aecon believes that such third-party sources are reliable sources of information, Aecon has not independently verified the information Aecon has not ascertained the validity or accuracy of the underlying economic assumptions contained in such information from third-party sources and hereby disclaims any responsibility or liability whatsoever in respect of any information obtained from third-party sources.

Risk factors are discussed in greater detail in the Section 13 - "Risk Factors" in Aecon's December 31, 2022 Management's Discussion and Analysis filed on SEDAR (www.sedar.com) on February 28, 2023. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Aecon undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Non-GAAP & Supplementary Financial Measures

The presentation presents certain non-GAAP and supplementary financial measures, as well as non-GAAP ratios and capital management measures disclosed to assist readers in understanding the Company’s performance (“GAAP” refers to Canadian Generally Accepted Accounting Principles under IFRS). These measures do not have any standardized meaning and therefore are unlikely to be comparable to similar measures presented by other issuers and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP.

Management uses these non-GAAP and supplementary financial measures, as well as certain non-GAAP ratios and capital management measures to analyze and evaluate operating performance. Aecon also believes the financial measures defined below are commonly used by the investment community for valuation purposes, and are useful complementary measures of profitability, and provide metrics useful in the construction industry. The most directly comparable measures calculated in accordance with GAAP are profit (loss) attributable to shareholders or earnings (loss) per share.

Throughout this presentation, the following terms are used, which do not have a standardized meaning under GAAP: “Adjusted EBITDA”, “Equity Project EBITDA”, “Backlog”, “Adjusted EBITDA margin.” “Pro Forma Post Transaction” “Gross profit margin” is a supplementary financial measure.

Refer to Section 4 "Non-GAAP and Supplementary Financial Measures" and Section 9 "Quarterly Financial Data" in the Company's December 31, 2022 Management's Discussion and Analysis, filed February 28, 2023 (the "Q4 2022 MD&A") for additional information regarding the non-GAAP and supplementary financial measures and non-GAAP ratios used in this presentation. Also refer to pages 7 and 16 in this presentation for additional information regarding non-GAAP ratios and capital management measures. The Q4 2022 MD&A is available on SEDAR (www.sedar.com), and the additional information regarding the non-GAAP and supplementary financial measures and non-GAAP ratios used in this presentation information in the above noted sections is incorporated by reference into this presentation.

Q4 2022 Financial Results

Q4 2021 and full year 2021 results include net benefit from the Canada Emergency Wage Subsidy ("CEWS") program of $4.1 million and $31.9 million, respectively

$ Millions (except per share amounts)	Three Months Ended December 31			Twelve Months Ended December 31		
	2022	2021	Change+	2022	2021	Change+
Revenue	1,267	1,089	▲ 16%	4,697	3,977	▲ 18%
Gross Profit	98.7	94.4	▲ 5%	356.0	366.8	▼ 3%
Gross Profit Margin %&	*7.8%*	*8.7%*	▼ *90 bps*	*7.6%*	*9.2%*	▼ *160 bps*
Adjusted EBITDA@	67.5	61.3	▲ 10%	219.2	238.9	▼ 8%
*Adjusted EBITDA Margin %**	*5.3%*	*5.6%*	▼ *30 bps*	*4.7%*	*6.0%*	▼ *130 bps*
Operating Profit	40.7	30.7	▲ 33%	97.2	118.8	▼ 18%
Profit	19.7	12.1	▲ 63%	30.4	49.7	▼ 39%
Earnings per share – diluted	0.26	0.19	▲ 37%	0.47	0.78	▼ 40%
New Awards	1,288	1,244	▲ 4%	4,795	3,721	▲ 29%
Backlog (at end of period)@	6,296	6,198	▲ 2%	6,296	6,198	▲ 2%

+ bps = basis point
@ This is a non-GAAP financial measure. Refer to page 2 in this presentation.
* This is a non-GAAP financial ratio. Refer to page 2 in this presentation.
& This is a supplementary financial measure. Refer to page 2 in this presentation.

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Construction Q4 2022 Results

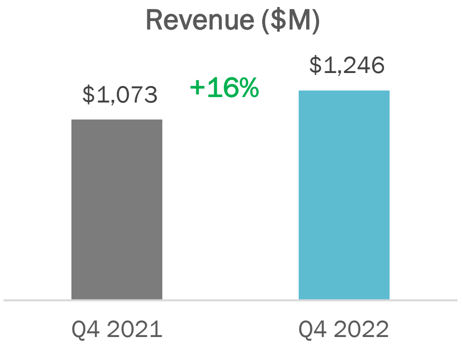
Revenue up by **$706M**, or **18%**, year-over-year

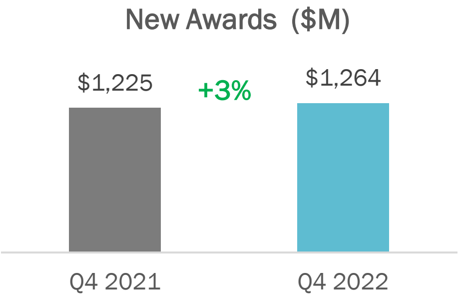
- ▲ $412M in civil operations driven by an increase in both major projects, roadbuilding construction, and foundations work.
- ▲ $111M in utilities operations primarily due to an increase in telecommunications and high-voltage electrical transmission work.
- ▲ $96M in nuclear operations driven by a higher volume of refurbishment work at nuclear generating stations located in both Ontario and the U.S.
- ▲ $78M in industrial operations driven primarily by increased activity on mainline pipeline work in western Canada and an increased scope of work at mining and water treatment facilities.
- ▲ $9M in urban transportation solutions primarily due to commencement of the development phase of a rail electrification project in Ontario.

New awards higher by **$1,053M**, or **29%, year-over-year**

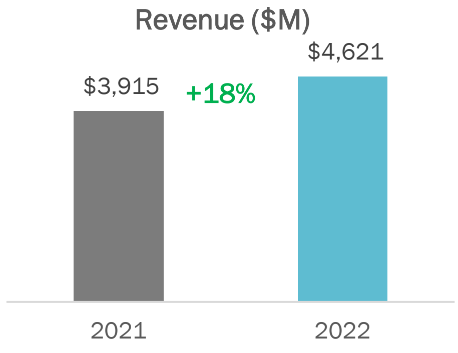
- ▲ Driven by strong demand across Canada and the U.S. in smaller, medium sized, and larger multi-year projects in the civil, utilities, and industrial sectors.

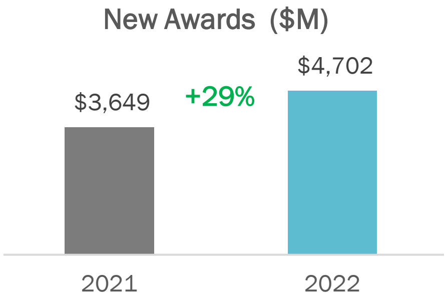
Q4 2022*





2022*





* Totals and variances may not add due to rounding and eliminations.

Construction Q4 2022 Results (continued)

Q4 2021 and full year 2021 results include net benefit from the Canada Emergency Wage Subsidy ("CEWS") program of $4.1 million and $31.9 million, respectively

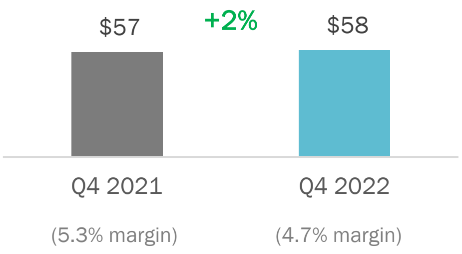
Adjusted EBITDA[@] down by **$20M**, or **9%**, year-over-year and

Operating Profit down by **$23M**, or **16%,** year-over-year

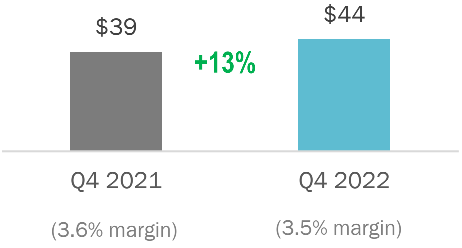
- ▲ Volume driven increase in gross profit in civil operations.
- ▲ Higher volume and gross profit margin in utilities and nuclear.
- ▼ Impact of CEWS program of $31.9M in 2021.
- ▼ Lower gross profit in industrial operations due to lower margin from pipeline projects, including CGL, and an adverse year-over-year mix of conventional industrial projects in eastern Canada.
- ▼ Lower gross profit in urban transportation solutions driven by negative gross profit of $117.7 million on two LRT projects in 2022 compared to a negative gross profit on these two projects of $66.8 million in 2021 [+]

Q4 2022*

Adj. EBITDA ($M)

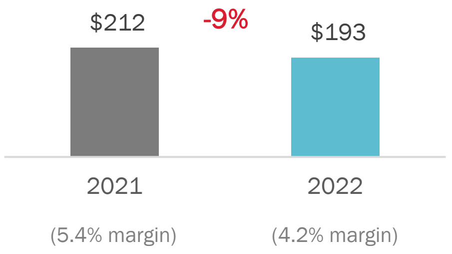


Operating Profit ($M)

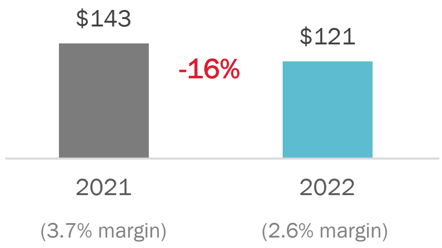


2022*

Adj. EBITDA ($M)



Operating Profit ($M)



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* Totals and variances may not add due to rounding.
@ This is a non-GAAP financial measure. Refer to page 2 in this presentation.
\+ See section 10.2 "Contingencies" and Section 13 "Risk Factors: of the Q4 2022 MD&A.

Concessions Q4 2022 Results

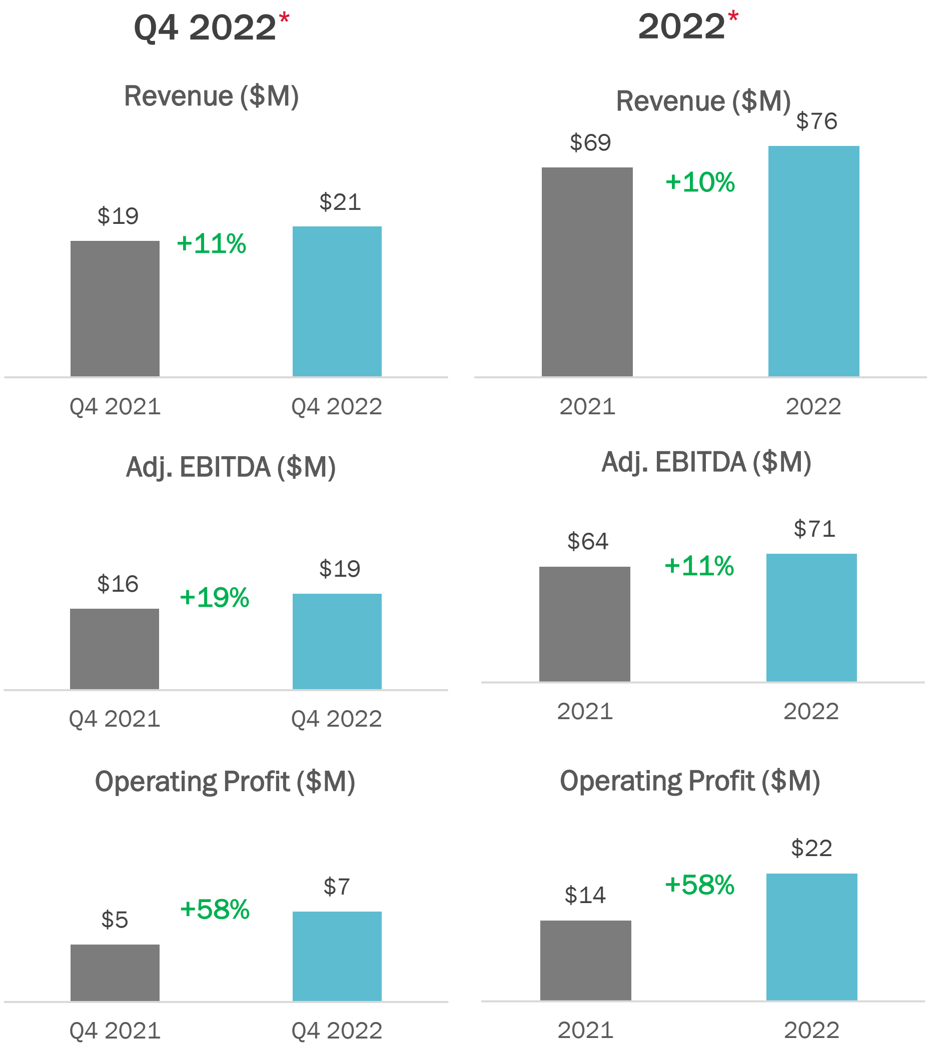
Revenue up by **$7M**, or **10%**, year-over-year

Primarily due to an increase in commercial flight operations at the Bermuda International Airport.

Commercial flight operations in Bermuda continue to operate at a reduced volume due to COVID-19 compared to pre-pandemic levels but continued to recover in 2022 from the more severe impacts experienced in 2020 and 2021. In 2022, passenger traffic levels in Bermuda averaged 58% of 2019 pre-pandemic traffic compared to 33% in 2021.

Adjusted EBITDA@ up by **$7M**, or **11%**, year-over-year and Operating Profit up by **$8M**, or **58%**, year-over-year

Primarily from improvement in commercial flight operations at the Bermuda International Airport.



* Totals and variances may not add due to rounding and eliminations.
@ This is a non-GAAP financial measure. Refer to Section 4 “Non-GAAP And Supplementary Financial Measures” in the Company’s Q4 2022 MD&A.

Financial Position, Liquidity and Capital Resources

Balance Sheet ($M)

	December 31, 2022
Core Cash	19.8
Bank Indebtedness	(121.0)
Cash in Joint Operations	357.4
Total Cash[^]	**256.2**
Net Working Capital[♦]	358.3
Long-Term Debt[∞]	
- Finance Leases	171.0
- Equipment & Other Asset Loans	59.2
LT Debt excluding Convertible Debentures[∞]	230.2
Convertible Debentures (Face Value) due Dec. 2023 (5.0%)	184.0
Total LT Debt plus Convertible Debentures[∞]	**414.2**
LT Debt to 2022 Adjusted EBITDA[&∞@+]	
- Excluding Convertible Debentures	1.1 x
- Including Convertible Debentures	1.9 x
Net Debt to 2022 Adjusted EBITDA[&∞@+]	2.4 x
Debt to capitalization percentage[α]	30%

Free Cash Flow ($M)

	2022	2021
Operating profit (loss)	**97.2**	**118.8**
Depreciation and amortization	94.2	88.4
(Gain) on sale of assets	(12.5)	(8.4)
Income from projects accounted for using the equity method	(17.7)	(15.1)
Equity Project EBITDA[@]	58.0	55.2
Adjusted EBITDA[@]	**219.2**	**238.9**
Cash Interest Expense (net)	(47.5)	(39.8)
Capital Expenditures (net)	(28.8)	(27.6)
Income Taxes Paid	(36.8)	(73.7)
Change in Working Capital	(203.0)	(130.1)
Net JV Impact[*]	(54.8)	(52.1)
Free Cash Flow[~#]	**(151.7)**	**(84.4)**
Cash Flow From Operations	**(112.9)**	**(31.4)**
Cash Flow From Investing Activities	**(35.9)**	**(39.6)**
Cash Flow From Operations & Investing Activities	**(148.8)**	**(71.0)**

- $600 million committed credit facility for working capital and letter of credit requirements plus a separate committed letter of credit facility of $900 million
- On December 31, 2023, convertible debentures with a face value of $184 million will mature, and Aecon expects to repay these debentures at maturity or before
- No other debt or working capital credit facility maturities in 2023, except equipment and property loans and leases in the normal course

^ Excludes restricted cash associated with Bermuda Airport Project.

∞ Excludes non-recourse project debt associated with Bermuda Airport Project.

+ Net debt calculated as long-term debt (including convertible debentures) plus bank indebtedness less core cash. Long-term debt-to-Adjusted EBITDA and net debt-to-Adjusted EBITDA ratios are measurements that Management believes are commonly used by the investment community to assess the Company's debt leverage and liquidity.

& Calculations based on face value of convertible debentures.

♦ Net Working Capital is a capital management measure that management uses to analyze and evaluate Aecon's liquidity and its ability to generate cash to meet its short-term financial obligations. Management also believes this measure is commonly used by the investment community for valuation purposes. Refer to page 16 in this presentation for the composition of Net Working Capital and a quantitative reconciliation to the most comparable financial measure.

α Debt to capitalization percentage is considered by the Company to be the most important metric in measuring the strength and flexibility of its consolidated balance sheets. Calculated as Debt of $409.1 million (including $178.9 million fair value of convertible debentures) divided by capitalization of $1,361.1 million, which is comprised of shareholders' equity of $954.0 million plus $409.1 million of debt, to equal 30%.

* Net JV Impact represents the difference between Equity Project EBITDA included in Adjusted EBITDA (Equity Project EBITDA as defined in Aecon's Q4 2022 MD&A) and distributions from projects accounted for using the equity method.

~ Excludes $24.6 million and $5.8 million purchase amounts (net of cash acquired) in 2021 and 2022, respectively, related to strategic business acquisitions since Q4 2021.

Free Cash Flow is a capital management measure that management uses to analyze and evaluate the cash generated after taking into consideration cash outflows that support its operations and maintain its capital assets. Management also believes this measure is commonly used by the investment community for valuation purposes. Refer to page 16 in this presentation for a quantitative reconciliation to the most comparable financial measure, being Cash Flow From Operations & Investing Activities.

@ This is a non-GAAP financial measure or non-GAAP ratio. Refer to page 2 in this presentation.

Jean-Louis Servranckx

President and Chief Executive Officer

AECON

De-Risking Business Through Collaborative Models

Three recent announcements for sustainability linked projects that present significant opportunities for long-term growth#

GO Expansion On-Corridor (OnCorr) Works Project

Estimated Total Capital Cost: >$10B^&

Progressive Design, Build, Operate & Maintain Model

ONxpress Transportation Partners (ONxpress) selected to design, build, operate and maintain the GO Expansion OnCorr Works project in Ontario

Progressive and collaborative design, build, operate and maintain model

ONxpress consortium comprised of Aecon, FCC, Deutsche Bahn and Alstom

Aecon 50% share in a civil JV with FCC, and 28% share in a 25-year O&M partnership with Deutsche Bahn

Early works and a two-year collaborative development phase commenced in Q3 2022, with O&M anticipated to commence in Q2 2024

Scarborough Subway Extension Stations, Rail and Systems (SRS)

Estimated Design & Construction Cost: $2B - $4B*&

Progressive Design-Build Model

Scarborough Transit Connect (STC), a 50/50 consortium between Aecon (lead partner) and FCC, selected as the development partner for the Scarborough Subway Extension SRS project in Ontario

Progressive and collaborative Design-Build model

STC has executed a development phase agreement with Infrastructure Ontario (IO) and Metrolinx to finalize the scope, cost and schedule of various elements of the project over an 18-month period, with certain early works activities commencing during this phase

Upon successful completion of the development phase, an implementation phase will commence under a target price contract

Darlington New Nuclear Project (DNNP) Small Modular Reactor (SMR)

Total Capital Cost Under Development

Integrated Project Delivery Model

Aecon, GE Hitachi and SNC-Lavalin executed a six-year alliance agreement with Ontario Power Generation (OPG) to deliver North America's first grid-scale SMR through the DNNP in Ontario

Under an Integrated Project Delivery (IPD) model, OPG serves as the license holder and will maintain overall responsibility for the project, including operator training, commissioning, Indigenous engagement, stakeholder outreach and oversight

Aecon is the provider of all construction services, including project management, construction planning and execution. Site preparation and related work is currently underway and SMR construction is expected to reach completion in the fourth quarter of 2028

Projects would be added to backlog following completion of successful development phases over next two years

^ Based on Infrastructure Ontario Market Update Report (January 2022); represents "Estimated Total Capital Costs" for the project, not Aecon's share in the project

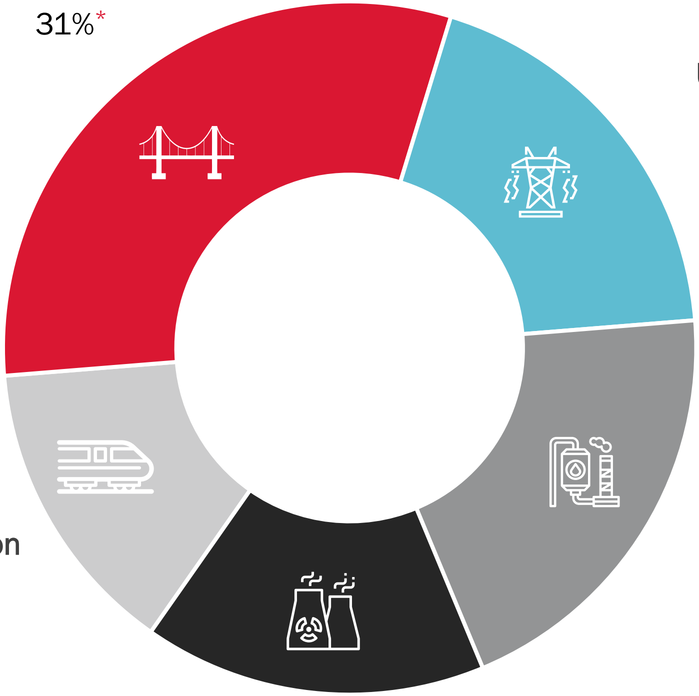
* Based on Infrastructure Ontario Market Update Report (November 2022); represents "Estimated Design & Construction Cost" for the project, not Aecon's share in the project

& Estimated figures are not Aecon's shares in the projects as the work is performed in partnerships or joint ventures with other companies; Aecon's scope of work and relative value subject to change during the development phases

Diverse Business Model

Construction

2022 Revenue	$4,621 M+
2022 Adj. EBITDA	$193 M+@
2022 Operating Profit	$121 M+



Concessions

2022 Revenue	$76 M+
2022 Adj. EBITDA	$71 M+@
2022 Operating Profit	$22 M+

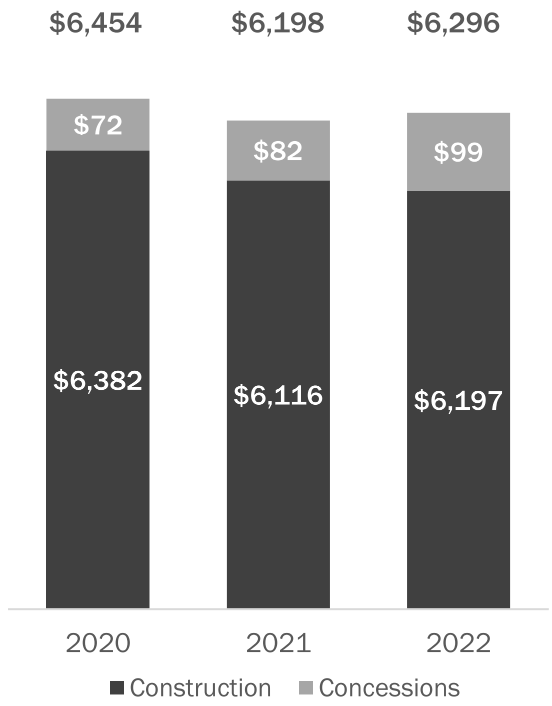
SKYPORT	BERMUDA INTERNATIONAL AIRPORT	100%^
MOSAIC TRANSIT GROUP	FINCH WEST LRT	33%^
ONXPRESS TRANSPORTATION PARTNERS	GO RAIL NETWORK ON-CORRIDOR	28%^
CROSSLINX TRANSIT SOLUTIONS	EGLINTON LRT	25%^
BRIDGING NORTHAMERICA	GORDIE HOWE INTERNATIONAL BRIDGE	20%^
GRANDLINQ CONTRACTORS	WATERLOO LRT	10%^
	ONEIDA ENERGY STORAGE L.P.	~10^&

+ Before corporate costs and eliminations.
* % of 2022 Full Year Construction revenue; Civil sector includes Roads and Highways operations, which contributed 12% of Civil sector revenue in 2022.
^ % of Aecon equity ownership in the concessionaire, or in the case of the GO Rail On-Corridor project, the O&M partnership.
& Aecon Concessions will be an approximately 10% equity partner upon financial close in the Oneida Energy Storage L.P.
@ This is a non-GAAP financial measure. Refer to page 2 in this presentation.

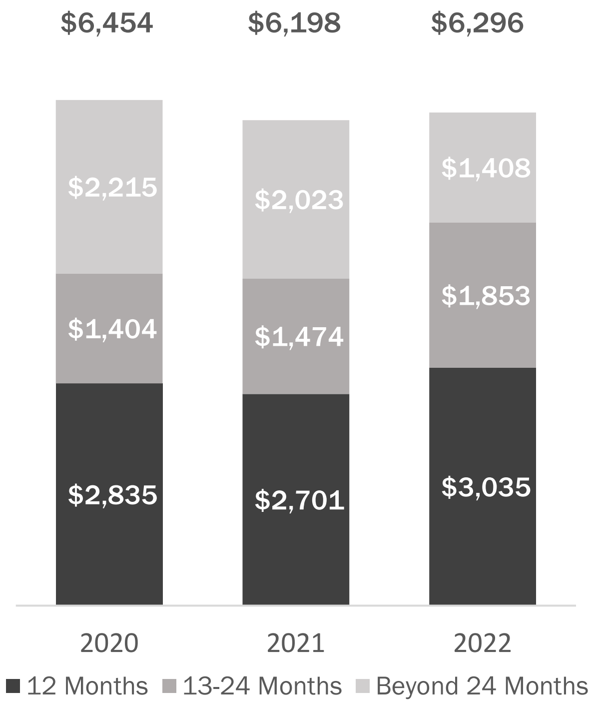
Solid Backlog & Growing Recurring Revenue Profile

Current backlog excludes Aecon's share of the GO Expansion On-Corridor Works and Scarborough Subway Extension Stations, Rail and Systems projects∞

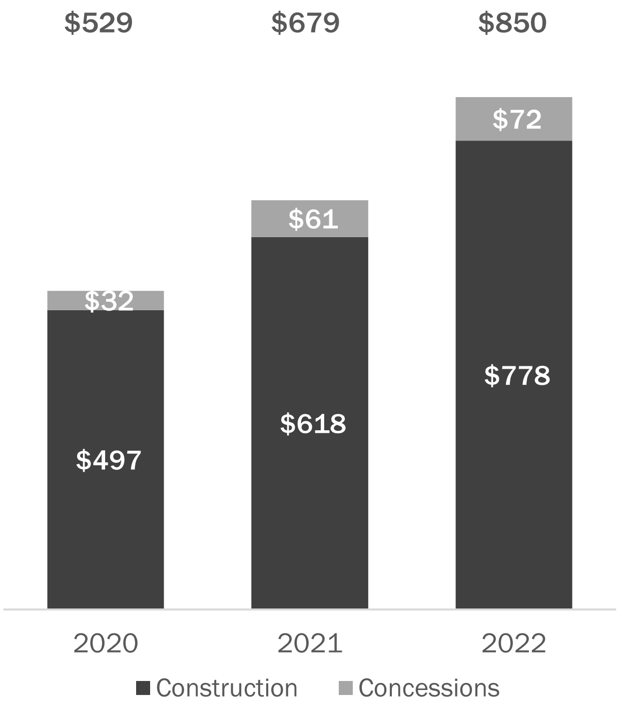
Total Backlog*@ ($M) As at December 31



Backlog Duration* ($M) As at December 31



Recurring Revenue* ($M)



51% Fixed Price (64% as at December 31, 2021)	49% Cost Plus/ Unit Price (36% as at December 31, 2021)

Backlog Contract Type As at December 31, 2022

51% Fixed Price (61% same period last year)	49% Cost Plus/Unit Price (39% same period last year)

2022 Revenue+

∞ These projects were awarded in a collaborative model and are currently in the development phases.
* Recurring revenue is not included in backlog and is, therefore, revenue over and above work to be performed from contracts in backlog.
+ TTM Revenue contract mix reflects inclusion of recurring revenue (Cost Plus/Unit Price) and timing of backlog work off.
@ This is a non-GAAP financial measure. Refer to page 2 in this presentation.

AECON

Focused On Energy Transition Opportunities

60% of 2022 Revenue Tied To Sustainability Projects#

- Focused on various stages of the value chain in building the resilient, low carbon and connected infrastructure of tomorrow
- Presence in key markets across Canada and long-term relationships with clients across focused operating sectors

Utilities

- Electricity Transmission & Distribution
- Grid Modernization/Hardening
- Geothermal & District Energy / Renewables
- Energy Storage
- EV Charging Infrastructure
- Fibre and Broadband / Telecom Infrastructure & 5G
- In-Home Services

Oneida Energy Storage Project

Civil & Industrial

- Water Distribution & Management
- Hydroelectricity
- Hydrogen & Renewable Natural Gas
- Carbon Capture and Storage
- Rare Metals & Battery Material Mining Facilities

Site C Project

Nuclear

- Small Modular Reactors
- Refurbishment & Decommissioning
- Maintenance & Fabrication Services
- Nuclear Waste Management

Bruce Power Steam Generator Replacement

Urban Transportation Solutions

- Light Rail Transit
- High Speed Rail
- Monitoring Emerging Technologies – Smart Cities / Autonomous Vehicles / Hyperloop

GO Expansion On-Corridor Works

Sustainability projects help to preserve and protect the environment, but also help to preserve the ability of society to sustain itself. Including but not limited to, projects that: reduce emissions, support the transition to a net-zero economy, support clean water use and conservation, and reduce/recycle waste.

Outlook

- Demand for Aecon's services across Canada continues to be strong, particularly in smaller and medium sized projects, as evidenced by year-over-year revenue growth of 18% and higher new project awards of 31% in 2022. Revenue of $4.7 billion in 2022 represented a record level for Aecon.
- In addition, during 2022, a consortium in which Aecon is a participant was selected to deliver the long-term GO Expansion On-Corridor Works project in Ontario under a progressive design, build, operate and maintain contract model which begins with a two-year development phase leading into the main construction scope and a 25-year operations and maintenance component, while another consortium in which Aecon is a participant was selected as the development partner for the Scarborough Subway Extension Stations, Rail and Systems project in Ontario to be delivered using a progressive design-build model. None of the anticipated work from these two significant long-term projects is yet reflected in backlog.
- Aecon (including joint ventures in which Aecon is a participant) is also prequalified on a number of project bids due to be awarded during the next twelve months and has a pipeline of opportunities to further add to backlog over time. With backlog of $6.3 billion as at December 31, 2022 and recurring revenue programs continuing to see robust demand, driven by the utilities sector and ongoing recovery in airport traffic in Bermuda, Aecon believes it is positioned to achieve further revenue growth over the next few years.
- While volatile global and Canadian economic conditions are impacting inflation, interest rates, and overall supply chain efficiency, these factors have stabilized to some extent and have largely been and will continue to be reflected in the pricing and commercial terms of the Company's recent and prospective project awards and bids. However, certain ongoing joint venture projects that were bid some years ago have experienced impacts related, in part, to those factors, that will require satisfactory resolution of claims with the respective clients – see Section 5 "Recent Developments", Section 10.2 "Contingencies" and Section 13 "Risk Factors" in the Q4 2024 MD&A regarding the risk on four large fixed price legacy projects entered into in 2018 or earlier by joint ventures in which Aecon is a participant.
- In the Construction segment, with strong demand, growing recurring revenue programs, and diverse backlog in hand, Aecon is focused on achieving solid execution on its projects and selectively adding to backlog through a disciplined bidding approach that supports long-term margin improvement in this segment.
- In the Concessions segment, in addition to expecting an ongoing recovery in travel through the Bermuda International Airport through 2023, there are a number of opportunities to add to the existing portfolio of Canadian and international concessions in the next 12 to 24 months, including projects with private sector clients that support a collective focus on sustainability and the transition to a net-zero economy.

Sale of Aecon's Roadbuilding Business in Ontario

Strengthens balance sheet and complements strategic focus on end markets related to energy transition and sustainability

Sale of Aecon Transportation East Business To Green Infrastructure Partners	
Structure	• 100% sale of Aecon Transportation East Business ("ATE") to Green Infrastructure Partners Inc. ("GIP") for $235 million cash • ATE comprised of Aecon's roadbuilding, aggregates and materials businesses in Ontario and represented ~7% of Aecon's 2022 revenue
Strategic Cooperation Agreement	• Upon closing of the sale, Aecon and GIP will enter into a strategic cooperation agreement for certain major projects and pursuits in Ontario that leverages both Aecon's heavy civil construction services and GIP's broad roadbuilding capabilities
Use of Proceeds	• Net proceeds to be used to pay down debt on Aecon's revolving credit facility
Approvals and Timing	• Closing of the transaction is expected in the first half of 2023, subject to customary adjustments and closing conditions, including obtaining all necessary regulatory approvals • If the transaction does not close as a result of GIP's failure to obtain financing, GIP to pay a reverse break-fee to Aecon of $15 million

Strategic Rationale

- Shift towards opportunities related to decarbonization, energy transition and sustainability
- Consistent with Aecon's goal of targeting prudent balance sheet leverage and liquidity
- Helps reduce overall capital intensity of Aecon's business

APPENDIX

Non-GAAP Measures Quantitative Reconciliation

Net Working Capital Reconciliation ($M)

	December 31, 2022
Trade and Other Receivables	1,023.6
Unbilled Revenue	685.3
Inventories	37.6
Prepaid Expenses	77.0
Less	
Trade and Other Payables	1,064.0
Provisions	14.6
Deferred Revenue	386.6
Net Working Capital	**358.3**

Equity Project EBITDA Reconciliation ($M)

	2022	2021
Operating profit of projects accounted for using the equity method	57.2	54.4
Depreciation and amortization of projects accounted for using the equity method	0.8	0.8
Equity Project EBITDA	**58.0**	**55.2**

Free Cash Flow Reconciliation ($M)*

	2022	2021
Profit Before Income Taxes	**43.0**	**73.8**
Finance cost	57.1	45.6
Finance income	(2.9)	(0.6)
Operating Profit	**97.2**	**118.8**
Depreciation and amortization	94.2	88.4
Gain on sale of assets	(12.5)	(8.4)
Income from projects accounted for using the equity method	(17.7)	(15.1)
Equity Project EBITDA@	58.0	55.2
Adjusted EBITDA@	**219.2**	**238.9**
Cash interest paid	(50.4)	(40.4)
Cash interest received	2.9	0.6
Purchase of property, plant and equipment	(32.7)	(35.3)
Proceeds on sale of property, plant and equipment	12.5	10.4
Increase in intangible assets	(8.6)	(2.7)
Income taxes paid	(36.8)	(73.7)
Increase in marketable securities	(0.80)	-
Provision for expected credit losses	0.63	-
Free Cash Flow before Working Capital and net JV Impact	**106.1**	**97.8**
Change in other balances related to operations	(203.0)	(130.1)
Equity Project EBITDA@	(58.0)	(55.2)
Distributions from projects accounted for using the equity method	3.2	3.1
Free Cash Flow	**(151.7)**	**(84.4)**

Cash Flow From Operations & Investing Reconciliation ($M)*

	2022	2021
Free Cash Flow	**(151.7)**	**(84.4)**
Defined benefit pension	0.5	0.8
Stock-based compensation settlements and receipts	(3.5)	(2.0)
Concession deferred revenue	(3.9)	(3.7)
Unrealized foreign exchange gain	1.8	0.9
Increase in provisions	(1.0)	12.9
Stock-based compensation expense	19.7	19.2
Decrease (increase) in restricted cash balances	(2.9)	13.0
Investment in concession rights	0.0	(3.6)
Increase in long-term financial assets	(0.8)	0.1
Net cash outflow on acquisition of a business	(5.8)	(24.6)
Other	(1.2)	0.3
Total Reconciling Items	**2.9**	**13.4**
Cash Flow from Operations	**(112.9)**	**(31.4)**
Cash Flow from Investing Activities	**(35.9)**	**(39.6)**
Cash Flow from Operations and Investing Activities	**(148.8)**	**(71.0)**

@ This is a non-GAAP financial measure. Refer to page 2 in this presentation.
* Totals may not add due to rounding.

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