

Fourth Quarter 2024 Results Presentation

March 6, 2025

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 known and unknown risks, assumptions 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: expectations regarding the financial risks and impact of the fixed price legacy projects and the expected timelines of such projects; backlog and estimated duration; the impact of certain contingencies on Aecon (see: Section 10.2 "Contingencies" in Aecon's December 31, 2024 MD&A); the uncertainties related to the unpredictability of global economic conditions; its belief regarding the sufficiency of its current liquidity position including sufficiency of its cash position, unused credit capacity, and cash generated from its operations; its strategy of seeking to differentiate its service offering and execution capability and the expected results therefrom; its efforts to maintain a conservative capital position; expectations regarding growing electricity demand and long-term growth for Utilities and Nuclear operations; expectations regarding revenue and future revenue growth and the impact therefrom; expectations regarding profitability and margin predictability; expectations regarding capital expenditures; expectations regarding the pipeline of opportunities available to Aecon; statements regarding the various phases of projects for Aecon and expectations regarding project timelines; its strategic focus on projects linked to decarbonization, energy transition and sustainability, and the opportunities arising therefrom; communities sharing in the benefits and opportunities associated with Aecon's work, including commitments to publish information with respect to reconciliation and targets including Indigenous suppliers; expectations regarding access to new markets through strategic investments; expectations regarding opportunities to add to the existing portfolio of Canadian and international concessions in the next 12 to 24 months; Oaktree Capital Management, L.P.'s ("Oaktree") investment in Aecon Utilities Group Inc. ("Aecon Utilities"), the expected benefits thereof and results therefrom; expectations regarding growth, and the acceleration thereof, of Aecon in Canada and the U.S.; and the effective transition and collaboration with United and United management. Forward-looking statements may in some cases be identified by words such as "will," "plans," "schedule," "forecast," "outlook," "completing," "mitigating," "potential," "possible," "maintain," "seek," "cost savings," "synergies," "strategy," "goal," "indicative," "may," "could," "might," "can," "believes," "expects," "anticipates," "aims," "assumes," "upon," "commences," "estimates," "projects," "intends," "prospects," "targets," "occur," "continue," "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 risks associated with a third party's failure to perform; the risk of not being able to meet its labour needs at reasonable costs; possibility of gaps in insurance coverage; 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 risks associated with international operations and foreign jurisdiction factors; the risk of not being able, through its joint ventures or joint operations, 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 identify and capitalize on strategic operational investments; 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, Board diversity or Indigenous supplier targets; the risks of nuclear liability; the risks of cyber interruption or failure of information systems; 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 will not realize the opportunities presented by a transition to a net-zero economy; the risk the increase in energy demand does not continue; risks associated with future pandemics, epidemics and other health crises and Aecon's ability to respond to and implement measures to mitigate the impact of such pandemics or epidemics; the risk that the strategic partnership with Oaktree will not realize the expected results and may negatively impact the existing business of Aecon Utilities; the risk that Aecon Utilities will not realize opportunities to expand its geographic reach and range of services in the U.S; the risk of costs or difficulties related to the integration of Aecon and United, and of Aecon Utilities and Xtreme, being greater than expected; the risk of the anticipated benefits and synergies from the United and Xtreme transactions not being fully realized or taking longer than expected to realize; the risk of being unable to retain key personnel, including management of United and Xtreme; the risk of being unable to maintain relationships with customers, suppliers or other business partners of United and Xtreme; and various other risk factors described in Aecon's filings with the securities regulatory authorities, which are available under Aecon's profile on SEDAR+ (www.sedarplus.ca), including the risk factors described in Section 13 - "Risk Factors" in Aecon's 2024 Management's Discussion and Analysis for the fiscal year ended December 31, 2024 and in other filings made by Aecon with the securities regulatory authorities in Canada.

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 and assumptions regarding the outcome of the outstanding claims in respect of the remaining three fixed price legacy projects being performed by joint ventures in which Aecon is a participant. 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.

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" and "Adjusted EBITDA margin". "Adjusted Profit (Loss) Attributable to Shareholders", "Adjusted Earnings Per Share - Basic", and "Adjusted Earnings per Share - Diluted". "Operating margin" and "Gross profit margin" are a supplementary financial measures.

Refer to Section 4 "Non-GAAP and Supplementary Financial Measures" and Section 9 "Quarterly Financial Data" in the Company's Management's Discussion and Analysis for the year ended December 31, 2024 (the "Q4 2024 MD&A"), available under Aecon's profile on SEDAR+ (www.sedarplus.ca), for additional information regarding the non-GAAP and supplementary financial measures and non-GAAP ratios used in this presentation. Also refer to pages 3, 7, 8, 15, 16, and 17 in this presentation for additional information regarding non-GAAP ratios and capital management measures. 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.

2024 Financial Results

\$ Millions

(except per share amounts)

Revenue

Gross Profit

Gross Profit Margin %⁴

Adjusted EBITDA²

Adjusted EBITDA Margin %³

Operating Profit (loss)

Profit (loss) attributable to shareholders

Earnings per share - diluted

Adjusted profit (loss) attributable to shareholders²

Adjusted earnings (loss) per share - diluted²

New Awards

Backlog (at end of period)²

	Years Ended December 31 (As Reported)			Years Ended December 31 (As Adjusted) ^{2,5}		
	2024	2023	Change ¹	2024	2023	Change ¹
Revenue	4,243	4,644	▼ 9%	4,161	3,809	▲ 9%
Gross Profit	182.5	255.6	▼ 29%	455.3	458.6	▼ 1%
Gross Profit Margin % ⁴	4.3%	5.5%	▼ 120 bps	10.9%	12.0%	▼ 110 bps
Adjusted EBITDA ²	82.6	143.4	▼ 42%	349.4	355.3	▼ 2%
Adjusted EBITDA Margin % ³	1.9%	3.1%	▼ 120 bps	8.4%	9.3%	▼ 93 bps
Operating Profit (loss)	(60.1)	240.9	▼ 125%			
Profit (loss) attributable to shareholders	(59.5)	161.9	▼ 137%			
Earnings per share - diluted	(0.95)	2.10	▼ 145%			
Adjusted profit (loss) attributable to shareholders ²	(61.6)	160.9	▼ 138%			
Adjusted earnings (loss) per share - diluted ²	(0.99)	2.09	▼ 147%			
New Awards	4,747	4,505	▲ 5%			
Backlog (at end of period) ²	6,662	6,157	▲ 8%			

¹ bps = basis point.

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

³ This is a non-GAAP financial ratio. Refer to page 2 in this presentation.

⁴ This is a supplementary financial measure. Refer to page 2 in this presentation.

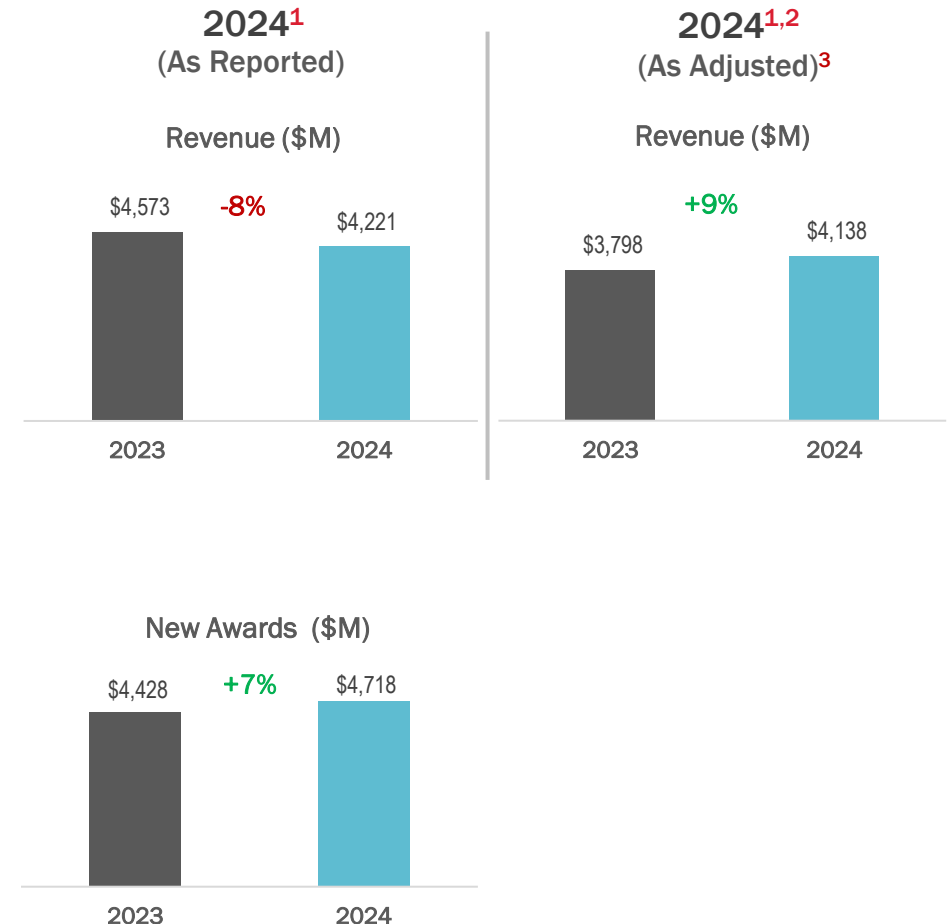
⁵ Excludes impacts of legacy projects and divestitures. Refer to Section 5 "Recent Developments", Section 10.2 "Contingencies" and Section 13 "Risk Factors" in the December 31, 2024 MD&A for more information on legacy projects. Refer to page 17 for further information and reconciliation.

Construction 2024 Results

Revenue down by **\$352M**, or **8%**, year-over-year

- ▼ \$460M in industrial operations driven by decreased activity on mainline pipeline work following the achievement of substantial completion on a large project in Q3 2023, partially offset by a higher volume of field construction work at wastewater treatment and industrial facilities in western Canada in 2024
- ▼ \$198M in urban transportation solutions primarily from a decrease in Light Rail Transit (“LRT”) work in Ontario and Québec as three LRT projects near completion
- ▼ \$14M in civil operations largely from a decrease in road building construction work in eastern Canada after the sale of ATE in Q2 2023 of \$51 million, partially offset in the balance of civil operations by an increase in roadbuilding construction work in western Canada
- ▲ \$282M in nuclear operations driven by an increased volume of refurbishment work at nuclear generating stations located in Ontario and the U.S.
- ▲ \$38M in utilities operations primarily from an increased volume of electrical transmission work in the U.S. and an increase in battery energy storage system work, partially offset by a decreased volume of telecommunications and gas distribution work

New awards higher by **\$290M**, or **7%**, year-over-year

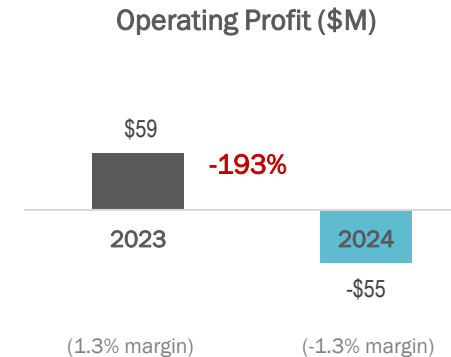
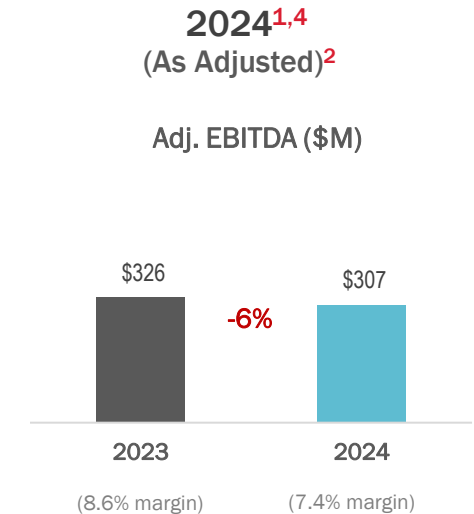
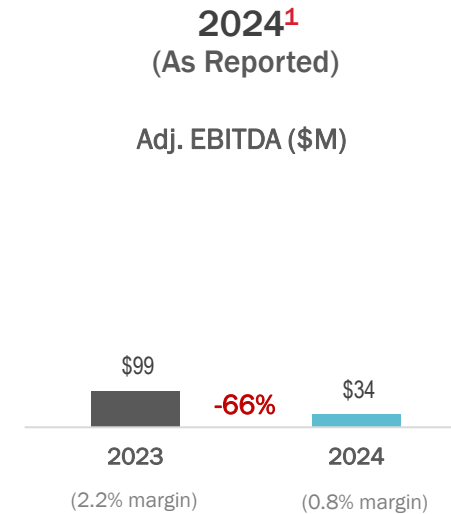


Construction 2024 Results (continued)

Adjusted EBITDA² down by **\$65M** year-over-year

Operating Profit down by **\$114M** year-over-year

- ▼ Negative gross profit from the four fixed price legacy projects of \$273 million in 2024 compared to negative gross profit of \$215 million in 2023 for a net negative year-over-year impact on operating profit and adjusted EBITDA of \$58 million³
- ▼ Lower gross profit margin in civil operations and urban transportation solutions
- ▲ Higher volume and gross profit margin in nuclear
- ▲ Higher gross profit margin in industrial operations
- ▼ Increase in acquisition-related transaction costs (\$10 million largely in utilities) and increase in amortization expense related to acquisition-related intangible assets from the Xtreme, Ainsworth Power Construction, and United transactions in 2024 (\$5 million)
- ▼ Decrease in other income (\$10 million) driven by lower gains on sale of property, buildings, and equipment (primarily in utilities)



Concessions 2024 Results

Revenue down by **\$61M**, or **84%**, year-over-year

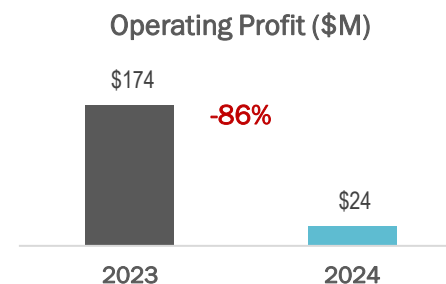
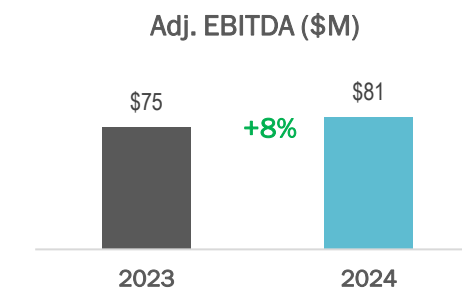
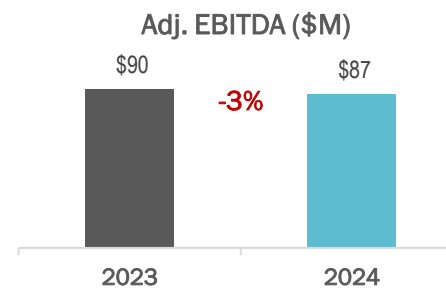
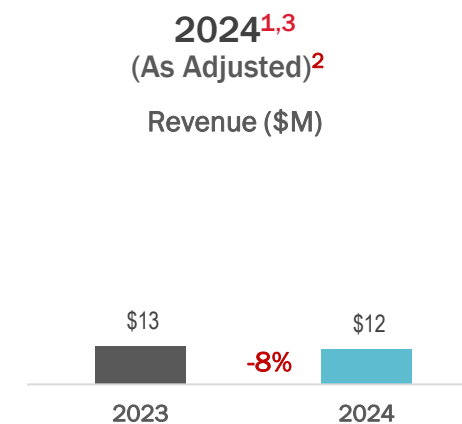
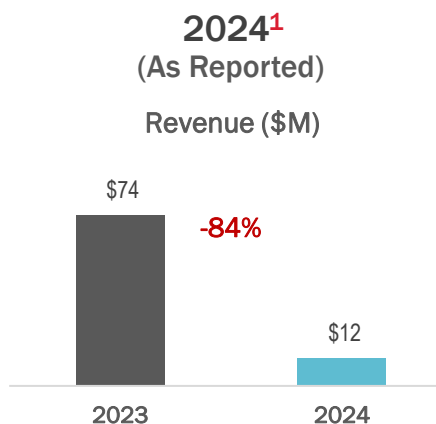
The decrease was primarily due to lower reported revenue from Skyport as a result of the commencement of the equity method of accounting for the Company's retained 50.1% interest in Skyport following the above noted sale of a 49.9% interest in Skyport in the third quarter of 2023

Adjusted EBITDA² down by **\$3M**, or **3%**, year-over-year and

Operating Profit down by **\$150M**, or **86%**, year-over-year

The lower operating profit was primarily due to gains related to a sale in the third quarter of 2023 of a 49.9% interest in the Bermuda International Airport concessionaire which resulted in a year-over-year decrease in gains on sale of \$133 million

In the balance of the Concessions segment, operating profit in 2024 decreased by \$17 million. The ongoing operations at Skyport was negatively impacted by a 49.9% reduction in Aecon's ownership interest in Skyport and from the use of the equity method of accounting in 2024 where operating results for Aecon's interest in Skyport are reported net of financing costs and income taxes. These unfavourable impacts were partially offset by one-time recoveries in Skyport in 2024 of \$5.9 million



Q4 2024 Financial Results (As Adjusted)

\$ Millions	Three Months Ended			Twelve Months Ended		
	Dec 31			Dec 31		
	2024	2023	Change ²	2024	2023	Change ²
Revenue	1,267	1,130	▲ 12%	4,243	4,644	▼ 9%
Legacy Projects	(52)	(123)		(82)	(723)	
Divestiture Impacts ¹	-	-		-	(112)	
Revenue (As Adjusted)³	1,215	1,007	▲ 21%	4,161	3,809	▲ 9%
Adjusted EBITDA³	76.3	70.2	▲ 9%	82.6	143.5	▼ 42%
Legacy Projects Loss / (Profit)	35.8	40.0		272.8	215.2	
Divestiture Impacts ¹	-	-		(5.9)	(3.4)	
Adjusted EBITDA (As Adjusted)³	112.1	110.2	▲ 2%	349.4	355.3	▼ 2%
Margin % ⁴	9.2%	10.9%	▼ 171 bps	8.4%	9.3%	▼ 93 bps
Additional Information:						
<u>Construction (As Adjusted)⁵</u>						
Revenue ³	1,200	1,004	▲ 20%	4,138	3,798	▲ 9%
Adjusted EBITDA ³	100.8	105.0	▼ 4%	307.0	326.1	▼ 6%
Margin % ⁴	8.4%	10.5%	▼ 206 bps	7.4%	8.6%	▼ 117 bps
<u>Concessions (As Adjusted)⁵</u>						
Revenue ³	4.2	3.0	▲ 42%	12.0	13.0	▼ 8%
Adjusted EBITDA ³	17.4	19.7	▼ 12%	80.9	74.9	▲ 8%
Corporate Adjusted EBITDA³	(6.1)	(14.5)	▲ 58%	(38.5)	(45.8)	▲ 16%

¹ Includes sale of Aecon Transportation East Business ("ATE") to Green Infrastructure Partners Inc. ("GIP"), which closed in Q2 2023 (May 1, 2023) and CC&L Infrastructure's acquisition of a 49.9% interest in the Bermuda Airport concessionaire, which closed in Q3 2023 (September 20, 2023). Aecon Concessions retains the management contract for the airport and joint control of Skyport with a 50.1% retained interest. In Q2 2024, one-time recoveries of \$5.9M related to the Bermuda Airport were recognized.

² bps = basis point.

³ This is a non-GAAP financial measure. Refer to page 2 in this presentation.

⁴ This is a non-GAAP financial ratio. Refer to page 2 in this presentation.

⁵ Refer to page 17 for further information and reconciliation.

Financial Position, Liquidity and Capital Resources

Balance Sheet (\$M)	
	December 31, 2024
Core Cash	123.3
Bank Indebtedness	(152.8)
Cash in Joint Operations	314.8
Total Cash	285.3
Net Working Capital ³	76.5
Long-Term Debt ¹	
- Finance Leases	124.6
- Equipment & Other Asset Loans	27.0
LT Debt ¹	151.6
Total LT Debt ¹	151.6
Net Debt ²	181.1
Long-Term Debt to 2024 Adjusted EBITDA ^{2,8}	1.8x
Net Debt to 2024 Adjusted EBITDA ^{1,2,8}	2.2x
Debt (excluding Preferred Shares of Aecon Utilities) to capitalization percentage ⁴	12%

Free Cash Flow (\$M)		
	2024	2023
Operating Profit	(60.1)	240.9
Depreciation and amortization	87.8	79.0
(Gain) on sale of assets	(33.9)	(222.3)
Costs related to business acquisitions	9.9	0.0
Income from projects accounted for using the equity method	(21.2)	(18.8)
Equity Project EBITDA ⁸	100.0	64.5
Adjusted EBITDA⁸	82.6	143.4
Cash Interest Expense (net)	(14.1)	(51.1)
Capital Expenditures (net of disposals)	(23.6)	47.1
Income Taxes Paid	(52.0)	(38.7)
Change in Working Capital	80.9	25.0
Net JV Impact ⁵	(78.9)	(50.6)
Non-cash items in Adjusted EBITDA	33.4	48.2
Free Cash Flow^{6,7}	28.3	123.3
Cash Flow From Operations	7.6	51.1
Cash Flow From Investing Activities	(159.6)	360.8
Cash Flow From Operations & Investing Activities	(152.0)	411.8

- No debt or working capital credit facility maturities until 2027, except equipment and property loans and leases in the normal course

¹ Excludes Preferred Shares of Aecon Utilities.

² Net debt calculated as long-term debt plus bank indebtedness less core cash. Net debt-to-Adjusted EBITDA ratio is a measurement that Management believes is commonly used by the investment community to assess the Company's debt leverage and liquidity.

³ 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 15 in this presentation for the composition of Net Working Capital and a quantitative reconciliation to the most comparable financial measure.

⁴ 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 \$151.6 million divided by capitalization of \$1,268.0 million, which is comprised of shareholders' equity of \$1,116.4 million (including \$160.3 million for Preferred Shares of Aecon Utilities) plus debt of \$151.6 million, to equal 12%.

⁵ Net JV Impact represents the difference between Equity Project EBITDA included in Adjusted EBITDA (Equity Project EBITDA as defined in the December 31, 2024 MD&A) and distributions from projects accounted for using the equity method.

⁶ Excludes \$17.4 million incremental proceeds on minority sale of Bermuda Airport and sale of ATE in 2024 and \$317.6 million net proceeds on minority sale of Bermuda Airport and sale of ATE in 2023. Excludes \$174.5 million outflow (net of cash acquired) in 2024 related to strategic business acquisitions.

⁷ 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 15 in this presentation for a quantitative reconciliation to the most comparable financial measure, being Cash Flow From Operations & Investing Activities.

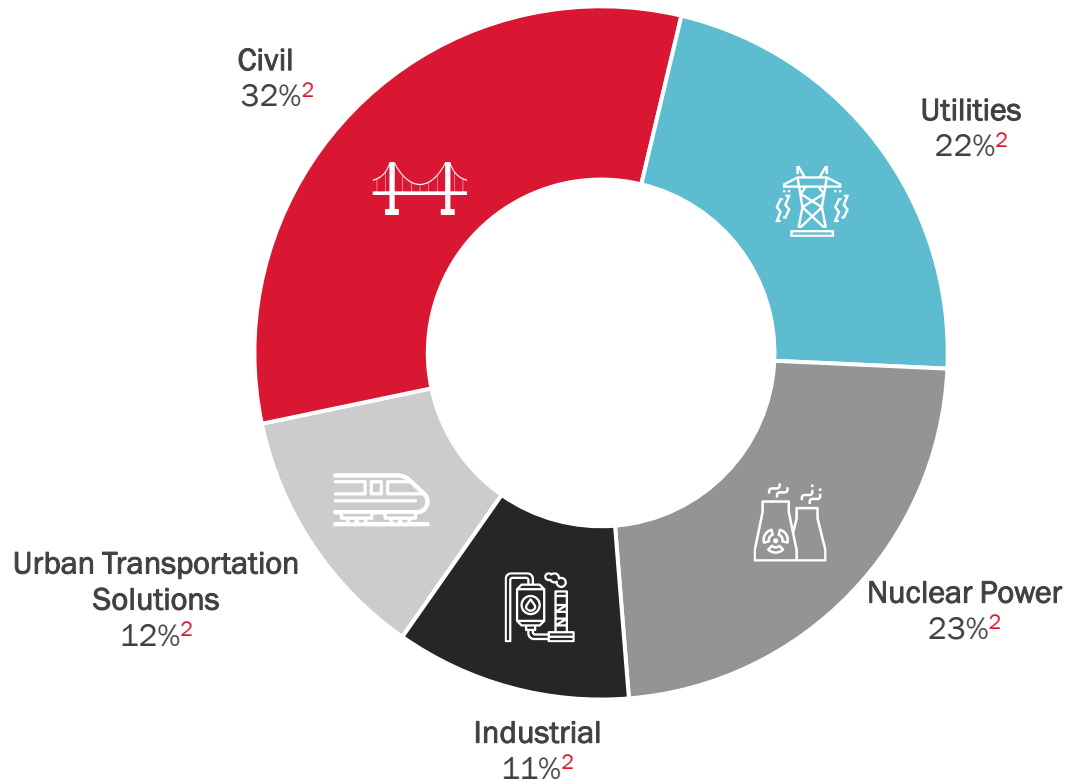
⁸ This is a non-GAAP financial measure or non-GAAP ratio. Refer to page 2 in this presentation.

Diverse Business Model

Construction

2024 Revenue (As Adjusted)
2024 Adj. EBITDA (As Adjusted)

\$4,138 M^{1,6,7}
\$307 M^{1,6,7}



Concessions

2024 Revenue (As Adjusted)
2024 Adj. EBITDA (As Adjusted)

\$12 M^{1,6,7}
\$81 M^{1,6,7}

	BERMUDA INTERNATIONAL AIRPORT	50.1% ^{3,4}
	U.S. VIRGIN ISLANDS AIRPORTS ST. THOMAS & ST. CROIX	50.0% ⁵
	FINCH WEST LRT	33.3% ³
	GO RAIL NETWORK ON-CORRIDOR	28.0% ³
	EGLINTON LRT	25.0% ³
	GORDIE HOWE INTERNATIONAL BRIDGE	20.0% ³
	WATERLOO LRT	10.0% ³
	ONEIDA ENERGY STORAGE L.P.	8.35% ³

¹ Before corporate costs and eliminations.

² % of 2024 Construction revenue (As Adjusted).

³ % of Aecon equity ownership in Infrastructure Project Companies and Operators.

⁴ Aecon Concessions retains the management contract for the airport and joint control of Skyport with a 50.1% retained interest.

⁵ Aecon Concessions is the development lead and will hold a 50% equity interest in the project's 40-year concession, and Aecon is the design-build lead.

⁶ This is a non-GAAP financial measure. Refer to page 2 in this presentation.

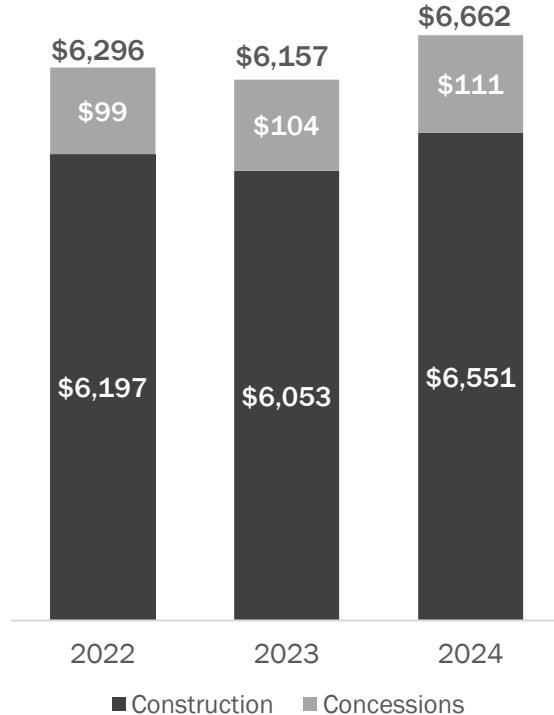
⁷ Excludes impacts of legacy projects and divestitures. Refer to page 17 for further information and reconciliation.

Solid Backlog & Recurring Revenue Profile

Reported backlog excludes collaborative and progressive design projects currently under development¹

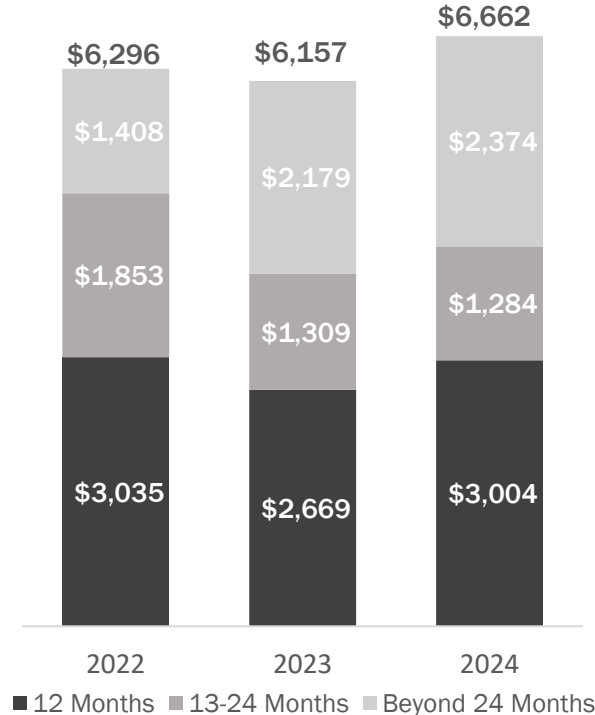
Total Backlog³ (\$M)

At December 31

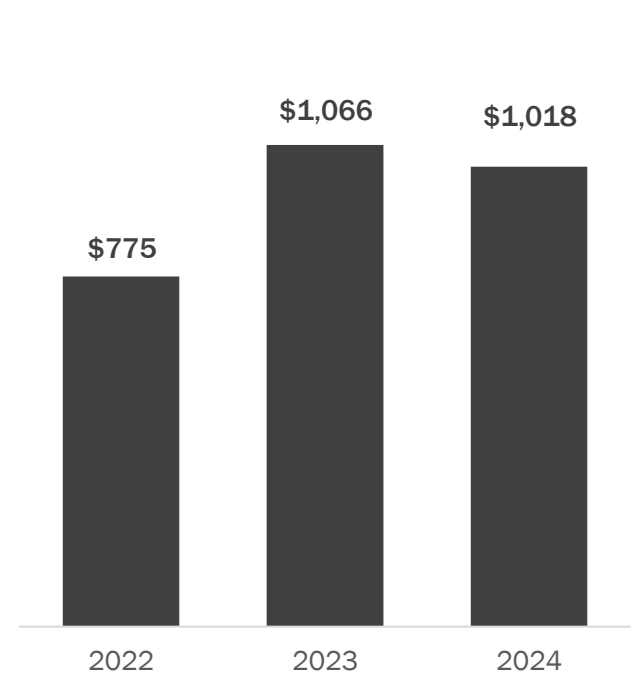


Backlog Duration (\$M)

At December 31



Recurring Revenue⁴ (As Adjusted) (\$M)



Backlog Contract Type At December 31, 2024

2024 Revenue²

¹ These projects were awarded in a collaborative model and are currently in the development and alliance phases. Further detail on these projects is provided on page 11..

² 2024 Revenue contract mix reflects inclusion of recurring revenue (Cost Plus/Unit Price) and timing of backlog work off.

³ This is a non-GAAP financial measure. Refer to page 2 in this presentation.

⁴ Recurring revenue (as adjusted for the impacts from the sale of ATE and 49.9% stake in Skyport). Adjustment to 2022 of -\$121M, to 2023 of -\$68M and to 2024 of \$nil.

De-Risking Business Through Collaborative Models

Collaborative projects currently in development phases present significant opportunities for long term growth¹

Darlington New Nuclear Project (DNNP) Small Modular Reactor

Total Capital Cost Under Development

Integrated Project Delivery (IPD)

Aecon, GE Hitachi and AtkinsRéalis 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.

Cyril E. King and Henry E. Rohlsen Airports in U.S. Virgin Islands

Total Capital Cost Under Development

Collaborative Design, Build, Finance, Operate & Maintain

SkyCity, an Aecon-led consortium, was selected to redevelop the Cyril E. King Airport in St. Thomas and the Henry E. Rohlsen Airport in St. Croix.

Aecon will have 50% share in the design-build JV with J. Benton and 50% equity interest in the 40-year concession with Tikehau Star Infra.

Contrecoeur Terminal Expansion Project

Total Capital Cost Under Development

Progressive Design-Build

Contrecoeur Terminal Constructors General Partnership, comprised of Aecon (40%) and Pomerleau (60%), executed a contract for the design of the in-water works for the Contrecoeur Terminal Expansion project in Quebec.

GO Rail Expansion On-Corridor (OnCorr) Works Project

Total Capital Cost Under Development

Progressive Design, Build, Operate & Maintain

ONxpress Transportation Partners (ONxpress) selected to design, build, operate and maintain the GO Expansion OnCorr Works project in Ontario. ONxpress consortium comprised of Aecon, FCC, Deutsche Bahn and Alstom.

O&M partnership anticipated to commence in 2025

Winnipeg North End Sewage Treatment Plant Biosolids Facilities Upgrade project

Total Capital Cost Under Development

Progressive Design-Build

Red River Biosolids Partners GP, a consortium comprised of Aecon, Oscar Renda and MWH Constructors, in which Aecon is the lead partner and holds a 33.3% interest, has executed a contract to deliver the Winnipeg North End Sewage Treatment Plant Biosolids Facilities Upgrade project.

Howard A. Hanson Dam Additional Water Storage Fish Passage Facility

Total Capital Cost Under Development

Integrated Design and Construction

Flatiron-Aecon Joint Venture, a consortium between Aecon and Flatiron Construction in which Aecon holds a 40% interest, executed a contract with U.S. Army Corps of Engineers to deliver the Howard A. Hanson Dam Additional Water Storage Fish Passage Facility in Ravensdale, Washington State.

Scarborough Subway Extension Stations, Rail and System (SRS)

\$2.8B

Target Price Contract

The Scarborough Transit Connect (STC) is a 50/50 consortium between Aecon and FCC Canada Limited. The project will extend the TTC's Line 2 subway service nearly eight kilometers farther from the existing Kennedy Station northeast to McCowan Road and Sheppard Avenue.

- Contract signed on January 28, 2025
- \$2.8B added to backlog in Q1 2025

¹ Projects would be added to backlog following completion of successful development phases over one to two years.

Outlook

- Revenue in 2025 is expected to be stronger than 2024 due to an opening backlog of \$6.7 billion combined with recent new awards in the first quarter, the impact of business acquisitions completed in the second half of 2024, solid recurring revenue, and a strong bid pipeline.
- Revenue growth is expected in most of the Construction sectors, as progressive design-build or alliance model projects move into the construction phase in 2025 and 2026.
- In the Construction segment, demand for Aecon's services across Canada, as well as increasingly in select U.S. and international markets, continues to be strong. Development phase work is ongoing in consortiums in which Aecon is a participant to deliver several significant long-term progressive design-build projects of various sizes. In the first quarter of 2025, an Aecon-led consortium completed the collaborative development phase and reached commercial close on the Scarborough Subway Extension progressive design-build transit project. The implementation phase of the project will now commence under a target price contract. Aecon's share of the contract is valued at \$2.8 billion and will be added to its Construction segment backlog in the first quarter of 2025 and will no longer be in recurring revenue. As well, other projects currently being delivered using progressive design-build or alliance models and projects are also expected to move into construction in 2025 and 2026. In addition, Aecon and its consortium partner were recently awarded a collaborative contract by Ontario Power Generation which includes the definition phase work for the retube, feeder and boiler replacement of Units 5, 6, 7 and 8 at the Pickering Nuclear Generating Station in Ontario. Aecon holds a 50% interest in this joint operation and its share of the approximately \$1.1 billion early works portion of the contract was added to its Construction segment backlog in the fourth quarter of 2024. The remaining definition portion of the contract is valued at approximately \$1 billion, and Aecon will add its share to backlog in the first quarter of 2025.
- In the Concessions segment, there are several 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, as well as private sector development expertise and investment to support aging infrastructure, mobility, connectivity, and population growth. An Aecon-led consortium that was selected by the U.S. Virgin Islands Port Authority to redevelop the Cyril E. King Airport in St. Thomas and the Henry E. Rohlsen Airport in St. Croix under a collaborative Design, Build, Finance, Operate, and Maintain Public-Private Partnership model is expected to reach financial close in 2025.
- Results in recent years were negatively impacted by the four legacy projects, however, the recent Coastal GasLink Pipeline settlement along with the additional write-downs on the fixed price legacy projects in 2024 are anticipated to lead to improved profitability and margin predictability, especially as the remaining three projects move closer to substantial completion. Until the remaining three projects are complete and the related claims have been resolved, there is a risk that this could also occur in future periods – see Section 5 “Recent Developments”, Section 10.2 “Contingencies”, and Section 13 “Risk Factors” in the December 31, 2024 MD&A regarding the risk on certain large fixed price legacy projects entered into in 2018 or earlier by joint operations in which Aecon is a participant. As such, the completion and satisfactory resolution of claims on the remaining three legacy projects with the respective clients remains a critical focus for the Company and its partners. Management will also be monitoring the impact of announced or threatened tariffs or non-tariff measures on the Company's operations. The introduction of these measures could cause increased purchased material costs and/or reduced availability.
- Aecon plans to maintain a disciplined capital allocation approach focused on long-term shareholder value through acquisitions and divestitures, organic growth, dividends, capital investments, and common share buybacks on an opportunistic basis. Aecon is also focused on making strategic investments in its operations to support access and entry into new markets and increase operational effectiveness. Capital expenditures in 2025 are expected to be modestly higher than in 2024. The Company has no debt or working capital credit facility maturities until 2027, except equipment loans and leases in the normal course.

2024 Full Year Highlights

ONE LEGACY PROJECT SETTLED, WITH PROGRESS MADE ON THE REMAINING THREE LEGACY PROJECTS

- The recent Coastal GasLink Pipeline settlement along with the additional write-downs on the fixed price legacy projects in 2024 are anticipated to lead to improved profitability and margin predictability
- The three legacy projects represent 2% of backlog¹ at December 31, 2024 compared to 5% of backlog¹ at December 31, 2023

FURTHER DE-RISKED BY ADDING NEW COLLABORATIVE PROJECTS AND ADVANCING ONE INTO BACKLOG

- Secured several collaborative projects (under progressive-design-build or alliance models) in 2024
- The Scarborough Subway Extension project has finished the collaborative development phase, and the implementation phase will now begin

COMPLETION OF STRATEGIC ACQUISITIONS IN CORE MARKETS

- Aecon completed three strategic acquisitions, enhancing its position to harness significant opportunities across North America in the utilities, nuclear and conventional power sectors
 - Xtreme Powerline
 - Ainsworth Power Construction
 - United Engineers & Constructors

¹ This is a non-GAAP financial measure. Refer to page 2 in this presentation.



APPENDIX

Non-GAAP Measures Quantitative Reconciliation

Net Working Capital Reconciliation (\$M)	
	Dec 31, 2024
Trade and Other Receivables	897.3
Unbilled Revenue	743.2
Inventories	21.5
Prepaid Expenses	91.9
Less	
Trade and Other Payables	1,060.4
Provisions	21.6
Deferred Revenue	595.5
Net Working Capital	76.5

Equity Project EBITDA Reconciliation (\$M)		
	2024	2023
Profit of projects accounted for using the equity method	84.6	60.5
Costs accounted for using the equity method	15.4	4.0
Equity Project EBITDA	100.0	64.5

Free Cash Flow Reconciliation (\$M) ²		
	2024	2023
Profit (loss) Before Income Taxes	(76.5)	177.5
Finance cost	25.1	71.0
Finance income	(8.6)	(7.7)
Operating Profit	(60.1)	240.9
Depreciation and amortization	87.8	79.0
Gain on sale of assets	(33.9)	(222.3)
Costs related to business acquisitions	9.9	0.0
Income from projects accounted for using the equity method	(21.2)	(18.8)
Equity Project EBITDA ¹	100.0	64.5
Adjusted EBITDA¹	82.6	143.4
Cash interest paid	(22.7)	(58.7)
Cash interest received	8.6	7.6
Purchase of property, plant and equipment	(51.7)	(18.5)
Proceeds on sale of property, plant and equipment	29.6	71.1
Increase in intangible assets	(1.5)	(5.5)
Income taxes paid	(52.0)	(38.7)
Non-cash items in Adjusted EBITDA	33.4	48.2
Free Cash Flow before working capital and net JV Impact	26.3	148.9
Change in other balances related to operations	80.9	25.0
Equity Project EBITDA ¹	(100.0)	(64.5)
Distributions from projects accounted for using the equity method	21.1	13.9
Free Cash Flow	28.3	123.3

Cash Flow From Operations & Investing Reconciliation (\$M) ²		
	2024	2023
Free Cash Flow	28.3	123.3
Stock-based compensation settlements and receipts	(12.9)	(5.3)
Decrease in restricted cash balances	0.0	2.0
Decrease (Increase) in long-term financial assets	0.2	(19.1)
Proceeds on sale of a subsidiary, net of cash on hand	17.4	317.6
Net cash outflow on acquisition of a business	(174.5)	(0.7)
Costs related to business acquisitions	(9.9)	0.0
Provision for expected credit losses	0.6	0.4
Difference between cash interest and interest expense excl. notional interest & gain on fair value of pref. shares	(0.2)	(5.2)
Other	(0.9)	(1.2)
Total Reconciling Items	(180.3)	288.5
Cash Flow from Operations	7.6	51.1
Cash Flow from Investing Activities	(159.6)	360.8
Cash Flow from Operations & Investing Activities	(152.0)	411.8

Non-cash items in Adjusted EBITDA		
	2024	2023
Defined Benefit pension	(0.9)	(0.9)
Concession deferred revenue	0.0	(3.0)
Unrealized foreign exchange (gain)	(7.2)	(3.4)
Increase in provisions	16.9	32.4
Stock-based compensation expense	24.6	23.1
Non-cash items in Adjusted EBITDA	33.4	48.2

Non-GAAP Measures Quantitative Reconciliation (cont'd)

Adjusted Profit Attributable to Shareholders (\$M) ¹ and Adjusted Earnings Per Share ¹ Reconciliation		
	Q4 2024	Q4 2023
Profit attributable to shareholders	14.0	9.7
Unrealized (gain) on derivative financial instruments	(4.3)	(2.9)
Amortization of acquisition related intangible assets	3.1	0.4
Costs related to related to business acquisitions ²	4.3	-
Income tax effect of the above items	(0.8)	0.7
Adjusted profit attributable to shareholders¹	16.3	7.8
Adjusted earnings per share - basic ¹	0.26	0.13
Adjusted earnings per share - diluted ¹	0.25	0.12

Adjusted EBITDA Reconciliation (\$M) ¹				
	Q4 2024	Q4 2023	2024	2023
Operating Profit (loss)	29.6	39.6	(60.1)	240.9
Depreciation and amortization	26.2	14.6	87.8	79.0
(Gain) loss on sale of assets	(1.7)	(1.9)	(33.9)	(222.3)
Costs related to business acquisitions ²	4.3	0.0	9.9	0.0
(Income) from projects accounted for using the equity method	(1.6)	(5.5)	(21.2)	(18.8)
Equity Project EBITDA ¹	19.6	23.4	100.0	64.5
Adjusted EBITDA¹	76.3	70.2	82.6	143.4

¹ This is a non-GAAP financial measure. Refer to page 2 in this presentation.

² Costs related to business acquisitions includes costs related to advisory, legal and other transaction fees; changes in the fair value of contingent consideration; and contingent consideration classified as compensation per IFRS.

Non-GAAP Measures Quantitative Reconciliation (cont'd)

\$ Millions	Three Months Ended			Twelve Months Ended		
	Dec 31			Dec 31		
Consolidated	2024	2023	Change ³	2024	2023	Change ³
Revenue	1,267	1,130	▲ 12%	4,243	4,644	▼ 9%
Legacy Projects	(52)	(123)		(82)	(723)	
Divestiture Impacts ^{1,2}	-	-		-	(112)	
Revenue (As Adjusted)⁴	1,215	1,007	▲ 21%	4,161	3,809	▲ 9%
Adjusted EBITDA⁴	76.3	70.2	▲ 9%	82.6	143.5	▼ 42%
Legacy Projects Loss / (Profit)	35.8	40.0		272.8	215.2	
Divestiture Impacts ^{1,2}	-	-		(5.9)	(3.4)	
Adjusted EBITDA (as Adjusted)⁴	112.1	110.2	▲ 2%	349.4	355.3	▼ 2%
Margin % ⁷	9.2%	10.9%	▼ 171 bps	8.4%	9.3%	▼ 93 bps
Construction						
Revenue	1,253	1,127	▲ 11%	4,220	4,573	▼ 8%
Legacy Projects	(52)	(123)		(82)	(723)	
Divestiture Impacts ¹	-	-		-	(51)	
Revenue (As Adjusted)⁴	1,200	1,004	▲ 20%	4,138	3,798	▲ 9%
Adjusted EBITDA⁴	65.0	65.0	▼ 0%	34.2	99.4	▼ 66%
Legacy Projects Loss / (Profit)	35.8	40.0		272.8	215.2	
Divestiture Impacts ¹	-	-		-	11.5	
Adjusted EBITDA (As Adjusted)⁴	100.8	105.0	▼ 4%	307.0	326.1	▼ 6%
Margin % ⁵	8.4%	10.5%	▼ 206 bps	7.4%	8.6%	▼ 117 bps
Concessions						
Revenue	4	3	▲ 42%	12	74	▼ 84%
Divestiture Impacts ²	-	-		-	(61)	
Revenue (As Adjusted)⁴	4	3	▲ 42%	12	13	▼ 8%
Adjusted EBITDA⁴	17.4	19.7	▼ 12%	86.8	89.8	▼ 3%
Divestiture Impacts ²	-	-		(5.9)	(14.9)	
Adjusted EBITDA (As Adjusted)⁴	17.4	19.7	▼ 12%	80.9	74.9	▲ 8%
Corporate Adjusted EBITDA⁴	(6.1)	(14.5)	▲ 58%	(38.5)	(45.8)	▲ 16%

¹ 100% sale of Aecon Transportation East Business ("ATE") to Green Infrastructure Partners Inc. ("GIP"), which closed in Q2 2023 (May 1, 2023).

² CC&L Infrastructure acquired a 49.9% interest in the Bermuda Airport concessionaire, which closed in Q3 2023 (September 20, 2023). Aecon Concessions retains the management contract for the airport and joint control of Skyport with a 50.1% retained interest. In Q2 2024, one-time recoveries of \$5.9M related to the Bermuda Airport were recognized.

³ bps = basis point.

⁴ This is a non-GAAP financial measure. Refer to page 2 in this presentation.

⁵ This is a non-GAAP financial ratio. Refer to page 2 in this presentation.



ADAM BORGATTI

Senior Vice President

Corporate Development & Investor Relations

aborgatti@aecon.com

–

STEVEN HONG

Director

Corporate Development & Investor Relations

shong@aecon.com

–

MIKE SCOTCHER

Senior Manager

Corporate Development & Investor Relations

mscotcher@aecon.com

–

INVESTOR RELATIONS

416.297.2600 | ir@aecon.com



VANCOUVER

1055 Dunsmuir Street, Suite 2124

Vancouver, BC V7X 1G4

–

CALGARY

28 Quarry Park Blvd SE, Suite 310

Calgary, AB T2C 5P9

–

TORONTO

20 Carlson Court, Suite 105

Toronto, ON M9W 7K6

–

MONTREAL

2015 Peel Street, Suite 600

Montreal, QC H3A 1T8



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