



FY24 Q3 EARNINGS CALL

SAFE HARBOR

This presentation contains certain forward-looking statements concerning Matrix Service Company's operations, economic performance and management's best judgment as to what may occur in the future. The actual results for the current and future periods and other corporate developments will depend upon a number of economic, competitive and other influences, many of which are beyond the control of the Company, and any one of which, or a combination of which, could materially affect the results of the Company's operations. Such forward-looking statements are subject to a number of risks and uncertainties as identified in the Company's most recent Annual Report on Form 10-K and in subsequent filings made by the Company with the SEC. To the extent the Company utilizes non-GAAP measures, reconciliations will be provided in various press releases and on the Company's website.



INVESTOR CONFERENCES AND CORPORATE ACCESS OPPORTUNITIES

JUNE 4 – 5, 2024

Stifel Cross Sector Insights Conference,
Boston, Massachusetts

CONTACT

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Text or Dial 988

**FOR IMMEDIATE SUPPORT FOR:
Suicide Intervention and Crisis Support,
Mental Health Crisis, Substance Use
Crises and Emotional Distress**

Dial 911

**FOR FIRST-RESPONDER DISPATCH FOR:
Medical Emergencies, Fires, or to
Report a Crime, Disaster Response,
or Life-threatening Situation**

Dial 211

**FOR HELP FINDING COMMUNITY RESOURCES,
INFORMATION AND REFERRALS FOR:
Essential needs like Food, Housing and
Shelter, Utility Assistance, Healthcare
Services, and Government Services**

OPENING REMARKS

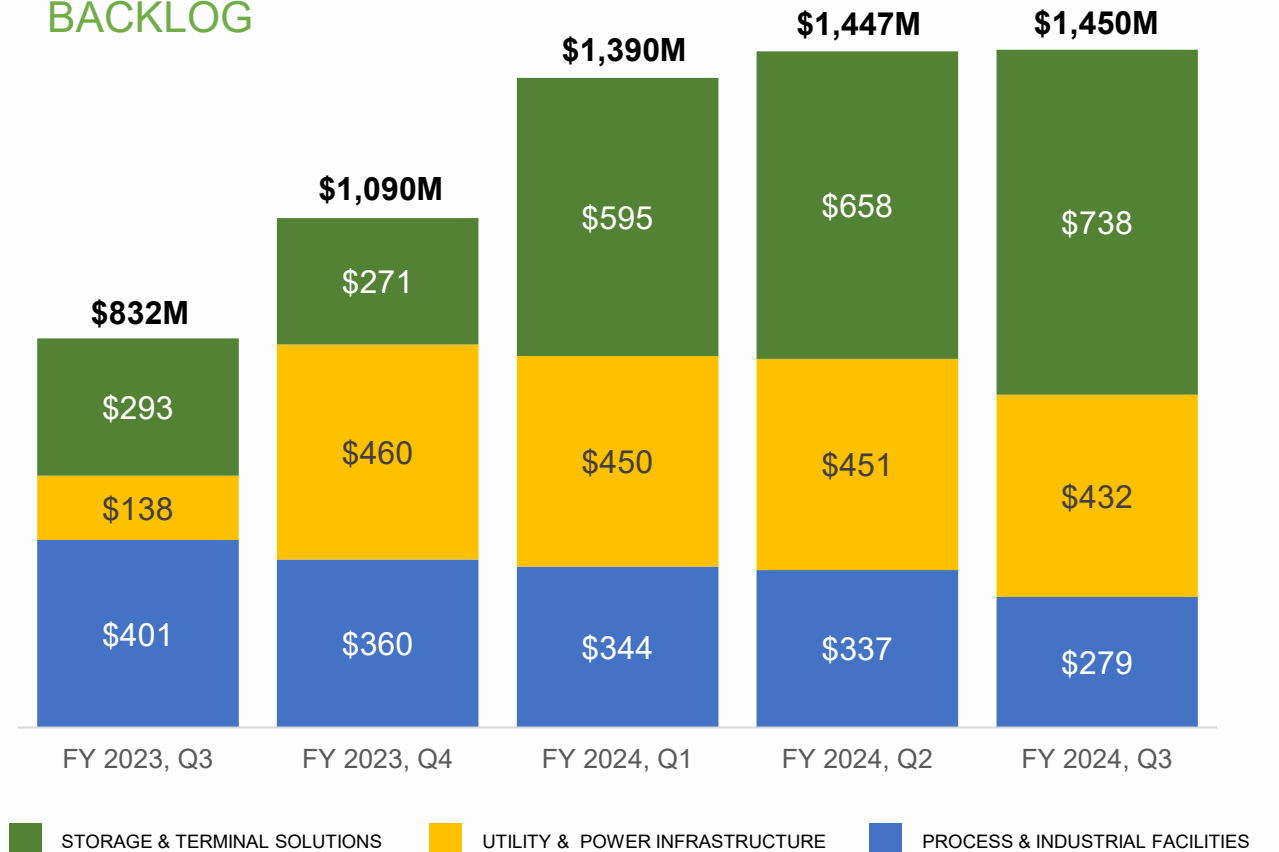
FISCAL 2024, Q3 OUTCOMES	STRATEGIC ROADMAP
<p>STRENGTHS:</p> <ul style="list-style-type: none">• Continued backlog strength• Global megatrends supporting long runway and a multi-billion-dollar opportunity pipeline• Strong, high quality project awards and consistent book-to-bill at or above 1.0x• Strong project execution enterprise-wide• Net cash positive position with no outstanding debt <p>CHALLENGES:</p> <ul style="list-style-type: none">• Timing and cadence of revenue growth related to project starts• Softness in power delivery and flat bottom tank end-markets• Client changes to contracted refinery services	<p>COMMERCIAL GROWTH: Leverage global megatrends to achieve organic and inorganic growth with a focus on higher value projects supporting:</p> <ul style="list-style-type: none">• Traditional, transitional, and emerging energy industry storage and terminal solutions, and processing• Utility and power peak shavers• Electrical infrastructure including substations, transmission and distribution driven by aging infrastructure, data center demand, and renewable connectivity• Industrial infrastructure investments <p>OPERATIONAL EXCELLENCE: Produce consistent high-quality outcomes through project execution processes and a skilled workforce; improve cost absorption; continue to attract, develop, and retain best-in-class employees; continuously improve strong safety and quality culture</p> <p>CAPITAL ALLOCATION: Pursue a returns-focused capital allocation strategy leveraging consistent profitability to drive organic and inorganic growth, together with return of capital to shareholders</p>

PROJECT AWARDS AND BACKLOG

PROJECT AWARDS

	FY 2023, Q3		FY 2024, Q3	
	AWARDS	BOOK TO BILL	AWARDS	BOOK TO BILL
STORAGE & TERMINAL SOLUTIONS	\$66M	1.3x	\$135M	2.5x
UTILITY & POWER INFRASTRUCTURE	\$26M	0.7x	\$27M	0.6x
PROCESS & INDUSTRIAL FACILITIES	\$218M	2.2x	\$25M	0.4x
TOTAL	\$309M	1.7x	\$187M	1.1x

BACKLOG



\$1.45 billion in backlog represents an all-time company high. Strong growth in our core markets and strategic focus areas with additional opportunities for further backlog build.

QUARTERLY RESULTS | CONSOLIDATED

<i>(In thousands except %)</i>	FY2024, Q3	FY2023, Q3	TTM 3Q24	TTM 3Q23
Revenue	\$ 166,013	\$ 186,895	\$ 744,568	\$ 789,885
Gross Profit	5,578	4,419	42,721	16,983
Gross Margin	3.4%	2.4%	5.7%	2.2%
SG&A Expense	19,948	16,862	69,823	69,316
Operating Income (Loss)	(14,370)	(12,759)	(27,363)	(68,454)
Operating Income (Loss) %	(8.7%)	(6.8%)	(3.7%)	(8.7%)
Net Income (Loss)	(14,581)	(12,370)	(28,121)	(54,840)
Net Income (Loss) Per Share	\$ (0.53)	\$ (0.47)	\$ (0.76)	\$ (1.43)
Adjusted Net Income (Loss) Per Share	\$ (0.53)	\$ (0.46)	\$ (1.03)	\$ (1.88)
Adjusted EBITDA	\$ (9,815)	\$ (7,736)	\$ (7,965)	\$ (31,944)

- Consolidated revenues were impacted by timing of project awards and starts, as well as softness in the electrical and crude tank markets.
- Gross margin is impacted by under-recovery of overhead costs and reduced labor demand and turnaround services for a refinery maintenance contract.
- SG&A expense includes an additional \$2.5 million of stock compensation expense associated with increases in our stock price.

With our strong backlog, revenue and operating performance are poised to increase significantly.

QUARTERLY RESULTS | STORAGE & TERMINAL SOLUTIONS

<i>(In thousands except %)</i>	FY2024, Q3	FY2023, Q3	TTM 3Q24	TTM 3Q23
Revenue	\$ 54,304	\$ 52,165	\$ 270,887	\$ 251,882
Gross Profit (Loss)	2,313	(810)	11,171	8,880
Gross Margin	4.3%	(1.6%)	4.1%	3.5%
SG&A Expense	5,395	5,735	19,074	19,777
Operating Income (Loss)	(3,082)	(6,624)	(7,888)	(11,918)
Operating Income (Loss) %	(5.7%)	(12.7%)	(2.9%)	(4.7%)

- Revenue is expected to increase as we convert backlog for large specialty storage projects.
- Strong project execution produced high direct gross margins, offset by under recovery of construction overhead costs due to lower revenue.
- Additional resources allocated to support future growth.

Project execution has continued to strengthen as the year has progressed. The outlook is strong beginning in the fourth quarter as recent project awards continue to ramp, driving higher revenue and overhead recovery.

QUARTERLY RESULTS | UTILITY & POWER INFRASTRUCTURE

<i>(In thousands except %)</i>	FY2024, Q3	FY2023, Q3	TTM 3Q24	TTM 3Q23
Revenue	\$ 46,120	\$ 35,024	\$ 157,734	\$ 179,224
Gross Profit	1,409	2,790	10,291	5,433
Gross Margin	3.1%	8.0%	6.5%	3.0%
SG&A Expense	2,733	1,869	7,910	8,057
Operating Income (Loss)	(1,324)	921	2,381	(2,701)
Operating Income (Loss) %	(2.9%)	2.6%	1.5%	(1.5%)

- Segment revenue is beginning to benefit from LNG peak shaving projects.
- Good project execution for peak shavers was offset by softness in power delivery and under-recovery of construction overhead costs due to lower revenue. Additional resources have been allocated to this segment to support future growth.

Revenue improvement will continue with increased peak shaver work on existing and new projects, which will substantially reduce the negative impact of under-recovery of overhead costs.

QUARTERLY RESULTS | PROCESS & INDUSTRIAL FACILITIES

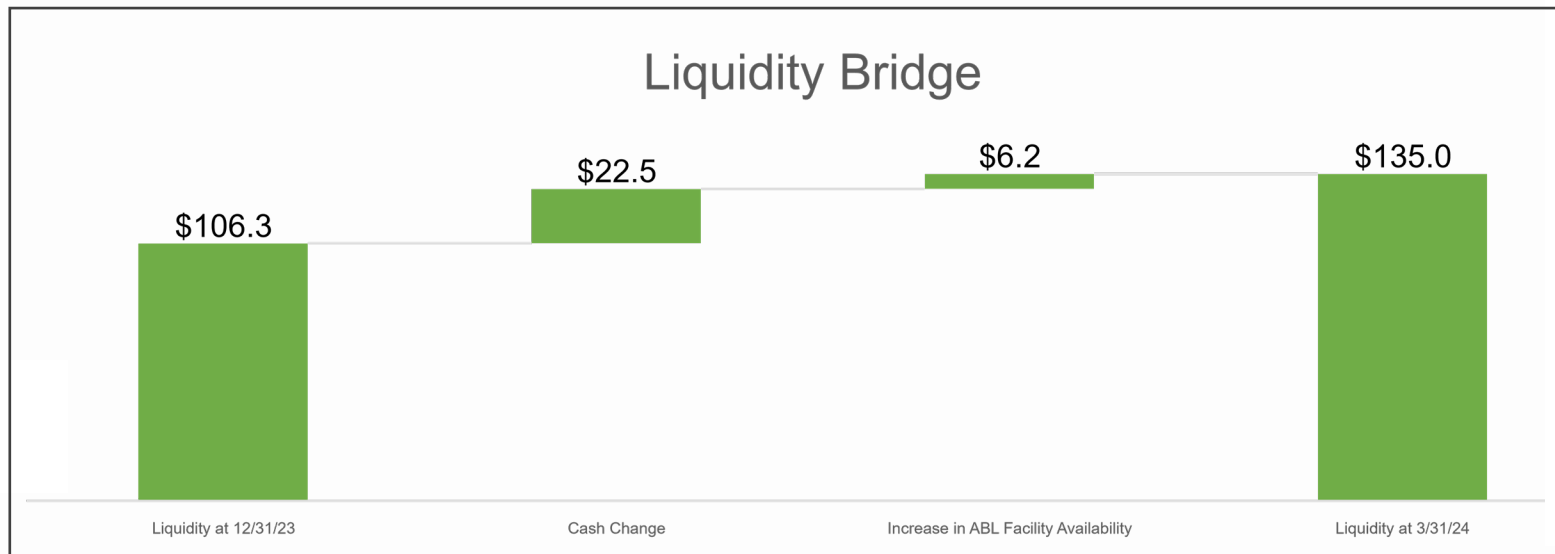
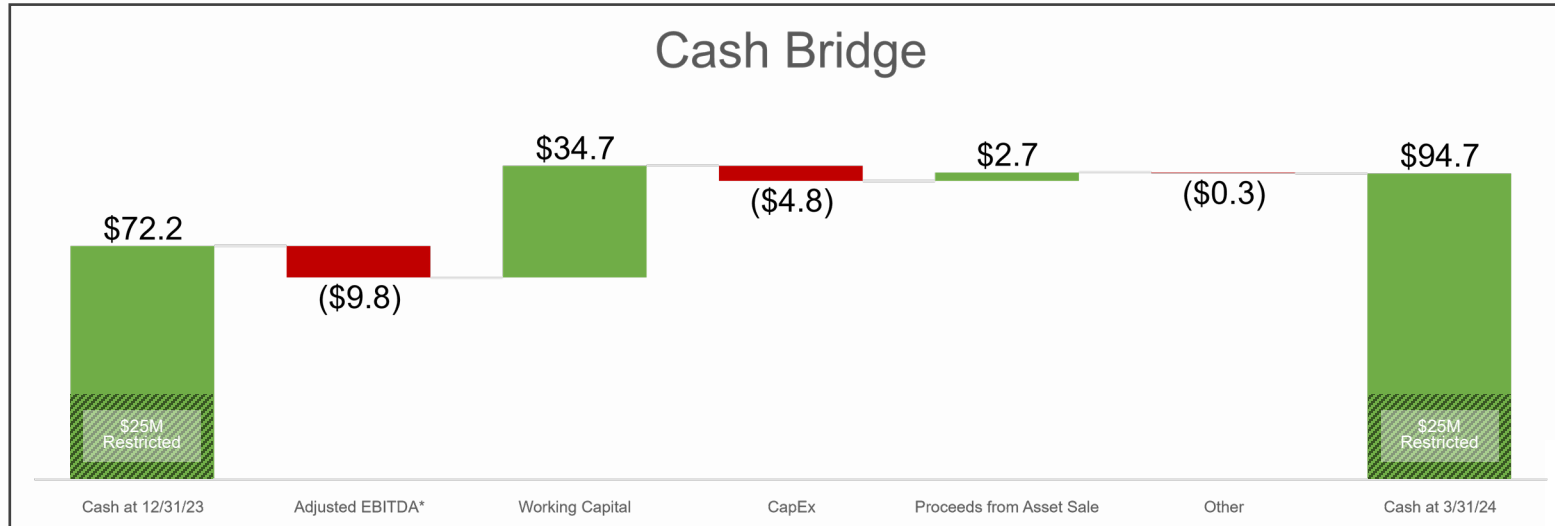
<i>(In thousands except %)</i>	FY 2024, Q3	FY2023, Q3	TTM 3Q24	TTM 3Q23
Revenue	\$ 65,589	\$ 99,706	\$ 314,714	\$ 358,779
Gross Profit	1,767	3,160	21,913	4,966
Gross Margin	2.7%	3.2%	7.0%	1.4%
SG&A Expense	2,590	3,556	11,484	15,062
Operating Income (Loss)	(823)	(502)	10,260	(23,243)
Operating Income (Loss) %	(1.3%)	(0.5%)	3.3%	(6.5%)

- Lower revenue compared to prior year is the result of the completion of a gas processing project, as well as reduced labor demand for a refinery maintenance contract.
- Current quarter gross margins were negatively impacted by a margin adjustment on a refinery maintenance contract.

Near term revenue is expected to decline as we complete a renewable fuels project. We expect improvement in this segment as we await the start of new projects both in backlog and in our opportunity pipeline.

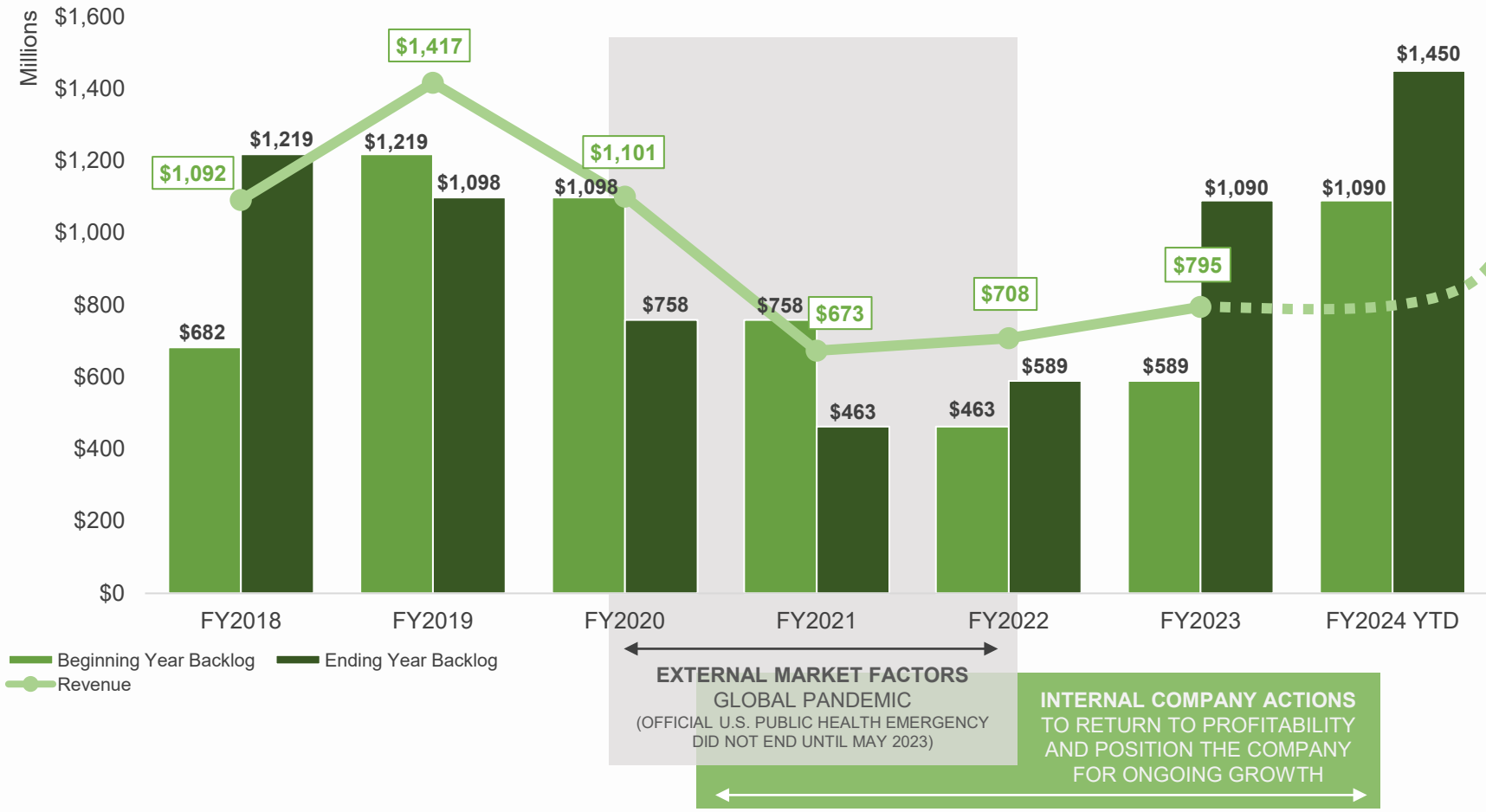
FISCAL YEAR 2024, Q3

(\$ in millions)



- Cash increased \$23 million during the quarter as operating activities produced \$25 million of cash.
- CapEx in the quarter included the purchase of a fabrication facility.
- Liquidity increased \$29 million in the quarter from the positive cash generation and increased borrowing availability.
- Improving cash flow and liquidity expected to continue during the fourth quarter of FY 2024.

OUR TURNAROUND STORY | BACKLOG AND REVENUE



Backlog has tripled since FY2021 with significant increases in multi-year project awards, especially in late FY2023 and early FY2024

- Projects allow for historic double-digit margins and full recovery of construction overhead costs

Significant revenue growth is expected as backlog transitions to field construction.

GLOBAL MEGATRENDS ARE DRIVING SIGNIFICANT INFRASTRUCTURE DEMAND PROVIDING LONG RUNWAY AND MULTI-BILLION DOLLAR PROJECT OPPORTUNITY PIPELINE

GLOBAL MEGATRENDS

LOW CARBON /
CLEAN ENERGY
TRANSITION

SYSTEM RELIABILITY
AND RESILIENCE


ENERGY
SUPPLY
ASSURANCE

GEOPOLITICAL
INSTABILITY

GLOBAL DEMAND
FOR LOW-COST
FEEDSTOCK

DRIVES SIGNIFICANT DEMAND FOR ENERGY AND INDUSTRIAL INFRASTRUCTURE

 LNG, NGLS, & AMMONIA

 OIL (MIDSTREAM AND DOWNSTREAM)

 UTILITY AND ELECTRICAL INFRASTRUCTURE

 HYDROGEN AND RENEWABLE FUELS

REQUIRES LEADING EXPERTISE IN CAPITAL PROJECTS, TURNAROUNDS, MAINTENANCE AND REPAIR SERVICES



STORAGE AND TERMINAL SOLUTIONS

STORAGE TANKS AND TERMINALS:

SPECIALTY VESSELS INCLUDING COMPLEX CRYOGENIC
INFRASTRUCTURE

ATMOSPHERIC STORAGE TANKS (FLAT BOTTOM)

MAINTENANCE AND UPGRADES

SPECIALTY TANK PRODUCTS



UTILITY AND POWER INFRASTRUCTURE

LNG PEAK SHAVING STORAGE FACILITIES

TRADITIONAL ELECTRICAL:

SUBSTATIONS

TRANSMISSION & DISTRIBUTION

STORM REPAIRS

FACILITY ELECTRICAL & INSTRUMENTATION



PROCESS AND INDUSTRIAL FACILITIES

REFINERY MAINTENANCE, REPAIR, AND TURNAROUNDS

UPGRADES AND RETROFITS FOR RENEWABLE FUELS

NATURAL GAS FACILITIES

THERMAL VACUUM CHAMBERS

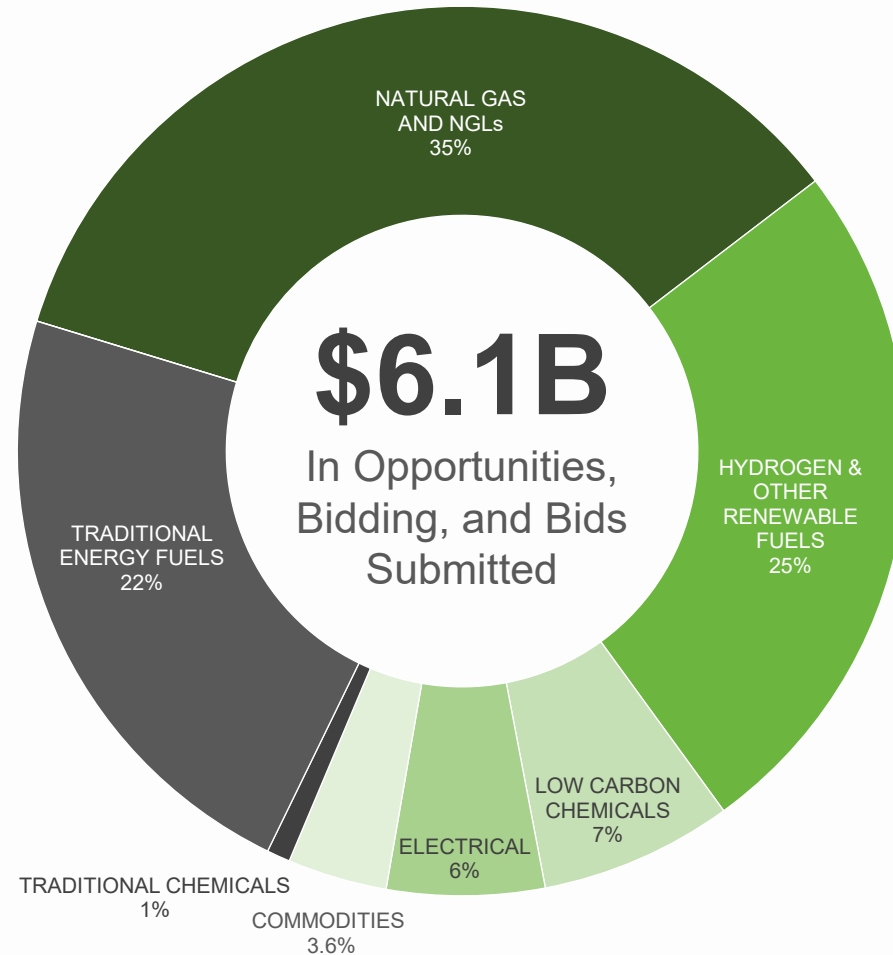
MINING AND MINERALS INFRASTRUCTURE

OUR OPPORTUNITY PIPELINE

Supports traditional and lower carbon energy mix.

All three operating segments contain individual projects of **\$75 million or greater.**

This pipeline, which is continuing to grow, does not include our normal day-to-day and recurring maintenance, and small project activities across all three segments, which are strategic elements of our portfolio.



Project Opportunity Pipeline data is as of March 31, 2024, for projects of \$5 million or greater and does not include small construction projects or maintenance and repair.

OUR COMPETITIVE ADVANTAGES

- Strong reputation for safety and quality
- Engineering experts that help set industry standards
- Multi-disciplined engineering and technology integration services
- Construction delivery to support mission-critical client initiatives across their geographic markets
- Agility and flexibility in offerings to provide best-in-class solutions
- Global brand recognition across diversified end-markets
- Long-standing relationships with blue-chip customers
- Expansion capability in high growth infrastructure markets
- Consistently strong balance sheet to fund growth and protect shareholder interests

THE MATRIX OPPORTUNITY

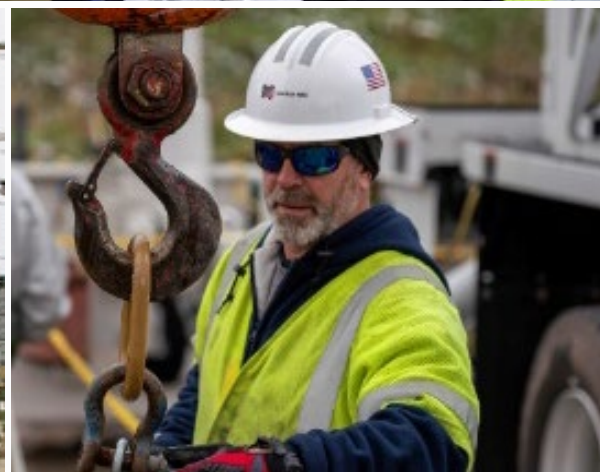
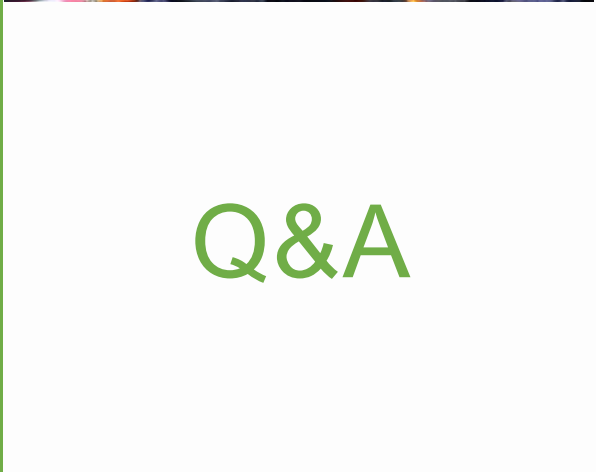
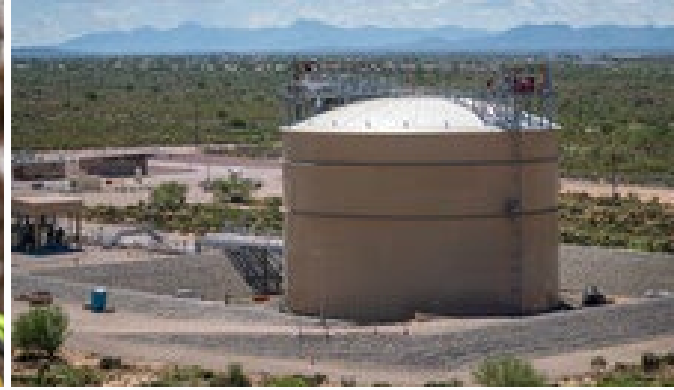
- With significantly improved backlog we expect to see a marked improvement in revenue, providing for better construction overhead absorption, leverage of SG&A, and improved bottom line performance.
- Our strategic approach to our strong end markets, clients, and services allow us to maintain a sizable opportunity pipeline and will lead to further backlog growth and strong performance well into the future.
- Organizationally, we are leaner and more efficient. We will continue to invest in the processes, systems, and people needed to drive performance improvement and deliver strong project execution.



KEY LONG-TERM FINANCIAL TARGETS*	
< 6% Net working capital	< 6.5% SG&A margin target
> 4.5% Operating margin target	> 12% ROIC target
> 6.5% EBITDA margin target	< 1.5% CAPEX target

*Percentage of revenue.

With substantial positive momentum in the business, Matrix is well positioned to maximize profitability and generate value and growth for our stakeholders.



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CONTACT

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APPENDIX

GAAP TO NON-GAAP RECONCILIATIONS

ADJUSTED NET LOSS

<i>(In thousands except per share amounts)</i>	FY2022, Q4	FY2023, Q1	FY2023, Q2	FY2023, Q3	FY2023, Q4	FY2024, Q1	FY2024, Q2	FY2024, Q3
Net Income (Loss), as reported	\$ 13,456	\$ (6,512)	\$(32,827)	\$(12,686)	\$ (336)	\$ (3,167)	\$ (2,851)	\$(14,581)
Restructuring costs	924	1,287	1,278	316	261	–	–	–
Goodwill impairment	–	–	12,316	–	–	–	–	–
Gain on sale of assets	(32,392)	–	–	–	(2,905)	(2,536)	(2,006)	–
Tax impact of adjustments	–	–	–	–	–	–	–	–
Adjusted Net Income (Loss)	(18,012)	(5,225)	(19,233)	(12,370)	(2,980)	(5,703)	(4,857)	(14,581)
Net Income (Loss) per Fully Diluted Share	\$ 0.51	\$ (0.24)	\$ (1.22)	\$ (0.47)	\$ (0.01)	\$ (0.12)	\$ (0.10)	\$ (0.53)
Adjusted Net Income (Loss) per Fully Diluted Share	\$ (0.52)	\$ (0.19)	\$ (0.71)	\$ (0.46)	\$ (0.11)	\$ (0.21)	\$ (0.18)	\$ (0.53)

ADJUSTED EBITDA

<i>(In thousands)</i>	FY2022, Q4	FY2023, Q1	FY2023, Q2	FY2023, Q3	FY2023, Q4	FY2024, Q1	FY2024, Q2	FY2024, Q3
Net Income (Loss), as reported	\$ 13,456	\$ (6,512)	\$(32,827)	\$(12,686)	\$ (336)	\$ (3,167)	\$ (2,851)	\$(14,581)
Restructuring costs	924	1,287	1,278	316	261	–	–	–
Goodwill impairment	–	–	12,316	–	–	–	–	–
Gain on sale of assets	(32,392)	–	–	–	(2,905)	(2,536)	(2,006)	–
Stock-based compensation expense*	2,054	2,055	1,692	1,407	1,637	1,755	2,030	1,980
Interest expense	246	372	916	268	468	325	319	143
Provision (benefit) for federal, state and foreign income taxes	53	–	–	(363)	(37)	–	6	(2)
Depreciation and amortization	3,697	3,642	3,535	3,322	3,195	2,911	2,781	2,645
Adjusted EBITDA	\$(11,962)	\$ 844	\$(13,090)	\$(7,736)	\$ 2,283	\$ (712)	\$ 279	\$(9,815)

*Represents only the equity-settled portion of our stock-based compensation expense