



FISCAL 2021 | THIRD QUARTER RESULTS AND BUSINESS UPDATE

June 1, 2021



**MATRIX SERVICE
COMPANY**

Move to a higher standardSM

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.



ABOUT MATRIX SERVICE COMPANY

Matrix is a top tier North American industrial engineering and construction contractor committed to delivering the highest quality work – safely, on time and on budget.



OUR PURPOSE

We build a brighter future, improve quality of life, and create long-term value for our people, business partners, shareholders, and communities.

OUR VISION FULFILLS THIS PURPOSE

To be the company of choice for engineering, constructing, and maintaining the energy and industrial infrastructure that people rely on around the world.

OUR CORE VALUES ARE THE FOUNDATION OF OUR SUCCESS

Our commitment has led to consistent recognition for excellence by our clients, our industry, the business world, and our employees



Commitment to safety

Put safety first for yourself and others. Create a zero-incident environment through leadership.



Integrity

Do the right thing every time, ethically and honestly.

Positive relationships

Be respectful, promote collaboration and build lasting relationships.

Stewardship

Safeguard all that is entrusted to us.



Community involvement

Make a difference in the communities where we live and work.

Deliver the best

Strive for excellence in all we do.



Consistently ranked among the Top 100 Contractors by Engineering-News Record



Recognized for 29% of Board membership comprised of female directors



Signatory to the largest chief executive officer-driven commitment in the United States



Consistently certified as a Great Place to Work®

CURRENT ENVIRONMENT



Near-term environment remains challenging

- COVID-19 and low product demand impacted our clients over the past year, especially those in the energy industry. Conditions across our segments are improving
- Opportunity pipeline and market position remains strong; the timing of awards and starts remains uncertain
- Expectations for improving project awards, revenue and operating results as we move through the calendar year



Streamlined operations

- Significant cost reductions of approximately \$60 million annually realized, focus on achieving continuous improvement and efficiencies
- Balancing cost reductions with revenue recovery outlook
- Margin profile expected to improve based on strategic changes, reduced costs and revenue normalization
- Operationally structured for growth in new and existing markets, and to support accelerated drive by energy and infrastructure markets to reduce carbon emissions

While the near-term remains challenged, the demand for cleaner energy like LNG and hydrogen, as well as carbon capture, are key growth areas for the Company. Our focus and discipline has kept our balance sheet strong and supports the needs of the business as awards and revenue volumes improve.

OPERATING IN THE CURRENT ENVIRONMENT

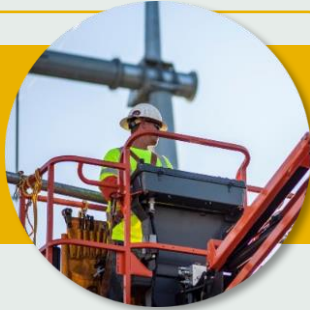
We have continued to:

- Provide our customers with flexible, innovative solutions
- Advance our domestic market position in LNG, NGLs and natural gas – critical energy and industrial feed stocks, as well as bridging fuels that support clean energy solutions
- Develop strategic partnerships with clients, technology providers, and other contractors to address various business opportunities and growth markets such as LNG and hydrogen
- Pursue a growing list of storage tank and terminal opportunities in international locations such as the Caribbean, Mexico and Latin America
- Advance growth initiatives into chemical and petrochemicals
- Maintain the resources necessary to support our customers now and into the future
- Focus on key sustainability issues important to our stakeholders and on telling our story on the progress we are making on ESG initiatives, with our first Sustainability report being issued in Fall 2021

In spite of the challenges Matrix has faced in this Fiscal Year, we have continued to progress our strategic plans, streamline the business, and strengthen our position in the growing clean energy markets

OPERATING SEGMENTS

UTILITY & POWER INFRASTRUCTURE



- LNG peak shaving
- Power delivery
- Grid connectivity
- Renewable power
- Power generation
- Battery storage
- Data cabling
- Data centers

PROCESS & INDUSTRIAL FACILITIES



- Midstream natural gas
- Renewables/biofuels
- Mining and minerals
- Chemical/petrochemical
- Aerospace
- Refineries
- Fertilizer
- Industrial facilities

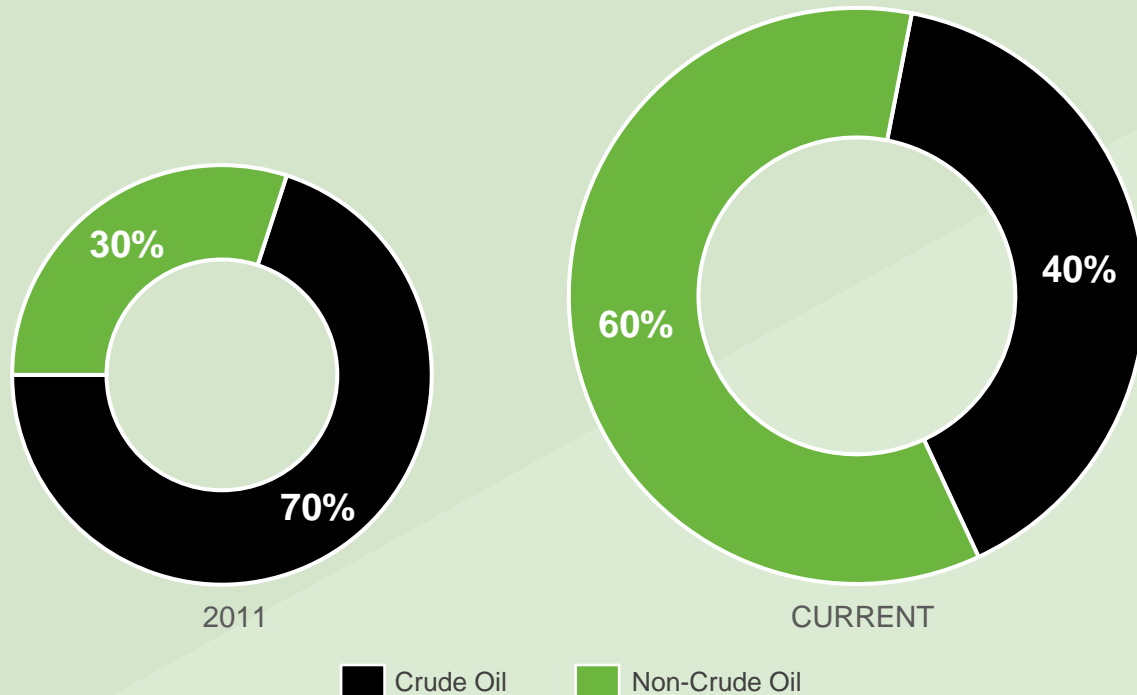
STORAGE & TERMINAL SOLUTIONS



- LNG storage and bunkering
- NGLs
- Specialty vessels
- Renewable energy
- Crude tanks and terminals
- Engineered storage products

STRATEGIC TRANSITION AND DIVERSIFICATION

AVERAGE BUSINESS PORTFOLIO MIX



- Expand gas value chain services
- Develop presence in chemical/petrochemical
- Grow electrical infrastructure
- Renewable energy services
- Protect crude market service offering
- International deployment
- Strengthen engineering and process capabilities across all segments

Diversification allows for significant growth and provides protection against seasonal and other market cyclicality. Focus on low carbon energy, renewables, and electrical supports our clients' drive to reduce their carbon footprint.

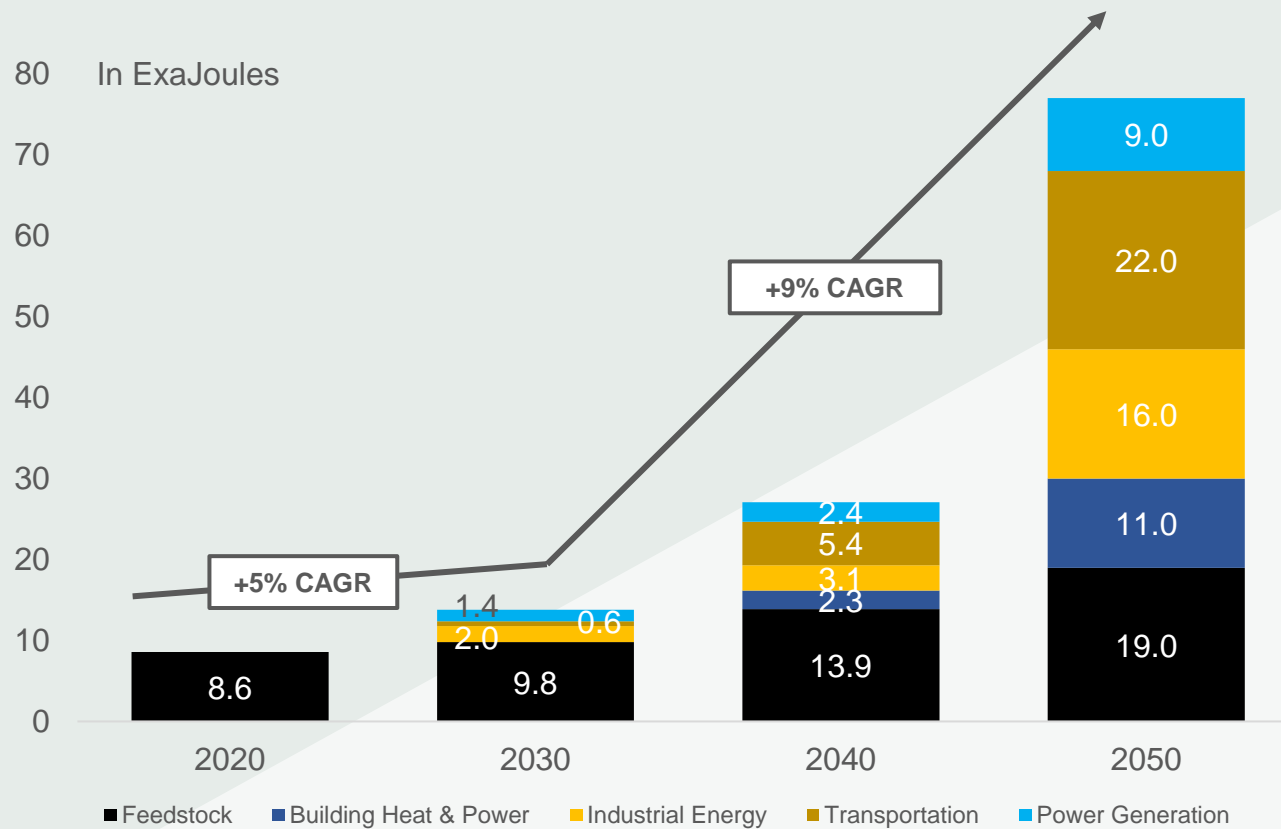
SMALL-SIZE LNG STORAGE TANKS AND TERMINALS

	Bunkering	Peak Shaving
Existing and Planned Infrastructure	<ul style="list-style-type: none"> • 5 bunkering facilities in operation • 4 under construction 	<ul style="list-style-type: none"> • 100 peak shaving facilities (including satellite facilities) • 2 – 3 pre-FID per year
Estimated Average Annual CAPEX*	<ul style="list-style-type: none"> • ~\$300 - \$400 million (2-3 projects) 	<ul style="list-style-type: none"> • ~\$400 - \$500 million (2-4 projects)
Typical Project CAPEX	\$100 - \$400 million	<ul style="list-style-type: none"> • \$100 - \$200 million
Key Drivers	<ul style="list-style-type: none"> • IMO regulation on sulfur • Increasing number of LNG-powered fleet from 556 in 2020 to 8K+ in 2030 	<ul style="list-style-type: none"> • Peaking electricity demand in northern states in winter • Provision of reliable fuel source to power plants in remote areas with limited gas pipeline

*Based on planned projects, Source: U.S. Department of Energy

With nearly \$1 billion in U.S. small-scale liquefaction already planned, we expect growth in this area to continue as the transition to cleaner energy continues

GLOBAL HYDROGEN DEMAND BY 2050



- **Power Generation:** Electric utilities would need to begin implementing hydrogen power plants to provide electricity at scale
- **Power Storage:** Store and transport renewable electricity efficiently - 250 to 300 TWh of surplus renewable electricity stored in the form of hydrogen
- **Transportation:** Hydrogen-powered mobility (i.e. marine, heavy duty trucks, freight)
- **Industrial Energy:** Hydrogen use in industry could replace electricity as heat and power source
- **Building Heat & Power:** Low concentrations of green hydrogen could be blended into public natural gas networks without infrastructure upgrades
- **Feedstock:** Used with captured carbon or carbon from biomass to replace fossil fuels as feedstock for the chemical industry - 10-15 Mt of chemicals (i.e. methanol) produced using hydrogen and carbon

With expected global capex investment of \$300B by 2030, Matrix's ability to deliver EPC projects on a union and non-union basis, combined with our relationship with Chart Industries, is creating a strong pipeline of projects in storage, liquefaction and terminal-related infrastructure

FISCAL 2021 | QUARTERLY TREND

	FY 2021, Q1 Actual	FY 2021, Q2 Actual	FY 2021, Q3 Actual	FY 2021, YTD Actual
Revenues	\$ 182,771	\$ 167,468	\$ 148,260	\$ 498,499
Gross profit	14,350	15,313	1,560	31,223
<i>Gross profit %</i>	7.9%	9.1%	1.1%	6.3%
SGA expense	18,128	16,724	17,179	52,031
<i>SGA % of revenue</i>	9.9%	10.0%	11.6%	10.4%
Restructuring & Impairment	(320)	5,045	1,860	6,585
Operating loss	(3,458)	(6,456)	(17,479)	(27,393)
Adjusted operating loss (1)	(3,778)	(1,411)	(15,619)	(20,808)
<i>Effective tax rate</i>	-9.8%	20.9%	28.2%	22.6%
Net loss	\$ (3,037)	\$ (4,591)	\$ (12,873)	\$ (20,501)
Adjusted EBITDA (1)	\$ 4,254	\$ 6,556	\$ (9,183)	\$ 1,627
Fully Diluted EPS	\$ (0.12)	\$ (0.17)	\$ (0.49)	\$ (0.78)
Adjusted Fully Diluted EPS (1)	\$ (0.13)	\$ (0.03)	\$ (0.43)	\$ (0.59)

(1) Represent Non-GAAP financial measures. A reconciliation to the most comparable GAAP measure is included in the Appendix to this slide deck.

We expect our fourth quarter to be the strongest quarter of the year, with a return to near breakeven

FY 2021 | Q3 SEGMENT RESULTS

(\$ in thousands)

FY 2021, Q3	Utility & Power Infrastructure	Process & Industrial Facilities	Storage & Terminal Solutions	Corporate	TOTAL
Revenue	\$ 44,720	\$ 42,834	\$ 60,706		\$ 148,260
Gross profit	\$ (4,692)	\$ (171)	\$ 6,423		\$ 1,560
Gross margin	(10.5%)	(0.4%)	10.6%		1.1%
Restructuring	\$ 403	\$ 781	\$ 590	\$ 86	\$ 1,860
Operating income (loss)	\$ (7,451)	\$ (4,834)	\$ 1,041	\$ (6,235)	\$ (17,479)
Adjusted operating income (loss)(1)	\$ (7,048)	\$ (4,053)	\$ 1,631	\$ (6,149)	\$ (15,619)
Backlog	\$ 203,300	\$ 155,430	\$ 179,607		\$ 538,337
Awards	\$ 49,808	\$ 40,836	\$ 47,399		\$ 138,043
Book-to-bill ratio	1.1	1.0	0.8		0.9

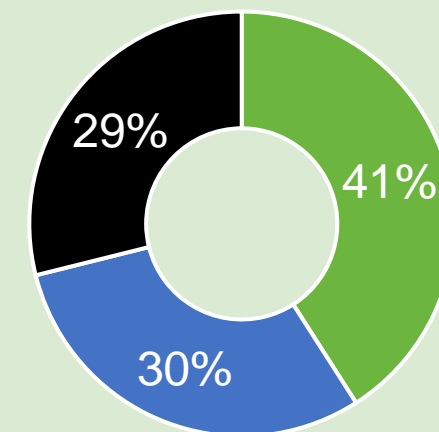
FY 2020, Q3	Utility & Power Infrastructure	Process & Industrial Facilities	Storage & Terminal Solutions	Corporate	TOTAL
Revenue	\$ 55,670	\$ 74,970	\$ 117,687		\$ 248,327
Gross profit (loss)	\$ 3,138	\$ 3,070	\$ 14,907	\$ (638)	\$ 20,477
Gross margin	5.6%	4.1%	12.7%		8.2%
Restructuring	\$ 935	\$ 4,087	\$ 821	\$ 716	\$ 6,559
Operating income	\$ 122	\$ (6,360)	\$ 7,921	\$ (7,483)	\$ (5,800)
Adjusted operating income (loss)(1)	\$ 1,057	\$ (2,273)	\$ 8,742	\$ (6,767)	\$ 759
Backlog	\$ 182,806	\$ 161,858	\$ 382,392		\$ 727,056
Awards	\$ 19,221	\$ 37,271	\$ 56,821		\$ 113,313
Book-to-bill ratio	0.3	0.5	0.5		0.5

(1) Represents a Non-GAAP financial measure. A reconciliation to the most comparable GAAP measure is included in the Appendix to this slide deck.

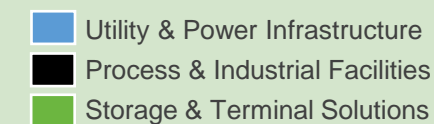
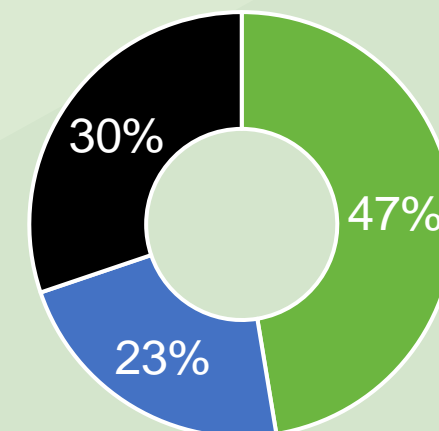


REVENUE

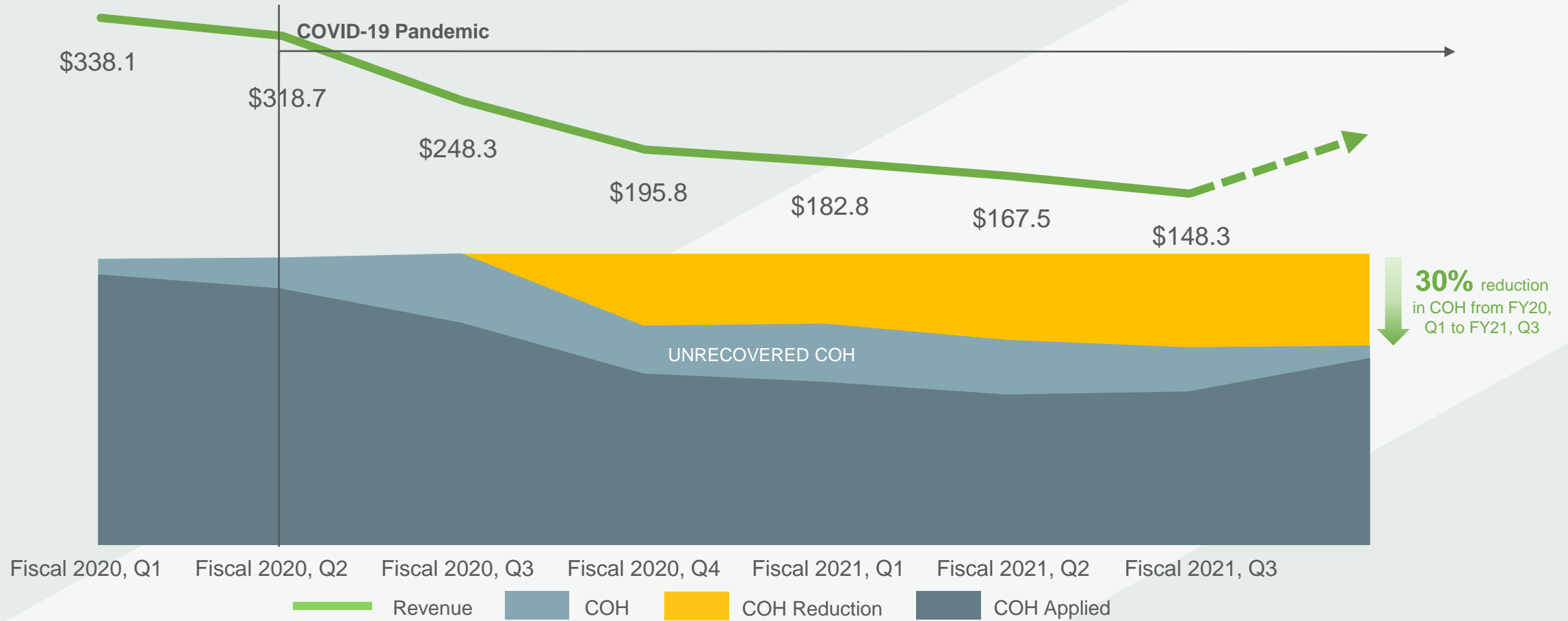
FY 2021, Q3



FY 2020, Q3



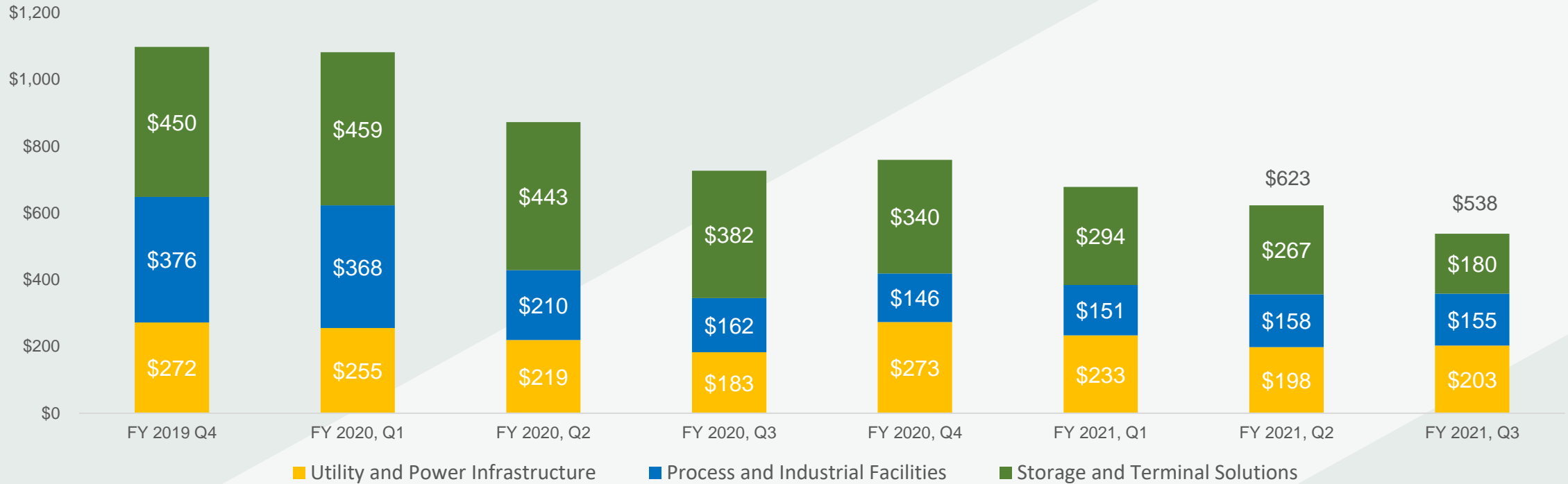
REVENUE AND CONSTRUCTION OVERHEAD (COH) BY QUARTER



Under-recovered COH impacted gross margins by 400 – 500 basis points during the pandemic; we expect improvement in the fourth quarter to bring us to near-full recovery

BACKLOG TREND

(\$ in millions)



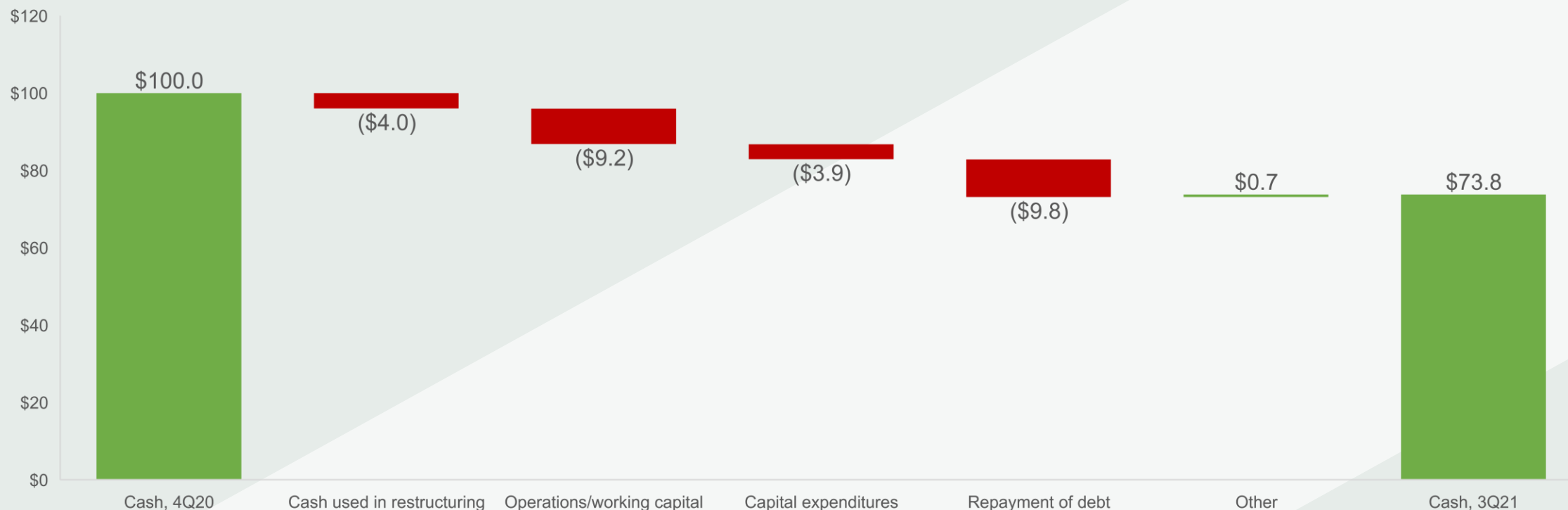
Year To Date	Utility & Power Infrastructure	Process & Industrial Facilities	Storage & Terminal Solutions	Consolidated
Awards	\$87,898	\$149,732	\$114,960	\$352,590
Book-to Bill	0.6	1.1	0.6	0.7

Significant project awards continue to be delayed as evidenced by the Q3 awards. Reduced backlog by \$74.2 million on a Limited Notice To Proceed not renewed. Normalized for this reduction backlog has flattened out.

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CASH BRIDGE | YTD FISCAL YEAR 2021

(\$ in millions)



During the year, our cash balance has decreased from \$100 million to \$73.8 million

- We utilized \$4.0 million in restructuring activities
- Operations used \$9.2 million of cash, primarily for additional investment in working capital
- We utilized only \$3.9 million on capital expenditures YTD
- We paid off all borrowings under the credit facility

WHY MTRX IS A GOOD LONG-TERM INVESTMENT



BRAND STRENGTH

- Diversified, premier engineering and construction contractor
- Brand leader in utility and process infrastructure, process and industrial facilities, and storage and terminal solutions

FINANCIAL AND OPERATIONAL STRENGTH

- Known for consistently strong balance sheet and liquidity
- Streamlined cost structure
- Diverse and engaged Board aligned with shareholder interests
- Tenured senior management team

GROWTH PROSPECTS

- Organic growth strategy supplemented by strategic bolt-on M&A
- Significant opportunities in renewables and low carbon energy such as LNG and hydrogen
- Robust opportunity pipeline – short- and long-term

KEY FINANCIAL TARGETS

< 6%
Net Working
Capital

< 6%
SG&A target

> 4.5%
Operating
Margin target

> 12%
ROIC target

> 6.5%
EBITDA target

< 1.5%
CAPEX target

Our comprehensive expertise, together with our financial and operational strength position MTRX to capitalize on the dynamic environment and infrastructure needs of our clients as our core markets improve.



Q&A

APPENDIX

SERVICES AND STRATEGIC FOCUS AREAS

UTILITY & POWER INFRASTRUCTURE



- LNG peak shaving facilities
- Projects addressing aging electrical infrastructure
- Electrical tie-ins for renewable power
- Load-following projects such as simple cycle units, reciprocating engines, green hydrogen, carbon capture, and combined heat and power

PROCESS & INDUSTRIAL FACILITIES



- Expanded services in the mid-stream natural gas space
- Mining and mineral projects driven by growing demand
- Chemicals and petrochemical services
- Thermal Vacuum Chambers design and construction
- Refinery turnarounds, maintenance, and repair
- Sulfur reduction, biofuels, and refinery conversion projects

STORAGE & TERMINAL SOLUTIONS



- Natural gas, LNG, ammonia, renewable energy, and NGL storage and terminal solutions driven by strong demand across North America, Central America, and the Caribbean
- Domestic crude oil storage opportunities continue to be delayed and limited

RECONCILIATION OF NON-GAAP MEASURES

	Three Months Ended		Nine Months Ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Net loss, as reported	\$ (12,873)	\$ (5,495)	\$ (20,501)	\$ (27,352)
Restructuring costs incurred	1,860	6,559	6,585	6,559
Goodwill and intangible asset impairments	-	-	-	38,515
Tax impact of adjustments and other net tax items	(479)	(1,462)	(1,695)	(6,737)
Adjusted net income (loss)	\$ (11,492)	\$ (398)	\$ (15,611)	\$ 10,985
Loss per fully diluted share, as reported	\$ (0.49)	\$ (0.21)	\$ (0.78)	\$ (1.02)
Adjusted earnings (loss) per fully diluted share	\$ (0.43)	\$ (0.02)	\$ (0.59)	\$ 0.40

ADJUSTED DILUTED EARNINGS PER SHARE

(\$ in thousands, except EPS)

	Three Months Ended		Nine Months Ended	
	March 31 2021	March 31 2020	March 31 2021	March 31 2020
Net loss, as reported	\$ (12,873)	\$ (5,495)	\$ (20,501)	\$ (27,352)
Restructuring costs incurred	1,860	6,559	6,585	6,559
Goodwill and intangible asset impairments	-	-	-	38,515
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Loss per fully diluted share, as reported	\$ (0.49)	\$ (0.21)	\$ (0.78)	\$ (1.02)
Adjusted earnings (loss) per fully diluted share	\$ (0.43)	\$ (0.02)	\$ (0.59)	\$ 0.40

FY 2021 | Q3 RESULTS

(\$ in thousands, except EPS)

	Three Months Ended				
	3/31/2021		3/31/2020		
Revenue	\$	148,260		\$	248,327
Gross profit		1,560	1.1 %		20,477 8.2 %
SG&A		17,179	11.6 %		19,718 7.9 %
Restructuring costs		1,860	1.3 %		6,559 2.6 %
Operating loss		(17,479)	(11.8)%		(5,800) (2.3)%
Adjusted operating income (loss)(1)		(15,619)	(10.5)%		759 0.3 %
Net loss		(12,873)	(8.7)%		(5,495) (2.2)%
Loss per share		(0.49)			(0.21)
Adjusted loss per share (1)		(0.43)			(0.02)
Adjusted EBITDA (1)		(9,183)	(6.2)%		7,510 3.0 %

(1) Represent Non-GAAP financial measures. A reconciliation to the most comparable GAAP measure is included in the Appendix to this slide deck.

ADJUSTED EBITDA

(\$ in thousands)

	Three Months Ended		Nine Months Ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Net loss	\$ (12,873)	\$ (5,495)	\$ (20,501)	\$ (27,352)
Goodwill and other intangible asset impairment	-	-	-	38,515
Restructuring costs	1,860	6,559	6,585	6,559
Interest expense	322	398	1,055	1,231
Benefit from income taxes	(5,060)	(1,114)	(6,002)	(1,705)
Depreciation and amortization	4,352	4,686	13,639	14,388
Share based compensation	2,216	2,476	6,851	8,292
Adjusted EBITDA	\$ (9,183)	\$ 7,510	\$ 1,627	\$ 39,928

ADJUSTED OPERATING INCOME – Q3

(\$ in thousands)

FY 2021, Q3	Utility & Power Infrastructure	Process & Industrial Facilities	Storage & Terminal Solutions	Corporate	TOTAL
Operating income (loss)	\$ (7,451)	\$ (4,834)	\$ 1,041	\$ (6,235)	\$ (17,479)
Add: Restructuring costs	403	781	590	86	1,860
Adjusted operating income (loss)	\$ (7,048)	\$ (4,053)	\$ 1,631	\$ (6,149)	\$ (15,619)

FY 2020, Q3	Utility & Power Infrastructure	Process & Industrial Facilities	Storage & Terminal Solutions	Corporate	TOTAL
Operating income (loss)	\$ 122	\$ (6,360)	\$ 7,921	\$ (7,483)	\$ (5,800)
Add: Restructuring costs	935	4,087	821	716	6,559
Adjusted operating income (loss)	\$ 1,057	\$ (2,273)	\$ 8,742	\$ (6,767)	\$ 759

FY 2021 | YTD RESULTS

(\$ in thousands, except EPS)

	Nine Months Ended				
	3/31/2021		3/31/2020		
Revenue	\$	498,499		\$	905,101
Gross profit		31,223	6.3 %		82,943 9.2 %
SG&A		52,031	10.4 %		66,574 7.4 %
Restructuring and impairments		6,585	1.3 %		45,074 5.0 %
Operating loss		(27,393)	(5.5)%		(28,705) (3.2)%
Adjusted operating income (loss)(1)		(20,808)	(4.2)%		16,369 1.8 %
Net loss		(20,501)	(4.1)%		(27,352) (3.0)%
Loss per share		(0.78)			(1.02)
Adjusted earnings (loss) per share(1)		(0.59)			0.40
Adjusted EBITDA(1)		1,627	0.3 %		39,928 4.4 %

(1) Represent Non-GAAP financial measures. A reconciliation to the most comparable GAAP measure is included in the Appendix to this slide deck.

FY 2021, YTD SEGMENT RESULTS

(\$ in thousands)

FY 2021, YTD	Utility & Power Infrastructure	Process & Industrial Facilities	Storage & Terminal Solutions	Corporate	TOTAL
Revenue	\$ 157,414	\$ 140,027	\$ 201,058		\$ 498,499
Gross profit	\$ 7,818	\$ 11,352	\$ 12,053		\$ 31,223
Gross margin	5.0%	8.1%	6.0%		6.3%
Restructuring	\$ 1,226	\$ 3,645	\$ 1,244	\$ 470	\$ 6,585
Operating income (loss)	\$ (562)	\$ (3,612)	\$ (3,045)	\$ (20,174)	\$ (27,393)
Adjusted operating income (loss)(1)	\$ 664	\$ 33	\$ (1,801)	\$ (19,704)	\$ (20,808)
Backlog	\$ 203,300	\$ 155,430	\$ 179,607		\$ 538,337
Awards	\$ 87,898	\$ 149,732	\$ 114,960		\$ 352,590
Book-to-bill ratio	0.6	1.1	0.6		0.7

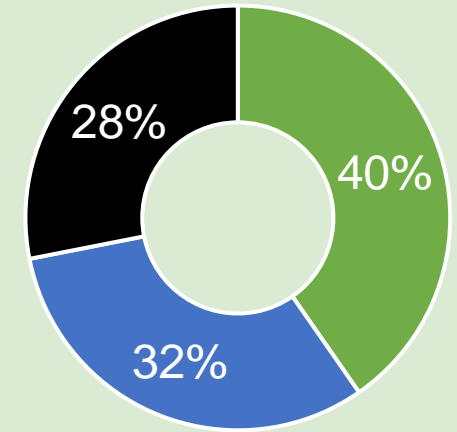
FY 2020, YTD	Utility & Power Infrastructure	Process & Industrial Facilities	Storage & Terminal Solutions	Corporate	TOTAL
Revenue	\$ 152,552	\$ 372,730	\$ 379,819		\$ 905,101
Gross profit	\$ 1,744	\$ 30,498	\$ 52,675	\$ (1,974)	\$ 82,943
Gross margin	1.1%	8.2%	13.9%		9.2%
Impairments	\$ 24,900	\$ 13,615			\$ 38,515
Restructuring	\$ 935	\$ 4,087	\$ 821	\$ 716	\$ 6,559
Operating income (loss)	\$ (31,582)	\$ (6,870)	\$ 31,912	\$ (22,165)	\$ (28,705)
Adjusted operating income (loss)(1)	\$ (5,747)	\$ 10,832	\$ 32,733	\$ (21,449)	\$ 16,369
Backlog	\$ 182,806	\$ 161,858	\$ 382,392		\$ 727,056
Awards	\$ 63,518	\$ 256,824	\$ 311,941		\$ 632,283
Book-to-bill ratio	0.4	0.7	0.8		0.7

(1) Represents a Non-GAAP financial measure. A reconciliation to the most comparable GAAP measure is included as an appendix to this earnings call slide deck.

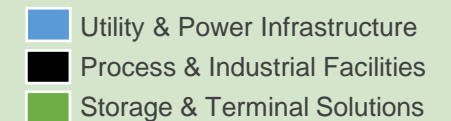
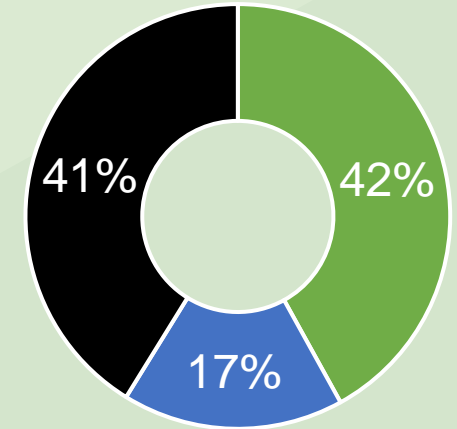


REVENUE

FY 2021, YTD



FY, 2020, YTD



ADJUSTED OPERATING INCOME – YTD

(\$ in thousands)

FY 2021, YTD	Utility & Power Infrastructure	Process & Industrial Facilities	Storage & Terminal Solutions	Corporate	TOTAL
Operating income (loss)	\$ (562)	\$ (3,612)	\$ (3,045)	\$ (20,174)	\$ (27,393)
Add: Restructuring costs	1,226	3,645	1,244	470	6,585
Adjusted operating income (loss)	\$ 664	\$ 33	\$ (1,801)	\$ (19,704)	\$ (20,808)

FY 2020, YTD	Utility & Power Infrastructure	Process & Industrial Facilities	Storage & Terminal Solutions	Corporate	TOTAL
Operating income (loss)	\$ (31,582)	\$ (6,870)	\$ 31,912	\$ (22,165)	\$ (28,705)
Add: Impairments and Restructuring costs	25,835	17,702	\$ 821	716	45,074
Adjusted operating income (loss)	\$ (5,747)	\$ 10,832	\$ 32,733	\$ (21,449)	\$ 16,369