



# INVESTOR PRESENTATION

Q2 FY25 Results | February 2025

## Safe Harbor Statement

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 Corporate Access

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**SCAN QR CODE TO SIGN UP FOR MTRX NEWS**

# Key messages

- Experienced **specialty engineering and construction company** supporting energy and utility infrastructure customers with a 40+ year track record
- Provider of **end-to-end services across entire asset life-cycle** with niche capabilities in cryogenic storage for LNG, NGLs, and chemical applications as well as other cryogenic infrastructure such as thermal vacuum chambers
- Uniquely positioned to capitalize on multi-year spending cycles within **LNG infrastructure, data centers, hydrogen storage, and utility infrastructure investment**
- **Entering transformational multi-year backlog to revenue conversion cycle** amid continued infrastructure investment growth
- Ramping revenue base supports **expectations for operating leverage and margin realization**
- Lean balance sheet and **disciplined capital allocation strategy**



# BUSINESS OVERVIEW

# Who we are

## Specialty E&C business of scale

Headquartered in Tulsa, we are a leading **specialty E&C company** focused on providing engineering, fabrication, construction, and maintenance services

## Core expertise within complex, technical engineering

We focus on **complex energy and infrastructure projects** that require an integrated solutions expertise

## We have a growing geographic footprint of scale

We serve customers across **North America and other international markets** – approximately **90% of revenue is with recurring customers**

## Balanced Exposure Across Growing Energy & Infrastructure Markets

(TTM revenue by segment)

**42%**

of TTM revenue

### Storage & Terminal Solutions.

#### Storage tanks and terminals:

- Specialty vessels including complex cryogenic infrastructure
- Atmospheric storage tanks (flat bottom)
- Maintenance and upgrades

#### Specialty tank products



**32%**

of TTM revenue

### Utility & Power Infrastructure.

#### LNG peak shaving storage facilities

#### Traditional electrical:

- Substations
- Transmission & distribution
- Storm repairs
- Facility electrical & instrumentation



**26%**

of TTM revenue

### Process & Industrial Facilities.

#### Refinery maintenance, repair, and turnarounds

#### Upgrades and retrofits for renewable fuels

#### Natural gas facilities

#### Thermal vacuum chambers

#### Mining and minerals infrastructure



**MTRX**

NASDAQ Listed

**1984**

Year Founded

**2,000+**

Employees

**\$728 million**

FY24 Total Revenue

**+17-24%**

FY24-25 Growth<sup>(1)</sup>

**\$1.3 billion**

Backlog<sup>(2)</sup>

**1,900+**

Active Projects in FY2024

(1) FY 2024 – FY 2025 projected revenue grow rate is derived from management’s FY 2025 revenue guidance range as issued on February 5, 2025.

(2) As of December 31, 2024

# Full lifecycle solutions to support multi-year investments in core end-markets

## Storage & Terminal Solutions

End Market Exposure



Liquid Storage Tanks & Terminals

LNG Bunkering  
Refined Product  
Crude Oil

NGLs  
Ammonia  
Hydrogen

Renewable Fuels  
Carbon Capture  
Other

\*Includes all projects with a storage component regardless of end market, except for LNG Peak Shaving which is accounted for in Utility & Power Infrastructure

## Utility & Power Infrastructure

End Market Exposure



Power Generation



Power Delivery



LNG Peak Shaving



Data Centers/  
Critical Facility  
Electrical



Renewable Power Generation



Energized Services/Live Wire Work



Emergency / Storm Response

## Process & Industrial Infrastructure

End Market Exposure



Upstream O&G



Midstream O&G



Downstream O&G



Chemical / Petrochemical



Aerospace / Thermal Vacuum Chambers



Industrial / Manufacturing



Renewable Fuels



Mining & Minerals

Matrix provides full-lifecycle project support to domestic & global customers

### Planning

Feasibility/FEL and FEED

Technology Integration

Detail Engineering

### Construction

Procurement

Fabrication & Construction

Commissioning

### Assets in Service

Ongoing Inspection, Maintenance and Repair, and Upgrades

# Demonstrated track record of long-term value creation

## Deliver Performance Excellence

*Culture of safety*

### Our Focus

We are committed to building and fostering safe and reliable operations that deliver optimal outcomes for our clients and employees

### Safety Focus

**0.47**

TOTAL RECORDABLE INCIDENT RATE

Our Total Recordable Incident Rate (TRIR) of 0.47 at December 31, 2024, represents our continuing drive toward zero incidents.

### Increasing Safety Observations

allow for proactive mitigation of potential injuries and incidents

### Enhanced Safety Orientation

ensures alignment to Matrix Life Saving Rules

**Third-Party Expertise** to help identify opportunities for improvement and ways to strengthen safety culture

## Drive Capabilities Expansion

*Expand solutions set*

### Our Focus

We are committed to expanding our services into higher-margin, high growth end-markets

### Expanded Capabilities

**2008-2019:** Deepened expertise, scaled up projects to include full balance of plant and turnkey facilities

KEY ACQUISITIONS:  
PDM Engineering  
Kvaerner NAC  
Baillie Tank Products  
Houston Interests

**2020-2023:** Enterprise-wide transformation to position the company for growth and profitability

## Build high-quality project pipeline

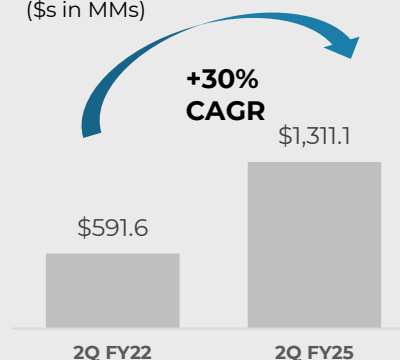
*Multi-year visibility*

### Our Focus

We are committed to growing our backlog – and long-term business visibility – across a diverse base of high value short and long-term projects

### Growing Backlog

(\$s in MM\$)



## Deliver Targeted Margin Performance

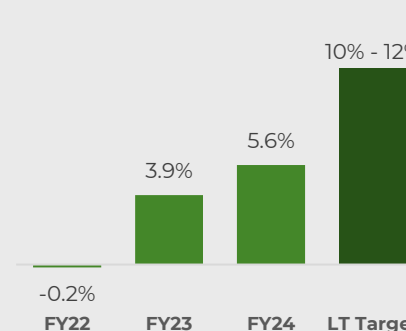
*Improved operating leverage*

### Our Focus

We are committed to delivering on our backlog through quality project execution, resulting in strong, consistent margin realization

### LT Margin Target

(Gross Margin % of Revenue)



## Disciplined Capital Allocation

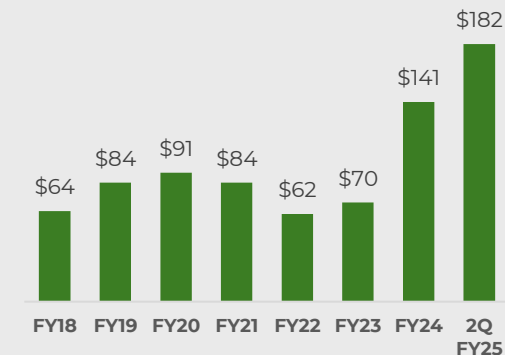
*Maximize total return*

### Our Focus

Prioritize smart capital allocation strategies within a returns-focused framework to maximize shareholder returns

### Strong Balance Sheet

(Net Cash in \$mms)



• No debt at December 31, 2024

# Multi-industry tailwinds driving sustainable growth

## OUR ROLE IN INFRASTRUCTURE

### Industry Outlook

Planned Infrastructure spending through 2030



- Data Center Energy Demand
- Low-Cost Feedstock
- Low Carbon / Clean Energy Transition
- Industrial & Manufacturing Resurgence
- Oil & Gas Demand
- Grid Reliability & Supply Assurance

### Data Center Energy Demand

- Back-up fuel storage
- Power delivery (substations, grid interconnects)
- Back-up power generation



### Low-Cost Feedstock

- Liquid storage facilities
  - LNG
  - NGLs including ethane and ethylene
- Natural gas processing facilities
- Onshore marine infrastructure



### Low Carbon Infrastructure

- Liquid storage tanks and terminals
  - LNG and NGLs
  - Hydrogen, ammonia, and other renewable fuels
- Refinery upgrades/retrofits
- Natural gas processing facilities
- Carbon capture
- Inspection, maintenance, and repair



### Industrial & Manufacturing Resurgence

- Aerospace (Thermal vacuum chambers)
- Back-up fuel storage facilities
- Power delivery (substations, facility E&I)
- Power generation



### Oil & Gas Demand

- Refineries and petrochemical facilities
  - Embedded maintenance
  - Turnarounds and plant services
  - Small capex construction
- Natural gas processing facilities



### Grid Reliability & Supply Assurance

- LNG peak shaving facilities
- Power delivery (substations, grid interconnects)
- Power generation
- Gas-fired power generation
- Renewable interconnects
- Energized services



# Backlog remains elevated versus historical levels, supporting increased visibility

## Significant Backlog Supported by robust low carbon infrastructure investment

Utility investment in peak shavers and corresponding LNG storage infrastructure

Energy infrastructure investment driven by demand for low carbon fuels

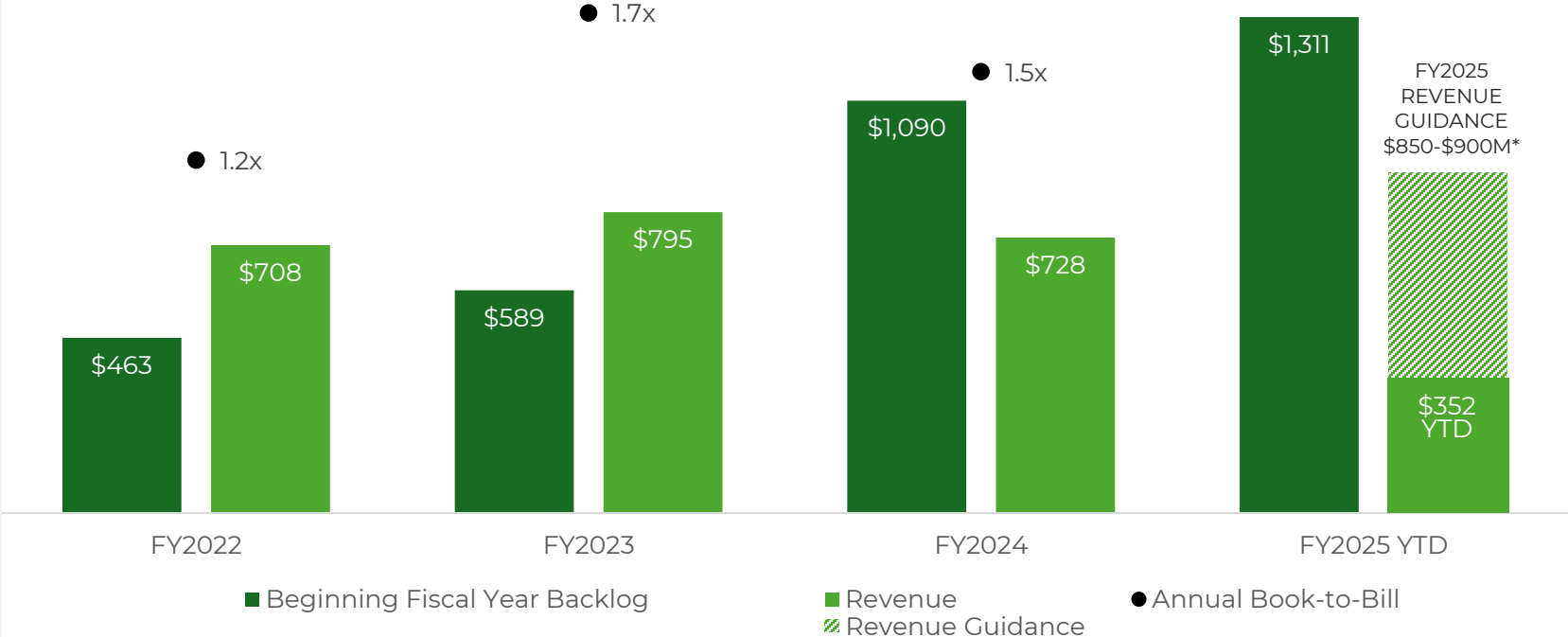
Current environment is supportive of continued annual book-to-bill of 1.0x, or greater, in FY 2025 and beyond

## Recent large project wins expected to break ground in 2025

FY 2025 revenue guidance is supported by visibility to backlog conversion through the year

Project activity is expected to ramp progressively in to 2H 2025

## Book-to-Bill, Backlog, and Revenue (\$MM)



\*FY2025 Revenue Guidance as of February 6, 2025

# Robust opportunity pipeline weighted toward low-carbon projects

## Significant low carbon energy infrastructure opportunities

~76% of project opportunities during the next 18 months are related to public and private investments in low-carbon energy infrastructure

## Strong opportunity pipeline across core operating segments

~\$5.7 billion opportunity pipeline at December 31, 2024, consistent over the trailing three-year period

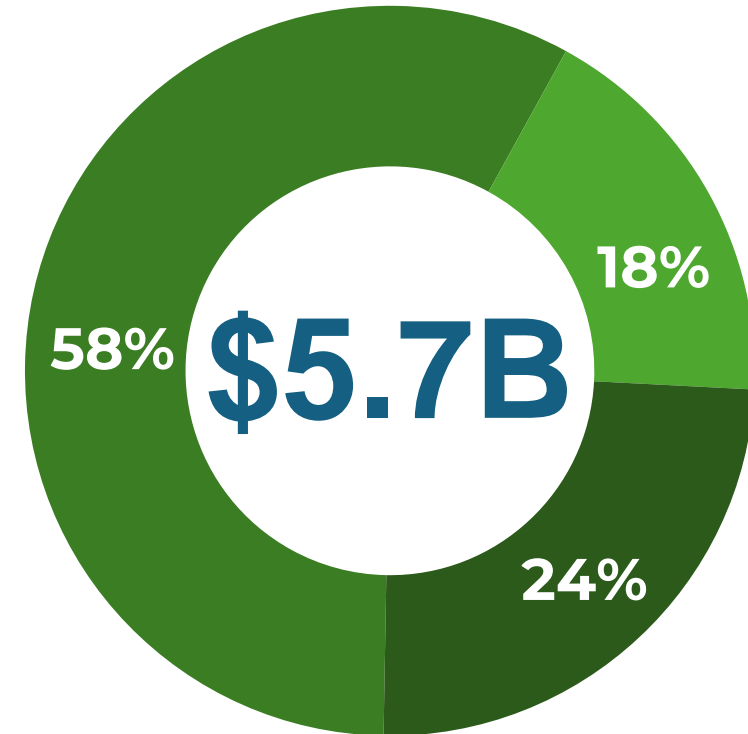
## Anticipate book-to-bill of greater than 1.0x for full-year FY25

Given the strength of this pipeline, while book-to-bill may vary quarter-to-quarter, we expect to continue our book-to-bill trend at a ratio of 1.0x or greater on an annual basis

## Opportunity pipeline

As of December 31, 2024

- Storage & Terminal Solutions
- Utility & Power Infrastructure
- Process & Industrial Facilities



Project pipeline data is as of 12/31/24 and includes projects greater than or equal to \$5 million that have been or are expected to be bid. Does not include small construction projects or maintenance and repair

**Strong project backlog within low carbon energy end-markets supports sustainable backlog growth**



# STRATEGIC ROADMAP

# Value creation framework

BUILDING A PLATFORM FOR PROFITABLE GROWTH

## WIN

Grow market share within both existing and high-value end markets

## EXECUTE

Safe, reliable, efficient on-budget project management

## DELIVER

Scalable platform of commercial, operational, financial excellence



Leverage established presence within specialty E&C – retain market leadership within core niche segments



Continue to maintain **safety-driven culture**, focus on delivering top-quartile safety metrics – **target zero safety incidents**



Deliver improved operating **leverage** through backlog conversion to revenue



Drive **organic growth** – price, volume, mix – together with **strategic investments in complementary assets**



**Disciplined project execution**, delivering quality projects within targeted margin profile



Deploy capital within returns-focused framework to **maximize shareholder returns**

**We are building a profitable growth platform of scale within specialty engineering and construction**

# Returns-centric capital allocation

INVESTING IN GROWTH AND CREATING SHAREHOLDER VALUE

**Balancing organic and inorganic investment while maintaining a strong balance sheet**

Long-Term ROIC Target **>12%**

Long Term CAPEX Target **<1.5% of Revenue**

Targeting opportunistic M&A to capitalize on key infrastructure investment trends

## Deliver organic and inorganic growth through investment in expanded service offerings and geographic footprint

**Key service offerings.** Grow market share and geographic reach in providing specialty E&C services in liquid storage and terminals, domestically and in select international markets.

**Operations depth, reach, and capabilities.** Enhance engineering, project/construction management, business development, and craft recruiting.

**Identifiable revenue synergies.** Target infrastructure investment themes in Energy, Power, and Industrials.

**Electrical end-market focus.** Expand from regional footprint to regional and national scale; apply power generation experience to anticipated market growth.

BUILDING SHAREHOLDER VALUE  
**Acquisition Criteria**

**Gain scale in core and related markets**

**Drive bench strength and operating leverage**

**Prioritize energy and industrial infrastructure offerings**

**Geographic expansion of existing service offerings**

**Expansion of process facility maintenance services**



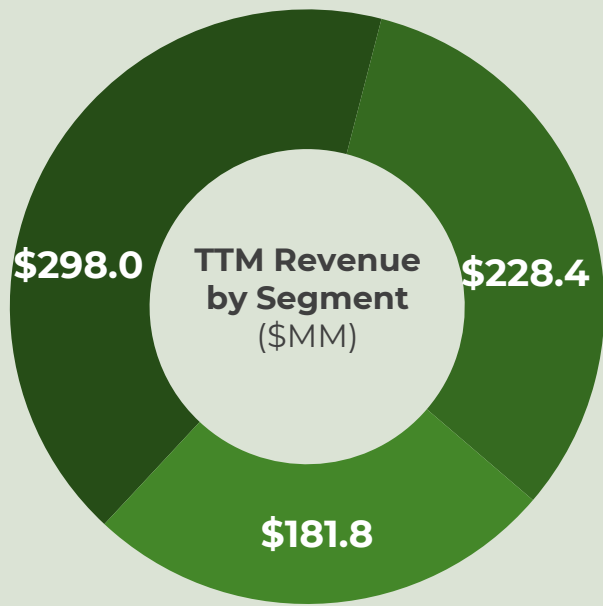
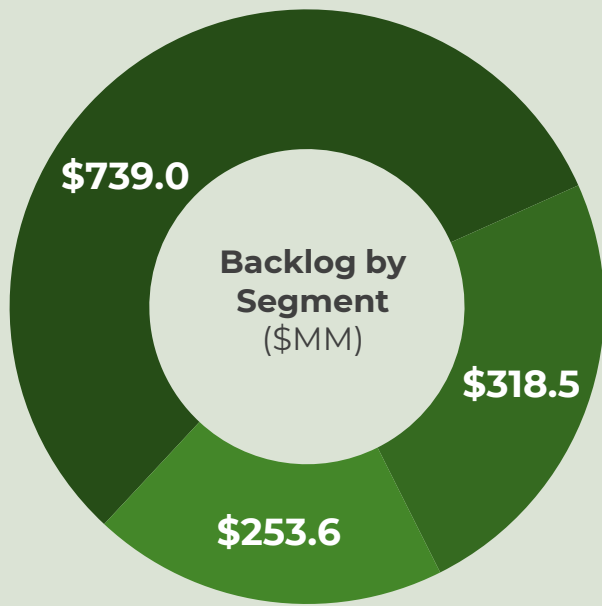
**Q2 FY25  
PERFORMANCE**

# \$1.3B in backlog provides multi-year visibility to profitable growth

**Our diversified end-markets are anchored by longstanding customer relationships**



Q2 FY25 (\$MM)



■ Storage & Terminal Solutions   ■ Utility & Power Infrastructure   ■ Process & Industrial Infrastructure

**~ 90% Recurring Customer Revenue**

# Q2 FY25 financial performance

STRONG EXECUTION RESULTED IN ORGANIC REVENUE GROWTH AND CONTINUED FREE CASH GENERATION

## Organic growth expected to accelerate greater than 40% year-over-year in the second half of FY25, resulting in a return to profitability

- Q2 results reflect strong revenue growth in Storage & Terminal Solutions and Utility & Power Infrastructure, as activity on LNG storage vessels and peak-shaving projects continues to accelerate
- Q2 award activity was muted due to the election, but book-to-bill is expected to be 1.0x or greater for FY25

### 2Q FY25 Key Metrics

- **Revenue of \$187.2 million, an increase of 7% compared to 2Q24** due to increased backlog conversion
- **Adjusted EBITDA of \$(2.2) million**, compared to \$0.1 million in 2Q24
- **Total backlog of \$1.3 billion** and book-to-bill of 0.5x
- Cash flow from operations of \$33.6 million and **liquidity of \$211.7 million, with no outstanding debt**
- Successfully executed on diverse project portfolio and advanced work on large, multi-year projects

### Strategic Milestones Long Term Value Creation

- **Expect pace of project awards to accelerate in the second half of FY 2025**, positioning for improved profitability
- Well positioned to capitalize on **\$5.7 billion opportunity pipeline**
- Continued to **focus on higher-margin bidding opportunities driven by strong secular growth trends**, including growing domestic power demand
- Continue to optimize our service delivery model and positioning for **progressively improved operating leverage** through the year

# Disciplined balance sheet management

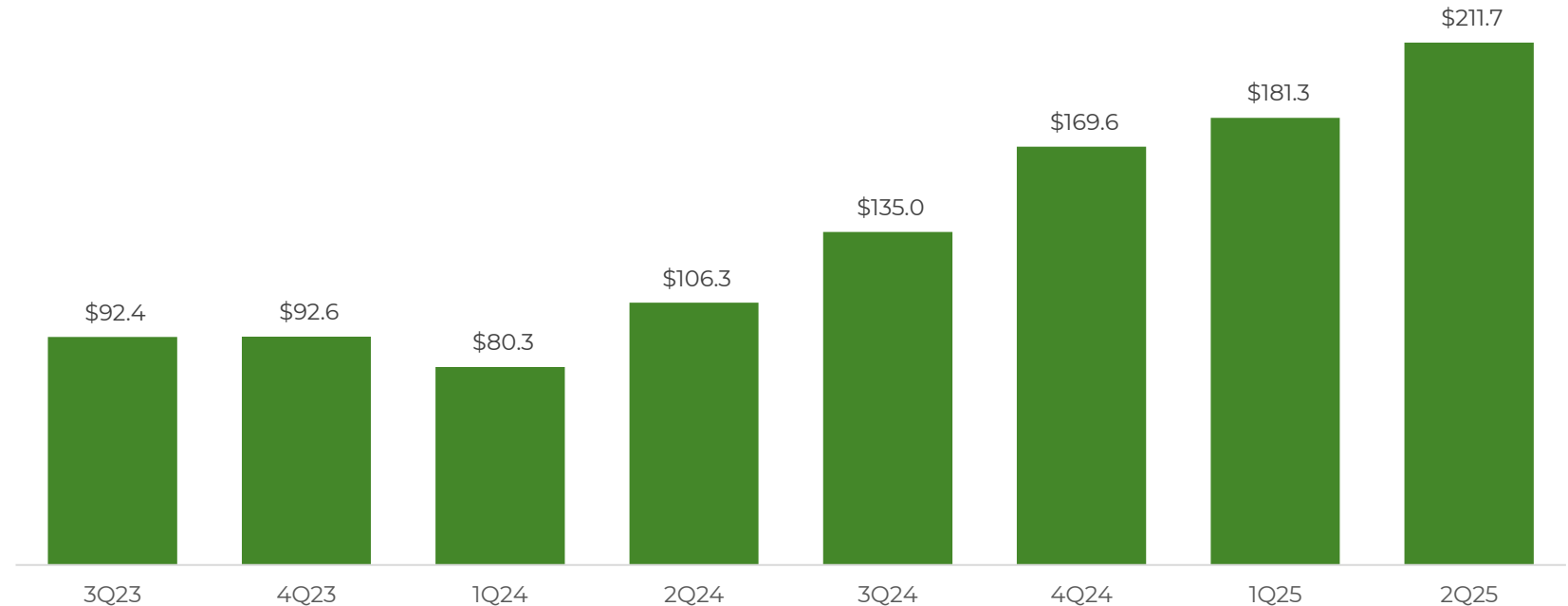
FORTIFIED BALANCE SHEET TO SUPPORT NEAR-TERM CAPITAL NEEDS AND INVEST IN LONG TERM GROWTH

## Capital Allocation Priorities

- Maximize balance sheet flexibility to support project working capital needs
- Returns focused M&A strategy, opportunistically expanding into high-growth energy transition markets

## Cash and Available Liquidity

(\$MM)



- No debt at December 31, 2024
- Excludes \$25M of restricted cash utilized to support the company's credit facility

# Investment summary



## Key Catalysts

- Proven specialty E&C service provider** with full lifecycle expertise
- Track record of excellence** with deep base of recurring energy and industrials clients
- Well capitalized balance sheet** enables returns-focused capital allocation strategy
- Inflection point in profitability** driven by conversion of record backlog entering 2025
- Early innings of a **multi-year infrastructure investment cycle**
- Focused strategy** prioritizing commercial excellence, profitable growth and disciplined capital allocation

## KEY LONG-TERM FINANCIAL TARGETS

<p><b>Less than</b> <b>6%</b> NET WORKING CAPITAL*</p>	<p><b>Less than</b> <b>6.5%</b> SG&amp;A MARGIN*</p>
<p><b>Greater than</b> <b>4.5%</b> OPERATING MARGIN*</p>	<p><b>Greater than</b> <b>12%</b> RETURN ON INVESTED CAPITAL</p>
<p><b>Greater than</b> <b>6.5%</b> EBITDA MARGIN*</p>	<p><b>Less than</b> <b>1.5%</b> CAPEX*</p>

\*Percentage of revenue.



APPENDIX



# QUARTERLY RESULTS | CONSOLIDATED



*(In thousands except %)*

	Q2 FY25	Q2 FY24	VARIANCE
<b>Revenue</b>	\$ 187,169	\$ 175,042	\$ 12,127
Storage and Terminal Solutions	95,507	62,360	33,147
Utility and Power Infrastructure	61,076	40,144	20,932
Process and Industrial Facilities	30,586	71,305	(40,719)
<b>Gross Profit</b>	10,892	10,589	303
<b>Gross Margin</b>	5.8%	6.0%	(0.2%)
<b>SG&amp;A Expense</b>	17,286	15,731	(1,555)
<b>Operating Income (Loss)</b>	(6,394)	(5,142)	(1,252)
<b>Operating Income (Loss) %</b>	(3.4%)	(2.9%)	(0.5%)
<b>Net Income (Loss)</b>	\$ (5,533)	\$ (2,851)	\$ (2,682)
<b>Net Income (Loss) Per Share</b>	\$ (0.20)	\$ (0.10)	\$ (0.10)
<b>Adjusted Net Income (Loss) Per Share</b>	\$ (0.20)	\$ (0.18)	\$ (0.02)
<b>Adjusted EBITDA</b>	\$ (2,183)	\$ 117	\$ (2,300)

- Activity has begun to ramp as a result of progressing work on several large projects currently in backlog
  - Storage and Terminal Solutions revenue increased due to an increased volume of work for specialty vessel and LNG storage
  - Utility and Power Infrastructure revenue increased on higher volumes of work associated with LNG Peak Shaving projects, partially offset by decreases in power delivery work
  - Process and Industrial Facilities revenue decreased as a result of the completion of a renewable diesel project in Q4 FY24, in addition to lower revenue volumes for thermal vacuum chambers
- Strong project execution was offset by under-recovery of overhead costs – an impact of 440 basis points on a consolidated level – due to low revenue volume

We expect revenue to continue to increase each quarter as we move through the remainder of FY25, particularly in the Storage and Terminal Solutions segment. Improvement in consolidated revenue and continued operational excellence will allow us to return to profitability in the fiscal year.

# ADJUSTED NET INCOME (LOSS)



<i>(In thousands except per share amounts)</i>	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25
Net Income (Loss), as reported	\$ (3,167)	\$ (2,851)	\$ (14,581)	\$ (4,377)	\$ (9,223)	\$ (5,533)
Restructuring costs	–	–	–	501	–	–
Gain on sale of assets	(2,536)	(2,006)	–	–	–	–
Tax impact of adjustments	–	–	–	–	–	–
Adjusted Net Income (Loss)	(5,703)	(4,857)	(14,581)	(3,876)	(9,223)	(5,533)
Net Income (Loss) per Fully Diluted Share	\$ (0.12)	\$ (0.10)	\$ (0.53)	\$ (0.16)	\$ (0.33)	\$ (0.20)
Adjusted Net Income (Loss) per Fully Diluted Share	\$ (0.21)	\$ (0.18)	\$ (0.53)	\$ (0.14)	\$ (0.33)	\$ (0.20)

# ADJUSTED EBITDA



<i>(In thousands)</i>	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25
Net Income (Loss), as reported	\$ (3,167)	\$ (2,851)	\$ (14,581)	\$ (4,377)	\$ (9,223)	\$ (5,533)
Interest expense	325	319	143	343	89	145
Interest income	(150)	(161)	(166)	(862)	(1,572)	(1,578)
Provision (benefit) for federal, state and foreign income taxes	–	6	(2)	(40)	–	16
Depreciation and amortization	2,911	2,781	2,645	2,686	2,515	2,510
Gain on sale of assets	(2,536)	(2,006)	–	–	–	–
Restructuring costs	–	–	–	501	–	–
Stock-based compensation expense*	1,755	2,030	1,980	1,980	2,311	2,257
Adjusted EBITDA	\$ (862)	\$ 118	\$ (9,981)	\$ 231	\$ (5,880)	\$ (2,183)

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