



FY24 Q1 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

NOVEMBER 14

Matrix virtual Annual Stockholder Meeting

NOVEMBER 15 – 16

Sidoti Micro-Cap Virtual Conference

DECEMBER

Virtual Non-Deal Roadshow hosted by Rose & Company

CONTACT

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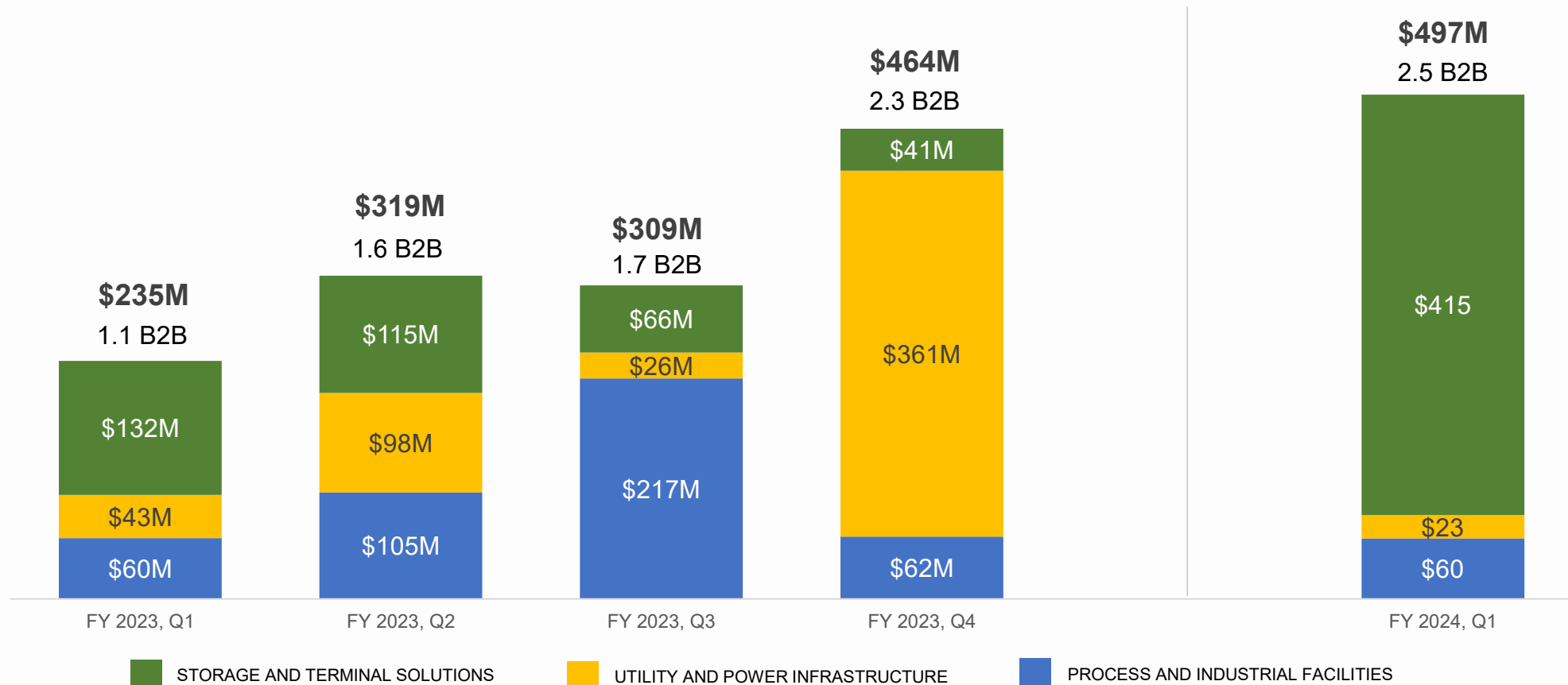
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SAFETY MOMENT

CEO COMMENTARY

PROJECT AWARDS AND BOOK-TO-BILL (B2B)



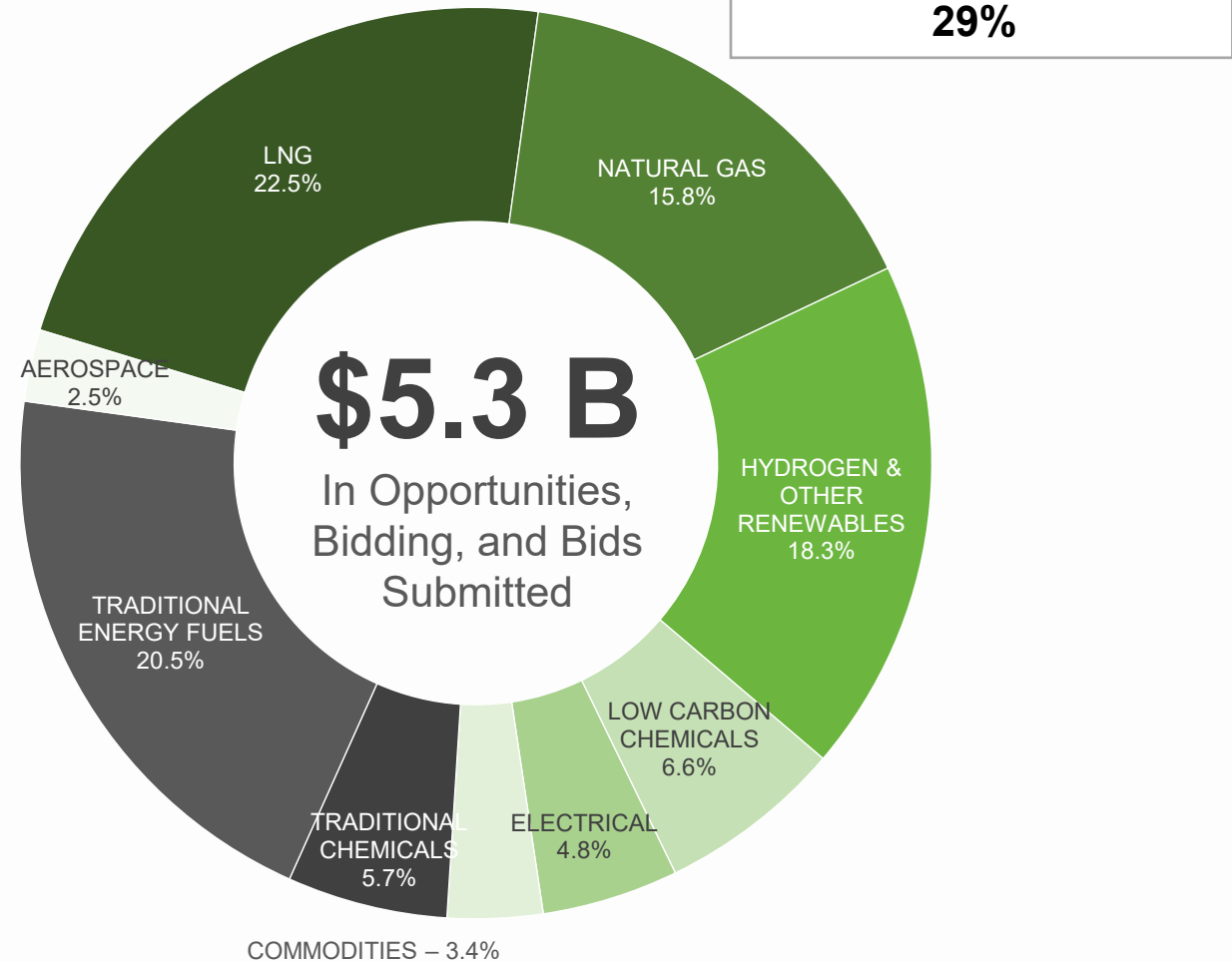
We generated \$497 million in awards in FY 2024, Q1 – the highest quarterly awards in five years. FY 2024, Q1 book-to-bill ratio was 2.5. Project awards totaling \$1.6 billion in the last 4 quarters have resulted in 126% growth in backlog over that period.

OPPORTUNITY PIPELINE

Supports traditional and lower carbon energy mix, including LNG and NGLs, Hydrogen and other renewables.

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

This pipeline 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 September 30, 2023, for projects of \$5 million or greater and does not include small capital projects or maintenance and repair.

KEY MACRO DRIVERS TO OUR MARKETS

GLOBAL ENERGY SECURITY

- Crude oil
- Refined products
- Natural Gas and Gas Liquids

DOMESTIC ENERGY SUPPLY ASSURANCE

- LNG Storage, Back-up Fuel Supply and Peak Shaving
- Aging and Secure Electrical Infrastructure

CLEAN ENERGY TRANSITION

- Hydrogen, Ammonia
- Natural Gas
- Carbon Capture
- Electrification of Everything

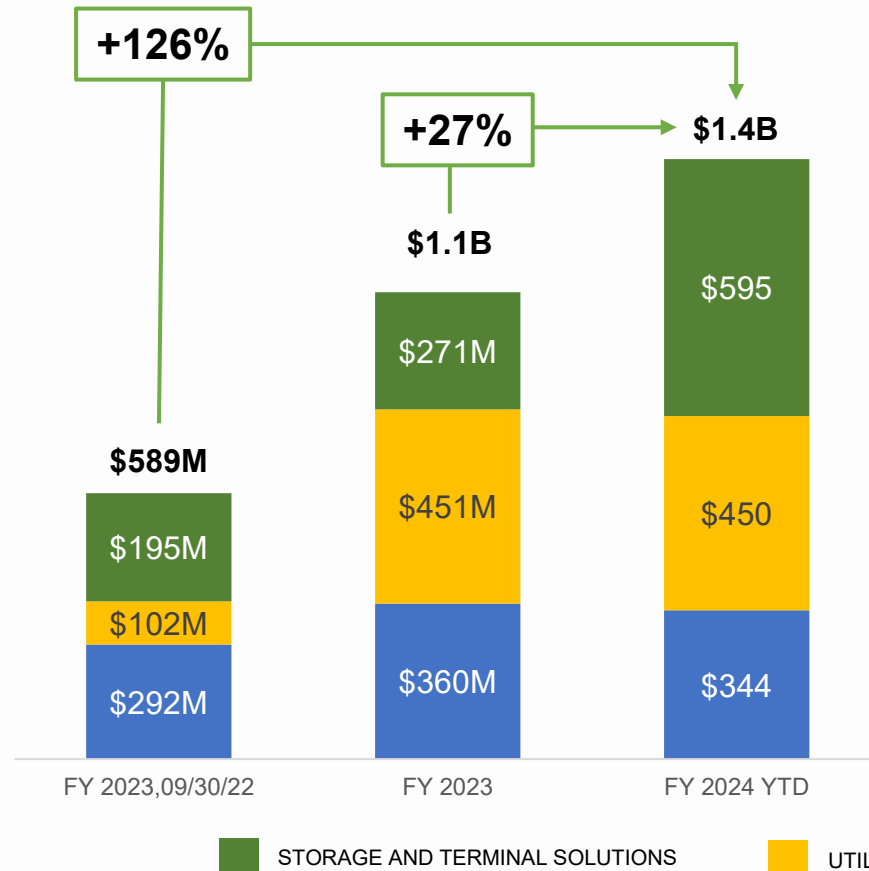
DEMAND FOR OTHER COMMODITIES

- Metals, Mining and Minerals Investment
- Batteries, infrastructure, etc.

FEDERAL INFRASTRUCTURE INVESTMENT

- Resilient, clean, 21st century electric grid
- Supporting the clean energy transition
- Airports including fueling and sustainable aviation fuel investments
- Infrastructure repair, replacement, and electrification which impact Copper, Lithium and other mineral commodities
- Wastewater treatment that will require digesters and aluminum covers

SEPTEMBER 30, 2023 BACKLOG | \$1.4B, 126% YEAR-OVER-YEAR INCREASE



Number of capital projects, including two large ethane tank projects and the recent addition of an LNG liquefaction and storage terminal.

Includes recent award of an LNG peak shaver that will begin later in the year, as well as other ongoing work including a previously awarded LNG peak shaver and traditional electrical work

Includes large natural gas compressor project as well as embedded maintenance and repair work and other industrial projects (thermal vacuum chambers and renewable fuel projects)

Strong growth in our core markets and strategic focus areas.
 More opportunities remain for further backlog build during FY 2024.

QUARTERLY TREND | CONSOLIDATED

(In thousands except % and per share amounts)

	FY2023, Q1	FY2023, Q2	FY2023, Q3	FY2023, Q4	FY2024, Q1
Revenue	\$ 208,431	\$ 193,040	\$ 186,895	\$ 205,854	\$ 197,659
Gross Profit (Loss)	13,008	(1,302)	4,419	14,695	11,859
Gross Margin	6.2%	(0.7%)	2.4%	7.1%	6.0%
SG&A Expense	16,811	17,545	16,862	17,031	17,113
Operating Income	(5,090)	(32,441)	(12,759)	(2,597)	(5,254)
Operating Income %	(2.4%)	(16.7%)	(6.8%)	(1.3%)	(2.7%)
Adjusted Operating Income	(3,803)	(18,847)	(12,443)	(2,336)	(5,254)
Adjusted Operating Income %	(1.8%)	(9.8%)	(6.7%)	(1.1%)	(2.7%)
Net Income (Loss)	(6,512)	(32,827)	(12,686)	(336)	(3,167)
Income (Loss) Per Share	\$ (0.24)	\$ (1.22)	\$ (0.47)	\$ (0.01)	\$ (0.12)
Adjusted Loss Per Share	\$ (0.19)	\$ (0.71)	\$ (0.46)	\$ (0.11)	\$ (0.21)
Adjusted EBITDA	\$ 844	\$ (13,090)	\$ (7,736)	\$ 2,283	\$ (712)

- Revenue declined due to the completion of certain projects awarded in prior years, as well as normal summer seasonality.
- Gross Margins declined from Q4 FY2023 due to lower revenue volumes.

Overall, Q1 FY2024 was in line with expectations, highlighted by strong project awards. We expect revenue and earnings to be at a similar level in Q2 and then show strong growth from newly awarded projects in the second half of FY2024.

QUARTERLY TREND | STORAGE & TERMINAL SOLUTIONS

<i>(In thousands except %)</i>	FY2023, Q1	FY2023, Q2	FY2023, Q3	FY2023, Q4	FY2024, Q1
Revenue	\$ 76,933	\$ 62,516	\$ 52,165	\$ 64,079	\$ 90,144
Gross Profit (Loss)	7,564	1,648	(810)	2,067	4,952
Gross Margin	9.8%	2.6%	(1.6%)	3.2%	5.5%
SG&A Expense	4,158	5,450	5,735	4,712	4,629
Operating Income	2,884	(4,185)	(6,624)	(2,630)	323
Operating Income %	3.7%	(6.7%)	(12.7%)	(4.1%)	0.4%
Adjusted Operating Income	3,406	(3,802)	(6,545)	(2,645)	323
Adjusted Operating Income %	4.4%	(6.1%)	(12.5%)	(4.1%)	0.4%

- Revenue increased 41% from 4Q FY2023 and improved with commencement of capital projects awarded in the prior fiscal year which included the procurement of materials and components.
- Gross Margin improved on strong project execution but was impacted by under-recovery of overhead as we move resources to this segment in anticipation of significant growth during the second half of FY2024.

Operating performance is expected to improve in the second half of FY2024 as recent project awards begin to meaningfully impact revenue, eliminate under recovery of construction overheads, and produce significantly higher operating income.

QUARTERLY TREND | UTILITY & POWER INFRASTRUCTURE

<i>(In thousands except %)</i>	FY2023, Q1	FY2023, Q2	FY2023, Q3	FY2023, Q4	FY2024, Q1
Revenue	\$ 44,870	\$ 50,535	\$ 35,024	\$ 39,075	\$ 32,395
Gross Profit (Loss)	1,714	2,426	2,790	3,770	3,697
Gross Margin	3.8%	4.8%	8.0%	9.6%	11.4%
SG&A Expense	1,738	1,787	1,869	1,651	1,548
Operating Income	(61)	639	921	2,119	2,149
Operating Income %	(0.1%)	1.3%	2.6%	5.4%	6.6%
Adjusted Operating Income	(24)	639	921	2,119	2,149
Adjusted Operating Income %	(0.1%)	1.3%	2.6%	5.4%	6.6%

- Revenue decline is due to lower levels of power delivery work during the summer months.
- Improved gross margins driven by strong project execution which led to favorable project closeouts, as well as LNG peak shaving projects which have a better margin profile.

Revenue improvement expected beginning in Q2 FY2024 with increased peak shaver work on recently awarded projects. Longer-term outlook includes strong funnel with additional peak shaver opportunities and demand for electrical infrastructure upgrades and expansion.

QUARTERLY TREND | PROCESS & INDUSTRIAL FACILITIES

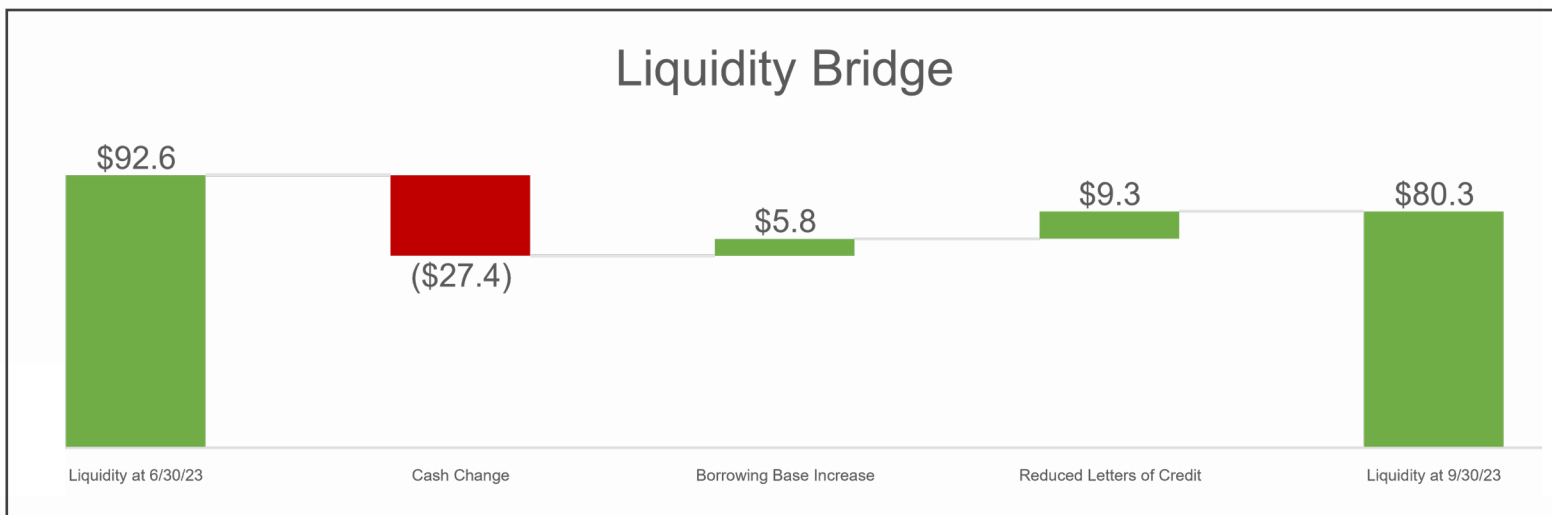
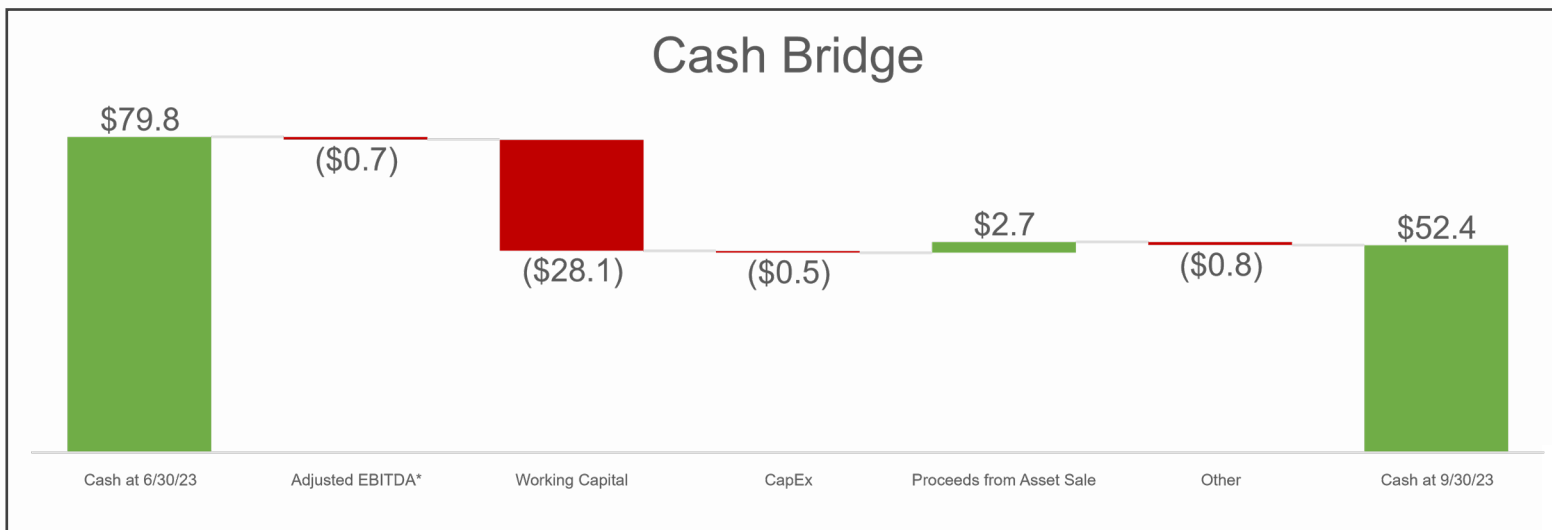
<i>(In thousands except %)</i>	FY2023, Q1	FY2023, Q2	FY2023, Q3	FY 2023, Q4	FY 2024, Q1
Revenue	\$ 86,628	\$ 80,789	\$ 99,706	\$ 102,700	\$ 75,120
Gross Profit (Loss)	4,330	(5,131)	3,160	8,397	5,078
Gross Margin	5.0%	(6.4%)	3.2%	8.2%	6.8%
SG&A Expense	4,070	3,682	3,556	3,601	3,085
Operating Income	(55)	(21,511)	(502)	4,627	1,991
Operating Income %	(0.1%)	(26.6%)	(0.5%)	4.5%	2.7%
Adjusted Operating Income	260	(8,813)	(396)	4,796	1,991
Adjusted Operating Income %	0.3%	(10.9%)	(0.4%)	4.7%	2.7%

- Lower revenues were the result of the completion of certain gas processing work, lower refinery work during the summer months, and the sale of a non-core business during Q4 FY2023.
- Gross margins were negatively impacted by under-recovery of construction overhead costs due to lower revenue volumes.

Capital projects currently in backlog will positively impact revenue as we move into FY2025. Segment continues to be supported by turnaround and recurring repair and maintenance work.

FISCAL YEAR 2024, Q1

(\$ in millions)



- As expected, cash decreased in Q1 due to use of working capital resulting from the timing of project cash flows. Improved cash flow is expected through the remainder of FY2024.
- In early Q2, the Company reached favorable resolution on a long-standing legal dispute with an iron and steel customer that resulted in the receipt of \$16.8 million, the full amount owed under a reimbursable contract.
- Based on our improving financial position, the Company repaid all outstanding borrowings under the credit facility in early November.

OUTLOOK



Economic and market drivers bring **significant tailwinds**.

Strong backlog with recurring revenue streams and multi-year projects.

Growth prospects with strong opportunity pipeline and **end markets with long runway**.

Brand strength reputation with **excellent customer relationships and safety culture**.

Consistently strong balance sheet.

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

*Expect to achieve these targets within the next 12-18 months

With existing backlog and strong end-markets, MTRX is well-positioned to achieve our key financial targets and provide value appreciation for our stockholders.



Q&A

APPENDIX

ADJUSTED NET LOSS

<i>(In thousands except per share amounts)</i>	FY2023, Q1	FY2023, Q2	FY2023, Q3	FY2023, Q4	FY2024, Q1
Net Income (Loss), as reported	\$ (6,512)	\$ (32,827)	\$ (12,686)	\$ (336)	\$ (3,167)
Restructuring costs	1,287	1,278	316	261	—
Goodwill impairment	—	12,316	—	—	—
Gain on sale of assets	—	—	—	(2,905)	(2,536)
Tax impact of adjustments	—	—	—	—	—
Adjusted Net Loss	(5,225)	(19,233)	(12,370)	(2,980)	(5,703)
Income (Loss) per Fully Diluted Share	\$ (0.24)	\$ (1.22)	\$ (0.47)	\$ (0.01)	\$ (0.12)
Adjusted Loss per Fully Diluted Share	\$ (0.19)	\$ (0.71)	\$ (0.46)	\$ (0.11)	\$ (0.21)

ADJUSTED EBITDA

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

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