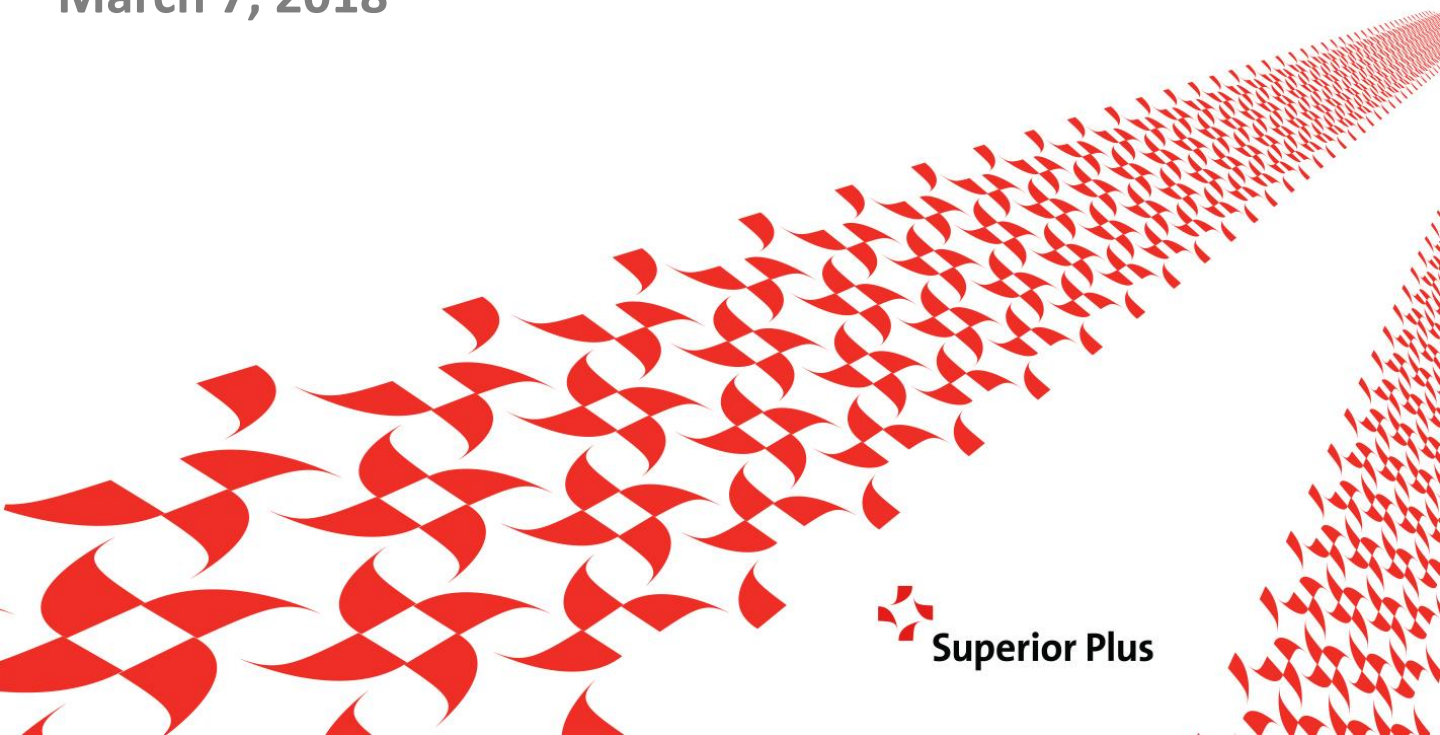


**Superior Plus Corp.**

**TSX: SPB**

# **CIBC Industrials Conference**

**March 7, 2018**



**Superior Plus**

# Forward-Looking Statements and Information

This presentation is for information purposes only and is not intended to, and should not be construed to constitute, an offer to sell or the solicitation of an offer to buy, securities of Superior Plus Corp. ("Superior"). This presentation and its contents should not be construed, under any circumstances, as investment, tax or legal advice. Any person accepting delivery of this presentation acknowledges the need to conduct their own thorough investigation into Superior and its activities before considering any investment in its securities.

Certain information included herein and certain oral statements made by management are forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information may include statements regarding the objectives, business strategies to achieve those objectives, expected financial results (including those in the area of risk management), economic or market conditions, and the outlook of or involving Superior Plus Corp., Superior Plus LP ("Superior LP") and its businesses. Such information is typically identified by words such as "anticipate", "believe", "continue", "could", "estimate", "expect", "plan", "intend", "forecast", "future", "guidance", "may", "predict", "project", "should", "strategy", "target", "will" or similar expressions suggesting future outcomes.

Forward-looking information as well as assumptions and related risks underlying forward looking statements in this document include: the amount and timing of the expected synergies from the Canwest transaction, expected impact of the divestitures, the Evolution 2020 aspirational goal which is based on assumptions of i) non-organic growth through acquisitions (including synergies) contributing approximately \$10 million to \$70 million in EBITDA; ii) organic growth initiatives throughout all divisions to 2020 providing approximately \$30 million to \$50 million in EBITDA, representing a 3-5% compound annual growth rate to 2020; and iii) the anticipated recovery in the chlor-alkali sector within the Specialty Chemicals division providing \$10 million to \$30 million in incremental EBITDA to 2020 EBITDA from operations, AOCF per share accretion, the pro forma Adjusted EBITDA, payout ratio, sale volumes, number of customers and employees from Superior's propane operations after completion of the acquisition of Canwest Propane, total debt to adjusted EBITDA, and Superior's consolidated 2017 & 2018 AOCF per share outlook, 2018 Adjusted EBITDA outlook, 2017 & 2018 estimated capital spending, future financial position, consolidated and business segment outlooks, expected EBITDA from operations, expected leverage ratios, expected future taxes, expectations in terms of the cost of operations, business strategy and objectives, development plans and programs, business expansion and cost structure and other improvement projects, expected product margins and sales volumes, expected operating rate, market conditions in Canada and the U.S., continued improvements in operational efficiencies and sales and marketing initiatives in Energy Distribution, future economic conditions, future exchange rates, exposure to such rates and incremental earnings associated with such rates, expected weather, expectations for the global economic environment, our trading strategy and the risk involved in these strategies, the impact of certain hedges on future reported earnings and cash flows, future taxes, commodity prices and costs, the impact of contracts for commodities, demand for propane, heating oil and similar products, demand for chemicals including sodium chlorate and chlor-alkali, effect of operational and technological improvements, anticipated costs and benefits of business enterprise system upgrade plans, future working capital levels, expected governmental regulatory regimes and legislation and their expected impact on regulatory and legislative compliance costs, expectations for the outcome of existing or potential legal and contractual claims, our ability to obtain financing on acceptable terms, expected life of facilities and statements regarding net working capital and capital expenditure requirements of Superior or Superior LP.

Forward-looking information is provided for the purpose of providing information about management's expectations and plans about the future and may not be appropriate for other purposes. Forward-looking information herein is based on various assumptions and expectations that Superior believes are reasonable in the circumstances. No assurance can be given that these assumptions and expectations will prove to be correct. Those assumptions and expectations are based on information currently available to Superior, including information obtained from third party industry analysts and other third party sources, and the historic performance of Superior's businesses. Such assumptions include anticipated financial performance, current business and economic trends, the amount of future dividends paid by Superior, business prospects, availability and utilization of tax basis, regulatory developments, currency, exchange and interest rates, trading data, cost estimates, recovery within the chlor-alkali market, our ability to obtain financing on acceptable terms, the assumptions set forth under the "Financial Outlook" sections of our Annual 2017 MD&A and are subject to the risks and uncertainties set forth below.

By its very nature, forward-looking information involves numerous assumptions, risks and uncertainties, both general and specific. Should one or more of these risks and uncertainties materialize or should underlying assumptions prove incorrect, as many important factors are beyond our control, Superior's or Superior LP's actual performance and financial results may vary materially from those estimates and intentions contemplated, expressed or implied in the forward-looking information. These risks and uncertainties include incorrect assessments of value when making acquisitions, increases in debt service charges, the loss of key personnel, fluctuations in foreign currency, exchange rates and commodity prices, inadequate insurance coverage, liability for cash taxes, counterparty risk, compliance with environmental laws and regulations, reduced customer demand, operational risks involving our facilities, force majeure, labour relations matters, our ability to access external sources of debt and equity capital, and the risks identified in (i) our Annual 2017 MD&A under the heading "Risk Factors" and (ii) Superior's most recent Annual Information Form. The preceding list of assumptions, risks and uncertainties is not exhaustive.

When relying on our forward-looking information to make decisions with respect to Superior, investors and others should carefully consider the preceding factors, other uncertainties and potential events. Any forward-looking information is provided as of the date of this document and, except as required by law, neither Superior nor Superior LP undertakes to update or revise such information to reflect new information, subsequent or otherwise. For the reasons set forth above, investors should not place undue reliance on forward-looking information.

See Superior's Annual 2017 MD&A for definitions related to Non-GAAP Financial Measures.

# Superior Plus Overview

**Superior Plus operates two businesses, Energy Distribution and Specialty Chemicals, with a focus on:**

- Organic Growth
- Continuous improvement
- Safety
- Talent

Shares outstanding <sup>(1)</sup>	142.8 million
TSX share price <sup>(1)</sup>	\$12.63
Market Capitalization <sup>(1)</sup>	\$1.8 billion
Enterprise value <sup>(1)</sup>	\$2.9 billion
Monthly dividend per share	\$0.06
Dividend Yield <sup>(1)</sup>	5.70%
EBITDA from operations <sup>(2)(3)</sup>	\$332.3 million
Debt/Adjusted EBITDA <sup>(2)(4)</sup>	3.3x
Credit Rating	S&P - BB DBRS - BB (high)

(1) As at February 22, 2018 for share price, dividend yield and market capitalization. Debt as at Dec. 31, 2017.

(2) See "Non-GAAP Financial Measures".

(3) FY 2017 EBITDA from operations, which includes \$42.6 million FY 2017 pro forma EBITDA from Canwest Propane ("Canwest") excluding anticipated synergies of \$20 million.

(4) Pro forma including trailing twelve months Canwest results and tuck-in acquisitions.

# Our Businesses

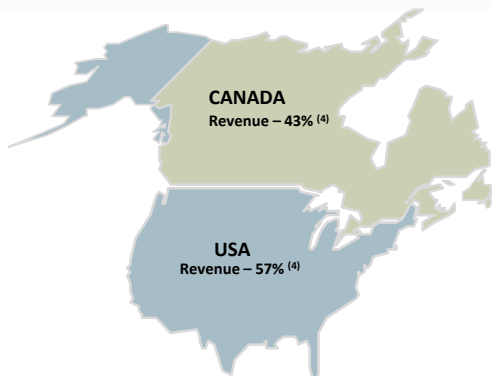
## Energy Distribution

- Leading distributor and marketer of propane in Canada
  - Sales volume of 2.0 billion litres<sup>(1)</sup>
- Distribution of retail and wholesale propane and distillates in the Northeast U.S.
  - Sales volume of 1.3 billion litres<sup>(2)</sup>
- Approximately 62% of EBITDA from operations<sup>(3)</sup>

## Specialty Chemicals

Production and sales of:

- Sodium Chlorate products in North America
- Export sales represent ~16% of North American production<sup>(2)</sup>
- Chlor-alkali and related products in North America
- Sodium Chlorate in Chile, South America
- Approximately 38% of EBITDA from operations<sup>(3)</sup>



Energy Distribution and Chemicals have:

- > Solid industry positions
- > Attractive acquisition opportunities
- > Sustainable free cash flow models
- > Opportunities for geographic and market expansion

(1) FY 2017 Canadian Propane Distribution pro forma Canwest volumes.

(2) Based on FY 2017 volumes.

(3) Based on FY 2017 pro forma Canwest excluding anticipated synergies. See "Non-GAAP financial measures".

(4) Based on FY 2017 pro forma Canwest excluding anticipated synergies. USA includes results from Chile, representing ~4% of gross revenue.

# Recent Developments

- > Closed private placement of CDN \$220 million principal amount of 5.125% Senior Unsecured Notes due August 27, 2025;
- > Completed the acquisition of the propane distribution assets of Hi-Grade Oil, an independent propane and distillate fuel distributor in Ohio;
- > Signed an agreement with two third-parties to sell the propane assets required by the Competition Bureau as part of the Canwest Acquisition;
  - Both transactions are subject to approval by the Competition Bureau and other customary closing acquisitions;
  - Transactions are anticipated to close early in the second quarter of 2018.

# Synergy Summary

Integration work has commenced, with the majority of rationalization to occur in Q2 2018 following the heating season

## Labour costs

- Implementation of the “Superior Way” and digital platform to improve route efficiency and reduce costs
- ~60% of the expected \$20 million in run rate synergies

## Facilities & Operating Expenses

- Consolidation of facilities to provide synergies
- Reduction of operating costs from reduced fleet and distribution points
- ~40% of the expected \$20 million in run rate synergies

## Capital

- Fleet optimization savings through consolidation of the fleet
- One-time capital disposal synergy due to facility overlap

## Synergy Timeline <sup>(1)</sup>

2018

\$15 million <sup>(2)</sup>

Q2 2019

\$5 million <sup>(3)</sup>

2019  
Run rate

Consolidated – At least ~\$20.0 million <sup>(4)</sup>

- Estimated run-rate pre-tax synergies expected to be at least \$20 million on a run-rate basis and are expected to be fully realized within 24 months from close

(1) See Forward-Looking Statements and information.

(2) Run rate synergies of \$15 million by the end of 2018 and realized in 2019.

(3) Remaining synergies of at least \$5 million realized by Q2 2019.

(4) Full run rate synergies of \$20 million by Q2-19 and fully realized in 2020.

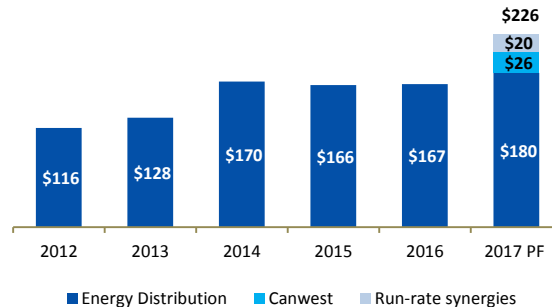
# Energy Distribution - Segment Summary

## Business Summary

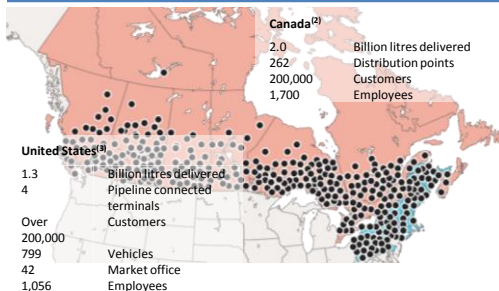
- ✓ Leading retail supplier of propane in Canada and established footprint in U.S. Northeast propane and refined fuels markets
- ✓ Growth opportunities through new markets and industry consolidation
- ✓ Leading competitive position with full service capabilities
- ✓ Technological improvements and productivity initiatives resulting in reduced costs and enhanced returns

## Financial Overview (C\$ mm)

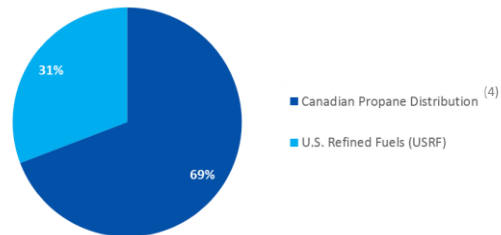
### EBITDA from Operations<sup>(1)</sup>



## Geographic Footprint



## Gross Profit Contribution<sup>(2)</sup>



(1) Normalized to exclude divested Fixed Price Energy Service business. 2017 PF represents pro forma Canwest for FY 2017 excluding anticipated synergies. See "Non-GAAP Financial Measures".

(2) Pro forma Canwest for FY 2017 excluding anticipated synergies.

(3) FY 2016.

(4) Canadian Propane Distribution includes pro forma Canwest for FY 2017 excluding anticipated synergies.

# Energy Distribution - Segment Summary

## Business & Product Summary

### Canadian Propane Distribution

- > Superior Propane is Canada's leading propane distribution company
  - Founded in 1951, Superior Propane is an iconic 65-year old Canadian brand with ~30-35% market share; ~40-45% market share including pro forma acquisition of Canwest
  - Offers coast to coast propane solution
  - Largest purchaser of propane for domestic retail supply
  - Leading customer portal and digital sensor solutions
- > Services include primary propane distribution services as well as tank/equipment installation, rental and maintenance
- > Acquisition of Canwest Propane in 2017
  - Significant benefits to customers
  - Enhances Superior Propane's competitive position in Canada's energy market
  - Expected annual synergies of at least \$20 million

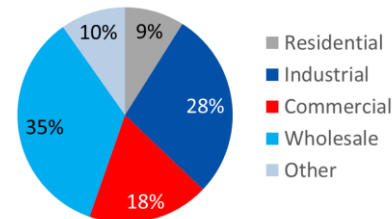
### U.S. Refined Fuels

- > USRF distributes liquid fuels and propane gas under several different brand names to customers located in 10 states in the Northeast U.S.
  - Formed by acquisition in 2009/2010, USRF predominately services the residential/home heating market, constituting 63% of total gross profit
  - Lower market shares at 5% of retail propane and 3% of heating oil offers room for growth with a focus on propane<sup>(2)</sup>
- > In addition, USRF provides other homecare services, including heating, ventilation, air-conditioning installation, maintenance and repair

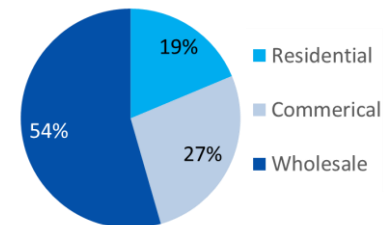
### Supply Portfolio Management

- > Superior Gas Liquids (SGL) is an intermediary between upstream natural gas liquids producers and downstream retail customers
- > Provides value-added supply portfolio management services to Superior Plus Propane and small and medium sized propane retailers in North America
  - Includes transportation, storage, risk management, supply and logistics services
- > Focused on growth through organic initiatives and potential acquisitions within the wholesale business

### Cdn. Propane Distribution Volumes<sup>(1)</sup>



### U.S. Refined Fuels Volumes<sup>(1)</sup>



(1) FY 2017. Canadian Propane Distribution includes pro forma acquisition of Canwest.

(2) Market share for propane based on operations in New York, Pennsylvania, Connecticut, Rhode Island, Ohio and Virginia.

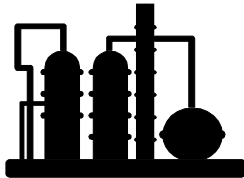


# Canadian Propane Distribution Overview

SUPPLY



REFINERIES



MIDSTREAM FACILITIES

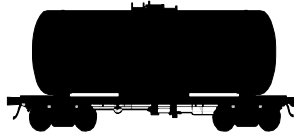


PRODUCERS

LOGISTICS

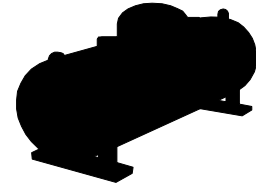


THIRD PARTY TRUCKING



RAIL

DISTRIBUTION/MARKETING



COMMERCIAL/INDUSTRIAL



WHOLESALE



RESIDENTIAL

# Specialty Chemicals - Segment Summary

## Business Summary

- One of North America's largest producers and supplier of sodium chlorate, chlor-alkali and sodium chlorite
- Diversified end market and customer exposure, with key verticals including pulp & paper, oil & gas and water treatment
- Exposure to attractive growth trends in finished product end markets, particularly in emerging economics

## Geographic Footprint

### North America

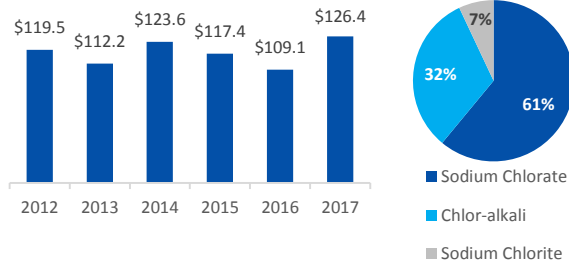
### South America

Production facilities located at 9 sites across Canada, U.S. and South America

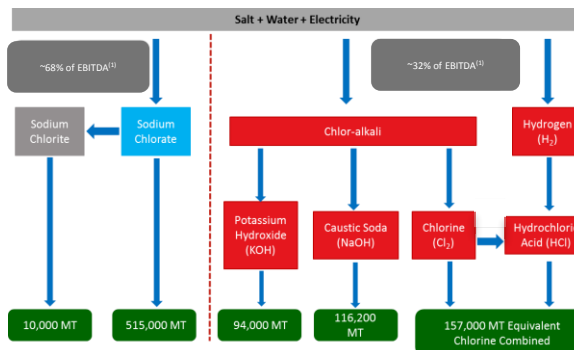


## Financial Overview (C\$ mm)

### EBITDA from Operations<sup>(1)(2)</sup>



## Product Diversification



(1) Based on 2017 EBITDA from Operations. See "Non-GAAP Financial Measures".

(2) Pie chart refers to 2017 FY. See "Non-GAAP Financial Measures".

# Specialty Chemicals – Business & Product Overview

## Business & Product Summary

- 1**
- Sodium Chlorate**  
(61% of EBITDA)<sup>(1)</sup>
- > Sodium chlorate is an inorganic specialty chemical used primarily (>95%) by the pulp and paper industry for the dioxin-free bleaching of pulp
    - Simple ingredient profile: water, salt and electricity, with electricity representing as much as 80% of total input costs
  - > ERCO's six plants in North America and one in Chile total 515,000 metric tonnes of annual capacity, and are expected to achieve high operating rates going forward
    - North American facilities represent 28% of continental chlorate capacity

- 2**
- Chlor-alkali**  
(32% of EBITDA)<sup>(1)</sup>
- > ERCO's chlor-alkali segment produces caustic soda, potassium caustic, chlorine and hydrochloric acid for a variety of end markets
    - North American sales also concentrated around pulp & paper, but with additional consumption by the oil & gas and water treatment industries
  - > ERCO production facilities located in Port Edwards, WI and Saskatoon, SK
    - Facilities have achieved operating rates over 10% higher than the North American industry average over the last 5 years
  - > 157,000 electrochemical units of chlor-alkali annual capacity

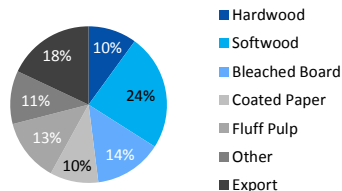
- 3**
- Sodium Chlorite**  
(7% of EBITDA)<sup>(1)</sup>
- > Sodium chlorite is a niche chemical used in various water treatment, food processing and oil & gas applications
  - > ERCO's two facilities at Thunder Bay, ON and Buckingham, QC constitute 55% of total North American capacity for the chemical
  - > 10,000 metric tonnes of annual capacity

(1) Based on 2017 Specialty Chemicals EBITDA from operations. See "Non-GAAP Financial Measures".

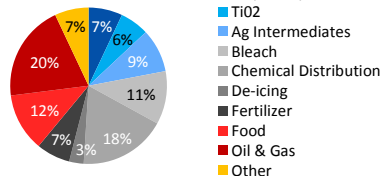
(2) Based on 2015 ERCO results.

## Sales by Customer Segment <sup>(2)</sup>

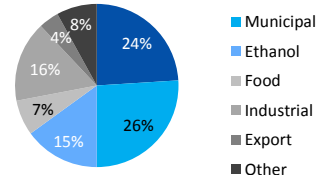
### Sodium Chlorate



### Chlor-alkali



### Sodium Chlorite



Leading North American sodium chlorate producer selling into a diverse range of attractive, stable end markets

# Specialty Chemicals – Industry & Market Overview

1

## Sodium Chlorate

- > Chlorate market driven by trends in underlying pulp and paper demand
- > Global pulp demand is strong and growing, with stable operating rates
  - Market is expected to grow at a compound annual growth rate (CAGR) of 2.8% from 2015 - 2020
- > Weakening demand for paper products in mature markets like North America expected to be offset by growing towel/tissue demand

2

## Chlor-alkali

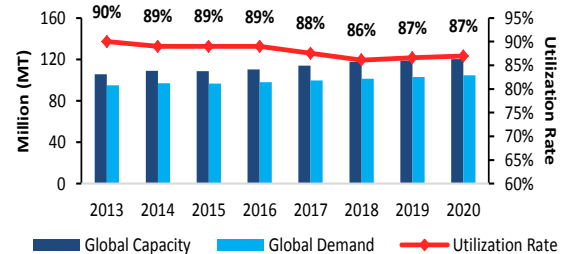
- > While the chlor-alkali market has seen weakness in recent years, ERCO's strategically located plants yield unique advantages
  - HCl demand is recovering due to increased oil and gas drilling activity, and ERCO is benefitting from the HCl burners and capacity expansions completed in 2014 and 2015
  - Chlorine demand in ERCO's local markets is balanced
  - Localized caustic demand also significantly exceeds production

3

## Sodium Chlorite

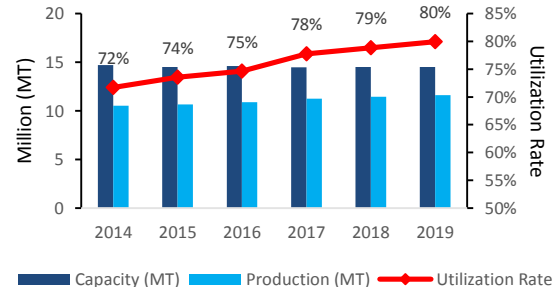
- > Chlorite market served by two North American producers with approximately same size
- > Solid long-term application for water treatment in the O&G segment
- > Demand growth initially slowed in 2016, however, is now showing signs of improvement going forward
- > Increased interest in chlorine dioxide generators for portable water disinfection

## Global Pulp Market



Source: China Customs Bureau & B McClay Inc., FAO, ERCO Worldwide

## U.S. Chlorine Capacity Utilization



Source: IHS

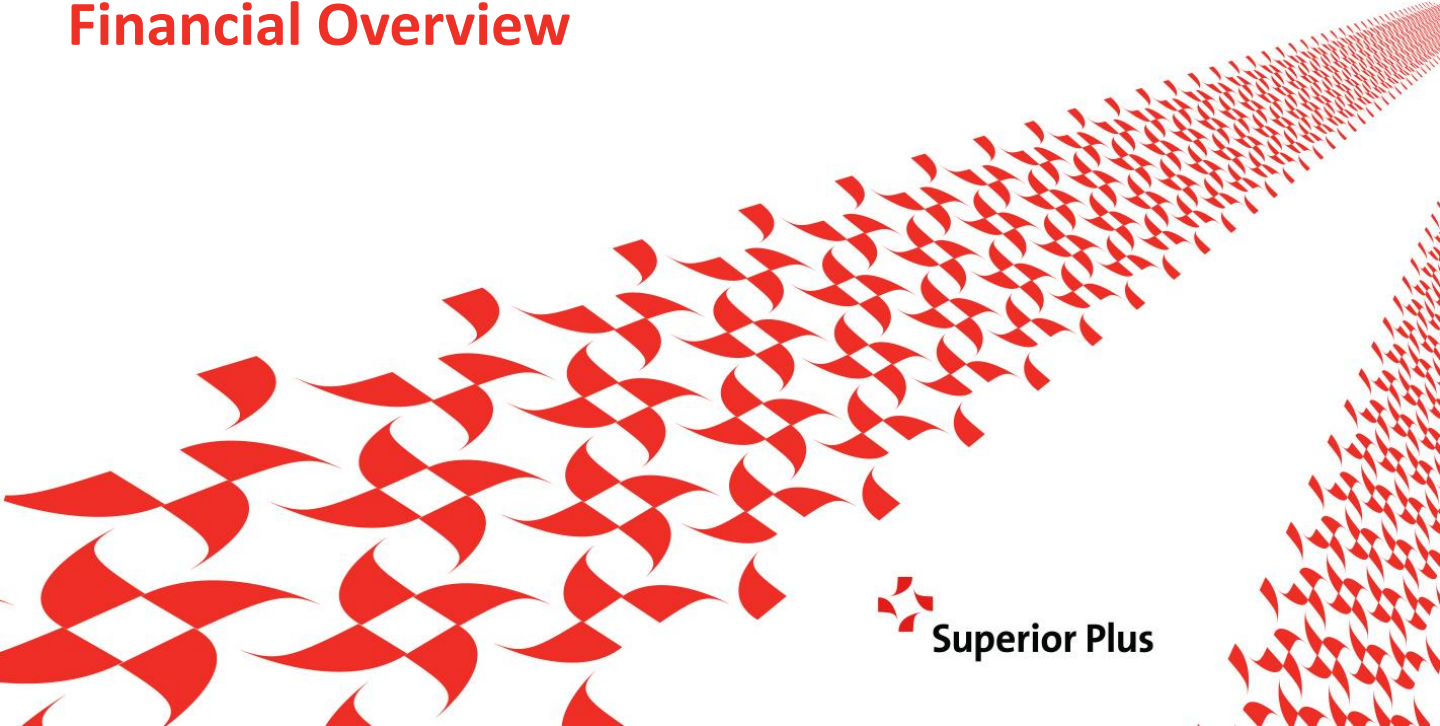
# 2018 Areas of Focus

<b>Superior Plus</b>	<ul style="list-style-type: none"><li>&gt; Execution on key themes of Evolution 2020<ul style="list-style-type: none"><li>• Internal growth</li><li>• Continuous improvement programs</li><li>• Talent management</li><li>• Sustainable capital structure and cash flow profile</li><li>• Continued focus on acquisitions</li></ul></li></ul>
<b>Energy Distribution</b>	<ul style="list-style-type: none"><li>&gt; Integration of Canwest Propane</li><li>&gt; Strategic tuck-in acquisitions</li><li>&gt; Continuous focus on cost improvement</li><li>&gt; Growth of wholesale business</li><li>&gt; Investment in sales and marketing in support of growth</li></ul>
<b>Specialty Chemicals</b>	<ul style="list-style-type: none"><li>&gt; Focus on plant optimization and logistics</li><li>&gt; Developing advanced sales and marketing approach</li><li>&gt; Maintaining excellent customer partner relationships</li><li>&gt; Continue to develop export market</li><li>&gt; Strategic acquisitions</li></ul>

**Superior Plus Corp.**

**TSX: SPB**

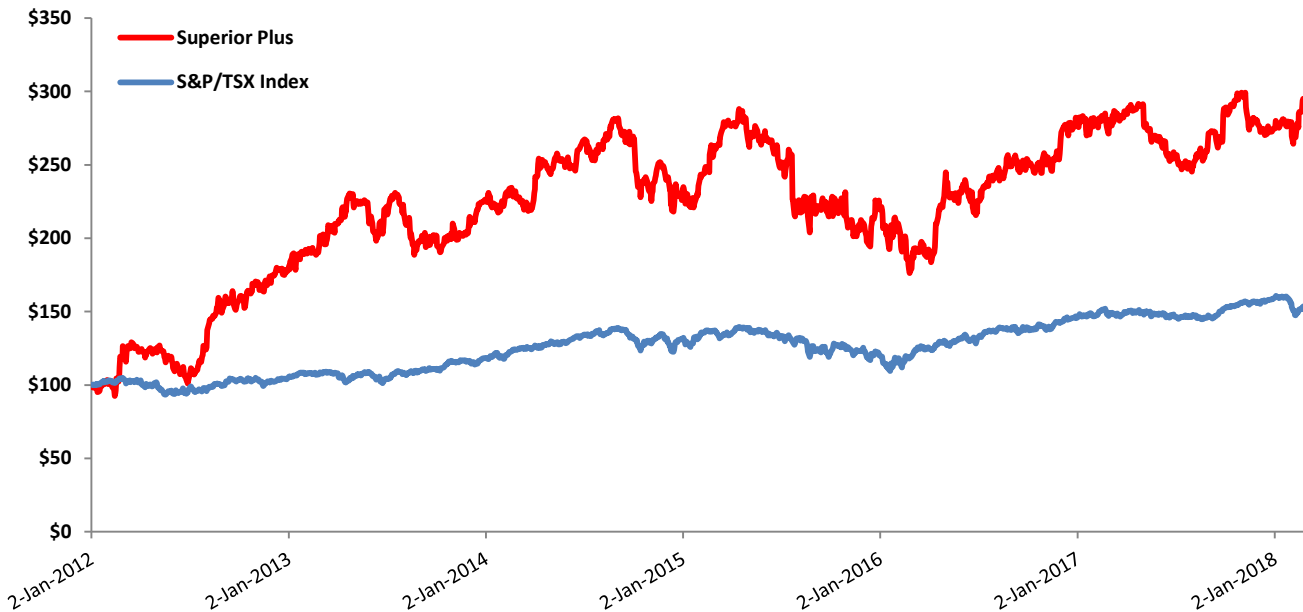
# Financial Overview



**Superior Plus**

# Superior Plus Total Shareholder Return

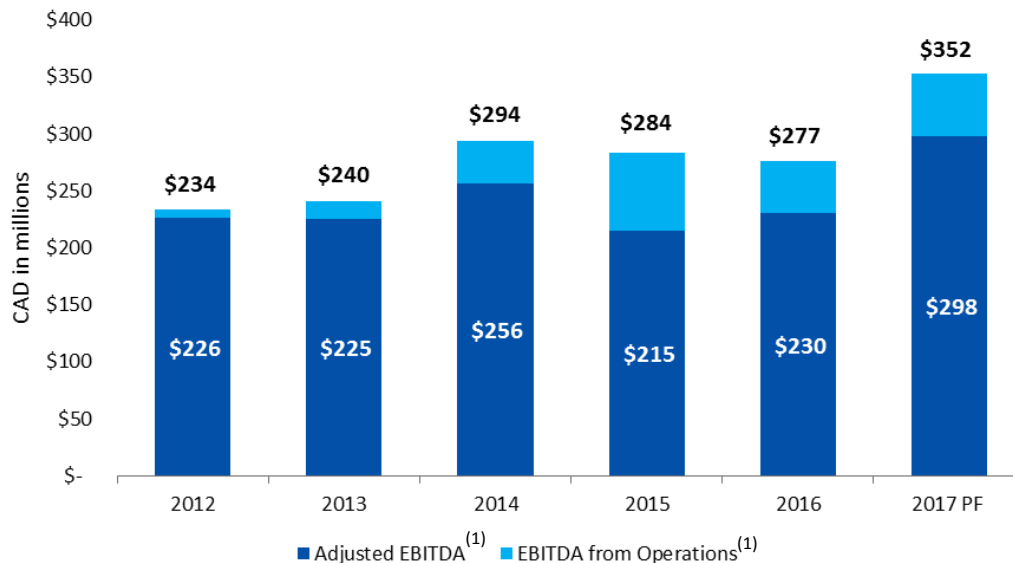
**SUPERIOR PLUS HAS DELIVERED 195% OF CUMULATIVE TOTAL SHAREHOLDER RETURN, PROVIDING SIGNIFICANT OUTPERFORMANCE OF THE TSX SINCE 2012.<sup>(1)</sup>**



<b>SPB</b>	81%	125%	135%	121%	176%	175%
<b>TSX</b>	6%	18%	32%	19%	47%	60%

(1) Total shareholder calculation assumes reinvestment of dividends. Cumulative return is calculated assuming an initial investment of \$100 and a time period of Jan. 1, 2012 to February 23, 2018. Source: Bloomberg

# Historical Results



- > Full year 2017 Adjusted EBITDA increased \$67.3 million or 29% compared to the prior year<sup>(2)</sup>
  - Specialty Chemicals EBITDA from operations during 2017 increased \$17.3 million compared to the prior year due to higher chlor-alkali sales volumes and higher caustic soda and hydrochloric acid average sales prices, partially offset by lower caustic potash prices
  - Contribution from Canwest of \$29.0 million
  - Lower realized losses on foreign exchange hedging contracts

(1) Normalized to exclude divested Fixed Price Energy Service business and excludes CPD. 2017 PF represents pro forma Canwest for FY 2017 excluding anticipated synergies. See "Non-GAAP Financial Measures".

(2) Superior's FY 2017 results as per 2017 Annual Report.

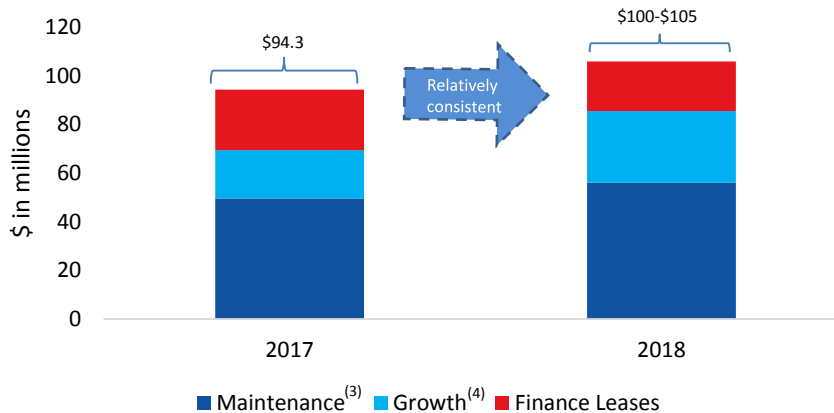


# 2018 Financial Outlook & Capital Spend

Guidance for 2018 confirmed with Q4-17 results

Guidance	2018
Adjusted Operating cash flow per share <sup>(1)</sup>	\$1.65 - \$1.95
Adjusted EBITDA Guidance <sup>(1)</sup>	\$295-\$335 million
Total Debt to Adjusted EBITDA <sup>(1)(2)</sup>	3.0X – 3.4X

## 2018 Estimated Capital Spending



Total capital forecast to remain consistent with 2017 even after incorporating Canwest Propane & other tuck-in acquisitions

(1) Per Annual 2017 MD&A. See "Non-GAAP Financial Measures".

(2) See "Forward-Looking Statements and Information".

(3) Maintenance capital is net of disposals.

(4) Growth Capital includes efficiency and process improvement capital and excludes acquisition capital.

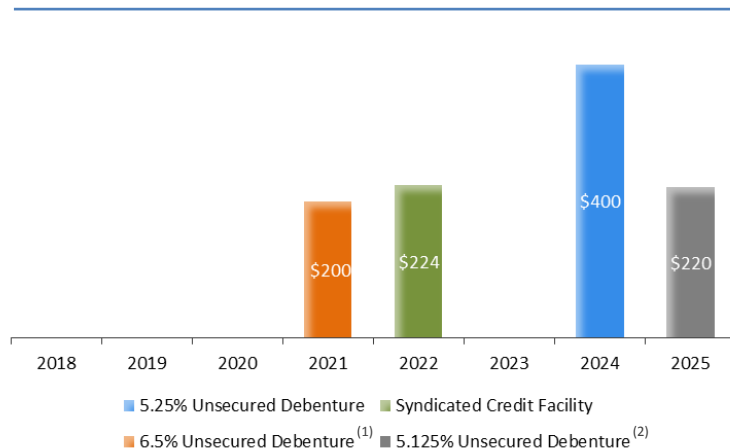
# 2018 Guidance (continued)

- > Debt/Adjusted EBITDA is expected to decline to 3.0x-3.4x in 2018 from actual leverage of 3.3x in 2017 as the business generates positive cash flow to repay debt
  - Leverage profile expected to trend towards long-term target of 3.0x
- > EBITDA from operations for Energy Distribution is anticipated to be higher than 2017.
  - The increase in anticipated EBITDA is primarily due to the results from Canwest Propane and anticipated synergies of \$5 to \$10 million realized in 2018 and the results from the tuck-in acquisitions completed in 2017
  - Supply market fundamentals in the Canadian propane distribution business are anticipated to be consistent with 2017
  - Average weather, as measured by degree days, for 2018 is anticipated to be consistent with the five-year average
- > EBITDA from operations for Specialty Chemicals is anticipated to be consistent to modestly lower than 2017.
  - Modest improvements in sodium chlorate pricing are expected to be offset by increases in electricity mill rates and the impact of a weaker U.S. dollar compared to 2017 and;
  - Chlor-alkali sales volumes and pricing are anticipated to increase compared to 2017

# Debt Maturity Profile

- > Staggered, balanced maturity profile with no significant near-term maturities
- > \$97 million of convertible debentures due in 2019 redeemed on November 15, 2017
- > \$400 million senior unsecured debenture issued in 2017 maturing in 2024
- > \$220 million senior unsecured debenture issued in February 2018, maturing 2025
- > Prudent capital management
- > Long-term Debt to Adjusted EBITDA of 3.0x
- > Target Payout Ratio of 40 – 60% <sup>(1)</sup>
- > Credit facility extended and increased to \$620 million
  - \$396 million was undrawn on the credit facility as at February 22, 2018

Debt Maturity Schedule (C\$ millions)



(1) Anticipated redemption of 6.50% senior unsecured debenture on March 8, 2018.

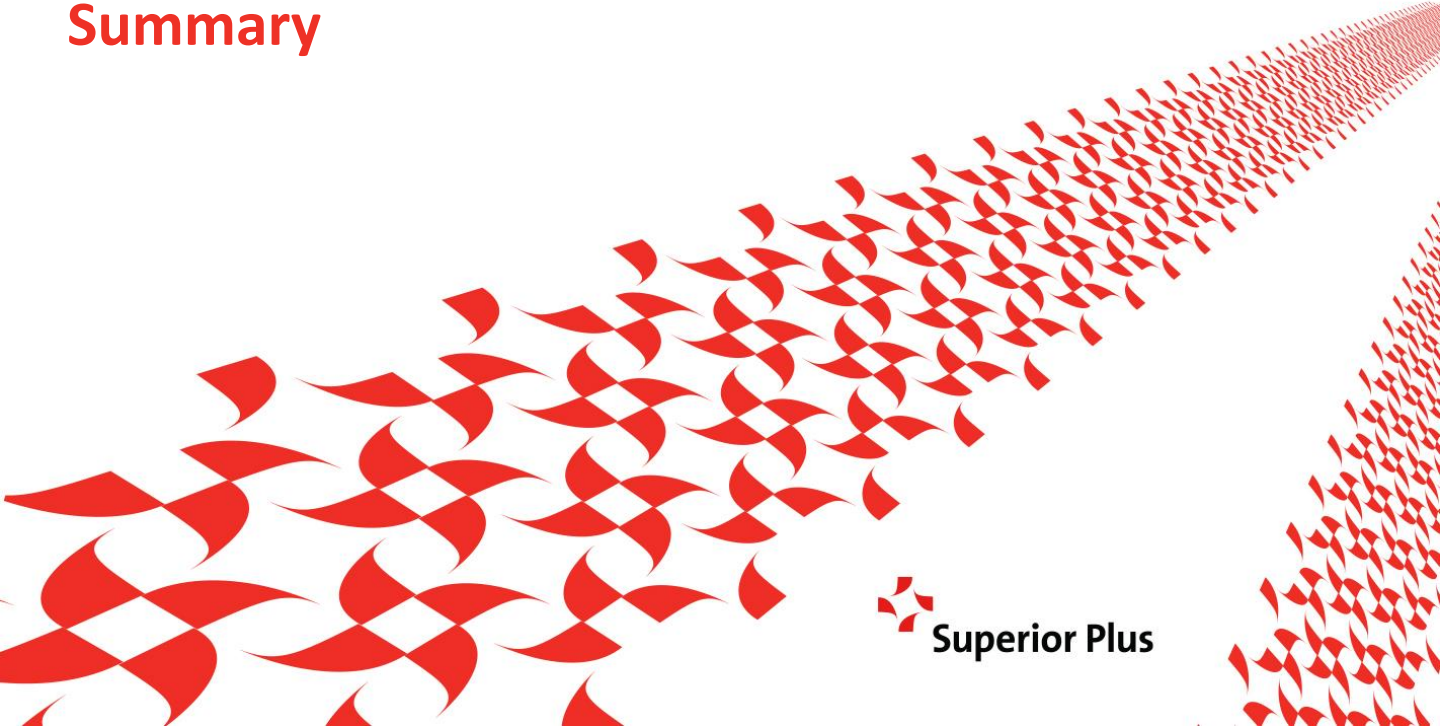
(2) Additional \$220M of senior unsecured debenture issued in February 2018.

(1) See "Non-GAAP Financial Measures".

**Superior Plus Corp.**

**TSX: SPB**

# Summary



**Superior Plus**

# Evolution 2020 Business Overview

## Energy Distribution

- > An ideal industry to grow through acquisitions and immediately leverage our solid platform, including:
  - Increased provision of value-added services
  - Utilizing our supply cost advantage
  - Maximizing logistics capabilities
- > Acquisition strategy focused on retail and wholesale propane

## Specialty Chemicals

- > Focus on sodium chlorate optimization and sales strategy:
  - Improved go-to-market strategy
  - Increase export volumes
  - Evaluate plant expansions and continued focus on low-cost operations
- > Increase direct customer sales initiatives in chlor-alkali
- > Improve operations and marketing for chlor-alkali recovery
- > Source strategic acquisition opportunities

# Evolution 2020 Strategic Plan

Evolution 2020  
Aspirational goal of \$50-\$150 million  
increase in EBITDA from Operations<sup>(1)(2)</sup>

*We will focus  
on building  
our future  
without losing  
sight of  
improving our  
day-to-day  
operations*

## Internal Growth

- Effective sales and marketing programs to target annual growth of at least 2% more than the market
- De-commoditize our goods and services through differentiation
- Build Strong partnerships with customers

## Acquisitions

- Disciplined approach
- Best-in-class integration
- Goal to create long-term value

## Continuous Improvement

- Effective programs to manage costs

## Talent Management

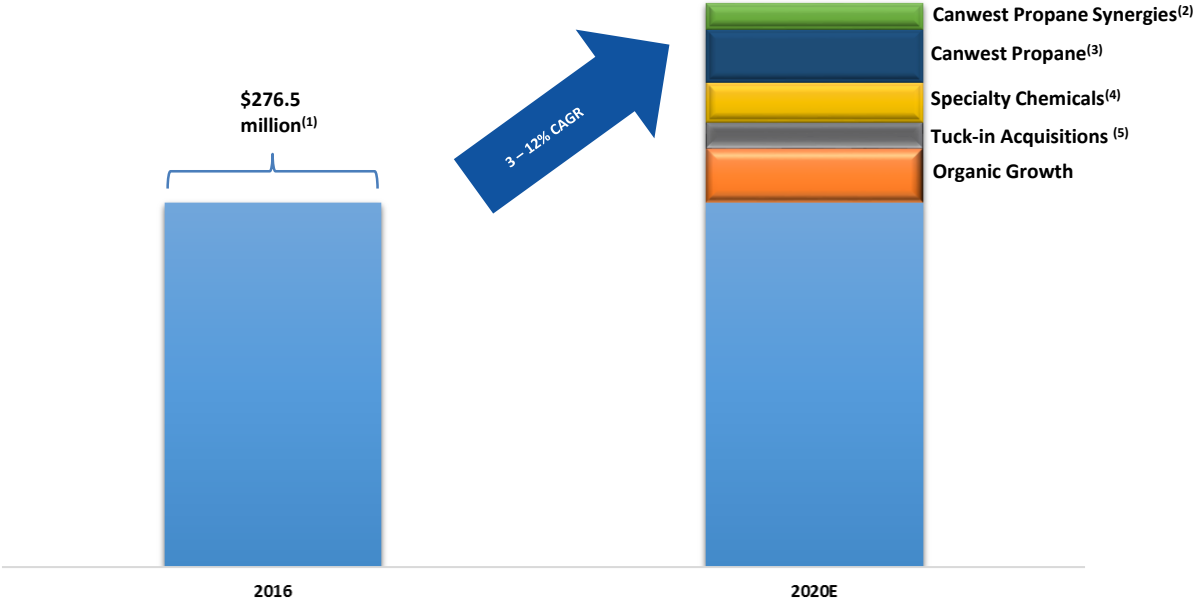
- Critical to have the best people with alignment to organizational competencies

(1) See "Non-GAAP Financial Measures".

(2) See Forward Looking Statements and Information.

# Evolution 2020 Goal

> Evolution 2020 aspirational goal of achieving \$50-\$150 million increase in EBITDA from Operations



(1) 2016 EBITDA from Operations excludes the results of CPD. See “Non-GAAP Financial Measures”.  
 (2) Estimated run-rate synergies of at least \$20 million.  
 (3) Anticipated Canwest Propane EBITDA from Operations. See “Non-GAAP Financial Measures”.  
 (4) Anticipated Chlor-alkali recovery and Sodium Chlorate optimization.  
 (5) Tuck-in acquisitions including anticipated synergies.

# Investment Highlights

## > Industry Leadership

- Experienced management team
- Best-in-class operations
- Continuing focus to create value through differentiation and digitalization

## > Safety and Environment Commitment

- Continue to be an industry leader in safety compliance and regulation
- Ensure all employees operate safely

## > Strong Financial Profile

- Achieving target leverage ratio
- Strong free cash flow generation
- Access to capital and liquidity to fund future growth
- Attractive dividend yield

## > Compelling Growth Prospects

- Numerous unique organic growth opportunities currently under evaluation
- Disciplined and focused capital allocation strategy



# Non-GAAP Financial Measures

Throughout the presentation, Superior has used the following terms that are not defined by GAAP, but are used by management to evaluate the performance of Superior and its businesses. Since non-GAAP financial measures do not have standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other companies, securities regulations require that non-GAAP financial measures are clearly defined, qualified and reconciled to their nearest GAAP financial measures. Except as otherwise indicated, these Non-GAAP financial measures are calculated and disclosed on a consistent basis from period to period. Specific adjusting items may only be relevant in certain periods. The intent of non-GAAP financial measures is to provide additional useful information to investors and analysts and the measures do not have any standardized meaning under IFRS. The measures should not, therefore, be considered in isolation or used in substitute for measures of performance prepared in accordance with IFRS. Other issuers may calculate non-GAAP financial measures differently.

Investors should be cautioned that Adjusted EBITDA, EBITDA from operations and AOCF should not be construed as alternatives to net earnings, cash flow from operating activities or other measures of financial results determined in accordance with GAAP as an indicator of Superior's performance.

Non-GAAP financial measures are identified and defined as follows:

## **Adjusted Operating Cash Flow**

AOCF is equal to cash flow from operating activities as defined by IFRS, adjusted for changes in non-cash working capital, other expenses, non-cash interest expense, current income taxes and finance costs. Superior may deduct or include additional items in its calculation of AOCF; these items would generally, but not necessarily, be items of a non-recurring nature. AOCF is the main performance measure used by management and investors to evaluate Superior's performance. AOCF represents cash flow generated by Superior that is available for, but not necessarily limited to, changes in working capital requirements, investing activities and financing activities of Superior. Please see the "Adjusted Operating Cash Flow Reconciled to Net Cash Flow from Operating Activities" section of Superior's Annual 2017 MD&A.

## **Adjusted EBITDA**

For the purposes of this presentation Adjusted EBITDA represents earnings before taxes, depreciation, amortization, finance expense, and certain other non-cash expenses and transaction and other costs deemed to be non-recurring, and is used by Superior to assess its consolidated results and ability to service debt. The EBITDA of Superior's operating segments may be referred to as EBITDA from operations. Please see the "Reconciliation of Net Earnings before Income Taxes to Adjusted EBITDA" section of Superior's Annual 2017 MD&A.

## **EBITDA from operations**

EBITDA from operations is defined as adjusted EBITDA excluding gains/(losses) on foreign currency hedging contracts, corporate costs and transaction and other costs. For purposes of this presentation, foreign currency hedging contract gains and losses are excluded from the results of the operating segments. EBITDA from Operations is used by Superior and investors to assess the results of its operating segments. Please see the "Reconciliation of Divisional Segmented Revenue, Cost of Sales and Cash Operating and Administrative Costs" section of Superior's Annual 2017 MD&A.

## **Payout Ratio**

Payout ratio represents dividends paid as a percentage of AOCF before transaction and other costs less maintenance capital expenditures, CRA payments and capital lease repayments and is used by Superior to assess its financial results and leverage. Payout ratio is not a defined performance under GAAP. Superior's calculation of payout ratio may differ from similar calculations provided by comparable entities.

For additional information with respect to financial measures which have not been identified by GAAP, including reconciliations to the closest comparable GAAP measure, see Superior's Annual 2017 MD&A, available on SEDAR at [www.sedar.com](http://www.sedar.com)