



# Superior Plus

## 2024 Annual and Special Meeting of Shareholders

May 14, 2024

*Enabling the Adoption of Low Carbon Energy*



# Forward-Looking Statements and Information

This presentation contains information or statements that are or may be “forward-looking statements” within the meaning of applicable Canadian securities laws. When used in this presentation, the words “may”, “will”, “should”, “expect”, “plan”, “anticipate”, “believe”, “estimate”, “predict”, “forecast”, “project”, “intend”, “target”, “potential”, “continue” or the negative of these terms or terminology of a similar nature as they relate to Superior or an affiliate/subsidiary of Superior are intended to identify forward-looking statements. Forward-looking statements in this presentation include, without limitation, information and statements relating to: anticipated future leverage; continued growth in CNG, RNG and hydrogen demand; Superior’s and Certarus’ expected 2024 Adjusted EBITDA guidance; expected 2024 Capital Expenditures; expected 2024 Corporate Operating Costs; expected Leverage Ratio for 2024; capital allocation priorities; Superior’s long-term vision, future growth, prospects and opportunities; and statements relating to Superior’s future growth, results of operations, and opportunities and certain other statements that are not historical facts. Although Superior believes that the expectations and assumptions on which such forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements since no assurance can be given that they will prove to be correct.

Forward-looking statements made by Superior are based on a number of assumptions believed by Superior to be reasonable as at the date of this presentation, including assumptions about Superior’s ability to attract and retain key employees of Certarus; management’s estimates and expectations in relation to future economic and business conditions and the resulting impact on growth and accretion in various financial metrics; the absence of significant undisclosed costs or liabilities associated with recent acquisitions; and other factors discussed or referred to in the “Risk Factors” section of Superior’s MD&As described below, which are available under Superior’s profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Superior cautions that the assumptions used to prepare Superior’s estimated Adjusted EBITDA could prove to be incorrect or inaccurate. Superior considered numerous economic and market assumptions regarding the foreign exchange rate, competition, and economic performance of each region where Superior and Certarus operate.

Should assumptions described above prove incorrect, Superior’s actual performance and results in future periods may differ materially from any projections of future performance or results expressed or implied by such forward-looking information. We caution readers not to place undue reliance on this information as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations and anticipations, estimates and intentions expressed in such forward-looking information.

Forward-looking information is not a guarantee of future performance. By its very nature, forward-looking information involves inherent assumptions, risks and uncertainties, both general and specific, and risks that predictions, forecasts, projections and other forward-looking information will not be achieved, including risks which are described in Superior’s management’s discussion and analysis for the quarter ended March 31, 2024, the year ended December 31, 2023 and in Superior’s annual information form for the fiscal year ended December 31, 2023.

# Today's Meeting

## Meeting Procedures



## Agenda

1) Financial Statements

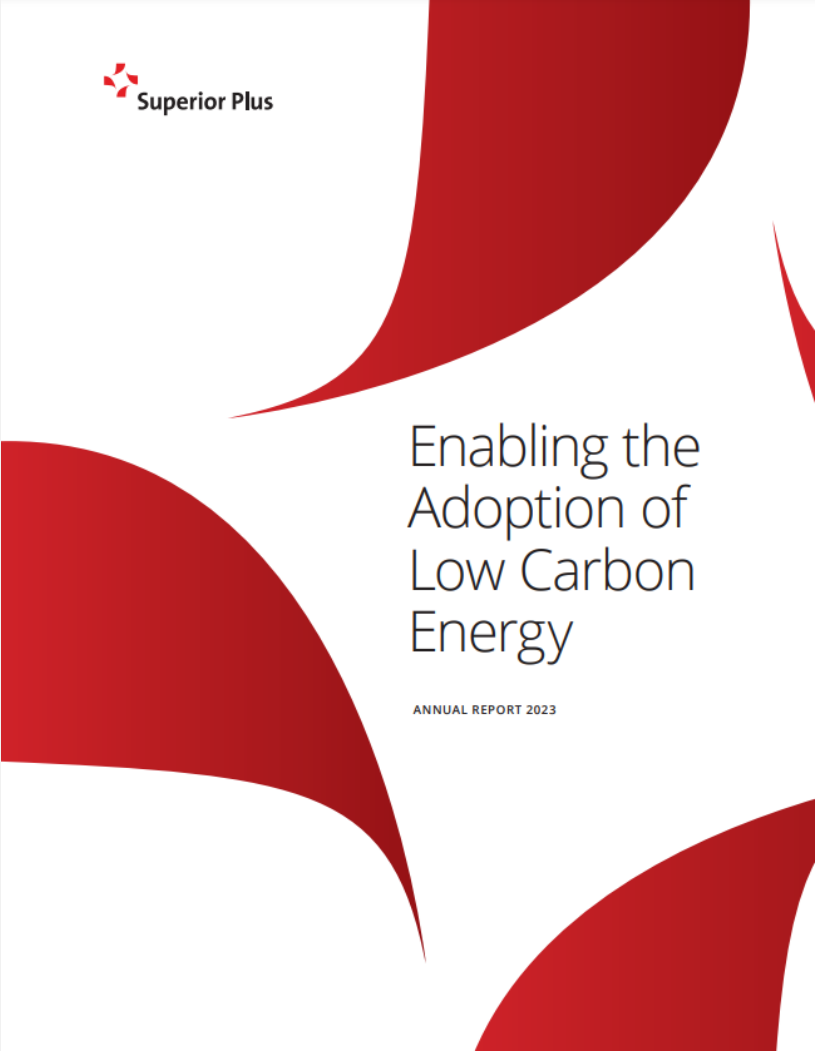
2) Election of Directors

3) Appointment of Auditors

4) Renewal of the Shareholder Rights Plan

5) Advisory Resolution on Executive Compensation

# 2023 Annual Report



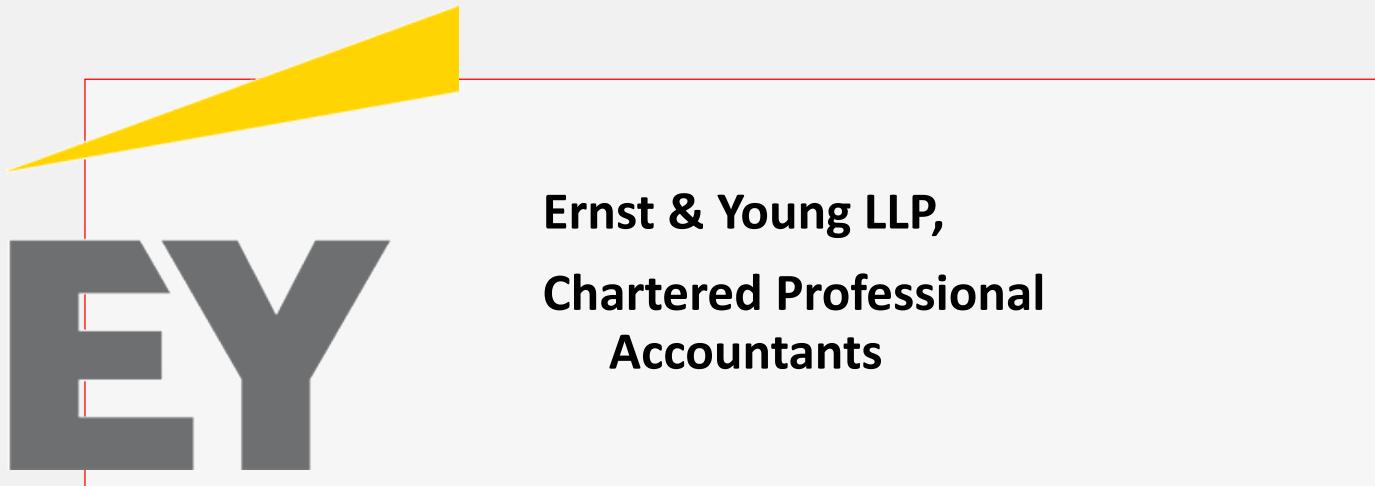
# Items Requiring A Vote



# Election of Directors



# Appointment of Auditors



# Other Items

**Renewal of the Shareholder Rights Plan**

**Advisory Resolution on Executive Compensation**

**Scrutineer's Report**



# Adjournment of Formal Part of the Meeting



# Business Update



# Developments Since Last AGM

Closed Acquisition of Certarus	- Transformative acquisition of leader in distribution of compressed natural gas, renewable natural gas and hydrogen closed on May 31, 2023
New Leadership	Executive: Grier Colter, EVP & CFO   Kirsten Olsen, SVP & CHRO   Curtis Philippon, EVP, Superior Plus & President, Certarus   Natasha Cherednichenko, COO, Certarus Board: Jennifer Grigsby & Michael Horowitz
Balanced Capital Allocation	- Ensuring the businesses are adequately funded to achieve organic growth, funding an attractive dividend, paying down debt, share buybacks
Leverage Reduction	- Long-term target of 3.0x
Organic Growth Expectations	- Released 5% organic growth expectation for 2024 Adjusted EBITDA

# Low Carbon Energy Distribution Leader

Supporting a cleaner, lower carbon economy

## Decarbonization

Trend is accelerating; new policies supporting and fast-tracking the energy transition

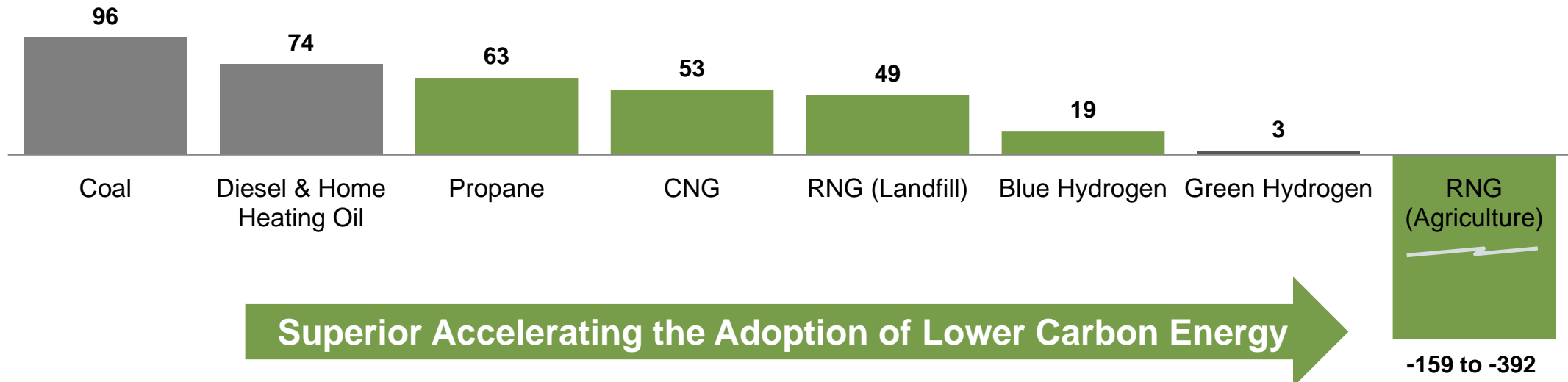
## Energy Security

Reinforced importance for reliable, affordable and secure energy, including propane, natural gas and hydrogen

## Insufficient and Static Infrastructure

Superior's mobile energy solutions bridge gap from pipeline infrastructure that is insufficient, increasingly difficult to build

**Carbon Intensity**<sup>1</sup>  
(Kilograms of CO<sub>2</sub>/MMBtu)



# ESG Performance Highlights

Driving Significant Change Towards A Better Future

Environment	Social	Governance
<p><b>38%</b> Fewer greenhouse gases emitted by propane than heating oil in furnaces</p>	<p><b>5-yr Low</b> in TRIR and DART rate</p>	<p><b>33%</b> of Directors are women (Target 30%)</p>
<p><b>~41,000<sub>tCO<sub>2</sub>e</sub></b> reduction in customer end use emissions</p>	<p><b>&gt;33%</b> of First Nations, Inuit and Métis communities partner with Superior to reduce dependency on diesel fuel</p>	<p><b>8 of 9</b> Directors are independent</p>
<p>Certarus acquisition bolsters low carbon fuels platform (CNG, RNG, H<sub>2</sub>)</p>	<p><b>29%</b> of our workforce are women</p>	<p><b>10%</b> of select senior executive compensation linked to ESG-related metrics</p>

## Positioning for a Low-Carbon Future:

- **Board oversight** of sustainability strategy, performance and disclosures
- **Strategic partnerships** in low carbon and renewable fuels
- **Dedicated resources** focused on low carbon and renewable fuels development

## Emissions Reduction Initiatives:

- **Employing digital tools** such as route optimization and remote monitoring to reduce kms driven and improve safety performance
- **Dual fuel fleet systems** allow for consumption of lower carbon fuels such as propane and CNG in place of diesel within our fleet
- **Supporting customers** through education as they transition away from diesel and heating oil to low carbon fuels, helping drive **organic growth**

## Commitment to Supporting Indigenous Communities:

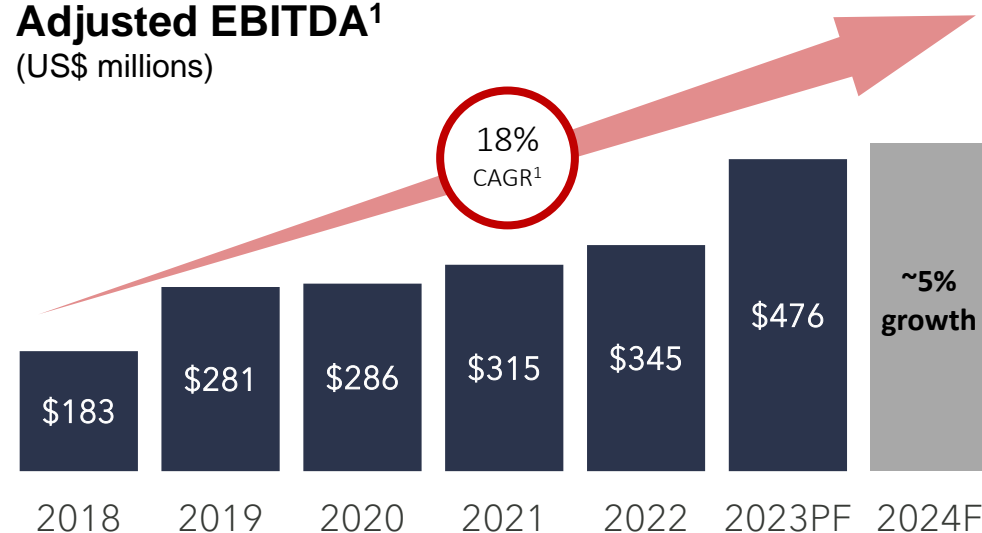
- Providing **training, employment and business development** opportunities
- **Engaging** in revenue sharing opportunities
- **Supporting education** through annual bursaries

# 2024 Guidance

## Superior Plus As A Market Leader in Energy Distribution

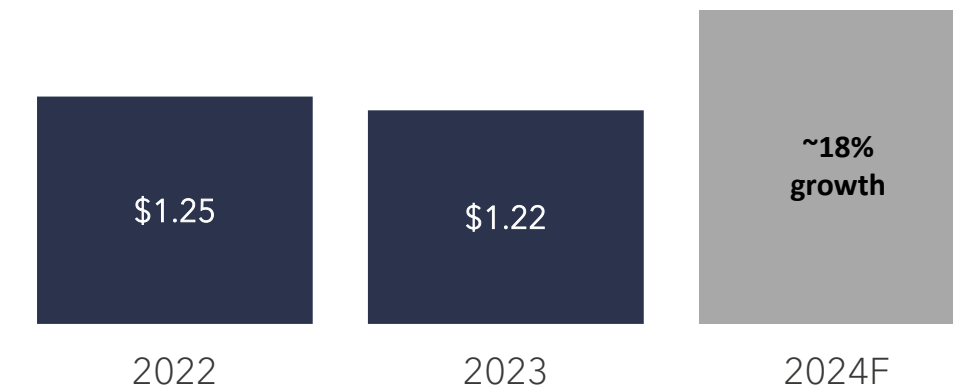
### Adjusted EBITDA<sup>1</sup>

(US\$ millions)

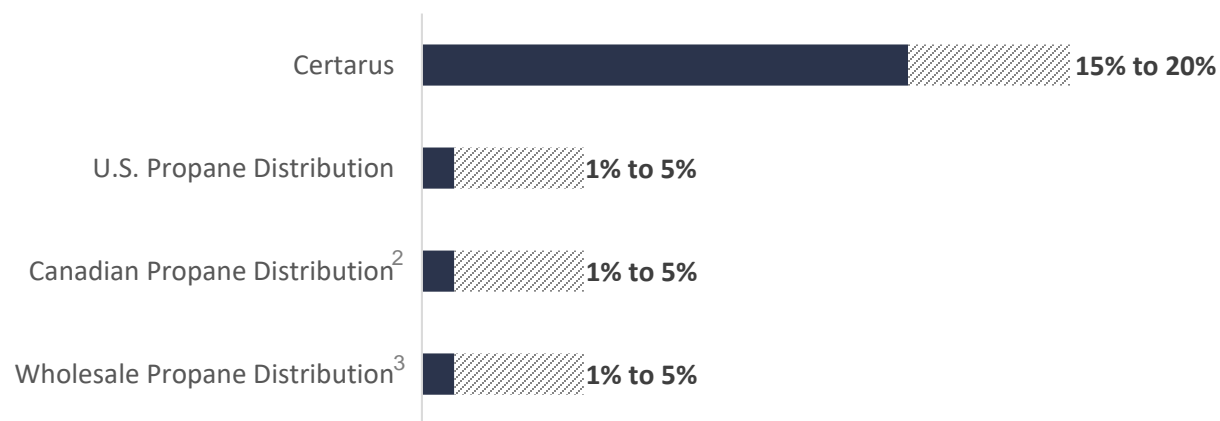


### Adjusted EBTDA per Share<sup>1</sup>

(US\$/sh.)



### 2024 Adjusted EBITDA Growth Expectations



Capital Expenditures<sup>4</sup> ~US\$230 million

Corporate Operating Costs<sup>4</sup> ~US\$25 million

Leverage Ratio<sup>4</sup> ~ 0.2x reduction

# Investment Highlights

Delivering Shareholder Value



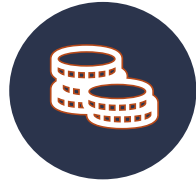
**Operationally focused propane business with utility-like cash flow**



**Certarus: next generation organic growth engine**



**Combined platform is a North American leader in low carbon energy distribution**



**Shareholder value through sustainable growth and dividend yield of 7.6%<sup>1</sup>**

## Balanced Capital Allocation Strategy



# End Notes

## Slide 12

1. Source: U.S. Energy Information Administration; Bloomberg. Carbon Intensity score.

## Slide 14

1. Based on Superior standalone EBITDA excluding Specialty Chemicals for FY2018 to 2024 expectation. Adjusted EBITDA, Pro Forma Adjusted EBITDA and Adjusted EBTDA are Non-GAAP Financial Measures. Details for Non-GAAP financial information is provided below and in Superior's Q4 management discussion and analysis ("MD&A") for the quarter ended December 31, 2023. Superior's MD&A is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and on Superior's investor website at <http://www.superiorplus.com/investor-relations/financial-reports/>. The nearest historical GAAP measure is net earnings/ loss as follows in CAD: 2018: (\$34.0MM), 2019: \$142.6MM, 2020: \$86.8MM, 2021: \$206.7MM, 2022: (\$87.9MM), 2023: \$77.0MM
2. Reflects removal of ~ US\$7 million in 2023 comparative due to Northern Ontario asset sale completed in November 2023.
3. Reflects removal of ~ US\$10 million in 2023 comparative due to strong differentials that are not anticipated to repeat in 2024.
4. Capital Expenditures (2023 – US\$182.0 million) and Corporate Operating Costs (2023 – US\$25.2 million) are Non-GAAP Financial Measures. Leverage Ratio is a Non-GAAP ratio. Details for Non-GAAP financial information is provided below and in Superior's Q4 management discussion and analysis ("MD&A") for the quarter ended December 31, 2023. Superior's MD&A is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and on Superior's investor website at <http://www.superiorplus.com/investor-relations/financial-reports/>.

## Slide 15

1. Based on closing share price as at May 8, 2024.



# Non-GAAP Financial Measures and Ratios

In this presentation, Superior has used the following terms (“Non-GAAP Financial Measures and Ratios”) that are not defined by International Financial Reporting Standards (“IFRS”) but are used by management to evaluate the performance of Superior and its business: Adjusted earnings before interest, taxes, depreciation and amortization (“Adjusted EBITDA”), Adjusted EBITDA per Share, Corporate Operating Costs, Capital Expenditures and Leverage Ratio. These measures may also be used by investors, financial institutions and credit rating agencies to assess Superior’s performance and ability to service debt. Non-GAAP Financial Measures and Ratios do not have standardized meanings prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Securities regulations require that Non-GAAP Financial Measures and Ratios are clearly defined, qualified and reconciled to their most comparable IFRS financial measures. Except as otherwise indicated, these Non-GAAP Financial Measures are calculated and disclosed on a consistent basis from period to period. Specific items may only be relevant in certain periods. See “Non-GAAP Financial Measures Ratios” in Superior’s most recent Management’s Discussion and Analysis (“MD&A”) for a discussion of Non-GAAP Financial Measures and Ratios used by Superior and certain reconciliations to IFRS financial measures.

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 and Ratios differently. Investors should be cautioned that Adjusted EBITDA should not be construed as an alternative 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 and Ratios are identified and defined as follows:

## **Adjusted EBITDA**

Adjusted EBITDA represents earnings before interest, taxes, depreciation, amortization, losses (gains) on disposal of assets, finance expense, restructuring costs, transaction and other costs, and unrealized gains (losses) on derivative financial instruments, and is adjusted for corporate costs and realized gains or losses on foreign exchange hedging contracts. As a result of changing Superior’s reporting currency to U.S. dollars, management will no longer include realized gains (losses) on foreign currency hedging contracts in Adjusted EBITDA or Segment profit (loss). Adjusted EBITDA is used by Superior and certain investors to assess Superior’s consolidated results and ability to service debt. Adjusted EBITDA is consistent with the Segment profit (loss) disclosed in Note 26 Reportable Segment Information of the audited consolidated financial statements for the year ended December 31, 2023. EBITDA from operations is the sum of U.S. Propane, Canadian Propane, Wholesale Propane and Certarus Segment profit (loss).

This presentation also includes Superior’s Adjusted EBITDA expectations for 2024, including separate guidance for the propane business and Certarus. Readers should also refer to the “Forward-Looking Information” section above and the “Financial Outlook” sections of Superior’s management’s discussion and analysis for the three and twelve months ended December 31, 2023 which provides further information with respect to the assumptions used to prepare Superior’s expected 2024 Adjusted EBITDA.

## **Adjusted EBTDA per share**

Adjusted EBTDA is calculated as Adjusted EBITDA less cash interest expense. Cash interest expense is the sum of interest on borrowings, interest earned on Vendor Note and interest on lease liability which are found in Note 19 Supplemental Disclosure of consolidated statements of net earnings (loss) in the audited consolidated financial statements for the year ended December 31, 2023.

## **Corporate Operating Costs**

Corporate Operating Costs are defined as Corporate Segment profit (loss) disclosed as Note 26 Reportable Segment Information of the audited consolidated financial statements for the year ended December 31, 2023 excluding realized gains (losses) on financial and non-financial derivatives.

## **Capital Expenditures**

Capital Expenditures are inclusive of purchases of property, plant and equipment and intangible assets, net of proceeds on disposition of assets and lease additions.

## **Total Net Debt to Adjusted EBITDA Leverage Ratio and Pro Forma Adjusted EBITDA**

Adjusted EBITDA for the Total Net Debt to Adjusted EBITDA Leverage Ratio is defined as Adjusted EBITDA calculated on a 12-month trailing basis giving pro forma effect to acquisitions and dispositions adjusted to the first day of the calculation period (“Pro Forma Adjusted EBITDA”). Pro Forma Adjusted EBITDA is used by Superior to calculate its Total Net Debt to Adjusted EBITDA Leverage Ratio.

To calculate the Total Net Debt to Adjusted EBITDA Leverage Ratio, divide the sum of borrowings including deferred financing fees and lease liabilities reduced by cash and cash equivalents by Pro Forma Adjusted EBITDA. Total Net Debt to Adjusted EBITDA Leverage Ratio is used by Superior and certain investors to assess its ability to service debt.



# Superior Plus

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May 2024