Superior Announces First Quarter Results with Record Adjusted EBITDA

All dollar amounts are in USD unless otherwise noted and changes in performance are relative to first quarter 2024 unless otherwise noted

- Record first quarter Adjusted EBITDA[1] of $260.5 million increased 11%
- Adjusted EBTDA per share[1] of $0.89 increased 19% driven by strong results and lower shares outstanding
- Adjusted Net Earnings per share[1] of $0.66 increased 32%
- Free Cash Flow per share[1] of $0.94 increased 54%
- Initial results from *Superior Delivers* are progressing as expected and contributed $2.3 million to Adjusted EBITDA[1]
- The Compressed Natural Gas Distribution ("CNG") business achieved a record quarter with Adjusted EBITDA of $55.1 million, an increase of 7%
- Returned more than $35 million to common shareholders through dividends and share repurchases, including the repurchase of approximately 2.6% of the outstanding public float.

[1] Adjusted EBITDA, Adjusted EBTDA per share, Adjusted Net Earnings per share and Free Cash Flow per share are Non-GAAP Financial Measures. See "Non-GAAP Financial Measures and Ratios" section below.

TORONTO, May 13, 2025 – Superior Plus Corp. ("**Superior**" or "**the company**") (TSX: SPB) today released its first quarter results for the period ended March 31, 2025.

"We delivered record first quarter results and are pleased with the strong start to 2025 in both our propane and CNG businesses," said Allan MacDonald, President and Chief Executive Officer. "Our propane teams provided exceptional customer service, resulting in notable growth in both volumes and profitability. I want to express my gratitude for the hard work our teams carried out to achieve robust initial results for our propane transformation *Superior Delivers*, while continuing to provide critical support for our customers across North America."

"Within our CNG business, the Certarus team delivered a strong quarter, resulting in record Adjusted EBITDA[1]," continued MacDonald. "We are tracking well against our long-term plans and remain confident in our ability to drive significant shareholder value."

Segmented Information

(millions of dollars)	Three Months Ended March 31 **2025**	2024
U.S. Propane Adjusted EBITDA(1)	**163.6**	143.9
Canadian Propane Adjusted EBITDA(1)	**49.1**	45.7
CNG Adjusted EBITDA(1)	**55.1**	51.5
Adjusted EBITDA from operations(1)	**267.8**	241.1
Corporate Operating Costs(1)	**(7.3)**	(5.5)
Adjusted EBITDA(1)	**260.5**	235.6

Note: Beginning in Q1 2025, the contribution from wholesale activities has been rolled into the U.S. and Canadian Propane segments to better reflect how the business operates.

(1) Adjusted EBITDA from operations, Corporate Operating Costs and Adjusted EBITDA are Non-GAAP Financial Measures. See "Non-GAAP Financial Measures and Ratios" section below.

Financial Overview

(millions of dollars, except per share amounts)		Three Months Ended March 31 **2025**		2024
Revenue		**1,008.4**		897.7
Gross Profit		**498.9**		465.2
Net earnings (loss) for the period		**146.4**		85.2
Net earnings (loss) for the period attributable to Superior per share, basic and diluted	**$**	**0.54**	$	0.30
Adjusted Net Earnings per share(1)(2)	**$**	**0.66**	$	0.50
Adjusted EBITDA from operations(1)		**267.8**		241.1
Adjusted EBITDA(1)		**260.5**		235.6
Adjusted EBITDA per share(1)(3)	**$**	**0.98**	$	0.85
Adjusted EBTDA per share(1)(3)	**$**	**0.89**	$	0.75
Free Cash Flow per share (1)(2)	**$**	**0.94**	$	0.61
Cash dividends declared on common shares		**7.2**		33.1
Cash dividends declared per share	**C$**	**0.045**	C$	0.18

(1) Adjusted EBITDA from operations, Adjusted EBITDA, Adjusted EBTDA per share, Adjusted Net Earnings per share and Free Cash Flow per share are Non-GAAP Financial Measures. See "Non-GAAP Financial Measures and Ratios" section below.

(2) The basic weighted average number of shares outstanding for the three months ended March 31, 2025 was 235.6 million. (three months ended March 31, 2024 was 248.6 million). The preferred share dividends are deducted from the numerator in this calculation.

(3) The diluted weighted average number of shares outstanding for the three months ended March 31, 2025 was 265.6 million (three months ended March 31, 2024 was 278.6 million). The diluted weighted average number of shares assumes the exchange of the issued and outstanding preferred shares into common shares. There were no other dilutive instruments for the three months ended March 31, 2025 and 2024.

Q1 Propane Distribution Results and *Superior Delivers* (changes in performance are relative to first quarter 2024)

- Adjusted EBITDA(1) across the propane operations grew by approximately 12% compared to last year due largely to colder weather which drove strong volumes, partly offset by a weaker Canadian dollar and slightly lower margins.
- Initial results from *Superior Delivers* are progressing in line with expectations and contributed $2.3 million to Adjusted EBITDA(1). This initial contribution was largely driven by initiatives within *Customer Growth* focused on contract terms for the services being provided.
- Within *Superior Delivers*, over the coming quarters the company is advancing sophisticated pricing analytics and increasing sales efforts through the *Customer Growth* pillar. Through the *Cost-to-Serve* pillar, the company is focused

on route and schedule optimization. More than 20 *Superior Delivers* initiatives are currently being piloted or are in a phased roll-out and are expected to generate benefits over the remainder of 2025.

- The company continues to expect Superior Delivers to contribute approximately $20 million in Adjusted EBITDA(1) in 2025 and is on track to deliver $70 million of incremental Adjusted EBITDA(1) by 2027.

Q1 CNG Results (changes in performance are relative to first quarter 2024)

- Adjusted EBITDA(1) increased 7% to $55.1 million.
- Continued to increase industry leading fleet of mobile storage units ("MSUs"), with an average of 863 MSUs in the first quarter, up 16%.
- Delivered volumes of 8,828,000 MMBTU increased 10%, while MMBTU per average MSU, excluding MSUs allocated to standby utility services, were relatively flat.

Quarterly Dividend and Common Share Repurchases

- During Q1 2025, Superior repurchased 6.2 million common shares, or approximately 2.6% of its outstanding public float, at an average cost of C$6.42 per share for a total of approximately C$40 million.
- Consistent with its previously communicated capital allocation strategy, Superior expects to allocate approximately C$140 million annually to share repurchases, or until it has reached the limit of 10% of the public float under its outstanding NCIB, subject to the company's discretion.
- Declaring a quarterly common share dividend of C$0.045 per share, payable to shareholders of record as of June 30, 2025. The common share dividend will be payable on July 15, 2025.

Debt and Leverage

- The company's Leverage Ratio as of March 31, 2025 was 3.7x, compared to 3.8x on March 31, 2024 and compared to 4.1 on December 31, 2024. The decrease in the Leverage Ratio was due to higher Adjusted EBITDA and the impact of a strong U.S. dollar on the translation of Canadian denominated debt, partly offset by a temporary investment in working capital during the quarter. The company continues to expect to end 2025 with a Leverage Ratio of ~3.6x and is maintaining its mid-2027 target of ~3.0x.

MD&A and Financial Statements

Superior's MD&A, the unaudited condensed Consolidated Financial Statements as at and for the quarter ended March 31, 2025 provide a detailed explanation of Superior's operating results. These documents are available online on Superior's website at Superior Plus Financial Reports and on Superior's profile at SEDAR+.

2025 First Quarter Conference Call

A conference call and webcast to discuss the 2025 first quarter financial results will be held at 8:30 AM EDT on Wednesday, May 14, 2025. To register as a participant, please use the following link: Register Here. The webcast will be available for replay on Superior's website at: https://www.superiorplus.com/ under the Events section.

About Superior Plus

Superior is a leading North American distributor of propane, compressed natural gas, renewable energy and related products and services, servicing approximately 750,000 customer locations in the U.S. and Canada. Through its primary businesses, propane distribution and CNG, RNG and hydrogen distribution, Superior safely delivers low carbon[1] fuels to residential, commercial, utility, agricultural and industrial customers not connected to a pipeline. By displacing more carbon intensive fuels, Superior is a leader in the energy transition and helping customers lower operating costs and improve environmental performance.

[1]Superior defines 'low carbon' and 'lower carbon' fuels as those with a lower carbon intensity than fossil fuels that may be utilized in the same application (e.g. diesel, gasoline).

FOR MORE INFORMATION

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Forward-Looking Information

This news release 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 news release include, without limitation, information and statements relating to: Superior's future financial position, the anticipated initiatives, impact of, and our ability to successfully execute on the *Superior Delivers* transformation, expected 2025 Adjusted EBITDA growth of $20 million attributable to *Superior Delivers* initiatives in 2025 and $70+ million by 2027, expected allocation of capital to share repurchases in 2025, anticipated increases in shareholder value and expected Leverage Ratio at 2025 and the company's mid-term target leverage ratio.

Forward-looking information is provided to provide information about management's expectations and plans for 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, including assumptions about our ability to execute on the goals and targes of the *Superior Delivers* transformation, including $35 million in Adjusted EBITDA growth from cost-to-serve improvements, $30 million in Adjusted EBITDA growth from customer growth initiatives; and $5 million in Adjusted EBITDA growth from the company's wholesale business activities, in each case, from 2025 to 2027; foreign exchange rates; competition; expected average weather; interest rates remaining flat with the current level; number and average acquisition price of common shares repurchased; 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 acquisitions; and other assumptions disclosed in Superior's 2025 Q1 MD&A available at SEDAR+ at www.sedarplus.ca and on Superior's website at http://www.superiorplus.com/investor-relations/financial-reports/. No assurance can be given that these assumptions and expectations will prove 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 and businesses it has acquired. Superior cautions that the assumptions used to prepare such forward-looking information, including estimated financial guidance, could prove to be incorrect or inaccurate.

The forward-looking information is also 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 actual performance and financial results may vary materially from those estimates and expectations contemplated, expressed or implied in the forward-looking information. These risks and uncertainties include the success and of, and timing to achieve, the initiatives being pursued pursuant to the Superior Delivers program, ongoing capital requirements of the businesses, weather differing materially from the five year average weather, market conditions, demand and competition for CNG in jurisdictions where CNG operates, economic activity in the oil and gas sector, commodity prices, risks relating to incorrect assessments of value when making acquisitions, failure to realize expected cost-savings and synergies from acquisitions, increases in debt service charges, the loss of key personnel, fluctuations in foreign currency and exchange rates, fluctuations in commodity prices, increasing rates of inflation, inadequate insurance coverage, liability for cash taxes, counterparty risk, compliance with environmental laws and regulations, reduced customer demand, operational risks involving our facilities and equipment, force majeure, labour relations matters, our ability to access external sources of debt and equity capital, and the risks identified in (i) our 2024 Annual 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, Superior does not undertake 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.

The estimates and targets regarding Superior's future financial performance, including, but not limited to, estimated target of incremental Adjusted EBITDA of $70 million from the *Superior Delivers* transformation by 2027, are provided herein to assist readers in understanding Superior's estimated and targeted financial results, and such information may not be appropriate for other purposes. Superior and its management believe that such information has been prepared based on assumptions that are reasonable in the circumstances, reflecting management's best estimates and judgements, and represents, to the best of management's knowledge and opinion, Superior's estimated and targeted financial results. However, because this information is highly subjective, it should not be relied on as necessarily indicative of future results.

Non-GAAP Financial Measures and Ratios

Throughout this news release, Superior has identified specific terms, including ratios, that it uses that are not standardized measures under International Financial Reporting Standards ("Non-GAAP Financial Measures") and, therefore may not be comparable to similar financial measures disclosed by other issuers. Information to reconcile these Non-GAAP Financial Measures to the most directly comparable financial measures in Superior's condensed consolidated financial statements as at and for the three months ended March 31, 2025 ("Q1 2025 Financial Statements") is provided below. Certain additional disclosures for these Non-GAAP Financial Measures, including an explanation of the composition of these financial measures, how they provide helpful information to an investor, and any additional purposes management uses for them, are incorporated by reference from the "Non-GAAP Financial Measures and Reconciliations" section in Superior's 2025 First Quarter MD&A dated May 13, 2025, available on www.sedarplus.com.

Adjusted EBITDA is consistent with the Segment profit (loss) disclosed in Note 18 Reportable Segment Information of the Financial Statements. Adjusted EBITDA from operations is the sum of U.S. Propane, Canadian Propane, and CNG Segment profit (loss). Adjusted EBITDA per share is calculated by dividing Adjusted EBITDA by the weighted average shares assuming the exchange of the issued and outstanding preferred shares into common shares.

Adjusted EBTDA is calculated as Adjusted EBITDA less interest on borrowings and interest on lease liability. Adjusted EBTDA per share is calculated by dividing Adjusted EBTDA by the weighted average shares assuming the exchange of the issued and outstanding preferred shares into common shares.

Corporate Operating Costs are defined as Corporate Segment profit (loss) disclosed in Note 18 Reportable Segment Information of the condensed consolidated financial statements as at and for the three months ended March 31, 2025.

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

Leverage Ratio is determined by dividing Superior's Net Debt by its Pro Forma Adjusted EBITDA, both of these components are Non-GAAP Financial Measures. Proforma Adjusted EBITDA is Adjusted EBITDA calculated on a 12-month basis giving effect to acquisitions, if any, to the first day of the calculation period. Proforma Adjusted EBITDA was calculated by taking the sum of the year ended December 31, 2024 Adjusted EBITDA ($455.5 million) and the Adjusted EBITDA for the three months ended March 31, 2025 ($260.5 million) less the Adjusted EBITDA for the three months ended March 31, 2024 ($235.6 million). Net Debt is calculated as the sum of borrowings before deferred financing fees ($1,651.0 million) and lease liabilities ($158.0 million) reduced by cash and cash equivalents ($32.7 million) as at March 31, 2025.

Free Cash Flow per share is calculated as Segment Profit (Loss) ($260.5 million) less interest on borrowings ($21.2 million), interest on lease liability ($2.4 million), taxes paid ($6.2 million), Capital Expenditures ($22.1 million), transaction, restructuring and other costs (recovery) (($16.8 million)) and the preferred share dividend paid in the period ($4.7 million). Free Cash Flow per share is calculated by dividing Free Cash Flow by the basic weighted average common shares. This calculation excludes changes in non-cash operating working capital and other, which can fluctuate meaningfully and from quarter to quarter and can therefore detract from the purpose of the metric which is to demonstrate the performance from the underlying operations.

Adjusted Net Earnings is calculated as Net Earnings for the period ($146.4 million) and adjusting for deferred income tax ($33.8 million), unrealized (gains) losses on financial and non-financial derivatives and foreign currency translation ($3.6 million), transaction, restructuring and other costs (recovery) (($16.8 million)) and the preferred share dividend paid in the period ($4.7 million). Adjusted Net Earnings per share is calculated by dividing Adjusted Net Earnings by the basic weighted average common shares.

MANAGEMENT'S DISCUSSION AND ANALYSIS

THREE MONTHS ENDED MARCH 31, 2025 AND 2024

This Management's Discussion and Analysis ("MD&A") contains information about the performance and financial position of Superior Plus Corp. ("Superior") as at and for three months ended March 31, 2025 and 2024, as well as forward-looking information about future periods. The information in this MD&A is current to May 13, 2025, and should be read in conjunction with Superior's unaudited condensed consolidated financial statements and notes thereto as at and for the three months ended March 31, 2025 and 2024.

The accompanying unaudited condensed consolidated financial statements of Superior were prepared by and are the responsibility of Superior's management. Superior's unaudited condensed consolidated financial statements as at and for the three months ended March 31, 2025 and 2024 were prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

All financial amounts in this MD&A are expressed in millions of United States dollars except where otherwise noted. All tables are for the three months ended March 31 of the period indicated, unless otherwise stated. This MD&A includes forward-looking statements and assumptions. See "Forward-Looking Information" for more details.

Non-GAAP Financial Measures

Throughout the MD&A, Superior has used the following terms that are not defined under IFRS, which are used by management to evaluate the performance of Superior and its businesses: Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") from operations, Adjusted EBITDA, Adjusted EBITDA per share, Operating Costs, Net Debt, Leverage Ratio, Pro Forma Adjusted EBITDA, Adjusted Gross Profit, Adjusted EBTDA, Free Cash Flow per share and Adjusted Net Earnings per share. 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 do not have standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Securities regulations require that Non-GAAP and other financial measures are clearly defined, explained and reconciled to their most directly comparable measure presented in the (primary) financial statements. 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

The intent of using Non-GAAP financial measures is to provide additional useful information to investors and analysts; the measures do not have standardized meaning under IFRS. The measures should not, therefore, be considered in isolation or used as a substitute for measures of performance prepared in accordance with IFRS. Other issuers may calculate Non-GAAP financial measures differently. See "Non-GAAP Financial Measures and Reconciliations" for more information about these measures.

Forward-Looking Information

Certain information included herein is 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 and its businesses. Such information is typically identified by words such as "anticipate", "believe", "continue", "estimate", "expect", "plan", "forecast", "future", "outlook", "guidance", "may", "project", "should", "strategy", "target", "will" or similar expressions suggesting future outcomes.

Forward-looking information in this document includes: future financial position, consolidated and business segment outlooks, Adjusted EBITDA guidance including the impact of Superior Delivers, the markets for our products and our financial results, expected Leverage ratio, business strategy and objectives, development plans and programs, organic growth, weather, commercial demand in Canada and the U.S., product pricing and sourcing, volumes and pricing, wholesale propane market fundamentals, exchange rates, expected seasonality of demand, long-term incentive plan accrual estimates and future economic conditions.

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 the ability to execute on the goals and targets of the *Superior Delivers* transformation, expected average weather, no material divestitures, anticipated financial performance, current business and economic trends, the amount of future dividends paid by Superior, the amount and average acquisition price of common shares repurchased, business prospects, utilization of tax basis, regulatory developments, average Mobile Storage Unit "MSU" base, impacts of cost-saving initiatives, currency exchange, inflation and interest rates, future commodity prices relating to the oil and gas industry including the impact of tariffs on prices and customer demand for propane, future oil rig activity levels in the U.S. and Western Canada, trading data, cost estimates, our ability to obtain financing on acceptable terms and statements regarding net working capital and capital expenditure requirements of Superior, the assumptions set forth under the "Financial Outlook" sections in this MD&A. Superior cautions that such assumptions could prove to be incorrect or inaccurate. The forward-looking information is also 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 actual performance and financial results may vary materially from those estimates and expectations contemplated, expressed or implied in the forward-looking information. These risks and uncertainties include risks relating to the success of and timing to achieve the initiatives being pursued in connection with the *Superior Delivers* transformation, failure to realize expected cost-savings, increases in debt service charges, deviations from expected average weather, demand and competition for CNG in jurisdictions where our CNG segment operates, future trading volume of Superior's common shares, economic activity in the oil and gas sector, commodity prices, the loss of key personnel, fluctuations in foreign currency and exchange rates, fluctuations in commodity prices including the potential impact of tariffs being enacted, increasing rates of inflation, 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, incorrect assessments of value when making acquisitions, our ability to access external sources of debt and equity capital, and the risks identified in (i) this MD&A under "Risk Factors to Superior" and (ii) Superior's most recent Annual Information Form. The preceding list of assumptions, risks and uncertainties is not exhaustive.

When relying on Superior's 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, Superior does not undertake 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.

Overview of Superior and Basis of Presentation

Superior consists of the following three reportable segments: U.S. Propane Distribution ("U.S. Propane"), Canadian Propane Distribution ("Canadian Propane") and the Compressed Natural Gas Distribution ("CNG") segments. The U.S. Propane segment distributes propane gas and liquid fuels primarily in the Eastern United States and California; and, to a lesser extent, the Midwest. The Canadian Propane segment distributes propane gas and liquid fuels across Canada. The CNG segment is a comprehensive low carbon energy solution provider engaged primarily in the business of transporting and selling compressed natural gas and renewable natural gas and to a lesser extent hydrogen for large-scale industrial and commercial customers in the United States and Canada. Superior defines 'low carbon' and 'lower carbon' fuels as those with a lower carbon intensity than fossil fuels that may be utilized in the same application (e.g. diesel, gasoline).

The reportable operating segments differ from disclosures in prior periods and reflects how the Chief Operating Decision Maker ("CODM"), Superior's President and Chief Executive Officer, manages the business and evaluates performance. This resulted in centralization of the supply function. As a result of the change, the Wholesale Propane segment, previously disclosed separately as its own reporting segment is now embedded in the US Propane and Canadian Propane segments. Prior period results and disclosures have been conformed to reflect Superior's existing reportable segments. Below is a summary of the 2024 quarterly results reflecting the impact of the current presentation:

	US Wholesale				Canadian Wholesale			
millions of dollars, except volumes	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Adjusted Gross Profit [(1)]	24.2	6.9	9.0	13.5	6.2	4.9	3.2	8.6
Adjusted EBITDA [(1)]	12.5	(0.2)	0.6	3.4	4.6	3.0	1.2	7.1
Third-party volumes *(millions of gallons)*	98.0	53.0	59.0	85.0	24.0	10.0	8.0	20.0

(1) These amounts are Non-GAAP financial measures and/or Non-GAAP ratios, see "Non-GAAP financial measures and reconciliations" on page 22 for more information.

HIGHLIGHTS

- Superior's first quarter Adjusted EBITDA(1) was $260.5 million, an increase of $24.9 million from the prior year quarter Adjusted EBITDA(1) of $235.6 million. Adjusted EBITDA(1) per share was $0.98, an increase of $0.13 per share from $0.85 in the prior year quarter.
- Q1 2025 Adjusted EBTDA per share(1) increased approximately 19% driven by strong results and lower shares outstanding.
- Adjusted Net Earnings per share of $0.66 increased approximately 32% versus the prior year.
- Free Cash Flow per share, excluding working capital, of $0.94 increased approximately 54% versus the prior year.
- The CNG business achieved a record quarter with Adjusted EBITDA of $55.1 million, a 7% increase versus the prior year.
- Superior returned more than $35 million to common shareholders during Q1 2025 through dividends and share repurchases, including the repurchase of approximately 2.6% of its outstanding public float.

(1) These amounts are Non-GAAP financial measures and/or Non-GAAP ratios, see "Non-GAAP financial measures and reconciliations" on page 22 for more information.

FINANCIAL RESULTS

The following summary contains certain Non-GAAP financial information. See “Non-GAAP Financial Measures and Reconciliations” on page 22 for more information about these measures.

Summary of Adjusted EBITDA

	Three Months Ended March 31	
(millions of dollars, except per share amounts)	**2025**	2024[4]
U.S. Propane Adjusted EBITDA [1]	**163.6**	143.9
Canadian Propane Adjusted EBITDA [1]	**49.1**	45.7
CNG Adjusted EBITDA [1,2]	**55.1**	51.5
Adjusted EBITDA from operations [1]	**267.8**	241.1
Corporate operating costs [1]	**(7.3)**	(5.5)
Adjusted EBITDA [1]	**260.5**	235.6
Adjusted EBITDA per share [1][2]	**$0.98**	$0.85
Adjusted EBTDA per share [1][2]	**$0.89**	$0.75
Dividends declared per common share	**C$0.045**	C$0.18
Volumes		
U.S. Propane *(millions of gallons)*	**268**	238
Canadian Propane *(millions of gallons)*	**126**	115
CNG *(thousands of million British thermal units "MMBtu")*	**8,828**	8,051
Leverage ratio [1]	**3.7x**	3.8x
Capital expenditures	**23.9**	38.0
Proceeds on dispositions	**(3.9)**	(3.1)
Investment in leased assets	**2.1**	4.2
Net earnings for the period	**146.4**	85.2
Net earnings per share attributable to Superior - basic and diluted	**$0.54**	$0.30
Adjusted net earnings per share [1][3]	**$0.66**	$0.50
Free Cash Flow per share [1][3]	**$0.94**	$0.61

(1) These amounts are Non-GAAP financial measures and/or Non-GAAP ratios, see “Non-GAAP financial measures and reconciliations” on page 22 for more information.

(2) The weighted average number of shares outstanding for the three months ended March 31, 2025 was 265.6 million. (three months ended March 31, 2024 was 278.6 million). The weighted average number of shares assumes the exchange of the issued and outstanding preferred shares into common shares. There were no other dilutive instruments for the three months ended March 31, 2025 and 2024.

(3) The basic weighted average number of shares outstanding for the three months ended March 31, 2025 was 235.6 million. (three months ended March 31, 2024 was 248.6 million). The preferred share dividends are deducted from the numerator in this calculation.

(4) Comparative figures have been restated to be consistent with Superior’s segment disclosure. See “Overview of Superior and Basis of Presentation” on page 2 for more information about the change in segment reporting

Adjusted EBITDA for the three months ended March 31, 2025 was $260.5 million, an increase of $24.9 million or 11% compared to the prior year quarter Adjusted EBITDA of $235.6 million. Adjusted EBITDA from operations increased by $26.7 million compared to the prior year quarter primarily due to higher Adjusted EBITDA in US Propane and to a lesser extent Certarus and Canadian Propane partially offset by corporate costs that were higher by $1.8 million compared to the prior year quarter.

US. Propane Adjusted EBITDA was $163.6 million, an increase of $19.7 million or 14% primarily due to higher sales volumes partially offset by lower average unit margins.

Canadian Propane Adjusted EBITDA was $49.1 million, an increase of $3.4 million or 7% primarily due to higher sales volumes and was partially offset by the impact of the stronger U.S dollar on the translation of Canadian dollar denominated transactions.

CNG Adjusted EBITDA was $55.1 million, an increase of $3.6 million or 7% primarily due to the impact of a higher average MSU asset base compared to the prior year quarter partially offset by continued pressure on prices.

Corporate operating costs were $7.3 million compared to $5.5 million in the prior year quarter, primarily due to higher incentive plan costs and professional fees.

RESULTS OF SUPERIOR'S OPERATING SEGMENTS

Superior's operating segments consists of U.S. Propane, Canadian Propane, CNG and Corporate.

U.S. PROPANE

U.S. Propane's operating results:

	Three Months Ended March 31	
(millions of dollars)	**2025**	2024[(4)]
Revenue	**634.3**	555.6
Cost of Sales	**(351.5)**	(299.2)
Gross profit	**282.8**	256.4
Realized (loss) gain on derivatives related to commodity risk management[(1)]	**4.8**	3.2
Adjusted gross profit[(2)]	**287.6**	259.6
SD&A	**(153.7)**	(152.0)
Add back (deduct):		
Amortization and depreciation included in SD&A[(3)]	**30.4**	33.1
Transaction, restructuring and other costs[(3)]	**0.1**	2.7
(Gain) loss on disposal of assets and impairment [(3)]	**(0.8)**	0.5
Operating costs[(2)]	**(124.0)**	(115.7)
Adjusted EBITDA[(2)]	**163.6**	143.9
Add back (deduct):		
Loss (gain) on disposal of assets and impairment [(3)]	**0.8**	(0.5)
Transaction, restructuring and other costs [(3)]	**(0.1)**	(2.7)
Amortization and depreciation included in SD&A [(3)]	**(30.4)**	(33.1)
Unrealized (loss) gain on derivative financial instruments	**1.8**	8.6
Finance expense	**(1.4)**	(1.8)
Earnings before income tax	**134.3**	114.4

(1) Realized gain (loss) on derivatives related to commodity risk management are reconciled to gains (losses) on derivatives and foreign currency translation of borrowings, see "Non-GAAP financial measures and reconciliations" on page 22 for more information.

(2) Adjusted Gross Profit, Adjusted EBITDA and Operating Costs are Non-GAAP financial measures. See "Non-GAAP financial measures and reconciliations" on page 22 for more information.

(3) The sum of the above amounts and the balances included in the Canadian Propane, CNG and the Corporate segments are included in SD&A and are disclosed in Note 14 or Note 18 of the unaudited condensed consolidated financial statements as at and for the three months ended March 31, 2025 and 2024.

(4) Comparative figures have been restated to be consistent with Superior's segment disclosure. See "Overview of Superior and Basis of Presentation" on page 2 for more information about the change in segment reporting.

U.S. Propane Adjusted Gross Profit

	Three Months Ended March 31	
(millions of dollars)	**2025**	2024[3]
Propane distribution [1]	**279.6**	251.4
Realized gain on derivatives related to commodity risk management [1]	**4.8**	3.2
Adjusted gross profit related to propane distribution	**284.4**	254.6
Other services [1]	**3.2**	5.0
Adjusted gross profit [2]	**287.6**	259.6

[1] The sum of propane distribution and other services agrees to segment disclosure in the unaudited condensed consolidated financial statements. Realized gain (loss) on derivatives related to commodity risk management are reconciled to gains (losses) on derivatives and foreign currency translation of borrowings, see "Non-GAAP financial measures and reconciliations" on page 22 for more information.

[2] Adjusted gross profit from operations is a Non-GAAP financial measure. See "Non-GAAP financial measures and reconciliations" on page 22 for more information.

[3] Comparative figures have been restated to be consistent with Superior's segment disclosure. See "Overview of Superior and Basis of Presentation" on page 2 for more information about the change in segment reporting.

U.S. Propane Sales Volumes
End-Use Application

	Three Months Ended March 31	
(millions of gallons)	**2025**	2024
Residential	**93**	82
Commercial	**64**	58
Wholesale	**111**	98
Total	**268**	238

Volumes by Region [1]

	Three Months Ended March 31	
(millions of gallons)	**2025**	2024
Northeast	**117**	98
Southeast	**27**	24
Midwest	**24**	16
West	**100**	100
Total	**268**	238

[1] Includes propane and other liquid fuels sold in over twenty-four states in the following regions: Northeast region consists of Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New York, Pennsylvania, New Jersey, Delaware, Maryland, Virginia; Southeast region consists of North Carolina, South Carolina, Georgia, Tennessee, Florida, Alabama; Midwest region consists of Ohio, Michigan, Minnesota; West region consists primarily of California, Arizona and Nevada.

Revenue was $634.3 million, an increase of $78.7 million or 14% from the prior year quarter primarily due to higher sales volumes and to a lesser extent higher wholesale commodity prices compared to the prior year quarter.

Adjusted gross profit related to propane distribution for the three months ended March 31, 2025 was $284.4 million, an increase of $29.8 million or 12% from the prior year quarter primarily due to higher sales volumes impacted by colder weather and to a lesser extent increased fees and minimum use charges partially offset by lower average unit margins.

Total sales volumes were 268 million gallons, an increase of 30 million gallons or 13%. Average weather, as measured by degree days, across markets where U.S. propane operates for the year was 15% colder than the prior year and 8% colder than the five-year average. Residential sales volumes increased by 11 million gallons or 13% from the prior year. Commercial volumes increased by 6 million gallons or 10% compared to the prior year. The increase in both residential and commercial sales volume is due to the colder weather and is partially offset by the impact of divesting the Minnesota assets in the prior year. Wholesale sales volumes increased 13 million gallons or 13% from the prior year quarter. The increase in wholesale volumes is due to colder weather and wholesale customer growth.

U.S. Propane average sales margins were $1.06 per gallon, a decrease of 1 cent or 1% from $1.07 cents per gallon in the prior year quarter primarily due to weak wholesale market conditions in the West and margin management to improve customer lifetime value.

Other services gross profit primarily includes equipment rental, installation, repair and maintenance charges. Other services gross profit was $3.2 million, a decrease of $1.8 million or 36% over the prior year quarter primarily due to the colder weather prioritizing propane deliveries over service projects and to a lesser extent the impact of divesting certain assets in the prior year.

Operating costs were $124.0 million, an increase of $8.3 million or 7% over the prior year quarter primarily due to higher delivery related expenses, an investment in expanding the sales force and an increase to the bad debt expense.

SD&A includes amortization, depreciation and transaction, restructuring and other costs whereas operating costs exclude these expenses and is used in the determination of Adjusted EBITDA. SD&A was $153.7 million, an increase of $1.6 million or 1% over the prior year. The increase is consistent with the increase in operating costs and is partially offset with lower amortization and depreciation as a result of the divestiture in the prior year and the impact of a gain on disposal of assets compared to loss in the prior year quarter.

Earnings before income tax were $134.3 million, an increase of $19.9 million over the prior year quarter due to the reasons described above and the impact of a smaller unrealized gain on derivative financial instruments compared to the prior year quarter.

Financial Outlook

U.S. Propane Adjusted EBITDA in 2025 is anticipated to be higher than 2024 as a result of colder weather and the impact of Superior Delivers partially offset by inflation, managing pricing to offset customer attrition and an investment in expanding the sales platform. The average weather for the remainder of 2025, as measured by degree days, is expected to be consistent with the five-year average. In addition, Superior has assumed that the impact of tariffs on customer demand for propane, on the cost of procuring new fleet and equipment or any delay in supply chain impacting capital expenditures will have a minimal impact on Superior's results.

In addition to the significant assumptions referred to above, refer to "Forward-Looking Information" and "Risk Factors to Superior" for a detailed review of significant business risks affecting Superior.

CANADIAN PROPANE

Canadian Propane's operating results:

	Three Months Ended March 31	
(millions of dollars)	**2025**	2024[4]
Revenue	**249.3**	229.9
Cost of Sales	**(154.1)**	(134.8)
Gross profit	**95.2**	95.1
Realized gains on derivatives related to commodity risk management [2]	**0.3**	(1.3)
Adjusted gross profit[1]	**95.5**	93.8
SD&A	**(60.4)**	(65.9)
Add back (deduct):		
Amortization and depreciation included in SD&A [1]	**14.0**	14.4
Transaction, restructuring and other costs [1]	**0.1**	3.4
Gain on disposal of assets [1]	**(0.1)**	–
Operating costs[2]	**(46.4)**	(48.1)
Adjusted EBITDA[2]	**49.1**	45.7
Add back (deduct):		
Gain on disposal of assets [1]	**0.1**	–
Transaction, restructuring and other costs[1]	**(0.1)**	(3.4)
Amortization and depreciation included in SD&A[1]	**(14.0)**	(14.4)
Unrealized gain on derivative financial instruments	**0.3**	2.6
Finance expense	**(0.7)**	(1.2)
Earnings before income tax	**34.7**	29.3

(1) Realized gain (loss) on derivatives related to commodity risk management are reconciled to gains (losses) on derivatives and foreign currency translation of borrowings, see "Non-GAAP financial measures and reconciliations" on page 22 for more information.

(2) Adjusted EBITDA and Operating Costs are Non-GAAP financial measures. See "Non-GAAP financial measures and reconciliations" on page 22 for more information.

(3) The sum of the above amounts and the balances included in the Canadian Propane, CNG and the Corporate segments are included in SD&A and are disclosed in Note 14 or Note 18 of the unaudited condensed consolidated financial statements as at and for the three months ended March 31, 2025 and 2024.

(4) Comparative figures have been restated to be consistent with Superior's segment disclosure. See "Overview of Superior and Basis of Presentation" on page 2 for more information about the change in segment reporting.

Canadian Propane Gross Profit

	Three Months Ended March 31	
(millions of dollars)	**2025**	2024[3]
Propane distribution [1]	**93.0**	92.3
Realized gains (losses) on derivatives related to commodity risk management [1]	**0.3**	(1.3)
Adjusted gross profit related to propane distribution	**93.3**	91.0
Other services [1]	**2.2**	2.8
Gross profit [2]	**95.5**	93.8

(1) The sum of propane distribution and other services agrees to segment disclosure in the unaudited condensed consolidated financial statements. Realized gain (loss) on derivatives related to commodity risk management are reconciled to gains (losses) on derivatives and foreign currency translation of borrowings, see "Non-GAAP financial measures and reconciliations" on page 22 for more information.

(2) Adjusted gross profit from operations is a Non-GAAP financial measure. See "Non-GAAP financial measures and reconciliations" on page 22 for more information.

[3] Comparative figures have been restated to be consistent with Superior's segment disclosure. See "Overview of Superior and Basis of Presentation" on page 2 for more information about the change in segment reporting.

Canadian Propane Sales Volumes

Volumes by End-Use Application

	Three Months Ended March 31	
(millions of gallons)	**2025**	2024
Residential	**19**	16
Commercial	**79**	75
Wholesale	**28**	24
Total	**126**	115

Volumes by Region [1]

	Three Months Ended March 31	
(millions of gallons)	**2025**	2024
Western Canada	**57**	57
Eastern Canada	**54**	40
Atlantic Canada	**15**	18
Total	**126**	115

[1] Regions: Western Canada region consists of British Columbia, Alberta, Saskatchewan, Manitoba, Yukon, Alaska and Northwest Territories; Eastern Canada region consists of Ontario and Quebec; Atlantic Canada region consists of New Brunswick, Newfoundland & Labrador, Nova Scotia and Prince Edward Island.

Revenue was $249.3 million, an increase of $19.4 million or 8% from the prior year quarter primarily due to higher sales volumes and higher wholesale propane prices, partially offset by the impact of the stronger U.S. dollar on the translation of Canadian dollar denominated transactions and the impact of the sale of carbon offset credits in the prior year quarter.

Adjusted gross profit related to propane distribution for the three months ended March 31, 2025 was $93.3 million, an increase of $2.3 million or 3% from the prior year quarter due to higher sales volumes and was partially offset by lower average propane sales margins.

Total sales volumes were 126 million gallons, an increase of 11 million gallons or 10%. Average weather across Canada for the three months ended March 31, 2025 as measured by degree days was 6% colder than the prior year quarter and 3% colder than the 5-year average. Western Canada was 2% colder than the prior year while Eastern Canada was 13% colder than the prior year where we have a higher proportion of residential customers. Residential sales volumes increased by 3 million gallons or 19% and commercial sales volumes increased by 4 million gallons or 5% due to colder weather and were partially offset by lower demand in the oilfield and construction segments. Wholesale volumes increased 4 million gallons or 17% due to colder weather increasing demand and customer growth.

Average propane sales margins were $0.74 cents per gallon, a decrease of 5 cents or 6% from $0.79 cents per gallon in the prior year quarter primarily due to the impact of the stronger U.S. dollar on the translation of Canadian denominated transactions and to a lesser extent the impact of the sale of carbon offset credits in the prior year quarter partially offset by prince increases to offset inflation.

Other services gross profit primarily includes equipment rental, installation, repair and maintenance and customer minimum use charges. Other services gross profit was $2.2 million, a decrease of $0.6 million or 21% from the prior year quarter of $2.8 million due primarily to the impact of the strong U.S. dollar on the translation of Canadian denominated transactions.

Operating costs were $46.4 million, a decrease of $1.7 million or 4% compared to the prior year. The decrease is due primarily to the stronger U.S. dollar on the translation of Canadian denominated transactions and to a lesser extent realized cost savings partially offset by higher volume related expenses.

SD&A includes amortization, depreciation and transaction, restructuring and other costs whereas operating costs exclude these expenses and is used in the determination of Adjusted EBITDA. SD&A was $60.4 million, a decrease of $5.5 million or 8% over the prior year. SD&A decreased for the above reasons, as well as lower transaction, restructuring and other costs.

Earnings before income tax were $34.7 million, an increase of $5.4 million over the prior year due to the above reasons.

Financial Outlook

Canadian Propane Adjusted EBITDA in 2025 is anticipated to be higher than the prior year as the impact of colder weather and to a lesser extent Superior Delivers is expected to be partially offset by the impact of the stronger US dollar on the translation of Canadian denominated transactions. The average weather for the remainder of 2025, as measured by degree days, is expected to be consistent with the five-year average. In addition, Superior has assumed that the impact of tariffs on customer demand for propane, on the cost of procuring new fleet and equipment or any delay in supply chain impacting capital expenditures will have a minimal impact on Superior's results.

In addition to the significant assumptions referred to above, refer to "Forward-Looking Information" and "Risk Factors to Superior" for a detailed review of significant business risks affecting Superior.

CNG

CNG's operating results:

	Three months ended March 31			
(millions of dollars except per MSU amounts)	**2025**		2024	
		$ per MSU(1)		$ per MSU(1)
Revenue	**148.2**	**172**	132.5	178
Cost of Sales	**(27.3)**	**(32)**	(18.8)	(25)
Gross profit	**120.9**	**140**	113.7	153
SD&A	**(86.7)**	**(101)**	(80.7)	(108)
Add back (deduct):				
Amortization and depreciation in SD&A	**19.1**	**22**	18.1	24
Transaction, restructuring and other costs	**2.1**	**2**	–	–
Loss (gain) on disposal of assets	**(0.3)**	**-**	0.4	1
Operating costs(1)	**(65.8)**	**(77)**	(62.2)	(83)
Adjusted EBITDA(1)	**55.1**	**63**	51.5	70
Add back (deduct):				
(Gain) loss on disposal of assets	**0.3**	**-**	(0.4)	(1)
Transaction, restructuring and other costs	**(2.1)**	**(2)**	–	–
Amortization and depreciation in SD&A	**(19.1)**	**(22)**	(18.1)	(24)
Unrealized gain on foreign currency translation	**0.1**	**-**	0.8	1
Finance expense	**(0.4)**	**-**	(0.3)	–
Earnings before income tax	**33.9**	**39**	33.5	46

(1) Adjusted EBITDA, Operating Costs and per mobile storage unit ("MSU") amounts are Non-GAAP financial measures. See "Non-GAAP financial measures and reconciliations" on page 22 for more information.

CNG's Gross Profit

	Three Months Ended March 31	
(millions of dollars)	**2025**	2024
Direct gas distribution	**75.5**	82.3
Ancillary services	45.4	31.4
Gross profit	**120.9**	113.7

CNG Sales Volumes

Volumes by Region

	Three Months Ended March 31	
(thousands of MMBtu)	**2025**	2024
United States	**6,740**	6,214
Canada	**2,088**	1,837
Total	**8,828**	8,051

Revenue was $148.2 million, an increase of $15.7 million or 12% from the prior year quarter primarily due to a higher asset base as the average number of MSUs in the quarter increased from 744 to 863 MSUs and was partially offset by continued pressure on pricing. Included in revenue is sales related to natural gas distribution and ancillary services which consists of equipment rentals, standby services and take-or-pay arrangements. Cost of sales primarily consists of the cost of the commodity being distributed and excludes distribution costs, vehicle costs, salaries and wages and other costs related to the operations of the various satellite locations. These costs are included in operating costs and SD&A.

Gross profit related to direct natural gas distribution for the three months ended March 31, 2025 was $75.5 million, a decrease of $6.8 million or 8% from the prior year primarily due to increased MSU usage in utility projects and to a lesser extent the impact of pressure on pricing. Total sales volumes for the three months ended March 31, 2025 was 8,828 MMBtu resulting in an average direct natural gas distribution sales margin of $8.60 per MMBtu compared to $10.20 per MMBtu in the prior year quarter due to continued pricing pressure.

Natural gas is purchased at spot rates, which are the daily rates in effect at the time of purchase and are quoted in relation to a physical location. The change in product costs period-over-period generally trend with the change in natural gas commodity prices for the same period. Certarus has the ability to quickly adjust pricing on short-term contracts and has contractual mechanisms in place to either flow through the excess cost of natural gas once a certain index threshold is exceeded or have the entire index price of natural gas as a flow through to the customer. These arrangements provide significant downside protection to Certarus in a volatile or rapidly rising natural gas price environment. Certarus is well positioned for margin expansion in a decreasing or low natural gas price environment.

Operating costs for the three months ended March 31, 2025 were $65.8 million, an increase of $3.6 million or 6% from the prior year quarter primarily due to the higher MSU asset base. Included in operating costs are the costs to operate the Certarus locations, distribute natural gas from the pipeline to the customer, vehicle costs and all other selling and administrative costs.

SD&A includes amortization, depreciation and transaction, restructuring and other costs whereas operating costs exclude these expenses and is used in the determination of Adjusted EBITDA. SD&A for the three months ended March 31, 2025 was $86.7 million, an increase of $6.0 million or 7% over the prior year quarter. The increase in SD&A was consistent with the increase in operating costs and to a lesser extent higher restructuring costs related to changes in management during the quarter.

Earnings before income tax was $33.9 million for the three months ended March 31, 2025, an increase of $0.4 million over the prior year earnings of $33.5 million, for the above reasons.

Financial Outlook

CNG's Adjusted EBITDA for 2025 is anticipated to be higher than 2024 as a result of the continued investment in MSUs and realizing operating efficiencies partially offset by continued pricing pressure. Superior estimates that CNG's average MSU count will increase to approximately 867 MSUs in 2025. In addition, Superior has assumed that the impact of tariffs on customer demand, the impact of procuring new fleet and equipment or any delay in supply chain impacting capital expenditures will have a minimal impact on Superior's results.

In addition to the significant assumptions referred to above, refer to "Forward-Looking Information" and "Risk Factors to Superior" for a detailed review of significant business risks affecting Superior.

CORPORATE OPERATING COSTS

A reconciliation between corporate SD&A and corporate operating costs is as follows:

	Three Months Ended March 31	
	2025	2024
Corporate SD&A recovery (expense)	**9.6**	(7.7)
Add back (deduct):		
Amortization and depreciation included in SD&A (1)	**0.1**	0.1
Transaction, restructuring and other (recovery) costs (1)	**(19.1)**	0.9
Unrealized loss on equity hedges	**2.1**	1.2
Corporate operating costs (2)	**(7.3)**	**(5.5)**

(1) The sum of the above amounts and the balances included in the U.S. Propane, Canadian Propane, CNG and the Corporate segments are included in SD&A and are disclosed in Note 14 or Note 18 of the unaudited condensed consolidated financial statements as at and for the March 31, 2025 and 2024.

(2) Operating costs are Non-GAAP financial measures. See "Non-GAAP financial measures and reconciliations" on page 22 for more information.

Corporate operating costs for the three months ended March 31, 2025 were $7.3 million an increase of $1.8 million compared to $5.5 million in the prior year quarter. The increase is due to higher incentive plan costs and professional fees.

Corporate operating costs included in Adjusted EBITDA exclude depreciation, amortization and transaction, restructuring and other costs. Corporate SD&A was a recovery of $9.6 million for the three months ended March 31, 2025, a decrease of $17.3 million from an expense of $7.7 million in the prior year quarter primarily due to a recovery recorded as part of transaction, restructuring and other costs, partially offset by the above reasons. The recovery relates to the Alberta Court of Appeal ruling in favor of Superior in the matter of Chemtrade Electrochem Inc., formerly Canexus Corporate ("Chemtrade") v. Superior Plus Corporation, overturning the earlier decision and ruling that Superior was not required to pay Chemtrade a C$25 million reverse termination fee on the termination of the Arrangement Agreement between the parties in 2016. As a result of this ruling Superior received approximately C$28.1 million including interest.

CONSOLIDATED CAPITAL EXPENDITURE SUMMARY

Superior's capital expenditures are as follows:

	Three Months Ended March 31	
(millions of dollars)	**2025**	2024[2]
U.S. Propane	**5.6**	9.9
Canadian Propane	**2.4**	5.8
Natural Gas	**15.9**	22.3
Purchase of property, plant and equipment and intangible assets	**23.9**	38.0
Proceeds on disposition of assets	**(3.9)**	(3.1)
Total net capital expenditures	**20.0**	34.9
Investment in leased vehicles [1]	**0.8**	5.5
Investment in other leased assets [1]	**1.3**	(1.3)
Total expenditures including leases	**22.1**	39.1

(1) The sum of the leases is disclosed as additions in Note 10 of the unaudited condensed consolidated financial statements.

(2) Comparative figures have been restated to be consistent with Superior's segment disclosure. See "Overview of Superior and Basis of Presentation" on page 2 for more information about the change in segment reporting.

Total capital expenditures were $23.9 million for the three months ended March 31, 2025 compared to $38.0 million in the prior year quarter. The decrease is primarily due to reduced investment in CNG and the timing receipt of tanks and equipment in the Propane segments.

Proceeds on disposition of assets were $3.9 million for the three months ended March 31, 2025 compared to $3.1 million in the prior year quarter primarily due to the timing of proceeds received from divesting under utilized assets.

Superior entered into $0.8 million of leased vehicles for the three months ended March 31, 2025 compared to $5.5 million in the prior year quarter primarily due to timing of vehicle receipts and a continued emphasis on efficient capital utilization. Superior entered into leases for other assets of $1.3 million for the three months ended March 31, 2025 compared to a recovery of $1.3 million in the prior year quarter primarily due to the cancellation of a property lease in the prior year quarter that was no longer considered strategic.

Capital expenditures were funded from a combination of operating cash flow and borrowings under the revolving-term bank credit facilities and credit provided through lease liabilities.

TRANSACTION, RESTRUCTURING AND OTHER COSTS

Superior's transaction, restructuring and other costs have been categorized together and excluded from the segmented Adjusted EBITDA reported above.

For the three months ended March 31, 2025, Superior recorded a recovery of $16.8 million related to transaction costs, primarily due to the favorable ruling described in Corporate Operating Costs and was partially offset by costs associated with a change in management in the CNG segment. The costs incurred in the prior year quarter of $7.0 million relate to a restructuring provision in the Canadian Propane segment related to the continued integration of prior acquisitions.

Financial Overview - GAAP Financial Information

Consolidated Statements of Net Earnings

	Three Months Ended March 31	
(millions of USD dollars, except per share amounts)	**2025**	2024[2]
Revenue	**1,008.4**	897.7
Cost of sales (includes products and services)	**(509.5)**	(432.5)
Gross profit	**498.9**	465.2
Expenses		
Selling, distribution and administrative costs ("SD&A")	**(291.2)**	(306.4)
Finance expense	**(24.6)**	(27.2)
Gain (loss) on derivatives and foreign currency translation of borrowings	**7.4**	(7.8)
	(308.4)	(341.4)
Earnings before income taxes	**190.5**	123.8
Income tax expense	**(44.1)**	(38.6)
Net earnings for the period	**146.4**	85.2
Net earnings attributable to:		
Superior	**141.7**	80.5
Non-controlling interest	**4.7**	4.7
Net earnings per share attributable to Superior		
Basic and diluted	**0.54**	0.30
Cash flows from operating activities	**151.5**	146.5
Cash flows from operating activities, per share[1]	**0.57**	0.53

(1) The weighted average number of shares outstanding for the three months ended March 31, 2025 was 265.6 million (2024 was 278.6 million). The weighted average number of shares assumes the exchange of the issued and outstanding preferred shares into common shares. There were no other dilutive instruments for the three months ended March 31, 2025 and 2024.

(2) Comparative figures have been restated to be consistent with Superior's segment disclosure. See "Overview of Superior and Basis of Presentation" on page 2 for more information about the change in segment reporting.

Below is GAAP financial information not disclosed in Superior's operating segments for three months ended March 31, 2025.

Net earnings for the three months ended March 31 2025 was $146.4 million, compared to $85.2 million in the prior year quarter. The increase in net earnings is primarily due to higher gross profit as a result of colder weather in the propane segments and the continued growth of CNG, lower transaction, restructuring and other costs and a gain on derivatives compared to a loss in the prior year partially offset by higher income tax expense. Basic and diluted earnings per share attributable to Superior was $0.54 per share, an increase of $0.24 from $0.30 per share in the prior year quarter. The increase in earnings per share is consistent with the increase in net earnings in the period and the impact from the decrease in the weighted average number of shares outstanding.

Finance expense was $24.6 million, a decrease of $2.6 million or 10% from $27.2 million in the prior year quarter. The decrease is primarily due to the impact of lower average interest rates during the quarter.

Gain (loss) on derivative and foreign currency translation of borrowings consists of unrealized gains (losses) on derivative financial instruments and foreign currency translation of borrowings, net of realized gains (losses) on derivative financial instruments and realized gains (losses) on settlement of U.S. denominated borrowings. The gain on derivatives and foreign currency translation of borrowings was $7.4 million for the three months ended March 31, 2025, compared to a loss of $7.8 million in the prior year quarter. The change is primarily due to changes in market prices of commodities, timing of maturities of underlying financial instruments and changes in foreign exchange rates relative to amounts hedged. For additional details, refer to Note 11 in unaudited condensed consolidated financial statements.

INCOME TAXES

Consistent with prior periods, Superior recognizes a provision for income taxes for its subsidiaries that are subject to current and deferred income taxes, including Canadian, U.S., Hungarian, Bermudian and Luxembourg income tax.

Total income tax expense for the three months ended March 31, 2025 was $44.1 million, comprised of $10.3 million in current income tax expense and $33.8 million in deferred income tax expense. This compares to a total income tax expense of $38.6 million in the prior year quarter, which consisted of a current income tax expense of $7.3 million and $31.3 million deferred income tax expense. Current income tax expense for the three months ended March 31, 2025 was $10.3 million (2024 – $7.3 million), consisting of income taxes in Canada of $3.3 million (2024 – $2.7 million), in the U.S. of $6.9 million (2024 – $4.0 million), in Bermuda of $0.1 million (2024 – nil) and in Hungary of nil (2024 – $0.6 million).

Deferred income tax expense for the three months ended March 31, 2025 was $33.8 million (2024 – $31.3 million), resulting in a net deferred income tax liability of $188.8 million as at March 31, 2025.

LIQUIDITY AND CAPITAL RESOURCES

Debt Management Update

Superior's Leverage Ratio as at March 31, 2025 was 3.7x, compared to 4.1x at December 31, 2024. The decrease in the Leverage Ratio was due to higher Adjusted EBITDA and lower debt balances due to lower capital spend.

Net Debt, Pro forma Adjusted EBITDA and Leverage Ratio are Non-GAAP measures, see "Non-GAAP financial measures and reconciliations" on page 22.

Borrowing

Superior's revolving syndicated bank facilities ("revolving credit facilities"), senior unsecured notes, lease obligations, deferred consideration and other debt (collectively "borrowing") before deferred financing fees was $1,651.0 million as at March 31, 2025, a decrease of $66.1 million from $1,717.1 million as at December 31, 2024. The decrease is primarily due to the seasonality of working capital.

Superior's total and available sources of credit as at March 31, 2025 are detailed below:

(millions of dollars)	Total Amount	Borrowing	Letters of Credit Issued	Amount Available
Revolving credit facilities [(1)]	903.6	683.9	16.3	203.4
Senior unsecured notes [(1)]	947.5	947.5	–	–
Deferred consideration and other	19.6	19.6	–	–
Lease liabilities	158.0	158.0	–	–
Total	**2,028.7**	**1,809.0**	**16.3**	**203.4**

(1) The revolving credit facilities, including the existing and the new credit facility, and the senior unsecured notes balances are presented before deferred financing fees, see Note 9 of the unaudited condensed consolidated financial statements. The total amount that can be borrowed under the revolving credit facilities is $903.6 million (C$1,300 million) and the available amount as of March 31, 2025 is $203.4 million (C$292.6 million).

Net Working Capital

Consolidated net working capital (deficit) was $118.2 million as at March 31, 2025, an increase of $105.5 million from $12.7 million as at December 31, 2024. The increase from December 31, 2024 is primarily due to the timing of supplier payments and the impact of an accrued liability as at December 31, 2024 related to an automated purchase plan with its broker in relation to the NCIB that doesn't exist as at March 31, 2025. Net working capital is defined in the unaudited condensed consolidated financial statements and notes thereto as at and for the three months ended March 31, 2025 and 2024. See Note 18 of the unaudited condensed consolidated financial statements.

Compliance

In accordance with the credit facility, Superior must maintain certain covenants and ratios that represent Non-GAAP financial measures. Superior was in compliance with its lender covenants as at March 31, 2025, and the covenant details are found in the credit facility documents filed in www.sedarplus.ca.

Pension Plans

As at March 31, 2025, Superior's defined benefit pension plans had an estimated net defined benefit going concern surplus of approximately $3.5 million (December 31, 2024 – surplus $3.7 million) and a net pension solvency surplus of approximately $3.8 million (December 31, 2024 – surplus $3.6 million). Funding requirements by applicable pension legislation are based upon going concern and solvency actuarial assumptions.

Contractual Obligations and Other Commitments (1)

	Twelve Months ended March 31						
	2026	**2027**	**2028**	**2029**	**2030**	**Thereafter**	**Total**
Borrowings before deferred financing fees and discounts (2)	5.5	3.9	684.8	948.0	0.5	8.3	1,651.0
Lease liabilities (3)	42.0	29.8	25.0	16.1	10.8	34.3	158.0
Interest payments on borrowings and lease liabilities(4)	86.9	84.6	56.2	36.7	3.3	2.7	270.4
Non-cancellable, low-value, short-term leases and leases with variable lease payments (3)	5.8	1.4	1.5	–	–	–	8.7
CNG capital, transmission and other commitments	21.2	0.5	0.3	0.3	0.2	–	22.5
Equity derivative contracts (2)	23.5	3.7	–	–	–	–	27.2
US dollar foreign currency forward sales contracts (2)	6.5	-	–	–	–	–	6.5
Propane, WTI, heating oil, diesel and natural gas purchase and sale contracts (1) (2)	32.9	2.4	-	–	–	–	35.3

(1) Does not include the impact of financial derivatives.
(2) See Notes 9 and 11 of the March 31, 2025 unaudited condensed consolidated financial statements.
(3) See Note 10 of the March 31, 2025 unaudited condensed consolidated financial statements. Operating leases comprise Superior's off-balance-sheet obligations and are contracts that do not meet the definition of a lease under IFRS 16 or are exempt.
(4) Estimated based on interest rates, foreign exchange rates and outstanding balances as of September 30, 2024 and assumes the settlement of debt will occur on each instruments respective maturity date.

In addition to the commitments mentioned above, Superior has entered into purchase orders and contracts during the normal course of business related to commodity purchase obligations transacted at market prices. Furthermore, Superior has entered into purchase agreements that require it to purchase minimum amounts or quantities of propane and other natural gas liquids over certain time periods which vary but are generally for one year. Superior has generally exceeded such minimum requirements in the past and expects to continue doing so for the foreseeable future. Failure to satisfy the minimum purchase requirements could result in the termination of contracts, change in pricing and/or payments to the applicable supplier.

Superior's contractual obligations are considered normal operating commitments and do not include the impact of mark-to-market fair values on financial and non-financial derivatives. Superior expects to fund these obligations through a combination of cash flows from operations and proceeds on revolving term bank credit facilities. Superior's financial instruments' sensitivities are consistent as at March 31, 2025 and December 31, 2024. In the normal course of business, Superior is subject to lawsuits and claims. Superior believes the resolution of these matters will not have a material adverse effect, individually or in the aggregate, on Superior's liquidity, consolidated financial position or results of operations. Superior records costs as they are incurred or when they become determinable.

SHAREHOLDERS' CAPITAL

As at March 31, 2025, the following shares were issued and outstanding:

	Common shares		Preferred shares	
	Issued number (Millions)	**Share capital**	**Issued number (Millions)**	**Equity attributable to NCI**
Balance as at December 31, 2024	238.4	$2,626.7	0.3	$260.0
Common shares repurchased and cancelled during the year	**(6.2)**	**(58.5)**	–	–
Balance as at March 31, 2025	**232.2**	**$2,568.2**	**0.3**	**$260.0**

Superior's prior normal course issuer bid terminated on November 9, 2024 and on November 11, 2024, another normal course issuer bid (the "NCIB") with respect to its common shares, commenced and will terminate on the earlier of November 10, 2025, the date Superior has purchased the maximum number of common shares permitted under the NCIB or the date on which Superior terminates the NCIB in accordance with its terms. The NCIB permits the purchase of up to 24,117,330 common shares, such amount representing 10% of the 241,173,300 common shares issued and outstanding as at October 31, 2024 by way of normal course purchases effected through the facilities of the TSX and/or alternative trading platforms. The NCIB is subject to additional standard regulatory requirements. Furthermore, subject to certain exemptions for block purchases, the maximum number of common shares that Superior may acquire on any one trading day is 256,792 common shares, such amount representing 25% of the average daily trading volume of the common shares of 1,027,170 for the six calendar months prior to the start of the NCIB. All common shares purchased by Superior under the NCIB will be cancelled.

For the three months ended March 31, 2025, 6.2 million common shares were repurchased for $28.6 million (C$40.2 million), including commission, at a volume weighted average price of $4.48 (C$6.42) per common share ($NIL – 2024). The repurchased shares with a total book value of $58.5 million (C$78.0 million) were immediately cancelled and a gain of $29.9 million (C$37.8 million) was recorded to deficit. No share repurchases took place in the prior year quarter.

DIVIDENDS

Dividends Declared to Common Shareholders

Dividends declared to Superior's common shareholders depend on its cash flow from operating activities with consideration for Superior's changes in working capital requirements, investing activities and financing activities. See "Summary of Adjusted EBITDA" for 2025 above, and "Summary of Cash Flow" for additional details.

Dividends declared to common shareholders for the three months ended March 31, 2025 were $7.2 million ($0.045 per common share compared to $33.1 million (C$0.18 per common share) in the prior period. The decrease was due to a dividend reduction announced in the prior quarter. Dividends to shareholders are declared at the discretion of Superior's Board of Directors.

Superior has a Dividend Reinvestment and Optional Share Purchase Plan ("DRIP") that is currently suspended and will remain in place should Superior elect to reactivate the DRIP, subject to regulatory approval, at a future date.

Dividends Declared to Preferred Shareholders

Dividends declared to preferred shareholders for the three months ended March 31, 2025 were $4.7 million or $18.1 per preferred share (three months ended March 31, 2024 - $4.7 million or $18.1 per preferred share).

Summary of Cash Flow

Superior's primary sources and uses of cash are detailed below:

(millions of dollars)	Three Months Ended March 31 2025	2024
Cash flows from operating activities	**151.5**	146.5
Cash flows used in investing activities	**(20.0)**	(34.9)
Cash flows used in financing activities	**(115.1)**	(105.7)
Net increase in cash and cash equivalents	**16.4**	5.9
Cash and cash equivalents, beginning of the period	**17.1**	30.7
Effect of translation of foreign currency-denominated cash and cash equivalents	**(0.8)**	0.5
Cash and cash equivalents, end of the period	**32.7**	37.1

Cash flows from operating activities for the three months ended March 31, 2025 were $151.5 million, an increase of $5.0 million from the prior year quarter, primarily due to the increased earnings compared to the prior year partially offset by a decrease in changes in non-cash working capital.

Cash flows used in investing activities were $20.0 million, a decrease of $14.9 million from the prior year quarter due to timing of receipt of vehicles, tanks and equipment and reduced capital spending as a result of increased focus on the deployment of capital in the businesses.

Cash flows used in financing activities were $115.1 million, an increase of $9.4 million from the prior year quarter, primarily due to increased payments made to the credit facilities to reduce debt as a result of increased earnings and the impact of the dividend reduction partially offset by the impact of repurchasing Superior's common shares in the quarter.

Financial Outlook

Superior is confirming its 8% Adjusted EBITDA growth target compared to 2024 Adjusted EBITDA of $455.5 million. The target is primarily due to the assumption of normal weather, first quarter results and continued growth in the CNG segment.

Achieving Superior's Adjusted EBITDA depends on the operating results of its segments. In addition to the operating results of the segments, the significant assumptions underlying the achievement of Superior's 2025 guidance are consistent with those disclosed in the MD&A for the year ended December 31, 2024.

Financial Instruments – Risk Management

Financial and non-financial derivatives are used by Superior to manage its exposure to fluctuations in foreign currency exchange rates, interest rates, share-based compensation and commodity prices. Superior assesses the inherent risks of these instruments by grouping derivative and non-financial derivatives related to the exposures these instruments mitigate. Superior's policy is not to use derivative or non-financial derivative instruments for speculative purposes. Superior does not formally designate its derivatives as hedges and, as a result, Superior does not apply hedge accounting and is required to designate its derivatives and non-financial derivatives as held for trading.

As at March 31, 2025, a summary of the net notional amounts of Superior's U.S. dollar forward contracts and options and the offsetting amounts for the rolling twelve months is provided in the table below.

	Twelve Months ended March 31						
	2026	**2027**	**2028**	**2029**	**2030**	**Thereafter**	**Total**
USD-foreign currency forward sales							
Contracts, net *(in millions)*	6.5	-	-	-	-	-	6.5
Net average external US$/CDN$ exchange rate	1.33	-	-	-	-	-	1.33

For additional details on Superior's financial instruments, including the amount and classification of gains and losses recorded, summary of fair values, notional balances, effective rates and terms, and significant assumptions used in the calculation of the fair value of Superior's financial instruments, see Note 11 to the unaudited condensed consolidated financial statements for the three months ended March 31, 2025.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

Disclosure controls and procedures (DC&P) are designed by or under the supervision of Superior's President and Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) in order to provide reasonable assurance that all material information relating to Superior is communicated to them by others in the organization as it becomes known and is appropriately disclosed as required under the continuous disclosure requirements of securities legislation and regulation. In essence, these types of controls are related to the quality, reliability and transparency of financial and non-financial information that is filed or submitted under securities legislation and regulation. The CEO and CFO are assisted in this responsibility by a Disclosure Committee, which is composed of senior leadership of Superior. The Disclosure Committee has established procedures so that it becomes aware of any material information affecting Superior in order to evaluate and discuss this information and determine the appropriateness and timing of its public release.

Internal Controls over Financial Reporting (ICFR) are also designed by or under the supervision of Superior's CEO and CFO and effected by Superior's Board of Directors, management and other personnel in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that its objectives are met. Due to inherent limitations in all such systems, no evaluation of controls can provide absolute assurance that all control issues within a company have been detected. Accordingly, Superior's disclosure controls and procedures are designed to provide reasonable, not absolute, assurance that the objectives of the corporation's disclosure control system are met.

Changes in Internal Controls over Financial Reporting

No changes were made in Superior's ICFR that have materially affected, or are reasonably likely to materially affect, Superior's ICFR in the three months ended March 31, 2025.

Effectiveness

An evaluation of the design effectiveness of Superior's DC&P and ICFR was conducted as at March 31, 2025 by and under the supervision of Superior's management, including the CEO and CFO. Based on this evaluation, the CEO and CFO have concluded that Superior's DC&P and ICFR were designed effectively as at March 31, 2025.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Superior's unaudited condensed consolidated financial statements were prepared in accordance with IFRS. The significant accounting policies are described in the unaudited condensed consolidated financial statements for the three months ended March 31, 2025, except for changes disclosed below. Certain of these accounting policies, as well as estimates made by management in applying such policies, are recognized as critical because they require management to make subjective or complex judgments about matters that are inherently uncertain. Superior's critical accounting estimates relate to the allowance for doubtful accounts, employee future benefits, deferred income tax assets and liabilities, the valuation of financial and non-financial derivatives, asset impairments, estimating liabilities under the cap and trade programs and estimating the incremental borrowing rate on leases.

Changes in Accounting Policies and Disclosures and Recent Accounting Pronouncements

There were no changes to Superior's accounting policies during the period.

Recent Accounting Pronouncements

The recent accounting pronouncements are consistent with those disclosed in the annual consolidated financial statements as at and for the year ended December 31, 2024.

QUARTERLY FINANCIAL AND OPERATING INFORMATION

(millions of dollars, except per share amounts)	**Q1 2025**	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
Revenue	**1,008.4**	702.3	359.4	422.9	897.7	724.3	395.9	433.5
Gross profit	**498.9**	374.9	209.1	235.2	465.2	377.4	215.5	201.1
Net (loss) earnings	**146.4**	4.2	(62.0)	(45.3)	85.2	57.8	(80.1)	(29.4)
Per share, basic	**$0.54**	($0.00)	($0.27)	($0.20)	$0.30	$0.20	($0.34)	($0.16)
Per share, diluted	**$0.54**	($0.00)	($0.27)	($0.20)	$0.30	$0.20	($0.34)	($0.16)
Adjusted EBITDA (1)	**260.5**	159.2	17.4	43.3	235.6	162.3	18.6	29.5
Net working (deficit) capital (2)	**118.2**	12.7	(105.8)	(88.3)	2.0	(40.5)	(104.2)	(40.5)

(1) Adjusted EBITDA is a Non-GAAP financial measure, see "Non-GAAP financial measures and reconciliations" on page 22.

(2) Net working (deficit) capital is comprised of trade and other receivables, prepaid expenses and deposits and inventories, less trade and other payables, contract liabilities, and dividends payable.

Fluctuations in Superior's quarterly results are subject to seasonality. Sales typically peak in the first quarter when approximately one-third of annual propane and other refined fuels sales volumes and gross profits are generated due to the demand of heating from end-use customers. They then decline through the second and third quarters, rising seasonally again in the fourth quarter with heating demand.

Volumes

U.S Propane sales by end-use application are as follows:

(millions of gallons)	**Q1 2025**	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
Residential	**93**	61	17	24	82	64	19	28
Commercial	**64**	48	26	30	58	50	30	36
Wholesale	**111**	85	59	53	98	89	63	70
Total	**268**	194	102	107	238	203	112	134

Canadian Propane sales by end-use application are as follows:

(millions of gallons)	**Q1 2025**	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
Residential	**19**	14	4	7	16	14	5	7
Commercial	**79**	65	39	47	75	67	41	49
Wholesale	**28**	20	8	10	24	19	8	9
Total	**126**	99	51	64	115	100	54	65

CNG sales by region are as follows:

(thousands of MMBtu)	**Q1 2025**	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
United States	**6,740**	5,781	5,992	5,850	6,214	4,850	4,803	1,724
Canada	**2,088**	1,524	1,047	1,162	1,837	1,290	868	311
Total	**8,828**	7,305	7,039	7,012	8,051	6,140	5,671	2,035

(1) CNG Q2 2023 sales volumes are from the date of acquisition to June 30, 2023.

NON-GAAP FINANCIAL MEASURES AND RECONCILIATIONS

Throughout the MD&A, Superior has used the following terms that are not defined by IFRS, but are used by management to evaluate the performance of Superior and its business. 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 do not have standardized meaning 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 be 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.

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 from operations and Adjusted EBITDA 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 EBITDA and Adjusted EBITDA per share

Adjusted EBITDA represents earnings before interest, taxes, depreciation, amortization, losses (gains) on disposal of assets, finance expense, restructuring costs, transaction, restructuring and other costs, unrealized gains (losses) on derivatives and foreign currency translation of borrowings, except for unrealized gains (losses) related to equity derivative contracts and realized gains (losses) on foreign currency forward contracts. Adjusted EBITDA is used by Superior and investors to assess its consolidated results and ability to service debt. Adjusted EBITDA is consistent with Superior's segment profit (loss) as disclosed in Note 18 of the unaudited condensed consolidated financial statements.

Adjusted EBITDA is a significant performance measure used by management and investors to evaluate Superior's ongoing performance of its businesses. Adjusted EBITDA is also used as one component in determining short-term incentive compensation for certain management employees. Adjusted EBITDA is consistent with Segment Profit as disclosed in Note 18 of the unaudited condensed consolidated financial statements. Adjusted EBITDA per share is calculated by dividing Adjusted EBITDA by the weighted average shares assuming the exchange of the issued and outstanding preferred shares into common shares.

The seasonality of Superior's individual quarterly results must be assessed in the context of annualized Adjusted EBITDA.

Adjusted EBTDA and Adjusted EBTDA per share
Adjusted EBTDA is calculated as Adjusted EBITDA less interest on borrowings and interest on lease liability. Adjusted EBTDA per share is calculated by dividing Adjusted EBTDA by the weighted average shares assuming the exchange of the issued and outstanding preferred shares into common shares. Adjusted EBTDA is used by Superior to measure performance of key senior management.

Adjusted EBITDA from operations
Adjusted EBITDA from operations is defined as the sum of U.S. Propane, Canadian Propane, and CNG segment profit (loss). Management uses Adjusted EBITDA from operations to set targets for Superiors' operating segments (including annual guidance and variable compensation targets). Note 18 of the unaudited condensed consolidated financial statements discloses the segment profit (loss).

Adjusted Gross Profit
Adjusted gross profit represents revenue less cost of sales adjusted for realized gains and losses on commodity derivative instruments related to risk management. Management uses Adjusted Gross Profit to set margin targets and measure results. Unrealized gains and losses on commodity derivative instruments are excluded as a result of the customer contract not being included in the determination of the fair value for this risk management activity.

Realized gain (loss) on derivatives related to commodity risk management reconcile to total gain (loss) follows:

	Three Month ended March 31	
	2025	2024
Realized gains (losses) related to commodity risk management		
U.S. Propane	4.8	3.2
Canadian Propane	0.3	(1.3)
Realized gains included in Adjusted Gross profit	5.1	1.9
Unrealized loss on equity derivative contracts	2.1	1.2
Losses included in Adjusted EBITDA	7.2	3.1
Foreign currency forward contracts, net	(1.1)	(9.8)
Unrealized gains related to commodity risk management	2.1	11.2
Unrealized loss on U.S. dollar debt issued by a Canadian entity	(0.8)	(12.3)
Gain (loss) on derivatives and foreign currency translation of borrowings	7.4	(7.8)

For additional details on Superior's financial instruments, including the amount and classification of gains and losses recorded, summary of fair values, notional balances, effective rates and terms, and significant assumptions used in the calculation of the fair value of Superior's financial instruments, see Note 11 to the unaudited condensed consolidated financial statements for the three months ended March 31, 2025.

Adjusted net earnings per share

Adjusted net earnings per share is used to measure the performance of Superior's results. Adjusted net income is calculated as net earnings for the period, adding back unrealized gains (losses) on financial and non-financial derivatives and foreign currency translation, deferred income tax expense (recovery), transaction, restructuring and other costs and dividends paid on the preferred shares and dividing by the weighted averages shares assuming the exchange of the issued and outstanding preferred shares. Adjusted net income is divided by the weighted average common shares.

	Three months ended March 31	
	2025	2024
Net Income for the period	**146.4**	85.2
Add back:		
Deferred income tax expense	**33.8**	31.3
Unrealized (gains) losses on financial and non-financial derivatives and foreign currency translation	**(3.5)**	5.6
Transaction costs, restructuring and other costs	**(16.8)**	7.0
Less preferred share dividends	**(4.7)**	(4.7)
Adjusted net income	**155.2**	124.4
Weighted average number of common shares outstanding (millions) - basic	**235.6**	248.6
Adjusted net earnings per share	**$0.66**	$0.50

Free Cash Flow

Free Cash Flow is calculated as Segment Profit less interest on borrowings and interest on lease liability, income taxes paid, capital expenditures including leases, less transaction, restructuring and other costs (recovery) and preferred share dividends. Free Cash Flow per share is calculated by dividing Free Cash Flow by the weighted average common shares.

	Three Months ended March 31	
	2025	2024
Segment Profit	**260.5**	235.6
Interest expense	**(23.6)**	(26.3)
Taxes paid	**(6.2)**	(7.3)
Capital expenditures	**(22.1)**	(39.1)
Transaction costs, restructuring and other costs	**16.8**	(7.0)
Preferred share dividend	**(4.7)**	(4.7)
Free Cash Flow	**220.7**	151.2
Weighted average number of common shares outstanding (millions) - basic	**235.6**	248.6
Free cash clow per share	**$0.94**	**$0.61**

Per MSU amounts
Per MSU amounts represent the operating results of CNG divided by the average number of MSUs for the period. Superior uses per average MSU amounts to evaluate operating productivity. Per MSU amounts are presented in thousands of dollars.

Adjusted EBITDA per average MSU
Adjusted EBITDA per average MSU is used to evaluate the productivity during a reporting period. Adjusted EBITDA per average MSU is equal to Adjusted EBITDA divided by the average number of MSUs for the period.

Operating Costs
Operating costs for the U.S., Canadian, and CNG segments include wages and benefits for employees, drivers, service and administrative labour, fleet maintenance, freight and distribution expenses excluded from cost of sales, along with the costs associated with owning and maintaining land, buildings and equipment, such as rent, repairs and maintenance, environmental, utilities, insurance and property tax costs. Operating costs exclude gains or losses on disposal of assets, depreciation and amortization, transaction, restructuring and integration costs.

Corporate operating costs include wages and benefits for employees, professional fees and other costs associated with the corporate function. Corporate operating costs are defined as SD&A expenses related to the corporate office adjusted for amortization and depreciation, gains or losses on disposal of assets and transaction, restructuring and integration costs. As a result of implementing hedge accounting for Superior's long-term incentive plan and related equity derivatives, Superior now includes these unrealized gains/losses as part of Corporate operating costs. See above for a reconciliation of gains (losses) on derivatives and foreign currency translation of borrowings included in Adjusted EBITDA.

Net Debt, Pro Forma Adjusted EBITDA and Leverage Ratio

Pro Forma Adjusted EBITDA and Net debt are Non-GAAP financial measures. Superior uses Pro Forma Adjusted EBITDA and Net debt to calculate its Leverage ratio and, as a result, Leverage ratio is a Non-GAAP ratio. This ratio is used by Superior, investors and other users of financial information to assess its ability to service debt.

Pro Forma Adjusted EBITDA is Adjusted EBITDA calculated on a 12-month trailing basis giving pro forma effect to acquisitions, if any, to the first day of the calculation period. Pro Forma Adjusted EBITDA is used by Superior to calculate its Leverage Ratio.

Net Debt is calculated by the sum of borrowings and lease liabilities before deferred financing fees reduced by Superior cash and cash equivalents and Vendor Note. Net Debt is used by Superior to calculate its Leverage Ratio.

Leverage ratio is determined by dividing Superior's Net Debt by their Pro Forma Adjusted EBITDA.

Reconciliation of Net debt and Pro Forma Adjusted EBITDA

(in millions)	**March 31 2025**	December 31 2024
Current borrowings	**5.5**	7.2
Current lease liabilities	**42.0**	43.5
Non-current borrowings	**1,633.3**	1,696.6
Non-current lease liabilities	**116.0**	121.8
	1,796.8	1,869.1
Add back: deferred financing fees and discounts	**12.2**	13.3
Deduct cash and cash equivalents	**(32.7)**	(17.1)
Net debt	**1,776.3**	1,865.3
Adjusted EBITDA for the year ended December 31, 2024	**455.5**	455.5
Adjusted EBITDA for the three months ended March 31, 2024	**(235.6)**	–
Adjusted EBITDA for the three months ended March 31, 2025	**260.5**	–
Pro-forma Adjusted EBITDA for the trailing-twelve months	**480.4**	455.5
Leverage Ratio	**3.7x**	4.1x

Risk Factors to Superior

Superior's assessment and summary of its material risk factors are detailed in Superior's most recent Annual Information Form ("AIF") under "Risks associated with our business" which is filed on the Canadian Securities Administrators' website, www.sedarplus.ca, and on Superior's website, www.superiorplus.com. The AIF describes some of the most material risks to Superior's business by type of risk: financial; corporate; operational; and legal.

Superior Plus Corp.
Condensed Consolidated Balance Sheets

(Unaudited, millions of United States dollars "USD")	Note	**As at March 31 2025**	As at December 31 2024
Assets			
Current Assets			
Cash and cash equivalents		**32.7**	17.1
Trade and other receivables	**4**	**349.6**	330.8
Prepaids and deposits		**50.4**	63.6
Inventories	**5**	**58.6**	77.9
Other current financial assets	**11**	**11.1**	14.9
Total Current Assets		**502.4**	504.3
Non-current Assets			
Property, plant and equipment		**1,372.0**	1,392.7
Goodwill and intangible assets		**1,758.3**	1,776.4
Employee future benefits and other assets		**6.2**	5.5
Deferred tax assets	**12**	**3.7**	3.8
Other non-current financial assets	**11**	**0.5**	3.8
Total Non-current Assets		**3,140.7**	3,182.2
Total Assets		**3,643.1**	3,686.5
Liabilities and Equity			
Current Liabilities			
Trade and other payables	**7**	**315.2**	428.6
Contract liabilities		**13.2**	18.8
Lease liabilities	**10**	**42.0**	43.5
Borrowings	**9**	**5.5**	7.2
Dividends payable		**12.0**	12.2
Other current financial liabilities	**11**	**15.1**	20.2
Total Current Liabilities		**403.0**	530.5
Non-current Liabilities			
Lease liabilities	**10**	**116.0**	121.8
Borrowings	**9**	**1,633.3**	1,696.6
Other liabilities	**8**	**17.0**	13.5
Provisions	**6**	**8.1**	8.0
Employee future benefits		**4.6**	3.3
Deferred tax liabilities	**12**	**192.5**	159.0
Other non-current financial liabilities	**11**	**1.5**	8.0
Total Non-current Liabilities		**1,973.0**	2,010.2
Total Liabilities		**2,376.0**	2,540.7
Equity			
Capital		**2,568.2**	2,626.7
Deficit		**(1,553.6)**	(1,732.7)
Accumulated other comprehensive loss		**(7.5)**	(8.2)
Non-controlling interest		**260.0**	260.0
Total Equity	**13**	**1,267.1**	1,145.8
Total Liabilities and Equity		**3,643.1**	3,686.5

See accompanying Notes to the unaudited Condensed Consolidated Financial Statements.

Superior Plus Corp.
Condensed Consolidated Statements of Changes in Equity

(Unaudited, millions of USD)	Share Capital (Note 13)	Contributed Surplus	Total Capital	Deficit	Accumulated Other Comprehensive Earnings (Loss)	Non-controlling Interest (Note 13)	Total
As at December 31, 2024	**2,625.6**	**1.1**	**2,626.7**	**(1,732.7)**	**(8.2)**	**260.0**	**1,145.8**
Net earnings for the period	–	–	–	**141.7**	–	**4.7**	**146.4**
Unrealized foreign currency gain on translation of foreign operations	–	–	–	–	**0.4**	–	**0.4**
Actuarial defined benefit gain	–	–	–	–	**0.1**	–	**0.1**
Net gain on equity hedges	–	–	–	–	**0.2**		**0.2**
Total comprehensive earnings	–	–	–	**141.7**	**0.7**	**4.7**	**147.1**
Common shares repurchased and cancelled (Note 13)	**(58.5)**	–	**(58.5)**	**29.9**	–	–	**(28.6)**
Dividends and dividend declared to common shareholders	–	–	–	**(7.2)**	–	–	**(7.2)**
Dividends to non-controlling interest shareholders	–	–	–	–	–	**(4.7)**	**(4.7)**
Adjustment for automatic purchase plan liability	–	–	–	**14.7**	–	–	**14.7**
As at March 31, 2025	**2,567.1**	**1.1**	**2,568.2**	**(1,553.6)**	**(7.5)**	**260.0**	**1,267.1**
As at December 31, 2023	2,711.1	1.1	2,712.2	(1,614.3)	(20.6)	260.0	1,337.3
Net earnings for the period	–	–	–	80.5	–	4.7	85.2
Unrealized foreign currency gain translation of foreign operations	–	–	–	–	3.7	–	3.7
Actuarial defined benefit loss	–	–	–	–	(0.3)	–	(0.3)
Income tax recovery on other comprehensive earnings	–	–	–	–	0.3	–	0.3
Total comprehensive earnings	–	–	–	80.5	3.7	4.7	88.9
Dividends and dividend declared to common	–	–	–	(33.1)	–	–	(33.1)
Dividends to non-controlling shareholders	–	–	–	–	–	(4.7)	(4.7)
As at March 31, 2024	2,711.1	1.1	2,712.2	(1,566.9)	(16.9)	260.0	1,388.4

See accompanying Notes to the unaudited Condensed Consolidated Financial Statements.

Superior Plus Corp.

Condensed Consolidated Statements of Net Earnings and Total Comprehensive Earnings

(Unaudited, millions of USD, except per share amounts)	Note	Three Months Ended March 31 2025	2024
Revenue	**14, 16**	**1,008.4**	897.7
Cost of sales (includes products and services)	**14**	**(509.5)**	(432.5)
Gross profit		**498.9**	465.2
Expenses			
Selling, distribution and administrative costs ("SD&A")	**14**	**(291.2)**	(306.4)
Finance expense	**14**	**(24.6)**	(27.2)
Gain (loss) on derivatives and foreign currency translation of borrowings	**11, 14**	**7.4**	(7.8)
		(308.4)	(341.4)
Earnings before income taxes	**14**	**190.5**	123.8
Income tax expense	**12, 14**	**(44.1)**	(38.6)
Net earnings for the period	**14**	**146.4**	85.2
Net earnings attributable to:			
Superior		**141.7**	80.5
Non-controlling interest		**4.7**	4.7
Net earnings per share attributable to Superior			
Basic and diluted	**15**	**0.54**	0.30
Other comprehensive earnings			
Item that may be reclassified subsequently to net earnings			
Unrealized foreign currency gain on translation of foreign operations		**0.4**	3.7
Unrealized gain on equity hedges		**0.2**	0.3
Items that will not be reclassified to net earnings			
Actuarial defined benefit gain (loss)		**0.1**	(0.3)
Other comprehensive earnings for the period		**0.7**	3.7
Total comprehensive earnings for the period		**147.1**	88.9
Total comprehensive earnings for the period attributable to:			
Superior		**142.4**	84.2
Non-controlling interest		**4.7**	4.7

See accompanying Notes to the unaudited Condensed Consolidated Financial Statements.

Superior Plus Corp.
Condensed Consolidated Statements of Cash Flows

(Unaudited, millions of USD)	Note	Three Months Ended March 31 2025	2024
OPERATING ACTIVITIES			
Net earnings for the period		**146.4**	85.2
Depreciation included in SD&A		**35.6**	35.2
Depreciation of right-of-use assets included in SD&A		**7.9**	9.6
Amortization of intangible assets included in SD&A		**20.1**	21.0
(Gain) Loss on disposal of assets		**(1.2)**	0.9
Unrealized (gain) loss on financial and non-financial derivatives and foreign exchange loss on U.S. dollar debt	**11, 14**	**(3.5)**	5.6
Finance expense		**24.6**	27.2
Income tax expense		**44.1**	38.6
Changes in non-cash operating working capital and other	**17**	**(90.9)**	(39.6)
Cash flows from operating activities before income taxes and interest paid		**183.1**	183.7
Income taxes paid		**(6.2)**	(7.3)
Interest paid		**(25.4)**	(29.9)
Cash flows from operating activities		**151.5**	146.5
INVESTING ACTIVITIES			
Purchase of property, plant and equipment and intangible assets	**18**	**(23.9)**	(38.0)
Proceeds on disposal of property, plant and equipment and other assets		**3.9**	3.1
Cash flows used in investing activities		**(20.0)**	(34.9)
FINANCING ACTIVITIES			
Proceeds from borrowings		**410.4**	133.1
Repayment of borrowings		**(475.9)**	(190.8)
Principal repayment of lease obligations		**(8.9)**	(10.2)
Repurchased and cancelled common shares	**13**	**(28.6)**	–
Dividends paid to shareholders		**(12.1)**	(37.8)
Cash flows used in financing activities		**(115.1)**	(105.7)
Net increase in cash and cash equivalents		**16.4**	5.9
Cash and cash equivalents, beginning of the period		**17.1**	30.7
Effect of translation of foreign currency-denominated cash and cash equivalents		**(0.8)**	0.5
Cash and cash equivalents, end of the period		**32.7**	37.1

See accompanying Notes to the unaudited Condensed Consolidated Financial Statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited, all amounts including tabular amounts are stated in millions of USD, except per share amounts and unless otherwise stated)

1. ORGANIZATION

Superior Plus Corp. (“Superior” or the “Company”) is a diversified business corporation, incorporated under the *Canada Business Corporations Act*. The registered office is located at Suite 3610, 155 Wellington Street West, Toronto, Ontario. Superior is a publicly traded company with its common shares trading on the Toronto Stock Exchange (the “TSX”) under the exchange symbol “SPB”.

These condensed consolidated financial statements were authorized for issue by the Board of Directors on May 13, 2025.

Reportable Operating Segments

Superior consists of the following three reportable operating segments: U.S. Propane Distribution (“U.S. Propane”), Canadian Propane Distribution (“Canadian Propane”) and the Compressed Natural Gas Distribution (“CNG”) segments. The U.S. Propane segment distributes propane gas and liquid fuels primarily in the Eastern United States and California; and, to a lesser extent, the Midwest. The Canadian Propane segment distributes propane gas and liquid fuels across Canada. The CNG segment is a comprehensive low carbon energy solution provider engaged primarily in the business of transporting and selling compressed natural gas and renewable natural gas, and to a lesser extent hydrogen for large-scale industrial and commercial customers in the United States and Canada.

The reportable operating segments differ from disclosures in prior periods and reflect how the Chief Operating Decision Maker, Superior’s President and Chief Executive Officer, manages the business and evaluates performance as a result of the centralization of the supply function. The Wholesale Propane segment, previously disclosed separately as its own reporting segment is now embedded in the US Propane and Canadian Propane segments. Prior period results and disclosures have been conformed to reflect Superior’s existing reportable segments.

2. BASIS OF PRESENTATION

(a) Preparation of Condensed Consolidated Financial Statements

The accompanying condensed consolidated financial statements were prepared in accordance with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board (“IASB”) using accounting policies Superior adopted in its annual consolidated financial statements as at and for the year ended December 31, 2024.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2024.

(b) Significant Accounting Judgments, Estimates and Assumptions

The preparation of Superior’s condensed consolidated financial statements in accordance with International Financial Reporting Standards (“IFRS”) requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors deemed reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the condensed consolidated financial statements are consistent with those disclosed in Superior's 2024 annual consolidated financial statements.

(c) Standards Issued But Not Yet Effective

The standards issued, but not yet effective, are consistent with those disclosed in the annual consolidated financial statements as at and for the year ended December 31, 2024.

3. Seasonality of Operations

Propane distribution sales typically peak in the first quarter when approximately one-third of annual propane and other refined fuels' sales volumes and gross profits are generated due to the demand in heating from end-use customers. They then decline through the second and third quarters, rising seasonally again in the fourth quarter with heating demand. Similarly, net working capital is typically at seasonal highs during the first and fourth quarters. Net working capital is also significantly influenced by price changes in the underlying commodities, primarily wholesale propane and natural gas prices. CNG is also seasonal in nature with the greatest activity being in the first and fourth quarters due to seasonal winter heating; however, activity levels in the summer months have begun to increase through actively targeting counter-seasonal customers such as road infrastructure and planned utility maintenance.

For the 12 months ended March 31, 2025, Superior reported gross profit of $1,318.1 million (March 31, 2024 − $1,259.2 million) and net earnings of $43.3 million (March 31, 2024 − $33.5 million net earnings).

4. Trade and Other Receivables

A summary of trade and other receivables is as follows:

	March 31 2025	December 31 2024
Trade receivables, net of allowances	**333.4**	316.2
Accounts receivable – other[1]	**16.2**	14.6
Trade and other receivables	**349.6**	330.8

(1) This balance consists of accounts receivable related to indirect taxes, final settlements related to acquisitions and other miscellaneous balances.

Pursuant to their respective terms, trade receivables, before the deduction of the allowance for doubtful accounts, are aged as follows:

	March 31 2025	December 31 2024
Current	**190.5**	212.8
Past due less than 90 days	**131.6**	92.4
Past due over 90 days	**22.9**	21.2
Trade receivables	**345.0**	326.4

Superior's trade receivables are stated after deducting the below allowance for doubtful accounts:

	March 31 2025	December 31 2024
Allowance for doubtful accounts, beginning of the period	**(10.2)**	(13.3)
Impairment losses recognized on receivables	**(3.2)**	(4.2)
Amounts written off during the period as uncollectible	**1.6**	6.3
Amounts recovered	**0.2**	1.0
Allowance for doubtful accounts, end of the period	**(11.6)**	(10.2)

5. INVENTORIES

A summary of inventories is as follows:

	March 31 2025	December 31 2024
Propane and other refined fuels	**44.6**	63.6
Propane retailing materials, supplies, appliances and other	**14.0**	14.3
	58.6	77.9

6. PROVISIONS

A summary of provisions is as follows:

	Restructuring	Decommissioning	Total
Balance as at December 31, 2023	0.5	8.0	8.5
Additions	2.9	0.2	3.1
Utilization	(2.5)	(0.4)	(2.9)
Unwinding of discount, impact of changes in discount rate and foreign exchange	–	0.2	0.2
Balance as at December 31, 2024	0.9	8.0	8.9
Additions	**2.1**	–	**2.1**
Utilization	**(0.4)**	–	**(0.4)**
Amounts reversed or reclassified	**(0.1)**	–	**(0.1)**
Unwinding of discount, impact of changes in discount rate and foreign exchange	–	**0.1**	**0.1**
Balance as at March 31, 2025	**2.5**	**8.1**	**10.6**

	March 31 2025	December 31 2024
Current (Note 7)	**2.5**	0.9
Non-current	**8.1**	8.0
	10.6	8.9

Superior is subject to various claims and potential claims in the normal course of business. The outcomes of all proceedings and claims against Superior are subject to future resolution that includes the uncertainties of litigation. It is not possible for Superior to predict the result or magnitude of the claims due to the various factors and uncertainties involved in the legal process. Based on information currently known to Superior, it is not probable that the ultimate resolution of any proceedings and claims, individually or in total, will have a material effect on the condensed consolidated statements of net earnings and total comprehensive earnings or condensed consolidated balance sheets. If it becomes probable that Superior is liable, Superior will record a provision in the period the change in probability occurs, and the resulting impact could be material to the condensed consolidated statements of net earnings and total comprehensive earnings or condensed consolidated balance sheets.

Other

On January 18, 2023, Superior paid a C$25.0 million reverse termination fee plus C$1.4 million interest and C$1.3 million in other costs related to the ruling of the Alberta Court of Kings Bench against Superior on December 22, 2022 resulting from the termination of the arrangement agreement between Canexus Corporation and Superior in 2016. Superior appealed the decision to the Court of Appeal on January 19, 2023.

During the three months ended March 31, 2025, the Alberta Court of Appeal ruled in favour of Superior in the matter of Chemtrade Electrochem Inc., formerly Canexus Corporation (“Chemtrade”) v. Superior Plus Corporation, overturning the earlier decision and ruling that Superior was not required to pay Chemtrade a C$25 million reverse termination fee on the termination of the arrangement agreement between the parties in 2016. As a result of this ruling, Superior received approximately C$28.1 million including interest.

7. TRADE AND OTHER PAYABLES

A summary of trade and other payables is as follows:

	March 31 2025	December 31 2024
Trade payables	**189.4**	288.4
Provisions (Note 6)	**2.5**	0.9
Accrued liabilities and other payables	**103.0**	119.1
Cap and trade payable, current portion	**1.7**	1.7
Current taxes payable	**11.5**	10.0
Share-based payments, current portion	**7.1**	8.5
Trade and other payables	**315.2**	428.6

8. OTHER LIABILITIES

A summary of other liabilities is as follows:

	March 31 2025	December 31 2024
Quebec cap and trade payable	**6.1**	4.6
California cap and trade payable	**6.9**	5.8
Washington cap and trade payable	**2.1**	1.3
Share-based payments and other non-current liabilities	**1.9**	1.8
Other liabilities	**17.0**	13.5

Superior operates in California, Washington and Quebec, and is required to participate in the respective government cap and trade programs, which require Superior to settle any liability with cap and trade at the end of each compliance period.

Intangible assets are recorded when cap and trade emission units are purchased, and cap and trade liabilities are recorded upon the import of propane. These are included in the unaudited condensed consolidated statements of cash flows, net of the liability that has been accrued related to cap and trade payable as part of changes in non-cash working capital.

9. BORROWINGS

A summary of borrowings is as follows:

	Year of Maturity	Effective Interest Rate	March 31 2025	December 31 2024
Revolving Term Bank Credit Facilities				
Canadian Overnight Repo Rate Average ("CORRA") loan (C$630.0 million)[(1)(2)]	2027	Floating CORRA plus 1.70%	**437.9**	449.9
Canadian prime rate loan (prime and swing line) (C$15.5 million)[(1)]	2027	Prime rate plus 0.70%	**10.8**	35.6
Secured Overnight Financing Rate ("SOFR") loan[(1)]	2027	Term SOFR rate plus 1.70%	**235.0**	235.0
U.S. base rate loans (prime and swing line)[(1)]	2027	U.S. prime rate plus 0.70%	**0.2**	25.9
			683.9	746.4
Senior Unsecured Notes				
Senior unsecured notes[(3)]	2029	4.50%	**600.0**	600.0
Senior unsecured notes[(4)]	2028	4.25%	**347.5**	347.7
			947.5	947.7
Deferred Consideration and Other Debt	2025–2031	1.74%–8.5%	**19.6**	23.0
Total borrowings before deferred financing fees			**1,651.0**	1,717.1
Deferred financing fees and discounts			**(12.2)**	(13.3)
Total borrowings before current maturities			**1,638.8**	1,703.8
Current maturities			**(5.5)**	(7.2)
Total non-current borrowings			**1,633.3**	1,696.6

(1) As at March 31, 2025, Superior has $16.3 million of outstanding letters of credit (December 31, 2024 – $15.6 million) and $323.5 million of outstanding financial guarantees on behalf of its businesses (December 31, 2024 – $319.0 million). The fair value of Superior's revolving term bank credit facilities, other debt, and letters of credit approximates their carrying value as a result of the market-based interest rates and the short-term nature of the underlying debt instruments. The credit facilities are secured by substantially all of the assets of Superior and mature on June 6, 2027. The lender commitments can be increased from C$1,300 million to C$1,600 million on the condition that no event of default has occurred and lender consent is provided. On May 31, 2024, Superior's credit facilities were updated as a result of Canadian interest rate reform and the effective benchmark rates were changed from a Banker's Acceptance ("BA") based rate to CORRA, on a go-forward basis.

(2) Superior entered into a C$550 million senior secured revolving credit facility with a syndicate of 10 lenders to fund an acquisition. During the year ended December 31, 2024, the maturity and terms of this facility were aligned with the remainder of the credit facilities and is no longer shown separately.

(3) Superior's subsidiaries, Superior Plus LP and Superior General Partner Inc., issued at par $600 million of 4.5% senior unsecured notes due March 15, 2029. The fair value of the outstanding $600 million senior unsecured notes is $555.0 million (December 31, 2024 – $545.9 million) based on prevailing market prices. There was an unrealized foreign exchange translation loss on the $600 million senior unsecured note of $1.3 million for the three months ended March 31, 2025 (2024 – $13.2 million gain) as a result of the note being issued and held in a Canadian entity.

(4) Superior's wholly owned subsidiary, Superior Plus LP, completed a private placement of C$500 million of 4.25% senior unsecured notes, at par value, due May 18, 2028, which are guaranteed by Superior and certain of its subsidiaries. The fair value of the 4.25% senior unsecured notes based on prevailing market rates is $332.3 million (December 31, 2024 – $329.0 million).

Superior is subject to various financial covenants in its credit facility agreements, including senior debt, total debt to EBITDA ratio and restricted payment tests, which are measured on a quarterly basis. As at March 31, 2025, Superior is in compliance with all of its financial covenants.

Future required repayments of borrowings before deferred financing fees for the period April 1 to March 31 are as follows:

2026	5.5
2027	3.9
2028	684.8
2029	948.0
2030	0.5
Thereafter	8.3
Total	**1,651.0**

10. LEASING ARRANGEMENTS

The lease liabilities by operating segment are as follows:

	U.S. Propane[1]	Canadian Propane[1]	CNG	Corporate	Total
Balance as at December 31, 2023	100.0	68.3	12.2	0.4	180.9
Additions	2.7	12.0	10.3	4.0	29.0
Finance expense on lease liabilities	4.6	3.9	1.0	0.1	9.6
Lease payments	(24.2)	(19.4)	(4.8)	(0.2)	(48.6)
Impact of changes in foreign exchange rates and other	1.7	(6.5)	(0.3)	(0.5)	(5.6)
Balance as at December 31, 2024	84.8	58.3	18.4	3.8	165.3
Additions, net of terminated leases	**1.0**	**1.1**	**–**	**–**	**2.1**
Finance expense on lease liabilities	**1.1**	**1.0**	**0.3**	**–**	**2.4**
Lease payments	**(5.9)**	**(4.1)**	**(1.3)**	**–**	**(11.3)**
Impact of changes in foreign exchange rates and other	**(0.4)**	**(0.4)**	**–**	**0.3**	**(0.5)**
Balance as at March 31, 2025	**80.6**	**55.9**	**17.4**	**4.1**	**158.0**

(1) Restated to conform to the current presentation, see Note 1

	March 31 2025	December 31 2024
Current portion of lease liabilities	**42.0**	43.5
Non-current portion of lease liabilities	**116.0**	121.8
Total lease liabilities	**158.0**	165.3

The present values of lease payments are as follows:

	Minimum Rental Payments		**Present Value of Minimum Rental Payments**	
	March 31 2025	December 31 2024	**March 31 2025**	December 31 2024
Not later than one year	**46.9**	48.9	**42.0**	43.5
Later than one year and not later than five years	**97.6**	102.0	**81.7**	84.9
Later than five years	**42.6**	45.7	**34.3**	36.9
Less: future finance charges	**(29.1)**	(31.3)	**–**	–
Present value of minimum rental payments	**158.0**	165.3	**158.0**	165.3

Future minimum lease payments under non-cancellable, low-value, short-term leases and leases with variable lease payments are summarized below:

	March 31 2025	December 31 2024
Not later than one year	**5.8**	2.7
Later than one year and not later than five years	**2.9**	0.2
	8.7	2.9

11. FINANCIAL INSTRUMENTS

IFRS requires disclosure around fair value and specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect Superior's market assumptions.

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values are determined by reference to quoted bid or ask prices, as appropriate, in the most advantageous active market for that instrument to which Superior has immediate access (Level 1). Where bid and ask prices are unavailable, Superior uses the closing price of the instrument's most recent transaction. In the absence of an active market, Superior estimates fair values based on prevailing market rates (bid and ask prices, as appropriate) for instruments with similar characteristics and risk profiles or internal or external valuation models, such as discounted cash flow analysis using, to the extent possible, observable market-based inputs (Level 2). Superior uses internally developed methodologies and unobservable inputs to determine the fair value of some financial instruments when required (Level 3).

Fair values are determined using valuation models that require assumptions concerning the amount and timing of estimated future cash flows and discount rates. In determining those assumptions, Superior looks primarily to available readily observable external market inputs including forecast commodity price curves, interest rate yield curves, currency rates, and price and rate volatilities as applicable.

All financial and non-financial derivatives are designated as FVTPL upon their initial recognition.

For items that are recognized at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing their classification at the end of each reporting period. During the three months ended March 31, 2025, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements.

				March 31, 2025
	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Foreign currency forward contracts, net sale	**7.0**	**–**	**–**	**7.0**
Propane, West Texas Intermediate ("WTI"), heating oil and diesel purchase and sale contracts	**–**	**4.5**	**0.1**	**4.6**
Total assets	**7.0**	**4.5**	**0.1**	**11.6**
Liabilities				
Foreign currency forward contracts, net sale and foreign currency options	**(7.8)**	**–**	**–**	**(7.8)**
Equity derivative contract	**–**	**(7.4)**	**–**	**(7.4)**
Propane, WTI, heating oil and diesel purchase and sale contracts	**–**	**(1.4)**	**–**	**(1.4)**
Total liabilities	**(7.8)**	**(8.8)**	**–**	**(16.6)**
Total net assets (liabilities)	**(0.8)**	**(4.3)**	**0.1**	**(5.0)**
Current portion of assets	**6.6**	**4.5**	**–**	**11.1**
Current portion of liabilities	**(7.2)**	**(7.9)**	**–**	**(15.1)**

				December 31, 2024
	Level 1	Level 2	Level 3	Total
Assets				
Foreign currency forward contracts, net sale	14.5	-	-	14.5
Propane, WTI, heating oil and diesel purchase and sale contracts	-	3.8	0.4	4.2
Total assets	14.5	3.8	0.4	18.7
Liabilities				
Foreign currency forward contracts, net sale and foreign currency options	(15.3)	–	–	(15.3)
Equity derivative contract	–	(9.7)	–	(9.7)
Propane, WTI, heating oil and diesel purchase and sale contracts	–	(3.2)	–	(3.2)
Total liabilities	(15.3)	(12.9)	–	(28.2)
Total net assets (liabilities)	(0.8)	(9.1)	0.4	(9.5)
Current portion of assets	11.1	3.8	–	14.9
Current portion of liabilities	(11.6)	(8.6)	–	(20.2)

The following table outlines quantitative information about how the fair values of these financial and non-financial assets and liabilities are determined, including valuation techniques and inputs used:

Description	**Notional Value**	**Term**	**Effective Rates**	**Valuation Technique(s) and Key Input(s)**
Level 1 fair value hierarchy:				
Foreign currency forward contracts related to Wholesale Propane	$6.5	2025–2026	$1.30–$1.41 CAD / USD	Quoted bid prices in the active market
Level 2 fair value hierarchy:				
Equity derivative contracts (CAD)	$27.2	2025–2026	$9.46–$14.55 per share	Discounted cash flows – Future cash flows are estimated based on the share price
Propane, WTI, heating oil and diesel purchase and sale contracts	32.7 USG[1]	2025–2026	$0.75–$2.28	Quoted bid prices for similar products in an active market
Level 3 fair value hierarchy:				
Propane, WTI, heating oil and diesel purchase and sale contracts	0.8 USG[1]	2025–2026	$0.75–$2.28	Quoted bid prices for similar products in an active market adjusted by supplier prices internally obtained by management

(1) Millions of U.S. gallons ("USG") purchased.

Superior's realized and unrealized financial instrument gains (losses) for the three months ended March 31, 2025 and 2024 are as follows:

	Three Months Ended March 31					
	2025			2024		
Description	**Realized Gain (Loss)**	**Unrealized Gain (Loss)**	**Total**	Realized Gain (Loss)	Unrealized Gain (Loss)	Total
Foreign currency forward contracts – net sale and foreign currency options	**(1.2)**	**0.1**	**(1.1)**	(4.1)	(5.7)	(9.8)
Equity derivative contracts	**–**	**2.1**	**2.1**	–	1.2	1.2
Propane, WTI, heating oil and diesel purchase and sale contracts	**5.1**	**2.1**	**7.2**	1.9	11.2	13.1
Total gain (loss) on financial and non- financial derivatives	**3.9**	**4.3**	**8.2**	(2.2)	6.7	4.5
Foreign exchange loss on U.S. dollar debt issued by a Canadian entity	**–**	**(0.8)**	**(0.8)**	–	(12.3)	(12.3)
Total gain (loss)	**3.9**	**3.5**	**7.4**	(2.2)	(5.6)	(7.8)

The following summarizes Superior's classification and measurement of financial assets and liabilities:

	Classification	Measurement
Financial assets		
Cash and cash equivalents	Loans and receivables	Amortized cost
Trade and other receivables	Loans and receivables	Amortized cost
Derivative assets	FVTPL	Fair value
Financial liabilities		
Trade and other payables	Other liabilities	Amortized cost
Dividends payable	Other liabilities	Amortized cost
Borrowings and other liabilities	Other liabilities	Amortized cost
Derivative liabilities	FVTPL	Fair value

The fair values of cash and cash equivalents, trade and other receivables, trade and other payables, dividends payable, revolving term bank credit facilities disclosed in Note 9 and other liabilities correspond to their respective carrying amounts due to their short-term nature and/or the interest rate being commensurate with market interest rates. The fair value of senior unsecured notes disclosed in Note 9 is determined by quoted market prices (Level 2 fair value hierarchy).

Offsetting of Financial Instruments

Financial assets and liabilities are offset and the net amount reported on the condensed consolidated balance sheets when Superior has a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. In the normal course of business, Superior enters into various master netting agreements or other similar arrangements that do not meet the criteria for offsetting, but do, however, still allow for the related amount to be set off in certain circumstances, such as bankruptcy or the termination of contracts. As at March 31, 2025 and December 31, 2024, Superior has not recorded any amount against other current and non-current financial assets and liabilities except for the offsetting forward currency contracts that were outstanding as at December 31, 2023. On the adoption of the U.S. dollar as the reporting currency, management entered into forward foreign currency contracts to offset the position as at December 31, 2023. The notional amount of these forward currency contracts that were offset is approximately $129.0 million. The remaining loss that will be realized relating to these offsetting transactions is approximately $1.2 million.

Financial Instruments – Risk Management

Market Risk

Financial derivatives and non-financial derivatives are used by Superior to manage its exposure to fluctuations in foreign currency exchange rates, interest rates and commodity prices. Superior assesses the inherent risks of these instruments by grouping financial and non-financial derivatives according to the exposures these instruments mitigate. Superior's policy is not to use financial derivatives or non-financial derivative instruments for speculative purposes. With the exception of the fair value of Superior's share-based compensation program, Superior does not formally designate these derivatives as hedges and, as a result, Superior does not apply hedge accounting and is required to designate its financial derivatives and non-financial derivatives as held for trading. Superior follows hedge accounting to reduce the volatility in earnings (loss) related to the fair value of the share-based compensation programs and the related equity derivatives.

Superior's operating segments enter into various propane forward purchase and sale agreements to manage the economic exposure of its wholesale customer supply contracts and monitor their fixed-price propane positions on a daily basis to monitor compliance with established risk management policies. Superior's operating segments maintain a substantially balanced fixed-price propane position in relation to its wholesale customer supply commitments.

Superior, on behalf of its operating segments, may enter into foreign currency forward contracts to manage the economic exposure of its operations to movements in foreign currency exchange rates.

Credit Risk

Superior utilizes a variety of counterparties in relation to its financial derivative and non-financial derivative instruments in order to mitigate its counterparty risk. Superior assesses the creditworthiness of its significant counterparties at the inception and throughout the term of a contract. Superior is also exposed to customer credit risk. Superior’s operating segments deal with a large number of small customers, thereby reducing this risk. Superior’s operating segments actively monitor the creditworthiness of its commercial customers. Overall, Superior’s credit quality is enhanced by its portfolio of customers, which is diversified across geographical (primarily Canada and the U.S.) and end-use (primarily commercial, residential and industrial) markets.

Allowances for doubtful accounts and past-due receivables are reviewed by Superior as at each consolidated balance sheet date. Superior updates its estimate of the allowance for doubtful accounts based on the evaluation of the recoverability of trade and other receivables with each customer, considering historical collection trends of past due accounts, current economic conditions and future forecasts. Trade and other receivables are written off once it is determined they are uncollectible.

Liquidity Risk

Liquidity risk is the risk that Superior cannot meet a demand for cash or fund an obligation as it comes due. Liquidity risk also includes the risk of not being able to liquidate assets in a timely manner at a reasonable price.

To ensure it is able to react to contingencies and investment opportunities quickly, Superior maintains sources of liquidity at the corporate and subsidiary levels. The main sources of liquidity are cash and other financial assets, the undrawn committed revolving term bank credit facilities, equity markets and debenture markets.

Superior is subject to the risks associated with debt financing, including the ability to refinance indebtedness at maturity. Superior believes these risks are mitigated through the use of long-term debt secured by high-quality assets, maintaining debt levels that in management’s opinion are appropriate and by diversifying maturities over an extended period. Superior also seeks to include in its agreements terms that protect it from liquidity issues of counterparties that might otherwise affect liquidity.

Superior manages its overall liquidity risk in relation to its general funding requirements by utilizing a mix of short-term and long-term debt instruments. Superior reviews its mix of short-term and long-term debt instruments on an ongoing basis to ensure it is able to meet its liquidity requirements.

Superior's contractual obligations associated with its financial liabilities are as follows:

	Twelve Months ended March 31						
	2026	2027	2028	2029	2030	Thereafter	Total
Borrowings before deferred financing fees and discounts	5.5	3.9	684.8	948.0	0.5	8.3	1,651.0
Lease liabilities	42.0	29.8	25.0	16.1	10.8	34.3	158.0
Non-cancellable, low-value, short-term leases and leases with variable lease payments	5.8	1.4	1.5	–	–	–	8.7
CNG capital, transmission and other commitments	21.2	0.5	0.3	0.3	0.2	–	22.5
US dollar foreign currency forward contracts and options, net	6.5	–	–	–	–	–	6.5
Equity derivative contracts	23.5	3.7	–	–	–	–	27.2
Propane, WTI, heating oil, diesel and natural gas purchase and sale contracts	32.9	2.4	–	–	–	–	35.3

In addition to the commitments mentioned above, Superior has entered into purchase orders and contracts during the normal course of business related to commodity purchase obligations transacted at market prices. Furthermore, Superior has entered into purchase agreements that require it to purchase minimum amounts or quantities of propane and other natural gas liquids over certain time periods which vary but are generally for one year. Superior has generally exceeded such minimum requirements in the past and expects to continue doing so for the foreseeable future. Failure to satisfy the minimum purchase requirements could result in the termination of contracts, change in pricing and/or payments to the applicable supplier.

Superior's contractual obligations are considered normal operating commitments and do not include the impact of mark-to-market fair values on financial and non-financial derivatives. Superior expects to fund these obligations through a combination of cash flows from operations and proceeds on revolving term bank credit facilities. Superior's reported financial instruments' sensitivities are consistent as at March 31, 2025 and December 31, 2024.

Equity Price Risk

Equity price risk is the risk of volatility in earnings as a result of volatility in Superior's share price. Superior has equity price risk exposure to shares that it issues under various forms of share-based compensation programs, which affect earnings when outstanding units are revalued at the end of each reporting period. Superior uses equity derivatives to manage volatility derived from its share-based compensation program and applies hedge accounting to reduce the volatility in earnings (loss) related to the fair value of the share-based compensation programs and its equity derivatives.

As at March 31, 2025, Superior estimates that a 10% increase in its share price would have resulted in a $1.2 million increase in earnings due to the revaluation of equity derivative contracts and a decrease in earnings of $1.0 million due to the revaluation of the underlying long-term incentive plan.

12. INCOME TAXES

Consistent with prior periods, Superior recognizes a provision for income taxes for its subsidiaries that are subject to current and deferred income taxes, including Canadian, U.S., Hungarian, Bermudian and Luxembourg income taxes.

Total income taxes for the three months ended March 31, 2024 consists of a current income tax expense of $10.3 million and a deferred income tax expense of $33.8 million (three months ended March 31, 2024 current income tax expense of $7.3 million and a deferred income tax expense of $31.3 million) with a corresponding total net deferred income tax liability of $188.8 million as at March 31, 2025 (December 31, 2024 – total net deferred income tax liability of $155.1 million).

13. TOTAL EQUITY

Superior is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares.

Common Shares

The holders of common shares are entitled to dividends if, as and when declared by the Board of Directors, to one vote per share at shareholders' meetings, and upon liquidation, dissolution or winding up of Superior to receive pro rata the remaining property and assets of Superior, subject to the rights of any shares having priority over the common shares, of which the preferred shares of Superior Plus US Holdings are outstanding. See Preferred Shares of Superior Plus U.S. Holdings below.

Superior has a normal course issuer bid (the "NCIB") with respect to its common shares, which commenced on November 11, 2024 and will terminate on the earlier of November 10, 2025, the date Superior has purchased the maximum number of common shares permitted under the NCIB or the date on which Superior terminates the NCIB in accordance with its terms. The NCIB permits the purchase of up to 24,117,330 common shares, such amount representing 10% of the 241,173,300 common shares issued and outstanding as at October 31, 2024 by way of normal course purchases effected through the facilities of the TSX and/or alternative trading platforms. The NCIB is subject to additional standard regulatory requirements. Furthermore, subject to certain exemptions for block purchases, the maximum number of common shares that Superior may acquire on any one trading day is 256,792 common shares, such amount representing 25% of the average daily trading volume of the common shares of 1,027,170 for the six calendar months prior to the start of the NCIB. All common shares purchased by Superior under the NCIB will be cancelled.

For the three months ended March 31, 2025, 6.2 million common shares were repurchased for $28.6 million (C$40.2 million), including commission, at a volume weighted average price of $4.48 (C$6.42) per common share ($NIL – 2024). The repurchased shares with a total book value of $58.5 million (C$78.0 million) were immediately cancelled and a gain of $29.9 million (C$37.8 million) was recorded to deficit. Subsequent to March 31, 2025 and as at the release of these condensed consolidated financial statements, Superior repurchased an additional 4.2 million common shares.

Preferred Shares of Superior Plus U.S. Holdings

The preferred shares issued by Superior's subsidiary ("Preferred Shares") entitle the holders to a cumulative dividend of 7.25% per annum through to the end of Superior's second fiscal quarter in 2027. If dividends are paid on the common shares, Superior is required to pay the dividend in cash on the Preferred Shares; otherwise, the Preferred Share dividends can be paid or accrued at Superior's option. In the event that Superior declares a dividend on its common shares in excess of C$0.06 per month, the holders of the Preferred Shares shall be entitled to an equivalent amount. Superior has the option to redeem all, but not less than all, the Preferred Shares on or after July 13, 2027 with not less than 30 days' prior written notice to the holders of the Preferred Shares. The Preferred Shares can be redeemed at $1,000 per share plus accrued and unpaid dividends. If Superior does not redeem the Preferred Shares, the dividend rate increases by 0.75% per annum for the next four years to a maximum of 10.25%. If the dividends are not paid in cash, the cumulative dividend increases by 1.0% per annum to a maximum of 14.25%.

The Preferred Shares may be exchanged, at the holder's option, into 30 million common shares of Superior ("Common Shares"), or at Superior's option, if the volume-weighted average price of Superior's Common Shares during the then-preceding 30-consecutive-trading-day period, converted to U.S. dollars at the applicable exchange rate, is greater than 145% of the exchange price or US$8.67. On an as-exchanged basis, the Preferred Shares currently represent approximately 11% of the diluted outstanding Common Shares. The exchange price of the Preferred Shares will be subject to adjustment from time to time in accordance with the terms of the Preferred

Shares. These potential adjustments relate primarily to accrued and unpaid dividends, an increase in or additional dividends to common shareholders, instances where there is a share split, share consolidation or a reorganization, the participation rate on the dividend reinvestment plan is greater than 35% and if Common Shares are issued below market value.

Holders of Preferred Shares will be entitled to vote on an as-exchanged basis for all matters on which holders of Superior's Common Shares vote, and to the greatest extent possible, will vote with the holders of Common Shares as a single class.

In the event of any liquidation, winding up or dissolution of Superior, the holders of Preferred Shares are entitled to receive prior to, and in preference to, any distribution to the holders of Common Shares an amount equal to the greater of a liquidation rate per share of $1,400 plus accrued and unpaid dividends or the amount receivable had the Preferred Shares been converted to Common Shares immediately prior to the liquidation event. In the event that upon liquidation or dissolution, the assets and funds of Superior are insufficient to permit the payment to the holders of Preferred Shares of the full preferential amounts, then the entire assets and funds of Superior legally available for distribution are to be distributed ratably among the holders of Preferred Shares in proportion to the full preferential amount each is otherwise entitled to receive. After the distributions described above have been paid in full, the remaining assets of Superior available for distribution shall be distributed pro-rata to the holders of Common Shares.

Dividends declared to preferred shareholders for the three months ended March 31, 2025 were $4.7 million or $18.1 per preferred share, respectively (2024 – $4.7 million). As at March 31, 2025 and December 31, 2024, there are 260 thousand preferred shares issued and outstanding.

14. SUPPLEMENTAL DISCLOSURE OF CONSOLIDATED STATEMENTS OF NET EARNINGS

	Three Months Ended March 31	
	2025	2024
Revenue		
Revenue from products[1]	**939.5**	843.5
Revenue from the rendering of services	**29.1**	24.3
Tank and equipment rental	**39.8**	29.9
	1,008.4	897.7
Cost of sales		
Cost of products and services[2]	**(503.4)**	(428.5)
Low value, short-term and variable lease payments	**(6.1)**	(4.0)
	(509.5)	(432.5)
SD&A		
Other expenses in SD&A	**(45.6)**	(36.8)
Transaction, restructuring and other costs	**16.8**	(7.0)
Employee costs and employee future benefits expense	**(129.5)**	(126.5)
Distribution and vehicle operating costs	**(53.9)**	(52.6)
Maintenance and insurance expenses	**(16.1)**	(16.1)
Depreciation of right-of-use assets	**(7.9)**	(9.6)
Depreciation of property, plant and equipment	**(35.6)**	(35.2)
Amortization of intangible assets	**(20.1)**	(21.0)
Low value, short-term and variable lease payments	**(0.5)**	(0.7)
Gain (loss) on disposal of assets and impairment	**1.2**	(0.9)
	(291.2)	(306.4)
Finance expense		
Interest on borrowings	**(21.2)**	(23.9)
Interest on lease liability	**(2.4)**	(2.4)
Amortization of borrowing fees and other non-cash financing expenses	**(1.0)**	(0.9)
	(24.6)	(27.2)
Gain (loss) on derivatives and foreign currency translation of borrowings		
Realized gain (loss) on financial and non-financial derivatives and foreign currency translation	**3.9**	(2.2)
Unrealized gain (loss) on financial and non-financial derivatives and foreign currency translation	**3.5**	(5.6)
	7.4	(7.8)
Earnings before income taxes	**190.5**	123.8
Income tax expense		
Current income tax expense	**(10.3)**	(7.3)
Deferred income tax expense	**(33.8)**	(31.3)
	(44.1)	(38.6)
Net earnings for the period	**146.4**	85.2

(1) Included in revenue from products is the sale of carbon credits of $nil million during the three months ended March 31, 2025 (2024 – $2.8 million).

(2) During the three months ended March 31, 2025, the cost of products and services includes inventories recognized as an expense and inventory write-down of $497.6 million and $0.9 million, respectively (2024 – $422.7 million and $0.8 million, respectively).

15. NET EARNINGS PER SHARE, BASIC AND DILUTED

Net earnings per share	Three Months Ended March 31 2025	2024
Basic		
Net earnings for the year attributable to common shareholders	**141.7**	80.5
Dividends declared to common shareholders	**7.2**	33.1
Excess earnings allocated to common shareholders	**120.0**	42.3
Total earnings allocated to common shareholders	**127.2**	75.4
Weighted average number of shares outstanding (millions) – basic	**235.6**	248.6
Net earnings per share attributable to common shareholders	**$0.54**	$0.30
Diluted		
Net earnings for the year attributable to common shareholders assuming Preferred Shares convert	**146.4**	85.2
Weighted average number of Common Shares outstanding (millions) assuming Preferred Shares convert	**265.6**	278.6
	$0.55	$0.31
Net earnings per share attributable to common shareholders	**$0.54**	$0.30

Superior uses the two-class method to compute net earnings per common share attributable to common shareholders because Superior's Preferred Shares are participating equity securities. For the purpose of computing earnings (loss) per share, the Preferred Shares are considered participating because they contractually entitle the holders to participate in dividends with ordinary shares according to a predetermined formula (Note 13). The two-class method requires earnings (loss) for the period to be allocated between Common Shares and Preferred Shares based upon their respective rights to receive distributed and undistributed earnings.

Under the two-class method, the basic and diluted earnings and loss per share are computed as follows:

a) Earnings or loss attributable to Superior's common shareholders is adjusted (earnings reduced and a loss increased) by the amount of dividends declared in the period for each class of shares and by the contractual amount of dividends that must be paid for the period.

b) The remaining earnings or loss is allocated to Superior's Common Shares and participating equity instruments to the extent that each instrument shares in earnings as if all of the earnings or loss for the period had been distributed. The total earnings or loss allocated to each class of equity instrument is determined by adding together the amount allocated for dividends and the amount allocated for a participation feature.

c) The total amount of earnings or loss allocated to each class of equity instrument is divided by the weighted-average number of outstanding instruments (and dilutive potential common shares for diluted earnings per share) to which the earnings are allocated to determine the earnings (loss) per share for the instrument.

No such adjustment to earnings is made during periods with a net loss, as the holders of the Preferred Shares have no obligation to fund losses. The two-class equity method is performed in each period presented in reference to that period's earnings or loss. Consequently, the sum of the four quarters' earnings (loss) per share data will not necessarily equal the annual earnings (loss) per share data.

16. DISAGGREGATION OF REVENUE

Revenue is disaggregated by primary geographical market, type of customer and major product and service lines.

For the Three Months Ended March 31, 2025

	Canada	**U.S.**	**Inter-segment**	**Total**
Revenue from delivery of propane and other fuels	**245.7**	**620.7**	**(23.4)**	**843.0**
Revenue from delivery of CNG, RNG and hydrogen	**23.8**	**72.7**	**–**	**96.5**
Revenue from services	**4.2**	**24.9**	**–**	**29.1**
Tank and equipment rental	**5.2**	**34.6**	**–**	**39.8**
Total revenue	**278.9**	**752.9**	**(23.4)**	**1,008.4**

For the Three Months Ended March 31, 2024[1]

	Canada	U.S.	Inter-segment	Total
Revenue from delivery of propane and other fuels	225.6	541.5	(20.3)	746.8
Revenue from delivery of CNG, RNG and hydrogen	23.8	72.9	–	96.7
Revenue from services	4.9	19.4	–	24.3
Tank and equipment rental	5.3	24.6	–	29.9
Total revenue	259.6	658.4	(20.3)	897.7

(1) Restated to conform to the current presentation, see Note 1

17. SUPPLEMENTAL DISCLOSURE OF NON-CASH OPERATING WORKING CAPITAL CHANGES AND OTHER

	Three Months Ended March 31	
	2025	2024
Changes in non-cash operating working capital and other		
Trade and other receivables, and prepaids and deposits	**0.9**	20.6
Inventories	**19.4**	15.9
Trade and other payables and other liabilities	**(111.2)**	(76.1)
	(90.9)	(39.6)

18. REPORTABLE SEGMENT INFORMATION

Superior operates three continuing operating segments: U.S. Propane, Canadian Propane and CNG. This is consistent with Superior's internal reporting and organization structure and how the Chief Operating Decision Maker, the President and Chief Executive Officer, reviews the operating results, assesses performance and makes capital allocation decisions. Generally, these divisions are split between customer and product type, being propane and natural gas. The Propane business is further split by customers in the U.S. and Canada. Effective January 1, 2025, Superior changed its reportable segments, see Note 1.

Segment information is presented below. In the tables below, income tax recovery and expense are not allocated to the segments. Information by geographical region is provided in Note 19 of these unaudited condensed consolidated financial statements.

Three Months Ended March 31, 2025	U.S. Propane	Canadian Propane	CNG	Corporate	Total Segments	Inter-segment	Total Consolidated
Revenue							
External customers	**633.1**	**227.1**	**148.2**	**–**	**1,008.4**	**–**	**1,008.4**
Inter-segment	**1.2**	**22.2**	**–**	**–**	**23.4**	**(23.4)**	**0.0**
Total revenue	**634.3**	**249.3**	**148.2**	**–**	**1,031.8**	**(23.4)**	**1,008.4**
Cost of sales (includes products and services)	**(351.5)**	**(154.1)**	**(27.3)**	**–**	**(532.9)**	**23.4**	**(509.5)**
Gain on derivatives included in segment profit (loss)[1]	**4.8**	**0.3**	**–**	**2.1**	**7.2**	**–**	**7.2**
SD&A excluding costs identified below	**(124.0)**	**(46.4)**	**(65.8)**	**(9.4)**	**(245.6)**	**–**	**(245.6)**
Segment profit (loss)	**163.6**	**49.1**	**55.1**	**(7.3)**	**260.5**	**–**	**260.5**
Depreciation included in SD&A	**(13.6)**	**(8.2)**	**(13.8)**	**–**	**(35.6)**	**–**	**(35.6)**
Depreciation of right-of-use assets included in SD&A	**(4.6)**	**(1.8)**	**(1.4)**	**(0.1)**	**(7.9)**	**–**	**(7.9)**
Amortization of intangible assets included in SD&A	**(12.2)**	**(4.0)**	**(3.9)**	**–**	**(20.1)**	**–**	**(20.1)**
Transaction, restructuring and other costs included in SD&A	**(0.1)**	**(0.1)**	**(2.1)**	**19.1**	**16.8**	**–**	**16.8**
Gain on disposal of assets and impairment included in SD&A	**0.8**	**0.1**	**0.3**	**–**	**1.2**	**–**	**1.2**
Finance expense	**(1.4)**	**(0.7)**	**(0.4)**	**(22.1)**	**(24.6)**	**–**	**(24.6)**
Gain (loss) on derivatives and foreign currency translation of borrowings excluded from segment profit (loss)	**1.8**	**0.3**	**0.1**	**(2.0)**	**0.2**	**–**	**0.2**
Earnings (loss) before income taxes	**134.3**	**34.7**	**33.9**	**(12.4)**	**190.5**	**–**	**190.5**
Income tax expense							**(44.1)**
Net earnings for the period							**146.4**

(1) Management includes the realized gain (loss) on commodity derivatives and the unrealized gain (loss) on equity derivatives in the determination of segment profit (loss). Other realized gain (loss) on derivatives is excluded from segment profit (loss) as well as foreign currency forward and option derivative contracts, refer to the financial instruments in Note 11 for more details.

Three Months Ended March 31, 2024[2]	U.S. Propane	Canadian Propane	CNG	Corporate	Total Segments	Inter-segment	Total Consolidated
Revenue							
External customers	554.7	210.5	132.5	–	897.7	–	897.7
Inter-segment	0.9	19.4	–	–	20.3	(20.3)	–
Total revenue	555.6	229.9	132.5	–	918.0	(20.3)	897.7
Cost of sales (includes products and services)	(299.2)	(134.8)	(18.8)	–	(452.8)	20.3	(432.5)
Gain (loss) on derivatives included in segment profit (loss)[1]	3.2	(1.3)	–	1.2	3.1	–	3.1
SD&A excluding costs identified below	(115.7)	(48.1)	(62.2)	(6.7)	(232.7)	–	(232.7)
Segment profit (loss)	143.9	45.7	51.5	(5.5)	235.6	–	235.6
Depreciation included in SD&A	(15.4)	(6.8)	(13.0)	–	(35.2)	–	(35.2)
Depreciation of right-of-use assets included in SD&A	(4.8)	(3.7)	(1.1)	–	(9.6)	–	(9.6)
Amortization of intangible assets included in SD&A	(13.0)	(3.9)	(4.0)	(0.1)	(21.0)	–	(21.0)
Transaction, restructuring and other costs included in SD&A	(2.7)	(3.4)	–	(0.9)	(7.0)	–	(7.0)
Loss on disposal of assets included in SD&A	(0.5)	–	(0.4)	–	(0.9)	–	(0.9)
Finance expense	(1.7)	(1.2)	(0.3)	(24.0)	(27.2)	–	(27.2)
Gain (loss) on derivatives and foreign currency translation of borrowings excluded from segment profit (loss)	8.6	2.6	0.8	(22.9)	(10.9)	–	(10.9)
Earnings (loss) before income taxes	114.4	29.3	33.5	(53.4)	123.8	–	123.8
Income tax expense							(38.6)
Net earnings for the period							85.2

(1) Management includes the realized gain (loss) on commodity derivatives and the unrealized gain (loss) on equity derivatives in the determination of segment profit (loss). Other realized gain (loss) on derivatives is excluded from segment profit (loss) as well as foreign currency forward and option derivative contracts, refer to the financial instruments in Note 11 for more details.

(2) Restated to conform to the current presentation, see Note 1

Net Working Capital, Total Assets, Total Liabilities and Capital Expenditures

	U.S. Propane	Canadian Propane	CNG	Corporate	Total
As at March 31, 2025					
Net working capital[1]	**37.1**	**43.8**	**53.0**	**(15.7)**	**118.2**
Total assets	**1,935.5**	**714.8**	**922.7**	**70.1**	**3,643.1**
Total liabilities	**431.3**	**144.2**	**135.3**	**1,665.2**	**2,376.0**
As at December 31, 2024[2]					
Net working capital[1]	(5.3)	29.8	39.0	(50.8)	12.7
Total assets	1,992.6	709.9	915.5	68.5	3,686.5
Total liabilities	498.9	161.6	137.6	1,742.6	2,540.7
Capital expenditures for the year ended March 31, 2025					
Purchase of property, plant and equipment and intangible assets	**5.6**	**2.4**	**15.9**	**–**	**23.9**
Vehicle lease additions	**–**	**0.8**	**–**	**–**	**0.8**
Capital expenditures excluding other lease liabilities	**5.6**	**3.2**	**15.9**	**–**	**24.7**
Other lease additions, net of terminated leases	**1.0**	**0.3**	**0.0**	**–**	**1.3**
Proceeds on disposal of property, plant and equipment	**(2.8)**	**(0.5)**	**(0.6)**	**–**	**(3.9)**
Total net capital expenditures	**3.8**	**3.0**	**15.3**	**–**	**22.1**
Capital expenditures for the year ended March 31, 2024[2]					
Purchase of property, plant and equipment and intangible assets	9.9	5.8	22.3	–	38.0
Vehicle lease additions	1.2	1.8	2.5	–	5.5
Capital expenditures excluding other lease liabilities	11.1	7.6	24.8	–	43.5
Other lease additions	(1.9)	0.2	0.4	–	(1.3)
Proceeds on disposal of property, plant and equipment	(1.7)	(0.5)	(0.9)	–	(3.1)
Total net capital expenditures	7.5	7.3	24.3	–	39.1

(1) Net working capital is composed of trade and other receivables, prepaids and deposits, and inventories, less trade and other payables, contract liabilities and dividends payable.

(2) Restated to conform to the current presentation, see Note 1

19. Geographical Information

	U.S.	Canada	Other	Total Consolidated
Revenue for the year ended March 31, 2025	**752.9**	**255.5**	**–**	**1,008.4**
Property, plant and equipment as at March 31, 2025	**516.1**	**708.5**	**–**	**1,224.6**
Right-of-use assets as at March 31, 2025	**98.6**	**48.8**	**–**	**147.4**
Intangible assets as at March 31, 2025	**241.1**	**113.6**	**–**	**354.7**
Goodwill as at March 31, 2025	**1,002.9**	**400.7**	**–**	**1,403.6**
Total assets as at March 31, 2025	**2,167.8**	**1,458.6**	**16.7**	**3,643.1**
Revenue for the three months ended March 31, 2024[(1)]	658.4	239.3	–	897.7
Property, plant and equipment as at December 31, 2024	526.6	690.0	–	1,216.6
Right-of-use assets as at December 31, 2024	103.5	72.6	–	176.1
Intangible assets as at December 31, 2024	252.9	119.1	–	372.0
Goodwill as at December 31, 2024	1,018.6	385.8	–	1,404.4
Total assets as at December 31, 2024	2,208.9	1,457.9	19.7	3,686.5

(1) Restated to conform to the current presentation, see Note 1