

2026 STAKEHOLDER REPORT

OUR WAY IS TO CREATE A BETTER WAY

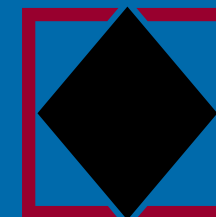


TABLE OF CONTENTS

CHAIRMAN & CEO'S LETTER TO SHAREHOLDERS

- 1 OUR WAY
- 2 2025: A YEAR IN REVIEW
- 3 MACRO VIEW
- 3 2026 TAILWINDS & OPPORTUNISTIC THEMATICS
- 4 MODULAR SPACE SOLUTIONS
- 5 WORKFORCE SOLUTIONS
- 6 LODGELINK
- 7 CAPITAL ALLOCATION & SHAREHOLDER VALUE
- 7 SAFETY, PEOPLE & COMMUNITY
- 8 THE BOARD OF DIRECTORS: CHANGES & STRUCTURE
- 8 LOOKING AHEAD

APPENDIX: NON-GAAP FINANCIAL MEASURES

- 8 FORWARD-LOOKING STATEMENTS
- 9 ADJUSTED EBITDA
- 9 NET DEBT TO TTM ADJUSTED LEVERAGE EBITDA
- 10 FUNDS FROM OPERATIONS & FREE CASH FLOW
- 10 GROSS BOOKINGS

At our core, Black Diamond exists to Create A Better Way – for our customers, employees, partners, communities, and shareholders alike. We are building a world-class rental and industrial services Company, and we are doing it our way.

CHAIRMAN & CEO'S LETTER TO SHAREHOLDERS

DEAR SHAREHOLDER,

I am pleased to send you this annual update with the intent of providing you with a summary of the performance of our Company over the past year, along with an update on our strategic objectives regarding capital allocation, growth, and operating efficiencies, within the current operating environment.

OUR WAY

FOR MANY years at Black Diamond, we've spoken about **Our Way** – our straightforward but demanding discipline of envisioning clearly, planning carefully, and executing consistently. It's our belief that long-term value is not created by bold promises, but rather through a clear vision, consistent execution, reliable data, informed decisions and owning the outcome. It's reflected in our well-defined growth strategies, strong leadership and anchored by the trust, ability and character of our high-performance team.

Our Way is a mindset embedded in our Company that guides our decisions, shapes our culture, and underpins how we deliver results for all stakeholders. It's how we think about capital, people, opportunity and risk – and it's how we objectively measure our own performance.

When I reflect on this past year, it's clear we accomplished a lot – and I'm proud of the hard work done across the entire platform. Indeed, the facts, figures and data substantiate this sentiment and are worth highlighting, but beyond just the numbers it's the drive to win and collective pride for what we're building that stands out. **It's this dedication that gives me the greatest confidence in our future – we are creating real value, and the commitment I see every day across the organization reinforces my conviction that our best years are still ahead.**



Report Date: 04/07/26



2025: A YEAR IN REVIEW

IN 2025, Black Diamond had a brilliant year by nearly every measure – consolidated rental revenue increased by 10%, consolidated Adjusted EBITDA[‡] grew by 12%. Each area of the business – Modular Space Solutions, Workforce Solutions, and LodgeLink – contributed to our progress, and we achieved these results while maintaining our target leverage ratio and preserving our strong balance sheet.

Last year there were several big wins that moved the business forward in a meaningful way, which are worth highlighting. A few of the most significant highlights in chronological order are as follows:

- In January, we launched the strategic pivot of LodgeLink with project 3.0, which will transform the platform into a micro services enabled product with re-envisioned solutions for our corporate customers.
- In April, we completed the extension and expansion of our asset-based credit facility (ABL) from \$325 million to \$425 million until February 2030 at attractive terms and borrowing costs.
- In June, for the first time in over eight years Black Diamond completed an over-subscribed bought deal public offering of shares, issuing approximately 4.7 million Common Shares at \$9.10 for gross proceeds of approximately \$42 million.
- In July, we acquired Spencer Group of Companies in Australia to expand LodgeLink into the Australian corporate travel market and also provide the infrastructure to fully launch LodgeLink in the Asia Pacific region.
- In October, we announced our fifth dividend increase in five years of 29%.

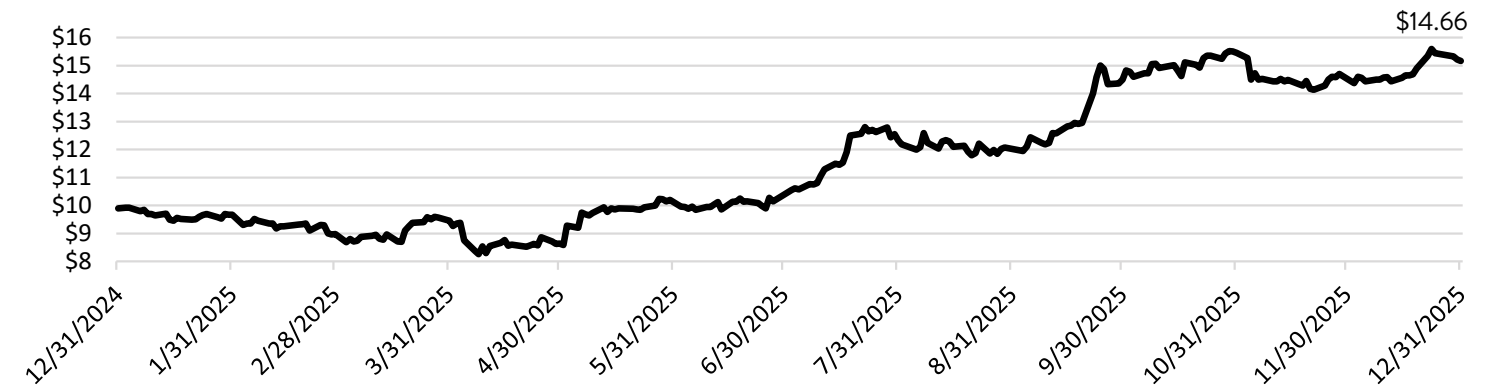
- In November, we closed the acquisition of Royal Camp Services and its subsidiaries for \$165.8 million, inclusive of cash, bringing a best in class integrated camp operating platform into our group with mid-point estimated annual EBITDA[‡] of \$36M, 6,000 high quality rooms of capacity, long-term camp operating contracts, key indigenous partners, and an experienced high quality leadership team.
- Throughout the year, we steadily advanced our critical ERP upgrade project through the design/build stage on time and on budget with go live targeted for Q2 2026.

Perhaps the most gratifying result has been the market recognition of the value of these achievements reflected in our share price rising from \$9.42 on December 30, 2024 to \$14.66 on December 31, 2025 – equating to a 56% increase!

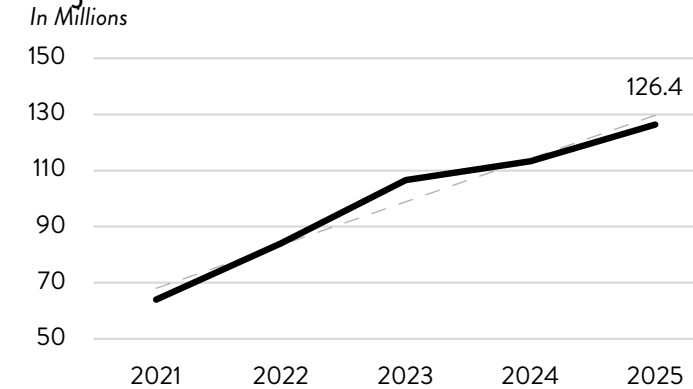
When we look over a longer time horizon, the performance becomes even more impressive with our strong five-year compound annual growth rates[‡] (CAGRs) across the business, an indication of our effective long range growth strategies and correlating execution:

- 5-year EBITDA CAGR[‡] (compounded annual growth rate) of 26%
- 5-year Return on Assets (ROA) CAGR[‡] of 16%
- MSS 5-year rental revenue CAGR[‡] of 22%
- WFS 5-year rental revenue CAGR[‡] of 16%
- LL 5-year Total Trade Value CAGR[‡] of 77%

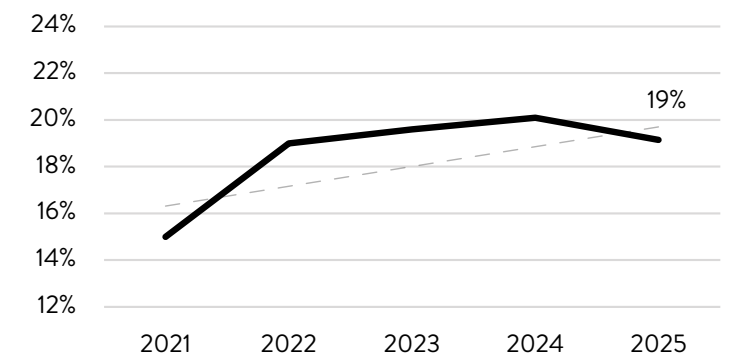
Stock Price - BDI.TO



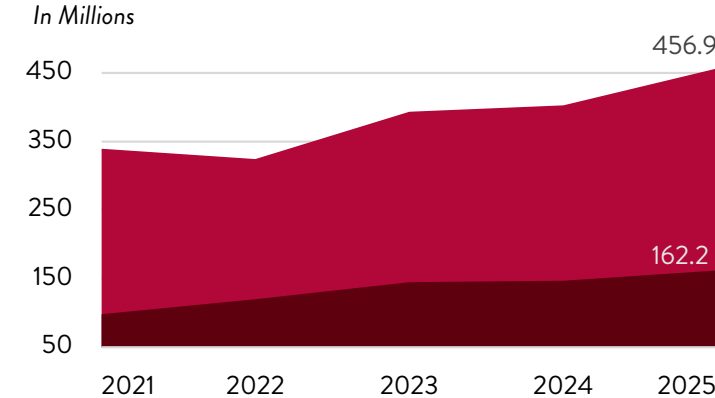
Adjusted EBITDA[‡]



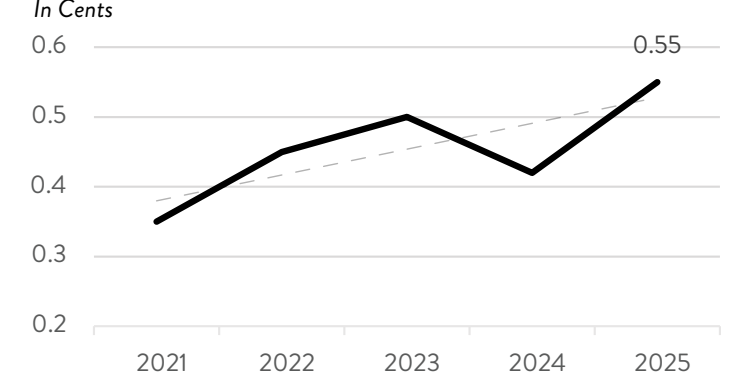
ROA[‡]



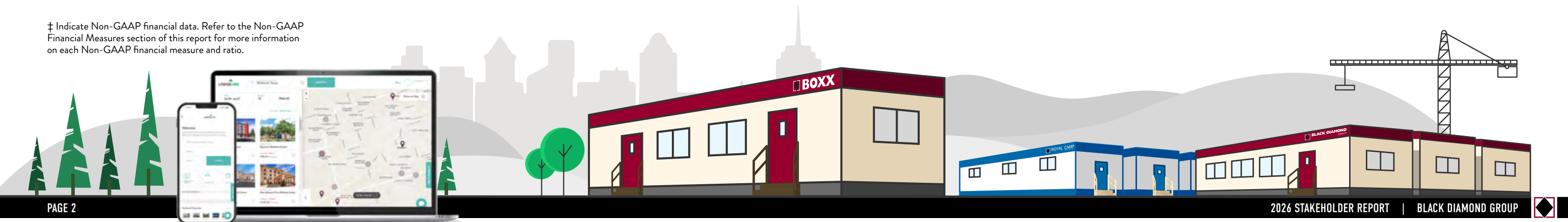
Total Revenue & Rental Revenue



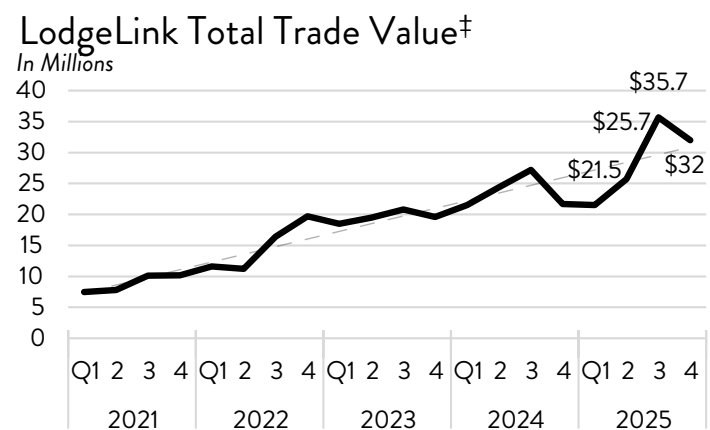
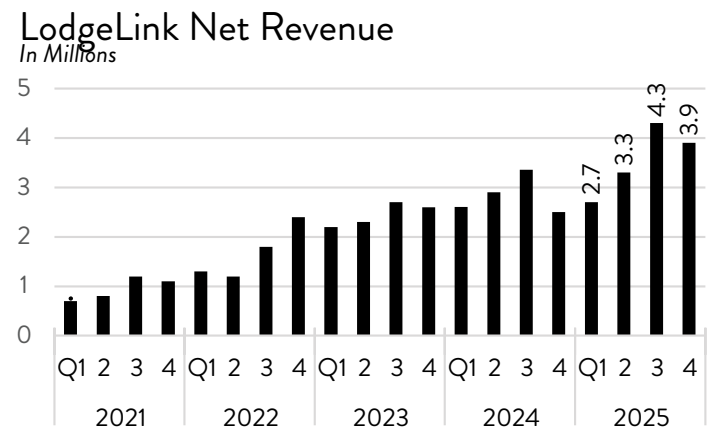
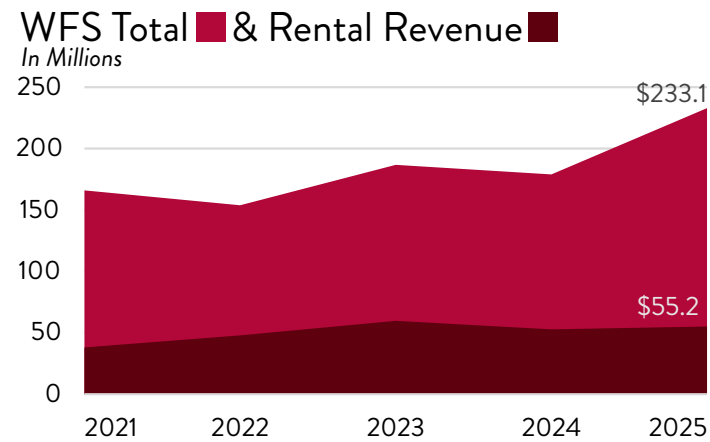
Basic EPS



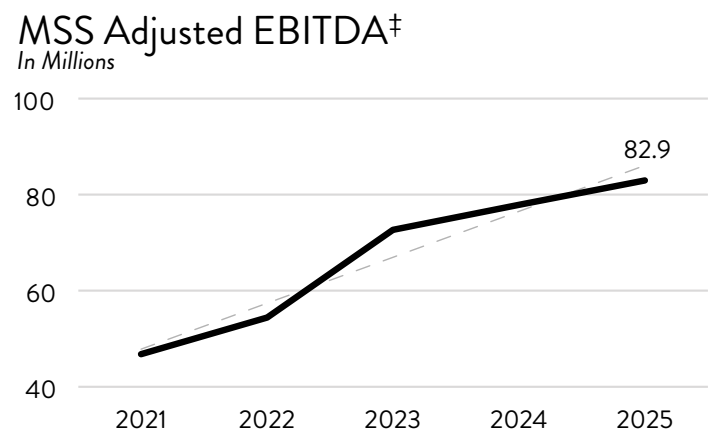
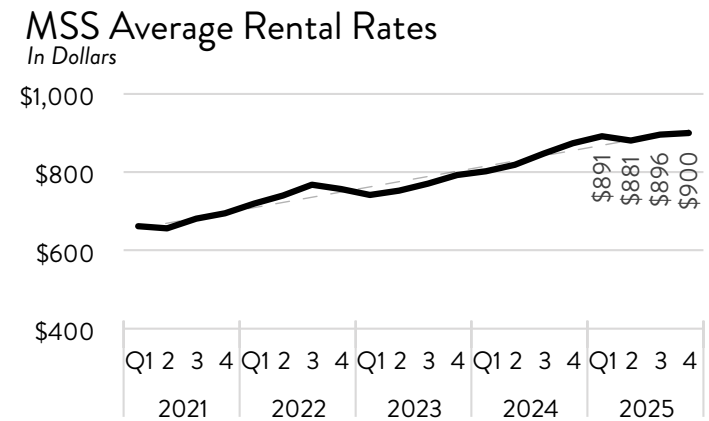
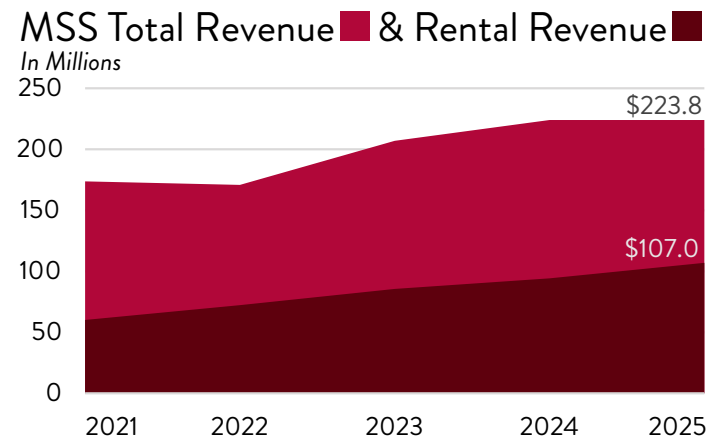
[‡] Indicate Non-GAAP financial data. Refer to the Non-GAAP Financial Measures section of this report for more information on each Non-GAAP financial measure and ratio.



2025: A YEAR IN REVIEW



† Indicate Non-GAAP financial data. Refer to the Non-GAAP Financial Measures section of this report for more information on each Non-GAAP financial measure and ratio.



MACRO VIEW

WE EXPECT the economic themes in the United States of huge data-center infrastructure builds, correlated massive energy infrastructure needs, and a gradual build of U.S. domiciled manufacturing capacity, will translate into steady forward demand for our assets and services for many years to come.

The re-ordering of global trade underscores Canada's need to accelerate resource development, especially in critical minerals and energy, along with associated infrastructure. This will be required in order to effect the trade route optionality to protect the Canadian economy should trading patterns with the U.S. become even more challenging. We expect, based on public statements, that numerous projects of significant scale will soon be transitioning from planning to field level construction. We expect this to be a thematic tailwind for our Company over the next many years.

Military preparedness and accelerated spending as a percentage of GDP has been topical for all western countries. Canada is no exception and has not only announced dramatic increases in troop recruitment but also infrastructure investment. Associated with this is a federal commitment to develop a Canadian military industrial complex and thereby reduce direct expenditures to foreign companies. Black Diamond's Canadian products and services should align well with this initiative.

With copper, gold, silver, critical minerals, energy, and even iron ore being topical amidst booming data center driven demand and a near total rerouting of world trade, Canada and Australia are exceptionally well positioned. Remote resource development will therefore be in an up-curve over the foreseeable future.

Of course, we must be mindful of risks and be prepared to mitigate their potential impacts. The inverse of the positives I outline are each a probability – recession, falling demand for commodities and energy, a thawing of trade tensions, a sovereign debt crisis, geopolitical risks and transformation, etc. But in my view we are looking at a form of convexity whereby the upside probabilities and relative gains are far greater than the downside probabilities and corresponding negative impacts. The more realistic risks are those related to delays in advancing nation building projects in Canada, or data centers and related power infrastructure being built in the US.

In these downside scenarios, we would still be generating cashflow from conventional business demand with flat to low growth, in which case, we would simply redirect free cashflow from organic fleet investment to debt reduction while focusing on elements of operational excellence and cost reduction which would still be value accretive to our shareholders.

In summary, I am bullish!

2026: TAILWINDS & OPPORTUNISTIC THEMATIC

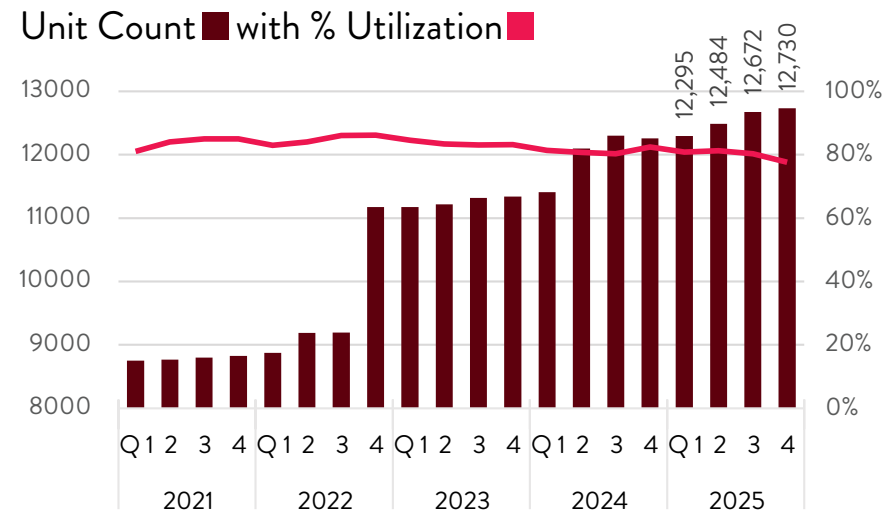
DON'T KNOW if I've ever been as excited about the Company's prospects as I am today. It has taken years of determined work, deal making, team building, and operational execution for us to be positioned as we are today.

As stated, I am bullish on the strength of the business environment in all three countries, albeit for differing reasons, and therefore the future demand for our products and services.

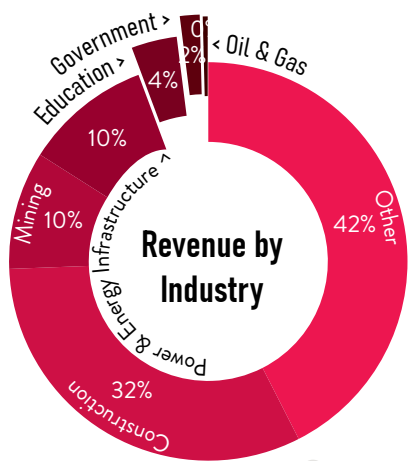
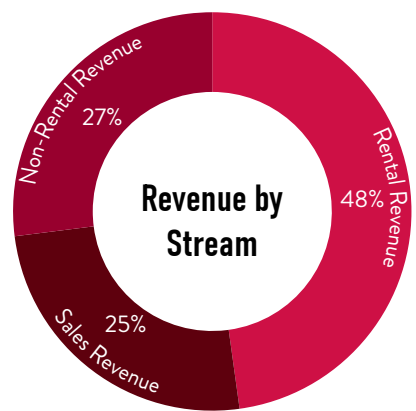
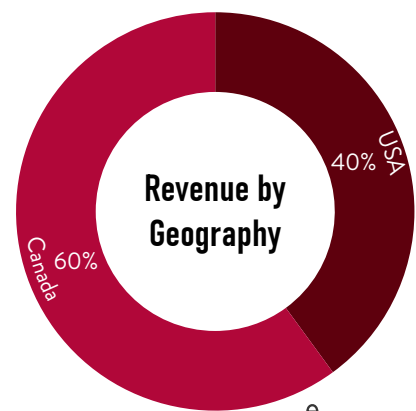


MODULAR SPACE SOLUTIONS

OUR MSS businesses should benefit from construction and education related demand in both the U.S. and Canada. This should translate into continued growth of our MSS fleets - especially in the U.S. as a result of data center and related projects - while maintaining our current utilization levels and garnering modest rate inflation underpinning our strategies of fleet growth, branch network expansion, and VAPS penetration.



We will grow our MSS business by expanding fleet size and rental rates, while expanding our offering of value-added products and services (VAPS), launching innovative new products and strengthening our operational excellence.



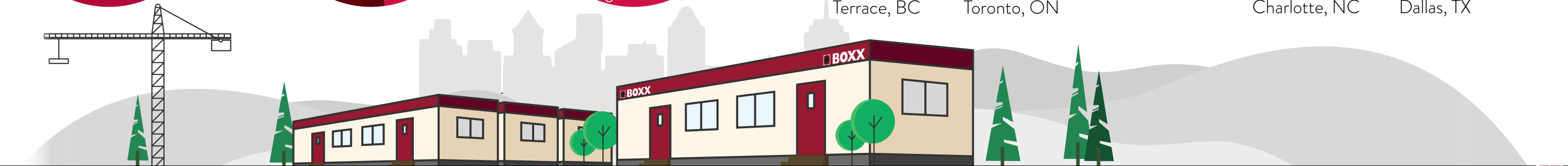
CANADA

HEAD OFFICE: Calgary, AB

- | | | |
|-------------------|-------------------|-------------------------|
| Langley, BC | Prince George, BC | Kitchener/ Waterloo, ON |
| Nanaimo, BC | Edmonton, AB | Ottawa, ON |
| Kelowna, BC | Regina, SK | Montréal, QC |
| Fort St. John, BC | Winnipeg, MB | Moncton, NB |
| Terrace, BC | Toronto, ON | |

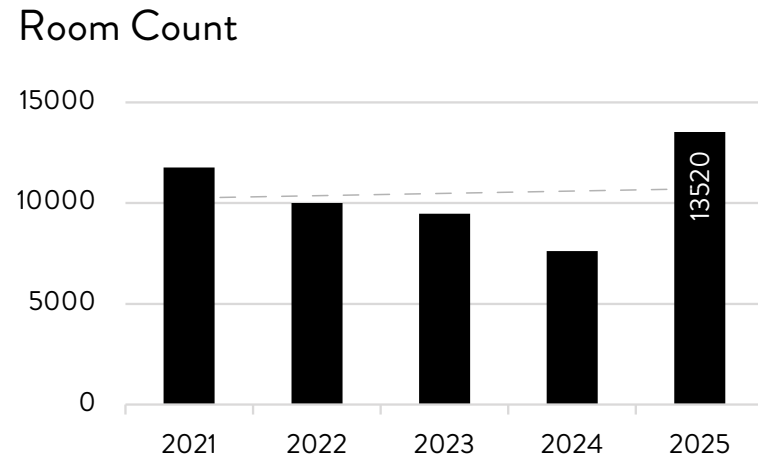
USA

- | | |
|------------------|-------------|
| Oxford, ME | Atlanta, GA |
| Philadelphia, PA | Geismar, LA |
| Raleigh, NC | Houston, TX |
| Charlotte, NC | Dallas, TX |

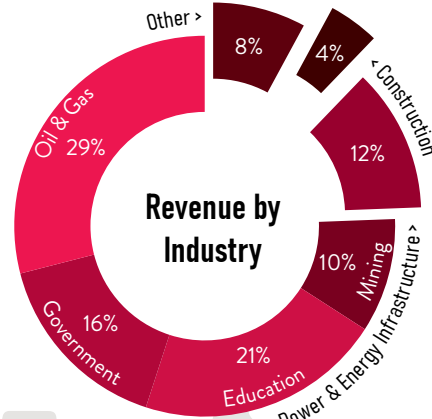
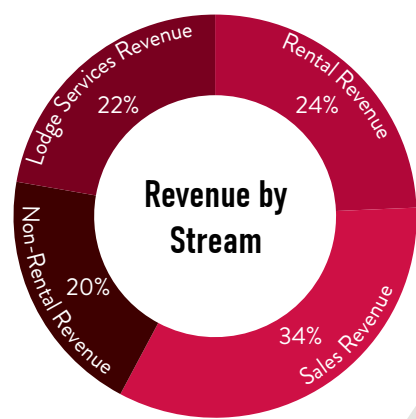
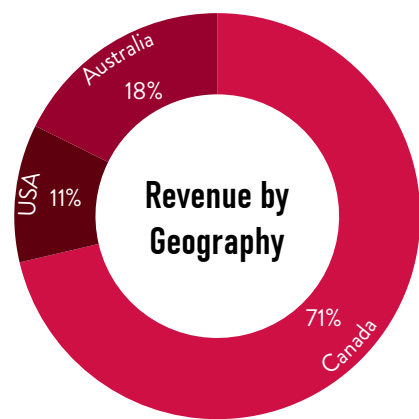


WORKFORCE SOLUTIONS

OUR WFS businesses should benefit from supportive commodity prices driving resource sector demand for camps in North America and Australia. Nation Building infrastructure projects in Canada should lead to significantly increased demand for remote accommodation. This is supportive of our strategic move of acquiring an integrated camp services company (Royal) to complement our camp rental capabilities. The latent operating leverage of a combined 6,000 rooms of unutilized capacity should work like a coiled spring as these projects move to field level execution and begin to absorb excess camp asset capacity. We couldn't be better positioned!



We will unlock the operating leverage in our WFS business by increasing utilization, expanding our geographic and end-market diversification and through our now fully integrated hospitality and catering services offering.



CANADA

HEAD OFFICE: Calgary, AB

Fort St. John, BC Edmonton, AB

Grande Prairie, AB Smithers, BC

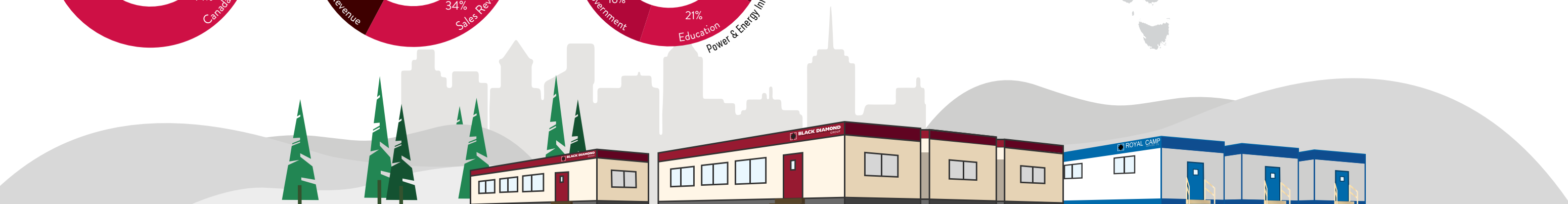
USA

Midland, TX Fort Worth, TX

AUSTRALIA

Sydney, NSW Melbourne, VIC

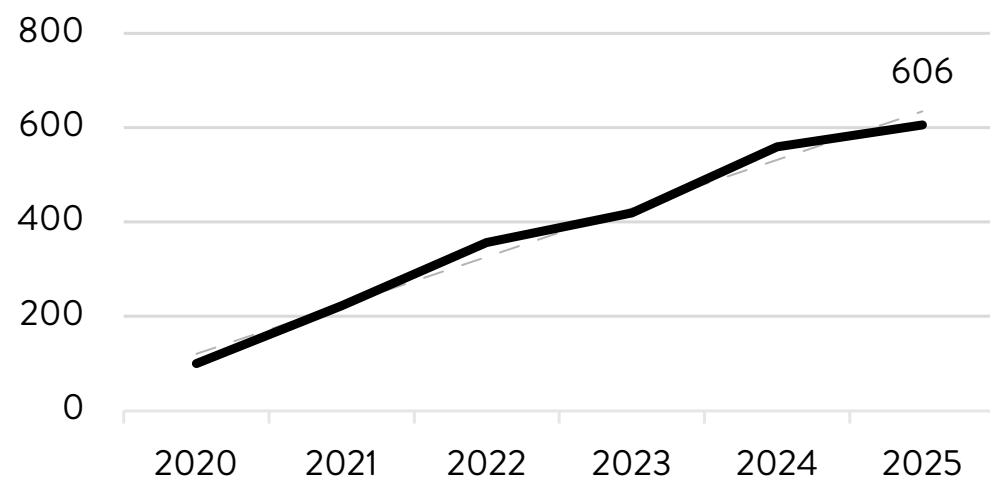
Brisbane, QLD Perth, WA



LODGE LINK

FOR LODGELINK, we expect the challenging work of rethinking the complex workforce travel problem and subsequent complete revision of our software offering to unlock the substantial value in reducing complexity for customers and suppliers alike to begin paying off this year. The platform will drive towards General Availability (GA) of its 3.0 workflow product, which seamlessly automates the entire workforce travel workflow from project initiation to completion, in turn accelerating growth.

Total Travel Segments†



We will scale LodgeLink, our innovative software-enabled workforce travel service, expanding from Canada and the US into the Asia-pacific with our substantial new suite of software tools and services.

†Beginning in Q4 2025, the Company expanded its key operating metric from “Room Nights” to “Total Travel Segments” to better reflect the broader scope of travel activity on the LodgeLink platform.

CANADA

CO-HEAD OFFICE:

Calgary, AB

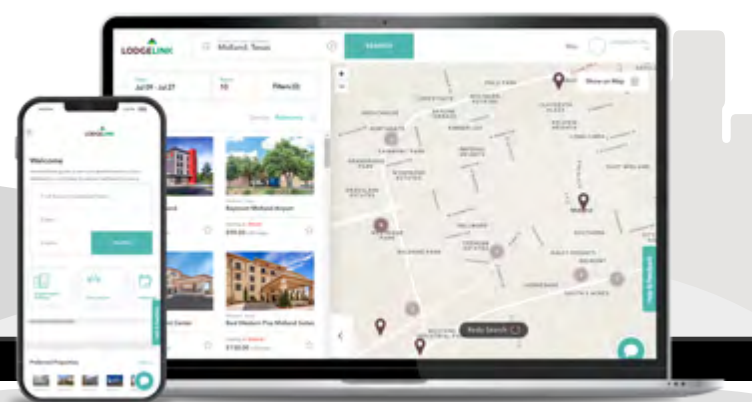
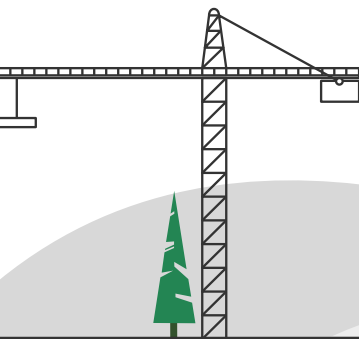
UNITED STATES

CO-HEAD OFFICE:

Phoenix, AZ

AUSTRALIA

Sydney, NSW



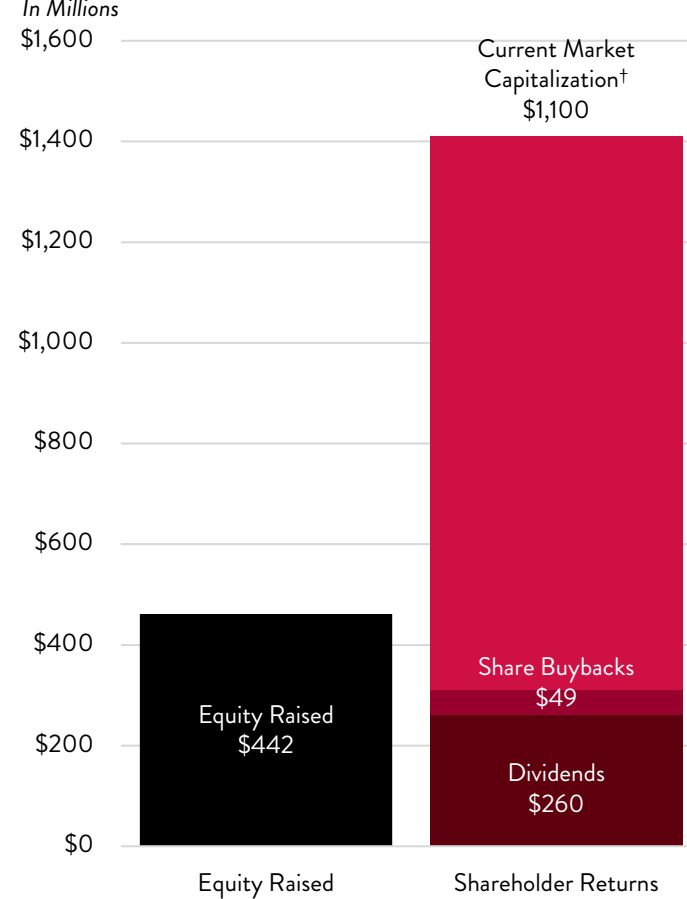
CAPITAL ALLOCATION & SHAREHOLDER VALUE

WITHIN THE year, we expended \$105 million on capex excluding acquisitions, the vast majority for revenue producing fleet assets. The Company exited the year with nearly \$150 million of rental revenue under firm contract, which provides a high degree of visibility on near term performance and the stability needed to confidently invest in further growth. At year end, we already had capital commitments of \$28 million for expenditure in 2026, which points to continued steady and compounding growth of our business.

Within the year, we repurchased nearly 630,000 BDI shares at an average price of \$8.80 and paid \$8.7 million in cash dividends to shareholders demonstrating the Company's ability to pay shareholders, while continuing to grow.

We generated \$88 million of Free Cash Flow[†] (FCF) in 2025 which increases approximately 25% pro-forma the Royal Camp acquisition. Our Net Debt to TTM Adjusted Leverage EBITDA[‡] ratio exiting 2025 was about 2.0X EBITDA[‡], which is at the low end of our 2.0-3.0X optimal range. This means that **we have tremendous financial maneuverability whether to invest in fleet growth, asset refurbishments, infrastructure improvements (yards and shops and/or technology), company or asset acquisitions, debt repayment, dividends or share buybacks. In short, all capital allocation tools are available to us and at scale.**

Return to Shareholders 2006 - 2025



[†]Current Market Capitalization as of March 25, 2026
[‡]Indicate Non-GAAP financial data. Refer to the Non-GAAP Financial Measures section of this report for more information on each Non-GAAP financial measure and ratio.

SAFETY, PEOPLE & COMMUNITY

AS ALWAYS, safety is our first priority here at Black Diamond – everything we do comes second to ensuring our employees and all those in our network return home safely at the end of each day. Our Companies once again delivered top decile performance, and I want to thank everyone on our team for keeping themselves and their co-workers' wellbeing front of mind, which resulted in year-end TRIF of 0.47 and zero lost-time claims.

No strategy succeeds without the right people, and we continue to place significant emphasis on effective engagement as we know what truly differentiates us is our exceptional team members and the quality of those in our broader network including our suppliers, partners, customers and beyond. We continue to refine our people practices with the goal of enhancing our high performance culture. We are investing in skills and career development, increased internal promotion rates, and engagement through recognition and shared experiences.

We believe culture is the outcome of our core values, brought to life through our collective behaviours and we prize

the characteristics of Dependability, Respect, Collaboration, Innovation, Creativity, and Determination, which guide how we work and make decisions.

The Company also has a long history of fostering and maintaining our meaningful Indigenous partnerships with communities across Canada, through partnerships structured around a proactive and long-term approach to engagement and delivering shared value and positive economic results for all parties involved. This is not only a demonstrated strength, but a commitment that reflects our long-term priorities that we are proud to uphold.

Finally, we believe business is a force for good and we are an active participant in initiatives that support the communities where we live and work, with a focus on sport, families, and youth. We support impactful initiatives aligned with our values and actively engage our employees in community giving efforts through charitable activities, fundraising, and volunteer initiatives, recognizing that collective action is how we make the greatest impact. Let's strive to leave things better.

As always, safety is our first priority here at Black Diamond – everything we do comes second to ensuring our employees and all those in our network return home safely at the end of each day.



THE BOARD OF DIRECTORS: CHANGES & STRUCTURE

ONE OF our long serving directors, Barbara Kelley is retiring from the Board effective at this year's AGM after more than 10 years of service to the Company. She has brought a wealth of knowledge to our governance and strategic deliberations which contributed to our successfully navigating a critical period in our history as the Company worked to pivot to our current strategic framework and subsequent accelerated growth. We sincerely thank Barbara and wish her a long and happy retirement.

Following Barbara's retirement, we will reduce the Board size from eight directors to seven. The Board will reorganize its committees by combining Governance with Compensation and eliminating the current ESG+N committee. In addition, the Board is creating a new AI Strategy and Cybersecurity Committee which will work closely with Management to ensure that the Company has the governance structure and strategic focus to optimize the benefits and reduce the risks of new AI capabilities.

LOOKING AHEAD

WE CANNOT predict economic cycles or public policy decisions with precision, nor do we attempt to. What we can do, and what we believe matters most, is to understand the macro-economic landscape, markets and geographies we operate in and ensure that Black Diamond remains well-positioned, financially strong, operationally disciplined, and prepared to adapt. Companies that endure are those that compound steadily, protect downside risk, and avoid the temptation to trade durability for short-term results – and we remain committed to this discipline.

Our vision is to build a world-class industrial services and asset management Company that provides turnkey workforce accommodation and modular space solutions through a team of talented people and expansive fleet of high-quality assets, along with a digital marketplace for business-to-business workforce travel management.

We are moving quickly in pursuit of all strategic opportunities, to deliver on our defined mandates, and to continue our focus on operational excellence and long-term performance. The business is stable with significant growth

in place. I believe the current operating environment is now highly prospective for strengthening utilization in our large format camp business in Canada, MSS fleet growth especially in the U.S., and the acceleration of LodgeLink post 3.0 GA. **And, we have a dedicated team of professionals that are exceptionally good at what they do!**

On behalf of the Board of Directors and our Leadership Team, thank you for the continued trust you place in us as stewards of your capital. Our responsibility is to manage the business prudently, but with a relentless pursuit of growth to deliver meaningful value.

We will not lose sight of this – and we will continue to deliver results.

ONWARD, forward,


Trevor Haynes
Chairman & CEO
Black Diamond Group

FORWARD-LOOKING STATEMENTS

Certain information set forth in this report contains forward-looking statements including, but not limited to, management's assessment of Black Diamond's future operations and what may have an impact on them, financial performance, business prospects and opportunities, changing operating environment including changing activity levels, effects on demand and performance based on the changing operating environment, consideration of future dividend increases, amount of revenue anticipated to be derived from current contracts, anticipated debt levels, economic life of the Company's assets, future growth, future shareholder returns and profitability of the Company and realization of the anticipated benefits of acquisitions and sales. With respect to the forward-looking statements in this report, Black Diamond has made assumptions regarding, among other things: future commodity prices, that Black Diamond will continue to raise sufficient capital to fund its business plans in a manner consistent with past operations, that counter parties to contracts will perform the contracts as written and that there will be no unforeseen material delays in contracted projects. Although Black Diamond believes that the expectations reflected in the forward-looking statements contained in this report, and the assumptions on which such forward-looking statements are made, are reasonable, there can be no assurances that such expectations or assumptions will prove to be correct. Readers are cautioned that assumptions used in the preparation of such statements

may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties and other factors, many of which are beyond the control of Black Diamond. These risks include, but are not limited to: volatility of industry conditions, dependence on agreements and contracts, competition, credit risk, information technology systems and cyber security, vulnerability to market changes, operating risks and insurance, weakness in industrial construction and infrastructure developments, weakness in natural resource industries, access to additional financing, dependence on suppliers and manufacturers, reliance on key personnel, and workforce availability. The risks outlined above should not be construed as exhaustive. Additional information on these and other factors that could affect Black Diamond's operations and financial results are included in Black Diamond's Annual Information Form for the year ended December 31, 2025 and other reports on file with the Canadian Securities Regulatory Authorities which can be accessed on Black Diamond's profile on SEDAR+. Readers are cautioned not to place undue reliance on these forward-looking statements. Furthermore, the forward-looking statements contained in this report are made as at the date of this report and Black Diamond does not undertake any obligation to update or revise any of the forward-looking statements, except as may be required by applicable securities laws.



NON-GAAP FINANCIAL MEASURES:

ADJUSTED EBITDA

Adjusted EBITDA is not a measure recognized under IFRS and does not have standardized meanings prescribed by IFRS. Adjusted EBITDA refers to consolidated earnings before finance costs, tax expense, depreciation, amortization, accretion, foreign exchange, share-based compensation, acquisition costs, non-controlling interests, share of gains or losses of an associate, write-down of property and equipment, impairment, non-recurring costs, and gains or losses on the sale of non-fleet assets in the normal course of business.

Black Diamond uses Adjusted EBITDA primarily as a measure of operating performance. Management believes that operating performance, as determined by Adjusted EBITDA, is meaningful because it presents the performance of the Company's operations on a basis which excludes the impact of certain non-cash items as well as how the operations have been financed. In addition, management presents Adjusted EBITDA because it considers it to be an important supplemental measure of the Company's performance and believes this measure is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in industries with similar capital structures.

Adjusted EBITDA has limitations as an analytical tool, and readers should not consider this item in isolation, or as a substitute for an analysis of the Company's results as reported under IFRS. Some of the limitations of Adjusted EBITDA are:

- Adjusted EBITDA excludes certain income tax payments and recoveries that may represent a reduction or increase in cash available to the Company;
- Adjusted EBITDA does not reflect the Company's cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- Adjusted EBITDA does not reflect changes in, or cash requirements for, the Company's working capital needs;
- Adjusted EBITDA does not reflect the significant interest expense, or the cash requirements necessary to service interest payments on the Company's debt;
- Depreciation and amortization are non-cash charges, thus the assets being depreciated and amortized will often have to be replaced in the future and Adjusted EBITDA does not reflect any cash requirements for such replacements;
- Other companies in the industry may calculate Adjusted EBITDA differently than the Company does, limiting its usefulness as a comparative measure.

Because of these limitations, Adjusted EBITDA should not be considered as a measure of discretionary cash available to invest in the growth of the Company's business. The Company compensates for these limitations by relying primarily on the Company's IFRS results and using Adjusted EBITDA only on a supplementary basis. A reconciliation to profit (loss), the most comparable GAAP measure, is provided to the right.

Return on assets ("ROA") is calculated as annualized Adjusted EBITDA divided by average net book value of Property and Equipment. Annualized Adjusted EBITDA is calculated by multiplying Adjusted EBITDA for the Quarter and Comparative Quarter by an annualized multiplier. Management believes that ROA is a useful financial measure for investors in evaluating operating performance for the periods presented. When read in conjunction with our profit (loss) and property and equipment, two GAAP measures, it provides investors with a useful tool to evaluate Black Diamonds ongoing operations and management of assets from period-to-period.

YTD (\$ millions, except as noted)	2020	2021	2022	2023	2024	2025
Profit (loss)	(3.5)	20.4	26.4	30.4	25.7	34.8
Add:						
Depreciation and amortization	33.0	35.2	35.2	44.2	49.0	52.6
Finance costs	5.7	6.0	8.9	14.1	15.3	14.6
Share-based compensation	2.9	3.3	4.9	6.2	5.6	7.5
Non-controlling interest	1.1	1.4	1.9	1.1	1.6	2.4
Current income taxes	0.4	0.1	0.4	0.2	1.1	2.6
Gain on sale of real estate assets and other	-	(0.6)	-	-	-	(9.2)
Deferred income taxes	(0.9)	(1.8)	11.4	8.9	10.4	11.6
Debt Retirement Costs	-	-	-	-	-	-
Impairment Loss or (Reversal)	-	-	(6.3)	-	-	-
Non-recurring items						
Acquisition Costs	-	-	-	1.2	-	-
ERP implementation and related costs ⁽¹⁾	-	-	-	-	1.5	4.0
Adjusted EBITDA	40.6	64.0	84.0	106.6	113.3	126.4
Adjusted EBITDA by segment						
MSS	29.4	46.8	54.4	72.7	77.8	82.9
WFS	22.1	34.6	50.5	59.1	58.1	67.4
Corporate	(10.9)	(17.4)	(20.9)	(25.2)	(22.6)	(23.9)
Adjusted EBITDA	40.6	64.0	84.0	106.6	113.3	126.4
Average net book value of property and equipment						
MSS	196.5	255.9	286.5	367.4	411.1	440.2
WFS	163.8	150.3	142.5	152.4	151.5	301.0
Corporate	16.5	16.2	14.6	15.3	16.1	26.1
Consolidated average NBV of property and equipment	376.8	422.4	443.6	535.0	578.7	767.3
Return on Assets						
MSS	15%	18%	19%	20%	19%	19%
WFS	14%	23%	35.6%	39%	38%	22%
Corporate	-66%	-107%	-143%	-196%	-140%	-92%
Consolidated Return on Assets	11%	15%	19%	19%	20%	16%

(1) This relates to the corporate structure reorganization costs that have been incurred in preparation of a new ERP system.

NON-GAAP FINANCIAL MEASURES:

NET DEBT TO TTM ADJUSTED LEVERAGE EBITDA

Net debt to TTM Adjusted Leverage EBITDA is a non-GAAP financial ratio which is calculated as Net Debt divided by trailing twelve months Adjusted Leverage EBITDA. Net Debt, a non-GAAP financial measure, is calculated as long-term debt minus cash and cash equivalents.

A reconciliation to long-term debt, the most comparable GAAP measure, is provided to the right. Black Diamond uses this ratio primarily as a measure of operating performance and leverage. Management believes this ratio is an important supplemental measure of the Company's performance and believes this measure is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in industries with similar capital structures.

In the June 30, 2022 Quarter, Net Debt to TTM Adjusted EBITDA was renamed Net Debt to TTM Adjusted Leverage EBITDA, to provide further clarity on the composition of the denominator to include pre-acquisition estimates of EBITDA from business combinations.

Management believes including the additional information in this calculation helps provide information of the impact of trailing operations from business combinations on the Company's leveraged position.

QTD (\$ millions, except as noted)	2022				2023				2024				2025			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Profit	4.0	4.0	9.0	9.4	4.4	4.6	13.6	7.8	1.5	7.5	7.4	9.3	5.8	9.2	12.2	7.6
Add:																
Depreciation and amortization	8.6	8.8	9.2	8.6	9.8	10.6	12.6	11.2	10.7	11.1	12.6	14.6	12.4	12.0	12.4	15.8
Finance costs	1.5	1.7	2.1	3.6	2.9	3.7	3.7	3.7	3.8	3.4	4.3	3.8	3.8	3.6	3.2	4.0
Share-based compensation	1.2	1.1	1.3	1.3	2.2	1.3	1.6	1.1	1.5	1.6	1.2	1.3	1.2	1.9	2.3	2.1
Non-controlling interest	0.5	0.5	0.5	0.4	0.3	0.3	0.3	0.3	0.3	0.4	0.4	0.5	0.4	0.3	0.2	1.6
Current income taxes	-	0.4	-	0.1	-	0.1	-	0.1	0.2	-	-	0.9	0.4	0.5	0.4	1.4
Gain on sale of real estate assets and other	-	-	-	-	-	-	-	-	-	-	-	-	(2.8)	(6.0)	(0.4)	-
Deferred income taxes	2.1	1.7	3.9	3.7	1.8	1.9	4.8	0.4	0.3	2.1	2.6	5.4	0.9	2.6	3.9	4.2
Impairment Loss or (Reversal)	-	-	-	(6.3)	-	-	-	-	-	-	-	-	-	-	-	-
Non-recurring items																
Acquisition Costs	-	-	-	1.2	-	-	-	-	0.6	-	-	-	-	0.1	1.5	1.2
ERP implementation and related costs ⁽¹⁾	-	-	-	-	-	-	-	1.5	0.5	1.8	0.3	1.4	1.6	1.8	1.7	1.4
Adjusted EBITDA	17.9	18.2	26.0	22.0	21.4	22.5	36.6	26.1	19.4	27.9	28.8	37.2	26.5	29.2	31.8	38.9
Acquisition pro-forma adjustments	1.5	2.2	2.3	0.5	-	-	-	-	-	-	-	-	11.8	15.5	7.3	6.4
Adjusted Leveraged EBITDA	19.4	20.4	28.3	22.5	21.4	22.5	36.6	26.1	19.4	27.9	28.8	37.2	38.3	44.7	39.1	45.3
TTM Adjusted Leveraged EBITDA	68.6	73.3	79.6	90.6	92.6	94.7	103.0	106.6	104.6	110.0	102.2	113.3	120.4	121.7	124.7	167.4
Long Term Debt	160.5	163.9	160.6	226.9	214.8	219.2	206.1	190.4	199.8	239.7	243.2	235.7	229.3	238.8	205.8	351.8
Current Portion of Long Term Debt	-	-	-	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	1.2	1.2	1.8	1.1	0.9
Cash and Cash equivalents	3.9	6.4	12.3	8.3	6.5	15.4	5.6	6.5	12.2	14.1	15.1	13.3	12.7	8.6	9.8	24.7
Net Debt	156.6	157.5	148.3	218.9	208.6	204.1	200.8	184.2	187.9	225.9	228.4	223.6	217.8	232.0	197.1	328.0
Net Debt to annualised adjusted leveraged EBITDA	2.3	2.1	1.9	2.4	2.3	2.2	1.9	1.7	1.8	2.1	2.2	2.0	1.8 ⁽²⁾	1.9 ⁽²⁾	1.6 ⁽²⁾	2.0

(1) This relates to the corporate structure reorganization costs that have been incurred in preparation of a new ERP system.
(2) As the Royal Camp Services acquisition did not close until November 2025, TTM Adjusted Leveraged EBITDA for Q1, Q2 and Q3 2025 reflects reported results for those periods and does not include acquisition pro forma adjustments. Accordingly, Net Debt to TTM Adjusted EBITDA ratios for these periods are not directly comparable to Q4 2025.

NON-GAAP FINANCIAL MEASURES:

FUNDS FROM OPERATIONS & FREE CASH FLOW

Funds from Operations is calculated as the cash flow from operating activities, the most comparable GAAP measure, excluding the changes in non-cash working capital. Management believes that Funds from Operations is a useful measure as it provides an indication of the funds generated by the operations before working capital adjustments. Changes in long-term accounts receivables and non-cash working capital items have been excluded as such changes are financed using the operating line of Black Diamond's credit facilities. A reconciliation to cash flow from operating activities, the most comparable GAAP measure, is provided below.

Free Cash flow (FCF) is calculated as Funds from Operations minus maintenance capital, net interest paid (including lease interest), payment of lease liabilities, net current income tax expense (recovery), distributions declared to non-controlling interest, dividends paid on common shares and dividends paid on preferred shares plus net current income taxes received (paid). Management believes that Free Cash flow is a useful measure as it provides an indication of the funds generated by the operations before working capital adjustments and other items noted below. Management believes this metric is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in industries with similar capital structures. A reconciliation to cash flow from operating activities, the most comparable GAAP measure, is provided below.

QTD (\$ millions, except as noted)	2022				2023				2024				2025			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net cash flows from operating activities:																
Add/(deduct):	13.0	24.0	27.3	6.4	31.6	32.7	33.5	35.1	22.5	27.3	31.4	30.2	35.9	28.5	20.4	46.1
Change in long-term accounts receivable	1.3	0.5	(2.5)	0.1	(0.2)	(0.2)	0.5	0.5	(0.5)	(1.1)	1.1	1.9	0.6	1.4	0.3	(0.4)
Change in non-cash working capital relating to operating activities	4.9	(4.5)	5.9	14.5	(10.0)	(6.5)	5.2	(5.5)	(2.6)	3.7	(1.3)	12.0	(10.0)	(0.1)	12.3	(7.6)
Funds from operations	19.2	20.0	30.7	21.0	21.4	26.0	39.2	30.1	19.4	29.9	31.2	44.1	26.5	29.8	33.0	38.1
Add/(deduct):																
Maintenance capital	(1.6)	(1.5)	(1.9)	(2.6)	(2.3)	(2.0)	(1.8)	(2.2)	(2.7)	(3.4)	(3.2)	(3.3)	(1.7)	(2.2)	(2.9)	(2.6)
Net interest paid (including lease interest)	(1.4)	(1.6)	(2.1)	(3.2)	(2.8)	(3.6)	(3.6)	(3.5)	(3.6)	(3.7)	(4.2)	(3.7)	(3.6)	(2.0)	(3.0)	(3.8)
Payment of lease liabilities	(1.6)	(1.6)	(1.7)	(1.8)	(1.8)	(1.9)	(2.0)	(2.1)	(2.1)	(2.1)	(2.4)	(2.5)	(2.6)	(3.4)	(2.0)	(1.9)
Net current income tax expense (recovery)		0.4		0.1	-	-	-	0.1	0.2	-	-	-	-	-	-	1.4
Net current income taxes received (paid)	-	-	-	-	-	-	-	-	-	-	-	0.9	0.4	0.5	0.4	-
Distributions declared to non-controlling interest	(0.2)	(0.2)	(0.1)	(0.3)	(0.3)	(0.3)	-	(0.7)	-	(0.6)	-	(1.0)	-	(1.0)	(0.4)	-
Dividends paid on preferred shares	(0.2)	(0.1)	(0.1)	(0.1)	-	-	-	-	-	-	-	-	-	-	-	-
Dividends paid on common shares	(0.7)	(0.9)	(0.9)	(0.9)	(1.2)	(1.2)	(1.2)	(1.2)	(1.8)	(1.8)	(1.8)	(1.8)	(2.1)	(2.2)	(2.1)	(2.3)
Free Cashflow ("FCF")	13.5	14.5	23.9	12.2	13.0	17.0	30.6	20.5	9.4	18.3	19.6	32.7	16.9	19.5	23.0	28.9

NON-GAAP FINANCIAL MEASURES:

GROSS BOOKINGS

Gross bookings, a non-GAAP measure, is total revenue billed to the customer which includes all fees and charges.

Net Revenue, a GAAP measure, is Gross Bookings less costs paid to suppliers. Revenue from bookings at third party lodges and hotels through LodgeLink are recognized on a net revenue basis. LodgeLink is an agent in the transaction as it is not responsible for providing the service to the customer and does not control the service provided by a supplier. Net Revenue is provided below.

Management believes this ratio is an important supplemental measure of LodgeLink's performance and cash generation and believes this ratio is frequently used by interested parties in the evaluation of companies in industries with similar forms of revenue generation.

Net Revenue Margin is calculated by dividing Net Revenue by Gross Bookings for the period. Net Revenue Margin is provided below.

Management believes this ratio is an important supplemental measure of LodgeLink's performance and profitability and believes this ratio is frequently used by interested parties in the evaluation of companies in industries with similar forms revenue generation where companies act as agents in transactions.

QTD (\$ millions, except as noted)	2022				2023				2024				2025			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net Revenue	1.3	1.2	1.8	2.4	2.2	2.3	2.7	2.6	2.6	2.9	3.4	2.5	2.7	3.3	4.3	3.9
Costs paid to Suppliers	10.3	10	14.6	17.3	16.3	17.2	18.1	17.0	18.9	21.5	23.8	19.2	18.8	22.4	31.4	28.1
Gross Revenue	11.6	11.2	16.4	19.7	18.5	19.5	20.8	19.6	21.5	24.4	27.2	21.7	21.5	25.7	35.7	32
Net Revenue Margin	11%	11%	11%	12%	12%	12%	13%	13%	12%	12%	13%	12%	12.6%	12.8%	12.0%	12.2%

(1) This relates to the corporate structure reorganization costs that have been incurred in preparation of a new ERP system.

