NOVEMBER 2025

ADENTRA

Investor Presentation

TSX: **ADEN**

Figures in USD unless otherwise noted



Forward-Looking Statements

Certain statements in this MD&A contain forward-looking information within the meaning of applicable securities laws in Canada ("forward-looking information"). The words "anticipates", "believes", "budgets", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "projects", "schedule", "should", "will", "would" and similar expressions are often intended to identify forward- looking information, although not all forward-looking information contains these identifying words. Forward-looking information is included, but not limited to: Because we operate a price pass-through model, increased product prices generally have a positive effect on our sales and gross margin dollars, notwithstanding changes in market demand; We expect to reduce inventory in the second half of the year which combined with expected cash flow from operations positions us for strong cash generation in the second half of 2025; This, in turn, is expected to support a reduction in our leverage ratio to the mid-2x range by year end; We estimate 14% of our product mix will be subject to country- specific tariffs, at an average tariff rate of 16%; Currently Wood Products are understood to be excluded from country-specific tariffs discussed above; If S232 tariffs are imposed on Wood Products this could affect up to an additional 20% of our product mix; The results of these investigations are uncertain, with final determinations expected as early as October 2025 for CVD and January 2026 for AD, though these dates may be extended; We estimate that 6% of our supply chain could be affected by these investigations; We do not anticipate that the outcome of this investigation will materially affect our supply chain or result in duty liabilities for the Company. We are well-prepared to manage tariff impacts; In the event that tariff-related price increases reduce consumer demand, we can adjust inventories and preserve cash flow; During economic slowdowns, we release working capital and pay down debt; We believe that any short-term reduction in home building will only worsen the existing housing shortage in the US, ultimately boosting future demand for our products; Persistently high US mortgage rates and limited housing inventory continue to pose affordability hurdles for prospective buyers; Additionally, the intensifying trade tensions between the US and major global partners have heightened economic uncertainty and raised the risk of renewed inflationary pressures; Notably, our average daily sales in July are tracking 4% below the Q2 2025 average; Despite our prudent short- term stance, we remain optimistic about the long-term trajectory of the residential construction sector; We are targeting double-digit returns and accretive growth through a combination of platform efficiency, organic growth initiatives, and tightly managed consolidation of our fragmented market; In addition, net earnings reported in each quarter may be impacted by acquisitions, foreign currency fluctuations, and changes in customer buying patterns, sales force, competition, pricing inputs, and supply constraint; Our investment in working capital may fluctuate from quarter-to-quarter based on factors such as sales demand, strategic purchasing decisions taken by management, and the timing of collections from customers; Historically, the first and fourth quarters can be seasonally slower periods for construction activity, resulting in reduced demand for architectural building products; Our debt management strategy is to maintain financial flexibility to continue executing our strategic initiatives; Our intent is to roll and renew our credit facilities when they expire; We do not intend to restrict future dividends in order to fully extinguish our debt obligations upon their maturity; The amount of debt that will actually be drawn on our available revolving credit facilities will depend upon the seasonal and cyclical needs of the business and our cash generating capacity going forward; When making future dividend and share repurchase decisions, we will consider the amount of financial leverage, and therefore debt, we believe is appropriate given existing and expected market conditions and available business opportunities; We do not target a specific financial leverage amount; We believe our current credit facilities are sufficient to finance our working capital needs and market expansion strategy; The fair value of non-current receivables, notes payable, other liabilities and finance lease obligations are not expected to differ materially from carrying value given the interest rates being charged and term to maturity; As of August 6, 2025, we estimate 14% of our product mix will be subject to country-specific tariffs, at an average tariff rate of 16%; These estimates and the impact to the Company could change depending on further tariff actions, announcements regarding changes in previously announced tariff actions, or additional detail released regarding these tariff actions, or other factors. The forecasts and projections that make up the forward-looking information are based on assumptions which include, but are not limited to: there are no material exchange rate fluctuations between the Canadian and US dollar that affect our performance; the general state of the economy does not worsen; we do not lose any key personnel; there is no labor shortage across multiple geographic locations; there are no circumstances, of which we are aware that could lead to the Company incurring costs for environmental remediation; there are no decreases in the supply of, demand for, or market values of our products that harm our business; we do not incur material losses related to credit provided to our customers; our products are not subjected to negative trade outcomes; we are able to sustain our level of sales and earnings margins; we are able to grow our business long term and to manage our growth; we are able to integrate acquired businesses; there is no new competition in our markets that leads to reduced revenues and profitability; we can comply with existing regulations and will not become subject to more stringent regulations; no material product liability claims; importation of components or other innovative products does not increase and replace products manufactured in North America; our management information systems upon which we are dependent are not impaired; we are not adversely impacted by disruptive technologies; an outbreak or escalation of a contagious disease does not adversely affect our business; and, our insurance is sufficient to cover losses that may occur as a result of our operations. The forward-looking information is subject to risks, uncertainties and other factors that could cause actual results to differ materially from historical results or results anticipated by the forward-looking information. The factors which could cause results to differ from current expectations include, but are not limited to: exchange rate fluctuations between the Canadian and US dollar could affect our performance; tariff policies extending to regions not currently under discussion; our results are dependent upon the general state of the economy; the impacts of pandemics, further mutations thereof or other outbreaks of disease, could have significant impacts on our business; we depend on key personnel, the loss of which could harm our business; a labour shortage across multiple geographic locations could harm our business; decreases in the supply of, demand for, or market values of hardwood lumber or sheet goods could harm our business; we may incur losses related to credit provided to our customers; our products may be subject to negative trade outcomes; we may not be able to sustain our level of sales or earnings margins; we may be unable to grow our business long term or to manage any growth; we are unable to integrate acquired businesses; competition in our markets may lead to reduced revenues and profitability; we may fail to comply with existing regulations or become subject to more stringent regulations; product liability claims could affect our revenues, profitability and reputation; importation of components or other innovative products may increase, and replace products manufactured in North America; disruptive technologies could lead to reduced revenues or a change in our business model; we are dependent upon our management information systems; disruptive technologies could lead to reduced revenues or a change in our business model; our information systems are subject to cyber securities risks; our insurance may be insufficient to cover losses that may occur as a result of our operations; an outbreak or escalation of a contagious disease may adversely affect our business; our credit facility affects our liquidity, contains restrictions on our ability to borrow funds, and impose restrictions on distributions that can be made by us and certain of our subsidiaries; the market price of our Shares will fluctuate; there is a possibility of dilution of existing Shareholders; and, other risks described in our Annual Information Form, our Information Circular and in this MD&A. This MD&A contains information that may constitute a "financial outlook" within the meaning of applicable securities laws. The financial outlook has been approved by our management as of the date of this MD&A. The financial outlook is provided for the purpose of providing readers with an understanding of our anticipated financial performance. Readers are cautioned that the information contained in the financial outlook may not be appropriate for other purposes. All forward-looking information in this MD&A is qualified in its entirety by this cautionary statement and, except as may be required by law, we undertake no obligation to revise or update any forward- looking information as a result of new information, future events or otherwise after the date hereof.

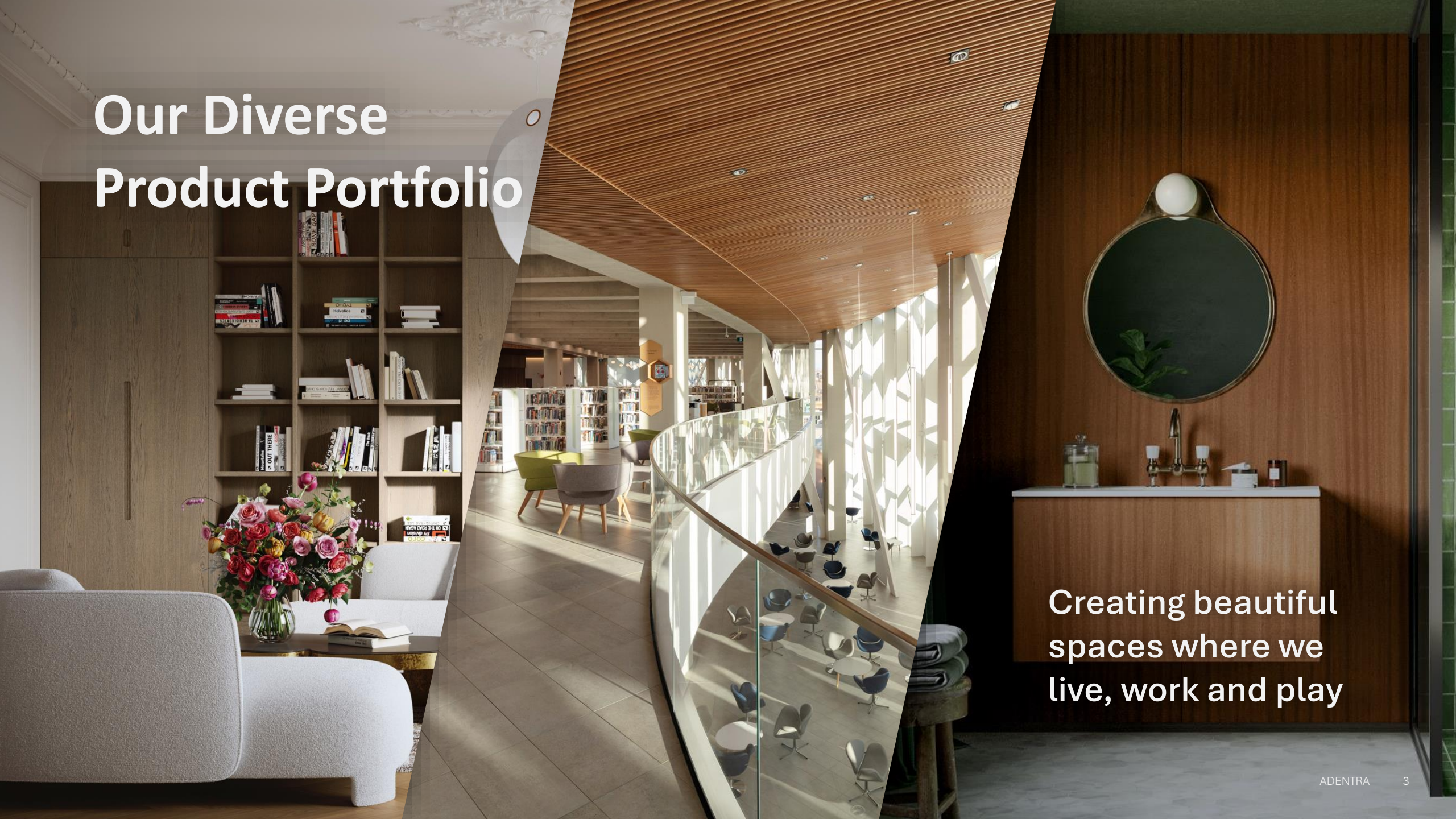
Third-Party Information

Certain information contained in this MD&A includes market and industry data that has been obtained from or is based upon estimates derived from third-party sources, including industry publications, reports and websites. Although the data is believed to be reliable, we have not independently verified the accuracy, currency or completeness of any of the information from third-party sources referred to in this MD&A or ascertained from the underlying economic assumptions relied upon by such sources. We hereby disclaim any responsibility or liability whatsoever in respect of any third-party sources of market and industry data or information.

Notice to Reader

All $ figures in this presentation are in USD unless otherwise indicated. Information provided herein includes the Company's reported financial results through September 30, 2025. The photos in this presentation feature ADENTRA products used in a variety of commercial and residential applications.

Our Diverse Product Portfolio



Creating beautiful spaces where we live, work and play

A World Class Platform for Architectural Building Products

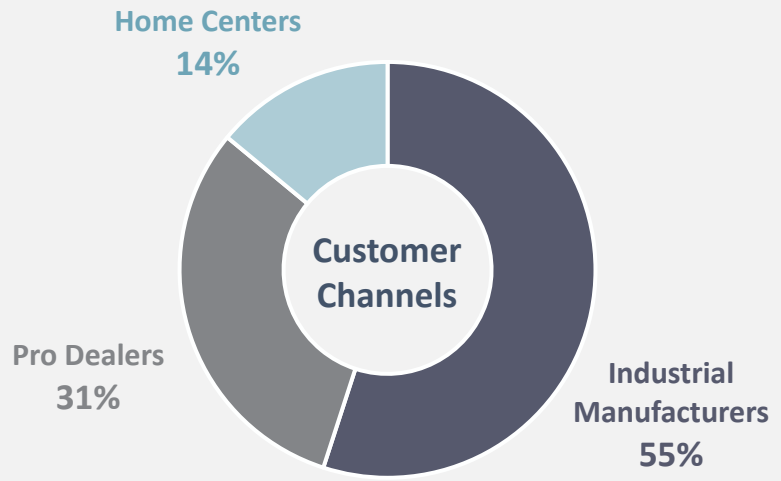
Using a **multi-brand strategy** and **coast-to-coast distribution** platform to serve North America's fastest-growing markets.

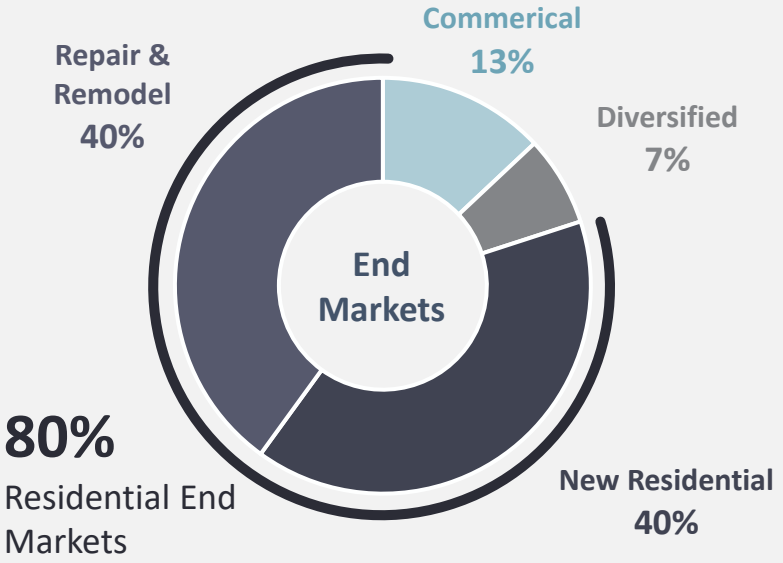
2024 Operating Highlights

$2.2 B Sales	**$184 M** Adj EBITDA[1]	**$85.8 M** Free Cash Flow[1,2]
2,500+ Suppliers	**60,000+** Customers	**190,000+** SKUs
86 Locations	**92%** US Sales	**65%** US Products



HARDWOODS Materials That Inspire · WOOLF · MID-AM · ADENTRA IMPORTS · Rugby Architectural Building Products · NOVO Building Products





80%
Residential End Markets

1. Adjusted EBITDA and Free Cash Flow are Non-IFRS and Non-GAAP measures
2. Free Cash Flow is calculated as Net Cash From Operating Activities, less Principal Payments On Lease Obligations, Less Additions To PP&E, less Additions To Internally Generated Software, plus Proceeds From Disposal Of PP&E

The ADENTRA Advantage

Global Supply Chain Management

Sourcing from 30+ countries, connecting **2,500+ suppliers** with **60,000+ customers**, reducing complexity at both ends of the supply chain.

Access to exclusive products, in-house brands, and break-bulk logistics, giving suppliers broad market reach and customers superior selection and pricing.

Streamlined logistics reduce lead times, lower costs, and mitigate risk for our suppliers and customers by offering credit, ensuring compliance, and preventing supply shortages or overstocking on a just in time basis.

Platform Business Model

Centralized technology, finance, and human resources supports our customer-channel focused platform business units, which are responsible for day-to-day operations.

Operational efficiency and economies of scale result from standardized administration, streamlined workflows, and reduced redundancy.

Robust financial controls and talent management ensures smooth integration of acquisitions, better cash flow, and stronger employee development, enhancing strategic capital allocation.

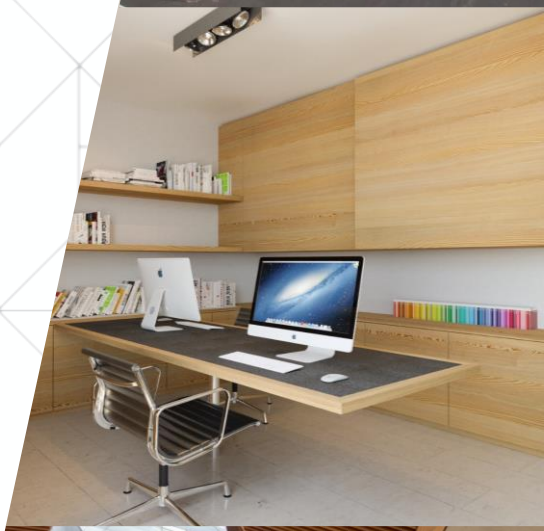
Competitive Market Position

Professional sales and marketing teams drive customer engagement, communicate our value proposition, and enhance brand awareness and credibility, positioning us as an industry leader.

Broad product offering, value-added services, sales and technical support, and deep market insight create cross-selling opportunities that enhance customer satisfaction and loyalty.

Digital sales platform offering 24/7 product access, improving convenience and expanding market reach beyond traditional business hours, enhances profitability and customer loyalty.







Reduce Complexity. Create Value.

ADENTRA serves as a critical link between thousands of suppliers and tens of thousands of customers.



Partnering with 2,500+ Suppliers from 30+ Countries

Global Sourcing at Scale

Access to exclusive and semi-exclusive products, driving differentiation.

Supplier partnerships reduce lead times, mitigate risks, and optimize costs.

ADENTRA

A vital North American supply chain partner, delivering exclusive products and insight-driven support to enable smarter projects and customer success.

Sourcing
Logistics
Warehousing
Customer Insight



Serving 60,000+ Customers Coast-to-Coast

Seamless Distribution Across North America

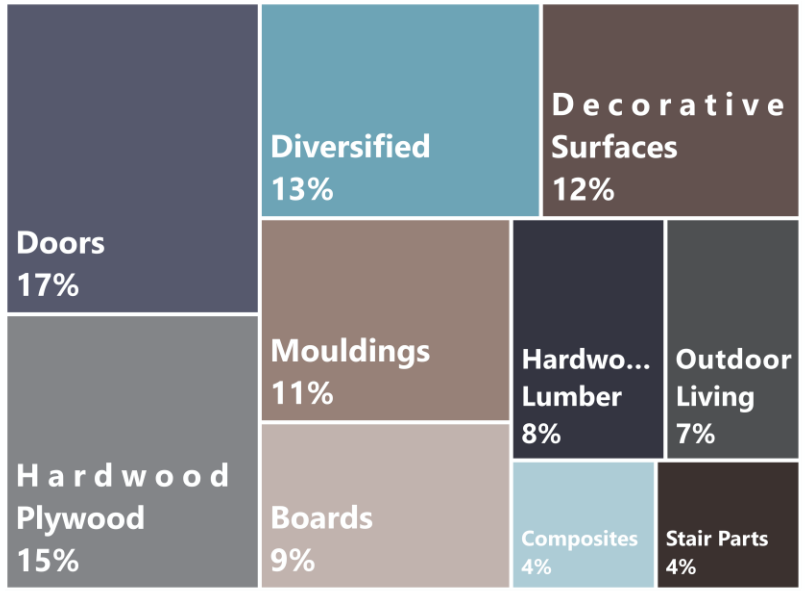
Serving Pro Dealers, Industrial Manufacturers, and big box Home Centers

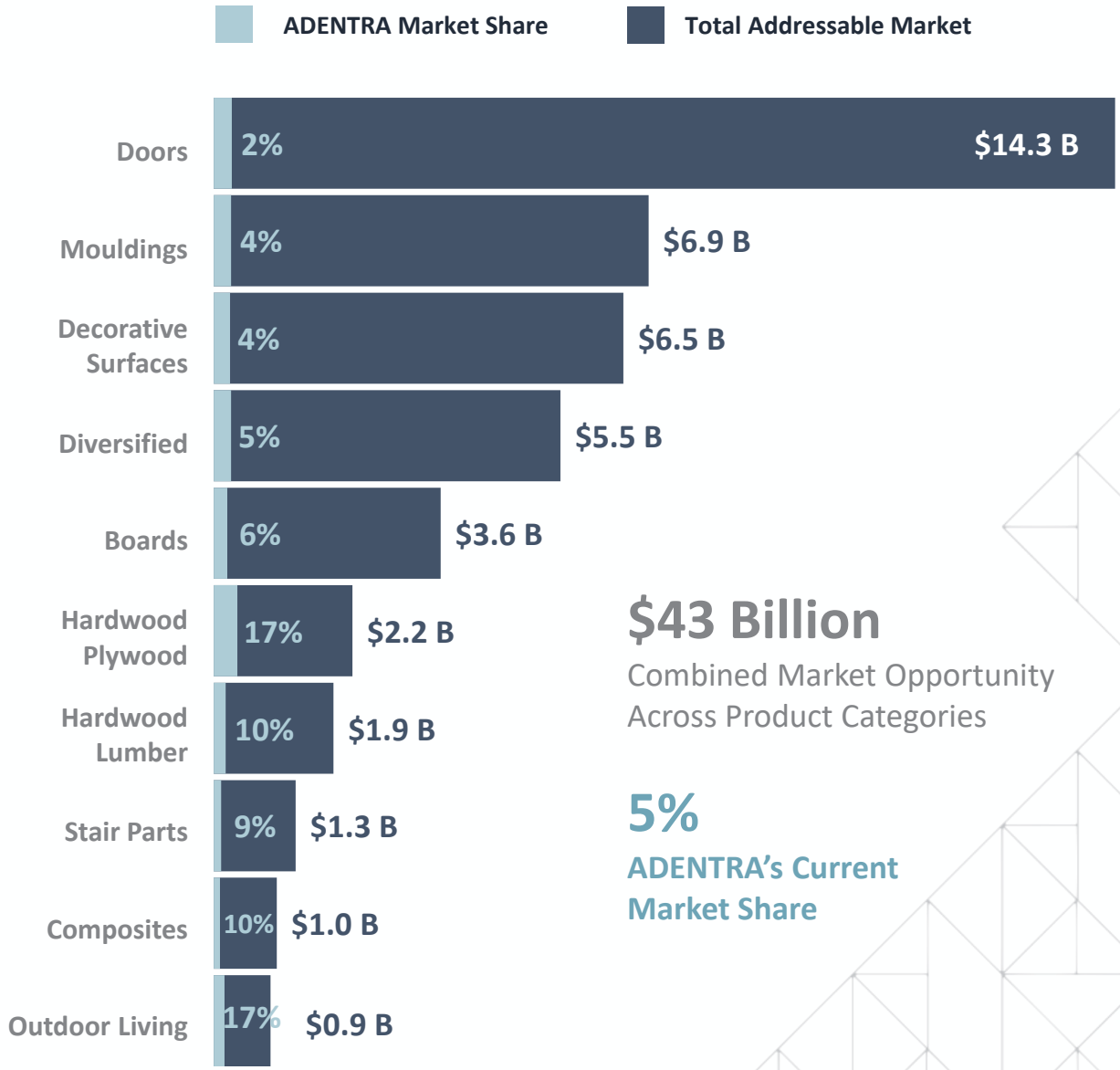
Solutions tailored to the unique needs of each customer and market segment.

Comprehensive Product Portfolio with Growth Opportunity

Large untapped markets across all product categories with substantial growth opportunities.

Product Portfolio





$43 Billion

Combined Market Opportunity Across Product Categories

5%

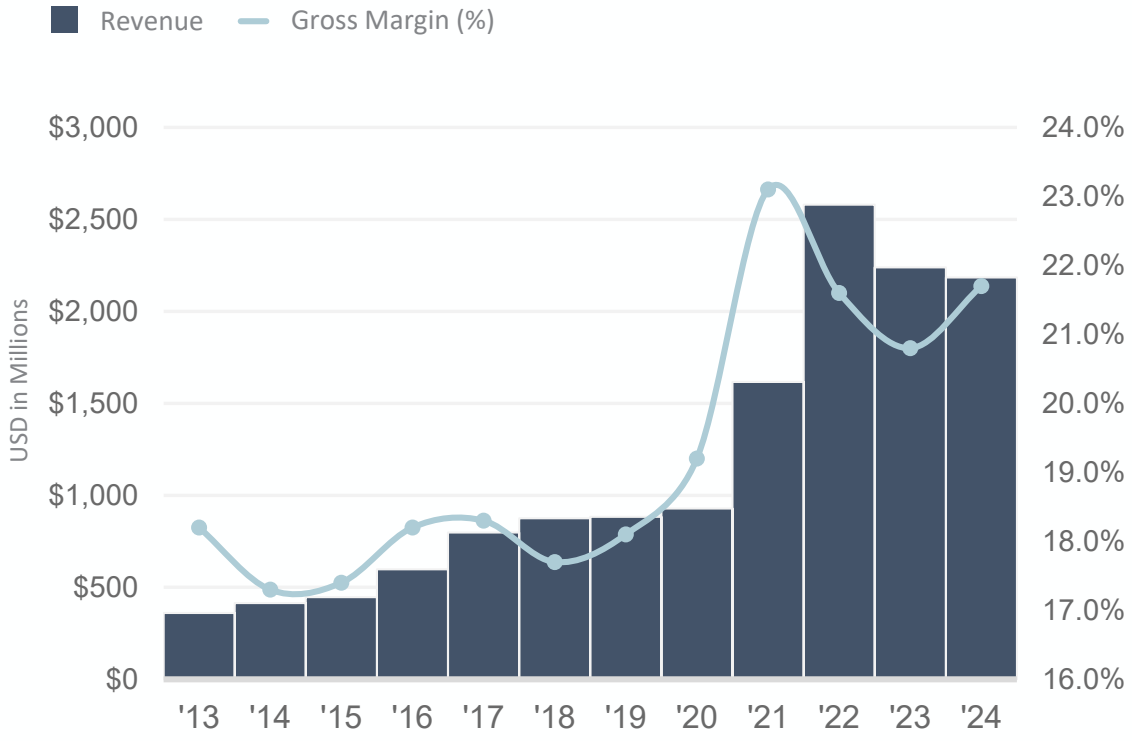
ADENTRA's Current Market Share

Building on Years of Growth & Value Creation

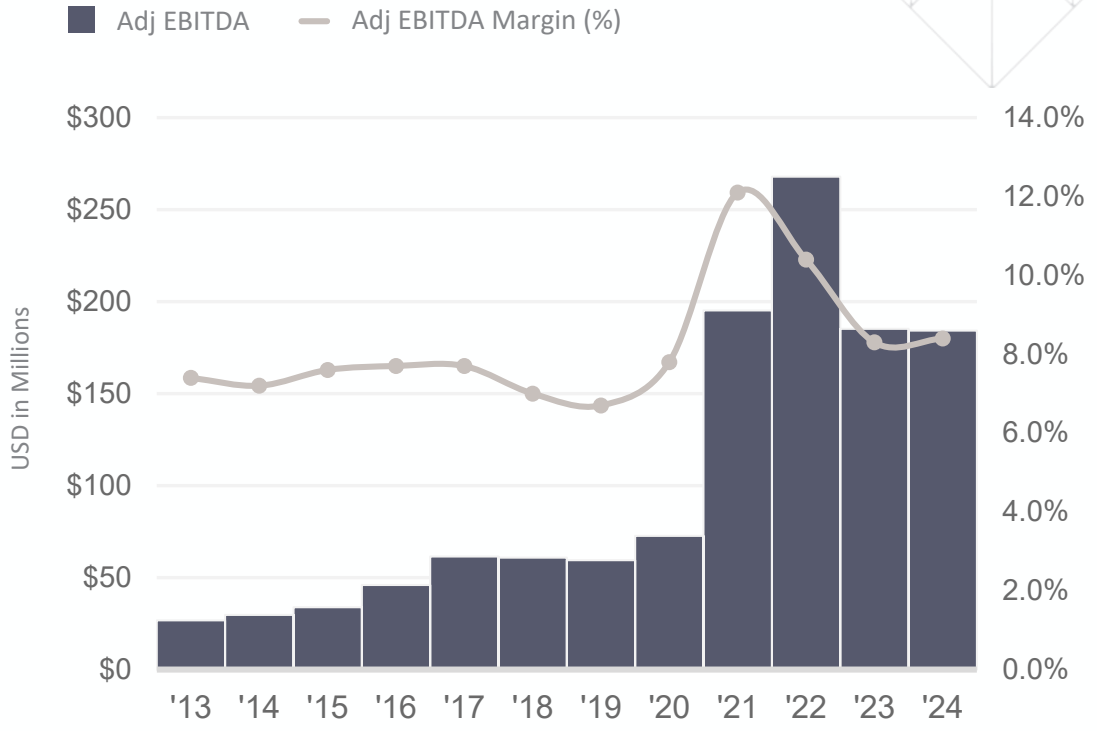
Sustained revenue and gross margin growth supported by consistent execution and strategic investments.

Adjusted EBITDA **increasing at a 20% CAGR** over the past 10 years.

Revenue & Gross Margin



Adjusted EBITDA & Adjusted EBITDA Margin

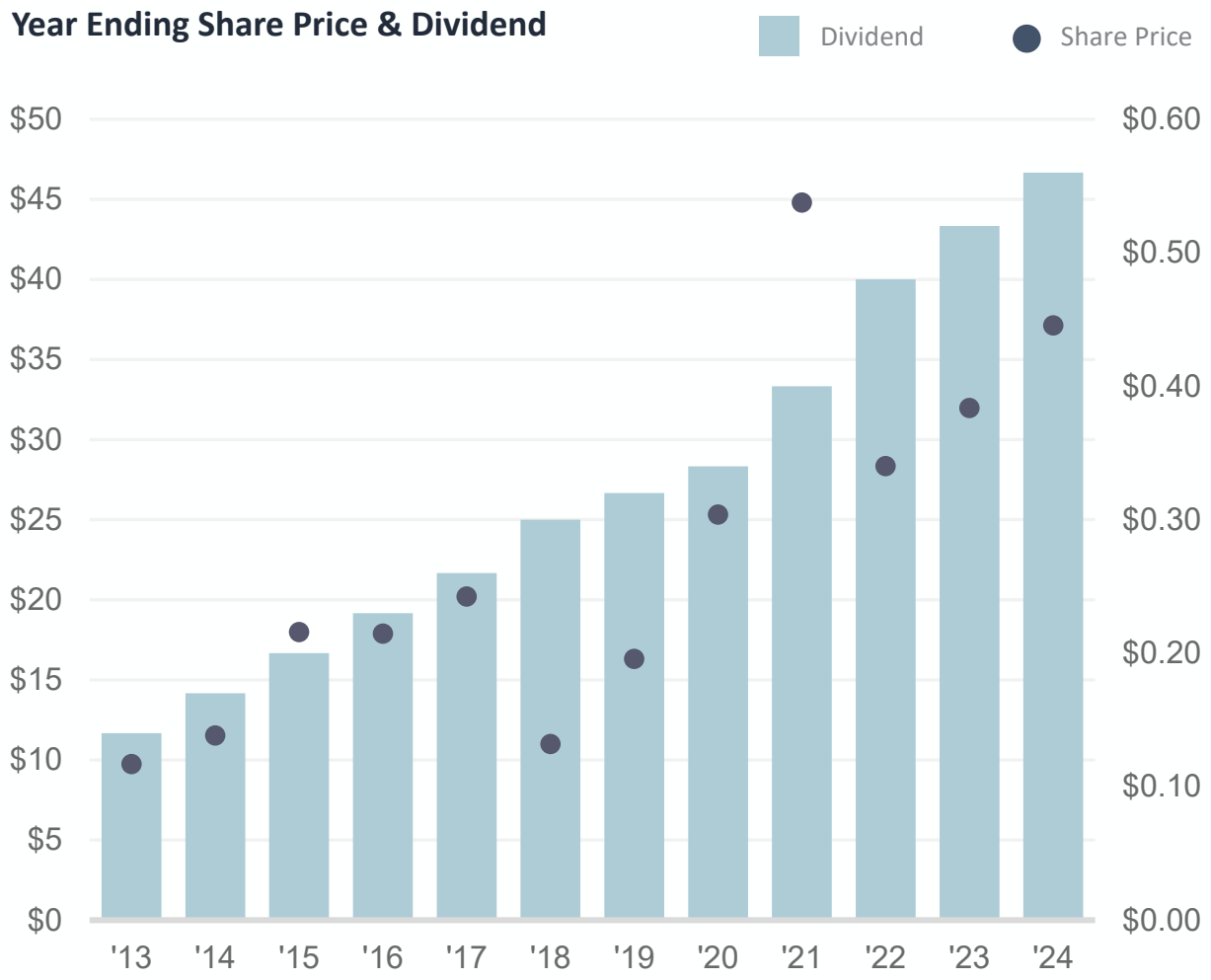


1. Adjusted EBITDA and Adjusted EBITDA Margin are Non-IFRS and Non-GAAP measures

Committed to Operational Excellence and Shareholder Returns

Established **dividend has increased in each of the last 12 years** underscoring financial discipline.

Combined with strong share price appreciation, this has resulted in a **total shareholder return CAGR of 18.9%** over the past 12 years versus the TSX Index of 6.2% and S&P of 10.5%.[1]



Source: FactSet
1. Total Shareholder Return CAGR's are calculated using year ending values from 2013 and 2024.

Platform Consolidator in a Fragmented Market

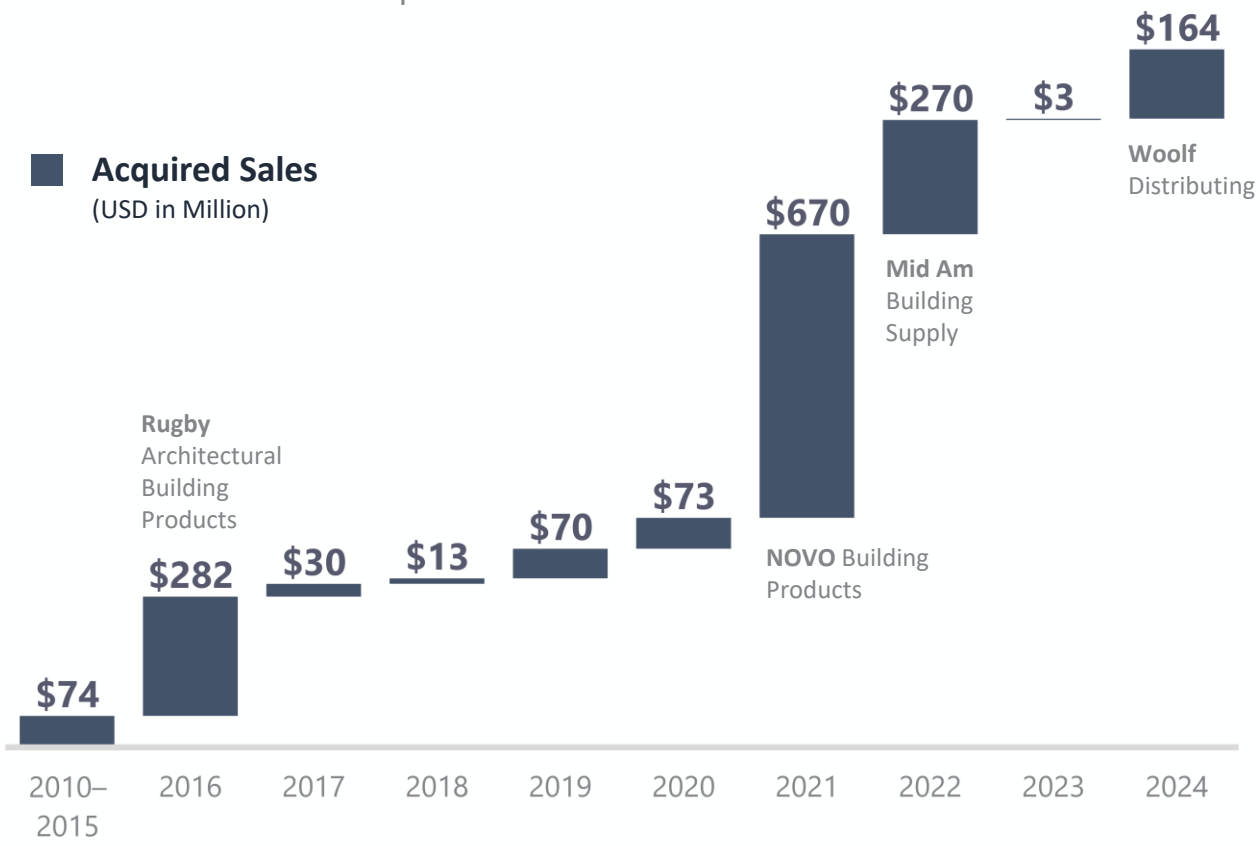
We are one of the **largest two-step distributors of architectural building products in North America**

There are **hundreds of smaller** competitors in our markets

We have a track record of consistent, **accretive consolidation**, offering **succession and stewardship to founders and family businesses.**

Since 2010, **ADENTRA has acquired 16 companies adding $1.7 billion in sales** and transforming through:

- Geographic expansion
- Product expansion
- Customer channel expansion





From Acquisition to Advantage, Synergies in Action.

M&A 2015–2020

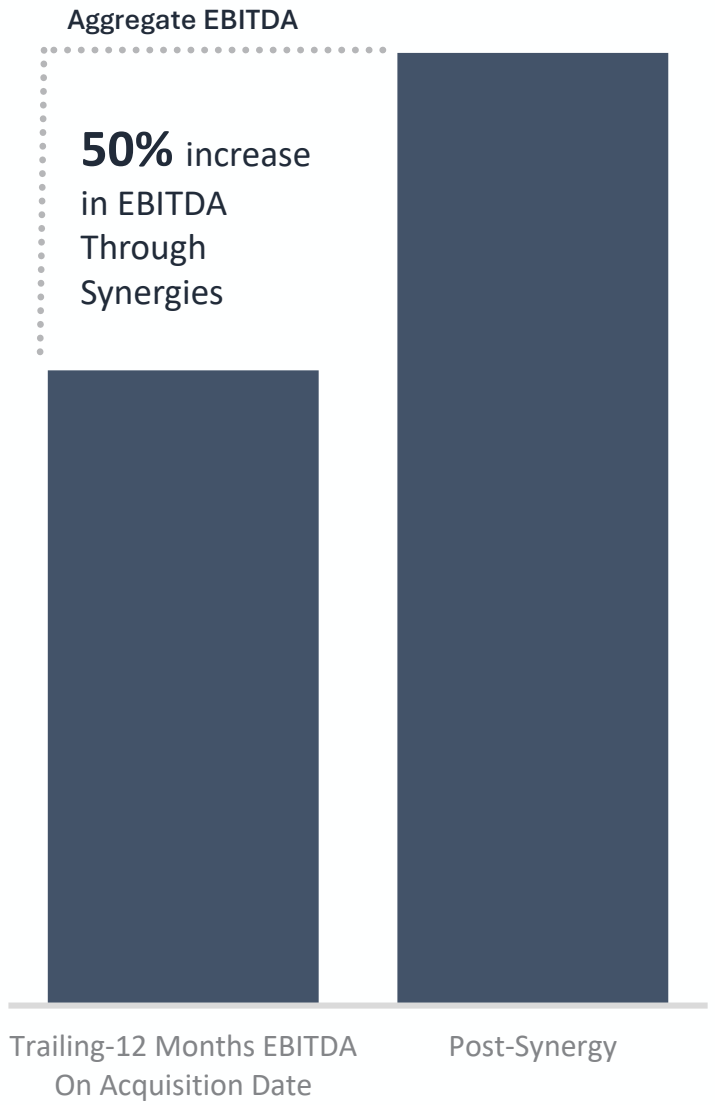
An established **multi-year strategy** for unlocking value and operational synergies.

Synergy Drivers

Purchasing Power
Increased product access and better supplier terms

Product Growth
Cross-selling, improved go-to-market strategies, expanded products, geographies and customer channels.

Operational Efficiencies
Consolidation of insurance, benefits, accounting, HR, tax planning, and administration.



A Business Transformed

	2014	2024
Total Addressable Market	$3.3 Billion	**$43 Billion**
Customer Brands	1	**8**
Product Categories	3	**10**
Locations	33	**86**
Customer Channels	1	**3**
U.S. Sales	$318.1 Million	**$2.01 Billion**
Canada Sales	C$104.3 Million	**C$235.9 Million**
Adjusted EBITDA[1]	$29.7 Million	**$184.3 Million**
Adjusted EPS (Fully Diluted)[1]	$0.84	**$2.97**



1. Adjusted EBITDA and Adjusted EPS are Non-IFRS and Non-GAAP measures

Long-Term Value Creation Framework

A blueprint for **driving profitable growth** and maximizing shareholder value.

Organic Growth Strategy

- Global sourcing
- Vendor management
- Digital engagement
- Platform efficiency

Acquisition Strategy

- Attractive regions, products and customer channels
- 4–8x TTM EBITDA pre-synergies
- 1-1.5x multiple reduction via synergies

Disciplined Capital Allocation

- Immediately accretive to Adjusted EPS
- Post-synergy minimum 12% ROIC[1]
- Maintain 2-3x net debt to EBITDA and 1.0x working capital

Full-Cycle Financial KPIs

Average Annual Organic Growth	Low-to-mid single digit
M&A Spend Per Year	$50–150M
Gross Profit Margin	+20%
Adj. EBITDA Margin	8-10%
Return On Invested Capital[1]	10-12%

Delivering value creation to drive continued **double-digit shareholder returns.**

1. ROIC is a non-IFRS and non-GAAP measure. It is calculated by dividing Adjusted EBITDA, after subtracting depreciation, amortization, and taxes, by the sum of total bank indebtedness and shareholder's equity at period end.

Strong Financial Foundation for Growth & Resilience

Effective capital allocation has driven significant growth in free cash flow

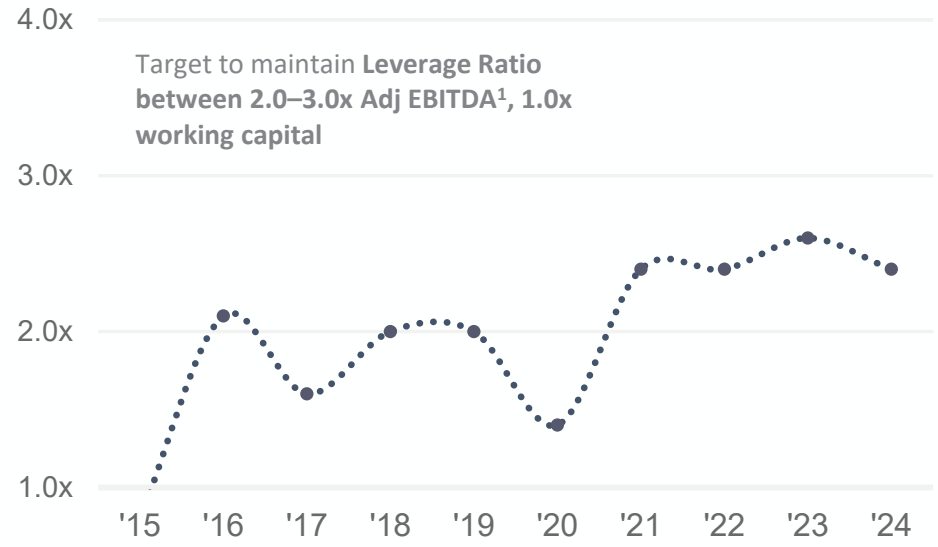
Free cash flow resilience through optimization of working capital during downturns, mitigating economic cycle impacts and maintaining financial flexibility

Strong liquidity with leverage ratio within the desired 2–3x range, representing 1.0x working capital, with over $377M in liquidity available

Long-term value creation plan is fundable within current balance sheet and ongoing cash generation

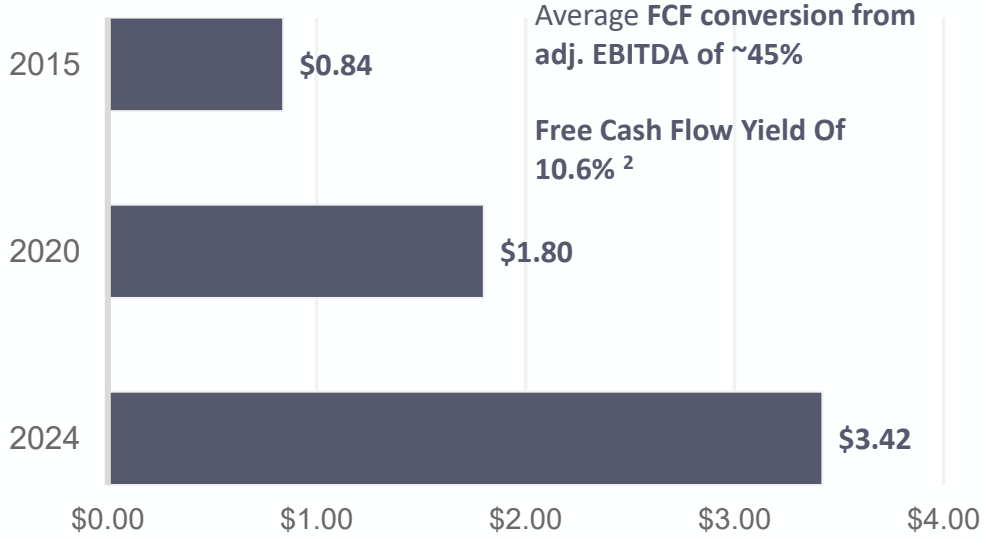
Leverage Ratio[3]

••• Net Debt / Adj. EBITDA



Free Cash Flow Per Share

Free Cash Flow Per Share[1]



1. Adjusted EBITDA and Free Cash Flow are Non-IFRS and Non-GAAP measures. Free Cash Flow is calculated as Net Cash From Operating Activities, less Principal Payments On Lease Obligations, Less Additions To PP&E, less Additions To Internally Generated Software, plus Proceeds From Disposal Of PP&E
2. Free Cash Flow Yield calculated using 2024 Free Cash Flow Per Share and the closing share price as of Nov 7, 2025.
3. Leverage ratio calculated as Net Bank Debt / Pro Forma Adjusted EBITDA, less Rents



Proven Leadership, Deep Knowledge Base, & Decades of Strategic Execution

Robert J. Brown CPA, CA, CFA
President & CEO

Before joining ADENTRA in 2004, Mr. Brown held various senior and executive roles in the distribution business and large accounting firms.

Faiz Karmally CPA, CA
VP & CFO

Mr. Karmally held senior positions in assurance and financial advisory and was a senior manager at PWC before joining ADENTRA in 2014.

Drew Dickinson
COO

Mr. Dickinson is the former COO and President at Rugby Architectural with over 30 years in distribution and operational management.

Lance R. Blanco
SVP, Corporate Development

Mr. Blanco is the former President & CEO of ADENTRA and has held senior executive positions in sales, distribution, and supply chain optimization.

David Hughes MBA
SVP, Acquisitions

Mr. Hughes has held various senior executive roles in distribution and operations. Previously, spent 10 years managing asset-based and commercial lending.

Dan B. Figgins
VP, Imports

Joined ADENTRA in 1994 and has held progressively senior level positions over the past three decades.

Jeff Leys
President, ProDealer & Home Centre

Former President and COO of Novo Building Products prior to ADENTRA acquisition in 2021.

Renee Murdoch CPHR
VP, Human Resources

Ms. Murdoch held several HR leadership roles in the construction, energy, and non-profit industries before joining ADENTRA in 2016.

Jason R. West
VP, Canada

Joined ADENTRA in 1999 and has held several progressively senior sales and management roles.



investor@ADENTRAgroup.com

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