

wsp

# Q1 2023 Results

May 10, 2023





# CAUTIONARY STATEMENT AND NON-IFRS MEASURES

## CAUTIONARY STATEMENT

- Certain information regarding WSP Global Inc. ("WSP" or the "Corporation") contained herein are not based on historical facts and may constitute forward-looking statements or forward-looking information under Canadian securities laws (collectively, "forward-looking statements"). Forward-looking statements may include estimates, plans, strategic ambitions, objectives, expectations, opinions, forecasts, projections, guidance, outlook or other statements that are not statements of fact. Forward-looking statements made by the Corporation in this presentation may include statements about the payment of dividends, our proposed strategy, our operating performance, financial outlook, prospects and expectations and statements about the 2022-2024 Global Strategic Action Plan. These forward-looking statements are based on a number of assumptions believed by the Corporation to be reasonable as at May 10, 2023, including assumptions set out through this presentation and under section 16 "Forward-Looking Statements" of WSP's Management's Discussion & Analysis ("MD&A") for the quarter ended April 1, 2023 which is available on SEDAR at [www.sedar.com](http://www.sedar.com).
- Although WSP believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. These statements are subject to certain risks and uncertainties and may be based on assumptions that could cause actual results to differ materially from those anticipated or implied in the forward-looking statements. WSP's forward-looking statements are expressly qualified in their entirety by this cautionary statement. The complete version of the cautionary note regarding risk factors, which, if realized, could cause the Corporation's actual results to differ materially from those expressed or implied in forward-looking statements, are discussed in greater detail in section 20, "Risk factors" of WSP's MD&A for the quarter and year ended December 31, 2022 which is available on SEDAR at [www.sedar.com](http://www.sedar.com). The forward-looking statements contained in this presentation are made as of the date hereof and, accordingly, are subject to change after such date. Except to the extent required by applicable law, WSP does not assume any obligation to publicly update or revise any forward-looking statements made in this presentation or otherwise, whether as a result of new information, future events or otherwise.

## NON-IFRS AND OTHER FINANCIAL MEASURES

- The Corporation reports its financial results in accordance with International Financial Reporting Standards ("IFRS"). WSP uses a number of financial measures when assessing its results and measuring overall performance. Some of these financial measures are not calculated in accordance with IFRS. Regulation 52-112 respecting Non-GAAP and Other Financial Measures Disclosure ("Regulation 52-112") prescribes disclosure requirements that apply to the following types of measures used by the Corporation: (i) non-IFRS financial measures; (ii) non-IFRS ratios; (iii) total of segments measures; (iv) capital management measures; and (v) supplemental financial measures.
- In this presentation, the following non-IFRS and other financial measures are used by the Corporation: net revenues; adjusted EBITDA; adjusted EBITDA margin; adjusted net earnings; adjusted net earnings per share; backlog; free cash flow; days sales outstanding ("DSO"); and net debt to adjusted EBITDA ratio. Additional details for these non-IFRS and other financial measures can be found in section 19, "Glossary of segment reporting, non-IFRS and other financial measures" of the Corporation's MD&A for the quarter ended April 1, 2023, which is posted on WSP's website at [www.wsp.com](http://www.wsp.com), and filed on SEDAR at [www.sedar.com](http://www.sedar.com). Reconciliations of non-IFRS financial measures and total of segments measures to the most directly comparable IFRS measures are provided in sections 8.1, "Net revenues", 8.3, "Adjusted EBITDA", 8.8, "Adjusted net earnings", 9.1, "Operating activities and free cash flow", of WSP's MD&A for the quarter ended April 1, 2023.
- Management believes that these non-IFRS and other financial measures provide useful information to investors regarding the Corporation's financial condition and results of operations as they provide key metrics of its performance. These non-IFRS and other financial measures are not recognized under IFRS, do not have any standardized meanings prescribed under IFRS and may differ from similar computations as reported by other issuers, and accordingly may not be comparable. These measures should not be viewed as a substitute for the related financial information prepared in accordance with IFRS.

**ALL AMOUNTS ARE EXPRESSED IN CANADIAN DOLLARS**



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# Q1 2023 Highlights



# STRONG ORGANIC NET REVENUES AND EBITDA GROWTH

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- A strong start to 2023
- Higher-than-expected organic growth in net revenues and adjusted EBITDA in the first quarter
- Overall net revenues, adjusted EBITDA, and adjusted net earnings each increased by more than 25% relative to the first quarter of 2022



# A DISCIPLINED CAPITAL ALLOCATION APPROACH

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**wood.**  
E&I



**GREENCAP**

**bod**

**enstruct**

**odeh**  
engineers



  
**calibre**

**lgt**



- Strengthened our presence in key geographies
- Demonstrated our capacity to complement our platform and fulfill areas where we remained subscale in a fragmented market

## PROJECT WIN - CANADA



- WSP, part of the Bow Transit Connectors consortium, has been selected to design Phase 1 of Calgary's Green Line light rail transit (LRT) system.
- It is the longest LRT project and largest infrastructure investment in Calgary's history, creating almost 20,000 jobs throughout construction,



# PROJECT WIN - UNITED KINGDOM

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- WSP is collaborating with the Coventry University to develop and run the UK's first Evidence Centre for Inclusive Transport
- The Centre will work with disabled people, disabled people's organizations, transport providers and policymakers to both undertake research and develop solutions which aim to make transport accessible for everyone.

# PROJECT WIN - NETHERLANDS

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- WSP was recently commissioned to support one of the largest airport operators in Europe to develop a business case and secure funding to transition to lower emission operations and on-site energy production.
- By providing multiple approaches that consider long-term impacts the client is equipped to meet their ambitious carbon neutrality goals.
- The proposed solutions allow the client to capitalize on the energy produced, not only avoiding energy costs but also benefiting from revenue generation by selling excess power production back into the grid.





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# Q1 2023 Overview

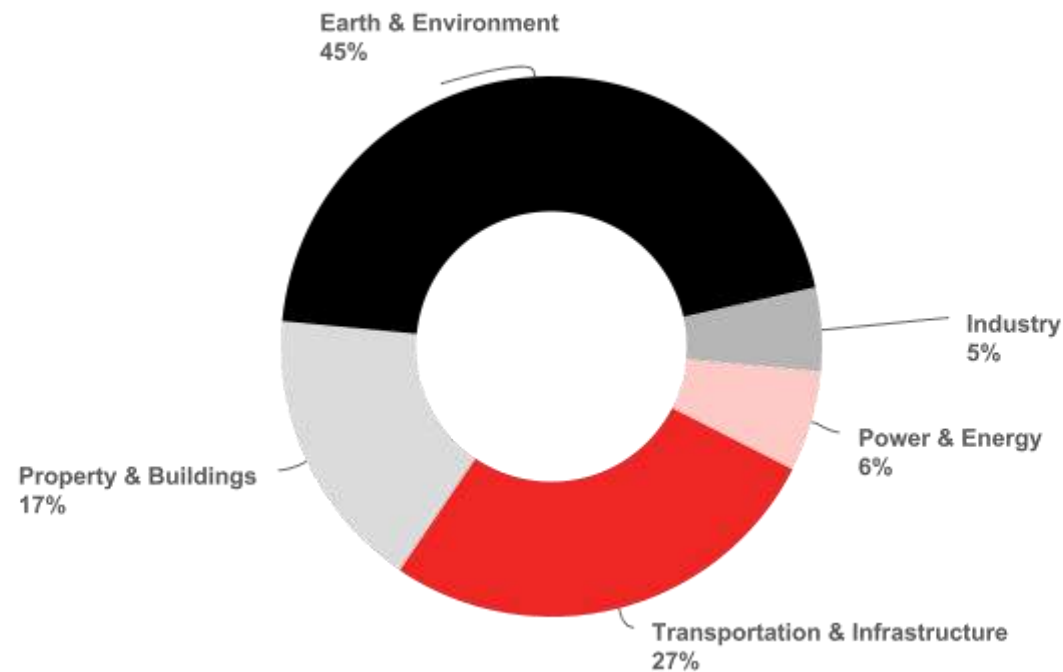
# Q1 2023 REGIONAL OVERVIEW: CANADA



WSP is undertaking the comprehensive remediation of a former staging and storage site near Tuktoyaktuk, on the shores of the Arctic Ocean. Throughout the project, WSP included local Indigenous People, including laborers, contractors, and the water board, to keep the community engaged and ensure it derives benefits from the project.

- 2.3 % organic growth in net revenues
- 18.0% adjusted EBITDA margin by segment
- Organic backlog<sup>(1)</sup> contraction in the twelve-month period of 3.7 %

## Net revenues breakdown - Q1 2023



(1) This presentation incorporates by reference section 19, "Glossary of segment reporting, non-IFRS and other financial measures", of WSP's Management's Discussion and Analysis ("MD&A") for the quarter ended April 1, 2023, filed on SEDAR at [www.sedar.com](http://www.sedar.com), which explains the composition of this supplemental financial measure.

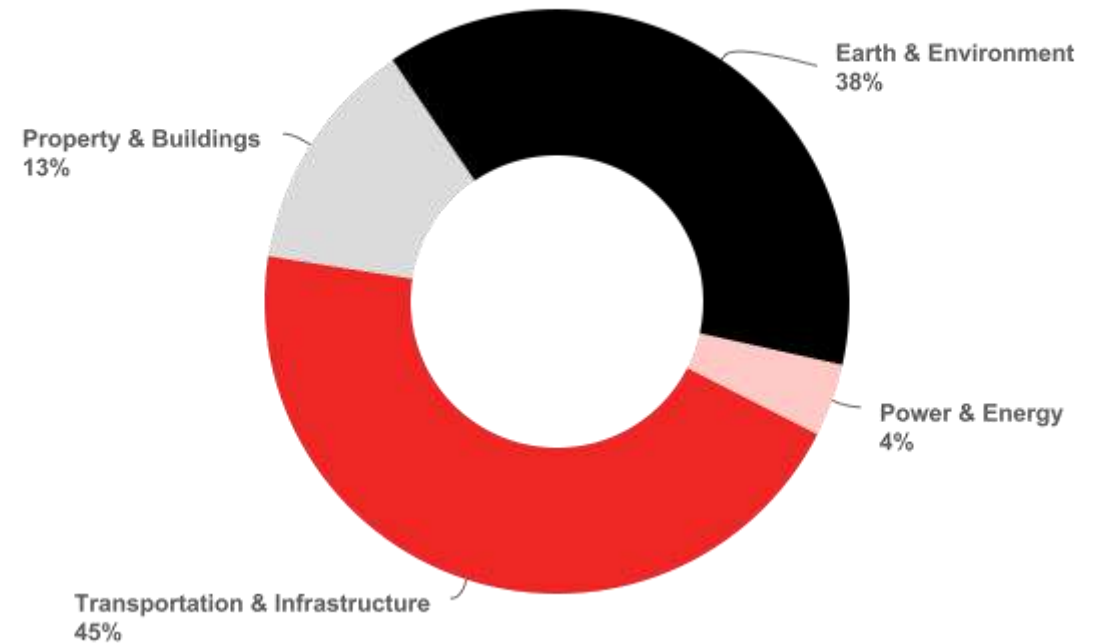
# Q1 2023 REGIONAL OVERVIEW: AMERICAS



WSP provides program management, design management, construction management, oversight and administrative services to support the program for communication-based train control upgrades on three subway lines in the New York City Transit system.

- 9.0 % organic growth in net revenues
- 17.0% adjusted EBITDA margin by segment
- Organic backlog growth in the twelve-month period of 1.2 %

## Net revenues breakdown - Q1 2023





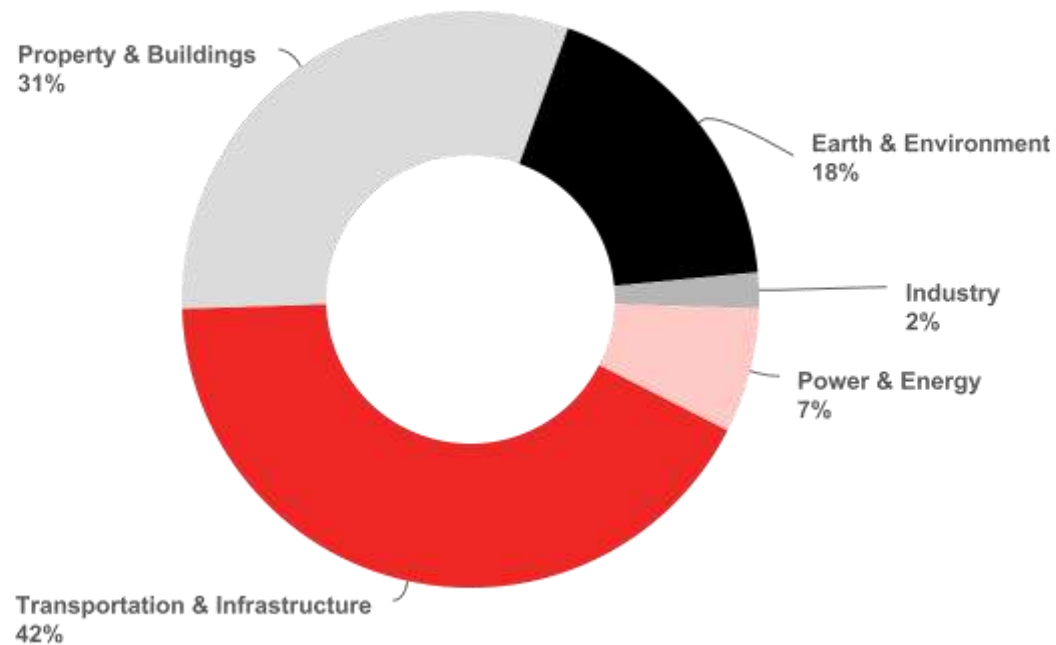
# Q1 2023 REGIONAL OVERVIEW: EMEIA



WSP prepared a comprehensive environmental risk assessment as a basis for the application for an environmental permit, as well as a risk assessment as a basis for a safety report in accordance with the Seveso legislation. WSP has also delivered a quantitative risk assessment for the transport of dangerous goods to the facility. SSAB Oxelösund is currently planning for the transition to fossil-free production of steel and sheet metal in Sweden.

- 9.6 % organic growth in net revenues
- 15.4% adjusted EBITDA margin by segment
- Organic backlog growth in the twelve-month period of 16.3 %

## Net revenues breakdown - Q1 2023



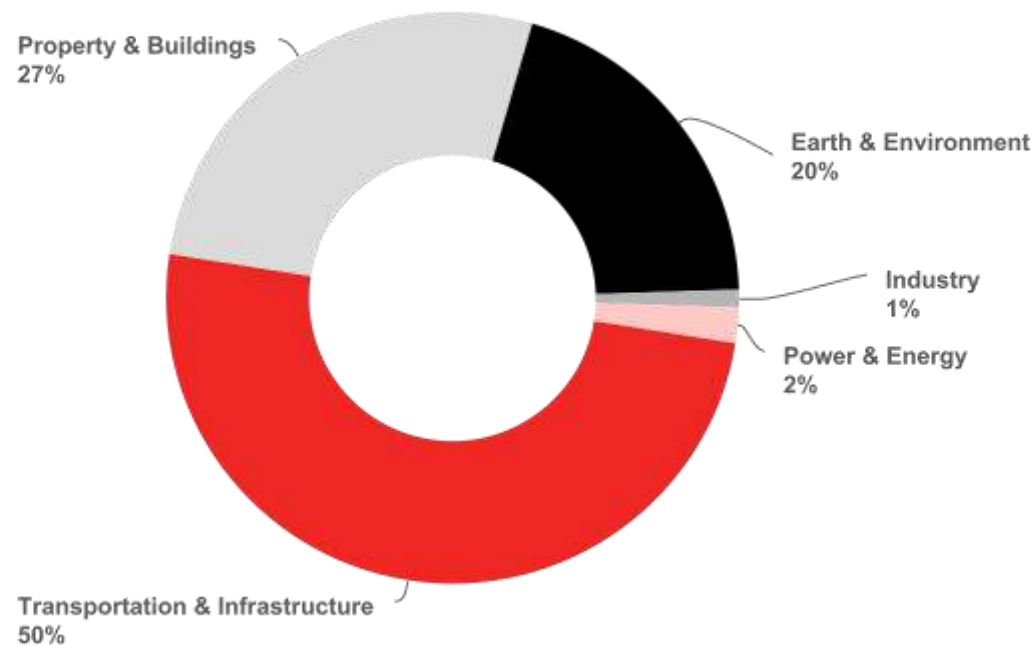
# Q1 2023 REGIONAL OVERVIEW: APAC

- 12.8 % organic growth in net revenues
- 16.5% adjusted EBITDA margin by segment
- Organic backlog contraction in the twelve-month period of 8.0 %



WSP has delivered a range of services during the environmental assessment, planning and approvals phase through the NSW (Western), NSW (Eastern) and Victorian sections of the project. EnergyConnect will help to accelerate Australia's energy transition by connecting customers with more renewable generation and help to abate an estimated one million tonnes of carbon emissions each year, a significant contribution to meeting Australia's climate change targets.

## Net revenues breakdown - Q1 2023





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# Q1 2023 Financial Performance

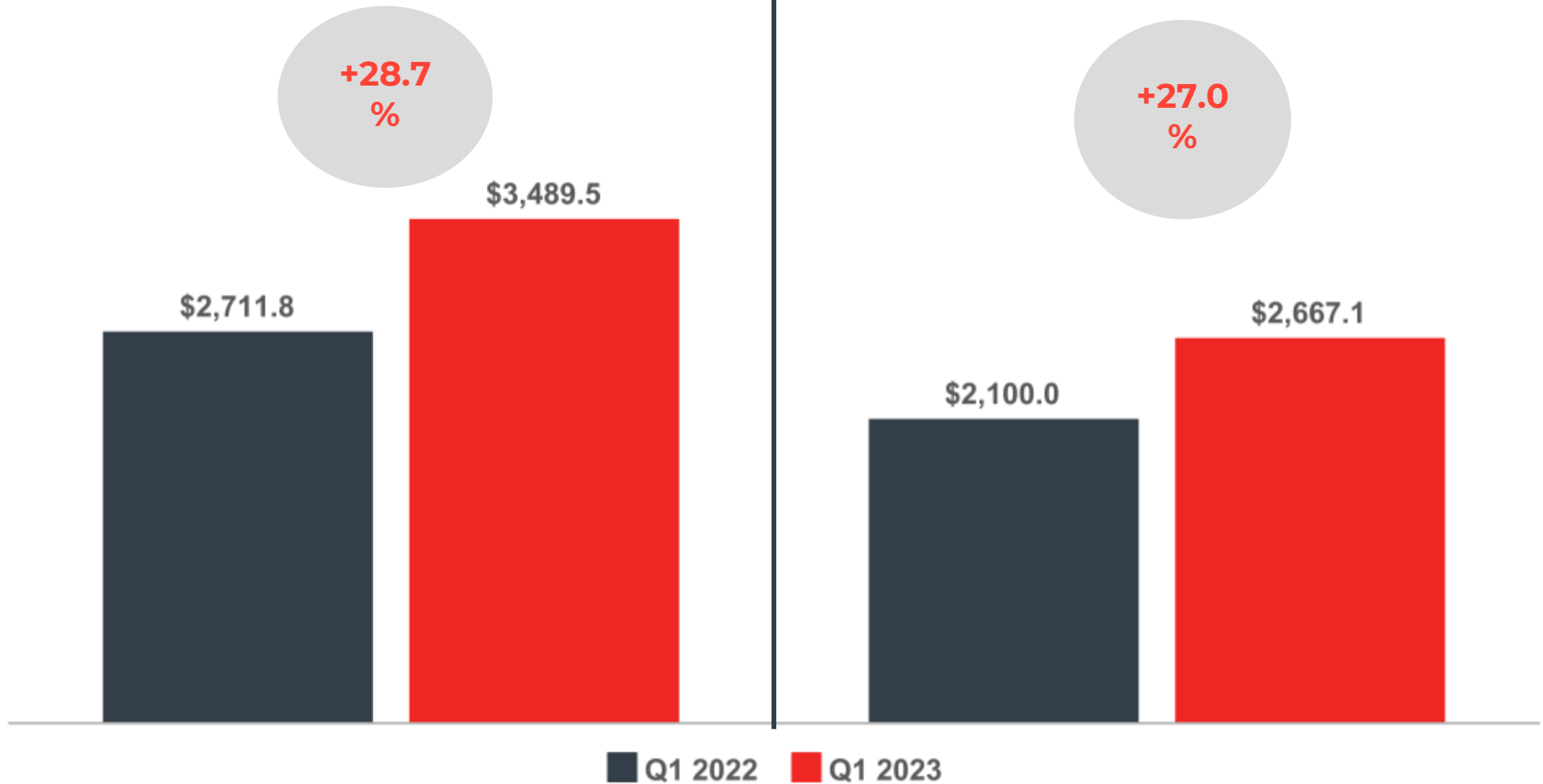




# REVENUES AND NET REVENUES

## REVENUES

## NET REVENUES<sup>(1)</sup>



Numbers are quoted in millions of dollars (except percentages).

(1) Net revenues is a segment reporting measure and a total of segments measure, without a standardized definition within IFRS, which may not be comparable to similar measures presented by other issuers. Quantitative reconciliations of net revenues to revenues are incorporated by reference to section 8.1, "Net revenues", of WSP's Management's Discussion and Analysis ("MD&A") for the quarter ended April 1, 2023, which is filed on SEDAR at [www.sedar.com](http://www.sedar.com).

# PROFITABILITY

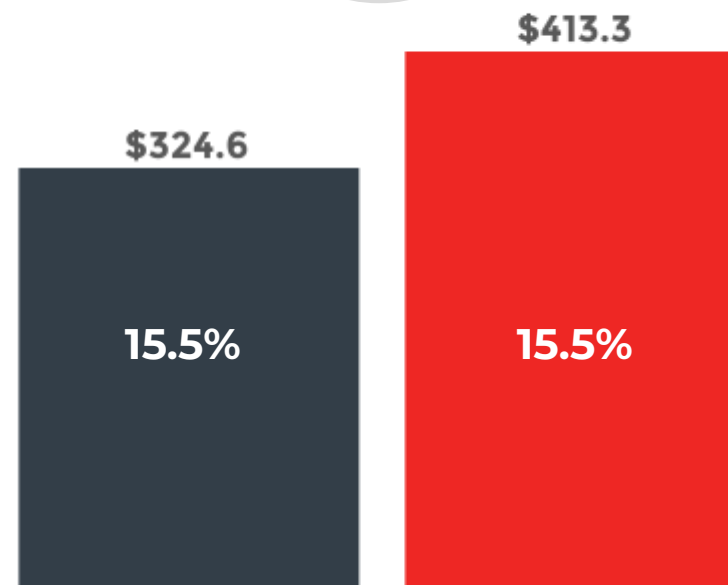
## EARNINGS BEFORE NET FINANCING EXPENSE AND INCOME TAXES

**+27.2%**



## ADJUSTED EBITDA<sup>(1)</sup> (\$) AND ADJUSTED EBITDA MARGIN<sup>(1)</sup> (%)

**+27.3%**



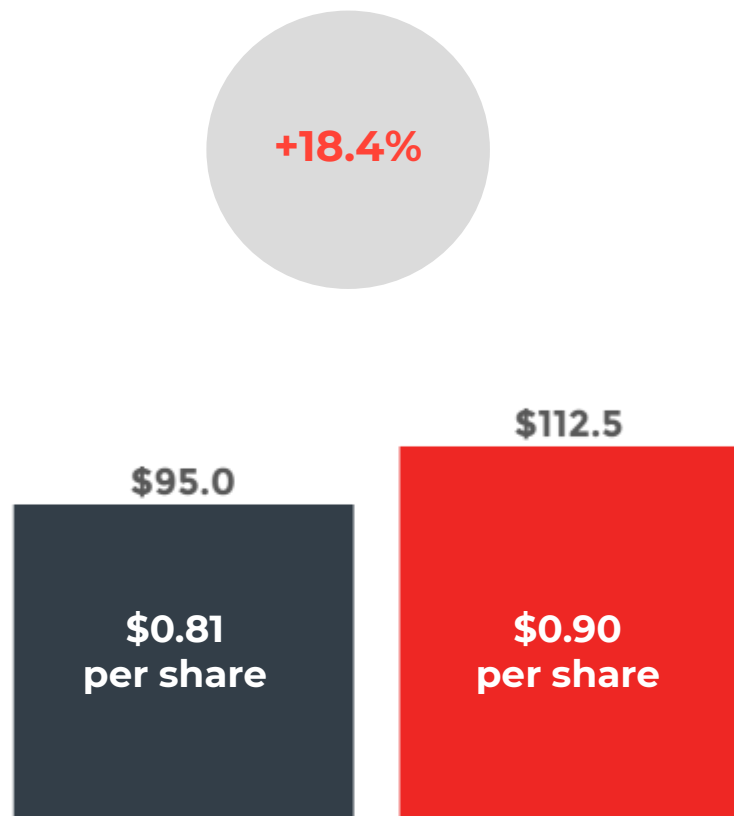
■ Q1 2022 ■ Q1 2023

Numbers are quoted in million of dollars (except percentages).

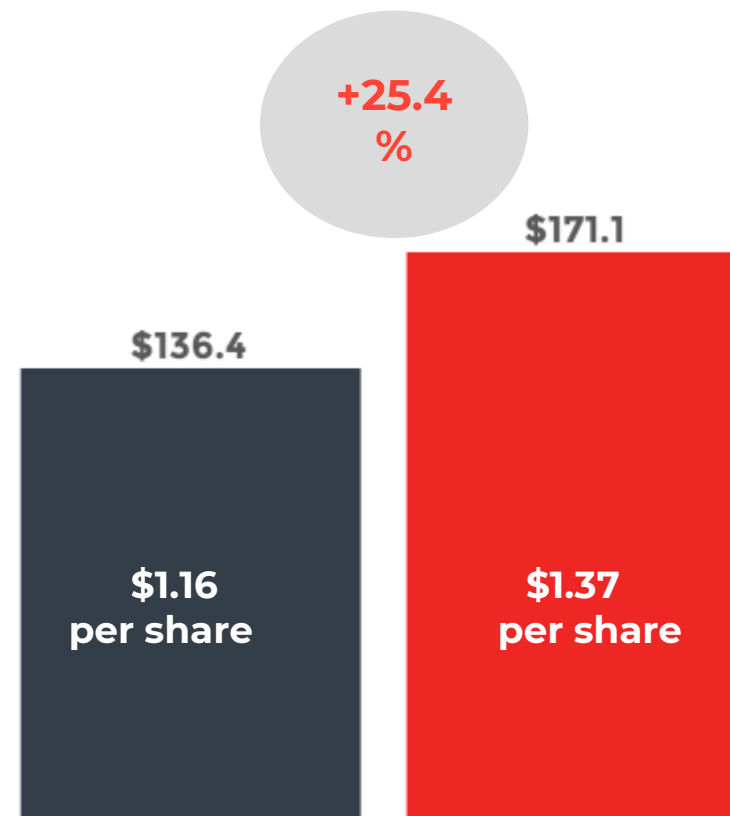
(1) Non-IFRS financial measure or non-IFRS ratio without a standardized definition under IFRS, which may not be comparable to similar measures or ratios used by other issuers. This presentation incorporates by reference section 19, "Glossary of segment reporting, non-IFRS and other financial measures", of WSP's MD&A for the quarter ended April 1, 2023 filed on SEDAR at [www.sedar.com](http://www.sedar.com), which includes explanations of the composition and usefulness of this non-IFRS financial measure and non-IFRS ratio. Quantitative reconciliations of the non-IFRS financial measure to the most directly comparable IFRS measure are incorporated by reference to sections 8.3, "Adjusted EBITDA" of WSP's MD&A for the quarter ended April 1, 2023 which is filed on SEDAR at [www.sedar.com](http://www.sedar.com). Adjusted EBITDA margin is defined as adjusted EBITDA expressed as a percentage of net revenues.

# NET EARNINGS

## NET EARNINGS ATTRIBUTABLE TO SHAREHOLDERS



## ADJUSTED NET EARNINGS<sup>(1)</sup>



■ Q1 2022 ■ Q1 2023

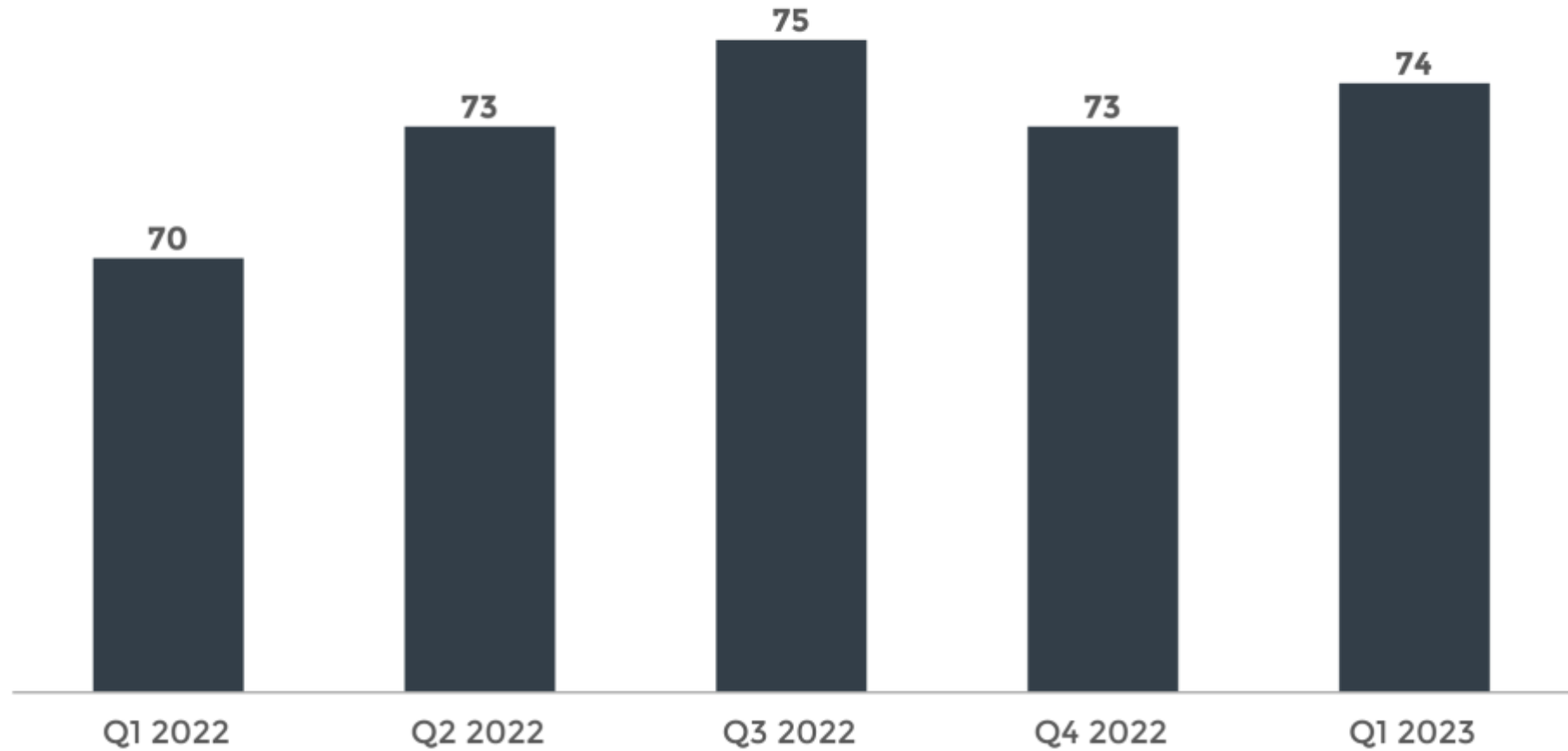
Numbers are quoted in million of dollars (except percentages and per share amounts).

(1) Non-IFRS financial measure or non-IFRS ratio without a standardized definition under IFRS, which may not be comparable to similar measures or ratios used by other issuers. This presentation incorporates by reference section 19, "Glossary of segment reporting, non-IFRS and other financial measures", of WSP's MD&A for the quarter ended April 1, 2023, filed on SEDAR at [www.sedar.com](http://www.sedar.com), which includes explanations of the composition and usefulness of this non-IFRS financial measure and non-IFRS ratio. Quantitative reconciliations of adjusted net earnings to the most directly comparable IFRS measure are incorporated by reference to sections 8.8, "Adjusted net earnings", of WSP's MD&A for the quarter ended April 1, 2023 which is filed on SEDAR at [www.sedar.com](http://www.sedar.com). Adjusted net earnings per share is the ratio of adjusted net earnings divided by the basic weighted average number of shares outstanding for the period





# DAYS SALES OUTSTANDING (DSO)<sup>(1)</sup>



(1) DSO is a supplementary financial measure without a standardized definition within IFRS, which may not be comparable to similar measures presented by other issuers. This presentation incorporates by reference section 19, "Glossary of segment reporting, non-IFRS and other financial measures", of WSP's MD&A for the quarter ended April 1, 2023 filed on SEDAR at [www.sedar.com](http://www.sedar.com), which explains the composition of this supplementary financial measure. DSO represents the average number of days to convert the WSP's trade receivables (net of sales taxes) and costs and anticipated profits in excess of billings into cash, net of billings in excess of costs and anticipated costs.

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# Closing Remarks