

Creating a Pan-Canadian Leader in Support Services

July 10, 2020



FORWARD-LOOKING STATEMENTS

In the interest of providing information regarding Horizon North, including management's assessment of Horizon North's future plans and operations, certain statements made and contained in these presentation materials (collectively, this "presentation") are "forward-looking statements", "forward looking information", or "financial outlook" within the meaning of applicable Canadian securities laws (collectively, "forward-looking statements"). Forward-looking statements are typically, but not always, identified by words such as "anticipate", "continue", "estimate", "expect", "forecast", "may", "will", "project", "could", "plan", "intend", "should", "believe", "outlook", "potential", "target", "seek", "budget", "predict", "might" and similar words suggesting future events or future performance. Statements regarding capital expenditures and future development plans, objectives and strategies are subject to all of the risks and uncertainties that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. All statements other than statements of historical fact may be forward-looking statements. The forward-looking statements contained in this presentation speak only as of the date of this presentation and are expressly qualified by this cautionary statement. The purpose of any financial outlook is to provide disclosure regarding Horizon North's and Dexterra's reasonable expectations and may not be appropriate for other purposes.

In this presentation, all amounts are in Canadian dollars, unless otherwise indicated. Any graphs, tables or other information in this presentation demonstrating the historical performance of Horizon North, Dexterra or of any other entity contained in this presentation are intended only to illustrate past performance and are not necessarily indicative of future performance of Horizon North, Dexterra or such entities. Specifically, this presentation contains forward-looking financial and operational information, including: information relating to the combination with Dexterra (including anticipated combined revenues, EBITDA, free cash flow, expected capital expenditures, proceeds from dispositions, net capital outlook, leverage ratios, EBITDA CAGR); information relating to potential growth and value creation opportunities of the combined entity; information relating to our business strategies following the proposed combination, plans and objectives; and anticipated growth strategies; sales opportunities in modular solutions; industry position; commodity pricing expectations; expectations regarding demand for the North American facilities management market; demand for beds, expected cash flow and related growth rates and stability; expectations regarding dividends paid on common shares and related growth; planned capital expenditures and plans for developing our assets and funding our capital expenditures in various geographic regions; and Horizon North's business strategy for future growth.

This information is based on current expectations and assumptions of Horizon North and Dexterra described herein in respect of certain projected financial information regarding the combined entity including the anticipated benefits of the business combination, current and anticipated market conditions, industry trends remaining unchanged, the financial and operational attributes of Horizon North and Dexterra as of the date hereof and the future performance of the combined entity and is subject to a number of risks and uncertainties that could materially affect future results. These risks include, but are not limited to, that anticipated synergies do not materialize as planned or at all, general economic risks and uncertainties, future commodity prices, exchange rates, interest rates, geological risk, political risk, regulatory approval risk, demand for commodities, including oil and gas, transportation restrictions, risks associated with changes in tax, royalty and regulatory regimes and risks associated with cross-border activities. Additional risks and uncertainties in respect of Horizon North are described in Horizon North's Annual Information Form dated March 11, 2020 for the year ended December 31, 2019, as well as Horizon North's Management's Discussion and Analysis ("MD&A") dated May 11, 2020 and Dexterra's MD&A dated May 26, 2020, all of which are filed on SEDAR at www.sedar.com. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in Horizon North's securities should not place undue reliance on these forward-looking statements. Forward-looking statements contained in this document are made as of the date hereof and are subject to change. Neither Horizon North nor Dexterra assume any obligation to revise or update forward looking statements to reflect new circumstances, except as required by applicable securities laws.

This presentation contains certain non-GAAP measures, including net debt, EBITDA, net debt to EBITDA and free cash flow, that are not determined in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. These measures as presented do not have any standardized meaning prescribed by IFRS and therefore may not be comparable with calculations of similar measures by other companies. Management believes that, in conjunction with results presented in accordance with IFRS, these non-GAAP financial measures assist in providing a more complete understanding of certain aspects of Horizon North's results of operations and financial performance. Investors are cautioned, however, that these measures should not be construed as an alternative to measures determined in accordance with IFRS as an indication of our performance. Reference is made to Horizon North's publicly filed documents, including our most recently filed MD&A, for a discussion of these measures. Forecast amounts for the non-GAAP financial measures disclosed here are also prepared on a non-IFRS basis. We do not provide reconciliations of such forward-looking measures to the most directly comparable financial measures calculated and presented in accordance with IFRS due to unknown variables and the uncertainty related to future results. These unknown variables may include unpredictable transactions of significant value which may be inherently difficult to determine, without unreasonable efforts.

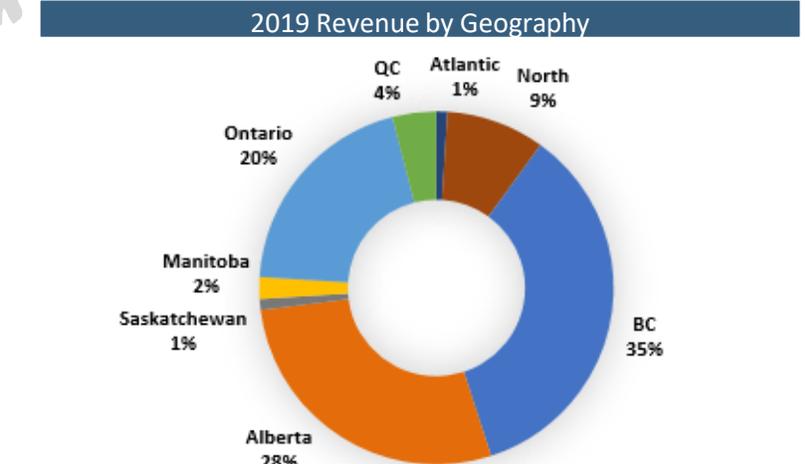
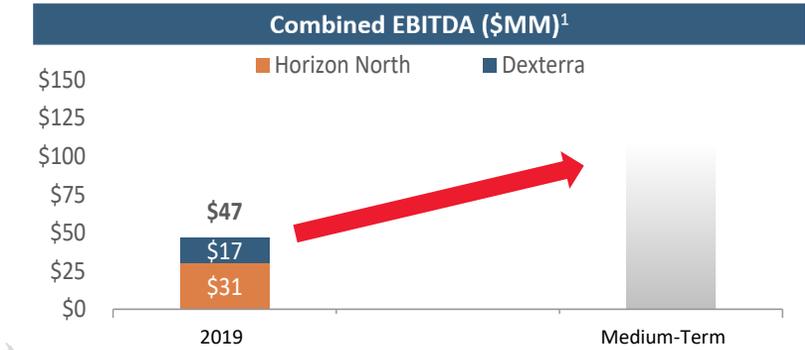
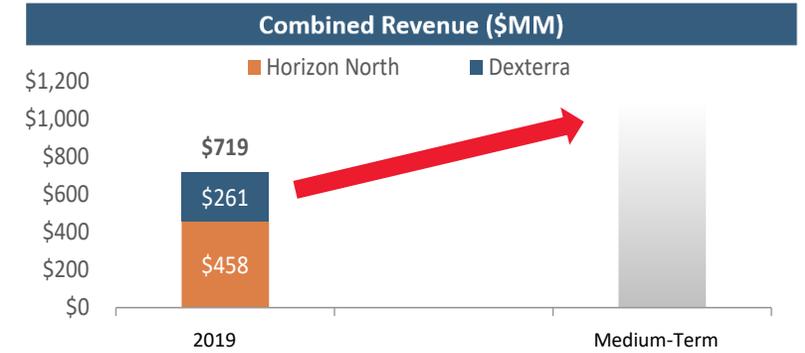
Creating a Pan-Canadian Champion

- Diversified platform with broad geographic and industry end-market exposure with a medium-term objective to grow to over \$1 billion of revenue and \$100 million of EBITDA

Management Philosophy

- Focus on **capital-light** support services
- Adopt a decentralized approach to overhead with **small head office** and **nimble, accountable** business units and operations teams
- **Disciplined** approach to capital allocation
- Sustain competitive advantage through: the attraction, retention, and development of **high quality people**; embracing **innovation** including the smart application of **technology**; and **intelligent partnerships** with strategically relevant stakeholders
- Embrace the principles of **continuous improvement** and commitment to being a **high performance organization**

Combined Service Region



¹ Excludes transaction costs

National Modular Solutions business well positioned for growth with established presence in key end-markets.

Impact of COVID-19

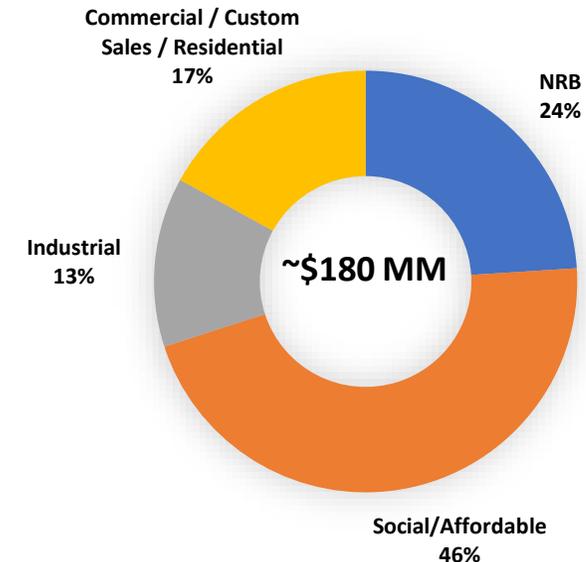
- Outbreak has highlighted the need for safe, quality, affordable housing for vulnerable populations.
- Government lock-downs and restrictions have slowed pace of construction activity and uncertainty continues to weigh on private sector investment.
- Significant government infrastructure spending expected to aid in economic recovery which could include investments in remote infrastructure, affordable housing, and institutional buildings and facilities.

Growth and Performance

- Secured Phase 1 (revenue ~\$18 million) of City of Toronto’s supportive housing pilot, 2 buildings and 100 units to be occupied fall 2020.
- Narrow end-market focus to Social/Affordable, Seniors, Student, Education, Custom and Indigenous market segments to support improved profitability.
- Leverage Ontario-based NRB plant capacity and successful track record in Social/Affordable housing to pursue opportunities in Ontario, a market with the potential to be multiples of the BC market.
- Immediate steps to lower fixed cost structure and streamline overhead to drive improved financial performance.



Revenue by End-Market – 2019A



Attractive, Stable Facilities Management business with a national presence and diversified client base.

Impact of COVID-19

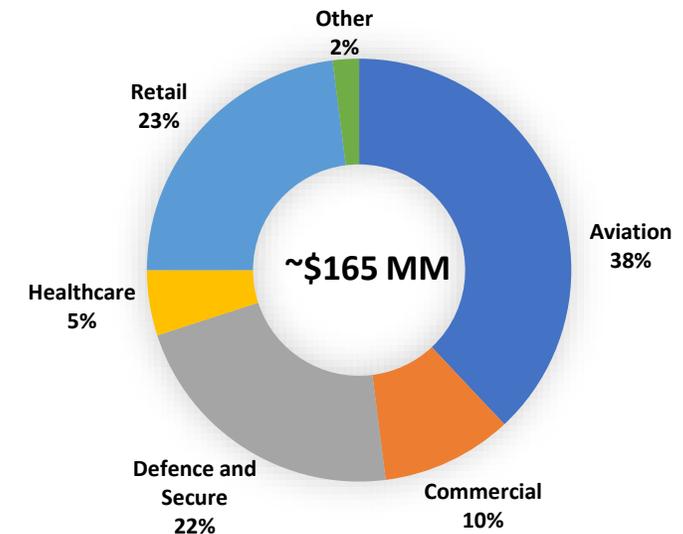
- Increased focus on facility cleaning and hygiene has brought renewed appreciation by building owners and users for quality, comprehensive janitorial and sanitation solutions.
- Decreased utilization of client's non-essential facilities and properties has resulted in temporary decrease in FM service-levels. Clients in the aviation and non-essential retail sectors have been significantly affected, while defence and other government clients have not.

Growth and Performance

- Despite COVID-19 related delays, ~\$20 million in new long-term FM contracts secured in Q2 with post-secondary education and federal government clients.
- Continued focus on pursuit of significant government and institutional opportunities. Targeting a pipeline of bids over the next 3 years with potential annual revenue ~\$700 million.
- Continue to develop an integrated service offering away from single service activities targeting significant facilities and infrastructure requirements and complex operating environments.
- Ensure process, SOPs, and tools in place to support quality delivery and financial performance.
- Leverage client relationships in modular and WAFES businesses to sell broader support services offering.

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Revenue by End-Market – 2019A



Other* - Industrial, Hospitality & Entertainment, Education, and other Government

Workforce Accommodations, Forestry, Energy Services



A diversified Support Services business providing a reliable foundation of revenue and profitability

Impact of COVID-19

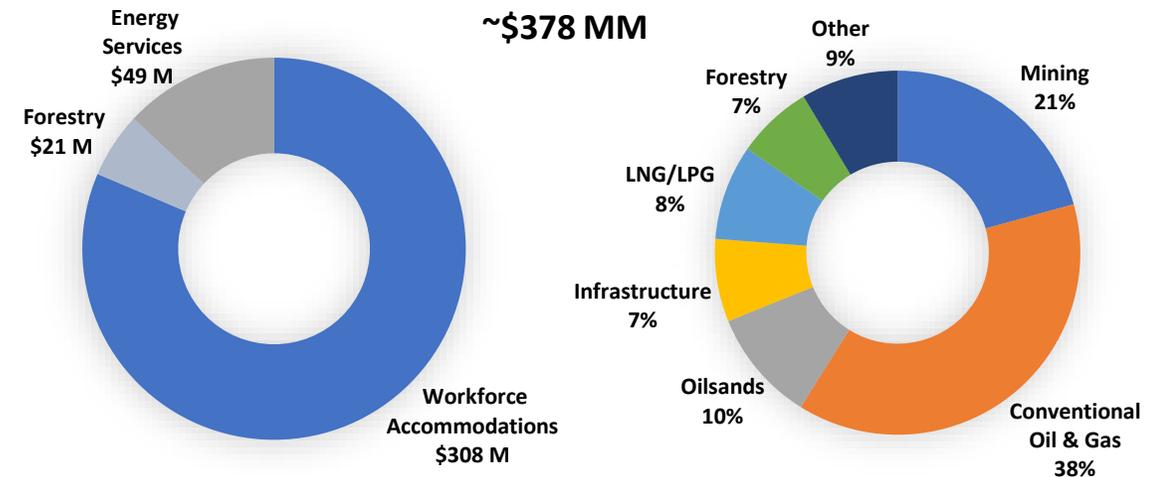
- Resources markets affected through isolated outbreaks, government mandated shutdowns, and most significantly, decreased demand for underlying commodities.
- Limited reduction in revenue to-date.
- Opportunities to support remote infrastructure development (power, water, housing) spurred by expected government stimulus spending.

Growth and Performance

- ~ \$20 million in new workforce accommodation work secured in Q2 supporting LNG, remote infrastructure, and mining activities.
- Opportunities over the short – to – medium term supporting remote powerline construction in Northwestern Ontario.
- Focused pursuit of key growth areas such as west coast LNG/LPG, mining in Eastern and Northern Canada and support for remote infrastructure development.
- Smart integration of Outland and Horizon North operations to drive both cost and revenue synergies.
- Leverage Dexterra’s experience in FM to broaden support services offering at industrial sites.



Revenue by Business Line and End-Market – 2019A



*Other revenue segment includes: Government, Education, Asset Sales, BC Housing

Business Improvement in Action

- Workforce reductions driving an estimated \$18 million in annual savings.
- Shut-down of underperforming Aldergrove manufacturing plant and consolidation of activity into Kamloops facility. Fixed cost savings of \$80 thousand a month starting July 2020 and opportunities for improved utilization at existing facilities.
- Asset reduction program in Workforce Accommodation ongoing to divest surplus equipment into diverse geographies and end-markets, when and where it makes sense to do so.
- Midway through 90-day integration program with a focus on re-engineering head-office functions and general administration processes for efficiency and cost-effectiveness.
- Strategic review of transportation, matting, and space rental businesses to identify value-creation opportunities.
- Investment in large account mobilization and project management capability in FM to support pursuit of targeted large-scale facilities and infrastructure management opportunities.

Refreshed enterprise performance measures linked to management compensation and assessment.



YOY Revenue Growth



EBITDA



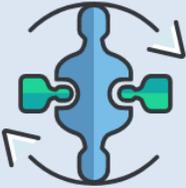
Return on Invested Capital



Free Cash Flow Efficiency



Safety - TRIR



Management Retention

Post-Transaction Successes

- Negotiated new credit facility
 - Syndicate of lenders led by Scotiabank
 - Extended maturity date to December 31, 2022
 - Increase in credit availability to \$175 million
 - Flexibility under covenants for impact of COVID-19 and payment of future dividends
- Appointed new Chief Financial Officer
- Opportunity for tax planning utilizing over \$50 million in non-capital loss carryforwards as of March 31, 2020.

2020 CAPEX and Debt

- Actively delivering on CAPEX-light strategy with a goal of keeping sustaining CAPEX below \$10 million a year over the medium-term.
- Combined 2020E net capital outlook of ~\$11 million, with ~ \$4 million remaining to the end of the year.
- Net bank debt approximately \$125 million at June 30, 2020.

Enhanced Financial Flexibility and Shareholder Returns

- Significant free cash flow potential provides flexibility to grow and return excess capital to shareholders, and/or invest in high value opportunities.
- Significant reduction in leverage underway as combined business harvests cash from operations.
- Focus on total shareholder returns combining capital appreciation and dividends in the post-COVID-19 environment.

Strong Leadership & Governance

- Combined management team and board have strong backgrounds to support the combined company's strategy.
- Long-term, high quality supportive shareholders with track record of creating value in the public markets.

Questions 



2020 Second Quarter Results

- Horizon North intends to release its 2020 second quarter results on August 11, 2020 after market close.*
- A conference call and webcast will be scheduled to begin promptly at 10:00 a.m. Eastern time on August 12, 2020. Details relating to that conference call and webcast will be sent out by news release approximately two weeks in advance of that call.*