



**ENTERPRISE**  
**GROUP, INC.**

# Enterprise Group

Investor Presentation

MAY 2024

# Legal Notice

## Forward-Looking Statements

Certain statements in this presentation about our current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments constitute forward-looking statements. The words “may”, “will”, “would”, “should”, “could”, “expects”, “plans”, “intends”, “trends”, “indications”, “anticipates”, “believes”, “estimates”, “predicts”, “likely” or “potential” or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements. Forward-looking statements are based on estimates and assumptions made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate and reasonable in the circumstances, but there can be no assurance that such estimates and assumptions will prove to be correct. Certain assumptions in respect of the determination of the impairment of losses, claim liabilities, income taxes, employee future benefits, goodwill and intangibles are material factors made in preparing forward-looking information and management’s expectations.

Many factors could cause our actual results, level of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the following factors: (i) significant competition in the retail industry, (ii) changing consumer preferences and consumer spending, (iii) the prospect of unfavorable economic and political conditions, (iv) the seasonal nature of our business, (v) unseasonable weather conditions or natural disasters, (vi) our ability to continue to improve same store sales, (vii) our ability to retain our senior management team who possess specialized market knowledge, (viii) our dependence on our ability to attract and retain quality employees, (ix) maintaining good relations with employees that are not unionized as well as with our unions, (x) increased commodity prices, including for cotton, may affect our profitability, (xi) with a majority of our vendors we do not have a long term contract and therefore we cannot be assured of continued access to our brands that we offer (xii) our dependence on successful inventory management, (xiii) our dependence on our advertising and marketing programs, (xiv) a material disruption in our computer systems, (xv) our ability to comply with the covenants in our credit facilities, (xvi) breaches of privacy, (xvii) risk arising from regulation and litigation, (xviii) product liability claims and product recalls, (xix) fluctuations in the value of the Canadian dollar in relation to the U.S. dollar, (xx) loss of or disruption in our centralized distribution centers, (xxi) inability to protect our trademarks and other proprietary rights, (xxii) risks associated with the lease and ownership of real estate, (xxiii) our ability to profitably manage the portfolio of national and private label brands that we offer and that are preferred by consumers, (xxiv) the value of the brands we offer could diminish due to factors beyond our control, (xxv) our ability to maintain the brand value of our various retail banners, (xxvi) our ability to pay dividends is dependent on our ability to generate sufficient income, (xxvii) our principal shareholder will hold a material percentage of the common shares following the closing of the offering which may have an impact on the trading price of the common shares, (xxviii) our principal shareholder may sell its common shares at a time in the future and such timing will be beyond our control and may affect the trading price of the common shares, (xxix) no prior public market for our securities exists, (xxx) volatile market price for our common shares, and (xxxi) influence by our principal shareholder. While these factors are not intended to represent a complete list of the factors that could affect us, they should be considered carefully.

The purpose of the forward-looking statements is to provide the reader with a description of management’s expectations regarding the company’s financial performance and may not be appropriate for other purposes; readers should not place undue reliance on forward-looking statements made herein. Furthermore, unless otherwise stated, the forward-looking statements contained in this presentation are made as of the date of this presentation, and we have no intention and undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The forward-looking statements contained in this presentation are expressly qualified by this cautionary statement.

The Company uses International Financial Reporting Standards (“IFRS”). This presentation contains references to EBITDA and EBITDAS. These are not measures that have any standardized meaning prescribed by IFRS and are therefore referred to as non-IFRS measures. The non-IFRS measures used by the Company may not be comparable to a similar measure used by other companies. Management believes that in addition to net income, EBITDA and EBITDAS are useful supplemental measures, as they provide an indication of the results generated by the Company’s principal business activities prior to consideration of how those activities are financed or how the results are taxed. EBITDA is calculated as net income excluding depreciation, amortization, interest, and taxes. EBITDAS is calculated as net income excluding depreciation, amortization, interest, taxes and stock based compensation.

# BUSINESS OVERVIEW

Enterprise Group provides specialized equipment and services in the build out of infrastructure for energy, pipeline, and construction industries. Our customers are Canada's finest oil & gas producers

Strong presence across Western Canada with a concentration in Alberta and Northeastern British Columbia.



## By the Numbers

2023 Revenue = \$33.5M  
Up 25% from FY 2022

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2023 Net Income \$6.17M  
up 171% from FY 2022

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2023 Adj EBITDA \$13.3M  
up 63% from FY 2022

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2023 EPS of \$0.12  
vs \$0.05 for 2022

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2023 Cash Flow  
\$13.5M

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Over 2,500 Pieces of  
Specialized Equipment

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120 Employees

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Fleet Utilization ~85%

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2024 Q1 - Equity Raise: \$7 million @ \$0.85 Unit price

# KEY INVESTOR CONSIDERATIONS

- Leader in mobile site infrastructure to the Canadian Energy sector and possess the current advantage of sole provider of low emission site electrification systems.
- Remarkably profitable with substantial margins and rapid expansion trajectory.
- Provider to the most reputable and sizeable producer clients in the sector.
- Favorable trends in the energy market with avenues to venture into new markets, fostering considerable expansion organically and via acquisitions and mergers.
- Healthy balance sheet and liquidity facilitate the strategy for continued growth.
- Guided by a seasoned leadership team with a track record of effective strategic implementation, savvy downturn navigation, and a fervent dedication to enhancing value for investors.
  - History of significant insider buying & share buy backs
  - Management & insider ownership now exceeds 35% & growing
  - NCIB program: Approx 11.3 million share reduction since inception



# OPERATIONS OVERVIEW



*EVOLUTION POWER PROJECTS* is leading the industry by advancing the Natural Gas to Electricity methods of mobile power supply for our clients, achieving serious reductions in emissions, increasing safety and significant cost reductions.



Based in Fort St. John , BC, *WESTAR OILFIELD RENTALS* is a site infrastructure business that fulfills a multitude of equipment needs for a variety of top tier energy producers.



A pioneer in pipeline thermal expansion and superior expertise in heating, *ARTIC THERM INTERNATIONAL* provides advanced and patented flameless heaters that produce outputs of up to 3.3 million BTU and 15,000 CFM of airflow.



A full-service oilfield site infrastructure company, *HART OILFIELD RENTALS* provides both site services and custom equipment rentals to Alberta energy producers utilizing 20+ patented designs.

# SERVICE FOOTPRINT

Locations by Operations

## LOCATION MAP LEGEND



ST. ALBERT



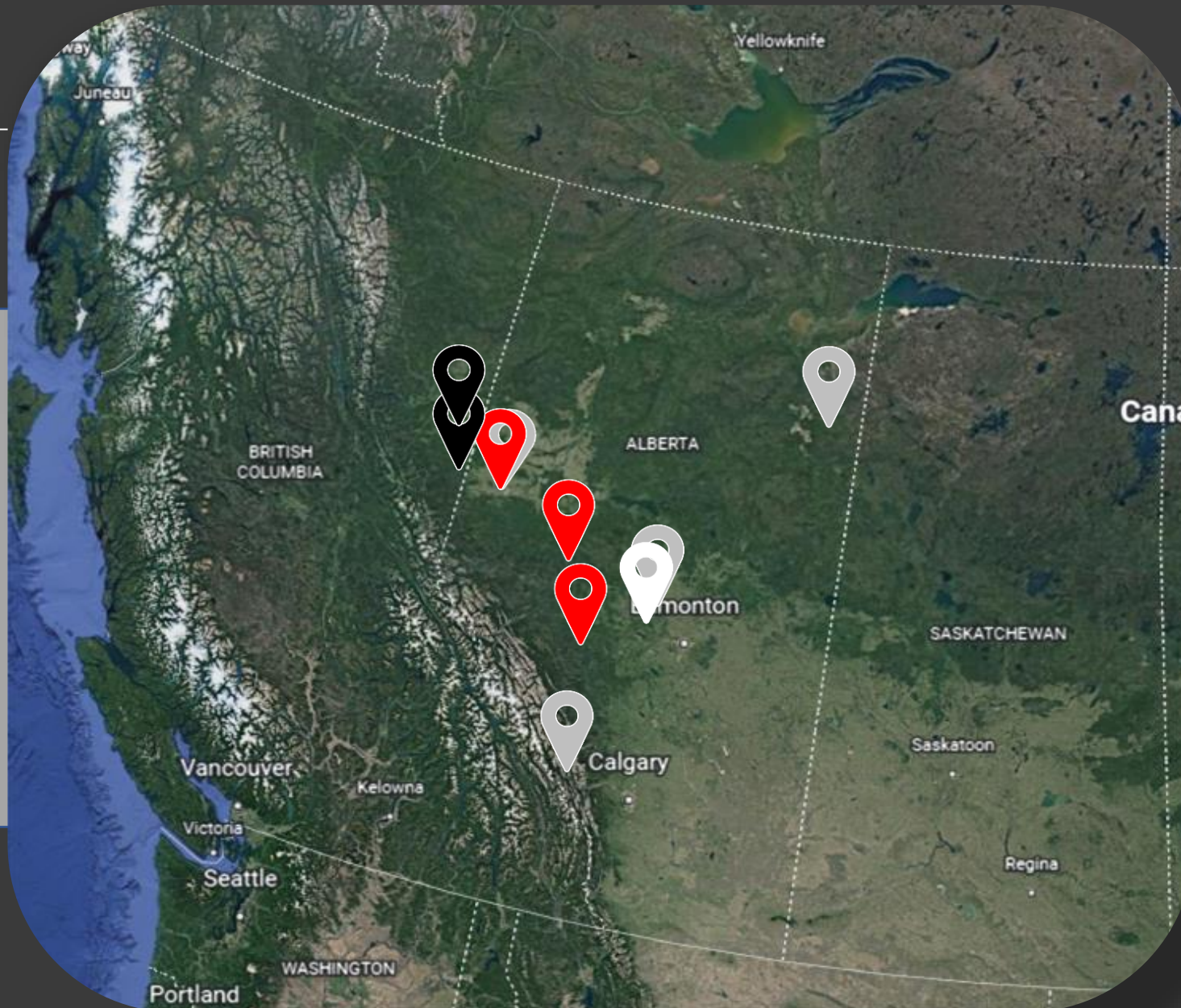
MORINVILLE, CALGARY, GRANDE PRAIRIE & FORT MCMURRAY



DRAYTON VALLEY, WHITECOURT & GRANDE PRAIRIE



FORT ST. JOHN & POUCE COUPE, BC.



# A CLIENT LIST OF INDUSTRY LEADERS

Enterprise serves a diverse group of customers  
Across multiple industries



# EVOLUTION POWER PROJECTS

Established: 2022 (previously WESTAR Power Div)

- Leading the way by advancing the Natural Gas to Electricity methods of mobile power supply for our clients. Furthering their ESG goals and assisting clients to meet new Federal and Provincial legislative targets by a serious reduction in emissions.



- Our Natural Gas to Electricity methods substitute 10 to 20 diesel generators per facility. This reduces daily diesel consumption by thousands of liters and significantly lowers the ambient noise at the site.
- Eliminating diesel fuel handling completely, is not only an environmental benefit, but also a safety advantage.



## INNOVATION DELIVERED THROUGH EXPERIENCE



- EVOLUTION POWER is reinventing the way mobile power is provided on site, in the interest of developing efficiencies, streamlining rental management, supporting critical services and promoting natural gas alternatives.
- Implementing change demands dedication, passion, innovative equipment and knowledge. With years of collective history and experience servicing the industry, we are poised to take care of all our client's site rental needs.
- EVOLUTION POWER is the leading natural gas power solutions provider making every step of site planning easy, from start to finish.
- EVOLUTION's extensive fleet of rental equipment ties seamlessly into the natural gas electrification grid, optimizing power usage and reducing fuel costs drastically. The benefits of a full-service rental provider are broad in scope and translates immediately to drastic cost savings.



## INTRODUCING AN ELECTRIFICATION GRID SYSTEM



One central natural gas turbine generator to power the entire site. The natural gas generator can work with source gas or a third-party provider and tank. A secondary 'back-up generator' (paired to demand) sits in place, should gas quality fluctuate or to cover during scheduled maintenance. (Scalability with micro turbines)



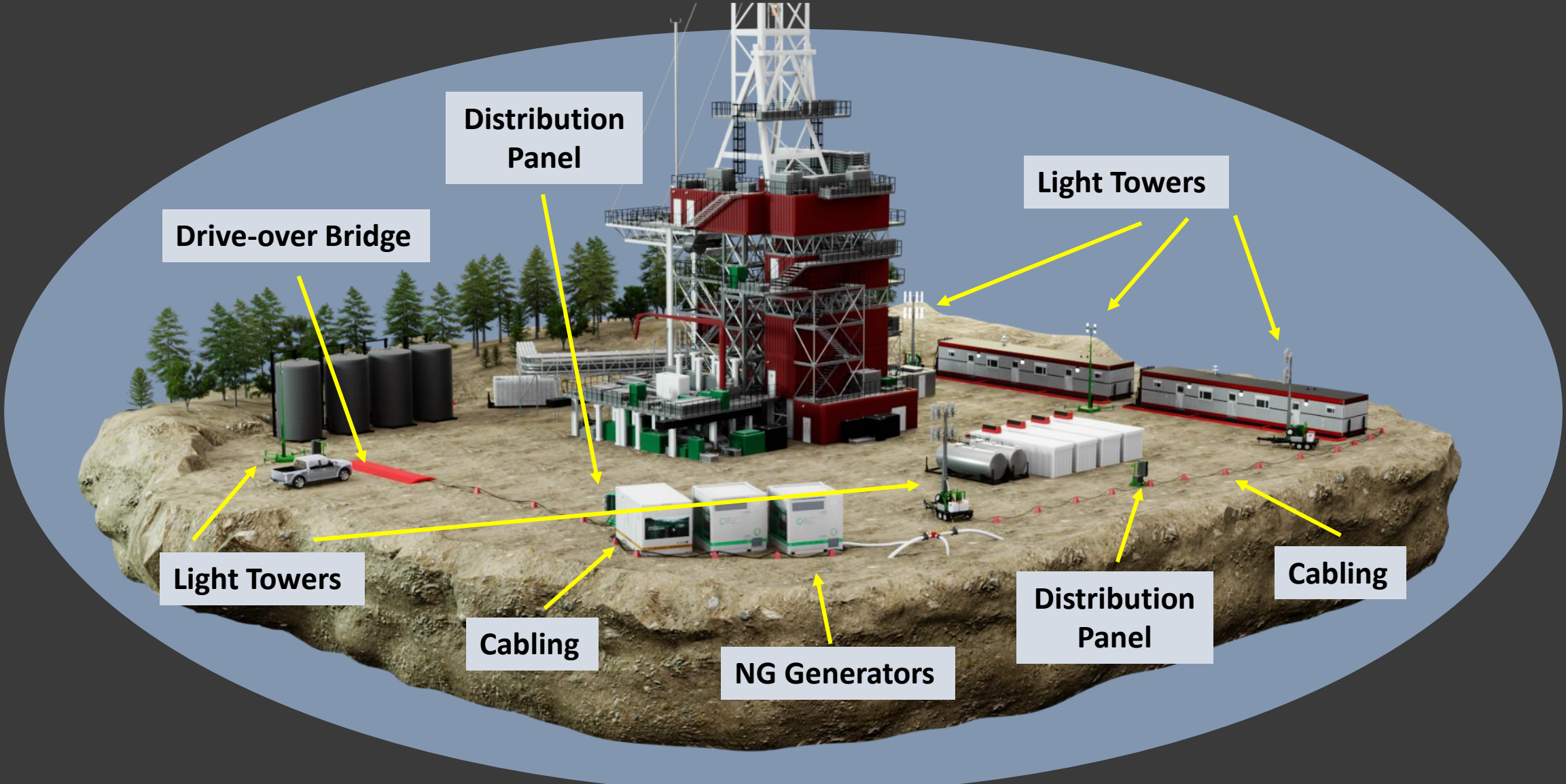
Evolution offers a comprehensive fleet of associated site infrastructure such as a full array of lighting solutions all which connect directly to the grid including Stadium towers, 20kW towers and standalone LED towers which are easy to maneuver, transport and reposition.



Micro grid cables positioned safely and strategically around the perimeter, connecting panels to main power supply.



Distribution panels positioned strategically to supply access where needed.  
Twist lock receptacles make connections simple and safe.



# BENEFITS TO THE TRANSITION FROM DIESEL TO NATURAL GAS

## Significant Cost Savings

Lower Fuel Consumption

Increased Site Efficiency

Remote Monitoring and Start/Stop

## Spill Risk Elimination

Fewer Engines on Site

One Central Fuel Connection

Eliminates Re-fuelling of multiple engines

## Reduced Downtime and Increased Reliability

Performance Monitoring and Maintenance Planning

Virtually Zero Downtime with Turbines

Consistent, Flawless power In all weather  
High Fuel Tolerance/ Versatility

## Eliminated Fuel Deliveries

Decreased Road Traffic

Reduced Traffic On site

Uninterrupted Power Supply

## Lower Emission Profiles

\*30% Less Carbon Dioxide, \*90% Less Carbon Monoxide

\*95% Less Nitrogen Dioxide, \*90% Less Particulate Matter

\*99% Less Sulfur Dioxide, \*89% Less Volatile Organic Compounds

## Increased Safety

Decreased Road Traffic/Diesel Exposure

Drastic Noise reduction results In Improved operations and communication quality on site

Simplified Access to Power

\*than Diesel Fuel Alternative



Acquired: October 2014

- Highly regarded full-service oilfield site infrastructure business that fulfills multiple equipment rental needs for a variety of energy producing customers.
- Specializing in Natural Gas and Diesel fired power generation.
- Established Enterprise Group in Fort St. John, BC, a critical area in the development of Western Canada's LNG industry and Site C Hydro Electric Dam project.





Acquired: September 2012

- The Pioneer of Pipeline Thermal Expansion
- Uses portable equipment and proprietary technology to provide efficient 'Flameless Heat' and breathable air in remote locations that present extreme climate challenges.
  - Outputs of 500,000 BTU to 3.3 million BTU
  - Blower technology provides up to 15,000 CFM
  - Specializing in Natural Gas or Diesel fired flameless heat





Acquired: January 2014

- Hart is a full service 'one-stop' oilfield site infrastructure provider to Tier One E&P clients.
- Specializing in Natural Gas and Diesel fired power generation.
- Conventional and modular/combo rental equipment fleet designed to provide on-site infrastructure in support of horizontal drilling and completion operations.
- Hart designs, manufactures, and assembles its own modular and combo equipment, providing a unique competitive advantage.
  - 20+ design patents
- Three strategically located centres in the WCSB



# ESG VISION

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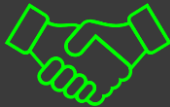
Enterprise provides services for some of the largest oil and natural gas companies in the world. We will make our highest ESG impact by assisting our customers to meet their climate goals through offering best-in-class and efficient equipment, micro power grids and more efficient power alternatives such as natural gas.

## Enterprise's key areas to support ESG performance



### Environment

We aim to consciously reduce emissions, waste, overall impact of the assets we deploy and the places we work. We will markedly reduce our customers' emissions with the best, most efficient, well-maintained equipment and facilitate the use of alternative fuels with Evolution Power Projects.



### Social

We aim to bring out the best in colleagues by establishing and maintaining a work environment that promotes positive well-being and healthy lifestyle choices. We aim to grow our organization so we can provide meaningful social rewards to the communities we work in. As we grow, we will add more jobs, more locations, more partnerships, and increase social benefits to the communities where our operations are located.



### Health & Safety

We aim to maintain the highest safety standards amongst companies in our industry. We will continue to monitor and measure our safety metrics and create healthy work environments that keep our people and our customers' people safe.

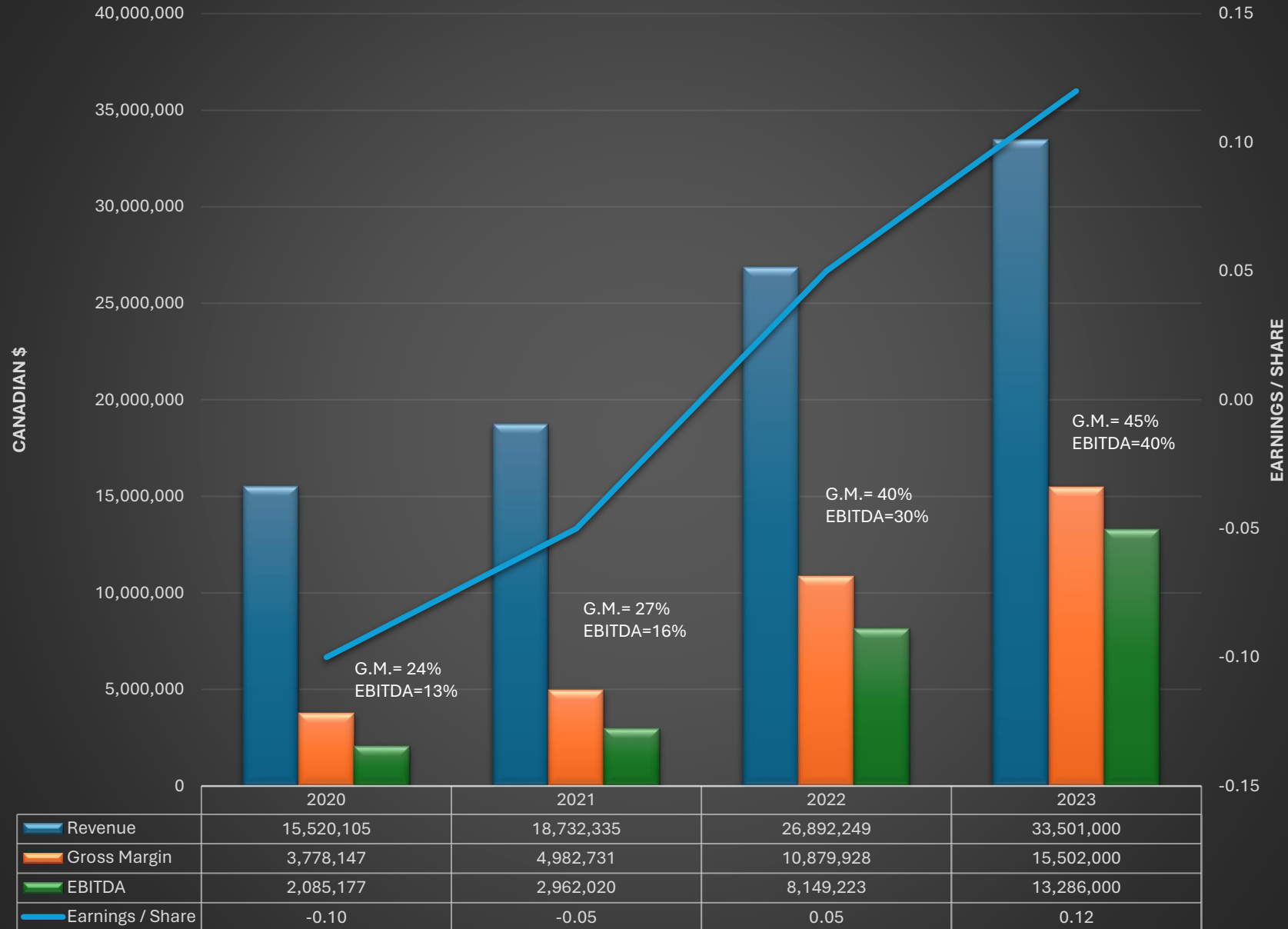


### Governance

We aim for effective governance that will keep us accountable for our ESG vision and missions. The Company's independent Board of Directors is responsible for the supervision of management and the overall stewardship, risk management, strategic direction, and governance of Enterprise.



## Financial Performance



# FINANCIAL SNAPSHOT

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Share & Price Data as of <May 6, 2024, CAD\$  
Financial Data as of December 31, 2023, CAD\$

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52-Week Share Price Range

**\$0.39 - \$1.30**

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Market Capitalization

**\$76.7 Million**

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Total Net Equity (@ Q4 2023)

**\$47.3 Million**

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Total Adjusted Net Equity<sup>(1)</sup>

**\$69.6 Million**

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Shares Outstanding

**58.3 Million**

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EV – (Current est.)

**\$98.5 Million**

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NBV Per Share (@ Q4 2023)

**\$0.82**

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NBV Adjusted Per Share<sup>(1)</sup>

**\$1.20**

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Shares Fully Diluted

**67.9 Million**

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Cash Position – (Current est.)

**~\$10.0 Million**

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Insider Ownership

**>35%**

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<sup>(1)</sup> Total adjusted net equity is calculated as the Company's net equity as of Dec 31, 2023, plus the difference between carrying values of appraised assets on Dec 31, 2023, and the Fair Market Value of the appraised assets as of the Company's most recent appraisal; and also calculated with the new shares issued on March 12, 2024.

# GROWTH STRATEGY

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## **Growth within the Canadian Energy industry include:**

- Continuing adoption from O&G Producers yet to make the diesel to NG transition
- Existing customers increasing their remote power needs
- Supporting additional operations such as, electric fracking, water transfer operations, camps, etc.

## **Growth from adjacent industries, include:**

- Mining industry, both at the build stage and operations
- Off grid, or away from grid construction projects
- Temporary or emergency power response

## **Growth from regions not yet established, (Enterprise Group's current locations are primarily N.E. British Columbia and Alberta)**

- Expansion regionally to valuable markets across Canada

## **Growth through mergers & acquisitions, (Enterprise Group has had a successful track record of acquisitions over the last 20 years)**

- Acquisition of businesses complementary to the Company's current equipment asset offerings
- Acquisition of businesses outside the Company's regional service areas





## Identification

- Profitable private businesses within our existing industries and geographies.
- Strong operational and financial track records serving high quality clients.



## Evaluation

- Target cannot take advantage of growth opportunities due to capital restrictions.
- Can we realize an attractive transaction price?



## Integration

- Utilize incentives to retain key executives.
- Identify and implement synergies with existing business units
- Deploy capital to fuel growth



## Growth

- Leverage relationships and operational expertise.
- Grow revenue, EBITDA, and opportunities

# DISPOSITION HISTORY



Enterprise acquired TC Infrastructure in 2007 for \$12 million or a 2.0 multiple of trailing EBITDA. The Company divested TC in 2016 for \$20 million. Over the course of ownership, TC cumulated \$27 million in EBITDA for Enterprise Group.



Enterprise acquired CT Underground in 2013 for \$12 million or a 2.1 multiple of trailing EBITDA. The Company divested CT in 2018 for \$20.6 million. Over the course of ownership, CT cumulated \$18.4 million in EBITDA for Enterprise Group.

## IN SUMMARY

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- Achieved a leadership position in its industry segment
- Boasting significant profitability with substantial margins, resulting in robust cash flow
- The Canadian energy landscape is experiencing rapid expansion, with investments in LNG serving as a significant driver of growth
- Escalating demand for equipment, skilled labor, and expertise has improved pricing
- A robust balance sheet and healthy cash flow underpin our current expansion strategy
- Guided by a seasoned and deeply dedicated management team

# EXECUTIVE TEAM

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## **LEONARD D. JAROSZUK – PRESIDENT & CEO and CHAIRMAN**

- Over three decades of experience managing public companies, engaged in real estate, construction, natural resources, and exploration.
  - Serves as Director of several companies in both the manufacturing and resource industries.
  - Co-Founder of Enterprise Group
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## **DESMOND O’KELL – SENIOR VP & CORP SECRETARY and DIRECTOR**

- Over 30 years of business build-out, finance and executive operations experience.
  - Integral member of Enterprise team since its inception.
  - Co-Founder of Enterprise Group
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## **WARREN CABRAL – CHIEF FINANCIAL OFFICER**

- Over 30 years of financial experience.
- Former CFO for AIMCO, managing global investments for pensions, endowments, and governmental funds in Alberta

# DIRECTORS

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## **JOHN PINSENT – FCPA, FCA, ICD.D - DIRECTOR**

- Founding partner with St. Arnaud Pinsent Steman Chartered Professional Accountants.
- In 2013, Mr. Pinsent was awarded the I.C.A.A. fellowship status joining a select group of FCAs and he has also earned an ICD.D designation.

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## **JOHN CAMPBELL – CPA, CA, CFA, CPA (Illinois) - DIRECTOR**

- Possesses more than 30 years of experience in the investment management industry.
- Currently serves as Chairman of the Board and Chair of the Investment Review Committee of Tri-View Capital, a Canadian Investment firm specializing in private investments.

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## **NEIL DARLING – DIRECTOR**

- President and founder of Ramdar Resource Management, a wellsite management service company, since 1994.
- Highly skilled professional with over thirty-five years of project management, design and operations experience - both domestic and international. Experience includes design, drilling and completions of deep wells to 6000m.
- Neil's experience includes instruction at the Southern Alberta Institute of Technology (S.A.I.T.), as well as preparation and presentation of curriculum for domestic and international technical institutions.



## CONTACT Us.

Enterprise: Complementing the building out of  
Infrastructure for Energy and General Construction

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